



# Growing Snowsports In the Age of the Millennial

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By Hugh Reynolds

Each time a new generation transitions from adolescence into adulthood, the other generations often struggle to understand why they do what they do and like what they like. For ski areas trying to connect with the enigmatic Millennial generation, the disconnect has been particularly frustrating. A huge demographic, Millennials will be a significant sustaining factor for the ski industry for years to come. What can we do to convince more of them to give skiing and snowboarding a try?

We've already done a pretty good job of learning about them. Countless studies, articles, lectures, and even TV shows focus on how to better understand the characteristics, behaviors, and motivations of those born in the 1980s and 90s. Too, we've used much of what we've learned to inform important adaptations in how we communicate with the public, using a variety of social media and other technology to showcase our experiential "products."

The question is, do the products we offer really appeal to this generation? If they perceive the traditional skiing or snowboarding experience as having little or no relevance in their life, then we won't be very successful in bringing more of this elusive demographic into the fold, regardless of how stringently we promote the experience.

We know the challenges Millennials pose to our industry. The task for us now is to figure out how we can *use* what we know about them to help grow skiing and snowboarding in a changing marketplace.

There's no arguing that the ski industry is currently going through the growing pains that all maturing industries eventually face. Gross participation numbers have been in a relative decline since our high water mark of a decade ago, our core customer base that brought us to those record participation highs is now aging out of the sport at an increasingly rapid rate, and our younger customers are behaving unlike any generation that has come before them (see "Number of Active Snowsports Participants by Age Cohort," Pg. 40).

The good news is that our industry is nothing if not resilient, and reinvention is not new to us. In fact, we seem to go through a cycle like this every 20 to 30 years. First, it was the birth of freestyle skiing in the 1970s and 80s, then the rise of snowboarding and the X Games culture in the 90s and 2000s, and now, it's the impact of an entire generation of young adults who appear to be largely disinterested in snowsports altogether. While we're still not certain what this will look like long term, it is clear that the market is shifting, and we will have to shift with it if we want to stay relevant to our new customer base and keep advancing.

We are certainly not alone in this need to adapt to a changing consumer market. Major league sports, golf, the outdoor industry, and virtually every other business is going through the same challenges of finding the marketing sweet spot that will connect with the Millennial generation, and backing that up with the type of experience they're seeking. What can the ski industry do to remain current and attractive to them? What, exactly, do they want?

It's well worth the effort to answer that question, because Millennials now make up not only the largest demographic by participation for snowsports but also the single largest purchasing demographic in the market at large.

And they aren't all lazy, over-entitled, jobless college dropouts that some stereotypes would have you believe. Many Millennials do, in fact, hold down fulltime jobs or careers, and many have families of their own. In short, they have many things in common with every other generation in this age group that has come before them, with a few important distinctions. Not surprisingly, these generational differences confound us more than we care to admit, but we can also leverage our understanding of those characteristics and motivations to adapt our product to today's market.

The following chart lists some of the things we do know, thanks to the NSAA and RRC Millennial Study and others like it:

### MILLENNIALS...

-  Are currently aged 21 to 36.
-  Are seekers of authentic experiences.
-  Are far more health conscious than the generations that came before them.
-  Have an affinity for high-quality "crafted" items (e.g., food, beer, axes).
-  Have a strong desire to feel connected to greater causes or communities.
-  Tend to be much more spontaneous in their travel purchase decisions.
-  Like to travel in social groups.
-  Like to be independent but in a group environment (think Starbucks lounge).
-  Are highly emotionally connected to their technology.
-  Value convenience and technology over personal interaction. ▶



Are thrifty (deal seekers).



Are much more risk averse than their predecessors.



Have a deep fear of failure and embarrassment.



Are primed for the “idea” of outdoor adventure, but their reality of what this means is much different from the traditional ideals.



Are not motivated by the same aspirational nature to be the first/best/biggest that drove the Gen Y and Xers before them.



Are skiing and snowboarding far less by days than the older generations that came before them.



Hold the key to the future success of our industry.

This list gives us some powerful insights into the psyche of a typical Millennial consumer. As marketers we should be thinking about how each of these can best be leveraged into our products, promotions, and experiences so that they will better resonate with this segment of the market. You could probably brainstorm for hours on many brilliant ideas generated from this list, but the key to success will be in identifying which triggers provide you with the most response in your market. For this, you might have to do some testing, as not all markets are the same.

