

The European Outdoor market

Picture, Trends & Opportunities,

2nd Nature & Sports Euro'Meet Liptovsky
Mikulas, Slovakia

October 1st 2013

AUTOMOTIVE
BEAUTY
ENTERTAINMENT
FASHION
FOOD / FOODSERVICE
HOME
OFFICE SUPPLIES
SPORTS
TECHNOLOGY
TOYS
VIDEO GAMES
WIRELESS

Agenda

1. Defining outdoor
2. Sizing, describing the European outdoor market dynamics
3. Looking at sport participation through the prism of sales
4. Outlook for the future

Defining “Outdoor” by the values

Outdoor World

=100% proximity to nature

Sea, Beach, Surf World

Indoor Fitness, Work-Out World

Urban Sports World

Stadium World



Defining “Outdoor” as a market

- Sales to households measured at retail, generated by some activities:
 - Summer outdoor sports
 - Hiking-walking-trekking Camping, Fishing, hunting, horseback riding, rock climbing, paragliding, sailing, mountain biking
 - Winter sports
 - Ski Snowboard
 - Estimated in this survey as part of the “grand total outdoor” however excluded in the figure shared with media
 - MTB bikes
 - Trail running



**Sea, Beach,
Surf World**

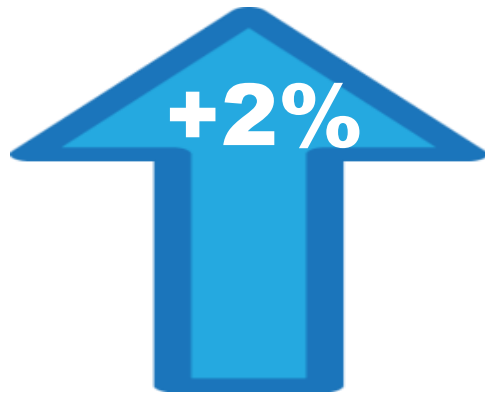


Sizing the outdoor market correctly Europe 34 (Russia inclusive)

Core definition

**European Outdoor Market Size
Estimate 2012, at retail,
excluding trail running and MTB
bikes**

€ 16,7 Billion



Trend 12/11



A full-page photograph of a mountain biker in mid-air, performing a jump over a rocky ridge. The rider is wearing a red helmet, a dark jersey, and light-colored shorts. The bike is a full-suspension mountain bike. The background features a vast, green mountain landscape under a bright blue sky with wispy white clouds. The foreground shows the grassy slope and the rocky edge of the jump.

A collection of outdoor gear is laid out on a grassy area. The items include two sleeping bags (one dark, one light), a tent, a cooler, a stove, a cooler, and various containers. There are also some food items and a small table. The gear is arranged in a neat, organized manner, suggesting preparation for a trip.

Question : How Does the European outdoor Market (large definition) Look Segmented By sports in % ?

Walking Hiking Camping

Ski

Snowboard

All terrain/ MTB bikes

Trail running

Other outdoor sports

(Fishing, hunting, horseback riding, rock climbing, paragliding, sailing,)

In %



European outdoor market (large scope) broken down by sports, year 2012, in % value

**WALKING
HIKING
CAMPING 38%**



**WINTER SPORTS
(excl. Snowboard)
19%**



MTB bikes 15%



**OTHER OUTDOOR
SPORTS 23%**

**SNOWBOARD
3,5%**



**TRAIL RUNNING
FOOTWEAR 1,5%**

Other Outdoor European Sport Market - Year 2012, million €

Fishing 1352

Hunting 902

Other outdoor
Water environment 1397

Other outdoor
Earth environment 406

Horseback Riding 270

Other outdoor
Air environment 180

Water environment: Sailing, Kayaks and canoes, water skiing
Marine sports : Equipment for Scuba Diving/skin diving/Snorkeling

Earth environment: Rock climbing, canyoning

Air environment: Paragliding, Skydiving



The “Outdoor” market by intended use of product

- Sport use with competition & challenge being a strong psychological driver for a minority of heavy users
- Mix use sport & daily use. For Sport use, the consumer here is NOT driven by work values (stress, competition). This is nature, family driven activities
- Cool brands, derived daily use only
- Never wear, never purchase sport brands !



