Fast Track

August 20, 2013

Golf Market Assessment and Future Trends

Moderator:

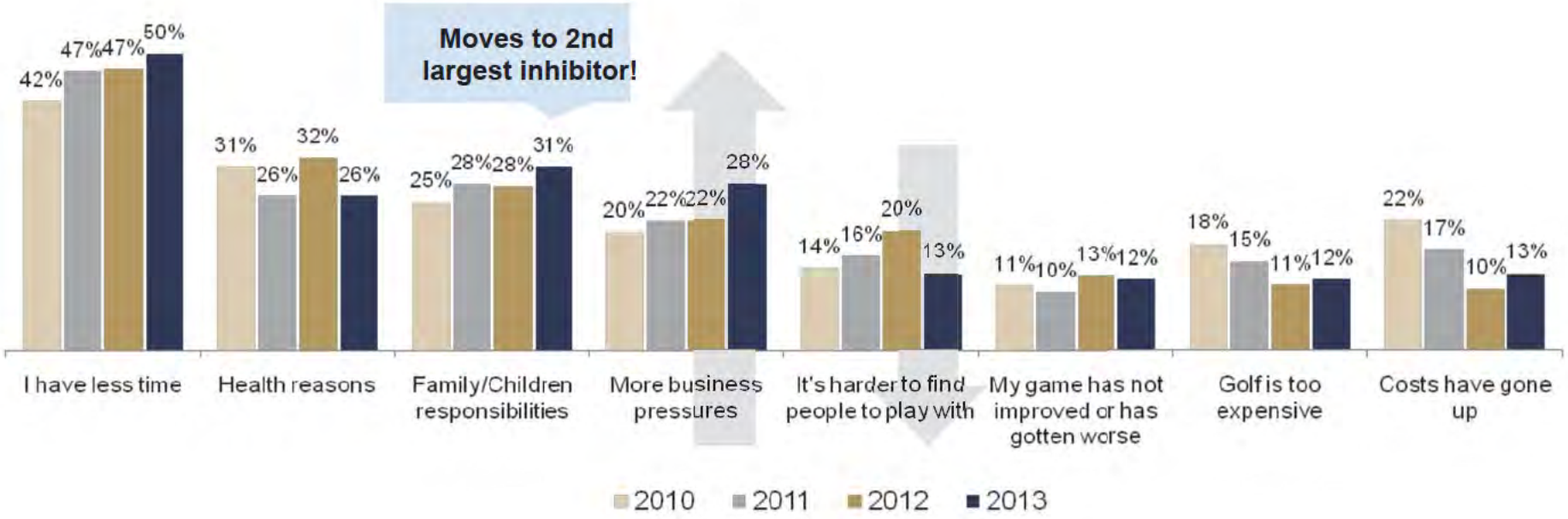
- Paul Metzler, Sr. Director, PGA of America

Panel:

- Greg Nathan, Sr. VP National Golf Foundation
- Jonathan Last, President, Sports & Leisure Research Group

Why Golfers Are Playing Less

- We need to work harder at integrating the family into the golf experience



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Going Beyond the Crutches

	They Say	They Mean	Issues
Crutch #1	"Golf is too expensive"	"I'm not getting value out of my experience"	Customer service; Pace of play; Conditions
		"I spend on lessons & equipment but I don't get better"	
Crutch #2	"I don't have enough time to play golf"	"My on-course experience doesn't justify the time investment"	Too crowded; bad service; lack of improvement

