

2009 REPORT: TOUGH TIMES IN TRAVEL

WITH CORPORATE TRAVEL TAKING A MAJOR HIT, RESORTS AROUND THE WORLD ARE REFOCUSING THEIR EFFORTS ON OFFERING ENTICING VALUES TO LEISURE TRAVELERS

By Scott Kramer

GOLF TRAVEL 2009 MAY BE BEST DESCRIBED AS A RELENTLESSLY DIFFICULT ECONOMY combined with severe corporate head-winds to create the perfect storm. While nationwide rounds at golf resorts (as reported by PGA PerformanceTrak) may be down just 6 percent through July, resort and overall golf dollar revenues appear to be down considerably more in many markets. Mirroring retail spending habits, golf travel – generally deemed a luxury and corporate spending category – is estimated to be down as much as 25 percent. A perfect storm indeed.

While golf travel is probably faring better over the past 12 months than what has befallen the real estate, banking, automotive, publishing and retail industries, that is surely small consolation to those working at resorts. In preparation for this article, *PGA Magazine* interviewed dozens of PGA Professionals and other travel experts around the

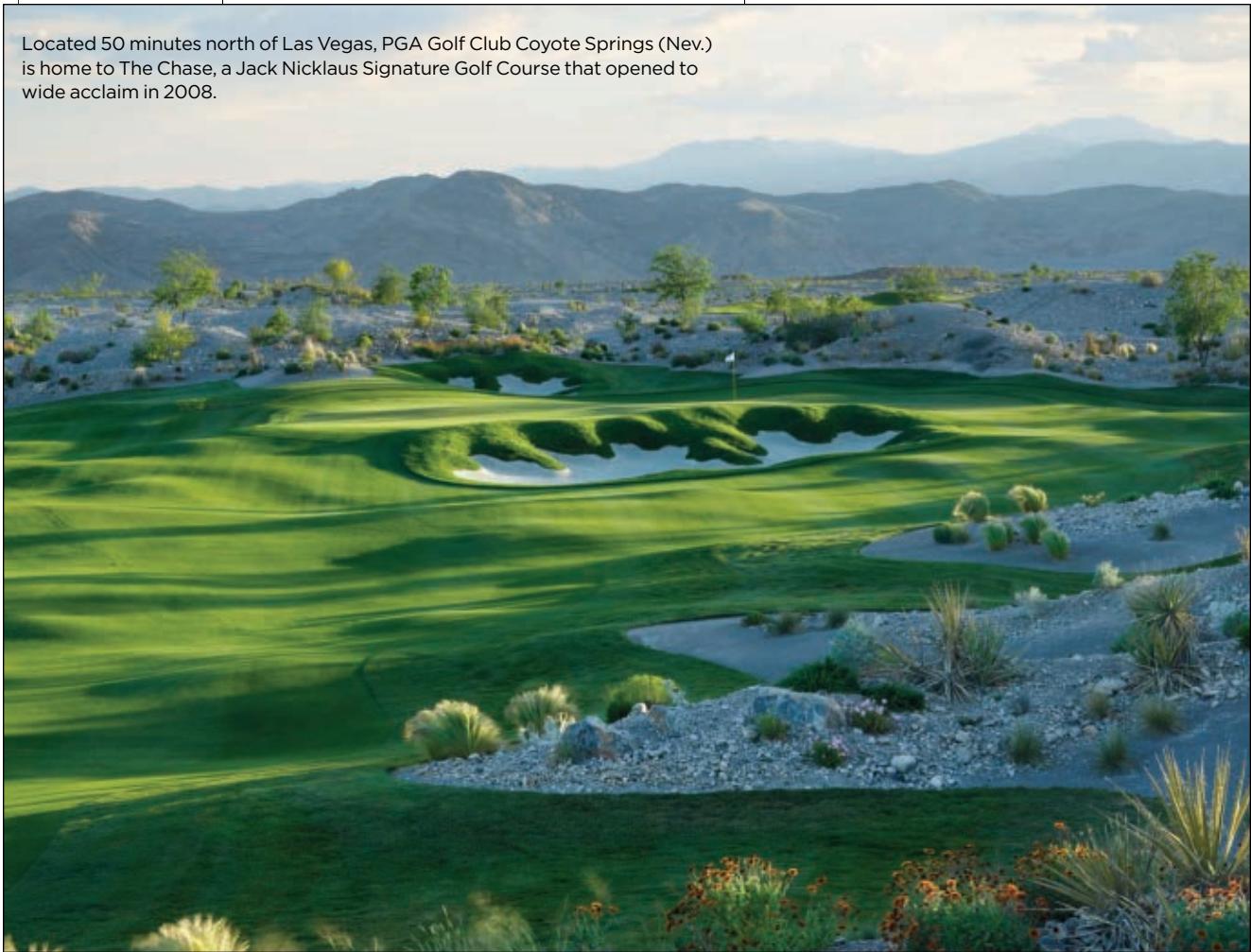
country to get their insight on what the last 12 months have meant to their facilities and businesses. They shared how they are doing things differently, such as adjusting their marketing, creating new offerings, repackaging golf or holding firm. Plus, this cover story package reveals the findings of *PGA Magazine*'s latest research study,



Well-known destinations such as Turnberry in Scotland (top left), Half Moon in Jamaica (top right), La Cantera in San Antonio (bottom left) and Mauna Kea in Hawaii (bottom right) have seen slight decreases in travel numbers, but have helped combat that through strong local marketing campaigns.



Located 50 minutes north of Las Vegas, PGA Golf Club Coyote Springs (Nev.) is home to The Chase, a Jack Nicklaus Signature Golf Course that opened to wide acclaim in 2008.



LONNA TUCKER

which definitely shows PGA Professionals' huge influence on the entire golf travel market.

No doubt, people have been escaping reality by heading to their local courses. At points throughout 2009, rounds played were anywhere from steady to down a few percent across America,

according to published reports. Many golfers are opting to walk, avoiding golf car fees, or only playing nine holes. Many financially strapped players have just gone to the course with the sole purpose of hitting a bucket of balls on the range, or practicing putting and chipping. In other words, people

PGA Magazine Golf Travel Industry Survey results

As the experts in the game and the business of golf, PGA Professionals find themselves as key influencers in the golf travel choices made by their members and customers. The 2009 *PGA Magazine* Golf Travel Industry Survey included input from 834 PGA Professionals from across the country and strongly revealed the extent of this influence.

This informal survey was conducted this past spring to shed light on the travel habits and observations of PGA Professionals. The results show how often PGA Professionals typically travel, how many golfers join them on the trip, how long the trips last and where they like to go. Here are some of the findings from the 2009 *PGA Magazine* Golf Travel Industry Survey, broken out between PGA Professionals at private facilities and PGA Professionals from public facilities:

Do you travel with members/golfers to play golf?

	Private Club	Public Course
Yes	80.7%	56.9%
No	19.2%	41.8%
No Response(s)	0.0%	1.1%

The maximum number of hours we would normally drive to play golf is?

	Private Club	Public Course
1-2	18.2%	9.3%
2-3	18.0%	12.7%
3-4	14.9%	9.3%
4-5	10.6%	7.5%
6 or more	5.8%	7.5%

On average, how many members/golfers travel with you on each trip?

	Private Club	Public Course
3	20.8%	16.2%
7	28.4%	11.0%
11	11.1%	6.9%
15	3.0%	4.6%
19 or more	6.3%	6.9%

The maximum number of hours we would normally fly to play golf is?

	Private Club	Public Course
1	1.0%	2.9%
2-3	8.3%	7.5%
3-4	16.4%	11.6%
4-5	15.7%	7.5%
6 or more	22.8%	12.7%

aren't completely kissing off the game – they're merely finding economical ways to enjoy it. Further hits to the already-slumping economy since last year have had broad ramifications on corporate and consumer travel, as well. And as we reported in this space a year ago, it will be the smart facilities that embrace the situation and find a way to keep business coming.

No one is immune to the economy – perhaps evidenced by Pebble Beach (Calif.) Golf Links offering stay-and-play packages this year front-and-center on its Web site's home page, including \$200 resort credits. The resort has also offered free rounds at Spanish Bay for travelers who book a room.

Corporate Travel Takes a Hit

Remember those large banks that got caught taking their executives on swanky trips to five-star resorts last year? Little did we think that would affect the golf economy. However, what that did was establish a new stigma to companies taking corporate golf trips. That is, corporations suddenly didn't want to be seen entertaining clients at high-profile destinations for fear that consumers would perceive them as wasting company money for their own glamorous boondoggles. Nor would they get caught taking clients overseas to Scotland for a week or two, as they've done in the past.

At Bandon Dunes – located in Bandon, Ore. – officials aren't revealing just how much they're affected by such trends this year. "We're focused on the retail golfer here; we don't distinguish them from corporate groups because we don't do group meetings," says Hank Hickox, the resort's general manager. "Everyone in the industry is watching the economy. We've probably held up better than most, because we have a unique destination – really there's probably nothing comparable in North America."

