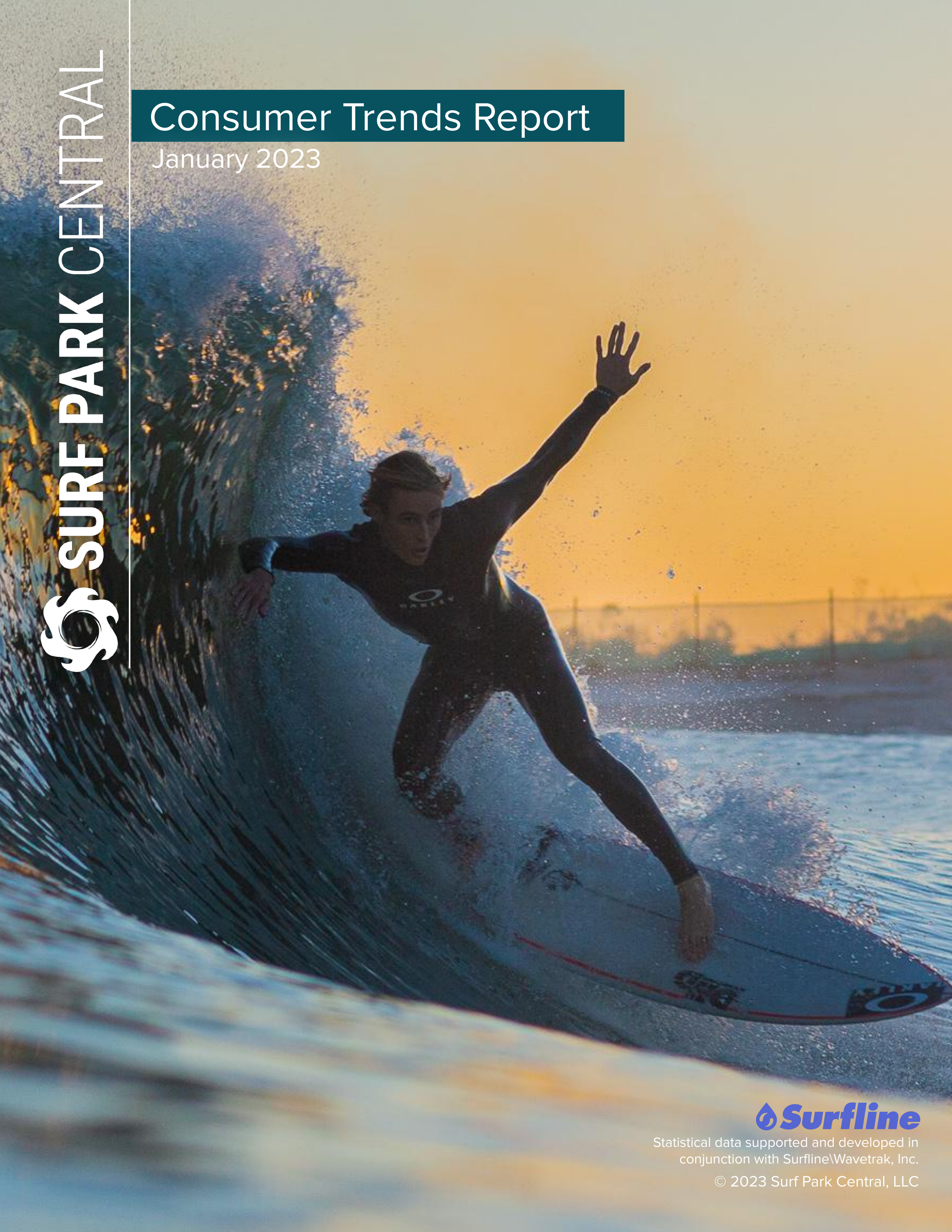

SURF PARK CENTRAL

Consumer Trends Report

January 2023

Surfline

Statistical data supported and developed in conjunction with Surfline\Wavetrak, Inc.

