Campground Ownership: 2021 and Beyond

Over the past few years, our team has been monitoring the renewed interest in the camping industry and, just like you, we've been actively listening while industry-specific challenges emerge. We've also been working with a number of owners on strategies to combat these challenges and to set their campgrounds up for success. Here are some of the common themes we've observed, and a few solutions as well.

Expansion is HOT

For years, we've known camping offers some of the most affordable options to relax, renew, and spend time outdoors. Apparently, the desire to connect with nature, combined with increased access to Wi-Fi and cell services, and new ways to experience camping accommodations, has proven an irresistible draw for new campers. That means, we need more room in our parks to accommodate these "experience seekers"!

Whether it's conversions of green space into pull-through sites, additions of cabins, park models, new activity ponds or water pads, people need space, especially during a continued pandemic. So, it's important to provide options and keep things fresh for your guests. Those that are land-locked may wish to consider expansion through acquisition. Either way, now is the time to get in front of a lender who can help you make the right decisions, in priority order.

Electrical & Septic Upgrades

Portable black tanks w/honey wagons and 30-amp service just aren't cutting it any more. These new campers are bringing their toy haulers, air conditioners, and their expectations. Even before COVID-19, more and more campers were purchasing RVs requiring 50-amp service and looking for full hook-up options. Campers want the freedom to go about their day, without worrying about emptying their black tank at the end of the weekend. And, they're willing to pay for it.

Finished electrical and septic upgrades can be a big boost for campground finances, but which comes first? And when? The key is not to bite off too much at one time. Some owners are choosing to focus on 10 sites at a time throughout the season, and do septic, electric, and grading before moving on to the next 10 sites. Others are choosing to run new septic or breaker boxes through an entire section as soon as the season closes, moving on to the next section in the Spring. Both are right! It depends upon the park, but while each park has its unique solutions it's important for every owner to plan strategically for upgrades. Work with your lender to set priorities and ensure your bases are covered.

Wi-Fi and Other Accessibilities

Have you suddenly found yourself mistaken as the new IT guy? When did device-connectivity and trouble-shooting become part of your job description?

Listen, guys. Technology has changed our daily lives. That means it's changed our downtime as well. It isn't just a question about *Do You* or *Don't You* have Wi-Fi. You're being held to the standard of the last electronic transaction your guests have had... anywhere. If they can "work from home" at a hotel but can't do it at your park, you are missing business. If they can place a grocery order through an app

but can't easily book a site with you online, you are missing business. If the kids need Wi-Fi to run devices and Mom can't get a few free minutes to herself, you are missing business.

If your campers choose to disconnect during their visit – that's got to be their decision. If they need to relax and this is how we can help get them there, maybe it's time to consider offering a help line for trouble shooting. Just don't quit your day job!

Teaching Etiquette and RV-ing to New Campers

Fire pit trash... Walking through another camper's site... Dog waste disposal... Ugh, where did these people come from?

We've seen it ourselves. There can be a definite knowledge gap between beginner and seasoned campers. With the influx of new campers, park owners have become guides for those unfamiliar with camping etiquette and maintenance. In turn, owners are realizing that it might be worth their time to hold some basic-level training and address these questions.

Consider being proactive and scheduling a Camping 101 tutorial session for newbies. Maybe even get some of your experienced seasonal folks in on the action and hold a panel discussion for 30 minutes on a Saturday or Sunday morning. Topics to consider: Surge protectors, water gauges, RV basics, sink repair, campsite etiquette, foul odor in black tank, sulfur taste from water heater, etc.

The sooner these new campers can get up to speed, the sooner we all can relax!

The Challenge of Working with a Bank That Doesn't Understand

Park owners work hard to ensure that folks have an amazing camping experience. Owning and operating a campground or RV park should be fun and rewarding, without sacrificing profitability.

At Blackhawk Bank, we are just as invested in creating a memorable camping experience as you are. Owning and operating a campground is a team effort, and our experienced bankers know what it takes to set your campground and RV park up for successful seasons to come. <u>Contact us</u> today to learn more.

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