



BARDONNÈCHE
Bardonecchia 1300
2800



***Bardonecchia
Ski Resort-Cold beds
and how to deal with
an oversized second
home market as a
Winter Games legacy***



COMUNE DI BARDONECCHIA

BARDONECCHIA SKI RESORT- Presentation



Bardonecchia

Bardonecchia represents an ideal place for those who love to spend their holidays in the mountains. It unites the charm of nature with the convenience of being reachable to/from the city.

Main Points

An exclusive tourist destination at the beginning of the twentieth century, today, thanks to its convenient links, Bardonecchia has unique characteristics which are fundamental to the choice of mountain tourism. One of the few skiable areas in Italy, directly reachable by motorway, (less than one hour from Turin airport) it is served by the rail network link on the Paris-Turin-Milan line.

BARDONECCHIA SKI RESORT- Presentation



Winter

A ski paradise, Bardonecchia offers sport lovers incredible slopes during the winter, modern chairlifts, a snowpark with an Olympic half pipe, cross-country trails, snowshoeing, snowtubing and ice rink. In addition to that ski schools and excellent restaurants at altitude where you can taste some typical delicacies. During the Olympics Games 2006 Bardonecchia has hosted Snowboard competitions.

Summer

During the summer, thanks to the altitude, Bardonecchia is a destination appreciated by mountain enthusiasts, sports lovers and families. This is because it offers a stunning Alpine landscape, the opportunity to practice many outdoor sports and events and activities both for children and adults.

BARDONECCHIA SKI RESORT- Presentation



The ski area

- 23 chairlifts transporting 30.000 people/hour
- 100km of slopes: 5 black, 18 red; 16 blue
- 50% of the slopes with artificial snow makers
- Snowpark and Snowtubing
- Cross country slopes and ice rink
- Marked tracks for snow shoes
- Ski and snowboard schools
- Bar, restaurants, self-service in the ski area
- Ski and snowboard rental

BARDONECCHIA SKI RESORT- History

The modernisation of Bardonecchia: in 1871 the completion of the Frejus railway tunnel

The «accordion» image to describe the development of the territory

Bardonecchia as a place of avant gard projects with ability to be inventive and creative in the development of the area, driven by the ideal of progress and modernization

Bardonecchia's close interaction between town life and mountain resort. Thanks to the railways Bardonecchia, ahead of its time, became the interface between Turin and the mountains



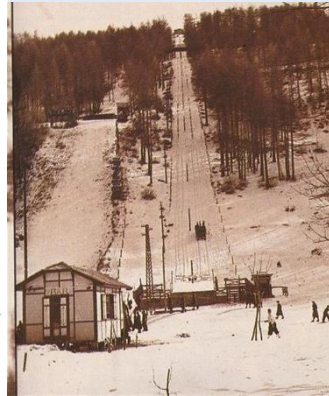
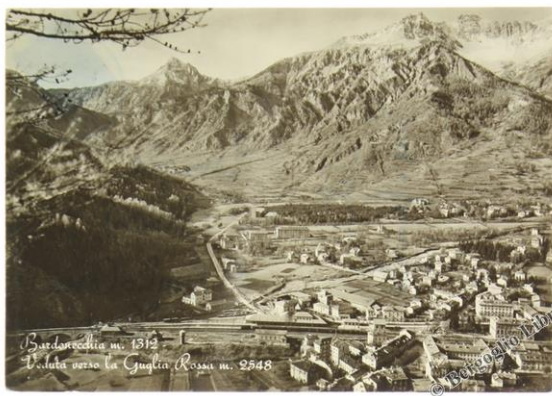
BARDONECCHIA SKI RESORT- History

The socio-economic development of the area described in a prestigious study made in 1997 by prof. De Matteis and Doctor Ferlaino

Bardonecchia as the center of an important international route and particular in its «day trip» accessibility for a large urban area

Two models of interaction between city and mountain: Sestriere and Bardonecchia

The development of the areas of Bardonecchia and the real estate and tourism boom (1950-1975)



BARDONECCHIA SKI RESORT- Analysis of the bed places belonging to second home

Modern history of the building of second homes in the Alps started with the favourable economic situation of the sixties with a second wave in the eighties (building sprawl, a spreading)

