

CBI MARKET SURVEY

THE SPORTS AND CAMPING GOODS MARKET IN AUSTRIA

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Introduction

This CBI market survey gives exporters in developing countries information on some main developments in the sports and camping goods market in Austria. The information is complementary to the information provided in the CBI market survey 'The sports and camping goods market in the EU', which covers the EU in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used, as well as information on other available documents for this sector. It can be downloaded from <http://www.cbi.eu/marketinfo>.

1 Market description: consumption and production

Consumption

- The Austrian market for sports and camping goods was valued at € 310 million in terms of retail sales in 2006.
- Austrians spent € 37.67 per capita in 2006, which was above the EU average of € 30.74. This was in part due to the high proportion of snow sports equipment purchased in this country. Skis and ski equipment tend to be relatively more expensive than equipment required for most other sports.
- Austria was the ninth largest sports and camping goods market in the EU and this medium market was similar in size to a cluster of other countries, including Belgium and Portugal.

Table 1.1 Consumption of sports and camping goods in Austria, 2002-2006, € million

2002	2003	2004	2005	2006	Average ann % change	Population (million)	Consumption per capita €
293	298	303	309	310	1.4	8.2	37.67

Source: SGI, Trade estimates (2007)

- Between 2002 and 2006, the Austrian market increased by an annual average 1.4%. Sales in 2006 have barely moved forward since the previous year.
- Austrian consumption of sports and camping goods consisted of snow sports (30%); team sports (26%); outdoor (19%); individual sports (13%); fitness (10%); water sports (2%).
- The market in Austria is expected to grow in the future, but there are mixed fortunes. The skiing market is in a slow decline, while the market for fitness equipment is increasing. The fitness boom in Austria continues to progress. Most fitness centres are in the urban areas. Austria (with Switzerland) is jointly hosting the 2008 European Football Championship, which will boost interest in football.
- The most popular sporting activities in Austria are cycling, swimming, walking & hill walking, skiing, ice hockey, climbing, skating, followed by fitness, tennis, football and snowboarding. 500,000 Austrians are now members of fitness clubs.
- Austria is below average in its levels of sports participation. 34% of Austrians practice sport at least once a week, while 55% practice less than three times a month or never. This compares with the respective EU averages of 38% and 53%. The Austrian government is actively encouraging more women to participate in sport.

Production

- Austria is a significant producer of sports and camping goods, although it has shrunk considerably in the last couple of years.
- In 2005, there were 90 companies employing approximately 4,500 people. A fall of 20% has taken place over the three last years.

- The production volume was 12 thousand tonnes in 2005 and represented a sales turnover of € 252 million, an average annual decrease of 20.7% compared to € 505 million in 2002. Note these figures exclude confidential figures for production that for competitive reasons were not declared.

Table 1.2 Production of sports and camping goods in Austria, 2002-2005,
€ million / '000 tonnes

2002		2004		2005*		Average ann. % change	Number of companies 2005	Number of employees 2005
value	volume	value	volume	value	volume			
505	26	248	26	252	12	-20.7	90	4,500

Source: Eurostat (2007)

*: 2006 data not available

- Main players are Blizzard Ski (<http://www.blizzard-ski.com>), recently taken over by Technica; Fischer (<http://www.fischer-ski.com>), who also produce rackets for tennis and badminton, and hockey equipment; Atomic is the world's leading manufacturer of alpine skis, employing 600 people, and serving 60 countries. It is now part of Amer Sports (<http://www.amersports.com>).
- The majority of sports and camping goods produced in Austria was skis and ski equipment. Although not included in Eurostat figures, there is also thought to be production of ski boots, saddlery items, and some water sport and fitness equipment.
- Due to the increased competition and cheap imports, production is often transferred to nearby countries such as the Czech Republic, Slovenia, Hungary and to China. A slow market growth and increased competition in the domestic and export markets (mainly Germany, Italy and Switzerland) will force producers either to merge, to transfer their production, to produce for large retailers or to concentrate on highly specialised equipment.

Opportunities and threats

- + As might be expected from Austria's location, snow sports dominate this market, but this is gradually changing.
- + The move to greater gym membership will provide opportunities for developing country exporters in the production of smaller fitness products for use at home or in the gym.

See Chapter 7 of the CBI market survey "The sports and camping goods market in the EU" for more information on opportunities and threats.

