



ALPINE RESORTS
CO-ORDINATING COUNCIL



VICTORIAN ALPINE RESORTS

END OF SEASON REPORT

WINTER 2017

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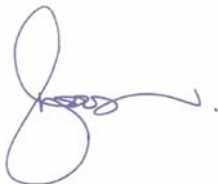
Chairperson's Foreword

I am pleased to be able to present the 2017 Winter End of Season Report produced by the Alpine Resorts Co-ordinating Council. This series of reports has been published since 2006 and continues to provide valuable information to a wide range of alpine stakeholders on key indicators including visitation to the Victorian alpine resorts, snow depth, as well as summary information on the industry's economic significance and visitor satisfaction.

The 2017 winter season again made use of extensive snow-making to supplement good natural snow falls to maintain visitation and economic activity, demonstrating the importance to the economies of the regions and the state. Visitation in 2017 was the highest it has been since comparable records were first collected in 1980.

On behalf of Council, I would like to acknowledge the assistance of the Alpine Resort Management Boards, ski lift companies and their teams for conducting the surveys and providing the data. Without their willing assistance, the preparation of this report would not be possible.

I hope that you find the extensive statistics, graphs and other data useful in understanding the 2017 snow season.

A handwritten signature in blue ink, appearing to read 'Bill Jaboor', with a stylized flourish extending to the right.

Bill Jaboor

Chairperson

Executive Summary

During the 2017 snow season Victorian alpine resorts received 941,003 visitors and 1.6 million visitor days. This level of visitation represents a 32 per cent increase in visitors and an 18 per cent increase in visitor days compared to the 10 year average from 2007 to 2016. Visitation for 2017 was up by 23 per cent measured in visitors and up by 16 per cent measured in visitor days compared to the 2016 season.

The 2017 winter season commenced with little natural snow. At all resorts, lower than average natural snow depth occurred in the lead up to school holidays. At most of the northern resorts after early August, above average natural snow depth was maintained for the rest of the season, with snow making further enhancing snow depth.

As with previous years' analysis a comparison of annual visitation and snow depth from 1998 shows how visitor numbers have remained stable since the provision of broad scale snow-making over the last decade. The importance of snow-making is evident and in the case of Lake Mountain, after the opening weekend that resort was able to maintain average snow depth in snow-making areas in the absence of good natural snow depth until good falls of snow in early August. Towards the end of the season the snow making depth was higher than the 10 year average natural snow depth at all resorts (with snow making) which along with good natural snow fall enabled the resorts to remain open until the end of the season. The northern resorts (except Mount Stirling) remained open a week longer than the southern resorts.

Compared to 2016, the 2017 All Resorts Pass results show an increase of 14 per cent for visitor days. There appears to be a strong association between visitation and snow conditions, whereby the holders of All Resorts Passes generate greater visitation than the holders of Resort-specific passes in better snow years (2014 and 2017) and lesser visitation in poorer snow years (2015 and 2016).

Ernst & Young (EY) continue to provide estimates for Victoria on the economic contribution of the winter seasons, taking into account seasonal visitation and changes in economic conditions and have estimated the 2017 winter season to the Victorian economy at \$945 million. This level of expenditure would result in a contribution to total Victorian employment in annual equivalent terms of 9,137, including direct and indirect jobs. It is worth noting that in 2017 the resorts

received the highest numbers of visitors in over 35 years.

The visitor satisfaction surveys undertaken in 2017 by Woolcott Research & Engagement showed that there is a high level of visitor satisfaction at all resorts. Variations between resorts and over time are mostly minor, with little discernible change.

Respondents rated snow conditions better in 2017 compared to 2016 across all resorts. Mount Hotham saw respondents rate the snow conditions the best across all resorts. Respondents at Lake Mountain have consistently rated the snow conditions better each year from 2014 to 2017.

The visitor satisfaction surveys asked a broad range of questions, including questions about gender, age, income and ethnicity. The survey also asked questions about activities, experience and origin of visitors. Analysis showed that visitors comprise a diverse group of people that taken as a sector are being catered for by resorts, albeit that no single resort provides all services for all visitors.

There are significant differences across resorts in activities undertaken. Downhill skiing was the predominant snowsports activity at Falls Creek, Mount Buller and Mount Hotham although snowboarding is also significant. At Mount Baw, snowboarding is closely followed by downhill skiing as the predominant activity, although the proportions engaged in downhill skiing is lower than at the large resorts. Cross-country skiing is the only snowsports activity provided for at Lake Mountain. Tobogganing, snowplay and sightseeing and spending quality time with family or friends accounted for 73 per cent of visitors to Lake Mountain, compared to 14 per cent across all resorts.

The surveys also show in terms of snow experience 80 per cent of visitors to Lake Mountain are 'first timers' or 'beginners', whilst in terms of frequency of visits, 50 per cent of visitors are either 'never beens' or had 'tried once before'. New visitors also comprised high proportions of total visitation at both Mount Buller and Mount Baw.

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1. Background

1.1 The Alpine Resorts Co-ordinating Council (the Council) is a statutory body established under the *Alpine Resorts (Management) Act 1997*. The Council reports to The Hon. Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change. It performs a co-ordinating function across alpine resorts, focused on strategic planning, research, attraction of investment and overall promotion of resorts.

1.2 The *Alpine Resorts Strategic Plan 2012*, prepared to guide long-term planning and management of Victoria's alpine resorts, is based on the vision '*Victoria's alpine resorts will be vibrant, growing and sustainable places, delivering alpine recreational experiences and tourism experiences that are available to all*'. Six strategic objectives support pursuit of this vision, together with a financial and governance implementation framework and series of actions. One of the principles underpinning Strategic Objective 1: Enhancing the visitor experience, is that '*the number of visitor days and visitor yield continues to increase along with visitor satisfaction*'. The Council, together with Alpine Resort Management Boards (Boards) and other industry partners, including ski lift companies, undertakes a range of research tasks, including surveys, data collection and analysis, to measure performance and assist in planning and promotion of alpine resorts.

1.3 Information on visitation to alpine resorts, such as is presented in this report, is important for a wide range of planning purposes. Ski lift companies, accommodation providers, retailers, suppliers, Boards, as well as various service providers and government agencies, all require this information.

1.4 This document presents information about the 2017 snow season, as well as past seasons, and attempts to place the 2017 season within an historical context. Historical visitation numbers are shown in Appendix 1.

1.5 Since the commencement of the 2005 snow season, the Council has undertaken the collation and dissemination of weekly visitor entry statistics recorded by individual Boards.

1.6 Weekly visitation numbers comprise two elements, daily and season pass holder visitation. Daily visitation numbers are either determined from information collected at the entry gates or, following the introduction of on-line or ticketless systems, some daily visitation numbers are based on estimates.

1.7 Season permit holder visitation is based on estimates. Since 2006 a survey of season permit holders has been conducted at all alpine resorts. This has enabled a much more accurate estimate of the number of visitors using the annual season permits than occurred pre-2006.

1.8 In 2015 the Council engaged Traffix Group to review visitor counting methodologies. Traffix Group made recommendations for a number of minor adjustments, designed to ensure that the veracity of the results is able to be maintained. These were first implemented for the 2016 and again for the 2017 winter season. An overview of the 2017 visitor counting survey methodology is contained in Appendix 2.

1.9 Snow depth information is collected by Boards and ski lift companies. In 2017 it was distributed via the Snow Victoria website. These records are collated and archived by the Council. An overview of the snow depth recording methodology is contained in Appendix 3.

1.10 Estimates of the annual economic contribution of the resorts have been provided by Ernst and Young (EY).

1.11 Commencing during the 2009 winter season, all ski lift companies, Boards and Council agreed to conduct visitor satisfaction surveys on a consistent basis. The key findings of the 2017 visitor satisfaction surveys, as well as some comparisons with previous seasons, are reported in this document. An overview of the visitor satisfaction survey methodology is contained in Appendix 4.

2. Annual Visitation

2.1 End of Season results for the 2017 snow season and the previous 10 years are shown in Table 2.1. Both the number of 'visitors' as well as the number of 'visitor days' (i.e. visitors X length of stay) are recorded.

