

Bookstore Rentals

Michael Kraitman

Rafael Pinho

Brett Adam

University of British Columbia

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Introduction

Welcome to Vancouver, the multicultural city with unlimited outdoor options at every corner. With snow sports in the North Shore Mountains during the winter and different hiking trails in the summer, Deep Cove kayaking, local summer beaches, and even potential surfing on the island, we house a huge variety of outdoor recreation. This is what attracts people from all over the world to come visit and this is why we often have a large and diverse number of international students here at UBC.

International students aside, all UBC students are within the grasp of the outdoors, from large scale weekend trips to just longboarding across campus. Unfortunately, not all students have enough money to burn after tuition and living costs can bleed them dry. So how do we get our students active and outside without them having to spend \$600 on a snowboard set? How can this be a sustainable movement at the same time? The University of Calgary has their Outdoor Centre, which has over 10,000 clients and 22,000 rental orders a year. The Oregon State University and their Adventure Leadership Institute (ALI) has collaborated on renting equipment with their outdoor clubs for the outdoor centre. While UBC has the Ski & Snowboard club, the Varsity Outdoors Club, the Bike Kitchen, and probably quite a few more, why doesn't UBC have an outdoor recreational centre? Why doesn't UBC have a partnership with a store that can rent outdoor equipment to students?

The purpose of this investigation will be to analyze the benefit an equipment rental system will have on both the students and the school in a descriptive triple bottom line (TBL) breakdown. This will cover the social, economic and sustainability factors associated with this project to determine the overall value it would bring. With over 50,000 students in one of the most beautiful cities in North America, at one of the top 40 schools in the world, this report will highlight the benefits and need for an outdoor equipment rental program, and the potential for it to grow into something much bigger, providing great value to both UBC and its students.

Methodology

Through research of multiple primary and secondary sources, we conducted an in depth look into the benefits of adding rental options to the bookstore. This included not only the typical economic benefits, but the social and environmental benefits as well, in the TBL analysis. Our first primary source is when we began by verbally surveying students to see what products would appeal to them the most. Once we established which products were most popular, we began researching some rental operations of these products, in particular at universities in outdoor-focused cities. We contacted the University of Calgary and University of Oregon to get some input from their program directors, but only received a response from Oregon. From this, we were able to interview Josh Norris, an instructor and supervisor from the Adventure Leadership Institute at University of Oregon, to find out how their outdoor rental centre was started and what current operations were like. Also, one of our team members is an avid

snowboarder and was able to apply his experience to our research, such as providing us with basic costs of renting and buying skis and snowboards and suggesting a possible location for partnering with a snow shop. We then used the students' feedback and our secondary sources including some current ski and snowboard rental websites, and a WebMD article to discuss the social aspects of this renting service. Some other secondary sources we used were Calgary and Oregon's websites to see rental costs and structure, and to provide us with information for our economic assessment. We also used an article explaining the environmental benefits of renting in general rather than buying.

Analysis & Results

Social Analysis

There exist several factors that would benefit the student body that come with renting outdoor equipment. With the ranging demographic of potential users, students would find convenience in trying new outdoor activities, having a weekend outdoors, and trying new clubs.

Student Feedback

The research we gathered from the students led us to believe that the most popular items for rental would be skis, snowboards, and bikes. Other products, such as furniture and clothes weren't as popular. We concluded that furniture would not be a good product to rent because it would only apply to students who live on campus, and out of the nine residences at UBC, only two residences, Ponderosa and Thunderbird, have unfurnished rooms. And the only unfurnished rooms at those residences are the studio units at Ponderosa and the one bedroom, two bedroom, and studio units at Thunderbird. Also, considering that university students have a limited budget, there isn't a high demand for furniture upgrades.

The only clothes that students would potentially rent are formal suits and dresses; however, most students would not be renting frequently and would prefer suit rental stores rather than suit rentals at the UBC bookstore as they would have more choices.

While bikes would be a popular rental item, it would not be profitable for the bookstore to undertake this task alone, as the city of Vancouver is currently working on implementing its own bike sharing system by 2015; not to mention the shop required for upkeep of bikes, which already exists in the Bike Kitchen.

Demographics

Renting skis and snowboards appeals to a wider demographic than buying. Students who have never skied or snowboarded, or are visiting on exchange aren't going to sink \$300-1500 into buying full ski or snowboard gear. Renting skis and snowboards costs approximately \$25-50 per day and would serve as a much better alternative for this range of students. Buying would also be a hassle for casual skiers and snowboarders. If those students were to buy, they would have to spend time and money on maintenance, replacing old gear, and storage. Occasional and first time skiers and snowboarders would have better access to mid- and high- range gear if they were to rent, as they most likely would not buy

gear of this quality for their first few times. Depending on the gear, renting could also potentially appeal to frequent users as well, as it allows them to try out gear before buying it.

