

# **USA Table Tennis Club Development Handbook**



©2015 By Yang Yu, Head Coach and Business Director of ATTC, and Roderick Medina, League Director and Board Member of ATTC.

This is a perpetual work-in-progress, subject to changes and additions at any time.

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#### **PREFACE**

Table tennis is a great Olympic sport: it is an easy-to-set-up, indoor, and lifelong sport. According to the Sports and Fitness Industry Association (2014), there are hundreds of millions of people who participate in table tennis worldwide, including 17.08 million in the United States. As the primary instrument promoting American table tennis, the club system is largely responsible for the future of the sport. In Europe, table tennis clubs have support from government. The Chinese government also supports professional sport schools including table tennis. However, the situation is different in the United States. Table tennis clubs are the only places to train and to produce professional table tennis athletes, and also are important places for the public to access and learn the sport. According to the Board of Directors Meeting Minutes of USATT (2014, October 7th), the CEO stated that "There were 264 clubs registered this year, a decrease of 30 clubs." It showed it is not easy for table tennis clubs to survive in the United States. On the other hand, there are for-profit clubs which have been established unexpectedly as a new force in the table tennis market in the last ten years, especially on the west coast and east coast. Coach Hodges, L. (2011, August 4) states we've gone from no more than 10 to 78 for-profit clubs in less than ten years. It brings the public the message that a table tennis club could be a profitable business. With the change of table tennis market, whether a table tennis club is for profit or nonprofit, in order to survive, the club must be run like a business.

This handbook is designed for people who are interested in establishing a table tennis club. Drawing from my experiences of running a table tennis club both in China and the U.S., and together with Roderick Medina who is actively involved in Austin Table Tennis Club operations, the handbook introduces the 9 steps for starting a club. These steps include:

- > Step 1: Are you ready to start a club?
- Step 2: Mission & Business Entity
- Step 3: Facility and Equipment
- > Step 4: Income Resources
- > Step 5: Business Models
- > Step 6: Marketing Your Club
- ➤ Step 7: USATT Club Affiliation and Recognition Programs
- Step 8: Club Management
- > Step 9: Outline the Financial Budget

In each session, the handbook provides case study, data and, additional resources for download. The case study is modified from real examples of other US table tennis clubs. At the end, I hope this book will give people a big picture of the process of starting a club in the United States.





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Step 1: Are you ready to start a club?

Jack Chance is a table tennis lover and he played in a local club almost five days a week when he was working in New York City. He recently retired and moved back to his hometown, a small town on the West Coast. However, he could not find any table tennis clubs within a 30-minute drive from his home. He thinks to himself, "Why don't I establish a table tennis club by myself?" He believes it is a good idea, because he finds that other people are interested in playing table tennis and similarly could not find a place to play. As an engineer, he had never established any business or this kind of project before. He has a lot of questions about how to start a club. With his questions, let us start the journey of learning to start a table tennis club.





Starting a club could be either a big project or a small job. It depends on what size club that you want to establish. Whatever size club you are aiming for, having a basic understanding of the table tennis market environment is necessary.

Check out "Are You Ready to Start a New Club?" for a list of thought provoking questions for discussion. Think about and discuss each question with your supporters or founders. If your answers are mostly "NO" or "NOT SURE," you may need to do further research or self-evaluation. If your answers are frequently "Yes", it means you are ready to move to the next step.

Questions	Yes	No	Not Sure
1. Will this new club satisfy an unfilled demand in your community?			
2. Is demand for table tennis greater than the supply in this area?			
3. Are there any potential demands that haven't been met?			
4. Are there sufficient interest, population, and talent in this community to support a new club?			
5. Do I/we know who our members/customers will be?			
6. Do I/we have a good, stable facility to use on a consistent basis?			
7. Do I/we have the level of technical skills needed?			
8. Do I/we have the necessary organizational skills, industry experience and other skills set?			
9. Have I/we developed a sound business plan and 1st-year budget?			
10. Do I/we have the ability to raise funds?			
11. Do I/we have a support network of legal and financial advisors?			
12. Can we be competitive based on quality, price and location?			
13. Do I/we have a long-term plan and vision for this club?			
14. Have I/we established the purpose, values, & philosophy of the new club?			
15. Can I/we undertake this if the club is losing money?			
16. What is the maximum loss I/we can afford?			
17. What is the worst situation of the club?			
18. Do I/we have solution when the worst situation happens?			







#### Step 2: Mission Statement and Business Entity

*In this step, the following questions will be addressed:* 

- 1. Why start a club?
- 2. What is the mission statement?
- 3. What kind of business entity is right for your club?
- 4. What are the advantages and disadvantages of each business type?





#### Starting a Club

There could be many reasons for starting a club, such as having a place for a group of people to play table tennis, creating a social environment, providing a better place for play, or chasing profit. What is your motivation?

Generally speaking, a club has the following functions:

- Creating a social environment
- Providing a better place for play
- Offering table tennis services
- Producing professional athletes
- Promoting table tennis in local community

#### **Mission Statement**

#### What is a mission statement?

Does a club need to have a mission statement? The mission statement of a club is important and necessary because it answers the following questions:

- ➤ What do we do?
- ➤ How do we do it?
- For whom/what do we do it?
- What value are we bringing?

"If you don't know where you're going, it doesn't matter which way you go." — Cheshire Cat, Alice in Wonderland

Without a mission statement, the club is like a boat that loses its direction in the ocean. The mission statement shows people the reason for the club's existence, and it also is a guide and benchmark for the club's decision

Case Study of Mission Statement



#### **Austin Table Tennis Club**

The mission of the Club is to support youth in the Austin area by providing facilities, equipment, organization, training and coaching to learn and compete in the sport of table tennis. Skill in the sport of table tennis promotes physical conditioning, better hand eye coordination, and learning sportsmanship, civility, fair play, and teamwork. The Club provides supervision and training by certified table tennis coaches.

making. The mission statement could be simple like supporting and promoting table tennis in local community, or it could be complicated like establishing a world-class level club by producing Olympians and hosting world-class tournaments. What is the mission statement of your club?





#### Case Study of a non-profit club



#### **Austin Table Tennis Club**

(ATTC) is a volunteer-run, non-profit and official organization dedicated to furthering the sport of table tennis in the greater Austin area. It hosts several international events including USATT sanctioned tournaments and coaching sessions with participants from around the world. The club itself is located in a 12,000 sq ft, air-conditioned building featuring more than 15 Butterfly tables for recreational play, 16-ft ceilings, water fountains, restrooms, and ample parking. It is the premier table tennis facility in Texas with hundreds of regular players, business hours that fit nearly any schedule, and a welcoming environment for beginners and veterans alike.

#### **Business Entities**

Once you finish your mission statement, the next step is to choose a business entity for your club. You may ask the following questions:

# What kind of business entity is right for your club?

Clubs are the backbone of USA Table Tennis and they typically fall into three categories:

- Nonprofit Club
- ➤ For-profit Club
- > Informal Club

The choice of business type must be weighed carefully and depends heavily on the mission and the goal of your club.

# What are the advantages and disadvantages of each business type?

#### Nonprofit Club

The most common table tennis club model in the US is a form of nonprofit. As the name suggests, a nonprofit's mission is not to make money for its investors but rather work toward its mission goal such as the promotion of table tennis in its community.

