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Comparing business models of Finnish golf communities

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ABSTRACT:

This master's thesis will be conducted as an assignment from Finnish golf Union and will discuss about the topic of developing businesses of Finnish golf course communities. Each course in Finland is an independent actor in the golf business sector and the union is the highest organization to control the mutual agreements and rules. Objective in the study concentrates on analyzing business models of chosen Finnish golf course operators and to find out similarities or specialties in terms of conducting successful golf course business operations. The thesis takes advantage of the survey results from Players 1st survey, which was provided confidentially by Finnish golf union. From the results, the successful golf courses were revealed with the most points in member and visitor satisfaction rates in NPS rate meter to be further analyzed. Thus, the empirical part was conducted in a form of multiple case study, to research business model of each selected golf course operator.

The research examines business model literature and additionally analyzes more closely the pieces within the entity. Nevertheless, discussion about the topic among authors is seemingly fruitful, there prevails a contradiction about the business model definition. Literature review discusses about the frameworks from various author among the industry and focuses on the selected framework to open up the business model concept more thoroughly.

KEYWORDS: Business models; business model innovation; best practices; golf course business operations

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1. Introduction

The game of golf has evolved from being a hobby for wealthy people to sport for all citizens. The sport has successfully lowered the barriers to start a new nature-close hobby and provides a lots of social events among the game. However, in European scale, after enjoying structural growth for many years, golf is currently in a situation of facing negative growth. One of the reason behind the effect lays in the financial crisis and as a result, the consumption habits of golfers has been changed radically. However, it doesn't explain the whole story, as the forecasts are showing the negative growth to continue until 2020, meaning that the number of registered players in Europe will decrease from roughly 4,3 million to 3,5 million. Based on these facts, GCAE (Golf Course Association Europe) with member associations around Europe has developed VISION 2020 project to answer the growing need for change in the European golf industry (GCAE 2019).

These larger scale effects will be seen as national level as well. Thus, to answer the changing nature of golf business, this thesis will be conducted in collaboration with Finnish Golf Union in order to research the Finnish golf communities more thoroughly and identify best practices conducted in the field. The results from the research will be gathered together in order to offer practical knowledge for single Finnish golf courses for further use to develop and improve business in a desired way.

1.1. Motivation for the study

To answer the growing need for the development of golf business, Finnish golf Union, the highest organization to control the mutual agreements and rules, has set up a development group, which will be concentrating on creating certain strategies and information packages, that could be exploited in practice by individual courses. According to Finnish Golf Union's annual report of 2018, the state of golf in Finland has remained stable, nevertheless the number of members of golf clubs has been decreased with 3500

members in 2018. Noteworthy is also the amount of junior players, which has been decreasing in eight subsequent years. For this particular manner, the union with co-operation with golf communities has been taken actions to return the popularity among young people. Several actions has been already taken place and the results are hopefully seen in following years. Finnish Golf Union has set three goals to improve junior golfers' participation, which are: increasing the number of active players, modifying the golf communities answering more the demands of juniors and modernize the sport in the eyes of juniors and young people. Actions towards these goals are mainly taken by bringing the sport more close to schools and events (Golflitto 2018).

The report of Golf Participation rates for Europe 2018 conducted by KPMG, shows that Sweden only reaches over 5% participation rate of population playing golf (KPMG 2018). GCAE's VISION 2020 reflects the goals to US markets and indicates that USA shows 8-10% participation rate in golf. To reach those numbers in every country in Europe with over 1000 registered players, would require a lot but to reach the European leader Sweden with 5% participation would be reachable and would increase the player amount from 4,3 million to 20 million players, which indicates the huge potential laying in the golf industry (GCAE 2019).

In average, European rates in age distribution among player's forecasts for 2020 that, current development states 42% of players will be over 60 and 66% over 50 in 2018 (EGCOA 2019). In national level, men's' average age in member statistics in 2018 is 47,1 and women's 51,6 (Golflitto 2018). These percentages are indicating that, golf requires new creative innovations to attract and retain players of younger ages. Short-term goal will be get more players in age of 50+ to get on board and in long term focus, should be targeted to attract even younger generations. In this particular manner, the developments should be made nationally in collaboration GCAE and each national association. In addition to take account the age distribution, new golfers should be attracted; KPGM's research in participation rate in 2018 indicates, that luckily the developing countries in

terms of percentage growth in registered golfers are emerging in Eastern European countries for example Lithuania, Romania and Poland are increased significantly their participation rates and golf is not seen any more as an luxury hobby (KPMG 2019). Other actions to answer the growing need for change are made for example in Sweden and Turkey by supporting affordable playing opportunities and in England by introducing shorter formats of the game. Mentionable, is also the positive impacts with hosting the Ryder Cup in France 2018 as well as the next event in Italy 2022 (KPMG 2019) and upcoming Olympic year 2021 in Tokyo, in which golf will be included for second year in row and has huge positive impact for professional players and will give more media coverage than regular golf events (Golf Magic 2019).

1.2. Finnish Golf Union

Finnish golf union (Golfliitto) is the central organ within the Finnish golf communities. The main responsibilities are to act as a link between the authorized courses and organize competitions in national level. The union holds approximately 100 elected members, from which 15 are operating in the main office in Helsinki. Nationally, Finnish Golf Union is part of Finnish Olympic Committee, which means that it is responsible to correspond the international connection between IGF (International Golf Federation), EGA (European Golf Association), as well as with R&A and USGA, which are organizations to determining and updating the rules of golf (Finnish Golf Union 2019).

The Finnish golf union has set up a development group, which will be concentrating on creating a certain strategies and information packages that could be exploited in practice by single golf course operator. The development group has been established in January 2019 and includes four professionals. Their main goal is to be responsible of the development of Finnish golf communities. The union has collected significant amount of data from the golf courses financially and by conducting surveys, which involve players (visitors), stakeholders and community members.

1.3. Research gap

Business models are widely discussed in the literature especially since the beginning of the Internet era in the late 90s (Magretta 2002). The discourse is significantly wide, while authors are suggesting their own definitions of the topic and offering different kinds of frameworks as a tools to analyze different businesses (Klang, Wallnöfer, & Hacklin 2014). However, the concept of business model lacks conceptualization and authors haven't found consensus in terms of widely agreed definition (Zott & Amit 2008). Golf course business operations, also lack of specific research but are often related to industries as other sport or leisure management (Oddy 2017). Nevertheless, golf course businesses can be compared to any other business, since there are similar activities conducted by the organizations, such as customer relationship, value proposition and resource management. Therefore, it is justified to merge the research of business models to concern also golf course business operations. Finnish golf course businesses are considered as a small and medium sized businesses and the public financial statements are indicating that over 25 courses in Finland are implementing business with over one million turnover (Finnish golf Union 2019).

This thesis observes business model practices in the view point of most successful golf course businesses in Finland, taking advantage of Players 1st survey result, conducted by Finnish Golf Union and manager interviews with successful golf operators. However, several consulting firms among with Finnish golf union, are conducting their yearly reports of golf industry in general macro-level, this thesis will dig deeper in the industry and analyze selected businesses in micro level as well, in order to provide successful practices prevailing within the industry. **Figure 1** demonstrates the research gap.



Figure 1. Research gap

1.4. Research question and objectives

Despite lack of present analysis of golf course business operations, this thesis will take a step into the industry by taking advantage of the literature in business models. The goal is to analyze carefully selected businesses and their business operations in order to reveal best practices and similarities used the very top of Finnish golf course businesses. As the literature review will later show, imitating the entire business model is rather difficult but a single innovative management method, product or process can be easily put into practice by another firm within its abilities (Zott et al. 2011). Thus, the research question to be the constructed stated below:

Which are the best practices that can be recognized in successful golf course businesses in Finland?

Moreover, In order to find solution to the issue, the research objectives are as following:

1. To define successful golf course operators' business model and its elements

2. To reveal similarities in the analyzed case companies
3. To understand what kind of practices are utilized in the implementation of developing golf business at single community.
4. To describe how golf communities can answer the change in golf business.

To meet the research goals mentioned, and to address research questions, the research uses both empirical and theoretical methods in the literature of business models as well as reports available in golf industry.

1.5. Thesis structure

The core structure of this thesis is built around business models and the fruitful discussion among authors. The comprehensive literature review will discuss about business model definition, however due to versatile discourse, it is stated that still today authors haven't found the common consensus of the topic. After presenting most common definitions of the topic, the thesis will start open up the popular framework models which, authors have created in order to help to analyze certain businesses more thoroughly. Then, as we know, business model is constructed with various different elements creating the entity. Thus, the business model elements are discussed in critical manner as authors in the field have suggested various different elements to be included in the business model. However, the existing literature about business model will offer fruitful data about the most cited elements. Nevertheless, the widely used concept about business model and its elements have not yet recognized.

Despite the many functional ways to open up business model into pieces by explicating the essential creation process of value (Osterwalder & Pigneur 2010; Zott, Amit, & Massa 2011), "*Business Model Canvas*" by Osterwalder (2004) & Osterwalder & Pigneur (2010) is selected to present ground in order to enlighten business model fragments, because of its popularity among literature. Therefore, "*business model canvas*" is chosen as a demonstrating framework and as an example to open up the business model into smaller

elements in a specific way. Finally, theoretical part ends with a discussion about the business model development and innovation and their complementation of the conceptual framework of business model concepts.

After theoretical framework is discussed, the methodological choices are outlined in the chapter three. The section examines the technique of analysis, theoretical premises and method of research. The chapter also explains the process of case selection and determines how the research is conducted. Chapter four concentrates on empirical research and results within actual research. First, the cases are introduced individually and further in cross-case examination and the results are backed up with quantitative data. Finally, the last chapter concludes the dissertation of theoretical and organizational contributions and provides models of best practices. Lastly, suggestions to some topics for further research are introduced.

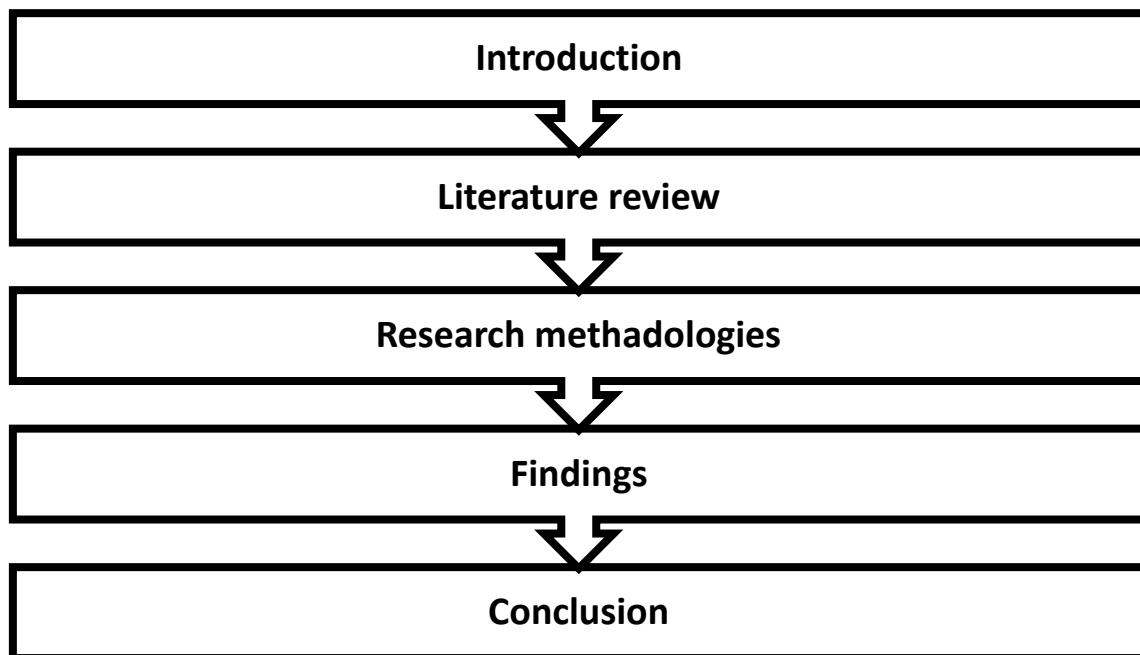


Figure 2. The structure of methodologies

2. Theoretical framework

2.1. Identifying business model

The definition of the business models has been under investigation for many decades but yet remains undefined and unclear (Shin, Juneseuk & Park 2009; Chesbrough & Rosenbloom 2002; Magretta 2002), although a large amount of definitions have been established with strategic frameworks. Initially, the real boom of the research in business models surfaced in late 1990s, at the same time with beginning of Internet era (Magretta 2002). Simultaneously, scholarly publications about business model increased in large numbers (Klang et al. 2014). Moreover, authors conducted a study to reveal business model paradoxes, that most scholars within the topic refer business model framework and firm's strategy conceptually distinct. The argument is supported by e.g. Casadesus-Masanell & Ricart (2010) and Chesbrough & Rosenbloom (2002) who argue that, given the association between these two elements, they are separate concepts; business model represents the strategy of the organization, but not the strategy.

Business model definition is rather difficult to determine precisely, as various different authors over the years have invented their own models and descriptions of the concept (Itami & Nishino 2010). One of the first definitions emerged from Timmers (1998, p. 4) as author characterized the framework as an "*architecture*"; including utilities, goods and sources of knowledge as elements in the entity (Fielt 2013; Timmers 1998). Earlier contributions influenced Mahadevan (2000) and Tapscott (2001) to further develop the definition by emphasizing the network within the business model and specify the roles of actors, their relationship and interactions. However, some definitions of business model might be confusing and not adoptable to all business fields, which it is why some authors are categorizing the definition into contexts (Fielt 2013). Amit & Zott (2001) for example focusing firm's ability to create value in e-business while, Chesbrough & Rosenbloom (2002) highlight aspects of technological innovation positioning business models as facilitators between technical growth and the creation of

added value (Fielt 2013; Chesbrough & Rosenbloom 2002; Amit & Zott 2001). The variety of different fields of business, might be one factor to explain the lack of widely agreed definition within the research (Casadesus-Masanell & Ricart 2010). In addition, definition of a business model system and the usage for various intentions e.g. for freshly started firms, innovations in multiple types, may be another acceptable reason for the lack of commonly accepted definition in business model literature (Fielt 2013).

Amount in definitions over the years have influenced some authors to conduct comprehensive research about descriptions of the business model for present summaries of the subject. Itami & Nishino (2010, p. 364) suggest, the common definition to be built around two elements; *“a business system and a profit model”*. Fielt (2013, p. 92) agrees and proposes a definition based on various authors' statements; *“a business model describes the value logic of an organization in terms of how it creates and captures customer value”*. Quite close is the definition by Osterwalder, Alexander & Pigneur (2010, p.14) defining concepts in manner of *“The rationale of how an organization creates, delivers, and captures value”* and similar to Baden-Fuller & Morgan (2010, p. 157) offered description *“the role of business model is to provide a set of generic level descriptors of how firm organize itself to create and distribute value in a profitable manner”*. Another mentionable definition comes by Morris, Schindehutte, & Allen (2005, p. 727), who summarize business model concept based on various authors researches in the beginning of 20s as *“a business model is a concise representation of how an interrelated set of decision variables in the areas of venture strategy, architecture, and economics are addressed to create sustainable competitive advantage in defined markets.”* Finally, by adding Johnson, Christensen, & Kagermann (2008) statements about interlocking blocks, which are divided into four separate elements and together creating and delivering value for customer – a certain agreement can be found on the evolution of the model in hectic dis-course.

To sum up the discussion on definitions, the earlier studies are focusing on more how the actual business model is constructed and bypassing the abstract definition (Fielt

2013; Bouwman, De Vos, & Haaker 2008; Osterwalder et al. 2005; Timmers 1998). However, in the updated definitions, mainly from the middle 20s, scholars set the business model to the extent of value logic and in particular through the production, distribution and/or capture of value (Fiel 2013). For example Teece (2010, p. 174) describes “*how firm creates and delivers value to customers, and then converts payments received to profits*”, while Osterwalder & Pigneur (2010, p. 14) conclude, “*business model describes the rationale of how an organization creates, delivers, and captures value.*” It is important to dig deeper into the subject to understand better business models and especially to the frameworks or ontologies certain author have conducted, nevertheless the business model isn’t yet conceptualized. **Table 1** below shows the most relevant definitions by the authors within the research field.

Authors	Year	Topic	Definition
Timmers	1998	Business Models for Electronic Markets	<i>“Business model is an architecture for the product, service and information flows, including a description of the various business actors and their roles; and a description of the potential benefits for the various business actors; and a description of the sources of revenues.” (p. 4)</i>
Chesbrough & Rosenbloom	2002	The role of the business model in capturing value from innovation: evidence from Xerox Corporation’s technology spin-off companies	<i>“The business model provides a coherent framework that takes technological characteristics and potentials as inputs, and converts them through customers and markets into economic inputs. The business model is thus conceived as a focusing device that mediates between technology development and economic value creation.” (p. 532)</i>
Morris, Schindehutte, & Allen	2005	The entrepreneur’s business model: toward a unified perspective	<i>“A business model is a concise representation of how an interrelated set of decision variables in the areas of venture strategy, architecture, and economics are addressed to create sustainable competitive advantage in defined markets.” (p. 727)</i>

Johnson, Christensen, & Kagermann	2008	Reinventing Your Business Model	<i>"A business model consists of four interlocking elements that, taken together, create and deliver value. The most important to get right, by far, is the customer value proposition. The other elements are the profit formula, the key resources and the key processes." (pp. 52-53)</i>
Demil and Lecocq	2010	Business Model Evolution: In Search of Dynamic Consistency	<i>"Generally speaking, the concept refers to the description of the articulation between different BM components or 'building blocks' to produce a proposition that can generate value for consumers and thus for the organization." (p. 227)</i>
Itami & Nishino	2010	Killing Two Birds with One Stone Profit for Now and Learning for the Future	<i>"Business model is a profit model, a business delivery system and a learning system..." (p. 364)</i>
Osterwalder & Pigneur	2010	Business Model Generation	<i>"A business model describes the rationale of how an organization creates, delivers, and captures value." (p. 14)</i>
Teece	2010	Business Models, Business Strategy and Innovation	<i>"...how a firm delivers value to customers and converts payment into profits." (p. 173)</i>
Zott & Amit	2010	Business Model Design: An Activity System Perspective	<i>"A business model can be viewed as a template of how a firm conducts business, how it delivers value to stakeholders (e.g., the focal firms, customers, partners, etc.), and how it links factor and product markets. The activity systems perspective addresses all these vital issues." (p. 222)</i>

Table 1. Business model definitions by different authors

2.2. The Frameworks of Business Model

Defining more precisely, what business model is made of, authors have created their own frameworks to describe the blocks within the structures of a business models. The elements are also referred to as, “*building blocks*” (Osterwalder & Pigneur 2010, p. 17), “*key questions*” (Morris et al. 2005, p. 729) or “*functions*” (Chesbrough & Rosenbloom 2002, p. 533). Frameworks do not only describe the elements, but add the interrelations and network connections between the components (Fielt 2013). Moreover, frameworks often introduce some hierarchal structures by categorizing elements into different levels (Fielt 2013; Johnson et al. 2008; Morris et al. 2005).

Chesbrough & Rosenbloom (2002, pp. 533-534) discussed about business model structure in concept of technological innovation. Where, authors listed six key blocks in business model as “*value proposition*”, “*market segmentation*”, “*value chain*”, “*cost and revenue structure*” along with “*competing and completing players*” from the focal firm point of view. As an exception, compared to other frameworks, Chesbrough & Rosenbloom (2002) attach competitive strategy as single element within the entity. However, stressing, that it doesn’t cover the full strategy but accept the deviances in between the strategic manners and the business model framework (Fielt 2013; Chesbrough & Rosenbloom 2002). Meanwhile, Morris et al. (2005) view business design through entrepreneurship by including detailed aspects of financial actors, such as operating leverage, volumes, and margins. Precisely, one of its elements discusses the entrepreneur's or investor's personal Factors about their ambitions regarding time, distance and scale, also frequently stated as “*Investment Model*” (Fielt 2013; Morris et al. 2005, p. 732). With similar views Johnson et al. (2008, pp. 52-55) introduced “*The Four-Box business model*” and discussed about interdependencies between the elements within the boxes. The main difference compared to “*business model canvas*” by Osterwalder & Pigneur (2010, p. 44), is more precisely introduced operational details (Fielt 2013; Johnson et al. 2008). Additionally, Zott & Amit (2010) state, business model objective would be maximize the business efficiency by delivering value for involved actors in the business, either by matching the customer preferences or benefit the focal firm or its business associates.

