



#GOLF

AND THE MILLENNIAL GENERATION

Brand is just a perception,
and perception will match
reality over time.

Sometimes it will be
ahead, other times it will
be behind. But brand is
simply a collective
impression some have
about a product.

-Elon Musk

ACKNOWLEDGEMENTS

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Cover photo: Mike Crowley

ABOUT THE RESEARCH

Primary research conducted by NGF using a nationally-representative sample of nearly 3,000 adults, including 1,400+ millennials overall, including 850+ millennial golfers. Secondary insights by means of NGF participation database.

Questions? Comments? Ideas?
Drop us a line at millennials@ngf.org

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FORWARD

Golf has a very rich past and a promising future. Our great game has evolved over several centuries and is now enjoyed in more than 200 countries and by roughly 50 million participants around the globe. The United States accounts for nearly half of golf's facilities and players, and every generation has had its own heroes to admire, beautiful new courses to experience, and product innovations to spoil themselves with.

Over the past two decades – which could be considered “recent” in the long history of golf – the participation rate among 18- to 34-year-olds has declined. Today, members of this age cohort are known as millennials, or Gen-Y, and fewer of them are playing golf than the generation before them. This concerns us for several reasons, but primarily because this is the age when golf participation has historically peaked.

Media coverage of golf and millennials has been decidedly negative, exaggerating the degree to which the progressive lifestyles, preferences and stressed finances of the group may be misaligned with golf's old-fashioned sensibilities and pay-for-play nature. The facts about millennials and golf do not support this media narrative. More than six million of them are playing approximately 90 million rounds and spending \$5 billion on golf annually ... seems they're not so indifferent to golf after all.

Young adults are still keen on the game, just not as much. With this study we set out to find out why – and to better understand the value and experience that golf presents to millions of millennial golfers and prospective players. We hope you enjoy reading what we found – some of which was surprising, some not, but much of it encouraging as we strive to better engage America's largest generation.

Joe Beditz
July 2015

EXECU SUMM

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MARY

WHY THIS REPORT?

In the mid-1990s, roughly nine million 18- to 34-year-olds were playing golf. Today, there are just over six million. And while their impact remains profound, it could be even greater. Time and money are the obvious hurdles, but certainly not the only things standing in the way. Beneath them both is a relationship with golf that, until now, has been widely assumed but mostly misunderstood.

This report is based on a comprehensive study of the millennial golfing population, as well as those interested in becoming a part of it, with a focus on their attitudes towards, perceptions of, and relationship with the brand of golf. Our chief objective was to arm the industry – especially course owners and operators, who drive participation at the ground level – with insights that are both original and actionable. At the very least, we hope this report will encourage a new and inspired conversation.

GOLF AS A BRAND

For many, golf is a lifestyle. For others, it's what they live for. But for most golfers it's just an activity ... more enjoyable for some than others. But above all, golf itself is a brand.

What is a "brand"? In contemporary marketing terms, it's what your customers and prospects think and perceive when they see or hear your name or products. The equity attached to it is an intangible property, but often the most valuable asset a company has. It is the goodwill that makes a brand or company more valuable than the sum of its parts.

If we think of golf as a brand, then – and particularly within the context of millennials – we're left wondering the value of this intangible asset. Golf as a brand has built up a lot of equity over hundreds of years. And, as all brands do, it has developed an image, a measure of awareness, attraction and loyalty. The question is: how is our brand equity holding up with this new generation of Americans?

Many have theorized that millennial participation is waning because golf is becoming passé – no longer aligning well with the interests and lifestyles of young adults. This is a brand issue, and one that should be taken seriously. We've thought about golf

as a brand as we've studied golf and the Millennial generation, and we hope that each of our readers thinks about it this way too, seeing their own company as part of the bigger brand.

GOLF AND THE ECONOMY

Historically, golf's health has generally been reflective of the health of the economy. In line with the overall marketplace. Why? Simple: it is one of the few pay-for-play sports. So when discretionary income is in shorter supply and people are forced to make sacrifices, golf takes a hit. It follows, then, that the golf business has also recovered with the economy – as the tide rises, so too does golf.

But not all recessions are created equal. The Great Recession of the late 2000s was unlike any economic downturn in the past 70 years. Since 2008 we've lost five million participants and around 35 million rounds (that's seven rounds per golfer) – meaning we've regressed to pre-recession participation levels. Luckily we've lost mostly infrequent customers (the average golfer plays 18 rounds per year).

And while the U.S. economy has stabilized and many sectors have begun to grow, golf has not yet really joined in. Which brings us back to millennials: if their participation rate was closer to that of 18- to 34-year-olds in the early 1990s (Gen X age around that time), we'd be very close to our golf participation high of 30 million golfers overall.

MILLENNIAL GOLFERS

Despite the drop in participation among 18- to 34-year-olds, millennials still make up 26% of all golfers and pump about \$5B into the industry every year through the 90MM rounds they play and their spending on equipment. Their size and impact are profound. Yet both fall short of expectations.

How do we account for this slump? First, demographics – non-Caucasians represent a greater proportion of the 18- to 34-year-old population today than they did 20 years ago; in terms of volume, they've grown over 60% in the past 20 years, from 20 million to 32 million.

This transformation is noteworthy because a much lower percentage of non-Caucasians play golf than Caucasians (roughly 7% vs. 12%, respectively).

There's also time. Seems there is less of that available today, especially for millennials who are spread thinner with their recreational time than 18- to 34-year-olds were in the early 1990s. Many would argue, and we're inclined to agree, that this is less a function of new activities and more a result of increasing awareness of things to do (thanks, technology). Think about it: 20 years ago you couldn't pull out your cell phone and get hit with two dozen activities and events happening within a 10-mile radius. Today, it's a different ballgame.

Millennial golfers are also more active than their non-golfing friends. In our study, they listed an average of 10 recreational hobbies that keep them busy on a regular basis – two more than their non-golfing peers. Aside from golf, millennial golfers are walking or running outside (48%), doing things around the house (47%), working out at the gym (45%), traveling (37%) and participating in sports leagues (33%).

They're also bogged down at the office, often at the expense of their free time. A quarter of millennial golfers said "work often gets in the way of [their] personal time." That's a significant finding, considering 75% are employed on a full-time basis.

A third culprit is perhaps the most obvious: money. Millennials today are more burdened financially than 18- to 34-year-olds were in the early 1990s. Between mounting credit card and student loan debt, they have less discretionary spending power. Golf, as a pay-for-play activity, is much more susceptible than pastimes that require only that millennials show up.

So we've got demographics, time and money working against us. But we know these things don't account for the entire drop in participation. The balance is attributable to brand health.

BRAND HEALTH

Companies often utilize brand health studies as a way to measure, among other things, overall brand health. Keeping with that, this study included several elements – namely image, satisfaction and loyalty –

that would help gauge the current health of our brand.

The game of golf has definitely established an image over the centuries, good and bad. Many still consider it an "old man's game". Others not-so-endearingly associate it with the well-to-do. Neither designation is flattering or constructive, especially when we consider the Millennial generation, which embodies the other extremes: young and broke.

Overall, millennial golfers tend to align with older generations on the positive perceptions of golf. Most agree that the game is fun, time well spent, and a good way to enjoy the outdoors.

They're more critical, however, about the culture. millennial golfers are much more inclined to think that golf is elitist and exclusionary, and that the social environment is stuffy. Clearly, millennials demand more out of their favorite brands and can be critical where other generations turn a blind eye. These brand images are detrimental and need to be fixed.

Another measure of brand health deals with customer satisfaction – are we, as a brand, listening to and meeting the evolving needs of our customers? Much has been made of millennials wanting a different experience than 18 holes of traditional golf. Many in the media have suggested a deteriorating demand for our staple product – a function, they say, of shorter attention spans, less ambition, and higher demand for new, adventuresome and bite-sized activities.

Certainly, there is at least some truth to those claims. For example, nearly 60% of millennial golfers (and over 40% of their non-golfing peers) say they go on "affordable adventures" at least once a month (we defined an affordable adventure as "something new or different, or that you rarely do, that wouldn't break the bank"). Compare that to 36% of gen x golfers and 19% of boomer golfers.

So is golf affordable? Less than a quarter of millennial golfers (and non-golfers) believe so. Is it an adventure? Nearly half of millennial golfers suggest the game takes too long, and almost a third believe the policies and rules are too restrictive. More than a third disagree that golf is "money well spent". A quarter of them even say the dress code does not fit their style.

These are issues of satisfaction. And while they're certainly not reflective of the majority, they are prevalent and not to be overlooked.

We also looked at brand loyalty. Companies depend on their best customers to maintain a healthy level of vibrancy (and revenue). But brand loyalty is more than just repeat business, especially when it comes to millennials. It's recommending the brand (we mean game) through words and actions.

To gauge our brand loyalty, we asked respondents to indicate their likelihood to continue golfing, provided good health and financial means. Three out of four millennial golfers said they're "very likely" to stick with golf. Compare that to 80% of gen x golfers and 85% of boomer golfers. Makes sense – fewer take up the game as they age, so the older cohorts of golfers comprise more entrenched, brand-loyal consumers.

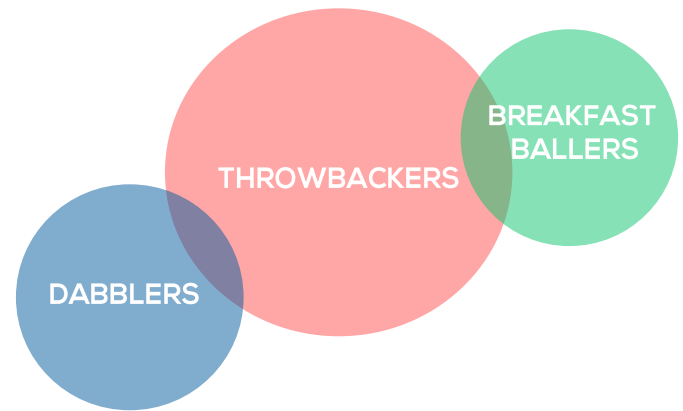
So the majority of our millennial customers say they will continue to play the game. But how many are brand advocates? Just over half appear to be willing to spread the good word about golf. But, we learned that many – including our best customers – are not actually following through.

Need more proof that saying and doing are two separate things? Sixty percent of millennial golfers say they rarely or never post photos of their rounds on social media. This is counterintuitive to typical millennial behavior, as most activities or friendly gatherings seem to justify a post on Instagram (which, by the way, is used by almost half of millennial golfers).

MILLENNIAL GOLFER SEGMENTS

Successful modern brands understand that the demand for their product(s) comes from unique customer segments. Each has a personality, a set of needs and a certain willingness to spend.

Segmentation models help to improve product development, targeting, and messaging. Using our robust data set, and a team of market scientists, we divided the universe of millennial golfers into three distinct groups based on key attitudinal and perceptual traits.



Throwbackers – 51% | 3.3 million

Predominantly Caucasian males, most were introduced to golf during their formative years by parents. So their approach, perceptions and attitudes towards golf are largely in line with the Boomer parent's generation. Most don't think the game needs serious change, though they're not without concerns. This group is active and successful. They're motivated by competition and challenge, staying fit and social interaction. When it comes to golf, they're extremely committed to the game and prefer it in the traditional form – most follow the rules closely, keep score and put work into their game; the majority are fans of professional golf. All of them told us they're "very likely" to continue playing in the future.

Breakfast Ballers – 22% | 1.4 million

These golfers are more likely to have taken up the game on their own – or with the help of a friend – as a late-teen or early 20-something. They're an extremely active group: more likely to say their schedule is hectic. They're motivated by excitement, adrenaline and the opportunity to meet new people. Golf for them is not a lifestyle but a social activity, so they're much more likely to enhance the experience with music, alcohol, gambling and social media engagement. Many take a breakfast ball off the first tee, improve their lie before hitting, take mulligans and play without keeping score. More than half think golf needs serious reform, though a strong majority remains committed.

Dabblers – 27% | 1.7 million

While we have to count these participants as "golfers" because they did report playing golf during the past year, most don't really consider themselves golfers.

They play very infrequently and usually only at the urging of someone else. They skew female, don't keep score, and are more likely to have been introduced by a spouse or significant other. Only a third say they enjoy golf "very much". These customers are just "dabbling" at golf, and without some intervention are not likely to develop into better customers. Many will drift away from the game.

MILLENNIAL LATENT DEMAND

One of the main objectives of our study of millennials was to determine if our current base of customers was secure. Our millennial golfer segmentation analysis and profiling provided us with encouraging news on that front. Another objective was to determine if there was any significant interest in golf among the 90% of millennials who don't play golf. Here, the news is even better.

Our findings suggest that there is a very significant opportunity to get more millennials involved in golf. We project that there are more than 12 million prospects...two prospects for every existing millennial golfer. Once again, hardly suggesting that this generation has completely rejected the game.

We qualified our 12 million prospects based on their answers to questions about their financial situation and available discretionary time. We found that three out of four have the time or the money, and one out of three has both. So roughly four million millennials have the capacity and interest to become (or regain their status as) a golfer right now. But take note: most of these prospects fall into what we call the "Breakfast Baller" segment and it's going to take more than just the allure of the traditional game to bring them in and keep them.

THE WAY FORWARD: GOLF AS A MODERN BRAND

In order to deepen the engagement level of our current millennial golfers, and attract and retain the millions of prospects who tell us they want "IN", golf needs to take a close look at itself. Without throwing the baby (traditional golf) out with the bathwater (negative carryovers from days gone by), we must modernize our brand. From the way golf is marketed

and sold to new participants, to the way these participants are "on-boarded", to the way golf courses relate to their new generation of customers, the game and business of golf must continue to evolve, just as it has in the past.

The following are 10 key considerations for golf brands and companies to keep in mind as we chart a way forward with millennials. [\(We expound on these thoughts in the final chapter of this report.\)](#)

1. Golf could stand to chill a little
2. Let your millennial customers and friends help
3. Give perks for personal info – it's a proven strategy
4. Embrace millennial social culture (and we don't mean social media)
5. Golf alone is not enough for many millennials – they want GOLF+
6. Change the perception that golf is an elitist activity
7. Look outside of golf for solutions
8. Embrace the four key pillars of millennial brand love
9. Co-opetition is good
10. Improve the onboarding process to make a better first impression

THE B OF G

GRAND
GOLF

GOLF AS A BRAND

For many, golf is a lifestyle. For others, it's a once-a-year endeavor or an occasional business imperative. But for most golfers, it's just an activity, albeit more enjoyable for some than others. Above all, though, golf itself is a brand.

What is a "brand"? In contemporary marketing terms, it's what your customers and prospects think and perceive when they see or hear your name or products. It's an intangible property, but often a company's most valuable asset. It is the goodwill that makes a brand or company more valuable than the sum of its parts.

Today, changes in the marketplace, technology and consumer behavior – driven largely by millennials – have forced companies to rethink brand and marketing strategies. Tactics developed when boomers were young adults are no longer applicable to the most digitally-driven population of consumers to date.

