

Costs, Habits and Conditions: State of Ski for the Upcoming Season

Ski Report 2023



Foreword

“We have already seen a 10% year-on-year increase for bookings this winter and anticipate continued growth in the run up to December.”

“We understand that events in recent years have placed a strain on travel; from lockdowns and restrictions through to rising inflation, it hasn’t been easy. What is clear, however, is that the demand for winter sports holidays remains incredibly resilient. In January of this year, our Winter 2023/24 preview sales opening was our highest-ever grossing preview, with sales revenue up 45% versus the same event in 2022. Furthermore, we have already seen a 10% year-on-year increase for bookings this winter and anticipate continued growth in the run up to December. Amongst this incredibly positive outlook, we are still mindful of a handful of factors which are of concern to some customers, including snowfall unpredictability and the cost of living crisis which is changing the booking behaviour of many of our customers. We therefore want to reassure those customers that we will continue to offer incredible value for money and deliver a product and assurances that will give them added peace of mind.”



Nicolas Bresch

Managing Director, UK, Ireland & Nordics at Club Med



Booking Behaviours

While there is a major appetite for most skiers to return to the slopes during the 2023/24 winter season, it's important to consider how rising inflation is impacting holiday booking behaviours. Research conducted of 1,000 frequent skiers and snowboarders in the UK found that many are opting to book earlier with the aim of securing lower rates. Two in five (43%) have already booked a winter sports holiday for the upcoming season and 43% of these said they booked earlier as a result of rising inflation. Two thirds (67%) booked nine months or more in advance of their departure date, compared to only 59% in 2022. Club Med has seen this trend first hand with its own customers, with 83% of bookings for the upcoming ski season made six months in advance.

43%

MON TUE WED THU FRI SAT SUN



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Have already booked a winter sports holiday for the upcoming season

67%

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● 2023 ● 2022

All-inclusive is the most popular accommodation (38%) for the upcoming season



Over half of those surveyed, (54%) say they are reconsidering their usual type of accommodation due to cost of living, and three in five (61%) skiers say they are more likely to book all-inclusive due to rising inflation. The all-inclusive model is, however, the most popular accommodation type for skiers this coming season, with nearly two in five (38%) of those who have already booked a ski holiday opting for this offering. Club Med has seen this first hand and has seen a 10% year-on-year increase for bookings this winter (when compared to the same time last year).





While the cost of living crisis is not dampening all skiers' appetite for returning to the slopes this season, it is certainly a consideration when booking. From those polled and already booked, the average ski holiday spend for the 2023/24 season is £1,580 per person (down by £399 from 2022/23); a sign that many are having to approach spending more cautiously. While this is slightly lower than the average spend of a Club Med customer - which for the winter 2023/24 season is so far £1,943 - Club Med pride themselves on their top of the range, all-inclusive ski package whereby the price is locked in at the point of the holiday booking - ensuring customers are not hit by any added costs due to inflation or currency fluctuations.

All Club Med packages include:



Lift pass



ESF group lessons



Gourmet food



Multiple restaurants and bars



Kids Club from 4 months to 17 years

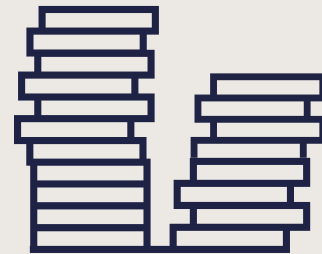


Wellness facilities



Easy arrival

Customers looking to include flights also have the advantage of locking the price of their airfare upfront as part of the overall package.



2022/23

2023/24

From those polled, the average ski holiday spend for the **2023/24 season is down by £399**



A man with a beard and sunglasses, wearing a brown coat, stands next to a woman wearing a dark cap and a dark coat. They are in a snowy mountain town with a church tower in the background.

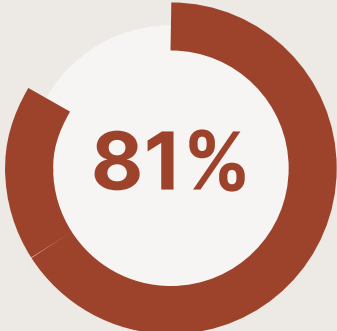
Bresch comments,

“We have seen significant early appetite for alpine holidays for the winter 2023/24 season, with demand higher than ever throughout September. It’s encouraging to see the number of Brits booking earlier this year, as well as the number opting for all-inclusive, a sign of holidaymakers choosing to lock in the price of their holiday before they rise throughout the season. The all-inclusive model provides an extra attractive layer to customers in the fact that so much is included within the holiday package. We’re proud to offer a market leading snow guarantee program to provide great reassurance for skiers who are keen to book their ski holiday in advance and with confidence.”