We can also learn a lot about how to reach out to Millennials simply by studying some of the most successful and often cited brands this demographic tends to favor. Apple, Starbucks, Google, and Nike—what do they all have in common? If you believe and follow Simon Sinek

and his best-selling book *Start With Why*, he would say these companies have all transcended the “what they do” and instead focus on the “why they do it.” Sinek expounds in his book that people follow leaders and brands not because of a rational acceptance of the what, but rather an emotional affiliation to the why.

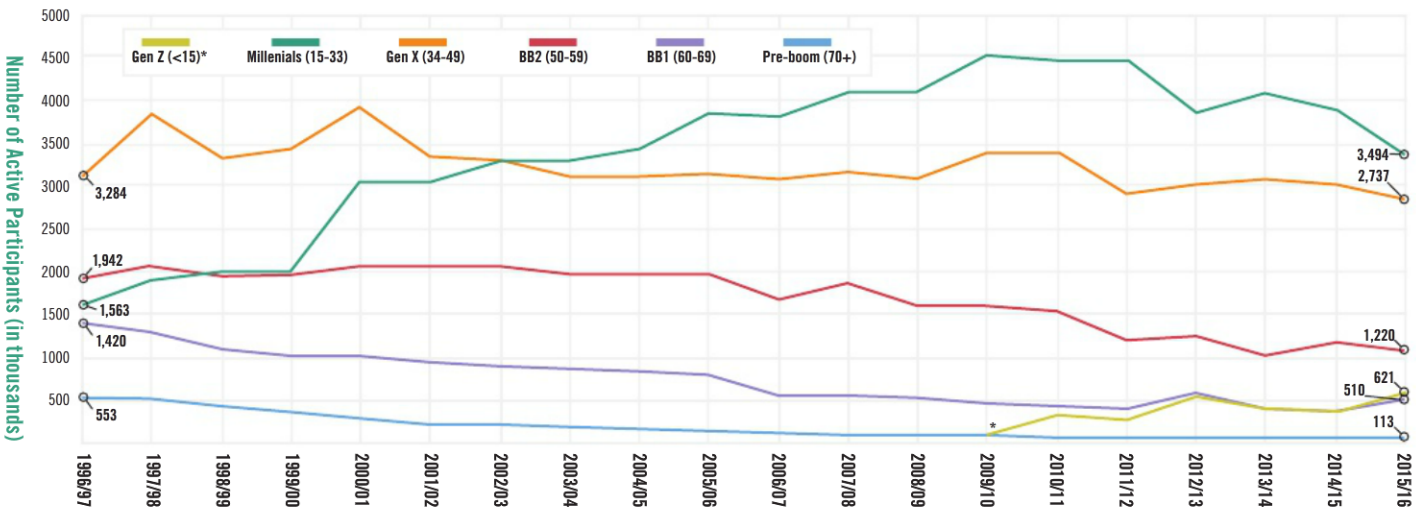
Consumers can buy a cup of coffee at any multitude of places but they religiously follow and pay the higher prices for Starbucks coffee, because getting a cup of coffee at Starbucks is about more than just buying a cup of coffee, it’s also about an image.

“People don’t follow what you do. They follow why you do it,” according to Sinek. Studies show this is especially true among Millennial consumers. In fact, two of the most commonly listed traits associated with Millennials are a strong desire for authentic experiences and an equally strong desire to feel connected to a larger cause or community (to feel a part of something bigger than the what).

I think by and large that within the ski business we spend way too much time talking about the what and not enough time talking about the why. We talk to ourselves, the converted, and widely ignore the 93 percent of society who have lapsed out of, or never tried, our sports. I know I was guilty of this when I was working in resort marketing. Product and price are easy levers to pull on. It takes much more effort to create something that pulls on the *emotional* levers that drive people to do something new or different.

This brings to mind a dinner conversation that our CEO of SNOW Operating, Joe Hession, and a group of industry insiders had with ski marketing pioneer, Foster Chandler. When asked what ski marketers today are doing wrong, Foster simply replied, “You’re doing it ALL wrong. You’ve ▶

Number of Active Snowsports Participants by Age Cohort



\*Prior to 2009/10, there was insufficient data on this age demographic.

forgotten that selling skiing isn't about the skiing. It's about selling the experience and the sex appeal!" People don't buy what you do. They buy why you (or they) should do it.

