

Board Brief

Designed for Club Board of Directors



CLUB MANAGEMENT ASSOCIATION OF AMERICA

July/August 2022

By the Numbers: Food & Beverage Trends

Each year, the *CMAA Finance and Operations Report* presents key financial and operating data from across the club management industry. Based on confidential surveys completed by nearly 400 clubs, the report includes a compilation and analysis of club finance and operations data.

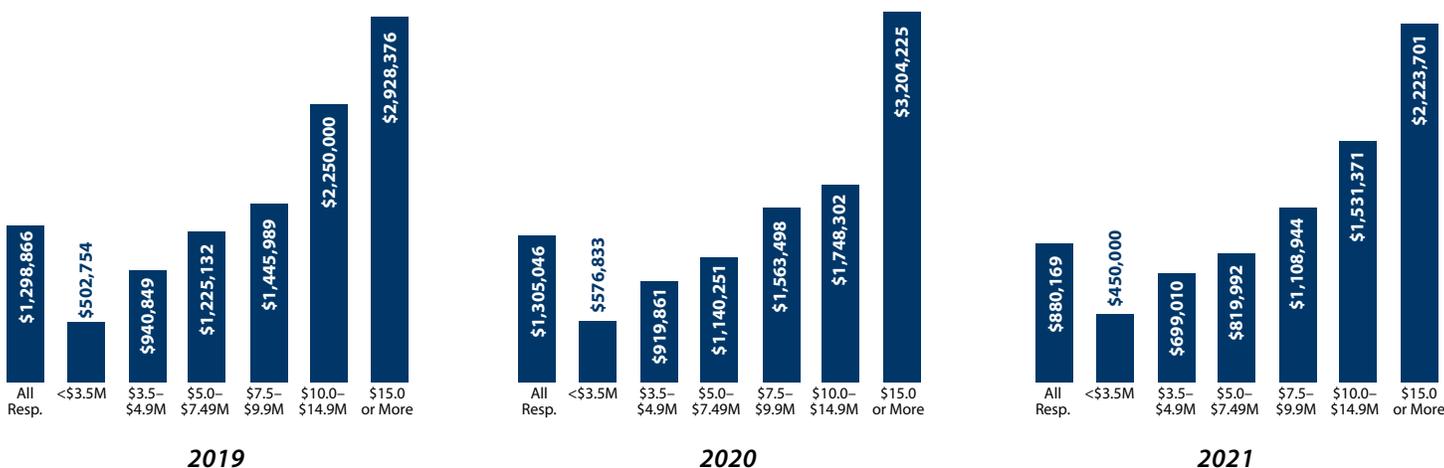
The Report has been designed to provide easy-to-understand guidelines for identifying business performance improvement opportunities. We've compared data from the last three Finance and Operations Reports (based on 2018, 2019, and 2020 data) to demonstrate trends in food,

beverage, and social events and to give a basic understanding of the Report.

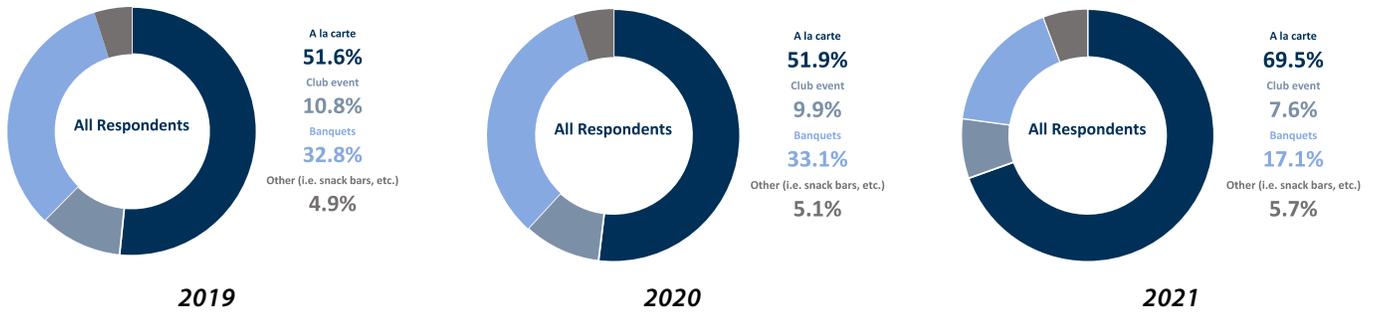
Responding clubs reported food revenue accounted for 59 percent of total food, beverage, and social events revenue across each of the last three reporting years. In 2020, beverage revenue accounted for 30 percent, which was up from 27 percent in 2018 and 2019. However, the median food revenue across all club sizes decreased in 2020. This is likely due to the COVID-19 pandemic, and it will be interesting to watch how these numbers might bounce back in the future.

