

# Audubon Golf Trail

Prepared for:

**Louisiana Department of Culture,  
Recreation and Tourism**



## **The Louisiana Research Team**



## **Acknowledgments**

This report was prepared under the direction of **Harsha Chacko**, professor of the Lester E. Kabacoff School of Hotel, Restaurant, and Tourism Administration, with the assistance of **Marianne Hawkins Marcell** and **Melody Alijani**, research analysts in the Hospitality Research Center at the University of New Orleans. Thanks and recognition is also given to the LSU Public Policy Research Lab, for assisting with data collection. Gratitude is also extended to **Mark Northington**, Research Director of the Louisiana Office of Tourism, for general advice based on his valuable experience working with the Louisiana State Parks. In addition, **Eric Kaspar**, Director of the Audubon Golf Trail was instrumental in facilitating this study. Finally, recognition is given to the various other members of the **Louisiana Research Team** who provided specific information relevant to the final results as reported.

## Introduction

This report examines role of the Audubon Golf Trail in terms of its contribution to the mission, goals and objectives of the Louisiana Department of Culture, Recreation, and Tourism.

## Mission

The mission of the Audubon Golf Trail is to support and promote an alliance of high-caliber, high- value golf facilities that combine golf with the unique Louisiana culture, outdoor recreational opportunities, and hospitality experience to out-of-state visitors and Louisiana citizens. Currently, there are 11 golf courses that are members of the Audubon Golf Trail.

## AUDUBON GOLF TRAIL COURSES



## **AUDUBON GOLF TRAIL COURSES**

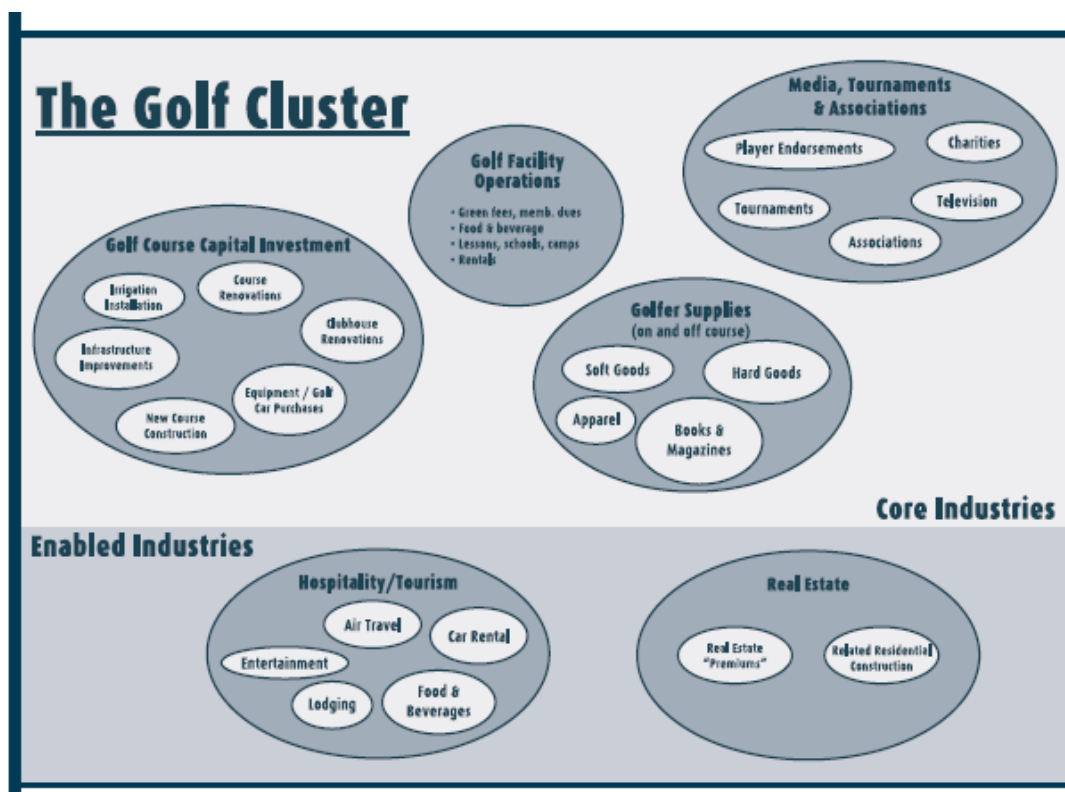
Name	Slope
Carter Plantation	143
The Island	143
Gray Plantation	138
Cypress Bend Golf Resort	142
Tamahka Trails	133
OakWing	125
Olde Oaks	143
Calvert Crossing	144
Audubon Park Executive	104
TPC of Louisiana*	138