2 Trade channels for market entry

- Exporters from developing countries with an interest in the Austrian market should try to find specialist sporting goods importers or wholesalers to help their products reach the small independent sector. Alternative possibilities would be to find an online sporting goods retailer looking for interesting products, or (depending on the product sector in which you are involved) to approach a department store and offer the possibility of them selling your products under their own private label.
- A further opportunity would be to investigate contract manufacturing or outsourcing possibilities.
- The sporting goods market in Austria is highly concentrated. The majority of sales are channelled through the major specialist retailers Intersport (36% market share but 15% of outlets), Hervis (14% share but 4% of outlets), Kastner & Öhler (<http://www.gigasport.at>) and Sports Experts (<http://www.sports-experts.at>), although sales through large non-specialists such as department stores and hypermarkets continue to grow. The buying group Sport 2000 (<http://www.sport2000.at>) is also strong in Austria, trading under the name Zentrasport.
- Consequently the independent specialist sports retailers do not hold a strong position in the market.

- Interesting wholesalers and importers include Stadlbauer Marketing, a general wholesaler that also features sports goods (<http://www.stadlbauer.at>), Burger Sport (<http://www.burger-sport.at>), Fritz Sport (<http://www.fritzsport.com>), and Karl Amesbichler, who are involved in equestrian sports (<http://www.amesbichler.com>).
- Sport Moser (<http://www.sport-moser.com>) has a wide range of sporting goods online while Sport Sölle is an independent retailer that is part of Sport 2000 (<http://www.soelle.at>). Franz Tritscher is also a member (<http://www.tritscher.at>). Independent retailers are often located in ski centres in the Alps. Sport Brugger is an independent retailer of skis and snowboards (<http://www.sport-brugger.at>) with three outlets in Austria.
- Throughout the sporting goods trade, different prices and margins apply. The high concentration of the Austrian market means margins will be very tight and wholesalers can only manage relatively low margins compared to some other countries. Depending on the category of sporting goods, margins will vary. Higher margins can be obtained for small sports goods made of leather.
- Business contacts for sporting goods can be found at the appropriate section of the Austrian Chamber of Commerce (see chapter 6 for contact details). Commercial agents in Austria may also provide a point of market entry (<http://www.commercial-agent.at>).

3 Trade: imports and exports

Imports

- In 2006, Austria's imports of sports and camping goods were valued at € 411 million, or 55 thousand tonnes. Out of the 27 EU countries, Austria was ranked eighth largest (in value and volume), and as such is regarded as a medium-sized country for sports and camping goods imports.
- Between 2002 and 2006, Austrian imports grew by an average of 4.1% per annum in value (from € 351 million) and 9.5% in volume. Most of this growth occurred in the period after 2003 and more was imported from other EU countries such as Germany, Italy, UK and Bulgaria.
- Exports exceeded imports by almost 50% in value, but imports exceeded exports by almost 60% in volume in 2006. Imports are increasing more quickly than exports. The same period has seen a decrease in sporting goods production and a small average annual increase in consumption.
- Around 25% of Austria's imports, valued at € 105 million, came from developing countries in 2006 (37% by volume). This proportion was 19.4% in 2002 (29.7% by volume). China accounted for 48% of all developing country supplies by value in 2006, followed by Ukraine (32%) and Thailand (5.7%). Sri Lanka, Indonesia and Pakistan were also important suppliers. While China's supplies increased by 55% over the period, supplies from Ukraine increased by three quarters. Supplies from Brazil, Sri Lanka and Pakistan fell over the period. Most Austrian imports came from Germany and Italy.
- By product group, Austrian imports by value can be sub-divided as follows:
 - Virtually half of all Austrian imports were snow-related. The largest group was snow sports (various skis/snowboards etc) valued at € 138 million. Ski and snow boots were valued at a further € 67 million.
 - A further quarter of all imports were taken up by team sports (€ 65 million) and fitness and gym items (€ 46 million).
 - The remainder was taken up as follows: water sports (€ 18 million), camping goods (€ 15 million), balls (€ 12 million), golf (€ 12 million), fishing (€10 million), skates (€10 million), saddlery (€ 8 million), rackets (€ 7 million), table tennis (€ 3 million) and sports gloves (€ 1 million).

Exports

- Sports and camping goods exports from Austria were valued at € 608 million in 2006, representing 35 thousand tonnes. 75% of this was snow sports equipment and boots.
- Between 2002 and 2006, the average annual increase in exports was 3% by value and 6.3% by volume.

