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Opinions

How leisure experiences underpin resort success

25 NOVEMBER 2020 10:37 AM

Resorts and destinations can be successful after the pandemic if they adjust to post-COVID-19 consumer preferences.



By Roger Allen

Leisure experiences will continue to have a high multiplier effect both on the product and destination levels after the current pandemic. But resorts and destinations need to adjust their value propositions to post-COVID customer preferences and reinvent experiences to have a successful recovery.

Pandemic effects and new preferences

The COVID-19 pandemic hit remote resorts and far-away exotic destinations the worst, while players operating in more populated leisure markets were relatively successful this summer if they catered to domestic and local customers. This trend may continue after the pandemic as recent changes in customer attitudes show that local leisure markets could be the first to fully recover.

One indication of what possible post-COVID strategies in leisure tourism could focus on is that high-net-worth individuals and senior executives plan to improve their work-life balance after the pandemic. In a recent survey by health insurer Bupa Global, 93% of respondents said they were planning to take steps to change this balance, with 30% seeking to spend more time with family and friends.

Perhaps an even more important finding is that 26% of survey respondents said they plan to stop any business travel involving an overnight stay in the next 12 months, while 27% intend to take their full holiday allowance. More than a third (36%) aim to exercise more regularly and 28% want to lose weight - these are also key factors to consider when assessing demand for leisure experiences.

Distinct leisure experiences to drive resort occupancy

Adjusting value propositions to meet new customer preferences of the guest mix and reinventing leisure experiences on the product level should help resorts prepare for a market recovery and can also bring considerable success even during the pandemic. One example for this is the Birch Hotel in the U.K., which opened this August in a repurposed Hertfordshire mansion and became an instant hit for offering a new type of country escape with memorable back-to-nature and artisanship experiences.

The Birch Hotel offers 140 rooms with no TVs or desks to provide an "off-grid hideout." But what really makes it unique is the wide range of activities, which include horticultural tours of the 55-acre estate to learn about composting or beekeeping, pottery workshops, macramé and candle making, soda bread masterclasses and even one-on-one glassblowing sessions with an expert. Birch "looks like a hotel but feels like a festival," its slogan says.

Another example of how leisure experiences can serve as a foundation of success for resorts on the product level is the Seminole Hard Rock Hotel & Casino in Florida, which opened last October and quickly became an attraction with its landmark guitar-shaped building. This leisure complex uniquely integrates various entertainment experiences and 13.5 acres of recreational waterscape, creating an eye-catching expansive resort that you cannot ignore.

Experience-led destinations

Creating attractive leisure experiences on the destination level can successfully support entire regions to emerge as tourism hot spots. Ras Al Khaimah, one of the lesser known emirates in the United Arab Emirates, had been often overshadowed by Dubai and Abu Dhabi in tourism, but it evolved into a fast-growing experience-led destination in recent years thanks to a well-defined strategy.

While Dubai and Abu Dhabi have various outstanding theme parks, Ras Al Khaimah is focusing on sustainable and nature-based tourism instead. The new Bear Grylls Explorers Camp and the Jais Adventure Peak, featuring the world's longest zipwire, both operate on Jebel Jais, the emirate's highest mountain, which plays a focal point in Ras Al Khaimah's new tourism investment strategy.

Sochi has long been a popular Black Sea resort in Russia, but the host city of the 2014 winter Olympics added new leisure experiences in recent years,



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including the Formula-1 race and a sprawling amusement park, making it a year-around destination. Russia's domestic tourism boomed this summer due to COVID-19, with Sochi's airport receiving more passengers in July than a year earlier.

Developing experience-led leisure destinations often require government support, in the form of direct investments by the state, assisting private investors in new projects or boosting customer demand. Moscow introduced a program this year to subsidize holidays taken by domestic tourists to mitigate the effects of COVID-19, while Ras Al Khaimah has launched a portal to aid tourism investors.

To sum up, leisure experiences can greatly contribute to the success of resorts and destinations and are expected to have an above-average multiplier effect on the product and destination levels even after the current pandemic recedes.

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