

## Niche Products but Homogenous Hospitality

The lure of development beyond the United States is certainly strong and promising—no less for the niche market offerings of vacation ownership properties. Diamond Resorts International®, for instance, offers a variety of resort destinations, from Broome Park Golf & Country Club, a 17th century Jacobean-designed mansion located in Kent, southeast of London, to Palazzo Catalani, a noble family's 17th century Italian palace near a medieval village on the outskirts of Rome—each offering an elegant and unique experience. These historic resort destinations are then made available to vacation ownership purchasers in Europe through THE Club<sup>SM</sup>, DRI's exchange system.

Surely, one thinks, visitors answer to a different marketer's siren. Managers and on-site sales teams must certainly require specialized training and a slightly different skill set than their counterparts at locations of less historical significance. Perhaps guests visiting Broome Park or the Palazzo Catalani receive some different sort of deal. We decided to find out.

### Because It's There

First, these two projects fire up a fundamental question: What moves a U.S. company to have projects of this type in their inventory? Or really, why move into the European market at all?

"Why go to Europe in the first place?" DRI President of European Operations Marty Kandel was asked in April/May 2008 *Developments* (pp. 54-56). "Because it's there! Ninety-five percent of the world's population lives outside the United States, and hundreds of millions of these people are now affluent and seek travel and leisure products and services."

Founder of Generator Systems International, Steve Pentland, describes the landscape for timeshare development in Europe as providing the industry with some great success stories. He mentions some of the major developers who are there, as well as a number of smaller, single-site projects.

It is, however, a tough market, Pentland admits. The homogeneity of the U.S. environment is more conducive for developers than in Europe, where operators are challenged with differences in legislation, language, and culture from

one country to the next. The barriers-to-entry may be lower in the States, and yet he says, U.S. players continue to eye this region. In addition to Diamond Resorts International®, he mentions Wyndham, Hilton, Hyatt, and several others—each of which have made inroads with "crossing the pond."

One company assisting in the successful development and sales of unique, niche-styled vacation ownership products is U.K.-based TSS Marketing Limited. Mike Ashton is the company's sales and development director and

co-owner with partner, Emily Collins. One of TSS's clients, Le Chateau Plus, offers membership in a private residence club boasting two developments: a 14th century chateau in Normandy, France, and a royal palace in Granada, Spain, which dates back to 70 A.D. Ashton shares that marketing for this particular type of project is being done through highly targeted campaigns, which track results closely.

"We're currently working on setting up a project for pre-launch," he says. "The marketing is purely direct mail and uses the latest technology to track every piece to ensure efficiency."

### Special Sales, Special Skills

How does a company go about promoting on-site sales in a setting more reminiscent of a gathering place for elegant courtiers and their ladies than family get-togethers?

Says Ashton, "Sales people need to have life experience and personal credibility that can be tracked and proven. Working with brands, the need to communicate without sales aids and being able to socialize at a number of levels are valued assets for professionals promoting these projects."



*Palazzo Catalani, Italy*

## International (cont)

Do sales people surrounded by flagstone, ancient architecture, and antiquities comport themselves differently than those who are, say, showing a couple around the pool in Orlando? Do they carry themselves with a somewhat stately step? For that matter, how do marketing and sales methods vary once you leave the United States? What are the challenges of resort management?

“Certainly, our vacation consultants at the Palazzo Catalani need to know where the secret passages are,” says DRI’s Kandel with a grin. “And when you’re touring a couple through Broome Park Golf & Country Club, it doesn’t hurt to point out where the friendly ghosts hang out. There’s a lot more to these destinations than just a great place to stay while you’re visiting nearby amenities.”

### Two Unique Projects

Indeed that is true, for there’s something to be said for giving guests an opportunity to have afternoon tea at Broome Park Golf & Country Club, for example. Might they not be tempted to envision themselves as strapping lords or lace-gloved ladies, elegant members of the ton, as they themselves daintily pour Earl Gray into bone-thin porcelain?

