

Spot

SPRING 2020 COVID-19 SKIER SENTIMENT REPORT:

How the pandemic is impacting a new generation of skiers and shaping the future of the sport



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Young, local and avid, loyal skiers across the United States weigh in on how they have been impacted by Covid-19, how it has affected their ski plans, and what the pandemic might mean for the 20/21 ski season and beyond.



Like many tourism-based industries, the ski industry is facing unprecedented challenges in the wake of Covid-19. Forced slope closures in the height of the ski season come at a time when the industry was already struggling to cope with challenges related to climate change, aging skier demographics, and difficulty securing a younger, more diverse cohort of loyal skiers. Even as the crisis is contained over the coming months (or years), COVID-19 will have a long-lasting impact on the economy, on travel, and on skier sentiment and behavior, all of which change the ski industry. While the industry will almost certainly recover from this crisis, it may emerge fundamentally altered.

In the short term, the industry should be prepared for less travel. Experts predict that while travel will slowly pick up over the next year, international travel will take the longest to return to normal levels. With limited international travel and wariness about airline travel generally, experts predict that people will be looking to vacation and indulge in leisure activities closer to home, which could potentially lead to an uptick in local and regional skiing.

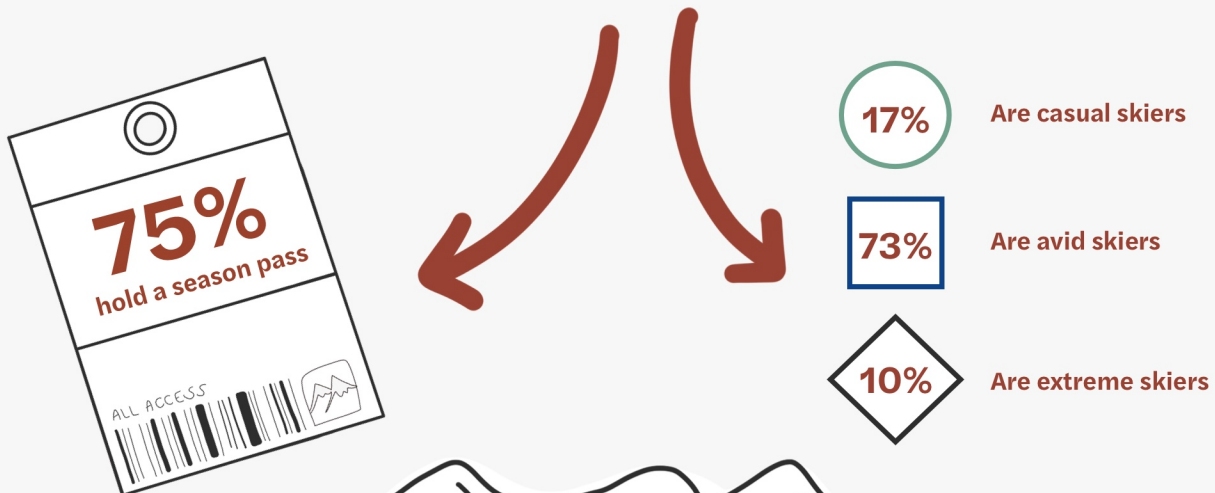
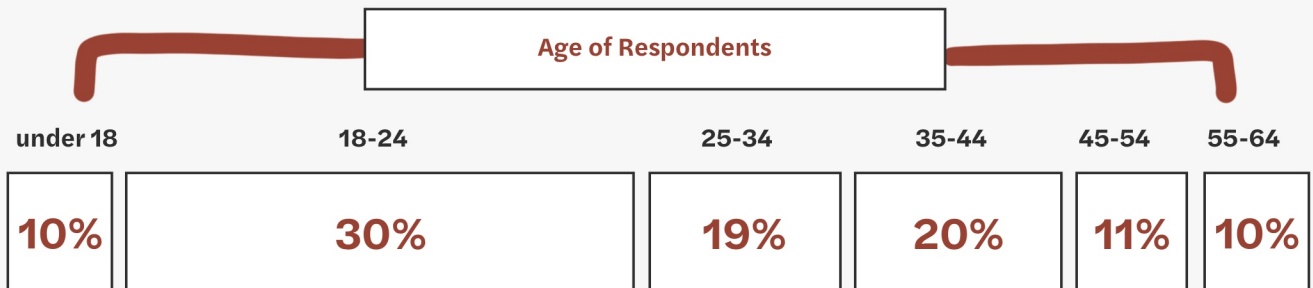
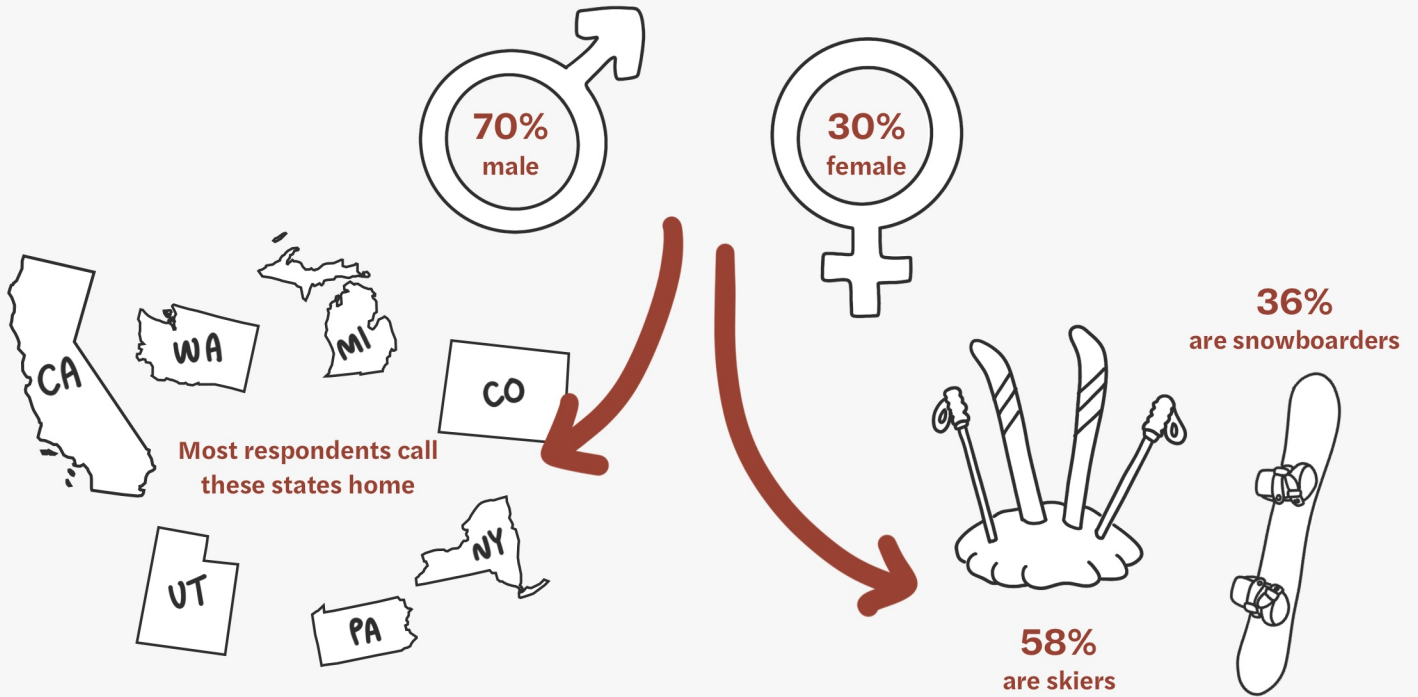
More importantly, the industry will need to figure out how to plan around the high levels of uncertainty that are likely to plague skiers next season. As the industry has consolidated and corporatized over the years, borrowing pricing strategies from the airline and hotel industries, which offer significant discounts for planning in advance, the uncertainty spawned by the pandemic is certain to rattle skiers who may have otherwise bought season passes or planned ski vacations early.

Overall, our survey found that while skiers are uncertain about the 20/21 ski season, avid skiers view the sport as an important reprieve from the restraints of the pandemic and are eager to make up for this season's lost time, next year. Navigating this crisis will require a careful response from the industry; one that includes thoughtful and sensitive messaging, creative strategizing in terms of how to reassure skiers, and a willingness to think outside the box when it comes to incentivizing skiers who have been economically impacted by the crisis.

