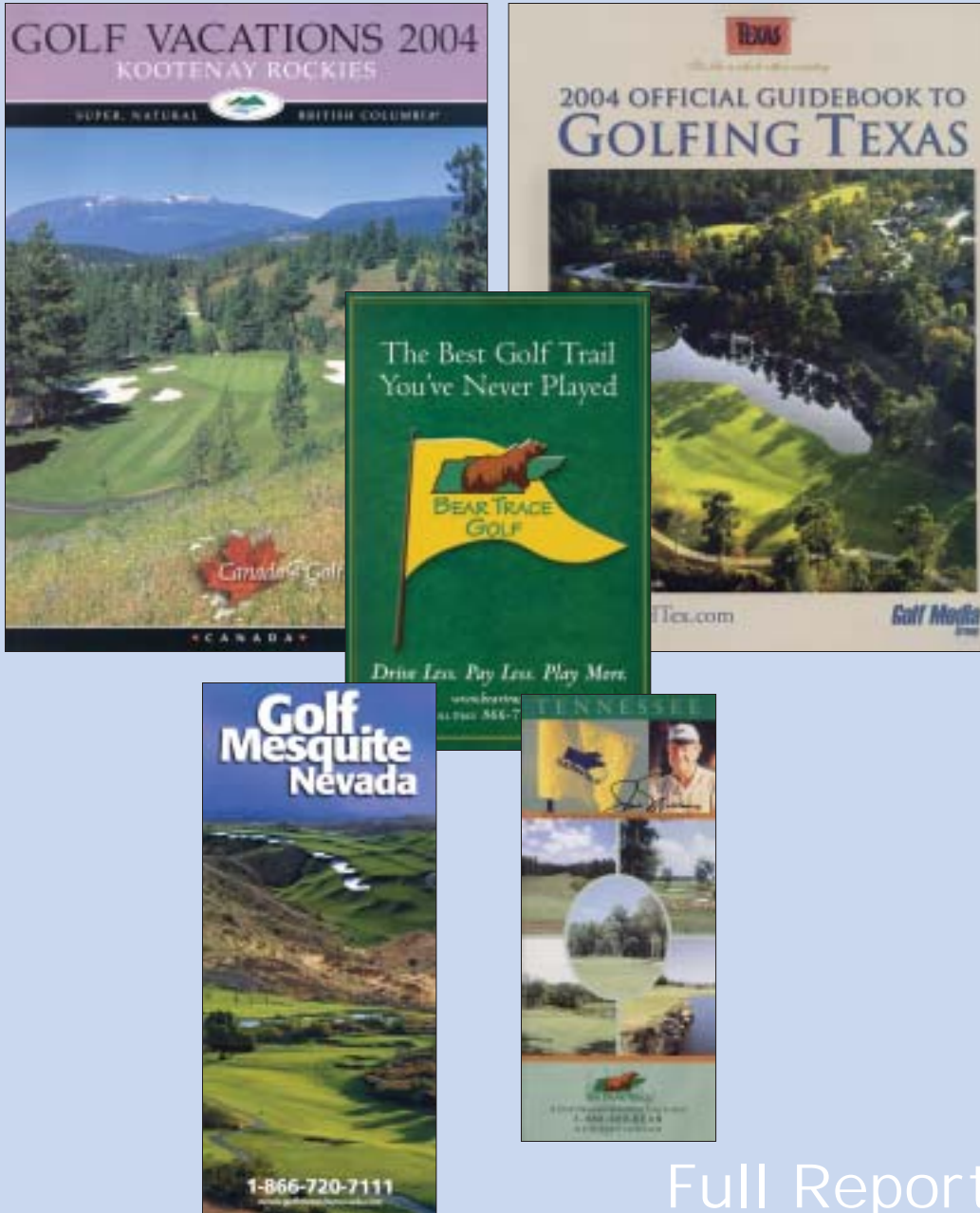


A Study of some of the Best Practices of Golf Course Consortia



Full Report

A Study of the Best Practices of Golf Course Marketing Consortia

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Alberta has one of the highest adult golf participation rates in the world, with an estimated 30% of adult Albertans playing at least 10 rounds of golf per year. The game has sustained steady growth over the past 20 years, and to satisfy consumer demand, there has been a boom in the construction and development of new golf courses and resorts in the province, which mirrors a similar construction growth throughout North America and worldwide. As the industry has matured, and growth in the total number of players has begun to level out, it is incumbent upon owners and managers of existing golf properties to maximize the effectiveness of their marketing strategies.

There has been a discernable trend over the past number of years for golf courses within close geographical areas to form marketing consortia so that they can achieve maximum leverage for their advertising and marketing budgets. These may be groups of golf courses owned and operated by the same parent company or they may be independently owned facilities. Some groups may receive significant contributions from governments for their marketing; others may receive nothing. Some consortia have developed partnerships with accommodation providers to offer full service Play and Stay packages while other groups focus their marketing efforts solely on the golf courses themselves.

But all the groups in this study have one thing in common. They have pooled their resources and are marketing their golf courses as a group rather than on a stand-alone basis. This study has examined ten different groups around North America and overseas with the objective of taking a more in-depth look at each group and their success and failures based on a number of criteria. Alberta Economic Development can assess these consortia and utilize some of the more effective practices of these groups in helping to form a more comprehensive way to help golf in Alberta be more successful as a key drive in generating tourist traffic and economic activity.

The consortia studied are the following:

1. The Audubon Golf Trail – Louisiana
2. The Flathead Valley Golf Association – Montana
3. Pinehurst, North Carolina
4. Myrtle Beach, South Carolina
5. The Robert Trent Jones Golf Trail – Alabama
6. The Bear Trace Golf Trail – Tennessee
7. Canada's Desert Links – southern British Columbia
8. The Kootenay Rockies area – southeastern British Columbia
9. The Country of Ireland
10. The Mesquite, Nevada and St. George, Utah area

The initial proposal to AED had suggested a somewhat different list that included groups on Vancouver Island, Phoenix and New Zealand. The final list has been amended slightly for a variety of reasons, either for the group's unwillingness to share information about their marketing practices, or the fact that after a detailed investigation it was learned that there were not really any identifiable groups of golf courses within the area

that were in fact pooling resources to do collective marketing. These three locations were replaced by groups in Montana, B.C., and Tennessee that were more than willing to share information and whose makeup and structure was consistent with the other groups in the study.

Each of the above named groups or destinations have a separate report that follows. We have provided a brief background and history of how the group was established and some of the rationale for their founding and growth. We have looked at how each group gets their funding, with special emphasis on the participation of local, state or national governments. There in an examination of direct and indirect benefits to the community or area in terms of population growth, business development and support infrastructure that can be closely tied to the golf industry.

We have looked at their media plans and the types of advertising that they have found to be successful, and some of the methods that have been found lacking. Effective use of the Internet is paramount to the success of any business in the 21st century and we have examined how these consortia use the web. We have looked at the relationships with local chambers of commerce and convention and visitors authorities to assess the impact the consortium may have had on their ability to attract business investment and conventions. We have also tried to extract some of the best ideas and success factors from each group's efforts and experiences.

Some of the groups are just in their infancy while others are well established entities with track records going back several decades. Budgets for the groups ranged from low 6-figures to over \$8Million per year. Some consortia represented less than a half dozen courses; others had over 100 members. But there were several clearly identifiable best practices that were consistent among the most successful of the groups that I would recommend be adopted by any golf consortium in Alberta wanting to achieve maximum success in building their business.

1. Have a good website.

The website is probably going to be the first contact a potential new customer will have with the group. Interesting graphics, strong visuals and a clean, crisp look will get and hold the visitor's attention. Sites for Canada's Desert Links, the Audubon Golf Trail, and the Kootenay Rockies for example were in my opinion above average in delivering their initial message about location, the look and feel of their member courses, and were well laid out.

2. Have more than golf to offer.

The quality and overall value of the golf experience is of course very important in the buying decision of anyone researching where to spend time and money on a golf vacation. But developing good relationships with other local tourist attractions and leveraging the total experience available in their area has been critical to the success of many of the consortia. The Audubon Golf Trail talks

about the food, culture and southern hospitality in Louisiana. Pinehurst has trademarked their brand as the Home of American Golf to reinforce their long history and traditions. The Mesquite area features their nightlife and gaming to round out their total package. There are always the golf enthusiasts who want nothing more than “golf till you drop”, but many others seek off hours activities, fine dining and sights that help round out the entire vacation experience.

