Profiling Golfers on Basis of Innovativeness

Soojin Kim, University of Northern Colorado
David K. Stotlar, University of Northern Colorado

Session 25: Marketing  Presentation (25-minute)  Saturday, June 2, 2007  10:30 AM - 10:55 AM

The popularity of golf has increased tremendously over the past decades. It has become a billion dollar industry. In 2000, World Golf Foundation GOLF 20/20 reported that golf accounted for $62.2 billion in goods and services. This may be attributed to demographic change. As the consumer market has become increasingly diverse, the demographics of golfers has shifted as well. Today more women, minorities, and younger segments are involved in the game. These golfers not only participate in a higher rate but also display interest of watching and attending golf events more than ever. As a result of this phenomenon, many equipment makers produce and develop golf equipment specifically for these segments. Nowadays, retail stores are carrying women and kids’ golf equipment.

Miller, Pursell, and Walker (2000) point out that increased popularity of the game has also been driven in part by advancement in technology. The golf industry has become high-tech and has possibly made the game of golf more enjoyable. With the newest golf products, golfers are now able to hit further and straighter. This is due to improvements and innovations of golf equipment that are intended to enhance performance and playability. Although latest technology featured golf products are premium priced, golfers are eager to purchase those equipment, as it promises to improve their skill.

Each year a number of new golf clubs pour into the market, yet not all golf clubs gain awareness or are adopted. For this reason, many companies, particularly those small golf club companies, fail to produce profit. Reasons for such failure are many. Engel, Blackwell, and Miniard (1995) contend it is the result of ineffective communication with consumers, along with underestimation of time and situation needed for the innovation to diffuse. Marez and Verleye (2004) assert it is caused by an inefficient introduction strategy. Whatever the cause, the consequence of product failure indeed causes substantial financial loss. Hence, the ability to understand, predict, and influence consumer behavior prior to introducing a new product are essentials to success.

Consumer researchers and marketers have long devoted ways to better understand and predict diffusion process in relation to consumer innovativeness. Consumer innovativeness is a key concept in the diffusion of new products (Rogers, 1995; Goldsmith & Hofacker, 1991). Based on this construct, researchers are able to identify consumers who are most likely to buy new products. Also using this construct allows classifying consumers into various groups such as Rogers (1995) developed; innovators, early adopters, early majority, late majority, and laggards. Rogers proposed a detailed profile for each group and the voluminous literature has been supportive of the generalized characteristics of each adopter category. However, because studies were conducted on various innovations, the results revealed to be inconsistent and unreliable with mixed conclusions. Kotler (2000) contends that consumers may be identified as innovators in certain product category but may be a laggard in another area. Accordingly, many scholars suggested that when using innovativeness to identify adopter categories, it should be in a specific product class.

Diffusion theory is frequently applied when studying a new product. It is a theory of communication concerned with new ideas and products. Although Higgins and Martin (1996) allude innovation in sport is increasing and widespread, diffusion theory has rarely been applied to the sport context. In fact, the golf market is a desirable area for diffusion study because new models, features, and technology are frequently introduced. Currently, there are 53 golf club manufacturers and a total of 4,002 golf club models are in the market. And each year approximately 50 million golf clubs are produced and assembled (Harper, Roberts, & Jones, 2005). Indeed, not all golf clubs gain awareness and the main reason companies face formidable challenges is due to miscommunication (Yoh, Pedersen, & Park, 2006). A recent study by Yoh et al. (2006) found that when purchasing golf clubs the majority of golfers rely on interpersonal sources of information such as family, peers, and salespeople rather than on mass media sources. However, the interest of the Yoh et al.’s study was not necessarily on a new golf product. As the core concept of diffusion theory lies on communication, variables such as information acquisition activity, word-of-mouth communication, and susceptibility to interpersonal influence will be examined. Additionally, involvement, golf consumption behavior and demographic variables will be included for investigation.

In particular, three research questions will be posed to guide the present study: (1) What are the key market segments in regards to the new golf product? (2) What are the profiles of each segment? (3) What are the variables that distinctively discriminate the segments? The sample of this study will include amateur golfers who are members of Colorado Golf Association. Approximately 200 surveys will be distributed. The questionnaire will be comprised of...
seven major parts: innovativeness (Goldsmith & Hofacker, 1991), information acquisition activity for new golf product purchase (Murray, 1991), word-of-mouth communication behavior (Lam & Mizerski, 2005), susceptibility to interpersonal influence (Bearden, Netemeyer, & Teel, 1989), golf product involvement (Laurent & Kapferer's, 1985), golf consumption behavior, and demographic characteristics. Data collection will take place during December 2006 and January 2007, results yielding in February 2007. Data analyses will involve a cluster analysis, descriptive analysis and discriminant analysis to answer the above research question respectively. SPSS 13.0 for Windows will be utilized to perform the data analyses.

The findings of the study will provide greater insights into understanding behaviors of golf consumers. As the main purpose of this study is to identify, profile and discriminate the groups based on the selected variables, golf manufacturers may be able to successfully introduce new products and produce higher profits using this information. Based on the result, marketers may develop effective communication techniques or marketing strategies using appropriate channels to reach their prospective consumer.