

#### IN OTHER NEWS





# Vail's purchase of Peak Resorts had its roots in competition with Alterra

#### By Robert Silk

Vail Resorts' industry-shaking agreement in late July to acquire the 17-mountain portfolio of Missouri-based Peak Resorts is being viewed by analysts as an effort to elevate the company's position in the Northeast ski market while simultaneously strengthening the value of its Epic Pass.

The acquisition likely was also spurred by Alterra Mountain Co. and its Ikon Pass, which became a clear alternative to the Epic immediately upon its launch ahead of last year's ski season.

"It may well have been a preemptive purchase by Vail, preemptive of Alterra getting

# ON THE RECORD

Hilton Luxury and Lifestyle Group's Martin Rinck on the hotelier's luxe sector push. 2

that strong footprint in the Northeast," said Tom Foley, senior vice president of business and analytics at Inntopia, whose DesiMetrics platform collects and analyzes lodging performance metrics in the destination ski

Vail, already the largest ski operator in the U.S., expects the acquisition to close in the fall for approximately \$264 million.

The purchase will leave Vail with 34 North American ski areas, doubling its current portfolio. By comparison, Alterra, Vail's largest competitor, owns 13 North American ski areas

The Peak Resorts holdings consist of See VAIL on Page 22

### IN Q2, REVPAR AND AVERAGE DAILY RATES WERE DOWN 6.1% AND 3.1%

# Sargassum, oversupply blamed for downturn at Mexican hotels

#### By Christina Jelski

Mexico's hospitality sector appears to have hit a stumbling block. According to recent data from STR, the country's hotel industry experienced a significant downturn in the second quarter, as RevPAR and average daily rate (ADR) dropped 6.1% and 3.1%, respectively, countrywide.

Concurrently, occupancy slipped 3.1%, marking the lowest second-quarter occupancy level for Mexico since 2013.

Jan Freitag, STR senior vice president of lodging insights, attributed the shrinking occupancy to a stark imbalance between supply and demand. STR reported that second-quarter supply growth in Mexico rose 3%, while demand for the period decreased

"This is the fifth quarter in a row that occupancies have declined, and that in turn has an impact on pricing," Freitag said.

See MEXICO on Page 20

# FEATURED THIS WEEK ON OUR WEBSITE

Dispatch, St. Petersburg: Faberge eggs www.travelweekly.com/faberge-dispatch What's New, What's Hot in travel gadgets www.travelweekly.com/wnwh-july-2019

# **MARK PESTRONK**

Cuba tours can still be offered under the Support for the Cuban People exemption. 21





Mexico City, Dubai and Buenos Aires had long been checked off her travel list by this summer, when she accompanied her parents from their home in Miami on a summer hiking excursion in the Canadian Rockies.

According to her mother, Jacqui Somen, founder of postpartum fitness and wellness company Vivama, traveling relatively far and quite frequently with Grace has become a natural extension of her family's lifestyle.

"Travel has always been really important to my husband and I," Somen said. "We've always valued travel more than material things. And then, when we had our daughter, it became really important for us to bring her into that part of our lives. I think we've actually started traveling to more remote places since we've had her. Having a child really makes you evaluate your values and amplifies how fast time goes by, so

you realize you might not always have the opportunities to do things if you don't do them now."

The Somen family's preference to travel farther and seek adventure-driven experiences reflects an emerging family travel phenomenon that has grown exponentially over the past decade. Nowadays, family trips are no longer limited to the traditional annual theme park visit or regional road trip. Instead, a growing cohort of parents is opting to visit destinations like Singapore, Tanzania or the Maldives with kids and, sometimes, grandparents and other extended family in tow.

"We're seeing the maturation of a generation that grew up around travel and has a very different view of the accessibility of the world," said Michael Heflin, senior vice president of the hotel division for Travel Leaders Group. "And we're seeing a huge change in terms of people wanting their kids to experience what they're getting to experi-



The Somen family sightseeing in Dubai. By the time little Grace turned 2, she had been to a dozen countries.

ence. From a cultural-sensitivity and awareness perspective, people have realized that there's no better way to learn that than by going out and visiting other places."

Gail Rosenberg, a travel advisor with Connecticut-based Largay Travel, has similarly seen an uptick in far-flung family vacations, and she cited recent trips she's planned for multigenerational groups to places like Thailand, Oman, East Africa and the Galapagos. Likewise, she's noticed an increase in the amount families are willing to spend to traverse the globe.

"People have more disposable income and are willing to invest more in time with their families," Rosenberg said. "And I think part of that is due to the fact that people are becoming established in their careers earlier and getting married and having their families later in life. And then, when they do have kids, they see their kids are growing so quickly while they — and maybe their parents, too — are getting older. They want to do these bigger types of trips while they can still be done together."

