

JJKeegan+

Flash Poll Results

May 5, 2016



The Narrative

1. Surveys are a very effective method to canvas the opinion of lots of people quickly. I am constantly amused and pleased that the “consensus” opinion in the surveys we conduct represents to me what is a very logical choice.
2. What was stunning was the response rate from the various collectors (Blog, Facebook, Linked-In, Newsletter (infrequent responders), Newsletter (frequent responders) and Twitter. Though we connected via Hootsuite, Linked-In was the highest responding group showing promise for B2B communication. More on this in our “What is Your Social Media IQ” on May 12, 2016 at 11:30 a.m. EDT.
3. While 60% did not feel that Ballyneal has infringed on the trademark of Bandon Dunes’ “Golf as it was meant to be...” what was clear in the narrative responses was the importance of a golf course obtaining a trademark or copyright on its intellectual property. Lacking such protection, the use of another course’s slogan was ‘fair game.’

The Narrative

5. While only 8% felt that the head of the Tee Time Coalition would be effective, 50% felt that they didn't have sufficient information to make a judgement. Very astute response. The individual's short length of employment at many positions was frequently mentioned, almost as frequently as the comment that the individual is in a no-win position. It was stated golf course owners will rail against third party tee time providers but are too lazy to do anything about it. The conclusion is the person hired is very smart and has a steep hill to climb not because of his ability but because of industry resistance.
6. There is an expression, "if you want to learn something, teach it." This is the case with the question regarding introductory golf instruction for adults vs. juniors. I previously thought that "Get Golf Ready" was designed for both groups. Not the case as "Get Golf Ready" was intended as a program for adults. As to whether the junior instruction should be priced comparable to adult instruction, it was a "dead heat."

Cathy Harbin was kind enough to provide me a copy of the 2015 Get Golf Ready Annual Report. I have attached a few slides from that report that highlight this program remains a very effective way of showing individuals the entry door to the game.

The Narrative

6. The Question “What Responsibility Does a Municipality Have to Competitively Price their Golf Course Green Fees...?” brought an immediate tart response from Ann Kattreh, Director of Parks and Recreation of Edina, MN. The fact situation addressed the Braemar Golf Course owned by the City of Edina which we “masked” in the survey.

Ms. Kattreh demanded that I remove all City of Edina email addresses from our database. You have to explain to me how I am disadvantaged by removing the email addresses of individuals who have never been nor, by our choosing, never will be a client when I am providing them complimentary insights and perspectives based on research conducted. She demonstrated, in my opinion:

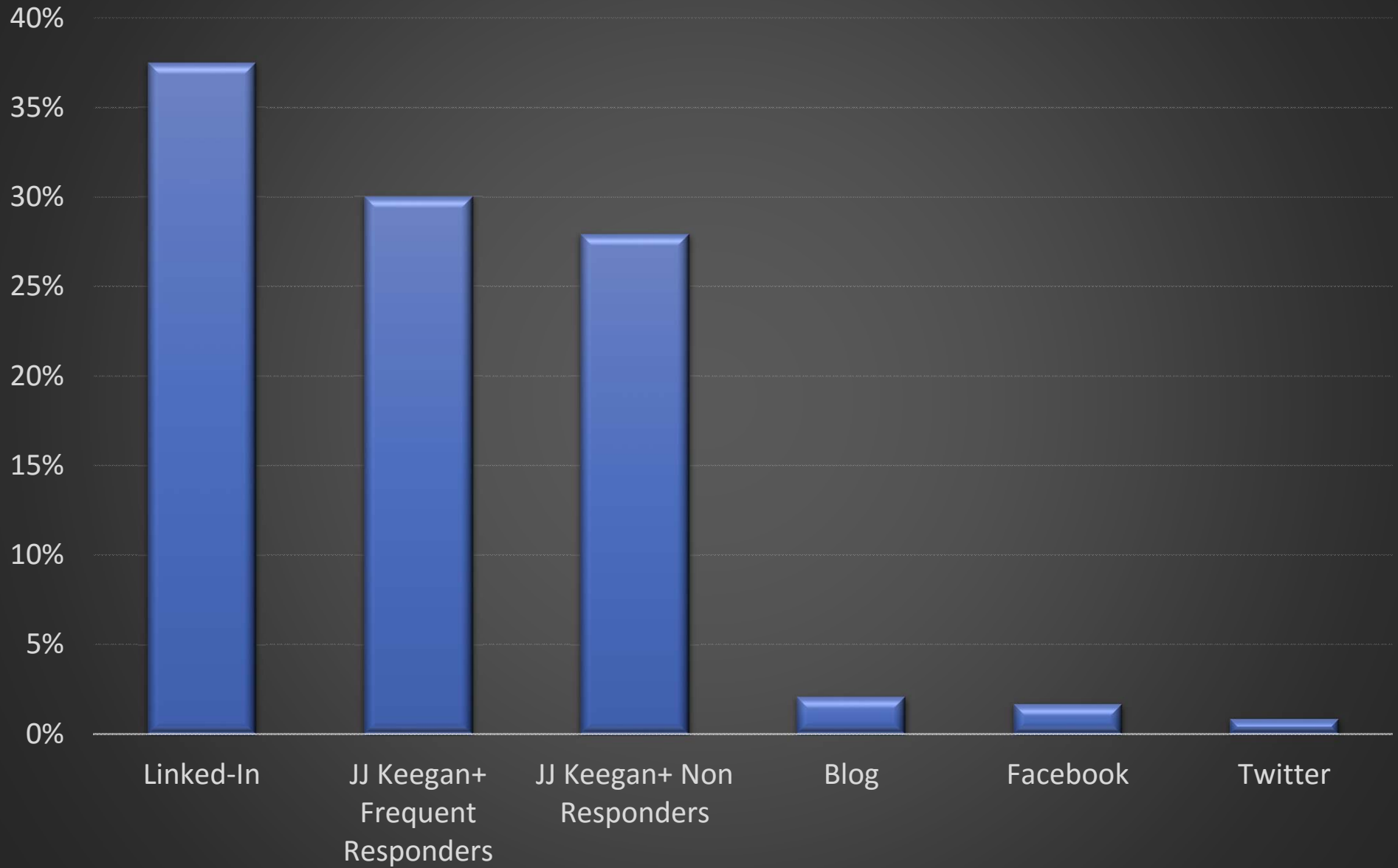
“The hardest thing to open is a closed mind. An informed and competent professional would have wanted to see what the survey results were before reacting.

