Public golf courses play through tough economy

By Terrance Thornton
Independent Newspapers

As the world continues to turn — despite the dismal local, state and national economies — some of the East Valley's most obvious draws to capture tourism dollars are finding new ways to sustain business.

East Valley public golf course general managers, managing partners and head golf professionals say folks are still coming to play golf at a steady rate, but what they are paying for is changing.

From the city of Mesa to the edge of the Superstition Mountains in Gold Canyon, public golf course professionals say it is a golfers' market out there, but while player numbers remain steady, gross revenues are down.

To remain competitive, public golf courses in the East Valley are lowering rates, devising daily and weekly specials and scaling back merchandise purchasing.

Mesa

Bruce Taubert, Apache Wells Country Club head golf professional, says the issues facing Apache Wells, which is semi-private, are unique.

"We have seen a little bit of a downturn," he explained in an Oct. 27 phone interview. "We have had some members not renew, but it stays pretty level for us here."

According to Mr. Taubert, Apache Wells provides between 60,000 and 65,000 rounds of golf annually and charges between $40 and $50 during winter months and between $16 and $25 during the summer for a single day round of golf.

With the opening of a new clubhouse on the Apache Wells Golf Course property, Mr. Taubert says his golf club is doing a little better than others in the area.

"I don't think we have seen as big a hit as some," he pointed out. "We think it is going to bring in new golfers or returning ones. (The new clubhouse) is a great selling point for that."

Mr. Taubert says public play at Apache Wells is determined by the unemployment rate that has reached about 17 percent in Arizona, he pointed out.
"Really, honestly our group is driven by the economic job market," he explained. "It (the course) really is for the working man. The big thing there is the construction part of it. Everybody has downsized."

Mr. Taubert says bundle packages are the name of the game, when it comes to bringing new golfers to Apache Wells.

"We are trying to add value to the product," he said. "When people come play golf we offer them discounts at lunch and replays."

Mr. Taubert says facing a dismal job market, which he says is a result of a soft economy; every public course has to be very price conscious.

-------------------------------------

Don Rea, Augusta Ranch Golf Club owner, says his course is bucking the trend.

"During peak season last year, we had one of our best seasons," he said. "Revenues are up, but expenses are higher,"

According to Mr. Rea, Augusta Ranch provides about 42,000 rounds of golf annually at a price during winter months of $43 and a summer fee of $24.

Mr. Rea says his business did $100,000 more in revenue last year than the year prior, which he says he was not expecting after the economy tanked in 2007.

"I think it is all about price point," he said, adding that the quality of course offered at Augusta Ranch is a great deal for a $43 round of golf. "If people are struggling right now, they don’t want to feel like it."

Mr. Rea says a diverse selection of programs, clinics and league play is a key reason why his golf course is flourishing while others may be suffering.

"We kind of look at our tournament program as our marketing program," he said. "I would say we are creating a lot of different programs within our course."

Some of those programs include Family Nights, which are the third Thursday of every month.

"It is just a very affordable menu and a chance to spend some time with their family," he said of folks who attend the family nights. "Hopefully with their loyalty they will come back. If their money was really well spent, they will come back."

While Mr. Rea contends his business has, within the last year, posted some impressive revenue dollars, his course has not been immune to cutbacks.

"Just because of expenses, we have had to lay off," he said of his 16-member staff. "We have hired a couple of people in this past month. We just had to make some changes when costs got a little crazy in the summer."

-------------------------------------

Lynda Brix, Desert Sands Golf Course general manager, says her course has not been effected too much by the down economy.
"We find our regular players coming back," she said in an Oct. 27 phone interview. "New play, last year we were probably about the same, but the summer seemed to be hit and miss."

According to Ms. Brix, Desert Sands provides about 45,000 rounds of golf annually with a winter rate of $34 and a summer rate of $17.

Although Ms. Brix says club membership has dwindled to about 100 members — she couldn’t say how many there were last year — she believes her moderately priced course is bringing in repeat customers, but not creating those seeking new memberships.

