



THE TIME IS NOW!



THE TIME IS NOW!

*TO UNDERSTAND AND EMBRACE THE NEXT
GENERATION OF GOLFERS*

Presented May 10, 2011, World Golf Village, by Jon Last, President

**SPORTS&
LEISURE**
RESEARCH GROUP



THE TIME IS NOW!





THE TIME IS NOW!





THE TIME IS NOW!



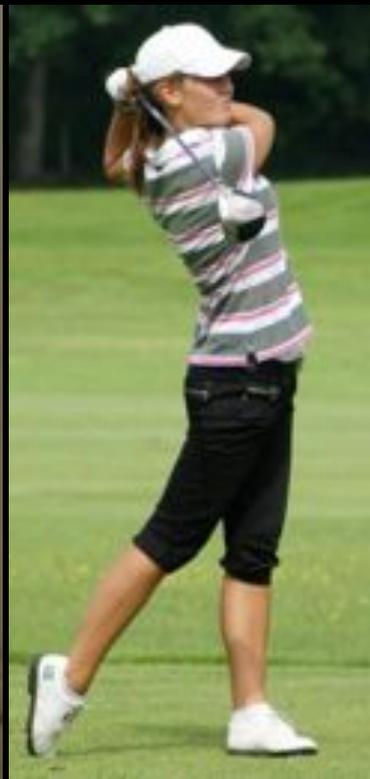


THE TIME IS NOW!





THE TIME IS NOW!





THE TIME IS NOW!





THE TIME IS NOW!





THE TIME IS NOW!





THE TIME IS NOW!





THE TIME IS NOW!

Where They Are Coming From: The “Sandwich Generation” Comes “Of Age”



Aged 36–46, they aren’t boomers or “X-ers”. But they are shaping Golf’s immediate future.

- Child-Centricity—65% strongly feel that times are less safe for their kids than it was for themselves
- Self Entitlement Reality Check
- Survivor’s Guilt and new definitions of community



THE TIME IS NOW!

Implications For Golf:



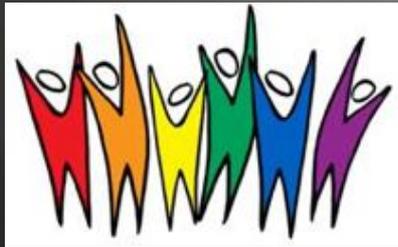
- Meet demands for value, simplicity and efficiency
- Provide a “Safe Haven” for the family
- Don’t ignore the “greater good”
- Build an enriching “community”
- Make the family a part of the answer



THE TIME IS NOW!

The Minority Majority Brings A New Paradigm

- Diversity of values / mores create incremental opportunities
- Rejection of institutions signals the need for a “fresh coat of paint”
- Egalitarian out-cry demands a perceived level playing field





THE TIME IS NOW!

Implications For Golf: The Minority Majority



- Green = Good: Environmentally conscious golf courses
- Market segmentation is critical – one size does not fit all
- Technical innovation in equipment sparks interest.
- Meeting needs and product performance spurs the purchase
- Accessibility on individual terms:
 - Options
 - Recognition
 - Rewards
- Flexibility: The Health Club Model



THE TIME IS NOW!

Learnings from PGA's Golfer Portraits Study



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





THE TIME IS NOW!

Learnings from PGA's Golfer Portraits Study



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



THE TIME IS NOW!

Learnings from PGA's Golfer Portraits Study



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

LESS LIKELY than Older Golfers to say...

- Playing golf is good for my health
- I play almost all my rounds of golf on public courses
- I would play more if it cost less to play
- I take vacations to relax and recharge
- I usually play with the same small group of friends
- Golf is my favorite sport to play
- I budget my spending more these days



THE TIME IS NOW!

Learnings from PGA's Golfer Portraits Study



Chargers



Golfing And Lifestyle Attitudes

ALSO MORE LIKELY than others to say...

- I would play more golf if it took less time to play
- I'm a spender, not a saver
- I prefer taking golf lessons as part of a group
- Golf is too time consuming



THE TIME IS NOW!

Learnings from PGA's Golfer Portraits Study



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



THE TIME IS NOW!

Learnings from PGA's Golfer Portraits Study



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.

LESS LIKELY than Older Golfers to say

- Playing golf is good for my health
- I take vacations to relax and recharge
- I budget my spending more these days
- Playing golf is mentally challenging
- I view retirement more as a time to experience new things than as a time to relax
- I compare prices at different golf stores before I buy golf equipment
- Golf is my favorite sport to play



THE TIME IS NOW!

Learnings from PGA's Golfer Portraits Study



Stressed but Serious



Successful younger women who are skilled but not passionate golfers

- Higher income
- Highest proportion of singles
- Striving for Good golf skills
- Plan to take lessons
- Playing more often than a year ago
- Golf is not her favorite sport



THE TIME IS NOW!