Other Considerations: This type of club is generally governed by a board of directors made up of club members. It includes non-profit corporation which can have various subtypes depending on the club's mission and organization. The primary benefit of a non-profit is that it generally has favorable tax status and is eligible for public support that might not be available to a for-profit business. The two most relevant subtypes for table tennis clubs are the 501(c) (3) and 501(c) (7). For more resources, please click here.





#### Advantages:

- ✓ Tax-exempt status. If recognized as 501(c) (3) charity statue, donations are tax deductible.
- ✓ Limited legal and financial liability for the board.
- ✓ Organization structure and purpose tend to promote altruistic aura that can facilitate financial and volunteer support.

#### Disadvantages:

- ✓ Turnover of leadership often leads to lack of continuity in organizational vision and purpose.
- Members often do not understand the role of a Board and tend to micromanage the staff and organization.
- ✓ Tend to be somewhat reliant on fundraising revenue to meet resource needs.
- ✓ Subject to more government regulation than proprietorships or partnerships.
- Property and assets transferred to corporation must stay there; if corporation ends, assets must go to another nonprofit.

#### **For-profit Club**

Many successful competitive table tennis programs in the United States are run as for-profit businesses, often owned by a coach or other private individual. This type of business requires much more attention to profitability as the general environment is generally more expensive to own and operate. This section outlines the process for creating a coach owned club and gives guidance on the many considerations of owning a private business. In our research, the common for-profit types include C Corporation, LLC, and sole proprietorship. For more detail about the difference between these businesses types, please click here.

#### Case Study of a for-profit club



#### WESTCHESTER TABLE TENNIS CENTER

The Westchester Table Tennis Center was founded as the River towns Table Tennis Club in 1999 by Steve Zeitlin, one of the country's leading folklorists, and Stefan Kanfer, a best-selling biographer. Initially the club played twice a week in Hastings-on-Hudson, NY, just north of New York City. The club quickly grew and added nights at the community centers in nearby Ardsley and Tarrytown. By 2008 the club was playing six nights a week, and membership had grown to more than 100. In 2009 Will Shortz and Robert Roberts friends through the club as well as partners in numerous table tennis road trips across the country — began looking for a permanent facility for the club, to be dedicated to table tennis. The result is the Westchester Table Tennis Center. Will and Robert's goal is to cater to beginners and experts alike in one of the premier table tennis facilities in the country.





#### Case Study of an informal club



Early 2005, the two founders of the Auburn Table Tennis Club, Tim Aquino, and Greg Cehan were also tennis players belonging to the local tennis club. Neither knew each other through

tennis but word-of-mouth about their table tennis interest eventually brought them together and they began playing in their garages. It wasn't long after, that they began wondering whether there would be any interest in the community for a regular place to play where there would be more room, better lighting and most of all a variety of players. Tim contacted the Auburn Area Recreational District (ARD) and things started rolling and before long he was offered a room in one of their community buildings. Tim and Greg both brought their tables to the site along with balls and extra paddles. Word of mouth at the tennis club was about the only publicity they had in the

beginning and on May 4th 2005,

the club began with the two tables

and seven combatants.

#### Advantages:

- ✓ Continuity and consistency of vision & purpose.
- Organization, program, and leadership stability.
- ✓ Owner(s) has high motivation to grow the business and the sport.
- ✓ Owner(s) has potential for greater compensation and ability to build equity over long-term.
- ✓ Sole proprietorship and partnership relatively simple and inexpensive to create.
- ✓ Additional challenges beyond coaching.
- ✓ Involvement in every aspect of the program and business.

#### Disadvantages:

- ✓ Greater financial risk for owner.
- ✓ Start-up costs and challenges of any small business.
- ✓ Revenues are taxable.
- ✓ Owner and partners personally liable for business debts.
- ✓ More limited financial resources.
- ✓ Sometimes more difficult for privately owned teams to foster volunteer support.
- ✓ Involvement in every aspect of the program and business.

#### Informal club

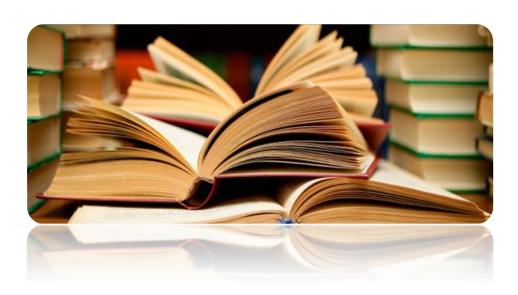
This type of club is offered by entities that own and/or operate facilities. These entities typically include universities or colleges, YMCAs and YWCAs, Boys' and Girls' Clubs, park and recreation departments and private schools or school districts, or even players' houses. Though the club itself may be "informal" it is important to make sure that the situation is legal. For example, if your club operates in the corner of a community center, if you provide any paid products or services as a club and not from the community center then you may not be operating legally. Similarly, if you run your club out of your home and charge playing fees, that may actually not be a legal situation if you are not reporting it in your taxes. This tends to become increasingly important if your club is ever to grow.





#### **Additional Resources**

- Mow to Start a Non-Profit Organization
- Comparing Company Types
- Exemption Requirements 501(c)(3) Organizations
- Nonprofit Organization Structure
- ➤ Nonprofit Mission Statements Good and Bad Examples
- > Table of reminders for registering your new non-profit organization
- What should a mission statement say?
- Table Tennis Australia Strategic Plan









**Step 3: Facility and Equipment** 

#### In this step, the following questions will be addressed:

- 1. What kind of facility does a table tennis club need?
  - 2. What amenities does your facility need?
    - 3. How do you choose a location?
    - 4. Do you choose rent or own a facility?
  - 5. How do you choose Liability Insurance?
  - 6. Why are liability waivers so important?
  - 7. What equipment must the club have?
- 8. Are there any equipment-manufacturer sponsorship programs?





In this step, you will explore information about the facility and the equipment of a club. Finding a facility is always a difficult problem for starting a club. Fortunately, table tennis does not have high minimum requirements for a facility. It could be a simple place such as in a garage having only one table or it could be in a professional place such as in an Olympic venue having more than 40 tables. For a table tennis club, the facility really depends on what your mission statement and goal of the club are. This step also introduces the equipment a club must have, the optional equipment for a club, and the major equipment-manufacturer sponsor programs in the United States..

#### **Facility**

# What kind of facility does a table tennis club need?

The research shows that people set up table tennis clubs in many different facilities such as school gyms, community centers, warehouses, offices, commercial buildings, cafeterias and churches. It makes sense because table tennis does not require a big space to set up comparative to many other sports such as basketball and soccer. The facility could be anywhere if the space is enough to play. The following facilities include right-up warehouse style, right-middle office-low-calling style, and right-down school gym.

