



PRIVATE CLUB ECONOMIC IMPACT REPORT

Soyoung Park, PhD. Florida Atlantic University
SoJung Lee, Ph.D. Iowa State University
Jinwon Kim, PhD. University of Florida
Jim Butler, Ph.D. CEO, Club Benchmarking
Ray Cronin, Founder, Club Benchmarking
Bryan LaBlue, Data Management Specialist, Club Benchmarking

Funded by National Club Association, Club Benchmarking, Club Management Association of America

Economic Impact Report Team Members

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- Amilcar Davy, Club Management Association of America
- Bryan LaBlue, Club Benchmarking
- Dawn Coleman, Club Management Association of America
- Jason Koenigsfeld, Ph.D., Club Management Association of America
- Jason Tate, Club Management Association of America
- Jeff Morgan, Club Management Association of America
- Jim Butler, Club Benchmarking
- Joe Trauger, National Club Association
- Kim Fernandez, National Club Association
- Melissa Low, Club Management Association of America
- Ray Cronin, Club Benchmarking

• Research Team

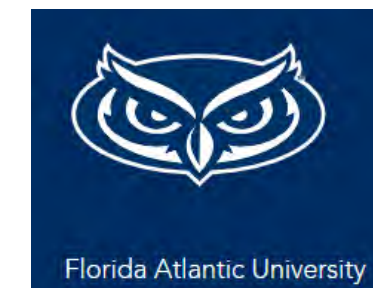
- SoJung Lee, Ph.D. Director of Club Research Lab, Iowa State University
- Soyoun Park, PhD. Florida Atlantic University
- Jinwon Kim, PhD. University of Florida
- Jim Butler, Ph.D. CEO, Club Benchmarking
- Ray Cronin, Founder, Club Benchmarking
- Bryan LaBlue, Data Management Specialist, Club Benchmarking
- Nuri Choi, Research Assistant, Iowa State University
- Lip Shin, Research Assistant, Iowa State University

This report was jointly funded by the Club Management Association of America, the National Club Association and Club Benchmarking. The purpose of the report was to quantify the economic impact of private clubs in the United States of America.

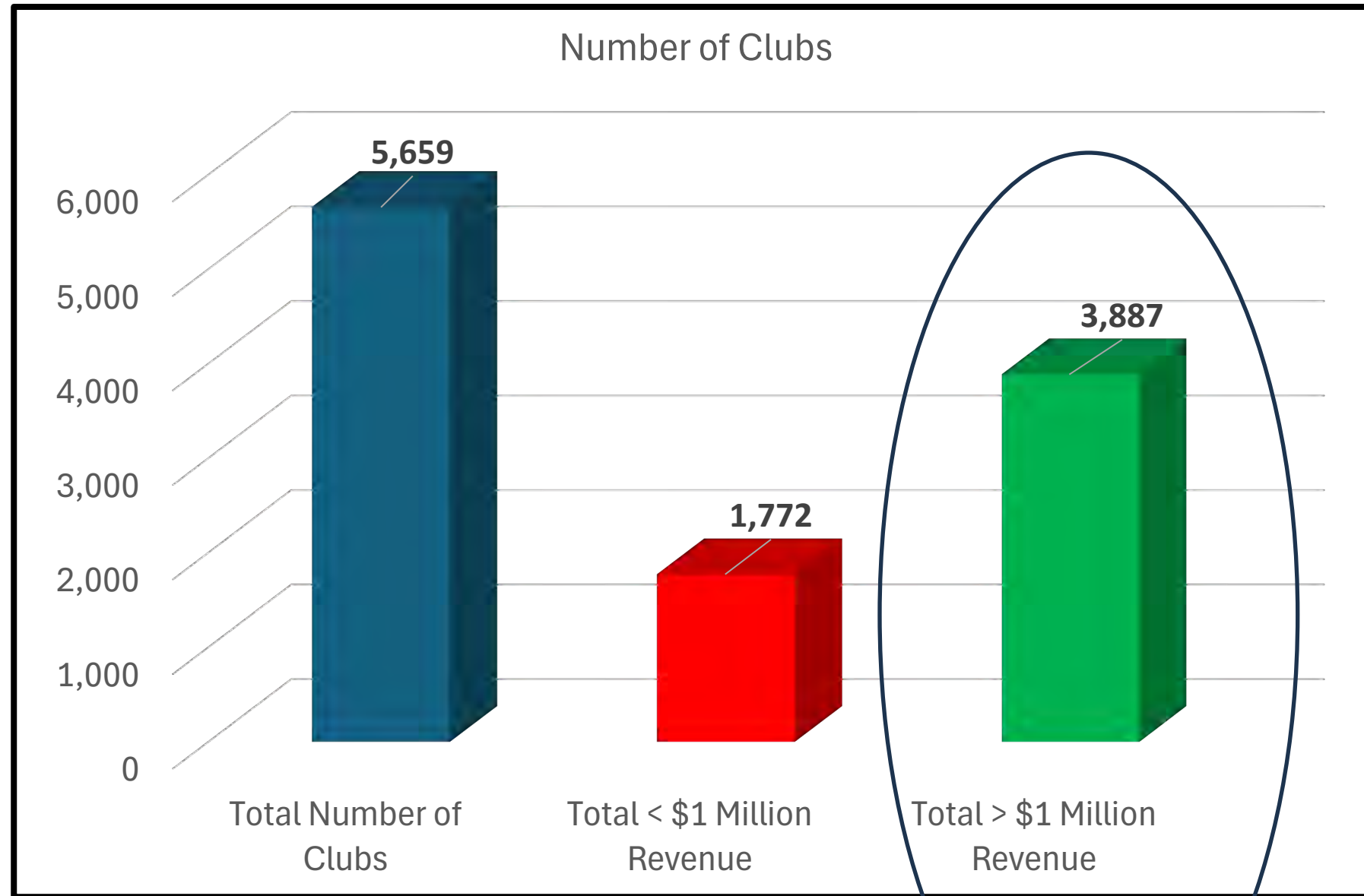
The data contained in this report resides within the Club Benchmarking database.

The research effort was managed and led by Professor SoJung Lee, PhD., of Iowa State University and Ray Cronin, Founder of Club Benchmarking.

The data contained in the report reflects the results of club operations in 2023. The research and analysis was conducted from November 2023 through April 2024.



The Private Club Market



3,887 clubs with revenue over \$1 million form the basis of data for this Economic Impact Report

