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CAS 840
Data Access/Analysis Assignment
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VAIL RESORTS

      Vail Resorts is one of North America's largest ski resort operators, some of its biggest holdings include Breckenridge Mountain Resort, Crested Butte and Vail Mountains, and Park City Mountain Resort (Park City, UT was home to the 2002 Winter Olympics). Other holdings include properties Whistler Blackcombe Resort in British Columbia, CAN, Perisher Resort, Australia, and Mt. Brighton in SE lower Michigan. Altogether the brand owns or operates 38 properties, which includes 10 mountain resorts. The snow and ski season is weather-dependent, but generally runs from late November to late April or early May. To supplement its offerings, the resort includes spa services, other winter activities, golf, dining, and real estate sales (vailresorts.com).

      Vail Resorts operates primarily in the sports and recreation instruction industry as a ski resort. The ski and snowboard industry is expected to see a revenue decrease in 2020 in part because of COVID-19. Nearly all resorts in North America closed in late March or early April 2020, cutting the 2019/20 season short. Leisure travel is not expected to return to pre-pandemic levels by the end of the 2020/21 season. But domestic and international trips to industry resorts have been declining in the last five years by 15% and 27% respectively. Weather, and the impact of climate change, plays an outsized role in the industry, it is an expensive sport or activity to start so the barriers to entry are high and there are very few to no new competitors entering the market making it relatively mature, stable industry. With a profit margin of less than 6%, the industry's $3.4 billion annual revenue is expected to grow slightly during the next five years, from 3.6% in 2019 to 3.8% in 2025. Given the costs associated with the sport (equipment, lessons, annual ticket prices, travel, etc) the target consumer will have an

above-average income (Ibis World).

	Vail Resorts	Alterra Mountain Company	Boyne Resorts	Aspen Ski Company	Total
Sales	$2,271,575,000	$374,575,363	$218,180,656	$53,889,733	$2,918,220,752
Share of Market	78.00%	13.00%	7.00%	2.00%	

One of Vail's top competitors is the Michigan-based Boyne Resorts. Other competitors include Aspen Skiing Company, and Alterra Mountain Company. Vail Resort's portfolio includes 15 mountain resorts and owns or manages lodges, condominiums, and hotels, as well as 15 golf courses, in and around the company's resorts. For comparison, Boyne Resorts includes the operation of nine ski resorts, an indoor waterpark, Inn at Bay Harbor, the Gatlinburg Skylift, and 13 golf courses. Alterra Mountain Company operates 15 mountain resorts, while Aspen Skiing Company owns and operates four of Colorado's mountain resorts (mergent).

	Vail Resorts	Alterra Mountain Company	Boyne Resorts	Aspen Ski Company	Total
2019 Sales	$2,271,575,000	$374,575,363	$218,180,656	$53,889,733	$2,918,220,752
Est. Media Spend 2019	$1,284,947	$2,637,936	$148,451	No info available	$4,071,334
Share of Media spend	32%	65%	4%		
Digital display ad spending 2019	$323,735	$1,911,088	$148,451	No info available	$2,383,274
Share of Spending on Digital	14%	80%	6%	n/a	

The fiscal year for the ski industry typically runs from June through May, which means the 2019 sales and advertising numbers were significantly impacted by COVID-19. As the brand with the biggest share of the market, Vail Resort's sales and social media numbers reflect the brand's share of the market. The outlier appears to be in the brand's share of digital spending. It would appear in 2019 Vail Resorts put a higher value on traditional media spending, meaning Alterra captures 80% of the industry's digital spending. However, Vail Resorts' total media spending in 2019 was down by almost 60% from 2018. The biggest decreases were seen in print and digital spending. Likely because of the pandemic the 2019 digital spend was down by more than one million dollars (Winmo).

	Vail Resorts	Alterra Mountain Company	Boyne Resorts	Aspen Ski Company	Total
	Facebook	Twitter	Instagram	YouTube	
Vail Resorts	3,224,728	593,324	1,883,735	67,407	5,769,194
Alterra	1,671,376	326,384	1,178,500	30,676	3,206,936
Boyne Resorts	831,613	163,180	529,061	33,742	1,557,596
Aspen Skiing	228,017	61,432	265,500	2,480	557,429
	5,955,734	**1,144,320**	**3,856,796**	**134,305**	**11,091,155**
Vail Resort's Share	54%	52%	49%	50%	52%

As expected, Vail Resorts also owns the largest share of voice on social media platforms, due in part to having the most individual brands in its portfolio. As a competing company, Alterra has the most opportunity to leverage its brands to increase its share of voice across the board. Alterra also owns the most mountain properties allowing it to compete more directly with Vail Resorts. To retain its place in the industry, Vail Resorts simply has to continue doing what it has already done, paying more attention perhaps to Instagram as Alterra Mountain Company is its closest competitor. Aspen Ski Company also has tremendous opportunity to gain more of the industry voice from its competitors, but as its media spending numbers were

unavailable, it's impossible to speculate where it falls amongst its competitors. Boyne Resorts would do well to increase its advertising budget as well.