When it comes to which point in the season Brits intend to take their winter sports holiday, Club Med has found customers flocking to book in late January and February half term, with the resorts of Val d'Isère and Tignes sitting at over 95% occupancy for the popular school half-term week. Survey respondents displayed similar attitudes towards booking this year, with January coming out as the most popular month for people booking their trip for the coming ski season. This differs from last year's findings whereby December was the most popular month to book - perhaps a sign of changing confidence in

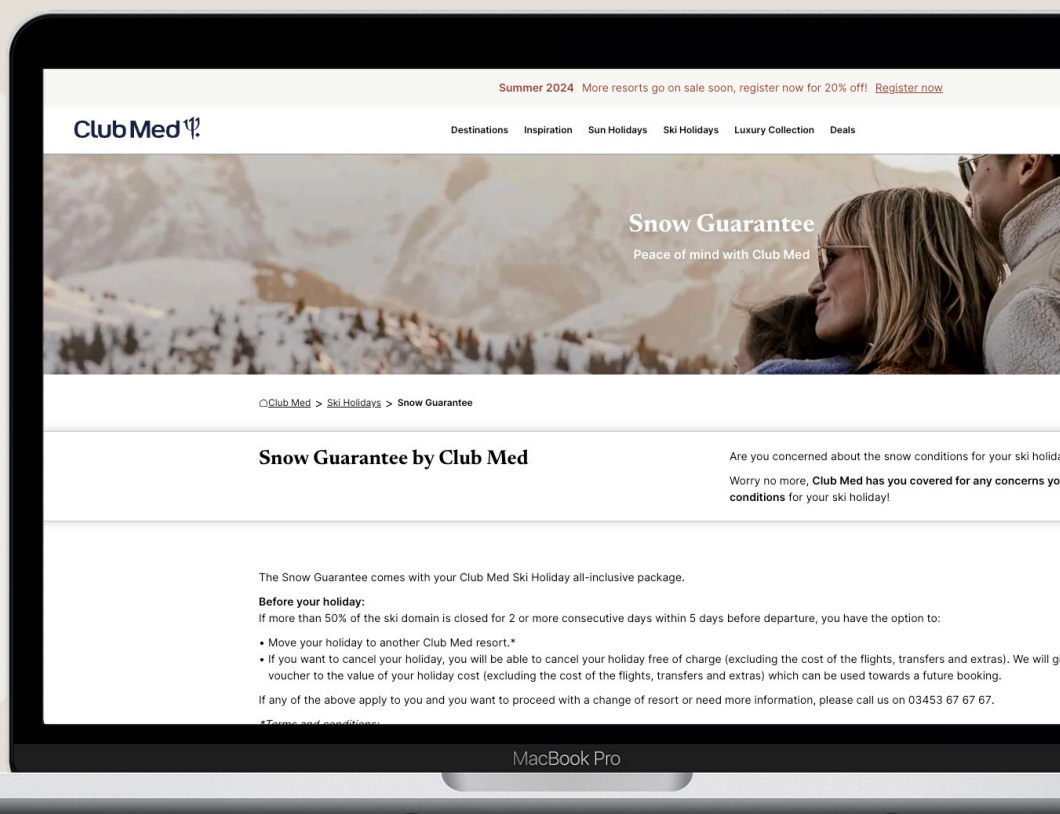
early snow conditions, prompting seasoned skiers to shift their trip back in hopes of more snowfall.

Overall, 81% would be more likely to book a holiday with an operator offering a snow guarantee. Club Med's leading Snow Guarantee would see skiers moved to an alternative resort or offered a credit note for the full value of their stay, if more than 50% of the ski domain is closed for two or more consecutive days within a five-day period before departure (excluding the cost of the flights, transfers and extras).



81%

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Destinations

For frequent skiers, choosing a resort or destination was previously influenced by the fondness for a resort or the desire to try somewhere new. For the 2023/24 season however, ongoing socio-economic issues are playing a pivotal role in where Brits are booking their winter sports holiday.

While long-haul desirable resorts such as Aspen (USA), Whistler (Canada) and Hokkaido (Japan) all made the top five dream resorts of those polled, it's Europe that leads the way in terms of countries and resorts being booked for the upcoming season. In fact, the only non-European resorts already booked which fell inside the top 20 were the Canadian resorts of Big White (3%), Whistler (2%) and Quebec Charlevoix (2%). With reductions across the board in people booking or keen to visit versus the year prior, this implies that cost of living is encouraging Brits to stay closer to home.

In terms of destinations, Switzerland (23%) continues to be the most popular for the ski season, followed by France (20%), Austria (13%), Italy (8%) and Canada (7%). According to Club Med's sales data, bookings for Alpe d'Huez are up 26% year-on-year, alongside Tignes, Val d'Isère, Les Arcs Panorama in the French Alps all of which make up the top five most booked resorts for the upcoming season.

As money remains top of mind for Brits, it's no surprise that when booking a winter sports holiday, almost half of those surveyed consider value for money (45%) to be the most important factor. Once again, Europe came out on top for ski destinations considered best value for money, with France (37%) leading the way.



Bresch comments, "We recognise that holiday goers are having to consider a number of things ahead of booking their winter sports holiday. Now more than ever, we know the importance of offering holiday packages with no hidden costs, all the while ensuring our product remains in desirable destinations. We continue to stay on the side of the customer and will seek to provide fantastic resorts which are great value for money given all of the extras included - chiefly lift passes and ESF group lessons which are often expensive added extras."