Reasons why now's the ideal time to travel with members/customers

PGA Professionals and travel experts PGA Magazine interviewed for this month's cover story provided the following reasons why you should plan to travel with your members or customers:

- **Prices are down.** Domestically and internationally, resorts and golf facilities are reducing prices to attract interest and visitors.
- **The U.S. dollar is worth more than a year ago.** International travelers will find that the same amount of money will go much farther, especially in Scotland and Ireland.
- **The price of gas has moderated.** Domestic travel by car is much more affordable, as AAA's Daily Fuel Gauge Report shows gas averaging \$2.58 in the U.S. at press time vs. \$3.67 a year ago.
- **Resort destinations are eager for your business.** Competition for golfers who are traveling has never been more intense, and resorts are offering more creative and extensive packages than at any time in recent memory.
- **Your members are ready.** A lot of consumers have put off spending on travel over the last year, which means those with the means are likely ready to hit the road.
- **You'll feel the benefits at home.** Traveling with your members or customers brings a boost to your golf shop and lesson tee, as golfers will stock up on new gear and take lessons to prepare for their trips.

"We're not trying to be links, we are links. And one has to go overseas to have a similar experience. In some ways, people have elected to come to us when they might have gone overseas. We've kept our formula constant and we haven't done any discounting. We've tried to be very sensitive to changing schedules, as we have many loyal returning customers, and we've been very flexible with them if they have to alter their schedules."

Bandon Dunes is also generating additional revenue in \$100 preview rounds on the 10 holes that are ready for play at the upcoming Old Macdonald course, which officially opens June 1, 2010. And the resort's new lodging, The Inn, recently opened its 39 rooms adjacent to the 18th green at the Bandon Dunes course.

Another somewhat remote five-star destination is Kohler, Wis., home to the four courses at Whistling Straits and Blackwolf Run, as well as the

In an average week, how often do you get asked by members/golfers about where to play and stay for golf travel?

	Private Club	Public Course
0 times	6.5%	8.1%
1-3 times	51.7%	30.8%
4-7 times	5.5%	4.6%
8-10 times	1.7%	<1%
11 or more times	<1%	0%
Other	1.2%	1.7%

Do you travel with members/golfers internationally to play golf?

	Private Club	Public Course
Yes	36.0%	12.2%
No	31.2%	32.5%
No response(s)	32.7%	55.2%

On average, how many days is an international golf trip?

	Private Club	Public Course
3-4	1.0%	2.3%
5-6	12.4%	2.9%
7-9	25.1%	6.9%
10 or more	3.8%	2.3%

How many days is your average domestic golf trip?

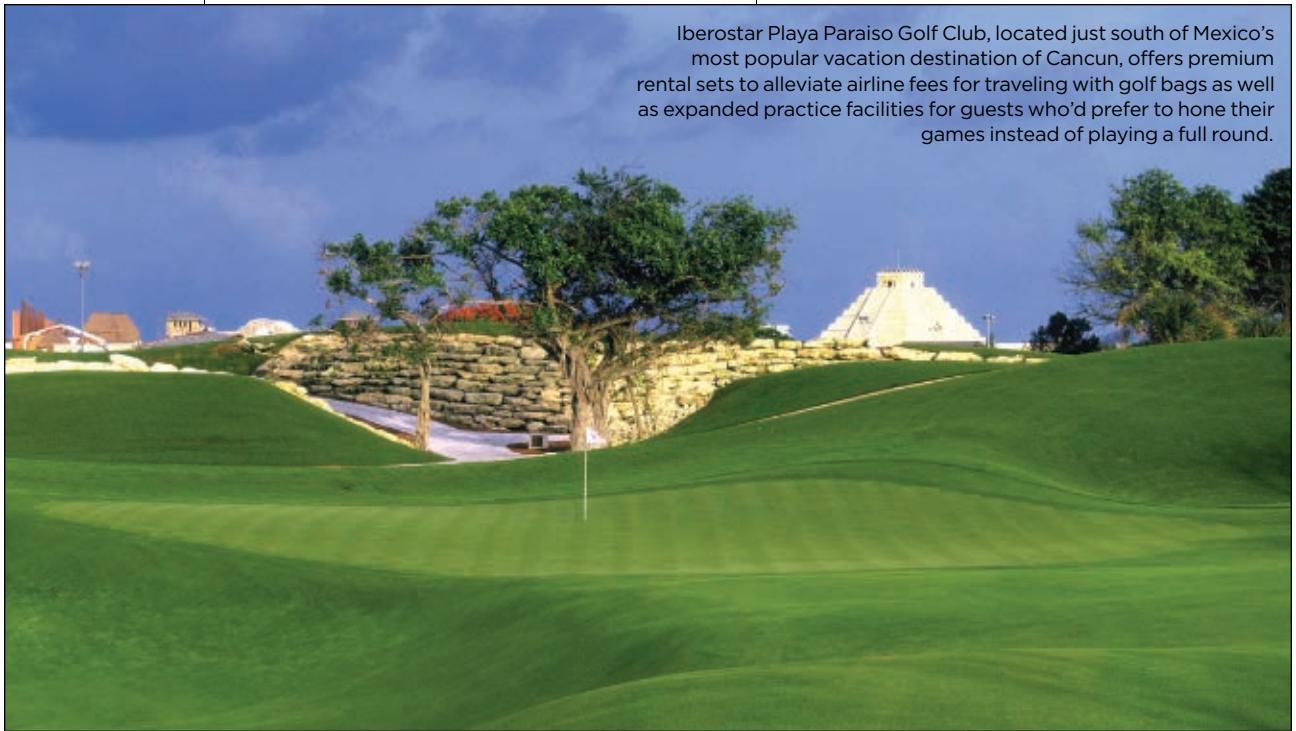
	Private Club	Public Course
2	7.8%	7.5%
3	19.7%	15.1%
4	24.1%	11.0%
5	8.3%	11.0%
6 or more	7.1%	2.3%

beautiful and posh American Club resort. The facility will host next year's PGA Championship, which would normally boost corporate play significantly in the year leading up to the event. But that isn't the case this time around. "Due to the current

state of the economy, along with the scrutiny of the media, we have seen our corporate play drop considerably this year," says Dirk M. Willis, PGA director of operations at Whistling Straits and Blackwolf Run, and the 2007 PGA Merchandiser

After a recent change of ownership, Orlando's Reunion Resort is reporting an uptick in rounds played. With three championship courses designed by Arnold Palmer, Jack Nicklaus and Tom Watson, the facility offers 54 holes of golf designed by legends of the game, as well as a premier center for learning the game at the ANNIKA Academy.





Iberostar Playa Paraiso Golf Club, located just south of Mexico's most popular vacation destination of Cancun, offers premium rental sets to alleviate airline fees for traveling with golf bags as well as expanded practice facilities for guests who'd prefer to hone their games instead of playing a full round.

of the Year for resort facilities. "Rather than chase the corporate market, we have increased our marketing efforts towards the leisure market. This has been a much stronger market for us in 2009. Our affluent clientele are still taking vacations and if

you develop the correct type of packaging – adding value wherever possible – they will come. We have been successful with a variety of packaging, including unlimited same-day golf and merchandise credits. The golf package merchandise credit – which

PGA Magazine Golf Travel Industry Survey results

What are the most important factors when recommending a golf resort or destination to your members/golfers? Please select all that apply.

Private Club Public Course

I have been there before and know the experience my members/golfers can expect	43.6%	32.5%
I know what my members/golfers like and recommend places that they will be happy with	39.5%	23.2%
I know my members/golfers' budget and make recommendations on what they can afford	18.5%	19.7%
I know the PGA member at the facility and know that my members/golfers will be taken care of	11.9%	7.5%
I have seen an ad or received promotional information for the resort but have never been there personally	4.0%	1.7%
The resort or destination has been recommended by another PGA Professional	21.5%	12.2%
The resort has been recommended by a trusted member/golfer	21.3%	9.8%
I am compensated by the resort or destination	7.6%	3.4%
I am guaranteed that my members/golfers will receive a high level of service	23.3%	11.0%
Other	<1%	0%

Please check the one statement that best applies to your level of influence as a PGA member with respect to golf travel.

Private Club Public Course

I am extremely influential with my members/golfers and where they travel to play golf	21.8%	18.6%
I am very influential with my members/golfers and where they travel to play golf	28.1%	18.0%
I am somewhat influential with my members/golfers and where they travel to play golf	15.4%	6.9%
I am occasionally influential with my members/golfers and where they travel to play golf	2.0%	2.3%
I am not influential with my members/golfers and where they travel to play golf	<1%	0%

Please select the one statement that best applies to how your members/golfers interact with you for golf travel.

Private Club Public Course

My members/golfers do not rely on me for golf travel recommendations	4.5%	4.6%
My members/golfers rely on me occasionally for golf travel recommendations	19.7%	13.3%
My members/golfers rely on me moderately for golf travel recommendations	20.5%	12.7%
My members/golfers rely on me frequently for golf travel recommendations	22.5%	15.1%
Other	<1%	0%

PGA Professionals' Guide to Travel on PGA.com promotes golf travel, PGA Professionals

PGA Magazine and The PGA of America have teamed to create one of the top golf travel sites on the Internet – one that benefits PGA Professionals at facilities of all types, as well as the traveling golfer. That site is the PGA Professionals' Guide to Travel on PGA.com, accessible at www.PGA.com/travel, and it contains both a wealth of information for prospective travelers and a host of opportunities for resort and public PGA Professionals to promote their facilities.

