

The Development of Golf in the USA: Past Trends and Impact Factors

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Abstract:

In the USA (a developed market), recent research highlights golf’s significant role in enhancing mental well-being, especially for those who are aged 35-49, as the games provide them with a way to escape from everyday stress [1]. During the pandemic, golf courses became even more essential, with surveys showing that nearly every 97% of U.S. golf facilities organised at least one entertainment program or initiative in 2022, which improves the quality of life within their communities.

Keywords: Golf, equipment, organisation, hospitality

1. Introduction

In the USA (a developed market), recent research highlights golf’s significant role in enhancing mental well-being, especially for those who are aged 35-49, as the games provide them with a way to escape from everyday stress [1]. During the pandemic, golf courses became even more essential, with surveys showing that nearly every 97% of U.S. golf facilities organised at least one entertainment program or initiative in 2022, which improves the quality of life within their communities.

Furthermore, the direct economic effects of the golf industry include several key areas [2]. These involve golf courses and related facilities like pro shops, clubhouses, teaching centres, and practice ranges. The manufacturing of golf equipment and supplies, such as clubs, bags, balls, and shoes, also contributes to the industry’s economic impact. Retail trade of golf-related products, including equipment and apparel, represents another crucial compo-

nent. Additionally, hospitality venues that are provided to golfers, such as restaurants, non-golf retail, and entertainment, play a role in the industry’s direct economic effects. Moreover, the operations of professional golf associations, charitable organisations supported by golf tournaments and events, and housing developments in golf course communities all contribute to the golf industry’s overall economic impact.

In the USA, from 2016 to 2022, the game of golf experienced a 20% growth in economic activities, increasing from \$84.1 billion to \$101.7 billion. Besides its financial contributions, golf also creates a great number of career opportunities, with 1.65 million jobs [1]. This highlights that golf benefits both the global economy and individual incomes.

2. Comparative Analysis of U.S. Golf Equipment Revenue and U.S. GDP

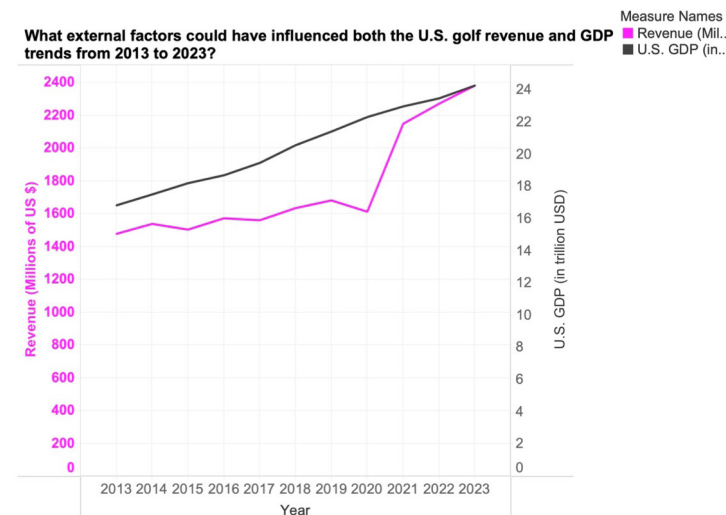


Figure 1: Golf Equipment Revenue vs GDP in the U.S. (2013-2023)

“Gross domestic product (GDP) is the total monetary or market value of all the finished goods and services produced within a country’s borders in a specific time period.” [3]. It can also be assessed by adding together the four major components – consumer spending, government spending, net exports, and total investment. This diverse measure provides a comprehensive view of a nation’s economic activity.

Figure 1 illustrates U.S. golf equipment revenue in millions USD [4] and U.S. GDP in trillion USD [5] from 2013 to 2023. The golf equipment revenue, shown in pink, follows a generally gradual upward trajectory until a notable boost occurred between 2021 and 2022. The U.S. GDP, in black, shows a steady and incremental increase throughout the decade of years, which reflects consistent economic growth.