Demographics

884

Respondents across the USA

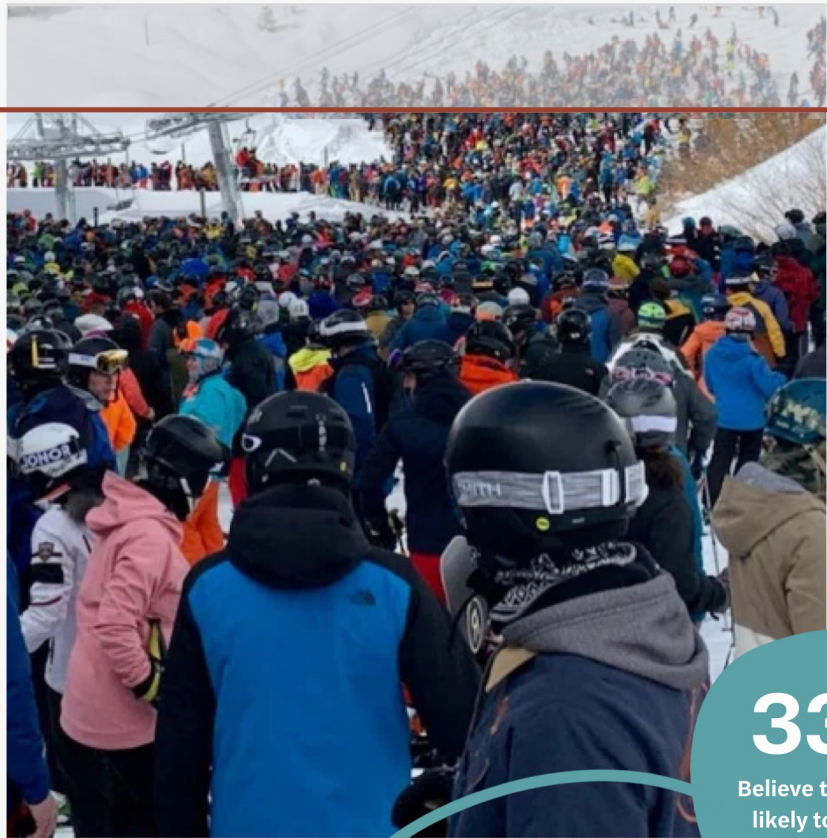
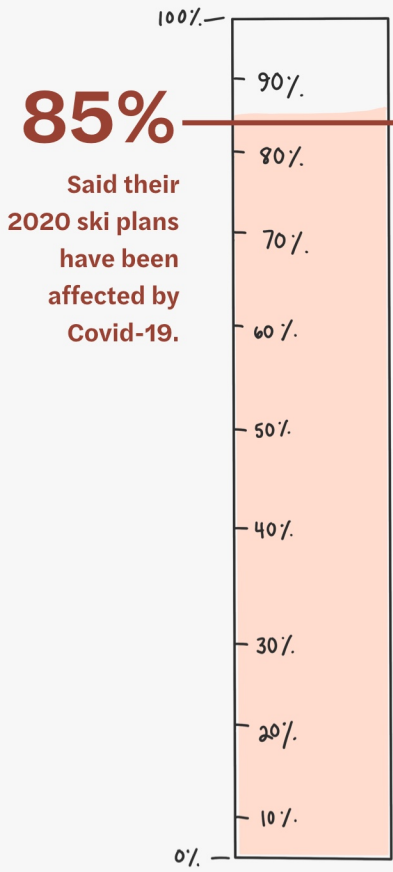


1

Covid-19 has left skiers uncertain about the 20/21 ski season. How mountains respond in the moment will be key to securing skiers next season.



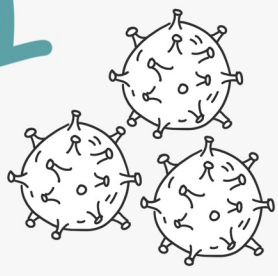
Major disruption to this year's ski season combined with uncertainty surrounding the virus have left skiers wary of making financial commitments to ski next year; many worry that their plans will be disrupted again.



33% Believe they are less likely to ski in the 20/21 season

Their top concerns are:

1



Closures

2



Cost

3



Weather

**SPOT
PRO-TIP:**
CLARIFY YOUR COVID-
RELATED REFUND POLICY



“ Why would I spend \$700 for a season pass with no assurance for a complete or partial refund if the season is interrupted again? ”

Our skiers said the number one way to add value to a pass would be by providing partial or full refunds for any outside factors that prohibit mountain access.

