

# The Economic Impact of the Florida Golf Industry

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# Research Question

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- ▶ **What is the economic impact of the Florida golf industry?**
  - ▶ monetary terms
  - ▶ employment
  
- ▶ **Case study: The World Golf Village**
  - ▶ economic impact on surrounding counties
  - ▶ Residential situation
  - ▶ home owners profiles
  - ▶ catchment area
  - ▶ ownership situation (historic development)



# Methodology

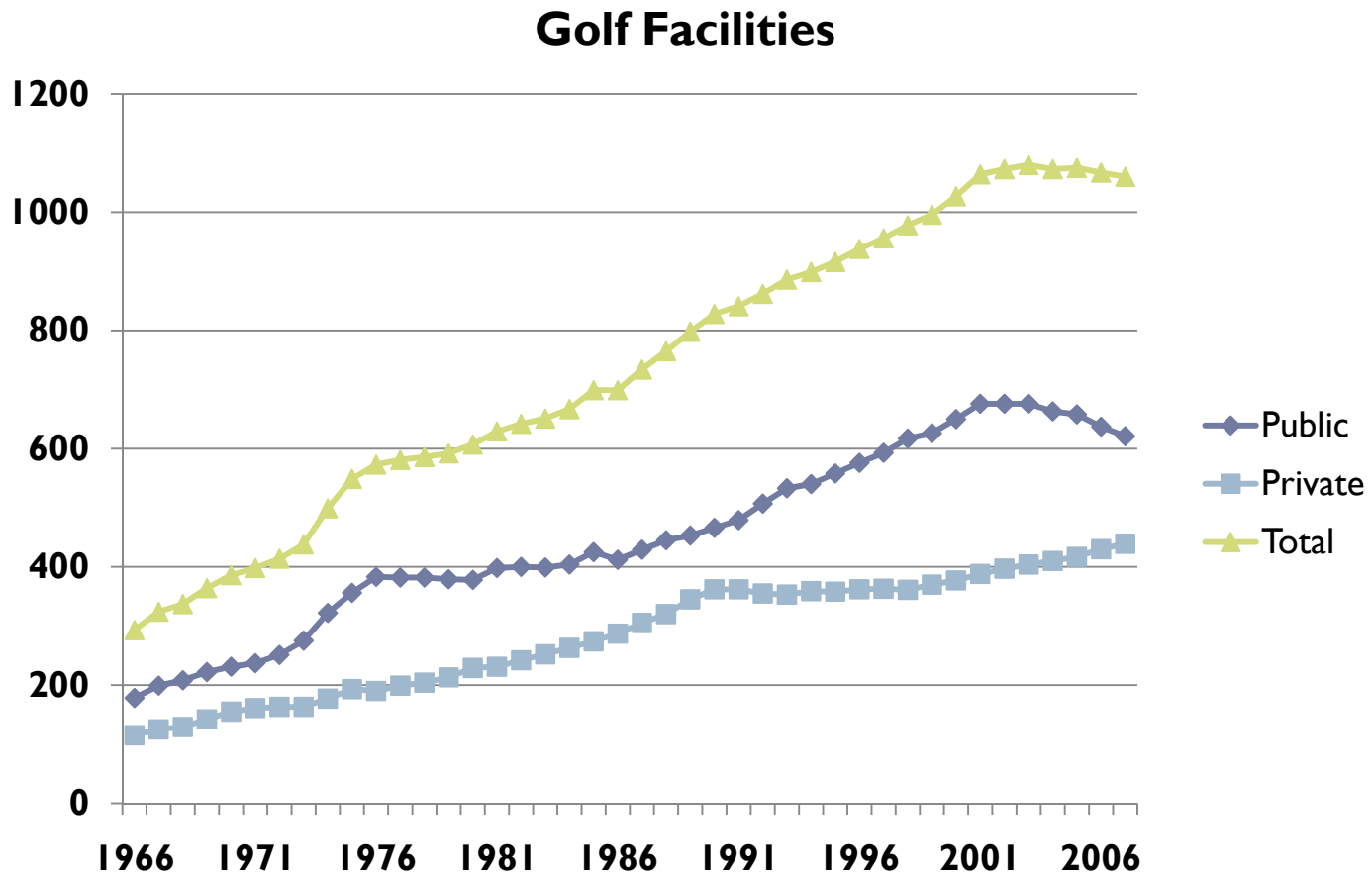
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- ▶ **Florida golf industry:**
  - ▶ Data from NGF
  - ▶ Impact reports that use I/O Models
  - ▶ Interviews
  