The PGA Professionals' Guide to Travel Web site was launched on PGA.com in January 2008, and it is available to the millions of unique viewers who read PGA.com each year. The site shows the important role PGA Professionals play in the golf travel business, which is estimated at greater than \$12 billion per year. One example is the extensive series of PGA

Itineraries, which are suggested trip plans from PGA Professionals for use by other PGA Professionals or by traveling golfers. Visitors to the site can create a vacation plan based on factors such as duration of the trip, size of the group, price point and type of vacation – men-only, women-only, families or couples.

PGA Professionals can also easily – and at no cost – post detailed Resort Profiles with information about a resort's golf, accommodations, amenities and special

packages. PGA Professionals can also post information about their facilities in areas such as Golf Only, Casinos & Golf and Beaches & Golf. The site also includes new and exclusive golf travel stories, content from the print editions of the PGA Professionals' Guide to Travel and the latest in golf travel news from around the world.

To learn more about how to contribute content and get your facility started on the PGA Professionals' Guide to Travel on PGA.com, contact Philip Tanfield at ptanfield@pgamagazine.com or at 215-914-2071.



requires a minimum purchase – paired with our in-shop promotions with manufacturer markdowns, has helped us maintain our merchandise-per-round levels and margins."

A similar situation is seen at Reunion and Hammock Beach resorts in Florida, where "traffic is steady, not quite as busy as last year, but definitely not bad especially compared to our competitors," says Nikki Lindgren, director of public relations

and communications for the two resorts. "As with all resorts in general, the corporate traffic is down, in a meetings sense. Golf outings are still booking and strong. Weddings are amazingly strong, as well. The corporate planners are visiting Reunion (near Orlando) for sites, but as it is all over the country, signing of contracts is something meeting planners are not really doing at this time. They are waiting on the economy to turn."

When selecting a destination or golf resort, I am MOST influenced by the following:

	Private Club	Public Course
I have been there before	30.7%	21.5%
The brand of the resort	14.2%	4.0%
The designer of the golf courses	7.6%	3.4%
Variety of golf experiences offered	32.7%	20.9%
Variety of non-golf activities	6.5%	2.9%
Another PGA member told me about the destination	18.0%	8.1%
A member/golfer told me about the destination	15.9%	8.1%
I saw an advertisement in a magazine	3.5%	2.9%
I received an email marketing piece	1.0%	2.3%
The price was right	12.9%	13.3%
I search the Internet for the best deal	1.2%	2.9%
Rankings such as those in <i>Golf Digest</i>	10.4%	5.2%

When planning a golf trip, who makes the decision on the golf resort or destination? Please select all that apply.

	Private Club	Public Course
As the PGA Professional, I generally select the destination	23.8%	18.0%
As the PGA Professional, I generally make recommendations and get input from the members/golfers	37.8%	20.9%
My members/golfers select the destination but I have a great deal of influence	11.9%	5.2%
My members/golfers select the destination that we travel to	2.7%	1.1%
Other	<1%	1.7%

When booking the golf trip, who generally makes the reservations and books the tee-times? Please select the ONE statement that best applies.

	Private Club	Public Course
As the PGA Professional, I generally make all the arrangements	46.9%	36.0%
The members/golfers that I am traveling with make the arrangements	5.3%	<1%
My members/golfers and I share the responsibility	9.1%	6.9%
I use a Golf Tour Operator	9.1%	2.3%
I use a Travel Agent	2.7%	<1%
Other	1.2%	<1%

In an average year, how many times do you travel with members/golfers to play golf?

	Private Club	Public Course
1	11.6%	6.9%
2	21.5%	19.1%
3	15.7%	8.7%
4	11.4%	4.6%
5 or more	8.1%	6.3%
Other	<1%	1.7%

What PGA Professionals at resort facilities can do

Here are six suggestions other PGA Professionals and travel experts quoted in this story recommend for resorts looking to improve business:

- Make sure you reach out to your local golf market. Local golfers can help offset lost rounds from traveling golfers.
- Build relationships with PGA Professionals from around the country. This is more important than ever, since they can refer members/customers to travel to your facility.
- Offer specials that don't cannibalize what you're already doing. Offers such as bounce-back coupons or reduced prices on a second round on the same day as the first add incentives without devaluing your product.
- Focus on consumer travel instead of corporate travel. Companies are sensitive to money spent on corporate golf outings, but leisure travelers are interested in vacation packages that include golf.
- Upgrade options allow golfers to create a premium experience. If you're holding the line on green fees, offer premium rental sets or GPS units as a way for customers to add some luxury to their golf.
- Adapt to how consumers want their golf. This means catering to smaller groups, family vacationers and casual players who may only want to play nine holes while on a non-golf vacation.

It's not just golf and hotel space that get hurt by the downturn in corporate golf bookings. There's a trickle-down effect, from the course to the streets.

"Guests are looking for deals, so we provide those options to them throughout our resort and with our online packaging," says Lindgren. "We have adjusted the menu to be more of a value in our signature restaurant and added additional activities to assist in keeping guests happy and busy during their stay."

In Arizona, hotels are also feeling the effects. "In talking with the people at the Phoenix Convention and Visitors' Bureau, there is a lot of open conference space and conferences are all a day to a day-and-a-half shorter this year – and they include fewer extracurricular activities while the group's in town," says Curt Hudek, PGA Professional and executive director of the Southwest PGA Section. "This is the perfect area for golf in the spring, so if you're going to come out here in March and not play golf, why don't you just go to a cold climate? Advance bookings are flat. And some bigger companies have the luxury of booking later now, so there haven't been a lot of big entities canceling. There are a lot of large cancellation fees, so the resorts are telling corporate clients that instead of canceling 100 people that you booked a while ago,

PGA Magazine Golf Travel Industry Survey results

Please select all the answers that best describe why you travel with members/golfers.

Private Club Public Course

As the PGA member, I am expected to put together trips for my members/golfers	26.9%	9.3%
Traveling with my members/golfers, I am able to build better relationships	52.5%	34.3%
Traveling with my members/golfers allows me to provide unique experiences to members/golfers	42.3%	27.3%
I use travel as a revenue source	4.8%	3.4%
I travel with my members/golfers because it allows me to show my expertise as a PGA member	25.1%	14.5%
I travel with my members/golfers because it adds to my job security	20.3%	9.3%
Other	2.7%	5.8%

In reference to your members/golfers' travel habits, what do you believe influences them the most?

Private Club Public Course

Recommendations from PGA Professionals	25.0%	19.1%
Their own personal experience	32.8%	29.6%
Recommendation of a friend or family member	21.5%	15.6%
The golf course designer	2.2%	<1%
The brand of the resort	8.9%	1.7%
Golf course rankings like those found in <i>Golf Digest</i>	4.2%	4.0%
Advertising found in consumer golf magazines	2.2%	2.9%
Advertising on television	1.0%	<1%
Advertising on the Internet	2.2%	1.1%

As a PGA Professional, I have traveled with members/golfers to the following destinations. Please select all that apply.

Private Club Public Course

Florida	51.5%	33.1%
North Carolina	26.9%	14.5%
South Carolina	26.6%	15.6%
Arizona	29.4%	22.0%
California	34.0%	18.0%
Texas	11.1%	9.8%
Puerto Rico	6.3%	2.3%
Jamaica	8.6%	4.6%
Cabo, Mexico	11.6%	4.0%
Riviera Maya, Mexico	2.0%	1.7%
Dominican Republic	8.6%	6.3%
Hawaii	9.8%	5.2%
Bermuda	8.8%	2.9%
Ireland	22.8%	5.8%
Scotland	23.0%	5.2%
South America	1.5%	0%
Spain/Portugal	2.7%	0%
Michigan	8.6%	8.7%
Canada	5.3%	4.0%
Oregon	12.6%	8.1%
Other	19.5%	23.2%

Based on your knowledge of your members/golfers, please select the answer that best describes their future golf travel habits.

Private Club Public Course

My members/golfers plan to travel less in 2010	11.4%	9.8%
My members/golfers plan to travel about the same in 2010	49.2%	33.7%
My members/golfers plan to travel more in 2010	5.3%	1.7%

just bring 20 of them and put your deposit to use. And companies are taking them up on that. It costs them the same. Sometimes those bookings were made two years out."

Likewise, group business is considerably slower than last year at all of the 22 Marriott Golf properties in the United States – including lodging, as it is at most other brands, as well. That said, "The forecast for the group base for next year is improving, with many businesses now starting to book some

lodging business," says PGA Professional Claye Atcheson, vice president of Marriott Golf, which is based in Orlando. "The groups are shopping for deals knowing that the opportunity exists to negotiate more aggressively."

