



RESONANCE

The Resonance Report 2013

U.S. Affluent Travel and Leisure

resonanceco.com





The Resonance Report 2013

U.S. Affluent Travel and Leisure

In 2008, Resonance Consultancy, in partnership with The Luxury Institute in New York, created the Resonance Report by surveying the top 9% of American households to uncover travel and leisure habits and trends among some of the most affluent and influential members of society. The sample consisted of more than 1,200 individuals from households with incomes of \$150,000 or more. We conducted the survey again, with similar questions, in 2010 and 2012.

We chose this small demographic for its outsized influence. U.S. households with incomes of \$150,000 and higher account for an estimated 29% of spending on both air travel and lodging, as well as 37 % of spending on vacation homes, according to the U.S. Bureau of Labor Statistics 2011 Consumer Expenditures Survey.

This report begins with the data collected from our sampling at the end of 2012 and it draws insight, digs into trends and makes observations about the broader worlds of affluent leisure, travel and recreational real estate. The report draws on many other excellent sources to provide a picture of what affluent Americans are doing in their leisure time, where they're going and what they desire on vacation, and the homes they're buying to make a piece of paradise their own.

With travel, tourism and leisure activities playing an ever-greater role in economies around the world, the Resonance Report is more relevant than ever.



Chris Fair
President and CEO



Richard Cutting-Miller
Executive Vice-President



Dianna Carr
Vice-President

Contents



5 OVERVIEW: LEISURE IS LUXURY

Leisure never loses its appeal for the affluent, who are using their time in more personal and imaginative ways than ever.

9 TRAVEL: A WIDE, WIDE WORLD

Where the affluent are going and what they do when they get there.

21 RECREATION: EASY OR EXTREME

The new, varied definitions of active, from strolling to triathlons.

25 DEMOGRAPHICS: LEISURE BOOM

The enormous impact of affluent newly and almost-retired Boomers.

29 HEALTH: WEALTH & WELLNESS

The seismic shift in the vocation of spas for a new generation.

33 TECHNOLOGY: SPECIFICALLY SOCIAL

As the affluent warm to travel technology, the industry runs to catch up.

38 ENTERTAINMENT: FOODIE FIX

How affluent travel has helped spur the growth of great local food.

42 CULTURE: CREATIVE CONSUMPTION

How creative tourism makes old destinations new again.

46 REAL ESTATE: HOME AT LAST

Vacation homes are not what – or where – they used to be.

Introduction



37%

OF SPENDING
ON VACATION HOMES IS
CONTROLLED BY AFFLUENTS

The Top 9% of American Households: Small Sliver, Big Spending

The Resonance Report 2013 focuses on understanding the travel, leisure and lifestyle aspirations of U.S. households with incomes of \$150,000 or more. According to the latest Federal Reserve Board Survey of Consumer Finances (2010), the average income of these households is \$370,000 and their average net worth is \$3.1 million.

their total wealth is anticipated to grow from \$39 trillion in 2011 to \$87 trillion by 2020. According to Deloitte and Oxford estimates, those in the \$1 million - \$5 million wealth cohort will number 15.8 million households in 2020, a growth of 103% over the course of the decade. The \$5 million - \$30 million cohort is also likely to exhibit strong growth – 83% over the next decade – while the \$30 million+ cohort is expected to grow by 24%.



29%

OF SPENDING ON LODGING
FOR TRIPS AWAY

While respondents to our survey represent the top 9% of households in the United States based on income, their influence on discretionary spending is much larger than their absolute numbers would suggest, according to the most recent Consumer Expenditure Survey in 2011. Households with incomes of \$150,000 or greater account for an estimated 37% of all spending on vacation homes, 29% of spending on lodging for trips away from home, 29% of all spending on air travel, and 36% of all consumer spending on social, recreation and health club memberships.

As the number of affluent households grows this decade, and middle class households continue to experience little to no gains in income, the affluent's share of and influence on consumer discretionary spending will continue to grow.



29%

OF SPENDING ON
AIR TRAVEL

While there were approximately two million fewer millionaire households in the U.S. in 2011 (10.5 million) than at their peak in 2006, the number is expected to recover by 2014 and grow to 20.5 million by 2020, according to a recent study by Deloitte and Oxford Economics. In addition,

Number of U.S. millionaire households (000s) by cohort

	2011	2020
\$1 million - \$5 million	7,753	15,748
\$5 million - \$30 million	2,292	4,183
\$30 million+	496	620

Source: Deloitte & Oxford Economics

Source: U.S. Bureau of Labor Statistics
Consumer Expenditures Survey

Overview



The Enduring Luxury of Leisure

According to the Resonance Report 2013, in good times and bad, the desirability of leisure never wanes for affluent American households. Leisure is an unwavering, trend-proof, recession-resilient status symbol. What shifts is the choice of travel companion, destination and experience.

In Pursuit of Leisure

When Resonance and The Luxury Institute first teamed up to survey affluent leisure and travel habits in the summer of 2008, the U.S. was about to receive its biggest economic shock in decades. With oil and gasoline prices reaching record highs in 2008, report findings clearly reflected the temperature of the times. In the top 10 of the most desired luxury goods, services & experiences was ownership of a Prius or electric car.

In our 2010 study, we discovered that while the affluent were momentarily fond of the Prius and temporarily taken aback by the damage to their portfolios, they hadn't exactly become the Conscious Consumers trumpeted by the media during the recession. That year, owning a Prius or electric vehicle fell from 8th to 16th place among the affluents' most desired goods, services & experiences, while taking exotic vacations and owning a vacation home remained at the top of the list – as in 2008.

After we conducted our third survey in 2012, it became clear that while there have been shifts in behavior, the recession has not brought on a reset of the affluent mindset. It is striking that owning vacation homes, taking exotic vacations and taking extended time off work have not left the top five

places of most desirable luxuries in the past four years. Clearly, in good times and bad, the desirability of leisure – defined as having time to spend as you please – never wanes. It's an unwavering, trend-proof, recession-resilient status symbol. What does change is who the affluent spend leisure time with and where.

Time is Priceless

For all the talk of the time faced by the affluent, taking time off is something they do more often and for longer periods than everyone else – an average of three six-day vacations a year, according to our study. Compare those 18 days to figures gathered on all U.S. consumers by the U.S. Travel Association. In 1975, according to the USTA, vacations averaged more than seven days. By 1985, the average vacation had shrunk to 5.4 days, and by 2010, it stood at 3.8 days.

Today, the affluent increasingly value their traveling companions as well as their free time: in 2008, only 19% of those surveyed said that their next vacation would be a romantic getaway, but in 2012, fully 29% planned to travel with a loved one. Family vacations, which were intended by only 31% in 2008, jumped to 57% in 2012. And vacations with friends rose from 15% in 2008 to 35% in 2012.

People are clearly more important than things, at least when it comes to vacations. But the affluent taste for luxury goods hasn't gone away, even if, as many sources have reported, elegance has replaced ostentation.

In our 2008 study, 29% of respondents said that jewelry and expensive watches were desirable luxuries; in the aftermath of the recession (2010) that figure dove to 18%, but it's right back at 24% in 2012. This dovetails with findings from luxury goods manufacturers: *The Wall Street Journal* reported in February of 2013 that sales of luxury goods in the U.S. grew strongly in 2012. LVMH, the world's biggest luxury-goods company – think Louis Vuitton, Moët et Chandon and Sephora cosmetics – said the U.S. was its strongest region in 2012. French silk-scarf maker Hermès reported that fourth-quarter sales rose 21% in the Americas.



29%

PLANNED A ROMANTIC VACATION IN 2012. ONLY 19% DID IN 2008.



57%

PLANNED FAMILY VACATIONS IN 2012. 31% DID IN 2008.



35%

PLANNED VACATIONS WITH FRIENDS IN 2012. 15% DID IN 2008.

Most Desirable Luxuries 2012

1. Smart phone (iPhone etc.)	50%
2. Vacation home in the mountains or at the beach	48%
3. Freedom to work from home	47%
4. Taking exotic vacations	46%
5. Extended time off work	45%
6. Tablet/E-reader (iPad etc.)	43%
7. Gourmet kitchen at home	38%
8. Wife/husband to stay at home with kids	33%
9. Home theater	31%
10. Luxury swimming pool at home	29%



Photo by Ron Bambridge. Courtesy of Orient-Express Hotels Ltd.

The Venice Simplon-Orient-Express winds its luxurious way through Lucerne, Switzerland.

Story over Stuff. Journey over Destination.

While conspicuous consumption creeps back, leisure, conspicuous and otherwise, continues to gallop ahead. As a theoretical concept, leisure, wealth and ostentation were first joined by Thorstein Veblen, he of enduring Conspicuous Consumption fame. While Veblen was examining the habits of the most fortunate at the end of the 19th century, he also coined the phrase Conspicuous Leisure, which he defined as the consumption of ‘immaterial’ goods: “time consumed non-productively...as an evidence of pecuniary ability to afford a life of idleness.” This included “a knowledge of processes and incidents which do not conduce directly to the furtherance of human life.”

But Veblen’s mere idleness is no longer the point, and leisure is decidedly furthering the lives of the affluent, who are using it imaginatively. Leisure has long been a status symbol, but for today’s affluent, status is personal: it’s an individual’s, rather than society’s definition of success that matters. We’re closer to an Aristotelian definition of the L word – ‘productive activity enjoyed for its own sake.’

The report reflects this. Since 2008, the ‘Experiences of Interest’ wished for or undertaken during vacations are both productive and personal, destination and journey: touring through wine country, visiting a remote landscape like Antarctica, taking gourmet cooking lessons abroad, going on safaris, learning a new skill or traveling on the Orient Express have all figured in the top 15. In 2010, 26% of affluent vacationers participated in a ‘once-



Photo by Sara Wander. Courtesy of Abercrombie & Kent USA, LLC

Le Boréal afloat in Antarctica

in-a-lifetime’ activity, while 50% would like to try one. By 2012, 32% reported engaging in once-in-a-lifetime activities on vacation.

Personal growth and discovery shared with people we’re fond of also offers impeccable bragging rights: for today’s affluent – love of jewelry and watches notwithstanding – the experience is the thing and stories are clearly winning over stuff. That’s good news for highly differentiated destinations and experience purveyors and curators of many kinds.

If leisure is the luxury of enjoying productive activity for its own sake, affluent Boomers are the group poised to explore the luxury of leisure to the fullest. In 2012, 59% of affluents 55+ defined retirement as “a time to travel and explore new places” and 42% of them are planning international travel in the next

According to a new survey by PURE Life Experiences – a British firm that produces an international trade show for experiential travel suppliers – traditional luxury trips account for 58.14% of bookings for Private Travel Designers, while “truly memorable and powerful” experiential travel accounts for 38.6% of bookings.



The world is the affluent's oyster: safaris are the 7th most popular vacation experience they'd like to have.

12-24 months. Already, travel providers have jumped to it, tweaking offerings to the needs of spry, smart explorers with deep pockets.

"True privilege comprises those moments when we are lifted beyond ourselves. Life experiences have the power to amplify existence, to make us better noticers of life."

*Sophy Roberts,
Editor-in-Chief,
The Experientialist*

The quest for life-enhancing leisure experiences inevitably shapes destinations as much as the destinations shape the world view of the affluent, their friends and families – deep dives into cultures, new perspectives on the world, new relationships and new stories all come home.

The leisure habits of the affluent shape and stimulate the wider world at many income levels – the food we seek out, the way we take care of ourselves, the places we want to stay and the experiences we seek. Influenced by the affluent, Americans may go farther than ever before.

2013: A Snapshot

Within this report, we look at key survey results, connect dots, offer insight and provide a snapshot of trends and emerging directions in affluent leisure in the following eight categories:

TRAVEL: A WIDE, WIDE WORLD

Where the affluent are going and what they do when they get there.

RECREATION: EASY OR EXTREME

The new, varied definitions of active, from strolling to triathlons.

DEMOGRAPHICS: LEISURE BOOM

The enormous impact of affluent newly and almost-retired Boomers.



Visiting rare or remote landscapes is the 4th most popular experience of interest.

HEALTH: WEALTH & WELLNESS

The seismic shift in the vocation of spas for a new generation.

TECHNOLOGY: SPECIFICALLY SOCIAL

As the affluent warm to travel technology, the industry runs to catch up.

ENTERTAINMENT: FOODIE FIX

How affluent travel has helped spur the growth of great local food.

CULTURE: CREATIVE CONSUMPTION

How creative tourism makes old destinations new again.

REAL ESTATE: HOME AT LAST

Vacation homes are not what – or where – they used to be.



The Wonders of the World are perennial bucket-list favorites; however, tourism to Egypt, however, has been hurt by ongoing Arab Spring unrest.

Snapshot 2013: Travel



On the Trail of the World's Largest Luxury Travel Market

The Resonance Report 2013 shows that vacation travel is a key priority for affluent Americans. And although travel abroad suffered a drop in demand from 2008 to 2011 among travelers of every demographic, there are clear signs of a recovery, which is forecast to pick up speed in 2013. Americans will be traveling in increasing numbers, with the affluent out front.

More and Longer Vacations

So who among the affluent is doing all the globe-trotting? Baby Boomers (born between 1946 and 1964) clearly have the most disposable time to spend on leisure pursuits. Generation X-ers (born between 1965 and 1979) are catching up fast. And the trend-setting Generation Y, more commonly known as the Millennials (born from 1980 to 2000), are the demographic to watch in the near future.

Whatever their age group, Americans generally enjoy less vacation time than Europeans and other nationalities. But affluent Americans take longer and more frequent holidays than their compatriots – an average of three vacations of six days each, according to our research.

Responses to the 2012 survey show remarkably little change since 2008. The average vacation length does vary slightly among different age groups,

however, trending towards slightly longer stays for Baby Boomers, particularly those aged 65 years and older.

Some 45% of affluent American travelers, according to responses received, choose to take vacation trips of less than three nights, and 6% take none at all.

Surveys like IPK International's European Travel Monitor – which conducts some 500,000 interviews across Europe annually – suggest that the average length of trip is far higher among European high-end travelers. But such surveys, as well as anecdotal evidence from industry sources, also point to higher average stays by affluent Americans when they travel to Europe – or to other overseas destinations – of around 18 days, according to research by the Brussels-based European Travel Commission.



