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2011 International report on mountain tourism

Overview of the key industry figures for ski resorts

May 2011

Laurent Vanat

Glossary

Hourly output of the lifts (skiers/hour): The manufacturer's rated number of skiers per hour a lift can transport to the top of the lift. Total country capacity is the sum of all the individual lifts capacity.

Number of skiers transported yearly: Meant by number of passengers transported per leg; one skier taking 5 times the same lift accounts for 5 skiers transported, also called "Frequencies".

Participation rate nationals: Rate of skiers in total country population.

Ski area: Notorious place of ski practice (in some countries, they may even account no lifts)

Ski resort: A ski resort is considered as an organised ski area with more than four lifts.

Skier visits (or skier-days): One person visiting a ski area for all or any part of a day or night for the purpose of skiing, snowboarding, or other downhill sliding. Skier visits include full-day, half-day, night, complimentary, adult, child, season pass and any other type of ticket that gives a skier/snowboarder the use of an area's facilities.

Skiers: One person practising ski, snowboard or other downhill slide, independent of the rate of practice.

Vertical Transport Meters per Hour (VTMH): Product of each individual lift hourly capacity, times vertical (in fact the figure is usually expressed in thousands).

Content

Laurent Vanat *is an independent consultant and a general practitioner who can also quickly turn into a specialist. Holder of a master in commercial & industrial sciences of the University of Geneva, he has over 25 years of professional experience, as business consultant as well as senior executive involved in management positions. He has on the one hand experience of executive functions in the sales, financial and general management. On the other hand, he advises companies and organizations of all horizons and is well acquainted with numerous industries.*

Involved in the field of hospitality & leisure, he has followed closely for several years the ski areas industry. He publishes every year an overview of the market. This report examines in a broadly approach the European and World markets, in the search of new information. It thus enables to follow its evolution and furthermore to provide ideas to the operators. This overview, selectively distributed, was already appreciated by large organisations active in alpine tourism. One of its objectives is to feed the reflexion of the industry and to render the local actors sensitive to the evolutions and the new ideas.

In its search for information on the ski areas, he was quickly got sensitive to the issue of accounting skier visits and collection of statistical data. Noting the difficulty of consolidating this information for the Swiss market, he found a way of contributing to the industry by taking the initiative to try a systematic collection of the attendance data. For several consecutive years, this document has been an acknowledged reference for Switzerland. In order to analyse the competitive position of major players, upon invitation by leading industry bodies and tourism conferences, he extended the range of the search, to produce an overview of the key industry figures on a worldwide perspective.

Photos*: Laurent Vanat*

Introduction

In this third issue of "International report on mountain tourism", it has again been possible to add new destinations and extend the world coverage, without having exhausted the task yet. The option previously taken to update and complete the original document has been continued, in order to have a full and comprehensive reliable reference, rather to limit to the publications of updates. In fact, this document aims at becoming the reference in the industry.

Therefore, readers of the former issues should be aware that some data may have been amended, in a goal to always improve the accuracy of this report. Data are constantly updated depending on new statistics made available. When new sources appear more reliable, necessary updates have been made.

Although some countries represent relatively small markets compared to the alpine regions, they are not as well known. Therefore, for these countries, the report enters into a more detailed level as it does for the most familiar ones.

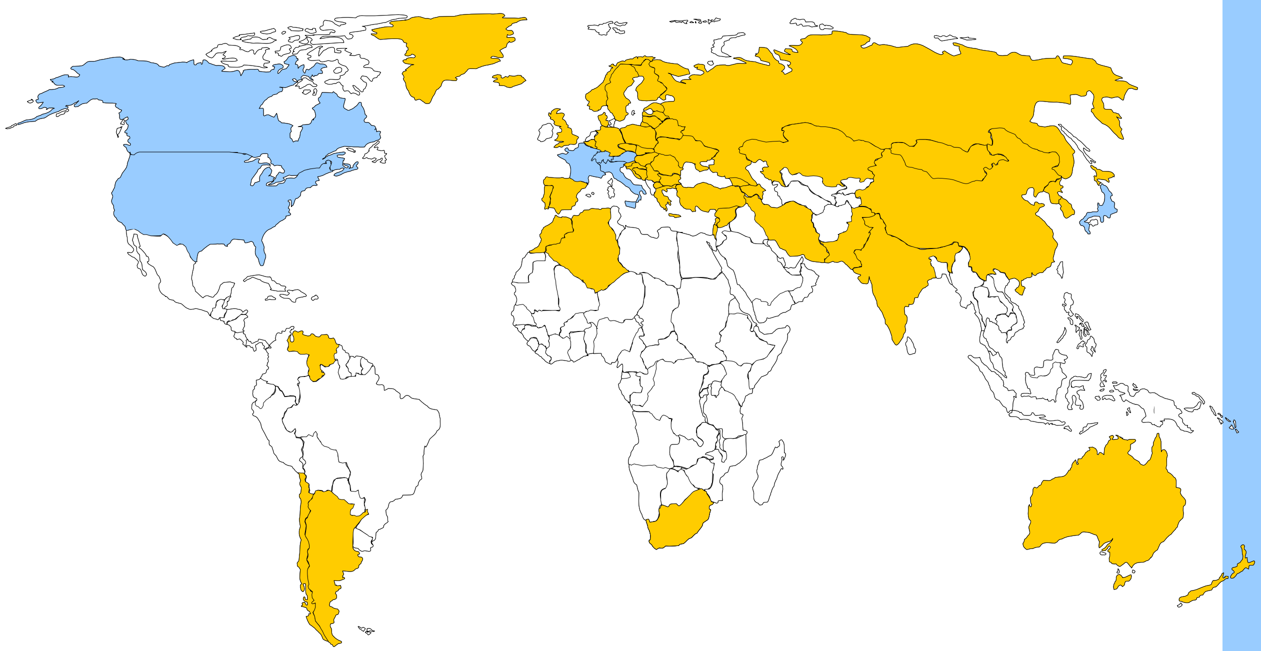
In order to ensure a further development of this work, it is again called for data contributions from national associations and all other national entities and organisations involved in the industry (please refer to last page of the document for detailed references).

Laurent Vanat

The world ski market

Participating countries

One considers that there are about 80 countries in the world where ski is practised. Among these, roughly 70 countries offer open air ski areas, the balance having only indoor facilities[1]. Even if the snow fields may be much more numerous[2], about 2 000 ski resorts have been identified worldwide[3]. Besides the big ski destinations in terms of attendance, shown in blue in the map hereunder, there is a number of others, smaller, where ski has already been an industry for long, together with new developing ones. Those coming out quite obviously are Eastern Europe and China, but there are a number of other small players, spread over the globe: Algeria, Cyprus, Greece, India, Iran, Israel, Lebanon, Lesotho, Morocco, New Zealand, Pakistan, South Africa, Turkey and many more.

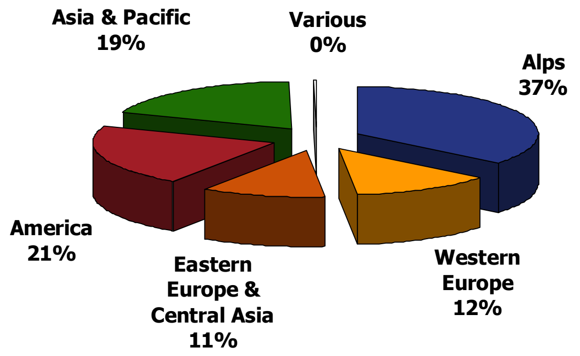


The industry is offering about 6 million commercial beds in the mountains. These mostly concentrate in the "industrialised" ski markets, where high volumes of skier visits are achieved.

[1] There are about 60 indoor snow centres operating in 25 countries around the world
[2] Estimate is 4'000 to 6'000 places of ski practice
[3] A resort is considered as an organised ski area with more than four lifts

Ski resorts and infrastructure

Based on the latest situation, the key figures about the ski resorts and their equipment are presented in following tables.

<table>
<tr>
<td>Repartition of the number of ski resorts worldwide (2'085 resorts): More than one third of the ski resorts are located in the Alpine countries.</td>
<td>
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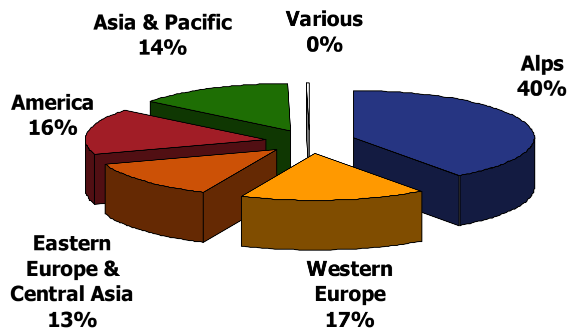
<td>Repartition of the number of lifts worldwide (26'193 lifts): The number of lifts emphasises the weight of the Alps in the industry.</td>
<td>
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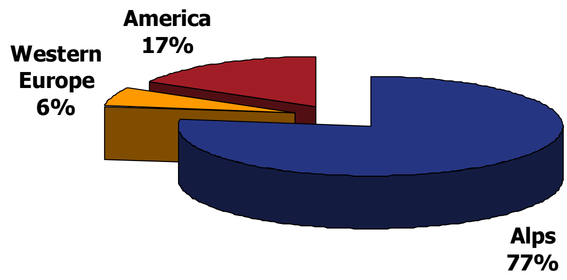
<tr>
<td>Repartition of the number of major resorts worldwide (48 resorts): There is a limited number of major resorts worldwide[4]. More than 75% of them are located in the Alps.</td>
<td>
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[4] A resort is considered as major if its attendance reaches over 1 million skier visits per winter season.

The major ski resorts worldwide have been ranked hereafter on the basis of their average attendance[5] during the last winter seasons.

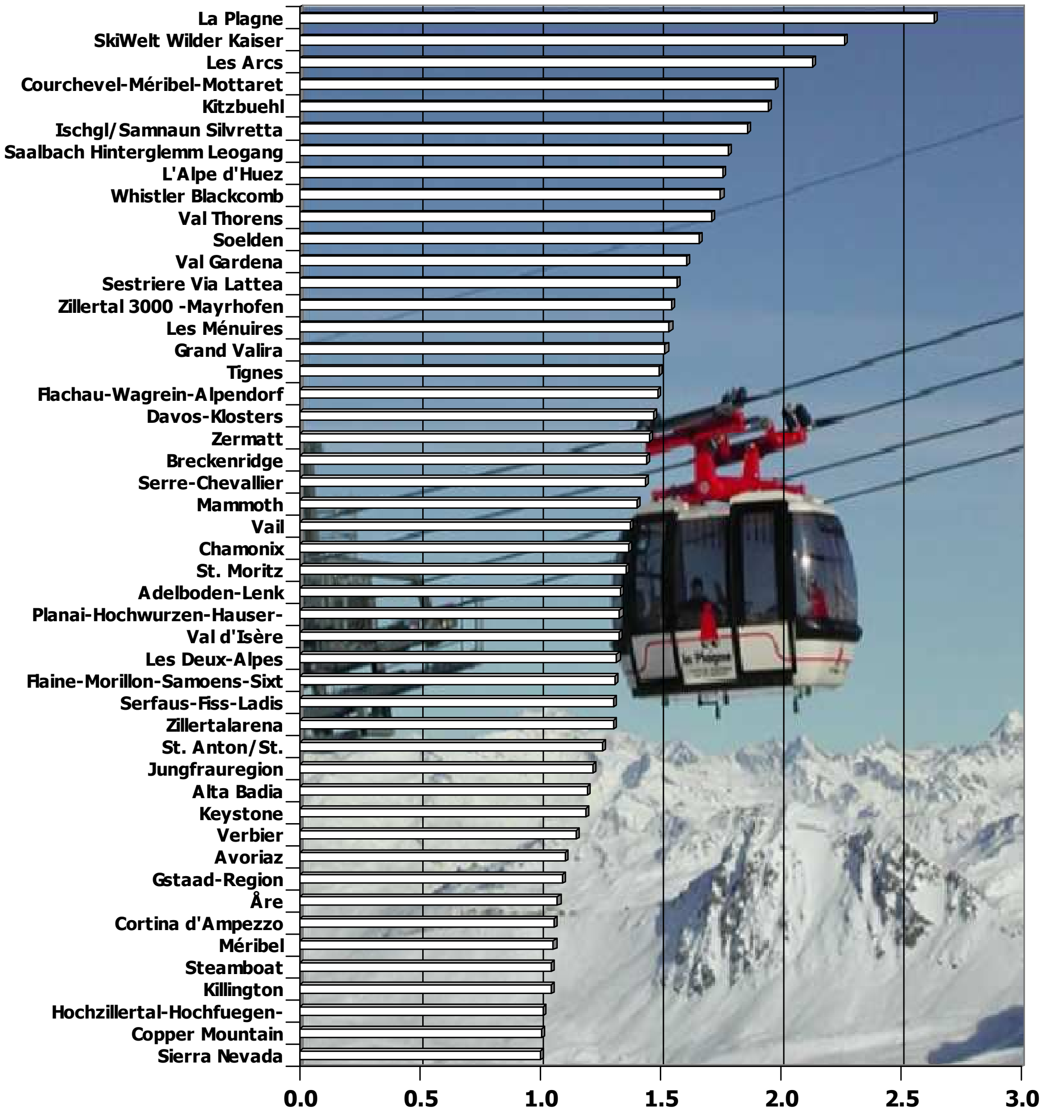


Figure 1: Top world resorts in mio skier visits

Most of the industry is concentrated in the resorts producing more than 100’000 skier visits a year. Even if they only account for 20% of the resorts, they produce 80% of the skier visits.

Although an issue at regional level, the altitude of the ski resorts is not really a benchmarking issue worldwide, as in some places of the globe, one can ski at sea level, whereas in some other countries, one needs to benefit from several thousands meters elevation to access decent snow conditions.

[5] Publicised data or estimates when required.

Market share in the worldwide skier visits

Although data collection about the industry is not always very well organised and the yearly attendance may vary according to weather conditions, the skier visits have been for already several years estimated to reach a figure of about 400 million worldwide[6]. The assumption is that the figure should have been quite steady over the last 10 years, as major mature markets experienced a reduced growth, when not a decline as in Japan, while other markets were emerging.

This assumed trend seems to be confirmed by the chart hereunder, which reflects the evolution of the skier visits in the countries that are considered as a large sample[7] of the most significant industry players over the last decade.

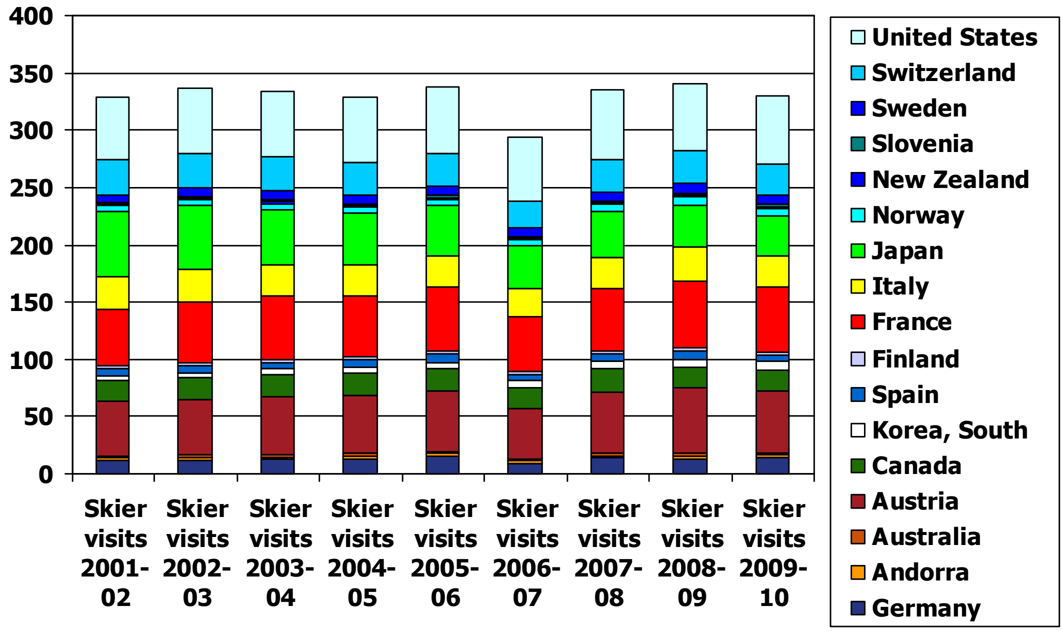


Figure 2: Evolution of skier visits in million

[6] Including visitors to indoor ski centres.
[7] This sample refers to the country where the attendance is measured and publicised on a yearly basis. Despite the sample is very representative, it is not comprehensive of all the countries offering ski areas.

The relative importance of the major destinations is showed in the pie chart below. Clearly, the Alps are the biggest ski destination in the world, capturing 46% of the skier visits. The second biggest destination is America (mostly North America), accounting for 23% of skier visits worldwide.

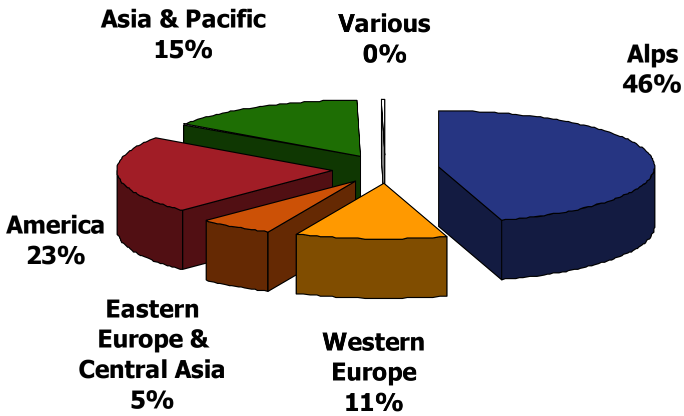


Figure 3 : repartition of skier visits worldwide

South East Asia used to present a market share the size of America. However, the continuous decline of the industry in Japan has still not been compensated by the development of the practice of ski in South Korea and China. On the longer term, some further countries as India and Pakistan may join those and contribute to increase the weight of Asia in the international spread of skier visits. Northern, Southern and Western European non alpine countries (grouped under the label of Western Europe) also attract 11% of the market, even if this attendance is mostly spread over a great number of small resorts.

