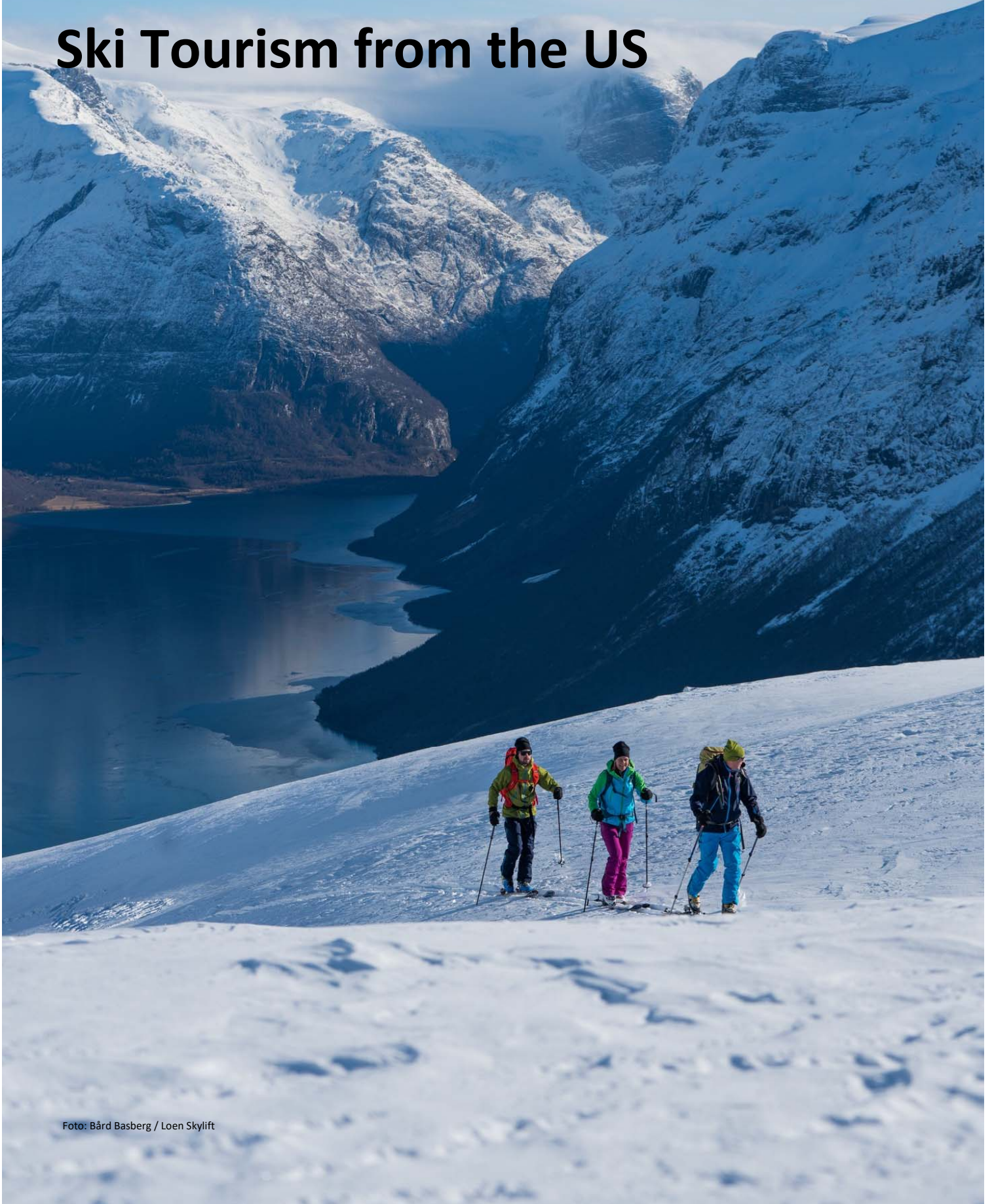


Ski Tourism from the US



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1. Executive Summary

In the fourth quarter of 2017 and first quarter of 2018, Innovation Norway in New York conducted a market research project targeting US ski tour operators.

