

The First Tee

Message From The Publisher • Jeff Calderwood

In our golf industry, most golfers tend to have quite a preoccupation with rates for greens fees and memberships. This is probably more true now than ever, due to technology facilitating such easy access to information.

So, when we talk about pricing golf today, the stakes are very high. Get it wrong, either too low or too high, and substantial revenues are lost forever. Get it right, and substantial incremental revenues will be generated.

But, how do we know what is right? Ideally, every golf course would have in-house expertise in price theory, hiring MBAs or PHDs in economics and marketing, and they would implement sophisticated systems to ensure our rates are optimized to meet fluctuating demand. That is an example of how the hotel and airlines industries get it right.



GETTING IT RIGHT

However, in the small business domain of golf course ownership, it is simply not feasible to hire that expertise within our management teams. So we do the best we can with more limited resources. Generally speaking, Canadian golf courses are not very scientific about optimizing rates, so there is usually room for improvement.

Our Golf Business Canada cover story addresses these pricing realities head on. Authored by Dr. Nile Hatch, the world's premier expert in price theory for golf, you will benefit from his PHD knowledge and his direct experience with golf courses around the world who have contracted his services with outstanding results. He has also consulted on pricing strategy for some of the largest

corporations in the world, as well as writing for leading business publications such as the Harvard Business Review.

The National Golf Course Owners Association Canada has taken it a step farther, creating a partnership with Dr. Hatch's company to offer Canadian golf courses the NGCOA Canada Intelligent Pricing Engine, powered by Quantival.

This new service allows golf courses to run their own pricing data through algorithms that Dr. Hatch has developed specifically for golf, customizing for each golf course to capture all the factors affecting your golfer demand at any given point in time, and then generating a recommended set of rates for your unique situation.

You can make it as complex or simple as you prefer, all the way up to a unique demand curve for every single tee time, updated every 1/2 second, if you want to take it that far! This NGCOA Canada Intelligent Pricing Engine truly has the potential to be a 'game-changer' for golf.

So, enjoy the Golf Business Canada cover story and then take advantage of the opportunity to scientifically optimize your rates to grow revenues. You now have access to your own in-house PHD in economics and marketing!

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