Why this matters:

Covid-19 has changed the way skiers think about the value of their ski pass. The certainty of knowing they will be able to use the pass enough times to make it worth it is what makes skiers willing to spend the money up front every season. Unpredictable weather due to climate change has already called this certainty into question, and Covid-19 will further undermine it. How mountains respond to the uncertainty spawned by this crisis will be key in getting skiers to invest in passes for next year.

What to consider:

Immediately make things right with skiers whose ski plans were affected by Covid-19 — offer credits, refunds, or discounts on next year's pass.

Be clear, specific, and transparent about your refund policies for next season and communicate with frequent skiers and season passholders now.

Consider committing to full refunds on disruptions to 20/21 ski passes and lift tickets if Covid interrupts the ski season again.



2

Covid-19 will be to Gen Z what the 2008 crisis was to Millennials, fundamentally altering the future of travel and skiing.



With many who are still students and in the early stages of establishing their lives and careers, Gen Z skiers will be among the most economically impacted by the Covid-19 crisis in the long term. This will shape their ski habits for decades to come.

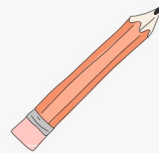


40%

of respondents are Gen Z



70% are still on their family's insurance



42% are still students

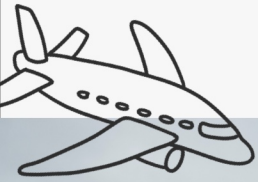


31% have a 4yr degree or higher



29% are working full-time





Why this matters:

As much as Millennials were profoundly shaped by the 2008 financial crisis, Gen Z will be shaped by Covid-19. Graduating into a recession and saddled with student debt, Millennials took longer than previous generations to do virtually everything — settle into careers, get married, buy houses, have children, etc. Often unable to afford long-term investments in their futures, Millennials instead spent their money on travel and leisure, thus transforming these industries. While the financial crisis of 2008 had minimal impact on skier visits during the recession that followed, experts are projecting that Covid-19 will lead to a depression-level economic downturn that will warp what we saw in 2008, likely taking an even greater toll on Gen Z than the 2008 crisis did on Millennials. Given this, we should expect that Gen Z will have even less access to jobs than Millennials, be saddled with even more student loan debt, face higher health care costs, and be left with far less expendable income for things like travel and leisure. This will change the way they ski. Not only will they be less likely to travel, but they may also be less inclined to buy into amenities they can't afford thus seeking more accessible alternatives to pricey season passes and lift tickets.



What to consider:

Build relationships with your local Gen Z skiers and create loyalty through programs that are low-cost or no-cost:



- Include access to off-season activities in the price of a season pass.
- Develop off-season terrain for local Gen Z-ers to engage with your mountain year-round.
- Drive traffic to lower density activities like uphill and back-country parks.

3

In post-pandemic times, outdoor sports and leisure activities like skiing will be more appealing than ever.



Following this period of social isolation, listlessness, and confinement indoors, the psychological appeal of skiing and of being outdoors will be greater than ever. People will be eager to get out of their houses and experience outdoor social and leisure activities, safe from contagion.



WHY PEOPLE SKI

After fun, these are the top reasons:

1 To spend quality time with friends + family

2 To feel connected to nature

3 For the mental health benefit

When asked how the pandemic will change their ski habits next year,

15% said:

“ I think I will be more likely to ski/snowboard because I think I’ll put a higher value on spending time with friends and family or in nature following the pandemic. ”



Why this matters:

In a post-Covid, post-quarantine world, skiers will be looking for ways to get outside of their homes to enjoy being with friends and connecting with nature. Skiing will be more important than ever as a social outlet and a means of connecting with nature and the outside world – which are crucial to mental health and social-emotional wellness.

What to consider:



Focus now on messaging and building awareness around:

- How skiing can improve mental wellness – being outside, being with friends, etc.
- The relative safety of skiing in corona-times as opposed to other types of activities (it’s easier to social distance on a mountain).

Bring it all outdoors:

- Many ski resort amenities are already enjoyed outdoors. With public outdoor spaces likely to feel safer than indoors, consider bringing even more amenities outside – the grill, the kiosk, the register etc.

