

TRAVEL AND HOSPITALITY

Ski resorts offering the most year-round amenities win out: Knight Frank

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Ski resorts need to provide value

By BRIELLE JAEKEL

The opulence of ski resorts does not protect the sector from customers' hunting for a deal, with buyers appreciating a good value, according to a new report by Knight Frank.

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Affluent customers who enjoy homes in the mountains and ski resorts as second residences still want to be sure that they are getting a good deal, with interest in locations that offer great values such as Chamonix and Saint Gervais, France, both near the base of Mont Blanc in the Swiss Alps, strengthening. Customers want worth and appeal for their purchases and investments, making villages such as Val d'Isere Verbier, Switzerland and Chamonix best-in-class considerations.

"Perhaps surprisingly, given the strength of the Swiss franc and tight restrictions on foreign buyers, Gstaad proved the strongest performer in the year to June 2016 with prices rising by 13 percent over the 12-month period," said Kate Everett-Allen, partner of international residential research at [Knight Frank](#).

Leading the Alpine

Gstaad, Switzerland, Val d'Isere Verbier and Chamonix are the leading resorts of the Alpine region, where lack of stock has caused costs to increase. The Swiss resort town Gstaad is the frontrunner and has seen a 13.3 percent annual increase, whereas Val d'Isere Verbier is second with a 5.9 percent annual increase.



Chart from Knight Frank

The area surrounding the Alpine is seeing a wide range of interest growing past just the winter months with many businesses staying open all year round and families coming to stay in the warmer seasons. A wide range of ski lifts now remain open, free of cost, during summer months for a range of healthy outdoors activity such as hiking.

Popularity of summer months in the Alps is likely to continue growing as businesses increase their offerings and amenities. For instance, resort town Chamonix sees most of its tourists in the summer months compared to winter, with its Mont Blanc amenities offered year-round.

The resort is investing 4.7 million euro, or \$5.3 million at current exchange, into upgrades related to infrastructure and a new lift system. Those that take a similar route and invest in amenities and infrastructure, especially for summer-time activities, can see significant results.

COURCHEVEL	VAL D'ISERE	VERBIER	VILLARS
Aquation swimming pool and spa	New Solaise Télécabine (will increase capacity by 40%)	Emergence of new 5-star hotels	Beau Soleil school increases capacity
New lift system (€118m)	Summit landing area to be revamped (€16m)	New snow cannons (€10m)	New luxury brands in resort
7 new hotels recently completed or under construction	Beginner area remodelled and new magic carpet installed	New 85 metre tunnel at Le Carrefour	New ski lift linking Villars to Les Diablerets

Alpine resort town updates

For instance, Courchevel has invested in aquatic activities with pools and spas, introduced a new lift system and seven hotels have undergone major renovations or were completely new, according to Knight Frank's report. Verbier, Switzerland now has multiple new five-star hotels, new snow cannons for better skiing conditions and a new 85-meter tunnel at Le Carrefour.

Travel and hospitality

A wide range of cultural events, increase of startups and digital technologies have shifted travel and hospitality industries.

For instance, U.S. travelers were recently looking favorably at London, with the British city the most popular international destination for the rest of the year.

A survey of travel agents conducted by Travel Leaders Group found that London moved up from number three last year, topping the list of global locales being booked for the first time. The survey also found that terrorism had less of an impact on European travel, while Zika inspired domestic tropical bookings ([see more](#)).

Also, international markets saw a 16 percent increase in Chinese outbound travelers, but closer to home, in Greater China, there was a 7 percent decline in tourism for the first half of 2016, according to the China Outboard Tourism Research Institute.

COTRI found that there were 64 million border crossings from Mainland China between January and June of 2016, resulting in a growth rate of 3.4 percent. Much of the luxury market relies on Chinese outbound travelers who visit brand stores and duty free shops to make high-end purchases as a method to avoid the high tax at home ([see more](#)).

"Unlike in 2015 when the French resorts dominated the top half of the rankings, and with Swiss options dominating the lower half, this year there is no clear division between the two countries," Ms. Everett-Allen said.

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