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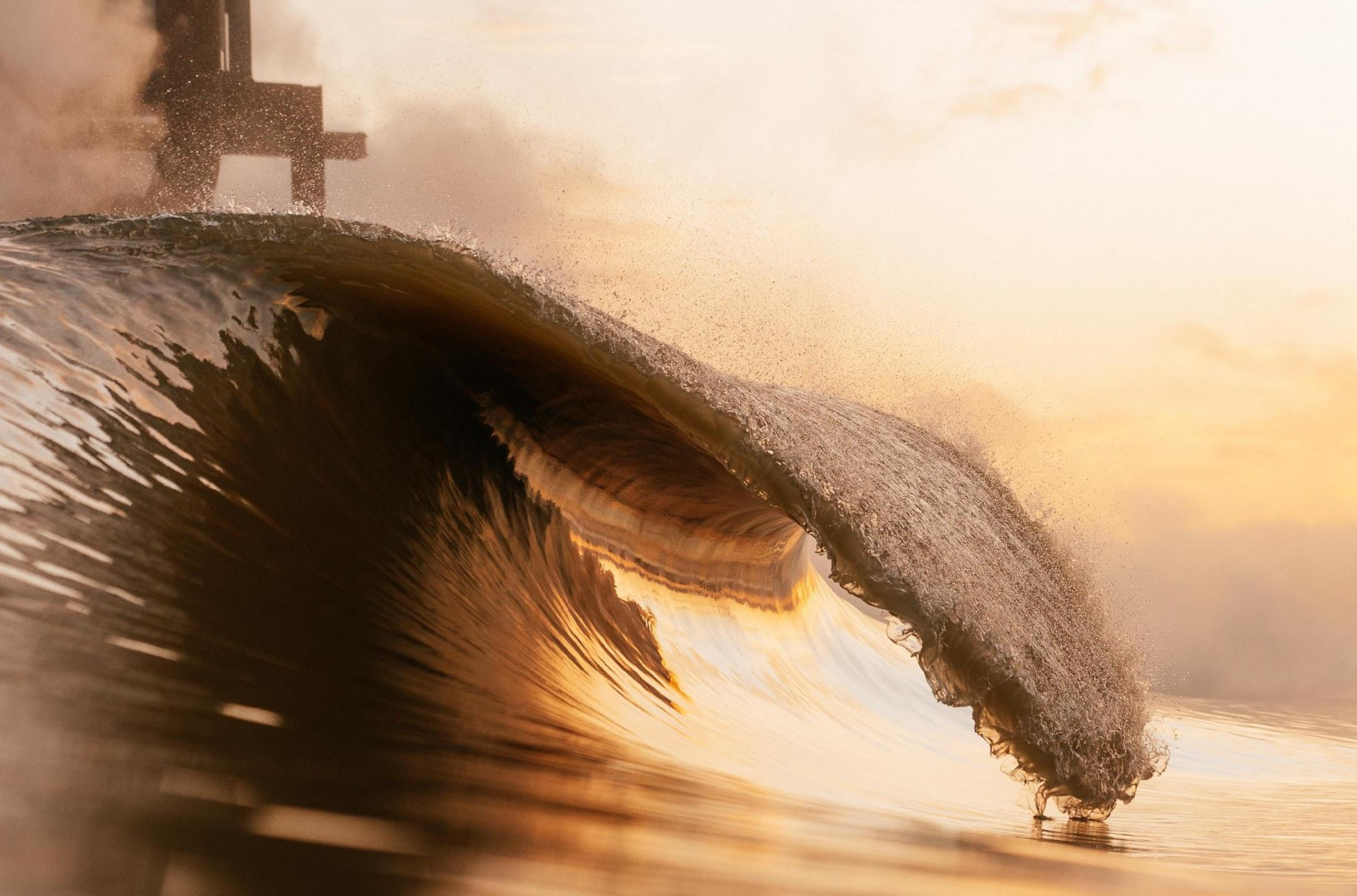

Photo courtesy of Surf Lakes

EXECUTIVE SUMMARY

Dr. Jess Ponting
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This report draws from secondary and primary research in the form of three surveys conducted in 2015, 2016 and 2022 to trace evolving market conditions and consumer trends in the surf park sector. Secondary research identified market indicators, consumer trends and spending patterns are determined from longitudinal primary research.

