



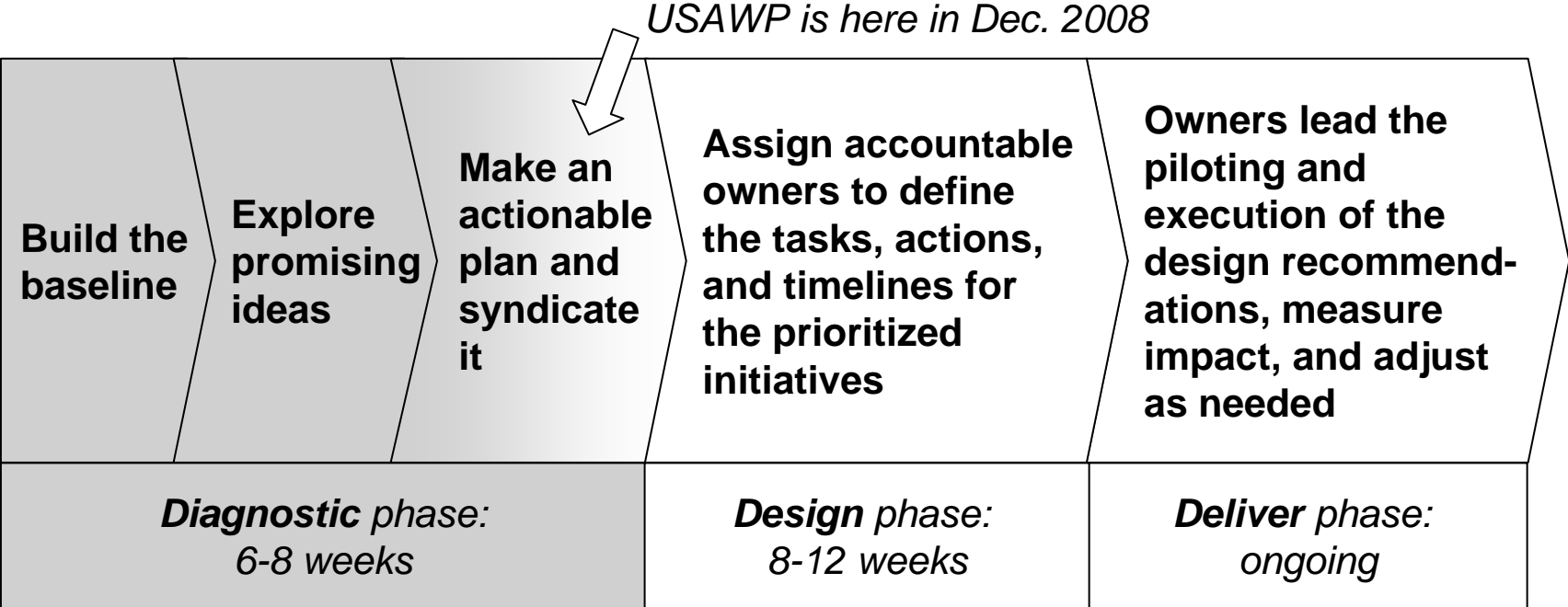
Membership growth strategy: The call for growth and plan to get there

December 2008

Planning for and achieving growth at USA Water Polo (USAWP)

■ Completed
□ To be completed

Process overview



A plan has been informed by:

- Over 50 interviews with water polo stakeholders
- 6 case studies of analogous sports' national governing bodies
- A workshop with representatives from all zones within USAWP

Growth brings about success because it has a self-reinforcing nature

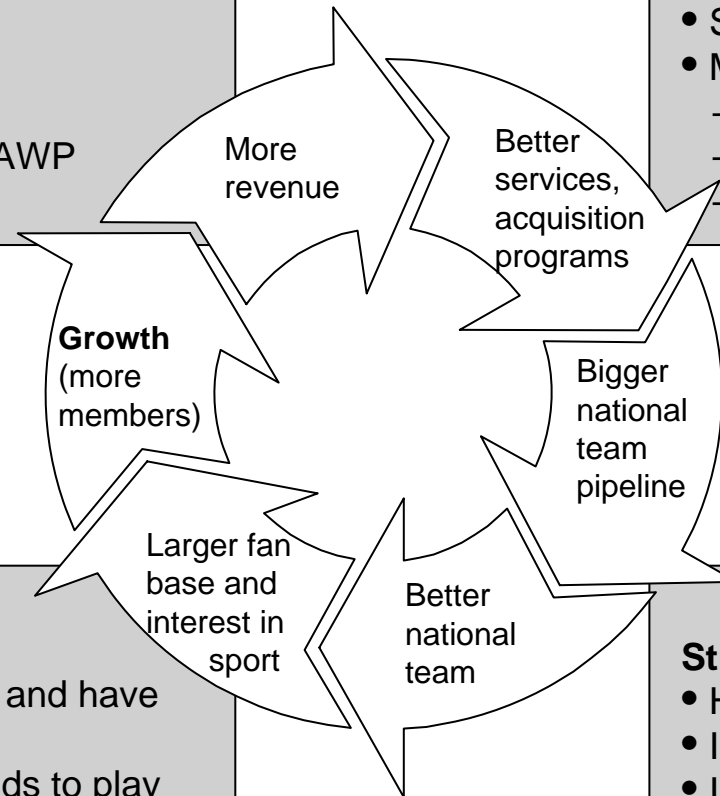
Mission Statement: The mission of USA Water Polo shall be to grow the sport of water polo throughout the United States **and** to win gold medals in Olympic, World Championship and Pan American Games

Membership growth

- Broad participation base across
 - Geographies
 - Ages
 - Abilities
 - Etc.
- Increased revenue for USAWP

Better experience

- More convenient playing opportunities
- Better competitions and events
- Shared best-practices
- More programs supported by USAWP
 - Better technology tools
 - More training materials
 - More marketing of the game



Improved visibility

- Kids know about the sport and have friends who participate
- Parents encourage their kids to play
- Former players stay involved and supportive
- Water polo is covered by the media