2.2 Historically annual visitation to Victorian alpine Resorts has generally been in the range of 600,000 to 800,000 visitors and 1,100,000 to 1,300,000 visitor days (refer Appendix 1). Since the 1980s visitation numbers have been characterised by seasonal peaks and troughs, which appear to be related to the quantity and timing of snow during the snow season.

2.3 During the 2017 snow season Victorian alpine resorts received t 941,000 visitors and just over 1.6 million visitor days. Visitation in 2017 was the highest it has been since comparable records were first collected in 1980. This level of visitation represents a 32 per cent increase in visitors and a 18 per cent increase in visitor days compared to the 10 year average from 2007 to 2016. Visitation for 2017 was up by 23 per cent measured in visitors and up by 16 per cent measured in visitor days compared to the 2016 season.

2.4 The results, however, were not uniform across all alpine resorts. Visitation (measured by visitor days) varied from a 1 per cent increase at Falls Creek to a 30 per cent increase at Mount Buller.

2.5 Compared to the 10 year average, 2017 visitation (measured by visitor days) varied from a 8 per cent increase at Mount Hotham to a 53 per cent increase at Mount Stirling.

Table 2.1: End of Season Visitors and Visitors Days: 2007–2017

VISITORS	MOUNT BAW BAW	LAKE MOUNTAIN	MOUNT STIRLING	MOUNT HOTHAM	FALLS CREEK	MOUNT BULLER	ALL RESORTS
2017	58,704	126,431	8,161	149,826	193,936	403,945	941,003
2016	49,775	99,793	6,041	120,508 **	168,973	317,891	762,981
2015	68,893	120,740	6,169	117,777	145,695	304,056	763,330
2014	67,234	131,692	7,228	121,887	137,553	309,875	775,469
2013	33,057	72,102	5,262	97,536	128,845	251,623	588,425
2012	54,213	105,688	5,153	157,475 *	160,156	272,049	754,734
2011	37,097	84,400	4,476	122,563	132,772	240,633	621,941
2010	52,823	133,075	8,101	150,416	140,442	298,084	782,941
2009	39,075	61,312	4,684	157,242	135,271	286,983	684,567
2008	44,616	118,847	6,032	121,425	125,685	274,231	690,836
2007	50,657	110,807	3,323	138,222	138,535	284,149	725,693
% CHANGE Year on Year	18%	27%	35%	24%	15%	27%	23%
PREVIOUS 10 YRS AV VISITORS	49,744	103,846	5,647	130,505	141,393	283,957	715,092
% CHANGE 10 YR AV VISITORS TO 2017 VISITORS	18%	22%	45%	15%	37%	42%	32%

VISITOR DAYS	MOUNT BAW BAW	LAKE MOUNTAIN	MOUNT STIRLING	MOUNT HOTHAM	FALLS CREEK	MOUNT BULLER	ALL RESORTS
2017	76,305	126,431	10,578	368,313	451,961	583,119	1,616,707
2016	61,335	99,793	8,288	328,602 **	446,037	449,157	1,393,212
2015	95,495	120,740	7,809	313,341	376,367	473,040	1,386,792
2014	93,441	131,692	9,593	332,281	347,028	485,952	1,399,987
2013	60,872	72,102	6,842	264,527	328,957	461,510	1,194,810
2012	74,793	105,688	7,025	411,495 *	386,510	472,575	1,458,086
2011	52,347	84,400	5,493	318,311	344,067	442,604	1,247,222
2010	67,068	133,075	8,985	376,483	340,190	515,497	1,441,298
2009	52,952	61,312	5,472	384,390	377,405	508,360	1,389,891
2008	64,285	118,847	6,068	334,787	359,051	488,187	1,371,225
2007	68,259	110,807	3,487	349,031	345,239	504,858	1,381,681
% CHANGE Year on Year	24%	27%	28%	12%	1%	30%	16%
PREVIOUS 10 YRS AV VISITOR DAYS	69,085	103,846	6,906	341,325	365,085	480,174	1,366,420
% CHANGE 10 YR AV VISITOR DAYS TO 2017 VISITOR DAYS	10%	22%	53%	8%	24%	21%	18%

Notes:

The YTD totals for 2006 and following years have been adjusted to include the data from the season pass holder's survey conducted in those years.

* Recalculated due to error in Mt Hotham 2012 data identified in November 2013

** Recalculated due to error in Mt Hotham 2016 weekly data identified in October 2016

Data provided by Victorian Alpine Resort Management Boards.

Collated and published by the Alpine Resorts Co-ordinating Council.

2.6 Figures 2.1 to 2.7 show annual visitation (000s) to each of the six Victorian alpine resorts and combined visitation to all resorts since 1980, taken from historical records. The dashed lines on the graphs show the average visitation (both visitors and visitor days) over the 10 years prior to 2017 (i.e. the period 2007-2016).

2.7 Whilst the figures demonstrate that seasonal variations are marked, the long-term trends for most resorts, for both visitors and visitor days, remain relatively stable.

Figure 2.1: Mount Baw

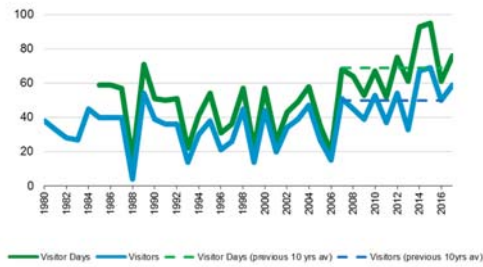


Figure 2.2: Lake Mountain



Figure 2.3: Mount Stirling

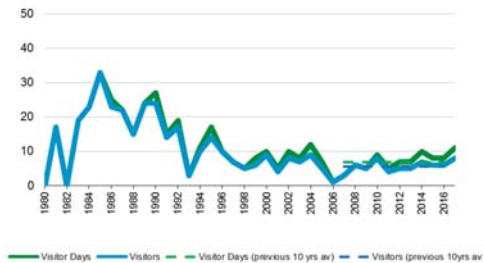


Figure 2.4: Mount Hotham

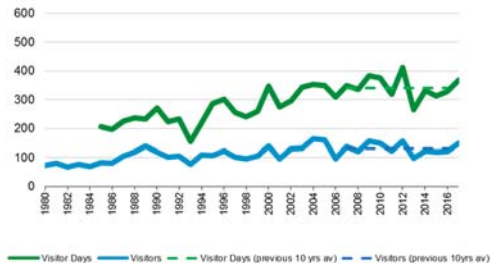


Figure 2.5: Falls Creek

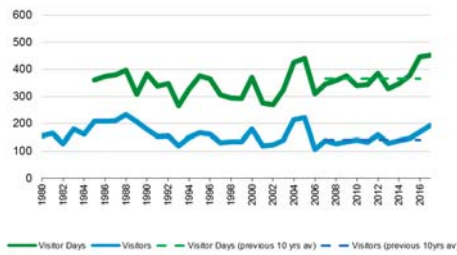


Figure 2.6: Mount Buller

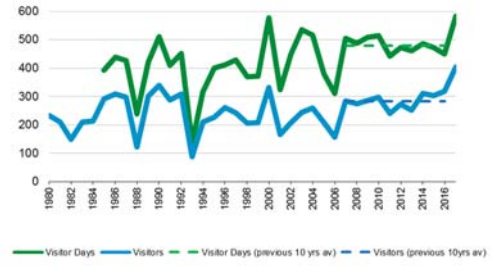
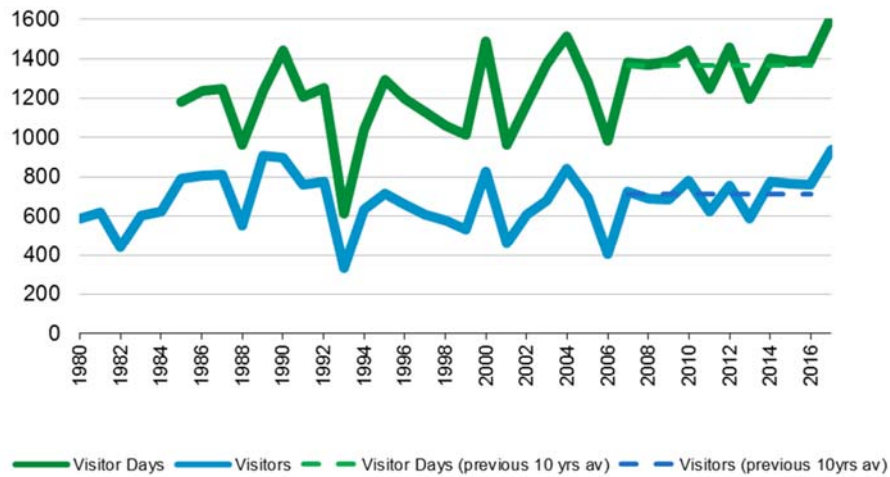


Figure 2.7: All Resorts Visitation



2.8 Figure 2.8 shows the long-term trends (from the 1980s) across all Victorian alpine resorts. The long-term trend for visitor days has shown an increase of 0.8 per cent per annum, with an increase of 0.9 per cent over the last decade. In the case of numbers of visitors, there has been a 0.4 per cent per annum increase in the long term, although there has been a 2.3 per cent per annum increase over the last decade.

