

EMIB ARK. BEYOND TRAVEL

FROM THE FRONTLINE

DESTINATION REPORT

November 2019

By: Jack S. Ezon



Introduction: 2019 was a surprisingly stellar year in the luxury travel space. While we expected the flourishing business to take a downturn, it continued to accelerate, though not at the rate of prior years. But what made 2019 unique was that it represented a time when clients finally felt comfortable putting dormant destinations like Egypt and the Middle East back on their radar screens. Paris finally got its comeback moment this past summer and seems to be on a promising trajectory. Even Kenya and Mexico seemed more resilient than prior years, though it was still a struggle. Sadly, destinations like Hong Kong suffered from political unrest and plummeting business, while Dominican Republic fell off from nothing less than irresponsible reporting on several unrelated deaths causing hysteria in the mass market it usually attracts.

In this Edition: This quarter we focus on **hot destinations for 2020** as well as highlight new **luxury hotel openings**. We then set out Embark's **destination and travel metrics** before closing with **Opportunities and Predictions for 2020**.

In response to reader suggestions, we are employing a new format this year. Rather than one long, exhaustive document, we are publishing this report quarterly, splitting up subjects into shorter, more digestible nuggets. While this may obscure a holistic picture of the marketplace, I think it may make the information more manageable. For purposes of context, the next reports will focus on the following:

- **November:** We focus on destinations, noting hot new product openings and top places to go. We reflect upon 2019 with specific travel metrics, while setting forth our predictions and opportunities for success in 2020.
- **January:** We assess luxury consumer travel trends (specifically).
- **April:** We outline general consumer behavior observations that we think impact the luxury and travel space. We will include more granular travel trends, outlining how our clients are traveling and buying travel. We will also provide an update on new product opening in the current quarter.
- **July:** We focus on general market observations that indirectly affect the travel space, looking at the luxury arena as a whole while also highlighting distribution observations.

A Note on EMBARK... As you may already know, **EMBARK** is now a stand-alone luxury travel advisory with a focus on building an entrepreneurial-focused partnership model. EMBARK is a luxury lifestyle and travel advisory focused on delivering meaningful experiences to an ultra-high net worth international Gen X and millennial client base. Our structure resembles a law firm more than a traditional travel agency. Instead of building an independent contractor model, we aim to build a partnership model where forward-thinking travel advisors become partners in the firm. Under the plan, all partners will own a piece of the host agency, and we will give our employees an opportunity for a partnership track (affording millennials a clear career path). We believe this new model will better align our people and enable us to make impactful investment in marketing, training and technology to stay relevant in this dynamic business place.

With an ear to the ground both from our customers and our close travel partners, we are still able to closely track trends from the front line. We are delighted to collaborate with you to share detailed metrics and our acute analysis of the luxury travel marketplace whenever you need. We remain available to connect you to informed sources and discuss emerging issues that often develop into great stories. For now, below is an abridged version of our report's top luxury travel trends.

That being said, ***I would love your candid feedback***, not only on the substance of what I present below, but also on the new format. I am not convinced this is the best way to format the plethora of content I have to share, so any comments or suggestions you could provide would benefit us all.

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I. Embark's Top 20 Hot Destinations For 2020

1. **St .Barts** – This is the year of St. Barts, which is finally ready for its post-Irma close-up with the opening of hallmark properties like **Eden Rock**, **Le Guanahani**, **the Carl Gustaf** and a complete refurbishment and expansion of **Cheval Blanc Isle de France**. The latest cruise wear along Shellona Beach has never been this chic....
2. **Paris** – We see 2020 as the comeback year for Paris, especially with exceptional boutique jewels such as the **Cheval Blanc** and **JK Paris**, the latter of which we expect to change the dynamic of luxury on the Left Bank. As if the new Van Gogh exhibit in the Musée d’Orsay isn’t enough, the Louvre is amping it up with a fascinating Da Vinci exhibit (sans Mona Lisa) as well.. Outside the city, the **Airelles Le Grand Controle Versailles** is likely the most anticipated opening in Europe.. Located within the palace of Versailles, this 14-room property offers insider access to the palace grounds 24 hours-a-day. It offers guests the ability to literally live like a noble *and* dine like one at its Alain Ducasse restaurant.
3. **Rwanda** – Rwanda is HOT for 2020. The opening of **Singita Kwitonda Lodge** heralds a new dawn of luxury in the country. Indeed, Singita is the only lodge located along the fence of Virunga Mountains National Park, where gorillas have been reported to linger on the property. **One&Only Gorilla’s Nest** offers a sprawling resort concept with access to the same park. These combine with the opening of the **One&Only Nyungwe House**, the sole luxury resort within access to the exceptional primate viewing in Nyungwe National Park. Plus, no visit is complete without a visit to the ever-so-fascinating liberal arts hub of Kigali, which rounds-out Rwanda as both a culture and nature lover’s paradise.
4. **Morocco** – As if the heat factor of Marrakech wasn’t enough, this year brings four new non-stops between the USA and Casablanca from gateways like Miami and Philadelphia. New treasures in towns like Fez, new art and design studios on Marrakech, and unique desert resorts make this exotic destination within close reach to many explorers.
5. **Milan** – 2020 is the year that Milano finally gets its due attention as a must-see city in Italy. The city emerges amidst a total renaissance, with a host of new cultural and fashion experiences. It has become the art and design hub in Italy, if not all of Europe, with one-of-a-kind studios, galleries, a “society” of compelling lounges, unique fashion experiences and an acclaimed food scene. The fabulous new **Vik Galleria Milano**, located inside the Galleria, as well as an outpost of the uber-exclusive **Core Club Milano** at the base of Via Montenapoleone, bring boutique luxe to an already heightened hotel scene.
6. **Cape Town** – For adventure seekers, nature lovers and sophisticated travelers, Cape Town is not just a bucket list destination. It’s becoming a cosmopolitan city like London or Paris, calling for multiple visits even without a safari component. United’s new non-stop service from New York is a game-changer for the city, giving travelers easier access to explore Table Mountain, Kirstenbosch National Botanical Garden, and the breathtaking winelands. Art lovers flock to the new Zeitz MOCCA Museum and a slew of art galleries, while food lovers dive in for what is arguably the best value in the culinary world.

7. **Japan** – Olympics aside, Japan seems to continuously heat up. Insatiable Tokyo is often coupled with adventure hub Hakone and cultural icon Kyoto, the location of a new **Aman**, **Park Hyatt** and the boutique **Mitsui Kyoto**. What’s different in 2020 is that more than ever, people are venturing outside of the ‘usual’s’. There’s a growing interest in places like **Oita**, known for its fabulous spas and hot springs. **Naoshima** is for art lovers who seem obsessed with **Benesse House**, a beautiful hotel cum art museum that offers unrivaled views of the Seto Inland Sea. **Niseko** is the ski resort *du jour*. It will catapult with the opening of the **Park Hyatt Niseko Hanazono** and the nearby **Ritz-Carlton**, both of which bring Western comforts to exotic Japanese mountain resorts.
8. **Bhutan** - Bhutan continues to climb in popularity, thanks to the attention it has been getting from the five new sexy lodges by **Six Senses**. Together with the venerable Amankora lodges, these forge the way for luxury explorers to experience this unique country, with a focus on wellness and slick design. Active travelers are lured to the country’s incredible hiking and biking, while cultural enthusiasts appreciate its control on over-tourism by significantly restricting visitors. This preserves one of the last authentic destinations with little Western influence.
9. **Israel** – Israel is going prime time, beyond the Bar Mitzvah herds and pilgrimage tour bus groups. As iconic brands bring serious sophistication to this fascinating country. Tel Aviv has become a cool capital of the world during the past five years with fantastic food, incredible nightlife, and a unique *joie de vivre* lifestyle. Joining game-changing hotels such as the **Setai Jaffa**, the **Ritz-Carlton** and The **Norman** is the new **Nobu Tel Aviv**. **Six Senses Shahrut** brings visitors to recreational adventures deep in the Negev Desert just outside of Eilat, while **Setai** has opened up near the Sea of Galilee in the country’s north abutting the Syrian border. Jerusalem has seen a recent renaissance as well with the opening of the **Waldorf Astoria**, the **Orient** and complete redo of the **David Citadel**. Whether you are going to party, sitting in the sun, exploring ancient cultures, partaking in adventure activities, or just enjoying a cosmopolitan city, Israel attracts people from all walks of life
10. **Egypt** - Egypt is back for 2020 with luxury Nile Cruises already chock full of explorers who have been waiting years to return to this incredible country. Notable in 2020 is the opening of the Grand Egyptian Museum in Cairo.
11. **Virgin Islands** – After an arduous recovery almost three years in the making, the pristine Virgin Islands emerge with sparkling new resorts and greater access from the U.S. mainland. **Rosewood Little Dix Bay** leads the way with a swanky, yet true-to-form rustic style on a heavenly corner of Earth. Nearby, **Valley Trunk** and **Oil Nut Bay** offer over-the-top villa experiences with full hotel services. On the island of St. Thomas, the **Ritz-Carlton** opens its doors with its family-friendly residences and meeting facilities. These developments will attract needed tourism business to the now-rebuilt island.
12. **Mexico City** - Mexico City tops the list this year for food and art trendsetters. Its bustling restaurant scene and art galleries make it a place to be for 2020. New hotels like the trendy **Kimpton Polanco** and a buttoned-up **Ritz Carlton** join favorites like the boutique **Los Alcobas** and the glamorous **St. Regis** and **Four Seasons**.
13. **Mexico’s Pacific** -On the resort front, we are keen on the Puerta Vallarta region with the opening of the new Mandarin development, launched with a **One&Only Mandarin** resort set to complement its older Cabos-based sister, **One&Only Palmilla**. Speaking of which, **Cabos** is getting more attention with exceptional development this year. **Zundun** by Ritz-Carlton Reserve opens in the central tourist zone, **Four Seasons Costa Palmas** launches a private development secluded from the bustle of the resort area. Foodie destination restaurants like Acre and Flora Farms are as much a magnet as the superlative resorts, world-class golf and reliable weather.
14. **Australia** - Qantas pushes its boundaries in 2020 with non-stop service from New York, further shrinking the world and the perception of inaccessibility to the South Pacific. Melbourne is growing in popularity as a fashion and boho-chic outpost, while Sydney keeps sizzling with growing interest in cool ‘hoods like Barangaroo. This newly-reclaimed area has recently transformed with cool lounges, boutique shopping, restaurants, hotels and parks designed by world-class architects with the likes of Renzo Piano.