Additionally, they subsequently extended the definition of business model concept towards “*an activity system*”, an operation structure consisting of independent activities beyond the boundaries of the focal firm. “*Activity system structure describes how the activities are linked (e.g., the sequencing between them), and it also captures their importance for the business model, for example, in terms of their core, supporting or peripheral nature.*” (Zott & Amit 2010, p. 220). However, particular activity itself could be seen as inefficient but when all activities are tightly connected, the system’s purpose is to gain significant competitive advantage. Later, Amit & Zott (2012) state, that the way activities are merged, defines the factors of value formation. The objective of the activity system is to support value creation which is the business model's ultimate objective (Zott & Amit 2010; Amit & Zott 2012). However, the most popular and the most referred concept would be the “*business model canvas*” by Osterwalder & Pigneur (2010, p. 44). The framework grounds on author’s earlier work among the ontology (Osterwalder, Pigneur, & Tucci 2005). “*Business model canvas*” is to be explored in details in following chapters to represent as an example of the framework creation with its elements.

2.3. The Elements of Business Model

Frameworks of the business model entities represent the entity by defining on how the business model constructs. However, variety of the business fields among with the usage of each framework, authors have selected various different elements within the particular business model represented. The elements can also be referred “*building blocks*” (Osterwalder & Pigneur, 2010, p. 17), “*components*” (Demil & Lecocq 2010, p. 231), “*key questions*” (Morris et al. 2005, p. 729) or “*functions*” (Chesbrough & Rosenbloom 2002, p. 533). The business model features are occasionally represented among with definitions or published as lists, frameworks or ontologies (Fielt 2013).

However, the definition of the topic still lacks of general conceptualization among researchers, authors have represented their own interpretations about business models and its components (Zott et al. 2011). However, certain elements gain more attention

and are mentioned frequently in the literature. Comprehensive review of the literature conducted by Morris et al. (2005, pp. 727-728) reveal, the researchers in the beginning of 2000s cited the most often components concerning; *"firm's value offering"*, *"economic model"*, *"customer interface/relationship"*, *"partner network/ roles"*, *"internal infrastructure/connected activities"* and *"target markets dimensions"*. In comparison, Al-Debei & Avison (2010, pp. 367-368) describe their conceptual framework of business models to be constructed including elements of *"value proposition"*, *"value architecture"*, *"value network"*, and *"value finance"*. Further, regarding these above mentioned analysis, Felt (2013, p. 95) presents his arguments about business model's elements cover *"customer"*, *"value proposition"*, *"organizational architecture"* and *"economics dimensions"*.

2.4. Business Model Canvas

"Business model canvas" represents a structure and a strategic management method, which divides firm's activities into nine pieces. Osterwalder & Pigneur (2010, p. 17) call the process by *"building blocks"*, representing logic behind company's intension to gain profit. Initially, the canvas has foundations by the earlier work of Osterwalder, Pigneur, & Tucci (2005, p. 18). The ontology divides the blocks as *four pillars*; *"customer interface"*, *"product"*, *"infrastructure management"* and *"financial aspects"* but further research modified the model to be fully divided and explained with nine different pieces of components (Osterwalder & Pigneur 2010). The canvas has now settled as a conceptual framework for creating or improving different kinds of businesses. Although, other scholars have been close of creating a similar tools. One to mention, was the work by Chesbrough & Rosenbloom (2002, pp. 533-534), where authors identified *"six functions"* of framework model as *"value proposition"*, *"market segmentation"*, *"value chain structure"* *"definition within the firm"*, *"estimation of cost and revenue structure"* along with *"value network and competitive strategy"*. Therefore canvas by Osterwalder & Pigneur (2010, p. 44) presents similarities from different schools. Nowadays, *"business model canvas"* is represented as *"common language for describing, visualizing, assessing and*

changing business models. The canvas stimulates the visual thinking by focusing on design and innovation, in particular by using visual thinking it stimulates a holistic approach and storytelling” (Fielt 2013, p. 93; Osterwalder & Pigneur 2010, p. 44).

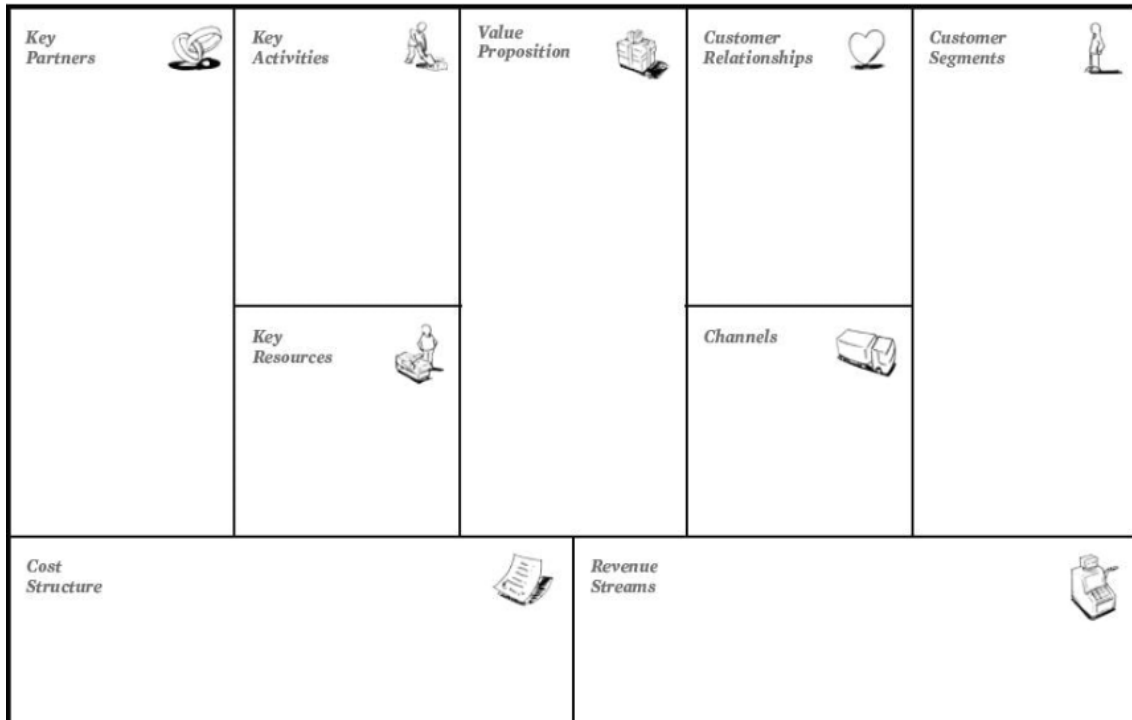


Figure 3. Business model canvas (Osterwalder & Pigneur 2010)

2.4.1. Customer segments

Osterwalder & Pigneur (2010, p. 21) identify *customers* as a key element of every organization. Similarly, Teece (2010) argues, that customer is the objective to whom firm creates and delivers value, thus converting the payments into profits. Chesbrough & Rosenbloom (2002) see customers as one of the channels, through which company turns technological characteristics and potentials inputs into capital. Thus, it is impossible for any company to survive without profitable customers. In the business model creation, company may define several customer segments in order to serve customers in different natures (Osterwalder & Pigneur 2010). Moreover, Jonhson et al. (2008) states by inventing or reinventing business model should be started by identifying the customer value

proposition to even dream about profitable business. Nevertheless, some earlier business model antecedents propose customer segment to be following step after business model formation (Chesbrough & Rosenbloom 2002) as the preferences might change and differ from initial business model during the development process (Amit & Zott 2012). However, Osterwalder & Pigneur (2010) explain their canvas to be build around a specific customer segment. Company could define several segments but then clearly decide, which segments they are going shift more focus and which segments to give less attention.

Customer dimension reveals the objective customer and the preferences. The need can be identified also as “*problem*” and “*opportunity*” and often referred as “*job to be done*” (Felt 2013; Johnson et al. 2008, pp. 53-54; Ulwick 2005, p. 109). Moreover, Christensen, Hall, Dillon, & Duncan (2016) underline the importance of the issue for company to step into the customer perspective, rather than aim all focus on the customer profiling and data analysis, while ignoring the fact behind what customers are actually trying to achieve in order to buy products or services. Companies may utilize different tools or maps in order to create comprehensive sight of the customer journey. Thorough analysis of customer actions could be the key to improve the customer experience, which can be further capitalized in the form of increased profits (Bettencourt & Ulwick 2008).

2.4.2. Value Propositions

Value proposition regularly described as a centric element of any business model’s framework (e.g. Zott, Amit, & Massa 2011; Osterwalder and Pigneur 2010; Teece 2010; Johnson et al. 2008; Chesbrough 2006; Morris, Schindehutte & Allen 2005). Besides, Zott & Amit (2010) state the overall purpose of whole business is serve customer value creation. Furthermore, Teece (2010, p. 174) proposes that, “*a good business model yields value propositions that are compelling to customers, achieves advantageous cost and risk structures, and enables significant value capture by the business that generates and*

delivers products and services". Moreover, Osterwalder & Pigneur (2010) define value propositions as mixture of services and products creating a value for specifically defined segment. In addition, Johnson et al. (2008) strongly tie customer and customer value proposition together. In summary, value proposition is described as the fundamentally crucial part to get correct in the construction of a business model, because rest lies on, that company creates to the client through its offering (Johnson et al. 2008; Chesbrough 2010; Zott et al. 2011).

Johnson et al. (2008) suggest, that most important thing in creating value proposition for the targets is the precision and a way the need or problem addresses directly. Companies often forget to focus on one particular job, which leads them to operate on lots of processes at the same time but nothing in appropriate way. Value proposition perceived by customer can be created with quantitative, qualitative or mixture of both elements. Contributing elements of newness, performance, customization or price of the proposition can attract customers in a way to gain success. As well as reducing cost, risks and accessibility to certain product or service can be the key for competitive advantage (Johnson et al. 2008). Companies have to also be careful mixing these elements, as the offering is as weak as its weakest element (Osterwalder & Pigneur 2010).

There prevails consensus among authors that value proposition represents a very key role in the frameworks (e.g. Chesbrough & Rosenbloom 2002; Johnson et al. 2008; Osterwalder & Pigneur 2010; Casadesus-Masanell & Ricart 2011). Value proposition messages to customer the ultimate reason why service or product is directed particularly to the consumer. Value proposition can follow several different formats, however focusing on uniqueness the company is offering to its customers (Osterwalder & Pigneur 2010). Johnson et al. (2008, p. 55) underline, the value propositions in all of its effectiveness, still have to be addressed clearly to customers and results of "*jobs to be done*" to be demonstrated from customers using a product or service. Additionally, communication channels either from company's website or other marketing or advertising should message the successful value proposition for customers (Johnson et al. 2008).

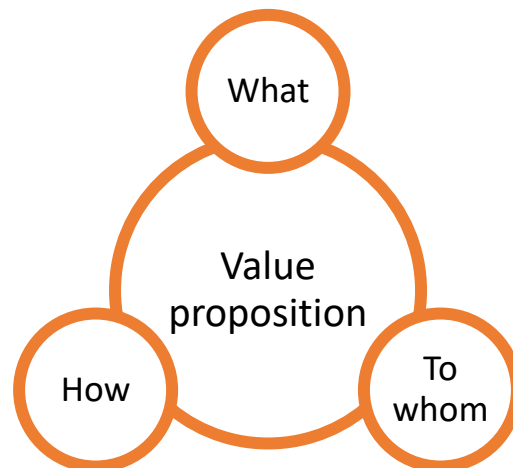


Figure 4. Construction of value proposition

2.4.3. Channels

Osterwalder et al. (2005) defined channels as distribution channels, but have more recently turned terminologically into channels to represent wider meaning, than a mere distribution channel (Osterwalder & Pigneur 2010). Many scholar have simply included the channels into the value propositions or value creation on how the value is contributed to consumers (Amit & Zott 2012). Osterwalder & Pigneur (2010) state, that channels are a key function, which delivers the value to customers. Additionally, Johnson, et al. (2008) Includes channels to key assets within the context of the business model.

Channels are chains via the final customer purchases the particular good or service. More precisely, channels are often referred as a bridge between company and the customer. Osterwalder & Pigneur (2010, p. 27) identify five distinctive phases to describe the process of delivering value proposition to customers; *“awareness, evaluation, purchase, delivery and after sales”*. Further the channel types are categorized as *direct channels* and *indirect*. Thus, the channels can be operated in-house through sales, web sales or shops or via external partners (Osterwalder & Pigneur 2010). Usage of relationship within the firm’s network is also present in the logic of Zott & Amit (2008) framework,

where authors seek opportunities on how organization and its partners can connect in the markets.

2.4.4. Customer Relationships

Customer relationships, according to Osterwalder & Pigneur (2010), are to define the characters of relations firm holds between customers. Along with channels, customer relationships is the key building block to communicate and message the promised value proposition to the selected customer segments. However, customer relationship alone doesn't process value for a company but together with careful nurturing along with continuous proper offering by solving precise disorders or fulfil specific needs, would be the key to gain profits from the relationship and to show absolute monetary value of customer retention (Johnson et al. 2008).

Customer relationship can occur in several different forms and range from personal to automated and is to serve existing customers and potential customers (Osterwalder & Pigneur 2010). Therefore, customer relationship management (CRM) is crucial in today's sensitive markets in every business field. The approach applies strategic principles, practices and guidelines into firm's way to interact with customers. Taking advantage for example data about customer's history with a company, the goal is to enhance the customers' overall experience in order to get sales growing. The data can be compiled from different sources and nowadays the best channels are web-based. Through the CRM systems, company can learn more about customers' habits and preferences to cater their needs better (Sumathisri, Veerakumar, & Prabhakaran 2012).

Close to the customer relationship management is customer experience, which refers interaction between organization and customer. Parcell (2007, p. 2) defines the customer experience as *"internal and subjective response customers have to any direct or indirect*

contact with a company". The direct contact includes usually phases of transactions, usage along with service and requires initiate from customer. On the other hand, indirect contact occurs in the cases of unpremeditated confrontations with representation of firm's offerings (Parcell 2007). The purpose of customer experience management is to manage firm's strategy in way to meet the expectations company strives. The certain strategy represents value exchange between firm and its clients (Grewal, Levy, & Kumar 2009). The customer experience management in today has shifted focus even more in the perspective of customer and close cooperation with consumers is necessity for the most companies. An equal dialogue between both ends and ongoing process of improvement, will strengthen the quality and length of the relationship (Sumathisri et al. 2012). Osterwalder & Pigneur (2010) suggest closely tailored customer relationship management in each segment in order to retain customers and increase their value for the firm.

2.4.5. Revenue Streams

Revenue streams of a firm determine monetizing methods behind firm's offerings to explain how costs are turned into earnings (Osterwalder & Pigneur 2010). Johnson et al. (2008) link revenue stream block within the framework of a business model as a key component profit formula. Similarly, Mahadevan (2000) determines the revenue stream as one of three streams creating the unique blend of a framework. However, Osterwalder & Pigneur (2010, p. 31) categorize ways to generate revenues into seven ways; "*asset sales, usage fees, subscription fees, lending/leasing/renting, licensing, brokerage fees, and advertising*". Addressing that, precise single revenue stream includes various mechanisms in terms of pricing, either fixed or dynamic pricing system. The fixed price represents a predetermined fares, while the dynamic pricing changes regularly depending on the market conditions (Osterwalder & Pigneur 2010).

Teece (2010) stresses the importance of value generation and market delivery, elements are proportional to the revenues collected of the delivered value. However, revenue logic

can be divided into various revenue streams with a varying number of revenue sources (Osterwalder & Pigneur 2010). Johnson et al. (2008) points out a fact that, company might consider multiple revenue streams for different customer segments. Thus, Amit & Zott (2001) present revenue streams diverse, still complementary notion within business model.

Firm's revenues stand as an important factor in terms of key performance indicator. For external analysts, the recognizable revenue streams and financial numbers indicate the company's situation better than anything else. Moreover, the regularity and amount of transactions determine the pricing mechanism for each of the transactions (Osterwalder & Pigneur 2010). Today's increased E-business has created more ways to generate revenues for company, thus Casadesus-Masanell & Ricart (2010) suggest that, revenue streams can in some cases concerned as a key resource or key competence of a company. Amit & Zott (2012) propose that, revenue generating modes can be used as a combination of different modes or mechanisms such as subscription fees, advertising fees, and transactional income.

2.4.6. Key Resources

Key resources are representing a central role, on how firm will be able to contribute the value for the consumers (Osterwalder & Pigneur 2010). The element has been required for every business structure to be able work properly, thus Osterwalder & Pigneur (2010, p. 35) include four main factors into the key resources building block; "*human resources, physical resources, intellectual, and financial resources*. Afuah & Tucci (2001) state that, by building and using resources properly is the key to provide consumers' appropriate value, better than rivals, in order to implement profitable business. Tapscott (2001) addresses on how company is required to deploy all relevant resources within corporate boundaries but agrees outsourcing activities as well as an options, to gain competitive

advantage. Osterwalder & Pigneur (2010) conclude, that resources could be possessed, leased from other organizations or acquired from competitors.

“*Four-Box model*” of Johnson et al. (2008, p. 54) bundles several elements into the key resources block, suggesting a wider view to be required to forward value proposition efficiently to the consumers. Similarly, Zott & Amit (2010) consider partnerships and relationships between business model participants as resources for focal company, as the certain resource can be conducted by partners linked to the firm (Zott & Amit 2010).

2.4.7. Key Activities

Similarly to other blocks, key activities support the firm of creating and offering a value proposition better than competitors. Key activities include all crucial operations, in the business implementations of a firm. The activities are highly dependable on other building blocks, required for organization to perform properly (Osterwalder & Pigneur 2010). Activities could be also namely be regarded as processes in the business model design, as numerous activities making effective use of resources are orchestrated in the process that, creates value to the firm and consumers (Johnson et al. 2008). Chesbrough (2006) identifies activities as phases for framework functions of value capture and value creation. Key activities aim at creating a new goods or services that produces net profits across the various operations. Moreover, activities facilitate company to acquire value from efficiently produced activities (Felt 2013; Chesbrough 2006).

Zott & Amit (2010) specify whole framework structure in perspective of “*activity systems*”, by extending a view beyond the barriers of focal firm. Active partnerships involved in the business are thus, facilitating the value creation to customer by sharing the bundle of resources to serve overall purpose of the implementation of business. Activities are related to as incorporation of people, physical and capital assets of the business

model. Authors emphasized the crucial effect of interdependencies between the operations (Zott & Amit 2010). Furthermore, Amit & Zott (2012) underline of the entity of the business model design, which is relatively difficult for competitors to imitate. Thus, the better the different activities are combined the more improved the outcomes are.

2.4.8. Key Partnership

Key relationships include provider and actor relations within the business environment. Partnerships have become more crucial for companies to survive the competition based markets. Partnership creation can facilitate the process of optimizing the business models, risk reduction or acquiring new resources (Osterwalder & Pigneur 2010). Key partnerships can act as a one element of creating a business model unique, with specifically flourished partnership network, company can create the business less imitable as the network of partners help on creating or to become a source of competitive edge (Teece 2010).

Key partnerships are often attached to the key resources and in some cases, company can consider taking advantage of reserves and abilities of third party actors (Osterwalder & Pigneur 2010). Zott & Amit (2010, p. 219) call this kind of sharing and deployment of outside innovations and techniques as "*open business models*" and refer boundary-spanning nature of business frameworks. However, partners utilizing each other by cooperating on one certain area, still can remain as competitors in terms of market offerings (Osterwalder & Pigneur 2010). Nonetheless, Chesbrough & Rosenbloom (2002) reminds, that to achieve beneficial business, it doesn't necessarily require company to adopt partnerships with third-parties.

