



# Three Macro Trends That Will Impact Golf in the Future

September 17th, 2018

Prepared by:

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Engaged  
Golfers are  
Mired in a  
Participation  
Flat Line

**2,000** golfers surveyed annually in  
SLRG/Golf Magazine Omnibus

**79%-82%** claim to have **played the same or more golf** than a year ago, for the **6<sup>th</sup> straight Year**

Over the same time horizon, **96-98%** of these  
same golfers plan to play the same or more golf in  
the following year

[Source: SLRG Golfer Omnibus 2013-2018]

## The Reality:

We continue to find a stable and coveted segment of most engaged golfers, that drive **80% OF THE SPENDING**

But they are maxed out...**LESS THAN 1 IN 5** believe that participation growth in golf can be achieved through existing golfers playing more

And the world of consumer commerce around them is changing



## How Can We Avoid the Rough?



## Three Macro Trends That Can Shift The Paradigm

**1.**

**Evolution of  
the Golfer  
Experience  
Towards the  
'Facility of  
Tomorrow'**

**2.**

**New Rules for  
Delivery of Golf  
Content**

**3.**

**Research  
Driven  
Perspectives on  
Marketing and  
Operational  
Trends**





# Evolution of the Golfer Experience Towards the 'Facility of Tomorrow'

## A Happy Customer is a Repeat Customer

SLRG *Golfer Longitudinal Research* identified eight golf facility best practices that when deployed, yielded a **+16%** increase in play, relative to control facilities that did not.



## Groundbreaking Research Defines a “Best Practices” Golf Facility:

- ▶ Four or more sets of tees
- ▶ The forward most set of tees ideally under 4,500 yards (though up to 4,800 yards considered)
- ▶ A golf shop of 500 square feet or more
- ▶ Abundant directional signage on the golf course
- ▶ Greeters present at the facility entry/starting area
- ▶ Ample jugs of drinking water present at a minimum of three tees per nine holes
- ▶ Both men and women staff available for golf instruction
- ▶ Both men and women staff present in the golf shop
- ▶ A dedicated women’s department in the golf shop
- ▶ 2+ women’s or non gender specific restrooms per nine holes
- ▶ Healthy Food Options served
- ▶ Family golf day programs or tee times
- ▶ 9-hole rates
- ▶ Corporate/women’s golf leagues
- ▶ After hours socials for women
- ▶ On-site child care