Motivations to invest in a second home

Advantages and disadvantages of the second home

Already in 2001 Bardonecchia in a list of alpine municipalities with numerous second homes, Bardonecchia is at the top

This table shows: The alpine villages with the greatest number of second homes put in order based on the number of second homes in 2001 (ISTAT)

COMMUNE	PROV.	ALTITUDE M.	POP. 31.12.06	SECOND HOMES 1981	SECOND HOMES 2001
Bardonecchia	TO	1.312	3.063	5.785	7.404
Frabosa Sottana	CN	641	1.494	5.318	6.444
Aprica	SO	1.172	1.733	3.735	6.189
Castione della Presolana	BG	870	3.413	4.802	6.057
Limone Piemonte	CN	1.009	1.575	5.583	5.956
Roana	VI	1.001	4.082	3.919	5.537
Pinzolo	TN	770	3.048	3.768	5.273
Sauze d'Oulx	TO	1.509	1.161	4.822	5.264
Valtournenche	AO	1.528	2.211	4.072	4.957
Ponte di Legno	BS	1.257	1.793	2.368	4.242
Gallio	VI	1.090	2.424	2.356	4.077
Sestriere	TO	2.035	907	3.390	3.880
Asiago	VI	1.001	6.550	2.347	3.854
Cortina d'Ampezzo	BL	1.211	6.150	3.331	3.680
Courmayeur	AO	1.224	2.969	2.948	3.520

BARDONECCHIA SKI RESORT- Analysis of the bed places belonging to second home

Behavioural patterns of second home tourist

Relationship between hotel accommodation/second home and ski facilities

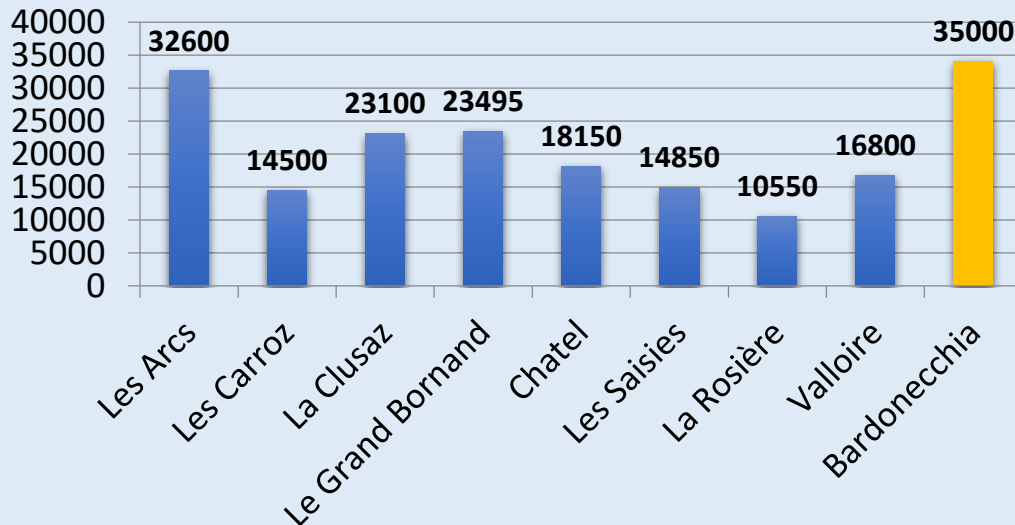
The accomodation potential of second homes if deployed differently

BARDONECCHIA SKI RESORT- Current situation analysis



Current positioning compared with a sample french ski resort in terms of total bed places

BED PLACES



Bardonecchia offers a total of 35000 bed places, the equivalent of a big French station such as Les Arcs.