Still, resort executives remain hopeful that time will soon correct the market for corporate golf. "While corporate golf is significantly down compared to 2008, we see this as a cyclical pattern that will no doubt improve in the coming months and

An interview with Mike Keiser

The owner of Bandon Dunes answers questions about how his Oregon resort successfully changed the landscape of golf travel

Bandon Dunes Golf Resort broke with the mold on many fronts and made it work. Without any big-name accommodations partner, attention-grabbing architect or well-known location, the Oregon resort has become the leader in golf-centric vacations. When *PGA Magazine* asked PGA Professionals what the No. 1 destination that their members and customers asked them about, the answer was Bandon Dunes. To find out why, we sat down with the owner, Mike Keiser, who shared some thoughts about what was behind some of the planning and thinking that brought this remarkable resort to life.



the golf experience. How did that thinking impact your ideas for the practice area, the par-3 course, the clubhouse and accommodations, architecture and even the restaurants?

Keiser: Links golf requires golfers to hit different kinds of golf shots. We hope that within our 32-acre practice area, our guests can find every shot that they might encounter on the links. Shorty's, the par-3 course, is really just making the best use of the fact that our south range had 9 target greens, so David Kidd added some tees and made it playable. It turned out pretty darn fun, but it really wasn't built as a stand-alone par 3 course.

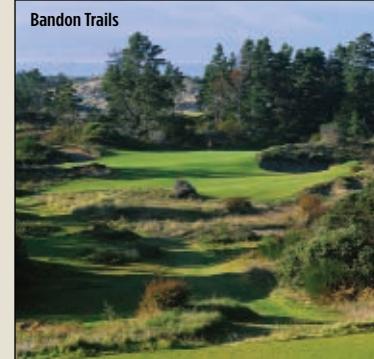
We decided to put the clubhouses inland, saving the best property for golf holes. The architecture was meant as not to take away from the golf and the natural surrounds, but

Ocean in a naturally beautiful spot like the South Coast of Oregon. We just didn't want to mess it up. Links golf made the most sense, and we're thrilled that golfers love the courses and this style of golf.

PGA Magazine: How has Bandon Dunes been affected by the economic downturn?

Keiser: Not being a large corporate group destination, we have certainly been shielded from some of what other resorts might now be facing. But while I would like to say otherwise, our business has been impacted. We realize that PGA Professionals and smaller traveling groups that love golf continue to drive our business.

PGA Magazine: What was your philosophy in making each of the four courses so different (Bandon Dunes, Pacific Dunes, Bandon Trails, the soon-to-open Old Macdonald)? For example, instead of hiring a name golf course architect to design



PGA Magazine: What has been the vision behind getting to where you are today as a golf course owner? It seems that you made the decision to make golf the top priority at Bandon – no real estate, spas, swimming pools, large meeting space. Where did the inspiration come from, and did you ever think that you were making a big mistake?

Mike Keiser: I wanted to build a great golf course on sandy soil near a large body of water. I thought if we could build a golf course that golfers would love, that might enable us to build more great courses. That was my goal, to build great golf. I love to build golf courses on sand. That's why people come to Bandon – then they're pleasantly surprised by our staff and food.

PGA Magazine: Bandon Dunes is all about

to add to it. We've kept golfers in mind as we designed our overnight rooms, our restaurants and even our menus. Really! I mean what's better than grandma's meat loaf after walking 36 holes?

PGA Magazine: Did you ever dream that Pacific Dunes (No. 2), Bandon Dunes (12) and Bandon Trails (33) would appear on *Golf Magazine*'s 50th Anniversary Issue on the list of the 50 Greatest Courses of the Last 50 Years? Three different courses by three different designers – and all three made the list.

Keiser: I guess I didn't necessarily think about the rankings when we started. I thought that if I could find great sites for golf, I'd partner with various architects to bring the sites to life. We had a head start by starting with sand dunes on the Pacific

Bandon Dunes, you hired young, unknown Scotsman David Kidd. But for the third course, you selected Bill Coore and Ben Crenshaw, very established designers with impeccable credentials. Give us the thinking behind those decisions.

Keiser: Variety is the spice of life! Even though the courses are so close together, the sites are very different. David grew up playing links courses and his dad is a famed Scottish greenkeeper – it just felt right. I liked the authentic connection with Links golf.

Tom Doak was really an up-and-comer when I hired him. I loved his work. He had taken the time to educate himself on the great courses of Scotland and Ireland and he is a great student of classic architecture. He had a reputation for allowing the land to dictate the course and I liked that philosophy.

years," says Tony Pistillo, public relations representative for Four Seasons Resort Aviara Golf Course, in Carlsbad, Calif.

Bracing for a continuation of suppressed corporate business, however, some resorts are instead focusing their efforts on other aspects of revenue. At Boyne USA, which owns and operates 162 holes of golf within a 20-minute drive in northern Michigan, "the amount of golf package business we are up is almost identical to the amount of corporate busi-

Bill Coore packaged with Ben Crenshaw might be a bigger name designer, but Coore limits the amounts of projects he takes on – allowing him to personally spend a lot of time on each project. He also has the philosophy to build a course with the land, not on it. Of course, I loved his work at Sand Hills (Golf Club, in Mullen, Neb.).

PGA Magazine: Your newest course, Old Macdonald, is based on a very different type of design ... "retro," maybe. Can you tell us about the initial reactions to the first 10 holes that have been open for preview play and the inspiration behind the design? (Old Macdonald, designed by Tom Doak and Jim Urbina, opens for general play in the summer of 2010.)

Keiser: The reaction has been highly promising so far. We've heard many comparisons to The Old Course and the great links of Scotland. One goal we do feel we've accomplished is that it is very different from the other three courses – adding to the variety and excitement of the resort. We'll have to wait and see what golfers think as they start to see the whole golf course next year.

PGA Magazine: What, if any, significant adjustments



have you made to your business approach since Bandon Dunes first opened?

Keiser: None really. We've tried to offer great golf, great food and great people.

PGA Magazine: Last question. People simply love visiting Bandon Dunes. Would you share how you and your staff monitor customer satisfaction and opinion?

Keiser: We actually have started using Kemper Sports' proprietary customer service follow-up system called True Review. It gives us instant feedback on recent visits. The best part is it gives us the opportunity to follow up with a guest immediately after their visit if they found something that didn't meet their expectations. Also, if we continually score low in a certain area, we can check into it and improve our operations. Word of mouth and return visitors are vital in golf, especially from opinion leaders like PGA Professionals; we need to do our best to make sure every guest leaves happy.

"WE HAVE TO WORK HARDER TO CONVINCE THEM TO SPEND THEIR MONEY ON GOLF, AND THEN WE NEED TO DELIVER A SUPERIOR EXPERIENCE."

—ED KAGEYAMA,
PGA GENERAL MANAGER,
KAANAPALI GOLF RESORT,
MAUI, HAWAII

ness we are down," says PGA Professional Bernie Friedrich, Boyne USA's vice president of golf and retail. "We're planning for less corporate business next year and are working on building social business to replace it as we did this season."

Leisure Golf Travel Looks Up

So while many facilities are having less success chasing corporate golf, to what extent are they having to work just to get recreational customers in the door? Considering Michigan's poor economic situation stemming from the auto industry, leisure tourism is doing relatively well, while it's been a challenge to attract new convention and meeting business this year, says Mike Norton, media relations director for the Traverse City Convention & Visitors Bureau. Thus, facilities in town have been aggressively attracting golfers. "Some of our member courses have been offering generous deals of their own, but the Bureau's main offering in the packaging/discount area has been our 'create your own golf package' program that allows golfers to choose among 18 top courses and accommodations at 31 hotels, motels and resorts starting at \$59.50 per person," says Norton. "That includes golf and a night's stay, midweek, based on double occupancy." These types of deals are in line with what's going on all over the U.S., with unique marketing to attract locals, specials for same-day repeat rounds or bounce-back coupons to play for less, and facilities working on building up databases and e-mailing specials to that list.

As traffic from in-bound travelers decreases in many golf hot spots, resorts become more reliant on local golfers to fill their tee sheets and hotel rooms. In San Diego, Rancho Bernardo Inn – a popular golf resort – made headlines in August for offering rooms at \$19. The catch: Beds were removed from rooms, the air condition controls were taped shut, and a tent was placed on the floor. The roughing-it, no-frills promotion was aimed to lure locals into the posh hotel in a fun, inexpensive manner – they still had access to all of the resort's amenities – and they would hopefully think of the

Located in Argentina's Patagonia region, Arellauquen Golf & Country Club offers unrivaled scenery and the opportunity for growth and investment.



Golf Travel Reports by Region

Wet weather and cold temperatures reared their ugly heads again this year, being simply atrocious in much of the Midwest and Northeast through the summer.

Southern California was very wet in the early part of the year, and relatively cool through July. And extreme heat crippled the Northwest during parts of the summer. Hawaii, on the other hand, experienced unusually dry weather in spring and summer. All of that, of course, negatively affected rounds played. That said, the Midwest performed well ahead of last year in some areas, according to Marriott Golf, and Sunbelt locations saw an uptick in fall bookings.

"As the economy begins to recover, we expect from a Marriott standpoint that golf hot spots will once again be those resort destinations in locations such as Florida, Arizona and Southern California, which have always been frequented by golf travelers and have always enjoyed much success during less-challenging economic times," says Marriott's Claye Atcheson.

PGA Magazine informally surveyed local experts in these top areas and more, to see specifically what was going on in their particular regions.

