

9th UNWTO Congress on Snow and Mountain Tourism

Richard Adam



St. Moritz & Mountains – a Pioneering Role

Where we come from:

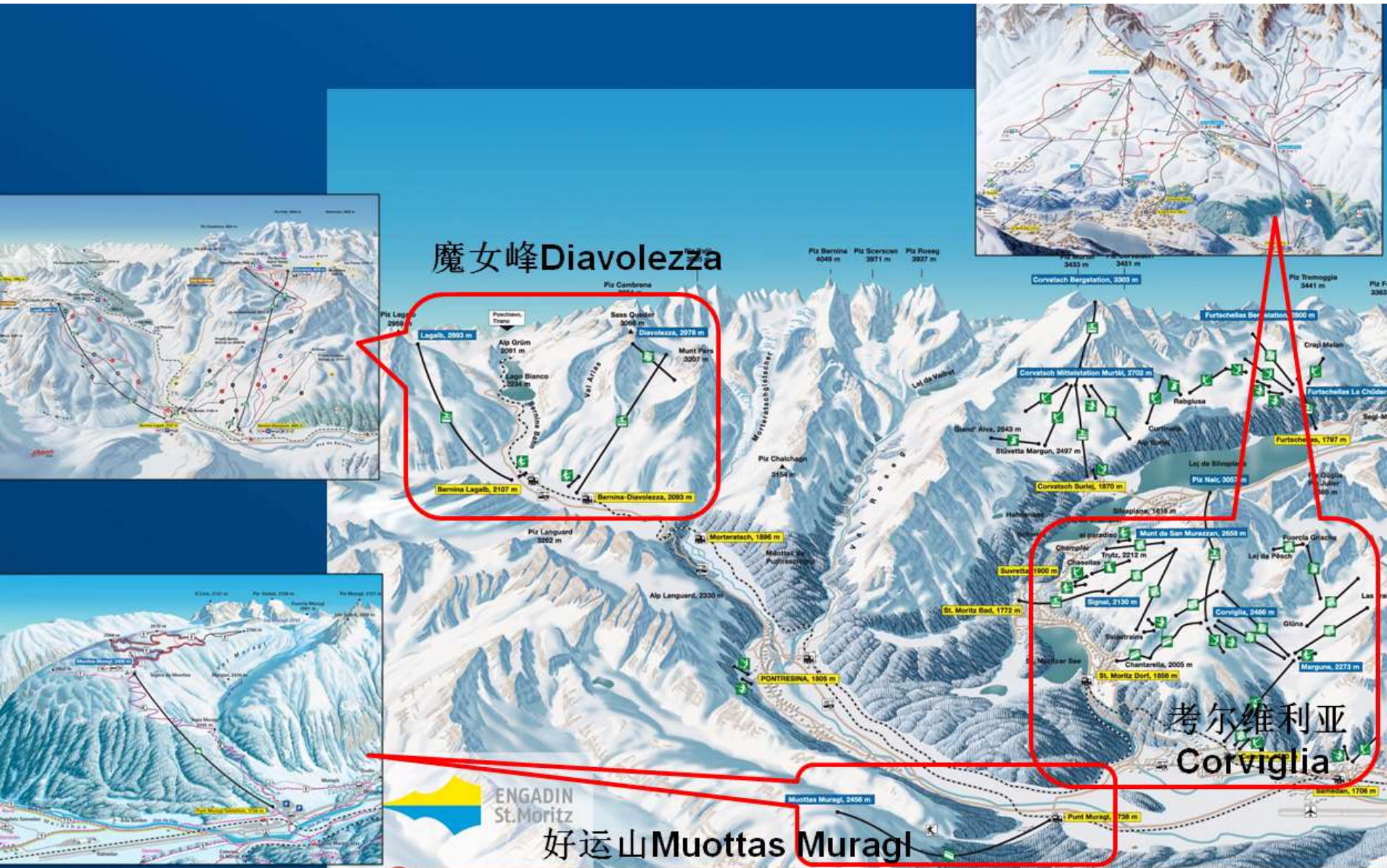
- Since 1856 famous for its healing springs
- 1864: first ski resort of the Alps in St. Moritz
- What else? 1879 first electrical light of Switzerland sparkled in St. Moritz

Our history helped us to become
a leading ski area of the Alps:



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St. Moritz & Mountains – High Profile Ski Area



St. Moritz & Mountains – Our promise

What we stand for:

- Highest exposure to sunshine
- Best snow quality (altitude, dry microclimate)
- Atmosphere due to «real snow guarantee»
- Best groomed slopes (in all relevant rankings)
- 260 km of slopes and top infrastructure (52 lifts)
- Skiing with spectacular views
- High culinary level
- Top developed hotel infrastructure 2 to 5 STAR

...and of course MEGA EVENTS



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Mega Events

- First bobsleigh race in St. Moritz (1892)
- 2 Winter Olympics (1928, 1948)
- FIS SKI World Championships (1939, 1948, 1974, 2003, 2017)
- «Engadiner» - biggest Cross Country Skiing event of Switzerland (annually, since 1969)
- First Snowboard-World Championships in Europa (1987)
- «Engadinsnow» Snowboard-Event at Corvatsch (annually, since 2003)
- Bob- and Skeleton World Championships (2013)
- «White Turf» Horse Race and Polo (annually)

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In Consequence

- Our business model is based on economies of scale
- We have some of the very best skiing facilities and conditions

If you think about skiing, you don't think of St. Moritz,

If you think of St. Moritz, you don't think of skiing!

(Jet Set, Celebrities, Events)

- ... event overkill is critical

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Objectives of Mega Events

- sustainable economic development (and infrastructure)
- development of core competencies
- development of regional identity (awareness, reputation)
- development of positioning (image and marketing effects)
- options for future generations
- pre- and post-event-strategy



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Pitfalls

- core competencies disappear after the event
- crowding-out effect
- ongoing costs for infrastructure maintenance
- increase in salary and real estate costs
- image and profile in line with post-event strategy?



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Differentiation

- **Developed and less developed areas**
 - Infrastructure and building core competencies is key to less-developed areas
 - Competitive edge and visitor experience for regular visitors and avoidance of crowding-out effects is key for developed areas
- **Make-or-buy issue (control of rights and scope)**
 - Who pays and who controls (real) revenue potential?
 - Scope and control of the event ownership for legacy building

Research & Effects World Championships 2003

- decline of business/revenue from «Regular Guests» during event
- increase of bookings for two months in post-event period
- investment of CHF 1 Bil. and launch of «Clean Energy Project» (Pure Power St. Moritz)
- decline in retail revenue (less spending power during event)
- Temporary image shift from «luxury/jet set destination» to «premium sport destination»



Mega Events can...

- help you to be on the «Awareness Map»
- create revenue streams in post-event period (targeted and MICE Business)
- boost infrastructure, (temporary) employment and core competencies
- create «a profile» (at least «me too», not always competitive edge, visitor experience, innovation)
- leave you with tremendous costs in maintaining infrastructure

Mega Events can...

- rarely provide financial balance or revenue streams, especially if you are not «rights owner» (you just pay)
- do not support «value proposition» for your actual target groups
- have significant crowding-out effects
- economic forecasts in bidding dynamics are overrated, costs are underestimated
- lack a sustainable pre- and post-event strategy regarding substantial target groups

The question is...

As a mountain destination, do You want to be famous for a while...

- (AWARENESS Strategy based on mega events)



...or do you want to be successful in business for a longer period?

- (RELEVANCE Strategy supported by suitable events)

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WTO Conference



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