Quantifying “Outdoor” market (large scope) in Europe by intended use, in % of population & market, year 2012

Competition driven

casual/daily use only

Mixed use sport & casual

Never purchase sport brands & sport gear

Population in %

5%

20%

45%

30%

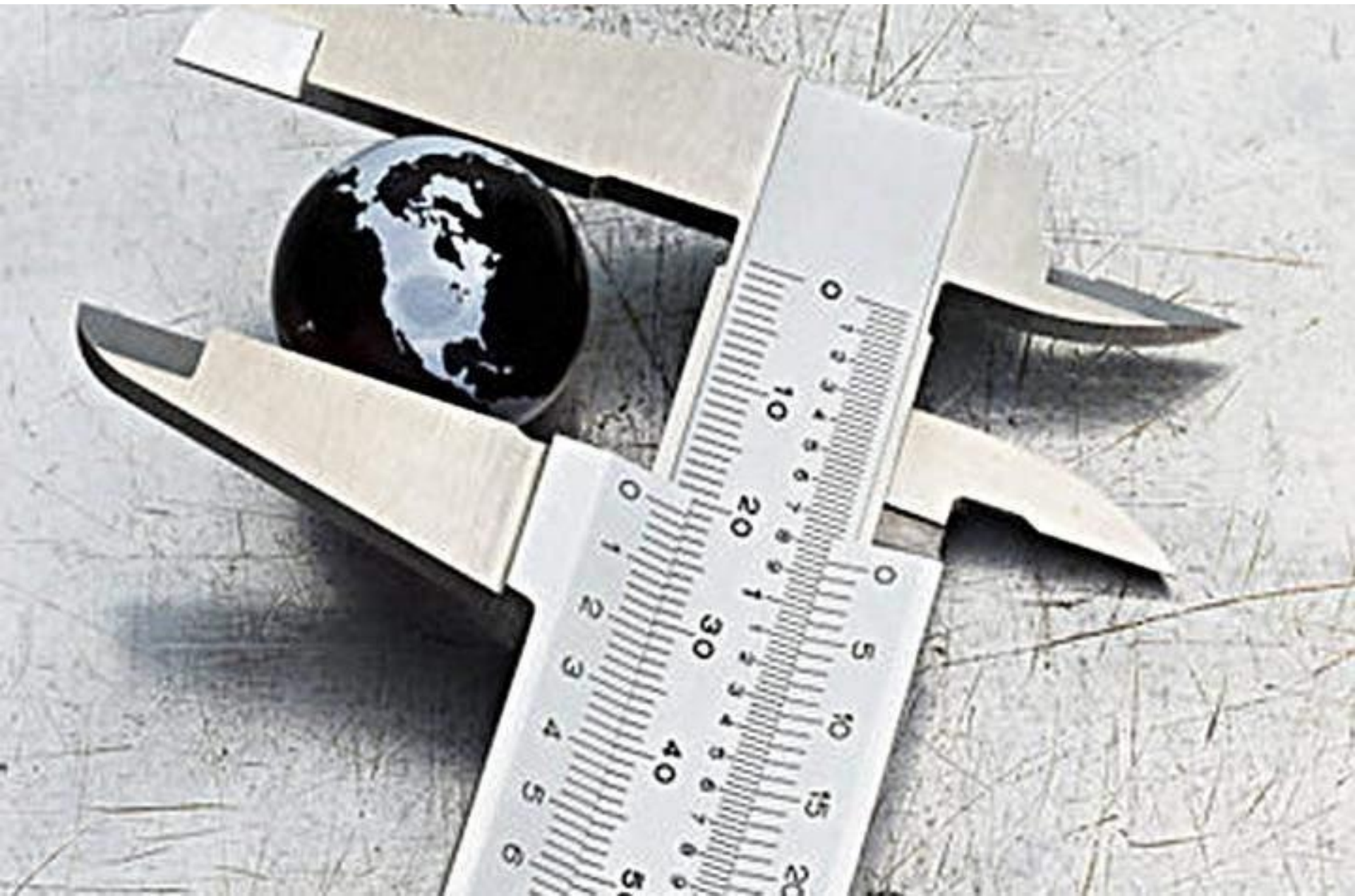
Market share generated in %

20%

20%

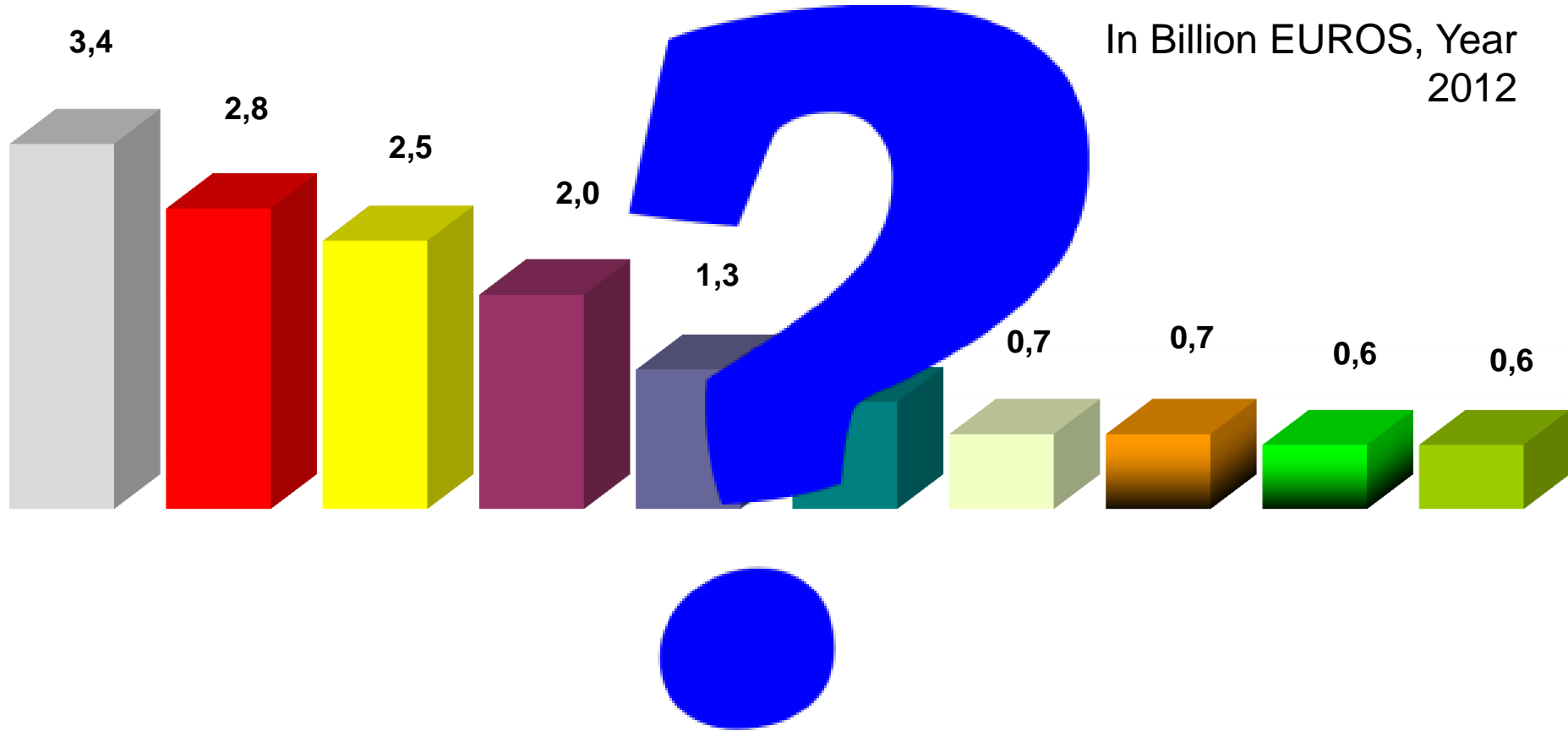
60%

Regional Highlights (34 countries)



