Bardonecchia Ski Resort - Cold beds and how to deal with an oversized second home market as a Winter Games legacy.
Bardonecchia represents an ideal place for those who love to spend their holidays in the mountains. It unites the charm of nature with the convenience of being reachable to/from the city. An exclusive tourist destination at the beginning of the twentieth century, today, thanks to its convenient links, Bardonecchia has unique characteristics which are fundamental to the choice of mountain tourism. One of the few skiable areas in Italy, directly reachable by motorway, (less than one hour from Turin airport) it is served by the rail network link on the Paris-Turin-Milan line.
A ski paradise, Bardonecchia offers sport lovers incredible slopes during the winter, modern chairlifts, a snowpark with an Olympic half pipe, cross-country trails, snowshoeing, snowtubing and ice rink. In addition to that ski schools and excellent restaurants at altitude where you can taste some typical delicacies. During the Olympics Games 2006 Bardonecchia has hosted Snowboard competitions.

During the summer, thanks to the altitude, Bardonecchia is a destination appreciated by mountain enthusiasts, sports lovers and families. This is because it offers a stunning Alpine landscape, the opportunity to practice many outdoor sports and events and activities both for children and adults.
The ski area

- 23 chairlifts transporting 30,000 people/hour
- 100km of slopes: 5 black, 18 red; 16 blue
- 50% of the slopes with artificial snow makers
- Snowpark and Snowtubing
- Cross country slopes and ice rink

- Marked tracks for snow shoes
- Ski and snowboard schools
- Bar, restaurants, self-service in the ski area
- Ski and snowboard rental
BARDONECCHIA SKI RESORT - History

The modernisation of Bardonecchia: in 1871 the completion of the Frejus railway tunnel

The «accordion» image to describe the development of the territory

Bardonecchia as a place of avant-garde projects with ability to be inventive and creative in the development of the area, driven by the ideal of progress and modernization

Bardonecchia’s close interaction between town life and mountain resort. Thanks to the railways, Bardonecchia, ahead of its time, became the interface between Turin and the mountains
BARDONECCHIA SKI RESORT- History

The socio-economic development of the area described in a prestigious study made in 1997 by prof. De Matteis and Doctor Ferlaino.

Bardonecchia as the center of an important international route and particular in its «day trip» accessibility for a large urban area.

Two models of interaction between city and mountain: Sestriere and Bardonecchia.

The development of the areas of Bardonecchia and the real estate and tourism boom (1950-1975).
Modern history of the building of second homes in the Alps started with the favourable economic situation of the sixties with a second wave in the eighties (building sprawl, a spreading)

Motivations to invest in a second home

Advantages and disadvantages of the second home

Already in 2001 Bardonecchia in a list of alpine municipalities with numerous second homes, Bardonecchia is at the top
This table shows: The alpine villages with the greatest number of second homes put in order based on the number of second homes in 2001 (ISTAT)

<table>
<thead>
<tr>
<th>COMMUNE</th>
<th>PROV.</th>
<th>ALTITUDE M.</th>
<th>POP. 31.12.06</th>
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BARDONECCHIA SKI RESORT- Analysis of the bed places belonging to second home

- Behavioural patterns of second home tourist
- Relationship between hotel accommodation/second home and ski facilities
- The accommodation potential of second homes if deployed differently
BARDONECCHIA SKI RESORT- Current situation analysis

Current positioning compared with a sample French ski resort in terms of total bed places

Bardonecchia offers a total of 35000 bed places, the equivalent of a big French station such as Les Arcs.
BARDONECCHIA SKI RESORT - Current situation analysis

Current positioning compared with other French skiing stations (percentage of beds on rotation)

Bardonecchia offers only 10% of beds on rotation (hotel residence and similar), compared to the French ski areas which have an average of 41%.
The big difference between the composition of bed places in Bardonecchia and those in French ski areas is due principally to the offer of bed places in residence. Indeed, from the analysis of this segment it is evident that residence bed places show the largest filling.
Compared to French ski areas, in Bardonecchia, the number of bed places on rotation have low occupation rates, especially due to the limited number of residence bed places (which generally offer the best occupation rates). By way of information, on average, a bed place on rotation in the French Alps generates 9,2 holiday weeks.
BARDONECCHIA SKI RESORT - Profitability of hot beds places compared to the cold ones – Chairlift consideration

Seasonal Skipass → Stable
Day Skipass → Decreasing
Weekly Skipass → Increasing
BARDONECCHIA SKI RESORT - Profitability of hot beds places compared to the cold ones

**WHAT**
- Day Skipass → Decreasing → influence: weather conditions
- Weekly Skipass → Increasing

**WHO**
- Those who buy the day skipass ski only when there are good weather conditions. Spending power, in the recent years, enables people on average to spend 7/8 weekend during the year choosing the best ones.
- Those who come for a white week buy a pass for multiple days despite the weather or snow conditions

**TO SUM UP**
- A hotel bed earns the chairlift operators around **800/900 euro**
- A second bed earns chairlift operators around **85 euro**

**MULTIPLIERS EFFECTS**
- HYPOTHESIS: 1€ spent for skipasses correspond to around 8/9 € spent directly for hotels, restaurants, ski schools
- RESULT: One bed place on rotation multiplies 8€ by 900 € = 7,200 €. One bed place in a second home multiplies 85€ by 8€ = 680 € → 11 times less
A place like Bardonecchia must try to make available the sales of beds in second homes on weekly rotation as much as possible.

The current economic crisis is inducing many owners, who don’t regularly use their apartments, to make them available for renting, whether it's weekly or seasonal.

The structures of many second homes apartments are obsolete and not suitable for tour operators target due to the lack of homogeneity and proximity.
The strength of cold beds/second home beds potential has been perceived and exploited in the 2006 Winter Olympics thanks to the availability of 4000 apartments and the building administrators and estate agents’ key role.

ADVANTAGES:
- Setting up if reception services and customer care
- Rentals were on guarantee
- Contracts did not have to be registered

PRINCIPAL CRITICAL ISSUES:
- Big differences in apartment standards
- High heating
- Cohabitation

BARDONECCHIA SKI RESORT - 2006 Olympic Games Example
BARDONECCHIA SKI RESORT - Hypothesis of ways and means for utilisation for second homes

1. Discounts on IMU taxes, garbage and other taxes, which can be recovered with the tourist tax
2. Tax breaks for building renovations, if the owners are interested in using it for touristic purpose
3. Agreements with restaurants in order to commute second home in something like ApartHotel formula
4. Reservation center carrying out the ordinary management and the apartments maintenance
5. Discounts on Skipass purchase
THANKS FOR YOUR ATTENTION