



Membership Mapping and Demographic Analysis

GeoMarket Solutions, Inc. provides a variety of mapping and demographic analysis techniques for increasing club membership by improving marketing efficiency within the local community using GIS technologies.

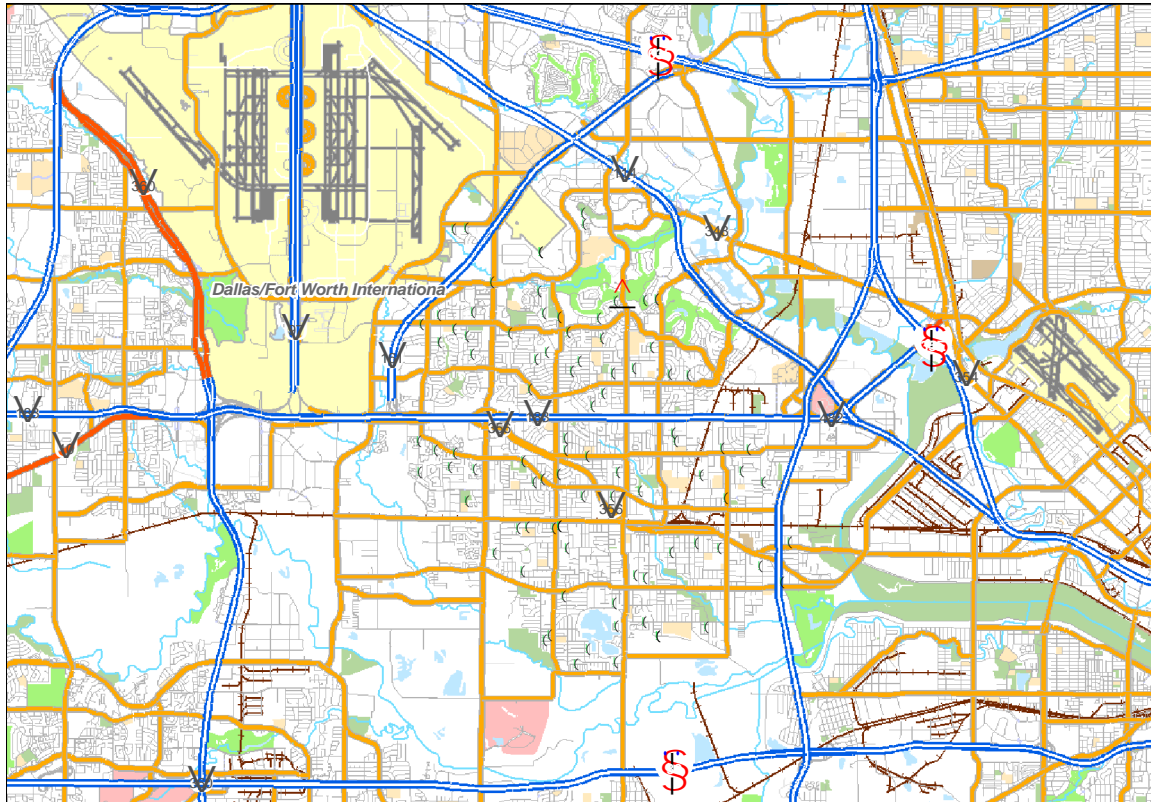
What is GIS?

What is a geographic information system? There are probably as many definitions as there are applications for GIS. GIS is a particular kind of software program that uses very advanced statistical and multi-variant mathematics. In many ways it resembles a database management program (it analyzes and relates information stored as records), but with one crucial difference: each record in a GIS database contains information used to draw a geometric shape - usually a point, a line, or a polygon and it can be mapped. Seeing a map gives you a totally new way to visualize information, the trends become more apparent and you'll never want to look at a plain boring spreadsheet again.

Mapping the Membership

Our Geographic Information Systems (GIS) Analysis Services allow your organization's manager to visualize the distribution of club members in the local community. By understanding the demographics of your club's membership, the leadership will be able to identify important and pertinent trends in the members and the neighborhoods surrounding the club's location. GeoMarket Solutions utilizes GIS technology to map member's locations, explore club demographics, and thus gain important insights for planning and growth. Our demographic and behavior demographic databases contain nationwide information, therefore it doesn't matter whether the growth is local or in an entirely different new state.

