

Back To The Basics

“In times of life crisis, whether wild fires or smoldering stress, the first thing I do is go back to basics.” – Edward Albert

When your numbers are going down or are stagnant and you are not sure what to do next, the best remedy is to go “back to the basics!” Concentrate on the key components that drive membership - X and Y, which gets you to **Z – the desired number of new members.**

X represents the number of new prospects identified. Y is the number of tours conducted, and Z is the number of new members you admit into your club.

It takes X number of prospects to generate Y number of tours to realize Z number of new members. For example, out of 20 new prospects (X), you may generate five (Y) tours (25 percent) and sign one (Z) new member (20 percent), which results in a five percent rate of converting prospects into members.

Are you tracking these numbers (your conversion rate) each week/month using effective CRM (customer relationship management) software? A number of applications are geared specifically to private club membership marketing. Diligently using this software prevents prospective members from being “lost in the cracks,” keeps you on point for timely and effective follow up, and provides relevant reports.

You can use the technology to track your prospects through the entire sales process, generate your close ratios and evaluate your most effective activities. You can easily keep score of both effort and results. Doing this allows you to know where to concentrate or change your efforts.

If your X (new prospects generated) is going down, or not rising fast enough, why not? Are you receiving fewer referrals from your members? Are your members “raving fans?”

When was the last time you measured the members’ evaluation of the overall member experience in your club (annual/mini member surveys)? Going too long without knowing how your members feel about their club can prevent you from being aware of deleterious changes in the members’ perception of the price/value relationship, which translates into fewer referrals.

Are you using social media effectively (not only for marketing to new members, but also in communicating with current members)? Everywhere we hear, “We need new younger members” and those younger members communicate primarily on social media.

Do you have a weekly prospect development plan – and, again, with the right software, measure your efforts weekly? Here is an example of PCA’s weekly effort quotas:

1. New prospects contacted and added to prospect file
2. Follow-up calls/conversations /trial closers
3. New membership applications received this week
4. Sales closing ratio
5. This week I spent approximately ____ % of my time selling
6. Networking functions/community events attended
7. Member calls and visits
8. Corporate member calls and visits
9. New member enrollments/orientations
10. New member 30-day follow-up calls/ ask for referrals
11. New member application references checked
12. Guests contacted

Next let’s analyze Y. If you are giving abundant tours but not “closing the sale”, what is happening, or not happening? Are you losing market share to your competition? Are you conducting a competitive market analysis every six months?

Do you know where your competition is with pricing, programming, facilities, reputation, and membership flow? Are you analyzing the objections you hear? What can you do to overcome those objections in the short term? Are you studying sales and closing techniques? If you had an acceptable closing ratio and it has gone down, what has changed?

As soon as you correctly analyze the issues you will very quickly see your Z rise. **BR**



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