

Going **SHOPPING** Together

Pro shop retailing is now a year-round proposition, with seasonal merchandising, competitive pricing and creative promotion as critical as the right product mix.

By Erin Brereton, Contributing Editor

When Kemper Lakes Golf Club in Kildeer, Ill., transitioned from a public facility to private a year and a half ago, its pro shop changed, too.

Previously, the shop was a 2,300-sq.-ft., high-volume retail outlet; it's now a 900-sq.-ft. member store.

"It's been a 180-degree turn," says Merchandise Manager Terri Covert. "Our goal is to offer the membership as much of a variety as possible."

That involves careful coordination by the club's general manager and pro shop manager to stock an array of products—for the right price.

Today's pro shops are more than just a place for members to grab a shirt before they hit the links.

They're high-traffic areas designed to enhance members' overall club experience.

And—if run correctly—a pro shop can generate big profits.

The Master Plan

At Ocean Edge Resort & Club on Cape Cod in Brewster, Mass., work starts on the club's annual buying plan in fall.

"As we budget and structure what we're going to do and what our target goals are, the general manager is very involved in putting his stamp of approval on the buying plan," says Michael Medeiros, Director of Golf Operations. "But once we sign off on that, he relies on me and our retail business

SUMMING IT UP

- Take advantage of buying opportunities like seasonal sales to improve margins.

- It's important to stock the right mix of products at the right time—and according to need, not inventory rotation dates.

- Merchandise Managers can help create buying plans for off months.



PHOTOS (LEFT, CENTER) COURTESY OF OCEAN EDGE RESORT & CLUB; (RIGHT) PRO-CRAFT HERITAGE CREATIONS



At Ocean Edge, vendors are individually invited to showcase items to the pro shop staff and members.

manager for the flow of product coming in, inventory control, purchases and invoices.”

Kelly Komanchek, Golf Shop Merchandise Manager at RiverCrest Golf Club & Preserve in Oaks, Penn., attends the PGA show in January and two Philadelphia shows a year, buying for the holiday season and spring in August, and for mid-summer and fall in March.

“Since our most popular months are April to October, that is when we bring in a majority of our stock,” Komanchek says.

Kemper Lakes also relies on a merchandise manager to create its buying plan “in the winter months,” according to Covert.

“We do most of the buying in December, January and February,” she says. “[Buying is] based on sales from last year, and our [projected] membership. Vendors with the least amount of sales in the shop, I might drop for a few seasons.”

In the end, many product decisions, Medeiros says, come down to instinct.

“Things like golf bags are cyclical,” he says. “If you have a strong golf bag year, we’ll go a bit lighter [with ordering in the following year].”

Vendor Visits

Some clubs also scout for promising products by inviting vendors to visit during demo days. And Ocean Edge’s vendors are individually invited to showcase items to the pro shop staff and members.

“When I’ve lined up all the vendors [on one day], it sounds like a great idea, but it produces questions—not sales,” Medeiros explains. “But if I just do Taylor Made or Callaway, and the professional staff is working with our members and resort guests, letting them understand why they’re trying a particular shaft, it helps sales.”

Some clubs like Kemper Lakes prefer to invite all

the manufacturers at once for a demo day.

“Most of your manufacturers want to get their new products out there at the beginning of the season, because that’s when your golfers are looking for new equipment,” Covert says. “The representatives I’ve had here from manufacturers have always been very supportive of our club as far as coming out and not being threatened by other companies.”

Brands Members Buy

Some clubs, like RiverCrest, don’t carry any off-brand merchandise.

“I feel if you are going to spend money on a new club or outfit, than you should buy the best quality for your dollar,” Komanchek says. “As a private club, I feel it is important to keep the quality of products to the highest standard.”

Ocean Edge carries name brands, but for convenience and quick response when needed, it can also get apparel from a local company.

“It’s a great product for the price,” Medeiros says. “And they can just snag our logo right on [a product] for quick tournament orders.”

Kemper Lakes carries as much of a selection as it can to show members it can compete with larger stores, according to Covert.

“I shop the big-box stores, I look online, and I price accordingly, so they will want to come in here and will know when they do that they’re getting a good deal,” she says.

Because Ocean Edge is located in Cape Cod—which, while warm during the day, can get chilly at night—the club has found it needs to have a significant supply of outerwear on hand in the summer.

But to Ocean Edge, fleece jackets are much more than just a quick sale.

“[We] watch inventory levels and take advantage of closeout opportunities,” Medeiros says. “[In



summer], we can get fleece that costs us \$15 to \$18, and sell it at what people think is a discounted price—\$39 to \$40—and make a significant amount. Taking advantage of buying opportunities improves our margins. You're tripling your dollars."

Profitable Products

Ocean Edge's "fleece frenzy" is a key example of pro shops' need to have the right mix of products at the right time—which is often determined by need, not inventory rotation dates.

"You can't predict the weather," Covert says. "Last August, we were closed five days because of torrential rains, and last spring our opening was delayed because of frost. That's obviously going to change your thinking."

To spur sales, RiverCrest holds holiday-based promotions, including men's and ladies' shopping nights with free drinks, appetizers and giftwrapping in early December. The club's buy-one-apparel-item, get-one-half-off promotion is also a big success, Komanchek reports.

"It not only gets two items sold from inventory, it makes the buyers feel like they are getting a great deal," she says.

Working with a large company can also help clubs increase sales. Ocean Edge, which has been managed by Arizona-based Troon Golf for about a year, says it sometimes consults with Troon's merchandising experts about hot products and sell-through projections.

Ocean Edge also has received slightly stronger pricing and incentives, like free embroidery, through its relationship with Troon.

"We are looking to triple our retail sales this year, and are ahead of our [projected] pace," Medeiros reported midway through the summer season.

Pegging customer needs correctly can help to in-

crease store sales; for example, including pro shop-commissioned products in member-guest events also can improve the bottom line.

"We will build [items] into the price of a member-guest event, where I'll do a set of four logoed crystal beer mugs," Medeiros says.

By including retail promotional items in the overall cost for tournaments, Ocean Edge—which hosts six to eight key events a year—has been able to generate approximately \$80,000 toward its golf pro shop in a year.

Smaller weekly events, like men's quarter leagues and ladies' Tuesday leagues, can also be profitable, according to Medeiros. "They don't disrupt play," he says, "and it really adds up in the end."

Revenue is important. But it's also important to remember that the pro shop—like all other club components—exists to serve members.

"Know your membership, and know their needs," says Covert. "I'm always asking our members, 'What vendors do you like? What shirts did you like this year? What didn't you like?' Because when I make that buying plan for next season and go to shows or other sources looking for new lines, I'm going to have that in the back of my mind."

And—of course—being passionate about golf doesn't hurt.

"The most important quality that a golf merchandiser can have is loving and playing the game," says Komanchek, who has played since age 8—and is married to RiverCrest's head golf professional.

"To sell effectively, you have to buy effectively," she feels. "You have to be able to relate to the golfer coming through the door, and know how they want to look and feel while on the course." **C&RB**

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