- ▶ **Case study: The World Golf Village**
  - ▶ Impact reports
  - ▶ Interview with Marketing of WGHOF and Master Developer
  - ▶ Exit survey, satisfaction survey



# Number of golf facilities in Florida

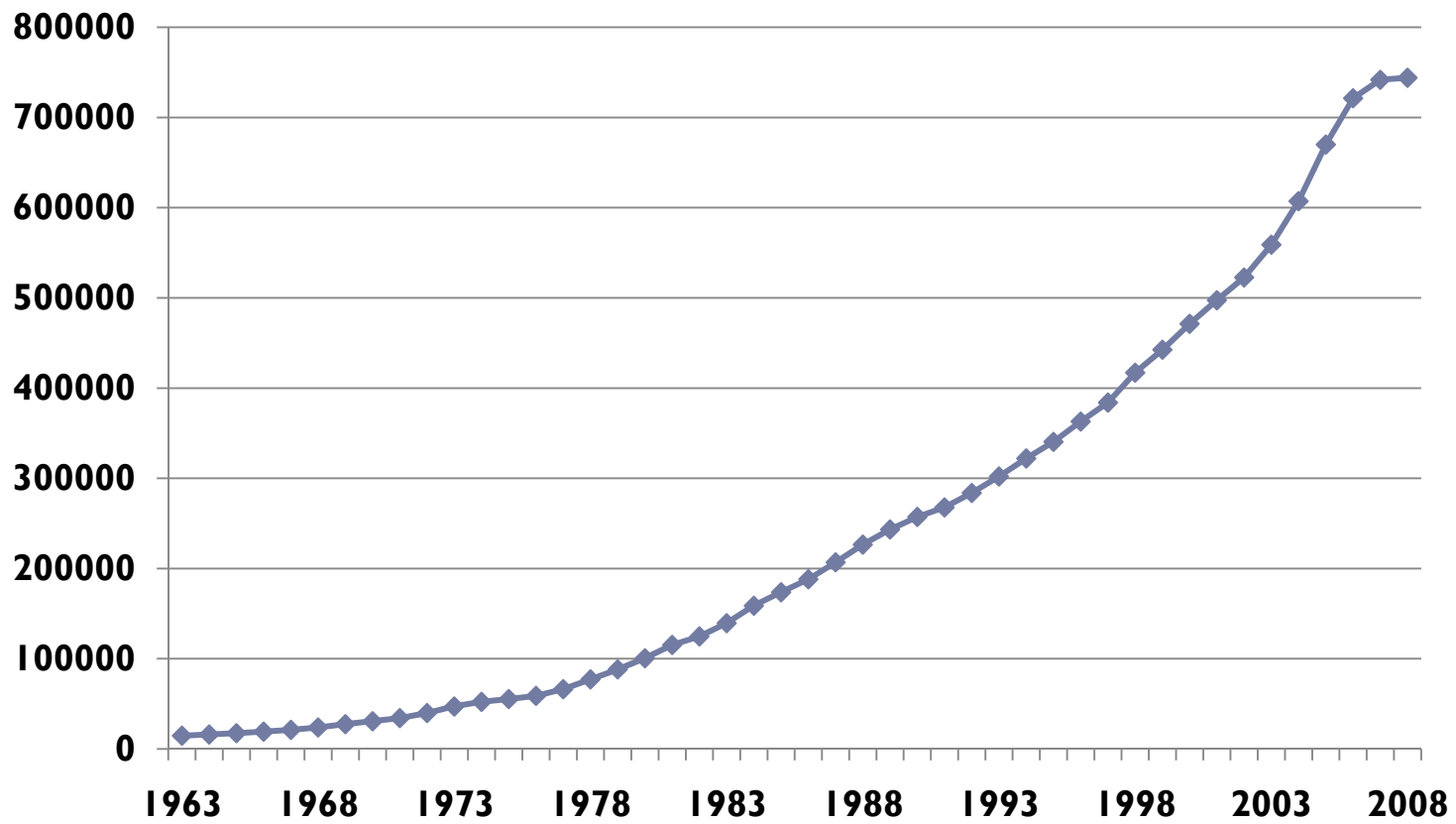
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# GDP of Florida