For the first time, an in-depth analysis is conducted into how the surf park consumer is thinking about a range of sustainability topics in the specific context of the surf park industry.

SURF PARK CENTRAL

INTRODUCTION
Section 2

The aim of this report is to aggregate the best publicly available information on the surf market and related market indicators and combine it with primary research conducted between 2015 and 2022 to provide valuable and actionable market intelligence for the surf park industry, and to track consumer trends in the surf park market over time.

Photo courtesy of Surf Lakes

Photo courtesy of SurfLoch

INTRODUCTION

In the 10 years since the first Surf Park Summit in 2013, the industry has grown slowly but steadily, moving from promising scale prototypes and computational fluid dynamics renderings to full scale commercial installations of a handful of new generation technologies in North and South America, Europe, Asia,and Australia.

The Covid pandemic beginning in late 2019 and causing global shutdowns from March 2020 negatively impacted open surf parks, caused the postponement of Surf Park Summit 2020, slowed the pipeline of pre-construction parks in development, and caused ongoing supply chain issues for surf parks in construction.

The surfing population is experiencing an unusually dynamic and transformative period.

An unexpected impact of the pandemic was a rapid spike in surfing participation around the world that saw unprecedented demand for surfing equipment and large numbers of new, more diverse surfers take up the sport as beaches reopened while gyms and indoor recreation options remained locked down. The surfing population is experiencing an unusually dynamic and transformative period and these trends will be explored in this report.

INTRODUCTION

Surf Park Central conducted its first survey of the surf park market in 2015, two years after the first Surf Park Summit was staged. At the time the most talked about surf park was Wadi Adventure in the UAE and the Wavegarden Lagoon test facility in the Basque Country of Spain.

The survey was conducted online to ask surfers questions related to demographics, surf attributes, surf travel information, technology and surf forecast use, surf pool desirability, and sustainability attitudes and actions. Data was collected using the Qualtrics online survey platform between May 1 and July 22, 2015 using a snowball sampling technique via direct contact, social media platforms, surf clubs and associations, and surf-brands' social media platforms to collect responses from self-ascribed surfers over 18 years-old where each respondent was asked to share the survey with other surfers.

