

ACTIVE AND SPORTS TOURISM

Sector Case Study

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Researchers: Nicholas Georgiadis, Christophoros Makrias, George Pasiakos

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ACTIVE AND SPORTS TOURISM IN GREECE

Sector Case Study

Introduction

Active and Sports Tourism is a niche market, which can be broadly described as a tourism activity generated by participation in sporting activity. That activity can be a sporting event or competition, a tour of a sporting facility, or a training camp. Participation might involve being a competitor / participant, official, or spectator. Active and sports tourism is part of the broader thematic tourism market¹.

According to market surveys, more than 35 million Europeans are fans of Active & Sports Tourism, with their size growing by 20% per annum. The concept is quite new in Greece, where market grows on a faster rate.

Sport Tourism is a multi-billion dollar business, one of the fastest growing areas of the \$4.5-5.0 trillion global travel and tourism industry. By 2011, travel and tourism is expected to represent more than 10 percent of the global gross domestic product. The economies of cities, regions and countries around the world are increasingly reliant on the visiting golfer and skier or the traveling football, rugby or cricket supporter. In some countries, sports can account for as much as 25 percent of all tourism receipts.

Sport tourists are passionate, high-spending, enjoy new sporting experiences and often stimulate other tourism. Their direct benefit to a destination is cash - their indirect benefit can be years of follow-on tourists. Sport tourism is now a tool to make achieve many things - to make-money, create thousands of new jobs and even help change cultural perceptions such as in the Middle East and South Africa.

Active & Sports Tourism demonstrates a significant growth potential in Greece, over 20% annually according to market surveys, with the targeted group of active tourists currently estimated at 250,000 people. The shift of Greeks towards active forms of tourism is attributed to the need for a way out from the contemporary life in the urban centers. In terms of growth rate, Greece is lagging behind European countries such as Germany, Austria, and

¹ Thematic tourism structure is presented in Appendix 1.

Switzerland, since people culture and inclination towards active tourism has been developing since only the last few years. Other factors driving demand for active forms of tourism related to health and corpulence problems, as well as economic aspects of the contemporary Greek way of life. With the entry of Euro, life has become more expensive, thus Greeks have no longer the luxury to travel abroad and as a result are searching for tourism activities within their country.

CHART Evolution of Arrivals in Greece

Source: World Travel & Tourism Council, World Bank, VRS estimates.

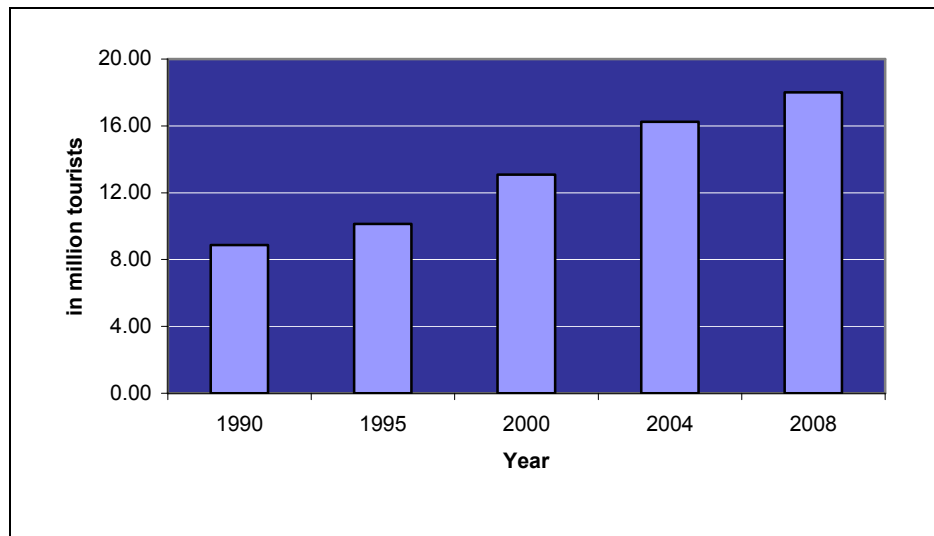
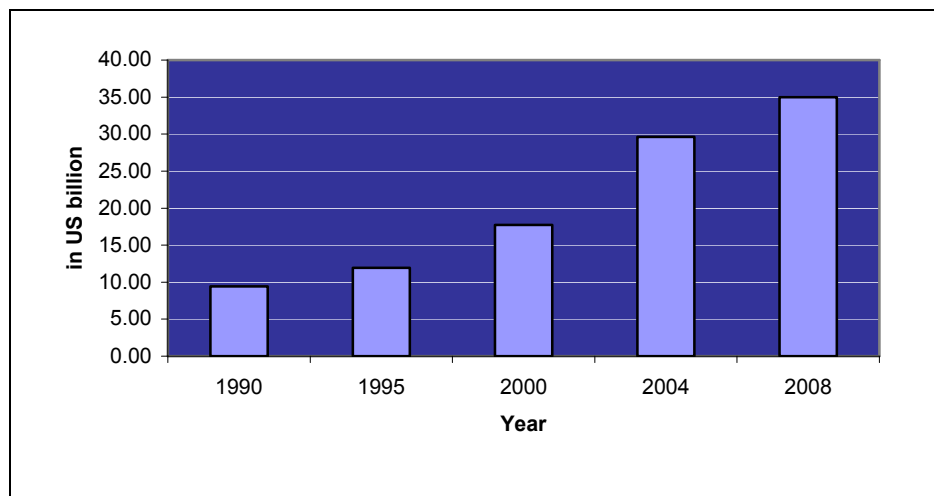