Michelle Woodley, president of Preferred Hotels & Resorts, credits part of the shift to the rise of digital connectivity.

"Social media has exposed all of us to a lot more of what's out there," Woodley said.



# **FAMILIES**

Continued from Page 15

"I'm sure 15 years ago some people were taking some exotic vacations and safaris, but other people just didn't know about it. You'd only find out and hear more about it if you went to their home and they maybe had a slideshow. Whereas nowadays, I see that my friend is currently on a safari in Africa because I'm seeing her elephant photo online. So social media has made families realize that a) these opportunities are there, and b) they're doable."

#### Hotels, resorts adjust living spaces

As the idea of what makes for a traditional family travel

destination continues to evolve, hotels and resorts around the world are looking to play up their multigenerational appeal. For many properties, those efforts revolve around providing more living space and separate but connected sleeping areas.

Heflin said, "One positive to come out of Airbnb's effect on the hospitality space, in general, is this understanding that there is this evolution with how people want to travel, and hotels are moving to meet those needs."

At the Anantara Kihavah Maldives Villas, for example, families can opt for accommodations like the Family Beach Pool Villa (starting at \$2,999 per night during low season) or a two-bedroom (starting at \$5,880 per night) or a three-bedroom Beach Pool Residence (starting at \$9,158 per night).

Giles Selves, cluster general manager for Anantara Hotels and Resorts Maldives and Naladhu Private Island Maldives, said, "At a number of Anantara resorts we've added family villas, units and suites over the last few years because that's definitely been an accommodation that's in demand. It became a real need roughly five years ago, when you'd sell out of a two-bedroom in a heartbeat. For any new hotels, we're building that functionality in because we've learned there's a strong market for these family units."

The recently opened 53-suite Andronis Arcadia on Santorini also showcases a relatively generous number of family-friendly options, including 10 two-bedroom villas and two four-bedroom villas. The Eden Villa is the resort's largest unit, spanning 6,458 square feet, with six bedrooms, two private pools and a private fitness center and spa area. According to George Filippidis, managing director of the Andronis Exclusive hotel collection, the larger-format Andronis Arcadia accommodations were created specifically with the growing market of family travelers in mind.

Like the Maldives and Santorini, Vietnam is also witnessing a boom in family-oriented travel, and the Four Seasons Resort the Nam Hai in Hoi An has seen that uptick translate into solid demand for the property's threebedroom, four-bedroom and five-bedroom pool villas.

Shingo Kido, director of public relations and communications for the Four Seasons Resort the Nam Hai, said, "We have seen an increase of family and multigenerational family travel over the last couple of years, [and] instead of being purely about leisure and relaxation, parents are viewing travel as a way to introduce and expose children to new cultures, foods and people."

Kido said that families visiting the property have tended to opt for an eclectic mix of activities, from



cooking classes to ecotours involving rice farming and fishing.

Costa Rica, a destination long synonymous with adventure-driven travel, is also doing its part to lure travelers of all ages. At the 29-unit Nayara Tented Camp in Arenal Volcano National Park, slated to open later this year,

accommodations can be connected with a covered passageway, providing multigenerational groups with flexibility and privacy. The air-conditioned tents will start at \$1,200 per night.

"We're finding that parents are increasingly interested in teaching their children about sustainability and nature," said Leo Ghitis, the owner and property developer of the Nayara Tented Camp. "Here, you don't just sit around the pool or on a beach. You go out and do a lot of hiking, horseback riding, seeing wildlife and exploring rivers."

The Hotel Xcaret Mexico, a family-friendly allinclusive on the Riviera Maya, is looking to shed the assumption that all-inclusive resorts are best suited to just rest and relaxation.

Opened in 2017, the property aims to put a more adventure-driven spin on the typical all-inclusive family getaway. In addition to the hotel component, the Grupo Xcaret empire includes eight ecoparks, which offer Hotel Xcaret guests unlimited access to activities such as underground river excursions, archaeological site visits and cenote tours.

Francisco Gutierrez, CEO of the hotels division at Grupo Xcaret, said, "We have seen a steady flow of families traveling together looking for activities they can all enjoy, [and] we pride ourselves in catering to the demands of families seeking adventure-driven and experiential vacations. We think the demand for experiential travel has been present for a while, but it's become more noticeable with the rise of social media over the years."

Gutierrez said that the Hotel Xcaret Mexico has also seen an increase in the number of grandparents looking to join these excursions, with Grupo Xcaret tweaking its offerings to better accommodate an older demographic.

