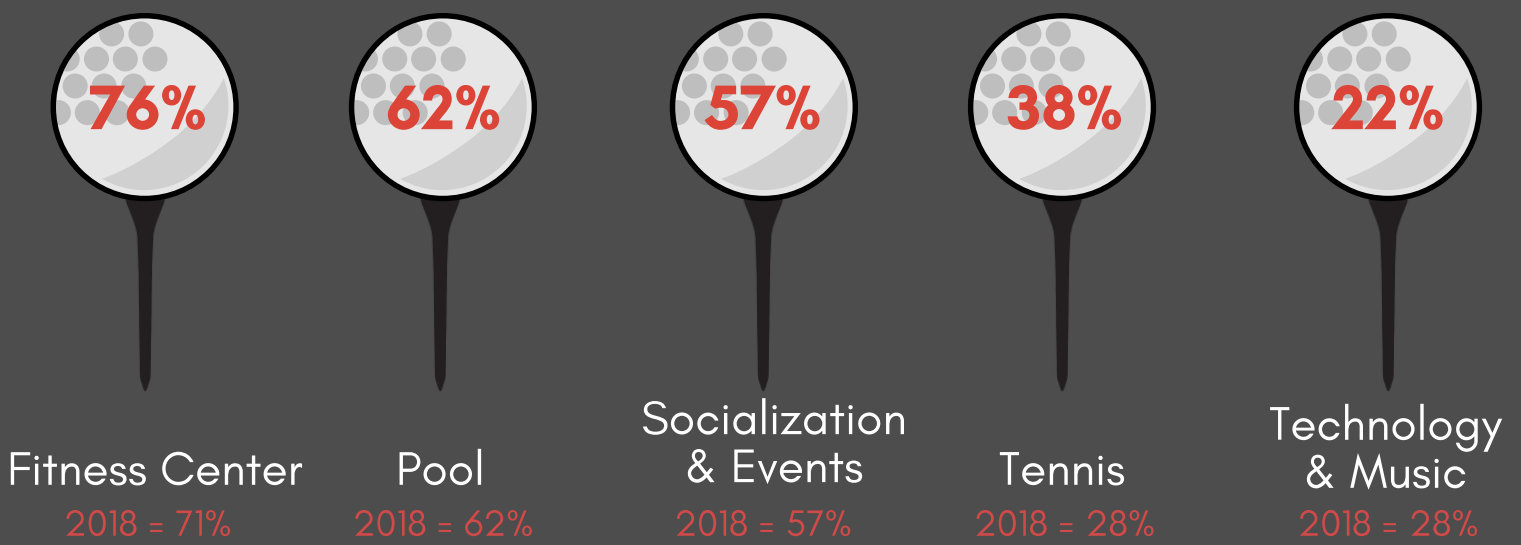


The seventh installment of our 2019 Millennial Research Study analyzing data collected from more than 3,600 avid millennial golfers. Data included is a continuation of the first six installments which are available at globalgolfadvisors.com.

AMENITY PREFERENCES



IMPORTANT NON-GOLF AMENITIES AND SOCIAL COMPONENTS



Non-golf amenities have consistently been important to millennials, and interest in these amenities is growing year-over-year.

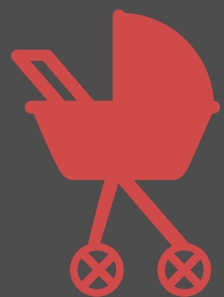
Socialization aspects have also consistently received high levels of interest from millennials. This is important for private clubs to notice as socialization is not only aligned with millennial interests, but is also the key reason why they play golf and the way many were initially introduced to the game.

Given the importance millennials place on fitness and socialization offerings at clubs, survey feedback over the past two years has indicated that golf offerings alone are not enough to recruit millennials on the basis of interest or value for money perceptions.

SUPPORT FOR CAPITAL PROJECTS ACROSS AGE RANGES

Data collected from a sample of past GGA client surveys confirms that millennial members of private clubs typically show much higher support for potential capital projects at their club compared to older members. Members under the age of 40 generally show twice as much support for potential capital projects compared to members over the age of 75.