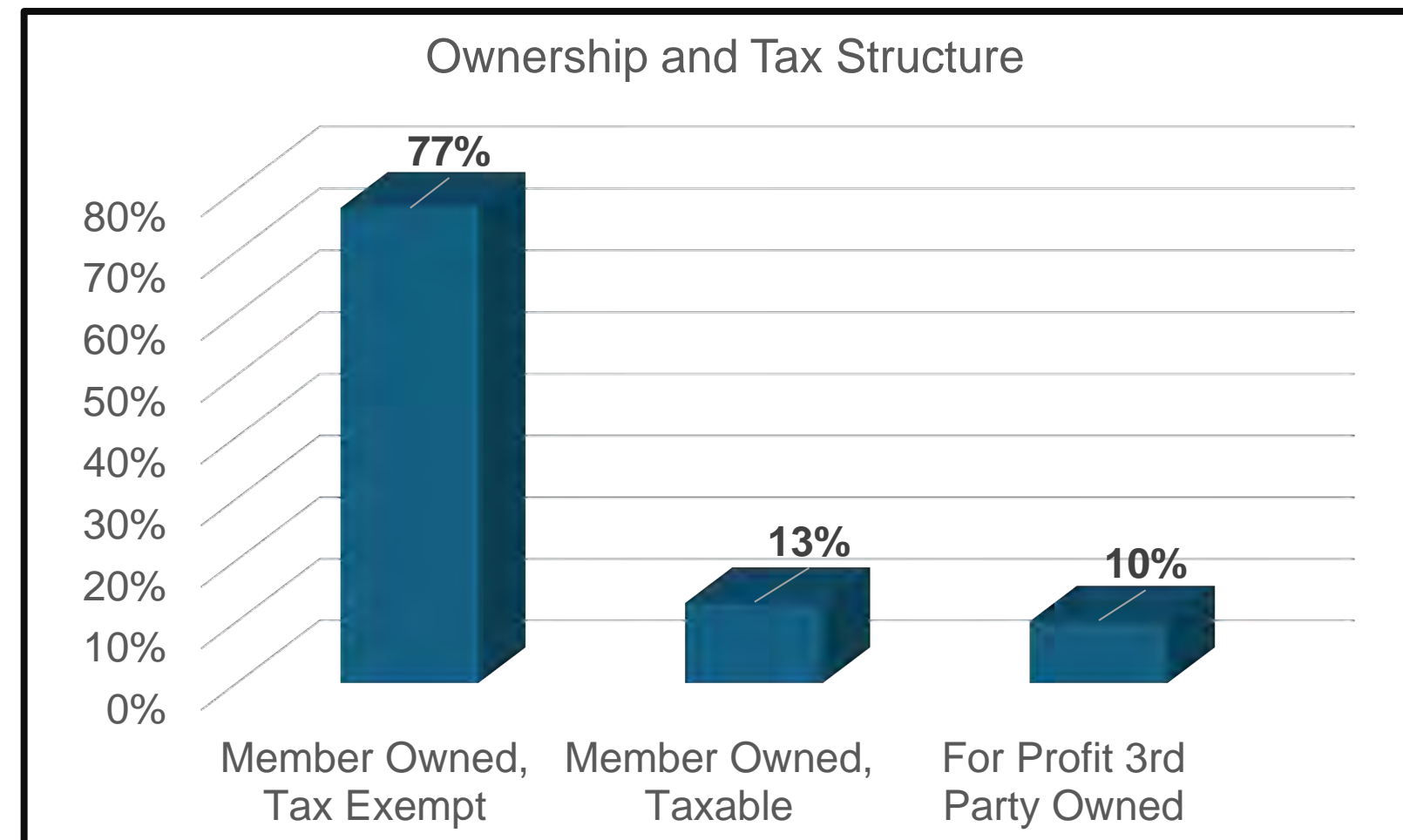
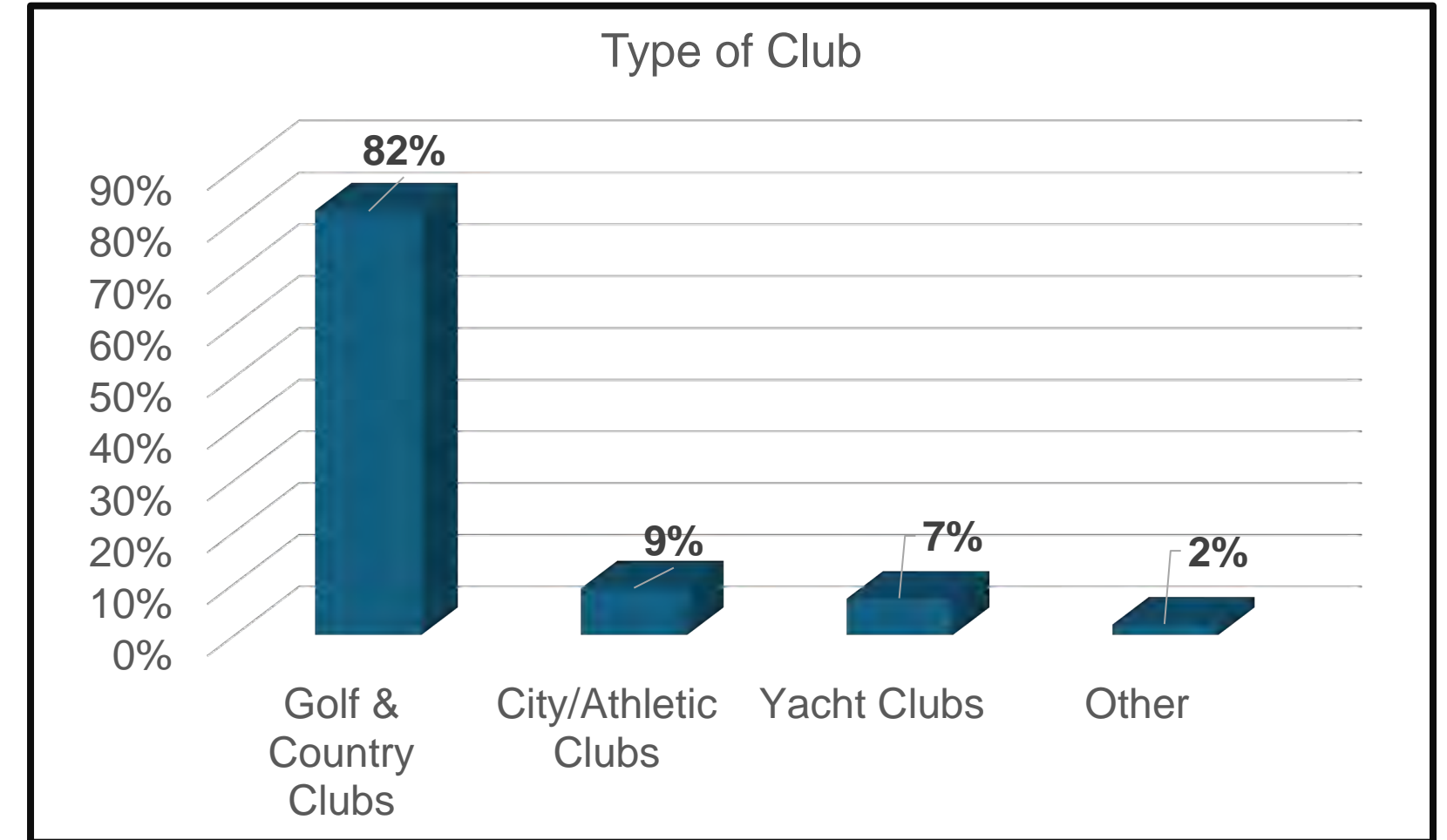
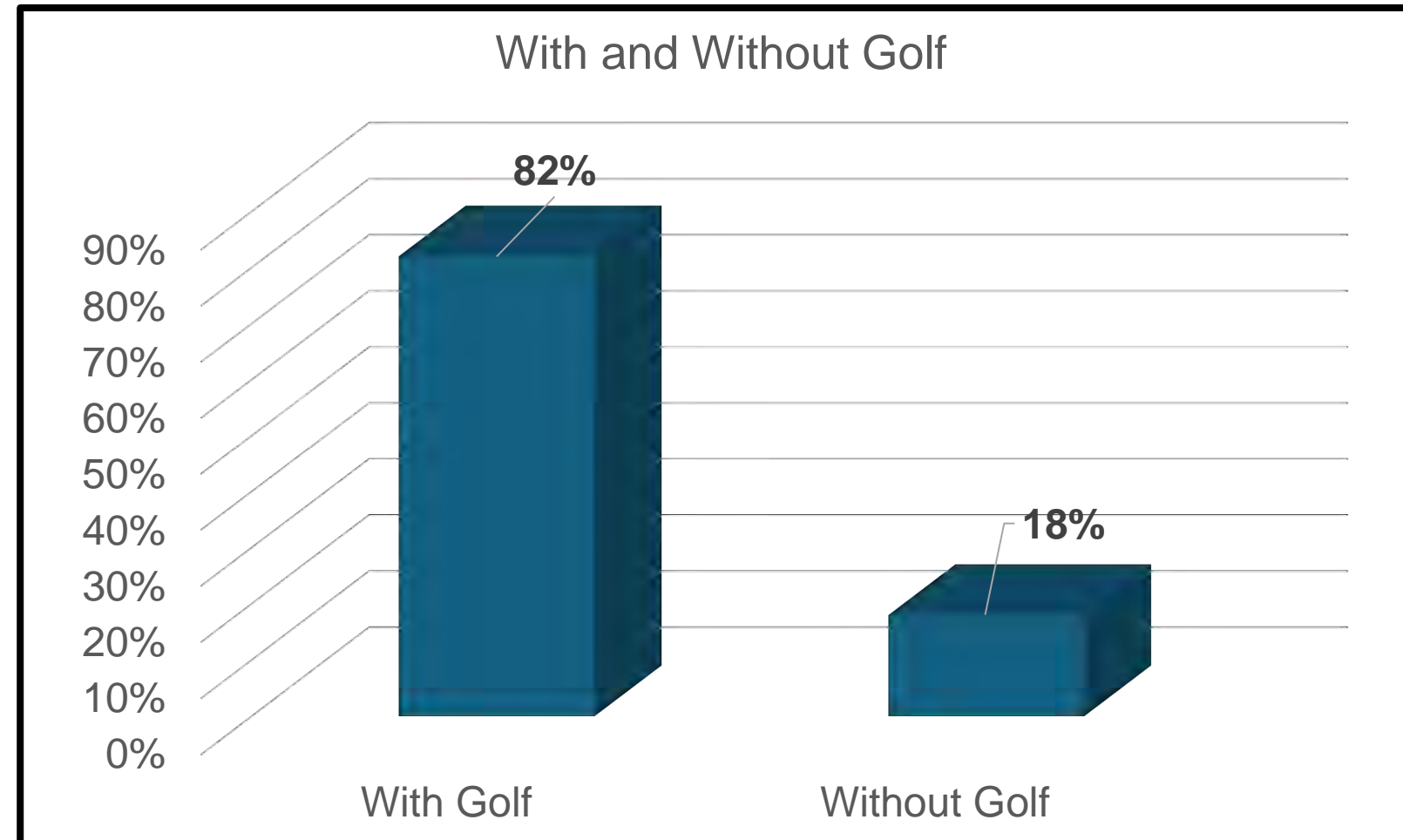
The research for this report identified 5,659 private clubs in the United States. These clubs include Golf Clubs, Country Clubs (clubs that have golf courses and an array of non-golf sports and amenities), City/Athletic Clubs (including dining only clubs), Yacht Clubs and Tennis Clubs.

The most straightforward definition of a private club is a club that requires a member to pay dues to belong and the club's services and amenities can only be accessed by being a member, or the guest of a member. While certain of these clubs may allow non-member access to the Food & Beverage via a banquet, such access requires a member to sponsor the group holding the event.

Another aspect of the definition of a private club is that membership typically requires some form of invitation and approval process, and the members are expected to abide by the rules of decorum which the members create and enforce.

Of the 5,659 private clubs identified, the research captured revenue figures for 4,103. This Economic impact report only considers clubs with revenue exceeding \$1 million. Clubs with revenue below \$1 million do not typically have paid staff and are operated with the members providing the voluntary labor necessary to meet the mission. Ultimately, 3,887 clubs with revenue exceeding \$1 million were identified within the calculations of economic impact that follow.

Market Segmentation



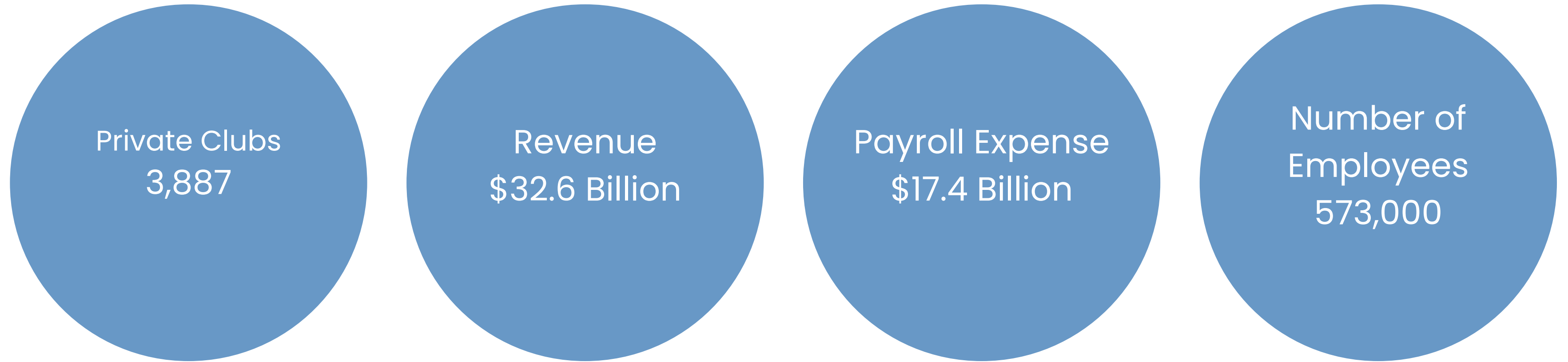
There are several meaningful segmentations in the market.

A primary segmentation is whether the club has golf as an amenity. Of the 3,887 clubs, 3,187 (82%) have golf and 700 (18%) do not.

A second segmentation is by type of club. The breakdown is shown in the accompanying graph. Examples of the "other" segment include; tennis, swimming and other less common clubs with a specific amenity.

Another segmentation relates to ownership and tax status structure. The vast majority of private clubs are member-owned and they operate as not-for-profits as regards tax status. The accompanying graph indicates the segmentation in this regard.

Direct Economic Impact – All US Clubs

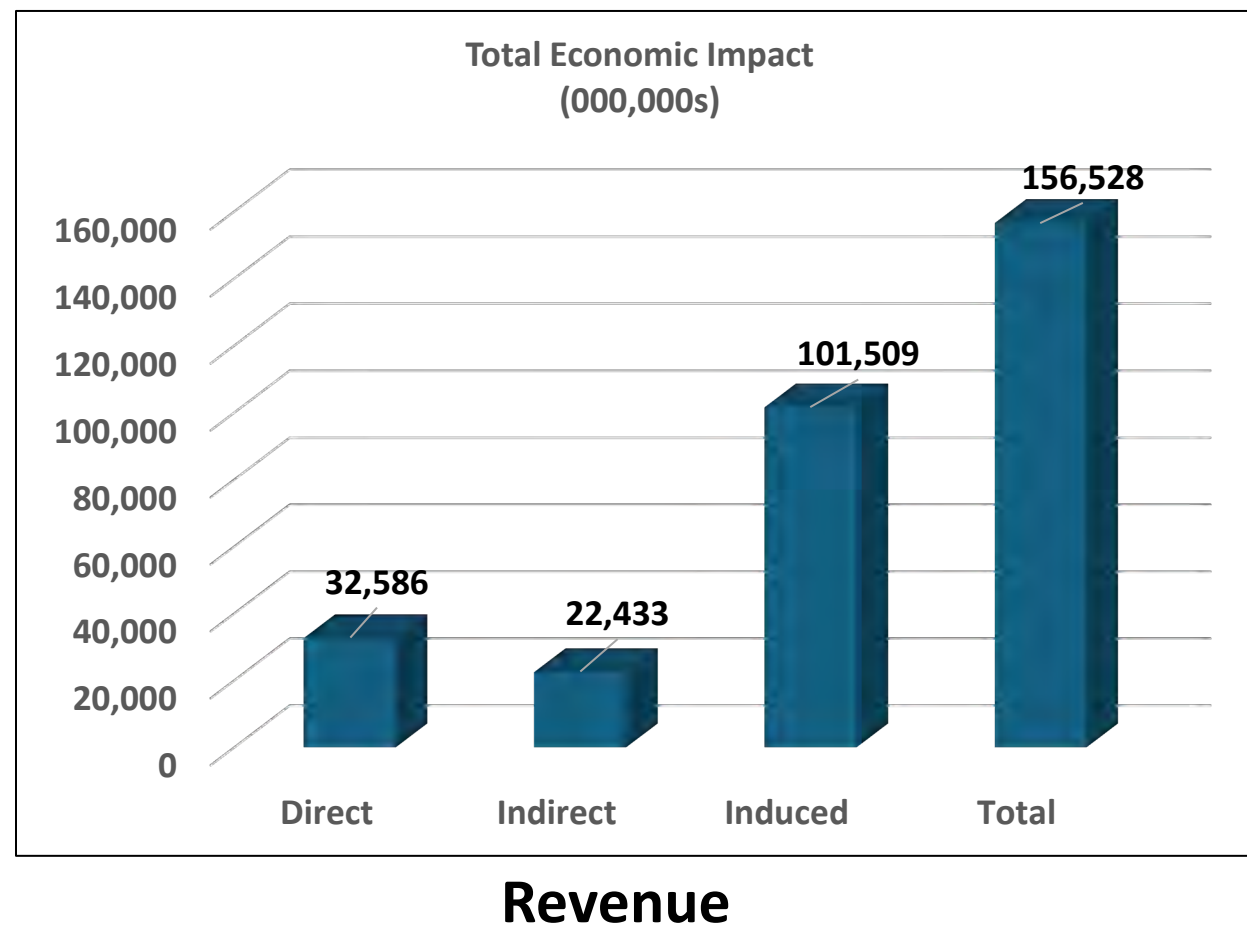


The Direct Economic Impact of the 3,887 identified private clubs in the USA is measured in terms of Revenue, Payroll and Number of Employees. The 3,887 clubs generated an estimated \$32.6 billion of revenue in 2023. Additionally, the members of those clubs injected an estimated \$5 billion of capital into the clubs, in the form of Initiation Fees and Capital Dues/Assessments. Those capital injections are destined for investment in property, plant and equipment. The 3,887 clubs employed 573,000 employees generating \$17.4 billion of payroll, estimated as \$14.6 billion of salaries and wages and an additional \$2.8 billion of payroll taxes and benefits.