The most significant fluctuation is observed in golf equipment revenue between 2021 and 2023, where the line sharply climbs. This indicates a sudden increase in equipment revenue compared to the steady growth of GDP in the preceding years. Here are some major factors of the boost:

2.1 Increased Participation

The global COVID-19 pandemic led to a surge in interest in outdoor activities. Golf became especially favourable because it allows for social distancing and takes place in large, open spaces. While many indoor activities faced restrictions, golf provide a safe way for people to stay healthy and active during the pandemic [6, 7].

As restrictions loosen, many individuals searched for safe recreational activities, which golf suits perfectly. It allowed people to connect with friends and family while keeping a safe distance. The increase in interest also brought a number of new players and audiences into the sport. Traditionally, golf was known to be more popular among older people, but now younger generations, like Gen Z, have started to take up the game. This led families to take their children to golf courses and private lessons, resulting in more memberships and players at golf courses. Furthermore, the pandemic also changed how people view outdoor activities. As wellness and health became more important, many people recognised golf as a great way to stay active and release stress.

2.2 Investment and Innovation in Golf

Significant investments in golf courses and further facil-

ities are crucial for attracting new players and retaining existing ones. Many courses improved their amenities, enhancing clubhouses such as food options and family-friendly areas to create an environment for all age groups [8]. Furthermore, technological innovations, like golf simulators, have also played a vital role in engaging younger participants [2]. Golf simulators recreate the experience of playing on a course, which allows players to practice in a virtually realistic environment regardless of weather conditions. These simulators consist of high-definition screens that display graphics and sensors that track the ball’s speed and trajectory, including software with game modes. These high-tech machines are mainly known for their accessibility for beginners, but they also offer advanced features for experienced players.

2.3 Tourism & Economic

The rebound in tourism has had a significant impact on golf equipment revenue, bringing the industry back after the pandemic [9]. As travel restrictions eased, golf tourism surged, with players eager to visit different courses across the country. This sudden increase in population benefited local economies, boosting spending in hotels, restaurants, and shops. Moreover, corporate events also resumed, with individuals from businesses using golf as a platform for networking. Golf play allows for informal interactions and strengthens workplace relationships. To take advantage of the resurgence, golf courses also adopted enhanced marketing strategies, promoting the unique features of golf and highlighting its safety measures for post-pandemic. Social media played a crucial role in attracting both leisure and experienced players to either pick up playing golf or starting as a beginner.

In conclusion, this graph provides a comprehensive visualisation of the growth trends of U.S. Golf Equipment Revenue and the GDP from 2013 to 2023. The data showcases a strong correlation and emphasises both similar and varied patterns of growth between the two variables. Overall, the consistent surge in U.S. Golf Equipment Revenue aligns closely with the upward trajectory of the U.S. GDP despite exceptional fluctuations, which highlights the correlated nature of individual business performance and national economic output.

