

# AMERICA OUTDOORS 2025 INDUSTRY TRENDS



#### **Executive Summary**

### **A Market in Transition**

This analysis of the 2025 America Outdoors Industry Trends Survey reveals a market in transition, showcasing a varied yet resilient industry landscape as organizations navigate shifting market dynamics.

While the industry shows resilience and pockets of growth, traditional segments face significant headwinds. This report provides data-driven insights for navigating a challenging landscape. The data reveals both opportunities and structural challenges: 38.71% of operators experienced revenue growth, but 30.11% navigated significant revenue declines. Success patterns are clear but require honest assessment of market position and strategic focus.

### **KEY FINDINGS**

Six Most Significant Insights from 2025 Survey Data

### **1** The Universal Insurance Crisis (90.5%)

Nearly every operator faced premium increases—the single most widespread challenge regardless of size, segment, or profitability. This represents uncontrollable structural cost pressure across the industry.

### **2** The Profitability Paradox

More operators improved margins (41.94%) than grew revenue (38.71%), revealing successful cost management and operational efficiency gains despite challenging market conditions.

### **3** Pricing Power Without Volume Loss

47% raised prices 5-10%+, yet 62% maintained or grew volume. Counterintuitively, price increasers had better volume outcomes than operators who held prices flat.

### **4** The Activity Type Divergence

Land-based activities show strong performance while traditional whitewater (both day and multi-day trips) face structural weakness—22% and 18% down significantly, suggesting fundamental shifts in consumer preferences.

### **5** Labor Dominates Policy Concerns (Score: 10.26)

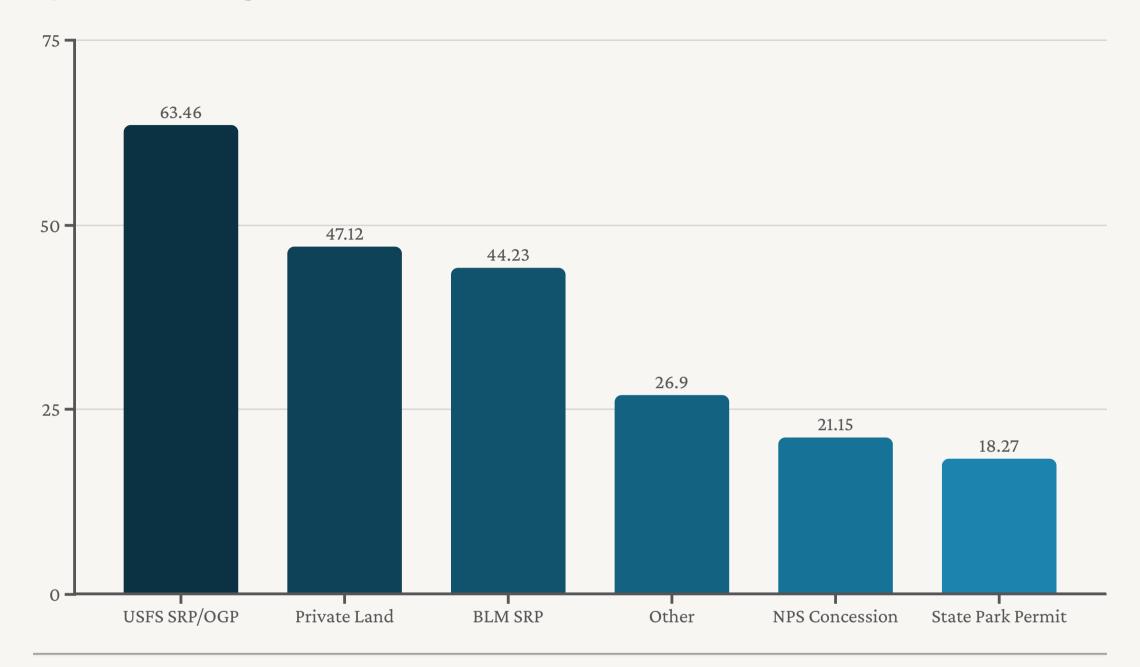
Despite insurance challenges, labor regulations/costs rank as the #1 policy priority—scoring nearly 2x higher than licenses/fees (#2 at 5.84), reflecting workforce availability, wage pressures, and housing constraints.

### 6 Cautious 2026 Outlook Despite 2025 Gains

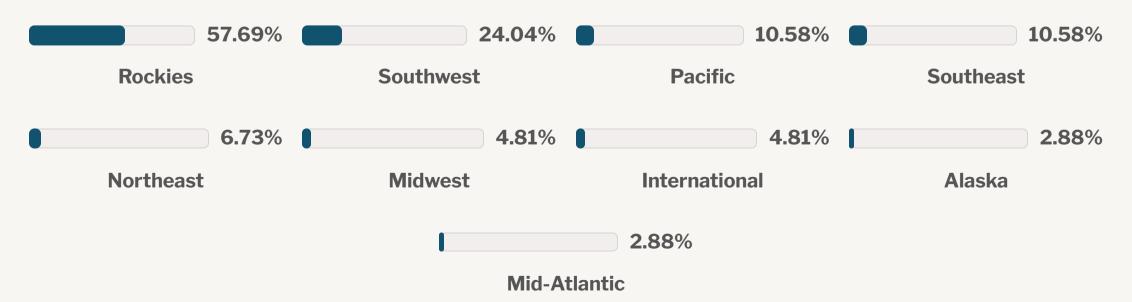
45% expect flat demand in 2026, with only 27.5% expecting growth. This conservative outlook despite 42% improving margins suggests concerns about economic headwinds and market uncertainty.

