

KPMG on Golf Tourism Growth Trends



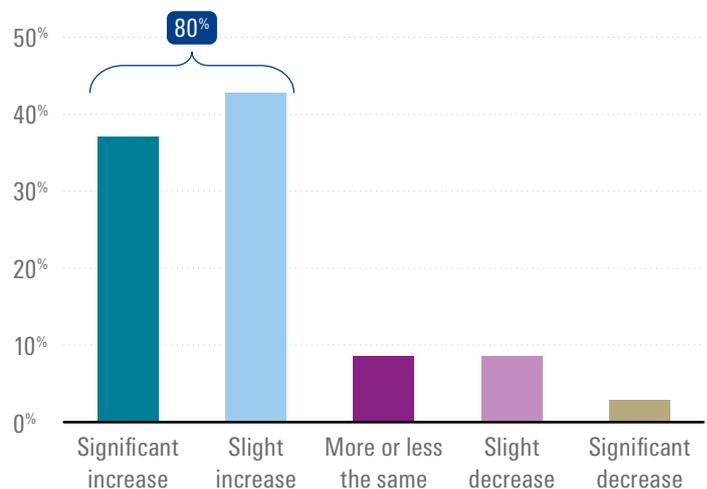
Over the past few decades, the success of golf tourism has risen appreciably. Many golf tour operators around the world are tailoring their offers to the specific needs of golfers. Whether as a primary motivation for a holiday or simply as a secondary activity, golf attracts millions of holidaymakers worldwide.

The business of golf tourism is not only a revenue generator for golf facilities themselves through spending on green fees, golf equipment and cart rental, but also for a wide variety of travel, leisure and hospitality services, such as hotels, restaurants, retailers, car rental and airlines.

This year, KPMG's Golf Advisory Practice undertook a survey of golf tour operators to find out about recent golf tourism trends around the world. The 2015 survey data was collected from nearly 50 golf tour operators and mainly reflects the situation in 2014.

The **volume of touristic golf bookings** in 2014 generally increased compared to 2013. 80% of all surveyed operators indicated that they had experienced an increase in the number of bookings YoY from 2013 to 2014. These results and the increasing demand for golf holidays suggest a continuous recovery of the golf travel industry following the lengthy economic crisis.

The volume of golf trip bookings in 2014 compared to that in 2013



Source: KPMG Survey

As in previous years, the majority of trips booked through golf tour operators were four to seven days long. The proportion of **longer trip bookings** started to increase in 2014 compared to the years before, suggesting an increasing willingness of golf travelers to spend more time and money on their golfing holidays.

Furthermore, according to 43% of all survey respondents, **golf package prices increased in 2014**, while 50% indicated that prices have generally remained at a similar level compared to 2013. Spain and Portugal were named as the destinations with most significant increases in prices in 2014. Likewise, the UAE and the USA also registered some price increases.

According to the surveyed golf tour operators, accessibility (including the availability of direct flights), package prices and the quality of the golf courses and facilities are the most **important factors** for golf travelers when choosing their golf holiday destination.

While **Spain and Portugal remain the two most popular golf destinations** globally, South Africa, Morocco, the UAE, Southeast Asia (specifically Thailand and Vietnam) and Bulgaria were named among popular emerging golf tourism hot spots in 2014. According to the surveyed golf tour operators, well-established locations such as the USA and Scotland remain ever-popular destinations for golf holidays.

Popular golf destinations

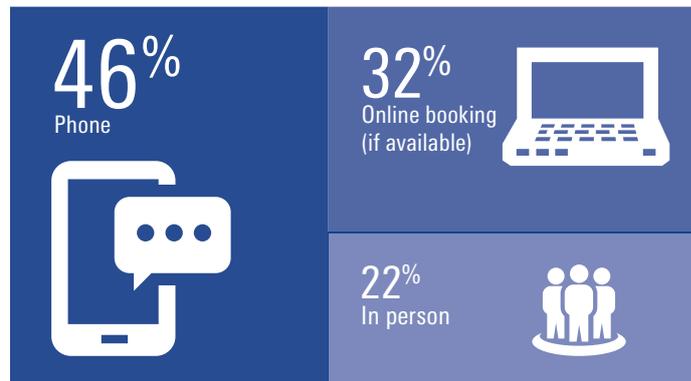


Source: KPMG Survey

The **most common golf travelers** are still the Brits and the North Americans, although they often choose domestic trips too. Scandinavians (mainly Swedish), Germans and Danish travelers are also near the top of the list, with a strong interest in travelling abroad for golf.

According to golf travel operators who participated in this year's survey, most bookings are made over the internet, by phone or e-mail. Despite its relatively low number, golfers still find it important to seek personal contact with agents for matters of inquiring additional information and advice.

The most popular booking channels



Source: KPMG Survey

While only a few years ago most operators didn't find the internet a viable option for golf trip bookings, the main trend mentioned in this year's survey was the emergence of improved online booking systems, as well as various smartphone and tablet applications. With changing customer needs, this direction is expected to gain importance in coming years.

As for the **timing of bookings**, about half of the trips are booked 1-6 months prior to the travel date, while about 40% are booked more than six months in advance (these are typically group bookings). Only approximately 10% of last year's bookings were made within one month prior to travel.

As the results of our survey show, 2014 was a successful year for golf tour operators. Worldwide, the number of bookings increased alongside increasing lengths of trip and greater spending. Golf travelers are exploring more destinations for their golf holidays and are now keener to travel beyond traditional golfing destinations. Besides this, the most active golf travelers still come from the more affluent nations with long-standing golfing traditions, i.e. British, Americans, Canadians, Scandinavians and Germans. With all this in mind, we anticipate that today's positive trends in the golf tourism industry will continue in the coming years.

For more detailed findings and further analysis please contact the Golf Advisory Practice of KPMG.

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