A variety of traditional and non-traditional income opportunities exist for rural landowners, many of which directly or indirectly involve wildlife. These include charging for access, developing unique services or products, altering marketing strategies for existing products or services, and harvesting and marketing natural landscape materials. Most of these income alternatives can be integrated into current farm, forest, or other existing land management operations. Alternative sources of income seem to be limited only by an individual’s imagination and creativity. However, the market potential and resource requirements vary considerably among enterprises, so having a “good idea” is no assurance of being able to develop it into a successful enterprise. This is why each available income option must be carefully evaluated prior to making a decision on their implementation.

**Consumptive Uses**

**Fee Hunting**

Consumptive uses of wildlife present some of the best opportunities for landowners to obtain income through fee-access recreation. Fee hunting is by far the most common type of fee-access recreation enterprise, although it has leveled off in some states. Other forms of fee-access recreation have been increasing. In South Carolina, the development of properties for fee-hunting continues. Fee-hunting operations are diverse, ranging from little or no landowner input to a broad array of services and facilities. The most common form of fee-hunting system found in the South is the leasing of access rights. Payments are generally made on a per acre basis (sometimes per person) for the privilege of gaining access to a landowner’s property for a specified time period. A landowner may grant a lease to hunters for a specific hunting season, for the entire hunting season, or on an annual basis, which often includes family visits outside of the hunting season. Hunt clubs that are interested in investing time and effort into habitat management often will secure a long-term (multi-year) agreement to avoid losing the lease to a higher bidder. When compared to other forms of fee hunting, leasing has several advantages and disadvantages. Advantages include: 1) improved control of land access, 2) expected income is known in advance, 3) few management costs, and 4) the landowner usually becomes familiar with the individuals using the property. Disadvantages include: 1) guests may be present at inopportune times, especially with annual leases; 2) often difficult to monitor game harvests; 3) inadequate harvest of deer can be a problem in highly-populated areas; and 4) hunters may feel “ownership ties” (especially with long-term leases) and interfere or disagree with land management practices.

**Permit hunting systems** were once popular with large industrial timber companies, although most have reduced or eliminated their permit programs in favor of leasing. Permits may be sold to individuals or to groups of hunters for specific time periods. Permits may be purchased for a single day of hunting, or they may be purchased for a specific season or all hunting seasons. Advantages of permit programs include: 1) harvested game can be closely monitored at exit gate, 2) game harvest levels can be easily adjusted by issuing more or fewer permits, and 3) provides access to a larger and more varied group of recreationists. Disadvantages include: 1) high management costs, 2) amount of income is uncertain, and 3) the landowner does not know the individuals using the property.

**Commercial memberships** offer sportsmen quality recreation for a high membership fee. These memberships involve selling and buying shares in a hunting club that is administered and managed by the landowner. In some operations memberships may be for life and include a deeded share of the land. In other operations landowners may require an annual membership fee. With this type of enterprise, landowners spend a considerable amount of money on wildlife management, services and amenities. Advantages include: 1) relatively high income and 2) some certainty of income amount. Disadvantages include: 1) a large initial capital investment, 2) high administrative and operating costs, and 3) a small clientele market.

**Shooting preserves** are enterprises that offer opportunities for shooting pen-raised game (quail, pheasant, chukar and mallard ducks) that are released prior to the hunt. Most preserves offer guides, bird dogs, meals, lodging, game cleaning and packaging. Hunts are generally sold on a full-day or half-day basis, although a few operations market weekend package hunts. Shooting preserves in most states are required to be licensed; however, preserve operators enjoy a longer hunting season than that allowed for wild game (October- April in South Carolina). Advantages of shooting preserves include: 1) the potential of being relatively profitable, 2) a long hunting season, and 3) they provide “instant” quality hunting for those who can afford it. Disadvantages include: 1) large capital investments 2) high business risk for the operator, 3) high management costs, and 4) a relatively small clientele market.
Cooperative wildlife management areas (WMAs) are lands leased by the state wildlife agency from private landowners to allow public access, usually for hunting and fishing. Participating landowners are paid an annual per-acre lease fee from funds generated by the sale of WMA permits. The advantages of this program are that it provides a source of income, and landowners receive state-funded habitat management services on their lands that have been entered into the program. Additional lands are also opened up to the public for hunting. Disadvantages are that the quality and quantity of land-users cannot be controlled. Also, the prices paid by the state to landowners are generally lower than those paid by sportsmen groups.

