



Luxury Travel and Lifestyle Trends To Watch in 2009

December 2008

Poor millionaires. “The era of conspicuous consumption, at least for the foreseeable future, has come to a close,” says “Why We Buy” author Paco Underhill. “Consumption will still happen. It’s just not going to be as public.” In one striking example, relayed by Underhill to the *New York Times*, an Audi S4 buyer, before taking possession of the German luxury car, asked that the nameplate be removed. I predict a growing embrace of unbranded, but premium, products appealing to consumers’ pragmatic side. In practical terms, although the affluent may not actually *be* poor because of the recession, psychologically, they may *feel* poorer. Suddenly it’s chic to mention shopping at consignment stores and sample sales while trolling for low prices on eBay. Recessionistas and frugalistas are taking the place of yesterday’s fashionistas. Affluents are feeling compelled to search for value and deals: keywords for today’s times.

Anti-trends. Fashion trends imposed from the top down are becoming yesteryear’s phenomenon. Even labeling products “trendy” may well be a death knell. By the time the mainstream learns that something is “hot,” it will have already been replaced. Armed with unlimited information from the Internet, blogs and other forums, consumers are less likely to follow marketplace dictums and more likely to be inspired by peers from around the world.

Replacing long-term trends, micro-trends are bubbling up from fashion e-tailers, who can now present the newest and latest style or fashion, quickly evaluate its success, and instantly shift gears based on consumer response. They can easily reach a global consumer pool of 1.4 billion Internet users. Traditional designers and storefronts can no longer keep pace with this degree of audience reach and influence.

What does this mean for hotels and designers? Unless you’re part of the “pop-up” phenomenon (a hotel, restaurant, shop, or club that exists for a few weeks or months only), being “trendy” risks immediate obsolescence. As a result, expect to see a polarization of design. Style will either be very much “of the moment” or else a timeless classic - with little in between.

Female fever. Long ago, James Brown wailed, “*It’s a man’s, man’s, man’s world.*” No more. Data shows two of three new businesses are started by women, who now outnumber men in graduate and law schools. That education directly translates to income. Consulting firm A.T. Kearney estimates that women determine 80% of consumption, purchase 60% of cars and own 40% of all stocks. Little wonder, then, that more and more companies are showing signs of “female fever.”

Savvy real estate developers, retailers and marketers are tapping women in every stage of creating new products to get things just right. Much is at stake. A recent Boston Consulting Group survey of 1000 affluent women gave the lodging industry a dissatisfaction rating of 39%, even worse than the airline industry. Hotels have been slow to appeal to this burgeoning market, seldom going beyond promises of female-only floors and pampering services.

Statistics show women are traveling alone or with female companions (sisters, mothers, best friends) in record numbers. Expect female-friendly offerings and getaways to multiply. The most successful will stratify by special interest (women and wine, adventure women, surfing women, cancer survivors, etc.). Look for more effective facilities and services for women, especially targeting CEOs and entrepreneurs and women’s political and social groups.

Tradition connects. The recent financial meltdown accelerated an already renewed emphasis on traditional values, altruism and humanity. Now, more than ever, we desire to connect with family, friends and those with common interests. The phenomenal success of social networking site Facebook exemplifies the trend.

Social media and private online communities are bringing together like-minded travelers before, during and after their travels. SeaDream Yacht Club, Hyatt and American Express all use online communities to connect members, guests and passengers in advance of their travels to share “insider” experiences. Products that build on this bandwagon and help ease human connections will gain converts who remain loyal long after the trip ends. Interior designers are on the same page. From communal tables in restaurants to hotel game rooms and private lobbies, they are creating features and facilities to foster interaction. An ideal pedigree for a designer in these times? A psychology degree.

Home-made. “We’re living in a Karaoke world,” says cultural gadfly Malcolm McLaren. By that, he means everyone can now think they are a star. Retailers are letting consumers create and market products. Finnish fabric and interior manufacturer Bon Bon Kakku’s new Website lets creative consumers design their own fabrics and offer them to the masses for voting, comments and purchase. Also, Naked & Angry just launched a line of user-designed wallpaper and then there’s design-your-own baby shoes. Look for smart brands to tap this global collective: the skills and ingenuity of 1 billion online consumers around the world. This not only keeps buyers stimulated with an endless variety of ideas and new goods, but also increases a brand’s attractiveness to patrons, old and new.

Localism reigns. Expect affluents’ choices in home-swapping and the vacation rental market to grow. Many services are cropping up to meet demand. TradetoTravel.com is a luxury vacation home exchange service with a portfolio of 400 vacation properties valued between \$1 million and \$20 million. Uniquely, they meet any preferences in houses, designs or themes. If they don’t have a property in a particular destination, they’ll “die trying” to find one. Not easy, but a surefire successful new business opportunity: an internationally recognized and respected Michelin-like recommendation system for alternative luxury lodgings worldwide.

What’s the appeal of this option? Tuned-in travelers want authentic experiences, the chance to interact in local neighborhoods, by living, eating and paying local, non-tourist prices. “Localism” is the new moniker. Baby boomers, in particular, have the time, savings and desire for intercultural pursuits, such as shopping at local markets for groceries, having a coffee at the neighborhood café, or practicing their foreign language skills at the dry cleaner. They want neighborhoods with mom and pop stores, with nary a tourist around. Good examples: New York’s Williamsburg and Miami’s Calle Ocho.

Transformational travel. Look for the next big travel frontier in buzzwords such as “personal growth” and “self actualization.” Spiritual curiosity and a passion for transformation are among man’s oldest travel motivators, as in the Native American vision quest or the Australian Aborigine walkabout. Since time began, people have visited sacred sites for healing, inspiration and guidance. Places such as Teotihuacan, a sacred Aztec site near Mexico City, Peru’s Machu Picchu and Tibet’s Mount Kailash are rising in popularity.

The appeal is wide. The young may travel or work to gain valuable life experiences before launching a career. Adults may take career sabbaticals to recharge batteries, explore new life directions, see more of the world or fulfill lifelong dreams. Boomers use post-retirement leisure to pursue passions and give something back. Travel operators, such as Trailfinders and Explore, are tapping this trend by marketing 28-week trips exploring continents, and 3- to 6- month work placements in schools, orphanages or charities in India and Africa. Travel products that deliver on this will produce happy customers who spread tales of enlightenment or transformation, converting them into the most effective recruiters.

With best regards,



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