



1685 West Higgins Road, Hoffman Estates, Illinois 60169  
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The mission of the Hoffman Estates Park District is to offer healthy and enjoyable experiences to our residents and guests by providing first class parks, facilities, programs and services in an environmentally and fiscally responsible manner.

**AGENDA**  
**SPECIAL BOARD MEETING**  
**TUESDAY, OCTOBER 29, 2019**  
**Triphahn Center – Activity Center on the North Side (Room 113)**  
**7:00 p.m.**

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. COMMENTS FROM THE AUDIENCE
5. THE CLUB RENOVATION PROJECT PRESENTATION / M19-104
6. COMMISSIONER COMMENTS
7. ADJOURNMENT

All meetings are held in the boardroom of the Scott R. Triphahn Community Center & Ice Arena at 1685 W. Higgins Road in Hoffman Estates, unless otherwise specified. If an accommodation or modification is required to attend this public meeting please call 847-885-7500 with at least 48 hours' notice.

## MEMORANDUM M19-104

**TO:** HEParks Board  
**FROM:** Craig Talsma, Executive Director  
Brian Bechtold, Director of Golf & Facilities  
Christine Tusa, The Club General Manager  
Jeremy Dawkins, The Club Fitness Manager  
**RE:** The Club at Prairie Stone Renovation Plan  
**DATE:** October 29, 2019

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### **Background:**

Staff has developed a plan to help The Club financially succeed for the future. The following is a brief recap of the Committees and Board review and input on the project:

- In June, staff presented the concept and the need to hire an independent consultant to verify staff's concern with Club operations. Hiring the consultant was supported by the Recreation Committee.
- In July, an update was given to the Recreation Committee and they agreed to present the proposal to an August Recreation Committee Meeting to allow the full consultant's report to be presented.
- At the August Recreation Committee Meeting, the full conceptual enhancement project was presented and the Recreation Committee made the following motion for approval of the project concept:
  - *Comm Rep Macdonald made a motion, seconded by Commissioner Chhatwani to recommend to the board the conceptual improvements to The Club as presented in M19-074. This will allow staff to begin working on bid documents, proposals and business plans for the 2020 budget process. Final plans will be presented as part of the 2020 budget process with all supporting bid results and business plans. The motion carried by voice vote.*
- The Board unanimously approved the Recreation Committee motion at the Special Board Meeting in August.
- During the Committee of the Whole Meeting in August a tour of the Club showing the proposed improvements was provided. Support from the Committee was vocalized and no opposition was heard.
- At the September Recreation Committee Meeting, during the Facilities board report, staff provided an update that they were continuing to get numbers and cost estimates for the Club Renovation Project.
- Staff held two information meetings the first week of October at the Club to discuss the project with members. Approximately 20 people attended each discussion. There were members in favor and against the Club Renovation Project. The major complaint was the removal of the tennis courts.
- At the October B&G Committee Meeting, staff presented the cost estimate for the Club Renovation Project. The following recommendation was made by the B&G Committee:
  - *Comm Rep Sernett made a motion, seconded by Comm Rep Bettencourt to recommend to the Board to include the Phase One of the Club Renovation*

*Project in the amount of \$500,000 as part of the 2020 District annual budget as outlined in M19-097. The motion carried by voice vote.*

At that October B&G Committee Meeting, there were 36 individuals from the public that attended, of which 20 were tennis members and six were Hoffman residents. The tennis members spoke against losing the tennis courts. From the beginning, staff informed everyone that this project would certainly upset the tennis members; however the number of tennis members has averaged only 60 in the last five years and was currently at 85 with the new lower add-on price of only \$20.

It was asked what the current memberships thought about the renovation and staff explained that it was important to keep current members happy, but one of the primary reasons for the renovation was to attract new members. To obtain a level of interest from current members, staff conducted a one question survey that stated:

*“Would you be in favor of replacing the tennis courts with new, state-of-the-art fitness, strength, and circuit training equipment for your health and wellness journey?”*

The survey was emailed to all members and was open for four days. During that time all walk-in members were encouraged to answer the question as well. The final vote totals were 304 in favor of the renovation and 128 against it. It needs to be noted that some members that voted against it informed staff that they feared their membership rate would have to increase and that is why they voted no. Others also stated that such improvements would result in more members and they didn't want the Club to get crowded.

After the public input at the October meeting, staff has spent considerable time evaluating the current proposal and adjusting it to allow a compromise for the tennis members. Staff has revised the proposal and has eliminated the turf rental area to allow the continuation of a single tennis court.

**Implications:**

Staff has included the preliminary business plan and ROI analysis for the project. Staff will also present a power point presentation at the October 29 Special Board Meeting. Additionally, the District's consultants on this project, Mark Davis and Bryan Dugger, from CMS International, will be on a conference call to provide their professional insight and answer any questions from the Board.

Based on the revised plan, staff is now proposing the following:

**2020 Phase One will include:**

- Court 1 will remain as a tennis court for our tennis members
- Court 2 Conversion to Strength Zone:

This will include resurfacing to sport flooring, relocating all free weights and strength training equipment, and adding additional power racks and strength equipment.

- **Court 3 Conversion to Functional Fitness Zone:**

This will include resurfacing with turf/sport floor combination along with adding state-of-the-art equipment and a sound system. This will allow us to offer specialized small group HIIT classes along with Speed and Agility fee-based classes. These classes will be offered in addition to our complimentary group fitness classes.

- **Group Fitness Studio #2:**

This will include resurfacing the current free weight room with wood to create an additional studio to enhance our mind and body classes along with giving us the opportunity to add new classes and programs to our group fitness schedule.

- **Enhancement of Kids Club:**

This will include the enhancement of the current area for a more inviting space for all ages.

- **Women's Workout Zone:**

This 525 sf area will consist of dedicated stretching area and a few fitness machines.

Phase One estimated cost is \$450,000 to be paid from the Club Debt Service payment.

Additionally, during 2020 the scheduled GIS carpet replacement is budgeted in the Capital Fund.

2021 Phase Two will include:

- **Locker Room Renovations:**

This will include replacing all lockers in both men's and women's locker rooms with personalized lock codes. We will also be updating the community locker rooms as part of this renovation.

- **Outside Fitness Zone:**

This will be located off the Functional Fitness Zone. This fitness zone will give our members a place to exercise outside in a unique setting along with additional programming to include outdoor classes.

Phase Two estimated cost is \$525,000 to be paid from the Club Debt Service payment.

Club Staff will present a power point that highlights information from staff, the consultant, and the business plan to move the facility into the future and ensure it stays relevant in the industry.

A copy of the preliminary business plan is attached to this memo.

**Staff Recommendation:**

This is presented for discussion purposes for the Board.



*The* Ultimate  
**FITNESS**  
Experience

# 2020 Business Plan

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## **THE FULL TIME TEAM**

BRIAN BECHTOLD – DIRECTOR OF GOLF & FACILITIES

CHRISTINE TUSA – GENERAL MANAGER

JEREMY DAWKINS – FITNESS MANAGER

DIANNE ECHLIN – MEMBER SERVICES MANAGER

TBD – MEMBER SERVICES ASSOCIATE

BETH ZIMMER – OPERATIONS MANAGER

MICHAEL JOHNSON – LEAD CUSTODIAN

FRANCISCO MARRON – CUSTODIAN

BRYANT ESPINOZA – OVERNIGHT CUSTODIAN

## **CLUB BIO**

THE CLUB AT PRAIRIE STONE™ (THE CLUB) WAS BUILT IN 2000. THIS 100,000 SQ. FT. HEALTH AND WELLNESS CENTER LOCATED ON THE WEST SIDE OF HOFFMAN ESTATES.

THE CLUB FEATURES FITNESS EQUIPMENT WHICH INCLUDES STRENGTH TRAINING EQUIPMENT AND FREE WEIGHTS, OVER 120 PIECES OF CARDIOVASCULAR EQUIPMENT, TWO GROUP FITNESS STUDIOS WITH OVER 50 CLASSES PER WEEK, 25 YARD LAP POOL, ZERO-DEPTH ACTIVITY POOL, WHIRLPOOL AND STEAM ROOMS. IT ALSO FEATURES AN INDOOR TRACK, THREE GYMNASIUMS, AN INDOOR CLIMBING WALL, SPINNING STUDIO, PILATES TRAINING, THREE INDOOR TENNIS COURTS, FEE-BASED CHILD CARE AND MORE.

OVER THE PAST 19 YEARS THE CLUB HAS SPENT ONLY \$321,100 ON CAPITAL FITNESS EQUIPMENT. THE CLUB HAS REMAINED STAGNANT EVEN WITH THESE PROGRAM AND FACILITY UPGRADES. THE FITNESS INDUSTRY IS CONSTANTLY CHANGING AND GROWING AS NEW TRENDS EMERGE REGULARLY WITH INCREASED TECHNOLOGY OPTIONS CREATING COMPETITIVE STUDIOS AND BOUTIQUE CENTERS ALL ACROSS THE COUNTY.

TO BECOME THE TRUE ULTIMATE FITNESS EXPERIENCE WE MUST INVEST IN EQUIPMENT AND FACILITY INNOVATIONS TO ATTRACT NEW MEMBERS AND MAINTAIN OUR MEMBERSHIP BASE.