Stronger water polo base

- High member retention at all ages
- Increased high school participation
- Increased collegiate opportunities at all levels
- Improved National Team and pipeline
- Increased Masters participation

Currently USA Water Polo is small and has not grown to its potential*

Notable facts

Membership lacks scale

- ~25,000 members (vs. ~250,000 for both US Swimming and US Lacrosse)
- Smallest team sport with an NCAA championship (there are fewer men's teams now than there were 10 years ago)
- One of the smallest high school team sports
- Current lapse and join rates project flat to slightly negative growth
 - Low retention under 10 years old limits growth
 - Introduction of women's water polo hides weakness in men's membership

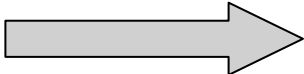
Sport is local not national

- 50% of all player members play with the largest 10% of clubs (~60 clubs)
- California concentration is extreme
 - 77% of all USAWP members are from California
 - 97% of clubs with over 100 members are in California
 - 70% of all high school players are in CA
 - 53% of all NCAA programs are in California and 73% of men's Div. III programs are in California
 - 70% of players in the 2008 men's NCAA tournament come from California
- Even within California the sport is still not pervasive
 - Orange, Los Angeles, and San Diego counties make up 49% of members in California versus only 35% of general population
 - The next 6 counties account for 27% of members

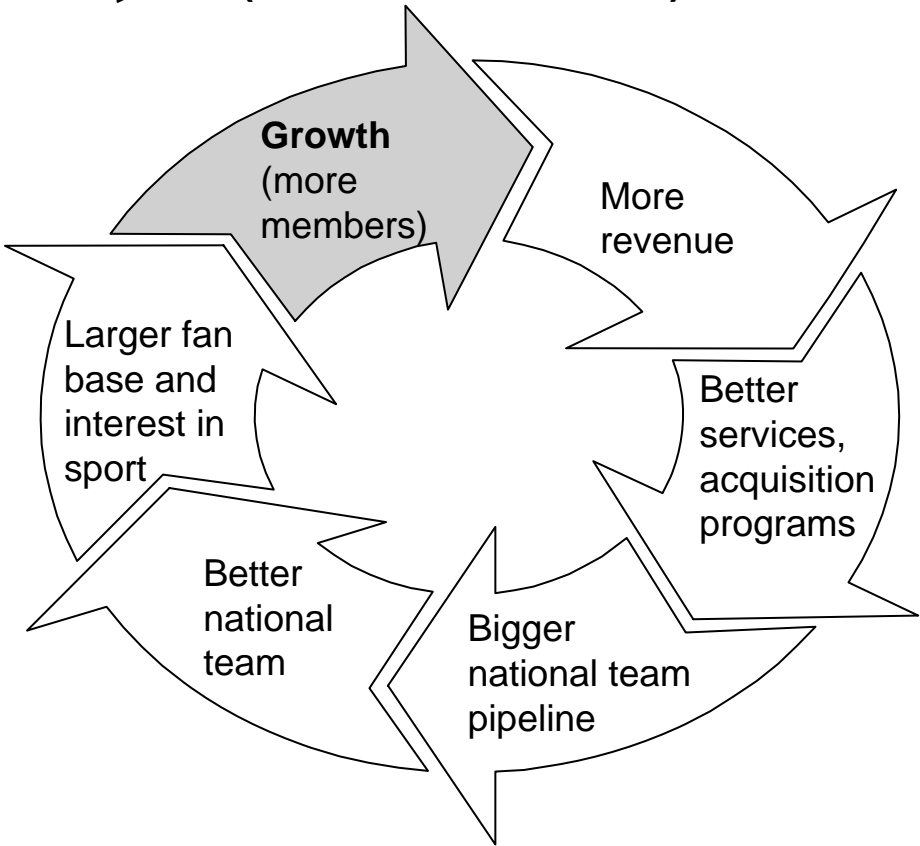
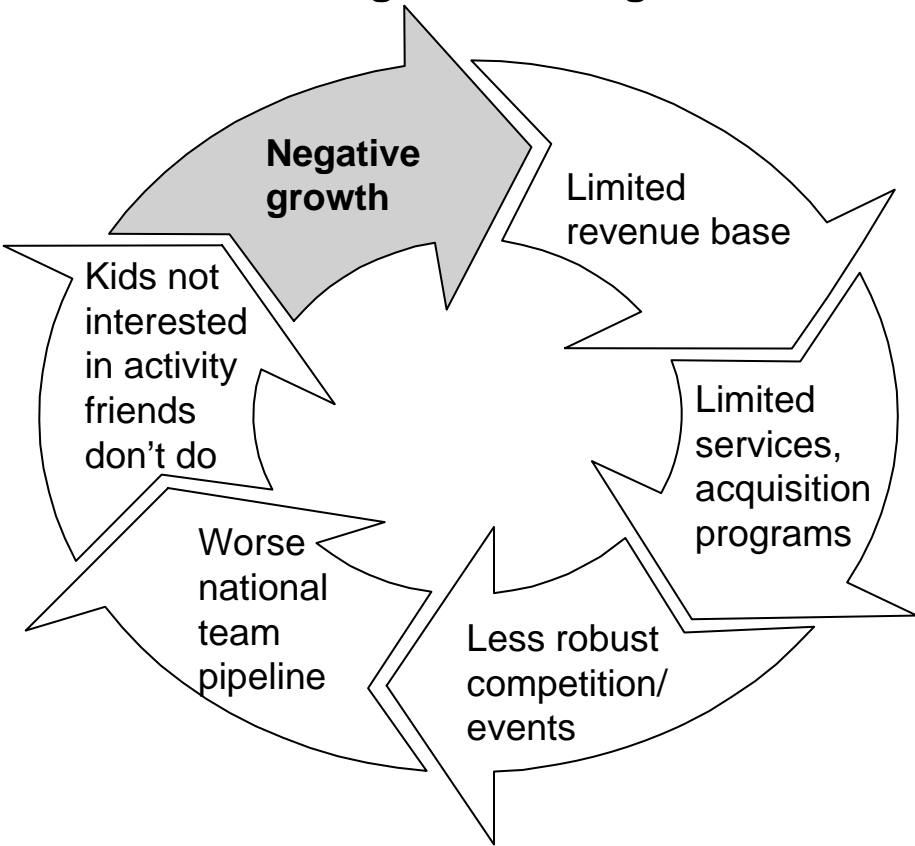
* Water Polo is statistically one of the fastest growing high school sports (per NFSHA), further implying a growth potential for USAWP

