



Data Report

GLN Celebrates 3rd Anniversary of the ProGuide!

In August 2017, the ProGuide questionnaire and algorithm were released for golf enthusiasts around the world to search for their ideal golf and club community. Since, GLN has helped over 25,000 golfers connect with golf communities across the U.S. while accumulating over 5MM data points - the first of its kind.

The following report is a study of consumer buying trends over the course of 36 months and a unique look at how prospects are reacting to Covid-19 in 2020. We hope you find this report insightful and one to be used in your strategic planning efforts. Thank you again for supporting GLN, we appreciate your business.

**-Jason Becker, CEO
Golf Life Navigators**



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We encourage you and your team to view the entire deck and hold discussion about each trend. However, if you are seeking a specific slide, please see the directory below.

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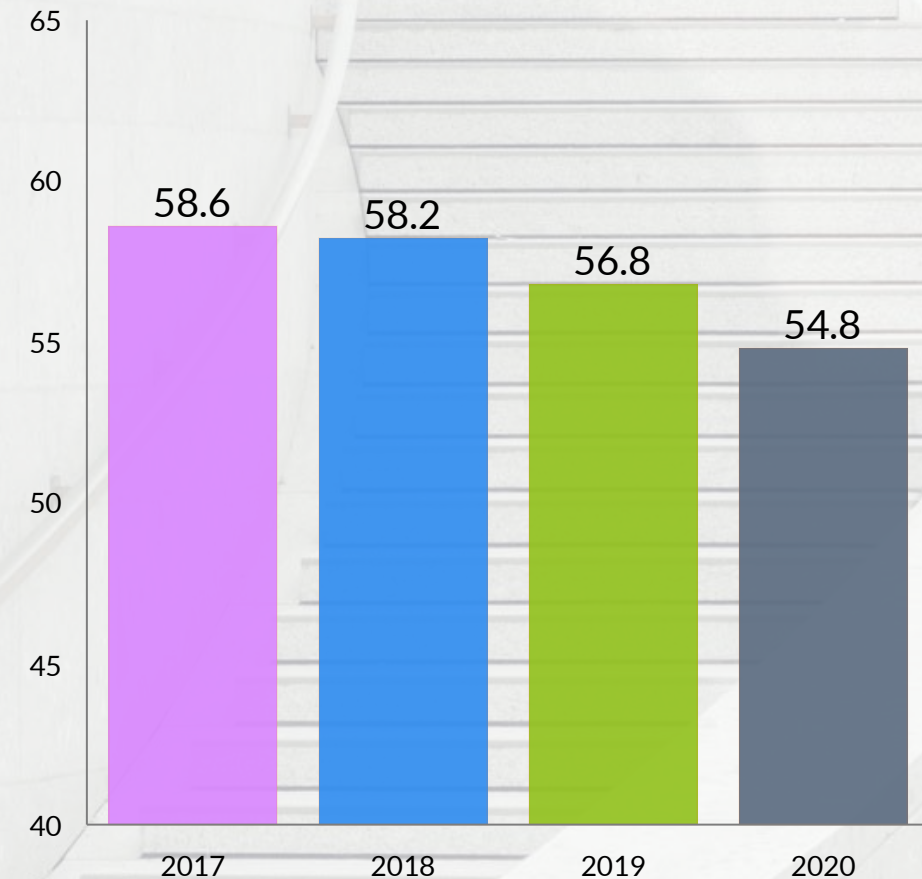
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A new generation of prospects

GLN's Interpretation: It's great to see a steady decrease from year-to-year with regards to the average age of prospects who utilize GLN for their club search. Use this data to your advantage when conducting membership sales. GLN'rs have said they worry about being "too young" at a sunbelt club. However, if we assure prospects their cohort of new members is between the ages of 55-60, it may help combat any trepidations.

Discussion Point: By years end, we may see the average age dip even lower than 54.8 with a projected increase of prospects taking on early retirement due to Covid. Although great to have a younger membership, is the club prepared to cater to (what could be) three generations of members and their views on what the club should have or become?

Average Age

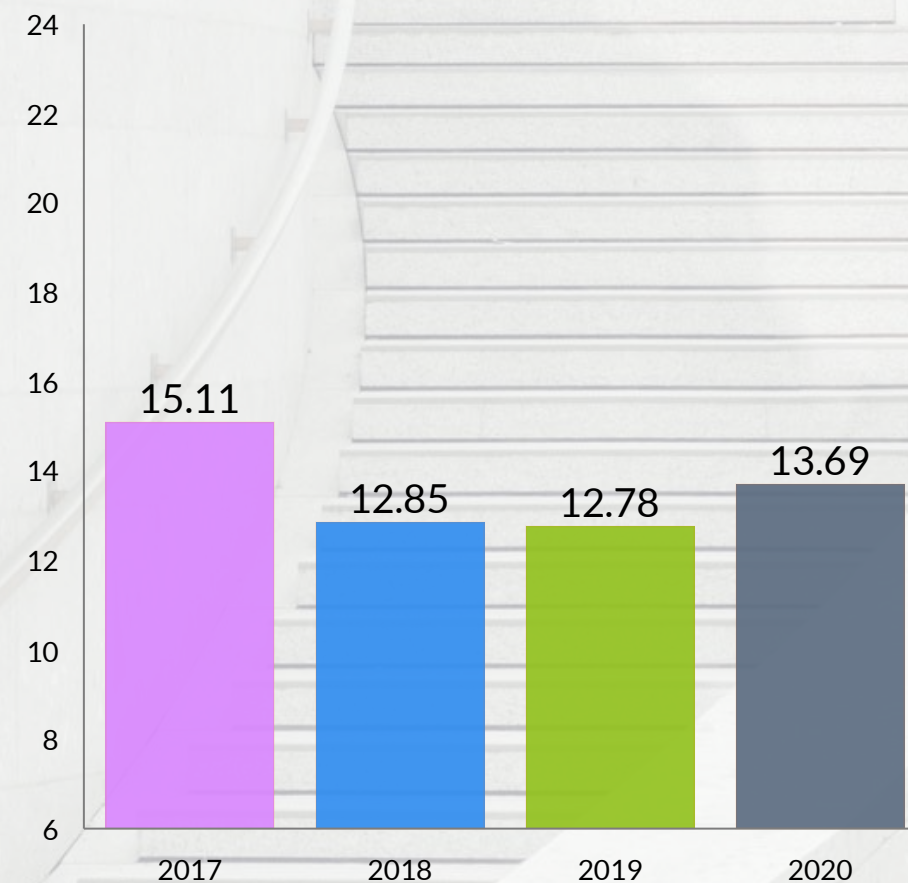


Get prospects engrained in the club's culture early

GLN's Interpretation: To no surprise, 2020 is poised to leave us with a bit of a delay from prospects as they watch Covid and the country's economics closely. We implore all of our Showcase Clubs to continue an aggressive drip market campaign. GLN leads received in late 2019 should be ready to purchase by early 2021.

Discussion Point: In a recent survey, 35% of prospects said the effects of Covid will "most likely" delay their transition time 6-12 months. Another 36% said it was "too early to tell" if there would be a delay in their transition. That said, is the club prepared to offer sophisticated virtual tours and campaigns to keep prospects engaged during the delayed period?

Average Transition Time -Months

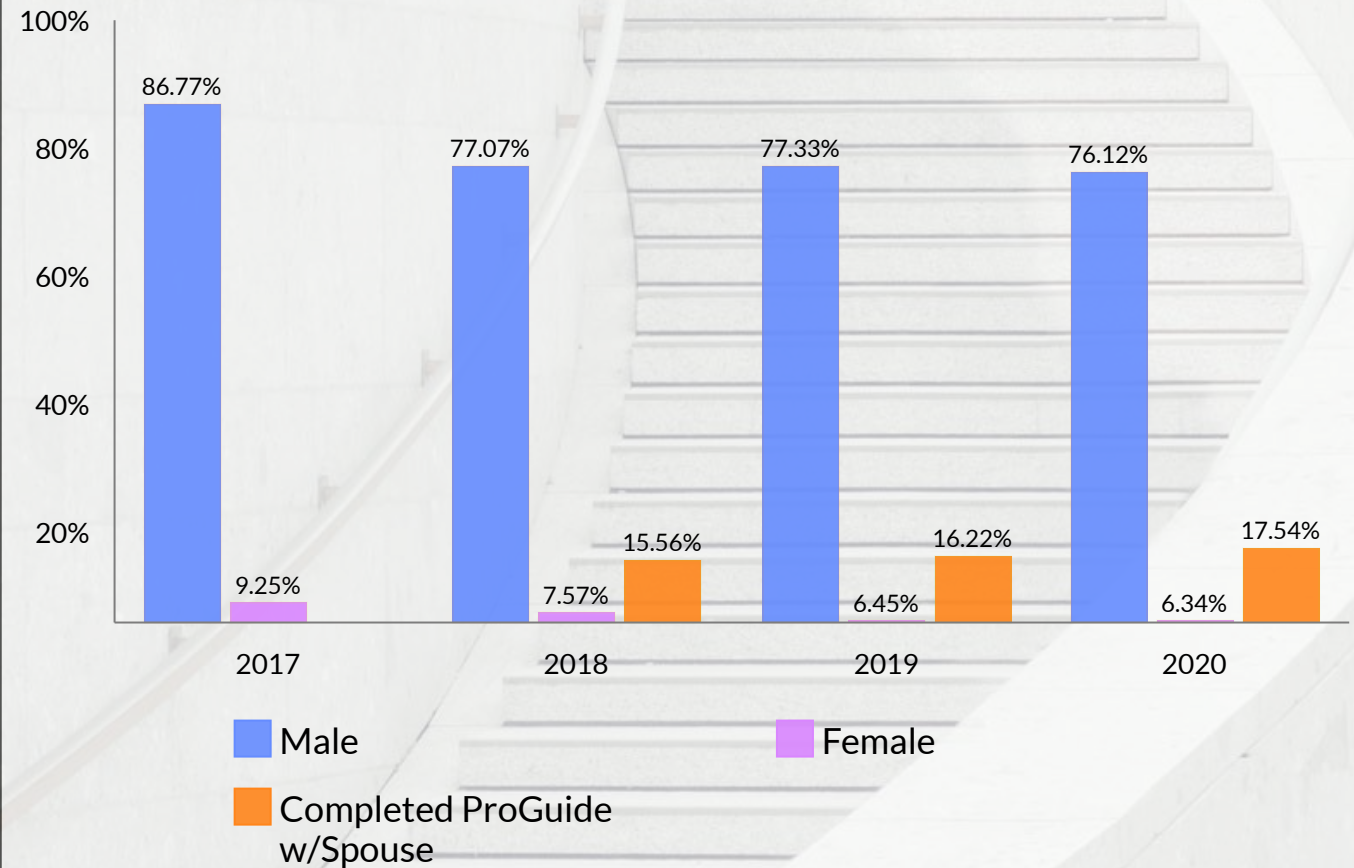


He said, She said, We said

GLN's Interpretation: Historically male dominant, it's great to see growing trends of couples completing the ProGuide together - don't always assume that a male completed ProGuide is all about him. Our research shows that men have been thinking about - and answering on behalf of - their spouses as they complete the questionnaire.