## CURRENT MEMBERSHIP DEMOGRAPHICS



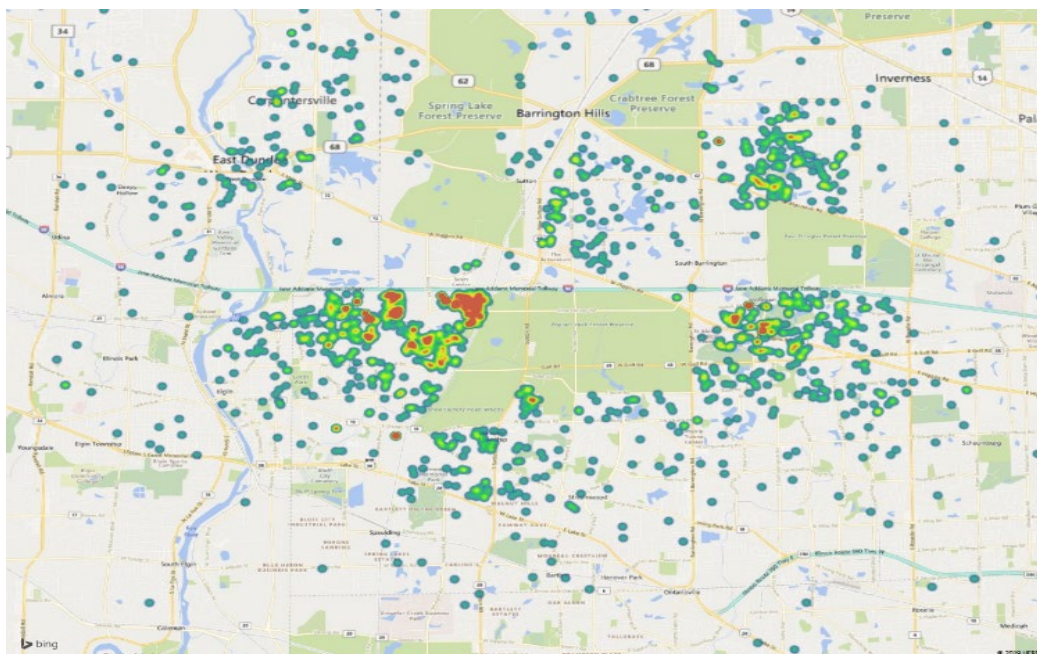
### ACTIVE MEMBERSHIP BREAKDOWN (AS OF OCTOBER 1, 2019)

RESIDENTS: 1,455	52.34% - MALE
NON RESIDENTS: 1,325	45.83% - FEMALE

#### AGE BREAKDOWN:

10-19 = 6.58%	40-49 = 18.99%
20-29 = 11.47%	50-59 = 21.73%
30-39 = 17.05%	60-69 = 15.68%
	70+ = 8.49%
<i>TOTAL % &lt;40 = 35.01%</i>	<i>TOTAL MEMBERS &gt;40 = 64.89%</i>

### MEMBERSHIP HEAT MAP



## **S.W.O.T ANALYSIS**

### MEMBERSHIP AT THE CLUB

#### SUMMARY OF OPERATIONS

RECRUITS NEW MEMBERS AND RETAINS EXISTING MEMBERS. LISTENS TO FEEDBACK FROM RESIDENTS AND PATRONS PERTAINING TO OPERATIONS. DEVELOPS INCENTIVE PROGRAMS TO ENGAGE PATRONS AND PROMOTE HEALTH/WELLNESS.

#### STRENGTHS

- COMMUNITY SURVEY RESULTS: HIGH SATISFACTION ABOUT THE CLUB.
- THE CLUB IS APPEALING TO PROSPECTIVE MEMBERS.
- MANY LONG TERM, LOYAL MEMBERS. MEMBERS AND GUESTS ALWAYS FEEL WELCOME.
- POSITIVE IMAGE & STRONG CUSTOMER SERVICE.
- MEMBERSHIP FLEXIBILITY, MONTH-TO MONTH, NO LONG TERM CONTRACTS.
- COMPETITIVE PRICING.
- MULTI-PURPOSE FACILITY, PROVIDES DIVERSE EXERCISE/FITNESS OPTIONS (POOL, TRACK, TENNIS)
- GOOD LOCATION FOR COMMUTERS, CORPORATE PARK EMPLOYEES.
- ALL “INCLUSIVE” MEMBERSHIP WITH ATTRACTIVE MEMBERSHIP PRIVILEGES: ALL ACCESS TO DISTRICT FITNESS CENTERS, FITNESS ASSESSMENTS& ORIENTATIONS, GROUP FITNESS CLASSES; STRONG SELLING POINTS.
- COMPLIMENTARY GROUP FITNESS INCLUDED IN MEMBERSHIP.
- HIGHLY EDUCATED, KNOWLEDGEABLE, QUALIFIED STAFF LOW RATES & MONTHLY AUTO-PAY PAYMENT OPTIONS.

#### WEAKNESSES

- NOT ENOUGH OUTSIDE SALES BEING DONE (VISITS TO CORPORATIONS AND COMMUNITY).
- LACK OF FITNESS SPECIALIZED SALES SOFTWARE (TO TRACK POTENTIAL MEMBERS/VISITS/FOLLOW-UP).
- LACK OF TECHNOLOGY AND LATEST FITNESS EQUIPMENT.
- LOCATION IN BUSINESS PARK – DO PEOPLE KNOW WHAT THE FACILITY HOUSES?

## OPPORTUNITIES

- POTENTIAL TO INCREASE REVENUES BY HIGHLIGHTING FACILITY THROUGH DIRECT MARKETING, CREATIVE MARKETING, AND SOCIAL MEDIA.
- EXTERNAL MARKETING, VISITING POTENTIAL CORPORATE ACCOUNTS, WELLNESS FAIRS.
- INCREASE MEMBER RETENTION EFFORTS (CONTESTS, TRIVIA, FOOTBALL SQUARES, ETC.).
- PARTNERSHIPS WITH CORPORATIONS TO PROMOTE OUR SERVICES AND HELP WITH THEIR HEALTH INITIATIVES.
- INCREASE OUTSIDE CORPORATE SALES WITHIN THE COMMUNITY.
- COMMUNITY PRESENCE: GETTING THE NAME OUT EVERYWHERE.
- BRINGING THE CLUB TO DIGITAL WORLD: ELECTRONIC PURCHASES OF MEMBERSHIP, PASSES, FITNESS SERVICES, AND E-FORMS.

## THREATS

- COMPETITION, CONTINUES TO SATURATE MARKET WITH THE LOW-COST, HIGH MEMBER VOLUME FITNESS CENTERS INCREASING, ALONG WITH BOUTIQUE CLUBS, CROSSFIT FACILITIES, PT STUDIOS AND PERSONAL FITNESS APPS.
- COMPETITION; ORANGE THEORY OPENED CLOSE BY, OTHER SMALL SPECIALTY STUDIOS (I.E. YOGA/PILATES) OPENED IN AREA.
- INDUSTRY STANDARDS: MUST CONTINUE TO STAY ON TOP OF INDUSTRY TRENDS AND STANDARDS (SUCH AS TECHNOLOGY AND FITNESS EQUIPMENT) OR WILL BECOME OUTDATED.
- AGING FACILITY RESULTS IN A CONSTANT NEED FOR REPAIRS AND UPGRADES.

## FITNESS DEPARTMENT

### SUMMARY OF OPERATIONS

DEVELOPS AND MANAGES EXERCISE OPTIONS AT THE CLUB IN THE AREAS OF WEIGHTS, CARDIO, AQUATICS, TENNIS, CLIMBING WALL, AND TRACK. PROMOTES AND OFFERS OPTIONS IN PERSONAL TRAINING AS WELL AS CLASSES IN GROUP EXERCISE.

## STRENGTHS

- COMMUNITY SURVEY RESULTS: POSITIVE COMMENTS ABOUT THE CLUB.
- POSITIVE ON-LINE REVIEWS.
- POSITIVE IMAGE & STRONG CUSTOMER SERVICE.
- MULTI-PURPOSE FACILITY, PROVIDES DIVERSE EXERCISE/FITNESS OPTIONS (POOL, TRACK, TENNIS):
- LARGE FACILITY – VARIETY OF CHOICES.
- GOOD LOCATION FOR COMMUTERS, CORPORATE PARK EMPLOYEES.

- ALL-INCLUSIVE MEMBERSHIP WITH ATTRACTIVE MEMBERSHIP PRIVILEGES: ALL ACCESS TO DISTRICT FITNESS CENTERS, FITNESS ASSESSMENTS & ORIENTATIONS, GROUP FITNESS CLASSES; STRONG SELLING POINTS.
- COMPLIMENTARY GROUP FITNESS INCLUDED IN MEMBERSHIP.
- HIGHLY EDUCATED, KNOWLEDGEABLE, QUALIFIED FITNESS STAFF (ONLY DEGREES AND CERTIFICATIONS FROM REPUTABLE PT CERTIFICATION ON ORGANIZATIONS ACCEPTED FROM OUR TRAINERS).
- NEW BRANDING AND MARKETING EFFORTS OF SIMPLE FEE STRUCTURE.

### WEAKNESSES

- COMPETITION; ORANGE THEORY OPENED CLOSE BY, OTHER SMALL SPECIALTY STUDIOS (I.E., YOGA/ PILATES) OPENED IN AREA.
- MEETING FITNESS INDUSTRY STANDARDS: ELECTRONIC PURCHASES OF MEMBERSHIP, PASSES AND FITNESS SERVICES.
- CONSISTENT NEED TO KEEP EQUIPMENT UP TO DATE WITH THE ADVANCES IN TECHNOLOGY.
- LOCKERS ARE DATED AND IN NEED OF REPLACEMENT.
- HAVE NOT UPDATED FITNESS AREAS SINCE BUILT.

### OPPORTUNITIES

- POTENTIAL TO INCREASE REVENUES BY HIGHLIGHTING FITNESS SERVICES THROUGH DIRECT MARKETING, CREATIVE MARKETING, AND SOCIAL MEDIA.
- OPPORTUNITY TO HIGHLIGHT CURRENT FITNESS TRENDS THROUGH THE IMPLEMENTATION OF FACILITY. BASED WEARABLE TECHNOLOGY, MARKETING AND HIGHLIGHTING OUR GROUP FITNESS CLASSES, AND PROGRAMMING THE SYNERGY PIECE AND DEVELOPING OTHER HIGH-INTENSITY TRAINING (HIT) OPTIONS.
- PARTNERSHIPS WITH CORPORATIONS TO PROMOTE OUR SERVICES AND HELP WITH THEIR HEALTH INITIATIVES.
- WITH THE INCREASE OF THE INFORMATION AVAILABLE TO THE AVERAGE PERSON ON TOPICS RELATED TO THEIR HEALTH, DIET, AND OVERALL WELLNESS, THERE IS OPPORTUNITY FOR US TO ASSIST PEOPLE WITH THEIR HEALTH GOALS THROUGH EDUCATIONAL WORKSHOPS AND CLASSES.
- MORE COMMUNITY INVOLVEMENT. SEND AN AMBASSADOR OUT TO COMMUNITY EVENTS TO REPRESENT AND PROMOTE THE FACILITY AND SERVICES.
- OPPORTUNITY TO BUILD PERSONAL TRAINING SALES/PARTICIPATION, PARTICULARLY UPON TIME OF ENROLLMENT AND WITH USE OF FLOOR STAFF.
- OPPORTUNITY TO SWIPE IN VIA A PHONE SCAN (VS A MEMBERSHIP CARD).
- OPPORTUNITY FOR PRO-SHOP SALES/SELL LOGO WEAR.
- BUILD THE NEW BRAND.

