

upna

Universidad Pública de Navarra  
Nafarroako Unibertsitate Publikoa

fec >>

school of economics  
and business administration

facultad de ciencias  
económicas y empresariales

ekonomia eta enpresa  
zientzien fakultatea

Facultad de Ciencias Económicas y  
Empresariales

TRABAJO FIN DE GRADO EN  
ECONOMIA

BUSINESS MODEL FOR INDOOR  
GOLF CLUB IN PAMPLONA

PABLO GOÑI ARRIZABALAGA

**Pamplona-Iruña 12 de mayo de 2023**

Módulo: entorno  
empresarial

FERNANDO LERA  
LÓPEZ



## **ABSTRACT**

Golf is a sport known worldwide and in recent years has been increasing its number of members in Spain. In addition, to meet the needs and tastes of customers it is increasingly common to play it indoors through a Trackman simulator that can measure the golf swing and the trajectory of the ball and is recognized as the most accurate device on the market. This innovative way of practicing golf could be successful in Navarra since weather conditions would no longer be an impediment and it would be an excellent way to reduce the cost of a sport that has historically been expensive and time consuming.

Therefore, this study will try to analyze through a business plan model the feasibility of creating an indoor golf club in Pamplona, more specifically in Mutilva. In order to carry out this study, the internal and external environment of the company will be analyzed, a detailed analysis of competitors will be made and a plan of operations, marketing, organization within the company and a financial plan will be developed.

**KEY WORDS:** Indoor golf, business model, trackman 4 simulator, marketing mix

## **RESUMEN:**

El golf es un deporte conocido mundialmente y que en los últimos años ha ido incrementando su número de federados en España. Además, para satisfacer las necesidades y gustos de los clientes cada vez es más frecuente el jugarlo de manera indoor a través de un simulador Trackman que permite medir el swing de golf y la trayectoria de la bola y está reconocido como el dispositivo más preciso del mercado. Esta innovadora forma de practicar el golf podría tener éxito en nuestra región ya que las condiciones meteorológicas ya no serían un impedimento y sería una excelente manera de abaratar un deporte que históricamente ha sido caro y que supone mucho tiempo.

Por ello, este estudio tratará de analizar mediante un modelo de plan de negocio la viabilidad de crear un club de golf indoor en Pamplona, más concretamente en Mutilva. Para la realización de este estudio se analizará el entorno interno y externo de la empresa, se realizará un análisis detallado de competidores y se desarrolla un plan de operaciones, de marketing, de organización dentro de la empresa y un plan financiero.

**PALABRAS CLAVE:** Golf indoor, modelo de negocio, simulador trackman 4, marketing mix



|            |  |    |
|------------|--|----|
| <b>1</b>   | <b>INTRODUCTION</b> .....                | 1  |
| <b>2</b>   | <b>CONTEXT OF GOLF IN NAVARRA</b> .....  | 6  |
| <b>3</b>   | <b>OBJECTIVE</b> .....                   | 8  |
| <b>4</b>   | <b>ANALYSIS OF THE ENVIRONMENT</b> ..... | 9  |
| <b>4.1</b> | <b>Internal analysis</b> .....           | 9  |
| 4.1.1      | <i>Mission</i> .....                     | 9  |
| 4.1.2      | <i>Vision</i> .....                      | 9  |
| 4.1.3      | <i>Values and objectives</i> .....       | 10 |
| 4.1.4      | <i>Swot Analysis</i> .....               | 10 |
| <b>4.2</b> | <b>External analysis</b> .....           | 12 |
| 4.2.1      | <i>Pestel analysis</i> .....             | 12 |
| <b>4.3</b> | <b>Canvas model</b> .....                | 14 |
| <b>5</b>   | <b>MARKETING PLAN</b> .....              | 16 |
| <b>5.1</b> | <b>Target market</b> .....               | 16 |
| <b>5.2</b> | <b>Marketing Mix</b> .....               | 17 |
| 5.2.1      | <i>Product and Service</i> .....         | 17 |
| 5.2.2      | <i>Price</i> .....                       | 18 |
| 5.2.3      | <i>Promotion</i> .....                   | 19 |
| 5.2.4      | <i>Distribution</i> .....                | 19 |
| 5.2.5      | <i>Place</i> .....                       | 20 |
| <b>6</b>   | <b>OPERATIONS PLAN</b> .....             | 20 |
| <b>6.1</b> | <b>Estiamated occupancy</b> .....        | 20 |
| <b>6.2</b> | <b>Income estimation</b> .....           | 21 |
| <b>6.3</b> | <b>Budget estimation</b> .....           | 22 |
| <b>6.4</b> | <b>Necessary resources</b> .....         | 23 |
| 6.4.1      | <i>Fixed assets resouces</i> .....       | 23 |
| 6.4.2      | <i>Operating costs</i> .....             | 25 |

|            |  |    |
|------------|--|----|
| <b>7</b>   | <b>ORGANIZATION PLAN AND HUMAN RESOURCES</b> ..... | 25 |
| 7.1        | Human Resources.....                               | 25 |
| <b>8</b>   | <b>FINANCIAL PLAN</b> .....                        | 26 |
| <b>8.1</b> | <b>Investment plan</b> .....                       | 26 |
| 8.1.1      | <i>Non current assets</i> .....                    | 26 |
| 8.1.2      | <i>Current assets</i> .....                        | 28 |
| <b>8.2</b> | <b>Financing plan</b> .....                        | 28 |
| <b>8.3</b> | <b>Income analysis</b> .....                       | 30 |
| <b>8.4</b> | <b>Cost analysis</b> .....                         | 31 |
| <b>8.5</b> | <b>Profit and loss statement</b> .....             | 34 |
| <b>8.6</b> | <b>Cash flow statement</b> .....                   | 36 |
| <b>8.7</b> | <b>Npv and Irr</b> .....                           | 37 |
| <b>9</b>   | <b>CONCLUSIONS AND RECOMMENDATIONS</b> .....       | 40 |
| <b>10</b>  | <b>REFERENCES</b> .....                            | 44 |

## 1 INTRODUCTION

The practice of golf in Spain has experienced a spectacular boom in recent decades, establishing itself as an important activity in the Spanish sports scene, especially linked to the proliferation of golf tourism and the tourist vocation of numerous golf courses (López-Bonilla, 2018).

In fact, According to the article "The Environmental Attitudes and Behaviours of European Golf Tourists", Golf is one of the primary motivations for European tourists in the sports tourism sector and, since the end of the 1960s, the Mediterranean coasts have been popular vacation destinations. Therefore, the practice of golf has already become an attractive activity for tourism and contributes significantly to job creation in this sector, to economic development and generates important economic income in the regions where it is practiced. People see in golf one of the best leisure opportunities to share with business colleagues, friends, or family. Usually, those tourists, who include playing golf in their trips, make a high average expenditure, which is why this sport has become a very desirable type of demand for tourist areas.

Therefore, due to the touristic importance of golf and the meteorological conditions of Spain within Europe, golf is an important touristic activity in our country that attracts thousands of visitors every year. In this sense, some autonomous communities, such as Andalusia, have opted for the development of golf tourism as a strategy to diversify their tourist offer and attract a greater number of visitors. A report by the Costa del Sol Golf Courses Association indicates that golf tourism generates some 1.5 billion euros a year in the region, and that 25% of tourists visiting the Costa del Sol do so for the purpose of playing golf (Costa del Sol Golf Courses Association, 2020). In addition, the report highlights that golf tourism is an activity that contributes to job creation in the region. As if that were not enough, another study by the Royal Spanish Golf Federation points out that golf tourism represents an important source of income for the country, generating an economic impact of more than 2.2 billion euros per year and contributing to job creation in the tourism sector (Real Federación Española de Golf, 2021).

The importance of golf in Spanish tourism is also reflected in the presence of numerous golf courses in tourist areas along the coast, such as the Costa del Sol, the Costa Blanca or the Costa Brava. These courses attract tourists from all over the world who seek to enjoy Spain's climate, gastronomy and beaches while playing golf. In addition, golf in

Spain has an important calendar of tournaments and competitions, both at amateur and professional level. Highlights include the "Open de España", one of the oldest tournaments on the European circuit, and the Andalucía Masters, which is held on the Valderrama course and is considered one of the best golf tournaments in the world.

This increase in tourism in Spain for golf both nationally and internationally has contributed to the investment in the construction of golf courses by private companies, so that in recent years numerous golf courses have been built in Spain to meet the growing demand for this sport. Until the 1960s there were no more than twenty courses throughout the country. In line with the implementation of the tourist activity, it is from this decade onwards when golf courses start to proliferate in Spain, with a growing dynamic that involves the doubling of the number of existing golf courses from one decade to the next. Thus, as can be seen in Table 1, the construction of new golf courses is very intense from the 1960s onwards, with a dynamic only interrupted in the 1980s, in which almost the same number of courses are built as in the previous decade. In the current decade, approximately the same number of courses have also been built as in the 1990s, which means a slowdown in the dynamics observed, something that can be related to a certain saturation of golf courses.

Table 1. Number of Golf courses built and number of golf courses accumulated by decade from 1940 to 2008.

| <u>Decade</u> | COURSES BUILT | ACCUMULATED |
|---------------|---------------|-------------|
| 1940          | 2             | 16          |
| 1950          | 5             | 21          |
| 1960          | 19            | 40          |
| 1970          | 33            | 73          |
| 1980          | 35            | 108         |
| 1990          | 120           | 228         |
| 2000          | 113           | 341         |

Source: Real Federacion española de Golf.