## **GEOGRAPHIC & OPERATIONAL LANDSCAPE**

### **Operational Settings:**



### **Regional Distribution:**



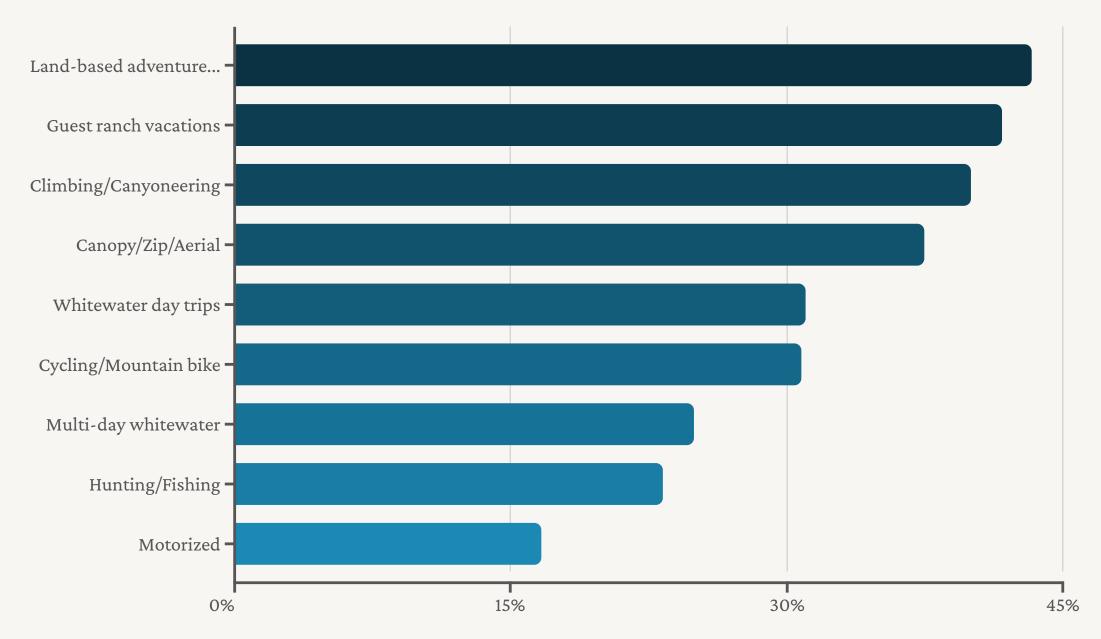
## **REVENUE SOURCE COMPOSITION**

**Revenue Mix Analysis (Average % of Business):** 

	Day Trips 41.04% average (67 respondents)
	Camps 28.48% average (27 respondents)
Af	Lodging Only 18.71% average (31 respondents)
	Education/Instruction  12.08% average (24 respondents)
	Retail/Rental  11.63% average (43 respondents)
•••	Other 22.73% average (22 respondents)

Note: Percentages represent average revenue share among operators offering each service type, not percentage of all industry revenue.

# **Activity Type Performance: Land Based Stands Out**



**Note:** Sample sizes vary; hence, so too do the instructiveness of the findings. Some activity types have small sample sizes (n<10). These findings are directional and should be validated with larger datasets.

### **□** Sector Shift Underway:

• Difference: Land outperforms water by 12-18 percentage points

# Traditional Whitewater Under Pressure: Day vs Multi-Day

Both traditional whitewater formats face structural headwinds in 2025:

### **Day Trips Performance:**

- 31% profit growth rate
- 52% profit decline rate

### **Multi-Day Trips Performance:**

- 25% profit growth rate
- 42% profit decline rate

### **MOST CRITICAL FINDING:**

### **What Differentiates Successful Multi-Day Operators:**



100% of profitable multi-day operators offer land-based adventure tours



Only 30% of declining multi-day operators offer land tours

**70 percentage point difference**—strongest differentiator in entire survey

Implication: Land tour diversification appears ESSENTIAL for multi-day whitewater success in 2025.

This suggests a structural market shift toward land-based activities, not just cyclical variation. Multi-day operators without land diversification face significant headwinds.

# Navigating Market Dynamics: Key Factors Affecting Operators

## **~**

#### **Evolving Demand Patterns**

Frequency: Top cited

Key Characteristic: Adapting to demand-driven markets, fostering diversified offerings

