# RACQUETBALL IN THE NETHERLANDS

DUTCH RACQUETBALL ASSOCIATION

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ARCADIS

# Contents

**CHAPTER**

# 1 Introduction

The Dutch Racquetball Association (NRA) (Dutch: Nederlandse Racquetball Associatie [NRA]) has asked ARCADIS via Sports and Business (Sport en Zaken) to put together a folder that will help promote the sport and to write a proposal for optimally positioning the sport of racquetball in the market in the Netherlands.

In order to proliferate the sport the Racquetball Association must break through the following impasses:
- In order to be able to recruit more members and active players, more racquetball courts must be built in the Netherlands.
- In order to build more courts at (often commercial) venues, there must be more racquetball players and familiarity with the game must be bigger.

The sport features a lot of elements for it to be an added value for the Dutch racquet sports world:
• Very accessible for children/older people;
• More challenging and faster for experienced players;
• Can be very intensive as physical fitness training;
• Players can quickly advance to the (inter)national top if they want to invest the effort.

ARCADIS was asked to create a type of proposal to use for making a "sales/racquetball brochure."
To break through the age-old dilemma of accommodation versus active players, the NRA wants a clear proposal combined with a feasibility plan for court construction + operating costs.
This folder has been prepared and is enclosed as an appendix.

CHAPTER

# 2 Racquetball

## 2.1 WHAT IS RACQUETBALL?

Racquetball is a fast ball sport. Two players or two team of two players each alternately hit the ball against the front wall of the court before the ball has bounced on the floor twice.
Racquetball can be played by young and old alike, by beginners and advanced players. You build a good physical condition while playing the game and that is because racquetball is "FITNESS IN A GAME."
Racquetball is a dynamic sport that requires speed, a good physical condition and ability to react, strength and technique. It is a total workout in an appealing game.

## 2.2 WHO IS THE TARGET GROUP?

Racquetball's target group is very wide because racquetball is accessible to every group. Young and old, beginner and advanced, everyone can play at his or her level. The good bouncing qualities of the ball make the game easy to learn. The higher the player's level, the harder the ball is hit and the rallies become spectacular. Racquetball is even suitable for people with physical limitations. That is because wheelchair racquetball is also played.

## 2.3 WHERE IS RACQUETBALL PLAYED?

Racquetball is played indoors in the Netherlands. There are currently two centers with racquetball courts: The Hague and Franeker. There are also courts on three military bases but these are not accessible to the public.
In North and South America racquetball is a fairly popular sport and is also played outdoors.

## 2.4 THE COURT

Racquetball is played on a closed court measuring 6 meters 10 cm by 12 meters 20 cm. The walls and ceiling of the court are also included in the game.
The court can be built in combination with a squash court. A squash court is shorter than a racquetball court. By employing a sliding back wall the court can be used for both squash and racquetball.

## 2.5 WHY RACQUETBALL?

- Racquetball is a good addition to the fitness offer.
- The energy consumption of a racquetball player is often higher that with other fitness activities (the energy consumption is expressed in METS; for competitive racquetball this figure is 10.0, for recreational and general racquetball it is 7.0). Other fitness activities: general aerobics 6.0. aerobic ballet or modern, twist 6.0, high-impact aerobics 7.0, low-impact aerobics 5.0.
- It is a good workout in competition format.
- The sport gives you a good condition and makes you more fit and energetic: *Fitness in a game!*
- The court can be combined with a squash court by employing a sliding back wall.
- It is an expansion of the sports activities offered at your center.
- Other sports can also be played on the court: wallyball (a type of volleyball) and handball.
- It is a sport that can be played by young and old.
- It is a relatively inexpensive sport. You need little equipment to start playing the game.
- The way to the top is fast. This is attractive to players with a lot of competitive ambitions.

## 2.6 OTHER FACTS

- Racquetball is played in some 90 countries.
- In North America about 13 million people play racquetball.
- Racquetball is officially recognized by the International Olympic Committee.
- The Dutch Racquetball Association (NRA) is a member of the NOC*NSF (Nederlands Olympisch Comité*Nederlandse Sport Federatie) (Dutch Olympic Committee*Dutch Sports Federation).
- The NRA is an active association that is willing to assist entrepreneurs in developing the sport.