3. Make the booking process seamless.

Having either a toll-free number or the ability to book golf and accommodations with one phone call or online inquiry is very important. The Bear Trace, Robert Trent Jones Golf Trail, and the Flathead Valley Golf Assn all had their toll-free phone numbers and/or online tee time link prominently displayed on their literature and their website. Some groups buried their contact information deep in the site or did not even offer packaging or a call to action initiative.

4. Be willing to adapt your marketing.

The RTJ Trail at first were encouraging visitors to see as many of their member courses as possible and this encouraged travel throughout the state. But they found that they could best control their guests’ entire trail experience by getting into the accommodation business and have begun to build on-site hotels and conference centers. The Audubon GT people have very closely tracked the response rates from various media buys, and have as a result pulled back from TV spots and gone more into direct mail pieces for success. The Myrtle Beach CVB is seeking to open new markets in the Midwest by proactively lobbying airlines to start more direct flights into their airport. Pinehurst has discovered that more visitors are willing to drive further distances in the post 9/11 environment rather than get on airplanes and they are advertising their relatively easy access by highway to a much wider audience.

5. Create a brand

Successful consortia have capitalized on something unique or different either geographically or culturally in their area. For example, Ireland lures visitors with the mystique and old world charm of centuries worth of history. The Canada’s Desert Links group leverages their climate and desert-like setting right here in Canada. Myrtle Beach markets themselves as the world’s #1 golf destination with their intense concentration and variety of courses.

Many of the golf course consortia here in Alberta are already adopting much of these ideas in their marketing. The GolfCentralAlberta group, for example, has a well-designed website with a clear call to action, easy booking system, price point and brand of affordable golf within an easy drive of Edmonton and Calgary.

LOUISIANA'S AUDUBON GOLF TRAIL

Mailing Address: PO Box 44426
Baton Rouge, LA 70810

Phone: 1-866-248-4652
For Trail information

1-225-219-9874
For Eric Kaspar, Tour Administrator

Website: www.AudubonGolf.com

Key People: Eric Kaspar
Tour Administrator
Louisiana Department of Tourism
PO Box 44426
Baton Rouge, LA 70810

Background:

The Audubon Golf Trail is a consortium of nine golf courses in the State of Louisiana. The consortium was founded in 2001 after the Lt Governor of the State had appointed a task force in the late 1990s to investigate various methods to set up a consortium with the state along the lines of the very successful Robert Trent Jones Golf Trail in the neighboring state of Alabama.

The first concept to establish a State Trail in 1999 had been to tap into surplus state revenues to build golf courses, but insufficient funds were available and political opposition to the plan precluded this method. In 200, the State put forth an RFP for a developer to submit bids to construct a number of new golf courses on State Park land, as Alabama had done. However, for a variety of reasons, no bids were submitted that met the criteria of the State Tourism Dept. Therefore, they shifted focus to see if there were enough existing independently owned golf courses within the state that would be willing to form a consortium and market themselves collectively rather than individually. Coincidentally, there happened to be several mid to high-end market golf courses under construction and opening in that period of time, and in 2001, six of these courses formed the first version of the Audubon Golf Trail. The Trail has since grown to nine facilities.

When the Trail was first established, golf in the state was mainly a mix of private courses in major metropolitan areas and lower-end municipal courses. There was little in the way of mid-market resort type public facilities that would cater to tourist traffic seeking a more substantial golf experience. In 1999, Golf Digest magazine ranked Louisiana 48th in the USA in public accessible golf courses per capita, ahead of only Alaska and Delaware.

There was an obvious lack of awareness outside the State of the quality and types of golf courses that were in existence.

Funding

Each participating golf course pays a modest fee of \$1,000 per year to belong to the Trail. Funding for the marketing comes directly from the State of Louisiana Department of Culture, Recreation, and Tourism. Literature provided by the AGT Administrator indicated that their marketing budget for fiscal 2004-2005 will be \$825K.

At this point, there are no other partners in the AGT other than the nine golf courses. Their literature does make reference to a total golf and holiday experience in Louisiana encompassing restaurants, gaming, the enjoyment of their State park experience with an emphasis on wildlife and natural beauty, but at this point, there are no direct funding contributions from entities such as hotel chains or casinos into their marketing budget.

Trickle Down Effects

Mr. Kaspar, Administrator for the AGT, reports that in every case, there has been significant evidence of private enterprise development and growth in close proximity to virtually every member course of the AGT. This infrastructure includes motels, gas stations and convenience stores, residential housing developments and shopping. In fairness, it may be difficult to quantify how much development would have taken place had the AGT not been developed per se, because these were golf courses that were under construction or on the drawing boards when the AGT was formed in 2001 anyway, but there is no question that the profile and cachet surrounding each participating course has been raised substantially by their recognition as an AGT member.

Mr. Kaspar was unable to provide information as to whether or not any local municipalities or civic governments had provided any tax relief or concessions to any developer who had built a participating golf course, but he didn't think there had been any such concessions.

FLATHEAD VALLEY GOLF ASSOCIATION

Mailing Address: PO Box 1116
Kalispell, MT 59903

Phone: 800-392-9795

Website: www.golfmontana.net

Key People: Steven Dunfee
General Manager
Kalispell GCC

Lisa Jones
President
LJ Communications
Whitefish, MT

Background:

The Flathead Valley Golf Association comprises a collection of nine independently owned and operated golf courses within the State of Montana. These courses are situated in the western part of Montana in and around Glacier National Park and surrounding Flathead Lake, This is a major recreation destination for not only golf, but skiing, hiking, camping, boating and fishing.

The Association was founded in 1985 under the leadership and direction of Mr, Peter Tracey, the owner of Meadow Lake Golf Club in Columbia Falls, MT. Prior to the mid-1980's, resort and public golf in Montana consisted primarily of individually owned golf properties that largely catered to state residents. Each course did what they could afford for marketing, but given the relatively short playing season and somewhat fractured marketplace at that time and uncoordinated marketing efforts, advertising was on somewhat of a hit and miss basis and tended to have a more local focus and audience.

Mr. Tracey's vision was to promote the golf courses and resorts in the area as a destination rather than have each course fight for market share without the resources available to undertake a coordinated, well thought out marketing plan. With the larger budget available from pooling their collective resources, he felt that they would be able to develop a much more effective means of not only attracting visitors to the area from neighboring Canadian provinces such as Alberta and British Columbia, but also to create increased awareness within the State for what up to that point in time had been "hidden gems" with little awareness outside the immediate area.

Funding

Participation in the Flathead Valley Golf Assn. is open to any golf course or hotel accommodator in the area. Each partner contributes an equal share to the overall budget; there is not a different level of contribution for golf courses with more or less than 18 holes, or for differing types or sizes of hotels. There is no direct, sustained contribution to the funding process by Tourism Montana or any other level of state or municipal government, although there have been cases where Tourism Montana has helped with individual initiatives, but not on a specified, formulaic basis.

Trickle Down Effects

There are some isolated instances where the increased tourist traffic generated by the growth of the golf industry has led to the creation or upgrading of hotel and food service businesses. For example, the construction of the 27-hole Eagle Bend Golf Resort in Bigfork, MT led directly to the construction of two motor inns in that community, but it is arguable as to whether this development was attributable to the efforts of the golf course consortium or as to whether these businesses would have been started had Eagle Bend remained outside the marketing group.

Overall, the research has not indicated that there has been any substantial growth of non-golf related business directly as a result of their forming a marketing consortium.

Media and Advertising

Each golf course and hotel partner is represented on a Board of Directors which meets quarterly. The Board has hired a full-time marketing agency in Whitefish MT, LJ Communications, to handle the overall marketing direction and coordination. Their core market of potential customers is the Pacific Northwest into Canada, with Alberta being a major market, especially for early season spring play when courses here are not quite ready to open.

The Flathead Valley Assn. does very little in the way of print advertising. They do four trade shows per year, including one in Calgary. One of their big success stories has been the development of "Fam Tours" for visiting golf publication writers. They have been featured in Golfweek Magazine and Golf Magazine over the past two years, and the Head Professional at Eagle Bend GC reports that the sales generated from these articles was very substantial and far in excess of any direct print or TV advertising that their group ever did. Michael Wynne, Head Professional at Eagle Bend GC, said "The tours for the visiting golf writers have been incredibly successful for us. When we were featured in Golfweek Magazine last year, the phone just didn't stop ringing."

The Internet

Customers using the Internet have two choices for making golf reservations. They can link directly to the golf course's site for general information, but cannot get direct access

to the tee sheet to book reservations. They must either phone the golf course on their own toll-free or toll number, or use the consortium's toll-free central reservation number for complete hotel and golf packages. The consortium does not utilize the services of an on-line tee time booking service.