#### **Managing Operating Costs**

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Frequency: Top cited

Key Characteristic: Strategic cost optimization amidst market shifts

#### **Addressing Labor Cost Dynamics**



Frequency: High

Key Characteristic: Sustaining operational excellence with workforce investments

#### **Competitive Market Strategies**



Frequency: Medium

Key Characteristic: Innovating within a competitive landscape

#### **Navigating Recreation.gov Policies**

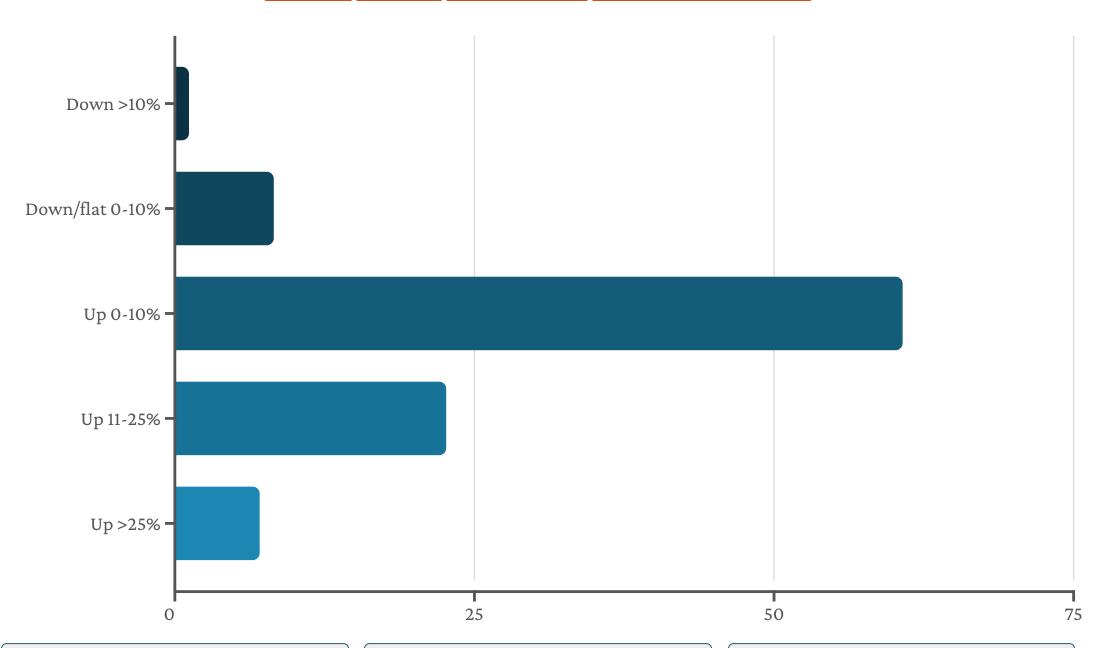


Frequency: Medium

Key Characteristic: Collaborative engagement with regulatory systems

# Insurance Landscape: 2025 Cost & Coverage Changes

90.5% of operators reported insurance premium increases in 2025





#### **Cost Pressure**

Near-universal premium increases (91%) with most being moderate (0-10%).



#### **New Exclusions**

A small minority (10%) faced severe new restrictions (e.g., wildfire, specific activities).



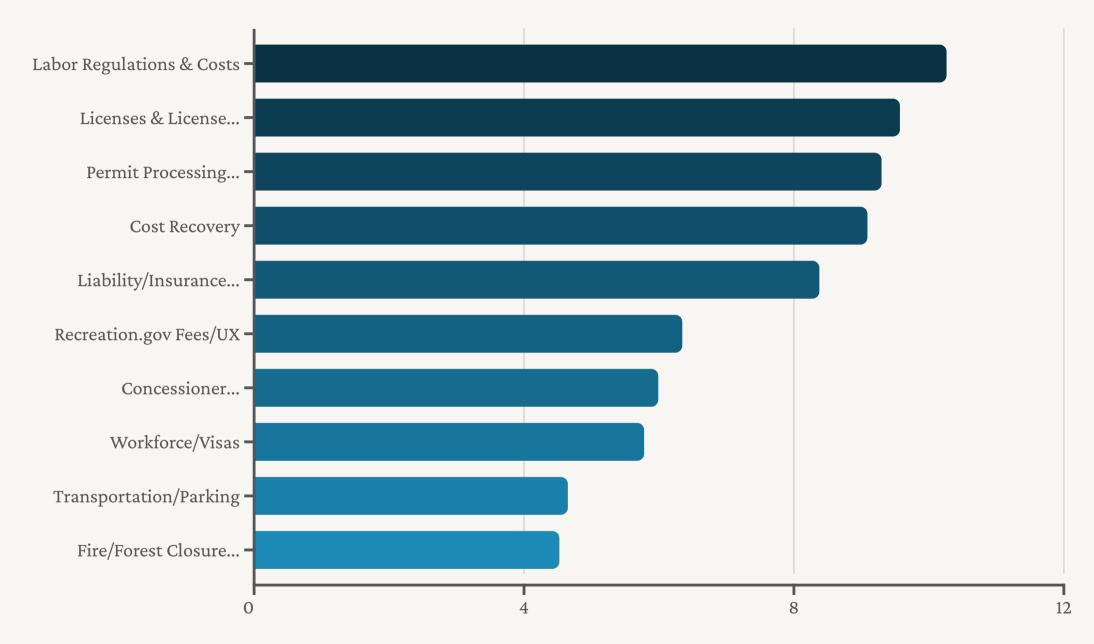
#### **Deductible Changes**

Less common (9%), but increases can be substantial when they occur.

### **Member Actions to Consider:**

- Annual broker shopping with specialized recreation insurers.
- Documentation of safety programs and training protocols.
- Consider higher deductibles where financially feasible.
- Review policy terms annually for new restrictions.

