

“Golf may be poised for another remarkable run of growth and popularity worldwide. The methods and characteristics of this growth will be remarkably different and golf course designers will show the way.

Development | Henry DeLozier

# A Changing Game

Golf course design is “re-setting” its fundamentals worldwide. These adjustments represent baseline changes in the development, use and enjoyment of golf courses. And the ripple-effects will be measured for the coming decade.

In much of the world, golf retains its pedestal as one of the world’s enigmatic delights. When one does not hate the game, one is in love with the game. When one is not bemoaning the howling winds, the straight-across rains and the lightning-fast greens, one treasures the wondrous game. How, then, will the game change and to what end?

First, planners and designers across the globe are returning to the fundamentals of the game: (a) shot-making values, (b) open space preservation, (c) respect for existing natural terrain, (d) social values, and (e) the playing of the game itself. These are primary values that have attracted golfers and golf designers for generations. There is an apparent return to the fundamentals of the game and golf designers are leading the way.

Second, investors and developers of golf-related assets – resorts and residential communities, in particular – have recalibrated their understanding of golf-driven real estate value to reduce or eliminate the previous extravagances that did not equate to increased earnings. Among the steps that developers are taking to return to fundamentals are the following:

**Audience-Targeting** – Planners and developers are first asking, “Who are the potential customers (resort guests, homebuyers and/or golfers) and from where will they originate?” During the white-hot development cycle of the early portion of this decade, the great questions for developers were: Where? How much? How soon? With whom? Investment bankers and developers are more alert now to the wants and needs of potential buyers and the net result is to be a better alignment of golf product and experience to the potential golfer audience.

**Earth-First Planning** – Land planning experts throughout the world are leading the way with planning strategies that protect existing sites and integrate new developments into the natural setting – with the inherent limitations, circumstances and site conditions. Bob Balder, a senior associate at worldwide planning giant Gensler, notes that the community of planners and project ‘visioners’ is newly empowered to reclaim the important fundamentals of the game while pairing the attractive benefits of golf with financially reliable project planning and development.

**Project Sequencing** – Many projects will delay the onset of golf courses within the projects for the sake of improving return-on-investment metrics. The deployment of capital

at the earliest stages of the schedule is disadvantageous to project finance performance. As such, developers are foregoing potential revenue elasticity that arises from lot premium revenues in favor of more desirable cash management tactics. According to Dr. Joseph Beditz, the CEO of the National Golf Foundation in the US, new golf course starts will reach generational lows as the US forecasts fewer than 50 new courses nationwide for 2009, which will be the fourth consecutive year to show a net decline in golf course inventory. NGF reports that the count of golf courses in the US will decline by approximately 125 courses in 2009.

**Course Design Re-setting** – The degree of difficulty and the construction costs are being recalibrated to make golf course developments more efficient in the use of capital and in terms of eventual pace of play characteristics. Golf course designers the world over are refining course design to contain costs by reducing the volume of earth-moving, the scope of irrigation required and the total acreage of maintained turf. Design features that add difficulty and can slow play are being reconsidered, according to many course design experts.

Third, golfers are being refocused on enjoying the game. As many golfers refrain from refitting themselves with new and different equipment



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technology, golfers are returning to playing the game for the sake of the game. Golf professionals and club executives have repatriated to the quintessential aspects of the game and, in so doing, golfers are being reminded that the game offers challenge, satisfaction and fulfillment. Golfers – in a difficult economic time – indicate a return to the appreciation for the enduring values of golf combined with the platform for socialization that golf enables.

**Rounds Played** – Golf rounds played remain stable in the developed nations. Despite a difficult economic phase, this key measure of market support ranges from a slight decline (less than 2%) in Europe to an increase (less than 2%) in North America. Many developing nations indicate increases in 2009 rounds played over calendar year 2008.

**Participation Levels** – The number of golfers is increasing worldwide. Golf is reporting a modest increase in the population of participants. This increase is modest in North America; although many industry insiders expect advanced growth from the new “Get Golf Ready” program introduced this year by the PGA of America. The popularity of golf in Europe and Asia reflects steady year-over-year growth in excess of 5%.

**Player Retention** – Golf professionals the world over have reinforced the

importance of remaining committed and engaged with the game. Despite economic pressures, employment declines and time-deficit concerns, golf is becoming more ‘sticky’ with its newest participants. Fewer new golfers are quitting the game.

Fourth, the social value of golf in virtually every nation has grown more robust. Golf continues to demonstrate the lifestyle values and the social affirmation that exploded in the US in the 1960s with the happy convergence of Arnold Palmer and broadcast television. The Olympic movement, which has now included golf as an Olympic-sport, will cause the enormous growth of the game in most countries.

**International Instruction** – PGA professionals in Europe and North America will export their knowledge of the game and advanced instructional techniques to cause the game to explode internationally. This movement of knowledge workers around the globe is underway already and the numbers will swell. Watch the BRIC- countries (Brazil, Russia, India and China) accelerate national instruction programs that will generate advanced competitive successes.

**Tour Representation** – Sweden and Australia have demonstrated that strong youth programs produce world-class golfers. Just as the Korean women have

impacted the American LPGA Tour, other countries will produce Tour-quality players in greater numbers. Opportunity, improved instruction programs and access to competition are factors that will fuel international growth metrics.

Golf may be poised for another remarkable run of growth and popularity worldwide. The methods and characteristics of this growth will be remarkably different and golf course designers will show the way. Golf courses and golfers will change; but the game remains characteristically resilient, challenging and rewarding in its many ways. ●



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