



Hello 2011: Does your website feature user reviews? If not, that may be a big mistake.

With luxury vendors around the world eager to move past recession for good this year, executives must know all about how their customers' buying habits are changing. And changing, they are.

Nostalgia Marketing: The "New Retro"



In terms of the economy, we're all waiting for the other shoe to drop. Whether they've been actually battered or it's merely self-inflicted, the affluent are weary. Such uncertain times mean at least temporary comfort can be found in looking back to fond memories of happy days-gone-by. Not only will "nostalgia marketing" drive trends in 2011, but for years to come until the deep effects of global recession subside.

Vintage consumption is flourishing online and off. Call it the renaissance of retro, from once-passé décor aesthetics, to traditional barbershops for classic haircuts, to old fashioned sweets appealing to our inner child. Even the colors of yesteryear are back.

Honeysuckle pink, specifically Pantone 18-2120 TCX, is the new-crowned hue of 2011. It recalls the lipstick our mothers wore, or maybe the tile in our '50s bathrooms. Crops of new restaurants pay homage to American culinary classics. Vintage spirits and forgotten cocktails are quaffed anew. In a nod to tradition and technology, AMC's Mad Men Cocktail Culture smart phone app helps users master the forgotten art of cocktail mixing. And in a campaign throwback, Mr. Peanut, the iconic Planters Peanuts character, has begun to talk (the voice of Robert Downey Jr.) for the first time in the 94 years since he was first introduced with the hope of "charming" consumers.

Tapping revived interest in forgotten fruits, veggies and animal breeds, "heirloom" businesses offer rare vintage produce. [Lost Nation Orchard](#) in New Hampshire offers orchard shares of Russian apples that arrived in the U.S. back in the 19th century. [Chatham Marketplace, a food co-op in North Carolina](#), sells vintage varieties labeled with histories of their origins. Meanwhile, Thomas Jefferson's Monticello holds an annual Heritage Harvest Festival, bringing back old-fashioned gardening, local food and preservation of heritage plants.

Nostalgic travelers are ringing cash registers where happy memories were once made. Beset with budget cuts, the U.S. [National Park Service](#) hopes to inspire nostalgia with [historic park brochures](#) on its website, including a vintage 1913 one from [Crater Lake National Park](#). Officials hope to evoke childhood memories of family vacations long past, when mom and dad might "see the USA in a Chevrolet" on a cross-country jaunt when gas was a quarter a gallon.

Train travel is also hot, evidenced by the number of new luxury trains launched in the past year. Not only does it seem green, it's a comfortable way to maximize leisure time, enabling distance travel, minus packing, flying or driving. India is fast emerging as a favored Southeast Asian tourist magnet, at least in part due to its advanced rail infrastructure. The Maharajas' Express, India's first state-of-the-art cross-country train, offers guests luxury, crossed with exotic excursions. Princely and Royal India journeys take guests from Mumbai to Delhi and travels through the heart of regal India, including stops in Vadodara, Udaipur, Jodhpur, Bikaner, Jaipur, Ranthambore and Agra.



Luxe Mobile Commerce Still Lacks Some Savvy

In 2010, mobile shopping activity began to have a noticeable influence on ecommerce sales. Shopping-related Google searches from mobile devices were up 230% by mid December, reported Internet Retailer. With this in mind, consider this eye-opener: Among 72 of our best-known luxury brands, none bother with user reviews, even though they are now catnip to most prospective buyers. That's according to Luxury Lab, a New York think tank for digital innovation. Its recent ["Digital IQ Index: Luxury"](#) reviewed websites, social media, digital marketing and mobile apps of 72 luxe vendors. Findings? Besides the lack of

user reviews, just three offer live chat, and only two let Facebook fans “like” them. Among all 72, only five engage in a “commerce-enabled mobile experience.”

Luxury brands always viewed return-on-investment as a sales barometer, but they must now look closely at potential online revenue. For example, few consumers buy cars online today, though that may yet shift. But decisions about what car to buy are made almost entirely online. “We could not have been more wrong in our expectations of the internet,” Alex Bolen, chief executive of Oscar de la Renta, recently told *The Economist*. The news? An online order from one new customer for an \$80,000 sable coat. Entrepreneurs are so sure that the affluent market is ready for seven figure art sales online that the [VIP Art Fair](#), debuted this month – an online only auction featuring some of the world’s most prestigious galleries and artists.