Skiers per region of origin

The total number of skiers worldwide has been estimated based on the attendance in the various countries and the practice rate of the nationals[8]. The figure reaches 110 million[9] and seems on a growing long term trend[10]. Although some countries have no ski areas (besides in some instances ski domes), they have skiers practicing abroad. This is as an example the case of the Netherlands, which account more than 1 million outbound skiers.

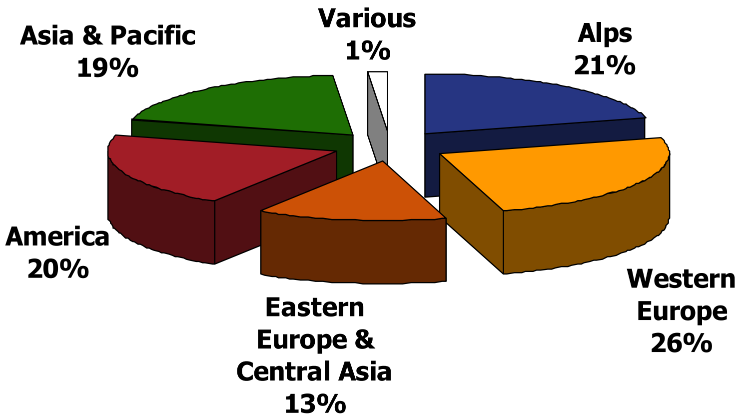


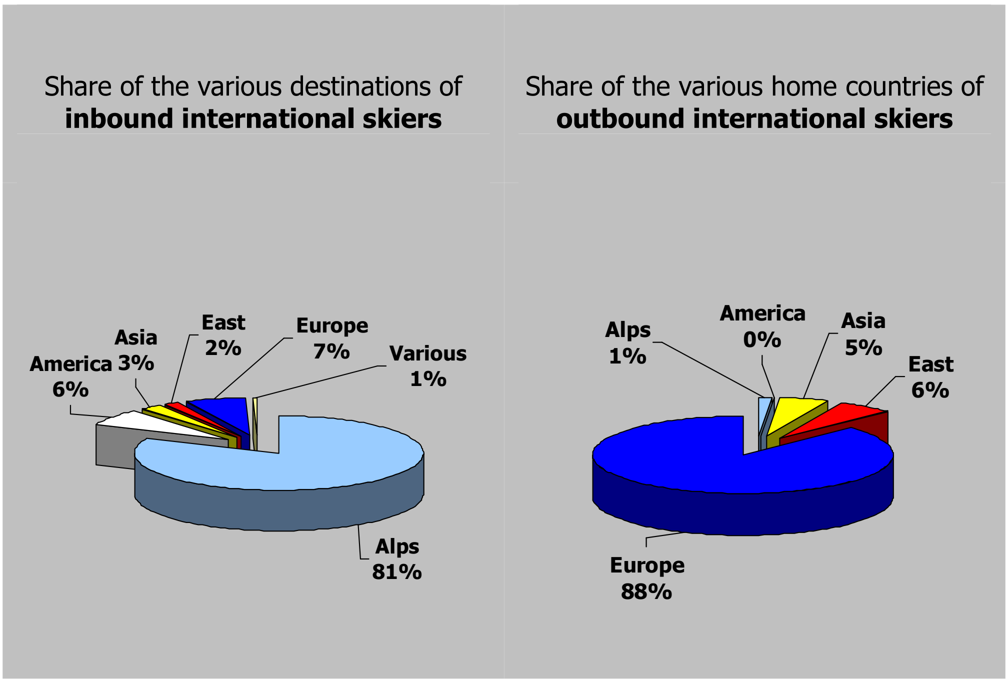
Figure 4 : repartition of skiers by region of origin

The comparison of this chart with the one of skier visits obviously shows the regions which are exporters of skiers and those that are recipients. The Alps is the most internationally attended ski destination, attracting most of the inbound ski travel. Despite it welcomes 46% of skier visits, it however only produces 21% of the skiers. No other region reaches such a high proportion of foreign visitors. Typically, for America, the share in worldwide skier visits matches roughly the share of skiers.

Skiers' international flows are mostly concentrated on intra-European flows. For instance, overseas skiers only represented 3.1% of total attendance at U.S. ski resorts in 2007/08. The weigh of international customers is thus limited for most ski destination countries. Moreover, the international catchments areas are quite limited, due to various factors as markets size, the issue of transportation and travel time & cost, and possible saturation of airport at ski destinations in Europe. Outbound European markets are not increasing but will be

[8] It must however be stressed that the number of days of practice per potential skier may vary importantly from one country to the other. Skiers have been considered independent of their rate of practice.
[9] Since 2010 issue of this report, some important market produced more reliable figures, or revision of previous estimates for national skiers. Thus the change compared to previous year is not significant of a short term variation of actual figure.
[10] Interestingly, it is however yet not reflected on the evolution of skier visits, as practice rate of new entrants are still lower than those of declining skiing populations.

spread over more destinations in the future. For instance, British customers familiar to the Alps have now also the choice of other destinations such as Romania, Slovakia, etc. It is also foreseeable that the new markets will be feeding themselves. The new developments of ski in Asia will feed the resorts of Japan and South Korea, before really benefiting to the Alpine or North American ones, if ever.



Future trends in market shares

It also appears from the figures 3 and 4 that the regions of Eastern Europe and Asia provide for 32% of the skiers worldwide, but only realise at this stage 20% of skier visits.

These regions clearly point out as the future development potential of the market. Besides, a look at the new deliveries of lifts confirms that the Eastern European and Asian countries are getting equipped at a pace higher than the more traditional ski regions, if figures are looked at in relative terms. By the way, apart one exception in Canada[11], no new resort has been developed in the traditional markets.

Although consumptions patterns of ski in countries like China still need to be confirmed at a larger scale, it is likely that the Eastern

[11] Revelstoke Moutain, Canada, started in 2007 with a gondola and some chairlifts. It aims at becoming the highest vertical drop in America. Total forecasted investment USD 1 billion, over 15 years.

European and Asian market will expand their skier visits figures over the new decade. They may end up reaching a weight equivalent to those of their importance in terms of skiers, by the years 2020. If such growth is done without prejudice to the attendance at western resorts and provided these find adequate ways to address the generational issue, the worldwide skier visits may then increase to reach over 420 million by this date.

Comparative key figures

Various organisations and entities usually collect the ski resorts data at national level. This information has been compiled to produce an international overview of the key figures of the industry. As for some countries, data are lacking or incomplete, some research have been done in order either to collect detailed national data and consolidate them, or to extrapolate figures based on benchmarks. Numerous sources have been check to ensure the most accurate figures. Some general information was also provided from global directories or statistics.

Although some definitions may vary from one country to another, the table presented on next pages summarises some of the key comparative figures for the industry[12]. They are provided for a large range of ski countries, representing 99% of the total market, in terms of skier visits. Continuous efforts are made to enlarge the coverage of this report.

Under the country review section, charts are presented for those where attendance at ski resorts is measured and consolidated on a yearly basis. On the charts, beside the yearly data, the evolution of the 5 years average has also been added (blue line). It helps to understand the long term trend of each of these markets.

[12] Please refer to the Glossary at the front of the document for further definitions of the terms employed.

Country	Number of ski areas[13]	Number of areas > 4 lifts	Number of major resorts (>1 mio SV)	Number of lifts	Skier visits[14] (SV)	SV/lift	Population	Participation rate nationals (in % population)	Number of skiers (nationals)	Ranking in word tourism[15]	Arrivals of international tourists	Proportion foreign skiers	SV per inhabitants[16]	SV per foreign visitors[17]
Andorra	3	3	1	111	2'240'000	20'180	82'627	20,0%	16'525	#N/A	1'830'000	95,0%	1,36	1,16
Argentina	22	10	0	145	1'500'000	10'345	40'482'000	2,5%	1'012'050	44	4'300'000	25,0%	0,03	0,09
Armenia	3	1	0	6	50'000	8'333	2'968'586	2,0%	59'372	#N/A	575'000	2,0%	0,02	0,00
Australia	10	7	0	147	1'965'400	13'370	21'007'310	2,0%	420'146	40	5'600'000	1,5%	0,09	0,01
Austria	254	199	12	3'003	52'006'000	17'318	8'205'533	36,0%	2'953'992	12	21'400'000	66,0%	2,15	1,60
Bosnia and Herzegovina	11	1	0	35	400'000	11'429	4'590'310	5,0%	229'516	#N/A	311'000	50,0%	0,04	0,64
Bulgaria	32	7	0	94	600'000	6'383	7'262'675	3,0%	217'880	39	5'700'000	25,0%	0,06	0,03
Canada	288	73	1	922	19'083'600	20'698	33'212'696	15,0%	4'981'904	15	15'800'000	13,8%	0,50	0,17
Chile	21	9	0	122	1'250'000	10'246	16'454'143	3,0%	493'624	#N/A	2'750'000	15,0%	0,06	0,07
China	350	77	0	800	4'640'000	5'800	1'330'044'544	0,3%	3'325'111	4	50'900'000	0,5%	0,00	0,00
Czech Republic	176	70	0	816	3'000'000	3'676	10'220'911	20,0%	2'044'182	36	6'100'000	35,0%	0,19	0,17
Finland	76	30	0	374	2'700'000	7'219	5'244'749	24,0%	1'258'740	50	3'423'000	17,0%	0,43	0,13
France	325	233	14	3'731	54'760'000	14'677	64'057'792	19,0%	12'170'980	1	74'200'000	28,0%	0,62	0,21
Georgia	4	2	0	12	100'000	8'333	4'630'841	2,0%	92'617	#N/A	1'052'000	10,0%	0,02	0,01
Germany	510	82	0	1'827	13'560'000	7'422	82'369'552	14,0%	11'531'737	9	24'200'000	10,0%	0,15	0,06
Hungary	34	5	0	70	500'000	7'143	9'930'915	5,0%	496'546	26	9'100'000	10,0%	0,05	0,01
India	15	1	0	22	200'000	9'091	1'147'995'904	0,1%	1'147'996	41	5'100'000	1,0%	0,00	0,00
Italy	349	216	4	1'948	26'820'000	13'768	58'145'320	8,0%	4'651'626	5	43'200'000	15,0%	0,39	0,09
Japan	547	280	0	2'422	38'867'623	16'048	127'288'416	9,0%	11'455'957	28	6'800'000	3,0%	0,30	0,17
Korea, South	18	16	0	130	6'313'446	48'565	48'379'392	5,0%	2'418'970	35	7'800'000	10,0%	0,12	0,08
New Zealand	25	10	0	93	1'409'200	15'153	4'173'460	7,0%	292'142	#N/A	2'458'000	36,0%	0,22	0,21
Norway	213	40	0	667	6'140'000	9'205	4'644'457	25,0%	1'161'114	46	4'300'000	8,0%	1,22	0,11
Poland	72	11	0	832	4'000'000	4'808	38'500'696	6,0%	2'310'042	19	11'900'000	10,0%	0,09	0,03

[13] The number of ski areas includes some very small ones, for instance in France, only 233 areas have more than 4 lifts and concentrate most of the activity
[14] Average 5 last seasons or estimate
[15] Based on arrivals of international tourists (WTO)
[16] Ratio of the domestic skier visits divided by the population.
[17] Ratio of the skier visits of foreign visitors divided by the total number of foreign visitors.

Country	Number of ski areas[13]	Number of areas > 4 lifts	Number of major resorts (>1 mio SV)	Number of lifts	Skier visits[14] (SV)	SV/lift	Population	Participation rate nationals (in % population)	Number of skiers (nationals)	Ranking in word tourism[15]	Arrivals of international tourists	Proportion foreign skiers	SV per inhabitants[16]	SV per foreign visitors[17]
Romania	44	5	0	141	1'200'000	8'511	22'246'862	3,0%	667'406	#N/A	1'272'000	5,0%	0,05	0,05
Russia	170	31	0	414	3'000'000	7'246	140'702'096	2,5%	3'517'552	13	19'400'000	2,0%	0,02	0,00
Slovakia	91	47	0	489	3'900'000	7'975	5'455'407	18,0%	981'973	#N/A	1'298'000	25,0%	0,54	0,75
Slovenia	44	24	0	217	1'487'740	6'856	2'007'711	15,0%	301'157	#N/A	1'668'000	17,0%	0,62	0,15
South Africa	1	0	0	4	25'000	6'250	48'782'756	0,2%	97'566	24	7'000'000	0,0%	0,00	0,00
Spain	34	30	1	360	6'351'564	17'643	40'491'052	5,0%	2'024'553	3	52'200'000	10,0%	0,14	0,01
Sweden	228	69	1	820	8'120'000	9'902	9'045'389	20,0%	1'809'078	38	4'900'000	8,0%	0,83	0,13
Switzerland	240	102	7	1'774	27'550'800	15'530	7'581'520	37,0%	2'805'162	27	8'300'000	50,0%	1,82	1,66
Turkey	16	6	0	68	750'000	11'029	71'892'808	1,0%	718'928	8	25'500'000	15,0%	0,01	0,00
Ukraine	41	8	0	98	800'000	8'163	45'994'288	2,0%	919'886	7	20'700'000	5,0%	0,02	0,00
United States	481	354	7	2'970	58'201'000	19'596	303'824'640	4,3%	13'064'460	2	54'900'000	5,6%	0,18	0,06

General benchmarking

United States, Japan and France have the most **ski resorts**, with more than 200 each. If Germany also shows a very important number of ski areas, most of them are very small ones that are not considered as ski resorts under the definition used in this report. Only Austria and France account more than 10 resorts with an attendance over 1 million skier visits per season.

France, Austria and United States top the list of the countries with the most **lifts**, with about 3'000 each. With more than 50 millions, they are also the countries showing the highest figures of total **skier visits,** United States ranking first on a 5 years average. However, France and Austria demonstrate a close competition and these 3 countries may soon be near to the same level.

The introduction of the data of South Korea in the benchmarking table make appear a record breaking figure as far as **skier visits produced per lifts** is concerned, with 48'565 skier visits generated per lift in the season. The number of skier visits per lift is also higher in Canada, than in the other countries, showing the difference in the business model from Europe, where a big emphasis is placed on the lift mechanics and sophisticated infrastructure. The only European exception to produce more than 20'000 skier visits per lift is Andorra.

With more than 1'300 million inhabitants, the biggest **national market** of the sample is, far from any other, China. However, at this stage, the size of the ski industry is not in proportion. India, which also reaches over the billion inhabitants figure, still has a very low account of skiers. United States is the biggest mature market, with a population over 300 million inhabitants.

Austrian, Swiss and Norwegians are the populations with the highest **rate of participants**, reaching 25% of skiers and over. As they benefit from larger headcounts, United States, Germany and France account however the highest **number of national skiers**, with around 12 million each.

France, United States and Spain are the **most visited countries by foreign visitors**, but it is only in France that they noticeably benefit to the ski resorts. Most of them however do not come for the purpose of skiing. For the 2 other countries, the foreign visitors only marginally contribute to the attendance at ski resorts.

In nearly all countries, the main part of the attendance consists of national skiers. There are only 3 countries worldwide where attendance is mostly or evenly represented by the **international custom-**

ers. In Andorra, Austria and Switzerland, they represent between 95% and 50% of the skier visits. Besides showing a record proportion of foreign skier visits, these countries also show a ratio of **skier visits per inhabitant and per foreign visitor** at the highest of the sample, with respectively more than 1.3 and 1.0 visit, clearly showing the importance of the winter tourism.

Among the 7 major markets, Austria and France are the only countries that still experience a continuous significant growth in attendance, which is also reflected in the evolution of the turnover. The other major participants are at a mature stage and, like Switzerland, only show a limited variation in the revenues.

Alps

Austria

Austria is experiencing a continuous growth of the skier visits over the years. With an average yearly increase of 2.25% since beginning of the century, the country is close to reaching the level of France. In 2009/10, the Austrian resorts experienced however a decrease in attendance, with 53.5 millions skier visits compared to 56.9 former season.

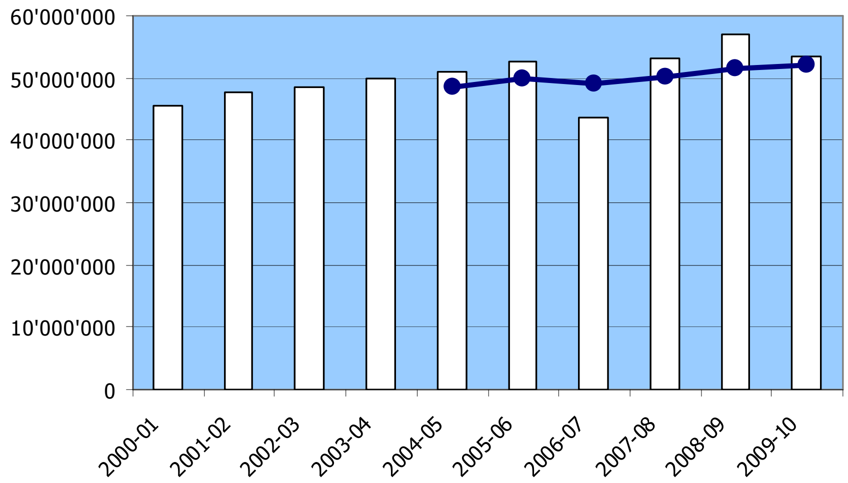


Figure 5 : Austria, evolution of skier visits

The Austrian operators have been massively investing over the last years, showing the most updated lift infrastructure of the industry. To some extend, or measured to other countries standards, the infrastructure in some places even tend to be luxurious, with equipments such as detachable 8 chairlifts with heating seats, bubbles and underground parking. By the way, the economic sustainability of such a high level of investment is still difficult to demonstrate, when more than 50% of revenues have been reinvested for several consecutive years.