Each participating course has its own website but local hotels do not. All the golf courses have links to their individual websites from the Home Page, and the hotels are listed with their phone numbers and addresses. The hotels can reserve blocks of tee times for their guests' use, and these tee times are in some cases sold to wholesalers who take a percentage of the hotel's portion of the revenue when they are sold.

Convention and Visitors' Authorities

The attraction of conventions and meetings does not play a large role in this consortium's plans. The Flathead CVB (Kalispell) and the Whitefish CVB do have information on hand about the consortium, but Rhonda Fitzgerald, President of the Flathead CVB says that the area does not have facilities for any large scale conventions that would have a significant impact on the spin-off business that would accrue to the golf courses. They DO make anyone inquiring about hosting a meeting or convention in their area aware of the golfing opportunities, but the existence of the Association is not a significant determinant in decisions to hold meetings and conventions in the Kalispell or Whitefish communities.

The CVB's do not receive any compensation or contributions from the Association in any way.

There is a 3-tier state hotel tax that helps fund consortium initiatives. The state is divided into regions and each region receives a portion of an overall 9% hotel tax. Of this overall total, 3% goes to the state, 2% to the city or municipality in which the tax is collected, and a further 4% goes to the overall budget for the particular region. Each region has a board that allocates their budget to tourism promotion as a whole, whether this is for skiing, golf, outdoor activities such as hunting or mountaineering, or other tourism activities. In short, the golf consortium does receive tourism funding from this tax, but not necessarily in direct proportion to the revenue they create by visitors coming specifically for golf.

Best Practices

The hiring of a professional marketing agency appears to have paid good dividends for this group, rather than have the golf course and hotel partners make media and advertising decisions on their own. Consensus among interviewed partners was that the agency was doing a very good job.

Their focus on the creation of "Fam Tours" for visiting media has been very successful in attracting visitors from a wider area than they may have been able to reach with paid advertising initiatives. The consortium's website itself was functional, if not spectacular, providing all the necessary information but without much fanfare.

PINEHURST, NORTH CAROLINA

Mailing Address: Pinehurst Convention & Visitors Bureau (PCVB)
PO Box 2270
Southern Pines, NC 28388

Sand Hills Golf Association (SGA)
PO Box 1239
Pinehurst, NC 28370

Phone: 800-346-5362 (PCVB)

910-295-6467 (SGA)

Websites: www.homeofgolf.com (PCVB)

www.sandhillsgolf.com (SGA)

Key People: Mary Kim
Director of Marketing
Pinehurst Convention & Visitors Bureau

Mike Campbell
Director of Operations
Sandhills Golf Association

Background:

The Pinehurst, North Carolina area is one of the oldest, most prestigious golf destinations in the United States. The first golf course was built in Pinehurst in 1899 by the legendary golf architect Donald Ross and the area is synonymous with his name. The Pinehurst Resort itself has 8 outstanding courses within the complex, featuring the world famous Pinehurst #2 Course designed by Donald Ross, generally regarded as one of the Top Ten golf courses in the world. Courses such as Pinehurst # 2 and Pine Needles have hosted many major championships and Pinehurst #2 will host the 2005 US Men's Open Championship.

The Pinehurst, Southern Pines, and Aberdeen area is generally recognized and best known merely as "Pinehurst". The area is approximately halfway between New York and Florida, and halfway between the Appalachian Mountains and the Atlantic Ocean. There are 43 golf courses within a 15-mile radius, which is the highest concentration of golf holes/permanent resident in the United States. The overall marketing for the area is handled through the Pinehurst Convention & Visitors Bureau (PCVB), although several of the golf courses have formed their own 17 member course consortium under the

banner of the Sandhills Golf Association (SGA). Other courses such as the Pinehurst Resort itself have their own stand alone marketing budgets.

The majority of the golf course construction boom has taken place in the past twenty years. The Pinehurst CVB was not formed until fifteen years ago as a response to the growing need to better market the area regionally and nationally. Prior to the early 1980s, golf in the area consisted primarily of the Pinehurst Resort, which at that time only had five courses. The tradition and long history of golf in the area has enabled them to create a unique brand trademarked as the “Home of American Golf”. Much of their marketing efforts reinforce this image of their heritage and turn of the century architecture and style.

Funding

Tourism as a whole within the Pinehurst / Aberdeen / Southern Pines area is funded by a 3% hotel tax that is rolled back by the State of North Carolina to the area to promote tourism. This includes historical attractions, museums, and the like, but the majority of the budget is used to promote golf. The courses themselves are not built or administered by the State, but by private enterprise.

The SGA member golf courses contribute equally to their marketing budget which is administered under the guidance of a Director of Operations.

Trickle Down Effects

Virtually the entire economic growth in the Pinehurst area over the past twenty years can be traced to the development and expansion of the golf industry. Shopping, medical facilities, schools, residential and vacation home construction and support infrastructure have all been developed as a direct result of the boom in new golf courses and tourist traffic throughout the 1980s and 1990s. Even in the post 9/11 era, new courses continue to be started. The local municipalities all recognize the importance of the golf industry to their area, and are fully supportive of the marketing efforts of the PCVB.

The PCVB has created and administers a distinct and unique brand incorporating not only the world class golf courses, but the tradition and quality of the area’s hospitality. They appear to be working in harmony with hundreds of hospitality-based businesses and stake holders to help distinguish the area from all other competing travel, recreational and meeting destinations. They are making a conscious effort to build sustainable tourism over a long period of time with emphasis on preserving the area’s authenticity and natural beauty. But they also have recognized that tourism has its limits and that unchecked growth can create unmanageable burdens on the infrastructure.

Media and Advertising

The PCVB media buys include major national golf publications such as Golf Digest to target their major customer, the avid male golfer 40 and over. Recognizing the growth of women’s golf, they also purchase space in lifestyle magazines catering to women,

primarily in the US Southeast. They do some TV spots, with a somewhat unsuccessful venture into “per inquiry TV” utilizing remnant space largely on fringe TV channels not necessarily with a viewership demographic that they would normally target. The marketing efforts of the SGA are generally more regional in scope, primarily in the North Carolina and eastern seaboard markets.

Neither group makes use of an outside marketing or media buying agency for ad buy recommendations, nor does there appear to be specific measurements in place to assess the effectiveness of any one particular media investment.

The Internet

The PCVB site does not actually have any one “Call to Action” toll-free phone number or web link to make one-stop purchases of golf packages or to reserve tee times. There are links to enable a visitor to create their own golf holiday, or eventually get into the website of a particular accommodation provider to inquire about shoulder season specials, but the process is cumbersome. The PCVB says that with the wide variety of price points available within their membership, it is virtually impossible to create packaging with one price point, nor do they see their role as being the fulfillment center to do the booking and reservations.

The 17 courses under the banner of the SGA are all relatively similar types of courses. Their website does have a “Golf Packages” section with time sensitive seasonal price points that are valid at any of the participating golf courses. They also have an on-line “booking” system which is really just an email inquiry about a range of times that may be available at any of several courses and still requires a person within the SHGA to make phone calls to check on tee time availability.

Convention and Visitors Authorities

It would be self-evident to say that the PCVB works closely with the local Convention and Visitors Bureau, as they ARE the local Convention and Visitors Bureau! They are unable to attract major conventions because of a lack of a suitable convention center in the area and the lack good airline connections direct to Pinehurst, but they are able to sell substantial meeting space for groups of up to approximately 200 people.

The nearest major airport is in Raleigh, NC, about 60 miles away, although there is a local airport able to handle smaller commuter and private airplanes. Their experience has been that post-9/11; visitors are much more likely to drive to the area from a longer distance so they have not seen a negative impact on their visitor numbers.

Best Practices

The Pinehurst area has done an excellent job of promoting their area’s history and unique sense of place and style. They are not in the “growth for growth’s sake” business, as they seem to recognize that their major target customer is willing to pay a little more for the

experience and enjoyment of their area's history and other attractions. Their customer is college educated, professional, a high earner and an avid golfer. They do provide good information in their website; you just have to take your time to find it.

The SGA group is more concerned with selling their own product rather than the area as a whole, but that is understandable given their respective mandates. They have made good use of leveraging the area's reputation as a premier golf destination, with a little more aggressive approach than the PCVB to generating sales.