## A Customized Approach to Real Time Guest Satisfaction Tracking and Management

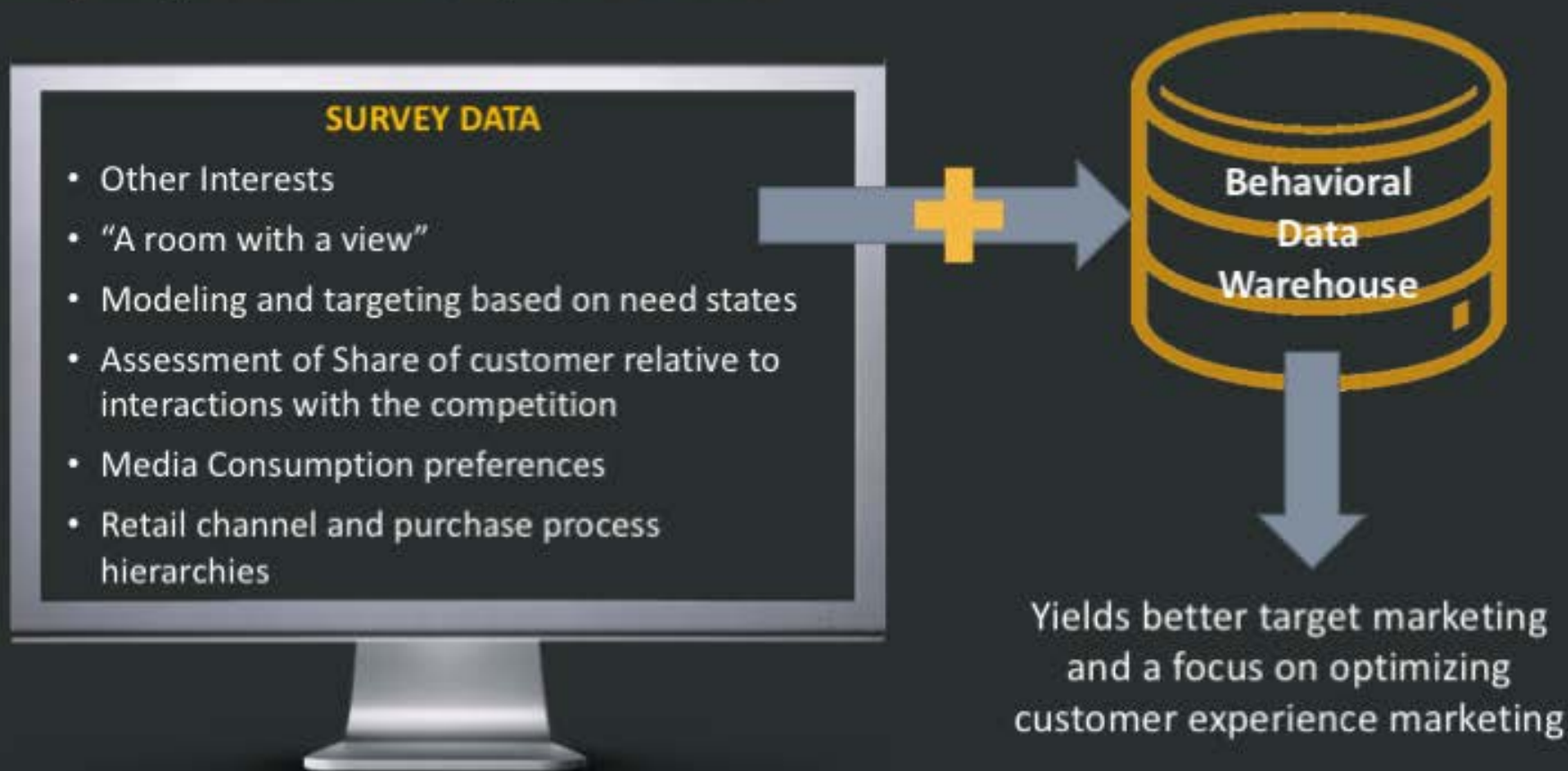
### The Missing Data Piece: Measuring Golfer Satisfaction Lessons from Casino Marketing

- Real time assessment of guest experience—All players receive a brief online survey within 72 hours of property visit
  - Synthesizes guest behaviors with perceptions of the overall experience
  - Seven minute survey customized to the amenities and services used by the guest
- Proprietary online “Management Dashboard,” summarizes overall satisfaction and facility operating performance



## Table Stakes From The Hospitality Industry:

**PRIMARY ATTITUDINAL RESEARCH** to measure  
key target consumer preferences





## A Closer Look at Critical Success Factors for Clubs Looking to Enhance Member Services

The Private  
Club of the  
Future:  
Adapting To New  
Realities

Trust

Unique  
opportunities  
offering  
better value

Personalized  
and dedicated  
“go to” people

Real time, easily  
accessible  
communication



Creating a home  
away from home...  
even on the road

Unexpected  
pleasant surprises

Appreciation  
for the family

Consistently  
exceptional  
service delivery

## More New Paradigms for the Golf Club/Facility of the Future

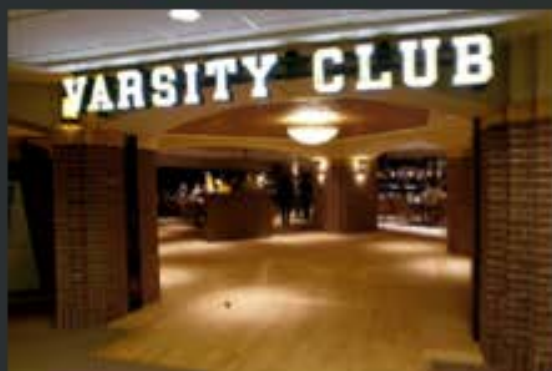
The Private Club of the Future:  
Adapting To New Realities

- Personal Concierges
- Portability
- Social Spaces
- The Health Club Model
- Family Programming
- Create the ultimate Community—Literally and Figuratively





Other Sports  
Venue Models  
Inform the Golf  
Facility of the Future



...And then,  
there's THIS!



King's Walk Golf Course to deliver food and beverage via drone for a \$3 service charge

- 10 minute turn-around
- Start-up FlyTrex offering the service
- Will it Fly????



