



Strategic marketing's contribution to Australasian golf club performance

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Abstract

Purpose – The purpose of this paper is to examine the extent to which strategic marketing planning is carried out by Australasian golf clubs and the impact such planning has upon their business performance.

Design/methodology/approach – A research methodology borrowed from the “for profit” sector is applied. In total, ten basic strategic marketing practices, each with its own hypothesis, are investigated through a web-based survey of secretaries/managers of 180 Australian and New Zealand golf clubs.

Findings – Analysis shows that while strategic marketing is being adopted by most clubs, compared with their lower-performing counterparts (on measures of competitive business performance), the higher-performing clubs place a far greater emphasis upon each of the ten basic strategic marketing practices.

Research limitations/implications – While the survey had a 24 per cent response rate, a small follow-up survey of non-respondents showed no significant difference in answers to four crucial questions. Self-reported, relative performance measures, widely used in the “for profit” sector, have been utilised. The ten basic strategic marketing practices are assumed to be antecedents of success rather than a consequence of such success.

Originality/value – In addition to providing initial understanding of the extent of strategic marketing planning practice in a sport management context in Australasia, this paper identifies those practices which differentiate higher competitive business performance from lower performance.

Keywords Australia, New Zealand, Strategic marketing planning, Sport organizations, Competitive performance, Golf

Paper type Research paper

1. Introduction

In Australasia (Australia, New Zealand), sport participation for the wider citizenry has traditionally been delivered through community-based voluntary sport organisations (VSOs) such as sports clubs. Today's clubs operate in rapidly changing economic, social, and politico-legal environments. Almost gone are the days of a solely amateur-dominated industry, where volunteers organised sport on behalf of their local community. With the onset of a more “market-driven” economic and political climate, it was perhaps inevitable that clubs would have to adapt to these changing conditions (Beech and Chadwick, 2004; Taylor and McGraw, 2006). Most sporting codes are in the process of moving “from predominantly volunteer administered organisations anchored in an amateur ethos, to professionally managed entities catering to a more sophisticated sport marketplace” (Ferkins *et al.*, p. 195). Concomitantly, measures of sport club success are moving beyond simple parameters such as on-field success and numbers of participants; increasingly, measures associated with long-term profitability and operational effectiveness are seen as more relevant and important.



2. Strategic marketing's contribution to organisational performance

Over the latter part of the twentieth century, an appreciation of marketing's contribution to organisational competitive success underwent a sea change. No longer was marketing seen as being restricted to a set of tactical, essentially short-term activities associated with the various elements of the marketing mix. Today marketing has become firmly established as an important and necessary strategic-level activity concerned with decisions about which markets to target; how best to deploy organisational resources and capabilities to build superior customer value; and how the organisation can position itself for competitive advantage over the longer term (Hooley *et al.*, 2008). In short, "strategic marketing" can be defined as an ongoing, organisation-wide and customer-led planning approach that facilitates optimal organisational responses to the fast changing and increasingly volatile modern business environment. It is similar to its more generic cousin, "strategic planning", except that it has a much more explicit customer focus.

Over the last three decades, numerous "success" studies from around the world have served to confirm that strategic marketing makes an important contribution to organisational performance (see, e.g. Hooley *et al.*, 1985; Doyle *et al.*, 1985; Narver and Slater, 1990; Jaworski and Kohli, 1993; Gray *et al.*, 1998; Matear *et al.*, 2002; Siu *et al.*, 2004; Huan *et al.*, 2008). Although this body of work includes research studies that examine different types and sizes of organisations operating in different markets at different points in time, and in different ways, they all, nonetheless, share the same basic aim: "to profile the marketing practices of successful firms, and compare them against those of less successful firms in order to offer insights to researchers and managers into ways of improving firm performance" (Gray *et al.*, 2007, p. 72). Notably, Day and Montgomery (1999), Thomas (2002), and others have pointed to the importance of such research, arguing that some of the most fundamental questions that marketing academics should be continuously asking themselves relate to the extent to which managers actually practice what is taught by marketing educators, as well as the degree to which it actually has a positive influence on organisational performance.

