

# Marketing environmental factors affecting the sale of golf clubs assignment

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Seminar held on= Thursday 13. 00-14. 00 Luxury Item= Golf Clubs Word  
count-2, 015 Analyse the business environment of manufacturing golf clubs  
The PESTEL model shown in the appendix at the end of this document  
highlights the different issues which affect the business environment for a  
golf club manufacturer. Within this document the three key issues which  
affect this business will be outlined and analysed.

Within the economic area affecting the business the new economic recession  
occurring over Europe and America will directly affect the golf club industry  
as a whole as well as for this business specifically. The current economic  
climate is unsteady and falling rapidly. Everyday businesses risk bankruptcy  
and liquidation. The market niche for golf clubs has always been relatively  
small as they are a specialist good, however in the current economic  
situation their need may be reduced even more. It is not just the European  
and American sales which will suffer but worldwide sales.

The outlets used to sell this product will mostly survive as a whole as many  
sell what is termed essentials, such as clothing and footwear. Their overall  
performance will be steadied by the sale of these essential items. Sales of  
golf clubs will fall due to the new found lack of disposable income. Their  
necessity will vanish and people will make do. The company's capital and  
turnover will be reduced as sales figures fall. It is most important to keep  
sales moving to ensure that the company's financial situation does not  
deteriorate.

Rising interest rates means that funding for the company and indeed the customers themselves will be reduced. The amount of loans given is going to decrease according to National statistics and the Bank of England. However according to Golf Club's and Country Clubs the general type of members and therefore the people who buy the actual golf clubs used to play the game of golf, generally have a higher income and so are less likely to be affected by the economic recession. The average age of Golfing Members is around 60 years old suggesting that as retirement looms many golfers will still be able to play.

This should go some way to show how although the economic recession will affect some golf players the majority will not actually be affected and so will continue to buy golfing equipment. A third main point which relates to the business environment could be seen to be two separate issues, one social and one technological, however the two are actually one in the same when related in the correct way. Lifestyle changes occur constantly and in most cases to everyone. In the current economic climate they will happen more often as people lose disposable income and have to cut out some of their preferred extras.

Lifestyle changes do not however always relate to income. Technological advances can also bring about lifestyle changes. Computer games in general changed the way in which people spent leisure time but this was generally in the sense of children as Gameboys and game consoles were mainly made and aimed at children and teenagers. The recent invention of the Nintendo Wii has changed the way in which spend time together. The all round family

fun which it gives means that men around the 30-45 years mark can spend time with their family whilst still playing their desired sport.

The Wii makes a motion censored remote that moves the game as you move. The console has games made for it for most sports including golf. The game is so realistic that you can play it in the comfort of your own home, weather will no longer be a cause for not playing and spending time with your family or friends can all be done at the same time. For owners of the Wii playing golf can be done everyday, removing costly expenses of playing at a club. This could potentially reduce the sales of golf clubs as less people will be playing the actual game but instead opting for the virtual one.

However the Wii console could also be a source of new and young golfers. For those people who have never really known much about the game or who have never really been interested, the Wii is such a huge source of fun that it has the potential to entice people to want to learn to play the actual game. The new golfers will need to be kitted out with golf clubs which this company will be only too happy to offer them. Although games console's sell in their thousands every year, recent surveys showed links between poor eye sight, violent and anti-social behaviour.

Experts are pushing parents to get their children away from their computers and into sport. This countrywide aim to involve children into sport, including many council sport schemes will move children towards trying new sports.

Golf is seen to be a sport which many boys and some girls would be interested to learn and so new junior members will need to have their own golf clubs in smaller sizes and so may be unable to use their parents (if they

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play themselves). These children will also need full size golf clubs as they grow into adults again giving more sales.

An advertising campaign based around the youth of today learning to play the game of golf would increase sales of golf clubs whilst also increasing general awareness of the game towards adults. If promoted as a family sport it would be possible to bring in more new customers by involving both parents and children thus increasing the sales of golf clubs as when starting a new sport most people will go to stores they know to sell the desired product and where they can get advice on the products they need to buy. A nationwide fit campaign has also changed lifestyles as people are starting to play more sport in an attempt to keep fit.

Golf appeals to the slightly older generations as well as the younger ones as it is a slower game which fulfils the need to keep fit whilst not being too rigorous. These lifestyle changes all add to the sales of golf clubs.

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