- REINVEST IN FACILITY WITH NEW DESIGN AND EQUIPMENT.

### THREATS

- COMPETITION, CONTINUES TO SATURATE MARKET WITH THE LOW-COST, HIGH MEMBER VOLUME FITNESS CENTERS INCREASING, ALONG WITH BOUTIQUE CLUBS, CROSSFIT FACILITIES, PT STUDIOS, HIT STUDIOS, FUNCTIONAL FITNESS COMPETITION AND PERSONAL FITNESS APPS.
- INDUSTRY STANDARDS: MUST CONTINUE TO STAY ON TOP OF INDUSTRY TRENDS AND STANDARDS (SUCH AS TECHNOLOGY AND FITNESS EQUIPMENT) OR WILL BECOME OUTDATED.
- AGING FACILITY RESULTS IN A CONSTANT NEED FOR REPAIRS AND UPGRADES.
- TECHNOLOGY CONSTANTLY CHANGING AND EVOLVING MAKING IT CHALLENGING TO HAVE LATEST EQUIPMENT.

### RENTALS AT THE CLUB

### SUMMARY OF OPERATIONS

GENERATES INCOME FOR THE FACILITY BY SCHEDULING PROGRAMS, TOURNAMENTS, AND SPECIAL EVENTS.

### STRENGTHS

- THE CLUB IS APPEALING TO PROSPECTIVE MEMBERS.
- COMPETITIVE PRICING.
- POSITIVE IMAGE & STRONG CUSTOMER SERVICE.
- EXCELLENT FOLLOW-UP/FOLLOW-THROUGH.
- MULTI-PURPOSE FACILITY PROVIDES OPTIONS FOR PARTIES (WALL, POOL).
- LARGE PARKING LOT, COOPERATIVE BUSINESS NEIGHBORS.
- KNOWLEDGEABLE, QUALIFIED, STAFF.

### WEAKNESSES

- SPACE USE AND BALANCE BETWEEN MEMBERS AND RENTERS.
- ELECTRONIC FORMS AND EASE OF PAYMENT ONLINE.
- SLOW SEASON (SUMMER), POSSIBLE INCENTIVE NEEDED.
- NO GROUP MEETING SPACE.
- FACILITY USAGE CONTROL – RENTERS IN THE REST OF THE FACILITY.

### OPPORTUNITIES

- TEAM TRAINING SPACE.

- BATTING CAGES/TUNNELS.
- YOUTH PROGRAMMING.
- OPEN VOLLEYBALL TIME.
- VIRTUAL TOUR FOR WEBSITE
- TEAM BUILDING POSSIBILITIES TO FILL DAYTIME OPEN SPACE (CORPORATIONS).
- ON-LINE PRESENCE WHEN SEARCHING FOR “CLIMBING WALL” “POOL”.

### THREATS

- COMPETITION, VARIETY OF LOCAL OPTIONS FOR RENTERS.
- SPACE LIMITS TO BALANCE MEMBER/RENTAL USE

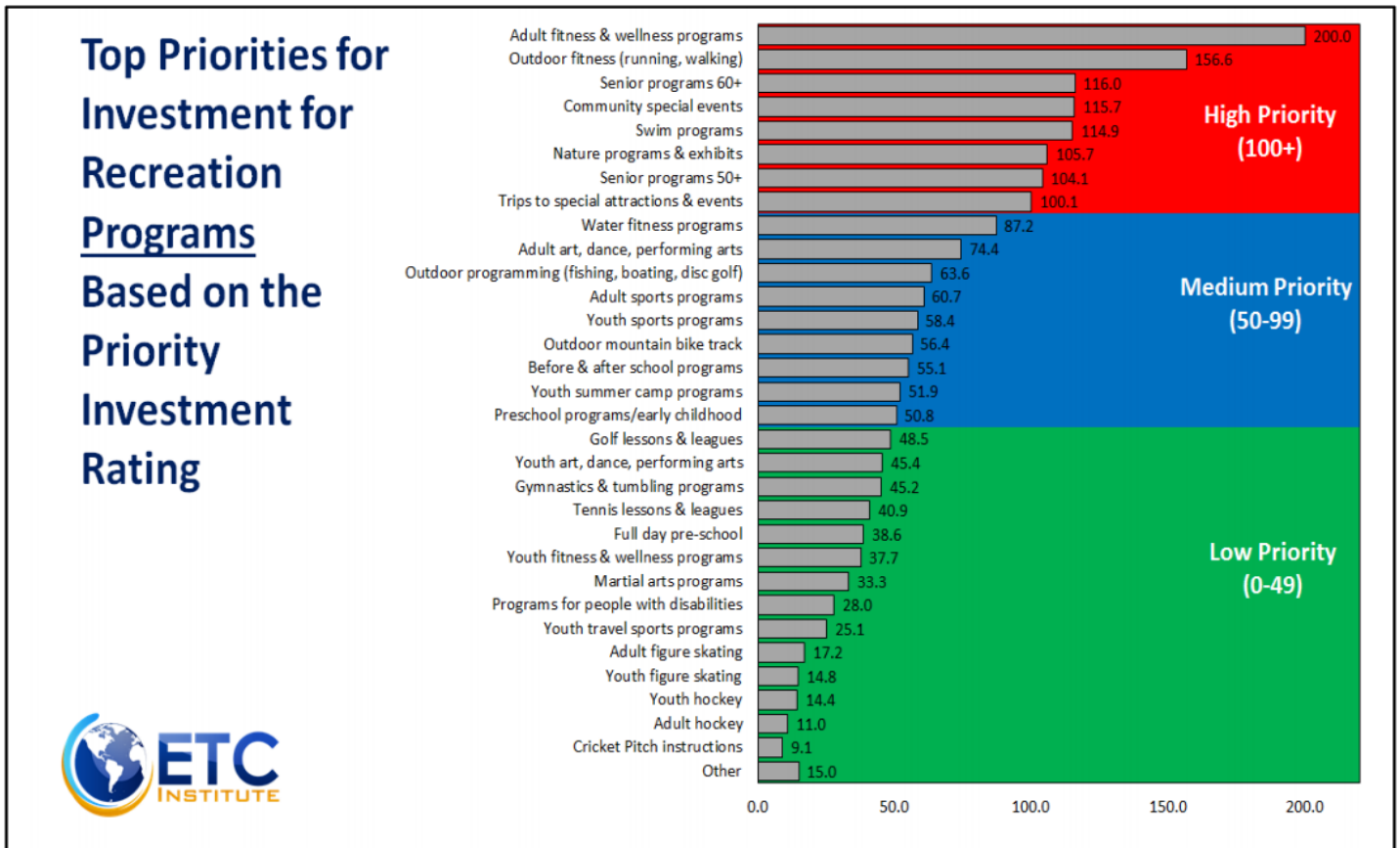
## THE CLUB’S FUTURE

THE CLUB HAS EXPERIENCED A STEADY DECLINE IN MEMBERSHIP NUMBERS OVER THE PAST 5 YEARS. WITH THIS, STAFF BEGAN A NECESSARY REVIEW OF OPERATIONS. CONSIDERATION WAS GIVEN TO INDUSTRY TRENDS AND A COMPETITIVE ANALYSIS WAS COMPLETED. ANOTHER IMPORTANT TOOL STAFF CONSIDERED WERE THE RESULTS OF THE *COMMUNITY NEEDS ASSESSMENT SURVEY* THE PARK DISTRICT CONDUCTED AS PART OF THE 2020-2025 CMP PROCESS.

THE COMMUNITY SURVEY RESULTS INDICATED INDOOR FITNESS AND WELLNESS FACILITIES WITHIN THE “HIGH PRIORITY” CATEGORY FOR RESIDENTS AND INDOOR TENNIS COURTS IN THE “LOW PRIORITY” CATEGORY FOR RESIDENTS.

### COMMUNITY NEEDS ASSESSMENT FINDINGS & HIGHLIGHTS

WHAT IS MOST IMPORTANT FOR OUR PROGRAMS? FITNESS! AGAIN WE SEE THE STRONG SUPPORT FOR FITNESS PROGRAMS, BOTH INDOORS AND OUTDOORS, AS BEING BY FAR THE MOST IMPORTANT AREA TO FOCUS ON. SPECIAL EVENTS AND NATURE-TYPE PROGRAMS, AS WELL AS SENIOR PROGRAMMING, ARE AT THE TOP AS WELL. MANY OF THE MORE INDIVIDUAL ACTIVITIES SHOW VARIED LEVELS OF SUPPORT.