To analyze and map a fitness center or country club, the club's address and members' home addresses must first be geocoded. This is a computer process of converting street addresses into a map ready coordinate system. Geocoding a membership allows the membership to be precisely displayed on a map with the local community as a backdrop. It also allows the demographics of the members to be studied. We have mapped the membership list of a local country club and shown it below.



Any persons (members, musicians, staff, or vendors) or sites of interest with a street address can be mapped. Any location or group of locations can be included in an analysis; a golf club, a fitness center, a dinner club, a business location or a group of clubs.

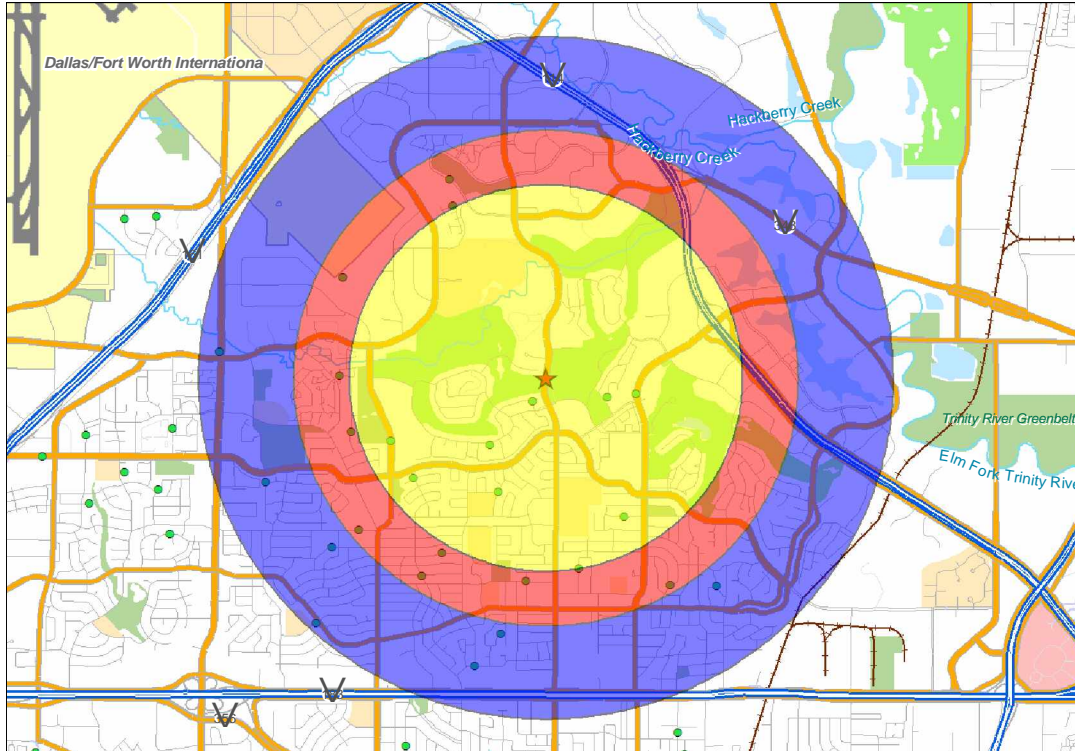
Club Service Areas

Club Service Areas are defined to identify geographic concentrations of where members live. Service Areas provide visualization of the markets served by the country club or fitness center. In order to create a Service Area map the membership list must be used for mapping purposes.

To look at the number of households surrounding the country club the GIS has access to census databases, both current and projected. The map below represents three rings of household numbers. The yellow ring covers 5,000 households. The orange ring an additional 5,000 and the blue an additional 10,000 households for a total of 20,000 households. Other parameters can be included, such as the number of households with children between 6 and 16 years of age, these dependents would be highly likely to utilize other facilities at the club, such as swimming pools or basketball courts. Or it can be based on



behavior characteristics such as historic spending on golf equipment, fitness equipment, attending sporting events, or current memberships at other clubs.



League Areas

The initial organization of leagues can be based on a neighborhood or handicap of the members. The age window for a league team and male or female may also be used in the analysis. To determine the placement of 10-20 league groups, a member distribution map is generated and drive times are calculated for clusters of member's homes. A report can be created to show the roster for the proposed group. An analysis of existing leagues will give a map depicting the location of each of the members.