By contrast to the vast amount of research conducted in the domain of strategic marketing as it relates to a "for profit" context, within the not-for-profit sports context comparatively little previous empirical investigation appears to have been undertaken. Moreover, that which has been conducted seems to do little more than serve to underline the need for further elucidation in this arena. For example, although Kriemadis (1997) investigated the extent to which American NCAA Division 1-A athletic departments were using strategic planning – concluding that less than half were doing so due to various "barriers" such as insufficient budget and/or time – no attempt was made to investigate the relationship between such planning and club success. Similar results were obtained from Harris and Jenkins's (2001) study of UK rugby clubs. While it was concluded that overall adoption levels of strategic marketing planning were disappointingly low, since the premier division clubs were found more likely to be more formal planning oriented, and in the absence of any other hard evidence, it was merely postulated that such an approach might well be linked to on-field success and size of sport organisation. Although Irwin *et al.*'s (1999) investigation across 15 professional sport franchises in the USA acknowledged the importance of a winning team record as a moderating variable they were at least able to highlight three important controllable factors from a marketing management perspective – closeness to the fans, a bias for action (immediacy and flexibility of

marketing and public relations staff) and “sticking to the knitting” (sales specialisation, repeating “tried and true” promotional campaigns). Further, the findings of Benson and Henderson’s (2005) study of strategic planning in UK leisure centres (using the Strategic Position Action Evaluation framework) paralleled those of earlier studies by Boardman and Vining (2000) and Stotlar (2002), namely: that despite the need for a greater adoption of a planned strategic approach, the perceived high cost in time and money tended to constrain its use. Interestingly, Ferkins *et al.* (2005) suggest that the governance structures of many traditional VSOs such as golf clubs presents another constraint or “barrier” to the adoption of modern business planning methods. Confusion and uncertainty (sometimes resentment) between volunteer committee members and paid staff as to who has the responsibility for, and what constitutes, strategic, and/or management decision making often exists.

3. Research focus and objectives

It is contended that a focus upon Australasian golf clubs as entities in which to investigate strategic marketing practice and planning in a sport organisation domain is both justifiable and timely for a number of reasons. First, as noted by Dickson *et al.* (2010), Asia (and Australasia as a subregion of Asia) “is flexing its muscle in the sporting community through its growing economic significance” (p. 113). Through the twentieth century athletes and sport administrators from Australasia have been well known, and well performed, on the world stage; in the twenty-first century its economic significance adds further weight to its contribution to sport marketing management. Second, as noted by Hoye (2006), the commercial imperative to adopt strategic marketing planning in sports clubs is probably of greater importance today than at any time in the past and yet, as Ferkins *et al.* (2009) have suggested, still little is known about the extent to which sport organisations have adopted strategic planning. Furthermore, our literature review revealed that no previous research has been undertaken to date with regard to Australasian golf clubs. Third, previous investigation into the adoption of marketing planning within sports clubs has not so far sought to examine its contribution to club performance. And finally, the ratio of golfers to members in Australasia indicates that many people choose to play golf outside the formal membership structure of the club environment (Australian Sports Commission, 2005, 2006; Sport and Recreation New Zealand, 2004), thereby suggesting that market growth potential exists for golf clubs. Accordingly, this research aims to examine selected strategic marketing activities within higher- and lower-performing golf clubs in order to:

- test the general applicability of conventional wisdom regarding the key determinants of successful “for-profit” strategic marketing, to the case of Australasian golf clubs; and
- gauge the extent to which mainstream “for-profit” strategic marketing practices have actually been adopted by Australasian golf clubs.

To meet these twin fold objectives, ten specific hypotheses relating to the expected differences between the strategic marketing practices of higher- and lower-performing Australasian golf clubs were formulated on the basis of a review of both the prescriptive and empirical strategic marketing planning “success” literature from the mid 1980s onwards. In essence, the emphasis of the literature review was to identify those “evergreen” basic practices that have been most commonly prescribed or

reported. For the purpose of presenting these hypotheses, it is convenient to divide them into subsets relating to the key stages in the strategic marketing process, namely: the conducting of a comprehensive strategic situation analysis, the development of marketing objectives, the formulation of a marketing strategy, organising for marketing, and the use of strategic control procedures.

4. Research hypotheses

4.1 Hypotheses relating to a comprehensive situation analysis

H1. Higher-performing golf clubs (HPGCs) place more importance upon undertaking a comprehensive situation analysis.

Most of the prescriptive literature in the “for profit” sector stresses the importance of conducting a thorough situation analysis as the necessary basis for developing effective marketing strategies and plans (e.g. Piercy, 2000; Aaker, 2004). Similarly, researchers comparing the marketing practices of higher- and lower-performing firms such as Modiano and Ni-Chionna (1986), Brooksbank *et al.* (1992), Brooksbank and Taylor (2002), and Siu and Liu (2005) have also provided strong support for the notion that better performing companies pay greater attention to a comprehensive situation analysis. In particular, this refers to an internal company/organisational analysis, competitor analysis, market analysis, customer analysis, and an analysis of the wider business environment.