"The public is maybe choosing the beautiful lower-end courses rather than the high end," she explained.

Ms. Brix says her course is beginning to offer more online because it is free advertising and golfers can find information they want via the Web.

"I think in that way we are staying a little more competitive," she said of Internet deals.

While Ms. Brix says her course has not undergone any decreases to staffing, they could use some more.

"I already run a tight ship. I don’t think we could run any less than we have been running," she said. "Yes, we could use more staff, but no, we can’t afford it."

-------------------------------------

Dave Williams, Sunland Village Golf Course head golf professional, says his course is seeing a steady flow of golfers, but they are there for one thing — golf.

"Because our rates are pretty low, we are still getting golfers but they aren’t buying the extras," he pointed out in an Oct. 27 phone interview. "That is basically what is happening."

According to Mr. Williams, Sunland Village provides about 55,000 rounds of golf at a winter rate of $35 and summer price of $15, but if patrons decide to do repeat play they pay $1 less for each subsequent round.

Mr. Williams says that everyone in the public golf game is very price conscious.

"Price, golf course and then third is the service," he said of the service hierarchy public golf course users adhere to. "We try and stay on top of every one of those."

Mr. Williams says at Sunland Village the charge of the day is to diversify the products and services offered.

"We are going to do some more lesson clinics. That is one of the things they (golfers) are not buying as many lessons as they used to," he said. "Maybe some more demo days to get people interested in buying equipment."

-------------------------------------

Jason Jaffrey, Superstition Springs Golf Club general manager, says his course — similar to several others in the Mesa area — is not seeing a decrease to rounds, but generating revenue is and every-day fight.
"As far as things are going this year we have not seen a decrease in rounds," he said. "I would say it is congruent to what you already know, is having to fight harder to keep that dollar up."

Mr. Jaffrey says his club is beginning to see a different kind of golfer, which he attributes to a decrease to fees.

"I would say it is a slight reduction in greens fees," he explained. "We are seeing that some (anterior) spending is down a bit."

According to Mr. Jaffrey, Superstition Springs provides about 55,000 rounds of golf annually with a winter rate of $75 and a summer rate fluctuating between $25 and $30.

Mr. Jaffrey says through what he called "no bull" pricing, patrons of Superstition Springs will see a real value for their dollar — especially at the rack.

"It's a falsified rate that you can now discount," he said of rack rates that are put on non members of golf clubs. "We just don't want to play that game any more. We hope that carries merit."

San Tan Valley

Val Hanes, The Links at Queen Creek general manager, which is actually in the newly named San Tan Valley area, says while rates have been reduced to bring in new clientele, the level of rounds played is remaining constant.

"I would say overall from last January, we are definitely holding on to our play," she said in an Oct. 28 phone interview. "We have had to reduce rates to get people to come out. Our food and beverage area has declined a little bit."

Ms. Hanes says there is a clear-cut reduction in merchandising proceeds, which has prompted the Links to discover new ways to increase revenue.

"We need to have bodies out here," she said. "As the year goes on we run our rates on a seasonal basis."

According to Ms. Hanes, The Links provides about 42,000 rounds of golf for its patrons on an annual basis while charging $36 for a round of golf, but as peak season begins — in January — the price reaches $50.

Similar to its counterpart in Gold Canyon, The Links survives on league play, Ms. Hanes explained. Ms. Hanes says that about 65 percent of her patrons make up the 60 leagues ranging from 10 to 20 members.

"That is not to say that we don't have public play out here," she said. "We have kept our rates so that we are no more than going to the movies with two kids and two adults."

Ms. Hanes says The Links is trying to create a familial atmosphere on the weekends with new Family Fun Golf weekends with contests, barbecues, face paintings, games and prizes.

"We are trying to get the families more involved in our courses," she said of the Family Fun Golf promotion that begins Saturday, Nov. 7. "We are really working hard to get that going. We want to be the country-club type course, but not with the high expense."