

# Scottish Golf Strategy | Executive Summary

## Introduction

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Golf in Scotland finds itself at a crossroads. In the last decade, the number of adult playing members has decreased significantly to below 200,000 members offset by an estimated 750,000 non-members who play the game in Scotland every year but who are not yet accessible to Scottish Golf and who are not joining golf clubs. The objective is to change this to everyone's benefit.

Commercial revenues have plateaued, while Scottish Government funding from sportscotland is expected to drop significantly to circa £750,000 next year. In addition, almost 90% of registered members are age 35 or over, with the majority of our members between the age of 55 and 74.

The recent merger of the Scottish Golf Union and Scottish Ladies' Golfing Association has given us a platform on which to undertake the next phase of our modernisation programme.

The facts outlined above state emphatically that the status quo is not an option if we are to collectively achieve a dynamic, sustainable and successful game in Scotland.

For that reason, Scottish Golf has proposed a four-year strategic plan to rejuvenate the game between 2018 and 2022.

To achieve this, we need your support.

## 2018 – 2022: LAYING NEW FOUNDATIONS

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Since June, the CEO and Board of Scottish Golf have entered in to a period of consultation with its members across a range of key stakeholder groups including Areas and Counties, Affiliated Clubs, and golf club members to outline a series of proposals designed to rejuvenate the game for all. These proposals are based on five central pillars:

- Increase investment in clubs, club members, and Areas & Counties
- Improve commercial performance via technology
- Shared service resource to add value for clubs and members
- International Affiliation Strategy to increase investment and support the game in Scotland
- Further governance and infrastructure improvements to support the growth

## INCREASE INVESTMENT IN CLUBS, MEMBERS, AREAS AND COUNTIES

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To achieve our aims, we have undertaken a root-and-branch review of our data and service provision to find new ways of improving our support to our members. Currently, all golf club members pay a National Affiliation Fee of £11.25 to Scottish Golf to help support the development of the game via Education, Club Services, Participation Programmes, Course rating, Handicapping and Events. We can and will do more.

The National Affiliation Fee is the second-lowest per capita membership charge across Europe. While it is out of sync with many other national governing bodies, we acknowledge that our communication of this fee to golf club members - and its benefits to the wider game - could have been better. This is part of the solution.

As we review our future strategy, specifically in relation to the National Affiliation Fee, it is essential that we outline the future benefits of a proposed increase.

This proposed increase will help:

- a) To introduce a national database of all golf members and pay-as-you-play golfers.
- b) To ensure a more robust, transparent and auditable system of income generation.
- c) To raise increased funds to provide greater investment and strategic growth of the game.
- d) To accurately measure participation and development levels in Scotland, demonstrating golf's importance to Scottish Government sport, health and wellbeing objectives.
- e) To increase the branding, marketing and commercial benefits associated with an integrated Customer Relationship Management (CRM) database for clubs and all customers experiencing golf in Scotland.
- f) To introduce a National Tee Time Booking System linked to the newly developed SG CRM system.
- g) To obtain more accurate reporting data for members, lapsed members and non-members.
- h) To provide additional resources in shared services for our clubs.

## **IMPROVE COMMERCIAL PERFORMANCE VIA TECHNOLOGY**

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We propose investing in an integrated Customer Relationship Management (CRM) system that will enable us to achieve more meaningful data, with the goal of improving business relationships with customers, assisting in retention and driving sales growth via improved sponsorship and partnership opportunities.

A CRM system will provide us more accurate information on customers across all the communications and marketing platforms and improve the customer experience via a targeted approach for appropriate communications helping make golf a more attractive, relevant and accessible sport for all.

This new approach will enable us to enhance and support all clubs' membership and pay-as-you play customer interactions where appropriate.

We seek to provide all clubs with the appropriate level, quality and functionality to deliver the desired service standards. Therefore where clubs have existing systems in place we fully anticipate that the national affiliated club system will deliver the solutions required for all levels of clubs nationwide following a robust tender and procurement exercise.

## **INTERNATIONAL AFFILIATION LICENCE**

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Recent surveys have estimated that 750,000 non-members – including a huge number of international visitors - play golf in Scotland every year, casual participants whom we are currently not able to communicate with or market to in a meaningful way.

A proposed Non-Member Licence (International Affiliation) is a further opportunity for additional revenue generation for reinvestment. Similar models are currently adopted by other golfing countries, who charge a fee for affiliation or a licence to play golf in that territory. This would provide a significant source of new revenue that would ensure investment back into clubs and courses from those golfers not otherwise making a contribution other than green fees.

## SHARED SERVICE SUPPORT

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The CRM and Tee Booking systems would add significant value to the day-to-day operations of clubs. In addition, increased revenue generated would be reinvested through improved development funds, greenkeeping funds and enhanced support services offered by Scottish Golf to our member clubs.

Alongside these opportunities which would be available to all clubs, there will be more bespoke options for clubs to consider around community sports hubs, operator management options and different governance structures, where additional support would be offered to allow clubs to future-proof their operation and help evolve into newer forms of club models that are aligned with the demands and trends in the sporting and leisure market.

## GOVERNANCE IMPROVEMENTS

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The Articles of Association for Scottish Golf are being reviewed in partnership with legal advice to ensure a fit for purpose governance structure can be adopted to support the future direction of the organisation. A more streamlined Board & Committee structure is proposed to represent the golfing community in Scotland. Through this review, other items including the Scottish Golf Forums, role of the Presidential Team and other provisions in line with the Companies Act are proposed for review. The proposed outcome will be finalised for review by the members prior to the Special General Meeting and will result in a more modern and relevant suite of articles that set out clear direction for the Company and its members moving forward together.

## SOLUTIONS

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Significant growth in revenue generating investment to deliver the following by 2022:

Invested to deliver:

- Strong clubs at the heart of the community
- Growth in participation leading to a growth in club membership
- Winning golfers at all levels of the game
- Scotland playing a leading role in the development of golf
- The largest network of non-member and International golfers in the world
- Greater sustainable revenues generated with a target of £4m per annum additional income by 2022
- Greater sustainable investment in clubs, club members and Areas & Counties as outlined