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Coping with recession in the ski-industry: A suppliers' and consumers' perspective

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Coping with recession in the ski-industry: A suppliers' and consumers' perspective

The impact of the 2008 recession on the ski industry is explored based on interviews with 18 suppliers (businesses in ski resorts and travel agencies), and 252 ski tourists.

Abstract

The current study explores the impact of the recession on the ski industry based on interviews with suppliers in two ski resorts (n=10) as well as ski travel agencies (n=8). Subsequently, Flemish ski tourists (n=252) were surveyed about changes in their behavior towards ski vacations from 2008 to 2011, taking into account their socio-cultural background as well their level of ski/snowboard participation. Both studies reveal a decline in ski tourism during the years under investigation. The impact of the recession varies according to the type of sports provider. The impact of the recession on ski vacations is more prevalent for some groups in society (e.g., households with no children, more financial constraints, lower professional status, younger people), regardless if one is a highly motivated and/or experienced skier. This paper contributes to socio-economic theory related to the ski tourism industry and assists suppliers to identify strategies to overcome hurdles during a recession.

Keywords: demand, industry, recession, skiing, snowboarding, supply, volatility.

Coping with recession in the ski-industry: A suppliers' and consumers' perspective

In 2008, the whole world was hit by a recession and to this day national economies have not fully recovered. Due to the European debt crisis, Europe actually entered into a new recession in the 3rd quarter of 2012 (“Eurozone Slides Back ...” 2012). The global recession has affected families, industries and entire countries worldwide. Except for some primary observations about the impact of the recession on spectator sport, little research has focused on how the recession has affected sport participation, physical activity or even the sport industry in general (e.g., Rutemiller 2008). There is, however, some evidence about the effect of the recession on tourism (e.g., Smeral 2010). Incorporating both, tourism and sport, the current study explores the impact of the recession on the ski industry. Consumers' and suppliers' perspectives are analyzed in order to find out if the ski-industry is recession proof or not.

The recession has greatly affected family incomes, creating a high level of uncertainty in many households. Economic hardship generates stress and does affect behaviour in general, and consumer behaviour in particular (e.g., Flatters and Willmott 2009). Consistent with Keynesian economic principles, people tend to want to spend less and are more apt to save the little money they make. Consumers are less wasteful, buy less of everything, bargain for lower prices

more often than they used to, and delay purchases of durable products. The decrease in demand affects the supply chain: businesses produce less, require fewer resources, generate less revenue, and lay off employees, which in turn lowers household incomes and creates uneasy feelings about job security, affecting demand (e.g., Fallon and Lucas 2002). Luxury goods, such as expensive and 'second' vacations (e.g., ski vacations), are being replaced with last minute seat sales, summer vacations, and trips closer to home (Smeral 2010). Studying the ski industry in the context of these economic conditions faces the similar concerns as other industries (e.g., Horne 2009). However, we must take into consideration the specific context of skiing as a form of sport participation and tourism.

While the effect of the recession on sport participation is mixed based on the type of sport supplier (i.e., the public, non-profit or for-profit sector), there is the assumption that skiing might be recession proof given that it is a preferred sport of more affluent people (e.g., Scheerder, Vanreusel, Taks and Renson 2002), who are generally less affected by the recession (e.g., Zurawicki and Braidot 2005). On the other hand, skiing is a tourism activity, and the tourism industry is negatively impacted by the recession (e.g., Smeral 2010; Zurawicki and Braidot 2005). Thus, there are two opposite effects at play, and the net outcome of the recession on the ski industry remains questionable, which becomes the purpose of this study. The impact of the recession is explored based on the perception of a

variety of suppliers in two ski tourism resorts in the French Alps as well as Flemish travel organizations, using a qualitative approach. The consumers' perspective is studied by surveying Flemish ski tourists, using a quantitative approach. While the case study approach may limit the generalization of the findings, the dual approach of taking into account the producers' and consumers' viewpoints, allows for a more holistic perspective.

LITERTURE REVIEW

Sport Participation and Recession

An economic crisis may affect many different aspects of individuals' lives, including sport participation. A recession changes consumers' consumption patterns (Shama 1981). The consumption of unnecessary or more luxury items is reduced or eliminated altogether, while the consumption of normal goods or necessities are less affected or may not be affected at all. Some may consider sport participation and physical activity to be a necessity (e.g., Williams 2009), given the multiple benefits that are attributed to sport participation, including health benefits; while others see it as a luxury good. Whether sport participation is considered a luxury good or a normal good or a necessity depends not only on the type sport, but also on the type of sport provider. The three different sectors that provide sport participation services for consumers, namely the public, the non-profit (i.e., voluntary), and commercial sector (Taks and Misener 2015), seem

to be impacted differently by the recession. An analysis of the few studies that have looked into the impact of the recession on sport organizations and participation illustrates this point.

Rutemillier (2008) looked into the impact of the recession on community pools and leagues in the United States, and noted that participation in swimming was not really impacted by the recession. Roberts (2009) analyzed participation in local adult sport leagues, offered by non-profit organizations in five different counties across the United States, and found that participation in these leagues actually increased during the recession. This was explained by the fact that these local leagues developed specific strategies to ensure customer return, and by keeping the league exciting and social. The latter features may be of great importance in times of economic hardship. Zurawicki and Braidor (2005) studied the usage of public parks during the recession in Argentina, and found that especially middle class people used these public spaces more frequently. An obvious explanation for this observation is that these public parks do not charge admission fees; their usage is free and enjoyable, again features that may benefit people who are affected by the recession. Thus, these examples illustrate that sport participation offered by the public or non-profit sector do not seem to have been affected by the recession, or even benefitted from it because they are often cheaper alternatives compared to offerings in the commercial sector.