While well-meaning people can look at their perception of the facts and honestly reach different conclusions, I am left with the thought from Bertrand Russell, “The degree of one’s emotions varies inversely with one’s knowledge of the facts.”

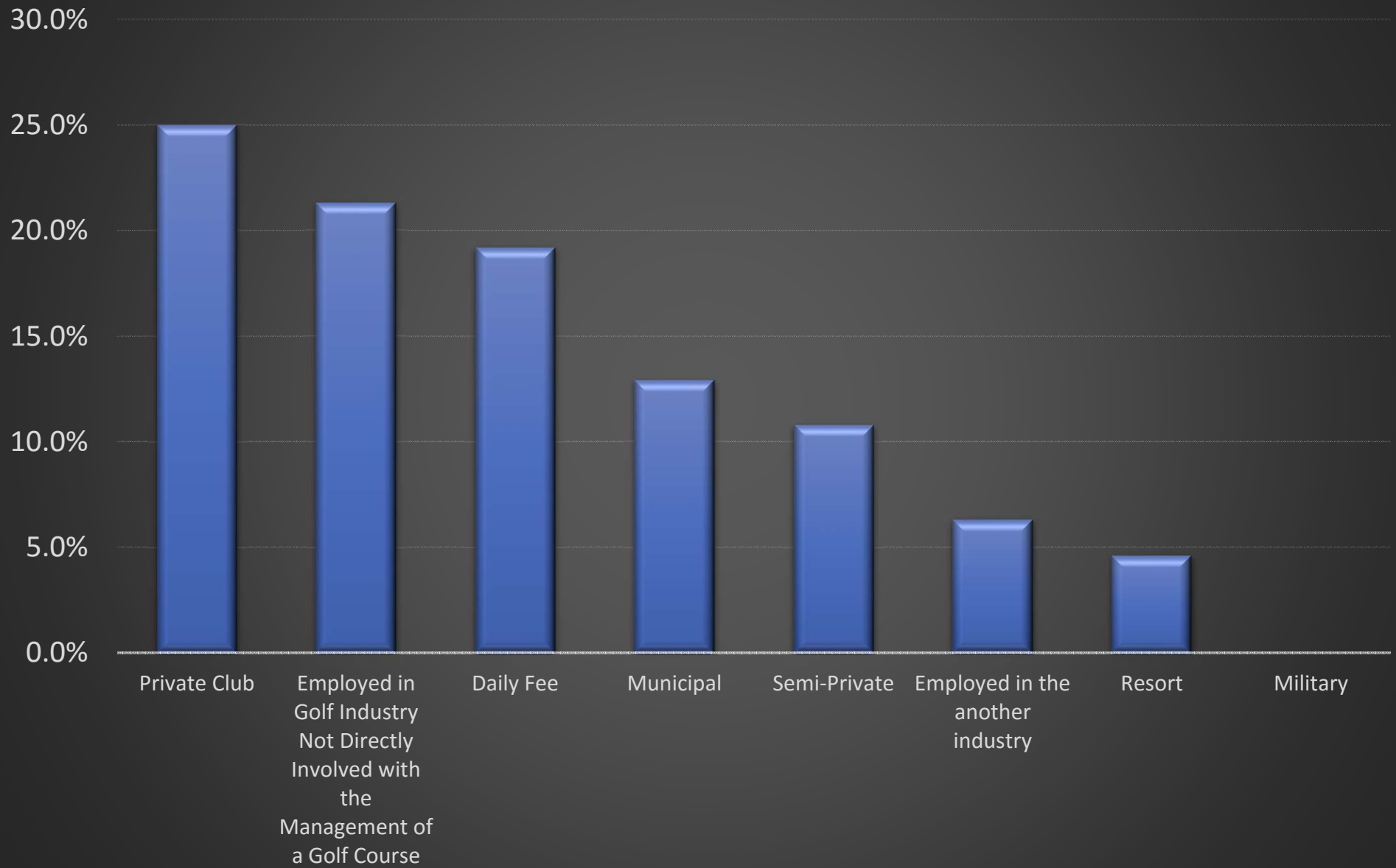
The responses produced interesting insights. The favored choice, by a slight margin (4.1%), was, “By discounting the value of their service, they are unfairly impacting all golf courses in the competitive set.” Those who operate municipalities, as would be expected, preferred the strategic practice, “To the extent that they can cash flow the debt service (principal and interest) without tapping the general fund” by 9.8%. We were humored that 8.7% of Ms. Kattreh’s peers felt the policies she has advocated are illustrative of why a municipality should not be in the golf business.