The goal of the project was to acquire more knowledge about US ski tour operators, relevant websites, skiing and outdoor magazines, and ski clubs and associations. The task was divided into two parts: Internet research and telephone interviews. During the Internet based research phase, we gathered information about the aspects mentioned above. After we had defined the tour operators, we selected three and conducted telephone interviews with them. *It should be noted that we had planned to interview five operators in total, however due to it being high season for ski tour operators, obtaining cooperation was difficult.*

The demand for ski trips remains consistent over the past few years with the bulk of those traveling to ski doing so through ski clubs or associations. Logistical ease, value for the dollar, and a variety of types of skiing in one place are all in high demand for the American ski tourist. Individuals do not travel for ski tourism with very high frequency thus it is important to target ski clubs and associations as the gatekeepers for this niche market.

Throughout this project, we observed a strange paradox in which although Norway enjoys a strong association with skiing, nobody seems to be traveling there to ski. The destination's reputation is that of a very "serious" place to ski. Showcasing more intermediate ski products, along with a diversity of experiences available only in Norway, could give Norway the potential to become a very attractive ski destination.

This project also confirmed the many specific needs of the American traveler that could make or break a destination. Most importantly, this includes high quality accommodations and equally high quality levels of service – both areas in which Norway has been known to struggle.

2. Introduction & Methodology

This knowledge transfer project was conducted by Innovation Norway's office in New York.

The project's target audience was US tour operators targeting citizens who have a special interest in skiing.

The project was conducted in two phases:

Phase 1 was done through research on the internet and on the basis of existing knowledge. The following sections were mapped out in phase 1:

- Tour operators who offer skiing trips
- The most important websites/forums dealing with ski tourism
- Ski magazines
- Ski clubs and special interest organizations

It should also be noted that because of the substantial overlap between Canadian tour operators and US tour operators, operators usually service clients in both countries seamlessly.

Phase 2 consisted of conducting telephone interviews. We spoke to three different tour operators, none of whom currently sell Norway as a ski tourism destination.

The interviews were conducted between February and March of 2018.

As a result of the telephone interviews and this report, we hope the reader will get a better understanding and knowledge about the US ski tourism market from a tour operator's perspective. This includes a better perception of target audience, understanding of success factors for suppliers, an awareness of what countries top the charts when it comes to ski destinations, and a sense of what criteria needs to be met in order for a country or region to succeed as a ski destination.

3. Research on the Internet: Phase 1

The first phase was Internet based where we answered a number of already identified questions within the topics mentioned in the introduction:

- Tour operators who offer ski trips
- The most important websites/forums dealing with ski tourism
- Ski magazines
- Ski clubs and special interest organizations

3.01 Tour Operators:

We identified 12 US tour operators. We looked at their target audience, what types of trips each operator is offering, if they have an environmentally friendly focus, if they offer trips to Norway, and if they are of interest to Norwegian suppliers.

3.02 Websites/Forums:

We identified five websites with focus on people enjoying skiing. We looked at their target audience, what their websites are about, if they are using social media, and advertising opportunities.

3.03 Magazines:

We identified five skiing related magazines. We looked at their target audiences, how the magazines are distributed, and cost to advertise.

3.04 Ski Clubs:

We identified five ski clubs and looked specifically at membership numbers, target audience, if they are organizing annual events, and if they have a membership magazine.

4. In-Depth Telephone Interview: Phase 2

In the first phase we identified 12 different US ski tour operators. In-depth interviews were conducted with three of them. We aimed for having a mix of operators both selling Norway in their programs and operators not selling Norway. Unfortunately, there are very few American operators selling Norway as a ski touring destination so all interviewed operators do not currently sell Norway. We also hoped to have five interviews, however due to the interviews taking place during the busiest part of the year for ski tour operators, we were only able to secure three.

4.01 Offering of Trips to Norway

None of the three tour operators interviewed currently sell Norway, although all seemed open to doing so if the demand was there from their clients. Generally Norway is seen as very expensive, especially when compared to other ski/mountain destinations. One tour operator described skiing in Norway as perceived as “too hardcore” which makes the destination daunting for all but the most experienced skiers. Showcasing intermediate skiing options may do a better job of attracting more intermediate ski tourists.

4.02 Presence in Other Markets

All three tour operators had offices or representation in other markets or locations. Some of these were within the US, but others had offices in South America, Italy, Austria, Switzerland, France and Bulgaria.

4.03 Demand

All interviewed tour operators described the ski tourism industry as “steady” over the past few years. Operators spoke of a small but dedicated client base for what is seen as a “very niche” product. Ski touring is seen to compete with other hot products like heli-skiing and touring hut-to-hut trips.

The vast majority of clients are considered “group” defined as 20+ participants. Many of these groups are adult ski clubs and ski councils and corporate groups indicating an effective way into this market may be via ski clubs and associations.

