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The University of Georgia

Center for Agribusiness and Economic Development

College of Agricultural and Environmental Sciences

Considerations for Getting Started in the Horse Trail Riding Business

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Introduction

The Center for Agribusiness and Economic Development (CAED) and the Quitman County Extension Service worked with an area farmer to investigate the horse trail rider industry in Georgia. After lengthy discussions with the Georgia Horse Council (GHC) and other professions working in Georgia's horse industry, it was determined there is a lack of reliable data pertaining to the trail riding industry. There are a number of significant factors that need to be considered before a horse riding trail facility is constructed.

Study Methodology

The CAED implemented a mail survey to horse club members across Georgia. The survey was administered during March through June, 2003, and a total of 153 completed surveys were returned. The survey targeted riders who trailer their horses to visit horse trails. Survey samples are subject to some amount of error, i.e., the results obtained from the limited sample will vary from the results obtained if the entire population was interviewed. The margin of error associated with a sample of 153 adults is ± 8.8 % at the 95% level of confidence.

Demographics - Target Market

To effectively perform a marketing analysis the target market must be identified and described, a competitor analysis should be developed, and a situational analysis created. This section involves generating a detailed description of potential customers and involves identifying the sub-segment of general population most likely to utilize riding trails.

The more detailed information obtained about trail riders, the easier it is to estimate the market potential and develop an effective promotional and advertising campaign. For example, not all horse owners ride trails. Trail riding facilities also need to identify which segment of the horse owner population ride trails to allow them to focus their marketing efforts on the preferences of the general horse owner population that is most likely to visit their facilities.

By identifying a target market, it is possible to estimate the total market potential for a product or service. This simple calculation provides information on the market potential which is critical in evaluating the feasibility of a particular business endeavor. If the target market potential is not large enough to cover the businesses's operating costs, the business endeavor should be reevaluated.

The demographic information in Table 1 provides a description of the survey respondents and can be extrapolated into a generalization of the target market or typical trail rider. Summarizing the data in Table 1 suggests that the typical trail rider is a married, affluent, white female, with some college education residing in a rural area.

Table 1. Characteristics of Geogia Horse Trail Riders	
Gender	**Percentage**
Male	16%
Female	84%
Educational Attainment	
Less than highschool degree	7%
High school	13%
Some college/tech degree	36%
College graduate	34%
Advanced work/degree	11%
Age (mean and median) Years if Age	47 & 46
Ethnicity	**Percentage**
White	98%
Other	2%
Total Household Income	**Percentage**
≤$25,000	4%
$25,000-$34,999	10%
$35,000-$49,999	10%
$50,000-$74,999	17%
$75,000-$100,000	31%
$100,000+	27%
Mean Household Income	$62,500
Residence	
City	2%
Suburban	20%
Small City	17%
Rural	61%

Source: CAED Horse Trail Rider Survey

Market Potential

Are people willing to travel outside of their immediate area (self defined) to ride horse trails? This question is critical in estimating the market potential for a trail riding facility. If trail riders typically stay within their immediate area, the market potential is limited to a very specific geographic area, but if riders are willing to travel outside their immediate area the market potential is greatly increased. According to the survey results, all of the respondents trailer their horses and travel outside their immediate area to ride trails.

To obtain a better estimate of the trail riding market potential, it is important to determine how far riders are willing to travel one way to ride trails. The distance data reflects that only riders who travel outside of their immediate area ride trails, 98%. The riders indicated that they are willing to travel as little as ten miles and as far as 500 miles to ride trails. The average and median distances riders are willing to travel one way are calculated to provide insight into the distance traveled to visit a trial riding operation (Table 2).

The majority of the respondents reside in rural areas which is encouraging for this proposed operation. There was initial concern that riders living in small towns and rural areas would have ample access to trail systems in their immediate area, i.e. local farm land, logging trails, or park lands.