continued on next page

Median Food Revenue



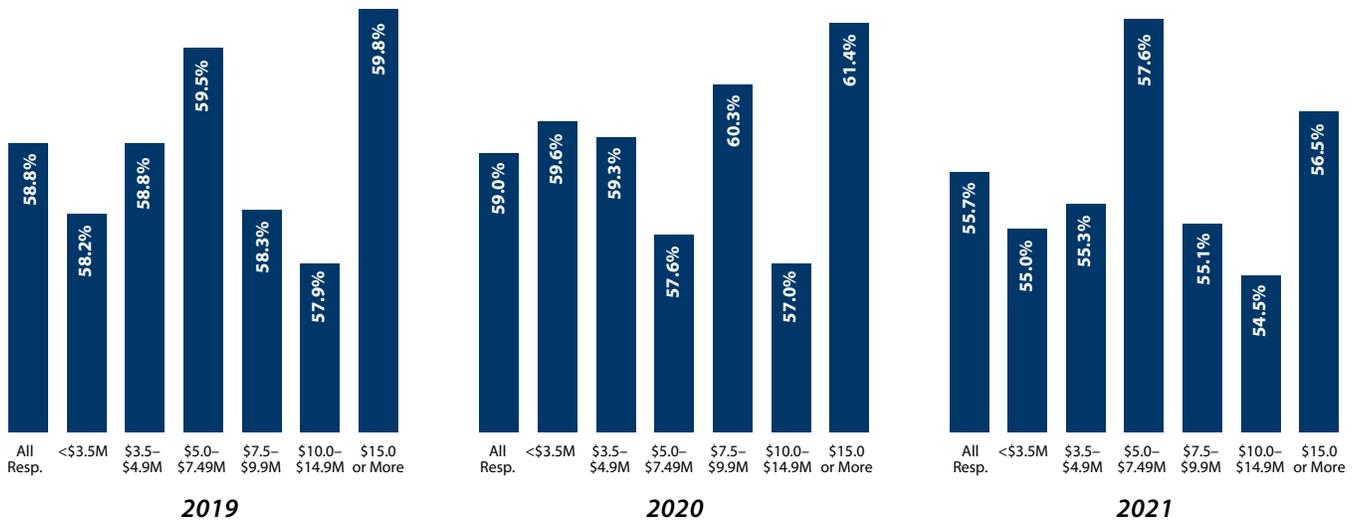
Food Revenue by Category



À la carte service accounted for just over half of total food revenue in both 2018 and 2019. In 2020, that number jumped to 70 percent. In that same vein, banquets—which accounted for a third of food revenue in 2018 and 2019—only made up 17 percent of food revenue in 2020. This is likely attributable to the pandemic, which limited the number of in-person events clubs could host and required creating more grab-and-go food offerings. It will be interesting to see numbers from 2021 as banquets have come back, but many of these to-go offerings remain immensely popular.

For responding clubs in 2020, respondents reported an average gross profit of 56 percent on food sales. This was relatively consistent across operating revenue categories, ranging from 55 to 58 percent. This was down slightly from comparable data across the previous two years—another area likely impacted by the pandemic. Again, it will be interesting to compare these points in future research as more clubs are open for in-person dining and events.

Gross Profit on Food Sales



Source: Access the 2021 Finance and Operations Report Executive Summary at [cmia.org/club-operations/research/surveys-and-reports/](https://www.cmaa.org/club-operations/research/surveys-and-reports/). Survey participants may access the Full Report and their Individual Club Report on the Research Portal at [cmia-research.org](https://www.cmaa-research.org). Club Resource Center subscribers receive a copy of the print report and have access to an online data analytics platform, which allows clubs to compare their data versus five peer groups and create customized aggregations of the survey results. Learn more about the subscription at [clubresourcecenter.org](https://www.clubresourcecenter.org).

Best Practices: Tackling Supply Chain Challenges

Since the start of the COVID-19 pandemic, we've been coping with tightened supply chains. Now, with Russia's invasion of Ukraine and the current lockdowns in major cities in China, delays in goods reaching our shelves as well as increased prices continue to impact the hospitality industry.

The summer peak season is here and it's imperative that club leaders take active steps to plan ahead and manage this. What steps can your club take that can make an immediate impact?

- Reach out to your group purchasing organization (GPO) partner, like Entegra, and your distributor, to accommodate the impact of higher food costs.
- Work with your food and culinary team to map out substitutions and prepare for menu swaps should you face shortfalls or certain items become so expensive it doesn't make sense to keep on the menu.
- Diversify your supply chain by purchasing locally and supporting businesses in the community. This

will help to minimize the impact of delays and help the local community to thrive.