Note: There are another 10 courses whose construction date does not appear, so that the total number of golf courses in the year 2008 is 351



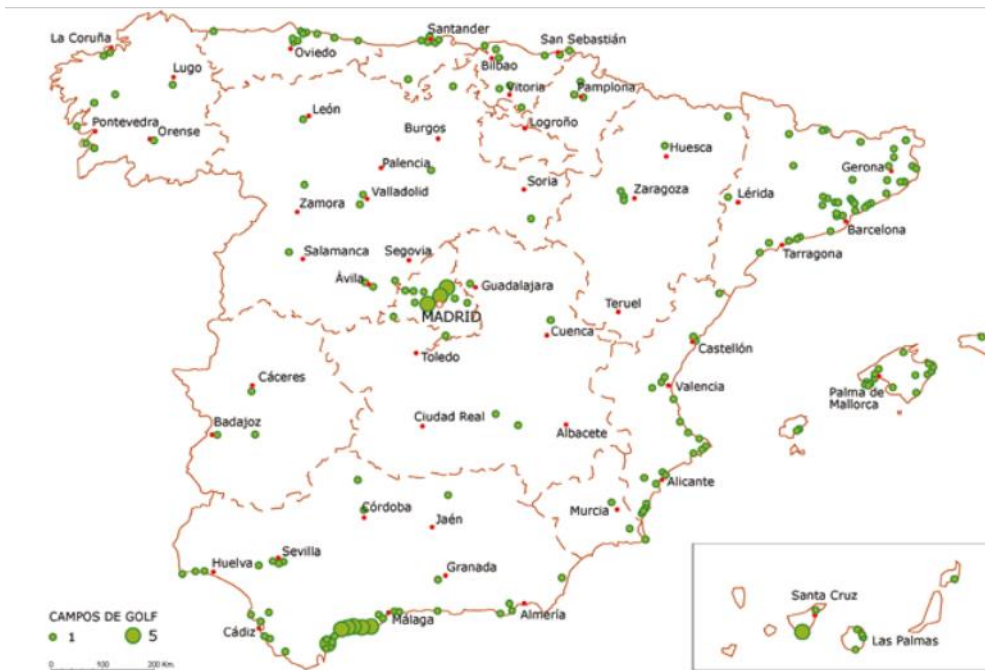
However, it is the last phase, the current one, which stands out most in the graph, with explosive growth in the 1990s and the first decade of the 21st century. Figures 1 to 3 summarize the diachronic evolution of golf course construction and its clear spatial repercussion, which reflects the marked concentration of golf courses in the coastal areas, in addition to the metropolitan area of Madrid. However, from the nineties onwards, a greater proliferation of golf courses in the interior of the country can also be observed. According to Ortega Martínez (1992), the reason for this important boom in golf is due to several reasons, of which we can highlight a greater amount of free time dedicated to leisure and tourism and, in turn, a greater disposition of income. Bearing in mind that golf can be considered a sport practiced by players of a high average age, we can also include in the reasons for growth the higher life expectancy and the frequent early retirements that have taken place in the countries of origin of golf tourism. In recent years, not only has the number of tourists arriving in the various Mediterranean countries grown, but this increase has been accompanied by a boom in the arrival of international tourists to destinations where golf can be practiced. These are tourists who travel in order to find golf courses that meet their expectations, and therefore play an important role in the spatial and socio-cultural transformations of the destinations (Ortega Martínez, 1992).

Figure 1: Golf courses in Spain in the 1980s



Source: Real Federación Española de Golf.

Figure 2: Golf courses in Spain in the 1990s.



Source: Real Federación Española de Golf.

Figure 3: Golf courses in Spain in 2008



Source: Real Federación Española de Golf

This sustained growth in the number of golf courses built has been accompanied by an exponential growth in the number of golf players in Spain. Although the country has a long tradition in sports such as football, basketball and tennis, golf has managed to establish itself as an important activity in the sports field. In recent years, the number of federated golfers in Spain has experienced sustained growth, reflecting the importance that this sport is acquiring in the country. According to data from the Royal Spanish Golf Federation (RFEG), Spanish golf ended 2022 with 293,560 members (291,973 of them amateurs and 1,587 professionals), an increase of 3% (8,696) over the previous year (Real Federación Española de Golf, 2023). Both absolute and percentage records consolidate the growth experienced over the last four years. It is perhaps surprising as it is a period of consolidation despite being affected, like all areas of Spanish society, by the economic crisis and the health crisis of the coronavirus. In addition, according to statistics, surveys and reports of the Consejo Superior de Deportes, it should be noted that the number of female licenses currently stands at 81,500, which represents 27.8% of the total number of golf licenses in Spain.

As for the distribution of members by autonomous communities, the Community of Madrid leads the way with a total of 90,330 members, accounting for 30.8% of the total number of licenses. It is followed by Andalusia, with 49,740, and Catalonia, with 28,903, accounting for 16.9% and 9.8% of the total number of members, respectively (Real Federación Española de Golf, 2023).

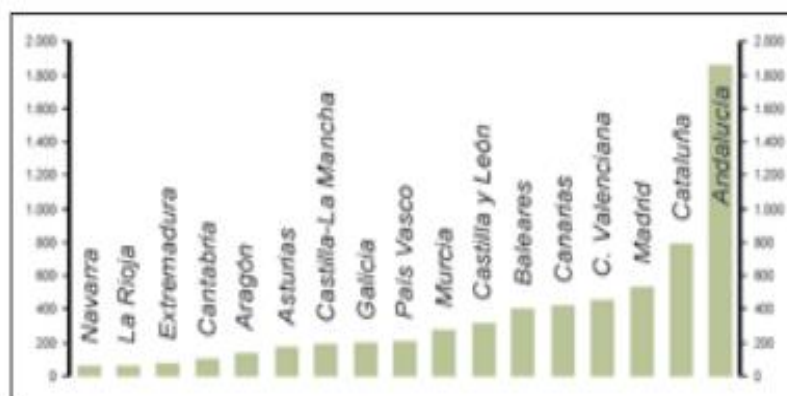
It should also be noted that the Valencian Community (20,603), the Basque Country (18,163), Castile and Leon (14,238) and Galicia (11,961) are the other Autonomous Communities that exceed the 10,000 members barrier.

This increase in the number of federated golfers in Spain can be explained by several factors. On the one hand, the growing interest in the practice of this sport and the improvement in the supply of golf courses in the country, especially in tourist areas on the coast. On the other hand, the organization of important sporting events, such as the Open de España or the Andalucía Masters, have contributed to increasing the visibility of golf in Spain and attracting a greater number of fans.

## 2 CONTEXT OF GOLF IN NAVARRA

Golf has also been gaining ground in Navarra in recent years, becoming a relevant activity for amateurs, although not so much for tourism in the region. In fact, the year 2021 Navarra ended with 3,200 federated members, which represented an increase of 6% with respect to 2021 (Federación Navarra de Golf, 2021). Currently, according to data from the Spanish and Navarre Golf Federation, in March 2023 there were a total of 3314 federated members in the region and there are several high quality golf courses in Navarra, such as Club de Golf Gorraiz, Club de Golf Ulzama or Club de Golf Castillo de Gorraiz. These courses not only offer a quality playing experience, but also have complementary facilities, such as hotels, restaurants or spas, which make them an attractive destination for golf lovers. According to a study by the Navarra Golf Federation, the economic impact of golf in the community in 2019 was approximately 20 million euros, including both direct expenses generated by players and indirect effects on the local economy (Federación Navarra de Golf, 2021). In addition, Navarra has hosted important tournaments at national and international level in recent years, such as the Spanish Golf Championship or the Ladies European Tour. However, despite this growth in recent years, the development of golf in Navarra has been one of the least pronounced in Spain compared to other regions. In fact, according to the Royal Spanish Golf Federation, Navarra is the Autonomous Community of Spain with the lowest number of holes in golf courses.

Figure 4: Number of holes in golf courses by autonomous community.



Source: Real Federación Española de Golf.

Some possible explanations for this phenomenon of lack of golf development in Navarra are the lack of investment in golf infrastructure and the scarce promotion of this sport in the region. Compared to other autonomous communities, Navarra has done less

promotion of golf, which has limited its knowledge and practice among the local population and has prevented the arrival of tourists interested in practicing this sport. To put this in context, regions where promotional campaigns have been particularly effective, such as Galicia or Murcia, have experienced large growth percentages of members in 2022. In fact, Murcia was the region that most surpassed the average growth of 3.0% experienced at the national level with a 13.5% increase. This can be explained by the opening of the Montepíncipe Golf School, which since its inauguration in July 2021, has become a real breeding ground for new golfers.

Another possible limiting factor in the development of golf in Navarre compared to the rest of Spain is the climate conditions in the region. Unlike other Spanish regions where the climate is warmer and drier, in Navarre the weather conditions are colder and wetter for most of the year, which makes it difficult to play golf and has limited its popularity in the region. Therefore, it should be essential for Navarre to find the best way to encourage the practice and promotion of the sport in the region, since in many other regions of the country it is a great economic support that moves large amounts of money and attracts tourists. To achieve this growth, Navarre should increase its investment in infrastructure, promote golf more aggressively, collaborate with the golf industry, invest in training and education, and adapt to the changing climate.

In recent years, indoor golf has been gaining importance as a form of innovation, promotion and adaptation to less warm places. This way of practicing this sport is characterized by the fact that it takes place in a controlled environment protected from inclement weather, which makes it an attractive option for golfers who wish to improve their technique throughout the year. In addition, this type of golf is becoming a growing market, with a wide variety of options available to consumers. One of the main benefits of indoor golf is the ability to practice anytime, anywhere. With the use of golf simulators called Trackman and other training equipment, golfers can improve their game any time of the year, regardless of weather conditions (Jordan Fuller, 2022). In addition, indoor golf allows players to adjust wind speed, temperature and humidity to recreate the playing conditions of any golf course in the world. Indoor golf is also proving to be an effective way to attract new players to the sport. According to a report by the U.S. National Golf Course Association (NGF), 60% of players who take up golf do so through indoor facilities (NGF, 2021). This is partly because indoor golf offers a less intimidating

environment for beginners, as it eliminates some of the obstacles associated with playing golf outdoors, such as the fear of losing the ball or the pressure of playing in public.

### 3 OBJECTIVE

The reasons why golf does not have much impact in Navarra at the moment could range from its weather conditions to the large amount of time and money required to play it. Therefore, indoor golf could be a good and innovative way to promote golf in Navarra since it is not played outdoors, it does not require a great amount of time to enjoy it and the cost could be cheaper than traditional golf.

The **objective** of this work would then be to study and analyze the possibility of setting up an indoor golf club in Pamplona or its surroundings by means of a business model with the aim of promoting the practice of golf in Pamplona by an innovative and cost-effective way of practicing this sport.

To do so, I will carry out the following steps in the business model:

- **Analysis of the environment.** Here I will analyze both the internal and external environment. For the internal analysis, I will first define the mission, vision, values and objectives of our business model. Then, I will continue this internal analysis with the SWOT analysis defining the strengths, weaknesses, opportunities and threats of the golf market. To make a proper external analysis I will perform a PESTEL analysis, which all companies consider essential before launching a strategic planning of a company, both at organizational and market level. This analysis of the environment will be concluded with the CANVAS model as strategic management to analyze and create business models in a dynamic and visual way.
- **Marketing Plan.** Nowadays all companies and businesses, no matter how small or big they are, need to develop a good marketing plan to be successful. The reason is very simple: to avoid taking aimless steps without clear objectives. For this reason, it is necessary to have a roadmap that serves as a reference when planning all marketing actions and strategies. To do this, the target market is defined and after, five basic variables are analyzed for the activity: product and service, price, promotion, distribution and place.

- **Operations Plan.** An operations plan is used to organize the production of a product or the launch of a service. It is a document that includes key elements for this purpose, such as the production capacity of the good or service, the costs involved or the resources that will be necessary to complete the process as efficiently as possible.
- **Organization Plan and Human resources.** HR is an essential part of the club, providing an indispensable service to it. That's why I need a detailed and precise organizational plan to provide a detailed and precise organization plan that will bring the workforce to the project. The plan will help me to know more concretely which are the human needs that the company needs.
- **Financial Plan.** This document sets out the economic fundamentals that make a business viable and establishes short- and long-term objectives, as well as the company's current financial situation. The investment plan, financing plan, estimate of expenses and income, multi-year profit and loss statement, and cash flow statement, among others, are prepared.
- **Conclusions and recommendations**

## 4 ANALYSIS OF THE ENVIRONMENT

### 4.1 Internal analysis

#### 4.1.1 *Mission*

The mission is to promote and facilitate the practice of golf to the citizens of Pamplona and surroundings. Offering a golf service in a comfortable and innovative way being indoor, making golf accessible to any segment of the population and in any time circumstance.