Table 2. Distance Riders are Willing to Travel to Ride Trails

Miles	**Percent**
Less than 50	16%
50-100	35%
101-150	12%
151-200	14%
200 or more	23%
Mean	153
Median	100

Source: CAED Horse Trail Rider Survey

It is also important to determine how many annual trips riders make outside their immediate area to accurately estimate the market potential (Table 3). The riders take anywhere from one (1) to 35 riding trips per year but on average, they take eight (8) trips annually. This is encouraging as riders are more likely to visit different parts of the state to enjoy different trails, scenery, and wildlife. There does appear to be a very dedicated group of riders that take more than 10 trips annually to different trails. Attracting these riders and presenting them with a satisfactory experience will likely be critical to establishing a successful trail riding operation. Riders rely heavily on word-of-mouth to learn of new trail riding facilities and to evaluate existing ones (Table 10). Frequent riders are more likely to communicate with potential riders given their involvement in the sport and their approval and/or recommendation will most likely define quality of the facility and determine its reputation in the industry.

Table 3. Number Trail Riding Trips Taken per Year

Trips	**Percent**
Less than 5	41%
5 to 10	37%
11 to 15	10%
16 or more	12%
Mean	8
Median	5

Source: CAED Horse Trail Rider Survey

The survey results indicated that riders travel in groups of five to seven people when they visit trail riding operations. This information is important when planning, developing, and laying out the facility. Riders in groups would most likely prefer to trailer their horses and camp near each other. These results are encouraging because if the riding facility can be brought to the attention of one rider and convince them to patron the facility, chances are they will bring other riders. This reiterates the importance of generating positive word-of-mouth advertising.

Table 4 indicates that riders spend an average of three days and two nights away from their home when they embark on a trail riding trip outside their immediate area. This provides additional opportunities for the trail riding operator. Trail riders need to feed themselves and their horses and may need to purchase grocery items, clothing items, and horse stock. The trial riding operation may want to consider opening a general store on the premises to provide visitors easy access to supplies. Horse stock products, souvenirs, crafts, and general merchandise could provide an additional revenue generating activity with high profit potential due to convenience. For example, if a halter breaks, the rider could purchase one at the general store or if the rider does not want to transport food products, they can purchase those as well. Given riders propensity to take over-night trips, they need to be informed of the facilities general merchandise and horse stock store.

Table 4. Number of Days/Night Spent at the Riding Facility			
Days	**Days Away from Home (%)**	**Days at Facility (%)**	**Nights at Facility (%)**
0	2%	1%	11%
1	19%	15%	16%
2	29%	33%	49%
3	24%	29%	10%
4	11%	10%	5%
5	7%	7%	4%
6 or more	12%	5%	5%
Mean	3 days	3 days	2 nights
Median	2.8 days	3 days	2 nights
Source: CAED Horse Trail Rider Survey			

On average, riders pay $14.00 per night to camp with their trailers at trail riding facilities. The cost per night ranges from no cost to a high of $40 per night (Table 5). To be competitive, the camping facility should charge between $10 and $20 per night, depending on the amenities being offered at the facility. The more amenities, the more the riders would expect to pay. However, the price should not deviate greatly form what the riders are currently paying or they will decide to ride elsewhere.

Table 5. Cost per Night to Camp at Facility with Trailer	
Dollars	**Percent**
$0	4%
$1 - $4	4%
$5 - $10	28%
$11- $15	28%
$16-$20	23%
$21-$25	9%
$26 or more	4%
Mean	$14.91
Median	$15.00
Source: CAED Horse Trail Rider Survey	

It is important to determine when riders are most likely to utilize a riding facility. Table 6 indicate riders are most likely to take trail riding trips during the fall and spring, followed closely by summer. Riders are significantly less likely to take riding trips during the winter. Determining seasonality can help the facility operator in marketing the facility as well scheduling, maintenance, employees, and on-site supplies. For example, the lull in winter activity might be addressed by offering "*ride free*" specials where the riding fee is forgiven but camping fees are collected. Closing the facility during the winter months could possibly free the operation to pursue additional revenue generating activities like hunting.

Table 6. When Trail Riding Trips are Taken	
Season	**Percent**
Fall	31%
Spring	29%
Summer	25%
Winter	18%
Source: CAED Horse Trail Rider Survey	

Trail riders have varying skill levels and it is important to provide trails with varying difficulty. The data in Table 7 provides an indication of how trail riders rate their ability. The majority of riders classify themselves and intermediate and advanced. Based on these findings, a riding facility should focus on providing intermediate and advanced trails and then incorporate expert and beginner trails. There are a significant number of competing trail riding facilities available to riders and it is important that a new operation provide riders with these types of trails. One respondent indicated that they did not like trails that were not challenging. Assuming that this mentality transcends each skill level, intermediate, and advanced riders would become bored with beginner trails and may decide to travel elsewhere in search of more challenging rides. The trails should to be challenging enough to keep the riders attention, generate excitement, provide beautiful scenery as well as offer a safe riding environment for both the rider and the horse. Remember, it is easier to sell something people want than it is to sell something that is easy to produce.