Southwest

Arizona and Nevada have usually been hot golf destinations. But the economic breeze has cooled things down. Golf travel to the



likes of Phoenix and Las Vegas are down 20 to 40 percent depending on the course type, say locals. Thus, "facilities in both

markets have had to price for their respective metro areas, meaning they're now marketing to local golfers," says Curt Hudek, executive director of the Southwest PGA Section. "It seems like you simply can't discount golf enough right now to make someone take a whole trip to get here to play golf. Resorts are hurting the most.

Courses are still able to draw 90 percent of rounds they used to, but the tiers and price structures have been compressed. If it was \$250, it can be under \$100 to attract local golfers now. Operators are trying to keep the integrity as much as possible."

Potentially good news in both markets for existing courses is that there are no new courses under construction, which neither area has experienced in recent memory. The PGA Village at Coyote Springs outside of Las Vegas is operating The Chase, which is getting rave reviews and drawing some outings. One course in Phoenix closed this past year, and several went into bankruptcy but are predicted to emerge from that predicament. While there has been no slowdown in flight volume to either town, some larger planes have been replaced with smaller craft. Troon Golf, which manages several courses in the Phoenix area, has felt the travel pinch.

"The number of total rounds played has

remained relatively flat, but the mix is far more local than previous years," says Tim Greenwell, senior vice president of sales and marketing for Troon Golf. "It would appear that locals are staying put. California has always been Arizona's largest feed market. Chicago, Minneapolis, Seattle, Denver and New York deliver quite a few guests too. Airline traffic into Phoenix Sky Harbor Airport is down nearly 10 percent year-to-date over the previous year. Most airlines have cut the number of flights in and out. The number of family golf vacations has always been significantly smaller than the number of buddy trips ... both being way off to previous years' numbers."

With all of the newer upscale golf resorts in town -- such as Sheraton Wild Horse Pass Resort and Spa and the Westin Kierland Resort and Spa -- older spas have been renovated, including the popular Phoenician, which boasts 27 holes with improved playing conditions. Nearby, The Wigwam Golf Resort & Spa -- which filed for bankruptcy on May 26 -- is celebrating its 80th anniversary. Craig Allen, PGA director of golf there, says his facility has "three of the very few non-desert courses in the Valley," which helps makes the Wigwam stand out. "Golf rounds are slightly down from last year, however."

Michigan

The devastated domestic auto industry has made Michigan's economy perhaps the most challenging of any state. "It's tough everywhere, but Michigan is kind of the epicenter of the slow economy with

Make the most of your travel business

PGA Professionals can take advantage of several initiatives from *PGA Magazine* and The PGA of America to better profit from golf travel. Here's a look at some of the services you can use to maximize your golf travel business:

- **PGA Best Practices: Travel:** This official weekly education e-mail produced by *PGA Magazine*'s editorial staff features best practices on golf travel written by PGA Professionals. The short pieces cover the business elements of golf travel from the perspective of PGA Professionals who work at resort facilities, as well as PGA Professionals who travel with members and customers. *PGA Best Practices: Travel* e-mails are sent to a select audience of PGA Professionals each week, and an archive of past e-mails is available on *PGAmagazine.com*.

- **PGA PerformanceTrak:** Dating back to 2005, this data collection and reporting

service helps PGA Professionals keep track of data from their facilities and compare it to other facilities from around the country. *PGA PerformanceTrak* is operated in conjunction with the National Golf Course Owners of America, and is especially helpful for resort facilities – which can compare their data for items such as rounds played and revenue with similar facilities from around the country. *PGA PerformanceTrak* is accessible through *PGALinks.com*, and all data entered by your facility is kept confidential.

- **PGA Professionals' Guide to Travel on PGA.com:** Available on *PGA.com* under the Travel heading, this site includes content from the print editions of the *PGA Professionals' Guide to Travel* and *PGA Magazine*, along with new and exclusive content from PGA Professionals and golf writers, as well as the latest in travel news from golf

facilities. PGA members can use the site as a resource for planning upcoming trips, or can be used as a marketing tool by PGA Professionals at resort facilities. PGA Professionals will find instructions on how to easily submit resort information or suggested itineraries for trips to their areas, making that information available to *PGA.com*'s more than 1.2 million unique monthly visitors.

- **Economic Impact Studies:** Resort courses can use economic impact studies to quantify the impact of golf on local economies, which can be used by resorts to illustrate their positive economic and environmental impact. *PGA PerformanceTrak* information and The PGA's Annual Operations Survey data is used to create local economic studies, and The PGA has worked with SRI International and Golf 20/20 to complete several such studies – and more are in the works. See page 16 for more details.

hotel again when the economy improves.

In Hawaii, Kaanapali Golf Resort on Maui actually had an increase in resident rounds over prior years. "This is a result of several things," says Ed

Kageyama, PGA general manager at the resort. "We are finding that most residents are still choosing to eat out, play golf, and taking the time to recreate – but are being choosy of where they do so."

unemployment hitting 16 percent at one point," says Kevin Helm, executive director of the Michigan PGA Section. "I get the feeling golf courses are holding their own here, despite the challenging economic conditions. They're probably down a little bit in rounds, but have prepared for the downturn and have reduced expenses where possible to help combat the loss of rounds." May and June weather was awful throughout the state, and August brought fall-like cool, rainy weather. The good news is that because local golfers don't have the means to travel and play golf, more are staying in-state for their fix.

PGA Professional Bernie Friedrich of Boyne USA in northern Michigan says the company's golf package business is up substantially, as it offers value without reducing prices.

"We've made packages with and without food, and packages with one round of golf priced on specific courses and times," says Friedrich, who says that the likes of Golf Channel's "Big Break" program filmed at Boyne Highlands and other marketing efforts have helped increase visitor traffic from out of state and Canada. "Seventy two percent of our guests come from within Michigan – last year it was 78 percent," he says. "Also, how far out people are booking has drastically changed, as 22 percent of our reservations are made within six days, nearly three times the amount of two years ago."

At Traverse City – also in Northern Michigan – golf traffic is the same to slightly up from 2008, says Mike Norton of the

Traverse City Convention & Visitors Bureau, who notes that the Leelanau Club has reported rounds up 13 percent this year – likely due to cheaper gas prices – but with less merchandise and lesson sales.

"At Pinecraft and Champion Hill, rounds are down slightly with more golfers playing only nine holes. Shanty Creek's rounds are up slightly, A-Ga-Ming is similar to last year, and Elmbrook was down in June due to weather but up in July. These examples seem to indicate there are some changes in how golfers are spending their money," Norton says. "But restaurant traffic seems to be up this year, and I think the same is true of gaming. We're seeing lower gas prices, cooler weather and economic uncertainties may be working in our favor, as golfers in the greater Great Lakes region begin to reassess the rising costs and decreased convenience of flying to distant destinations.

"Also, our marketing efforts have aimed increasingly at golfers in nearby states – Illinois, Indiana and Ohio, in particular – who have been unfamiliar with our golf product until now. We're seeing a lot more out-of-state license plates at golf course parking lots. Players in some of those states to the south are beginning to see us as a welcome change from the heat and humidity they have to deal with on their home turf, and we've been driving that message home whenever we can."

California

Southern California golf courses have attracted golfers mostly from local areas, as lower gas prices have stimulated some drive travel. Some airlines have eliminated flights, particularly at regional airports in Carlsbad, Long Beach, Ontario, Palm Springs and Burbank. "Golf facilities in the coastal region, southern Orange County and metropolitan areas in Southern California report rounds as at least static or increasing a small percentage," says Tom Addis, PGA executive director of the Southern California PGA Section and PGA Past President. "The market is price-/fee-driven in travel, hospitality and golf. The facilities providing the best value for the dollar are succeeding."

That's one reason many public courses have been discounting green fees or being more aggressive this year. And those that do have seen more loyalty.

"We are seeing more of the same faces," says Gary Glaser, PGA director of golf at The Crossings of Carlsbad in coastal San Diego. "People here are taking golf stay-cations. We're utilizing our Crossings Club members and our e-club program to send weekly e-blasts to keep our customers coming back with weekly specials. We still feel that the amenities we offer – great service, full-color (continued on next page)



What PGA Professionals are saying

PGA Magazine recently conducted a Golf Travel Industry Survey that encompassed the experiences of nearly 850 PGA Professionals, most of whom work at either private or public facilities. The survey questioned them on their travel habits and observations, such as how often they travel, if they travel with their members or customers, where they go and stay, and what kind of activities are involved on their golf trips. Printed below and throughout this cover story are the answers they gave.

Here are some highlights:

■ When PGA Professionals travel with members, there tends to be between three and seven members traveling per group. Typically all the travelers play golf. Roughly the identical amount of people fly to their destination as drive. If they do drive, it's not unusual for them to trek up to five hours to get there – although beyond five hours seems to turn people off. The average domestic golf trip lasts

four days, in which one round per day is played. International golf trips typically last between seven and nine days.