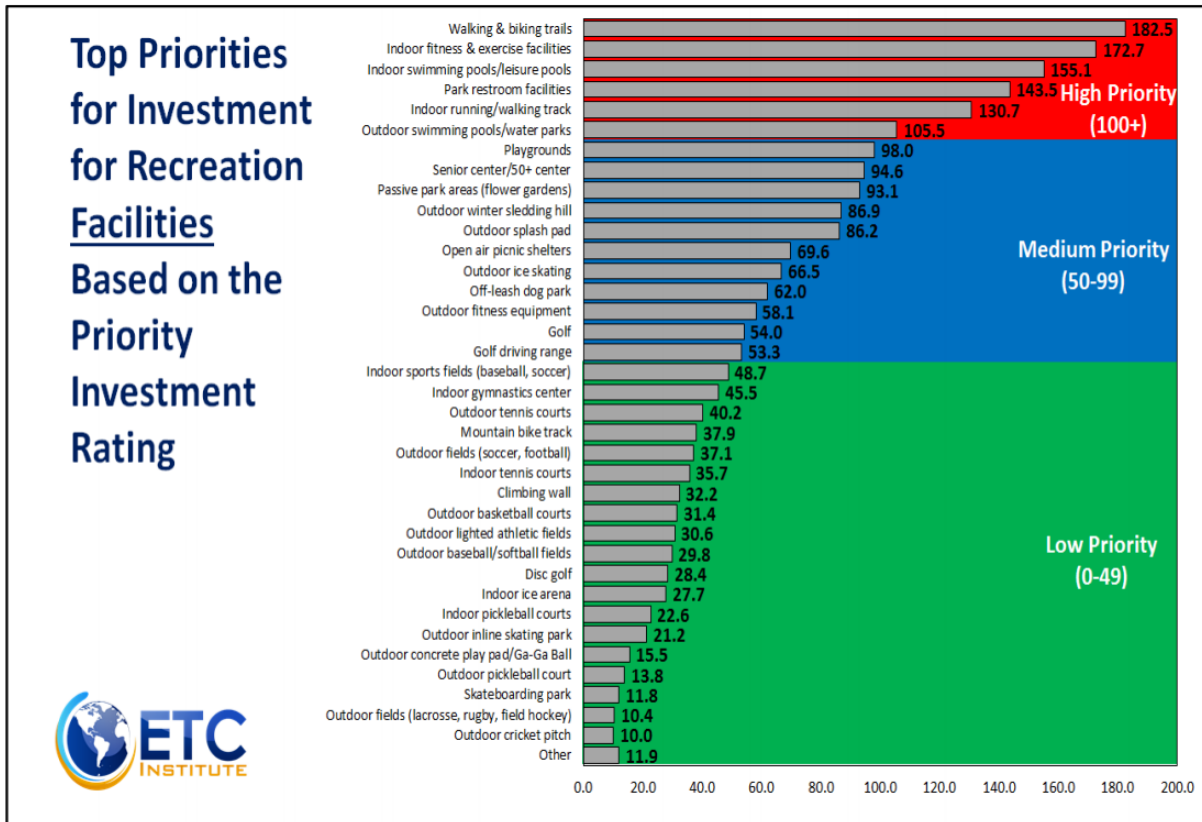
DOES LOCATION CHANGE PRIORITIES? NOT REALLY! ACROSS THE ENTIRE COMMUNITY, THE TOP FIVE OR SIX PRIORITIES REMAIN THE SAME

Top Priorities for Investment for Programs by Area			
NORTH	SOUTH	WEST	OVERALL
Adult Fitness and Wellness Programs	Adult Fitness and Wellness Programs	Adult Fitness and Wellness Programs	Adult Fitness and Wellness Programs
Outdoor Fitness (running, walking)	Community Special Events	Swim Programs	Outdoor Fitness (running, walking)
Community Special Events	Outdoor Fitness (running, walking)	Outdoor Fitness (running, walking)	Senior Programs 60+
Senior Programs 60+	Senior Programs 60+	Community Special Events	Community Special Events
Swim Programs	Nature Programs & Exhibits	Senior Programs 60+	Swim Programs
Nature Programs & Exhibits	Senior Programs 50+	Golf Lessons & Leagues	Nature Programs & Exhibits
Senior Programs 50+	Trips to Special Attractions and Events	Youth Sports Programs	Senior Programs 50+
Water Fitness Programs	Adult Art, Dance, Performing Arts	Nature Programs & Exhibits	Trips to Special Attractions & Events
Trips to Special Attractions and Events	Swim Programs	Adult Art, Dance, Performing Arts	Water Fitness Programs
Outdoor Programming (fishing, boating, disc golf)	Preschool Programs/Early Childhood	Trips to Special Attractions and Events	Adult Art, Dance, Performing Arts

Adult Fitness and Wellness and Outdoor Fitness Are Among the Top 3 Priorities for Each Area



WHAT DO WE NEED FOR FACILITIES? EXERCISE AND FITNESS ARE CLEARLY THE BIGGEST DESIRE. WHETHER ENTIRE FITNESS FACILITIES OR INDOOR/OUTDOOR WALKING TRACKS OR POOLS, ACTIVE HEALTHY LIFESTYLES ARE DESIRED. STRONG INVESTMENTS TO MAINTAIN OR UPGRADE OUR FITNESS FACILITIES ARE CLEARLY A NEED. ADDITIONALLY, PARKS AND PLAYGROUNDS CONTINUE TO BE A TOP PRIORITY FOR THE DISTRICT.



IN ADDITION, INDOOR FITNESS AND EXERCISE FACILITIES ARE RATED AT THE HIGHEST PRIORITY FOR RESIDENTS FOR INVESTMENT IN FACILITIES ON THE WEST SIDE OF HOFFMAN ESTATES WHERE THE CLUB IS LOCATED. RESIDENTS RATED THIS A HIGHER PRIORITY THAN WALKING AND BIKING TRAILS, WHICH IS THE #1 PRIORITY NATION-WIDE.

Top Priorities for Investment for Facilities by Area			
NORTH	SOUTH	WEST	OVERALL
Walking and Biking Trails	Walking and Biking Trails	Indoor Fitness & Exercise Facilities	Walking and Biking Trails
Indoor Fitness & Exercise Facilities	Indoor Fitness & Exercise Facilities	Walking and Biking Trails	Indoor Fitness & Exercise Facilities
Indoor Swimming Pools/Leisure Pools	Indoor Swimming Pools/Leisure Pools	Park Restroom Facilities	Indoor Swimming Pools/Leisure Pools
Park Restroom Facilities	Park Restroom Facilities	Indoor Swimming Pools/Leisure Pools	Park Restroom Facilities
Indoor Running/Walking Track	Indoor Running/Walking Track	Indoor Running/Walking Track	Indoor Running/Walking Track
Outdoow Swimming Pools/Water Parks	Outdoow Swimming Pools/Water Parks	Playgrounds	Outdoow Swimming Pools/Water Parks
Senior Center/50+ Center	Playgrounds	Passive Park Areas (Flower Gardens)	Playgrounds
Outdoor Splash Pad	Senior Center/50+ Center	Outdoor Winter Sledding Hill	Senior Center/50+ Center
Playgrounds	Passive Park Areas (Flower Gardens)	Outdoow Swimming Pools/Water Parks	Passive Park Areas (Flower Gardens)
Passive Park Areas (Flower Gardens)	Outdoor Winter Sledding Hill	Open Air Picnic Shelters	Outdoor Winter Sledding Hill

## KEY AREAS OF FOCUS

- MARKETING
- SALES
  - NEW MEMBERSHIPS
  - PAST MEMBERS
  - CORPORATE MEMBERSHIPS
  - ONBOARDING PROCESS
- RETENTION
  - PROGRAMS & CONTESTS
  - MEMBER EVENTS
  - SAVE PROGRAM
  - RETENTION MANAGEMENT SOFTWARE
- FACILITY USAGE
  - PERSONAL TRAINING
  - AQUATICS
  - TENNIS
  - FITNESS
  - RENTALS
- RENOVATION PROJECT

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## **MARKETING PLAN – THIS IS A DYNAMIC, WORKING DOCUMENT THAT MAY CHANGE BASED ON FINANCIAL IMPACT**

### **CLUB MARKETING MISSION**

INCREASE COMMUNITY AWARENESS, HIGHLIGHT AMENITIES AND ATTRACT NEW MEMBERS TO THE CLUB WHILE RETAINING THE CURRENT MEMBERSHIP

### **KEY PERFORMANCE INDICATORS**

INCREASE COMMUNITY AWARENESS OF THE CLUB

- SEARCH ENGINE OPTIMIZATION (SEO) – FOCUS ON SEO TO INCREASE GOOGLE RANKING AND SEARCH RESULTS
- WEBSITE – INCORPORATE SEO AND SEM TACTICS TO DRIVE ORGANIC SEARCHES
- DIGITAL ADVERTISING – BROWSER-BASED AND TARGETED SOCIAL MEDIA ADVERTISING FOCUSING ON FITNESS PROMOTIONS AND SPECIALS
- DIGITAL ADVERTISING – LOCATION AND PRESENCE AWARENESS, BOTH DIGITAL AND SOCIAL MEDIA
- GEOFENCING – TARGETING POTENTIAL CUSTOMERS BASED ON THEIR LOCATION AND HABITS
- DIRECTORY SERVICE INCLUSION – CURATING THE CLUB'S PRESENCE IN THE MAJOR DIRECTORY LISTINGS (YELP, YELLOW PAGES, GOOGLE, ETC.)
- ON-SITE PRESENCE AT COMMUNITY EVENTS AND SERVICES
- CROSS-SELLING THE CLUB AS A CO-SPONSOR OF SPORTS/FITNESS RELATED SPECIAL EVENTS AND PROGRAMS AT HEPARKS
- INCLUSION OF THE CLUB IN HEPARKS MARKETING INCLUDING SOCIAL MEDIA, PRINT, SPECIAL EVENTS AND EMAIL COMMUNICATIONS
- PRINT ADVERTISING – PAID NEWSPAPER ADVERTISING ALONG WITH CHAMBER AND NEW MOVER OPTIONS
- YEARLY MAILER – WINTER PROMOTION
- NEW MOVER MAILER – POSTCARD MAILED TO NEW MOVERS AT THE BEGINNING OF EACH MONTH
- PRESS RELEASES – AMENITY AND ACTIVITIES RELEASE
- FITTEST LOOSER
- SOCIAL MEDIA
- AFFILIATE MARKETING
- EXTERIOR FACILITY SIGNAGE

### **HIGHLIGHT AMENITIES**

- THROUGH THE USE OF VIDEO - EQUIPMENT, PERSONAL TRAINING, GROUP EXERCISE
- SOCIAL MEDIA

- POSTCARD
- HEPARKS PROGRAM GUIDE
- MEMBER NEWSLETTER
- CHILDCARE OPTION
- SWIMMING LESSONS AND LAP POOL
- TENNIS
- MEMBER RETENTION ACTIVITIES AND COMMUNICATIONS