**CHAPTER**

# 3 Trends and Developments

This chapter discusses a number of trends and specifies which opportunity or conclusion is applicable to the NRA.

## 3.1 CLUB LIFE VERSUS EXPERIENCE ECONOMY

Themes: performance athletes versus health-driven athletes.
Health-driven sports still have the upper hand over performance sports. Nowadays, engaging in sports does not at all necessarily mean that you become a member of a sports club and participate in competitions.
Coubertin's Olympic motto “citius, altius, fortius” (swifter, higher, stronger) has made room for the “fresh, new and exciting” of Coca Cola and cohorts. Playing sports is no longer disciplined training in order to continuously perform better; there is more focus now on fun in and around playing sports and it is not always necessary to be highly driven to remain fit.

CONCLUSION The opportunity to fit in with NRA's vision.

Fewer ties, more varying lifestyles.
Playing sports is a choice, a story or a lifestyle. A sport is by no means a standalone entity but follows the developments of the rest of society. People choose the activity that they like from an athletic offer that has become much bigger.
Individualization does not mean that people are no longer interested in being a part of larger social relationships. However, the manner of people's involvement in such relationships has changed. The relationships are more cursory and superficial; they imply fewer rules and obligations and are primarily entered into based in emotions and as a part of a self-chosen lifestyle. In this sense, researchers speak of “light communities” (Hurenkamp, cited in De Hart 2005: 74).

CONCLUSION The opportunity for fitness center operators to increase their offer with a racquetball court.

Sports: Increasingly in the form of an event.
Sports are increasingly becoming an event, a spectacle. Fewer and fewer people appear to want to set aside time in a structured manner to work towards performance improvement year after year (or towards the club). On the other hand, there is a great deal of interest in bicycle tours, running races, hiking events and other mass events of short duration. Evidently, people have sufficient interest in gathering in large groups of like-minded individuals – albeit briefly – and to engage in a sport or be a sports volunteer.

CONCLUSION Racquetball is difficult to enjoy in the form of an event. Or do new fitness and court sports events have to come about? The opportunity to be at events with a mobile court.

Sports as a part of the experience economy.
The sports industry is capitalizing on this and provides participants with all sorts of equipment (in return for payment) wherein the "sports capital" of the self-chosen lifestyle can be expressed. Sports, and not only top or media sports but also recreational sports, have become a part of the experience economy. Here too sports do not manifest differently than the rest of society.

CONCLUSION The opportunity to join in with the fitness hype.

The general picture: high degree of participation in sports, individualization, commercialization. For organized sports, developments in sports – broad societal interest for health and sportsmanship, increasing segmentation, a looser association with the sport and an emergence of the experience economy – have had various consequences. Commercialization has made its entry, top sports budgets have grown, the public interest in sports has increased. A the same time the market share of organized sports has decreased. In 1991, 60% of athletes were a member of at least one sports club; in 2003 this figure decreased to 53%.

For the rest, developments in sports club member numbers are not in the least unfavorable in the midst of individualization processes. Even now no other leisure sector has as many members of volunteer organizations as the sports sector. There are still sports clubs and team sports that are growing (e.g. hockey). A fairly constant 10% to 14% (depending on definitions) of the Dutch population is involved in sports as a volunteer.

CONCLUSION Racquetball does not necessarily need to be played in an organized club.

## 3.2 SPORTS PARTICIPATION,-ORGANIZATION AND ACCOMMODATIONS

Sports clubs: increasing in scale, a lot of progress.
Sports clubs have increased in scale due to the decrease of the number of sports clubs and a simultaneous increase in the number of people playing sports and sports activities.

For billiards, shooting, skiing, squash and triathlon, the development of the number of clubs has seen fluctuations over the last 14 years: after an initial increase, a clear decrease has been observed in recent years. Sports that each saw the disappearance of at least a hundred clubs are: badminton, billiards, gymnastics, handball, equestrian sports, bowling, korfball, table tennis, volleyball and bicycle racing.

“New sports” are now more established, although there has been a decrease in two-person. Despite the mentioned decrease in the number of sports clubs, a number of organized sports branches have penetrated the Netherlands. This certainly applies to adapted sports (sports for the handicapped or people with a chronic illness), bridge, golf, roller blading, squash, triathlon, water sports and ice hockey. With two-person sports the member statistics of the NOC*NSF only show an increase in martial arts in recent years. According to the RSO study, all two-person sports are decreasing in popularity.