**Fee Fishing**

Fee-fishing operations are much less common than fee-hunting enterprises, but they are increasing in popularity among landowners who have farm ponds, streams, or lakes. Public waters are receiving increasing fishing pressure, to the point that it is difficult for beginning or even average anglers to experience quality recreation. This trend, combined with declining free access to private lands, has created a “ripe” market for fee fishing on private lands. Landowners who want continued business will help to assure a quality experience for their guests by keeping their waters stocked with fish. Fee-fishing operations may offer full- and half-day permits, charge per pound of fish caught, lease exclusive rights to a group, or sell commercial memberships to their lake. Fishing clubs may be charged an annual fee or assessed a fee based upon the amount of use. Landowners who enjoy working with people may choose a fee-fishing option such as daily permits or paying by the fish that are caught. Landowners who would prefer not to deal with the public would be advised to lease fishing rights to a group of people or fishing club. The most popular fish involved in these operations are largemouth and smallmouth bass, panfish, catfish, and trout.

**Sporting Clays**

Sporting clay shoots have become a popular form of recreation of many sportsmen. Sporting clays may not technically fit the category of “consumptive wildlife” recreation, but it will be discussed here because the majority of participants are also involved in some form of game bird hunting. Sportsmen walk a trail or course with stops randomly laid out along the course. Each stop represents a particular hunting scenario, and the targets are clay clays rather than game animals. At each stop the clay targets are released by positioned throwers in a variety of ways to simulate flushing quail, flying doves or ducks, a running rabbit, or some other hunting scenario. Advantages of sporting clay enterprises are that 1) they can be easily developed on most farm and forest land, 2) they are not dependent on game populations, 3) they can be operated year-round, and 4) they can provide a reasonable rate of return. Disadvantages include 1) a high initial investment, and 2) they can be labor intensive.

**Nonconsumptive (Appreciative) Uses**

The development of recreational enterprises based upon nonconsumptive uses of wildlife appears to be less promising under current market conditions than consumptive uses. However, there are income opportunities available, especially for landowners who can provide access to unique wildlife resources such as endangered species, exotic species, or large gatherings of wildlife. Some endangered and threatened species in South Carolina that could present income opportunities from birdwatchers as well as the general public are Kirtland’s Warbler, Red-cockaded Woodpecker, Southern Bald Eagle, and Peregrine Falcon. In the western U.S., concentrations of large grazing mammals such as bison, elk, and longhorn cattle can attract paying customers. Wildlife concentrations in the East which may offer income possibilities from metropolitan clientele include species such as alligators, beavers, and bat colonies. In these types of operations it’s important that landowners take special precautions to avoid injuries to visitors, as well as prevent disturbance of sensitive habitats and wildlife species. As the human population continues to grow and public recreational lands become more crowded, the demand for these types of wildlife “encounters” will increase dramatically. Effective marketing of these unique resources is the key to a successful fee-access operation.

Currently, there are probably more opportunities for utilizing wildlife resources in connection with other popular recreational activities such as camping, hiking, picnicking, nature study, photography, and other outdoor activities. The demand for these wildlife-associated activities on private land will increase as the quality of recreation declines on public lands.

**Landowner Considerations for Developing Fee-Access Recreation**

Just as with any business venture, the development of a fee-access recreation involves several critical steps and careful consideration of a number of factors such as farm and timber objectives, available resources, market conditions, and requirements for enterprise implementation and management. The following process can help landowners answer important questions such as: Will the enterprise help to accomplish short- and long-term land use/management objectives as well as personal goals? Is the enterprise compatible with other land management practices? Do I have the necessary resources? Many nontraditional enterprises have failed because one or more of these important factors were overlooked during the decision process.

**Steps in Developing Fee-Access Recreation**

**Step 1 – Determining Objectives**

The first step prior to selecting an income alternative is probably the most important one. Landowners should clearly define in writing his or her personal objectives for the farm or woodland tract. Why is the
landowner interested in an income alternative from wildlife or other land resource? The primary objective may not be income. The primary goal may be improving wildlife habitat or increasing the property value. Public relations or control of access may also be important considerations. Landowner objectives will help to determine the best type of operation, as well as the type of management that is required. Financial objectives will help to clarify profitability questions such as whether a profit is important and, if so, how much profit is necessary. Many landowners are never quite satisfied with their newly created operation because they did not clearly define “where they were going.”

