



**PGA**<sup>TM</sup>  
CELEBRATING 95 YEARS

# GOLF 2.0

# Objectives

**Golf's economic impact**

**What is Golf 2.0?**

**PGA of America focus**

**Insights from industry  
and consumers**

**Core strategies**

**Potential for the  
industry**



# Golf's Economic Impact

- In the 2007 national golf economic impact report, golf had grown to a \$76 billion industry with a total impact on the US economy of \$195 billion
- Nationally the golf industry provides 2 million jobs and total wage income of \$61 billion
- Golf is responsible for contributing about \$3.5 billion annually to charities across the country, more than any other sport

# Golf's Economic Impact

- In Colorado, there are about 10,900 golf jobs with total wage income of \$177 million
- Golf's total economic impact in Colorado is \$1.7 billion
- Colorado year to date rounds are up 2.3%
- There are a reported 570,000 golfers and more than 425,000 golfing households in the state

# What is Golf 2.0?

- Player participation trends required an action plan
- Hired Boston Consulting Group to conduct a comprehensive consumer study
- Retail plan created to drive the number of golfers to 40 million by 2020
- Focus to make the game more relevant, friendly, fun, and welcoming to all



# What is Golf 2.0?

- Reshape the perception, image and environment of the game
- Redefine how to grow golf participation
- Promote value of the game both monetarily and socially
- Adapt to changing consumer profiles and preferences
- Create meaningful experiences that resonate on an emotional level



# PGA of America Focus

## First 100 Years

- Major businesses; Membership, Education, Championships
- Industry focus; PGA Members
- Priority staff job; Membership Administration, Education
- Consumer focus; Golfers (emphasis on private)

## Next 100 Years

- Major businesses; Membership, Education, Consumer Marketing, Championships, Golf Course Management & Licensing
- Industry focus; Members, Employers, Community/Gov't Leaders
- Priority staff jobs; Member Education, Consumer Marketing
- Consumer focus; General public



# 360 Degree Perspective



# Key Megatrends

## Demographic Trends

- 1 Aging of baby boomers
- 2 Rise in ethnic diversity
- 3 Increased role of women
- 4 Culture of Millennials / Gen Y
- 5 Economy
- 6 Less is more, status is fading, importance of family
- 7 Increased bargain hunting
- 8 Health and wellness
- 9 Time compression
- 10 Bruised trust in institutions / word of mouth rules

## Consumer Trends



# A Vision for Golf's Future

Today



**~26.1M Golfers**  
**~\$33B Consumer Rev.**

- **Declining participation**
  - High churn
  - Fewer new entrants
- **Alliance organizations ready to unite**

2016



**~32M Golfers**  
**~\$35B Consumer Rev.**

- **Industry focused on growing the game**
  - Increased female participation
  - Better understanding customers
  - Reducing lapses

2020

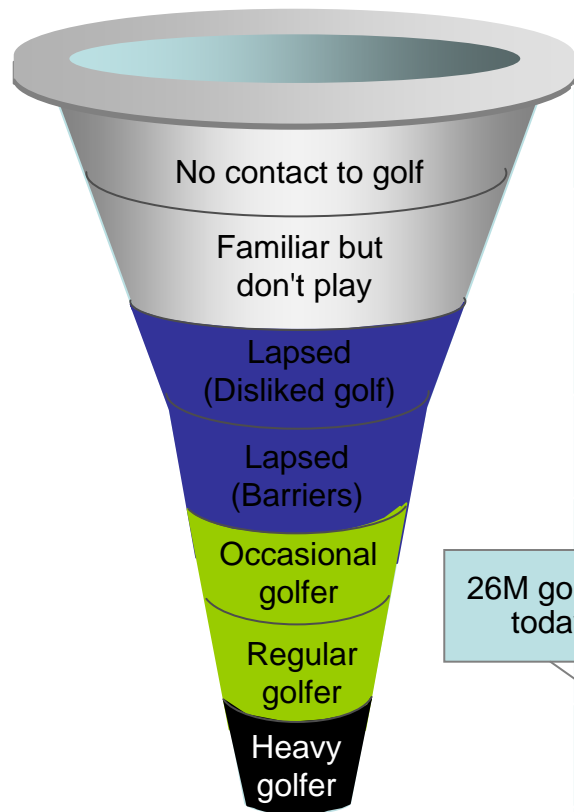


**~40M+ Golfers**  
**~\$40B+ Consumer Rev.**

- **New golfers entering the game with retention mechanisms in place**
- **Increased participation amongst minority groups**