#### 4.1.2 *Vision*

To be a reference of indoor golf in Pamplona, as well as becoming a reference club in the surrounding area.

#### *4.1.3 Values and objectives*

1. To promote the intrinsic values of sport, such as respect, commitment, responsibility, effort, self-improvement and motivation.
2. Encourage sportsmanship.
3. Commitment to quality and sporting excellence.

#### *4.1.4 Swot Analysis*

SWOT analysis is a strategic management tool used to evaluate the internal environment of the company by analyzing the internal and external factors that can affect a company's performance (Employment, Small Business and Training, 2023). It is divided into four main elements: Strengths, Weaknesses, Opportunities and Threats, hence its name SWOT.

Strengths and weaknesses refer to the internal characteristics of a company, such as its resources, processes and corporate culture. Opportunities and threats are external factors that include market trends, competitors, changes in technology and the economy (Lumen Learning, s. f.). By evaluating these elements, a company can identify its strengths to leverage and improve its weaknesses, as well as identify opportunities for growth and mitigate threats to its business. An example of how SWOT analysis is used in the business world is the case of the technology company Apple. In 2018, Apple launched its latest iPhone model, the iPhone XS. To evaluate the launch of the new phone, Apple conducted a SWOT analysis to assess its market position and competition. Apple identified several strengths, such as its iconic brand and focus on innovation, but also recognized threats such as growing competition from companies like Samsung and Huawei (Apple SWOT Analysis, s. f.).

This SWOT analysis allowed Apple to adjust its marketing strategy to capitalize on its strengths and address threats. For example, Apple emphasized the camera quality of the iPhone XS in its advertising to compete with competing phone models that offered high-quality cameras.

In conclusion, SWOT analysis is an important tool for assessing a company's market position and developing an effective strategy or business model. By identifying internal strengths and weaknesses and external opportunities and threats, a company can improve its performance and remain competitive in an ever-changing business environment.



These are the main strengths, weaknesses, opportunities and threats of the business idea.

### **Strengths**

One of the main strengths of indoor golf I find is the convenience it provides to golfers. Indoor golf allows golfers to play and practice in a controlled environment regardless of the weather outside. This is particularly important in regions with harsh winters or rainy seasons such as Pamplona. Another strength of indoor golf is its accessibility. Indoor golf courses are usually open year-round, which allows golfers to practice and improve their skills at any time of the year (Richard, 2023). Moreover, it is equipped with the latest golfing technology, such as ball-tracking systems and simulators, which can provide golfers with a more immersive and realistic experience (Team, 2023). Moreover, it allows a considerable saving of time without having to wait for the rest and being able to practice the sport in a group way with the simulator, it is a very interesting option to reduce the cost of a sport that has always been expensive.

### **Weakness**

One of the main weaknesses of indoor golf is the high investment required. Furthermore, the cost of golfing technology, such as simulators and ball-tracking systems, can be high, making it difficult for some facilities to keep up with the latest technology trends. Another weakness of indoor golf is the limited space. Indoor golf courses are often smaller than outdoor courses, which can limit the types of shots and strategies that golfers can practice and use. Additionally, indoor golf courses are often less challenging than outdoor courses, which can make it less appealing to serious golfers who want to challenge themselves.

### **Opportunities**

One of the main opportunities of indoor golf is the potential to attract new golfers. Indoor golf can be less intimidating than outdoor golf for beginners, as it provides a controlled environment where they can learn and practice without worrying about factors such as wind and weather (Lnha, 2023). Furthermore, indoor golf facilities can offer a range of services such as coaching and club fitting, which can help new golfers to improve their skills and enjoy the sport (Golf, 2023). Another opportunity of indoor golf is the less time you might need to spend to play for the same number of holes as in outdoor golf, since,

playing with the simulator, you avoid any kind of waiting time potential to expand its reach beyond traditional golfing markets. Indoor golf can be used for a variety of purposes, such as corporate events, parties, and team-building activities (Team Building Golf Day in Lincolnshire | Belton Woods Hotel, s. f.). This can attract new customers who are interested in golf as a social or recreational activity, rather than a serious sport.

## **Treaths**

One of the main threats to indoor golf is the competition from outdoor golf courses. Outdoor golf courses in my opinion could offer a more challenging and authentic golfing experience, which can be more appealing to serious golfers. Furthermore, outdoor golf courses often have better facilities, such as driving ranges and putting greens, which can be important for golfers who want to practice specific skills (Admin, 2022). Another threat to indoor golf is the potential for technological obsolescence. Golfing technology is constantly evolving, and indoor golf facilities may struggle to keep up with the latest trends and innovations.

## **4.2 External analysis**

### *4.2.1 Pestel anayisis*

PESTEL analysis is a tool used to analyze the external factors that affect a business or industry and a framework for examining the external macro-environmental factors that could impact the success of a business (LibGuides: Industry Research: PESTEL Analysis, s. f.). A PESTEL analysis of indoor golf in this case reveals that external factors such as changes in taxation, economic conditions, leisure time preferences, technological advancements, sustainability, and legal regulations that can impact the success of indoor golf businesses. The following PESTEL analysis provides an overview of the key factors that could influence this industry.

**Political:** The political environment can affect indoor golf businesses through regulation and taxation. For example, changes in tax laws can affect the profitability of indoor golf businesses. Additionally, Political factors that can affect the indoor golf industry include government regulations and policies related to golfing facilities and land use. For

example, zoning laws may limit the location and construction of indoor golf facilities. Moreover, changes in tax laws or government funding for golfing programs can impact the demand for indoor golfing.

**Economic:** The economic environment can also impact indoor golf businesses. For example, economic downturns may lead to decreased consumer spending on leisure activities like indoor golf (Gao & Kim, 2018). On the other hand, economic growth can lead to increase disposable income, which may increase demand for indoor golf facilities (Dahlen, Lange & Smith, 2010). Economic factors that can impact the indoor golf industry include changes in consumer spending, economic growth, and interest rates as changes in this last ones can affect the cost of financing and operating indoor golf facilities.

**Social:** Social factors can impact the popularity of indoor golf. For example, changes in leisure time activities and preferences can affect the demand for indoor golf. Additionally, the growing interest in health and fitness may lead to increased demand for indoor golf as a form of exercise. Social factors that can impact the indoor golf industry include changes in demographics, cultural trends, and lifestyle habits. For example, the aging population may lead to an increased demand for indoor golf facilities, as older adults may be more interested in indoor sports that are less physically demanding (Yeh et al, 2019). Additionally, cultural trends that promote healthy lifestyles and wellness can increase the demand for indoor golf as a form of exercise and leisure activity.

**Technological:** Technological advancements can both create opportunities and challenges for indoor golf businesses. For example, advances in golf simulation technology can enhance the customer experience and increase the appeal of indoor golf facilities. However, the high cost of implementing and maintaining such technology can be a barrier for some businesses. Technological factors that can impact the indoor golf industry include advances in golfing technology, such as ball-tracking systems and simulators like the Trackman 4, as well as changes in communication and marketing technologies. Indoor golf facilities may need to invest in the latest golfing technology to

remain competitive and attract customers. Additionally, social media and digital marketing strategies can help indoor golf facilities to reach and engage with customers.

**Environmental:** Environmental factors may impact indoor golf businesses in terms of sustainability and resource management. For example, the use of energy-efficient lighting and heating can reduce operating costs and improve the sustainability of indoor golf facilities (Yumpu.com, s. f.). Environmental factors that can impact the indoor golf industry include changes in weather patterns, natural disasters, and environmental regulations. Additionally, indoor golf facilities may need to comply with environmental regulations related to waste management and energy usage.

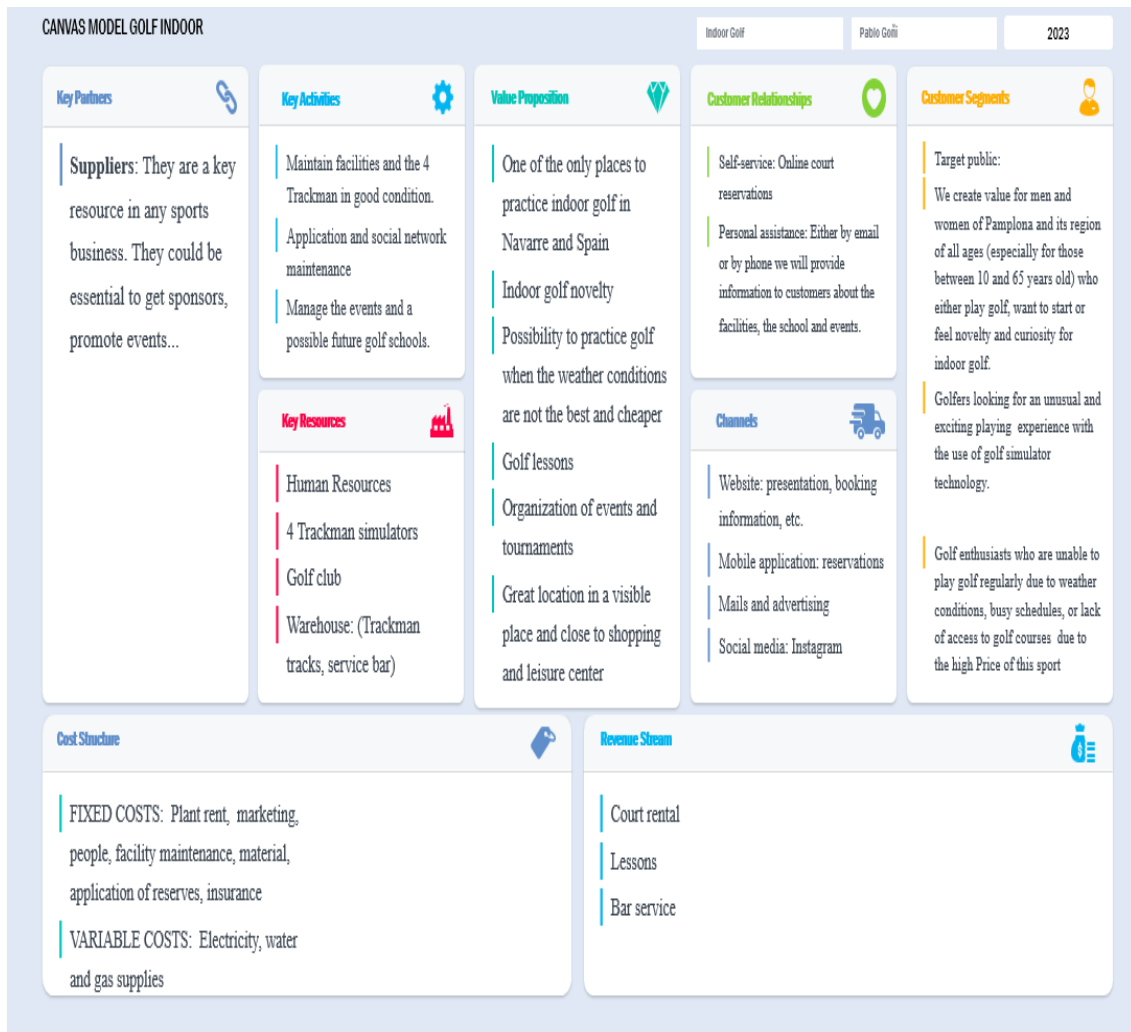
**Legal:** Legal factors can also impact indoor golf businesses through regulations and compliance requirements. For example, indoor golf facilities may be subject to building codes and safety regulations. Legal factors that can impact the indoor golf industry include regulations related to land use, liability, and employment. Indoor golf facilities may need to comply with zoning laws and regulations related to building codes and safety standards. Additionally, I think that indoor golf facilities may face liability issues related to injuries or accidents that occur on their premises, and, finally, that indoor golf facilities may need to comply with employment laws related to hiring practices, minimum wage, and employee benefits.