CHART Aggregate Tourism Income in Greece

Source: World Travel & Tourism Council, World Bank, VRS estimates.



From a certain point of view, sports tourism market may be distinguished in the following activities:

Coaching Tourism – Professional Teams

This category belongs to professional and amateur sports tourism in the diagram. This type of tourism includes professional as well as amateur teams of athletes along with their escorts and administrative staff. These groups visit a certain tourist destination during the coaching/preparation period, thus obtaining a “tourist interest”. The coaching / preparation period is essential in order to prepare themselves for major or minor sport events taking place in the same place or similar – in terms of climate - areas. This tourism activity normally occurs one year prior to the sport event which athletes prepare for.

Spectators

This category is included in passive holiday’s sports tourism. In this case, we refer to sport fans visiting a tourist destination in order to experience a major sport event, creating at the same time tourism activity.

Participation in Important Events

This category is also included in the passive holiday’s sports tourism in the diagram. In this particular case, we refer to sport events of a lower scale, such as city marathons, local sport tournaments, car races, organized outdoor sport activities, and all sort of events where participation is open and massive.

Outdoor Sport Activities

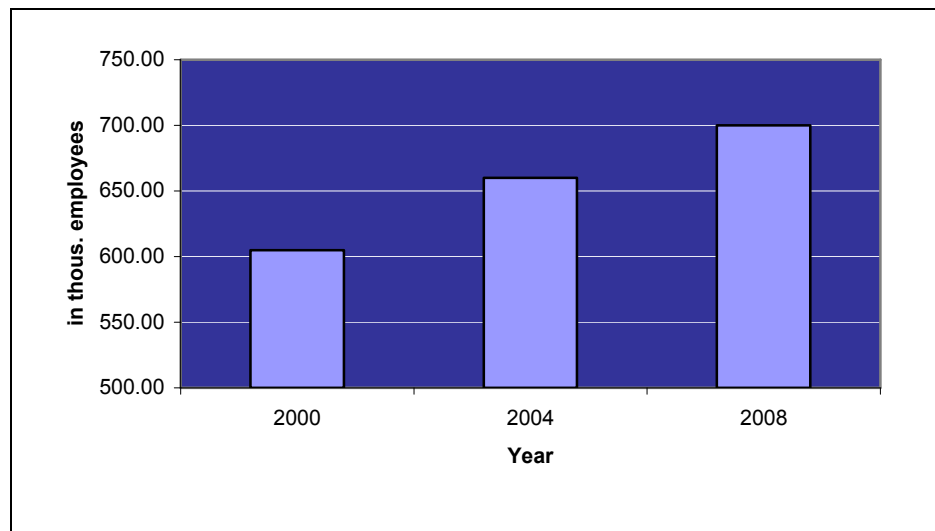
This category belongs to the active holiday’s sports tourism, combined with various forms of passive tourism, in the diagram. This type of tourism refers to residents of large urban centers undertaking weekend excursions and enjoying simultaneously cultural tourist activities. For example, this tourism category would encompass mountain skiing and climbing during the winter or wind surfing during the summer.