H2. HPGCs make greater use of marketing research.

Implicit within most prescriptive writing on strategic marketing planning is the notion that competitive success necessitates informed, marketing research-based decision making. Not surprisingly, in the “for profit” sector, research by Baker *et al.* (1988), Joseph *et al.* (2001), Panayides (2004), and others, indicates that higher-performing companies make a greater use of marketing research in their planning activities.

4.2 Hypotheses relating to marketing objectives

H3. HPGCs set longer-term objectives.

Research by Doyle *et al.* (1985), Hooley and Lynch (1985), Shaw (1995), Siu (2000), Baker and Leidecker (2001), and Siu and Liu (2005) has shown that successful companies set longer-term strategic objectives (i.e. short-run profits are not sought at the expense of longer-run strategic objectives). Notably virtually all the prescriptive strategic marketing literature emphasises an effective strategy as being concerned with longer-term time horizons.

H4. HPGCs adopt a more proactive approach to the future.

Research by Hooley and Jobber (1986), Lai *et al.* (1992), Doyle and Wong (1998), Brooksbank and Taylor (2002), and Huan *et al.* (2008) found a more proactive rather than reactive approach to the future to be an important feature of the “successful” companies’ planning in the “for profit” sector.

4.3 Hypotheses relating to marketing strategy

H5. HPGCs compete on the basis of value-to-the-customer, rather than price.

Along with most textbooks (e.g. see Hooley *et al.*, 2008), studies by Hooley and Jobber (1986), Lai *et al.* (1992), Hooley and Beracs (1997), Siu (2000), and Siu and Liu (2005) indicate that the better performing companies in the “for profit” sector compete more on the basis of providing superior value-to-the-customer, than just price alone.

H6. HPGCs focus on selected market segment(s) rather than the whole market.

Conventional wisdom dictates that one of the fundamental principles of “for profit” strategic marketing, as advocated in the prescriptive writing of numerous authors (e.g. Doyle and Stern, 2006) as well as academic marketing researchers (e.g. Jackson, 2007) is the requirement to focus an organisation’s limited resources onto one or more specific market segments.

H7. HPGCs avoid head-on competition as far as possible in their competitive approach.

Studies have shown that better performing companies in the “for profit” sector take greater care in choosing their competitive positioning, essentially seeking to avoid head-on competition as far as possible (Jackson, 2007; Brooksbank and Taylor, 2007).

4.4 Hypotheses relating to organisational issues

H8. HPGCs make greater use of temporary project teams.

Ensuring some measure of organisational flexibility in order to be able to effectively carry out plans is widely prescribed (e.g. Hooley and Greenley, 2005; Cravens and Piercy, 2009). Empirical research in the “for profit” sector by Brooksbank *et al.* (1992) and Brooksbank (2007) points to the importance of forming task forces, special committees, or working groups for this purpose.

H9. HPGCs adopt a more “inclusive”, participatory approach to strategic decision making.

Empirical work in both the mainstream “for profit” sector (e.g. Chait *et al.*, 2005; Brooksbank, 2007) as well as that which is sport management specific (e.g. Ferkins *et al.*, 2005; Hoye and Cuskelly, 2007) indicate that successful organisations deliberately adopt a more “inclusive”, participatory approach to their strategic planning and decision making.

4.5 Hypothesis relating to marketing control

H10. HPGCs place more importance on monitoring their performance.

The need to monitor and control the firm’s strategic marketing effort is widely advocated in most prescriptive writing (e.g. Cravens and Piercy, 2009; Hooley *et al.*, 2008) in relation to both the “for profit” and “not-for-profit” sectors.

5. Research methodology

5.1 Method and sample

This study employed a web-based self-completion survey. The survey was pilot-tested with three members of Golf New Zealand's national executive as well as two local club administrators. A covering letter inviting participation together with a hyperlink to the web site containing the questionnaire was delivered by e-mail to 758 secretaries/managers of Australasian golf clubs (411 to Australian clubs, 347 to New Zealand clubs). A reminder e-mail was sent out to non-respondents one week after the initial e-mailing. The population from which clubs were selected was defined as those golf clubs that were affiliated to their national organisation, exceeded NZ\$50,000 (A\$45,000) annual turnover, had in excess of 100 members, and had an e-mail address.