### **ATTRACT NEW MEMBERSHIP**

- MONTHLY PROMOTIONS
- DIGITAL ADVERTISING
- SEO
- WEBSITE
- DIRECTORY SERVICE INCLUSION
- SALES PROCESS
- STUDENT WINTER AND SUMMER SHORT-TERM MEMBERSHIPS
- CORPORATE MEMBERSHIP
- ON-BOARDING STRATEGY
- CONVERTING SWIM LESSONS, SPECIAL EVENTS AND SPORTS CLASS FAMILIES TO MEMBERS
- CUSTOMER RETENTION MANAGEMENT SOFTWARE (CRM) – TRACK LEADS
- AFFILIATE MARKETING

### **RETENTION MANAGEMENT**

- REFERRAL PROGRAM
- MEMBERS NEWSLETTER
- MEMBERSHIP APPRECIATION DAYS
- PERSONAL TRAINING SPECIALS
- HEALTH AND WELLNESS OFFERINGS
- SPECIAL MONTHLY EVENTS
- MONTHLY FITNESS CHALLENGES
- MUSCLES OF THE MONTH.
- SOCIAL MEDIA – REMIND MEMBERS OF AMENITIES, MONTHLY ACTIVITIES AND UPCOMING NEWS

### **PRICING STRATEGY**

#### **ENROLLMENT FEE**

- STABILIZE INITIATION FEE TO CREATE CONSISTENCY IN MEMBERSHIP VALUE.  
INCENTIVIZE ENROLLMENT THROUGH GIFTS AND FITNESS PROMOTIONS.

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## MONTHLY FEE

- ALL MEMBERS RECEIVE UNLIMITED USE OF THE FITNESS CENTER, INDOOR AQUATIC CENTER, INDOOR TRACK AND GROUP FITNESS CLASSES AS WELL AS ACCESS PRIVILEGE TO TRIPHAHN CENTER FITNESS AND WILLOW RECREATION CENTER FITNESS.
- RESIDENT INDIVIDUAL \$55 /\$59 NON-RESIDENT MONTHLY FEE
- ADDITIONAL MEMBER \$50 /\$55 MONTHLY
- JUNIOR MEMBERS \$30/\$35 MONTHLY
- SENIOR (62+) \$40/\$45 MONTHLY
- STUDENT (16-24 YEARS) \$40/\$45 MONTHLY
- ADD TENNIS + \$20 MONTHLY
- NO REDUCTION IN THE MONTHLY FEE AS PART OF PROMOTIONS
- WINTER AND SUMMER SHORT-TERM MEMBERSHIPS FOR STUDENTS
- CORPORATE MEMBERSHIP STRUCTURE

## MONTHLY OFFERS

- EACH MONTH OFFER A SALES PROMOTION FOR NEW MEMBERS, A CUSTOMER RETENTION PROMOTION AND A GROUP EXERCISE CLASS OR PERSONAL TRAINING HIGHLIGHT

## REFERRAL STRATEGY

- REFERRALS IN 2019 – 42 (THROUGH OCTOBER 1, 2019)
- REFERRAL GOAL FOR 2020- 84
- REFER A FRIEND AND RECEIVE A FREE MONTH AFTER THE NEW MEMBERS HAVE JOINED FOR THREE MONTHS. NO LIMIT ON NUMBER OF REFERRAL BONUSES.
- STRONG HIGHLIGHT OF REFERRAL IN WINTER MONTHS TO MEMBERSHIP – NOVEMBER, DECEMBER, JANUARY AND FEBRUARY.
- HIGHLIGHT AGAIN IN A SUMMER MONTH
- REPLACE SIGNAGE IN THE FACILITY TO REFLECT NEW REFERRAL
- ADD REFERRAL PROMOTION TO THE WEBSITE
- REFERRAL MENTIONED IN MEMBERSHIP NEWSLETTER AND SOCIAL MEDIA
- YEAR-ROUND PROMOTIONS
- ADD MEMBERSHIP REFERRAL TO ON-BOARDING PROCESS AND REGISTRATION FORM

## RETENTION STRATEGY

- UNVEIL NEW REFERRAL PROGRAM
- MEMBER NEWSLETTER – INCREASE COMMUNITY FEEL, RAISE AWARENESS OF EXCLUSIVE MEMBER BENEFITS AND SPECIAL EVENTS AND SERVICES OFFERED AT THE CLUB, MAKE THIS INFORMATION ALSO AVAILABLE TO MEMBERS AROUND THE FACILITY
- PROGRAM DEMOS
- MEMBERSHIP APPRECIATION DAYS

- PERSONAL TRAINING SPECIALS
- HEALTH SCREENINGS
- MEMBERSHIP CHALLENGES
- MUSCLES OF THE MONTH – EDUCATIONAL AND COMMUNITY BUILDING, ALSO INCORPORATE CROSS-PROMOTION TO PERSONAL TRAINING AND AMENITY AWARENESS → INVESTED MEMBERSHIP
- SOCIAL MEDIA SHOWING MEMBERS
- CRM SYSTEM – BIRTHDAY EMAILS AND SPECIALS, JOINING ANNIVERSARY NOTICES, 30, 60 90 DAY MEMBERS COMMUNICATIONS, WE WANT YOU BACK PROMOTIONS TO ENCOURAGE MEMBERS TO COME BACK, TRACKING MEMBERS WHO HAVE NOT BEEN ATTENDING AND ENCOURAGE THEM TO ENGAGE
- SURVEYS AND COMMENT CARDS

### **DIGITAL ADVERTISING MONTHLY STRATEGY**

- GOOGLE ADS – ONLINE PAID ADVERTISING
- RE-MARKETING – USE OF TRACKING PIXELS TO SERVE UP CLUB ADVERTISING ACROSS SOCIAL AND WEB.
- SOCIAL MEDIA MARKETING – PAID AND ORGANIC STRATEGIES.
- SOCIAL MEDIA STRATEGY AND STORY – CONSISTENT POSTS, INCLUDING SALES, EXERCISES, PERSONALITY, VIDEO, MUSCLES, AMENITIES AND INFORMATION
- EMAIL MARKETING – USING THE MEMBERSHIP LIST
- GEOFENCING AND GEOTARGETING- TARGETING SPECIFIC ADDRESSES AND AREAS WHERE ADS ARE SERVED UP TO MOBILE DEVICES.

### **MARKETING BUDGET \$93,000**

- ADVERTISING \$50,500
- COMMERCIAL \$7,000
- SIGNAGE \$2,500
- DIRECT MAILING -\$7,500
- PRINTING AND PUBLICATION \$20,500
- MEMBERS INCENTIVES \$5,000

### **MONTH BY MONTH GOALS AND STRATEGY**

- MEMBERSHIP GOAL BY THE END OF DECEMBER 2020 – 2,793 MEMBERS
- MEMBERSHIP AS OF OCTOBER 2019 2,780 MEMBERS

#### **JANUARY**

- SALES GOAL - 175
- PROMOTION - NEW YEAR, NEW YOU JOIN NOW FOR \$XX, REFERRAL HIGHLIGHT,
- SPECIAL EVENTS - HEALTH CLINICS
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT

- MARKETING FOCUS - DRIVING IN NEW MEMBERS AND BRAND AND FACILITY AWARENESS, INCREASE SEO, DRIVE PATRONS TO THE WEBSITE AND IN THE DOOR, INDOOR TENNIS TO TIE INTO AUSTRALIAN OPEN, NEW MOVER MAILER
- RETENTION FOCUS - NEW MEMBERS AND RETURNING MEMBERS: HIGHLIGHTING AMENITIES AND IN-HOUSE SERVICES, PERSONAL TRAINING, PICKLEBALL, OPEN GYM AND SWIM. BEGIN 30, 60, 90 RETENTION PROCESS
- PROGRAM HIGHLIGHT - PROGRAMS AT THE FACILITY, BASKETBALL, SWIMMING, YOUTH SPORTS, NEW GROUP EXERCISE AND PAY FITNESS
- MONTHLY NEWSLETTER

## FEBRUARY

- SALES GOAL - 135
- PROMOTION - FALL IN LOVE WITH FITNESS - BEGIN PRE-SALES FOR ZONE FITNESS, SPRING BREAK FITNESS CHALLENGE
- SPECIAL EVENTS - REFERRAL HIGHLIGHT, GROUP EXERCISE MONTH, DEMOS
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT, CABIN FEVER GET AWAY, BIGGEST LOSER, HEALTH CLINICS
- MARKETING FOCUS - NEW AREA CONSTRUCTION HYPE, MEMBERSHIP DRIVE FOR THE NEW ZONE, UPDATING WEBSITE AND PRINT MATERIALS TO REFLECT MODERN AMENITIES, NEW MOVER MAILER
- RETENTION FOCUS - NEW MEMBERS AND RETURNING MEMBERS: HIGHLIGHTING AMENITIES AND IN-HOUSE SERVICES, ORIENTATIONS AND PERSONAL TRAINING, 30, 60, 90 RETENTION PROCESS
- MONTHLY NEWSLETTER

## MARCH

- SALES GOAL - 100
- PROMOTION - ZONE FITNESS,
- SPECIAL EVENTS - MARCH MADNESS FITNESS SQUARES, HEALTH CLINICS
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT, POT OF GOLD CLIMB,
- MARKETING FOCUS - NEW AREA CONSTRUCTION HYPE, MEMBERSHIP DRIVE FOR THE NEW ZONE, UPDATING THE WEBSITE AND PRINT MATERIALS TO REFLECT UPDATED AMENITIES, NEW MOVER MAILER
- GRAND OPENING PARTY - DIGITAL, RADIO, SOCIAL MEDIA, PROGRAM GUIDE BACK COVER
- RETENTION STRATEGIES - 30, 60, 90 RETENTION PROCESS, REVIEW ANY OF WINTER JOINERS WHO ARE SHOWING DECREASED ATTENDANCE, SPECIAL PERSONAL TRAINING OFFER OR REFERRAL OPTION TO RE-ENGAGE, INCREASE VIDEO AND INFORMATION ON HOW TO USE THE EQUIPMENT IN THE NEW AREA
- PROGRAM HIGHLIGHT - PROGRAMS HELD AT THE FACILITY, BASKETBALL, SWIMMING, YOUTH SPORTS, NEW GROUP EXERCISE AND PAY FITNESS
- MONTHLY NEWSLETTER