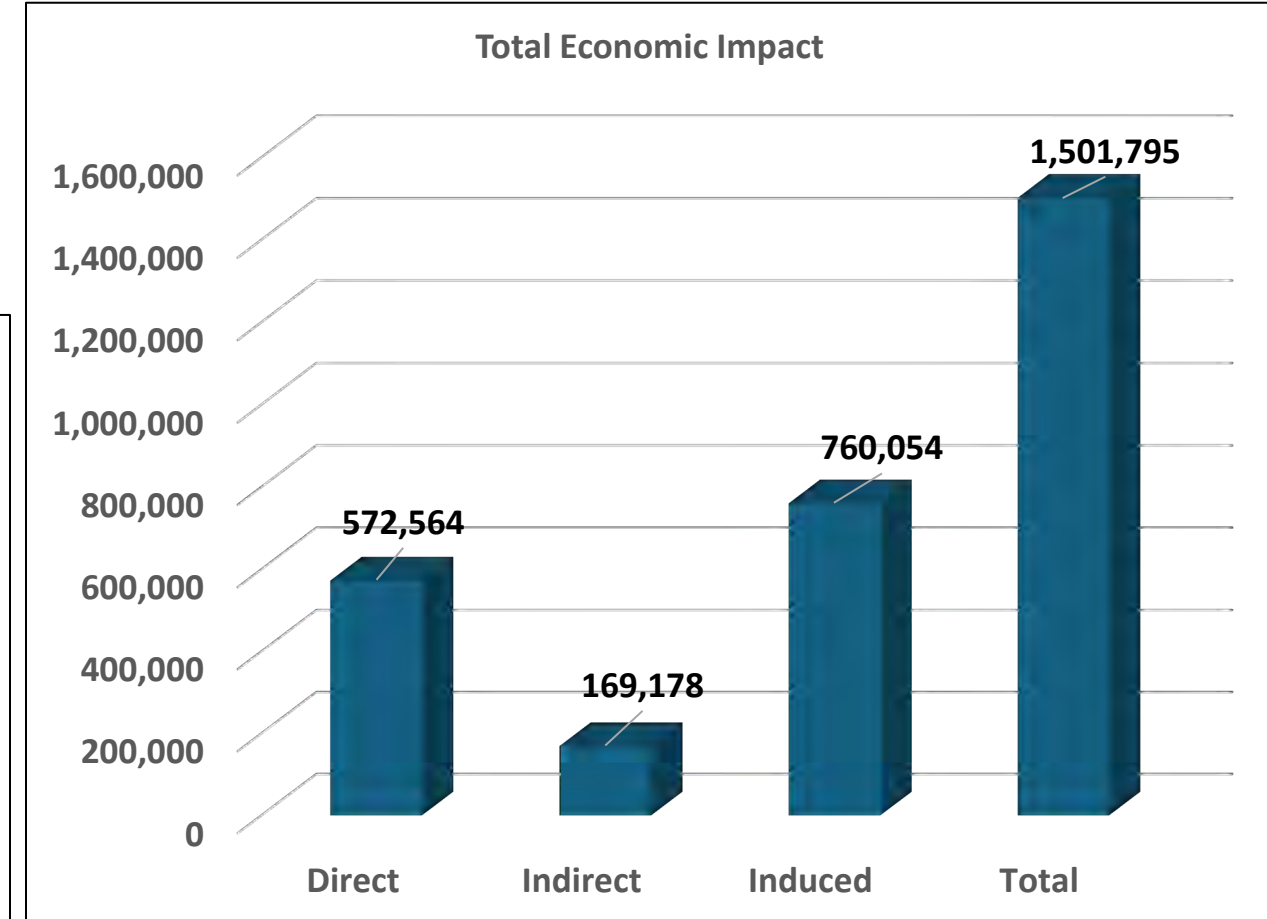
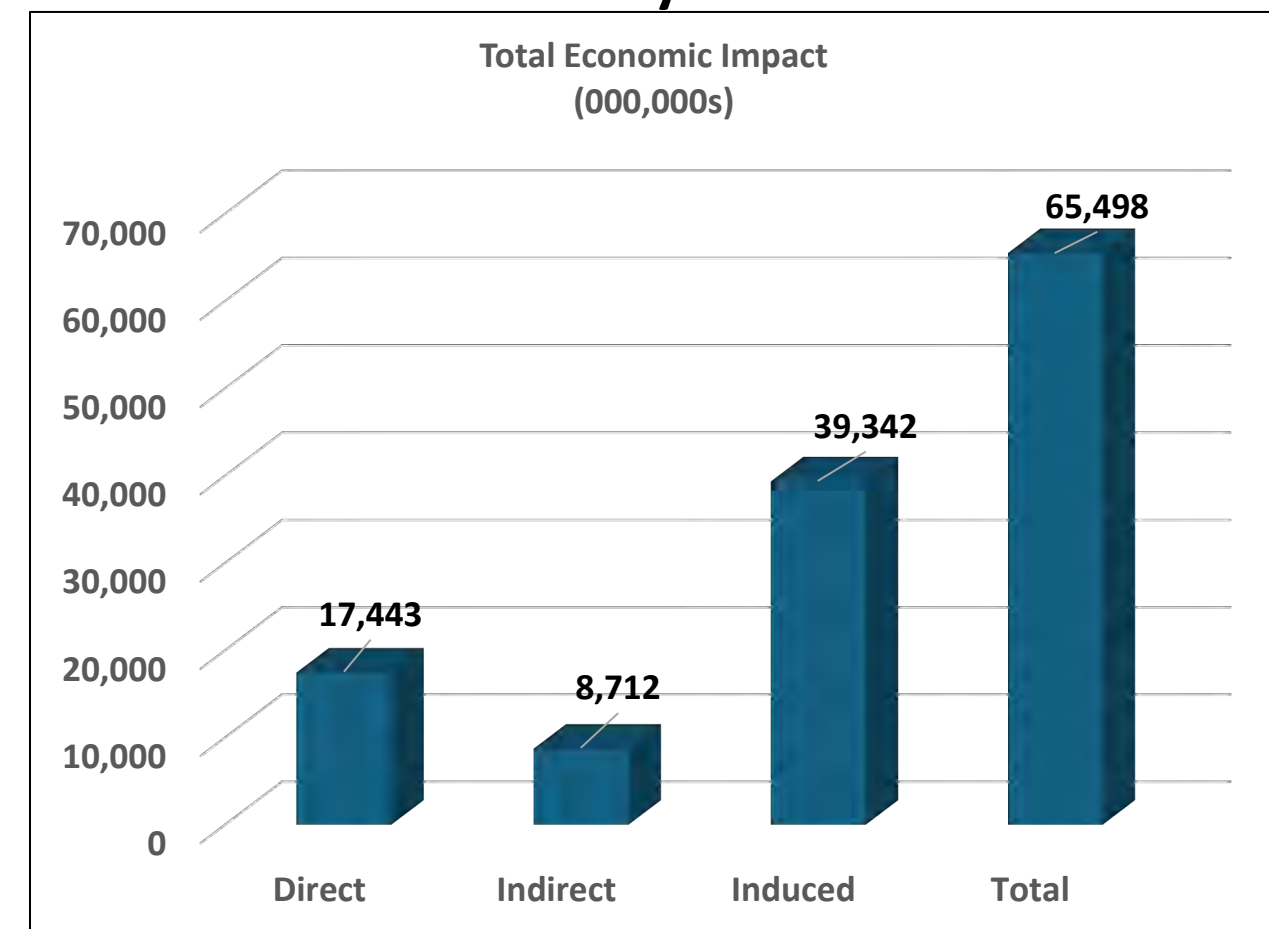
The bulk of economic activity in clubs is local in nature. Most club staff live in or near the community in which their club is located. Clubs offer a wide array of flexible employment including full-time year-round, full-time seasonal, part-time year-round and part-time seasonal work. The employment offerings in clubs positively impact employees seeking flexibility in schedules. For comparison, consider these company employee counts sourced from www.companiesmarketcap.com and www.macrotrends.net:

