

Markus Gaebel · 3 days ago

# Success Factors in Racquet Facilities – Still True After 35 Years



Dr. Kai Haack

Dr. Kai Haack knows leisure facilities like few others. More than three decades ago, he completed his PhD in macroeconomics on the success factors of leisure centers. Though no longer directly involved in the sector, Dr. Haack’s insights from over three decades ago haven’t lost an ounce of relevance. The fundamentals of racquet sports business models remain the same — a powerful reminder that sometimes, the best way to see the future is to understand the past.

In a recent conversation with SFN, Dr. Haack shared reflections that resonate deeply with the racquet facility landscape of today. One of his core messages is almost disarmingly simple:

"The fundamentals haven’t changed."

And by that, he means: While technologies, trends, and software evolve, the basic pillars of a successful facility remain surprisingly stable. According to Dr. Haack:

“You can’t copy what worked in Hamburg and expect it to succeed in Munich. Every site is unique. But what never changes is this: location, location, location.”

His research and experience highlight two constant truths:

## 1. Location is king

A great manager can't save a bad site. But a solid location can give even a struggling operator a fighting chance. As he put it:

“Facility management is important—but if the setting isn’t right, all the operational excellence won’t help you. This is just like in real estate: it’s all about the location.”

## 2. Flexibility equals longevity

A facility must survive trends it cannot predict. Whether it's a sudden badminton boom or the rise of pickleball, those who succeed are those who can pivot:

“If you’ve got a building that can ride five waves over 20 years, you’re in good shape. But if you’re stuck with just one sport in one format—you’re doomed.”

And perhaps his most sobering quote for new operator-investors:

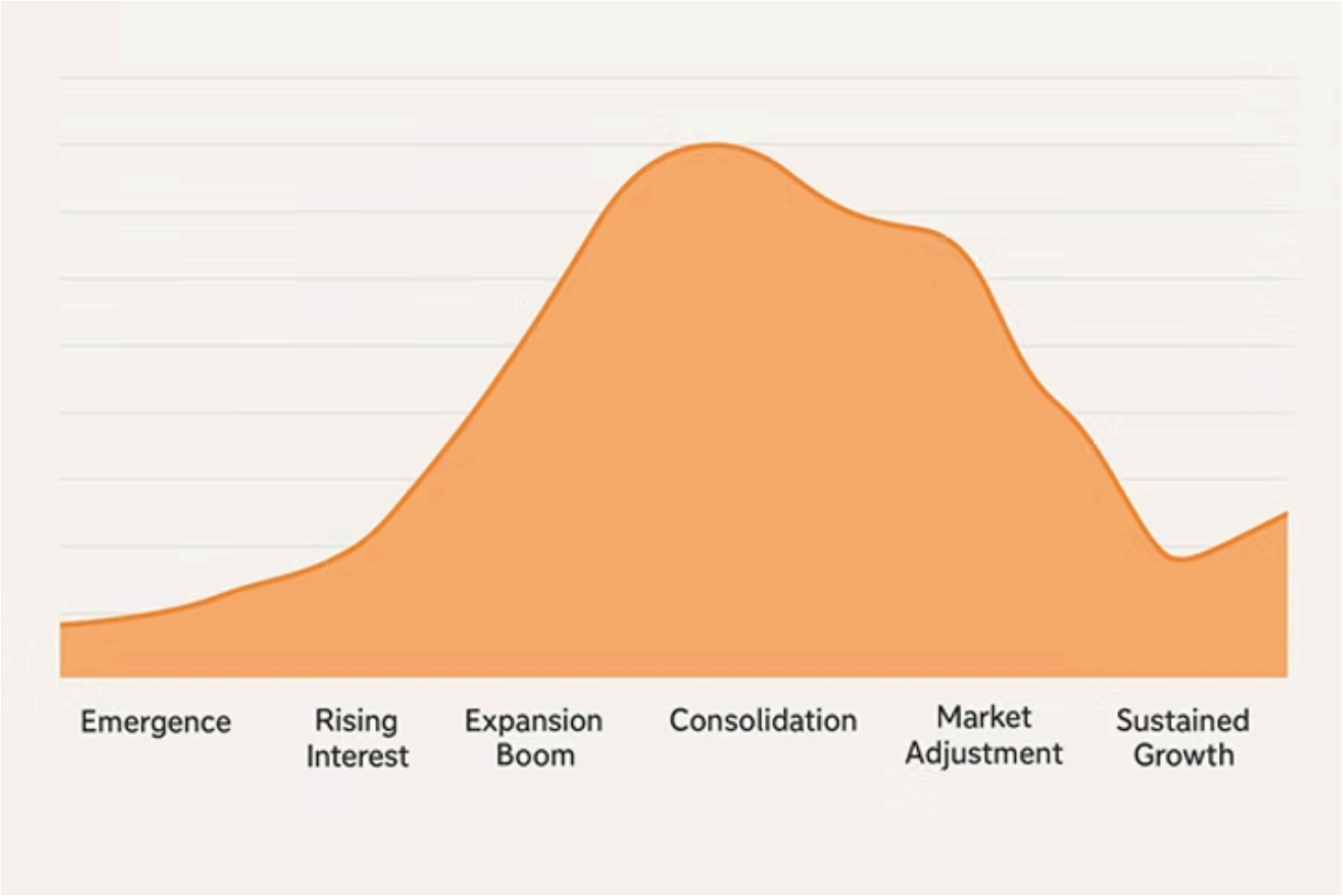
“You’re not investing in leisure. You’re investing in work. Leisure is for your customers—not for you.”

