WHITE PAPER

Flexible Golf Membership: A Practical Financial Case for Golf Clubs

How to price, structure and sell flexible memberships to grow contracted revenue, reduce financial risk and outperform traditional green-fee income.

What's Inside

7. Current-Year Economics: A clearer view of 70-member value

Prepared by **PlayMoreGolf**

For UK Golf Club Committees & Owners

Executive Summary

Golf club membership models are evolving. This paper demonstrates financially why a structured flexible membership category is not a discount product, but a yield-management tool that can outperform casual green-fee revenue while securing cash flow upfront.

£40	£111.80	£4,480
Effective yield per round at 80% utilisation — matching the rack green fee.	More net revenue realised per member compared to agency-assisted DIY.	Gross unused home-points value at 80% utilisation across 70 members.

Key Findings

- **Yield Lens vs Cash Lens:** The £40 yield-parity example is based on the **£320 home-points allocation** priced at £32 per round. The club's retained cash position is different: after commission, net home revenue is **£248 per member**.
- **Upfront Net Revenue:** For 70 members, the club retains **£17,360** of net home revenue upfront. The gross home allocation is **£22,400**, which is the figure used in the utilisation and yield analysis.
- **Cost Efficiency:** PlayMoreGolf costs a flat **£72** per member. The **£183.80** DIY figure used in this paper is an illustrative agency-assisted benchmark based on disclosed assumptions, not a universal industry average.

- **Financial Framing:** Current-year retained revenue, yield support, financing benefit and longer-term upgrade potential should be read as **separate layers of value**, not bundled into a single annual total.

1 The Modern Challenge

Traditional 5-day and 7-day memberships remain the bedrock of club finance, but the "infrequent golfer" segment is growing. These golfers play 10–15 times a year and find full membership (£1,000+) poor value, yet they dislike the uncertainty of pay-and-play.

Clubs facing this challenge often fear that flexible memberships will cannibalise full members. However, the data shows flexible categories predominantly attract new revenue from casual golfers who would otherwise play elsewhere, while acting as a feeder pipeline for full membership upgrades.

2 How the PlayMoreGolf Model Works

The model is designed to protect the club's core yield while offering flexibility. It separates the "Home" membership value from the "Flexi" network value.

The £400 Structure

The standard flexible membership is sold for **£400**. This transaction is split into two distinct pots:

- **£320 (80%)** purchases Home Points, usable only at your club.
- **£80 (20%)** purchases Flexi Points, usable at your club or any of 250+ partner clubs.

Commercial Breakdown

Component	Amount	Notes

Total Transaction	£400	Paid upfront by the member
PlayMoreGolf Commission	-£72	18% of total transaction
Net Home Revenue	**£248**	**Guaranteed revenue to club per member**

Important: throughout this paper, references to *yield* are based on the **£320 home-points allocation** at £32 per round, while references to *net home revenue* are based on the **£248** the club retains after commission. The first explains round economics; the second explains cash retained.

*Crucially, commission is charged **only** on confirmed sales. There is no upfront marketing cost, joining fee, or platform charge for the club.*

3 Pricing Below the Rack Rate

To make the flexible product attractive, the "price per point" typically equates to a discount on the rack green fee. While some committees worry about discounting, it is essential for the financial model to work.

The Value Hierarchy

Player Type	Cost Per Round	Discount vs Rack	Commitment
Pay & Play	£40.00	0%	None (High Risk)
Flexible Member	**£32.00**	**20%**	**Upfront (£400)**
5-Day Member	£28.00	30%	Annual Sub
Full 7-Day Member	£24.00	40%	Annual Sub

> ***"A 20% discount is the 'sweet spot' — enough to incentivise a £400 upfront commitment, but high enough to protect yield against full members."***

4 The 80% Utilisation Effect

The financial magic of flexible membership lies in **utilisation**. Unlike pay-and-play golfers who pay for every round they play, flexible members buy points in bulk. Industry data shows that on average, members leave approximately 20% of their points unused at the end of the year.

The "Yield Parity" Calculation

This calculation uses the **gross home-points allocation**, not the net cash retained after commission. For 100 members, that means **£32,000 of home points** (100 × £320), equivalent to **1,000 home rounds** at £32 each.

The net cash retained by the club in the same example would be **£24,800** (100 × £248). Both figures are useful, but they answer different questions: one explains *yield on rounds*; the other explains *cash retained*.

Scenario	Rounds Played	Unused Value	Effective Yield per Round
100% Utilisation	1,000	£0	£32.00
90% Utilisation	900	£3,200	£35.56
80% Utilisation	**800**	**£6,400**	**£40.00 (= Rack Rate)**
70% Utilisation	700	£9,600	£45.71

Conclusion: At 80% utilisation, the **gross home-points allocation** delivers £40 of value per round played — exactly matching the rack green fee — while the club separately retains its **£248 net cash per member** at the point of sale.

Scaling the Benefit

Members	Gross Home Allocation	Net Home Revenue	Unused Home-Points Value (80% Util.)
35	£11,200	£8,680	£2,240
50	£16,000	£12,400	£3,200
70 (Avg Club)	£22,400	£17,360	£4,480
100	£32,000	£24,800	£6,400

Note: the unused home-points value is already embedded within the gross home allocation. It supports the yield story, but it should not be added on top of retained revenue as separate cash.

