

**NATIONAL OPERATIONS SURVEY
OF THE
RV PARK AND CAMPGROUND INDUSTRY
2010**



ARVC Foundation

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Executive Summary

This *2010 National Operations Survey of the RV Park and Campground Industry* is the 12th in a series of biennial surveys that ARVC has conducted since 1986.

The 2010 survey was conducted almost entirely online using sophisticated Qualtrics™ E-Survey software. The initial request to participate and link to the ARVC survey was sent to the randomly-selected sample on April 19, 2010. After approximately two months, the survey was closed on June 18, 2010. The 2010 survey was sent to a total sample of 1,992 ARVC members in two parts: (1) Operations Survey sent to a sample of 1,543 parks/campgrounds; and, (2) Wage and Salary Survey sent to a sample of 449 parks/campgrounds. Of these, 595 parks responded to one of the surveys, producing an overall response rate of 30.0%. This larger sample size produced 31% more completed surveys than the 2008 survey, and thus greater confidence in the findings.

So that campgrounds/parks can best utilize this data to benchmark their parks against others, the findings in this report are presented by park size categories, and the valid sample size for these size comparisons is 429 completed surveys.

The findings of the 2010 Operations Survey continue to enable ARVC members to:

- Track industry trends and standards over time
- Benchmark their parks against those of similar size
- Provide information to financial institutions for securing loans
- Provide data to address local regulatory issues
- Provide responses to questions from the media.

Key Findings

Findings from the 2010 Operations Survey reflected an economy in recession, as parks appeared to pull back some services and sought ways to minimize costs – retrenchment that was not surprising given the depth of the 2009 recession. For example, these trends appeared:

- Declining real estate values meant fewer parks were listed for sale or changed ownership;
- The increased percentage of owner-managers reflected the need to economize;
- Parks/campgrounds stayed open fewer nights and occupancy rates went down;
- Use of discounts increased reflecting visitor efforts to economize;
- Fewer premium sites were offered and availability of free wireless declined;
- Fewer parks invested in improvements (from computer software to some green investments);
- Advertising investments (Internet or billboards) declined and fewer ads were tracked.

Section I: General Description of the Campground/Park

- Of the major park types in the 2010 sample, Tourist/Overnight parks represented 73% of the sample, Seasonal sites 54%, Destination parks 53%, and Long-term Parks 24%; other available options represented only very small percentages.
- Two-thirds of parks (68%) had been in operation more than 25 years (up from 59% in the 2007 survey). The larger parks were more likely to have been in operation 25+ years, while smaller parks were more likely to have been developed within the last 10-15 years.
- One-fourth of reporting campgrounds/parks (26%) changed ownership within the last five years (down from 31% in 2007), and another 24% within the last 10 years.
- With regard to the ownership structure, 43% reported incorporated ownership, 36% sole proprietorships, 14% partnerships, and 8% some “other” kind of ownership.
- Almost all respondents (93%) owned the land on which the park was operated in 2009.
- Median size of campgrounds/parks was 32 acres, and the median acres available for expansion was 10 acres.
- Given the economy, fewer campgrounds/parks in 2010 were listed or had plans to sell. Seven percent (7%) were currently listed for sale, and 6% had plans to sell in the future – (compared to 12% and 20% respectively in 2008).
- Almost three-fourths of total respondents (72%) were owners (up from 63% in 2007), one-fourth (23%) employed a separate park manager, and 4% utilized a manager/absentee owner arrangement.
- Permitted use was the most common type (43%) of park zoning. Of note, over one-fourth of owners (29%) were unsure of their zoning, 15% have conditional or special use, while 14% reported some “other” zoning.
- Eight in ten respondents (81%) offered no staff housing in 2009; 19% did offer staff housing.