Order in the member numbers (NOC*NSF): few changes.
What is noticeable is that the growth of new sports is not or hardly reflected in the order of member numbers and official registration with the NOC*NSF. The composition of the top 15 most popular sports (measured according to number of members) in the period 1978-2004 did not change NRAmatically. Twelve of the 15 largest associations in 2004 have had a spot in the top 15 for the last 26 years. In addition, the top three remained especially stable over those 26 years (1. KNVB/Soccer, 2. KNLTB/Tennis, 3. Dutch  Gymnastics Union).

Note: Since 1998 the following two organizations were admitted as a member of the NOC*NSF: the Dutch Racquetball Association (1998) and the Dutch Frisbee Association (2003). Not all applications for membership were accepted by the NOC*NSF in the last few decades because:

- The NOC*NSF has put into place a number of explicit conditions for joining since 1989;
- Upon the fusion of the NSF and NOC in 1993 it was specified that only one organization per sports branch can be a member of the NOC*NSF;
- Various new sports activities have been integrated into existing sports organizations: surfing into the Watersportverbond (Water Sports Association), billiards into the Koninklijke Nederlandse Biljartbond (Royal Dutch Billiards Association), roller blading into the Skate Bond Nederland (Dutch Skating Association) and tug-of-war into the Koninklijke Nederlandse Krachtsport en Fitnessfederatie (Royal Dutch Strengths Sports and Fitness Federation).

Decrease of specific sports facilities, increase of (general) fitness centers and sports halls. In the 1990s the number of covered sports facilities increased from 1,600 to 2,200 (table 6.15). The increase during this period was primarily of the “other covered sports facilities” category. Fore example, these were squash centers, billiard halls, covered ice rinks, climbing walls, fencing halls, bowling centers, go cart lanes, mental game centers, etc.
Since 2000 it appears that an end has come to the growth of this sector of sports facilities, in which comparatively many private operators are active (89%; not listed in the table). Between 2000 and 2003 the number of “other covered sports facilities” decreased by 11% (see table 6.15). This decrease can be attributed to a decrease of the number of privately operated facilities.

Tennis court facilities, also often in the hands of private operators (95%; not listed in the table), saw a comparable development between 2000 and 2003. Their number also increased after 2000 (-10%).
The decrease in the number of tennis court facilities can also be attributed to a decrease of the number of facilities that are privately operated.

Table 6.16
Number of sports centers and number of courts, tables in specific sports centers[8] in covered sports facilities, 1988-2003 (['n] in absolute numbers and index numbers).

| | Absolute | | | | | | Index (1988= 1OO) | | |
|---|---|---|---|---|---|---|---|---|---|
| | **1988** | **1991** | **1994** | **1997** | **2000** | **2003** | **1988** | **2000** | **2003** |
| Multifunctional fitness centers | 448 | 473 | 605 | 520 | 585 | 655 | 100 | 131 | 146 |
| Multifunctional sports halls | 768 | 818 | 930 | 935 | 945 | 975 | 100 | 123 | 127 |
| Ice rinks | 16 | 19 | 20 | 20 | 20 | 20 | 100 | 125 | 125 |
| Gyms | | | | 215 | 295 | 315 | | | |
| Courts, tables in specific sports rooms[3] wv. | 3890 | 5447 | 7425 | 8135 | 8075 | 7325 | 100 | 208 | 188 |
| Tennis courts | 1102 | 1202 | 1540 | 5555 | 1610 | 1530 | 100 | 146 | 139 |
| Squash courts | 374 | 642 | 1030 | 1325 | 1410 | 1245 | 100 | 377 | 333 |
| Bowling lanes | 1123 | 1169 | 1405 | 1285 | 1130 | 1130 | 100 | 101 | 101 |
| Table tennis tables | 302 | 376 | 325 | 260 | 405 | 385 | 100 | 134 | 127 |
| Billiard tables | 514 | 1469 | 2235 | 2935 | 2400 | 1775 | 100 | 467 | 345 |
| Other courts, tables, rooms | 475 | 589 | 885 | 775 | 1120 | 1250 | 100 | 236 | 265 |

a Sports rooms permanently set up for a sports branch: Source: CBS (SZS'83-'03**)**

In contrast to the decrease of the number of “other covered sports facilities” and the decrease of the number of tennis court facilities, there was in increase of both the number of fitness centers as well as sport hall facilities between 2000 and 2003.

