

# CASHING IN ON THE LUXURY TRAVEL MARKET



Despite the worldwide recession, there is one area of the tourism market that is rapidly expanding, that is the upscale or luxury market. Asian airlines, for example, have not only increased their first class capacity, but continue to offer a wide variety of new luxury travel products.

In fact, the luxury travel market is the fastest-growing segment of the travel industry worldwide. For example, in North America luxury travel produces almost a trillion dollars in annual sales.

Business travelers have fueled much of the new luxury travel market. These travelers have discovered that the cost of arriving tired at a destination outpaces the cost of the first class ticket.

Luxury travel and tourism however is not restricted merely to the travel component of the tourism industry. New opportunities abound throughout this portion of the industry. Many hotels have now opened a "hotel within their hotel". These are special areas that afford extra comfort and service to hotel guests.

In a like manner, upscale restaurants are offering a greater and more personal fare that take into account not only caloric intake, but a host of diets that cater to every form of dietary need.

In order to take advantage of some of this growing trend in tourism consider some of the following:

**There is no one definition of upscale travel.** Upscale or luxury travel is determined by a range of products, from offering the unusual in the way of scenery and cuisines to breathing taking decors, to an integrated travel experience that combines everything from gourmet foods to spa experiences. While there is no one common definition for luxury travel there are a few basic traits that are common to those seeking luxury travel among these are:

- They often seek a full range of travel experiences from the active to the passive
- Luxury travelers are often health conscious travelers
- Luxury travelers understand that time is money and are willing to pay extra in order to save time
- Luxury travelers seek to guard their privacy
- Luxury travelers often seek unique educational experiences or experiences that enrich them both spiritually and psychologically
- Luxury travel is now often multi-generational, with clients seeking both personal and family experiences on the same trip

**Upscale travelers tend to be both sophisticated and knowledgeable about their products.**

Do not try to fool these people. Although most travelers who want a luxury experience are willing to pay the price, they still want value for their money.

Many of these people are social media savvy, they know how to investigate your offering and are not afraid to praise your successes and criticize your failures. These clients know what they want and how to make the world know when you fail to provide what you have promised them.

**Do not charge for every item that you offer.** It is all too common for upscale hotels to charge for

everything from internet usage to extra towels at the swimming pool. A guest who is paying hundreds or thousands of dollars per night can easily come to resent paying for services that are part of hotels of a lesser category. If you are going to charge top dollar, then offer top of the line services.

**Not every business should cater to the upscale market.** Know what you have, do not claim to be an upscale travel experience if you do not have the facilities and accommodations to make upscale tourism work in your locale.

Remember that the travel experience takes in the entire community, so an excellent hotel in an area that is not desirable becomes a "palace located in the heart of a slum." When deciding if you can offer and charge for an upscale experience, consider the total tourism environment in your locale.

**Train your staff to anticipate needs before your guest makes the request.** Do not provide good service; provide excellent service! All too often tourism entities such as airlines place their most senior personnel in the first class section, even though these people are often jaded and tired of serving the public.

Good service means having personnel who care about the welfare of their guests, are enthusiastic, and find each tourist or guest experience to be a unique challenge that inspires them.

**Test the room or location before the guest arrives.** Luxury travelers do not expect mistakes. Go over each room or visitor location with a fine toothcomb. There is no excuse for a toilet over-flowing, the audio not working or the television set not being plugged in.

It would behoove airlines catering to this market to ask passengers which choice of meal(s) they desire at the time of purchase rather than when the traveler is already on the airplane. All too often first class passengers are told that their choice of meal is not available. Such errors are not acceptable in the luxury travel world.

**Meet with your staff regularly and encourage them to come up with out of the box ideas.** The luxury traveler expects to be on the cutting edge, which means that no matter in which part of the tourism industry you are located your luxury travelers will expect high levels of innovation coupled with consistent high-quality services, excellent security and safety and no errors.

**Develop seamless experiences.** Luxury travel should begin from the moment the traveler leaves his/her home until the moment that s/he arrives back at his/her destination. That means that the luxury travel experience should begin by being picked-up at the traveler's home, passing through airport control with a minimum of hassle, checking into a hotel without having to wait on line and having food in the room that meets the guest's needs and tastes.

To accomplish this form of seamless travel, the wise luxury travel provider develops a personal relationship with his/her client from the moment that that person has booked the travel experience.

**Learn what others are doing in the luxury travel market.** There are a number of periodicals that cater to the luxury tourism market. If interested in pursuing this market, then take the time to see what other people are offering. Many of these magazines have on-line editions or can be downloaded very inexpensively.

**Provide the unusual and the chic.** What differentiates luxury travel from mass travel is the level of perfection combined with elegant simplicity. Luxury travelers often seek to separate themselves from the pack. These are people who want individual attention, desire privacy, and look for the

unique.

For example, a villa providing a personalized staff, meals cooked to order, and high levels of both security and safety should be part of the offerings of those working in the luxury travel field. Luxury travel then is all about individual service and a sense of being treated not a part of a herd but rather as a unique individual.

**Remember that the upscale market covers multiple age ranges.** Often upscale tourism businesses forget that the luxury market is composed of more than the business traveler. Both older and retired people often seek out this market along with families or grandparents who are seeking a once-in-a-lifetime experience for younger children. Develop innovative ideas for both of these age groups.

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