The AIDA model, which stands for awareness, interest, desire and action, has been the foundation for brand campaigns for the past decades. The thought behind AIDA was to achieve the goals of each section of the pyramid before advancing to the next level; it assumed, therefore, a very linear path to purchase.

Millennials, however, do not function in a linear way. Their constant digital and mobile engagement allows them to interact with brands more directly and at a faster rate than ever before.

Some of the most loved millennial brands, like Toms and airbnb, have already adapted to this new way of thinking, and are finding success because their main goal is not just to create new and repeat customers, but to generate millennial brand love.

The brand of golf comprises many component companies and products, from professional golf on TV to the manufacturers of golf equipment, from playing golf games at Topgolf to playing in the club championship. If you include golf courses, which you must, there are thousands of companies operating under the umbrella brand of golf.

A segment of the population will always view golf as

an elitist activity played mostly by the well-to-do. And while this brand perception can be a negative, it can also be a positive. Golf has always been aspirational, financially and otherwise. For many it is synonymous with career achievement, a game played by doctors, lawyers and successful businesspeople. And the game has had its heroes/role models, from Bobby Jones to Ike, Arnie and Jack... these were people to look up to, to want to become more like.

The perception of elitism belies the fact that the game in America is decidedly egalitarian. Golf's growth in the U.S. was driven by middle class Americans playing the game at affordable public golf courses. So, though it was initially a game of the rich played only at exclusive private enclaves, golf easily assimilated Hank the plumber and Bill the middle manager once it became accessible.

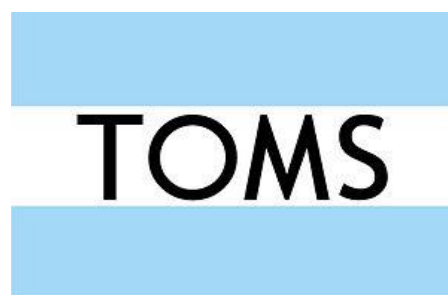
The brand of golf now competes for consumers' discretionary time and money as much as any point in history. Generally speaking, brands that do not evolve ultimately stop growing. And while golf as a brand has had remarkable staying power, its continued growth and vitality are going to depend on a collective re-branding effort. This does not mean abandoning or radically changing the brand's core product. But it does mean re-positioning our product in light of contemporary market forces.

Changes are already well underway. Technology has crept into virtually every dimension of the game and business of golf, just as it has in every other aspect of our lives. Country clubs are adapting to modern family values, and responding to the needs of their increasingly health conscious members. And golf now has Topgolf for those people (both golfers and non-golfers) who appreciate the competitive aspect of golf, but prefer more social interaction and less pressure than the traditional game affords.

Golf as a lifestyle brand has delivered tremendous value for hundreds of years. And, as you will see in this report, it remains a lifestyle for millions of baby boomers, gen x and – yes – even many millennials. But the golf brand does not have to be a lifestyle in order to resonate with, and attract, a broader audience.



WARBY PARKER
eyewear



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COURSE CONDITIONS

THE ECONOMY

It's not practical to provide a realistic assessment of golf's brand health and growth prospects without considering the state of the economy.

Golf is a pay-for-play activity and, like restaurants, movie theaters, and ski resorts, depends on consumers' discretionary income. The Great Recession of the late 2000s was unlike any economic downturn in the past 70 years and put a Vise-Grip on spending for many. As to be expected, golf participation and spending took a hit.

Additionally, there is a popular school of thought (and research to back it) among some economists that this most recent recession will continue to have lasting effects on consumer behavior: people are more cautious with spending (who knows when the next downturn will come?) and are saving more. Activities that are free or require little or no financial investment – think walking, tennis at municipal courts, going to the beach, watching a movie at home – become more attractive when belt-tightening is at play.

The tragic events of September 11, 2001, and the recession that followed, also had enduring effects on golf. Golf travel and business golf were hit particularly hard. Perhaps the biggest impact of 9/11, however, was a cultural change that saw people placing more value on spending time at home. For many golfers, it is no longer appropriate, or desirable, to spend six hours or more every Saturday away from the wife and kids. And some of the same activities that are more affordable than golf also offer consumers flexibility to control the time that they devote to it.

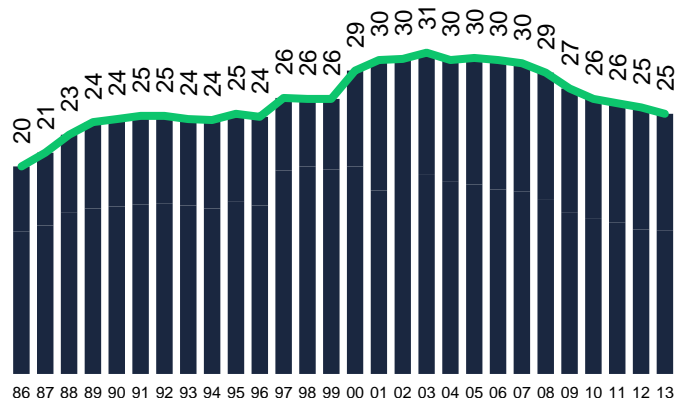
So, golf has faced some economic and social headwinds. But the past is the past ... what about today? As of this writing in the spring of 2015, the U.S. economy continues to recover, albeit weakly according to some economists. Consumer confidence and spending are above pre-recession levels, home values have come back, although not to what they were at the top of the real estate bubble, and we are in the 8th year of a bull market for stocks.

With all this apparent prosperity, golf should be coming back ... but it isn't. Participation and spending have stabilized, but not really recovered in sync with the rest of the economy, as we'll see in the next section.

THE GAME OF GOLF

There were 20 million golfers in 1986. Over the following 20 years that number grew to 30 million. Then, the Great Recession. Since then the number of golfers has declined to about 25 million, or about where we were in 1995. The good news: 1) the number of golfers appears to have stabilized at the 25 million level; and, 2) most of the golfers we lost were not very engaged with the game, averaging only about seven rounds of golf per year versus 18 for the rest of the golf population.

1 OVERALL PARTICIPATION MILLIONS OF GOLFERS

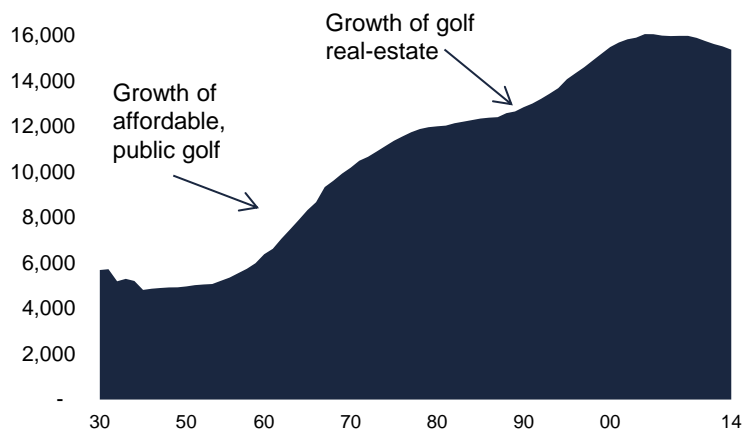


On the supply side of the industry, we've seen a slow steady correction to an oversupply condition that began to show itself in the 1990s and peaked around 2005. Over that period of time new golf courses were opened at a dizzying rate, mostly to support residential real estate developments, but also by entrepreneurs looking to get in on what they thought was an ever expanding opportunity to supply golfers with longer, harder, more expensive places to play.

Today, in light of the decrease in demand, it looks like the golf course developers overshot the runway by quite a bit. Since 2006, the number of golf-course closings has exceeded new openings. Still, the cumulative decline from peak supply still amounts to only four percent (as illustrated in Figure 2). So it looks like we still have a ways to go.

2 COURSE SUPPLY

U.S. GOLF FACILITIES



MILLENNIAL GOLF

6.4MM

millennial golfers

26%

of all golfers

90MM

rounds played
annually

ANNUAL FEES

4

20%

of all rounds
played annually

\$5B

spending on
golf annually

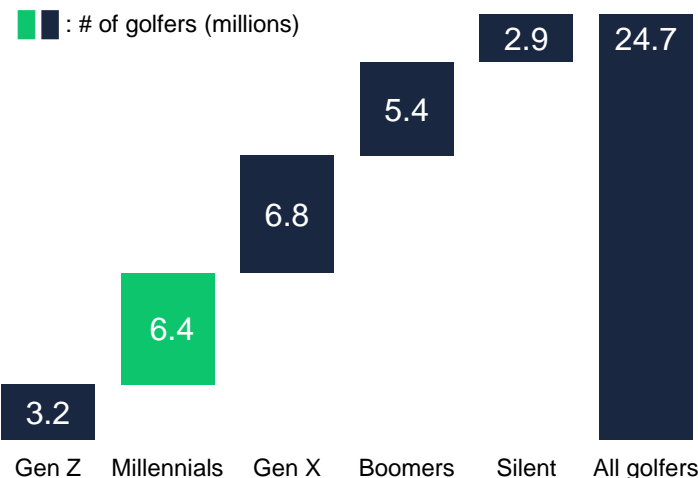
21%

of all spending
on golf rounds
and equipment
annually

MILLENNIAL GOLFERS

There are about 6.4 million millennials playing golf in the US today. Figure 3 below shows how their numbers stack up compared to other generations of golfers.

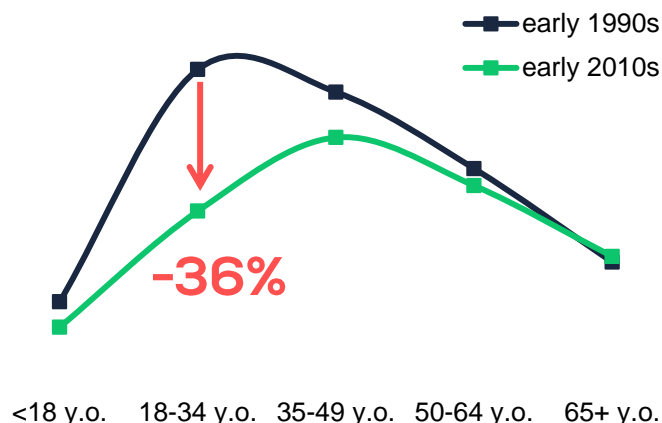
3 NUMBER OF GOLFERS BY GENERATION



They make up about 26% of golfers and pump about \$1B in equipment purchases and over \$4B in playing fees every year through the 90 million rounds they play. Their numbers and impact are profound. But both could be bigger.

If the rate of millennial golf participation was similar to gen x participation in the early 1990s, there would be about 10 million millennial golfers today. Figure 4 shows how the golf participation rate has dropped from 14% to 9% among 18- to 34-year-olds. That change in participation rate translates to four million fewer golfers, which means the millennials can be held largely responsible for the overall decrease in participation.

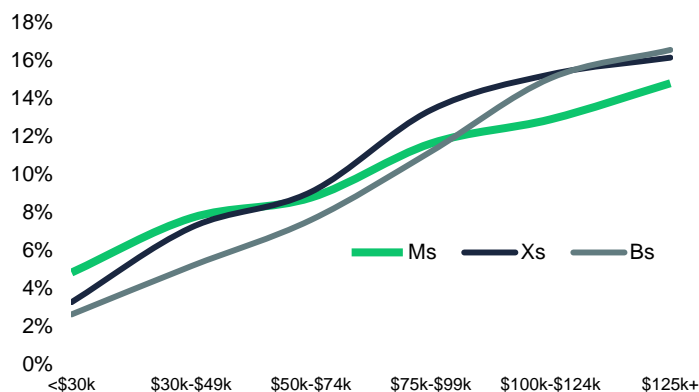
4 PARTICIPATION RATES EARLY 1990s vs. EARLY 2010s



So what gives? A changing demographic is part of the answer. The percent of non-Caucasian 18- to 34-year-olds has grown by more than 60% in the past 20 years, from 20 million to 32 million. This matters because non-Caucasians play golf at a much lower rate than do Caucasians (roughly 7% vs. 12%, respectively). Certainly, barriers still exist for many – more on that to come.

Another culprit is income, which has long been the strongest driver of golf participation. Figure 5 shows the relationship between income and golf participation – the more money a person makes, the more likely they are to play golf. What is particularly encouraging about Figure 5 is that it shows that as millennial income increases, so does participation in the game, just like with other generations. Does this mean that millennial golf participation is perhaps just being delayed due to a lack of funds? Maybe.

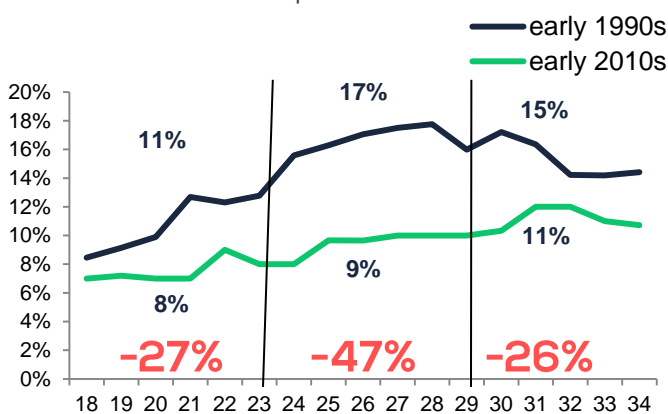
5 GOLF PARTICIPATION RATE BY INCOME | GENERATION



It should not be news that millennials are more burdened financially than 18- to 34-year-olds in the early 1990s. With mounting credit card and student loan debt, they have less discretionary money. And what cohort of millennials is feeling that financial pressure the most? Those that we refer to as Middle millennials - those age 24 to 29. Golfers in this age bracket are fresh out of school and, if they're lucky, in entry-level jobs that provide little financial cushion. Figure 6 confirms that the biggest drop in golf participation has come directly from this financially stressed middle-aged group of millennials.

6 MILLENNIAL PARTICIPATION

BY AGE COHORT | EARLY 1990s vs. EARLY 2010s



One-third of golfers aged 24 to 29 told us they believe they're underemployed. The same number say they're either falling deeper in debt or making just enough to cover their basic costs. "The struggle is real," as they say.

So shifting demographics and financial wellbeing explain much of the drop (we estimate over half of it), but certainly not all. There's also time, or lack thereof.

When it comes to free time, millennials are spread thinner today than their counterparts 20 years ago. We think this is less a function of more new activities being available than it is of increasing awareness of things to do (thanks, technology). Think about it: 20 years ago you couldn't pull out your cell phone and get hit with a dozen activities and events happening within a 10-mile radius. Today, it's a different ballgame.

In our study, millennial golfers, on average, listed 10 recreational activities keeping them busy on a regular basis – two more than their non-golfing

peers. Aside from golf, millennial golfers are walking or running outside (48%), doing things around the house (47%), working out at the gym (45%), traveling (37%), and participating in sports leagues (33%).

But it's not all fun and games. They're also bogged down at the office, often at the expense of their free time. A quarter of millennial golfers said "work often gets in the way of [their] personal time." That's significant, considering 75% are employed on a full-time basis.