4.04 Booking Behavior and Length of Stay

All the tour operators surveyed agreed that the typical length of trip is 7 days with bookings being made roughly six months in advance once clients have an idea of air availability and costs.

All tour operators also agreed that the largest part of their business comes from group bookings composed of friends, colleagues or teams/clubs traveling together.

4.05 Accommodations

Most of the tour operators surveyed reported that their clients are only interested in staying in hotels. One operator mentioned that cabins could also be acceptable given the right conditions and a large amount of local charm. One operator also mentioned lodging guests on a boat and moving to different fjords each night as a great option that is not yet available in other mountainous regions around the world. Nearly all operators specified that their clients are looking for higher-end accommodations (4 and 5 star) and that they are willing to pay extra for high-quality accommodations.

All operators interviewed agreed that the most important element of accommodations is proximity to the slopes. This means walking distance or a very short shuttle ride to where they can begin to ski.

The need for en suite bathrooms, individual beds (since most clients are groups and not couples), and good WiFi are also quite important.

4.06 Local Food

All of the tour operators surveyed reported that local food in a destination is quite important to their clients, however some specifically stressed the need for variety in that offering so that they aren't eating the same thing all the time.

4.07 Sustainability

Surprisingly, all of the tour operators interviewed reported no interest on behalf of their clients in working with companies marked as sustainable or environmentally certified. Although there is an overall awareness of the need to be sustainable, operators agreed that it ultimately does not drive decision-making.

4.08 Willingness to Pay (WTP)

When it comes to what clients are willing to pay extra for, answers were fairly consistent across all surveyed tour operators.

Accommodation

Willingness to pay for higher end or higher quality accommodations was almost universal across all tour operators.

33% High WTP
66% Medium WTP

Hire Equipment

Getting a clear result on this question was a bit tricky as many clients bring their own equipment.

33% Medium WTP
66% Low WTP

Local Food

Importance of local food was fairly consistent across the board.

66% Medium WTP
33% Low WTP

Guiding

Guiding was somewhat of a mixed bag with all operators reporting different WTP. This is due to some operators providing their own guides that travel with the group.

33% High WTP
33% Medium WTP
33% Low WTP

Luggage Transport Between Destinations

Some operators prefer to stay in less destinations per trip than others.

66% High WTP
33% Low WTP

Planning/Organizing Ski Trips & Adventures

Results here were all over the place with operators rating low, medium and high in equal parts.

Sustainability / Sustainable Solutions

All but one of the operators surveyed reported low WTP for sustainability. One operator rated it a medium WTP.

4.09 Willingness to Pay Extra

Operators reported that clients are willing to pay extra for unique experiences such as skiing different fjords each day and traveling by boat, or including less physical ski options that require less of a hike but instead make use of trains, gondolas or chairlifts. Welcome and farewell parties, snowmobiling, and visiting local attractions also add value and can command additional fees.

4.10 Equipment

Operators reported that about half their clients prefer to bring their own equipment with the other half renting it on site depending on the level of skier. A beginner to intermediate skier will usually rent and an expert skier will usually bring their own equipment or bring their boots and rent just the skis. The benefit of renting needs to be clearly stated as it usually allows for swapping out existing equipment for equipment better suited to changing snow conditions.

4.11 Frequency of Travel

Frequency of travel for this group is not very high. More interested clients will travel once per year. Sometimes it is less frequent than that. As much of this business is still controlled by ski groups and associations, travel frequency by an individual client is not terribly high.

4.12 Importance of Guides

Depending on the destination, guiding can be very important or not important at all. Well-established ski areas with groomed runs and an active ski patrol do not require personalized guiding. However, more natural ski destinations (like Norway) bring with them larger risk of avalanche and complexities in the terrain. In these settings, guides can be essential. Operators with larger groups (50+) will send their own staff as guides.

4.13 Ski Tourist Bucket List

Consensus across the board was that the “essential” ski destinations are Italy, Austria, Switzerland and France. Iceland, Norway and Japan were mentioned as bucket list destinations that are currently less popular among the more established European ski countries.

4.14 Special Needs

Tour operators were unanimous on the need for high-quality accommodations (with en suite bathrooms) and an equally high quality level of service. All agreed that Americans are more demanding when it comes to both of these areas and expect a level of service that often falls flat in Europe as well as other parts of the world.

Since most skiers are traveling in groups or with ski clubs, the need for rooms with individual beds, or even individual rooms, is highly desirable. Including breakfast and dinner in the accommodation package allows for maximum time spent skiing.