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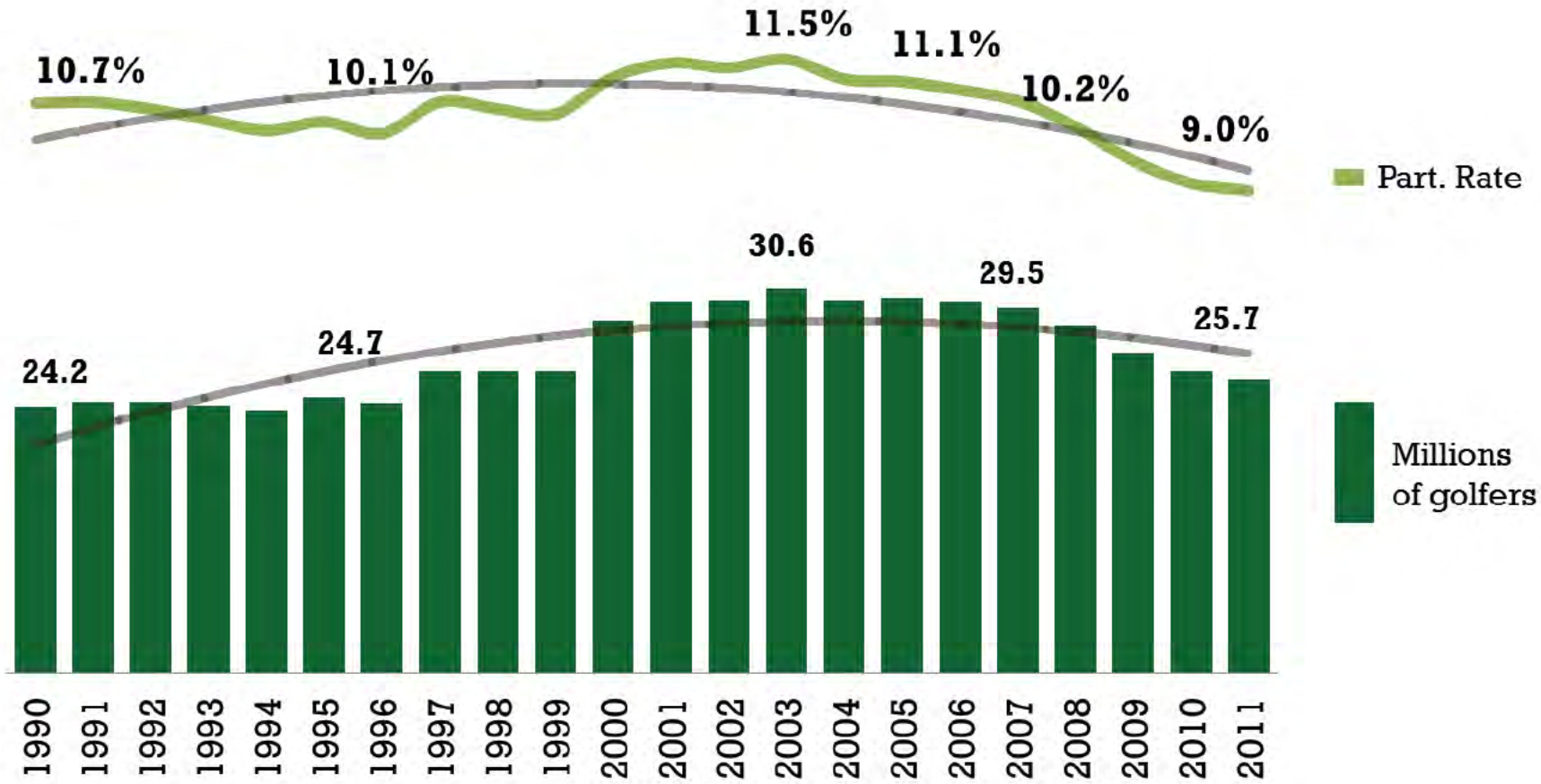
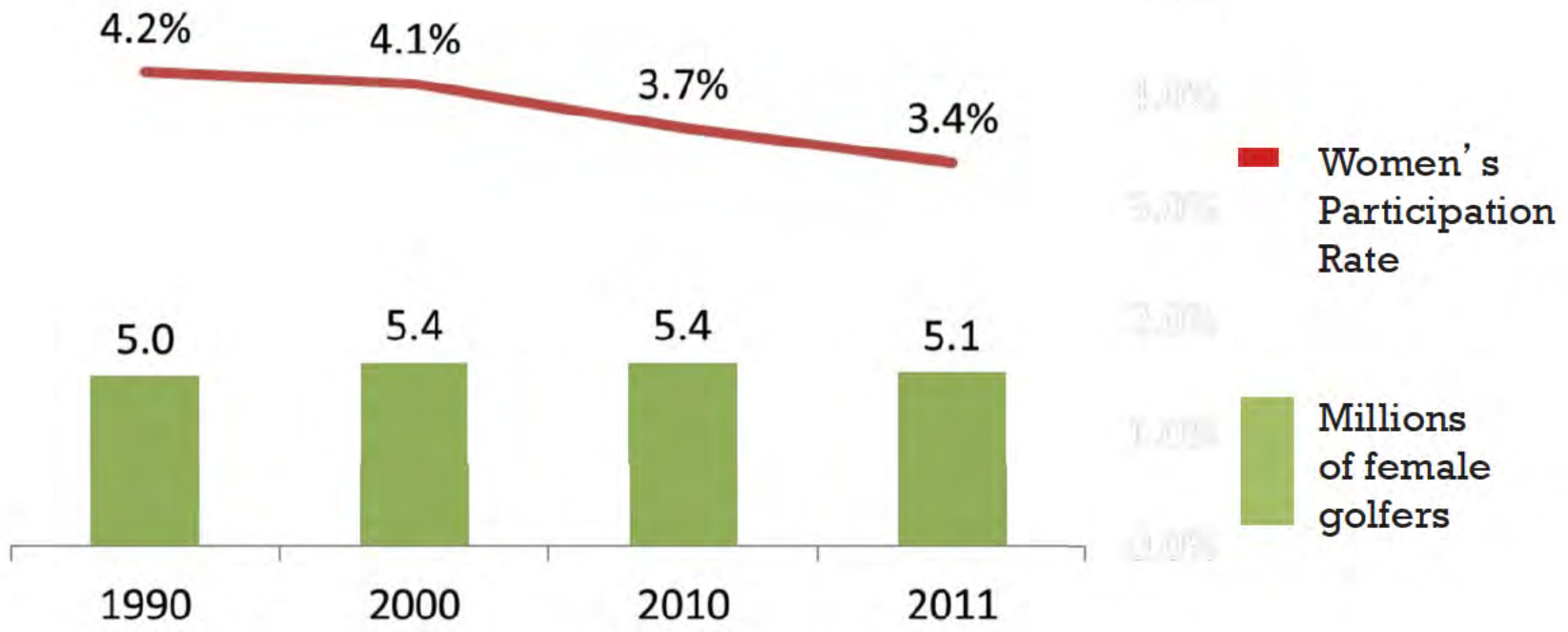
Participation: Rate and Volume

1990 thru 2011



How have things changed?