57%

PLANNING A FAMILY VACATION IN THE NEXT 12-24 MONTHS



38%

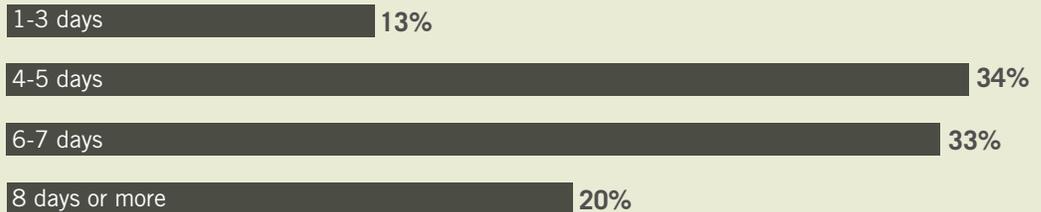
PLANNING INTERNATIONAL TRAVEL



35%

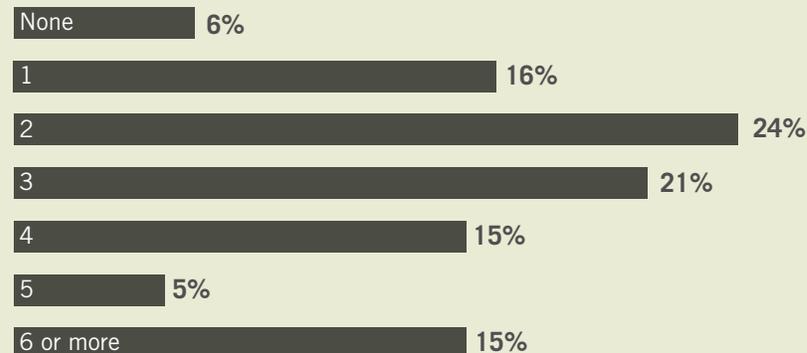
PLANNING TO TAKE A WEEKEND WITH FRIENDS OR A ROAD TRIP

Average Length of Vacation



Mean number of days: 5.9

Average Number of Vacation Trips Annually



Mean number of trips: 3



Wine Travel Wins Out

When asked 'what experiences are you most interested in having on a future vacation', tours through wine country in Bordeaux, Napa or Tuscany tied with luxury cruises as the most popular choice of Resonance Report respondents (37%). The U.S. Travel Association (USTA) estimates that 17% of U.S. travelers, 27.3 million, have engaged in 'culinary or wine-related activities while traveling' and that in California, almost 21 million travelers visited wine regions in 2008, with Napa Valley alone receiving 5 million.

The growing interest in wine tours and culinary tourism, not just among American travelers, but also among Europeans and a growing number of Asians, is not surprising. Consumers worldwide are informed, appreciate and enjoy wine, and want to know more about the wine they're buying. Where does it come from? Who produced it? How highly is it rated? What's its story?

The world's wine-producing countries take wine travelers very seriously. The South African tourism industry is reportedly seeing some of the strongest growth in wine tourists – in 2009, they contributed some \$580 million to total tourism income in South Africa. In New Zealand, 37% of international tourists participate in wine tourism and spend more than other international travelers per head. Malbec's worldwide success has led to an increase in wine tourism in Argentina.

While the Italian economy has been shrinking for the last six quarters, Italian vineyards have produced more wine than their French counterparts for four of the past five years. The story of Brunello di Montalcino shows how a fine wine can shrug off a downturn: Annual production has risen from six million bottles in 2007 to more than nine million in 2012, while the quantity exported rose 3.6 million to 5.8 million in the same period. The U.S. accounts for 25% of sales – of a total 65% that is exported – and



Multiple generations cozy up to the fire après-ski at the Talisker Club in Deer Valley

Photo Courtesy of Talisker Park City

More Family Vacations

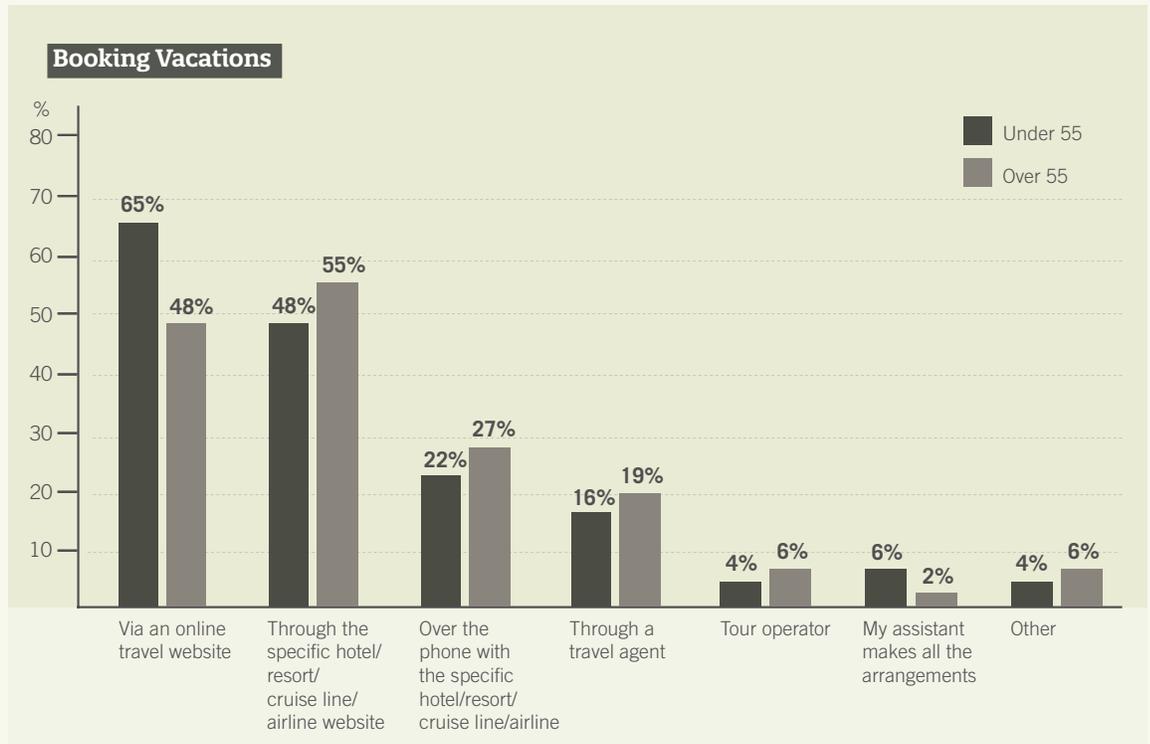
Some 57% of affluent American consumers plan to take family vacations in the next two years, compared with just 43% in 2008, the first time this survey was conducted. The share also increases in line with advancing age, perhaps reflecting the growth in multigenerational travel, with three or even four generations of one family traveling together.

International travel, ranked in second place (38%), has gained in priority, as have weekends with friends and road trips (both attracting 35% of votes).

What do affluent Americans want to do on vacation? In 2008, respondents to our survey rated wine country tours, luxury cruises and trips to Vegas as the three most desired types of vacation. In 2012, Vegas was slightly edged out by attendance at a Broadway or West End show.

Other popular vacations in 2012 were romantic getaways for couples (29%) and short breaks added on to business trips (15%). Some 13% of wealthy Americans say they are planning an active/adventure vacation, though in reality, these are more likely to be 'soft' adventure trips involving no health or safety risks. Cultural getaways are also popular (13%), especially for international travelers.

Holiday volunteer work – 'voluntourism' – received only 5% of travel intentions in the next 12-24 months, so it's clearly not yet on the agenda of most affluent Americans planning vacations, nor is agritourism, religious or medical tourism. Nevertheless, Robin Tauck, Co-Owner and Past President & CEO of leading U.S. tour operator Tauck World Discovery, says the company's clients today are more socially and environmentally conscious and the trend is increasing. In some of Tauck's most popular



destinations, such as the national parks of the western U.S., more than 15,000 Tauck volunteers help keep Yellowstone National Park (America's first national park) and the Grand Tetons beautiful.

The increase in multigenerational family travel has also encouraged many families to take the legacy view, supporting the environment and the destination while traveling together. These are new 'values', Tauck says, that cross all cultures and destinations.

Influence of Demographics

Not surprisingly, demographics – gender, age and socio-economic background – play a significant role in determining vacation choice. Younger affluents (those under the age of 55) and those in the lower end of the high income (< \$200,000) and net worth (< \$1 million) groups – are the most likely to take a family holiday. They're also more likely to choose romantic getaways and adventure travel, while combined business/vacation trips are preferred by the wealthier groups.

Wealthier affluents over 55 are more interested in international travel than the younger cohort, probably because younger people have time constraints, and taking children on long-haul vacations is not always easy or cost-effective. International travel is also favored more by the higher income and net worth groups.

The most marked differences in gender preferences are men's and women's desire to spend a weekend with friends – women are much more eager to do so. But, curiously perhaps, women are less interested in doing volunteer work on vacation or taking trips with a religious theme.

Booking Patterns: Ever More Online

Booking travel through travel-related websites – both those of online travel agencies (OTAs) and suppliers' own websites – is the method most used by close to 60% of affluent travelers. However, this average masks significant differences across age groups.

As might be expected, younger travelers are more likely to book online while older affluents often use the Internet to research different travel and destination options. Then they revert to a travel agent and/or tour operator – with phone or face-to-face contact – to make the actual booking.

This trend reflects the relatively high level of concern among American travelers for safety and security issues. Older affluents are also more likely to go directly to the websites of suppliers – airlines, hotels and resorts, or cruise lines – than to make price comparisons between OTAs.

The greater a consumer's net worth and/or income level, the more chance there is of his/her assistant making all the travel arrangements – unless, of course, that person is already retired.

Top 10 U.S. Destinations*

1.	New York, NY	30%
2.	Las Vegas, NV	28%
3.	San Francisco, CA	20%
4.	Washington, DC	17%
5.	Orlando, FL	16%
6.	New Orleans, LA	16%
7.	Chicago, IL **	15%
7.	Maui, HI **	15%
7.	Miami, FL **	15%
7.	San Diego, CA **	15%

*As defined by Metropolitan Statistical Areas
 ** Tied for 7th

Top 10 Most Visited Island Destinations

1.	Bahamas	44%
2.	Puerto Rico	32%
3.	Jamaica	29%
4.	Virgin Islands	27%
5.	St. Maarten	26%
6.	Cayman Islands	23%
7.	Bermuda	22%
8.	Aruba	21%
9.	Barbados	16%
10.	Dominican Republic	14%

Top 10 Island Destinations Would Like to Visit

1.	Turks & Caicos	26%
2.	Aruba	23%
3.	Virgin Islands	22%
4.	Cayman Islands	21%
5.	Bermuda	21%
6.	St. Lucia	21%
7.	St. Barts	20%
8.	St. Kitts & Nevis	19%
9.	Barbados	19%
10.	St. Maarten	18%
10.	The Bahamas	18%



Photo used under Creative Commons from Kaysia

The city that never sleeps exerts a powerful hold on the affluent.

Choosing Destinations

The most important factor for wealthy Americans in deciding on a vacation destination is climate/weather (59%), followed by cost (53%). Anecdotal evidence nevertheless suggests that the 'cost' implied is relative – more about value for money than actual price levels.

In terms of location and environment/surroundings, affluent Americans also cite scenery and nature as important (47%), as well as proximity to a beach or access to water of some kind, such as a lake or river. Safety is a prime concern among 40% of respondents.

Reflecting the wide range of interests of affluent Americans on vacation, dining and nightlife, cultural attractions, shopping facilities and opportunities for outdoor activities all rate quite highly – cited by between 40% and 23% of respondents.

An analysis of destination choice by demographics shows that there are marked differences between male and female attitudes regarding destination/resort location criteria. Women are more concerned about safety and place greater weight on scenery and nature, proximity to a beach/water, cultural attractions and the recommendations of friends and/or family who have been to the destination. The biggest difference is nevertheless seen in the male/female responses to shopping – women rate it twice as important as men do.

Older travelers (55+) are clearly more concerned about a destination's environment and scenic attractions, while their younger counterparts more frequently highlight word of mouth from family and/or friends, shopping, outdoor activities and facilities, and activity programs for children.



59%

CLIMATE/WEATHER IS THE TOP FACTOR IN DECIDING A DESTINATION



40%

SAY THAT SAFETY IS A MAIN CONCERN



40%

THINK THAT DINING AND NIGHTLIFE ARE KEY



Baha Mar, scheduled to open in 2014, will draw half a million more visitors to the Bahamas.

Favorite Destinations

Favorite destinations considered in the next year or two within the U.S. are New York and Las Vegas, with San Francisco in third place. New Orleans, which fell out of favor following Hurricane Katrina and the BP oil disaster, is back in the top 10 at 6th place. New Orleans welcomed 9.01 million overnight visitors in 2012, numbers not seen by the city in nearly 10 years. “The continued growth of both visitor numbers and spending is a reflection of the hard work of our hospitality industry,” says Mayor Mitch Landrieu. “I feel confident that we will continue the upward trajectory as we work toward the goal of welcoming 13 million visitors by 2018.”

Hawai‘i’s Big Island and California’s Napa Valley were just outside the top 10, but ranked higher than cities such as Boston and Los Angeles.

In terms of islands the affluent have visited, the Bahamas is out in front, with Puerto Rico and Jamaica runners up. The Bahamas welcomed approximately 5.8 million visitors in 2012, a 6% increase over 2011 arrivals. The islands offer easy access, short flight times and numerous luxury resorts – the preferred accommodation type for 36% of affluent travelers. The newest resort, the \$2.6 billion Baha Mar resort in Nassau, is on track to open in December 2014 and is expected to draw 500,000 more visitors annually to the Bahamas.

Interestingly, Turks & Caicos is the island respondents would most like to visit. Tourism to Turks & Caicos has grown by double digits in recent years, rising to more than one million visitors in 2012.



Photo courtesy of Amanresorts

Amanyaara, in a national park on Providenciales, made the *Condé Nast Traveler* Gold List for 2013.

Affluent Wish List: Turks & Caicos

2011 was the best year on record for tourism in Turks & Caicos – more than one million visitors came to the region’s spectacular beaches, a return to pre-recession visitor levels. C.W. Misick, Minister of Tourism for the islands, says that the U.S. market represents about 75% of visitor arrivals annually.

Misick attributes tourism’s success to a policy of “quality tourism over mass tourism,” which has resulted in the development of “low-rise, low-impact high end properties, and a sense of exclusivity,” he says. The addition of Amanyaara, Parrot Cay – and the re-ignition of Molasses Reef, a Ritz-Carlton Reserve in West Caicos for 2014 – has strengthened the perception that Turks is favored by affluent travelers. The fact that respondents to the Resonance Report place it first on their ‘wish to visit’ list appears to back that up.

At the same time, the ministry is making it easier for travelers of all demographics to access the islands by expanding the runway at the Providenciales International Airport – giving it the capacity to accommodate “most of the largest airlines” – and modernizing the terminal. “Nature has

been kind to the TCI by placing it in a geographical location within easy reach of the most affluent markets in the world,” Misick says. “Ease of travel from major gateways in the United States by commercial or private jets has had a great appeal.” A new strategy also aims to convert some of the islands’ two million cruise passengers into stay-over visitors.

