

HOTELS & RESORTS

Luxury Travel Trends

The Fairmont Brand

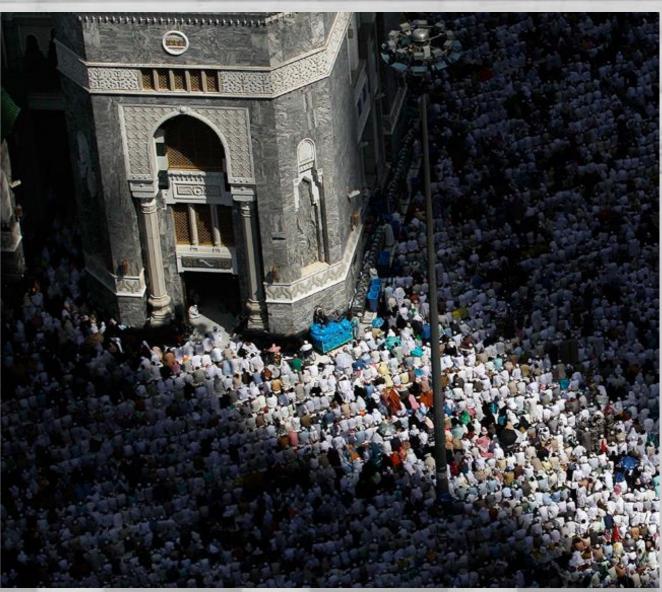
Marketing with our Guests

"Loyalty"



A Fairmont experience...