#### Case Study of club facilities

#### Warehouse



Office-low-ceiling



**School Gym** 





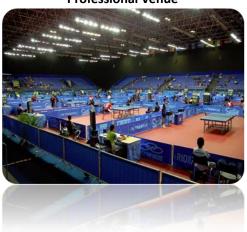


#### Case Study of club facilities

#### **Community Center**



**Professional Venue** 



Bar



#### What amenities does your

#### facility need?

Facility Functions: According to our research, most of the clubs have lighting, restroom, and water. The following features are optional choices:

- Wood or Rubber Floor
- Lockers
- Showers
- Weight Room
- > Equipment Store
- Office/Front Desk
- ➤ VIP Training Room
- Cafeteria
- Changing Rooms
- Lounge
- ➤ Others

#### How to choose a location?

Good location often means high cost. If the club is not for profit, it is better to choose a low-cost facility that is affordable to the members. Only the most dedicated people would drive more than 15 minutes from home for an activity. Though it may help to have your club in a very visible location, in the current internet driven age you should be able to compensate for being a little bit out of the way if you have a strong web presence. When you choose a location, please consider the following questions:

- ➤ Where do my potential members/customers live?
- ➤ How much of rent/cost is affordable for the club?
- ➤ Within this budget, what are the options for a facility?





- ➤ What is the goal of membership?
- ➤ How much square footage will the club require?

#### How do you choose Liability Insurance?

Facility liability insurance is an important matter you need to understand fully. Liability insurance is necessary to have and it protects your club when accidents happen and customers are injured. Local insurance agents will be eager to sell you a policy so shop around wisely.



Although it may seem expensive, the purpose of insurance is preventing catastrophic issues from closing your business for good. It only takes one bad injury or theft at your club to create an expensive situation that a new business is unlikely to be able to pay out of pocket. Please click here to see a variety of insurance types to consider. Remember that insurance is about probabilities and it is a business so always check with a variety of insurance providers and do your own calculation as to whether a policy is truly worthwhile. If your club is affiliated with USATT, then you will have access to coverage by default. USATT CEO Gordon Kaye explains:

"USATT carries two different policies that are related to this issue: We carry a USATT Club Policy and a USATT Member Policy. The Member Club policy is intended to cover our member clubs (as an entity) for actions that may arise from its activities. The second policy we carry is for our USATT members, which is an entirely separate policy from the Club Insurance policy. Logically, our USATT Member Policy only covers USATT members as individuals.

Under our USATT Club Insurance program, if a player were to be playing in a club league and fall and break his (or her) leg, the club would be covered from any action that the player may take against the club, regardless of whether that player was a USATT member or no (provided, of course, that the club was a USATT member club)."

For more detail about USATT insurance, please click <u>here</u>. Once you have evaluated the coverage provided by USATT or any parent organization your club may belong to, and then consider what levels of supplemental insurance you will require. Remember that you are mainly trying to prevent loss from catastrophic incidents OR take policies that will probably





benefit you financially in the long run. Also consider that it is not just your club that is at risk. Depending on the club business type, the problem may follow the club owners, parent organization, or other stakeholders long after the club has gone.

#### Why are liability waivers so important?

Let us take a look at the following case.

CASE STUDY

An interesting case occurred in 1996 in Michigan when a 10-year-old girl was injured when another child jumped into a swimming pool on top of her. The mother agreed not to sue in exchange for a \$3,275 settlement with the YMCA where the injury occurred. For more detail, please click here.

Although table tennis is not a body-contact sport and is much lower impact compared to other sports, it still has a risk of injury. A waiver form could protect you from a customer accident. However, liability laws vary from state to state. More research on how to design a waiver form is needed. Please take a look at the article for further exploration of liability waivers.

CASE STUDY

#### **An example of Waiver Form**

Waiver, Release, Indemnification and Hold Harmless Agreement
Lunderstand that, due to the large group format of the ### TAB

I understand that, due to the large group format of the ### TABLE TENNIS CLUB programs/activities, the ### TABLE TENNIS CLUB may not provide one-on-one care for any child except on an intermittent basis. Such instances include: injuries, immediate disciplinary issues, and certain personal care needs customarily provided to other children. I understand that the ### TABLE TENNIS CLUB programs/activities have inherent risks and participation in ### TABLE TENNIS CLUB programs I hereby assume all risks and hazards incident to my participation in all ### TABLE TENNIS CLUB activities, due to the negligence of the ### TABLE TENNIS CLUB or otherwise while in, about, or upon the premises of the ### TABLE TENNIS CLUB and/or while using the premises or any facilities or equipment thereon or participating in any program affiliated with the ### TABLE TENNIS CLUB, including volunteer service. I further waive, release, absolve, indemnify and agree to hold harmless the ### TABLE TENNIS CLUB, the organizers, volunteers, supervisors, officers, directors, participants, coaches, referees, as well as, persons or parents transporting participants to and from activities from any claims or injury sustained during my use of the ### TABLE TENNIS CLUB property or participation in programs.

PLEASE SIGN TO INDICATE THAT YOU HAVE RECEIVED, READ AND AGREE TO THE ABOVE WAIVER, RELEASE, INDEMNIFICATION, AND HOLD HARMLESS AGREEMENT

Name: Print Name of Parent/Guardian





#### **Equipment**

#### What equipment must the club have?

#### **Must-have equipment**

- > Table Tennis Table
- ➤ Balls
- Paddles

#### **Optional equipment**

- Barriers
- ➤ Bulk Balls
- Robots
- Ball Collectors
- Practice Board
- Video Recorder
- Computer
- Other tools



There are many ways to source the

basic equipment. If your operation has a bare budget, you may find used tables or equipment advertised in a newspaper or on web sites such as Craigslist. If you want a world class facility you will need to do a lot of research and may do best to contact a major manufacturer that has a club sponsorship program. These often advertise in USATT publications. In many cities you can easily purchase the basic equipment from local sport stores but due to the relatively low popularity of the sport, it is usually cheapest to order your equipment through table tennis websites.

# Are there any equipment manufacturer sponsorship programs?

Sponsorship programs are valuable for a club. The benefits given by a manufacturer usually include free equipment, discounts for equipment purchases, media exposure on the manufacturer's website, and others. The well-known sponsorship programs in the United State include the following:





#### **Butterfly Sponsor Program**

"We Are Butterfly" that is a program that has been running for years. Clubs like the Atlanta International TT Academy, the Triangle TT Club, the Lily Yip TT Training Center, and the Austin TT Club are all sponsored by the Butterfly Company. For more detailed information, please visit Butterfly's home page at:

http://www.butterflyonline.com/static.asp?htmltemplate=TableTennisParlor.html



#### **JOOLA Sponsor Program**

For more detailed information, please visit JOOLA's home page at: <a href="http://www.joolausa.com/Support/Club-Consultation-Program">http://www.joolausa.com/Support/Club-Consultation-Program</a>



### A Tip for Purchasing Low Price Tables

Every year, there are tournaments sponsored by Butterfly and JOOLA, and new tables will be used in the tournament.

These two manufacturers will sell these new tables after the tournament

with a used-table discount.

#### **Additional Resources**

- ➤ 2014 Insurance Summary of USATT
- Loomis & LaPann, Inc., the Insurance Broker of USATT
- Understanding Liability Waivers
- What Flooring Should You Use For Your Home Table Tennis Room?
- FAQ about floor approval for table tennis
- "We are Butterfly"- Butterfly Sponsor Program







**Step 4: Income Sources** 

*In this step, the following questions will be addressed:* 

- 1. What are the eight common income sources for a table tennis club?
  - 2. What are the advantages and disadvantages for each income source?