# **Top Policy Issues Affecting Operators in 2025**



The survey data highlights that **Labor Regulations & Costs ranks #1 (10.26)** among policy concerns for operators. This is closely followed by Licenses & License Fees (9.57), Permit Processing Timelines (9.3), Cost Recovery (9.09), and Liability/Insurance Access (8.39), which collectively form the top five priorities.

# **Recreation.gov**

Recreation.gov ranks #6 in operator policy priorities (score 6.35), below Labor (#1, score 10.26). However, it appears as a crosscutting complaint across different operator segments:

### **Supporting Upward Momentum**

Organizations demonstrating upward momentum cite it as a critical platform for direct sales and customer relationships

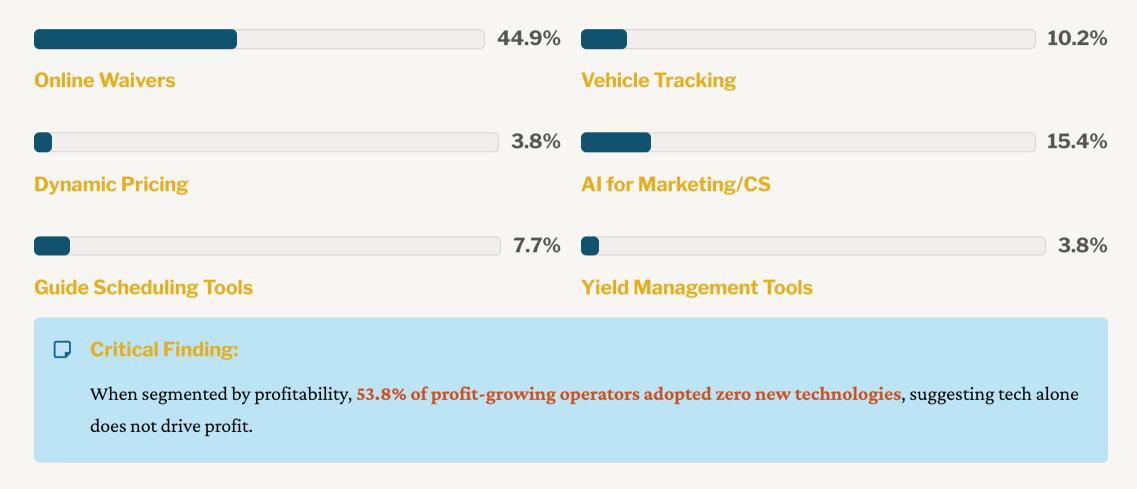
### **Presenting Challenges**

Organizations navigating significant challenges cite

Recreation.gov policies and fee structures as barriers to growth

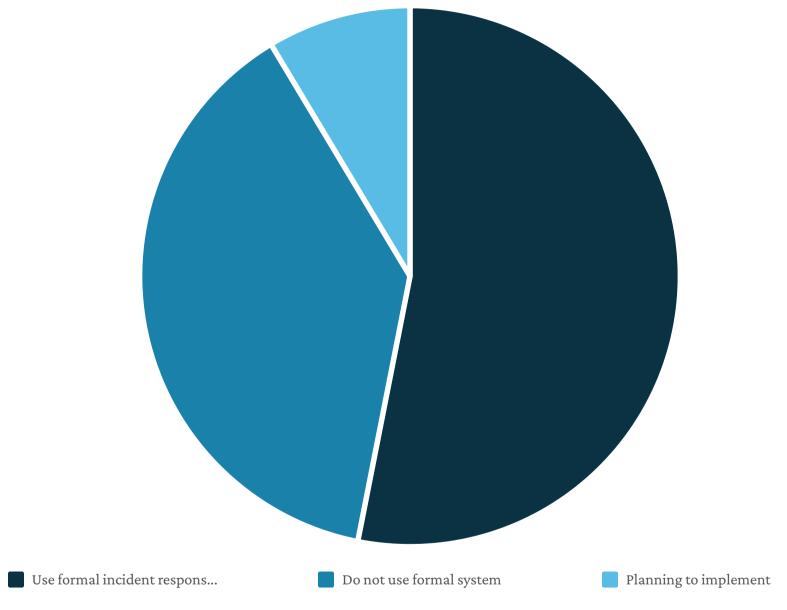
**Key Finding:** While not the top policy priority by weighted score, Recreation.gov affects operators across the performance spectrum, making it a shared industry concern worthy of collective attention.