15. **Indonesia** - Lombok is the new Bali. Now, with the opening of the **Legian** and renovation of the **Oberoi** just across the water, it is an ideal hideaway for people looking for Bali without the over-tourism. On the waterfront, the incredible new **Aqua Blue** sets off on luxury expeditions around Komodo Island, while smaller settlements like **Nihi Sumba** and **Amanjiwo** continue to attract luxury explorers.
16. **Philadelphia** – This overlooked cornerstone of American independence is undergoing a renaissance. Its food scene rivals those of America’s top cities while its revitalized museum district competes with Boston for art and history. All this and a burgeoning music and artist scene to boot!. The opening of the **Four Seasons Philadelphia**, set atop the city’s tallest tower and featuring a Jean-Georges restaurant, elevates the lodging scene. The **Notary**, set inside City Hall’s annex, is a trendy hub that joins the more conservative and posh **Rittenhouse**, which has just been completely redone.
17. **Bolivia** –Growing fascination with this often--overlooked country is met with a host of luxury lodges dotting this sky-high South American country. A burgeoning arts and food scene vie to steal the show from Bolivia’s spectacular mountainscapes. The new **Kachi Lodge** opens up the photogenic Salt Flats, which seem to be topping every adventure seeker’s bucket-list for 2020.
18. **East Africa** - Kenya and Tanzania are finally coming into their own after years of lagging behind South Africa as a safari destination. With so many having been enthralled by South Africa’s safari, city and culinary experiences, travelers are now venturing further afield into the broad cinematographic savannahs and Out of Africa luxury tented experiences. Outside of the Serengeti and Masai Mara, the Laikipia is a haven for Kenyan safaris without the crowds., **Singita’s Grumeti Reserve**, adjacent to the Serengeti, remains one of the most elite and privileged pieces of earth in the world.
19. **Thailand** - The exotic beach resorts of southern Thailand are taking the lead, with growing interest in the Andaman Sea region including Phuket and Ko Samui. The northern hill country continues to attract explorers to Chiang Mai and Chiang Rai. Anchoring it all is the renewed interest in its electric capital city of **Bangkok** which is always reinventing itself. This year, **Capella** and **Four Seasons** push along the growing focus on the revitalized Charoenkrung district with its emerging local culinary and art scene. Spearheaded by local and expatriate artists and entrepreneurs who have launched independent art galleries, multi-use spaces, bars and restaurants, the neighborhood is one of the hippest in Southeast Asia and the site of the country’s new Biennale.
20. **Austin** – This college town cum music center, cum techie capital, cum city of cool is totally in the now. Outside of downtown, East Austin is an emerging neighborhood and ground zero for many new boutique hotels, lounges, art studios, and restaurants. For 2020, a hot new dose of luxe makes it even more attractive. **Miraval** opens with its famous sanctuary spa. Lake Austin Spa is nearby., Auberge restores the **Commodore Perry Estate** into an epic Americana resort just outside the city. Not to be overlooked is Kelly Wearstler’s Proper Austin. It serves up her boutique version of luxe in downtown Austin, just minutes from the posh Four Seasons.

II. Hot New Hotel Openings

Embark's Top 20 New Hotels for 2020

1. **Airelles Le Grand Controle, Versailles, France**- The famous L'Airelles Courchevel gives the bourgeoisie a chance to live like a noble in a game-changing resort situated in three wings of the actual Chateau at Versailles. With just 15 rooms, the hotel faces the L'Orangerie with an Alaine Ducasse restaurant to descend to when hunger calls. Imagine the chateau virtually to yourself when the hoards of tourists leave? (March, 2020).
2. **Eden Rock, St. Barts** - the glamorous Eden Rock reopens with great anticipation by jetsetters who've put their annual pilgrimage on pause whilst this exclusive enclave reinvented "fabulous" following its tragic demise after Hurricane Irma over 2 years ago. Jean-Georges returns with his signature St. Barts outpost, while rooms have been reimagined with the same blend of colorful, quirky, fun sophistication that has lured some of the world's most notable luminaries to its shores. (December, 2020).
3. **Borgo Sant Andrea, Amalfi, Italy** – It isn't often that a new luxury hotel opens on the dreamy Amalfi Coast, which is why we are so excited about this one. This special jewel embraces *la dolce vita's* Art Deco era with a glamorous beach chic style. It will be only the second luxury hotel on the coast to offer a seaside pool. The hotel's terraced rooms and gardens will offer a unique ambience and provide a perfect complement to the illustrious icons of the coast. (April, 2020)
4. **JK Paris, Paris France** –JK brings the first ultra-luxury boutique hotel to the' Left Bank. Located in the fabulous 7th Arrondissement, Michaele Bonan's 30 sumptuous designed rooms take this coveted area of Paris to another level. Set in a former embassy the JK is literally across the river from Place de la Concorde and steps from the Musee d'Orsay. Located on the corner of Saint Germain, the property will feature a Sisley spa and pool, an Italian eatery by "Casa Tua," and unique accommodations with Italian and French design influences. Think Italian chic fused with Paris elegance (January, 2020).
5. **The Newt, Somerset, UK** – The founders of acclaimed farm-to-table Babylstoren in South Africa import their sensible rustic-chic luxury farmhouse concept to the motherland. The Newt in Somerset is just 45 minutes from central London. Like its older sister, guests at the Newt can immerse themselves in extensive gardens and orchards, foraging, planting, harvesting or just learning about the beautiful abundance of Mother Nature. Inside, the handsome hotel is a buttoned-up version of rustic, with splendid touches that make you wish you were a British farmer of today. (Q4, 2019)
6. **One&Only Mandarin, Riviera Nayarit, Mexico** - Perched on a dramatic cliff, the 104 -room One&Only Mandarin launches the spectacular new *Mandarina* development just north of Punta Mita. Created as a resort community, it offers a jungle zipline, open-air spa treatment suites, access to a state-of-the-art polo club, golf and riding trails to the beach. (April 2020)
7. **Ambiente Landscape Hotel, Sedona, AZ USA** - Comprised of 40 ultra-modern cubed-shaped Atrium rooms set on steel beams rising from the ground, the Ambiente nestles into its surroundings without disrupting its natural topography. Floor to ceiling glass walls bring the dramatic Sedona red rocks into the minimalistic contemporary spaces. Sedona's first new luxury hotel in more than two decades will have a focus on conservation and nature. (December 2020).
8. **So/Havana Paseo del Prado** – Located in what could arguably be the most coveted piece of real estate in Havana, the So sits on the corner of the elegant Paseo del Prado and the Malecon overlooking the Caribbean Sea. This trendy lifestyle Accor hotel is designed by fashion aristocrat Agatha Ruiz de la Prada with a colorful and whimsical style capturing the spirit of Cuba. As only the second luxury brand in the city, expect it to attract lifestyle socialites on art expeditions to the captivating city. (January, 2020)

9. **The Carlyle** - One of New York's most legendary (if not overly quirky) luxury hotels finally emerges after a painstaking and long overdue makeover. Rooms have been completely overhauled and enlarged, now with exceptionally sized bathrooms and fresh interiors that still embrace the personality of this Upper East Side mainstay. Things that have not changed, though, are the endearing staff, Bellerman's Bar, the beloved Carlyle Café, and personally-serviced elevators (March, 2020).
10. **Rosewood Little Dix Bay, Virgin Gorda** – Laurence Rockefeller's fabled Little Dix Bay Resort finally reopens this January after an extensive makeover following its destruction by Hurricane Irma. While still embracing its natural setting, the exclusive resort has been reimagined with 80 guestrooms, suites and villas incorporating a posh version of rustic. Spanning 500 acres on half a mile of beach, all rooms are nestled into their surroundings to minimize visual distraction. Four new dining venues complement the resort's two new pools, Rosebuds Kids Club and cliffside Sense Spa (January, 2020).
11. **Kachi Lodge, Bolivia Salt Flats** – This new seven-dome luxury camp is the first to tame the wilds of Bolivia, giving luxury explorers an incredible opportunity to explore the spectacular salt flats like never before. Set on an endless sea of white salt, guests can immerse themselves in the region with ATV rides, mountain biking and star gazing into the world's darkest sky area. Kachi is an adventure lover's paradise. (Q4 of 2019)
12. **Four Seasons Madrid, Spain** – Four Seasons finally brings true luxury to the Spanish capital. The 200-room hotel will be the largest and most expensive in the city's history. Set in seven historic buildings, the Four Seasons will have a four-level spa and rooftop dining by Dani Garcia. (April, 2020)
13. **Montage Healdsburg, California** - Sprawled across a panoramic 258-acre vineyard, the Montage Healdsburg will feature 130 stand-alone bungalow-style accommodations. The floor to ceiling windows will bring the winelands into every room. Most bungalows will feature generous outdoor living spaces with firepits and daybeds, while its farm-to-table restaurant flaunts enviable postcard-worthy views of the Sonoma Valley. Family friendly, it will feature one of the only kids clubs in California wine country (October,2020).
14. **Six Senses Shaharut, Eilat, Israel** -Just outside of Eilat, this will be one of the hottest properties in Israel. It's in a gorgeous dessert setting with an amazing spa. It's located adjacent to a local Kibbutz, where guests can partake in making cheese and wine (April, 2020).
15. **Aqua Blu Spice Islands, Indonesia** - Aqua Expeditions launches its first coastal ship that will also be the first dedicated luxury ship to explore the Komodo and remote Spice Islands. The Aqua Blu will feature 15 suites. It will visit three destinations on seven-night coastal cruise itineraries featuring Raja Ampat, a Bali to Komodo route and the Ambon and Spice Islands. Far from Western influence, the remote Indonesian islands offer some of the most biodiverse, spectacular environments, and the area is a diver's dream. (January, 2020)
16. **Royal Gorongosa, Mozambique** – The first-ever luxury lodge in Mozambique's Gorongosa National Park, The Royal Gorongosa will offer an incredible tented camp experience by the Royal Portfolio. It's designed by talented matriarch Liz Biden, whose eclectic style is as enveloping as the spectacular surroundings. (Fall, 2020)
17. **Park Hyatt Niseko Hanazono, Japan** - Park Hyatt brings the first Western-style luxury hotel to the hottest "new" ski resort in the world. Each of the 100 rooms and 80 residences, beginning at a whopping 650 square feet, palatial for Japan, will boast floor-to ceiling windows. The ski in/ski out resort will feature a full 20,000 square foot spa, a ski valet and a kids club. Located in the quieter Hanazono side of the Annupuri ranges, the Park Hyatt will flaunt enviable views of Mount Yotei (January, 2020).
18. **Corinthia Grand Hotel du Boulevard Bucharest, Romania** – The stately Corinthia opens up Romania's capital to a new level of luxury with its redevelopment of a 1867 Art Nouveau landmark building. The Grand Hotel's interiors are a stunning fusion of contemporary design, embracing its classical surrounding with just 50 rooms and suites, an elaborate grand ballroom, and game-changing restaurants. (March, 2020)

19. **Six Senses Kocates Mansion, Istanbul** - This urban resort is set amongst two elegant 19th Century Kocataş Mansions with 45 rooms. Located on the Bosphorus about 30 minutes from the city center, patrons will feel more like guests of a local dignitary than clients of a hotel. And when they want to venture into the bustle of the city, the hotel's boat is on standby to shuttle guests to sightseeing experiences. (January, 2020)

20. **Arctic Bath Hotel, Sweden** - The first wellness base in Sweden's Arctic region has just six rooms, each set in its own pavilion built to look like it is floating on the Lule River. When not immersed in the restorative ice baths, it is an ideal place to catch the Northern Lights. There are also miles of untouched beautiful in every direction. (January, 2020)

