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Greece: a ready market of almost 200.000 golfers

There are currently less than 1.500 golf players in Greece.
But that's a long way from the almost 200.000 that could be playing golf in Greece right now, if the proper golf infrastructure existed…

When it comes to golf, Greece is clearly an underdeveloped country. With one golf course serving the 4 million Athens population and another 4 scattered throughout Greece, it is not surprising either.

The surprise comes when we take a look at our neighboring countries in the Mediterranean area; e.g. Portugal – a country of similar size and economy with Greece – has 1 golf course per 159.000 inhabitants, Spain 1 golf course per 151.000 inhabitants and Italy 1 golf course per 257.000 inhabitants. For Greece the comparative figure is a meager 1 golf course per 2.150.000 inhabitants.

One reason behind this discrepancy is of course the fact that these counties are closer to European traditions and influences and the local population has been more receptive to the expansion of golf in recent years. But there is also another reason and that is linked with the conscious effort these countries made at reaping the benefits associated with golf-tourism.

Golf tourists are high-income tourists. They tend to spend 20-40% more than the average tourist, combining their holidays with playing golf in golf resorts outside their country. Golfers travel usually in shoulder and winter months, when the weather conditions in their own countries are poor (usually November – April). This contributes to the alleviation of tourism seasonality, especially in Mediterranean countries, where the peak months are the traditional summer months. Golf tourist arrivals during the winter period allow for the extension of the tourist period and thus for all tourist infrastructure to remain active. In addition, with a good golf infrastructure a country has a broader based tourist product to offer and can be more competitive and less dependent on a specific type of tourists.

At present, Greece has approximately 14 million international tourist arrivals every year. Among these, there is a significant number of golfers, who would play golf if, upon arrival at their destination, they found international golf courses. A first approximation to their number can be given, as in Table 1, by assigning the national propensity to play golf to the total tourist arrivals from each country.

Table 1:
Estimation of Latent Demand for Golf from Greece's main tourist markets

Countries (2003)	Players per thousand population[1]	Incoming tourists to Greece (2001)[2]	Latent demand of golf tourism in Greece[3]
Austria	9,1	469.487	4.272
Belgium-Luxemburg	4,5	360.414	1.611
Czech Rep.	1,3	207.448	263
Denmark	21,1	350.930	7.420
Finland	18,0	158.393	2.852
France	5,5	644.952	3.529
Germany	5,2	2.347.434	12.181
Iceland	34,5	159.409	5.497
Ireland	61,4	75.877	4.658
Italy	1,2	818.519	948
Netherlands	12,1	673.405	8.134
Norway	22,0	329.469	7.259
Spain	5,3	151.753	802
Sweden	59,3	502.683	29.795
Switzerland	5,9	332.520	1.969
UK	20,6	2.916.508	60.186
Subtotal Europe - main countries			**151.375**
USA	95,0	199.737	18.975
Canada	168,0	49.383	8.296
Japan	80,0	73.350	5.868
Subtotal Long Haul - main countries			**33.139**
Total – main countries			**184.515**

Sources: [1] various national and international golfing associations / federations
[2] EOT (Greek National Tourism Organisation)
[3] JBR Hellas calculation

This number refers only to potential golf tourists from existing markets and excludes new tourists that could be attracted to Greece due to a good golf infrastructure, or the number of conferences and incentives that could be attracted because of the same reason[*].

Golf tourism has many sub segments within it. Each of these segments must be approached with an appropriate offer. Golf tourists can be individuals or groups, academy groups of novices, golf clubs and societies, business meetings and conferences or occasional golfers. They look for professionally organised and managed golf resorts. Their requirements and expectations depend on their golf ability. For example, a novice golfer is looking for practice units and golf instruction, whereas the advanced golfer wants to play as much as he can and discover as many different courses as possible.

[*] Numerous studies have shown that conference and incentives organisers favour resorts with golf facilities, as it can be ancillary to their activities.

However, all have some common requirements: excellent standard of golf courses and a choice of courses at a destination. For an area to be considered as a golf destination there must be at least one championship standard course and another 2-3 good courses, so golfers can have a choice. In addition, the courses must be close to each other and not more than an hour's driving distance. The hotels golfers choose are usually 3* or higher and do not necessarily have to be on the golf course, but should be nearby.

Last but not least, the development of golf in Greece for tourists, would help regional development (where land is still relatively cheaper) and extension of seasonality (as golf tourists prefer the not-so-hot Winter, Spring and Fall seasons of Greece).

<u>A note on developing the Greek golf market</u>

The development of golf in a country is a process that takes time and usually involves a significant investment including the creation of a local golf market. However, the two markets (tourist and local golfers) are distinct and a different approach must be developed for each one.

As in many countries worldwide, Greeks consider golf as being an exclusive and possibly snobbish sport with a slow (or even boring) pace. This is enhanced by the fact that entering the sport indeed requires expensive equipment and club membership. In addition, the current lack of existence of golf clubs in various locations in Athens makes it even more difficult for golf to become more popular to the wider population.

If we look at the example of other countries and how golf was developed there, one can spot a clear trend through the emergence of a middle market for golf. Same as in Greece, golf was considered to be an elitist sport and, in fact, it was. For golf to expand, the elitist association of the sport with the upper socioeconomic classes had to change. The sport had to become more accessible and appealing to a wider population base. So a series of changes started taking place: Golf courses were made more attractive, through maintenance and product improvement. Access to the golf courses had to be made easier, near the local population. Pricing needed to be competitive, as golf competes with any other leisure activity. Plus, it was necessary to develop golf in the public sector, with courses of low initial capital investment, where the novice golfer would be able to get acquainted with the sport, in an easy and affordable way. The expansion of golf was also enhanced by a rise in the European purchasing power, the influence of golf tournaments and the rise of golf stars in many countries.

Obstacles to newcomers, such as admission fees, annual green fees or compulsory purchase of shares must also be minimal. The game for the beginners must be simple, fast, fun and affordable. Golf must be promoted as a game for the family and for children too. It should also be promoted as a game for young people, not for prestige reasons, but for its sporting side. Similarly in Greece, affordable golf courses, suitable for the novice player, are needed. Considering land costs and land segmentation in Greece, considerable support in such an effort can be provided through, for example, Par-3 9-hole courses or concepts such as *Compac Golf®*.