

Analysis of AITA Membership Fees

May 2, 2019

Introduction

- This presentation is based on the Excel file *Analysis of Membership Options - rev4.xlsx* and has information on how to use the spreadsheet to look further at court usage and membership options.
- The *Raw data* spreadsheet in the Excel file contains data copied from Greg's monthly billing spreadsheet. Those data includes lines for all member numbers (including inactive and special numbers) and for each week of the billing month.
- The *Reprocessed data* spreadsheet combines the monthly hours into a single row for each active member sorted according to membership type. It includes data on total hours played, paid hours played (i.e. beyond hours included as part of membership dues), and guest fees paid.

Introduction

- The *Analysis of Billing Data* spreadsheet combines data for each type of membership to compute average number of active members, average number of hours played, average number of hours paid for, average number of members not using all included hours, and other statistics. The spreadsheet reports on how the courts have been used this indoor season, October through March.
- The *Membership fee alternatives* spreadsheet uses the averages from above to predict how different fees for dues and court time would affect member cost and club income assuming members continue to play the same amount of time.

Analysis of current court use

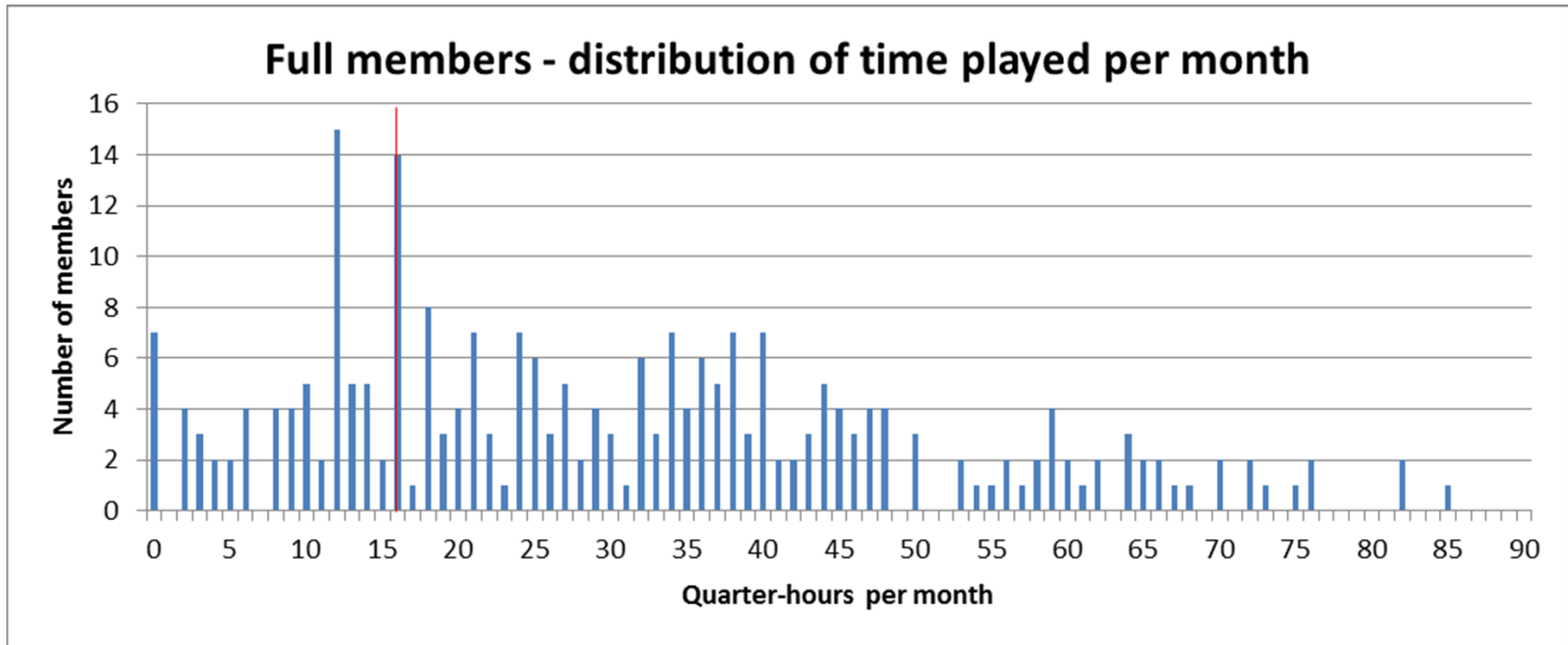
- The next several slides show how the courts are used by different groups of members
- Some conclusions:
 - Many members—and particularly Associate members—during many months do not fully use their included court time
 - Most of the club's revenue comes from Full and Associate members
 - Monthly court use varies by membership category and depends on availability of outdoor courts, holidays, and the DBH league schedule.