The overall response for the survey stands at 24 per cent (21 per cent for Australia and 26 per cent for New Zealand) resulting in a processing sample of 180 clubs that carries a maximum margin of error of ± 7.3 per cent at 95 per cent confidence. However, as with most survey research, non-response bias can be more of an issue than sampling error (Matear *et al.*, 2002). Thus, 20 non-responding clubs were telephoned and answers ascertained to four selected questions. When a simple comparative analysis between these results and those for the original sample was undertaken no significant differences emerged, suggesting that our processing sample is likely to be representative of its population.

5.2 Instruments

In order to test the research hypotheses, it was necessary to classify the sample of clubs according to their performance from a commercial perspective. To do this, in the questionnaire, respondents were asked to report how their club had performed throughout the last financial year relative to its competitors (on a four-point scale, where 4 = "better", 3 = "the same", 2 = "worse" and 1 = "do not know" on four key components of performance – financial performance, member/user growth, member/user satisfaction, new initiatives/innovation). Notably, self-reported, subjective, relative performance measures have been widely used in previous studies of a similar nature (see e.g. Powell, 1992; Matear *et al.*, 2002; Hooley and Greenley, 2005; Gray *et al.*, 2007) largely because it overcomes difficulties with procuring sensitive financial information. Thus for our research, clubs with aggregated scores of 15+ were classified as "high performers" (meaning these clubs had to be either "better" on all four variables or "better" on three of the four and no worse than "the same" on the other). On a similar basis, clubs with scores between eight and 14 were classified as "medium performers", and seven or below were classified as "low performers". According to this simple classification, the high performers accounted for nearly one quarter (23 per cent) of golf clubs, medium performers nearly half (48 per cent), and low performers 29 per cent. Using this classification of club performance, the ten hypotheses were subsequently tested by application of chi-square via packages available in SPSS.

5.3 Sample characteristics

An analysis of the internal composition of the study sample showed that of the 180 responding clubs the majority (56 per cent) described themselves as mainly in public ownership rather than mainly in private ownership (44 per cent). About a half (52 per cent) reported that they had in excess of 500 members and only a small proportion (10 per cent) reported their staff as being mostly full-time employees. For the whole sample, the average number of staff (part time and/or full time) was

eight. A further half (49 per cent) of all clubs had annual turnovers exceeding NZ\$500,000. It should be noted that chi-square tests revealed no relationship between size of turnover and competitive performance although unsurprisingly the higher-performing clubs were more likely to employ full-time staff.

6. Results and discussion

For the purposes of this study, it is convenient to present the results for the ten hypotheses in five subsets relating to key stages of the strategic marketing planning process. Tables I-V report the relevant data and analysis. Note that these tables exhibit only abbreviated and collapsed versions of the actual questions included in the survey questionnaire.

6.1 Strategic situation analysis (Hypotheses 1-2, Table I)

To test the hypothesis that higher-performing clubs pay more attention to a comprehensive situation analysis, than do their lower-performing counterparts (*H1*), in the questionnaire, respondents were asked to indicate the degree of importance their club attached to carrying out five types of situation analysis:

- (1) internal club analysis;
- (2) competitor analysis;
- (3) industry analysis;
- (4) member/user analysis; and
- (5) wider community analysis.

The findings presented in Table I show that when the responses across the five types of situation analysis are summarised, only one in five clubs treated a comprehensive strategic situation analysis as being important. However, Table I also shows that support for *H1* is statistically significant at the 1 per cent level. However, when each type of situation analysis is viewed independently (see Table I), some interesting patterns of response emerge. For example, whereas an internal club analysis is undertaken by almost half of the overall sample (45 per cent) only a very small proportion (13 per cent) reported that they attached importance to undertaking a wider community analysis. Nevertheless, the findings show that on each of the five types of analysis specified, higher-performing clubs are more likely to place greater importance (statistically significant at the 1 per cent level in each case).

In order to test whether HPGCs make greater use of market research (*H2*), respondents were asked in the survey about the extent to which their club carried out market research when developing plans. As revealed in Table I, in support of the hypothesis, there is a statistically significant relationship (at the 5 per cent level) between the use of research and higher club performance. Notably, this finding is in keeping with the recent sport management and organisational literature that infers that success is often fuelled by an informed, marketing research-based approach to planning and decision making (Trenberth and Collins, 2006). Nevertheless, across the sample as a whole it is notable that barely one-third of all clubs (31 per cent) claimed that they did any research at all. Interestingly, this relatively low level of usage tallies with previous research into the strategic marketing activities of New Zealand's small-medium-sized companies operating within a "for profit" context (Brooksbank *et al.*, 2008).

