

INDUSTRY SOURCES OF TREND DATA -- SKIING¹

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OVERVIEW

With precious few exceptions, ski industry trend data does not exist. This paper will enumerate sources of trend data known to the author. The paper considers the probable causes of the lack of ski industry trend data and means to ameliorate the lack of trend data. Finally, the paper presents a rationale for acquiring improved ski industry trend data.

SKI INDUSTRY TREND DATA

The National Ski Areas Association (NSAA) sponsors an annual research/survey study entitled "Economic Analysis of North American Ski Areas", which reports the financial condition and operating characteristics of more than 50% of the American ski area capacity.²

The US Forest Service maintains annual pricing, usage and capacity data³ on ski areas operating under special use permits. Although the capacity calculations have come under some criticism, the report does contain factual, unaggregated, area-specific skier visits and published ticket price information.

Periodically, the AC Nielsen Co.⁴ has reported on the ski industry either in the context of overall outdoor recreation activity, or as an industry specific project.

Many ski industries⁵ have supported or cooperated with researchers investigating their own skiers, resulting (in some cases) in annual skier "profiles".

Many recreation researchers⁶ have been active in ski industry analysis during the past several years. Although not necessarily sources of trend data per se, these researchers do have a historical perspective that could be invaluable resources for certain types of investigation.

A number of universities and colleges

have recreation or natural resources planning programs that either maintain bibliographic catalogues⁷ of ski industry studies, or actively publish and distribute industry specific monographs. Collectively, these monographs are a form of trend data.

PROBABLE CAUSE FOR THE LACK OF SKI INDUSTRY TREND DATA

The "supply side" of the ski industry is characterized by many relatively small "producers". No one supplier or group of suppliers dominates (in terms of market share) the supply of alpine skiing. Most ski areas are, by definition, "small businesses" and many are owned and operated as a family business.

Although there is some movement towards large corporate acquisitions (20th Century Fox, Ralston-Purina, etc.) and mergers between ski areas (Sugarbush and Glen Ellen, Stratton and Bromley, etc.) the vast majority of ski areas in North America are owned and operated by entrepreneurs. These entrepreneurs are generally good day-to-day managers, but many times lack the capital base for major expansion.

The larger areas conduct their own, albeit limited, demand research to satisfy marketing planning expansion requirements. Smaller areas rely heavily on the intuition of management and the extrapolation of past performance.

Thus the fragmented nature of the supply function, coupled with varying management priorities has not lead to the creation of a sophisticated on-going mandate for either supply or demand side trend data research. The exception may be a general support of the research by NSAA in its annual "Economic Analysis of North American Ski Areas".

AMELIORATION OF TREND DATA RESEARCH

As noted above, the NSAA "supply side" "Economic Analysis" presents a relatively comprehensive look at the ski industry over time. The primary improvement to this excellent resource would be broader industry participation. Perhaps this could be achieved by heavier promotional efforts or more persistent followup techniques.

The US Forest Service study noted above is helpful (although limited to those on Forest Service land) and could be improved by rationalizing the capacity component through more rigorous, uniform criteria and more comprehensive evaluative techniques.

Demand side trend research will require a "major" supporter to provide the continuing resources necessary to achieve the inherent objectives. Many vehicles are available inside and outside the industry. The absence of demand trend data is clear; the necessity is stated below.

RATIONALE (NECESSITY) FOR IMPROVED SKI INDUSTRY TREND DATA

Significant public and private capital and human resources are employed in delivering the recreational activity focused on snow skiing. To the extent we wish to maximize the return on capital and labor, we need to know how to create the desired product or products. Or, expressed from the perspective of the skier, "Who will offer what I want, when I want it, at a price that I feel is reasonable?" It is this arbitrage between knowledgeable suppliers and knowledgeable consumers (whether active, potential, or drop-out) that will result in a healthier, more vigorous, socially useful industry.

FOOTNOTES

¹ Paper presented at the National Outdoor Recreation Trends Symposium, Durham NH, April 20-23, 1980.

² ECONOMIC ANALYSIS OF NORTH AMERICAN SKI AREAS: 1977-78 SEASON. C.R. Goeldner and Ted Farwell. Business Research Division, Graduate School of Business Administration, University of Colorado, Boulder, CO. 1978. 140 pp. \$30.

³ US Forest Service Pricing Study Print-out. August 1979.

⁴ CONFIDENTIAL REPORT ON THE SPORT OF SNOW SKIING. Nielsen Custom Research Service,

AC Nielsen Co., Nielsen Plaza, Northbrook, IL. 1979.

⁵ THE ASPEN SKIER: 1977-78 SEASON. C.R. Goeldner, Business Research Division, University of Colorado, Campus os 420, Boulder, CO. 1978. 80 pp. \$15.

THE BRECKENRIDGE SKIER. C.R. Goeldner and Yvonne Sletta, Business Research Division, University of Colorado, Boulder, CO. 1975. 67 pp. \$10.

THE COLORADO SKIER: 1977-78 SEASON. C.R. Goeldner, Business Research Division, University of Colorado, Boulder, CO. 1978. 92 pp. \$25.

THE COPPER MOUNTAIN SKIER, 1978-79. C.R. Goeldner and Jack Harrington, Business Research Division, University of Colorado, Boulder, CO. July 1979. 68 pp.

THE 1977-78 STEAMBOAT SKIER SURVEY. Charles K. Mayfield, Steamboat LTV Recreation Development, Bos 1178, Steamboat Spgs., CO. 1978. 88 pp.

THE VAIL SKIER: 1977-78 SEASON. C.R. Goeldner, Business Research Division, University of Colorado, Boulder, CO. 1978. 106 pp. \$15.

THE WINTER PARK SKIER: 1978-79 SEASON. C.R. Goeldner and Jack Harrington. Business Research Division, University of Colorado, Boulder, CO. June 1979. 49 pp.

⁶ BIBLIOGRAPHY OF SKIING STUDIES. C.R. Goeldner and Karen Dicke. Business Research Division, University of Colorado, Boulder, CO. 1978. 62 pp. \$10.

⁷ Ibid.

SKI UTAH: A REPORT OF THE INDUSTRY. John D. Hunt and Christie Anderson. Institute for Outdoor Recreation and Tourism, Utah State University, Logan, UT. February 1976. 111 pp. \$10.

WINTER RECREATION VISITOR STUDY, WISCONSIN. Rollin B. Cooper, Sue Sadowske, and Mark D. Kantor. Recreation Resources Center, University of Wisconsin-Extension, 1815 University Avenue, Madison, WI. 1979.