For the observer, there is quite a high level of individuality in ski resorts and the business model of the alpine villages shows some particularities. Austria is the European country with the largest accommodation offer in hotels. As most of these hotels are family-owned[18], they still have a very conservative approach to marketing, but benefit

[18] The same families also often own interests in the lift companies

from loyal returning customers. This seems to be successful with both the nationals and the important German customer base. In fact, the country is a big importer of skiers, most of its skier visits being made by foreign tourists. Another traditional customer base is coming through the British tour operators.

A couple of Austrian resorts have a very strong market positioning. Some, although not all connected, have joint marketing efforts, showing an example of a new dynamic. Despite it is not possible to ski from each resort to the others, the benefits of using this common brand have appeared, as for instance, it allows a higher pricing.

Austria is also the only country where the schools are still going on ski weeks on a systematic basis. This may be a secret of the steady growth in attendance.

France

Although France is the first destination in terms of arrivals in world tourism, the ski industry still lives more with the domestic market. Part of the big French resorts has been created from scratch in the 1960's and 1970's, initially as integrated operations. They were dismantled in the 1980's and distributed among numerous operators, giving birth to the Compagnie des Alpes, world's largest ski resorts operator. France is the only European country with such a major operator, which runs a good portion of the big resorts. Besides, there are also some other smaller operators managing the lifts of several ski areas. In France, ski lifts are still considered as a public service and part of the operators are owned or even directly managed by municipalities.

Another particularity of the French resorts, and especially in the purpose-built big resorts, is the extremely high proportion of apartment housing. Hotels are quite rare and most of the customers are spending their ski week in what is called "Résidences de tourisme", which are to some extend the French equivalent of the North American condos, with much less surface per guest and a level of comfort still based on the standards of the 1970's in many occurrences.

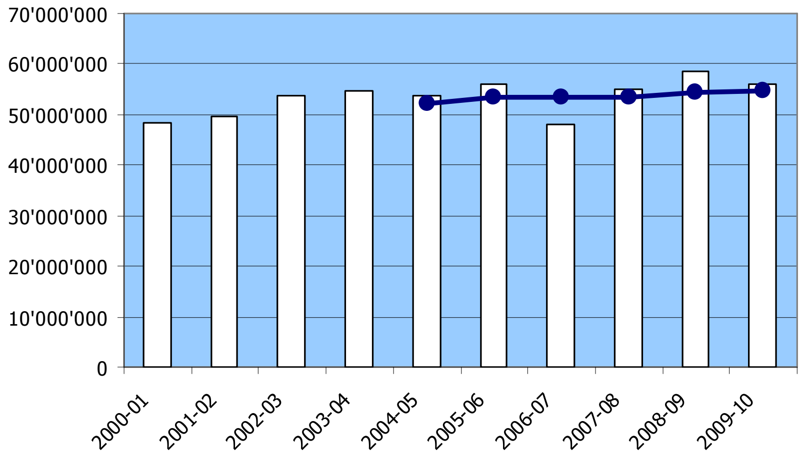


Figure 6 : France, evolution of skier visits

France is the second country still showing a perceivable trend towards growth on the long range, among the major players, even if it experienced a decline in attendance during the 2009/10 season.

French ski areas totalled 56.1 million skier visits, downwards from 4.2% compared to former season, which was considered as an excellent one (58.6 million skier visits).

Beginning of season was difficult, as Christmas and New Year's holidays have been some time rainy up to high altitudes. Sunny week ends have been rare. Wind and cold temperatures did not encourage people go skiing. Thus, the major reason for decrease in skier visits is considered to be the poor weather conditions, and not the economic crisis.

Italy

Although most of the ski resorts are concentrated in the northern regions of Piemonte, Valle d'Aosta, Lombardia, Tretino, Alto Adige (Südtirol) and Veneto, there are minor ski resorts nearly on all Italian territory, including the islands of Sicilia and Sardegna. The Italian ski industry is close to the Austrian model in the South Tirol and Eastern part, and shares some issues as the French resorts in its Western part. Some players are very dynamic, like the area "Dolomiti Superski" and offer a high level of infrastructure and state of the art lifts and snowmaking facilities under a common branding. This packaging is however in fact formed of a multitude of small operators. The evolution of some other areas has been slower, contributing to the decline in attendance.

The Italian industry is quite fragmented, with no major operator. It mostly relies on domestic customers and presents the lowest rate of foreign participants of the alpine countries.

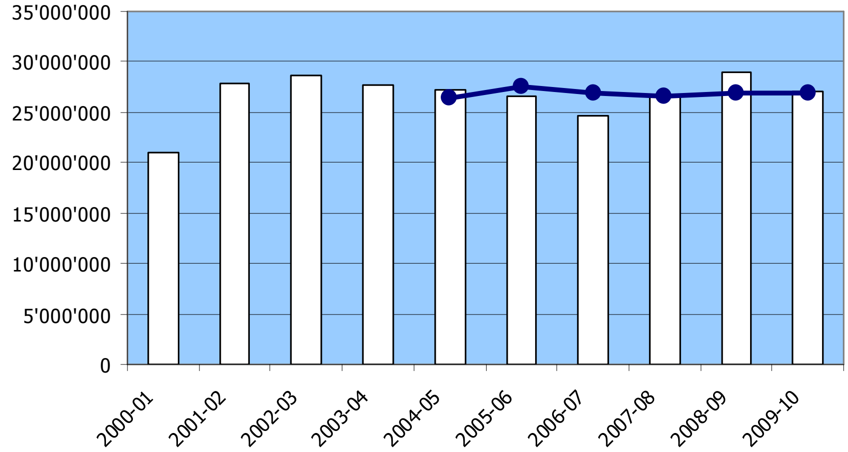


Figure 7 : Italy, evolution of the skier visits

Although Italian operators have been investing quite heavily over the last decade, the attendance rather looks flat on the long range. From 2002 up to 2009, 20% of the lifts have been removed and a further 20% have been renewed, totalling 445 new lifts.

Switzerland

Switzerland has been for some times in the last century the most famous ski destination in the world, with some places winning a still lasting recognition. The country was also once the leader in terms of lift infrastructure. However, the industry lost part of its glance in the 1980's. Too fragmented operators, disputing on the same mountains, led several companies to poor financial conditions. The investments have thus been slowed down for a while and Switzerland lost part of its attraction for foreign tourists. This was not helped by the legendary but no longer true expensive reputation. It should nevertheless be pointed out that for the last two years, the currency of the Swiss Franc against the Euro was not favourable and led to a revival of this old expensive reputation.

Besides, the ski industry is facing the issue of the demographics of the national client base. The skier visits figures present a small decline at the beginning of the decade, then a flat tendency over the last years, punctuated by downturns due to adverse meteorological conditions. It results in fact in a long range declining trend.

The 2009/10 season showed a decrease in skier visits of 7.0% comparing with the former one, which was considered as very good. Attendance declined at 27.3 million skier visits, from the 29.3 million figure of 2008/09. The figure was also 1.7% under the five years average.

The cantons of Valais and Graubünden have the greatest market share, with respectively 9.3 and 7.7 million skier visits during the last season. They are followed by the canton of Bern, third major actor of the Swiss market, reaching 4.3 million skier visits. In fact, it is primarily the medium altitude resorts which experienced the most marked declines. The cantons of Vaud and Sankt-Gallen are more sensitive to weather conditions, upwards former season or downwards in 2009/10. The high-altitude resorts generally benefit from the unfavourable snow conditions in lower altitudes with some customers transfers.

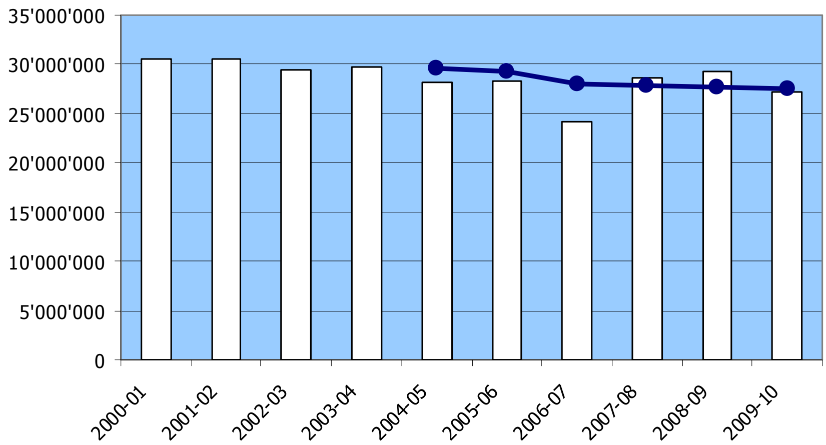


Figure 8 : Switzerland, evolution of skier visits

The evolution for the future is still unclear and is a concern for the operators. For the time being, the Swiss operators have not taken strong action to anticipate the impact of the change in the demographics of their clients. Some campaigns have been launched over the last winters, to get citizen of major cities acquainted with the pleasure of skiing. Some ideas are being explored but customer knowledge still needs to be improved to develop successful CRM programs.

Further improvements to client experience also go through the modernisation of part of the aging hotel infrastructure, which offers very unequal quality depending on the destinations. The increase in the non-ski offer will also help the Swiss alpine resorts to be more attractive to a larger customer base both in winter and in summer.

Western Europe[19]

Andorra

With 62 peaks over 2'000 meters on the 468 square kilometres of its territory, the Principality is located in the highest part of the Pyrenees and has the largest skiing area in the Pyrenees. The resorts are located at altitudes between 1'550 and 2'640 meters. Due to the southern location, climate is milder and sunnier than in the other European ski regions. Even if more sensitive, snow conditions are good, supported with much snowmaking equipment.

As the Andorran population is very limited, national customer base is insignificant. Most of the skiers are foreign visitors. The resorts are close to big cities from neighbouring Spain and France, but also attract other international visitors, such as British skiers. They offer many hotels for all tastes and budgets. The resorts are also appreciated for nightlife and shopping.

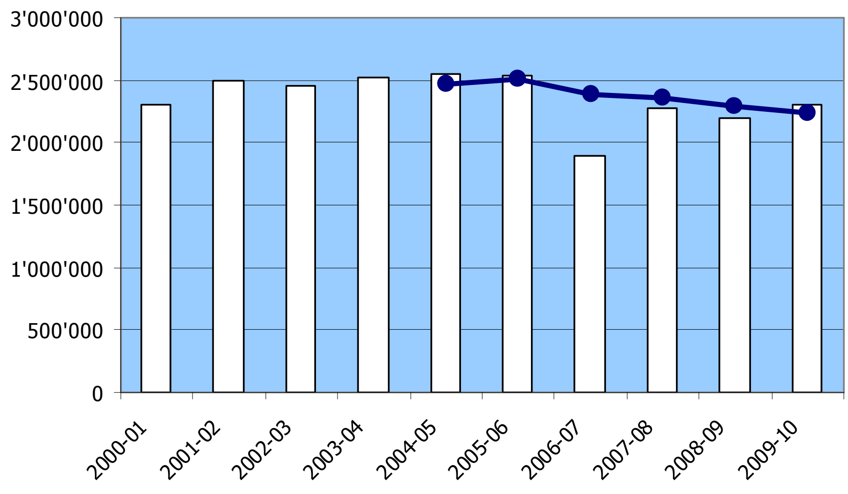


Figure 9: Andorra, evolution of skier visits

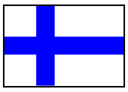
Due to the huge part of international visitors in the attendance of its ski resorts, Andorra is the only destination in Europe that experienced a decrease in skier visits after the 2008 crisis. Even if some

[19] Although geographically part of Western Europe, the Alpine countries have been treated as a separate group, due to their major importance in terms of market share.

recovery was experienced in 2009/10, the long range tendency remains declining yet.

Despite modern infrastructure, good snowmaking facilities, and large resorts competing with the Alps, part of the skiers does not consider the Andorran resorts as attractive as the Alpines ones, as their configuration differs slightly. Villages are extensively connected, over wide areas, but the vertical drop is lower than in the big alpine resorts.

Le Pas de la Casa-Grau Roig and Soldeu-El Tarter form Grandvalira ski area. Grandvalira personalizes the birth of the largest ski area in the Pyrenees. With its 67 lifts, 110 trails totalling 193 kilometres, it has entered the exclusive club of the top 50 largest resorts in the world (yearly attendance of over one million skier visits).



Finland

The coastal plains and the South-East of Finland are flat and the highest point of the country is Mount Halti (1’328 meters) on the Finnish-Norwegian border. Despite its few mountains, Finland accounts about 80 ski areas in the North and Lapland (22), the South (26) and in the middle of the country (31).

The longest ski trail is in Lapland (3’000 meters) but the average length of a ski run in Finland is between 600 and 800 metres. The Finnish ski passes are among the cheapest in Western Europe.

Skiing has been practiced in Scandinavia for several thousand years and it is said that the Viking already used skis as a means of transportation. If the existence of skiing is very ancient, its practice as a sport is more recent. It was developed after 1850, when the first races were held (mainly in Norway), and the Finnish Ski Federation was founded in 1908.

With a very low proportion of foreign skiers, the progression of skier visits in Finland is quite slow. With a decrease in skier visits of 10.0% in 2009/10 compared to former season, it even now tends to flatten on the long range.

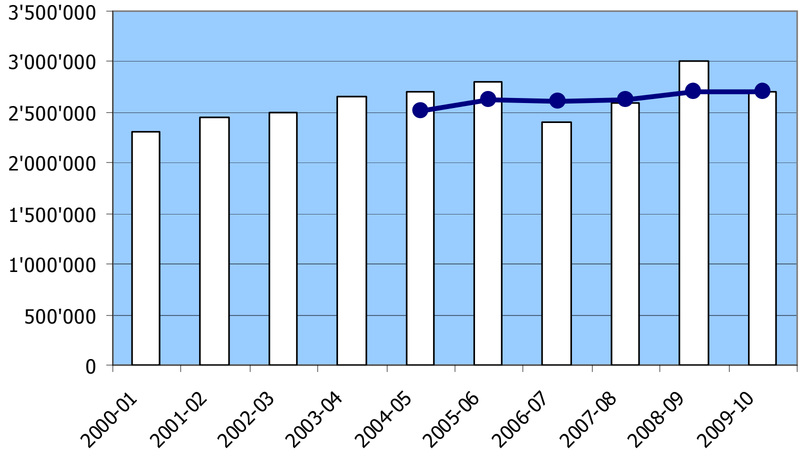


Figure 10 : Finland, evolution of skier visits

The main ski resorts of Finland are Levi, Ylläs and Rukas. They target mainly families, recreational skiers and people interested in the many adventure activities they offer (excursions etc.). Levi is the fastest developing ski resort in Finland. It is situated in the North of the country. It has two cable cars, one chair lift and 25 tow lifts with a total capacity of 27'900 persons per hour. Levi offers 230 kilometres of trails and 10% of them are lit for night skiing. From time to time, the resort hosts Alpine Ski World Cup races. The Ylläs area consists of seven mounts and two original Lappish villages. At 718 meters, Ylläs Mount itself is one of the highest in Finnish Lapland. The Ylläs ski resort has 29 ski lifts, 61 trails, a Super-G-slope and the longest run in Finland (3 kilometres, 465 meters vertical drop). The winter season lasts from October to May.

Germany

There are over 500 ski areas in Germany (but nearly half of them have only one lift) to satisfy the largest population of skiers in Europe: more than 12 million. The country's main resorts are located along the southern border of the Black Forest and in the Bavarian Alps, bordering Switzerland and Austria. The German Alps, the Harz Mountains, Black Forest, Bavarian Forest, and the Thuringian Forest are middle range mountains, reaching up to 1'500 meters. They present thus often altitudes lower than the Austrian or Swiss resorts. Therefore, they have invested heavily in snowmaking facilities. Despite these equipments may mitigate the meteorological risks, the attendance at German ski resorts is rather sensitive to the snow conditions. Nevertheless, visitors' figures show a long range trend towards growth.

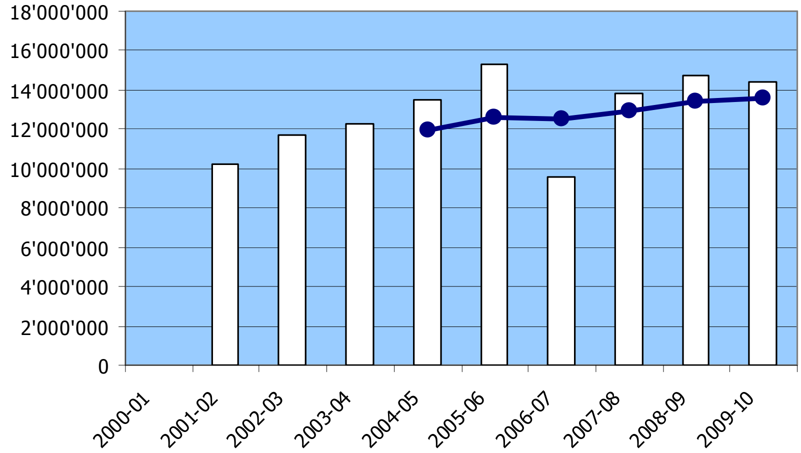
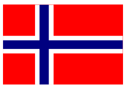


Figure 11: Germany, evolution of the skier visits

The major catchments areas of German skiers are Munich, Stuttgart and regions further north. However, the Germans are big consumers of ski abroad, being for instance the most important foreign customers for the Austrian resorts.