### 4.3 Canvas model

The Canvas model is a business management tool used to define and structure a company's business plan dynamically. It was developed by Alexander Osterwalder in 2008 and has become a popular tool for entrepreneurs and business people (Osterwalder, Pigneur, 2010).

The Canvas model is divided into nine blocks that represent the key areas of a company, as shown in Figure 5:

Figure 5. CANVAS MODEL OF THE BUSINESS MODEL. GOLF INDOOR



Source: Own elaboration

These nine blocks are:

- Key partners: Describes the key partnerships that the company has with other companies, suppliers, etc.
- Key Activities: Describes the key activities the company must perform to offer its product or service.
- Key resources: Identifies the resources the company needs to operate, such as capital, personnel, technology, etc.
- Value proposition: defines the product or service the company offers and how it satisfies customer needs.

- Customer Relationships: Defines how the company relates to customers and how customer loyalty is maintained.
- Channels: Describes how the product or service is distributed to customers.
- Customer segments: Identifies the different customer groups targeted by the company.
- Cost Structure: Identifies the different costs associated with the operation of the company.
- Revenue sources: Identifies the company's different sources of revenue.

Companies use the Canvas model to analyze their business plan and determine if they have a viable idea. The model helps entrepreneurs to identify the key areas of their business and develop strategies to maximize value and minimize costs. In addition, the Canvas model is useful for companies that want to innovate and diversify their product or service offerings. It allows companies to explore new opportunities and discover ways to add value to their customers.

## **5 MARKETING PLAN**

A marketing plan is a comprehensive document that describes a company's marketing strategies, tactics and objectives for a given period. It serves as a roadmap for companies to achieve their marketing objectives by defining their target market, positioning, pricing and promotional strategies (Employment, Small Business and Training, 2023a). Due to this, once I define the target market, the marketing mix is use as a tool to analyze five basic variables for the activity: service, price, promotion, distribution, and location.

### **5.1 Target market**

The target audience for indoor golf may include:

- Golf enthusiasts who are unable to play golf regularly due to weather conditions, tight schedules or lack of access to golf courses due to high prices.
- Families and individuals looking for an engaging and entertaining activity.
- Golfers looking for an unusual and exciting playing experience with the use of golf simulator technology.

## 5.2 Marketing Mix

To analyze the internal strategy of the business model, I have used the marketing mix as a tool to analyze five basic variables for the activity: service, price, promotion, distribution and location.

### 5.2.1 Product and Service

The differential product is the TrackMan simulator. The club will consist of 4 golf courses with 1 simulator in each one of them. This TrackMan simulator allows to measure the golf swing and the trajectory of the ball (Best Golf Launch Monitor - Full Swing and Ball Flight Tracking, s. f.) and is recognized as the most accurate device in the market because it contains:

- State-of-the-art technology
- Hyper-realistic graphics
- TrackMan Accuracy
- TrackMan representations from A to Z (from 3D drones, to artistic recreation)
- Some of the best courses in the world
- Rapid growth of the offer (from 51 to 92 courses in 2020, +41)
- Currently +215 fields

Image 1: Product and service



Source: <https://www.thegroundsgolf.com/trackman-golf-simulator>

The additional services that surround and complement the practice of indoor golf are:

- **Reservation and rental of courts:** This is done through the Playtomic app with durations of 60, 90 or 120 minutes by paying the established price of 40 euros per hour.
- **Lessons:** Classes with a teacher are, together with court reservations, one of the two main axes of the main activity of the club. The service of a teacher is guarantee who will give both group classes (up to 8 people) and individual classes, taking into account the levels. We will work on technical aspects of both strokes and positioning in the lower levels and aspects of the game in the higher levels. Classes will have a duration of sixty minutes for individual classes, ninety minutes for small groups and 120 minutes for large groups of up to 8 people.
- **Cafeteria or bar service:** This is an additional service offered to clients. Here you can have drinks, snacks or tapas.
- **Small changing room:** It is a service for players to have an area where they can change, and where they can leave their belongings during sports practice.

### 5.2.2 *Price*

In the case of indoor golf, pricing can be determined based on factors such as the location of the facility, the quality of the equipment, and the level of service provided. I have set the prices taking into account the prices established by the clubs in other areas of Spain, such as Madrid or the Hotel Manilva Sun (Charo Marquez, 2018).

#### **Track rental**

To rent the track with Trackman simulator either to play individually or with friends, the average price finally established is 40 euros per hour.

#### **Lessons**

- Indoor golf lessons for individuals of 60 minutes: 40 €.
- Group indoor golf lessons of 90 minutes: 60 €. The price will be fixed and there can be between 2 and 4 students.
- Indoor golf lessons for groups of 120 minutes: 80 €. The price will be fixed and there can be between 5 and 8 students.



### 5.2.3 Promotion

Before opening the business, it is necessary to communicate the new opening to potential customers and carry out different strategies. One form of promotion would be through social media. Platforms like Facebook, Instagram, and Twitter will be used to target specific demographics and geographic areas with promotions and discounts. In addition, engaging content, such as blog posts and videos, that showcases the facility, technology, and services will be created. The club would also have a website where you can send an email for any kind of management of courts or classes, where you can see and know all the facilities and services offered by the club and where you can check all the events, promotions, classes...

### 5.2.4 Distribution

A comprehensive online booking system will be provided to make it easy for customers to schedule their sessions. The Playtomic mobile and computer application is the most widespread way of booking courts for other sports such as padel, tennis and soccer in Spain. That is why the club could reach an agreement with the platform to appear on it and therefore all bookings will come through the application.

In addition to reservations, Playtomic has a pre-payment system and includes a description and photos of the club with opening and closing times. Playtomic would be the unique and exclusive way to book courts, always with payment in advance and with a free cancellation option 24 hours before the reservation time. Reservations for private or group lessons can be made by phone or email as well.

Table 2: Marketing costs

|                 | MONTH | Year 1         |
|-----------------|-------|----------------|
| PLAYTOMIC       | 250 € | 3,000 €        |
| WEB PAGE        | -     | 2,000 €        |
| PUBLICITY       | -     | 2,000 €        |
| SOCIAL NETWORKS | -     | 0              |
| TOTAL           |       | <b>7,000 €</b> |

Source: own elaboration

### 5.2.5 Place

The location of the indoor golf facility should be easily accessible and visible from major roads or highways. The facility should have ample parking and be convenient for both residents and visitors. The chosen site would be a 201 M2 warehouse in Mutilva Baja near the La Morea shopping center and restaurants.

Image 2: Warehouse in Mutilva where the business would be carried out.



Source: Idealista

## 6 OPERATIONS PLAN

In this next section, I have prepared an estimate of the occupancy that will have the tracks and, based on this result, a forecast of the income is made. In addition, the budget estimation is made and the necessary resources that we will need are defined in their respective groups in order to know how to better organize the necessary investment in the financial plan section.

### 6.1 Estiamated occupancy

The capacity that the sports club is going to have is a very important analysis, since depending on it and the depending on it and the estimated occupancy we will obtain the necessary income to carry out the project. I have estimated that each of the 4 courts will be occupied for 3 hours a day from Monday to Friday and 4 hours during the weekend.

## 6.2 Income estimation

I made a simulation of the income that the tracks would generate according to the occupancy estimation made previously. The calculations with prices and hours are attached in the following table. The price is set at 40 €/hour, since 1 hour is 40 €, one and a half hours at 60 € and two hours at 80 €. In addition, the hourly reservation fee of the track is also set at 40 €.

Figure 6: Estimated income with the 4 Trackman simulator

| ESTIMATED INCOME |  | 4 TRACKMAN SIMULATOR |      |       |        |            |                    |            |                |
|------------------|--|----------------------|------|-------|--------|------------|--------------------|------------|----------------|
|                  |  | Hours                | Days | Weeks | Months | Hours/year | Number of Trackman | Price/Hour | TOTAL          |
| DURING THE WEEK  |  | 3                    | 5    | 4     | 9      | <b>540</b> | 4                  | 40€        | 86,400         |
| WEEKEND          |  | 4                    | 2    | 4     | 9      | <b>288</b> | 4                  | 40€        | 46,080         |
|                  |  |                      |      |       |        |            |                    |            | <b>132,480</b> |

Source: Own elaboration

The plan is to have the 4 Truckaman tracks occupied 3 hours a day during the week and to increase the 3 hours to 4 hours on weekends. Therefore, making a conservative forecast and establishing 4 weeks per month and an occupancy during 9 out of 12 months per year, an estimated income of **132,480€** per year is obtained.

### 6.3 Budget estimation

Figure 7: Budget estimation

| <b>ESTIMATION BUDGET</b>                            |          |        |                  |
|---|----------|--------|------------------|
| CONCEPT   | QUANTITY | PRICE  | AMOUNT           |
| <b>4 TRACKMAN SIMULATORS</b>                        |          |        |                  |
| Impact screen                                       | 4        | 500    | 2,000            |
| Impact net  | 8        | 400    | 3,200            |
| Swing mat   | 12       | 500    | 6,000            |
| Projector hanging on the wall                       | 4        | 600    | 2,400            |
| Television as computer screen                       | 4        | 400    | 1,600            |
| Computer for software                               | 4        | 700    | 2,800            |
| Metal structure cage simulator                      | 4        | 500    | 2,000            |
| Trackman 4  | 4        | 16,500 | 66,000           |
| Video Surveillance                                  | 5        | 50     | 250              |
| Digital Software                                    | 1        | 150    | 150              |
| System installation                                 | 1        | 300    | 300              |
| SECURITAS DIRECT                                    | 12       | 60     | 720              |
| Warehouse rental                                    | 12       | 950    | 11,400           |
| Water   | 1        | 2,000  | 2,000            |
| Electricity   | 1        | 10,000 | 10,000           |
| Logo installation                                   | 1        | 1,500  | 1,500            |
| Set of sticks and balls                             | 10       | 500    | 5,000            |
| ADSL for installation                               | 12       | 40     | 480              |
| Electric circuit                                    | 2        | 120    | 240              |
| Web page  | 1        | 2,000  | 2,000            |
| RESERVATIONS AND PAYMENT management application     | 1        | 3,000  | 3,000            |
| Taxes   | 1        | 500    | 500              |
| Insurance   | 1        | 1,000  | 1,000            |
| Adequacy of the building, reception and furnishings | 1        | 35,000 | 35,000           |
| Lighting  | 1        | 15,000 | 15,000           |
| Artificial grass pating green                       | 300      | 36     | 10,800           |
| Carpets   | 4        | 600    | 2,400            |
| IAE   | 1        | 500    | 500              |
| Air conditioning                                    | 1        | 30,000 | 30,000           |
| <b>TOTAL</b>  |          |        | <b>218,240 €</b> |

Source: Own elaboration

## 6.4 Necessary resources

### 6.4.1 Fixed assets resources

#### 6.4.1.1 Tangible fixed assets (P,P,E)

**-Industrial Plant:** After the above process of locating and choosing a location, a warehouse will be rented in Mutilva at a cost of 950 € per month. It has a first-floor area of 201m<sup>2</sup> and is very well distributed. With a free height of 3.2 meters, it makes the first-floor space profitable.

