



## HSV Golf Utilization & Pricing

### Description

by Tom Blakeman, July 6, 2019

**On Monday, July 1st, 2019, Granada Golf Course, our 'flagship' course, was practically empty at about 10:30 am.** The parking lot had few cars. The restaurant was totally empty. Yet, a few days before [Golf Now](#) (public booking portal) had our pricey outside player rates posted (18 holes) for \$79.00 per player (morning prime time) plus a 'convenience' fee of \$2.49 per player plus tax. That would be nice revenue – if you could get it – but we were not.

On Wednesday, July 3rd, 2019, Golf Now had one [Granada](#) 10:28 am tee time posted for Saturday, July 6th, 2019, at \$72.00 per (a big discount!). All the other morning tee times posted (15 of them) were at \$79.00 per player (4 players – 18 holes) plus the 'convenience' fee of \$2.49 each, plus, of course, sales tax. The afternoon tee times posted (36 of them) were all at \$50.00 per player plus the 'convenience' fee, plus tax.



**Beautiful Granada Golf Course, Hot Springs Village, Arkansas**

Also on Wednesday, July 3rd, 2019, Golf Now had, for [Cortez](#) Golf Course, for Saturday, July 6th, 2019, 34 morning tee times available at \$65.00 per player (18 holes) plus the 'convenience' fee of \$2.49 each, plus tax. The afternoon tee times posted for Cortez (38 of them) were all at \$45.00 per player plus the 'convenience' fee, plus tax.

For the same date (July 6th) our own POA Member site displayed the same numbers of tee times available on each course (Granada and Cortez) for Members here in HSV. Apparently any available tee time is displayed on both sites (public and private).

Meanwhile, for the same dates (July 3rd booking for July 6th), nine other golf courses (all outside of HSV in a 50 mile radius) had tee times posted all day long with a maximum cost of \$40.00 per player (4 players – 18 holes) plus the ‘convenience’ fee of \$2.49 each plus tax. Rates actually ran as low as low as \$27.00 per player per round plus the fee and tax for afternoon times. Keep in mind that our “Championship Courses’ are far superior to any others – POA party line.

Flash forward now to the actual date of play, Saturday, July 6th, 2019. At 8:25 am Golf Now had the same pricing as noted earlier and the following availability for Granada for that same (now current) day:

Eleven morning tee times (4 players – 18 holes) and 35 afternoon tee times. Meanwhile, the POA Member site showed 11 morning and 35 afternoon tee times available. Apparently, since July 3rd POA had sold only 4 tee times for our ‘flagship’ course using our ‘Premium Pricing’ model.

Similarly on July 6th, at 8:25 am Golf Now had the following availability for Cortez for the current day: 18 morning tee times and 33 afternoon tee times. As was the case with Granada the pricing on Golf Now for Cortez was the same as noted above. Meanwhile, POA Member site showed 21 morning and 35 afternoon tee times available. So, again this apparently suggests POA sold only about 16 tee times using our ‘Premium Pricing’ model.

Looking at this from another perspective each day on each course has a potential of having 8 tee times per hour for 11 hours or 88 tee times available. Using the best case scenario (least number of still available tee times) as of 8:25 am, on July 6th, that means:

• **Utilization rate on Granada is only 47.7% overall,**

- Morning (7am – 1pm) is 77.1%
- Afternoon (1p – 6pm) is 12.5%

• **Utilization rate on Cortez is only 42.0% overall.**

- Morning (7am – 1pm) is 62.5%
- Afternoon (1p – 6pm) is 17.5%

The above utilization rates assume that all the booked tee times are foursomes. Tee times that go off with only 1, 2, or 3 players (as is often the case in HSV) would make the utilization rates worse. Consider also that Saturday, July 6th, 2019 was a beautiful, bright, sunny day with no rain and a high temperature of only about 91 degrees.

The author played Granada on Friday, July 5th with eight other players. There were three threesomes. Tee times were around 10 am. We finished up around 3 pm + -. This was a 4.5 to 5 hour pace of play which is seemingly pretty normal for Granada. On many tee boxes, we experienced a wait to tee off averaging about 4 to 8 minutes. When we finished and upon entering the clubhouse/dining room – bar it was observed to be totally empty of patrons. However, the staff, including the POA Director of Food

and Beverage, were there. They greeted us warmly and provided great service.

### **Some takeaways**

- The POA “Flex Pricing” / “Dynamic Pricing” model is broken.
- POA “Premium Pricing” concept has also failed.
- Course utilization rates are far below breakeven.
- Lack of promotional pricing for outsiders.
- Insufficient outside play on weekends.
- Tee intervals, particularly in late morning thru afternoon need adjustment.
- The restaurant can’t make it with this level of play.

by [Tom Blakeman](#) HSV Resident / Member / Property Owner July 6, 2019

Photography by Joe Dowden

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**Date Created**

07/06/2019

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