The FHR Portfolio in 2005



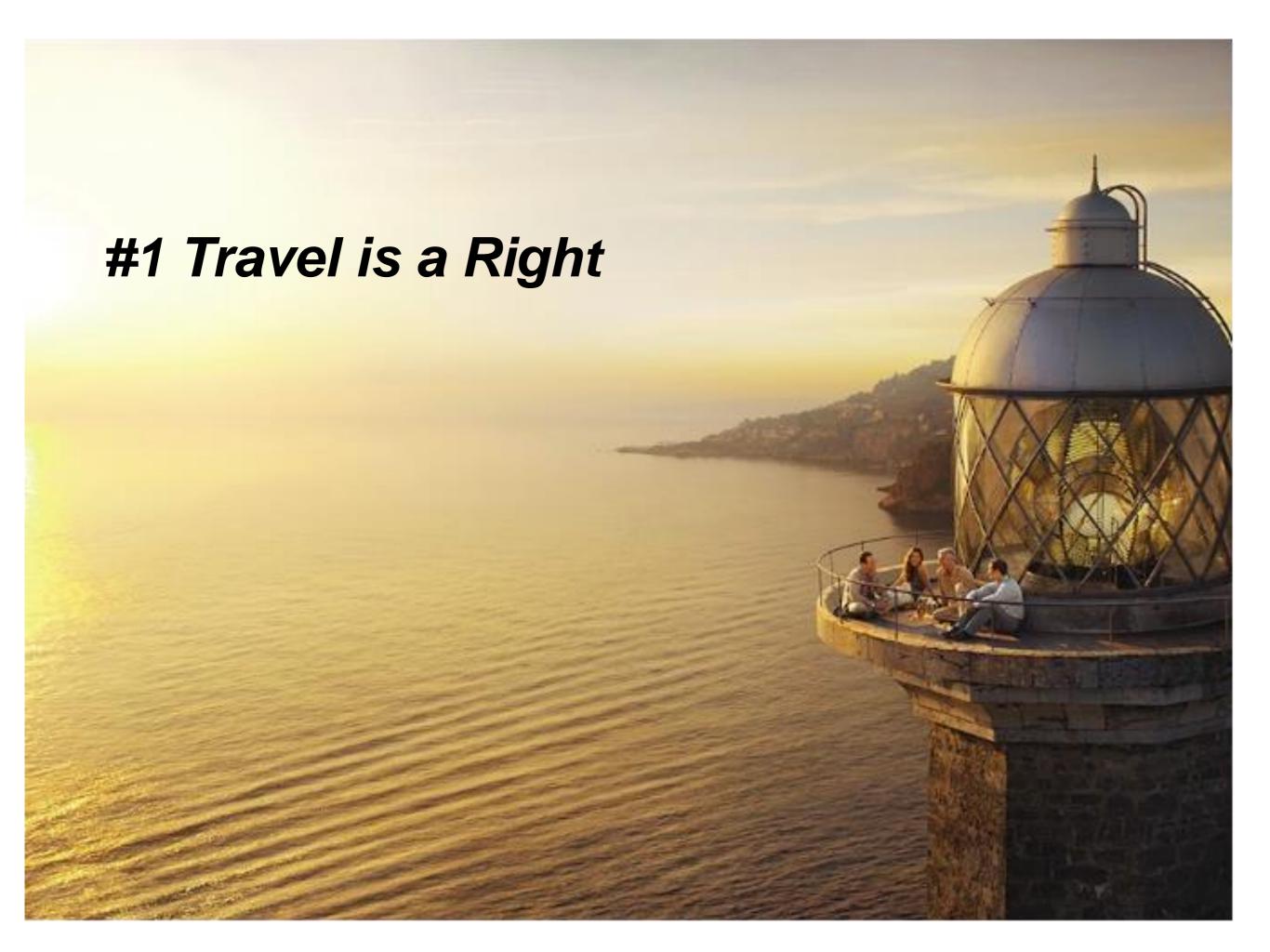
The Current FHR Portfolio



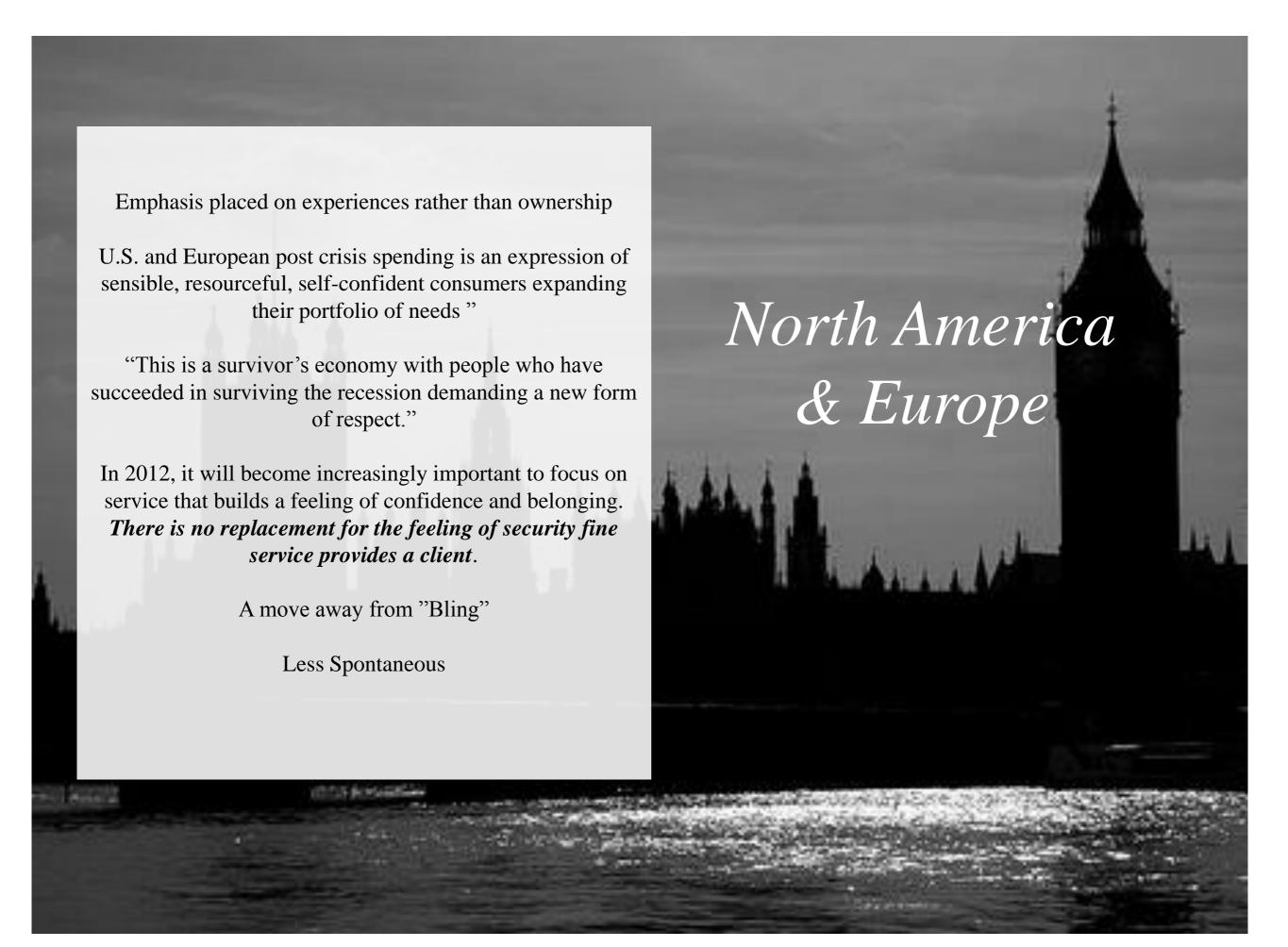
FHR Timeline video

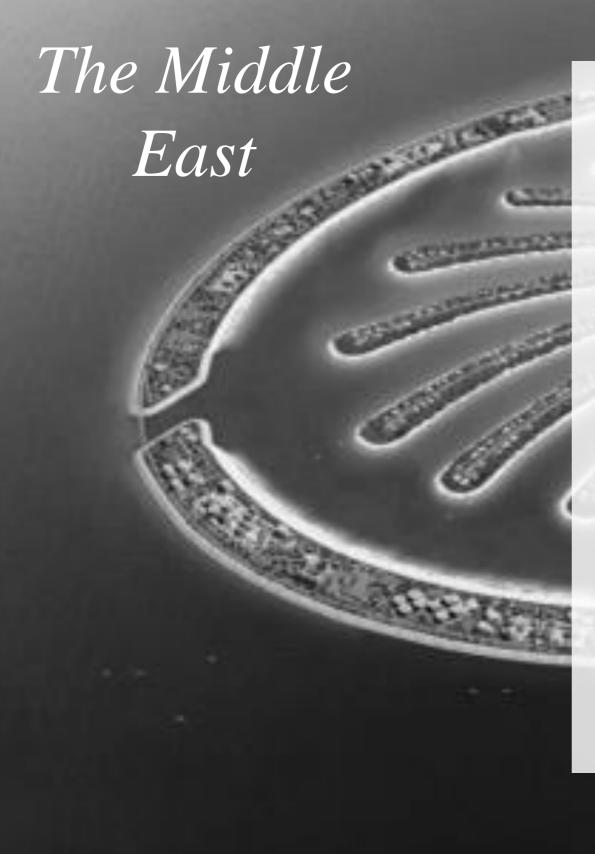
Trends in Luxury
Travel











Re-birth of luxury and spread of a taste of luxury that is related to the growth of the middle class. It is a way to demonstrate social rise.

50% of the luxury purchases are from customers under 30 years of age.

A high income with high purchase frequency, a strong appeal for novelty

Loyalty? Changing brands irrespective of the need to do so is commonplace.

The taste for luxury is a mix between the global and the local

Muslim travelers will outpace the growth of other travel segments, and by 2020 this segment of travelers will be spending close to USD 200 billion a year.

By 2015 Chinese consumers will account for more than 20% of the global luxury market- 4.4 M wealthy households, 4th in the world