Just like any business, a Table Tennis Club needs to produce revenue in order to survive. There are many income opportunities available and it will take careful consideration of your local market conditions to decide which services your club should focus on. Also be aware of the capabilities of your facility and staff. For example, you may not be able to pursue a high level coaching program if you do not have a qualified coach. Also, consider that your revenue will be heavily dependent on the number of tables you have and in keeping them occupied with revenue-earning activities as much as possible. We will discuss the most common club revenue sources and the things to keep in mind when considering your income resource strategy. It may be tempting to try to go after all possible opportunities but a new business is unlikely to be ready to do it all from the very beginning.

#### **Tournament Hosting**

# What are the advantages and disadvantages of hosting a tournament for a club?

Tournaments are like glue that connects the other services such as training and free play by providing a way for players to measure themselves against others. Besides being fun events, tournaments benefit players by giving them an opportunity to see the product of their training by measuring themselves against others. They can often make new friends and find new opponents as tournaments often bring players from faraway places. They also provide an intense workout as tournament play is often the biggest table tennis exertion that many players typically make in a single day.

Tournaments are also great revenue opportunities for a club. A well-attended tournament can make much more money in a single day than pretty much any other service a club can offer. However, running a tournament requires a lot of planning which is much more involved than a normal day of operation. Fortunately the USATT provides a lot of resources for tournament administration which can be found HERE.

#### **Tournament Considerations**

- Minimum Requirements for Activity
- Must have enough tables, equipment, planning tools, certifications, and staff for size and type of tournament desired
- Must be willing to devote the time to plan and promote event in advance
- Must consider whether potential participant pool can support a successful event







#### **USATT Sanctioned**

#### **Tournaments and**

#### **Non-Sanctioned**

#### **Tournaments**

Though tournaments come in many forms, the biggest single difference is often in whether it is a USATT sanctioned event.

#### **USATT-Sanctioned Tournaments**

Such a tournament is defined as one open to USATT-rated players, and as one in which losing and winning will affect players' rating.

#### Advantages

- ✓ USATT does some advertising for you
- ✓ Can attract players from outside your local area
- ✓ Easier to do seeds/draws if most players have USATT Rating
- ✓ Clubs receive a 15% share of USATT dues collected

#### Disadvantages

- ✓ Tend to be more expensive to run because of USATT Fees and other special requirements
- ✓ Much more expensive to players due to need for USATT Membership
- ✓ Excludes non-USATT players

#### **Non-Sanctioned Tournaments**

Such a tournament is defined as one in which winning or losing will not affect players' rating, and as one which is open to all players, not just USATT-rated players.

#### Case Study of a Tournament Hosting



In order to attract more people to participate in the tournament, Knoxville TT club sets a special rule to make the tournament being fun.

This tournament is unique because money can be won by all level of players; not just the top players. The only criteria to win gold dollars are to upset a player whose USATT rating is higher than yours. The rules for winning the upset Gold Dollar are:

- ➤ Gold Dollars will be paid to winners of all upsets, regardless of player's rating.
- Winners of each and every upset will receive gold dollars using the following payout schedule:
- ➤ Rating difference: 100 or less, Gold Dollar reward: \$5.00
- Rating difference: 101 to 150, Gold Dollar reward: \$10.00
- Rating difference: 150 or larger, Gold Dollar reward: \$15.00

The gold dollars will be paid immediately upon confirmation of match sheets showing upsets on a first come first get paid basis until the funds run out.

In non-sanctioned tournaments, the formats vary from club to club. For example, some clubs have





leagues, some clubs have fund-raising tournaments, and some clubs have youth tournaments.

#### Advantages

- ✓ High single-day earning potential with high revenue-per-table-per-hour
- ✓ Chance to promote your club to wider audience



- ✓ Reinforces other club programs such as coaching and food/drink/equipment sales.
- ✓ Many choices available to tailor tournaments to certain interest groups such as youth players, certain rating levels, doubles, and more.

#### Disadvantages

- ✓ Requires heavy labor/planning/logistics compared to normal club operations
- ✓ Risk that poor turnout can turn it into a potential money-loss
- ✓ Risk of bad tournament spreading bad reputation about your club
- ✓ Typically forces the cancellation of

other potential revenue sources such as walk-in-play or coaching during the tournament day.

#### Walk-in Play

Almost all clubs provide walk-in play for their community. It is the easiest service to provide as it only requires that you provide tables, court space, and a minimum of equipment. For some smaller clubs with limited hours and resources, this can often be one of the only revenue sources available. Despite being the most common income source, it is not the most lucrative as it tends to earn less money per table than other services such as coaching or tournament play.

# What are the advantages and disadvantages of walk-in play?

#### Advantages

- ✓ Easiest service to provide
- ✓ Tables and reasonable playing conditions

# According to the Table Tennis Club Survey 2015, typical prices of walk-in play depend on many factors and range from \$2 per person per day for small nonprofit clubs to \$50 per table per hour for prime time usage at places like SPiN New York.





- ✓ Accommodates players who can only play sporadically or are visiting from elsewhere
- ✓ Helps build player community through casual play
- ✓ Provides open practice/play time for players.

#### Disadvantages

- ✓ Very low revenue per table per hour
- Very variable depending on time of day and other conditions
- ✓ Having too few walk-in customers is negative because they players need opponents and practice partners
- ✓ Having too many walk-in customers is negative because players must wait too long for tables

#### **Special Considerations of**

#### Walk-in Play

#### **Determine Pricing Scheme**

Research what other nearby clubs are charging including table tennis and other similar activities to find a baseline number.

Setting a fixed price per day is easiest to implement but charging hourly or charging different rates during "peak" or "off-peak" hours may help you make better use of your limited tables

Whatever pricing scheme you choose, make sure it is easily understandable and clearly posted

- ➤ Have a system for managing table crowding
- Letting players self-manage is easiest but unsustainable if crowding starts to occur
- > Typical methods include a challenge system, limited time per "turn", or "the <a href="Santa Rosa System"</a>"
- Allowing overcrowding to persist will necessarily cause some players to never return
- Have a plan for welcoming walk-in newcomers as they are the future of your club

#### Industrial Data



According to Table Tennis Participation Report 2014:

- There are 17,079,000 Table Tennis participants in the U.S.
- There are 4,716,000 core (13+/year) Table Tennis participants in the U.S.
- ➤ 60% of all Table Tennis participants and 64% of core (13+/year) participants are male.
- > 53% of all Table Tennis participants and 50% of core (13+/year) participants are between ages 18 to 44.
- > 55% of all Table Tennis participants have a household income of under \$75,000 per year.
- ➤ 44% of all Table Tennis participants have a college degree or higher.
- 61% of all Table Tennis participants also walk for fitness, 38% bike (road/paved surface) and 33% use free weights (hand weights).







#### **Membership**

Memberships are a "next step" for frequent players that may have started as "walk-in" customers. The idea of club membership itself varies considerably in scope. At some nonprofit clubs, the club

charter dictates that the club is "owned" by its members and so they may have voting rights for board members and other privileges. On the other end of the spectrum, a membership may be more like that of a large gym whereby the member is simply paying for longer term access to the facility and its services.

