

COLUMNS

Italy now leads France as luxury travelers' "in" place: Is terrorism a factor?

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While Italy's top hotels in its favorite cities and exclusive resorts have always commanded premium prices in season, Paris and the French Riviera were always top of the league in overall pricing and appeal for the ultra-high-net-worth traveler.

However, now that I have returned from an extensive fact-finding tour of France and Italy, their positions have been reversed. That is especially interesting because such travelers primarily want top-level advice and service, as well as access to the world's finest places, and rarely consider price to be the determining factor.

Rather, these travelers are seeking new experiences, and the many nuances that make upscale travel memorable.

Suite nothings

In that context, peace of mind is always a consideration, and security concerns and terrorist threats are evidently having an impact. That is already been seen in Paris, where luxury hotels and retailers have experienced a meaningful decline and that, in turn, has affected other French destinations.

As a result, while Italy has benefitted from this scenario, so have other destinations.

For example, since Turkey has suffered from terror attacks as well as political turmoil, upscale travelers who would have headed to Turkish Riviera jet-set playgrounds are now going to the Greek islands and Mykonos prices have, in some cases, doubled this summer.

As for comparable prices in France and Italy, in Portofino, at the soigne Hotel Splendido, a junior suite will set you back 2,500 (\$2,800) a night with full suites ranging between 3,400 and 5,700 per night. This is en par, if not a little higher, than the world famous ultra-exclusive and always ultra-pricey Hotel du Cap Eden-Roc on Cap d'Antibes in the Cote d'Azur.

Interestingly, although accommodation sizes at Hotel du Cap are larger, Portofino is more expensive on a square-foot basis.



Anthony and Elaine Lassman on Lake Como in Italy

In Milan, at the recently opened Mandarin Oriental, one of the signature suites, such as the Milano Suite, will set you back 10,000 per night in high season, whereas at the newly reopened Ritz Paris, always a top contender in world hotel pricing, the Maria Callas Suite sells for a mere 7,500.

Comparably, in Rome, depending on the season, the Nijinsky Suite at Hotel de Russie sells for between 9,500 and 15,500, an interesting comparison with the world-class 1,755-square-foot first floor Suite Windsor overlooking Place Vendome at Ritz Paris coming in at 12,000.

We'll always have Paris

Once again, in real terms size and exclusivity factor taken into account the Italian hotels are pricier.

It has also been a little easier getting into hotels on the French Riviera this summer compared with hotels in Capri, Portofino and Costa Smeralda in Sardinia. But beyond the resorts, there is definitely more overall interest in the Italian cities when compared with Paris and more overall interest in Italy, generally.

Paris is understandably suffering as it has been on red alert with people put off by recent tragic events.

So, if they can shop in Milan, they are likely to go there instead. Or to Rome, Venice or Florence.

However, demand and occupancy levels dictate pricing.

Come early fall when the big fashion shows kick in, together with prestige events such as the Paris Air Show, it will be interesting to see if the downturn continues.

THE GOOD at least, promising news is that almost everyone loves Paris so, unless something awful happens again, it is anticipated that upscale tourism will be back in full swing come September.

Meanwhile, Italy continues to boom, prices remain high, luxury suites and top villas are full, yachts are out in full force off the Costa Smeralda, Amalfi Coast, Portofino peninsula and around the Sicilian islands.

One might say, for the upscale Italian tourism industry, "La Dolce Vita" is now more "Dolce" than ever before.

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