FedEx – 529,000 employees
UPS – 500,000 employees
Marriott – 411,000 employees

Total Economic Impact – All US Clubs



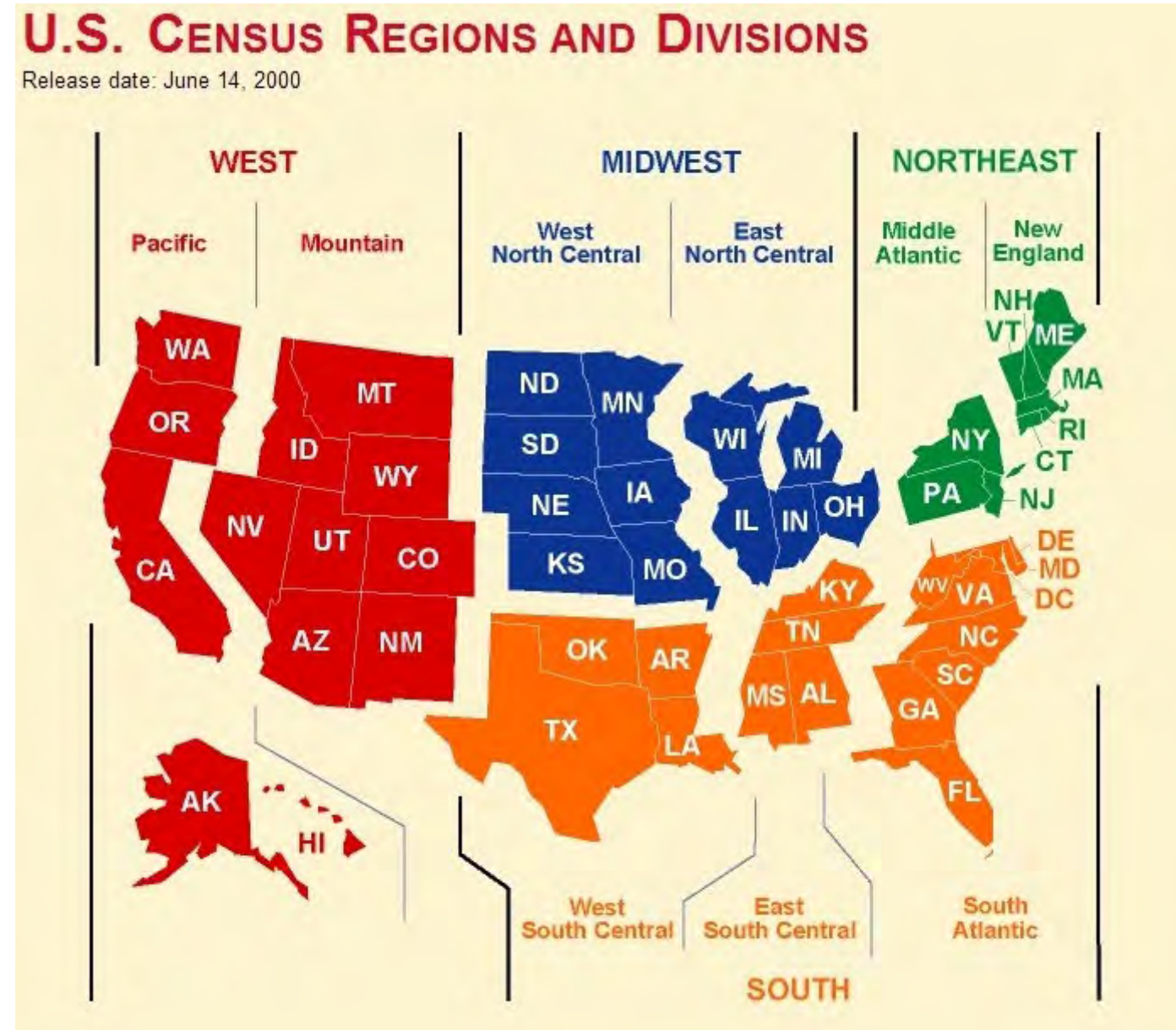
Revenue



Jobs

In considering economic impact, the multiplier model is embraced. Indirect Impact considers the impact club revenue has on other industries, which in the case of clubs includes food service, food service supplies, uniforms laundry and linen, clothing, sports equipment, utilities, insurance, services such as construction and trades and capital equipment such as HVAC, irrigation, kitchen equipment. Induced Impact considers the impact on personal income resulting from the direct and indirect business-to-business spending. Total Impact is the entire economic impact of the industry. The total economic impact of the club industry on the United States is \$157 billion of revenue, \$65 billion of total payroll and creation of 1.5 million jobs across the economy. It is important to amplify the point that clubs are local “main street” businesses employing local staff, so the induced economic impact is local in nature. Clubs have an outsized impact on their local towns, cities and regions.

Regional Breakdown



<https://www2.census.gov/geo/pdfs/reference/GARM/Ch6GARM.pdf>

Geographic Distribution

This report segments club locations using the US Department of Commerce, Census Bureau Regions and Divisions. The four regions are sub-divided into nine divisions that contain the fifty States.

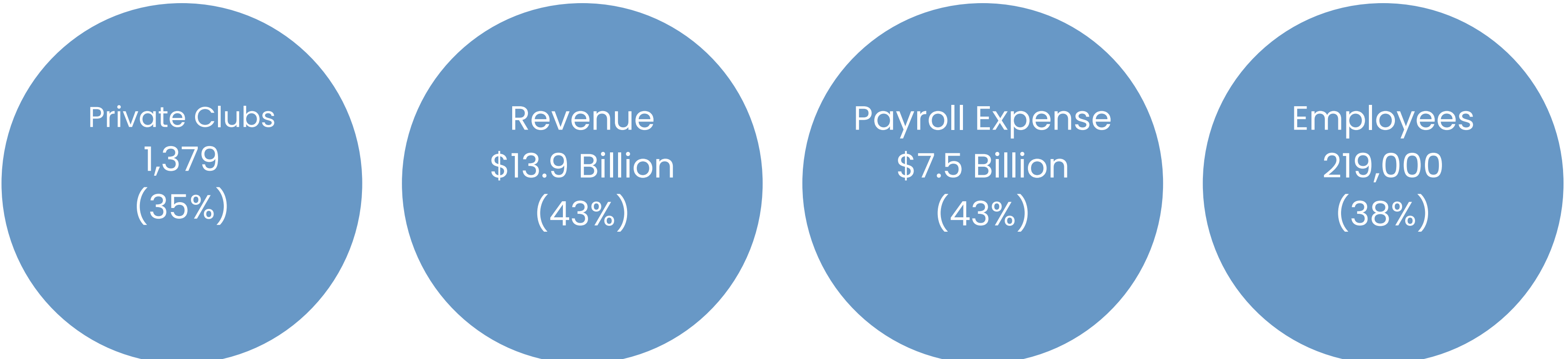
- **Northeast**
 - New England: CT, ME, MA, NH, RI, VT
 - Middle Atlantic: NJ, NY, PA
- **Midwest**
 - East North Central: IN, IL, MI, OH, WI
 - West North Central: IA, KS, NE, ND, SD, MN, MO
- **South**
 - South Atlantic: DE, DC, FL, GA, MD, NC, SC, VA, WV
 - East South Central: AL, KY, MS, TN
 - West South Central: AR, LA, OK, TX
- **West**
 - Mountain: AZ, CO, ID, NM, MT, UT, NV, WY
 - Pacific: AK, CA, HI, OR, WA



Regional Impact

South

Direct Economic Impact – South Region



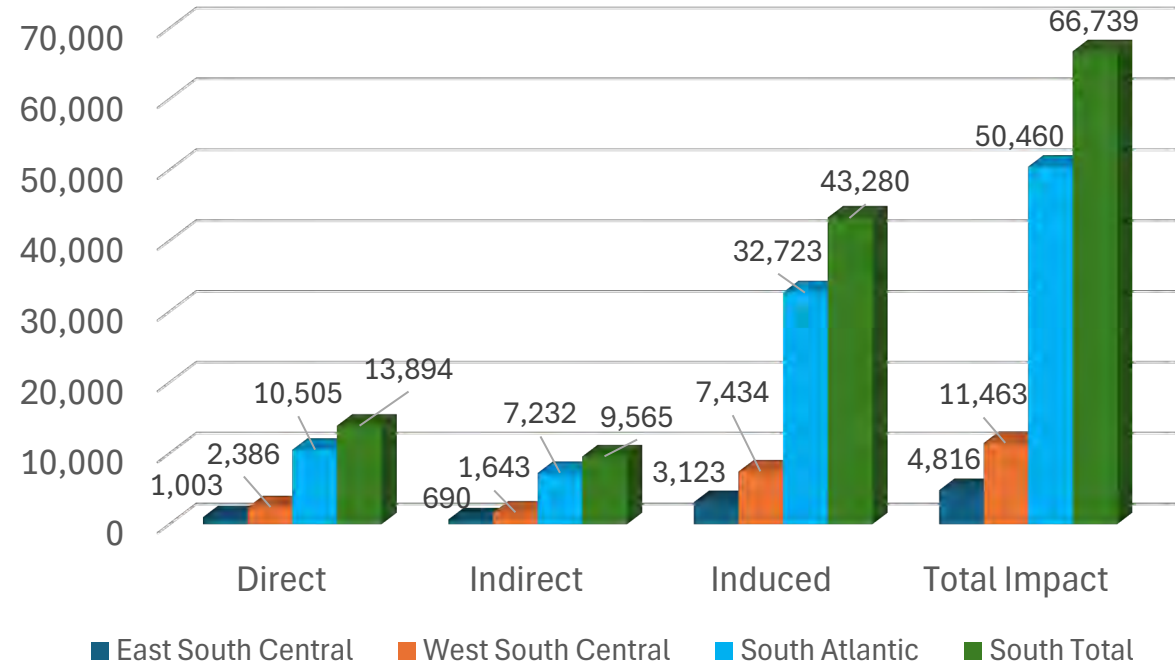
South Region	Average Revenue Per Club	Payroll Per Head	Payroll Per FTE	Median Income in Region	Ratio to Median Income
	\$10,079,768	\$34,247	\$68,493	\$49,600	1.38%

The Direct Economic Impact of the 1,379 identified private clubs in the South Region is measured in terms of Revenue, Payroll and Number of Employees. In 2023, the 1,379 South Region clubs generated an estimated \$13.9 billion of revenue (43% of the industry revenue). Additionally, the members of those clubs injected an estimated \$2.1 billion of capital into the clubs in the form of Initiation Fees and Capital Dues/Assessments. Those capital injections are destined for investment in property, plant and equipment. The 1,379 clubs employed 219,000 employees generating \$7.5 billion of payroll, estimated as \$6.3 billion in salaries and wages and an additional \$1.2 billion in payroll taxes and benefits. The Average Full Time Equivalent position in the club industry in the South Region is compensated at 1.38 times above the Bureau of Labor Statistic regional median of \$49,600 (for April 2024).

Florida is the US state with the most clubs. Approximately 65% of the clubs in Florida are Residential Community Clubs. These clubs have a significant additional economic impact as the members own homes in the community. They pay real estate taxes and of course, as with any homeowner, generate significant economic activity maintaining and operating their dwelling.

Indirect, Induced and Total Economic Impact – South Region

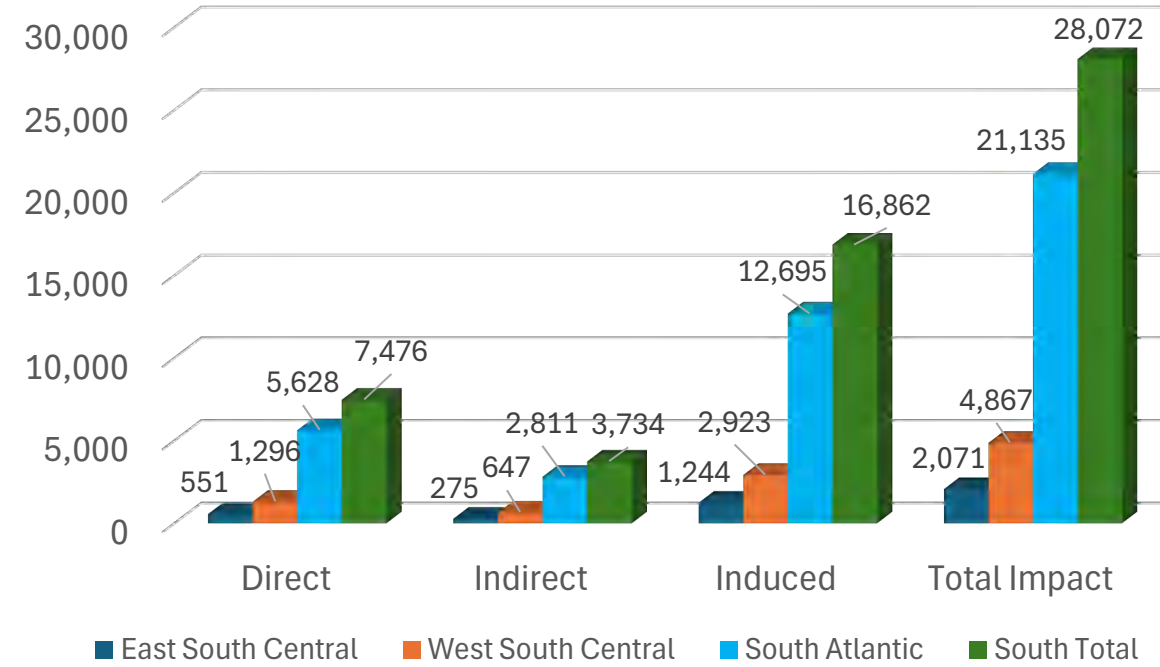
Revenue
(000,000's)