## The Club's Juxtaposition Between Home And Office

# A REFUGE

...and an **EXTENSION**

Omnibus data shows correlation of greater private club focus on family, women and juniors with stability of **member retention**

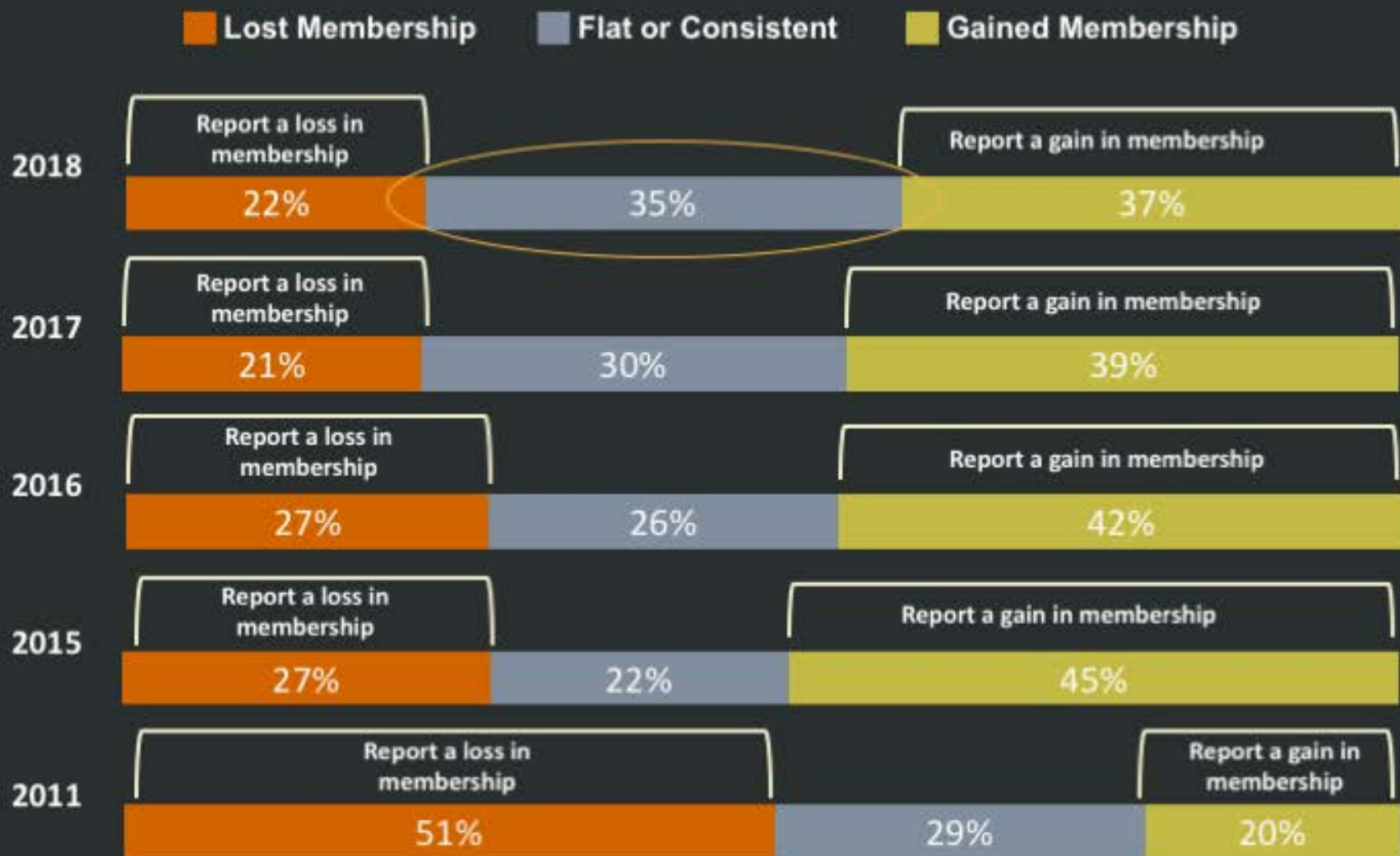


Club Corp Touchdown Rooms



Private Club  
Member Retention  
HAS STABILIZED  
after Recovering  
From the Depths  
of 2008-11