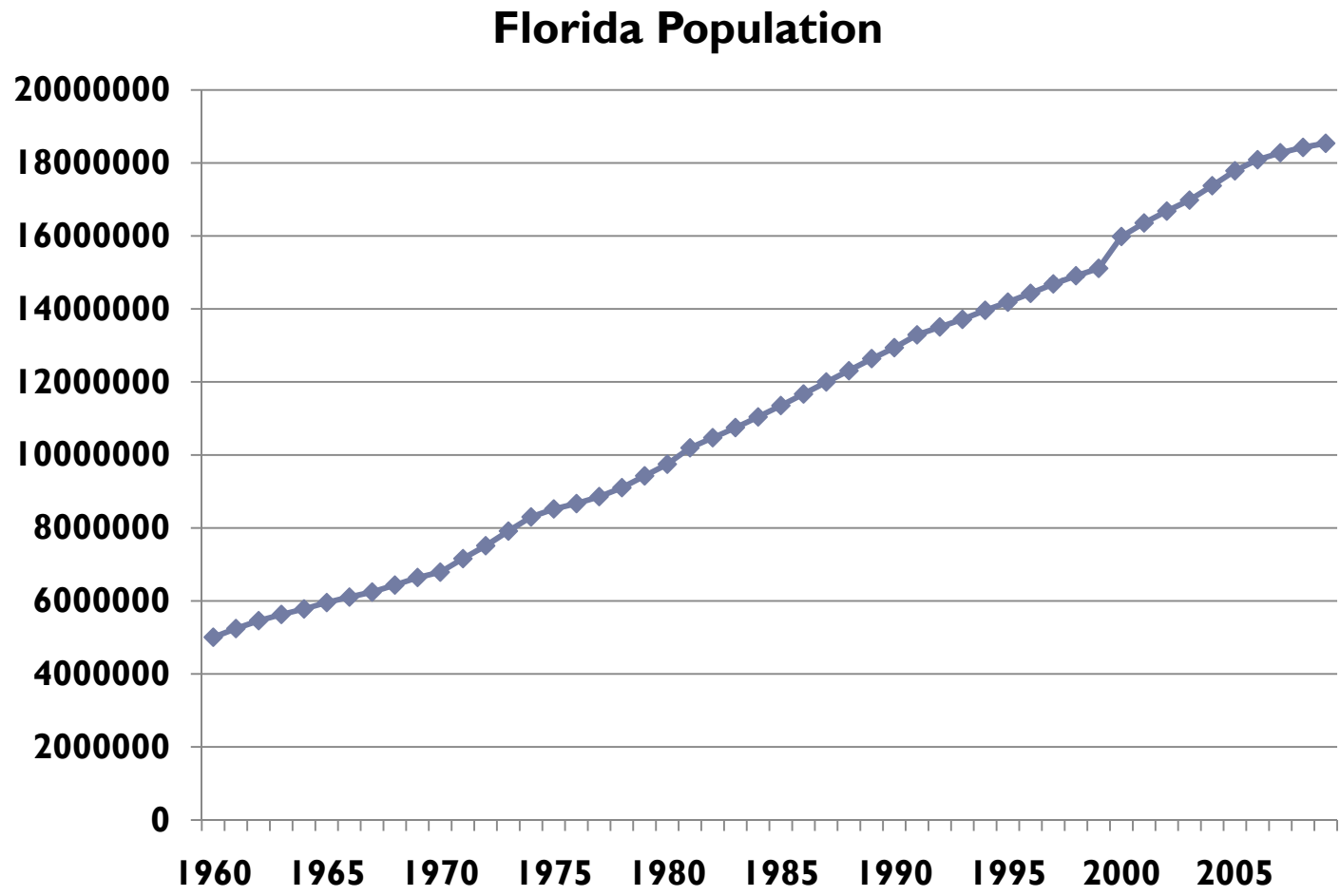
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**GDP Florida**  
(millions of current dollars)