Fewer facilities due to decrease of the number of private operators. On balance this resulted in a slight decrease of the total number of covered sports facilities between 2000 and 2003. The trend of increasing privatization of covered sports facilities stopped (temporarily?) between 2000 and 2003. In 2000, 56% all accommodation facilities were run by private operators. In 2003 that decreased to 54%.

Decrease of the number of squash courts by -12% (including within sports facilities). But it is not only the number of billiard tables that decreased between 2000 and 2003. The number of squash courts (-12%), tennis courts (-5%) and table tennis tables (-5%) in specific sports centers also decreased. There is a clear break in trend as regards the squash and tennis courts because in the 1990s both types of sports courts enjoyed steady-state growth during the entire decade.

Structural lack of facilities.
In recent years the number of people who engage in sports has increased and the population has grown. Despite this, the currently available statistics barely show any growth in the quantity of space that is available for sports. The number of sports facilities also shows now growth.
At the end of 2005 the NOC*NSF published a study that showed that in 2020 Dutch sports will lack 9,000 hectares of space and 425 sports halls (Stichting Recreatie en Alterra 2005; see also Van der Poel 2000). After years of investing in the software and orgware of the sport it is now time to consider the extent to which the availability, accessibility and price of the sports facility cause impediments to further increase of the athletic movement. That certainly applies to education where, as previously mentioned, the goal is to allow students play sports daily in 90% of schools.

CONCLUSION The problem of the NRA with facilities is thus not a unique problem. It can be useful to work together with the fitness sector because this sector has a lot of space, relatively speaking, is close to the target group and may be interested in diversification.

## 3.3 SYNTHESIS: SEVEN BOTTLENECK IN SPORTS

Overall, the Sociaal Cultureel Planbureau (Social and Cultural Planning Office) has indicated seven bottlenecks in Dutch sports:

1. Sports and overweight. More people are exercising, but the number of people who are (severely) overweight has continued to increase in recent years. No change has been seen in this.
2. The changed sports experience. Today, children have a bigger chance of seeing their parents exercising than 20 years ago but these children see their parents exercising outside of the structure of an organization. The increase of the “sporting capital” that parents transfer to their children consists mainly of solo sports, sports that can be easily practiced by oneself and for which no direct opponent or partner/teammate is required. Compared to 20 years ago, children see their parents participate in competitions and training scarcely more often and see them be a member of a sports club only slightly more often.
3. The changed organization of sports. In line with the second point, it must also be stated that the proportion of people who engage in sports that are members of a sports club has (once again) decreased slightly in recent years. The growth of new sportspeople is bigger among unorganized sports than among organized sports. People are increasingly engaging in sports outside of the traditional sports clubs.
4. The enduring inequality in sports. Participation in sports by second-generation immigrants is higher than that of first-generation immigrants but is still lower than that of native-born Dutch. But the differences in sports are not only based on ethnicity. Participation in sports still appears to be significantly higher among well-educated people and people with higher incomes than among people with less education and/or lower incomes. The arrears in sports participation of people with physical limitations compared to people without physical limitations has not decreased in recent years.
5. The racing medal in top sports. Investment in top sports have increased in the last 10 years. In part thanks to this the top sports climate has improved. But the competition is doing likewise.
6. Space and facilities. In recent years the number of people who engage in sports has increased and the population has grown. Despite this, the currently available statistics barely show any growth in the quantity of space that is available for sports. The number of sports facilities also shows now growth. The relocation of sports facilities to the outskirts of cities could not be stopped. In large city centers only health clubs are well-represented (see chapter 8). It is not a coincidence that working out in a health club is more prominent in large cities than in the rest of the country.
Note: The number of squash (and racquetball) courts even decreased in this market (by 12% for squash).
7. Sports as a part-time employer. Work opportunities in the sports sector have increased by about 5% in recent years. Many work opportunities in the sports sector come in the form of part-time jobs. This situation has not changed significantly in recent years. Sports remain a part-time employer.