## MEMBERSHIP LEVELS OVER THE PAST 8 YEARS



Base: National Sample of Private Club Members



# The State of Private Clubs

...Emphasis on junior programs, families and attracting younger members have all seen significant increases since 2013

## TRENDING UP

My Club has made a concerted effort to attract younger members in the past few years

2013: 53%  +8% 2018: 61%

My Club has been putting more emphasis on junior golf programs recently

2013: 39%  +9% 2018: 48%

My Club has been putting more emphasis on women's programs recently

2014: 24%  +1% 2018: 25%

My Club has instituted a variety of new non-golf programs to attract families

2016: 26%  +7% 2018: 33%

I'm concerned about the financial stability of my club

2013: 36%  -11% 2018: 25%

Source: SLRG 2013-18 Omnibus  
Base: Private Club Members



# New Rules for the Delivery of Golf Content



## Riding the Digital Wave

**+11% Year over Year Increase** in smart phone usage on the golf course to over 50% of all golfers

○ Proliferation of mobile golf apps to:



- Track performance statistics
- Provide GPS and yardage measures
- Social Media application usage

## Riding the Digital Wave

An estimated **16-17%** of all tee times are now booked online

- Driving behavior through **PRICE, PROXIMITY, ACCESSIBILITY**
- Affording disruptive messaging opportunities on and around the golf course environment



## Key Lessons to Optimize Marketing Effectiveness through Digital Golf Video

### MULTIPLE POINTS OF ACCESS DRIVE GOLFERS TO VIDEO

- Third Parties are just as important as direct OEM or Travel Provider Gateways

*Q: From which of the following sources have you accessed or received golf-related video content?*



Searched on YouTube or a similar video site; Search Engines such as Google



Golf publications or digital magazines; Directly visited OEM or Golf Retailer Website; Social Media platforms such as Twitter or Facebook; Online newsletters received via email



