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ARTICLE

CLUB MARKETING: MARKETING TO MILLENNIALS

BY MIKE ORLOFF

ARE YOU READY FOR THE EXPERIENTIAL ECONOMY OF THE FUTURE?

THE IMPORTANCE OF YOUR CUSTOMERS' JOURNEY AT YOUR GOLF FACILITY FROM A MILLENNIAL PERSPECTIVE.



Today, the concept of selling experiences has spread beyond theatres and theme parks and has made its way into the realms of golf.

Topgolf and Toptracer have been the big talking points in recent years and the accompanying surge in golf entertainment venues has seen the interest in the sport met with renewed vigour.

The new golf customer is looking to spend their hard-earned money on entertainment rather than traditional golf, and golf facilities and venues need to start making operational changes to their product offering to meet this rising demand.

The product we are promoting is no longer the golf course - although it does help if you have a good, well-conditioned layout. More and more we are promoting the entire experience a customer/member has with your brand from before they arrive until after they leave.

LASTING IMPRESSION

An experience is created by not a single instance or occurrence but the accumulation of many touchpoints, events, and interactions at your facility.

Just like when we pick a restaurant or nightclub, we want to go where “something” is happening rather than a half-empty, quiet venue.

In golf, we must also create a place that people want to visit repeatedly and that they rave about to their friends after they leave.

Although golf can sometimes be slow on the uptake in this regard, there are some multi-dimensional facilities that are providing a diverse range of access points to golf and an environment that is centred very much on the experience.

Run by PGA Professional Luke Altschwager, Club Parkwood on the Gold Coast is no longer positioned as a traditional golf club but a family entertainment venue.

The Topgolf Swing Suite is not only tailored to golfers but offers zombie dodgeball, cricket, Gridiron and soccer games while ‘The Backyard’ is not an after-thought but an area specifically designed with kids in mind, the outdoor playground and arcade room ensuring they’ll be entertained – and supervised – while the parents sit down to dinner.



Topgolf and Toptracer have introduced a new, connected format for golf experiences that have proven popular with Millennials.

Soon third-party review sites such as Google, Yelp and Trip Advisor will be the single most important reference for how people make decisions on consuming your product and experience; are you ready to hear what people really think about your product offering and experience, in all areas of your business?

If your answer is no, then it’s time to make some changes.

THE MODERN MARKET

Worldwide there is greater interest in understanding how to better engage with the Millennial golfer (generally considered the 20-39-year-old age bracket). However, as we look to the future, it's best to first understand where most clubs are currently positioned in this space.

Today, most golf facilities you visit appear 'clinical', lacking the warmth and vibe most Millennials are looking for. What venues need to understand is that the experience for your customers is multi-faceted, with physical offerings on the one hand and the vibe, or "clubiness" on the other. And Millennials have gained a reputation for their tendency to prioritise experiences over products.

In their influential 1998 article *Welcome to the Experience Economy*, American consultants Joseph Pine and James Gilmore argued that a marketable experience occurs "when a company intentionally uses services as the stage, and goods as props, to engage individual customers in a way that creates a memorable event".

These experiences were "inherently personal, existing only in the mind of an individual who has been engaged on an emotional, physical, intellectual or even spiritual level".

According to a recent Eventbrite survey, 69 per cent of Millennials believe attending live events and experiences make them more connected to other people, the community, and the world.

Furthermore, another study by the Harris Group found that 72 per cent of Millennials would rather open their wallets based on experiences rather than on material items. "This generation not only highly values experiences, but they are increasingly spending time and money on them; from concerts and social events to athletic pursuits, to cultural experiences and events of all kinds," the Harris Corp. outlined.

"For this group, happiness isn't as focused on possessions or career status. Living a meaningful, happy life is about creating, sharing, and capturing memories earned through experiences that span the spectrum of life's opportunities."

THE MILLENNIAL PHENOMENON

Millennials have arguably already been the most influential generation in terms of marketing of all time and are now bread and butter for the golf industry as the older generation is ageing out. And as Millennials' consumption preferences are likely to continue to dictate the golf industry's services for a long time to come, we must adapt to their new needs.

At the clubhouse, Millennials have said their piece. Aware of health, nutrition, and the environment, they are demanding healthier options for themselves and their kids than the standard chicken parmigiana or schnitzel for lunch. And remember, they prefer to drink locally brewed craft beer over some cheap, imported, full-of-preservatives alternative.

With an appetite for technology, as they've grown up valuing cooperative environments, Millennials have also insisted on Wi-Fi connections to be established at every venue. And if you're not yet posting on social media, you're doomed!

But what is really happening? Over the past few years, the US has witnessed a tectonic shift in spending with four-times spending devoted to experiences rather than physical goods. FOMO (fear of missing out) is described in the Oxford Dictionary as anxiety, often brought upon by posts seen on social media, that some exciting event may be taking place elsewhere. Recent research found that nearly seven out of 10 Millennials experience FOMO and it is driving "Millennials' experiential appetite".

The shift created by Millennials to prioritise spend on experiences like motor-scooting through some of the world's most intricate cities, jet-setting to the trendiest global music festivals or hitting golf balls at the nearest Topgolf facility makes it more relevant than ever for brands to offer remarkable experiences that capture their audience.

The reality is that Millennials are here to stay and will have an increasing impact on how services are delivered and consumed. Developing effective strategies to meet and satisfy the needs of this market will thus play a large role in determining who achieves continued success and who does not.

DO YOU HAVE A TECHNOLOGY STRATEGY?

You need to know that the golf playing experience and the quality of course conditioning is the key factor to for the Millennial golfer. Make it a focus of your communications. Know also that pace of play matters - promote it, seek a commitment. Facilities such as Wembley Golf Complex in Perth and Curlewis Golf Club on Victoria's Bellarine Peninsula use digitisation to enhance the experience before customers set foot on the property. In addition to online bookings Wembley members can enter their club scores on the MiScore app and at Curlewis gift vouchers are available for purchase online. It sounds like a simple offering but it is another way in which to enrich the way people interact with your facility.

By understanding the new expectations, pressures and preferences of our ageing Millennials, the golf industry will be better placed to meet their needs - and meet those needs profitably.

SEVEN CONSIDERATIONS FOR MOTIVATING MILLENNIALS IN AN EXPERIENCE ECONOMY

- 1** Experiences help shape identity and create lifelong memories. Eight in 10 Millennials say that some of their best memories are from an event or live experience they've attended or participated in. What event(s) can you create at your facility?
- 2** The majority of Millennials would rather take a job that makes them happy over a higher salary; 25-35-year-olds said they would sacrifice (on average) \$7,600 in pay for things like better work-life balance or career development. Millennials are happier when their money is spent on living, rather than having.
- 3** Over-connected Millennials often feel a need for escape. They want to decompress from technology overload, have time for self-focus and immerse themselves in new cultures.
- 4** Delivering a flawless customer experience needs to become a top strategic objective for all golf facilities.
- 5** Events create prime opportunities to collectively inspire and engage your Millennial audience and any group of individuals.
- 6** Operations: Design your marketing processes to be automated, personalised, reportable and linked to third-party review sites as much as possible.
- 7** Promote or develop your facility "selfie spot" for visitors to take pictures and share with their mates.

ABOUT MIKE ORLOFF

Mike Orloff is a current PGA of America and PGA of Australia Member with more than 30 years of industry-wide experience, including 18 years working for two of the biggest international golf management companies in Australia and the USA. Based in Brisbane, Mike provides specialist golf operations and marketing solutions to golf facilities and golf-related businesses in Australia, New Zealand, and South-East Asia.

