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FEATURE

What metrics really matter?

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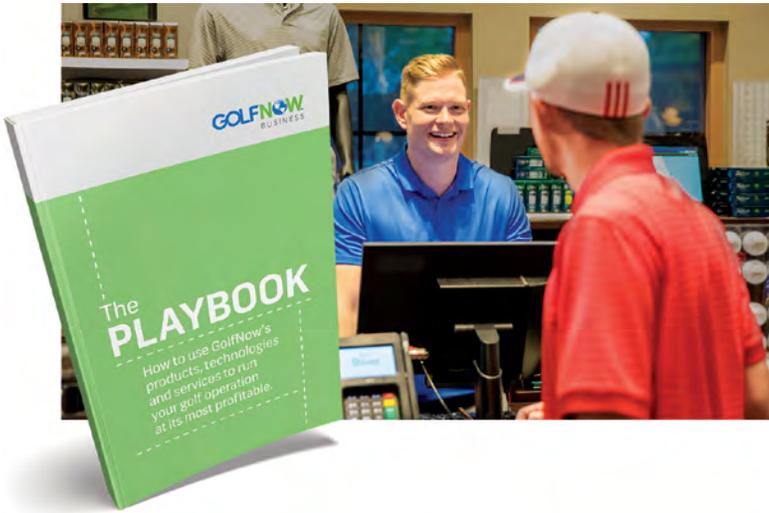
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The eighth annual World's Largest Golf Outing

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Discover *The Playbook*



More and more golf course operators are discovering *The Playbook* as a great source to learn about and activate best practices throughout their operations. They are finding valuable insight in each downloadable chapter, and learning from their peers who are challenging conventional wisdom and using today's digital platforms to compete and win in their markets. If you haven't discovered *The Playbook* yet, you can find the latest chapter at business.golfnow.com, located within *The Index* section.

Chapter 3 of *The Playbook* provides you with the keys to communications success. As a golf course operator, you're not only in the golf business, but also in the people business, and effective communication with your golfers is critical. If you're not utilizing all the tools at your disposal, you could be selling yourself short. This chapter lists all the golfer touch points you should consider while building your business. ■

Visit *The Index* at business.golfnow.com to download your copy of *The Playbook: Chapter 3*.

World's Largest Golf Outing

The eighth annual World's Largest Golf Outing is just around the corner, with more than 100 golf courses taking part in the August 6 event. Since its inception in 2011, more than 57,000 men, women, juniors and seniors have participated in the Outing, raising \$3,764,603 for military and family charities at courses in 33 states. Golf Channel and GolfNow will again offer support for the WLGO, including live *Morning Drive* reports on location.

"The generosity and the growth of the World's Largest Golf Outing continues to impress," said Peter Hill, chairman and CEO of Billy Casper Golf, which conceived the WLGO. "It's incredible to see the enduring appreciation for our brave men and women who sacrifice everything to protect and preserve our daily freedoms." ■



What metrics really matter?

Within the industry there can be valid differences of opinion about which performance indicators deserve a manager's closest attention. But what's really important is to get your team on the same page about which ones matter most and what priority they receive.

The GolfNow Plus group studied this question over time, evaluating various possibilities and viewpoints, and now regularly operates by a list of metrics that most accurately reveal the health and growth of a golf operation. Once you settle on a go-to measure and fine-tune it in a particular way, you want to be able to stick with it over time. Otherwise your course's year-over-year comparisons—which provide a valuable map for navigating business ups and downs—will contain mismatches that foul up long-term tracking and decision making.

"No matter what course we're looking at, we always start with **bottom-line profitability**," says Mike Hendrix, vice president, GolfNow Services. "Although short on details and specifics, it's still the overall yardstick of success, and there are important goals attached to it."

Average green fees paid—or average rate—can be overemphasized, so the GolfNow Plus approach favors a closely related metric - **revenue per available tee time**, or RevPATT. This number neatly combines capacity with actual dollars in the door, providing what Hendrix calls "a more complete way to look at your business." He values the flexibility offered by RevPATT; a course can readily apply the stat to a full season of play, to a single day of the week, or even to one four-hour block on the sheet that needs extra attention.