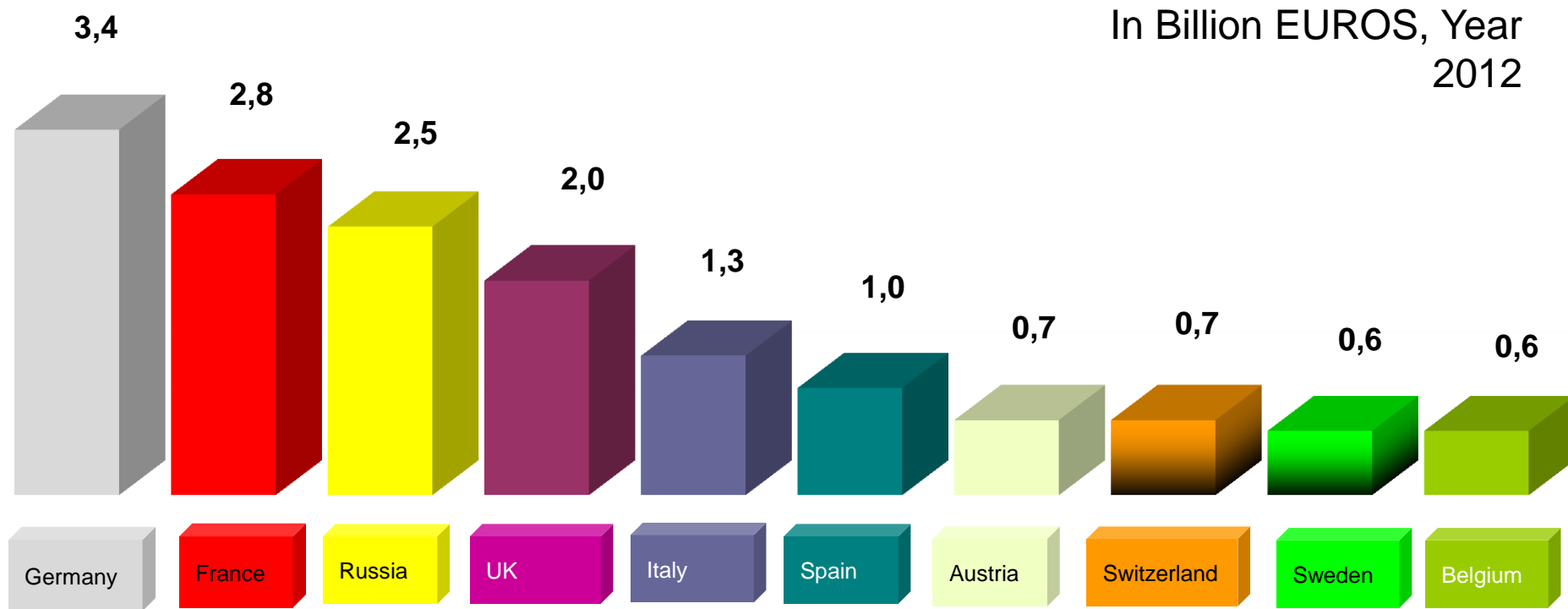
Hierarchy of Countries In 2012

Large definition European Outdoor Market



Hierarchy of Countries In 2012

Large definition European Outdoor Market



Fast movers Outdoor market (trend 12/11)

**Trend
12/11**

France



**Est.
+3%**

Russia



**Est.
+5%**

Netherlands



**Est.
+4%**



Stable markets

Outdoor market

(trend 12/11)

**Trend
12/11**

UK



**Est.
+2%**



Slow movers

Outdoor market

(trend 12/11)