Lastly, one operator mentioned that clients are primarily looking for a unique product with good value that they can brag about on social media.

4.15 Success Factors for Ski Tourism Destinations

Most operators mentioned offering a large variety of different types of skiing in one place as being very important. Logistics are usually of high concern so destinations must be approachable and easy to get around. Skiing is seen as complicated so anything to streamline the process, transportation or even booking is important. Cost is also a big factor so keeping costs reasonable for groups keeps the destination desirable.

Suppliers on the ground must understand the needs of the American trade and be responsive, communicative, and flexible when working with them. Tour operators want partners in the destinations that are going to go the extra mile and support them when necessary. This is of extreme importance in allowing operators to feel confident in the quality of the package they are selling and build successful programs in new destinations.

4.16 Challenges for Norway as a Ski Tourism Destination

All operators interviewed agreed that although Norway (and Norwegians) have a strong perceived link to skiing, the destination and its product offerings are still largely unknown by Americans.

Another concern, repeated over and over, was the cost of Norway compared to other destinations.

One solution proposed was to make use of Norway’s unique topography and create packages combining ski touring via train and boat with Norwegian cultural activities, fjord safaris, and culinary tours. These are experiences other ski destinations would be hard pressed to offer.

4.17 Marketing Channels

All of the operators we spoke to are using the Internet, trade fairs, and social media to market themselves. Some use blogs on top of that. All rely very much on word of mouth and repeat business from ski clubs and associations.

4.18 Influential Publications/Bloggers/Social Media Influencers

Influential magazines mentioned included Ski Magazine (most mentioned), Powder, Backcountry, Freeskier, and Outside Magazine.

Influential individuals mentioned included current and past Olympic ski athletes including Gus Kenworthy, Red Gerard, and Chloe Kim.

Other bloggers and social media influencers mentioned include Unofficial Networks, Jerry of the Day, and NewSchoolers.

5. Conclusions and Recommendations

Skiing is a major American pastime, however with so many options to ski in the United States, a relatively small amount of ski enthusiasts are traveling internationally to ski. The demand is there and it is consistent, but it remains small and relatively niche. One reason for this may be the international ski tourism offering is fairly one-dimensional and non-innovative.

Destinations like Switzerland, Italy and France offer mostly base-camp based ski trips where the skiing may be great, but diversity of other experiences is quite low.

Americans traveling for ski tourism tend to plan six months in advance and travel for seven days at a time in groups of individual people and not as couples. Ski clubs and associations dominate this space and largely dictate the destinations being visited. Clients expect easy access to the slopes and not having to trek long distances uphill. They demand good meals with a variety of foods and a high level of accommodation and service.

Although Norway enjoys strong correlation with skiing in the minds of ski tourists, a lack of awareness of what the destination has to offer to more intermediate and beginner skiers (as opposed to advanced) is a major obstacle.

However, Norway's long ski season and greater diversity of experiences compared with other European ski destinations place it in a unique position to redefine the ski tourism space. Norway needs to offer innovative packages that are geared towards intermediate skiers and include travel by boat in the fjords and a greater diversity of both ski and non-ski winter experiences. While doing this, it is most important to keep logistics in mind and create ski products where skiing is still at the center, and not too difficult for the average skier.

6. References & Data – Tour Operators

Name of Company	Snow Tours	Alpine Adventures	Ski.com	SkiCan
URL	www.snowtours.com	www.alpineadventures.net	www.ski.com	www.skican.com
Phone	800-222-1170	800-755-1330	800-908-5000	888-4-SKICAN
Mass or Niche	Mass in that they cover all skiing	Niche	Mass	Mass
Description	Worldwide ski vacations	Best luxury holiday and all-inclusive ski trips	Ski and snowboard packages worldwide	Ski vacations starting originally Canada
Season	All	All	All	Winter
Target Market	Groups, private, luxury	Luxury	Family, luxury, all-inclusive	Friends, families, groups, solo travelers
Level of Experience	All	All	All	All
Themed Tours	All forms of skiing	All forms of skiing	All forms of skiing and snowboarding	All forms of skiing
Destinations	USA, Canada, South America, Europe	USA, Canada, Europe, South America, Africa, Asia	US, Canada, Austria, France, Italy, Germany, Switzerland, Argentina, Chile, Japan	Canada, US, Europe
Standard or Customized	Customized	Customized and set departures	Customized	Customized or fixed departures
Custom	Everything custom	Custom or set group trips	Everything custom	Everything custom
Packaging	Mostly just air and resort	Fully inclusive tours	Accommodation only to all-inclusive	Anything, or fixed departures with all sorted
Prices	Not specified	Reasonable	All levels	Moderate
Additional Activities	No	Safari, wine, general tourism	Nightlife	No
Norway?	No	No	No	No
Sustainability Focus	No	No	No	No
Safety Focus? (Avalanche)	No	No	No	No
Online Bookings	Online requests only	Requests only	Yes for specific resorts only	No
Brochures	Yes	Unknown	Unknown	Yes
Potential for Norway	Yes	Yes	Yes	Yes
Comments	Participated in Fjord Norway FAM Sep 2017	Participated in Fjord Norway FAM Sep 2017		Family operation in second generation