“As a relatively new entrant to tourism, we have the benefit of learning from others’ mistakes,” Misick says. “From the beginning we’ve focused on creating the right balance between the natural and the built environment and preserving heritage and culture, while demanding high standards in new development projects.”

Misick says that the TCI sees tourism as more than a business. “Yes, we have insisted on the preservation of our environment, heritage and culture and we have adapted policies to ensure that all future developments do not disturb this equilibrium,” he says. “And we also genuinely believe in the total welfare of our guests. Our people’s genuine hospitality shines through and is on display daily.”



Photo courtesy of Vismedia

ANA InterContinental Ishigaki Resort, a divers' paradise in Okinawa, Japan.

Asia Pacific Numbers Rise

While no Asian destinations have cracked the top 10 international destinations affluent Americans are most likely to visit on vacation in the next 12-24 months, the number of outbound U.S. travelers to the region has been on the rise in recent years.

In 2012, according to preliminary statistics from the U.S. Office of Travel & Tourism Industries, some 4.3 million Americans traveled to Asia, up 4% over 2011, and the Pacific region attracted a further 1.5 million (+11%). This gave the region as a whole nearly a 10% share of all American outbound international trips.

Admittedly, many countries in Asia still measure arrivals by nationality rather than residence, so absolute numbers and trends regarding the U.S. market are distorted, since many Americans live in the region. But anecdotal evidence from high-end industry players, such as Virtuoso and Tauck World Discovery, indicate that it is a fast-emerging region for higher socio-economic groups of all ages. Needless to say, Baby Boomers are still the most prevalent in Asia Pacific, not least because they tend to have more disposable time. Given the distance involved, Asia Pacific is difficult to cover in a short vacation, and Americans traditionally like to visit more than one destination on their trips.

Asia has a wealth of attractions to suit every taste and budget – from ancient Chinese civilizations to exotic beaches and islands and, of course, great shopping. Its hotels and resorts are first-rate – far superior to their equivalents in most parts of the world, with superb service and personal attention thanks to higher staff-to-room ratios.

The high priority given by affluent Americans to history and culture may explain why Japan and China lead their wish list of Asian destinations to visit. But shopping is obviously high on the agenda and city sightseeing is a major activity. Most affluent Americans, interestingly, are also reputed to be very adventurous when it comes to trying local food and delicacies. And there is increasing demand for tours off the beaten track to visit indigenous communities in more rural surroundings – if not exactly voluntourism, then at least an increased curiosity and desire to go deeper.

In the short space of about 10 years, the region has also become one of the world's leading medical/wellness destinations, offering a host of treatments and therapies – from remodeling and rejuvenation to simple pampering and cossetting. And all offer so much better value for money than in the West. That's got to feel good.

Over the past five years, the TCI tourism industry has put exceptional effort into raising service standards, and its numerous luxury resorts have sought to outdo one another with extravagant amenities, stunning views and personalized service. The archipelago's reputation has been boosted by repeatedly being named one of the world's top 10 family destinations and the world's leading beach destination, particularly for its spectacular Grace Bay Beach.

The international destination wish list is dominated by perennial favorite Italy, with the United Kingdom and France rounding out the top three. According to the UNWTO, Italy ranks fifth in the world in both international arrivals and tourism receipts. The country experienced a slump in 2009-10, but rebounded in 2011, with 5.7% year-over-year growth in arrivals. The U.S. is the second-highest country of origin for visitors to Italy, just behind Germany.

The United Kingdom, Canada and Australia all moved up in Resonance Report rankings in 2012. While this may in part be a result of Summer and Winter Olympic afterglow for London and Vancouver, we believe this result also indicates travelers' desire for stable and predictable destinations. Safety ranked high in luxury travelers' destination decisions, with 41% citing it as a key factor. Affluent travelers are favoring family trips, and all three countries – in addition to being safe – are renowned family destinations. Troubled Greece and Ireland, popular in 2008, dropped out of the top 10.

Top Asia Pacific Destinations

1.	Japan	8%
2.	China	7%
3.	South Pacific Islands	4%
4.	Thailand	3%
5.	India	3%
6.	Korea	3%
7.	Vietnam	2%
8.	Cambodia	2%
9.	Indonesia	1%



The affluent will always have Paris: France is the second most popular European destination, after Italy.

Europe: The Resilient Destination

Results from the Resonance Report, along with those from the U.S. Office of Travel & Tourism Industries, confirm that Europe is still the most popular destination for Americans traveling abroad, accounting for 11.2 million trips in 2012. This represented growth of 5.5% over 2011 – giving the region a 47% share of U.S. overseas trips, or 18.5% of total international trip volume.

While Europe remains an ‘aspirational’ destination for the majority of Americans, most affluent travelers have made several trips to the region. Europe’s appeal lies mainly in its history, followed by its diverse cultures, scenery and gastronomy. Europe’s image is dominated by cities, particularly the iconic cities of the most visited countries – London, Paris and Rome.

The Brussels-based European Travel Commission (ETC) says that most Americans travel to Europe as couples, and they tend to be middle-aged – older, wealthier and better educated than the average visitor. Interestingly, the majority (70%) visit only one country per trip – whistle-stop, multi-country tours are becoming a thing of the past.

Americans from the Mid-Atlantic (30%), South Atlantic (25%) and Pacific states (14%) travel to Europe primarily in the May-September period, peaking in the summer months, and stay for an average of 18.3 days. However, shorter breaks of 1-2 weeks are growing, largely as a result of time pressures.

Industry observers say that affluent Americans are becoming more and more adventurous and enjoy traveling off the beaten track – as long as their safety is not compromised. Although high-end travelers tend to be financially resilient, they’re still cost-conscious and expect value for money – hence the growth in cruising (including Mediterranean and European river cruising), all-inclusive holidays, condominium/villa rental and fractional ownership/timeshare.

In line with responses to the Resonance Report, the ETC says that while the top European destinations for wealthy Americans in Europe (in terms of arrivals) are Italy, France, the UK, Germany, Spain and Ireland, Turkey is fast emerging as a favorite, and Eastern Europe has seen a surge in popularity among U.S. travelers generally. Moscow and Kiev are in 7th and 8th places respectively on the list of top 10 emerging destinations for U.S. overseas travel.

ETC research shows that the top five types of activities in Europe are dining in restaurants (85%), shopping (75%), visiting historical places (70%), sightseeing in cities (53%) and visiting small towns (53%).

European accommodation is rated high on quality, but scores poorly on value for money. It’s interesting to note that American visitors tend to patronize top-class hotels disproportionately in Europe, benefiting much less than other travelers from more affordable accommodation types such as bed & breakfasts, guesthouses, ‘gîtes’, ‘pensions’ or villas.



Regency style, Mediterranean architecture, and those views. The Capri Tiberio Palace personifies Italian appeal.

Photo courtesy of Capri Tiberio Palace, Italy



A former Communist Party archive storage facility, Soho House is uber-fabulous, even for Berlin.

Photo courtesy of Soho House Berlin GmbH



Luxury innovates: the Mandarin Oriental Paris offered guests a Chloé bag on arrival in the spring of 2013.

Photo courtesy of Mandarin Oriental, France



Photo courtesy of Crystal Cruise Lines

Crystal Serenity plies a placidly spectacular fjord in Geiranger, Norway.

Cruise Vacations Come Back

Cruising has been one of the most dynamic growth sectors of the North American and global tourism industry over the past decade. The financial and economic crisis of 2008-09 caused a slowing of demand that lasted through the following two years, but 2011 showed clear signs of a recovery, which was sustained in 2012.

Cruising on a luxury liner such as the *QE2* tied with wine country tours as the most desired type of vacation experience (37%) for Resonance Report respondents. The U.S. market alone accounts for around 11.5 million cruise passengers a year, or 56% of the worldwide total, according to Cruise Lines International Association (CLIA). Like Europeans, the majority of whom choose to cruise in their own (European and Mediterranean) waters, Americans generally favor cruise destinations in North America or the Caribbean. But for the most affluent travelers, the ever-growing choice of products and itineraries on offer leaves little to be desired in the way of vacation experience, personalized service and quality.

According to Silversea, cruise trends as the 2013 season gets under way include a bigger focus on multigenerational groups, more specialty food offerings, and more educational off-board tours and activities.

At the same time that ships on major lines are getting bigger and feel more like shopping malls at sea, we are seeing a boom of small-ship cruising for travelers looking for exclusivity, along with so-called microcruising on very small ships

that offer access to less-explored and hard-to-reach areas like the coast of British Columbia, Canada, Burma or Lana'i, Hawai'i.

Among new European cruise brands, Hapag-Lloyd's *Europa 2* is reported to be "an exciting one-off new build that is expected to take the luxury cruise industry by storm", when it launches in May 2013. With Michelin-rated chefs on board, dining options will no doubt be wonderfully varied and the ship will have more space per passenger than any other in existence.

Compagnie du Ponant is introducing *Le Soléal* this summer, a 132-stateroom sister ship to *Le Boréal* and *L'Austral*, a trio of elegant vessels that boast 'relaxed chic' on board. Paul Gauguin Cruises is taking the 95-stateroom *Tere Moana* to Europe for the first time, offering a little taste of Polynesian charm in the hidden islands and coves of the Mediterranean for those seeking a tranquil, yacht-like experience far from the seething crowds.

Silversea, meanwhile, is gearing up for the inaugural sailings of the 100-guest *Silver Galapagos* this fall. Following its acquisition in 2012 of both the ship and the company that owned it, Silversea will combine existing expertise in the area with its own flair for hospitality and hotel management to create the ultimate Galapagos experience — "one that should more than meet the demands of the most sophisticated American high-end traveler," says Manfredi Lefebvre d'Ovidio, Silversea Founder and Chairman.

Another big cruise growth area is river cruising. Tauck World Discovery has announced two new builds to join its fleet of European riverboats in 2014, bringing the total number of Tauck ships on Europe's rivers to six. The company is also launching four new river cruise itineraries in Europe.

While just a few cruise lines are building new ships, many existing ships are undergoing extensive renovations. Some involve adding new spaces to accommodate the fast-growing multigenerational segment. Cruises are being marketed as the perfect vacation for grandparents, parents and kids together because they can pursue different activities on board and then share a meal or shore excursion.

Even luxury lines, which tend to attract an older crowd than mass-market monsters, are seeing more children. Crystal Cruises saw family groups increase 30% in 2012 over 2011, said spokeswoman Mimi Weisband. "Our youngest world cruiser is less than three years old."

To accommodate the diverse needs of old and young, ships are expanding areas for youth activities while creating more adult-only pools and quiet areas where passengers can nap, sun or read. Carnival ships have 'Serenity Spaces'. Norwegian ships offer exclusive suite areas with key-card access and private courtyards called The Haven — they aren't adult-only but they are designed to be quieter than other parts of the ship.



Photo provided by Orient-Express Hotels Ltd.

The reward for a hard day in the wild: sunset at the Savute Elephant Camp lounge, Botswana



#1

PREFERRED BRAND OF HIGH NET-WORTH VACATIONERS



59%

MOST FREQUENTED BRAND OF AFFLUENT HOUSEHOLDS UNDER 55



61%

MOST FREQUENTED BRAND OF AFFLUENT HOUSEHOLDS OVER 55



13%

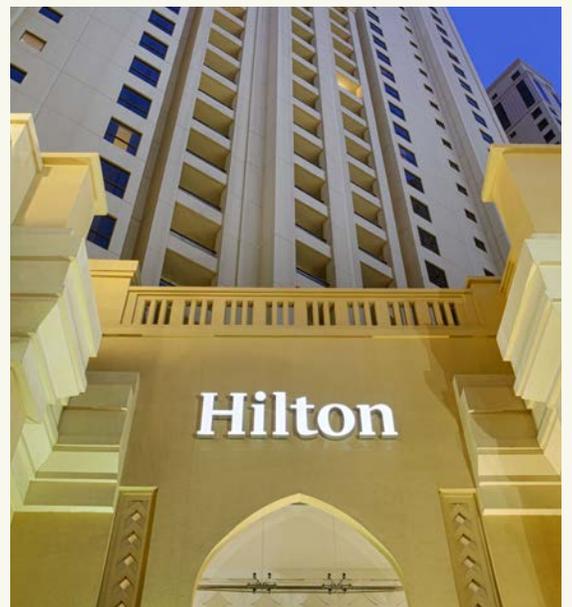
CHOSE ALL INCLUSIVES IN 2012. 22% CHOSE THEM IN 2008

Desired Accommodation

Luxury hotels and resorts dominate the preferences of affluent Americans with regard to vacation accommodation, although 'luxury' can be difficult to define. There is no doubt that what constitutes 'luxury' for one traveler falls short of expectations for another. Certainly, the entire destination experience – rather than just bricks and mortar or even the individual facilities of a hotel or resort – contributes to create a perception of 'luxury'. Robin Tauck says that Tauck World Discovery's affluent guests value a premium central location, with an ambiance and style that epitomizes the destination – an iconic full-service hotel. Based on the long-time preferences of its repeat guests, the luxury tour operator prefers rooms with a view and looks for personalized service with everything taken care of. "We consider the brand, the reputation, the staff expertise and welcoming spirit, as well as the fine amenities," he says.

Cruise ships are cited by 9% of respondents as their preferred vacation accommodation, a percentage that reconciles closely with cruises' actual share of total vacations among Americans.

Notable is the waning importance of the all-inclusive as a desired accommodation in 2012, with just 13% of votes, compared to 22% in 2008. Vacation condominiums have also slipped considerably – 13% chose them as desired accommodation in 2008, and only 5% agreed in 2012.



(c) 2013 Hilton Hotels & Resorts

Hilton Dubai Jumeirah on The Walk, Dubai's beachfront promenade. Hilton is a top choice for men over 55.

Preferred Hotel Brands of High Net Worth* Households on Vacation

1.	Ritz-Carlton	55%
2.	Marriott	52%
3.	Hilton	50%
4.	Four Seasons	46%
5.	Hyatt	44%
6.	Westin	37%
7.	Waldorf Astoria	22%
8.	W Hotels	21%
8.	Fairmont	21%
10.	Mandarin Oriental	17%

*High net worth being \$1 million+

Preferred Brands for Affluents under 55 on Vacation

1.	Marriott	59%
2.	Ritz-Carlton	55%
3.	Hilton	55%
4.	Four Seasons	45%
5.	Hyatt	42%
6.	Westin	39%
7.	Waldorf Astoria	28%
8.	W Hotels	26%
9.	Fairmont	17%
10.	St. Regis	15%
10.	Mandarin Oriental	10%

Preferred Brands for Affluents over 55 on Vacation

1.	Hilton	61%
2.	Marriott	60%
3.	Hyatt	54%
4.	Ritz-Carlton	48%
5.	Four Seasons	42%
6.	Westin	41%
7.	Fairmont	23%
8.	Waldorf Astoria	20%
9.	InterContinental	19%
10.	W Hotels	16%

Preferred Hotel Brands

Close to two-thirds of respondents to the 2012 survey have stayed in a Marriott or Hilton hotel on vacation (60% versus 57%), with Hyatt (44%) and Westin (31%) following behind in order of preference. While 26% of affluent households report having stayed with both Four Seasons and Ritz-Carlton on vacation, high net worth households rank Ritz-Carlton as the preferred brand by a significant margin. In fact, both younger and older respondents rank Ritz-Carlton higher than Four Seasons for vacations.