Due to Vail Resorts' acquisition of 17 ski areas in the Northeast and Midwest in 2019, the geographic target includes major cities within a 100-mile radius of the ski areas. These targets are New York, Boston, Washington, D.C., Baltimore, Philadelphia, Cleveland, Columbus, St. Louis, Kansas City, Louisville, Chicago, Minneapolis, and Detroit (Vail Resorts, 2019).

Resorts

- Hunter Mountain in New York
- Mount Snow in Vermont
- Attitash Mountain Resort, Wildcat Mountain, and Crotched Mountain in New Hampshire
- Liberty Mountain Resort, Roundtop Mountain Resort, Whitetail Resort, Jack Frost and Big Boulder in Pennsylvania
- Alpine Valley, Boston Mills, Brandywine, and Mad River Mountain in Ohio
- Hidden Valley and Snow Creek in Missouri
- Paoli Peaks in Indiana

Vail Resorts knows who its target market is, with guests' income at its top five resorts averaging more than $170,000/year (Vail Resorts, n.d).

The idea is to target wealthy consumers who may or may not be familiar with Vail Resorts with an expendable income to spend a seven-day or extended weekend ski vacation. The goal is to create new, loyal customers (including children) who will continue to visit Vail Resort properties for years to come.

These affluent households range in age from 28-72 and are highly educated. They drive luxury vehicles, are comfortable with technology, and take 2-3 vacations a year. They are regular users of social media and often access these platforms on mobile devices.

Using Simply Analytics, to create a group of the 12 metropolitan areas and discovered the pool of potential targets is approximately 17,751,864 people, with 52% being female, and 63% between the ages of 25 and 74, about 23% of the people living in the designated areas earn more than $125,000 annually. The three cities with the highest individual population are New York, Chicago, and Philadelphia. Boston, Minneapolis, and Washington DC have the highest percentage of adults with advanced degrees and thus a higher income potential, according to Claritas 360. I would begin by focusing my outreach efforts in these six metro areas. Survey results from Simmons Research indicate people who ski or snowboard regularly, or enjoy taking vacations with these activities as the prime motivational factor, are higher than average users of social media, use their mobile devices to access social media sites, are more likely to purchase something they see advertised on social media and access actual websites through Google.

Vail Resorts should be targeting audiences in all 12 cities but focus heavily on targeting those in New York, Chicago, Philadelphia, Boston, Minneapolis, and Washington DC with ads for multi-day passes and short vacation packages. Given several cities have a higher than average percentage of people working for the federal government, it would be smart to create campaigns around federal holidays and extended weekends with lodging and lift ticket packages. Once the targets become customers and their emails are captured, they need to be persuaded of the Epic Pass' value through more direct marketing.

Ads and content from Vail Resorts should be run and promoted on social media, specific to the individual metro areas, i.e., Liberty Mountain Resort, Roundtop Mountain Resort, Whitetail Resort, Jack Frost and Big Boulder in Pennsylvania to Philadelphia and Washington D.C., or Hunter Mountain in New York to NYC. Invest time and effort in Google AdWords or paid search results for the urban ski areas being mindful of the 100-mile radius from city to the ski area. The content should appeal to the target audiences affluent lifestyle, and given the target audience's

