

A Market Analysis for

Titleist

Titleist

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EXECUTIVE SUMMARY

This market analysis provides an in-depth evaluation of Titleist Golf, a leading brand under Acushnet Holdings Corp., focusing on its current market position, competitive landscape, and opportunities for future growth. The analysis examines industry trends, target market dynamics, and competitive pressures that influence Titleist's performance. Key findings highlight the brand's strong reputation for quality and innovation, particularly in its Pro V1 golf ball series (Golf Digest, 2024), while also identifying challenges such as intense competition, shifting consumer preferences, and the growing emphasis on sustainability (Coherent Market Insights, 2023). The report concludes with strategic recommendations, including expanding product lines to appeal to emerging markets and younger demographics, enhancing sustainability initiatives, and setting specific, measurable goals to increase market share. Implementing these recommendations will position Titleist to sustain and strengthen its leadership in the global golf equipment industry.

OBJECTIVE

The primary objective of this analysis is to provide Titleist Golf with strategic insights and recommendations to enhance its market position amid evolving industry dynamics and competitive pressures. Specifically, the analysis seeks to determine effective strategies for updating Titleist's marketing approach, expanding its product offerings, and integrating sustainability into its brand narrative. The goal is to identify actionable steps that Titleist can take to attract new customer segments, retain existing customers, and drive sustained growth in both established and emerging markets.

RESEARCH METHODOLOGY

This report is based on comprehensive research conducted over the past three months, utilizing a combination of internal and external data sources. The research methodology includes:

- **Internal Data Analysis:** Examination of Titleist's financial reports, sales figures, and product performance metrics provided by Acushnet Holdings Corp. (Acushnet Holdings, 2024).
- **External Market Research:** Collection of data from reputable industry reports such as Coherent Market Insights (2023) and IBISWorld (2024), offering insights into market size, growth forecasts, and industry trends.
- **Competitive Analysis:** Evaluation of competitor strategies and market positions, particularly focusing on brands like Callaway and TaylorMade, through sources like SGB Media (2024) as well as corporate sites for Callaway and TaylorMade. (Golf Digest, 2024)

- **Consumer Behavior Studies:** Analysis of market segmentation and consumer preferences based on research from Amplify XL (2023).
- **Product Performance Reviews:** Assessment of product rankings and reviews from authoritative sources like Golf Digest's 2024 Golf Ball Hot List. (Golf Digest, 2024)
- **Qualitative Interviews:** Informal discussions with industry experts and golf professionals to gain nuanced insights into market perceptions and emerging trends.

Challenges Encountered:

- Limited access to proprietary competitor data restricted the depth of some comparative analyses.
- Rapidly changing market conditions, particularly post-pandemic shifts, required continual updates to ensure data relevance.
- Pending updates on global economic indicators may affect long-term forecasting and were noted for future consideration.

RESEARCH AND KEY FINDINGS

Industry Overview and Outlook

The global golf equipment industry is experiencing steady growth, with projections indicating a compounded annual growth rate (CAGR) of approximately 2.5% from 2024 to 2030 (Coherent Market Insights, 2023). Key drivers include increased participation rates, especially among younger demographics, technological advancements in equipment design, and a growing emphasis on health and outdoor activities post-pandemic.

Environmental sustainability is becoming increasingly important, with consumers showing preference for brands that adopt eco-friendly practices. Additionally, emerging markets in Asia-Pacific and Latin America present significant growth opportunities due to rising disposable incomes and growing interest in golf as a leisure activity. (Coherent Market Insights, 2023)

Company Profile

Titleist Golf, established in 1932, has built a strong reputation for producing high-quality golf equipment, particularly golf balls and clubs. The brand is synonymous with performance and innovation, catering primarily to serious golfers and professionals. Titleist's commitment to research and development has resulted in industry-leading products that consistently rank highly in performance evaluations (Golf Digest, 2024).

Target Market Analysis

Titleist's core customer base comprises:

- **Professional and Avid Golfers:** Individuals who prioritize performance and are willing to invest in premium equipment.
- **Golf Enthusiasts:** Amateur players seeking to improve their game through high-quality products.
- **Emerging Demographics:** Younger players and female golfers, representing growing segments with distinct preferences and expectations.

Market segmentation studies (Amplify XL, 2023) suggest that tailoring products and marketing strategies to these diverse groups can enhance market penetration and customer loyalty.

Competitive Analysis

Titleist operates in a highly competitive landscape with key competitors including:

- **Callaway Golf:** Known for a broad product range and innovative technology, appealing to a wide audience including casual and professional golfers. (SGB Media, 2024)
- **TaylorMade:** Recognized for aggressive marketing and cutting-edge club designs, capturing significant market share among younger demographics. (SGB Media, 2024)
- **Bridgestone Golf:** Strong presence in golf balls with endorsements from prominent players, offering high-performance products at competitive prices. (Golf Digest, 2024)

Competitors have been successful in leveraging digital marketing, influencer partnerships, and diversified product lines to attract varied customer segments. Titleist maintains a strong position but faces challenges in appealing to newer and more price-sensitive demographics.

