

The Private Club Advisor™

A PUBLICATION FOR THE DIRECTORS, OFFICERS, OWNERS, AND MANAGERS OF PRIVATE CLUBS

• CLUB LEADERS BULLISH ON THE INDUSTRY •

March 2021

A recent issue of *Club Trends*, a joint publication by The McMahon Group and the National Club Association, shared the results of a winter 2020 survey where 325 club leaders, mostly from golf and country clubs, addressed the challenges and opportunities clubs faced during the winter.

Fifty-seven percent of respondents stated they were providing virtual events and programming to members at that time. Ninety percent of those stated they planned to continue virtual events and programming in the post-COVID future. Specifically 37 percent said virtual committee meetings would continue and 34 percent said virtual board meetings. Additionally 26 percent said cooking classes, 23 percent said speaker series and 21 percent said live streaming of club events and fitness classes would continue post-COVID-19.

As it pertains to the financial position of clubs at the time, 70 percent had a very or somewhat strong financial position for maintaining revenues and 72 percent had a very or somewhat strong financial position relative to reserving for capital improvements.

When asked to look to the post-COVID-19 future, 66 percent of respondents reported high or moderate confidence in food and beverage revenues returning to pre-pandemic levels. Twenty-five percent were slightly confident in food and beverage returns. Eighty-six percent were highly or moderately confident in their club's ability to improve facilities in the post-COVID-19 future.

When asked about their future staffing model, 32 percent of golf and country clubs reported they will operate with a smaller full-time staff in the post-COVID-19 future, while 70 percent of city club respondents agreed to the smaller full-time staffing model.

As it pertains to facilities, 76 percent reported they would be planning a capital improvement project in 2021 and 45 percent reported those improvements would be within the clubhouse. Thirty-five percent planned to make improvements to the golf course and 23 percent were improving technology. Seventy-two percent reported the current environment presented a favorable or very favorable time for undertaking facility improvement projects. Club leaders stated that membership support was the most important factor driving facility improvement projects, followed closely by board leadership.

Ninety-four percent indicated with tax regulations and legal guidelines permitting, they would like to continue offering to-go dining to members. Fifty-one percent of club leaders were exploring new dining concepts.

As for membership, 79 percent of respondents expected member attrition will be normal, somewhat better than normal or much better than normal throughout the winter. Only two percent reported their current initiation fees were less than fees in 2019. Sixty-six percent reported no change and 32 percent said initiation fees were up slightly or significantly over 2019.

• THE WAY AHEAD FOR CITY CLUBS •

In a recent webinar hosted by the Club Leadership Alliance, industry experts shared insight and recommendations for the future of city clubs that have unfortunately taken the brunt of the pandemic. As city clubs recover from the