CONFIDENCE REMAINS STEADY

Survey shows confidence in industry remains steady in 2014

BY SETH JONES

From 2002 to 2013, there has been little movement on the needle when it comes to confidence in one’s facility.

In 2002, 2007 and 2013, the number has remained steady: 67 percent of readers report being very optimistic or somewhat optimistic in the economic health of their facility. In 2013, only 13 percent report being somewhat pessimistic, while only two percent said they were very pessimistic.

Golf Course Superintendents Association of America (GCSAA) CEO Rhett Evans says he believes that 2014 will be the strongest economic year in three years. But he still sees what he calls “a struggle.”

“I think courses have weathered the storm to a degree, but we’re not out of the woods yet. There’s still a lot of competition, there’s still a lot of things we have to work on as an industry,” Evans says. “We still have to figure out ways in which we can adapt to the current golfing public. They’re wanting to spend less time on the course and they want to pay less. All of those things are going to create challenges for clubs, municipalities, semi-privates to compete for that audience.”

Mike Hughes, CEO of the National Golf Course Owners Association (NGCOA), says he has a few reasons he’s forecasting an improved 2014. One reason is the up-tick he’s witnessing in the 2014 Golf Industry Show numbers.

“There are some objective measures I look at that tell me we’ll see some upticks in 2014,” Hughes says. “GIS exhibitor sales are up, and that’s a good barometer. Also, our (NGCOA member) registrations are up substantially over (the 2013 GIS in) San Diego. Our attendance is up over 40 percent from what we had in San Diego.”

Hughes also notes that a combination of the dropping unemployment rate, increased consumer confidence, and the many programs to get more golfers into the game should all be good for business.

Another variable for golf’s health is always the weather. PGA Performance-Trak, a cooperation among the PGA, NGCOA and other allied partners, is the single largest source of rounds played data in the industry. PGA Performance-Trak reported a drop in playable days of 6.7 percent through September 2013. The National Golf Foundation was anticipating a year-end loss of four percent from 2012 when it comes to rounds played. But 2012 was a particularly favorable year for golf weather, witnessing a rounds played increase of 5.7 percent.

“Hopefully we’ll have a good weather year,” Evans says. “When you look at where some clubs are when they closed 2013, with their revenue, they saw some slight upticks in some areas. The cost of doing business — the products, services, labor, all of those things are still going to be a challenge. But I would say (2014) will be a slight increase from 2013.”

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