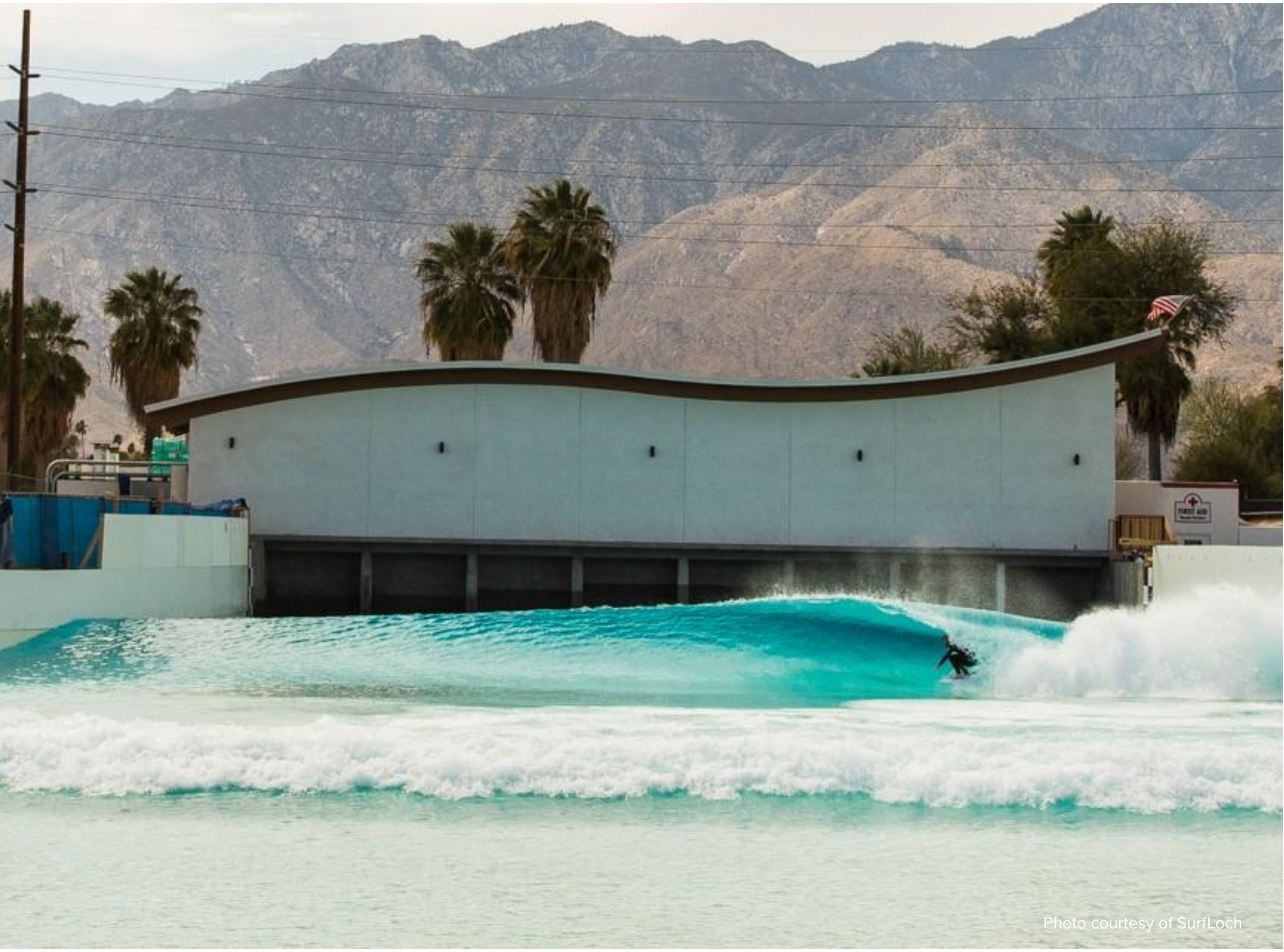


Photo courtesy of SurfLoch

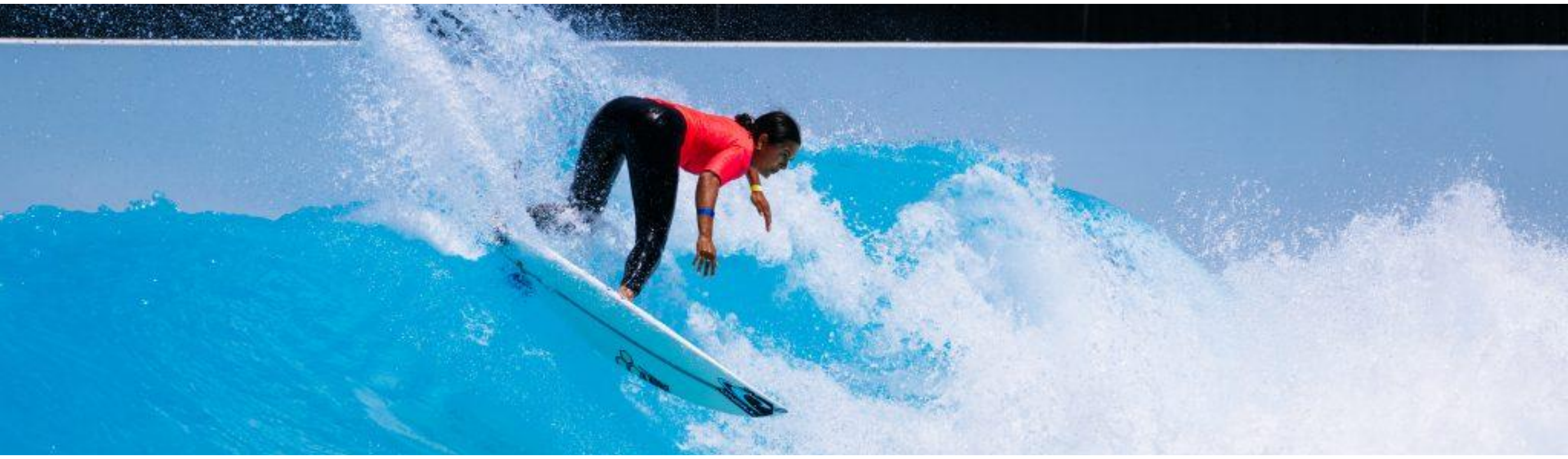
INTRODUCTION

In the five months following the collection of data in 2015 the surf park space was permanently transformed by the opening of the first commercial surf park using new generation technology in North Wales (Australia) in August (Surf Snowdonia) and the first public release of video showing the Kelly Slater Wave Company test facility in Lemoore, California (USA). Both developments, but particularly the latter, catalyzed a paradigmatic shift in the way the surfing public viewed surf parks. Before the KSWaveCo video, surf parks were compared favorably with waves in nature (e.g. Surf Snowdonia was compared favorably with a small, fun day at Greenmount on Australia's Gold Coast). After the video was released, almost instantly comparisons were inverted and waves in nature came to be compared to 'Kelly's Wave' as the new yardstick for perfect waves (Roberts and Ponting, 2018).

As a result, Surf Park Central's 2015 survey data aged quickly in terms of consumer attitudes towards surf parks and a follow up survey was undertaken between September and December 2016. To capture the changes the same set of questions from 2015 were repeated in 2016 and the same distribution technique and methodologies were employed.

Given the progress of the industry over the ensuing years and recent radical shifts in the surfing market driven by Covid related lockdowns and travel bans, a third survey was deployed between May 1 and September 30 2022. With the surf park market considerably more mature than in 2016 questions were updated and more tightly tailored to surf park consumer issues. The survey was comprised of 46 questions consisting of the following:

- **15 General surf travel behavior and spending questions**