Step 2 – Available Options
The second step involves developing an idea for a recreational enterprise. Ideas for income-producing operations come from a variety of sources, but landowner objectives and available land resources (e.g. species of wildlife on the property) will have a fundamental influence. Some of the most common sources of ideas for new enterprises are from neighboring landowners who are already involved in one or more operations. To some degree, general knowledge about market demand for an activity will influence a landowner when considering possible options. However, both the supply (available resources) and demand (market) must be thoroughly evaluated once an idea for an income-producing activity has been selected.

Step 3 – Determining the Market
No business or enterprise can be successful unless there is a demand for the product or service. An informal market study must be conducted for each proposed recreational activity. Questions to be researched and evaluated are: 1) Is there a sufficient demand for the recreational activity? 2) What are the various market segments? 3) How can landowners provide products and services that will attract clientele? If the activity is feasible, based upon market demand, the landowner must then evaluate available resources to determine whether they are able to provide the desired products or services.

Step 4 – Resource Availability
At first, it may seem like this step of “evaluating available resources” is getting more attention than it deserves. After all, every landowner is aware of the resources on their property. Right? Well, yes and no. Indeed they may be “aware” of available resources, but if they have never considered the resources in the context of nontraditional enterprises, they may be unaware of their potential; or the landowner may not be aware of the resource “supply” which may or may not be adequate for expected demand. Furthermore, resource inventory is much more involved than simply determining whether there are enough deer to hunt or birds to photograph. Evaluating the feasibility of a recreation enterprise involves inventorying 4 resource categories: 1) biological, 2) physical, 3) human (personnel), and 4) financial.

Biological Resources
Whether the desired wildlife species are present normally would have been considered long before this step, but it is also critical that wildlife numbers are adequate for hunting or observation purposes. Do wildlife numbers need to be increased and can it be done? Any biological manipulations must be analyzed on a cost/return basis.

Physical Resources
Adequate wildlife populations may be all that is required in certain types of recreational wildlife enterprises; however, could the landowner attract more clientele or a higher price if the property had access roads? Does the property have a cabin that could be rented or a shed in which hunters could camp? Are there streams or ponds that would provide attractive campsites or fishing opportunities?

Personnel Resources
Landowners may have time to handle the management activities of a low-input wildlife enterprise, but this will limit the management time spent on current operations. Many operations not only require management assistance, but also technical and financial assistance as well. Large, high-input operations may require assistance with marketing and legal issues. Are there any family members or current employees who could assist with the new enterprise? Some farm and timber operations have managers who can take on a few extra management duties, but once again, they will have to make sacrifices on how time is currently being spent. It is extremely important that personnel requirements be evaluated prior to initiating a new wildlife enterprise.

Financial Resources
The development of some enterprises requires much more investment capital than others. Landowners considering any type of new enterprise should inventory all liquid (readily converted to cash) assets and determine how much they are willing to invest in a new enterprise. The specific amount of capital required can be determined by analyzing costs and returns and then evaluating the expected cash flow over time. This process is described in the following section.

Step 5 – Developing a Budget
After a landowner has selected an enterprise idea based upon personal objectives, determined that a market exists for the product(s)/service(s), and evaluated the resources available for the enterprise, the next step involves the development of a budget to evaluate the economic
feasibility of the operation. Total financial costs can be generated by listing all activities associated with the operation, including labor/management time of the landowner and family members, and then identifying the cost of each activity. The total cost must be compared to the expected gross revenue, which, of course, is a direct effect of the price charged per person or per acre. Landowners often set the per unit price for a recreational enterprise by calculating the gross revenue necessary to cover costs and then determining the additional income necessary to meet financial objectives. In this step a landowner may also want to consider non-monetary costs and indirect benefits of a proposed enterprise. A few things which may be viewed as costs by certain landowners are increased risk, stress, loss of privacy or solitude, and having to deal with people. Indirect benefits may include improved public relations, and control of access to the property.