As far as their overall schedules, only 20% of millennial golfers in our study told us their schedules were fairly open and that they had enough time to do most of the things they wanted to do. Twice as many boomer golfers (39%) claimed to have enough time. Different life stages, obviously, but useful context.

We've established that demographics, finances and time explain a significant amount of the drop in participation.

This brings us back to the notion of golf as a brand, and the relationship millennials have with our brand. How is our brand image? Loyalty? Satisfaction? These are the questions all brands should ask themselves.

COMPARING

MILLENNIALS

GEN X

Number of golfers	6.4MM	6.8MM
% of all golfers	26%	28%
% of rounds played	20%	21%
% of total golf spend	21%	23%
Very likely to continue playing (provided health and financial well-being)	75%	80%
"Nuts" about or "hooked" on golf	39%	52%
Very likely to recommend golf to a friend	53%	54%
Enjoy the game "very much"	69%	73%

GENERATIONS

BOOMERS

5.4MM

22%

25%

26%

85%

56%

59%

80%

MILLENNIAL BEHAVIORS

(relative to older golfers)

more likely to:

- ▲ 15% check cell phone on the course
- ▲ 10% drink alcohol on the course
- ▲ 8% improve lie
- ▲ 8% take two drives off the first tee
- ▲ 7% smoke marijuana on the course
- ▲ 6% listen to music out-loud while playing
- ▲ 6% take mulligans after the first tee
- ▲ 5% track steps with a pedometer

less likely to:

- ▼ 15% keep score regularly
- ▼ 14% maintain an official handicap
- ▼ 14% follow the rules closely
- ▼ 12% seek help from a golf professional
- ▼ 9% use a range finder

GOLF'S BRAND HEALTH



GOLF'S BRAND HEALTH

IMAGE

In the past, brands had the (now enviable) ability to largely shape their image through advertising and other one-way marketing communications. Today, brands face a changed landscape: a two-way street that fosters the ability of everyday people to lift brands up to new levels or create a firestorm of negative publicity that can derail any carefully designed brand positioning campaign.

Since you're reading this, it's a pretty safe bet that you have an interest in the healthy image of the game. And as a steward of golf, you are probably very cognizant of the things that are said about it.

For good and bad, the game of golf has definitely established an image over the centuries. Many still consider it an "old man's game". Others not-so-endearingly associate it with the well-to-do. Neither designation is flattering or constructive, especially when we consider the Millennial generation, which embodies the other extremes: young and broke.

In order to sound the depths of these beliefs, we surveyed a broad sample of adult golfers regarding their perceptions of golf.

7 POSITIVE BRAND PERCEPTIONS

AMONG GOLFERS | BY GENERATION

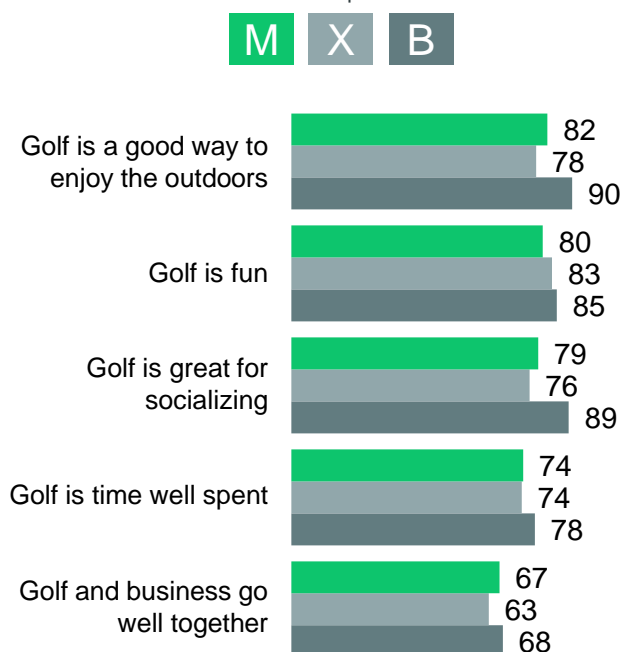
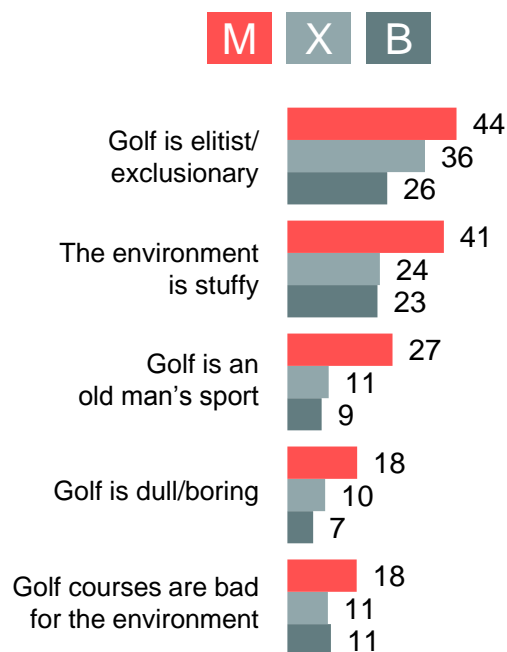


Figure 7 shows some of the positive perceptions we measured. Overall, when it comes to golf's encouraging aspects, millennial golfers tend to perceive the brand very similarly to other generations. Most agree that golf is fun, time well spent, and a good way to enjoy the outdoors.

8 NEGATIVE BRAND PERCEPTIONS

AMONG GOLFERS | BY GENERATION



But in terms of undesirable perceptions of the brand, shown above in Figure 8, millennials tend to be more critical than their older golfing peers. Take, for example, the "golf is for old-men" cliché. One in four millennial golfers agreed with this statement, but only 11% of gen x golfers and 10% of baby boomer golfers agreed.

Millennial golfers are also more inclined to think that golf is elitist and exclusionary (44%, compared to 35% for gen x and 25% for baby boomers), and that the social environment is stuffy (40% vs. 21% and 24%). This may not come as a surprise: millennials seem to have a different understanding of what is "normal" or what is a desirable social environment.

The generational gap on some of these measures is even broader when we look at non-golfers. For example, 37% of millennial non-golfers believe that golf is an old man's sport, compared to just 18% of non-golfing gen x and eight percent of non-golfing baby boomers.

While these perceptions may not match reality, they represent a reality for many of our customers and potential customers, which is a problem. Elon Musk, the savvy entrepreneur best known for founding PayPal, SpaceX and Tesla Motors once said about brands:

Brand is just a perception, and perception will match reality over time. Sometimes it will be ahead, other times it will be behind. But brand is simply a collective impression some have about a product.

If brand is just a perception, we've got some work to do, particularly among millennials.

LOYALTY

Another indicator of brand health is customer loyalty. The concept of brand loyalty is multi-dimensional. We considered two of the most important dimensions in our work with millennials: 1) probability of customer retention; and, 2) likelihood to recommend.

To gauge the probability of customer retention, we asked respondents to indicate their likelihood to continue golfing, provided they were healthy and financially able to do so. Three out of four millennial golfers told us they were "very likely" to stick with golf under such circumstances. This compares to 80% of gen x golfers and 85% of boomer golfers. Makes sense – older cohorts of golfers comprise more committed customers.

Measuring the likelihood to recommend a product or service has become de rigueur for brand loyalty researchers ever since Fred Reichheld published his book *The Ultimate Question* back in 2006. Reichheld argued that the only thing you needed to measure in order to understand brand loyalty was how likely the customer base was to recommend your product or service to friends and family.

We asked golfers our own version of Reichheld's ultimate question and here's what we found:

Over 50% of golfers say they would be very likely to recommend golf to a friend. millennials are as likely as gen x golfers (53%) and only slightly less likely than boomer golfers (58%).

But, as we'll discuss later, saying and doing are two

separate things, like all those times you said you were going to exercise regularly... you get the point. Hint: golfers who say they will recommend the game are a lot like people who don't use their gym memberships.

SATISFACTION

Yet another dimension of brand health is customer satisfaction – are we, as a brand, listening to and meeting the evolving needs of our consumers?

Take McDonald's as a recent example. Recognizing a growing demand for breakfast food past normal breakfast time, the company is revisiting the possibility of serving it all day. This will please many of its customers, including golfer Jimmy Fallon, who recently tweeted:

@jimmyfallon: McDonald's may finally start serving breakfast after 10:30am. In other words, McDonald's finally figured out how hangovers work.

It's obvious that golf apparel and equipment have changed dramatically over the past few decades, and even private golf clubs – our "halo product" – have begun to make changes that cater to a new set of needs from their customers. More and more are adding amenities such as fitness centers, casual dining, and child care, while also offering flexible pricing plans and memberships that can be utilized by the entire family.

OVERALL BRAND HEALTH

Our research tells us that golf is a healthy brand among the current base of millennial golfers. Seventy-five percent of them are "very likely" to continue playing into the future, and the balance say they are "likely".

At least as many believe that golf is "cool," "fun," a great family activity, and a great way to enjoy the outdoors. But millennials are more likely than older generations to point fingers at the brand's flaws. They've identified some glaring social and cultural issues.

IN THEIR OWN

ELITIST & EXCLUSIONARY

It's a solo game and it's expensive to really play. It's not a pick up and play type game that costs little to nothing to play. It already puts people at a disadvantage.

- Stephen H., California

There's a lot of social etiquette in golf that isn't readily apparent; and the 'bro' culture of cigars and competition keeps it from being something that garners a more diverse audience. I know that if I took my kids on the course; I'd probably get an earful because I'm infringing on someone's "bro time".

- George S., Virginia

The cost of equipment, greens fees, and apparel is all very cost prohibitive, especially to young families and children. Also, golf is a very difficult sport to learn and master, and usually requires lessons, better equipment and practice time to improve, all increasing the cost. Thirdly, there is still a country club mentality that pushes people of different classes away from the game.

- John M., Michigan

Some of the older players look at younger or people who are not rich in a low manner.

- Bryce K., Arizona

Many golf members look down at the weekend golfer and don't really make them feel like it's something they should be doing together.

- Erasmo V., Colorado

STUFFINESS

Golf shop personnel generally have the attitude that your business is not needed or wanted. It often feels like you should have to impress them in order to play there.

- Travis P., Colorado

Most the time it is the attitude of staff. People are not friendly and outgoing very often. People new to the game may be scared away by old wives' tales about golf and golf courses. Courses could try having music playing outside the club house, and make a more relaxing environment.

- Matt M., Michigan

Many golfers take themselves too seriously and forget that the point of the game is to have fun.

- Brandon L., Missouri

Far too often golf is made to be less about the sport and more about the fashion. No one wants to have to worry about being told they are dressed inappropriately to play a game or being judged for how they look versus how they play (what do you all have against cargo shorts???). You never see anyone being refused a lift ticket for wearing the wrong thing while skiing. So, when Michael Jordan can be kicked out of a country club for wearing cargo shorts, then you know things have gone too far.

- Tom R., Massachusetts

WIN WORDS

GOLF IS DULL/BORING

People who demand that golf be played by the rules (of which there are many) do not understand that the game can still be enjoyed without strictly playing by the rules. It is often not very fun to play with somebody who scrutinizes the game by the letter of the law, where I simply enjoy being out on the golf course away from other distractions in life and have an enjoyable time.

- Mark J., Illinois

There are so many rules that there is a book that just answers the questions about the rules and the sub rules and the exclusions to the rules. The whole thing is so complicated even the best golfers in the world occasionally get it wrong.

- Dieken R., Ohio

I think if you look at all of the golf rules they can be insane and cumbersome. Most people generally bend or break the rules to keep play moving. I feel like when you are first playing with a group you follow all the rules that you know because no one knows them all. Then, if you are with a regular group, you have your own local rules.

- Mark C., Indiana

POLICIES & RULES ARE TOO RESTRICTIVE

It can be tedious and take a long time to play. I want to be able to play in under 4 hours no matter what the situation. People that have all day to play shouldn't take all day just because they can.

- Connor D., New York

A lot of "old timers" like to show up and play, they don't usually get excited about a good shot, or heckle the others in their group. I mean, come on, they force you to be quiet at PGA events, what other sport wants you to stay quiet?!

- Matt R., New York

The way most golf courses are run is pretty traditional/conservative. People that play golf generally are reserved and expect "civility" at all times (quiet, strict dress). It does not necessarily attract younger people to the game.

- Jeff M., Illinois

Being asked to wear proper golf attire, and some courses seem to have a pretty down to business attitude. I understand why that is but don't think it always has to be that way. Golf should be fun for everyone.

- Colleen R., Colorado

MILLENNIAL GOLFER SEGMENTS



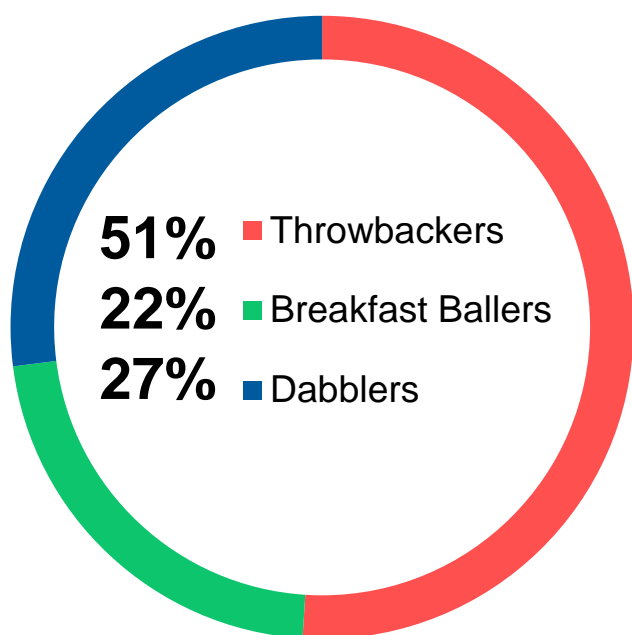
Successful modern brands understand that the marketplace for their product(s) comprises of unique customer segments. Each has a personality, a set of needs, and a certain willingness to spend.

Customer segmentation models help to improve product development, targeting, and messaging. Knowing this, we set out to segment the millennial golfer base into tangible subgroups based on attitudes, perceptions, and behaviors toward golf.

Ultimately, we were most interested in learning what drives millennials to make the recreational choices they make. Fun is the most obvious one. Other commonly-recurring drivers include:

Social interaction
Experiential value
Personal challenge
Peer affirmation
Health and wellness

With the help of some savvy market scientists at KS&R, a highly-regarded market research company, we took a pile of attitudinal and behavioral data and identified three distinct segments of millennial golfers.



Throwbackers: 51%

Predominantly Caucasian males, most were introduced to golf in their formative years by parents, so their approach, perceptions, and attitudes are largely in line with those of the Boomer generation. Most don't think the game needs serious change, though they believe golf could make some minor adjustments to make it even more appealing. This group is active and successful. They're motivated by competition and challenge, staying fit, and social interaction. When it comes to golf, they're extremely committed to the game and prefer it in the traditional, "throwback" forms – most follow the rules closely, keep score, and put work into their game. The majority are fans of professional golf. They closely mimic boomers.