Addressing these issues will help the sport and avoid any risk of a downward spiral

Vicious cycle that is possible when there is negative or no growth



Virtuous cycle of growth (where we want to be)

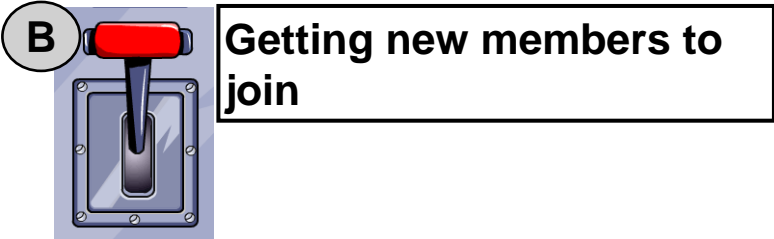
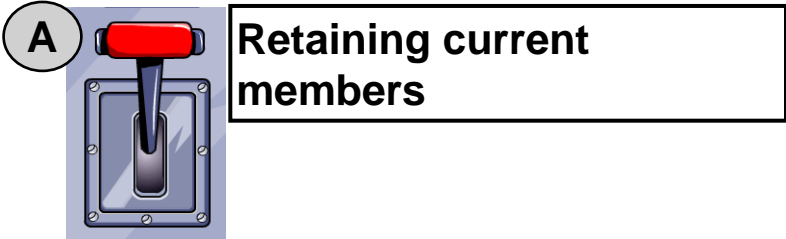


Over the years, the issues identified have caused some adverse outcomes that we don't want to persist or worsen:

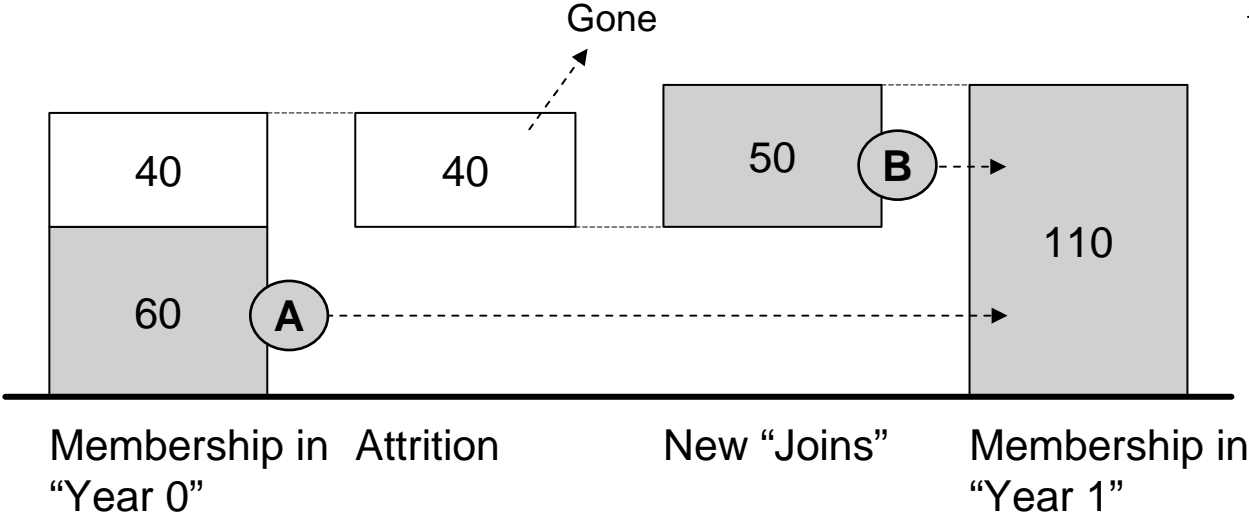
- Cutbacks in NCAA programs
- Little to no media coverage
- "Competing" factions (e.g., American Water Polo, CA vs. Non-CA)
- Uneven, sometimes "unprofessional" experience for kids/parents
- Two-decade struggle to meet potential as a men's national team

In order to grow USA Water Polo will launch initiatives aimed at pulling the two levers that control membership – retention and new members joining

