



THE ECONOMIC IMPACT OF ALABAMA GOLF

Executive Summary

The game of golf drives significant economic activity across the State of Alabama. The industry’s impact includes not only golf facility operating expenditures and capital investments, but also golf-related consumer spending on equipment and apparel, golf tourism, and new golf-related residential construction.

Key Findings

In 2017, Alabama’s \$1.178 billion of direct golf economy activity generated secondary and tertiary activity that resulted in:

- \$1.855 billion of direct, indirect, and induced economic output;
- 23,114 direct, indirect, and induced jobs;
- \$650.9 million in wages and benefits; and
- \$116.9 million in state and local tax revenue.

Study Highlights

- Alabama’s 205 facilities are local economic drivers generating \$408.3 million in economic activity statewide.
- Golf supports the state’s tourism industry, attracting travelers to different parts of the state. Travelers who played golf while on a day

trip or overnight vacation or business trip in Alabama generated \$602.6 million in visitor spending.

- Golf championships also drive tourism. In 2017, Alabama hosted the Barbasol Championship, a PGA TOUR event, played at the Robert Trend Jones Grand National in Opelika, and the Regions Tradition, a PGA TOUR Champions Tour event, played at Greystone Golf and Country Club, outside of Birmingham.
- In 2018, Alabama hosted its first U.S. Women's Open Championship, which was held at Shoal Creek in Birmingham.
- New golf home construction was occurring at Ross Bridge and the Cornerstones at Oxmoor Valley near Birmingham, at Ballantrae in Pelham, and National Village in Opelika.

Figure 1. Alabama Golf's Total Economic Impact 2017

Direct Impact		Total Impact
Golf Economy Expenditures \$1.178 B 	 Economic Output 	\$1.855 B
	 Employment 	23,114
	 Wages and Benefits 	\$650.9 M
	 State and Local Taxes 	\$116.9 M

Source: TEconomy Partners, LLC



Table 1. Alabama's Direct Golf Economy by Industry Segment: 2010 and 2017 (\$M)

	2010	2017	CAGR
CORE INDUSTRIES			
Golf Facility Operations	\$446.1*	\$408.3	-2.1%
Golf Course Capital Investments (investment and new construction)	\$25.0	\$34.1	4.5%
Golf-Related Supplies (retail and manufacturing)	\$17.9	\$22.6	3.4%
Major Golf Tournaments and Associations	\$11.5	\$9.3	-2.9%
Golf Charitable Events	\$25.3	\$26.4	0.7%
Total Core Industries	\$525.8	\$501.0	-0.7%
ENABLED INDUSTRIES			
Golf Tourism	\$481.4*	\$602.6	3.3%
Golf Real Estate (new home construction and realized premium)	\$55.0	\$74.3	4.4%
Total Enabled Industries	\$536.5	\$676.9	3.4%
TOTAL GOLF ECONOMY	\$1,062.3*	\$1,178.0	1.5%
TOTAL DIRECT IMPACT FOR IMPACT ANALYSIS	\$1,000.6*	\$1,109.3	1.5%

Note: * Recalculated. See full report for explanations.

Over the past seven years Alabama's golf economy has weathered a Great Recession and a correction in its total number of golf facilities, which declined by 12% from 233 to 205 facilities. Strong revenue performance by private facilities and golf resorts in 2017 helped bolster this core segment. Golf course renovations and other capital investments were up in 2017 compared to 2010 when many facilities put major expenditures on hold.

Looking beyond the green, Golf Tourism and Golf Real Estate, were strengths (CAGR of 3.3% and 4.4%, respectively).

In 2017, the state's largest golf industry sectors were:

- Golf Tourism (\$602.6M),
- Golf Facility Operations (\$408.3M),
- Golf Real Estate (\$74.3M) (\$148.5M), and
- Golf Facility Capital

Charitable Impact

Alabama golf facilities hosted charitable events that generated \$26.6 million in net proceeds and in-kind contributions for beneficiary organizations. These range from smaller, but highly impactful charitable golf events that raise money for local hospitals, youth development organizations, medical research, college scholarships, etc., to major events like the Austal Charity Golf Tournament that raised \$182,000 for the United Way of Southwest Alabama or the Daikin Charity Golf Tournament that raised \$290,000 for the United Way of Morgan County. The TEconomy survey found that the average Alabama facility hosts 13 charitable events each year for charitable and nonprofit organizations.

See full report for methodology and explanations of underlying data and calculations at: <https://golf2020.com/research/>



PGA

Alabama - NW Florida Section