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NORDIC SKIING HAS SEEN ADVANCEMENTS in technology and participation that has allowed it to take great strides forward—as long as the weather cooperates and brings enough snow to the slopes. To look at the positive: There has been an increase in participation by women, the sport remains relatively inexpensive compared to many wintersports, its versatility means you can head out just about anywhere there’s snow, and it still has the ability to attract and keep older participants.

country skiers continues to climb, meaning solid income to spend (good) but a lack of new and younger blood in the sport to continue to drive it forward (bad). Of Nordic skiers in the NSGA study, 55 percent are over 35 years old. But Kurt Hoeffler of Rossignol states emphatically, “Looking at successful kids programs in the Maine Winter Sports Center and Utah’s Soldier Hollow, it shows us that if we get the kids interested in cross-country skiing, mom and dad will follow.” There are differences in the numbers put forth in various studies, but the trends are the same.

There are so many distinctive and positive attributes to Nordic so, the industry often asks, why have there been such prob-

TECHNOLOGIC STRIDES

Technologically, the Nordic ski world has made incredible strides, but on the numbers side—skis sold and participant numbers—the sport has not increased. In 1988, the U.S. Nordic ski suppliers sold 560,000 skis, while today there are less than 200,000 pairs of skis sold annually. In comparison, when Trak introduced the early waxless Nordic skis in the late '70s, more than 900,000 pairs of skis sold annually in the United States.

▶️ IS NORDIC SKIING STUCK IN THE MUD OR

The Sports Participation Study by the National Sporting Goods Association (NSGA) says numbers have dropped from 5.79 million skiers in the late '80s to 2.33 million last year. Cross-country skier characteristics also show 59 percent are married, 51 percent have children and 49 percent have a college degree, while 50 percent of participants are women. Characteristics that many a marketer dreams about!

But there’s one good-news-bad-news story in the stats: The median age (41) of cross-

lems selling this winter adventure? It seems the biggest competitors to cross-country skiing are people’s available time and how quickly people perceive they can become proficient enough at the sport to enjoy it. There are a multitude of factors contributing to the backsliding of cross-country skiing growth. Karhu’s Ted McGinnis said, “Cross-country skiing traditionally was a striding sport with longer skis but since short wide skis came on the scene, it has more to do with the scenery.”

Company attempts to repeat the success of those early years have not been successful. Experiments such as the Speedex waxless base or the standardized short cross-country skis like the Fischer Revolution and Rossignol Tempo models are mere memories. The companies continue to introduce new ski technology such as this year’s Fischer Cruising skis and the Rossignol Evo skis, but in recent years the effects of such product introductions on the market have been small in terms of

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Access

BY ROGER LOHR

the overall numbers. Still, companies continue to try to hit the homerun, with today's goal to make things easy because of people's perceived notion that Nordic skiing is difficult to learn and just plain hard to do.

"Our objectives in designing the Cruiser skis was to make skiing easier and more fun for recreational skiers," said Peter Ashley of Fischer USA. "The new ski shape makes the ski more stable and provides better grip without any reduction in glide. And it is visible technology so that it is easy for people to see and understand the

multiple sizes. But it also strives to simplify the choices, as some of the companies' products are now available in short, mid and long sizes. Swix finally eliminated a number of waxes last season. Alpina now has the size solution, whereby skiers stand on a scale, which shows the skier in one of four sizes no matter what the model recreational ski in the Alpina or Madshus line. Rossignol has simplified things with its Evo line, which includes a classic or freestyle available in small, medium and large sizes.

thing from waxing to every last piece of ski equipment is affected. So, racing boots designed with plastic cuffs, power strap enclosures and plastic heel counters undergo metamorphosis into a recreational boot's new skeletal support system.

Some other issues that put the squeeze on product suppliers include the difference between the dollar and the Euro; the expertise and cost of labor in third-world factories, where the products are mostly manufactured; and the cost of transportation to the dealers. Unfortunately,

ON ITS WAY TO THE PROMISED LAND? ▶▶▶

differences." Ashley also cited the S-Bound backcountry skis, which he said were designed in response to dealers' requests for skis with "control, control, control."

At Rossignol, Kurt Hoeffler talked about the new Evo series of skis, which he said were designed for "recreational skiers and would make skiing easy and fun. The skating version of the Evo skis will make it easy for kids or adults, who would not ordinarily try skating, to pick it up. The classic Evo version is easy to handle and it makes the snowplowing technique easier because of its radical side cut (53 mm at the shovel and 45 mm at the waist) and ABS sidewalls, which are like steel edges that bite into the snow like an alpine ski. The Rossignol Posi-track waxless pattern will allow skiers to walk right up the hill."

Atomic has turned to technology to further enhance the production of the company's Nordic skis with a "digital flex machine." According to Rick Halling of Atomic, the machine adjusts the ski press to assure evenness in ski camber. A person with the job of watching the monitor is now able to maintain the ideal flex within one-tenth millimeter.