6. References & Data – Tour Operators

Name of Company	Singles Ski	Cycle Ventaux	Scott Dunn Private Journeys	Banchi Outdoor Adventures
URL	www.singleski.com	www.cycleventoux.com	www.scottdunn.com/luxury-holiday/ski-holidays	www.banchi.com
Phone	212-752-2429	802-291-0415	858-703-4738	609-584-0005
Mass or Niche	Niche	Mass	Niche	Mass
Description	Ski vacation for singles	Exploring seldom seen Europe	High end private ski tours at their own properties	Ski trips for groups or individuals
Season	Winter	Winter for skiing, cycling year round	Winter	Winter. Rafting in summer
Target Market	Single skiers	Travelers interested in Europe specifically	High-end groups and families	Groups or individuals
Level of Experience	All	Some experience	Some experience	All
Themed Tours	Single skiers	Skiing, cycling or trekking	They also offer full travel services all around the world	All forms of skiing
Destinations	USA only	Austria, Switzerland, Italy	North America and the Alps	North America
Standard or Customized	Standard	Customized or fixed departures, groups	Customized	Custom or groups
Custom	Fixed departure packages	Everything customizable	Everything customizable	Custom possible
Packaging	Land only	Anything, or fixed departures with all sorted	They will handle everything	Land
Prices	Reasonable	Not listed	Expensive	Reasonable
Additional Activities	Snowmobile, social activities	Cycling, hut-to-hut hiking, cooking, dining	Anything is possible	Rafting trips in summer
Norway?	No	No	No	No
Sustainability Focus	No	No	No	No
Safety Focus? (Avalanche)	No	No	No	No
Online Bookings	Yes	No	No	No
Brochures	No, newsletter	No	Yes	Request only
Potential for Norway	Probably not	Yes	Yes	No
Comments		Probably the best fit for Norway given their broader focus	They run their own villas in Alps and North America	Mostly a resort booking service

6. References & Data – Tour Operators

Name of Company	Casa Tours	Holidaze Ski Tours	SkiGroup	Echo Tours
URL	www.casatours.com	www.holidaze.com/	www.skigroup.net	www.echotours.com
Phone	406-570-8292	800-526-2827	303-444-0916	888-399-9335
Mass or Niche	Niche	Niche	Mass	Niche
Description	The original operator to Chile and Argentina		Boutique ski tourism	Ski and snowboarding tours for college student organizations
Season	All year thanks to Japan and SA focus	Mostly winter	All	Winter
Target Market	Adventurous	50 years old, professional, no kids	Mostly groups	College student organizations
Level of Experience	Experienced	Some experience	Some experience	All
Themed Tours	Off-piste skiing	All forms of skiing	All forms of skiing	College students
Destinations	Chile, Argentina, Japan	Australia, Switz, France, Germany, Italy, USA	US, CA, Europe, NZ, South America	Mostly North America
Standard or Customized	Standard	Custom or groups	Customized	Standard
Custom	No	Mostly accommodations	Everything custom	Custom for groups
Packaging	All inclusive	Land	They can handle everything	Land
Prices	Mid-range, \$4-5k	All	Not listed	Affordable
Additional Activities	Light tourism, markets, food, snowboarding	No	Cruises	No
Norway?	No	No	No	No
Sustainability Focus	Yes	No	Yes	No
Safety Focus? (Avalanche)	No	No	No	No
Online Bookings	Requests only	Yes, for resorts.	Requests only	No
Brochures	No	Unknown	No	No
Potential for Norway	Yes - since they've added Japan	Yes	Yes	No
Comments		Family owned	Participated in Fjord Norway FAM Sep 2017	