#### What are the advantages and disadvantages of membership?

#### Advantages

- ✓ Provides relatively reliable revenue stream whether member plays or not
- ✓ Relatively easy service to provide
- ✓ Encourages customer loyalty and likelihood of participating in more in other club activities

#### Disadvantages

- ✓ Unlimited memberships can lead to people abusing system
- ✓ Membership increases customer expectations of services and so higher standard of quality needs to be kept to maintain satisfaction
- ✓ A complicated membership system can require additional logistics work or tools.

#### **Special Considerations of Membership**

#### **Membership Types**

Unlimited Membership: This option is very common at table tennis clubs because it is simple to administer without a computerized membership tracking system. The benefits to your table tennis business unfortunately end there. This model works for gyms because they can handle many customers at a time, have automatic billing contracts, and the average gym-goer's stay is relatively short if they come at all. Most table tennis clubs have limited table capacity and longer average stays. If you have the means of tracking your members on a time basis, then an unlimited option is probably not right for you unless you are starved for players or willing to price it high enough to compete with the other plans.

➤ **Tiered/Limited Membership**: This kind of membership works by offering tiered benefit levels at different price points. This is more complicated but is a common strategy at some





gyms to capture different customer demographics that may have differing levels of commitment or financial means.

- Discounting Membership: This option works by giving members discounts on other club services if they are willing to pay for membership dues. For example, in exchange for \$20 per month membership dues, a club may then charge a customer \$2 per hour instead of \$4 that a non-member might pay. This still provides substantial savings for frequent customers but also helps to mitigate the always-there-all-the-time players that might have abused an unlimited system.
- > Specialty Memberships: Consider a variety of paid membership options including student rates, senior rates, family rates, and others. As with other options, you are trying to ensure some reliable income while providing suitable benefits to your customers.

#### **Determine a Pricing Scheme**

As an extension of "walk-in" play, membership pricing needs to give an economic incentive to your customers. If the majority of your customers want to play about 5 days a month and that costs \$50 at \$10 per day for walk-ins then the break-even point for membership costs should be at approximately that level if they choose to pay for membership. There are other concerns when setting pricing that will be discussed further in the marketing chapter.

# Membership Case Study

#### **Membership of Austin TT Club**

Membership Type	Fee
Monthly Adult	\$50
Monthly Student	\$35
Monthly Family	\$80
Yearly Adult	\$550
Yearly Student	\$385
Yearly Family	\$880

#### **Membership Benefits**

- ✓ Free use table during the club hours
  - ✓ Free group lesson on every Monday
  - ✓ Free club league entry

#### **Membership Benefits**

- ➤ What membership types will you offer?
- Will you offer ID cards, key-tags, or other means of identifying members?
- ➤ Will you offer any "members only" amenities?
- ➤ What other rights will members have?





#### **Training Programs**



Training programs can be enormous revenue sources but they can also carry very high costs and risks. As it can be a business unto itself, some clubs contract with independent coaches to run training programs at their club for mutual benefit. Other clubs employ coaches directly. Coaching is the biggest revenue source of many of the largest full-time clubs such as Indian Community Center (ICC), Maryland Table Tennis Center, Atlanta International Table Tennis Academy, and Lily Yip Table Tennis Center. These clubs have strong junior training program and many active players taking lessons weekly.

However, the organization of training programs varies considerably at different clubs. Some are divided by age group, or skill level, or some other demographic type.

# What are the advantages and disadvantages of training programs?

**Training Program Considerations** 

- Minimum Requirements
- Must have at least one qualified (but not necessarily certified) coach
- Must have facility space at least temporarily dedicated to coaching
- Must have enough potential students to allow training program to be profitable

#### Advantages

- ✓ Can provide very high revenue per table per hour
- ✓ Has strong synergistic effect on other club
  interests by promoting player retention, equipment purchases, tournament participation, and
  more.

#### CASE STUDY

The ICC Table Tennis program has been growing exponentially since its launch in 2005. In 9 years it opened North America's largest dedicated table tennis center and has produced 2012 USA Olympic Team Members Timothy Wang, Ariel Hsing, and Lily Zhang. ICC offers many programs for different-level players and it has around 200 juniors who regularly take training lessons every month.







✓ Enhances the image of the club according to the level of the coaching staff and their students

#### Disadvantages

- ✓ Requires high initial and ongoing investment unless you are using volunteer coaches
- ✓ May need to provide extra coaching-related equipment such as ball baskets and ball pick-up nets
- ✓ High level Coaches require equivalently high level compensation
- Finding/Hiring Coaches is difficult and the standard measures such as ITTF and USATT certifications often do not tell the whole story.
- ✓ Market for training must not only exist but be heavily advertised to ensure the effort is profitable

#### **Equipment Sales**

Very few clubs offer equipment sales at their clubs. Applying for an equipment dealership is not difficult to do. Contact the manufacturer's representative in the United States for more detailed information.

Equipment sales can be quite profitable, but most clubs do not have the resources or knowledge to exploit this revenue source. Some are also limited by their venues, parent organizations, or charter to not permit revenues of this type.

# What are the advantages and disadvantages of equipment sales?

**Equipment Sale Considerations:** 

Minimum Requirements

#### Industrial Data



#### It's still who you know..

- ➤ 15.96 million people participated in table tennis in the U.S. in 2007. Source: Statista
- ➤ 18.56 million people participated in table tennis in the U.S. According to a report dated 2012. Source: Sports and Fitness Industry Association
- ➤ 9000+ members and 285+ clubs are affiliated with the United States of America Table Tennis, USATT, the national organizing body for table tennis in the U.S. Source: Team USA
- \$1,342,636 was the total revenue for the USATT in 2011, according to its IRS Form 990. Source: USATT
- ➤ 1720 men were ranked in the world by the International Table Tennis Federation, ITTF, as of 10/4/12. Source: ITTF
- ➤ 1284 women were ranked ranked in the world by the International Table Tennis Federation, ITTF, as of 10/4/12. Source: ITTF
- 23 million table tennis tables are estimated to be in U.S. homes.
   Source: Athletic Business





- Must have a wholesale source for equipment in order to stay even remotely competitive with internet pricing.
- Must devote human resources to running the shop
- Must have enough potential students to allow training program to be profitable

#### Advantages

- ✓ Can provide revenue that is not tied to table count
- ✓ Can attract revenue from outside players such as those that only play at office break rooms or bars since your shop is likely to be the best source of decent table tennis equipment in your local area.

#### Disadvantages

- ✓ Requires effort to manage what is essentially a small retail store
- ✓ Internet pricing is difficult or impossible to compete with

#### **Special Considerations of equipment sales**

Gaining an equipment sponsorship or wholesale agreement with a company such as Butterfly or JOOLA can help dramatically with logistics and profit margins. Regarding to inventory, you can start small with necessary commodity items such as balls. Don't carry large amounts of inventory unless you are confident you can sell it or manufacturer makes it particularly beneficial to do so. You can expand your perceived Consider "pre-selling" by having a catalog Convenience can be a huge factor for some customers. Some are very much willing to pay somewhat above internet prices for a custom racket if they can have it immediately and/or you provide racket assembly services.

#### **Private Events**

The hosting of private events is a lucrative but rarely used revenue source. This can include hosting birthday parties or corporate events at the club or moving the necessary equipment to a client site.

# What are the advantages and disadvantages of private events?

#### **Private Event Considerations:**

- ➤ Minimum Requirements
- Must have staff availability to plan and run event.





