

Professional golf the pga tour essay

[Business](#), [Marketing](#)



(Instructor Name)

Golf is an increasingly popular sport with increasing number of followers and amateurs wanting to play the sport. Until 2007, the entire sport of professional golf was played around a series of unconnected tournaments, with no champion at the end of it, just individual event winners. In 2007, the PGA Tour system was initiated, which consists of 43 events and 4 PGA play-offs. The final playoff winner will be crowned the PGA Champion for the season. To qualify for the PGA playoffs, the players have to compete in the previous 43 events, and points are awarded on the basis of winners and high finishes (PGA Tour, 2014). The top 125 players are selected for the first playoffs, and subsequently reduced to 100, 70 and 30 for succeeding rounds.

There are four categories of events:

- Official PGA tour events
- The Masters tournament, Players Championship, US Open, Open Championship, PGA Championship are called the Majors.
- World Golf championship is a separate event.
- Additional events played during other tournaments.

All the points are added together to determine ranks for the Playoffs.

The four Playoffs are played in consecutive weeks and lead up to the final Tour Championship which is the last culminating event of the season, held in Atlanta. There is also a separate Women's PGA (WPGA) but women golfers are allowed to participate in PGA events as well.

This is how the tournament is played through the year. However, the

functioning of the tournament is driven by a number of other functions.

Some of these are:

Marketing

The PGA tournament works in a different fashion from most other professional sports events. Apart from the brand sponsor, there is no single sponsor throughout the entire season. Sponsors instead fund individual tournaments, with the largest sponsors funding the Playoffs and the various championship tournaments. The various tournament sponsorships are heavily in demand, and sponsors sign up deals for a number of years. The rest of the events on the PGA tour and additional events are separately funded by the local sponsors. Sponsorships range from \$3 million for small tournaments to \$8 million each for the four Playoffs and \$35 million in prize money for the season winner. However, sponsorships also include the cost of organizing and running the tournament. The various events are aired on sports channels like ESPN, Star and The Golf Channel. However, branding the event can be a challenge, since a golf tournament can be known by the course name, tournament name, host city, and occasionally the sponsor's name (SBNation, 2013). The venue hosting the event, the sponsors and the PGA Tour officials work together to market the event. Usually, the event sponsor has the biggest say in the marketing and branding of the event. Usually, the event is one of the largest marketing spends for the sponsor throughout the year, involving millions of dollars channeled into four days. Most sponsors target a specific audience and the focus is on the upper end of the economic segments where most golfers can be found. So sponsors range from telecom and automobile companies to hotels and banks.

Finance

The PGA Tour is financed through a major season sponsor and through the various event sponsors. The 2014 season has over \$250 million in sponsorship money, with \$67 million in prize money for the winner of the championship and the playoffs. The individual tournament prizes are also in the range of a few million dollars. Money earned through sponsorships is distributed to the venue for organizing the event, as prize money to the various winners and place-holders, and for marketing and distribution expenses such as television coverage (Forbes, 2013). The Tour also makes money from the licensing of its logo on various products – golf clothing, accessories and golf equipment, besides video games and other fringe activities. The rest is spent in operations, and a portion of the money goes into a retirement fund for players, matched by their contributions from winnings and appearance fees (Businessweek, 2005).

Operations

Since every event is run almost independently, the operations are managed by the venue staff, supported by the event sponsor and officials from the PGA Tour. The latter are present to ensure that the event retains the quality and image associated with the PGA and that the norms for the tournament are strictly followed.

Legal Issues

The PGA Tour has faced controversies over issues relating to discrimination in the past, with women and minorities alleging bias in allowing players to participate. However, the PGA Tour has been focusing on becoming more

inclusive and getting better participation from women and minorities in tournaments.

Conclusion

The PGA Tour is one of the newest professional alignments of sports management, having started only in 2007. However, through professional management and the growing appeal of the sport, the PGA Tour is likely to be successful for a long time to come.

References

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