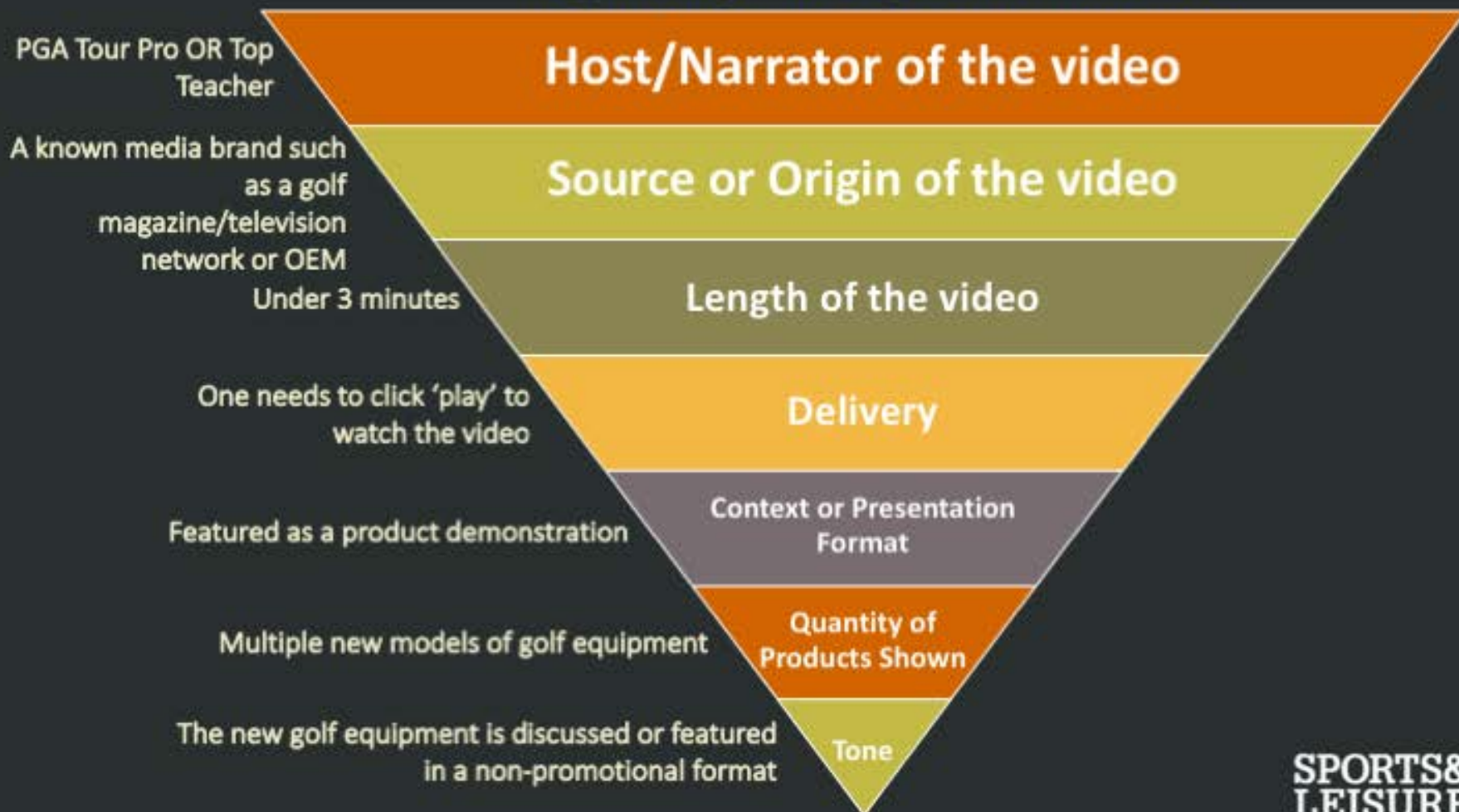
Direct emails

- Equipment Junkies are particularly more likely to access golf videos from multiple sources

## CONJOINT ANALYSIS LEADS TO OPTIMAL EQUIPMENT VIDEO CONFIGURATION

Key Lessons to  