On this floor is located the access to the mezzanine, by means of a compensated staircase and an opening for the elevation of goods and easy disembarkation on the second floor. This mezzanine has an area of 165m<sup>2</sup> plus the stairwell of 30m<sup>2</sup>, is completely diaphanous, and has a free height of 3.85mts in the lowest part and 5.260mts to the ridge. It is worth mentioning the good access communications to the industrial area, (good roads, public transport, etc).

**-Technical facilities:** The ship will have 4 tracks to practice indoor golf. Each of them with:

- 1 Trackman simulator
- 1 impact screen
- 2 net impact
- 3 swing mat
- 1 projector hanging on the Wall
- 1 television as computer screen
- 1 computer for software
- 1 metal structure cage simulator

The cost of each Trackman amounts to 21,500 € per court. The installation of the courts will be made by the company Mondo, which is in charge of the installation of the courts in professional paddle championships throughout Spain. The total cost would be 86,000 €.

**-Adequacy of the warehouse:** The total cost of the adequacy of the warehouse is 20,000 € and it is included in the initial investment. It is incurred with the installation of

a small changing room, all the decoration and facade, interior and exterior painting of the building, and the necessary flooring.

**-Heating and cooling:** In indoor courts, it is necessary to lower the temperature of the whole building in summer, otherwise, it would have a summer, otherwise, it would create a greenhouse effect. For this purpose, air conditioners will be installed on the roof to lower the temperature by 10-12 degrees. In addition, heating is required in winter. This will cost 25,000 €.

**-Lighting:** This refers to the lighting of the courts as well as that of the shed, changing rooms, and common areas. It will cost 15,000 €.

**-Golf clubs and balls:** The plant will have sets of sticks and balls for the classes to keep in the shed in case of need. In principle, the players will have to come to their track man with their equipment.

**-Artificial grass and carpets**

**-Reception, bar service and furniture:** The reception will be at the entrance of the building, it will have a counter and a computer, where some courts and classes will be charged, and it will also serve as an information point. In addition, as described above, there will be a cafeteria where refreshments and snacks will be available. All this will cost 15,000 €.

**-Digital software, surveillance camera and others:** This includes the set of programs that are incorporated into a computer system and make it possible to perform certain tasks. Also the surveillance camera and the hardware with the computer and wifi are included in this item.

#### *6.4.1.2 Intangible fixed assets*

**-Industrial property:** Name of the sports club and its registration as a trademark for merchandising. Merchandising. It has a cost of 150 €.

**Computer application:** Although the reservation of the courts will be made through the playtomic application, the club will have a web page where it will be possible to consult the schedules of the golf class schedules, course reservations, etc....

## 6.4.2 *Operating costs*

### 6.4.2.1 *Maintenance costs*

**Maintenance and replacement of tracks and facilities:** The tracks are subject to deterioration and maintenance. For this reason, and in order to be conservative that is why we count 8,000 € per year in maintenance

**Supply costs:** The cost of electricity and water is rising sharply over the last few years so we estimate costs of 12,000 € per year.

## 7 ORGANIZATION PLAN AND HUMAN RESOURCES

HR is a fundamental part of the club, as it provides an indispensable service for the club to function properly. That's why I need a detailed and precise organizational plan that will provide a workforce for the project. The plan will help me to know more concretely what are the human needs that the company needs. In this case, a large staff is not needed either, since there are only 4 Trackman tracks and I don't estimate a high occupancy of the classrooms at the beginning. However, all personnel and the HR plan must be connected to the company's goals and beliefs. The club will be organized as a sole proprietorship, where there will be a single member whose liability will be limited to the principal amount of capital contributed.

### 7.1 Human Resources

The idea is that the business should be very dynamic and that there should not be too many staff in the club during the day. The main driver of the club is the group rental of the court, so most of the time the courts will be occupied only by the group people coming to play from outside. I have divided the areas according to their function in the club:

**Reception:** In this area will work the people in charge of attending the reception. It will consist of only 1 employee, who will have a contract of 30 hours per week and a salary of 18,000 € per year. In this position the functions to be performed are as follows:

- Customer service.
- Management of reservations.
- Attention to the telephone and email of the club.

- Provide any type of information to customers.
- Collections of tracks.

**Manager:** The figure of the manager will also exist here. This one will not suppose a cost since it will be the own owner of the company and contributor of the capital. He will be in charge of all the management of the club and will maintain relations with all the suppliers, teacher and clients. In addition, he/she will be in charge of establishing the objectives and strategies to be followed by the club.

**Teacher for Golf lessons:** The golf school is one of the most important business areas of the club but not the main one. It will be managed and organized by the club's manager. The club will have a teacher who will have a part-time contract of 30 hours per week and a salary of 24,000 €.

**Cleaning person** 2 days a week with a salary of 3,000 € per year.

**Cafeteria/bar:** The outsourcing of this service will be the option chosen to please the customers with a drink or snack after their class experience with the simulator, so the employee would not be the direct responsibility of the club.

## 8 FINANCIAL PLAN

A financial plan is an essential aspect of any business model. It is a comprehensive document that outlines a company's financial goals and strategies to achieve them. It covers all aspects of the business's financial health, including cash flow, revenue, expenses, investments, and debt. A financial plan helps a business owner or manager to make informed decisions and manage financial risks effectively.

### 8.1 Investment plan

The first thing I analyze in this section is the investments required to carry out the project. These are:

#### 8.1.1 *Non current assets*

These are assets that will remain in the company for the long term, as they are not easy to monetize quickly. Within these, we differentiate between intangible and tangible non-current assets.



### 8.1.1.1 Intangible assets

Assets of an intangible nature owned by the club that are used in its day-to-day operations as part of the club's normal business. These assets are of a long-term nature, lasting more than one year. It is added in the table the years in which these assets will be amortized with their corresponding annual installment.

Figure 9. Amortization of the intangible assets. Cost, years and anual dues

| <b>INTANGIBLE ASSETS</b> |                |              |                    |
|--------------------------|----------------|--------------|--------------------|
|                          | <b>COST</b>    | <b>YEARS</b> | <b>ANNUAL DUES</b> |
| INDUSTRIAL PROPERTY      | 150 €          | 6            | 25 €               |
| WEB PAGE                 | 2,000 €        | 6            | 333 €              |
| <b>TOTAL</b>             | <b>2,150 €</b> | <b>6</b>     | <b>358 €</b>       |

Source: Own elaboration

### 8.1.1.2 Tangible assets (Property, Plant and Equioment)

These are all assets from tangible nature used for the production of goods and services, with a lasting nature always exceeding one year. These are: Trackman 4 tracks, digital software, suirvelance camera and others, reception and bar furniture, sticks and balls, artificial Grass, carpets, lightings, heating and cooling and the adequacy of the building. As some assets deteriorate and become obsolete faster than others, the depreciation of property, plant and equipment will be between 6 and 10 years depending on the estimated useful life of each asset.

Figure 10. Amortization of tangible assets. Cost, years and anual due

| <b>TANGIBLE ASSETS</b>      |                  |              |                   |
|-----------------------------|------------------|--------------|-------------------|
|                             | <b>COST</b>      | <b>YEARS</b> | <b>ANNUAL DUE</b> |
| TRACKMAN 4 TRACKS           | 86,000 €         | 10           | 8,600 €           |
| DIGITAL SOFTWARE            | 150 €            | 10           | 15 €              |
| SURVEILLANCE CAMERA         | 250 €            | 10           | 25 €              |
| OTHERS                      | 2,520 €          | 10           | 252 €             |
| RECEPTION AND BAR FURNITURE | 15,000 €         | 6            | 2,500 €           |
| STICKS AND BALLS            | 10,000 €         | 6            | 1,667 €           |
| ARTIFICIAL GRASS            | 10,800 €         | 6            | 1,800 €           |
| CARPETS                     | 2,400 €          | 6            | 400 €             |
| LIGHTINGS                   | 15,000 €         | 8            | 1,875 €           |
| HEATING AND COOLING         | 25,000 €         | 8            | 3,125 €           |
| ADEQUACY OF THE BIULDING    | 20,000 €         | 8            | 2,500 €           |
| <b>TOTAL</b>                | <b>187,120 €</b> |              | <b>22,759 €</b>   |

Source: Own elaboration

### 8.1.2 Current assets

Refers to all club assets that can be made liquid or renewed in periods of less than one year. But in this case, since the cafeteria is an external service, the business would not have current assets.

## 8.2 Financing plan

After adding up all the investment required for tangible and intangible fixed assets, the final investment amounts to 189,270 €. In addition, there are some 3,000 € in advertising costs.

Figure 11. Total amortization of intangible and tangible assets

| <b>INTANGIBLE ASSETS</b> |                  |              |                         |
|--------------------------|------------------|--------------|-------------------------|
|                          | <b>COST IN €</b> | <b>YEARS</b> | <b>ANNUAL DUES IN €</b> |
| INDUSTRIAL PROPERTY      | 150              | 6            | 25                      |
| WEB PAGE                 | 2,000            | 6            | 333                     |
| <b>TOTAL</b>             | <b>2,150 €</b>   | <b>6</b>     | <b>358 €</b>            |

| <b>TANGIBLE ASSETS</b>               |                  |              |                        |
|--------------------------------------|------------------|--------------|------------------------|
|                                      | <b>COST IN €</b> | <b>YEARS</b> | <b>ANNUAL DUE IN €</b> |
| TRACKMAN 4 TRACKS                    | 86,000           | 10           | 8,600                  |
| DIGITAL SOFTWARE                     | 150              | 10           | 15                     |
| SURVEILLANCE CAMERA                  | 250              | 10           | 25                     |
| OTHERS                               | 2,520            | 10           | 252                    |
| RECEPTION AND BAR FURNITURE          | 15,000           | 6            | 2,500                  |
| STICKS AND BALLS                     | 10,000           | 6            | 1,667                  |
| ARTIFICIAL GRASS                     | 10,800           | 6            | 1,800                  |
| CARPETS                              | 2,400            | 6            | 400                    |
| LIGHTINGS                            | 15,000           | 8            | 1,875                  |
| HEATING AND COOLING                  | 25,000           | 8            | 3,125                  |
| ADEQUACY OF THE BIULDING             | 20,000           | 8            | 2,500                  |
| <b>TOTAL</b>                         | <b>187,120 €</b> |              | <b>22,759 €</b>        |
|                                      |                  |              |                        |
| <b>TOTAL INTANGIBLE AND TANGIBLE</b> | <b>189,270 €</b> |              | <b>23,117 €</b>        |

Source: Own elaboration

Out of this capital needed for the investment (189,270€), the main partner who owns the business will provide more than half of the necessary capital, since it is very difficult for any bank to access loans for more than 50% of the investment due to the risk involved. Having said this, the partner will invest the amount of 109,270 € and, after requesting information from a bank and complying with the requirements, the remaining 80,000 € will be financed over a term of 5 years at a cost of 6%.