80% of wealthy Chinese are between 18-45yrs vs. 30% in the USA and 19% in Japan

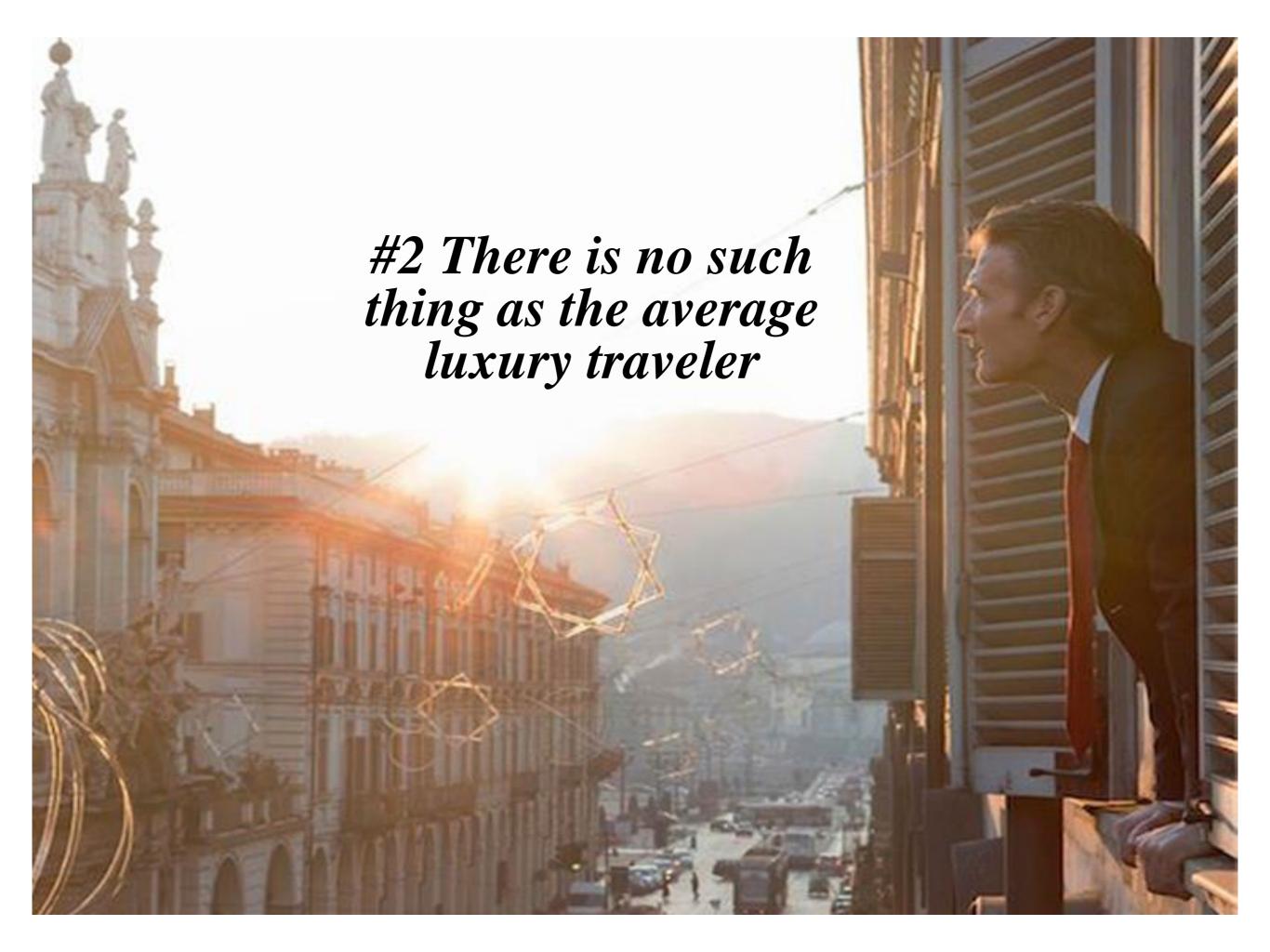
Half of Chinese who are Wealthy today weren't wealthy four years ago. And more than half of those who will in four to six years aren't today.

Habits changing rapidly- four years ago most Chinese purchased luxury goods outside China. Now 60% of purchases are inside the mainland.

By 2020 we an expect to see 100 million outbound tourists from China. The Chinese market will be considered the key market of Global Luxury with an estimated 250 million Chinese now able to afford luxury products.

The Indian luxury market is predicted to grow at a rate of 21 per cent with luxury travel growing at approximately 15 per cent in the next five years, again representing this fast-emerging, high-spending sector across Asia as a whole





Profile of the luxury traveler today

Accessible Luxury

These ultra travelers in this group make luxury an essential component of their life and will trade off to afford it.

Aspiring Luxury

Affluent Business travelers and professionals (8 to 10 Million people world wide)

Absolute Luxury

These ultra high net worth individuals holding at least \$30Million in Financial Assets (80,00 – 95,000 people)

Super active

Social Status

Street Wise Purchasers

Exclusivity and Discretion

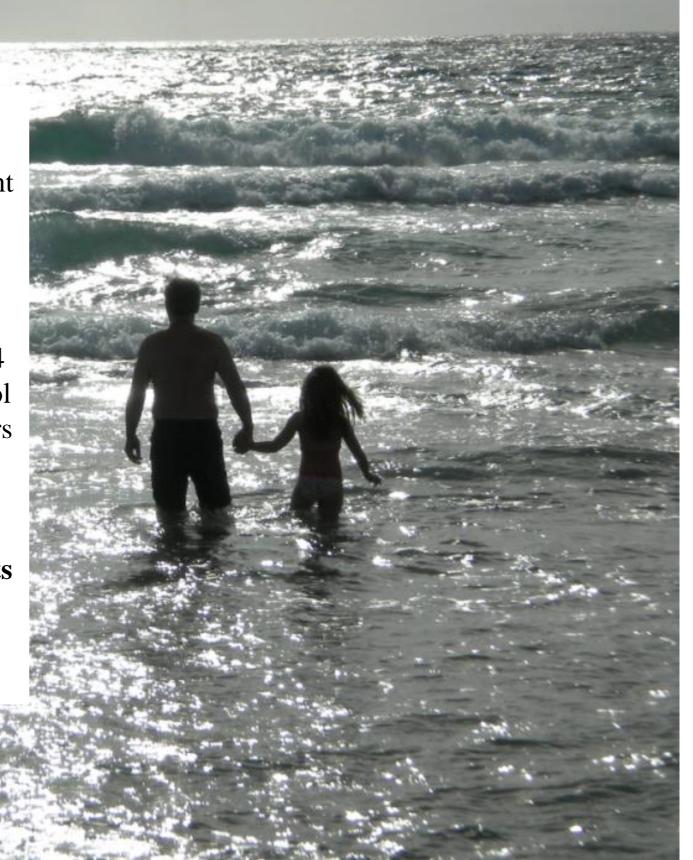
Multigenerational Family Travel

Multigenerational travelers are planning "Milestone Vacations" – Nearly eight out of ten (77%) planned a vacation around a life event such as a birthday (50%), anniversary (40%), family reunion (39%), and wedding (37%).

They travel more often – The typical multigenerational traveler takes more trips (4.4 per year) than the non-multigenerational control group (3.6 per year). Multigenerational travelers are also statistically more likely to take an international trip.

They use and trust the advice of travel agents

- Almost 20 percent of multigenerational travelers, representing nearly four million people, use the services of a travel agent.





