

Meg Totusek

Intro to Media Advertising

Introduction to the Advertising Process

## **Golfers as a Target Group for Scheels**

### **Client Description**

#### **Company Overview**

Scheels All Sports was founded as a hardware and general store in Sabin, Minnesota in 1902 by a German immigrant Frederick A. Scheel with the money he made from a potato crop. Scheels started expanding to other states such as North Dakota, and then in 1954 he decided to add a small selection of sporting goods to the hardware products already available. Customers like the offerings, so in 1972 they added sports clothing and shoes to their available products. In 1989, they expanded into Fargo, North Dakota and opened their first 'superstore.' Their headquarters are now located in Fargo with two stores in the metro area - one store focused on sports and the other a home and hardware. Scheels now describe themselves as a sporting goods and entertainment store, as they have expanded their products to every day clothing, athletic gear, sporting goods, home decor and board and video games. The company also seems to have a fondness for ferris wheels and feature them in several of their stores. They now focus on clothing and footwear, and the main groups that they sell to are hunters, fishers and campers, as evidenced by the headers that they have chosen for their main menus. Scheels operates twenty-four stores in nine states. Their largest

store is in Sparks, Nevada and is also the largest all sports store in the world. Scheels is an employee owned business and the company is still run by the Scheels family. Currently the CEO is Steve D. Scheel, the great great grandson of Frederick A. Scheel. Steve's son, Steve M. Scheel, is the company's president. The company logo is "Gear.Passion.Sports" (Peisner,2012)

### **Client Offerings**

As previously mentioned, Scheels' focus is on clothing and footwear, and the main groups that they sell to are hunters, fishers and campers, as evidenced by the headers that they have chosen for their main menus. All of Scheels' menu items have second level landings, and under 'Athletic Gear' we find that Scheels also has focus pages for 'Biking, Golf, Inline and Skateboarding.' Also under 'Athletic Gear' we find 'Fitness' and 'More Athletic Gear'. Fitness covers groups such as 'Exercise Machines, Cardio, Boxing and MMA, and Aerobics and Yoga. 'More Athletic Gear' includes Racquet Sports, Running, Sports Medicine, Team Sports and Water Sports.

The front page advertises a dozen brands through top level placement of their logos and 108 total brands. On the brand landing page, they list these alphabetically, and categorize featured brands by what activity they sell products in. For instance, Nike is shown in the Clothing, Footwear, while adidas is seen in the Clothing and Team Sports categories.

Under the main menu option of Clothing, it is shown that they offer clothing for men, women and youths, as well as Fashion and Accessory options. The Accessory subhead include items such as Backpacks, Belts, Dufflebags and Totes, Sunglasses and Watches. Under the Footwear heading, you can pick from Athletic, Casual, Cleats,

Hunting Boots and Sandal options for men, women, and youths. They also highlight accessories categories for footwear, such as Boot Attachments, Boot and Shoe Care, Boot Dryers and Insoles.

Scheels seems to favor lighter sports, as they seem to lack equipment for rougher sports like mountain biking or skiing and snowboarding even though they have many stores in areas that are known for those activities.

### **My Target Audience: Golf**

#### **Introduction**

In 2011, there were roughly 25.7 million golfers in the United States; 80% male and 19% female. (National Golf Foundation) They could be broken down into seven segments that spend an average of \$2,100 a year on golf: The Dilettante Duffers, The Tank Tops n' Tennis Shoes, The Pull-Carts, The Public Pundits, The Junior Leaguers, The Country Club Traditionalists, and the Swingin' Seniors. The low end of this spectrum is a segment referred to as the "Tank Tops and Tennis Shoe" group which is comprised of 35 year old males who spend approximately \$570 a year on golf. On the other end of the segment spectrum are the "Country Club Traditionalists," 53 year old men who spend upwards of \$4,400 a year on golf. (Bosanko) There has been a decline in golf equipment spending, in 2009 it was down 11% due mostly likely to the recession. (Show) Brand loyalty is decreasing due to price being the most important deciding factor when evaluating products, so retailers like Scheels that provide a range of price and quality based options will appeal to many of the golf segments. (National Golf Foundation)

As previously mentioned, Scheels offers products that would be in the budgets of many if not all of the seven segments of golf players. Scheels offers 'ready to golf' kits that are cheaper and might appeal to the 'Tank and Tennis,' 'Pull Carts,' 'Junior Leaguers,' or the 'Swinging Seniors,' who either don't spend a considerable amount of money each year on golf because it isn't in their budget or aren't as enthusiastic about golf - giving them less reason to spend money even if they have it.