This is especially apparent in relation to capital projects entailing the development or enhancement of fitness/activity areas and areas for families/children, such as outdoor play areas and childcare amenities.



Support for capital projects increases substantially as the age categories of members decrease - the younger the member is, the more support they have for potential capital projects.

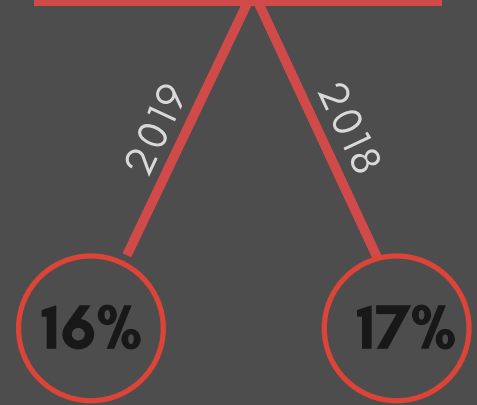
Not only do non-golf amenities align more with millennial interests, younger members are also more willing to pay for these amenities compared to older members as they will have much more time to enjoy these amenities throughout the tenure of their membership.

BARRIERS TO JOINING A PRIVATE CLUB

Not knowing anyone



Age of members

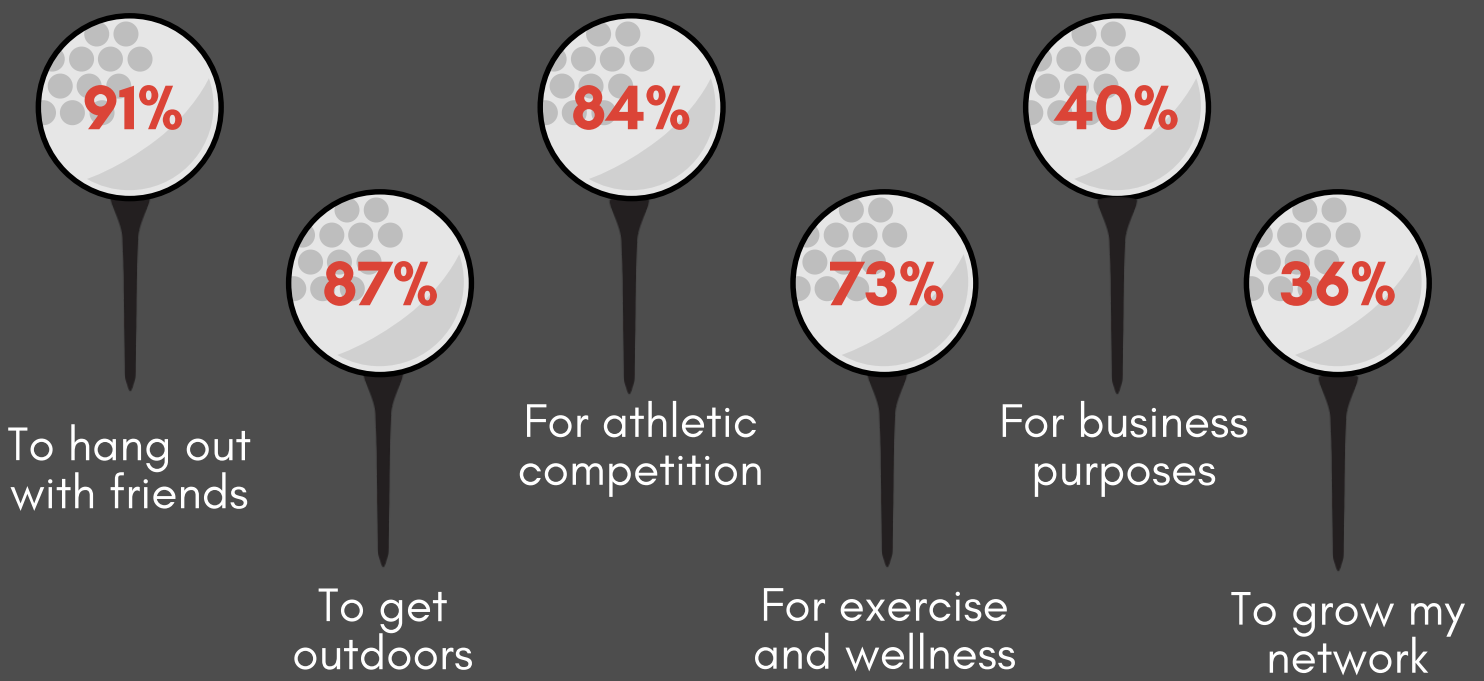


When asked what millennials consider to be the biggest barriers to joining a private club, 25% indicated “not knowing anyone at the club” and 16% were concerned about the “age of other members”.