Breakfast Ballers: 22%

This segment is more likely to have taken up the game on their own (or with the help of friends) as late teens or early 20-somethings. They're extremely active people: more likely to say their schedules are hectic and believe they're more active than the average millennial. They're motivated by excitement, adrenaline, and the opportunity to meet new people. Golf for them is not a lifestyle but a social activity, so they're much more likely to enhance the experience with music, alcohol, gambling, and social-media engagement. Many take a breakfast ball off the first tee (hence the name), improve their lie before hitting, take mulligans, and play without keeping score. More than half think golf needs serious reform, though a strong majority is committed to the game.

Dabblers: 27%

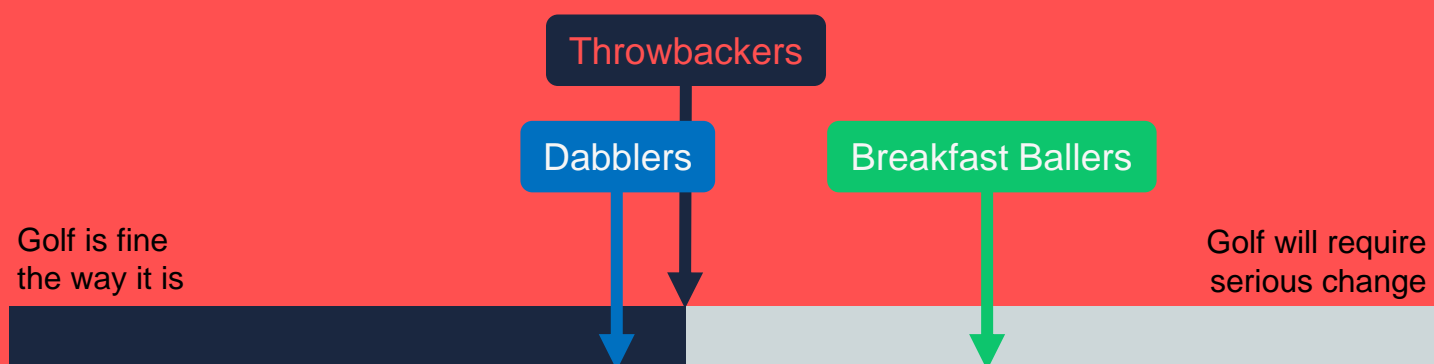
Golf is incidental to their lives, lifestyles and recreational priorities. Compared to the other two segments, they skew more female, don't keep score, are more likely to have been introduced by a spouse or significant other, and aren't fans of professional golf. They golf very infrequently, and usually only when urged, coaxed, or sometimes dragged along by others. Only one-third say they enjoy golf "very much." 94% played fewer than eight rounds in the past 12 months. They dabble, but that's about it.

Old-school approach.

THROWBACKERS



51%



THROWBACKERS

Don't be fooled by their slim-fit attire and fancy gadgets – when it comes to golf, just over half (51%) of millennials think and behave just like baby boomers. The tradition, the challenge, the 18-hole round: they're fully entrenched with it all. For most in this segment, golf is a lifestyle that began at an early age (two-thirds picked up the game before high school).

We call them the Throwbackers, a nod to their old-school, boomer-inspired approach to the game (73% were introduced by a parent and/or grandparent).

Who are these millennials? For starters, and perhaps not surprisingly, they skew toward golf's longstanding stereotypes: Caucasian and male (90% and 87%, respectively). Roughly half are married, but more than two-thirds are without children.

Financially, they are getting along okay (and measurably better than their non-golfing 18- to 34-year-old counterparts). More than half (54%) have an annual income north of \$50,000. And while they certainly face the challenges of student loan debt, 44% say they're already saving for the future.

They're busy, hard-working individuals – 19% are in school full time, and more than three-quarters are working full time. Definitely not the slow-to-launch, Netflix-binging slackers living at home with mom and dad (only 11% do that).

When they have time away from school or work, they're doing lots of millennial-ish things: working out at the gym (51% do so regularly), hanging with friends (70%), traveling (39%), and ... golfing?

THAT'S RIGHT. GOLFING.

Almost half (45%) say they play "often" or "very often," which, depending on your definition of "often," may or may not align with their actual behavior:

- 49% played eight or more rounds in the past year (this is the threshold by which NGF defines "core" golfers)
- 36% played 16 or more rounds (at least once a month)
- 19% played 25 or more rounds (about twice a month or more)

As a group, they're playing about 18 rounds a year on average. That amounts to roughly \$3 billion in playing fees, which is 76% of all millennial spending on playing fees.

They're also spending their hard-earned dollars on golf equipment and clothing, to the tune of \$660 million annually, representing 61% of millennial spending in those categories.

We could infer – based solely on their level of consumption – that the Throwbackers are steadfast brand customers and advocates. But purchase volume tells only half of the story. The other half deals with their attitudes toward and perceptions of the brand of golf – the very foundations on which our millennial golfer segments were built.

A brand's most engaged customers are the ones who have forged a deeper connection than the rest. They do more than purchase product – they stand behind the brand, share their love for it, and recommend it to others for reasons that go beyond their satisfaction with the product(s). It's the difference between an emotional relationship and a transactional relationship.

Recognizing that, let's inspect this group's emotional relationship with the brand of golf. To do this, we'll begin with a simple measure of commitment.

Since 2007, NGF has asked golfers to describe their relationships with the game by ascribing one of the following descriptions to themselves:

- I'm a golf nut; I love the game and it's my favorite activity
- I'm hooked; it's one of my favorite things to do
- I'm a casual golfer; it's one of several ways I like to spend my recreational time
- Golf is okay, but I often choose to do something else with my recreational time
- I don't really consider myself a golfer, as I rarely play

How'd we fare with this group of millennials? Really well, actually. Compared to the total universe of golfers (all generations), Throwbackers represent a much greater proportion of committed golfers (55% are hooked/nuts, versus 34% of all golfers).

In fact, 100% of Throwbackers are at least “casual” in their commitment to the brand, and all say they’re “very likely” to continue playing in the future.

So we know they’re committed, but how do they truly feel about the brand? Do they relate to it? Does it match their personal values? Their aspirations? And, most importantly, does their personal relationship with golf compel them to share their love? In other words, are they brand ambassadors?

To assess respondents’ emotional ties to the game, we presented them with a battery of perceptual statements about golf and asked to agree, disagree, or plead the Fifth. The following address the emotional side of their relationship with golf.

1. Would you consider yourself a “golfer”?
2. Is golf cool?
3. Would you recommend golf to a non-golfing friend?

Would you consider yourself a “golfer”?

Take two people who each play golf three times per year. Both are in their 30s, own a set of clubs, have friends and family who also play, and score in the high 90s on average. They’re similar customers, except one calls herself a golfer and the other does not.

Why does this matter? Well, we’d probably all agree that the one who embraces the “golfer” label has likely forged a deeper relationship with the brand. More than something she does, golf is part of who she is. It’s the difference between a habitual and an emotional connection.

If we can agree on that, the following should be encouraging: 100% of Throwbackers consider themselves golfers.

Is golf cool?

Why does this matter? Well, to millennials, calling something “cool” is quite an endorsement. Cool is something you like and want, which commonly becomes something your friends like and want. “Cool” is entirely subjective, but it influences others. So if Jimmy (Fallon or otherwise) thinks golf is cool, his friends and other followers will take notice. Were he to tell them the opposite – that golf isn’t cool – it’s quite possible they’d subscribe to the same sentiment purely because they trust his opinion.

When we asked the question, 60% of Throwbackers strongly agreed with the statement “Golf is cool.”

Would you recommend golf to a non-golfing friend?

Successful brands create, intentionally or not, brand advocates who spread the good word. They also recognize that the power of creating brand ambassadors goes beyond simple advocacy – high likelihood to recommend correlates strongly with repeat purchases, referrals, and other actions that contribute to a brand’s growth.

So we asked golfers their likelihood to recommend golf to non-golfing friends. Three out of four Throwbackers said they’re “very” likely to recommend the game to non-golfing friends. Another terrific result, except their social behavior seems to suggest otherwise: 69% of Throwbackers say they rarely or never post photos of their rounds on social media.

Try to find a millennial who participates in a Color Run and doesn’t post a photo. Even more mundane recreational activities like grabbing a drink with friends or relaxing on the beach seem to get more love on social media than golf does. Why is that?

This is important because of the influence of social-media on millennial decision-making. When millennials see photos of their friends wearing brand X or participating in activity Y, they’re much more inclined to try or buy. Associating yourself with something on social media is effectively providing a recommendation.

So if golf’s best millennial customers aren’t sharing their golf experiences, how do we expect to gain traction among their peers? More than that, how are they to know their peers are even golfing? As a millennial might say, “pics or it didn’t happen.”

Throwbackers are highly satisfied and committed customers who – provided health and financial means – will stick with golf forever. They’re lifers. But not to rest on our laurels, we should be looking for ways to turn them into brand ambassadors who actively share their love of golf – especially on social media.



SUGARBUSH SKI RESORT

For20s Pass

Photo: Sugarbush Ski Resort

The ski industry is no stranger to declining millennial participation. Many simply cannot afford to be on the mountain – even those avid customers who started at a young age often cannot afford the luxury on their own.

Sugarbush, a ski resort in Vermont, sought to reverse this trend with its “For20s” \$299 adult season pass (a full \$300 cheaper than the average pass cost). The campaign was designed specifically to target avid millennial skiers with tight budgets. David Coats, creative director at Kelliher Samets Volk (KSV), the agency that created the campaign, said, “It’s about doing something so that this segment feels it’s being done just for them, that speaks to the mindset of 20-somethings who don’t have a lot of cash but do have a real desire to stay on the mountain.”

The campaign was fueled largely by social buzz, relying on the evangelist nature of millennials to spread the word and do the majority of the marketing by word of mouth. It paid off. Only 49 tweets were sent out directly from KSV, but they turned into hundreds of retweets and shares and ultimately reached more than 175,000 millennials. In the 2010-2011 ski season, the mountain had sold only 50 season passes to 19- to 29-year-olds. The goal of the campaign was to sell 1,000 passes the following season.

THEY SOLD 2,000.

This campaign was targeted at an already-activated group of millennial skiers who just needed an extra incentive and reason to deepen their commitment. The biggest takeaways: 1) Don’t try to target everyone through just one campaign; and 2) Let millennials do your marketing for you by creating something they actually want to share and invest in themselves.

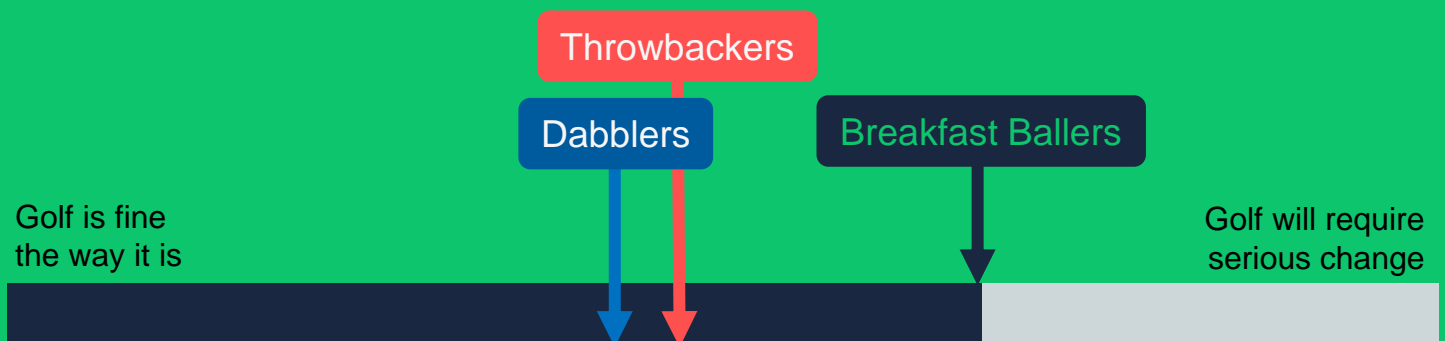
Golf courses can certainly emulate this engagement strategy.

Give me another mulligan!

BREAKFAST BALLERS



22%



BREAKFAST BALLERS

Our second segment, Breakfast Ballers, is much smaller in scale – less than half the size of the Throwbackers segment – but, as we'll show you, their impact is meaningful and their approach to the game is enlightening.

Unlike Throwbackers, this group's relationship with golf does not transcend the activity. For them, golf is not a lifestyle; it's just one of many pastimes they enjoy as part of their recreation.

A defining characteristic of this group is their relaxed take on the game, which begins the minute they set foot on the course – over 80% are taking do-overs on the first tee. So we started calling them the Breakfast Ballers (inspired, of course, by the name given to that second drive on hole #1: the “breakfast ball”).

So who are these guys and girls? Let's start as we did with the Throwbackers, by looking at them demographically.

Proportionally, there are twice as many females (26%) and more than three times as many non-whites (35%) as in the Throwbacker segment. They're no more likely than other millennial golfers to be married, but over half have children (58%). This is partly attributable to a larger proportion of 30- to 34-year-olds than in the other segments.

Financially, over half are earning more than \$50,000 (comparable to Throwbackers), but only a quarter of them are saving up for the future. This is, to some extent, a function of more of them having children. But it also has something to do with their “YOLO” (you only live once) attitude.

Like the rest of millennial golfers, they've got credit card debt, student loans, and mortgages ... but disproportionately high levels of them. One in five of them is falling deeper in debt, and another is only making basic ends meet. Almost 40% are receiving financial support from family, contributing to the spendthrift behavior that characterizes many in this segment.

Time wise, they appear to be at least as busy as Throwbackers. Half say almost all of their waking hours are taken up by obligations. Two-thirds are

employed full time, and a quarter are taking classes full time (another 20% are part-time students). Seventeen percent are currently pursuing their master's, professional degree, or PhD, which proportionally is twice as many as in the other two segments of millennial golfers.

Their recreational choices are motivated by a different set of drivers. More so than other millennial golfers, this group is looking for challenge, excitement, adrenaline, and the opportunity to meet new people (especially ones they can date). This explains why more of them are going to networking events, participating in group workouts, taking dance classes, cycling, fishing, hunting, playing tennis, and enjoying water sports. They're on-the-go people who love social interaction.

Which bring us to golf – where does that fit in?

Much like Throwbackers, half of Breakfast Ballers would tell you it's something they do often, which is another attention-grabbing finding since only 22% are core golfers (vs. 49% of Throwbackers). But perception is reality. Their activities are much more varied, so golfing about once a month is often to them.

On average, they're playing only about eight rounds a year, which means roughly \$650 million in playing fees (16% of all millennial spending on playing fees). They also spend \$230 million on golf equipment and clothing (21% of millennial spend on such items).