You might ask why does it matter? We were asked to render an opinion for another golf course within that competitive market regarding the feasibility of our client issuing a \$5.6 million bond. The question was, “Would cash flow after renovation be sufficient to satisfy principal, interest and a capital reserve? The forecasted green fee yield was a critical component of the analysis. Our report filed this week contains a caveat recognizing the possible predatory pricing practices by Braemar. Our survey was intended to have Edina “show their hand” - which they did. You have to love the power of surveys.

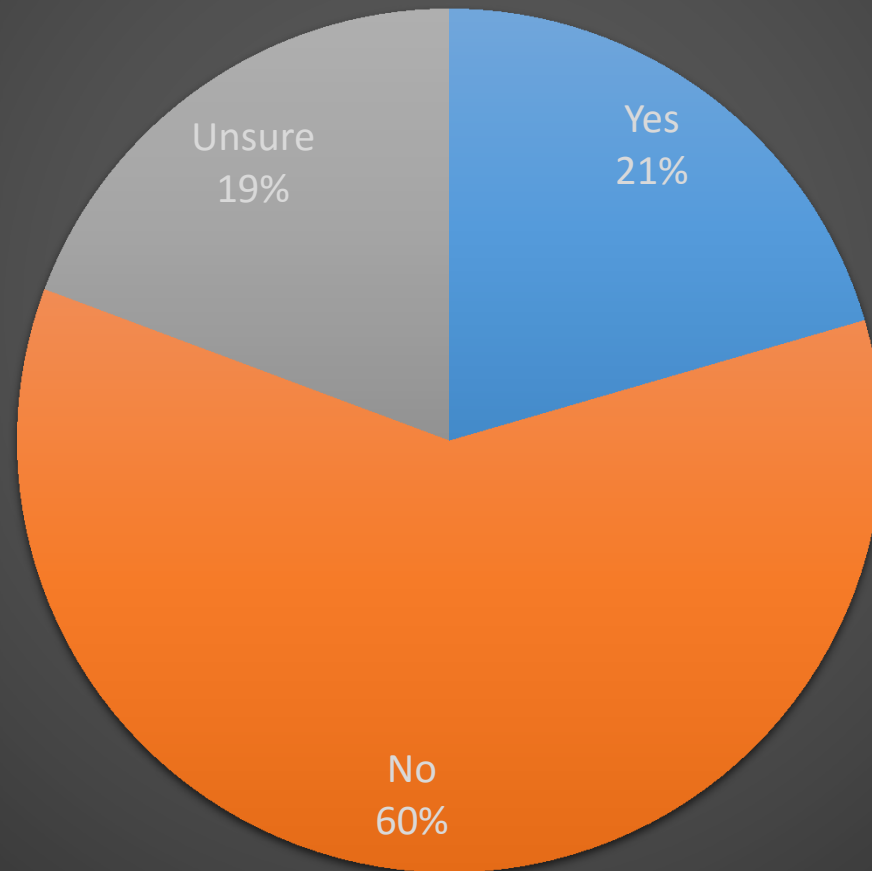
Responder by Survey Collector



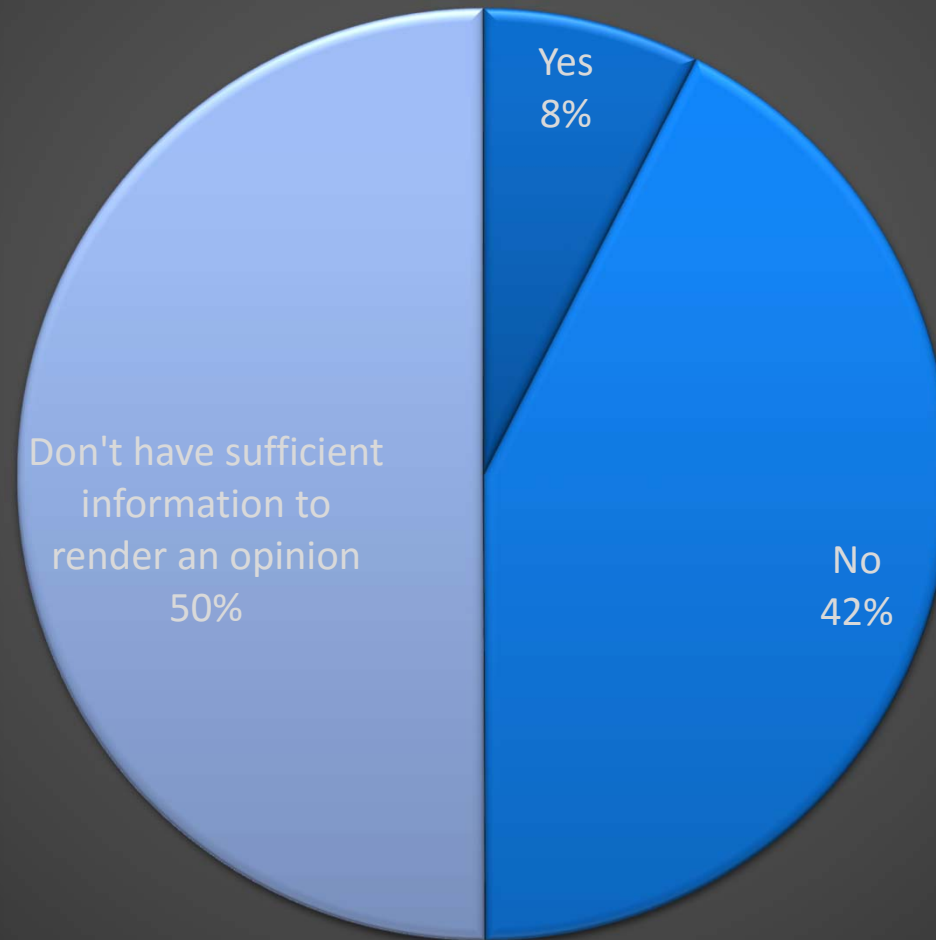
Respondents by Employment



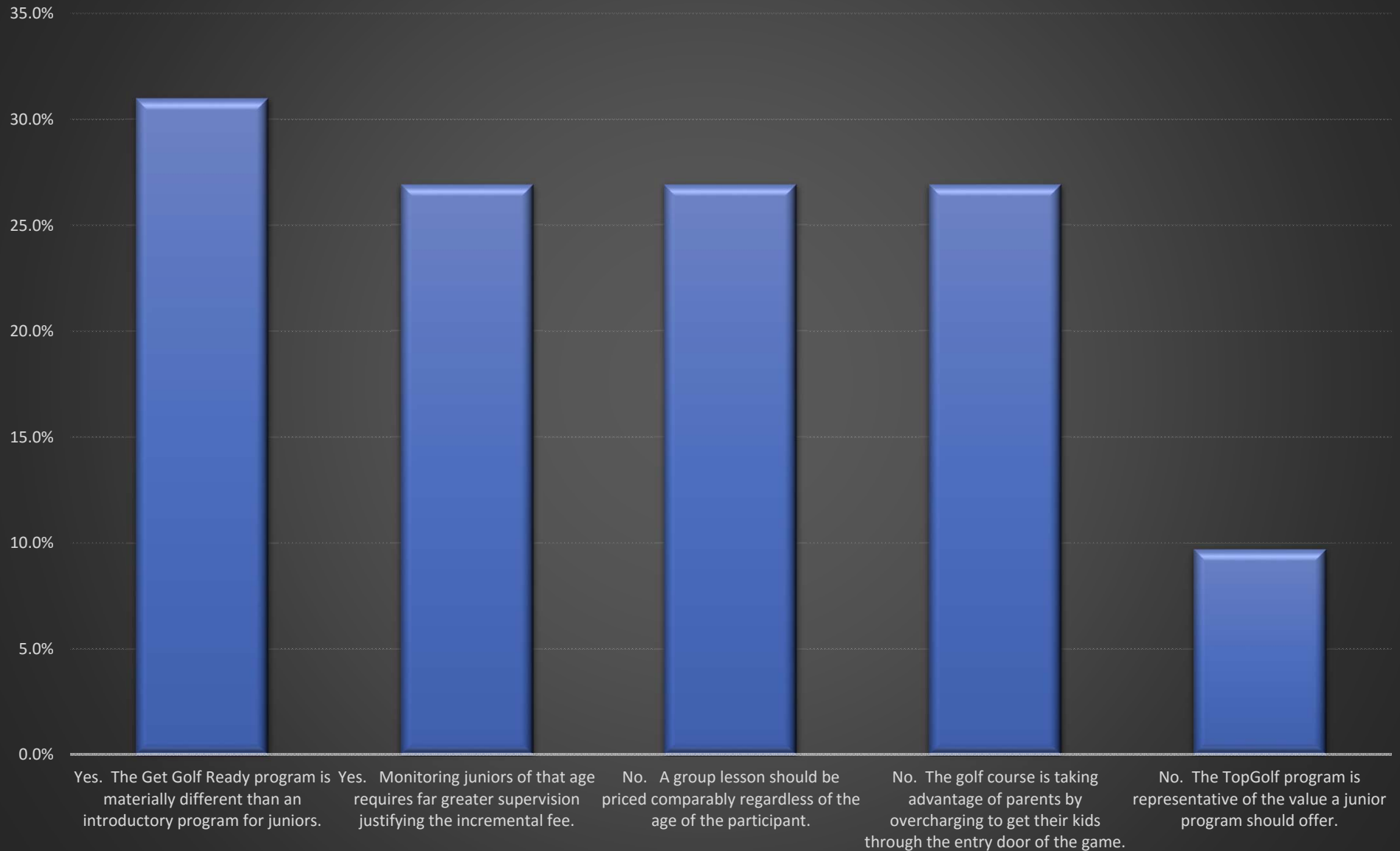
Bandon Dunes' Slogan: "Golf as it was meant to be." Did Ballyneal infringe by using a comparable slogan in an email campaign?