Osterwalder & Pigneur (2010) highly support the strategic partnerships to achieve economies of scale and scope, as partners usually add higher grade of specialization and expertise, comparing the model of owning all resources by itself. Partnership can be

formed in different purposes, thus creating various depths in terms of relationship. Varying from transactional buyer-supplier relationship in supply chain Amit & Zott (2001) to more intensive strategically formed relationships, joint ventures or even acquisitions (Osterwalder & Pigneur 2010).

2.4.9. Cost Structure

Cost structure encompasses firm's fixed and variable costs, combining them as single function in business model framework (Osterwalder & Pigneur 2010). Meanwhile, Johnson et al. (2008) categorize cost structure under same block with revenues, margin models and resource velocity, combining them as profit formula entity. According to Amit & Zott (2012), efficiency and costs are strongly linked together in the business model formation, thus having connection to firm's resources and activities.

Firm's business model framework could be categorized either as value driven or cost driven, determining the economic logic behind the value creation process. Value driven business models are focusing on creating premium value proposition, often with high degree of tailored services (Osterwalder & Pigneur 2010). Although, the business is categorized as highly value driven, costs are still monitored, as the produced value must be captured in profitable terms and shared with involved actors delivering the value (Amit & Zott 2012). Cost driven business models are aiming to minimize costs in all appropriate ways and often produce low price value propositions. By seeking efficient ways to produce the desired value proposition could still lead to competitive advantage (Osterwalder & Pigneur 2010).

However, the aim of the cost structure is to identify costs and expenses of previously introduced business model elements, which are depending on the purpose and the objective of the business. The cost structure can be combined between fixed and variable

costs structures, whereas the main cost advantages are allocated according to the economic principles, which in the end might raise absolute or relative outputs and create value (Osterwalder & Pigneur 2010).

2.5. Business Model Innovation

Increased competition and difficulty to differentiate, have led firms to seek opportunities to research in practice and business model innovation (Uli & Doll 2017; Chesbrough 2007). Business models are the key to success to determine the long-term competence or failure and represents the most powerful indicator (Johnson et al. 2008). Nevertheless, knowledge of the awareness about the necessity of the development of business models, has not reached most of the firms knowledge and they tend to stick with the established models (Chesbrough 2010).

Amit & Zott (2012) suggest, managers first to look at the larger scale, in order to achieve the functionality of the ground of the structure of the “*activity system*” to function, before optimizing features. Argument is supported by Teece (2010), highlighting the awareness of the nature of the business model structure and the dynamics of the company itself as a key to promoting the innovation process of the business model. Although, the innovations are seen as vitality to companies to survive, the process is rather difficult to complete and especially barrages to change the framework are difficult to be exceeded (Chesbrough 2010). Various authors have created helping tools or maps to ease the process of breaking these barriers; e.g. Bettencourt & Ulwick (2008), who suggest that, firm’s products and services can be divided into actions which are further analyzed in a smaller pieces in a *job map*. Osterwalder & Pigneur (2010, p. 44) offer similar views by exploiting “*business model canvas*” as theoretical basis in process of innovation. The decomposition of the business model enables for company to further develop the existing model by separating the parts of a business. The canvas offers possibilities to demonstrate and understand the existing model and secondly enables the search for developments in the existing model to improve business (Osterwalder et al. 2005). However,

Chesbrough (2010) claims that, in addition the facilitating tools, firms should facilitate effectual approach towards experimentation within the business model. Highlighting the effect of failure as a one key element of the process, which will help firms to inform innovative attitudes and knowledge of the boundaries of economical failure.

Innovation in the business models could also be found externally (Amit & Zott 2012). Moreover, Nenonen & Storbacka (2009) suggest that, value creation with networks of related parties of customers, suppliers and other partners can be achieved, when resources and capabilities of actors are matched by compatibility of their business models. Similarly, Amit & Zott (2012) indicate that, companies should approach their networks from business model perspective to expand company's operation structures to fit their network positions and help better suit environmental technology logics. They also suggest that, this should help identify non-traditional sources of partners in innovation enabling (Amit & Zott 2012). Uli & Doll (2017, pp. 10-12) see the process of developing existing business model as *a four types of iteration* which, start from identifying the baseline or the current situation followed by analyzes and improvement stage continuing to challenge and change, followed by test and verify stage and finally evaluate and decide. Uli & Doll (2017) are capitalizing "*business model canvas*" by Osterwalder & Pigneur (2010, p. 44), to describe process as practice.

2.6. Best practices in business model implementation

Over the years companies in various fields of businesses, have shared the common concern of how to improve firms' abilities and performance. Especially in competitive and hostile environments firms have learned from the best (Scott 1998; Bretschneider, Marc-Aurele, & Wu 2005). However, term "*best practice*" implicates "*the comparison to any alternative course of action and its practice designed to achieve some deliberative result*" (Bretschneider, Marc-Aurele, & Wu 2005, p. 309). Bretschneider et al. (2005, pp. 309-310) characterize "*best practice*" term into three important phases; to "*comparative process*", "*an action*" and "*a linkage between the action and some outcome or goal*". For

example by comparing several organizations and their actions in strategic planning in relation to how successful each organization gathers resources from its environment (Bretschneider et al. 2005). Such manner is often referred also as *benchmarking* (Csaszar & Siggelkow 2010, p. 662). Imitating or relocating ideas and strategies from typically effective businesses, is a widely used tool for increasing performance of businesses. In order to gain access to these data, companies also employ consultants and experts to disclose the related ideas and practices popular in other companies (Csaszar & Siggelkow 2010).

Companies can achieve significant competitive advantage with an innovative business model, mainly because of an entire model is extremely difficult to imitate (Amit & Zott 2012). Complicated processes or strong intellectual property protection may exist on the road of copying the framework (Teece 2010). However, a single innovative management method, product or process can be easily put into practice by another firm within its abilities (Zott et al. 2011). It is proven that businesses are harder to survive in the competitive and saturated market, that is why benchmarking a service or product which, have proven to be successful, could offer safer options for companies to establish a business (Casadesus-Masanell & Zhu 2013). However, in order to be able to learn from the best, firms' must hold innovative and adaptable business model already to be able for such enhancements (Johnson et al. 2008). Crucial to remember is that some practices might not fit in all industries, Johnson et al. (2008) underline that, truly transformational businesses must tolerate failures in order to concentrate on learning and adaptation as well as execution. According to Teece (2010), it is relatively easier for well-positioned companies to learn and adjust by e.g. adopting a single innovative element to the existing business model. The imitation process is more common in the service business because the customer becomes familiar with how successful firm service works, thus competitor needs to reach the same level to reach same customers (Casadesus-Masanell & Zhu 2013). Csaszar & Siggelkow (2010) suggest that imitation may serve in two different

ways; it could offer an attempt of copying the exact configuration or practices or successful firms or to displace company from present settings of strategies, this way a broader exploration is created.

3. Methodology

Following chapter represent the design of the research and methodological choices in order to execute empirical part of the thesis. In addition, the data selection, collection and analysis are to be described in detail.

3.1. Research strategy

Case study sampling is among the most commonly used approaches for social science studies, thus stated to be effective methodology in order to understand complex issues in practice (Yin 2003, p. 1). Popular theme for case study research is case creation of multiple cases, in order to understand research questions and solving the actual cases, moreover, to learn about the studied field and its relation to its context (Eriksson & Kovalainen 2008, p. 115). Research can be categorized in several different ways; exploratory, explanatory or descriptive research. One may apply the case study analysis approach to all of these (Yin 2003 p. 3). This study uses exploratory approach as the goal is to explore Finnish golf course businesses, to recognize the best practices that prevail in the industry between individual cases. Explanatory studies are described as flexible and adaptable to change and is a good fit for purposes to seek out what is occurring in the phenomena (Saunders, Lewis & Thornhill 2019, pp. 186-187).

3.2. Research method

Analysis methods are the processes, procedures, or techniques used to collect data or evidence for research in order to discover new information or provide a better understanding of a topic. Data collection and analysis approaches are of two types; quantitative and qualitative. The data consists of concepts extracted from the words and images in qualitative analysis. In addition, qualitative data collection may be subdivided into *pri-*

mary and *secondary* data. The primary data can be applied from sources such as interviews or observations while, secondary data consists of material already existing and collected by someone else, it can be in forms of records, material from marketing or raw data (Saunders et al. 2019 pp. 175-179). However, the methodological choice of this study is following the guidelines of mixed method style. Mixed-method analysis integrates quantitative and qualitative data methods and analytical procedures either concurrently or one by one. This research approach is used, if the mixture offers more comprehensive understanding in the problem than them distinctly. Using multiple methods, the researcher can gather coherent indication providing preferable probabilities to reply to the research targets (Saunders et al. 2019 p. 181).

Mixed method research technique holds three different types in terms of methodological choice. Qualitative or quantitative dominant or equal status. Equal status reflects the pure type of mixed methods and implies, that qualitative and quantitative data and techniques will equally improve perspectives on all research issues. Additionally, quantitative dominant research is often characterized by a quantitative analysis method while it is considered comprehensive to provide qualitative data (Johnson & Onwuegbuzie 2007: Saunders et al. 2019 p. 181). The particular research takes advantage of qualitative dominant approach to mixed methods but adds quantitative data to support the results. The primary data of this thesis is conducted via semi structured interviews for selected cases. In addition, secondary data from NPS survey results, collected by Finnish Golf Union was available to strengthen the assumptions of each case.

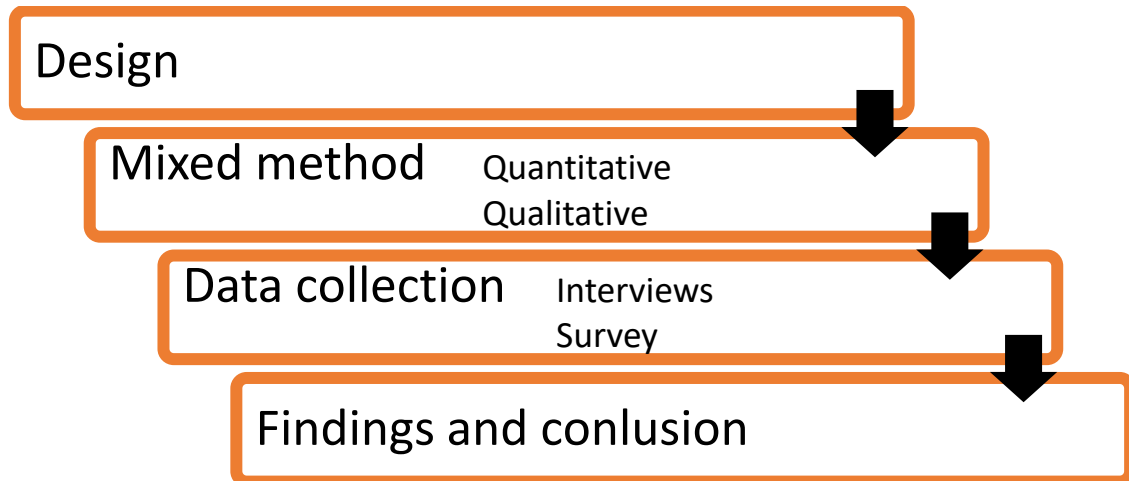


Figure 5. Research strategy

3.2.1. Net promoter score (NPS)

Net promoter score (NPS) presents as *customer experience* tool for management in order to determine the loyalty of company's customers. Metric-system was initially introduced by Reichheld (2003) in the review "*One Number You Need to Grow*", when realized the correlation between customer loyalty and recommendation willingness of a company, product or service. The actual question to ask is "*how likely is it that you would recommend (brand or company X) to a friend or colleague?*" (Reichheld 2003, p. 2). The score follows the scale from 0 to 10, thus the results will reveal the "*promoters*" (score 9-10), "*passives*" (7-8), and "*detractors*" (0-6). As a result, the rate of NPS is calculated by difference of percentage of "*promoters*" and percentage of "*detractors*". The ultimate scores can range between the lowest -100 and the highest 100. It is unusual to be able to satisfy every single customer and making those promoters, that is why the scores above 70 are considered as *world class*, over 50 as *excellent* and 0-50 as *good*. In conclusion, the research has shown that in most industries, company's growth has strong correlation between the rate and percentage of its' consumers presenting "*promoters*", despite of the size of the company (Reichheld 2003, p. 2). Continuously monitoring NPS

and figuring out the metrics in the sector to concentrate on long-term financial performance is essential. To ultimate objective of NPS is to turn customers into promoters, because their contribution will impact in attraction of new customers, which is extremely import, even more import than to spend energy on discount offers and marketing schemes (Reichheld & Markey 2016).

3.2.2. Semi structured interview

Data for empirical study for research projects can be collected using various types of data collection methods. Such observational evidence is considered primary evidence, obtained by the researchers themselves. Researchers may collect empirical evidence for the project through interviews and observations or by asking participants to write, draw or otherwise present activities (Eriksson & Kovalainen 2008 p. 77). The primary source of empirical data in the analysis is obtained through semi structured interviews as a *primary* source of empirical data, besides the interviews were expected to provide wider understanding on the studied phenomena. Semi-structured interviews are common in business researches, which are studying both *what* and *how* related questions. The interview process follows predetermined lists of subjects, questions or subjects with the possibility of modifying the language and order of the interviews. The method allows the interview to be conversational and informational, while still conducting a systematic and comprehensive outline (Saunders et al. 2019 pp. 437-438). Interview questions should contribute to research questions and thus establish the material for answering research questions through careful review (Eriksson & Kovalainen 2008 p. 79).

3.3. Case selection

For several purposes, multiple case studies are often chosen as a research method; they expand emerging theory, fill the theoretical categories, provide examples of polar styles

or repeat previously selected cases. In the multiple case study method, the number of cases is restricted and the selection is often made by the author, depending on the time and resources available. The number of cases is restricted in the multiple case-study approach and the selection is often made by the author, depending on the time and resources available (Eriksson & Kovalainen 2008 p. 124). Nonetheless, it is advisable to restrict cases to the degree that incremental additional cases are just marginal (Eriksson & Kovalainen 2008; Eisenhardt 1989). In the empirical part of the thesis, the number of cases is limited to **five**. Companies selected in case-study research, presented high NPS-rates in the Players 1st survey in 2019 in the most important service factor categories. Courses were evaluated with rates of the most important service factors, in other words, *members* appreciate the most *social environment, course* and *management*, whereas *visitors* rate the *course* and *social environment* as the highest service factors. These numbers were calculated together to reveal the overall rank of all golf courses in Finland in 2019. In this thesis, the overall scoring of the course was the most important factor in order to gain valuable data for the data analysis. Course names were not revealed in this study, thus each case is referred with a letter.

	Members			Visitors		Total
	Course	Social environment	Management	Course	Social environment	
Course A	91	87	87	88	88	441
Course B	81	80	82	83	84	410
Course C	84	83	81	86	83	417
Course D	83	85	87	84	85	424
Course E	80	91	87	85	86	429

Table 2. NPS rates in 2019 of selected courses

3.4. Data collection

The study uses semi structured interviews as the primary source of data, obtained from interviews with each golf course's main executives. In total, five different interviews were conducted in each selected case over the period of three weeks. The interviewees represented the operative manager of each course, which ensured the knowledge of each case. The interviews were arranged in co-operation with Finnish golf union, nevertheless, the interviewer was in one-on-one situation in each course's facilities with CEOs or other representative. The familiar location was selected for interviewees to ensure the comfortability about sharing possibly confidential information. Every interview was conducted in Finnish, as all parties had Finnish as their native language. Thus, quotes used later in this research are translated by the author into English. The interviews were documented with each interviewee's permission and then transcribed to provide detailed interview information, and facilitate the analysis. The information about the interviews is provided in **table 3**.

Interviewee	Position of interviewee	Tenure in the position (years)	Date	Length of the interview
A	CEO	3,5	18.2.2020	57 min
B	CEO	2,5	19.2.2020	50 min
C	CEO	2	26.2.2020	50 min
D	Service manager	10	26.2.2020	1h 5min
E	CEO	10	5.3.2020	2h 8min

Table 3. Details of the interviews

The secondary data refers to data already existing and originally for some other reason, collected using survey strategy, most often questionnaires. Secondary survey data is typ-

ically collected from one of three distinctive survey technique subtypes; continuous, frequent survey, or ad hoc survey (Saunders et al. 2019 p. 342). Secondary data in the thesis was collected from Players 1st regular survey, which is a NPS-based tool for golf course management to be able to receive the feedback from their members and visitor players. The regular survey represent the survey type of, which is repeated over time, throughout the year in this case (Saunders et al. 2019 p. 342; Hakim 1982). The survey is sent to members' couple of times in year and for visitor player every time they visit in the course, which they do not hold membership. Each course's management team will get the results immediately to see, which factors were appreciated by players and receive possible feedback. The results will help the course to retain and recruit players. The knowledge from the survey will empower the organization in all levels (Players1st 2019).

3.5. Data analysis

The analysis starts by introducing the data from the quantitative customer survey using the Players 1st platform as a tool to collect data in overall level Finnish golf communities. The secondary data in the Players 1st platform is divided into two categories: visitor players and members. As the results will later show, the groups have differences in the preferences of the most important *service factors*. There are eight divisions in *the service factors*, which are same for both groups and those are further divided into different subdivisions. Sampling was set to cover whole year and in this case year 2019, mainly because of the playing season in Finland lasts from May to October. The quantitative data provides knowledge about the preferences golfers are appreciating most in general level. Next, the selected cases were analyzed qualitatively in within-case analysis, the data provided crucial information about micro-level processes. Further, the cross-case analysis reveals mutual practices and processes the successful golf communities are implementing in their businesses. The entire structure of interview questions is presented in **Appendix 1** to demonstrate the areas covered in the interviews. Quotations used in this analysis, since the interviews were in Finnish, were transcribed into English.

4. Findings

Following chapter presents specific findings from the study. The chapter follows arguments from (Cresswell 2014 pp. 230-231), who explains the mixed-method approach as a blend of quantitative and qualitative findings and not as a means of comparison. The analysis thus aims to clarify the effects of quantitative data with qualitative data. However, the section is divided into phases where first the quantitative data from Players 1st survey is opened and explained in detail. The results are indicating the average situation nationally in the macro level.

In the following chapters, results in qualitative research from semi-structured interviews are discussed as a form of case-study method. Five separate golf course businesses are analyzed in detail in within-case analysis. Each course's business model is divided into four separate pieces including *customer segments, value proposition, organization and management and financial aspects*. As it was revealed during the interviews and former knowledge about the industry, that golf course business is similar to condominiums, where the objective is mainly to produce as quality service as possible with the collected capital. For most of the golf courses, making profit is not as crucial but moderate amount of positive cash flow would help companies to run the businesses more effectively. By dividing the business model of each course into elements, provides possibility to reveal common practices within the models and some special ways of implementing successful business. Finally, the cross-case analysis, knits together the cases and the practices found on the cases.

4.1. Quantitative data

This chapter explains the quantitative data from Players 1st survey and its results from last year (2019). Players 1st is a platform, which collects data from registered golf communities. Finnish golf union is acting as an administrator in Finnish golf industry, thus operating and updating the system. The Golf Union is the only actor to access to the

overall results of the survey. However, each registered course can have the individual results in possession of named authority.

Keeping in mind the purpose of the study of identifying best practices in order to improve business of golf community, this quantitative data plays important role in revealing the overall situation of Finnish golf industry. First, the goal is to define and highlight the overall characteristics of Finnish golf communities on average. The results are divided into two groups; *visitors* and *members*. The survey type is set in regular, meaning that the same survey is conducted several times a year as Saunders et al. (2014 p. 342) described to be the most common and used type in business studies. However, the time frame is one year and in this case the year 2019. The **Table 4** below indicates the number of answers during the year.

GROUP	NUMBER OF ANSWERS
VISITORS	23 323
MEMBERS	17 739

Table 4. Number of answers in Players 1st survey in 2019.