Women's golf participation: 1990 thru 2011



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Despite the fact that females
have accounted for 35-40% of
the beginners over time

Women participation in other sports/activities

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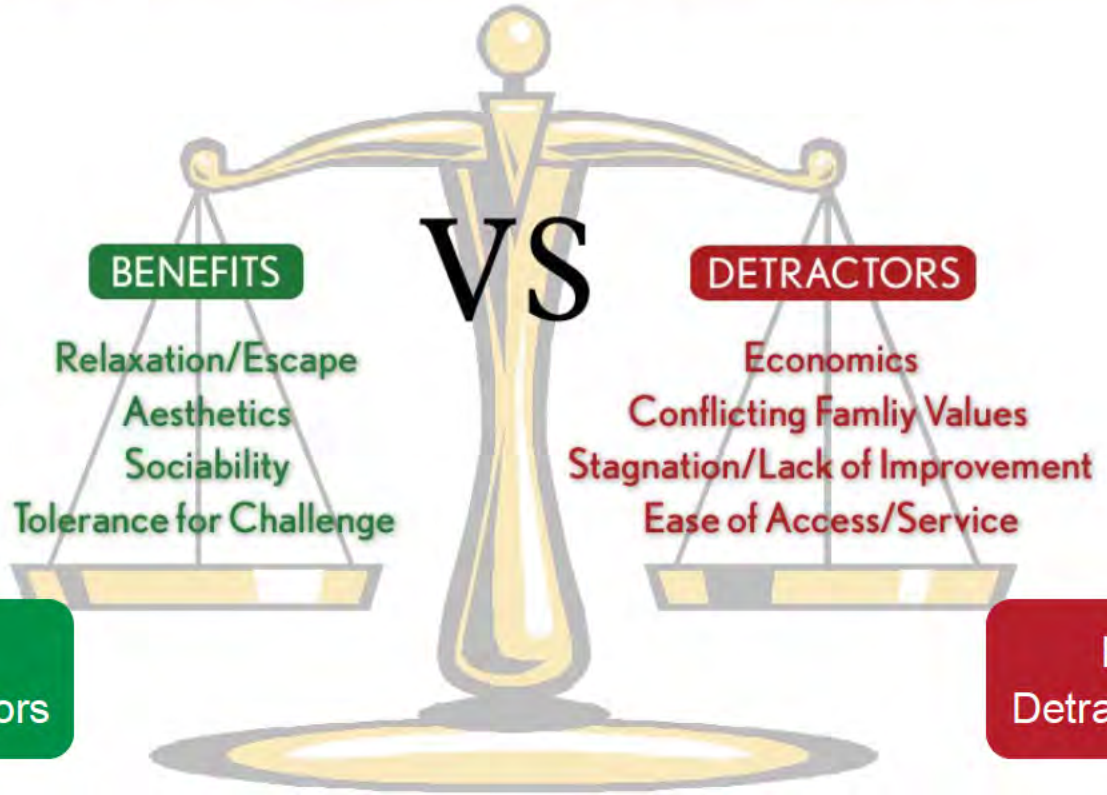
The Attrition Battle

Tipping The Scale of Critical Success Factors



Play More If
Benefits > Detractors

Play Less If
Detractors > Benefits

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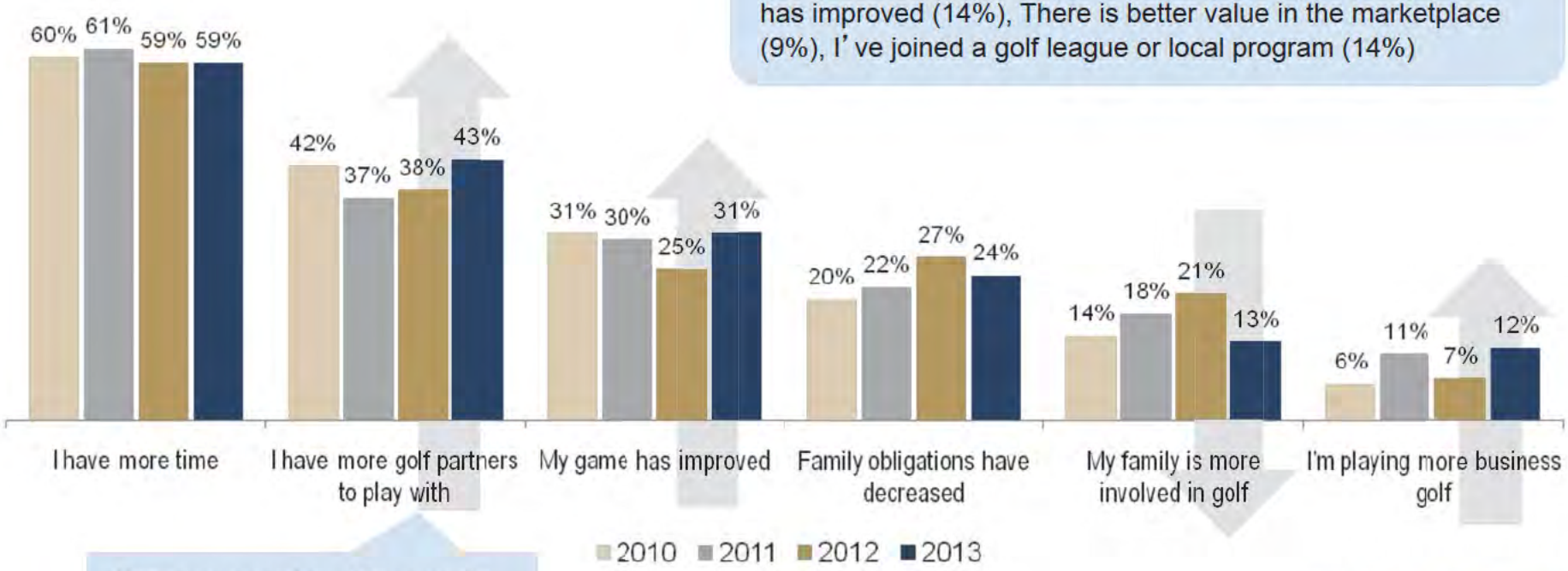
Why Golfers Are Playing More

- Its about people: Playing partners and business golf are on the rise. But what about family?