Available levers



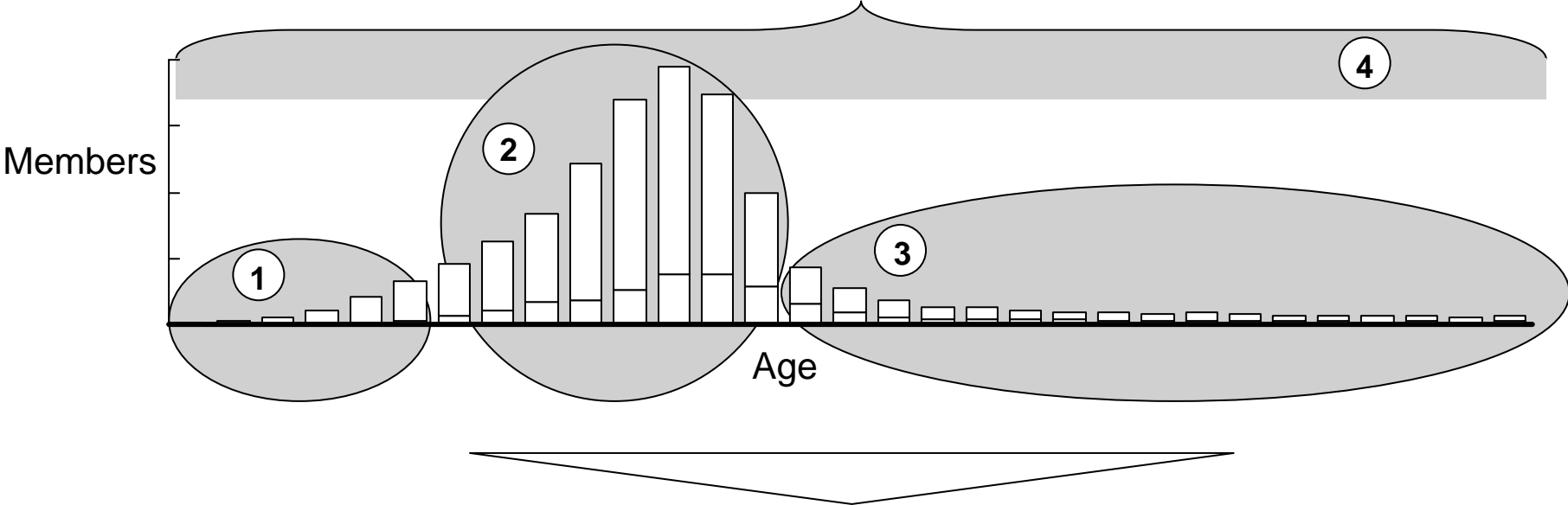
Resulting membership



ILLUSTRATIVE

There are five major themes in addition to current work that will be pursued to achieve growth

Today's membership profile by age with highlighted areas of opportunity



Five major themes that directly address the opportunity areas for USA Water Polo

- 1 Drive widespread trial at young ages
- 2a Redesign the club support system
- 2b Improve member value (club sales/marketing easier)
- 3 Augment the masters program
- 4 Reconnect the alumni

5 major themes

The five major themes are supported by 11 high-priority initiatives that will drive growth at all target ages

5 major themes

1
Drive widespread trial at young ages

2a
Redesign the club support system

2b
Improve member value (club sales/marketing easier)

3
Augment the masters program

4
Reconnect the alumni

11 initiatives

1.1
Create the “T-ball” of water polo

2a.1
Launch a club recognition program

2b.1
Create more player/team recognition

3.1
Provide true recreational play (“pick-up”)

4.1
Design the ongoing interaction plan with alumni supported by a robust database

1.2
Marketing to parents

2a.2
Provide “how-to” guides and connectivity

2b.2
Expand the water polo “eco-system”

3.2
Fill in range of play through elite competition

1.3
Partnerships to extend reach of trial

2a.3
Offer in-person consulting in targeted areas

USAWP must continue to roll-out its Olympic Development Program and use that platform to raise coaching and refereeing quality/consistency

1 Drive widespread trial at young ages: Drive our fair share of trial versus other childhood activities

Vision: Plant water polo in the minds of **millions of moms and dads** choosing activities for their **young children** (*Picture this: water polo as part of what it is to be a kid in America*)

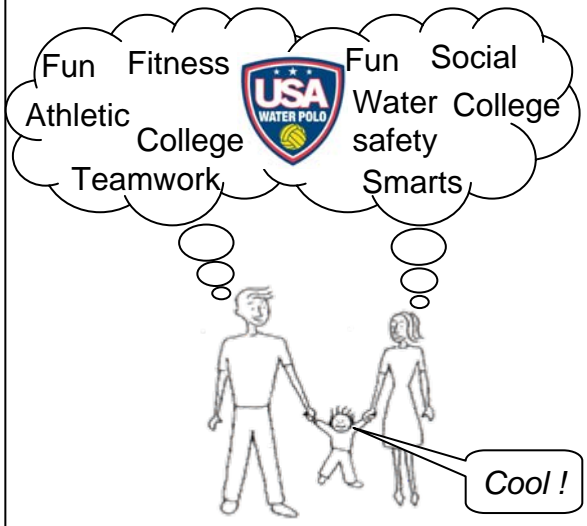
Why we are doing this: Because growth relies on a wide funnel at the start. There is no good way for USAWP to currently induce trial and subsequent membership when athletic activity choices are being made (i.e., ages 5-10).

1.1 “T-ball” of water polo



Nationally consistent rules for each age that make the game easier for kids and attractive to parents without losing the essence of water polo (to include how to introduce polo at “learn to swim”)

1.2 Marketing to parents



Clear messaging of the value of water polo (vs. other youth activities) supported by a tactical outreach plan

1.3 Partnerships



Formal “Win-win” contracts with entities that have pools; they get money, a fun curriculum, etc., and USAWP gets child trial and marketing access to participant families

2a) Redesign the club support system: Clubs can't go it alone – USAWP must facilitate club formation and growth

Vision: Create an **incentive for clubs to grow** and a **robust support system** to enable both **formation and growth** (*Picture this: supporting clubs like McDonald's supports franchisees*)

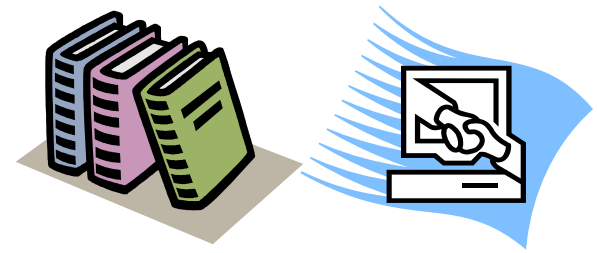
Why we are doing this: Because the variable ability of clubs to succeed limits USAWP's growth potential. There is no good way for USAWP to currently set or achieve club formation and expansion targets or reduce performance gaps between "best" and "worst."

