

In May 2009 the Australian Golf Industry Council published a research report providing a snapshot of the Australian golf industry across all areas. The report provides a quick reference summary of the key statistics from various industry and consumer research projects which have been released in recent years.



Rub of the green - Research snapshot of the Australian golf industry

The May 2009 golf industry research snapshot contains some interesting statistics relating to the wider golf industry



In 2006 the PGA of Australia commissioned Ernst & Young to prepare a report on the economic value of the Australian golf industry. The report, based on data for 2004, found that the Australian golf industry:

- Has an annual economic value to the Australian GDP of \$2.7 billion and is by far the greatest sport industry contributor to the Australian economy; and
- Directly employs over 23,000 people with many thousands more employed in industries that have an association with golf.

There are currently 1,530 golf courses in Australia, with 81 per cent of these courses located in regional areas. Numbers by state are summarised in the Table 1 below. Of the 1530 courses, there are 1,473 that have been affiliated (officially recognised and rated) by Golf Australia. Nine-hole courses account for about 31 per cent of all golf courses nationally.

Ninety-six per cent of all courses around Australia are accessible at certain times to all golfers, with 66 per cent of courses having a regular mix of member and non member play.

NEW GOLF COURSES

A number of new golf courses have opened in recent years, adding to the supply pool generally available to the golfing public, with 36 new course openings reported since 2000. Seventy-five per cent of these courses are classified as either public or resort courses, with almost all courses being part of a wider development that includes either residential and/or resort facilities.

HOW MANY PEOPLE PLAY GOLF IN AUSTRALIA?

The Australian Sports Commission (ASC), via its annual Exercise, Recreation and Sport Survey (ERASS), involves over 13,000 respondents and tracks national participation

for sports across Australia for persons aged 15 years and over. First conducted in 2001 ERASS has provided substantial statistical information regarding golf participation. Key recent statistics are noted below:

- In 2007 golf remained second on the ERASS Top Ten organised sport activities list, behind only aerobics/fitness and ahead of netball, tennis, all football codes, cricket, basketball and lawn bowls. 513,000 people reported playing golf as an organised sporting activity.
- In total 915,000 Australians played golf during 2007 – the last reported data year. This is nearly 6 per cent of the total population aged over 15 years. Although showing a downward participation trend between 2001 and 2007 golf has remained a very popular activity played by around a million people of both genders and all age groups each year in Australia (average participation between 2001-2007 was 1.185 million).
- The national male/female ratio is reasonably consistent across all states with a national ratio approximately 80 per cent men / 20 per cent women. In 2007 9.1 per cent of the total male population aged over 15 years and 2.2 per cent of the female population base played golf.

TABLE 1. NUMBER AND LOCATION OF AUSTRALIAN GOLF COURSES

STATE	METROPOLITAN	COUNTRY	TOTAL	%
NSW	96	317	413	27%
VIC	85	293	378	25%
QLD	20	236	256	16%
SA	23	131	154	10%
WA	42	189	231	15%
TAS	5	70	75	5%
ACT	10	0	10	1%
NT	3	10	13	1%
TOTAL	284	1,246	1,530	100%
PERCENTAGE	19%	81%	100%	

Source: Golf Australia

Participation in golf is substantially greater at an older age. The most participatory age group is that from 55 years to 64 years, with over 10 per cent of the national population in that age group playing golf. The least participatory age group is that aged 15 years to 24 years, with less than 4 per cent of the population in that group playing golf.

HOW MANY GOLFERS ARE MEMBERS OF A CLUB?

In 2007 Golf Australia reported that 350,745 men and 94,606 women (total 445,351) were members of an affiliated golf club, 49 per cent of the total golf population. Analysis of the Golf Australia data on club membership between 2001-2007 shows the following:

- Club membership numbers have fallen by about 8 per cent.
- Declines in numbers have been reasonably consistent across both genders however different patterns do appear when assessed on a state-by-state basis.

SOCIAL GOLF

Based on an analysis of the ERASS participation data and Golf Australia membership data for 2007, the size of the social golf market (i.e. golfers who are not members of a golf club) is

estimated to be approximately 470,000 or 51 per cent of the total golf population.

The social golf market, as a percentage of the total golf market, is largest in the states of Western Australia and Victoria with 67 per cent and 57 per cent of these markets respectively being social golfers. Tasmania and NSW have the highest proportion of club based golfers.

HOW MANY ROUNDS ARE PLAYED IN AUSTRALIA EACH YEAR?

The combination of the annual ERASS data and club rounds and survey data from Golf Australia enables an estimate of annual rounds played to be made. Tables 2 and 3 (page 42) summarise total rounds played since 2001, with the subsequent average per golfer also identified. The annual round count shows a reasonably consistent annual result when compared on a per golfer basis.

- It is reported that 65 per cent of golfers play more than once a month, and 26 per cent play more than once a week. Twenty-one per cent of golfers indicate they only play a few times each year;
- Analysis of the percentage size of each of these demand segments over the period measured shows that the segments have remained reasonably consistent in size.

