

**Request for Participation and Economic Impact Study:**

# **2018 Volunteers of America LPGA Texas Classic**

April 30 – May 6, 2018 in The Colony, Texas



Compiled and Submitted for consideration under the Events Trust Fund by:

**Highland Market Research, LLC**

On behalf of

**The Colony**

## Projected 2018 Results

**7 days** of the 2018 Volunteers of America LPGA Texas Classic

**49,955** visitors

**96,989** visitor days

**\$5,982,846** expenditures subject to eligible Texas taxes

**\$412,693** eligible State Taxes generated by direct expenditures

## The Event

The Volunteers of America Texas Classic is the only LPGA Tour event in Texas, and represents the pinnacle of female professional athletics in the region. Located at The Old American Golf Club in The Colony, this tournament has quickly become a must-see event as it attracts the best female golfers in the world. Boasting 19 of the Rolex Rankings' top 20 players. No doubt the eyes of the golfing world will be focused on The Colony April 30 – May 6, 2018.

It is anticipated that 150 LPGA contestants will come to the 2018 LPGA Texas Classic from 28 countries:

Australia	England	Japan	Paraguay	Sweden
Canada	France	Malaysia	Philippines	Thailand
China	Germany	Mexico	South Africa	USA
Chinese Taipei	Iceland	N. Ireland	South Korea	Wales
Colombia	Israel	New Zealand	Scotland	
Denmark	Italy	Norway	Spain	



The projections in this request are based on tournament files, and surveys from the 2016 and 2017 events including competitors. In 2016, 634 adults were surveyed. In 2017, 730 adults were surveyed. The breakdown of categories of people who are expected to attend the event is shown in Table 1.

**Table 1. Projected Individual Visitor Categories for the 2018 VOA LPGA Texas Classic**

<b>Category</b>	<b>Individuals</b>
<b>Contestants</b>	
VOA LPGA Texas Classic Players	150
VOA LPGA Texas Classic Caddies	150
<b><i>Total Players</i></b>	<b><u>300</u></b>
<b>Other Tournament Guests</b>	
Tournament Staff Badges	30
LPGA Staff Badges	30
Old American Golf Club Staff Badges	100
LPGA Player Family Badges	225
Tournament Volunteer Badges	600
Media Badges	200
The Golf Channel Badges	150
Tournament Vendor Badges	200
High School/ College Qualifiers	100
Teaching & Club Professionals	10
Monday Pro-Am Player Badges	125
Monday Pro-Am Guest Badges	125
Monday Pro-Am Volunteer Badges	60
Wednesday Pro-Am Player Badges	200
Wednesday Pro-Am Guest Badges	200
Tournament Sponsor Badges/Passes	7,300
Tournament Sponsor Tickets	5,000
<b><i>Total Other Tournament Guests</i></b>	<b><u>14,655</u></b>
<b>Spectators</b>	
Gate	10,000
Online Tickets	10,000
Complimentary Tickets	15,000
<b><i>Total Spectators</i></b>	<b><u>35,000</u></b>
<b>Combined Category Totals</b>	<b><u>49,955</u></b>

Based on responses to the 2016 and 2017 surveys, this projects to 96,989 total visitor days for the event, as shown in Table 2.

**Table 2. Projected Total Visitor Days for the 2018 VOA LPGA Texas Classic**

	<b>Groups</b>	<b>Average Days</b>	<b>Total Visitor Days</b>
Contestants	300	6.88	2,064
Other participants	2,355	5.38	12,670
Sponsor Tickets and VIP hospitality Passes	12,300	1.00	12,300
Out-of-State spectators	4,130	1.69	6,980
<b>Total eligible</b>	<b>19,085</b>		<b>34,014</b>
Texas spectators	30,870	2.04	62,975
Total	49,955		96,989

A total of 6,907 individuals are projected to attend the event from out-of-state, as shown in Table 3.

**Table 3. Projected Number of People Attending 2018 VOA LPGA Texas Classic**

	<b>Number</b>	<b>% Out of State</b>	<b>Total Out of State</b>
Contestants	300	100.0%	300
Other participants	14,655	16.9%	2,477
Spectators	35,000	11.8%	4,130
Total	49,955		6,907

The 62,975 Texas visitor days are not included in the eligible economic impact calculations, and no multipliers were used in the analysis. The figures reported here represent actual projected expenditures during the event by contestants, vendors, media, sponsors, and spectators who live outside of Texas.

