Agenda

• Two Minute Take-Aways

• Golfer expectations for 2013: perceptions, participation, spending and retail channel preferences

• Golfer attitudes in 2013, five year trends and their implications for the industry

• A focus on golfer travel: Inside the decision process
Two Minute Take-Aways

• **Full Steam Ahead?** After a post recession flatness, US golfers appear more poised to play and spend on golf than they have in the past three years. Driving the optimism are “more playing partners” and game improvement.

• **Or is it Baby Steps?** Golfers feel industry player development momentum, but concurrent increases in family pressures and child centricity may only take us so far.

• **Custom Fitting and Technology Innovation Spur Retail:** The messages are resonating and 2013 looks good, particularly for irons and a number of product categories. Per cap spending continues upward, but at a perceived discount from expectations

• **Private Clubs Reverse Course...For the Better:** The bloodbath of recent years has abated in terms of rampant attrition. Though there is still work to be done

• **Are Golfers More Resilient than the Average American?** Golfers’ personal optimism belies their still negative perceptions of the overall U.S. economy

• **A More Captivating TOUR:** Perceived popularity of the PGA TOUR is at an all time high as golf fans begin to embrace the influx of new and international talent and turn to new media in a world that moves ever faster
Background, Objectives and Methodology

- Winter 2013 SLRG Sports Omnibus
  - Assess the attitudes and perceptions of golfers
- Initiated by Sports and Leisure Research Group in 2009
- 2013 online survey of over 1,200 golfer respondents
  - Fielded January 3-4, 2013
  - All golfers played a minimum of twice per month in season during 2012
Tour Popularity and Fans: Huge Boost in PGA TOUR Popularity

Indicate whether you feel this sport has become more popular, less popular or stayed the same over the past two-three years.

More Popular

PGA TOUR

I watch and follow closely

LPGA

Older players, lower handicappers and more avid players continue to out-index golfers in general.
Golfer Awakening?

- Golfers remain optimistic about intended participation increases in 2013. In 2012, they really meant it....And the outlook for retail also shows positive directional movement.

Do you expect to/Did you actually play the same amount or more in...?

<table>
<thead>
<tr>
<th>Year</th>
<th>Expected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>72%</td>
<td>77%</td>
</tr>
<tr>
<td>2010</td>
<td>94%</td>
<td>77%</td>
</tr>
<tr>
<td>2011</td>
<td>96%</td>
<td>76%</td>
</tr>
<tr>
<td>2012</td>
<td>96%</td>
<td>96%</td>
</tr>
<tr>
<td>2013</td>
<td>95%</td>
<td></td>
</tr>
</tbody>
</table>

Do you expect to spend the same amount or more next year?

<table>
<thead>
<tr>
<th>Year</th>
<th>Expected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>66%</td>
<td>28%</td>
</tr>
<tr>
<td>2011</td>
<td>76%</td>
<td>28%</td>
</tr>
<tr>
<td>2012</td>
<td>76%</td>
<td>32%</td>
</tr>
<tr>
<td>2013</td>
<td>77%</td>
<td>MORE</td>
</tr>
</tbody>
</table>
Why Golfers Are Playing More

- It's about people: Playing partners and business golf are on the rise. But what about family?

Stable reasons cited: I have reduced business pressures (21%), I've recently bought new equipment (17%), My health has improved (14%), There is better value in the marketplace (9%), I've joined a golf league or local program (14%)

Top response for <35 years old (56%), public golfers and lower income players
Why Golfers Are Playing Less

- We need to work harder at integrating the family into the golf experience
A Light at the end of the tunnel? Golfers are Feeling Some Positive Movement in Industry Focus on Participation Growth

Agreement with statement: “The game of golf is facing major challenges in regards to growing overall participation”

2012

- Strongly Agree: 40%
- Agree: 27%
- Neutral: 18%
- Disagree: 15%

Agreement: 67%
Median Agreement: 7 of 10

2013

- Strongly Agree: 35%
- Agree: 25%
- Neutral: 18%
- Disagree: 22%

Agreement: 60%
Median Agreement: 6 of 10
Perceptions On New Equipment Purchasing

- Innovation messaging rings stronger, while custom fitting / retail begins to improve the buying process