# Florida Population

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# Golf in Florida: location quotients

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- ▶ Measure the level of concentration of the local Golf Industry relative to the US.
  - ▶ Based on wages paid (provided by BLS)
  - ▶ NAICS code 713910
  - ▶ Florida: **1.93**
  - ▶ ST. Johns County: **8.43**



# Definition of the Florida Golf Cluster

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## ▶ Core industries

- ▶ Golf facility operations
- ▶ Golf course capital investment
- ▶ Golf-related supplies (on and off course)
- ▶ Media, tournaments, associations, charitable events

## ▶ Enabled industries

- ▶ Real estate
- ▶ Hospitality and Tourism
  - ▶ 2,026,274 day trips, \$ 62.16 per day
  - ▶ 3,169,300 overnight trips, \$454.10 per trip
  - ▶ 293,904 overnight international trips, \$476.18 per trip





# Economic Impact of Golf in Florida

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- ▶ **Key figures for 2007**
  - ▶ 7.5 billion of direct annual output
  - ▶ 13.8 billion of total (direct, indirect and induced) output
  - ▶ 4.7 billion of wage income
  - ▶ 167,000 jobs



# The size of Florida's Golf economy

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<b>CORE INDUSTRIES</b>	<b>MILLION US\$</b>
Golf facility operations	3,449.4
Golf course construction and capital investment	352.9
Golf-related supplies and	206.1
Major tournaments and associations	377.0
<b>TOTAL CORE INDUSTRIES</b>	<b>4,385.4</b>
<b>ENABLED INDUSTRIES</b>	
Real estate	1,283.4
Hospitality tourism	1,705.1
<b>TOTAL ENABLED INDUSTRIES</b>	<b>3,087.5</b>
<b>TOTAL GOLF ECONOMY</b>	<b>7,472.9</b>



## Case study: The World Golf Village (WGV)

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- ▶ Location and map of the development
- ▶ Introduction
- ▶ Residential development
- ▶ Home owner profiles
- ▶ WGHOF visitor catchment area

