

## SPECIAL REPORT:

## GOLF 2.0

HOW THE PGA'S STRATEGIC PLAN  
WILL HELP PGA PROFESSIONALS  
AND THEIR FACILITIES  
BE MORE SUCCESSFUL

IN THE EVOLVING WORLD OF GOLF 2.0, PGA PROFESSIONALS WILL BE EFFECTIVELY MARKETING affordable and creative player-development programs to the 90 million Americans who have wanted to return to or begin playing the game. PGA members also will be broadening their engagement, on a variety of levels, with their regular customers, thereby strengthening existing relationships with that essential group of "core" golfers. Employers, working closely with their PGA Professionals, will be utilizing customer relationship management tracking methods to better determine who their players are and how they can provide more targeted offerings to a wide range of consumers.

With the industry fully embracing Golf 2.0, the changing approach to presenting golf will provide more reasons for new and existing customers to seek out the game. Ultimately, the goal of having 40 million golfers by 2020, while increasing the relevance of the game across the country, will be within reach and the game will be more welcoming to millions of individuals.

And, on a daily basis, PGA Professionals will be serving as the primary individuals to facilitate such growth, just as they have been for the past 95 years since the founding of The PGA of America.

The road to such a promising future formally came into existence on June 27, when the PGA Board of Directors approved the funding necessary for this new long-term strategic plan. Golf 2.0 was spawned by the vision of Past Presidents of The PGA of America, and was spurred on by the thousands of surveys conducted of both consumer perceptions about golf and of PGA members and employers.

The plan has been presented over the past six months to PGA Professionals, allied golf associations, manufacturers, employers and other leaders in the

industry.

But Golf 2.0 really has its roots in the lagging golf economy of recent years, which has seen overall rounds played and golfers diminish, so much so that the game lost 1 million golfers in 2010 from the year before. The National Golf Foundation also has shown that participation in the game has declined by 10 percent since 2005.

So what is Golf 2.0? It's a targeted, focused, long-range strategic plan that has been developed by The PGA and is intended to affect the entire industry. It's a fresh, needed approach to making golf more relevant, especially with the encouraging news that there are 90 million golfers who describe

**Golf 2.0 research indicates that...**

- 90 million Americans have played golf in the past and enjoyed the experience.
- 70 percent of those 90 million have expressed some interest in playing again.
- Beyond the lapsed golfers, there are 20 million who aspire to play, but have never tried.
- Among current golfers, there are many who would like to play more.

## By the Numbers

Golf 2.0 is all about increasing the number of golfers, the number of rounds played and the revenue generated from golf over the next decade among current and potential consumers of the game. Below are some of the key "numbers" associated with Golf 2.0:

3

Core Strategies for Growing the Game

2,000

Broad-Based Consumer Quantitative Studies Conducted

32M

Golf 2.0 goal for number of golfers by year 2016

9

Consumer Groups for Growing the Game

2,700

Surveys of PGA Members and Employers, and Consumer Focus Groups

40M

Golf 2.0 goal for number of golfers by year 2020

12

Strategic Initiatives to Drive Growth

26.1M

Current Golfers Annually in the U.S.

90M

Americans who have played golf in the past and enjoyed the experience

themselves as "lapsed," with a high percentage of them aspiring to play the game again.

The goal of Golf 2.0 is to substantially increase the number of golfers, the rounds of golf played and the revenue generated from golf over the next decade among current and potential consumers of the game. Specifically, the goal of Golf 2.0 is to

increase the number of golfers from the current level of approximately 26.1 million to 40 million by the year 2020.

To do that, the golf industry must get consumers to change their perception of the game in terms of barriers such as time and cost. That is the only way to convert the millions of potential players into actual golfers.

"Golf 2.0 is one of the most important initiatives that The PGA and the entire industry has undertaken," says PGA of America President Allen Wronowski. "We need to make golf more welcoming and more relevant to women and minorities. We need to overcome the misperception that golf costs too much, and that it has to be an 18-hole experience. Golf is such a fun game that is ideal for families, so we now have a great opportunity to attract millions to our game who have expressed an interest in playing. But we have to change the way we run our businesses to make that a reality."

Employers of PGA Professionals are vital to the process of changing the way that golf is presented to consumers, and many have found the vision of Golf 2.0 to be one that begins to address the needs to grow the game in new and different ways.

"Golf 2.0 is the right game plan at the right time," says Jim Hinckley, CEO of Century Golf Partners (a multi-course ownership and management firm based in Dallas), who serves on the National Golf Course Owners Association board of directors, on the Golf 20/20 board, and on the PGA of America Employment Council. "Golf 2.0 clearly outlines the issues facing the golf industry today, and provides the strategic elements for golf professionals and facility owners to focus on player development and make a positive impact on the game."

Adds Billy Casper Golf Chairman & CEO Peter Hill about Golf 2.0: "The study was perhaps the most comprehensive golfer-segmentation analysis ever performed for the golf industry ... The PGA is to be commended for taking this fresh and

*(continued on page 52)*

## Core Golf 2.0 Messages

There are five core Golf 2.0 messages that will be directed to consumers. Those messages will be delivered through numerous media outlets and in various forms.

### 1. Golf is a Fun Family Activity.

Remember that every family member— young and old—can participate and receive the benefits that a round of golf provides. That includes fresh air and beautiful outdoor scenery as well as a healthy dose of exercise.

You can get fit while playing a game you enjoy and ultimately live a longer, healthier life and improve your game. Golf is a great way to connect with family and friends, and the game does not discriminate because of age or skill level. It's a great way to enjoy the outdoors and have unhurried conversations.

Golf is a game for life.

**2. Golf is Affordable.** People are looking for more affordable ways to spend their free time. The good news is that the median cost for 18 holes at public facilities in 2010 was \$28 and 70 percent of all golf courses are public facilities.

**3. Golf doesn't have to mean 18 holes.** People's lives are busier than ever and golf is adapting to meet those changes. Now more than ever, there are opportunities to play in

ways other than the traditional 18-hole round. PGA Professionals are creating innovative golf programs such as:

- 9 and Dine
- 6 holes after 6 p.m.
- Moms' clinics
- Parent/child play 4 holes on Sunday evenings, and
- 9-hole rates

PGA Family Course programs also offer alternatives to a four-hour round of golf.

