

Luxury Travel and Lifestyle Trends

From The Desk of Karen W. Escalera

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LUXURY MARKETING IN A WORLD OF TWEETS AND TEXTS:



May I have your attention? Please??

Not too long ago, only birds tweeted. Now, Twitter, that tiny cousin of the text message, is becoming a preferred public forum. Not only are people tweeting personal tidbits among their "followers," but so are business owners discovering this newer marketing tool. The savviest now realize that achieving marketing success means figuring out how to rivet the attention of consumers obsessed with their sleek mobile devices. Like never before, we cannot live without our everpresent smart phones.

According to the Luxury Institute, the wealthiest sector is among the most "switched on." Some 32% of affluent consumers follow blogs or vlogs, while 22% have executed a transaction via a mobile device. They respond well to digital messages with sound bites and ample images or video.

Heightening this frenzy are ever shrinking attention spans: a serious marketing barrier. You cannot win hearts and minds if you cannot first capture someone's attention - fast. You also must learn how to reward prompt responses from your audience. The implications are huge for marketers and for new product development, as fickle consumers constantly seek new, different and exclusive.

As more lives are organized around data received and sent via smart phones, those who depend on these devices are conditioned to handle information in tiny droplets. Twitter users condense their comments to 140 characters or less. Text messages average 160 characters and take 2.7 seconds to read. "Twitter may go away," notes one top media guru, "but what is here to stay is communicating with 140 characters."

In the travel industry, smart phones and their myriad mobile applications are key tools for customer relationship management and traffic building. These devices are rapidly becoming central to boosting revenues - beyond guest rooms and cabins - everywhere from the food and beverage sector to golf courses and spas. Starwood hotel guests and Lufthansa airline travelers, for example, can receive text messages, informing them of package arrivals at the front desk, room status, gate changes, flight cancellations or delays.

But nearly infinite room exists for innovation. Wendy Perrin of *Condé Nast Traveler*, envisions "getting a text when your flights lands asking if you'd like to place a room service order in advance of your arrival" or "receiving a text from the spa reminding you of your 3 p.m. massage. Or, tweeting that an 8 a.m. tee time has just become available and the first guest to respond gets 30% off." Such personal "pocket concierge" tactics can easily wow customers by creating real time user experiences while rewarding prompt responses to limited offers.

Which applications could expand your customer base?

Destinations might note iPhone's "Metro Paris Subway" app. Besides maps and a route planner, it finds your nearest Metro stop, updates service disruptions, and overlays such goodies as luxury stores, secret sales and trendy restaurants. Then, there's Virgin Atlantic's iPhone app for nervous fliers. The airline first hit a home run with a fearful flier course in 1997. Now, its new mobile app, "Flying Without Fear," covers similar ground. After a personal pep talk by Sir Richard Branson, white knucklers see videos on such topics as turbulence and wing movement. Users can even click on a "fear attack button" for a breathing exercise and Virgin's reassuring words: "This is natural. We know you're scared. You will be ok."

Micro-luxury is a hot business tactic that allows luxury brands to maintain their price and brand integrity while creating new markets for scaled down versions of the real thing. This price point allows consumers to sample. Instead of a \$25 Wagyu beef burger, think: a slider. This Lilliputian notion is why small plate dining is gaining

culinary traction these days. The lower price makes sense for luring new customers to savor a dozen different taste sensations in one meal. Consumers choose what they want and the order in which it arrives: a DIY tasting menu.

Even ultra-luxe British carmaker Aston Martin is miniaturizing, with its new Aston Cygnet. To buy one, you must already own a full-size Aston Martin. Since many customers already own a mini car like a Toyota iQ, Aston says, they are serving their client's needs while lowering the fleet's CO2 emissions. Cleverly, they have created an in-house \$45,000 accessory for a big \$285,000 Aston, a ploy that doesn't damage the brand's exclusive image.

Before the 2008-09 recession, hotel suites and penthouses spelled luxury. They still do. But Dream and Fly hotel is an hourly micro-hotel concept for those dreaded layovers in airports, seaports or big events. Modular rooms boast a myriad of high- and low-tech amenities. Meanwhile, hotel spas are also shifting towards briefer and consequently, lower priced treatments to goose bottom lines. Hashani Spa at the JW Marriott Starr Pass in Tucson promotes 30-minute facials and massages. Santa Fe's Ten Thousand Waves features a full menu of 25-minute treatments. The Fern Tree spa at Half Moon in Jamaica offers a spa sampler - free mini treatments from 10-11am so guests can test drive various offerings.