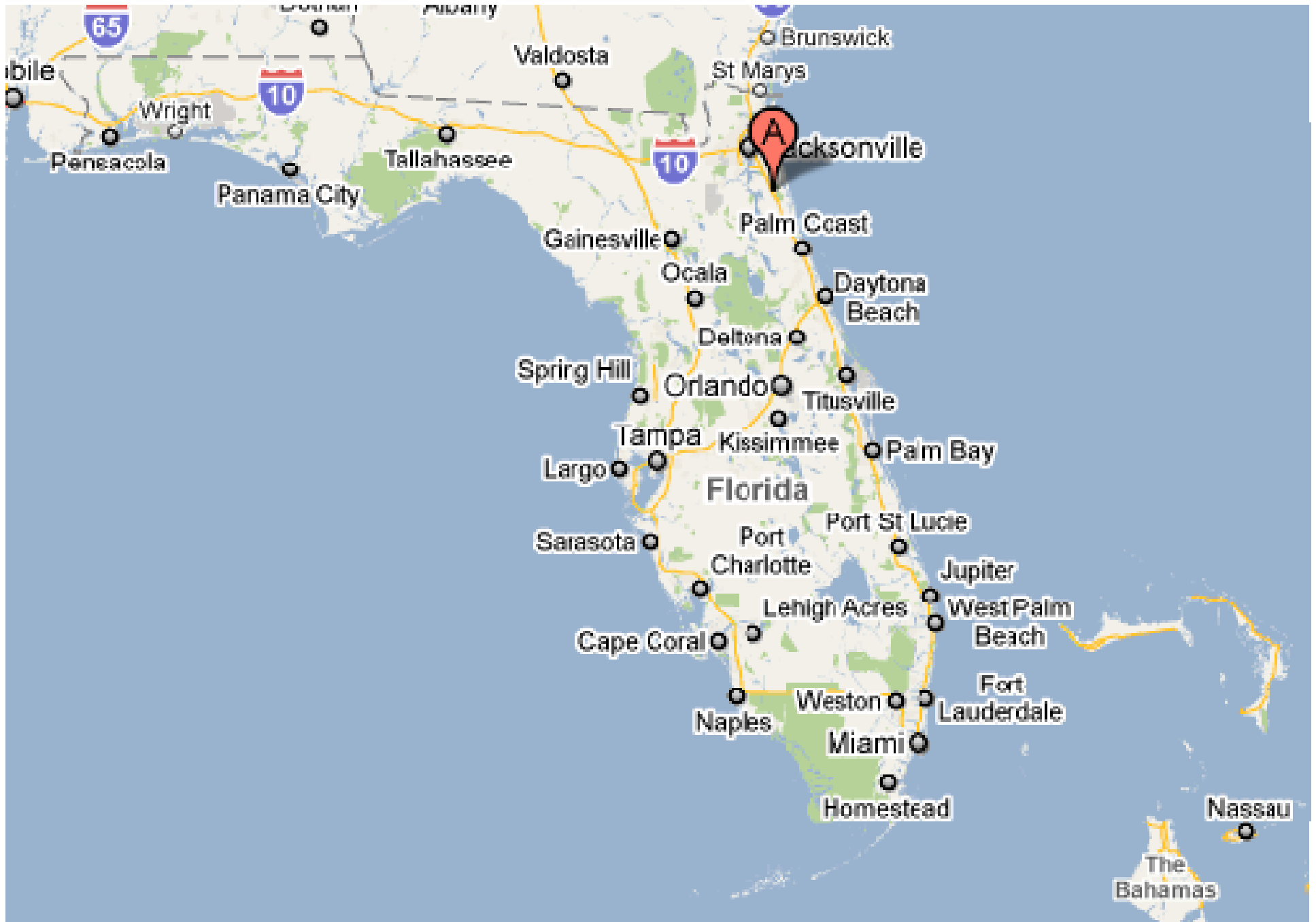


# The World Golf Village (WGV)

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- ▶ Multi-use development
- ▶ 6300 acre (25km<sup>2</sup>)
- ▶ World Golf Hall of Fame + IMAX theatre
- ▶ Hotel, convention center, timeshare, residential apartments
- ▶ two championship golf courses
- ▶ PGA Tour Golf Academy
- ▶ Retail center (restaurants, stores)







