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Industry Report:

Survey Illustrates Positive Trends for PGA Professionals

Sports & Leisure Research Group collects new data in a number of important areas, including equipment spending, practice areas and private club membership

By Don Jozwiak, Senior Editor

Sports & Leisure Research Group keeps a close watch on the pulse of active golfers. At this year's PGA Merchandise Show, the group shared results from recent online surveys involving more than 1,000 active golfers – including studies conducted with *GOLF Magazine* and the American Society of Golf Course Architects (ASGCA). The results illustrated notable positive trends in the golf equipment business, including important areas such as equipment spending, the desire for facilities to improve their practice areas, and the ebb and flow of private club membership.

In all of these trends, the importance and value of PGA Professionals is reinforced, according to Jon Last, the Founder and President of Sports & Leisure Research Group.

“The results we see portend well for the PGA Professional influencing golfer behavior, and for being in a position to capitalize on their expertise,” Last says. “For example, we see there's a gravitation toward higher price points still happening for equipment purchases, but there are also different segments of shoppers who are looking for a better deal, maybe on non-current products. The PGA Professional can be a part of the decision-making process either way by being enterprising and building relationships with golfers.”

At the PGA Merchandise Show and in a subsequent conversation with *PGA Magazine*, Last elaborated on several trends he's following, and what they mean for PGA Professionals and the business at large:

More Tee Boxes for Shorter Course Options. Research with the ASGCA highlighted that 70 percent of survey respondents saw the No. 1 priority for golf facility operators as providing additional tee box options that allow for a shorter golf course experience. More than 60 percent of golfers surveyed said they'd like to play more golf than they presently do, and

flexibility and customizable experiences would help them do so.

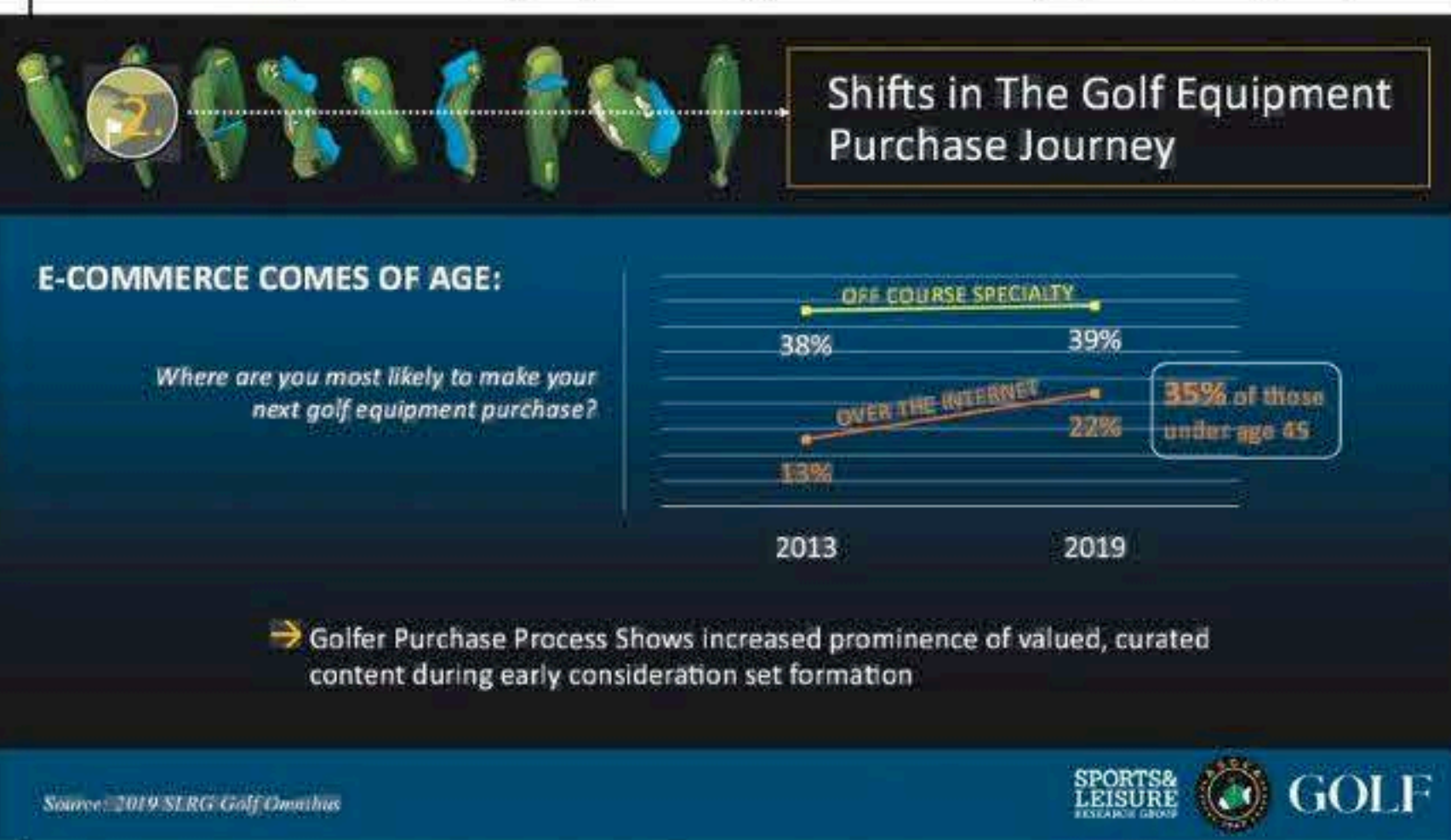
“Having more tees and the flexibility to offer a shorter, more friendly golf experience allows golf facilities to cater to different opportunity segments,” Last says. “This leads to a broader golf experience that the PGA Professional can use to make the golf experience more satisfying for more customers: juniors, seniors, women. Operators are starting to understand that enjoyment leads to revenue. We see courses designed as short courses, like The Cradle at Pinehurst (North Carolina) Resort, and nine-hole rounds gaining resonance. This is a great opportunity for PGA Members to keep customers engaged.”