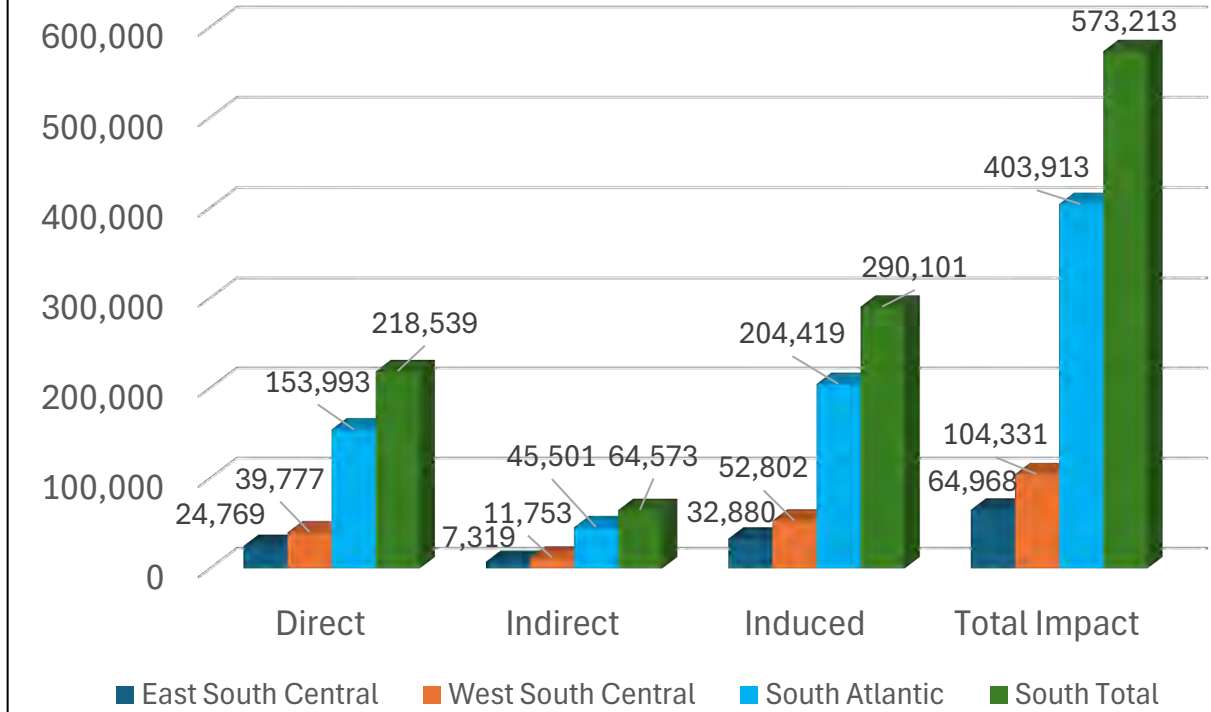
Revenue

Payroll

Total Payroll
(000,000's)



Employee Count



Jobs

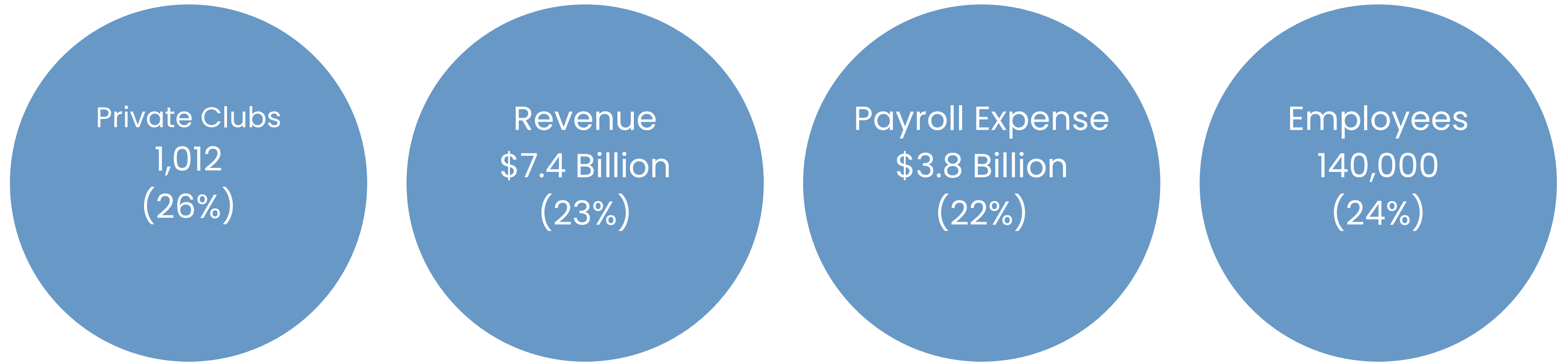
In considering economic impact, the multiplier model is embraced. Indirect Impact considers the impact club revenue has on other industries, which in the case of clubs includes food service, food service supplies, uniforms laundry and linen, clothing, sports equipment, utilities, insurance, services such as construction and trades and capital equipment such as HVAC, irrigation, kitchen equipment. Induced Impact considers the impact on personal income resulting from the direct and indirect business-to-business spending. Total Impact is the entire economic impact of the industry. The total economic impact of the club industry on the South Region is \$66.7 Billion of revenue, \$28.1 Billion of total payroll and creation of 573,000 jobs across the regional economy. It is important to amplify the point that clubs are local “main street” businesses employing local staff, so the induced economic impact is local in nature. Clubs have an outsized impact on their local towns, cities and regions.



Regional Impact

Northeast

Direct Economic Impact – Northeast Region



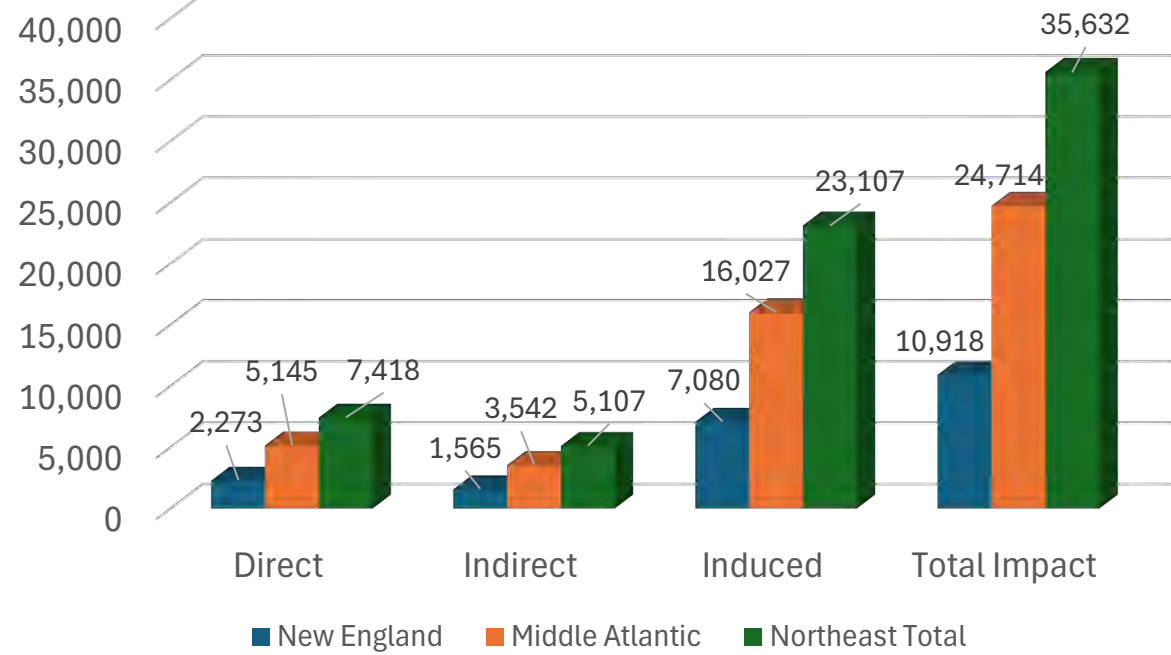
Northeast	Average Revenue Per Club	Payroll Per Head	Payroll Per FTE	Median Income in Region	Ratio to Median Income
	\$7,312,253	\$27,143	\$54,286	\$44,200	1.23%

The Direct Economic Impact of the 1,012 identified private clubs in the Northeast Region is measured in terms of Revenue, Payroll and Number of Employees. In 2023, the 1,012 clubs generated an estimated \$7.4 billion of revenue (23% of the industry revenue). Additionally, the members of those clubs injected an estimated \$1.1 billion of capital into the clubs, in the form of Initiation Fees and Capital Dues/Assessments. Those capital injections are destined for investment in property, plant and equipment. The 1,012 clubs employed 140,000 employees generating \$3.8 billion of payroll, estimated as \$3.1 billion in salaries and wages and an additional \$700 million in payroll taxes and benefits. The Average Full Time Equivalent position in the club industry in the Northeast Region is compensated at 1.23 times above the Bureau of Labor Statistic regional median of \$44,200 (for April 2024).

The Northeast includes the largest city in the USA – New York City. New York City and other larger cities in the Northeast, like Boston, are home to many of the country’s City/Athletic clubs. A number of the clubs in New York and Boston have union labor. Such clubs also typically have overnight rooms adding hotel rooms to the city’s inventory.

Indirect, Induced and Total Economic Impact – Northeast Region

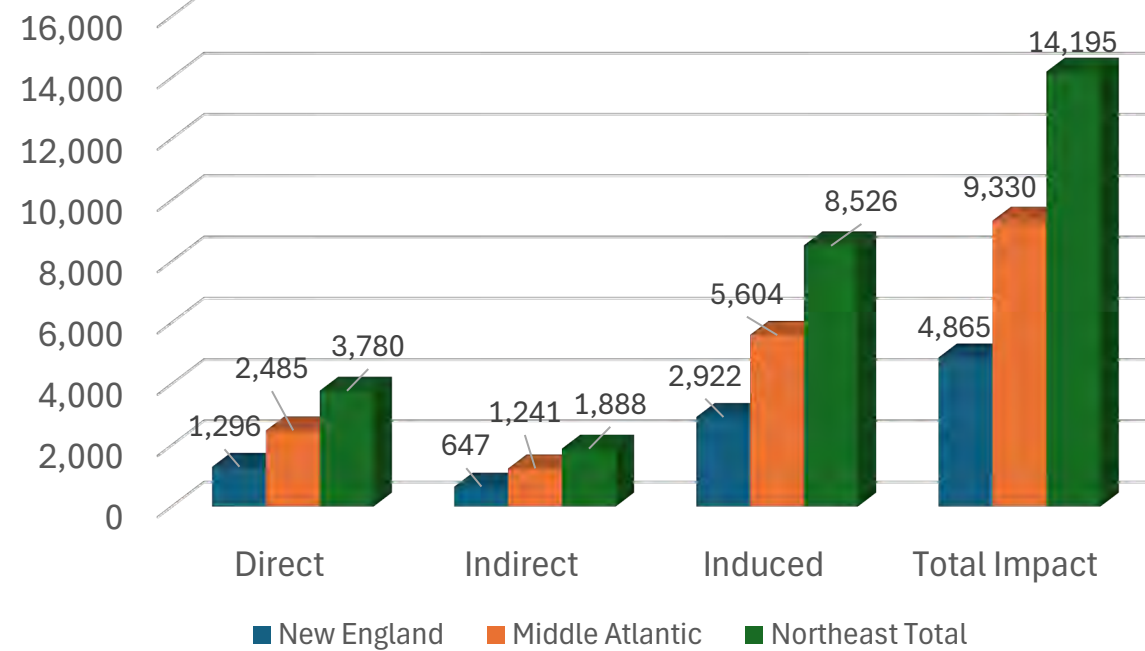
Revenue
(000,000's)