## 3.4 STARTING POINTS FOR EXISTING CLUBS AND ASSOCIATIONS

The Social and Cultural Planning Office lists the following consequences and starting points for existing club life:

- If the sports club wants to survive, then a certain degree of modernization and professionalization appears to be inevitable. This process is already taking place in many clubs. Improvement of service provision quality is the aim with incentive programs such as spin, Prins, the self-measuring tool imported from Flanders iksport and the hallmark De gezonde sportvereniging (Lucassen and Van Bottenburg 2004).
- Many clubs merged in the past few decades and this trend has continued in recent years (see Chapter 6).
- Support by professional advisors. Provided that it is applied in small doses and not forced, the professionalization process can provide sports with the necessary profits (Van Bottenburg 2005). The club structure will not be undermined due to this but rather strengthened; the work of volunteers will not be taken over but rather supported.

Opportunities for collaboration with commercial organizations.
Perhaps the tide away from clubs can be partially turned: with strong clubs that offer services and respond to changing demands in a targeted manner. There are no fundamental reasons why athletic clubs cannot offer running clinics. Nor are there fundamental reasons why commercial providers could not set up clubs or help maintain them (a situation that is already common in sports such as golf, tennis and squash and is increasingly occurring in the fitness world as well). The difference between both types of providers lies primarily in the organization of that which is offered (the management form, the objectives), the quality thereof, the service and the flexibility and the manner of payment (in cash or through personal involvement).

A part of today's sporting public is clearly charmed by the sports options that commercial entities have been disseminating in the market in recent years. Another, smaller but not negligible part wants to participate in club competitions, enjoys being involved in a club and being dedicated to it or likes to engage in a game that is primarily offered by sports clubs because it can hardly be commercially (or otherwise) organized. Despite this, a part of the sporting public is increasingly demanding quality, simply because it is used to demanding this in other areas of society and to receiving it. The numbers show that (organized) sports cannot be blind to this.

Comparison of swimming pools – fitness centers
Dutch swimming pools have attracted some 90 million visitors every year since 1994, and that with a growing population and increasing participation in sports. Swimming pools therefore did not benefit from the increased participation in sports in that period. At the same time the price of swimming doubled in that period (see appendix F). Whether or not one has anything to do with the other remains an unanswered question. The fact is that there was no increase in swimming pool visits in the past 10 years, while the Dutch population clearly became more physically active. However, Dutch people did start doing more as regards fitness. It is not a coincidence that health clubs are one of the few sports facilities that dominate in numbers in large city centers.

In order to prepare a clear proposal, these trends must be considered. It is prudent to lay down these trends and developments next to the plans of the NRA.

**CHAPTER**

# 4 Racquetball

# Developments in the Netherlands

Where does racquetball stand in the Netherlands and which recommendations are being made to increase the presence of racquetball in the Netherlands?

## 4.1 RACQUETBALL NOW

*Racquetball has established quite well in the Netherlands, which means there is a risk of a downward spiral.*

- The manager of the Zoetermeer Sports Center recently stopped offering racquetball in Zoetermeer although he is one of the sport's pioneers;
- Fewer and fewer centers means fewer and fewer possibilities of showcasing the sport and recruiting new members.

*The NRA cannot stop this movement alone but needs partners.*

- Continuing to promote racquetball is not expected to have the desired effect because there is no demonstrable need; quite the contrary, the facts show that the sport is at risk of becoming less and less important;
- Racquetball in itself appears to have an insufficient profile and differentiating capacity to be able to crawl its way out of the abyss with a new proposal;
- The NRA will have to seek out collaboration partners with whom to respond to current market conditions together.

*The NRA has a good starting position to seek out collaboration partners.*
The association has:

- Active and well-organized management;
- A proven track record of establishing and maintaining collaboration with operators;
- Introduced a successful recruitment method with the formula of its introduction course;
- A pithy "fitness in a game" proposal;
- A clear and transparent long-range policy and annual plans which clearly state which objectives are strived for.

*The market conditions appear to provide opportunities for the future:*

- Health, synergy with fitness and other sports such as squash, wallyball, indoor soccer

- The senior market;
- ICT possibilities for finding game partners and directly reserving a court based on “pay per play.”