**Golf 2.0 roadmap defines a path to achieve this vision**

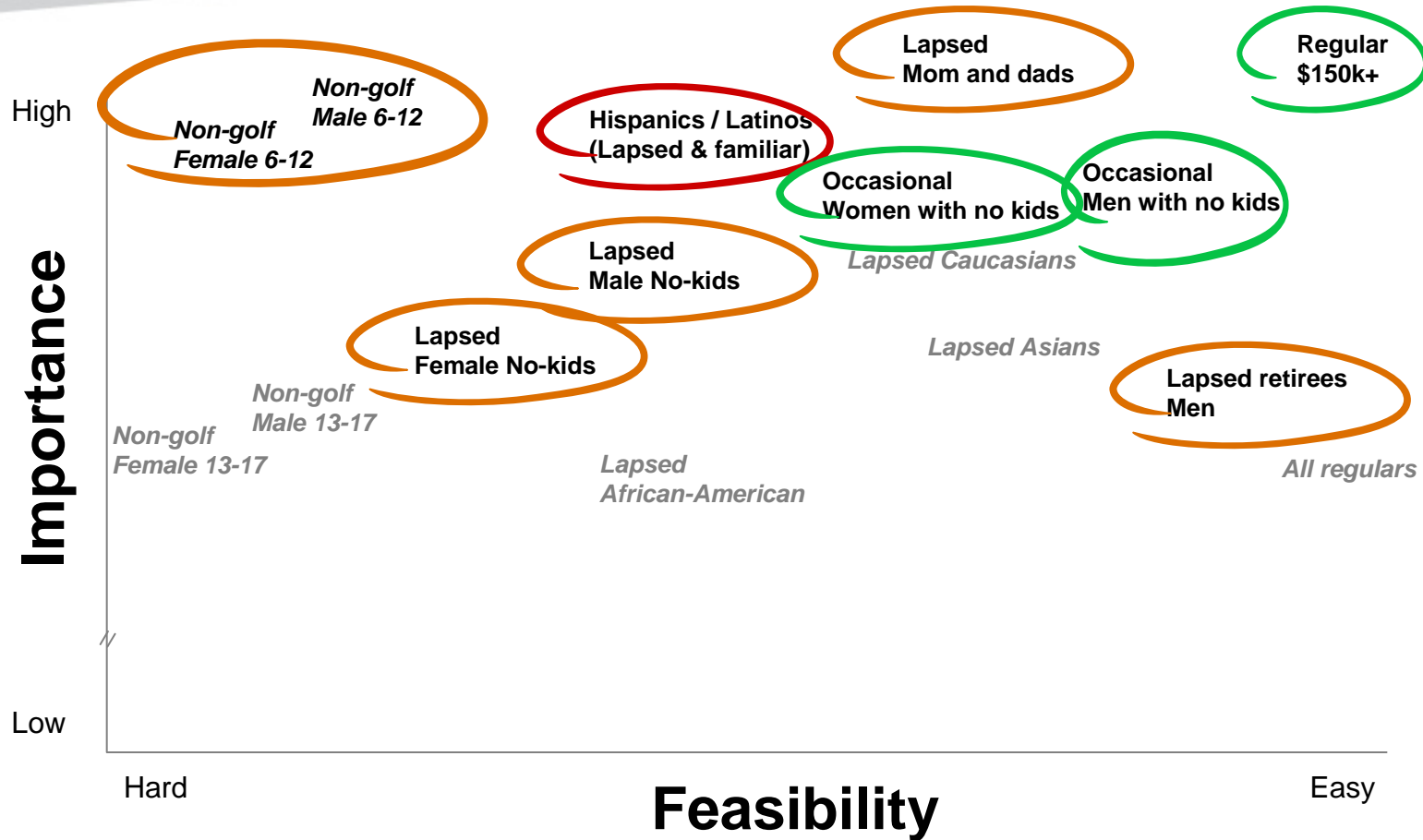
# Opportunity for Growth



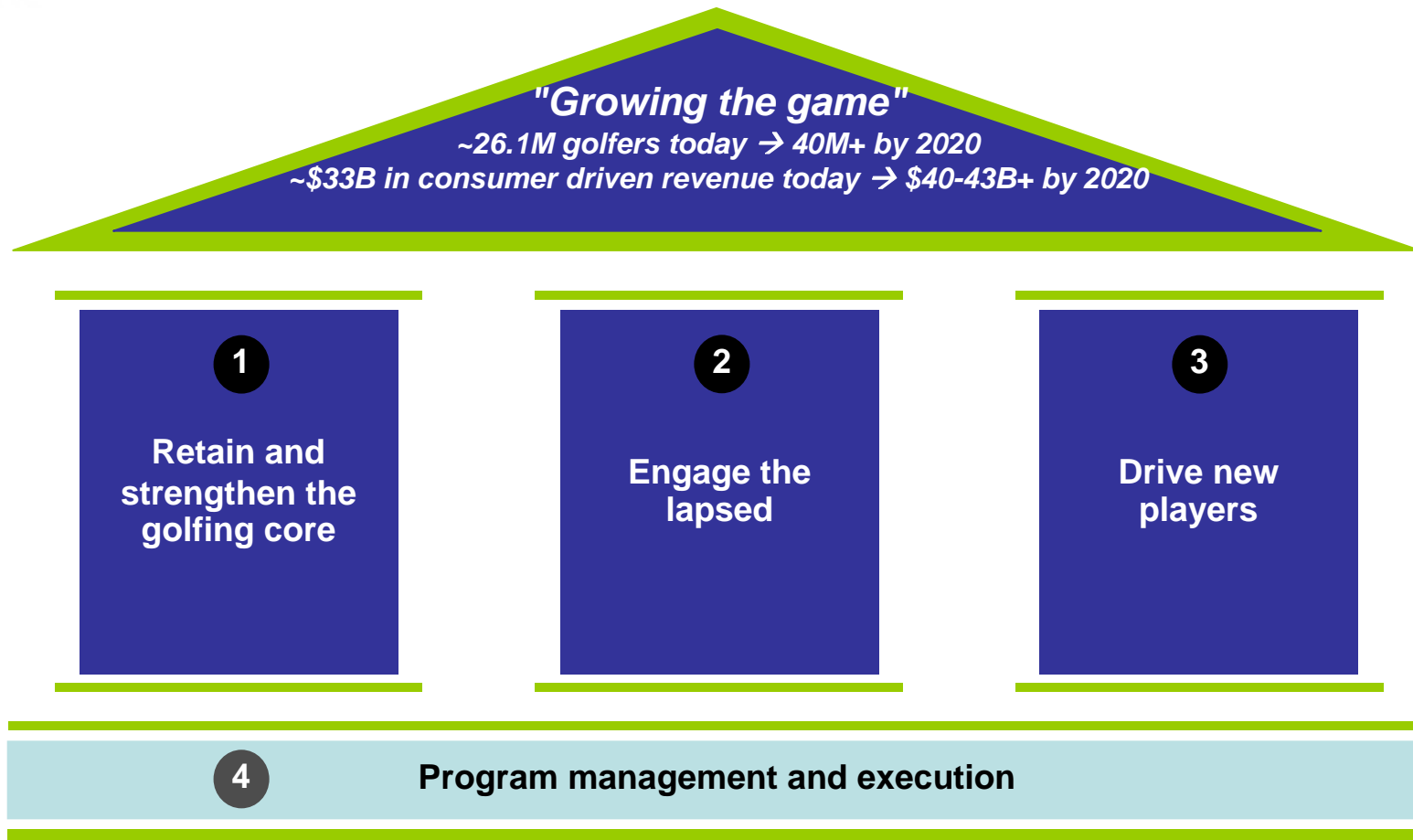
	US Population	X	% Interested in golfing (or more if golfing)	=	Number interested in golfing (more)
No contact to golf	59 M		14%		8 M
Familiar but don't play	56 M		21%		12 M
Lapsed (Disliked golf)	20 M		0%		0
Lapsed (Barriers)	90 M		68%		61 M
Occasional golfer	13 M		43%		6 M
Regular golfer	7 M		36%		2 M
Heavy golfer	6 M		17%		1 M
<b>Total Population</b>	<b>253 M<sup>1</sup></b>		<b>36%</b>		<b>90 M</b>

1 – Population ages 13 and over

# Nine Target Groups





# Three core strategies



# Strategy Components

Key:

-  = major component of strategy
-  = secondary component of strategy

Components	Know your customer	Deepen engagement in current golfers	Welcome back to golf	Connecting with her	Platinum players	Family focus	Building blocks	Off-course options	Drive for diversity	I'm ready to play
Player tracking										
Get Golf Ready										
Speed options										
Beginner-friendly times / tees										
Women / minority PGA Pros										
Starting beginners										
Off-peak discounts										
Non-golf on-course options										
BirdieBall/SNAG										

Ability to leverage scale in roll-out

# Employer Support

- **Current initiatives**
  - Get Golf Ready
  - Tee it Forward
  - PGA Sports Academy
  - Family Golf Month
- **PGA Member and golf operation staff education**
- **Shared underwriting of curriculum, training, regional marketing**
- **Player Development pilots**



# Manufacturer Support

- Engagement of staff members to become Certified in Player Development
- Shared underwriting of curriculum, training, regional marketing
- Player Development Action Team support
- Funding of social media and direct marketing



# Allied Association Support

- **USGA**

“The USGA is not only supportive of Golf 2.0, but (we) desire to partner with the PGA of America in areas such as junior golf and sustainability.