# **Technology Adoption: Early Days for ROI**



**Technology Adoption Does NOT Predict Profitability in 2025.** 

# Incident Response Preparedness: System Adoption in 2025



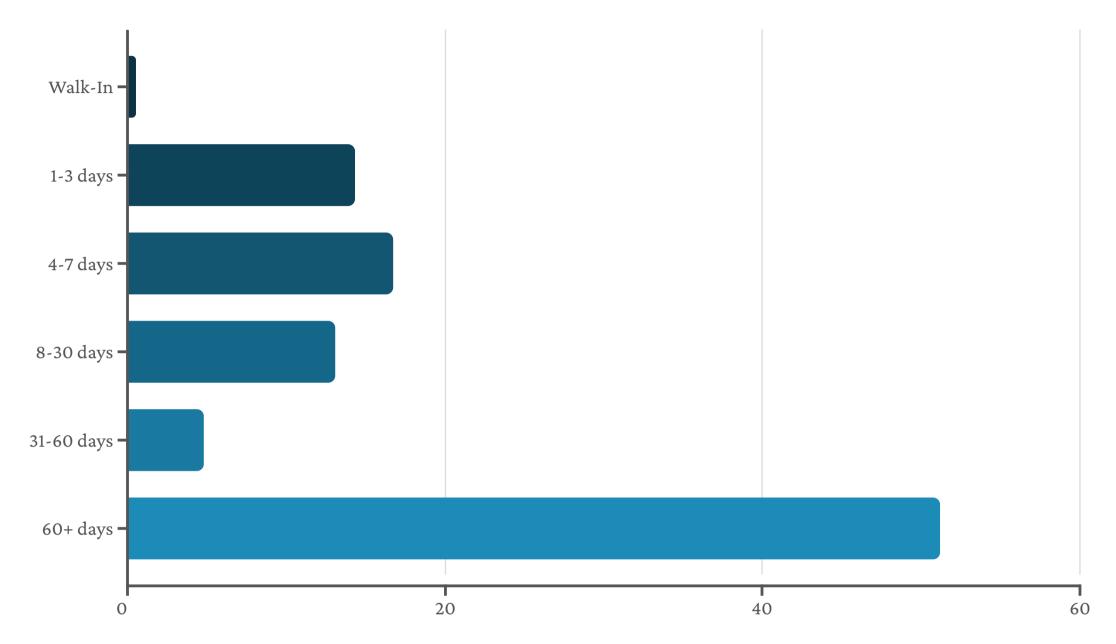
53% of operators have formal incident response systems in place

### **Key Takeaway**

A slight majority of operators use formal systems, while over a third still operate without documented protocols, highlighting a critical area for improvement in industry preparedness.

# **Advance Booking Patterns in 2025**

**Distribution of Booking Windows** 



51.2% of operators report average bookings 60+ days in advance

35% report bookings within 2 weeks of activity, and booking windows are shortening for 1 in 4 operators.



#### **Advance Planning Dominates**

The majority (51.2%) of bookings are made 60+ days out, enabling proactive resource allocation.



#### **Shortened Windows Emerging**

Nearly a quarter of operators (24.4%) report customers booking closer to the activity, requiring operational flexibility.

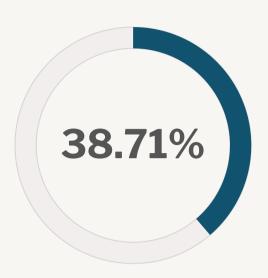


#### **Operational Imperative**

Adapt to both long-term planning and increasing short-notice demand for optimal efficiency.

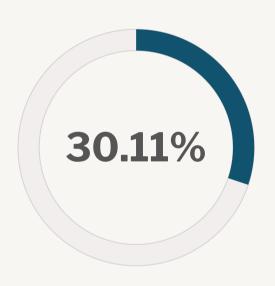
# **Operational Insights Analysis**

**Gross Revenue Trends vs 2024** 



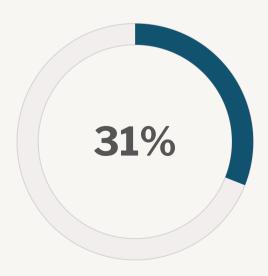
**Revenue Growth** 

Experienced upward momentum



**Revenue Contraction** 

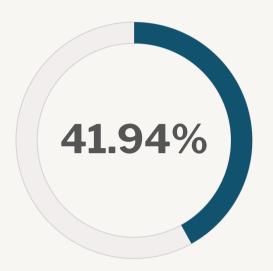
Operators navigating shifts



**Revenue Stability** 

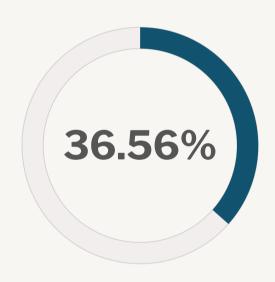
Operators maintained existing levels

**Net Operating Margin Trends vs 2024** 



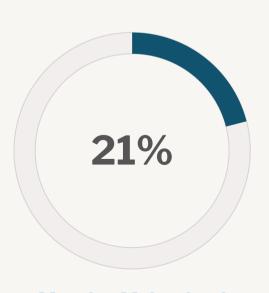
**Margins Improved** 

Reflecting enhanced profitability



**Margins Shifted** 

Experiencing margin compression



**Margins Maintained** 

Operators sustained levels

#### THE 2025 MARKET LANDSCAPE: THREE KEY STORIES

# **Story 1: Operators Experiencing Upward Momentum**

# **38.71% of Market**

Nearly 40% of operators experienced revenue growth versus 2024. These companies report:

- Strong demand for core services (primary driver)
- Diversified product/service portfolios
- Effective direct sales and marketing
- Strategic cost management

These operators exemplify successful strategies that may inform industry conversations throughout 2026.