6. References & Data – Ski Websites & Forums

Skiing Website / Forum	Powder Hounds	Senior Skiing	On the Snow	Free Skier	Unofficial Networks
URL	www.powderhounds.com	www.seniorsskiing.com	www.onthesnow.com	www.freeskier.com	www.unofficialnetworks.com
Phone	N/A	N/A	N/A	303-834-9775	N/A
Target	Ski and snowboarding enthusiasts	The 50+ snow enthusiast	US facing ski and sport enthusiasts	Those interested in gear and products	US facing ski and sport enthusiasts
Interest Area	Japan, Europe, CA, SA, USA, NZ	Destinations, gear, health, nostalgia	Resort and snow reports	Gear, resorts, travel	Weather and gear
Followers/Likes	20k Twitter, 7k FB, 287k visitors/month	500 Facebook, 15k monthly views	60k FB, 28k Twitter, Newsletter	300k FB, 288k Instagram, 63k Twitter	156k FB, 3,800 Twitter, 30k Insta
Selling Tours	Yes	No	No	No	No
Themed Content	Themed around destinations	Destinations, gear, health, nostalgia	Resort reports, snowfall data, snow sports news	Lots of content around specific brands	Weather forecasts and gear
TO Aligned	Yes, with several inbound providers	No	No	No	No
Key Personalities	Sweetcheeks Doyle	No but they have an advisory council	No	No	No
Advertising Cost	\$5/CPM Large & \$3/CPM Small	\$800-1200 per year	Managed through MountainNews	Must contact for details	Partner of USA Today
Creative Ad Formats	Rotating banners 215x270 & 215x151	728x90 and 300x250	Lots of options	Must contact for details	Undisclosed
Social Media Platforms	20k Twitter, 7k FB	Facebook - 500 followers	60k FB, 28k Twitter, Newsletter	300k FB, 288k Instagram, 63k Twitter	156k FB, 3,800 Twitter, 30k Insta
Potential for Norway	Some	Yes	Yes	Some	No
Comments					

6. References & Data – Ski Magazines

Magazine	Ski Magazine	Powder Magazine	Back Country Magazine	Cross Country Skier	Off Piste Magazine
Phone	303-253-6300	760-722-7777	802-644-6606	802-644-6606	509-999-2208
Tourism Focus	No	No	No	No	No
Target	67% male, 46 yrs avg age, \$107k HHI	73% male, 36 yrs avg age, \$115k HHI	89% male, 36-44yrs of age	53% male, 35+ yrs, \$75k+ HHI	20-55 yr old dedicated skiers
Distribution	1,400,000	1.3M total audience	31,000	15,000	20,000
Publish Frequency	6x per year	Every other month	Monthly	Twice per year	Once per year + web
Lifetime	1936	1972	1995	1980	1999
Website?	Yes	Yes	Yes	Yes	Yes
URL	www.skimag.com	www.powder.com	www.backcountrymagazine.com	www.crosscountryskier.com	www.offpistemag.com
Advertising Cost	\$42k Full page color	\$10k Full page color	\$3,500 Full page color	\$3,200 Full page color	\$1,599 Full page color
Circulation	1,400,000 (300k rate base)	333,000	31,000	15,000	8,000
Potential for Norway	Yes	Yes	Yes	No	No
Comments					

6. References & Data – Special Interest & Ski Clubs

Special Interest / Ski Club	Ski Tops	Pentagon Ski Club	Out of Control Ski Club	Space Dogs Ski Club	The Ski Club of Washington DC
URL	www.skitops.com	www.pentagonskiclub.org	www.ocskiclub.org	www.spacedogsski.club	scwdc.wildapricot.org
Phone	N/A	703-524-0200	N/A	403-679-1699	703-532-7776
Members	159 suppliers + operators	400-500 members	1,000+	Undisclosed	Undisclosed but probably a lot
Target	Tour Operators focused on skiing	Individual skiers	Individual skiers aged 21-70	Training	Individual skiers and adventurous people
Characateristics	Ski tour operators association	Tons of hosted trips domestic and abroad	Ski trips, instruction, social activities	High end training and some trips	Networking, social, travel, sports
Annual Events	Annual conference	Monthly meetings and tons of trips	Annual golf event, frequent meetups and social events	Mostly about training	Tons of events throughout the year both ski and non ski related
Magazine?	No	No	No	No	Yes
Circulation and Frequency	N/A	N/A	N/A	N/A	Undisclosed
TO Affiliate	No	No but they sell their own trips	No	No	No