

Vail CEO uses casino model to drive performance

By Daniel Fisher, Forbes

Like a monk on a mountaintop, Rob Katz is sitting in the Eagle's Nest, a gourmet restaurant high above the quaint faux-Swiss village of Vail, ready to impart wisdom. "If you're a casino you have these very committed, addicted gamblers," the 49-year-old CEO of Vail Resorts says, explaining his business. "Well, we have these very committed, addicted skiers."

As with resorts in Las Vegas and Macau, Vail Resorts accumulates enormous amounts of information about its customers and obsessively tracks their activities. On the slopes, for instance, there are radio-chip-equipped lift passes that record which runs skiers take and with whom they ride the lifts. Vail can even send targeted cable-television ads to their TV sets when they are home contemplating next winter's ski season.

High-end amenities like the Eagle's Nest or the Vail Mountain Club—with an initiation fee of \$275,000—may not add much to profits, but like the fine restaurants and high-roller clubs at a casino, they're necessary to entice and reward loyal skiers.

Vail owns Heavenly, Kirkwood and Northstar in the Lake Tahoe area.

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