We Seek Meaningful Business Travel

- Spare time can be spent exploring our destination, indirectly improving our understanding of our hosts and how to relate to them
- We can "try out" hotels and destinations that we may later visit with loved ones for leisure
- We often add extra days onto a business trip to better experience the destination, either alone or with a loved one



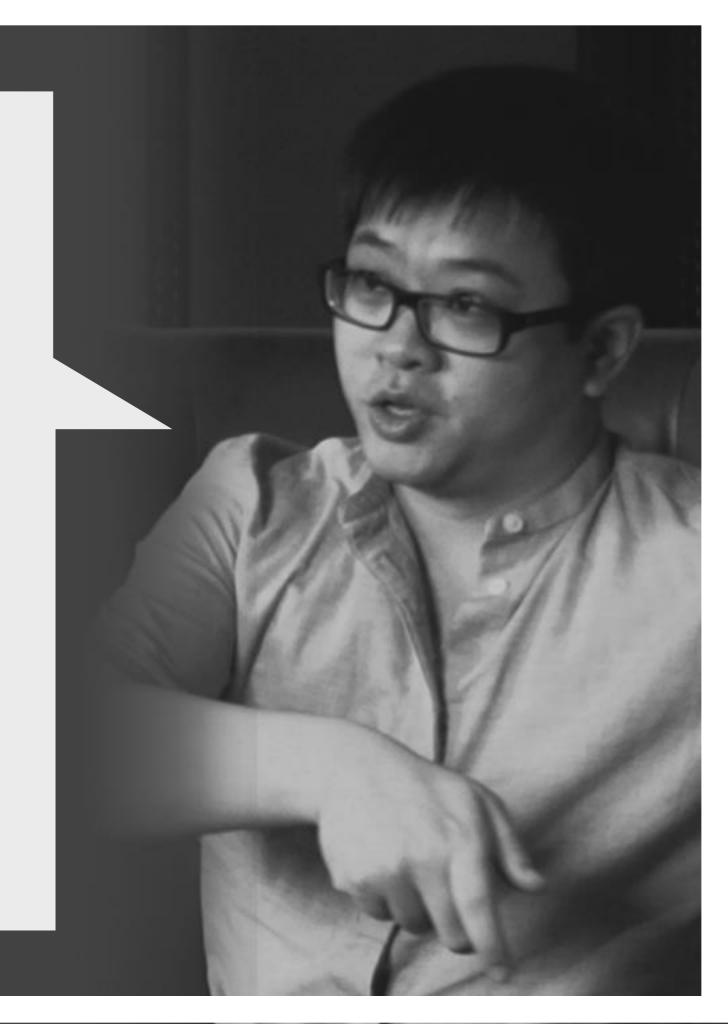
We Value Authentic Cultural Experiences

- We are sophisticated cultural explorers, but we occasionally frequent the same places tourists do
- We respect cultures and seek both entertainment and education when traveling
- We want to discover local culture through food and by exploring off the beaten path
- Shopping, although included, isn't representative of our destination or our journey



We Define Ourselves by Our Travel Experiences

- We collect travel memories so we can relate them at a moment's notice
- Memories are the personal currency we use to enrich our listeners and fulfill our need to be valued for our experience
- Photographs and other travel tokens are often proudly displayed or worn as badges with intense personal meaning





We Seek Experiences That Challenge Our Perspective

- Travel challenges our status quoboth journey and destination teach many lessons, and we are eager students
- Being out of our comfort zone is okay: the sanctuary of our hotel room is always near
- Our new-found perspective inspires the way we work and live at home; we frequently want to travel again to refresh this wonderful feeling



Technology and the Luxury Consumer

Purchasing Behavior How people get their information to purchase How people make their purchases How the post purchase

Social Sharing "Real-time word of mouth"

Personification of emotional attachment

Relationship between Social Media engagement and purchase intent

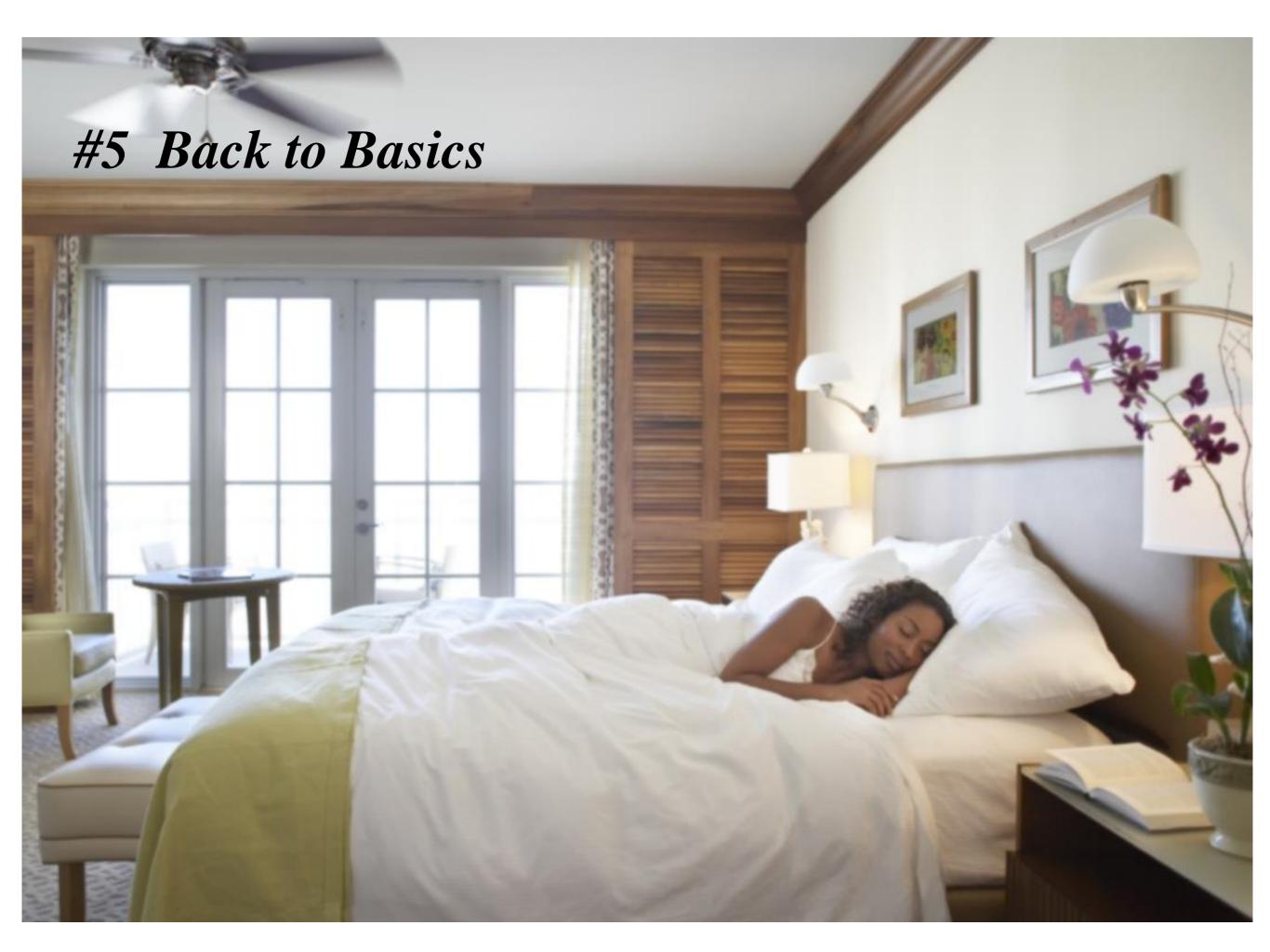
Location Based "Loyalty"