Hotel Sport Activities & Entertainment

This category belongs to the active holiday’s sports tourism, combined with various forms of passive tourism, in the diagram. Recreational sport activities refer to special action undertaken within the area of large hotel resorts. In Greece, the above action is usually combined with passive tourism, such as educational, cultural and environmental activities. Persons engaged in this mix of activities are neither professional nor amateur athletes.

CHART**Active and Sports Tourism Market in Greece****Total Number of Employees**

Source: World Travel & Tourism Council, "The Impact of Travel and Tourism on Jobs and the Economy", VRS estimates.



Passive Tourism

Passive Tourism is part of the broader Thematic Tourism, since it incorporates a lot of tourist action, although not an athletic one. The major definitions and descriptions of the various forms of Passive Tourism are presented below:

Cultural Tourism

It integrates educational aspects in relation to the Ancient Greek language with participants spending their holidays in ancient monuments where they can further stimulate their actions and feel the ancient spirit. The co-operation with an International School of Philosophy or with the Athens University may facilitate the successful "delivery" of such an experience to the tourists / customers.

Archaeological / Educational Tourism

This form of tourism is also educational as it integrates knowledge for the Ancient world through real life experience in the way Ancient Greeks lived, ate and worked. According to this model, tourists would stay in an agricultural village close to ancient monuments and buildings, and experience the ancient way of life (from nutrition habits up to philosophical interactions) in

combination with lectures, seminars and speeches on archaeological issues. Also there would be interaction with ancient nutritional habits.

Religion Tourism

Although it sounds as passive tourism, religion tourism can be combined with strong action aspects. Tourists would stay in monastery camps and would combine agro tourism (work in the monasteries' agricultural areas) with education and other forms of active tourism.

Nutritional / Wine Making Tourism

It incorporates experience and knowledge of nutritional issues and wine making procedures. Tourists interested on this type of tourism may easily find farms in Eastern Attica with Achaia Claus facilities type.

Health Tourism

Health tourism may include aspects rehabilitation and beauty care aspects along with traditional health care services. The above services and experience would be provided from medical centers, rehabilitation and health centers or even from joint ventures created by teams of physicians.

Urban Tourism / City Break

This form of tourism is available in the large Greek cities, which apart from the capital of Athens include Thessalonica, Volos, Patras and Iraklion. For example, tourists would participate in conferences, go shopping in major commercial streets of the city, or shopping centers or large malls, and also entertain themselves in the city's music hall.

Commercial Tourism

It refers to open exhibitions, conferences, business congregations, etc.

Amateur Sports Tourism

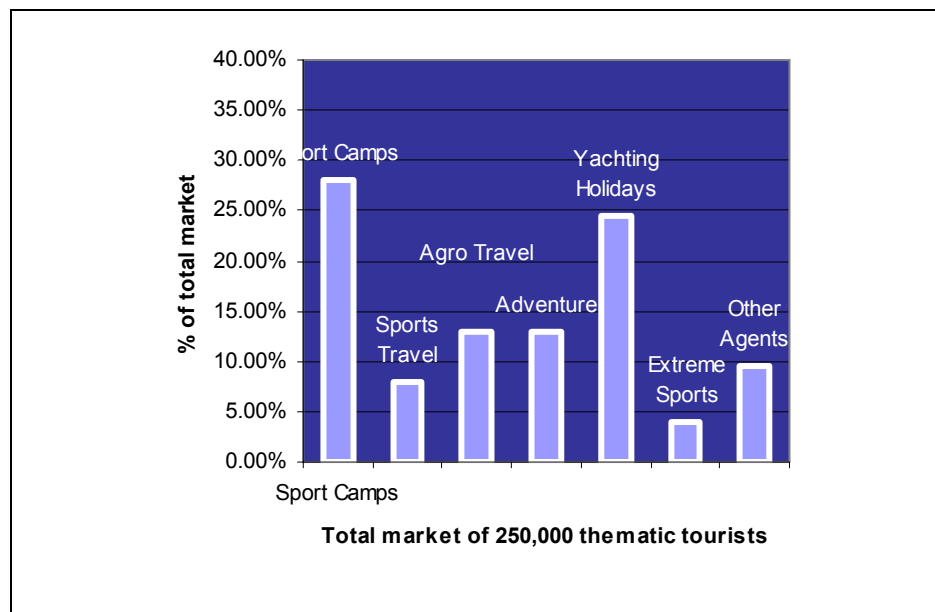
Amateur Sports Tourism is mainly related to foreign tourists with high sport consciousness visiting Greece for sport activities. Such tourists are usually from Central and Northern Europe (Germany, Austria, Switzerland and Scandinavia) where the potential market consists of over 150,000 amateurs sport clubs with 5 million members. The major factor behind the expected traffic of tourists from the above countries to Greece is the extension of the holiday zone, which strengthens demand for sport tourism services throughout the year.