Stable reasons cited: I have reduced business pressures (21%), I've recently bought new equipment (17%), My health has improved (14%), There is better value in the marketplace (9%), I've joined a golf league or local program (14%)



Top response for <35 years old (56%), public golfers and lower income players

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Golf: The Ultimate Safe Haven and Facilitator of Community

"Camaraderie has become more important. You never know if you or your friends will be here today or gone tomorrow. Again, you just take advantage and enjoy every chance you have because it could be taken away by some unknown and unforeseen circumstance"

– Focus Group Respondent on Golf's Importance

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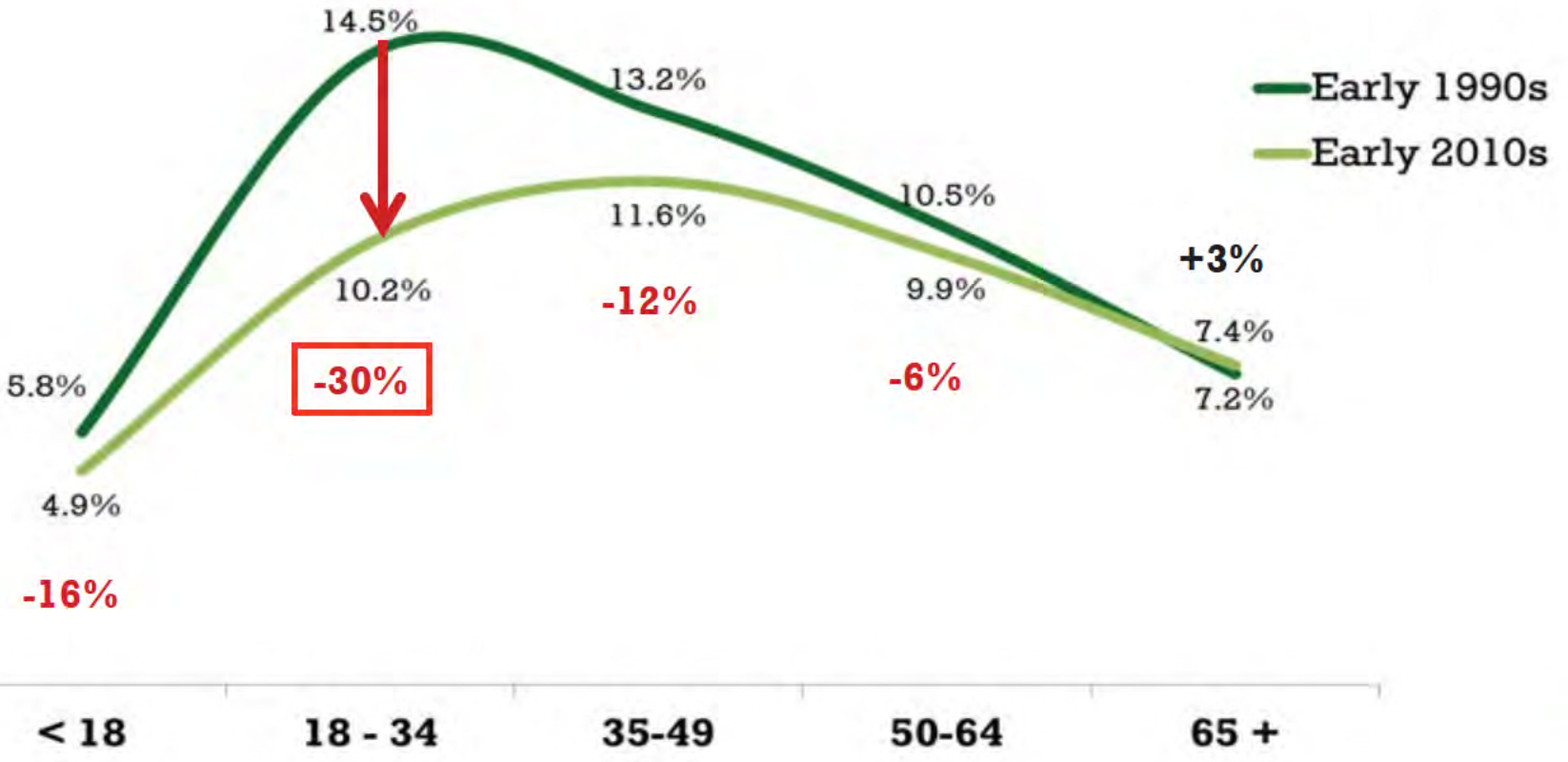
A closer look

Where are we most vulnerable?

