

How to Recreate the Country and City Club Lifestyle

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Although many private golf and country clubs turned a corner in 2016 and began to attract more members, overall membership and revenue have still not recovered the ground they lost since the onset of the Great Recession. The economic downturn accelerated demographic and lifestyle factors that were already impacting clubs.

Yet the private club as we know it is not dead — far from it. But to survive, it needs to evolve to attract new members and establish a distinct value proposition in today's busy marketplace.

Let's start with some of the good news. The U.S. economy is showing renewed signs of strength. Consumer confidence is up, the major stock indices are at record highs, and unemployment continues to fall. It's hard to predict anything in Washington with much certainty these days, but both Congress and the White House would like to pass some tax cuts for upper-income Americans. All of this means target customers have more money to spend.

But the process of transformation is an uphill climb. Overall membership at both city and country clubs has been stagnant or declining for years. Revenue is still down 20 percent at country clubs and 15 percent at city clubs since the heyday of 2007.

Looking ahead, it would be too easy to solely rely on an improving economy to keep clubs healthy. Just because target customers have more money to spend doesn't mean they'll spend it at a club — they need compelling reasons to do so.

Time is precious and customers have more entertainment options than before. Clubs once attracted members by targeting male breadwinners with a great golf course, a fancy dining room, and the promise of elevated social status. Some employers even subsidized memberships.

But no more. Today's clubs need a more holistic approach that appeals to entire families — men and women, working or stay-home parents, and children of all ages. And with millennials starting families later than ever, clubs must cater to single people too, especially in city clubs.

Today's luxury consumer expects customized experiences, and they want something distinctive and innovative. The social status of being in a club is not enough to win them over. They need tangible reasons to join, along with services and activities they can't get anywhere else.

Clubs also must recognize that people socialize much differently than they did in previous decades. And today's consumer is likely to crave a more casual atmosphere. They want more than a stuffy dining room with tuxedo-clad waiters. It's true that older members might still prefer more elegant trappings, but clubs can be traditional without being entirely tradition-bound.

So what does all this mean for clubs moving forward? To start, health and wellness offerings are key. As we've said, a golf course isn't enough. (And that's true even for golf enthusiasts, who may not have time to play 18 holes every weekend but want a quality practice facility which may be more than just a driving range or putting green.)

A weight room with cardio equipment is great too, but isn't sufficient. Clubs need a great pool too, and should address multiple fitness needs for all ages and fitness levels. That means group exercise classes, personal trainers, and nutrition counseling — anything that gives members a specific reason to come to the club.

Food remains a central attraction. Some members may still like the formal dining room experience, but for others it's a non-starter. They expect a great grill and perhaps a sports pub. And they demand fast, food-on-the-run options. A passionate chef offering a unique experience can pay huge dividends. And to accommodate the tastes of today's diverse eaters, menu offerings should be flexible.

The best route to win new members is to overwhelm them with options. A family of four will expect distinct activities for the golf-loving father, the mother who loves to swim, the toddler who loves to paint, and the teenager training for the next sports season. Every day, club personnel should strive to target people of different ages and different interests.

The private club has an exciting future. But to keep up, it must recognize the changing lifestyles of target consumers and the vast competition for their time and money, giving them things to do and reasons to join. To steal a line we all know well, "If you build it, they will come." At least we can hope so!