MYRTLE BEACH, SOUTH CAROLINA

Mailing Addresses::
Myrtle Beach Golf Holiday
3420 Pampas Drive
Myrtle Beach, SC 29577

Myrtle Beach Convention & Visitors Bureau
PO Box 2115
Myrtle Beach, SC 29578

Phone:
MBGH
1-800-845-GOLF (4653)

MBCVB
1-800-488-8998

Websites: www.golfholiday.com (MBGH)
www.myrtlebeachinfo.com (MBCVB)

Key People:
Mickey McCamish
President
Myrtle Beach Golf Holiday

Steven Green
Vice-President of Communications
Myrtle Beach Convention & Visitors Bureau

Background:

The Myrtle Beach, South Carolina area is one of the best known and most popular golf destinations in the world. It consists of a collection of about 120 golf courses along with hotels, motels and tourist support infrastructure located along an approximately 60 mile long stretch along the Atlantic Ocean that has come to be known as The Grand Strand. No one “founded” Myrtle Beach per se, or the collection of golf courses that now market themselves as a vacation destination. The first golf course was built in 1927, but even as recently as the late 1960s there were only 7 golf courses in the entire area. The major growth in the number of courses has been in the past 25 years.

The beaches there are among the best in the world, and in the summer months, beach traffic surpasses golf by far in terms of the number of visitors. A total of approximately 14 million visitors will travel to the area in 2004. In fact, the development of the golf

industry there was more of a result of hotel operators and investors seeking ways to expand the “season” into spring and fall to generate traffic to fill hotel rooms. They were already packed to capacity in the summers from beach traffic, but needed ways to generate visitors to fill hotel beds in the March-May and Sept-November shoulder seasons. The biggest boom in golf course construction came from the late 1980’s through the 1990s and has now leveled off as supply caught up to demand,, combined with factors such as an overall economic downturn in the USA post- 9/11. Only three new courses are under construction in the Grand Strand at this point.

Marketing of the Myrtle Beach area as a destination falls to two bodies that while under separate administration, work very closely together. Myrtle Beach Golf Holiday is a non-profit organization which is the official body for promoting golf and golf packages in the area. There are also a number of private enterprise, for-profit tour operators and golf packagers competing for market share, but MBGH is by far the largest and most widely recognized group providing these services.

The Myrtle Beach Convention and Visitors Bureau works parallel to the MB Chamber of Commerce. They handle the convention and meeting business for the area, as well as the marketing for beach visitors. The MBGH people do all the marketing for golf.

Funding

MBGH has an annual budget of approximately \$8 Million. The three major sources of funding for this budget are fees collected from various tournaments that they promote throughout the year (\$2.5M), consortium member dues (\$3.8M), and contributions from the State of South Carolina Tourism Board \$1.2M). They have just over 100 golf courses who contribute \$27K per course per 18 holes, and hotel/motel partners pay from \$10K to \$20K bases on a sliding scale geared to the number of beds they have. The State Tourism contribution comes from the collection of a 5% accommodation tax, of which 70% is spent on general tourism marketing and 30% for golf-specific initiatives.

Trickle Down Effect

In an interview, Mr. Mickey McCamish, President of MBGH, said that the golf industry has a total economic impact on South Carolina of approximately \$800 Million, exclusive of the golf and hotel industries themselves. This includes such support industries as restaurants, shopping, bars, car rental agencies, airport fees, gas stations, and other support infrastructure, and employs about 10,000 people. In an area only about 60 miles long, this is a significant amount of economic impact.

The golf boom of the 80s and 90s created a surge of construction and increase in the number of visitors to the MB area, many of whom were the “boomer” generation. As this demographic is now entering retirement, the area has seen a tremendous increase in the construction of new homes, with the growth of new home construction in the MB area now #2 in the US, behind only Las Vegas. As the number of permanent residents

increases over the next 10-20 years, there is already evidence of support infrastructure growth in medical care, shopping and professional service needs.

Media and Advertising

Myrtle Beach has created a distinct brand for their area. In fact, they have trademarked the phrase, “Where the World Goes to Golf”, and their literature, website, and TV marketing all make pointed and frequent reference to the fact that they are the worlds #1 golf destination in terms of numbers of visitors and rounds played. They offer a wide variety of price points in both golf and accommodation suitable for pretty much anyone’s budget.

They use a wide variety of media, incorporating national and regional magazines, TV, newspapers, and direct mail pieces from their data base. Courses participating in the MBGH consortium are still free to do their own stand-alone marketing, and several of the higher-end properties do just such that. Their major target market is the eastern half of the US, with particular emphasis into the northeast Boston to Washington metroplex. Their Canadian marketing has been in the past mostly in the Ontario and Quebec areas.

The MBCVB have their own Marketing Department and MBGH hires an outside advertising and media buying agency to assist them in making media decisions. Follow-up and handling of incoming inquiries is handled by fulfillment officers under the umbrella of MBGH.

The Internet

The MBHG site is well organized, with a different area course being featured daily, along with easy to navigate sections for accommodations, tournaments, seasonal price specials, and contests. They have a section called “e-savers” where direct emails can be sent to you offering last minute price specials and another unique section where you can email in an unusual Myrtle Beach golf story in a contest to win a new driver. These are of course all methods used to increase their data base for direct mail marketing.

The MBGH group makes extensive use of wholesalers who negotiate discounted rates for golf and package these tee times through local hotel partners. They are not pre-purchased, but merely to provide preferential tee times to visitors staying at consortium hotel partners.

Site visitors are encouraged to make use of the Myrtle Beach Golf Planner to research a hotel/golf package within their own budget prior to calling the toll-free phone number to actually book room and tee time reservations. With the wide variety of price points available in both hotels and golf courses, this methodology works better than attempting to provide one-stop shopping with one pre-determined price point. The MBGH site provides thumbnail sketches of participating golf courses with links to the golf course’s home page for more detailed descriptions.

Convention and Visitors' Authorities

The relationship between the golf/hotel providers in Myrtle Beach (MBGH) and the MBCVB is as close and efficient as any examined in this study. The two groups work very closely together in providing information to prospective convention organizers, and in their situation, the variety of quality of the golf courses is the main reason why many convention planners choose the Myrtle Beach for their meetings in the first place. Their convention business tends to be in the peak golf seasons of spring and fall rather than summers when hotel occupancy is high and room rates are at their most expensive. The meeting groups tend to be smaller in nature, which is partly a function of lack of direct air service from major centers that would tend to be major corporation headquarters.

This may be changing though, as the MBGH people have been working very hard with area air carriers to provide more flights, better connections and new routes into their airport. A new relationship with Northwest Airlines out of Minneapolis has just been established, for example, which now provides direct flights from that location into Myrtle Beach, enhancing their marketing capabilities in the Midwest.

Best Practices

The relationship between the hotels and golf courses here is excellent. Golf is the main economic generator in spring and fall, and certainly very important in attracting business development, residential housing starts, and tourism in general. They have developed and promoted several major amateur tournaments to build business in off-peak periods such as the World Amateur Championship which was started 21 years ago and now annually attracts over 4,000 golfers in a one-week period in late August that was traditionally one of the slowest weeks of the year. Portions of these tournament fees also provide approximately \$2.5Million in revenue for MBGH promotion and marketing.

Another unique marketing vehicle is the preparation and awarding of a complimentary Hole-in-One Plaque to every player who makes an ace on a Grand Strand golf course (about 800 per year). These attractive plaques are couriered to the golfer at his home, and you can be sure they hang proudly in offices and dens all over the country helping to build good word-of-mouth and cachet for the group.

But more than anything, their brand has been built over the past forty years to make the Myrtle Beach area the #1 choice as a golf destination in their prime target market. They have the variety of golf courses, great climate, and central location on the eastern seaboard to make their area very attractive. By treating golfers as their bread and butter and catering to their needs at the level they do, they have been extremely successful.

ROBERT TRENT JONES GOLF TRAIL

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167 SunBelt Parkway
Birmingham, AL 35211

Phone: 800-949-4444

Website: www.rtjgolf.com

Key People: Russell Redford
CEO, Sunbelt Golf

Barbara Thomas
Vice-President, Marketing
Retirement Systems of Alabama

Background:

The Robert Trent Jones Golf Trail is situated entirely within the State of Alabama. It is in many ways a unique golf course project, and has been one of the most successful golf course consortiums ever put together.

The Trail was conceived and founded in the late 1980's by Dr. David Bronner, the CEO of the Retirement Systems of Alabama, the state teachers' pension fund. Dr. Bronner's vision was to create a state-wide series of championship golf courses that would be the catalyst for tourism, job creation, and economic development for generations to come. The Trail initially was comprised of seven sites throughout the state with a total of 324 holes (18 courses), and since that initial phase of construction, there have been another 54 holes open at one additional site, with three more courses currently under construction at two additional locations. When construction is complete on these two new locations, the Trail will comprise 24 golf courses at 10 sites throughout the state.

Alabama has been in the past, and continues to be, one of the more economically disadvantaged States in the USA. Their unemployment rate was higher than the national average and their average family income below national standards. Dr. Bonner's vision was to create the collection of golf courses, owned and operated by the Retirement Systems of Alabama (RSA) that would act as a catalyst for job creation and generate a wealth of new interest in the State of Alabama as a tourist destination centered on golf courses and supporting infrastructure.