The number of answers indicate the reliability of this survey, which in this case is more than enough. *Visitors* are meaning players who have played a particular course other than his/her member course and thus received a survey form through email after visit. Visitors can gain access to certain golf course by paying a green-fee, a price set by each individual golf club. In return player can play the course and use the club facilities. *Members* are players holding a membership to the course and playing there regularly. Golf clubs in Finland have different amount of members, depending on the size and the location of the course. The membership provides access to club facilities without a limitations (Dickson & Koenigsfeld 2017). Dividing players into two groups is crucial, when taking into account the value proposition of golf course business model as these

separate groups have different preferences in terms of golf course service. Thus, it is important to analyze the groups separately.

The value proposition represents a significant component in business models, as most business model researchers have concluded (Johnson et al. 2008; Chesbrough 2010; Osterwalder & Pigneur 2010; Zott et al. 2011). To be comprehensive in solving customer problems and meeting consumer needs, the value proposition is critical. Thus, it consists of a package of goods or services which meet the preferences of a certain consumer section (Osterwalder & Pigneur 2010). In golf course business operator's model, a central value proposition and the core product is obviously the course itself. In Finland the size of the courses can vary from nine hole course to multi course complexes with several courses provided by the same operator. However, on average the golf course holds eighteen holes.

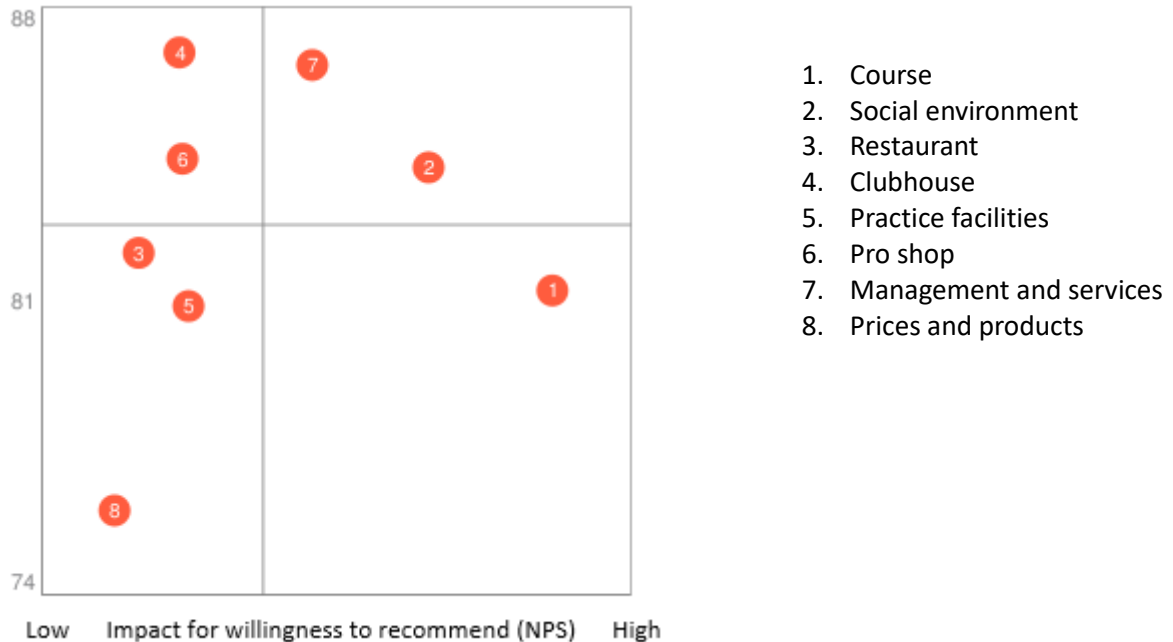


Figure 6. Visitors' NPS rates overall in Finnish golf communities

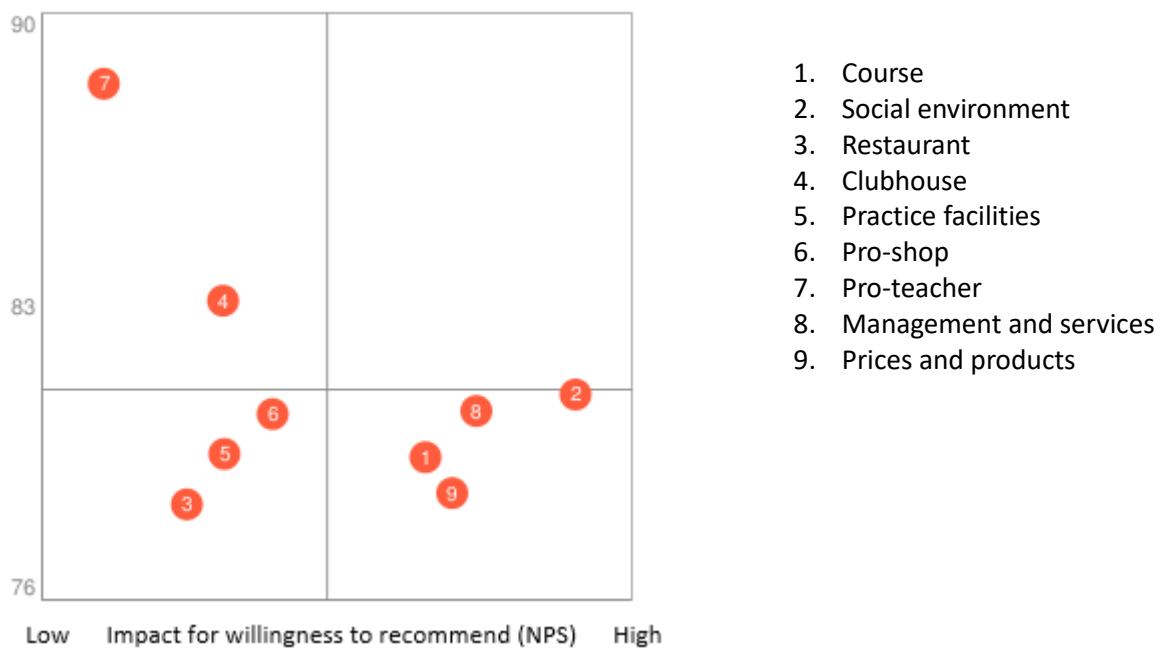


Figure 7. Members NPS rates overall in Finnish golf communities

As the results from the Players 1st survey are indicating in **Figures 6 and 7**, members and visitors are appreciating different settings of a community. The more the *service factor* is positioned to right in the chart, the more important the factor is in terms of satisfaction. Meanwhile, the vertical axis identifies how players have rated the each factor. Despite the fact, that some factor might be highly rated in overall, the NPS rate could be still relatively low, thus indicating the importance of the each factor. Simply put, vertical axis means the rating of each service factor and horizontal axis points out the importance of each service factor and the impact for willingness to recommend. The more the factor is on the right the more important the factor is in the perspective of players. As we can see in the charts, visitors rank *the course* as the most important service factor to impact the willingness to recommend, members appreciate *social environment, management and services and prices and products* over course. Thus, the results are forcing golf communities to take into consideration different strategies to serve these two separate groups differently and modify the offering in appropriate way.

Core question in value proposition block is “*what value company delivers to the customer?*”. To answer that question, the business should find the consumer segment with the value to be generated (Osterwalder & Pigneur 2010, p. 23). When considering golf course as a key product, few elements are contributing the most to customer value creation; performance, design, customization and brand/status. The typical way to generate value is by enhancing product or service efficiency, while innovation tailors the goods and services to the unique needs of consumer segments.

When, taking a closer look to survey results, there can be identified specific sectors, which customers are appreciating the most. Despite of the fact that members are finding the social environment over the course, it cannot be argued that the course plays crucial and central role in golf communities.

Course in visitors' perspective

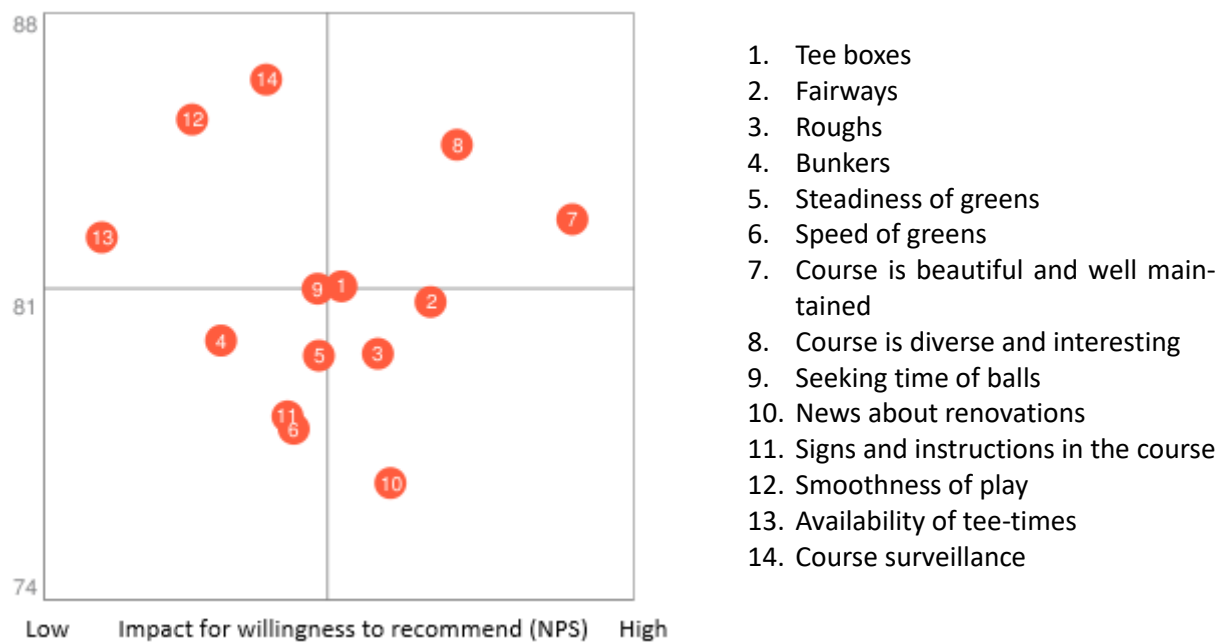


Figure 8. The most important service factors of a course in visitors' group

Course in members' perspective

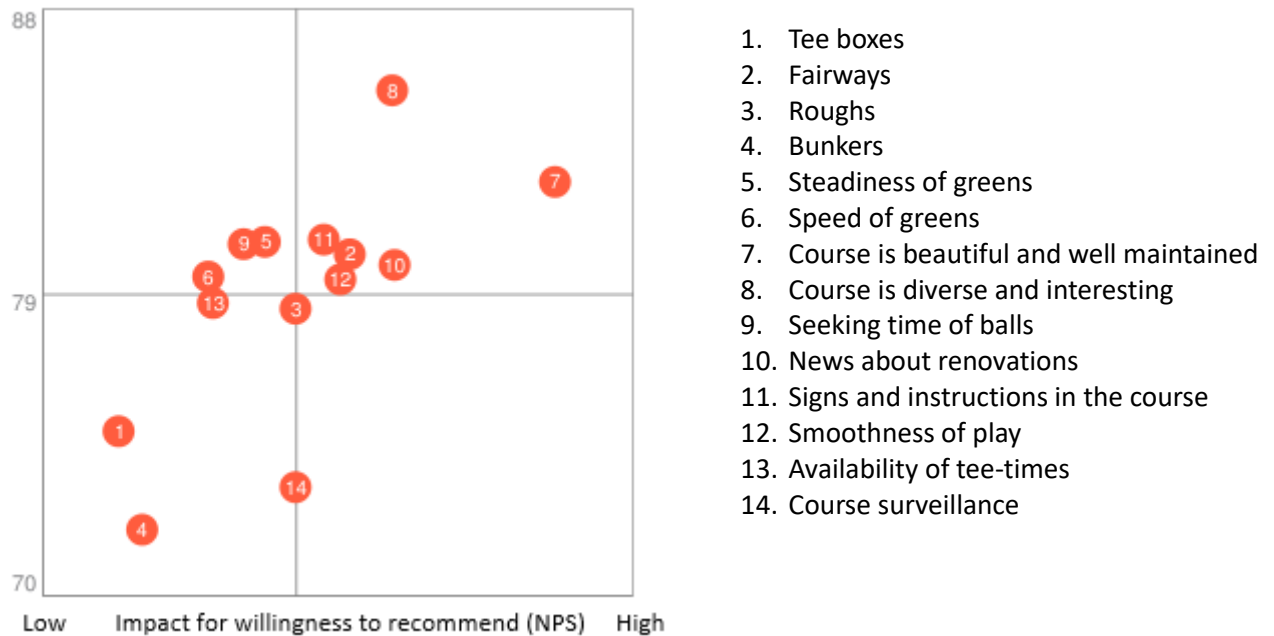


Figure 9. The most important service factors of a course in members' group

As Johnson et al. (2008) suggest, the value proposition should update effectively when the consumer needs or issues are answered directly, not only with the correct offer, but also when the offer is correctly presented to the correct audience. In addition, the goal is that the customer value proposition motivates a specific customer group and addresses its expectations of value (Chesbrough & Rosenbloom 2002; Teece 2010). Morris et al. (2005) recommend that creating value proposition requires well-defined consumer needs and organizational capacities, and also requires the establishment of guiding principles to be effective.

Figure 9 clearly points out two factors, which both groups are appreciating the most over others in the course; *course is beautiful and well maintained* and *course is diverse and interesting*. On the other hand, in visitors' side, the group has rated the quality of

smoothness of play, availability of tee-times and course surveillance very high but the effect in willingness to recommend is relatively low. This particular matter indicates, that however the quality of those factors is high, it plays relatively low role in terms of NPS and it doesn't affect visitors as much as other factors.

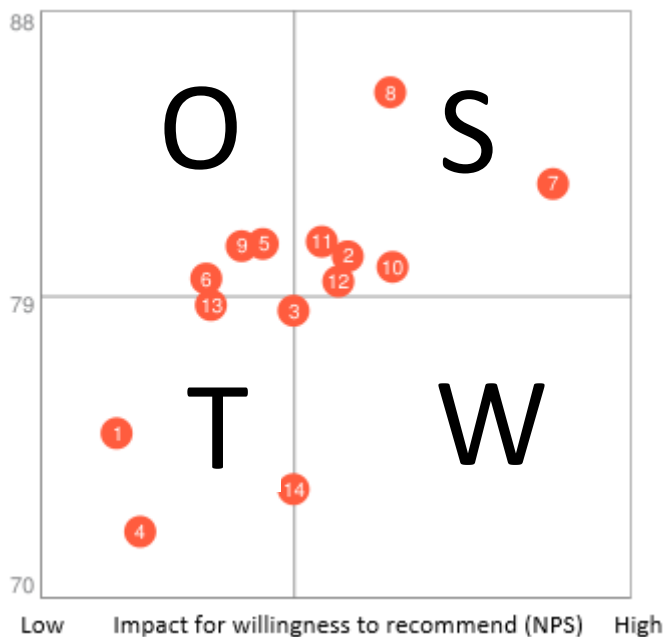


Figure 10. SWOT-analysis of scatter chart

Figure 10 shows how the scatter chart can be divided into four separate sections based on the results. The results can be then indicated via SWOT analysis. SWOT analysis stands as an organization's strategic method to define *strengths, weaknesses, opportunities* and *threats* for business competition of project planning (Osita, Onyebuchi, & Nzekwe 2014, p. 24). Starting from the *strengths* on the high right corner, it indicates the capabilities that company should maintain and keep in high standards, as the customers are clearly appreciating the factors in the column and have great impact on willingness to recommend. *Weaknesses* on the low right corner, indicate the factors that should be improved. The factors in the column are found important in customer perspective and would have great impact for willingness to recommend but yet have low standards and might be the factor to effect customer experience negatively. *Opportunities* in the high

left corner are factors, which customers rated high in terms of quality but yet doesn't play as crucial role as other factors in terms of NPS. Company still should take this column into account and try to adjust the services to match all players' preferences. Finally, *threats* in the low left corner indicates the least important service factors. These factors are to be observed and improved, if company has enough resources. Still, customers usually doesn't pay much attention to these factors such as *tee-boxes* and *bunkers*. However, small things matter and always add up to the entire customer experience. Improving all factors to match customer preferences, can be the method for distinguishing between rivals and the secret to obtaining the competitive advantage.

Members' Social environment

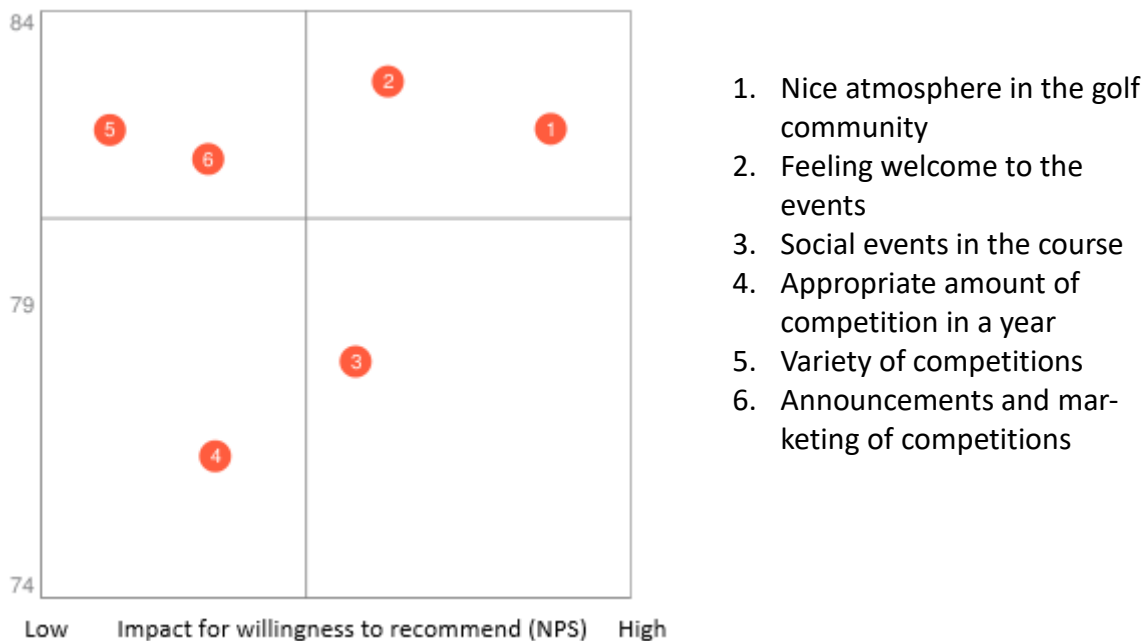


Figure 11. The most important service factors of a social environment in members' group

Figure 11 above indicates factors, members are appreciating the most in terms of social environment. As a results concluded earlier, *members* are finding the social environment as the most important factor in a golf community. Golf is becoming increasingly popular among a wider range of socio-economic classes, attracting rising numbers of players and

increasing the number of golf facilities around the world. (Breibarth, Kaiser-Jovy & Dickson 2017). Nowadays, golf is more or less social and many player appreciate the feeling of belonging to the community. Therefore it is argued that social environment is crucial factor in golf community. *Members* are appreciating *nice atmosphere in the golf community* above all. In addition, *feeling welcome to the events* is crucial aspect as well. However, the overall amount of *social events in the course* could be better in national level, because the importance of that factor is crucial as well. On the other hand, competitions are not as important as social aspects. However, certain group of players, would definitely appreciate the amount and variety of competitions but some are expecting more social events than serious competitions depending on the skill level.