We believe these initiatives can truly help with the health of the game now and into the future.”

- **Mike Davis, Executive Director**

- **Partnership areas:**

- Boys & Girls Clubs of America alliance
- Tee It Forward
- Sustainability
- Philanthropy



# Allied Association Support

- **CMAA**

“CMAA offers our unqualified support of the Golf 2.0 initiative as the PGA of America will again provide the pathway to the future of the golf industry.”

- **Jim Singerling, Chief Executive Officer**

- **Partnership areas:**
  - **Branded and co-op education**
  - **Tee It Forward**
  - **Physical Plant**
  - **Connecting with Her**
  - **Family Focus**
  - **Building Blocks**



# Allied Association Support

- **GCSAA**

“GCSAA fully supports the Golf 2.0 initiative and believes it is imperative that all of us in the industry make growing the game a priority.”

- Rhett Evans, Chief Executive Officer

- Partnership areas:

- Branded and co-op education
- Tee It Forward
- Physical Plant
- Connecting with Her
- Family Focus
- Building Blocks



# Allied Association Support

- **PGA TOUR**

“The PGA TOUR is very supportive of your efforts to grow the game. Congratulations to the PGA of America for your leadership in this area with the launch of Golf 2.0. We endorse this program and your goal of driving greater participation in the game.”

- Tim Finchem, Commissioner

- **LPGA**

“As a stakeholder in the game, I am energized by the PGA’s leadership to challenge the industry, in an effort to expand the interest and opportunity for new consumers. Please know that the LPGA is committed to working with you, and for you, especially in the important areas of “Connect with Her” and “Family Focus”.

- Mike Whan, Commissioner



# Call to Action

My PGA

My Game

**MY FUTURE**

My Sport

My Training

My Skills

# “It’s Personal”

**My Job**

My Value

**My Income**

My Lifestyle

**MY CAREER**

My Responsibilities



# All Business is Personal

## Important Golf 2.0 self-assessment questions:

- Do you know how many unique customers visit your facility?
- Do you know the economic value of your top customers as well as your average customer?
- Do you collect data from and ask your customers for their opinions?
- Do your staff members fully understand and know how to promote your core programs and services?

# All Business is Personal

## Additional Golf 2.0 questions to consider:

- Have you asked your customers what you can do to help them to play more golf next year?
- Do you have signs or materials at your facility that inspire your customers to want to improve and play more golf?
- Do you personally invite your customers to play more golf?

# What is The PGA of America doing?

## Player development strategy focused on:

- Well trained PGA Professional
- Supportive owner and facility-wide awareness
- Physical plant for new players - i.e., bunny slopes
- Marketing strategy to drive business development

**Certified Player Development education for the benefit of PGA Professionals, employers and industry**

# Training & Certification

- ◎ PGA Member “playbook” for Player Development
  - Understanding Golf 2.0 strategies
  - Assessment
    - Operational capabilities and staffing model
    - Trends in rounds and revenue management
    - Technology efficiencies
    - Database management, tracking system, customer satisfaction
    - Player development programs and results
  - Training to implement the initiatives at your facility
  - Certification in Player Development
  - Case studies on economic impact

# Strategy Coaching

## Strategy 1: Retain and strengthen the core

- Know your customer
- Deepen the engagement



*Focus is on customer relationship management, effective communication tools, PGA Professional branding, and program positioning resulting in greater player retention.*

# Strategy Coaching

## Strategy 2: Engage the lapsed

- Connecting with her
- Welcome back to golf
- Family focus
- Platinum players
- Building blocks



*Focus on consumer messages, welcoming atmosphere at facility, diverse programs, and comprehensive marketing strategy*

# Strategy Coaching

## Strategy 3: Drive New Players

- Manage affordability perception
- Off-course options
- Drive for diversity
- I'm ready to play



*Focus on addressing consumer pain points (time, expense), alternative entry points and linkage to green grass, facility land plan and bunny slopes, and marketing strategy*

# What is The PGA of America doing?

- **Building a headquarters staff for Golf 2.0, including player development and junior golf operations**
- **Deploying Player Development subject matter experts in key latent demand markets**
  - Colorado Section PGA Staff will go through this training in order to support golf club and courses within the Colorado Section
- **Creating strategic initiative leadership teams from the entire industry**

**PSA campaign for spring '12**



# Consumer Messages

- **Golf is affordable, accessible and ageless**
- **Golf is about friends, family and fun**
- **Golf is healthy, green and charitable**
- **Golf is an antidote for our busy lives**



# Opportunity

- 90 million Americans want to play more, play again or play for the first time
- Working together we can retain the core, engaged the lapsed and create new players
- Industry-wide growth and sustainability can be achieved





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