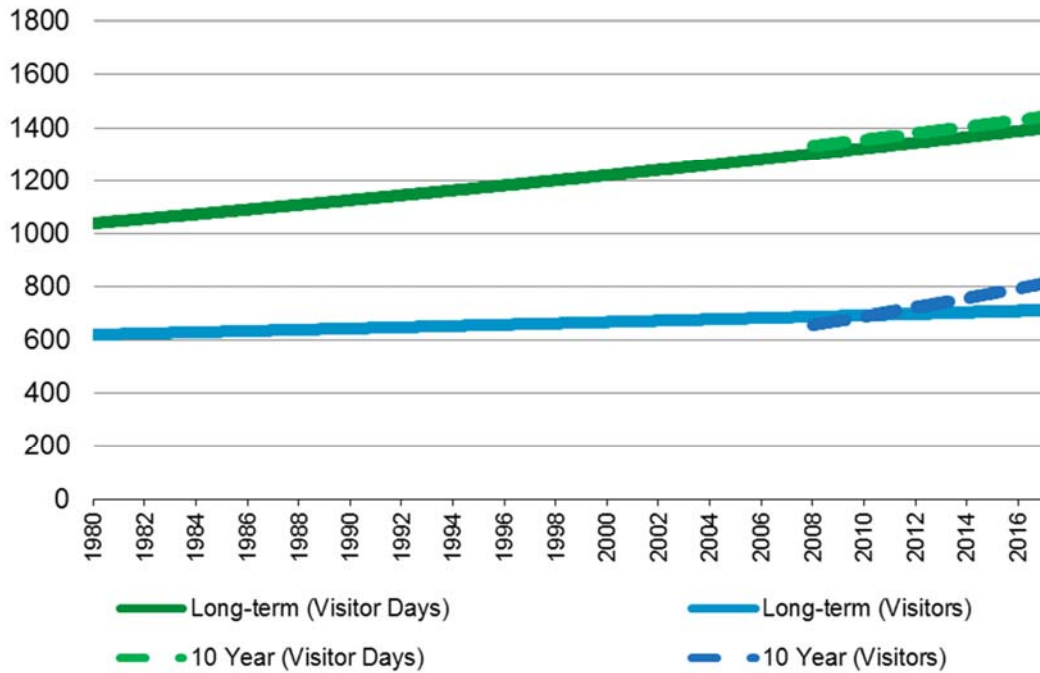
2.9 Considerable caution needs to be applied in interpreting any shorter term, decade-long trends, as the impact of seasonal variability causes significant fluctuations in rates of increase and decrease (see Figure 2.7 above). For example, whilst the long-term growth rate for all resorts has varied little from season to season, the decade long rate for visitor days has fallen from 1.5 per cent for the decade ending 2015, to 0.1 per cent for the decade ending 2016 and

recovered to 0.9 per cent for the decade ending 2017. Section 5 of this report compares snow depth and visitation.

2.10 There is also considerable variation in trends at resort level. In the case of Lake Mountain and Mount Stirling, the long-term trends have been downward, in the case of Falls Creek the long-term trends are stable, whilst there have been increases at Mount Baw, Mount Buller and Mt Hotham.

2.11 Whilst overall visitation to Victorian alpine resorts has increased, over the long term it has not kept pace with Victorian population growth of 1.1 per cent per annum since the 1980s. The low growth rates and the widening gap between population growth and winter visitation are suggestive of a mature industry.

Figure 2.8: All Resorts Annual Visitation Trends: 1980-2017



3. All Resorts Pass

3.1 The All Resorts Season Entry Pass ('All Resorts Pass') was introduced following a successful trial in the 2008 winter season. The pass is priced at 1.6 times the average season entry pass price for all Victorian Alpine Resorts. In 2017 a total of 518 All Resorts Passes were sold. This equates to 9.7 per cent of all Season Entry Passes sold in 2017 and represents a 6.6 per cent increase in terms of the number of All Resorts Passes sold and a 1.4 per cent increase in the proportion of all Season Entry Passes sold in 2017, compared to 2016.

3.2 Table 3.1 shows that in 2017 holders of All Resorts Passes generated a lesser number of people per vehicle and visitor nights, but a greater number of visitor days, vehicle days and visits compared to the holders of resort-specific passes.

3.3 Compared to 2016, 2017 All Resorts Pass results show an increase of 14 per cent for visitor days, a 2 per cent increase in the number of days a vehicle was at a resort and a 10 per cent increase in the visitor

nights. Changes in people per vehicle and the number of visits were not material.

3.4 There appears to be an association between visitation and snow conditions, whereby the holders of All Resorts Passes generate greater visitation than the holders of Resort-specific passes in better snow years (2014 and 2017) and lesser visitation in poorer snow years (2015 and 2016).

3.5 As is the case with resort-specific Season Entry Passes offered by Boards, holders of All Resorts Passes were requested to complete survey cards, all of which were analysed at the end of the winter season. The visitor and visitor day figures were then adjusted accordingly to create the final End of Season figures. Details of the methodology are contained in Appendix 2.

Table 3.1: All Resorts and Resort-Specific Pass Comparisons: 2014-2017

	2014		2015		2016		2017	
	All Resorts Pass	Resort-specific Pass	All Resorts Pass	Resort-specific Pass	All Resorts Pass	Resort-specific Pass	All Resorts Pass	Resort-specific Pass
Average No. of Visitor Days per Vehicle Season Pass	62.4	50.1	50.4	55.2	45.5	51.9	59.5	56.2
Average No. of Vehicle Days per Vehicle Season Pass	23.5	19.4	18.3	19.4	19.6	18.4	21.6	20.1
Average No. of People per Vehicle Season Pass	2.6	2.6	2.7	2.8	2.3	2.8	2.7	2.8
Average No. of Visits per Vehicle Season Pass	7.2	4.9	7.1	5.3	8	5.4	8.3	6.5
Average No. of Visitor Nights per Vehicle Season Pass	38.1	38.0	30.7	41.9	24.8	40.9	35.25	44.6

Table 3.2: Percentage of All Resorts Pass Holder Visits to Resorts: 2014-2017

NUMBER OF RESORTS VISITED	1	2	3	4	5	TOTAL (%)
% of All Resort Pass Holders						
2017	0	60	25	15	0	100
2016	0	53	41	6	0	100
2015	13	53	20	0	13	100
2014	18	51	21	8	3	100

3.6 Table 3.2 shows the number of resorts visited by the holders of All Resorts Passes since 2014. It shows that in 2017 visits to two resorts comprised the largest group (60%) with visits to three resorts comprising the next largest group. In 2017, no holders of All Resort Passes visited all 5 resorts, compared to 13 per cent visiting five resorts in 2015.

3.7 The committed multi-resort users, who do not necessarily have the same strong connections with any one resort as the holders of resort-specific passes and for whom the convenience and flexibility of the All Resorts Pass acts as an incentive to increased visitation, are the key target group of the All Resorts Pass. This is evident from Table 3.2 with a decrease from 13 per cent of holders of All Resort Passes in 2015 visiting just one resort to none visiting just one resort in 2016 and in 2017.