TABLE 2. TOTAL ROUNDS PLAYED

Year	Total Rounds	Ave Per Golfer
2001	30,572,000	27.0
2002	34,359,800	30.4
2003	34,164,600	30.2
2004	32,169,900	28.4
2005	29,738,500	26.3
2006	30,185,700	26.7
2007	29,225,000	31.9
Average	31,487,954	28.7

Source: Based on an analysis of ERASS and Golf Australia data

TABLE 3. ROUNDS PLAYED BY FREQUENCY (ROUNDS PER YEAR)

Descriptor	Frequency	% of Golfers
Infrequent	1-6 times	21%
Occasional	7-12 times	14%
Core	13-26 times	15%
Keen	27-52 times	24%
Avid	53-104 times	19%
Avid	104+ times	7%
Total		100%

Source: Based on an analysis of ERASS and Golf Australia data

Having estimated total rounds, the inclusion of rounds data sourced from club surveys conducted by Golf Australia allows golf club members and social golfers market share estimates to be made. These are summarised in Table 4. Key data identified above includes:

- According to 2007 data, golf club golfers account for 49 per cent of the total participation market but 55 per cent of the total rounds market, indicating a higher level of annual frequency than social golfers;
- The total estimated number of rounds played by Australian golf club members during 2007 was approximately 16.2 million;
- Over the past four years golf club members have averaged about 31 rounds each per annum; and
- Social golfers, accounting for about 45 per cent of the total rounds played nationally, have a slightly lower level of annual frequency than golf club members, and over the past four years have averaged 23 rounds per year.

WHOLESALE EQUIPMENT SALES

Golf wholesale equipment sales is a key indicator as to consumer behaviour and demand for golf equipment at the retail level. This information is collected quarterly by the Australian Sporting Goods Association

TABLE 4. TOTAL OF MARKET SHARE

2007	Golfers	Share of Market	Rounds Estimate	Share of Market
Club	445,351	49%	16,197,000	55%
Social	469,649	51%	13,028,000	45%
Total	915,000	100%	29,225,000	100%

Source: Based on an analysis of ERASS and Golf Australia data

(ASGA), formed in 1981 to act as the peak body representing a broad spectrum of sporting goods and active lifestyle industry participants including golf equipment manufacturers. Current membership of ASGA is held by 90 per cent of all golf equipment manufacturers

ASGA reports on two key variables within the sector, these being units sold and their equivalent dollar value. Categories tracked are woods, irons, wedges, putters, bags, buggies, gloves, apparel, balls, and shoes.

Data for the period 2001 to 2007 reveals that total equipment unit sales have grown by an average of 2 per cent per year to reach 4.5 million units at the end of 2007. For the same period in terms of their dollar value, sales also increased by the same annual amount to reach about \$154 million.

AUSTRALIAN GOLFERS IN WORLD RANKINGS

Australia currently has around 100 male PGA professional's playing on international golf circuits, including 24 on the US PGA Tour. In May 2009 11 men were ranked in the Top 100 Official World Golf Rankings.

Australia currently has around 30 female professionals playing on international circuits, including four in the Top 100 and 10 in the Top 200 Rolex Rankings.

With regard to amateur players, six players were in the Top 100 R&A rankings as at May 2009 with 13 in the Top 200.

THE HEALTH BENEFITS OF GOLF

The benefits of leisure-time physical activities in terms of reduced risks of cardiovascular disease are well established through a number of epidemiological studies. A graphic example of the health benefits of golf is a 2008 study conducted by the Karolinska Institutet in Sweden (published in the Scandinavian Journal of Medicine & Science in Sports).

The study found that the death rate amongst golfers is 40 per cent lower than the rest of the population, which equates to an increased life expectancy of five years.

The study is based on data from 300,000 Swedish golfers and shows that golf has beneficial health effects regardless of sex, age and social group, with the effect even greater for golfers from blue-collar professions than for those from white-collar professions.

ENVIRONMENTAL BENEFITS

The environmental benefits of golf courses are increasingly being acknowledged by research. Courses often occupy significant tracts of urban land that may be in ecologically sensitive areas and their "green space" provides a number of benefits to the environment including wildlife refuges and corridors, remnant vegetation and indigenous flora reserves.

A preliminary study by the Australian Golf Course Superintendents Association (AGCSA), examining the likely carbon footprint of Australian courses, indicated that an average 18 hole course is likely to sequester around 80 tonnes of carbon per year. Although the study is limited in its size and nature the preliminary findings are positive. Further research in this area is currently being progressed.

The golf industry in Australia is also becoming a world leader in environmental management with close to 200 golf courses across Australia among the first in the world to adopt the AGCSA promoted environmental management system, called e-par, that achieves an ISO 14001 Standard. The industry is also proactively addressing water management issues.

FUTURE RESEARCH

The AGIC is committed to assisting in a co-ordinated approach to research across the Australian golf industry into the future. This will entail the co-ordination of discussions and agreements between the various industry groups conducting research to ensure targeted research that is complementary.

While the majority of research will be conducted by individual agencies, the AGIC may at times seek to commission research on behalf of the entire industry. Individual agencies will be requested to provide summary reports from their research to be included in future AGIC research summary reports.

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