## 4.2 RECOMMENDATIONS

- Familiarize the sport with fitness in a game;
- Create publicity;
- Seek affiliation with existing wellness centers;
- For new initiatives, ensure that you come to the table early on;
- The mobile court provides an excellent opportunity to bring the sport to the public and promote it at trade shows and events;
- Talk with big players and always offer concrete examples;
- Offer-oriented, students, school sport;
- Use the existing documents created for the sport by the NRA.

# 5 Finances

This chapter discusses several models regarding the feasibility of racquetball courts in various situations.
The basic assumptions that can be employed are illustrated per situation.

## 5.1 GENERAL

*Structure*
A large number of sports facilities is specially equipped for a specific sport, but there are also multifunctional locations such as sports halls. There are also omni sports centers where several sports such as squash, tennis, fitness and swimming can be played in specially equipped areas. Omni sports centers are increasing in number and are often run by a commercial entity. Commercial entities also often operate singular sports centers for sports that take place outside of the club context.
Examples of this are stables and health clubs. In multifunctional sports locations, clubs often lease a facility (or a part thereof) for a certain period of time. For outside sports the club is more often the owner of the facility than for indoor sports. Especially tennis clubs are often the owner of the facility used.

*Operation*
Sports facilities primarily get their revenues from leases and entrance fees. For many operators, food and beverage income are increasing in importance. If they operate in the red, sports halls and swimming pools can count on a contribution from local governments because it is important to communities for these facilities to remain accessible for residents. Half of the revenues for swimming pools often consist of subsidies. Thanks to subsidies the entrance fees can remain low. Stables obtain only a small portion of their revenues from entrance fees. The majority comes from lesson fees, food and beverages and lease of horse stalls. Salaries make up a relatively large cost component and vary as much as 45% from the revenues of swimming pools to 19% for stables.

*Developments and perspectives*
Some 6.5 million people in the Netherlands actively participate in sports, of which 4.9 million in a club context. The number of Dutch people participating in sports in a club context increased in 2004. In particular the number of youths under 18 who became members increased quite a bit. The government will continue to promote sports in the future with the goal of motivating people to exercise more and combating obesity. This has been stipulated by the Nationaal Actieplan Sport en Bewegen (National Action Plan for Sport and Exercise). By stimulating participation in sports in clubs an schools, the occupancy rate of sports facilities should continue to increase.
More and more operators of sports facilities are attempting to increase their revenues by offering new services. Although leases and entrance fees are responsible for the bulk of the revenues, an increasingly larger portion of sales comes from the operation of professional food and beverage services and recreational facilities such as saunas and tanning beds. In part due to these developments, many new multifunctional sports facilities have now reached

a stage – after having incurred losses in the start-up phase – in which a positive return can be achieved.
Golf is growing rapidly as a sport in the Netherlands. This makes the construction of new golf courses attractive to entrepreneurs. The speed with which new golf courses are built is, however, tempered by difficulties in changing the zoning plans of municipalities or provinces. More than 50% of all golf courses are currently in commercial hands instead of the property of a golf club. Some 45% of all golfers do not play this sport in a club context. Tennis is also being increasingly played outside of the club context. This is in part due to the ample possibilities of renting courts at commercial tennis courts.

## 5.2 RACQUETBALL COURT OPERATING MODEL

Investment estimate for racquetball center (excluding ground costs).

| Center | 10 courts | Surface area | Price |
|---|---|---|---|
| Courts | 10 | 744.2 | 494,893 |
| Locker rooms | 2 | 60 | 39,900 |
| Showers | 2 | 30 | 33,000 |
| First aid station | 1 | 10 | 6,650 |
| Restaurant | 1 | 100 | 66,500 |
| Kitchen | 1 | 25 | 27,500 |
| Toilets | 3 | 30 | 33,000 |
| Hallways, etc. | 1 | 50 | 33,250 |
| Unforeseen issues | | | 73,469 |
| | | 1049.2 | 808,162 |

In the above example an investment of € 808,162 is assumed for the implementation of a basic racquetball center. The costs for equipping the facility (furnishings, etc.) are not included in this estimate.
An estimate of the interest and repayment obligations amount to an annual interest and repayment of € 64,550 per year with a 20-year term. The following operating model is based on these data.