#### THE 2025 MARKET LANDSCAPE: THREE KEY STORIES

# Story 2: The Organizations Navigating Significant Challenges

# **30.11% of Market**

Approximately one-third of organizations encountered a revenue decline compared to 2024, attributed to various factors that underscore the **spectrum of operational realities** across our industry:

- Weaker overall demand
- Rising operating costs (couldn't pass costs to customers)
- High labor costs creating margin pressure
- Weather/natural events impacting operations
- Recreation.gov policy frustrations

These challenges present opportunities for shared innovation and mutual support, fostering industry-wide efforts toward resilience and guiding organizations in navigating shifting market dynamics together.

# For Organizations Navigating Significant Challenges

(Profitability Down vs 2024):

**Key Challenges and Opportunities for Shared Innovation:** 

- **1** General economic conditions
- **2** Operating costs increased but couldn't pass to customers
- 3 Weaker demand
- 4 High labor costs creating margin pressure
- Critical Insight: Effective cost management is a key factor across the spectrum of operational realities. Operators Experiencing Upward Momentum demonstrated strong cost management, while Organizations Navigating Significant Challenges faced pressure from cost inflation they couldn't pass to customers, highlighting industry-wide efforts toward resilience.

# **Story 3: Operators Maintaining Stability**

# 31%+ of Market

The remaining third of the market demonstrates resilience and stable operations, actively pursuing pathways for sustained success. These operators are characterized by:



#### **Strategic Pricing**

Holding steady on pricing (26.09% kept prices flat)



#### **Volume Maintenance**

Maintaining consistent volume (27.17% flat volumes)



#### **Margin Stability**

Sustaining acceptable margins through effective management



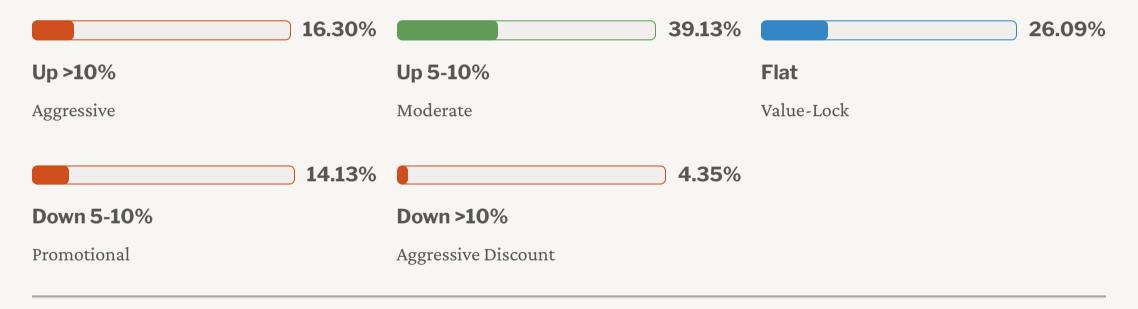
#### **Adaptive Market Positioning**

Positioned strategically for growth and resilience within evolving market conditions

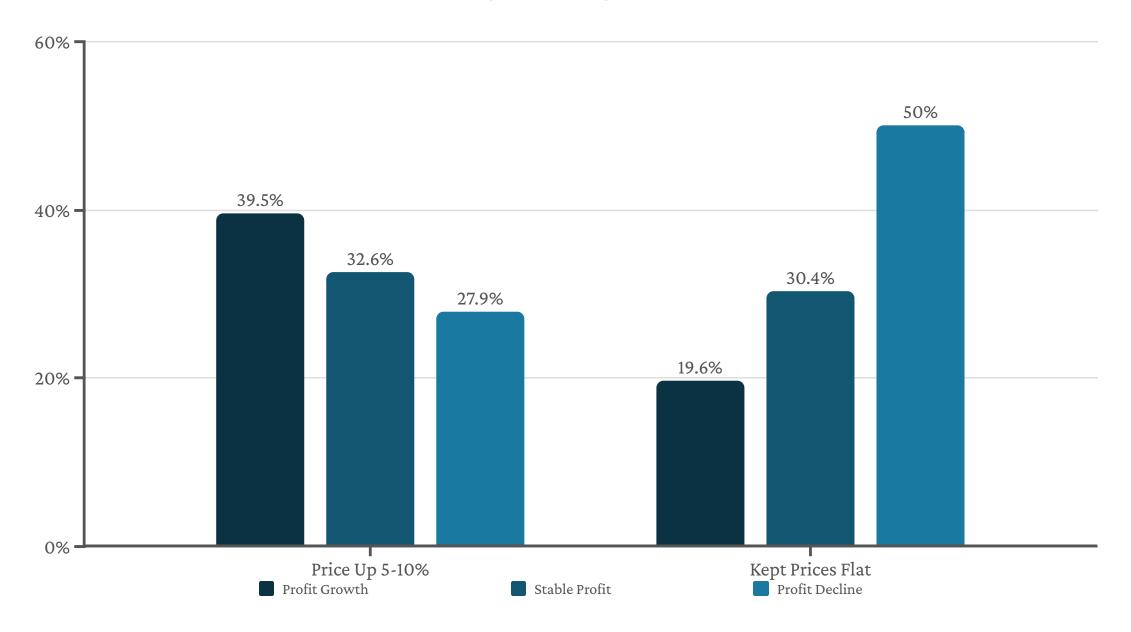
These operators represent a vital segment, offering significant opportunities for collaborative growth initiatives and strategic partnerships, fostering collective industry progress.