**Step 6 – Cash Flow**

Once a budget has been developed, management activities and income (payments) can be recorded by month on a calendar to evaluate the monthly cash flow for the enterprise. Costs are subtracted from income to obtain monthly balances. A negative balance during any month means that at least a portion of the income must be secured earlier in the year or money must be borrowed. A cash-flow calendar can help landowners in advance for financial arrangements such as lease payments or loans. To maintain a positive cash flow, many landowners involved in fee hunting receive half of the fee during early summer and the other half upon arrival of hunters in the fall.

**Step 7 – Compatibility**

If the new enterprise appears to meet the financial objectives of the landowner, the final step is to determine if the enterprise is compatible with existing land management practices, as well as the long-term goals of the landowners. For example, a quail hunting enterprise probably would not be compatible with an intensive cotton-farming operation, unless major land management compromises are implemented. Likewise, a fishing enterprise would not be compatible with a vegetable crop operation that requires annual draining of the lake for irrigation purposes. Deer hunting leases are fairly compatible with livestock operations; however, cattle may be considered more compatible than goats or sheep due to the considerable diet overlap between deer, goats, and sheep.

This process can be valuable in helping landowners to evaluate new ideas for fee-access recreation and can prevent costly enterprise failures. It may be prudent for landowners to begin new nontraditional operations on a small scale, and if successful, expand slowly. After an idea has been evaluated and the landowner has decided to implement it, the following considerations are important in ensuring a successful operation.

**Marketing the Operation**

The concept of marketing is sometimes confused with and used interchangeably with the term “advertising.” Advertising is doing anything that makes someone aware of and gives them a favorable impression of your operation – in other words, promotion. Actually, it is just one of the key ingredients of successful marketing. Marketing is matching the resources of an operation with the needs of the clientele. The marketing process involves an in-depth understanding of your resources and the clientele, identifying the appropriate clientele segment, developing the best type of lease arrangement (if considering a fee hunting operation), choosing the appropriate investment level, setting a price, advertising, negotiating an agreement, and satisfying the client.

**Understanding Clientele**

For landowners developing a fee-access operation for the first time, the most important idea to understand is that the product the client is seeking (with few exceptions) is not something tangible – rather it is the entire experience. Successful operators are those who have learned to provide their clientele with a pleasant and memorable experience, as opposed to focusing all management energy on a tangible product and ignoring the quality of the overall experience. This idea is probably most often misunderstood by landowners who initiate consumptive-use operations such as fee hunting and fee fishing. Too often, the landowner’s sole focus is on “the kill” or “the catch.” Hunter surveys have repeatedly shown that the overall recreational experience (e.g. scenery, socializing, camping, cooking, traditions, and other outdoor experiences) is more important to hunters than taking game. This begins to make sense when you realize that taking game usually represents just one moment during several days of enjoyable experiences. Furthermore, when you consider that the time spent hunting is just one of 5 major phases of an outdoor recreational experience, you may begin to understand why successful operators focus on marketing a hunting experience rather than simply selling a product.

The 5 phases of a recreational experience include: 1) anticipation, 2) travel to, 3) on-site experience, 4) travel back, and 5) recollection. To use recreational sport hunting as an example, the landowner may use all phases of this cycle to market the hunting experience. During the anticipation phase, the operator may telephone clients to report on weather conditions, wildlife census results, and the hunting forecast. A few minutes of conversation can elevate the level of enthusiasm. It can also be an opportunity to clarify any details and answer questions. Landowners who are working with their community can have a real advantage during the travel-to phase of the hunting experience. Community hospitality, which is viewed as a real bonus by hunters, can be initiated by individual businesses and residents, or can be part of an organized effort. Special events can be economically important in their own right, as well as provide an added dimension to the hunting experience. The culmination of the year’s planning and anticipation is the on-site experience. Landowners have the opportunity to provide their clients with an experience that they will want to repeat. This is the best time to obtain information from the clientele about improving their experience, and the best way is to ask them. It is important to remember that there are activities other than hunting that can make the experience more complete and enjoyable. The landowner may want
to sponsor a first-night social, a campfire cookout, or a spotlight deer survey. Providing memorable experiences has allowed many operators to improve their enterprise from a situation of begging for clients to one where clients must be turned away. During the recollection phase, the operator can communicate with clients by phone and letters about events of the past season and keep them informed about improvements that are underway, environmental conditions, and game conditions to keep the interest “smoldering.”