Discussion Point: The decisions of "where to retire" and "what to buy" is very much a mutual decision by couples in 2020. How is your club managing each gender's motivation to buy and ensuring the accommodation of both their needs?

Gender & Spouse Breakdown

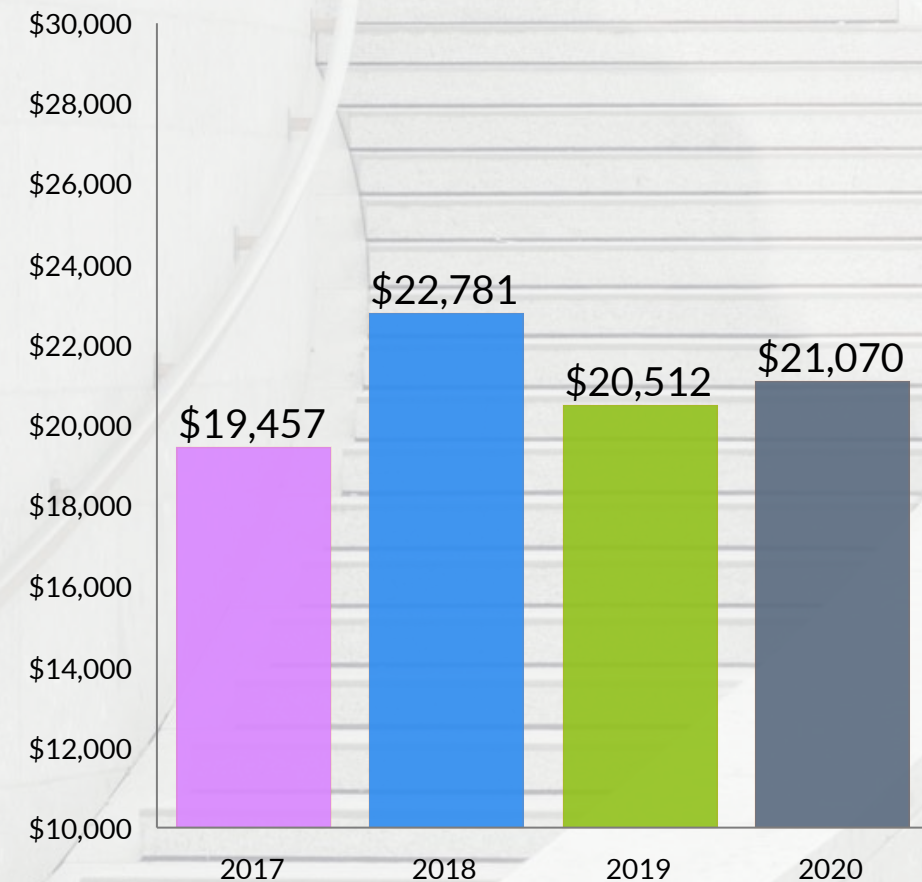


New member orientations

GLN's Interpretation: Keep in mind, you are seeing the national average of over 25,000 ProGuide submissions. Markets certainly vary and there are percentages of prospects in the \$50,000-plus as well as the \$10,000-lower ranges. In all, the average GLN'er in the U.S. has a budget of about \$21,000 in 2020, which is a \$2,000 increase over the past 36 months.

Discussion Point: In a recent survey to prospects, 60% have said they "may plan to lower" their budget for a golf membership in 2021 due to the financial effects of Covid. Has the lowering of initiation fees been discussed by the Board to accommodate potential market demand? If so, how will that affect the financial health of the club if the market for memberships does indeed shift?

Average Initiation Budget

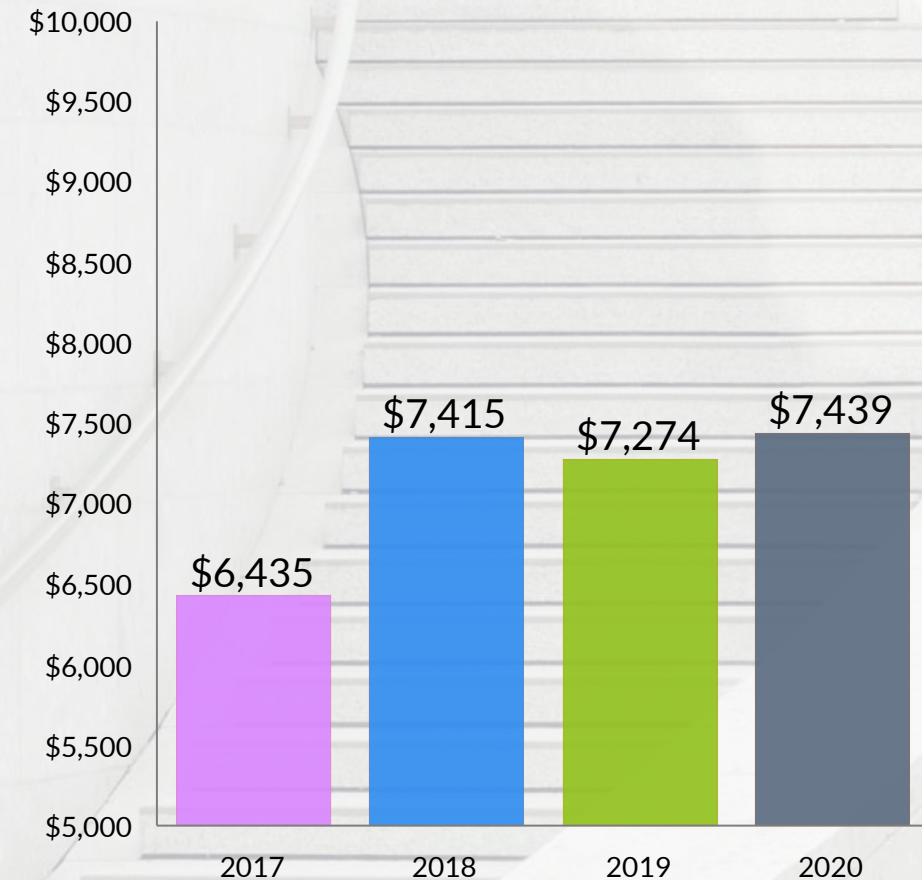


The life-blood of every private club

GLN's Interpretation: It's great to see that over the course of four years, prospects have increased their budget for annual dues by more than \$1,000. As noted in the previous slide, there are segments of the population who have different budgets. For instance, those with an initiation budget of \$50,000-plus have an (average) annual dues budget of \$10,500.

Discussion Point: The club's attrition rate is everything these days, especially in a challenging year like we have in 2020. Do you sense an uptick in member attrition this year due to Covid? If so, is there a plan to replace those lost dues - quickly? Currently, the average attrition rate across the private club industry is 8-10%. This is a metric we need to collectively watch closely.

Annual Dues Budget

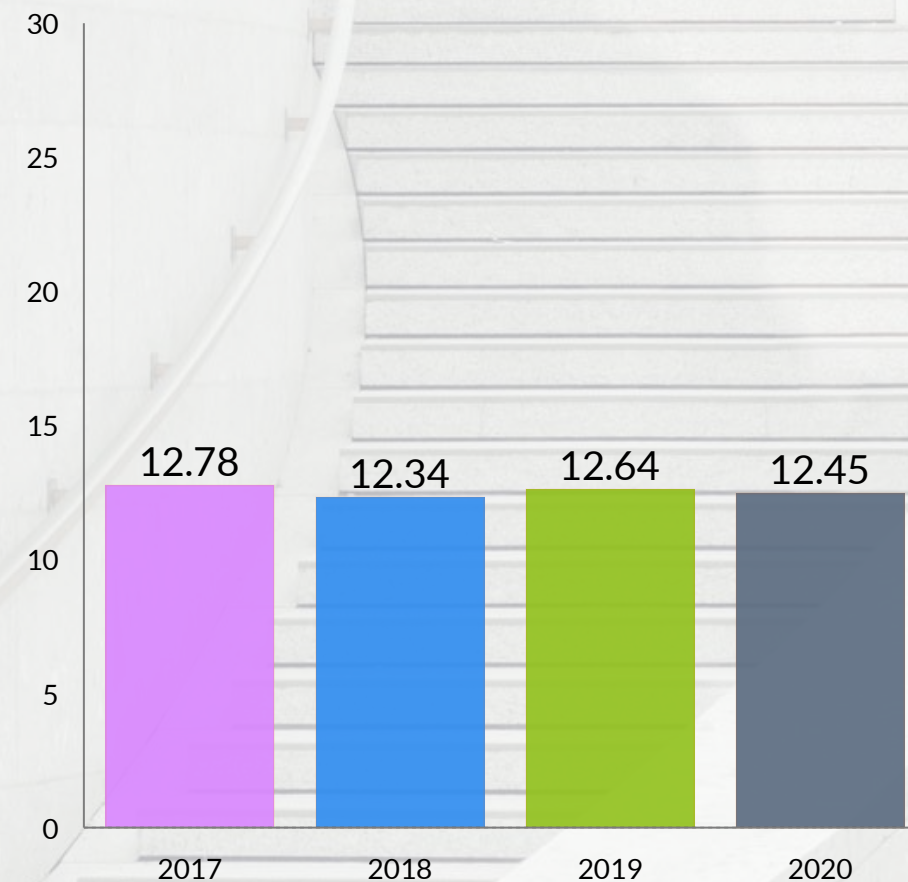


More golf please!

GLN's Interpretation: Having a strong group of players at the club is key for successful member guest tournaments and club championships. On average, GLN'rs are close to breaking 80 - would it be possible for your PGA Professional to write a monthly blog on golf course management or tips to shave a stroke or two of your HDCP? Bullseye content like that will hit home and help prospects gravitate to your club.