Although their spending is disproportionately-low, Breakfast Ballers' impact (and influence) makes them important customers of golf.

But the Breakfast Ballers are much different consumers of golf than the Throwbackers. (They've got a different set of opinions about the game, a different way of enjoying it, and a different outlook on the brand's future.

In order to understand their relationship to the brand, we'll start at the beginning.

Almost 80% started to golf after they began high school. And while a little more than half were introduced to the game by a parent or grandparent, many took to it on their own (38%) or with the help of a friend (22%).

Let's think about that for a moment.

It seems logical that an introduction to golf (during one's formative years) leads to a deeper appreciation of the tradition, rules, and etiquette. After all, it's not often that you find a foursome of 10-year-old beginners navigating 100+ acres of terrain unsupervised – it's more likely that they're learning from adults who are providing some level of guidance.

But once kids reach high school age and beyond, they're pretty much rejecting adult control/influence as much as possible. So if the majority of these Breakfast Ballers took up the game during those years, who do you think they learned from? That's right – other millennials.

Now that we understand their introduction, let's look at the way they consume the brand.

- The golf itself is pretty satisfying, but not nearly enough to fulfill their social/recreational needs. So they're enhancing the experience ...
- with music (two in five listen to it out-loud on a regular basis)
- with alcohol (45% drink regularly on the course)
- by sending/posting photos via social media during the round (40% do regularly)
- by adding a fitness element (43% regularly track their steps with a FuelBand, FitBit, or other type of pedometer)

The game by itself? Less than half of them (46%) said it's "very fun." But when you take golf and add some extras, it becomes Golf+ and all of a sudden it's fun. This concept of Golf+ is something that everyone who is trying to appeal to millennial golfers should give a lot of thought to. How can you create your own Golf+ offerings? [Click here](#) to check out some examples of Golf+ being offered at courses today.

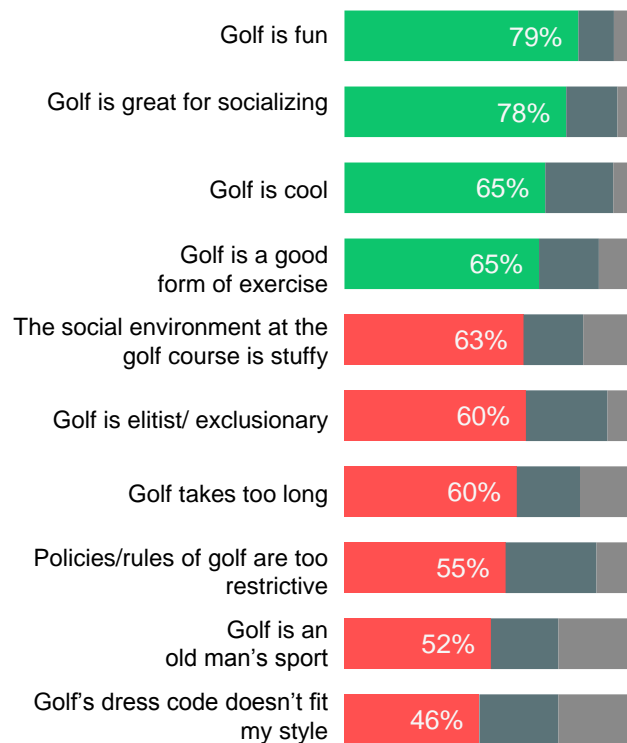
We talked about the Throwbackers as our core customers. Recall that 95% of Throwbackers consider themselves "golfers"; only three out of four Breakfast Ballers would put that title on their resumes.

Golf just isn't a big part of their lives, as it is with the Throwbackers. So if we expect to attract their business more often – and recruit their non-golfing friends along the way – we've got to encourage and enable them to consume it their way.

It would also be to our advantage to hear and address their concerns about the brand. Figure B shows their answers to the same perceptual statements we referenced with Throwbackers. Some of their opinions are encouraging; others, sobering.

9 BREAKFAST BALLER PERCEPTIONS

■ % agree ■ % indifferent ■ % disagree



For example, a strong majority thinks golf is fun, cool, and a great way to socialize, but most also see the brand as being elitist and exclusionary, overbearing in its policies and rules, and generally stale on a social level. Sixty-three percent of Breakfast Baller golfers think the golf atmosphere is stuffy. The word "stuffy" should be reserved for political conventions and board rooms, not for places people go to enjoy themselves.

Blue Sky

GOLF CLUB



A roadside sign at the entrance of the bustling Blue Sky Golf Club in Jacksonville, FL reads “Everyone is Welcome.” That’s no hokey marketing ploy... they really mean it.

Formerly Mill Cove Golf Club, Blue Sky reopened an entirely new golf course that caters to golfers of all ages and skill levels, but the course has become especially popular among young adults looking for a comfortable and relaxed place to play the game.

The traditional pro shop has been replaced with a restaurant and bar with 22 televisions, music that is pumped out to the driving range and a laid back atmosphere that millennials are embracing. Golfers now check in at the bar and restaurant, where the real energy of the club flows. If you’re looking for a dress code, don’t bother, that went away with the name Mill Cove.

Additional changes were made to the course to make it more playable for all skill levels. Eleven of the course’s 22 bunkers were removed, a significant amount of underbrush was cleared, and other more subtle changes were made to make the course more operationally efficient.

“For a lot of younger players, the traditional golf environment isn’t comfortable,” said Travis

Norman, executive vice president of Hampton Golf. “It can be a little intimidating. At Blue Sky, we’re like the rock and roll of golf, and the response has been really positive.”

Blue Sky has seen a dramatic increase in millennial play compared to other Hampton Golf-managed facilities. Since it opened, 70% of its play has come from golfers 40 years old or younger, and 50% of total play is from golfers 35 or younger, according to Norman.

But what about the course’s longer-tenured clients that knew cutting-edge Blue Sky as the more traditional Mill Cove for decades? Norman said many have come to embrace the change around the club, including the relaxed dress code, layout changes and the bar-side check in. Acceptance comes at different speeds, he said, but the majority is taking it in stride.

“We still deal with some of the baggage from the change,” Norman said. “But golfers can be faster to adapt than a lot of people think. Eventually most get past the little things and see that the facility is so much better.”



Q. WHY DO YOU THINK MANY MILLENNIALS DON'T REGULARLY SHARE THEIR GOLF EXPERIENCES?

Golf is, by its very nature, an individual game/sport. I don't need to post to social media or tell the world that I'm playing golf to enjoy it.

- Conal D., Texas

Sometimes you don't want everyone to know you're wasting 4 hours golfing.

- Megan S., Tennessee

Golf is not a special event.

- Rafael P., Texas

I don't typically take pictures on a golf course. Unless something extraordinary happens, my phone stays in the cart.

- Matthew W., Michigan

For me, I usually am having too good of a time to think about posting it. If I do, it's a picture of something cool that happened during the round. Plus I know not everyone I'm friends with or follows me is interested in golf.

- John B., Texas

They want to enjoy the experience and get away from social media for a while. You have more fun if you leave your phone in your bag. I like to think about what club I should be using instead of which friends will like my photos.

- Eric G., Wisconsin

Most friends don't play so nobody will really care.

- Bill R., California

Not all my friends play golf so posting to social media may also make me seem hoity toity.

- Nick S., Washington

There is no real incentive for them to post a photo of them enjoying their golf experience, some might even think it might be bragging to others that they are playing an expensive course that maybe their friends can't afford.

- Christopher M., California

Photo: tacoma.com

CREATING EXPERIENCES

Events like the Color Run 5ks and Tough Mudder obstacle races are gaining popularity because millennials can participate with their friends and share in the experience together, both in person and on social media afterward.

While golfing can be a great experience, when someone's ball has just landed in the sand trap, posting their frustrations all over Instagram probably isn't first on their list.

Find ways to create experiences and make golf more share-worthy. Encourage golfers to post pictures of themselves golfing or talk about their favorite places to golf, favorite clubs, etc. Offer incentives and set up check-in spots that give customers discounts on rounds or free buckets of balls at the driving range.

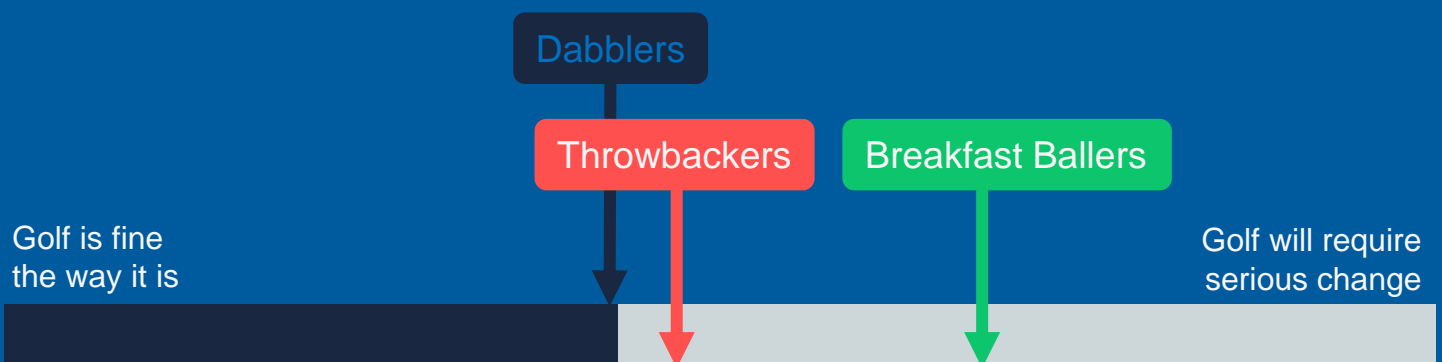
[Click here](#) to check out some examples of how courses are creating shareable experiences for millennials.

Golf? Meh.

DABBLERS



27%



DABBLERS

The final segment of millennial golfers, which represents 27% of this universe, is the least engaged of the three. On the NGF scale of commitment, 94% classify themselves as casual golfers at best.

We've termed them "Dabblers", as they only dabble in golf. In other words, golf is an incidental part of their lives. In fact, three-quarters took to the golf course no more than four times in the past 12 months and another 20% played fewer than eight rounds, meaning virtually none of them would meet the minimum qualifications of a core golfer as defined by NGF.

More than a third of these golfers are female – a defining characteristic of this group – and over 80% are Caucasian. As with the other groups, just under half are married, and in line with the Throwbackers, two-thirds are without children.

Financially, they're the least comfortable of the three groups; nearly two-thirds are making less than \$50,000 annually, and they face similar levels of debt to the Throwbackers (but not nearly as much as the Breakfast Ballers).

What keeps them busy? Three-quarters are employed full time, and 23% are currently attending school. Recreationally, they're the most sedentary of the three, indexing the highest with activities such as reading, shopping, working around the house, cooking and baking, crafts, and other arts. Excluding walking, jogging, and less-intensive group workouts (such as yoga or Pilates), they index lower than the other groups on active pastimes across the board.

Dabblers place minimal life importance on exercise/fitness, which may partially explain why they spend much more of their time indoors (66% on average, vs. 58% for Throwbackers and Breakfast Ballers).

What's golf to them? A fringe activity ... at best. And one towards which they are decidedly apathetic. Fifty-eight percent don't even consider themselves golfers. When asked, nearly three out of five in this group would deny affiliation with the brand. Whoa! That's a bit disturbing.

Deeply committed golfers often mention the challenge of the game as one of its most alluring aspects. The fact that the game can never be fully mastered, and rarely for long continuous periods of time (like, two or three holes for most of us!), is at once frustrating and fascinating to them. An endless challenge ... think Sisyphus rolling that boulder up the hill.

All committed golfers at least occasionally experience the thrill of a well-executed shot. At NGF we call this "shot euphoria". For Sisyphus it was getting the boulder to the top of the hill, if only to see it roll back down. In golf it's the feeling one gets when you see the ball fly right to where you wanted it to go.

B.F. Skinner, the famed behavioral psychologist, determined that the best way to engrain a behavior was to provide a reward (positive reinforcement) immediately after the desired behavior occurred. In golf, shot euphoria is the most powerful positive reinforcement imaginable. Unfortunately, most Dabblers rarely if ever receive this reward. Is it any wonder, then, that they don't have the desire to play golf very often?

NGF research has also shown that many fringe golfers, which most Dabblers are, do not feel very comfortable in the golf course environment, as if they don't really belong there. And many never really feel comfortable playing with other golfers, usually because they are embarrassed by their lack of proficiency.

Our challenge with this group, then, is to help them increase their golfing comfort and competence. To embolden them. To make them feel like they belong and can have fun regardless of their ability level. Is this possible? You bet. Later, we'll talk about a new alternative golf experience [called Topgolf](#), where people laugh at themselves and have another drink when they hit a bad shot, as opposed to turning red and trying to find a hole to climb in.

Why Dabblers Dabble:

- 35% say they don't play well enough to enjoy the game
- 23% don't feel comfortable being around and playing with other golfers
- 18% don't feel comfortable around the golf course or clubhouse in general

HEAD-T



DABBLERS

THROWE

O-HEAD



**BREAKFAST
BALLERS**

BACKERS

COMPARING

THROWBACKERS

Number of golfers

3.3MM

% of all millennial
golfers

51%

Average rounds
played annually

18

% of total millennial
golf spend

69%

Very likely to continue
playing (provided health
and financial well-being)

100%

Consider yourself
a “golfer”

95%

Very likely to
recommend
golf to a friend

75%

Enjoy the game
“very much”

100%

SEGMENTS

BREAKFAST BALLERS

1.4MM

22%

8

19%

48%

74%

38%

46%

DABBLERS

1.7MM

27%

4

12%

47%

42%

23%

28%

Put me in, Coach. I'm ready to play.

LURKERS



12MM

LURKERS

In addition to 6.4 million 18- to -34-year-olds playing the game today, golf has another 12.2 million who express real interest – the “science” behind it is pretty straightforward – in becoming a golfer. For those of you keeping score at home, this means roughly one out of four 18- to 34-year-olds today is either playing golf or interested in doing so. This flies in the face of pundits who’ve predicted Armageddon for the industry.

What do these millennials have in common?

None have played golf in the past 12 months, but all are “very” or “somewhat” interested in doing so today. Nearly half have some prior experience with golf, but only a sliver ever played regularly – probably Dabblers gone AWOL. The other half tell us they have never picked up a club, but think they’d enjoy it if they did.

We call this segment the “Lurkers”, and they represent a significant opportunity for golf.

Since NGF began tracking latent demand for golf, the 18-34 age group has always shown the highest level of interest in playing golf. This shouldn’t come as a tremendous surprise ... younger people have always shown a greater interest in trying new things. The Millennial generation is no different. Figure 10 shows prospective golfers by generation.