Prior to the creation of the RTJ Golf Trail, golf in Alabama was a mixture of private clubs mainly in Birmingham and Montgomery, and public courses catering primarily to local traffic in the lower and mid-market range. Some interest in the Gulf Shores area near Mobile was in evidence as a golf destination but was also largely driven by the

area's attraction as a beach and water recreation area. Tourists largely either passed through Alabama on their way to other locations such as Florida or New Orleans, or their stays were centered on college football in the fall.

Funding

The marketing budget for the RTJ Trail comes out of general revenue streams and profits. Because the courses are all owned and operated by the RSA, there is not a contribution per se from each site. The State of Alabama does not contribute directly to the marketing budget, but there was a substantial contribution from both State and private industry in the creation of the Trail in the first place. All the land for the courses was either state-owned public land or owned by private corporations and made available to the Trail at no cost. For example, the site in Birmingham was originally an open-pit iron ore mine owned by US Steel, but as the mine had been tapped, and US Steel's operations in Birmingham curtailed, RSA secured the site for no cash outlay.

This land acquisition methodology used by RSA gives them some clear advantages over other groups of golf courses that might be carrying substantial debt for land acquisition as a part of their overall debt load.

Trickle Down Effects

In every location where the RTJ Trail sites have been built, there has been clear evidence of private-industry development in close proximity to the golf courses in the way of hotels, restaurants, shopping, theaters, etc. Barbara Thomas, Vice-President of Marketing for RSA, was quoted as saying that prior to the opening of the first Trail courses in 1992, the overall tourism industry in Alabama was a \$1.8B(USD) industry. In 2004, that total is expected to reach \$6.8B (USD), and even after allowance for inflation, this increase of nearly 300% in an otherwise economically disadvantaged area can be directly attributed to the success of the RTJ Trail as a tourism traffic generator. Every state in the US South had a decrease in tourism in 2003 with the exception of Alabama.

Russell Redford, CEO of Sunbelt Golf, the management arm that operates the Trail, says that having the Trail in the State was a major influence in the State's ability to attract major investment from the likes of Daimler Chrysler, Honda, and Mitsubishi as amenities available to the highly paid factory workers and administrators.

Media and Advertising

The core market for visitors is the US Midwest centered on the Interstate 65 corridor north to the Chicago area. One other advantage that the trail enjoys is the vertically-integrated relationship with a chain of 40 TV stations owned by RSA under the Raycom Television Network banner and a chain of 200 newspapers also owned by RSA. Advertisements promoting the Trail are placed on Raycom and through the newspapers for "in-kind" costs and do not necessitate a cash outlay.

Some national magazine advertising is done through publications such as Golf Digest. Direct mail pieces are sent to customers on the Trail's mailing list. National media have been very friendly to the Trail, and their word of mouth advertising is excellent, fueled in part by a solid product and well above average personal service at the sites. Marketing decisions and media buys are handled within their in-house marketing committee.

When the Trail was first opened in the early 1990s, there were no hotels on-site at the courses that were owned by RSA. Visitors could purchase a "Trail Card" type of passport that for one fee of approximately \$200 entitled the purchaser to play one round at EACH of the golf courses on the trail. The purpose was to stimulate travel between sites and getting visitors moving throughout the State. Accommodations were handled by independently owned hotels and motels that were either in existence or were built within close proximity to the golf courses.

In 1995-96, RSA made a conscious decision to get into the golf packaging business, partly so that they could generate additional profits at lodgings that they would own and operate, and partly so that they could better control the entire experience a visitor would enjoy on the Trail. The Trail Card passport has been scrapped and replaced by another type of discount card that entitles state **residents** some discounts on green fees during shoulder hours and seasons. The goal is to have out of state guests paying full retail for their Trail golf and lodging. Four of the sites now have hotels and conference centers on site at the golf complexes with the marketing emphasis now more centered on Stay and Play packages rather than have every visitor play several of the courses with the attendant travel requirements.

Internet

Their website provides direct links to each of the individual sites, but visitors do not have direct access to the tee sheets at the individual courses. Tee times must be booked through their toll-free phone number or via email. From what could be determined from the research, the Trail does not sell bulk blocks of tee times to wholesalers or travel agents, but they do maintain close relationships with this segment of the industry.

The RSA does not sell banner ads or generate additional revenue streams from their website.

Convention and Visitor's Authorities

With the growth of accommodations on-site at more of the golf courses, administrators are becoming more proactive in trying to generate meeting and convention business that would be centered at their own hotels. The CVB's at major cities such as Birmingham or Montgomery make good use of the availability of the Trail courses in their areas as key selling points in their packaging to conventions and meetings coming to their cities.

Best Practices

The RTJ Golf Trail was one of the first of its type in North America and they have had about 12 years now to fine tune their operations. They enjoy some significant advantages over similar consortiums such as not having had to incur debt to purchase land for their facilities, and they have developed a very effective marketing program with the budgets that they have at their disposal.

Their 24-page brochure and sales piece gives any reader a very good flavor for what type of facilities are available on the Trail. The Website is good, but I thought they could have perhaps made better use of flash graphics and would have had better pictures of their golf courses on the site. My on-site visits to four of their eight locations gave me the sense that they have a very consistent approach to hospitality once you have arrived at any of their courses. The service and systems in place to handle guest traffic were excellent.

Rates were very reasonable given the quality of the overall experience, and the two on-site hotels and conference centers that I saw were first rate. They have had the flexibility within their marketing plans to shift focus as well, moving from the idea of getting guests to travel throughout the state to a system where they controlled more of the accommodations and encouraged guests to stay in one location and play the courses several times rather than drive from site to site.

THE BEAR TRACE

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1-615-371-5431 for Bear Trace

Website: www.redstonegolfmanagement.com
www.beartrace.com

Key People: Tommy Smith
Director of Sales and Marketing

Ron Bargatze
Vice-President, Tennessee Golf

Background:

The Bear Trace is a collection of five Jack Nicklaus signature designed public golf courses located in the State of Tennessee. The courses were built as a result of the success of the Robert Trent Jones Golf Trail in their neighboring state of Alabama. The state of Tennessee could see the success of the RTJ Trail in generating tourist traffic and tax revenues and in 1995 they put out an RFP for the construction and overall management of five new golf courses. The contract was awarded to Redstone Golf Management from Humble, Texas who hired Jack Nicklaus to design and build all five facilities.

The main motivation from the State of Tennessee was to help stimulate increased tourist traffic into the state, primarily drawing on the US Midwest market to their north from major cities such as Chicago, St. Louis, Indianapolis, Columbus and others. It does not appear that they were primarily concerned over a long term focus on providing Tennessee residents with increased golf opportunities. For Redstone Golf Management, their obvious motivation is profit as they now manage and operate all five facilities. The ownership of the land itself remains within the State of Tennessee Parks Department.

The planned number of courses within the Trace was five, with no plans at this point to increase the number of facilities. The courses are within reasonable driving distances of each other with perhaps 200 miles separating the most westerly course from the most

easterly within the state. Because the golf courses are located on state-owned parkland, this precludes any development of on-site hotel or conference center facilities. Redstone Golf Management is relying on private industry to provide hotels, Bed & Breakfasts, or RV parks within close proximity to the golf courses.

Funding

As in the case of the RTJ Golf Trail, the overall marketing and advertising budget for The Bear Trace comes out of their general revenue stream. Each course receives equal promotion and no one of the courses is deemed to be their “signature” property. With a world famous designer such as Jack Nicklaus involved in the building of each course, each facility would be viewed by the golfing public as an equally attractive destination. This strategy would encourage visitors to play as many of the courses as possible to maximize their experience with this consortium.

Trickle Down Effects

The consortium is still quite new; having only been opened in 1998, but there is already significant evidence of economic development generated as a result of the increased tourist traffic. To date, this has largely been in the realm of accommodation providers and restaurants, with some residential housing coming on stream within close proximity to some of the courses.

Media and Advertising

Tommy Smith, the Director of Sales and Marketing for Bear Trace, talked at length about their media and advertising strategies. Their marketing has been a mix of television, direct mail pieces, and Internet initiatives, with no radio buys and very little magazines. They maintain a very disciplined data base with collection of names from emails, guests at the golf courses, and a contest run through their Website with a prize of a trip to one of Redstone’s other golf courses in Texas as a lure for entries.