Garmisch-Partenkirchen is the undisputed capital of the German winter sports. Renowned for its traditional competition in ski jumping for the New Year, olympic city, Garmisch is today a cosmopolitan place. Its ski area extends to the borders of Austria, and includes over 60 kilometres of trails. The Zugspitze is the highest ski lift in Germany, topping at 2'830 meters. But skiing in Germany is not limited to Garmisch. In Western länder, there are for instance Oberstdorf, Balderschwang and Oberammergau in the Bavarian Alps or Reit im Winkl, Oberaudorf and Berchtesgaden in the East.



Norway

Much of the country is dominated by mountainous or high terrain, with 26 mountains higher than 2'300 meters. The highest peak reaches 2'469 meters. Skiing has been practiced in Norway for over 4'000 years and modern skiing was invented in this country. Initially, skis were solely a means of transportation, but skiing soon became a recreational activity. Morgedal, the birthplace of Sondre Norheim, the skiing pioneer and developer of the telemark, is called the cradle of skiing and was chosen on three occasions for lighting the Olympic Flame for the Winter Games. Norway has 213 ski resorts with a total of 667 ski lifts, with an attendance which seems to be on a growing trend.

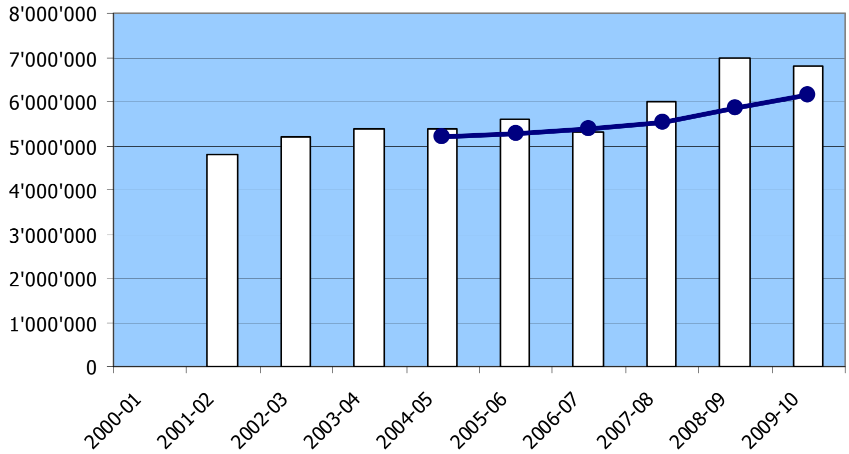


Figure 12 : Norway, evolution of skier visits

Norway is an ideal holiday destination for families, thanks to its excellent childcare facilities. Children under the age of seven can ski for free, provided they are wearing a helmet. The ski season begins very early and last from November until Easter. Norwegian ski resorts benefit from good snow conditions and are not as overrun as elsewhere so that ski lift queues are rare. The two largest ski resorts – Trysil and Hemsedal – even offer their guests a guarantee for snow: If the guaranteed ski trails are not available for an extended period of time, the resorts refund their guests the money for their hotel, the ski school, the ski rental and the ski pass.

In the far North, there are no big resorts, but there is a large variety of ski areas with cosy holiday cottages that are often rented by private owners. Many holiday homes and hotels are very close to the ski lifts. Norway also has many snowboard parks and over 30'000 kilometres of cross country skiing trails. 2'500 of them are lit, as night falls very early in Norway.

Geilo is the oldest ski resort of Norway and has since become a modern resort with a good infrastructure, excellent ski tracks, snowboard parks, mountain restaurants, hotels and spas. It has 6 chair lifts, 14 T-bar-lifts and 4 children's lifts with a total capacity of 22'000 persons per hour, all situated between 800 and 1'178 metres above sea level.

Hafjell is the third largest Alpine ski area of Norway, well-known thanks to the 1994 Olympic Winter Games. It has 6 ski lifts, 3 chair lifts, over 25 kilometres of well maintained ski tracks and 320 kilometres of cross country skiing trails. Hafjell is a very modern and sunny ski resort.

Hemsedal, in the "Scandinavian Alps", is only a 3 hours drive from Oslo. The peak of the resort is at 1'450 meters above sea level. Hemsedal offers 30 downhill tracks totalling 43 kilometres, 11 ski lifts, 5 chair lifts. There are two mogul rails and two ski tracks are lit for night skiing.

Spain

Despite the images of beaches commonly associated with Spain, the country ranks well in the mountainous regions of Europe (with a mean altitude of 650 meters above sea level, the country is even the fifth most mountainous in Europe). It has a centuries-old tradition of skiing, with 34 ski resorts located throughout the territory, up to the Tenerife Island at Teide, the southernmost ski area of Europe. Spaniards, like many Europeans, love winter sports. Families are leaving for skiing or snowboarding weekends and many people own second homes in the Pyrenees. Even King Juan Carlos spends several days a year under the spotlight at ski resorts. In most resorts, 90% or more of the attendance is made of national skiers.

Except for some seasons with bad snow and weather conditions, attendance in the Spanish ski resorts was on a slightly growing trend, before flattening last season. However, growth may come back, as the resorts have been extending their infrastructure. For instance, the number of lifts has been growing from 228 in 2003 to 360 nowadays.

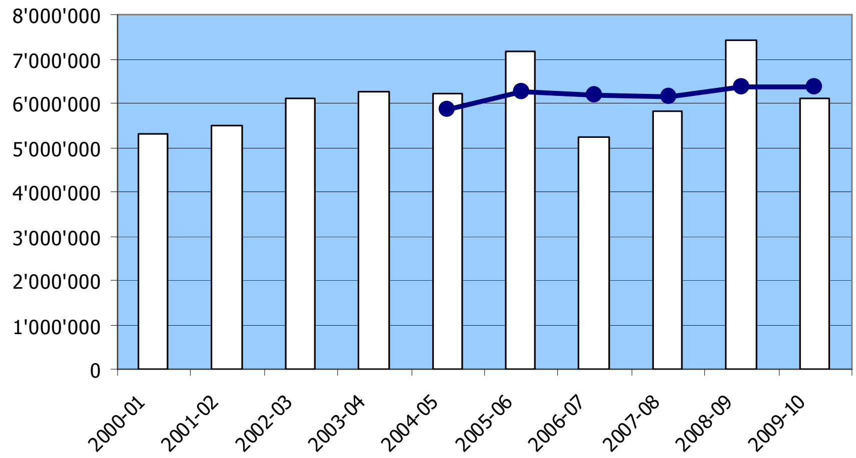


Figure 13: Spain, evolution of skier visits

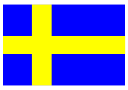
The ski areas are well equipped and are suitable for skiers of all levels. The facilities are subject to continual improvements on the mountain: trails, infrastructure, machinery, access, accommodation and services. Annual investments, totalling millions of euros, have contributed to improve the resorts to the international standards, in a continuous observance of the environment and the natural sites. Some areas have been certified by the "Q" trademark of Spanish Tourism Quality. This label is granted to establishments which meet the quality standards required. The snow conditions are usually good; hours of sunshine are longer in winter than in the Alps. In addition, resorts offer a wide range of complementary activities to the visitors.

In the North, the Pyrenees form a natural barrier between France and Spain and have offered favourable conditions for the installation of many ski resorts. One of the famous one of the region, Baqueria Beret, is located in the Aran Valley. It was founded in 1964 and is today one of the biggest of Spain. Formigal resort is another international well-known resort in the Pyreneans.

Apart from the Pyrenees, which represent the most extensive ski region of Spain, the centre of the country, the Cordillera Central, offers 4 ski resorts in the outskirts of Madrid, Salamanca and Segovia.

But Andalusia shall not be forgotten. It features the biggest resort of Spain, Sierra Nevada (which entered last season in the rank of the top 50 biggest resorts of the world). Located in the second highest mountain chain in Europe, it is the southernmost resort of continental Europe, with over fourteen peaks reaching over 3'000 meters. Skiing up to an altitude of 3'400 meters, an hour's drive from the

Mediterranean presents an exotic experience, as there are very few places where you can swim or surf in the sea in the morning and ski or snowboard in the afternoon. With over 65 kilometres of ski slopes and snow about 5 months per year, Sierra Nevada offers all the practice of winter sports, beginners and experts alike. It is also possible to ski at night during some weekends or holiday periods. The resort offer many evening activities such as bars, restaurants, discotheques.



Sweden

Sweden has 228 resorts with a total of 820 ski lifts, most of them in the North, but skiing is also possible and popular in the South of the country. The highest mountain is Kebnekaise with 2'100 meters. The Swedish winter is rather long, with a lot of snow. In the North, the season lasts until May. Sweden is a sought-after winter sport destination as there is a good guarantee of snow. In addition, cross country skiing is also very popular and the beautiful landscapes, lakes and forests offer a breathtaking panorama for skiing and relaxing.

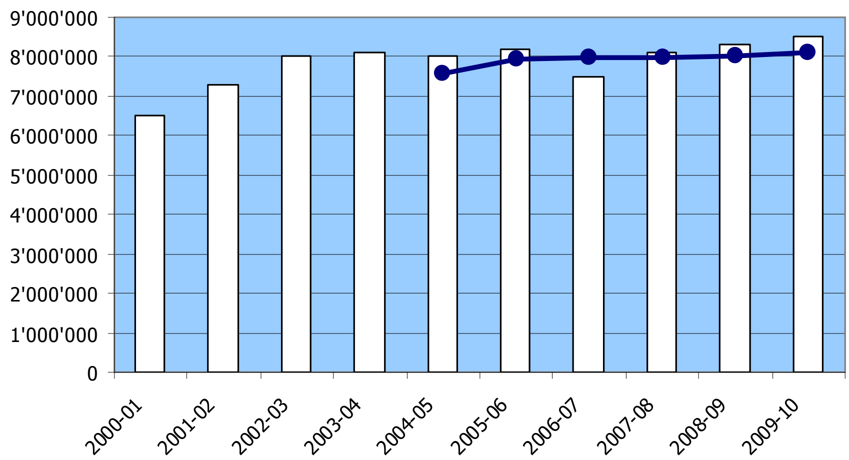


Figure 14 : Sweden, evolution of skier visits

With a record season in 2009/10, ski tourism is still on a growing trend. New investments have been made and in the next couple of years, hotel and accommodation capacities will even be extended. Despite the financial crisis, visitor numbers have increased in Swedish ski destinations over the last season. At the same time, the lower building cost encouraged many businesses to renovate. In addition, the low exchange rate of the Swedish krona had a positive effect on the tourism industry.

The climate change and its consequences for the Alpine countries are considered as an advantage for Sweden, as the ski tourism may shift to the colder northern Scandinavian countries.

The biggest and most modern ski resort in Sweden is Are, where the 2007 Alpine World Ski Championships were held. It has 41 ski lifts and 75 kilometres of ski trails. The second largest resort is Lindvallen, featuring 54 ski lifts and 54 kilometres of ski trails. Riksgfänsen is considered as the northernmost ski resort in the world. With its 6 ski lifts and 15 ski trails, it is famous for skiing under the midnight sun and for high speed snowboarding.

Eastern Europe and Central Asia

Armenia

Armenia is covered by mountains on about half of its surface. The largest part of the country reaches an altitude of more than 1'000 meters. Winters are cold, offering the perfect snow conditions for winter sports. Yet, the country has only one single ski resort, Tsakhkadzor, located 55 kilometres from the capital, Yerevan. It was by the time the training place for the Soviet Olympic team. A ski teaching centre was founded there in 1986, training athletes, including some participating in the Olympic Games. The first lifts system was installed in 1972, confirming the city as a ski resort. The ski area is located between 1'966 and 2'819 metres elevation, East of Mount Teghenis. In 2005, the Government has started a special programme to develop Tsakhkadzor into an international tourism centre. Since, the site grew quickly and feature each year new hotels and recreation facilities. New lifts of international standard were built between 2004 and 2008. Among them a three sections chairlift, offering new runs and growing the popularity of Tsakhkadzor as a genuine ski resort. The total hourly capacity of the lifts reaches 4'400 skiers. The ski area extends over 30 square kilometres and includes ten tracks, for a vertical of 853 meters. Most trails are accessible for beginners and excellent off-piste conditions are offered. Five modern groomers are planned for preparation of the trails. The season runs from late December to late March. A daily pass costs about EUR 20. In 2002, the highway leading to the resort has been improved to achieve world class quality and improve security. Besides being a ski area, the city of Tsakhkadzor is also a spa centre.

Bosnia & Herzegovina

In 1984, Sarajevo was the host city of the Winter Olympic Games. This is the evidence that skiing was already well introduced in Bosnia and Herzegovina at that time. However, the war of 1992 has left still visible traces in ski areas. It is only recently that major ski areas have begun being modernized, with the construction of new ski lifts or the renovation of old ones, and the renewal of their housing facilities. Thanks these infrastructure improvements, the attendance increased over the last years, carrying the hopes to see Bosnia and Herze-

govina find its place in the international contest of ski areas. However, most of the resorts do not have at this stage enough means to get equipped with snow-making facilities.

About 5% of the Bosnian population practice ski and the country features a total of 11 ski areas, but some are too small to be really fashionable. Most foreign visitors come from Serbia, Slovenia, Croatia or Montenegro. Jahorina, Bjelasnica and Igman, the major ski areas of Bosnia and Herzegovina, are located in the Sarajevo region. In addition to these popular places, Mount Vlasic, in the centre of the country, also hosts a ski resort. Towards the West, Kupres and Blidinje Natural Park are also two destinations for connoisseurs. All resorts of the country provide alternative activities to skiing as, for example, cross-country skiing and snowmobile tours. It is also possible to practice night skiing. A small detail, with however some implications for the visitors: it is not customary in Bosnia and Herzegovina to salt roads in the winter. Thus, access to ski areas can sometimes be difficult.

Jahorina, which welcomed some of the competitions during the 1984 Olympic Games, presents itself as one of the greatest skiing and tourism centre of the Balkans. Damaged during the war in the 1990s, the area has since been refurbished and new hotels have been built there. With its 20 kilometres of trails for skiers of all levels, its five chairlifts (three doubles and two 6-packs), its four drag lifts and babylift, the resort features a total hourly capacity of 11'900 skiers. It ranges between 1'300 and 1'880 metres above sea level. A wide choice of restaurants is offered to visitors and a selection of hotels, from pension to four stars. A daily pass amounts to less than EUR 15. It should be pointed out however, that the facilities are ageing and there are no snowmaking facilities. Track grooming may be poor and the trails are not always well marked. A large part of the mountain was proclaimed national park to preserve the natural beauty of the region.

Neighbouring resort, Bjelasnica-Igman, was also a former Olympic competition site. It completes its six trails of various levels, 11 kilometres long, with two ski jumping facilities. Compared to Jahorina, this ski area has fewer tracks, but they enjoy better maintenance. The uphill facilities include 6 lifts, mostly drag-lifts, plus a chair-lift for a total capacity of more than 6'000 skiers per hour. Numbers of investments have been made in the resort in recent years. It is now equipped with a snowmaking system. Moreover, the area has recently built hotels, although the selection of restaurants is still limited, however sufficient for the basic needs of the resort. The price of a day pass is roughly equivalent to these at Jahorina.

Vlasic offers 14 kilometres of trails, of easy and medium levels, rather intended for novice skiers. It has 6 ski lifts with a total uphill capacity of 4'600 skiers per hour. The trails are relatively poorly groomed. Moreover, some facilities which hosted 1984 Olympics competitions have been damaged by the war and were not rebuilt. However, the resort belongs to a private owner who is investing to improve service of the entire area. This modernization aims at gaining the title of second best ski area of the country with regard to popularity and attendance. Several new or renovated hotels offer rooms, which can also be found at some private accommodations (cottages or pensions).

The small city of Kupres' resort features 4 runs with a total length of 13 kilometres, 2 chairlifts and 3 ski lifts with a total capacity of 8'100 skiers per hour. The area is especially suited for beginners, even if the area has 2'000 beds. Risovac, located in the national park of Blidinje, also offers a chairlift and 2 ski lifts with a total hourly capacity of 2'960 skiers. It has 4.5 kilometres of ski runs and a certified FIS slalom run. The resort offers 700 beds.

A study of the Foreign Investment Promotion Agency of Bosnia and Herzegovina (IFAP) dating from the year 2009 shows that only a fraction of the potential for winter tourism is currently used in the country. The document proposes different investments to improve infrastructure in the Bosnian Mountains, which still lack of lifts, housing and good maintenance of the ski trails.

Bulgaria

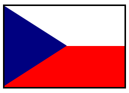
Bulgaria is the highest country of the Balkan region, with an average altitude of over 450 metres above sea level. Bulgaria has 8 mountain chains ranging over 2'000 metres that cover one third of the country's territory. Bulgaria has 94 ski lifts spread over 32 ski areas. Seven of these offer more than four ski lifts each.

The strong development of ski sport in Bulgaria in the past few years is mainly due to the high investments made in the mountain resorts and its bid to host the Winter Olympics (despite several attempts, the candidacy was however never retained). In addition, the quality of the services and activities offered was also improved. One of the main assets of Bulgarian ski resorts is their excellent price/quality ratio which is lower compared to the Alps and attracts some international visitors.

Despite the lack of official figures, the attendance at ski resorts is estimated to be at a level of about 600'000 skier visits per year.

The country's most internationally famous ski resorts are Bansko, Borovets and Pamporovo. The Bansko ski resort is said to be the most modern resort of Eastern Europe. Investments of EUR 100 million were made to upgrade the ski lifts and the ski slopes, which enabled Bansko to gain international recognition by organizing Ski World Cup races. Bansko has over 65 kilometres of ski slopes and 14 ski lifts with a capacity of 23'100 persons per hour.