# The WGV: Residential situation

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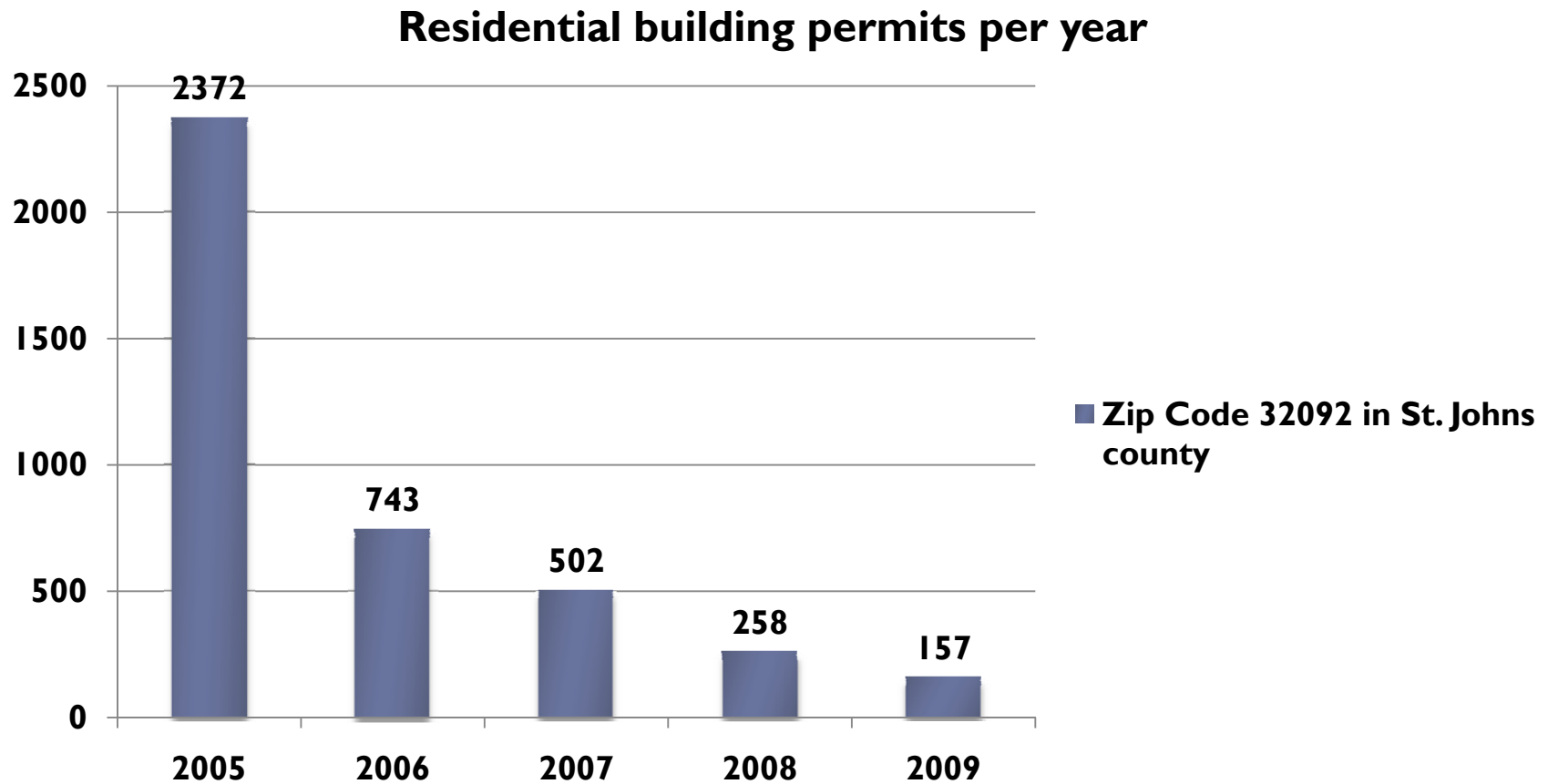
- ▶ The Master developer carried out the DRI process
- ▶ 7200 residential units permitted
- ▶ 22 different neighborhoods
- ▶ Homes ranging from 200.000 to 2+ million \$
  
- ▶ 6968 units sold
- ▶ 3456 units built
- ▶ 26 currently under construction



# WGV: current issue

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## ▶ Recent development of building permits





# WGV: Economic Impact Report

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- ▶ Estimated output impact on the 5 surrounding counties: \$778.3 million (2005)
- ▶ 7.715 jobs (1.1% of total employment in the area)
- ▶ Many jobs have been lost (retail center)
- ▶ Construction has slumped