Section II: Number and Type of Campsites/Parks

- Few campgrounds/parks (4%) offered any condo/timeshare sites; of the 96% that did not offer these options, the vast majority (99%) had no plans to do so.
- Overall, only 31% of parks rented spaces on an annual basis (down from 38% in 2008); 69% did not. Only a minority of parks in every size category offered annual rentals, most typically offering water, electric and sewer amenities.
- Few parks rent park trailer sites annually (only 11%), while 89% do not.
- In terms of seasonal RV site rentals, 75% of parks provided this option, 25% did not. Summer rentals were about three times as common as Winter rental in all park size categories.
- Seasonal park trailer rentals are relatively rare – 19% provide them, while 81% do not.
- On average, parks were open 173 nights in 2009. Total available camper nights were 33,478, with 21,488 sold for an average annual occupancy rate of 52% (compared to the 2007 occupancy rate of 62%).

- Occupancy rates varied by park size: 50% in parks with 0-100 sites, 50% in parks with 100-250 sites, 62% in parks of 250-499 sites, and 41% in 500+ sites. (In 2007, rates were: 50% for 0-100, 76% for 100-250, 53% for 250-499 and 69% for 500+ parks.)
- Only 4% of campgrounds/parks had minimum RV length requirements in 2009, while 50% had maximum RV length requirements. Average minimum RV length was 34 feet and maximum RV length was 47 feet.
- The most common electric service is 30 amp (73%) and the 20-30-50 amp combo (60%). One-third offers 20 amp and another third 50 amp service.

Section III: Fees and Charges

- The vast majority (86%) of campgrounds/parks reported limits on party sizes after which extra fees were imposed: 85% imposed limits on maximum number of adults per party, 46% had limits on the maximum number of children per party, and 75% had limits on the maximum number of vehicles per party.
- Median facility fees for 2 adults (peak season) ranged from \$22/night at primitive sites to \$42/site at premium sites.
- Almost three-fourths (70%) of parks offered the same rate for 2 adults/2 children as for 2 adults; 30% charged different rates.
- Four-fifths (81%) offered some type of discount (up from 75% in 2008), with the most common being Good Sam, some type of organized group, the Military and AAA discounts.
- Slightly more parks (52%) offered premium sites than did not (48%). Premium sites were most commonly characterized by better location (e.g., view), larger size, and 50 amp electric.

Section IV: Rental Units

- In all, 44% of campgrounds/parks offered some type of rental units (down from 60% in 2008); 56% did not. Most common were “basic cabins” rented by the night for stays that averaged seven days (down from 14 days in 2007).
- Median rates for basic cabins ranged from \$55-\$65/night, \$65-\$75/night for partial amenity cabins, and \$99-\$125/night for full amenity cabins.
- Generally, linen and towel services were not offered – 62% of rental cabins, 81% of trailer rentals, and 80% of park trailers did *not* offer linen and towel services.
- Daily housekeeping services are offered by few parks – only 12% of those offering cabins, 17% of trailers, and 11% of those with park trailers offer this service.

Section V: Facilities, Services, Amenities

- Generally, the larger the parks the more amenities were offered. In terms of water-related outdoor recreation, 66% offered outdoor swimming pools and 54% had lakes/ponds.
- Among non-water recreation, the most popular were horseshoe pits, playgrounds, basketball, open pavilions and volleyball. Most did not charge extra for recreation amenities.

- Most common indoor facilities were fitness equipment, spa/hot tubs, exercise rooms, and indoor pools.
- Most common non-fitness indoor facilities were game rooms, video-pinball machines, and enclosed recreation halls.
- Recreation programming was most focused on meal/food events, planned recreation programs, and special events.
- Most common recreation equipment offered included: boat/kayak/canoe/tubing, jet skis, and bicycles. Fees were more customary for some of these types of equipment.
- Most common services offered guests were: laundry (85%), dump stations (82%), firewood (78%), modem access (51%), vending machines (50%) and RV storage area (50%).
- Overall, 72% of campgrounds/parks offered wireless Internet access to guests in 2009 (down from 79% in 2007), and 57% offered it free of charge (down from 82% in 2007).