Loyalty unique to the local experience Personalized experiences Real-time interaction

Operations

Personalization at the property level Service Delivery Standards Data completion and insight sharing

"No request is repeated and no stay feels like the first"



We Expect Engaging Service

- We expect to be treated in a high-quality, engaging way for a comfortable, rewarding stay
- We expect staff to be helpful, friendly and cordial at all times
- We believe most quality hotels try to deliver on this promise, and we do not see anyone standing apart from the rest



We Value Genuine Care and Concern

- We want to be welcomed and appreciated in a meaningful, not formulaic or robotic, way
- In hotels of note, you can feel the pride the staff has for the property and their role in our experience
- In Asia, this is called "pampering"— it's above and beyond our basic expectations of a luxury hospitality experience, but not too far beyond (small, thoughtful gestures)





We Remember Delightful Surprises

- We especially love the little handwritten notes and other thoughtful expressions of gratitude or hospitality
- We appreciate services that display your understanding of what we like and how stressful it can be getting to our destination

Authenticity

Relationships

Personalization

Status & Recognition

Most luxury brands lose eighty to ninety percent of customers in any given year, and are deficient in retaining even half of their top customers.

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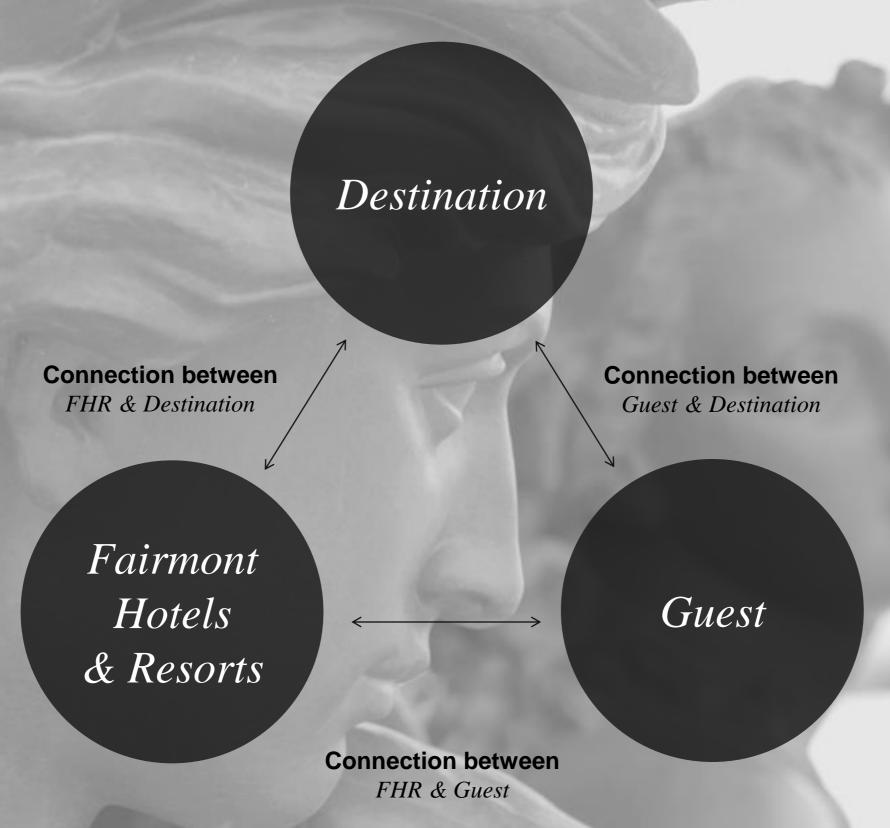




The Fairmont Brand



Three Types of Genuine Connections



Brand Dimensions

Authentically local

Creating the atmosphere that celebrates the essence of each location

Guests leave with a true experience of the location

Unrivalled Presence

Distinctive character

Iconic and regional landmarks – both historic and modern

Brand Mission:

