

CHARLOTTE BUSINESS JOURNAL

Presidents Cup at Quail Hollow Club in Charlotte generated \$80M in direct spending: study



Image: Charlotte Business Journal

*An estimated 200,000 fans came out for the Presidents Cup at Quail Hollow Club in 2022.
Melissa Key/CBJ*



By Erik Spanberg – Managing Editor, Charlotte Business Journal
Dec 19, 2023

An economic impact study of the 2022 Presidents Cup golf tournament in Charlotte found that the six-day event generated \$80 million in direct spending, making it one of the largest sporting events the city has hosted.

The figures come from a new study by Philadelphia-based Tourism Economics commissioned by the Charlotte Regional Visitors Authority. The same firm analyzed the 2019 NBA All-Star Game in Charlotte, determining that the NBA weekend added direct spending of \$59.2 million by visitors and organizers. The \$59.2 million figure is adjusted for inflation; it was \$48.7 million at the time.

In 2017, the PGA Championship in Charlotte was estimated to have added \$100 million to \$125 million overall (\$125 million to \$156 million adjusted for inflation) but that is overall spending rather than direct spending.

Charlotte's largest tourism event remains the 2012 Democratic National Convention. Tourism Economics calculated direct spending by visitors and organizers of \$120.75 million and overall impact of \$217.1 million for the DNC; both figures have been adjusted for inflation from original estimates of \$91 million and \$163.6 million, respectively.

The Presidents Cup was played at Quail Hollow Club from Sept. 20-25. The event features the best men's golfers from the U.S. against an International Team comprised of players from the rest of the world except Europe and the United Kingdom. The Presidents Cup is owned and operated by the PGA Tour; it's played every two years, alternating between U.S. and international sites.

Charlotte was the first city in the Southeastern U.S. to host the Presidents Cup.

Quail Hollow President Johnny Harris told *CBJ*, "I do think that the Presidents Cup is understated in light of the impact. But, at the same time, it was a great event. We look forward, hopefully, to being able to attract events like that again and are certainly planning on doing so."



The U.S. Team celebrates their win at the Presidents Cup on Sunday.

Harris went on to say that there were benefits from the Presidents Cup that can't be calculated or fully known, such as corporate executives who have since invested in business deals and ventures here — or will soon. He declined to disclose specific examples.

Quail Hollow already has another high-profile golf event on the way. In May 2025, the PGA Championship, one of the four major championships in men's golf, will be played at the Charlotte course.

Analysis of the 2022 Presidents Cup found that:

- Visitors spent \$46.3 million on hotels, meals, restaurants and other expenses
- The PGA Tour and its vendors spent \$33.5 million on workers, business and professional services, and other expenses
- Hotels sold 145,147 rooms during the Presidents Cup, 39% more than in the same week a year earlier
- Hotels charged guests an average of \$167.64 per night during Presidents Cup week, an increase of 54% over the same week a year earlier
- Visitors filled 79% of local hotel rooms during Presidents Cup week, peaking at 89% on Sept. 24 with 27,318 rooms and seventh highest locally overall at the time

Statistics for hotel bookings and rates come from industry tracking firm STR. The visitors authority acknowledged in its summary of Tourism Economics' findings that while "not every hotel room sold in Mecklenburg County during the event timeframe can be attributed to Presidents Cup," its presence "undoubtedly contributed to increased hotel room demand and rate growth."

Vinay Patel, principal at locally based Sree Hotels and a visitors authority board member, agreed with both halves of the statement above.

Patel told *CBJ* that five of the company's area hotels — two in uptown, two in Ballantyne and another near Billy Graham Parkway — increased occupancy by 80% to 100% during the Presidents Cup. Rates went up by 40% to 50%.

Patel said that the Presidents Cup drove the gains but added that other events during the same period furthered that growth. On Sept. 18, Elton John performed at Bank of America Stadium, just as many organizers and fans began arriving for the Presidents Cup; the following weekend, when the golf event reached its conclusion, the NFL Carolina Panthers played a home game.

High-profile sporting events and concerts lift the hotel and hospitality sector, he added.

Independent economists counter that, while the Presidents Cup and other events can generate attention and some incremental spending, commissioned studies overstate the benefits.

“These studies are commissioned to find a certain result,” Kennesaw State University sports economist J.C. Bradbury told *CBJ*. “These are not peer-reviewed, they’re not vetted (like other academic research).”



Jordan Spieth and Justin Thomas watch a putt at the Presidents Cup on Friday.

Bradbury added, “Economists find the impacts tend to be quite small” for sporting events, concerts, conventions and other events often cited as economic engines.

Site selection consultant John Boyd of The Boyd Co. Inc., a firm in Boca Raton, Florida, told *CBJ* that getting caught up in the traditional tourism measures of hotel and restaurant sales can lead to overlooking other considerations.

“The economic end is much greater than that,” Boyd said. “It’s impossible to really measure, but with an event like the (Presidents Cup), there are the high-net-worth and influential business leaders, people from the sports industry, the media industry that are in Charlotte.”

According to the visitors authority and the PGA Tour, 500 media members covered the 2022 Presidents Cup. Media totaled 1,800 people for the 2019 NBA All-Star weekend.

Harris, the club president, said the Presidents Cup in Charlotte received praise within the golf world and beyond “because the quality of the facilities that were built and put on the ground at Quail Hollow were second to none. It was as good of a build program that we’ve ever seen.”

Matt Rapp, the PGA Tour’s senior vice president of championship management, told *CBJ* that the 2022 Presidents Cup was by far the largest for revenue and physical space. In Charlotte, hospitality areas, grandstands and the rest of the temporary village constructed for the event covered 650,000 square feet.

“It was a monster,” Rapp said.

By comparison, the PGA Tour’s next biggest buildout for an event is 500,000 square feet for The Players Championship at the sanctioning body’s Florida headquarters.

Rapp credited Harris and Quail Hollow for much of the success of the 2022 Presidents Cup, mixing sports metaphors by dubbing the event “a home run on every account.”

Harris, he added, and others at the club were, and are, able to generate corporate hospitality sales like few others. The PGA Tour lengthened its lead time for advance sales for the Presidents Cup in Charlotte and split the responsibilities for current and future events to help relieve some of the workload, which also helped, Rapp said.

Then came an unexpected twist: a once-in-a-century pandemic that delayed the Presidents Cup to 2022 from 2021. All the uncertainty could have diminished commitments and sales but didn't.

The PGA Tour assigned a young executive named Adam Sperling to move to Charlotte in March 2018 to oversee advance sales and establish community ties as the event's executive director. Sperling thrived in the role, so much so that he was hired by Quail Hollow in January to fill the club's newly created position of head of professional golf.

“We certainly knew that the event itself was going to be larger than anything the Presidents Cup and the PGA Tour had done before,” Sperling told *CBJ*.

Tourism Economics found that the Presidents Cup generated \$8.7 million in state and local tax revenue: \$4.6 million in state taxes and \$4.1 million locally.

Of the 200,000 attendees, 71% came from outside Charlotte, with 48% staying overnight and 23% making day trips.