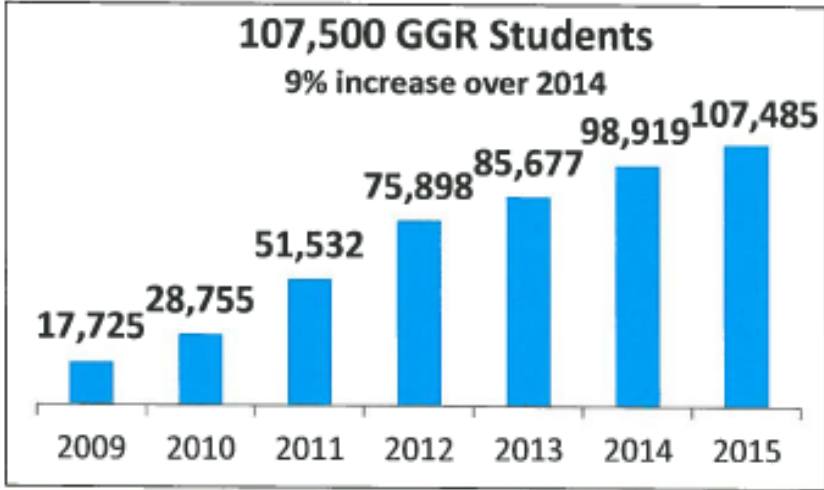
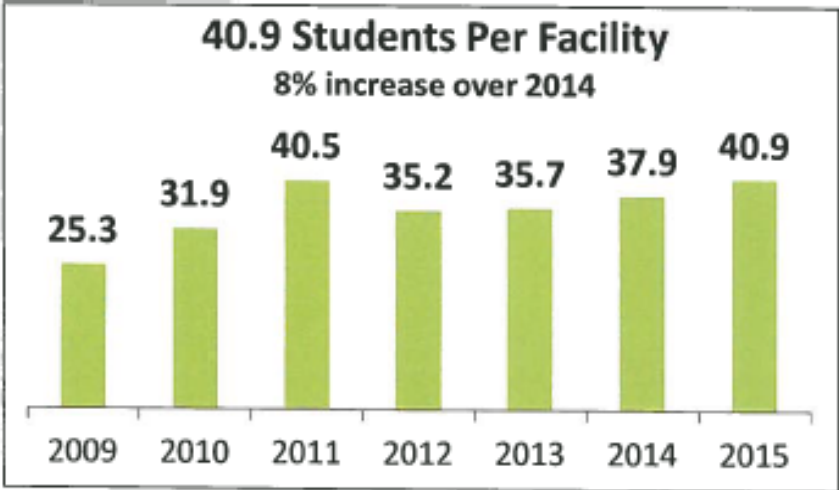
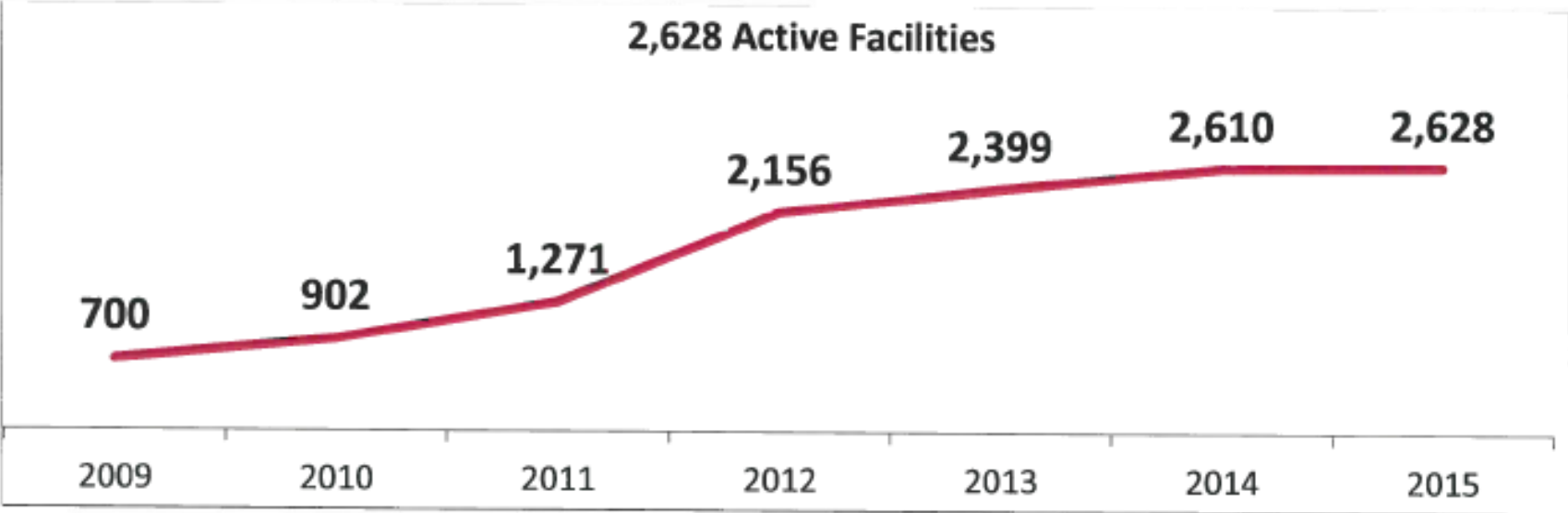
Will the Head of the GolfUSA Tee Time Coalition Be Effective?