Strategic Planning

As the management of a club begins to make plans for the next year, it is imperative that they understand their foundation. The current membership consists of active and inactive members. For better facility utilization and expansion, the club should add more "active" members who will use the facilities and spread the good word about the club. Obtaining new members can be done internally by current members bringing in a new member, perhaps through an incentive program. Also, the club may also do active marketing in



the local community. The profile of the “perfect” member can be derived. It can be based on age, hobbies, income, net worth, family size, and other behavior demographics.

Based on either the “perfect” member profile or by analyzing the profile of your best members, an analysis can be done to target areas which most closely match the “perfect” demographic profile. These areas will provide the highest probability of people likely to join your club.

A corporate parent, who manages several different clubs, may review the behavioral profile of their successful clubs and apply that profile to less profitable locations. This should be done in conjunction with predictive models which are tied to economic growth, societal trends, and the overall corporate strategic goals. This type of analysis should be done early in the acquisition process. Before buying or taking over the management of a club, the corporate parent should have a thorough understanding of the area, the membership, and where new members will come from.

Demographic Analysis

Once the club and membership are geocoded, a variety of demographic analyses may be performed. By examining the census information from the neighborhoods where the members’ live, club management can understand the growth and social makeup of the membership. Census household data is released once a year along with a five-year projection for the same information. By examining current census information, the management can understand more about the households that comprise the country club’s service area. Exploring the five-year projections can identify trends in community neighborhoods.

The Census Bureau provides a wealth of data on household and neighborhood characteristics. These include:

- Population
- Number of Households
- Owner-Occupied Housing versus Rental Property
- Disposable Household Income
- Population by Age or Race
- Age of Householder
- Presence of Children
- Number of Parents in the House



These are only a handful of the hundreds of U.S. Census Bureau variables available. Simply by plugging in member home addresses, GIS technology can provide summary tools that will give automatic profiling of a memberships' membership. Once a club has a spreadsheet or database of addresses and various member information and demographic data (leadership, staff, children, members, etc.) demographic profiles of these subgroups can also be examined.

Reports are provided for each profile at the base geographical resolution searched Zip Code, Census Tract, and Census Block Group. Reports are provided in an Adobe PDF format. For example, a typical report contains extensive information on the current neighborhood population (by race, by age, by gender) and household demographics; income levels, number of households, and expenditures by household.

Demographic Examples

In urban areas, club growth may be planned by the emerging demographics in the adjacent neighborhoods. For example, Census statistics will allow the club to see the number of families with grade school-aged children in a three-mile radius or within a five- minute drive to the club.

A map may display concentric range rings. Drive time maps display an area reachable in a time period. Another map can display how much of the local population may reach the club in a five-minute drive with children between 15 and 19 years of age. An infinite number of combinations are possible.

Neighborhood clubs can explore the projected growth of families in the surrounding area over the next five years and then closely predict the number of households, household income, single family dwellings, and household members by age categories, races, gender, etc. For example, a trend indicating growth in Hispanic households with children may influence a club to employ a Spanish-speaking youth programs director or plan Hispanic-oriented leagues.

Any geographic area or club group may be profiled. Demographics within a three-minute drive from the club may be contrasted with those from a five or ten-minute drives. Leagues can be identified and profiled. Prospecting tools will allow the club to search the community for concentrations of any specific demographic entity. Search results allow the mapping of targeted neighborhoods or can generate lists of names and addresses of prospective club members.



Behavior Demographic Analysis

Behavior Demographics profile the buying behavior of the member population. Our databases include variables such as:

- Income
- Net Income
- Historic spending behavior on dozens of consumer items including golf or fitness equipment, hunting, fishing, reading, the Arts or travel
- Net worth
- Home ownership
- Membership in various organizations
- Over 500 other detailed buying behavior variables

Using these types of historic spending trends give you the unique ability to analyze where your current members live and to identify the spending profile of the members' immediate neighborhood. By knowing the profile of your members we can identify other areas with matching behavioral characteristics. When a club is growing and targeting neighborhoods for visitation, this type of neighborhood analysis is a true benefit to the club.

Competition

Other country clubs can also be mapped to allow your course to see the demographics of neighboring clubs from the same or different level of facilities and programs.