Visitors' Management and service

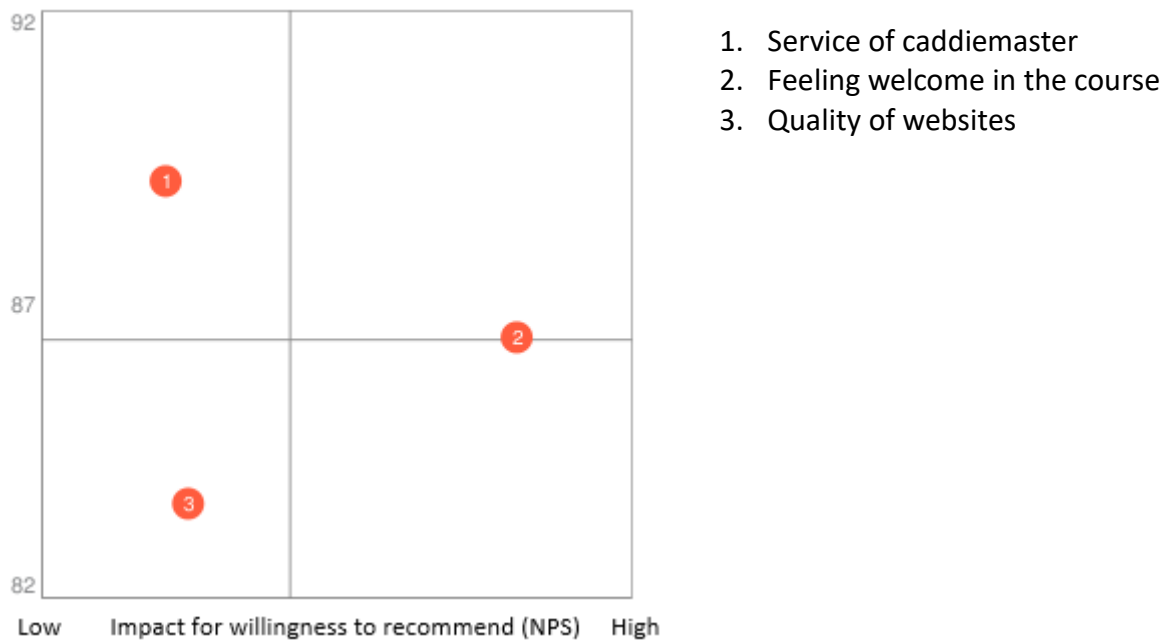


Figure 12. The most important service factors of management and service in visitors' groups

Visitors have different kind of approach to the golf community than members. Visitors are thus appreciating different things in a course and evaluate the customer experience in a shorter time period. However, few things can be identified in the customer experience other than in course perspective. The same factor *feeling welcome in the course* has arisen from both groups as a top priority. Players are appreciating a good service high, feeling welcome basically means the overall feeling, when entering the course. *Service of caddiemaster*, the customer representative, is usually the first contact, when arriving to the course. However, *visitors* didn't see the importance of course's websites not as crucial as the service.

4.2. Within-Case Description and Analysis

Within-case review in case study research is an in-depth experiment as a stand-alone individual with one particular case. It requires a deep experience with a specific case to determine how it exposes the processes or trends in. Each case review focuses on the activities within the case firm's business model. Because of the competitive business situation, each company's definition remains cursory, while the most weight is placed to cover the specific activities of the implements case firm.

As a result of governance structure of golf course management and relatively small organizations within the industry, the structure of the analysis is grounded with four main elements of golf course business model and follows actually the ontology of Osterwalder et al. (2005, p. 18) – as suggested, the core elements of a business model shall be specified as following; “*customer dimensions*”, “*value proposition*”, “*organizational architecture*” and “*economical aspects*”. Elements from later revealed “*business model canvas*” (Osterwalder & Pigneur 2010, p. 44), merged into this ontology, creating comprehensive view for business model structure of golf course businesses. “*The four-box- model*” from (Johnson et al. 2008, p. 54) was also considered as a framework but as different customer segments are in a key role in golf course business model the framework was not selected as the *target customer* was merged into the *value proposition* as an entity.

Each of the cases begins with a brief overview of the organization and then progresses into the business model components. The order in within-case analysis follows the same order as the interviews were conducted. Customer segment, value proposition and organization and management sections are concluded with figures of founded similar and specific practises, which are succesfully implemented by the courses.

4.2.1. Course A

Course A's offering is a premium-class golf course with high-class facilities for its customers. The central location in southern Finland serves customers from all points and especially business customer are considering the location important. In the close proximity operates a resort in co-operation with the course. In addition Course A has own several rooms and cabins in order to offer full coverage golf packages. Among Finnish golfers, the Course A is often considered as a place of pilgrimage and thus the course is to be visited every season by players even from distances. In terms member and visitor satisfaction, Course A reaches yearly the very top in Players 1st survey results.

Customer-segments

Course A differs from other case companies in terms of customer segments. However, shareholders are belonging to the first priority class, the segment is not the largest. Due to relatively low amount of playing shareholders, the business events create the largest revenue stream. Despite the low amount of shareholders, the segment is still the priority one. The survey results in Players 1st indicate high NPS rates in both member and customer category. Member shareholders are enjoying several benefits and the satisfaction

of members has been set as one of the development issues within the company's strategy. On the other hand, for visitor, the experience in the course is enhanced to the very top level.

"Shareholder benefits have been improved to the level, which gains more economical value neither burden and to ensure the continuity for the following generations"

"As several researches are indicating we are emerging in terms of course (layout, course condition, and atmosphere) in addition with caddiemaster service and overall feeling within the area" - CEO of Course A

Interviewee of Course A underlines, that all customers are important, thus also the visitor experience has been very positive. Key factors to ensure the positive experience are the layout of the course, high quality and exclusive level of service. Moreover, new model of pricing of green-fees has been effective. Dynamic pricing in terms of green-fee means, that the price changes during the days depending on the weather, time of the day and popularity. In result, the average price has increased and customers have been satisfied.

"We have good results on taking the dynamic pricing system at use two years ago. We have raised the average price and our customers have been satisfied and also shareholders have accepted the system as the prices for the most popular tee-times have been raised." - CEO of Course A

SPECIFIC AREA	PRACTICES
ASSURANCE OF SATISFACTION	Premium golf course with guaranteed conditions Premium service Luxury facilities Players 1 st survey results and feedback development
BENEFITS FOR SHAREHOLDER	Transparent communication Privilege tee-time booking system Several financial benefits in products
POSITIVE VISITOR EXPERIENCE	Premium golf course with guaranteed conditions Dynamic pricing High-class service
MARKETING	Golf medias Social media Active B2B sales

Figure 13. Practices for customer segments of Course A

Value proposition

Course A relies on its existing resources when discussing about value proposition. Quality of the course, course layout and customer experience with addition of excellent service level, which is enhanced regularly, guarantees the positive experience for all players. The special atmosphere is created by communality of members in addition with unique club house and surrounding buildings. However the interviewee of Course A underlines the implication of people, who have created the warm feeling into the community. When the staff is able to forward the warmth and positive feeling to the players, it is more likely to guarantee the satisfaction.

As one key competence, Course A holds a European Tour destination certificate, which also signals about the quality of the offering. Thanks to the certificate and the quality bundle of offerings, Course A remains as one of the most visited courses among national golfers. Moreover, the location of the course is central especially in the view point of business customer and their events.

“Course conditions and layout in national scale are issues why we are separated from other courses. Moreover, here has been always good quality of service which is regularly improved” - CEO of Course A

The value proposition is measured constantly using tools in economical manners to improve the business profit. Course A relies on Players 1st survey, which provides essential feedback from all players. Additionally, the certificate of European destination provides feedback in form of mystery shopping to evaluate the service. On top of that, external consultant conducts research about the business events, the guests and their satisfaction rates. The course also regularly connects with its shareholders by conducting surveys about their specific satisfaction of the course and collects the feedback. Thus, all kinds of feedback is important, by providing a different points of views about the operations and could even determine the upcoming investments of company. The size of the feedback doesn't matter, as long as the feedback follows the company's strategy, it could be considered. That is the key to ensure the transparency within company's actions and offers shareholders a true possibility to effect the activities at least in theoretical level, which has causal effect to shareholders' satisfaction rates.

“Probably the most telling measure is the financial statement, which is constantly being improved but also with other tools” - CEO of Course A

“Finnish golf union's Players 1st survey results are constantly utilized and additionally European Tour destination organization offers mystery shopping, where foreign visitors are playing the course and simultaneously evaluating our service from the first phone call to the point of exit. Then they record the phone calls and provide us evaluations of the whole service bundle. That has been one key factor to improve our activities.” - CEO of Course A

The amount of feedback keeps the development process ongoing and in larger scale, also provides data for strategy updating. Course A divides its strategy into four main areas, all of which are connected by the formation of an entity; shareholder values, core business as a terms of play and activities, facilities development and resort cooperation. The strategy is regularly updated by listening the audience and trends within the industry.

“The point we brought up here in the strategy has been the shareholder valuation, which hasn’t been in the strategy key points before. We have tried to get the shareholders’ appreciation through various productization to offer value in use and further financial value” - CEO of Course A

Course A’s innovative approach to take into account the changing trends and consumption habits in the industry is constant. They participate regularly to the events and campaigns to attract new customers in order to modify their productization to match customer preferences. On the other hand, the productization must walk hand in hand with shareholders’ values and the strategy.

“Simultaneously with productization we must think about our shareholders, we cannot turn our backs to them” - CEO of Course A

SPECIFIC AREA	PRACTICES
VALUE PROPOSITION	Course conditions and layout Customer experience First-class service
COMPETITIVE ADVANTAGES	Premium conditions European Tour destination High ranking scores Dynamic pricing Location
INDICATORS	Financial statement Players 1 st survey Mystery shopping External consultant Customer feedback
STRATEGY	Shareholder valuation Core business (playing and events) Development of buildings Co-operation with resort

Figure 14. Practices for value proposition of Course A

Organization and management

Organization of the Course A is relatively small but the compact group of employees is considered workable as employee training and motivation is kept in high level. CEO runs the organization with service manager, who operates with company's sales, in addition with four caddiemasters during the summer season. The course management team consists of course superintendent and four semi-permanent employees, who are however furloughed for winter season. In the playing season the team grows with approximately ten seasonal greenkeepers. Although, the amount of employees is quite small, the company has engaged to deliver high quality services to its customers. In the close-knit organization, the internal communication is fluent and the information flows daily between office and the course maintenance. Key persons are in daily connection via phone and WhatsApp and more important issues are discussed in the weekly organized meet-

ings. Moreover, to ensure the straightforward communication, Course A will be launching an online system in co-operation with service provider to keep book for every maintenance operation and investment regarding course maintenance equipment and buildings. The system will ensure that every single operation is documented online ensuring the transparency within organization.

“This crew must deliver high quality with limited resources. We cannot keep any idle employees with these standards and usually the quality replaces the quantity and the level of work increases with experience.” - CEO of Course A

To ensure the high standard of skills for the workers, Course A has benchmarked the procedures from hotel business. Caddiemasters are being though the same procedure to communicate with customers. Additionally, to keep the employees motivated, Course A has nominated every caddiemaster with a special area of responsibility. In a way, employees feel more valuable and could further offer development ideas to improve the quality. That is part of the training and increases motivation and has causal effects to satisfaction of employees. These are reasons why Course A is perceived as fair employer and affects the employee turnover positively. Moreover, the interviewee of Course A underlines the importance of Players 1st survey as a key tool to measure the service quality, although the results only indicate in the big picture not to the personal level of employees.

“In the office we have certain kind of manual at use which has been developed by service manager and experienced caddiemaster. The manual is familiar from hotel business – clear procedure how to operate behind the desk.” - CEO of Course A

Course A is in close-knit bond with the resort and cherishes and improves the partnership constantly. Additionally, they have several business partners in terms of marketing and other operations. According to interviewee of Course A, they have also activated in the co-operations with other courses, by signing a deal with two other premium-class

courses in Finland to offer cheaper green-fees between the members of these courses. However, initially the deal was made to improve the shareholder satisfaction and the gained profit was only second priority. Moreover, course maintenance co-operations had been done with neighbor course but it was set off due to practical reasons, however Interviewee of Course A states, that course remains open for future co-operative projects. Nowadays, course maintenance equipment is acquired with leasing deals in order to keep the machinery in high level. Fresh equipment have also positive causal effect on decrease of maintenance costs.

SPECIFIC AREA	PRACTICES
INTERNAL COMMUNICATION	Daily communication via phone Weekly meetings Online documentation of maintenance costs
MANAGEMENT SYSTEM	Intensive training Hotel business procedure for office workers Areas of responsibility
METERS AND REWARDING	Players 1 st survey Selling competition in pro-shop Bonus system for key persons
CO-OPERATIONS	Several business partners Resort Deal with two premium golf courses Restaurant and Pros Pro-shop

Figure 15. Practices for organization and management of Course A

Financial aspects

The financial statement in 2019 of Course A consists of shareholders substitution payments of 30%, different kinds of playing rights of 3%, green fee income of 15% and business events and partnerships 40%. In that manner, Course A differs from traditional Finnish golf course, that shareholder payments doesn't represent the most of the income stream. However, Course A aims to increase the amount of shareholders in upcoming

years. The actual aim of the business is to offer high-class golf course experience for all players, thus all gained profits are invested to the course development. The optimal situation would be to reach zero profit in terms of profits and costs, as the company doesn't share any dividends to its shareholders. The optimal situation is realistic but requires successful strategy implementation. However, the current financial model is considered as workable and it is relatively difficult to be changed for example to the model where the payments of substitution per share would not be obligatory. Instead, improving the current financial model is more realistic and Course A has been developed in the areas of productization, in terms of offering various product packages for different audiences, meaning for example playing rights for young in reasonable price. The dynamic pricing system is also considered as development of current financial model and a way to attract more potential customers.

“It is realism to reach the zero point with our relatively high depreciation and considered as successful result but it requires success around our strategy. Actual profit and distribution of dividend is not realism.” - CEO of Course A

The cost structure of Course A is constructed by human resource costs of 40% course maintenance costs 20%, business premises 20%, depreciation 10% and other costs of 10%. In its operations, Course A is considered as value-driven as the value proposition is set to certain level, it cannot be decreased, thus there aren't any areas which can be bargained and would be against the strategy.

4.2.2. Course B

Course B is a multi-complex course golf operator by offering three courses for its players. The large golf community is known for its innovativeness and abilities to change towards leisure and sport activity center by offering also other services for leisure time, however golf remains as the main competence. Large community sets also challenges of how to

ensure the satisfaction of all customer segments but it seems, that the company is well managed and the growth continues for upcoming years.

Customer segments

According to the interviewee of Course B, customer segments have been divided into priorities, however it was underlined, that every player is important for the course and it doesn't matter, which segment is represented. Nevertheless, priority one consists of shareholders and business partners, second priority is players holding a playing rights, which can be rented only from shareholder. Finally the priority three consists of visitors playing with green-fee permission. Few years ago company noticed the hidden potential of business customers and created the strategy to target that segment more aggressively. The vision worked efficiently, increasing the amount of business partners by 55% and resulting the overall revenue to double in just two years. However, shareholders are the main segment to use the facilities and they produce the majority of the revenue by paying yearly substitution per share.

As the shareholders are crucial part of the community, Course B has launched an innovative shareholder priority program offering several valuable benefits. Including for example two free green fees per course for three selected partner courses, which is considerable benefit in financial terms. Additionally, members with playing rights are enjoying some of shareholders benefits as well but in smaller scale.

“For shareholders we have launched a special priority program system offering many benefits in our course and outside of the course as well. Our mission is to be the best in Finland in that case. We are not joining the Gold card system used in many courses as the other courses should then be in the same level in terms of quality, service and amount of players.” - CEO of Course B

Marketing is important for Course B, because of the capacity, the amount of players can be bigger than competitors and that requires active marketing in various channels. Course B utilizes all national Golf Medias and advertising business partners, social media and newsletter for members and companies as well. The events itself also act as a marketing case, while players sense the feeling of the community and later share the experiences. The positive customer experience is ensured by monitoring the Players 1st survey results to reveal development areas. Course B actively collects the feedback from members, visitors and from business partners as well.

“In the case of visitor players, it is always a marketing case, as if you fell in love with the course you are always closer to become engaged customer” - CEO of Course B

SPECIFIC AREA	PRACTICES
ASSURANCE OF SATISFACTION	High quality of courses Excellent service Active community
BENEFITS FOR SHAREHOLDER	Priority system with several benefits Availability of tee-times Communality
POSITIVE VISITOR EXPERIENCE	Players 1 st survey feedback processing The feeling in the club High class service
MARKETING	Golf medias Social media Newsletter Events

Figure 16. Practices for customer segments of Course B

Value proposition

The courses and the service are most important factors for determining the success among players and represent the key areas, which are constantly being improved. Interviewee of Course B stated, that for members the most important factor is the availability

of tee times but in the meantime the mission is to be the most attractive course with the best service in Finland.

“If we want that we have maximum capacity of playing rounds in courses it means that usually the service aspects get worse. Last year the number of rounds increased by over 10 000 but simultaneously member satisfaction rates in terms of service decreased. In result we started to act to increase the service aspects for example by renewing the booking system in order to get the satisfaction rise with this amount of players.” - CEO of Course B

According to the interviewee of Course B, the clear competitive advantage of course is the exceptional multicourse offering, which provides three separate courses for its players, making the course the biggest community in Finland. Nevertheless, the price-quality ratio for its shareholders is very reasonable. Besides the services and facilities around the course are extremely encompassing and suitable for world-class training. In addition, the communality within the club is crucial and is one factor to affect customer satisfaction rates in member and visitor category. However the concept of communality could vary from bigger events to smaller groups of friends. Being aware of the variety of communality, Course B is prepared for all kinds of requirements in terms of customer preferences.

“In view point of consumer, the feeling is the most important factor and that determines the comprehensive service experience in which the one important factor is how does it feels inside the community or on the terrace – the feeling of communality” - CEO of Course B

“One question is what the communality is nowadays? The discussion is constantly on whether is it to get 2000 people together in the event or is it that, you come with your 20 friends to the course and we could offer these groups the space to enjoy the smaller communality. I think the communality has changed or being changed to that way and

*we are able to offer these kinds of groups the home and the club inside actual club.” –
CEO of Course B*

The vision of Course B is to offer relaxed, energizing and fun golf experience and to become the most attractive golf course in Finland. In long-term, the objective is to transform the business more towards recreational service provider by offering other leisure possibilities as well. Company does regularly benchmarking from other leisure-time activities to improve the business. However, the golf will be the core competence and that is one factor which is guaranteed to remain in high quality. In terms of course conditions, the budget of course maintenance has set to be a bit higher than competitors to ensure the quality promises.

“Golf industry has been in a musty way and for many years the competitive golf has been the locomotive of the communities although the money comes 99% from other players than from competitive golf. That is why those competitive golfer have been the main organs to decide and development the actions within the clubs. The main purpose however should be that golf should be fun for golfer in all skill levels.” - CEO of Course B

SPECIFIC AREA	PRACTICES
VALUE PROPOSITION	Excellent service Events Three quality courses Partner services within the community
COMPETITIVE ADVANTAGES	Fun energizing golf experience Location Price-quality ratio Communalities Tailored services for groups Web-store Mowing routine for every other day (Sundays included)
INDICATORS	Players 1 st survey Customer feedback Smiley face feedback system Benchmarking from leisure business

STRATEGY	Best service Active community Communality Transparent communication Healthy financial statement To become the best golf course in national level Healthy financial statement
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Figure 17. Practices for value proposition Course B

Organization and management

Organization of the Course B is led by CEO with two service managers and five caddiemasters during the playing season. In the course management, superintendent maintains the course facilities with team of 45 employees in which 10 are permanently employed. Besides, course employs a separate development team, which constantly participates the improvement of the course. Due to the size of the course complex, the amount of employees is relatively high compared to other courses. However, the quality of playing facilities is one of the key values of the company, which means that the conditions are maintained in high level. The communication between the office and course maintenance team is straightforward and takes place in some level every day. In addition, weekly meetings are held with key people.

“We are lucky to have modern course superintendent who actually participates the alignments and has attitude of development and has customer-centric grip to the work”

- CEO of Course B

Interviewee of Course B considers himself as *a conversational dictator* and underlines the importance of conversations within the organization as crucial. Therefore, organization has decided to hold development discussions two times a year between permanent employees. Course B has excellent rates on employees' satisfaction and besides the motivation of permanent employees is fed with bonus system and with pension system to

encourage longer career within the company. For caddiemasters, there are separate kind of incentive, the quality of service is monitored through Players 1st survey. Thus, improvement of service quality is been rewarded in a form of bonus payment two times year. However, despite of the improvement in terms of NPS rates, management can still reward caddiemasters for excellent work. Improvement in service quality takes also place in the course management as Course B has changed the mowing routine for every other day including Sundays, when fairways, tee boxes and everything else is to be mowed.