2a.1 Club recognition



A formal program to rate clubs in tiers (e.g., bronze, silver, gold) with specific criteria and an improved value proposition for each level

2a.2 "How-to" guides and connectivity



A resource "library" full of easy to use "how-to" modules for all facets of starting and running a club

Club connectivity channels designed for best practice sharing ("sister" clubs, online forums)

2a.3 Targeted in-person consulting



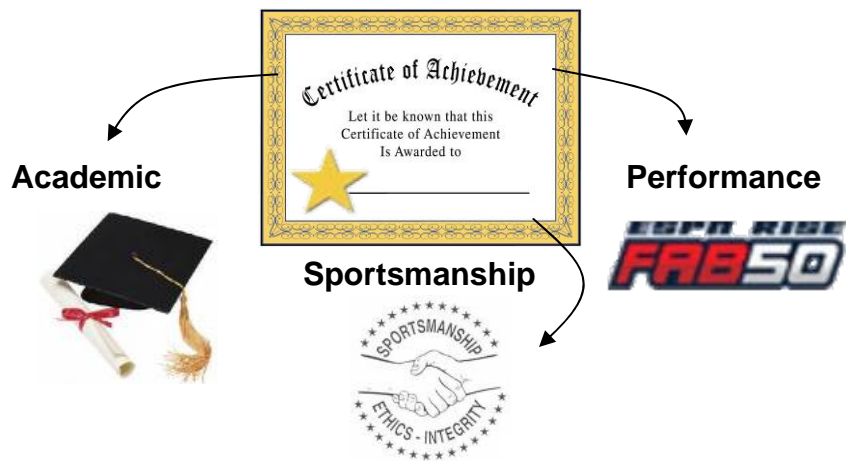
Expert consultants placed in a specific "micro-geography" to augment the library tools with personal support that stimulates new club formation and growth of existing clubs

2b) Improve member value: Make players value what they get out of USAWP so clubs have an easy time attracting and keeping kids and their families

Vision: Offer intangible value **well in excess of dues** by rewarding achievement and making polo something that opens doors in life (*Picture this: water polo as the “it” extra-curricular*)

Why we are doing this: Because the choice to play sports (and thus NGB membership) is driven by many forces including parental views about college, how good the kid feels, etc. There is no national effort to reward the kids or make parents see a future fueled by water polo.

2b.1 Player/team recognition



An organized way to both reward individuals for varied skills and spur a lively community debate about the order of team and player rankings so everyone works harder to move up and demonstrate achievement

2b.2 Expansion of the “ecosystem”



A focused relationship development program that systematically and creatively lobbies 3rd party organizations for the betterment of the sport (increase in NCAA teams/scholarships, formation of more high school teams, corporate providers of scholarships, jobs programs, etc.)

3 Augment the masters program: Give everyone the chance to play the game their way

Vision: Leave no player unable to continue the game he/she loves regardless of the level he/she can or wants to play at (*Picture this: water polo as available and flexible as basketball*)

Why we are doing this: Because every member retained that would have quit is like a new member found. There is no current outlet that combats the pyramid shape of available water polo spots and thus most players have little choice but to quit the game.

3.1 A true recreational offer



- Pre-set times
- Pick-up rules
- Choose teams
- *Play!*

An organized “pick-up” version of water polo available to all post-high school members with altered rules and a social bent designed for recreational participation

3.2 Fill in range of play through elite competition



&



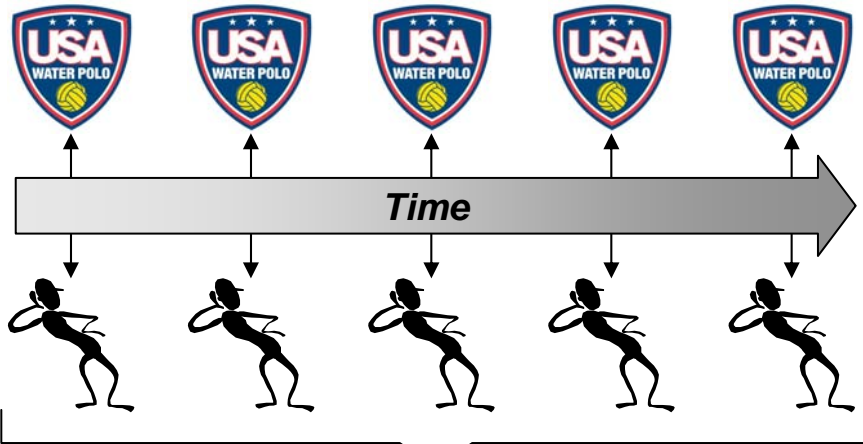
A multi-tier masters league drawing players of different skill level and competitive desire into different tournaments that include world-class water polo and “fun” water polo

4 Reconnect the alumni: Making the adage “Once a water polo player, always a water polo player” a reality

Vision: Connect alumni to the sport *and* each other so as to feel **part of a fraternity/sorority** where **participation is the norm** (*Picture this: the college/university alumni model*)

Why we are doing this: Because the sport needs ambassadors help build exposure, participate in coaching or refereeing it, mentor retiring players, or simply fund it. The ability to reach and the regularity of the communication with alumni is inconsistent.

4.1 An ongoing interaction program supported by a robust database



A tactical plan for what information to provide to alumni via what information channel and at what cadence so that the relationship can be maximized for goodwill, finances, and participation (includes an “affiliate membership offer if so desired)

A searchable, filterable database of the hundreds of thousands of former players’ contact details, demographics, vocational information and more to facilitate written and electronic communication and improved negotiations with sponsors/advertisers



Implementation must be phased to be achievable – the road to growth will begin in 2009 with youth water polo, club support, and the alumni network

USAWP core focus
(USAWP designed plus execution support for zones/clubs)

Phase 1: 2009

New initiatives:

- Youth programs
 - *Initiatives 1.1., 1.2, and 1.3*
- “Club in a box” tools & club connectivity
 - *Initiative 2a.2*
- Alumni network database
 - *Initiative 4.1*

Continued roll-out:

- Continued Olympic Development Program (ODP) roll-out
- Coach and referee training/certification programs

Locally encouraged
(zones/clubs design and execute out of own desire for growth)

- Start casual masters “pick-up” games (*initiative 3.1*)
- More player recognition
- Expand local polo “ecosystem” (nearby schools, swim clubs, media outlets, etc.)