- Must have necessary facility amenities for event or be able to move table tennis tables to/from client site.
- Must have enough potential participants to allow profitability

#### Advantages

- ✓ Can provide revenue that is not necessarily tied to table count
- Can introduce new people to your club as many of the event participants may not be among your regular membership.
- ✓ High revenue potential compared to normal playing fees.

#### Disadvantages

- ✓ Requires effort to manage events similar to putting on a tournament
- Inconsistent source of income as events do not always happen on a predictable schedule
- ✓ If it is on-site, the event may require closing all or part of your club off from regular play or operating outside normal business hours
- ✓ Special Considerations
- ✓ If events are priced carefully then interested clients will only arise when the benefit outweighs the efforts involved
- ✓ You may have to rent/borrow/own a vehicle that can move tables to/from client site in order to enable off-site events

#### Case Study of an Event Hosting



Pongrock is a company from Austin TX, which runs table tennis event hosting business. The services of Pongrock include

- ✓ Equipment Rental
- ✓ Tournament Hosting
- ✓ Bracket Planning
- ✓ Tournament MCs
- ✓ Digital Bracket Display
- ✓ Referee Services







#### **Donations**

According to The Table Tennis Club

Survey in United States (2015), only a few clubs receive donations. As we can see, donations are





an income source, but donations do not occur often. On the other hand, if a club is recognized as a 501(c)(3) by the charity statute, donations are tax deductible. That encourages people and private businesses to donate money at the end of the tax year.



#### **Food and Drink Sales**

If the club provides food service beyond simple snacks, a license is needed. Food service provides an extra income source, but it also includes extra liability and management cost. Most clubs do not provide food service. Some of them sell drinks and snacks such as bottled water, energy drinks, and energy bars.

CASE STUDY

#### Sponsorship

Sponsorship is one of the income sources of a club, but it does not happen often among table tennis clubs in the United States. In Europe, table tennis clubs often receive sponsorship form government agencies and private industries. The Table Tennis Club Survey in the United States (2015) shows that manufacturers, city governments, charitable foundations, and individuals are potential sponsorship resources. The key to finding a sponsor is to satisfy the goals of each party.

#### **Additional Resources**

- ➤ USATT Tournament Guide
- ➤ USATT Club Survey Result 2015
- Santa Rosa System
- Mow To Get Sponsors For Your Table
  Tennis Club



The "We are Butterfly" program is a sponsorship program run by Butterfly, a manufacturer of table tennis equipment. Under its sponsorship, the club is given free training balls, ball collectors and discounted equipment.

The City of Pensacola provides a free recreational center for the Pensacola Table Tennis Club to use.







**Step 5: Business Model** 

*In this step, the following questions will be addressed:* 

- 1. What are the most popular business models of table tennis clubs?
  - 2. What are the advantages and disadvantages of each model?





Choosing a business model is very important for a club. A suitable business model is one that positions your club for success in its given market and helps you to stay true to your mission statement. As mentioned in step 4, there are 9 major income sources for a club, and all clubs have a different level of income from each resource. This step introduces two major business models of table tennis club in the United States, including the Mixed Operation Model and the Training Center Model.

#### **Mixed-Operation Model**

This model is the most common by far and is made up of clubs which have two or more income sources. This relatively loose definition means that there are many possible variations which can range from the most basic club tucked into a church basement to an enormous full-time facility with world-class amenities.

The primary incomes source for these clubs is usually membership and walk-in playing fees. Usually there are other lesser income sources as listed in Step 4 and these clubs typically serve mostly adult players from the general public. The Austin and San Antonio Table Tennis Clubs are examples of this business model.

The exact variation that you will select for your club must be considered carefully and be in line with the market conditions in your area and the resources you are willing to commit to different revenue sources.

#### Advantages:

- ✓ Consistent income source from loyal members
- ✓ Loyal members contribute a certain portion of consistent income to support the club's operation, and these members usually are the first generation members of the club.
- ✓ Not tied by one or two income sources compared to Training Center Model

#### Disadvantages:

✓ Once the members reach a certain number, management of table shortages becomes a serious issue. One of the benefits of membership provided

#### Case Study of the Mixed-Operation Model



The Top Spin Table Tennis Club is a full time club that is over 13,000 square feet of space nested in the heart of the South Bay. The spacious play court area is covered with ITTF-approved flooring designed for table tennis professional class type. The center has 20-plus tournament class tables and 3 robots. There are separate rooms for robots, private rooms for event parties, locker rentals, and an area for the children to play. The services of the club include membership, walk-in play, equipment sales, training program and tournament. In addition, the club caters a variety of snacks, freshly made sandwiches, delicious milk tea and ice coffee.





by most clubs is to use table freely during the

club hours. However, most people play at the club after work and it causes the shortage of tables during the busy hours.

✓ Basic open play provides very limited income per table so clubs have to either limit their expenses or pursue a variety of income sources to remain viable.

#### Case Study of the Training Center Model



Maryland Table Tennis
Center (MDTTC) is a
premier full-time table tennis
club in the United States for
elite athletes open seven
days a week. The worldclass coaches include Larry
Hodges, Cheng Yinghua,
and Jack Huang.

Since 1992, table tennis
players from all over the
world have chosen to train at
MDTTC, including
professional players from
China and current U.S.
National Men's Singles &
Doubles Champions and
Junior Olympics Gold Medal
winners.

The center offers training programs for different level players. There are more than 300 coaching hours being conducted every week.

- Adults are not a consistent income source. Unlike children, adults often change their activities and are free to drop them if they become discouraged. Table tennis has a very steep learning curve and it takes at least a few months for an adult to pick up some techniques. Most adults do not have too much time or patience to practice. In contrast, children often must stick with a sport for longer once they begin due to their parents' pressure and they inherently learn faster and have more free time for practice.
- ✓ It is difficult to provide services that cannot be copied by competitors. Mixed operation model is a model that has Low threshold, which means it is easy for competitors to enter this business.

#### **Training Center Model**

Clubs that consider themselves training centers are dedicated to producing high-level players as their primary goal. There may be a more casual side to some of these clubs but the primary focus is on their training programs. These clubs focus heavily on youth students as it is necessary to start teaching from an early age in order to produce star athletes.

The Lily Yip TT Center, the Atlanta International TT Academy, and the Indian Community Center are examples of the training center model.

#### Advantages

✓ High profit margin in training programs. The fee for training is usually much higher than people just pay the fee to play. Additionally, in the group training, one coach can teach a group of people on less tables than open play may use.



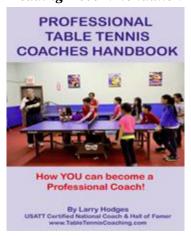


- ✓ Focusing on youth market can bring consistent revenue that lasts for years. Unlike adults, kids usually stick with a sport for at least a season, usually due to pressure by parents. If kids are interested, they will continue the training and parents are willing to pay for the fee. Some kids start to learn table tennis when they are 6 or 7 years old, and these kids may continue play until they go to college.
- ✓ The service is difficult to be copied by competitors. The coaches are valuable and unique assets and they cannot be taken unless a competing club can convince them to leave.