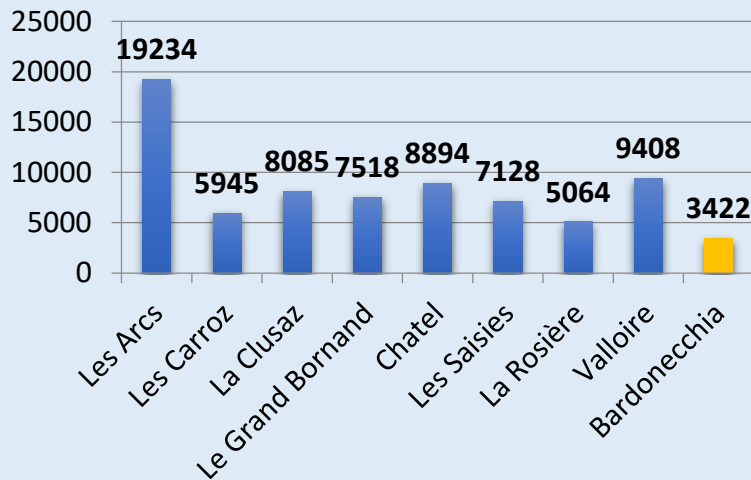
BARDONECCHIA SKI RESORT- Current situation analysis



Current positioning compared with other french skiing stations (percentage of beds on rotation)

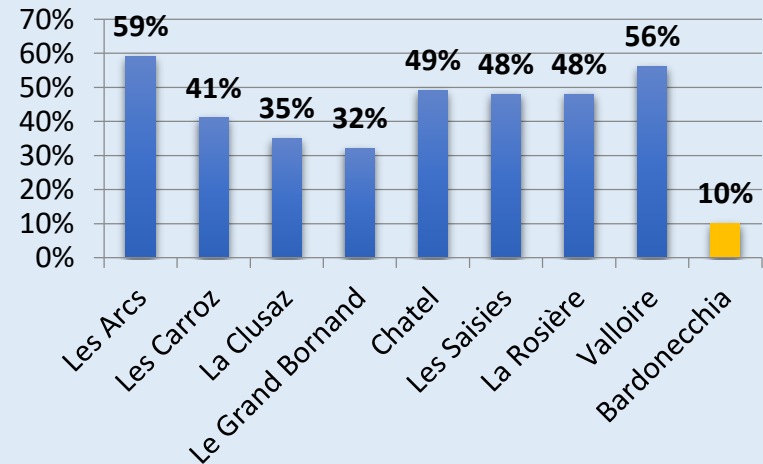
Bardonecchia offers only 10% of beds on rotation (hotel residence and similar), compared to the French ski areas which have an average of 41%.

“WARM” BED PLACES



Proportion
of beds on
very low
rotation

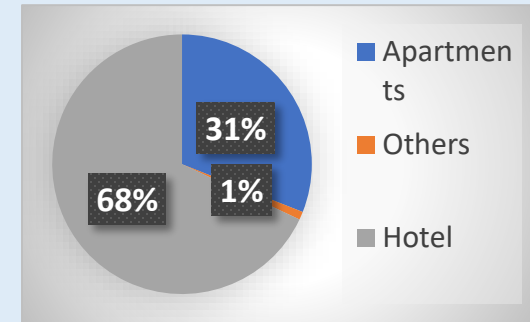
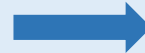
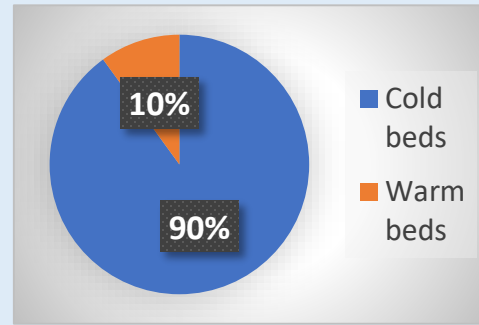
“WARM” BED PLACES



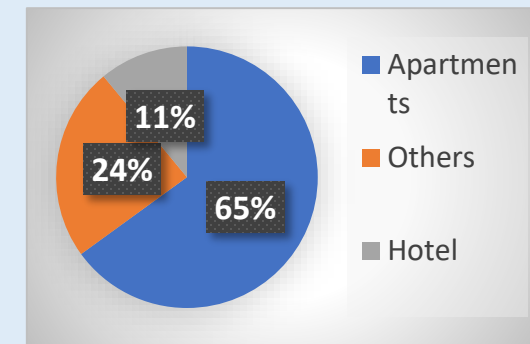
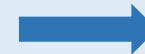
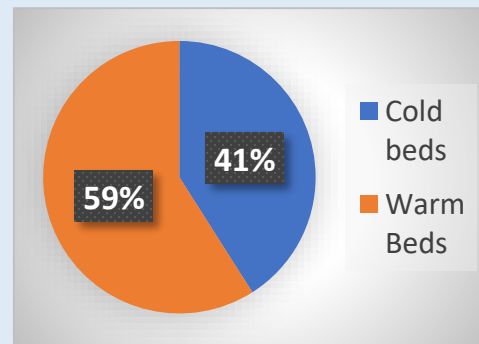
BARDONECCHIA SKI RESORT- Current situation analysis