10 LATENT DEMAND MILLIONS OF PROSPECTS BY GENERATION

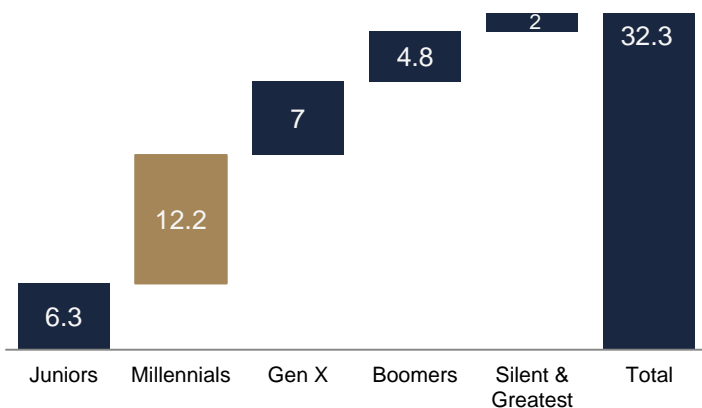
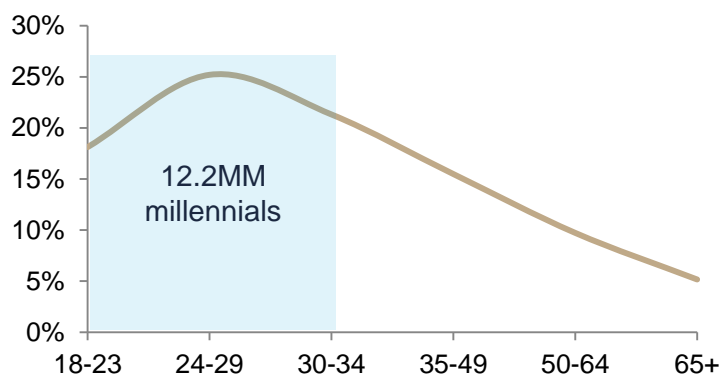


Figure 10 is both encouraging and alarming. It clearly illustrates the opportunity that exists among this generation, but it also shows that interest begins

to drop, rather severely, once a person reaches age 34 (coincidentally, this is the cutoff age to still be considered a millennial today, within the framework of our study). Further illustration of this drop-off in interest among non-golfers can be seen in Figure 11 below. If this doesn’t create a sense of urgency to recruit millennials now, we don’t know what will.

11 LATENT DEMAND BY AGE | % VERY/SOMEWHAT INTERESTED



Who are these Lurkers? Demographically, they comprise a greater proportion of female and non-Caucasians than the current millennial golfer base. They’re also less affluent.

What’s stopping these 12 million prospects from taking up (or returning to) the game?

For most, time and money are to blame. We asked Lurkers to tell us about their financial situation and recreational time through a series of questions. From that analysis we discovered:

- 25% have neither the time nor the money to play golf
- 42% have one or the other, but not both
- 33% have both the time and the money

The most encouraging takeaway is that three-fourths of millennial prospects have the time, the money, or both to take up golf right now.

But, considering only those with *both* the time and the money to play golf, we’re left with four million qualified (and interested) prospects for the game. This is still a significant opportunity.

And if time and money are not obstacles, **what’s getting in the way?**

First, 25% say no one has ever invited them. That's a million qualified prospects who are just looking for a nudge. Millennials are often commended for their inclusionary tendencies – if they enjoy a particular activity, they're inclined to recommend it or invite friends along. For most of them, life's more enjoyable that way.

But golf clearly has an invitation problem with this generation. And given all that is required to bring a novice to the course – patience, encouragement, more patience, and more encouragement – it's certainly understandable that experienced golfers would avoid these situations altogether.

And yet, we know that **having a friend there is important** – particularly a friend who's already comfortable being around the golf course. When asked to redesign their introductory experience today, an astounding number of current millennial golfers (more than three-fourths) say they would want a friend with experience to be a part of their introduction to golf. That's saying something.

It makes sense. When you decide to adopt a new hobby – like cycling – isn't your natural inclination to reach out to a friend who cycles? Taking up golf is no different. The friend is there for comfort and support, and perhaps a little guidance. They're the buffer that makes stepping out into the great unknown much less frightening.

If you don't think taking up golf is a terrifying proposition, consider this: only a third of current millennial golfers say they're comfortable approaching a golf professional for guidance on improving their game.

So we've got two millennials – a current golfer and a newbie – who could benefit from some professional direction on playing the game, but suffer from a certain level of intimidation or anxiety that prevents them from taking the necessary step. What if they could learn together?

Aside from the invitation issue, another barrier for new golfers is an obvious lack of awareness about beginner programs. Twenty percent of interested millennial golfers ranked "I'm not really sure how to get started (or start again)" as one of the top reasons they are not currently playing golf, and four out of five couldn't name a program that would help them to get started. But this isn't the alarming finding – we shouldn't really expect someone with no experience

to know about a specific program to get started.

What is concerning is more than 60% of current millennial golfers don't even know of a specific introductory program. It's tough to help a friend get started when you don't even know which direction to point them.

A third point of tension lies in the fact that beginner golfers are uncomfortable, intimidated, and easily embarrassed. Previous NGF research has demonstrated the importance of comfort and competence in retaining new and returning golfers. Recall that 80% of our Breakfast Ballers picked up golf after beginning high school, and that a defining characteristic of this group is their relaxed, untailored approach to golf. We're pretty confident that many prospects who successfully convert will think and behave more like these Breakfast Ballers than the more-traditional Throwbackers.

If we look at Topgolf, which attracts mostly millennial-aged customers (about half of whom have never played golf on a golf course) we see that the activity effectively eliminates the need to be skilled or even competent by overwhelming customers with social and experiential elements. The proof can be found on Instagram, Twitter and Facebook, where non-golfing Topgolfers happily post photos of their experiences and, quite often, include self-deprecating captions about having fun in spite of their ability (or lack thereof).

Topgolf is absolutely the best validation of latent demand for golf among the Millennial Generation. To see it is to believe it.

In some ways, Topgolf is not unlike the experience many find at a scramble outing. Different from the traditional game, where you can spend four hours compounding your frustrations, a scramble affords you the opportunity to hit lots of terrible shots, but pick up each time and start over from a partner's lie. Not only that, you might make a huge putt or chip for the team (shot euphoria!) that makes the whole experience worthwhile and memorable.

Our goal with Lurkers should be to make their early experiences with golf fun enough to outweigh the embarrassment and frustration that often come with learning the game.



We've referred to Topgolf on several occasions over the course of this report. If you're unfamiliar, here's a short-and-sweet overview of it.

What it is: Topgolf (or Target-Oriented Practice Golf) was founded in 2000 in the U.K.

Locations: In 2005, Topgolf entered the U.S. market with their first location in Alexandria, Virginia. They now have 13 active facilities and another 11 slated to open in the next few years, bringing the grand total to 24 facilities. All are located in medium to large suburban and urban areas.

How to play: Players tee off from a driving range bay and aim at targets ranging from 20 to 250 yards. They receive points based on both distance and accuracy (often accidental).

Who plays it: All ages can, and do, play the game. It's been estimated by Topgolf that roughly half of the people who play Topgolf play the traditional game.

Why it appeals to many millennials and non-golfers: Aside from the obvious draws – food and beverage, music and entertainment – Topgolf communicates explicitly that "golf skills are definitely not required to have fun at [their venue]." They suggest people of all abilities can come together and enjoy the experience equally. And if consumer chatter on social media is any indication, they've succeeded in creating a comfortable environment for those who aren't necessarily competent. In fact, it seems they've made it totally OK to suck.

THE WAY FORWARD: GOLF AS A MODERN BRAND

In the previous chapters, we dived into the research that has confirmed some preconceptions we had about millennials and their relationship with golf, disabused us of others, and confirmed that significant latent demand exists within this generation.

So what does (or should) the future of golf and millennials look like? How can the modernization of golf's brand occur without compromising all the good things that has made it such an enduring pastime?

This final chapter is an attempt to marry the findings of NGF's research to the truths about marketing to millennials that FutureCast brought to the project.

We identified action areas at both the brand and individual company level that can create positive change to the sport's perception among young adults. Many of these apply directly to golf course operations, but we know that increased participation at the facility level is the tail that wags the dog, and can have profound effects across the industry.

Here are 10 considerations for golf's makeover as a modern brand. Immediately following this list, we discuss a number of [real world examples](#) of what course operators and industry leaders are doing to address these points.

1. GOLF COULD STAND TO CHILL A LITTLE

Golf is an extremely traditional game and owes much of its success to an adherence to longstanding customs. However, this mindset doesn't have to extend to the messaging around the game. Successful brands earn millennial love by stepping away from the traditional and formal marketing game and instead embracing new ways to align with the millennial mindset. Golf is a fun, social and experiential activity, and the game should be conveyed as such.

2. LET YOUR MILLENNIAL CUSTOMERS AND FRIENDS HELP

Take advantage of the millennial customers you already have, including those closest to your business — employees, best customers and their age group friends. Millennials love to co-create with

their favorite products and services. Let them help you. Discover the changes they would recommend to make the game more attractive to their friends and circle of influence. Consider the project journey from a millennial's perspective - from booking a tee time all the way through to the 19th hole - and how that experience should be marketed to their peers.

3. GIVE PERKS FOR PERSONAL INFO – IT'S A PROVEN STRATEGY

We are living in the age of Big Data – a term that has come to refer to the massive amounts of information consumers give out every day. Every time a consumer posts a picture to Instagram, checks in at a location on Foursquare, or logs in to email, they're sending data points to brands.

Millennials lead this data progression, actively broadcasting their personal information every day. More than half of them will give personal info to businesses if they feel they get something in return. This means that even though millennials are less trusting of big brands, they will trade their data if the perks are attractive.

Golf businesses continue to do a better job at capturing customer data. Creatively using this data to deliver perks that offer value that goes beyond discounting prices will further engage this generation, especially if the perks help make millennials' lives better, faster, more efficient, more fun, etc.

4. EMBRACE MILLENNIAL SOCIAL CULTURE (AND WE DON'T MEAN SOCIAL MEDIA)

Millennials are an extremely social generation. Yet when we say "social," we are not specifically referring to social media, even though millennials represent an overwhelming majority of social platform users. Millennials relish social interactions with friends and family in a physical space and place a higher value on their physical social experiences than on digital ones. This dynamic has particular application to golf in the context of our latent demand opportunity with this generation. To attract these interested non-golfers to the course, the game can embrace their social drive by creating new ways to engage them, which brings us to... GOLF+.

5. GOLF ALONE IS NOT ENOUGH FOR MANY MILLENNIALS – THEY WANT GOLF+

Developing the concept of GOLF+ - enhancing golf experiences by combining the activity with other things that millennials love, such as affordable adventures, technology usage, listening to music, drinking, flirting, etc. - will grow the game's influence with this generation. This concept is already manifesting itself in new potential entry points, such as Topgolf, and emerging technologies and products (apps, enhanced golf carts, golf boards, golf bikes etc.) that can make the game more fun to those currently not so tightly tethered to the sport. Millennials will continue to respond to these innovations and to messaging that communicates the many positive attributes golf has to offer that appeal to their own value sets.

6. CHANGE THE PERCEPTION THAT GOLF IS AN ELITIST ACTIVITY

This perception, however ill-deserved, is especially entrenched among young adults. Forty-four percent of millennial golfers (and 40% of their non-golfing friends) think golf is elitist or exclusionary. This perception has stunted golf's growth.

However, the facts about golf don't support this negative perception. For instance, about 75% of golf courses are open to everybody. And if these millennials were to visit just about any municipal course in the country, they would see people of both genders and of many races, ages and social strata.

The brands most beloved by millennials, including Apple, Trader Joe's, and Chipotle, maintain business models that encompass a "doing good" mindset. They are seen as fair, trusting, inclusionary and non-discriminatory. Reshaping the millennial perception of golf will create a brand that millennials can be proud to support. This will be a long-term challenge, but not an insurmountable one.

7. LOOK OUTSIDE OF GOLF FOR SOLUTIONS

There are dozens of millennial-favored brands – including sport brands – that have innovated their traditional models to align with the millennial mindset. For instance, we talked earlier about Sugarbush ski resort and the For20s campaign it created to engage millennial participation.

Running is another great example of a sport brand creating new avenues to connect with millennials, who are driving its growth. Non-traditional, experiential races have grown significantly in recent years, largely due to high millennial participation. 5ks now range from night runs to gender-specific runs to "fun" runs that include paint, mud, music, and chalk.

The Color Run and Tough Mudder are marketed more as events than as races. Aside from fun, what do these events have in common? They do not require intense training or months of preparation, have few or no barriers to entry and a low intimidation factor for beginners or non-runners.

How does this translate to golf? Let's start with the fact that more than half of millennial golfers don't regularly keep score, and 72% don't maintain a handicap. In other words, most millennials do not take the game nearly as serious as other generations do – they care more about the social and experiential aspects of the game. Enhancing the experience, even in small ways, can bring more millennials to the fairways.

8. EMBRACE THE FOUR KEY PILLARS OF MILLENNIAL BRAND LOVE

The most inspired and successful millennial brands embrace four key pillars: innovation, authenticity, uniqueness, and meaningfulness. Every brand aiming to connect with a modern consumer must activate on as many of these pillars as possible in order to create brand love and turn consumers into pro-sumers – people who are actively consuming, not just passively involved.

Innovation: Some of the best brands have created completely innovative ways to engage consumers that are separate from the tech space. For example, Dollar Shave Club completely reinvented the razor business model when it disrupted the market in 2011. Now, it is one of the top-selling razor blade brands among millennials, and shave giants such as Gillette and Schick have mimicked the door-to-door delivery model.

Authenticity: In the digital age, secrets are virtually impossible to keep. Millennials are digital natives, and their facility with the Internet makes it difficult for anything a brand does to go unseen. (This dynamic should ultimately benefit golf, as there are so many positives around the game.) The most authentic brands are the ones that stand for more than their bottom lines and include millennials in the creation of the product, the marketing and the entire brand journey.

Meaningfulness: For millennials, “likes” on a page do not carry much weight. These young adults are looking for meaningful connections that draw on more than just numbers. Experiences through which they can bond, that they can remember, and that they can and want to share create a genuine engagement with millennials. We know that this group socializes even some seemingly mundane activities, and yet 69% of even the most-engaged millennial golfers rarely or never share their experiences on the golf course.

Uniqueness: Yes, millennials are an extremely inclusive generation and are driven by the group mentality. However, they want their products to be completely customized and unique to them. The more personalized a product is, the better. This goes for physical products as well as brand experiences.

9. CO-OPETITION IS GOOD

In a traditional marketplace, businesses compete in a “winner takes all” contest. Today, many companies must cooperate (and compete) in order to create maximum value for each in the marketplace. It’s called “co-opetition.” We see this idea manifesting in two key ways for the brand of golf:

Top Down: Co-opetition from the biggest industry stakeholders is the most practical way for the brand of golf to project a cohesive, consistent image that will broaden its appeal, especially among young

adults. The leading organizations in golf—the LPGA, The Masters, the PGA of America, PGA TOUR and the USGA—already work together to unify the message promoting golf as healthy, fun, inclusive, charitable and environmentally friendly.

