

Recreation, Parks, & Tourism Administration Department

College of Agriculture, Food, & Environmental Sciences

## 2014 Environmental Scan

September 3, 2014

## **Introduction**

The 2014 RPTA Department Environmental Scan is derived from several resources. First, a focus group session was held in RPTA 405 Recreation, Parks, & Tourism Management on February 5, 2014. The focus group, facilitated by students in the class was attended by: Gour Choudhury, Department Head, FSN; Jim Cooper, Department Head, WVIT; Jenny Gann, Assistant Director Campaign Programs and University Events; Jerusha Greenwood, Associate Professor, RPTA; Bill Hendricks, Department Head, RPTA; Lindsey Paterson, RPTA student; and Heidi Reighard, RPTA student. Secondly, an environmental scan of the recreation, parks, and tourism industries was conducted with the Recreation, Parks, & Tourism Administration (RPTA) Department Advisory Council on Friday, May 2. Dr. Kirk Sturm, a part-time lecturer for RPTA and an organizational behavioral consultant led the environmental scan brainstorming session with assistance by RPTA senior Jennifer Hardy. Finally, resources have been pulled from the December 4, 2013 meeting of the CSU Hospitality Management Education Initiative Program Leaders and Advisory Board and from strategic management plans conducted by RPTA students during the 2013-14 academic year. The latter resources are presented under the section "Other Industry Trends."

### **RPTA 405 Focus Group**

The focus group was designed to identify internal and external opportunities for the development of an expanded hospitality management program at Cal Poly. Questions asked of the focus group participants centered on the PEST approach to an environmental scan to determine current political, economic, social, and technological factors relating to hospitality, travel, and tourism. The focus group also addressed strengths, weaknesses, opportunities, and threats.

#### **Political Factors**

Political trends on a local, national and global level were discussed. Relevant local political trends mentioned included the immigration debate and drought concerns in California. Also, separate local tourism business improvement districts are marketing themselves differently and lack unity concerning central coast hospitality and tourism interests. Political trends on a national level involve promoting international travel to the U.S., highlighting all states, and addressing import and export trends. Political trends on a global level include valid entry into the U.S., addressing language barriers, and cultural differences.

#### **Economic Factors**

Economic trends on a local and national level were also discussed. High and low end restaurants are growing while middle ground restaurants such as Olive Garden are slowly declining. Wedding venues are also a main concern because costs are high. Agritourism is growing and tours from the Cal Poly College of Agriculture, Food, and Environmental Sciences could be both educational and profitable. On a national level, one economic

trend that was discussed was the recent economic upswing, which brings a higher demand for consumers to travel. Another national economic trend that was discussed was the importance of the federal budget as well as increased Presidential support for the travel and tourism industry.

### **Social Factors**

In terms of social trends, China represents a major influence that is emerging in travel. China's middle class is growing at an extremely fast pace and China's middle class is almost as large as the U.S. population. These tourists want to visit and experience the U.S. and there is potential to bring China's growing middle class to the central coast. In addition to China's emerging middle class, another important demographic to note is the lack of diversity on the central coast. Other social trends include an increase in the amount of people cooking at home and developing an interest in food science. Food tourism, agritourism and creating a better dining experience in SLO (including a wider range of late night options) are also important trends that the central coast hospitality and tourism industry can emphasize to capitalize on travel industry trends.

### **Technological Factors**

Many noticeable technological trends are emerging that affect the hospitality industry. In addition to social media and new apps, customer based websites such as Yelp and Trip Advisor are important because they focus on customer feedback. There is an increasing need for customers to have more control and involvement in technology. This causes heightened competition amongst certain businesses such as taxis, rental cars, rideshares and Uber. Another recent trend is the move towards centralized management and the ability for hospitality services to control multiple operations from a central office (similar to Northern Europe).

### **Strengths**

Internal strengths that were discussed during the focus group include support from President Armstrong for hospitality management at Cal Poly, an overall willingness by RPTA faculty to embrace change and new ideas, and to continually pose the question of how Cal Poly can better serve students. Additional internal strengths include Cal Poly's number and quality of students, professor-student relationships, alumni connections, strong professional networking opportunities and Cal Poly recognition of standards by external sources. The RPTA Department's location within CAFES and its hands-on learning and experience requirements (1,000 hours of industry experience and internship) are also internal strengths that will enhance expanding hospitality management.

### **Weaknesses**

Although the focus group participants discussed several internal strengths, they also noted crucial internal weaknesses. Internal weaknesses include making hospitality more visible to new students and expanding hotel operations course options. There will also be

a need for additional faculty with firsthand experience in the hospitality industry. Another major external concern is securing resources including full and part-time faculty, private funding, and industry support.