Major Players of Active and Sports Tourism Market in Greece

Active and sports tourist activities are not entirely new in Greece, however there is a lack of a strategic and organized business approach to capture market shares and create a long-term growth potential in this very promising market. The following chart depicts the major players that have been so far active in offering tourist packages with thematic and sports activities, along with their market shares in total targeted domestic market of 250,000 thematic tourists.

CHART Major Players of Active & Sports Tourism Market in Greece

Source: Market surveys, V&P Sports.



The History of Amateurs Sports Tourism

In Europe, the Amateur Sports Tourism was “born” in early 1980’s and gradually evolved as an especially active type of tourism. Although amateur sports tourism was developed in several European countries along the time, Germany was the pioneer country in establishing the spirit of the amateur sports tourism due to the following reasons and factors:

- 1) In Germany, people are fans of sports from the very early years of their lives (normally from 3 years old). Sport activities are more of a habit rather than a necessity that would have emerged due to health reasons or other factors.

2) There is a very well organized structure in the country's sport life with more than 40,000 amateur sports clubs operating in every city and village, covering all sort of sports. Soccer, handball, tennis, classical sports, basketball and swimming are the most popular ones. Sport clubs are well funded from the annual membership subscriptions and sponsors. These funds are invested in new infrastructure, such as sport facilities, as well as a full range of supporting facilities including restaurants, cafeterias, offices, etc.

3) There are extended holiday seasons in the country. For example, there are holiday periods ranging from 5 to 10 days during October-November (the first ten days of the month might be holiday season for certain cities, the following 10 days might be holiday season for other cities, and so on), Christmas and New Year's Eve, Easter, and summer (approximately 20-day holidays, in different periods within the summer for different cities within Germany).

4) In view of so many holiday seasons in Germany, sport clubs are accustomed to travel and enjoy sports tourism not only in their home country but also in other countries. The most preferable countries, such as Spain, Italy, Portugal and Greece, are located in South Europe due to favorable climate and beautiful coasts.

International Trends

Traditionally, Europe is the world leader of thematic tourism market, setting the pace of the sector's developments as well as growth trends. Following a booming tourist industry during the 1980s, North Europe introduced innovative sports tourism products and services. In Germany for example, there are 40,000 amateur sport clubs with 30 members each on average basis, implying an aggregate market of 1,200,000 potential tourists. Furthermore, there are 1,000 professional sport clubs with 50 members each on average basis, implying an additional market of 50,000 professional sportsmen. Especially German fans of sports tourism enjoy their activities not only during the summer but also along the whole year, taking advantage of their official holidays in autumn, winter and spring.

Trends in the Greek Market

Over the past 10-15 years, organized athletic activities and sport events have been attracting the attention of Greeks, who in turn have become fans of a combination based on sports – athletics – training – tourism.