<table>
<thead>
<tr>
<th>AGREEMENT WITH FOLLOWING STATEMENTS:</th>
<th>2013</th>
<th></th>
<th>2012</th>
<th></th>
<th>2011</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Top 3 Box</td>
<td>Mean</td>
<td>Top 3 Box</td>
<td>Mean</td>
<td>Top 3 Box</td>
<td>Mean</td>
</tr>
<tr>
<td>New golf equipment continues to become more technologically innovative every year</td>
<td>59%</td>
<td>7.7</td>
<td>52%</td>
<td>7.5</td>
<td>56%</td>
<td>7.5</td>
</tr>
<tr>
<td>Buying new golf equipment has become a more complicated process in recent years</td>
<td>35%</td>
<td>6.1</td>
<td>36%</td>
<td>6.2</td>
<td>38%</td>
<td>6.2</td>
</tr>
<tr>
<td>Buying the right new golf equipment can help me to immediately improve my game</td>
<td>29%</td>
<td>6.2</td>
<td>25%</td>
<td>5.9</td>
<td>30%</td>
<td>6.1</td>
</tr>
<tr>
<td>I've found one brand of golf equipment that I plan to stick with, when I make my next purchase</td>
<td>26%</td>
<td>5.1</td>
<td>24%</td>
<td>5.1</td>
<td>24%</td>
<td>5.0</td>
</tr>
<tr>
<td>I won't buy new golf equipment without trying it out first on the golf course</td>
<td>22%</td>
<td>5.0</td>
<td>23%</td>
<td>5.1</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>I'd enjoy golf more if courses weren't as long as they are today</td>
<td>19%</td>
<td>4.5</td>
<td>20%</td>
<td>4.7</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>
Golf Purchasing Trends

• 2013 Looks strong for irons

• Golf Balls, apparel and drivers should continue to be strong

• Some positive movement suggested in footwear as well

• Golf Bags see jump in spending expectations
Key Year-Over-Year Trends

Category Purchasing:

2012 vs. 2011 Meaningful Increases in % Purchasing

- Golf Apparel
- Drivers

2013 vs. 2012 Meaningful Purchase Expectation Increases

- *Irons*
- Golf Apparel/Shoes/Bags
Golf Purchasing Trends

2013 Golfer Consumer Attitudes & Travel Insights

Golf Balls
- Plan to Purchase
- Purchased

Golf Apparel
- Plan to Purchase
- Purchased

Golf Shoes
- Plan to Purchase
- Purchased

Driver(s)
- Plan to Purchase
- Purchased

Replacement Grips
- Plan to Purchase
- Purchased

Hybrids
- Plan to Purchase
- Purchased
Golf Purchasing Trends

2010 2011 2012 2013

Other Fairway Woods/Metals

Plan to Purchase
Purchased

Wedges

Golf Bags

Putters

Irons

15%
Key Year-Over-Year Trends

Per Cap Price Achievement:

Reported 2012 Per Cap Dollars Spent Higher than Expected 2012 Spending
- Golf Shoes
- Golf Apparel

Reported 2012 Per Cap Price Achievement Increases Over YAG
- Replacement Grips (+10.6%)
- Putters (+9.8%)
- Hybrids (+6.5%)
- Drivers (+5.2%)
- Fairways (+5.0%)

Expected 2013 Year-Over-Year Per Cap Spending Increases
- Golf Bags (+16.7%)
- Replacement Grips (+5.4%)
- Drivers (4.4%)
Spending Levels:

### Expected Purchasing

<table>
<thead>
<tr>
<th>Year</th>
<th>Drivers</th>
<th>Fairway Woods</th>
<th>Hybrids</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$305</td>
<td>$237</td>
<td>$189</td>
</tr>
<tr>
<td>2012</td>
<td>$292</td>
<td>$230</td>
<td>$195</td>
</tr>
<tr>
<td>2011</td>
<td>$308</td>
<td>$245</td>
<td>$199</td>
</tr>
<tr>
<td>2010</td>
<td>$271</td>
<td>$232</td>
<td>$178</td>
</tr>
</tbody>
</table>