Their strategy has been to focus on very targeted media and marketing initiatives such as their direct mail pieces to customers with a proven disposition for their product. They are currently in the third year of a three-year marketing plan. Year One was focused on building word of mouth and awareness in the local communities where the courses are located. Year Two expanded their reach to the balance of Tennessee and some neighboring states such as Kentucky, Indiana, and Ohio. This year, they are expanding even further to encompass most of the eastern United States including New York, Pennsylvania and Massachusetts.

The consortium has a fulltime Marketing Director, but also utilize the services of professional media buyers for advice. Extensive tracking is done within their marketing department to determine the returns on each marketing initiative through dedicated codes that enable them to track responses.

Internet

Website visitors have several options at their disposal to make tee times. They can book tee times directly online through an online booking service called ezlinks.com that I have seen being used with other golf courses as well. There is a toll-free central reservation phone number that also may be utilized, or inquiries can be made to each course directly. The consortium does not appear to be doing anything in the way of offering any Play and Stay packages, though.

There are links on the website to various local hotels in the nearest communities to the golf courses, but no one-stop shopping packaging is available. Golfers must book their golf and accommodations on an a la carte basis, creating one extra step in the process. The overall design and “look” of their website was functional, if not spectacular, in my opinion. Information was organized well, with easy navigation and good pictures which gave a visitor a strong sense of the golf experience that would await them. The design and maintenance of the site is handled in-house.

The consortium does make blocks of tee times available to packagers who attempt to market the tee times for a percentage of the revenue. Unsold inventory may be returned by the packagers to the golf courses within three days of the date they are to be used.

Convention and Visitors Authorities

This consortium is somewhat similar to the Flathead Valley Golf Assn. in Montana in that the courses themselves are not situated in major metropolitan areas that have their own CVB authorities. One of the major cities in close proximity to most of the courses is Chattanooga, TN. Mr. Robert Doak of the Chattanooga CVB reported that their organization has to date had very little, if any, relationship with the Bear Trace consortium in the generation of any new conventions or meetings for his city. He certainly knew OF the consortium, but they have exchanged very little dialogue.

Best Practices

This particular consortium’s marketing department was perhaps the most focused of any in the study in terms of tracking responses to their media and website initiatives. They knew precisely the response rate for any advertisement and whether an email inquiry led to a sale. A contest run through their website for a free vacation at one of the parent company’s golf properties in Texas has generated a tremendous number of entries which has helped build their data base. Their decision to have a famous designer such as Jack Nicklaus design their entire portfolio has accelerated their awareness curve, albeit at an increased cost.

CANADA'S DESERT LINKS

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Website: www.golfdesertlinks.com

Key People: Sharon Lusch
Marketing Director
250-493-0627

Keith Archer
General Manager
Summerland GCC
250-494-7745

Background:

The Canada's Desert Links consortium is a group of seven independently owned and operated public and semi-private courses located in the Southern Okanagan area of British Columbia. The group was founded four years ago, largely through the initiative of Keith Archer, General Manager of the Summerland, BC GCC, and a couple of other General Managers of area golf courses who could see the need to create a cooperative marketing group with the goal of better promoting golf in their area.

Climatically, the Penticton / Osoyoos / Summerland area is very arid, and in many ways mirrors the desert golf experience of more traditionally thought of desert golf destinations such as Arizona or Nevada. This consortium has deliberately set out to create a "brand" and identification for their area as a "desert" type of golf product, embracing the fact that they have hot summers and an extended season attractive to more snowbound residents of their key target markets in Alberta, BC, and the Pacific Northwest.

Prior to the year 2000 when the group was formed, golf in this area consisted of mostly semi-private courses with fairly large local member bases that nonetheless relied heavily on daily fee green fee revenue to be profitable and keep fees low for their members. Increased competition from existing courses and new ones coming on-stream in the Kelowna and Kamloops areas of the Okanagan to their north were making it increasingly difficult for courses such as Penticton, Summerland, and Osoyoos to attract visitors and with small marketing budgets on their own, it was even more difficult to mount any sort of effective marketing campaign. Some of the General Managers spearheaded an effort

for their area courses to form a consortium wherein they would pool their resources. They hired a Marketing Director, Sharon Lusch of Penticton, who has been instrumental in creating their marketing vision and campaign, and has also enabled them to tap into BC Tourism funding through the Thompson Okanagan Tourist Assn (TOTA) Their membership had been at 8 participating golf course partners, but one course left the group for the 2004 season, apparently largely due to conflicts within that course's own Board of Directors.

Funding

Each participating golf course contributes \$8,000 per year to the consortium, and they also receive funding from TOTA, which this year will amount to \$50K. The \$116,000 total marketing budget is therefore now much more effective and enables them to make a concentrated, far-reaching campaign that has resulted in a tremendous increase in awareness of the area. There are five hotel partners with whom they have negotiated Play and Stay packages, and WestJet airline is a non-cash contributing partner who helps facilitate easy and affordable air travel into the area. The hotel partners do not contribute cash directly to the program, but their hotel taxes are a major source of funding for the various Tourist Associations throughout BC that redirect funding back into their respective areas.

Some resistance has been generated to the consortium from the member bases at the various clubs. Issues such as access to their golf courses, and tee time booking privileges that are granted to tourists and yet are unavailable to members have created some friction at the member level. But General Managers have been largely able to diffuse these interest groups by reminding the members of their need to generate green fee revenues to keep costs affordable for local members.

Trickle Down Effects

Mr. Archer could not readily identify any particular case of a tourist-related local business that had been created in the past four years specifically because of the formation of the Canada's Desert Links consortium, but he did point out that the area is doing well with overall tourist traffic in the summers, and of course golfers form a significant portion of those visitors.

In a manner similar to the Audubon Golf Trail in Louisiana, Desert Links partners are encouraging visitors in their literature and website to take in the entire area tourist experience, including wine tours, boating and water sports and other tourist attractions. They want golf to be a major reason why visitors come to the area, but they see their role as helping promote the overall economic health of the region as well.

Media and Advertising

Consumer golf shows have been very successful in helping build brand and product awareness. At the Calgary Golf Show while I was interviewing Mr. Archer for this

report, there were numerous instances of people coming by their booth and being amazed at the fact that the images being portrayed in their display were of Canadian golf courses. Many thought the courses were in Arizona.

The visual impact and ability to provide instant information about their consortium has proven to be very valuable marketing for their group. They also have a good website, with very attractive visuals and information easy to obtain on the site for packages and directions to the courses.

They do not do much in the way of magazine advertising, but do some newspaper campaigns into key target markets, especially in early spring or late fall when they are still open and other areas are not. Their Marketing Director handles all the negotiations with TOTA, makes the media buying decisions, and reports to the Board quarterly. They do not appear to have much in place in the way of specific tracking mechanisms to assess the productivity of various print media purchases.

The Internet

There is a toll-free phone number in place, but no direct online tee time booking system. The site has a page where someone can request a tee time in a certain time frame, with confirmation promised with 24 hours, subject to availability. Okanagan Reservations Inc. acts as the fulfillment center to handle the entire booking and accommodation procedures, and they in turn receive fees from the consortium for this service. There are overviews of each participating course along with links to their respective home websites.

Convention and Visitors' Authorities

Under a section captioned "Visitor Services" on the website, there are direct links to five area Chambers of Commerce. Navigating through these various sites would give someone a good idea of what other tourist attractions might be available, and would enable them to contact someone regarding meeting or convention infrastructures.

Contact with the Penticton Chamber of Commerce revealed that while the C of C were well aware of the Desert Links consortium, they could not point to any specific instance where the group's existence was the determining factor in attracting any one particular convention or meeting. However, the Chamber does have Desert Links literature on hand to include in sales kits to decision-makers inquiring about convention and meeting space availability and amenities.

Best Practices

A key success factor for this particular consortium has been their creation of a "brand" for their group with the desert connection. They have some unique climate advantages over competing destination areas, and they have taken full advantage of that. They recognized the fact that their competition was doing some effective marketing as a group, and they were able to overcome their own in-house competitiveness to see that the

common good was more important to their collective health than any one particular golf course's special interests.

KOOTENAY ROCKIES

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Website: www.bcrockies.com

Key People: Kathy Cooper
Manager, Marketing and Administration
RMV Advertising

Peter Smith
Director of Golf
Greywolf Golf Course
Panorama, BC

Background:

The Kootenay Rockies region is located in the southeastern corner of BC, and markets their area as “British Columbia’s Mountain Playground”. The entire province of BC is branded as “Super, Natural British Columbia” and this is one of several regions within the province that market their respective areas not only for golf, but for other recreation experiences such as skiing, hiking, fishing, water sports, snowmobiling and general outdoor activities in addition to sightseeing and other tourist attractions. Within the Kootenay Rockies region are 23 golf courses that are all members of this region’s collective marketing initiatives.