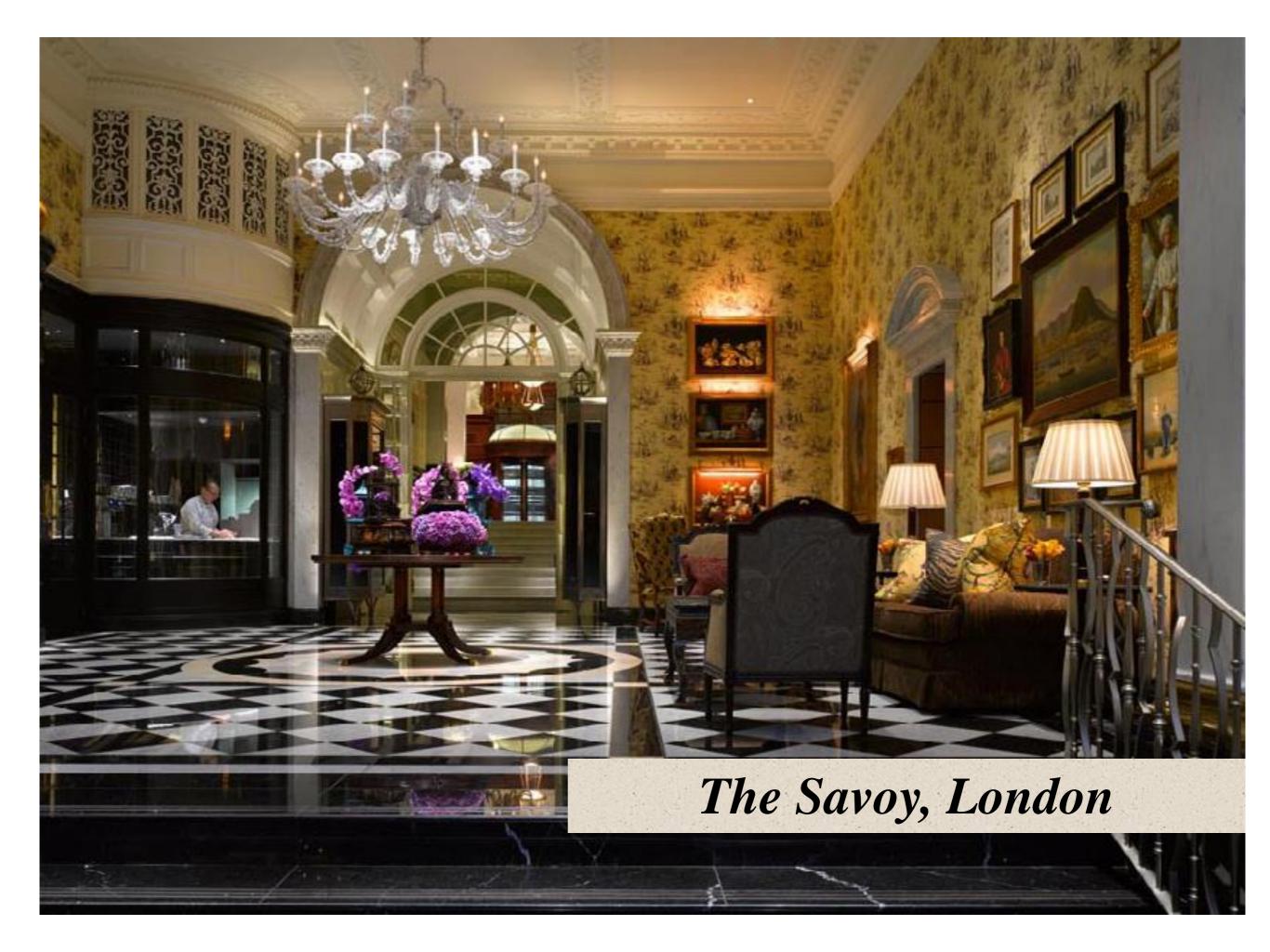
Turning Moments into Memories for our Guests

Engaging Service

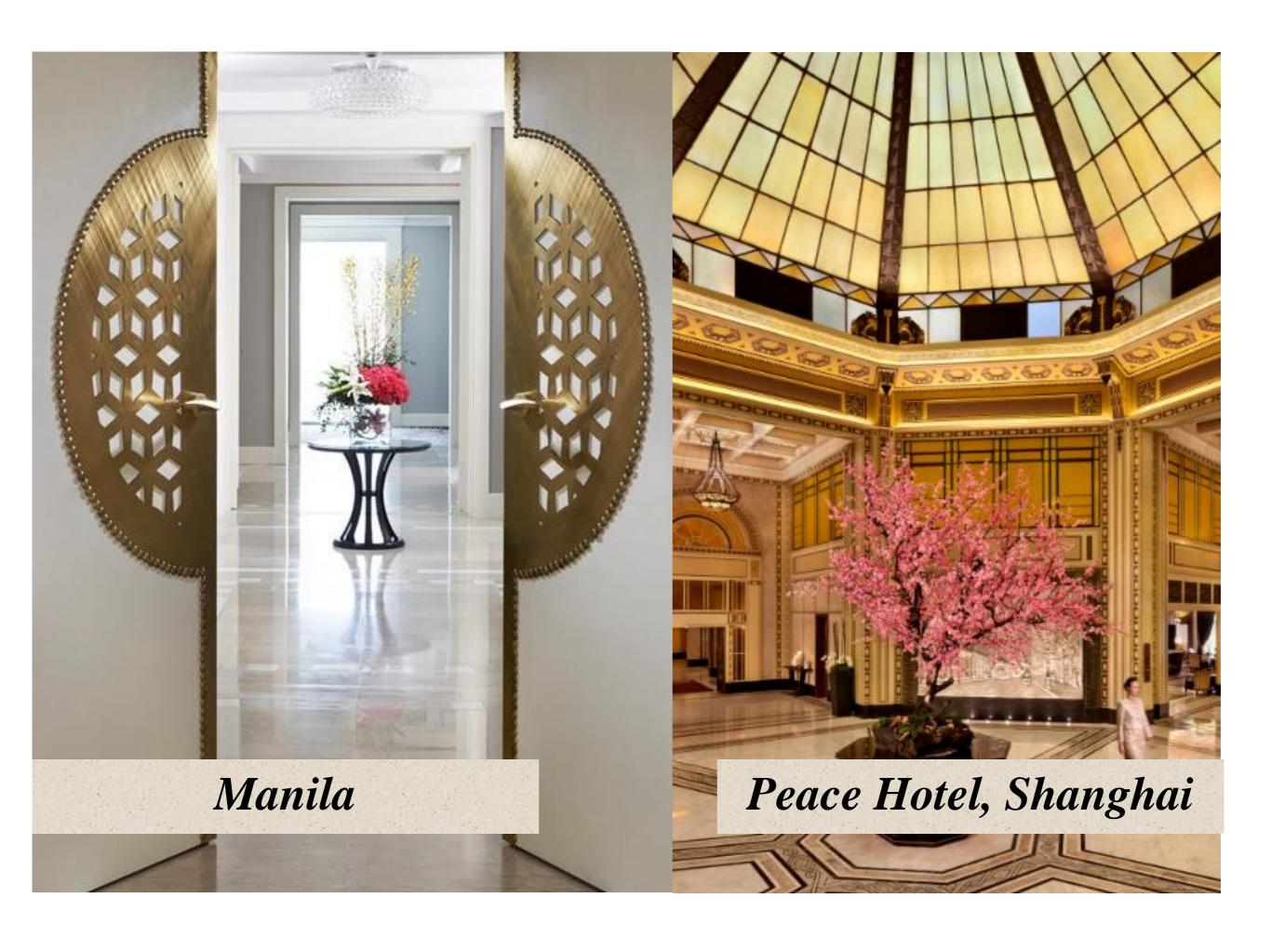
Every guest interaction is an opportunity to create a memorable experience and build a lasting relationship

