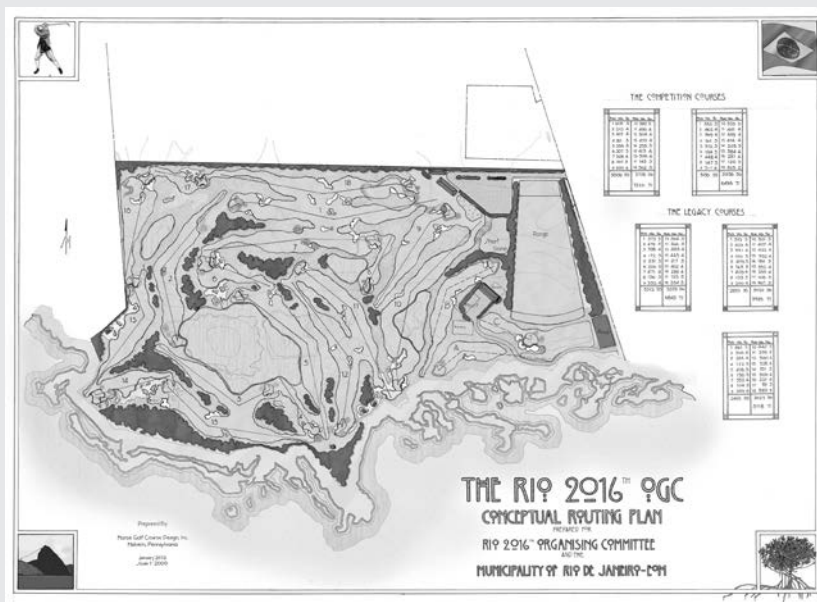


10 The Future for Golf Tourism

Spotlight: Golf in the 2016 Olympic Games



One major event with huge media exposure that could have a significant impact on golf participation, and thus golf tourism, is the sport's inclusion in the Olympic Games. Golf was included in the 2016 Games after the International Golf Federation (IGF) submitted a successful bid to the International Olympic Committee's Programme Commission. The IGF proposed a 72-hole individual stroke play with 60 players competing in both men's and women's competition, using world rankings to determine eligibility. Golf's last participation in the Games was in 1904 in St. Louis, Missouri when the US and Canada were the only two competing countries. This time, over 30 countries are expected to participate, reflecting the globalization of the sport over the last 100 years or so.

Some were opposed to golf's inclusion in the Games but, as PGA golfer, Phil Mickelson said: 'The Olympics brings the game to new markets on a worldwide scale. I think that golf as an Olympic sport is exponentially more important to the game of golf than the majors'. Ty Votaw, executive director of the GF Olympic Golf Committee agrees. 'Any sport that is associated with the spectacle of the greatest sporting event on earth will benefit from awareness. If awareness levels are increased and funding is increased as a result, the overall economic viability of

golf will be increased. That could benefit tourism, golf course development, equipment sales and employment. All of these things have the potential of increasing the economic impact of golf if it is included in the Olympics,' he said.

Gary Player the South African winner of nine major titles and 165 tournaments was also enthusiastic about the prospect of golf being in the Olympics. Player has been heavily involved in course development around the world, designing over 300 golf courses. He said: 'I am thrilled that golf will be included in the Olympics once again. The exposure will be a great catalyst for growth and development around the world, especially in new, emerging markets. With the games being hosted in Brazil, I think the growth in Latin America will be tremendous.'

Tiger Woods, Arnold Palmer and Annika Sorenstram all promoted golf's bid to get into the Olympics and Woods has indicated that he would compete if he has not retired by 2016. In an interview he said 'I think that golf is a truly global sport, and I think it should have been in the Olympics a while ago. If it does get in I think it would be great for golf and especially for some of the other smaller countries that are now emerging in golf'.

With the soccer World Cup 2014 fever spreading and all eyes on the twelve host cities' preparations, construction for the 2016 Olympic Games in Rio de Janeiro has been under the radar for the most part. But the development of the new golf course is beginning to take shape. The course is being built at Reserva de Marapendi (Marapendi Reserve) in Barra da Tijuca, one of four zones which will serve as home of the majority of Olympic Games. Earlier this year US-based firm, Gil Hanse, was selected by the Olympic Organizing Committee to design the golf course for the 2016 event. Rio 2016 president, Carlos Arthur Nuzman describes the monumental importance of the new venue: 'As it marks the return of golf to the Olympic Games after over a century of absence, this course represents the beginning of a new chapter in the history of the sport. It will enable Rio to host important events in the international calendar and it will be an example of sustainability and preservation of an environmentally protected area.'