### Actual Purchasing

<table>
<thead>
<tr>
<th>Year</th>
<th>Drivers</th>
<th>Fairway Woods</th>
<th>Hybrids</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$261</td>
<td>$209</td>
<td>$179</td>
</tr>
<tr>
<td>2011</td>
<td>$248</td>
<td>$199</td>
<td>$168</td>
</tr>
<tr>
<td>2010</td>
<td>$243</td>
<td>$192</td>
<td>$162</td>
</tr>
<tr>
<td>2009</td>
<td>$221</td>
<td>$175</td>
<td>$161</td>
</tr>
</tbody>
</table>
Spending Levels:

**Expected Purchasing**
- **Irons**
  - 2013: $579
  - 2012: $587
  - 2011: $550
  - 2010: $579

- **Wedges**
  - 2013: $141
  - 2012: $149
  - 2011: $161
  - 2010: $133

- **Putters**
  - 2013: $131
  - 2012: $158
  - 2011: $138
  - 2010: $124

**Actual Purchasing**
- **Irons**
  - 2012: $505
  - 2011: $512
  - 2010: $498
  - 2009: $478

- **Wedges**
  - 2012: $138
  - 2011: $123
  - 2010: $149
  - 2009: $120

- **Putters**
  - 2012: $157
  - 2011: $143
  - 2010: $127
  - 2009: $129
Spending Levels:

**Expected Purchasing**
- **Golf Balls**
  - 2013: $125
  - 2012: $122
  - 2011: $127
  - 2010: $112
- **Golf Shoes**
  - 2013: $120
  - 2012: $118
  - 2011: $119
  - 2010: $119
- **Golf Apparel**
  - 2013: $207
  - 2012: $211
  - 2011: $216
  - 2010: $211

**Actual Purchasing**
- **Golf Balls**
  - 2012: $12
  - 2011: $13
  - 2010: $122
  - 2009: $115
- **Golf Shoes**
  - 2012: $12
  - 2011: $13
  - 2010: $11
  - 2009: $109
- **Golf Apparel**
  - 2012: $12
  - 2011: $13
  - 2010: $15
  - 2009: $211
2013 Golfer Consumer Attitudes & Travel Insights

Spending Levels:

**Expected Purchasing**
- Replacement Grips:
  - 2013: $78
  - 2012: $74
  - 2011: $78
  - 2010: $68

- Golf Bags:
  - 2013: $161
  - 2012: $138
  - 2011: $138
  - 2010: $140

**Actual Purchasing**
- Replacement Grips:
  - 2012: $73 (↓$6 from expected)
  - 2011: $68 (↓$6 from expected)
  - 2010: $59 (↓$6 from expected)
  - 2009: $59 (↓$6 from expected)

- Golf Bags:
  - 2012: $133 (↓$132 from expected)
  - 2011: $132 (↓$132 from expected)
  - 2010: $137 (↓$137 from expected)
  - 2009: $120 (↓$120 from expected)
Anchoring Ban – A Non Event for Retail?

I support the USGA’s position on banning anchoring of long/belly putters on the putting green.

Less than 0.5% of golfers use a belly putter because they can no longer play or practice with a shorter putter.
Retail Decisions are Still About Value and Service

TOP 3 BOX AGREEMENT

- Quality service can make the ultimate difference in what I buy. 64% (2009), 65% (2010), 61% (2011), 64% (2012), 67% (2013)
- If I see something I like, I don't worry about the price. 34% (2009), 23% (2010), 21% (2011), 16% (2012), 19% (2013)

Purchase decisions for me are more about substance than about style. 63% (2009), 65% (2010), 65% (2011), 65% (2012), 65% (2013)

There are so many good deals these days, that I rarely ever pay full price anymore. 31% (2009), 37% (2010), 37% (2011), 37% (2012), 37% (2013)
Golf Retail Channel Preference: “Concrete” Remains Strong

Q Where are you most likely to make your next golf equipment purchase?

- Online purchases significantly more likely for single digit handicappers (19%) and those with children in the household (18%). Green grass remains a mainstay for private club golfers (48%).
The Long Term Future Appears Better Than It Has In Recent Years

- But child centricity continues to escalate….an opportunity for golf?