#### Disadvantages

- ✓ Hired coaches are a large fixed cost which can be very expensive when business is slow.
- ✓ Training centers are often not very approachable by the general public who may want to play casually
- The market size is small. Since table tennis is most popular outside the United States, most kids who are learning table tennis are from foreign families. That can put a strong regional limitation on the training center model and helps explain why table tennis is big in immigrant-heavy areas such as the East/West coasts. There are some kids from American families but the local market demographics are an important consideration while table tennis continues to grow in influence.

#### Reading Recommendation



Long-time professional table tennis coach and USA Table Tennis Hall of Famer Larry Hodges show how you can become a professional table tennis coach and run a training center in this book, especially from chapter 6 to chapter 8.

#### **Additional Resources**

- Professional Table Tennis Coaches Handbook
- How to Design a Winning Business Model.
- **SWOT** Analysis: Examples, Templates & Definition
- Real Madrid Football Club: A New Model of Business Organization for Sports Clubs in Spain
- The American Sports Club Business Plan
- ➤ Choosing the right business model for a community sports club?
- A pathway to creating a WINNING business model in the business of sports







#### **Step 6: Marketing Your Club**

*In this step, the following questions will be addressed:* 

- 1. What is marketing?
- 2. What is the marketing strategy?
- 3. What are the most often used marketing channels and tools?





When you have a plan for the facility, income resources that are going to generate money, and a suitable business model, you need to think about how to promote the club. Nowadays people are in a state of information overload. Potential customers have many options for activities for their life, so table tennis faces very intense competition. Additionally, table tennis is not well known in the United States which makes the table tennis club an even more difficult business. Some clubs have been established for years, but most of the local community does not know there is a table tennis club existing. Marketing is an important step in reaching out to your community.

## **Marketing**

Marketing is everything you do to introduce your products or services to your potential customers. The final purpose of marketing is to let your customers purchase your products or services.

## **Marketing Strategy**

Before talking about marketing strategy, understanding the product life cycle is necessary. The product of table tennis service in the United States is still in the introduction stage. The marketing strategy at this product stage is to build up awareness of the service. Simply speaking, you must do everything possible to let more people know that your club exists.







## **Marketing Channels and Tools**

## **Marketing Channels**

#### **Internet Search Engines**

Search engines are a very important channel for a business—and search engine optimization can be very expensive. Most clubs cannot afford these SEO services but there are still the other ways to increase your chances to be found on the internet. At the most basic level, just make sure that when you search your club's name on popular search engines, your page is the first result. Click here for more information.

#### **Local Event Promotion**

Each city has different periodic events that attract the local community. This is a great opportunity to promote your club. Mark down the date of the events, and apply for a booth at the event. Make sure you prepare the following things: flyers, brochure, business cards, etc. You may also want to find a way to get involved with local sporting events or business events. Many companies have table tennis tables and events like the <u>Startup Olympics</u> have a table tennis component.

#### **USATT Insider**

This is the only professional publication of table tennis in the United States. It features a wide variety of news and information from USATT and the global table tennis community. It







#### **Traditional Media**

Most TV stations and newspapers do not offer free advertising for your club. However, if you have some interesting story or special event going on in the town, these groups may be interested in interviewing at your club or writing an article introducing your club. If there are some members in your club who work in the media they may be willing to help you make contact with these organizations..

#### **Cooperation with Other Organizations**

Each organization has its own members, and cooperation can bring benefits for both organizations. Examples include Charities, Boy/Girl Scouts, Cultural/Community Centers, Etc.

#### **Social Media**

Social media such as Facebook and Twitter are powerful tools for contacting potential customers. At a minimum, make sure you have a profile that has accurate information about your club. If you dedicate some time to learn to use these tools at a basic level it may provide considerable benefits especially considering the declining value of email marketing. Ittakes a lot of time to maintain and update club news so weigh this carefully among your priorities.







## **Marketing Materials**

#### Website

A website is critically important for any business, and it is the most powerful tool for the public to reach and obtain club information. At a minimum, an effective club website provides the club mission/history, location/contact information, services list, facility photos, operating hours, and club news. Some clubs also provide online equipment sales, training programs, and tournament registration/payment.

There are a lot of companies that provide website building and hosting services. For example, weebly.com and wix.com are providing great service for small business.

#### **Street Advertising Signs**

Once the website is ready street signs, are one of the helpful tools that could be used to promote the club.

Look at where similar signs for other businesses are posted in the grass near major roads. While it does not have the broad reach of internet marketing, distributing the signs to the community within 10 miles around your club is effective at targeting the high value customers that are physically near your location. You will be surprised at the number of new faces in your club.

#### **Email Marketing**

Always collect email addresses from your customers and place an email

# Case Study of the Marketing Materials





sign-up link on your website. Business emails are legally regulated so you should be prepared to follow the <u>CAN-SPAM Act of 2003</u> or find a service such as MailChimp to help out. Using an





official service for your mailouts helps to organize contact lists and provide a professional interface with your customers. This becomes increasingly important as your customer base becomes large and it becomes impossible to manage it effectively by hand.

#### **Other Digital Resources**

Tools such as Yelp, Trip advisor, and Google maps can be vital accessories once you have a website. It is important to build as complete a web presence as possible as it forms the first impression that a prospective customer is likely to get. Make sure your profiles on these sites are accurate and up-to-date. Encourage your customers to write reviews about their experiences at your club. If your business is not accurately placed on Google maps, make sure it is by using the free <a href="Google Mapmaker">Google Mapmaker</a> tool to add it yourself so that customers can always find their way to your location. This is especially important if your location is remote or hidden.

### **Regular Materials**

Flyers, brochures, business cards, and signage are important to create awareness of your club in the local community. Making a nice design is necessary and the following information should be always included: club name, logo, location, website, and contact number. If you do not have a team member skilled in this, it is a worthwhile investment to contract services to do this for you.

#### **Short Video**

Making a short video for the introduction of your club is necessary. It is the best way to show what the club looks like to potential members. The information in the video could vary, but generally may including a facility overview, a visual of equipment, an introduction of services, a member interview, and a welcoming speech by the president of the club. This can be posted to your website and/or linked in your promotional materials.

#### Newsletter

Newsletters are powerful tools for updating the news of your club to members, and for building a closer relationship between members and the club. Mailchimp is a great tool for newsletters.

- ➤ The Future of Non-Profit, Sports Marketing
- Non-Profit Marketing is Like Figure Skating, Needs Technical and Artistic Merit
- Professional Table Tennis Coaches Handbook
- > Search engine optimization(SEO) for small business websites.
- Report: Youth Sports on the Rise & Decline
- ► How Parents View Football vs. Swimming in Making Kids' Sport Choices
- > the product life cycle
- Search engine optimization (SEO) for small business websites
- Sports and Fitness Club Marketing Plan
- > CAN-SPAM Act of 2003







# Step 7: USATT Club Affiliation and Recognition Programs

In this step, the following questions will be addressed:

- 1. What are benefits for a club to affiliate with USATT?
- 2. What kind of recognition programs offered by USATT?