Trend 12/11

Germany
Italy
Sweden



Est.
+0%

Spain

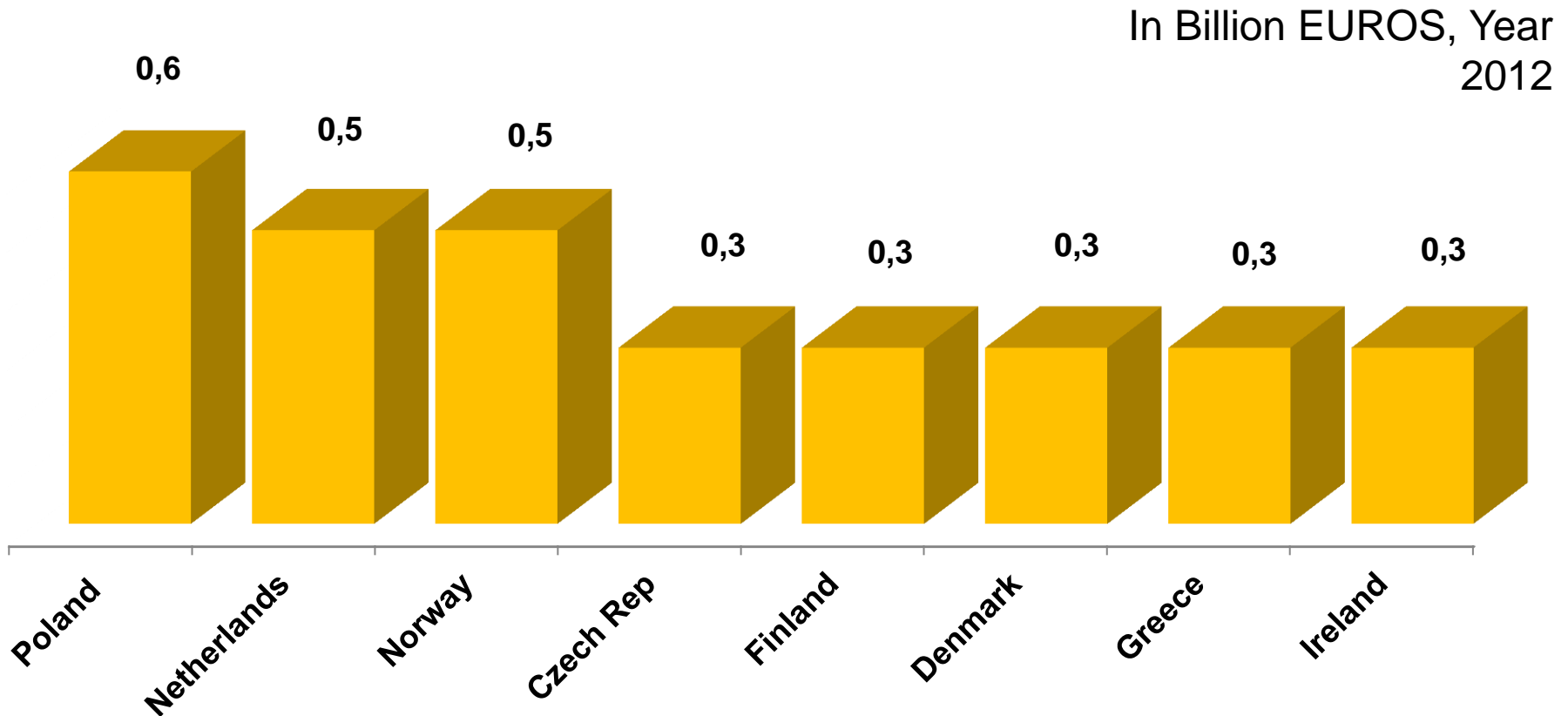


Est.
-3%



Hierarchy of Countries (2) In 2012

Large definition European Outdoor Market










Looking at sport participation through the prism of sales

**Shoes declared for sport use
ski wear
purchases by age group**

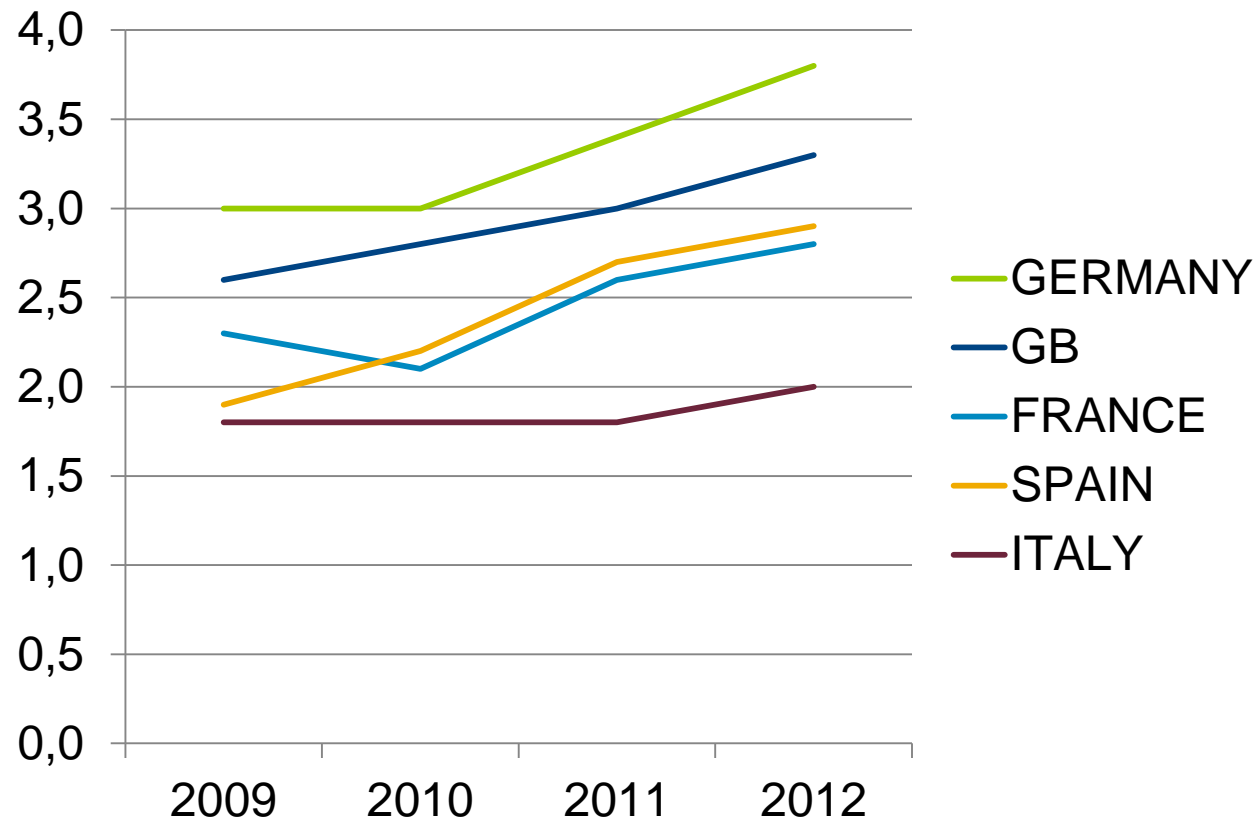
Everybody runs , the French have a tradition of hiking while Italy falls behind on these 2 types of sport

Average number of shoes purchased per 100 people in 5 European countries over 2012

	Outdoor shoes used for sport	any shoes used for hiking walking	running shoes used for running
	4,9	7,6	4,4
	3,5	4,4	5,2
	4,1	4,1	6,3
	2,1	3,3	4,6
	1,3	1,6	3,3