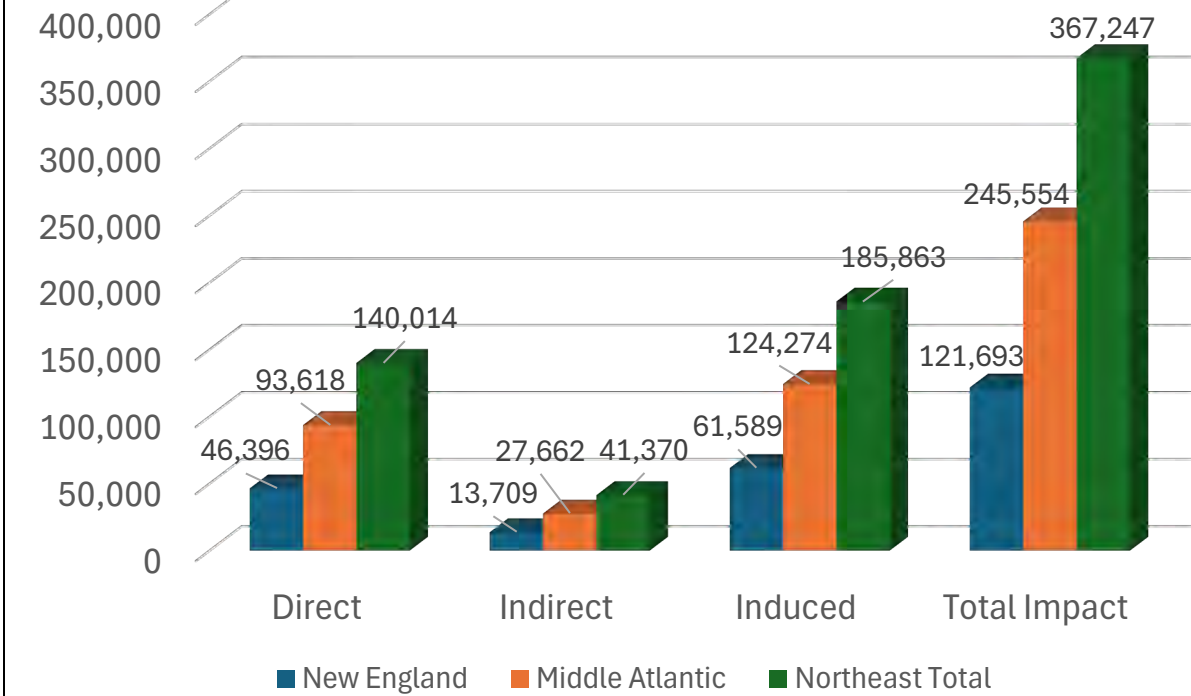
Revenue

Payroll

Total Payroll
(000,000's)



Employee Count



Jobs

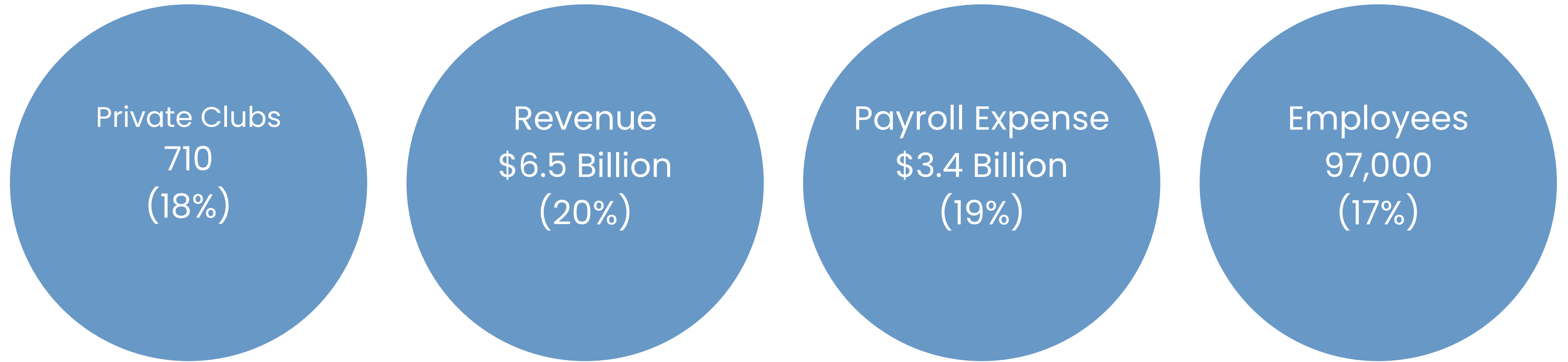
In considering economic impact, the multiplier model is embraced. Indirect Impact considers the impact club revenue has on other industries, which in the case of clubs includes food service, food service supplies, uniforms laundry and linen, clothing, sports equipment, utilities, insurance, services such as construction and trades and capital equipment such as HVAC, irrigation, kitchen equipment. Induced Impact considers the impact on personal income resulting from the direct and indirect business-to-business spending. Total Impact is the entire economic impact of the industry. The total economic impact of the club industry on the Northeast Region is \$35.6 billion of revenue, \$14.2 billion of total payroll and creation of 367,000 jobs across the regional economy. It is important to amplify the point that clubs are local “main street” businesses employing local staff, so the induced economic impact is local in nature. Clubs have an outsized impact on their local towns, cities and regions.



Regional Impact

West

Direct Economic Impact – West Region

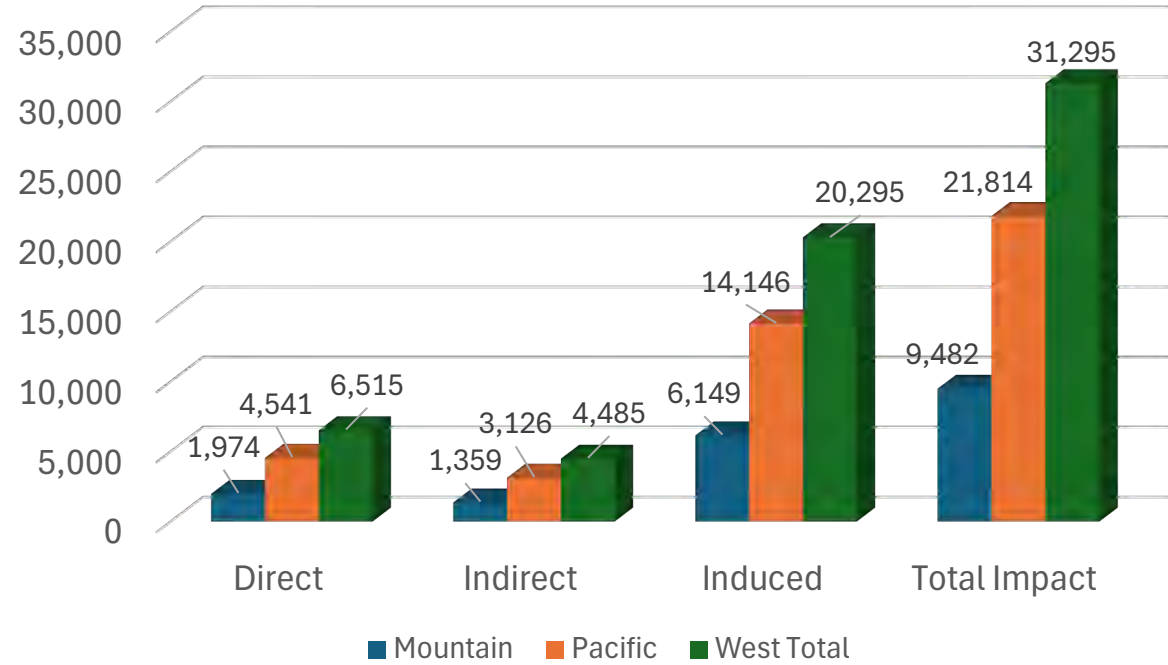


	Average Revenue Per Club	Payroll Per Head	Payroll Per FTE	Median Income in Region	Ratio to Median Income
West	\$9,154,930	\$35,052	\$70,103	\$52,700	1.33%

The Direct Economic Impact of the 710 identified private clubs in the West Region is measured in terms of Revenue, Payroll and Number of Employees. In 2023, the 710 clubs generated an estimated \$6.5 billion of revenue (20% of the industry revenue). Additionally, the members of those clubs injected an estimated \$1 billion of capital into the clubs, in the form of Initiation Fees and Capital Dues/Assessments. Those capital injections are destined for investment in property, plant and equipment. The 710 clubs employed 97,000 employees generating \$3.4 billion of payroll, estimated as \$2.9 billion in salaries and wages and an additional \$500 million in payroll taxes and benefits. The Average Full Time Equivalent position in the club industry in the West Region is compensated at 1.33 times above the Bureau of Labor Statistic regional median of \$52,700 (for April 2024).

Indirect, Induced and Total Economic Impact – West Region

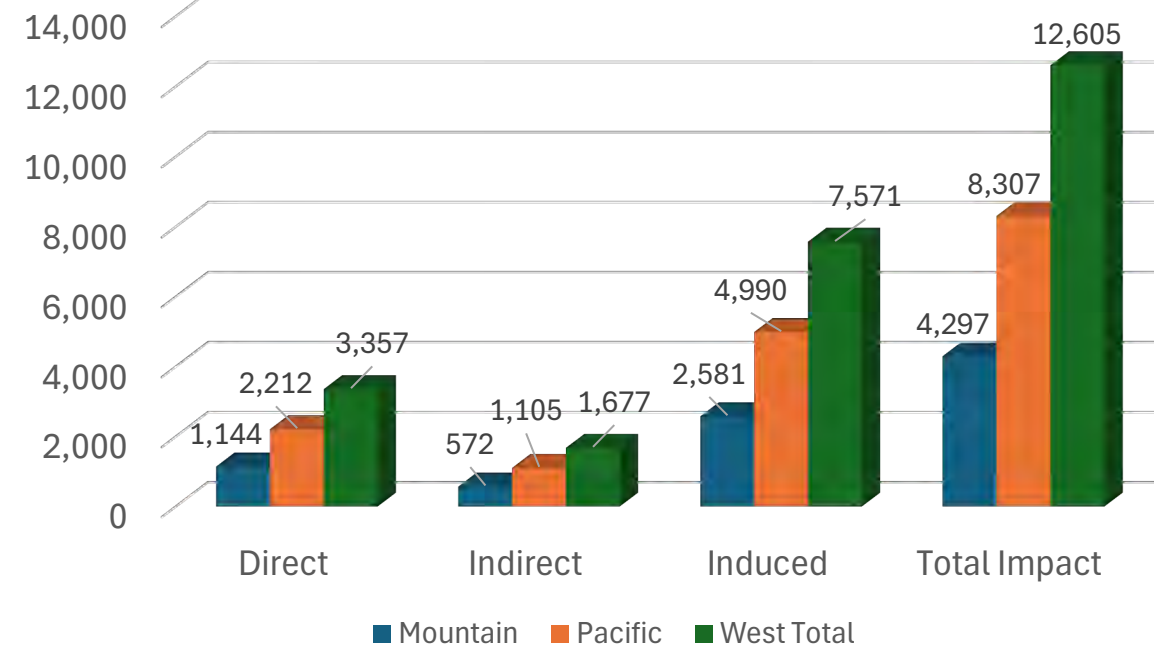
Revenue
(000,000's)



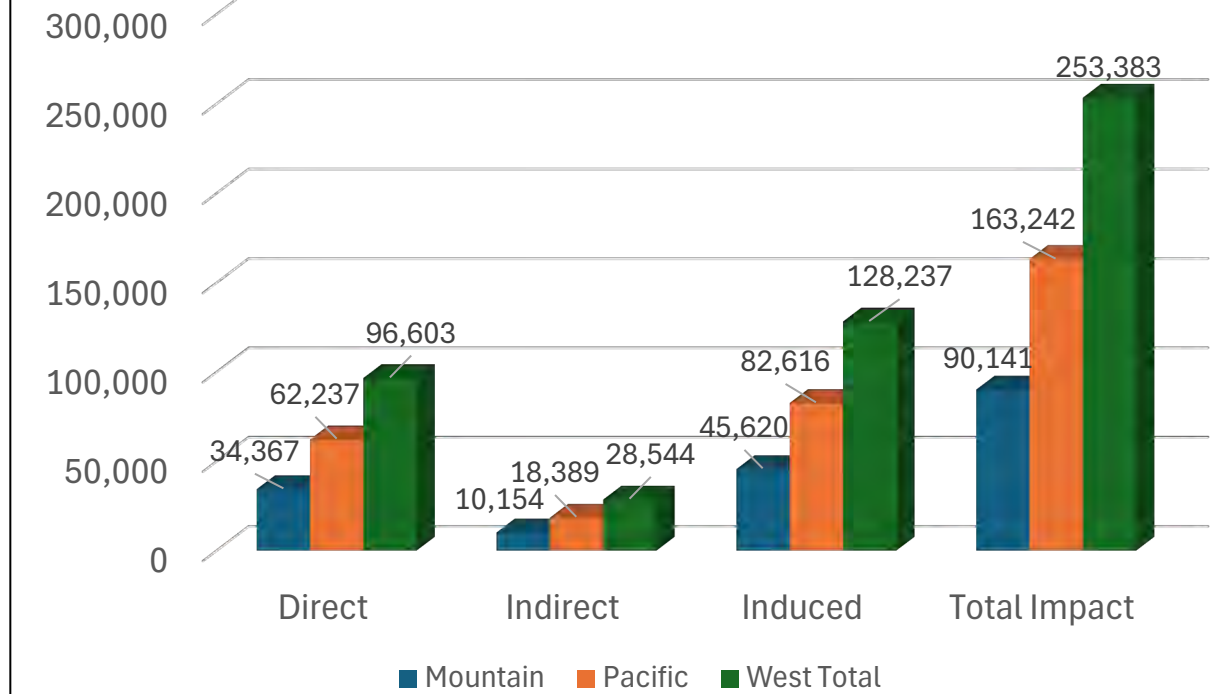
Revenue

Payroll

Total Payroll
(000,000's)