Bottom Up: At the local level, course operators can work together to present a unified message about the benefits of the game. This grassroots co-opetition will drive player development, increase minority and female participation and more effectively activate latent demand. This could take the form of cooperative advertising campaigns, shared public relations messages and coordinated on-course programs intended to attract millennial interest. Does this mean we are denouncing competition? Not at all. This cooperative effort would result in more players and more rounds, for which these operators could then compete.

10. IMPROVE THE ONBOARDING PROCESS TO MAKE A BETTER FIRST IMPRESSION

Golf has many strong player development programs, but for one reason or another has not driven a sufficient proportion of beginners, including millennials, into them. Beginners entering the game via one of these programs would almost certainly be assured of a better first experience (as opposed to playing with buddies and having the serious group behind them applying pressure to speed up), and would be more likely to stick with the game.

A quarter of interested non-golfing millennials—four million strong!—say no one has invited them. While we continually refine and improve existing development programs, we should also be open to new ideas to bring people into the game. Topgolf is a great example of this. Screen golf (golf simulators) and FootGolf may prove to be as well.

MAKING THE TURN:

REAL WORLD EXAMPLES

We've spoken about golf as a brand, learned about the effects the economy and demographic shifts have had on golf participation among 18- to 34-year olds and identified distinct millennial age and golf behavioral segments. In the last chapter we presented actionable key concepts borne of the research that can change millennial perceptions and behaviors towards golf.

Here we present some ideas of how we can translate understanding of millennials into action, to attract and engage them. Some operators are already actively recruiting young adults by customizing experiences and messaging, as you'll see from the examples herein. The focus in this section is at the golf course level because, as NGF founder Herb Graffis so succinctly put it, "It is the recreational golfer, from whom all blessings flow."

These are just a few thought starters. Our goal is to use this as a stepping stone for golf course operators, other golf businesses and industry stakeholders to share their ideas and actual programs that have produced real results.

Feel free to share your stories with us by dropping us a line millennials@ngf.org.

PGA OF AMERICA GETTING YOUNG PROFESSIONALS INTO THE GAME

The PGA of America developed the burgeoning Employee Talent Development program to deliver Get Golf Ready (GGR) lessons to corporate employees – especially young adults – who respond favorably when presented with a healthy and social on-ramp into golf. The unique program has shown early potential to help golf activate some of its latent demand among young adults.

The program was implemented at multiple KPMG and Deloitte offices in the Dallas region in the fall of 2013, followed by Atlanta and Washington, D.C. in the spring of 2014. The PGA's Player Development Regional Manager (PDRM) for these regions recruited offices by approaching the HR department and promoting the idea of health & wellness,

leadership growth, business development and team building through golf. (At Deloitte, there is an added incentive for employees to sign up, as 50% of their program fee is reimbursed by the company through their Health & Wellness rebate.)

For each office, the PDRM identified an internal "champion" for the program and began by emailing a survey to employees to assess interest and availability to take golf lessons alongside some of their associates. Mike Aldrich, the PGA's Washington, D.C. PDRM, said that about 40% of employees, on average, click on the survey link; of those that open, nearly all say they are interested. Mike reported that one of the primary incentives for garnering strong participation is the 'carrot' of an annual charity golf tournament for those offices that recruit a threshold number of sign-ups. This charitable aspect aligns strongly with the social conscience mindset of millennials.

The PDRM in each region works with local golf courses (Atlanta's 2014 classes were held at prestigious East Lake Golf Club) to deliver GGR to these new students. The corporate version of GGR comprises five 90-minute group classes, the last of which is actually a 9-hole Graduation Scramble, followed by a social gathering with food and beverages. As of spring 2015, the three PGA regions had run more than 300 corporate employees from 20+ offices through the GGR programs. Many of those participants were in the early 20s to middle 30s age range. Atlanta's initial program of three classes containing 20 students each sold out in seven days, and had significant waiting lists.

Perhaps the most promising aspect of the Employee Talent Development program, is its ability to successfully deliver against the substantial latent demand for golf among young adults. Dallas Region PDRM Chuck Higgins, Atlanta PDRM Daryl Batey, and D.C. PDRM Aldrich all report that 75% to 80% of participants had never been to a golf course, while another 20% or so had very limited experience, and the remainder comprised 'occasional' golfers that had played a few times. Those who graduate the program have a strong chance of remaining in the game: the PGA reports an overall GGR retention rate of 83%.

The early success of the Employee Talent Development pilot program is very encouraging, in terms of both player development and incremental revenue generation. However, at this writing the offices have been recruited exclusively by the PDRMs. If the program is to be scalable, it will take a concerted effort by PGA Head Golf Professionals, Assistant Professionals and others at the golf course level to recruit local corporations, businesses and other organizations.

REUNION RESORT & GOLF CLUB

CREATING SHARE-WORTHY EXPERIENCES

Reunion Resort and Golf Club has its own take on 'share-worthy' events to attract a younger set. Kevin Baker, general manager of the 54-hole resort in Kissimmee, FL, and his 27 year-old tournament director have created "camaraderie events" where like-industry teams square off in fun competition. The facility has hosted "Bar Wars", where four local bars recruit 16 players each and bars rotate hosting the after-party, and "Car Wars", a similar event with auto dealerships.

The shotgun style tournaments are set up on the back nine of one of the resort's three courses so as not to interfere with members. They include a goodie bag and box lunch for each player, and conclude with an awards ceremony. Fees are all-inclusive, with price depending on the package of contests, beverages, etc.

Another successful event at Reunion is the Engineering Summer Golf League's End of Summer Open Celebrity Golf Tournament held each year on Reunion's highly regarded Watson and Palmer courses. The tournament – heavily influenced by the millennial mindset – has helped raise awareness and tens of thousands of dollars for the Give Kids the World! Organization. The weekend-long event starts with a "PING Pairings Partee" Friday night at Dewey's, a popular Orlando golf simulator facility and bar. This pre-tourney kick-off includes long drive, putting and closest to pin contests with PING prizes, raffles and Pick and Post Celebrity Pairings.

Saturday morning there is a golf clinic/demonstration followed by the tournament itself. Included in the

registration fees are range balls, goodie bags, complimentary soft drinks, beer and liquor, team photos, hundreds of raffles, awards banquet and the chance to play golf with a celebrity.

So what makes this event share-worthy? Frequent hole contests, complimentary cigars rolled on site, beverage girls stationed at every third hole, a vodka booth and more. The young organizers also came up with a creative solution to a recurring problem of play backing up at a short par 4... a dunk tank with girls in bikinis.

Reunion's tournaments are actively sold and marketed by Kevin and his staff as well as through social media. Overall, the resort hosts 25 to 30 large events and about 50 smaller ones, all of which resonate with millennials.

In addition to tournaments, Reunion is very active at recruiting companies with a heavy millennial influence by hosting weekly leagues from May through October, and offering half-price (50% dues for four people) corporate memberships. Unlike other members, corporate members don't need to own property at the resort, and the membership extends usage to employees as well.

Reunion makes the memberships even more attractive to millennials by including a free annual charity golf tournament and offering other perks such as four free days of kids care, free dinners and more. The resort, which has multiple large pools, tennis courts, lazy river, day care and a kid's camp, is particularly attractive to young families. Baker says that these young adults are adept at "doing the math", and recognize a great offer (think "useful is the new cool") when they see it.

MARRIOTT GOLF

USING MILLENNIALS TO BETTER CATER TO MILLENNIALS

There's no group who understands millennials better than millennials themselves. Just ask Marriott Golf. They recently organized focus groups comprising of their facility managers, millennial employees and millennial customers. The purpose was to find out what millennials thought the golf experience should look like. The discussion covered all customer touch points from booking a tee time to arrival, from check-in to on-course experience, and from the 19th hole to leaving the property.

Key findings from the focus groups were summarized in an internal document, and very location-specific recommendations and guidelines were disseminated to the field. “Marriott Golf and our properties recognize the importance of marketing to the millennial audience to drive our business forward, as well as to grow the game,” said Claye Atcheson, vice president of Marriott Golf. “Our executive team and property staff attained tremendous insight from the exercise, as did the millennial customers and employees.”

Marriott Golf’s engagement with millennials is fluid and evolving, but they have made solid progress by implementing learnings from the focus groups. Marriott Golf’s on site millennial employees actively participate in creating experiences and marketing strategies geared to these young adult golfers.

HAGGIN OAKS GOLF COURSE

CONNECTING WITH MILLENNIALS

Millennial-oriented programming is an essential ingredient for golf courses wanting to grow their customer bases, but these programs can be successful only with well-executed marketing that reaches this target demographic.

Up until a few years ago, much of Haggin Oaks Golf Course’s (Sacramento, CA) marketing budget was allocated to traditional media channels – newspaper, television and radio. In an effort to target young adults more effectively, Morton Golf-managed Haggin Oaks diverted 20% of the marketing budget to staffing a full-time social media marketing manager. This manager established and used Haggin Oaks’ social media channels as a way to promote events and foster communication with their golfers.

The results were fantastic. In fact, the initiatives were so successful that the facility channeled even more of their budget to hire two additional full-time social media employees. This team of all millennial-aged professionals built a comprehensive social media platform that has helped target, attract and retain more millennial customers, yielding increases in rounds, driving range use and merchandise sales.

To further engage younger customers, Haggin Oaks turned their driving range into a Topgolf-like experience without the computer chips/electronic games. The facility invested in a Power Tee system and synthetic target greens, and installed a retail radio sound system that changes music as the night moves on... by late evening the music is exclusively geared to young adults and families. The practice area also features a putting course, which is utilized for contests and tournaments (including promotions around golf’s four majors). Helped along by the social media initiative, the range now has enough young customers to justify being open 24/7 from May through October.

Haggin Oaks also caters to the experiential needs of millennials by hosting various events at the venue. During the summer, “Beer, BBQ, and Balls,” is held every Friday and Saturday night, attracting young adults who enjoy socializing over BBQ and craft brews. Ken Morton, Jr. described the event as “wildly successful,” and highly popular with millennials. These events, and the driving range in general, are attracting a diverse array of young adults, including couples, young parents and fraternities. More importantly, golfers are recruiting non-golfing buddies to come along and join the fun.

BROOKLINE GOLF CLUB

‘THE LITTLE THINGS’ GO A LONG WAY

According to Tom Ellis, head Pro at Brookline Golf Course (also known as Robert T. Lynch Municipal), the most important thing a golf facility can do to attract more business from millennials (or golfers of any age) is create a welcoming, comfortable environment for golfers.

As one of the few affordable municipal courses in an area overflowing with private clubs, Robert T. Lynch is uniquely positioned to attract the 18- to 34-year-old demographic, many of whom are value seekers. Given the proximity to Boston, the golf course is surrounded by more than 100 universities. Ellis and his team actively promote to this large audience of young adults through email database marketing and social media, and estimates that 50-60% of his customers are millennial-aged. He uses various programs to bring in college-aged millennials and then offers programs to keep them coming back to the course post-graduation.

Tom Ellis believes it's "the little things" that help millennials feel welcome at the facility. First and foremost, the team at Brookline has a relaxed dress code and the staff emphasizes personal connections with their golf customers. The team greets each golfer before and after their round, and makes conversation whenever possible. This communication and authenticity speaks well to millennial golfers.

While Brookline is already an affordable golf option in the area, they understand the financial constraints of many of their younger customers, thus the club offers a 25% discount for students on weekdays. They also offer a 3-hole rate for \$10 that appeals to time-strapped students and young professionals.

Brookline offers group clinics for beginners where, after a few lessons, the golfers go out and play a fun 3-hole scramble. This gives golfers the chance to become more comfortable on the course before they go on to play 9 or 18 holes. After the clinics, there's usually an hour or so of sunlight left in the day, so students are encouraged to play a few holes. The course also parks the beverage cart close to the clinic so guests can enjoy a refreshment or cocktail. Ellis anticipates that the 3-hole scramble will lead to other games that will drive participation as well.

In addition to the 3-hole beginner's league, Ellis works with about a half-dozen local corporations to offer group instruction to their younger employees. Similarly, he is partnering with Social Boston Sports (SBS), which offers college club-type sports leagues for young professionals. This will be SBS's first club golf program. The goal, Ellis said, is to create life-long golfers and customers and he finds that these programs help bridge the gap for college students and beginners.

In all of Brookline's beginner or group programs, Ellis finds that the students meet others with similar playing abilities and move forward on their golf journeys together.

OB SPORTS ENHANCING THE ON-COURSE EXPERIENCE

OB Sports, with more than 60 facilities under management, is helping their courses initiate programs that make golf more enjoyable and

experiences that are particularly appealing to younger golfers.

Dale Moseke, VP of Marketing at OB Sports, explained that they embraced certain activities that golfers are already doing on the course. One of those activities is taking photos - in particular, 'selfies'. Select OB courses set up 'selfie spots' at scenic areas around their tracts. Staff scouted out the best vantage points and post signage to designate the site. OB also encourages the use of specific hashtags for golfers to use that helps with viral promotion of the golf courses. Periodically the courses host 'hashtag to win' promotions and the tags also help the OB marketing team identify customers they can target on social media.

Music on the golf course via portable speakers has become popular as of late, particularly with millennials. Moseke points out that for many foursomes, it's not a matter of "*are we going to listen to music?*" but "*whose music will we listen to?*" OB saw an opportunity to bring this experience to all golfers and tested Bluetooth speaker rentals at a few of their courses. The program lets golfers rent small speakers (that fit in the cup holder of a golf car) for a nominal fee. If a golfer wants to buy the speaker, they can do so after the round and the price of the rental would be deducted from the cost. At the time of this writing, the program has been in the field for about one month, but its success prompted OB to roll it out to additional courses this year.

Other examples of OB Sports' facilities enhancing the golf experience include their Monarch Beach Golf Links near Laguna Beach in CA, where the relaxed, oceanfront theme is incorporated into golf. It begins with the staff wearing brightly colored and patterned hats and socks, and the presence of 'wave caddies' who tell visitors about the tides and other happenings at the beach. The relaxed atmosphere is carried onto the first tee, where soft festive music plays as golfers start their rounds.

The Golf Club at Vistoso in Tucson, AZ uses social media promotions like Twitter Tuesdays and Facebook Fridays to encourage golfers to post photos from the course and use specific hashtags for a chance to win prizes.

In addition to enhancing the golf experience, OB Sports uses golfer data for marketing. In addition to the social media usage mentioned above, OB actively uses email to communicate with customers. Much of the golfer data is collected through their card member programs. To sign up for the program, a golfer must pay a nominal fee and provide additional information about themselves. In exchange, the loyalty program gives them discounts off green fees, pro shop merchandise and other perks.

PALMETTO DUNES GOLF RESORT

WALK, RIDE OR PEDAL

Palmetto Dunes Golf Resort became the first resort along the East Coast to offer the new Golf Bike at its three courses midway through 2015. Built from the ground up to play golf, the Golf Bike holds up to 14 clubs and supplies are integrated into its frame, making it easy and stable to balance. The bike also features six different speeds, for easier navigation of elevation changes and its step-thru frame allows golfers to easily get on and off.