SWOT Analysis

Strengths:

- Renowned brand reputation and loyalty.
- High-quality, performance-driven products.
- Strong distribution networks and professional endorsements.

Weaknesses:

- Premium pricing limits accessibility to broader markets.
- Limited product diversification compared to competitors.
- Less aggressive digital and social media presence.

Opportunities:

- Expansion into emerging markets with tailored product offerings.
- Development of affordable product lines targeting casual and young golfers.
- Integration of sustainability initiatives to meet environmental concerns.

Threats:

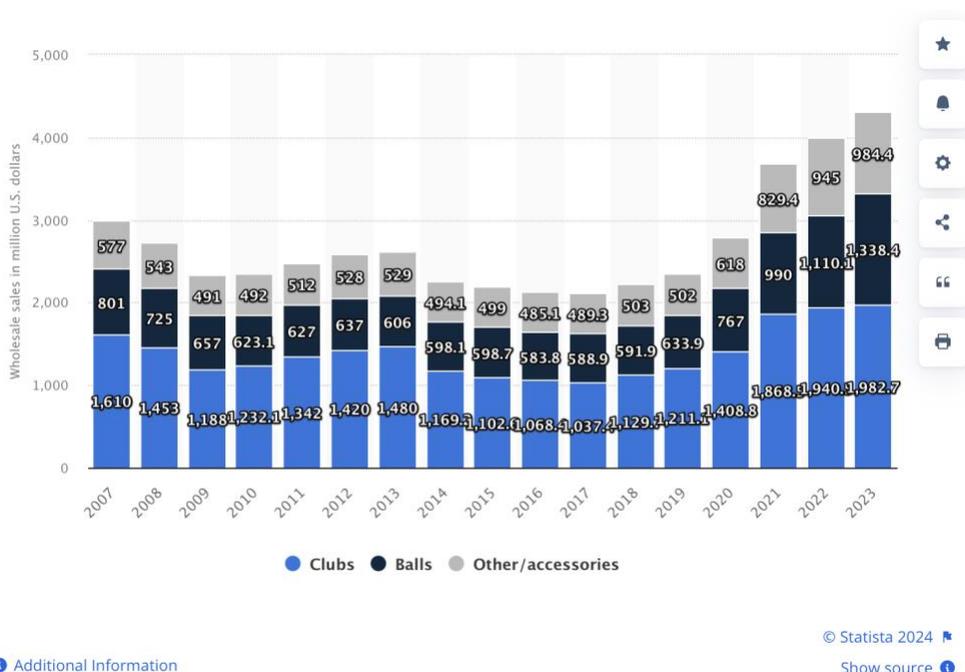
- Intensifying competition with innovative and cost-effective products.
- Economic uncertainties affecting discretionary spending.
- Changing consumer behaviors favoring digital engagement and eco-friendly brands.

STEEPLE Analysis

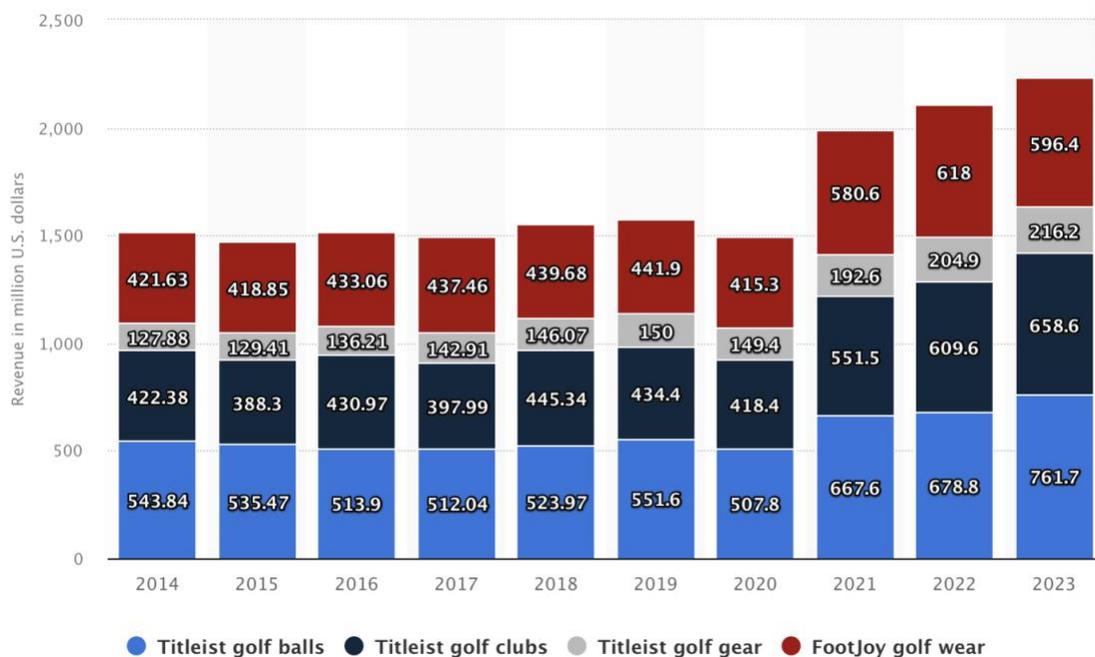
- **Social:** Growing diversity in golf participation with increased female and youth engagement. (Amplify XL, 2023)
- **Technological:** Advancements in materials and manufacturing processes enabling innovative product designs. (Coherent Market Insights, 2023)
- **Economic:** Fluctuations in global economies impacting consumer spending on leisure activities. (IBISWorld, 2024)
- **Environmental:** Rising awareness and concern over environmental impacts prompting demand for sustainable products. (Coherent Market Insights, 2023)
- **Political:** Trade policies and tariffs affecting international distribution and manufacturing costs. (IBISWorld, 2024)
- **Legal:** Compliance with international standards and regulations governing product safety and environmental practices. (Coherent Market Insights, 2023)
- **Ethical:** Expectation for corporate social responsibility and ethical sourcing in production processes. (Coherent Market Insights, 2023)