Other Notable Openings

Caribbean & Mexico

1. **Four Seasons Costa Palmas, Cabos, Mexico** – Located in the new Costa Palmas development sixty-minutes north of crowded Cabos San Lucas, the 141-room Four Seasons sits on two miles of beachfront anchoring the new marina. (January, 2020)
2. **Zadun, a Ritz-Carlton Reserve, Los Cabos, Mexico** – All rooms at this sparkling 115 -room resort feature private plunge pools, which would be hard to tear away from were it not for the sprawling 30,000 square foot Alkemia spa. Families will love the 42 two-bedroom villas and the property’s acclaimed Ambassadors of the Environment program, designed by Jean-Michel Cousteau.
3. **Caerula Mar, South Andros, Bahamas** –Launched by HGTV “House of Bryan” celebs Bryan and Sarah Baeumler, Caerula Mar Club opens with 18 “beach chic” oceanfront suites and six private villas on sleepy South Andros, Bahamas. The island’s 190-mile barrier reef is the third largest in the world and a diver’s paradise.
4. **Ritz-Carlton Mexico City** – Offering striking views of Chapultepec Park, the Ritz-Carlton’s 153 rooms are among the highest in the city. The hotel is located in the heart of the burgeoning financial center.
5. **Jashita, Tulum, Mexico** – Located 20 minutes from Tulum’s central tourist zone, this boutique 26-room resort sports an uber-chic style. It’s located on pristine Soliman Bay, shielded from the region’s seaweed surf.
6. **Cabrits Resort Kempinski Dominica** – Look for the new Kempinski to redefine luxury on the sleepy island of Dominica. Surrounded by Cabrits National Park, which is home to 365 rivers, waterfalls and pristine hot springs, the Kempinski will offer guests eco-tourism activities with world-class accommodations in a beautiful beach setting. (March, 2020)

United States:

1. **Auberge Commodore Perry Estate, Austin, Texas** - Once the glamorous social center for Austin’s socialites, this 54-room urban resort is secluded on 10 acres just outside the city center. The restored 11,000 square foot mansion will be the hub for guests and locals alike, offering an elegant alternative to the city’s more eccentric establishments.
2. **Austin Proper Hotel & Residences, Austin, Texas** - Kelly Wearstler brings her unique hot new style to this trendy city with the opening of the Austin Proper. The 244- room hotel is in the heart of downtown with a fifth-floor rooftop pool deck. The hotel promises to be *the* hottest place to see and be seen in Austin.
3. **Four Seasons Philadelphia, Pennsylvania** - Four Seasons returns to Philadelphia within the city’s tallest skyscraper. The hotel features offering spectacular floor-to-ceiling views, a 57th-floor spa sanctuary, and Jean-Georges restaurant. (Q4, 2019)
4. **Pendry, West Hollywood, California** - Set in the former House of Blues, this 149-room hotel, part of the lifestyle brand of Montage, pays homage to its setting with a 75-seat cabaret theater. Promising to become a hub of local buzz, the lounge and rooftop pool are complemented with a boutique bowling alley and screening room, with Wolfgang Puck spearheading the slick new food concept.
5. **Montage Healdsburg, California** - Sprawled out across a panoramic 258-acre vineyard, the Montage Healdsburg will feature 130 stand-alone bungalow-style accommodations, with floor to ceiling windows bringing the winelands into every

room. Most bungalows will feature generous outdoor living spaces with firepits and daybeds. The farm-to-table restaurant flaunts enviable postcard worthy views of the Sonoma Valley.

6. **Kimpton Hotel Arras, Asheville**-This-128 room hotel embodies its city, infused with local art and incredible views of the Blue Ridge in the distance. It's the ideal base for those looking to explore the newly reopened Asheville Art Museum – reason enough to visit this new southern art mecca.
7. **Hall Arts Hotel, Dallas, Texas** – Set to become the new hub of the 19-block Dallas Arts District, the Hall Arts Hotel is a boutique retreat, The design-forward space has works of art from the extensive in-house collection, which are displayed throughout its 183 rooms and public spaces. (Opening November 2019).
8. **Nobu Chicago** – The Japanese-inspired Nobu Chicago will be set along Chicago's Restaurant Row, bringing the ryokan experience to the Windy City. The new hallmark Nobu Rooftop will be a 10,000 square foot square foot indoor-outdoor foodie haven. (January, 2020).
9. **Bishop's Lodge, Santa Fe, NM** – The newest urban resort in Sante Fe, Bishop's Lodge is set in an iconic 1920's resort set on 317 acres in the foothills of the Sangre de Cristo mountain range. Reimagined by Auberge Resorts, Bishop's Lodge will reopen with 120 rooms and suites, a full equestrian center and a large spa. (Q2, 2020).
10. **Downtown LA Proper Hotel** - Located in the heart of LA's fashion district, the slick Downtown LA Proper reimagines this historic Broadway Corridor landmark. It features 148 rooms, an intimate library-lounge, and a city-view rooftop pool and lounge-bar-restaurant. (Fall, 2019).
11. **Four Seasons Resorts & Residences, Calistoga, California** – Set in a bucolic private vineyard, the 85-room Four Seasons promises to be one of the most exclusive options in Napa Valley. With a full-service spa and extensive kids club, it is also the first resort in Calistoga where weddings can be held overlooking a vineyard. (February, 2020).
12. **Six Senses, New York** – Six Senses New York debuts its first US property, which will become one of New York's most extensive wellness sanctuaries. Located in the new XI's two unique, twisting towers designed by world-renowned architect Bjarke Ingels, the Six Senses is right off the High Line in the heart of Chelsea. (September, 2020)
13. **Miraval Berkshires** – Located on 380 acres in the heart of the Berkshires, Miraval brings its formula for wellness to Lenox, along with new programs and treatments reflective of the destination. The entire property is connected by indoor walkways, ensuring that guests can enjoy the property year-round. (May 2020)
14. **The Fifth Avenue Hotel** – This architectural darling joins the growing NoMad scene in New York. Set in the 1908 Gilded Age mansion of socialite Charlotte Goodridge with the addition of an adjacent tower, the Fifth will have 182 rooms and suites. There will also be a 5,000 square foot ballroom and a spectacular duplex restaurant with original 30-foot ceilings and arches.

South & Central America:

1. **Rosewood São Paulo** - Located in the heart of São Paulo's Cidade Matarazzo, a complex of elegant buildings dating back to the early twentieth century, the new 115-room hotel will be situated in a former hospital. It's designed by the dynamic-duo of architect Jean Nouvel and designer Philippe Starck, with input from renowned Brazilian artists Vik Muniz and Saint-Clair Cemin. (Q3, 2020)
2. **Aqua Nera, Amazon, Peru** – Aqua Expeditions launches *Aqua Nera*, a newly-built river cruise boat designed and built as the most state-of-the-art craft to sail the Amazon. It will offer, three, four-and-seven-night itineraries in the Peruvian Amazon with unparalleled comfort and luxury. (August, 2020)
3. **Nayara Tented Camp, Costa Rica** –Costa Rica's acclaimed Nayara Springs opens the country's first glamping experience. The facility has 18 luxury tents, each with an en-suite bathroom, outdoor shower, and plunge pool filled from nearby hot springs. Ideal for families, many of the tents even have an option to connect. When visitors are done exploring the jungle, the camp's swim-up bar and family-friendly pool are ideal places to refresh. (December 2019).
4. **Ritz-Carlton Residences Pearl Island** – Anchoring the greatly anticipated private island development just 45 miles offshore of Panama City, this Ritz-Carlton Reserve will feature an expansive spa and 86 open-air accommodations set in one and two-story villas set. The property is set on a 3,500-acre private island ringed by pristine beaches. It's accessible only by boat, helicopter or private jet. (Q4, 2020)
5. **Cirqa, Arequipa, Peru** – Staged in a 16th century estate in the heart of Arequipa, the 11-room Cirqa is the first luxury property inside the city. It mindfully restores the building's incredible history while juxtaposing modern touches. The zero-kilometer culinary outfits are orchestrated by chef Maria Fé García, who launched its sister hotel, Titilaka. Cirqa will become a coveted platform from which to explore the enchanting White City of Arequipa and the surrounding Chillina Valley. Experiences include visits to the Sillar Quarries and active sports like rafting, biking and hiking. (February, 2020)

Europe:

1. **Cheval Blanc Paris** – Steps from the Louvre and Marais, Cheval Blanc unveils its first urban "Maison" overlooking the River Seine. Its 72 rooms and suites will be done up in a contemporary style with exquisite LVMH touches, a fine dining restaurant by Chef Arnaud Donckele, of the 3 Michelin Star La Vague d'Or restaurant at Cheval Blanc St. Tropez, and a Dior Spa (April, 2020)
2. **Rocco Forte House, Roma** - Rocco Forte collection introduces this fabulous Airbnb alternative with 18 one and two bedroom apartment-style units designed by Olga Polizzi. Concierge service and charging privileges are available at sister properties Hotel de Russie and Hotel de Ville.. Overlooking the Spanish Steps, there is probably no better place for families to settle into their own space with all the comforts, services and full access to the amenities of the city's best hotels. (January, 2020)
3. **Castello di Reschio, Tuscany** - Dating back to 1050, the historic Castello di Reschio has long been a private wine estate with an enviable label. This year, it opens 36 suites, each with a unique personality showcasing sense of place. Sophisticated style complements the ancient terracotta floors, while public spaces are juxtaposed with whimsical contemporary touches. (March, 2020)
4. **La Maison d'Estournel, Bordeaux** - Located in the heart of Bordeaux, the new 14- room hotel is set in the former estate house of the acclaimed vineyard bearing the same label. Operated by the owner of La Reserve, the mansion is done up by English designer Alex Michaelis. The interiors are elegant yet approachable, making you feel more like you are in a friend's chateau than in a hotel.

5. **Stock Exchange Hotel, Manchester** –The first luxury boutique hotel in England’s “other city,”the new 37-room Relais & Chateaux is set in the city’s former Stock Exchange and is poised to be a true gamechanger in the city.
6. **Palazzo Doglio, Calaglia, Italy** - Situated in southern Sardinia, far from the je setters in the north, Palazzo Doglio’s ambiance and 71 luxurious guest rooms combine classic details with contemporary design elements. The heart of the property is a charming central courtyard surrounded by shops and restaurants, where guests can enjoy the elegant urban sanctuary. Just a short stroll away is the picturesque marina and famous Poetto Beach (January, 2020).
7. **Ultima** – The Ultima group unveils five exciting “private” resorts in Europe this year. Positioned as perfect takeover properties, Ultima fuses the concept of private villa with private resort. Ultima Crans Montana opens in January 2020 along with Ultima Megève both with their own indoor pool, and fitness center – and its own helipad and night club. The new Ultima Courchevel opens Summer 2020 with 13 private chalets in a resort-style hotel. Geneva welcomes its first urban home hotel with eight master bedrooms. A warm weather option opens in Corfu in Spring 2020. The private villa resort offers seven bedrooms, two outdoor pools, a cinema, spa and a private boat.
8. **Palace Elisabeth, Hvar, Croatia** – Overlooking the marina and main square, this 45-room hotel is set in an historic landmark dating back to the 13th century. It showcases stunning Venetian and Austrian architectural details, and contains an indoor swimming pool and a full spa. (April, 2020)
9. **Market Street Hotel, Edinburgh** – Located within a UNESCO World Heritage site, this 98-room hotel is set in the old town. It has a killer rooftop lounge overlooking the city’s landmarks. (February, 2020)
10. **The Armancette Hotel, Saint-Nicolas-de-Véroce** – A brand new boutique ski resort with 17 uniquely designed suites and three additional private ski-in, ski-out chalets,, each with private wellness club. (December, 2019)
11. **Galleria Vik Milano, Milan, Italy** - Located inside Milan’s famous Galleria, the 90-room Galleria Vik Milano is the first European outpost from South American-focused Vik Retreats. As with all Vik Retreats, art and design play a central role, including the greeting by Auguste Rodin’s famed bronze sculpture, The Thinker, in the reception. Hand-painted murals and frescoes adorn the walls and ceilings, and the space is accented by an extensive collection of international art and a mix of curated contemporary, mid-century, vintage and antique furniture.
12. **One&Only Portonovi, Montenegro** – Set on a new 60-acre luxury development on the picturesque Bay of Boka Kotorska, the One&Only Portonovi has its own beach and jetty, and features 113 guestroomsy. It will also be home to an extensive Henri Chenot wellness center, offering detoxification and a 360°approach to wellbeing. (Spring, 2020)
13. **Myconian Panoptis, Mykonos** - With just 23 private pool rooms and suites, the Myconian Panoptis aims to be the standard in luxury on the island. The totally “connected” 24/7 concierge team promises to anticipate client needs and snag the best tables at the best clubs any day of the week. (Spring, 2020).
14. **Aleomandra, Mykonos** - Located on a dramatic cliff atop Ornos Bay, this sleek, all pool villa resort will redefine luxury on this party island. Tucked away from the bustle of the bay, Aleomandra is a sanctuary for people who want a luxury getaway with access to the charming streets of Mykonos, with their cafes and nightclubs. (May, 2020)
15. **Katikies Garden, Firi, Santorini**, A converted monastery, this new outpost by Santorini mainstay Katikis offers a unique luxury option in Fira, It’s ideal for people looking for a spread out, less vertical option in Santorini. (Spring, 2020)
16. **Bulgari Paris** - Located on fashionable Avenue George V, this 76-room boutique hotel is designed by Italian designer Antonio Citterio Patricia Viel. It fuses Italian contemporary design with classic Parisian style. Despite its small size, the