The effect of the recession on sport participation offered by commercial providers is quite different from the public and non-profit or voluntary sectors. Stuller (2009) examined the golf industry in the United States during the 2008 recession and found that it was negatively affected. Revenues from green fees and participation rates decreased significantly, negatively affecting profitability. Furthermore, 106 golf courses closed during the recession. Lunn (2010) conducted a national survey people age 16 years of age and older in Ireland. Results indicated a decrease in sport participation and physical activity during the 2008 recession, especially among the more expensive options such as private gym memberships. However, Williams (2009) studied gym membership among youth in Vancouver (BC), and noted an increase during the recession. The results point in different directions, but at first sight youth seem to be less affected than adults when it comes to sport participation during the economic recession. Rutemiller (2008) found indeed that parents were willing to sacrifice other household necessities to keep their children involved in sport due to the inherent benefits of participation. In short, sport participation in the commercial sector rather shows declines in participation rates or steady states at best, except for youth sport. Skiing is primarily provided by the private, commercial sector; it is therefore hypothesized that participation in skiing is affected by the recession (**Hypothesis 1a**), but not necessarily for youth (**Hypothesis 1b**).

The Tourism Industry and Recession

Ang, Leong and Kotler (2000) examined strategies of consumers and marketers in Asian countries during recessions, and included tourism behavior in their analysis. The authors came to the conclusion that tourism participation decreased overall, thus, it was negatively impacted by the recession. Smeral (2010) explored the effect of the recession on the demand for tourism in Australia, Canada, the United States, Japan, and the EU-15 countries through document analysis. In all countries, tourism participation decreased, again indicating a negative impact of the recession on tourism. Similarly, Ritchie, Molinar and Frechtling (2010) studied the impact of the 2008-2009 economic crises on the tourism sector in the three North American countries, Canada, the United States and Mexico. Their findings indicated that tourism decreased in all three countries, but noted that this was indeed caused by the recession for Canada and the United States, while the even steeper decrease in Mexico, was more directly affected by the flu pandemic, exchange rates, and whether conditions. Little (2009) stated that the economic impact of the crisis on the tourism industry has become apparent with a delay, and that the time where travel was the last thing consumers compromised, has faded. Generally declining demand for travel in the leisure and business sectors and changing customer preferences challenge the players in the industry.

The Ski Tourism Industry and Recession

Skiing (usually) requires travel and accommodation, which makes it a sport tourism activity (Gibson 2003). A ski vacation in particular, is often seen as an expensive and ‘second’ vacation (e.g., Smeral 2010) and can therefore be considered a “luxury good”. Generally, luxury goods are the first to be eliminated when a recession hits (e.g., Zurawicki and Braidot 2005). Thus, given the negative impact of the recession on the tourism industry in general and the perception of skiing being a luxury good, it is hypothesized that the ski tourism industry is negatively affected by the recession (**Hypothesis 2**).

In an isolated study about a recreation and skiing area in Blaine County (Idaho) Long (1987) confirmed the assumption that the ski industry might not be dramatically affected by the recession. Long examined how different economic activities were affected by studying individuals’ wages and the overall employment within this region during the 1979-1983 economic crisis. He actually revealed that, overall, employment had increased within Blaine County and saw this increase in employment (+3.5%) and wages (+42.7%) as an indicator of increased demand during the economic downturn. However, other studies on the impact of the recession on tourism contradict this picture. It can be stated that some industries were more effected by the recession than others, but whether the ski industry suffered differently because it is recreational is not clear.

Ski Participation, Socio-Demographics and Recession

Skiing is an expensive sport, another indicator supporting the assumption that participating in skiing is highly affected by an economic crisis. When applying the total expenditure model for sport participation (e.g., Taks and Misener 2015; Taks, Renson and Vanreusel 1994, 1999), the direct cost of skiing includes components such as lift tickets, equipment and apparel (be it purchase, rental and/or maintenance), lessons, club memberships, and so on. However, skiing also requires a whole spectrum of indirect expenditures in order to create the experience, such as travel, accommodation, food and beverages in (often expensive and exclusive) ski resorts, as well as extra insurance, costs for babysitting, and so on. The necessary additional travel and accommodation requirements make skiing an expensive sport. In addition, previous studies on social stratification in sport indicated that skiing is a preferred sport among people with a higher socio-economic status (e.g., Scheerder et al. 2002). The income levels of individuals determine how people react during a recession. For instance, a recession tends to hit middle-income and poor families the hardest, and widens the gap between the richest and poorest (e.g., “Income Gap Widens ...” 2009). Higher income consumers tend to be less sensitive to a recession and adjust their purchasing habits less than lower income consumers (e.g., Zurawicki and Braidot 2005). More people with higher socio-economic backgrounds participate in skiing, therefore it is hypothesized that skiing is not dramatically affected by the

recession (**Hypothesis 3**). However, besides age (see hypothesis 1) and socio-economic status (see hypothesis 3), other socio-cultural background variables need to be taken into account, such as the number of people in the household, and/or the presence of children in the household as they also affect recession sensitivity, as larger families are more sensitive towards a recession, and thus more likely to withdraw from participating in skiing during times of economic hardship (**hypothesis 4**). The level of ski involvement needs also to be taken into consideration (Richards 2009). For instance, people with strong preferences for certain activities prioritize these activity and cut back elsewhere (e.g., Bourdieu 1979; Taks, Renson and Vanreusel 1995), therefore highly involved skiers/snowboarders are less sensitive towards the recession, and continue to participate in skiing (**hypothesis 5**).