Optimize  
Marketing  
Effectiveness  
through Digital  
Golf Video

Key Findings: The Optimal Combination:



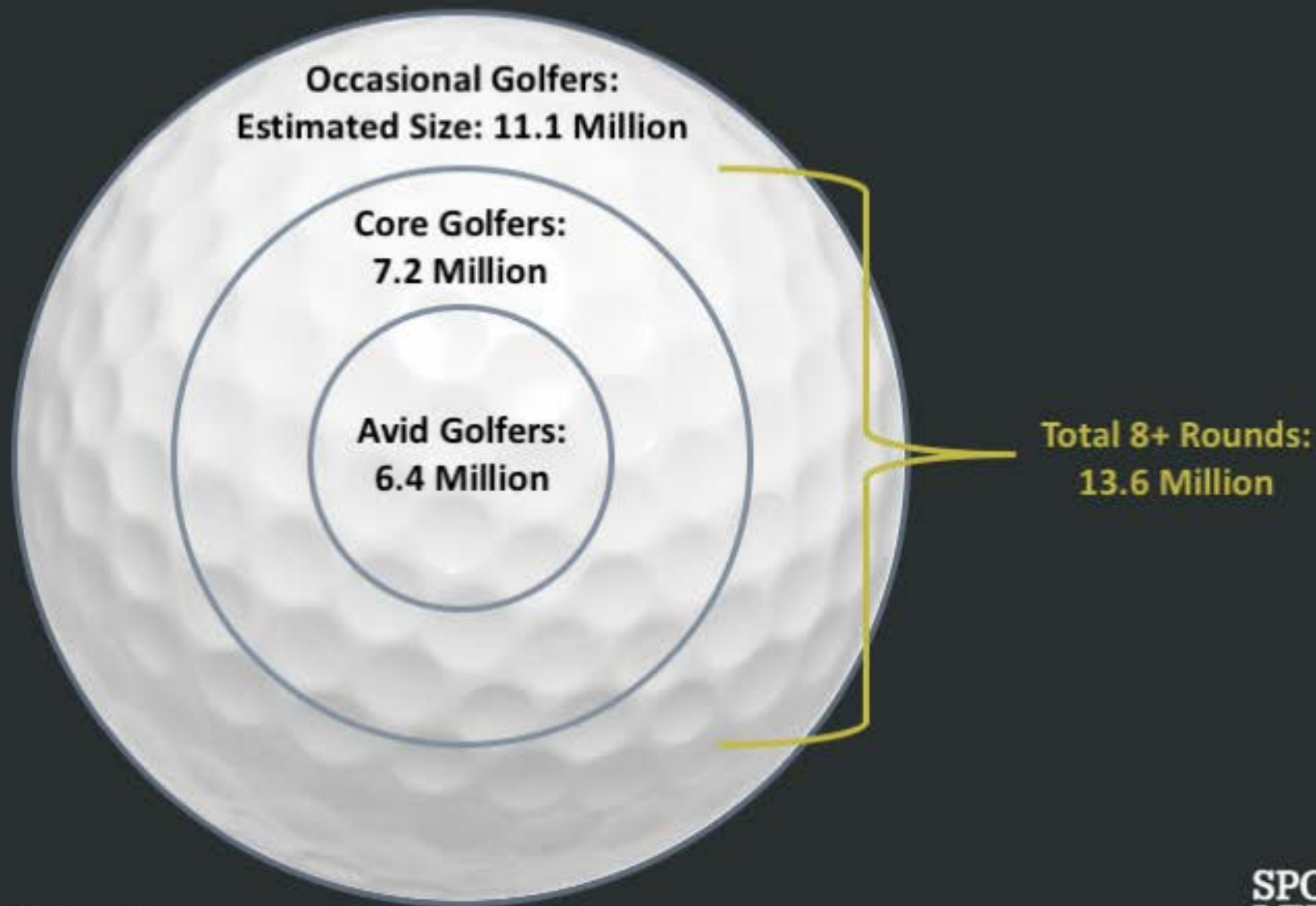
[Source: SLRG/GOLF Magazine  
Research 2016]