Table 7. Stated Trail Rider Skill Levels by Georgia Riders

Skill Level	Percentage
Beginner	16%
Intermediate	59%
Advanced	45%
Expert	14%

Source: CAED Horse Trail Rider Survey

The study investigated the dollar amount riders are currently paying to ride trail facilities. Again, this is very important as it provides a basis for setting riding fees and ensuring the facility is not priced out of the market. The fees riders are charged for trail access ranged from free to a high of $80/day. Table 8 provides a breakdown of what riders say they pay for access to half-day, full-day, and weekend trail rides.

On average, half-day rides charge approximately $5.60 for access. Full-day trail ride access is about double the cost at $9.56 of a half-day while weekend access typically costs $14.56 per day. This information provides a starting point in determining trail access fees as well as a dollar figure used in estimating the operations revenue.

Table 8. Currently Paying for Trail Rides			
Dollars	**Half -Day Rides**	**Full-Day Rides/Day**	**Weekend Rides/Day**
$0 - Nothing	23%	7%	9%
Less than $5	51%	45%	17%
$6 to $10	20%	30%	11%
$11 to $15	1%	7%	7%
$16 to $20	1%	7%	12%
More than $20	4%	5%	13%
Mean	$5.57	$9.56	$14.56
Median	$5.00	$5.00	$10.00
Source: CAED Horse Trail Rider Survey			

In addition to determining distances riders are willing to travel, amenity preferences, and fees for accessing trails, it is very important to determine potential riders willingness to visit the proposed Southwest Georgia riding facility (Table 9). On average, the results indicate that riders are somewhat likely to patron the operation. However, the data suggest that over one-third (38%) of the riders responding to the survey are very likely to visit the riding trail as described in the survey (**How likely would you be to use a horse riding trail operation in Southwest Georgia with over 25 miles of wilderness trails that offers pasture boarding, stables, camper pads with full hook-ups if it were reasonably priced?**). An additional 30% of the riders indicated that they would be somewhat likely to ride the Southwest Georgia trail operation. These results are very encouraging and suggest that there is an existing opportunity to attract riders to the proposed facility. However, the facility will have to advertise and market the trail riding facility effectively to inform potential riders of its existence as well as to entice them to visit the operation.

Table 9. Likelihood to Visit Southwest Georgia Riding Trail		
Dollars	**Mention**	**Percentage**
(4) Very Likely	18	38%
(3) Somewhat Likely	12	30%
(2) Somewhat unlikely	13	15%
(1) Very Unlikely	14	17%
Mean	2.87	
Source: CAED Horse Trail Rider Survey		

Informing Potential Riders

The ability to effectively reach riders will be critical to the success of the proposed facility. The survey asked riders where they look for information on trail riding facilities, this information is located in Table 10. These communication channels need to be exploited by trail rider facilities to effectively reach potential riders. The Internet is a very effective tool in reaching and communicating with potential riders. The proposed facility will need to construct a website and develop links with other organizations associated with horses, i.e., club websites, Georgia Horse Council, and magazines. Word-of-mouth is critical to the success of a trail riding operation as it was mentioned second most often as how riders learn of trail riding facilities. Word-of-mouth may be more critical to the operations success because negative word-of-mouth can actually hurt business by dissuading potential riders. In addition, it is important to develop traditional marketing materials (brochures, business cards, 800 numbers, etc..) and distribute this information to horse clubs, tack and feed stores, and other organizations involved in the horse industry.

Table 10. Sources of Information to Learn About Trail Riding Facilities **(multiple responses)**

Source	Number of Mentions	Percentage
Internet	29	51%
Word-of-mouth/referrals/network	24	42%
Horse clubs/club newsletter	12	21%
Horse related magazines	11	19%
Trail Rider Magazine	7	12%
Stable Mates	5	9%
Market Bulletin	4	7%
Tack and feed stores	4	7%
Newspaper	4	7%
GA Horse Council	3	5%
GA State Parks Guide book	3	5%
Judge list	2	4%
GA Equine Rescue League	1	2%
anywhere	1	2%
Other	4	7%

Source: CAED Horse Trail Rider Survey

Facility Requirements

Riders were provided a list of amenities that might be available at a riding facility (Table 11). This list of amenities is very important. Riders have a choice of where they ride and if a facility is not rider or horse friendly, i.e., offer the amenities they demand, they will choose to ride elsewhere. Therefore, before any trail riding facility is constructed, it is important to consider what the riders expect to find at the riding facility.