Thus overall, opposite effects are at play. On the one hand there is the assumption that skiing is negatively affected by the recession given that it is part of the tourism industry and seen as a luxury good (hypotheses 1 and 2). On the other hand, skiing might be recession proof, given that it is a preferred sport of more affluent people, who are generally less affected by the recession (hypothesis 2). Further more, youth (hypothesis 1b), smaller households (hypothesis 4) and avid skiers (hypothesis 5) might also be less affected by the recession, and continue to participate in skiing, regardless of the economic downturn. To provide more clarity if skiing is recession proof or not, the current study first explores the

perceptions on the recession of a variety of suppliers in the ski industry, namely in ski resorts and travel agencies specialized in ski vacations. In a second study, the impact of the recession is analyzed by surveying their socio-cultural background characteristics, and of ski involvement of participants from 2008 to 2011, the years of the economic downturn. In summary, both the supply and the demand side are taken into account, with respectively a qualitative and quantitative approach. Ski resorts in the French Alps and Flemish travel agencies are taken as a case for study 1, and Flemish ski tourists form the context for study 2.

METHOD

The Suppliers' perspective

18 Key people (managers/owners/employees) were interviewed in April 2010, with one main open ended question: "Has the recession impacted your business?". This question was then followed by a series of probes. The sample included representatives from real estate agencies (n=2), stores (n=1), ski rentals (n=1), bars (n=4), hotels (n=1), restaurants (n=1) in two ski resorts in the French Alps, as well as eight Flemish travel agencies, specialized in ski vacations. The participants were randomly selected. The interviews were fully transcribed ad verbatim and the responses analyzed accordingly.

The consumers' perspective

Participants

Flemish ski tourists, both alpine skiers and snowboarders, were invited to participate in an online survey through a variety of ski agencies or organizations as well as through Facebook. Initially, five ski organizations were invited to participate in the study. The organizations were randomly selected based on their ability to reach out to members or clients via existing newsletters and/or websites. Two ski organizations agreed to participate and sent out invitations to their members or clients, based on a template that was provided by the researchers. The template contained information about the purpose of the study, the length to complete the survey (approximately 10 minutes) and a link to the online survey, allowing direct access.

A snowball technique was applied through Facebook. Personal contacts of one of the researchers (an experienced skier) invited not only direct contacts but also encouraged them to invite their friends, and so on. While this technique forms a limitation, it also broadens the scope of the sample in terms of gender, age, educational level, and socio-economic status (De Pelsmacker and Van Kenhove 2010).

It is estimated that in total, 2,870 invitations were sent out through the two sport organizations and Facebook. A total number of 280 ski participants have responded, good for a response ration of 10.25%. 28 Surveys were incomplete,

leaving 252 usable surveys for further analysis. The data collection took place in the months of March and April, 2012.

On-line Survey

The questionnaire consisted of five sections: (a) ski/snowboard profile (8 questions, covering the period between 2008 and 2011); (b) consumer budget (3 questions, covering the period between 2008 and 2011); (c) criteria to book a ski vacation (2 questions); (d) skiing/snowboarding involvement, measured through self-identity, social identity and motivation (9 items on a 5-point Likert scale); and, (e) socio-demographic variables (6 questions).

Measurements

For the purpose of this contribution, the variables were regrouped in three categories: (a) socio-demographic variables; (b) the ski profile; and, (c) consumer behavior. Each group contained general and time-trend variables. Time-trend variables were essential in order to measure changes in behavior due to the recession and included 2008, 2009, 2010, and 2011.

The socio-demographic variables included age and number of people in the household, both continuous variables, as well as sex, professional status, financial and marital status, which were operationalized as categorical variables. The survey did not enquire directly about the respondents' income, but respondents were asked on a five point likert scale to what extent they were able to get by financially in the four years under investigation (1 = easy, 2 = relatively

easy, 3 = neutral, 4 = difficult and 5 = very difficult). A new variable was created, identifying all respondents who replied that it was neutral, difficult or very difficult to get by financially in one or more of the past four years; they were labeled as those who had it “relatively difficult” to get by (financial-difficult). All others, who systematically indicated “easy” or “relatively easy” in each of the four years, were identified as those for whom it was “relatively easy” to get by financially in the past four years (financial-easy). An overview of the categorized socio-demographic variables is provided in Table 1.

The ski-profile variables included the context of participation (i.e., recreational and/or competitive); the level of participation, which was enquired over the 4 year period on a 4 point likert scale from 1 = beginner, 2 = intermediate, 3 = experienced, 4 = expert (5= not applicable, i.e., did not go skiing in that particular year). A new variable was created: if the participants checked off once that they were a beginner or at an intermediate level in one of the four years under consideration, they were identified as “less experienced”; if the participants consistently indicated they were experienced or expert skiers in all four years, they were identified as “more experienced” skiers. Furthermore, identification and motivation related to skiing were measured, adapting Shamir’s (1992) Identification Scale and Beard and Ragheb (1983) Leisure Motivation Scale respectively. Three constructs, namely social identification, mastery and escape were measured with three items each on a 5-point likert scale from 1 =