■ On these trips, the PGA Professional is typically the one who decides where the trip will be – based on input from members. In selecting the destination, the golf professional is typically most influenced by whether he or she has been there before and by what variety of golf experiences the destination offers. And, of course, the PGA Professional listens to what the traveling group is interested in and what makes them happy. Nearly all Professionals surveyed said they had some level of influence on the group, as to where to travel to. The PGA Professional usually is in charge of making all of the reservations, and when not traveling, most professionals say they're asked one to three times per week where to play and stay for golf travel.

■ What influences PGA Professionals

to send groups to a specific destination? In order of most to least: the variety of golf experiences offered, personal experience with the destination, recommendation by fellow PGA members or influential golfers, and the cost of the trip. The following factors are also considered, from most to least: resort reputation, course ranking in national publications, course designer, variety of non-golf activities, an ad in a magazine, the Internet, and an e-mail marketing piece.

■ Professionals responded that the top domestic destination that golfers and members ask them about is Oregon's Bandon Dunes, followed by Pebble Beach, Pinehurst (N.C.), South Carolina (including Myrtle Beach, Kiawah Island and Hilton Head), Florida and Las Vegas. The most popular international destination asked about was Scotland – specifically St. Andrews – followed fairly closely by Ireland and Mexico.

They are visiting their favorite restaurants more than maybe the chain restaurants and playing golf where they feel most welcome and have the best experience and value. People are making a concerted

effort to shop, play and eat more locally and support the local vendors.

"We always treat our guests like ohana (family) and therefore we're finding that the avid golfer is

Golf Travel Reports by Region (continued)

GPS, great food, and ocean views – separate us from much of our competition at any price. We've seen fewer out-of-towners than last year, but still get a nice mix from all around the country, specifically from the desert areas."

Only two miles away lies the luxurious Four Seasons Resort and its pricey Aviara Golf Course, which not surprisingly reports that rounds played are lower than 2008. "However, locals have benefited with increased access to more prestigious courses," says Tony Pistillo, director of public relations for Aviara. "We see locals saving transportation dollars and staying home to play a course like Aviara. There's still demand for the top-notch golf experience with stellar service."

Up north, the Reno-Tahoe area has felt the economic pinch. "All but a few of the most affordable public courses have seen decreased rounds," says Chris Thomas, executive director and COO of the Northern California section. "High-end resort courses have been the hardest hit with some seeing rounds decrease 25 to 30 percent. People are traveling less and when they need their golf fix, they're looking for deals. Many courses are charging less and giving more, adding range balls or lunch to the green fees. Passenger counts are down at all Northern California airports and folks who are traveling are taking shorter, less-expensive trips."

Weather was cooler and wetter in May and June, further hampering rounds played. Thomas adds that visitors are playing one or two rounds, when they used to play four. "A

lot of folks from Reno travel to Bandon Dunes or Pebble Beach annually, yet I haven't talked to anyone that's made a trip like that this year," he says.

Myrtle Beach

Typically a top drive-to destination for golfers up and down the East Coast, this area has actually seen improved air access in 2009 – something which may change its landscape for the better, once the economy improves. "We increased the number of flights coming in here this year," says Steve Mays, director of marketing at Myrtle Beach Golf Holiday, one of the country's premier golf and hotel marketing consortiums. "We had direct-air service open up from Chicago through Spirit Airlines, daily service we hadn't had. It's a great low-cost carrier. Then Allegiant Airlines opened up Allentown, Pa. and Huntington, W. Va. to us. Myrtle Beach Direct Air also opened up a few cities for us, as well. Over the past four years, low-cost direct air service to Myrtle Beach has increased dramatically. Spirit's been huge from Atlantic City, Philadelphia, Boston, New York, Detroit and Chicago. So some of our marketing effort has been just going after those regional markets and making sure they're aware of the direct-air service into here; we do spend a lot of our marketing dollars promoting in those regional markets."

The low airfares provide a huge boost to family traffic, as people have already started

weighing the air option against driving costs to take a relatively inexpensive golf vacation. Mays adds that despite both drive-in and air passenger counts being off in 2009 – resulting in a 15-percent downturn in business – the improved air access will be paramount in future years.

Florida

According to research reports from Visit Florida, there were 9.4 percent fewer visitors to the Sunshine State in the second quarter of 2009, which was actually 1.2 percent better than the first quarter. Golf facilities there are reporting all sorts of struggles. Those in Orlando have been

aggressively touting their collective golf scene this year. In Port St. Lucie, PGA Golf Club sees reason for optimism in 2010. "There's been a dramatic pickup in advanced reservations, which makes us real excited for 2010," says Jim Ward, president of

Georgia-based Premier Golf, which is the exclusive golf-package provider for PGA Golf Club. "The past year has been soft, as most destinations in our industry have been. But PGA Village has had a real nice comeback. The economy since spring has improved somewhat and people who had put off trips are starting to travel. The renovations from two years ago has caused



still coming out to play with us. The occasional golfer is playing a little less frequently with us and will choose to play at one of the municipal courses." Several sources report that significantly more resident Hawaiian golfers took "stay-cations" this summer instead of traveling elsewhere.

"We are fortunate to live in such a beautiful place with so many options of restaurants, golf, beaches, hiking, etc. that it's nice to be able to take advantage of what is right outside our doorsteps," says Kageyama. "People are using their stay-cation time to play more golf, spend quality time with the kids and families, and also take a few nights to eat out at perhaps a restaurant they haven't visited in awhile. We are blessed with great weather all year-round."

Interestingly, the 11 hotels that make up Ka'anapali Resort saw occupancy rates slowly rise over the year, but that didn't translate to an increase in optional activity purchases, such as golf, parasailing, spa services and luxury dinners. In other words, guests are being selective in spending their budgeted vacation dollars.

"We have to work harder to convince them to spend their money on golf and then we need to deliver a superior experience," says Kageyama, who has been offering golfers playing from 10 a.m. until noon a \$50 "plus" option good toward a spa treat-

ment, dinners, luau shows or other activities. "It provides a much higher perceived value to value-conscious consumers and promotes our resort business partners."

To help alleviate airline fees for toting golf bags, some Hawaiian resorts offer discounted or free rental set programs for visitors – which is a very thoughtful gesture. Ka'anapali, however, went the other way, hiking fees for premium club manufacturer rental sets, from \$55 or so up to \$85 per set. "If golfers wanted to play quality golf and desired quality equipment, we felt there was a demand for it," says Kageyama. "It has proven so, as the premium rentals inventory has paid for itself five times over. This allows our guests to have an upgraded option – to test out a new set, which promotes new club sales, and they have the convenience of leaving their clubs at home. I've concluded that if we try to convince people to consume golf in traditional 18-hole rounds in non-traditional economic times, we're forcing the proverbial square peg.

"We need to adapt to how people want to consume us. As people's time and money is at a premium now, we can't continue to bring to market the same products we offered a year ago. I am not an advocate of discounting, as I feel my price point still offers high value. I have, however, changed our

a lot of repeat and referral business – far more than in the past. A lot of PGA Professionals are beginning to bring a lot of groups."

Hawaii

Resorts in the Aloha State are generally hurting this year – up to 30 percent off pace – due to the economic downturn affecting Maui, Kauai, Big Island, and Oahu (from hardest hit to least). "They're getting hammered," says Jim Haugh, PGA executive director of the Aloha PGA Section. "Maui is really taking a pretty hard hit. Resort properties on the Gold Coast on the Big Island are seemingly holding their own."

That said, municipal, military, daily fee and private courses are doing OK, particularly with the many local golfers who can play cheaply at all but the private facilities. Tourism, in general, is off 15 to 20 percent on the islands. Aloha Airlines, ATA, and Harmony Airways airlines ceased operations, meaning the area lost 1.5 million seats coming into Hawaii.

Ka'anapali Resorts' Ed Kageyama says that "avid traveling golfers were already flying the major airline carriers, so we haven't seen a huge drop in golfers to the islands as a result of the loss of a few carriers. Overall, we have seen about a 15-percent drop in visitors to Maui, as a result of lower seat capacity from all carriers, extra baggage charges, increased fuel/travel

costs and people choosing cheaper vacations this year."

One bright spot is one of the nation's busiest course: Ala Wai Golf Course in Honolulu is operating at a rate of more than 100,000 rounds. "About 200,000 people come here every year for golf," says Haugh. "Some come just for the golf, others work it into their trip. In 2007, we had 2.5 million visitors – but that was a really good year. The West Coast makes up for a good deal of that." Citing the poor economy, Gary Planos, senior vice president of resort operations at Kapalua Resort, says "lower occupancies have created fewer golfers and decreased spending has affected both paid rounds and merchandise sales in negative ways. Our local play is down slightly, but with downsizing within the hospitality industry on the islands, even our local players have to watch their spending. We have had to discount rates to help induce more activity at our golf courses."

In fact, Kapalua isn't alone. A Hawaii Department of Business, Economic, Development & Tourism report from May stated that year-to-date 2009 arrivals by air totaled 2,611,452 visitors, 10.5 percent fewer compared to 2008. The average daily spending was \$167 per person, down from \$181 per person for the first five months of 2008. The average length of stay by these visitors was 8.9 days. "May's visitor statistics continue to reflect global economic challenges that are

affecting Hawaii," says Marsha Wienert, the state's tourism liaison. "Additionally, concerns over the H1N1 flu virus impacted visitor arrivals and caused a double-digit decrease in visitors from Japan." Arrivals from California actually increased 1.9 percent in that timeframe.