- There may be some re-exporting from the Austrian market, as exports significantly outweigh registered domestic production.

Opportunities and threats

- + The main growth opportunities for developing country suppliers are in snow sports equipment and boots. Both are traditionally strong domestic industries, but have seen impressive DC growth in recent years.
- + Other notable opportunities are in items for team sports, skates and fishing.
- + The large fitness group has not grown along with the average growth of imports, but DC exporters have nevertheless been showing strong increases in share.
- On the other hand, there have been falls in supplies of rackets, camping equipment and water sports.

See Chapter 7 of the CBI market survey "The sports and camping goods market in the EU" for more information on opportunities and threats.

Useful sources

- EU Expanding Exports Helpdesk - <http://export-help.cec.eu.int/>
- Eurostat – official statistical office of the EU - <http://epp.eurostat.cec.eu.int>

4 Price developments

- Prices of sports and camping goods in Austria have broadly been falling in recent years. Austrian National Statistics (<http://www.statistik.at>) does not specify prices of sports and camping goods, but the category of leisure and culture under which this falls has seen a price fall of 5% between 2005 and 2006. There is no reason why this trend should not continue.
- A useful website comparing sports and camping goods prices in Austria is <http://www.nextag.com>. The Karstadt Quelle German owned department store is represented in Austria. They feature prices of sports goods on their website (<http://www.karstadt.de>). Prices can also be found at the websites of some sports retailers in Austria. See chapter 2 for contact details.
- Falling consumer prices are underpinned by a trend of decreasing import prices, as the following table 4.1 indicates. These trends should be interpreted with care, as changes in imports do not reflect the demand.
- Compared to most other EU countries, average developing country prices have fallen at a slower rate than intra-EU import prices. This may be explained by Austria's intra-EU supplies coming from re-exporting countries, rather than from countries where the products were actually manufactured in the EU. In fact import prices from developing countries have started to slowly increase since 2004.

Table 4.1 Developments in Austrian average import prices, 2002 - 2006

	2002	2004	2006	ave. annual
	ave price	ave price	ave price	% change
	per '000	per '000	per '000	
	tonnes	tonnes	tonnes	
Total imports	9.21	8.34	7.51	-5%
Intra EU	10.49	10.26	8.46	-5.2%
Developing countries	6.03	4.94	5.18	-3.7%

Source: Eurostat (2007)

5 Market access requirements

As a manufacturer in a developing country preparing to access Austria, you should be aware of the market access requirements of your trading partners and the Austrian government.

For information on legislative and non-legislative requirements, go to 'Search CBI database' at <http://www.cbi.eu/marketinfo>, select sports and camping goods and Austria in the category search, click on the search button and click on market access requirements.

Detailed information on packaging can be found at the website of ITC on export packaging: <http://www.intracen.org/ep/packaging/packit.htm>

Information on tariffs and quota can be found at <http://export-help.cec.eu.int/>

6 Doing business

Information on doing business like approaching potential business partners, building up a relationship, drawing up an offer, handling the contract (methods of payment, and terms of delivery) and cultural differences can be found in CBI's export manuals 'Export Planner', 'Your image builder' and 'Exporting to the EU'. These can be downloaded from <http://www.cbi.eu/marketinfo> - go to search publications. For more information on doing business in Austria, visit the following websites:

- The Union of Sporting Goods Manufacturers and Retailers (Verband der Sportartikelerzeuger und Sportausrüster Österreichs) can be reached at <http://www.vssso.at>. This site provides links to other individual sports associations in Austria.
- The Association of Leather, Toys and Sporting Goods (Bundesgremium des Lederwaren, Spielwaren und Sportartikelhandels) is under the auspices of the Austrian Chamber and can be contacted at <http://www.sportartikelhandel.at>. Here you will find links to sports retailers.
- There are various exhibitions on individual sports in Austria, such as the Vienna Boat Show (<http://www.viennaboatshow.at>), which covers water sports, or the Hunting and Fishing Show in Salzburg. The Ösfa Sports Fair in Salzburg each August is organised by <http://www.mgc.at>.
- The website of the magazine for the Fitness Industry in Austria can be reached at <http://www.fitness.at>. There is also a publication called Magazin Top Times (Magazin für Fitness und Sport).
- Other sports websites in Austria include <http://www.sport.austria.gv.at>, <http://www.fitfueroesterreich.at>, <http://www.topsportaustria.at> and <http://www.tagdessports.at>.

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