Discussion Point: In a recent survey, 76% of prospects say they "plan to play more golf in the future" due to the effect Covid has had on their "healthier lifestyle" goals. That is a great sign for the club! Today, the average GLN prospect plans to play three days a week - what can the club do now to prepare for more demand on the golf course yet operate at a comfortable pace?

Average Handicap

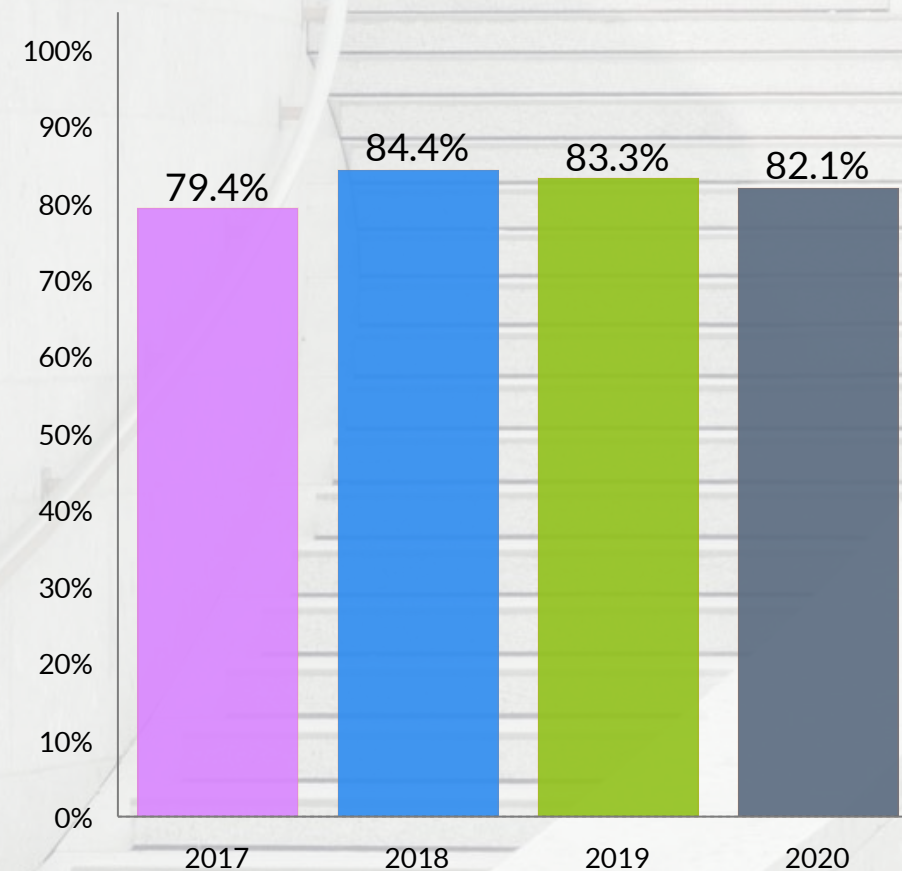


Next on the tee, Mr. and Mrs...

GLN's Interpretation: Having an active "golfing" member is key to the revenue goals of the club. These trends are very encouraging as GLN'rs are focused on a full golf membership rather than considering a social or sports membership.

Discussion Point: Capture rate seems to be a growing topic of conversation within boardrooms across the country. Of the current prospects who are purchasing new homes within the club community, how many are joining the club as a full golf member? If that metric is below 30%, there should be cause for concern.

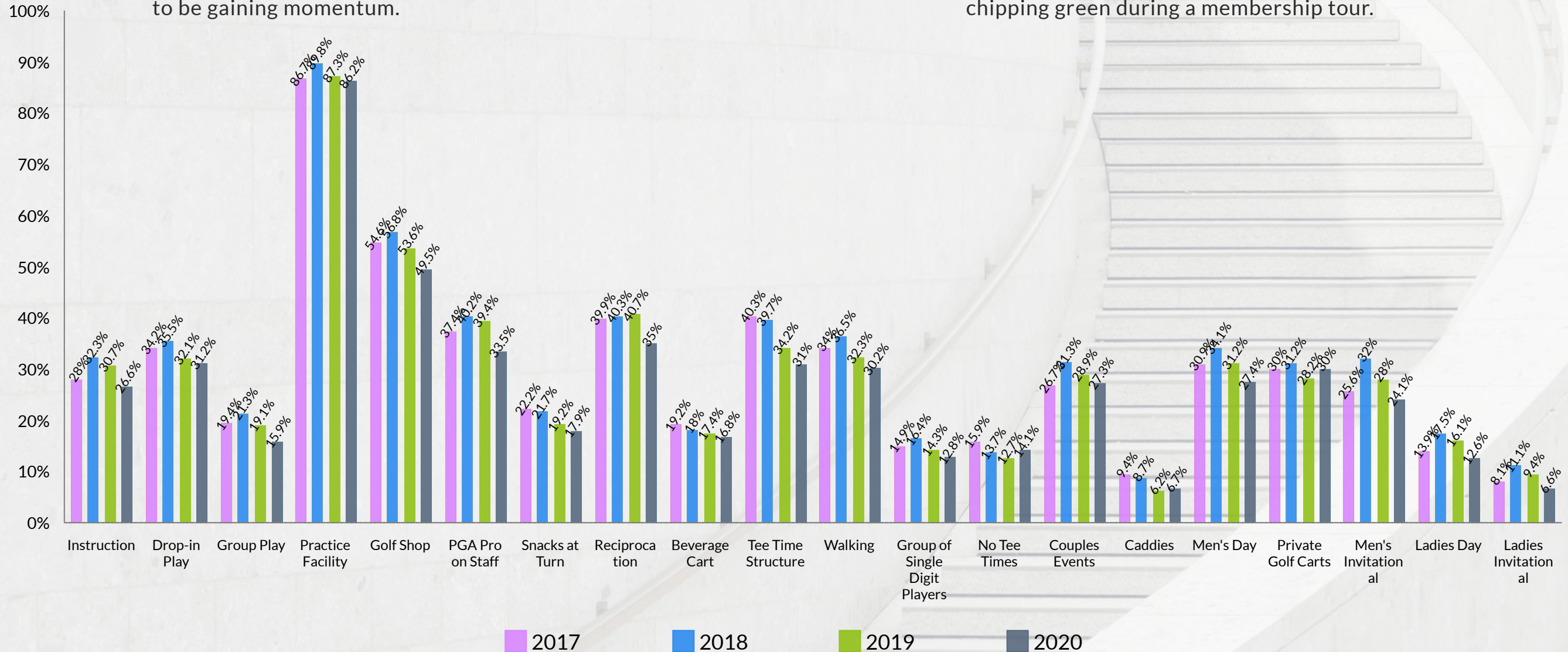
Seeking a Full Golf Membership



Golf Amenities Desired Over Time

GLN's Interpretation: We encourage you to take one golf amenity at a time with this slide. A few to note: the Practice Facility remains strong; Private Golf Cart accessibility seems to be gaining momentum.

Discussion Point: How is the club highlighting its practice facility to prospects? Example: a staged encounter with the PGA Professional at the chipping green during a membership tour.

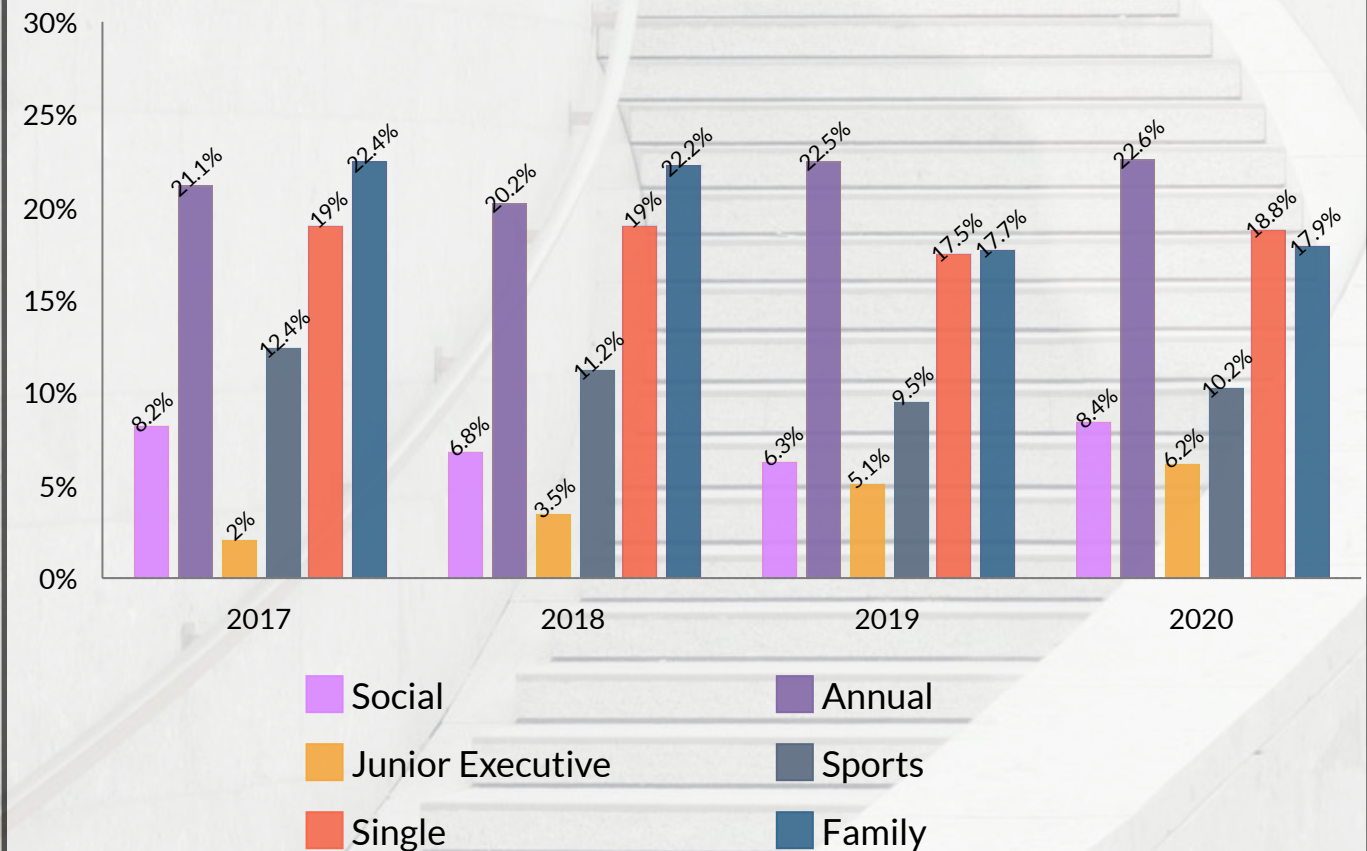


Maybe an annual membership for a year?

