Reports on Pro Shop Business

Stability Marks

East

By Jerry Olson

NEW YORK—Lightweight steel shafts, doubleknits, cooperation from the weatherman and Lee Trevino promise to make 1971 the best year in hard and soft goods for most professionals in the East since 1968.

Although some clubs still feel the tight money bite of the economy, generally speaking, professionals are optimistic that the long slump in pro shop sales has halted, and an upward trend is forecast for the remainder of 1971 and into 1972.

The lack of rain in the East has had many golf course superintendents looking to the sky for relief, but the greatest single factor for the improved economic conditions in pro shops is the weather. According to several New York area professionals, 1970’s rainy weather left many golfers anticipating the 1971 season, hence the increased number of rounds on most courses in the area except for municipals. Last year it rained almost every weekend in the spring and early summer and the pro shops never recovered. This year weather has been nearly perfect with the Fourth of July weekend reportedly the best ever at many public, private and semi-private links.

In the East, where revenues in the pro shop are either directly or indirectly tied to the stock market, money is looser than last year, but no blatant over-all trends could be discerned in the survey. It was evident in the 30-plus calls made throughout New England, New York, New Jersey and the southeast that there was no discernable business trend as each individual pro shop experienced different results. Reports of pro shop business in 1971 at some of the public, semi-private and private golf courses revealed a range anywhere from continued losses similar to last year of up to 25 per cent, to 25 per cent increases over gross sales for 1971 as compared to 1970.

For example, private clubs whose memberships are composed of “Wall Street types” continue to have a reduction in club membership in 1971. As a result of the decreasing membership, professionals at these clubs have curtailed merchandise buying. This does not give the remaining members a variety of items to choose from in stock, so it creates a vicious cycle for the pro.

The professionals who tightened their belts after the 1969-70 economic slump forced many of their members to buy their soft goods and golf accessories outside of the pro shop.

These pessimistic professionals did not increase their inventory. In 1971 they were the ones left holding the clubs and bags, according to the survey. By not investing in new lines of hard and soft goods for 1971, they perpetuated the rut which has hurt many pro shops for several years. However, for optimistic professionals, who used money to make money, early 1971 and the future are indeed brighter. In fact, they are asking, “What recession?”

The luxury items for the optimists, especially lightweight steel shaft clubs, doubleknit slacks and high-priced knit shirts, are continuing to confound the pros on their sales in a supposedly tight money market.

Some professionals report lightweight steel clubs are selling three (Continued on page 28)

Central

By Joe Doan

CHICAGO—Through mid-July hardly anyone involved in pro golf sales in the Chicago district was doing any serious complaining. The over-all picture wasn’t as rosy as in 1968, the banner year. But it was considerably better than in 1969 when sales bumped along the bottom of the curve; and comparing 1971 with 1970, the returns definitely favor the current year.

The improvement for 1971 over last year kind of falls into two definite tiers. About 87 per cent of the private clubs surveyed indicate that sales are currently up about 5 or 6 per cent over 1970. The remainder report an improvement closer to 20 per cent.

The reason for the general upsurge is primarily the weather. Between April 1st and mid-July rainouts were practically nil and weekends were totally undisturbed. One pro, who keeps a meteorological tally year in and year out, says that there were 30 more playing days in April and May of 1971 than in the previous year, thanks to the weather. If the weatherman showed any perversity at all it was in stacking up several days late in June and early in July when the discomfort index went out of control and kept a fairly high percentage of golfers confined to clubhouse verandas and lounges.

Still, the July 4th weekend may have been the busiest on record, according to some professionals. At one club, for instance, 250 of 300 playing members got in rounds on the Fourth and altogether, 600 rounds were played over the weekend. For the season through mid-July, another club had from 5 to 10 per cent more weekday play and 15
per cent more on weekends.

Rather unaccountably, though, golf ball sales didn't keep pace with play. At private clubs, sales of top quality balls increased less than 5 per cent for the season. At the semi-private, they barely made it into plus territory. The new non-cut ball, both the pro and cheaper lines, undoubtedly has had something to do with the lag. These pellets don't wear out; they have to be lost. One manufacturer of the new cutless brand couldn't come close to filling orders, even as late as July 15th. One out of three private club professionals declare that more and more of their members are buying 75 centers—elsewhere—and at least this many state that the retriever manufacturers must be doing a substantial volume because an increasing number of these telescopic instruments are found nestled in players' bags.

Besides the wonderful weather, polyester and Dacron doubleknit slacks have given the pros something to become effusive about. Available this year in large lots to more and more shops, they have provided a pickup where volume has tended to lag. Women are buying them as well as men. Then, too, doubleknit has been introduced for men's sports coats. Shops that have been able to get the coats haven't been able to keep them in stock. The professional and proprietor of perhaps the largest and best-stocked shop in the Midwest, couldn't catch up with his doubleknit sports coats orders until after July 1st. A year ago doubleknit slacks saved his sportswear season. This pro was caught in the middle of toting

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and sometimes four times better than aluminum did last year. Most pros feel the failure of aluminum to capture the club market can be contributed to two factors: When aluminum was introduced, the timing was wrong. Money was very tight, and talk of stainless steel clubs for the future gave the golfer an excuse to hold onto his money for this large capital outlay. Secondly, the aluminum shaft was not used by the touring professionals. "Golfers are mimics," reports one professional, "and the failure of the professionals to use aluminum made the golfer say 'why should I?'"