strongly disagree, 5 = to strongly agree. “Social identification” and “mastery” showed acceptable levels of internal consistency with Cronbach’s alpha’s of .85 and .89 respectively, and were kept for further analysis; while “escape” (e.g., “I go on ski vacation to get away from my everyday life”) was dropped (Cronbach alpha = .58). Social identity reflects the manner in which other people identify the respondent as being a skier/snowboarder (e.g., “Many people think of me as being an avid skier or snowboarder”), while “mastery” reflects the will power or passion someone has about skiing/snowboarding (e.g., “I go on a ski vacation to primarily improve my skill level”); it is labeled “motivation” hereafter. The item scores for each scale were averaged to form an aggregate measure of each construct. It is assumed that people with higher levels on these constructs will be less affected by the recession. The respondents were also asked to rank the following four criteria that determine their choice of ski vacations in order of importance: price, ski resort, snow assurance, and night life entertainment (1 being most important, and 4 being least important).

The consumer behavior variables included the organizational context through which the respondents booked their ski vacations over time, and included three categories, namely: (a) a non-tourism organization; (b) a tourism organization; and, (c) self-organized, as well as the type of accommodation they had booked (hotel, condo indirectly booked through the ski organization, condo directly booked from Real estate agency, owner of condo, not applicable – the

latter meaning they did not go skiing in that year) . The social context of their ski vacations entailed: (a) alone or with family; (b) friends and acquaintances; and, (c) not applicable (meaning no skiing in the past four years). The respondents were also asked to indicate the countries where they went skiing/snowboarding in the last four years (France, Austria, Switzerland, Italy, and other). Furthermore, information was collected on the average number of times per year (N-times), and the average number of days (N-days) per year the respondents went skiing during the past four years. Finally, recession sensitivity (REC-SENS) was measured by subtracting the number of days per year skiing in 2011 from the number of days per year skiing in 2008; the greater the difference, the greater the recession sensitivity.

Data Analyses

Frequencies, means, bivariate correlations and multivariate analyses were conducted to explore the data and relationships between the variables. An ANOVA for repeated measures was used to identify significant differences in the average times (N-times) and number of days (N-days) the respondents went skiing in 2008, 2009, 2010 and 2011. The values for these variables are collected for different conditions (2008, 2009, 2010 and 2011), but are from the same respondents, implying that there is some relationship. A traditional F-test is therefore not precise enough, and an additional assumption of sphericity is necessary, indicating that the variances for the different scores for a respondent

are not significantly different. The Mauchly's test of sphericity allows this test. For both variables, the Mauchly's test proved to be significant, violating the assumption of sphericity (Field 2009). Therefore, the Greenhouse-Geisser correction was applied to the degrees of freedom used to assess the observed F-ratio. The closer the Greenhouse-Geisser correction ϵ is to 1, the more homogeneous the variance of differences, and the closer the data are to being spherical. For both variables the outcome approached 1 (N-times: $\epsilon=0.814$; N-days $\epsilon=0.755$). The Bonferroni test was used as post hoc test.

In order to identify which socio-cultural and/or ski profile variables best predict recession sensitivity (RES-SENS) a stepwise regression analysis was used. The following sociocultural variables were included in the model: age, sex (1 dummy), professional status (3 categories, 2 dummies), number of family members, financial status (1 dummy), and marital status (3 categories, 2 dummies); the ski-profile variables were: level (1 dummy), motivation and social identification.

RESULTS

The Suppliers' Perspective

The suppliers in the French ski resorts indicated that the recession had impacted their businesses. The interviewees mentioned that 2008-2009 was a very bad season for bars, restaurants, stores as well as hotels (confirming hypothesis 1a, and 2), but the 2009-2010 season was showing signs of

improvement (partially confirming hypothesis 3). Different suppliers had started to offer bundled packages through joint ventures between tour operators, bars and hotels. The demand for condos and apartments increased, while that for hotels decreased.

Experiences on the impact of the recession differed among the eight travel organizations. For instance, the two ski organizations with a focus on youth travel indicated that they had seen an increase in the demand (confirming hypothesis 1b). Four of the remaining six ski operators clearly experienced negative outcomes of the recession, by either a lower number of participants and/or very late registrations (confirming hypotheses 1a and 2). The other two ski operators perceived no difference; for them it was business as usual (no confirmation of hypotheses 1a, 1b, 2, or 3).

The consumers' Perspective

Socio-demographic characteristics of the respondents

The average age was 31.09 (SD=11.47; min=12; max=72); and there were on average almost 4 people per household ($M = 3.6$; $SD = 1.58$). Slightly more women (52%) responded. Over half of the respondents were students (56%); 21% had a lower professional status, while 23% had a high professional status. The majority (57%) did not experience too much difficulty to get by financially the years under investigation, while 43% indicated that it had been more challenging

to get by financially in those years. About one quarter did have children in the household (see Table 1).

Table 1: Socio-demographic Characteristics of the Sample (N=252)

Variable	Categories	n	%
Sex	Male	121	48
	Female	131	52
Professional Status	Student (Prof_1)	141	56
	Lower (Prof_2)	53	21
	Higher (Prof_3)	58	23
Financial status (Past 4 years)	Relatively easy to get by (Fin_1)	137	57
	Relatively difficult to get by (Fin_2)	104	43
Marital status	Student (Mar_1)	140	56
	Single or married without children (Mar_2)	53	21
	Single or married with children (Mar_3)	59	24

Ski-profile of the respondents

Approximately 75% of the group skied or snowboarded at a recreational level, meaning that they had never participated in competitions. In addition, 33% of the respondents self-identified as “less experienced”, while 67% considered

themselves as “more experienced” skiers or snowboarders. Table 2 represents the level of motivation (mastery) and the social identification with skiing according to the level of experience. While there is no significant difference between less experienced and more experienced skiers in their level of motivation; the social identification with skiing is significantly stronger among more experienced skiers.