Comparison between the type of bed places in Bardonecchia and those in french ski resorts

Bardonecchia



French Resorts

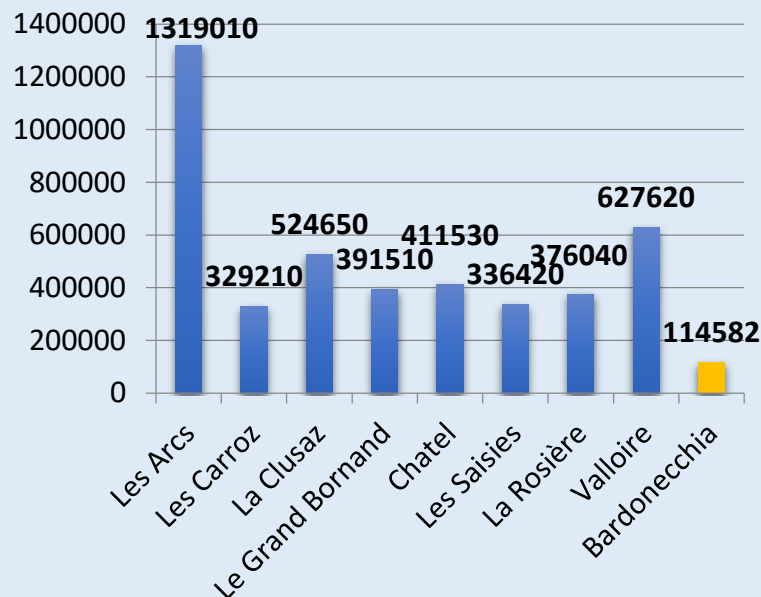


The big difference between the composition of bed places in Bardonecchia and those in French ski areas is due principally to the offer of bed places in residence. Indeed, from the analysis of this segment it is evident that residence bed places show the largest filling.

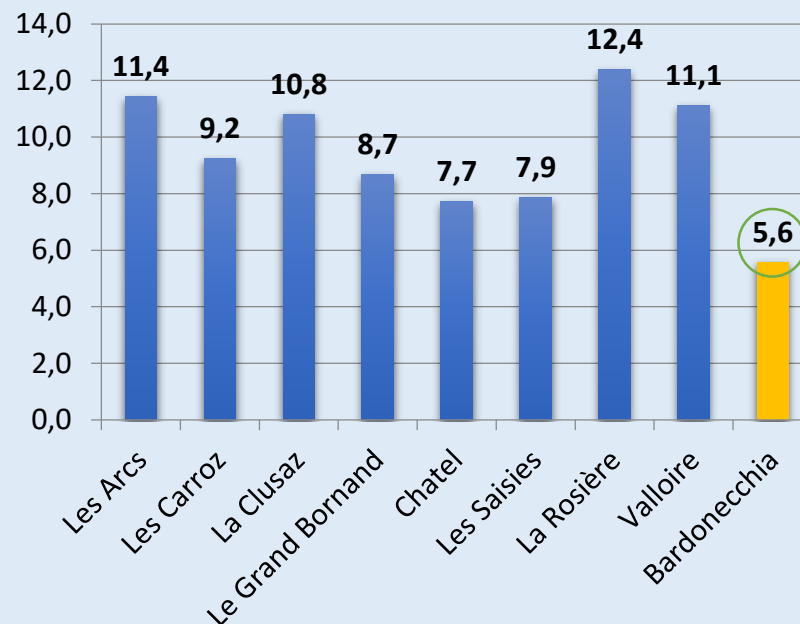
BARDONECCHIA SKI RESORT- Current situation analysis

Current positioning compared with other french skiing stations in terms of presence

