$\overline{BRAND\ IMPACT}$

RESULTS OF OUR WORK



BRAND STRATEGY
CONSULTANTS



Challenge

he brand-strategic orientation of tourist towns, communities, or destinations is highly complex, because to achieve tangible and sustainable success, all parties involved have to be brought on board. Tourism services providers and locals have many divergent expectations, goals, and needs. These have to be bundled in order to achieve joint success.

Bipolarität as an opportunity

The Engadin region is a unique project in this regard: The association under the name "Engadine St. Moritz" as a collective term for the 13 vastly different communities in Upper Engadine was established by a commission of the tourism





board and was the first of its kind in the Alpine region. There was also the additional challenge that the individual brand St. Moritz did not fit with the other towns. Recognizing this bipolarity and using it as a strong advantage was one of the starting points of our brand work.

Unparalleled diversity

The diversity is evidenced by the fact that Engadine and St. Moritz are active in 17 markets. Together they log 4.4 million overnight stays per year, distributed over 155 hotels with 13,000 beds and another 38,000 beds in vacation apartments. The density of traditional first-rate Grand Hotels, five of them at the 5-star level, is also one-of-a-kind, and it demonstrates the guests' standards and expectations of the decision makers.





High standards paired with diversity

The answer to this challenge was a two-brand strategy: On the one hand, it unites the Engadine with all its rich contrasts. On the other hand, it strengthens St. Moritz as a "beacon" whose radiance intensifies the attraction. The brand St. Moritz opens the door to foreign markets and a very sophisticated, high-class public. To this day, the town exerts a kind of chic attraction, fed by the jet set that once frequented the location, the high density of 5-star hotels, and exclusive sports events. Only St. Moritz with its local roots and singular history has a chance of becoming the world's most dazzling alpine destination

Joint approach despite individual focus

The Engadine, by contrast, satisfies the thematic demands of the regional markets, particularly Switzerland. Nestled into a breathtaking high valley, it offers a degree of variety that cannot be found anywhere else. Under the brand umbrella of Engadine, each of the 12 communities can position itself with its own focus and at the same time take advantage of the strength of the Engadine region as an overarching destination. For instance, Pontresina with its mountain climbing history and the easiest glacier access in the world, has concentrated on the idea of fine alpine pleasures. Sils with its cultural tradition offers peerless contrast to everyday life.





THE STRATEGY IN DETAIL ENGADIN St.Moritz St. Moritz **Engadin St. Moritz** (Core- and foreign markets, premium class+) (Core markets, middle class+) Value in one word: Scintillating Value in one word: Inspiring Separate brand strategy Umbrella brand + feature or own location positioning Strong individual brand with umbrella brand endorsement Positioning: Positioning: The inspiring high-lying valley in the Alps The most scintillating Alpine destination in the world **Business fields** Winter Main activities: Alpin (ski and snowboard), cross -country skiing Complementary activities: Bob, skeleton, snowkiting, winter hiking, equestrian sports, wellness /health, gastronomy, lifestyle, culture, excursions, UNESCO Summer Main activities: Hiking, mountain bike, water sports, golf, mountain climbing Complementary activities: National Park, equestrian sports, wellness / health, gastronomy, lifestyle, culture, excursions, UNESCO All year MICE (Meetings, Incentives, Congresses, Events), altitude training Maloja Samedan S-chanf Bever plana sina St. Moritz La Punt Celerina Madulain Zuoz Zemez For each location the opportunity exists to establish an individual positioning and theme-Established individual brand with room to develop further by creating its own: based feature under the umbrella brand, such as: · Sils: The most enriching contrast to everyday life Brand essence · Pontresina: Exquisite pleasure high up in the Alps Brand positioning Samedan: The vibrant hub Brand management Celerina: Natura sportiva Brand features Marketing This allows the destinations to highlight their specific and appeal to guests in their own Offers Offerts with quoted prices such as "hotel + ski pass" and "mountain railways and Brand-defining offers and visual worlds such as St. Moritz Magazin, Niemann Sujets, cableways inclusive". Goal: to maintain / regain economic success self-produced literature, 150 years of winter tourism, World Ski Championships 2017 Marketing linked (= managing the richness of contrast to added value) Responsible for achieving top performance: service providers, politicians, investors, event organisers, population



"With the two-brand strategy, we can use the *radiance of St. Moritz* and at t he same time bundle the *very different* communities of Upper Engadine."

Ariane Ehrat, CEO of Tourism Association Engadine St. Moritz



^{3→}Result

There are several indicators confirming that the two-brand strategy is the right strategic approach for the destination Engadine St. Moritz:



Growth despite strong Swiss Franc

Counter to the trend in Switzerland as a whole (-18 %), the number of overnight guests from China increased by 13.5 % in 2016.

More strength through differentiation

The clear separation of the two brands effected a measurable strengthening of the single brand St. Moritz. This was confirmed by market research results and by the double digit growth achieved in 2016 in the new markets (China +13.5 %, India +20.5 %, Gulf States +31.9 % and USA +20.5 %).

Matching brand touchpoints

To strengthen the single brand St. Moritz, new projects were initiated and implemented, for example the "St. Moritz Magazin", the conversion of the classic information center to an iLounge, and the festivities surrounding 150 years of winter tourism, which supports the town's sporting tradition.

THE EVIDENCE



double-digit growth

in 2016



more overnights from China in 2016 (Counter to the trend)



the St. Moritz Magazin

Implemented by C3, Berlin





iLounge

instead of classic information center

SELECTIVE PERCEPTION OF THE BRAND

Question of market research: To what degree do the following terms apply to St. Moritz / the Engadine?

7,92 -

7,64

7,5

7,35

7,0

6,5

Please use the following scale: 10 = applies very well, 1 = does not apply at all, 98 = no rating / don't know



























5,5

6,0

5,0

10,0

8,5

9,0

9,5

8,28

- 8,22

8,22 - 8,39

8,18

8,0

8.03

THE EVIDENCE



New offers bundle synergies



Sense of "We"

of all service providers

Disproportionate

+4,8%

reclaiming of Swiss guests



Extension of offers

Guests in the Engadine benefit from new offers that were created by bundling synergies. This includes regional package deals like "Cable cars included" and "Hotel + Skipass".

Increase in national guests

The clear differentiation of the two brands allowed the Engadine to reclaim above average numbers of Swiss guests (+4.8 %).

More commitment from service providers

The service providers – for instance cable car operators, hotel owners, and restaurant owners – can now actively take part in the destination's development. The clear brand strategy created a common action framework for the necessary sense of "We".

Separate perception of both brands

The two-brand strategy makes sure that both brands are perceived separately from one another. This new structure allows for more specific guest approaches in the individual markets and provides the opportunity of developing the perfect offer for guests and partners.

ABOUT BRANDTRUST



BrandTrust is the leading management consultancy for effective brands

With our profound understanding of brands and our experience gathered in over 1,000 brand strategy projects over the past 14 years, we enable our customers to see their brands with fresh eyes, and use it to unlock undiscovered business potential. We help enterprises to turn their superior performances into outstanding brands, and show them how they can achieve meaningful growth in saturated markets. The only way this can succeed is if the value of a performance is conveyed to the customer's perception at the brand touchpoints and turned into appreciation.