Twenty-five years ago, the only golf courses in this area were The Springs at Radium and Fairmont Hot Springs Golf Resort. Since that time, and especially over the past 10 years, a number of new courses have come on stream, led by world-class, high end properties such as Greywolf, Eagle Ranch, St. Eugene Mission and others that have transformed this region into an outstanding golf destination. As a result of this growth, the region has adopted a more comprehensive and far-reaching marketing strategy.

In the 70s and early 80s, golf in this area was quite low key, with skiing and winter sports predominating, along with the tourist attractions of the hot springs at Radium and Fairmont. The core market for golf was a combination of local residents and the rubber tire market tourist who drove through the area in the summer. Their climate allowed the

few courses in the market to extend their golf seasons in the early spring and late fall, and their marketing efforts consisted largely of word of mouth and newspaper advertisements in the Calgary and Edmonton areas, their major markets for visitors outside their immediate area.

As new resort courses came on stream catering more to daily fee play than to a local membership base, the reach of their marketing efforts needed to be expanded. With the increased variety and quality of these new courses, the area became much more attractive as a destination where golf would be the primary focus and reason for a visitor to attend, rather than options such as the mountain scenery and hot springs with golf almost as an afterthought. Courses such as Greywolf and St. Eugene Mission started to receive national and international recognition from industry heavyweights such as Golf Digest and SCORE Golf Magazine.

Today, every one of the 23 golf courses in the Kootenay Rockies region belongs to their marketing association. They pay a nominal fee of \$300 to register, and each course decides on their own how much they can afford to contribute towards the budget. They can pick and choose which initiatives in which they wish to participate, and contribute accordingly on an a la carte basis.

Funding

The Kootenay Rockies region receives funding from the BC government tourism budget, as do several other distinct areas in the province. Each region establishes a tourism board which allocates these funds toward different activities, including golf. The overall budget to promote golf in this region annually is just over \$800K. The tourism board contributes 50% of the cost of mounting a particular campaign, whether it is a lure piece, newspaper campaign, television spots, or direct mail piece. Each golf course can participate as they see fit within their own capability.

For example, the area produces a 160,000 copy lure piece and a full page insertion in the magazine costs \$10K, of which the golf course puts in 50%, matched by BC Tourism. A course such as Greywolf or Eagle Ranch would participate as a part of its overall marketing scheme, but a smaller, low-end property such as Windermere Valley in Invermere puts its entire marketing budget for the year into this one item. They feel they get maximum exposure for their limited budget with one media buy. Hotels and accommodation providers can this year for the first time be listed in these print materials for which each pays a smaller fee for their “Directory” type listing.

Trickle Down Effects

There has been a very noticeable boom in construction of tourist infrastructure over the past 10 years in this area, most of it directly attributable to the increase of golf courses. New motor inns and restaurants have led the way, but with the increased attractiveness of the area as a retirement destination with the influx of new golf courses, there has been substantial new residential housing built, much of it of the very expensive variety. A new

casino and spa complex is being developed adjacent to the St, Eugene Mission GR near Cranbrook and there are numerous million dollar homes in a new housing development at Greywolf, as examples of this type of development driven by the rise in golf-related tourism.

Media and Advertising

The group participates in a wide variety of different media. Their main lure piece has a 160,000 copy run and is their major promotional document for trade shows, direct mail inquiries and on site distribution at the golf courses and visitor information centers. They use magazines, newspapers and participate in several consumer shows with participating booths usually all in one section under a “BC Rockies” banner. These golf shows have been very successful in not only helping generate awareness of the area as a destination, but to help build their data base for individual course’s direct mail offerings.

The advertising and marketing agency of RMV Advertising in Kimberley, BC under the direction of Kathy Cooper prepare most of the creative and marketing materials. They have also organized successful Fam Tours with golf writers from major markets such as Calgary, Edmonton and the Spokane/Seattle areas to great benefit. Each participating golf course is represented on a board of directors that meets annually in the fall to review their previous year’s marketing plan and discuss new initiatives for the coming year.

The Internet

This group does not have one “call to action” phone number or fulfillment center to accommodate inquiries. The website incorporates several sections including other activities, of which golf is only one and not the major focus as such. In fact, it is not really that easy to find information on the site about golf. The BC Rockies site does provide information about each participating course, but there is a further step to access the course’s own website for complete information, golf packages, etc.

There is a link in the website for what purports itself to be an online tee time booking service, but there is no online link to that service provider, nor does it appear that interested parties have any capability of booking tee times online at any of the consortium courses.

Convention and Visitors’ Authorities

The region does not really have anything in the way of a convention center that would attract any sizable groups. Visitors have been tourism-oriented for generations, whether it had been for the scenery, hot springs, and more recently the increased number and variety of golf courses. All the local Visitor Centers in the communities throughout the Kootenay area have the BC Rockies lure pieces prominently displayed to provide information to visitors not necessarily familiar with all the golf options available. Staff in local Chambers of Commerce surveyed for this study had a good knowledge base about participating golf courses in their area.

Best Practices

This consortium was one of the only ones studied that had such a wide variety of courses participating in their program. Many other consortia seem to have made a conscious effort to deliver a reasonably consistent product within their group in terms of price point and overall aesthetics. The BC Rockies group takes a different tack, not necessarily better, but certainly a different approach. Some of their member golf courses are among the worlds finest, while other courses are more mundane, but each has the ability to be part of the consortium. The smaller, less-expensive courses are able to attract more visitors because of the general increase in tourist traffic plus the fact that many of the newer courses are more expensive to play and difficult to get on. The larger courses benefit because they can always offer potential customers the option of playing at another local course and returning later in their vacation if they have a full tee sheet on a particular day.

The option of participating in marketing programs allows any of the courses to be part of the “brand” without having to have a large marketing budget of their own.

COUNTRY OF IRELAND

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Tourism Ireland Canadian Office:
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Failte Ireland
Baggot Street Bridge
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SWING (South West Ireland Golf Ltd.)
24 Denny Street
Tralee, County Kerry
Ireland

Phone:

Tourism Ireland
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Tourism Ireland
Northern Ireland Office
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Toronto Office
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Failte Ireland Office
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SWING
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www.swinggolfireland.com

Key People: Jane Stokes
Failte Ireland

Jane Shackleford
Tourism Ireland
Toronto Office

Paddy O’Looney
Marketing Director
SWING

Background:

The Country of Ireland has long been recognized as one of the birthplaces of the game of golf, and their national and regional Tourism Boards have used golf as one of the key focus points to attract tourists to both visit Ireland from other countries or to promote in-country tourism initiatives. There are a number of independently owned Tour Companies that offer golf packages to Irish golf courses combined with accommodation providers and at least one major consortium known as SWING (South West Ireland Golf Ltd) that is a consortium of independently owned golf courses that are doing group marketing. The focus of this segment of the report will be to provide an overview of how the government of Ireland Tourism Department uses golf to help generate tourism business for the country as a whole as well as the operations of this particular consortium.

There are two main levels of government tourism groups. Tourism Ireland is the international body that promotes tourism to Ireland on a global basis. They have offices in Dublin and in Coleraine in Northern Ireland and regional offices in approximately 20 countries worldwide, including Canada. The group that promotes tourism solely within the country is known as Failte Ireland, which translates from the Gaelic as “Welcome Ireland”. A very comprehensive long-range Marketing Strategy document is downloadable off the Failte Ireland website. A perusal of that document indicates that this is more of an overall strategy rather than incorporating any golf-specific material, but is worthy of mention in this report if for no other reason that interested parties may wish to download and read their findings and strategies at one’s leisure. There are over 400 golf courses in Ireland, but the international marketing appears to focus on the experience of playing links-style golf, which is part of the history and tradition of the game. The Tourism Ireland marketing does not focus around specific courses per se, but more on the feel and uniqueness of Irish golf.

The SWING consortium has a long history and has been very successful in their efforts. The consortium was founded in 1986 by a Mr. Dennis Brosnan who had been the head marketing person for the dairy industry in Ireland. Mr. Brosnan had raised the profile and sales of the dairy industry in the 1960's by convincing the numerous regional and local dairies to put aside their turf wars and petty jealousies and pool their resources to help open new markets and increase their sales. He was very successful in that effort and brought those skills and experience to the table in late 1985 to help convince a number of golf courses near where he lived to adopt a similar strategy. They had all been fighting between themselves going after the same market, and Mr. Brosnan was able to convince them of the merits of getting together to have a more far-reaching effect. Five clubs agreed to contribute 10,000 Pounds each to get the group off the ground, and the SWING consortium was born. The government tourism board matched their funds dollar for dollar, which they continue to do to this day. There are now 13 courses at nine different sites that are members of the consortium.