Product Performance

According to the **Golf Digest 2024 Golf Ball Hot List**, Titleist's Pro V1 and Pro V1x series continue to dominate, praised for exceptional distance, control, and feel. The products have consistently received top ratings, reinforcing Titleist's position as a leader in golf ball technology (Golf Digest, 2024). However, the lack of more affordable alternatives within the product line may limit accessibility for some market segments.



Wholesale sales of golf equipment in the U.S. from 2007 to 2023



Acushnet Holdings Corp. revenue by segment worldwide from 2014 to 2023

CONCLUSIONS

The analysis indicates that while Titleist maintains a strong and reputable position in the premium segment of the golf equipment market, there are significant opportunities for growth through strategic diversification and modernization of its marketing approach. By addressing its current weaknesses and leveraging market opportunities, Titleist can expand its customer base, particularly among younger and emerging market demographics.

The increasing importance of sustainability presents both a challenge and an opportunity; integrating eco-friendly practices can enhance brand image and meet evolving consumer

expectations. Additionally, embracing digital marketing and social media engagement can increase brand visibility and connection with modern consumers.

To remain competitive, Titleist must balance maintaining its high-quality, premium brand identity with becoming more accessible and relevant to a broader audience.



Titleist at the Masters

RECOMMENDATIONS

1. Product Line Expansion:

- **Develop Affordable Options:** Introduce a new line of cost-effective golf equipment targeting beginners and casual players, making the brand more accessible without compromising quality.
- **Tailor Products for Emerging Markets:** Design products that cater to the specific needs and preferences of golfers in emerging markets, considering local playing conditions and cultural nuances. (Amplify XL, 2023)

2. Enhanced Marketing Strategies:

- **Leverage Digital Platforms:** Increase presence on social media and digital channels through engaging content, influencer partnerships, and targeted advertising campaigns aimed at younger audiences. (SGB Media, 2024).
- **Experience-Based Marketing:** Host virtual and in-person events, workshops, and tournaments to build community engagement and brand loyalty. (SGB Media, 2024).

3. Sustainability Initiatives:

- **Eco-Friendly Materials and Processes:** Invest in research and development to incorporate sustainable materials and manufacturing practices across product lines. (Coherent Market Insights, 2023)
- **Transparent Sustainability Reporting:** Regularly publish reports detailing environmental impact and sustainability efforts to build trust and appeal to environmentally conscious consumers. (Coherent Market Insights, 2023)

4. SMART Goal:

- **Specific:** Achieve a 10% increase in global market share among golfers aged 18-35 within the next 24 months.
- **Measurable:** Track sales data, market penetration rates, and brand engagement metrics within the target demographic.
- **Attainable:** Utilize expanded product offerings and targeted marketing campaigns to drive growth.
- **Relevant:** Aligns with the objective to broaden customer base and ensure long-term competitiveness.

- **Time-bound:** Implement strategies immediately with quarterly reviews to monitor progress and adjust tactics as needed.

5. Ongoing Market Research:

- **Consumer Feedback Mechanisms:** Establish channels for continuous feedback from customers to inform product development and service improvements.
- **Competitive Monitoring:** Maintain regular analysis of competitor activities and industry trends to adapt strategies proactively.

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