

ARE YOU CREATING SAMPLING PROGRAMS?



By Lorin Anderson, President

Thousands of golf facilities are losing money across the U.S.—that's what we're hearing now from brokers who buy and sell golf courses. Estimates are as high as one in three courses are actively looking for buyers. Meanwhile, the white knights who ride in, buy the course, inject fresh capital and make it profitable are diminishing in number.

Course ownership, looking to exit, aren't finding "golf people" to sell to, thus they are turning to developers whose plan is to plow up the course and build homes or offices on it.

Here in Orlando at least a half-dozen courses have recently been sold to developers and are no longer open for golf. Another dozen are looking for buyers—if you want to play those courses you better do it soon.

What I know is this: For a typical course to make enough money to function as a viable business over the long haul, *it will need more engaged golfers playing the game.* I would assert that the best way to fill the local pipeline with more enthusiastic golfers is to have more golfers engaged in quality instruction.

We know that a Pellucid study found that golfers who lowered their handicap by just one shot during the season played an average of 10 percent more golf. Proponent Group's small study of eight courses/clubs found that golfers taking instruction on a regular basis spend 74 percent more at the course/club than golfers who don't. We also found that incremental spending at facilities with a quality instruction program rose by an average of \$75,000 at both private and public facilities. (You can download this information from the Business

Templates menu on the members website under The Business Value of Golf Instruction.)

So how do we get more people engaged in working on their games and playing more golf? Let's start by finding ways to make access to your services easier on a variety of levels: Financially, emotionally and time-wise.

Ideas to get the ball rolling could include:

Membership clubs could modify their "range plan" program that includes a free private lesson for each member each year. These can be restricted to weekdays for redemption. Say the current range plan is \$125 annually, bump it to \$175 and include a lesson. Do the math with \$50 x 300 members and you have \$15,000 upfront in revenue and if half those members actually redeem, you're making \$100 an hour while building a pipeline of new students, many of whom will return for other instruction programming in the future.

Try a "Bring a Friend" program. Let someone who books a private lesson share the lesson with a friend or family member for the same price. A study by Troon Golf found that when golfers take lessons together they stay in the program for an average of twice as long as golfers who came by themselves. There is definitely a strong psychological motivation to avoid letting someone else down when you've made a commitment to engage in an activity with them.

Finally, don't be afraid to "give away a piece of chocolate to sell the box." This is the most basic sampling program used in just about every professional service industry. There are many barriers that get broken down quickly during the first free meeting or lesson. Our research shows that 70 percent of the time people will sign up for more, after that initial meeting. Once they see improvement students play more and spend more and that's the biggest value you can bring to your facility. **PG**

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