## **Opportunities**

External opportunities that were discussed in the focus group include San Luis Obispo's favorable weather, low off-season hotel prices, ample farm-to-fork experiences, and SLO's college town vibe. Additionally, there is high demand on campus and in the community for an event venue, a large conference center, an alumni center and upscale restaurants. The central location of SLO between San Francisco and Los Angeles makes it the ideal location to expand these spaces and to attract additional state, national, and international visitors.

## **Threats**

External threats discussed during the focus group, included the challenge of making Cal Poly's hospitality program unique amongst other CSUs, gaining industry support, competition, and providing online class options. A hospitality program must also accommodate transfer students through articulation agreements and a transition from the semester system to Cal Poly's quarter system. The RPTA department must further gain recognition so that it is better known and competitive with other CSU hospitality programs.

Finally, various other factors and trends were discussed during the focus group. Important topics that were brought up include cultural awareness and respect, the need for infrastructure, and the importance in unifying several campus departments to develop hospitality. Unifying campus departments to understand and support hospitality should include offering customer service, RPTA 221, and special event planning, RPTA 320, for non-RPTA majors. Student run programs will need to have incentives to participate and the Dean of CAFES will need to support and contribute to the new program.

## **Advisory Council Environmental Scan**

An environmental scan of the recreation, parks, and tourism industries was conducted with the Recreation, Parks, & Tourism Administration (RPTA) Department Advisory Council on Friday, May 2. Dr. Kirk Sturm, a part-time lecturer for RPTA and organizational behavioral consultant led the environmental scan brainstorming session with assistance by RPTA senior Jennifer Hardy.

Six questions were asked during the Advisory Council brainstorming session.

1. What are the trends in your field as they relate to events, recreation, tourism, hospitality, or sport programs and services?

2. What one course do our students need to take to help your organization succeed?
3. Projecting ten years into the future, what are the “five-must-have” competencies our students need to have a competitive advantage?
4. Strategically, where should the RPTA Department be headed?
5. Strategically, what relationships or partnerships does the RPTA Department need to establish in the next three years?
6. Ten years from today there is a positive headline in major California newspapers about the RPTA Department. What is the headline?

The following Advisory Council members were in attendance:

Mike Casola, COO Boutique Hotel Collection, GM The Cliffs Resort  
 Elisa Weaver, Director of Community and Personnel Services, City of Sierra Madre  
 Cheryl Cuming, Chief Administrative Officer, SLO County Tourism, BID  
 Kyle Duffy, VP Global Accounts, Revinat  
 Bob Eaton, Owner Eaton Hotel Investments  
 Rodrigo Espinosa, Partner/Strategic Marketing, Lonesome George & Co.  
 Steve Ferrarini, Owner, ProCom Lodging Brokers, Inc.  
 Charlotte Gorton, Retired Recreation Manager, Paso Robles  
 Marcelle Hampton, Executive Director Client Services, George P. Johnson  
 Sara Hunt, VP Giants Enterprises  
 Jay Jamison, CEO/General Manager, Pismo Coast Village, Inc.  
 Kris Koeberer, VP Operations, The California Park Company  
 John Roth, Retired Chief Ranger, Lassen Volcanic National Park  
 Tim Ryan, VP Sales, Pebble Beach Resorts, Inc.  
 Yen Tsutsumi, Senior Director Event Services, George P. Johnson

Responses to the questions from the Advisory Council members were recorded on a flip chart. A summary of the responses to each question follows.

**1. What are the trends in your field as they relate to events, recreation, tourism, hospitality, or sport programs and services?**

- Budgets are shrinking, privatization
- Technology demands
- Camping: people want mid-range options, supplies provided, “Glamping”
- Increase in international travelers
- Businesses play a role in the community
- Data analysis: Who are you targeting? How much revenue is being generated? In what areas?
- Return on investment

- Economic impact of events, recreation, tourism, etc.
- Reach outside of your business
- Health & wellness
- Connection between public health and parks and recreation
- Participants want a deeper connection when they are at a destination, want to learn, gain cultural insight, education, and experience
- There is a need to connect (even when outdoors) – provide WIFI access for guests/participants
- Hotels: need to keep up with technology, provide broadband, WIFI, good TV monitors
- People go to less events now but want more/expect more out of the fewer events they attend
- Maintain equal access for public – trend is to privatize. (Ex: to watch a Dodgers game, must have special TV channel, not available equally for viewing)

**2. What one course do our students need to take to help your organization succeed?**

- Business etiquette
- Ethics
- Owner of lodging
- Presenting financial analysis and budgets
- Evolving technology in hospitality and tourism
- Humbleness 101
- Small talk, better communication in person and over the phone
- Ask better questions/ the right questions at the right time
- Customer relationship management

**3. Projecting ten years into the future, what are the “five-must-have” competencies our students need to have a competitive advantage?**

- Bi-lingual
- Problem solving
- Eye to eye communication
- Interpret financials and analytics
- Presentation skills (verbal and non-verbal)
- People skills
- Contracts
- E-learning (webinars, conference calls, etc.)
- Technology and networking (LinkedIn, Facebook, etc.)
- Cultural curiosity
- Nimbleness in the workforce – must be willing to be flexible
- Have a work/life balance
- Connect to nature

