

## **The Future Looks Promising But Not Guaranteed**

The title of this month's comment's come from a presentation by a local college president who recently addressed a group of senior hospitality students. He was reflecting on the tourism industry specifically, focusing on the Niagara Region. I believe that we can transpose this same quote into our setting, given the variety of signs that I see from an international perspective. The RV Park industry is robust, growing and evolving in Canada, Australia, New Zealand and Europe. This growth was noted in an article in a very recent issue of *Macleans*'s magazine, a weekly Canadian periodical devoted to current affairs in a similar style of *Time* and *Newsweek*.

Titled "Please don't call them trailer parks", the feature provided an interesting overview of a number of upscale RV parks, including Newport Dunes in California and Surfside RV Resort in British Columbia. The mere coverage of our industry in a national current affairs magazine is in itself noteworthy, and to be appreciated, but upon reading the material, it left me with the sense that the public still views our industry in a stereotypical fashion. Should it be newsworthy in 2007 that (some) RV resorts have "grand ballrooms, lounges, tennis pros and massage therapists"? Is it really that odd that "people actually buy their RV pad"?

Apparently we're holding back on what's been common knowledge in our industry for many years – the effort to address market opportunities at a variety of levels, including the upper end/upscale market. I have subsequently written to the magazine and offered them access to additional timely information should they wish to follow up on the piece.

So what does the president's message and the Maclean's magazine article have to do with each other? Where's the connection?

The future is promising. The RV industry, in its many facets and niches, is positioned for strong growth, BUT ... We have to be smart enough to ensure our efforts are effective, efficient, and sustainable. We have to balance short-term thinking with longer term planning. We need to start looking at addressing a host of markets/niches that have been overlooked in the past for a variety of reasons. We need to adapt our products to reflect the wide spectrum of interests, without focusing strictly on the recreational vehicle.

There lies the connection between the college president's comments and the magazine article – the future looks promising (growth opportunities), but is not guaranteed. I have consistently prodded developers and operators to look for opportunities in the marketplace given the various scenarios and situations that one find's themselves in. Opportunity is both global and local. It's a matter of paying attention to the variety of economic, cultural, environmental and political signals that surround us.

A variety of recent projects reflect that many are paying heed to this simple approach. One small community in eastern Canada is developing a community investment fund, which will raise sufficient dollars to allow for the development of a modern RV park developed in close proximity to the local hockey arena. The arena's facilities – washrooms, food services, auditorium, and gym will be used year round, thereby maximizing existing local resources, while attracting much needed tourism to a small community.

Another small community in eastern Ontario is proposing to develop a RV park to capitalize on the proximity of a local tourist attraction – a historic boat lock on the St. Lawrence River. The lock provides great opportunities to view a variety of boats, lakers and ocean vessels from all over the world.

A third project focuses on addressing the RVing needs of football fans of a large southern university. The development focuses on local traditions including tailgate festivities and the emerging and future needs of RVers.

A fourth project revolves around the introduction of a variety of “holiday villas” as part of a redevelopment strategy of an existing 4 ½ star property. These prefab “cabins” will be custom designed specifically for the site, ensuring uniqueness, quality, and reflection of the local culture. The interiors are akin to a better hotel room. The villas will be positioned in communities or neighborhoods, ensuring future guests with the ability to socialize with others while retaining a sense of intimacy. The units will replace a series of undifferentiated RV sites, reflecting the park's desire to capitalize on trends, and focus on key growth markets.

The keys to success for each of these four projects is embedded in this article's title – ensuring that emerging trends are capitalized on to their fullest. In so doing, the potential for positive short term and long term results are truly attainable.

Every property has similar opportunities for success. We're all in the same boat, broadly speaking. The difference between thriving and surviving given the current and future situations is based in part on the ability to pay attention to both strong and weak signals. Strong signals are derived from our statistics – both our own (e.g. occupancy rates for specific sites, dates, etc) and provided by industry studies. Other strong signals come from the media, who for years have been documenting the trends associated with demographics, specifically the aging baby boom population.

Paying attention to weak signals is a bit more difficult, and therefore often ignored. By definition weak signals are not as overt, and therefore not seen clearly. But signals abound on the edges of any industry, and those entrepreneurs who are prepared to look in different locations will soon pick up on a series of signs pointing them in the direction of the future.

Travel to other geographic locations always pays dividends to the explorer. The key is the willingness and desire to see.

The future does in fact look promising. Our challenge is to ensure that we capitalize in the most effective and efficient manner, ensuring that we each have a distinct, differentiated offering that reflects what the marketplace is seeking.