As far as age goes, this option applies more for undergraduate rather than graduate students. While we have not surveyed any graduate students, we're assuming more undergraduate students have had less exposure to skiing and snowboarding due to them being younger.

Whether or not the general public will be interested or allowed to use these services will depend on UBC's decisions. Since UBC doesn't allow holding of credit card information with rentals, the public may be deferred from using the rental services. At the University of Oregon, their outdoor centre is closed to the public, yet still has 45,000 rental purchases every year. The University of Calgary on the other hand, started as student only and expanded to serve the public with great success.

Health Aspects

One of most important social benefits to this rental service is that it will expose students to healthier activities. Skiing and snowboarding have many physical and mental health benefits. A 150 pound person over the course of one hour burns 500 to 640 calories cross country skiing, 360 to 570 calories downhill skiing, and 480 calories snowboarding. Also, studies show that these winter sports give many cardiovascular benefits, help strengthen your leg and core muscles, and help boost flexibility, agility, and balance. A healthy, active lifestyle is very important for students to help deal with stress. Not only would the exercise help manage stress, but the enjoyment gained in outdoor activities and the escape from the city to the fresh mountain air does wonders for stress management. While this factor does not bring a quantitative economic gain to UBC, in the big picture it improves UBC's overall appeal and attracts more students.

This renting system would also expose students to new clubs and increase involvement in the student-run clubs, such as the Ski & Snowboard Club, UBC's largest club, improving the overall UBC student experience.

Economic Analysis

The primary issue with this project is identifying what UBC would want to do with this rental system. Of several institutions which offer rental programs, they have different intentions between the profit of the system and the benefits of social wellness that may come with an expansive outdoor rental system.

Upon our phone interview with Josh Norris, one of the supervisors of the Adventure Leadership Institute at Oregon State, he stated that this program primarily focuses on the wellness of exposing students to the outdoors with their programs. That being said, their concern was not on profits, as they have a relatively flat payout each year, especially since they charge typically the least for a rental of all the establishments we've looked at. Yet they have approximately 45,000 rental transactions a year, which is still significantly larger than one of the other schools we've looked at, University of Calgary. One issue in comparing Oregon State is that they do not rent downhill skis or boards, since their local mountains are quite a bit farther than ours.

The University of Calgary has a consistent 22,000 transactions a year with 10,000 clients/members. Looking at ski/board equipment, the centre has a rate of \$30 for a full snowboard package. The downhill skis have rates of \$15 for skis and \$10 for boots and poles. These are single day rental prices, however they also offer multi-day discounts, some of which allow you to rent a piece for 2 weeks and charge the equivalent of 7 days. In addition to these already attractive rates, they offer 10% off to their students in comparison to the prices offered to general public rentals.

The following table replicates a sample cost comparison to that of Calgary’s rates:

Table 1: Ski/Board set Cost Comparison

Cost Comparison	Average Ski Set	Average Board Set
Initial investment for 100 sets*	\$60,000	\$60,000
First Year Profits	\$25 Rate	\$30 Rate
If 5% of enrolled students rent just once	\$62,880	\$75,450

*Average set estimated at \$600

**2013/14 winter session: 50,304 enrolled students

This is a basic potential profit range given that UBC would be willing to fully approve a development of an outdoor centre. Keep in mind this is only one year that already shows a payout. If the rental profits were less than 5% usage, profit would still climb long term. The other ties to money management would revolve around a full life cycle assessment of a product. Mr. Norris from Oregon had also stated that their product was a result of aligning with companies which were working with a TBL assessment themselves in order to make the most sustainable choices as far as equipment selection. In addition, the equipment could be sold at the end of a season, or a few seasons at a discounted rate, to make even more profits. The University of Calgary has shown great success in sales of used gear. Also, UBC’s Ski & Board Club hosts an annual used gear sale which attracts hundreds of students, showing an existing market for used equipment sales.

One concern is the management of equipment; ski/board equipment would require care and attention to at least waxing the product on occasion as well as keeping the inventory organized. This would require hiring on the bookstore’s part. However, this also presents opportunities student and club involvement, and new jobs for students. Similar to Calgary’s program, there is potential to grow this program into a full-fledged catalogue of rental gear and incorporate safety and training programs which could be student-run.