Overall importance placed upon strategic analysis (Strategic analysis – internal organisation, competitor, industry, membership and wider environmental analysis amalgamated into one variable)	Total sample (180) %	Low performers (51) %	Medium performers (87) %	High performers (42) %
Little importance	81	84	91	57
Much importance	19	16	9	43
		$\chi^2 = 21.43, df = 2, p < 0.001$		

Placing much importance upon each part of a comprehensive situation analysis (each of these results was derived from an importance scale – recoded to a dichotomous variable – but only the “much importance” percentage shown for the next five variables)

	%	%	%	%
<i>Internal analysis</i> ($\chi^2 = 31.45, df = 2, p < 0.001$)	45	18	53	62
<i>Competitive analysis</i> ($\chi^2 = 20.09, df = 2, p < 0.001$)	20	14	16	36
<i>Industry-wide analysis</i> ($\chi^2 = 35.17, df = 2, p < 0.001$)	19	4	16	45
<i>Member/user analysis</i> ($\chi^2 = 33.64, df = 2, p < 0.001$)	41	16	40	74
<i>Community-wide analysis</i> ($\chi^2 = 40.75, df = 2, p < 0.001$)	13	4	7	36
<i>Used market research in developing plans?</i>	%	%	%	%
No	69	81	69	55
Yes	31	19	31	45
		$\chi^2 = 7.06, df = 2, p = 0.03$		

Table I.
Club performance by
comprehensive situation
analysis

6.2 Marketing objectives (Hypotheses 3-4, Table II)

To test the hypothesis that higher-performing clubs set objectives geared towards a longer-term time horizon (*H3*), in the questionnaire, respondents were asked to indicate the lengths of time horizon their club attached to four types of objectives:

- (1) financial;
- (2) membership/user growth;
- (3) membership/user satisfaction; and
- (4) new initiatives/innovations.

As shown in Table II, when the responses across the four types of objectives are summarised, across the sample as a whole, barely half (41 per cent) of all clubs reported that their objectives are longer term in nature. At the same time, however, Table II also provides support for *H3*, with the higher-performing clubs being more likely to adopt longer-term time horizons (statistically significant at the 1 per cent level).

When each type of objective is viewed independently, however (see Table II), more detailed information becomes apparent. Interestingly, with regard to both “financial” and “membership/user growth” objectives, a substantial proportion (80 per cent and 73 per cent, respectively) of all clubs reported that they adopt a longer-term time horizon, whereas when it comes to setting objectives in relation to “member/user satisfaction” and “new initiatives/innovations”, a much smaller proportion responded the same way (58 per cent and 56 per cent, respectively). Regardless, in each case, the findings show that the higher-performing clubs are more likely to set longer-term objectives than their lower-performing counterparts (statistically significant at the 1 per cent level in each case).

Overall emphasis upon longer-term or shorter-term time horizons? (Amalgamation of financial, member growth, member satisfaction, new initiatives/innovations' objectives)	Total sample (180) %	Low performers (51) %	Medium performers (87) %	High performers (42) %
Shorter-term horizons	59	80	58	36
Longer-term horizons	41	20	42	64
		$\chi^2 = 19.13, df = 2, p < 0.001$		
Having a longer-term time horizon on each type of objectives: financial, membership growth, member satisfaction, new initiatives/innovations is shown individually for each of these four variables				
<i>Financial objectives</i>	%	%	%	%
($\chi^2 = 34.68, df = 2, p < 0.001$)	80	65	83	95
<i>Membership/user growth</i>	%	%	%	%
($\chi^2 = 37.85, df = 2, p < 0.001$)	73	51	73	100
<i>Member/user satisfaction</i>	%	%	%	%
($\chi^2 = 25.96, df = 2, p < 0.001$)	58	47	53	81
<i>New initiatives/innovations</i>	%	%	%	%
($\chi^2 = 33.48, df = 2, p < 0.001$)	56	35	61	72
<i>Approach to future?</i>	%	%	%	%
Monitor events as they happen and adapt accordingly	75	57	79	88
Forecast, use scenarios and plan accordingly	25	43	21	12
		$\chi^2 = 13.65, df = 2, p < 0.001$		

Table II.
Club performance by
marketing objectives

As also shown in Table II, and in support of hypothesis *H4*, the survey revealed a statistically significant relationship (at the 1 per cent level) between the three performance groups and their approach to the future, with the higher-performing clubs apparently more likely to adopt a proactive approach. However, Table II also reveals that the sample as a whole is somewhat stuck in a reactive mode since three-quarters of all respondents (75 per cent) claimed that their approach was to monitor events as they happen and adapt accordingly.