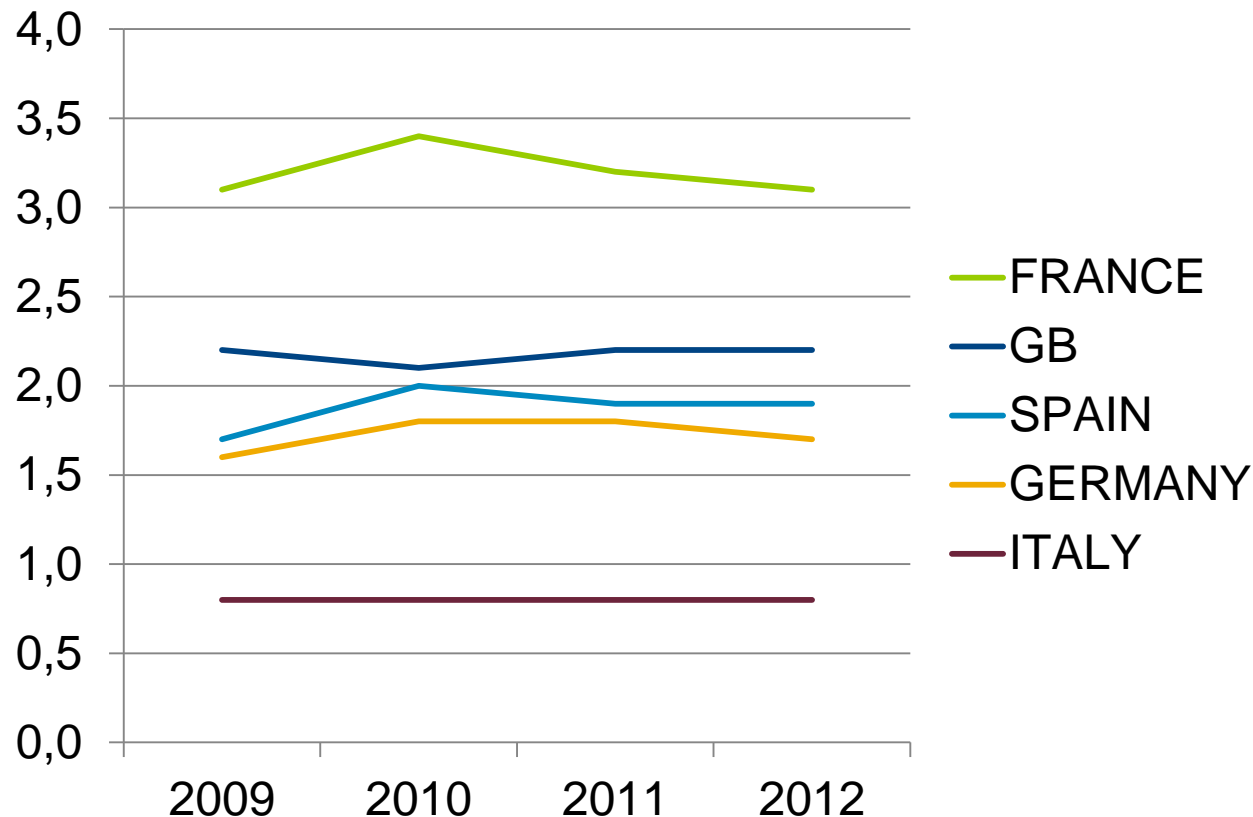
Participation in running (as measured by sales of shoes) is increasing everywhere

Number of running shoes used for running (In million pairs) sold per year over the last 4 years in 5 European countries



Participation in hiking walking (as measured by sales of outdoor shoes) shows a different picture than the growth trumpeted by the industry

Number of outdoor shoes used for sport (In million pairs) sold per year over the last 4 years in 5 European countries



Hierarchy of winter sport markets (Estimate)