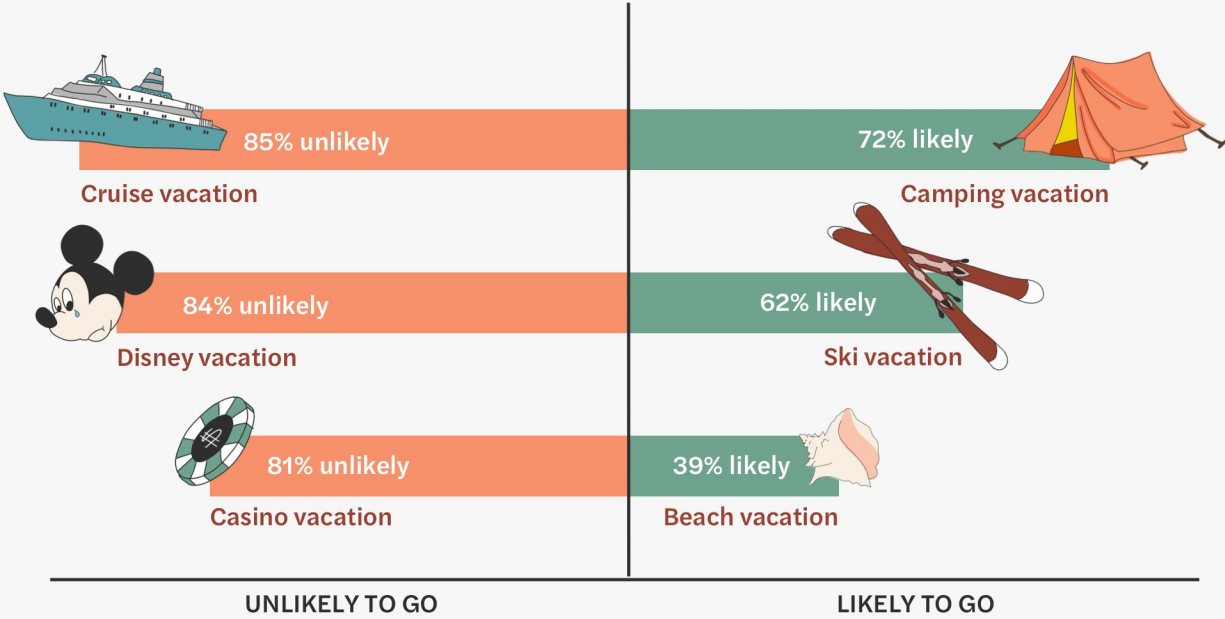
4

More authentic, community-based experiences are vital. The further commoditization of the sport has diminishing returns to avid skiers.



As mountain groups have consolidated over recent decades, many resorts have slowly lost their local character. Opting for a more universal appeal leaves avid skiers feeling alienated from their local mountains.

VACATION PREFERENCES

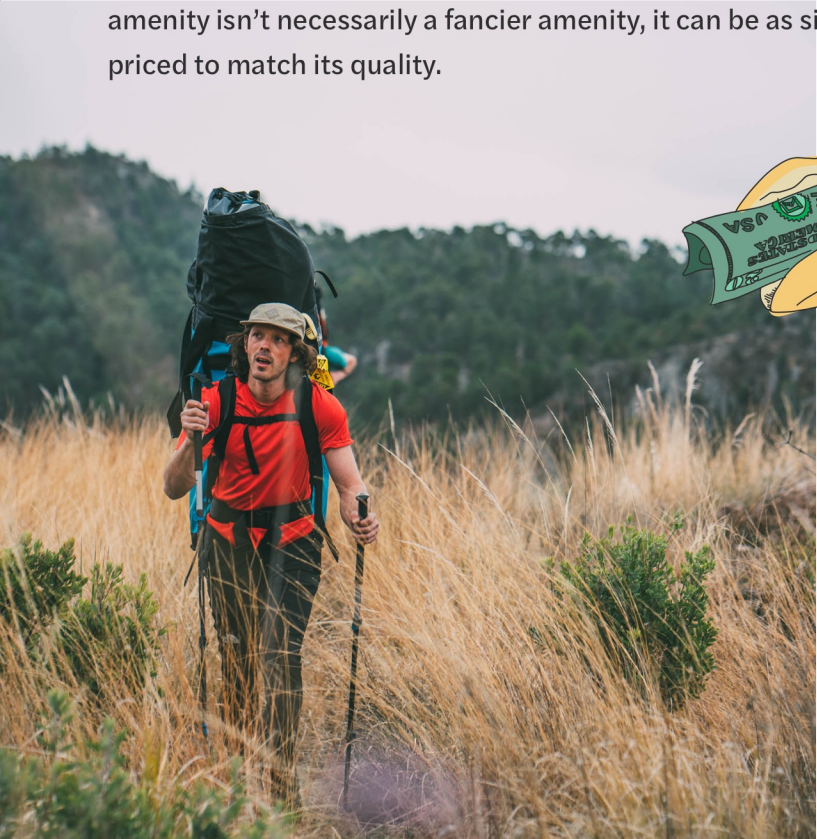


When asked what mountain owners could do to make avid skiers feel more valued, they said:

“Better programs and services for locals because they support the resort day in and day out.”