3.8 The 2017 survey further reveals that 84 per cent of All Resorts Pass Holder visitor days were spent at either Falls Creek or Mount Hotham, both the farthest resorts from Melbourne, this is a decrease from 91 per cent in 2016. Given the relative location of these resorts to each other it is possible that the very high proportion of visitation by the holders of All Resorts Passes were ensuring they had choices at both resorts to justify the travel distance. Further, because the same lift company operates at Falls Creek and Mount Hotham this result may also reflect the ability for All Resort Pass Holders to use the single lift pass at both resorts. Visitation to Lake Mountain and Mounts Buller and Stirling was higher than 2016 but about the same for years prior to that except for Mounts Buller and Stirling in 2015 which had a 20 per cent share of resorts visited by All Resort Pass Holders.

Table 3.3: Resorts Visited by All Resorts Pass Holders: 2014-2017

RESORTS VISITED	MOUNT BAW BAW	LAKE MOUNTAIN	MOUNT HOTHAM	FALLS CREEK	MOUNTS BULLER & STIRLING	TOTAL (%)
% of Visitor Days to Resort						
2017	1	6	46	38	9	100
2016	1	3	45	46	6	100
2015	3	3	21	52	20	100
2014	1	3	57	33	7	100

4. Snow Depth

4.1 Figures 4.1 to 4.6 show daily snow depths at each alpine resort for snow season 2017 for both natural snow and snow-making areas. For comparison, the average natural snow depth and average snow making depth, taken from records compiled for the Victorian resorts over the previous 10 years, is also shown in graph form.

4.2

The 2017 winter season commenced with little natural snow. At all resorts, lower than average natural snow depth occurred in the lead up to school holidays. At most of the northern resorts after early August, above average natural snow depth was maintained for the rest of the season, with snow making further enhancing snow depth.

4.3

The importance of snow-making was evident. For Mt Buller, Hotham, Falls Creek and Lake Mountain, after the opening weekend those resorts were able to maintain average snow depth in snow-making areas in the absence of good natural snow depth. Although when looking at the 10 year average for snow making depth at the 3 northern resorts, Mt Buller, Hotham and Falls Creek the average snow depth in snow-making areas in 2017 was mostly below the 10 year average snow making depth for the first half of the season. For the second half of the season in the snow-making areas at Mt Buller, Hotham and Falls Creek between

130-160cm of snow across these resorts was measured from early August and with minimal fluctuations remained within this snow depth range by season end at the same resorts in snow-making areas. Lake Mountain also experienced higher than average snow depth in the snow making areas from the second half of the season from early August with a slight decrease in snow making depth in mid-August to then increase again right up until season end.

4.4 Whilst the depth of snow is important in terms of visitation, the timing of its arrival is also important. Although the start of the season saw lower than average natural snowfall for the first half of the season a higher than average dumping of snow during early August then again in early September along with good conditions meant that natural snow depth and snow making depth were retained until the end of the season resulting in higher than average visitation to all resorts.

4.5 Care needs to be taken in interpreting the snow depth graphs due to the limitations in data collection, whereby the snow depth is not recorded in detail where there is an abundance of snow nor after the cessation of operations at any particular resort (details of the methodology for snow depth recording are contained in Appendix 3).

Figure 4.1: Mount Baw Baw

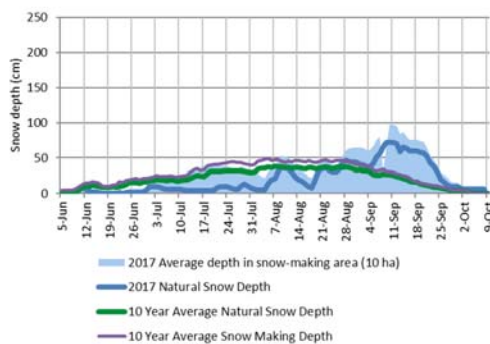


Figure 4.2: Lake Mountain

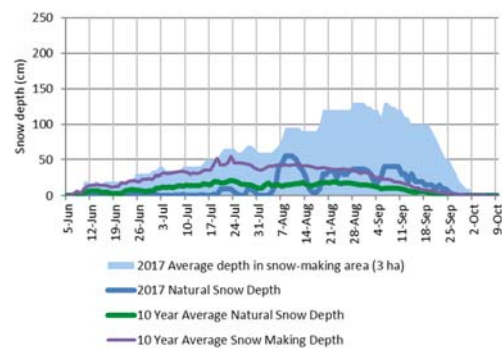


Figure 4.3: Mount Stirling

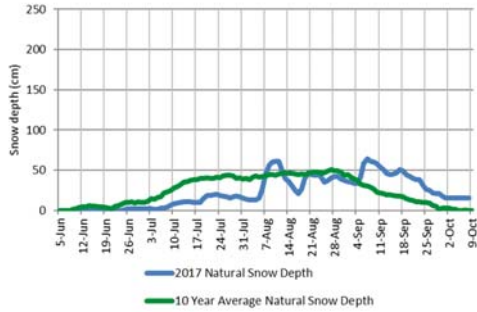


Figure 4.4: Mount Hotham

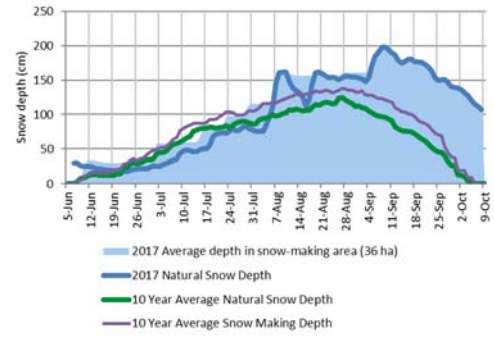


Figure 4.5: Falls Creek

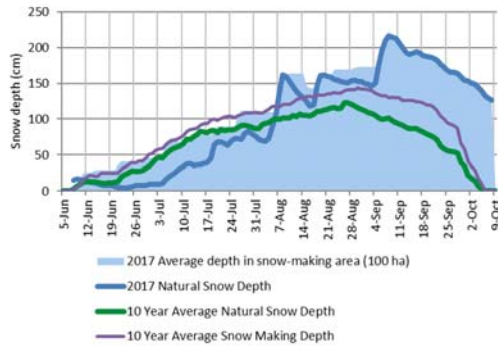
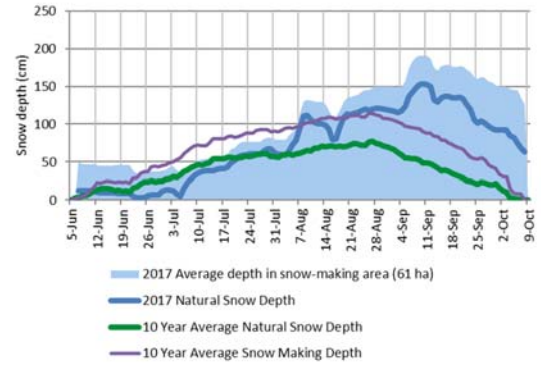


Figure 4.6: Mount Buller



5. Comparison of Long-term Visitation to Snow Depth

5.1 Figure 5.1 shows a long term perspective on snow depth and visitation for each resort. It compares indexed visitor days from 1998 and annual average snow depth, in both natural snow and snow-making areas. It illustrates how visitor numbers have remained solid since the provision of broad scale snow-making over the last decade. This has enabled the resorts to provide a reasonable snow cover, even when there is poor natural snow cover, such as experienced in 2013.

5.2 Figure 5.1 also suggests that there is a strong positive correlation between snow conditions (measured by snow depth) and visitation.

5.3 Figures 5.2 to 5.7 illustrate the positive impact of snow-making is particularly evident in the ‘smoothing’ of visitation at the higher resorts of Falls Creek, Mount Buller and Mount Hotham over the last ten years, but is also increasingly evident at the lower elevation resorts of Lake Mountain and Mount Baw Baw.