Borovets ski resort claims to be the leader of the Bulgarian ski market and announces the biggest ski area of Eastern Europe. Its target publics are families, couples and groups. Borovets has 18 ski lifts with a total capacity of 16'750 persons per hour. Pamporovo, the sunniest of the Bulgarian mountain resorts, nests in the heart of the Rhodopes mountains at 1'650 metres above sea level. It is the perfect resort for beginners and it claims one of the best ski schools in Eastern Europe. Pamporovo has 14 ski lifts with a total capacity of 15'000 persons per hour.



Czech Republic

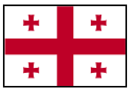
The highest summit in the Czech Republic is the 1'602 meters high Sněžka. Despite lower mountains than it the Alpine countries, there is a large number of ski resorts in the Czech Republic (about 170 ski resorts with a total of almost 820 ski lifts), all of them between 900 and 1'300 meters above sea level. Most of these resorts are easily accessible from Germany or from the country's capital, Prague. Snowmaking makes skiing possible during the entire season, mitigating the climate risks. According to the few statistics available, the country totals about 3 million skier visits per season.

With 25 lifts, the resort of Rokytnice Nad Jizerou is the largest one. Its target public are skiers of all levels, even though it has predominantly blue (easy) slopes. The resort is split into two sub resorts (Horni Domky and Studenov), and has a total of 22.4 kilometres of ski trails. Rokytnice Nad Jizerou is situated in the North of the country, in the Giant Mountains (Krkonoše) and belongs to "skiregion.cz", the largest ski area in the country.

Spindleruv Mlyn is another large resort. Like Rokytnice, it is split in several sub resorts (Svaty Petr, Hromovka, Medvědín, Horni Mísečky). Hromovka has the second longest night skiing trail (1'500 meters) of the country. In case of lack of natural snowfalls, snow-making can be used on 85% of the ski area. Svaty Petr hosts Alpine Ski World Cup races, acrobatic ski events and snowboard races. The resort has 16 ski lifts, 25 kilometres of ski trails, 6 of which are black (difficult) trails. Another resort welcoming many events is Horni Misecky.

A well-known Czech ski resort is Pec pod Sněžkou, situated on the National Park territory of the Giant Mountains. It has ten ski lifts and a dozen ski trails (10.4 kilometres). The resort is located at the base of the highest mountain of the country, the Mount Sněžka. The first lift was built there in the 1940's. In 2009, a project to renovate the old chairlift (still in service) between the resort and the ski area was started. Unfortunately, the project is now on stand-by as the chairlift goes through the National Park. Pec pod Sněžkou offers approximately 8'500 beds. The season lasts from mid December to mid April.

Another popular resort is Malá Moravka-Karlov, in Moravia near Mount Praděd, in the North-East of the country. Because of its low altitude however (maximum 940 meters), it regularly lacks of snow and is therefore not very attractive for experienced skiers. The ski trails are aligned one next to the other and the vertical drop is limited to 150 metres. The resort has 19 ski lifts and 14 ski trails (7 kilometres), 5 of which are blue (easy). The most popular ski resorts do not have the infrastructure to manage the flow of skiers and on busy days, the waiting time can be up to 20 minutes on each lift.



Georgia

Georgia is located on the historic and geographic threshold between Europe and Asia, between the Black Sea and the Caspian Sea. Mountains are covering a large part of the country, with Great Caucasus Mountains in the North and Lesser Caucasus Mountains in the South. Some reach impressive altitudes, with the Mount Shkhara, located at the border with Russia, culminating at 5'201 meters above sea level.

Georgia used to be one of the popular winter sports places of former Soviet Union. Winter tourism already developed there in the 1970's. With the huge mountains, there are plenty of opportunities for mountaineering and numerous spots for heli-skiing. Georgia unsuccessfully bid for the 2014 winter Olympics. It however attracts tourists coming from the neighbouring countries, but also from USA, Germany, Israel and Turkey.

Georgia counts 2 resorts equipped with lifts and also offering heli-skiing: Gudauri is located on the Greater Caucasus chain, at 120 kilometres distance from Tbilisi, capital of Georgia. Gudauri has guaranteed snow cover from November to May. The average height of snow that covers of the slops is about 1.5 meter. The resort reaches an altitude up to 3'007 meters, at summit of Mount Kudebi. The area benefits from nice weather conditions, despite its quite high situation in the mountains. For the time being, accommodation is limited to a few, rather simple hotels. The slopes are equipped with 5 chairlifts, which have been recently replaced or overhauled. Gudauri's slopes are unmatched in the entire Caucasus. It provides ample opportunity for off-piste skiing. Ski mountaineering and heli-skiing are also very popular in Gudauri.

Bakuriani, the second resort, is situated on the Didveli slopes of the Minor Caucasian Mountains, in the Southeastern part of Georgia, at an altitude of 1'800 meters. The highest skiable mountain of the resort is Mount Kohta, culminating at around 2'200 meters above sea level. The resort lies 30 kilometres from Borjomi and is located within the so-called Bakuriani Depression. It is connected with Borjomi by an electrified narrow gauge railway line. Bakuriani provides downhill and cross-country skiing areas for skiers of all abilities. The resort offers accommodation facilities limited from 3 star hotels to small private hotels and guesthouses. It proposes 12 ski tracks of different difficulty. There has been a recent addition of new gondola and chairlifts. The resort is family oriented, with a four seasons offering. The wood-covered mountains, the mineral water springs, the routes towards spectacular natural or cultural monuments of the Borjomi Valley are appreciated for vacations. The Olympic Committee of Georgia has nominated the town of Borjomi (along with its main winter resort Bakuriani) as a candidate for hosting the 2018 Olympic Games.

New resorts are also projected. One is planned at Goderdzi Pass. The Georgian Department of Tourism has been contracting a foreign company in order to develop a new ski resort in the high mountains of Adjara. The resort will accommodate about 12'000 tourists. The resort is unique according to its location, at 2'500 meters above sea level and 90 kilometres distance from Batumi. It is expected to open by year 2012. Another project is located in the remote high-mountain town of Mestia, where officials hope to set up a year-round tourist destination, with an initial budget of USD 145 million. A further resort seems to be underway about 15 minutes outside of Tbilisi.

Hungary

Despite only 2% of the Hungarian territory is situated over 400 meters above sea level, a number of small ski areas have been developed. A mountainous region stretching over 400 kilometres is situated in the northern part of the country next do the Slovak border. It comprises Mount Bakony, Mount Vertes and Mount Kekes (1'014 meters), the highest peak of the country located in the Matra Mountains.

Skiing is becoming popular in Hungary: about 500'000 of the 10 million Hungarians ski. However, more than 90% of them travel abroad for winter sports, as the Hungarian mountains are not high enough, the ski lifts are quite old and the snow coverage is insufficient. Thus, skier visits in the country are only estimated to a half million.

There are 34 ski areas with a total of 70 ski lifts in Hungary. Only 5 resorts have more than 4 ski lifts each. The most important ones are Bánkút – Bükk, Mátraszentistván, Visegrád Nagyvillám and Eplény. Bánkút – Bükk is one of the most popular ski resorts in Hungary. Its summit elevation is 930 metres above sea level. The 8 ski lifts have a capacity of 2'000 persons per hour. Dobogókő, the smallest Hungarian ski area, with only two ski trails of about 180 metres each, is very popular with beginners.

Poland

Despite ski has already been practiced for a while in the country, until recently, Poland has not been a very popular winter ski destination for international tourists. The opening of the Polish air space to low cost airlines and the development of the highway system gave a big boost to tourism in Poland. The relatively low prices and the untouched nature are other factors that helped make Poland popular for tourists.

The country now offers 72 resorts with 832 ski lifts and guaranteed snow on at least 100 days during the season. The biggest ski centre is Szklarska Poręba in the Giant Mountains. It has 18 kilometres of ski tracks with different ratings and also many cross country skiing trails. The hotels are currently being upgraded to modern standards, with a particular focus on 4-star wellness hotels. To keep up with the competition, the infrastructure and ski trails are continuously being modernised.

The Kasprowy Wierch region offers very good conditions for winter sports. The ski season usually lasts until early May. Another ski resort is Gubalowka at 1'122 meters above sea level. It has 3 kilometres of ski trails, two chair lifts and a gondola. The hills of Gubalowka and Magura Witowska are ideal for ski trekking. There are 14 ski lifts in Bukowina Tatrzanska und Bialka, the neighbouring towns of Zakopane. Bialka is located 910 meters above sea level and has 16 kilometres of ski trails in total. Czarna Góra is in the South of Poland, on the Slovakian border. The small resort at 1'205 meters above sea level has only one chair lift, 8 ski lifts and 9 kilometres of ski trails.

Romania

The Romanian Carpathians are the second largest mountain chain in Europe. The snow conditions are very good until the end of March or even April, without the temperatures being too cold. The ski resorts have improving infrastructures, the hotels are comfortable and offer interesting specials packages. Nevertheless, the bad shape of access roads may sometimes be an issue.

Romania is still a rather unknown and undiscovered winter holiday destination. It features 44 ski resorts with 141 ski lifts and there is snow between November and April. It is an attractive destination for foreign visitors, as the prices may be cheaper compared to European standards and some ski trails are lit for night skiing. However, the ski passes are not unanimously considered as cheap in regard of the limited slope infrastructures and poor grooming. The attendance at Romanian ski resorts is estimated to be around a yearly 1.2 million skier visits.

The main ski areas in Romania are Poiana Brasov, Sinaia, Busteni, Predeal, Azuga in the South-Eastern Carpathians, Paltinis in the Southern Carpathians and Borsa, Vatra Dornei, in the Eastern Carpathians.

The popular destination Poiana Brasov is only 13 kilometres from the medieval city Brasov. More restaurants, villas and pensions have been built there than anywhere else in the country. The region hosts every year several sporting events. It has 11 ski lifts, several snowmaking machines, cross-country skiing trails, ice rinks, swimming pools and also many bars, restaurant and discos.

Sinaia, with a maximum altitude of 2’000 meters above sea level, is located 125 kilometres from Bucharest. It is called the Pearl of the Carpathians because of its beautiful landscape. The mountain resort has 10 ski lifts that have recently been upgraded, with many cross-country skiing trails and also lots of restaurants, bars and discos. The highest city in Romania is Predeal at 1’000 meters above sea level, 145 kilometres from Bucharest. It is one of the main ski resorts of the country and has 7 ski lifts.

Russia

Russia accounts about 150 ski resorts, many with little infrastructure or lifts requiring some refurbishment. The main ski areas in the country are located in the Ural and the Caucasian Mountains. With the 2014 Winter Olympics in Sochi, development of ski resorts has become highly topical and seems to be a growing market with future potential. Of the 140 million inhabitants of Russia, only 2.5% are skiing. The market should thus expand through the increasing number of domestic skiers.

The Caucasus is a mountainous region including Mount Elbrus (5'600 metres) and one of the snowiest areas in the world. With winters longer than the rest of Europe and the opportunity to ski on glaciers and at high altitudes, it has the natural potential to compete with the Alps. However, the Caucasus is subject to cycles of violence (bombings, explosions, terrorist attacks, etc...). In order to bring the region to more peaceful status, the Government goal is to develop the tourist industry and attract investors. For instance, a project is being designed to build five resorts on the basis of a public private partnership, distributed among the various semi-autonomous Russian republics of the region. The largest of these planned resorts, Arkhyz, which is due to open in March 2012, will feature 270 kilometres of trails, spread among three villages.

The building of the Olympic complex is also a major step towards developing the industry in Russia. The site is being built on the shores of the Black Sea, in the Caucasus Mountains next to Sochi. This is a huge project between sea and mountains. Here, as in some other new resorts, everything is being built or rebuilt from scratch, because often, hotels and facilities date from the Soviet period. Despite the development potential is huge, the question remains whether the local political context and unrest could be an obstacle to tourism development. 70 kilometres from Sochi, the resort of Krasnya Polyana will be the main host site of the Olympics. It is spread over four different areas: Alpika Service, already opened since 1993, is the main area for off-piste. It lies between 540 and 2'238 meters above sea level, which offers a vertical drop of over 1'600 meters. Its five chairlifts are open all year round, as they are not only designed for skiing. Indeed, various ski and mountain biking competitions and several festivals are held in the place. The total length of ski trails is about 7 kilometres. In view of the Olympic Games, a renovation is underway. Laura, which real name is Gazprom (but everyone calls her Laura because of the name of the river running through it), opened for the 2008-09 season. It offers 8 tracks of all levels, including three equipped for night skiing, totalling 15 kilometres. 11 lifts (three gondolas, five chairlifts and three surface lifts) have already been built. The resort features a total capacity of 8'000 people. Gornia Karusel is a site built especially for the 2014 Olympics. In the near future, it will be expected to provide 10,000 beds, 36 tracks for a total length of 70 kilometres, with 28 lifts. An efficient snowmaking system is also built to guarantee that the problems recently encountered at the Vancouver Olympics will not reappear. By the way, it will also enable to extend the season further in spring. Rosa Khutor, currently under construction, will be Krasnya Polyana's area largest resort and the one that will host the alpine competition of the 2014 Olympics. The slopes feature trails of 18 to 48%, which fit all levels, from beginners to future Olympic champions. Eventually, Rosa Khutor will account 18 lifts (six cable cars, ten chairlifts and two surface lifts) and 80 kilometres of trails on 500 hectares, with the highest point culminating at 2'320 meters above sea level. It is also connected to Alpika Service and will have a capacity of 10,000 skiers a day. For now, the resort has three eight-seater gondola, a six-seater chairlift and 38 kilometres of tracks, nine of which will be used for the Games.

2 other major resorts are located in the area of Elbrus, in Elbrus National Park, near the Georgian border: Cheget and Elbrus. They offer the opportunity to ski until August on Mount Elbrus. Together, they offer 11 facilities and 21 tracks for 35 kilometres. Negative point however, the queues at the lifts are notorious and grooming is inadequate.

The most popular resort in Urals is Abzakovo. It is also one of the largest in the region. Offering also a spa, the area is both a ski resort and a sports and health complex. For years it was essentially the resort of choice for residents of the city of Magnitogorsk, 60 kilometres away. But with the construction of a new complex and modern skiing facilities, its popularity has spread throughout Russia. Abzakovo features a dozen tracks with a total length of 18 kilometres, including FIS approved slalom and giant runs. The five ski lifts and the baby lift can carry 5'000 skiers per hour. In addition, the resort has a snowmaking system and offers the possibility to rent snowmobiles. Visitors can also experience the pleasures of ice skating.

In 2008, drawing on foreign experience in such constructions, an indoor ski centre has opened in Krasnogorsk, Moscow province. snezh.kom comprises, in addition to a ski slope, an ice skating rink, a fitness centre, an aquatic centre, conference rooms, restaurants, shops and other entertainment facilities. Snow is produced through the "ice crash" technology, consisting of grinding thin ice plates to produce snow. Three machines make every day 90 tons of white powder. The advantage of this technique is that it does not increase the humidity inside the complex. 56 chillers, air conditioners and dehumidifiers run constantly to maintain a temperature between -5 ° C and -7 ° C. The slope, 400 meters long for 65 meters of vertical, holds up to a meter of snow and requires constant maintenance. Two groomers are provided for this purpose. A four-seater chairlift and a baby lift allow skiers to reach the top of the track.

With an important reserve of potential skiers, the Olympics in sights and the huge buildings and renovations work that come together, Russia could take its chance to become a major force in the ski industry. Experts estimate that Russia ski resorts could attract 5 to 10 million visitors a year, against 1 million today.

Slovakia

Slovakia has already a long ski history. Since 1940, some lifts were installed in the Tatra Mountains. There are now close to 100 ski areas in the Slovak Republic, most of them located in the northern part of the country. Approximately 80% of the territory is situated at an altitude of 750 meters or more above sea level. The highest point is Gerlachovský Peak, 2'655 meters above sea level.

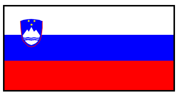
The majority of the ski areas are situated in nature reserves. With regard to the environmental protection, their development is therefore limited to some extend. Slovakia accounts a little less than 500 ski lifts. Due to the low altitude of the skiing areas, snow coverage is not always guaranteed. But Slovakia seems to be able to become a popular ski destination in Eastern Europe.

The attendance at Slovak ski resort was estimated at about 4 million skier visits at the beginning of the 2000’s.

Currently, visitors from Poland, Hungary, Russia, Czech Republic and Ukraine come to Slovakia for skiing. Thanks to their very competitive

prices, the Slovak ski resorts now try to expand their catchment’s areas towards the Western European market. A group of four ski areas (Snow paradise Velka Raca/Oscadnica, Park Snow Strbske Pleso, Jasna Nizke Tatri and Park Snow Donovaly) has launched an advertising campaign aimed at the French, British and Benelux middle classes. These four ski resorts have recently made different investments and are now able to offer infrastructures and services similar to the ones in Western Europe (64 kilometres of ski trails of different levels, hotels, chalets and guest houses).

Donovaly is one of the most important ski resorts of Slovakia. It is located in the centre of the country between the “Low Tatras” and the “High Tatras”. It is popular for Slovak, and also for foreign visitors. Donovaly has 17 ski lifts and offers 11 kilometres of ski trails. Jasna Nizke Tatri – Chopok North is another large ski resort. It is located in the Carpathians, in the “Low Tatras”. It has 11 ski lifts, 5 chair lifts and 1 cable car, with a total capacity of 17’630 persons per hour. Of the 25 kilometres of ski trails, 20% are reserved for very good skiers. The Bystrianska Dolina ski resort is situated between 1’216 metres and 2’005 meters above sea level in the “Low Tatras”. It has 14 ski lifts and 7 ski trails, two of which are considered as difficult. The vertical drop is 789 metres.