5 The Cash-Flow Advantage

Green fee revenue is highly seasonal and weather-dependent. Flexible membership revenue is contracted upfront. For 70 members, the model produces **£22,400 of gross home allocation** and **£17,360 of net home revenue retained by the club** at the point of sale. This provides five strategic advantages:

1. **Working Capital:** Revenue arrives Jan–Mar, funding winter maintenance.
2. **Financing Savings:** On £17,360 of retained cash, this is worth approximately **£430–£870** depending on whether the cash advantage is modelled over six or twelve months

at a 5% rate.

3. **Weather-Proofing:** If it rains in July, green fee revenue is lost. Flexible revenue is already in the bank.
4. **Planning Certainty:** Contracted income allows for confident staffing and CapEx decisions.
5. **Lead Time:** Cash arrives 5 months ahead of the peak playing season.

6 Agency-Assisted DIY vs PlayMoreGolf

A common question from committees is: *"Can't we just do this ourselves and save the commission?"*

When the full costs of marketing, administration, and acquisition are calculated, the DIY route is significantly more expensive per member acquired.

Full Cost Comparison per Member

The comparison below is an **illustrative agency-assisted DIY benchmark**, not a universal industry average. It assumes the club pays a modest monthly retainer (£299), plus ad spend, creative support, club follow-up/admin, CRM and card processing.

Cost Item	Agency-Assisted DIY	PlayMoreGolf
Agency Retainer (£299/mo spread over 70 sales)	£51.00	Included
Ad Spend (Google/Social)	£71.00	Included
Creative & Content	£15.00	Included
Club Staff Follow-up & Admin	£40.00	Included
CRM / Platform Fee	£2.00	Included
Card Processing (1.5%)	£4.80	Included
TOTAL COST TO ACQUIRE	**£183.80**	**£72.00**
Net Home Revenue	**£136.20**	**£248.00**
FINANCIAL ADVANTAGE	—	**+£111.80 / member**

> ***"The club realises £111.80 more per member with PlayMoreGolf in this illustrative benchmark because acquisition, payment processing and administration are wrapped into the commission model."***

7 Current-Year Economics (70 Members)

This section separates **retained revenue**, **yield support**, **operating upside** and **longer-term strategic value** so that each can be assessed on its own merits.

Current-Year Measure	Value	How to Read It

Gross Home Allocation	£22,400	Used for the home-points yield analysis at £32 per round.
Net Home Revenue Retained	£17,360	The club's actual retained cash after £72 commission per member.
Agency-Assisted DIY Net Revenue Equivalent	£9,534	70 members × £136.20 per member in the benchmark DIY model.
Immediate Revenue Advantage vs DIY	**£7,826**	**The difference in retained revenue between the two models.**
Unused Home-Points Value at 80% Utilisation	£4,480	Supports the yield story; already embedded in the gross home allocation, not extra cash.
Indicative Financing Benefit	£430 – £870	Based on retained cash arriving earlier than seasonal green-fee income.
Indicative Avoided Variable Cost	£420 – £840	Assumes c.140 unplayed rounds at £3–£6 direct cost per round.

Strategic Upside (Shown Separately)

Longer-Term Measure	Value	How to Read It
Upgrade Pipeline Potential	Up to £10,500 over 3 years	Illustrative 20% conversion rate to full membership; not included in current-year figures above.
Indicative Annualised View	c. £3,500 per year	Simple straight-line annualisation for planning discussion only.

8 Answering the Committee

"We're giving away too much discount"

Response: On the **gross home-points allocation**, the 20% discount is offset by the 20% of points that typically go unused. That is why the effective value per played round returns to **£40**, matching the rack green fee in the yield model.

"The commission seems high"

Response: The £183.80 figure in this paper is an **illustrative agency-assisted benchmark** built from disclosed assumptions, not a universal market statistic. The purpose is to show the cost categories a club still carries when it buys external help but continues to fund media, follow-up and servicing itself.

"What if they use all their points?"

Response: Even at 100% usage, the **gross home-points allocation** still delivers £32 per round upfront. A green fee visitor may pay £40, but that revenue is uncertain and weather-sensitive. The model therefore trades some upside for contracted demand and earlier cash.

"Will full members downgrade?"

Response: Flexible members get no competition rights and limited peak access. The value gap is clear. History shows flexible membership is a feeder *into* full membership, not a drain.

Conclusion

Flexible membership is no longer a "discount" option; it is a sophisticated yield-management tool. By structuring it correctly — pricing it below the rack rate but relying on utilisation breakage and upfront cash flow — clubs can secure a revenue stream that is more reliable than green fees and more profitable than a DIY approach.

With PlayMoreGolf, the club removes the risk of upfront acquisition costs and admin burden, retains **£17,360** of net home revenue from 70 members, and creates a clearer, more defensible financial case than an agency-assisted DIY route.

Appendix: Assumptions

1. Rack Green Fee: £40 | Flexible Rate: £32 (20% discount).
2. Membership: £320 Home + £80 Flexi = £400 Total.
3. Commission: 18% of £400 = £72 | Net home revenue retained by club: £248 per member.
4. Yield examples are based on the **gross £320 home-points allocation**; cash-retained examples are based on the **£248 net figure**.
5. DIY comparison is an illustrative agency-assisted benchmark: Agency retainer £51/member, Ad spend £71, Admin/Staff £40, Creative £15, CRM £2, Card fees 1.5%.
6. Utilisation: 80% of home points redeemed (industry planning assumption).
7. Financing: 5% interest rate on overdraft; benefit shown over a six-to-twelve-month timing range.

8. Upgrade pipeline shown separately: 20% conversion rate to full membership over 3 years, not included in current-year economics.