“We are discussing a lot about issues and make our decision based on that, but I have the responsibility in the end. If we have great course conditions, course superintendent gets credit but if it’s not I could take responsibility and say that was my decision. I try to reduce the stress of all our employees.” - CEO of Course B

Strategic partnerships are bonded with restaurant, pros and pro-shop. Moreover, Course B has seven co-operational partners. In addition, Course B holds up co-operation between other courses. Three year contract with selected courses ensures shareholder benefits for those courses and vice-a-versa. On top of that, Course B holds in total seven sponsorships, which are visible in the course in terms of marketing. Moreover, the most innovative partnership was made two years ago between subcontractor and machine manufacturer, providing the machinery for course maintenance including services and machine upgrading. The deal was beneficial in many level as course relinquished the burden of buying and maintaining its own machines and furthermore ensures, that the course equipment is constantly in high level. However, the current situation with business partners is decent, Course B constantly seeks for new partnerships to enhance its business.

We break a little bit the traditional way of buy equipment in Finland, because earlier everything was just bought occasionally” - CEO of Course B

SPECIFIC AREA	PRACTICES
INTERNAL COMMUNICATION	Daily communication via phone Weekly meetings Development discussion
MANAGEMENT SYSTEM	Conversational Stress reduction from employees Customer-centric Participative
METERS AND REWARDING	Players 1 st survey Bonus and pension system for key persons Bonus for caddiemasters based on NPS rates
CO-OPERATIONS	Restaurant, Pro-shop, Pros Co-operative relationship with 4 courses Leasing deal with subcontractor and manufacturer 7 main sponsor partnerships

Figure 18. Practices for organization and management Course B

Financial aspects

Interviewee of Course B states, that the financial objective of the course is to create as much positive cash flow as possible. The positive cash flow provides possibility to implement even larger investments in terms of development of the offerings. In bigger picture, the larger investments could be the key for creating the competitive advantage for example considering the quality of the offering. Incomes of the company are divided between the shareholders and different customer segments. Shareholders are committed to pay substitution per share every year and represent the majority of income statement. Moreover other major parts of income are constructed with green-fee payments and from business partners. However, it is stated that, the financial models are to be changed in upcoming years due to changes in consumer behavior.

“It is forecasted that the amount of shareholders is going to be changed as the decrease in terms of ownership is a clear trend. Our optional strategy is that we try to keep our benefits and services in a certain level to keep up at least five years with this

current model and at the same time look around what will happen. The change is coming but how and when?" We break a little bit the traditional way of buy equipment in Finland, because earlier everything was just bought occasionally" - CEO of Course B

In cost structure human resources represent the major part of company's costs. Another compulsory expenditure is course maintenance costs and the rest are equipment costs, organizational costs and also marketing costs. Course B is clearly value-driven organization, however some costs could be reduced from example of course maintenance but, on the other hand, that could affect quality of the course. Interviewee of Course B summarizes, that they are rather seeking ways for increasing the income than reduce the costs of crucial factors of the business.

4.2.3. Course C

Interviewee of Course C considers the company as a semi-private golf club, implementing a different kind of business, than a standard Finnish golf club. The course hold restricted and limited memberships, thus offering its current shareholders a private-feeling atmosphere. However, the visitor can access the course but in limited conditions. Course C has been successful in both member and visitor satisfaction rates for many years in row.

Customer segments

Customer segments of Course C are divided between shareholders, visitors and business partners. However, the business model of Course C relies strongly on shareholders, as they are financing 80% of company's income yearly. The organization reminds private club the most in Finland, nevertheless visitors are welcomed to the course in limited

conditions. Therefore, shareholders are the main customer segment and the organization is operating in their terms. Shareholders enjoy several benefits, for example the free usage of driving range. Anyway, the biggest benefits comes with the amount of shareholders within the club, simultaneously restricting the play rounds. Thus, there are always tee-times available for shareholders. Moreover, the arrangement makes it possible for initial idea of keeping the amount of player low, to offer possibility for shareholders to combine golf and business in relaxed atmosphere. Thus, for example business negotiations could be completed within the golf round.

“The biggest benefit is that the amount of shareholders is so small in this location, thus you can just come here and play. We guarantee for shareholders that there are always tee-times available and they can just arrive here without scheduling – That is the thing here and from which they are ready to pay.” – CEO of Course C

Nevertheless, it was concluded by the interviewee of Course C that, visitor players are welcome to play but the green-fee price of a round is relatively high. The high price is often criticized by visitors but represents a strategic choice of the company. However, with a connection to a shareholder of a course, it is possible to play more affordably. The visitors are to be treated like *“members for the day”* in a way to integrate them to the concepts of leisurely the members are enjoying.

“Our own members are so used to certain issues here, which is why it is important to monitor the satisfaction of visitor players, because it is more like a first impression and provides different and honest picture of the visit and the experience” – CEO of Course C

SPECIFIC AREA	PRACTICES
ASSURANCE OF SATISFACTION	High quality of courses Excellent service Special concept Leisurely
BENEFITS FOR SHAREHOLDER	Semi private club Guaranteed tee times Atmosphere
POSITIVE VISITOR EXPERIENCE	Players 1 st survey High class service Special treatment (members of the day) Concept
MARKETING	Word-to-mouth Business events

Figure 19. Practices for customer segment of Course C

Value proposition

The most important value that Course C offers, is the feeling of leisurely in terms of availability of tee-times without preregistration, which is also the course's main competitive advantage compared to other Finnish courses. The offering consists of two courses in addition with high quality service.

“Our concept crystallizes to the fact that you can always come to play here without planning, which makes us unique and differentiates from others.” – CEO of Course C

The most important tool to measure the quality of the offering is the Players 1st survey. Based on the feedback, the development targets can be identified in a larger scale. The results also indicate in which parts employees can be educated in order to offer better service. Other feedback from players in all forms is also registered and answered in order

to implicate the transparency within the company between management and shareholders. It is a fact, that everything cannot be implemented but the most importantly, shareholders are given the possibility to affect the activities of the course.

“There a lot feedback coming from members and obviously everything cannot be implemented but we are listening actively our members and take possible ideas into consideration. ” – CEO of Course C

Interviewee of Course C states, that the strategy of the course is somewhat public but currently only available for members. However, the main elements are considering the shareholders' satisfaction and the rest about the health of the organization, management and training facilities. The strategy is renewed in five year terms. The stability and committed shareholders ensure that Course C doesn't need to take into account the external factors and changing trends of a golf industry as much as many other competitor. The concept of the course is proven to be effective and the need for change is not actual.

“We are more like in special situation while couple of neighbor courses have been changing their concepts, our concept has been effective for many years so we don't have any interest of changing things here.” – CEO of Course C

“People's business and other activities in life are thought to be against golf but on the other hand this our concept would fit that better than many other, as you don't need think about bookings and planning. When you have the afternoon free you know that you can come to play whenever and you don't have the stress of getting on time to the tee-time or you don't have the feeling about that you don't have time to eat before round. - When you ignore the fact of hurry, playing golf turns into pure joy.” – CEO of Course C

“Talking about golf as time consuming, which it surely is, it shouldn't bodily turn into a kind of speed golf, where courses should be shorter or the rounds should be quicker but

in my opinion it should be underlined that when you take the time for golfing, it should be counterweight to that kind of busy lifestyle... More like mindfulness approach which offers total disconnection from the ordinary.” – CEO of Course C

SPECIFIC AREA	PRACTICES
VALUE PROPOSITION	Availability of tee times Course conditions Excellent services
COMPETITIVE ADVANTAGES	Leisurely Location No booking system
INDICATORS	Financial statement Players 1 st survey Customer feedback
STRATEGY	Shareholder valuation Community enhancing Course improvements Improvement of coaching

Figure 20. Practices for value proposition of Course C

Organization and management

Organization of Course C is rather small including CEO, service manager and five permanent employees working in course maintenance. Moreover, in total approximately 20 seasonal workers are employed to work in the office and as greenkeepers during the high season. Turnover of staff is very low and employees are very satisfied. The professionalism of workers is in key role within company and its value proposition. Staff is regularly being educated by offered various courses and feedback is given yearly in development discussions.

“I willingly sent my employees to the training and education sessions and we are occasionally doing benchmarking to other courses to see their ways of work.” – CEO of

Course C

Internal communication is straightforward and present every day in some level. However, weekly meetings with key persons are the most crucial action to take to share the information and discuss about the decisions, which are then mutually agreed with management and course personnel.

“I would say that weekly meetings are in key role where we are discussing about upcoming events and past as well. ”– CEO of Course C

“The decision with course superintendents are made mutually and I would say that our course superintendents are way customer-centric than in many other course’s. They think about customer experience and thus schedule complimentary maintenance work in shareholder perspective and to hinder the play as less as possible. ”– CEO of Course C

Interviewee Course C considers himself as participating leader, who gives possibilities for others to share their thoughts. He tries to keep the working atmosphere as healthy as possible, simultaneously keeping in mind the responsibilities. The main thought is that satisfied employees will signal the good feeling forward to the customers.

“I see that my leadership style is kind of participative and I would like think that we are more like are co-workers than me bossing everyone. Of course the responsibilities are for someone but I would like to keep conversations as participative and transparent, additionally, we go thought yearly development discussion with permanent employees.

“”– CEO of Course C

“I try to be present and create a good feeling within the atmosphere, when employees are enjoying in the work it of course reflects to the customer service. The customer service would not in decent level if those people carrying it out are not enjoying the work.

“– CEO of Course C

In terms of strategic partnership Course C is in tight bond with restaurant and the pros but besides, holds couple of main sponsorship deals. However the amount of business partners is aimed to be increased. With other courses, Course C doesn't hold any relationships.

“Our lining is that we don't accept any discount cards, it is our strategical choice and part of our image. I don't see impossible to create partnership with other courses in the future but more likely the courses should be then from abroad. “– CEO of Course C

SPECIFIC AREA	PRACTICES
INTERNAL COMMUNICATION	Daily communication via phone Weekly meetings Mutual deciding about linings with key people
MANAGEMENT SYSTEM	Participative Transparent and open atmosphere Development discussions
METERS AND REWARDING	Players 1 st survey Bonus system for key people Flexible worktime for caddiemasters
CO-OPERATIONS	Restaurant and Pro-shop Pros Several main business partners

Figure 21. Practices for organization and management for Course C

Financial aspects

The financial principle of Course C is to produce as desirable offering for its customers as possible. Like most the other courses, the objective is not to produce profit, as company is not distributing any dividends to its shareholders. Income statement of Course C is

composed by annual payments of its shareholders, which covers approximately 80% of the revenue. The rest consists of green-fee payments of its visitors and partnerships and events. The concept has been working for many years and shareholders have been satisfied for the activities of the course, which is why other financial structures haven't been considered.

“Golf course business models are similar to condominiums so aiming to produce as good service as possible with money on use. The idea is not to make profit while of course the objective is to keep in the budgets.” – CEO of Course C

Meanwhile, the cost structure consists of mainly human resources and course maintenance costs, the rest is combined with smaller costs during the season. Despite the small amount of shareholders of the course, compared to other similar courses, Course C still is counted to the top five in national level in terms of total revenue. However, the shareholders are agreed to pay relatively high annual payments per share to maintain the relaxed atmosphere within the course, which is why despite the small amount shares, it equals relatively high revenue numbers.

4.2.4. Course D

Course D has similar features with Course C being semi-private like golf community, however visitors are welcomed to sense the special atmosphere within the community. Their way of implementing business goes strongly shareholders being the first priority. Member and visitor satisfaction rates has been in high level, besides the business implementation grounds to fact of constant development and improvement process of the offerings.

Customer segments

According to the interviewee of Course D, the main customer segment includes shareholder players. Shareholders are paying yearly a substitution per share for exchange of playing rights to the course. Course itself doesn't hold any shares, meaning, that all shares are owned by its players. However, shareholders can rent forward their playing rights with relatively convenient price. Course D offers some benefits for its shareholders for example by giving possibility to play cheaper in neighbor golf course but the biggest benefit is considered to be the belonging to the community. Course D considers itself as semi-private course as the green-fee price for regular visitor is high but with a connection to any shareholder, the price of green-fee is cheaper.

“Visitor players are of course important as well and it is great that they are brought here to see this atmosphere, because we are a kind of closed community and we don't do any marketing.” –Service manager of Course D

In order to maintain high customer satisfaction rates, Course D takes advantage of Players 1st survey results regularly. From there, development issues can be revealed in terms of any customer segment. Moreover, active staff members respond rapidly to any feedback and are improving the offerings according to the revealed issues. Due to a solid customer base, Course D doesn't require much of a marketing but instead, aims to increase the satisfaction of current customers.

“We have constant mind-set of developing the courses and services and we are listening carefully about customer expectations in which this Players 1st survey is a great tool.” –Service manager of Course D

SPECIFIC AREA	PRACTICES
ASSURANCE OF SATISFACTION	High quality of courses Excellent service Constant development Rapid reacting to feedback
BENEFITS FOR SHAREHOLDER	Community Guaranteed tee-times Exchange green-fees Family benefits
POSITIVE VISITOR EXPERIENCE	High quality service Beautiful landscape Authentic and warm feeling Feedback
MARKETING	Social media Newspaper articles Active and interactive website

Figure 22. Practices in customer segment in Course D

Value propositions

Interviewee of Course D underlines, that the main value proposition is to offer relaxed atmosphere and golf courses in premium conditions for its customers. To keep the high level in all standards means, that the organization must be active in terms of development and feedback processing. Players 1st survey tool among with straight feedback from customers, are issues how Course D ensures the quality and delivers the value for customers.

“All our activities will target to get our course willingly to the top 3 and that’s why we are trying to do things a little bit better than others. But the main thing is to keep shareholders and players with playing rights as satisfied as possible, which is the thing how we can differentiated from others.” –Service manager of Course D

“One big competitive advantage is also compared to other courses is that we have available tee-times and you don’t have to wake up in the middle of the night to book tee-times for the weekend. We are reserving every hour one slot, which can only be booked at the club.” - Service manager of Course D

The atmosphere and the feeling are issues, which are adequately integrated to the Course D’s value proposition. The feeling is created from the milieu and within the community, moreover, the special warm atmosphere is delivered already in the web-sites, which are being enhanced with visual presentation to serve all customer segments.

“The atmosphere is definitely as a part of the product, we have new logo and slogan in order to forward the feeling, which is desired to be delivered from the beginning of the experience, when you approach the course through the trail of birches arriving to the calm mansion-like milieu with a lake-view, hopefully swans swimming on the bank. We have the special atmosphere, which is kind of a mixture of precious and comfortability, the atmosphere is a big part of our community.” - Service manager of Course D

Interviewee of Course D states, that the strategy of the course culminates to five key points and is being updated every five year period, however it is constantly being enhanced and improved. The key points are covering the development of the courses, services and buildings, enhancing the brand image and communality issues, for example profiling more into the whole family community by offering different kinds of products for all family members.

“We want the wow-effect to all of our activities, so that people could feel the greatness of the product.” – “Our strategy is in public form, because it would make the selling of shares difficult without knowing the way of work of the company”. - Service manager of

Course D

According to the interviewee of Course D, company is considered stable in all terms, nevertheless the average age of shareholders is relatively high. However, the continuity of the shares is decent, as even younger generations are interested in buying shares in the course. In addition, the product of Course D is well managed, that it is not realistic to consider any other financial models but instead improve the current services.

SPECIFIC AREA	PRACTICES
VALUE PROPOSITION	<ul style="list-style-type: none"> Top 3 course in every level Customer satisfaction Service quality
COMPETITIVE ADVANTAGES	<ul style="list-style-type: none"> Availability of tee times Location Atmosphere and feeling Landscape Experienced employees
INDICATORS	<ul style="list-style-type: none"> Financial statement Players 1st survey Customer feedback
STRATEGY	<ul style="list-style-type: none"> Community for family Brand improvement Development of service and play Development of courses Buildings

Figure 23. Practices in value proposition of Course D

Organization and management

The organization of Course D consists of CEO, two service managers, two course superintendents and the maintenance team of five permanent workers and several seasonal greenkeepers, besides, the office hires five caddiemasters in the high season. The internal communication takes mainly place in WhatsApp groups, where the information is shared rapidly to one another. In addition, management has found weekly morning meeting as crucial tool to go through the upcoming events, news of a restaurant and

course maintenance schedule, which will be published in Twitter with also website coverage. Thus, all information from all levels is shared for every key person and the information could easily to be published online and for stakeholders of company.

“For internal communication we have created a great tool, which is a weekly morning meeting, in which participates course maintenance team, office workers, restaurant workers, Pros and cleaning staff. So the key people are discussing about all events in two week periods where every event, happening or anything else is emerged and every group announces its own schedule to share information, that everyone in the house is well-known about everything” - Service manager of Course D

Interviewee of Course D describes the CEO of the course as a caring and participative leader, who takes care of each employee's welfare. He is a respected character within the company and has also sight to all levels of organization. Moreover the board of company consists of many professionals from different industries, which are able to help in internal issues of the company.

“Our CEO is participative and present leader who has abilities to work in basically every position of the organization... For example his morning routine is to drive first to the maintenance hall to see that everything is in right order. He also knows personally every single employee of the company and takes care about the well-being of everyone.” - Service manager of Course D

To ensure the professionalism of employees, the organization offers comprehensive training session for every new employee. Further, company offers courses and other possibilities to enhance the skills of an employee. Well-performed seasonal workers can be rewarded as salary incensement even during the season and permanent employees are enjoying a standard bonus system in exchange of good results.

“We are pretty good at training our employees and we are ourselves trying to be as examples and also present to show how things work in practice.” - Service manager of Course D

The co-operation with restaurant and pro-shop is seamless but other co-operative relationships with other courses are restricted as a strategic decision. However, shareholders are offered few exchange days for the neighbor golf course but overall, Course D doesn't see much of an interest for co-operative relationships for other courses as the offering should then match exactly to the Course D itself. In terms of sponsorships, Course D is open and currently seeks opportunities. Course D also owns basically all of its machines and considers it as a best option for them.

SPECIFIC AREA	PRACTICES
INTERNAL COMMUNICATION	Daily communication via WhatsApp groups Weekly meeting with all key people Comprehensive announcements Interactive website
MANAGEMENT SYSTEM	Participative Present and caring CEO able to work all positions in the office Professional board members
METERS AND REWARDING	Players 1 st survey Bonus system for key people Salary increase possible during the season
CO-OPERATIONS	Restaurant and Pro-shop Pros Several main business partners

Figure 24. Practices in organization and management of Course D

Financial aspects

As a traditional golf course company, Course D doesn't aim for making profit in its business, and thus doesn't share any dividends for shareholders. The main purpose is to offer premium golf offering for its shareholders. Shareholders are financing the business 55% of total income by paying a yearly substation rate. The second largest income is the green-fee payments of visitors with a connection to a shareholder of a course with a 12% share of total income. The rest of the income is consisted of smaller payments during the season. The business of Course D has been in solid level for many years and in terms of amount of revenue, company has been in top 10 in national. The high revenue rate is explained by the large amount committed shareholders, who are agreed to pay a bit higher substation rate than average, to maintain the prevailing atmosphere within the course. On the other hand, cost structure consists of typical costs of a golf course human resources being the largest cost and followed by course maintenance costs. In summary, Course D is a mixture of value-driven and cost-driven and organization. Value proposition is promised to be delivered to customers but the costs must be reasonable, however regarding the healthy financial situation, the decisions for example in terms of investments can be considered more loosely.

4.2.5. Course E

Course E represents a traditional country club and despite the non-centric location, attracts its player to visit the course even from distance. Course E has one of the most satisfied members nationally and visitor are mostly finding the course attractive. The financial model of Course E, differs from other course by being market-driven. Nevertheless, company has implemented successful golf course business for many years with the same way and there lays no particular reason to change the current model.

Customer segments

Similarly to other courses, Course E considers shareholder players as a first priority customer segment. However, there are many options for playing rights to the course, in addition of owning a share. Moreover, the Course E differs from other courses' in way that company doesn't require yearly substitution payment per owned share and the business model is market-driven.