Slovenia

Slovenia accounts 28 mountains over 2’800 meters high. The highest peak, Triglav, culminates at 2’864 meters over sea level. The Alps, including the Julian Alps, the Kamnik-Savinja Alps and the Karavanke chain, dominate Northern Slovenia along its long border with Austria and Italy. In the XVIIth century, skis were already used there as a means of transportation. Today, hiking and trekking are among the most favourite sports in Slovenia. Thanks to the attractive winter resorts Kranjska Gora, Rogla and Krvavec, skiing has developed into a major sport in the past decades, even though other European winter sport destinations are strong competitors owing to their higher altitudes and the guaranteed snow. Tourism is the highest growing economy in Slovenia and is increasingly competitive. The Ministry of

Economy encourages the modernisation of the infrastructure and 36 projects are being supported with a total amount of EUR 50 million. For the period from 2001 to 2013, some EUR 145 million have been guaranteed for the development of tourism.

Indeed, the development of attendance shows some important sensitivity to the snow conditions. After a substantial growth in the beginning of the 2000’s, the last seasons revealed less favourable attendance figures.

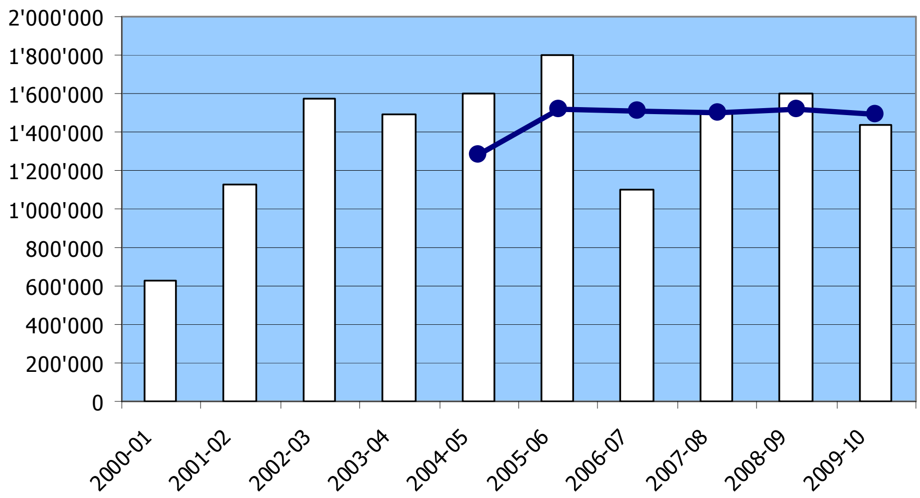


Figure 15 : Slovenia, evolution of skier visits

Slovenia has 44 resorts with a total of 217 ski lifts. It offers a very good price/performance ratio, modern ski runs and cross country skiing trails and an good infrastructure consisting of snowmaking machines, well-equipped holiday apartments and hotels.

Maribor is one of the most famous resorts and every year, Mariborsko Pohorje holds an Alpine World Cup women’s downhill competition. 43 kilometres of ski trails, modern spas, beautiful nature and the proximity to the city of Maribor make this destination very attractive. Maribor guarantees snow on 100 days per season. Another popular ski resort is Kranjska Gora. It annually hosts an event in the Alpine skiing World Cup series and has ski trails for skiers of every level from beginners to expert skiers and snowboarders. The highest winter resort in Slovenia is Kanin, which is connected with the Italian resort of Sella Nevea. It has 30 kilometres of ski trails, 13 modern ski lifts and snow until early spring. Cerkno is the most modern family ski resort in Slovenia on the slopes of the 1’291 meters high Črnivrh mountain. This ideally situated ski area is entirely served by an extensive snowmaking system, which guarantees a minimum of 70 ski days per winter.

Turkey

Turkey, in addition to its beaches, is also a very mountainous country with some of the highest peaks of the region. The Turkish ski Federation was founded in 1936, year of the first participation of the Turkish Olympic team at the Olympic Winter Games. This gave the input for development of skiing in Turkey and the creation of ski resorts, particularly Uludag (the highest mountain in West Turkey, topping at 2'543 metres, about 30 miles from Bursa), Erciyes (highest point of Central Anatolia with its 3'916 metres) and Elmadag (in the province of Ankara). Competitions recognised by international regulations started being organised as early as 1944. To improve the practice of skiing in the country, each year, ski training courses and holiday camps have been organized. Turkey accounts now 16 ski resorts, but only six of them have more than four ski lifts. The hotel offer is approximately 15,000 rooms throughout the ski resorts of the country.

The most famous resort in Turkey is Palandoken, which hosts more than half of the winter holidays visitors in the Turkish mountains. It lies in the eastern part of Turkey, near Erzurum and has one of the colder climates in the country. It therefore offers the best snow conditions. In addition to a gondola, the resort features also three chair lifts, 1 ski lift and 1 babylift, for a total uphill capacity of 32'000 skiers per day, which should be increased in the near future. The ski area ranges between 2'200 and 3'176 metres above sea level. The total length of the 21 groomed trails offering all different levels is 28 kilometres. The resort has no snowmaking system. Palandoken was about to attract Western Europe tour operators when the war in Iraq, 200 kilometres away, erupted in 2003. It thus prevented such new development at that time. However, thanks to the February 2011 Winter Universiade, the resort is going to be the driving force to bring the Turkish ski industry to new heights. In preparation for the competitions, Palandoken has invested nearly USD 100 million.

Kartalkaya, located west of the Balkans sea, in the Koroglu Mountains, offers the first professional snowpark in Turkey. The ski area lies between 1'800 and 2'221 metres above sea level and offers eight lifts for 11 tracks of all levels. Kartalkaya has three major four stars hotels with a total capacity of 2'250 beds. The resort aims to acquire international fame by hosting international competitions in the future.

With its gondola, its 5 chairlifts and 8 ski lifts, Uludag is the third most important resort in Turkey. Its facilities have a hourly uphill capacity of 16'300 persons and the resort offers 13 different tracks. Snowfalls average generally 3 metres per winter. In addition to alpine skiing, the area enjoys favourable conditions for cross-country

and heli-skiing. Located in a national park, the ski area also has swimming pools, fitness centres and a developed night life. With its 27 accommodation units meeting all levels of expectations (some are State properties), Uludag offers 3'000 beds.

Several projects are being studied to develop Turkey winter tourism. For the present time, although the resorts' capacity is on the rise, they are not yet at a stage to compete with foreign resorts in attracting international clientele. The potential of the Turkish mountains is not yet fully exploited. The Sports Minister has announced the willingness of the Government to promote winter sports among the children, in a country where only an estimated 1% of the population practice the ski. In this light, Turkey plans to open 30 new resorts starting from 2011, and plans to invest USD 400 million. Currently, foreign skiers mostly come from Russia, Ukraine or Iran. Thanks to the Universiade which gathered 58 nations, the country hopes to attract more Europeans. In addition, many Turks are still going abroad to enjoy winter holidays. Improvement in local infrastructure will increase their retention in the country.

Ukraine

Ukraine's ski resorts have been improved considerably in the last ten years, but they are still not well-known. Most resorts are located in the Carpathian Mountains. In the past few years, several small hotels, holiday houses and apartments have been built and some resorts have upgraded their ski lifts to European standards, even if ground transportation is still often problematic to access to the resorts. Ukraine offers also other sports such as cross country skiing, ice skating and snowboarding. The highest peak in Ukraine is the Howerla which culminates at 2'061 meters above sea level.

There are 41 winter resorts in the country with a total of 98 ski lifts. Attendance is estimated under one million skier visits a year. The prices for ski passes, ski rentals and ski lessons are relatively cheap compared to European standards. In early December and in April, only Drahobrat, Bukovel and Mount Trostyan are open. The other resorts are open from mid December to mid March. The resorts in the Carpathians have the best infrastructure and are experienced in welcoming foreign guests.

The newest and most modern ski resort in Ukraine is Bukovel. The mountains around the resort protect it from the cold wind. It has 14 ski lifts, 50 kilometres of trails and good ski and snowboard instructors. To attract more tourists, Bukovel reduced the prices for accommodation, ski passes and ski rentals. The resort of Sklavske is situated in a picturesque village at 600 meters above sea level, surrounded by mountains that protect the resort from strong winds. The resort has 9 ski lifts. The highest ski resort in Ukraine is Drahobrat, based at 1'360 meters above sea level. The resort features 8 ski lifts, 8 ski trails and claims to fulfil the requirements for Olympic competitions. It is very popular with skiers and snowboarders because of its guarantee of snow. The nature in and around Drahobrat and the view from most hotels are appreciated.

America

Argentina

23% of Argentina is covered with hills and mountains. The longest mountain chain in the world, the Andean Cordillera, runs all along the western side of the country, on more than 3'000 kilometres, with its highest summit, the Aconcagua topping at 6'960 meters. However, despite the high summits of the Andes, the ski resorts are located in lower locations, mostly between 1'000 and 2'000 meters. At the southern end of the country, ski areas are even located at lower altitudes. Typically for a southern hemisphere location, the ski season in Argentina starts in June and last up to mid-October.

Before skiing became a leisure activity, due the mountains and the presence of snow, skis were already used in the XIXth century as a means of transportation by foreigners who imported it from Europe. It developed as a recreational activity since the 1930's, mostly concentrated in the area of San Carlos de Bariloche under the control of ski clubs and promoted by some European pioneers. Ski areas developed even before being equipped with lifts. The first lift was installed in Catedral, Bariloche's ski area, in 1939 and ski races started being organised in Argentina in the 1940's.

The South American ski resorts have experienced over the last decade a new development. With nearly unlimited off-piste possibilities and good powder snow on pristine slopes, it offers attractive condition, in a season opposite to the alpine and North American resorts' one. Ski has up to now remained fairly exclusive, as the Argentineans do not have a mountain culture like in the alpine counties and it remains an expensive activity. General interest is however raising, with the annual venue of a dedicated exhibition, "Expo Nieve". Attendance in ski resorts do not limit to nationals. Skiers from Brazil, Chile and even Mexico are coming to Argentina and some resorts are well crowded with this international clientele in the middle of the ski season, which is in July and August over there.

The yearly attendance to the Argentinean ski areas is estimated around 1.5 millions skier visits, mostly concentrated in the top 7 resorts.

The biggest resort in Argentina is Cerro Catedral, which stands for "Mount Cathedral" in Spanish, due to the resemblance of its summits to the towers of a medieval temple. It is located in a national park near San Carlos de Bariloche, which name may be more familiar to foreigners. The majesty of the place is well-known by skiers from all round the world. The resort was a pioneer in South America. It operates as a 4 seasons resort and is today the most international and comprehensive in the country. It continues updating its facilities in order to offer visitors the most advanced infrastructure. It is considered as the "Chamonix" of South America. With 53 trails, 39 lifts, a snow-making system covering 10 hectares of slopes, it offers 600 hectares of skiable terrain, which reach 2'180 meters over sea level. Catedral has been the stage for the most important international competitions and snow festivals for years in Argentina.

Las Leñas is among the favourite ski resorts in Argentina due to the quality of its snow, its trails for all levels and the outstanding areas to practice off-piste descents and cross-country ski. The resort is located a few kilometres away from the City of Mendoza. It is the highest in the country. With a vertical of 1'200 meter, the slopes range from 3'430 meters, to 2'240 meters. As a result of its dry climate, its 230 hectares of skiable surface and 28 trails feature a quality of snow famous worldwide. They are accessed through 13 lifts and, if necessary, supported by a snowmaking system.

Another spot close to Mendoza is Penitentes. Watched by Mount Aconcagua, it is also very close to Chile. Inaugurated in 1979, the resort occupies more than 300 hectares of skiable surface and offers 25 trails. Several have been approved by the FIS (International Ski Federation) and they are the stage for various competitions. The hotel infrastructure, with a capacity of nearly 2'000 beds, includes all kinds of accommodation, from pensions to 4-stars hotels.

Among the other major ski areas of the country, Chapelco, in Patagonia, offers from its 1'980 meters height typical scenery. It is advertised as combining extreme adrenaline and landscape. Caviahue is located at the foot of the Copahue Volcano on the shores of the homonym lake, at 1'647 meters over sea level. With over 1'000 hectares of skiable surface, 20 runs, it offers the longest season in the southern hemisphere. The off-piste descent along 8 kilometres from the volcano crater to the base of the resort is famous. Appreciated by families, La Hoya, situated in a landscape of forests, lakes and cascades, was opened already in the 1950's. The first lifts were installed in the 1960's and the resort was subsequently modernised in the 2000's. It now features 10 lifts and 24 runs and snowmaking equipment. For those who like skiing at the confine of the world, Cerro Castor, newest resort in Argentina and southernmost on Earth, is close to the capital of Tierra del Fuego, where the sea and the mountains meet. The ski area is only 195 meters above sea level and its top rises to 1'057 meters. Cerro Castor enjoys very good weather and quality of powder snow, due to the stability of its temperature, offering one of the longest seasons in South America. Opened in 1978, Mount Bayo ski resort is located inside a beautiful natural landscape. Surrounded by forests and with a majestic view over a lake, it offers 200 hectares for the practice of alpine skiing, with a 700 meters vertical drop. It offers 22 signalled trails and 12 lifts.

Canada

Ski is practiced in Canada in the Rocky Mountains on the West Coast and in the Provinces of Québec, Ontario and the Atlantic[20] on the East Coast. When the Rockies feature ski resorts that can compete with the Alps in terms of vertical drop, ski is practiced in the East on lower altitudes mountains and hills.

With a long ski history, Canada demonstrates the characteristics of a mature market and has to face serious concerns about ageing and renewal of the customer base, with interesting ethnic issues. The attendance has been quite flat for all the decade, mostly influenced by weather conditions. The last ski season in Canada totalled 18.9 million skier visits, showing a slight increase since former one. The raise is mostly due to good performance of the ski areas of Quebec.

Market studies show that the number of practitioners continues to decline. The behaviour of the majority of skiers has been influenced by the crisis. They have been more actively seeking promotions or nearby ski. But some said the weather and snow conditions are still prevailing.

[20] Prince Edward Island, Newfoundland, Labrador, Nova Scotia and New Brunswick

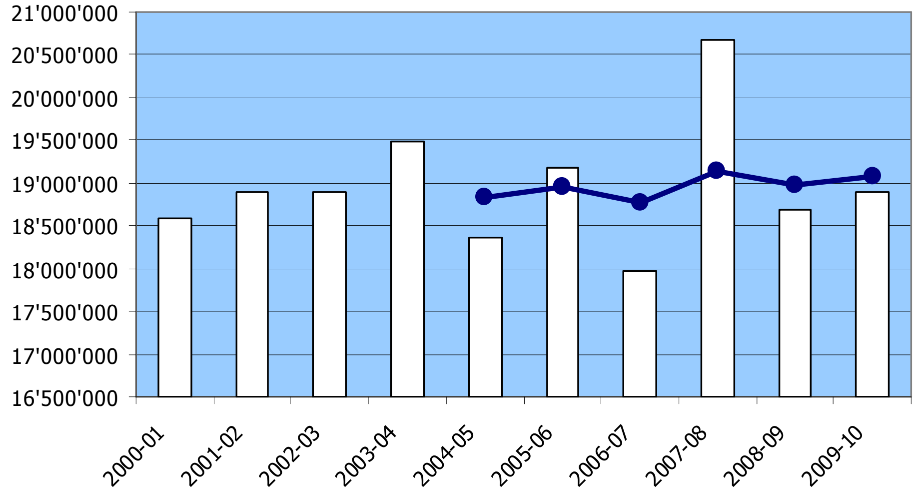
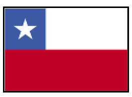


Figure 16 : Canada, evolution of skier visits

The Canadian ski resorts depend on domestic and U.S. customer base. It is interesting to stress that some of the well known resorts, such as Whistler Blackcomb, Banff and to a lesser extend Tremblant, also attract some overseas skiers, even if their proportion in the foreign visitors is low. Furthermore, some very small resorts also appear to attract British tourists' charters. Intrawest is the only significant multi-resorts operator. Besides, the operators are mostly locals.

In front of the weak growth experienced over the last years, the Canadian Industry has led close studies about the demographics, in the line of the U.S., implementing the "Model for Growth". Several operators have also diversified their activities and some of the major resorts now offer numerous summer activities that enabled to balance the attendance of both seasons. The idea of 4 seasons resorts has been highly developed and promoted. Some resorts close to metropolitan areas have developed heavily water rides and such other summer activities, which even enable to use some of the lifts during summer time and sell year long passes.



Chile

The country is located all along the Andean Cordillera, which run in Chile over 4'000 kilometres. 80% of the country is covered by mountains, reaching very high altitudes in the northern side, with snow covering year round the summits over 4'800 meters. Towards the South, after having reached its highest point, the Cordillera then lowers and the mountains top at 3'000 meters. Most of the ski resorts are typically located in this kind of altitudes. Further down to the South, Patagonia offers huge glaciers that reach up to the sea, where the coastline is cut by numerous fjords.

The first Andean skiers were already identified in 1887, when investigation work started for the construction of a railway from Valparaiso to Santiago, crossing the mountains into Argentina, through Mendoza to Buenos Aires. With snowfalls of up to 8 meters in the high passes, the most efficient way for the European engineers was to use skis. Skiing was for instance the only achievable way for the workers to reach the Uspallata Pass, which is near Chile's present-day Portillo resort. During the construction of the Trans Andean Railroad, skis were then used by the engineers to get around in winter. There are also historical records of skiers hired to transport mail across the mountains in the winter in 1889. Finally, after the inauguration of the railway, in 1910, recreational skiers began to use the railway as a ski lift.