Section VI: Campground/Park Store

- Four-fifths (81%) of campgrounds/parks offered stores; 51% of those that had stores were open to the general public and one-fourth (25%) used a POS (point-of-sale) system to track store sales (the latter up considerably from the 4% that used POS systems in 2007).
- Typically, stores offered RV supplies, ice cream, snack foods, personal care products and dry groceries. About a third (29%) of these stores were open seasonally (way down from 66% in 2007), while 18% were open year-round in 2009 (down from 34% two years earlier).
- Average annual store sales in 2009 were \$126,633; median store sales were \$40,000.

Section VII: Food and Beverage Service

- One-third (33%) of parks/campgrounds offered food and beverage services in 2009; 67% did not. Restaurants were found in 10% of total parks and snack bars were in 14% of parks. Overall, all food and beverage services were much more represented in the 101-249 size parks.
- The vast majority that offered food and beverage services located them in designated areas (69%), areas with kitchen facilities (54%), and areas with patron seating (60%). Of parks that offered food and beverage service, 55% served snacks, 51% served breakfast, 47% served lunch, and 40% served dinner (types of meals served declined considerably from the 2007 report).
- Most campgrounds/parks with food and beverage services served non-alcoholic beverages (87%), but only one-fourth to one-third served alcohol, such as beer or wine. About half (54%) served specialty teas and coffees.
- Four-fifths of all parks (80%) had foodservice or food handler's licenses, and average 2009 sales totaled \$46,601; median sales were \$8,000.

Section VIII: Campground/Park Revenues and Expenses

- In 2009, average operating income for reporting parks ranged from \$316,281 at the smallest parks to \$4.72 million at the largest parks; average annual operating income was \$2,004,374.

- For all parks, site rentals provided 63% of operating income; net retail provided 16% of income; 4% came from recreation revenue; 7% from food and beverage service; and, 10% came from “other” sources.
- Total operating expenses from all sources averaged \$1,141,720, or about half of average total revenue of \$2,004,374. For all parks, largest expense categories are for repairs and maintenance, employee wages, marketing and advertising, cost of goods sold, and utilities.
- Reported EBITDA averaged \$299,444.
- Average annual bed/occupancy/transient lodging taxes reported in 2009 were \$30,616; average annual property/real estate taxes were \$48,558.

Section IX: Investments and Improvements

- More than half (52%) of campgrounds/parks made investments and improvements in 2009 (down from 74% in 2007), at an average annual cost of \$399,953 (up from \$147,508 in 2007). Most commonly these were for: Landscaping, Electrical, Maintenance equipment, Wireless internet, Recreation and Roads/parking.
- In terms of total dollars invested, the largest percentages went to Recreation (16%), TV hook-ups/satellite/cable (12%), Pool-water attraction (8%) and Sewage treatment facility (8%).
- Since 2007 one-fourth (23%) of campgrounds/parks reported they had combined sites; 77% had not – resulting in an average 11% reduction in park site capacity. Further, 83% reported they had no plans to combine sites in the future.
- Many campgrounds/parks used “green” or sustainable practices in 2009, including: 62% installed fluorescent bulbs, 46% recycled, 41% reduced electrical use, 34% reduced water usage, and 19% used xeriscaping or drought-tolerant plants. Compared to 2007, fewer parks were using fluorescent bulbs, recycling, or using xeriscape practices; on the other hand, more parks had reduced electrical and water usage.