International

While international destinations are feeling the economic pinch, two places have probably the best chance of rebounding first – the old reliables of Scotland and Ireland. Yes, golfers can pretty much walk onto the Old Course now, at any time. And Americans traveling there not only have a powerful dollar, but can easily find great deals and aggressive incentives. Which, of course, is positive news for travelers and PGA Professionals who are planning group trips over there.

Haversham and Baker Golfing Expeditions – a Cincinnati-based golf tour operator – has seen its club-hosted trips double the last two years, according to owner Sam Baker, who says those types of trips account for almost 40 percent of his business. "And Scotland and Ireland remain the most-requested international destinations for us," he says. "That said, international golf travel may be down more than 50 percent this year. That's why you will see the savvy tourist boards and golf destinations internationally going after the U.S. market, paying more attention to PGA Professionals and private clubs. For them, it's as bad as business has been in 20 years.

(continued on next page)



PGA PerformanceTrak sheds light on travel trends

Below is a snapshot of how resort facilities nationwide and within three major travel markets have performed throughout the past two-and-a-half years in terms of rounds played and revenues.

PGA PERFORMANCE TRAK
IN COOPERATION WITH THE NGCOA

Local Market	2008 Rounds vs. 2007 Rounds	2009 YTD Rounds vs. 2008 YTD Rounds	2008 Golf Fee Revenue/Round vs. 2007 Golf Fee Revenue/Round	2009 YTD Golf Fee Revenue/Round vs. 2008 YTD Golf Fee Revenue/Round	July 2009 Golf Fee Revenue/Round
Arizona: Phoenix - Scottsdale	-0.4%	-4.1%	-2.5%	-15.5%	\$49.40
Florida: Orlando	-3.4%	-9.9%	-12.7%	-14.0%	\$46.00
South Carolina: Myrtle Beach	-0.6%	-12.1%	6.5%	5.5%	\$28.53
Overall Resort Facilities	-3.7%	-6.0%	N/A	-8.0%	\$50.81

product selection to better align with my customer's needs."

Packaging travel activities and options has been a trend for many years, but it's perhaps been more important than ever, as vacationers seek deals to golf hot spots. In many areas, that comes in the form of a convenient toll-free number that golfers can call and speak with a "trained destination counselor" to find bargains and help them create a package customized to their individual tastes and budgets. These one-stop-shopping marketing consortiums are being relied on even more heavily this year, as consumers realize there are deals to be had – particularly for golf and hotel combination packages. The original such group, Myrtle Beach (S.C.)

Golf Holiday, has 79 course members. Since Myrtle Beach is not dependent on corporate travel, the area has not suffered as much as other golf hot spots. In fact, business is down a relatively mild 15 percent in 2009, according to Steve Mays, director of public relations at MBGH. "There's never been a better time to find deals here, for the fall," he says. "There's everything from buy four rounds, get a fifth free, to buy your hotel and play all day deals. There's lots of aggressive pricing and value-added programs.

"The consensus is that golf travel is down about 25 percent overall, so we're still a value destination," he adds. "So some of those golfers who were taking expensive trips overseas or to more expen-

Golf Travel Reports by Region (continued)

Corporate trips are generally out. They've been hit very severely – even companies that are still fairly healthy are not choosing to spend on that sort of thing right now."

Baker points out that in a recent independent Golf and Good Life Survey for private country clubs, 85 percent of respondents – all Americans – indicated that for international golf travel, they wanted to travel to Scotland or Ireland, then England, then Spain and Portugal, then Wales, and then New Zealand. "Luxury travel isn't important right now," says Baker. "Playing courses they've heard of is what people want. How much golf do they want to play? At most country clubs, almost no one wants to play golf all the time on their trips. They want to play maybe a round a day, and in some cases, take a day off."

As for general travel habits right now, it seems American golfers traveling abroad want to stay in middle-of-the-road accommodations, and visit places that are easy to get to. "Ultra long-distance destinations – the 10-hour flight – aren't working as well, and almost no one wants to go away for more than two weeks, either," Baker says. "Mostly golfers want to travel eight days max for overseas trips. So PGA Professionals who advertise Scotland or Ireland for eight days can expect that 85 percent of their members will go for it, on average."

Wales has been making a large push to lure American golfers. Close to London, it boasts many golf courses and its centralized location. In other words, it's easy for golfers

to get there from America, and they don't have to travel far once they get there to be able to play many courses. Wales is also hosting next year's Ryder Cup, which has generated major enthusiasm, according to Ward at Premier Golf, which is the only guaranteed source for tickets and packages in the U.S. The Ryder Cup's ticket lottery recently closed out. "That's when we see a lot of activity – when there are no more tickets," says Ward. "When Wales was originally announced as the venue, we weren't quite sure about that as a destination. But it's a great place for golfers to visit. In our Ryder Cup sales materials, we made sure we included a map of Wales, the U.K. and Ireland, so Americans have a better appreciation of where it is. It couldn't be in a better location, and it has easy access to everywhere. Some of our pre- and post-Cup trips are terrific, too. In fact, just about everyone who's purchased a package from us so far has added a pre- or post-Cup trip. Because we're working there, we've spent quite a bit of time over there this year. It's easily the most-underrated golf destination I've seen."

One of golf's fastest-growing international destinations is Argentina. The country's location in the Southern Hemisphere puts it in winter during our summer, and the weather is excellent for golf year-round in many locations. The country's profile has also risen thanks to

major championship victories by Argentine golfers Eduardo Romero at the Masters and U.S. Open and Andres Romero at the U.S. Senior Open.

Argentina also boasts three courses on the Golf Digest list of the 100 Best Courses Outside the U.S.: Olivos Golf Club, Buenos Aires Golf Club and the Colorado course at the Jockey Club, all located in Buenos Aires. In fact, some 75 courses are located in the suburbs of Buenos Aires alone. One of those courses is Pilar Golf Club (www.pilargolf.com.ar), located less than an hour north of Buenos Aires. Built in the 1990s, Pilar Golf Club has 27 holes of American-style golf, including wide, undulating fairways and large, fast greens.

While you're in Argentina, check out the legendary Patagonia area. A two-hour flight from Buenos Aires, Patagonia features a bevy of natural beauty – glaciers, mountains, lakes and forests. Located at the tip of South America, Patagonia extends from the Andes mountain range east to the Atlantic Ocean and is one of the top international destinations for visitors to Argentina.

Where are golf's up-and-coming international destination darlings? Experts tend to concur that it's England's Golf Coast, which stretches from Liverpool to Blackpool and hosts several of the upcoming British Opens. Apparently, this area solved its previous weakness by adding new



"WE HAVE ADJUSTED THE MENU TO BE MORE OF A VALUE IN OUR SIGNATURE RESTAURANT AND ADDED ADDITIONAL ACTIVITIES TO ASSIST IN KEEPING GUESTS HAPPY AND BUSY DURING THEIR STAY."

—NIKKI LINDGREN,
DIRECTOR OF PUBLIC RELATIONS,
REUNION AND HAMMOCK BEACH
RESORTS IN FLORIDA

sive destinations looked at us again. And having so much of the population within driving distance has helped us a lot, as well. It's helped us maintain business levels and not fall off the map in these tough times. Fall bookings started off pretty well. We're really looking forward to 2010 – I think everyone

in travel is."

With the golf course boom that's taken place in the past decade, there has been a mortality rate, as well. Myrtle Beach lost 16 courses to closure four years ago, as real estate developers swooped into the area. "That actually made our golf supply and demand stronger," says Mays, who believes that's particularly helped courses out in the area this year. "We haven't had any courses close because of the downturn this year."

There's also a dramatic slowdown in course openings, as well. Of course, this phenomenon is not restricted to America. Troon Golf – based in Scottsdale, Ariz. – operates courses in 31 countries. "The phrase 'When the U.S. catches a cold, the world catches the flu,' can definitely be applied to the golf industry," says Tim Greenwell, senior vice president of sales and marketing for Troon Golf, who doesn't see course expansion globally on the horizon.

Tracking a Change in Habits

Of course, facilities that consider themselves elite are facing a conundrum: Don't discount and have a load of empty rooms and tee sheets, or discount competitively and risk having golfers expect to stay and play for less once the economy rebounds.

Golfers, on the other hand, are reshaping their

accommodations. For example, there's now a very high-end boutique hotel in Southport, and a new Ramada at Formby Hall golf resort. Most places that travelers play in a week are no more than 15 minutes away from one another by car, as well, which makes it a convenient destination. And many of those courses are beginning to promote themselves more aggressively.

There are some sought-after new destinations on the international scene, including the brand-new and highly acclaimed Castle Stuart Golf Links along the Moray Firth in Inverness, Scotland, where experts tell us that the attention to detail is spectacular, and Machrihanish Dunes, which is located on the Kintyre peninsula in Scotland, finally opened for play in July after several delays. The latter is a David McLay Kidd design that's unique in that it will be the first golf course in 140 years to be built on a Site of Special Scientific Interest. A crew of just 10 workers hand-crafted this course, which is required to meet local environmental laws. Any piece of land they dug up had to be put back down somewhere on the property.