**4. Women and Golf.** Not only do women play golf to spend time with their family and friends, and for the health and wellness aspects, they also recognize that golf is a good business tool that provides professional networking benefits.

**5. Golf is Healthy.** It's no secret that walking is good for your health, and what a better place to walk than a golf course with its beautiful settings.

Golf is a game that can be played by people of all body types and athletic abilities. Health and fitness experts stress that taking 10,000 steps per day – the equivalent of 18 holes or five miles – will improve your overall fitness. The PGA of America wants juniors and their families to recognize the health benefits associated with the game of golf.

## Frequently Asked Questions

### What does Golf 2.0 mean to PGA Professionals?

It should mean everything to any PGA Professional who wants to grow their business. Think of it this way — *player development = greater employment opportunities.*

We encourage all PGA Professionals to meet with their employers and ask how they can help grow business. PGA Professionals need to do a better job of communicating the many benefits that they bring to a facility because of their PGA membership and how they can attract new customers and revenue to the facility through creative player development programs such as Get Golf Ready.

### Why is Golf 2.0 so important to PGA Professionals?

First, let's be clear that Golf 2.0 is not a PGA program. Rather, it's a long-term strategic plan (5-10 years) developed by The PGA and supported by many of the major stakeholders in our industry. The PGA believes it currently has a number of programs (Get Golf Ready and Family Golf Month are two examples) that are helping to grow the game and increase your value as a PGA Professional.

Golf needs to do a better job in welcoming families, women and "lapsed" golfers into the game. PGA Professionals need to re-examine their programming and customer service for beginners/new players and implement programs such as Get Golf Ready.

### How will PGA Professionals learn more about Golf 2.0?

In addition to a new industry website that recently launched, PGA Education is redefining its curriculum with the sole focus to deliver Golf 2.0-based content that will provide PGA Professionals with the tools necessary to become even more relevant and valuable in the game and industry. The 2011 PGA Expo in August in Las Vegas, featured numerous educational seminars focusing on Golf 2.0, and the 2012 PGA Merchandise Show in Orlando will include even more seminars related to Golf 2.0.

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*There is a great opportunity to grow the game as research from The Boston Consulting Group indicated that 90 million Americans have played in the past and express some interest in doing so again. This is great news that golf has the opportunity to reach out to millions to help grow our sport.*

### Why is The PGA of America pursuing Golf 2.0?

Because the numbers of golfers and rounds played in the United States have decreased in recent years, and PGA Professionals have a vested interest in the well-being of the golf industry. Now is the time to shake our industry out of the doldrums and redefine the strategic approach to growing golf participation.

### What is the current situation regarding golf participation in the U.S.?

A total of 26.1 million people played golf in 2010. That's 1 million fewer golfers than the year before.

### What is the outlook for golf participation in the U.S.?

The findings from surveys conducted by The Boston Consulting Group, which The PGA hired to help develop Golf 2.0, show that:

- Left unchanged, the golf industry might face a decade of flat participation and revenues.
- There is an opportunity to engage an interested and willing population of golfers — some 90 million Americans who are currently not playing golf but want to play, or are playing right now and want to play more.

### What are the goals of Golf 2.0?

The purpose of Golf 2.0 is to increase the number of golfers and rounds played. Specifically, the goal is to increase the number of golfers to 40 million by the year 2020 and to grow the relevance of golf in America.

To help ensure the vitality of golf and to make golf relevant in America for future generations, golf courses and PGA Professionals will need to adapt and evolve to changed consumer behavior brought on by the recession and other influencing factors in our country. The changing dynamic of the family unit along with the resetting of personal expenditures in discretionary income are examples of changes in our culture that are permanent.

### How will we reach these goals?

We believe these goals can only be accomplished if the entire industry better understands the factors that can drive the future growth in golf. We also believe that PGA members can and should serve as the primary individuals to facilitate this growth.

## WHAT CAN YOU DO NOW?

We believe the proactive measures below can serve as a checklist and help you become even more relevant and valuable.

- **CUSTOMER SERVICE AUDIT** Are you sure you know what your customers need, want and desire? A review of these aspects is essential since it can give you a snapshot of what you're doing now to help you determine how to provide even better customer service. Customer relationship management is critical. You might consider, based on the individual strengths of your staff, putting someone in charge of junior golf, another in charge of merchandising, etc. In other words, get the right folks in the right seats and see what can happen.
- **PROGRAM AUDIT** Review the current offerings at your facility to make sure they fall in line with your desire to establish a platform to grow golfers. Better yet, go to [PGALinks.com](http://PGALinks.com) and review the PGA Golfer Portraits' Segmentation Consumer Research Study. It will help you identify the nine consumer groups, determining who they are and if you are meeting their needs. Create value for your customer and demonstrate value to your facility.
- **FACILITY-WIDE KNOWLEDGE/AWARENESS** From the cart barn to the Board Room, make sure that all "team" members at your facility are speaking the same language. You want to create the ultimate welcoming experience for your customers, and that can happen if everyone on staff (and beyond) are aligned with the knowledge of what you offer and why it is valuable to your customers.
- **COMMITMENT TO EDUCATION** Take advantage of the new knowledge-based behavioral consumer research. It can help you adjust to new culture and be more relevant in the marketplace. Now is the time to be more flexible and adaptable. The objective of this new approach to education is to provide the means for each PGA member to develop a customer into a client so they ultimately become a partner. This new educational programming can help you produce better bottom-line results.
- **BUSINESS PLANNING SESSION WITH OWNER, GM AND BOARD** Reset the way you think and the way you communicate with one another. Begin planning to operate more effectively in the new world of golf. You can coordinate all the members of your team so they are collectively driving the business. It's actually quite simple — develop your business planning so that it ultimately develops more golfers.
- **PLAYER DEVELOPMENT—STRONGER BUSINESSES** This is what Golf 2.0 is ultimately about. We're experiencing a cultural shift and you must take a different approach to business to be successful. More players can lead to better employment opportunities for PGA members. Let's get more people playing and have you become more important at your facility. Create stronger relationships so that the sale of that driver to one person leads to sales of full sets for the entire family. Drive your business by getting to know your customer better and conducting business in a new, exciting way.