In a recent *Outside Magazine* article relating this same topic to the outdoor industry, Scott McGuire, founder of the brand strategy firm Mountain Lab, had this to say: "Traditional outdoor-product development and marketing has focused on people who want to be at the peak of their sports. That led to huge developments in gear, but things have become so specialized that they're not welcoming to folks who aren't hardcore."

I'd argue the ski industry has widely fallen victim to the same fate. We spend so much of our time talking only about the product—new snowmaking, faster/better lifts, more vertical feet, new lodges, etc.—that we forget to tell people why they should come skiing or snowboarding in the first place.

One of the best examples of a brand within our industry that I think is doing it right is the Spartan Race, a series of obstacle course races akin to Tough Mudder and Warrior Dash. On paper, the Spartan Race contradicts everything we know about Millennial preferences and behavior: It's expensive (more than \$100/day), it's dangerous, it has a high likelihood for failure, and it requires a fair amount of pre-commitment...all red flags considering what we know about how best to relate to this generation.

Yet on any given weekend at a multitude of ski areas you'll find tens of thousands of willing and eager 20- to 30-something-year-old participants waiting to throw themselves at the mountains. Spartan Race has emerged as the leader in its category not because the races are bigger, better, or more special than the competition but because the organization has built a lifestyle around its brand. People compete in Spartan races not because of the mechanics of the race, but because they want to be associated with the ideals and characteristics of the brand. They want to be a Spartan!

As luck would have it, skiing and snowboarding both inspire these same attributes. They are lifestyle sports by nature. We just need to do a better job at connecting the market to the whys that make our sports so great.

**T**his is not new news. Event programming has long been a staple to drive visits in most resorts' marketing plans. Here is another area in which I would argue that we have fallen victim to routine. Insert race X here and park event Y there, repeat until the blank spaces are filled, and voila! You have an event calendar.

The resorts that are doing this well and really reaping the benefits are those that are hosting or creating events that are bigger than just the activity itself. Killington and their

recent FIS World Cup come to mind. Over the two-day event the resort set a Women's World Cup attendance record, bringing in more than 29,000 visitors. I don't have their demographic information, but based on the photos and television coverage seen, I think it's safe to say that there were *a lot* of Millennials in the crowd. I'd also go out on a limb to say that many of them probably had never attended a professional ski race before, or raced themselves. They came for the party and to be connected to something bigger than the act of watching some racers make turns through gates.

Now, I know that not everyone has the luxury or opportunity to host a World Cup event. However, the same elements that made the World Cup race so successful for Killington can be applied to your own event planning to create attractive, authentic experiences for your guests. Mount Snow in Vermont is one area that has excelled at this over the years, in my opinion. Yes, they have hosted big events (like the X Games) and they have a robust calendar of terrain park events, races, etc. But what makes Mount Snow notable is their programming to build a complete experience for their guests. Competitions, festivals, torchlight parades, happy hour entertainment, and a robust live entertainment and nightlife calendar all come together to offer guests a complete ski/snowboard experience that is authentic to Mount Snow. For an 18- to 34-year-old consumer working in New York City who has never gone away to ski before, a weekend at Mount Snow offers a taste of everything that the rest of us love about skiing and snowboarding—even if that person never leaves the bunny slopes.

**A**t the Ski Areas of New York and Pennsylvania Ski Areas Association meeting this past fall, NSAA President Michael Berry started his opening address with a quote from business and management guru Peter Drucker: "The purpose of any business is to find and retain new customers." If this is true, then the most important thing we should be doing as an industry is to focus on improving our beginner and lesson experiences.

This is probably the single largest area we have for growth as an industry. In my experience, every dollar spent in increasing trial and conversion at the beginner level pays for itself multiple times over. With a national conversion rate of only 17.5 percent of first-time visitors—and the current demographic information showing us that for every Baby Boomer we lose at the top end of the lifecycle we need to bring in at least two Millennials just to stay even on gross participation—it would be hard to deny the benefits of investing our time and resources into beginners.