"Even with the basic touring ski, the digital flex machine will be used to provide skiers with easier grip while still getting the optimal glide," Halling said.

The industry now offers more Nordic categories such as kids, women, racing, backcountry, recreational and telemark, with waxable and waxless versions and

INDUSTRY FOCUS

The face of the cross-country ski product supplier in the United States has also undergone changes. Where there were once more than 20 different product suppliers, there are now less than 10 companies (according to an SIA report presentation and supported by checking any industry directory index of companies). Many of the companies are known for a particular product segment such as Fischer's successful race division or Karhu's backcountry ski products. Other companies have become small distribution conglomerates of different cross-country ski products. Alpina, long known for ski and hiking boots, now has its own brand of cross-country skis and also distributes Madshus skis and Master poles.

And a few of the parent companies such as Fischer and Salomon invest heavily in research and development of new products. Fischer's Nordic Cruising line of skis is an example of R&D becoming fruitful in terms of sales to a large number of outlets. The Cruisers feature a wide body in a double hourglass shape that are wide under foot and at the tip for increased skier stability.

For years, companies have invested in R&D for the purpose of improving their position in competition circles of the World Cup circuit and the Olympics. That investment in technology trickles down to the recreational market so that every-

thing there is nothing that anyone can do about these issues, but they usually result in higher product prices.

At least one Nordic product supplier has awakened to the fact that there are as many women cross-country skiers as there are men. For years, the statistics have shown approximately an even split among the cross-country ski genders. Despite a market that had presented half females, there were few female-oriented products. Now we are seeing women's boot lasts and colors, ski cambers and sizes for women, and clothing that meets women's needs.

Alpina is one company that is planning to merchandise specifically to women at the retail level to support its addition of more women's-specific boots and skis. Alpina conducted focus groups of female skiers and made changes to its products in response to findings. For example, Alpina's women's boots added a higher bellows tongue, softened the mid-sole allowing more flex and changed to a warmer more comfy liner material. There are few other Nordic ski equipment companies focusing so specifically on female product lines.

In the end, retailer concerns about too many product choices to carry may be an overriding issue.

SHRINKING RETAIL SUPPORT

Mirroring the decline in participation numbers, the number of shops that carry Nordic ski products has substantially decreased and the number of serious cross-country

ski shops has dropped to precipitously low levels. It is not overstating the case that there are only a few hundred shops that are deeply committed to Nordic skiing. Alpine ski shops have given decreasing effort to Nordic skiing over the years, and most of the big chain stores have eliminated cross-country skiing from their lines. In 2002, Nordic Distributors, a major ski catalog, went out of business, and leading retailers such as REI and EMS continue to streamline their cross-country ski product offerings.

With all of this carnage on the dealership side of the business, it is not surprising that the Internet continues to gain strength as a means for offering cross-country ski products to a core audience. Time will tell if consumers turn away from Internet and mail order because they are unable to see and touch the products, have difficulty returning goods, or experience the lack of associated services such as binding installation.

TECHNOLOGY AND TRENDS AT CROSS-COUNTRY SKI RESORTS

According to analysis of the National Sporting Goods Association Sports Participation Study and the Cross Country Ski Areas As-

sociation Visitation research, fewer than 10 percent (perhaps the core skiers) of the estimated annual 13 million cross-country ski outings occur at commercial Nordic ski resorts. But the skiers that pay a fee to ski groomed trails probably represent the core of the market. Here too, technology has had a positive effect with greatly improved trail grooming. In the early days of cross-country ski areas, area operators dragged makeshift grooming attachments behind snowmobiles to groom the snow on the trails. It has been decades since those attachments manufactured with bedsprings did the job, a job that is now done with snowcats pulling hydraulic track setters, powder makers and ice scarifiers. The resulting consistent trail conditions can withstand larger volumes of skiers and the trail fees being paid by those skiers are warranted. But area operators have added other services and amenities that include quality food service, accommodations and even snowmaking.

Many cross-country ski areas are growing in viability and sophistication, but there is a continuing proliferation of mom-and-pop cross-country ski areas that open up when there's snow. These small areas can

earn a profit because they have very low expenses. Whether the area is big or small, the revenue issues are the same. Besides the trail fee, major portions of revenue are raised with rental equipment operations and lessons income. Areas that are aggressive with their programs will see more revenue. For example, areas with more performance-oriented rental equipment fleets are able to encourage skiers, who own their equipment to try better equipment. Those renters then can consider upgrading and buying new products in the area's retail department.

Better rental equipment should also help skiers who do rent to have a better experience. The level of positive skiing experiences directly correlates to the retention of skiers and their decisions to stay with the sport. The cross-country ski area business has not fared well in encouraging a high percentage of first-time skiers to return to the trails. While there are few statistical details on the topic, the drop out rate of cross-country skiers (low retention) is one of the prime issues negatively affecting the sport.