LEARN MORE ABOUT WHAT **GOLF 2.0** CAN MEAN TO YOU, AT **GOLF20.NET**

# THREE STRATEGIES OF GOLF 2.0

## Retain/Strengthen The Core

### BETTER KNOW YOUR CUSTOMERS

Golf, PGA Professionals and golf facilities need to better know who our customers are — not just rounds played but total customers and how to segment them. Delivering different experiences to each segment and best practice customer service will protect this group from further erosion and give us time to grow new customers. This will be accomplished primarily through Member and Employer Education.

### NURTURE CURRENT CUSTOMERS

Golf facilities must nurture our current customers and guide them to be our most loyal customers through the use of customer service techniques and affinity marketing. These “power customers” drive the majority of our facility revenue, and it may take 10 beginners to make up for the loss of one of these people



## Engage “Lapsed” Golfers

### RECOGNIZE WOMEN’S INFLUENCE

Golf must recognize women as the most influential member of American families — women control 73% of household spending — and create an integrated marketing strategy to grow our participation rate among women. Growing the number of women professionals and alliances with the LPGA and other women sports organizations will be important to reach “Generation W.”

### TARGET 90 MILLION LAPSED

It is critical that we target various segments of the 90 million Americans who describe themselves as lapsed golfers, many of whom aspire to play again. How golf welcomes these former customers back is key, as it will set the stage for future initiatives to introduce brand new players to the sport. The current Get Golf Ready effort is ready-made to address this initiative.

### ENGAGE ENTIRE FAMILY

With Generations X and Y exhibiting a more family-centric lifestyle than Boomers, golf must look at the entire family, not just Dad. Without an engagement of the family, Americans will look elsewhere to spend leisure time (and money).

### TARGET LAPSED SENIORS

An aging Boomer population presents an opportunity to target lapsed senior golfers who have time and money and like the networking aspect that golf provides.

### ENGAGE ELECTRONIC USES

Not all golfers of the future begin in junior clinics and we need to engage with X Box, EA Sports and TopGolf, and the fun, technology-driven, interactive experiences they provide. Determining a role for PGA Professionals is key and finding gateways from these non-traditional experiences to green grass golf is just as important

## Drive New Players

### REACH “OTHER 84 PERCENT”

Reaching families who are in the 84 percent of American non-golf households is key as they represent the “building blocks” of our future. As we believe that golf is a game that can and should be enjoyed by everyone, everywhere, we must employ tactics successfully used by soccer and other team sports to reach these households. For instance, alliances with major youth organizations such as the Boys and Girls Clubs of America are a key part of this strategy.

### ENGAGE MINORITIES

The nation’s growing minority population represents both a unique opportunity and a unique challenge. Overturning the under-representation of African-Americans and Latinos in golf will require a concerted effort employing refined strategies. Access to demographic information and “knowing your customer” will be integral to success.

### I’M READY TO PLAY

“I’m ready to play”... a simple phrase from a brand new customer that can create chaos on a busy day must be turned into an opportunity. How golf courses accommodate these new players with facilities and staff will be vital to growing beyond the current 16% of U.S. households playing golf.



## FUNDAMENTALS FOR ALL STRATEGIES

### HIGHLIGHT VALUE OF GOLF

PGA Professionals and golf courses should highlight the tremendous value of golf. Golf must overcome a misconception of the high cost of equipment and fees, especially among families. Focus groups and quantitative surveys showed that former golfers and people who don’t play the game viewed the cost of golf 2–3 times higher than other options available. Educating consumers that there are golf programs, packages and prices that are all-inclusive golf experiences (basic instruction, rental equipment and starter course) for entry-level, returning or first-time golfers and their families, is key. Guiding consumers to the parts of the tee sheet when a facility can accommodate them makes this a win-win.

### PGA MEMBER EDUCATION AND TRAINING

Underlying all the initiatives of Golf 2.0 is a substantial training effort. Aligning the PGA’s Member education is an important initiative which will tie together education, player development and employment. Education of the industry at large — Employers, Manufacturers and Allied Professions — must also be undertaken to ensure a collaborative approach to this “re-set” of the golf experience for future generations of customers. This will also help close the gap in communication between PGA Professionals and their Employers.

## Marketing 2.0

At its core, Golf 2.0 promotes out-of-the-box thinking when it comes to reaching and connecting with customers. Below are examples of traditional processes and how they might evolve to reach wider audiences:

Traditional	New
Offer prices for 9 or 18 holes only	Offer 3 or 6 hole loops, or range balls + 3 holes
Charge for kids as riders even if they don't play or full price if they do	Kids are free to ride with adult, free to play up until a certain age, then discounted if they play full course
Strict dress codes	Relaxed dress codes, such as denim OK in cool weather, clima-cool t-shirts in hot
Golf operation separate from rest of club	Package golf with other family-friendly activities, such as access to pool or tennis courts for the day
Individual golf lessons offered for set price, on board in golf shop	Family group outings, include SNAG, Big Break-like challenges, varying prices

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comprehensive approach.” (editor’s note: For an exclusive Q&A with Billy Casper Golf Chairman & CEO Peter Hill about Golf 2.0, log onto [PGAmagazine.com](http://PGAmagazine.com) or [Golf2.0.net](http://Golf2.0.net).)

The strategies that will be implemented for Golf 2.0 – they will begin to be rolled out later this year – will be strongly supported by a revamped PGA Education curriculum, with the sole focus on delivering content that will provide PGA Professionals with the tools necessary to become even more relevant and valuable (see page 58).

The industry is learning even more about Golf 2.0 through a new password-protected website, [Golf20.net](http://Golf20.net), which was launched on Aug. 8.

Through this cover story, *PGA Magazine* will provide the background that led to Golf 2.0, as well as an overview of the strategies, strategic initiatives and consumer groups that are at the core of the plan. The next three monthly issues of *PGA Magazine* will provide a more-in depth look at these core elements.