Monthly average court use during 2018-19 indoor season

	Number of members	Total quarter-hours	Total paid quarter-hours	Number using all "free" time		Guest fees paid
Full members	44.0	29.0	13.0	31.3	71%	\$2.60
Assoc. members	54.0	11.4	3.4	34.7	64%	\$0.97
RDM members	19.3	13.7	5.7	15.7	81%	\$0.29
League members	11.8	7.4	7.4	N/A	N/A	\$0

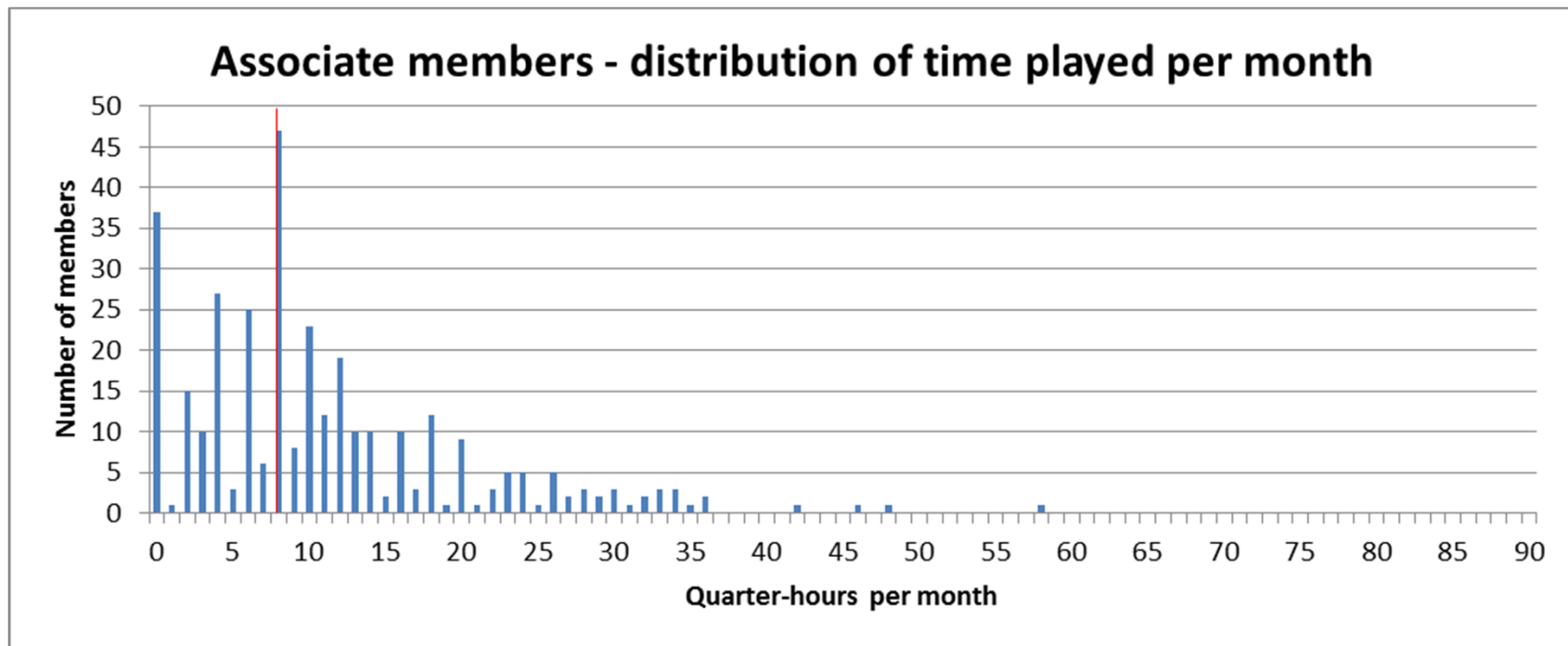
Note that Associate members are getting the least out of their "free" hours

Court usage by Full members



Graph shows hours used per month for all members and all months.
Full members get 16 quarter-hours per month as part of membership.
Conclusion: court use is less than 16 quarter-hours during 25% of all member-months.