"Scotland still sees the most inquiries, specifically The Old Course and Turnberry," says Iain McLean, president of Roswell, Ga.-based tour operator Hidden Links Inc. "Yes, the economy is down, but the pull of the British Open courses and links golf in general still remains. Scotland seems very resilient and The Open at Turnberry has certainly caused a spike in demand. The booking window is significantly shorter than

in years past, probably more so with Ireland rather than Scotland. Suppliers are typically offering complimentary golf and incentives to bring in groups, at the hotel and resort sides. Those deals include complimentary dinners and/or upgrades for the travelers. With Wales about to host the 2010 Ryder Cup, the publicity looks to generate some great interest for the country and the avid golfer, as well."

There is also activity beyond the British Isles. For example, the Gary Player Group partnered with Harlequin Hotels & Resorts at The Marquis Estate, a five-star beach resort on the northeast coast on the Caribbean island of St. Lucia. Plans include the first boutique Gary Player Golf Hotel and 20 Gary Player-branded luxury residential villas interspersed on hillsides throughout the Player Signature course anchoring the resort property. Player also has new course projects he's tending to on the Black Sea Coast of Bulgaria.

Troon Golf recently announced that it will manage golf operations at Lion Lake Resort northwest of Guangzhou, China. Formerly called the Qingyuan Lion Lake Golf Club, it's currently being renovated and, when completed, will house two five-star resorts and convention centers, 36 holes of golf, a yacht club, hot springs, wine vineyards, and a high-end residential community. Sheraton Hotels & Resorts has been chosen to operate one of the resorts, which will feature 350 rooms. The first course at Lion Lake opened for play in August and the second 18 will debut in early summer. Troon

has also just signed on to manage the Gary Player-designed course at CostaBaja Resort & Marina in La Paz, Mexico, that's slated for completion next summer.

Speaking of Mexico, PGA Professional Jim McLean is in the process of opening a new golf academy at Mayakoba Resort along the Riviera Maya. "We are going into an expanding market and becoming a golf destination for numerous countries," says McLean. "We are the premier resort destination in this area. The resort has a great course and hosts the only PGA Tour event in Mexico. In addition we have all the tools to be the best golf instruction facility in Mexico. We offer all types of teaching programs to resort guests and visitors."

While there have been 62 new South Korean courses opened for play in the past three years, there are more than 110 projects now under construction there. And that was before South Korean Y.E. Yang became the first Asian-born male to ever win a major championship, this year's PGA Championship. One recent opening – Pine Beach Golf Links – opened for play in February in Haenam on the west coast. With 10 holes directly on the rocky cliff tops, the 7,290-yard layout is already gaining notoriety. This is one of four seaside courses that Santa Rosa, Calif.-based Golfplan will have completed in the last 15 months. Others include the New Kuta Golf Club in Bali, Indonesia, Sea Links along Vietnam's Binh Thuan coast, and Weihai Point Golf & Resort in Shandong Province, China.

Designed by Scotsman David Kidd, architect of the renowned Bandon Dunes course in Oregon, Machrihanish Dunes opened for play this past summer and is the first 18-hole links golf course to be built on the west coast of Scotland in 100 years. Set hard against the shores of the Atlantic Ocean, the course shares breathtaking views with the adjacent Machrihanish Golf Club links laid out by "Old Tom" Morris in 1879, one of Scotland's classic and most revered links.



vacation shopping. Many of them have learned to shop online, knowing they can easily and privately compare rates, get plenty of information, see photos of their desired destination, and read reviews from people who had just visited. Thus, if the service or course conditions are lousy, potential visitors will surely hear about it. That said, it's the deals that people will most immediately benefit from

online. And smart destinations are being proactive.

"Daily green fee play has been greatly affected by the golfer learning to shop for specials," says Marriott Golf's Atcheson. "With so many avenues available to the golfer through Web-based offers, he or she can easily peruse the offerings with a limited amount of effort. This, coupled with the decline in group outings, has caused the market to

Airlines making an impact on golf travel

Air travel has been greatly affected by the economy. Airlines are attempting to discount fares to lure in consumers who generally can't afford to travel. As air travel volume shrinks, flights are being cut and some routes are being downsized to smaller aircrafts. Sample golf destinations are experiencing about average air traffic flow, according to Sara Killeen, president of Oregon-based Longitudes Group, a company providing geographic-based research focused on sports, travel, leisure-spending and recreation. Here, Killeen cites International Air Transport Association for these figures: Through June, Ft. Myers, Fla., was down 4 percent compared to the same period in 2008; Honolulu was down 9 percent, as was Phoenix. Through May, Miami was down just 2 percent and Orlando down 11 percent. In fact, North America was down 9 percent on average.

"The key to these figures is seeing which



areas are beating the national average," says Killeen. "I've had clients holding off on buying travel reports until now. They're suddenly starting to come back and see who is traveling, trying to figure it out now because if they're not proactive, they'll be down another 15 to 25 percent. So destinations are asking themselves if they're going to be victims or take advantage of opportunities and let competitors be victims."

According to Killeen, the dust has yet to settle.

"Everybody's scrambling. For example, in central Oregon - home of Bandon Dunes - visitors from Los Angeles spend three times more a day than people who drive in from other parts of Oregon. They buy more wine, play more golf, eat out, etc. They may have lost a flight in from L.A. there, and Bandon lost connectors from Portland. So now people coming from the East Coast have to go through San Francisco. And

planes that were coming into the North Bend Coos Bay airport were more sensitive to cargo, meaning golf clubs weren't coming in with the golfers. Airplane equipment changes can definitely affect small golf resorts in obscure destinations."

Bandon Dunes is helping guests whose bags don't arrive on time by providing rentals or adjusting tee times, and is working with SkyWest Airlines on overcoming inconveniences golfers are experiencing.

In fact, says Killeen, any destination located where there's more of a hassle factor to fly to are down in room nights and rounds played by 25 percent. "Puerto Rico was down by that much," she says. "And wherever room nights were down, rounds played followed. Places domestically with drive-in traffic are not down as much. That said, travel patterns have changed and I expect they'll change again. People will once again go away on a plane for a long weekend."

be very consumer-friendly, both in access to available tee times and the cost of green fees. We've seen a greater interest in annual memberships at some of our properties, as the golfer is looking for, and getting, deals in the local marketplace.

Atcheson has also seen golfers take advantage of the unique program offerings that Marriott Golf has implemented at all properties in the U.S. For example, families are taking advantage of the Kids Golf-4-Free program and participating in Family Golf Festivals, and active military and reserves are taking advantage of the recently introduced Fairway Furloughs program. "We fully recognize the current economic climate," Atcheson says. "And we are doing everything in our power to make it easy and affordable for golfers to experience our premier portfolio of properties."

According to a recent report by Henry Harteveldt of eBusiness & Channel Strategy Professionals entitled "Using Digital Channels To Calm The Angry Traveler," just one in three U.S. travelers feels that travel Web sites do a good job presenting travel choices, down from 39 percent in 2008. "Travelers feel that they, and their business, are taken for granted," writes Harteveldt. Business and leisure travelers are frustrated, confused and annoyed – unsure of what they're actually buying, because travel organizations' focus on generating revenue has come at the expense of the selling and customer engagement process. Harteveldt also claims that travelers say the service they receive is

"RATHER THAN CHASE THE CORPORATE MARKET, WE HAVE INCREASED OUR MARKETING EFFORTS TOWARD THE LEISURE MARKET. THIS HAS BEEN A MUCH STRONGER MARKET FOR US IN 2009."

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PGA DIRECTOR OF OPERATIONS,
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BLACKWOLF RUN, KOHLER, WIS.

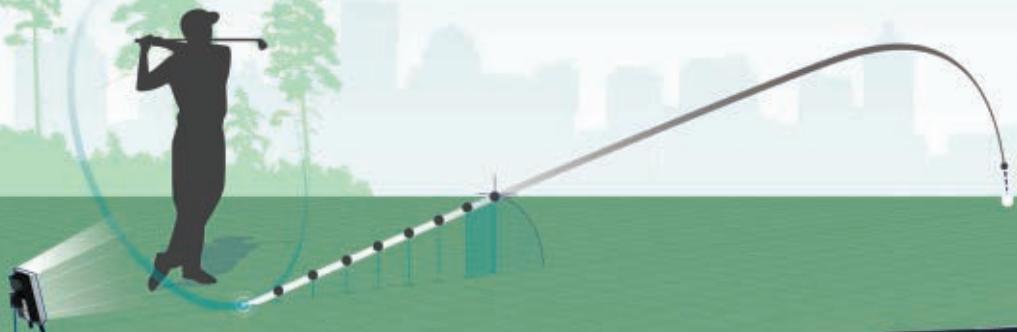
inadequate. Point is, resorts and golf facilities need to pay more attention to their online information and customer experiences. Harteveldt's research shows that only about 25 percent of travelers have brand loyalty these days, and because travel budgets are minimal, consumers are looking for low prices (43 percent of all travelers seek the lowest prices available) and value, and nearly half of them surveyed are willing to be slightly inconvenienced if it means saving money on a trip. ■



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