GLN's Interpretation: The Annual Membership remains a popular request with one out of every five GLN'rs. However, we are watching the Junior Executive Membership gain in popularity year-after-year.

Discussion Point: Does your club have a Junior Executive Membership option? If not, it may be worth exploring, especially with 60% of prospects saying they plan to decrease their budget due to Covid in 2020-21. There may be a happy-medium solution to construct and stay ahead of the market.

Ancillary Membership Desires

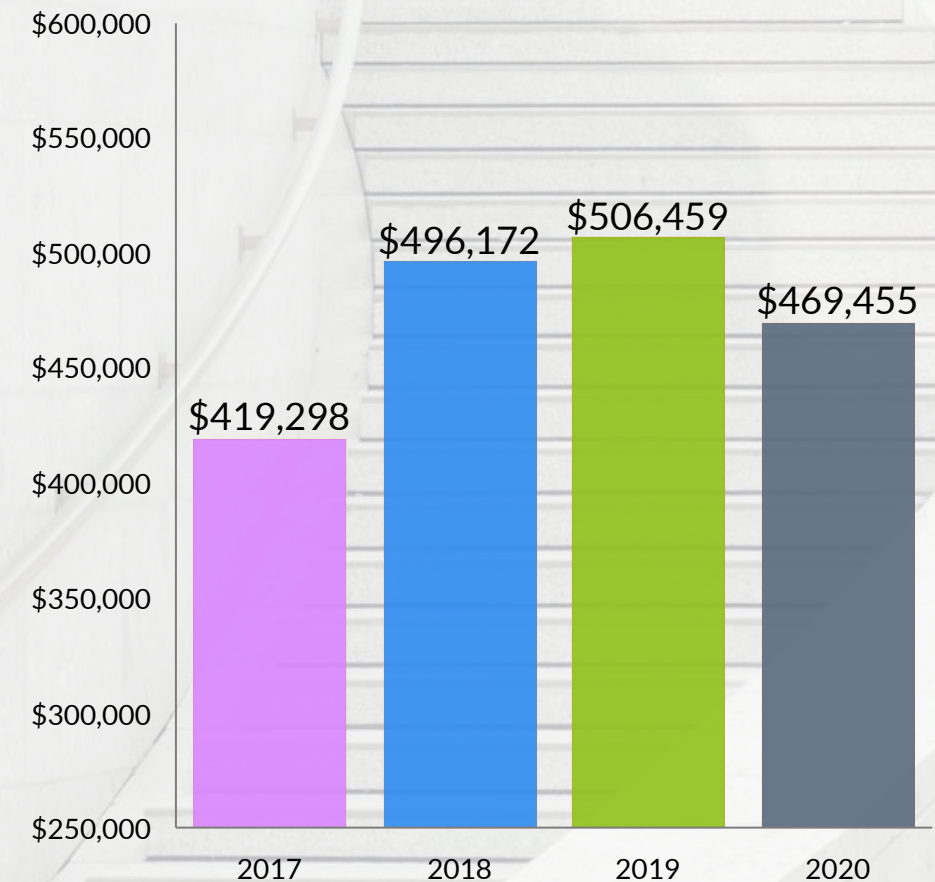


Home sweet home

GLN's Interpretation: Like initiation budget, real estate budgets differ from market-to-market and different economic classes of buyers. That said, all classes show a decrease in budget for 2020. This didn't surprise us as 34% of prospects plan to reduce their budget due to Covid. However, 54% said they plan to now become a "full-time" resident of a sunbelt state.

Discussion Point: As mentioned, real estate is a major part of the decision process for GLN'rs. On average, 65% of prospects plan to combine their search for a club and a home. In some markets, that percentage reaches as high as 90%. What is the club doing to actively keep a pulse on the real estate market in - and outside of - the gates?

Average Real Estate Budget

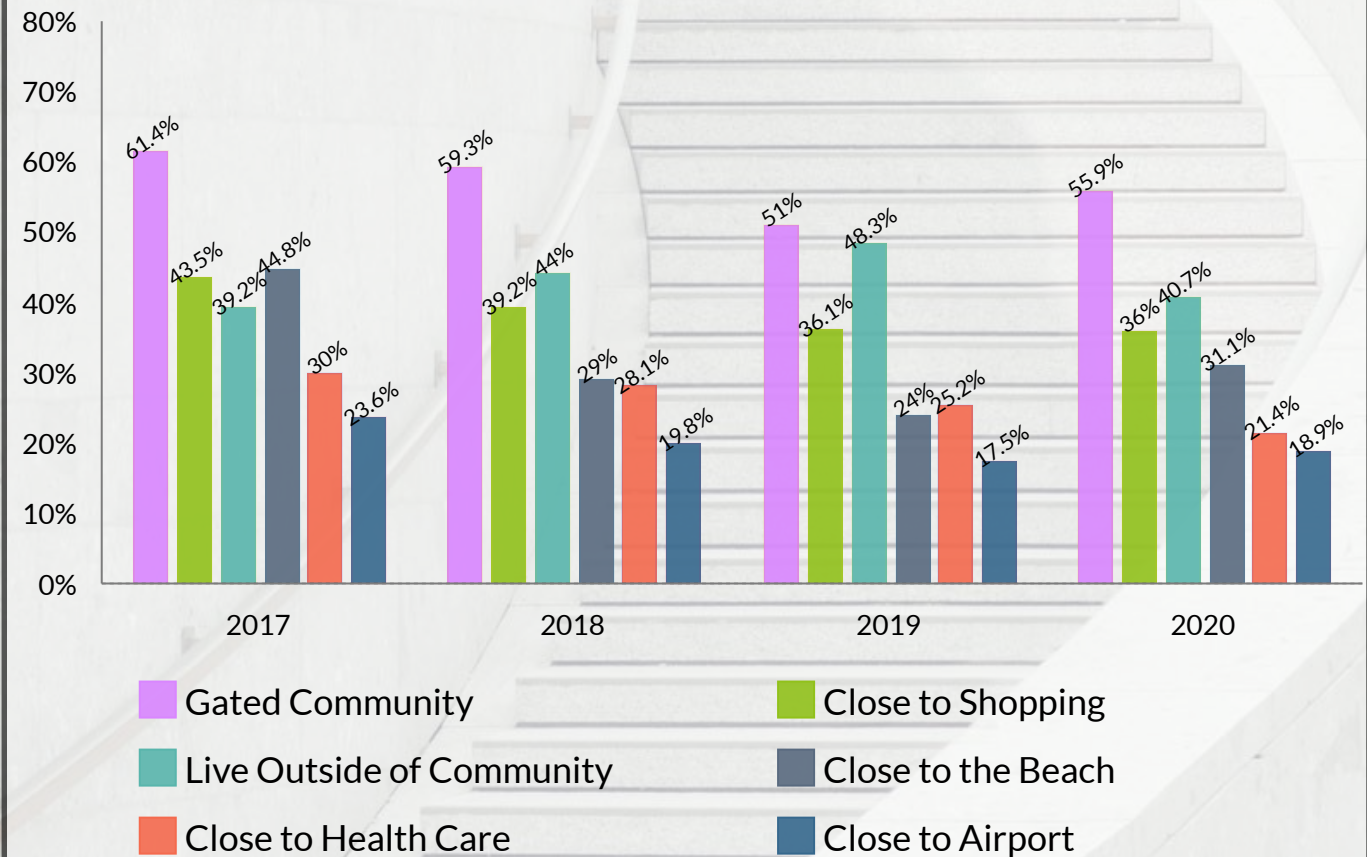


Zeroing in on the perfect location

GLN's Interpretation: One encouraging trend we see in 2020 is a significant drop in those who wish to live "outside the gates of a community." This is a great sign for capture rate! Initial assumptions tell us people want to feel safe and live in a secure environment during a pandemic.

Discussion Point: This data does not show a significant trend in the desire to be at a club close to Health Care facilities. However, in a recent survey, 29% of prospects are now considering the location of health care in their search due to the effects of Covid. How far away is your club from medical facilities and is this something that might be worth casually talking about with prospects?

Club & Location Factors

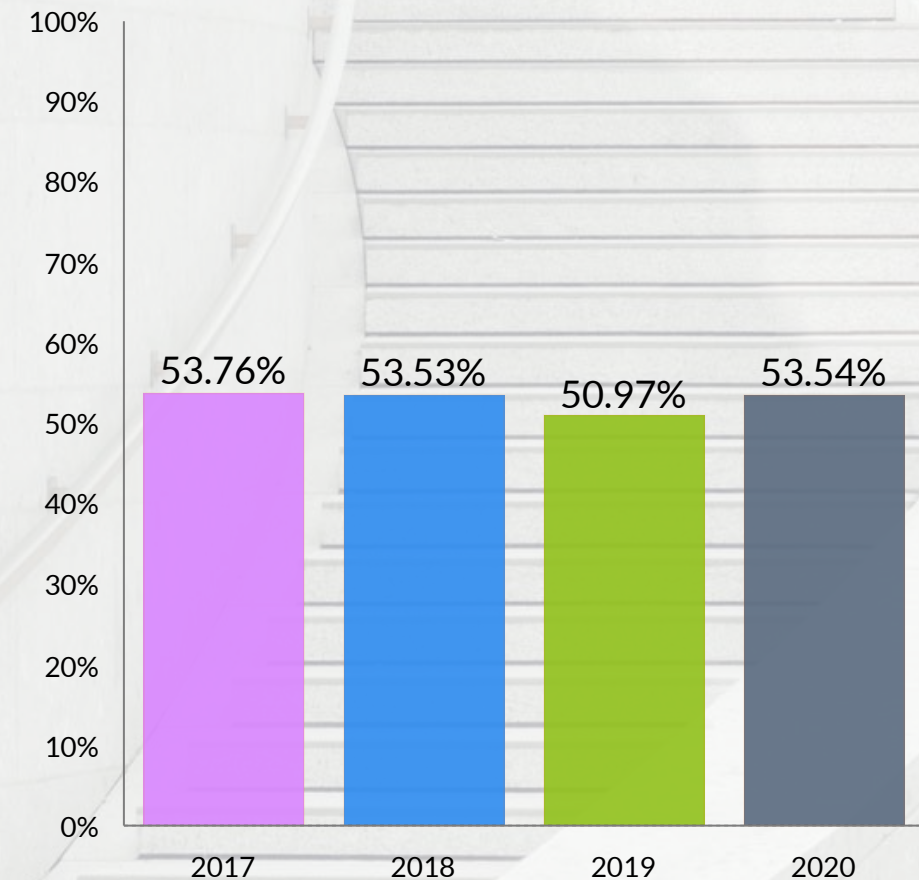


A prospect deal breaker

GLN's Interpretation: The health amenities of the club are certainly going to play a role in which club a prospect may join. One out of every two GLN'rs say the fitness center and health programming are very important, especially in 2020. Watch this trend closely as it would not surprise us if it reaches 60% before year's end.