6.3 Marketing strategy (Hypotheses 5-7, Table III)

In the questionnaire, respondents were asked to report if, in relation to their club's member/user offerings, their focus was more in the direction of being cheaper (price emphasis) or being "better" (value emphasis). Although Table III shows that across all clubs in the sample, more than three-quarters (77 per cent) reported that they adopt more of a value focus, it also shows that in support of *H5*, a statistically significant relationship exists (at the 5 per cent level) between a focus on value and higher club performance. Since one of the cornerstones of successful modern strategic marketing is to deliver superior customer value (Hooley *et al.*, 2008), this profile of findings is heartening. It seems that not only is the message getting through to other realms of organisational life (i.e. those organisations that are not purely "for profit") but that it does indeed remain valid as a central tenet of success in the case of Australasian golf clubs. To test *H6*, that HPGCs focus on selected market segment(s) rather than the whole market, respondents were asked to report that, of a range of options, best described their clubs' approach to seeking to compete within their overall marketplace. Perhaps unsurprisingly, in view of the tendency for the higher performers to be more focused on providing value-to-the-customer, Table III reveals that in support of *H6*, they are similarly more likely to adopt a segmented strategy (statistically significant at the 1 per cent level). Note that this approach is also quite widely adopted by two-thirds

	Total sample	Low performers	Medium performers	High performers
Marketing strategy	(180)	(51)	(87)	(42)
<i>Strategic focus: compete on price v value?</i>	%	%	%	%
Emphasis = cheaper (i.e. price)	23	35	21	12
Emphasis = value	77	65	79	88
		$\chi^2 = 7.58, df = 2, p < 0.03$		
<i>Strategic focus: whole or segmented market?</i>	%	%	%	%
Whole market strategy	33	53	28	19
Segmented strategy	67	47	72	81
		$\chi^2 = 14.07, df = 2, p < 0.001$		
<i>Strategic focus: avoid the competition?</i>	%	%	%	%
Yes – avoid “head-on” competition	43	29	39	67
No – either ignore competition or take “head-on”	57	71	61	33
		$\chi^2 = 15.88, df = 2, p < 0.001$		

Table III.
Club performance by
marketing strategy

(67 per cent) of the sample as a whole. Unfortunately, the limitations of the adopted questionnaire-based method of data collection prevented an understanding of exactly how the principle of target market selection was being translated into action by the higher-performing clubs.

Under the heading of “Strategy” in the questionnaire, respondents were also asked to report their clubs’ approach to the competition, and in this respect Table III shows that less than half of the overall sample (43 per cent) sought to avoid “head-on” competition by offering or doing something different. Perhaps this relatively low figure is simply a reflection of the difficulty in perceiving any way to radically re-define the core offer to customers (i.e. that of an opportunity to play golf). Notwithstanding, as Table III illustrates, the higher-performing clubs were statistically differentiated from their lower-performing counterparts in this respect (at the 1 per cent level), with over two-thirds (67 per cent) claiming an ability not to compete head-on within their chosen market segment(s). Clearly the higher-performing clubs are finding non-traditional ways to effectively compete that set them apart from the rest – perhaps by creatively re-defining their offer to certain target customer groups. Unfortunately, once again the limitations of the data collection method used in this study precluded an ability to elucidate on this important issue, which certainly merits further investigation.

6.4 Organisational issues (Hypotheses 8-9, Table IV)

In the questionnaire, respondents were asked if they used temporary project teams (e.g. special committees, working groups, task forces, etc.) to achieve short-term objectives throughout the sporting year (H8). As shown in Table IV, an overwhelming majority of all Australasian golf clubs (88 per cent) reported affirmatively. Furthermore, Table IV also reveals that in support of the hypothesis, a statistically significant relationship (at the 1 per cent level) exists between higher club performance and the usage of this practice. Indeed it is noteworthy that every one of the higher-performing clubs reported its use although due to the limitations of our questioning, the exact composition of these task forces and their areas of business focus and their duration remains unknown.

	Total sample	Low performers	Medium performers	High performers
Marketing organisation	(180)	(51)	(87)	(42)
<i>Use temporary project teams?</i>	%	%	%	%
Yes	88	86	83	100
No	12	14	17	—
		$\chi^2 = 18.03, df = 2, p < 0.001$		
<i>Overall governance (amalgamation of weight of involvement of president; board/committee; members; outside consultants in planning)</i>	%	%	%	%
Highly involved	8	4	5	19
Medium involvement	39	26	35	64
Low involvement	53	70	60	17
		$\chi^2 = 33.84, df = 4, p < 0.001$		
Having a high level of input in club planning by each of the following groups				
<i>President/chairman</i>	%	%	%	%
($\chi^2 = 11.96, df = 2, p < 0.02$)	71	55	74	86
<i>Club board/committee</i>	%	%	%	%
($\chi^2 = 8.42, df = 2, p < 0.09$)	78	73	75	93
<i>Executive staff</i>	%	%	%	%
($\chi^2 = 14.92, df = 2, p < 0.01$)	21	16	15	41
<i>Club members/users</i>	%	%	%	%
($\chi^2 = 15.93, df = 2, p < 0.01$)	17	8	14	33
<i>Outside consultants</i>	%	%	%	%
($\chi^2 = 28.55, df = 2, p < 0.001$)	8	4	5	19

