

THE R.I.C.H.E FACTOR AND COVID-19 : HOW 5 TRENDS RESHAPING THE LUXURY TRAVEL INDUSTRY ARE BEING AFFECTED BY THE PANDEMIC

By Simone Gibertoni, CEO of Clinique La Prairie

Back in 2017, which now seems a very long time ago, I wrote an article about the trends that would shape the hospitality industry in the years to come. I defined five key trends: Reassurance, Internet, Connection, Humanity, Experience and Enrichment. I labelled them the R.I.C.H.E. Factor.

These trends have gone from strength to strength. However, for the near future at least, the world is suddenly becoming a very different place, with the hospitality industry one of the worst hit by the COVID-19 pandemic. I'm interested in how this global situation will affect each trend; will it increase it, decrease it or stop it completely?

REASSURANCE

Because recent events have been so monumental, we tend to forget that, after the terrorist attacks of 2015 and 2016 such as those in Paris and Nice, many people were scared to travel. One survey done after the terrorist attacks, found that 77% of Americans were afraid to travel outside of the USA. In 2017, I wrote: *The travel industry is directly concerned due to the nature of the market; natural disasters, viruses, traveling security are many of the factors having an immediate impact on leisure travel. Preparing for worst-case scenarios and being transparent about any travel risks will become essential for travel brands, as the consumer will seek out information about threats and will overlook any destination potentially unsafe. Hotels and travel agencies will have to convey flexibility as well.*

It's therefore obvious that, once people begin to travel more freely again, we will need to improve our ability to reassure them. This might be through measures such as the routine testing of staff and fast, confidential testing of guests. Whatever the measures, what is indisputable is that transparency and clear communication will be a must.

At Clinique La Prairie, heritage of world-class healthcare and scientific research that goes back to 1931. This legitimacy is a strength, comparing favorably with the less tested health trends that have emerged and flourished during the current crisis. The health and wellness institutions that will make a genuine difference in the near future are the ones that offer real value and credible expertise to customers.

INTERNET & I.T.

In 2017, I discussed the disruptive qualities of technology and the possibilities and challenges it provides.

I believe that we will have greater need of the internet and big data post-Coronavirus, for two reasons: first, data and connectivity will be critical to increasing safety (see how countries like South Korea and Taiwan have used contact tracing apps and the like to reduce the spread of the virus), and of course, at the overall levels of communication, internet and social media have been further growing during the pandemic.

Second, importantly, all luxury brands will need to show a meaningful connection with their customers and the digital is essential to communicate the 'why' of their offering.

All hospitality venues will need a strong 'call to action' to give a powerful reason as to 'why' to travel.

Wellness will become even more of a trend. This will redefine how prestige institutions cater to the needs of demanding affluent clientele for wellness programs.

Clinique La Prairie will build on its core expertise: health and wellness, longevity, and strengthening the immune system. The tagline "Unlock the secret of living" will become "What if health is your true wealth?", expressing why it's now important to come to a clinic like ours. As rightly expressed by Stephane Girod, professor of Strategy and Organizational Innovation at IMD, virtual reality will be another great tool to show the real value of our offering.

CONNECTION & HUMANITY

Today's luxury is about connection; people seek fulfilment through experiences and strive for deep connections to other cultures, other people and to their loved ones.

In an age of digital overload, an important facet of the luxury travel experience is the human touch. Brands have created differentiation through a unique human connection and care for people. The Net Promoter Score (NPS), a basic system to track customer satisfaction, is based on 'touch points' and knowing, when a client is unhappy, where and how to act *with* them.

This connection and humanity, especially connection in a physical form, will be at the very least strongly reduced in the near future. This requires us to rethink how we can continue to deliver something which is rooted in "being human".

One way could be to create an even more personalized experience. At Clinique La Prairie, for example, we are planning to enlarge our "private retreat" offering, where visitors benefit from our services privately in a secluded villa. Staff would be tested, so these guests can feel 100% safe.

In general, while public spaces will need to be separated more and more, technology will help our guests to still feel connected, even if not in person. We will also need to create a safe door-to-door experience, including things like flights by private jet. (Indeed, for at least the next few months, flying will be a major issue for all hospitality brands.)

We might even have a scenario where, with fewer points of physical contact and fewer people involved, the connection between people is emotionally deeper. In our case, this could be between the guest and their assigned health coach for the week. The coach will become more than they have been in the past; they will become a guardian of their guest's safety for the duration of their experience, from the moment they leave home to the moment they return.

ENRICHMENT AND EXPERIENCE

This is one trend in luxury hospitality that, in my opinion, will increase post-Coronavirus. Despite the fact that, as I said, it will be harder to have in-person contact, a guest's experience will by necessity become less standardized and more customized. People will only travel if they feel certain that the experience they will have is tailored to what they want. Otherwise, they will simply pass: why take risks, real or perceived, for an average experience or something that they can get closer to home?

This last point, proximity, will be a key factor in people's decision-making when it comes to travel. Whereas "getting away" from home was once an attractive proposition, now many people will require different motivations to travel long distances. They will ask different questions, too: do I

want to risk getting quarantined somewhere? Do I want to be far from a hospital or family if I get sick?

In the longer term, the current situation will undoubtedly produce as many opportunities as challenges. In the shorter term - now and in the aftermath of the virus's peak - we have immediate challenges to deal with.

To do so, at Clinique La Prairie, we are trying to answer three critical questions:

1. How can we bring our experience and technology to the client?
2. How can we manage the "human touch" (critical for our experience) and separation at the same time?
3. Being in both a medical and luxury environment, how can we use testing in a non-invasive way to give reassurance to staff and clients?

Finally, let me say that I do not agree when I hear that it will take 10 years for life to go back to "normal". People tend to forget quickly and once a vaccine or cure proves effective; they will go back to their regular life sooner than many are suggesting.

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