### Reset of the Industry

With the golf industry facing a “reset” in demand and supply – fueled by many factors, including the widespread economic downturn – Wronowski and other PGA leaders looked to better understand what can drive the future growth of golf and further position PGA members as the facilitators of that growth. Ultimately, The PGA tasked The Boston Consulting Group, one of the world’s leading consumer research and consulting firms, to conduct a

thorough inspection of the outlook of golf and the industry.

Their findings, gleaned through surveys of some 2,700 PGA members and employers, consumer focus groups, and more than 2,000 broad-based consumer quantitative studies, formed the foundation of what has become Golf 2.0.

Those findings showed that if the industry was essentially left unchanged – if no major new strategic approaches to growing the game were undertaken – golf in the United States might face 10 years of flat participation and revenues.

Conversely, those findings uncovered an enormous opportunity for the game – there are 90 million Americans who have played the game in the past and enjoyed the experience. And 70 percent of those 90 million have expressed some interest in playing again.

**“GOLF 2.0 IS ONE OF THE MOST IMPORTANT INITIATIVES THAT THE PGA AND THE ENTIRE INDUSTRY HAS UNDERTAKEN. WE NEED TO MAKE GOLF MORE WELCOMING AND MORE RELEVANT TO WOMEN AND MINORITIES. WE NEED TO OVERCOME THE MISPERCEPTION THAT GOLF COSTS TOO MUCH, AND THAT IT HAS TO BE AN 18-HOLE EXPERIENCE.”**

—ALLEN WRONOWSKI,  
PGA PRESIDENT

Those “lapsed” golfers represent potential widespread growth of the game and the ability to enhance the value of PGA Professionals at facilities and throughout the industry. The lapsed golfers are specifically identified on page 54 and they include groups called:

- Lapsed Women With No Kids, a large segment size of 17 million people that has an extremely high latent demand to play the game.
- Lapsed Men With No Kids, a target population of 26 million people that has a relatively high latent demand to play the game.
- Lapsed Retired Men, with a population of 10 million people that has a very high latent demand to play the game and has potential for high household revenue.

The potential for growing the game is expanded exponentially when one realizes the importance of

## Captain's Club Supporting Golf 2.0

Jack Nicklaus' Captain's Club, a group of men and women who have distinguished themselves in our game over the decades through the playing of the sport or their leadership, recently convened and announced their strong support of Golf 2.0. You can read their letter here. Log onto PGAmagazine.com or Golf20.net to view a video of Nicklaus applauding the industry's direction.



PRESENTED BY



August 8, 2011

An Open Letter to the Golf Industry:

In 1976, Jack Nicklaus created the Captain's Club at the Memorial Tournament, a group of men and women who have distinguished themselves in our game over the decades through the playing of the sport or their industry leadership or both. Each year, this group has convened to discuss myriad subjects in the best interests of the game. Through the years this has included trends and changes in the game, technology, golf course design, the rules, traditions, etc.

More recently, the Captain's Club has been concerned that the game is not growing and indeed has shown decline in recent years. We believe that we must not only acknowledge these problems, but we must take action and think "out-of-the-box" while doing so. This includes Jack Nicklaus, the Founder of the Memorial Tournament. One of the game's great champions and ambassadors, he is also a father and a grandfather who wants to see future generations enjoy the game as much as he has, and to see golf grow once again. While there is probably no greater traditionalist and someone who embraces tightly our game's past than Jack, he too joins us in wanting to take action, and bring new thinking to the game and how we need to change in order to grow.

At its foundation, golf is just a game – a great game – but we all agree that it is also a business, and in doing "business as usual," we have "lost customers" at an alarming rate. According to the National Golf Foundation, in the last five years, we have lost close to 4 million golfers in the United States. From 2009 to 2010, we lost one million more golfers than we gained. Golf participation in the U.S. has fallen to levels not seen in 25 years, as only 9.2 percent of the population plays golf. The number of female and junior golfers – two segments that once represented a disproportionate percentage of the new people coming into the game – have dropped 23 and 35 percent, respectively, over the last five years. So, just as it is dependent on the management of any business to find solutions, we as leaders of our game must explore alternatives and new ways to attract new golfers and, most important, retain them.

During last month's Memorial Tournament and the annual meeting, the Captain's Club invited PGA of America CEO Joe Steranka to address the group on a new study the PGA commissioned by the Boston Consulting Group on consumer attitudes regarding golf. The findings are extraordinarily candid and should be required reading for all of us who care about the sport and industry of golf. Despite startling statistics that should concern us all, the PGA of America's initial strategies are designed to find real solutions to leverage untapped interest in golf and to address the "pain points" that are keeping people from playing golf – or playing more golf.

The PGA of America is just one organization, and it is imperative that all of golf's organizations and key decision-makers join the effort in order for us to make a real difference in the direction of our game. Members of the Captain's Club are offering their endorsement of the PGA's willingness to lead these collective efforts. We all have both a deep-rooted love of the game and ownership in it to make certain it prospers again. So we urge all who love the game and wish to see it healthy and growing to join in this campaign.

Sincerely, The Captain's Club

Jack Nicklaus	O. Gordon Brewer Jr.	Trey Holland	Will F. Nicholson, Jr.	Gary Player
Peter Alliss	William C. Campbell	Tony Jacklin	Barbara Nicklaus	Judy Rankin
Judy Bell	James Ray Carpenter	Ken Lindsay	Andy North	Johann Rupert
Peggy Kirk Bell	Sean Connery	H. Colin Maclaine	Hisamitsu Ohnishi	Carol Semple Thompson
Michael Bonallack	Richard H. Grimm	Charles S. Mechem, Jr.	Arnold Palmer	Tom Watson

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## Nine distinct consumer groups

The extensive surveys conducted by The Boston Consulting Group (BCG) identified nine distinct consumer groups that the strategies of Golf 2.0 should target in order for the industry to experience meaningful growth over the next decade.

The consumer groups fall under at least one of the three Strategies of Golf 2.0 — Retain and Strengthen the Golfing Core; Engage “Lapsed” Golfers; and Drive New Players.