Mobile Apps Transforming the Luxury Space



This smart phone software extends a brand’s personality. They create new touch points with customers, giving them anytime/anywhere access. They reach a younger more tech-savvy audience, in the hopes of building brand loyalty at a younger age.

High-end players are offering innovative touches such as [Gucci’s](#) ‘Little Black Book’ feature offers users how to live a “Gucci Lifestyle” with for hip hotels, restaurants and bar recommendations in 20 cosmopolitan cities, or its Gucci Music Channel, which streams cool sounds continuously, giving a ‘heads up’ about exclusive events. Louis Vuitton is flaunting brand history via mobile app by showcasing 150 years of history featuring its legendary luggage in video footage and images.

Other ground-breaking strategies include [augmented reality](#) and 3D experiences, letting consumers “try on” jewelry, watches, clothing and handbags online. Tag Heuer, the luxury watchmaker, recently demoed one new app calling for printing out a paper wristband. The consumer puts it on, holds it up to the screen and sees various watches appear on the band. Digitally forward, it interactively places product in the “hands” of consumers, all without “tarnishing” the brand’s luxury image.

Apps can be central for hospitality brands for creating better relationships with their customers by being able to serve guests better before, during and after their stay. The end result is to create more brand loyalty.

The St. Regis New York just launched its [E-Butler app](#), allowing guests to interact with staff butlers and concierges. Also utilizing [augmented reality](#), the [mTrip app](#) super-imposes helpful travel information over the actual view of the city, displays real-time directions, distances, prices, traveler ratings as well as whether a point of interest is open or closed. Airlines let mobile passengers book flights, check in and manage rewards programs. Within weeks of launching its [new iPhone app](#), Continental Airlines provided services to tens of thousands of passengers and generated significant ancillary revenue.

The numbers are big, powerful and persuasive: Travel booker Lastminute.com reports mobile devices searching its site rose 300% in 2010. Hilton Hotels & Resorts earned \$40 per \$1 invested in mobile in 2009. Priceline.com says 82% of mobile customers book hotels within one day – compared with 45% online. Industry-wide, mobile app budgets are forecast to increase 59% in 2011, up from 45% 2010.

[Farelogix](#) Inc., a provider of distribution technology and services for the travel industry, predicts 50% of all ancillary transactions will be made on mobile devices in 2012.

Reach Out and Touch Someone: 2.0



Marshall McLuhan, a ‘60s visionary, spoke of “high tech, high touch.” He predicted a search for meaning, a yearning for community, and a desire for deeper relationships to balance rapid technological change. We see this all around us today. Whether due to our global society, recession, unemployment, telecommuting, today’s 24/7 digital work life, or maybe even that infamous 50% divorce rate, all these forces combine to create a renewed desire to reconnect and share. Twitter, Facebook, Yelp, Match and its endless dating permutations facilitate just that. Via these social media, friends and strangers alike share information, experiences and bond around common interests like

never before.

The social media side of travel is big business. InterContinental Hotels Group recently unveiled its “social hub” concept for Holiday Inns. This redesign combines bar, food, beverage, and lounge into one space. Livelier settings appeal to lonely business travelers eager to mingle. One of the newest Facebook apps is [Find a Flight Buddy](#), linking compatible travelers aloft. The heart of New York’s [Ace Hotel](#) beats in its lobby, where long reading-room tables lit by cozy brass lamps, create an inviting atmosphere that’s ripe for conversation. Food will always be a social catalyst, with communal tables, [food halls](#), [farmers markets](#), bar dining and Yelp meet-ups all playing a role. Destinations are linking travelers with local residents – people with stories to tell, or passions and expertise – in the locophile movement. Travelers may dine with locals in [Holland](#) or families in [Italy](#), visit with monks in Thailand, or party with club kids in [Reykjavik](#).

Designers with a touch for tapping social psychology face increasing demands for their service, as more and more brands seek out forms that foster social interaction. Already, a limited edition dining table created to bring people together is on the market: “Phantom,” designed exclusively for [stilwerk](#) by GRAFT architects.

