Assignment 1 – Chose an Organisation

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| Think of an organization of any sector of your choice. Discuss the historical background of the chosen industry. Elaborate on current challenges in this sector and those of your fictive organization.  Attention: Before you decide on a specific industry and the fictive organization, check out the upcoming assignments. Make sure you choose an industry you and your teammates feel confident about and are knowledgeable of. |

# The History of Skiing and Ski Areas

The history of skiing counts for more than 5000 years. The first historically traceable cases of usage of ski-similar appliances took place in Central Asia, Siberia, Mongolia and Turkey, where long ski boots were used for gliding through the snow with the object of hunting [1].

Modern skiing started in 1865 in Scandinavia. In Austria, Germany and Switzerland it became famous around the 1880s. At the beginning, skiing was only used to deliver mail, or for military purposes. However, it soon became a recreational sport, which resulted into the foundation of the first ski-related institutions: “Schneeschuh-Verein” and “Wiener Ski Club”, established in 1890.

A significant problem of that time was the absence of ski lifts, which meant that the skiers had to go all the way up to the top of a mountain only to ski it down once [2]. First ski lifts in Germany (Schollach) and Austria (in the ski resort Zürs) appeared in 1908 and 1906, respectively. In 1920, the first upswing in alpine skiing took place. The new sport was becoming more and more well-known and the first ski tourists had considerably more opportunities to reach the mountains and their ski resorts, due to the increasing number of railway constructions in these areas. At this time, first ski schools were established and competitions were held in slalom. Finally, in 1931, the first Alpine World Ski Championship took place in Mürren, Switzerland and only five years later alpine skiing competitions were on the program of the 1936 Olympic games in Garmisch-Partenkirchen for the first time [3].

The development of alpine skiing to a mass sport accelerated even more beginning with the 1950s. This was due to the increased constructions of ski slopes with the first cable cars and ski lifts, which generally simplified skiing. Owing to these innovations and the steadily growing number of ski tourists, the ski resorts had developed further and further. The strong expansion of the tourist infrastructure by ski huts, hotels, restaurants and other ski lifts made the existing ski areas grow and the new ones arise. Thus, the number of skiers rose from five million in 1950 to 35 million in 1975.

Over time, traditional skiing developed on two boards. Not only did the skis become cheaper and more secure, which attracted many people, but there were also many variations of skiing, such as snowboarding or heli-skiing [4].

Nowadays, the ski areas are highly developed and equipped with the most modern ski lifts that bring the skiers up the mountain as fast, comfortable and safe as possible. Attempts are also being made to extend the ski resorts and connect them with other ski areas, as it recently happened between Lech am Arlberg and St. Anton am Arlberg, in order to offer the visitors as much as possible [5].

# Current Challenges

The consumption and leisure behavior of the society is fundamentally changing. A big challenge the ski resorts nowadays need to face is the decreasing number of customers that can be tracked back to the decreasing interest in snow sports in general, especially among the younger customers. The capital-intensive snow sports have been stagnant in many places for a long time. This raises a question of principle for mountain tourism: How to bring the guests back to the mountains, while the competition pressure through an increasingly affordable long-distance holiday offers increases? The fact is: there is an oversupply on ski resort holiday offerings nowadays and the competitors are fighting with hard bandages.

In addition, the infrastructure investment cycles of 20 and more years are usual. But the question arises: What will happen in 20 years? Which way is strategically right?

A modern infrastructure is and remains vital. But big investments are linked to sometimes equally high risks. So, it turns out more and more ski resorts are wondering if their business model can generate revenues and margins big enough to finance their depreciation, amortization and its interest burden throughout the investment cycle.

# Conclusion

Digitalization can make a difference. Unlike other megatrends it does not develop linearly, but exponentially. Online platforms are used for vacation booking. They create a high supply transparency. At the same time, mountain areas are able to offer their guests an individualized holiday. Cutting-edge technologies and shifting customer behaviors are hitting the slopes and transforming the winter and ski industry [6]. Alternative entertainment, augmented reality, customization, intelligent wearables, platforms, slope analytics and sensors, smart protection and sustainability are only some of the game changing technologies that will reshape the industry.

# References:

[1] <https://kurier.at/leben/skifahren-wer-hat-s-wirklich-erfunden/108.538.230>

[2] <https://www.planet-wissen.de/gesellschaft/sport/ski_alpin/index.html>

[3] <https://www.schneehoehen.at/skigebiete/info/garmisch-classic>

[4] [http://www.anl.bayern.de/publikationen/spezialbeitraege/doc/lsb1999\_06\_003\_messmann\_  
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[5] <https://www.planet-wissen.de/gesellschaft/sport/ski_alpin/index.html>

[6] <https://www.whataventure.com/blog/8-trends-driving-ski-innovation>