Site Analysis

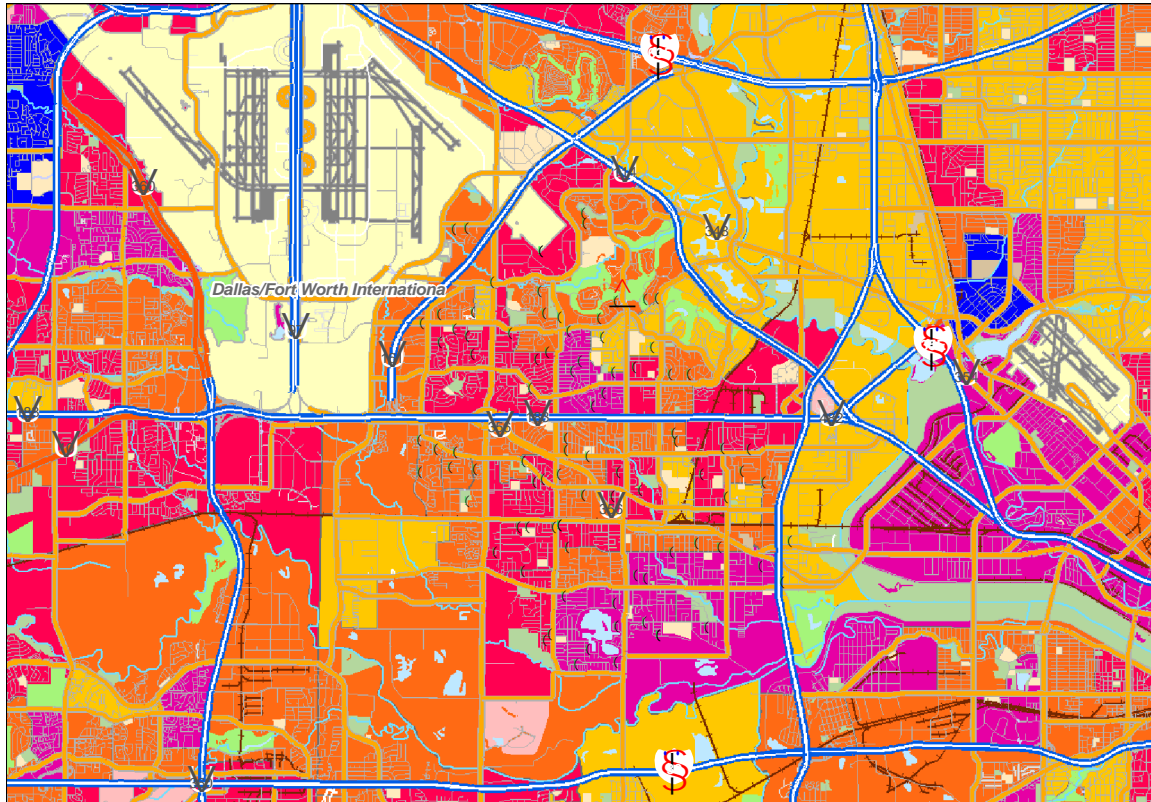
A club constrained by space may analyze available sites for expansion and choose one with comparable demographics or minimum drive times for the current membership. Understanding the current membership demographics and its prospective demographics will enable the club to predict future growth in different areas of the city.

Club Prospecting Tools

Corporate or club planners may search the local neighborhoods for demographics similar to the current membership or a completely different profile. For example, an established club may sponsor a membership drive in a low-income neighborhood or one with characteristics similar to its own makeup. Our GIS prospecting tools will allow a club to identify neighborhoods with people matching certain profiles. Names and home addresses may also be



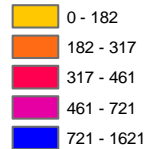
acquired for direct marketing. A club may desire to promote a more youthful membership or desire to attract married couples with children of the ages 15-19. Each shaded area indicates a concentration of married couples with Junior High to High School- aged children.