Ages 18-34

Participation by age

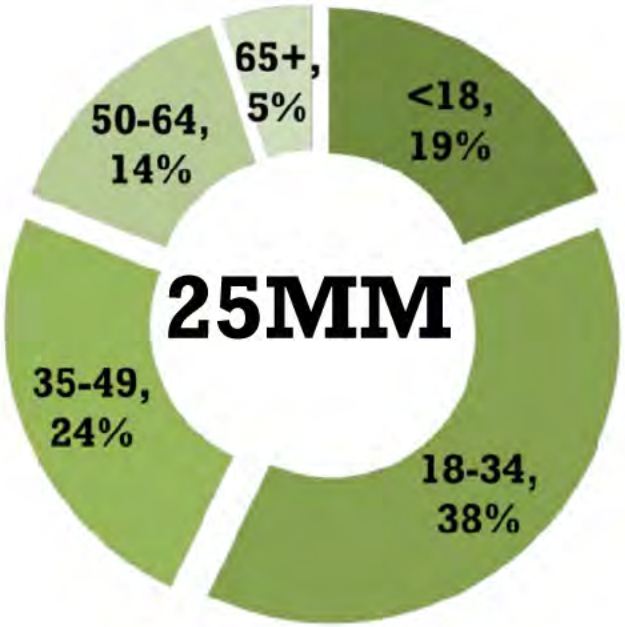
Then and Now



Why is the 18-34 group so important?

- 28% of all golfers (7MM+)
- Historically, highest participation rate
- Age when most take up the game
- Greatest amount of latent demand*

Latent Demand*



* non-golfers very/somewhat interested in playing now

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PGA Golfer Portraits Study Findings

Key observations from younger players—Age 30 and under:

- Both men and women tend to be more fashion and image conscious than their older cohorts.
- They are more apt to engage in new media, particularly for purchase transactions.
- They perceive themselves to be more innovation seeking and self-indulgent.
- They appreciate the opportunities present in social and business golf.
- They are generally less apt to consider golf to be their favorite sport… Thus, they pose a potentially greater attrition risk

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PGA Golfer Portraits Study Findings

MALE GOLFERS < 30 Yrs. Golfing And Lifestyle Attitudes

Attitudinally, younger men are less passionate about golf, but more willing to spend on green fees, golf merchandise and lessons

MORE LIKELY than Older Golfers to say…

- I usually play golf with members of my family
- I often order golf equipment through catalogs or online
- If I see something I like, I don't worry about the price
- It is important to me to wear fashionable golf apparel
- I'm usually the first among my friends to try new golf equipment
- Golf equipment and merchandise at golf course pro shops are competitively priced
- I will take at least one lesson from a PGA Professional this year

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PGA Golfer Portraits Study Findings

WOMEN GOLFERS < 30 Yrs. Golfing And Lifestyle Attitudes

Similar to young men, younger women are less enthusiastic about golf than older players, but are also less concerned about costs.

MORE LIKELY than Older Golfers to say…

- I prefer taking golf lessons as part of a group
- Golf equipment and merchandise at golf course pro shops are competitively priced
- I' m usually the first among my friends to try new golf equipment
- I visit golf websites on a regular basis
- I often order golf equipment through catalogs and online
- I often play golf with business associates
- Golf is too time consuming
- I am willing to pay more for merchandise at a pro shop because of the knowledge of the golf professional

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What Drives Commitment?