In addition to the value piece, snow conditions and the lasting memory of a lacklustre early season last year are also having knock-on effects as to where people are booking their winter sports holiday. Of those polled, over half (55%) are reconsidering their winter sports destination given last season's snow conditions.

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Managing Director, UK, Ireland & Nordics at Club Med

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This can be seen from the resorts already booked for the upcoming season. Club Med benefits from a number of high altitude resorts which are more snow-sure - including nine located over 1800m in the Alps. Val Thorens Sensations is located a little over 2,300m - making it Club Med's highest altitude resort in Europe, with snow regularly in place from November to May. Tignes is equally well equipped, boasting 2,300m altitudes in the upper town of Val Claret, as well as the Grande Motte Glacier at the summit of the Tignes - Val d'Isère ski area. Sitting at an altitude of 3656m, skiing and snowboarding can be possible here even throughout the summer months.



Sustainability

An avid skier or not, the scenes unfolding on the continent at the start of the 2022/23 season were unavoidable. Images of the Alps across Europe were making headline news in December and January, with a lack of snowfall and rising temperatures leaving some resorts operationally in a difficult situation. Last year's unpredictable snowfall formed the basis for Club Med's updated and comprehensive Snow Guarantee, which is now included within all winter sports bookings.



As the climate crisis continues to intensify, it is perhaps no surprise that 60% of those surveyed look at the sustainability credentials of their holiday provider before booking a holiday. This figure has increased from 54% just two years ago, demonstrating the ever growing significance of sustainability for customers and how this is now becoming a key factor when selecting a holiday.

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Of those surveyed, when asked what they thought were the things which had the most impact on the environment when it came to international holidays, air pollution (44%) and energy consumption (44%) came out on top as having the biggest impact, followed by plastic waste (41%), deforestation (35%) and food waste (33%).



44% Air pollution



44% Energy consumption



41% Plastic waste



35% Deforestation



33% Food waste

Club Med's Happy To Care programme continues to strive and commit to responsible tourism and tackles some of these areas, amongst many others.



Bresch comments,

“We have to play our part to try and mitigate the effects of climate change given its direct impact to the travel industry and local communities. We are proud as a business to have a longstanding history in standing by and promoting eco-conscious travel and seek to mirror this in our business, from building resorts through to in-resort initiatives to ensure we practise a more sustainable approach. We know this is now at the forefront of customers’ minds and we want to echo back that this will continue to be our priority.”

As of 2023, Club Med has eliminated all single use plastics in its ski resorts. On average food waste consumption has been cut down to 101g per person per meal, and 100% of all eligible Club Med resorts have no received a Green Globe certification.

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opened in December 2022, was also awarded the “Very Good” BREEAM certification rating, making it the first mountain hotel in France to achieve this. Club Med also looks to renovate existing buildings rather than building from the ground up, and while this is more expensive for the brand, this is much better for the environment, and an example of this is the Val d’Isère resort which also opened in December 2022.

¹Green Globe is one of the most recognised and demanding international and independent sustainable tourism certification. It is awarded to tourism industry establishments committed to a comprehensive approach and to continuously improving the environmental and social management of their business

Families & Activities

Despite increasing concerns over social-economic issues, one thing that remains true is that holidays are a time for togetherness. For the upcoming season, 71% of all UK bookings at Club Med ski resorts are for those travelling as a family, and overall this audience group continues to be a key demographic for the brand, with 65% of overall British bookings (spanning ski and sun) comprising families and 35% include guests under 17 years. Families have always been at the heart of Club Med, with resorts offering childcare and kids clubs from 4 months to 17 years, including the Mini Club+ Concept, which focuses on key developmental skills and positive education.



Of those with children from the survey, 61% cite they would use kids clubs with almost half (49%) prepared to leave their children on average 3-5 hours a day while on a winter sports holiday. This is echoed at Club Med ski resorts whereby on average guests leave children for anywhere between 6 to 10 hours a day, to allow parents to take advantage of the slopes, down-time in the spa or enjoying a gourmet dinner together.

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Bresch comments, "We pride ourselves on our family offering and a winter sports trip provides the perfect opportunity for all members to come together and create incredible memories aided by our seamless experience. This includes our Easy Arrival, where customers who opt to rent equipment have this already prepared in their lockers, as well as the ability to book our extensive Kids Clubs before their departure from the UK. In addition, nearly all our resorts are **ski-in-ski-out** allowing for more time on the slopes. Whether travelling with young children or older teens, there is something for everyone and this is in part why we are also a *Which? Recommended Provider* for family holidays. Not only do our holidays appeal to parents with children, but also three-generational (3G) families whereby grandparents also join to come together and reconnect as a wider family."



"at Club Med on average, guests leave children for anywhere between 6 to 10 hours a day."

While a winter sports holiday naturally lends itself to attaching skis or a snowboard and taking to the mountains, there is also so much more on offer in this environment. Based on a seven-day winter sports holiday, the survey revealed that people ski on average 4.5 days, therefore leaving plenty of room for other activities. For adrenaline-seekers, Tignes offers an incredible playground for high-octane activities from taking to the skies via a paraglider or the depths of Tignes Le Lac with ice diving.