**4. Strategically, where should the RPTA Department be headed?**

- Mandatory second language or technology development (ex: GRC classes) required in coursework
- More focus on tourism and the economic impact tourism has on local communities
- While we are thinking about all this change, remember our RPTA roots and values – discuss why what is being taught in the classroom is important
- Sustainability
- Make parks and outdoors relevant to other cultures (still mostly used by Caucasians)
- Philanthropy
- Transparency (in the workplace, on the internet, etc.)
- Focus on branding the RPTA department
- Create more learn by doing courses for the hospitality concentration

**5. Strategically, what relationships or partnerships does the RPTA Department need to establish in the next three years?**

- Hotel companies
- Internal relations with the college
- Government
- Tourism (public and private)
- Certified Meeting Planner (CMP) programs and certification
- Strengthen industry associations
- Promote exchange programs with global universities
- Increase donations to the RPTA department, strengthen relationships and track alumni to give back to the program
- Take a leadership role in creating a professional organization for outdoor, adventure, and resource recreation

**6. Ten years from today there is a positive headline in major California newspapers about the RPTA Department. What is the headline?**

- Cal Poly RPTA Department Recognized as World Leader in \_\_\_\_
- Cal Poly RPTA Department Leads California's Tourism
- Cornell of the West: Cal Poly Named a Top Hospitality School
- Cal Poly Leads the Hospitality Education Change
- Cal Poly RPTA Quantifies Economic Impact of "Events" for U.S
- Cal Poly RPTA Department Receives \$1M Endowment: Passes Cornell in Hospitality Management
- Cal Poly RPTA Alumni Spurring Growth in California Tourism

- Cal Poly RPTA Opens the Center for the California Experience
- RPTA Department at Cal Poly SLO Recognized as a Leader in California Tourism
- RPTA Department Named the #1 Hospitality Program in the U.S.
- Cal Poly RPTA Named #1 Hospitality / Leisure Program in the Country
- Cal Poly RPTA Hospitality Named Cornell of the West
- Cal Poly RPTA Opens World Class Hospitality Center
- Hospitality Program Becomes Top in Nation
- Cal Poly SLO RPTA School Ranks #1 in Graduates' Income
- Cal Poly RPTA Department Receives \$1B Endowment
- RPTA Students Most Desired by Organization for Jobs
- Cal Poly RPTA Department Named "Cornell of the West!"

### **Other Industry Trends**

#### **California/Local**

- In 2004 CSU recognized hospitality as one of four industries with strong growth in California
- In 2012 the California hospitality industry supported 917,000 jobs and accounted for \$32.3 billion in earnings. Tourism in California generated \$2.5 billion in local taxes and \$4.1 billion in state taxes (Runyan, 2011)
- Trend of CSU parks and recreation academic programs to embrace hospitality as evidenced by department and curricular changes at CSU Chico, CSU East Bay, and CSU Northridge.
- SLO County proposal for Tourism Marketing District with one objective of increasing tourism research on the Central Coast
- Mexico and Canada remain top travelers to California
- Increasingly domestic visitors are interested in wellness, culinary experiences, active lifestyles, and visits to friends and family
- Recognition by wine industry of direction connection to hospitality and travel
- Continued development of tourism business improvement districts

#### **National**

- Creation of Brand USA from the 2010 Travel Promotion Act to market the United States as a worldwide travel destination
- Experiences are the heart of why people travel and engage in leisure
- Experience management is an emerging industry
- In addition to the influx of tourists from China, Brazil and India travelers are increasingly visiting the U.S.
- Sport management and event planning are in high demand across the country among students
- Expansion of event, festival, and concert industries



- Consolidation of park and recreation departments with library and community services within the municipal sector
- Emphasis on reaching out to youth and diverse groups for connections to the outdoors and parks
- Parks and recreation recognized as critical to reduction of obesity, creation of livable communities, and work/life balance
- Land and Water Conservation funding for parks and recreation in a precarious state
- Retirement of baby boomers will increase need for contemporary leisure services; they are unlike any previous retirement generation
- Social justice and inclusion is recognized as essential to leisure services
- Certifications prevalent in the events and hospitality industries
- New career in hospitality besides operations are emerging including those relating to online travel and newly developed distribution channels
- Private equity is driving emerging segments and brands in hospitality

## **Global**

- By 2022 the World Travel and Tourism Council predicts that 9.8% of all jobs worldwide will be in the hospitality industry
- China is now the world's leading outbound tourism market
- Sustainability continues to expand in the travel industry with an increased emphasis on the initiatives of organizations such as the Global Sustainable Tourism Council
- Globalization through travel expands connections worldwide
- Terrorism is a major constraint to travel
- Social media changing how travelers plan for trips