## WGV: home owners profiles

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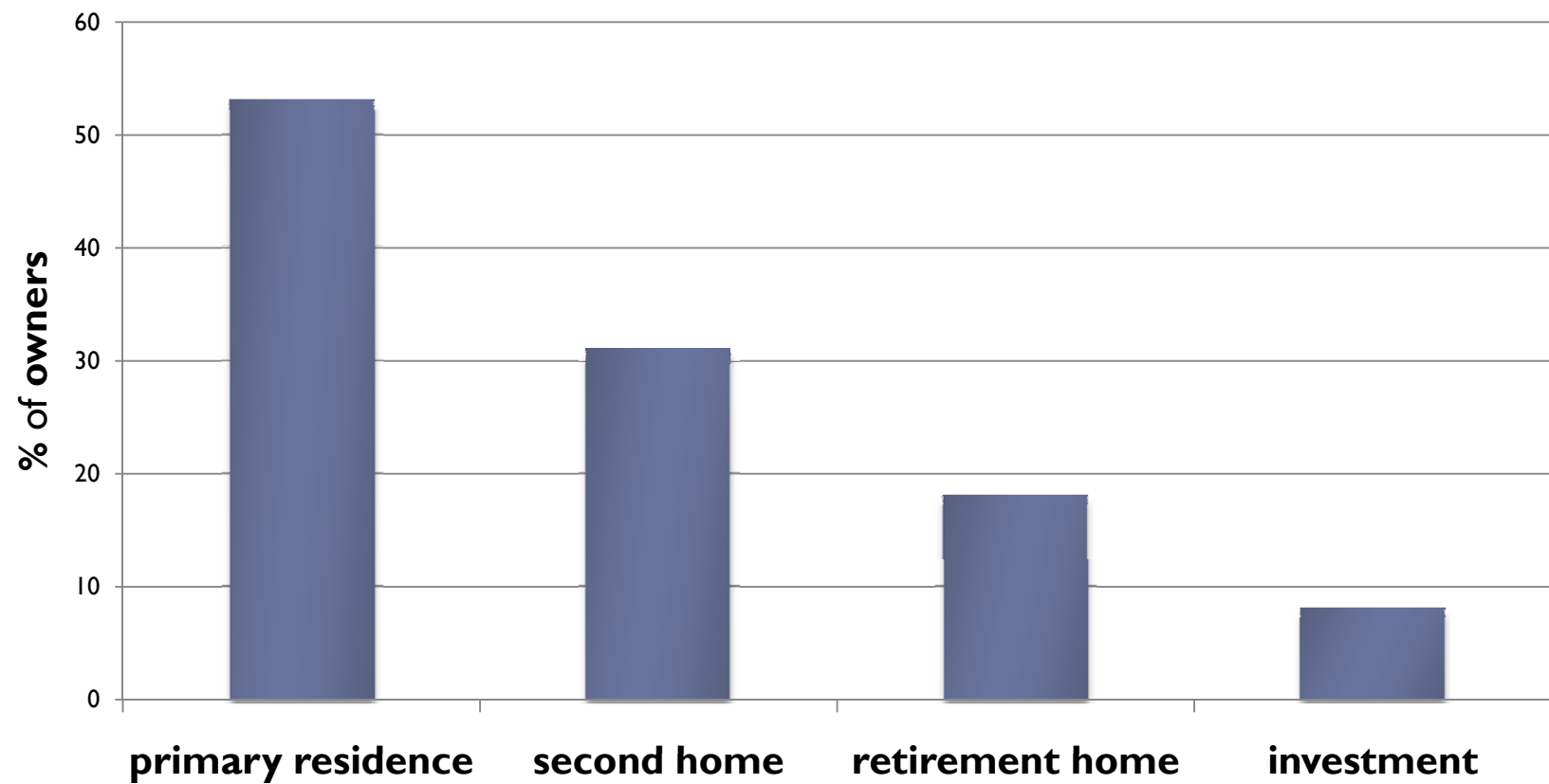
- ▶ 43% of household have children or grandchildren living there
- ▶ Highest home owner ratings (out of 10) for:
  - ▶ Golf facilities 8.9
  - ▶ Landscaping of community 8.4
  - ▶ Prestige of community 8.2
  - ▶ Beauty of homes and grounds 8.2
- ▶ Lowest home owner ratings for:
  - ▶ Shopping facilities 5.8
  - ▶ Convenient to airport 6.6
  - ▶ Convenient to medical facilities 6.8