Honoring the value of great memories



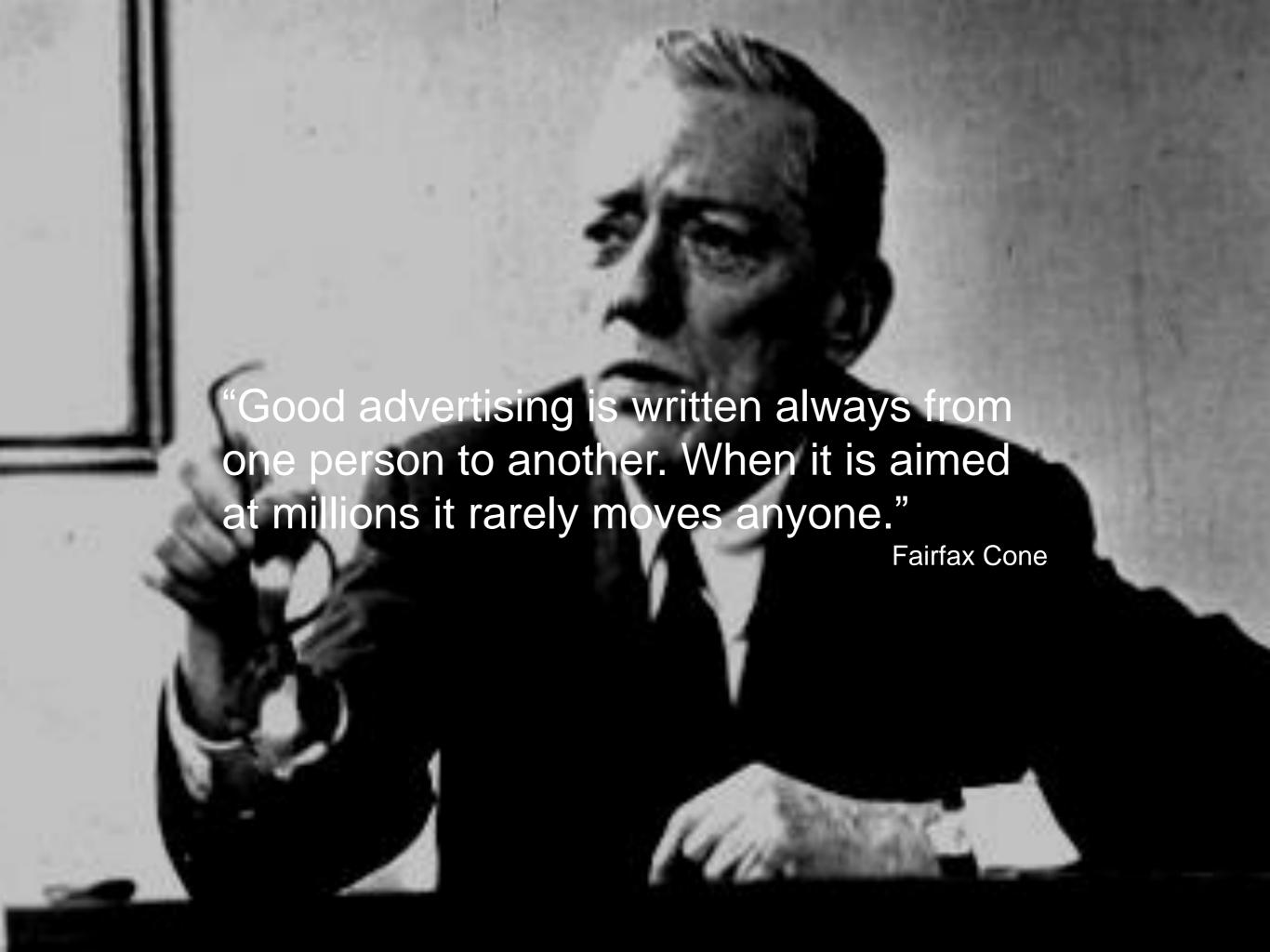






Marketing
with our
guests







Our kiddos couldn't wait to get to the beach each day.

They couldn't be better beach buddies!

- Guest Photo of Mark's kids running into the ocean on their visit to The Fairmont Orchid.



Santa travels too....