Interestingly, travelers under 55 rank luxury brands such as Waldorf Astoria and St. Regis higher than older travelers, pointing to a successful rejuvenation of these august brands. Over 55s show stronger preferences for brands such as Hilton, Fairmont and InterContinental than younger travelers.

It should be noted that the affluent are very fond of hotel loyalty programs. According to a 2012 study by Google and Ipsos MediaCT, 77% of affluent travelers belong to hotel loyalty programs, considerably outpacing business travelers (68%) and leisure travelers (42%). The affluent are enrolled in 3.9 hotel loyalty programs, virtually as many as business travelers, and use 2.5 of them at least once a year, which is as often as business travelers.

Best Hotel Amenities and Facilities

Internet access has become the most important amenity for affluent Americans when choosing a hotel/resort for a vacation – cited by more than half (57%) of all consumers surveyed. This would suggest that while the majority are eager to switch off their daily work routines, they still want to stay connected.

Access to a beach, cuisine and privacy also rate highly, proof that some of the ‘unconnected’ pleasures of life have enduring appeal.

Other amenities/facilities seem to split opinion among affluent travelers. Fitness centers, spa/wellness facilities and golf courses all tend to be less sought after by travelers over 55, who are more interested in cooking for themselves on vacation and wealthier households are more interested in concierge service. Walking trails (26%) are almost as popular as fitness centers (28%). As might be expected among travelers of all ages, women definitely favor beaches, shopping, wellness and pampering more than their male counterparts.

Desired Hotel Amenities of High Net Worth households

1. Internet access	57%
2. Beach	40%
3. Cuisine	39%
3. Privacy	39%
5. Close to shopping & restaurants	35%
6. Unique activities/experiences	32%
7. Fitness center	28%
8. Walking trails	26%
8. Interior design/style	26%
10. Concierge service	25%

Desired Hotel Amenities for Affluents under 55

1. Internet access	54%
2. Beach	46%
3. Cuisine	41%
4. Privacy	37%
5. Close to shopping & restaurants	35%
6. Unique activities/experiences	34%
7. Fitness center	29%
8. Positive online reviews	28%
9. All-inclusive packages	26%
10. Interior design/style	25%

Desired Hotel Amenities for Affluents over 55

1. Internet access	54%
2. Privacy	37%
3. Cuisine	35%
4. Beach	34%
5. Close to shopping & restaurants	31%
6. Unique activities/experiences	24%
7. All-inclusive packages	21%
8. Walking trails	20%
9. Suites with kitchenettes	20%
10. Interior design/style	19%

Once again, there are significant differences in preferences by demographics, whether considering gender, age or household income/net worth. Not surprisingly, women clearly desire more amenities in a hotel/resort than men do, as is the case with younger versus older vacationers.

Access to a private landing strip is relatively insignificant, suggesting that only a small percentage of affluent American vacationers travel to their destinations by private plane.

Hotels and the Environment

Just 16% of Resonance Report respondents rated eco-friendliness an important factor in choosing a hotel or resort. Only 11% said they would choose a destination with the least environmental impact, and fewer than one in 10 seek a vacation experience that actively helps the environment.

Yet the hospitality industry continues to do the right thing, meeting self-imposed environmental goals and spreading the word. Starwood, the owner of Westin, W and other affluent favorites, promises a 30% reduction in energy consumption and 20% reduction in water use “across all globally owned, managed and franchise properties by 2020.” Former Starwood exec Barry Sternlicht is at last launching the 1 Hotels brand, an idea from 2006 that will rear its “never-been-done-before” head in New York and Miami in 2014. “We’re creating the world’s first luxury, eco-friendly global hotel brand,” he says. 1 is described as “a place to experience the sensual goodness that comes from the use of reclaimed materials, the freshest organic ingredients and a considered way of doing things...that brings the sounds and textures of nature inside and engages the community outside.”

If the environment isn’t a make-or-break offering for affluent travelers, there are other ways they give back as they globe-trot. Destination club Inspirato offers ‘Inspired Giving’, a program where non-members can access Inspirato’s exclusive properties around the world when they donate \$2,000 to an Inspirato charity. The Giving Plan, ‘the world’s first philanthropic vacation club’, has created the Getaway 2 Give Collection of villas, yachts, retreats and experiences, with the aim of donating \$1 billion to charity every 10 years. Half the club’s \$15,000 membership fee goes to charities of members’ choosing, as does a portion of nightly rates. Sweet dreams!



54%

VALUE INTERNET ACCESS, MAKING THIS THE TOP AMENITY FOR MEN AND WOMEN ACROSS ALL AGES AND LEVELS OF AFFLUENCE.



46%

OF UNDER 55s VALUE BEACH ACCESS. ONLY 34% OF OVER 55s DO



11%

OF ALL AFFLUENTS DESIRE GOLF AS AN AMENITY

Snapshot 2013: Recreation



Extreme or Easy

The affluent are increasingly enjoying once-in-a-lifetime experiences, using their leisure time for a wide range of luxurious adventures – from exploring exotic landscapes on foot to seeing rare animals up close, getting insider-access to an exclusive place or event and even taking part in triathlons.

Activities on Vacation	2012	# Change	2010	2008
Dining out	1	-	1	1
Spending time with spouse	2	▲ +1	3	3
Walking	3	▼ -1	2	2
Seeking out local sights, culture, landmarks	4	▲ +1	5	6
Shopping	5	▼ -1	4	4
Sunbathing and relaxing	6	▲ +1	7	7
Swimming at beach or resort pools	7	▲ +1	8	8
Entertainment such as concerts, shows, plays	8	▼ -2	6	5
Engaging with nature	9	▲ +2	11	
Spending time with children/grandchildren	10	▼ -1	9	9
Participating in once-in-a-lifetime activities	11	▲ +9	20	18
Encounter with nature (e.g. bird watching)	12	▲ +1	13	13
Spa treatments	13	▲ +1	14	12
Learning new things (e.g. cooking, etc.)	14	▲ +3	17	17
Gambling	15	-	15	14
Improving personal fitness	16	▼ -4	12	11
Boating	17	▲ +1	18	15
Golfing	18	▲ +1	19	19
Cooking with friends	19	▼ -9	10	10
Improving an existing sports skill	20	▼ -4	16	16

The affluent do it all when it comes to leisure, but the pastimes they are historically associated with are not the most popular today. Only a few decades ago, golf, sailing and tennis were the recreational sports synonymous with wealth – to the extent that, if a character in a movie participated in one of these activities, the audience immediately understood their upper crustiness. Today, only 11% of affluent Americans in the Resonance Report seek a golf course on vacation, just 9% look for a destination with a marina and a mere 7% want tennis courts. The old ideas about affluent recreation appear to be just that.

Joseph Campbell once said that, we seek not so much the meaning of life as we seek the rapture of feeling alive. While some of that rapture comes through relationships with others, much of it comes from choices in recreation – whether through a month-long walking pilgrimage on the Camino de Santiago de Compostela in Spain or pushing one’s body to the extreme through ultramarathons or Ironman triathlons. There is no single type of activity enjoyed by all affluent people – just as in the overall population, tastes run the gamut from walking, running and cycling to extreme adventure. The difference is in the experiences that wealth can



Photo courtesy of USA Triathlon

provide – visiting the chinstrap penguin colony in Antarctica, exploring the lava fields of Iceland or cycling through cloud forests in Argentina. *Forbes*, which regularly publishes a list of bucket list trips, describes activities that include safaris, Oktoberfest in Munich, a gander at Easter Island, a cross-country road trip and a journey to near space aboard the Virgin Galactic.



Photo courtesy of Shangri-La's Villingili Resort & Spa, Maldives



Photo courtesy of Clayoquot Wilderness Resort

Sybarites and exotic-pursuants find exotic repose: at left, a day of diving ends at the Tree-house Pavilion at Shangri-La's Villingili Resort in the Maldives; exploring old growth forest on horseback ends in deluxe tents at Clayoquot Wilderness Resort in British Columbia.



32%

ENJOY PARTICIPATING
IN ONCE-IN-A-LIFETIME
EXPERIENCES

Among Resonance Report respondents, the desire to participate in once-in-a-lifetime activities while on vacation has increased dramatically since 2010. Thirty-two percent said they currently enjoy once-in-a-lifetime experiences, and another 18% said they would like to try them. Interestingly, more women (37%) than men (26%) sought these unique experiences.



64%

ENJOY WALKING

There's a name for those who seek once-in-a-lifetime activities: the "exotic-pursuant." According to *Travel + Leisure* magazine, these individuals want adventure and luxury simultaneously – a sort of extreme glamping. "After rolling around in the dirt or chasing a snow leopard," says tour operator Paul Largay, "these travelers want a fine Cabernet."

To cater to these thrill-seekers, luxury adventure hotels are opening around the world from Mexico to the Middle East. At the Villingili Resort & Spa in the Maldives, visitors find adventurous comforts in tree-house villas with infinity spas and open-air showers.



45%

ENJOY LEARNING NEW
THINGS OR WOULD LIKE TO
TRY SOMETHING NEW

Thirty-three percent of Resonance Report respondents said they want to visit a rare or remote landscape, like Antarctica, making that the fourth most-desired experience on vacation, while 31% expressed interest in an African safari and 21% desired a river rafting or canoe adventure. Nineteen percent wanted to visit an endangered part of the world. Clearly, there are significant numbers of people interested in out-of-the-ordinary experiences – and affluent households have the means to make their dreams come true.

For a sliver of the affluent population, 'recreation' is defined by participation in seriously grueling pastimes, and those who run in triathlons and ironman competitions are a breed apart. The numbers are fascinating: according to an IEG Sponsorship Report, nearly half of those surveyed had an annual household income of over \$100,000. Forty percent of triathletes had a college degree and another 40% had a post-graduate degree. Regardless of income level, the average respondent spent \$2,135 in 2010 on gear alone to support their event participation and training (excluding travel or event entry fees).

"Corporate marketers continue to be enthralled by endurance sports' affluent participant base," said William Chipps, senior editor of the report. Among blue chip sports, only polo players are more affluent than triathletes. But polo's geographic reach is limited. Triathlons are everywhere – more than 3,500 USAT-sanctioned events, plus thousands more local, non-sanctioned competitions are held every year.

On the other end of the recreation spectrum are those who choose to live intensely by slowing down. On vacation, 13% of affluents cycle and 64% list walking as a top activity – making it the third most popular activity after dining out and spending time with one's spouse. As at home, more women over 55 enjoyed walking, though even among men and those under 55, more than two-thirds cited walking as a top activity.

Activities at Home	2012	# Change	2010	2008
Watching TV	1	▲ +1	2	1
Going out to eat in restaurants	2	▼ -1	1	2
Watching movies at home	3	▲ +3	6	6
Surfing the web	4	▼ -1	3	3
Walking	5	▲ +2	7	12
Listening to music	6	▼ -2	4	4
Reading printed books & magazines	7	▼ -2	5	7
Shopping	8	-	8	5
Cooking	9	▲ +1	10	9
Going to movies	10	▲ +2	12	10
Entertaining friends at home	11	▼ -2	9	8
Facebook	12	▲ +8	20	23
Visiting cultural institutions	13	▼ -2	11	11
Gardening	14	▲ +1	15	14
Using mobile apps on a smartphone or tablet	15	-	n/a	n/a
Volunteering	15	▲ +3	18	17
Decorating the home	17	▼ -4	13	13
Reading e-books & digital media	18	-	n/a	n/a
Going to the gym	19	▲ +2	21	21
Attending professional sports events	20	▼ -4	16	16
Participating in local community activities & events	20	▼ -4	16	18
Participating in individual sports	20	▼ -1	19	19

Walking is not a pedestrian affair in the hands of imaginative travel companies. Chem Chem Safari invites the affluent to track animals on foot in Tanzania. Butterfield & Robinson strolls everywhere from Peru to Vietnam, promising freedom and exuberance. And Context offers “walking seminars, not tours” in the company of scholars and specialists from Rome to Kyoto.

As much as anything else, walking is a luxury of time. The affluent, more than any other Americans, can afford the rare and precious luxury of time to slow down – even if their lives are otherwise fast-paced – to a stroll. Luxury tour companies like Butterfield & Robinson (B&R), Brown + Hudson, Abercrombie & Kent, Classic Journeys and others have long understood the relationship between wealth and walking. B&R’s tagline, “Slow down to see the world,” points to perhaps the main benefit of walking: savoring one’s environment – natural, built, cultural, culinary and creative. “See the world that others miss,” the promise of walking tours, speaks both to savoring and to exclusivity. Fourteen percent of survey respondents indicated that they seek destinations off the beaten path, and high-end walking tour companies offer exactly that.

B&R offers walking tours along the Amalfi Coast and in Burgundy (with sampling stops at vineyards), Cambodia, China and Iceland, among other places.



Taking the slow road by bike through Rioja, Spain

With the highest percentage of affluent travelers planning to visit Italy in the next two years, doubtless a few of them will sign up for B&R’s Italian Lakes walking tour. At \$7,000 for six days, it’s one of the company’s best selling perambulations.

Photo courtesy of Butterfield & Robinson

Snapshot 2013: Demographics



Leisure Boom

In 2011, the first Baby Boomers turned 65, the age at which most Americans traditionally consider retirement. While their parents may have worked decades for the same organization to get the gold watch and pension, Boomers as a generation are defined by their insistence on changing – or inventing – the rules. The travel and tourism business is no exception to the rule of Boomers... and increasingly to their multigenerational tribe.

Boomers Hit the Road

The sheer number of Boomers gives their whims an outsized weight: the biggest generation in American history, Boomers now make up 35% of the population and, according to Nielsen, they will control 76% of disposable income in the United States by 2017. Boomers are 32% more likely than other generations to own a home valued at \$500,000 or more and 23% more likely to earn over \$100,000.

So what do they want from retirement? Nearly two-thirds (59%) of Resonance Report respondents consider retirement a time to travel and explore new places, and more than half (52%) consider it a time to slow down and enjoy life. They look forward to exploring different interests (45%) and having more time to spend with family and friends (47%).