Haack warns against the classic mistake of underestimating the personal cost of ownership—particularly in a 24/7 operation like a racquet sports facility. And he challenges investors to think beyond one wave, one model, one hero product.



## Typical Market Development: A Familiar Curve

The trajectory of racquet sports facilities often follows a highly predictable path — illustrated clearly in the **market lifecycle curve** shown above. Whether it's racquetball in the 1980s, squash in the 1990s, or more recently padel in countries like Sweden, we see the same pattern again and again:



- **Emergence:** A new sport appears, often driven by innovation or a shift in lifestyle trends.
- **Rising Interest:** Early adopters generate buzz; operators rush in, driven by passion and a perceived first-mover advantage.
- **Expansion Boom:** Investments pour in. Courts pop up everywhere. Demand skyrockets. The “gold rush” begins.
- **Consolidation:** Growth slows. Only the strongest concepts remain profitable. Operational and financial pressures begin to show.
- **Market Adjustment:** Oversupply hits. Prices fall. Operators exit. Enthusiasm cools. Media hype fades.
- **Sustained Growth:** A smaller, more stable market emerges. Professional operators, sound business models, and loyal communities form the backbone.



From an economic standpoint, this curve resembles what business scholars might call a "Product Life Cycle" or the "Hype Cycle" — but in facility development, it’s often more brutal.

Unlike consumer goods, sports facilities involve real estate, high fixed costs, and long-term risk. You can’t just pivot or “exit the market” easily when your investment is literally cemented into the ground.

And yet, the same errors repeat — across countries, across decades, across disciplines.

Why?

Because too often, **passion overtakes planning**. Because investors chase the peak, not the foundation. And because every boom feels like *the one that’s different*. But it never is.







It’s high time our industry begins to recognize these patterns, and to bake them into strategic planning. If we want long-term sustainability, we must stop treating racquet sports like the next startup hype — and start treating them like the community-driven, infrastructure-heavy commitments they truly are.



## Success Factors for Racquet Sports Facilities – What Really Matters

Following this, the SFN 'll be diving deep into the real-world dimensions of what makes racquet facilities thrive—or fail.

While no list of “success factors” will ever be the ultimate solution (as Haack reminds us, “scientifically speaking, every case is unique”), the core dimensions we explore are indispensable when creating a robust and realistic business model:

-  Economic KPIs (court usage, pricing, ROI)
-  Location and demographics
-  Offer structure and sport mix
-  Operations, software, automation
-  Community, retention, and marketing
-  Architecture and layout strategy

Each of these elements will be unpacked in our next posts, backed by real-life benchmarks and practical examples from clubs across Europe and beyond.

👉 Stay tuned as we break down the real-world insights that shape sustainable, profitable, and community-driven racquet facilities. Whether you're an investor, operator, or simply passionate about the future of squash, padel, pickleball or badminton—this series is for you.

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