Court usage by Associate members

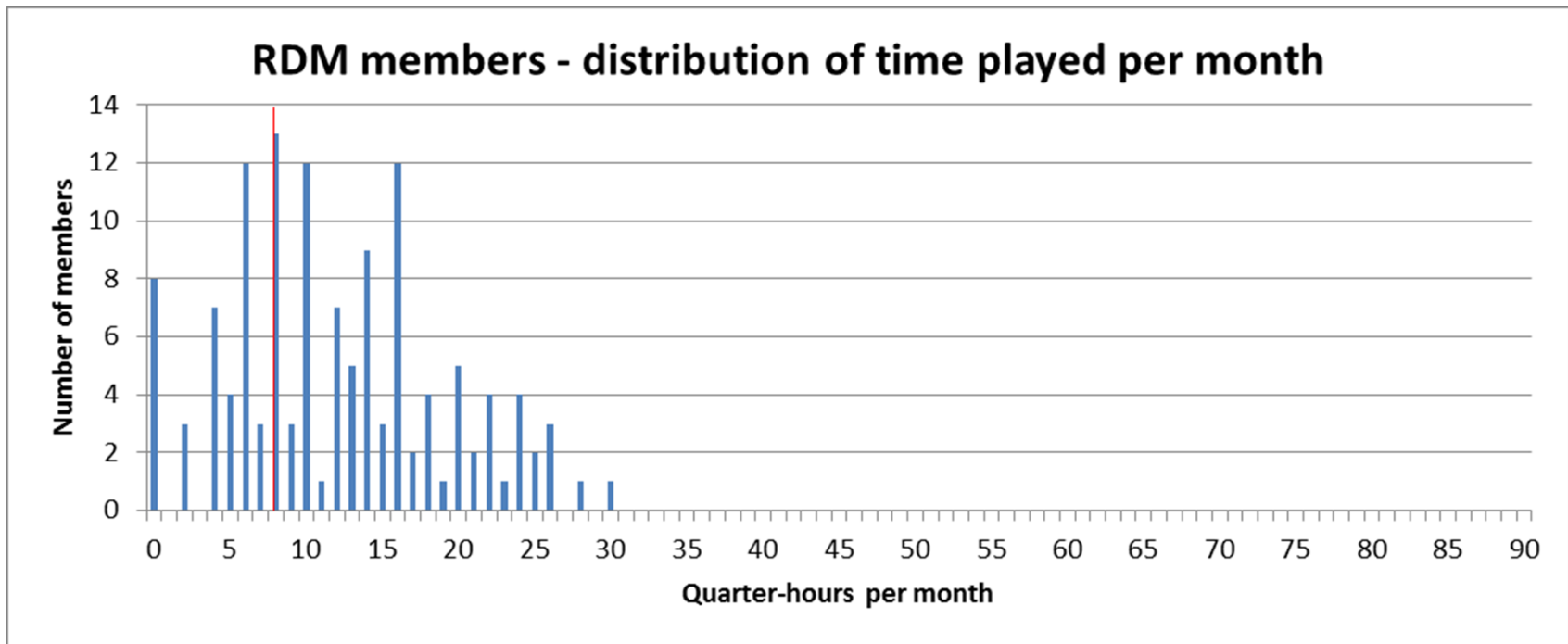


Graph shows hours used per month for all members and all months.

Associate members get 8 quarter-hours per month as part of membership.