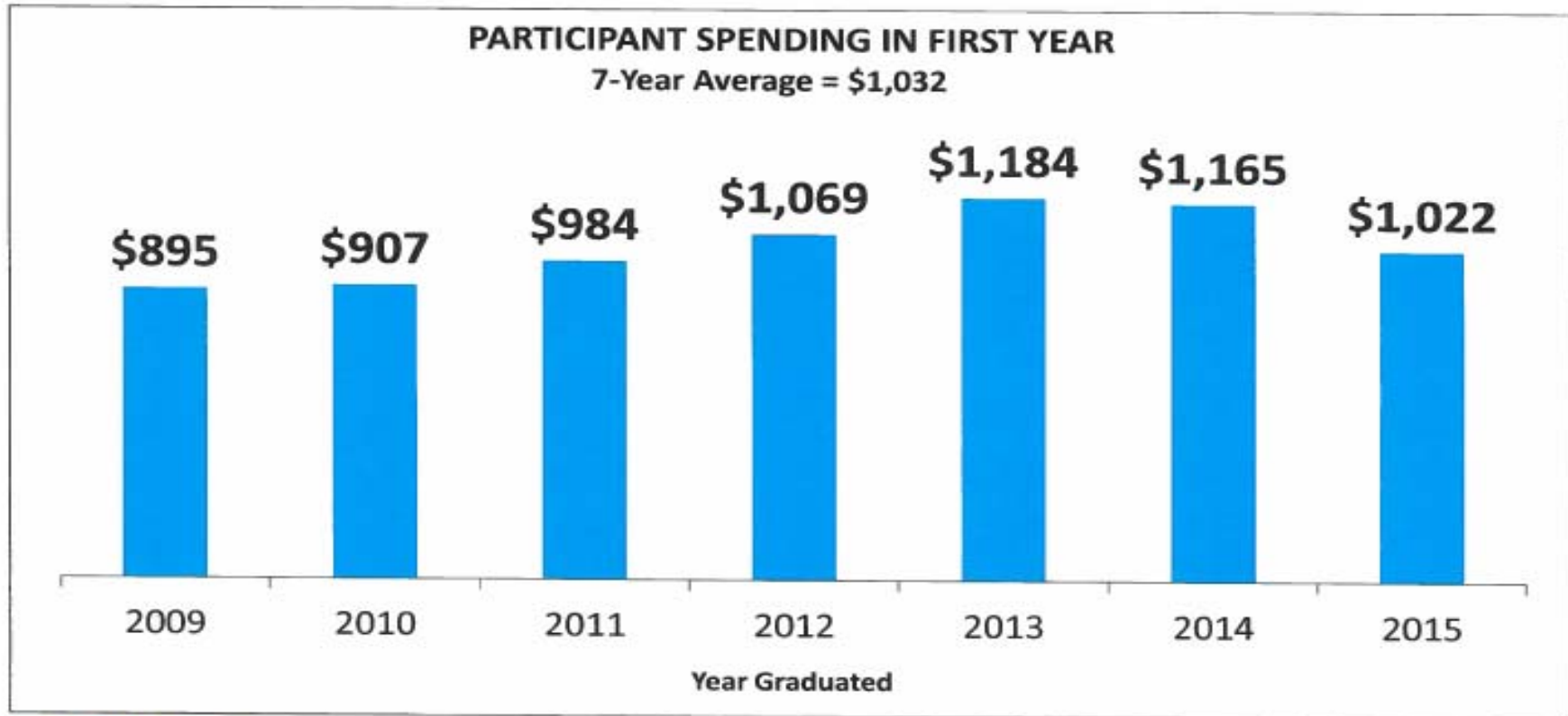
Adult vs. Junior Instruction Should Entry Level Classes be Priced Differently?