- Invest in data and analytics. For instance, as a GPO partner, we're able to provide dashboards to map out savings opportunities and potential rebates to ensure that limited dollars are stretched further. There are also tools that can measure food waste at each stage of the process so that you can use those insights to reduce costs further and improve on sustainability efforts of your facility.

By leveraging strategic partners, data backed insights, and forward planning, clubs and facilities can take proactive steps to manage supply chain issues and inflation, to ensure that members and guests continue to have an excellent experience this summer and beyond.

To learn more about how your club can address supply chain disruptions, visit Entegra at <https://info.entegraps.com/l/789523/2022-05-03/dnwjw>.

Legal, Legislative, & Regulatory Update

2022 National Golf Day Hits Milestone

Annually, National Golf Day brings industry professionals to Capitol Hill to share the industry's contributions and advocate for the legislative and regulatory issues impacting the industry. National Golf Day serves as the pinnacle advocacy event of the year for the American Golf Industry Coalition, formerly known as We Are Golf. The Coalition celebrated its 14th annual event on Wednesday, May 11. For the second consecutive year, the event was presented virtually, enabling the event to hit a new milestone. With more than 200 participants conducting more than 250 virtual meetings with members of Congress, every state in the US was represented for the first time in the event's history.

Volunteer advocates from CMAA's Advocacy Committee, Chapter Legislative Chairmen, and other interested members joined professionals from across the golf industry to educate Congress and their staff on critical issues including workforce and labor, environment, and health and wellness.

Did You Know?

- Golf is an \$84 billion industry that impacts nearly two million US jobs with nearly \$60 billion in annual wage income.
- Approximately one out of every 75 jobs in the US are impacted by the golf industry – two million of 150 million. (Source: World Golf Foundation, 2016 US Golf Economy Report).
- There are more than 16,000 courses at 14,000+ facilities in the US, making up 42 percent of the global golf course supply.
- The golf industry brings in approximately \$4 billion annually for charity. Additionally, it is estimated that upward of 80 percent of US golf facilities host at least one charitable golf outing each year.
- Golf courses contribute to healthy ecosystems, much like park green spaces.
- On average, 26 percent of land use for golf courses is comprised of naturalized areas.



CMAA News & Announcements



Exploring the Business Management Institutes

In the early 1980s, CMAA's leaders saw the need for a formal academic program for club industry professionals. Taking into consideration that managers at all phases of their careers need instruction, education, or inspiration, the concept of the "lifetime professional development program" was born. The vision was realized as a multi-campus-based program that provides tangible career benchmarks by which managers can track their progress and strive for various levels of competency, including a respected certification. These on-campus programs became known as the Business Management Institute (BMI) programs. CMAA currently offers eleven different BMI programs throughout the year on a variety of topics. Beyond the component of open-forum classroom education, all BMI programs include visits to local clubs for experiential learning opportunities.

Learn more at cmaa.org/learn/bmi-programs/.

Virtual Board Education Opportunity Set for September 7

Invest in your club's strategic direction and improve your Board of Directors' alignment with CMAA's Club Leadership Summits. These Summits bring together club's elected leader(s) and their club management professional for cooperative education and engagement on best practices and trends. On September 7, the Summit will be presented virtually, enabling attendance from anywhere with a computer and Internet access. These highly rated Summits are presented in partnership with Kopplin Kuebler & Wallace.

Get better prepared for your role with focused presentations on relevant strategic topics, including:

- Governance – evaluating organizational health; board orientations, self-evaluation, and efficacy; roles and responsibilities; and evolving trends
- Finance – exploring the financial model of clubs and its relevancy to successful governance; using a data-driven decision-making process
- Club Trends – engaging multi-generations of members; embracing strategy

For more information including the full event agenda, please visit cmaa.org/learn/meetings-and-events/club-leadership-summits-2022/.

The Board Brief is a publication of the Club Management Association of America. Founded in 1927, CMAA is the largest professional association for managers of membership clubs with 6,800 members throughout the US and internationally. Our members contribute to the success of more than 2,500 country, golf, athletic, city, faculty, military, town, and yacht clubs. The objectives of the Association are to promote relationships between club management professionals and other similar professions; to encourage the education and advancement of members; and to provide the resources needed for efficient and successful club operations. Under the covenants of professionalism, education, leadership, and community, CMAA continues to extend its reach as the leader in the club management practice. CMAA is headquartered in Alexandria, VA, with more than 40 professional chapters and more than 40 student chapters and colonies. Learn more at cmaa.org.