In the 1930's, a rudimentary lift was constructed in the Portillo area (so called because it was a small pass between the mountains) and adventurers from Europe and North America became the first ski tourists. Ski instructors were brought from Europe and a rustic mountain lodge served as the first hotel. In 1946 Portillo installed a chair lift, the first on the continent. In 1949, the Gran Hotel Portillo was inaugurated. In 1960 the Chilean government, who had owned and operated the ski area up to that point, decided to sell Portillo, making it one of the first state-owned companies sold to the private sector in Chilean history. In 1966 the World Alpine Ski Championships were held in Portillo, which focused international attention on Chile's emergent ski industry, and also increased national interest in the sport. Over the years three speed records were set on Portillo's slopes, including the 1978 record for U.S. skier Steve McKinney, who exceeded 200 kilometres/hour for the first time in skiing history. During the 1960's, top international ski racers began to train during the northern hemisphere summer on Portillo's slopes and later in El Colorado, La Parva and Valle Nevado.

During the 1950's and 1960's, the sport expanded rapidly with new ski areas being set up in the central Andes near Santiago and in southern Chile, largely on the slopes of volcanoes. During the 1980’s, improvements to infrastructure included new ski lifts, greater and better hotel capacity, and improved roads. But with less tourism than Europe and the States, skiing industry in Chile remained in a quiet state until the 1990's. Improvements such as new ski lifts, capacity additions to hotels, saunas and swimming pools attempt to move Chile's ski reputation to a world-class level.

There are three principal geographical ski regions in Chile: Central Chilean Andes, where ski resorts are located between 2'800 and 3'000 meters, on wide-open mountains, above tree-line. The snow is generally dry and the terrain varied, providing slopes for skiers and boarders of all abilities. The principal resorts are El Colorado, La Parva, Valle Nevado, Portillo, Lagunillas, and Chapa Verde. Southern Andes, where the average height of the mountains is considerably lower, precipitation much higher and as a result there are both more and heavier snow. The resorts are largely located on the lower slopes of volcanoes, many of which are active, and provide terrain with dense native forest. The view on lakes, forest, and distant volcanoes is exceptional. The major resorts are Termas de Chillán, Villarrica, Antillanca, Lonquimay, Las Araucarias, and Corralco. Patagonia has ski infrastructure at Cerro El Fraile and at Cerro Mirador in Punta Arenas, where one can ski and enjoy spectacular ocean views. Because of their latitude, these resorts have the longest ski season of any in Chile.

Portillo is the oldest ski resorts in South America. It is surrounded by snowy peaks reaching 5’000 meters. The resort has some peculiar 5 places T-bar lifts, quite unique in the world. The resort offers 23 trails and features 14 lifts and claims to limit access to 450 guests only, offering an unique experience. Tres Valles, with the interconnection of El Colorada, La Parva and Valle Nevado, offer the largest ski area of South America, totalling 48 lifts and about 120 kilometres of groomed trails. The area, located 40 kilometres from Santiago, reaches heights up to 3’630 meters. By the way, the Valle Nevado base resort, nested at 3’025 meters above sea level, is acknowledged as the highest in the world. Cerro Mirador is the southernmost ski area in Chile. It was equipped in 1947 with its first lift, despite it was already considered as a ski resort since 1938. Still today, the area features one unique lift, but 14 trails, which allow skiing from mid-June to mid-September with spectacular scenery over the Magellan Detroit.

The yearly attendance at Chilean ski resorts is estimated to be about 1.25 million skier visits.

United States

The United States are the biggest ski market, with a high number or resorts and of skier visits. The industry is dominated by several big players, operating several mostly integrated resorts. Besides, it accounts numerous independent ski areas of various sizes. Nevertheless, further to closures and other misfortunes, their number has been decreasing over the years.

The United States ski industry is the one that has been the most closely analysed over the years. There is a substantial history of statistical data available. It was the first in the industry to raise issues of the discrepancies between population growth and attendance in the ski resorts, especially as it mainly depends on its domestic participants.

The 2008 crisis impacted the U.S. resorts more than the European ones. This is explained partly because of declining consumer confidence and rising unemployment. On the other hand, winter sports in the U.S. lead to greater mobility, the distances to the resorts being larger, also causing longer stays. They are thus more sensitive to budget cuts caused by the crisis. However, the ski areas of the East Coast, closer to their catchments areas, were in a better position. To attract customers, accommodations prices were reduced and numerous last minute offers proposed. The number of foreign customers who attended the U.S. resorts has also been on the decline, due to a stronger dollar, in addition to the sluggish international economy.

However, the U.S. ski industry experienced a quick recovery during 2009/10 season. With an attendance of 59.6 million skier visits, compared to 57.1 million skier visits recorded in 2008/09, it is considered as the second best ever season. This performance is highly remarkable in a still weak economic environment. Furthermore, snow and weather conditions were only average.

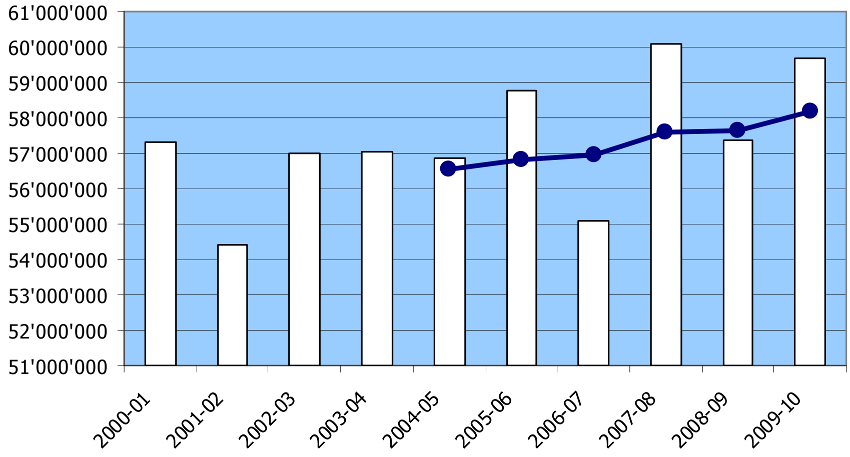


Figure 17 : USA, evolution of skier visits

Apart from the 2008 crisis, highs and downs of the weather conditions have been modelling the shape of the evolution over the years, more than anything else. The evolution of the skier visits up to the beginning of the decade was just continuing a tendency that is already showed in this mature market since the end of the 1970's. However, things began to change over the last 5 years, where 3 seasons were very good, leading thus again to a growing tendency.

The 5-years average attendance has been slightly rising, further to the acknowledgement of the demographic issue and the set up of the "Model for Growth". It aims at addressing the aging of the population, the increasing proportion of ethnical minorities and the skier's retention scheme (increasing the interest of beginners, converting them into regular skiers and preventing regular skiers from abandoning). For several years now, measures have been taken in order to implement this "Model for Growth", even if some drawbacks appeared and the U.S. industry still continues to have difficulties in extending its customer base. The results show that continuous efforts are required and their benefits are limited, so they need to be multiplied. With a market as big as Europe but only one third of the number of skier visits, the U.S. industry still seems to have some potential. The good news for the U.S. ski industry is that the number of skiers is growing significantly, with an average increase of 1.2% over the last ten years.

Asia and Pacific

Australia

Skiing has already a long history in Australia. Miners are said to have begun skiing already in the XIXth century. Records indicate that they founded the first ski club in 1861. The 1920's have seen and explosion of the winter sports. The industry got organised and Australia's first ski lift was opened in 1937. Lodging facilities next to the slopes however remained limited up the 1950's. Then, skiing became more popular and the resorts developed, with strong influences from the United States, Canada and Europe. However, some ski areas are located in Natural Parks and their expansion has been closely controlled. The boom of the ski industry lasted up to the 1970's and then entered into a consolidation phase, with a flattening trend in the skier visits figures, which have been stable for the past ten years at least, with occasional good years such as 2004, alternating with average and poor years, such as 2001 and 2006.

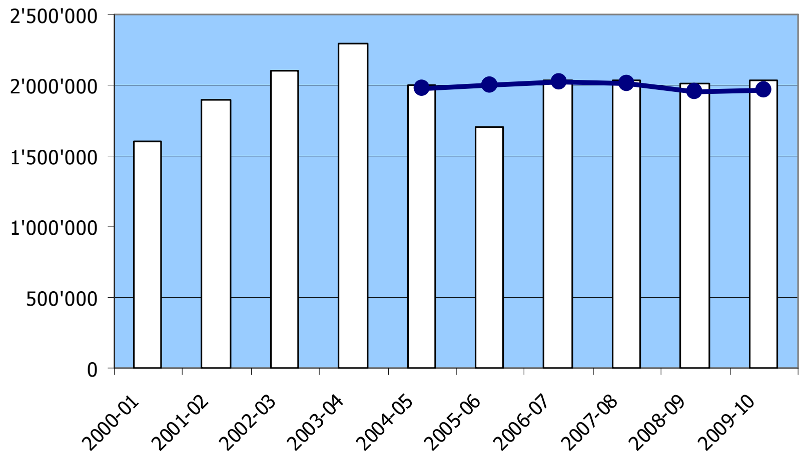


Figure 18: Australia, evolution of skier visits

Downhill skiing and snowboarding are practiced primarily in 8 resorts of the New South Whales and Victoria states, in the region called Australian Alps, situated between Melbourne and Canberra. There are also two small ski resorts in Tasmania Island, located in National Parks, where snowfalls are not necessarily sufficient to enable skiing every year.

Apart from one big resort, most of the ski areas are rather small with limited vertical drops. Most of the slopes are mechanically snowed. Some resorts offer a good atmosphere at night, but they are perceived as quite expensive and rather smart.

With less than 2% of foreign visitors, Australian resorts do not demonstrate very attractive in the international competition, as New Zealand offers a close alternative with higher vertical drops, less expensive prices and as much fun. It even competes for the nationals, who partly also prefer to go skiing in New Zealand.

As example of the kind of resorts offered in Australia, with 50 runs serviced by 14 lifts, Thredbo has been built on the model of a European ski resort with its shops, nightlife and accommodations. The resort offers also the longest track in Australia, 3.2 kilometres long with a vertical drop of 670 meters. Thredbo is situated on the slopes of the highest mountain in Australia, which culminates at an altitude of 2'228 meters in the southern Snowy Mountains. Another example is Perisher Blue, located in the Snowy Mountains of New South Wales. It is the largest ski resort in Australia, with four villages (Perisher, Smiggin Holes, Blue Cow and Guthega) and seven summits (including five of the highest in the country) served by 49 lifts. There are 99 kilometres of trails for all levels, but 60% are intermediate.

China

Skiing and snowboarding are mostly practiced in the North-East of the country in the Harbin region, which houses the majority of the ski areas. However, spots in the North-West and the South of the Centre also offer some snow sports. Most of the ski areas are still poorly equipped. While there are about 350 ski areas in China, most of them are only ski fields for beginners (which represent yet 80% of the business). Only twenty are approaching western standards, but often without accommodations, and a sole 3 can be considered as genuine ski resorts (Yabuli, Beidahu and Changbaishan). Ski is also practiced in 3 ski-domes (in Beijing and Shanghai) and a dozen of snow stadiums around Beijing with 100% snowmaking and a maximum vertical drop of a few hundred meters.

Temperatures can be extremely tough but skiing in China is a unique experience. There is no culture of skiing in China. The first ski areas have emerged in the 1980's, mostly designed for the training of ski athletes, with often only one slope and poor accommodations. Since Yabuli was awarded the 1996 Asian Winter Games, interest for skiing developed quickly. Beside the erection of the necessary infrastructure to host the Games, ski areas suddenly began to develop around major cities. The development pace increased with the winter 2000/01 and the creation of the first snow stadium near Beijing.

Most Chinese skiers do not practice more than once a season. The average practice level is very low, with a huge amount of beginners. Some ski areas even have paid employees to help the skiers after they fall and go retrieve their equipment! Most of the ski areas offer packages for 2 hours skiing, with supply of equipment. Skiing is taken as a kind of entertainment product rather than a sport activity with repeated practice. For the time being, the ski areas are thus more considered as ski playgrounds than mountain resorts. Skiing is nevertheless becoming more and more popular among wealthy Chinese aged 25 to 35 years. About 80% of the skiers are aged under 40. Growth has been dramatic since the beginning of the decade. Rates of 50% per year have been announced and skiers were expected to reach 10 millions in 2010. However, it did not turn into reality over the last years. One estimates that there are currently 3 million national skiers, totalling about 5 million skier visits. Even if the growth did not follow the expected path, the market potential is still mostly unrealised. It was estimated to 27 million by WTO in 2003, and recently revised by another study to 120 million.

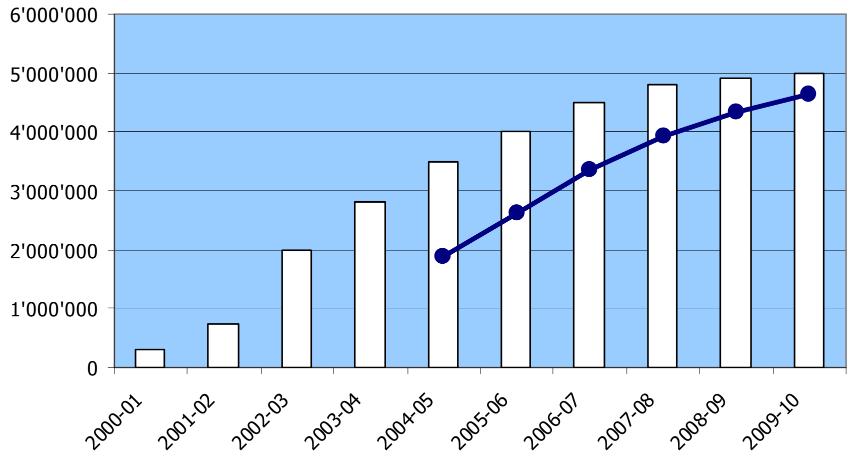


Figure 19 : China, evolution of skier visits

The best equipped resort of China is Yabuli in Heilongjiang Province, close to Harbin. Recent development brought it close to European and Japanese standards in terms of infrastructure quality, if not yet in terms of extent of the ski area. Situated in the far North of China, temperature can be very cold. It is now the largest ski resort and training centre for winter sports.

The ski resort of Changbaishan offers a marriage between spring water and snow. Located in the Jilin Province, the resort contemplates 16 peaks of the Changbai Mountains. It is situated at an altitude of 1’640 to 1’820 meters above sea level.

Beidahu is also located in the Jilin Province. It is surrounded by mountains which summit above 1’200 meters and that are covered with snow half of the year.

More South-West, the mountains are much higher. Dagu Glacier Ropeway, installed in 2008 in the Sichuan Province, is the highest gondola in the world. Summit station is located at 4’843 meters! Xiling Snow Mountain, in the same Province, is presently featuring a gondola lift and several 2 and 4 seaters chairlifts. Surrounded by mountains reaching more than 5’300 meters high, the resorts is the largest ski ground in the South of China and has the best facilities.

India

North of India is a mountainous area with several peaks of more than 7'000 meters. Skiing was introduced there by Europeans in the early 1970's and has begun attracting foreign amateurs, becoming increasingly popular. Even if some Indians love skiing, most are not yet trained for this discipline. Operators are beginning to develop more modern ski areas, which are by the way the cheapest in the world.

Skiing is practised in the Manali Valley, situated in the State of Himachal Pradesh, on Northwest of India. This region, located at the foothills of the Himalayas, concentrate most of the few ski areas of the country. The lift infrastructure is rather modest, but some reach impressive altitudes, as the region is located between 4’500 and 7'000 metres above sea level. Ski is also practiced in Cashmere, a neighbouring region of the Himachal Pradesh. This region of the Indian subcontinent is divided between India and Pakistan, rising from time to time to some casualties which may cause access restrictions in certain areas.

There are two major ski areas in the country. The largest one is Gulmarg, in the State of Jammu and Kashmir. It is one of the most famous in this region of Asia. There are slopes ranging from 2'600 to 3'200 meters long. The ski area got equipped a few years ago with a two sections gondola lift, which became famous because it reaches an altitude of near to 4'000 meters above sea level, a world record. The place offers more than 1'000 meters of vertical drop, with pristine slopes. The village of Gulmarg lies at 2'500 meters above sea level. The ski area is dominated by the Mount Apharwat peak, which reaches 4'124 meters. This gives the place a magic touch for lovers of skiing. This resort is one of the few places on Earth where there may be two continuous weeks of snowfall. Furthermore, it offers a variety of trails: skiers can enjoy the highest slopes of Aparwath, which offer magnificent views on K2 Mountain by good weather condition, or the trails from Kongdori. The best time to come to Gulmarg is from mid-January to mid-February, especially for skiers looking for a balance between a stable snow base, combined with the powder snow down to Gulmarg, in the Valley.

Auli is the most select resort in India, offering the best possible infrastructure. It hosts the Indian national ski Championships and an Indian ski festival. It is nested in a collection of snow covered Himalayan peaks (the Garhwal Mountains). Auli offers 2'000 meters of slopes, equipped with modern lifts.

The ski area of Manali is located at the northern end of the Valley of Kullu. It is best known for heli-skiing but also offers a few lifts. It has a multi-season sport offer. Among the other ski areas of the country, the following are usually equipped with only one lift. The small Kufri ski area is nested in the hills of Himachal Pradesh. It is one of the best destinations for skiing in this State and a destination easily accessible for anyone in northern India. This quiet town becomes a winter paradise as soon as the snow begins to fall. Kufri is home to an annual festival of winter sports in February. Narkanda resort is located 65 kilometres from Shimla. Located at 3'143 meters above sea level, it is one of the oldest resorts of India. The ski season is concentrated between late December and early March. Narkanda offers beautiful landscapes and splendid views of the Himalayas. Dayara Bugyal is another ski area, situated at an altitude of 3'050 meters.

Japan

Japan is one of the countries with the highest number of ski areas. Resorts are located all along the Japanese islands, from the northern island of Hokkaido to the main southern island of Kyushu. Almost all the population is therefore only a couple hours away from a ski area. With its high level of inhabitants, this represents therefore a huge potential.