Figure 12. Loan of 80.000 € and its amortization

| <b>LOAN</b>         | <b>%</b>  | <b>YEARS</b> |          |          |          |  |
|---------------------|-----------|--------------|----------|----------|----------|--|
| <b>80.000</b>       | <b>6%</b> | <b>5</b>     |          |          |          |  |
| <b>YEAR</b>         | <b>1</b>  | <b>2</b>     | <b>3</b> | <b>4</b> | <b>5</b> |  |
| <b>INITIAL DEBT</b> | 80,000    | 64,000       | 48,000   | 32,000   | 16,000   |  |
| <b>AMORTIZATION</b> | 16,000    | 16,000       | 16,000   | 16,000   | 16,000   |  |
| <b>FINAL DEBT</b>   | 64,000    | 48,000       | 32,000   | 16,000   | 0        |  |
| <b>INTEREST</b>     |           |              |          |          |          |  |
| <b>EXPENSE</b>      | 3,520 €   | 2,640 €      | 1,760 €  | 880 €    | 0        |  |

Source: Own elaboration

Note: the interest expense is calculated applying the 6% to the final debt outstanding in each year. The 3,520 € represents the interest expense to pay the 1st year due to the loan.

### 8.3 Income analysis

The rental of tracks with Trackman 4 simulator is the main business of the club and its biggest source of income. Tracks are rented for 60, 90 or 120 minutes at a rate of 40 € per hour. Also, golf lessons with simulator will be the second largest source of income, charging another 40 € per hour. In addition, as I have already mentioned in the occupancy section, there is an average of 3 or 4 hours of occupancy per track per day, during 30 days per month, for 9 months. Unlike the expenses that are usually for 12 months, except for the classes, the income tends to be for 9 months, since during summer months the work is expected to decrease a lot and vacations will be taken also during Christmas period. For this reason and wanting to be conservative I gave a zero income at this time. The cafeteria will be a service that will be outsourced to a company of this sector, charging a rent of 1,000 € per month during the 9 months.

Figure 13. Total income generated by the Tracks and bar service for the next 10 years.

|                              |          |          |          |          |          |
|------------------------------|----------|----------|----------|----------|----------|
| IPC                          | 5%       |          |          |          |          |
|                              |          |          |          |          |          |
| <b>YEAR</b>                  | <b>1</b> | <b>2</b> | <b>3</b> | <b>4</b> | <b>5</b> |
| INCOME<br>TRACKMAN<br>TRACKS | 132,480  | 139,104  | 146,059  | 153,362  | 161,030  |
| BAR<br>SERVICE               | 9,000    | 9,450    | 9,923    | 10,419   | 10,940   |
|                              |          |          |          |          |          |
| <b>INCOME</b>                | 141,480  | 148,554  | 155,982  | 163,781  | 171,970  |

|                              |          |          |          |          |           |
|------------------------------|----------|----------|----------|----------|-----------|
| IPC                          | 5%       |          |          |          |           |
|                              |          |          |          |          |           |
| <b>YEAR</b>                  | <b>6</b> | <b>7</b> | <b>8</b> | <b>9</b> | <b>10</b> |
| INCOME<br>TRACKMAN<br>TRACKS | 169,082  | 177,536  | 186,413  | 195,733  | 205,520   |
| BAR<br>SERVICE               | 11,487   | 12,061   | 12,664   | 13,297   | 13,962    |
|                              |          |          |          |          |           |
| <b>INCOME</b>                | 180,568  | 189,597  | 199,077  | 209,030  | 219,482   |

Source: own elaboration

Note: an IPC of 5% is considered

#### 8.4 Cost analysis

After some explorations with a manager of a golf club here in Pamplona for a better analysis of the variable and fixed costs incurred by a club of this type, I managed to detail in an exhaustive way all the expenses that this project would have in the next 10 years.

As it has been commented before, I wanted to be conservative in all the calculations, that is why there is a very big amount in maintenance and spare parts expenses.

All personnel expenses had already been analyzed and accounted for in the HR section of the business plan, as well as the social security expenses that the sports club will incur.

The rent expense is 11,400 € per year, as it is 950 € per month. The expenses have been estimated at 10 years since that is the duration of the lease agreement with the owner of the building. In addition, all the expenses of the club have to increase annually in parallel with inflation, which is why a 5% increase is applied to all of them on an annual basis according to the CPI compared to the previous year.

The cost of the golf instructors, the receptionist, and the cleaning person is given by the number of hours worked per week. In this case, they have a salary of 24,000 €; 18,000 € and 3,000 € respectively, per year. Finally, I should mention the cost of air conditioning, which is only estimated to be incurred in the months of June, July, August, and September, coinciding with the hottest time of the year. Also supplies, maintenance, insurance and taxes, the Playtomic booking application, and cleaning.

Figure 14. Total cost in € incurred by the business for the next 10 years.

|                                   |                |                |                |                |                |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|
| IPC                               | 5%             |                |                |                |                |
|                                   |                |                |                |                |                |
| <b>YEAR</b>                       | <b>1</b>       | <b>2</b>       | <b>3</b>       | <b>4</b>       | <b>5</b>       |
| LIGHT                             | 10,000         | 10,500         | 11,025         | 11,576         | 12,155         |
| WATER                             | 2,000          | 2,100          | 2,205          | 2,315          | 2,431          |
| PLAYTOMIC                         | 3,000          | 3,150          | 3,308          | 3,473          | 3,647          |
| MAINTENANCE                       | 8,000          | 8,400          | 8,820          | 9,261          | 9,724          |
| TAXES                             | 500            | 525            | 551            | 579            | 608            |
| INSURANCE                         | 1,000          | 1,050          | 1,103          | 1,158          | 1,216          |
| STAFF                             | 45,000         | 47,250         | 49,613         | 52,093         | 54,698         |
| RENT OF WAREHOUSE                 | 11,400         | 11,970         | 12,569         | 13,197         | 13,857         |
| CLEANING AND MAINTENANCE PRODUCTS | 500            | 525            | 551            | 579            | 608            |
| SECURITAS DIRECT                  | 720            | 756            | 794            | 833            | 875            |
| MANAGEMENT AND ADVERTISING        | 4,500          | 4,725          | 4,961          | 5,209          | 5,470          |
| AIR CONDITIONING                  | 4,000          | 4,200          | 4,410          | 4,631          | 4,862          |
|                                   |                |                |                |                |                |
| <b>EXPENSES</b>                   | <b>90,620</b>  | <b>95,151</b>  | <b>99,909</b>  | <b>104,904</b> | <b>110,149</b> |
|                                   |                |                |                |                |                |
| IPC                               | 5%             |                |                |                |                |
|                                   |                |                |                |                |                |
| <b>YEAR</b>                       | <b>6</b>       | <b>7</b>       | <b>8</b>       | <b>9</b>       | <b>10</b>      |
| LIGHT                             | 12,763         | 13,401         | 14,071         | 14,775         | 15,513         |
| WATER                             | 2,553          | 2,680          | 2,814          | 2,955          | 3,103          |
| 0PLAYTOMIC                        | 3,829          | 4,020          | 4,221          | 4,432          | 4,654          |
| MAINTENANCE                       | 10,210         | 10,721         | 11,257         | 11,820         | 12,411         |
| TAXES                             | 638            | 670            | 704            | 739            | 776            |
| INSURANCE                         | 1,276          | 1,340          | 1,407          | 1,477          | 1,551          |
| STAFF                             | 57,433         | 60,304         | 63,320         | 66,485         | 69,810         |
| RENT OF WAREHOUSE                 | 14,550         | 15,277         | 16,041         | 16,843         | 17,685         |
| CLEANING AND MAINTENANCE PRODUCTS | 638            | 670            | 704            | 739            | 776            |
| SECURITAS DIRECT                  | 919            | 965            | 1,013          | 1,064          | 1,117          |
| MANAGEMENT AND ADVERTISING        | 5,743          | 6,030          | 6,332          | 6,649          | 6,981          |
| AIR CONDITIONING                  | 5,105          | 5,360          | 5,628          | 5,910          | 6,205          |
|                                   |                |                |                |                |                |
| <b>EXPENSES</b>                   | <b>115,657</b> | <b>121,439</b> | <b>127,511</b> | <b>133,887</b> | <b>140,581</b> |

Source: own elaboration

Note: an IPC of 5% is considered

## **8.5 Profit and loss statement**

The profit and loss statement is a financial report that shows a company's income and expenses for a specific period. This account is a fundamental element of financial accounting and is used by companies to evaluate their profitability and determine their ability to generate profits. By showing revenues and expenses, the company can calculate its net profit, which is the amount remaining after subtracting expenses from revenues. If the net profit is positive, it means that the company is generating profits, as is the case in our business model. This is the Profit and loss statement for the business model for the next 5 years.



