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## **Airstream's CEO explains how the coronavirus pandemic sparked an unexpected sales boom — and convinced him to pursue work-from-anywhere innovations**



Airstream CEO Bob Wheeler has a sales boom on his hands. Airstream

**Airstream** was expecting a good but not great 2020.

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- **The coronavirus pandemic forced the 86-year-old company to shut down manufacturing from late March to early May.**
  - **CEO Bob Wheeler was bracing for a sales drop of 70% for April, but the decline was just 30%. Then the company started setting sales records.**
  - **Consumers aren't comfortable flying or staying at hotels — but they're enthusiastic about hitching up an Airstream trailer and hitting the road for socially-distanced adventures.**
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  - Airstream CEO Bob Wheeler wants to be clear that he's in no way happy about the Covid-19 crisis. He is, however, happy that none of his factory employees have tested positive for the virus. And it turns out that the pandemic has led to a business boom for Airstream, the likes of which Wheeler has never seen. It's easy to see why.
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"It's hard to imagine a product that checks as many boxes as an RV for the emerging pandemic lifestyle," he said in an interview with Business Insider.

Airstream is an icon. The company has been manufacturing its silvery, aluminum travel trailers in Ohio for 86 years. Wheeler, who has been running the show since 2005, couldn't have anticipated a complete shutdown of the company's production due to the coronavirus pandemic. One that hit particularly hard, [since Airstream had just opened a new, 725,000-square-foot factory](#). But that's exactly what happened on March 20. Airstream didn't get the greenlight to restart manufacturing until May 4, just in time to get cranking.

"We had anticipated in April that we'd be off by 70% year-over-year for retail sales in the US," he said. "But we were only off 30%. Then in May we broke our all-time record for a month, dating back to 1980, when we started to keep track."

That translated to a 45% jump compared to 2019, according to numbers based on warranty registrations. In June, sales were up over 100%.

# Airstreams are ideal for a world of outdoorsy social distancing, no air travel required



An

Airstream Basecamp trailer in its natural element. [Airstream and The Public Works](#)

As the pandemic rages on, many are avoiding flights and hotels. Hitching a small house to the back of a truck or SUV provides a safe, socially distanced, and outdoor-oriented way to escape quarantine conditions and salvage a summer, especially for families.

Demand is off-the-charts. And for Wheeler, that's a good challenge to have, given that although the RV industry was expecting a decent 2020, he felt that Airstream may have overestimated the future sales environment when it committed to the new factory.

"Right now, we're behind market demand significantly," Wheeler said of the company's efforts to play catch-up, following its restart. They simply can't make trailers fast enough. Airstreams are hand-built, and even if they ramp up hiring, it takes months to train new employees.

Wheeler noted that recent sales have been concentrated on Airstream's smaller trailers, with consumers showing serious interest in the \$38,400 Basecamp, its least expensive offering.

"It's hotter than anything else," he said, pointing out that it's a trailer that most customers can tow with their current vehicle. Airstream's larger and more expensive trailers require an SUV or pickup truck that's rated to tow more than 3,500 pounds. With the Basecamp, a customer can stick with their Toyota RAV4.

The pandemic's effect on sales has also led Airstream — which had been busy developing new products — to focus on meeting demand for its existing portfolio. "Dealers don't want different," Wheeler said.

One tweak the company has made is to create new ways to make newcomers to RV'ing comfortable. "They might not be getting the best handoff, due to the coronavirus," Wheeler said. To help buyers learn the basics, like dumping the waste tank and firing up the water heater, his team has been pumping out instructional videos "as fast as we can."

"The quality doesn't need to be high when you have national journalist broadcasting from their basements."

## **Airstream's adapting to an era of remote work and learning**



The Airstream lifestyle involves getting outside. [Airstream](#)

For several years now, [Airstream has been courting younger buyers](#) and looking to adapt its business to changes in mobility by thinking about a driverless future and enhancing connectivity.

Wheeler said two trends have come into sharper focus during the pandemic: working from home and remote learning.

The first, he said, is all about "taking your job on the road." If work from home can actually be work from anywhere, then an Airstream could become a rolling office. Wheeler pointed to the fact that Airstream founder Wally Byam routinely worked from one of his own trailers.

"We're developing variations for our travel trailer floor plans, with dedicated workspaces," he said. When work is over, desks and other systems can be stowed away.

Life on the road is changing for kids, too. So, Wheeler said, Airstream is thinking about how families can take life, work, and education on the road. That's entailed reliable WiFi — through a partnership with AT&T — and a powerful antennae built into the trailer.

"Mom and dad can work, and kids can learn," he said. "It's right in the middle of what Airstream is all about."

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