Thom Perkins of Jackson Ski Touring Foundation in New Hampshire suggests that area operators need to improve the match between first-timers' expectations and their experience. "The easier we can make it for them, the more chance that they will have a positive first experience," he said. "We've incorporated a trailside snack shack destination on one of our easiest trails and this year we're providing free shuttle bus service to help skiers avoid the long climbs on some of our trails. Sort of a detachable high speed lift."

Few cross-country ski area operators have business plans to strategize and target specific market segments. And fewer have very large marketing budgets so they are somewhat limited and aren't able to get too sophisticated. Perkins surveys his season pass holders, who represent a substantial portion of the skier visits at Jackson, but other analysis is done by gut. "We do not know the proportions, or how many families, women or kids are patronizing our area annually," Perkins said.

The resorts are especially susceptible to the weather. An index of Cross Country Ski Areas Association members showed a direct correlation to the snowfall in specific regions. Across the United States in 1997-98, there was a 4-percent drop in skier visits, followed by a 1-percent increase, a 6-percent decrease and then a 14-percent increase in winter 2000-01. The latter statistic was driven by the great snow year in the east, where there are many commer-



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NORDIC Cruising



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cial Nordic ski areas.

You'd think that alpine ski areas would take advantage of the easy opportunity to make money from Nordic. There are more than 100 alpine ski areas in the United States that have Nordic facilities, but it is apparent that the opportunities for running a profit center are not being considered or used. Without exaggeration, areas that make a great effort with Nordic, such as Bretton Woods, N.H., Crystal Mountain, Mich., or Mt. Bachelor, Ore., can be counted on one hand.

REASON FOR OPTIMISM?

Jim Spring of Leisure Trends Group, who keynoted the Cross Country Ski Areas annual conference in April 2002, provided great cause for optimism for Nordic skiing entrepreneurs. He referenced a Leisure Trends study that showed a "quantum leap in top-of-mind awareness of Nordic skiing." Spring reported that after the Olympics, 12.5 million people believe they are or would like to become Nordic skiers. How the industry converts those 12.5 million people into cross-country ski sales is the omnipotent question.

Spring suggested that the industry's mes-

sage should be focused, consistent and well positioned. That positioning entails branding Nordic skiing, defining it as a lifestyle and focusing on its benefits for people. For years, cross-country skiing has been presented as a sport rather than a lifestyle, and by products rather than benefits. Spring encouraged the attendees to sell what Nordic skiing offers (fun, fitness, family and the outdoors), rather than the number of kilometers at the ski area or how many competitions have been won on a certain brand of skis.

Spring was hopeful that cross-country skiing would see an increase resulting from the Olympics media coverage. He said, "Forty-seven million people saw cross-country skiing on television, and 2.2 million said they'd like to try it. Fifty-four percent of those people told us they'd look to the Internet to get more info about cross-country." In a controversial recommendation, Spring said "Nordic skiing" was a preferable term compared to "cross-country skiing" in the eyes of the people who participated in his study. He felt that people can relate better to the branded meaning of the term "Nordic," while "cross-country" sounds like too much work. Spring cited

a 20-percent to 25-percent increase in interest in the sport when the term "Nordic" was incorporated into his survey.

"Snowshoeing should help cross-country skiing because people consider that it could be more fun sliding on skis instead of stomping in the snow," said Spring. Snowshoe companies and aficionados might disagree with that perspective, but Spring draws conclusions about the symbiosis of the different disciplines based on his research. "While alpine skiing may become your ex-wife, snowshoeing should be considered your next best friend," Spring told the cross-country area business people.

He also recommended that the industry promote the social element of Nordic skiing rather than the solitude, especially among potential women participants. Other suggestions included selling the fun in context of what it means to Nordic skiers; featuring a uniform (clothing) as part of the sport's signature; and giving customers a story about their experiences on Nordic skis to increase the sport's "tell ability."

GT View: We hear about the significance of the weather every year, and that may be a turning point that is needed: It seems that we need a few consecutive good snow years to kick-start new and extensive growth in Nordic skiing. If there is a good snow year in enough of the market areas, there could be wide variances in the industry with as high as a 30-percent increase swing for products sold. And retailers can never have enough cross-country equipment to sell when they have favorable weather. At least one supplier spoke of dealers that had quit the cross-country market and re-entered during a good snow year because so many customers were asking for the equipment.

Over the years, new products (other than the original waxless skis) appear to have done little to attract a large new volume of Nordic skiers. But new products do re-infuse core skiers with excitement and interest. Many industry insiders tell our editors that only multiple years of good snow will spur the kind of sales increases needed to grow the market significantly. Attending industry events, it is plain to see that the people in the Nordic ski industry are aging. There is some new blood coming along but it remains an industry with many veterans and diehards who just love the sport. Whether (and when) they hand over the reins of the sport to a new generation—and if those newbies can steer the sport to growth and profitability—is one of the great mysteries that we will have to watch unfold.

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