

Extract A: Wentworth golf club double annual membership fees

One of the UK's most exclusive golf clubs is to start charging double to existing and new members.

Annual fees are to rise from £8,000 to £16,000. James Wyatt said he and other members faced having to pay "an enormous amount".

The Surrey golf club said membership pricing "is a private club matter".

One member said "You'll have to pay annual subs of £16,000. People were completely shocked." He said the increase in annual subscriptions would come in to force in April 2017.

Currently, full members pay a joining fee of £125,000.

Despite opposition, one of the club's members - who preferred not to be named - said he welcomed the increase, calling it "fantastic news".

He said: "Members for years have been asking for improvements to our courses, facilities and services.

"The new investment plans, focused on quality and family, will propel the club forward to become one of the finest golf and country clubs in the world."

The golf club is on the Wentworth estate, in the heart of the Surrey stockbroker belt.

Its large houses are home to Middle Eastern royalty, international business tycoons, professional golfers and celebrities. The six-figure cost of membership would make Wentworth the UK's most expensive golf club, although some other exclusive venues worldwide reportedly cost more.

The BBC asked three other top UK golf clubs - Royal Liverpool, Sandwich Royal St George's and The Belfry - for details of their membership fees.

The first two said as private members' clubs they would not disclose the information, while the Belfry revealed the joining fee for the Brabazon course was £2,000, with an annual membership of £3,250.

A spokesman for the Virginia Water-based club said: "We will be discussing our new membership categories, including prices, directly with our members."

He said the club would "invest heavily to significantly enhance and improve its three championship courses". Mr Wyatt added: "Money needs to be put into the club, and the money needs to come from somewhere. "Last night we found out that the money is coming from members' pockets."

Adapted from: <https://www.bbc.co.uk/news/uk-england-surrey-34591272> 21/10/2015

Extract B: England suffers largest membership drop in Europe

Golf club membership across the UK is falling again, according to a survey of the sport across Europe. KPMG's Golf Participation Report for Europe 2019 makes concerning reading for the home unions, with all four showing a decline in the number of registered golfers between 2017 and 2018.

Wales showed the biggest overall loss of players affiliated with clubs or associations, as a percentage figure, having ceded just over 4% of their total.

In terms of the number of players, England have suffered the highest fall in Europe – with more than 10,500 players having given up membership.

But the number of courses in the country actually increased by 16 (from 1,872 to 1,888), despite a climate that has seen a number of golf club closures over the last couple of years.

Recently, Temple Newsam, in Leeds, announced they were under threat while, in just the last month, Carswell, in Oxfordshire, and Moore Place, in Surrey, have closed their doors.

The report's key findings were that, overall, the number of registered golfers across Europe had fallen by 0.6% from 2017 to 2018 for a total of 4,112,722. Information was collected from respective golf associations in the first half of this year and did not include any statistics on the number of casual golfers – focusing simply on registered players.

In England, the number of registered golfers fell by 1.63%. This meant a loss of 10,688 players between 2017 and 2018 for a total of 645,151 compared with 655,839.

But England remain the country with the highest number of members, though Germany have closed the gap considerably and have 642,240 registered golfers.

Scotland suffered a 4% drop with 180,281 players registered to golf clubs compared with 187,802 in 2017. More worrying for the sport north of the border is that the drop continues a general trend. Numbers have fallen from 209,812 since 2014. Wales lost 1,808 members – a decrease of 4% – and had 42,743 members in 2018 compared with 44,551 the previous year.

And while participation in Ireland dropped from 183,461 to 182,398, the fall of 0.58% was too small to be considered by the authors as anything other than indicating stability.

Adapted from: <https://www.nationalclubgolfer.com/news/golf-club-membership-2019-decline/> 01/11/2019

Questions:

- With reference to extract B, explain the impact of a fall in membership on a UK Golf Club. Use a demand and supply diagram in your answer
- With reference to the information provided, explain two possible reasons membership at UK Golf Clubs might have reduced
- With reference to extract A, assess the possible impact on revenue at Wentworth Golf Club after the proposed price increase has taken place