

***Summary of the conferences presented to the Québec golf industry
By the Industry Standard Committee, Taskforce # 2
On July 23, 2014, at the Royal Montreal Golf Club***

(Complete audio archives of these conferences are available – in French)

Foreword

Mr. Bernard Vaillancourt, Chairman of the Industry Standing Committee, welcomes all participants and presents a short summary of what has been achieved up to now. For the purpose of revitalizing our industry and promote an increased participation in our sport, key goals were identified and three taskforces were mandated to develop and manage some of our common projects.

In the first stage of the process, a field survey was conducted last year with the help of DAA Stratégies and Ipsos Marketing. This study indicated that, in order to revitalize our industry, we need to change our corporate culture. At the moment, we are all focused on our operations, but we need to take a marketing approach that will really consider the needs of our clients and we must adopt new communication strategies.

As part of its mandate, members of taskforce #2 was responsible for analysing our existing marketing and communication approach and submitting their recommendations on how our existing structures could be improved. Within this mandate, the sub-committee suggested inviting the golf industry stakeholders to take part in a brainstorming workshop.

As a result, the Industry Standing Committee decided to host a conference with three relevant speakers that would share information on how other industries have been through similar challenges and successfully changed their economic positions as well as their corporate cultures.

First conference

How to change a business approach from product orientation to market orientation: Mission accomplished at the SAQ (Philippe Duval – Former President of SAQ 2008-2013)

Université de Montréal graduate in industrial relations, Philippe Duval has worked in the HR departments of many large companies. In 2008, he became VP of the SAQ HR department and, shortly afterwards, was given the mandate to revamp the sales network. As a result, he launched a major shift in the corporate structure. The company switch from a product orientation to a sales performance approach. Up to December 2013, Mr. Duval was President and CEO of the SAQ.

- The fundamental difference between a product orientation and an approach targeting clients mainly resides in the way products are marketed. The golf industry as we know it is strongly oriented towards its product.

PRODUCT = This approach takes the product into consideration (very technical and sometimes hermetic language that does not appeal to the masses);

VS

CLIENT = Aims to understanding the clientele needs and answer their expectations better, based on what they really want (it appeals to more participants and triggers their interest).

- At the SAQ, understanding the consumer better was the key factor to this critical change.
- In 2008, the first step was to create a strategic plan in which all decisions benefited to the clientele; everyone was able to work together towards a common goal.
- Phase 2. Implementation of a customer service training program based on: greeting, addressing, and accompanying the customer.
- Stores were re-decorated based on the few factors that really influence the buyers' decision process: red wine vs white wine, room temperature vs refrigerated products, price.
- Customers welcomed these changes very well and completing the transition took between 3 to 5 years.
- Main encountered difficulties included: cumbersome administrative procedures, status quo supporters who would prefer not to change anything.
- Incomplete processes were also an issue. We cannot change everything at the same time.
- In Québec alone, Golf has to deal with eight associations that have their own specific goals.
- Two approaches must be considered: tactical and strategic.

STRATEGIC = The golf industry should review its structure. What would be the most efficient to revitalize our industry and face upcoming challenges? We need to create more traffic in our facilities to increase the level of participation.

VS

TACTICAL = Currently, there are numerous committees in our golf clubs, but none of them are committed to innovation. We need to get off the beaten track and stop preserving traditions.

- Through the process of a significant business repositioning, slower financial years are to be expected. This is the price to pay to rejuvenate an industry. As we know it, our industry is filled with untapped potential.
- To share the mission and vision of a company, one must stay in contact with every employee. We live in a very computerized and impersonal world. Communication must be re-established with all employees so they all know what they are working for and where they are heading.
- The same thing is also true for the costumers. We must address them more personally. We need to identify our various clientele segments and address them differently. For instance, teenagers don't feel welcome in golf clubs as we always complain about their dress code instead of integrating them in the community. This is a very good reason to give up on a sport and do something else where they have more fun.
- We need to identify precise and ambitious objectives, even extreme ones if need, to force ourselves to take action. We need to feel the urgency of the situation.
- We must accept that some golf clubs will not survive these changes and others will have to re-model themselves completely.
- We must work together, generously, with a common goal in mind instead of aiming for the success of only one facility.
- We must showcase our young champions as this will enable a younger clientele to identify itself to the sport of golf.
- We must have the courage to get off the beaten track.