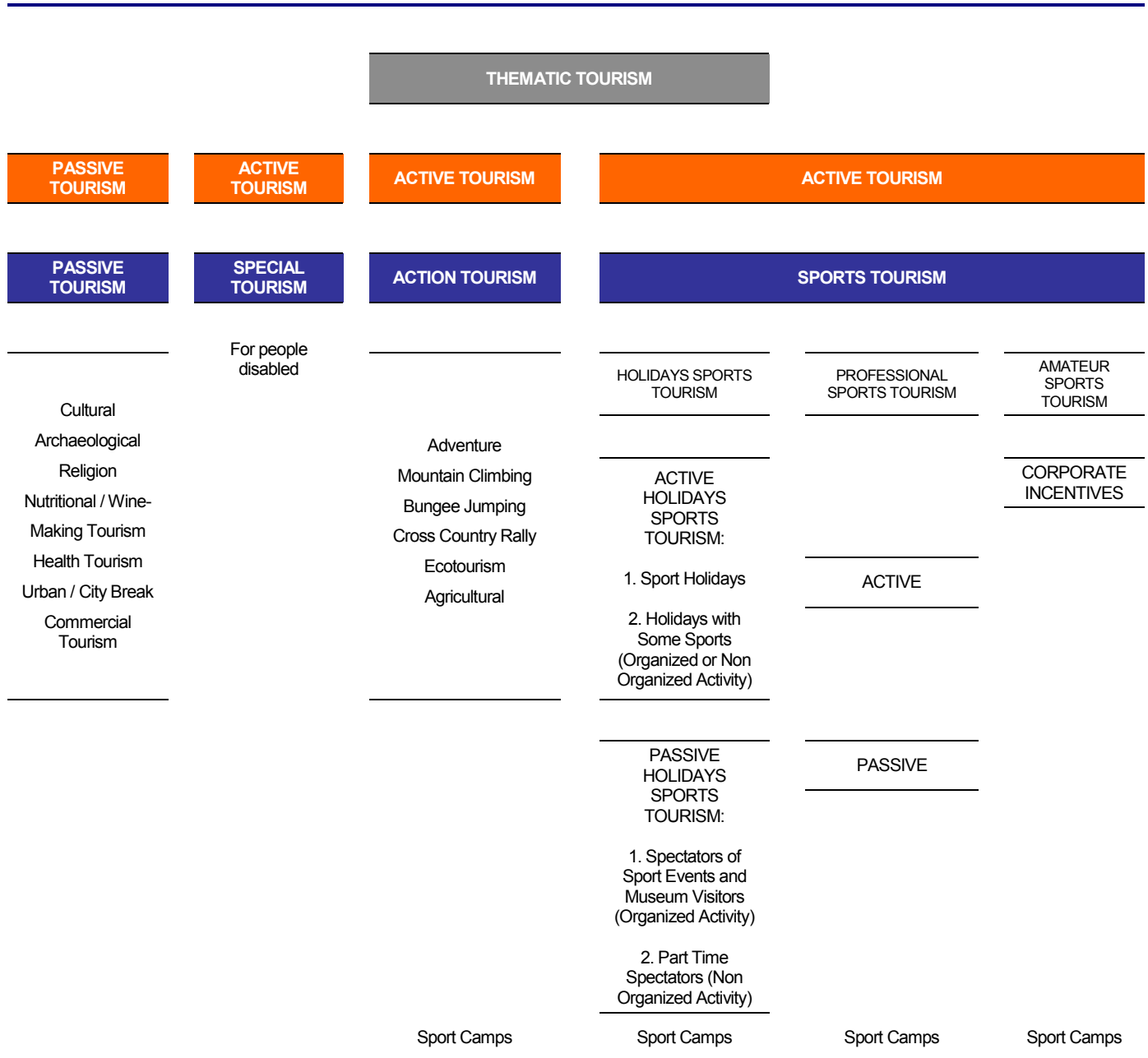
Athlotouristic investment projects are a strong motive for entrepreneurs to engage in sports tourism for both Greek and foreign tourists, since Greece has more favorable climate conditions compared to competitors, such as Spain and Portugal.

The 13 peripheral (regional) areas of Greece and the former Olympic cities are also capable of promoting thematic tourism products and services, including active and sports tourism.

Greece has become the attraction of large size international tourist corporations with an interest to create sports centers and golf resorts in the country.

Finally, the successful organization of the Athens Olympics in 2004 is a strong motive for international investment funds to search for opportunities in the active and sports tourism industry in Greece.

APPENDIX 1 - Active and Sports Tourism Market Structure



APPENDIX 2 - Mega Sports Events a Boost for Active & Sports Tourism in Greece

PHOTO 1 Greece as Winner of the Euro 2004 (soccer)



PHOTO 2 Athens Olympic Games 2004

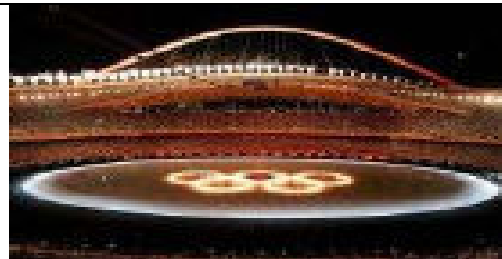


PHOTO 3 Greece as Winner of the Euro basket 2005



APPENDIX 3 - Major Requirements for Active & Sports Tourism Centre

REQUIREMENTS	
1	Variety of modern athletic facilities, capacity to host sports events.
2	Experience in organizing sports and related activities / events
3	Proximity to airports, train stations, ports, national highways, etc.
4	Recognition in Greece and Abroad
5	Quality of services (tourist facilities, hotels, restaurants, entertainment, etc.)
6	Public and private transport services, health care, hygiene.
7	Natural attraction, tourist spots, seaside, mountains, lakes, rivers, etc.
8	High level services provided from third parties for the successful organization of sport events.
9	Capacity of human resources for sport activities.

