

Emergence of Adventure Parks & Resorts

6 Secrets to Adding WOW at Your Resort in 2014

By Jeff Coy, ISHC

January 20, 2014 --- Successful resort development has evolved over the decades through a series of strategies that added WOW to the guest experience.

Today's hotel guest is looking for an experience, not just the same old amenities. Meeting planners are looking for resorts that offer a unique on-site experience so they can avoid the hassle and cost of arranging vans to transport attendees to off-site locations. A growing number of resort owners "get it" and are leading the way. And now we are seeing another major trend in resort development --- the emergence of Adventure Parks & Resorts.

Innovators, sporting enthusiasts and entrepreneurs are creating the new world of adventure --- including ziplines, canopy tours, rock-climbing, rope courses, indoor snow skiing, outdoor snow skiing during summer, waterskiing without a boat, indoor mountain biking, indoor skydiving and skating on artificial ice.

New adventure facilities are opening around the globe as both single-purpose storefronts and as part of larger, mixed use resort developments. Not all these ventures will succeed as standalone facilities, but the probability of success increases dramatically when the resort developer adopts a few key concepts.

Here are 6 secrets to adding some WOW to your hotel or resort:

- Bring nearby demand generators on-site
- Cluster components into a single facility
- Eliminate the weather factor
- Create a product for all seasons
- Bring outdoor activities indoors
- Add adventure

1. Proximity matters. Years ago, hotel developers were satisfied to build a hotel near a major attraction, such as a theme park, shopping center, casino or golf course --- but not any more. Proximity matters. Often, it's not good enough to be near an attraction. It must be on the hotel site and under hotel management to increase revenues. A hotel with a golf course two miles away does not make a golf resort. But if you build a hotel with a conference center and a golf course on site, you are building a stronger magnet to attract business meetings and corporate golf outings. To attract the leisure segment, don't depend on the family entertainment center down the street; build one inside your hotel.

2. Clustering builds a stronger magnet to attract customers. The waterpark concept was created from the combination of two previously unrelated elements --- the wave pool and the waterslide. The first wave pool in the USA was Big Surf which opened in 1969 as a

standalone in Tempe AZ. In the early 1970s, the waterslide was found as a free-standing attraction in tourist destinations such as Myrtle Beach SC and Gatlinburg TN. At first, both were popular as standalones, but soon they were considered one-dimensional experiences that had a narrow appeal and short length of stay. But when the wave pool and the waterslide were combined into a single facility called the waterpark, all that changed. Outdoor waterparks flourished. Increasingly, hotels are being integrated into mixed-use developments that include restaurants, nightclubs, retail shopping, movie theaters, fitness centers, health spas, recreation, sports and indoor entertainment centers. Hotel developers are no longer content with locating near these demand generators, they are integrating them into the overall design of new hotel projects. The result is, more and more hotels are looking like resorts. The concept of clustering lodging, recreation and entertainment components are the building blocks of creating a 4-season leisure resort destination.

3. Eliminate the weather factor. In the mid 1990s, the outdoor waterpark came indoors, under cover and attached to hotels. Again, the concept of clustering worked. The standalone outdoor waterpark and the standalone hotel were combined into a single complex --- known as the hotel indoor waterpark resort. Indoor waterparks eliminated the weather factor. No longer could poor weather wipe out the profits for the whole year. And when you cluster numerous hotel indoor waterparks together, you begin to create a leisure resort destination, such as Wisconsin Dells WI --- now known as the Waterpark Capital of the World. The indoor waterpark also eliminated the seasonality problem. The Wisconsin Dells destination went from a 90-day season to being open 365-days a year.

4. Create a product for all seasons. Smart resort developers have adopted the 4-season strategy. Ski resort owners built golf courses, bike trails and ziplines for summer and conference centers for spring and fall --- to capture customers and revenues all year long. Dozens of ski resorts have added ziplines in the last two years. For example, Vail Resorts broke ground in July 2013 at Breckenridge Ski Resort on its family-oriented mountain biking trails, adventure hiking zones, climbing wall, ziplines and ropes courses to attract summer visitors. Beach resort owners have built indoor waterparks and indoor family entertainment centers to extend their season and eliminate the loss of business due to poor weather. For example, Sandestin Golf & Beach Resort in Destin FL added a zipline and ropes course. And just last year, Westin Kierland, an urban golf conference resort in Scottsdale AZ, installed a double FlowRider (wave in a box) to attract younger locals during the hot summer season.

5. Bring outdoor activities indoors. Resorts by their very nature are seasonal. Yet they need to capture revenues every day all year long to pay the annual operating expenses. Resorts owners are faced with the challenge of creating a different experience for each season of the year. They have no choice but to adopt the 4-season strategy to survive. One way to do that is to bring traditional outdoor activities indoors. Any sporting activity you normally do outdoors now has an indoor version. Yes, golfing outdoors is superior to golfing indoors. But, on rainy days during a vacation, indoor golf is great! Swimming in an outdoor pool on a hot, sunny day is ideal. But during inclement weather while on vacation, an indoor waterpark saves the day! Resorts with indoor recreation facilities face fewer trip cancellations and preserve their revenue streams. Future resort designs will incorporate

more indoor-outdoor combinations using new technology structures, domed enclosures and moveable glass walls.

6. Add adventure. Adventure travelers are everywhere. One-half of US adults or over 98 million people have taken an adventure trip in the past five years. Hotels are looking more like resorts, and resorts are looking more like theme parks. Consider the following adventure activities and facilities to add some WOW to your resort:

- Skating on artificial ice
- Rollerblading at indoor skate park
- Snow skiing indoors on real snow
- Snow skiing outdoors in summer on artificial surface slopes
- Water skiing without a boat using a cable system
- Surfing indoors using a wave machine
- Flowboarding using a FlowRider sheet wave in a box
- Kayaking or rafting at an indoor whitewater river park
- Rock-climbing at an indoor climbing wall
- Indoor trampoline park
- Mountain biking at an indoor mountain bike park
- Rope-walking at an indoor ropes challenge course
- Ziplining at an outdoor canopy tour or indoor center
- Indoor skydiving using a vertical wind tunnel
- Golfing outdoors using Frisbee disc
- Golfing indoors using a golf simulator

Costs will vary from expensive to affordable. For example, a 50,000 sf indoor waterpark may cost \$20 million to build, a 50,000 sf family entertainment center may cost \$10 million, but an elevated go-kart track will only cost you about \$650,000. A ropes course may run \$300,000 and a laser tag course may be \$110,000, but a golf simulator may be only \$60,000. During the recent recession, resort owners found less expensive ways to add high entertainment value to their guest experience.

Resort owners with excess land may want to attract these adventure developers by offering the acres needed along with a joint venture arrangement. It's an easier, low-cost way to bring more adventure on site and add WOW to your resort.

Of course, you may need the help of an expert to choose the right adventure add-on. And you will want to compare initial costs versus the boost in resort revenues.



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