| Description | Percentage | Amount |
|---|---|---|
| Revenues | 100% | 379,706 |
| Personnel costs | 26% | 98,724 |
| Accommodation costs | 22% | 83,535 |
| Interest and repayment | 17% | 64,550 |
| Other costs | 26% | 98,724 |
| | | 345,532 |
| Operating profit | 9% | 34,174 |

In order to come to a revenue of about € 380,000, the calculation model below was created.

| Quantities | Description | Totals | | Percentage | Totals |
|---|---|---|---|---|---|
| 10 | Courts | | | | |
| 50 | Blocks of 45 minutes | | | | |
| 14 | Fee | | | | |
| | | | | | |
| 1 | Court | 700 | Per week | 65% | 455 |
| 10 | Courts | 7,000 | Per week | 65% | 4,550 |
| 50 | Weeks | 350,000 | Per year | 65% | 227,500 |
| 1000 | People | | Per week | 65% | 650 |
| | | | | | |
| 50.000 | People | | Per year | 65% | 32,500 |
| 5 | Consumption | | | 65% | 3,25 |
| | | | | | |
| Subtotal | Food and beverage | 250,000 | | | 162,500 |
| | | | | | |
| Total | Revenues | 600,000 | | | 390,000 |
| | | | | | |

The table above shows revenues of 390,000 euros per year at an occupancy rate of 65%. Rental blocks of 45 minutes were assumed for this. We also assumed 50 rental blocks per week. It must be noted that these numbers are averages for purposes of the estimates.

The operating model above is only focused on racquetball. In view of the number of players in the Netherlands, this appear not to be feasible at this time.
A combination of a squash center with one or two racquetball courts would be a more logical choice.

## 5.3 OPERATION MODEL FOR A SINGLE COURT

This model illustrates the construction of single racquetball court in an operating model. An existing situation or a new situation in which two additional courts are constructed for racquetball is assumed.
An investment of € 100,000; (2 courts = € 98,978.60) is assumed.

| Description | Percentage | Amount |
|---|---|---|
| Revenues | 100% | 47,059 |
| Personnel costs | 26% | 12,235 |
| Accommodation costs | 22% | 10,353 |
| Interest and repayment | 17% | 8,000 |
| Other costs | 26% | 12,235 |
| | | 42,824 |
| Operating profit | 9% | 4,235 |

Revenues of € 47,059 will be needed for these two courts.

| Quantities | Description | Totals | | Percentage | Totals |
|---|---|---|---|---|---|
| 2 | Courts | | | | |
| 50 | Blocks of 45 minutes | | Per week | | |
| 14 | Fee | | Per 45 min. | | |
| | Court | 700 | Per week | 70% | 490 |
| 2 | Courts | 1,400 | | 70% | 980 |
| 50 | Weeks | 70,000 | Per year | | 49,000 |

With a supply of 50 rental blocks of 45 minutes in the week, a fee of 14 euros per hour per court and an occupancy percentage of 70%, revenues of € 49,000 per year will be generated. The additional income from food and beverage service are not included in this figure.
Note: No ground costs are included in the investments. These costs depend greatly on the location and the regional zoning policy per municipality.

## 5.4 OPERATING MODEL FOR USE WITH SEASON TICKETS

If there is an opportunity to buy season tickets, then the operating model will look different.

| Quantities | Description | Totals | | Percentage | Totals |
|---|---|---|---|---|---|
| 2 | Courts | | | | |
| 25 | Blocks of 45 minutes | | Per week | | |
| 14 | Fee | | Per 45 min. | | |
| 275 | Season ticket fee | | | | |
| 90 | Season ticket holders | | | | |
| | Court | 350 | Per week | 70% | 490 |
| 2 | Courts | 700 | | 70% | 980 |
| 50 | Weeks | 35,000 | Per year | 70% | 24,500 |
| | Season ticket holders | 24,750 | | | 24,750 |
| | | | | | 49,250 |

Here we are assuming 90 season ticket holders.
If the season ticket holders each use the court once per week, then this means they will pay for 45 blocks of 45 minutes.
The possible block times that can be rented individually are set at 25 per court. In the overview above this amounts to 50 blocks of 45 minutes per week for individual rental.
The price for an annual season ticket is € 275.00 per year.
Thus, in the estimate above about 90 season ticket holders must buy an annual season ticket in order to arrive at revenues of 49,250.