Discussion Point: Operating the club's fitness facility can present challenges with regards to revenue generation. How is the club posturing the health programming so it is appealing to prospects but not costing the club significant dollars on the balance sheet?

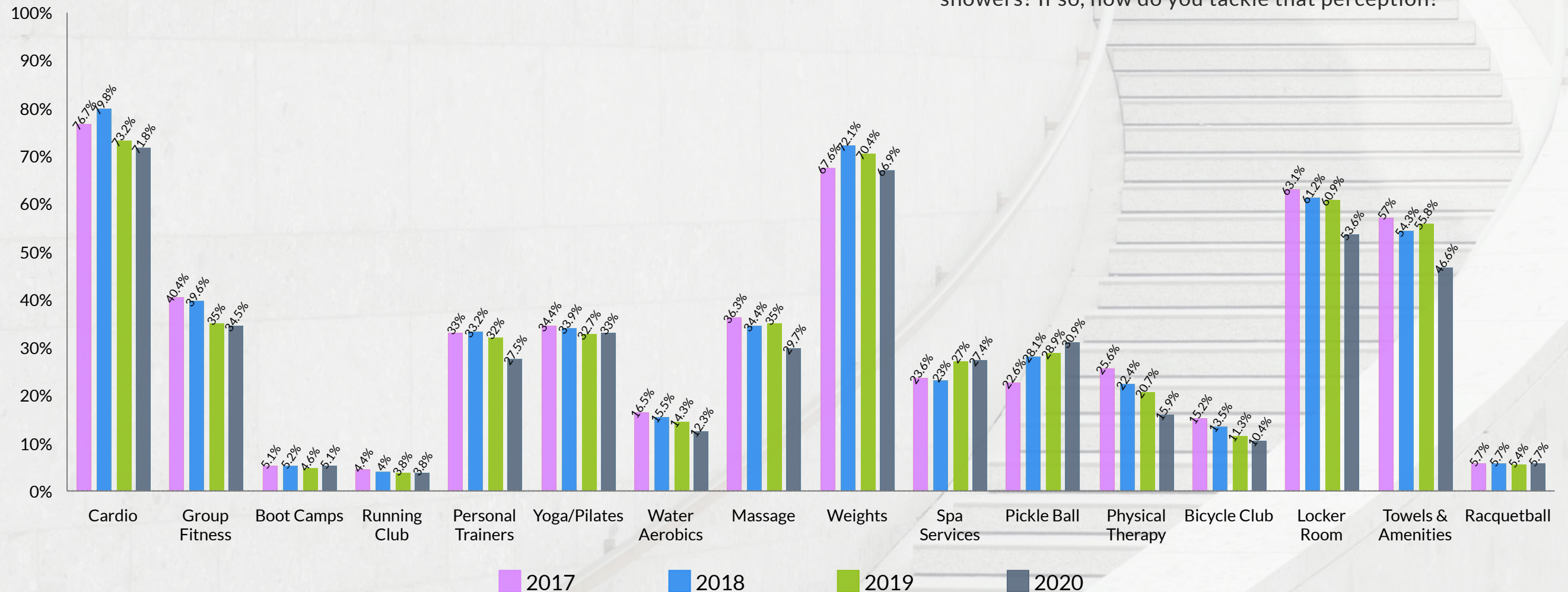
Those Interested in Health & Wellness



Health Amenities Desired Over Time

GLN's Interpretation: Pickle Ball is very much on the rise as well as the need for great Yoga/Pilates programming. Newer Cardio Equipment still leads the way as the #1 most desired H/W amenity.

Discussion Point: The desire for Locker Room amenities has dropped significantly in 2020. Do you believe this could be the result of Covid and the sanitation efforts in public rest areas and showers? If so, how do you tackle that perception?

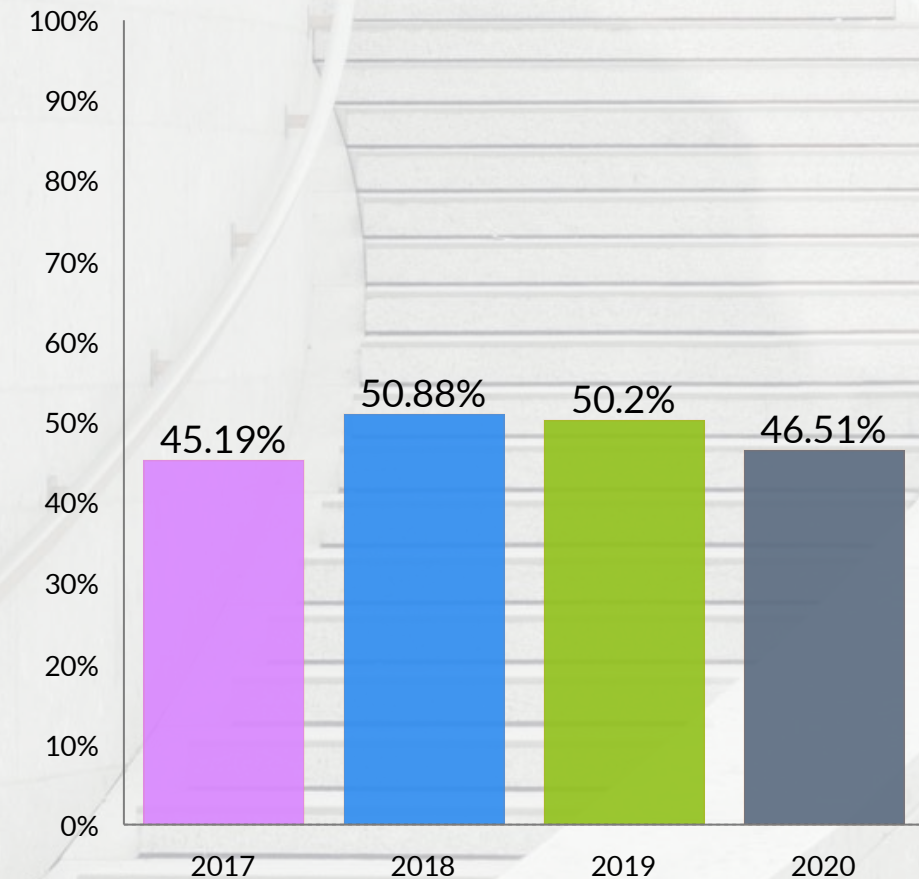


Golf, Food & Spirits

GLN's Interpretation: The dining operation will always factor into the decision process for GLN'rs. A steady trend over the past four years, tells us that we need to continue to highlight the club's cuisines and atmosphere in order to win over one of every two prospects.

Discussion Point: Marketing experts have said photos of empty dining rooms will have difficulty connecting with prospects as they research clubs online. This is due to our human desire to seek socialization - and be drawn to it. Does your club have pictures of empty tables and barstools? If so, it may be worth considering a staged photo op with smiling members to give a refreshing look at the club's "inviting" dining experience.

Those Interested in Food & Beverage



Dining Amenities Desired Over Time

GLN's Interpretation: We've watched Sports Bar settings rise in popularity over the past 36 months and it doesn't seem to be slowing down in 2020. Be sure to showcase this asset - if the club has it.

Discussion Point: Prospects are seeking a "casual" atmosphere these days at the club however, this doesn't mean "casual" food. Has the club been able to adapt to these demands while still offering a great cuisine and a memorable Chef?

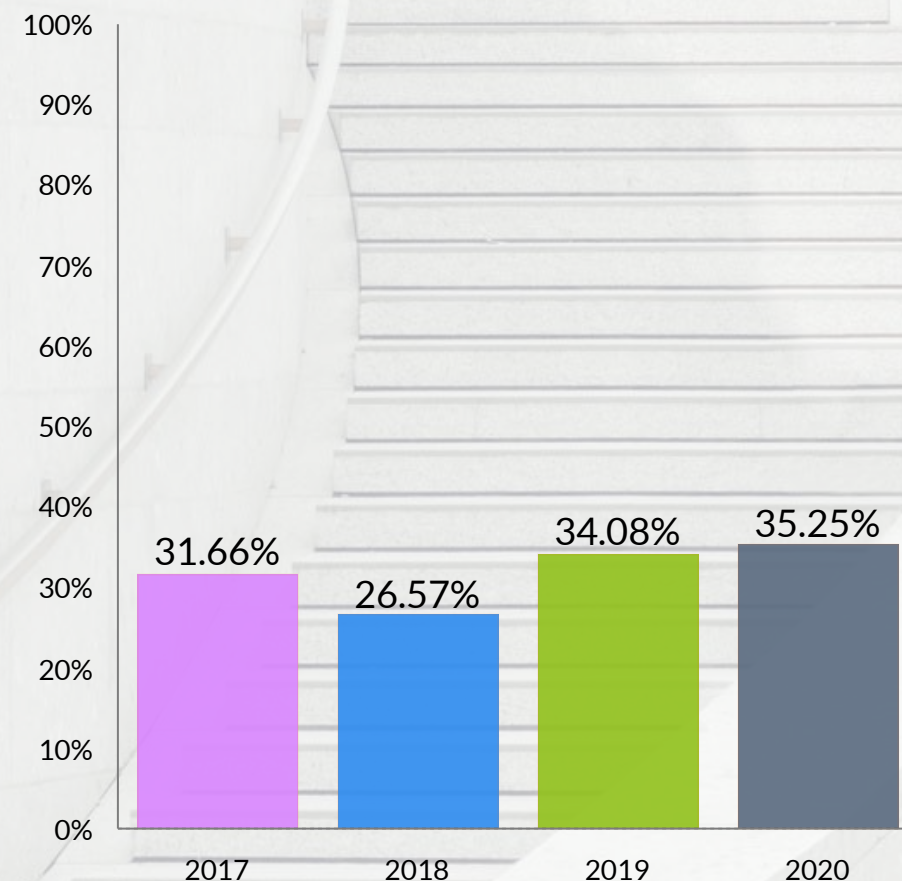


A place for the grandkids

GLN's Interpretation: We love seeing this trend continue to strengthen among GLN'rs. Future members are thinking about their families coming to visit, and a clubhouse pool operation is important to them. If applicable, be sure to tout the club's pool operation online and to prospects - especially for spouses who may find this amenity more important than golf.

