

# Business Advisor

## The Internet and Canadian Golf Some future predictions

by Dennis Conly

***When the commercial potential of the Internet was first being noticed in the mid 1990's, it seemed almost as if it had been invented for golf and for the people who own and manage golf courses.***

Putting up pictures and statistics about golf courses on the World Wide Web, for all to see, was an obvious application. Many golf course managers will remember the relentless offerings of small businesses and individuals wanting to build a web page for them. Whole file folders of these promotions were created. Now it's the era of E-Bay, Amazon, E-Trade and other internet companies with capitalizations approaching that of General Motors. And many business sectors have overtaken the golf industry in the use of internet technology. There aren't many people out there who still question whether the internet will play an important role in their business. But exactly how things are going to play out is still a matter of speculation. Here are a few predictions.

### Consumer Leadership

Let's face it. The golf industry is not known for its leadership in technology, at least the computer kind.

It's a case where the customers are far ahead of the business. The proportion of Canadian golfers who use the Internet is now well over 50 percent. The proportion of Canadian golf courses that use the Internet, however, is still well under 50 percent.

What this means is that consumers will be gravitating to the Internet offerings of golf courses that provide what they are looking for.

What are your customers looking for? It's actually quite simple. They are looking for up-to-date information, good deals and booking convenience. If your Internet efforts don't match those consumer interests, then you won't be a cyberspace winner.

**Prediction: The consumer will drive the development of Internet services by making more successful and profitable the golf courses that offer what they want.**

### The Discovery of E-Mail

It's still hard to understand why many golf courses in Canada do not yet use E-mail. This, inevitably will change because E-mail is such a fantastic communications tool. Customers can use it to make their inquiries, day and night after the course has closed. Conversely, golf course administrators can communicate with customers, suppliers, employees, at their convenience. At both ends, there are no long distance charges.

E-mail shouldn't be viewed as merely a one-to-one communications tool. By

gathering E-mail addresses of their customers, golf courses will be able to contact their customers in a matter of minutes. For cost and timeliness, there is no comparison when measured against the so-called "snail mail."

**Prediction: In the not too distant future, E-mail communications will be almost as important to most golf course operations as their phone and fax service.**

### The Static Web Page - RIP

Many golf courses who have plunged into the computer world have made a fundamental mistake. They see a Web page as a "one-time" project. That is, they get a web address (nameofmycourse.com), build a web site, publish their address and expect thousands of hits.

It doesn't necessarily work out that way. A static one-time web site project is almost certain to be a failure. A web page is a communications tool, it must be treated as a "live" production for it to work. Someone needs to be responsible for your web presentations at all times. Your upfront work is important but a web site is never "done."

**Prediction: Successful golf course web pages will be those that offer customers a reason to come back and visit on a regular basis. They will change the content of their pages often.**

### New Markets

Many of us realize that Canadian golf is an international bargain. There are few places in the world where you can find a better selection of golf experiences at the price point currently available in Canada. The Internet provides the means to get this news out - to the Europeans, Asians, and even Americans who have yet to visit Canada and are looking for golf holidays. Watch for several efforts in the near future intended to package Canadian golf holidays and promote them on the Internet. Done right these will be fantastically successful.

**Prediction: The Internet will cause a significant increase in tourist golf for many Canadian courses.**

### Tee-Time Booking

Probably the biggest impact the Internet will have on the golf industry will be for tee-time booking. Searching for an available time and booking online at anytime of the day or night is a golfer's dream. It is also a great time saver and convenience for a busy golf course.

The action here, and it will be interesting to watch, will be with respect to the centralization of inventory. On one extreme we have the model that would have the consumer visiting the web sites of individual golf courses, looking for a time to book. On the other extreme we would have a centralized inventory to which golf courses contribute available times and to which golfers have a single access point. Golfers would prefer the convenience of a central inventory. How golf courses respond will be very interesting.

**Prediction: Within the next 3-5 years more tee-times will be booked on the Internet than by phone.**

### Tee-Time Booking and Prepayment

The Internet is sometimes seen as the solution for obtaining prepayment for tee-times and the prevention of no-shows. The Internet will provide some partial solutions but they probably will be restricted to "high-end" or destination courses, where credit card prepayment is already used.

There are several reasons for this. Many people are still reluctant to use their credit card on the Internet. There is an almost irrational fear about the security of their credit card number. But there are practical reasons for this reluctance as well. Using a credit card on the Internet IS a hassle: you don't swipe, you have to manually enter the account number. User error and frustration is common. There is also the issue of obligation. As a golfer, booking for myself and my three buddies, do I really want to be personally obligated for the price of four rounds of golf?

Prepayment is a change in consumer behaviour that golf courses desire and in most respects deserve. However, the Internet will be only a partial solution to this. What the Internet can do is assist in the gathering of much better information on the individuals who do book. This will provide a golf course with more power to withdraw services (or rewards) to those who abuse a booking with a no show.

**Prediction: The most successful use of Internet tee-time bookings will not involve credit card prepayment. It will involve systems that provide golf courses with detailed information about those who book and provide the golfer with simple booking convenience.**

### E-Commerce

This term is used to describe a wide range of activity. For our purposes we will use it to refer to the relationships that exist between a golf course and its suppliers. The fact that so many golf courses have been slow in putting in place an Internet infrastructure (computer, Internet access, and trained staff) has delayed the development of e-commerce in the golf industry.

This too, however, will change. As more and more golf courses use the Internet, suppliers will begin offering services to sell their products and take orders directly online. We can expect centralized offerings of supplier information and online ordering systems that will greatly assist both sides in knowing what is available, at what prices, or simply who to contact for more information.

**Prediction: The Internet will serve an increasingly important role in the supply of products and services to golf course operators.**

### Empowerment of the NGCOA

Successfully operating a national association such as the NCGOA, in a country as large as Canada, poses many organizational problems. These primarily relate to the difficulties and expense associated with maintaining communications among members. Look to the Internet as an enormous empowerment tool for the NGCOA and other golf associations. As more and more members get access to e-mail services and to the Web, the NGCOA will be able to overcome many of these inherent problems. Information can be delivered regularly and inexpensively to members. Information is power.

**Prediction: The NGCOA Canada will continue to provide leadership in the development of Internet services for the golf industry and as an Association will be significantly empowered by the Internet.**