\*Scheduled to reopen September 1, 2006

## TRENDS IN THE U.S. GOLF INDUSTRY

### Scope of the Golf Economy

According to a study conducted by SRI International (The Golf Economy Report, 2002) golf related industries can be grouped in the form of “the golf cluster”. This cluster consists of a set of core industries that are related directly to the playing of the game of golf and a set of enabled industries that support the game. Core industries include golf facility operations, golf course capital investment, golfer supplies, media, tournaments, charities, and associations. Enabled industries include real estate, and hospitality and tourism. According to the report, the size of the golf economy in the year 2000 was \$62.2 billion of which \$13.5 billion was generated in the hospitality and tourism industry.



Source: The Golf Economy Report, SRI International and World Golf Foundation Golf 20/20.

## **Golf Related Travel**

According to the Travel Industry Association (TIA), “one in eight U.S. travelers (12%) played golf while on a trip of 100 miles or more, one-way, away from home in the past year. Golfing travelers averaged 2.6 trips over the past year, with 10 percent golfing on six or more trips. Nearly one-half of golfing travelers did so only during one trip in the past year (46%). One-third went on either two or three golfing trips in the past year (34%). Sixteen percent of travelers who played golf said that golf was the most important reason for taking the trip. Over one-half of golfing travelers (55%) said that on their most recent golf trip, golfing was not a primary or secondary reason, but rather just an activity on the trip.”

The Golf Economy Report (SRI International, 2002) also indicated that 10.6 million trips were taken in the United States in the year 2000 where golf was the primary reason for the trip. Golf related travel consists of personal trips taken to play golf and also trips taken by core golf enthusiasts to attend tournaments such as the Zurich Class played at English Turn. Personal golf travel accounted for \$13 billion in 2000 while tournament travel accounted for \$435 million in travel expenditures. The most popular states for golf travel are Florida, South Carolina, North Carolina, California, and Arizona.

**Table 1. Breakdown of Golf Travel Expenditures**

Category	Amount (billions)
Lodging	\$5.09
Transportation	\$3.91
Food	\$2.60
Entertainment	\$1.43
<b>Total</b>	<b>\$13.03</b>

Source: The Golf Economy Report, SRI International and World Golf Foundation - Golf 20/20.

## **Golf Courses**

In 2004, there were 16,057 golf facilities in the U.S. of which 11,690 were open to the public. The states with the most golf facilities are Florida (1073), California (925), Texas (857), Michigan (852), and New York (822) (National Golf Foundation).

## **Golfers**

According to the National Golf Foundation, in 2004, there were around 27 million (20 million males; 7 million females) American adults who play at least one round of golf per year. However, only 12.8 million people are classified as Adult Core Golfers (aged 18 and above, who play 8 rounds or more per year) and this group accounted for 91% of rounds played and 87% of golf related spending. Among this group were 10.2 million males and 2.5 million females.

## Golf Rounds

In 2003, 495 million rounds of golf were played in the U.S. Overall growth in golf rounds played in the U.S. has flattened in the past few years although some regions showed an increase.

Interestingly, the Gulf Coast and the South Central regions showed an increase of approximately 4% in rounds played from 2002 to 2003. Top reasons for increased rounds included weather, course conditions, and **advertising** (Rounds Played in the United States, 2004 Edition; National Golf Association).