APPENDIX 4 - Thematic Centers in the Greek Market

TABLE Tourism Facilities Available per Major Greek Region

	Attica	Macedonia Thrace	Central Greece	Peloponnesus Western Greece	Crete and Islands
Sports Tourism					
Religion Tourism					
Mineral Water Tourism					
Sea Tourism					
City / Commercial Tourism					
Agricultural Ecological Tourism					
Educational / Archaeological Tourism					

Source: Market surveys, V&P Sports.

APPENDIX 5 - Additional and Related Information on Active and Sports Tourism

1 Schools of Thought and Theoretical Models about Sports Tourism

Hall formed the first model in 1992, classifying sports tourism based on the participant's motives, and making distinctions between sports tourism and other thematic tourism activities. In cases where participation does not encompass the element of competition, the athletic tourism tends to become health tourism, and vice versa.

In 1992, Kurtzmann formed a limited model, which would predict the attraction and visitor rate of an athletic event, thus offering information on what to expect in terms of occupancy rates and how to organize services to tourists.

Standeven and Knop formed another model in 1998, analyzing all types of an athlete tourist and the potential activities. This model may be used as a marketing tool to target markets and customers.

2 Definitions for Types of Tourism

[Quoted from various sources on the Internet; See "Sources" section for additional information.]

Note that there may be notable or significant overlapping among the various types of tourism.

Active Tourism

Active Tourism is a new traveling philosophy that combines adventure, ecotourism and cultural aspects of a discovery tour. Active Tourism is low-impact, ecological, socially compatible and high quality. Active Tourism aims to combine recreation, education and bring benefits to both the tourist as well to the visited land. Active Tourism has many aspects in common with ecotourism and nature tourism and it also integrates some activities of action and adventure tourism. Additionally, it includes some aspects of cultural tours and academic and scientific expeditions. There are many aspects in common between all this forms of traveling, but there are also important differences.

Alternative Definition: Active Tourism is responsible travel to foreign areas requiring physical and mental participation from the tourist with the maximum sustainability, and characterized by protection of biodiversity and conservation of culture.

Important elements are recreation and education, respect and contemplation, action, exercise and active involvement in company of an expert local friend or an academically competent tour guide.

Ecotourism

In 1991, the International Ecotourism Society (TIES) provided one definition: "Ecotourism is responsible travel to natural areas that conserves the environment and sustains the well being of local people." The World Conservation Union stated in 1996 that Ecotourism "is environmentally responsible travel and visitation to relatively undisturbed natural areas, in order to enjoy and appreciate nature (and any accompanying cultural features - both past and present) that promotes conservation, has low negative visitor impact, and provides for beneficially active socio-economic involvement of local populations."

Action Tourism

Active Tourism should not be confused with Action Tourism, which involves many sports activities like mountain bike, cross country rally, speed boat riding, bungee jumping and extreme sports. Indeed, many these activities are already offered as part of mass Tourism infrastructure. The main motivation is excitement and amusement. The production and delivery of adrenalin to the body is the desired result. Often, some of the activities involve high personal risks and dangers. Action Tourism does not necessarily require a close or authentic interaction with intact nature and it can be delivered in amusement and recreation parks and in artificially reconstructed environments. Predominantly male teenagers and young people form the main clientele.

Adventure Tourism

Adventure Tourism also offers exciting experiences that are physical demanding. Adventure travel is personal accomplishment through the thrills of dominating dangerous environments. White-water rafting, ocean canoeing, horse riding, free climbing, hiking and trekking through natural areas are some examples. Adventure Tourism is linked to an intact nature with a minimum of civilization influences. The search is for personal redemption through challenge and sacrifice, and nature is the backdrop to an intensely personal experience. Nature dictates the rules and provides a stage for the human play.