## **USATT Club Affiliation**

When a club affiliates with USATT, it becomes eligible for the following benefits:

- Club insurance. Contact USATT for details.
- Placement on the national mailing list to receive tournament notices and other information
- ➤ Club may hold "sanctioned" tournaments with the approval of the USATT
- Club may retain 15% of fees paid for individual and family memberships in the USATT
- Recognition of your club by USATT, including a Certificate of Affiliation
- Club resource manuals, including:
  - Club Handbook
  - Tournament Guide
  - Official USATT Handbook
  - Instructor's Guide
  - Tournament Forms
- > Club membership cards for each player
- > USATT program updates and new materials
- Other materials at the USATT Club Programs Page

\*Club Affiliation Fees: \$75.00 - 1 year



#### **Club Affiliation Request**

<u>Club Affiliation Form</u> – Please complete the Club Affiliation form and send along with the payment to: USATT, 4065 Sinton Road, Suite 120, Colorado Springs, CO 80907 For further information, contact USATT at 719-866-4583 Ex. 5 or admin@usatt.org.

## **USATT Club Recognition Programs**

## National/Regional Center Program

Do you have a full-time and outstanding table tennis club that is affiliated with USA Table Tennis? Does your club have a certified USATT/ITTF Level I or higher coach? Does your club have a junior-only training program of at least 30 kids? Does your club have an active website? If you think your club has what it takes to meet the National or Regional Centers of Excellence criteria check out the <u>qualifications</u> and let us know how you do! Here is the <u>application</u>.

- Program Summary
- Club insurance request form
- Club Affiliation Form
- National Center Program, <u>qualifications</u> and <u>application</u>.
- Regional Center Program, qualifications and application







## **Step 8: Club Management**

In this step, the following questions will be addressed:

- 1. What are the club regulations?
- 2. How do I recruit and retain volunteers?
- 3. What is the emergency management procedure?





The importance of keeping your club operations organized cannot be underestimated. Many small organizations begin in a very ad-hoc manner and quickly have to establish some order and procedures or suffer a very high cost as they grow. Giant companies are infamous for their bureaucracy and while that may be overkill for your new club, establishing rules from the beginning will ease your way, especially if you are working with other partners.

#### **Club Rules**

The rules and regulations of your club help to set expectations for the relationship between the organization and its members. A good set of regulations is simple enough to be generally understood but detailed enough to cover the day-to-day situations the club may encounter. See HERE for an example from the NJTTC.

### **Club Bylaws or Charter**

A nonprofit club will likely have to put together a charter or bylaws document to detail its rules of operation and management. This document is important because these organizations are often led by a group of volunteers that will require guidance in order to keep the club true to its mission and purpose. Click <a href="HERE">HERE</a> for an example from the Austin Table Tennis Club. A for-profit club would benefit greatly from a similar document as well but it need not necessarily be publicly available. Of similar importance is some sort of formal agreement that details the business arrangement that the various business partners are agreeing to.

## **Volunteer Management**

Volunteers are a valuable asset to a club whether it is a non-profit club or a for-profit club. The recruiting and retention of volunteers is of primary importance regardless of business type, even for-profit clubs have a strong tendency to have at least one volunteer.

## **Recruiting Volunteers**

Ask people to volunteer. Explain the importance of their contribution and the value it will provide. This may be easier when the club has a charitable cause to promote or a membership particularly devoted to the sport. Be aware that volunteers are not like employees which you can hire/fire as needed. It takes effort to identify suitable volunteers







which are not only trustworthy but capable.

- ➤ Place volunteers in positions in which they can succeed. You can determine this by what they say about their interests, their skills, and their motivations.
- Train the volunteers thoroughly in their positions, and help them to understand their roles in the overall process.
- Praise volunteers regularly for their good work, and acknowledge their contribution. In some cases this will be enough but if you are not getting enough volunteer effort you should consider a formal volunteer rewards program. This can often be much more economical than trying to hire employees to cover the lack of volunteers.

## **Retaining volunteers**

Communication is the most important thing for retaining volunteers. Clearly communicate expectations and regularly keep in touch with them even if there is no work to do. Let them know of any specific requirements for a task. This will make them feel involved and more likely to stay on.

The manager of the volunteers should be skilled in delegating responsibilities evenly among volunteers. Creating the appearance of fairness is often just as important as being truly fair to all involved. That is to say, regardless of your good intentions, the volunteers need to feel that you are being fair to them.

Recognition of volunteer contributions is essential. This begins with simple praise. For example, at a formal meeting, award certificates to volunteers and explain how each of them contributed to the success of the club. Establishing a formal rewards system is a next step if you'd like to encourage more volunteering.

# **Emergency Management**

While rare, emergencies are by their nature very critical times for an organization. In addition to having the proper insurance coverage, your club will need to have policies and personnel training in place to handle the problems that may come unexpectedly.







## **Medical Emergencies**

It would benefit your club and possibly reduce your insurance premiums if your workers are trained in <u>first aid</u>. Also make sure your staff knows where the nearest hospitals or emergency care facilities are and how to contact them quickly if needed. It would also be helpful to have non-expired first aid equipment available and in good working order. Minor injuries are much more common than major ones in table tennis so you may find yourself providing band aids or ice packs far more often than you will need to perform <u>CPR</u> and/or call 911.

## **Disaster Response**

Any business would benefit from knowing what to do in the event of a disaster. See <u>HERE</u> for some details. In addition to ensuring the safety of your players and staff, you may need to take special precautions to secure your tables or other expensive equipment but do not do so if it puts human life at risk.

## **Theft and Security**

As with any other business, you will have to <u>take precautions</u> to secure your belongings. If you are properly insured, you will likely already be required to take certain security measures but it is important to be security-minded. It is never worth risking yourself or others for physical items. Items can be replaced, people cannot.

- The examples of club rules from the NJTTC
- > By law example from the Austin Table Tennis Club
- Why Employees Need First Aid Training
- **Emergency Preparedness**
- ► How Small Business Owners Can Protect Themselves Against Theft
- Learn CPR, you can do it.







**Step 9: Outline the Financial Budget** 

In this step, the following issues will be addressed:

- 1. Introduction of expenses, price policy, and break-event point
  - 2. How to make a financial budget for your club





Congratulations!!! You are at the final step. We believe you now have a general picture of what kind of a table tennis club that you are going to establish. In this final step, the handbook will introduce how to outline the financial budget for your club.

## **Expenses**

Whether you rent or own a place, there are two types of expenses, including necessary expenses and optional expenses. Itemizing all potential club expenses on paper will help you to understand how much the first fund needs to be. It is also worth having at least one person in your team learn about the difference between fixed and variable costs and other basic accounting principles.

## **Price Policy**

Drafting financial policies for your club includes setting membership fees, walk-in fees, fees for training programs, tournament fees, etc and these policies will tremendously impact your financial budget. Study comparable businesses in similar areas. You will need to stay comparable to them and also maintain your own profitability.

## **Break-even Point**

The break-even point is important to know, and it is the goal of the club to stay in healthy financial status. While it is normal for a new business to not have a profit at first, if the club does not reach the break-even point for years, there should be a plan for the liquidation of the club assets and the stakeholders should know in advance what they stand to lose if the club must be dissolved.

## Mixed Operation Model Budget Example Spreadsheet

See Financial Budget Example below.

- > Creating a Budget for Your Small Business: The Basics
- ➤ How To: Create a Business Budget
- Small Business Budgeting & Money Management
- Download the example of budgeting spreadsheet model





# Financial Budget Example

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