TOP 3 BOX SUMMARY
...And Golfers Are More Bullish About The Year Ahead Than They’ve Been In Four Years

- An “active retirement” remains in golfers’ future plans
The State of Private Clubs: A Challenging Environment is Trending Better

TOP 3 BOX AGREEMENT

Private clubs in general, need to make aggressive changes to remain relevant in the coming years
- Mean 7.4
- Mean 7.7
- Mean 6.9

My club must make aggressive changes to remain viable in the coming years
- Mean 6.2
- Mean 6.8
- Mean 6.1

I'm concerned about the financial stability of my club
- Mean 5.5
- Mean 5.9
- Mean 5.7

Mean: 10 point scale
Base: National Sample of Private Club Members
Private Club Operator Actions are Being Noticed

- Welcome emphasis on juniors, family and women...But are too many resorting to drastic discounting to stem the tide?

**TOP 3 BOX AGREEMENT**

<table>
<thead>
<tr>
<th>Action</th>
<th>2011 Mean</th>
<th>2012 Mean</th>
<th>2013 Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>My club has made concerted efforts to attract younger members in the past few years</td>
<td>6.8</td>
<td>6.9</td>
<td>6.9</td>
</tr>
<tr>
<td>My club has aggressively reduced the cost of membership to attract new members over recent years</td>
<td>5.3</td>
<td>5.4</td>
<td>5.9</td>
</tr>
<tr>
<td>My club has been putting more emphasis on junior golf programs recently</td>
<td>6.0</td>
<td>5.8</td>
<td>6.3</td>
</tr>
<tr>
<td>My club recently instituted a variety of new non-golf programs to attract families</td>
<td>5.2</td>
<td>5.4</td>
<td>5.5</td>
</tr>
<tr>
<td>My club has been putting more emphasis on women's golf programs recently</td>
<td>5.5</td>
<td>5.4</td>
<td>5.9</td>
</tr>
</tbody>
</table>

Mean: 10 point scale
Base: National Sample of Private Club Members
Private Club Member Retention vs. Attrition: The Tide is Turning

MEMBERSHIP LEVELS OVER THE PAST 3 YEARS

<table>
<thead>
<tr>
<th>Year</th>
<th>Lost more than 10%</th>
<th>Lost between 5% - 10%</th>
<th>Lost less than 5%</th>
<th>Remained flat or consistent</th>
<th>Increased by 5%</th>
<th>Increased by 5% - 10%</th>
<th>Increased more than 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>12%</td>
<td>13%</td>
<td>8%</td>
<td>28%</td>
<td>14%</td>
<td>9%</td>
<td>7%</td>
</tr>
<tr>
<td>2012</td>
<td>20%</td>
<td>21%</td>
<td>11%</td>
<td>26%</td>
<td>11%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>2011</td>
<td>18%</td>
<td>22%</td>
<td>11%</td>
<td>29%</td>
<td>10%</td>
<td>6%</td>
<td>3%</td>
</tr>
</tbody>
</table>

30% report a gain in membership
22% report a gain in membership
19% report a gain in membership

Base: National Sample of Private Club Members
Golfers are still Bearish on the Overall Economy...but Trend Personally Positive

51% (56% in 2012) of golfers strongly agree that “the gap between the ‘haves’ and the ‘have nots’ has become more problematic in the U.S. in recent years.”

Only 11% of golfers strongly believe that the US will fully avoid recession in 2013)
Stop the World, I want to Get Off: Things Moving Faster Still

- Golf continues to be an “oasis” for many

**TOP 3 BOX AGREEMENT**

- We live in an age of constant updates: 72% (2010), 73% (2011), 75% (2012), 82% (2013)
- Golf is my personal "oasis" from day-to-day chaos: 48% (2010), 41% (2011), 36% (2012), 36% (2013)
- There's too much new technology to keep up with: 26% (2010), 39% (2011), 40% (2012), 42% (2013)
- I'm spending more time these days with friends and family, than I did in the past: 58% (2010), 39% (2011), 29% (2012), 33% (2013)
- Today there is more of a priority on getting things done more quickly with less resources: 55% (2010), 62% (2011), 64% (2012), 64% (2013)

Still the strongest overall agreement among 44 statements.
Across the board growth in golfers utilizing mobile to consume golf content within the past 30 days
### Golfer Consumer Attitudes & Travel Insights

- The perceived importance of mobile golf content shows large increases from last year.