The property has also targeted larger families and





Above, the Andronis Arcadia on Santorini offers a variety of family-friendly villas, complete with generously sized living areas. Left, the Martinhal Lisbon Chiado Family Suites specializes in family-friendly succommodations in the heart of the Portuguese capital.

groups with its guestroom inventory, with around 900 larger-format suites available, including a five-person Presidential Family Suite that has proven particularly popular among multigenerational groups.

#### Multigenerational touring

Like the hotel sector, tour operators are similarly looking to tap into demand for family-friendly adventure.

Earlier this year, G Adventures and National Geographic Expeditions extended their partnership to offer trips designed for families with children ages 7 to 17.

Jackie Garrity, G Adventures' product innovation manager, said, "We've partnered with National Geographic for four years now, and one thing we noticed on our National Geographic Journeys with G Adventures trips, which have a minimum age of 12, is that a lot of families with kids were booking these trips. Also interesting is that we saw a lot of grandparents bringing their grandkids."

Itineraries currently offered under the National Geographic Family Journeys offshoot include tours to Peru, southern Africa, Morocco, Southeast Asia and Tanzania. Rates range from \$1,999 per person for nine days in Costa Rica to \$5,399 for 11 days in Japan.

"When I was a kid, we went to Disneyland," Garrity said. "Or we went camping. That was just what the family did. But we're now seeing families really sort of stepping out of that expected comfort zone for family travel."

African tour and safari operators are also looking to keep pace with changing family travel trends. According to Largay Travel's Rosenberg,

See FAMILIES on Page 24



OCEAN-VIEW SUITES

ZEN SPA

# A PLAYFUL ESCAPE for All Ages

- 547 elegant and modern accommodations, including 17 floating swim-up suites, with a private balconies and Mayan flair
- Nine specialty dining options and seven bars and lounges including a dessert parlor and microbrewery
- World-class fitness center with ocean views open 24/7 and ocean-view Zen Spa with soothing hydrotherapy circuit
- Adults-only Turquoize experience featuring exclusive access, amenities and accommodations for adults



# FAMILIES

Continued from Page 17

the African travel segment has done a standout job in offering family-friendly accommodations and services in recent

"Many lodges have developed family units and have really stepped it up," Rosenberg said. "For example, I have one family who took their 13-year-old

granddaughter to East Africa, and she has a severe peanut allergy. They told me they had an easier time feeding her in Africa than in the U.S."

Luxury travel company AndBeyond, which owns and operates 29 safari lodges and camps in Africa and South America, has responded to multigenerational demand by positioning all of its lodges as family-friendly.

Among the brand's more notable offerings is the AndBeyond Phinda Homestead in South Africa, which offers a four-room villa complete with a private guide and tracker, a safari vehicle, a chef, a butler and a host. The accommodation, which can sleep up to eight adults and four children, starts at around \$6,800 per villa, per night.

Joss Kent, CEO of AndBeyond, said, "The multigenerational family safari, as a category, is getting bigger and bigger, both in group size and in travel duration. This seems to be something that particularly resonates with grandparents and their children who are just under baby boomer age and for whom these experiential family outings resonate more than material expenditure.'

African lodges and seaside and jungle resorts aren't the only types of accommodations making a play for more unconventional family travelers. Martinhal Family Hotels & Resorts, which has several kid-friendly properties throughout Portugal, has built on its success with the Martinhal Lisbon Chiado Family Suites, which opened in central Lisbon in 2016. The hotel markets itself as a family oasis, offering amenities like apartment-style suites, a kids club that stays open well into the evening and a baby concierge providing equipment like door protectors, thermometers, safety gates and bottle sterilizers and warmers.

"Families traveling to cities want to give their kids an understanding of culture and educate them," said Chitra Stern, founder of Martinhal Family Hotels & Resorts. "But in Paris, London, New York - all these old cities that actually do get a lot family visitors - most traditional hotels can't even guarantee interconnecting rooms, even though travel with children is increasing."

Preferred Hotels & Resorts' Woodley. who has seen families showing greater interest in urban destinations such as Kuala Lumpur and Singapore in recent years, said she believes that being family-friendly is increasingly seen as a standard amenity for many travelers.

"These days, almost every hotel needs to understand and know what is ageappropriate and what is experienceappropriate for a family," Woodley said.

"The old days of every guest who arrives gets a glass of Champagne, that's kind of over. With multigenerational families, some will want water, some will want juice, some will want a cocktail.

"Hoteliers have had to get more flexible and welcome all ages unconditionally. That's really the true essence of what hospitality is about, and it's nice to see that that has become much more prominent and much more inclusionary."











































