



RV Industry Death Spiral – Campgrounds & Resorts

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Death Spiral – RV Campgrounds & Resorts

Following Greg Gerber's (*RV Daily Report*) series on the [RV industry death spiral](#), we are taking a look at the part campgrounds and RV resorts play.

“Campgrounds truly are the last bastion of genuine community that remains in America. Where else can a family drive up and allow their kids to blast out of an RV, hop on their bikes and explore the area while mom and dad settle in for some real rest and relaxation?”

Just the thought of going camping is enough to brighten the day for many people. As the boss drones on in yet another useless meeting at work, who doesn't dream of sitting around a campfire or a lake or just listening to the wind blowing through pines.

Campgrounds are the most essential part of the RV industry, yet the most overlooked. Without a place to use an RV, there is no point in buying one. Campgrounds are contributing to the demise of the RV industry in a powerful way and, some could say, at a pace faster than the other factors involved in the spiraling effect.

I say this because the number of RV sites is declining rapidly. Campground owners are taking out RV sites to install deluxe cabins and park models. Sure, they bring in more money – lots more – but it leaves too many people scrambling to find a space to park.

The RV industry preaches about freedom and the ability to hop in an RV and just take off down the road. The idea of coming home exhausted on a Friday night and announcing to the family that the crew is going camping is a big selling point for the RV lifestyle. In reality, however, finding a last-minute campsite often requires sheer luck and a lot of phone calls.”

Major Trends That Spell Doom for the Industry

Selling Out to Seasonal

“Campgrounds that sell out to seasonals or leave just a few spots open for drive-in customers are not doing the industry any favors.

At those campgrounds that do accept overnight guests, but set aside most sites for seasonal use, RVers complain they are treated as lower class creatures. The cliques that develop in seasonal campgrounds often look at short-term guests as unwanted intruders and loudly make their opinions known – especially if the newcomers bring children with them.”

Gary offers a solution to this hostile environment. Rather than creating permanent neighborhoods of seasonal guests, scatter the long-term sites throughout the campground.

Selling Out to REITs

“Campground owners are selling out to real estate investment trusts (REIT). These big corporations often dangle mind-boggling checks in front of the land owners who would be stupid to ignore such a generous buyout. The selling price is often based on several multiples of annual income.

However, once the deal is signed, the corporation needs to recoup its investment somehow. The first thing they do is raise camping rates. A \$30 per night site quickly becomes a \$50 site and the affordability of camping is seriously diminished.”

Regulation Stymies New Campground Development

“Building a campground is a frustrating three-year exercise in developing patience. As soon as someone decides to invest money in building a new RV park, they better have lots of time and plenty of money. Just petitioning local government for permits to build a campground unleashes the hounds of opposition who do not want any “trailer trash” in their communities.

Then, the developers have to deal with competing federal and state environmental protection agencies.”

Rising Rates

The law of supply and demand is definitely affecting campground rates. Campground owners are turning to add-on fees to bolster income to cover rising expenses. Charging for things like mini-golf, jumping pillows and water slides is understandable because not everyone uses the amenities.

But...charging for showers and metered electrical service (except for long-term stays) is crossing the line. Padding the electric bill with added (and sometimes unrelated) charges is another trick to cheat the customer. The dreaded “kid tax” that many “family-friendly” campgrounds seem to charge, adds to the issue. Campground owners justify the kid tax by noting their standard pricing is based on two people per RV, just another way to increase the spiral downward.

Travelers can help keep the campground/resort owners honest by placing straight-forward reviews on the leading RV park review websites. Let other travelers know if the electric bill seems too high and the park is not interested in good faith reductions. This may encourage the owner to talk to the local utility about the rates.

- www.RVParkReviews.com
- www.RVParking.com
- www.goodsamclub.com/rvparkreviews/
- www.tripadvisor.com

What is a Resort?

So many RV parks and campgrounds today brand themselves as “resorts,” but the industry lacks a definition. It is confusing to RVers who hear or see the word *Resort* and expect a certain level of service to be offered. In fact, Greg Gerber (RV Daily Report) considers it deceptive advertising if it does not offer the following:

- An on-site food option
- Escorts to the campsite
- At least one open pool
- Working internet connections
- 50-amp service
- Paved roads
- Paved and LEVEL sites
- At least 25 feet between campsites
- A well-stocked camp store
- More than one working washer and dryer
- Organized activities
- Amenities beyond horseshoes
- Attractive landscaping

Technologically Ignorant

“Campgrounds are missing the ball so much when it comes to technology that it’s definitely having an impact on their income and profitability.

First step up is a working website. It is surprising how many campgrounds still have websites that look like 8th grade computer science projects. The sites often feature broken links, even to their own pages. It amazes me the number of campgrounds that lack the ability to make reservations online. Most offer forms that go nowhere, links that refuse to cooperate, and outdated information.”

Very Poor Internet Connections

“Campground owners, hear me! Go out into your park, connect to your service with a laptop, then go to www.speedtest.net and click *Begin*. If your download speed is less than 0.05 Mbs, your service is at dial up speed. Please take down all signs and remove all references to Internet service in marketing materials and camp guides.”

False advertising makes your customers angry and they feel cheated. Many travelers must have access to the Internet, even if it is just an overnight stay.

“**Dump cable, increase internet speed and everyone will be happy.** Campground owners who really want to tick off customers can offer PAID “high-speed” service that, once connected, is slower than dial up speed. Trust me, those campgrounds won’t see many people under 60 coming to their campgrounds. They are also inviting deceptive advertising complaints to regulators.”

Poor Public Parks

“National parks are notorious for being unfriendly to RV owners. The sites are too small, the roads are too narrow and the campgrounds lack basics like electricity and water.

If the public parks in America would wake up to the fact that they could earn more money serving RV owners, the shortages of campground space would be relieved considerably.”

Clean up the Parks

“If you allow RVs like this on your campground, sell the company to someone who cares.



Why do people get the perception that RV owners are “trailer trash?” Because they go into campgrounds and find trailers looking like the one above. Some campgrounds put dumpsters by the office and then never bother to pick up the trash that blows out of it.”

Fighting Walmart

“Many campground owners can feel their skin crawl as they drive past a local Walmart and see one or two RVs parked overnight in the lot when there is space available at their nearby RV park. They lobby local officials to pass ordinances prohibiting overnight parking.

The campgrounds often shut their doors at 7 p.m. and impose quiet hours on people who show up after 9 or 10 PM. Do they really expect overnight travelers to show up and pay \$45 to park on their property from 9 PM to 8 AM?

If campgrounds continue to play this game, more hotels and motels will start adding 50-amp outlets and water connections to their parking lots already approved for overnight parking by vehicles of all types.”

We already see this parking lot model happening along major highways.

“A large part of the RV industry’s downward spiral is the “where to park” issue. Campgrounds and RV resorts are fun places to be when managed properly. They offer a reason for people to buy RVs and get away from home.”

Soon it will be cheaper to fly or drive and rent a room at the destination (which will not be a campground or RV resort). Wake up campground/resort owners. Please do not let greed speed up the downward spiral.

[Read the rest of the story...](#)

The RV Lifestyle Collection by Margo Armstrong