Second conference

How to develop industry KPI's, collect and share valuable information through cooperation
(**Charles Désourdy**, Owner and administrator of Ski Bromont)

Civil engineer graduated from McGill University, Charles Désourdy was Assistant Manager of Ski Bromont from 1982 to 1996 where he also supervised numerous construction projects. In 1990, on the LG2 construction site, he faced the challenge of having to reverse a harsh labour relations climate. This was the beginning of a new vision: team work, listening to workers and respecting their needs.

From 1999 to 2005, he was Chairman of the Association des Stations de Ski du Québec. Innovator, he brought a new vision to the industry and shared it with other ski resorts. His openness of mind, leadership, transparency, and integrity led him to be presented with the "Entrepreneur of the Year" award in the "Service Enterprise" category and win the "2006 Best Small Enterprise of the Year" prize.

- Demographic data really influenced the evolution of the ski industry. Skiers who had abandoned their sport to start a family eventually came back to the slopes with their children.
- Many efforts were invested in introduction programs, in school yards as well as in mini ski resorts.
- Manufacturers also played a key role in revitalizing the industry by creating completely new equipment (snowboards, parabolic skis), as well as revolutionary snow making machines.
- The marketing approach was completely reviewed. Nobody is buying 8-hour ski passes anymore. Consumers are looking for blocks of 4 hours (at the most) and mostly 2 hours (for the average). Pricing also had to be adjusted accordingly.
- To increase their cash flow, ski resorts worked together to create a discount booklet that could be used everywhere.
- Demographic data helped determine the habits of each type of skiers and it was decided that more beginners' and intermediate slopes were needed. We should not work only for the elite of our sport.
- Most importantly, clients must feel that they got their money's worth during the peak period of their ski season. This is the main factor that will influence their decision of coming back to the same resort from year to year.
- Very few ski resorts register huge profits, but they all break-even. There is only one strong association supervising all operations of the industry. There is also one association dedicated to elite skiers and manufacturers, but their activities are not conflicting with the main association.

- Even if Québec skiers were successful at the winter Olympic Games, it does not seem to be the main factor triggering interest for the sport. Ski is mostly perceived as a leisure activity, not as a competitive sport.
- Changes were made in the ski resorts for the purpose of lowering the costs paid by every single client. As a result, dining areas equipped with tables and microwaves are available instead of forcing visitors to use existing food and beverage services.
- Golf has the reputation of being a rigid sport (with its rules), time consuming and not easily accessible. This perception of the golf industry is definitely not appealing to new comers. What could be done about it? The game must be more fun for amateur players. We must appeal to the clients' imagination.
- Solutions seem to be in various formats of the game. Most players will appreciate a match play because it's like playing 18 games in one round. The Stableford format is also fun as points are given instead of counting strokes. Formal stroke play is good for pro players. We must find a way to making golf more fun for everyone.
- We must be open-minded to interest more people in the game of golf, not necessary by drastically changing the rules, but by accepting to bend them a little (like by allowing a beginner to play with another ball if he loses his).
- We have a very successful Golf in Schools program that is popular in numerous schools across the country. However, we can safely state from today's conversations that we have a communication problem as many don't even know that this program exists.

Third conference

Developing Champions (**Eugène Lapierre**, Vice-President Tennis Canada, Québec Professional Tennis and Tournament Director Coupe Rogers)

Québec champion, NCAA scholar, coach and director of the Québec Tennis Federation, Eugène Lapierre was a jack of all trades before taking charge of the Rogers Cup in 1999. This event now counts over 200,000 spectators and is the most popular one-week tournament in the world. We are talking about 40-million economic spinoffs on top of providing Montréal and the province of Québec with very international exposure, 150 countries air images of the event during the whole week. Mr. Lapierre's success is supported by strong development programs. He has designed, built and found financing for the Uniprix Stadium that has become the first training center of Tennis Canada.