Figure 5.1: All Resorts – Visitation Compared to Annual Average Snow Depth: 1998 – 2017

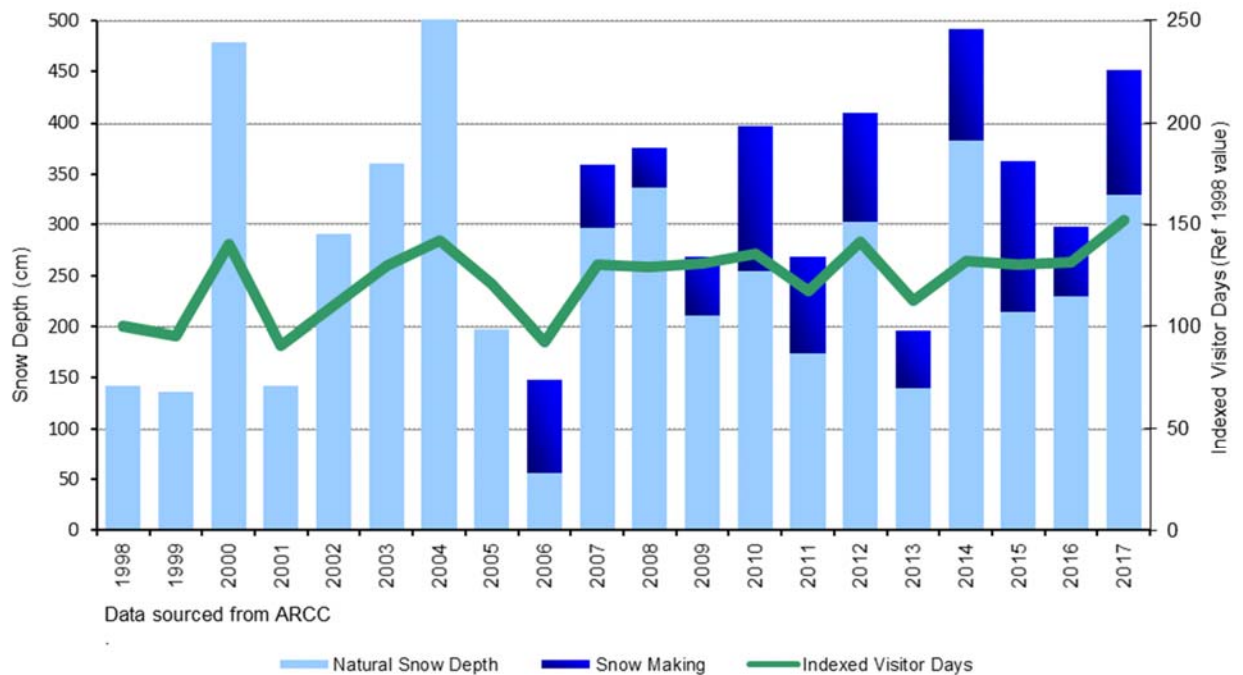


Figure 5.2: Mount Baw Baw

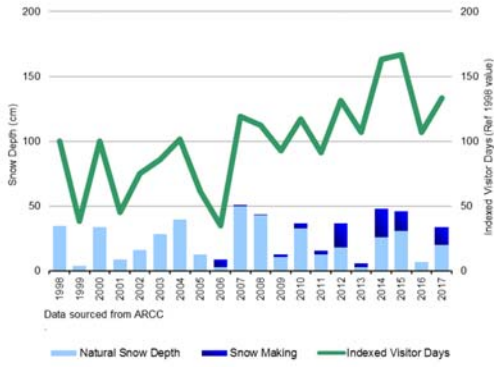


Figure 5.3: Lake Mountain

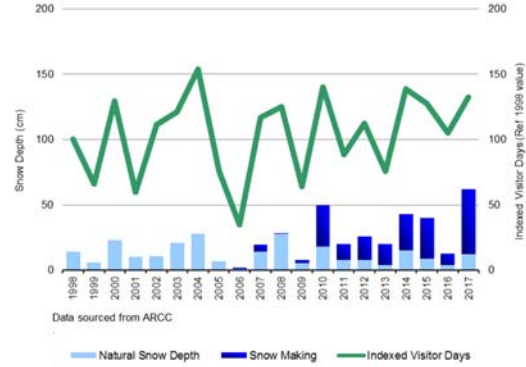


Figure 5.4: Mount Stirling

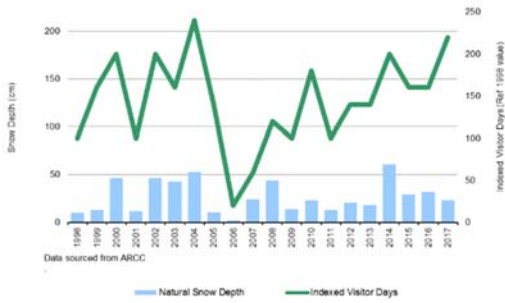


Figure 5.5: Mount Hotham

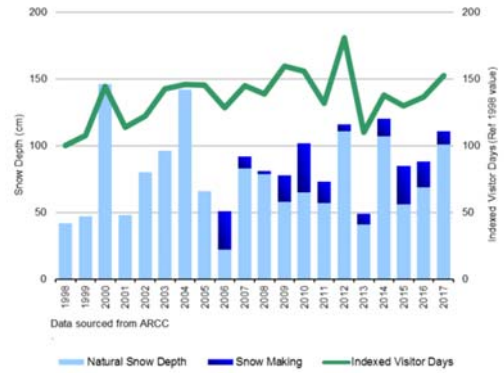


Figure 5.6: Falls Creek

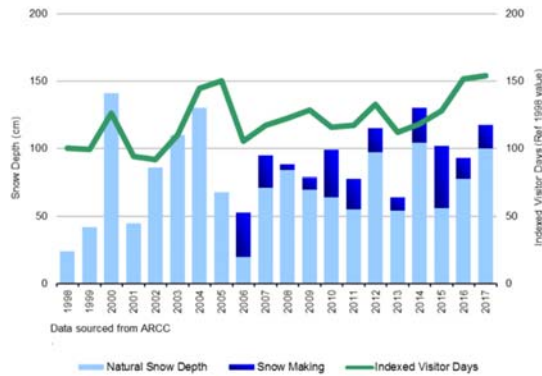
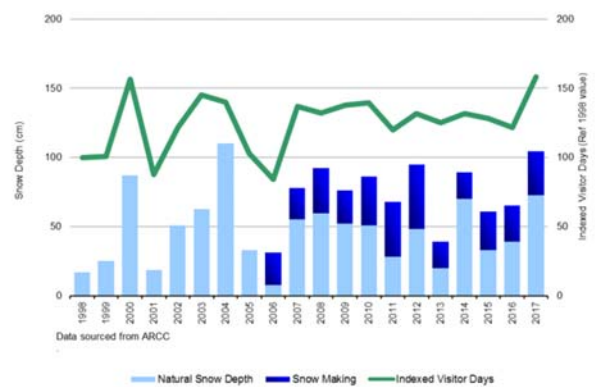


Figure 5.7: Mount Buller



6. Economic Contribution

6.1 The alpine resorts of Victoria generate economic activity for the State as they attract a number of Victorian, interstate and international visitors. The *Victorian Alpine Resorts Economic Contribution Study* (April 2017) by Ernst & Young (EY) estimated the economic contribution of the Victorian alpine resorts for the 2016 winter season, taking into account visitation trends and changes in economic conditions.

6.2 Ernst & Young (EY) continue to provide estimates for Victoria on the economic contribution of the winter seasons, taking into account seasonal visitation and changes in economic conditions. As shown in Table 6.1 the Gross State Product

contribution of the 2017 winter season to the Victorian economy is estimated at \$945 million. This level of expenditure would result in a contribution to total Victorian employment in annual equivalent terms of 9,137, including direct and indirect jobs. It is worth noting that in 2017 the resorts received the highest numbers of visitors in over 35 years.

Table 6.1: Economic Significance of the 2017 Winter Season

PERIOD	2016	2017
Gross State Product (\$2017/18 million)	804	945
Employment Annual Equivalent (number)	7,892	9,137

7. Visitor Satisfaction

7.1 For the 2017 winter season all ski lift companies and Boards again conducted visitor satisfaction surveys on a consistent basis. The research was carried out amongst visitors to Falls Creek, Lake Mountain, Mount Baw Baw, Mount Buller and Mount Hotham alpine resorts using a self-completion methodology. The consultants collated the data and conducted resort-specific analysis. Council staff have undertaken further analysis and prepared an overview report. The surveys collected information on visitor satisfaction, visitor demographic profile and visitor trip characteristics. In total close to 4,700 surveys were completed, with over to 2,800 completed by visitors to Mount Hotham.