Employee Count



Jobs

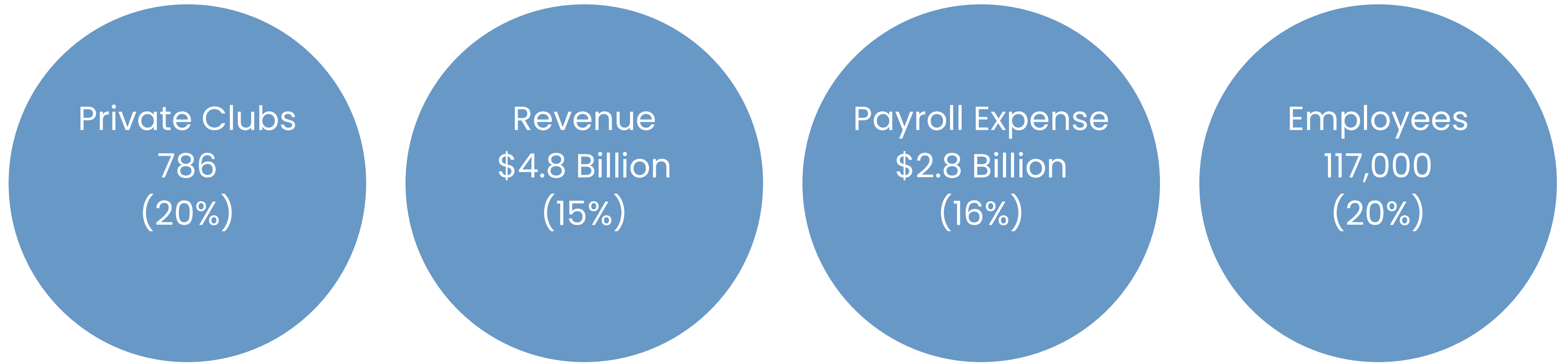
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Regional Impact

Midwest

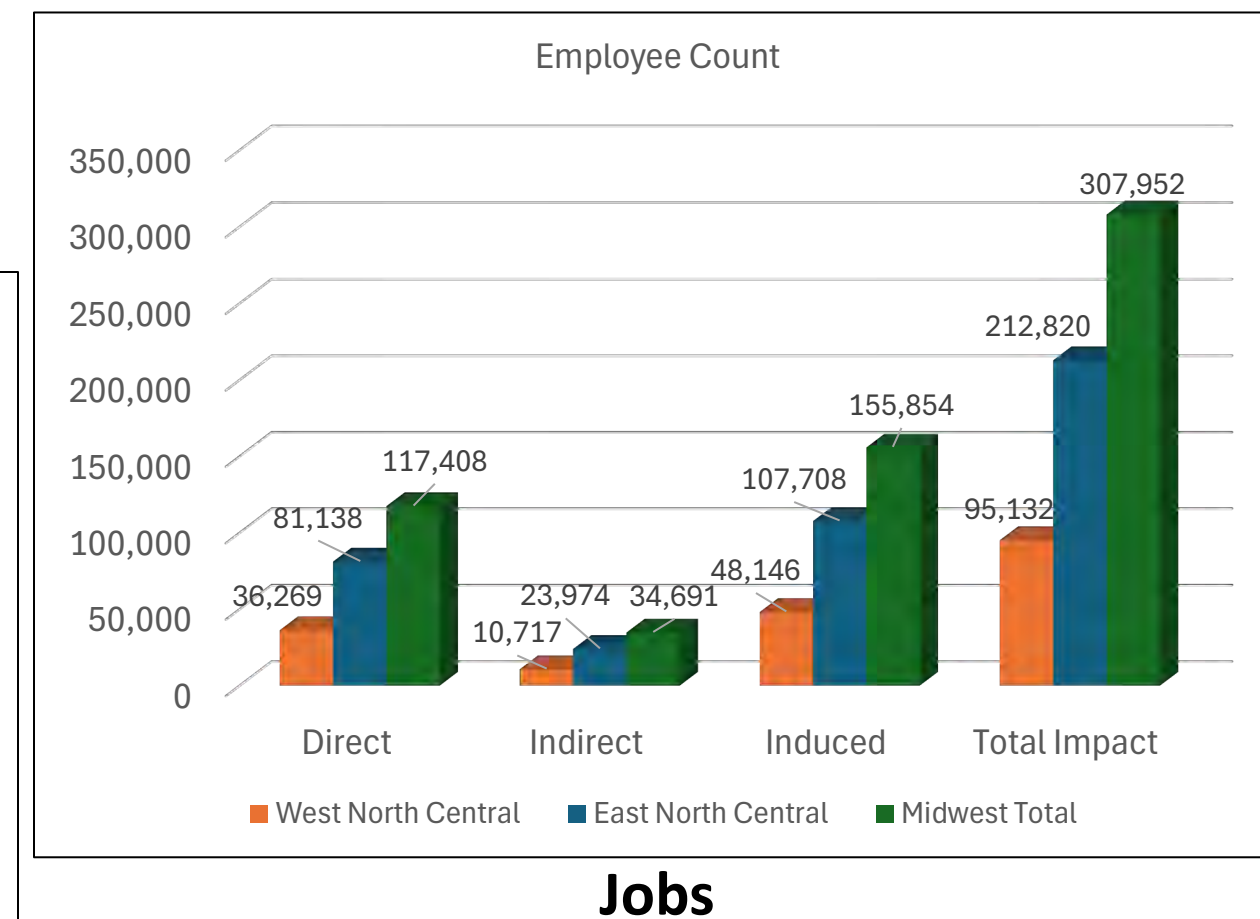
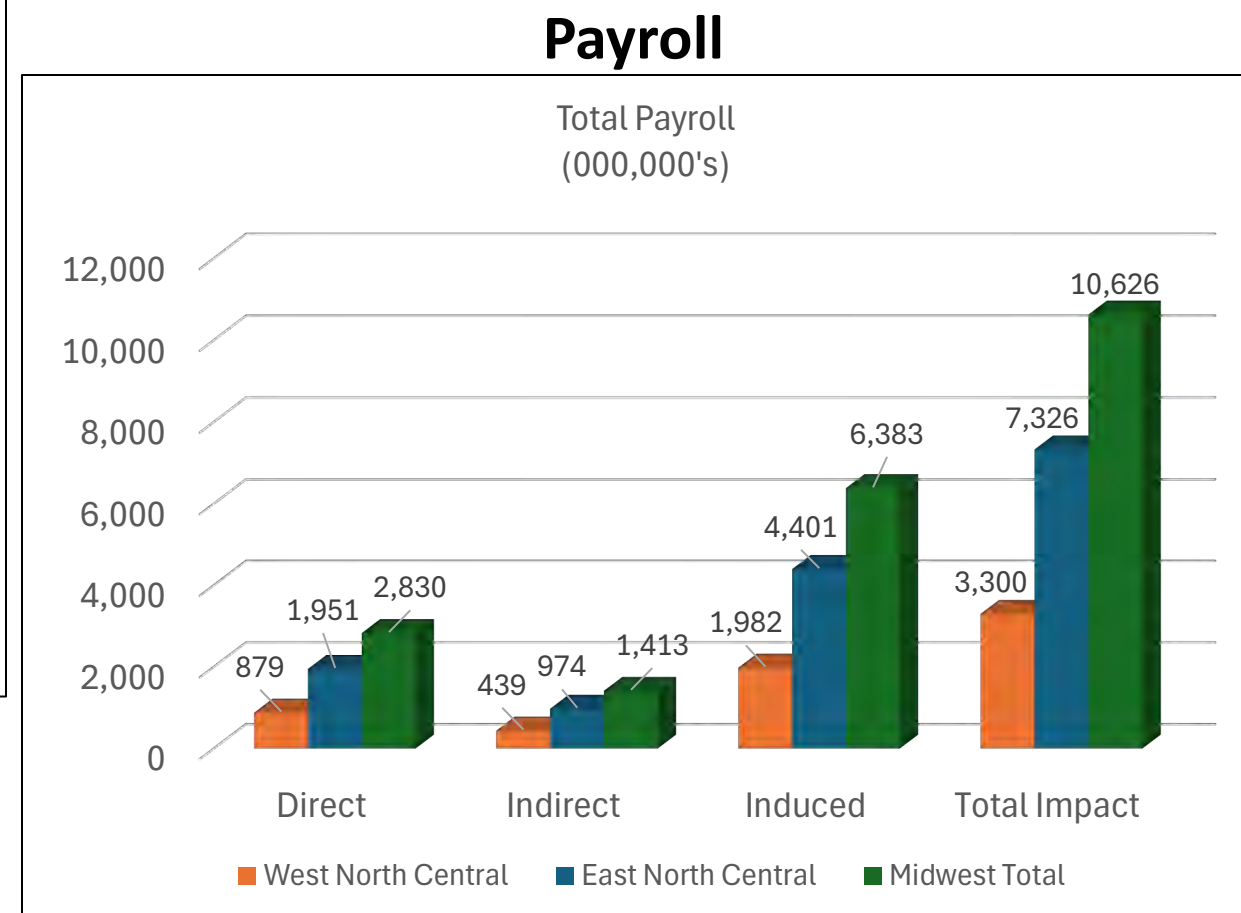
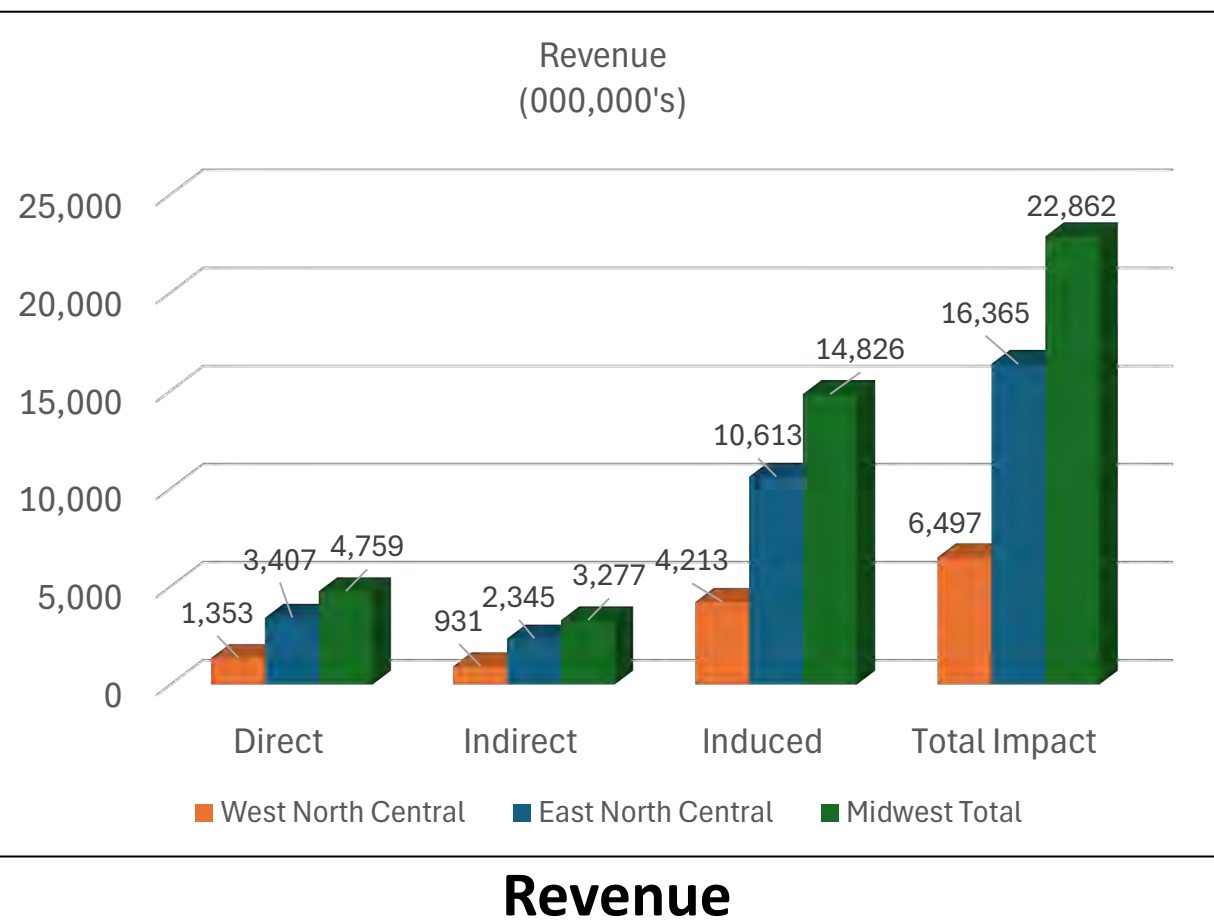
Direct Economic Impact – Midwest Region