Table 2: Motivation and Social Identification with Skiing According to the Level of Experience.

	“Less experienced”		“More Experienced”		t	p
	<i>M</i>	(SD)	<i>M</i>	(SD)		
Motivation (Mastery)	3.31	(1.02)	3.38	(1.03)	-0.46	ns
Social Identification	2.39	(0.97)	3.51	(0.95)	-8.56	***

Note. Average scores based on the average of the sum of 3 items per construct (5 point Likert scale: 1 = not at all, 5 = totally agree); *** $p < .001$

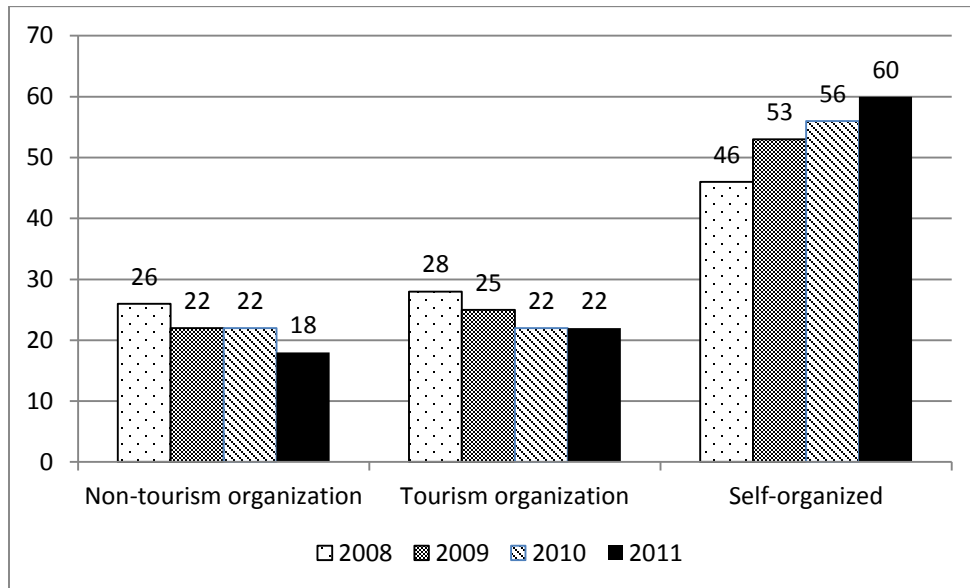
About 36% of the respondents ranked snow certainty to be the number one criteria for choosing a ski vacation, 27.4% ranked price number 1, 26.6% ranked the ski resort number 1, and only 10.3% ranked night life opportunities as number one. However, when combining the first and second ranked options together (i.e., “most important” and “important”), price became a clear frontrunner, with 72.6% of the respondents identifying price as an important or the most important

criterion to choose a ski vacation. Snow certainty followed with a distant 58.3%, ski resort with 55.6% and finally night life with 13.5%.

Changes in Consumer behavior from 2008 – 2011

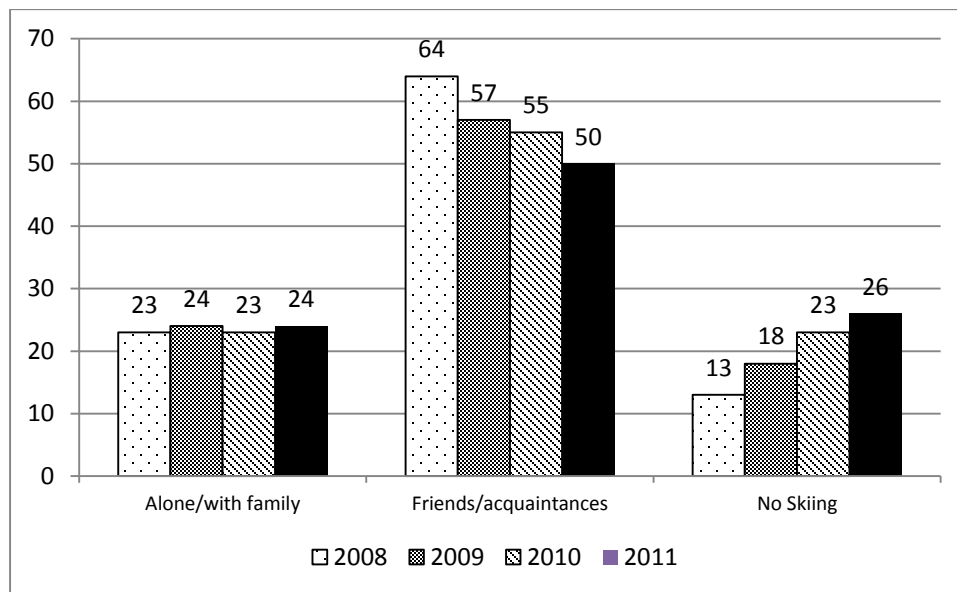
Figure 1 illustrates changes in the way in which the respondents organized their ski vacations in the past four years. More respondents decided to self-organize their vacations (up from 46% in 2008 to 60% in 2011) as opposed to organizing their travel through organizations (be it tourism or non-tourism organizations). This was also reflected in the shift in type of accommodation booked during those years.