“There’s no consensus on what retirement is anymore,” Marcie Pitt-Catsouphes, director of the Sloan Center on Aging & Work at Boston College, recently told *The New York Times*. “We’re starting to rethink it. Truly, today’s grandparents are not like my grandparents. The experience of aging is different. People say, ‘I’m not done yet.’”

Says Peter Hubbell, founder of BoomAgers, a consultancy specializing in marketing to the Boomer generation, “Newfound time, disposable wealth, a lust for discovery, a taste for quality over quantity and an inexorable drive for new sensory and life experiences have transformed Boomers into the most potent and profitable travel consumers in history.”

So how will older affluent Americans define travel and exploration as they age? Travel, after all, has always been a part of their lives. *The New York Times* recently pointed out that this is the generation that pioneered backpacking through Europe in their 20s, whose collective desire gave rise to singles resorts and – in later years, when their earning power increased – to luxury travel. Young at heart, they’re ‘sightdoers instead of sightseers’ and demand the immediate gratification that has always been their due.

Now, as they age, Boomers are as high-maintenance as ever, and their spirit is as youthful and willing as it always was. But Boomer flesh is, alas, weakening. Abercrombie & Kent has taken note, launching the A&K Lifestyle Club early in 2013. A shrewd combination of service, access and security worldwide, the club offers a 24/7 global concierge, a ‘Lifestyle Manager,’ who offers insider tips and travel fixes of all sorts, along with ‘logistical, medical and security advice around the clock.’ A&K Travel SoS pros, including doctors, nurses and referrals, are always available.



59%

SAY RETIREMENT IS A TIME TO TRAVEL



52%

SAY RETIREMENT IS A TIME TO SLOW DOWN AND ENJOY LIFE.



Photo courtesy of Orient-Express Hotels Ltd.

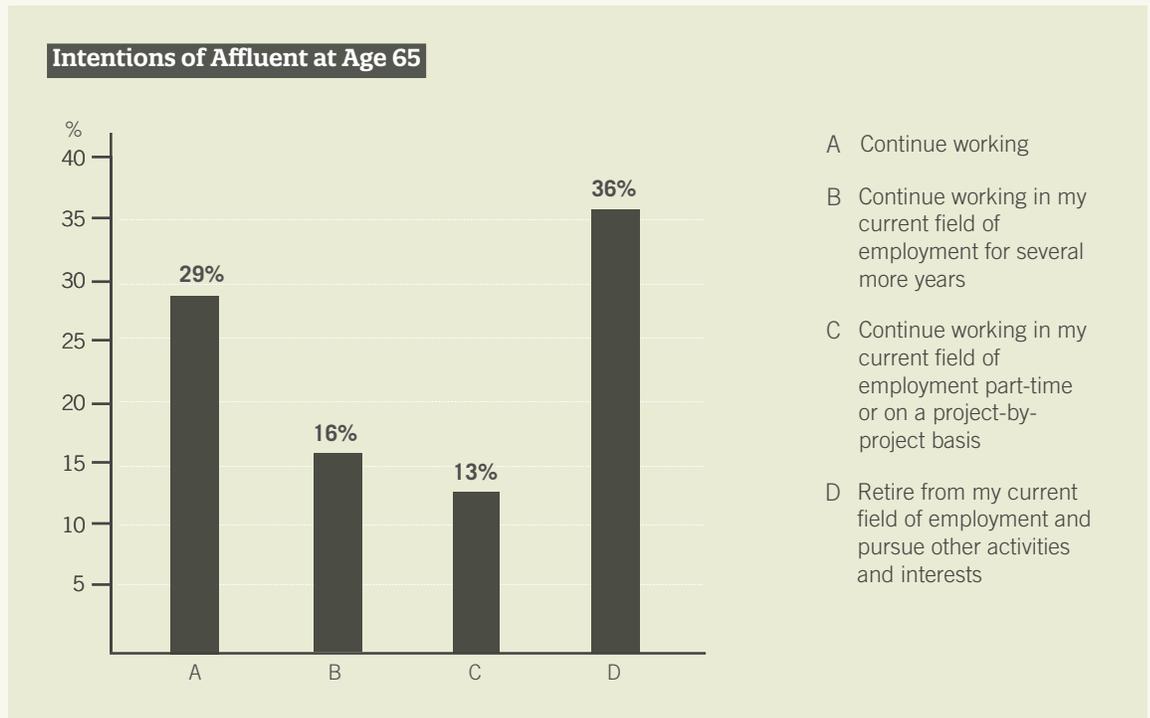
Exotic incarnate: the new-new destination of Myanmar. Above, Road To Mandalay cruises the Ayeyarwady River near Shwe Kyet Yet. Below, the iconic pagodas and temples of Bagan.



Photo courtesy of Abercrombie & Kent USA, LLC

The security aspect is significant. According to Euromonitor, Boomers are leading the charge into previously ‘forbidden lands,’ including North Korea, Cuba and Myanmar, a country that appears on nearly every luxury travel trends list for 2013. Safety is obviously a key concern in an area as recently volatile as the ‘Golden Land’. Although 44% of affluents over 55 cite safety as a top consideration when choosing a destination, the number is understandably higher among women (47%) and those with a net worth in excess of \$1 million (45%).

Ideas like the A&K Lifestyle Club provide the perfect combination of custom journeys, bespoke access and private healthcare and safety, no matter where the curious feet of older travelers will take them. Look for many more variations on the theme as affluent Boomers and retirees wander.



“Thanks to the hotels that have popped up to serve an aging clientele (in Aguas Calientes, the gateway to Machu Picchu), cappuccinos are as numerous as pisco sours and foot traffic moves at a mildly infuriating pace. The problem is not the boomers themselves... The problem is that the infrastructure set up to make the boomers comfortable facilitates the arrival of ‘checklist travelers’ who move in herds, driving prices up and expectations down.”

Andrew Burmon
in the *Huffington Post*,
February 2013

Photo courtesy of Uniworld Boutique River Cruise Collection



River cruising is riding a wave of popularity. Here, *River Royale* on the Grand France tour.

While the level of customization and service that Boomers ask for and receive may vary, one thing is certain – affluent travelers will be on the road. In the next two years, 54% of Resonance Report’s affluent travelers 55 and over plan to take a family vacation – almost as many as those under 55 (60%). It’s quite possible many of them will be traveling together. As the New York Times recently noted, many Boomers are starting second (or third) families, and everyone from Forbes to Virtuoso has noted ‘multigenerational travel’ as a trend for 2013.

This moment is a sweet spot for multigenerational travel because medical innovations and extended life expectancy make it possible for three, four and even sometimes five generations and wider extended

families to share an unforgettable experience. And these days, ‘family travel’ isn’t just parents and their kids. It’s parents, children, in-laws, grandparents – perhaps the grandparents’ second (or third) spouses and their children, who may be the same age as the grandkids. While traveling together can present challenges, it’s also a unique opportunity to forge stronger bonds in a memorable landscape, to share in child-care, give parents some alone time and reconnect with the larger brood. As *The New York Times* notes, the one-time ‘Me Generation’ has expanded its fascination to include “those who share my genes.”

Forbes recommends cruises for multigenerational travel, to ensure each person has a variety of options to keep them interested (and enough space to keep them sane), and in the Resonance Report, ocean cruises tied for first as the most desired type of vacation experience. Carnival ships offer observation areas next to play areas where older generations can watch kids do what they do. “My mom’s not going to play basketball with her grandson but she sure wants to take pictures,” says Jim Berra, Carnival Cruise Lines’ chief marketing officer. Luxury river cruises are also gaining in popularity. Unlike their seafaring counterparts, river cruises are generally more intimate and offer a slower, more in-depth view of a given destination. High-end river cruise brands like Uniworld are catering to the multigenerational trend with amenities that include everything from walking sticks to Wii consoles.



40%

OF AFFLUENTS 65 AND OLDER CONTINUED WORKING

While people 55+ may be traveling with a range of kin, they're also traveling for shorter time periods than the leisurely holidays once associated with retirement. The reason? They have to get back to the office. While the press often points out that Boomers lost heavily during the recession, and that many have postponed retirement, it is the most affluent who are most likely to keep working past age 65. Forty per cent of Resonance Report participants with net worth of \$1 million+ continue to work beyond 65. Tour companies like Road Scholar and cruise companies, including Crystal, have seized the opportunity to shorten trips.



37%

RETIRED AND PURSUED OTHER ACTIVITIES

Resonance Report results show that 42% of respondents over 55 plan to take an international vacation in the next 12-24 months, which aligns with luxury travel advisors Cox & Kings' prediction that family trips will be to distant places. According to Virtuoso, family travel will focus on Italy, which matches the Resonance Report results in which Italy is the affluents' most popular overseas vacation destination.



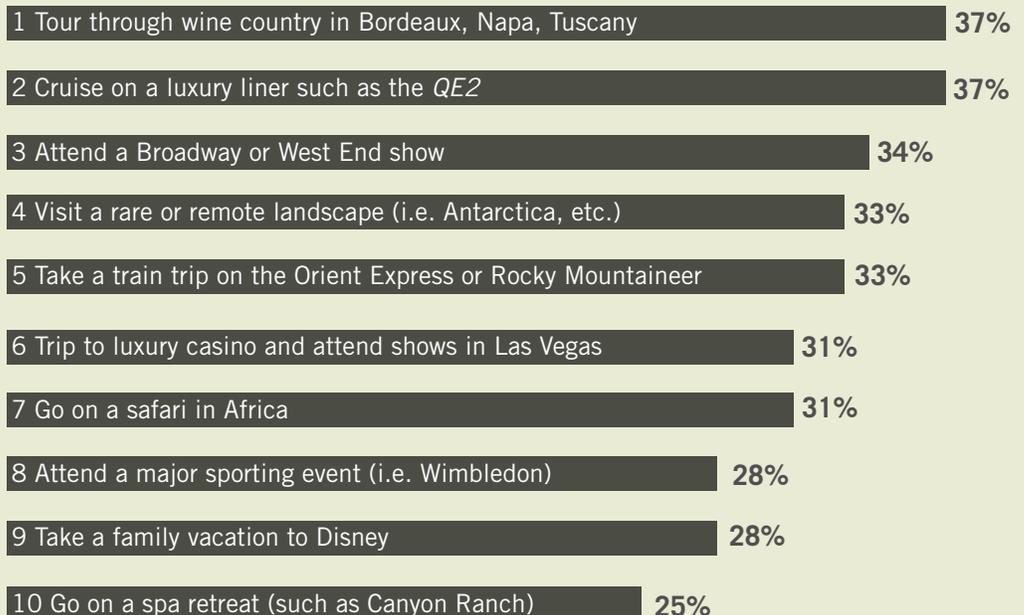
14%

CONTINUED TO WORK ON A PROJECT-BY-PROJECT BASIS

Nearly one in three (30%) of these affluent consumers over 55 seek 'once-in-a-lifetime' activities while traveling – and, like their younger counterparts, they want unforgettable experiences. Thirty-seven percent cited touring through wine country, be it Napa, Bordeaux or Tuscany, as an experience of interest. Nearly a third were interested in experiences in remote and endangered locations, such as going on a safari (31%) or visiting a remote landscape like Antarctica (33%). These numbers are consistent with Boomers' desire for authentic, unique adventures in exotic locations, as well as their reputation for forging new paths.

As it turns out, many of those paths will be forged on foot. One of the most notable differences between younger and older affluents is the affinity for walking. While all luxury travelers told the Resonance Report that walking was a top activity on vacation (#3 overall), 72% of those over 55 consider it one of their top vacation activities – tied for second place with 'spending time with my spouse' – compared with only 58% of those under 55. For many road-savvy Boomers, the journey is, indeed, the destination.

Experiences of Interest While on Vacation





Wealth & Wellness

Over the past 20 years, Boomers have been a key driver of the growth and expansion of luxury spas – places to indulge in sumptuous feel-good (and look-good) treatments. But the Resonance Report 2013 shows that today, with Boomers entering retirement, their interest in luxury spas is waning. The luxury spa of yesterday is evolving into the next generation's holistic wellness resource of the future.



Photo courtesy of Miraval Resorts



Photo courtesy of Miraval Resorts

“Lifestyle becomes the pill” at Miraval in Tucson. The Integrative Wellness Program involves an “interdisciplinary team of experts in nutrition and exercise physiology working in synergy to guide changes in lifestyle.”



24%

OF UNDER 55s SAY THAT ACCESS TO A SPA ON VACATION IS IMPORTANT

While the spa business is changing dramatically, the idea of a ‘spa’ still resonates for the vacationing affluent. ‘Taking a spa retreat’ figures in the top 10 experiences of interest in the Resonance Report. Access to a spa on vacation was significantly more important to those under 55 (24%) than older travelers (11%). Twenty-two percent of female respondents sought spa facilities and programming in a hotel or resort, as did 16% of men, whose interest and participation in spas continues to grow. And more than one in three (39%) women purchase spa treatments on vacation, while another 14% said they would ‘like to try’ them.



11%

OF OVER 55s SAY SPA ACCESS IS IMPORTANT

What the affluent will be trying in spas is increasingly being influenced by Gen X and Millennials, who are less focused on pure physical appearance than on the holistic health of mind, body and spirit, a trifecta often gathered today under the inexact umbrella of ‘wellness.’ Like ‘spa’, ‘wellness’ is a word of varied meanings: Once considered simply the absence of disease, wellness has come to mean a proactive and preventative approach to health that incorporates an individual’s physical, spiritual, psychological and social needs.



16%

OF MEN SEEK SPA FACILITIES AND PROGRAMMING IN HOTELS AND RESORTS

The needs of mind-body-spirit have opened up a world of opportunity for spas, many of which have been languishing as self-awareness, knowledge, times, fashions and customers evolve. According to Amy McDonald of Under a Tree, an international consultancy to the spa and hospitality business,

spas today are becoming hybrids of once highly specialized offerings. “Consumers have become way more discerning,” she says. “They want something that’s relevant.”

Relevant, like wellness means different things to different people, so the hybrids may combine many services and atmospheres: the soulfulness of destination spas – retreats where customers commit to several days of immersive well-being – with the specialized treatments of a resort spa and the in-and-out practicality of urban and day spas. A hybrid could be a spa in the city where you can get an in-depth, transformative treatment, a massage, a pedicure and your Botox treatment, too.

Another new twist is the inclusion of physician supervision into the mix – ‘medi spas’ that take a vigorously integrative approach to preventative health. “Spas are no longer about anti-aging,” McDonald says. “It’s about optimizing the aging process.” A client might want acupuncture, massage, nutrition and fitness: a doctor could make a first diagnosis, then perhaps supervise periodically, or from afar. “It’s physician-driven, but not physician-centric,” McDonald says. “It’s customer-centric.”