Understanding Your Resources
Understanding your resources is a necessity for a solid marketing plan. Most landowners know how much acreage they have in pasture and woodland, and a rough idea of the game animals that reside on or pass through their land. However, there are many other considerations in operating a successful recreational enterprise. As mentioned previously, it is very important for an operator to have a thorough understanding of available biological, physical, human, and financial resources. In the marketing process, it is especially important to be aware of all biological and physical resources and to know how they affect the clients’ hunting experience. Only then can the landowner use these resources as attributes in marketing the operation.

Advertising
Most fee-hunting operators agree that the least expensive and most effective advertisement is by word of mouth. Successful and satisfied hunters will spread the word about good hunting opportunities. However, with a new wildlife enterprise, the operator has not had the opportunity to establish a reputation. Initially, landowners must advertise in order to locate and make arrangements with desirable clientele. Probably the best form of advertisement for the beginning operator is printed material such as newspapers, brochures, and magazines. These advertisement methods are relatively inexpensive, circulation is widespread, and they can be used to target the desired clientele segment.

For small, low-input operations, “classified ads” in local metropolitan newspapers (Greenville/Spartanburg, Columbia, Atlanta, Savannah) are the most efficient and cost-effective means of reaching a large number and broad spectrum of potential clients. Most large newspapers have sections for advertising HUNTING LANDS or SPORTING EQUIPMENT. Advertisement wording should be short and accurate, but the landowner must sound appealing to prospective clients. Minimum information that should be included are tract size, location, general habitat type, and phone number.

Posters and bulletins displayed in a community can be effective in attracting local hunters to a new operation. Many business owners will allow posters or bulletins to be displayed in their shops. Sporting goods stores, barber shops, supermarkets, and taxidermy shops are effective places to advertise. Posters and bulletins should be attractive and include maps and/or photographs of the area, a description of what is offered, the fee involved, and a phone number.

Many operations that are moderate to large in size develop high quality brochures to help promote their unique operation and various amenities. When the short and simple printed ads generate inquiries, more detailed brochures can be promptly forwarded. Any personal touch like a short, hand-written note is usually appreciated, especially if the inquirer is truly interested. The brochure should be informative but to the point, and have professional-quality artwork or photography as the “eye-catcher.” Information that should be included is the size and location of the property, a brief description of the resources, services provided, cost of services, type of weather to be expected, how to apply, and who to contact.

Hunting or outdoor magazines are one of the best ways to solicit a prospective guest. Moderate and large operations should advertise in as many magazines as their budget will allow, making sure they place an ad in at least 4 national magazines. The ads should be coded so that the operator knows which magazines produced the most inquiries. Then the next year they can concentrate advertising efforts only in the high-producing magazines. The pinnacle of magazine advertisement is to have an outdoor writer of a national magazine do a favorable story on a wildlife program. This will literally end that operation’s need to advertise in the future, since the article will reach thousands of potential customers.

Local and regional conservation and hunting groups often lease hunting areas for their members to use. These organizations provide a built-in clientele for landowners who approach the groups and make them aware of their hunting opportunities. Most sporting organizations meet regularly and would welcome a landowner as a guest.

Factors Affecting Investment Costs
Fee-access recreation on private lands requires a certain degree of investment at start-up to be successful from year to year. The amount and types of investments required can vary drastically and are dependent upon a number of factors. Some of these factors include: 1) objectives of the landowner, 2) whether the operator owns the property, 3) availability of labor and equipment necessary to carry out management practices, 4) current condition of the land, and 5) whether the land is to be managed solely for wildlife or managed for a combination of resources (e.g., timber and agricultural crops). These factors will have an influence on the costs of managing a recreational operation on private land and will directly affect the profitability of the enterprise.