**Table 4. Projected Expenditures on Food/Dining at the 2018 VOA LPGA Texas Classic**

	<b>Visitor Days</b>	<b>Average Spending per Day</b>	<b>Total</b>	<b>Minus Assumed 20% Gratuity</b>
Contestants	2,064	\$30.85	\$63,674	\$50,940
Other participants	12,670	\$39.69	\$502,872	\$402,298
Sponsor passes/tickets	12,300	\$39.69	\$488,187	\$390,550
Out-of-state visitors	6,980	\$37.60	\$262,448	\$209,958
<b>Total eligible</b>	<b>34,014</b>		<b>\$1,317,181</b>	<b>\$1,053,745</b>
Texas visitors	62,975	\$30.26	\$1,905,624	\$1,524,499
<b>Total</b>	<b>96,989</b>		<b>\$3,222,805</b>	<b>\$2,578,244</b>

**Table 5. Projected Expenditures on Alcoholic Drinks with Meals at the 2018 VOA LPGA Texas Classic**

	<b>Households</b>	<b>Days at Event</b>	<b>Total Segment Days</b>	<b>Percent Having Drinks</b>	<b>Group Days Having Alcohol</b>	<b>Average Cost Per Day</b>	<b>Spending on Drinks</b>	<b>Minus 20% Gratuity</b>
Contestants	300	6.88	2,064	50.0%	1,032	\$44.98	\$46,419	\$37,135
Other participants	2,355	5.38	12,670	47.2%	5,980	\$39.90	\$238,602	\$190,882
Sponsor passes/tickets	12,300	1.00	12,300	47.2%	5,806	\$39.90	\$231,659	\$185,327
OOS spectators	4,130	1.69	6,980	69.4%	4,844	\$29.28	\$141,832	\$113,466
<b>Total eligible</b>	<b>19,085</b>		<b>34,014</b>		<b>17,662</b>		<b>\$658,512</b>	<b>\$526,810</b>
Texas visitors	30,870	2.04	62,975	61.4%	38,667	\$31.76	\$1,228,064	\$982,451
<b>Total</b>	<b>49,955</b>		<b>96,989</b>		<b>56,329</b>		<b>\$1,886,576</b>	<b>\$1,509,261</b>

**Table 6. Projected Expenditures on Hotels/Motels at the 2018 VOA LPGA Texas Classic**

	Households	Staying at Hotel or Motel	Total Staying in The Colony Hotels or Motels	Average Nights	Total Nights	Average Cost Per Day	Spending Hotels or Motels
Contestants	300	65.3%	196	6.88	1,348	\$99.69	\$134,382
Other participants	2,355	38.9%	916	2.75	2,519	\$123.08	\$310,039
Sponsor passes/tickets	12,300	38.9%	4,785	1.00	4,785	\$123.08	\$588,938
Out-of-state spectators	4,130	51.9%	2,143	2.91	6,236	\$131.00	\$816,916
<b>Total eligible</b>	<b>19,805</b>		<b>8,040</b>		<b>14,888</b>		<b>\$1,850,275</b>
Texas visitors	30,870	11.9%	3,674	1.76	6,466	\$67.20	\$434,515
Total	49,955		11,714		21,354		\$2,284,790

**Table 7. Projected Expenditures on Other Eligible Sales Tax Expenditures at the 2018 VOA LPGA Texas Classic**

	Contestants	All Other Participants	Out of State Spectators	Total Eligible	Texas Spectators
Units/Groups	300	14,655	4,130	19,085	30,870
<i>Shopping &amp; Merch</i>	48.9%	48.9%	80.6%		67.9%
Number purchasing	147	7,166	3,329	10,642	20,961
Average Expenditure	\$59.90	\$55.25	\$44.76		\$38.65
<b>Total Expenditures</b>	<b>\$8,805</b>	<b>\$395,922</b>	<b>\$149,006</b>	<b>\$553,733</b>	\$810,143
<i>Other expenditures</i>	53.1%	61.7%	44.4%		23.4%
Number purchasing	159	9,042	1,834	11,035	7,224
Average expenditure	\$50.20	\$66.12	\$68.84		\$48.65
<b>Total expenditures</b>	<b>\$7,982</b>	<b>\$597,857</b>	<b>\$126,253</b>	<b>\$732,092</b>	\$351,448
<i>Car rental</i>	61.2%	29.2%	26.4%		15.8%
Number renting	184	4,279	1,090	5,553	4,877
Average rental fee	\$339.64	\$82.74	\$67.21		\$47.26
<b>Total expenditures</b>	<b>\$62,494</b>	<b>\$354,044</b>	<b>\$73,259</b>	<b>\$489,797</b>	\$230,487
<b>Total All Expenditures</b>	<b>\$79,281</b>	<b>\$1,347,823</b>	<b>\$348,518</b>	<b>\$1,775,622</b>	\$1,392,078

In addition to expenditures by contestants and other participants staying in The Colony hotels or motels, 40 participants are expected to be guests in private housing during the tournament. They will be hosted by a total of 18 families who reported the following expenditures during previous events.