Table IV.
Club performance by
marketing organisation

To examine the hypothesis that higher-performing clubs adopt a more “inclusive” participatory approach to decision making (*H9*), in the questionnaire respondents were asked to report the degree of involvement of various parties in overall club governance and decision making: the chairperson or president, board or executive committee members, executive staff (where relevant), club members, and outside consultants.

Table IV shows that when the responses across these parties are summarised, across the sample as a whole, only one in every 12 clubs (8 per cent) claim a high level of involvement. However, although only some one in five of the higher-performing clubs (19 per cent) reported likewise, the pattern of response in Table IV does provide support for *H9* and a statistically significant relationship (at the 1 per cent level) exists between higher club performance and a more “inclusive” approach to governance. When the involvement of each party is viewed independently (see Table IV), perhaps unsurprisingly by far the greatest level of involvement is that of elected officials (president and club board or committee members). Across both the sample as a whole, and across the higher-performing clubs, much larger proportions of these elected officials were classed as “highly involved” compared with any of the other parties specified.

6.5 Marketing control (*Hypothesis 10, Table V*)

To determine whether higher-performing Australasian golf clubs put a greater emphasis on monitoring their performance, respondents were asked to report the degree of importance they placed on evaluating their club’s performance against three

criteria: planned objectives, previous year's results, and the competition. As shown in Table V, across the sample as a whole, whereas about half of all clubs reported that they placed the "utmost importance" upon measuring performance against planned objectives and last year's results (58 per cent and 48 per cent, respectively), only one in seven (14 per cent) attached the same degree of importance to monitoring their performance against the competition. Support for the hypothesis that the higher-performing clubs are more likely to attach a greater importance to all three measures is seen in Table V (statistically significant at the 1 per cent level in each case). Most notably, whereas some eight out of ten of the higher performers attach the "utmost importance" to measuring their performance relative to planned objectives (83 per cent) and relative to last year's results (79 per cent), benchmarking performance against the competition is apparently a much lower priority, with just over one-third (38 per cent) of the higher-performing clubs claiming to view it with the same degree of importance.

7. Conclusions

With regard to the first objective of this study: to test the general applicability of conventional wisdom regarding the key determinants of successful "for profit" strategic marketing to the case of Australasian golf clubs, it should be noted that our assumption about the direction of causality could, at least in theory, be questionable. In other words, rather than the various strategic marketing practices and planning activities being an antecedent of success, it is conceivable that they might be the consequences of such success. However, in view of the weight of evidence presented in the previous research identified in our literature review, it is contended that this would seem unlikely. In fact, the findings presented in this paper should be a source of some comfort to management executives in Australasian sport organisations, and especially those with an involvement in golf clubs. The evidence presented in this paper is highly supportive of the research hypotheses. It confirms that in the overwhelming majority of cases, the basic strategic marketing practices that are typically advocated in the mainstream academic and prescriptive literature are indeed clearly associated with the HPGCs. Specifically, a statistically significant relationship at the 1 per cent level was found to exist between higher golf club performance and the following marketing planning activities:

- undertaking a comprehensive situation analysis;
- setting objectives that are linked to longer-term time horizons;
- adopting a more proactive approach to the future;

	Total sample (180) %	Low performers (51) %	Medium performers (87) %	High performers (42) %
Controlling and monitoring				
Utmost importance placed on planned objectives ($\chi^2 = 17.12$, $df = 2$, $p < 0.001$)	58	41	56	83
Utmost importance placed on last year's results ($\chi^2 = 23.44$, $df = 2$, $p < 0.001$)	48	29	44	79
Utmost importance placed upon the competition ($\chi^2 = 27.29$, $df = 2$, $p < 0.001$)	14	4	8	38

Table V.
Club performance by
controlling and
monitoring

- focusing on selected target market(s) rather than the whole market;
- avoiding head-on competition as far as possible;
- using temporary forms of organisation to achieve short-term goals;
- adopting a more “inclusive”, participatory approach to club governance and decision making; and
- monitoring club performance relative to planned objectives, last year’s results, and the competition.