But What About The Latent Demand?



“NEW TRADITIONALISTS”



“GENERATION NEXT?”



THE TIME IS NOW!

The Next Generation Mindset in 2011



Those age 35 and under strongly agree that:

- We live in an age of constant updates (76%)
- It's Important to try new things (69%)
- Quality service can make the ultimate difference in what I buy (63%)

They are more optimistic and multi-tasking than their older peers—Significantly more likely to strongly agree that:

- It's important to try new things (Index 133)
- I find the internet to be a more useful information source than newspapers (index 151)
- Spending time with and caring for children and aging parents will reduce the time I can dedicate to playing sports and attending sporting events (Index 168)
- The best years of my life are still to come (index 171)
- We have seen the US unemployment rate reach bottom (Index 151)
- 2011 will be better for me than 2010 (Index 122)



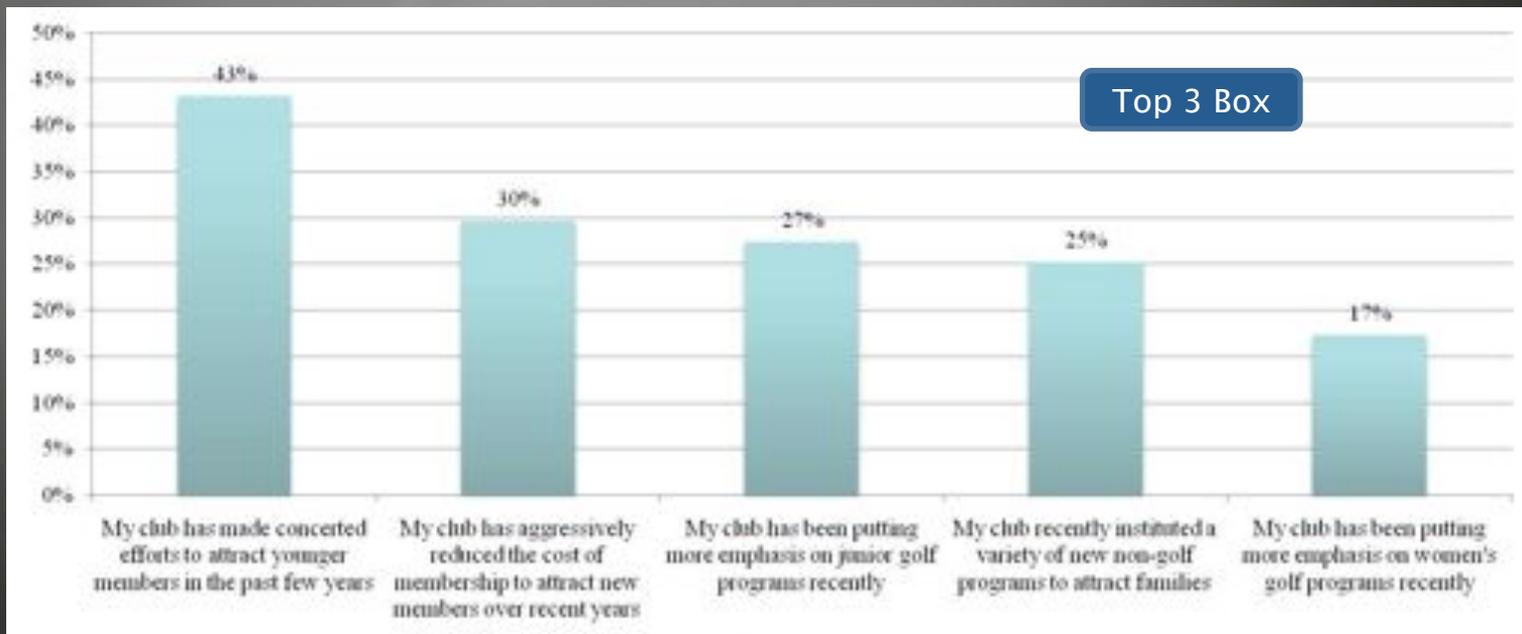


THE TIME IS NOW!

The Next Generation Mindset in 2017



Efforts to Attract Juniors, Families and Women Are Minimal.
Nearly 1/3 Report Aggressive Discounting