# Research Driven Perspectives on Marketing and Operational Trends

Golf's Best  
Customers: Avid  
and Core Players,  
Historically  
Defined Strictly  
by Avidity

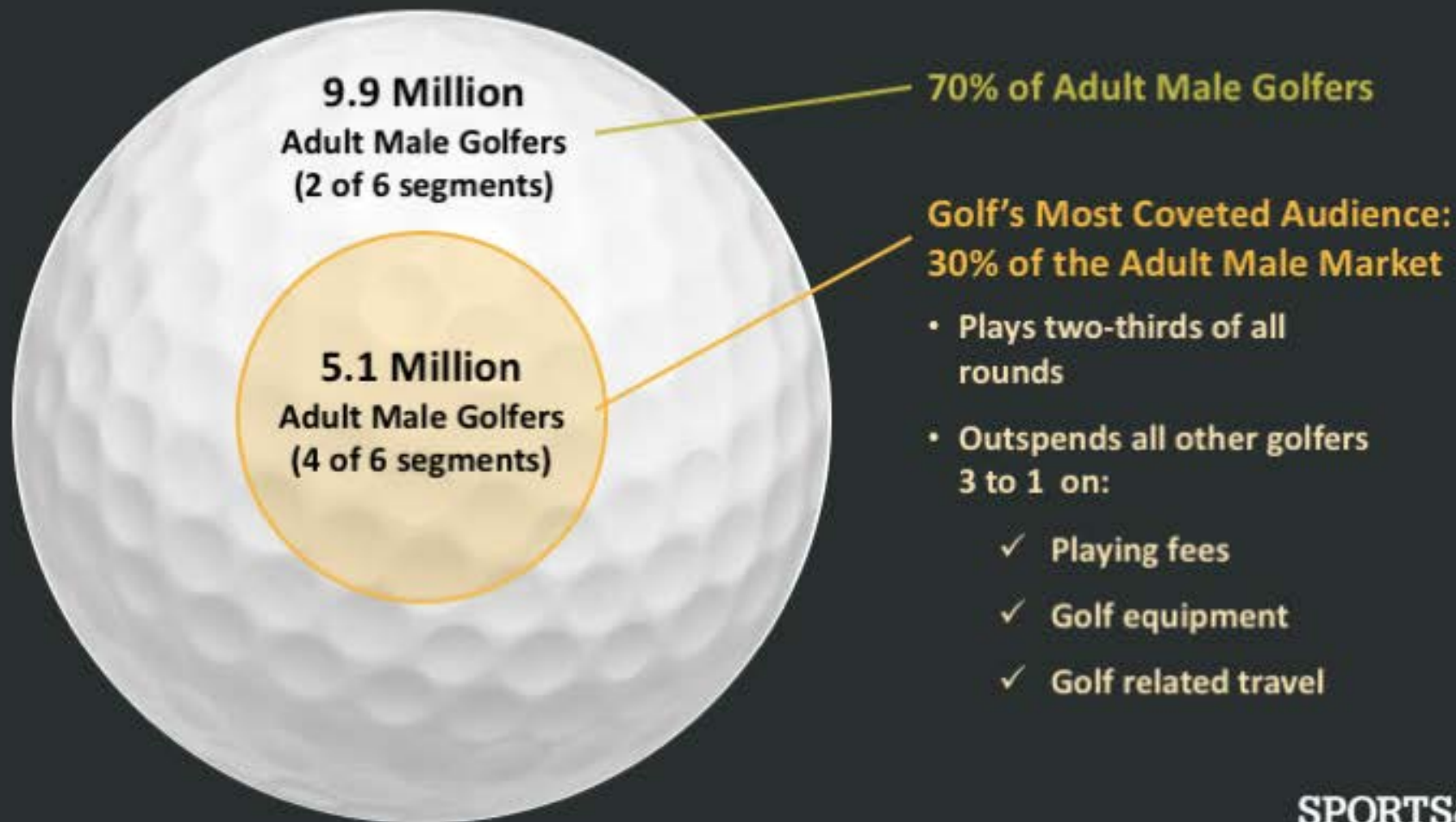


*Note: Includes women and juniors.*

*Source National Golf Foundation, Golf Participation in the U.S. 2014*

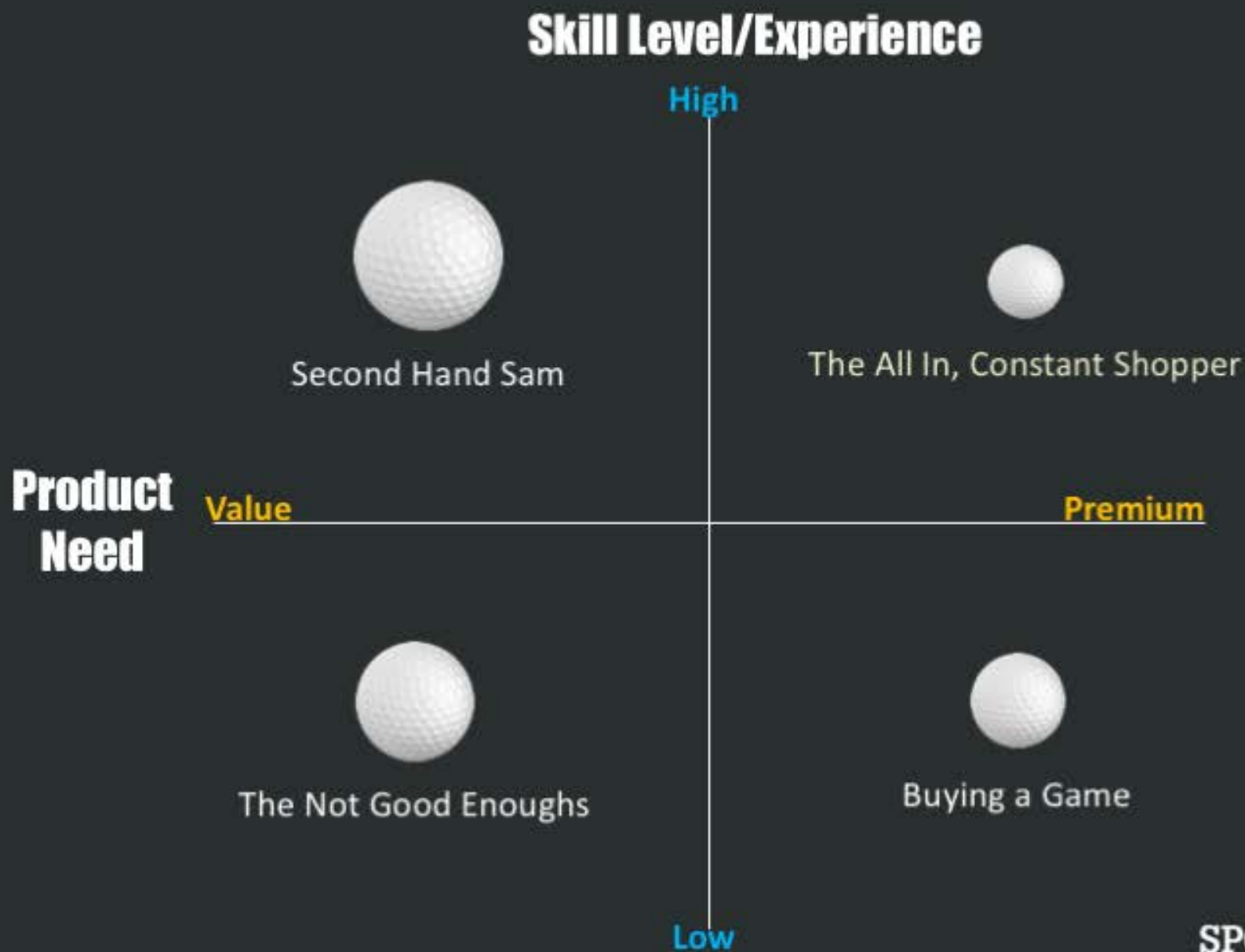
Behavioral  
Segmentation: A  
New Way to  
Identify the Golfers  
of Greatest Value  
to the Industry,  
Today