### **Psychographic Elements of Golfers**

Golfers main binding psychographic element is the shared love, or at least like, of golf. If they didn't enjoy it, or receive a benefit of some kind from it, they wouldn't do it. The second most important element is the fact that they are active consumers compared to non-golfers. They travel more, which 2.4 times the number of golfers taking at least 7 round trip flights a year than the non-golfer. Golfers also tend to be well educated, with 84% having attended college pursued post-graduate studies. They also tend to be decision makers at work, with 75% recommending, ordering or approving products or services at their place of business. (Ads in the Hole USA)

Both men and women care about how they look, while the women golfers like to consider themselves 'modern and sophisticated', men tend to label themselves as 'traditional or conservative.' Both men and women under 35 tend to consider themselves 'modern and sophisticated.' (Sports and Leisure Research Group)

### **Demographic Elements of Golfers**

The average golfer is 42, makes \$85,100 annually, and plays 18 rounds of golf a year. (Ads in the Hole USA) There is an 80.7% chance that the golfer is male, as women golfers only account for 19.3% of all golfers.

The dominant age group is the 40-49 year olds making up 19.9% of the golfing population. Following them is the 30-39 group with 19.7% of the population and behind them the 18-29 age group with 18.9% of the golfer population. And while the average HHI is \$85,100, the largest segment of the income groups is the \$125,00+ group coming is at 20.2% of the population. Not surprising considering that golf is an expensive pastime. (National Golf Foundation)

### **How Golfers Aligns with Scheels' Offerings**

Scheels sells equipment that would appeal to all of the seven sub-segments of golfers. Scheels sells 85 individual clubs, 25 putters, 12 drivers, 9 wedges and 7 irons. They also sell 16 full sets of clubs that range in prices from \$59.99 to \$499.99. The sets are made for men, women and children, and the individual clubs are also sold for those three groups.

As said, these products will appeal to all seven sub-segments. The Country Club Traditionalists are willing and able to pay \$599.99 for a single club - the TaylorMade Women's RocketBallz HP Iron. The Tank Tops and Tennis Shoes group would be more likely to be interested in the \$99.99 Affinity XV 460 Golf set as it is closer to being in their price range, keeping in mind this group only spends \$570 year on golf.

Scheels also sells golf apparel, but not much of it. They offer five different golfing gloves that range in price from \$6.99 to \$14.99. They offer one pair of pants that is labeled as 'Men's Apparel' but is also listed under Women's Apparel. They are priced at \$99.99 and specify that they are 'Rain Pants'. Two hats are offered, one by itself for \$27.00 and the other as a Hat Gift Set for \$29.99. The last piece of apparel offered is a three pack of low-cut socks for \$12.99.

While Scheels lacks a significant apparel offering for women, they do have a number of golf clubs and sets aimed at women, which is a good thing for them because approximately 33% of women plan to buy their golfing products at a sporting good store, while 33% of men want to buy their products at golf specialty stores. (Sports and Leisure Research Group)

### **Geographic Choice Explanation**

#### **Metro Area Priority No. 1: Minneapolis & St. Paul, Minneapolis**

There are 407,000 golfing households in the Minneapolis & St. Paul metro areas, and 24.3% of the metro areas's population identifies as a golfer. There are 363 golf courses and country clubs in the state and 87 within 20 miles of the center of Minneapolis. ("Golf Courses" 2011) (Golf Link) This is a target rich environment for advertising to golfers.

There are four stores within 100 miles of Minneapolis/St. Paul. The closest is in Eden Prairie which is 18 miles away, the next is in St Cloud which is 63 miles away, followed by Mankato which is 82 miles away and the farthest is in Eau Claire, Wisconsin, 93 miles away.

This market is one of the largest markets Scheels has a presence in, and the importance of marketing to the population is shown by the fact that there are four stores in the 100 mile radius. This might be an expensive market, however the number of people that would be reachable that are interested in golf is high.

#### **Metro Area Priority No. 2: Omaha, Nebraska**

There are 90,800 golfing households in Omaha, and 22.5% of the cities population describes themselves as a golfer. There are 147 golf courses and country clubs in the state and 59 courses within 17 miles of the city center. ("Golf Courses" 2011) (Golf Link)

Omaha also boasts multiple stores nearby. There is a store in Lincoln, Nebraska that is 53 miles away, and another in Sioux City, Iowa that is 99 miles away.

I chose Omaha because while it might not have as large of a population as the Twin Cities, it is still large enough and near enough to other large cities to have what I will call 'sister stores'. These cities are far enough away to be in different advertising markets, but they won't be out of mind for the golfing consumer. Omaha is also distinctly different from Minneapolis/St. Paul, as they are Northern cities, and Omaha is considered firmly a 'Midwest' city.

### **Metro Area Priority No. 3: Reno, Nevada**

Reno has 50,300 households with golfers in them and 19.1% of the population classified itself as a golfer. There are 78 golf courses in the state and 33 within 17 miles of the city. It is the only store in the state, and the closest store in the vicinity is 530 miles away in Sandy, Utah.

I chose this store because it is in a unique setting. A much different location than the majority of the other stores - in the Midwest - and it is completely by itself as well as being the largest store that Scheels has opened. There is a smaller settled population to advertise to, however Reno is a recreation and vacation based city. Many come to Reno to play and relax, and therefore want the tools to do so.

## **Golf Bullet-List Summary**

### **· Psychographics**

- Loves golf
- Active consumer
- Travels frequently
- Decision maker at work

### **· Demographics**

- 80.7% male, 19.3% female
- Educated - 84% attended college
- Age range: 40-49
- Average HHI \$85,100



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