Targeted consulting and recognition programs planned for 2010 with all initiatives to be underway and undergoing rapid expansion/roll-out by 2012

USA Water Polo is transforming its organization in three ways to enable growth, but still needs a team approach with local zones, clubs, volunteers

What USAWP is doing:

Facing deep-seated cultural problems head on by becoming more:

- Transparent and accountable
- Responsive
- Active in driving bi-directional feedback with members and stakeholders
- Focused on sharing best practices around the organization

Being willing to invest more in regional support by having:

- Strategic focus over cash support (i.e., personnel and program support)
- Clear expectations and tools to support achievement of the expectations

Defining and staffing an improved organizational structure by:

- Assigning a single owner to be held accountable for each initiative
- Finding creative solutions to overcome staff limitations (e.g., part-time, interns, commission-only, stipends, etc.)

- USAWP will **never have enough staff** without the help of our volunteers to execute on its full growth vision
- **Zones, clubs, and volunteers need to all play a role** in designing initiatives and are critical to being able to roll-out initiatives nationally
- **Zone chairs** have been involved and **universally support the plan**
 - All have volunteered to help design and/or pilot at least one initiative
 - Have an inspired group ready participate

We will bring this plan to life through a series of local “town-hall” style meetings in February – April 2009

Come see what we are planning and how you can help grow our great sport of water polo

Town Hall Meeting schedule will be made available at

<http://www.usawaterpolo.org/>

Please check back for updates

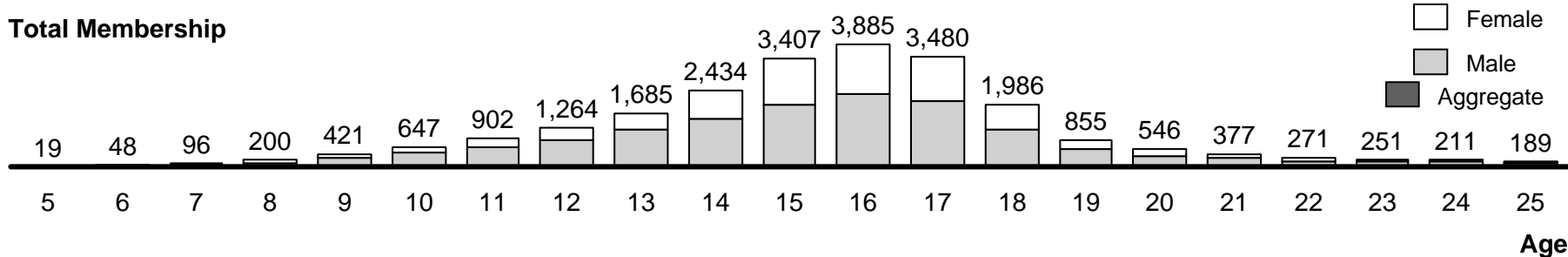
APPENDIX

Current Statistical Overview

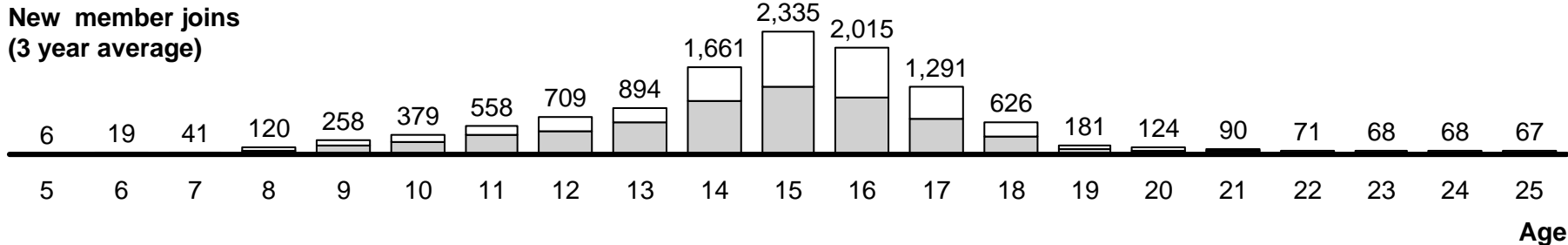
Overview of USA Water Polo membership (all types active on Oct 1, 2008)

Players	Clubs	Players / Club	Players / Coach	Players / Ref	Growth* (%)
23,166	651	36	16	41	-1

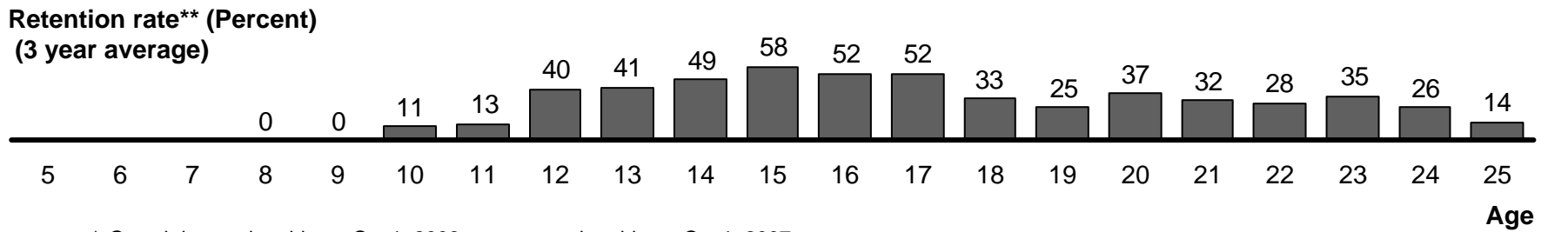
Total Membership



New member joins (3 year average)