Bulgari will have a full service spa, indoor pool and notable courtyard restaurant serving classic Italian cuisine with French accoutrements. (January, 2020)

- 17. Airelles Mademoiselles Val d'Isere** – Named after the long-time general manager of L'Airelles Courchevel, the Mademoiselles brings a new level of luxury to Val d'Isere. The town is, the French equivalent of Jackson Hole, thanks to its intense ski experience and its understated luxury. While the property's stone and wood towered building blends into the architecture of this ski town, its interiors are anything but standard. With just 41 rooms and five private apartments, the Mademoiselles has a Guerlain Spa with swimming pool, an exceptional children's "kingdom", a cozy ski lounge with direct access to the slopes, and a sun terrace that is sure to be the place to see and be seen on the majestic peaks of the Vanoise massif. (January, 2020).
- 18. La Réserve Eden au Lac, Zurich, Switzerland** – This 40-room Philippe Starck designed boutique hotel will be the only luxury waterfront hotel in the city. As with its sister La Réserve properties, design fuses unique and chic in a modern way, with a restaurant concept that promises to be the trendiest in the city. (January, 2020)

Asia:

- 1. Nobu Tel Aviv** – Tel Aviv receives another hot new luxury brand this summer as Nobu Matsuhisa and Robert di Niro brings their Japanese-inspired Nobu brand to trendy Rothschild Boulevard. While having only 38 Asian-inspired rooms, the property features an exceptionally large urban garden, pool and rooftop lounge. (Summer, 2020)
- 2. Six Senses Fort Barwara, India** - Three hours outside Jaipur, this converted fort is the setting for one of India's most spectacular resorts. Originally owned by the Rajasthani royal family, it overlooks the Chauth ka Barwara Mandir temple. The sensitive conservation effort has produced a 48-suite hotel incorporating a palace and two temples within a walled site that reinterprets the gracious and regal ambience of a bygone era. The 30,000 square foot Six Senses Spa features an extensive Ayurveda and meditation program, making it a destination in and of itself (Summer, 2020).
- 3. Orient Express Mahanakhon, Bangkok** – This is the first property to be flagged with the newly acquired Orient-Express brand by Accor. Inspired by the ArtDeco glamor of the Venice Simplon- Orient Express train, the 154-room hotel is home to Bangkok's highest observation deck, MahaNakhon SkyWalk. Set in Bangkok's new Ole Scheeren twisting tower, its interior is designed by Tristan Auer.
- 4. Rosewood Yangon, Myanmar** - Housed in a restored 1927 historic building, the Rosewood Yangon sits in an enviable position just off the famous Strand Road. Its 205 residential-style guest rooms bring sensible luxury hospitality to this intriguing destination. (Spring, 2020)
- 5. The Legian Sire, Lombok, Indonesia** – The Legian adds Balinese luxury to neighboring island Lombok for those looking to escape the overcrowded scene across the straits. The resort's 15 stunning beachfront villas and 46 oversized suites scream romance with their oversized infinity pools and lavish bathrooms. The organic fruit and vegetable farm is used to fuel its vegetarian restaurant. Diving, watersports, surfing, trekking, golfing and sunset cruises provide for unforgettable memories. (March, 2020)
- 6. Bai San Ho. Phu Yen, Vietnam**– Set on a pristine beach midway between Nha Trang and Hoi An, Bãi San Hồ will feature 71 suites and villas, built in three different styles, overlooking the beach and rice paddies. Set beside an incredible coral bay, on-site activities include snorkeling, fishing, surfing, scuba diving, water skiing and canoeing. (Spring, 2020)
- 7. Capella Bangkok** - This sharp boutique hotel will anchor the newly revitalized Charoenkrung district, sharing a 14-acre Chao Phraya Estate riverfront resort space with the new **Four Seasons Bangkok**. The development is set to embrace a burgeoning local neighborhood with a vibrant art scene and the site of Bangkok's new Biennale festival. The room resort will offer the city's first waterfront villas and will feature a private boat dock. There will be, extensive event spaces highlighted by a waterfront ballroom and terrace, along with world-class culinary offerings. (February, 2020)

8. **Raffles Meradhoo, Maldives** – Raffles returns to the Maldives with an uber modern take on the overwater beach experience. With just 21 beach villas and 16 overwater ocean villas, Raffles aims to deliver exceptionally thoughtful service. A marine butler can offer advice on the property’s extraordinary snorkeling and diving opportunities, while, the Children’s’ Butler help to enhance the family experience. (February, 2020)
9. **Ritz-Carlton Reserve Niseko Village, Hokkaido, Japan** –Considered the skiing mecca of Asia, Niseko Village will welcome the opening of the Ritz-Carlton Reserve at Niseko Village. The hotel will have all the best ski amenities with unobstructed views of Mount Yotei and a restaurant inspired by locally-sourced Hokkaido produce. (September, 2020)
10. **Aman Kyoto, Japan** – Joining Aman Tokyo and Amanemu,, this 24-room darling sits outside of the city center on 80 acres overlooking the majestic Hidari Daimonji mountain. As is typical Aman style, all accommodations are set in stand-alone pavilions reflective of Japanese ryokans, with Western comforts and floor-to-ceiling windows. (January, 2020)
11. **The Mitsui Kyoto** -Set in the center of Kyoto’s historical district, this 160-room hotel reimagines the Japanese Tea House with strong local design and an on-site thermal spring spa set against the 300-year-old Kaji-no-Miya Gate. (May, 2020)
12. **Park Hyatt Kyoto** – Flanked by Kyoto’s most famous eatery, the 142-year old Japanese Kaiseki restaurant Kyoyamato, the Park Hyatt fuses the ancient traditions of its namesake gourmet haven with its blend of contemporary style. (February, 2020)
13. **One&Only Desaru Coast:** Just a two-hour drive from Singapore lies the Desaru Coast, one of the most beautiful beaches in Southeast Asia. With just 42 suites plus an exclusive four-bedroom villa, this Malaysian haven is the perfect place to add on to a business trip or exploration of the wonders of Asia. (Spring, 2020).
14. **Mandarin Oriental Saigon, Ho Chi Minh City** - Set above the iconic Union Square Saigon in the heart of this bustling city, the 277-room Mandarin Oriental will include six restaurants and a sprawling spa with an outdoor pool. Designed by Patricia Urquiola, the Mandarin Oriental promises to embrace the history of the building and the storied city itself. (December, 2020)

Africa:

1. **One&Only Gorilla’s Nest, Kinigi, Rwanda** - Set just minutes outside Volcanoes National Park, One&Only Gorilla’s Nest sets out to become the most complete resort base camp resort from which to get up-close to the country’s famous gorillas. With 29 rooms and four two-bedroom lodges, it is ideal for families and couples looking for extensive downtime amidst gorilla trekking. (December, 2019)
2. **&Beyond Sossusvlei Desert Lodge, Karas Desert Region Namibia** - Set in the heart of the stark Namib Desert, the luxury lodge is the perfect base to explore the remarkable Sossusvlei and Sesriem Canyon. Its 10 suites overlook the vast desert, and there are bed-top skylights for stargazing at night. Activities include quad bike and desert e-biking excursions. (October, 2019)
3. **Sonop Lodge, Karas Desert Region of Namibia** - This property, with 10 tented villas set atop gigantic boulders and sporting British colonial flair, will provide the perfect base for exploring this remarkable region, whether by horseback or electric mountain bike. Visit the famous Sossusvlei sand dunes and experience the planet’s darkest sky. (Winter, 2020)

10 Admirable Relaunches

(Excluding those in our Top 20)

1. **Cheval Blanc Isle de France, St. Barts** – The island’s posh mainstay, Cheval Blanc Isle de France, sprawling on stunning Flammands Beach, reopens this December with an ambitious expansion. The property incorporates the former Taiwana Hotel, adding several beachfront villas, a beachfront restaurant, and a refreshed beach-chic look, with ... of course with all the LVMH accoutrements expected of a Cheval Blanc. (December, 2019)
2. **Carl Gustaf, St. Barts** – Set just above the boutiques and marina of Gustavia, Barriere’s revived Carl Gustaf reopens after three years, with a boutique, residential concept with 23 hillside rooms overlooking the port. Guests have exclusive access to famed Shellona Beach (February, 2020).
3. **Le Guanahan, St. Barts** - Late next autumn, Guanahani expects to relaunch its updated version of classic Caribbean chic, with its extensive spa, beachfront restaurant and the only kids club on the island (November, 2020).
4. **Ritz-Carlton St. Thomas, USVI** – Following a post-Irma, \$100 million renovation, the Ritz-Carlton emerges with refreshed, bright beach-inspired rooms, an expanded club lounge, two new infinity pools and one of the most extensive kids clubs in the Caribbean (December, 2019)
5. **Valley Trunk, Virgin Gorda**– This villa resort in Virgin Gorda comes with a complete staff and resort facilities. Available for buy-outs only, it has been fully restored to its polished glory following near destruction by Hurricane Irma (January, 2020).
6. **Plaza e de Russie, Viareggio, Italy** – The Madonna family, owners of the Byron Hotel in Forte dei Marmi, reopens the Plaza e de Russie, an oceanfront hotel on the La Passeggiata promenade. The family reduced the room count, resulting in enlarged accommodations all infused with contemporary Italian design. Michelin star chef Luca Landi will preside over its signature restaurant, adding a higher level of luxury to this laidback option to neighboring Forte – ideal for families looking for a beachfront value in Italy.
7. **Ritz-Carlton South Beach, Miami, Florida** – The landmark 1953 Morris Lapidus Art Deco building on the corner of Lincoln Road and Ocean Boulevard reopens with brightened, more whimsical public spaces. The lighter nautical design is equally reflected in its 375 rooms and signature club floor. (January, 2020).
8. **Grand Hotel Victoria, Como, Italy** – The reimagined Grand Hotel Victoria, located in Menaggio, on a secluded peninsula north of Bellagio, opens this May with a contemporary style. Guests will love the extensive Erre Spa wellness center (May, 2020).
9. **Auberge Mauna Lani, Kona Hawaii** – Auberge adds its California glamor to this classic grande dame on the Big Island. With 300 rooms, the sprawling 32-acre resort is a far departure from the normally intimate Auberge formula, as is its focus on family experiences through its Auberge Adventures. New pools, restaurants, and spa add to the amenities of this beautiful Hawaiian resort. (December, 2019).
10. **Xigera Safari Lodge, Okavango Delta, Botswana** – Wilderness Safaris unveils a total overhaul of Xigera Safari Lodge, set on the Xigera Concession on remote Paradise Island in the southwest of the Moremi. With just nine luxury tents, guests can explore under year-round wet conditions allowing for a variety of activities such as mokoro trips, game drives and motorboat outings. (Winter, 2020)