### **PRICING STRATEGIES IN 2025**

### **Price Change Distribution:**



# **Pricing Strategy Outcomes**Profitability relative to price increase



**Key Finding:** Among those who kept prices flat, a significant 50% experienced profit decline, making the choice to raise prices a crucial differentiator for profitability.

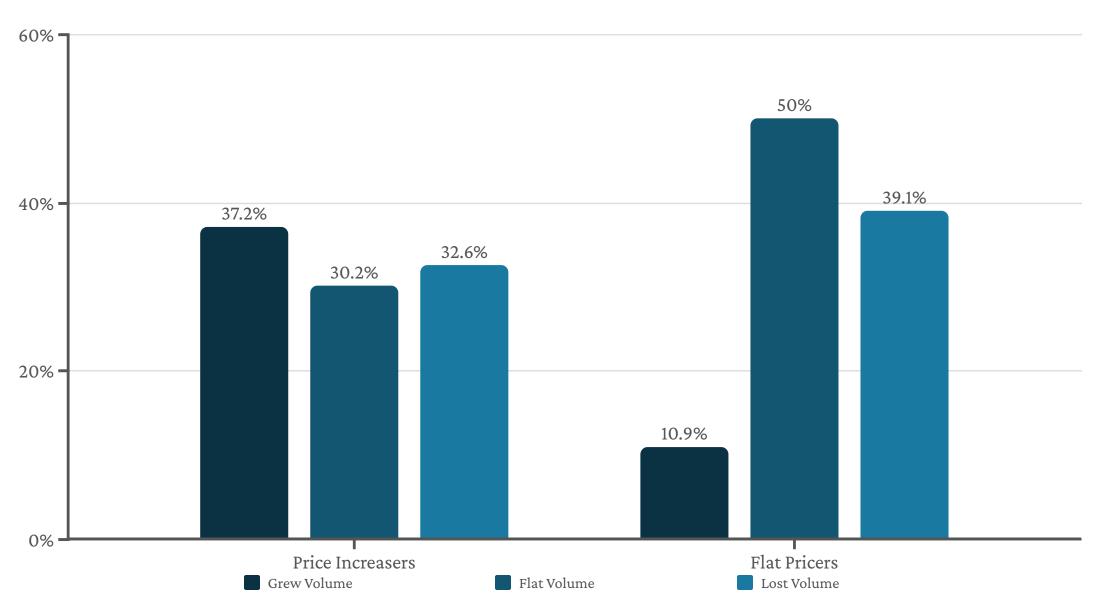
#### **Among Profit Growers:**

- 65.4% raised prices
- 34.6% kept prices flat
- 94% of price increases were in 5-10% range

#### The 5-10% Pricing Sweet Spot

- 94% of successful price increases fell in the 5-10% range
- Raising prices doubles profit growth odds vs flat pricing (40% vs 20%)
- BUT: 1 in 4 operators who raise prices still see profit decline
- The key: preserve volume while raising prices

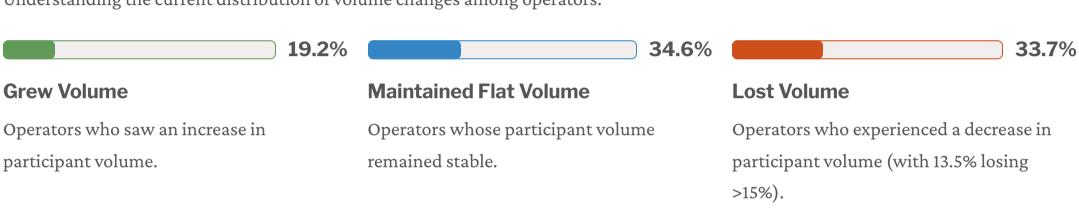
### Volume relative to price increase



**Key Finding:** Among those operators who raised prices, 25.6% still declined in net profitability—volume outcomes differentiated success from failure.

## **Volume Protection: The Primary Driver**

Understanding the current distribution of volume changes among operators:



### The Critical Link: Volume and Profit

The obvious: 96% of profit growers maintained/grew volume (p<0.0001 statistical significance).

Volume loss predicts profit decline with 90%+ accuracy.

Among operators who LOST volume: 73% experienced profit decline, only 5% achieved profit growth.

# **The Non-Obvious Volume Finding**

Price increasers had BETTER volume outcomes than flat pricers:

#### **Price Increasers:**

- 37.2% grew volume
- 33% lost volume

#### **Flat Pricers:**

- Only 10.9% grew volume
- 39% lost volume

**Key Insight:** This suggests pricing decisions reflect existing market strength, not vice versa. Operators kept prices flat BECAUSE they were already in a weaker market position.