Why the pop-up phenomenon may last. By definition, short attention spans easily lose interest. That's why so-called pop-ups are flourishing in every shape and size across lifestyle categories. Products and services are morphing every few months while tying into compatible events. Not always pricey, pop-ups give consumers something they can perceive as an exclusive discovery, to be grabbed "while it lasts."

Scoop After Dark is a New York fashion retailer "swing shop" that features a new concept six times yearly. Even the name could change at turnovers. Merchandise is fresh and inventory is low, so "sales" are unneeded. Likewise, luxury retailer Saks Fifth Avenue is promoting more exclusive lines to stand out from rivals, grab market share and boost profits. Dunhill, the men's fashion house, revitalized its dated image in February with a 7-day "momentary installation" - a replica of its London home at Bourdon House with the entire Alfred Dunhill 2010/11 collection. Neatly coinciding with New York Fashion Week, visitors could purchase limited edition Dunhill items, a unique take on the pop-up mould. In the same vein, Omega hosted a 4-month pop-up store in Vancouver's Fairmont Hotel during the Winter Olympics to feature its limited-edition Vancouver 2010 watches.

Restaurants are embracing pop-ups, too. Some use three-month seasonal menus. Others use guerrilla gourmet dining clubs: strictly word-of-mouth, unlicensed, underground restaurants in unmarked buildings, blind alleys and urban caverns. Hipness is the attraction: the 'I-know-something-or-somebody-you-don't-know' feeling that comes with being on a VIP list.

Pop-up hotels are ubiquitous in 2010, a new wave of cool, movable accommodations. To coincide with soccer's World Cup, bespoke tour operator Sports Escapes will erect luxury tents overlooking 7,500 acres of privately-owned South African wilderness, home to zebras, giraffes and leopards. In Switzerland's remote village of Les Cerniers, a 15 geodesic-dome pod "resort" surrounds a central chalet. All feature wood-burning stoves, lustrous bedding and full baths, with cow skin rugs on floors and sheep skins on beds. UK architect Tim Pyne boasts perhaps the most ground-breaking pop-up: M-Hotel in east London's fashionista Brick Lane. Made from shipping containers, it can be moved anywhere and set up in 3 days. Most fun is how consumers can choose exterior décor. Thanks to a changeable outer film, it can be adorned with anything from psychedelic stripes to swirling florals.

How to keep your brand, well, brand new. All brands need a personality, a unique, authentic soul that inspires a passion in people. Think of Virgin's rebellious founder Sir Richard Branson, or Apple's charismatic leader Steve Jobs. They personify their brands. Their distinct personalities permeate their products while somehow managing to speak directly to customer "psychographics" – groups of customers categorized by lifestyle. Joie de Vivre, a California designer hotel company, is known for themeing its hotels around niche audiences for magazines. Each hotel reflects the personalities of intended guests, with designs, themes and amenities tied to Rolling Stone (Phoenix Hotel, San Francisco), The New Yorker (Hotel Rex, San Francisco), Wired (Hotel Avante, Silicon Valley), Fast Company (Wild Palms Hotel, Sunnyvale), Town and Country (Hotel Los Gatos) and Yachting (Water's Edge, Tiburon).

Like never before, brands need a certain "x-factor," first to gain consumers' attention, and, then, to keep them loyal. Cutting-edge hotels usually have leaders immersed in the lifestyle, making the brand all the more remarkable. Thanks to its singing waiter, Alex, the Egerton House Hotel was TripAdvisor's #1 guest-rated London hotel last summer.

New York City's Roger Smith Hotel, a boutique hotel in a city full of them, is committed to "great ideas, creative and entertaining interaction with the city," assures its Website. Even the staff member photo on the home page emphasizes a warm smile and open shirt collar. The same welcoming personality is expressed in Roger Smith Arts, the hotel's own production company, which offers concerts and art projects for guests. The hotel is an "it" spot for social

media and internet entrepreneurs who use the place for social media workshops and parties. Of course, booking is by text message, with Twitter discount rates.

It cannot be said often enough: Social media like Twitter, Facebook and LinkedIn are invaluable channels for connecting with customers and making personality come alive in your brand. People prefer brands with a personality that treats customers like real people. Social media tools, blogs, and photo- and video-sharing sites are perfect for showcasing the unique, authentic "face" and soul of your brand.

With best regards,

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For over 30 years, first in New York City and now in Miami, Karen Weiner Escalera and her firm's KWE group have been among the nation's leading strategic marketing and public relations experts in luxury travel, hospitality and real estate. Creator of the KWEst PROcess for strategic market positioning and product development, Karen has worked for brand leaders in all segments of the industry. Named one of the "Top 25 Most Extraordinary Minds" in hotel sales and marketing for 2008

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