Nights generated by « warm » beds

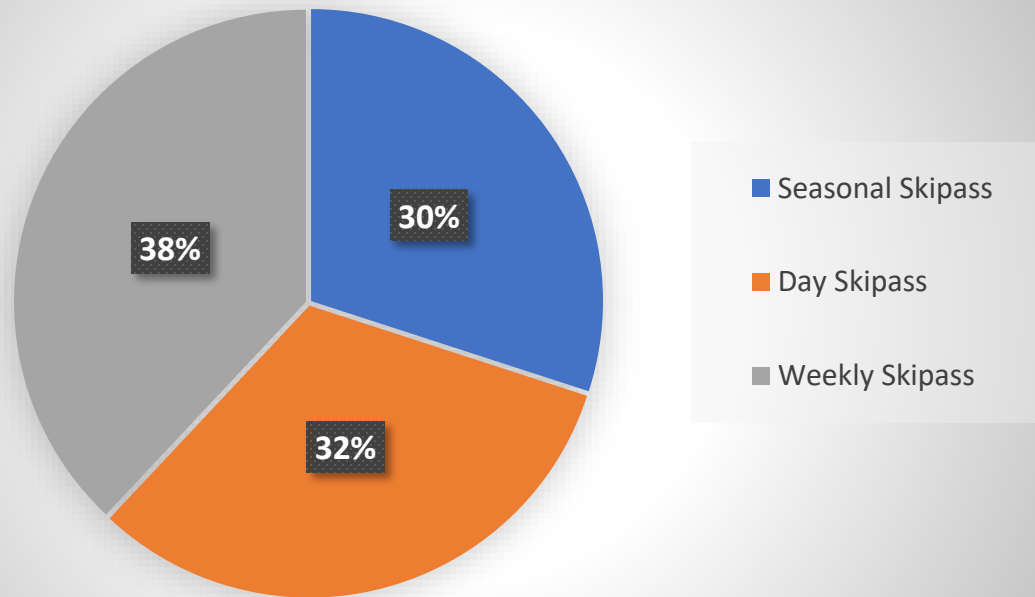


Stays generated by « warm » beds



Compared to French ski areas, in Bardonecchia, the number of bed places on rotation have low occupation rates, especially due to the limited number of residence bed places (which generally offer the best occupation rates). By way of information, on average, a bed place on rotation in the French Alps generates 9,2 holiday weeks.

BARDONECCHIA SKI RESORT- Profitability of hot beds places compared to the cold ones – Chairlift consideration



Seasonal Skipass → Stable
Day Skipass → Decreasing
Weekly Skipass → Increasing

BARDONECCHIA SKI RESORT- Profitability of hot beds places compared to the cold ones

WHAT

- Day Skipass → Decreasing → influence: weather conditions
- Weekly Skipass → Increasing

WHO

- Those who buy the day skipass ski only when there are good weather conditions. Spending power, in the recent years, enables people on average to spend 7/8 weekend during the year choosing the best ones.
- Those who come for a white week buy a pass for multiple days despite the weather or snow conditions

TO SUM UP

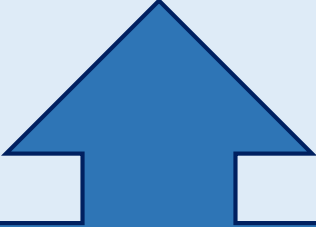
- A hotel bed earns the chairlift operators around **800/900 euro**
- A second bed earns chairlift operators around **85 euro**

MULTIPLIERS EFFECTS

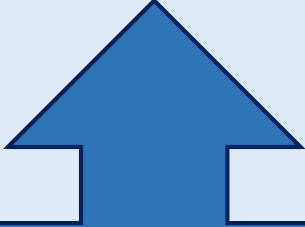
- HYPOTHESIS: 1€ spent for skipasses correspond to around 8/9 € spent directly for hotels, restaurants, ski schools
- RESULT: One bed place on rotation multiplies 8€ by 900 € = 7.200 €. One bed place in a second home multiplies 85€ by 8€ = 680 € → 11 times less

BARDONECCHIA SKI RESORT- profitability of hot beds places compared to the cold ones

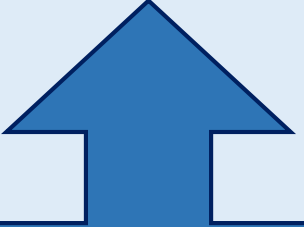
Consequences



A place like Bardonecchia must try to make available the sales of beds in second homes on weekly rotation as much as possible

