

# The future of membership marketing

Private clubs are using the latest technologies to find new members

BY MIKE STETZ

At long last, it happened: Amarillo Country Club turned to professionals to attract new members. The club was founded in 1919, the same year Babe Ruth was tearing up the Majors for the Red Sox, and had always relied on word-of-mouth.

But the Texas Panhandle course had little choice. Three years ago, it embarked on a major course and clubhouse renovation and had to charge a \$10,000 assessment fee. About 150 of the 500 members left, unwilling to pay it. The hit was bigger than expected.

“It was the first time we went to an outside source,” said General Manager Dennis Crowell. “We felt it was a good thing to do.”

Many private clubs face similar struggles. It’s the new normal. Golf is not as popular as it once was, and private clubs’ core demographic is aging. Getting new members is paramount. However, they can be had.

Look at Amarillo.

The club turned to Steve Graves, who runs Creative Golf Marketing, based in Manhattan, Kan. He’s among a number of experts who are using new tools and marketing concepts to boost sagging memberships.

In the first year of its membership campaign, he helped Amarillo attract 100 new members. This year, it has added another 30.

“We had concerns,” Crowell, said of the club’s viability. “Those concerns have been lessened.”

Graves doesn’t point to a resurgent economy as the reason some clubs have



the ability to attract new members. He instead believes clubs have gotten smarter and more tactical in their approaches. Before, in times of distress, they attacked expenses, he said. That led to a decay in the golf course and key services, which led to more lost members.

“They were cannibalizing themselves,” Graves said.

Indeed, hundreds of private clubs have been forced to close or open to public play in recent years. Clubs that once had waiting lists needed to woo new members. And, not too surprisingly, they didn’t have

a clue as to how to do the wooing.

“It still remains an enormous problem,” Graves said.

Just look at recent news accounts and it’s easy to see the trend — and frustration.

The Gem City Golf Club near Dayton, Ohio, was forced to shutter last year.

“This is a tough market,” Zachery Fink, who ran the operation, told the Dayton Daily News. “We just didn’t have enough members or rounds of golf being played.”

Minnetonka Country Club was to have celebrated its 100th anniversary next year. It won’t. The Shorewood, Minn.

club abruptly closed at the end of last year. It will soon be replaced by a housing development.

“I don’t even play golf, but it’s the fact that we’re putting a price tag on something almost 100 years old – you hate to see something like that go away,” nearby resident Megan Junker told the Sun Sailor newspaper.

Graves has been approached by courses that, in his estimation, can’t be saved. They’ve gutted themselves. They didn’t just shoot themselves in the foot, he said. “They’ve shot their leg off.”

So, first and foremost, he determines if a club can make it.

“Many clubs are in denial. They can’t believe this is happening,” he said.

Clubs that have focused on enhancing the club experience — such as Amarillo with its renovated course — are in positions to bring in new members, he said. Who wants

to join a club that appears to be dying? Additionally, prospective members are much more savvy today, he said. They want to know the health of the club, so they don’t get stuck with a losing proposition.

Finding members is next up on Graves list. He believes the best way to do so is for current members to attract like-minded friends. But how? The days of having members seek new members via word-of-mouth are over, he said. Members don’t like to be put in that position.

“People hate to sell or be sold to,” he said.

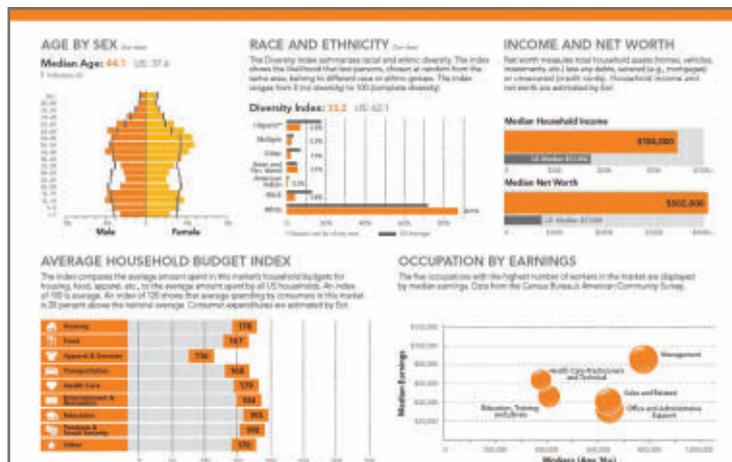
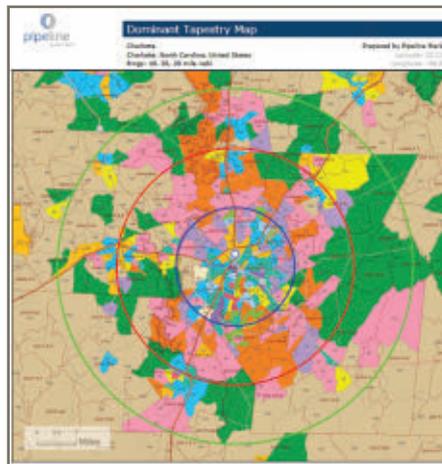
Instead, Graves calls his pitch an invitation, not a sell. And members can simply forward it to their friends and acquaintances via email. The email contains branding collateral that includes links to the website and links to the club’s offerings, such as women’s and family activities. The message is tailored for the club and may offer a number of membership options.

It’s much more effective than direct

mailings, Graves said. He can even tell who opened the invite and scanned through it. And that can lead to membership sales leads.

“We have all the analytics,” he said.

Promotion is also important. You’re



**PIPELINE MARKETING GROUP digs deep, using statistical data and other high-tech methods to find potential club members.**

not inviting a person to a golf course, he said. You’re inviting them to take part in a unique and fulfilling experience. This type of interaction resonates.