Landowner Objectives
Landowner objectives have a direct bearing on how much money is invested in recreational resource management or wildlife-associated enterprises. Costs vary depending on the type and intensity of enterprise. The type of services and amenities provided will depend upon the clientele (market segment) that the landowner is trying to attract. Generally, expenses are directly related to the services and amenities provided. For example, many wildlife recreationists would
rather not pay for anything other than access to their property (a key

to a lock). With this arrangement, there are few investment costs

(advertising, minimal management time) for the landowner. Other

clientele may be willing to pay not only for access rights, but for services

and amenities that include lodging, meals, guides, dogs, transportation,

and even entertainment. These enterprises usually require additional

personnel, which adds to the cost. Even by charging higher access fees,

it is very difficult to recover the costs of a high investment operation.

Economic analyses have shown that low-input operations tend to be

more profitable on the average, although there are some efficiently

managed, high-investment operations that have proven to be quite

lucrative.

For a wildlife-related enterprise, the species of wildlife that an operator

chooses to manage will also influence investment costs. Some species,

such as bobwhite quail, require intensive habitat management. On

intensively managed quail lands, costs may far exceed the income

potential from hunting. For other game species, such as white-tailed

deer and eastern wild turkey, intensive habitat management is usually

not necessary; therefore, management costs are significantly lower.

Condition of the Land

For a wildlife operation, the condition of the land determines habitat

quality and its potential for supporting adequate wildlife populations. If

previous land management practices have degraded the potential of the

land to produce food and cover for wildlife, then habitat improvements

practices will have to be more intensive. The more intensive the

management, the higher the costs for the landowner. Landowners

interested in a wildlife enterprise may also want to make additional

efforts to improve the aesthetic quality of their lands for clientele.

Availability of Labor and Equipment

If landowners and family members are able to perform many of the

habitat improvements and other activities themselves, costs can

be minimized for hiring additional employees or contract labor for

various land management services. Of course, costs associated with

the landowner’s and his family’s time spent on management or other

activities must be included in an investment analysis. Likewise, any

equipment or facilities present on the property that can be used in the

operation will help in minimizing costs. A tractor used for farming can

be used for establishing food plots, fire lanes, and disk ing. A barn or old

cabin can be refurbished and used as a lodge for hunters, fishermen,

and other recreationists. Once again, the cost of owning and using

equipment solely for wildlife habitat management or land enhancement for recreation is
generally cost prohibitive.

Land Ownership

Most landowners who are interested in developing a recreational

enterprise either already own the property or are in the process of

purchasing the land. Generally, the cost of land ownership is an

overhead cost rather than a variable cost (increases with increasing

production). There are cases where operators have purchased land

for the purpose of developing a recreational enterprise. With few

exceptions, it is cost-prohibitive to invest in land for the primary

purpose of developing a profitable land-based recreational enterprise,

considering increasing land costs plus the added expenses of developing

and operating an enterprise. It makes a tremendous difference if the

landowner already owns the property before initiating a recreational

business. There are a few cases where landowners have purchased

property as an investment, and the recreational enterprise has actually

paid for the land; however, these cases are uncommon. Generally,

landowners should be discouraged from purchasing land solely for the

purpose of managing and operating a recreational enterprise unless

financial considerations are unimportant.

Integrated Management

Costs associated with managing a recreational resource such as wildlife

can be reduced significantly if conducted in conjunction with other land

management practices, especially if revenues are being generated from

fee-access recreation. For example, in some parts of South Carolina, the

added expense of integrating deer and turkey habitat management

with forest (pine) management can range from approximately $0.82 to

$5.00 per acre, depending upon timber stumpage prices. This includes

costs for wildlife management practices and opportunity costs (lost

income) from pine production. Income from fee-access recreation can
easily offset this total cost and usually exceed it on lands with moderate

to good quality habitat. On farm/wildlife operations, at least 5% of

the farmland should be devoted to the production of food and cover

for wildlife. For example, on farms that are managed for soybeans

and wildlife, it could cost the landowner $40-50 per acre (depending

on bean prices) for each acre of prime farmland that is not planted in

soybeans, but instead is managed for wildlife. However, this cost can be

significantly reduced if the field edges and marginal farmland is used

for the wildlife management acreage. This cost can further be reduced

by government cost-sharing programs and marginal land set-aside

programs. The percentage of farm wildlife habitat can also be increased

by implementing farming practices beneficial to wildlife (e.g., chisel

plowing, no-till planting, and leaving crop stubble in the field). Other

benefits, such as soil erosion control are an added asset.