## APRIL

- SALES GOAL - 80
- PROMOTION - REFERRAL FOCUSED MONTH
- SPECIAL EVENTS - HEALTH CLINICS
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT
- MARKETING FOCUS - RE-EVALUATE GOOGLE ADS AND SEO STRATEGIES. ADJUST DEMOGRAPHICS AND ZIP CODES FOR TARGETED ADVERTISING. DIGITAL ADVERTISING TO HIGHLIGHT NEW FITNESS AREA. DIGITAL PUSH FOR THE FITNESS AREA, NEW MOVER MAILER
- RETENTION FOCUS - 30, 60, 90 RETENTION PROCESS, HIGHLIGHT REFERRAL, EXERCISE EXAMPLES FOR THE NEW ZONE,
- PROGRAM HIGHLIGHT - PROGRAMS HELD AT THE FACILITY, BASKETBALL, SWIMMING, YOUTH SPORTS, NEW GROUP EXERCISE AND PAY FITNESS
- MONTHLY NEWSLETTER

## MAY

- SALES GOAL - 115
- PROMOTION - TBD
- SPECIAL EVENTS - FITNESS DEMOS, MOTHER'S DAY, KENTUCKY DERBY SPIN CLASS, HEALTH CLINICS
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT, NATIONAL KIDS TO PARKS DAY,
- MARKETING FOCUS - END OF SCHOOL STUDENT MEMBERSHIPS, GROUP FITNESS EVENING PROGRAMS, NEW CLASSES OR PROGRAM. GENERAL AWARENESS, INDOOR TENNIS HIGHLIGHT WITH FRENCH OPEN, NEW MOVER MAILER
- RETENTION FOCUS - AMENITY REMINDER, 30, 60, 90 RETENTION PROCESS, HIGHLIGHT REFERRAL
- MONTHLY NEWSLETTER

## JUNE

- SALES GOAL - 125
- PROMOTION - WORKOUT HARD SO YOU CAN PLAY – INTENSITY TRAINING AND STRENGTH ZONE
- SPECIAL EVENTS - HEALTH CLINICS
- MARKETING FOCUS - HIGHLIGHT ZONE, TENNIS WITH WIMBLEDON, NEW MOVER MAILER
- RETENTION FOCUS - MEMBER DAY AT SEASCAPE
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT, YOGA BY THE LAKE, CHAMPION TO CHILDREN 5K, STUDENT SUMMER PASSES
- MONTHLY NEWSLETTER

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**JULY**

- SALES GOAL - 110
- PROMOTION - OLYMPIC FITNESS – SUMMER OLYMPICS BEGIN JULY 24- AUGUST 9
- SPECIAL EVENTS - HEALTH CLINICS, YOGA BY THE LAKE, BUNS GUNS AND ABS, WEIGHTLIFTING COMPETITION, OR CIRCUIT COMPETITION ON THE NEW AREA.
- MARKETING PUSH - VIDEO COMMERCIAL TO AIR DURING OLYMPICS HIGHLIGHTING THE CLUB. HIGHLIGHT INDOOR POOL AND LAP POOL AMENITIES ALONG WITH STRENGTH ZONE AND TRACK, NEW MOVER MAILER
- RETENTION FOCUS - MEMBER DAY AT SEASCAPE, 30, 60, 90 RETENTION PROCESS
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT, FIT AMERICA RUN,
- MONTHLY NEWSLETTER

**AUGUST**

- SALES GOAL - 125
- PROMOTION - OLYMPIC THEMED
- SPECIAL EVENTS - HEALTH CLINICS, FREE FITNESS DEMOS,
- MARKETING PUSH - VIDEO COMMERCIAL ON AIR. CONTINUE OLYMPIC THEMED AD. HIGHLIGHT INDOOR POOL AND LAP POOL AMENITIES ALONG WITH STRENGTH ZONE AND TRACK, INDOOR TENNIS TRAINING US OPEN, NEW MOVER MAILER
- RETENTION - MEMBER DAY AT SEASCAPE, 30, 60, 90 RETENTION PROCESS, NEW ZONE FITNESS PUSH
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT, PARTY IN THE PARK, YOGA BY THE LAKE,
- MONTHLY NEWSLETTER

**SEPTEMBER**

- SALES GOAL - 85
- PROMOTION - PUSH OUT REFERRAL BONUS – BACK TO SCHOOL/BACK TO YOU, GROUP EXERCISE MONTH – DEMOS
- MARKETING FOCUS - AD TARGET AUDIENCE TO ADS: WOMEN WITH YOUNG SCHOOL-AGED CHILDREN, CORPORATE MEMBERSHIPS, NEW MOVER MAILER
- RETENTION FOCUS - 30, 60, 90 RETENTION PROCESS, MEMBER APPRECIATION DAY, NEW ZONE FITNESS PUSH
- SPECIAL EVENTS - HEALTH CLINICS, OUTDOOR SPIN CLASS, FOOTBALL SQUARES
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT, FALL PROGRAMS, SWIMMING AND SPORTS

- PROGRAM HIGHLIGHT - PROGRAMS HELD AT THE FACILITY, BASKETBALL, SWIMMING, YOUTH SPORTS, NEW GROUP EXERCISE AND PAY FITNESS
- MONTHLY NEWSLETTER

#### OCTOBER

- SALES GOAL - 110
- PROMOTION - DON'T BE SCARED TO JOIN THE CLUB - JOIN IN OCTOBER FOR \$19, REFERRAL PROMOTION HIGHLIGHT
- SPECIAL EVENTS - HEALTH CLINICS
- MARKETING FOCUS - AD TARGET AUDIENCE TO ADS: WOMEN WITH YOUNG SCHOOL-AGED CHILDREN, CORPORATE MEMBERSHIPS, NEW MOVER MAILER
- RETENTION FOCUS - 30, 60, 90 RETENTION PROCESS, MEMBER APPRECIATION DAY
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT, TRUNK OR TREAT, PUMPKIN SWIM, TRICK OR TREAT CLIMB, FALL PROGRAMS
- PROGRAM HIGHLIGHT - PROGRAMS HELD AT THE FACILITY, BASKETBALL, SWIMMING, YOUTH SPORTS, NEW GROUP EXERCISE AND PAY FITNESS
- MONTHLY NEWSLETTER

#### NOVEMBER

- SALES GOAL - 130
- PROMOTION - JOIN IN NOVEMBER FOR \$28, REFERRAL PROMOTION HIGHLIGHT, BLACK FRIDAY MEMBERSHIP PROMOTION, PT BLACK FRIDAY DEAL
- MARKETING FOCUS - DRIVING NEW CUSTOMERS INTO CLUB, AWARENESS, BROADER TARGETING, INCREASE GEOFENCING TO SHOPPING AREAS DURING BLACK FRIDAY, CONTINUE THROUGH DECEMBER, CORPORATE MEMBERSHIP, NEW MOVER MAILER
- SPECIAL EVENTS - BRIDGES RUN FOR FRIENDS 5K
- CROSS PARK DISTRICT PROMOTIONS - PARENTS NIGHT OUT
- PROGRAM HIGHLIGHT - PROGRAMS HELD AT THE FACILITY, BASKETBALL, SWIMMING, YOUTH SPORTS, NEW GROUP EXERCISE AND PAY FITNESS
- MONTHLY NEWSLETTER

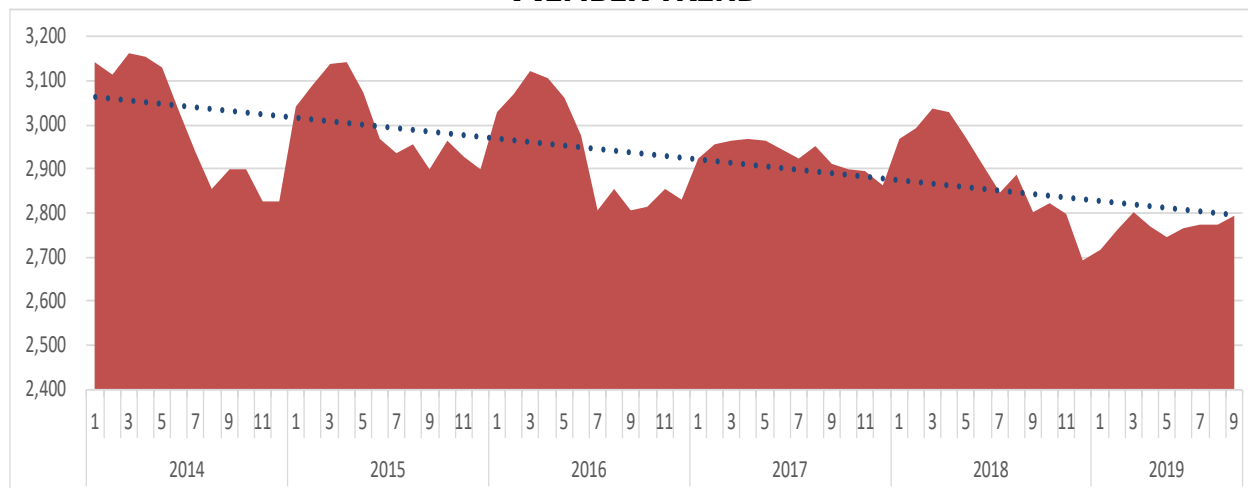
#### DECEMBER

- SALES GOAL - 100
- PROMOTION - JOIN IN DECEMBER FOR \$25, STUDENT WINTER PASS ON SALE, REFERRAL PROMOTION HIGHLIGHT
- MARKETING FOCUS - DRIVING NEW CUSTOMERS INTO THE CLUB, INCREASED AWARENESS, POSTCARD, NEW MOVER MAILER
- SPECIAL EVENTS - HEALTH CLINICS
- CROSS PARK DISTRICT PROMOTIONS - WINTERFEST, PARENTS NIGHT OUT, STUDENT WINTER PASS,