Two spa retreats that have managed to stay ahead of the hybridization curve – and whose brands are strong enough to withstand seismic shifts in the business – are Canyon Ranch and Miraval resorts. The ranch has evolved from an emphasis on weight loss to ‘a state of mind and a way of life.’

Photo courtesy of Fairmont Scottsdale



Well & Being at the Willow Stream Spa, Fairmont Scottsdale Princess.

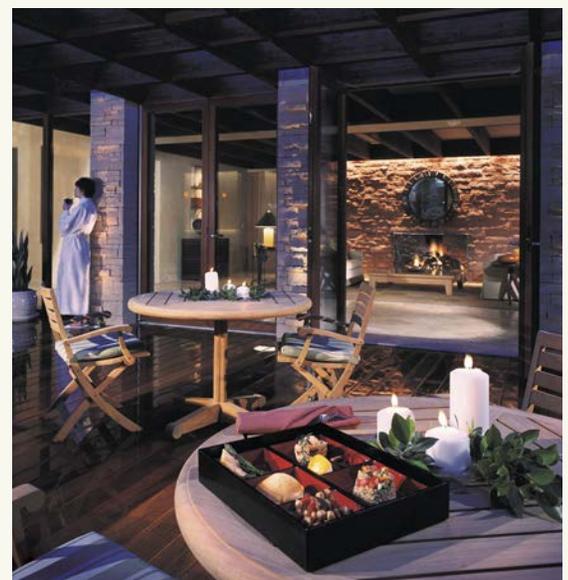
Miraval has hitched its star to wellness guru Andrew Weil, MD, and created an Integrative Wellness Program that bears the tagline: “We offer you life. Not just medicine.” Miraval has been successful with innovative programs like the Equine Experience, which uses horseback riding to help participants stay present to the moment and release old behavior patterns – treatments you just can’t get in the city.

The SpaFinder Wellness 2013 Trend Report says that nearly half of all travelers now seek a health and wellness emphasis from hotels – not just a superficial treatment. High-end hotels – those on the top 10 list of our affluent’s most preferred brands – are taking note, and many have created initiatives (and in one case, even an entire brand) to draw the affluent traveler.

According to Under a Tree’s McDonald, one hotel that’s successfully created a hybrid spa experience is the Scottsdale Princess, a Fairmont hotel (#9 on affluent’s list of flags). The spa combines ‘Active and Balanced Living’ (fitness), ‘Intentional Living’ (‘the very best of conventional and complementary medicine’), Beautiful Living (skin care treatments), and ‘Experiences’ (‘knowledge and resources to help people tap into the unlimited potential in their lives’). It is, indeed, a rich and varied menu, particularly in the context of a hotel spa.

Other spas are amping up the healing influence of their locales. Ritz-Carlton, the most desired hotel brand among the most affluent consumers in the Resonance Report, works with ‘Manosantas’ at the new Ritz-Carlton Reserve in Puerto Rico. Ritz has situated its Spa Botánico outdoors in an expansive botanical sanctuary (access to scenery and nature was cited by 50% of female affluent consumers as a deciding factor in vacation destinations). Treatments, including a special botanical infusion based on local healing traditions, can take place in glass-walled treatment rooms situated throughout the gardens – with outdoor showers and soaking tubs – as well as a treehouse, where guests receive treatments among the treetops.

Four Seasons, #4 on the Resonance list – cited by 44% of affluent travelers as a desirable hospitality brand – is leveraging its geographic specificity in unique ways around the globe to draw affluent, wellness-seeking women. In Canada, Four Seasons offers ‘wellness concierges’ who work with guests to create a daily itinerary that includes spa, fitness and food. The chain offers site-specific wellness in Cairo and Marrakesh, and in Indonesia, guests at the Geo Spa at Four Seasons Resort Langkawi receive bespoke natural treatments inspired by the principles of nourishment, water, light and air in an ancient and protected natural environment. Langkawi, an archipelago off the coast of Malaysia, is home to an UNESCO Global Geopark and includes the first land to have risen from the Cambrian sea, nearly 550 million years ago.



Appetite for wellbeing at the Fairmont Scottsdale Princess.

Photo courtesy of Fairmont Scottsdale

Deeper – even transformative

– spa experiences can be found in unexpected places, and treatments that would have been considered radical are now mainstream. At One Wellness + Spa in Canmore, Alberta, ‘Pathways to Engagement’ bodywork can focus on sleep, release, clearing, transition and joy. “Our Joy Pathway is one of passion, spirit and exuberance, designed to stimulate the vital energy that inspires enthusiasm for life.”



Photo courtesy of Four Seasons Hotel, Langkawi

Treatments at Geo Spa at the Four Seasons Resort in Langkawi, Malaysia, are inspired by the purified air of the UNESCO Global Geopark's rainforests, Malaysian healing and indigenous oils and minerals.

These location-specific offers, along with celebrity-led specials, provide guests a unique or even once-in-a-lifetime experience, something 36% of women in our survey cited as significant in selecting a destination.

Meanwhile, InterContinental Hotels Group (IHG) (the #10 most desired hotel among all luxury travelers), will open the first property of its 'wellness hotel' brand EVEN in New York next year. Rather than having a fitness center within a hotel, EVEN is more like a residential wellness center. On check-in, visitors will be given a personalized fitness and eating program. The EVEN brand focuses on four pillars of healthy living: eating well, exercising, productivity and rest. EVEN has literally built wellness into the design, with in-room coat racks that double as pull-up bars, green amenities and

hypoallergenic linens. InterContinental plans to open 100 EVEN properties by 2019.

Over at the new Element, a Westin hotel with 10 locations, the guiding belief is the importance of helping guests "achieve a sense of balance – particularly while traveling for extended periods" with the promise of "an experience that enables you to grow, prosper and flourish." Luxury used to be a turndown. Today, it's a better life.

Other luxury brands highly ranked by upscale travelers, including Hilton (#2), are incorporating wellness programs into their offerings. It's likely that other high-end hotel and resort brands will soon follow – if they want to continue attracting affluent travelers, who are defining relevance, spa and wellness as they go.

Snapshot 2013: Technology



Getting up to Speed

Technology has transformed the lives of Americans, and the affluent are now embracing it on their own terms across a broad range of platforms. In travel, they're increasingly using technology for every aspect of journeys: they start by researching destinations, investigating and booking hotels, staying connected on location – and even bringing branded electronic souvenirs back home.

What do you get the person who has everything? A smartphone, apparently. Among Resonance Report survey respondents, 50% placed the smartphone solidly at the top of the 'desired goods, services and experiences' list in 2012, while 43% said a tablet or e-reader was highly desirable, ranking it #6 (a product that did not even exist on the survey in 2008). Considering that there are currently 700 million smartphones in the world, used across a variety of income brackets, the smartphone is more a pleasurable tool with almost unlimited potential than what we'd traditionally consider a 'luxury.' What the smartphone really does for the well-off is buy the luxury of time, choice and the instant gratification to which affluents have become accustomed.



Predictably, those under 55 are more interested in having a smartphone or tablet than older consumers. Interestingly, there were no significant differences in the income levels or net worth of those who lusted for the latest technology, though affinity for Apple products does appear to increase with net worth.

For the top 7% of American households, as with virtually everyone else, surfing the web is almost as commonplace an activity as watching TV – 64% of participants in the Resonance Report say they spend time on the web regularly at home, making it the fourth most popular activity among the affluent. While at home, 36% of affluent consumers use mobile apps regularly on their smartphone or tablet, and an additional 6% would like to try. Again, more younger (40%) consumers than older (30%) engaged in this activity, although there was significantly higher usage among lower net worth individuals (41%) than higher (33%). This may reflect a need for privacy and security among the most affluent, and a perception that phones – so vulnerable to theft, loss and the occasional bathtub submersion – are too high a risk.

More affluent women are involved in social media than men, with those under 55 more likely to engage than older ones. Higher net worths tended to eschew social media more than their lower net worth counterparts. Of social networks, Facebook is by far the most popular (41%), but Twitter has a following (10%), while other media like Instagram and Pinterest also figure (12%).

While the affluent may have initially shied away from social media because of privacy concerns, the number of them on Facebook has nearly doubled in the past two years. It also appears that social media



adoption is leveling off – those who find value in online communities have already joined, as only 2% of survey respondents in 2012 said they would like to try Facebook versus 9% in 2010. Affluent women use Facebook and Twitter to follow brands they love, while affluent professionals use LinkedIn to forge business connections, then quickly take conversations off-line, according to a Spectrem Group study in 2011.

Because technology changes so quickly, tracking tech usage habits can be a contradictory business. A Four Seasons Hotels study from September 2012 reported that a full 72% of the affluent are on Facebook and 78% of affluent consumers have a social media presence. In that study, the wealthy consumers indicated that they felt brands without a social media presence were 'out of touch.'



64%

OF AFFLUENTS SURF THE WEB



41%

OF AFFLUENTS USE FACEBOOK



36%

OF AFFLUENTS USE MOBILE APPS ON A SMARTPHONE OR TABLET

App-titude: Ritz-Carlton, the top hotel choice for the most affluent respondents of the Resonance Report, launched its app late in 2012. It's described as "your reservationist, local guide and on-property concierge all in one." Jesse Hollington of iLounge noted that the app also integrates the company's Foursquare World Concierge service, which provides information and recommendations via Foursquare, posted and curated by the concierge service of the Ritz. Presidential Tips and other information can be accessed by using the iPhone to scan QR codes located throughout the hotels and resorts.

Exclusivity for Everyone

Decidedly in touch is Burberry, one of the world's enduring luxury brands. Burberry has given front row passes to the heart of the company to virtually everyone, weaving social media into the very fabric of the organization. What they've accomplished is extraordinary by any measure: according to *The Telegraph*, Burberry has amassed 14 million fans since it joined Facebook in 2009. It boasts nearly 1.3 million Twitter, 564,000 Instagram, 17,000 Pinterest and 46,000 YouTube followers, not to mention nearly 11 million fans on its four Chinese social networks.

Clearly, this enormous community is not all affluent, but important segments are – like those who joined Burberry for its 'Tweetwalk'. The Twitter event allows fans to view clothes backstage before they go onto the catwalk – even before the audience at the live show sees them – and to buy them on the spot. The fashion shows are also streamed live on Facebook. Says *The Telegraph*, "Burberry's seasonal fashion show is simultaneously one of the hardest-to-get tickets of London Fashion Week and its most-seen event." The genius of the approach is that consumers of the brand at every level – from perfume to Bespoke – are made to feel that their relationship is privileged.

Luxe, Tech and Travel

Hotels, not generally known for technological innovation, are racing to make themselves visible, useful and interactive. Four Seasons, which is #5 on the list of luxury hotels preferred by Resonance Report participants, has made itself very much present across every platform, from its website to Foursquare to Twitter to China's social networks. The social media allows for a deep dive into its locations, and a separate website, taste.fourseasons.com, offers guests a level of connoisseurship about international food and culture that elevates – and prolongs – the experience. A new app for weddings – in the form of an online magazine that's irresistible for brides-to-be – gives the flag expert status in a lucrative niche.

InterContinental Hotels, #7 on the list of hotels affluents have stayed with on vacation, leverages local knowledge with an app that includes tips from the InterContinental network of concierges around the world, and another that includes recipes from an exotic range of InterContinental kitchens.

Hilton, the second most popular hotel brand for affluent travelers in the Resonance Report – particularly among older men – recently launched the Conrad Concierge app to put 'personal luxury at your fingertips', primarily by allowing travelers to book services and appointments on their iPads whenever and wherever the mood strikes. Says

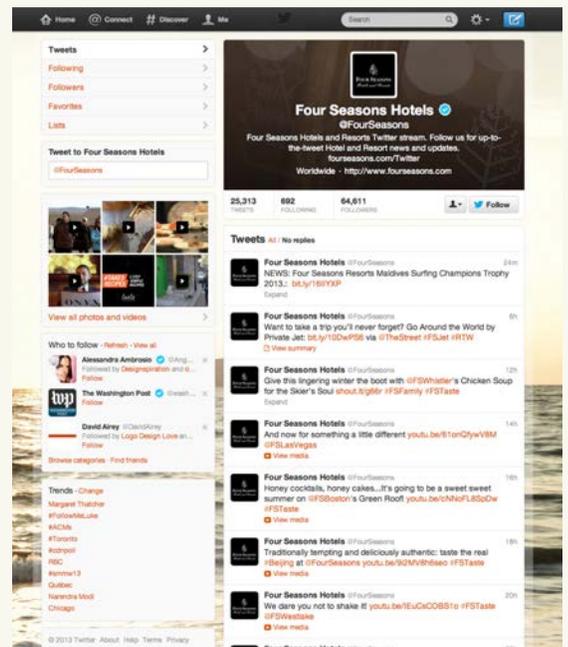


Photo used under Creative Commons from Proforged.



Skiers hit Vail Gondola 1 for a Wi-Fi equipped ride to the top.

In “Getting Comfortable with the New Vail”, Bill Pennington of *The New York Times* wrote that major ski resorts have been leaders in digital experiences for guests: chips in lift tickets at Vail can track the number of vertical feet skied, trails visited and top speed. And the new 10-person gondola has Wi-Fi, of course.

John Vanderslice, global head of luxury and lifestyle brands at Hilton Worldwide, “whether it’s scheduling a wake-up call while you’re at a business dinner or booking a relaxing spa treatment, this new app offering allows for a seamless and intuitive experience.”

Luxury boutique hotel OPUS Vancouver saw an opportunity to position itself as tech-savvy among its young affluent clients by stocking rooms with a loaded iPad 2 and a Samsung Galaxy S3 for guest use – with free Internet on both devices. Fan-favorite apps and web links are loaded on the iPad, which is further decked out to reflect the predilections of one of five ‘lifestyle concierges’, each of whom has favorite places to shop, dine, exercise, relax and more. Accompanied by the virtual muse and armed with GPS and mobile technology, guests wander the city.

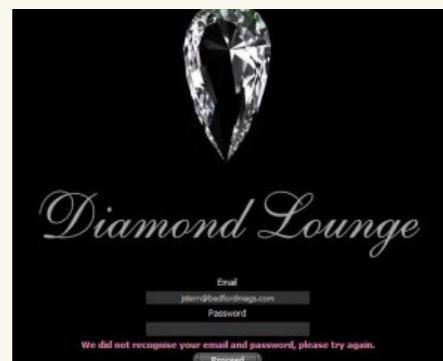
Still, there’s much room for improvement in a world where many hotels still charge for Internet access and often don’t even have Wi-Fi. In a very near future, charging for access to the interwebs will seem as outlandish as charging for a bar of soap, so ubiquitous will technology be. Enhancing the digital

visitor experience will be key for the hospitality business, just as it is for cities, but for now, innovation comes more often from museums, which use technology to add context and richness to history and artifacts, and ski resorts, which have turned the mountain into an interactive gold mine.