Of course this is something we have long known. We ▶

identified more than a decade ago the challenge we would be facing as the Baby Boomers age out of our sports and the importance that increasing conversion would have on our future. Still, I would argue that we haven't really done that much to change what we have been doing.

Yes, we've made advances in equipment technology, we've tried to tackle the problem with creative packaging and pricing, and we've addressed some other obvious low hanging fruit. The net result is a 2.5 percent increase over a period of almost 17 years. Good process improvement logic would tell you that you can basically trip over a 5 percent increase in any process with a little effort. If we truly think that this is the single most important challenge facing our industry, we must do better. That will require taking an unbiased and really hard look at just what we're selling. When we do, I think we'll find that there is a lot of room left for improvement, and maybe what we're selling is not necessarily what today's guests are looking to buy.

In visiting more than 100 ski areas working with SNOW Operating over the last four years, we've made several revelations when it comes to lessons. The first is this idea that what resorts are selling is not always in line with our customers' actual desires. The second is an epiphany that our most popular learn-to product is not a lift ticket, lesson, and rental but rather just a lift ticket and a rental, with no lesson.

At most resorts we have looked at, this group of non lesson-taking beginners accounts for 50 percent or more of all beginner visits, and what do we as an industry do to welcome these guests to our sports? Nothing! We ignore them, writing them off and chastising that they "should have taken a lesson." That's 50 percent or more of our customers that we're doing nothing for programmatically to ensure that they have a good first-time experience so they'll want to come back again. From a pure business perspective this is crazy. Each one of those customers represents future monies not realized.

Some resorts are starting to realize this and are taking action. This winter Stevens Pass—which sits on the doorstep of one of the largest Millennial hotspots in country, Seattle, Wash.—will be producing a beginner-only trail map that they will be giving to all their rental guests. The map will outline a clear progression through the resort's Terrain Based Learning™ terrain with helpful tips and information to make their guests' first day on snow that much easier, regardless of whether or not they take a lesson.

But why aren't they taking lessons? We all know that taking a lesson is the best way to ensure a good first day on snow, and we spend a lot of time, money, and effort trying to drive our guests into lesson products. Still, at least half of those beginners are not taking lessons. This all ties back to

the idea we have that what we are selling is not necessarily in line with what the customers are interested in buying.

Think about a group lesson—our primary beginner-focused product—from the perspective of a typical Millennial knowing everything we know about them. "You want me to spend two hours doing something I've never done before, with eight people I don't know, interacting and opening myself up for embarrassment, with an instructor I don't know, and my other two friends I came with can't do it with me because they want to snowboard instead of ski? Um, no thanks." To a Millennial a traditional group lesson probably looks like some new level of Dante's Inferno.

In working with the Fairbank Group (owner/operators of Jiminy Peak, Bromley, and Cranmore) we noticed an interesting phenomenon this past summer. Over the last five seasons they have seen an alarming decrease in 18- to 34-year-old beginner lesson takers at their resorts. This has caused them to completely reinvent their beginner lesson offerings for this season, moving to a more tailored, "crafted" lesson product.

"We are expanding our approach on teaching people to ski to be more focused on their unique skill, learning style, aptitude, and motivations for why they want to try skiing/riding," said Tyler Fairbank, CEO. "We can't use a one-size-fits-all approach. We believe this tailored approach will help guests to have more fun and success, as measured by *them*, not us, and ultimately dramatically improve conversion."

The Fairbank Group is also rolling out a new service to staff their learning areas with dedicated instructors whose only job is to ensure that all guests have a great first-time experience regardless of whether they take a lesson or decide to go at it alone or with their friends.

Will the new offerings at these three areas move the needle? We think so, but we still have a long way to go. The important thing is that we are now recognizing the issues and taking action to address them. Change is hard work and takes time, but we can't just keep doing variations of the same thing and expect to see different results.

The market is shifting and our customer base along with it. As more and more resorts apply what they know about Millennials to customize experiences they will value, the rewards will be realized for years—and possibly generations—to come.

*Hugh Reynolds is the vice president of marketing and sales for SNOW Operating, providers of the widely acclaimed Terrain Based Learning™ and Conversion & Growth Programs. Prior to working for SNOW Operating, Reynolds was director of marketing at Mountain Creek Resort in New Jersey. ■*