PGA Professionals Remain Stewards of the Game. Sports & Leisure Research Group's studies take a look at various player development efforts and programs offered by the allied golf associations. Last says that regardless of the program, golfers benefit from involvement by PGA Professionals.

“Golfers are always on the lookout for people to be their stewards, to guide them through their golf life cycle,” he explains. “There's a lot of affirmation that the PGA Professional is that person. There are a lot of great introductory programs out there, and research shows latent demand for golf, but the numbers aren't getting any bigger. PGA Professionals are best positioned to be the glue that helps people stay in the game from one stage to another, from the introductory point to what's next. PGA Professionals are the glue that helps maintain a golfer's engagement through the golf life cycle.”

Online Shopping Continues to Grow. Survey results also show that while off-course golf specialty retail sales are only growing slightly, online golf equipment sales continue to grow in volume. Regardless of whether the consumer is buying online based on price or shopping in-store to take advantage of custom fitting, the PGA Professional is still often part of the process.

“Many golfers still have an equipment purchase process



that places a premium on testing the product, getting fit and gleaning expertise from a trusted source – but there’s still that gut check about the price, and if they might be able to find it cheaper somewhere else,” Last says. “What we’ve found is that for hard goods, there’s real reluctance from golfers to completely abandon traditional golf channels and buy online. Golfers are more likely to complete their purchase online if they’re comfortable with their specs, or if they’re looking for older product at a lower price. But the PGA Professional can still play an important role with those customers, and by building that relationship, they can make back some of the lost sales through lessons, soft goods sales and other avenues.”

Brand Loyalty is Decreasing. This year’s Sports & Leisure Research Group Golf Omnibus shows that OEM brand loyalty is at a six-year low among consumers, showing an ongoing shift in the golf equipment purchase journey. This coincides with golfers becoming more comfortable with the idea that new golf equipment is more innovative each year, and more likely to help improve their games.

