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Building and Maintaining Customer Relationships

'At Your Service' Spotlight: : Soho House – building and maintaining a loyal customer base



Soho House, Brighton, situated on the seafront overlooking the Palace Pier

Social clubs are by no means a new phenomenon, but Soho House was a different kind of members club when it first arrived in London in 1995. Founder Nick Jones established the club as one that catered its membership roster to a mix of people from creative industries like media and fashion, rather than the titans of the financial or political arenas. Now, with more than 40 locations globally, from New York to Mumbai, Soho House is known for fostering creativity and bringing members together to connect, have fun and make an impact.

Soho House remains affordable by membership club standards. For example, in 2024, monthly membership to the Soho House New York was about \$237 per month for single-club access and \$433 per month for access to all clubs in the global network. To keep the clubs youthful and, thus, hip, members under 27 get a 50% discount on the annual membership until they turn 30. Members (there are now over 190,000) also seem to stay loyal once they are in, as the company's retention rate is roughly 95%. "What we've always seen is that members love their home away from home," said Nick Jones. "They don't like giving up their membership because there is a very long queue to join to get back in".

Since 1995, Soho House has cemented its foothold in the hospitality industry around the world, opening new premises in cities like Toronto, Barcelona, and Istanbul. In addition to the 42 club venues, the company has an extensive restaurant portfolio, including London restaurants Dean Street Townhouse and Cafe Monaco, and international chains Cecconi's and Dirty Burger. To create the spaces that people can work, eat, and sit in, Soho House employs an in-house team of between 50 and 60 designers and architects to design the interiors, furniture and other elements that go into each new build. "When we design a place it has to feel like it has atmosphere with no one in it," said Jones, who reportedly oversees every detail. The design at each location favors vintage and bespoke items that are meant to feel locally sourced. In 2016, Jones made it possible to shop these design elements with Soho Home, an e-commerce site.

Soho House is notorious for its selective club membership policy. A membership committee, composed of club members, decides who is and isn't granted access to each specific club. The way Soho House chooses its members apparently allows for "greater community". The Soho House website explains: "Unlike other members' clubs, which often focus on wealth and status, we aim to assemble communities of members that have something in common: namely, a creative soul" (<https://www.sohohouse.com>). Jones says he'd like to think that the club is inclusive. "We've been doing it for 22 years and, as the world changes and as people's work changes, I think the bond to somewhere like Soho House increases all the time". To maintain just the right vibe, Soho House only accepts new members periodically, creating, as Pierre Dourneau, director of North American operations says, "a very, very healthy waiting list". This waiting list was about 100,000 in 2024.

Soho House continues to expand at a rate of five to seven new clubs per year, although some critics are wondering when the group will be profitable. After going public in 2021, shares lost about two-thirds of their value in 2022 after the company's post-pandemic recovery ran up against the pressure of inflation, unfavorable foreign exchange rates, and sudden layoffs in the technology sector. "Each house is individually profitable. If we stopped building, we'd become instantly net profitable, but because we're continually building and making our houses better, we're still at a net loss – but not for much longer," said Jones.