Legend

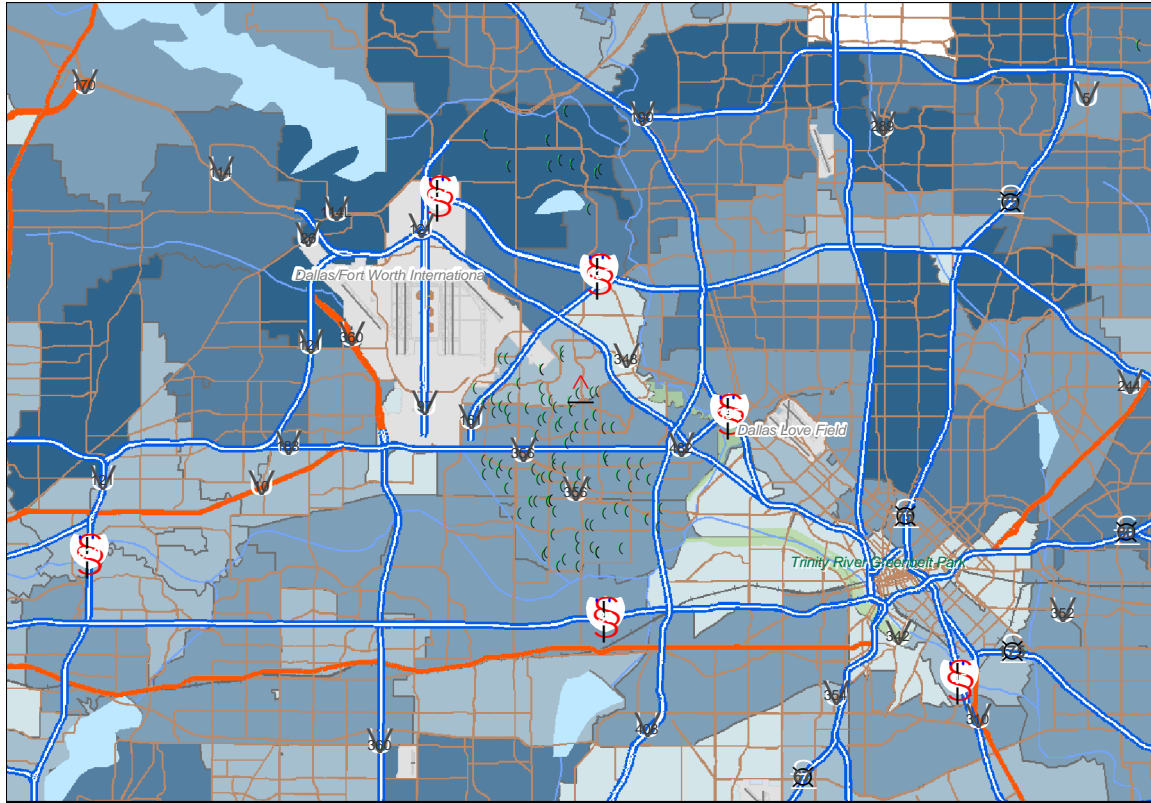
Census Tracts (ESRI BIS)

2004 Total Population 15-19





A club may also target more affluent households. The map below depicts concentrations of households with net worth over \$500,000 by zip code.



Legend

ZIP Codes (ESRI BIS)

2004 HHs with Net Worth \$500000+

0 - 561
561 - 1350
1350 - 2360
2360 - 3266
3266 - 5060

Each demographic or prospecting analysis includes detailed reports with a wide range of social variables and charts. For each area searched (Zip Code, Census Tract, or Census Block Group), a complete statistical summary is generated. For example, a typical report contains extensive information on the current neighborhood population (by race, by age, by gender) and household demographics; income levels, number of households, expenditures by household category.



Demographic Variables Available

GeoMarket Solutions has more than 1,600 demographic variables available for mapping or analysis at the block group level. Many variables are available in a five-year projection allowing predictive modeling.

Conclusion

With GeoMarket Solution's segmentation systems and vast data resources, you'll be able to:

- Uncover new opportunities for your club's growth
- Identify members and prospects
- Assess potential markets for your acquisition program
- Benchmark current performance for member acquisition
- Understand your targeted neighborhoods
- Analyze league programs
- Compare different clubs to each other
- Rollup demographic data to a predictive model for corporate use

GeoMarket Solutions, Inc. is in a unique position to assist your club in the analysis of your membership. We can assist in your growth, expansion, future projections, or your corporate strategic planning.

We want to be your member analysis partner.