Discussion Point: For those prospects who are seeking a great clubhouse pool, 55% say they would love food and beverage service while enjoying the amenity. Does the club employ this level of operation? If not, it may be worth exploring to capitalize on future demand.

Those Interested in a Clubhouse Pool

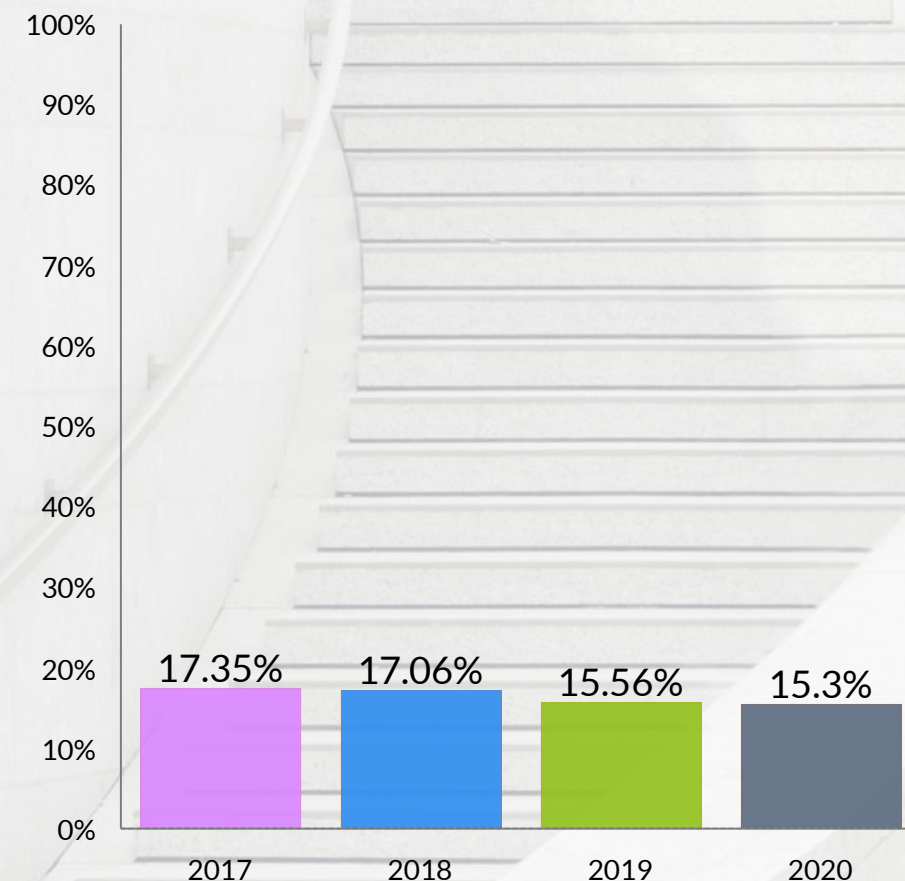


Golfers love tennis too

GLN's Interpretation: Although focused on the golf operation, a percentage of prospects are considering the club's tennis operation to hold weight in their decision to buy. A steady trend of 15-17% of GLN'rs have interest in Tennis the past four years. Be sure to notice on their ProGuide data if "Tennis" is selected.

Discussion Point: In a recent survey, 37% of GLN'rs said they would like to have a golf membership because of the "benefits of being outside" during a pandemic. We can safely assume that Tennis most likely falls into that outlook as well. With outside activities becoming more important to prospects, how is the club showcasing its outdoor amenities?

Those Interested in Tennis

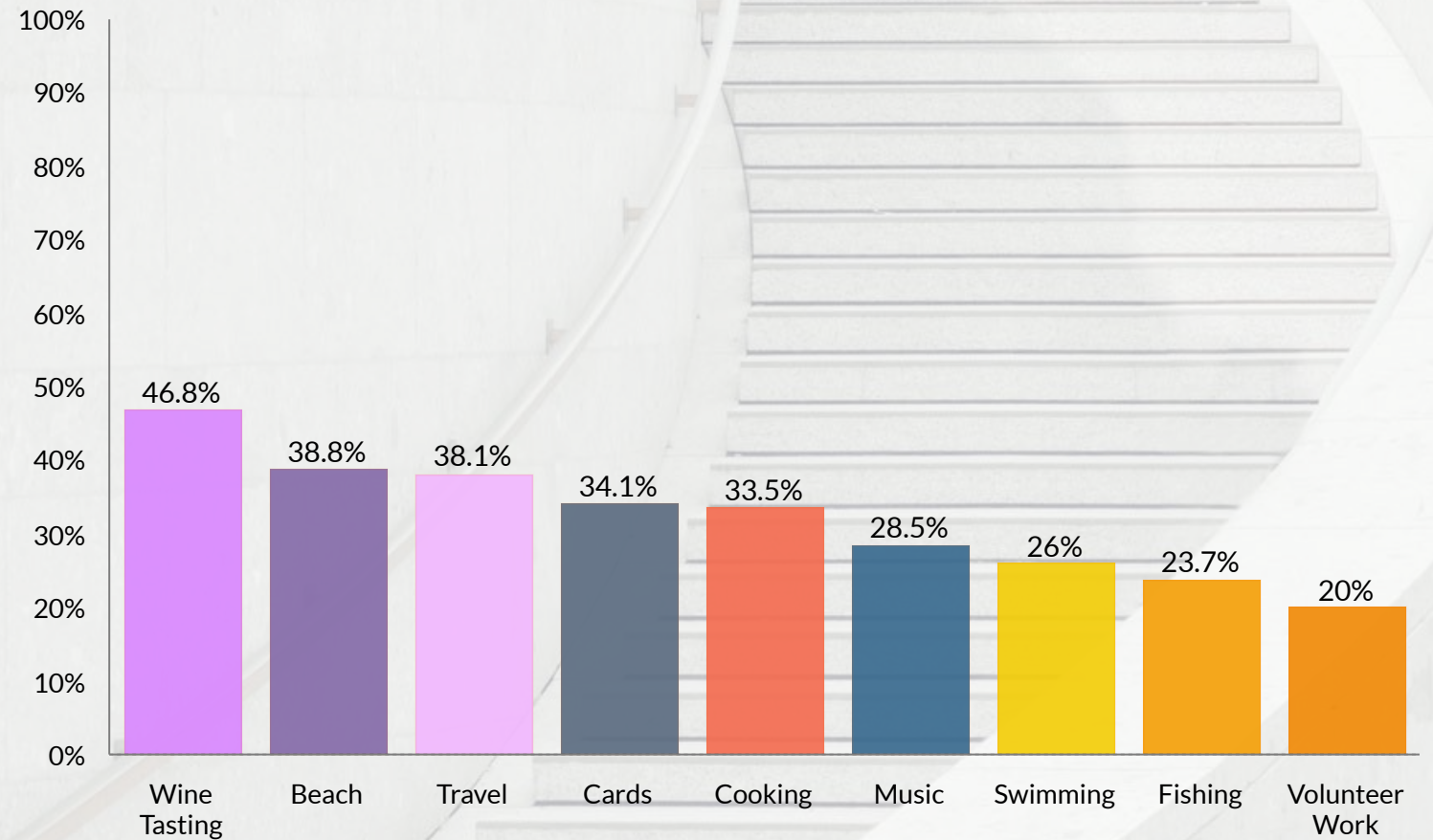


Golf + Hobbies = Happy Members

GLN's Interpretation: As you see in the chart, a number of activities GLN'rs view to be "highly important" as their social expectations parallel the club search. "Clubs within the club" are always something we recommend sharing with prospects.

Discussion Point: We've seen a growing trend over time in Volunteer Work opportunities and Philanthropy. Does the club have a program in place that highlights what charitable organizations with which it is aligned? How can a future member become involved with the local community?

Top Social Programs Desired in 2020



External Motivation

GLN's Interpretation: A full day of discussion points below. Remember, these are physical factors that are motivating prospects to find that "perfect" club. The "Weather in the Area" may be taken for granted because we live here. Talk about it to prospects and you will hit touch on meaningful desires.

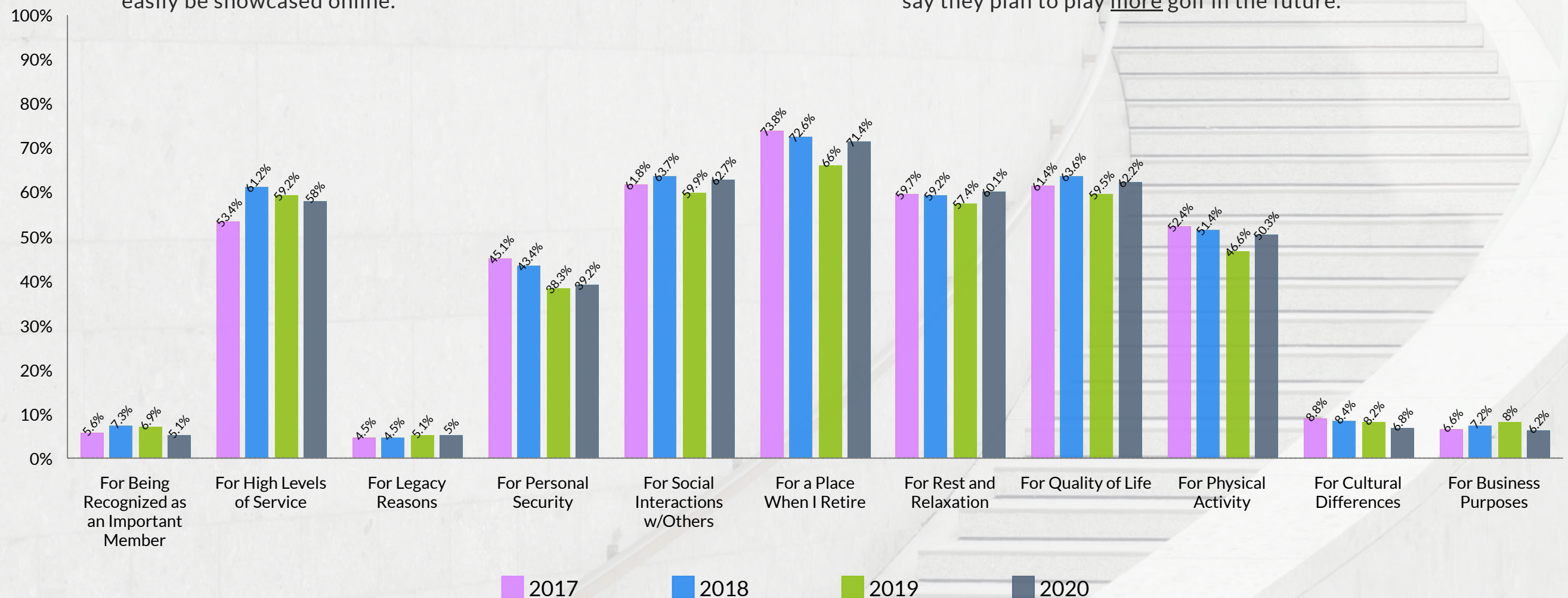
Discussion Point: The "Financial Investment into the Club" is one of the Top-5 External Motivators for prospects. In a recent survey regarding the effects of Covid, 60% of prospects plan to decrease their budget for a club. Can your club get out ahead of that potential pivot by showcasing strong value for the initiation fee - without discounting your product?