Next, **rounds of golf sold** receives a lot of the Plus team's attention, but it also gets sub-divided—initially into 18-hole and 9-hole rounds. **Gross revenue** is another universal yardstick. Again it's not a drill-down type of metric that tells the story in detail, but you pretty much live and die by it, so accuracy on this one is ever important.

In the heart of the list of metrics is **golfer acquisition cost** (for more detail, read *Golfer Acquisition: Benefits and Cost*, found inside The Index section of the GolfNow Business website), which is not something a lot of courses seem to track. If you're one of those courses, you may want to get started by running a campaign on a set timetable and then auditing the results to monitor your acquisition cost.

Rounding out the list are **number of available rounds**—a fluid number—and **days-in-advance per booking**, a metric with growing importance. Like a lot of business stats, this one was conceived with the desire to see it trend upward. "We've measured this number and managed it," says Hendrix, "and the reality is that people will book earlier if you give them good reasons to do so."

The great strategist Peter Drucker says the definition of management is "doing things right," and the definition of leadership is "doing the right things." In part, that means choosing the metrics that are truly most critical to long-term business success and paying close attention to them. ■

1 Bottom-line profitability

2 RevPATT

3 Rounds of golf sold

4 Gross revenue

5 Golfer acquisition cost

6 Number of available rounds

7 Days-in-advance per booking

“ No matter what course we're looking at, we always start with **bottom-line profitability**. ”



Mike Hendrix, VP, GolfNow Services

Best practices for leveraging latent demand

The latest National Golf Foundation stats on non-golfers who say they are “very interested” in playing increased to 14.9 million last year, up from 12.8 million in 2016. These folks don’t wear signs around their necks stating their desire, but lately they’ve become more identifiable. According to the NGF, the rise in latent demand “can be attributed to the growth of *off-course* participation,” like going to the driving range, visiting a Topgolf location and playing on a simulator, among others. No less than 32 percent of non-golfers who swing a club in these settings express a strong wish to play regulation golf on a course like yours.

Frank Maynard, head golf professional at UNC Finley Golf Course in Chapel Hill, N.C., has been thinking about what this means. Hearing industry stats about people who aren’t customers but are inching their way closer only deepens his commitment to the array of newer-golfer programs Finley Golf Course already has in place.

“Whatever we can do to get people to take the final step is well worth our effort,” says Maynard. For him and his staff that means Get Golf Ready sessions, a UNC faculty-and-staff golf league, junior programs like summer camps, First Tee of the Triangle, and their ever-expanding PGA Junior League offering—up from 15 players two years ago to nearly 40 on three separate teams in 2018.

When the NGF reports that 2.6 million newcomers played on a golf course for the first time in 2017 (this tally has increased four straight years), it’s only natural to hope that lots of them arrived to find a warm welcome and sound techniques for getting them oriented—either nationally known programs or locally developed equivalents. In the New York borough of Staten Island, city-owned Silver Lake Golf Course has long been geared toward the new golfer, creating its own custom versions of the welcome mat.



“We offer a relaxed kind of mentoring program for new players,” explains Doug Johnstone, who oversees the facility. “We’ll group one of our staff members with three new players for a 9-hole round that gets them acclimated and answers whatever questions they have—which naturally can be a lot.” There’s no extra charge for this service, and newcomers can try it several times. “In a lot of cases,” says Johnstone, “we’re getting a person to where they can approach a friend who’s an experienced golfer and play with them. There’s more to learn, but now the friend is able to pick up where our mentoring left off.”

According to Maynard, almost every new adult golfer expresses concerns about looking foolish or embarrassing themselves on the golf course. “That’s what makes adult-beginner programs so different from programs for juniors who are just starting out,” he said. “The kids aren’t self-conscious.”

“You don’t have to get them excited—they’re already excited about playing this game,” Maynard insists. “You just have to make certain they don’t feel out of place or unwanted. If you care about helping people and about growing the game of golf, that should be pretty easy to do.” ■



Hear from the experts

Experts on the front lines of golf course management and operations are sharing their expertise and best practices with you through GolfNow’s series of Industry Roundtables, a series of video sessions that can be found inside *The Index* at business.golfnow.com. Take a look; you’ll discover a wealth of insight on topics that are affecting the golf industry today. ■

Visit *The Index* at business.golfnow.com for expert video sessions.