Paradigm shift in mountain tourism

Differences between Europe and Asia

Ulsan – October 14th, 2015
Agenda

- Worldwide statistics & evolution
- Asian market in facts & figures
- Hot topics to the paradigm shift
Worldwide statistics & evolution
Major data source

- 2015 International Report on Snow & Mountain Tourism

- Available from www.vanat.ch page Publications
Who are the skiers?

- Spread of the skiers upon country of origin (120 million skiers estimated worldwide)

- America 26%
- Asia & Pacific 17%
- Various 1%
- Alps 16%
- Western Europe & Central Asia 15%
- Eastern Europe 25%
Where do they ski?

- Market share in the worldwide skier visits (400 million yearly skier visits)

- Alps 44%
- Western Europe 11%
- Various 0%
- Eastern Europe & Central Asia 10%
- America 21%
- Asia & Pacific 14%
Top 20 markets

*In million skier visits (5 years average)*
Skiers’ international flows

- Only **12%** of worldwide skiers, mostly concentrated on intra-European flows
The **national customer base** is very strong in most of the big players. Foreign visitors concentrate on a few top international resorts.

**Proportion foreign skiers**

---

<table>
<thead>
<tr>
<th>Country</th>
<th>Proportion Foreign</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andorra</td>
<td>100%</td>
</tr>
<tr>
<td>Austria</td>
<td>100%</td>
</tr>
<tr>
<td>Norway</td>
<td>100%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>100%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>100%</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>100%</td>
</tr>
<tr>
<td>France</td>
<td>100%</td>
</tr>
<tr>
<td>Slovakia</td>
<td>100%</td>
</tr>
<tr>
<td>Argentina</td>
<td>100%</td>
</tr>
<tr>
<td>Italy</td>
<td>100%</td>
</tr>
<tr>
<td>Finland</td>
<td>100%</td>
</tr>
<tr>
<td>Slovenia</td>
<td>100%</td>
</tr>
<tr>
<td>Chile</td>
<td>100%</td>
</tr>
<tr>
<td>Sweden</td>
<td>100%</td>
</tr>
<tr>
<td>Canada</td>
<td>100%</td>
</tr>
<tr>
<td>Germany</td>
<td>100%</td>
</tr>
<tr>
<td>Korea, South</td>
<td>100%</td>
</tr>
<tr>
<td>Spain</td>
<td>100%</td>
</tr>
<tr>
<td>Poland</td>
<td>100%</td>
</tr>
<tr>
<td>Japan</td>
<td>100%</td>
</tr>
<tr>
<td>United States</td>
<td>100%</td>
</tr>
<tr>
<td>Romania</td>
<td>100%</td>
</tr>
<tr>
<td>Russia</td>
<td>100%</td>
</tr>
<tr>
<td>China</td>
<td>100%</td>
</tr>
<tr>
<td>Australia</td>
<td>100%</td>
</tr>
</tbody>
</table>
Domestic markets

- Domestic skiers’ potential is very important on many major markets
World evolution

Skier visits per regions (mio)

- View limited to countries with yearly records
Regional evolution

- General inflection point in 2012/13

Evolution of 5-years average skier visits per regions
Base 100 for season 2004/05

- Alps
- Western Europe
- America
- Asia & Pacific
Why this opposite inflexion?

- Mature stage of the industry in Europe
  - Aging and stagnating population, baby-boomers retiring
  - Increasing competing activities
  - Few innovation
  - Inability to develop the 4-season activity
  - Weak marketing

- Developing / redeveloping stage in Asia
  - Young generations
  - Sport becoming fashionable
  - Japan seems to enter into a recovery phase
Asian market in facts & figures
Asia

Skier visits (mio)

+3.5 %
Asia

- End of the decline in Japan, growth in China, maturity in South Korea?

Evolution of the 5 years average attendance (mio skier visits)
Attendance

- Most countries have still limited attendance

![Yearly skier visits (in millions)]

<table>
<thead>
<tr>
<th>Country</th>
<th>Yearly Visits (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>33</td>
</tr>
<tr>
<td>China</td>
<td>6</td>
</tr>
<tr>
<td>Korea, South</td>
<td>5</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>1</td>
</tr>
<tr>
<td>India</td>
<td>0</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>0</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>0</td>
</tr>
<tr>
<td>Mongolia</td>
<td>0</td>
</tr>
<tr>
<td>Korea, North</td>
<td>0</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>0</td>
</tr>
</tbody>
</table>
Participants

- Currently only 3 major markets

![Chart showing national skiers (in millions) for various countries, with estimated amounts and participation rates. Key countries include Japan, China, Korea, South, Thailand, Kazakhstan, India, Taiwan, Philippines, Nepal, and Uzbekistan.]
Existing infrastructures

- Contrasting lifts utilisation rate

![Bar chart showing the number of ski areas and lifts for different countries.](chart.png)
Benchmarking

Part worldwide

- Europe:
  - 9% population
  - 50% skiers
  - 56% skier visits

- Asia
  - 56% population
  - 17% skiers
  - 13% skier visits
Benchmarking

Penetration - practice rate

- Still a low or non existent ski culture in most of the Asian countries
- Ski still economically out of reach for large parts of the population in many countries (GDP per inhabitant)

![Bar chart showing comparison between Asia and Europe for ski practice rates. Asia has a rate of 0.6%, while Europe has a rate of 11.3%.](chart.png)
Benchmarking

Consumption - skier visits per skier

- Less intense consumption pattern in Asia
- Ski is more a leisure than a sport
- Ski holidays still underdeveloped

![Graph showing skier visits per skier in Europe and Asia. Europe has a value of 3.7, while Asia has a value of 2.4. The chart shows a comparison between the two regions.]
Hot topics to the paradigm shift
Business model

Europe

- Resort operation fragmented between numerous players
- Historical legacies

Asia

- Integrated business model
- Started from scratch
- Case of Japan
Catchment areas

Europe

- Often remote from big metropolitan areas
- Destination resorts

Asia

- Huge cities close to ski resorts feeding for daily guests / hourly guests
Mega events

Europe

- Historical venue for Olympics (with North America)

Asia

- Only Japan up to now
- Swap to Korea and China
Innovation & diversification

**Europe**
- Started on summer
- Shifted on winter
- Trying to be to 4-season

**Asia**
- No longer viable to built a resort for only 1 season
Sustainability / accessibility

Europe

- Some did it right, some did it wrong
- Expensive to correct

Asia

- The chance to do it right on the first time
New resorts in Asia: the chance to do it right on the first time!
Laurent Vanat Consulting SARL  
19, Margelle  
1224 Geneva - Switzerland  
Tel / voicemail : +4122 349 8440  
E-mail : vanat@vanat.ch  
Website : www.vanat.ch

Laurent Vanat