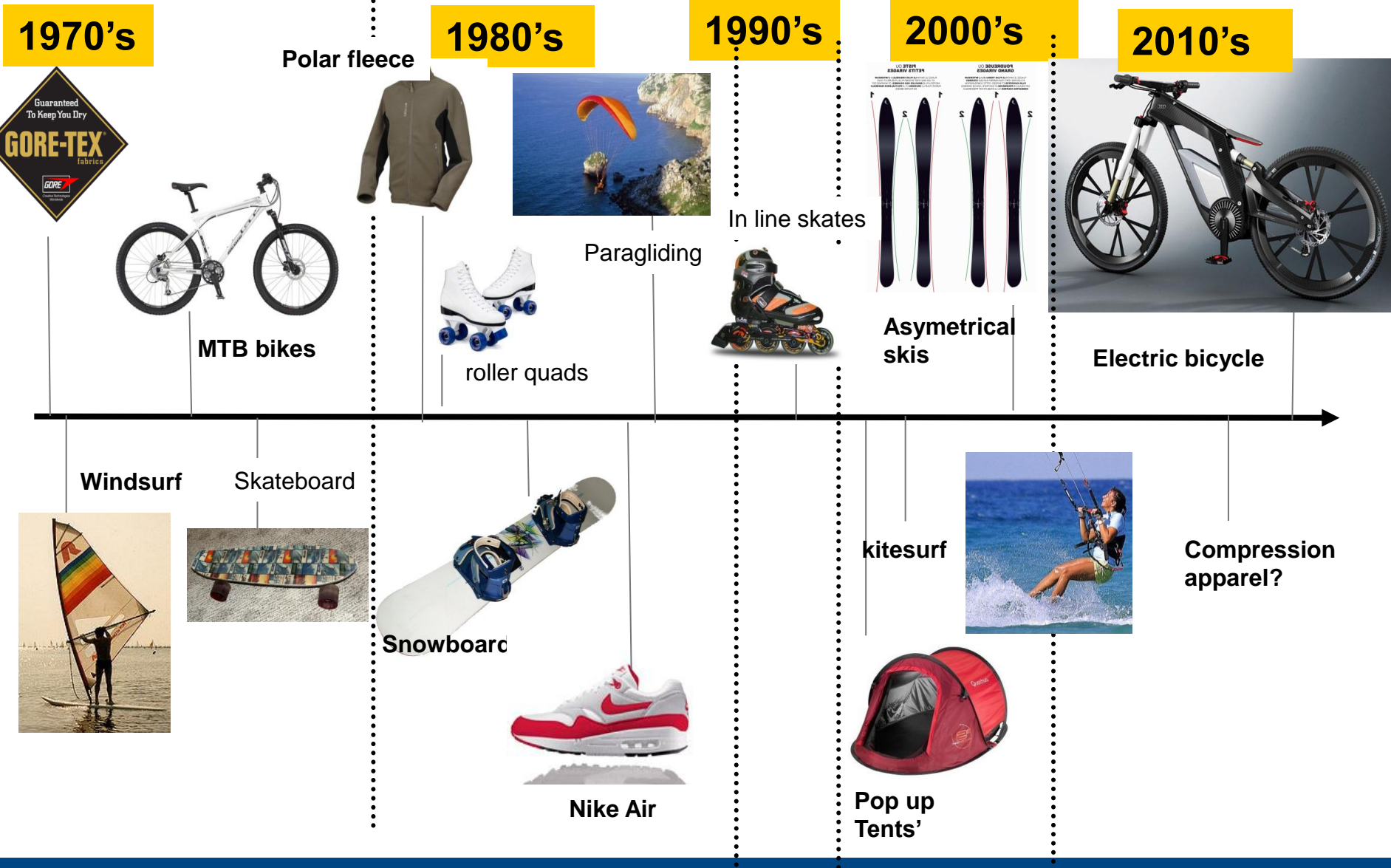
as per an estimate 2012 of local sales on winter sporting goods + rental activities



