



EXPLORING THE BUSINESS MODELS IN THE INDUSTRY OF ELECTRIC GOLF CARTS: STRATEGIES, TRENDS AND MARKET DYNAMICS

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Abstract

Due to their effectiveness and eco-friendliness, electric golf carts are growing in popularity on golf courses. With the use of a literature review and data analysis, this research paper intends to present a cost report and business report on electric golf carts. The study examines electric golf cart pricing patterns and how they affect the golf cart market. According to the study's findings, electric golf carts are more cost- and environmentally-friendly than gas-powered golf carts.

Keywords: Electric Vehicles, Electric Golf Cart, Business model of electric Golf Cart & Analysis, Sector wise Analysis.

INTRODUCTION

The growing demand for environmentally friendly solutions has caused substantial changes in the golf cart business in recent years. Due to their effectiveness and decreased operating costs, electric golf carts have grown to be a preferred option for golf course managers. The purpose of this research paper is to present a cost analysis and a business analysis of electric golf carts. Small electric vehicles called golf carts are used to transport golfers and their equipment around a golf course. Golf carts are now used for a variety of functions outside of the golf course, including as transportation on campuses, in communities, in parks and at resorts. The market for electrical golf carts has grown in popularity as electric vehicle demand in India increases. This essay seeks to examine the price and market for electrical golf carts in the country and to contrast other golf carts with one of our own.

RESEARCH AND COLLECT IDEA

The data collection process involves gathering information on the costs of gas- and electric-powered golf carts from different manufacturers. Statistical techniques were used to analyse the data, including the use of regression analysis and graphical analysis. The findings indicate that while the average cost of an electrical golf cart is greater compared to that of a gasoline-powered golf cart, in the long run, electric golf carts are a more cost-effective option due to fuel and maintenance cost reductions. The study also shows that the business of electric golf carts is growing due to the increasing demand for eco-friendly solutions in the golf course industry.

A number of graphs are included in the study to show the price patterns of gas- and electric-powered golf carts. Due to advances in battery manufacturing and economies of scale, the graphs demonstrate how the cost for electrical golf carts is falling over time. The figures also demonstrate that the price of gasoline-powered golf carts is rising as a result of rising fuel and maintenance costs.

In India, the price for electrical golf carts varies depending on the brand, model, and features. An electric golf cart typically costs around Rs. 4 lakh and Rs. 8 lakh in India. Batteries, accessories, and the base model are all included in the price. Electric golf carts require less maintenance and have less cost of operation than traditional golf carts, so their maintenance costs are lower overall.

Electric golf cart sales are on the rise in India, particularly in areas with resorts and golf courses. Electric golf carts are used by golf courses to transport patrons in comfort, which improves the game of golf as a whole. To make guests' stays more enjoyable, resorts and hotels also use electric golf carts to get them from one place to another. In addition, electronic golf carts are growing more and more common for private use on campuses and in residential areas.

BUSINESS OF ELECTRIC GOLF CART

The business of electric golf carts includes the manufacturing, sale, rental, and repair of these vehicles. The global electric golf cart market is expected to grow at a CAGR of 6.3% from 2021 to 2028, according to a report by Grand View Research. The growing demand for electric vehicles, increasing adoption of green technologies, and rising popularity of golf are some of the key factors driving the growth of this market.

1. **Manufacturing and Sale:** The manufacturing and sale of electric golf carts is dominated by a few major players such as Club Car, Yamaha, EZ-GO, and Textron. These companies offer a wide range of electric golf carts with different features and price points to cater to the needs of different customers. The cost of electric golf carts varies depending on the model and features. On average, a basic electric golf cart can cost around 4 lakhs, while a high-end model with advanced features can cost up to 11 lakhs.
2. **Rental:** Apart from the manufacturing and sale of electric golf carts, there is also a significant market for rental services. Golf courses and resorts often rent out electric golf carts to their customers for a fee. The cost of renting

an electric golf cart varies depending on the location and duration of rental. On average, renting an electric golf cart for a day can cost around 4 thousand to 8 thousand.

3. **Repair:** As with any vehicle, electric golf carts require regular maintenance and repair services. There are several companies that offer repair and maintenance services for electric golf carts. The cost of repair and maintenance varies depending on the extent of damage and the type of repair required.
4. **Sales and distribution of electric golf carts:** As more golf courses and communities switch to electric golf carts for their environmental and cost-saving benefits, there is a growing demand for suppliers and distributors of electric golf carts.
5. **Aftermarket accessories and customization:** Customers often look to personalize their golf carts with custom accessories such as windshields, seat covers, and lift kits. Offering these products and services can provide additional revenue streams.
6. **Electric golf cart maintenance and repair:** As with any vehicle, electric golf carts require regular maintenance and occasional repairs. Offering these services can be a profitable business opportunity, especially in areas with a high concentration of golf courses and communities that use electric golf carts.
7. **Technology and innovation:** As electric golf carts become more sophisticated and integrate with emerging technologies, there is an opportunity for businesses to develop and offer cutting-edge products and services. For example, GPS tracking systems, app-based rental services, and battery management software are all areas of potential growth.