For Affluents Only

Despite the relative inclusiveness of many technologies – anyone can download an app or watch a fashion show on Facebook – some companies still try to attract the affluent by creating community via invitation-only sites. The rationale for exclusivity is that the wealthy have privacy concerns beyond those of people of average means, and their interests are to be shared with the like-minded. At least, that was the thinking in 2008, when a small group of very select, invitation-only social networks emerged including DiamondLounge, Affluence.org, Squa.re and aSmallWorld. In the interim, most have floundered.

LuxuryRatings.com, a kind of Yelp for the wealthy – gathering opinions on financial advisors, cosmetic surgeons and exclusive vacation destinations – lasted



While there are many organizations that curate experiences for affluent travelers, and many that attempt to play the exclusivity card, one has managed to do both successfully for 30 years. Earth, a London-based, by-invitation-only travel company, has fewer than 100 clients and no phone number.

less than a year before disappearing into the bubble of oblivion. Squa.re, meanwhile, is focused on luxury, yet claims that 'Everyone Comes to Squa.re.' It has gone from social media site to content aggregator, albeit from 200 sites that range from exclusive (Yachting Intelligence) to decidedly less so (George Michael). Diamond Lounge has gone a similar way.

A newcomer is TrustedFamily, a Belgium-based site that serves 68 families in 20 countries who manage total net worth of \$190 billion. It bears a physical resemblance to Facebook but is more like Google+ in that it allows members – who each pay upwards of \$32/month – to communicate with select sub-groups: a particular generation, say, or members of a family council. TrustedFamily includes apps for building family trees, sharing documents and videos and moderating discussions. The premium version offers links to online banking.

Back in 2007, an upstart called asmallworld described itself as 'in essence a Social Google, a high-end Zagat/Craigslist/Monster.com, and a real-time Wikipedia rolled into one.' Today, asmallworld

membership is still by invitation only, but a newly public blog, asmallworld magazine, seems to make most of the site's content freely available. In an article entitled 'asmallworld: so what the hell do I do here', suggestions include 'Party with us around the world' (some 40 gatherings per month) and 'Meet your husband/wife,' which seems to be an outcome of the parties. You can also 'get rescued from a war zone' and 'get busted out of prison.' asmallworld is a survivor in the world of attracting the wealthy through social media, and claims some 850,000 members. However, according to the Four Seasons survey, only 5% of the top-earning group (\$500,000+) were members of asmallworld, and only 1% of the 'merely affluent' spent time there. Still, a social network of affluent people who want to party and hook up on a variety of continents is as appealing for some as discovering the soul of a destination or buying a metallic trench hot off the runway is for others. The affluent may be different from everyone else, but they are, at the end of the day, refreshingly human.

Snapshot 2013: Entertainment



Foodie Fix

Time was, when you wanted to match up the words 'cuisine' with 'affluent', you'd conjure Gatsby-esque images of Champagne gushing from fountains and caviar by the pail. Today, affluent American travelers are noshing on local food and sipping their way through the wine countries of the world, influencing food trends as they go.



Photo courtesy of Whole Foods Market®

Having mastered the affluent grocery business, Whole Foods is now getting into travel.



Photo courtesy of Talisker Park City

The eye must eat, too: watermelon salad from Talisker's The Farm at Canyons Resort in Park City, UT.

Food and wine have always been a driver of high-end tourism, and long been a focus for the affluent households in the Resonance Report. Since 2008, gourmet kitchens have been in the top 10 of the list of desirable luxuries, and visiting wine country has been the most desired vacation experience for the past four years.

"Cooking, I found, gives us the opportunity, so rare in modern life, to work directly in our own support, and in the support of the people we feed... Is there any practice less selfish, any labor less alienated, any time less wasted, than preparing something delicious and nourishing for people you love?"

*Michael Pollan,
Cooked: A Natural History of
Transformation, April 2013*

It's important to consider the impact of the rise of food consciousness across every demographic in the past few years. We've never been so aware of what goes in our mouths, where it comes from, how good it can be and, alas how bad much of it is. The list of obsessions is endless: Local food. Know your farmer. Know your chicken. Hundred Mile Diets, and a hundred reasons why we should continue to eat coconuts. Lettuce recalls, burgers, e-coli, organic everything. Food, Inc. Fast Food Nation. Michael Pollan and his books. Jamie Oliver feeding Appalachia. Farm-to-table restaurants. Harvest dinners for a hundred. Educated women going from fast track to plow track. Butchers in blood-stained aprons as sex symbols. Seminars on killing, preparing, then feasting on your own bunny. Terroir. Trust. Food, glorious, terrifying, nourishing, fraught food.

At the heart of the matter is the provenance of food, and increased know-how about food sources globally has catalyzed growth in local food movements and innovation in food tourism. At home, the well-off enjoy the luxury of choosing correctly sourced organic food, perceived to be the purest source.

They've grown the fortunes of premium and pricey organic food purveyors like Whole Foods, whose profits have increased 40% since 2010 and whose sales per square foot are 80% higher than those of their traditional competitors.

In 2012, affluent foodies became a whole new revenue stream for the grocery chain when local food, wine and luxury travel came together in Whole Journeys. The new company caters to 'Active Foodies' who explore cultural landscapes with a food focus, and to home chefs who can opt for 'Hands On Cooking' excursions. (Indeed, taking cooking lessons abroad was cited by 22% of our respondents as a desired vacation activity in 2012, just out of the top 10.) Whole Journeys destinations range from Tuscany and Ticino to Provence and the Dolomites, and they all include generous amounts of wine tasting, a much-desired activity according to the Resonance Report. Not only is touring wine country the top vacation experience sought by wealthy consumers (37%), one in ten affluent consumers plan to take a culinary/wine tour vacation in the next two years and 14% of them said they were planning a trip to Napa/Sonoma Valley. A wave of new and upgraded hotels and restaurants in Napa is responding to the demand.

While hard figures on the growth of gastronomic tourism are hard to come by, the United Nations World Travel Organization felt it was important enough a focus in 2012 to publish a Global Report on Food Tourism. The UNWTO distinguishes between



Talisker, a real estate development company active in Park City, has created a "Restaurant Collection" of three award-winning venues that have become central to the experience of place in the popular ski town. Here, Talisker on Main.



54%

SAY COOKING IS A RECREATIONAL ACTIVITY AT HOME



38%

CONSIDER A GOURMET KITCHEN A DESIRABLE LUXURY



76%

ENJOY DINING OUT ON VACATION, MAKING IT THE TOP ACTIVITY

food tourism and wine tourism, using the Hall and Sharples definition of gastronomic travel, and it's a mouthful: "food tourism is an experiential trip to a gastronomic region, for recreational or entertainment purposes, which includes visits to primary and secondary producers of food, gastronomic festivals, food fairs, events, farmers' markets, cooking shows and demonstrations, tastings of quality food products or any tourism activity related to food."

Inevitably, though, food tourism and wine tourism are inextricably linked. The top desired overall vacation destinations in the Resonance Report – Italy, France, Napa/Sonoma, all places with powerful food and wine histories and identities – reflect a strong desire to explore the native flavors of landscape.

Among the wealthy, equal numbers of women and men are vacation foodies, though slightly more among the under-55 group (11%) than over (8%), and more among those with a higher net worth (11%) than lower (8%). Cuisine is the third most important amenity when choosing a hotel (only Internet and beach access are more important). Wealthy vacationers are sometimes still hungry when they get home: InterContinental Hotels Group has launched its own iPad cookbook app, allowing affluent vacationers to re-create dishes at home that they have enjoyed at hotel properties around the world.

As their experience and sophistication grows, the appetites of wealthy travelers take them farther afield: Cox & Kings named 'Epicurean Latin America' one of their top 10 luxury travel trends for 2013 and offers customized culinary adventures through Argentina, Chile and Peru.

Eating determinedly and deliciously local food in faraway places has brought travelers back home with more knowledge and higher expectations of their own communities. The local food movement continues to gain momentum; USDA estimates put its value at \$4.8 billion in 2008 and \$7 billion in 2011 (though some other sources peg the 2011 number at \$11 billion).

While the trend to local food is now thoroughly mainstream and widespread, the wealthy can cherry-pick from an ever-larger, ever more organized local harvest. While places like Asheville, North Carolina and Nashville boast growing and eclectic local scenes, nowhere is the harvest richer and more varied than in Brooklyn, the 19th-century agricultural powerhouse that is leading 21st-century America in local food.

Way back in 2009, when the Brooklyn scene started capturing media attention, a young butcher told *The New York Times* that, "In Brooklyn, to be into food is do it yourself, to get your hands dirty, to roll up



Photo courtesy of Kukui'ula

Dig into luxury: The Upcountry Farm at Kukui'ula puts the red dirt of Kaua'i under affluent fingernails and gives club menus fresh local ingredients year-round.

your sleeves. You want to peek in the kitchen in the back, as opposed to being served in the front." The scene is collaborative, community-oriented, anti-corporate, authentic and artisanal – a lot like the way things taste and feel when you're on tour in, say, Umbria. There's no food more local than the stuff you raise yourself.

The DIY ethos of the Brooklyn food movement meets the high-high end of community gardening at Kukui'ula, a luxurious resort community with a working farm on the Hawaiian island of Kaua'i. Are farms, as planner Andrés Duany famously put it, the new golf courses? Well, the affluent members of Kukui'ula don't spend all day sowing and reaping, but the farm nourishes in many ways. "Our members' reaction to the farm is more emotional than cerebral," says Brent Harrington, president of the Kukui'ula Development Company. "Yes, intellectually they know the produce they're gathering is healthy, organically grown and absolutely fresh. But that doesn't explain the joyful expressions on their faces when they walk through the farm, nor the delight they feel when twisting pineapples off the stalk, gathering fresh heads of lettuce, picking fruit off the trees or lifting carrots out of the ground. It's telling that many members of Kukui'ula think of the farm as the most treasured amenity in the community, surpassing even our luxurious private club, golf course and spa."

Mandy Scully, Executive Vice President of Talisker Corporation, says that company is in the core, the business of building family memories. "Consider how many of life's most cherished memories are shared around a dinner table, or celebrated with a toast of fine wine or champagne," Scully says. "Those are the moments that we aspire to nightly in our private dining rooms and restaurants."



Photo courtesy of Solage Calistoga

FOR THE LOVE OF NAPA

Wine country consistently tops the list of desired places to visit for affluent Americans, and Napa is adept at consistently offering them something newer and more delicious every time they visit. *Architectural Digest* visited in the summer of 2012 and found Hyatt rebranding its AVIA hotel, the iconic Auberge du Soleil refreshing and upgrading its interiors, and two newcomers: the "eco-chic" Bardessono, in Yountville, and Solage Calistoga, an inn and spa. New restaurants include French Blue, Goose & Gander, and Redd Wood.

What's more, three hotels in Napa made *Condé Nast Traveler's* Gold List of the best places to stay in 2013 for the first time – Lavender, a private home turned B&B, the Villagio Inn and Spa, a Mediterranean-style hotel with Parma mud facials, and Vintage Inn, a French country-style inn and spa. With both over-the-top and under-the-radar experiences – and consistent renewal and growth – Napa and America's affluent will continue to age well.



Photo courtesy of Solage Calistoga

Snapshot 2013: Culture



Creative Consumption

Creative Tourism involves an experience that's hands-on – or glass-full – and brings visitors in face-to-face contact with locals and their culture. For an affluent and conscientious post-recession traveler – as opposed to a conspicuous consumer – Creative Tourism provides some of the world's most meaningful, memorable and personally relevant journeys.



From pottery-making to singing, painting, language-learning, photography and more, Cultural Tourism is endlessly enriching.



28%

WANT TO LEARN
NEW THINGS

Participants in the Resonance Report almost unanimously said vacations are a time for relaxation. But for many affluents, relaxation means learning new things. Twenty-eight percent of affluents say they like to ‘learn new things’ while on vacation and 17% said they’d like to try. Experiences that interested them were the ever-popular touring wine country (37%) or taking gourmet cooking classes abroad (22%). Also popular was learning a second language in Europe (15%) and taking art or photography classes in a unique location (12%).



51%

ENJOY SUNBATHING
AND RELAXING

Many of those activities fall under the label of Creative Tourism, though they might not be marketed as such – at least not yet. A less passive subset of Cultural Tourism, Creative Tourism is defined by UNESCO as “travel directed toward an engaged and authentic experience, with participative learning in the arts, heritage, or special character of a place, and it provides a connection with those who reside there and create this living culture. The Creative Tourist is always a participant, someone who learns by doing, someone who finds enjoyment and fulfillment in developing new abilities, someone who wants to interact with local people.”



32%

ENJOY PARTICIPATING
IN ONCE-IN-A-LIFETIME
ACTIVITIES

According to *Tourism, Creativity and Development* co-editor Greg Richards, who has written widely about the subject, Creative Tourists seek “the intangible and the ephemeral. Today, the idea of being on holiday places more emphasis on the creativity of the tourist, rather than seeing them



Larry Hobbs, expedition leader on A&K's *Le Boréal*, takes a shot of Antarctica.

Photo courtesy of Abercrombie & Kent USA, LLC

as passive consumers or gazers-upon a series of staged experiences. They become the co-producer of tourism experiences, exercising more creativity and consumption skills.”

Richards says that Creative Tourists are ‘pro-sumers’—they expect choice and participation as a core component of their cultural experiences while travelling. The Creative Tourism experience can range from arts festivals to crafts tourism, workshops and master classes and much more. What the Creative Tourist wants is an experience of the very definition of creativity – a process of producing new meaning and linking things together in new ways.

responsibletravel.com has weaving together Cultural Tourism with eco and green holidays since 2001. Among the 4,000 offerings are opportunities to live the warrior's life in both Africa and Mongolia. "Learn bow and arrow making, orientation techniques, field cooking, how to shoot from a standing position and on horseback, learn the different knots used in the daily life of the steppe nomads, how to herd horses and lasso them, as well as discovering the battle tactics used by the great Khan, such as the art of lighting many campfires quickly so as to confuse the enemy at night. You also prepare your own weaponry and re-enact different tactical techniques to ensure a successful war campaign."



WoodenBoat School

For 33 years, the WoodenBoat School in Maine has brought lovers of coastal craft together with traditions like blacksmithing, bronze-casting, woodcutting...and building guideboats and dorys.

There are countless places where that can happen, and some are more inherently creative than others. Santa Fe, New Mexico, has leveraged its mystico-inspirational soul and made itself into a creative tourism mecca, offering workshops year-round in artistic experiences from "Adventure Storytelling with the GoPro" to creative visualization workshops 'underwritten with neuro-linguistic programming' and healing garden design.