Below are the nine consumer groups and a snapshot of each (based on the BCG surveys), with the Strategy each falls under listed first:

### STRATEGY: Retain and Strengthen the Golfing Core

#### CONSUMER GROUP: Regular Golfers Making at Least \$150,000 Annually

**SNAPSHOT:** This is a segment size of less than 1 million people that has a high per household spend and a high desire to bring others to the game.

Top three barriers they gave for not playing, that are unrelated to the reasons of cost and time:

- My spouse/significant other doesn't play (37%)
- Congestion on golf courses (17%)
- Golf isn't welcoming for women (12%)

One group member told us, “I take golf less seriously now than in my 20s, but it's the variety I still love.”

#### CONSUMER GROUP: Occasional Women With No Kids

**SNAPSHOT:** This segment size comprises about 2 million people and they have a high latent demand to play the game in some form. They have fewer barriers into the game than moms and have a longer potential golf life versus retirees.

Top three reasons they gave that are unrelated to the barriers of cost and time:

- Not welcoming for beginners (26%)
- Congestion on golf course (15%)
- My spouse/significant other doesn't play (15%)

One group member told us, “My fiance's dad taught me to golf. I go with their family or with my fiance.”

#### CONSUMER GROUP: Occasional Men With No Kids

**SNAPSHOT:** This segment size is made up of about 5 million people and they have a substantial latent demand to play the game. They have fewer barriers into the game than dads and have a longer potential golf life versus retirees.

Top three barriers they gave for not playing, that are unrelated to the reasons of cost and time:

- Congestion on golf courses (43%)
- Limited options besides playing full 18-hole courses (14%)

- My spouse/significant other doesn't play (11%)

One group member told us, “I used to play a lot with my son ... but I don't play so much now that he's older.”

### STRATEGY: Engage “Lapsed” Golfers

#### CONSUMER GROUP: Lapsed Women With No Kids

**SNAPSHOT:** This is a large segment size of 17 million people that has an extremely high latent demand to play the game.

Top three barriers they gave for not playing, that are unrelated to the reasons of cost and time:

- I don't know the rules (22%)
- My spouse/significant other doesn't play (19%)
- Limited options besides playing full 18-hole courses (19%)

One group member told us, “I liked being out on the course but it just costs so much money.”



#### CONSUMER GROUP: Lapsed Men With No Kids

**SNAPSHOT:** This is a large target population of 26 million people that has a relatively high latent demand to play the game.

Top three barriers they gave for not playing, that are unrelated to the reasons of cost and time:

- My spouse/significant other doesn't play (22%)
- Golf isn't welcoming for beginners (19%)
- Congestion on golf courses (17%)

One group member told us, “I'll get out to the driving range, but I don't really have the time to play 18.”

#### CONSUMER GROUP: Lapsed Retired Men

**SNAPSHOT:** This is a population of 10 million people that has a very high latent demand to play the game and is a high potential household revenue opportunity.

Top three barriers they gave for not playing, that are unrelated to the reasons of cost and time:

- My spouse/significant other doesn't play (29%)
- Congestion on golf courses (21%)

One group member told us, “I haven't been golfing since my son asked me to go one summer.”

#### CONSUMER GROUP: Lapsed Dads and Moms

**SNAPSHOT:** This is a population of some 19 million people that has a high latent demand to play the game and a high per household potential revenue. They also represent an opportunity to bring families to the game.

Top three barriers they gave for not playing, that are unrelated to the reasons of cost and time:

- Golf isn't welcoming for beginners (19% Dads, 18% Moms)
- Golf isn't an activity I can take my kids to (19% Dads, 13% Moms)
- I don't know rules/norms (16% Dads, 12% Moms)

One group member told us, “With two active 7-year-old boys, I just don't have time to play.”

### STRATEGIES: Engage “Lapsed” Golfers; Drive New Players

#### CONSUMER GROUP: Kids (who already have played and who have not played)

**SNAPSHOT:** This is a total population of 27 million people who represent a solid foundation for the future of the game. Kids' participation and interest enables the whole family to play.

Top three barriers they gave for not playing, that are unrelated to the reasons of cost and time:

- I don't think it will be fun/just don't like golf (49% Who Have Already Played, 78% Who Have Not Played)
- I don't know the rules (48% Who Have Already Played, 64% Who Have Not Played)
- Golf isn't welcoming for beginners (35% Who Have Already Played, 25% Who Have Not Played)

### STRATEGY: Driving New Players

#### CONSUMER GROUP: Hispanics/Latinos Lapsed and Familiar

**SNAPSHOT:** This is a population of 24 million people who represent the fastest growing ethnic group in the United States, with increasing wealth. The Hispanic/Latino population skews young, which adds to future opportunity.

Top three barriers they gave for not playing, that are unrelated to the reasons of cost and time:

- I don't know the rules (46%)
- Golf isn't welcoming for beginners (27%)
- My spouse/significant other doesn't play (21%)

One group member told us, “I won't golf by myself. My daughter is into mini-golf and Wii golf at the moment.”

## Reach Potential New Customers With Social Deals



**Ryan Alvino** is the PGA head professional at John Prince Learning Center in Lake Worth, Fla., a standalone driving range with three-hole practice course.

The summer months are our slow season in South Florida. To help combat the lack of traffic at our facility, our staff got together to brainstorm non-traditional ways we could attract new customers. That's when we first decided to use Living Social to promote our Get Golf Ready program. If you're not familiar with Living Social, it is an internet-based company that generates coupons and discounts for a variety of activities in locations across the country. Personally, I've used Living Social to buy all kinds of things. It's a great option for anyone who may be on the fence about trying something such as a new restaurant, or, in this case, golf.