propensity towards social media the content should evoke a sense of prestige and a fear of missing out to encourage further engagement.
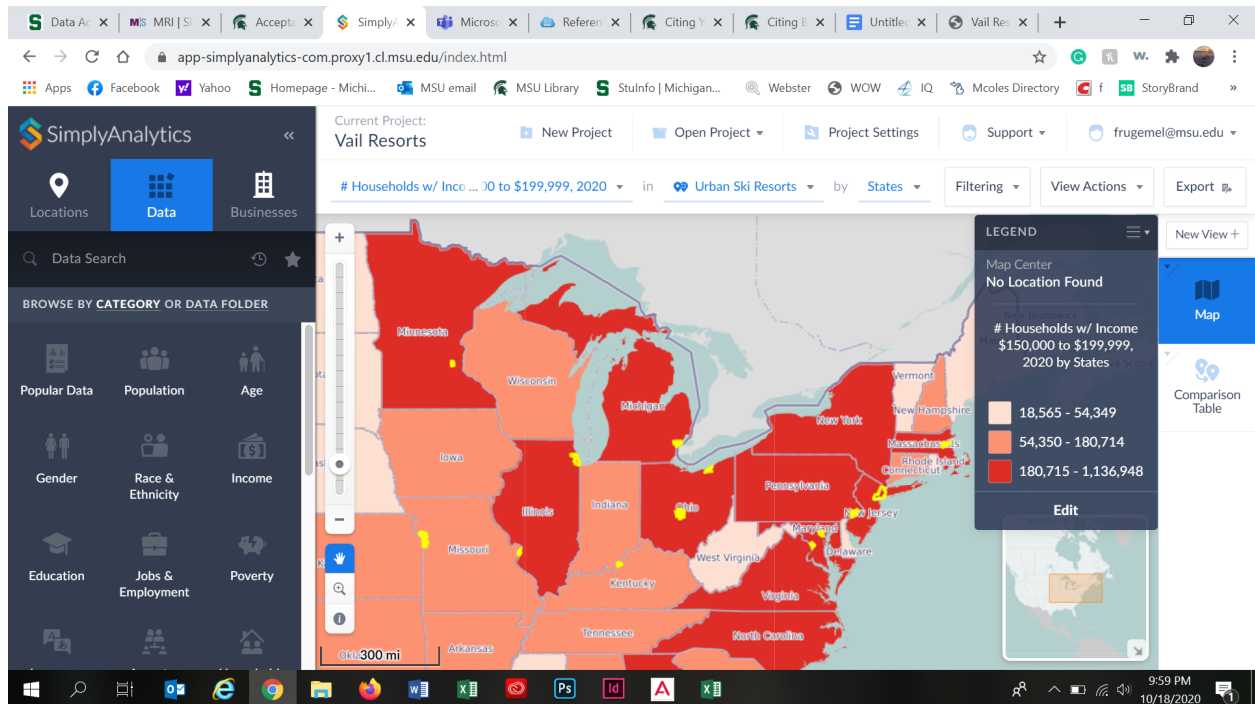
Objective

As it starts getting colder, we've been thinking ahead to ski season which made me wonder how ski resorts will navigate the upcoming season in the midst of a global pandemic (which ended the season rather abruptly earlier this year). Resorts will need to sell lift tickets and hotel rooms while keeping guests and employees safe and making sure to create and maintain current guest relationships.

I chose to create a hypothetical Martech Stack for Vail Resorts, which includes four out the five most visited resorts in the United States, based in part on its marketing objective. In addition to selling lift tickets, we also drive the growth of our ancillary businesses, including in ski school, dining and retail/rental, which now comprises more than half of our mountain revenue. Our emphasis on controlling our primarily fixed cost structure allows for unusually high flow-through of revenue growth and resulting growth in operating margins.

Needs
- The resort will need to communicate changes, sometimes at a moment's notice, whether it be about public health or weather conditions.
- Highlight the value of staying and skiing at the resort and booking directly through the company website.
- Vail Resorts needs to be mindful of season pass holders needs/wants and guests who have booked a vacation at one of the properties for the 2020/21 season.
- Entice new guests/skiers

Audience Targets
- Visitors-planning stages of a vacation
- Guests-already booked vacation
- Evangelist-season pass holders

Requirements
- Social media listening
- Website analytics
- Competitor tracking
- Content Management system
- Customer Relationship Management
- Automation
- Email

Key Departments
- Marketing
- Sales
- operations

The resort needs to focus on communicating with its targeted audience effectively and in a timely manner. It will want to know which messages are resonating with its audiences, which promotions are effective, what its competitors are doing, and what the audiences are talking about, and the concerns they have, so the resort can adjust its strategy accordingly. This can be accomplished by making use of social media, email, its website, and on-site opportunities.

Tools (the Martech Stack)

Outreach
Active Campaign (email automation)
Intercom (Engagement and Lead generation, live engagement with customers via text, or chat)
Loomly (social media scheduling)
Marketo (marketing automation Generate, Nurture, & Grow Leads & Pipeline)
(Google ads)

User experience
Unbounce (create and optimize dedicated landing pages that prompt your visitors with one focused goal)
Earth Networks (weather intelligence in real-time)
Intercom (Chatbots)
OpenTable (restaurant reservations and lead generation)

Analysis
Google or Adobe Analytics (website traffic and evaluation)
Tweet Deck (twitter monitoring)
Sprout Social (social media listening and analysis)
Mention (real-time social media monitoring)
Sales Force (CRM mgt, Building guest profile)
MOZ (SEO)
Maduku (Lead scoring)

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