**Golfers Look to New Technology for Golf Content**

<table>
<thead>
<tr>
<th>% AGREEMENT</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>In general, golf-related content on a tablet device or smart phone offers golfers new ways to interact with the game</td>
<td>24%</td>
<td>58%</td>
</tr>
<tr>
<td>Golf-related apps on a tablet device or smart phone are bringing benefits to golfers not available before</td>
<td>24%</td>
<td>56%</td>
</tr>
<tr>
<td>I recognize the benefits of having golf-related content available on a tablet device or smart phone</td>
<td>25%</td>
<td>53%</td>
</tr>
<tr>
<td>The interactive features available in golf-related apps on a tablet device or smart phone are appealing</td>
<td>19%</td>
<td>45%</td>
</tr>
<tr>
<td>Golf instruction on a tablet device or smart phone can offer unique interactive ways to improve my game</td>
<td>15%</td>
<td>42%</td>
</tr>
<tr>
<td>A virtual “lesson” from a golf pro on the Internet is potentially an innovative and convenient way to receive instruction</td>
<td>NA</td>
<td>41%</td>
</tr>
</tbody>
</table>
The Year Ahead on TOUR

- It’s a new era replete with exciting young and international players on TOUR
- But nearly four in ten believe that Tiger has another major in the tank for 2013

There has been a "passing of the baton" to the new breed of young players in professional golf

I expect Tiger Woods to win a Major in 2013

I'm excited by the influx of top foreign players on the PGA TOUR

**TOP 3 BOX AGREEMENT**

- Mean: 7.9 64%
- Mean: 6.3 39%
- Mean: 5.9 29%
- Mean: 5.8 24%

2013 2012
The Golfer’s Journey Towards Destination Travel Decisions

A RESEARCH EXPLORATION
A comprehensive look at the process of purchasing golf travel from initial motivation to final booking

- Identify distinct purchase process stages, complete with assessment of unique sources of information and influence at each distinct stage
- Reveal and measure the impact and role of key decision influencers inclusive of media, W-O-M, viral sources
- Develop portraits of various golf traveler “archetypes” defined by the nature of their golf vacation:
  - “Buddy” Trips
  - Family Vacations
  - Spouse/Partner Travel
  - Business Travel
- Uncover evolving trends in golf travel needs and decision process elements, inclusive of:
  - Golfers’ attitudes and behaviors surrounding the travel destination
  - The impact and significance of today's time constrained, value conscious and child-centric climate on destination selection and travel behaviors
  - Golfer travel behavior relative to that of affluent adults in general
SUMMARY OF FINDINGS
A comprehensive look at the process of purchasing golf travel from initial motivation to final booking

- Identify distinct purchase process stages, complete with assessment of unique sources and influence
- Reveal and measure the impact and role of key decision influencers
- Develop portraits of various golf traveler “archetypes” defined by the nature of their golf vacation:
  - “Buddy” Trips
  - Family Vacations
  - Spouse/Partner Travel
  - Business Travel
- Uncover evolving trends in golf travel needs and decision process elements:
  - Golfers’ attitudes and behaviors surrounding the travel destination
  - The impact and significance of today’s time constrained, value conscious and child-centric climate
  - Golfer travel behavior relative to that of affluent adults in general
The Sports Illustrated Golf Group (SIGG) partnered with Sports and Leisure Research Group to conduct a 20 minute online survey

- Data Collected in September-October 2012

- 1,504 male respondents aggregated from SLRG panel sources

- Four golf traveler segments plus a control segment of affluent (HHI $75k+) adult travelers:

  **Recent Travelers: Past 6 Months**
  - Core Golfers (8+24 Rounds/Yr)
  - Avid Golfers (25+ Rounds/Yr)

  **Future Travelers: Next 6 Months**
  - Core Golfers (8+24 Rounds/Yr)
  - Avid Golfers (25+ Rounds/Yr)

- Quotas to capture a minimum of N=150 each of those taking:
  - Buddy Golf Trips
  - Family Golf Trips
  - Spouse Golf Trips
  - Business Golf Trips
THE TOP 5 SOURCES THROUGHOUT THE GOLF TRAVEL PURCHASE PROCESS

- 2+ Months Out
- 1-2 Months Out
- 2 Weeks - 1 Month Out
- Final Two Weeks

Average Number of Important Sources:

- 19
- 27
- 19
- 8

• Golf Magazine and Websites Play a Key Role

**Top 5 Sources for Golf Travel Planning**

- Colleagues, Friends & Family
- Hotel Chain or Property Specific Websites
- Google Search, Price Comparison Travel Websites
- Articles/Features in Golf Magazines
- Articles/Features on Golf Websites
MEDIA INSIGHTS

Advertising Across Various Media Brings Unique Consumer Benefits

- Magazine and Internet advertising do the best job of being informative, credible, useful, trustworthy and inspirational
- TV advertising is strongest in providing entertainment and inspirational value as well as memorability
- Direct Mail’s utility is waning, with greatest efficacy in its ability to be informative

<table>
<thead>
<tr>
<th></th>
<th>Magazine Ads</th>
<th>Internet Ads</th>
<th>Direct Mail</th>
<th>TV Ads</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most Informative</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>Most Believiable/Credible</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most Useful</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most Trustworthy</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most Entertaining</td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>Most Memorable</td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>Most Likely to Make Me Want to Travel</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>Information I Can’t Find Elsewhere</td>
<td></td>
<td>✔</td>
<td>✔</td>
<td></td>
</tr>
</tbody>
</table>
Domestic Golf Destinations Claimed 93% of Golfers’ Most Recent Trips

Most Popular Regions Visited

- Top International Golf Destinations: Caribbean, Mexico, Canada, UK

- California 16%
- Las Vegas 8%
- Arizona 5%
- Florida 20%
  - Central FL 6%
  - Tampa/St.Pete/Gulf Coast 6%
  - South FL 5%
  - NE FL 3%
- The Carolinas 16%
  - Myrtle Beach 9%
  - North Carolina 4%
  - Hilton Head 3%

While golf travelers originating in the West tend to stay there, those from other regions cast a wider geographic net.

Base: Recent Golf Travelers
Golfers Continue To Consider A Diverse Range of Destinations Until The Final Process Stage:

THOSE CONSIDERING CALIFORNIA, 2 WEEKS FROM BOOKING, ALSO CONSIDER...

- Southeast 35%
- Florida 46%
Process Elements: Golfers Gravitate to Online Bookings

What was/will be the process that you used/use to make arrangements for your most recent/next trip?

- Business golf travelers are more apt to book online or through a travel agent, relative to those taking buddy, family or spouse trips
- Trends show online bookings on the rise
The Planning to Booking Window: The Decision Process for Families Is Typically Longer and More Involved

**Q** Aggregate of total weeks spent thus far + expected total weeks until booking

<table>
<thead>
<tr>
<th>Mean # Weeks</th>
<th>Buddy</th>
<th>Business</th>
<th>Family</th>
<th>Spouse/Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.7</td>
<td>11.5</td>
<td>15.6</td>
<td>12.7</td>
<td></td>
</tr>
</tbody>
</table>

Add another 1-2 months between booking and actual travel

**Q** Time elapsed between when booked most recently completed trip and when began the trip

<table>
<thead>
<tr>
<th>Mean # Weeks</th>
<th>Buddy</th>
<th>Business</th>
<th>Family</th>
<th>Spouse/Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.3</td>
<td>4.8</td>
<td>7.5</td>
<td>6.8</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL**

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>19 Wks</td>
<td>16.3Wks</td>
<td>23.1Wks</td>
<td>19.5Wks</td>
</tr>
</tbody>
</table>
Golfers Are Bullish About Future Travel

Compared to this past year, are you planning to travel more often or less often in the next 12 months?

- **Total Golf Travelers**
  - Much more often: 5%
  - More often: 27%
  - Same: 48%
  - Less often: 20%
  - Much less often: 0%

Results show a greater tendency for family travel to be more frequent in the year ahead, relative to other golf trips.

- Avid Golfers are 17% more likely than Core Golfers to be planning increased travel over the next twelve months.
Average Per Person Spending on Recent Golf Vacations

