



It has been a roller coaster of an economy, and that unpredictability has had an impact. New Year's resolutions will have consumers looking for more fun. They'll want to play games. Be entertained.

Consumers will want something that enhances their product or service experience - but at a discount. They are savvier than ever before and are making informed choices by researching untold numbers of social networking and user review sites. The daily deal industry, which became an industry almost overnight, has shaped the way they shop. These changing values and consumption habits are driving how we do business.

All of this combined with a rapidly changing environment means that brands will have to constantly innovate. As fashion designer Josie Natori said to us recently, "If you think you're ahead of the game, you're already behind."

Here are seven emerging trends, which we see shaping marketing strategies as 2012 approaches....

## 1. THE HUNT FOR VALUE: ENGAGING AND ENTERTAINING

Affluents search for value was first a perceived necessity borne of a weak economy. Then it became a status symbol, the mark of being a smart consumer.

Now it's also about the search itself: deal hunting needs to amuse, to be fun. Look for more *gamification* as brands will have to engage and entertain to build brand loyalty. Jimmy Choo created a virtual scavenger hunt to introduce its first sneaker collection - "[Catch a Choo](#)" - a quasi-scamper hunt around London. When followers saw that a pair of sneakers had "checked in" somewhere in the city, the first to arrive there before the sneakers "left" could pick a pair in the style and size of their choice.

Gamification is becoming one of the hottest trends in world travel. Tour operators, hotels, and airlines are successfully offering mystery weekend trips for loyal customers/fans by either a contest, auction or discount to unknown destinations with surprise itineraries. The secrecy adds an extra dimension of excitement to the travel experience.

## 2. A NEW LANGUAGE OF LUXURY

Luxury buzzwords over the past few years have been *authentic*, *artisanal*, *vintage*, and *heirloom*. Expect these to continue to resonate in 2012. Travel surveys we conducted this year, from spa media to wedding planners, indicate that the affluent still crave products and experiences that are authentic and offer a sense of place, in everything from food and décor to destination offerings and entertainment.

But take care. The tide will change by year's end as certain buzzwords become adopted by the mass market. When Domino's introduces "artisan pizzas" and Burger King rolls out burgers on "artisan buns" you know it's the end.

What will replace these words? Luxury vocabulary will need to be more evocative, charismatic and precise - *precious*, *rare*, even *sacred* will better describe what we're selling. If possible, avoid adjectives altogether. Successful images tell the brand story. The prose? Think good journalism: it describes.

### 3. DIFFERENTIATION BY LIFESTYLE IMMERSION

Online shopping has finally overtaken traditional shopping according to a [new study by American Express Publishing and Harrison Group](#), and 2012 will be the year of reaffirming traditional retail. To be able to draw shoppers from online retail back into the real world, brands must up their game. Quite simply, people want to experience more.

[British label Alfred Dunhill](#) championed a branded lifestyle world by recreating the namesake's home into a store housing numerous artifacts and pieces of his earliest collections. The three-storey 'Home' immerses consumers in a full shopping, dining and grooming experience with a branded bar and café, a movie viewing room, a bespoke tailoring room, a leather goods area, a spa, a barber and old-fashioned gentleman's club.

Hotels will need to ratchet up offerings that entertain, educate and transform for special interest groups. Some of the more original offerings include The Dorchester's [Niemierko Wedding Academy](#) for those aspiring to a career in wedding planning. Because the décor by famed designer Dorothy Draper is so much a part of [The Greenbrier's](#) identity, those keen on interior design can enroll in its new Dorothy Draper School of Decorating. We've created a [Mommy Bloggers Camp](#) at Mexican client Velas Vallarta, a mini-conference/ getaway for professional and aspiring parent bloggers to learn and get professional blogging tips and advice from expert speakers.

Look for more innovative lifestyle hotels that cater to those passionate about micro-niche lifestyle interests. Some good examples: [The Food Hotel](#) in Neuwied, Germany is a supermarket themed hotel that is furnished with stools made of beer crates, cushions that look like biscuits and chairs that resemble shopping carts. They teamed up with thirty-six of Germany's biggest household food brands to each design a unique guestroom. Guests can then choose which snacks, beverages and marketing campaigns they would like to spend the night with. And as couples can get hitched quickly in Vegas, there's a hotel to help you get unhitched - the [Divorce Hotel](#) in the Netherlands offers single rooms, mediators, notaries, even psychologists and other specialists to help couples getting divorced at a fraction of the time and cost.

Museums are also evolving into the lifestyle space by adding to their retail and dining offerings with cultural education programs such as [painting, culinary, glassblowing, ring making, silk screening and letter press printing](#) workshops.

### 4. THE NOW FRONTIER – CONTENT MARKETING

[Content curation](#) was last year. 2012 is for [content marketing](#).

The essence of content strategy is that instead of pitching products or services, you deliver consistent, ongoing valuable information to buyers, making them more intelligent. You also engage, reward and entertain them with the overall business goals of customer conversion and customer loyalty/retention, thus creating passionate subscribers.

Some key content marketing ingredients:

- **Insider insights** can help grow audiences; interviews, behind-the-scenes photos and “a day in the life” stories can provide that sense of insider privilege that clients are looking for.
- **Create rewards** for Facebook likes and followers, which allows fans to become part of an inner circle ([Kimpton rewards fans with periodic passwords that earn guests a surprising reward, from room upgrade to F&B benefits at check-in](#)).
- **Hold online events** with limited attendance. This can be anything from a sneak preview video to early access to new stuff.
- **Be invitation-only** to increase your following for that sense of being “part of the club” feeling.