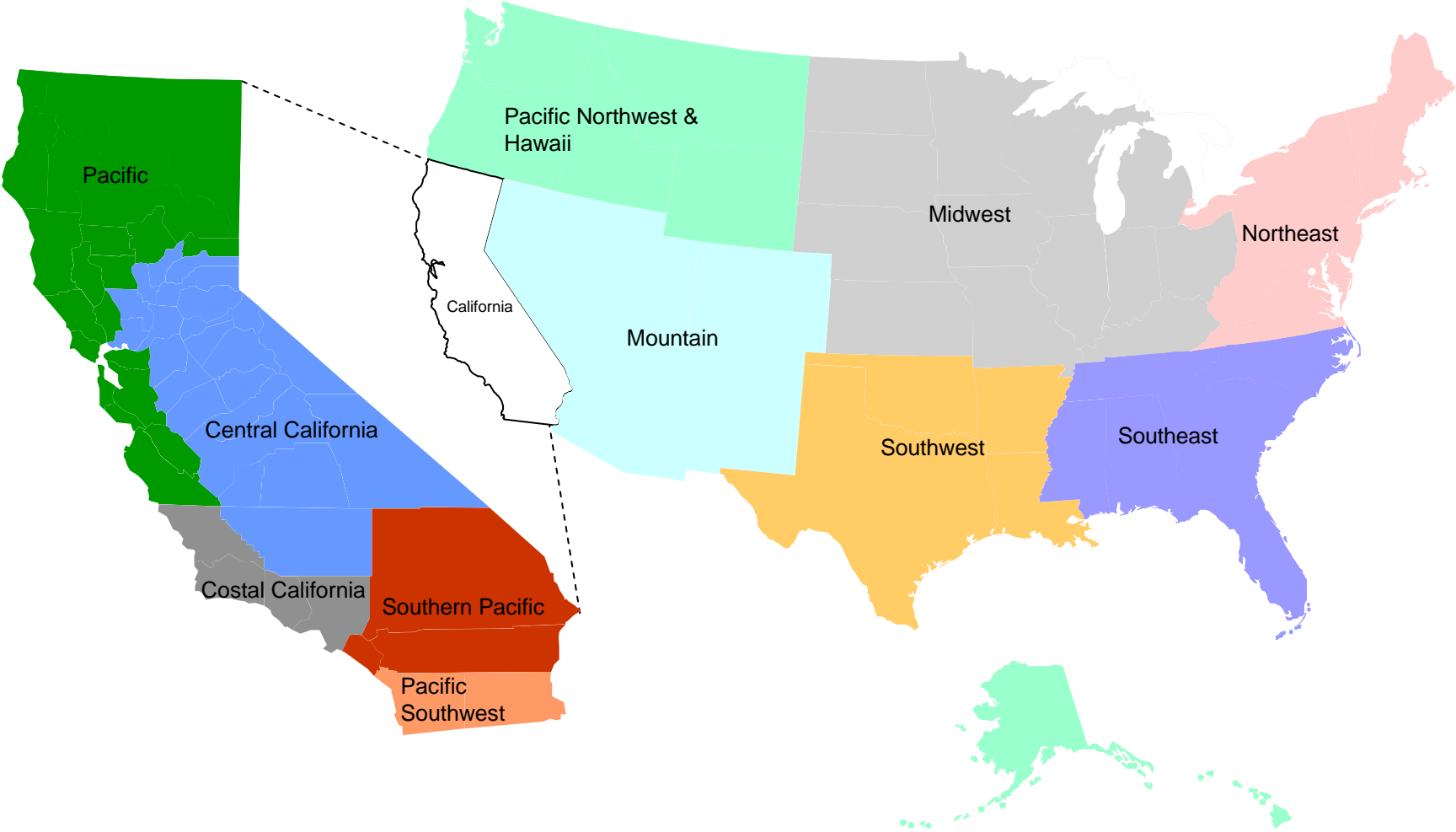
Retention rate** (Percent) (3 year average)



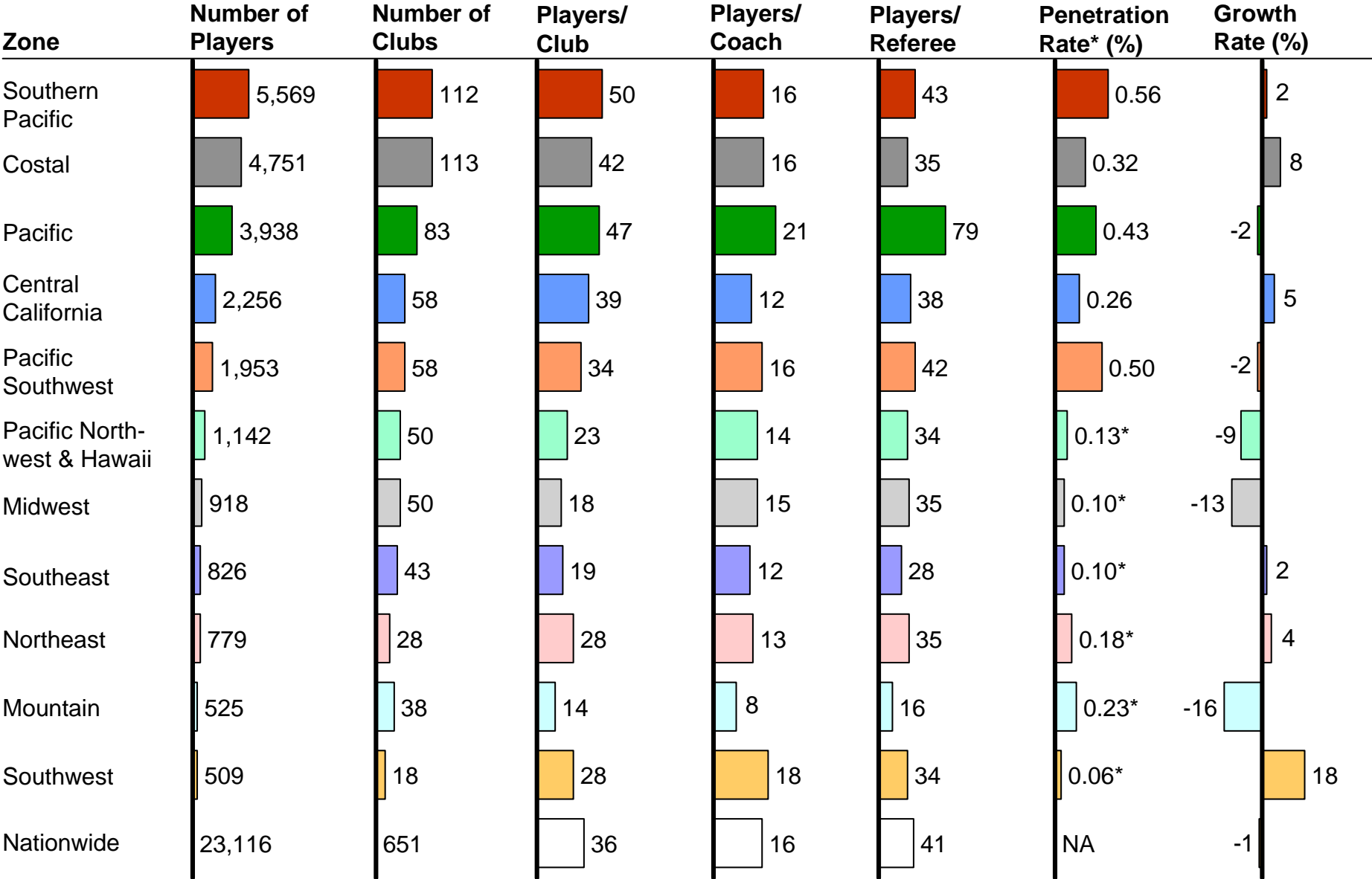
* Growth is membership on Oct 1, 2008 versus membership on Oct 1, 2007