## Golf in Louisiana

The Louisiana Research Team conducted a Statewide Telephone Survey of Louisiana residents that included several questions pertaining to golf in Louisiana. The survey was conducted by the LSU Public Policy Research Lab during the week of February 20, 2006 via telephone utilizing random-digit dialing within Louisiana area codes and known exchanges. There were 916 completed responses. Questions were:

- 1) Do you play golf?
- 2) How many times per month do you play?
- 3) Are you aware of the Audubon Golf Trail?
- 4) Have you played at any of the courses?
- 5) Which Audubon Golf Trail course did you last play?
- 6) On a scale of 1-5 where 5 means excellent and 1 means very poor, please rate your golf experience at the course you last played.

According to this survey 22.4% of males and 4.6% of females indicated that they played golf. The frequency of playing is shown in Table 2.

**Table 2. Responses to question, “How many times per month do you play golf?”**

Number of times played	Males (%)	Females (%)
0	33.3	36.7
1	23.3	20.0
2	10.0	16.7
3	11.7	10.0
4	5.0	6.7
5	3.3	3.3
More than 5	13.4	6.7
Total	100.0	100.0

Based on the classification system used by the National Golf Foundation, for the sample in this survey, Adult Core Golfers (play at least 8 or more rounds per year) comprised 66.6% of the male golf playing Louisiana residents and 63.3% of the female golf playing residents of

Louisiana. The median frequency of times per month golf was played by Louisiana residents was once a month.

### **Louisiana Residents and the Audubon Golf Trail (AGT)**

The results of the survey of the Statewide Telephone Survey also showed that 54.1% of all males in the sample and 46.0% of all females in the sample were aware of the Audubon Golf Trail. In other words, about half of all adult Louisiana residents were aware of the Trail while the other half were not. However, as mentioned earlier only 22.4% of males and 4.6% of females in the sample indicated that they played golf. Of these golf playing Louisiana residents, 43.4% of males and 21.6% of females had played on a golf course that was a member of the Audubon Golf Trail. The golf course that was most played on by these players was Audubon Park in New Orleans. The survey asked players to rate the quality of the course they most recently played on a scale of 1-5 with one equal to poor and five equal to excellent. The average ratings for males was 4.23 and females was 4.62. (Table 3).

**Table 3. Louisiana Statewide Telephone Survey Results**

<u>All Louisiana Residents</u>	<u>Males</u>	<u>Females</u>
Awareness of the Audubon Golf Trail	54.1%	46.0%
Play golf	22.4%	4.6%
<u>For golf players only</u>	<u>Males</u>	<u>Females</u>
Median times played per month	Once	Once
Played on AGT course	43.4%	21.6%
Rating of last played AGT course*	4.23	4.62
<u>Most often mentioned course</u>	<u>Audubon</u>	<u>Audubon</u>

\*Scale: 1= Poor; 5 = Excellent



## **Audubon Golf Trail**

The Audubon Golf Trail was created in 2001 and has grown from six golf courses to eleven members in 2006. A golf course can apply for membership for a fee of \$2000.00 and once membership has been granted each course pays an annual fee of \$1000.00. The Audubon Golf Trail Commission consists of 31 members, 20 appointed by the Lt. Governor and one each from the member golf courses. The commissioners are responsible for evaluating the member courses.

### **Benefits of Membership**

The benefits of belonging to the Audubon Golf Trail are:

- 1) Advertising and promotion
- 2) Signage by the Department of Transportation
- 3) Access to reservations system
- 4) Featured on customized website
- 5) Prestige

### **Audubon Golf Trail Goal**

The goal of the Audubon Golf Trail is to increase rounds of golf played at AGT courses, thereby stimulating economic development, enhancing tourism, attracting new residents and retirees to the state and elevating the quality of life experience in Louisiana.

### **Return on Objectives**

Examining the success of the strategies used to achieve goals and objectives can assess return on objectives.

#### **Strategy 1**

Implement a comprehensive marketing program:

Majority (74%) of the budget of the AGT is spent on marketing programs including print and television advertising, public relations, direct mail, and the Internet. Although there has been no measurement of the effectiveness of advertising to out of state residents, the Statewide Telephone Survey showed that around 50% of Louisiana residents were aware of the Audubon Golf Trail. In addition, among residents who play golf, 43.4% of males and 21.6% of females had played on a golf course that was a member of the AGT.

