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Lifting the Vail: Largest U.S. Snow Sports Resort Operator Takes on Climate Change

Alicia Campero, Vail Resorts' Vice President of Sustainability Strategy,ⁱ saw a proverbial storm rolling over the mountain. It was 2023 and she was leading the corporate effort to develop a strategy to contain Vail Resorts' environmental footprint while also limiting its business exposure to poor snow conditions.

Vail Resorts, one of the world's largest snow sports resort management companies, had expanded over the past decade to protect itself against the idiosyncratic snow conditions of its Colorado headquarters. Vail Resorts managed its weather-related revenue risk by acquiring properties not only across North America but also in Australia and Canada, and partnering with resorts in Austria, France, Italy, Japan, and Switzerland. Yet, with climate change, Vail Resorts faced the prospect of even fewer days below freezing in the decades to come.

Acquisitions had protected Vail Resorts against weather-related business risks, and the strategy team was now evaluating even greater global expansion as a hedge against climate change. By expanding ownership stakes and partnerships, the company might maintain the value proposition for its products and services regardless of geographic variation in snow conditions. The primary question on Campero's mind was "Where to expand?"

Campero and her team were evaluating opportunistic locations for global expansion and analyzing climate change projections, skiing industry statistics, and various metrics for countries with operational snow sports resorts. As a student of global strategy, Campero knew that many companies had underestimated the challenges of managing differences when expanding abroad. The company's next move would need to be the right one.

ⁱ Alicia Campero is a fictional character.

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