“In this impersonal world, an invitation means more than ever,” he said.

Heidi Voss, president of Bauer Voss Consulting, also uses email to target prospective members. The Galena, Ohio-based firm uses the services of belongMAIL, which creates emails specifically for the club and golf industries.

Like Graves, she’s able to track who opens the email and scans through it. Timing is vital, she said. Sending it late on a Friday afternoon could backfire, because people don’t normally go through email at that time. She shoots for a time between 10 a.m. and 2 p.m. But she has to be careful, because some of her clubs recruit nationally and time zones are an issue.

Club members come up with the referrals, she said. They are more apt to do so if there’s a reward system in place. For instance, if a member comes up with several successful referrals, he or she gets discounts for food and beverages or playing time.

“The discounts get bigger and bigger,” she said, as the club members bring in more referrals.

Getting new members to take part is important. There’s an 80 percent likelihood of a new member joining if referred by a member who’s been at the club less than six months, she said.

She works with clubs with initiation fees from \$8,500 to a \$500,000, and the techniques work for both, she said. The one trend she’s seen is clubs

steering away from corporate stuffiness to more family-oriented atmospheres.

Other firms are also using new technology to entice members to clubs. Some are using social media as a key component. Pipeline Marketing Group in Redondo Beach, Calif., uses Google, Facebook and LinkedIn to reach target audiences for clubs.

It is called online lead generation and it is quite sophisticated.

“We’re embracing a whole new way to market clubs,” said Michael Phelps, the

## Private Clubs

CEO of the firm.

Here's how it works: The firm uses statistics from a variety of sources, such as the U.S. Census Bureau, to identify a specific market. The marketers are looking for affluence and an understanding of buying habits. Do the people like to vacation in the Caribbean, for instance?

Do they use the Discover card?

They also look at Internet searches, looking for those who went to golf sites, such as the Golf Channel. By doing this, Pipeline can then post branding collaterals of their club clients on these home pages via display ads. When a person does a Google search, it'll be there. This allows

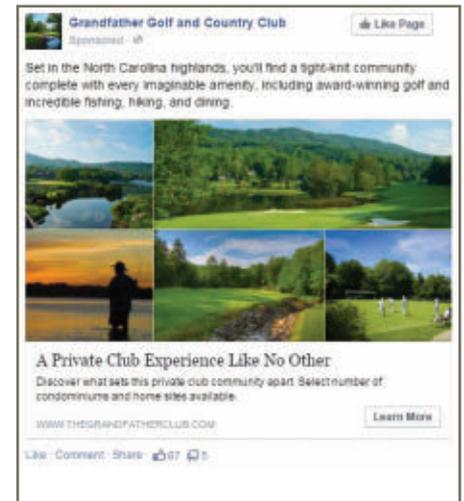
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for people to click on the displays to learn more about the clubs.

"It's very simple and clean," said Shannon Herschbach, president of Pipeline.

Chip Misch, general manager of The Loxahatchee Club, located just north of Palm Beach in Juniper, Fla., wanted to broaden his club's marketing approach, so he turned to Pipeline. It has helped generate 200 solid leads in a six-month stretch, he said.

For prospective members, seeking memberships can be a long, involved process, akin to looking for a college for your child, he said. So it helps to have this kind of approach — one that introduces the club in a laid-back, convenient style.

The club also does other types of marketing, things such as holding cocktail parties for invited guests.

His club, located among some of the finest in Florida, looks for members throughout the Northeast and as far north as Toronto, he said. This marketing campaign seeks out like-minded individuals. He's amazed at its reach.

He was told by one prospective member that he was on The Washington Post newspaper website when a display ad for the course appeared.

"How did that happen," he was asked.

Big surprise: It was no accident.

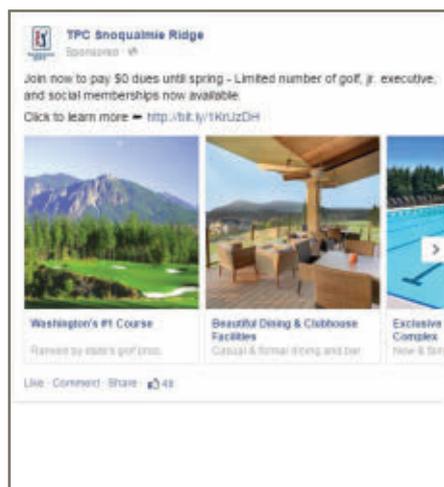
One of the advantages of Pipeline's

approach is that a person likely won't even know the club is marketing directly to them, Herschbach noted. Some private clubs don't want to tarnish their image of exclusivity, she said. They also don't want the competition to think they may be suffering.

And some clubs are indeed in dire straits.

"We are helping some clubs that are fighting to keep the lights on," she said. (That is not the case with The Loxahatchee Club, mind you. Yearly, it's ranked as one of the nation's leading private clubs.)

Pipeline is nothing if not cutting edge. It takes advantage of a Facebook marketing tool called Lookalike. With that, Pipeline can use the Facebook pages of club members to find a broader range of people with similar likes and hobbies



— thousands of them. With that, Pipeline can place a display ad on those people's Facebook pages.

"It's unbelievable technology," Phelps

said.

Pipeline can create a campaign to the club's liking. If a club wants to highlight family amenities, it can create collaterals to showcase that. If those display ads aren't getting attention, Pipeline can shift the messaging.

If a club has a sales staff, the information Pipeline gleans is invaluable, Herschbach said. This gives them strong leads to pursue.

"This is the new future of club marketing," she said. "There's not a message we can't get out."



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