SECTORWISE ELECTRIC GOLF CART BUSINESS ANALYSIS

The golf cart market has a broad scope, encompassing several industries and applications. The primary application of golf carts is in golf courses, where they are used to transport golfers and their equipment around the course. However, golf carts are also used in other applications, including:

1. **Commercial:** Golf carts are used in various commercial applications, including resorts, theme parks, airports, and industrial facilities. They are often used for transportation of goods and people over short distances.
2. **Personal:** Golf carts are also popular for personal transportation in gated communities, retirement communities, and other areas where driving speeds are low.
3. **Tourism:** Golf carts are used in tourism for sightseeing and guided tours. They are often used in cities and towns where the streets are narrow and congested.
4. **Utility:** Golf carts are also used in utility applications, such as maintenance, landscaping, and security. They are often equipped with specialized attachments and accessories to perform various tasks.

Due to the rising demand for environmentally friendly transportation options, the golf cart industry is also anticipated to expand in the upcoming years. Particularly electric golf carts are becoming more and more popular because of their low maintenance requirements, quiet running, and environmental friendliness.

Technology advances like the incorporation of GPS systems, onboard charging, and configurable features are major market drivers for golf carts. The market for golf carts is also anticipated to expand as a result of the growing appeal of golf as a leisure activity.

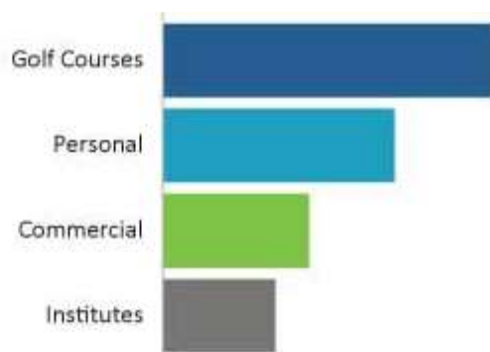


Fig. 1: Market Splits by End use, 2022

ELECTRIC GOLF CART MARKET ANALYSIS IN WORLD

The golf cart market can be analyzed regionally based on market size, growth potential, and market trends. Here is an analysis of the golf cart market in different regions of the world:

1. **North America:** North America is currently the largest market for golf carts, primarily due to the high demand in golf courses and other commercial facilities. The United States is the largest market in the region, accounting for the majority of the demand. The market in this region is expected to grow at a steady rate due to the rising popularity of golf and increasing demand for eco-friendly transportation solutions.
2. **Europe:** Europe is also a significant market for golf carts, primarily driven by the high demand in golf courses and resorts. The market in this region is expected to grow at a moderate rate due to the increasing demand for electric golf carts and technological advancements.
3. **Asia-Pacific:** The Asia-Pacific region is expected to grow at the fastest rate due to the increasing demand for golf carts in countries like China and India. The growing middle-class population and increasing disposable incomes are driving the demand for golf as a leisure activity, which is expected to boost the demand for golf carts.
4. **Latin America:** The Latin America market for golf carts is primarily driven by the demand in golf courses, resorts, and other commercial facilities. Brazil is the largest market in the region, accounting for the majority of the demand.
5. **Middle East and Africa:** The Middle East and Africa market for golf carts is relatively small but is expected to grow at a moderate rate due to the increasing demand in golf courses and resorts.

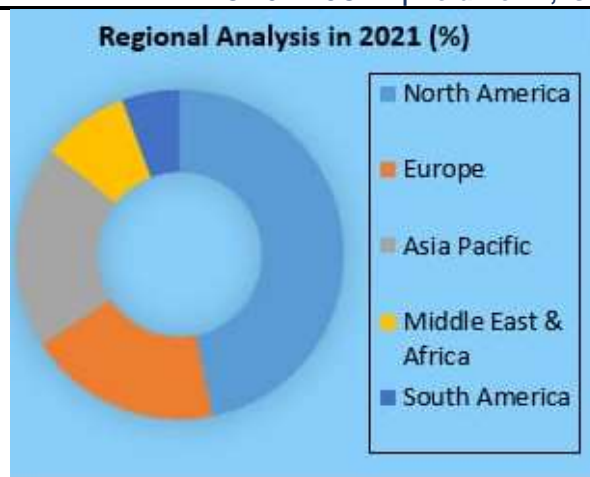


Fig. 2: Regional Analysis Graph in 2021

Globally, it is anticipated that the golf cart market would expand due to rising interest in environmentally friendly transportation options and the popularity of golf as a leisure activity. Depending on the degree of demand, the state of the economy, and governmental regulations, the market growth rate is anticipated to differ in each location.