“Cater to locals, not just wealthy visitors.”

While the avid skiers we spoke with prefer less commercialized vacations, this doesn't mean they don't value mountain amenities. In fact, 36% said better mountain amenities would make their ski passes more worth the money. The issue here is what, for these skiers, amounts to an amenity. While your avid skier may be unimpressed by a 4k screen on the ski lift or a caviar bar at the lodge, they may appreciate a taco truck selling tacos from the local taqueria or the addition of a local brewery's tap house at the bottom of the mountain. What they don't want is to pay \$12 for a bad hot dog. In fact, one of the most common complaints we observed in our survey was the price and quality of food on the mountain. A better amenity isn't necessarily a fancier amenity, it can be as simple as offering a food item priced to match its quality.



SPOT PRO-TIP:
USE MARKETING ANALYTICS TO REFINE YOUR CUSTOMER PERSONA

What to consider:

Reimagining amenities may make the mountain experience resonate with regional travelers, locals, and season passholders so everyone feels valued and incentivized to keep coming for more.

Embrace the local culture of the mountain:

- Plan off-mountain events and activities around local traditions
- Explore partnerships with hometown brands and businesses, especially restaurants and food
- Set up RV hookups and facilitate alternative accommodations

Added perks for passholders:

- Designated parking
- Early-bird / after-hours access
- Ability to accrue additional buddy passes
- Free beer with your lift ticket
- Search and Rescue or Injury Insurance

Make skiing more enjoyable:

- Regulated lift lines
- Crack down on dangerous skiers
- Give people space for a low-density experience



Why this matters:

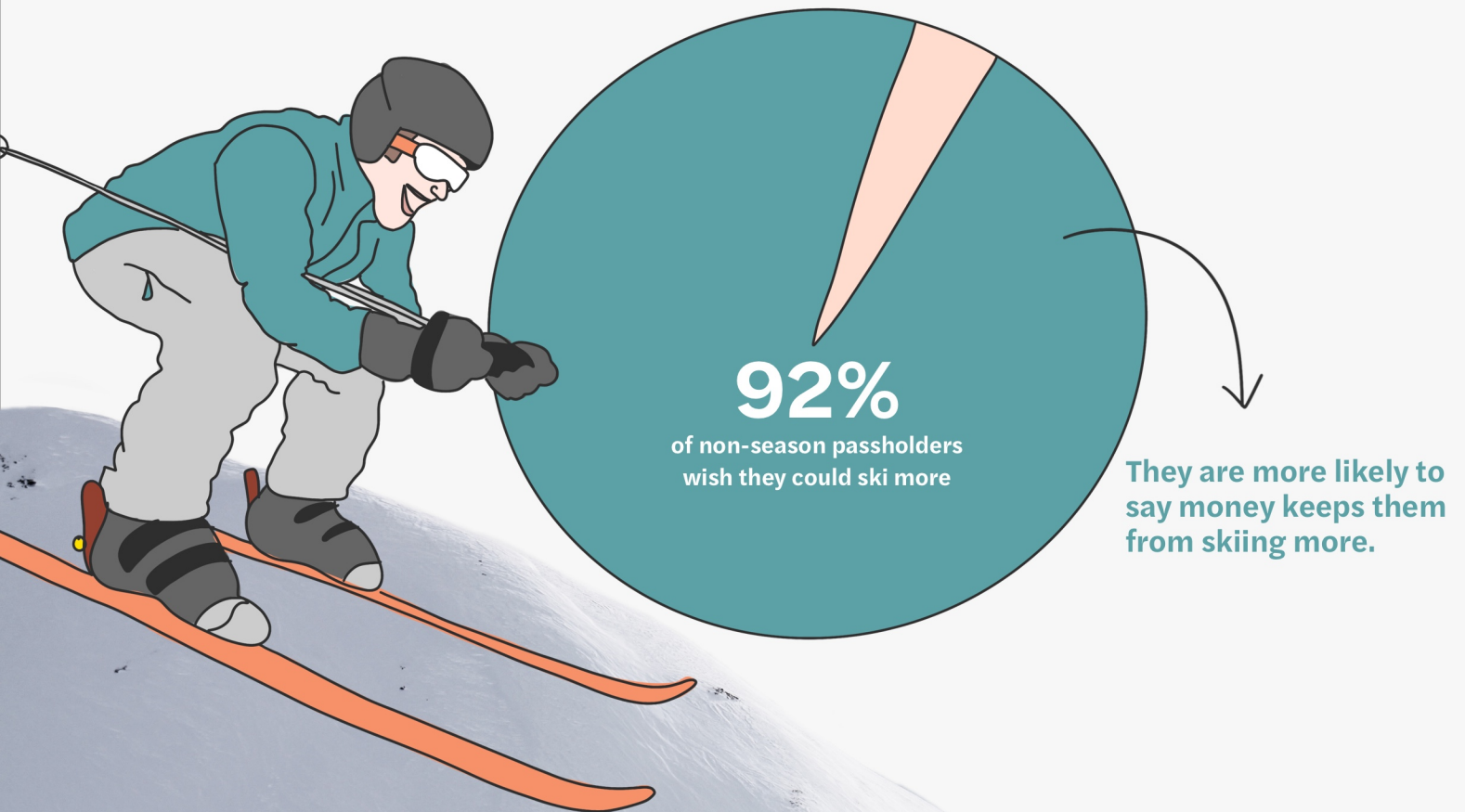
A good experience on the mountain goes far beyond good snow conditions and trendy restaurants. Many of the skiers we surveyed complained about overcrowding on the mountains, long lines, overpriced food, and ski lift malfunctions, as well as the feeling that the places they ski cater to tourists, not to the locals who pay for season passes. In the coming season, the economic impact of Covid-19 and wariness to travel will likely make locals more important than ever to the success of ski mountains.