Other Hotel Openings

North America

1. W Atlanta Midtown (a design game changer for the W brand)
2. White Elephant Palm Beach, Palm Beach, Florida
3. Conrad New York Midtown
4. Fairmont Century Plaza, Los Angeles
5. Kimpton, Bozeman, Montana
6. Kimpton, The Pittman, Dallas

Caribbean & Mexico

1. Conrad Punta de Mita, Mexico
2. Kimpton Polanco, Mexico City
3. Frenchman's Reef, British Virgin Islands

South America

1. Fairmont Rio de Janeiro Copacabana

Asia:

1. andBeyond Punakha River Lodge, Bhutan (Mid 2020)
2. Potato Head Bali
3. Waldorf Astoria Bali
4. Tokyo EDITION Ginza
5. Four Seasons Bangkok at Chao Phraya River
6. Raffles Bali, Indonesia (planned to open in April 2020)
7. Shangri-La's Bali Resort & Spa, The Maj Nusa Dua Bali, Indonesia
8. Capella Maldives (Kengo Kuma)
9. The Silveri Hong Kong, MGallery
10. Shangri-La Hotel, Phnom Penh, Cambodia
11. Fairmont Seoul (planned to open in September 2020)
12. The Okura Tokyo (Opening September 2019)

Middle East:

1. Sofitel Istanbul Taksim
2. Sofitel Dubai Wafi
3. 25 Hours One Central Dubai
4. Shangri-La Hotel, Jeddah, Saudi Arabia
5. Aantara Mina Al Arab Ras Al Khaimah Resort
6. Anantara al Houara, Tangier
7. House Of Originals - Palm Dubai

Europe:

1. The Londoner
2. Le Coucou Méribel
3. Romeo Roma
4. Almanac Vienna
5. Nobu Warsaw

South Pacific

1. Sofitel Adelaide, Australia
2. Ovolo South Yarra, Melbourne, Australia
3. QT Auckland, New Zealand
4. Ritz-Carlton Perth, Australia

III. Destination Trends

Destination Trend Stimulants: Unlike prior years, when factors like fear drove destination trends, this year our four most significant destination stimulants were (1) Art (2) Immersive Activity (3) Culture and (4) Cosmopolitan Experiences. Wellness and food stayed strong drivers, as did connection conducive to larger family and friend relationships.

There is no question that the travel bucket lists are now defined more by aspiration and experience than destination, with more than 65 percent of requests coming in with a destination undetermined. Instead, clients are asking for general themes like art experiences, immersive food concepts, wellness, or just plain old jet-setting.

Art is clearly the new food for 2020. Just as new food concepts are less about fuss and more about approachability and story, so goes art. Biennale year aside, from Milan to Asheville, art is an important driving factor in attracting visitors. To be clear, this is not just about the art galleries and museums, but the boho-cool culture that comes with art destinations – cool restaurants, funky boutiques – basically the unique, the unpredictable, the local personality that travelers crave in a homogenous world. Look no farther than Bangkok, which launched its Biennale this year in a sharp revitalized artsy neighborhood that will soon see a Four Seasons and a Capella. Active travel continued with great stamina as we placed people in destinations based on the activities they offered, not their locale on a map. Culture led the way in destinations that were least run over by tourists as our clients seek to escape the woes of overtourism. And lastly, this year seemed to be the year of shopping and partying, as cosmopolitan destinations like St. Barts, St. Tropez and Sardinia made a huge comeback with clients looking to soak in the jetsetter lifestyle at nightclubs, beach clubs, trendy restaurants and exclusive shops.

As usual though, we see that new luxury product and improved access continue to be significant drivers. Destinations like Rwanda and Bhutan are cases in point. Business to Australia and South Africa is already up nearly 25 percent thanks to easier access to both destinations from key U.S. markets. The Caribbean spiked 133% in 2019, with dozens of resorts reopening after Hurricane Irma and amnesia of past Zika fears.

So where does that leave us for 2020? Below is a summary of what we are seeing:

Markets

On the rise: Morocco, St. Tropez/ Cote d'Azur, St. Barts, Paris, Egypt, Canada, Ireland, Scotland, London, Slovenia, Croatia/Montenegro, Panama, South Africa, Costa Rica, Israel, Glamping and Ranch Vacations, Southeast Asia/Indochina (Vietnam, Laos), Galapagos, Sweden (Stockholm), Norway, Italy (Amalfi Coast, Puglia, Florence, Venice), Australia, Bhutan, Indonesia, UK (beyond London), Ireland, Botswana, Chile, Nashville, Austin, Mexico City, Fiji, European Skiing, New Zealand, Cartagena, East Africa (Kenya/Tanzania), Rwanda

Strong but flat: Sicily, Greece, Tuscany, The Netherlands, London, Rome, Dubai, California (Los Angeles/Southern California, Napa Valley), Caribbean, Iceland, Portugal, Spain (San Sebastian/Basque, Ibiza, Marbella, Mallorca), National Parks, North American Ski Resorts, Maldives, Berlin, Miami, Tahiti/Bora Bora, Los Cabos

Struggling: Cuba, Hong Kong, Dominican Republic, Sri Lanka, Cancun, Turkey, Belize, Russia, The Baltics, Germany, Turkey, Tunisia, Paris, Argentina, Brazil, Peru, Costa Rica, Hawaii, Ocean and River Cruises, China, Russia, Myanmar

A. Top Destinations by Category:

- Top 5 Far-Flung Destinations:

1. Japan & Southeast Asia (including Bali, Vietnam, Cambodia and Thailand)
2. Maldives
3. South Africa
4. Australia/New Zealand
5. Peru

- Top 10 Multi-Gen Destinations:

1. Italy
2. South Africa
3. U.S. Ranch Vacations and National Parks
4. Caribbean & Mexico
5. Morocco
6. Australia/New Zealand
7. South of France
8. London
9. South of Spain
10. Greece

● Top 10 Summer Retreats:

1. Amalfi Coast
2. Cote d'Azur
3. Italy (other)
4. Ibiza
5. Greece (mainly Mykonos and Santorini)
6. Spain (Ibiza, Marbella/Basque)
7. Marbella/Malaga
8. U.S. Ranch Vacations and National Parks
9. California
10. Iceland

● Top 10 Growth Destinations:

1. Caribbean (specifically St. Barts)
2. Japan
3. Ireland
4. Morocco
5. Portugal
6. Australia
7. Southeast Asia
8. Israel
9. Egypt
10. Rwanda

● Top 10 Celebration Destinations:

1. France – led by Paris and the Cote d'Azur
2. Italy-led by Lake Como, Tuscany/Florence, and Amalfi
3. Mexico – led by Cabos, Riviera Maya, Punta Mita
4. Caribbean
5. Southern Spain
6. Luxury Ranches
7. Aspen
8. Morocco
9. Ireland
10. South Africa

- Opportunity Destinations:

1. Paris
2. Portugal
3. Peru
4. Egypt
5. Indonesia
6. Sri Lanka
7. Virgin Islands
8. Bolivia
9. Dominican Republic
10. Rwanda

- Top 10 Ski Destinations

1. Aspen
2. Deer Valley
3. Courchevel
4. Gstaad
5. St. Moritz
6. Whistler
7. Dolomites
8. Vail
9. Zermatt
10. Niseko

- Top Honeymoon Destinations:

1. Dubai & Maldives
2. Italy
3. Thailand & Vietnam
4. South Africa & Mauritius
5. Caribbean & Mexico
6. Greece
7. Southern Spain
8. South Pacific

IV. Regional Metrics:

A. Destination Performance Indicators

- 1) **Europe:** For the crucial summer months between May and September, 2019, the Mediterranean and Europe were stronger than the past 10 years, with a 12% growth. As usual, safety concerns had the greatest impact on business to Europe in 2019, although with much less impact than in years past. Turkey was the country to take the biggest brunt of all. France was a close second, followed by Russia which continues to decline based on political uncertainty.

Outside of that, “Cosmopolitan Experiences” seem to drive most of our European destination decisions for 2019. Italy’s *la dolce vita* lifestyle destinations remained ever so strong and continue to top our metrics. Greece stayed steady after it catapulted to second place in 2017. It was down about 8% in 2019. We noticed the greatest spike in the south of France, which showed a major comeback, up 43% this year. That was led by St. Tropez, Monte Carlo, Antibes and Cap Ferrat. Spain was down slightly, about 7%. Paris business plummeted nearly 60% for the first half of 2020 though it showed significant gains beginning in June, clawing back about 25% of its losses by the fourth quarter. We expect a continued upward trajectory in 2020 market share for France this year, barring any further incidents.

DJ-oriented destinations continued to take center stage in July and August with 47% of our summer business incorporating a heavy nightlife focus with VIP tables and red rope access. City combinations with Mediterranean destinations grew 7.6% with clients combining beach holidays with iconic cities like London, Amsterdam, Milan, Rome and Paris. The outlook for Greece and Italy is incredibly strong for 2020, and we are most excited about the outlook for France. In line with the party-centric mood, Spain continued to be strong for us with 45% of our bookings there touching down for the techno clubs and celebrity DJs of Ibiza. Indeed, Ibiza continues to be an amazing driving force behind Spain’s growth and continued strong for 2019. Marbella was up 9%, though other areas in Spain did not fare as well. The Basque region was down about 8%, Mallorca down about 6% and both Barcelona and Madrid fell about 7%.

Of all countries in Europe, Italy continues to win over American hearts and will continue to lead in 2020 barring any negative events. The Amalfi Coast leads the way, with the Lake District and the Tuscan Coast just behind. Venice had an exceptionally strong Biennale year in 2019, but we don’t expect it to maintain its pace for 2020 unless a strong “go before it is too late” sentiment presides following exacerbated flooding. And while Portugal made a big leap between 2016 and 2018 (with a 28% growth), it was flat at best in 2019.