Figure 15. Profit and loss statement for the next 5 years in €

| <b>GOLF INDOOR 4 Trackman</b>           |  |                |                |                |                |                |
|---|--|----------------|----------------|----------------|----------------|----------------|
| Euro                                    |  |                |                |                | IPC            | 5%             |
|   |  | 2023           | 2024           | 2025           | 2026           | 2027           |
| <b>PROFIT AND LOSS STATEMENT</b>        |  |                |                |                |                |                |
| <b>(DEBE)/HABER</b>                     |  |                |                |                |                |                |
| <b>1. NET SALES</b>                     |  | <b>141,480</b> | <b>148,554</b> | <b>155,982</b> | <b>163,781</b> | <b>171,970</b> |
| TRACKMAN TRACKS                         |  | 132,480        | 139,104        | 146,059        | 153,362        | 161,030        |
| BAR SERVICE                             |  | 9,000          | 9,450          | 9,923          | 10,419         | 10,940         |
| <b>2. SUPPLIES</b>                      |  | <b>-11,000</b> | <b>-11,550</b> | <b>-12,128</b> | <b>-12,734</b> | <b>-13,371</b> |
| MAINTENANCE                             |  | -8,000         | -8,400         | -8,820         | -9,261         | -9,724         |
| PLAYTOMIC BOOKING APPLICATION           |  | -3,000         | -3,150         | -3,308         | -3,473         | -3,647         |
| <b>3. PERSONNEL EXPENSES</b>            |  | <b>-45,000</b> | <b>-47,250</b> | <b>-49,613</b> | <b>-52,093</b> | <b>-54,698</b> |
| PERSONNEL/STAFF EXPENSES                |  | -45,000        | -47,250        | -49,613        | -52,093        | -54,698        |
| <b>4. OTHER OPERATING EXPENSES</b>      |  | <b>-30,120</b> | <b>-31,626</b> | <b>-33,207</b> | <b>-34,868</b> | <b>-36,611</b> |
| RENTAL OF THE BUILDING                  |  | -11,400        | -11,970        | -12,569        | -13,197        | -13,857        |
| OTHER TAXES                             |  | -500           | -525           | -551           | -579           | -608           |
| INSURANCE                               |  | -1,000         | -1,050         | -1,103         | -1,158         | -1,216         |
| LIGHT                                   |  | -10,000        | -10,500        | -11,025        | -11,576        | -12,155        |
| WATER                                   |  | -2,000         | -2,100         | -2,205         | -2,315         | -2,431         |
| MANAGEMENT AND ADVERTISING EXPENSES     |  | -4,500         | -4,725         | -4,961         | -5,209         | -5,470         |
| CLEANING AND MAINTENANCE PRODUCTS       |  | -500           | -525           | -551           | -579           | -608           |
| SECURITAS DIRECT                        |  | -720           | -756           | -794           | -833           | -875           |
| AIR CONDITIONING                        |  | -4,000         | -4,200         | -4,410         | -4,631         | -4,862         |
| <b>5. AMORTIZATION OF FIXED ASSETS</b>  |  | <b>-23,117</b> | <b>-23,117</b> | <b>-23,117</b> | <b>-23,117</b> | <b>-23,117</b> |
| INTANGIBLE FIXED ASSETS                 |  | -358           | -358           | -358           | -358           | -358           |
| TANGIBLE FIXED ASSETS                   |  | -22,759        | -22,759        | -22,759        | -22,759        | -22,759        |
| <b>A). OPERATING INCOME(1+2+3+4+5)</b>  |  | <b>32,243</b>  | <b>35,011</b>  | <b>37,917</b>  | <b>40,969</b>  | <b>44,173</b>  |
| <b>6. FINANCIAL EXPENSES</b>            |  | <b>-4,020</b>  | <b>-3,140</b>  | <b>-2,260</b>  | <b>-1,380</b>  | <b>-500</b>    |
| IAE                                     |  | -500           | -500           | -500           | -500           | -500           |
| INTEREST ON DEBTS                       |  | -3,520         | -2,640         | -1,760         | -880           |                |
| <b>B). FINANCIAL RESULT</b>             |  | <b>-4,020</b>  | <b>-3,140</b>  | <b>-2,260</b>  | <b>-1,380</b>  | <b>-500</b>    |
| <b>C). INCOME BEFORE TAXES (A + B)</b>  |  | <b>28,223</b>  | <b>31,871</b>  | <b>35,657</b>  | <b>39,589</b>  | <b>43,673</b>  |
| <b>7. TAXES ON PROFITS</b>              |  | <b>-7,902</b>  | <b>-8,924</b>  | <b>-9,984</b>  | <b>-11,085</b> | <b>-12,229</b> |
| CORPORATE INCOME TAX (28%)              |  | -7,902         | -8,924         | -9,984         | -11,085        | -12,229        |
| <b>D). INCOME FOR THE YEAR (C + 20)</b> |  | <b>20,321</b>  | <b>22,947</b>  | <b>25,673</b>  | <b>28,504</b>  | <b>31,445</b>  |
| <b>ACCUMULATED</b>                      |  | <b>20,321</b>  | <b>43,268</b>  | <b>68,941</b>  | <b>97,445</b>  | <b>128,890</b> |

Source: own elaboration

Note: an IPC of 5% is considered

## 8.6 Cash flow statement

A company's cash flow is a fundamental measure that shows the amount of money flowing in and out of the company during a given period of time. It is an essential tool for the financial management of a company, as it enables managers to make informed decisions about cash management, borrowing and investment. The importance of cash flow lies in its ability to provide a clear and up-to-date view of a company's liquidity. A company may have significant book profits, but if it does not have cash available to meet its financial obligations, it may find itself in financial trouble. Cash flow enables managers to anticipate future cash needs and plan accordingly.

Figure 16. Cash Flow statement for the next 5 years

| <b>CASH FLOW</b> |                 |               |               |               |               |               |
|------------------|-----------------|---------------|---------------|---------------|---------------|---------------|
|                  |                 |               |               |               |               |               |
| YEAR             | 0               | 1             | 2             | 3             | 4             | 5             |
| PROFIT AFTER TAX |                 | 20,321        | 22,947        | 25,673        | 28,504        | 31,445        |
| AMORTIZATION     |                 | 23,117        | 23,117        | 23,117        | 23,117        | 23,117        |
| PROVISIONS       |                 |               |               |               |               |               |
| DEBT             | 80,000          | -16,000       | -16,000       | -16,000       | -16,000       | -16,000       |
| INVESTMENT       | -189,270        |               |               |               |               |               |
| <b>Cash Flow</b> | <b>-109,270</b> | <b>27,438</b> | <b>30,064</b> | <b>32,790</b> | <b>35,621</b> | <b>38,562</b> |
|                  |                 | -81,832 €     | -51,768 €     | -18,978 €     | 16,643 €      | 55,205 €      |

Source: own elaboration

As can be seen in the table, it would be in the fourth year when the investment would be recovered and start earning money with the business.

## 8.7 Npv and Irr

Finally, it remains to determine the profitability and viability of the club in different terms of 5 and 10 years. To do so, I use NPV and IR. Net Present Value (NPV) and Internal Rate of Return (IRR) are two common techniques used in the analysis of investment projects. NPV is used to evaluate the profitability of a project by estimating the present value of future cash flows generated by the project, while IRR represents the expected rate of return of a project over its lifetime. In this sense, both indicators are useful for determining the financial viability of a business model. In the analysis of a business model, the joint use of NPV and IRR can provide valuable information on the financial viability of the project. In this sense, the NPV evaluation allows determining the profitability of the project, while the IRR can provide a measure of the efficiency of the investment. By considering both indicators, investors can have a better understanding of the expected cash flows, profitability and financial viability of a business model.

NPV is a method for determining the present value of the cash flows of an investment project by discounting these flows at an appropriate discount rate. If the NPV result is positive, it indicates that the project generates more cash than is invested and is therefore financially viable. On the other hand, if the NPV is negative, it indicates that the project is not profitable and should not be invested in. The NPV also makes it possible to compare different projects and select those that offer a higher return.

On the other hand, the IRR is the discount rate that makes the NPV of a project zero. In other words, it represents the expected profitability of the project based on projected cash flows. The IRR is a particularly useful indicator for evaluating long-term investment projects, since it considers time and the time value of money.

Figure17: Cash flow for the next 10 years

| <b>CASH FLOW</b> for the years<br>1-5 |                 |               |               |               |               |               |
|---------------------------------------|-----------------|---------------|---------------|---------------|---------------|---------------|
|                                       |                 |               |               |               |               |               |
| YEAR                                  | 0               | 1             | 2             | 3             | 4             | 5             |
| PROFIT AFTER TAX                      |                 | 20,321        | 22,947        | 25,673        | 28,504        | 31,445        |
| AMORTIZATION                          |                 | 23,117        | 23,117        | 23,117        | 23,117        | 23,117        |
| PROVISIONS                            |                 |               |               |               |               |               |
| DEBT                                  | 80,000          | -16,000       | -16,000       | -16,000       | -16,000       | -16,000       |
| INVESTMENT                            | -189,270        |               |               |               |               |               |
| <b>Cash Flow</b>                      | <b>-109,270</b> | <b>27,438</b> | <b>30,064</b> | <b>32,790</b> | <b>35,621</b> | <b>38,562</b> |
| ACCUMULATED                           |                 | -81,832 €     | -51,768 €     | -18,978 €     | 16,643 €      | 55,205 €      |

| <b>CASH FLOW</b> for the years 6-<br>10 |               |               |               |               |               |
|---|---------------|---------------|---------------|---------------|---------------|
|   |               |               |               |               |               |
| YEAR                                    | 6             | 7             | 8             | 9             | 10            |
| AFTER-TAX PROFIT                        | 33,867        | 35,222        | 36,983        | 38,832        | 40,774        |
| AMORTIZATIONS                           | 23,117        | 17,017        | 17,017        | 8,892         | 8,892         |
| PROVISIONS                              |               |               |               |               |               |
| DEBT                                    |               |               |               |               |               |
| INVESTMENT                              |               |               |               |               |               |
| <b>Cash Flow</b>                        | <b>56,984</b> | <b>52,239</b> | <b>54,000</b> | <b>47,724</b> | <b>49,666</b> |
| ACCUMULATED                             | 112,189 €     | 164,428 €     | 218,428 €     | 266,153 €     | 315,819 €     |

Source: own elaboration

Figure 18:

|     | 5 YEARS | 10 YEARS  |
|-----|---------|-----------|
| 12% |         |           |
| VNA | 7,053 € | 114,564 € |
| TIR | 14%     | 31%       |

Source: own elaboration

The calculation is made at 12% as I consider it to be an appropriate interest rate and to mark the opportunity cost. As it is shown in the figure 18, the NPV over 5 years is 7,053 € and the NPV over 10 years is 114,564 €. Since both results are positive, it indicates that the project generates more cash than is invested and is therefore financially viable. In the case of the IRR, the 10-year figure is of special interest, since it is the full duration of the warehouse rental contract. This is 31% at 12% and 10 years, which is very positive and encourages investment.

## 9 CONCLUSIONS AND RECOMMENDATIONS

The objective of the work was to study and analyze the possibility of starting an indoor golf club in Pamplona or its surroundings through a business model in order to promote the practice of golf in Pamplona through an innovative and profitable way of practicing this sport.

To do so, the following steps have been taken:

First of all, an analysis of the environment is made to know the market and the position and thus focus what direction I am going to follow and how it should be done. This analysis of the environment will also allow to know the strengths and opportunities as well as weaknesses and threats through the SWOT analysis. In addition, the external and internal factors that affect a company or industry are also analyzed and the framework of external and macro-environmental factors that could have an impact on the success of the business is examined using the PESTEL model. This analysis ends with the Canvas model as strategic management to analyze and create business models in a dynamic and visual way.