Haiti, as resilient as it is traumatized, has creativity in its blood. The country's powerful artistic spirit has survived dictatorship and earthquakes and Resonance is working with a visionary Ministry of Tourism to bring visitors to experience the craft, painting, ironwork, voodoo and other magic of artisans in the historic city of Jacmel. The city is utterly unique and authentically creative – it's in the very DNA of the area, a source of differentiation, pride and community.



WoodenBoat School

But creativity can be a state of mind: scores of destinations now offer a form of adult summer camp, where accommodation ranges from rustic to rarified, and campers learn, hands on, about subjects as varied as birdwatching, figure skating, boat building and the Lindy Hop.



Photo courtesy of Abercrombie & Kent USA, LLC

Mongolia & Borneo Extreme Adventures Guide Boldbaatar Altanshagai shows a guest the warrior arts.

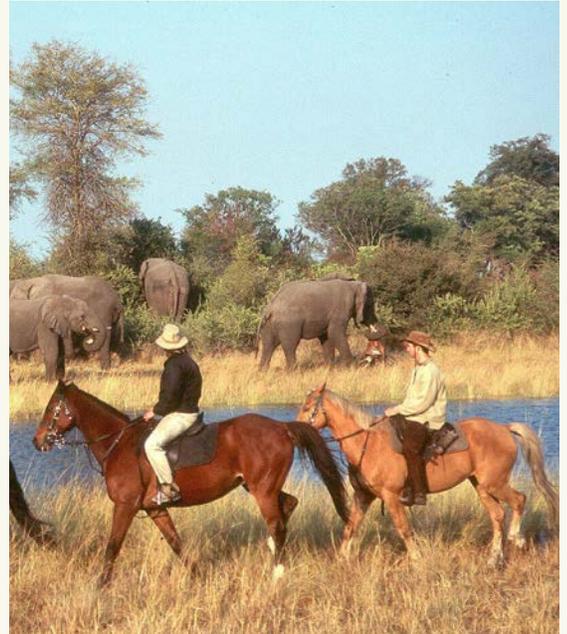


Photo courtesy of Abercrombie & Kent USA, LLC

Riding safari in the Okavango Delta, Botswana.



13%

WANT TO TAKE AN ACTIVE/ADVENTURE VACATION OR A CULTURAL GETAWAY IN THE NEXT 12-24 MONTHS

Even if Creative Tourists don't co-produce a creative experience, they can consume the creative lifestyles of others. This seems particularly apt when it comes to wine tourism, the most desired vacation experience in the Resonance Report. Winemakers in Napa, one of the regions favored by the affluent, have long been successfully sharing the fruits of their labors.



10%

WANT TO DO CULINARY TOURISM OR TAKE A WINE TOUR IN THE NEXT 12-24 MONTHS

Long Meadow Ranch is a winery that's particularly good at bringing visitors into its world: the destination won the Innovative Experiences award from the Great Wine Capitals Global Network's Best of Wine Tourism Awards. Proprietor Chris Hall says that his goal has been to create an experience that's "equally compelling for our local community as well as for the valley's many visitors." The working ranch produces award-winning wines, hand-crafted olive oils, grass-fed beef, eggs, and heirloom fruits and vegetables. Besides wine tastings, visitors can take in full-circle farming tours, olive oil tastings, farm-to-table dining, concerts and educational experiences, all in the company of locals. And the architecture? Rammed earth. It's a multi-sensory experience, one that's a feast for the eyes, the palate...and the mind. For many affluent American travelers, the future of travel is creative in its most privileged sense: an opportunity to roll up your sleeves, open your mind... and drink up.



Photo courtesy of Abercrombie & Kent USA, LLC

Extreme adventuring on Isla Espiritu Santo, Baja, California.

Snapshot 2013: Real Estate



A Time of Transition

The resort real estate industry was shaken in the wake of the financial crisis. Today, resort communities must form new identities around authentic local experiences and fostering connections to family and community. At the same time, second home buyers are increasingly looking to cities over the countryside when it comes to purchasing a vacation home.

The market for second homes, like the primary real estate market, has been impacted dramatically since 2008. What remains relatively unchanged, however, is the desirability of vacation properties for affluent households. When Resonance conducted its first survey of affluent U.S. households in 2008, owning a “vacation home in the mountains or at the beach” was rated as the most desirable luxury item and experience. In 2010, the desirability of a vacation home slipped to #2, where it remains in 2012.

According to the National Association of Realtors (NAR), sales of vacation homes peaked in 2006 with total sales of just over one million homes. Annual sales dropped to a low of 436,000 in 2008 and have grown slowly to a total of 553,000 in 2012.

Resonance Report results indicate that ownership rates of vacation homes peaked in 2010 with 24% of affluent households owning a vacation home, dropping to 19% in 2012. More significantly, the number of households considering the purchase of a vacation home, condominium, fractional or destination club membership has dropped substantially since 2010. Whole ownership products (homes and condominiums) remain the most widely considered product type, with households under the age of 55 and those with a net worth of more than \$1 million reporting higher rates of purchase consideration.

The most popular location for vacation homes according to this year’s survey is New York City, which coincides with the choice of New York as the country’s #1 vacation destination for affluents. The NAR’s 2013 Investment and Vacation Home Buyers Survey also indicates that 21% of vacation homes purchased in 2012 were in an “Urban Area/Central City”, suggesting that there is increasing interest in urban vacation properties. Other top destinations for affluent vacation properties include Florida, Hawai’i, North Carolina and Michigan.

The median age of a vacation home buyer in 2012 was 47, according to the NAR, but anecdotal evidence suggests that for buyers of luxury properties, the median age is slightly higher. As a result, the impact of the Baby Boomers on the rapid growth in sales between 2000 and 2005 cannot be understated, since the number of U.S. residents between the ages of 45 and 54 grew by 50.3% between 1990 and 2000, according to U.S. Census figures.

Percentage of Affluent Households Owning Vacation Property

	2008	2010	2012
Vacation home	19	24	19
Vacation condominium	7	11	8
Hotel condominium	4	3	2
Timeshare	18	19	15
Private residence club membership	8	10	4
Destination club membership	7	9	3

Percentage of Affluent Households Considering Purchase of Vacation Property

	2008	2010	2012
Vacation home	43	42	11
Vacation condominium	30	35	7
Hotel condominium	17	17	3
Timeshare	13	14	4
Private residence club membership	17	19	3
Destination club membership	16	18	3

Currently Considering by Segment

	<55	55+	<\$1MM	\$1MM+
Vacation home	13	7	9	12
Vacation condominium	8	5	4	10
Hotel condominium	4	2	2	5
Timeshare	4	3	4	4
Private residence club membership	4	2	2	5
Destination club membership	4	2	2	4



Photos courtesy of Martis Camp



Martis Camp near Lake Tahoe has found a sweet spot between private and public, golf courses and amenities that engage all members of the family, winter and summer. All in a drive-to destination.

With little to no growth in the 45-54 age cohort projected in the decades to come, U.S. vacation home development appears to be a mature industry with limited potential for growth. Fortunately, 9% of affluents under the age of 65 plan to convert their vacation homes into their primary residence when they retire, versus only 2% of those already over 65. Furthermore, 16% of those under 65 plan to relocate and purchase or rent a home or condominium in a different region, suggesting that as many as one in four Boomers will be on the move in the decade ahead. In fact, according to the NAR's 2013 Investment and Vacation Home Buyers Survey, released in April 2013, 27% of vacation home buyers in 2012 plan to make their vacation home their primary residence in the future.

While retiring Boomers may absorb and/or retain a significant amount of the existing inventory of vacation properties, it will be critical for developers and homebuilders to focus on product innovation and the development of new international markets for growth. They will also have to understand the varying preferences of a new generation of buyers whose lifestyle and values differ from those of the Boomers.

"Buyers today are still between the ages of 45 and 55, but we are going through a bit of a transition because that buyer is not the same as the Boomers we sold to over the last 20 years," says Harry Frampton of East West Partners.

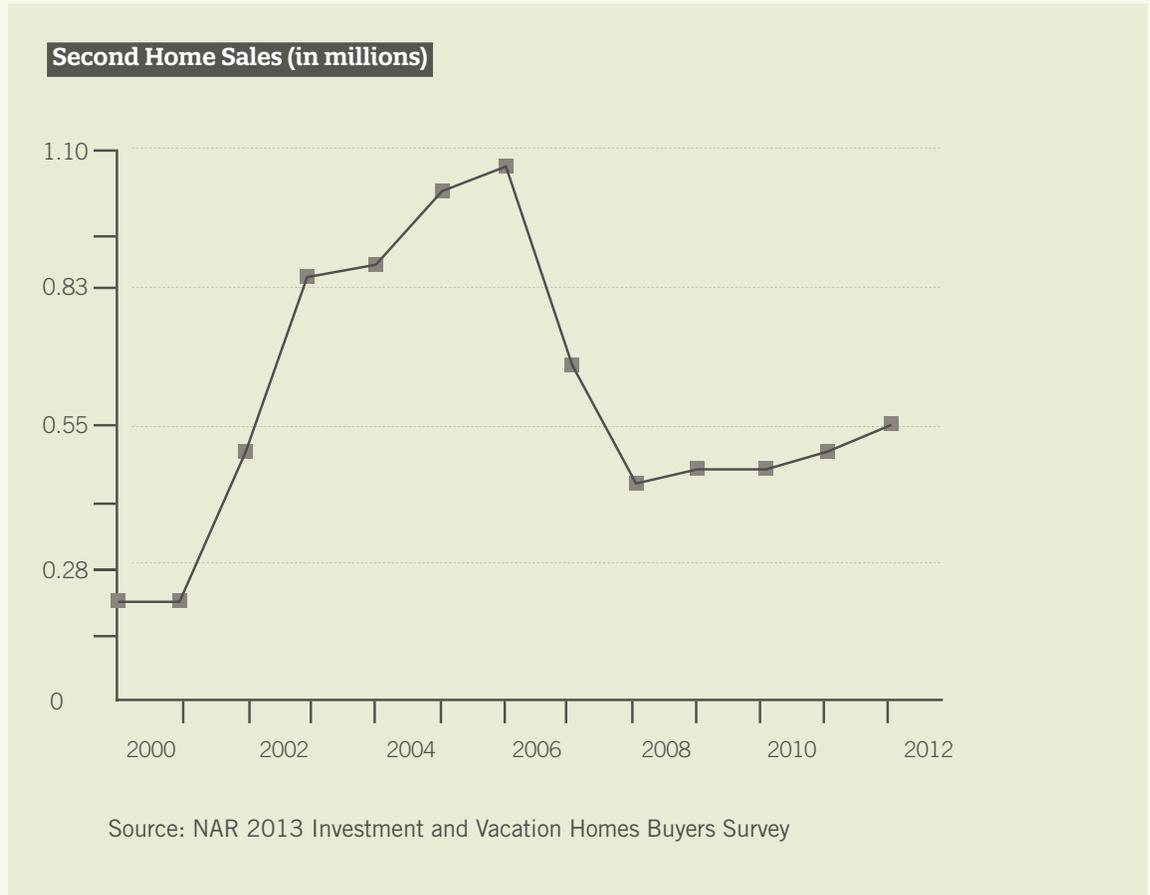
One resort community that has not only weathered the downturn but prospered is Martis Camp in Truckee, California. Situated on 2,177 acres next

to the Northstar ski resort, the private community features a private ski lodge with access to the slopes of Northstar, a Tom Fazio golf course, a national park lodge style clubhouse and a unique Family Barn complex that offers a cafe, art studios, gymnasium, bowling alleys and swimming pool. Since starting sales in 2006, the community has sold more than \$400 million worth of homesites, cottages and custom homes. Developers DMB Pacific Ventures and The Highlands Companies credit their success to a strong commitment to family-oriented amenities and programming.

"We have been very pleased with the strong sales activity and overall response to Martis Camp," says Mark Johnson, general manager of Martis Camp. "It's been our vision from day one to create an incredible retreat for family and friends, and the continued growth and interest of the community is turning that initial vision into a reality."

Restoring confidence in the vacation home industry among prospective buyers is also key, says Greg Ashley, chief strategy officer of Replay Resorts. "Where in the early 2000s, it was all about vision, today it's all about reality," he says. "We have moved from pre-selling to pre-building (model homes) and from nice-to-have resort amenities to the design and construction integrity of the actual product."

Built product not only communicates confidence but is increasingly attractive to today's buyers, who appear to be more interested in turnkey solutions than building trophy properties. Anecdotal evidence also suggests that there is stronger demand at the



high end and low end of the market but little in the middle. According to Resonance Report respondents, 21% of potential buyers intend to spend \$1 million or more on their vacation property. A growing number of younger buyers are also interested in “scalable” properties that allow them to add space and expand as their family grows and changes over time.

With a growing number of retiring Boomers choosing to retire to resort homes and communities and a growing emphasis by new buyers on family-oriented amenities and services, resort developments and communities will be challenged to create programming that serves a multi-generational demographic and their varied interests and pursuits in order to succeed in the future. This trend towards increased multi-generational ownership and use will affect the branding and positioning of communities, which will no longer be able to shape their identity around a single amenity such as golf. Instead of developing amenity-rich “islands”, the next generation of buyers will be increasingly interested in developments with links to the surrounding community and the natural amenities, services, people and experiences they have to offer.



Photos courtesy of Kukui'ula

At Kukui'ula in Kauai, turnkey cottages near the Clubhouse (shown) have been a highly successful product.

As walking, hiking and cycling continue to become more important to affluents, amenities such as purpose built trail systems will become increasingly attractive, and the next generation of buyers will seek more integrated family-oriented amenities and programming rather than amenity offerings segmented between men, women and children.

Contact Us

Resonance Consultancy Ltd.
33 Water Street, Suite 601
Vancouver, BC V6B 1R4
Canada
Office: (604) 681-0804

Resonance Consultancy Ltd.
112 West 34th Street, 17th Floor
New York, NY 10120
USA
Office: (646) 233-1383

The Resonance Report is produced for general interest only; it is not definitive. It must not be relied upon in any way. Although high standards have been used in the preparation of the information and analysis presented in this report, no responsibility or liability whatsoever can be accepted by Resonance Consultancy Ltd. for any loss or damage resultant from any use of, reliance on, or reference to the contents of this document. We make no express or implied guarantee of its accuracy. Please be advised that your use of The Resonance Report document constitutes your agreement to (i) use the content under a limited license only for your own internal purposes, and (ii) not disclose, publish or otherwise make public or provide the content, in whole or in part, to any third person or entity without the prior written consent of Resonance Consultancy Ltd. The content is and remains at all times the exclusive intellectual property of Resonance Consultancy Ltd. Copyright © 2013 Resonance Consultancy Ltd.