Gil Hanse was selected in part due to the promise that they intend to accentuate natural dune formations and retain the natural colors of the land. Another goal is to make the course public and encourage more Cariocas (locals) to take up a sport they may not have considered playing before. Jeremy Lovelace, a British expatriate living in Rio and a keen golfer told *The Rio Times*, 'I think there is an opportunity. With the rise in purchasing power of the middle income groups in Brazil, previously out of reach leisure activities are likely to grow in popularity. Golf is no exception. Current barriers are twofold: lack of awareness, and expensive facilities. It will be interesting to see how the new course is priced to see if it can capture this middle income demographic.'

There has been some concern that there may be 'too much' wildlife on the course. As many as 6,000 caimans, members of the alligator family, live in sewage-infested lagoons around western Rio, and some have moved into water features built as part of Gil Hanse's design. The reptiles, much smaller and more docile than crocodiles, are not considered a risk to people, though encroachment on their habitat has meant contact with humans is increasing. 'We'll have a strategy in place that

will minimize any possibility of a player or spectator coming across these,' Anthony Scanlon, executive director of the International Golf Federation, said. Scanlon added that course builders were working with conservation experts to contain animals including the caiman and the capybara, the largest rodent and potentially more of a risk to the course. 'Where you have a natural green space like this it attracts wildlife, which is what you want,' he said. 'You want to create your own ecosystem.'

The turf for the course is being provided by Green Grass Sod Farms of Brazil. Company owner, Marcelo Matte said the Zeon Zoysia turf, which is environmentally friendly and drought resistant, could play a vital role in the future of golf. 'This is the first time golf is in the Olympics after 100 years and we'll have the whole world watching the best players for weeks in Rio. I can imagine it will be the most important golf course in the year of 2016', Matte said.

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Introduction

Planning for the future is critical for success in any industry, and a key part of planning involves making forecasts. Forecasting is market-research-based but future-oriented, and it relies on expectations, vision, judgement, and projections for factors such as sales' volume and revenue trends, consumer profiles, product profiles, price trends, and trends in the external environment. Because the future for tourism and hospitality products is subject to volatile, unpredictable factors and competitors' decisions, the goal of forecasting is not accuracy but careful and continuous assessment of probabilities and options, with a focus on future choices. In this chapter an attempt is made to make some predictions for the future of the golf industry and golf tourism in particular. Stoddart (2006) argues that considering golf is perhaps the most pervasive of games on a global scale, its social contours have been ignored by academic analysts. He suggests that three themes are likely avenues for investigation: the internationalization of golf and its economy, social access to participation, and environmental issues. This chapter therefore focuses broadly on these three topics.

Internationalization and growth prospects

Historically, golf has been associated with developed countries like the US and the UK, but as courses develop elsewhere (see Figure 10.1), the game will increasingly become more international, with more world-class competition golf being played in more countries. The European Tour is already spending more time competing in the Gulf, adding a second ‘Desert Swing’ to the itinerary, and top-flight events have been added to the schedule in China and elsewhere in Asia. This in turn will encourage the emergence of more home-grown professionals from these countries, creating ripples of greater coverage, enabling youngsters to identify with local success, and encouraging local sponsors and brands to move into the market, creating more funding and more opportunities for development (HSBC, 2012). According to the National Golf Foundation, research has uncovered approximately 270 projects that are currently under construction and another 405 golf facilities that are in advanced planning stages. Additionally, another 328 or so are in preliminary planning phases or on hold. These new projects not only indicate a revival of the golf industry, but also represent roughly four to five years of growth (NGF, 2013).

As for golf tourism, according to a recent survey conducted by KPMG, the trend in golf bookings looks positive, with 57 per cent of the surveyed golf tour operators having experienced an increase in the number of golf trips in 2012 (KPMG, 2013). These results were very similar to KPMG’s findings in 2011, which suggests a continuous recovery in the business along with the overall economic revival from the financial crisis.

As Figure 10.1 indicates, golf architects believe that China has the greatest potential for future golf development. If only one per cent of China’s population plays golf by 2030 – which corresponds to about half of North American participation in the game today – China would have 13 million golfers. This would imply that a supply of 1300 golf courses would be needed in China by then – an increase of 1000 courses in the next 20–25 years. Chapter 1 looked at the development of golf in China in more detail. The number two region seen as a hot spot for golf development is Eastern Europe, the focus of the Snapshot below.

Cuba is another country that is setting aside ideological objections and embracing golf. In recent years, the Cuban government has signed a number of projects with foreign companies for the construction of golf courses as part of expansion efforts in golf tourism. The newest approved project proposed by a British firm, Essence, is to build a new resort to be called the Carbonera Club, estimated to cost some \$350 million (OnCuba, 2013). Previously, the only golf course established in Cuba since the Cuban revolution was in 1998 at Varadero resort, after the country opened up to foreign investment and tourism in the wake of the collapse of the Soviet Union. The 18-hole Varadero Golf Club is on the grounds of Xanadu, a seaside mansion built by US chemical industry millionaire, Irene du Pont.