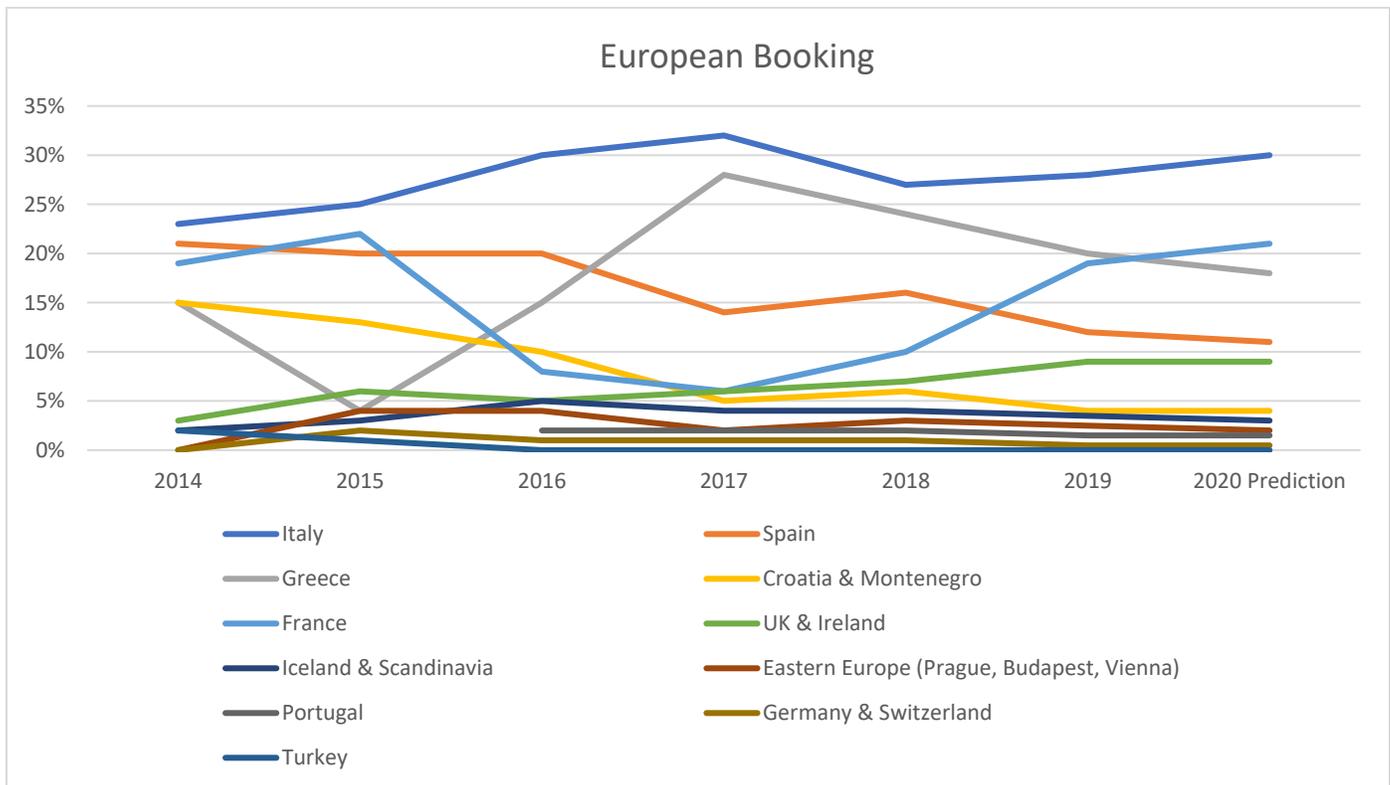
We expect the UK and Ireland to continue to grow in 2020. Despite Brexit rhetoric, London, the British countryside, Scotland and Ireland all had strong years in 2019. They had a combined 25% increase in business – this on the cuff of a 20% increase in 2018. London’s fresh cosmopolitan scene and up and coming neighborhoods are also a jumping board for exploring secondary regions like the Irish countryside, Scotland and the Lake District. Once reserved for gray haired seniors, new buttoned up-country estates with a fresh flair (think Heckfield Place, Soho Farmhouse, The Pig, The Newt) have been attracting new demographics. In addition to stronger corporate business going into London, the weak pound (thank you, Brexit) has attracted many leisure guests for shopping jaunts, especially in autumn.

Ski Europe: Beyond the summer holiday season, we have seen a 20% increase in ski business to Europe. Further details can be found below under “skiing”.

Lead time: Back in 2015, over 75% of our requests for summer vacations to Europe for summer 2015 came in the month of June (compared to over 80% in 2014). Many requests came with only a week’s notice. Five years later, this pattern has not changed. Last minute took on a new definition for us back in 2016, with just over 50% of our summer vacation bookings originating in the month of June and 30% in July – for July and August. In 2019, 62.4% of our summer leads originated in June, while 37% of our leads for travel in July originated in July.

Below is a list of top European destinations and percentage of our summer European business over the past 4 years. I also include my predictions for 2020, which are based on peace in the region and trend. Of course, any terrorist activities will have a jarring effect on business.

<u>Destination</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 Prediction</u>
Italy	23%	25%	30%	32%	27%	28.0%	30.0%
Spain	21%	20%	20%	14%	16%	12.0%	11.0%
Greece	15%	4%	15%	28%	24%	20.0%	18.0%
Croatia & Montenegro	15%	13%	10%	5%	6%	4.0%	4.0%
France	19%	22%	8%	6%	10%	19.0%	21.0%
UK & Ireland	3%	6%	5%	6%	7%	9.0%	9.0%
Iceland & Scandinavia	2%	3%	5%	4%	4%	3.5%	3.0%
Eastern Europe (Prague, Budapest, Vienna)	0%	4%	4%	2%	3%	2.5%	2.0%
Portugal			2%	2%	2%	1.5%	1.5%
Germany & Switzerland	0%	2%	1%	1%	1%	0.5%	0.5%
Turkey	2%	1%	0%	0%	0%	0.0%	0.0%



- 2) **Middle Eastern Countries:** Travel to Arabic countries in the Middle East and Northern Africa formed one of the top growth markets for us in 2019. People are seeking cultural and active experiences **in Israel**, the UAE, Morocco, Jordan and even Turkey. There seems to be a sentiment that things will never be totally stable, but they are comfortable enough to start visiting. There is also a strong anti-crowd attraction in places like Turkey and Egypt where clients want to explore before the herds return. Business to the region as a whole grew 11.8% in 2019, with an expected 22% growth in pace for 2020.

- 3) **Sub-Saharan Africa:** Travel to Africa remained strong in 2019 as the concept of safari went mainstream. Although South Africa continues to grab the “lion’s share” of this market (68.2%), this year East African business rose 10.3% with Tanzania and Kenya garnering more of this lucrative market. What is most fascinating is the fact that 83% of our travelers to East Africa in 2019 had been to South Africa in the past 7 years and wanted to return for a different game experience. The outlook for 2020 looks no different. Rwanda has grown nearly 80% in the past two years and now comprises 11% of our Africa requests for 2020. More than 60% of our Africa reservations are comprised of honeymooners and families. Outlook for 2020 is on target for about 15% growth.

- 4) **Australia/New Zealand:** Australia and New Zealand were strong in 2018 but weaker in 2019, down by about 15%. Nevertheless, pace and outlook for 2020 look strong, which is why we expect a gain in this region due to increased media attention and new airline routes driving interest. The average trip to the region was 12.1 days, the longest for any destination. The outlook for 2018 looks like there will be about a growth.

- 5) **Mexico:** Mexico continues to get battered. As soon as it gets back up, it is beaten down. Zika aside, inconsistent stories of safety and their geographic proximity to tourists continues to plague the destination. Despite a growing resiliency stemming from indifference, business to Mexico is still a struggle, especially the East Coast, and in secondary and tertiary destinations. Secondary and tertiary markets in Mexico or the East Coast? Multi-generational and celebratory events were strangely almost flat, with just 1% decrease over 2018 compared with a 26% decrease in transient business. While compression from closed Caribbean destinations helped stabilize the destination during the past years, this year poses significant concern. Not only are almost all luxury Caribbean products back on line, but there is immense oversaturation in market. There is a host of new product on Mexico’s west coast, but without added air access – something that will surely impact room and occupancy rates.

- 6) **Caribbean:** The Caribbean had a strong growth year in 2019 after nearly 2 years of offline product from Hurricane Irma and Maria that followed several years of Zika concerns. Business to the Caribbean grew 20.34% in 2019, with pace and outlook for 2020 promising 35% growth. Already, St. Barts is the clear winner for 2020, with Anguilla, the BVI, Antigua, and Turks and Caicos following suit. Puerto Rico and the Dominican Republic continue to lag. Despite new product, the Bahamas remains relatively flat (noting it is technically not in the Caribbean).
 - **Festive:** The “festive season,” between December 20th – January 3rd is by far the most lucrative 2 weeks of the year which determines the success or failure of any Caribbean or sun and sand destination. In 2019, the Caribbean just barely squeaked by, with many resorts scurrying for last minute occupancy at top dollar. Our festive business for 2019 ended off flat, which was a miracle, noting that a 43% of it came in after Thanksgiving. Next year looks no different. Space is aplenty in key festive markets all over the world.

Of course, the biggest driver for this region is extremely cold weather in the Northeast. We all have to pray for this, as temperatures will skew the numbers in either direction.

- 7) **Domestic Travel:** Our travelers are clearly international jetsetters, though they might not be the most intrepid of travelers. Our domestic leisure fell back to its normal levels, hovering around 9% of our business in 2019. Top destinations in the USA were ranch vacations in Wyoming and Montana, Aspen, Miami, Los Angeles, Napa Valley and American ski resorts (which accounted for approximately 25% of our domestic business). About 8% of our American business went to “cool” cities that include Austin, Nashville, and Charleston. While we appreciate our domestic partners and properties, the fact is that ADRs (and thus profits) are exceptionally lower domestically than internationally, which significantly affects our bottom line.
- 8) **South America:** South America showed an 21% decrease in 2019. While we are still quite keen on South America, continued unrest in Brazil, Argentina and Chile has had the most impact. On the other hand, Colombia and Peru grew a combined 11% over the past 2 years.
- 9) **Asia:** With Hong Kong, Sri Lanka and Myanmar showing double-digit declines, business to the far east of Asia was in general decline. China was also down about 7%. Making up for these losses, we could not seem to keep up with travel to Japan this year, up nearly 37%. Just behind Japan, business to Thailand was up 14% with Cambodia, Laos and Vietnam growing collectively almost 20%.

B. Travel Segment Performance Indicators

- 1) **Far-Flung Exotics:** As alluded to above, this year more than ever we see Gen X clients compelled towards experiential travel and exciting different, far-flung destinations. There is a strong interest being shown by long-time clients who would ordinarily stay close to home (i.e. Europe, Caribbean, Mexico), requesting places like Thailand, Vietnam, Fiji and the Maldives. Exotics are not for adults alone either. Last year, 41% of our far-flung sales (flights of 10 hours or more) included kids. The prospect for 2020 looks even stronger, with families who would holiday in the Caribbean or Mexico now going to places like South Africa, Tahiti, Southeast Asia and the South Pacific. Nearly 60% of these family far-flung trips were set around a celebration, including birthdays, anniversaries or bar mitzvahs. The common thread is a desire for an engaging, recreational way to explore in a more “authentic” environment outside of routine, and apart from the mass tours and canned guided itineraries.
- 2) **Ski:** Our ski business continues to wither. Despite 2019 being a good snow year in the Rockies, the startling lack of snow the past few years in mountain regions across the USA and Europe has resulted in a 31% slump in ski vacations. For 2019 as well as prospective 2020 bookings, it seems anything ski-related is still booked between 1 and 30 days out. Like last year, our European ski business continues to grow while our American ski business continues to decline. We attribute this to ski conditions in the Rockies coupled with a plethora of new ski resorts in the European Alps and Dolomites. We are keeping a close eye on Japan, as Niseko seems to be on every skier’s lips for 2020.
- 3) **Wellness:** The darling word of everyone in hospitality seems to be wellness. which seems to be so overused that clients are shutting down in confusion. Despite this, destination spa vacations continue to grow by 11 % in 2019. While impressive, this is a flatter trajectory than in the past. For perspective, the space grew almost 20 to 25% each year since 2015. The biggest jump in the spa market continues to be from men, who accounted for almost 40% of spa vacations. The hottest growth segment? Not any hotel or destination spa, but independently-run wellness trips led by instructors or a group of instructors traveling with a pre-existing “community.” Speaking with clients it seems people want to immerse in their own health and lifestyle. What is most fascinating, though, is that the second most important element in discussions revealed that connecting with a like-minded community was actually the primary or secondary reason such experiences are selected. This rippled into hotel destination spas, where common questions began to come up consistently – what kind of people are there? How old are they? How intense are the classes? As noted above, clients are also asking for more active ways to explore destinations. Whether it is private bike tours of the countryside or running guides through cities, a determination to stay healthy on the road remains top of the list. No doubt this will continue to

grow, as will the demand for special dietary requests, which are becoming the norm as opposed to the exception.