#### **Strategy 2**

Align AGT with nationally and/or internationally recognized Louisiana resident Golf professionals to serve as the public face for AGT:

The 2006 advertising campaign for the Louisiana Department of Culture, Recreation, and Tourism received the support of David Toms, who is ranked among the top golfers in the world. A copy of the advertisement is included at the end of this report.

### **Strategy 3**

Develop interagency, intra-agency and public private collaborations to help advance the awareness of the AGT:

The Director of AGT has been working with Convention and Visitor Bureaus, civic organizations, and other DCRT offices and commissions to increase awareness. The results of the Statewide Telephone Survey show that one half of Louisiana residents know about the Audubon Golf Trail.

### **Strategy 4**

Uphold the standards of each golf course participating on the AGT:

Again, the results of the Statewide Telephone Survey show that the average performance ratings of the most recently played AGT courses by Louisiana resident males was 4.23 out of 5 and females was 4.62 out of 5. However, further studies must be conducted for golfers from outside the state.

### **Strategy 5**

Develop participation programs:

Programs to increase the rate of participation are being accomplished by holding junior and senior golf tournaments, promoting an AGT discount and recognition programs. In 2004, with nine member courses there were 224,000 rounds played while in 2005 with ten courses 249,000 rounds were played.

### **Strategy 6**

Increase the number of courses on the AGT:

With the addition of The Atchafalaya at Idlewild the Audubon Golf Trail has 11 member courses.

### **Return on Investment**

Although providing access to golf and providing earnings to Louisiana businesses is a valuable enterprise, it is generally agreed the true return on investment comes from the spending by out of state visitors who bring “fresh” dollars to the state. Therefore it is necessary to calculate the number of out of state visitors who visit Louisiana primarily for golfing and play on AGT courses. In addition, their expenditures per trip to the state must be estimated. This economic impact calculation can be compared with the total budget for the Audubon Golf Trail, which was \$878,000 for 2004-05.

Since there is no information available specifically on the number and expenditures of out of state golfers only rough estimates of required performance will be provided in this report. According to the Golf Economy Report, 2002 (SRI International and World Golf Foundation) the average travel expenses (excluding transportation, but including lodging, food, and entertainment) for U.S. golf specific trips was \$400.00. In order to produce economic impact to break even with the budget of the AGT, there must be approximately 2,197 golf specific trips to Louisiana per year. The Golf Economy Report also indicated that there were 10.6 million golf specific trips in the United States. Thus, only a small share of the U.S. market will be enough to produce the economic impact needed to offset the expenditures of the Audubon Golf Trail division.

According to the best guess estimates of the managers of AGT member facilities the number of out of state rounds played range from a high of 35% at Olde Oaks and Cypress Bend to a low of 1% at Calvert Crossing. The average proportion of out of state rounds is estimated around 15%, which translates to approximately 37,350 rounds played by out of state players per year. Given these estimates, it is highly likely that the Audubon Golf Trail expenditures are being recouped by the economic impact of out of state players. Finally, the finding in the National Golf Association's *Rounds Played in the U.S. Study 2004* that advertising was the third ranked reason cited for increased rounds provides support to the efficacy of using marketing dollars to promote the Audubon Golf Trail.

## **Recommendations**

A study to calculate the economic impact of the Audubon Golf Trail that includes a survey of out of state AGT golfers is necessary to provide a better evaluation of the return on investment (ROI) of this division in the future. The member courses must be involved in collecting data that is important to evaluate ROI. This includes:

- 1) Keeping track of numbers of out of state players versus in state players for fiscal year
- 2) Hand out surveys randomly to out of state players to assess visitor expenditures in Louisiana on a year round basis
- 3) Provide incentives, such as buy one get one free rounds to increase response rate of surveys
- 4) Assess satisfaction with golf experience for in state and out of state players
- 5) Measure advertising effectiveness in bringing out of state visitors to member courses

PGA Professional David Toms in support of the Audubon Golf Trail and LACRT.