"Owning a share is not obligatory for us and approximately half of our members are playing with other rights from 5-time card to seasonal card." – CEO of Course E

In our case, we talk about shareholders seasonal payments, because our substitution is zero. That could be one big issue to affect the satisfaction rates but also for matter that we have to do a lot of work to keep the members satisfied, as we don't get anything for granted." – CEO of Course E

Thus, Course E holds exceptional rates in terms of member and visitor satisfaction. However, Course E considers the whole package of golf experience as the most important offering for customer, areas such service, course conditions and management are enhanced to the high level. It is argued, that all customer segments are relatively difficult to satisfy but Course E has done a lot work to take into account players in every category.

"...the closer we get to the average club player, the more for their satisfaction is affecting the overall atmosphere, feeling and different events. We are pretty uncommon business in that manner because our customers are for real from children to elderly with different skill levels and everyone should be catered in a way to offer services to keep everyone satisfied. Our strength is the versatility and openness to sense, which is working and which is not, we are able change and think what kind of improvements to be made." - CEO of Course E

Interviewee of Course E finds Players 1st survey as a crucial tool to recognize areas, which should be improved. The exceptional rates are partly explained by the overall atmosphere created over the years. Player could sense the welcoming feeling and openness of the community right from the beginning. Besides, the main offering golf course, which Course E has two to offer, are kept in premium conditions. For shareholders, playing is relatively cheaper and the group enjoys cheaper restaurant services and the green-fee for an acquaintance of shareholder is reasonably priced. Besides, pro-shop offers shareholders discounts and monthly a product with a special price. Outside the course, shareholders are met with benefits in terms of cheaper leisure activities with co-operative companies.

“The main objective of us is to offer exceptional golf services in a high quality golf course despite the customer segment, if these aspects are lacking, then it is relatively difficult to satisfy customers in any way... the main offering, and in this business it is the course, must be in shape” - CEO of Course E

Visitors with a connection to shareholder are playing relatively cheaper. For regular visitor, Course E maintains a dynamic pricing system for green-fees, as the price changes daily depending on the time and conditions. The strategic pricing model is aiming to offer better price-quality ratio for visitors. The choice is backed up with arguments from shareholders, that still the busiest times are allocated to shareholders and thus the price for that time zone is the highest. On the other hand, for example late evening prices are cheaper, as there are often less players. As Course E recognized visitor players as key customer segment, some special treatment are added to the service to ensure the customer satisfaction. For example the strategic decision for caddiemasters is to treat visitor as special guests and offer help and tips for first timers. On top of that, service representatives are guided to speak with players' names to make the feeling warmer.

“With visitor players we considers ourselves as pioneers especially in terms of pricing, it requires a lot of work but provides possibilities as our location is not the most centric we have to invent something new” - CEO of Course E

In terms of marketing, Course E trusts its’ offerings as a marketing method itself, as members as well as visitors will share automatically the experience for others. Moreover, the reputation of the courses and especially the other challenging one is considered as marketing advantage, as players from distance are visiting the course and challenging themselves on one of the most challenging courses in Finland.

“Nowadays is more or less digital marketing but on the other hand beautiful course markets itself through shared experiences and the information is exchanged rapidly.” -

CEO of Course E

SPECIFIC AREA	PRACTICES
ASSURANCE OF SATISFACTION	High quality of courses Excellent service Players 1 st survey
BENEFITS FOR SHAREHOLDER	Atmosphere No obligatory substitution Cheaper products Gold card and green fee exchange days Fast round times
POSITIVE VISITOR EXPERIENCE	Dynamic pricing High quality service Beautiful landscape Special treatment for visitor Authentic and warm feeling
MARKETING	Social media Word-to-mouth Newsletters for also for visitors Open-house days Schools

Figure 25. Practices in customer segment of Course E

Value propositions

Course E's most significant value proposition is to provide the players with quality golf course conditions. Interviewee of Course E underlines, that company constantly observes about customer preferences and feedbacks, in able to react rapidly for any inconvenience. Moreover, authenticity and openness are key themes for Course E, which are recognized to be extremely important for the members of the club. The results are also indicating, that these aspects and social atmosphere are most appreciated factors in terms of member satisfaction rates.

“For golfer the biggest value is the course itself and that’s why we are investing constantly to the conditions and in overall by doing things as well as possible by listening carefully about people.” - CEO of Course E

“Our biggest value proposition is the authenticity and that’s why we don’t fling to many directions at the same time, of course we cannot stand in the same place but must have the ability change and develop.” - CEO of Course E

The most important indicators for success are measured in financial terms but also through Players 1st survey and course rankings but Course E trusts also the feeling as one measurement.

“...euros are in some level are the indicator but also kind of a customer frequency, mostly with visitors, if they come again and again, it tells that something of us attracts them.” - CEO of Course E

“The is no absolute meter to indicate success but I don’t think that nobody would lie to Players 1st survey but as answer ratio is not 100% it is not absolute... but it is combined with smaller pieces.” - CEO of Course E

Interviewee of Course E lists several competitive advantages course holds, although the location of courses isn't central. However, members are very committed to club, so the distance is not seen as problem. Course E also maintains leisure cabins in immediate proximity to the course. Thus, Course E has capacity for accommodation for bigger groups and other visitors to spend more days within the course. Another key advantage is the availability of tee-times, moreover the average time per round is short and rounds are likely to be finished under four hours. Finally, competitive advantage is also delivered to customers through one strategic partner, the pro-shop, which is the biggest in type. That single factor lures players from long distances to visit the pro-shop.

"Our biggest advantage is the fact that we have tee-times available, you don't have to book times days earlier, although we also have hours when it is full but mainly we have always time." - CEO of Course E

"People come to pro-shop from long distance all over the Finland only to shop without even thinking about playing the course, and that happens daily in the summer which is surprising... but on the other hand we see the potential to get these customer to play at least for some price." - CEO of Course E

The strategy of Course E focuses on keeping the level of services as high as possible. Strategy is divided into four key points, which are considering maintaining the high level of course conditions, improving the quality of service in all levels, increasing the value of share and development of comfort and service. The investments to the course development are done yearly but any large operation is not needed in upcoming years. The strategy is reviewed regularly in case of changes within the golf industry or customer preferences.

"Strategy for us is not carved in the stone but more like set of values to which we rely on... it brings those big alignments and targets in which we want to improve." - CEO of Course E

“Our strategic priorities are first of all, the course and its conditions but then service and restaurant are important areas as well, which we are trying to improve. Then shareholder valuation in this community is important issue as well improving the overall comfort.”- CEO of Course E

SPECIFIC AREA	PRACTICES
VALUE PROPOSITION	Course conditions Authenticity Trustworthiness Constant development
COMPETITIVE ADVANTAGES	Price-quality ratio Dynamic pricing Availability of tee times Quick round times Experienced employees
INDICATORS	Financial statement Players 1 st survey Customer feedback Feeling Course conditions
STRATEGY	Course improvements Service and restaurant improvements Shareholder valuation Continuous development

Figure 26. Practices in value proposition of Course E

Organization and management

Organization chart of Course E is relatively small but the operation performance has been increased in past years. The two course complex is run CEO with service and office manager and with only three caddiemasters are employed for the high season. The management team participates also for the work of caddiemaster and thus interact constantly face-to-face with players. Interviewee of Course E considers her leadership style

as interactive and participative. The interactive leadership style is recognized as high rates in terms of organization and management satisfaction rates among members.

“Many other CEO is away in the weekends but I see that being present here in the weekend as well gives me time to focus personally on customers.” - CEO of Course E

“My way of doing things is that I’ll be here every day during the high season for many reasons but that’s why too that I want to know what happens here and how the things are done in practice and what customers think about our ways of doing things... in a way I’ll be aware of daily cash-flow, invoicing etc. so nothing comes as a surprise and is a one thing why we are doing pretty well here.” - CEO of Course E

The organization consists mainly of experienced and committed employees with long history within the organization, thus the professionalism level of workers is high. The key employees are rewarded with standard bonus system in exchange of good results and also lunch is offered for every employee daily.

SPECIFIC AREA	PRACTICES
INTERNAL COMMUNICATION	Daily communication via phone Weekly meetings
MANAGEMENT SYSTEM	Participative Present even in weekend CEO capable doing all kinds of work
METERS AND REWARDING	Players 1 st survey Bonus system for key people Free lunch and coffee for employees
CO-OPERATIONS	Restaurant Pro-shop Several main business partners

Figure 27. Practices in organization and management of Course E

Financial aspects

In financial terms Course E differs from other analyzed case companies. However, the financial ground of the company is based on with shareholder payments, but they are not committed to pay the yearly substitution per share but only seasonal payments in exchange of playing rights. In other words, the market-driven pricing model is considered effective, as shareholder doesn't have the obligatory burden of the payment substitution. Nevertheless, that the revenue stream of shareholder payments is not stable, in practice the payments from shareholders cover yearly 20% of the revenue. Other streams are coming from non-shareholder members paying different kinds of amount of yearly playing rights, visitor players, events and different kinds of other payments collected during the year. The overall aim of the business is to provide premium golf course facilities for its player without sharing dividends.

"Our objective is to produce moderate profit mostly to cover loan amortization but this is more like condominium business as we are collecting a certain amount of money to get this business running and to provide the service bundle which is required." - CEO of

Course E

"Every community is different and in this country there are clubs that receive x amount of income from shareholders every year which is 80% part of their overall revenue." -

CEO of Course E

Cost structure follows typical model of a golf course with human resource costs being the largest expense with 40% share, followed by course maintenance costs and other smaller costs during the year. Combination of cost-driven and value-driven base is considered as effective model for this particular course.

4.3. Cross-Case Analysis

This chapter deals with the discussion of the cooperative activities found by the five case companies. Purpose in cross-case analysis is to identify best practices in the industry from the individual cases, in order to successfully implement business in golf communities. The business model components are addressed in the same order as previous chapter. Customer segment, value proposition and organization and management section are concluded with summarizing figures to present the findings.

4.3.1. Customer segments

All five courses specified different customer segments, but as, Osterwalder & Pigneur (2010) stated, company should clearly decide, which segment to give more focus. In golf course business, the most important group is the shareholders, which all of interviewees agreed. Shareholders's yearly payments are covering the most of the case companies income. Course B divides customers into separate priorities, which is claimed to be effective tool to be able to cater better different customer segments. However, all case companies stated, that every customer or player is important, and especially the role of visitor players was underlined, as they represent a different perspective than members, thus offering crucial feedback for in terms of improvements.

The methods of **assurance of satisfaction** are similar with all case companies but some specialities could also be identified within the cases. The Players 1st survey results indicated, that in national level different issues are affecting the customer experience in member and visitor perspective. However it cannot be argued, that the main offering of a golf course company is the course itself but based on the survey results, members are on average appreciating the social environment and management over the course. On the other hand, the course is the most important consideration for visitors. Thus, all

interviewees shared the thought, that the course must be in excellent conditions, which would be one of the key factor to determine the satisfaction. Additionally, high quality facilities among with high level service are indicators, that players are appreciating. In summary the constant development mentality is stated to keep the overall feeling of the course attractive. The players 1st survey tool was mentioned by all representatives to be important tool to collect the feedback from each segment. Further the feedback is used for development and improvement of the course and its facilities.

Benefits for shareholder differ between the case companies but in summary for all courses, the segment is one of the most important group in financial terms. Thus, in exchange, the group is to be served with privileges. The discourse about owning a share in a golf course is constant and some researches are forecasting, that the ownership would become a decreasing trend in the industry. All interviewees agreed, the changing nature in the shareholder preferences, which forces all courses to consider about different kinds of financial models in the future. However, all case companies indicated, that the situation of amount of current shareholders is stable. Course B has created an innovative priority system for its shareholders, which offers significant financial benefits. Other courses are as well offering different kinds of financial benefits but in smaller scale. One repeated issue about shareholder benefits applies to availabilities of tee-times. Especially courses C and D are including the fact in their value proposition and it is highly appreciated by the members.

Positive visitor experience is considered extremely valuable, although the segment is not as important for all case companies as the members represent. However, the group is sensing the course and its facilities from different perspective than members, thus the gained feedback is considered valuable to offer insights about improvement issues in terms of overall experience. As the survey results are indicating, the course is the most important factor for visitor players and how willingly they would recommend the experience for others. All case companies agreed, that the course conditions should be kept

as high level as possible to guarantee the positive experience. Moreover, friendly and warm service approach facilitates enjoyment of the group. Course C approaches visitors to treat the group as *members of the day*, while Course E concentrates to specially treat and help their visitors to ensure the warm feeling. Courses A and E are using dynamic pricing system in their green-fee prices. The approach for both courses has been effective and is proven to increase the customer satisfaction.

Marketing of a golf course is considered important in the competitive markets. All case companies are facilitating social media platforms along with several Golf Medias to attract new and current customer as well. Courses A and B have being active by participating the events and fairs to market their products. Moreover Course B have launched its own web-store to communicate with customers in multiple channels. However, it is considered more like a brand enhanced than financial motor. Most of the interviewees, however, still believe in the word-to-mouth marketing as if the offering itself is in great shape, it will spread through shared experiences. Issues such as open-house-days and events in schools are also great ways to attract new potential players. Nevertheless, it has to be remembered, that some courses are not actively seeking new players but are satisfied for current situation. Courses C and D are included in this category, thus using their resources to satisfy the current clientele instead of attracting new ones.

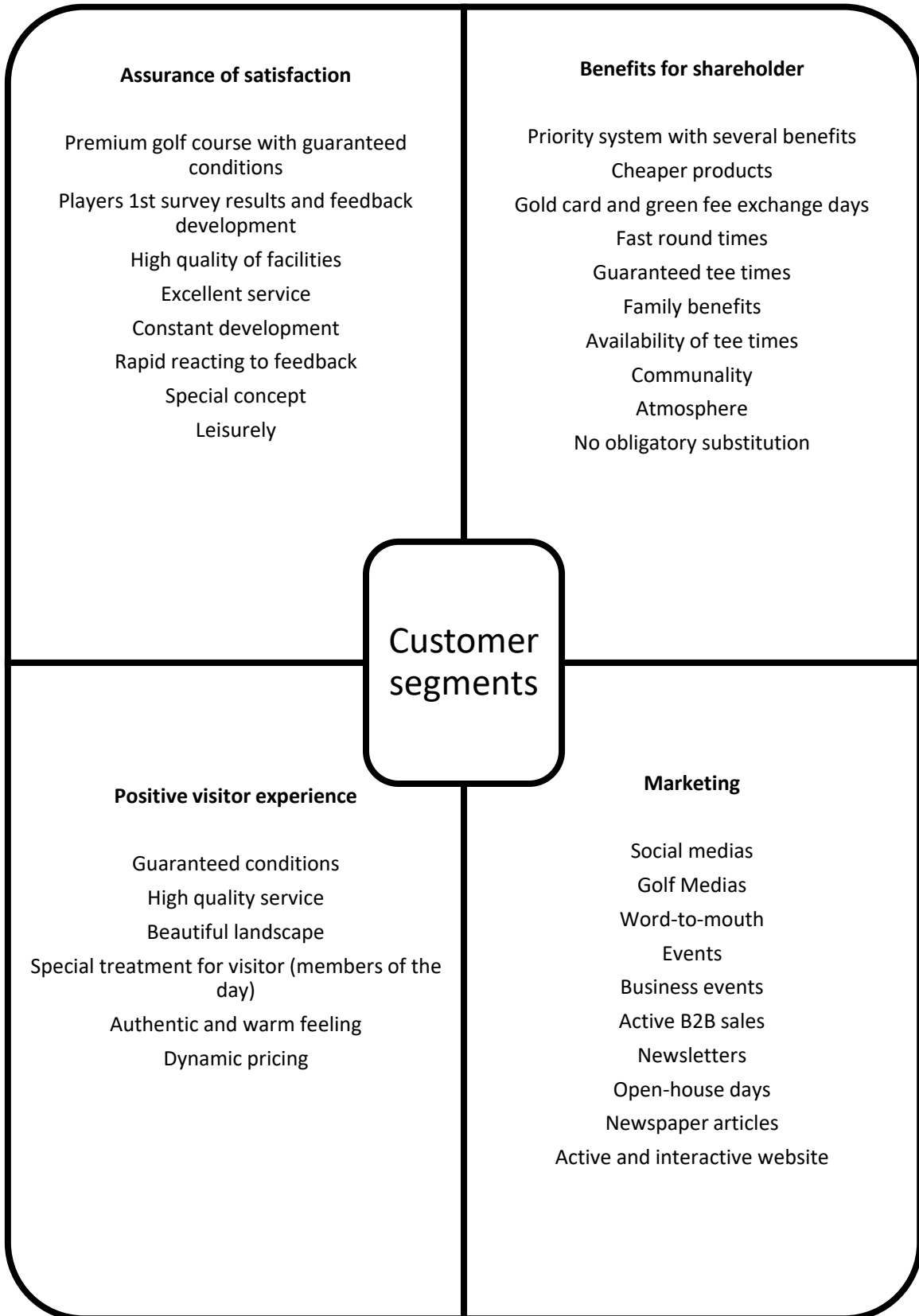


Figure 28. Summary of practices in customer segments

4.3.2. Value propositions

Values and value proposition is seen as a combination of services and goods to generate value for customers (Osterwalder & Pigneur, 2010). There lays evidently a differentiation in values provided to customer by each individual course but commonly shared value is obviously to provide high quality leisure time in a golf course, the rest are seemingly added value in top of the main value proposition. As the survey results concluded there are differences in terms of factors to determine the satisfaction of each customer group. Members are appreciating the social atmosphere and communality within the course and visitors found often the course itself as a key determinant how they rate the experience. Therefore, it is crucial for golf courses to maintain these factors in high level to ensure the satisfaction of customers. Course conditions and first-class customer service are the most important areas for customers.

On top of the most important values, each course **adds value** in several different ways. Course A offers value by offering premium golf course experience with superb service. Additionally, high ranking scores in Players 1st survey or other course rankings are issues to add value to customers. Moreover, location is one determinant in four out five cases. While, Course E can't compete with its location, course has developed other ways to provide value for customer, e.g. by offering excellent experience with convenient price-quality-ratio. Course B offers fun and energizing golf experience, while Course C tries satisfy customer by providing relaxed leisure-time without hurries. Issues related to social atmosphere within the course are not easily to be explained but required to cherish over the years to gain benefit. However, the atmosphere and feeling can be improved by maintaining a professional level in terms of experienced employees.

Strategy key points are highly depended on the each case company's ways of implement business and thus probably the most difficult issues to be benchmarked with other courses. However, all interviewees pointed out that shareholder valuation and improvement of their conditions are the key points in all strategies of case companies. Otherwise, the strategies of all case companies are including different kinds of development and improvement issues, regarding the course, facilities or the community. It is concluded that, constantly developing and innovative company would attract customers more.

Value proposition is **improved and measured** by monitoring the financial statement. Moreover, all interviewees agreed the benefit of Players 1st survey tool as crucial aspect in order to reveal the development and improvement areas. On top of that, Course A facilitates mystery shopping method from external actor to measure service efficiency and quality, interviewee of Course A underlines the positive affect to the customer satisfaction. Moreover, Course A measures the quality of business events with external consultant and finds the co-operation effective. Benchmarking was raised up by interviewees of Course B and C. Course B acquires innovative ways to the golf business by actively benchmarking other leisure-time business, while Course C facilitates benchmarking methods from other courses to educate employees in office and in course maintenance level as well. Benchmarking could be implemented in international level as well, to integrate some effective methods to the national level. In course maintenance level, Course C has effectively sent its greenkeepers to work abroad in shorter periods in order to gain valuable knowledge.

Johnson et al. (2008) suggest, that when the consumer needs or issues are answered explicitly, the value proposition is built correctly. The right offering alone wouldn't be enough but the offering should be delivered in the right way. Therefore, its crucial to listen the consumers and constantly measure the satisfaction of each group. There are several tools, which facilitate the analyzing process but overall by listening and keeping the organization transparent, would help courses to enhance the service bundle to match even better the customer segments.