Figure 1: Shifts in ski vacation behavior between 2008 and 2011: The organizational context (in %)



Hotel bookings slightly decreased (from 24% in 2008 to 22% in 2011), renting condo's indirectly through ski organizations decreased most drastically from 45% in 2008 to 28% in 2011, in favor of booking condo's directly through a real estate agents (up from 15% in 2008 to 21% in 2011). However, the decline in condo rentals through organizations is mostly due to the increased number of people that no longer went on ski vacation which gradually increased over the time period under consideration (from 13% in 2008 to 26% in 2011). This increase in non-skiers is also reflected in Figure 2, which represents the social context in which the respondents participated in ski vacations. Skiing is a sociable activity; people often go on ski vacations together with friends and acquaintances. However, this form of ski vacation declined from 64% in 2008 to 50% in 2011, while skiing alone or with family remained steady between 2008 and 2011 (around 23% or 24%).

Figure 2: Shifts in ski vacation behavior between 2008 and 2011: The social context (in %)

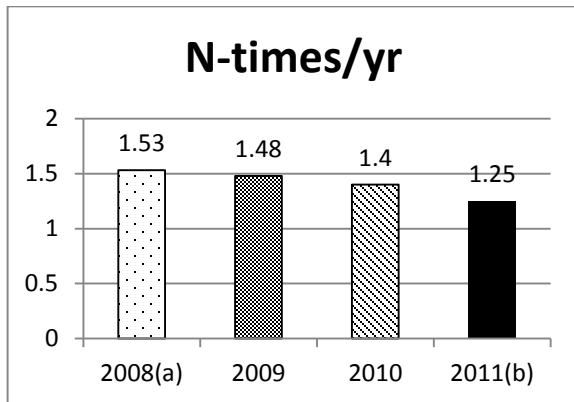


Interestingly, French ski resorts – although still the most popular among Flemish skiers - took the biggest hit, with a gradual decline from 57% in 2008 to 40% in 2011. Italian ski resorts were also on the decline (from 8% in 2008 to 4% in 2011). Austria, the second country in the row of preferred ski destination among Flemish skiers, became slightly more popular (from 18% in 2008 to 22% in 2011), as did Switzerland (from 5% in 2008 to 8% in 2011).

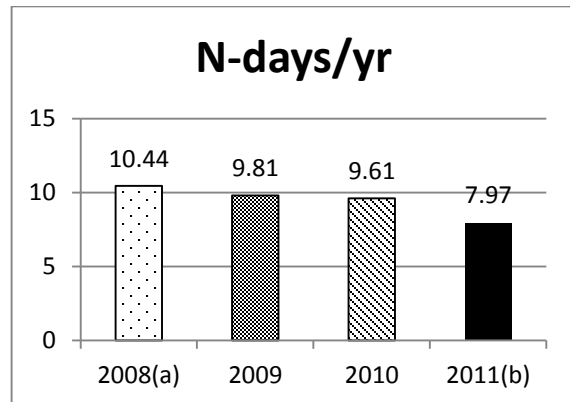
Both, the average number of times per year as well as the number of days per year that the respondents went skiing between 2008 and 2011 decreased significantly (see Figure 3; confirming hypotheses 1a and 2; contradicting

hypothesis 3). The average number of times decreased from 1.53 (SD=1.60) times per year in 2008 to 1.25 (SD=1.40) times per year in 2011 ($F(2.442 ; 612.828) = 3.027; p=.039$). The post hoc Bonferroni test shows a significant difference between 2008 and 2011 ($p<.05$). The average number days per year decreased from 10.44 (SD=15,15) in 2008 to 7.97 (SD=11,53) in 2011 ($F(2.265 ; 568.628) = 3.74; p=.02$). The post hoc Bonferroni test shows a significant difference between the number of average days in 2008 and 2011 ($p<.05$).

Figure 3: Average Number of Times Skiing per Year (N-times) and Average Number of Days (N-Days) skiing per Year (B)



Note. $F(2.442 ; 612.828) = 3.027; p=.039$
Post Hoc Bonferoni (a) & (b): $p < .05$



Note. $F(2.265 ; 568.628) = 3.74; p=.02$
Post Hoc Bonferoni (a) & (b): $p < .05$

Predictors of recession sensitivity

The means, standard deviation and correlations matrix of all variables included in the stepwise regression analysis, are shown in Table 3. The correlations reveal there are no issues with multicollinearity. The results of the results of the stepwise regression analyses are presented in Table 4. The final model includes four variables, all socio-demographic characteristics, which combined explain 12% of the variance. The variable “households with no children” is the strongest predictor ($R^2 = .058$) in the sense that households with no kids are more recession sensitive (contradicting hypothesis 4). The next variable, adding another 2.1% of the variance is the financial status; respondents for whom it was relatively easy to get by financially in the years under investigation (i.e., 2008 through 2011), were less recession sensitive (supporting hypothesis 3). The third variable entering the model was the lower professional status; people in this group were more recession sensitive (adding 1.7% of the variance; supporting hypothesis 3). The last significant variable entering the model was age, indicating that the younger respondents were more recession sensitive (note that “younger age” does not reflect youth in this case given the average age of the sample was 31 years, and did not include youth).