Internal Motivation

GLN's Interpretation: Internal Motivation lies from within prospects - often times, non physical items. We suggest the data below to be viewed as marketing fodder for future campaigns on social media and your web presence. "High levels of Service" can easily be showcased online.

Discussion Point: To no surprise, "For Quality of Life" is on the rise and it will most likely continue to gain momentum through 2020 and post-Covid. Is the club using all of its marketing assets to paint such a picture to prospects? Remember, 76% of GLN'rs say they plan to play more golf in the future.

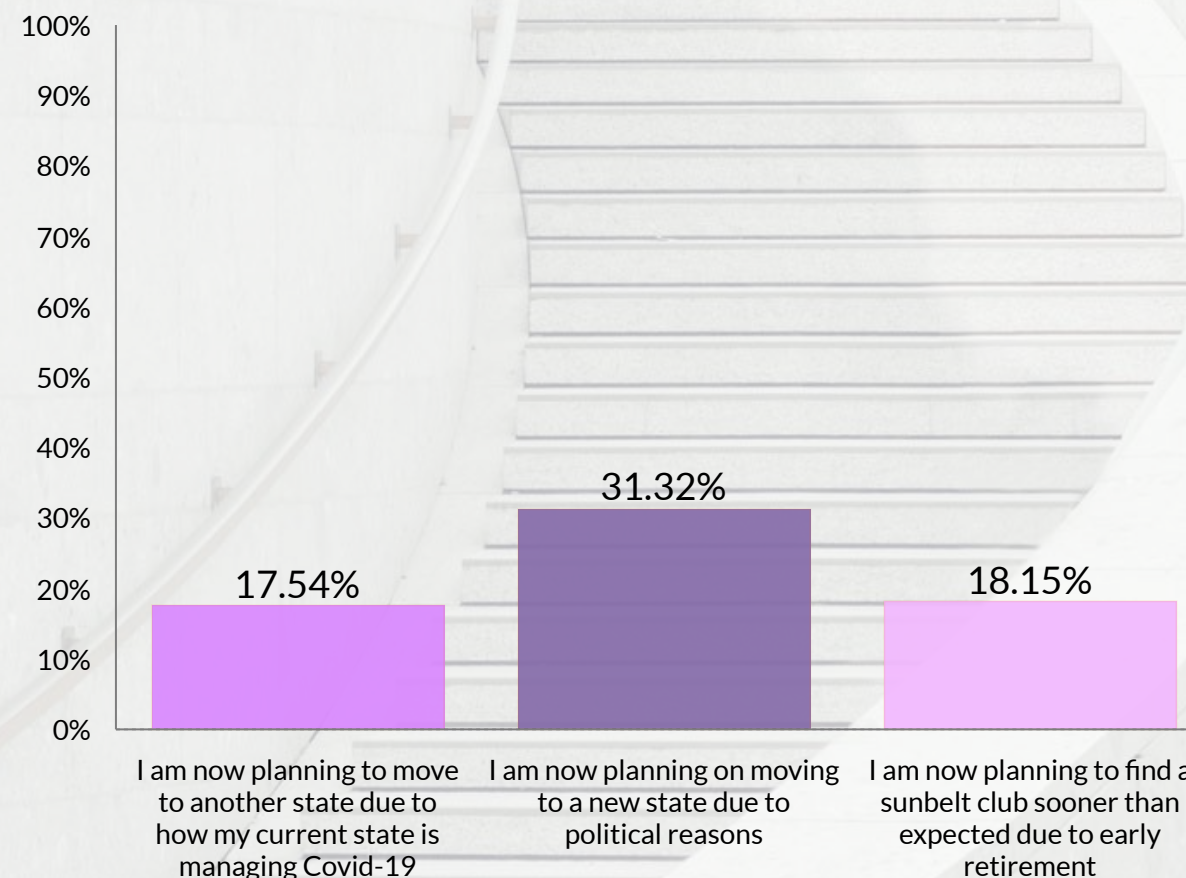


Why are you leaving the North?

GLN's Interpretation: In a recent survey, we spoke to GLN'rs and received valuable feedback on their views of Covid and the country's economic position. Use this data as informational but understand it is fluid and could change over time.

Discussion Point: Should trends grow with more prospects looking South due to a projected earlier retirement, is the club positioned today to continue gaining exposure? This may be difficult with a lost budget year. However, we suggest the Board continue to invest into marketing and build a strong pipeline of prospects in 2021.

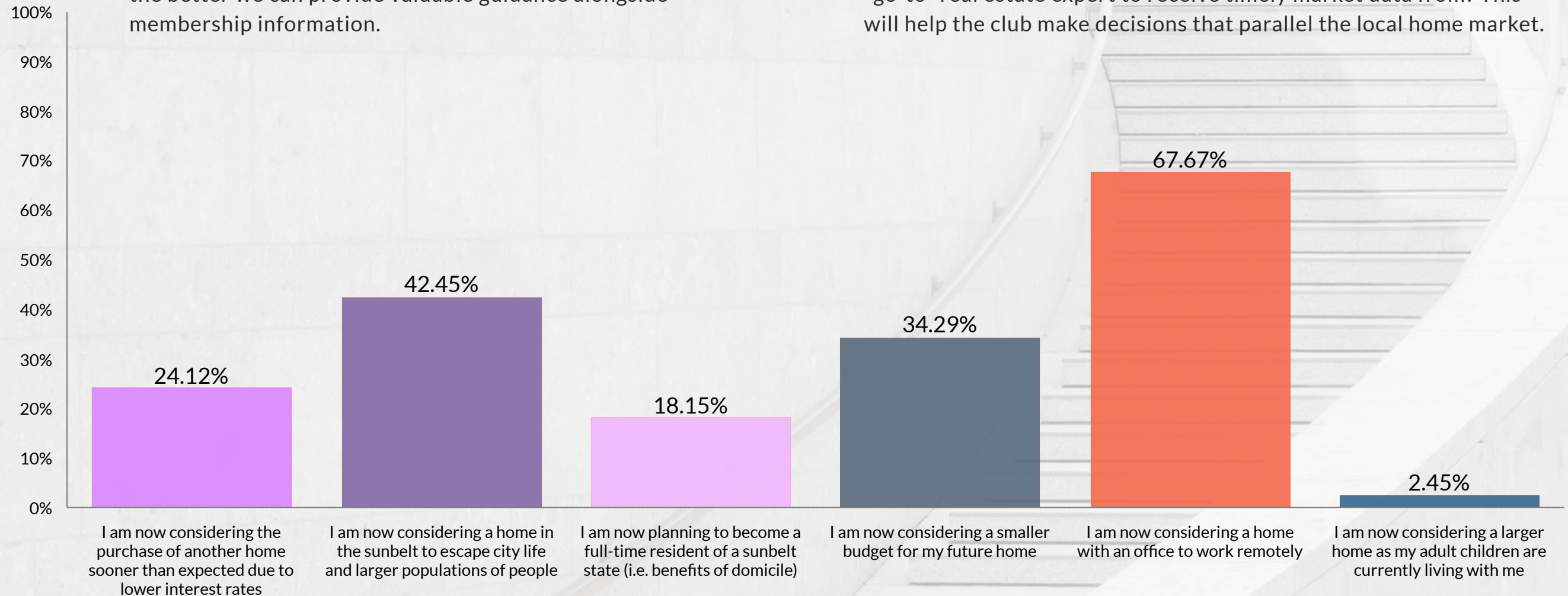
Today's Prospect Looking South



Interesting Covid Trends w/Real Estate

GLN's Interpretation: As noted in previous slides, the real estate decision is very important to the buy decision. So, the more we know about a prospects mindset for a new home, the better we can provide valuable guidance alongside membership information.

Discussion Point: Along with expectations of clubs lowering membership fees, 34% of prospects appear to be entering into the real estate purchase with a lower budget as well. Does the club have a "go-to" real estate expert to receive timely market data from? This will help the club make decisions that parallel the local home market.