The Japanese ski industry experienced a tremendous boom in the years 1970 – 1990, when skier visits reached record figures. In the eighties, the resort development was dramatic, with several new, extended or fully rebuilt ones. The country offered the finest and most modern facilities in the world. Skiing became very fashionable and most popular sport among young people. The resorts were busy and crowded to that extend that it was difficult to really ski! There were long lift queues and bottlenecks on the slopes. This surely contributed to render ski less attractive. Furthermore, Japan lived a strong economic downturn in the beginning of the 1990's and Real Estate was very much affected. Many resorts then experienced difficulties with the financing of their huge investments. Attendance began to decrease very severely.

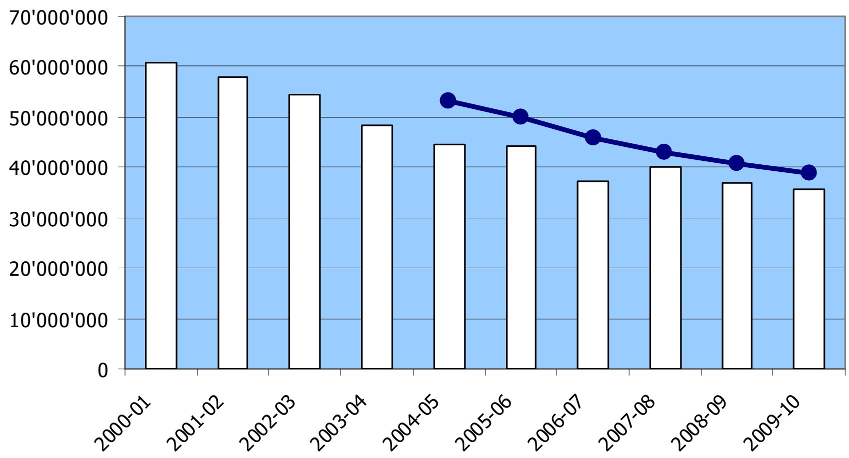
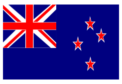


Figure 20: Japan, evolution of skier visits

Today, the skier visits are about a yearly 40 million, about half of what they were in the 1980's. The slopes are no longer overcrowded. However, the industry is trying to recover and reconquest new clients. Some ski areas are turned into big resorts where skiing is only one of many options. Investments are directed to make these places attractive to both skiers and non skiers. True mountain base villages are developed, offering housing and multiple facilities. Some are even afraid of a certain Disneylandisation of the mountain.

With these changes, the Japanese ski areas also attract more and more foreign visitors. If 10 years ago, there was nearly no foreign visitor practicing ski, the country now attracts skiers from abroad. It is now common to see skiers coming from Australia and East Asia, but the focus is now on attracting Europeans and Americans. Efforts are made to produce trail maps, sign and menus in English, Korean and Chinese.



New Zealand

New Zealand is a major southern destination for skiing and snowboarding. The resorts are well equipped and fairly evenly spread over the two main islands that make up the archipelago. The snow conditions are good, even if the powder is not as light as in the Alps or the Andes, due to a fairly marked oceanic climate. Only a few resorts are offering more than 500 meters vertical drop. The other ones present rather shorter slopes. The season starts late May and ends early November.

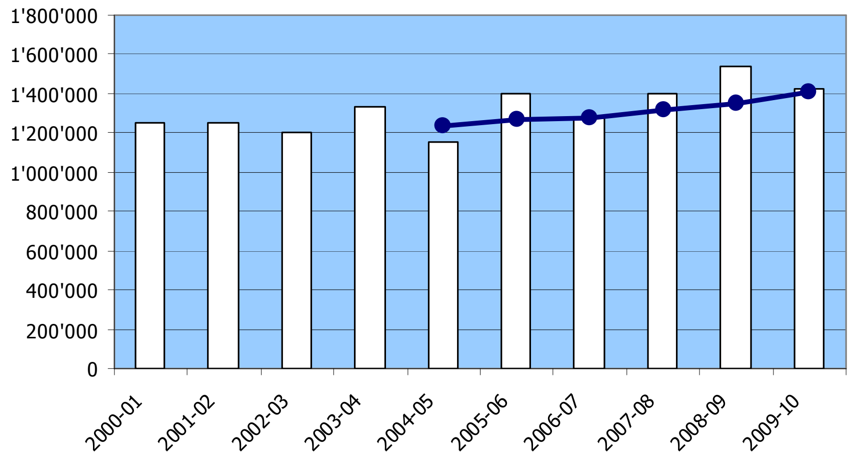
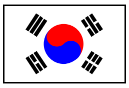


Figure 21: New Zealand, evolution of skier visits

Besides 14 commercial ski areas, New Zealand has a dozen private ski clubs and heliskiing is also highly developed, with numerous possibilities, departing from 10 different bases. Ski still seems to be on the growing trend. Before the 2000's, only exceptional season saw over one million skier visits in the country. Since, it has been the rule.

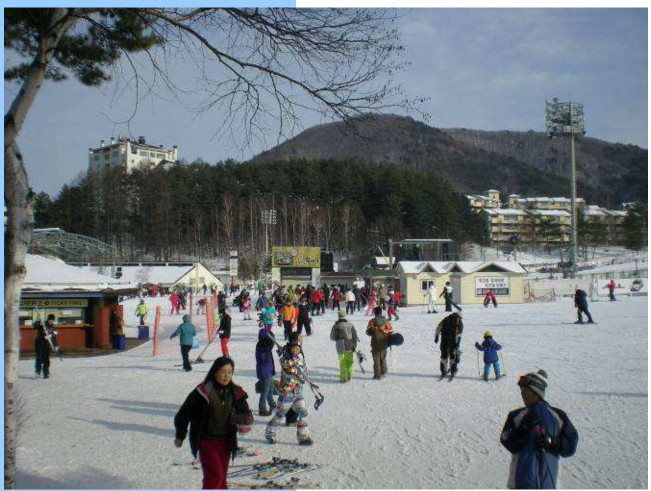
The South of the country offers the best ski resorts of New Zealand. Indeed, near Queenstown, the mountains chain called the Remarkables boasts a vast ski area of about 220 hectares, reaching above 1'935 meters. There are four ski resorts in the northern Island. Culminating at 2'300 meters on the

North-East of Mount Ruapehu, a volcano still active, Whakapapa and Turoa are the most popular places. They merged recently and attract every year many skiers and snowboarders. Even if it is now the largest resort in the country, its size is quite limited compared with international benchmarks. It accounts only 43 trails and 16 lifts spread over 400 hectares.



South Korea

South Korea is a mountainous country which is experiencing relatively cold winters. Ice skating or gliding over the snow was already familiar for part of the population before the advent of skiing. When the first ski resort was developed in 1975, it rapidly became popular. A few years later it was followed by several new openings. Even if the financial crisis that has impacted South Korea in 1998 has slowed down somewhat new developments for some years, they have resumed since 2002. The country now offers 18 ski resorts, mostly equipped to the international standards.



Korean resorts are based on the North American model, very capital intensive. They are generally built on land that must be fully or partially acquired by the operator, who then controls the whole activity. As they are all created from scratch, resorts require high investments in roads and utilities, not to mention the need to build the entire base station infrastructure. Accommodation is most of the time almost exclusively concentrated in condominiums. The peculiarities of the terrain also create colossal civil work. This generally limits the operation of ski resorts to strong financial groups. Several ski areas are therefore owned by large, typically Korean, conglomerates, like Hyundai and LG. The smaller developers often have suffered financial difficulties or bankruptcy and a takeover by a big investor.

All resorts offer 4-seasons activities. Most offer at least one golf course, indoor swimming pool, shops. Indoor malls are often filled with recreational activities like bowling, ping pong, video games, movies, karaoke, and of course restaurants, bars, clubs and nightclubs, as many of the resorts live day and night. Three resorts offer even a water park and a theme park.

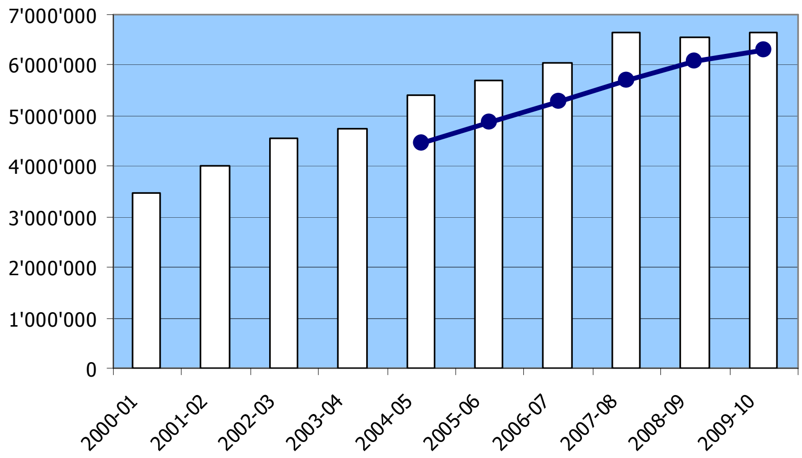


Figure 22 : South Korea, evolution of skier visits

Since the beginning of the 2000's, attendance records have been growing steadily up to recent years. With a total of 6.6 million skier visits for the 2009/10 season, the attendance was rather steady compared to former winter. Surprisingly, as the conditions appeared promising: The first snow fell in November 2009 with 20 days in advance. This early snow has allowed ski areas to open earlier than usual. Resorts made massive advertising campaigns, offering attractive deals, putting forward the constant development of their offer. Furthermore, several new resorts of very good standard opened in recent years and should also stimulate the demand. South Korea also expected an increase in foreign customers, boosted by promotional efforts made by the Government. Thus, the cause of the stagnation must rather be lying on the account of economic conditions, both national and in the Asian region[21].

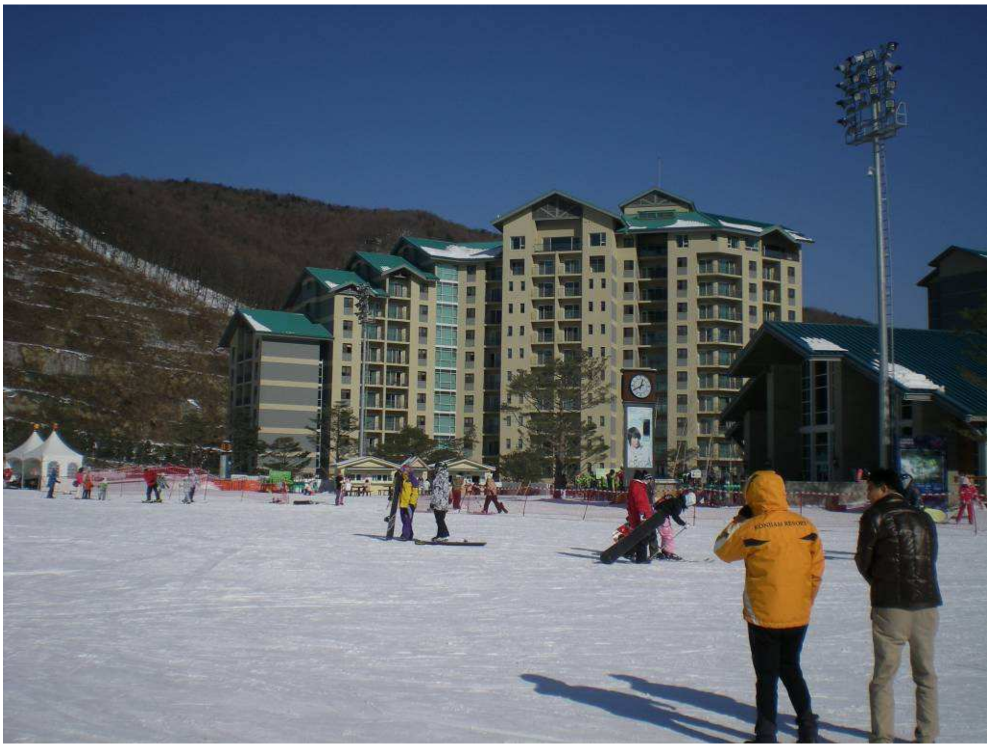
With the significant increase in supply in recent years, some resorts have been loosing market shares as the environment becomes more competitive. In light of the huge investments, some may have to fight to survive in the short term.

In the longer term, demand stimulation should still continue. Led by the Yongpyong resort and others in the region, Korea stands for the Olympic Winter Games in 2018, having already been several times candidate, without success. It is certain that if these competitions are held in Korea, they will have an impact on the popularity of the ski within the population and the resorts may look forward to the excitement that this will create. With 2.5 million skiers for more than 48

[21] South Korea is maybe the country were attendance is the less depending on the climate. With a lot of snowmaking and relatively cold temperatures, snow is nearly granted. Furthermore, part of the ski consumption is done at night, with little care about sunny sky.

million inhabitants, meaning a participation rate of about 5%, the potential of the Korean market is undoubtedly still partly untapped and demand should be stimulated. In addition, the good level of equipment of Korean ski destinations, of high international standard, offers an attractive alternative to European resorts for the skiers of the entire Asian continent. The price level is also more interesting than in Japan and they offer a great level of fun, with near to 24/24 hours ski operation in several resorts.

The ski season is peculiar in Korea. It is relatively short, but very compact. Indeed, the school years match to calendar years. The students have their annual holidays in December and January. They are soon followed mid-February by the spring holidays. The ski season already begins in late November / early December and ends in March, but has virtually no slack time.



Various

South Africa

The country only accounts one single commercial ski resort, even if it is possible to ski in different locations in the mountains. Located near the border with Lesotho, on the highest mountain in the region, Ben McDhui, the ski area of Tiffindell culminates at 2'720 meters altitude. Established in 1993, it was originally a single ski slope. Subsequently, an area for beginners was developed in addition to the main trail and the ski lift. The daily capacity of the slopes is limited to 300 people. Recently, the new owners of Tiffindell invested substantial funds to renovate the bar space, to increase the length of the trail, to purchase new equipment for snowmaking and upgrade the maintenance level in order to improve its offer. Although the location of the area on the southern face of the Ben McDhui mountain provides enough natural snow, the ski area is now equipped with a snowmaking system covering its 2.3 hectares. In addition to the infrastructure dedicated to skiing, the place offers a snowpark, ski and snowboard teachers and organises each year South African skiing and snowboarding Championships. Daily animation programs are offered to children as to adults. Tiffindell also features a well appreciated after-ski offer, with bars around mountain themes to relax after a day on the slopes. The hotel offer is rather limited, as the resort can only accommodate 148 clients in different categories of rooms, more or less luxurious. Packages including overnight stays, meals, rental of ski and equipment are available. The ski season extends from late May to early September (Southern hemisphere). Skiing in South Africa is of course an experience of another kind than skiing in Europe. The trails and infrastructure standards are limited, as the quality of snow. Despite a limited ski offer, the country has a ski association. Founded in 1990, the South African National Ski Association is affiliated to the International Ski Federation and recognized as an official organization for everything relating to skiing in South Africa. It aims to coordinate and promote the development of skiing in the country and to gain a national and international recognition. A special effort is made in order to access the latest international techniques.

Conclusion

Nearly everywhere, the industry is facing the challenge of growth. In many places, the market is more than mature. The baby-boomers have been important participants. The older part of this generation will however progressively come out of some of the mature markets, without being properly replaced by further generations with a same enthusiasm for ski. The need to stimulate the market is thus very important and not always sufficiently addressed.

As already experienced by the ski areas that have been looking for solutions, winning new customers in attracting non skiers and converting them into loyal participants is not a done deal. It requires many efforts and the rewards are only coming little by little. Innovation and customer relation management are keys. The first not only concern the lifts (much has already been done in this area), but all what is related to the mountain experience, and starting in some countries with the housing. It is in fact difficult to attract clients for one week of wonderful ski, with state of the art lifts, grooming and snowmaking, if guests have to spend the time they are not skiing in insane hotel rooms and restaurants. The newcomers in the industry are often well integrated and can offer modern facilities in all regards, with a lot of fun. Thus, if some traditional destinations still want to compete, they need to care for the quality of the whole resort infrastructure. CRM will help the operator to closely follow up the wishes of their customers and organise tailor-made offers. In the global world, each individual appreciates to be taken care of personally. Technology, and especially the Internet, now makes possible to offer "one stop shopping" where clients will be able to fulfil all their desires.

Nevertheless, the experience of the client will only be complete when his virtual purchases will turn into reality. At this stage also, the most careful attention is to be paid in order to maximise guest satisfaction. Quality and human touch are not options in order to really produce a distinctive client experience. This has become a strong reality in tourism, and alpine resorts will not escape. The potential for improvements leaves wide perspectives open for the players of the industry that will understand these issues.

Sources and acknowledgments

As comprehensive information is not available globally for the industry, and even quite poor at some countries level, the present report compiles numerous sources. Various attempts have already been done to gather information about the industry at an international level. Unfortunately, often figures published are only partially correct.

Many efforts have therefore been focused to present data as accurate as possible. These have been crossed check numerous times. If however a reliable source has been missed, the author would very much appreciate its communication for further reference.

Besides the personal historical database gathered by the author and extensive web research, following sources have been referred to:

- Reports from national associations : RMS (Remontées Mécaniques Suisses), DSF (Domaines Skiables de France), NSAA (National Ski Areas Association), Fachverband der Seilbahnen Österreichs, ASSQ (Association des Stations de Ski du Québec), VDS (Verband Deutscher Seilbahnen und Schlepplifte), ASAA (Australian Ski Area Association), ANEF (Associazione Nazionale Esercenti Funivari), SHKY (Finnish Ski Area Association), SLAO (Swedish Ski Area Association), and others
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- STRMTG
- Tourism Association of Bosnia and Herzegovina
- Tourism Management 2010
- UNWTO World Tourism Barometer
- Wintersportanalyse in Europa, Manova, Octobre 2010

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