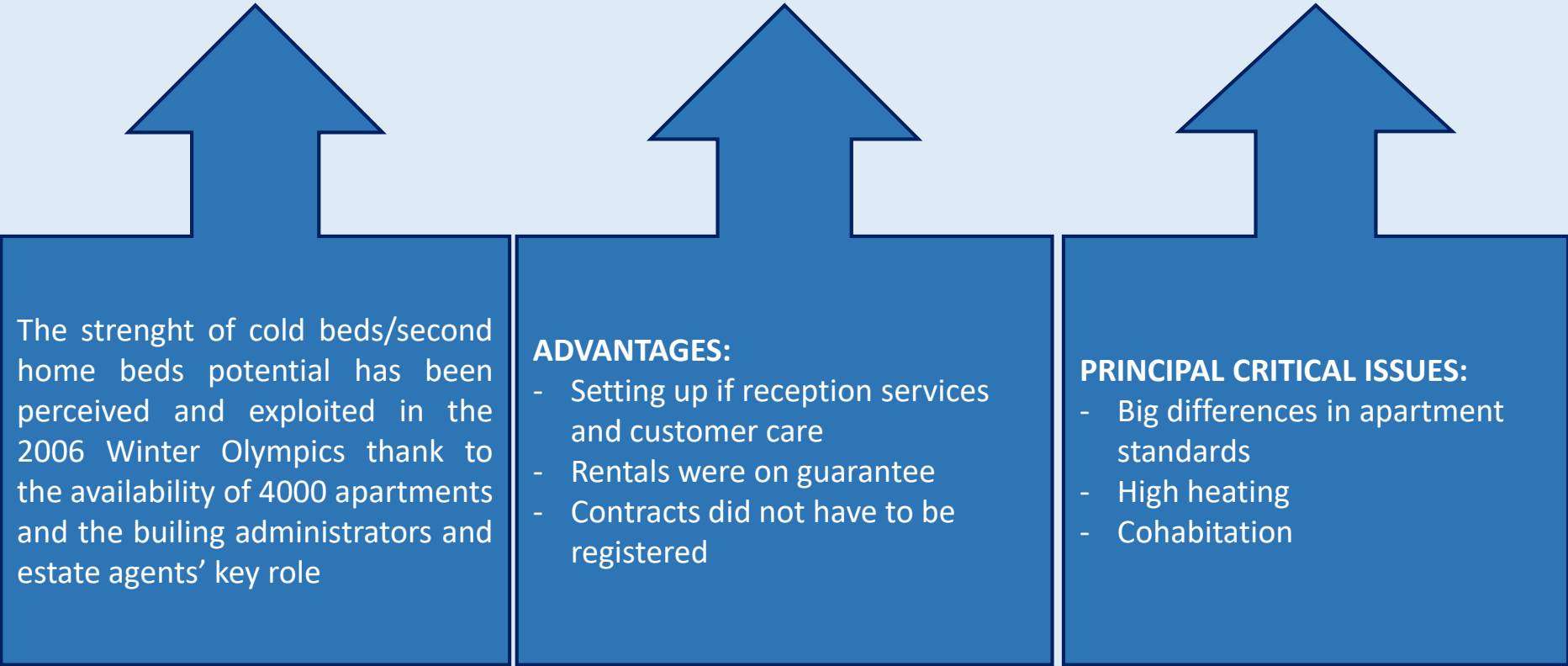


The current economic crisis is inducing many owners, who don't regularly use their apartments, to make them available for renting, whether its weekly or seasonal.



The structures of many second homes apartments are obsolete and not suitable for tour operators target due to the lack of homogeneity and proximity

BARDONECCHIA SKI RESORT- 2006 Olympic Games Example



The strength of cold beds/second home beds potential has been perceived and exploited in the 2006 Winter Olympics thanks to the availability of 4000 apartments and the building administrators and estate agents' key role