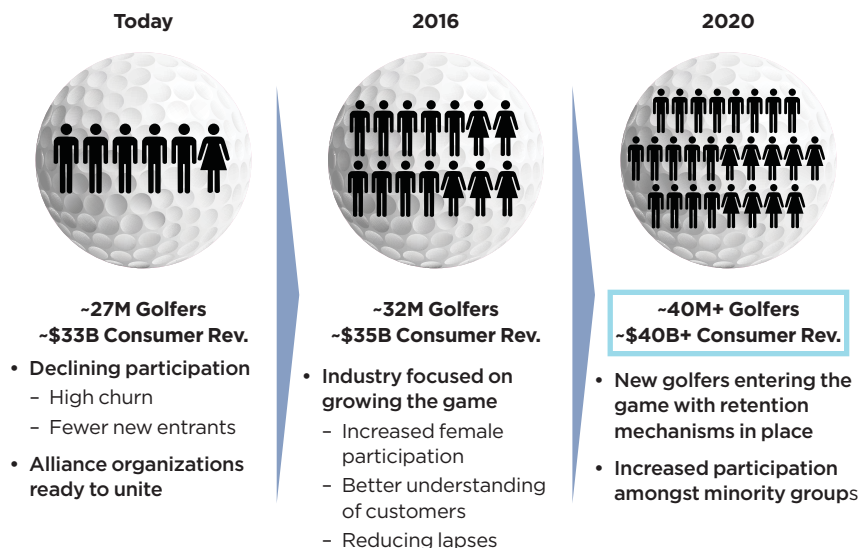
Through our promotion, we were able to attract 245 people who were interested in taking our Get Golf Ready class at the discounted rate of \$49. In order to host a Living Social deal, you must offer your service for at least 50 percent off the normal value, and then also split the remaining proceeds with the third party. Essentially, we are only making \$25 per Get Golf Ready student, but the benefit of attracting 245 potential new customers is absolutely worth the discount. This is a gateway to attract an untapped audience of non-golfers and bring them to the game. Our goal is to bring people to the facility and just let them know that we're here, and turn them into recurring customers from there.

For more information on Get Golf Ready and other PGA Player Development programs, please visit the Player Development page on [PGALinks.com](http://PGALinks.com).



**PGA**

## A vision for golf's future



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

Source: Golf 20/20 report; BCG analysis

reaching 84 percent of American households that do not have a golfer. In particular, Hispanics and African-Americans are tremendous opportunities for growth, as they represent only 8 percent (Hispanics) and 4 percent (African-Americans) of the golfing market, compared to 16 percent and 12 percent of the U.S. population, respectively.

"PGA Professionals have a vested interest in the well-being of our industry," says PGA Chief Executive Officer Joe Steranka. "To make golf relevant in America for future generations, golf

courses and PGA Professionals must adapt and evolve to changed consumer behavior brought on by the recession and other influencing factors in our country."

By doing so, Wronowski contends that Golf 2.0 can lead to better days at the 10,000 golf facilities in the nation.

"PGA Professionals should think of Golf 2.0 this way – player development equals better employment opportunities," Wronowski says. "PGA Professionals are at the center of the golf industry. We believe that Golf 2.0 will result in a

## Darrell Crall takes the helm as Golf 2.0 Senior Director

After 15 years of growing the game in the Northern Texas PGA Section, Darrell Crall decided it was time to think bigger. "I am proud of all that we achieved in Northern Texas, especially in the areas of youth development, philanthropy and community activation," says Crall, who as the NTPGA executive director served more than 750 PGA Professionals and an active customer base of 29,000 junior golf and associate members. "But the opportunity to work for The PGA of America and with the golf industry to contribute to growing the game on a national scale was too great to pass up."

So in July, Crall packed his bags and headed east to Palm Beach Gardens, Fla., where he assumed the role of Golf 2.0 senior



director, thereby taking the reins of one of The PGA of America's most significant undertakings to date.

Crall's first order of business was to work closely with fellow PGA headquarters staff to integrate the Golf 2.0 philosophy into daily departmental operations and oversee the launch of the Golf 2.0 website. Next, he turns his attention to staffing issues, including the hiring of Golf 2.0 specialists to be positioned around the country to help implement the strategies at the green grass level.

PGA of America CEO Joe Steranka knew that launching an initiative of this scale would require someone with a track record of organization, leadership and passion, and knew where he could find at least one great

more vibrant and sustainable golf industry, with PGA Professionals leading the way in how golf changes its mindset and its marketing to significantly grow its customer base and the game.”

### Putting Plans in Place

Based on the results of the consumer and industry surveys, The Boston Consulting Group identified three core Strategies for long-term growth through Golf 2.0:

1. Retain and Strengthen the Golfing Core
2. Engage “Lapsed” Golfers
3. Drive New Players

To better know and nurture your current customers, facility operators need to better understand who their customers are. That extends beyond knowing the number of rounds played at a facility, to determining how to segment customers to deliver unique and valuable experiences. By delivering different experiences to each segment, you will protect this group from further erosion. Golf facilities must nurture our current customers and guide them to be our most loyal customers through the use of customer service techniques and affinity marketing. The industry must avoid losing a “core” player as it may take up to 10 beginners to make up for the loss of one of these consumers.

The PGA’s commitment to Golf 2.0 is reflected in the hiring of Darrell Crall as the Senior Director of Golf 2.0. Crall spent the last 15 years as the executive director of the Northern Texas PGA Section. Crall understands the importance

of retaining and strengthening the relationship with the core golfer, but he also grasps the need to expand the market for golf.

“We must focus on key segments that have tremendous growth prospects,” says Crall. “That includes lapsed golfers who have played the game, left it and would like to return. It is bringing in a new generation of junior golfers who have been largely ignored in recent years. And it is appealing to women, who account for a significant 73 percent of household spending.”

In short, the game cannot merely focus on and promote to one demographic, and expect the game’s struggles will be turned around.

Thus, through the three Golf 2.0 strategies and the 12 strategic initiatives (see page 50), the game can produce programming and consumer messaging that the entire industry must embrace for marked growth:

- Golf is a fun family activity
- Golf is affordable
- Golf doesn’t have to mean 18 holes
- Golf is healthy
- Golf is welcoming to all demographics, especially women.

Donna Orender, the former CEO of the WNBA who is leading the Golf 2.0 marketing direction for women, believes that with the continuing rise of women in all aspects of life and recognition that they are the CEOs of their households, that making this game more accessible and open to these key decision-makers is an investment in more than our business,

candidate. Crall’s NTPGA accomplishments include growing the Section’s assets by 15 times; establishing and managing numerous programs and events, which generated millions for college-bound junior golfers and children’s charities, as well as organizing the nationally-recognized Help-A-Kid Play Golf and Golf In Schools programs, which reached more than 300,000 inner-city juniors at schools and summer recreation centers.