Broome Park Golf & Country Club is a historically-listed Grade I building



*Broome Park Golf & Country Club, England*

on a 268-acre estate in a larger region called “The Garden of England” for its many orchards and gardens. The resort offers upscale, two-bedroom, woodland lodges to houseguests in contemporary surroundings, as well as a private 18-hole championship-length golf course. The original house was completed in 1939 and is located in close proximity to the medieval city of Canterbury. The Broome Park Golf & Country Club estate has quite the colorful history, not the least of which includes a period in which it was owned by Field Marshall Lord Herbert Horatio Kirchener, the first Earl of Khartoum, who excelled as an empire builder under the reign of Queen Victoria.

The builders of the Palazzo Catalani in the 1600s, the Pennazzi family, conveniently married up and became Pennazzi-Catalani. The family may not have been of noble blood but scored a bravo for being industrious. They managed to build a power-base that supplanted the nobility in the province to become owner of many acres of land in the territory of Soriano.

Palazzo Catalani, with its sunken-paneled, caisson and rafted ceilings, and magnificent frescos, overlooks the thirteenth-century Orsini Castle, which was the summer residence of Pope Niccolò III. Guests may stay in one of 13 club suites, two studios and five single bedrooms, with opulent furnishings, many frescoes, and a fully furnished cooking area. Several club suites also have hydro-massages and fireplaces.

### Different Exteriors, Similar Interiors

As one might expect, these older properties require extra management attention. According to Kandel, all of DRI’s resorts have been brought up to brand standards with luxurious, top-of-the-line beds, linens, and towels.

“We have our management challenges with these destinations,” he

admits. “For example, the units at the Palazzo Catalani are each different. Sometimes it’s a challenge juggling reservations according to the size of the party.”

What is the profile of the typical visitor to such a project? Kandel says buyers are no different than stateside consumers.

“They are working class families and retirees looking to achieve the highest possible value in their vacationing strategy,” he observes. “Perhaps the biggest difference between U.S. and European travelers is that the latter receive longer holidays. But even that is beginning to change.”

According to Pentland, there are differences in acceptance of the vacation ownership concept from one European country to another. For instance, while there is an acceptance of the product in the U.K., Germans on the whole

“We are selling a system that offers a wide variety of products to appeal to every traveler, as long as they have a zest for living. If they’re excited about experiencing a great vacation, they’re going to find something that fits their preferences. So, if we are talking to a skier, we’re going to show them our destinations in the Alps. Or if someone is interested in the essential Italian experience, we can show them the Palazzo Catalani.”

## International

### International (cont)

have more of an inherent distrust. The bottom-line seems to be that marketing, sales, and management are not determined by the projects themselves—not even for these very different, niche projects. Successful vacation ownership focuses on people, not properties.

Kandel says: “We are selling a system that offers a wide variety of products to appeal to every traveler, as long as they have a zest for living. If they’re excited about experiencing a great vacation, they’re going to find something that fits their preferences. So, if we are talking to a skier, we’re going to show them our destinations in the Alps. Or if someone is interested in the essential Italian experience, we can show them the Palazzo Catalani.”

### Management Challenges

When asked if there are other challenges to doing business in Europe, Kandel mentions the diversity of regulations and cultures, as one might expect.

“But there’s still room for an ethical vacation ownership company that delivers on its promises to do business here. We’ve made an effort to exceed the norm when it comes to handling our customers with courtesy and respect. Our guests are here to relax and enjoy our resort,...[and we want to] make their comfort...of foremost importance.”

What, then, is the secret for delivering on the “ultimate” vacation ownership concept? And do the

marketing, sales and management of the “ultimate” vacation property differ from its less exalted counterpart? Well, regardless of whether your customers are from England or the United States, whether you call them owners and members or offer them a cottage or palace, the lesson seems to be the same: treat them like royalty. This seems to work every time. ■

*Sharon B. Drechsler, RRP, is CEO of Drechsler Communications and contributing editor for Resort Trades. Her e-mail is [sharon@drechslercommunications.com](mailto:sharon@drechslercommunications.com).*

Think about growth...think about value.



**Now think about the benefits** of being a member of one of the fastest growing segments of global travel and tourism...Timeshare and Vacation Ownership. We are the American Resort Development Association (ARDA), and we share more than time. We share knowledge, insights, and solutions, providing you the best possible business value and enhancing your individual and company's future. Contact Randy Goodhope for details on membership at 202/207-1076 or [rgoodhope@arda.org](mailto:rgoodhope@arda.org).

