



Agricultural and Resource Policy Report

**Colorado
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University
Cooperative
Extension

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Executive Summary:

The Golf Industry in Colorado

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The Role of Golf in Colorado's Economy and Tourism

- Colorado golf contributed over \$560 million in direct revenues to Colorado's economy in 2002
(<http://dare.agsci.colostate.edu/csuagecon/extension/docs/impactanalysis/edr04-08.pdf>).
 - Taking indirect accounts into consideration, the economic impact of golf was as high as \$1.6 billion in 2002.
- The main driver of the golf industry and its multiplier effects on Colorado's economy are golfer expenditures.
 - 43% of golfers surveyed have made an equipment purchase of over \$100 in the last six months.
 - 57% of golfers surveyed are planning on making a purchase of over \$100 in the next year.
- Overall travelers spend much more on a single golf outing than locals.
 - Traveling golfers spent an average of \$387.52 per day on activities outside of golf.

The Role of Golf in Colorado Recreation

- The \$560 million in economic activity from golf represents a significant investment in resources, but the return on these resources is high.
 - The industry creates \$15,730 in revenue per acre of land in courses (including unmaintained land) and \$11,667 per acre-foot of water.
 - For the US, these numbers are much lower at \$8701 per acre of land and \$4134 per acre-foot of water, as a whole.
- In 2002, nearly every course employed at least one water conservation strategy, resulting in a 52% decline in surface water use and estimated "real water savings" of 25%, once environmental considerations are taken into account.
- There are 911 acres among Colorado's golf courses dedicated to wildlife habitat.

Colorado State University conducted this study on the golf industry in cooperation with THK Associates and the Colorado Golf Association.

The Role of Golf in Colorado Recreation

- Course location is the top reason for why golfers chose to play a particular course with 51% of respondents listing that as a primary reason. Having a good reputation and reasonable fees are the second and third top reasons for choosing a course.
- Overall, golfers were very satisfied with courses in Colorado.
 - The relatively high satisfaction suggests few concerns with golf courses.
 - Factors of least satisfaction are availability of practice facilities, prices/fees and speed of play.
- 65% of golfers surveyed play more than twenty rounds of golf a year, suggesting that golf is seen as a major part of their recreational lifestyle.
- Those surveyed are playing, on average, more golf now than in the past. However, growth in frequency of play was greater relative to five years ago (compared to two years ago), suggesting slower growth in recent years.
- In terms of alternative recreational activities, biking and spectator sports are also popular among the golfing population with fine dining showing a significant increase in popularity within the last year compared to five years ago.

Who's Playing Golf in Colorado?

- Colorado's golfer population is not representative of US or Colorado demographics as there are nearly five times the number of male golfers than women; reinforcing the "conventional wisdom" that golf is a male-dominated sport.
 - Golfers ranging in age from 41 to 50 are most prevalent in the Mountain and Front Range regions accounting for 28% and 35% of total golfers in those regions, respectively. The 51 to 60 year old group is over-represented in the Denver-Metro region's survey sample, accounting for 23% of all golfers.
 - Denver-Metro and Front Range show a significant share of middle-income golfers, while the Mountain region skews toward incomes above \$150,000, likely due to the high number of travelers in that sample.
 - The amount of golf played during discount or off-peak times is assessed as follows:
 - All of them: 2%
 - Most of them: 13%
 - Some of them: 53%
 - Few of them: 32%
 - Employment status of golfers in Colorado is represented as follows:
 - Full-time: 68%
 - Part-time: 5%
 - Retired: 10%
 - Self-employed: 10%
 - Student: 1%
 - It appears that employment status affects play of golf by acting as a time constraint. Not surprisingly, those who are self employed or retired are the most avid golfers (over 20 rounds a year) while full-time workers were most likely to play less than five times a year.
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