- 4) **Exploring by Sea:** Cruises were never a big part of our business mix. For most of our clients who are in the 30-55 age category with active lifestyles, cruises are still seen as too mass market or structured, with a severe lacking of the sense of place they seek. Cruise business fell again in 2019 by about 12%, while revenue decreased almost 25% as demand for cruises softened especially in Europe. River cruising remains a miniscule part of our business as well. It isn't that our clients don't like the sea, though. Interestingly, our yacht business has grown significantly. In 2019, yacht charters grew 28.3% with revenue up 36% at an average price tag of \$267,000 per week (excluding APA, etc). European cruise bookings account for 70% of our cruise business and 85% of our yacht business. In general, cruise business to Europe increases when the dollar goes down against the Euro, but suffers when the Euro is weak against the dollar. Cruises that are thriving with us are localized river cruises (think Aqua Mekong, Belmond barges) and expedition ships that travel to places like Antarctica, the Galapagos, Papua New Guinea and other places not easily accessible to luxury travelers.
- 5) **Villa Vacations:** in line with the continuous growth of multi-generational demand and the Airbnb phenomenon, villa vacations continue to grow with the greatest demand for what we call "mega-villas". These are usually homes or estates with 6 or more bedrooms and staff – basically self-contained resorts. Well-heeled families and small groups want to be under one roof and pay a premium for it. There are now a host of buy-out hotels that are built for takeovers. They operate as a cross between a villa and hotel. Eleven Experiences launched its "buyout" hotels about five years ago followed by Ultima, which will have a portfolio of about 10 buyout hotels around the world. Ani Villas has expanded to four. We are also continuing to see the apartment-style accommodation proliferate in an attempt to fuse Airbnb conveniences with hotel services. Then there are companies that look to merge Airbnb apartment accommodations with local services of hotels. For example, focusing only on key cities, One Fine Stay offers full concierge services and access to Accor hotels to guests they set up in a fully-serviced apartment. Oetker launched its new UK villa program, extending its hotel services to remote mansions and estates. This is similar to what its Eden Rock has done in St. Barts. Grace Bay Club in Turks and Caicos and the Royal Portfolio in South Africa have created similar offerings – a model we expect to continue to flourish.
- 6) **Bizcations:** Bizcations remained a hot excuse to holiday in 2019 with a healthy 31% growth. We are seeing corporate city hotels starting to catch on to the concept and offer weekend incentives for clients to stay in their rooms during typical low periods. Top Bizcation hot-spots were London, Amsterdam, Paris, Florida, New York, Chicago, Los Angeles/Southern California and San Francisco. Keep an eye on this bursting trend.
- 7) **Multi-generational Family Vacations:** Family vacations continue to grow. In 2019 they represented just over 35% of our transactions and nearly 41% of our leisure revenue. More than half came from festive and Spring Break seasons, both of which command inflated room rates. Multi-generational business has been on the upswing since 2005 and continues to catapult. This year, it grew 63%, coming off several high double-digit gains in the past 5 years. In addition to the typical beach, ski and Disney vacations, families seem to be taking children on distant trips. Places like Africa, Australia/New Zealand, and Dubai/Maldives are among the most popular far-flung family experiences. South America fell off towards the middle of 2016 and continued to be down for 2019. The biggest growth markets for multi-gen travelers in 2019 seem to be Europe, South Africa, Caribbean, and ranch vacations. Many avid skiing families have begun looking more toward European ski resorts. Cruises are still not a huge segment for our families unless they are headed to "cruise" destinations like Alaska.

8) Celebrations: Embark Events, our multi-generational, destination celebration division had another record-breaking year in 2019, with a 219% explosion in business. Smaller multi-generational celebrations with 50 people or less was up 168%. Clients continue to seek places to celebrate with more meaningful dividends than a local “ordinary” party. Destinations span the globe from Southeast Asia to South Africa, with skyrocketing price tags and production details that seem to always outpace each other. Despite being extremely bullish on this market segment, pace for 2020 and market conditions indicate it will decline. The ostentatious aspect of the over-the-top-celebration looks like it is it going the way of 2009. Instead, understated elegance may be taking over. This does not mean less destination business, it means less floral, décor, headliner entertainment, elaborate F&B and gifting. That being said, we have been wrong about the downturn before and would be thrilled to be wrong again for 2020.

For now, some interesting metrics to note:

- Our average celebration spend in 2012 was \$429,613 per celebration.
 - In 2014, the average spend was \$590,122.
 - In 2016, the average spend was \$1.2 million.
 - In 2017, it was \$3.31 million.
 - In 2019, it was \$3.74 million
- Average length of stay for a celebration is 3.6 nights
- Average number of people is 296
- Destination weddings accounted for only 56% of our events, the balance was made up of destination birthdays, anniversaries, bar mitzvahs and parties for no reason (yes, that’s a new thing). This is an extremely important revelation to keep in mind. Hotels and planners that focus their social group efforts and messaging on weddings are shortchanging themselves.
- Non-wedding events spend nearly 80% more on destination experiences, but about 65% less on floral and production. They are about equal with entertainment spend.
- The three biggest destination wedding markets for us are more local and less exotic.
 - Domestic (37%)
 - Europe (33%)
 - Caribbean & Mexico (25%)
 - Other (5%)
- Non wedding celebrations are much more far-flung with very different destinations.
 - Europe (34%)
 - Caribbean & Mexico (Sun & Sand) (18%)
 - Africa (North and Sub-Saharan) (14%)
 - North America (12%)
 - Domestic (14%)
 - South America (5%)
 - Asia (3%)

To put things into perspective, our celebrations have ranged from destination weddings to destination bar mitzvahs, birthday celebrations, anniversaries, engagements and any other excuse people can have for a party! Since 2016, we have reworked our business model as we are no longer doing event production. Rather, we are working to forge relationships with the world’s best party planners so they can focus on production while we focus on logistics and site identification.

In the past, Embark has chartered full-fledged cruise ships, 747 planes, taken over private islands, palaces, and hosted celebrations for 50 to 400 people in places like Courchevel, Tanzania, Mexico, Argentina, Anguilla, St. Tropez, Puglia, Crete, Rome, Kruger National Park, Phuket, Monte Carlo, Costa Rica, Paris, Versailles, Morocco, the Bahamas, Dubai, New Zealand, Vietnam, and Florida. As you can see, the destinations run the gamut. We continue to focus on growing this lucrative segment which we expect will soon overtake our FIT business in revenue and profits.

V. Luxury Travel Performance Metrics:

- A. **Top Leisure Travel Booking Trends:** Business in 2019 grew a surprising 13.5% after half a decade of unprecedented growth. Notwithstanding predictions of a downturn in business and economy, both transactions and average spend were on the rise. And while transactions were actually up only 11% revenue per transaction grew over 27%. The segment of smaller multi-generational celebrations with 50 people or less was up 168%. Sadly, prospects for 2020 look weaker based on pace for the year ahead. Spend is on a downward trend though transactions are on the rise due to our marketing and partnership efforts. Closure rates in 2019 were down from 86.7%, to 79.3% with many people starting to balk at high price increases, especially in the Caribbean and popular seasonal Mediterranean resorts. Closure time went from an average of 8 days to 17 days.
- B. **Lifestyle Partnerships:** Since 2010, lifestyle management was the fastest growing service segment in the luxury market. We continue to partner with more than 15 different luxury lifestyle/concierge companies, acting as their outsourced travel department, many times on a private label basis. There seems to be growing demand for luxury products and services to partner with luxury travel providers in an effort to develop “four-dimensional” experiences relating back to their brand and instilling a sense of community around it. The average transaction through a partner was a strong \$35,045, about 29% higher than our internal average transaction. Average daily rates were \$2,677, which is about 17.5% higher than our internal average room rate.
- C. **Key Performance Indicators:** Annual key performance indicators for 2019 are usually a harbinger for what’s ahead. For the first time ever in 2019, our average nightly rate broke the \$2,000 mark. This was exciting to see, though pushback on rate and its relative value is growing.
- Revenue per transaction growth: +27.6%
 - Transactions were up: 11%
 - Average room rate was up by 22% to US\$2,279.26/night
 - Average transaction was US\$27,167.12
 - Average length of stay was 7.5 nights (almost the same as last year); This breaks down
 - Q1: 5.3 nights
 - Q2: 4.6 nights
 - Q3: 12.7 nights
 - Q4: 5.1 nights

Family vacations account for 73% of travel in December and January, but only 15% of travel in February (except President’s Day weekend, which is 81% family.) In March, this jumps back to 63% (attributed to an elongated spring break.) For summer 2020, it looks like it will surge to 55% of our business, mostly as part of multi-generational celebrations.

D. **Drivers:** The Gen-X market still continues to be our strongest and most profitable segment. This market is driving several significant behaviors:

1. *Value* - a continuous drive for value (as described above)
2. *Transparency* - with so much at their fingertips clients expect transparency in their transactions and no longer accept highly inflated “package” rates
3. *Validation* - (and marketing) through social networking
4. *Service* - Though they focus on value and transparency, Gen-Xers (and their millennial counterparts) are most inclined to pay fees for service and for advisors to help navigate through the inundation of information.

Metric Trajectory

	Closure rate	Avg. Transaction (excluding events)	Return Rate	Avg. Nightly Rate	Fees as % of Revenue
2020 (prediction)	75%	\$25,550	12.1%	\$2,100	33%
2019	79.3%	\$27,167.12	11.8%	\$2,279.26	37%
2018	86.7%	\$25,550	11.5%	\$1,950	35%
2017	86.7%	\$21,392	11.39%	\$1,868.26	31%
2016	71%	\$12,925	10.1%	\$1,443	29%
2015	88%	\$16,571	11%	\$1,850.71	34%
2014	85%	\$12,295	10.1%	\$1,684.28	26%
2013	83%	\$9,055	11.31%	\$1,418	22%
2012	86%	8,232	10.2%	\$1,377	24%
2010	84%	\$6,872	10.51%	\$1,050	15%
2009	88%	\$7,480	10.75%	\$1,152	18%
2008	77%	\$8,946	8.97%	\$1,245	19%

- E. **Value Focus:** Seasoned travelers, especially Gen Xers and millennials are still looking for value and value-add to help close sales. Connected travelers are validating rates more than ever – *regardless of price point!* This is exacerbated by Airbnb, Viator, and the hotel bed /OTA wars where OTAs are selling inventory lower than a hotel is directly by taking a loss or sourcing it from obscure international tour operators. Rate credibility continues to be more and more of a struggle. pushing the focus on negotiated rates in nearly every transaction. Outside of peak-peak periods, people are still looking for deals which is affecting the decision making and closure process. We expect average room rates will take a 3-5% downturn in 2020 for the following reasons:
1. An unstable economy
 2. Increase in inventory
 3. Softness in the LATAM, Middle East and Russian markets reducing compression.
 4. Strength of the US dollar (causing the US dollar value to be more on an international currency ADR).

