Case Study

San Jose Golf Courses Stand Out From the Competition By Adding A Fun New Element to the Game.

GOLF

Santa Teresa Golf Club and San Jose Municipal Golf Course, San Jose, California



Nestled against the hills of south San Jose, Santa Teresa Golf Club is a par 71 course stretching across 6,742 yards. It is one of the most popular and challenging courses in the Bay Area, averaging 90,000 rounds per year, and features wide fairways, fast greens and strategically placed hazards. San Jose Municipal Golf Course, which also averages 90,000 rounds per year, was designed by Robert Muir Graves and opened for play in 1968. The par 72 course traverses more than 6,700 yards. Although these "sister" courses are very successful, Bob and Jim McGrath, General Managers of San Jose Municipal and Santa Teresa, respectively, were looking for a way to differentiate their courses from the competition.

Realizing the importance of embracing technology in a region known for it, the McGraths decided to introduce the Segway[®] x2 Golf to their guests. Each course purchased and deployed 20 x2 Golf units and offered them to guests for a rental fee of \$26 -- the same fee for a traditional golf cart for an 18-hole round.

"Market research has shown that in the golf business you must differentiate your facility, develop programs that encourage loyalty to the club, and continually seek to make the game more fun in order to be successful," said Bob. "Having Segway x2 Golf units at our facility satisfies all three criteria, making it the perfect investment. Any golf club that wants to accomplish similar goals needs to consider bringing the Segway x2 Golf onto their course."

Since the introduction of the Segway golf units, each course has trained 700 golfers

on the Segway x2 Golf. Training sessions are held daily, both in the morning and afternoon, and take approximately 30-40 minutes. The training sessions are free, with four out of five players typically then renting a unit for a round. After successfully completing a training course, players are issued a certification card that allows them to use the Segway x2 Golf at either of the two courses.

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> > - Bob McGrath, General Manager San Jose Municipal Golf Course

Executive Summary

THE CHALLENGE

- Distinguish Santa Teresa Golf Club and San Jose Municipal Golf Course from the competition
- Keep and attract new customers who will stay loyal to the club

THE SOLUTION

- Acquire 20 Segway x2 Golf units at each course for guest rentals
- Offer free training classes to encourage trial

BENEFITS TO THE CUSTOMER

- Adds a fun new element to the game that makes the course stand out.
- Enables speedier play which enhances guest satisfaction and encourages more throughput
- Gentler on the turf, allowing it to travel where a golf cart cannot, on the fairways up to the tees and greens.

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"Initially, some people can be apprehensive but literally within 15-20 seconds, they realize how easy and safe they are," said Jim. "It really is just a matter of getting them past their inhibitions and trying it out for themselves – within minutes, they are having a great time." Robie Kramer, clubhouse manager at Santa Teresa, adds, "All of the staff are trained on the units and they, like the players, are thrilled about the infusion of something new and innovative."

The visibility of the training experience has also motivated other guests to try the products, creating a self-referential customer base. "We have done minimal advertising as there really is no need," said Bob. "The units are prominently displayed at the course. Typically, players come in, give us some inquisitive looks and this leads to an introduction to the Segway x2 Golf. They then participate in a training session, rent a machine for themselves and later provide recommendations to their friends and colleagues."

The McGraths were impressed with the minimal maintenance required for the Segway x2 Golf units, which are stored in the cart storage facility along with the other golf carts. The units don't require a dedicated circuit and in fact, one battery charge is more than enough for a golfer to play a full 18 holes. From a turf standpoint, the Segway x2 Golf causes less turf compaction than a golf cart or even a person walking, which will help expand their season as the units could operate on the fairways during rainy periods. "Because the low-pressure turf tires are so gentle on the course, we will allow the x2 Golf to travel on the fairways, even on days when course conditions restrict golf carts to the paths," savs Bob.

One of the initial concerns of the McGraths was that the addition of the Segway x2 Golf

might increase their insurance costs. But Jim explains that an insurance adjustor visited the course and felt that the Segway x2 Golf was actually safer than a golf cart. "This truly sealed the deal."

The McGraths are also quick to tout the benefits to their players – the Segway x2 Golf enhances play, adds a tremendous element of fun, results in speedier play and allows for more independence and the ability to travel where a golf cart cannot. Concludes Robie Kramer, Clubhouse Manager for the Santa Teresa golf course, "Ultimately we are in a customer service industry so, seeing the joy on a player's face when riding a Segway x2 Golf is very rewarding. It is then that we realized that we have truly done our job in providing an enjoyable experience."

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