In addition, the data indicated a statistically significant level of association at the 5 per cent level between higher club performance and two other basic marketing planning activities:

- using formal marketing research-based information when developing plans; and
- competing on the basis of providing value-to-the-customer rather than price.

Thus, since all ten research hypotheses are convincingly supported, it can be concluded that the conventional wisdom regarding the key determinants of successful “for profit” strategic marketing does indeed translate across to the not-for-profit world of Australasian golf clubs. Further, the managerial implications of adopting strategic marketing also become rather obvious: improved club performance, though not guaranteed, ought to follow.

With regard to the second objective of this study: to gauge the extent to which mainstream “for profit” strategic marketing practices have actually been adopted by Australasian golf clubs, the evidence depicts a somewhat different picture. Whereas in a few areas it was encouraging to find that the fundamentals of strategic marketing planning are apparently quite widely appreciated and are being applied, in many areas this is clearly not the case. Perhaps most disappointing was the fact that less than one in five clubs (19 per cent) claimed they attached importance to carrying out a comprehensive situation analysis (across all of the areas specified), since this kind of knowledge forms an essential prerequisite to effective strategic decision making. This observation is reinforced by the finding that less than one-third of all clubs (31 per cent) reported that they do not undertake any type of marketing research. With these findings in mind, it is perhaps unsurprising that a comparatively low proportion of clubs (25 per cent) indicated that they adopt a proactive approach to the future because once again, in the absence of an insightful and knowledgeable understanding of the strategic situation at hand, a club is effectively blinded to its potential to “make the future happen”. Furthermore, in other areas, the overall adoption levels of basic strategic planning practices were similarly disappointing. For example, substantially less than half (41 per cent) of all clubs claimed to gear their objectives to the longer term – normally a tell-tale sign of a truly strategic planning perspective. Likewise, a similar proportion (43 per cent) sought to avoid “head-on” competition in their markets – normally a clear signal that an organisation is being myopic (at best) about delivering anything other than that which perpetuates the status quo in its marketplace. On a more positive note, however, almost half of all clubs (47 per cent) reported a medium to high level of organisational governance that can be described as “inclusive” or “participatory” in nature. Nevertheless, the high level of use of temporary project teams (88 per cent) suggests that, in fact, such governance might be more in relation to tactical decision making than anything else. More encouraging though was the

finding that over two-thirds (67 per cent) of all Australasian golf clubs reported a focus on selected target markets. Furthermore, some three-quarters (77 per cent) claimed that they sought to compete on the basis of providing value-to-the-customer rather than price alone. Although these findings undoubtedly include different interpretations of the terminology used in the questionnaire and therefore need to be viewed with some caution, taken together they are surely indicative of a reasonably widespread appreciation of the central tenets of successful marketing strategy development: an unequivocal customer and market focus (Hooley *et al.*, 2008).

In overall conclusion, this study has shown that strategic marketing has a key role to play in contribution to a golf club's business and organisational performance. The top performers are clearly more active in its execution and do more, and better, marketing. However, despite government agencies in both Australia and New Zealand having launched various initiatives to assist VSOs with their planning over recent years, and despite the widespread dissemination of various strategic planning models in the popular press, it can also be concluded that for the majority of clubs, there is still much room for improvement.

The combination of findings presented in this study has shown that amidst an increasingly challenging and more "commercial" organisational environment, if Australasian golf clubs are to survive in their present number, let alone prosper (by taking advantage of the potential for expanding membership numbers by converting non-member golfers in future), then the adoption of a more businesslike, managerial, and "professional" strategic approach to planning will be necessary. It is therefore suggested that future research would do well to examine the efficiency and effectiveness with which the various government agencies in both Australia and New Zealand seek to educate club officials in the practices of strategic marketing planning, with a view to recommending a programme of improvement for policy makers in this area. Equally, future research should seek to adopt a more qualitative methodology: one that will facilitate a better understanding of how the higher performers segment and target specific markets in ways that add value for their customers.

Beyond the more pressing practitioner-focused research agenda outlined above, our study has also served to highlight a more academic-focused research agenda. It would be useful to extend the scope of any future research to cover a wider spectrum of sport organisations, and across a number of different countries. Such an approach would not only facilitate a capacity to move towards a more generalised theory of successful strategic marketing but it would also enable our findings about the adoption and effectiveness of strategic marketing in Australasian golf clubs to be placed in a wider global context.

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Further reading

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