“There is a growing belief and acceptance that equipment is evolving and that they can improve by buying new equipment, but the golfer isn’t really sure how or why,” Last says. “This is where the PGA Professional can demonstrate the technology through fitting and coaching, and through the level of trust they have from their personal relationships. There is a lot more openness to crossing to a different brand than what the golfer has played before if there is validation from trusted sources that the equipment is right for their game.”

Equipment Price Thresholds are Going Up. The cost of new equipment continues to rise, with many drivers crossing the \$500 MSRP mark over the past two years, and top-end irons and putters also on the rise. This creates some different consumer behaviors, and different opportunities for PGA Professionals.

“To some degree, this is a positive even though the PGA Professional may not always be the lowest price on a given product – they can add value, convenience and trust, which increases the opportunity at the golf facility to sell equipment,” Last explains. “If you know your PGA Professional through lessons and fittings, you can be assured that your purchase though them is going to be a good one – and if you’re spending more money on equipment, you want it to be optimized. But be aware that higher prices mean that people might spend more money on equipment purchases, but decide to buy less often than previous equipment life cycles.”

Enhanced Ranges are a High Priority. As Topgolf expands beyond 50 U.S. locations and competitors like Drive Shack target double-digit locations in the coming years,

BY THE NUMBERS

59%

of golfers strongly agree that new golf equipment continues to become more technologically innovative each year, equaling a 10-year high.

source: 2019 SLRG Golf Omnibus

13-22%

The percentage of golfers responding that they are likely to make their next equipment purchase online has risen from 13% in 2013 to 22% in 2019.

source: 2019 SLRG Golf Omnibus

No.1

“Enhanced Practice Range” becomes No. 1 in importance among superintendents evaluating golfers’ most coveted amenities in 2019.

source: 2019 ASGCA/SLRG Golf Market Trend Watch

57%

of private club members believe clubs must make aggressive changes to remain relevant – like gamification; diversified programming; focusing on family, juniors, women, younger members; and the convergence of home, office and club.

source: 2019 SLRG Sports Omnibus

enhanced practice ranges have become the No. 1 most coveted amenity that golfers look for in a facility.

“There’s a real love affair with Topgolf and that interactive, community-based experience, and it makes great sense for green grass operators to want to provide a similar experience,” Last says. “It’s a key opportunity, and paying more attention to the range is a way to attract incremental revenue and new customers to the green grass facility.”

Private Club Membership Stabilizes and Evolves. From a low point of 2011, during the Great Recession, the research shows private club membership grew incrementally through 2017. There’s now a slowing and stabilizing of that growth, and a change in opportunities for private clubs.

“An equilibrium has been reached in private club membership – after years of discounting and other innovative membership programs, private clubs have stopped discounting as much and are trying to increase margins,” Last says. “It’s part of the ebb and flow, and there are different trends in different markets, but the bleeding has been stopped.”

“What we’re seeing now is an effort toward keeping members at the club longer through the use of the range, gamification and simulators – showing golfers they can spend time at the facility even if they’re not on the golf course. There’s also a blurring of the lines between work, home and club thanks to better fitness facilities, more workspaces and increased food & beverage options. It’s like what we’re seeing at sports stadiums in creating a social space where people want to spend their time, and PGA Professionals are a big part of creating that atmosphere.”

To see highlights of the 2019 trends overview discussed at the PGA Merchandise Show by Sports & Leisure Research Group, along with additional surveys and resources, PGA Professionals can log on to sportsandleisureresearch.com. More in-depth results are also available on a custom basis. ■

Shifts in The Golf Equipment Purchase Journey

59% of golfers strongly agree that “new golf equipment continues to become more technologically innovative each year...equaling a 10 year high in 2013”

Golfers in 2019 are **48% more likely** to agree that “buying the right new golf equipment can help me to immediately improve my game vs. 2012”

OEM Brand loyalty remains at a **SIX YEAR** low

Source: 2019 SLRG Golf Omnibus

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