3. The Impact of Average Annual Temperature in Florida on Golf Equipment Revenue in the U.S.

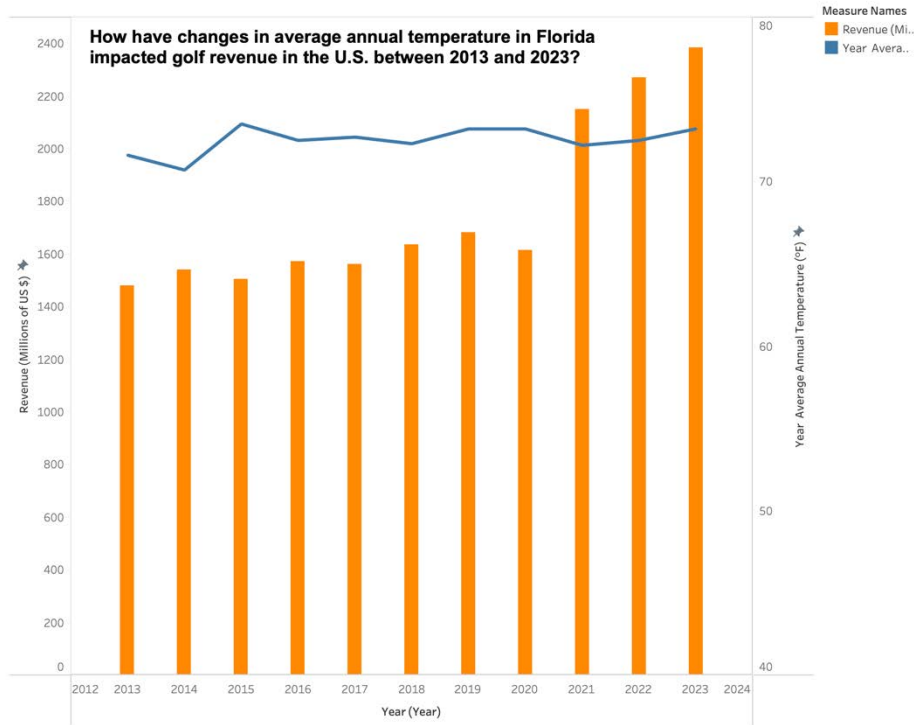


Figure 2: Average Annual Temperature in Florida vs. Golf Equipment Revenue in the U.S (2012-2023)

In the past decade, the link between average annual temperature in Florida [10] and golf equipment revenue in the United States has become more evident. As temperatures have steadily increased, there is a clear trend in the economic performance of the golf industry. Golf equipment revenue has experienced a general upward trend over the past ten years. Initially, at approximately \$1,800 million in 2012, it will increase to nearly \$2,400 million by 2023. This steady increase suggests a growing participation in golf. This could be driven by favourable weather conditions that extend the playing season. However, there was a significant drop in revenue in 2020, the COVID-19 pandemic being a major factor, which affected many industries, including golf.

From 2013 to 2023, the average annual temperatures gradually rose from around 55°F in 2012 to about 58°F in 2023. Despite some minor ups and downs, the overall trend implies a warming climate, which could benefit the golf industry. Warmer temperatures can improve the golf experience by creating better playing conditions. Better weather makes it more comfortable for golfers, which encourages them to play more often. Furthermore,

warmer weather often extends the golf season, which allows courses to remain open for a longer time during the evenings and attracts players from colder regions. These extended seasons and better conditions enable businesses and golf clubs to organise more events, such as tournaments and business events, which generates more income for golf courses.

In summary, the drop in revenue in 2020 emphasises how external factors beyond just weather conditions. The COVID-19 pandemic caused many golf courses to close temporarily and reduced participation due to health concerns. The data from 2013 to 2023 clearly shows a link between the rising average temperatures and increased golf equipment revenue in the U.S. It is noticeable that warmer weather seems to encourage more people to play golf, which leads to higher revenue. However, it is significant to acknowledge that global events and other factors that are unrelated to weather can also impact the industry. Further on, the good weather could continue to benefit the golf industry.