Sports Tourism

Sports Tourism includes all forms of active and passive involvement in sporting activity, participated in casually or in an organized way for non-commercial or business/commercial reasons that necessitate travel away from home and work locality. Sports tourism is a combination of sports activities and travel. From a sport marketing and sport management perspective, it consists of two broad categories of products:

- sports participation travel (travel for the purpose of participating in a sports, recreation, leisure or fitness activity); and

- sports spectator travel (travel for the purpose of spectating sports, recreation, leisure or fitness activities or events).

Sport Tourist is a temporary visitor staying at least twenty-four hours in the site visited and the purpose of whose journey is to attend sport related events. Specific activity categories are sports events; sports attractions; sports tours; sports resorts; and sports cruises.

Sport: The whole range of competitive and non-competitive active pursuits that involve skill, strategy, and/or chance in which human beings engage, at their own level, simply for enjoyment and training or to raise their performance to levels of publicly acclaimed excellence.

Corporate Games

Corporate Games constitute a new form of Active Tourism in the context of incentives granted to a corporation's human resources. A modern organization can capitalize on the so-called corporate benefits by:

- Creating employee confidence, loyalty and team spirit;
- Increasing name and brand recognition;
- Developing contacts with leaders and representatives of national and multinational business;
- Reaching new clients, creating new business, and meeting new customers;
- Providing real incentive programs;
- Experiencing the ultimate mix of sport, business and tourism.

An annual multisport festival in the above context may have the following characteristics:

- Be open to all businesses and organizations, small as well as large;
- Teams may include employees, colleagues, family and friends;
- Competitors may include builders, bankers, artists, sales people, scientists, public servants, etc.

3 Greek Market Survey in Group of 400 Tourists in Greece

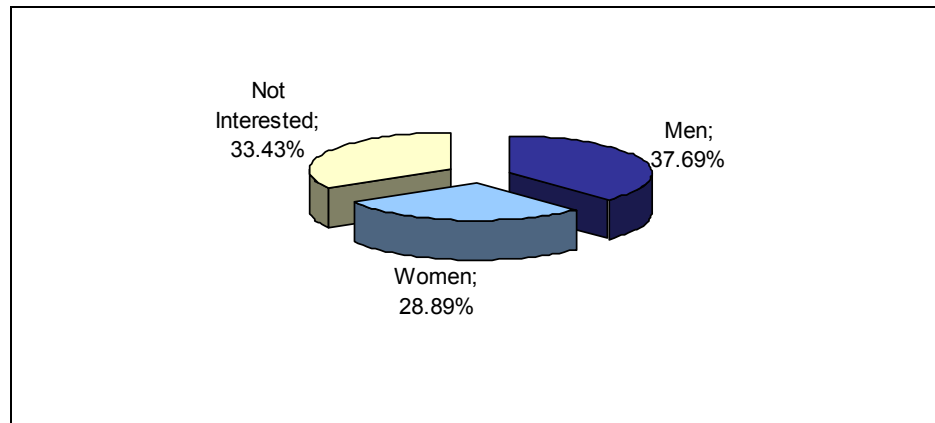
A survey that was carried out during the 1990's in the island of Crete, Greece, demonstrated a strong inclination of both men and women tourists towards athletic facilities.

The survey covered a sample of 400 tourists (225 men and 175 women) residing in the island of Crete, in 4 luxury hotels and in 8 1st class hotels. According to the answers of the people questioned, the survey concluded that 67.5% of men and

65.4% of women engage in some sort of sport action during their holidays, whereas sport activities were considered to have a positive effect on people's health (94.7% men, 96.6% women).

CHART Percentage of the Sample Engaging in Sport Activities during Holidays

Source:
www.hape.gr



4 Active Tourism Investment Projects in Greece

Toplou Monastery's Investment Project

It is one of the few large scale investment projects in Active and Sports Tourism in Greece, located in Toplou Monastery, Crete. The project provides for the real estate and tourism development of over 20,000,000 square meters, owned by Toplou Monastery at "Kavo Sidero" area in the County of Lasithi, Crete. The company "Loyalward Ltd" is the executor of the investment project amounting to EUR 1.2 billion. The following will be constructed and built in the above area over a period of 10 years: 7,000 rooms in 5 villages, 3 golf resorts of international standards, and athletic facilities.

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NOTES 1

NOTES 2

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