Table 3: Mean scores (*M*), Standard Deviations (*SD*), and Correlations Coefficients

		Correlation Matrix						
		<i>M</i>	<i>SD</i>	1	2	3	4	5
1	Recession Sensitivity	2.66	14.24	-				
2	Age	31.09	11.47	-.06	-			
3	Sex-women	0.52	0.50	-.02	.05	-		
4	Professional-lower ⁽¹⁾	0.22	0.41	.23***	.37***	.02	-	
5	Professional-higher ⁽¹⁾	0.23	0.42	-.08	.54***	.05	-.29***	-
6	Financial-easy ⁽²⁾	0.56	0.50	-.17**	.00	-.03	-.15*	.06
7	Household-people #	3.57	1.58	-.20**	-.17**	.11	-.29***	-.14*
8	Household-no kids ⁽³⁾	0.21	0.41	.24***	.18**	-.04	.40***	.11
9	Household-kids ⁽³⁾	0.25	0.43	-.11	.69***	.08	.15*	.57***
10	Experience-less ⁽⁴⁾	0.33	0.47	-.11	-.04	.08	.02	-.07
11	Motivation	3.36	1.02	.10	-.35***	-.13	-.09	-.28***
12	Identification	3.15	1.08	.11	-.08	-.22***	.01	-.03

		Correlation Matrix (cont'd)					
		6	7	8	9	10	11
6	Financial-easy ⁽²⁾	-					
7	Household-people #	.12*	-				
8	Household-no kids ⁽³⁾	-.11*	-.61	-			
9	Household-kids ⁽³⁾	-.01	.11	-.30***	-		
10	Experience-less ⁽⁴⁾	-.04	-.06	-.06	.02	-	
11	Motivation	-.08	-.04	-.00	-.35***	-.03	-
12	Identification	.03	-.02	.01	-.06	-.47***	.35***

Note. (1) Ref. category = Prof-students; (2) Ref cat. = Financial-difficult; (3) Ref cat. = students; (4) Ref cat. = Experience-more. * $p < .05$. ** $p < .01$. *** $p < .00$

Table 4: Predictors of recession-sensitivity (Results of the Stepwise Regression Analysis; β).

Variable	Model 1	Model 2	Model 3	Final model
Household-no kids	0.24***	0.22***	0.17*	0.18*
Financial status-easy		-1.47*	-0.13*	-0.12 ⁰
Professional status -lower			0.14*	0.20**
Age				-0.17*
R^2	.058	.079	.096	.12
ΔR^2		.021	.017	.024
F	14.334***	10.016***	8.188***	7.847***

Note. ⁰ $p < .10$. * $p < .05$. ** $p < .01$. *** $p < .001$.

DISCUSSION

Both, the qualitative and quantitative study reveal some decline in ski vacations since 2008, indicating that the ski tourism industry is not recession proof (confirming hypotheses 1a and 2, and rejecting hypothesis 3). Some travel organizations perceived a lower number of bookings, while the survey data showed a considerable gradual increase of people who ceased to go on ski vacation. This confirms one of the coping strategies when dealing with recession, which is to eliminate consumption altogether (e.g., Shama 1981). In addition, those tourists who kept going on ski vacations changed some of their ski tourism behaviors by searching for cheaper alternatives. It was also evident that businesses tried to develop strategies to keep attracting tourists to their destinations, and that some groups in society were more affected by the recession than others. For instance, going on ski vacations with friends and acquaintances

decreased substantially between 2008 and 2011, while skiing alone or with family remained more or less steady state. This illustrates that some, but not all people were affected by the recession. Those who became more uncertain or no longer could afford it dropped out, affecting the social context of skiing, while nuclear families who were less affected by the recession, remained in control, and continue their tradition of annual ski vacations.

Business and consumer strategies to cope with recession

Skiing is an expensive sport and does not only require a lot of money but also a lot of time and resources (equipment, travel to a ski resort, accommodation, etc.; e.g., “Cheap Skiing” 2008; Taks and Misener 2015). The price of a ski vacation plays therefore an important role during the recession. Suppliers and consumers are both looking for cheaper alternatives, confirming one of the strategies when dealing with recession (e.g., Goldman 2011; Papatheodorou, Rosselló and Xiao 2010; Smeral 2010; Flatters and Willmott 2009; Van Dyck 2009). Business owners in ski resorts indicated that the demand for – usually more affordable - condos and apartments increased, while that for hotels decreased, confirming the search for, and the relocation to cheaper alternatives (Flatters and Willmott 2009). This trend was more or less confirmed by the survey data, but in addition, another shift was apparent among ski participants, namely the strategy of leaving out the intermediaries or the “middle man”. For instance,

the respondents showed an increase in self-organized vacations, leaving out (tourism) organizations; they indicated booking condos directly from real estate agents instead of via intermediaries, such as travel organizations. Other strategies from the consumer perspective included going on fewer ski vacations per year and/or reducing the number of days one goes on ski vacations per year (both dropped significantly between 2008 and 2011). In addition, some travel organization experienced a higher number of last minute bookings, confirming the increased level of consumers' level of uncertainty (Fallon and Lucas 2002; Smeral 2010). Owners in ski resort mentioned they had learned from the previous season, and came up with new and creative strategies to counteract their hardship by bundling packages to create cheaper alternatives.

Socio-demographic characteristics and ski vacations in times of recession.