Addressing the big picture, UBC may not be ready to expand the bookstore to house these stations, considering they have just finished an expansion to house a MEC (Mountain Equipment Co-op)

depot. The bookstore may not have the current funding to approve a project of this scale. Considering this, the option of housing a small scale depot with a partnership company could also prove ideal as well as kick-starting the centre for approval in the near future. If the bookstore reserved a couple hundred square feet to display sample rental equipment from the depot of the partnered company, this would entail the same goal. MEC does not sell snowboard equipment but they do provide alpine ski products. Unfortunately these items are high quality which would not fit the rental criteria economically (students won't rent an \$800+ ski set and MEC will doubtfully agree to it). However, they do have an enormous selection of camping, hiking and few other outdoor activities which they already rent to their members. If this were to be applied to their UBC outpost, this would be one more step that could propel towards and outdoor recreation centre.

In regards to the alpine equipment, we would consider establishing a partnership with a snow shop (possibly a shop on west 4th, this street houses many snow shops). This way a student could look at the product on display at the bookstore, get fitted, contact the shop through the bookstore, and pick up the equipment on the way to one of our local mountains. This would save the school money on expansion and use this as an experiment to see student feedback and to see if this idea is worth expanding.

Environmental Analysis

The goal of renting items instead of buying them is to lessen the environmental impact by minimizing on-campus waste and consumption with analyses of product life cycle for optimal selection of products as well as reconditioning to make the most of the product.

Generally, skiing and snowboarding are both very expensive sports to get involved in. Much like hockey, there is a big list of equipment that is required (or at least suggested). Besides the board and bindings, you'd need boots, pants, a jacket, gloves, goggles, and a helmet. Most of these items would be clothing items, so a life cycle address would not work the same way for a board/skis. A snowboard is built through a few different materials. The core would be a wood type to match the style of riding (such as Beech and Poplar). This is then followed by layering of fiberglass and varnish with a steel hold on the edges.

In regards to rental services with reconditioning, the strategies of repair would depend on the product. However, reconditioning, remanufacturing and recycling are the key attributes to renting services. An ideal system would house the products and continue repairing and reconditioning them until they no longer can meet the standard where the product is still usable. It is at this point that the base materials of the item would be used as resources for manufacturing a new piece. Figure 1 portrays the life cycle an item in this upkeep would live.

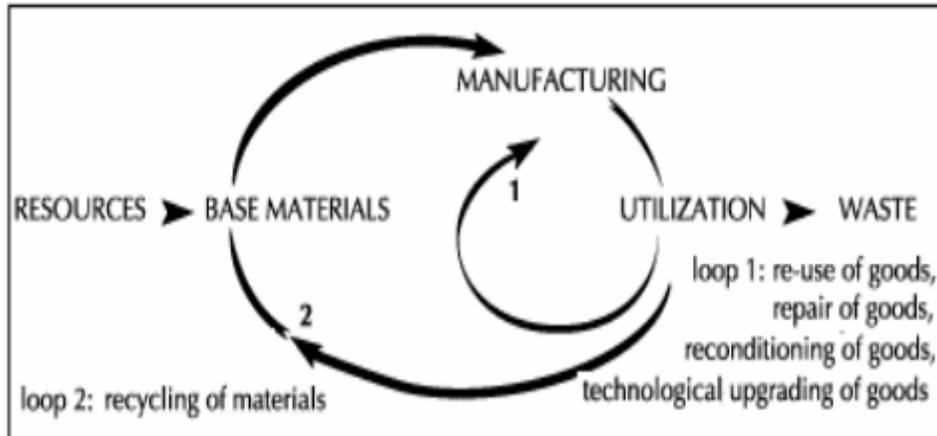


Figure 1: Material Life Cycles

In the end, the rental system would differ students away from making hasty purchases right away. Renting the product would raise its life cycle usage and lessen resources used for these products long term.

Recommendations

This report presents UBC with an opportunity. How this opportunity is used depends on how UBC decides to act. Again, this relies heavily on the feedback from the student body, since it is they who will decide whether or not this program will succeed. Our research has shown that not only does the market exist, but they would be very excited at the prospect of rental gear, and especially a further developed outdoor recreation center.

Nonetheless, we recommend UBC take further investigation into the benefits that may come. It is evident that many students would appreciate this service and likely take advantage of it. Since MEC has an outpost at UBC, we recommend determining if they are willing to add rental equipment to their store in regards to expanding the product list to camping and hiking gear as our previously stated future aspirations. As far as our main proposal about skis and snowboards, we recommend that UBC analyze their financial capability in line with our economic suggestions for the outdoor centre rentals. The UBC Ski and Snowboard Club will likely provide their personal and specific requests for their club benefits as well, as their members may also offer their expertise to the management or repair work of the equipment.

UBC's collaboration with potential companies, student clubs, and their financial analysis will determine the future of the proposed outdoor recreation centre.

List of Abbreviations

UBC- University of British Columbia

TBL- Triple Bottom Line

ALI- Adventure Leadership Institute (of Oregon State University)

MEC- Mountain Equipment Co-op

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