5

Even amidst the uncertainty of Covid-19, there are still lots of people clamoring to ski more frequently. The industry needs to figure out how to make room for them.



With an economic collapse and a decline in tourism on the horizon, the industry will need to find new ways to keep up revenue. With less international and long distance travel, and less big money brought in by foreign tourists, it will be important to find ways to grow the sport among those who already ski. There is already a huge opportunity with occasional skiers, almost all of whom say they wish they skied more, and that aside from time, the biggest factor that prevents them from doing so is money.



WHEN CASUAL SKIERS WERE ASKED WHAT MOUNTAIN OWNERS COULD DO TO MAKE THEM FEEL MORE VALUED:

“ I’d love to pay closer to 40 bucks a day. That would let me go more than a few times a year! ”



“Keep things affordable. Skiing shouldn’t be a luxury sport.”

Why this matters:

There aren’t many options that make financial sense for people who don’t consider themselves avid enough to buy a season pass but would like to go more than once or twice a year. Given the uncertainty created by Covid-19, products like the Epic Pass and Epic Day Pass — designed to make skiing more affordable — will be even more of a gamble for people, potentially further alienating these skiers from the sport. The industry will need to find new ways to target these skiers and lower barriers to entry.

What to consider:

Use data and technology and explore partnerships to observe trends and behaviors that identify potential avid skiers (e.g. high-mileage road cyclists on Strava). Invest in this group and explore alternate pricing models and incentives to encourage them to ski more frequently.

JULIAN CARR



Spot Ambassador

A Post-Pandemic Imperative for the Ski Industry: Balancing Low-Density with Accessibility



If our research is any indication, even amidst the Covid-19 crisis, skiers' appetite for the sport isn't going anywhere. In fact, skiing may even occupy an important place in the American psyche as a social and leisure activity that offers an escape from the confines of home while connecting with others at safe distances outdoors, where the virus is less likely to spread. At the same time, lingering travel restrictions, uncertainty in the future, fear of the virus, and Great Depression-level economic impacts are sure to change skier behavior, potentially keeping people closer to home, less willing to make long-term plans, and on tighter budgets, especially when it comes to leisure. Furthermore, before this pandemic struck, skiers — especially avid skiers — were already disillusioned by the corporatization of the industry and resorts that cater more to affluent tourists than to locals, with price increases keeping a fair amount of people from either entering the sport or skiing as much as they'd like. Covid-19 will exacerbate many of the issues already facing the industry, and force a reckoning when it comes to attracting affluent skiers and tourists, while also growing the sport and embracing locals and avid skiers who make up much of its base. Much of it will come down to how the industry balances the need and desire for low-density with the kind of accessibility that leaves the sport relatively open.