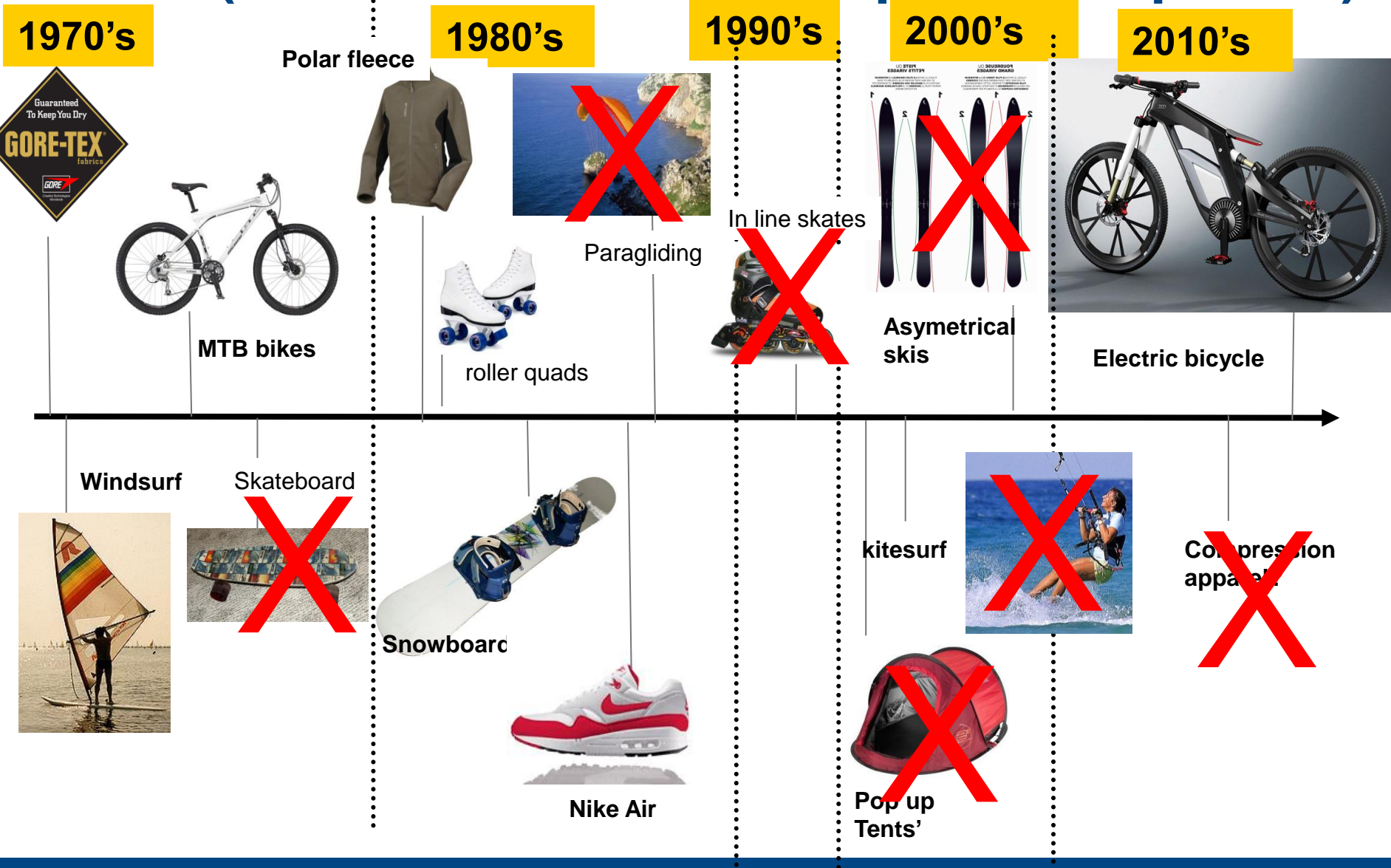


Framing the future of the outdoor market

A few number of Innovations & mostly hardware



Even fewer innovations are impacting the mass market (> More than 10 million people impacted)



Demographic considerations

- Aging population
- The casual market will expand and the share of sport brands within will grow because they make people dream
- Sport participation & Sport Brands will thrive more and more on the fact that people want credit for their athletic activity
- Sport participation is stable over long periods

Age distribution by sport (in % of purchases made for each age wearer group)

Age distribution by sport (in % of purchases made for each age wearer group) over 2 years 2011 & 2012

More young
people active



More adult
people active

	GYM AT SCHOOL/PHYSICAL EDUCATION	FOOTBALL	RUGBY	HORSE RIDING	BASKETBALL	MULTI- ACTIVITIES	SUMMER BOARD	SNOWBOARDING
AGE 4 - 11	53%	31%	26%	22%	18%	23%	11%	5%
AGE 12 - 17	34%	24%	31%	22%	26%	19%	29%	13%
AGE 18 - 24	5%	17%	16%	22%	21%	13%	27%	33%
AGE 25 - 34	4%	17%	12%	15%	21%	16%	18%	35%
AGE 35 - 44	2%	8%	7%	11%	8%	13%	15%	11%
AGE 45 - 54	1%	3%	5%	5%	5%	9%	1%	2%
AGE 55 AND MORE	1%	1%	2%	4%	1%	8%	0%	1%

Age distribution by sport (in % of purchases made for each age wearer group)

Age distribution by sport (in % of purchases made for each age wearer group) over 2 years 2011 & 2012

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people active



More adult
people active

	WORK-OUT IN GYM	SWIMMING ACT	SKIING	TENNIS	RUNNING/ JOGGING	CYCLING (ROAD/MTB)	FITNESS/ DANCING	HIKING ALL TYPES	GOLF
AGE 4 - 11	1%	24%	18%	15%	4%	5%	4%	5%	2%
AGE 12 - 17	5%	12%	17%	16%	7%	6%	6%	5%	4%
AGE 18 - 24	21%	12%	13%	12%	17%	12%	19%	8%	4%
AGE 25 - 34	29%	15%	19%	19%	26%	22%	27%	17%	7%
AGE 35 - 44	20%	14%	16%	17%	24%	23%	20%	19%	14%
AGE 45 - 54	13%	10%	10%	12%	14%	17%	12%	19%	14%
AGE 55 AND MORE	12%	12%	8%	11%	9%	15%	11%	29%	55%

Outdoor & tourism : Align outdoor sports offer to age groups & demand

Slow summer activities	Slow winter activities	age groups	Summer Action sports	Winter action sports
Fishing, hiking, nordic walking Swimming pool	hiking, nordic walking , cross country skiing	Senior 55+		
hiking, nordic walking Camping Cycling	hiking, nordic walking, cross country skiing	Parents 30-55	Running Climbing Paragliding	Downhill ski
Hiking treking Camping Cycling		Young adults 20-30	Running Climbing Paragliding All terrain bikes	Downhill ski Snowboarding
Swimming pool		Teenagers 15-20	MTB bikes Horse riding Climbing Paragliding	Downhill Ski Snowboarding
Swimming Pool, camping		Kids 5-15	Family hiking	Downhill Ski Snowboarding

10 ideas to simulate sport participation in outdoor sports

- Hiking
- Ski
- Camping
- Thematic Trekking
- Make people dream
- Encourage any initiative increasing the conversion rate from trying first time to training

Q&A

Thank You



Industries

Automotive
Beauty
Entertainment
Fashion
Food / Foodservice
Home
Office Supplies
Sports
Technology
Toys
Video Games
Wireless

Countries

Australia
Austria
Belgium
Brazil
Canada
China
France
Germany
Italy
Japan
Mexico
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New Zealand
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