Midwest	Average Revenue Per Club	Payroll Per Head	Payroll Per FTE	Median Income in Region	Ratio to Median Income
	\$6,106,870	\$23,932	\$47,863	\$46,600	1.03%

The Direct Economic Impact of the 786 identified private clubs in the Midwest Region is measured in terms of Revenue, Payroll and Number of Employees. In 2023, the 786 clubs generated an estimated \$4.8 billion of revenue (15% of the industry revenue). Additionally, the members of those clubs injected an estimated \$700 million of capital into the clubs, in the form of Initiation Fees and Capital Dues/Assessments. Those capital injections are destined for investment in property, plant and equipment. The 786 clubs employed 117,000 employees generating \$2.8 billion of payroll, estimated as \$2.4 billion in salaries and wages and an additional \$400 million in payroll taxes and benefits. The Average Full Time Equivalent position in the club industry in the West Region is compensated at 1.03 times above the Bureau of Labor Statistic regional median of \$46,600 (for April 2024).

Indirect, Induced and Total Economic Impact – Midwest Region



In considering economic impact, the multiplier model is embraced. Indirect Impact considers the impact club revenue has on other industries, which in the case of clubs includes food service, food service supplies, uniforms laundry and linen, clothing, sports equipment, utilities, insurance, services such as construction and trades and capital equipment such as HVAC, irrigation, kitchen equipment. Induced Impact considers the impact on personal income resulting from the direct and indirect business-to-business spending. Total Impact is the entire economic impact of the industry. The total economic impact of the club industry on the Midwest Region is \$22.9 billion of revenue, \$10.6 billion of total payroll and creation of 308,000 jobs across the regional economy. It is important to amplify the point that clubs are local “main street” businesses employing local staff, so the induced economic impact is local in nature. Clubs have an outsized impact on their local towns, cities and regions.



Industry Summary and Key Statistics

Industry Summary by Region and Division

By Region

	Revenue	% of Total	Payroll	% of Total	Jobs	% of Total
Northeast	7,417,853,525	22.8%	3,780,288,986	21.7%	140,014	24.5%
Midwest	4,759,398,803	14.6%	2,829,791,913	16.2%	117,408	20.5%
West	6,515,097,286	20.0%	3,356,744,409	19.2%	96,603	16.9%
South	13,893,787,379	42.6%	7,475,997,327	42.9%	218,539	38.2%
Total	32,586,136,993	100.0%	17,442,822,635	100.0%	572,564	100.0%

By Division

	Revenue	% of Total	Payroll	% of Total	Jobs	% of Total
New England	2,272,954,679	7.0%	1,295,584,167	7.4%	46,396	8.1%
Middle Atlantic	5,144,898,846	15.8%	2,484,704,819	14.2%	93,618	16.4%
East North Central	3,406,898,281	10.5%	1,951,048,603	11.2%	81,138	14.2%
West North Central	1,352,500,522	4.2%	878,743,309	5.0%	36,269	6.3%
Pacific	4,541,216,780	13.9%	2,212,281,085	12.7%	62,237	10.9%
Mountain	1,973,880,506	6.1%	1,144,463,324	6.6%	34,367	6.0%
South Atlantic	10,504,682,512	32.2%	5,628,477,839	32.3%	153,993	26.9%
East South Central	1,002,671,705	3.1%	551,469,438	3.2%	24,769	4.3%
West South Central	2,386,433,162	7.3%	1,296,050,050	7.4%	39,777	6.9%
Total	32,586,136,992	100.0%	17,442,822,635	100.0%	572,564	100.0%

The region with the largest club industry is the South Region. The main drivers of the South Region are Florida, which is the state containing the most clubs, the Carolinas and the metro Atlanta area. The clubs in Florida, the Carolinas and the metro Atlanta area tend to be larger than the national averages in terms of member count and revenue, thus the higher regional averages and the higher averages in the South Atlantic division.

Key Industry Statistics by Region and Division

	# of Clubs Over \$1.0 Million Revenue	% of Total	Average Revenue Per Club	Total Heads	Average Payroll Per Head	Average Payroll Per FTE	Average Revenue Per Head	Estimated FTEs	Average Revenue Per FTE
New England	393	10.1%	\$5,783,600	46,396	\$27,925	\$55,849	\$48,990	23,198	\$97,981
Middle Atlantic	619	15.9%	\$8,311,630	93,618	\$26,541	\$53,082	\$54,956	46,809	\$109,913
East North Central	565	14.5%	\$6,029,908	81,138	\$24,046	\$48,092	\$41,989	40,569	\$83,977
West North Central	221	5.7%	\$6,119,912	36,269	\$24,228	\$48,457	\$37,291	18,135	\$74,581
Pacific	488	12.6%	\$9,305,772	62,237	\$35,546	\$71,093	\$72,967	31,118	\$145,934
Mountain	222	5.7%	\$8,891,354	34,367	\$33,302	\$66,603	\$57,436	17,183	\$114,872
South Atlantic	953	24.5%	\$11,022,752	153,993	\$36,550	\$73,100	\$68,215	76,997	\$136,431
East South Central	171	4.4%	\$5,863,577	24,769	\$22,264	\$44,528	\$40,480	12,385	\$80,961
West South Central	255	6.6%	\$9,358,561	39,777	\$32,583	\$65,166	\$59,996	19,888	\$119,992
Total	3,887	100%	\$8,383,364	572,564	\$30,464	\$60,929	\$56,913	286,282	\$113,825

The club industry has several unique characteristics in terms of its Economic Impact on labor. The labor at clubs is flexible, offering year-round, full-time, potentially lifetime employment while also offering seasonal opportunities for high school and college students. Just about every club offers a full array of employment opportunities, including; year-round full-time, year-round part-time, seasonal full-time and seasonal part-time. Many club professionals, including General Managers/COOs/CEOs, Executive Chefs, Golf Course Superintendents, Tennis Professionals and Golf Professionals entered their profession as high school or college students employed by a club.

Additionally, the employment for clubs is all local. Clubs hire within the community in which they are located, and the resulting indirect and induced impact is also local. Clubs can be considered “Main Street” businesses.

The compensation on a Per FTE basis across all nine Census Bureau Divisions is above the Median Income for the given region.

Key Industry Statistics by Region and Division

Division	# of Clubs over \$1.0 Million Revenue	Division Population (2023)	Population Per Club	Division Households (2023)	Heads Per Household	Households Per Club
New England	393	15,159,777	38,574	6,019,252	2.52	15,316
Middle Atlantic	619	41,823,740	67,567	16,351,872	2.56	26,417
East North Central	565	47,146,039	83,444	18,944,831	2.49	33,531
West North Central	221	21,763,244	98,476	8,619,481	2.52	39,002
Pacific	488	53,179,975	108,975	18,881,713	2.82	38,692
Mountain	222	25,716,830	115,842	9,387,091	2.74	42,284
South Atlantic	953	68,225,883	71,591	25,844,334	2.64	27,119
East South Central	171	19,700,801	115,209	7,711,024	2.55	45,094
West South Central	255	42,198,606	165,485	15,057,982	2.80	59,051
Total	3,887	334,914,895	86,163	126,817,580	2.64	32,626

Report Methodology

The 2024 Economic Impact Study presents a thorough and insightful analysis of critical industry trends and contributions, grounded in an extensive dataset and a conservative yet methodologically robust approach. This comprehensive report reflects the collaborative efforts of seasoned club professionals and leading academic researchers.

Data Collection and Curation

- **The comprehensive list includes 5,659 private clubs.** Over several years, a Master Market List has been developed using various sources, including Club Benchmarking's subscriber database, membership databases from CMAA and NCA, industry surveys, and news reports. This comprehensive list includes 5,659 private clubs. Club Benchmarking has collected revenue, payroll, and headcount data from approximately 1,000 clubs through data submissions from their client clubs. Linking its database with the Internal Revenue Service (IRS), which houses tax returns from member-owned clubs organized as not-for-profit entities, Club Benchmarking increased its dataset to 4,103 clubs with operating revenue data.
- **Clubs with more than \$1 million in revenue were extracted.** Of 4,103 clubs, 2,819 clubs (69%) with more than \$1 million in revenue were extracted. The subset included revenue figures for 2,819 clubs (69%), payroll data for 1,079 clubs, and headcount data for 2,383 clubs. Therefore, it is estimated that **3,887 clubs** (69% of the 5,659 total clubs) have revenue greater than \$1 million in the market.

Data Simulation and Economic Impact Analysis

- **Data simulation to extrapolate missing data.** The revenue, payroll, and headcount data were missing for the clubs not included in the existing database. To address this, the missing data was simulated based on the distribution of the existing data. This approach assumes that the distributions of the revenue, payroll, and headcount of the missing clubs follow those of the clubs for which data is available. To remove outliers and avoid overestimation, the top 5% of clubs were excluded from the extrapolation process. The top 5% of clubs were retained in the final output as part of the original database.
- **Indirect and induced economic impact analysis at national, regional, and sectoral levels.** The clubs were divided into different types (golf and country, yacht, city and athletic, and other) and regions to calculate the industry's indirect and induced economic impact.
- **Indirect Economic Impact** refers to the secondary effects of spending that occur when businesses (e.g., food service suppliers and utility providers) associated with clubs purchase goods and services from other businesses. Indirect Economic Impact measures this ripple effect extended through the supply chain and service industries related to the primary economic activity.
- **Induced Economic Impact** relates to the additional economic activity generated when employees who are directly or indirectly employed by clubs and associated businesses spend their wages on goods and services in the local economy. This spending supports further economic activity and employment.
- **Multipliers from Lightcast** were used for estimating the Indirect, Induced, and Total Economic Impact. Lightcast calculates its multipliers using primarily unsuppressed industry data, gravitational flows, commuting patterns, and the BEA's "make and use" tables. Lightcast has been found to provide a more conservative economic impact measurement than its competition IMPLAN (Kim & Miller, 2017).
 - For example, U.S.-level indirect, induced, and total multipliers for jobs in the Golf Courses and Country Clubs industry are 0.30, 1.35, and 2.65 respectively. This means that for every 100 jobs initially created in the Golf Courses and Country Clubs industry, 30 additional jobs are created in its supply chain and 135 additional jobs are created in the wider economy, resulting in a total of 265 job creation.