Growth in Facility Execution

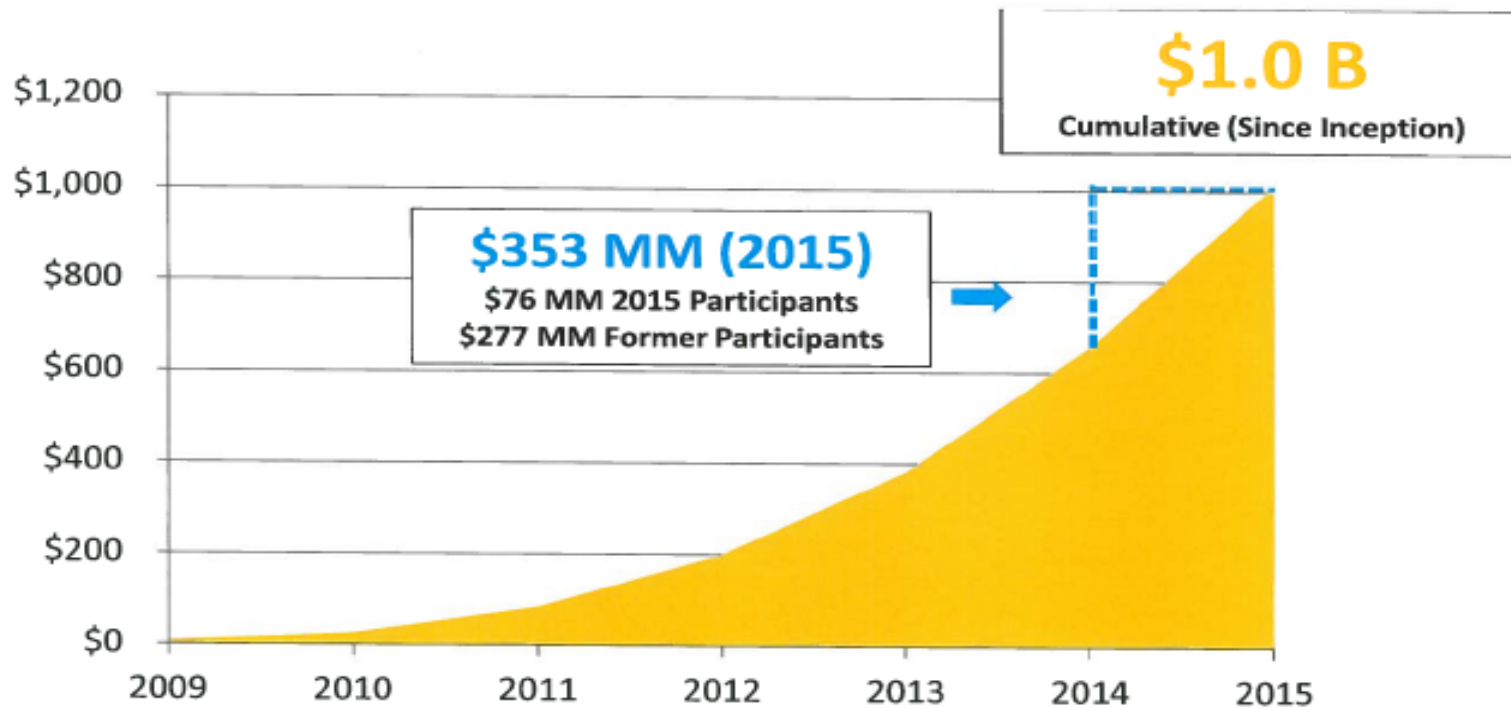


Participant Spending



Financial Impact

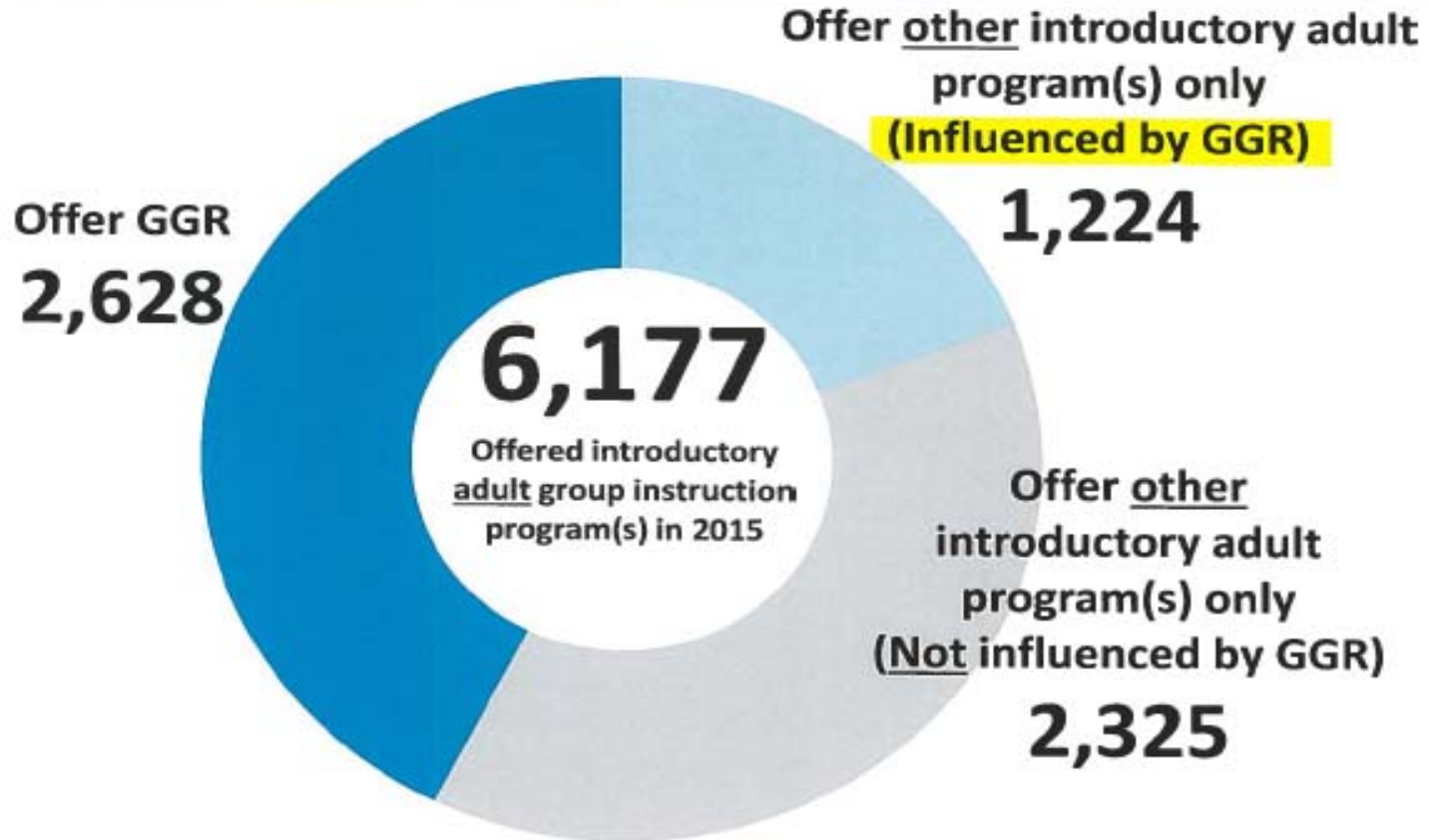
Based on facility estimated participant counts and consumer estimated spending



NOTE:

Cumulative spending (2009-2015) includes spending among legacy participants (*i.e.*, those who completed Get Golf Ready in each of the prior years) and considers retention over time.