# WGV: home owners profiles

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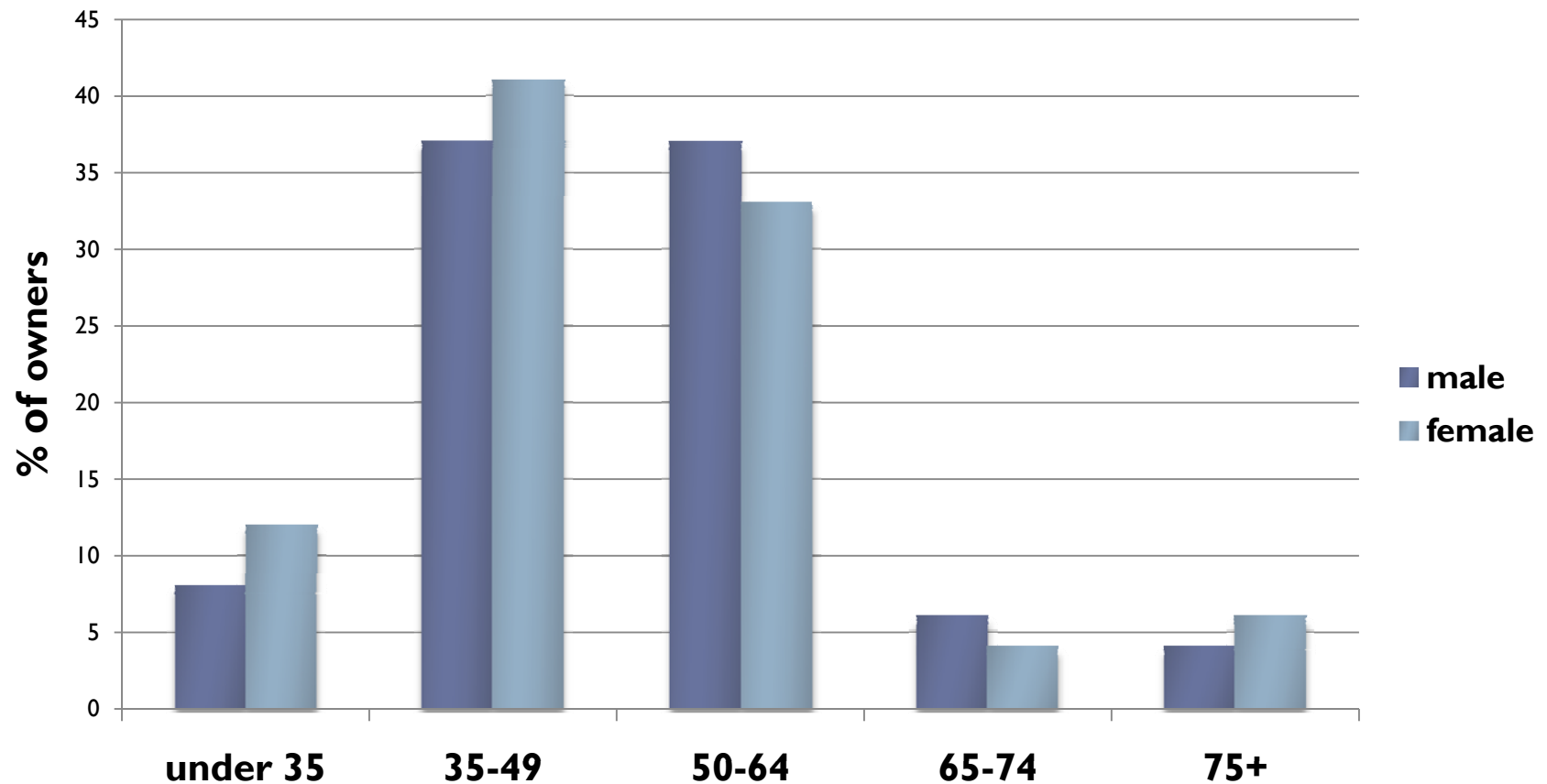
## ► Reasons for purchase



# WGV: home owners profiles

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## ▶ Age groups of home owners (head of household)



# WGV: WGHOF visitor catchment area

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Approximately 32,000 visitors per year

Year	US	International	Florida
2007	99%	1%	90%
2008	96%	4%	81%
2009	96%	4%	76%