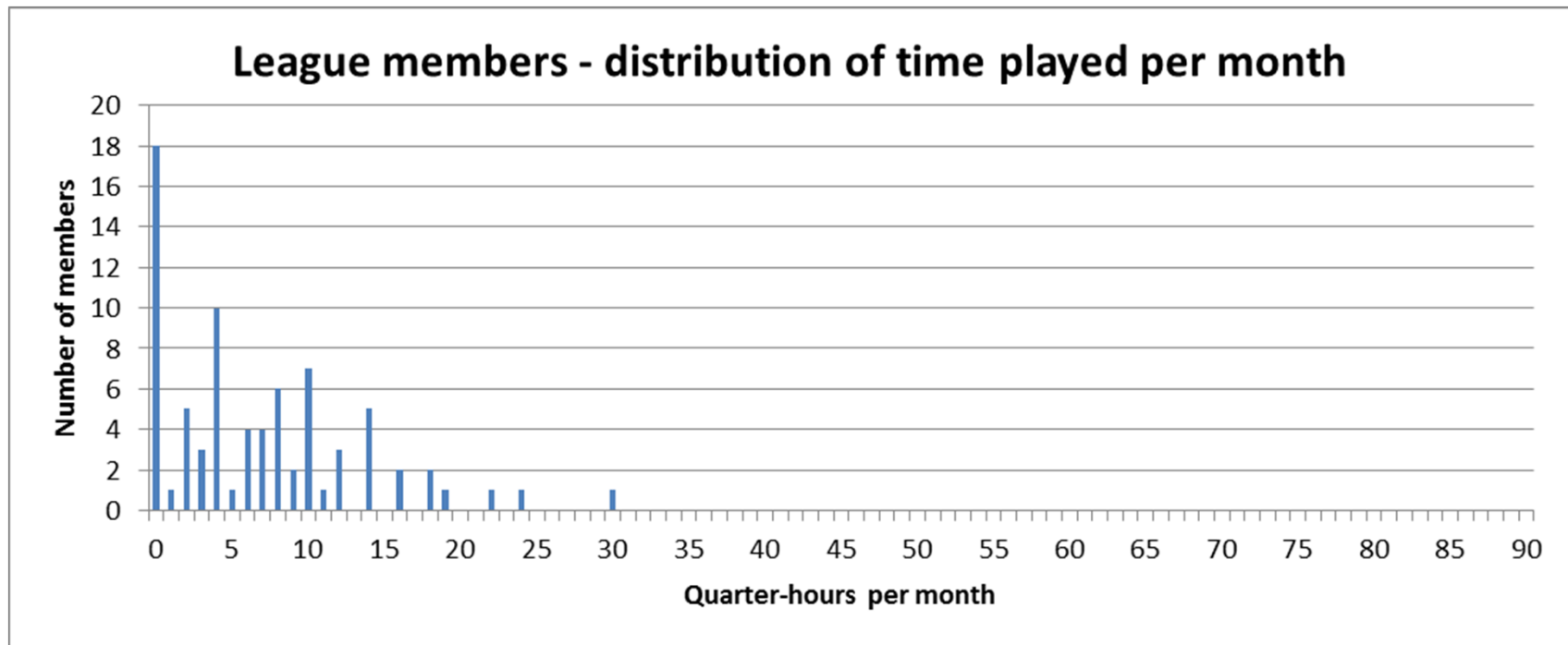
Conclusion: court use is less than 8 quarter-hours during 37% of all member-months.

Court usage by RDM members



Graph shows hours used per month for all members and all months.
RDM members get 8 quarter-hours per month as part of membership.
Conclusion: court use is less than 8 quarter-hours during 28% of all member-months.

Court usage by League members



Graph shows hours used per month for all members and all months
League members get 0 quarter-hours per month as part of membership

Current dues, court fees, and income

	Dues	Court Fee	Average cost per hour of play	Average monthly income per member	Total income for season from all members
Full	\$940	\$12	\$6.24	\$181	\$55,735
Assoc	\$620	\$18	\$9.73	\$111	\$41,887
RDM	\$550	\$18	\$7.57	\$104	\$14,008
Total without League members					\$111,630
League	\$250	\$18	\$9.32	\$69	\$5,717
Total					\$117,347

Monthly court use by Full and Associate Members

		Associate Members			Full Members		
		Total Quarter-hours	Members using all free hours	Average Quarter-hours per Member	Total Quarter-hours	Members using all free hours	Average Quarter-hours per Member
October	2018	443	26	8.05	930	24	21.62
November	2018	633	36	11.29	1268	31	28.18
December	2018	591	36	10.75	1367	34	31.07
January	2019	665	37	12.09	1474	35	33.49
February	2019	637	33	12.48	1348	32	31.35
March	2019	711	40	13.66	1271	32	28.23
April	2019						
Total/Average		3678	34.67	11.39	7656.5	31.33	28.99

Court use is least in October, presumably because members are still using the clay courts, but otherwise not as variable as RDM and League members.