Taking into account that the mission is to promote and facilitate the practice of golf to the citizens of Pamplona and surroundings I would like to offer a golf service in a comfortable and innovative way being indoor, making golf accessible to any segment of the population and in any time circumstance. In my analysis it is perceived that the most outstanding strengths of the idea are the comfort and accessibility it provides to golfers and that it could allow considerable time savings without having to wait for the break and being able to practice the sport in a group with the simulator, besides being a very interesting option to reduce the cost of a sport that has always been expensive. In addition, in my analysis there are few weaknesses of this business idea, being the high investment required due to the technology and the limited types of strokes and strategies due to the smaller size of the golf courses the most outstanding ones. The opportunities that a new product or service could generate are another essential aspect to consider in this analysis. The best opportunity we can find in the service is the shorter time it may take to play the same number of holes as in outdoor golf, since, by playing with the simulator, it avoids any kind of potential waiting time to expand its reach beyond the traditional golf markets. To conclude this SWOT analysis, the threats I may face have to be analyzed in order to better address them when they may arise. The main threat I found from the business idea is that outdoor golf courses offer a more challenging and authentic golf experience, which may

be more appealing to serious golfers. Continuing this analysis of the environment, in this case external, using the PESTEL model the external factors are defined such as changes in taxation, economic conditions, leisure preferences, technological advances, sustainability, and legal regulations that may impact the success of indoor golf businesses. I finalized this analysis with the Canvas model, representing the business idea in a dynamic and visual way in a document divided into 9 sections: Key partners, key activities, key resources, value proposition, customer relationship, channels, customer segments, cost structure and revenue sources.

The business model is continue with the marketing plan describing the marketing strategies, tactics and objectives for a given period. This document serves me as a roadmap to achieve the marketing objectives by defining the target market, positioning, pricing and promotional strategies. This section begins by defining the target group as Golf enthusiasts who are unable to play golf regularly due to weather conditions, tight schedules or lack of access to golf courses due to high prices. Once the target market is defined and clear, the marketing mix is used as a tool to analyze five basic variables for the activity: service, price, promotion, distribution, and location. In the case of the service, our differentiating product, the TRackman 4 Simulator, is presented and its characteristics are explained. Also, all the services that the indoor golf club offers (Reservation and rental of courts, lessons, cafeteria) are added with their respective prices which, in the case of court reservations and lessons, is 40 €/hour. This marketing plan ends by analyzing the promotion, distribution and location of the business idea. In the case of the first of these, the promotion will be done through social networks, reporting offers and events on the website and creating profiles on social platforms such as Instagram, Twitter and Facebook to reach as many potential customers as possible. In distribution, the importance and differentiating element of self-service with the Playtomic application is highlighted, where all users will be able to make court reservations from home and through the application. The marketing plan ends by defining the location of the club and the business idea. The chosen site would be a 201 M2 warehouse in Mutilva Baja near the La Morea shopping center and restaurants.

Another vital document to present in a business model is the operations plan that includes key elements for this purpose, such as the production capacity of the good or service, the costs involved or the resources that will be necessary to complete the process in the most

efficient way possible. Therefore, the first step I followed was to make an estimate of the occupancy and the revenue that this occupancy would generate. The expectation is to have the 4 Truckaman tracks occupied 3 hours a day during the week and to increase the 3 hours to 4 hours on weekends. Therefore, making a conservative forecast and establishing 4 weeks per month and an occupation during 9 of the 12 months per year, an estimated income of 132,480 € per year is obtained. This section ends with an estimate of the budget and defining the resources needed to carry out our business model, with a budget estimate of 218,240 €.

The next section defines the human resources plan by means of a precise organizational plan that will provide a staff for the project. The plan will help me to know more concretely what are the human needs of the company. This plan consists of 5 areas: Reception worker with a salary of 18,000 € per year, the Manager who will be the head of the club, teacher of both group and individual classes with a salary of 24,000 € per year, person to clean 2 days a week with a salary of 3,000 € per year and finally the outsourcing of the cafeteria service.

I continue the business model with the financial plan, an essential aspect of any business model. It is a comprehensive document that describes a company's financial objectives and the strategies to achieve them. It covers all aspects of the company's financial health, including cash flow, revenues, expenses, investments and debt. The first thing I analyze in this section is the investments needed to carry out the Project and, after adding up all the investment needed for tangible and intangible fixed assets, the final investment amounts to 189,270 €. Of this capital necessary for the investment (189,270 €), the main partner owner of the business will provide more than half of the necessary capital, since it is very difficult for any bank to access loans for more than 50% of the investment due to the risk involved. Having said this, the partner will invest the amount of 109,270 € and, after requesting information from a banking entity and fulfilling the requirements, the remaining 80,000 € will be financed in a term of 5 years at a cost of 6%. Subsequently, an analysis of income and costs is prepared, the income being higher than the cost incurred each year. Once this has been done, a profit and loss statement is presented to show the profit or loss that the company has obtained during the first 5 years. This includes the income and expense items that are produced as a result of the operations carried out by a company and each year gives me a positive result for the year. The Cash Flow is another document that is prepared in this section and that allows to know the



amount of money that enters and leaves the company during a determined period of time. According to the Cash Flow, by means of the expected inflows and outflows of money, it would be in the fourth year when the investment is recovered and start earning money with the business. Finally, to finish the analysis of our business model, the NPV and IRR are also very important to confirm if the model is viable. They both the NPV and IRR give me exceptional results, both positive at 10 years. The NPV gives me a result of 114,564 € at 12% and 10 years, while the IRR in the same period of time stands at 31%, both being very positive data and encouraging investment.

After a thorough analysis of the business model, I can conclude that the project is economically viable as can be seen in the financial plan. In addition, the golf indoor as such, has great benefits that would attract people especially those who want to get started in this sport, who are short of time, find golf expensive, or those in which the weather conditions influence them in their sport and do not want to lose technique.

As positive conclusions, the following points are highlighted:

- **The ease of its practice.** Indoor golf is a sport that can be practiced at any age and does not involve a very high physical effort and time. In addition, the reservation of the track allows you to adjust your playing time according to your preferences, freedom to go whenever you want and without the need to wait for the rest to finish their hole as in outdoor golf.

- **It is a social sport and helps to reduce the cost of a sport that has historically been expensive.** Indoor golf through the simulator can be practiced in groups of up to 8 people, so it helps to socialize and meet new players in tournaments, leagues and events. In addition, precisely because of this group practice, it is not necessary to disburse large amounts of money for its practice.

- **It is a sport that does not require a high level of play to enjoy it,** since, without having a high level, you can enjoy playing, and also the fact of playing with virtuality makes it technically easier.

## 10 REFERENCES

- idealista.com. (s. f.). Alquiler de Nave en POLIGONO MUTILVA BAJA s/n, Mutilva — idealista. <https://www.idealista.com/inmueble/98146917/>
- Brealey, R., Myers, S., & Allen, F. (2017). *Principios de Finanzas Corporativas* (12ª ed.). McGraw Hill Education.
- López-Bonilla, J., Reyes-Rodríguez, M., & López-Bonilla, L. (2018). *The Environmental Attitudes and Behaviours of European Golf Tourists. Sustainability*, 10(7), 2214.
- García Arca, J., & Fernández-Sánchez, G. (2018). *Valoración de proyectos de inversión*
- Real Federación Española de Golf: Home. (s. f.). <https://rfeg.es/>
- olympus-consulting.(s. f.). *Guía Oficial de Campos de Golf RFEG 2021*. <http://www.rfegolf.es/Noticias/NewsDetails.aspx?NewsId=11284>
- Márquez, C. (2018, 14 enero). *Golfistas bajo techo*. Diario Sur. <https://www.diariosur.es/marbella-estepona/golfistas-bajo-techo-20180111190035-nt.html>
- Employment, Small Business and Training. (2023, 18 abril). SWOT analysis. *Business Queensland*. <https://www.business.qld.gov.au/running-business/planning/swot-analysis>
- Prahalad, C. K., & Ramaswamy, V. (2004). *Co-creation experiences: The next practice in value creation*. *Journal of interactive marketing*, 18(3), 5-14.
- Osterwalder, A., Pigneur, Y., Bernarda, G., & Smith, A. (2014). *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*. John Wiley & Sons.
- Weber, M., & Tarba, S. Y. (2014). *Business model innovation and organizational resilience: towards an integrated conceptual framework*. *Journal of Business Research*, 67(6), 1287-1297.
- SportsEdTV. (s. f.). *All You Need To Know About Indoor Golfing* | SportsEdTV. <https://sportsedtv.com/blog/all-you-need-to-know-about-indoor-golfing>
- Business success depends upon successful marketing. (2022). [www.wolterskluwer.com. https://www.wolterskluwer.com/en/expert-insights/business-success-depends-upon-successful-marketing](https://www.wolterskluwer.com/en/expert-insights/business-success-depends-upon-successful-marketing)

Richard. (2023, 4 febrero). *What are the benefits of learning golf indoors?* - thegolfschool. thegolfschool. <https://thegolfschool.co.uk/learning-golf-indoors/>

Team, G. (2023). *The Most Realistic Indoor Golf Simulator Out There.* Golfzon Simulator. <https://golfzongolf.com/the-most-realistic-indoor-golf-simulator-out-there/>

Lnha, E. B. M. (2023, 20 abril). *Why Is Golf So Fun? 8 Reasons Golfers Truly Love The Game.* Senior Golf Source. <https://www.seniorgolfsource.com/why-is-golf-so-fun-for-golfers/>

Golf, F. I. (2023). *How to Grow Your Indoor Golf Business: Insights from the Top Searches and Trends.* Find Indoor Golf Near You. <https://findindoorgolf.com/how-to-grow-your-indoor-golf-business-insights-from-find-indoor-golf-website/>

Belton Woods Hotel. (s. f.). *Team Building Golf Day in Lincolnshire* | <https://www.beltonwoods.co.uk/meetings-events/team-building-corporate-golf/>

Admin. (2022). *Are Golf Driving Ranges Profitable.* The Sports Ground. <https://thesportsground.com/are-golf-driving-ranges-profitable/>

LibGuides: Industry Research: PESTEL Analysis. (s. f.). <https://libguides.libraries.wsu.edu/c.php?g=294263&p=4358409>

(Osterwalder,Pigneur,2010).(s. f.). *Figure 1-The Business Model Canvas* ResearchGate. [https://www.researchgate.net/figure/The-Business-Model-Canvas-Osterwalder-Pigneur-2010\\_fig1\\_316970707](https://www.researchgate.net/figure/The-Business-Model-Canvas-Osterwalder-Pigneur-2010_fig1_316970707)

Yumpu.com. (s. f.). *PRACTICAL WAYS TO IMPROVE ENERGY EFFICIENCY IN GOLFFACILITIES.*

yumpu.com. <https://www.yumpu.com/en/document/view/53792410/practical-ways-to-improve-energy-efficiency-in-golf-facilities>

Best Golf Launch Monitor - Full Swing and Ball Flight Tracking. (s. f.). <https://www.trackman.com/golf/trackman->

The Grounds Driving Range & Pro Shop. (2021, 16 diciembre). *Trackman Golf Simulator* |The Grounds Driving Range & Pro Shop. <https://www.thegroundsgolf.com/trackman-golf-simulator>

Gao, L., & Kim, H. (2018, 5 noviembre). *Consumer spending on entertainment and the Great Recession.* Leisure/loisir. <https://doi.org/10.1080/14927713.2018.1535278>

Yeh, T., Pai, F., & Jeng, M. (2019). *The Factors Affecting Older Adults' Intention toward Ongoing Participation in Virtual Reality Leisure Activities*. *International Journal of Environmental Research and Public Health*, 16(3), 333. <https://doi.org/10.3390/ijerph16030333>