Section X: Business Operations and Administration

- In 2009, almost all administrative offices at campgrounds/parks reported using computers – an average of four (4) computers per park, used mostly for: Email, Internet access, Word processing, Accounting, Reservation management, and Payroll. Park size was not a factor in the near universal adoption of these technologies. Larger parks (250+ sites) had largest numbers of networked computers, while only 59% of 101-250 site parks and 28% of 0-100 site parks had networked computers (down from 2007).
- Almost all parks (96%) had a website, including both large and small parks, and more than two-thirds (70%) had the ability to update the web pages themselves (up from 52% in 2007). Eighty-four percent of park web sites were linked to other sites.
- The most common capabilities of campground/park websites were to enable park guests to: check site rates (95%), reserve sites with credit card (36%), and check site availability (28%).
- The most common methods of accepting reservations were: Telephone (99%), E-mail (78%), On-site (73%), and regular Mail (55%). Half of parks (47%) accepted reservations online. Compared to 2007, making reservations by Email increased while use of regular mail declined.

- The most common method of processing reservations in 2009 was a reservation book (44%), a manual processing method (37%), or an Internet booking engine (31%).
- Two-thirds (63%) of responding parks used a campground-specific management software system in 2009 (up from 59% in 2007); 27% did not use any software system; and, 12% used custom developed software. Very few management systems (4%) were purchased off-the-shelf.

Section XI: Advertising

- The most common types of campground/park advertising used in 2009 were: Tourism Directories (70%), State campground directories (68%), National campground directories (67%), and Brochures (60%). Internet ads, the most common method in 2007, dropped to fifth place in 2009.
- Advertising budgets were allocated as follows: 21% to National campground directories (down from 50% in 2007); 12% to RV magazines; 11% to State campground directories, 8% to Other tourism directories, and 7% each to RV Trade shows/Web ads/Camping magazines.
- Two-thirds of parks (66%) tracked leads generated by National campground directories, 56% tracked State campground directory leads, 51% tracked other Tourism directory leads, and 37% tracked brochure leads.

Section XII: Water and Waste Disposal

- The most common source of campground/park water in 2009 was Well water (59%), followed by a Public system (38%).
- Average daily water usage was 20,838 gallons/day, ranging from 83,000 gallons/day at the largest parks to a mere 2000 gallons/day at the smallest parks.
- Two-thirds of campgrounds/parks reported use of a septic system/leach field (63%), followed by a public sewer system (26%).
- Average daily sewer system outflow was 8580 gallons/day, ranging from 2000 gallons/day in the smallest size parks to 30,000 gallons/day in the parks with 250-499 sites.
- Sewage disposal rates averaged \$6.00 per 1000 gallons, ranging from \$2.00 per 1000 gallons at the low end to \$25 per 1000 gallons on the high end of the spectrum.

Section XIII: Wage & Salary Survey – Campground/Park Employees

- Four-fifths (84%) of 0-100 site parks have four or fewer employees, as do 51% of parks with 101-250 sites. No parks with more than 250 sites had this few employees. For the overall sample, 48% reported four or fewer employees, while 52% had more than four employees.
- For parks reporting four or fewer employees, the median number of year-round, seasonal and work campers in 2009 was two to three employees.
- At parks with 250 sites or less, 96% of owner-operators were involved in daily management.
- Average annual salary for owner-operators was \$46,762, while the median was \$26,000.
- Most common benefits offered in smaller parks were: housing (62%), health insurance (53%), and allowances (15%) (examples include cell phones, mileage).

- Average value of benefits for parks with four or fewer employees was \$48,671; median value was \$14,500.
- Parks with more than four employees reported management positions at the following rates: General Managers (in 33% of parks), Assistant General Managers (16%), Recreation Managers (16%), Maintenance Managers (28%), Office Managers (24%), Housekeeping Managers (15%), Food Service Managers (9%). Average tenure in these jobs ranged from 10-11 years for General and Assistant Managers to a low of four years for Recreation Managers. General Managers, Assistant Managers, and Maintenance Managers tended to have the best benefit packages, with an average annual value of \$16,173, \$10,440 and \$9,662 respectively.
- Larger parks employed Lifeguards seasonally; wages ranged from \$7.78 to \$9.77/hour.
- Average annual wages per park ranged from a low of \$2,600 to a high of \$1.6 million, with the average at \$292,168.