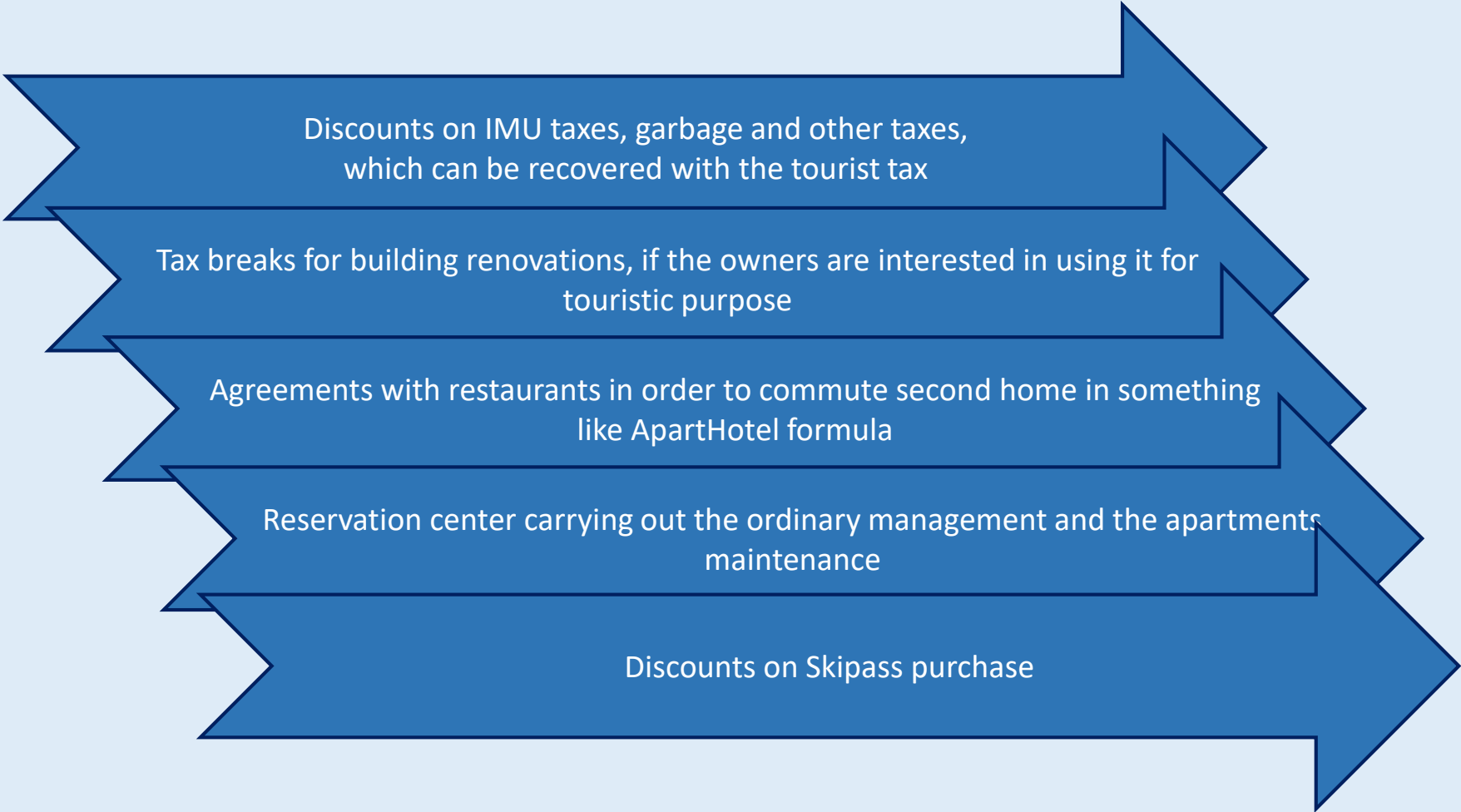
ADVANTAGES:

- Setting up of reception services and customer care
- Rentals were on guarantee
- Contracts did not have to be registered

PRINCIPAL CRITICAL ISSUES:

- Big differences in apartment standards
- High heating
- Cohabitation

BARDONECCHIA SKI RESORT- Hypothesis of ways and means for utilisation for second homes



Discounts on IMU taxes, garbage and other taxes,
which can be recovered with the tourist tax

Tax breaks for building renovations, if the owners are interested in using it for
touristic purpose

Agreements with restaurants in order to commute second home in something
like ApartHotel formula

Reservation center carrying out the ordinary management and the apartments
maintenance

Discounts on Skipass purchase















THANKS FOR YOUR ATTENTION