Introductory Adult Group Instruction



Financial Impact

Based on facility estimated participant counts and consumer estimated spending

Same Year Results

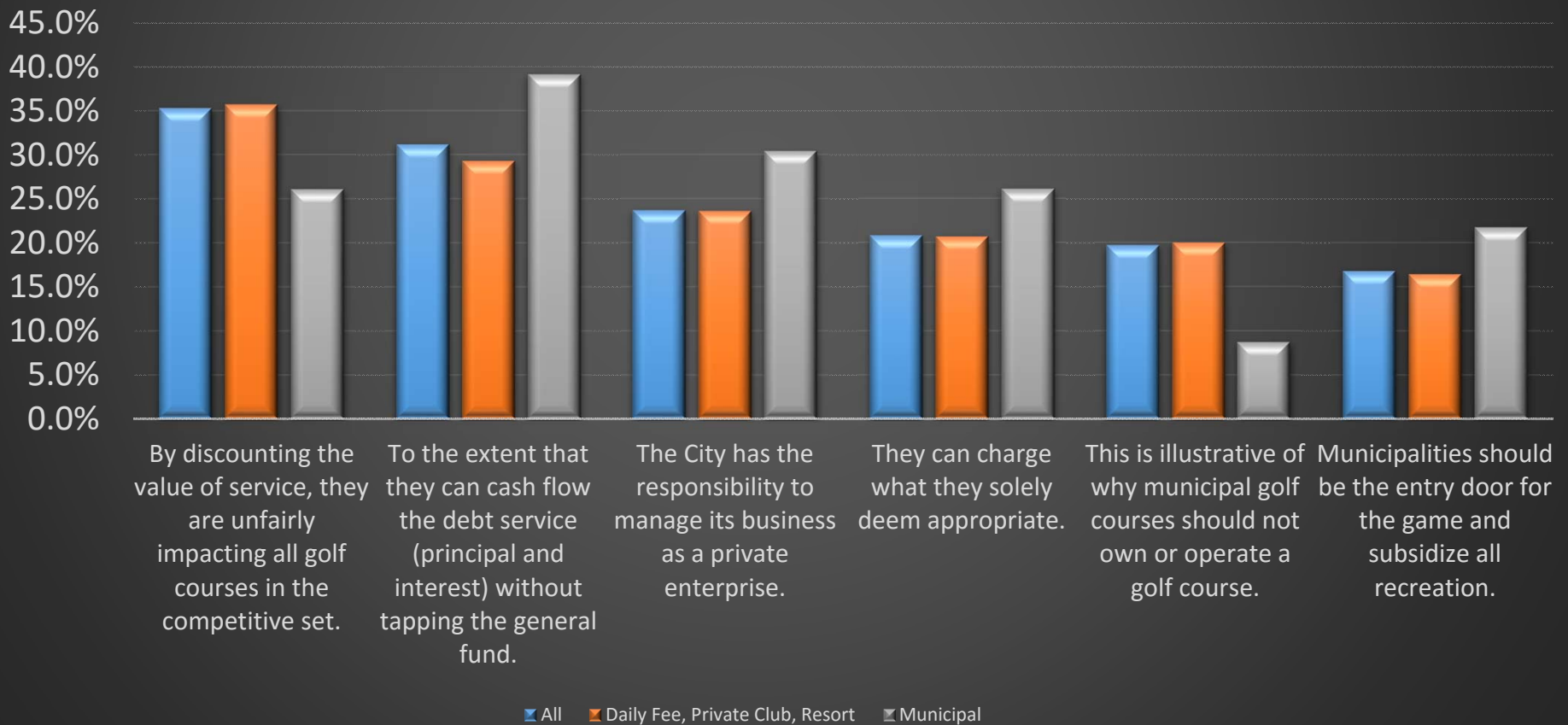
	2009	2010	2011	2012	2013	2014	2015	2015 CUM.
Golfers Retained	9,217	14,832	28,496	49,136	56,178	68,056	74,810	300,726
Total Golfer Spend	\$8.2 M	\$13.4 M	\$28.1 M	\$52.6 M	\$66.5 M	\$79.3 M	\$76.4 M	\$1,010.8 M
Golf	\$3.8 M	\$7.3 M	\$13.8 M	\$27.0 M	\$36.1 M	\$41.3 M	\$39.9 M	\$586.2 M
Food/Beverage	\$0.8 M	\$1.5 M	\$3.6 M	\$4.4 M	\$5.4 M	\$8.6 M	\$9.2 M	\$127.5 M
Equipment/Apparel	\$3.6 M	\$4.6 M	\$10.7 M	\$21.2 M	\$25.1 M	\$29.4 M	\$27.3 M	\$297.1 M


NOTE(S):

Financials are among those who completed Get Golf Ready program in the specified calendar year. Cumulative spending (2009-2013) includes spending among legacy participants (*i.e.*, those who completed Get Golf Ready in each of the prior years) and considers retention over time.



What Responsibility Does a Municipality Have to Competitively Price their Golf Course Green Fees based on the Demographics and the Experience Offered?





NOW YOU
KNOW

Got Any – Call 303 283 8880





Thank you
For Participating in the Flash Poll



J. J. Keegan, Managing Principal
4215 Morningstar Drive
Castle Rock, CO 80108
t 303-283-8880
c 303-596-4015
jjkeegan@jjkeegan.golf
www.jjkeegan.golf