Brand Extensions Thrive In Food



Tried a bustrant yet? Full gourmet restaurants on a bus are hot destinations for niche dining. A Latin burger and taco truck finished among Miami’s top-38 restaurants on a recent Eater.com list of the best spots in a food-crazed town. Grilled cheese, ribs, cupcakes and dim sum are among the gourmet comfort eats heating up these buses and trucks. Even [restaurant chains](#) are getting in on the act. Subway, Sizzler and Johnny Rockets set mobile units rolling. Hotels known for haute cuisine are also jumping aboard. The Setai in South Beach launched the first gourmet hotel Beach Trailer, serving signature Setai ceviche and Wagyu, alongside hot dogs, salmon burgers and sushi, all washed down with specialty drinks, wine or champagne. Fans of food trucks can easily find their prey via live tracking tools, such as [RoadStoves](#) and [LA Street Food](#). Mobile apps [Mobile Cravings](#) and [Mobi Munch](#) use GPS for real time updates and location news feeds. Technology propels the food truck movement forward and creates more mobile cuisine opportunities for chefs, restaurateurs and foodies.

Cook and diet books have topped bestseller lists for years. More and more cable TV channels dramatize edgier fare and ethnic cuisines, with instant updates on the food world. And we can’t forget the influence and reach of qualified bloggers. Tapping into this power, we recently spearheaded a food bloggers camp at a Mexican resort. Three of the bloggers/seminar leaders alone reach a total of 5 million unique visitors per month and have 187,440 Twitter followers.

Even fashion has a big crush on cuisine. Skinny models have to eat sometimes, too. Barney’s New York featured today’s food icons - Anthony Bourdain, Paula Deen, Ina Garten - in its Christmas window displays. “Our customers want to eat at the new Batali place (Eataly), as much as they want the new Celine bag,” said creative director Simon Doonan. With recipes by fashionistas such as Isaac Mizrahi, Carolina Herrera and Derek Lam, the new *American Fashion Cookbook* is a chic objet. Featured are hors d’oeuvre, digestives and original illustrations by more than 100 top American designers. So popular is the home’s busiest and most important room that [MoMA’s Counter Space](#) exhibition celebrates and explores the 20th-century transformation of the kitchen.

In 2011, culinary travel trends will continue as food is used to beef up revenue streams. The economic squeeze is encouraging some small scale farms to embrace the locavore trend. Meanwhile, agri-tourism, marrying farming and tourism, is becoming another way to earn a living. Likewise, Michelin, the famed tire company known for its hotel and restaurant guides, launched its new “experience” brand. [Michelin Food & Travel](#) offers more “cultural authenticity” for travelers, such as private kitchen demonstrations, wine tastings, truffle hunts, even behind-the-scenes access to Michelin-starred restaurants. In addition, magazine publishing giant Condé Nast created a new division, called [Condé Nast Restaurants](#). These are cafes and restaurants around the world, aimed at strengthening the power of its brand. Fashion houses are following suit. Witness Ralph Lauren’s Ralph’s on the Left Bank in Paris for a taste of Americana, or Swarovski’s Café Kristall for some haute Austrian delights.

The latest attractions at hotels are [farmers markets](#). Pioneered by Alain Ducasse at [Paris’ Plaza Athenee](#), Market Day is a “celebration of sustainable food,” a delicious display of pick-of-the-season produce and provisions. Similarly, [Andaz Wall Street](#), Boston’s [Charles Hotel](#) and [Canyons Resort Park City](#), now put on markets celebrating local produce and purveyors.

About KWE Partners

For over 30 years, first in New York City and now in Miami, [KWE Partners](#) has been an [award-winning](#) strategic marketing and public relations firm that specializes in luxury travel, lifestyle and real estate.

Creator of the [KWEst PROcess](#) for strategic market positioning and product development, we develop innovative solutions for industry [brand leaders](#), from global hotel brands, boutique hotels, spas and resort developments, to destinations, airlines, cruise lines and travel technologies. Whether it's rebranding an established business or destination, or launching a new product or service, we get results. We do this by identifying and developing marketing strengths, tapping into lifestyle trends and opening doors for strategic alliances.

As thought leaders in the travel industry, we go to great lengths to identify emerging trends so clients can benefit from changes in the marketplace. We deliver the latest travel industry analysis and forecasts through our internationally syndicated *Luxury Travel & Lifestyle Trends* [newsletter](#) and [blog](#).

Agency President & Chief Strategist, Karen Weiner Escalera is a sought after speaker and member of the Luxury marketing Council's International Advisory Board.