

INTERVIEW WITH SNOWHOW CHINA FOUNDERS

Hermann Winkler & Bernadette Larcher on the motivation for this study



We talk about China's new era of skiing, the Chinese as skiing enthusiasts and why skiing is the new golf. We discuss the importance of a satisfying first-time ski experience, about professional races on ski simulators, and training 1,000 ski instructors for Post Beijing 2022

Why did you decide to write the industry study: "China: Winter Sport and Tourism Superpower – Fact or Fiction? – An In-depth Analyses of the Real Picture"?

SnowHow China is a communication agency based in the heart of the Alps, and in Shanghai, while at Snow51, we are directly involved in the business of professional ski training and teaching people in China to ski. Our work on winter sport and tourism projects raised both important questions and contrasting opinions about China's role in the so-called "white sports". Some believed China was on the cusp of becoming a prominent winter sport nation, others questioned whether the Middle Kingdom could ever be a force in a sport where they had neither a history nor a tradition. We were aware of some good articles and analyses, but there was no overall picture. Our publication sets out to provide clear answers to the 10 most frequent "facts" and "fictions" about China as a winter sport and tourism power. We focused our attention on changing consumer trends, and on government motivation and intervention. We analyzed important developments, highlights, and main trends, and we tried to dispel the beliefs that are, in fact, only fiction.

Why did you include more than 50 expert interviews answering the same eight questions?

Winter sports and winter tourism are a relatively new phenomenon in China. Developments are overwhelming, and they occur at lightning speed. It is, therefore, almost impossible to grasp all the intricately interwoven and highly complex aspects that define China's role in these two areas. We invited these recognized experts to contribute their know-how and experience. Their expert opinions serve to paint a more complete, and also, in part, a contradictory picture. They allow readers to consider our 10 main themes in a broader context, and to draw their own conclusions. We are both grateful and honored that so many responded to our request, and we thank them for their valuable input. Their opinions make our publication much more rounded and complete.

What surprised you most about the whole analysis?

Let's be very clear: China is once again poised to WOW the world, this time by becoming a leading player in winter sports and winter tourism. We are witnessing the beginning of a new era of winter sports, in which China, with its vast population, will be a significant player. Also, the government's

motivation, determination, and digitalization will make China a superpower. This is excellent news for the world of white sports, especially given the challenges in terms of encouraging the younger generation, escalating costs, climate change, bureaucratic hurdles, and the competing media content, just to name a few.

What makes you so sure about this?

First, we work at the forefront of these developments, and we conduct thousands of skiing lessons every month at our Snow51 ski hubs. We see firsthand how much pleasure and fun our members enjoy on the slopes. We are constantly gratified at how pleased and thankful they are when they advance into that exclusive club of "being a skier". We've almost forgotten how exciting winter sports can be, especially for beginners, back in the traditional winter countries. Once bitten by the "ski bug," they will continue to explore this hobby for decades to come. Quite apart from our own experience, there are clear macroeconomic aspects that support this development. By 2022, 63% of the Chinese population will be "affluent" or "upper middle class", up from just 17% in 2012. These people will be China's first "lifestyle" generation, and this lifestyle will be primarily determined by travel and sports. The Chinese government, as part of the National Fitness Plan 2016-2020, has also allocated 1.5 trillion(!) RMB to achieve its ambitious target of engaging about 500 million people in all kinds of sports.

You talk a lot about the new modern Chinese consumer, what role will he/she play?