- PROGRAM HIGHLIGHT - PROGRAMS HELD AT THE FACILITY, BASKETBALL, SWIMMING, YOUTH SPORTS, NEW GROUP EXERCISE AND PAY FITNESS
- MONTHLY NEWSLETTER

## SALES PLAN

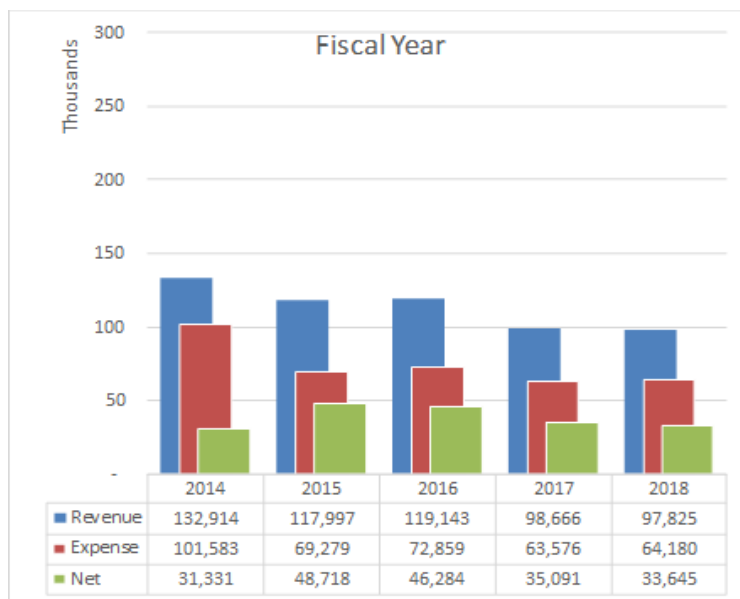
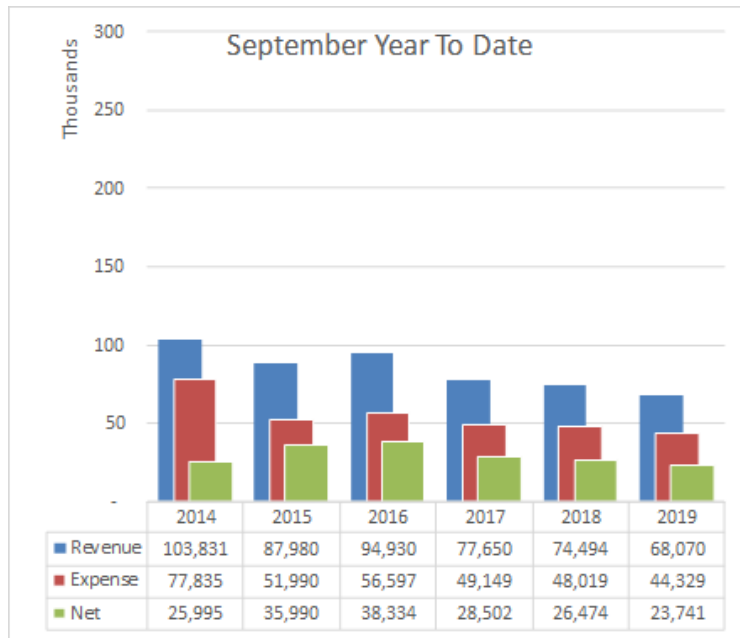
### MEMBER TREND



THE IMPLEMENTATION OF THE MARKETING PLAN LAYS THE FOUNDATION OF THE SALES PLAN. THIS PLAN WILL CONCENTRATE ON THE KEY POINTS BELOW:

- NEW RESIDENTS TO AREA – WITH HELP OF MARKETING DEPARTMENT, GET LIST OF NEW RESIDENTS AND CALL, EMAIL, OR MAIL SPECIAL ENROLLMENT OFFERS
- LEADS - INFORMATION FROM VISITING GUESTS ARE LOGGED IN NEW SALES SOFTWARE AND THIS LIST IS USED TO SEND OUT INCENTIVE OFFERS. LEADS WILL AUTOMATICALLY BE CREATED FROM WEBSITE INQUIRES AND GUEST PASS REDEMPTIONS.
- PAST MEMBERS – FOLLOW-UP WITH PAST MEMBERS MONTHLY WITH INCENTIVE OFFERS TO RETURN, HIGHLIGHTING WHAT MAY HAVE CHANGED SINCE THEY LEFT. SEND SURVEYS TO PAST MEMBERS WITH RETENTION MANAGEMENT SOFTWARE.
- REFERRAL PROGRAM – INTRODUCE FREE MONTH REFERRAL PROGRAM. WITH THE USE OF NEW SALES SOFTWARE COLLECT REFERRALS FROM NEW MEMBERS AT TIME OF ENROLLMENT.
- ADDITION OF FT MEMBER SERVICE ASSOCIATE – THIS POSITION WILL BE CONTINGENT ON APPROVAL OF RENOVATION PLAN AND PROVIDE SUPPORT IN MEMBERSHIP SALES.
- STABILIZE INITIATION FEE TO CREATE CONSISTENCY IN MEMBERSHIP VALUE. INCENTIVIZE ENROLLMENT THROUGH GIFTS AND FITNESS PROMOTIONS.

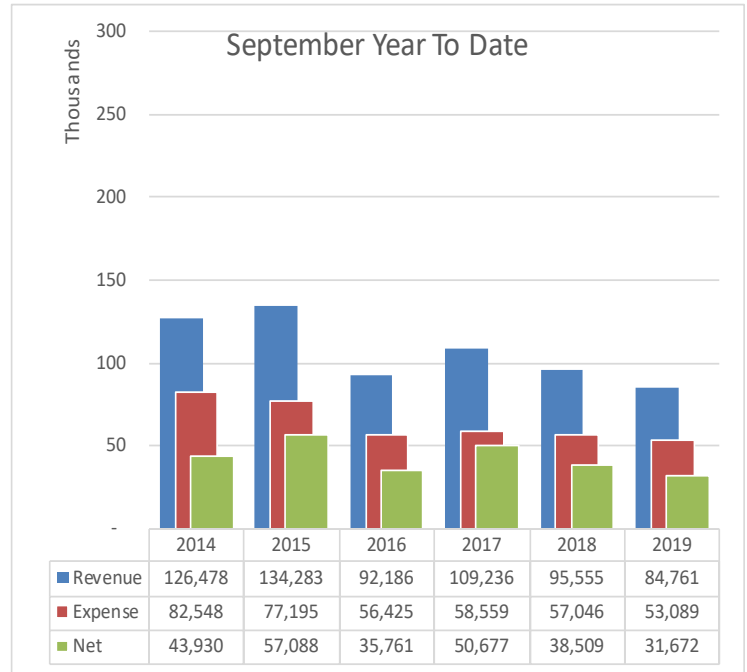
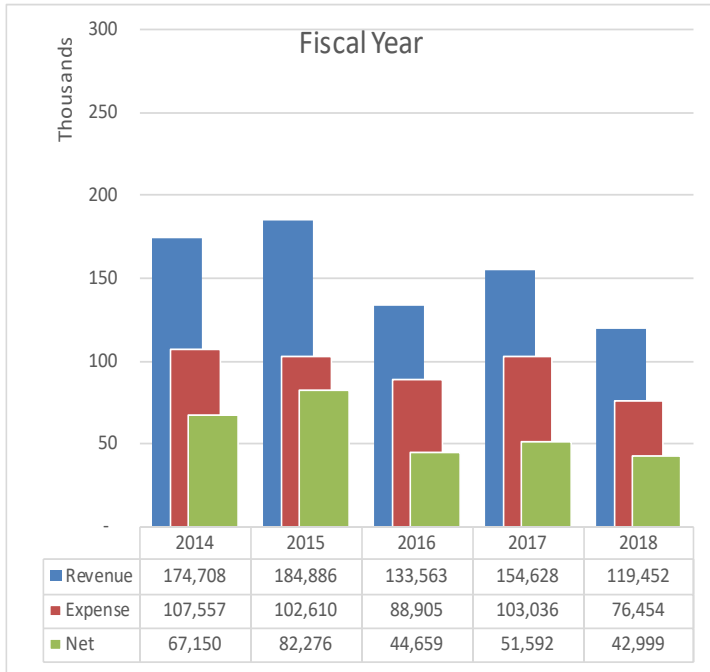
### PERSONAL TRAINING



Similar to overall membership numbers at The Club, personal training has experienced a steady decline in revenue over the past several years. Over the past 10 years one-on-one personal training has become less popular, while small group training has gained in popularity. Our competitors have taken advantage of this trend by creating spaces specifically designed for small group training services. This has allowed them to maintain or exceed personal training goals and revenue by adding these lower price point small group training options. The Club does not currently have the space to offer these services however, with this proposed renovation we will be able to stay competitive and offer these programs to our members.