- **3 Questions on specific surf park usage**
- **7 Questions on sustainability in surf parks and market willingness to pay for it**
- **13 Questions about surf park spending and service preferences**
- **8 Demographic questions**



The survey was distributed in English, Spanish, and Portuguese and a snowball sampling technique was again employed. Across all three surveys the following definitions were provided to participants to help guide their self assessment and sorting into the appropriate ability group:

- **Beginner (still learning);**
- **Intermediate (occasional surfer, limited experience);**
- **Experienced (regular surfer, competent in most wave conditions); and,**
- **Advanced (avid surfer, highly skilled, competent in challenging conditions)**

INTRODUCTION

Survey participants have remained largely similar over the three surveys, becoming marginally older, more male, more wealthy, and more skilled at surfing over time. See Table 1 for a breakdown of survey participant attributes across all three surveys.

TABLE #1 - ATTRIBUTES OF SURVEY PARTICIPANTS 2015-2018

ATTRIBUTE	2015 DATA	2016 DATA	2022 DATA
SAMPLE SIZE	3209	595	1028
GENDER BREAKDOWN	80%M - 20%F	86%M - 14%F	90%M - 10%F
AVERAGE YEARS SURFING	11-15	11-15	11-15
% BEGINNER	14%	10%	8%
% INTERMEDIATE	30%	28%	25%
% EXPERIENCED	47%	49%	54%
% ADVANCED	9%	13%	14%
AVERAGE AGE	26-34	26-34	35-44
AVERAGE HOUSEHOLD $	$75k - $100k	$75k - $100k	$100k - $150k
AVERAGE #SURFBOARDS	4	4	4
WOULD USE A SURF PARK	78%	92%	99%
% SURF PARK USER	N/A	26%	33%

The changing attributes of survey participants over time is not reflective of changes in the surfer population captured by far more expansive and representative samples of specific geographies commissioned by government agencies, or Surfline who track data on around 5-million users. This represents a limitation of the data presented in this report.