This does not mean that aluminum is completely out for the future. Many public golf course pro shops, which go in heavily for close-out club sales, report a brisk movement of aluminum close-outs. Pros are receiving good discounts from manufacturers on these clubs and they are passing the savings on to the golfer. Many professionals still advocate the aluminum shaft clubs for their senior and women golfers.

One New York professional feels that for the past two years money has been tight and people have postponed buying a new set of clubs or accessories, such as bags. With the timing of stainless steel uncertain, the trend apparently has been established to lightweight steel. The professionals are using it, and people are ready to buy again.

In the southeast, one Professional Golfers’ Assn. section official is having a “super year” in pro shop sales. He attributes this to lightweight steel shafts, doubleknits and the re-exposure golf has received from the moon shot and Lee Trevino.

He rates the latter, Lee Trevino, as giving golf a great boost this year. “In the 1960s,” he says, “Arnold Palmer gave golf tremendous exposure. Alan Shepard’s moon shot brought golf to the public’s attention again. But in the late 60s and early 70s, golf was looking for a new king with charisma. Lee Trevino, the underdog, has picked up where Palmer left off, caught the public’s fancy, and brought new dimensions to the game. ‘Trevino,’ he quips, ‘picked up the ball and has kept it rolling.’"

Perhaps the biggest surprise among professionals was the marked increase in soft goods merchandising, especially in the Boston and New York City areas. This is directly attributable to the doubleknit industry. Middle income clubs began stocking items such as sports jackets and a wide variety of doubleknit slacks and found they could compete with the “downtown” stores.

A New Jersey professional reports his soft goods sales are up 20 to 25 per cent over last year. He kept on top of the trends and carried enough merchandise to weather out the 1969-70 season. In selling, he tries for the total sale: golf slacks, shirt, socks and shoes—a coordinated outfit. Although women’s soft goods sales for 1971 are down in some pro shops, this may be because pro shops are hesitant to stock the wide variety of styles needed to satisfy the woman customer. A Long Island, N.Y., professional has increased his selection in ladies soft goods and is offering more single style articles. "Women don’t want to be seen wearing clothing identical with an outfit another member has bought in the pro shop," he says. "They want to have the only one of its kind." Although this increases book work, it also gets his members in a buying mood for other merchandise in his shop.

Another New York pro believes that his male members don’t have the time to shop at the surrounding department stores for clothes. Consequently, he offers a complete wardrobe selection for his male members so they can have one-stop shopping at his pro shop.

The difficulty in defining a clear-cut trend in the East is evident by these conflicting reports from two neighboring municipal golf clubs in New York City. Each has experienced a very sharp decline in golf rounds this year (each is running about 20,000 rounds below last year). The reason play has declined at New York City’s municipal clubs, while most others report increased rounds, is probably due to teed-off city golfers who have to wait five and six hours to begin play and another five hours to finish. However, the reports of their pro shop sales indicate what a dynamic thinking professional can do. One shop reports a continuing decline in pro shop sales at his municipal club. The municipal course next door, which also experienced a sharp drop in play, reports pro shop sales in both hard and soft goods are running well ahead of last year.

Accessories, such as putters and bags, appear to be down in pro shops where club sales have declined, but have increased at clubs where pro shop sales are healthy. Golf ball sales are above normal in most private and public clubs because of the increased number of people playing more days this year.

Professionals with pro shop sales in the black expressed mixed reactions over the upsurge of business. “Last year,” says one professional, “pro shop sales and lessons were so bad that I got to play a lot of golf, even thought it was in the rain. I couldn’t really enjoy playing, though, because I was always worrying about shop business. This year I have been on the lesson tee all day and ordering merchandise in the evening. Now, on the way to the bank, I’m worrying about when I’m going to get to play golf again,” he laments.

Central

up the season’s sales when GOLF-DOM checked with him, but for 1971 he optimistically projected a near 20 per cent volume increase over last year.

Three other factors were frequently mentioned by most professionals in having helped to improve business during the current season. One is the upward trend in club volume; a second is a rather unexpected increase in bag sales, and the third, a pickup in lesson business.