At first, the group was not into the business of actually arranging tee times for parties interested in playing their golf courses. But the demand for this service grew quickly and they have grown from a total of 211 rounds of golf booked by them to over 27,000 rounds booked in 2003. This does not include play where a golfer used the phone or the Internet to book their rounds on their own.

Funding

Tourism Ireland promotes golf as part of their overall marketing strategy as a part of the entire experience of enjoying the country. There are no specific taxes or revenue streams that come directly from the golf industry as such to generate these promotional dollars. Tourism Ireland officials were not at liberty to disclose their budget.

The SWING consortium members contribute 12,000 Eurodollars per course, and continue to receive matching contributions from Tourism Ireland. Even though all the golf courses within their consortium are semi-private facilities with a membership roster, there has been little, if any, resistance at the club member level to participate because the revenue generated from tourism traffic in off-peak hours keeps their own individual fees low.

Trickle Down Effects

Mr. O'Looney of the SWING consortium provided many examples of economic development that can be directly attributed to the growth of the golf industry. These were primarily in the hotel and food services industry, but he also cited examples of housing developments, shopping, and general economic health in the country fuelled largely by their overall good economy, in which tourism plays a significant role.

Media and Advertising

Both Tourism Ireland and SWING use major golf magazines both in North America and Europe for exposure. Television buys are made by Tourism Ireland in the United States, with a secondary exposure to the Canadian market, but SWING does not use any TV for marketing. They are both building data bases for direct mail pieces, although Tourism Ireland has more in the way of lure pieces and print literature available for potential customers. SWING is just getting started on their direct mail campaign so no results are yet available to measure their success. Both groups, especially Tourism Ireland, are promoting the 2005 Ryder Cup which is being held in Ireland, as a reason for tourists, especially Americans, to visit the country.

SWING has had great success with partnering with tour operators with visits surrounding tournaments at their member clubs. SWING organizes multi-day events which give visitors the opportunity to experience Irish golf in a semi-competitive environment, and member clubs receive full price green fees. The tour operators generate their profits from administration fees and overall markups.

The Internet

The Tourism Ireland website is used mostly to promote the overall experience of traveling to Ireland. You can navigate within the site to gain some sense of flavor about golf in the country, but nowhere on the site are their direct links to any tour operators or consortiums offering product.

The SWING site is very simplistic compared to other consortiums examined in this study. They do not have a call-to-action phone number, nor do they appear to have any hotel partners offering golf packages. Their online booking page is nothing more than an email document to request information about available tee times. Mr. O'Looney said that their experience has been that the majority of their overseas visitors will book their own hotel accommodations and airfare first, and either wait until they arrive in the country to book tee times, or merely arrive at the golf courses without reservations. In fairness, he did say they have a new website under construction at this time, so it would be interesting to revisit them when the new site is up and running to see if they have enhanced their online capabilities.

Convention and Visitors Authorities

The majority of tourism to Ireland comes from overseas, primarily North America and Europe. As a result, the convention business from these markets is relatively small with out of country visitors perhaps only attending a convention for a parent company. The golf business mainly generates tourist traffic from individuals or small tour groups, so the relationship between the golf industry and CVB's is still in its infancy.

Best Practices

The SWING group has done a very good job in generating income from partners such as airlines (Delta), and Irish companies such as the Waterford crystal manufacturers who partner in the operation of the many golf tournaments they organize. For example, Delta Airlines offer attractive packages and air fares in shoulder seasons and the Waterford crystal people provide souvenir prizes at the events.

Tourism Ireland does an excellent job in providing a sense of the overall atmosphere, lifestyle and the experience of traveling to and within the country. Golf plays a significant role in that experience and they have done a good job in leveraging the history and traditions of the game that Irish golf can offer. However, the golf industry has not yet done much in the way of providing full service golf and accommodation packages.

MESQUITE, NEVADA AND ST.GEORGE, UTAH

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Background:

Mesquite, Nevada is located about an hour north of Las Vegas along Interstate 1-15 and St. George, Utah is a further 30 miles north of Mesquite. Mesquite has four major hotel and casino complexes, and although St. George does not have casino gaming as they are in Utah, the area is becoming an attractive golf and recreation destination. There have been several golf courses built in the area in the past 10 years, and eight of the courses have partnered with the four casino hotels in Mesquite to form the GolfMesquiteNevada consortium. Six of the golf courses are in Mesquite and two are in the St. George area. Three of the Mesquite courses have been doing some collective marketing for several years, but they have just added the St. George courses this year and there is another new course in Mesquite opening in 2004, so for all intents and purposes, this particular consortium is brand new.

Three of the hotel/casinos in Mesquite are owned by the same corporation: The Oasis, The Virgin River, and The Eureka. The Casa Blanca Resort and Spa is independently owned but they have their own golf course which is the site of the well known Re/Max World Long Drive Championship held annually in October. This event has been won four times by Alberta's Jason Zuback.

The Mesquite area has been trying to market their hotels and casinos as a somewhat more low-key alternative to the crowds, glitz and excesses of the Las Vegas experience. But because they do not have direct air service into Mesquite, they have found that they needed something more to lure visitors that would either fly into Las Vegas and then drive the hour north, or stop in on their way south to Arizona, or California. The expansion and increased availability of golf courses in Mesquite and neighboring St. George, Utah has helped fill this requirement. Golf in Las Vegas is tremendously expensive, especially for mid-market and higher-end properties, and Mesquite has been

able to provide a reasonably priced alternative to Las Vegas and is beginning to generate increased traffic that is making them as a destination of choice.

Funding

Each golf course and hotel partner shares equally in the marketing budget. Even though there are no hotel partners in the St. George area (no casinos!) the two higher end St. George courses are finding that they have been able to more than justify their contributions to the consortium due to their relative proximity to Mesquite and the increased word of mouth publicity their membership is generating. The website and brochure offer one and three-night packages catering to the short holiday vacationer. Most of the 3-night packages include one round at one or the other of the St. George courses.

Funding is entirely from the hotel/casinos and golf courses with no assistance from the Utah or Nevada tourism boards.

Trickle Down Effects

The Mesquite Chamber of Commerce has done an excellent job promoting their town around the benefits of low taxes and affordable real estate. The construction of the newer golf courses in Mesquite has had both a cause and effect relationship with the growth of Mesquite over the past five years. There has been a significant number of new home and business development in the town recently. The city of St. George is quite a bit larger, with a population of about 50,000 compared to about 12,000 in Mesquite, so it would be harder to say that any new growth in that community would be directly attributable to the opening of the Entrada and Coral Canyon golf courses in the past three years.

Media and Advertising

Trade shows play an important role in their marketing, especially in Canada. The consortium was represented at both the Edmonton and Calgary shows this spring. Billboards, magazines and direct mail form the bulk of the balance of their advertising, with television mainly into the Las Vegas and southern California markets on a selected basis. The development of the Re/Max World Long Drive Championship has been a major force in increasing name recognition and knowledge about the area across North America. They receive national television exposure with the telecast of the event as well as significant room sales during the week-long Finals. Their literature and website also promote the variety of other attractions in the area such as the Grand Canyon, Lake Mead and Zion National Park that have widespread appeal to the whole family rather than just the golf enthusiast and gambler market.

The Internet

Their Call to Action toll-free phone number appears to be the only means by which visitors can book golf and accommodation packages. The website provides the costs of

the golf packages, but does not allow visitors book these packages online. It appears that they are encouraging visitors to peruse the lure pieces or the website to choose their package before phoning to book their stay.

There are descriptions of each participating course and hotel on the site, but no links to any stand-alone course or hotel websites.

Convention and Visitors Authorities

The lure piece brochure contains the toll-free phone number and website for the Economic Development Office of the City of Mesquite. They report that the growth of the golf industry in the city has been a major reason why many businesses and residents have decided to locate in Mesquite. The major attraction for conventions and meetings of course remains the gaming industry, but most conventions have golf outings as a part of their package and the increased availability and variety of course in the city has helped build their convention business as well.

Best Practices

The Re/Max World Long Drive Championship has probably done more by itself to raise the awareness of Mesquite golf than anything although this cannot be directly attributed to the GolfMesquite consortium. They have established a Mesquite Amateur tournament in late May, that while in its infancy, offers very reasonable pricing and the chance for participants to sample several of the area courses in a fun, but competitive environment. The Myrtle Beach area has done phenomenally well with their large annual amateur tournament, and it appears the Mesquite group are trying to mirror that success.

Focusing on the wide variety of other attractions, spa treatments, and scenery helps widen the scope of what they have to offer other than golf and gaming.