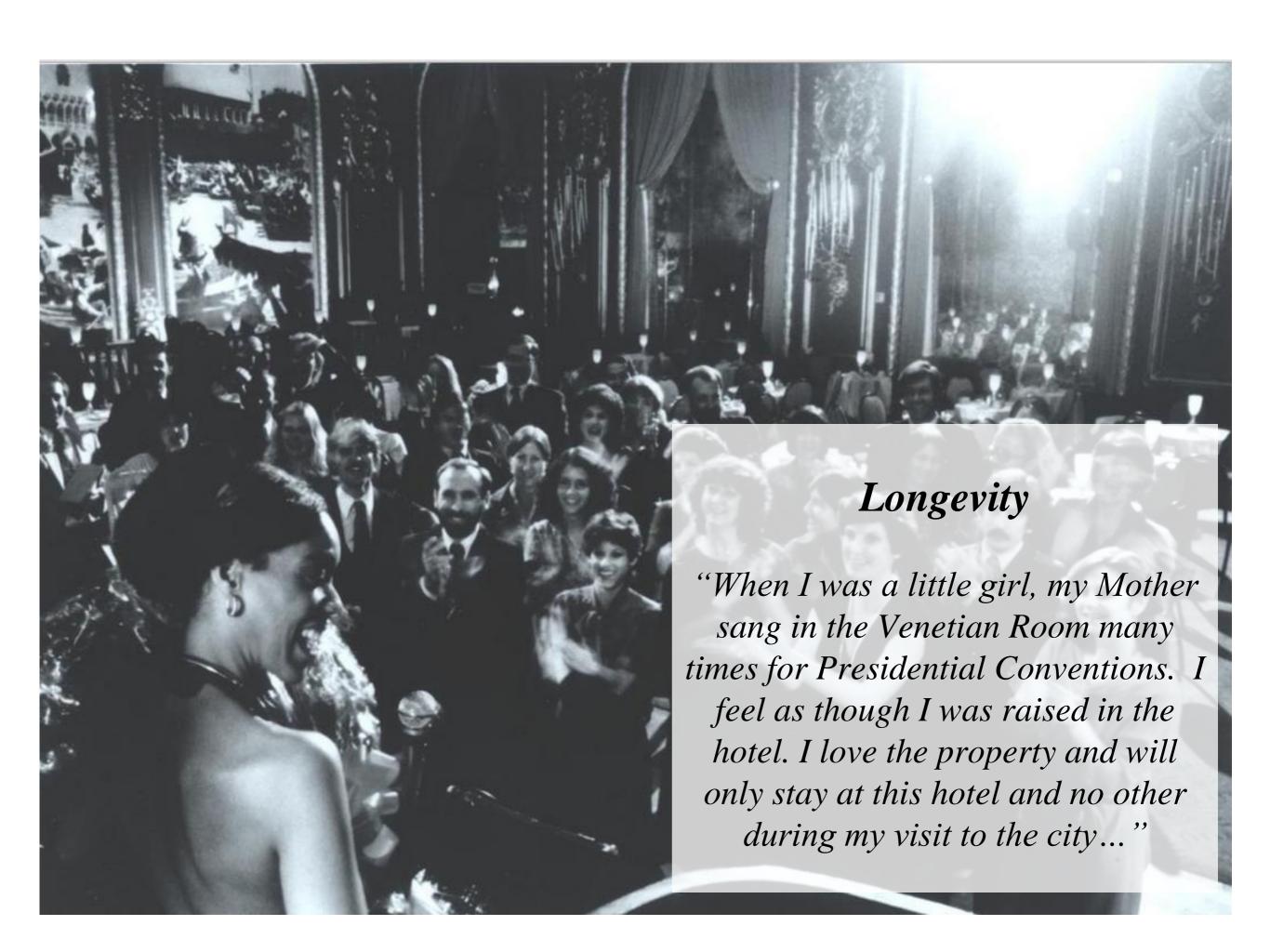


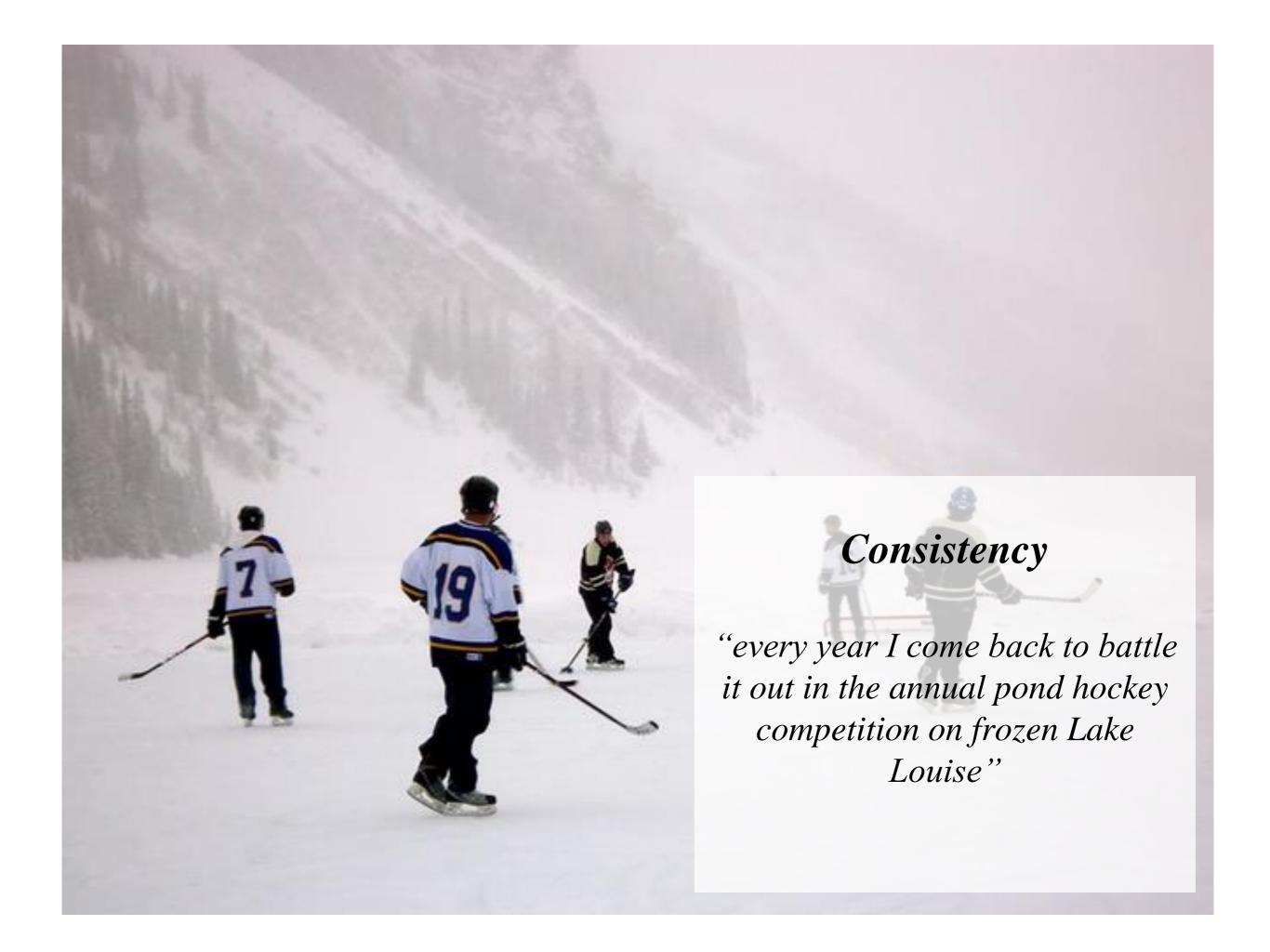


"Loyalty"









Passions

Food & Drink	Art & Entertainment	Sports & Adventure	Spa & Fitness	Shopping & Style	Leadership & Philanthropy
Culinary Dietary Wellness Liquor/Spirits Wine/Beer Tea	Music Literature Art Cultural Events	Eco travel Adventure Travel Golf Ski Tennis	Spa Fitness Activities	Fashion beauty	Charitable Stewardship Environmental Leadership Education
	Pa	ssions Bene	efit selection		
	H	otel Surpris	e & Delight		
Passions Packages					
	Men	nbership Co	mmunicatio	ns	

Room #567



The Global, Mobile Consumer today demands...

...that the relationship with your brand is both personal and knowledgeable

...that small things make a big difference

....that marketing with your customers not at them is the key to success

..that there is no such thing as the average person

....that we should not strive to see a customer once, but many times





Merci 谢谢 Thank You Tack Graci ank Tak Obrigado Vielen Dan acias Merci 谢谢 Thank You Tack (謝 Kiitos Grazie ニュー Terima Kasih 谢

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