- Competence
- Comfort
- Fun

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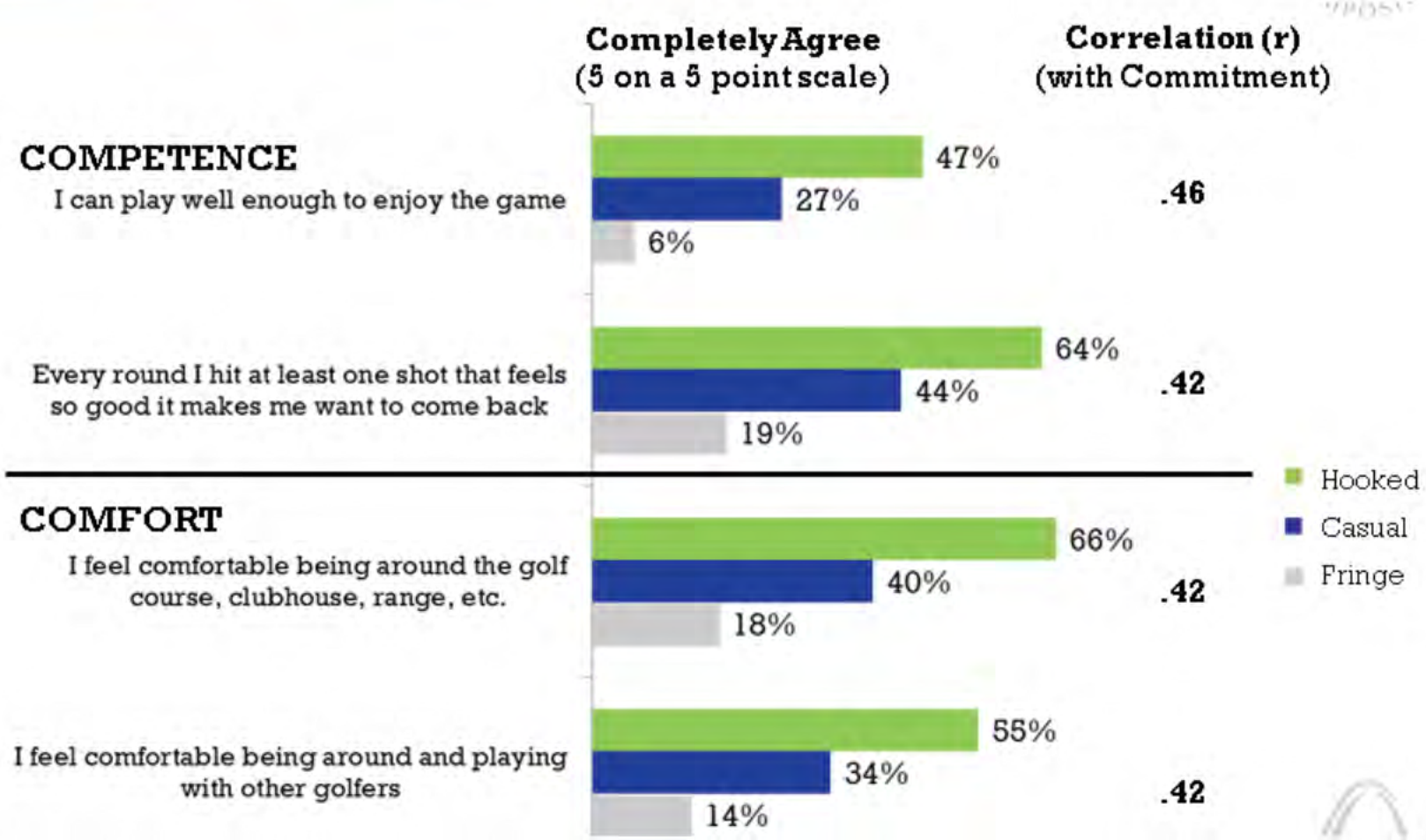
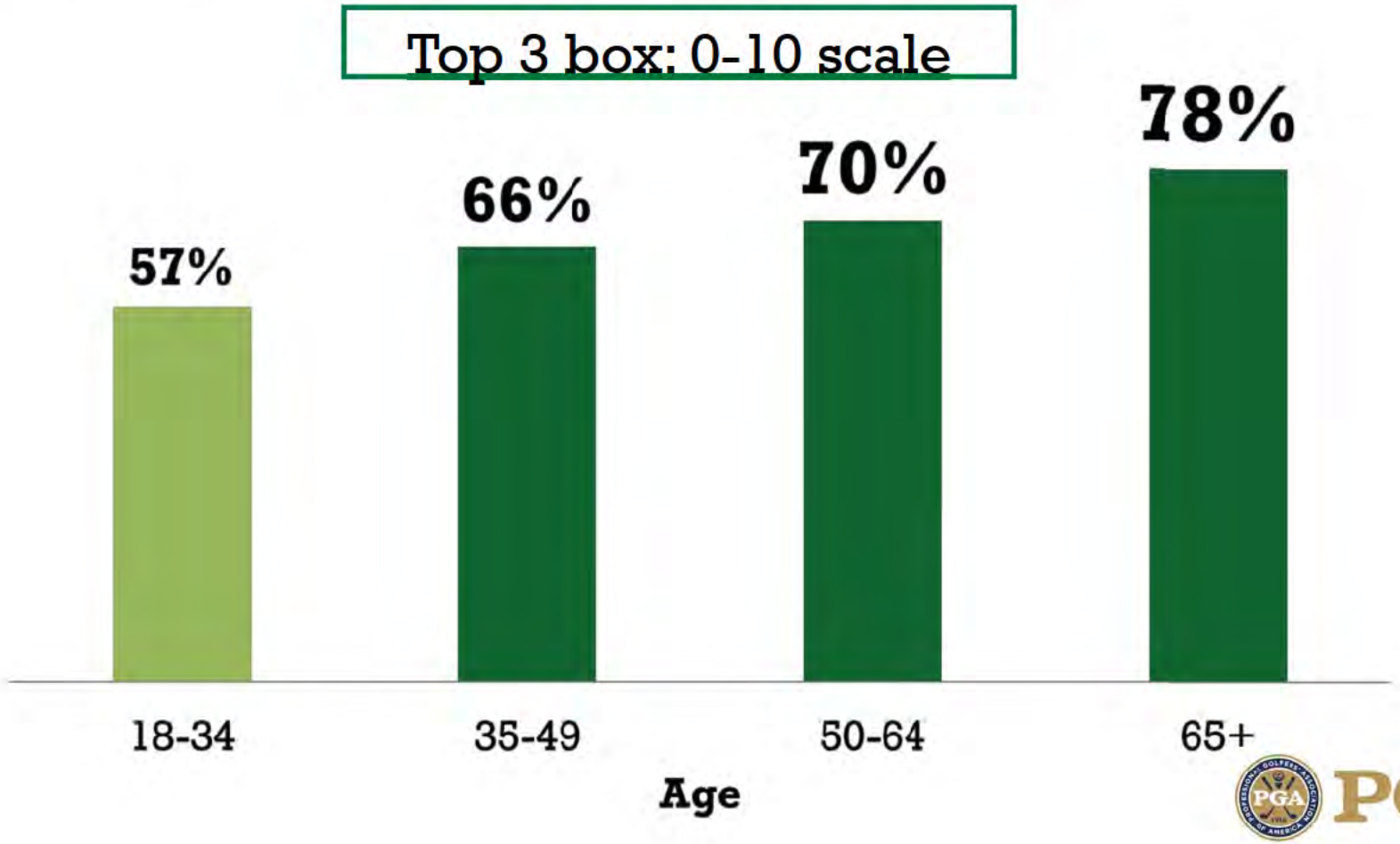
The Underpinnings of Commitment