7.2 Analysis of these surveys assists in measuring progress in achieving the aims for alpine resorts as set out in the *Alpine Resorts (Management) Act 1997* and the *Alpine Resorts Strategic Plan 2012*. The key findings from the 2017 visitor satisfaction surveys are presented below.

7.3 There are some differences in the results obtained using hard copy survey methodology (which Mount Buller uses) compared to online survey methodology. This accounts for some differences between the 2016 and 2017 results and those obtained in previous years.

Visitor Satisfaction

7.4 Figures 7.1 and 7.2 below show weighted figures adjusted for percentage visitor days by resort and show a number of indicators of visitor satisfaction as mean summary scores (out of 10) for a number of services and facilities, including overall skiing/snowboarding experience. A score of 1 corresponds to 'Expectations not met' or 'Extremely dissatisfied' and a score of 10 corresponds to 'Expectations completely exceeded' or 'Extremely satisfied'.

7.5 Figure 7.3 below shows the average visitor satisfaction score, also out of 10. There is a high level of visitor satisfaction at all resorts. Variations between resorts and over time are mostly minor, with little discernible change. Mount Buller consistently receives the highest average visitor satisfaction rating year after year.

7.6 Rating of snow conditions by survey respondents is shown in Figure 7.4, also out of 10. Respondents rated snow conditions better in 2017 compared to 2016 across all resorts. The rating was lower though than in 2014 across the resorts, except for Mt Hotham and Lake Mountain. Mount Hotham saw respondents rate the snow conditions the best across all resorts and the four years compared. Respondents at Lake Mountain have consistently rated the snow conditions better each year from 2014 to 2017.

7.7 Variations in the periods in which surveys were conducted and/or visitors were visiting resorts may also have affected visitor ratings of snow conditions and thus overall satisfaction ratings shown in Figure 7.3.

Figure 7.1: Services Indicators: 2017

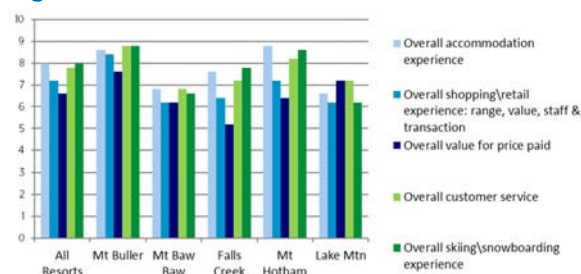


Figure 7.2: Facilities Indicators: 2017

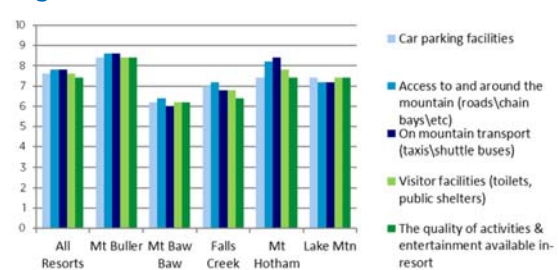


Figure 7.3: Average Visitor Satisfaction: 2014-2017

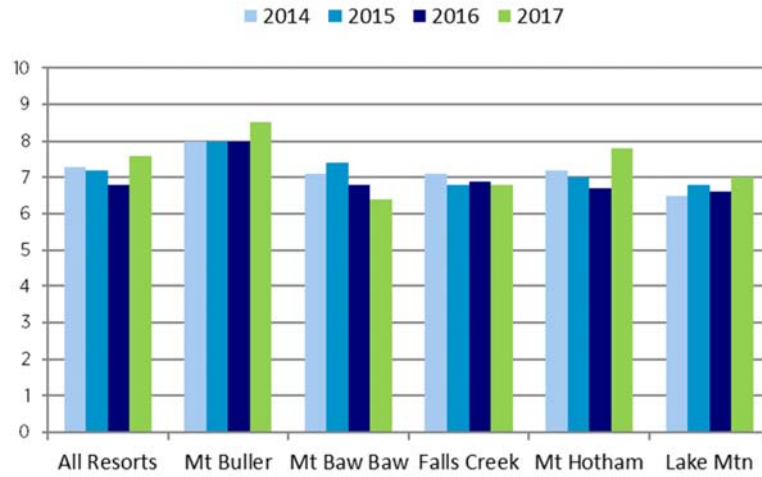
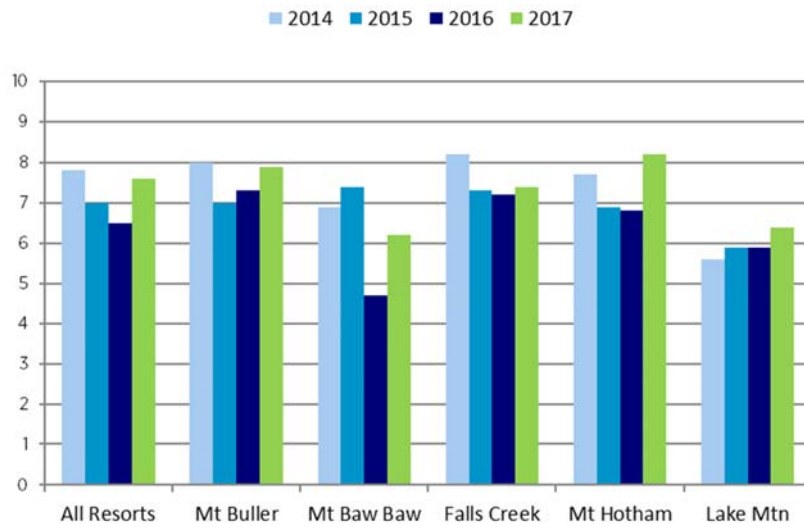


Figure 7.4: Rating of Snow Conditions: 2014-2017



Visitor Demographic Profile

7.8 The survey asked a broad range of questions, including questions about gender, age, income and ethnicity. The survey also asked questions about activities, experience and origin of visitors. Analysis showed that visitors comprise a diverse group of people that taken as a sector are being catered for by resorts, albeit that no single resort provides all services for all visitors.

7.9 The 2017 survey results show that overall more males (58%) are visiting resorts compared to the results obtained from earlier surveys between 2009 and 2011. The 2017 results are consistent with surveys conducted in the 1990s. One possible explanation may be that the highest proportion of males (64%) was recorded at Mount Hotham; with visitors to that resort also returning the largest number of surveys (61%). Falls Creek and Mount Baw Baw recorded a slightly higher proportion of males with 51% and 52% respectively. Lake Mountain and Mount Buller recorded a higher proportion of females with 59% and 52% respectively.

7.10 In 2017 the highest proportion of visitors at all resorts was in the 40-49 age group, followed by the 30-39 and 50-59 age groups. Mount Hotham and Falls Creek recorded the same proportion of these three age groups amongst visitors. Mount Baw Baw and Mount Buller attracted generally younger visitors; both mountains recorded high proportions in the 18-24 age group (21% and 24% respectively) and 25-29 age group (24% and 17% respectively). The Mount Buller results are consistent with past survey results and with that resort also recording the highest proportion of secondary and tertiary students (12% and 14% respectively, compared to 10% and 11% respectively at the next highest, Lake Mountain and 7% and 11% respectively at Mount Baw Baw) in 2017.

7.11 The survey shows that the highest proportion of visitors had household incomes in the \$100,000 - \$149,999 range, consistent with 2016 results, although there were variations in household income distributions between resorts, with Mount Hotham recording the highest proportion of visitors with household incomes in all of the \$100,000 - \$200,999 ranges, closely followed by Falls Creek, generally consistent with previous results. In the case of Mount Buller, that resort recorded the highest proportion of visitors in the \$36,000 - \$69,999 household income range possibly related to its high proportion of students and younger visitors. A high proportion of visitor prefer not to indicate their income range across All Resorts (22%) and ranging from 17% at Mount

Hotham up to 55% of visitors at Mount Baw Baw preferring not to indicate their income.