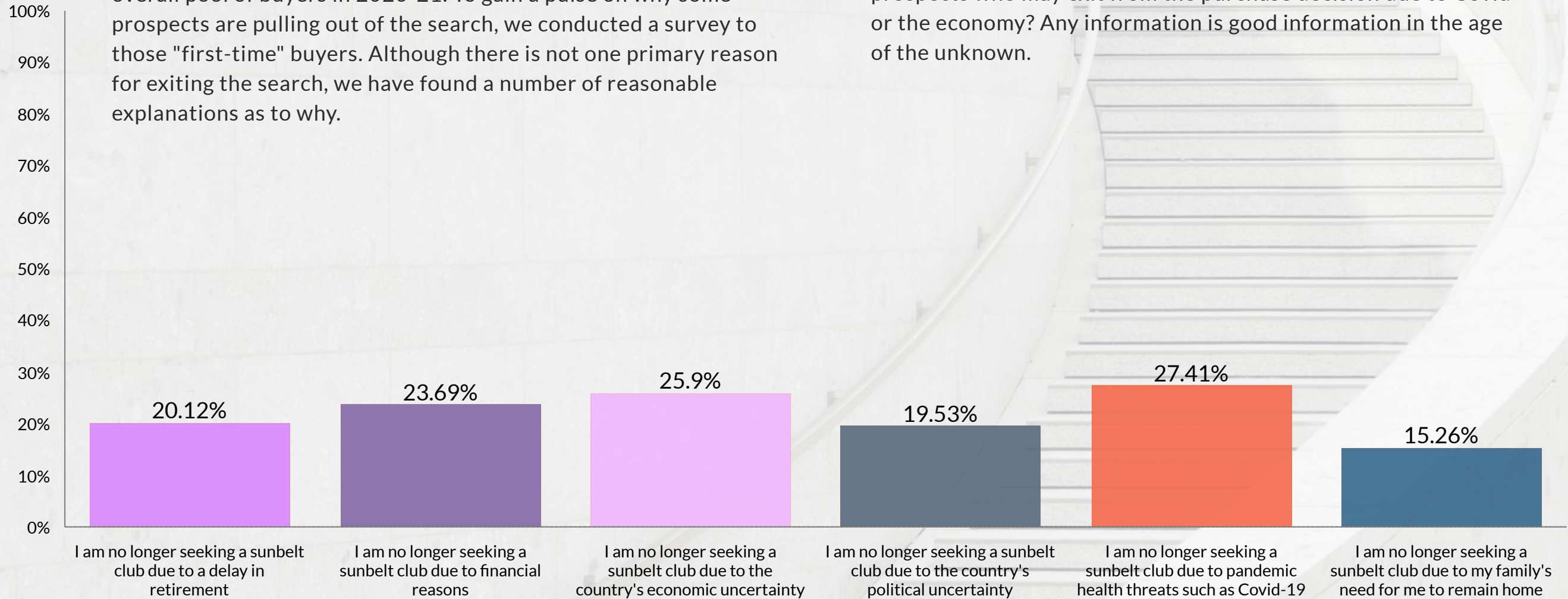


Interesting Covid & Economic Trends

Why some first-time buyers are no longer looking for a sunbelt club to join:

GLN's Interpretation: Certainly, Covid will wreak havoc on the overall pool of buyers in 2020-21. To gain a pulse on why some prospects are pulling out of the search, we conducted a survey to those "first-time" buyers. Although there is not one primary reason for exiting the search, we have found a number of reasonable explanations as to why.

Discussion Point: Is the club conducting any surveys internally to prospects who may exit from the purchase decision due to Covid or the economy? Any information is good information in the age of the unknown.

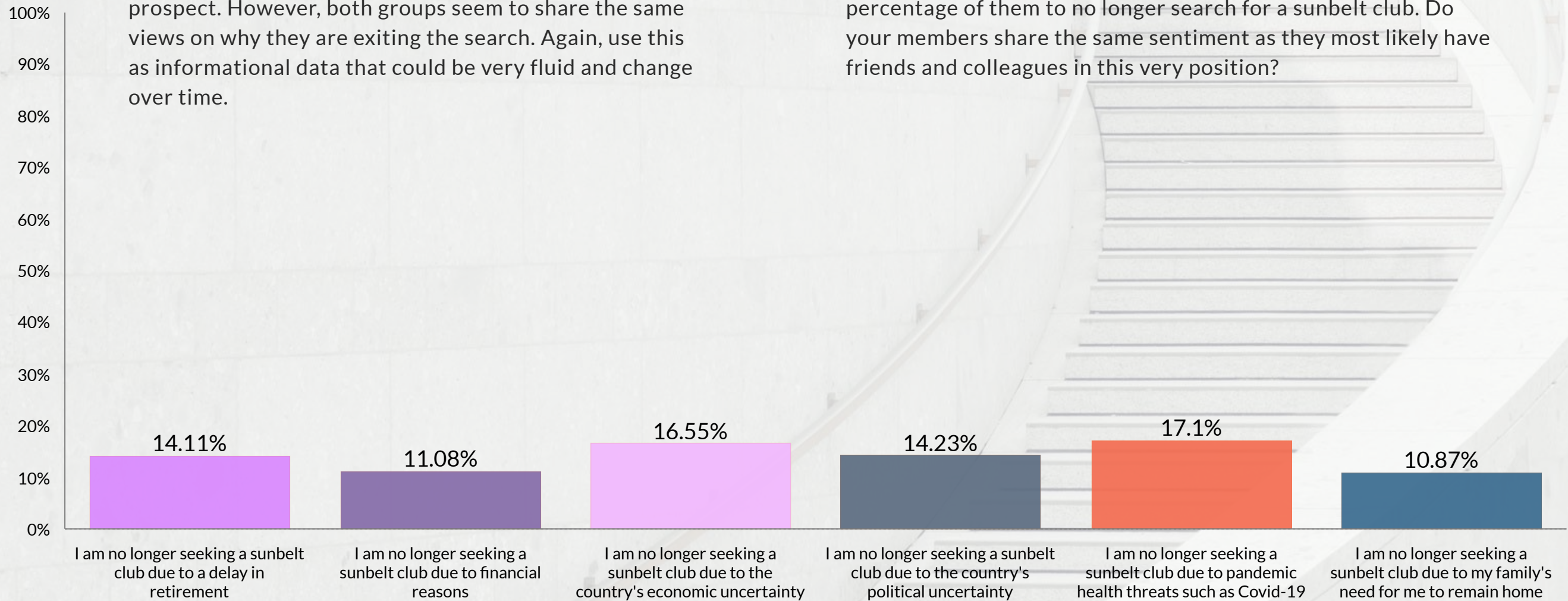


Interesting Covid & Economic Trends

Why some multi-club buyers are no longer looking for a sunbelt club to join:

GLN's Interpretation: The second (or third) club prospect most likely has a bit more resources than the first-time prospect. However, both groups seem to share the same views on why they are exiting the search. Again, use this as informational data that could be very fluid and change over time.

Discussion Point: The country's economic uncertainty has both classes of prospects a bit on edge and ultimately pushing a percentage of them to no longer search for a sunbelt club. Do your members share the same sentiment as they most likely have friends and colleagues in this very position?



Positive signs for the marketplace

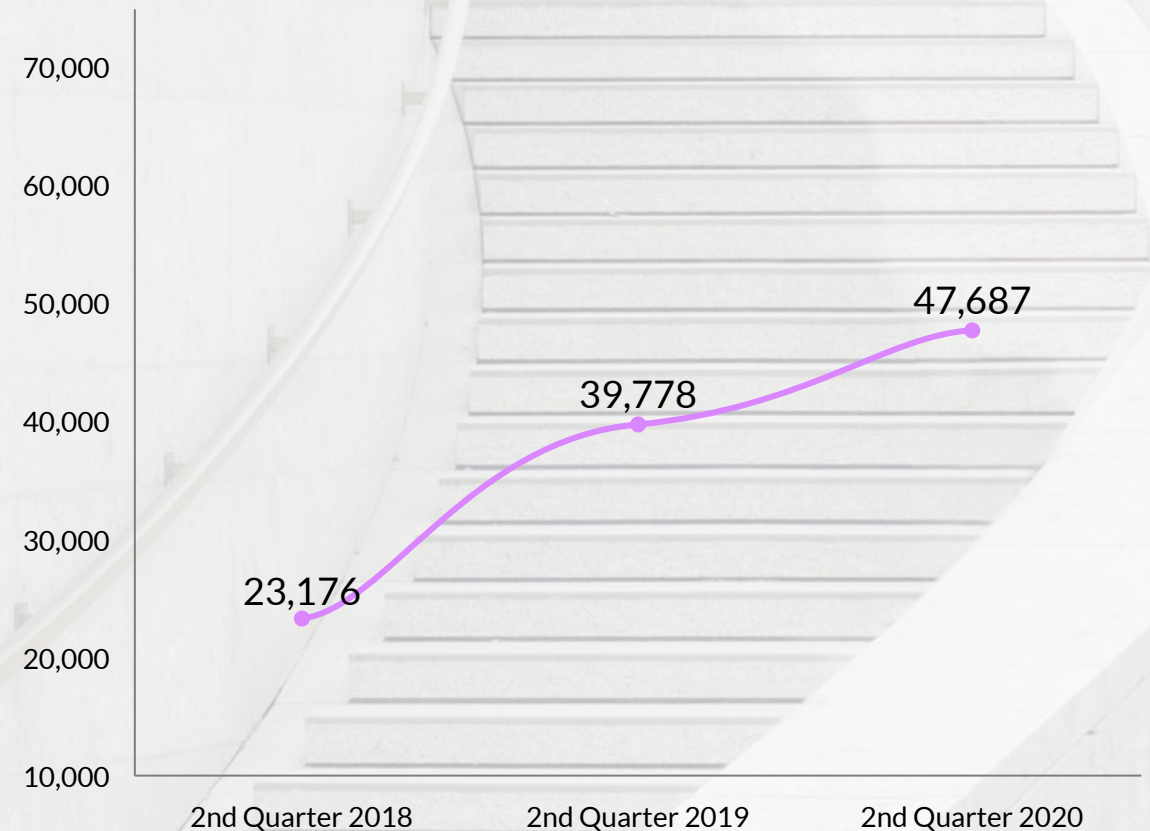
GLN's Interpretation: In a recent study, we looked at how the marketplace may have been affected in the second quarter of 2020 versus past (normal) years. Interestingly, we found that prospect activity on [GLN.com](https://www.gln.com) had increased almost 20% in Q2 of this year. Granted, one could argue that prospects had more time to move about the web the past few months. However, engagement rates have also been 5-10% higher and overall "opt-in" percentages of prospects (who wish to speak to a membership director immediately) were just as strong as 2019 with approximately 90-110 a month. In all, this is a great sign that the marketplace for prospective members continues to be robust - even during times of economic instability and a pandemic.

To conclude, we implore clubs to consider these three thoughts:

- 1.) **Continue investing into marketing** - prospects are very active in the marketplace, especially with GLN.
- 2.) **Deliver relevant and meaningful content** - prospects are yearning for tips, local knowledge, updates and education.
- 3.) **Communicate often** - prospects are engaged, keep the club front-and-center and yours will be the first they visit when the time is right.

Increased Prospect Activity in Q2

Total number of Q2 prospects on GLN.com



Thank you!

For questions on the data presented,
feel free to call or email at anytime.

Be well.

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