Source: NGF/Synovate

Fun

Q. How much fun is golf for you?



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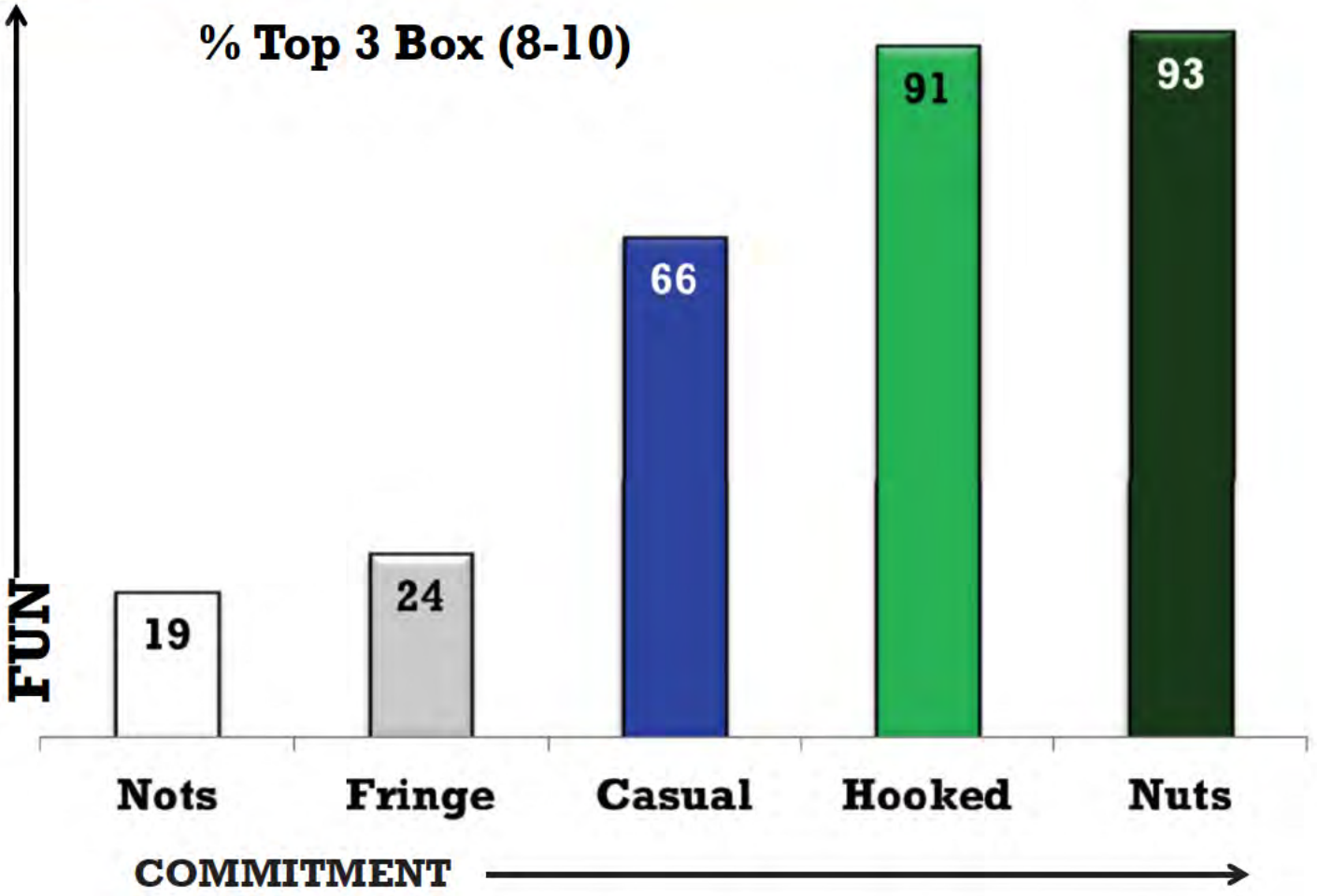
Having Fun = Commitment