## AQUATICS

### Current Aquatics Analysis



## AQUATICS PLAN

- RECRUIT & HIRE QUALITY INSTRUCTORS
- CREATE NEW INSTRUCTOR TRAINING MANUAL & SCHEDULE
- OFFER FREE SWIM AND/OR “DEMO” CLINIC AT THE CLUB
- PROMOTE ADULT-LEARN-TO-SWIM (LIFE SKILLS; DROWNING CAMPAIGN)
- PRIVATE LESSONS
- REGISTRATION INCENTIVES & DISCOUNTS

## TENNIS

### TENNIS MEMBERSHIP BREAKDOWN

#### CURRENT MEMBERSHIP TOTAL

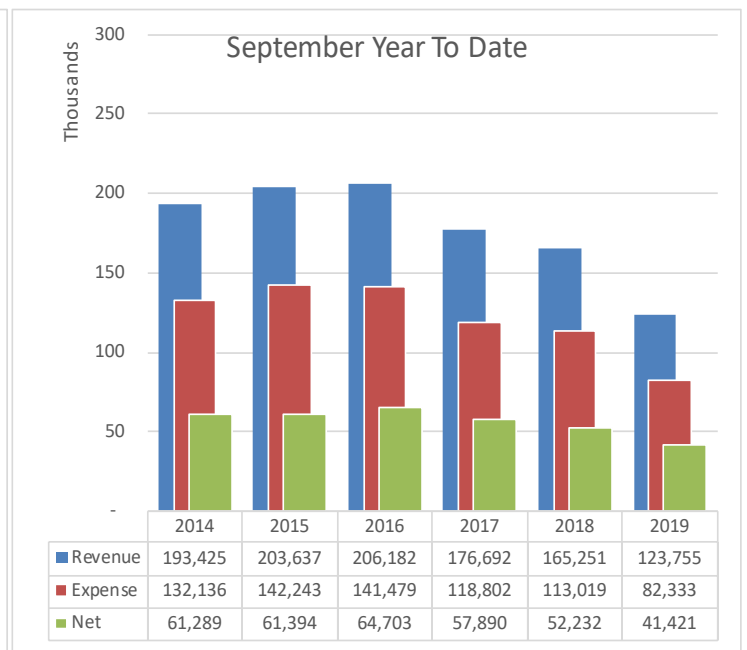
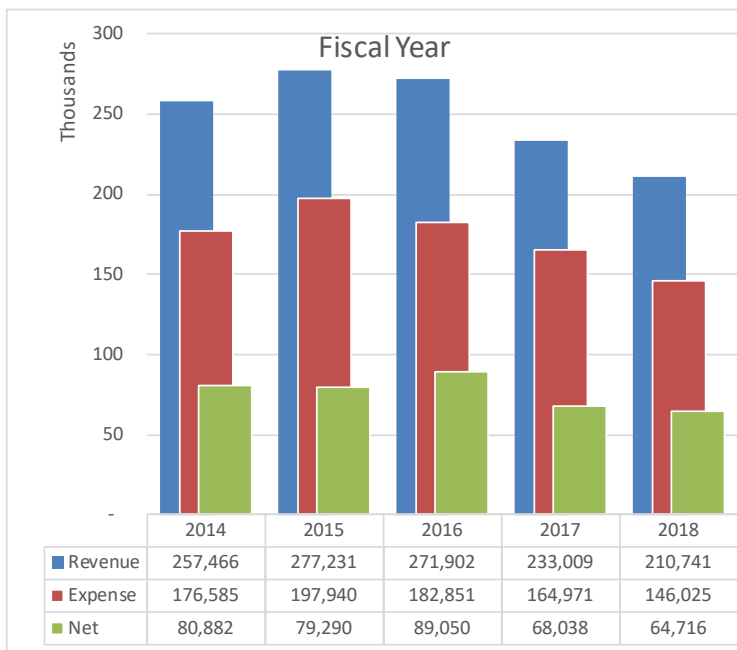
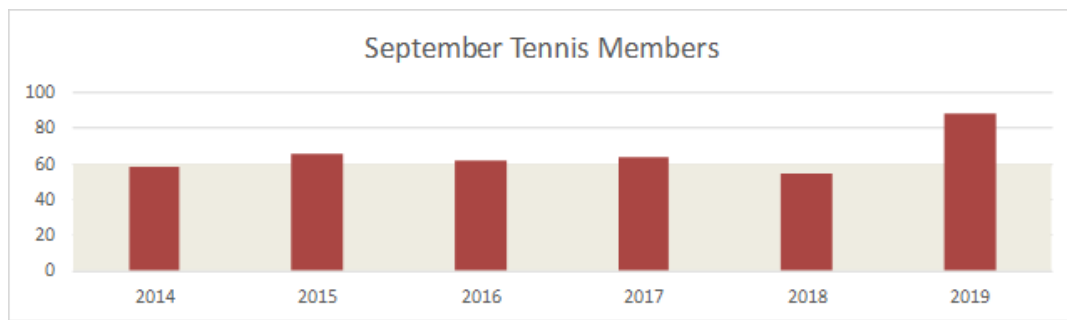
88 MEMBERS

- 37 RESIDENTS
- 51 NON-RESIDENTS

166 INDIVIDUALS PARTICIPATE IN TENNIS GROUP LESSONS IN 2019, 32 OF THESE ARE TENNIS MEMBERS.

- 105 RESIDENTS
- 61 NON-RESIDENTS

### CURRENT TENNIS ANALYSIS



## TENNIS PLAN

- ONE TENNIS COURT AVAILABLE
- TENNIS MEMBERSHIP ADD ON OPTION, \$20 PER MONTH
  - \$16 /HR COURT FEE NON-PRIME TIME & \$20/HR PRIME TIME
- TENNIS LESSONS WILL BE PROVIDED BY A THIRD PARTY CONTRACTOR



## RENOVATION HIGHLIGHTS & BUDGET

THIS RENOVATION WILL HAVE NO EFFECT ON MEMBERS' DUES.

### THE ULTIMATE FITNESS RENOVATION HIGHLIGHTS PHASE 1 - 2020

- TENNIS COURT 1 REMAINS AS TENNIS COURT
- TENNIS COURT 2 CONVERSION TO STRENGTH ZONE
- TENNIS COURT 3 CONVERSION TO FUNCTIONAL FITNESS ZONE
- MIND AND BODY STUDIO
- ENHANCEMENT OF KIDS CLUB
- WOMEN'S WORKOUT ZONE

#### BUDGET

COURT #3 FLOORING (TURF AND SPORT FLOOR)	\$60,000.00
COURT #2 RUBBER SPORT FLOORING	\$70,000.00
GENERAL CONSTRUCTION COSTS	\$35,000.00
AV EQUIPMENT & SOUND DAMPING	\$60,000.00
EQUIPMENT FUNCTIONAL	\$75,000.00
EQUIPMENT STRENGTH	\$75,000.00
WOMEN'S WORKOUT AREA	\$10,000.00
KIDS CLUB	\$10,000.00
WOOD FLOORING REPLACEMENT IN EXISTING FREE WEIGHT ROOM	\$30,000.00
TOTAL	\$425,000.00
CONTINGENCY	\$25,000.00
TOTAL CAPITAL BUDGET	\$450,000.00

### PHASE 2 - 2021

- LOCKER ROOM RENOVATIONS
- OUTSIDE FITNESS COURT

#### BUDGET

LOCKER ROOM RENOVATIONS	\$425,000.00
OUTDOOR FITNESS COURT	\$70,000.00
GENERAL CONSTRUCTION COSTS	\$30,000.00
TOTAL	\$525,000.00

## RENOVATION ROI ANALYSIS

THE BELOW PROFORMA'S WERE DEVELOPED WITH BRYAN DUGGER FROM CMS INTERNATIONAL

### IMPACT WITHOUT RENOVATION

	Variables	2020	2021	2022	2023	2024
<b>MEMBERSHIP DUES</b>						
# MEMBERS-Prior Year		2774	2699	2624	2549	2474
Membership Increase		-75	-75	-75	-75	-75
# OF MEMBERS- End of Year	2774	2699	2624	2549	2474	2399
MEMBERSHIP DUES	\$612	\$1,674,738	\$1,628,838	\$1,582,938	\$1,537,038	\$1,491,138
<b>DEPARTMENT BUDGETS</b>						
	Inflation Rate	2020	2021	2022	2023	2024
Administration	1.50%	(\$740,294)	(\$751,398)	(\$762,669)	(\$774,109)	(\$785,721)
Communication & Marketing	1.50%	(\$84,000)	(\$84,000)	(\$85,260)	(\$86,539)	(\$87,837)
Maintainence	1.50%	(\$355,844)	(\$361,182)	(\$366,599)	(\$372,098)	(\$377,680)
Fitness Net		\$1,569,738	\$1,523,838	\$1,477,938	\$1,432,038	\$1,386,138
General Programming Net	-1.50%	\$78,636	\$77,456	\$76,295	\$75,150	\$74,023
Transfer for Debt Service		(\$600,000)	(\$600,000)	(\$600,000)	(\$600,000)	(\$600,000)
<b>NET CASH FLOW</b>		<b>(\$131,764)</b>	<b>(\$195,286)</b>	<b>(\$260,296)</b>	<b>(\$325,559)</b>	<b>(\$391,077)</b>

Assumptions:

Used 2020 Budget as a base

Membership will trend down based on current membership trends.

Expenses will increase by 1.5% per year as membership increases

Transfer to debt service remains at \$600000

### RENOVATION IMPLEMENTATION

	Variables	2020	2021	2022	2023	2024
<b>MEMBERSHIP DUES</b>						
# MEMBERS-Prior Year		2774	2824	2924	2999	3074
Membership Increase		50	100	75	75	75
# OF MEMBERS- End of Year	2774	2824	2924	2999	3074	3149
MEMBERSHIP DUES	\$612	\$1,712,988	\$1,758,888	\$1,812,438	\$1,858,338	\$1,904,238
<b>DEPARTMENT BUDGETS</b>						
	Inflation Rate	2020	2021	2022	2023	2024
Administration	1.50%	(\$740,294)	(\$751,398)	(\$762,669)	(\$774,109)	(\$785,721)
Communication & Marketing	1.50%	(\$152,019)	(\$84,000)	(\$85,260)	(\$86,539)	(\$87,837)
Maintainence	1.50%	(\$355,844)	(\$361,182)	(\$366,599)	(\$372,098)	(\$377,680)
Fitness Net		\$1,637,988	\$1,683,888	\$1,737,438	\$1,783,338	\$1,829,238
General Programming Net	3.00%	\$78,636	\$80,995	\$83,425	\$85,928	\$88,506
Renovation/Transfer for Debt Service		(\$600,000)	(\$600,000)	(\$600,000)	(\$600,000)	(\$600,000)
<b>NET CASH FLOW</b>		<b>(\$131,533)</b>	<b>(\$31,697)</b>	<b>\$6,334</b>	<b>\$36,519</b>	<b>\$66,506</b>

Assumptions:

Used 2020 Budget as a base

Anticipating a March opening with presale starting Jan 1

Membership will trend up with new additions/marketing, using your projected increases

Expenses will increase by 2% per year as membership increases

Transfer to debt service remains at \$600000

Marketing will drop to \$84000 in 2021