- There was a time when tennis also was perceived as an elite and restricted sport. Its rigid dress code and the fact that it could only be played in select clubs contributed to this image.
- In the 80's, tennis experienced a major growth period. Many tennis clubs were opened to answer this increased demand (and many did not survive when the market slowed down).
- Since then, participation is not really thriving, except for the 5-6 past years in large cities only. This is probably due to the fact that we have Canadian champions and that tennis has become more accessible.
- The first factor limiting participation is accessibility: either there are no facilities to play at or it is too expensive. The second difficulty is to keep players coming back. Proximity of a tennis facility makes a big difference in this case.
- The recent success of Eugénie Bouchard at Wimbledon created renewed interest in the sport. Tennis Canada now fears that some centers may not be ready to receive this mass of new participants. We are wondering if they will be able to retain their clients.
- In Montréal, to avoid losing the Rogers Cup tournament in 1996, the city donated a vacant lot to Tennis Canada and a new stadium was built. A new company was created to manage the facilities where people can play without being members. This is one of the very rare public facilities.
- The creation of this tournament in the 80's surely contributed to promoting the sport. It is the 3rd oldest tournament after Wimbledon and the US Open. The Montréal and Toronto events are now used to finance all development programs.
- This year, 14 million were generated to benefit those development programs. TV rights are not paying off as much as in Europe yet, but the Federation is working on it and interesting economic spinoffs are starting to be seen. Unfortunately, all golf TV rights are payable to the PGA, so we are not getting any revenues from the professional golf tournaments held in Canada.

- We are often wondering if new champions will bring new participants to the game or simply help retaining those who are already playing. ANSWER: Mr. Lapierre mentions that an international tennis competition was held in February and that most of the spectators were new (new faces, new e-mail addresses, etc.).
- Through the year, equipment has changed (larger rackets) and lessons have also evolved.
- Athlete development has changed a lot. Professional of the 30's used to play the same way league participants are playing nowadays.
- The main challenge in tennis is due to the fact that a match can last anywhere from 45 minutes to 5 hours. This makes it difficult to air an event on TV; it is challenging to keep the audience interested for such a long period.
- The sport was adapted to children, allowing them to hit the ball even if it bounces more than once for instance. We want them to have fun playing.
- In a thriving sport, the base of the pyramid is composed of many young players. As they grow older, they chose to either stop or keep on playing. Those who stay get to refine their skills and some eventually reach the top of the pyramid where they can become pros. In tennis, this pyramid is more like a silo. It has little to no base because there are very few young players even if tennis is thought in school to introduce them to the game.
- Tennis Canada innovated by changing the conditions of the game, which was never done anywhere else in the world. Logically, it is much easier to introduce children to the game through mini-tennis: smaller courts, various sizes of rackets, foam balls followed by lighter balls that will become heavier as skills are acquired. This makes it easier to hit the ball and it travels better. It has become a major motivation element for children to be able to graduate to larger courts.
- At the beginning, the association did a mistake. They left everything in the teachers' hands instead of simply investing the school yards.
- A solution to the accessibility problem is yet to be found. Players are always wondering if it is worth paying a membership if you still have to pay when time to play comes.
- With our handicap system, it is possible for players of various skill levels to golf together. This is not possible in tennis.
- It would be a good idea to have a few golf holes built in every city parks. This would make the game a lot more accessible in terms of proximity.
- At Golf Québec, we believe that, when children are introduced to our sport, their parents will most likely follow them and eventually play to. In tennis, it is the opposite situation. Children eventually pick up the game because their parents play.
- By hiring internationally renowned coaches, Tennis Canada understood that the optimal structure leading to train champions is to have a national training centre.

- With a good talent detection program, it is possible to work with the best identified athletes and offer them professional training (best coaches, competitive programs, etc.) to keep them playing all year. We are instilling in those high caliber athletes the conviction that they can become the best in the world, and they train for this purpose.

Finally, our guest speakers are invited to address all participants and summarize their impressions following the morning discussions.

- Mr. Duval reminds us that we must define our own structures and goals. Success stories are not always adaptable from one industry to another. The process is far more complex. He congratulates the golf industry for joining forces in revitalizing their segment of the sport market and wishes them the best of luck.
- Mr. Désourdy remembers his junior years as a young golfer when his mother was getting discouraged by longer courses. He insists on the fact that really we must listen to our clients and review our structure as a whole, not individually.
- Mr. Lapierre repeats his recommendation to put a lot of efforts in the development sector, especially in junior development. His experience confirms that children who are introduced to a sport (any sport) at a young age will be more apt to pick up many other sports throughout their lives. Altogether, it is crucial that our children stay active.

Representatives of the associations composing the Industry Standing Committee

Bernard Vaillancourt, ADGCGQ

Christian Pilon, Québec Golf Superintendents Association

Eve Gaudet, ATGQ

Jean Trudeau, PGA of Québec

Jean-Pierre Beaulieu, Golf Québec

Marco Jetté, Canadian Society of Club Managers

Mark Fraser, National Golf Course Owners Association Canada – Québec Branch

Rémi Bouchard, Golf Canada