Driven by Commitment, Spending Levels and Avidity





## A New Look at Customer Segmentation



# Golfers Voice their Experiential Priorities

- The most critical drivers of overall enjoyment for golfers remain course conditioning, and the social aspects of a round of golf (playing partners and the ability to choose them), value and accessibility.

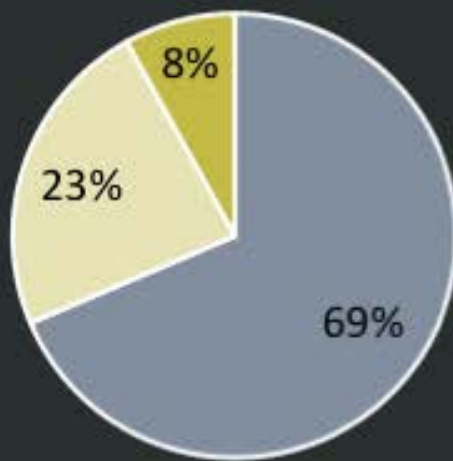
Top 3 Box Importance (TIER 1—62%-79%)
The conditioning of the golf course
The people that you play with
Cost/value
Being able to play with people of my choosing
Pace of play
The ease of booking a tee time
The physical beauty and aesthetics of the golf course
Availability of restroom facilities on the golf course
Availability of drinking water at the tee boxes or on the golf cart
A welcoming attitude toward women

Top 3 Box Importance (TIER 2—51%-61%)
Appropriate directional signage on the golf course
The length of the holes on the golf course from tee to green
How well I play
The ability to score well
Being able to walk the golf course
Golf shop staff readily available to greet and direct you upon arrival
Ample practice facilities
Availability nine-hole pricing
A welcoming attitude towards families

Top 3 Box Importance (TIER 3—38%-49%)
Restaurant/ grill/ bar environment
A welcoming attitude toward juniors
Access to a well-appointed locker room
Availability of golf carts with GPS
Special accommodations for individuals with disabilities
Availability of social golf leagues
Availability of instruction
Availability of family golf programs
Availability pay-by-the-hole and other flexible pricing programs

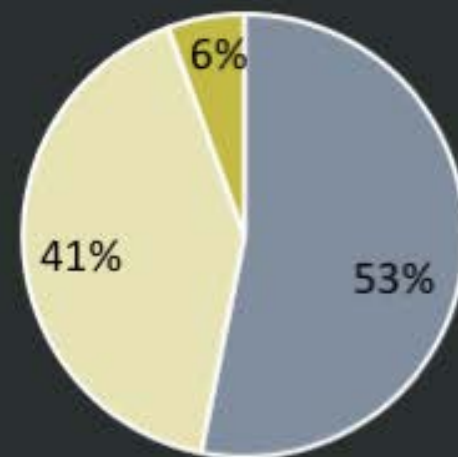
Disconnect  
Shows Top Line  
Priorities Rather  
than Seeking  
Operational  
Input Efficiencies

**Q.** Thinking about priorities for managing your golf operation, which of the following would be the single most important for you in the near term?



**PUBLIC**

- Increasing revenue
- Improving customer satisfaction
- Decreasing costs



**PRIVATE**





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