Based on riders responses, the inclusion of various amenities can be broken down into four levels of importance. The first level includes access to water, restrooms, and camp grounds. Specifically, the most important amenity appears to be access to water near the parking facility.

Eighty-six (86%) percent of the riders indicated they want water faucets located near the parking area. Three-quarters of the riders indicated they would like to have access to restroom facilities. A number of the riders wrote in that at least, provide port-a-potties. Having an on-site campground is important as well. Again, the majority of the riders indicated that they camp with their horses when they travel to trail riding destinations. These three amenities were mentioned more often than other amenities and should be provided by a trail riding facility.

The second tier amenities, shower facilities, barns and stalls, and picnic area/grills are less important than the aforementioned amenities, but they are still very important to the riders and should be included in the operation. The third tier amenities include trailer pads and pasture for horses. The changing facilities and general store and tack shop do not appear to be important to riders but can easily be incorporated into previously mentioned amenities at a minimal cost. For example, when the toilet areas are constructed, build a space to allow riders to change clothing. The trailer pads will be part of the camp sites and a pasture area could be incorporated into the barn/stall structures.

The availability of a general store, tack shop, feed products, and guided tours do not appear to be very important to riders. However, the inclusion of the general store, tack shop, and animal feed products provides another profit center for the facility. Having access to food and supplies may not be important to the riders until they forget to pack the appropriate supplies or experience equipment failure, i.e. a broken halter. A simple retail establishment offering refreshments, basic tack, and hay could be incorporated into the operation easily and provide tremendous profit potential.

Table 11. Georgia Trial Riders Desired Riding Facility Amenities

Amenities	Percent
Water Faucets located close to parking	83%
Toilet facilities	74%
Camping area	65%
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Shower facilities	46%
Barns/stalls	39%
Picnic area/grills	35%
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Pads for trailers	27%
Pasture space for horses	25%
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Changing facilities	13%
Grocery/convenience store	12%
Cool down/walking ring	8%
Horse grooming facilities	6%
Availability of feed and hay	6%
On-site tack shop	5%
Guided tours	3%

Source: CAED Horse Trail Rider Survey
- - Values above this line are significantly higher than the numbers below the line.

Beside physical amenities, the riders were presented with a list of other facility characteristics and asked what if any of these are important in their decision to patron a trail riding facility (Table 12). Scenery and appearance and offering trails of varying difficulty are rated significantly more important to riders than other characteristics. The presence of wildlife is also to be important to riders as is the friendliness of the people that work at the facility. These four issues must be addressed by the proposed facility as they are important to riders and impact their decision to visit a trail riding facility. Failure to address these issues effectively may negatively impact riders decision to visit, revisit, or recommend the operation to other riders.

Table 12. Additional Factors Considered When Selecting Trial Riding Facility		
Q#16a	The scenic appearance of the attraction	80%
Q#16e	Offers trails of varying difficulty	74%
Q#16d	The presence of wildlife	55%
Q#16f	The friendliness of the people that work there	51%
Q#16b	Historical attractions	15%
Q#16h	A restaurant or snack bar	13%
Q#16c	The availability of associated activities	7%
Q#16g	Proximity to other tourist attractions, hotels, and restaurants	9%
Source: CAED Horse Trail Rider Survey - - Values above this line are significantly higher than the numbers below the line.		

The Riders were asked what other activities they partake in when they travel to a trail riding destination to determine if area or regional activities should be included in the marketing material. It appears that the riders do participate in additional activities while on riding trips and these need to be considered when developing the trail network. Walking and hiking trails should be considered near the camping facility and include scenic property that allows the riders to enjoy the outdoors and take photographs. These trails should be separate from the horse trails to allow riders to enjoy different landscapes, scenery and wildlife as well as to limit horse and hiker interaction.