Monthly court use by League and RDM members

		League Members			RDM Members		
		Total Quarter-hours	Members using all free hours	Average Quarter-hours per Member	Total Quarter-hours	Members using all free hours	Average Quarter-hours per Member
October	2018	158		12.15	303	17	15.95
November	2018	114		9.50	279	16	13.29
December	2018	59		4.92	247	15	11.74
January	2019	84		6.96	293	19	15.39
February	2019	78		7.80	265	14	15.56
March	2019	37		3.08	193	13	10.16
April	2019						
Total/Average		529.5	11.83	7.40	1578.5	15.67	13.68

Use by League members starts off strong in October but drops off.

Use by RDM members roughly follows the DBH schedule with the following number of matches per month:

October – 4, November – 4, December – 2, January – 4, February – 3, March - 1

Analysis of alternative dues and court fees

- The following slide shows how income to the club and cost per hour to members will vary with different fee structures for Full, Associate, and RDM members.
- The analysis assumes Full, Assoc., and RDM members will play the same number of hours under future fee structures as currently.
- League members are excluded from the analysis since League membership is being dropped and is a small contributor to club income.
- You can change cells D19:E23 in spreadsheet *Membership fee alternatives* to experiment with other options.

Effect of dues/fee changes on member's cost per hour and club's annual income

	Full Members			Associate Members			RDM Members		Annual Income
	Dues	Fee	\$/hr	Dues	Fee	\$/hr	Dues	\$/hr	(not including League members)
Current fees	\$940	\$12	\$6.24	\$620	\$18	\$9.73	\$550	\$7.57	\$111,630
Increase dues by 5%	\$987	\$12	\$6.47	\$651	\$18	\$10.12	\$578	\$7.85	\$115,903
Increase dues by 7%	\$1006	\$12	\$6.57	\$663	\$18	\$10.28	\$589	\$7.97	\$117,613
Increase fees by 17%	\$940	\$14	\$6.51	\$620	\$21	\$10.06	\$550	\$7.87	\$115,989
Increase fees by 25%	\$940	\$15	\$6.64	\$620	\$22.50	\$10.22	\$550	\$8.02	\$118,169
Increase dues by 4%, court fees by 8%	\$978	\$13	\$6.56	\$645	\$19.50	\$10.21	\$572	\$7.95	\$117,228

Analysis assumes that members will play the same number of hours as in 2018-19

Analysis of alternative dues and court fees

- The following slides compare current and possible future fee structures for Full, Associate, and RDM members with alternative Basic membership fee structures.
- The analysis assumes Full, Assoc., and RDM members will play the same number of hours under future fee structures as currently.
- You can change cells G47:H52 in spreadsheet *Membership fee alternatives* to experiment with other options for Basic membership.
- You can change cells K47:K48, O47:O48, and S47:S48 in spreadsheet *Membership fee alternatives* to compute break-even hours for different options for Full, Associate, and RDM fee structures.

Cost comparison:
Cost per quarter-hour at current member rates vs.
cost for same court time at Basic member rates

	Full Members			Associate Members			RDM Members		
	Dues	Fee	\$/hr	Dues	Fee	\$/hr	Dues	Fee	\$/hr
Current fees	\$940	\$12	\$6.24	\$620	\$18	\$9.73	\$550	\$18	\$7.57
Basic member options:	\$100	\$32	\$8.49	\$100	\$32	\$9.25	\$100	\$32	\$9.04
	\$125	\$32	\$8.62	\$125	\$32	\$9.57	\$125	\$32	\$9.31
	\$150	\$32	\$8.74	\$150	\$32	\$9.88	\$150	\$32	\$9.57
	\$200	\$32	\$8.99	\$200	\$32	\$10.51	\$200	\$32	\$10.09
	\$100	\$36	\$9.49	\$100	\$36	\$10.25	\$100	\$36	\$10.04
	\$125	\$36	\$9.62	\$125	\$36	\$10.57	\$125	\$36	\$10.31

