

Playing A Round

Tom Sarginson, originally from Carlisle in the UK, first came to Asia in 2000 to spend a year in Singapore as part of his university course. After finishing his studies, he headed straight back East to work on the Asian Golf Tour, spending the next three years in Singapore and the last six in KL. He tells us about the business he set up and how it has impacted the golf landscape.

What was behind the decision to start up City Golf in Malaysia?

My business partner, Steve Ebsworth, and I first saw the indoor golf concept in the UK in 2005. We realised it would work in Asia. We both worked as event managers on the Asian Golf Tour previously so we knew the golf industry well and realised we were the right people to make it happen.

We realised that KL would be a more cost-effective place to start the business given the lower rents, materials, labour and so on. The idea was learn the business here, prove it works then take it to other countries. We both lived in KL at the time and we knew the market well. We launched in April 2008 after two years of planning.

What sort of investment has been required?

When you consider the Full Swing Golf simulators cost around US\$75,000 each, and we have four at the KL facility, you get a good idea that it wasn't cheap to set up. But the business model has been proven in other parts of the world, especially the UK, and we realised that Asia was the next boom location for indoor golf. We managed to secure the funding from private investors.

How difficult was it to convince the market it was a workable concept?

In early 2008 when we launched City Golf, indoor golf was brand new to Asia, not just Malaysia, so no, it was not easy to convince

people at the start. The key to our success is the realism of the golf simulators that we use, Full Swing Golf. It's the best there is and the only simulator we'd ever consider building a business around.

I think everyone is sceptical of simulators when they first hear of them but once they see just what ours can do, and how accurately they portray their game, then you have a reason for them to come back.

We have also created a modern, stylish lounge and bar environment. It makes people realise that golf isn't the old fashioned sport it used to be - it's a fashionable game. We knew we had to make City Golf a cool location not only to play golf, but also to hang out and relax in. You can play a bit of golf, eat some nice food, drink a cold beer, relax on our balcony, watch a game on the LCD screens and play some pool.

How are you making the link between golf and business?

Golf and business are synonymous and from Day 1, we knew a big part of our business would be corporate based. We have the ideal venue for companies to entertain, whether that be clients or staff. We accommodate up to 120 people, provide AV equipment for presentations, quality F&B and of course we have the ultimate 'ice-breakers' in the form of the golf simulators. I think a lot of companies are bored with the traditional forms of entertaining in hotels and restaurants. When



they see what City Golf can offer, it's an easy decision for them. Even if someone has never picked up a golf club in their life, events here have a way of relaxing people and bringing golfers and business people together.

We also provide marketing and branding opportunities for companies wishing to associate their business and image with City Golf and our target audience. Our corporate partners include organisations like TNT, Etihad Airways, BMW, Thistle Port Dickson, Acushnet, 360 Financial, MST Golf and Mongoose Publishing.

City Golf has been open for two years now. How has business been?

It's been a successful first two years of operation but it certainly hasn't been easy, with the state of the economy and the fact that Bangsar Shopping Centre has been under renovation for all that time. But we have a good product that individuals and companies seem to like and trust. We're growing month on month and 2010 is looking very promising all round. I think once you've proved you're



here to stay, your reputation and customer base grows at a more rapid pace.

The double whammy of the refurbishment and the economic climate have put us slightly behind target but now that the shopping centre is thriving again and the economy is becoming more positive, we're getting back on track. People still tend to spend on golf regardless of what the economy is doing and considering we're a cost-effective version of the game, we weren't as affected as perhaps other industries.

What are the limitations on the business at the moment?

We're not at capacity yet and only expect to reach full capacity during our peak times. Once that happens, we'll certainly be looking at other venues in the Klang Valley.

We've just launched our new membership programme so we expect this will increase business. The programme offers rebates on both golf and F&B, in addition to various other benefits such as discounts on lessons, special offers on our partners' products, entry into City Golf competitions, special rates at local courses.

We recently launched our new portable golf simulator which we can take to any event across the country. We've had numerous enquiries since and have found that bringing City Golf to an outdoor event is a very workable addition to the business.

How do you plan to maximise the facility further?

We get a lot of retirees during the day, as well as mothers having coffee

after the school run. We also get businesses hosting meetings, off-site school activities (Alice Smith uses our facility), and we give a lot of daytime lessons. The big one for us is daytime corporate events - they use our meeting facilities, have some lunch and then play golf. Both daytime and evening events are an important part of the business.

We've also made an effort to make it more of a bar and lounge where you can relax with a drink or have some nice food. We show the sporting events on our big screen and have sponsored the Orang Eire team. All these initiatives are designed to maximise revenue streams and rental space.

Any plans to expand?

We open in Singapore in early June, right in the heart of the city in Raffles Place. It's a 16,000 square foot venue over 3 floors, with 6 simulators, an upmarket F&B outlet and the world's highest alfresco bar. It will take the concept of indoor golf and entertainment to a whole new level. Other plans are in the making for further City Golfs across Asia Pacific - watch this space!

www.citygolf.com.my