The truth is that low-density was already a trend in the ski industry. Over the last several decades, revenue growth has relied increasingly upon a substantial uptick in ticket prices paid by a declining number of customers, further cementing skiing as an elite activity. Even as the sales of unlimited passes have soared in recent years making the sport more accessible to those willing to plan in advance, the number of skier days in the U.S. has remained virtually unchanged since 2006. Given the extreme price hikes, the industry has been criticized for its failure to grow the sport and attract new skiers. As an industry, skiing is still heavily dependent on Baby Boomers, with Millennials and Gen Z failing to fully fill in their ranks. In the aftermath of coronavirus, these trends are likely to continue and become even more extreme, as social distancing demands even lower density and as income inequality widens, with younger generations hit harder by the economic toll the virus takes on society. Catering only to older, wealthier skiers is a gamble that may not pay out in the end.

Ultimately, the industry will be faced with two less-than-desirable extremes: in an effort to control density and continue growing from a revenue perspective, prices will increase even more dramatically and forcefully exclude large swaths of skiers who are unable or unwilling to pay luxury prices. Alternatively, barriers to entry will lower and ticket prices will drop significantly to attract more beginner and casual skiers and increase engagement with locals, thus crowding mountains and alienating wealthy skiers. Both approaches will inevitably upset important cohorts of the customer-base so understanding a resort's specific consumers will be key.

Still, the question remains: between these two extremes, is there a middle ground, or even a mixed model that allows for both?

Here are 7 strategies the industry might explore in coming seasons:



ONE



Embrace the monumental shift toward more remote work. Skiers with financial barriers but who might leap for the opportunity to enjoy the outdoors and ski could justify their trip if they can continue working full time while on vacation. While repurposing the resort's bars and cafeterias to low-density coworker spaces may not be tenable, local restaurants and businesses on the mountain who are struggling to utilize their spaces, especially during the week, may be open to such arrangements. Creating partnerships and driving some revenue to their businesses while offering an alternate remote work environment could pay large dividends for attracting weekday visitors.

TWO

Set tight attendance caps and institute dynamic pricing on the weekends to recoup additional revenue from the more affluent skiers. This will render the weekends cost prohibitive for many, but will keep them highly profitable yet manageable. Make sure you have a great PR team in place, though, as this will surely upset your locals and your locals.



THREE

Limit lodge usage and move food/beverage services outside. This could mean setting up food trucks/tents and heat lamps. It also may require establishing makeshift lodges in trailers to provide more space to warm up.

FOUR

Share density data publicly to let visitors determine if the resort meets the needs of their social distancing approach. Without consistent guidelines at the federal or even state levels, social distancing norms vary largely by geographic region, age group, and political beliefs. Making guests feel comfortable is key, but providing enough information to self-select into the right environment will make a large impact in customer satisfaction.

FIVE

Be overly transparent about your refund policy in relation to COVID-19 and/or provide services that offer additional protection to your customers.

SIX

Revive previously failed summer programming on the mountain. It doesn't have to be only mountain biking-oriented. Camping or experiencing nature could be a major draw for those on the coasts needing a low-density release and could also help retain meaningful relationships with locals.

SEVEN



Embrace the local culture of the mountain and region to create more unique and authentic experiences that attract outside tourists, while also making locals feel more valued and engaged in the mountain culture. Consider more partnerships with local businesses and artists as vendors for resort amenities to provide more color to the resort culture while also helping to keep these local businesses afloat during the hard times to come.

About Spot:



Spot has reimagined the insurance ecosystem for the outdoor industry and its enthusiasts alike. Spot provides injury insurance to athletes and adventurers and was founded on the belief that breaking a bone shouldn't break the bank. By integrating across a number of partners including ski resorts, terrain parks, sports leagues, outdoor associations, and registration platforms, Spot's technology solution enables a positive customer experience while offering partners with rich injury data and additional revenue.

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A big thank you to:



JULIAN CARR

Professional skier and cliff jumper

MARK SCHROETEL

GM, Powder Mountain

OUR RESPONDENTS!

The responses were so...colorful!



designed with ♡ in ATX