VI. Opportunities

- 1) **Focus on Emotional Luxury:** Luxury in 2020 will start being measured with emotional impact. The human connection is our key to survival. In the luxury segment it is important to remember that *loyalty is won by the heart and not the pocket*. Luxury hospitality players need to *stop focusing on points and start focusing on feelings*. Disruptors will continue to drive incentives with points and convenience. Value will be questioned as home sharing and other new distribution channels evolve. Throughout all this change the main thing we humans in luxury all need to focus on for sustained relevance and success is to connect with people's emotions. To know them even better than they know themselves and anticipate their needs in both obvious and subtle ways.
- 2) **Invest in Talent:** If emotional impact is to be our ultimate product talent is to be our core currency. People are the cornerstone of any luxury service business. Yes, marketing and technology are imperative to survival, but without the talent to deliver there will be no long-term client base. As technology matures only incredible talent will be relevant in the service segment. Thus, for sustainability we have to continually invest in our people – in training, culture and recruitment. We need to focus on key attributes and create attractive career tracks for qualified people to stay in the luxury service space, rather than other more trendy tracks in technology or finance.
- 3) **Talk Conscious Consumption Not Conspicuous Consumption:** Questions of value continue to proliferate. Legacy clients will push back as the shaky business outlook progresses and rates escalate to new heights. Meanwhile, next generation clients pledge themselves “too cool” to spend like their parents – as if it were a millennial badge of honor. For both, remember the distinction between price and value. We all know the adage that price is what you pay and value is what you get; but think further about what's behind that. Value is all relative to a client's *purpose*. And *purpose* is one of the key drivers for luxury purchases today. Focus on the meaning behind what you sell and how it fits into the goals of your client's life. But be forewarned; make sure the purpose proposition is authentic and not frivolous.
- 4) **Transcend the Transaction:** Humans will never survive in a transactional business. We need to go beyond the transaction at hand and elevate the relationship to a holistic personal connection. Every frontline staff member, whether a travel advisor, a receptionist, a concierge, general manager, a server or even a housekeeper, should strive to build relationships beyond the transaction at hand. Each staff member should continue engagement on a personal level even after they leave you or finish their trip. You can get all the Big Data and invest in all the marketing programs you want, but at the end of the day, clients will come back to reunite with “Jane” or “Jerome” over another beautiful pool or room.
- 5) **Think Holistic Luxury:** Trust is the cornerstone of any strong relationship. To get closer to our clients we need to build overall trust and instill confidence that we understand them and their lifestyle. Our conversations should go beyond travel and include how travel fits into their overall personal life as one mere component towards their purpose and passions.
- 6) **Forge Brand Partnerships:** With nearly every luxury brand clamoring for client retention and acquisition, developing brand alliances and partnerships will create mutually beneficial opportunities for both companies and customers. Extend your client base and strengthen goodwill with lifestyle partnerships that are truly aligned with your brand values. Look for needs in other verticals like fashion, automotive, or gastronomy and play on synergies for mutually beneficial storytelling.
- 7) **Build Augmented Technology Not Replacement Technology:** With Artificial Intelligence quickly maturing, it is important to invest in technology to stay competitive. However, while so many companies are focusing on using AI to replace humans, in luxury, successful fusion should use technology to augment the human touch rather than replace it.

- 8) **[Re]Define Wellness:** Anyone interested in the thriving wellness space should focus on defining their segment and clearly positioning themselves in an increasingly crowded and confusing sector.
- 9) **Develop Exclusive DMC Programming:** DMCs will be increasingly challenged as unique experiences become accessible to the public with a host of well-funded destination platforms. Survival for these companies includes (1) getting more creative with local connections for truly exclusive experiences that cannot be copied, (2) becoming more personal in curating local experiences, (3) committing to transparent and competitive with pricing, (4) accessing and promoting elite events, and (5) expanding into non-transactional destination experiences like programming for multi-generational groups or celebratory groups with access to unique venues and creative group activities.
- 10) **Sell by Aspirations not Destinations:** Start selling by interests and aspiration not geographic locales, iconic monuments, or famous museums. People's bucket lists continue to evolve, now defined by what they want to do over where they want to go. Travel has become a platform to explore interests and dive into passions. This is a win-win strategy; not only is it more impactful but it proliferates repeat visits to the same "bucket list" destination.

VII. Predictions

- 1) **Art is the New Food:** Art is officially mainstream and will be one of the key destination drivers in 2020. Look for Arles to become the new Bilbao by the end of 2020.
- 2) **Big 3 will get stronger:** Google, Amazon and Facebook will form an oligarchy on the top of the travel search funnel as their technology enhances user experience threatening the OTAs reach to a disloyal client base.
- 3) **Rates & Occupancy will begin to fall:** We expect to see rate and occupancy erosion as new supply outpaces demand in key markets over the next two years. Demand should shift downward as a result of (1) decreased travel to key markets by South American, Russian and Arabic clients, (2) an unstable economy, and (3) compromised pricing from growing wholesale hotel distribution and (4) election year woes.
- 4) **Price Integrity:** Price integrity issues will get worse before they get better and we predict 2020 add more confrontation in the war between OTAs, hotel-bed wholesalers and hotels. This will be exacerbated as OTAs desperately look to hold their claim on customer business by reselling wholesale rates to assure the lowest market price.
- 5) **Home sharing will Continue to Erode Luxury Lodging:** Look for Airbnb Luxe to evolve and offer a more compelling option for the luxury set. Other alternatives like One Fine Stay and Third Home will grow in popularity as they work out their debut kinks. Work-stay-live models like Wojo will continue to evolve and hotels will try to compete by servicing apartments and villas within their region.
- 6) **More Online Experience Booking:** Well financed experience sellers will continue to expand eroding business from local DMCs. More “old-school” tour operators will continue to close or consolidate.
- 7) **IC model Questioned Across the Country:** The independent contractor model will continue to be called into question by states joining the call of California and now New York. Since a majority of luxury travel advisors are independent contractors this can drastically reshape the nature of luxury retail travel distribution. Look for some of these states to create a new category of workers between common law employees and independent contractors.
- 8) **2020 Comebacks:** Comeback destinations will be topped by Egypt, Caribbean (especially St. Barts and the DR) and France.
- 9) **Political Impact:** American business to destinations like Russia and China will continue to be compromised by political morass. And while we usually don’t see a decline in election-year business we anticipate media sensationalism will curtail American international travel in 2020.
- 10) **Relevance of Sustainability:** Though sustainability and conservation will still not be a significant travel influencer in 2020 there will be a noticeable increase of exposure relating to sustainability issues. We believe education and perspective on sustainability will be the most important catalyst for eventual change.
- 11) **Tech will Take on Managed Travel:** Technology companies gain stronger market share of the managed corporate travel space - and not just as a tool provider but as a travel provider. Not only will this threaten the market share of TMCs (travel management companies) but also curtail the number of negotiated rates that corporations negotiate with hotels.

- 12) **Continued Dichotomy in Customer Base:** The growing gap between “affluent” client base and Ultra High Net Worth (UHNW) clients will continue to grow wider in 2020. Affluent clients will be more value focused with their spend as their businesses decline. At the same time, UHNW clients will spend more than ever.
- 13) **Overtourism Backlash Ignites Secondary Destinations:** Paranoia around being a tourist in overrun iconic destinations will continue to drive luxury clients to “undiscovered” secondary destinations and neighborhoods in hallmark destinations.
- 14) **NDC Goes Prime Time:** Following a beta-launch by TripActions and United Airlines, by the mid 2020 more than 20 airlines should be implementing the NDC platform to better sell their products based on specific consumer data.
- 15) **Online Basket Size Increase:** Despite our prediction that clients will be more value driven in 2020 we expect a 10-15% growth in transaction value in online luxury sales as clients are more comfortable booking high end experiences as well as hotel and air using digital platforms.

Conclusion: For reasons outlined in our last trends report, we remain cautiously optimistic for 2020, though not confident these numbers will be sustainable. On the promising side, looking ahead, pace is steady and in line with pace this time last year. However, most of the growth is from new client acquisition as opposed to increased current client spend. Though transactions were up in Q4 of 2019, our closure rate was down and we anticipate it to creep lower as clients eschew dramatic price increases over festive and seek more value.

As we gear up towards the holiday season all of us at Embark cheer to a stellar 2020 full of exemplary happiness, health, fulfillment and success.

About Embark: Embark is an international luxury travel and lifestyle partnership group, attracting the very best forward-thinking talent through shared ownership. This cutting-edge concept in the luxury lifestyle space has helped the company launch with over \$100 million in sales to a sharply-focused, highly confidential black book of ultra-high net worth clients composed mostly of Gen-X and millennial A-list celebrities, sports stars, Fortune 500 executives, dynamic financiers, entrepreneurs and real estate moguls around the world. Not only does the company pride itself on creating tailored, meaningful global experiences for individuals, it also hosts the largest luxury social destination event businesses in the Americas. Embark’s platform encourages synergies among partners touching the ultra-high net worth individual’s lifestyle, with expert advisors specializing in an individual’s preferences, passions, life goals and legacy.

About Jack Ezon: Jack S. Ezon is founder and Managing Partner at Embark, a luxury lifestyle partnership specializing in bespoke travel experiences. In his role, Jack oversees the company’s direction, expansion plans, strategic partnerships, PR and customer journey mapping while inspiring talent and business development.

Ezon is one of the most well connected and influential travel advisors in the world, known as a true innovator and outspoken leader in the global luxury travel business. His deep and broad relationships coupled with his global black book of clients and local purveyors had him dubbed the “*Olivia Pope of travel*” by Bloomberg in 2018. Lauded for his ability to deliver luxury travel experiences tailored to the next generation of travelers, he has attracted a core group of UHNW Generation-X and millennial clients and has built one of America’s largest luxury social destination event businesses, partnering with an elite group of celebrity event planners to orchestrate incredible destination weddings, birthdays and other celebrations around the world.



As a member of Virtuoso, Jack sat on the Hotels & Resorts Committee for 8 years and served as the first chairman of Virtuoso’s Next-Gen Committee, a group focused on attracting the next generation of luxury travelers and advisors. Well respected by some of the world’s most renowned hotel companies, Jack is often sought after for his insight on branding and product positioning, sitting on advisory boards for many travel companies including Belmond, Ritz-Carlton, Aman and Accor. Ezon has an eye for new talent, which is why he has focused his efforts on cultivating savvy millennial advisors and has launched Embark as a lifestyle partnership, providing equity opportunities for forward-thinking leaders in the luxury lifestyle and travel space.

Previously, Jack built Ovation Travel’s leisure business under the banner of Ovation Vacations and Ovation Celebrations, growing it from \$3 million to over \$350 million. A father of four, he graduated from New York University’s Stern School of Business and received a J.D. from Cardozo School of Law.

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