- **Seek feedback** through comments, contests and quizzes. The more you seek their opinions, the more they'll come back.

## 5. MARKETING FUNCTIONS CONVERGE, TRANSFORM

Social media: is this a function of PR? Ecommerce? Advertising? Management? Its part of all the above. And as digital marketing and e-commerce are converging, Facebook can be both a marketing AND a distribution channel with "f-commerce" capabilities on fan pages.

This blurring and blending of marketing functions is creating new marketing disciplines, and is leading to new jobs and titles such as "community managers," "content managers" and "relationship leaders." Traditional marketing disciplines and their roles need to be redefined. Hats off to the [Public Relations Society of America](#), which just launched a major initiative, with the help of crowd sourcing, to redefine public relations for the 21st century.

Companies will also need to think about hiring a different way, looking for marketing staff with more varied skills. They'll need people with solid, versatile, editorial skills; who can write blogs, white papers and slide presentations; that can conceptualize and perhaps even edit video. Brands will need content marketers who match their demographic. Those in social media roles most likely need to be like the customers they're serving, or at least must be able to walk comfortably in their shoes.

## 6. ADAPTABILITY- THE NEW COMPETITIVE ADVANTAGE

Boston Consulting Group recently released "[Adaptability: The New Competitive Advantage](#)", a white paper about the blurring of industries and constant need for recalibration strategies to meet changing market needs. It cited the desirability of a non-hierarchical corporate model with modular units that change depending upon the project.

What was most interesting, they highlighted a model that emulates an ecosystem of co-dependent companies. "Through broader signal detection, parallel innovation, superior flexibility and rapid mobilization, multi-company systems can enhance the adaptiveness of individual companies". The example: Apple and its system of suppliers, telecom partnerships and independent application developers to support the iPhone. As Stephen Elop, Nokia's CEO wrote to his staff, "Our competitors aren't taking our market share with devices; they are taking our market share with an entire ecosystem."

## 7. MINI INDULGENCES, VIP FOR A FEE

The Spanish tapas concept – meaning "little plates" - has boomed and is now being adopted across industries. The appeal? It affords product and service sampling, there's a social aspect of sharing, and of course the price. No need to go with the full tasting menu: choose what you want, customize it, and pay less.

Small luxuries can just be about a treat to feel good or something you need that's usually inexpensive, but you'll pay a little more because of the packaging, the branding and the experience that comes with it. Case in point: consumers lined up around the block for the launch of Tom Ford's new \$48 lipstick and for the opportunity to meet the man himself.

Look for growth in mini-indulgent services. Spa "tapas" are being offered at some of the top spas around the globe, allowing guests to pick and choose from a variety of abbreviated treatments. Want a first class travel experience without the full fare? Munich Airport just opened a [VIP wing](#). London's [Heathrow by Invitation](#) provides clients with personalized VIP airports services (airport transfers, private entrance and lounge and a dedicated VIP team, limo-to-plane transport. And American Airlines launched its [\\$125 Five Star Service](#), one-on-one airport service that includes meeting customers curbside or at the arrival gate; assistance at check-in and with baggage; escort through security, immigration, customs, to the gate for pre-boarding and baggage claim.

And while the notion of hotel rooms by the hour is historically notorious, some luxury hotels are embracing daytime stays and renting rooms by the hour, which promotes sampling and fills up rooms that would otherwise be vacant.

Day rates allow shoppers to rest their weary feet, and gives transient travelers a refuge for layovers or a late plane. (New York's [The Marcel at Gramercy](#) [Le Parker Meridien](#)).

All this being said, there's still a market for full blown indulgences, with luxury purveyors always trying to raise the bar on exclusive, most expensive and rare offerings – from Virgin America's unique, once-in-a-lifetime offer to jet away with your closest 145 friends on a jumbo jet that has your name on it, to a special-edition Ferrari FF complete with matching leather luggage set. All of the 10 limited edition units priced at \$395,000 each sold out in just 50 minutes.

## 8. THE RENTER ECONOMY

It's been a growing trend over the last few years: the desire for less responsibility and the growth of fractional ownership in everything from real estate to jets, even olive groves. Consumers have been reluctant to commit money and responsibility in the recent economic environment, but they're still looking to collect as many experiences as possible.

Now we're taking it to the next step - it's all about renting and sharing *between* consumers, everything from [homes](#) to [fashion](#), to [cars](#) and [car parking spaces](#). Having seen the success of smaller startups, expect to see bigger, luxury brands getting in on the action. In car sharing, the great success of [Zipcar](#), currently a market leader, is luring Daimler into the game in [Hamburg](#), Germany and [Austin](#), Texas.

And while the vacation rental industry isn't new, it's segmenting more by price point ([Airbnb](#) on the budget end, and [Quintessentially Villas](#) on the high end), by destination, destinations within a destination, and by special interest (the obvious ones being golf, photography, and mainstream outdoor activities such as skiing). We'll see even more differentiation by alternative interests such as paddle boarding, [geocaching](#), quilting, triathlon training, writing/studying, species specific nature watching to name a few.

The vacation rental industry will also evolve by embracing new technologies: those that make it easy to share vacation rental options with groups of friends and family, and that make vacation booking a breeze for the best price. For example, [www.bidonskihomes.com](#) is one of the first to employ the online auction business model for vacation rentals. And look for smartphone apps that help travelers book spontaneously, on the go, such as [Airbnb](#) and [HomeAway](#).

### About KWE Partners

For over 30 years, first in New York City and now in Miami, [KWE Partners](#) is an [award-winning](#) strategic marketing and public relations firm specializing 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.