From the ski organizations' perspective, ski vacations targeting youth seem not to be affected by the recession (confirming hypothesis 1a). This could be explained by the fact that parents may choose to retain child-centered activities in their budgets during economic hardship (Rutemiller 2008), or may choose to reduce their expenses by searching for cheaper, more affordable alternatives as indicated by Keynes. Parents may even decide to forego their own ski vacation, in order to still provide opportunities for their children. The survey results do not allow to confirm or reject this perception, since the sample mainly consisted of

adults with an average age of 31. The composition of the sample does reflect, however, that the majority (57%) were more affluent in the sense that it was relatively easy for them to get by financially during the years of economic hardship. This confirms that skiing is a preferred sport among people with a higher socio-economic status (e.g., Scheerder et al. 2002), and previous research has indicated those with higher socio-economic status are less “recession-sensitive” (e.g., Mihai, Marinescu, and Toma 2010; Van Strien and Wieringa 2009; Zurawicki and Braidot 2005). It should be noted, however, that a large proportion of the respondents (56%) are students, which is most probably due to using an online survey, as well as face book and the snowball effect to recruit participants. This may limit the generalizability of the findings. It could furthermore be argued that students are generally supported by parents (at least in Flanders), and are therefore probably not so much affected by the recession when we follow Rutemiller’s (2008) argument that parents often choose to prioritize the needs and wants of their children over their own needs in times of economic hardship.

Ski-profile and ski vacations in times of recession.

The survey results indicated that less experienced and more experienced skiers were equally motivated to improve their skills, but that the more experienced skiers have a significantly higher level of social identification with

skiing, meaning that for other people, skiing/snowboarding is a part of “who” they are. The higher level of social identification among the more experienced skiers was to be expected and is in line with subculture theory (e.g., Green 2001). However, Richard’ (1996) findings that advanced skiers spend more time in the destination and ski more frequently, does not hold true during the recession. The assumption that highly motivated and/or experienced skiers would be less affected by the recession (and vice versa) is therefore not confirmed by our results (rejecting hypothesis 5).

Predictors of recession sensitivity

When both, socio-demographic and ski-profile variables were included in the stepwise regression analysis, only four socio-demographic variables predicted recession sensitivity. The fact that households with no kids (as opposed to students or households with kids) were more recession sensitive (rejecting hypothesis 4) can be explained by the fact that these people are probably younger in age (earlier in their life cycle) and therefore less established in their careers, creating higher levels of uncertainty (e.g., Fallon and Lucas 2002; Flatters and Willmott 2009; Smeral 2010), which may affect their decision not to spend money on an expensive ski vacation. The fact that more affluent people tend to be less recession sensitive (confirming hypothesis 3) is self-explanatory and in line with the expectations (e.g., Zurawicki and Braidot 2005). The same holds true for

people with a lower professional status being more recession sensitive. Finally, the younger people in the sample appeared to be more recession sensitive, which again could be explained by being in a stage of the life cycle that is less established and holds higher levels of uncertainty. It should be noted that the four predictors only explain 12% of the variance. This implies that other (unknown) variables also play a role in explaining recession sensitivity. While the consumer data could not report of youth, the suppliers' perspective did provided some support that skiing is more recession proof for youth.

It must be noted that results presented here are based on a case studies. Moreover, due to the snowball and social media sampling, a large proportion of the respondents were students (56%), which jeopardized to appropriately test hypothesis 3, related to socio-economic status. The results should therefore be interpreted with care, and may not be generalizable.

Overall, ski tourism seems to be affected by the recession. Those who keep going on ski vacations, actively search for ways to find cheaper alternatives, and businesses try to offer these. Thus, somehow, skiing remains in the picture. It certainly fills the need for 'good feeling' (e.g., Van Dyck 2009), as well as the need for leisure and relaxation (e.g., Rutenmiller 2008) in times of economic hardship.

CONCLUSION

The current study explored the impact of the recession on the ski industry. The literature review revealed two opposite effects. On the one hand there is the assumption that skiing is recession proof, given that it is a preferred sport of more affluent people, who are generally less affected by the recession. It can also be more recession proof for youth and more experienced skiers. On the other hand, as part of the tourism industry, skiing was expected to take a hit. Skiing usually takes place during ski vacations, which are seen as an expensive and ‘second’ vacation (e.g., Smeral 2010) and are therefore considered a “luxury good”, which are generally the first to be eliminated when a recession hits (e.g., Zurawicki and Braidot 2005).

The results of this study clearly reveal a decline in ski tourism during the years under investigation. However, the impacts experienced during periods of severe economic hardship vary according to the type of sports provider. Perception of suppliers from the ski industry (i.e., business owners in ski resorts, and ski travel agencies) as to how their businesses were affected during the 2008-2009 and 2009-2012 seasons were mixed. Some saw a decline, others perceived an increase, and other reported a status quo. Suppliers in the ski sport industry reported creative ways to bundle packages to offer cheaper, but attractive alternatives to their customers.

The Flemish ski tourists in the survey showed shifts in their ski vacation behavior from 2008 through 2011. The results confirmed that the impact of the recession on ski vacations varied according to different groups in society. For instance households with no children, people that experienced more financial constraints, had a lower professional status, as well as the younger people, were more recession sensitive, regardless of the fact if one is a highly motivated and/or experienced skier. While ski tourists seem to be more cautious with their spending, those who continue to go on ski vacation find ways to stay involved in skiing despite the economic recession. From a theoretical perspective, this paper contributes to the advancement of socio-economic theories as they apply to the ski tourism industry in times of economic recession. From a practical perspective, this research assists suppliers in the ski tourism industry to identify barriers and hurdles in economic down turns, as well as reveal strategies to overcome these hurdles.

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