“Darrell’s commitment to excellence, leadership and creativity left a resounding positive impact on junior golf in Texas, and The PGA of America is proud to have him guide Golf 2.0, one of the most important endeavors that affects our 27,000 men and women PGA Professionals and our industry partners,” says Steranka. “This is a critical period to the growth of our sport, and we believe that we have the makings of a team that will lead the charge to engage new

players, attract new consumers to golf and retain and strengthen the core of all who remain loyal to the game.”

For Crall, being a part of that team, and assisting PGA Professionals across the country in retaining their core customers and reaching new potential customers is affirmation of his lifetime commitment to making people’s lives better through golf.

“It’s an honor and extremely humbling to be invited to work with PGA leaders, staff and Sections to lead the Golf 2.0 initiative,” he says. “It is always a challenge when you are launching a major new initiative, but there is a tremendous opportunity knowing that 90 million Americans are saying that they are interested in playing golf. That is a major incentive for the industry to join forces and deliver new compelling programs and services along with a roadmap on how and why to become engaged in this great game. Now, it’s time to get to work.”

## PGA BEST PRACTICES: PLAYER DEVELOPMENT

### On-Course Clinics Create Confident Women Golfers



**Stacey Christensen** is a PGA assistant professional at Minnesota Valley Country Club in Bloomington, Minn., a private facility.

At our facility we do a lot of teaching and clinics for women. Our newest and most popular clinic is a Ladies On Course instruction session. It is a two-hour, on-course clinic held in a relaxed atmosphere for a group of six ladies. I walk alongside them as they play, and I provide instruction on “real golf”: situations they encounter on the course. The focus isn’t based on teaching mechanics or the swing, but rather the experience of golf. We touch on Rules, etiquette, where to stand, where to put your pull cart, how to mark your ball, fix your divot and other elements of playing the game. These focus areas are too often overlooked and are the main reason many ladies feel intimidated on the course. This session is a perfect setting for the ladies to ask any questions they may have and not feel rushed. While we don’t always get through a full nine holes, we accomplish more instruction than would be possible at the practice facility.

The better the ladies play, the more confident they will feel, the more fun they will have, and the more they will play. This has been one of our most popular programs, and these clinics are sold out. I have also generated several private lesson series from this clinic. The ladies love the small group setting, relaxed atmosphere, and the confidence they feel when they step off the course.

For more information on Get Golf Ready and other PGA Player Development programs, please visit the Player Development page on [PGALinks.com](http://PGALinks.com).



**PGA**<sup>TM</sup>

## Start Sessions of Get Golf Ready With Get-Togethers



**Patricia Henry** is an LPGA teaching professional at Jimmy Clay and Roy Kaiser Golf Courses in Texas, which are municipal facilities.

Golf can be an intimidating venture, particularly for women, and it only adds to the angst when you're taking a clinic with a group of strangers. For that reason, I decided to host a social gathering, a meet-and-greet if you will, in the days leading up to my women's Get Golf Ready classes. The goal is to help the ladies get more familiar with one another and be more comfortable when we go out to the range for the first session. One of the first times I hosted such an event, I held it at a local salon with a makeup artist. The women received some sample cosmetic items and makeup tips while we sat, drink wine, ate hors d'oeuvres and chatted. I called it "The Blush Hour." I wanted to provide a relaxed atmosphere where I could get to know the ladies and they could get to know me as person, not just their golf instructor. Another time I hosted an event like this, I held it a wine-making studio called Water to Wine, where the ladies actually got to make their own wines and do some tastings.

We operate out of municipal facilities, so we don't have a spa or any of the resort-type amenities that other courses may enjoy. If you're at a resort or private course, this is something you could easily host right on site at the spa or poolside. These events are a great way to soften what can be an unsettling and intimidating situation.

For more information on Get Golf Ready and other PGA Player Development programs, please visit the Player Development page on PGALinks.com.



# PGA

## Golf 2.0 website

**G**olf20.net, the website dedicated to the long-range strategic plan to substantially increase participation in the game, was launched to the golf industry in early August.

Key content areas include: three core strategies for growing the game; nine consumer groups and a snapshot of each; and the 12 strategic initiatives to grow participation and increase revenues.

Jack Nicklaus welcomes visitors to the site through a video, applauding the direction the industry is headed in its efforts to grow the game. Nicklaus' Captain's Club, a group of men and women who have distinguished themselves in our game over the decades through the playing of the sport or their leadership, also announced their strong support of Golf 2.0.

PGA Professionals can access Golf20.net using your PGALinks.com username and password. Sign up to receive Golf 2.0 email and let us know what you think about this new strategic plan. Golf20.net will be updated regularly.



but our future as well.

"Opportunities abound in working to meet a variety of customer segments more than halfway. Women clearly recognize the values of the game, the business benefits, the social and family benefits and want to participate," says Orender. "Their barriers to entry are within our abilities to change if we take the initiative to better understand the mindset of our female customers and the kinds of experiences they value. Our women consumers are very loyal and will reward the

right kind of service and programing with their business."

Events for women must go beyond playing and practicing and extend into social activities, such as post-round wine tastings, networking opportunities and golf fashion shows. Women want to feel engaged and part of something more encompassing than just playing a round or taking a lesson.

As a result, facilities should review programming and customer service for beginning and new players, and imple-

## PGA Education 2.0: Lifetime learning for a lifelong impact

**I**n October, the PGA Education program will formally roll out one of the most dramatic upgrades to its curriculum and training systems ever. This multi-million dollar investment in PGA Professionals – tailored to support, enhance and compliment the principles and strategies of Golf 2.0 – was showcased at the PGA Expo, at the Venetian Resort Hotel Casino, in Las Vegas.

Launched via 15 PGA Expo Education Seminars themed around the GOLF 2.0 industry initiative to revitalize rounds, grow revenues and increase participants in golf from all demographics to 40 million by 2020, the new PGA Education 2.0 programs are designed to deliver new customers, improve operations and build sales.