7.12 There is wide variation in ethnicity between resorts, with Lake Mountain, followed by Mount Buller and Mount Baw Baw, having the most ethnically-diverse visitor profile, consistent with the Australian Bureau of Statistics' estimates for the Australian population. The proportion of visitors describing themselves as White/Caucasian was lowest at Mount Baw Baw (37%), followed by Lake Mountain (49%). All other resorts recorded almost 74 to 90 per cent White/Caucasian. The largest numbers of other than White/Caucasian visitors described themselves as Asian (Lake Mountain 27% and Mount Baw Baw 21%) or Middle Eastern (Mount Baw Baw 24% and Lake Mountain 4%) or Indian (Mount Baw Baw 18% and Lake Mountain 13%), consistent with anecdotal evidence of high visitation by other than White/Caucasian visitors for day visits to resorts close to Melbourne.

Visitor Trip Characteristics

7.13 The 2017 survey shows that resident Australians continue to be the predominant visitor group at resorts (98%) and that there is also a small, but significant, proportion of overseas visitors, with the highest proportion visiting Mount Buller (7% in 2017 down from 9% in 2016).

7.14 In terms of travelling parties, the highest proportion of visitors are travelling 'as a group of friends' (24%), followed by travelling 'as families with children' and 'travelling with partners' or 'as a family with friends' (both 15 per cent). Collectively, families with children (both 'mostly 12 and older' and 'mostly under 12') comprised 41 per cent of visitors to all resorts. Falls Creek recorded the highest number of visitors travelling as families (53%, of which 34% comprised children 'mostly under 12') followed by Lake Mountain (47%, of which 38% comprised children 'mostly under 12'). Whereas Mount Baw Baw was the least popular with this group with 27% of visitors travelling as families.

7.15 The survey also indicated that there are significant differences across resorts in activities undertaken. Downhill skiing was the predominant snowsports activity at Falls Creek, Mount Buller and Mount Hotham although snowboarding is also significant. Together these activities account for between 83 per cent (at Mount Buller) and 88 per cent (at Mount Hotham and Falls Creek) of activities at those three resorts. At Mount Baw Baw, snowboarding (26%) is closely followed by downhill skiing (17%) and the proportion of snowboarding at Mount Baw Baw is similar to the proportions engaged

at the large resorts (22-32%). Cross-country skiing is the only snowsports activity provided for at Lake Mountain, engaged in by 11 per cent of respondents. Tobogganing, snowplay and sightseeing and spending quality time with family or friends are engaged in by 73 per cent of visitors to Lake Mountain, compared to 14 per cent across all resorts.

7.16 Across resorts the highest proportion of snowsports participants classified themselves as of 'Intermediate' skill level, being 42 per cent of the visitors. The highest proportions of 'advanced' skill level visitors were at Mount Hotham and Falls Creek (42% and 23% respectively), whilst the highest proportion of 'first timer' and 'beginner' skill level visitors was at Lake Mountain. These results are consistent with survey results in previous years.

7.17 The frequency of prior visit results show that across resorts the highest proportion of visitors was in the 'every year' category (54%), being the committed alpine resort visitors, whilst the 'been a few times' segment is next most significant. At Mount Hotham 64 per cent and Falls Creek 53 per cent of the visitors were in the 'every year' category whilst at Lake Mountain only 15 per cent of visitors were in that category. Conversely at Falls Creek and Mount Hotham only 5 and 4 per cent respectively at each resort were in the 'never before' category, compared to 28 per cent at Lake Mountain and 39 per cent at

Mount Baw Baw. The survey results show that for all resorts approximately 17 per cent of visitors were experiencing snowsports for the first time or had never been skiing and/or snowboarding before.

New Visitors

7.18 *The Alpine Resorts Strategic Marketing Plan 2014-2018* (Tourism Victoria & ARCC 2014) focuses on the state-wide winter marketing campaign 'Snow Victoria' to grow the market by targeting new and lapsed visitors. In terms of snow experience, these visitors are categorised as 'first timers' and 'beginners' and in terms of the frequency of visits they are categorised as 'never beens' and had 'tried once before'. Figure 7.5 shows that in terms of snow experience almost 80 per cent of visitors to Lake Mountain are 'first timers' or 'beginners', whilst in terms of frequency of visits (Figure 7.6), approximately 50 per cent of visitors are either 'never beens' or had 'tried once before'. New visitors also comprised high proportions at both Mount Buller and Mount Baw Baw. The most common reason for visiting resorts for new visitors was snowplay and sightseeing, including tobogganing. The surveys showed that almost a quarter of new visitors were visiting with young families.

Figure 7.5: Snow experience 'First timers' and 'Beginners': 2016 & 2017

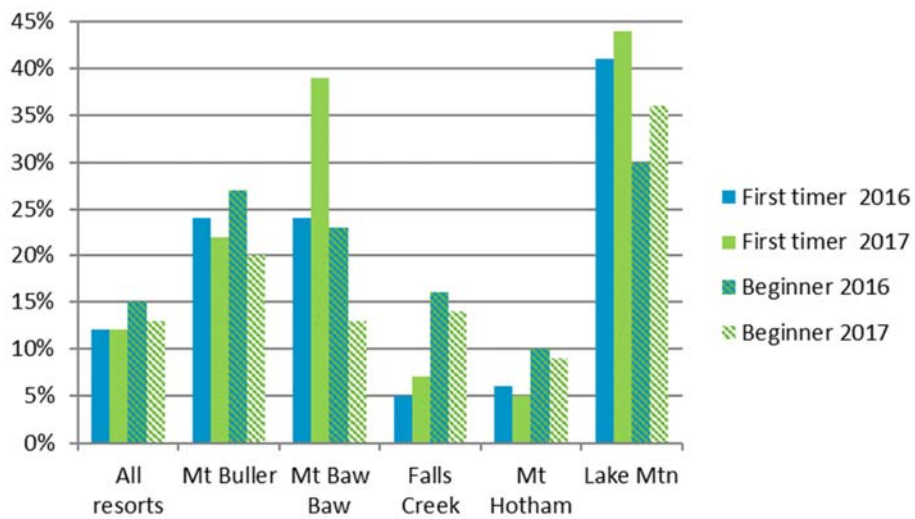
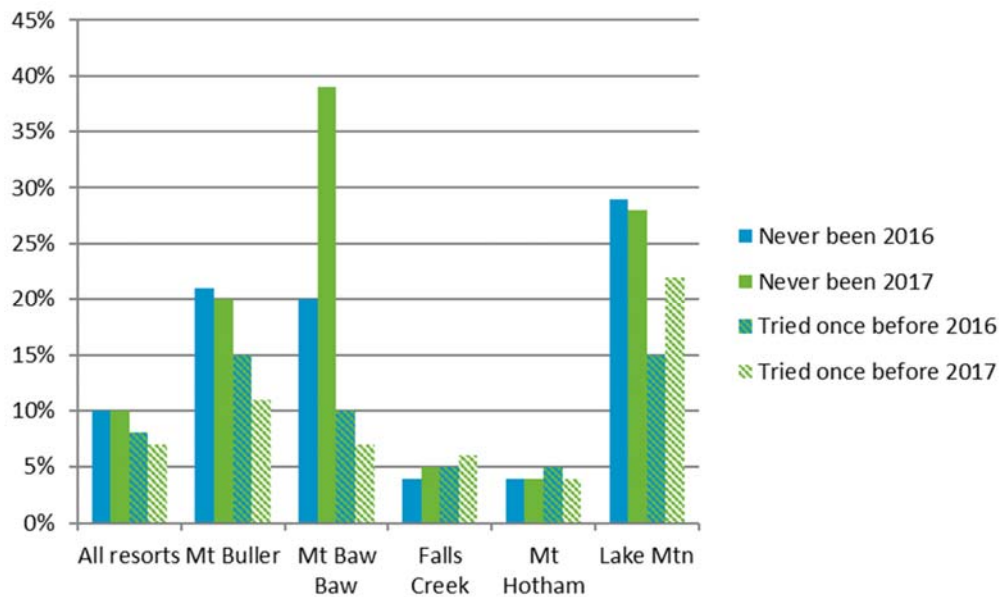