**Table 8. Projected Expenditures by Host Families for the 2018 VOA LPGA Texas Classic**

	<b>Average</b>	<b>Total</b>
Groceries	\$229.50	\$4,131
Restaurants	\$153.00	\$2,754
Alcoholic drinks	\$153.90	\$2,770
Other retail	\$279.00	\$5,022
<b>Total</b>	<b>\$815.40</b>	<b>\$14,677</b>

Projected eligible expenditures by the 2018 VOA LPGA Texas Classic are summarized in Table 9 on the following page.



**Table 9. Estimated 2018 VOA LPGA Texas Classic Eligible Expenditures**

Old American Golf Club	\$115,000
Structures/ Tents Construction	\$111,000
Operational Equipment & Support	\$35,000
Security	\$65,000
Transportation/Rental Cars	\$67,500
Caddie Bibs	\$4,700
Telecommunications/ AV	\$31,000
Ecology/ Dumpster	\$16,500
Printing	\$14,000
Power	\$42,500
Transportation	\$17,017
Golf Cart Rentals	\$27,000
Signage	\$40,000
Storage	\$1,000
Shipping	\$7,500
Pro-Am Player Bags	\$59,500
Marketing	\$60,000
Staff Apartment & Hotel	\$35,000
Staff Food & Beverage	\$12,500
<b>Total</b>	<b>\$761,717</b>

In summary, this analysis estimates that the 2018 VOA LPGA Texas Classic will result in total eligible direct expenditures of \$5,982,846 and eligible Texas State Taxes of \$412,693 as shown in Table 10 on the following page.



**Table 10. Projected Eligible Taxes from Direct Expenditures at the 2018 VOA LPGA Texas Classic**

	<b>Projected Direct Expenditures</b>	<b>Texas Tax Rate</b>	<b>The Colony General Fund</b>	<b>Eligible Texas Taxes</b>	<b>The Colony Taxes</b>
Food/dining	\$1,053,745	6.25%	1.00%	\$65,859	\$10,537
Alcoholic drinks with meals	\$526,810	11.00%	1.50%	\$57,949	\$7,902
Hotels/motels	\$1,850,275	6.00%	9.00%	\$111,017	\$166,525
Shopping/merchandise	\$553,733	6.25%	1.00%	\$34,608	\$5,537
Other expenditures	\$732,092	6.25%	1.00%	\$45,756	\$7,321
Car rental	\$489,797	10.00%	1.00%	\$48,980	\$4,898
Host family expenditures	\$14,677	6.25%	1.00%	\$917	\$147
Octagon expenditures	\$761,717	6.25%	1.00%	\$47,607	\$7,617
Total eligible expenditures	\$5,982,846			\$412,693	\$210,484
Eligible Texas Tax generated	\$412,693				

## Highland Market Research, LLC

Angie Highland, president and CEO, has an extensive background in market research, including economic impact analysis specializing in the Texas Events Trust Fund and the Texas Major Events Reimbursement Fund. She has designed and conducted numerous market research projects over the past several years.

Angie was on the staff of the City of Fort Worth for ten years before joining Grotta Marketing Research, LLC as a partner and Chief Operating Office in 2014 where she worked closely with Dr. Grotta and has now opened her own market research firm located in Fort Worth, Texas specializing in economic impact analysis. She was a Hatton W. Sumners Scholar and has her Master's Degree in Public Administration from the University of North Texas.

While working as COO of Grotta Marketing Research, and now with her own firm, Angie has done research and consulting projects for a variety of local, national and international clients including:

- The City of Fort Worth, Texas
- American Paint Horse Association
- Arabian Horse Association – Region 9
- American Miniature Horse Association
- American Quarter Horse Association
- VOA LPGA Texas Classic
- Fort Worth Stock Show & Rodeo
- National Cutting Horse Association
- National High School Rodeo Association
- The Reichert Celebration
- Appaloosa Horse Club
- The City of Amarillo, Texas
- Texas Motor Speedway
- United States Team Penning Association
- The City of Irving, Texas
- National Reined Cow Horse Association
- Working Ranch Cowboys Association
- Fort Worth Botanic Garden
- Tri-State Fair & Exposition