4. Youth Participation in Golf: A Rising Trend

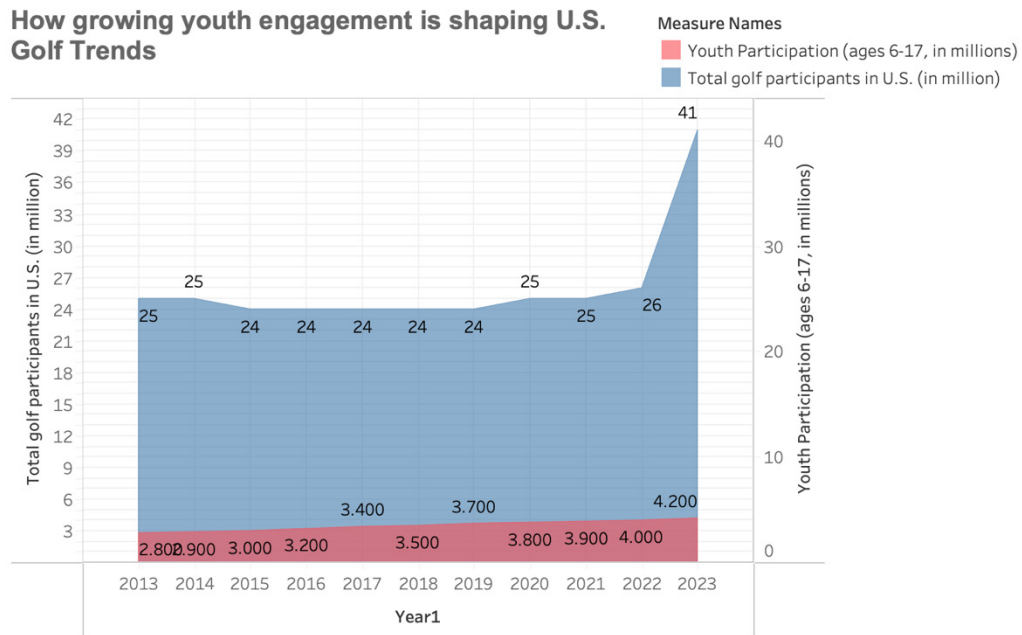


Figure 3: Youth Participation (ages 6-17) vs Total Golf Participants in the U.S.

Figure 3 shows U.S. golf participation from 2013 to 2023 [11, 12], highlighting significant trends. Over time, total participation remained relatively stable, with hovering around 24 to 26 million participants annually. This stability implies a consistent interest in golf among the general population. The numbers could also imply that there was a challenge in attracting new players or expanding the sport’s popularity during this period. These factors could include the perception of golf as a time-consuming or expensive sport, limited outreach to various demographics, and competition from other sports options.

However, a spike to 41 million participants in 2023 marks a rise in interest and accessibility. This 50% jump within just one year represents a significant shift in the landscape of golf. Post-COVID-19, several companies and businesses brought their finances back into play, making more fun and accessible facilities for younger golfers. These facilities may include indoor golf stimulators and group lessons, which the social variation of the game attracts individuals who previously viewed golf as intimidating or “known for older people”. Furthermore, as traditional sports faced cancellations and restrictions, golf remained popular for younger-aged people as an interesting and safe outdoor activity. Additionally, social media and digital marketing have allowed golf to reach younger audiences more effectively, encouraging a new generation of players who engage with the sport. Professional golfers and coaches sharing their skills and experiences of achieving

great results online can inspire interest in younger participants.

In contrast, youth participation in golf displayed a steady growth trajectory, rising from 2.8 million in 2012 to 4.2 million in 2023. The younger participants gradually engaged in various golf events, such as targeted programs, educational initiatives, and well-being. Organisations such as Youth On Course and the PGA Junior League have played crucial roles in promoting golf among the new generation, providing access and resources that nurture interest in the sport. Moreover, initiatives such as the PGA Junior League created a variety of fun activities and a team-oriented environment for young golfers. Within their program, they emphasise teamwork and social interaction, which makes the sport more appealing and, therefore, attracts more beginners.

In summary, the data from 2013 to 2023 shows a detailed view of golf participation in the U.S. The increase in youth golf participation in 2023 shows that many different strategies are being made to get young people involved in the sport. This makes golf more accessible, creating a friendly and supportive program. Continued investment in youth programs and adapting to global trends will be crucial for maintaining and building upon the current population in the sport.

5. Conclusion

The growth of golf in the United States from 2013 to 2023

shows a changing landscape shaped by economic, social, and environmental factors. The sport has steadily grown by adapting to attract a broader range of audience, using both traditional and new methods. Furthermore, the overall increase in golf participation, specifically in 2023, reflects how the sport was able to overcome challenges from the COVID-19 pandemic. This rise in youth participation highlights the success of engaging younger participants in this sport through programs like Youth On Course and the PGA Junior League, which is significant for keeping the sport ongoing in the future. As more young people become interested in golf, participation in the sport is likely to grow in the future. With families introducing golf to their kids, younger players would want flexible and social ways to play, which helps golf continue to grow. In conclusion, the evolution of golf in the U.S. reflects its strength and ability to adapt. With efforts to attract new players and handle current challenges, the sport is ready for more success and growth in the future.

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