



**McMahon & Associates**  
Consultants for the Tennis Industry

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***Tennis Director Retained Search Services ♦ Operational Review & Strategic Planning ♦ Tennis Professional Compensation Planning & Review ♦ Performance Management & Career Development ♦ Professional Development & Training Workshops ♦ Tennis Facility Design, Construction and Renovation ♦ New Facility Business Planning & Review ♦ Marketing & Business Development ♦***

## **"Economic Stimulus"...*At the Tennis Courts. Stimulate spending and create a stronger value proposition for your tennis playing members.***

With the economy impacting how all club members, including tennis players, are measuring the value of where disposable income is spent more than ever, tennis directors need to revisit how they define "value" in their tennis program offerings.

***This is the second in a series of tennis department-focused articles written by award-winning tennis consultant Mark McMahon and published by CMAA in the "At Your Service" newsletter during 2009. In the article McMahon addresses the concept of stimulating spending and creating a strong value proposition for members through your tennis programming.***

Much has been written recently about steps government should take to stimulate the economy. When revenues slow, most of us immediately look to the expense side the ledger and make reductions in spending. While this represents a fiscally responsible action, I would also offer that it's just as important to *stimulate spending*. In times of economic uncertainty or slowdown, more than ever, private clubs are in competition for the discretionary spending of their members. In fact it is during just this type of challenging economic period when people (club members or not) look more closely than ever to validate the *value* of every dollar spent.

At a time when families are re-examining every expense, club management should exploit every opportunity to amplify the value of being a member at their club. Members of a private club typically have both a financial and emotional investment in their club so it normally takes a significant change in household finances to result in a membership being dropped (although we all know this is happening in many areas of the country). The question, at least for the moment, is how can your club encourage members to use their club and stimulate spending? Your tennis department can offer some answers...

I suggested that *cutting expenses* is but one of two steps a club can take in times of slowing revenues. Let's look at three needs or desires your members might have still have (even in the current economy) and then consider three specific tennis programs your club can offer which meet those needs / desires; can drive revenue *and deliver outstanding value* to your members.

- 1. Member Need? = Exercise  
Tennis Program Value Solution? = Cardio Tennis**

Tennis is a sport which delivers a good workout and the resulting positive health impact. No one would argue that exercise is an important lifestyle choice for most club members, no matter what the economic climate. If you've ever played an hour of doubles you have likely worked up a sweat, but it's unlikely that you have had to stop and catch your breath as you might after 20 minutes on the treadmill. The answer is a professionally delivered and exhilarating **Cardio Tennis program**. If you would like to see what's possible in a Cardio Tennis session, go to [www.cardiotennis.com](http://www.cardiotennis.com) and click on the box at the lower left hand side labeled "see the benefits of playing Cardio Tennis". The Tennis Industry Association has all of the training and materials your tennis staff will need to implement this exciting and energizing program...all at no cost to the club (making Cardio Tennis an even better value)

- a. **The Member Value Proposition** – A member can spend an hour on court with a teaching professional and friends, get a great workout and at the end feel good about herself, typically for \$10 or less! The pro / club adds valuable "on court revenue hours" to the existing court schedule and while no instruction is given during a cardio tennis session, the pro is building relationships with participating members which should help drive additional participation and revenue. To leverage some additional revenue for the club immediately, consider offering a low-fat continental breakfast, lunch or light dinner for Cardio Tennis participants after their session, or host a short seminar at the club which addresses nutrition or good heart health and then follow up with targeted menu offerings.

## 2. Member Need = To Socialize

### **Tennis Program Value Solution = Mixers & Round Robin Socials**

With much of society spending more and more time *online* on various social networking websites, tennis offers your club members an alternative "*off-line*" social networking opportunity! In a typical tennis mixer or round robin, players are paired by level, spouse, sex etc. with changes of partners and opponents scheduled for every 25 -30 minutes. Each member will likely play with or against 5 – 8 different people over a 2 -3 hour period. This allows members to widen their social circle and offers the challenge of dealing with a variety of different playing styles. Follow the mixer with a buffet dinner at the courts or in your casual dining outlet.

- a. **The Member Value Proposition** – With family purse strings stretched, a Friday night of tennis followed by a buffet dinner has never delivered a greater degree of value! Many clubs can offer this type of event priced at \$25 per person or less. While dinner and a movie for a couple can cost a minimum of \$80 - \$100 per couple in most areas, a night at the club can represent a significant net savings to the family portfolio and place your club in the bulls-eye of the "social networking" scene for your membership.

## 3. Member Desire = Pro Shop Purchase (i.e. a new outfit or racquet)

### **Tennis Program Value Solution = Gift Certificate with Purchase**

During the last quarter of 2008 and to date in 2009, tennis ball sales have remained steady while sales of tennis racquets and apparel have dropped in step with the dearth of economic news. Most people today need a significant incentive in order to prioritize a "desire" when it

comes to spending. Because of the unique “on-court” relationship tennis professionals have with your tennis playing members and families, the tennis pro shop offers the ideal platform from which your club can create a real value position for those members. A “Gift with Purchase” promotion can include a variety of incentives which do not necessarily need to be tied directly to the tennis program. Consider ideas such as these;

- Two For One dinner certificate for the grille with a new racquet purchase
  - Complimentary club guest certificate with new tennis outfit purchase
  - 25% off certificate for the next club event with the purchase of a series of 10 private lessons
- b. ***The Member Value Proposition*** – The objective is to encourage and facilitate traffic across various club outlets, as a result of using another club amenity. The member purchasing the new racquet at the club during a promotion like this is impacted in a variety of positive ways. As a result of the promotion, the club has given this member;
- Reason not to explore purchasing at a discount sports store
  - Reason to purchase (1) full price meal in the grille...yes, they also receive a complimentary meal effectively canceling out any margin however this couple will likely purchase drinks, maybe share an appetizer and may even bring another couple with them.
  - Reason to draw on the expertise of your professional staff who may have the opportunity to hit with the member while a potential new racquet is tried. (enhancing further the value of their club membership)

People are looking for reasons to support “local establishments” during this economic downturn. Programming and promotions like those suggested offer a “win / win” opportunity for your membership to choose “their club” as the local establishment they will support!



With almost 30 years of success in private clubs and the international tennis industry, Mark McMahon runs *McMahon & Associates*, a tennis consulting company. Mark personally manages Director of Tennis retained-search assignments for clubs. His company provides a variety of operational consulting services including targeted training and professional development programs and tennis facility design, construction and renovation. McMahon’s experience includes directing the tennis operations at Boca West Country Club in Boca Raton, FL and Dunwoody Country Club in Atlanta, GA; being a founding faculty member of the CMAA Sports Management Education Program; delivering workshops and seminars worldwide, including the CMAA World Conference; Board Member and Division President for the USPTA; International Pro of the Year (2000) and recipient of the USTA Tennis Facility of the Year – Private Club Category (2003). McMahon recently completed a three-year assignment with the U.S. Tennis Association where he managed a new industry growth initiative that was driven by the introduction of 90 Tennis Service Representatives who now work with clubs, tennis facilities and parks across the country growing tennis participation. Mark may be reached at [m.mcmahon@earthlink.net](mailto:m.mcmahon@earthlink.net) or (404) 271-3088 or through his firm’s web site: [www.mcmahonassociatesconsulting.com](http://www.mcmahonassociatesconsulting.com)