# APPENDIX 1 Overview of Interest and Repayment

Model 1

| | Investment Amount | Interest | Subtotal | Repayment | Remainder |
|---|---|---|---|---|---|
| | | 5% | | | |
| 1 | 808,162 | 40,408 | 848,570 | 64,550 | 784,020 |
| 2 | 784,020 | 39,201 | 823,221 | 64,550 | 758,671 |
| S | 758,671 | 37,934 | 796,605 | 64,550 | 732,055 |
| 4 | 7S2,055 | 36,603 | 768,658 | 64,550 | 704,108 |
| 5 | 704,108 | 35,205 | 739,313 | 64,550 | 674,763 |
| 6 | 674,76S | 33,738 | 708,501 | 64,550 | 643,951 |
| 7 | 64S,951 | 32,198 | 676,149 | 64,550 | 611,599 |
| 8 | 611,599 | 30,580 | 642,179 | 64,550 | 577,629 |
| 9 | 577,629 | 28,881 | 606,510 | 64,550 | 541,960 |
| 10 | 541,960 | 27,098 | 569,058 | 64,550 | 504,508 |
| 11 | 504,508 | 25,225 | 529,734 | 64,550 | 465,184 |
| 12 | 465,184 | 23,259 | 488,443 | 64,550 | 423,893 |
| i s | 423,893 | 21,195 | 445,088 | 64,550 | 380,538 |
| 14 | 380,538 | 19,027 | 399,564 | 64,550 | 335,014 |
| 15 | 335,014 | 16,751 | 351,765 | 64,550 | 287,215 |
| 16 | 287,215 | 14,361 | 301,576 | 64,550 | 237,026 |
| 17 | 237,026 | 11,851 | 248,877 | 64,550 | 184,327 |
| i s | 184,327 | 9,216 | 193,544 | 64,550 | 128,994 |
| 19 | 128,994 | 6,450 | 135,443 | 64,550 | 70,893 |
| 20 | 64,444 | 3,222 | 67,666 | 64,550 | 3,116 |

An interest rate of 5% was assumed for this estimate.



ARCADIS

Model 2

| | Investment Amount | Interest | Subtotal | Repayment | Remainder |
|---|---|---|---|---|---|
| | | 5% | | | |
| 1 | 100,000 | 5,000 | 105,000 | 8,000 | 97,000 |
| 2 | 97,000 | 4,850 | 101,850 | 8,000 | 93,850 |
| 3 | 93,850 | 4,693 | 98,543 | 8,000 | 90,543 |
| 4 | 90,543 | 4,527 | 95,070 | 8,000 | 87,070 |
| 5 | 87,070 | 4,353 | 91,423 | 8,000 | 83,423 |
| 6 | 83,423 | 4,171 | 87,594 | 8,000 | 79,594 |
| 7 | 79,594 | 3,980 | 83,574 | 8,000 | 75,574 |
| 8 | 75,574 | 3,779 | 79,353 | 8,000 | 71,353 |
| 9 | 71,353 | 3,568 | 74,920 | 8,000 | 66,920 |
| 10 | 66,920 | 3,346 | 70,266 | 8,000 | 62,266 |
| 11 | 62,266 | 3,113 | 65,380 | 8,000 | 57,380 |
| 12 | 57,380 | 2,869 | 60,249 | 8,000 | 52,249 |
| 13 | 52,249 | 2,612 | 54,861 | 8,000 | 46,861 |
| 14 | 46,861 | 2,343 | 49,204 | 8,000 | 41,204 |
| 15 | 41,204 | 2,060 | 43,264 | 8,000 | 35,264 |
| 16 | 35,264 | 1,763 | 37,028 | 8,000 | 29,028 |
| 17 | 29,028 | 1,451 | 30,479 | 8,000 | 22,479 |
| 18 | 22,479 | 1,124 | 23,603 | 8,000 | 15,603 |
| 19 | 15,603 | 780 | 16,383 | 8,000 | 8,383 |
| 20 | 7,603 | 380 | 7,983 | 8,000 | -17 |

## APPENDIX 2 Folder

## APPENDIX 3 Acknowledgements

The 2006 sports report of the Social and Cultura