INDIAN GOVERNMENT POLICES FOR ELECTRIC GOLF CART MAKET

The Indian government has launched a number of programmers and regulations to encourage the development of the nation's electric vehicle market, which includes electric golf carts. These policies and initiatives include, among others:

1. FAME India Programmed: To encourage the use of electric vehicles in the nation, the Faster Adoption and Manufacturing of Electric Vehicles (FAME) India Scheme was introduced in 2015. makers of electric vehicles, particularly electric golf cart makers, are given financial incentives under this plan.
2. The National Electric Mobility Mission Plan (NEMMP) was introduced in 2013 with the goal of promoting the use of electric vehicles in India. By 2030, the strategy aims to attain a penetration rate of 30% for electric vehicles, which includes golf carts.
3. GST reduction: In 2019, the government lowered the GST (Goods and Services Tax) on electric cars from 12% to 5%, making them more reasonably priced. This includes electric golf carts.
4. Infrastructure development: In order for the market for electric golf carts to expand, the government is also taking steps to create the critical infrastructure for electric cars, including charging stations.

The policies and programmed adopted by the Indian government to support electric cars create a favorable atmosphere for the development of the electric golf cart.

IMPACT OF COVID-19 ON ELECTRIC GOLF CART INDUSTRIE

Many firms, especially those in the electric golf cart sector, have been impacted by the COVID-19 outbreak. During the pandemic, electric golf cart businesses experienced a number of difficulties, including:

1. **Decreased demand:** During the pandemic, many golf courses and resorts were closed or operated with limited hours, which led to a decline in the market for electric golf carts.
2. **Disruptions to global supply chains** caused by the epidemic have made it difficult for makers of electric golf carts to get the raw materials and components they need to make their goods.
3. **Travel limits:** Because of the widespread implementation of travel restrictions, it is now more difficult for electric golf cart companies to take part in trade fairs and industry events, which are crucial for networking, marketing, and promoting their goods and services
4. **Safety concerns:** Businesses that sell electric golf carts were forced to put additional safety measures in place to safeguard their staff and clients from the possibility of COVID-19 infection. This entails taking steps to distance oneself from others, offering personal protective equipment (PPE), and putting more cleaning and sanitizing procedures in place.
5. **Economic uncertainty:** The pandemic has caused significant economic uncertainty, with many businesses struggling to stay afloat. This has made it challenging for electric golf cart businesses to secure funding, invest in research and development, and expand their operations.

Despite these difficulties, the pandemic has presented some chances for electric golf cart entrepreneurs. For instance, the demand for personal transportation, such as electric golf carts, has increased as more individuals choose to stay closer to home. The pandemic has also highlighted the significance of environmental sustainability, which could eventually encourage more customers to convert to electric golf carts.

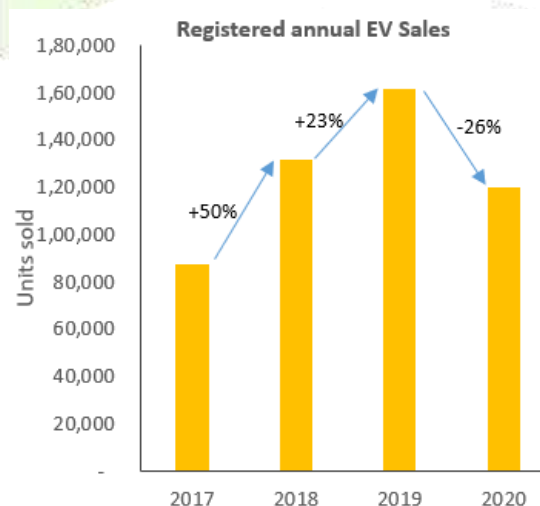


Fig. 3: Registered Annual EV Sales

CONCLUSIONS

An economic analysis and business report on electric golf carts are included in the research paper. According to the study, electric golf carts are more cost- and environmentally-friendly than gas-powered golf carts. The survey also demonstrates that the desire for environmentally friendly solutions in the golf course industry is driving up the sales of electric golf carts. Golf cart producers and managers can use the study's findings to make well-informed decisions about their corporate and tactical plans.

In conclusion, although the Indian market for electric golf carts is still developing, it has the potential to grow significantly in the next years. The market for electric golf carts in the country is still rather small, but it is steadily expanding thanks to governmental policies and incentives to encourage the adoption of electric vehicles, as well as increased awareness of the environmental advantages of electric vehicles. The Indian market already has several major participants like Tata Motors, Mahindra & Mahindra, and Club Car, as well as a number of smaller businesses and startups that provide cutting-edge and customizable alternatives. Overall, the electric golf cart industry in India has a bright future and has the ability to open up new business prospects.

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