These numbers have been consistent year-over-year.

This indicates that millennials’ concerns about lack of socialization can deter them from joining a private club and they need more than just golf offerings to consider joining one.

WHY DO MILLENNIALS PLAY GOLF?



These stats about the reasons why millennials play golf reinforce the fact that millennials have a strong interest in non-golf amenities as well.

Over 90% of millennials play golf to hang out with friends, which supports the fact that socialization is extremely important to millennials.

Moreover, 87% of millennials play golf to get outdoors, 84% play for athletic competition, and 73% play for exercise and wellness. This solidifies the fact that millennials have a strong interest in fitness and wellness and ties to the fact that they display a higher level of support for fitness and pool amenities.

Millennials are active.

According to a study conducted by NGF, millennial golfers have an average of 10 recreational activities in which they participate, 25% more than those who do not play golf. 45% indicated that one of these activities involves the gym.

Millennials are worried about money.

Activities that require relatively little money – such as tennis and social experiences – become more attractive to those who are less willing to part with their hard-earned dollars.

Millennials are busier than you'd think.

25% of millennial golfers believe work gets in the way of their personal time. Having the majority of their preferred amenities in one centralized location (a club) would make joining a club much more attractive to this age group.

HOW IS THE GOLF INDUSTRY ADAPTING?

SOCIAL GOLF

Topgolf is a prime example of what millennials are looking for in their free time. It brings golf together with the social aspects of spending time with friends. Unsurprisingly, 70% of Topgolf's customers are under the age of 35, and 50% of all customers play golf regularly outside of Topgolf. Topgolf has been leading the charge in bringing millennials closer to the game of golf, with their locations receiving over 45,000 daily visitors in 2018, a 29% YoY increase.

TOURNAMENTS

The Waste Management open held annually in Phoenix is another example of what draws millennials to the game of golf. The 16th hole at the tournament consistently draws large crowds of young people, many of whom attend purely for the social aspect of the event. 2018's tournament broke the record for the largest single-day crowd and overall attendance of all PGA events. Millennials are clearly interested in golf but need a social 'pull' factor in order to make them seriously consider spending money and time on the game.

TAKEAWAYS

Millennials are seeking an experience that is, or can be, more than golf. As a result, non-golf amenities matter, particularly those relating to fitness, access for the entire family, swimming, and social events. Further, GGA's research shows that the extent to which these amenities matter is increasing consistently.

Fitness, wellness, and health services are tactics clubs are using to convey and promote relevance to young, active lifestyles. More and more clubs are adding amenities such as fitness centers, spa and wellness services, group exercise classes, and studio spaces for yoga, Pilates, or dance exercise. Some courses are trialing golf boards or golf bikes while others are receiving inquiries about pull/push carts or requests to permit walking the course as an alternative to power carts. Clubs have increased their capability to provide children's programs and childcare services which afford parents time windows to make use of fitness amenities and wellness services.

Millennials will continue to respond to these services and to messaging that communicates the variety of positive attributes a club has to offer that appeal to their own value sets. While all clubs must continue to explore methods of establishing relevance to Millennials, golf can begin to address their evolving lifestyles and changing priorities by conceptualizing the facility as a conduit for lifestyle and socialization rather than sport alone.

Data collected through Millennial Golf Industry Surveys conducted by Global Golf Advisors and Nextgengolf. Based upon responses from 1,426 millennials in a 2019 update on studies conducted in 2017 and 2018. More than 3,600 responses have been analyzed during the three-year research study.

The next infographic will examine public courses and public golf and why some millennials choose public over private.