### **What Actually Drives Volume Protection:**

### **CUSTOMER SERVICE:**

80% of operators citing service improvements grew volume vs. 48% of those who didn't (+32 percentage point impact - strongest controllable action)

# MARKETING PERFORMANCE:

71% who invested in marketing grew volume vs. 47% who didn't (+24 percentage point impact)

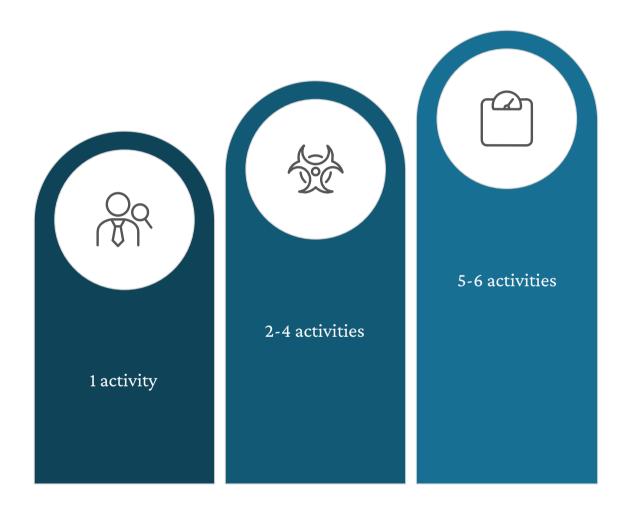
#### WHAT DIDN'T WORK:

Cost-Cutting - Only 17% of costcutters grew volume vs. 65% of noncost-cutters

Cost-cutting correlates with volume LOSS, not growth. It's a symptom of defensive positioning, not a growth strategy.

### The Diversification Dilemma: Focus or Scale

Data suggests that more activities don't always mean more profit, revealing a U-shaped relationship where strategic diversification presents a binary choice for operators.



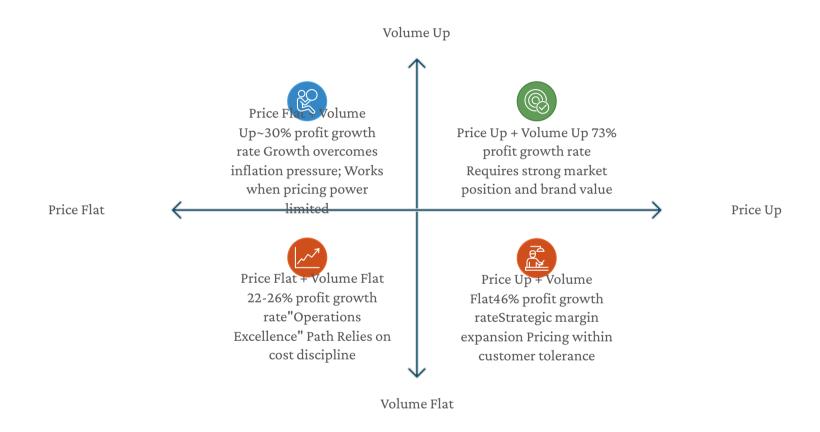
Operators face a clear choice: **STAY FOCUSED** with 1 activity (32.4% profit growth) or **SCALE UP** to 5-6 activities (75-100% profit growth).

**AVOID** the "Diversification Trough" of 2-4 activities, which yields the worst outcomes (12-23% profit growth).

Note: Diversification at 6+ activities has small sample size (n=2). These findings are directional and should be validated with larger datasets.

### The Four Paths to Profit Growth

Based on the Trends Survey Data...



- ☐ X Avoid: Price Up + Volume Down
  - 0% profit growth, 62% profit decline
  - Indicates pricing exceeded customer tolerance

# **What Drives Profitability**

**Tier 1: Market Position (External factors)** 61.5% of profit growers cited this **Tier 2: Volume Protection (Primary controllable)** 96% maintained or grew volume **Tier 3: Pricing Strategy (Secondary controllable)** 65% raised prices 5-10% **Tier 4: Strategic Diversification (Amplifier)** Must be strategic (1 OR 5-6 activities)

11.5% of profit growers succeeded with zero controllable actions - market position matters most.

# **Understanding Success Factors**

The 2025 industry trends analysis underscores a critical takeaway: market outcomes in the facilitated outdoor recreation space reflects both where you operate, and how you respond. Survey data suggests that while external or more longstanding factors such as market penetration or maturity, location, demand strength (relative to those), and timing are primary drivers.

The difference-maker when controlled for is how they adapt—especially in understanding their starting position, protecting volume, maintaining pricing discipline, and pursuing strategic diversification (where and how possible). Those in strong positions see advantages amplified, but even those operators facing stronger headwinds can improve resilience and performance outcomes by focusing on controllable actions that align with their actual market realities.



# **CONCLUSION: 2025 MARKET OUTLOOK & CORE LESSONS**

The 2025 America Outdoors trends survey reveals a dynamic landscape. While revenue growth (38.71%) and volume growth (62.50%) indicate strong industry demand, a significant portion of organizations faced a 30.11% decline, highlighting structural challenges.

### The data reveals three key insights:

# 1. MARKET DIVERGENCE IS REAL

The industry shows a clear performance spectrum, with 38.71% growth for some and 30.11% decline for others. Learning from top performers is key to industry resilience.

# 2. VOLUME PROTECTION IS THE PRIMARY DRIVER

Volume protection drove 96% of profit growers. Effective cost and pricing management were key differentiators, enabling operators to thrive amidst rising labor costs and operational inflation.

# 3. STRATEGIC DIVERSIFICATION: FOCUS OR SCALE

- Single-focus (1 activity): 32.4% profit growth
- Scaled diversification (5-6 activities): 75-100% profit growth
- Partial diversification (2-4 activities): 12-23% profit growth (worst outcomes)

Avoid the middle ground of 2-4 activities for optimal profit growth.