There isn’t any doubt that the almost total adoption of lightweight steel shafts stabilized the club market. The great debate that raged for two years over the merits of aluminum, lightweight and stainless steel shafts confused players and left them sitting on the fence so far as their purchases were concerned. The professionals were greatly relieved to have the issue settled, although several of them feel that aluminum shafts best meet the needs of the average golfer. At any rate, of the 20 professionals polled, more than half said that their club sales for 1971 have increased by from 5 to 10 per cent over 1970 because lightweight shafts have been accepted as standard.
In a way this increase was an unexpected windfall. Because of economic conditions, most professionals felt at the start of the season that their players would go right on deferring their club purchases. Another rather unexpected windfall has also come from the sales of golf bags. Because these are debarable when there is a pinch, the professionals generally thought they wouldn’t move this year. But for reasons for which nobody can fully account, bag sales through mid-July were up a solid 5 per cent over 1970 and in several cases as much as 10 per cent.

As for the increase in lesson business, averaging around 8 or 10 per cent at most clubs, it is attributed to the good lesson-giving weather along with the increase in play.

If there has been a slightly disappointing facet to pro shop business this year it is in the sale of women’s sportswear. In spite of the lift that has come from doubleknit slacks volume, it is no better than it was last year and in some places is dragging by a small percentage. One professional who had a poor year in 1970, ordered heavily for 1971 on the hunch that there would be a strong comeback. But it didn’t work out that way. His conclusion: Women are more cognizant of the recession than men. To get rid of his overstock he pushed his annual women’s sportswear sale up to July, the earliest he ever held it.

Although most professionals were happy and a few overjoyed with their sales records through mid-July, all aren’t sure that they are going to show a bigger net when the profit and loss statement is drawn up for the year. The reason is that costs, mainly labor, have gone up, and not just inched up. At many shops the assistants have been around for several years and to keep them, rather substantial merit increases have to be paid them year after year. Eventually, longevity lifts them into a fairly high salary bracket. If there isn’t a steady increase in sales volume and lesson revenue to take care of their increasing salary requirements, the professional has to dig deeply into what otherwise would be his net to pay them.

Here are some interesting sidelights to GOLFDOM’s midwestern survey:

At one club where this year’s business is up 25 per cent, a new approach to selling was introduced. Salesmanship is completely depersonalized and an honest attempt is made to point out any flaws in the merchandise as well as its strong points.

About one out of four or five shops handles tennis sportswear for accommodation purposes. This is where clubs have courts, but no pros. About half of the sales are to persons other than members. Little attempt is made to sell tennis equipment.

Due to a $1 million fire that last winter destroyed the clubhouse at one club, the pro shop is doubling as the clubhouse. Play is down because of lack of locker rooms and dining facilities and members’ clubs are stored in trailers. However pro business is almost as good as in 1970. One reason is that sale of replacement golf shoes for those lost in the fire boomed early in the season. The professional reports that he hasn’t been able to keep up with demands for one brand of top line ball even though the number of rounds has been considerably reduced.

In spite of the excellent weather, play at one affluent Northside club had been cut down by at least 5 per cent through mid-July. A fairly large percentage of the members are stockbrokers, and none are very optimistic about the economy making a definite recovery before next year.

According to most professionals, nobody is doing much talking any more about the recession—at least not in the pro shops. Last year it was a much discussed topic. The concensus is that either people are taking the recession for granted and aren’t talking about it or most of the talk about it is carried on in the locker rooms, beyond the professional’s hearing.

A professional who is at his club for the second year is riding a near 25 per cent increase in sales. He’s convinced that it takes a year for members to warm up to a new man, and that a fellow just has to starve a little until he is accepted. And there is no way the breaking-in ordeal can be speeded up.

One of the brightest notes that a few professionals have detected: Expense accounts apparently are being restored and a new era of the big loose free spender shouldn’t be too far around the corner.

Nicklaus, Caponi win National Golf Day

Jack Nicklaus and Donna Caponi were the winners of the “Round of Champions” for National Golf Day. The tournament was held at Old Warson CC, St. Louis, Mo., and sponsored by Chevrolet.

been popular,” he adds.

In this operation only one of the two 18-hole layouts was permitted for tournament use last year, but both are being used now, which may account for part of the increased car rental where both course are almost entirely on flat ground.

At another municipal course with a heavy trade in close-outs, business is up at least 20 per cent over last year. The professional there explained that some of the increase is the result of normal growth at a course that is only five years old.

Recently, sales stimulation has occurred, especially in club sales, from the installation of computer club fitting and swing analysis. Complete analysis is included with the purchase of clubs or sold separately to any golfer who's interested. Although club sales benefit most from the analysis, the increase in business applies to all departments of the shop. "We're learning more about our customers," the professional says, "we're giving them better service, a better selection and a bigger inventory.

Another municipal operator says that his shop volume is running about 8 per cent behind last year's and cites the increased competition from two other municipal courses which have opened recently. Also, he says, the economy in his area is pegged to the electronics industry, which has laid off substantial numbers during the year.

He is fighting back with a complete remodeling and rebuilding of his shop, which re-opened in May with an additional 1,500 square feet of floor space. Display and exposure of merchandise has been improved significantly. He has converted almost entirely to lightweight steel shafts and continues to feature specialized fittings as part of the superior service he offers to his customers.