"Golf 2.0 will serve as the driver of PGA Education 2.0 programs for years to come, as we adapt to the industry's advances in sales, marketing, instruction and technology," says PGA member Brad Sullivan, PGA senior director, Member Programs. "These training opportunities are designed so that the programs are seamless for immediate activation by PGA members industry wide."

PGA Education 2.0 is designed to be flexible, in order to adjust to changes in the

marketplace, economy and workplace. As a result, the programming and curriculum is tailored so that PGA members have access to the latest research and innovations in Player Development, management, technology and Best Practices.

PGA Expo attendees were introduced to new-age player development programs designed to take the game directly to the consumer; grow their customer base; engage women, minorities and juniors; adopt social networking; implement unique selling propositions; develop comprehensive financial planning and more.

"PGA Education is proud to provide our members state-of-the-art research, information and innovation in furthering their dedication to lifelong learning and growing the game," says PGA Master Professional Dawes Marlatt, The PGA's director of education. "The key is that these cutting-edge and dynamic programs are instantly accessible for you to implement at your facility to grow your business and clientele, with an immediate impact on revenue growth."

### The Right Time...The Right Place

The PGA of America goes to great lengths to

ment impact programs at the grassroots level, such as Get Golf Ready, which offers a series of five introductory lessons for \$99. Research has shown a strong correlation between graduates of the Get Golf Ready program and a long-term affinity to golf.

While internal teams at The PGA are developing the plans to launch each of the 12 Golf 2.0 strategic initiatives, PGA Professionals are encouraged to take action in six key areas that are outlined on page 49:

- Customer Service Audit
- Program Audit
- Facility-Wide Knowledge/Awareness
- Commitment to Education
- Business Planning Session with Owner/GM and Board, and
- Player Development=Stronger Businesses

### PGA Education is Key

For the industry to better appreciate who its consumers are and how to target their needs, PGA Professionals must align themselves with those demands. The PGA's newly revamped education curriculum first came into focus last month at the PGA Expo in Las Vegas, where new seminars were launched to begin to meet the needs of consumers identified through Golf 2.0.

The seminars at the PGA Expo last month were:

- A Long-Term Player Development Plan
- Take the Game to the Customer
- Knowing your Customer and Deepening the Engagement with Women
- Using Social Networking to Make a Stronger Connection
- Your Revenue with Social Marketing
- Golf 2.0 Your Future
- Create and Deliver the Welcoming Service Model

“PGA members should be assured that The PGA is committed to providing them with the education that corresponds with the opportunities presented by Golf 2.0,” says PGA Master Professional Dawes Marlatt, who is the PGA's director of education. “The new educational offerings will provide the whys, whats and hows of Golf 2.0 and what it can mean to PGA Professionals and their facilities.”

The education of the industry at large – employers, manufacturers and allied associations – must also be undertaken to ensure a collaborative approach to this “re-set” of the golf experience for future generations of customers.

“The time is now for Golf 2.0,” says Wronowski. “The time is now to embrace this strategic plan and develop our skills in bringing more customers to our facilities.” ■

ensure that PGA members meet its highly demanding professional standards, while planting the seeds of opportunity for their skills to evolve, enhance and adjust to rapid changes in the industry – all in the name of a better golf experience and a thriving business.

“Advanced training and certification achieved in both the PGA Certified Professional Program and PGA Master Professional Program elevate your credentials to among the elite in the industry; enable you to fortify your position in the workplace; and expand and enhance your career earning potential,” adds Marlatt.

Golf 2.0 is designed to educate and motivate PGA Professionals with easy-to-use strategies that can efficiently and effectively grow their business, with real-time information and data that is directly applicable to your region and facility type. The goal is to increase the amount of golf people play, creating loyalty and driving profitability for your club.

So, whether it is through social media, mobile phone technology or word-of-mouth advertising, PGA members must be willing to combine traditional marketing strategies with hi-tech advancements – to reach

existing clients, tap latent golfers and grow new business.

“We must know how to engage our customer through effective grassroots marketing and promotion that enables and enhances access to mobility and social media, so that we can build a passion for the game for decades to come,” explains Bob Baldassari, The PGA's senior director for Player Development. “PGA members who recognize that now is the right time and place to tap these cost-effective avenues of promotion – as identified by PGA Research and Player Development Resources – are the ones who will lead the way for growth of the game and their business.”

And those PGA Professionals that embrace and engage PGA Education 2.0's concepts, research and data will be uniquely positioned to experience an instant – and positive lifelong impact – on their profession.

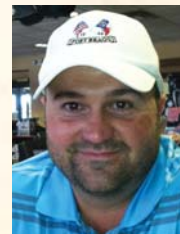
“The tools are there,” adds Sullivan. “The standards are set at a very high level, in order for you to positively leverage for the good of your business, your career and the game.”

For more information, contact Dawes Marlatt, PGA at (772) 462-8505 or dmarlatt@pgahq.com.

— Michael R. Abramowitz

## PGA BEST PRACTICES: PLAYER DEVELOPMENT

### Offer Discounts for Graduates of Get Golf Ready



**Jeff Johnson** is the PGA director of golf at the Ryder Course at Fort Bragg (N.C.) Golf Complex, a military facility.

This past year I attended an Army Managers Conference, where PGA Professional Cathy Harbin, the director of Golf 20/20, was discussing the importance of retention when it comes to offering player development initiatives. As I sat and listened to her speak, I was struck with the idea of creating a membership card that our Get Golf Ready graduates could use for discounted items if they returned to our facility. This has been a great way to get people coming back to our facility over and over again, so it's not as if we just give them the five lessons and then send them on their way. Graduates who have the card receive preferred pricing seven days a week on rounds of golf; they end up saving approximately \$13 per round compared to our normal rate, which is a considerable savings.

The card is good for one year after their graduation date. In addition to the preferred pricing on rounds, they receive discounts on select items in the golf shop – mostly soft goods – and two-for-one deals on range balls. The graduation card has proved very impactful, though not always in terms of rounds of golf. But what we do see a lot of is students returning to hit range balls, spending \$3 for two small buckets and even bringing friends with them who pay the full price.

For more information on Get Golf Ready and other PGA Player Development programs, please visit the Player Development page on [PGALinks.com](http://PGALinks.com).



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