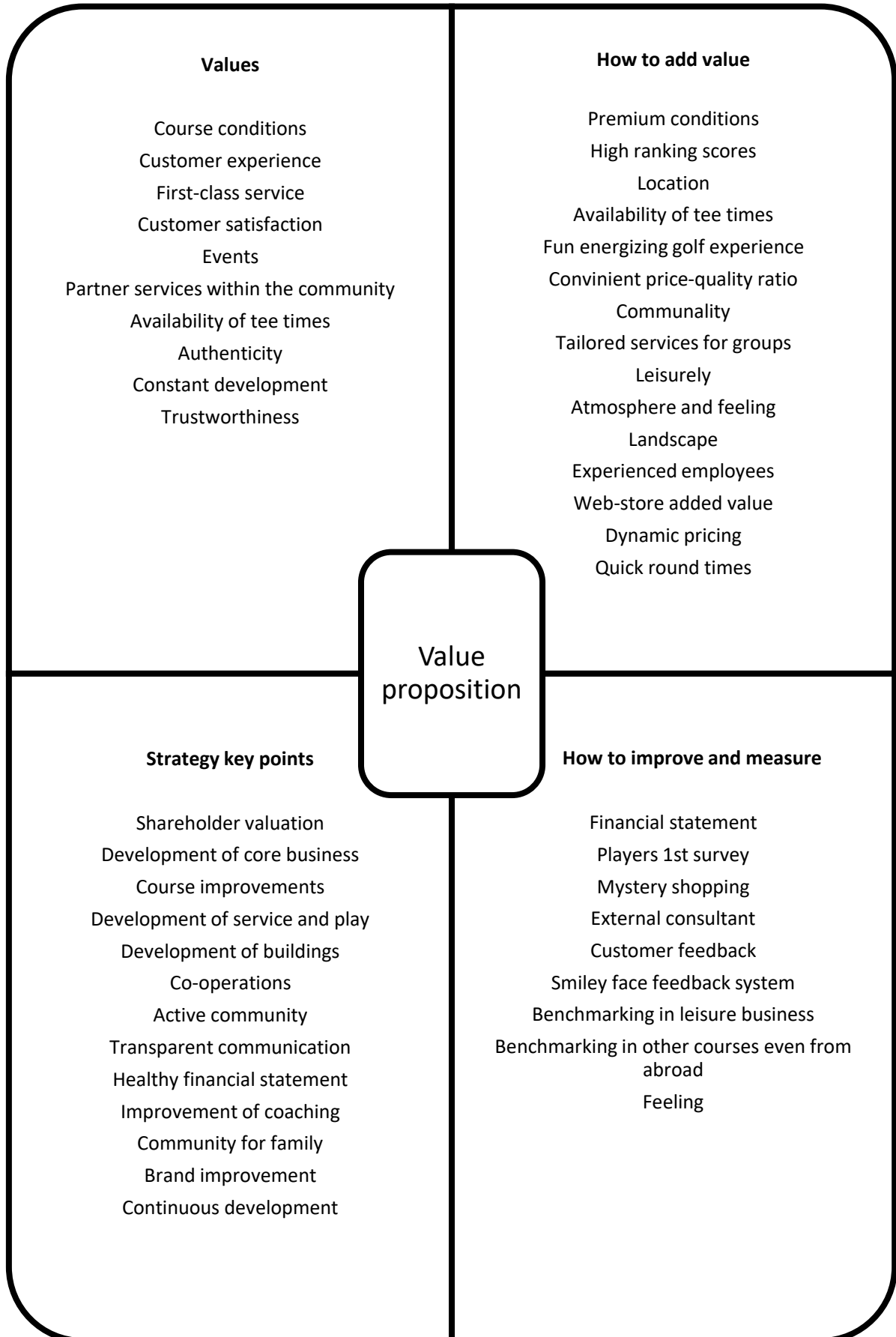


Figure 29. Summary of practices in value proposition

4.3.3. Organization and management

As a result of relatively small businesses in the golf industry, the organization and management section also includes firm's activities and resources. Nevertheless, the elements are sometimes referred to as the sole components of a framework (Zott & Amit 2010). The resources in this case are representing company's employees, technologies, equipment, brand and financial resources of assets and credits (Johnson et al. 2008; Osterwalder & Pigneur 2010). Moreover, Zott et al. (2011) suggest, that resources a company possess are the way to connect the business model to customer needs.

Companies also find the service to be critical in providing value to consumers and affecting satisfaction rates. Excellent service is forwarded to the customers as a result of healthy atmosphere within the work environment. Due to small sizes of the organizations, the **internal communication** was stated by all interviewees, to be seamless and present every day at some level. Internal communication has nowadays shifted more and more to the electronic devices but it was underlined in all cases, that weekly meetings with key people are still crucial part of sharing the information within the organization. Interviewee of Course D, announced that the method of discussing all events in two week periods with all stakeholders within the organization, is stated to be effective. In addition, all case companies are using development discussions with key employees as a tool to improve the level of work and increase transparency.

In terms of **management system** all interviewees agreed, that intensive training for new recruitments is a crucial section of the integration to the firm's ways of work. Interviewee of Course D, underlines the role of experienced workers and their example as important tool in terms of training new employees. Course A has created a clear structure for its office workers, which follows the procedures from hotel business. The protocol ensures,

that the service dimension is connected to the firm's alignments to offer first-class service. Moreover, interviewee of Course A, stated that by nominating a certain area of responsibility for each office worker, has been increasing the work efficiency and motivation of employees.

Leadership styles of each executive differs but some similarities also occurs. Conversational and participative leadership styles were repeated by all interviewees, when discussing about CEOs leadership methods. Additionally, interviewee of Course B underlines the effect of stress reduction from other employees as important method and has proven results in employee satisfaction rates. All interviewees agreed, that transparent and open atmosphere are key themes in terms of creating healthy work environment. Interesting fact of leadership styles of Course D and E, show that CEOs are able to work almost in every level of the organization. Additionally, interviewee of Course E, stated that being present every day in high season, provides crucial insights about practical level of the events. The ability of leader to step in the other positions within the organization, would definitely provide crucial information for management to improve the methods.

Meters and rewarding are tightly connected to the Players 1st survey results. All interviewees agreed, that the platform is the most efficient tool to measure the quality of all key areas of the business. The actual reward system based on the improvement of the results, were only at use in Course B. However, all interviewees stated to use some kinds of bonus systems for permanent workers. Additionally, Course B offers separate pension system for employees to encourage for longer careers within the organization. In summary, all case companies seemed to be efficient of keeping employees motivated and the actual turnover of seasonal workers was extremely low. Work in the golf course is perceived as motivational and the practical and customer-centric work encourages especially young generations to work at the course.

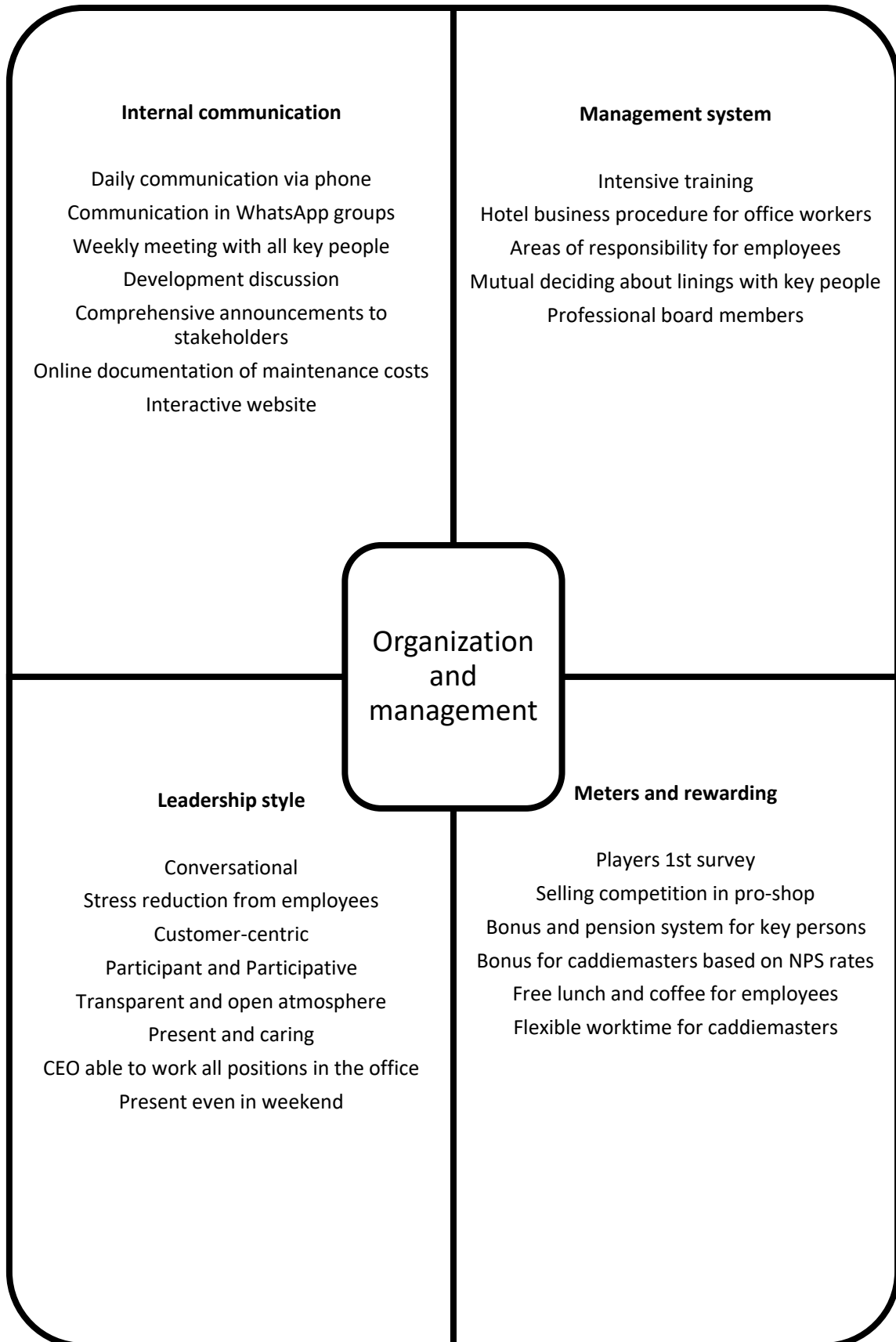


Figure 30. Summary of practices in organization and management

4.3.4. Financial aspects

Under this definition, economic factors include both the sales model and the cost structure. Meanwhile, the revenue model explains how businesses make money across a range of revenue sources and cost structure, to summarize the monetary advice for the purposes of the business model (Osterwalder et al. 2005). However, all case companies described themselves as non-profit organizations and their business models are similar to condominium concept, where the collected capital is only used to provide as qualitative product and service bundle as possible for its customers.

It was concluded in all case companies that shareholders are the most important consumer segment and the most important source of revenue streams from 35-80%. However, percentages of income of each customer group produces varies, the financial model of each case company represented similarities. Four case companies out of five are maintaining an obligatory substitution payment per share every year, Course E, however doesn't hold obligatory substitution but maintains a market-driven model, where shareholder pays a yearly payment in exchange of playing rights optionally. Meaning that, shareholder can pause the payments of share but in the other cases the payments are running automatically every year. The exceptional situation of Course E is possible, as the course has had a solid financial state.

Costs of all case companies are constructed in a typical way of a golf course. Human resources being the largest expense and course maintenance costs the second largest. Other costs are combined with smaller expenses during the season. The financial objective for all case companies was to aim to the zero point, although a modest positive cash flow would not be disadvantage and thus provides capital for further investments. The zero point would keep the operations running and shareholders satisfied as the purpose

of the business is not share dividends but to ensure the quality services, for mainly its shareholders.

5. Conclusion

The purpose of this research was to pursue solutions to the research question of *which are the best practices that can be recognized in successful golf course businesses in Finland?* The thesis started by discussing the golf industry overall and stated, that the industry has turned into small down slope in terms of amount of players, after enjoyed years of increase. Now, national golf organs among with single course golf operators, are starting to develop the sport and the business in a way to attract consumers in a new innovative ways and especially to lure younger generations to the communities. Thus, one research objective was to describe on how golf course communities are answering the change in the golf business. It was argued by all interviewees, that the trend in decrease of ownership in terms of shares has turned into downslide. Some courses have already prepared for the change by introducing new financial models. Although, case companies presented the concern towards the issue, all interviewees were indicating, that it would be impossible to forecast the future in long term, so by concentrating on the current situation and by improving the product, would be the short-term objective, to answer for the incoming change. Moreover, to answer precisely to the decrease of the amount shareholders, case companies by contrast are improving and developing the benefits and conditions of the current shareholders to maintain and increase their satisfaction level.

The findings were backed up with the quantitative data from Players 1st survey, which offered knowledge about customer satisfaction rates in macro level of Finnish golf communities. The data offered insights for the research objective on the practices of how single community could develop business. The results indicated, that different issues are affecting to the willingness to recommend of members and visitor players. Thus, golf communities should take into consideration, both groups and modify the product to match even better the customer preferences of each group. It was also criticized by interviewees, that the game of golf too often follows the preferences of competitive play-

ers, while the most clientele is combined by regular players. In addition, a relevant comments from interviewees of Course B and C underlined, that the change towards quicker forms of play, would not be the way to success. Interviewees pointed, that the feeling of leisurely and calmness should be returned to playing rounds.

In the previous chapter, the identified practices were introduced. The research objectives were also met in the empirical part by describing the successful golf course operators' business models and its elements by each case company. There were similarities in large numbers in terms practices the successful golf course operator were implementing, which were discussed in the previous chapter. In summary, innovativeness and ability to change emerged as key themes of all case companies in order to survive in the competitive and changing golf industry. To facilitate the process of development, case companies identified the signification of Players 1st survey tool along with other feedbacks as crucial aspects in order to reveal the improvement areas. Moreover, open discourse and transparency between the organization and shareholders were also mentioned to be the key to improve satisfaction rates among members.

5.1. Theoretical contribution

In the theoretical part, the weight was put into the business model literature and its lively discussion about the widely accepted definition, which still today is presented without a commonly accept framework or definition. As, the literature review indicated, there are lots of different ways to split business model into elements, that explain the essential process of creating value (Osterwalder & Pigneur 2010; Zott & Amit 2010). The most common frameworks were introduced as an examples on how the different authors have created their own kinds of systems to open up the business model concept. However, probably the most popular framework of Osterwalder & Pigneur (2010) "*The business model canvas*" was thoroughly introduced with its nine elements to demonstrate the interrelation between the elements creating the entity.

The thesis combines business model research into the golf course business operations and facilitates the frameworks and elements of business model literature to analyze golf course business models more thoroughly. The study's primary theoretical contribution has been the utilization of the four pillar ontology from Osterwalder et al. (2005, p. 18) examining procedures in the golf course management process. The business models of selected cases were demonstrated by using the ontology of Osterwalder et al. (2005, p. 18) by dividing the business models into four separate elements; *customer segments*, *value proposition*, *organization and management* and *financial aspects*. By separating the business models into dimensions, provides it better insights for author about each company and the implemented practices. Chesbrough (2007) stated, that the increased competition and the difficulty to differentiate, have led firms to seek opportunities to improve the current business model. Similarly, Amit & Zott (2012) suggest, that innovative business models and firm's ability to change are one of the key elements on achieving competitive advantage. Nevertheless, as Amit & Zott (2012) stated, entire framework of a business model would extremely difficult to imitate and according to Teece (2010) complicated processes or strong intellectual property protection might occur in the way of copying the business model from others. However, firms and businesses have always learned from best and the term *best practise* implicates the comparison to any alternative course of action and its practice constructed to achieve some deliberate result (Bretschneider et al. 2005, p. 309). Reflecting the theory into practise, the reasearch conducted in this thesis, provides those best practises succesfully implemented within the industry. However, entire business model frameworks were presented in the empirical part, the whole system would be extremely difficult to imitate by any other company. But the main objective was to introduce best practices, that prevailed in the industry, further these practises could be imitated by other companies. However, Chesbrough (2010) reminds, that effectual attitude towards business model experimentation must be iniatially adopted by the company and also failures could be occurred. Nevertheless, the effect of failure could also be a key element of the process, which will help firms to inform new methods and recognizations the barriers to sustainable loss.

5.2. Managerial implications

The whole business model as described earlier of a focal company would be rather difficult to imitate but some elements or practices could be integrated to the other firm's operations. Therefore, one of the main goal in this thesis was to provide general acknowledgement about the most successful practices the top golf course operators in Finland are implementing in their business. The provided data about practices is shared with Finnish Golf Union, who has the main authority of use of this thesis. The organization can use the information appropriately and share the information among with golf clubs to improve their businesses. However, introduced practices would not be suitable for every golf course operators but should be taken into account with careful consideration if exploited in practice. The knowledge of this thesis provides, should be processed with care and always take into consideration the current situation in the industry and implemented according to the resources of a particular firm.

5.3. Suggestions for future research

Business model literature with its lively and active discussion creates many opportunities for further research in the changing business world. Moreover, golf industry is stated to be in the cross-roads, as the amount of players has turned into slight decrease and especially in Finland the average age of player increases. At the same time, young generations doesn't find the sport as attractive, however a lots of work is currently done to lure young people to the world of golf. Therefore are lots opportunities for example in terms of customer acquisition, which can be developed in the industry, as there lays huge potential. Another issue is the changing trend of customer consuming habits and the owning decreases as shares of Golf Course Company are not seen as an attraction but instead as a burden. Courses are constantly thinking about different kinds of financial models and some courses in Finland has been already tried market-driven model, which forces the traditional courses also to react. Suggestion for future research within golf industry

would thus consider the different financial models or even different business models of a golf course operators in the future.

5.4. Limitations

The study mainly provides knowledge about practices that selected case companies are implementing, and thus might not be suitable for all single operators. Moreover, the topic of business improvement of golf courses was mainly in overall level, although in golf courses' customer segments lays more different groups in terms of gender, age, skill level. The main focus was to improve and found practices to satisfy customers in overall level.

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Appendix

Appendix 1. Interview questions

Case: Business model of golf course – Best practices

What kind of good practices can be identified from successful golf course business in national level?

Interview questions:

A) Background information:

1. Course
2. Name
3. How long have you been in your position within the organization?

A) Customer segments

1. What kind of customer segments golf course has and what is priority towards each segment?
 - a) Shareholders/members
 - b) Players with playing rights
 - c) Visitors
 - d) Other, e.g. groups
2. How you ensure the satisfaction of each customer segment?
 - a. What kind of benefits do you offer for shareholders?
 - b. How do you offer positive customer experience for visitors?
3. Marketing
 - a. What channels are you using for marketing?
 - b. How are you trying to attract new customers?

B) Value propositions

1. What are the different ways you aim to create value for your customers?
 - a) How do you differentiate from other courses?
 - b) What kinds of competitive advantages you hold?
2. How do you ensure the value proposition?
 - a) What kinds of tools do you use for measuring the success?
 - b) How do you utilize the feedback?

c) Is atmosphere as a part of a value proposition?

3. Strategy and its' key themes

- a) What themes are underlined in company's strategy?
- b) How often the strategy is renewed?
- c) How company takes into account prevailing and changing trends within the golf industry?
- d) In which different ways company aims to develop its business?
- e) How management processes the feedback and new ideas from players?

C) Organization and management

- 1. Can you describe the organizational chart of a company?
 - a. Internal communication (e.g. between office and course maintenance)
- 2. What kind of management system or regime is at use and how it works in practice?
 - a. In which different ways do you ensure that employees are qualified?
 - b. Meters and reward systems?
- 3. Strategic partners of a company?
 - a) With other courses?
 - b) How does Company manages its equipment? – Ownership or leasing?
 - c) How active company is in terms of seeking new partners?

D) Financial aspects

- 1. Revenue streams
 - a. Does the company aim to generate operating profit? - In what ways?
 - b. Financing models - how is the company's income distributed among shareholders, gaming rights, guest players and products?
 - c. Have you considered other financing models due to the aging of shareholders and changing consumer habits?
- 2. Cost structure
 - a. How is the cost structure consisted of?
 - b. Biggest expenses?
 - c. Does the company tend to be more cost-effective or value-driven?