Athy Golf Club: Recovering from a Dwindling Membership

Athy Golf Club is a friendly parkland course located in rural South Kildare, Ireland. It has a sand-based course, which can be used throughout the golfing year.

A few years ago, the Club found itself facing a problem being experienced by many golf clubs today: an ageing and dwindling membership.

The Issue:
Membership was falling across all levels of players at Athy Golf Club, largely due to the decline in the economy and in people’s disposable income. This reflected a general fall in golf club membership in many clubs outside of the Greater Dublin area.

Additionally, the age profile of Athy’s members was increasing and many members were approaching the age at which they qualified for a lower subscription. As a result, the financial burden of sustaining the Club was becoming reliant on a decreasing number of people.

Many members were expressing the view that the Club’s subscription fees were too high for both current and potential members. However without attracting new members, the cost of operating the Club to the expected standards would become too great.

The Solution:
The Club set out to develop a programme of initiatives that would attract new members and offer additional benefits for existing members. Additionally, it decided to target lapsed members, including those who were still playing golf as members of a “distance club”. Two specific schemes were developed and approved by the Management Committee.

The main initiative was the development of a new subscription structure. In 2014, the annual subscription was €800. Under the new structure, the membership fee for new members was set at €500 for those joining between August 2014 and December 2015. Existing members were also rewarded: for each new member they introduced to the Club, they received a 37.5% reduction on their next annual subscription. From January 2016, all subscriptions would revert to the full subscription. The Club has also reduced the entry fees for club competitions.

Additionally, the Club joined the digital age and adopted social media – in particular Facebook and Twitter – as a means to raise the profile of Athy Golf Club.

At a Glance ...

- Overall membership was falling at Athy Golf Club, and many members were approaching the age at which they qualified for a lower subscription.
- To attract new members and ease the financial burdens, the Club developed a new subscription structure.
- A reduced membership fee was set for new members, and existing members were offered a discount for introducing a new member.
- Ninety-five new members joined in the first seven months, mostly introduced by existing members.
- Additional increased revenue has resulted from competition fees and clubhouse spend.
The Challenges and Benefits
The Club reported a handful of challenges in implementing the new membership initiatives. The most significant was initial opposition from some existing members who had previously paid entry fees to the Club. However, once the members became aware of the incentive available to them, they came on board and actively sought out new entrants. Indeed, the introduction of new members by existing ones has been the main source of the new recruits. Secondly, the Club encountered a few small constitutional issues which were easily overcome.

The Club anticipated spin-off benefits, and has not been disappointed. All of the new members are active golfers and the Club has enjoyed increased revenue from competition fees, even at the reduced rates. Increased revenue has also been generated in the clubhouse, where new and existing members alike enjoy the restaurant and bar facilities.

Impacts:
The membership drive has been a huge success. Between August 2014 and February 2015, ninety-five new members have joined Athy Golf Club, an achievement believed to be a direct impact of the new subscription structure.

The growing membership and financial security resulting from this initiative has enabled the Club to reduce the overall subscription to €750 in 2015. The Club hopes that this will be reduced further still in 2016.

Overall, it was estimated that each new playing member would spend approximately €1000 in the Club each year. Athy is monitoring the increase in revenue from subscriptions and clubhouse spend and is confident that this expectation is being fulfilled.

Next Steps:
The initiative is ongoing and will continue until the end of 2015. There are future plans for developing the Society traffic at the club. This will involve the development of a loyalty system for repeat business.

Tips & Advice:
Athy’s Captain (2014) emphasises that the lifeblood of golf clubs is their membership. Now that the financial climate is improving, he advises other clubs to look to the people who were previously members of golf clubs but terminated their membership for one reason or another. This is the group that may be enticed to return, if offered the right incentives.

“Athy Golf Club urges other clubs to look to the people who have recently terminated their membership: find the right incentive and they may return.”

The former Captain also reminds other clubs not to overlook potential revenue streams other than subscriptions. As Athy Golf Club has learned, money spent by new members in the bar and restaurant, in the Pro shop and on competition fees is a significant source of increased income.

A final word from Athy Golf Club:
Athy Golf Club has successfully turned its membership decline around and is again a thriving Club, able to look ahead to a positive future. The Club’s Captain (2014) summed up his experience of the new membership structure in one simple word: “excellent!”

Based on surveys and follow up interviews, the UK and Ireland’s Golf Home Unions have identified and showcased examples of “what works” in golf club management in a series of case studies. The focus has been on clubs that have been successful in achieving more players, more members and stronger clubs. The intention is to share information and guidance on effective practices in business planning, customer service, membership, and women’s and girls’ golf. For further information about this and other case studies and for further support, please go to www.golfcasestudies.businesscatalyst.com.