Aulbach: The Pro Can’t Win in A Price Cutting War

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Below is a condensed preview of the advice that George Aulbach will give professionals and assistants who attend the PGA Clearwater business school.

The more golf grows the more highly competitive the industry and particularly its retail trade becomes. Merchandising experts are working every day, pulling out all the stops, to get a larger share of the market. Sales competition on all levels is sharply on the increase.

The number one pro shop problem, as in all retail businesses, is competition. Advertising in its varied forms is the major creator of this competition. Most all local advertising now feature bargains instead of quality. Bargain appeal is largely responsible for the public trend to cut prices, wholesale or discount. Local advertising has created a giant bargain monster that no retail business can escape.

Bargain competition is building business on a price tag. A professional can do better than that by building his business around himself and his service. We earn our members’ business only through an understanding of their needs and desires. It is our personal relationship with them that does the most to sell ourselves and keep ahead of outside competition.

Recognizing bargain competition as a major problem, our concern is: What are we going to do about it? How are we going to meet the challenge?

Don’t Join Them!

One professional says: “If we can’t beat them, let’s join in the cut price business.” That is a fool’s philosophy. You can’t win in a price war and you can’t build a permanent business on cut prices. When a professional starts price cutting that is the end of a profitable business. If you cut prices for one member, others will hear about it and demand the same treatment. Once they know you will cut, they will demand further reductions. Soon you’ll be realizing half profit on every sale. Insurance, taxes, labor and other shop expenses aren’t being slashed. You can’t meet rising costs by reducing your profits.

There is hardly anything in the world that someone can’t make a little worse to sell a little cheaper. Those who consider price only usually are the victims of inferior merchandise. Bargain hunters aren’t customers around whom you can build a future.

Earn Their Support

You’re a professional business man — so talk the language of your profession. Give plenty of information about club fitting, explain some of the technical details about clubs that is not generally known by the average golfer (or your competitors) and give tips on how and when to use the various clubs. Sell yourself as a man who knows his business well and get your members into the habit of seeking your advice. We earn their business support through confidence, goodwill and a desire to be helpful. A pro shop business is built on personal relationship and service — nothing else. Sell yourself and sell service and you will not have to worry about outside competition.

Hold PGA Clearwater Business School, Jan. 20-25

The PGA will conduct its sixth business school at the Hotel Jack Tar Harrison in Clearwater, Fla., Jan. 20-25. Attendance at the school has steadily grown over the years and if enrollment applications haven’t been made, they should be forwarded immediately to the PGA headquarters, Main & Broadway, Dunedin, Fla. Don Fischesser, education chairman, has these men on his instruction staff: Emil Beck, Horton Smith, Bill Hardy, George Aulbach, John Budd, Irv Schloss, Bill Kaiser, Rex McMorris and Jim Gaquin. Bill Junker of Fawick Flexi-Grip will be the host at the banquet that will wind up the school program on the 25th.