Q. All things considered, how much FUN is golf for you? (0-10 Scale; 10 = Really Fun)

Source: NGF/Synovate

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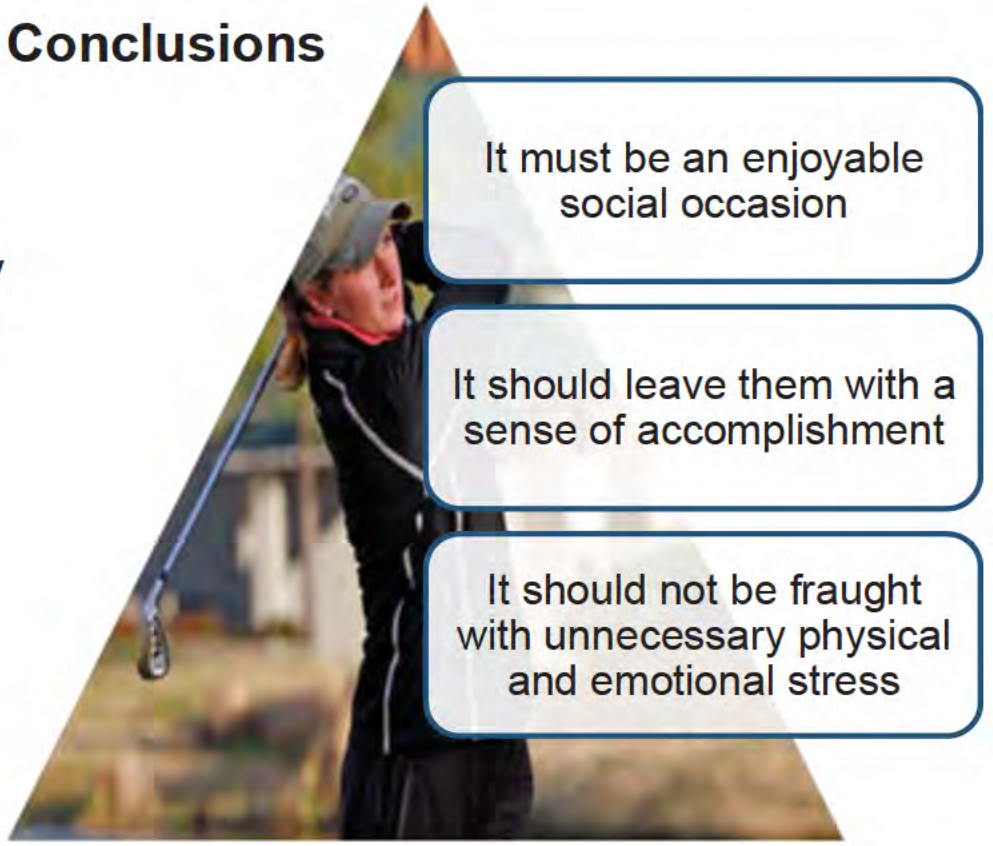
The Right Invitation: 2009-2010 SLRG Women's Research

Reveals Three Over Arching Conclusions

- For the golf experience to be perceived as worth both the time and money, it must satisfy women's needs on three key dimensions:



It must be an enjoyable social occasion

It should leave them with a sense of accomplishment

It should not be fraught with unnecessary physical and emotional stress

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Recipe for Success

What is the "recipe" for success in attracting and retaining women golfers?

Our analysis suggests that facilities can enhance women's perceived value of a round of golf by addressing three fundamental issues.

- **Step 1 - Eliminate extraneous physical and emotional stressors**
  - Provide ample restroom facilities throughout the course
  - Ensure there is sufficient drinking water available, as well as healthy food options
  - Provide ample directional signage, as well as additional navigational aids (maps, GPS) in carts if possible
  - Ensure there is a well-designed and appointed ladies' locker room; particularly if one exists for men.
  - Seek opportunities to streamline the tee-time booking process
- **Step 2 - Reduce frustration with the game itself**
  - Keep course well-maintained. Aesthetics are important.
  - Re-evaluate tee box placements, so that more women can reach green in regulation
  - Provide more short holes
  - Offer 9-hole play and/or other flex pricing
- **Step 3 - Enhance the "social" aspects for women (especially appealing to Lapsed Golfers)**
  - Increase potential playing partners by offering women's golf leagues
  - Provide more "off-the-course" or clubhouse social opportunities, such as a sit-down restaurant, special interest events and after hours "socials."

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What you need to do!

- Affordable & Accessible Instruction
- Invite, Welcome, Accommodate
- Know Your Customers & Prospects

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Panel Discussion

Questions and Answers

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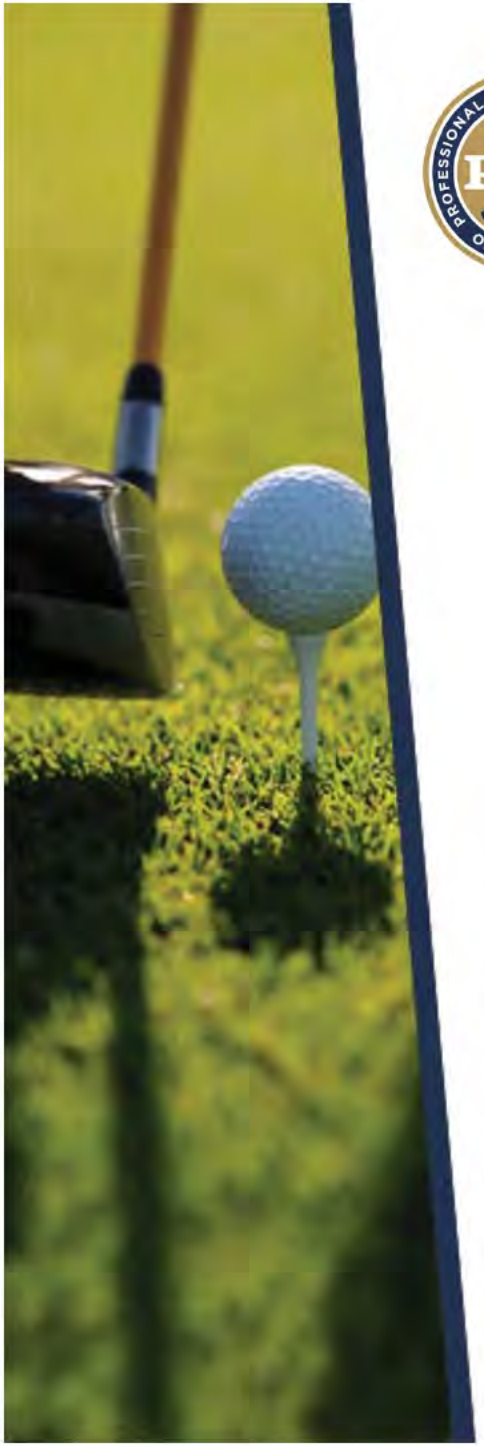

THANK YOU

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