

OUT AND ABOUT! 2.2.2021

Since the start of the pandemic, people have sought fresh air and access to nature—whether a park in the center of town, their backyard, or the wilderness. Outdoor activities—and the associated purchase of products and services to participate in them—have seen a significant increase during the pandemic. Some of this activity may subside post-pandemic with less work from home, the return of business travel and vacations, and the resumption of more children’s activities. However, there’s good reason to believe that much of the traction gained will remain.

The outdoor space tends to hold up well in challenging times as enthusiasts view their passion as a part of their identity and, therefore, are unlikely to scale back discretionary spending that they consider nondiscretionary. Certain compelling macro factors are likely to provide a tailwind to sustain the outdoor space:

- Increased focused on active lifestyles. [Studies](#) have shown that outdoor activities and interaction with nature diminish stress and anxiety and help improve wellness.
- Increased participation by [Millennials](#), the largest and most economically influential cohort (~28% of US population, ~50% workforce, \$1 trillion in spending power and significantly more ethnically diverse than older cohorts).
- In certain activities such as hunting, increased participation from traditionally underrepresented cohorts such as minorities and women.
- Additionally, and perhaps more short term in nature, while demand was strong in 2020, many industries and companies struggled with supply chain issues, which in turn suppressed top line growth. While the supply side has, broadly speaking, improved, anecdotal checks with vendors oftentimes continues to show inventory in the channel to be below normal levels, which in turn will drive “sell in.”

Thanks to these factors, strong growth has occurred across multiple activities, with new, younger, and more diverse enthusiasts. This bodes well for the future in several areas.

- **Fishing** – Fishing license sales, a reliable indicator of participation increased dramatically in 2020. For instance, in Louisiana's, fishing license sales in April 2020 were nearly doubled that of the same month in 2019. In Idaho, similar metrics were up ~30 percent over 2019. Market estimates of fishing participation going into 2020 were generally around 40 million, while actual participation was estimated to be closer to 50 million.
- **Hunting** – Similarly, hunting has seen robust growth. Through Nov. 11, 2020, the Michigan Department of Natural Resources reported approximately [545,000 hunters](#) bought licenses, an increase of nearly 10 percent from 2019. First time-licenses increased 80% to nearly 84,500. The number of female hunters in Michigan also rose nearly 20%, and young hunters (age 9 and younger) increased 18%. In addition, Vermont and Nevada both reported double digit increases in deer hunting permits.

- **Water Sports** – This has been another area of strong growth and increased participation in 2020. According to the [National Marine Manufacturers Association \(NMMA\)](#) New Powerboat Registrations Report, November was another record month for new boat sales, gaining momentum for the third consecutive month—up 13% from October and up 60% compared to the year-ago period in 2019. A recent study by the [Recreational Boating & Fishing Foundation \(RBFF\)](#), in partnership with IPSOS, found strong growth among anglers and boaters in 2020, and particularly among new participants who are younger, more urban and more diverse. In addition, the study found “90% of new anglers and 94% of new boaters wish to continue these activities in the future.”
- **Biking** – Road bikes, mountain bikes, e-bikes, and the latest, gravel bikes, have all seen a surge in demand. In June 2020, for example, bike sales **rose 63%** year-over-year. Domestically and internationally, an increasing number of cities have closed city streets to vehicles in response to less traffic and increased demand from cyclists—including Oakland, San Francisco, New York, Seattle, Minneapolis, Philadelphia, Burlington, Denver, Boston, Charlotte, Calgary, Mexico City, Auckland, London, Berlin and Bogota. Admittedly, not all street closures will likely be permanent particularly as vehicular traffic increases in downtown areas, but it’s not a stretch to envision strong demand for bikes and bicycle paths to continue.
- **Camping** – In 2019, there were more than 91 million camper households throughout North America, while 2.7 million new households started camping between 2018-2019, according to KOA’s [2020 North America Camping Report](#). Post-pandemic, nearly half of leisure travelers who camp said they will reschedule one of their cancelled or postponed trips with camping. Diversity in outdoor activities continues, with Hispanic campers representing the largest nonwhite group of campers, KOA reported. Moreover, younger campers under age 25 are the most diverse.

Moving forward, the great outdoors will continue to attract enthusiasts in a variety of activities. For those who discovered these activities during the pandemic, the attraction is likely to continue.

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