

Market Research

An Anatomy of Canadian Golf

Get a Grip on the Numbers

by John Snow

Don't argue with anyone in Alberta. Chances are one in three that they are carrying a club. A golf club, that is.

That's one of the findings of ComQUEST Research which has been conducting golf-related studies for a number of years, and has tracked the growth of the game in Canada. Their research shows that the number of golfers per capita is highest in Western Canada, especially in Alberta where about a third of all adults are golfers.

That trend towards golf can be seen across the country. Participation in golf has grown from approximately 3.9 million adult golfers in 1990 (18 percent of the adult population) to an estimated 5.3 million in 1998 (24 percent of Canadian adults). The proportion of golfers in the population hasn't changed since 1996.

However, this still means that approximately 800,000 new golfers have joined the ranks since the end of that year, because the population of Canada has increased by about 3 million over the same period. This is good news for owners and investors, but the industry needs to get a good grip on participation numbers - and what's driving them - to ensure that the game continues to grow, independent of population trends.

Still a Man's Game

ComQUEST's research does not support the widely-held belief that women are taking up the game in record numbers, an idea that seems to have been popular for some time.

"There may have been substantial gains among women in the early part of the decade," says John Snow, Senior Vice-President of ComQUEST and the head of their golf practice. "Since 1996, there has been no significant growth in the proportion of golfers who are women."

Women represent just under a third of all golfers. More striking, according to Snow, is the difference in participation rates between women and men. "Only 14 percent of women golf, contrasted with roughly one-third of men. There is a lot of work to do to get women participating at even close to the same rates as men. This is still a predominantly male sport in Canada."

A 1997 survey by ComQUEST covered participation in the game, golf equipment, golf apparel, travel, corporate sponsorship of golf events, lifestyle characteristics and demographics, and included a section on the perceptions golfers have of the

golf courses they play on. In addition, focus groups among intermediate and advanced golfers - both male and female - explored some of the issues in more detail.

How They Rate Their Golf Courses

About 18 percent of all golfers are club members. Most of them are satisfied with their home course. Pay-as-you-play (PAYP) golfers on the whole are less satisfied. Only 61 percent report that they are satisfied with the course they play most often.

Despite the difference in their overall satisfaction, PAYP golfers and club members report satisfaction with the same course attributes; for example, course layout, overall condition of the course and course personnel.

They also share the same complaints. Both club members and PAYP golfers are dissatisfied with the condition of the bunkers, the state of practice facilities and the speed of play.

Out of Reach

A majority of Canadian golfers agree that golf is becoming a game that only the rich can afford to play. Of all the improvements that could be made to their courses, what pay-as-you-play golfers mention most often is lower or more flexible greens fees. The consensus is that a round of golf at a top course should cost no more than \$50.

Pay-as-you-play golfers were less satisfied with their fees than club members, but Snow believes that this is inevitable. "Someone who has to fork over a greens fee every time he or she plays is going to have cost much more top-of-mind than someone who pays a membership fee once a year. However, the comments we heard in the focus groups suggest that price offers that reduce the average cost of a round may move an occasional golfer to become a more regular golfer, and may also have a positive impact on loyalty."

About one-in-six golfers say that most or some of their golf is business-related. Moreover, male golfers are about twice as likely as women golfers to mix business with pleasure on the links, which suggests another growth area for the sport. Not surprisingly, golfers in higher income brackets and those who are professionals, managers or executives, are quite a bit more likely to pay golf with business associates.

What's Taking So Long?

Golfers agree generally that a round of 18 holes should be played in about four hours. There is no agreement, however, on how to make this happen.

Most golfers disagree with making cart use mandatory at most courses. They are also divided on limiting beginners' play to non-prime times.

Excuse Me...

Golf etiquette is another sore point. Many golfers feel that not enough of their peers know the etiquette of the game. It provoked a great deal of passionate discussion in the focus groups ComQUEST conducted. Both advanced and less-skilled golfers observed that etiquette problems are found most often among occasional or new golfers, but Snow observes that they were all quick to add that breaches of etiquette are not only committed by inexperienced golfers.

Golfers are apparently divided as to whether offenders are unaware of what they are doing wrong or they simply don't care. Both intermediate and advanced golfers linked poor etiquette to other issues, like course traffic and alcohol:

"It happens a lot more when the courses are busy... everyone's frustrated. People behind you, people in front of you and the balls start to get closer as the game progresses. You get some people who can't handle alcohol with a steel stick in their hand, which is totally dangerous."

Investment Priorities

Snow suggests that private and semi-private courses which are trying to attract and retain members, focus on providing a premium golf experience before developing other aspects of their club and facilities.

Golf-related reasons, such as the ability to play more often or to play on a great golf course, clearly overshadow social and family reasons or other motivations as the most important for becoming a member at a club.

For many club members, the choice of joining a particular golf club comes down to its location.

Can Course Pro Shops Compete?

Public, private and semi-private golf courses usually have pro shops which must compete with other types of outlets in a crowded and highly competitive retail market. ComQUEST's research indicates that golf-course pro shops are used more often than other retailers for higher-volume/lower-cost items, such as golf balls and gloves. Pro shops are about even with department stores on golf apparel.

When it comes to high-end equipment sales, such as individual clubs or sets of clubs, pro shops lose golfers to specialty golf stores. They retain a significant advantage in high-end equipment sales, however, among older, advanced

golfers and club members, because of their frequent play at the course and their confidence in the pro shop staff and the club professional.