Nine bikes were put into use across the three courses at Palmetto Dunes, joining Segways as alternative forms of getting around the golf course for the more adventurous golfers, many of whom are millennials. There is no additional cost to reserving the bikes and they are provided first come, first serve to resort guests and members.

Clark Sinclair, director of golf at the Fazio Golf Course at Palmetto Dunes, said attracting millennial golfers to the resort wasn't the only consideration in investing in the Golf Bikes, but it was a factor. "Absolutely we expect the bikes to be popular to the more fitness-minded younger generation of golfers," Sinclair said. "The bikes allow golfers to enjoy a round of golf and get in a good workout at the same time. There's also a spot for a cooler and the bike is very course friendly."

Usage has been limited given that the bikes were introduced after the prime spring season on Hilton Head Island, but expectations are that they will be very popular when the fall golf season comes around. During May and June, Sinclair estimates about 40-plus golfers had taken the bikes onto the

course, and their addition has generated media and marketing buzz that has benefited the resort.

Steve Cury, a member of the management team at Higher Ground, maker of the Golf Bike, said the bike was originally marketed as an alternative to golfers who typically walked the course for exercise. Cury, however, can see it appealing to millennials looking to add adventure and fitness elements to a typical round of golf. The Golf Bike, Cury said, is currently in use at about 20 courses, more than half of which are in Colorado. The first shipment of bikes didn't go out until this past May (about 80), so their popularity with golfers - millennials or otherwise - remains to be seen.

"Our goal was to add an element of fitness to the game of golf that also addresses speed of play," said Cury. "We think those things will certainly have an appeal among millennials."

CITY OF LOVELAND, CO

PUTTING THEORY INTO PRACTICE

Steve Southard, Golf Operations Director for the City of Loveland, is putting his knowledge of the golf learning process into practice at Loveland's three golf facilities. Southard says that, regardless of age, a beginner's motivation to play golf is either self-directed or encouraged by a parent or friend.

As a result, Southard has set up various types of golf experiences for the ways in which people are introduced to the game. For those who are encouraged by a parent, they built a SNAG (Starting New at Golf) course. For beginners whose learning is self-directed, the facilities are transforming their driving ranges by adding targets, obstacles and training material. Southard also understands the importance of friends teaching other friends to play golf, so they created a Topgolf-like experience at their resort course.

That Topgolf-like experience, dubbed "Games on the Range," is the most recent addition to Loveland's Mariana Butte course practice facility. On weekend evenings between 5 p.m. and 8 p.m., various targets are set up on the range and players of all abilities can challenge one another to games of tic-tac-toe, climb the ladder and first to 11.

None of the targets, which vary in size, are more than 100 yards away. Food and beverage service enhances the social experience. The difference between Topgolf and what they're doing, according to Southard, is that the City of Loveland really wants people to become golfers.

The programs in Loveland appeal to all ages, but they afford beginners the opportunity to choose a pathway to the game that is most appealing to them. They also want to remove the perception that golf is intimidating and unwelcoming. By welcoming people with these various golf programs, the City of Loveland is not only connecting with millennials, but they're building a good base of golfers across multiple generations.

SOUTHERN CALIFORNIA GOLF ASSOCIATION

WORKING TOGETHER TO ACTIVATE MILLENNIALS

Golf facilities may well be the epicenter of the effort to motivate more millennials into the game of golf, but they are not alone in the cause. Take for instance the Southern California Golf Association (SCGA), which has recently increased its efforts to recruit more college-aged adults and young professionals into the game.

The SCGA is among the largest golf associations in the country, with 150,000 member golfers and facilities. For the past several years, the organization itself has seen a worrisome drop in membership among 18- to 34-year-olds compared to previous generations. The association maintains strong support among junior golfers and older adults and seniors, but has grown increasingly concerned by the lack of involvement among millennials.

"We enjoy a lot of junior participation, but it seems like when they reach 18 we're losing touch with many of them," said Kevin Heaney, SCGA's executive director. "We're not sure if it's because they're not playing or aren't interested in posting scores. But there's definitely a gap there that is concerning to us."

That concern has translated into action on two fronts – to increase millennial play on Southern California

golf courses, and to increase the number of millennial members of their association.

Craig Kessler, SCGA's director of governmental affairs, recognizes there are several issues keeping millennials away from the course, but believes the most significant is the financial stress many young adults face today. Kessler points to the nearly 12 million non-golfers between the ages of 18 and 34 that are interested in playing golf now as proof the game remains popular among millennials. Affordable access, he said, could motivate many of those from the sidelines to the tee box.

To bring more millennials to Southern California's golf courses, the SCGA is using its influence to unite municipalities and golf courses to find a solution that might alleviate the cost burden for millennials. They recently hosted a forum on golf participation among young adults where golf fees and policies were at the core of the discussion. From that meeting, Kessler said he expects the creation of specialized rates and incentives for young adults to be developed among municipal courses in the region, which make up a good portion of daily-fee golf. The effort would include a special rate for young adults similar to junior and senior rates, and potentially implement dynamic pricing that would provide off-peak incentives for collegians with flexible schedules.

"We've seen universal buy in on the idea, especially among management companies in the region," Kessler said. "We realize there has to be a focus on this issue, and there also has to be a re-investment if we are going to attract young golfers and keep them long term."

On the membership side, the SCGA has developed two new programs designed to attract college age adults and young professionals. The membership programs focus on recruiting interested but inactive millennials by granting access to exclusive courses, providing discounted greens and range fees and offering game improvement programs.

The programs will also offer members access to social and competitive events intended to reach young adults. These events include "Nine and Wine" events and Glow Ball tournaments in multiple locations across Southern California. The association also stages a Summer Golf Series that offer events free of rules and handicaps, which create a fun and inviting atmosphere for players of all skill levels.

SCGA is utilizing grass roots campaigns on local college campuses and social media to get the word out. The memberships were launched in the early summer 2015 and as of early July, 100 new members across both categories have signed up.

"I know through my own discussions with people my age that the interest in golf is there," said TJ Kliebhipat, the new program's coordinator and a recent product of the Gonzaga women's golf program. "The challenge has been reaching those interested young adults, and getting them to become involved in the programs."

QUARRY OAKS GOLF CLUB

BRINGING THE FUN RUN ON-COURSE

According to Running USA, the number of finishers of non-traditional running events grew from low six figures in 2009 to four million in 2013. Similarly, the number of mass participation adventure races expanded from a mere handful to more than 35 non-traditional or themed running series that include mud, color, foam, electric, zombie and even ugly sweater runs during that same time period.

About six years ago, just before these runs became popular, a friend approached Joe Sutter, GM of Quarry Oaks Golf Club in Ashland, Nebraska with the idea of hosting the "Beer & Bagels" run at Sutter's golf facility. While not a traditional golf event by any means, Sutter, a running enthusiast himself, saw the opportunity to generate incremental revenue on a chilly November morning when the golf course wouldn't be getting much play.

Like most non-traditional running events, "Beer & Bagels" is all about fun. Individuals and teams of runners dress up and run the race through trails and other areas on and around the course. After the race, runners socialize in the finishing area with beer, bagels and homemade chili. There's even a Sasquatch on-hand to liven things up!

In year one, the race met their goal of 500 runners. But by year two, that number tripled to 1,500 runners thanks to creative marketing and positive word-of-mouth. According to Sutter, the race attracts about 2,200 people now, most of whom are in the 18- to 34-year-old age group.

The success of "Beer and Bagels" inspired Sutter to host other running events at Quarry Oaks. The course now hosts two other annual events – "Mud, Sweat and Beers" and "Show us Your Cans". "Mud, Sweat and Beers" is a fun, 7k race that also takes runners through the woods surrounding the course. But in this race, they've installed obstacles, like mud trenches, water slides and other hurdles along the way. The 5k "Show us Your Cans" is a charitable event where participants bring five canned goods which are donated to local food bank. This race is not run on the course or surrounding areas, but on the cart paths themselves.

What's the secret to hosting a successful event? "Go above and beyond expectations," says Sutter. "Mix it up and keep people guessing. You don't want to dilute the fun from the events."

Sutter says that Quarry Oaks is suitable for these types of races because there are no homes around the course and the natural areas surrounding the course are filled with trails. "The routing is key," he says. "Obviously, no one is running on the greens and fairway traffic is kept to a minimum."

The goal of Quarry Oaks' events are less about developing new golfers and more about creatively using the facility to generate incremental revenue. That said, the races draw a younger crowd (about 65% of whom are female) who might not otherwise experience the golf course (Sutter says the average Quarry Oaks golfer is over 35). Sutter runs in most of the races and consistently overhears conversations among runners who talk about the beauty and impressiveness of the facility. Many of the race participants post photos on their social media pages and tag the course, generating word-of-mouth advertising for Quarry Oaks that can't be bought.

VAL HALLA GOLF COURSE

APPEALING TO MILLENNIALS WITH EVENTS

Brian Bickford, director of golf at Val Halla Golf Course, understands that fun events attract millennials. Every Thursday evening during the summer, this Town of Cumberland, Maine facility hosts a 9-hole shotgun Coca Cola Scramble (the local Coke distributor sponsors the event).

Brian makes sure that golfers understand that this is a festive, low pressure team event. Teams dress in colors, and the younger players particularly enjoy aspects such as the Visage scoring system, skins, gross & net prizes and closest to the pin contests. They also like that prizes roll to the following week in the event of a tie, and winners care little that they are paid in pro shop credit... the recognition is more important than the money.

Event attendance doubled in size by last summer's end, from an average of about 36 players to 72. Brian reports that young adults account for nearly all of this growth, as they are recruiting their friends, including lapsed golfers who are drawn in by the fun. An unexpected benefit for the course is that the events attract members from other clubs, some of whom have now become members at Val Halla.

In addition to events for established golfers, Val Halla struck a chord with beginners who want a low-pressure and social introduction to the game. The course hosts clinic-based "Nine & Wine" and "Nine and Stein" events that combine golf instruction with wine or beer in a social atmosphere. These events are all about fun – those that are too serious are politely, but quickly, weeded out.

These social clinics are lesson based (five lessons total) and have novice (never picked up a club), intermediate and advanced tiers. Participants move out onto the golf course by lessons four and five. Overall, millennials (50/50 male-female) account for about a third of the beginners, and that percentage is growing.

A FINAL THOUGHT

Our findings are at once sobering and encouraging. And while there are many good reasons to promote innovation in the way golf is currently marketed and delivered, the traditional game, and all that it offers, continues to be our greatest asset.

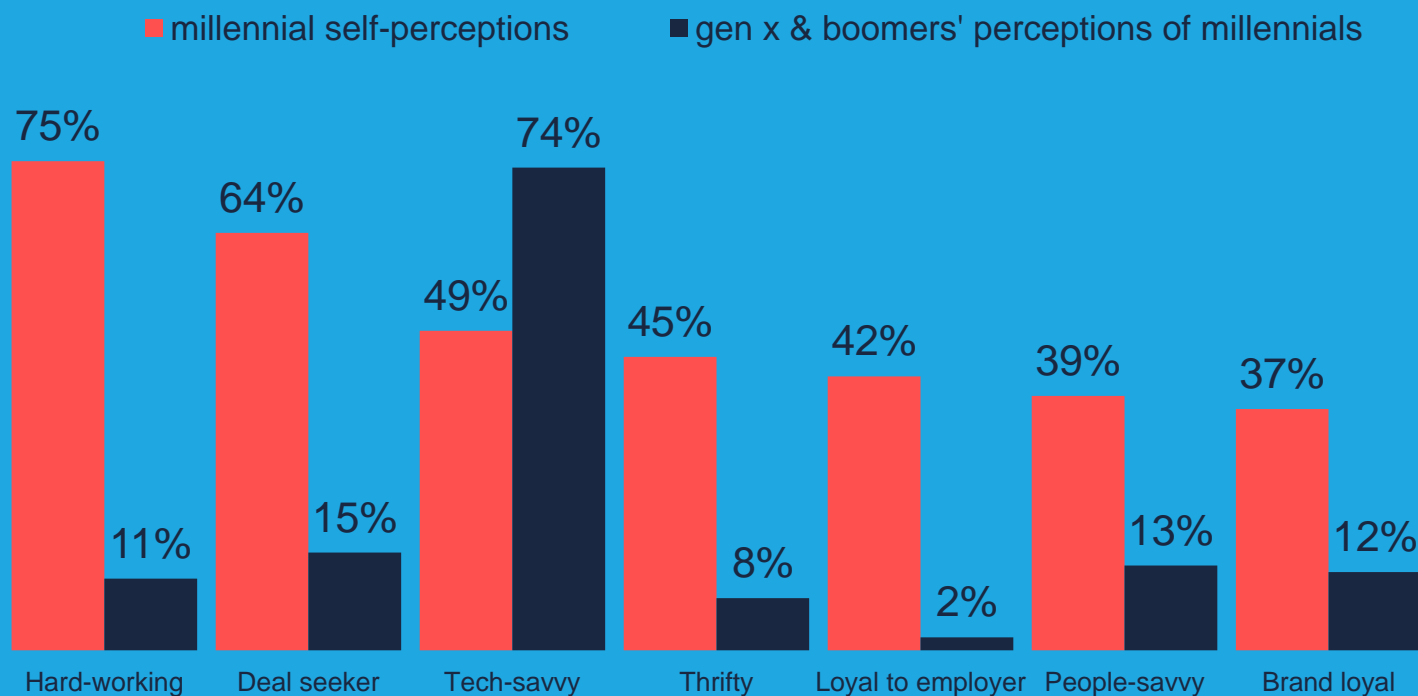
After segmenting the market of millennial golfers into subgroups based on attitudinal and perceptual traits, we were pleased to learn that our largest segment thinks the game itself is fine just as it is. That being said, we hope that a deeper understanding of this important generation of golfers will inspire a productive dialogue that will lead to a deeper connection with young adults, and a return to growth and vitality in the game and business of golf.

In many ways, that dialogue has already begun and inspired action at the golf course level. During our research, we talked to operators about what they were doing to attract and engage young adults. We were encouraged – though not surprised – to learn that many are already adapting messaging and offerings beyond the traditional, based on experience and things they’ve learned about millennial consumer behavior. For a sampling of what we heard, please see the last section of this report, “Making the Turn: Real World Examples”.

NGF interacts with golf course operators on a daily basis, and we will continue to search for, and communicate, the most effective “on the ground” examples of millennial attraction, onboarding and engagement strategies that we find.

PERCEPTION IS REALITY

We mentioned, at the onset of this report, that millennials were largely misunderstood, both within and outside the golf industry. As a way to measure those misconceptions, we asked all non-millennial respondents – golfers and non-golfers alike – to tell us what they thought of today's 18- to 34-year-olds. Here's the catch: we also asked millennials what they thought of themselves. So who do *you* think is right? Drop us a line at millennials@ngf.org.





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