Table 13. Other Activities Trail Riders Participate During a Riding Trip		
Question	**Activity**	**Percent**
Q#17a	Hiking or walking	33%
Q#17k	Swimming	33%
Q#17i	Photography	32%
Q#17n	None	25%
Q#17n	None	25%
Q#17d	Fishing	23%
Q#17g	Visiting parks	17%
Q#17f	Birdwatching	15%
Q#17j	Visiting local museums	14%
Q#17e	Visiting antique shops	14%
Q#17l	Other	11%
Q#17c	Bike riding	9%
Q#17h	Visiting wineries	7%
Q#17b	Boating	5%
Q#17m	Hunting	3%

Source: CAED Horse Trail Rider Survey
- - Values above this line are significantly higher than the numbers below the line.

Competitor Analysis

The competitor analysis focuses on identifying competitors and collecting pertinent operational information. This analysis investigates primary trail riding facilities in Georgia, Alabama, and North Florida. The CAED working with The Georgia Horse Council compiled a detailed list of trail riding operations in Georgia and a marginal list of operations in the surrounding states. However, the CAED is still collecting information on the amenities available at the various trail riding operations. The following competitor analysis is based on the information that is currently available and will be updated as new information is collected.

Sixty-six (66) public and private horse trail riding operations were identified across Georgia. The majority of these operations are located above the fall line (Macon North). A working list of the operations and available amenities can be found in Appendix A.

Examinations of competing operations revealed that 17 have camping facilities. The actual trail millage appears to vary significantly by trail operation. Trail range form a quarter of mile at one operation to over 8,000 acres of trails at another. The 2,400 acre trail riding facility being proposed in Southwest Georgia does appear to be large enough (actually larger than most existing operations) to compete with existing riding operations.

Nine of the competing riding operations have horse stalls and five offer boarding services. Riders indicated they would like to have a barn or stall facilities to board their animals while they are visiting the operation. Providing stalls or a barn may provide the facility a way to differentiate its operation and be more competitive. In addition, eleven riding operations offer rental horses to their visitors. This may be something to consider once the facility is operational as it expands the market potential to people who like to ride but do not have their own horses.

Situational Analysis

Many people are turning to the horse industry to improve their quality of life. Horses are provide people access to various leisure and hobby activities and a function as an educational tool for youth. There are a number of state-level breed and sport associations in Georgia with large membership lists which are continually attracting new members. Interest in horse related activities such as reining and team roping has increased the number of organizations and businesses that cater to specific events. Horse breed associations have also seen an increase in participation in recent years at exhibitions which is attributed to involvement among novice and amateur competitors. In addition, numerous organized activities are being developed and directed to expand interest and participation in non-arena activities, i.e. noncompetitive pleasure riding and trail riding[1].

The equine industry in Georgia has been growing rapidly over time. In 2000, horses ranked number nine in revenue ($169,977,000) in Georgia's Farm Gate report. In 2001, the industry has grown to $184,883,000 moving up a place to eighth in the Farm Gate report. In 2001, there were 74,995 horses in Georgia, up from 69,820 just a year earlier. The horse segment is the fastest growing sector of Georgia's agricultural industry.

At the same time, Georgia is experiencing tremendous growth. Georgia's population has increased by approximately two million people over the last 10 years. This population growth has fueled urban sprawl and the development of rural areas. As more people become in the horse industry who do not live on the farm, finding a place to ride horses is becoming increasingly more important. This problem is being exacerbated by conservation groups that are lobbying and trying to pass regulations barring or limiting horse access to public lands citing their negative environmental impact.

It is estimated that there are over 1,000 boarding facilities in the state of Georgia. Assuming these people do not reside on a farm, there is a significant number of horse owners across the state in need of a placed to ride their horses. For example in 2001, roughly 39,000 horses fell under Georgia's Farm Gate classification boarded, trained or breed.

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[1]WCR-3987 - Oklahoma Horse Industry Trends, David W. Freeman, OSU Equine Extension Specialist

The growth in non-farm horse ownership as indicated by Georgia’s boarding facilities, combined with rural development and restrictions being placed on public lands is creating new opportunities for trail riding facilities in Georgia.

The Center for Agribusiness & Economic Development

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> To provide feasibility and other short term studies for current or potential Georgia agribusiness firms and/or emerging food and fiber industries.
>
> To provide agricultural, natural resource, and demographic data for private and public decision makers.

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