** Ages 5-7 are omitted since the number of members is too small for retention rates to be meaningful

USA Water Polo divides the country into 11 zones



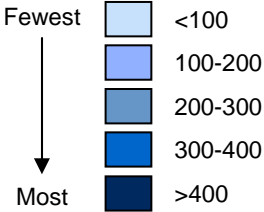
Summary of key zone statistics and ratios (Snapshot as of Oct 1, 2008)



* In non-CA zones penetration rates are for the highest penetrated metropolitan area; all rates based on member count divided by the population of 10 – 19 year olds above the poverty line in that county or metropolitan area

Membership is driven by (A) new members coming in and (B) retention of existing members:

Count of new members joining by age – 3 year average*

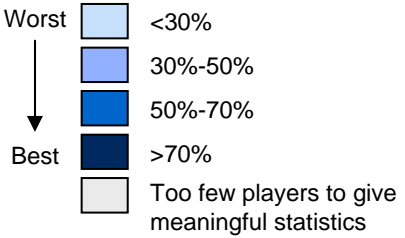


	Age																				
	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Southern Pacific	2	5	16	56	109	164	223	210	230	473	711	530	290	0	0	0	2	0	4	0	4
Coastal	4	2	8	26	41	107	141	192	194	511	712	594	198	0	0	0	11	0	8	2	1
Pacific	1	1	3	18	41	63	102	186	217	341	392	363	159	0	0	0	0	0	1	13	3
Central California	0	3	10	11	22	42	79	90	162	228	471	372	221	0	0	3	8	10	1	3	4
Pacific Southwest	0	0	1	3	21	27	26	71	83	168	292	237	79	0	0	0	0	0	8	0	12
Pacific Northwest & Hawaii	0	1	0	3	3	7	16	42	54	71	130	157	136	41	10	0	1	7	4	4	8
Midwest	0	0	0	2	1	3	13	23	40	55	109	150	128	4	0	0	6	0	2	4	4
Southeast	0	0	0	2	8	10	14	22	18	45	60	111	58	57	12	0	6	6	10	5	5
Northeast	0	0	0	0	0	3	13	33	32	17	33	38	40	28	0	12	14	0	15	8	9
Mountain	0	0	0	5	6	5	7	7	27	32	66	94	131	143	62	16	0	4	7	1	8
Southwest	0	0	0	0	2	2	8	21	23	32	33	58	19	22	1	4	0	7	2	6	7
Nationwide	7	12	38	126	254	433	642	897	1,080	1,973	3,009	2,704	1,459	295	85	35	48	34	62	46	65

* Compares September 1 of current year to September 1 of prior year for 2006, 2007, and 2008
 Source: USAWP database

Membership is driven by (A) new members coming in and (B) retention of existing members:

Percent of members retained by age – 3 year average*



	Age																				
	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Southern Pacific	100	0	0	0	3	19	35	49	55	62	67	66	67	52	33	33	41	38	49	34	50
Coastal	0	0	17	18	4	11	38	53	57	66	69	69	66	51	37	38	50	47	54	51	41
Pacific	100	100	0	0	0	4	0	36	43	53	58	64	62	58	41	40	57	50	49	53	32
Central California	0	0	0	0	0	0	5	21	44	46	56	63	65	50	37	37	48	52	45	39	44
Pacific Southwest	0	0	0	67	0	38	40	43	41	59	65	64	66	50	36	37	49	54	50	21	64
Pacific Northwest & Hawaii	0	0	100	100	0	0	21	36	39	41	53	45	51	40	31	16	29	37	31	28	47
Midwest	0	0	0	100	57	0	32	38	13	25	31	46	52	41	30	27	32	42	29	27	20
Southeast	0	0	0	100	0	0	57	38	36	59	55	46	49	49	39	26	38	41	52	48	13
Northeast	0	0	0	0	0	40	50	41	77	72	73	58	61	55	43	44	63	39	41	43	58
Mountain	0	0	0	100	75	0	50	0	0	0	0	0	0	21	13	15	23	21	40	15	58
Southwest	0	0	0	0	100	100	0	0	0	19	60	69	64	61	46	42	30	67	33	50	63
Nationwide	100	0	0	0	0	11	13	40	41	49	58	52	52	33	25	37	32	28	35	26	14

* Compares September 1 of current year to September 1 of prior year for 2006, 2007, and 2008
 Source: USAWP database