- Family and Business Golf Travel Yield Higher Overall Spending

<table>
<thead>
<tr>
<th>Recent Golf Travelers (Per Person)</th>
<th>Buddy</th>
<th>Business</th>
<th>Family</th>
<th>Spouse/Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodging</td>
<td>$347</td>
<td>$562</td>
<td>$539</td>
<td>$390</td>
</tr>
<tr>
<td>Transportation</td>
<td>$247</td>
<td>$328</td>
<td>$424</td>
<td>$347</td>
</tr>
<tr>
<td>Greens Fees and other activities</td>
<td>$269</td>
<td>$242</td>
<td>$210</td>
<td>$177</td>
</tr>
<tr>
<td>Entertainment/ food/ beverage</td>
<td>$501</td>
<td>$517</td>
<td>$560</td>
<td>$525</td>
</tr>
<tr>
<td>Total Spending</td>
<td>$1,363</td>
<td>$1,649</td>
<td>$1,734</td>
<td>$1,439</td>
</tr>
</tbody>
</table>

- Recent Avid Golf Travelers outspent Recent Core Golf Travelers

<table>
<thead>
<tr>
<th></th>
<th>Avids</th>
<th>Cores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodging</td>
<td>$662</td>
<td>$522</td>
</tr>
<tr>
<td>Transportation</td>
<td>$401</td>
<td>$353</td>
</tr>
<tr>
<td>Greens Fees &amp; Other</td>
<td>$326</td>
<td>$234</td>
</tr>
<tr>
<td>Entertainment/Food/Beverage</td>
<td>$712</td>
<td>$589</td>
</tr>
</tbody>
</table>

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<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodging</td>
<td>127</td>
</tr>
<tr>
<td>Transportation</td>
<td>114</td>
</tr>
<tr>
<td>Greens Fees &amp; Other</td>
<td>139</td>
</tr>
<tr>
<td>Entertainment/Food/Beverage</td>
<td>121</td>
</tr>
</tbody>
</table>
Golf Travelers Are Motivated Researchers Who Use Many Sources
Print and Internet are key sources

**AGREEMENT**

- **86%** Do more of their own research
- **81%** I am more likely to go to the Internet for information about golf packages and prices than to call the golf resort directly
- **79%** I usually research a variety of different golf vacation destinations before making a final decision
- **68%** Magazines are a great source that inspires me to seek out interesting new places to go
- **52%** I recognize the benefits of having travel content available on a smart phone or tablet device (iPad, etc.)

Couples trips are significantly more likely to rely on D-I-Y research
Golfers Recognize Unique Needs for Different Type of Trips

**AGREEMENT**

- **73%**
  I generally look at golf vacations and family vacations as two very different types of trips

- **70%**
  When planning a vacation for my family, I will be much more likely to stay at family friendly destinations that also have a golf course

- **63%**
  I am more inclined to include my family on golf vacations than I was five years ago

Avid golfers are more likely to seek out family friendly destinations that include golf---to have their cake and eat it too!
Golfers Are Looking for Golf Course Beauty and Familiarity, but with a Variety of Activities

AGREEMENT

80% Playing a beautiful and well-maintained golf course on my golf vacation is more important to me than playing a challenging one.

80% I like to return to the same golf vacation destinations, which I enjoy the most.

77% It's important to me that there are a variety of other activities to do besides golf when I plan where to go on a golf vacation.

64% I prefer staying at resort properties with abundant amenities.

57% When I go on vacation I prefer staying at well known hotel or resort brands rather than properties unique to a destination.
Younger, More Affluent and Better Golfers Assume Greater Responsibility for Planning Travel

...what was your role, if any, in planning this trip or vacation?

% Fully Responsible For

- Age <50: 68%
- Age 50+: 45%
- HHI <$150K: 58%
- HHI >$150K: 70%
- Handicap <10: 67%
- Handicap 10+: 57%
Golfers Are Looking for Course Quality, Climate and Tee Times

- Golf travelers from the Northeast are more likely to consider weather/climate, quality and variety of dining options and variety of golf courses to play to be important drivers.
- Those golfing abroad place quality of accommodations and ease of getting around once they arrive on an equal primacy with golf course quality.
Fine Dining, “Water” and Nightlife Are Most Valued

<table>
<thead>
<tr>
<th>Feature</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fine dining in the area</td>
<td>52%</td>
</tr>
<tr>
<td>Restaurants on site</td>
<td>52%</td>
</tr>
<tr>
<td>Pool(s)</td>
<td>51%</td>
</tr>
<tr>
<td>Bars/Nightlife</td>
<td>48%</td>
</tr>
<tr>
<td>Access to /beach/lake/river</td>
<td>43%</td>
</tr>
<tr>
<td>On-site facility transportation</td>
<td>39%</td>
</tr>
<tr>
<td>Availability of casino gaming</td>
<td>39%</td>
</tr>
<tr>
<td>Shopping</td>
<td>38%</td>
</tr>
<tr>
<td>Concierge services</td>
<td>38%</td>
</tr>
<tr>
<td>Other sports facilities</td>
<td>35%</td>
</tr>
</tbody>
</table>
Golfer Segments Prioritize their Needs in Different Ways