Figure 7.6: Frequency of visits 'Never beens' and 'Tried once before': 2016 & 2017



Appendix 1: Historical Visitation Numbers

Winter Visitors at Victoria Alpine Resorts (OOOs)

	MOUNT BAW BAW	LAKE MOUNTAIN	MOUNT STIRLING	MOUNT HOTHAM	FALLS CREEK	MOUNT BULLER	ALL RESORTS
1980	38	87	na	74	155	233	587
1981	33	115	17	80	164	210	619
1982	28	70	na	68	126	150	442
1983	27	90	19	76	180	210	602
1984	45	110	23	70	162	214	624
1985	40	138	33	83	208	291	793
1986	40	145	23	81	209	309	807
1987	40	136	22	105	211	297	811
1988	4	62	15	118	233	122	554
1989	54	183	24	140	207	302	910
1990	39	200	24	118	178	340	899
1991	36	170	14	101	154	288	763
1992	36	151	17	106	156	308	774
1993	14	35	3	76	119	88	335
1994	30	124	10	109	149	210	632
1995	38	160	14	107	167	228	714
1996	21	81	10	123	161	262	658
1997	26	99	7	102	131	243	608
1998	45	95	5	95	134	207	581
1999	14	63	6	106	134	208	531
2000	44	123	9	140	181	331	828
2001	20	57	4	96	119	166	462
2002	34	106	8	130	123	209	610
2003	39	115	7	133	140	245	679
2004	47	146	9	165	214	260	841
2005	27	72	5	160	222	209	695
2006	15	33	1	96	105	157	407
2007	51	111	3	138	139	284	726
2008	45	119	6	121	126	274	691
2009	39	61	5	157	135	287	684
2010	53	133	8	150	140	298	782
2011	37	84	4	123	133	241	622
2012	54	106	5	157	160	272	754
2013	33	72	5	98	129	252	589
2014	67	132	7	122	138	310	776
2015	69	121	6	118	146	304	764
2016	50	100	6	120	169	318	763
2017	59	126	8	150	194	404	941

Data Source: ARC and predecessors 1980 - 1997; ARMBs 1998 - 2004; ARCC 2005 onwards.

Winter Visitor Days at Victoria Alpine Resorts (OOOs)

	MOUNT BAW BAW	LAKE MOUNTAIN	MOUNT STIRLING	MOUNT HOTHAM	FALLS CREEK	MOUNT BULLER	ALL RESORTS
1980							
1981							
1982							
1983							
1984							
1985	59	133	33	206	361	393	1185
1986	59	145	25	196	375	438	1238
1987	57	135	22	225	380	427	1246
1988	15	62	15	237	397	239	965
1989	71	183	24	233	307	422	1240
1990	51	200	27	272	383	510	1443
1991	50	170	15	224	338	410	1207
1992	51	151	19	233	347	452	1253
1993	22	35	3	154	265	136	615
1994	41	124	11	219	326	317	1038
1995	54	160	17	287	376	401	1295
1996	31	81	10	302	364	411	1199
1997	36	99	7	256	305	429	1132
1998	57	95	5	241	294	369	1061
1999	22	63	8	260	292	372	1017
2000	57	123	10	348	371	578	1487
2001	26	57	5	274	276	324	962
2002	43	106	10	295	270	449	1173
2003	49	115	8	344	324	535	1375
2004	58	146	12	352	425	517	1510
2005	35	72	7	350	441	379	1284
2006	20	33	1	310	310	310	984
2007	68	111	3	349	345	505	1381
2008	64	119	6	335	359	488	1371
2009	53	61	5	384	377	508	1388
2010	67	133	9	376	340	515	1440
2011	52	84	5	318	344	443	1246
2012	75	106	7	411	386	473	1458
2013	61	72	7	265	329	462	1196
2014	93	132	10	332	347	486	1400
2015	95	121	8	313	376	473	1386
2016	61	100	8	329	446	449	1393
2017	76	126	11	368	452	583	1616

Data Source: ARC and predecessors 1980 - 1997; ARMBs 1998 - 2004; ARCC 2005 onwards.

Appendix 2: Visitor Counting Survey Methodology

Each Board forwards information to the Council on visitor numbers on a weekly basis. Traditionally, in the case of vehicles entering resorts using single or multiple day entry passes (including cars, 4WDs and buses), Boards recorded the number of visitors travelling in the vehicle and its length of stay at the resort entry points. More recently, with the introduction of on-line and ticketless systems, some day entry visitation is based on estimates.

In the case of vehicles entering resorts using a season permit, these are normally able to proceed through the resort entry points without stopping. To provide these figures, Boards provide a weekly estimate of the number of visitors and length of stay, based on previous surveys.

The visitation numbers published weekly by Council during the winter season are based on day visitor numbers collected or estimated at resort entry points or on-line, plus estimates of season permit holder visitation.

Commencing in 2006, the Council and Boards conducted a consistent survey of visitation by season permit holders at all resorts. Each season permit holder was sent a survey card and asked to fill in details of their visits (including length of stay and passenger numbers) and return their survey cards to the Boards.

At the end of the winter season, following analysis of the returns from the season permit holder survey (commencing in 2008 the season permit holder survey included the newly-introduced All Resorts Pass); Council adjusted the figures from the final week of the winter season (week 18) to produce the 'End-of-Season' results shown in Table 2.

Since 2004 Mount Buller and Mount Stirling Alpine Resorts have been under the management of a single Board with a single entry gate servicing both mountains. The Board's season entry pass provides access to both mountains. The Board, however, offers separate single- and multiple-day entry passes. In analysing the returns from the season permit holder survey, season entry visitation to each mountain was allocated on the same ratio that pertains to day entry to the two mountains.

Appendix 3: Snow Depth Measurement

Snow data is sourced from the reports produced and disseminated by the Snow Victoria Snow Report, using data collected each morning by on-mountain staff.

The measuring of natural snow depths is done at up to four gauge locations (snow plots) at the resorts. From these locations an average overall depth is ascertained, as well as an average 24hr snowfall. The average depth in snow-making areas is calculated from depths taken from probing the areas where snow-making occurs.

Notwithstanding that all Victorian alpine resorts routinely make snow during the season when the conditions are suitable, snow depth in snow-making areas may not be reported in cases where only limited ski lift accessible terrain is open, particularly early or late in the season.

In addition, during the season, when there is an abundance of natural snow, accurate snow depth measurements in snow-making areas may not have been recorded. Rather, snow depth in snow-making areas may have been assumed to be equal to natural snow depth or may have been recorded as exceeding the reported snow depth (e.g. 146cm+). This means that recorded snow depths in snow-making areas, as shown on graphs in Sections 4 and 5, may be less than the actual snow depths in snow-making areas.

In addition the snow reporting service ceases when resort operations cease, be that before or at the official end of the snow season. As a consequence, no snow depths are reported subsequently, notwithstanding that significant snow depth may remain.

Appendix 4: Visitor Satisfaction Survey Methodology

For the 2017 winter season all ski lift companies and Boards co-operated to conduct visitor satisfaction surveys on a consistent basis at Falls Creek, Lake Mountain, Mount Baw Baw, Mount Buller and Mount Hotham Alpine Resorts. No surveys are conducted at Mount Stirling.

For a number of years, surveys were conducted solely via hard copy survey forms distributed on-mountain to visitors. In 2012 both online and hard copy survey forms were offered at some resorts. Commencing in 2014, resort visitors were contacted via email after their visit and requested to complete the survey online. In the case of Mount Buller, hard copy survey forms continue to be distributed to resort visitors on a random basis at a range of locations. To encourage participation prizes were offered by each resort for survey completion.

The surveys collected information on visitor profile, including demographics, trip intentions and snow experience. To measure visitor satisfaction, respondents were asked to score resort facilities, services, activities and snow conditions. Respondents to this survey answered questions principally as individuals, although they were asked whether they were visiting the resort with others and limited information about those visitors.

The consultants collated the data and conducted resort-specific analysis. Council staff has undertaken further analysis in the preparation of this report.

Appendix 5: Sources

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