

Pro Merchandising in 1932 Demands Early Planning

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PROSPECTS FOR 1932 golf business indicate that next year will provide a real test for the up-and-coming pro. Those who have successfully coped with their problems this year have advanced far enough in their business operations to have no fear of what the new year will bring. At the same time, no professional can hope to have things run along profitably without deep study and selling energy in 1932.

The man who was able to sell his merchandise and instruction during 1931 found how well success in both departments went together. Neither merchandising nor tutoring can be neglected. Any pro who, in 1931, reduced his stock to a minimum at the end of the season and paid his accounts promptly, will be able to buy at advantageous prices 1932 merchandise that probably will be considerably different in design from the 1931 stock. He will be sitting in the driver's seat.

Due to a sluggish movement of golf merchandise the latter part of the 1931 season the condition among the stores that compete with the pros for business is not good. Most of these stores loaded up with goods at almost liquidation prices. They are carrying a lot of this merchandise still and will have to offer it at very low prices to compete with the pros' fresh stocks. This condition makes the pros' business highly attractive to the manufacturers and already has been responsible for a marked improvement in many manufacturers' pro policies.

How Far to Cut Prices?

One of the big problems for the professionals and the Merchandising committee of the P. G. A. is to determine just how far we can safely go in meeting the cut prices the stores will have to offer to move their frozen inventories of old goods when the 1932 season begins. In my opinion we will have one of our crucial tests as mer-

chandisers when we are confronted with this serious problem of balancing price and quality. We want to keep the cost of good golf down to the player but we also realize that the golf business to flourish must have a profit margin for the manufacturers as well as the pros.

I think that some of the manufacturers may misunderstand the pro position on prices, so it may not be amiss to repeat the idea that the representative successful pro merchants have expressed. The pro has no objection to the manufacturer making money. But the pro wants to make some money too, and pro profits in these times are precarious. As a matter of fact, pro profits never have been any way near the point the public considers them to be. What the pro does want is an even break on dealer discounts. The pros' individual purchases may or may not be as large as those of the stores, but it can not be denied that pro push makes the market for golf goods and the advertising value of pro endorsement, stocking and sale merits an equalization in discounts.

Less is being heard of criticism about pro credit. There is evidence that pro credit is improving and from what I hear pro credit today compares favorably with that of other small independent retailers. However, the pro who does discount his bills still has to carry too much of a load of the credit delinquencies of pros who are tardy about paying. Business education, the pro employment situation and the policing of the leading pros is correcting the credit situation nicely. Another factor promises to exercise an influence in this respect. I am informed that some of the manufacturers are going to make attractive discounts on a C. O. D. basis, and not sell pros whose credit is not right.

I have held the suspicion that this credit situation for which the pros were being entirely blamed by the manufacturers, was something in which the blame should be

about equally divided. It can not be denied that credit control is completely within the province of the manufacturer. There are extenuating circumstances now and then when a good pro can't pay. That must be appreciated by anyone who views general business today. But when a pro, or an alleged pro, has no background for being granted credit, it has seemed to me a manufacturer is not compelled to sell this man, and then condemn the entire profession because the account is slow or uncollectible. I am very much of the opinion that if the manufacturers would do some thinking about a policy along this line, instead of harping about pro credit, a great service would be rendered to the pros who are real business men.

Pros Increased Unit Share

In 1930 the pros disposed of about 60% of the dollars and cents volume of golf goods sold and about 45% of the unit volume. This year, due to the slump in the cheap junk sales, I believe the pros' unit volume percentage of the market will be about 50%. What the unit percentage will be in 1932 depends a whole lot on how many professionals who are wide-awake merchants can get attached to good municipal and fee course jobs.

With the pro volume what it is it seems to me that the manufacturers must give serious consideration to working with the pros on a basis of mutual profit and understanding. One of the big developments in the pro business during the last several years has been a marked change in pro temperament. Now, when a pros' sales are not what they should be, the good pro figures that the fault might be with him, rather than with other factors, although other factors may have considerable bearing. It appears that the manufacturer who complains of pro relations might subject himself to the same sort of analysis in which the party of the first part would come in for correction before the other elements were pronounced guilty.

However, there has been great improvement in the relations between the pros and manufacturers that undoubtedly will be reflected in 1932's work. The astute professionals will be buying cautiously in 1932, purchasing only that merchandise that can be sold with an application of good selling effort. The wise pro will capitalize on the manufacturers' advertising and other sales helps. He will not buy loosely because the salesman happens to be a good personal friend of his. There will be a premium

on neat and attractive shops and alert service methods by the pro and his assistant. The basis of the correct approach to the 1932 selling problem will be a simple one; the realization that the pro's customers are limited to his membership and that membership holds the pro to strict accountability as a man who should know his business. For that reason the pro must be governed primarily by value rather than by low price in his selection of goods. The plight of the stores has shown the pros that low price alone isn't the answer to the merchandising problem, and certainly should be a warning to the pros who may be thinking that cheap goods is the assurance of big business and profits next year.

Lewis Named Secretary by Club Managers

HERMAN A. LEWIS, for seven years manager of the Wilmington (Del.) C. C., has been named secretary of the Club Managers' association of America, succeeding Henry R. Dutton, who resigned from his active responsibilities Nov. 1.

Lewis has been manager at Wilmington for seven years and previously was with



H. A. LEWIS

clubs and hotels in the Philadelphia district. As the 1932 convention of the Club Managers will be held at Philadelphia in February, Lewis' convenient location will permit him to handle the details of convention preparation with close application.

The Philadelphia Club Managers' association, headed by Joseph B. Uhler, will entertain the annual assembly and is intent on staging the most successful meeting in the organization's history.