Busloads of Chinese tourists no longer invade a city, take selfies in front of the attractions and leave again in a couple of days. And if a small amount of this kind of tourism still exists, this is not the group that interests us, nor will they define the future of China's winter sport and tourism. It is China's Generation Y, the so-called millennials who are now in their late twenties or thirties who account for 65 percent of the total growth of consumption, and this represents 400 million people. Two-thirds of all Chinese passport holders and outbound tourists are millennials. They grew up during China's economic reforms and have only ever experienced good times. They enjoy a modern lifestyle and demand unique experiences. Generation Z, teenagers and college kids born between the mid-1990s and the early 2000s, are products of the one-child policy. They grew up without siblings and under the doting influence of parents and grandparents. They have witnessed China's massive economic growth and came of age at a time of tremendous opportunity. 41 percent of China's Gen-Z respondents are optimistic about the future, compared to only 26 percent globally. This generation has never experienced problems, so they spend more and save less. They are also willing to share their feelings and experiences in online reviews, blog posts, and other means of self-expression. Today's Chinese travelers are eager to improve themselves, and they are excited about "transformative" experiences that are unique and exclusive, like meditation, new diets, sleep improvement, relaxation, individual fitness programs, etc. They are also more mindful and less materialistic, and they are keen to access one-off, time-sensitive, and/or exclusive experiences. This is what makes them stand out. 80% of a recent study responded as follows: "I look for travel experiences that my friends may not have thought of." Chinese travelers pay more attention to local culture experiencing nature, and they are looking for adventure. They are hungry for experiences that open their eyes to new possibilities, and they are keen to better understand the world at large, and where they fit in the context of a broader global community.

So what is the key to success?

When it comes to 'Turning Cold into Gold', it is the customer's journey that is crucial. We must offer Chinese winter sports fans efficient, quick, and trouble-free access to winter sports that guarantees a great first-time experience. Only then will they want to hone their sporting skills, and to bring their

friends, buy equipment, go traveling, etc. We want them to be bitten by the winter sports bug, and we want to be the ones who help them master the first difficult stage. We also need to give them expert guidance, and we are convinced that there is significant room for the growth of skiing among the masses. It is the transformation of skiing as a one-off experience into a way of life that is currently rather slow, clearly illustrated by the number of disappointed first-time skiers we see at every ski resort. We believe that we have hit on the magic formula at Snow51, which is really only about being customer-centric, and by ensuring a high-level of efficient in-door training, easily accessible in the immediate neighborhood. This should be followed by a great experience when skiers hit the slopes and a strong sense of belonging, of being part of the Snow51 community. We combine the best alpine know-how with perfect customer experience. Our training is adapted to suit the Chinese beginner. It allows each individual to choose their own rhythm and to take responsibility for advancing their skills. Our motto "City life – mountain love" summarizes both our philosophy and our approach. We create winter sport and an enduring passion for both skiing and the mountain lifestyle.

What you expect from Beijing 2022?

We are already witnessing the most significant transformation in the winter sports market for decades. We recognize the need to take a different approach to profit from the new opportunities, and to come up with solutions that benefit and enhance both the Chinese and the global markets. Beijing 2022 won't be "the beginning of the end,." It will be "the end of the beginning" signaling a new phase in the development of China's winter sports industry. The 2022 Beijing Winter Olympics offer a golden opportunity to convert early adopters into long-term winter sports participants and consumers. In the meantime, the key will be to inspire Chinese fans to engage in winter sports, while promoting the development of, and spending on winter sports-related sectors. In fact, this is the most exciting time in our lives. We are proud partners of the SINA Ski Cup. We organize their international stops, and we are at the forefront of introducing Chinese winter fans to highlight destinations in the Alps. We conduct the first-ever professional races on ski simulator machines, and we are working on a ski instructor training program, specially developed for China. This program will combine the best of both machine and snow learning. It will be about both the Alps and China, and it aims to train 1,000 ski instructors up until the 2022 Olympics. We believe that "experience is the new luxury, and traveling and sports are at the forefront of this development." We are also convinced that "snow holidays are the new beach holidays, and skiing is the new golf". China is poised to become a superpower for winter sport and winter tourism, and Beijing 2022 will simply accelerate this process. We take the expression "Winning in China means winning in the world", and we extend it to: "If China wins, the world of winter sport and winter tourism also win."