Analysis assumes that members will play the same number of hours as a basic member as played as a Full/Assoc/RDM member in 2018-19

For the average associate member, Basic membership will be a lower-cost alternative at \$100 or \$125 dues and \$32 court fee

Break-even analysis:

Number of quarter-hours that need to be played at current member rates to equal Basic member cost for same court time

	Full Members			Associate Members			RDM Members		
	Dues	Fee	Hours	Dues	Fee	Hours	Dues	Fee	Hours
Current fees and included quarter-hours	\$940	\$12	16	\$620	\$18	8	\$550	\$18	8
	Dues	Fee	\$/hr	Dues	Fee	\$/hr	Dues	Fee	\$/hr
Basic member options:	\$100	\$32	15.6	\$100	\$32	11.1	\$100	\$32	9.4
	\$125	\$32	15.2	\$125	\$32	10.4	\$125	\$32	8.9
	\$150	\$32	14.8	\$150	\$32	9.8	\$150	\$32	8.4
	\$200	\$32	14.1	\$200	\$32	8.7	\$200	\$32	7.6
	\$100	\$36	12.8	\$100	\$36	9.1	\$100	\$36	7.7
	\$125	\$36	12.5	\$125	\$36	8.7	\$125	\$36	7.3

Numbers in green indicate where current rates are a better value than Basic membership.

Analysis assumes that members will play the same number of hours as a basic member as played as a Full/Assoc/RDM member in 2018-19.

Cost comparison:
Cost per quarter-hour with 25% increase in court fees vs.
cost for same court time at Basic member rates

	Full Members			Associate Members			RDM Members		
	Dues	Fee	\$/hr	Dues	Fee	\$/hr	Dues	Fee	\$/hr
Current court fees + 25%	\$940	\$15	\$6.64	\$620	\$22.50	\$10.22	\$550	\$22.50	\$8.02
Basic member options:	\$100	\$32	\$8.49	\$100	\$32	\$9.25	\$100	\$32	\$9.04
	\$125	\$32	\$8.62	\$125	\$32	\$9.57	\$125	\$32	\$9.31
	\$150	\$32	\$8.74	\$150	\$32	\$9.88	\$150	\$32	\$9.57
	\$200	\$32	\$8.99	\$200	\$32	\$10.51	\$200	\$32	\$10.09
	\$100	\$36	\$9.49	\$100	\$36	\$10.25	\$100	\$36	\$10.04
	\$125	\$36	\$9.62	\$125	\$36	\$10.57	\$125	\$36	\$10.31

Analysis assumes that members will play the same number of hours as a basic member as played as a Full/Assoc/RDM member in 2018-19

For the average associate member, Basic membership will be a lower-cost alternative at \$100 to \$150 dues and \$32 court fee.

Break-even analysis:

Number of quarter-hours that need to be played at current member rates to equal Basic member cost for same court time

	Full Members			Associate Members			RDM Members		
	Dues	Fee	Hours	Dues	Fee	Hours	Dues	Fee	Hours
Current fees and included quarter-hours	\$940	\$15	16	\$620	\$22.50	8	\$550	\$22.50	8
	Dues	Fee	\$/hr	Dues	Fee	\$/hr	Dues	Fee	\$/hr
Basic member options:	\$100	\$32	12.1	\$100	\$32	12.0	\$100	\$32	9.8
	\$125	\$32	11.8	\$125	\$32	11.0	\$125	\$32	9.1
	\$150	\$32	11.5	\$150	\$32	10.2	\$150	\$32	8.5
	\$200	\$32	10.9	\$200	\$32	8.9	\$200	\$32	7.5
	\$100	\$36	9.9	\$100	\$36	9.4	\$100	\$36	7.6
	\$125	\$36	9.7	\$125	\$36	8.8	\$125	\$36	7.2

Numbers in green indicate where Full/Assoc/RDM memberships are a better value than Basic membership.

Analysis assumes that members will play the same number of hours as a basic member as played as a Full/Assoc/RDM member in 2018-19.

Conclusions

- Full and Associate members provide most of the club's income.
- The average Associate member is not getting as much value from membership as Full and RDM members.
- Depending on the fee structure, Basic membership may offer better value than Associate membership, a potential pitfall with Basic membership.