Mean: 10 point scale

Base: National Sample of Private Club Members

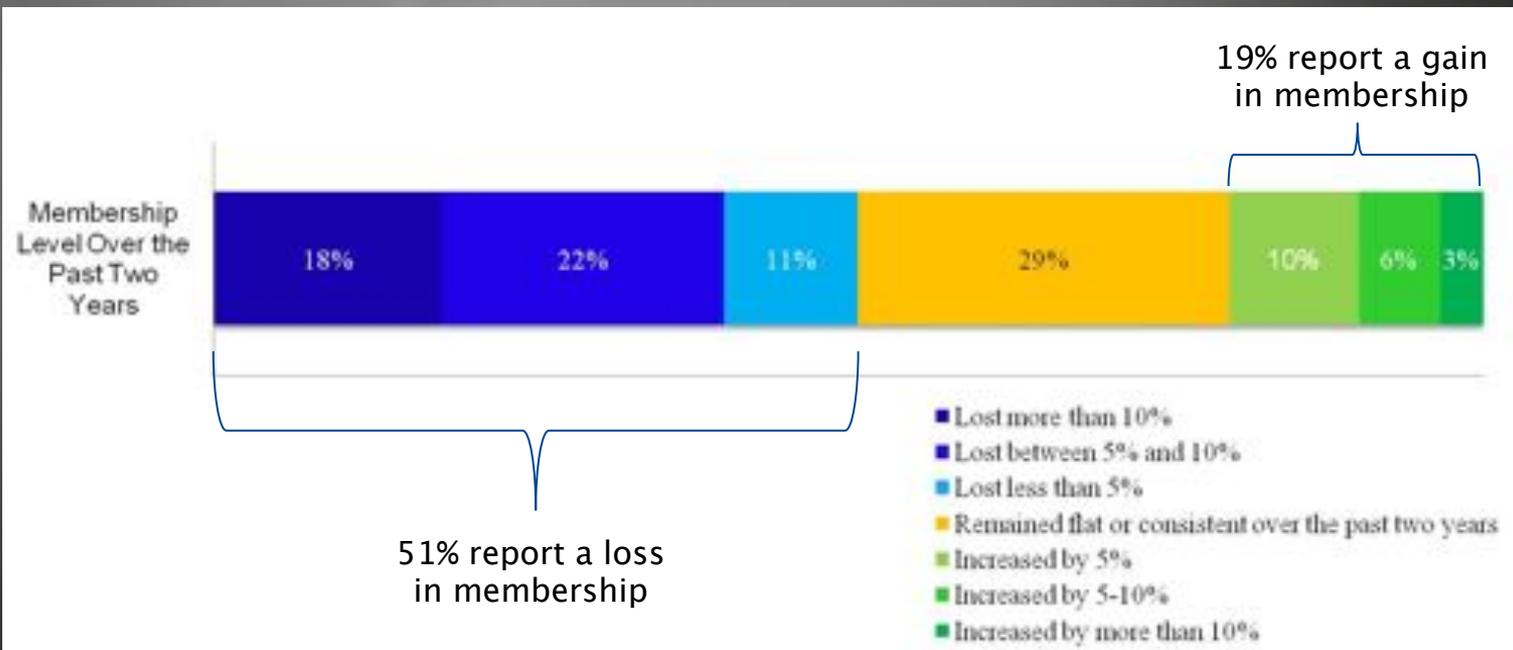


THE TIME IS NOW!

The Next Generation Mindset in 2017



Country Club Members Estimate “The Hit” to Membership Levels—More than Half Report Losses



Base: National Sample of Private Club Members



THE TIME IS NOW!

Implications

So... What Does This All Mean For Golf Marketing?

Messaging and Marketing Communication should be sensitive to these cultural and perceptual realities:

- Emphasis on Personalization and heightened service
- With the proliferation of new products, “guidance” is still coveted
- Acknowledgement of more “grounded and pragmatic” values, while harkening back to the nostalgia of simpler times and a desire to enjoy them.
- Private clubs need to evolve with “The Sandwich” Generation and seize the opportunity to provide “real time relevance,” escape and family focus
 - Continue to tone down “conspicuous consumption” imagery and messaging, given lingering sensitivity and economic uncertainty





THE TIME IS NOW!

Implications

New participation enhancing concepts that warrant further development and study, as suggested by consumer acceptance include:

- Package programs that integrate lessons and discounted play
- Flexible playing opportunities including 9-hole play at golf facilities
- Frequent play discount programs
- Trial programs with discounted rates for beginners

Women show greater favorability towards a number of potential participation enhancement programs, with particular interest in family golf, social leagues around the workplace and beginner-specific golf courses.





THE TIME IS NOW!

The Time is Now to.....



Make it Fit:

- Leverage the “Build it for me” generation
 - Custom Fitting
 - Demo Days
 - Free Equipment Rental
- Variety is the spice of life—Offer Alternatives:
 - Spectators “Ride Free”
 - Play and Pay by the Hour
 - Fast Golf



THE TIME IS NOW!

The Time is Now to.....



Build and Embrace New Definitions of Community

- Group Lessons
- Enhanced Course Set-Up that is mindful of beginners
- Family and School Programs
- Child Care at Golf Facilities
- Making the range “cool”
- The Corporate Golf Challenge
- Communicate in the “now”
 - SEO as part of the communications mix
 - 2C2R (Communications, Community, Recognition and Reward)