

GOLFZON Japan Co., Ltd.

South Korea's leading golf simulator producer, occupies a high share of the world market and is making steady progress in the Japanese market



GOLFZONE Japan Co., Ltd., established in May 2009, produces and markets GOLFZON golf simulators, operates directly managed facilities and provides related online services.

Starting with only a handful of employees, it has made steady advances in Japan and now holds a 40% share of the Japanese market for golf simulators. Furthermore, GOLFZON Japan now has 40 employees, 121 stores handling GOLFZON products, and 376 simulators operating throughout Japan (as of December 2011).

Since its founding in South Korea in 2000, the parent company has achieved remarkable success. A total of 4,300 stores handle GOLFZON products and roughly 20,000 simulators are in operation (as of December 2011), giving the company a commanding 89% share of the South Korean market. GOLFZON is now working to build its brand in Japan.

Providing Services that Perfectly Match the Needs of Japanese Customers

GOLFZON simulators are not only equipped with the conventional golf form analysis and training functions, but also programs allowing users to enjoy virtual rounds of golf on more than 135 famous golf courses from around the world. There are no time limits, and rounds are completed when the player finishes the last hole, as if the player is playing in a real round of golf.

Golf simulators consist of sensors, swing-plates, screens, projectors, CCD cameras, touch control panels, other hardware and software; however, GOLFZON develops and produces the core ingredients such as the swing-plate, sensor and software on its own. Therefore, there is excellent compatibility among the various components, allowing the company to promptly respond to customer demands.



The company's online service also meets the needs of Japanese customers. For example, the scores of members are managed using video images recorded

automatically during play and an onboard system allows users to instantly confirm their progress (national ranking, etc.) from the Internet or mobile communication devices.

Mr. Hong, the head of GOLFZON Japan's marketing head office said, "We want users to have the same feeling as when they head out to the golf course with a few golfing buddies. The keywords for the Japanese market going forward are "women" and "health". We want to build a new golfing lifestyle that can be enjoyed by everyone, regardless of their age or gender."

Appeal of Japanese Market Size and Growth Potential

GOLFZON simulators are being used in roughly 30 countries around the world, and it has chose Japan as its next target, due to its market size and its tremendous potential.

Japan is now the second largest golf market in the world, and in addition to this obvious appeal, GOLFZON entered the Japanese market in order to gain valuable experience by responding to the needs of this key market.

GOLFZON Vice President, Mr. Lee spoke of the appeal and potential of the Japanese market saying, "Around 2008, 'golf bars' combining simulation golf and dining services became quite popular. Hereafter, we have high expectations in the golf market in the field of the practice range, fitness, and an indoor round facility and further growth in the golf simulator market going forward."

Mr. Hong added, "The core of the golf market has been shifting to Asia, and Japan is currently the market leader. The consumers of Japan are extremely



GOLFZON Japan Vice President, Mr. Kanghoon Lee (left) and Head of the Marketing Head Office, Mr. Landon Sukyoung Hong(right)

knowledgeable about golf products, and consistently make very precise demands of these products. We may be in for a tough fight, but sincerely addressing each of these demands should provide many valuable lessons for our company."

Teaming Up with other Japanese Companies

GOLFZON is teaming up with Japanese golf club shops to develop businesses that merge simulators and the sales of golf products. This business model provides strong synergies for both sides, since golf clubs purchased at the stores can be immediately tried out using on-site GOLFZON simulators.

GOLFZON also aims to team up with mass communication companies to plan projects such as a new type of golf tournament held completely online. By developing partnerships with Japanese companies in this manner, GOLFZON hopes to raise its market presence, develop directly managed shops and expand sales across the country.

JETRO Support

JETRO supported GOLFZON in establishing its Japanese unit. In doing so, JETRO offered free temporary office space, provided information on procedures for setting up their business, supplied

information on visas and company registration, and introduced outsourcers.

(February, 2012)

Company History

- 2000 -GOLFZON founded (South Korea)
- 2002 -"GOLFZON" golf simulator unveiled
- 2007 -Signed contract with Random to serve as comprehensive sales agent in Japan
- 2009 -Established GOLFZON Japan
 - The number of stores handling GOLFZON reaches 3,000 and the number of simulators installed hit 10,000(in South Korea)
- 2011 -Shares listed on South Korea's KOSDAQ Stock Market
 - The number of stores handling GOLFZON reaches 4,300 and the number of simulators installed hit 20,000(in South Korea)
 - Establishes GOLFZON Canada
 - Establishes GOLFZON China

GOLFZON Japan Co., Ltd.

Founded: May 2009

Business: Sales of GOLZON golf simulators, online services, direct management

Capital: 248,500,000 yen

Number of Employees: 40

URL: <http://company.golfzon.jp/> (Company site)
<http://www.golfzon.jp/> (GOLFZON Official site)