**Buddy**
- Quality of golf courses
- Weather Conditions/Climate
- Availability of Tee times on Desired Courses
- Value for the money
- Bars/Nightlife

**Spouse/Partner**
- Value for the money
- Availability of Tee times on Desired Courses
- Fine dining in the area
- Pool
- Restaurants on site
- Shopping

**Business**
- Weather Conditions/Climate
- Quality of the golf course
- Quality of Accommodations
- Fine dining in the area
- Restaurants on site
- Pool

**Family**
- Quality of golf courses
- Weather Conditions/Climate
- Value for the money
- Restaurants on site
- Pool
- Access to Beach/River
- Shopping
Avid Golfers Travel More

Mean # Trips

<table>
<thead>
<tr>
<th></th>
<th>Core Golfers</th>
<th>Avid Golfers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trips for vacation/pleasure/personal reasons only</td>
<td>3.7</td>
<td>5.0</td>
</tr>
<tr>
<td>Trips for business reasons only</td>
<td>3.0</td>
<td>4.6</td>
</tr>
<tr>
<td>Trips combining vacation/pleasure/personal and business</td>
<td>1.8</td>
<td>3.3</td>
</tr>
</tbody>
</table>

Mean Days Away

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Trips for vacation/pleasure/personal reasons only</td>
<td>13.1</td>
</tr>
<tr>
<td>Trips for business reasons only</td>
<td>7.8</td>
</tr>
<tr>
<td>Trips combining vacation/pleasure/personal and business</td>
<td>5.3</td>
</tr>
</tbody>
</table>

AVID INDEX

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>135</td>
<td>153</td>
</tr>
<tr>
<td>183</td>
<td></td>
</tr>
</tbody>
</table>
Duration of the Most Recent Trip: Family Golf Vacations Are Longer

Those groups whose most recent Golf trip was longer:
- Travelers to the West compared to those traveling elsewhere
- Avid vs. core golfers
- Single digit handicappers vs. less skilled players
Golfers Are a Significantly Attractive Travel Target vs. the Overall U.S. Affluent Population

Golfers Spend nearly 30% more on their vacations!

Family/Business Golf Trips Show significantly higher personal spending

<table>
<thead>
<tr>
<th></th>
<th>Golf Travelers</th>
<th>Affluent U.S. Travelers</th>
<th>Golfer Advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodging</td>
<td>$400</td>
<td>$300</td>
<td>+33%</td>
</tr>
<tr>
<td>Transportation</td>
<td>$250</td>
<td>$200</td>
<td>+25%</td>
</tr>
<tr>
<td>Entertainment</td>
<td>$200</td>
<td>$122</td>
<td>+64%</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>$200</td>
<td>$200</td>
<td>---</td>
</tr>
</tbody>
</table>
Golfers are More Bullish than Affluent Americans

Compared to this past year, are you planning to travel more often or less often in the next 12 months?

- Golfers are 22% more likely than affluent Americans to be planning increased travel over the next twelve months.
- Avid Golfers are 17% more likely than Core Golfers to be planning increased travel over the next twelve months.
Implications: A Strategic Framework for 2013

• **Carpe Diem:** Welcome dose of golfer optimism can spur an upturn for the industry
  - Walk the talk on product innovation, value and customized service/game improvement
    - Embrace the family as part of the golf experience and build “player community”

• **Make things Easier and Feed the “Escape”:** Streamlined, turn-key offerings can provide a break from the frenetic pace and constant noise that golfers seek to insulate themselves from

• **Keep Pace with the Customer:** Insert your brand in a relevant context,...which varies across multiple, additive touch points

• **Different Tacts for Different Trip Types:**
  - Important differences by traveler type (i.e., buddy vs. family vs. business)

• **Use of multiple media sources throughout the travel purchase process**

• **Stay in the game throughout the process:** Multiple destinations are still considered until final booking