

TRAVEL MARKETING DECISIONS

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A·T·M·E
ASSOCIATION OF TRAVEL
MARKETING EXECUTIVES

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PO Box 3176

West Tisbury, MA 02575

Phone: (508) 693-0550 • Fax: (508) 693-0115

Toll Free: (888) 693-0550

www.atme.org

Kristin Zern, *Editor/Publisher*

Brook Zern, *Associate Editor*

Jennifer Zern, *Art Director/Designer*

For Advertising Info:

(914) 439-2047 or kzern@atme.org



One of the precious few advantages of being older is having the experience and perspective to see that things swing back and forth like a pendulum, or rise and fall in cycles. Even recently, we've witnessed periods of exciting excess -- the dot.com boom and the late, lamented real estate rocket of the late '80s and the last decade, for example.

The current ferocious downturn has brought us back to earth with a jolt, and it's no fun at all. But at least our feet are on the ground once again, and things bear a closer relation to reality.

How will this turmoil and uncertainty affect the travel industry? Well, the first result is obvious: people will do less traveling for business and leisure than in the boom period. Many airlines, cruise lines, hotels, resorts and destinations have already reported a sharp drop in bookings. What we don't know is whether this will continue or whether things will calm down when the market rollercoaster ride calms down and we no longer need dramamine to watch the stock market reports.

Right now most people have lost a major portion of their wealth, and there's no way to know if it will take a season, a year or a decade to recoup that loss. For people under 45-50 this isn't too worrisome, but for those over 50 there is a great deal of concern because they don't have enough time to rebuild before retirement. And the baby boomers were one of the vital affluent groups that we all aspired to market to just a month or two ago.

Now people are regrouping, cocooning, nervously working on survival strategies. Virtually everyone I know is seeking ways to cut spending, live a little less large, within their means and without credit.

People will continue to travel, of course. Once things calm down a bit, they will be back on the move -- in part because we have done such a good job convincing them that travel is a necessity and a right, rather than a mere luxury.

But they will be looking at ways to do it for less. They will expect lower prices (just like home buyers in this market expect big reductions). Instead of demanding 5 star hotels, they'll step down to 3 and 4 star hotels. And they will be staying closer to home. Price and value will be the key to getting their business in this environment. This offers real opportunities to some marketers, but it's not good news for others.

ATME to the Rescue

ATME is dedicating itself to helping you react and respond optimally in this volatile environment. All our publications, the website and all 2009 events will address crucial issues: the best ways to market for less; technology that will help spread the good word for free; PR techniques that give the most bang for the buck; savvy new product development; effective niche marketing; which sectors to target, and more. ATME will help you form partnerships that will make a difference to your ROI. We will explore what other industries are doing not just to survive but thrive.

As always, you are at the heart of this effort. Please let us know what is working today for you and your team. We welcome your suggestions for programming, publications and events. Send all emails to Kristin Zern, Executive Director, kzern@atme.org or call my cell, 914 439-2047.

Yours truly,

Kristin Zern
Executive Director/Publisher
kzern@atme.org

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CRUISE VACATIONS

are Hot ...Even if the Economy's Not

by Bob Sharak

At two major travel industry conferences in March – cruise3sixty and Seatrade – cruise line executives expressed strong optimism about sales in the coming months despite increasing concerns nationally about the economy. They had reason to be confident about what can only be described as a robust, diversifying industry.

CLIA member lines carried 12.6 million passengers in 2007, another year of strong growth. In 2002 the total was 8.6 million and, over the last 20 years, the industry has grown at an average of 7 percent annually. By 2012, the CLIA fleet will increase by another 36 new ships, an investment of more than \$22 billion, bringing the total of new ships introduced since 2000 to over 120. Ten new or reintroduced vessels will join the fleet this year alone. But, despite the increase in capacity, CLIA lines have consistently enjoyed an annual occupancy average of more than 100 percent with 2007 coming in at 105%.

In addition to the investment in new ships, the cruise industry continues its global reach. CLIA lines have expanded their operations to Europe – in some cases even creating new regional brands – as well as in South America, Australia and the Pacific and are venturing into such emerging markets as the Middle East, India and Africa. The eastern Mediterranean and the Adriatic as well as northern Europe and the Baltic are proving to be among the most popular of the newer itineraries. And it's not just ocean cruises that are catching the attention of consumers. CLIA's most recent members are small ship operators offering coastal and river cruises in Europe and North America, companies that are marketing not only to their traditional base of seasoned travelers but to families and groups as well.

So, CLIA members are well into 2008 at this point, with aggressive plans for growth still in place and forecasting another very strong year. Since March the economic news has not gotten any better but the cruise industry continues to be optimistic it can weather whatever storm is coming. Why?



First of all, because it has before. The industry has, more than once, proven to be what we like to call “recession resilient.” Certainly its record of capacity growth matched by 100 percent occupancies over a period of time that has included several economic downturns are proof of that. And, there are good reasons for that success.

The industry has been extremely adept at creating product – new ships, innovative itineraries, new destinations and continually evolving shipboard experiences – that not only reflect the tastes and lifestyles of today’s vacationers but actually help drive them. More than any other segment of travel, the cruise industry has been able to offer an extraordinarily broad range of vacation experiences that respond to today’s consumers’ demand for choice, variety and convenience. It is also worth noting, that the cruise product is movable; within limits the industry has the flexibility to move its product in relation to market conditions, taking advantage of strong markets and minimizing risk in weak ones. It’s much harder to move a hotel to a hotter market than a cruise ship.

A case in point is the 2007 and 2008 increased deployment in Europe. Providing American vacationers a quality European experience while insulating the increased valuation of the Euro and selling cruise vacations to Europeans in Euro’s takes advantage of today’s currency valuations.

Another reason for optimism is market penetration, or lack thereof. The cruise industry has, and continues to take advantage of market opportunity. While the number of cruisers has grown tremendously, it is important to note that only 17 percent of the U.S. population has taken a cruise; this is a market that is waiting to be penetrated. CLIA member lines continue to expand their market presence through television and print advertising that focuses on attracting a broader range of customers, notably young travelers, families and first timers. As

overall consumer awareness of the variety of cruises available increases, more and more vacationers will be drawn to the experience. New cruisers are the key to future success and, with a relatively low market penetration thus far, there is good reason to believe that creative marketing will continue to grow the customer base.

The cruise industry also has the benefit of very high customer satisfaction, probably the highest of any segment of the travel industry. This serves to generate equally high levels of repeat business, with the large majority of cruisers telling us they will cruise again; 50 percent of them eager to try different brands. Obviously, this should not be, and isn’t, a question of share shift among cruise brands but a building of the business industry-wide by converting land-based vacationers to cruisers.

Distribution systems are essential to any industry’s success and the cruise industry has carefully nurtured one that works extremely well. Cruise sales come from many channels, including direct sales, online travel agencies, meeting and incentive markets, tour operators and others, but up to 90 percent of our business is done through travel agencies. Almost 16,000 agents are members of CLIA. This distribution system works. Selling a cruise involves transportation, lodging, dining, destinations, recreation, entertainment and more. The key to a satisfied customer is finding the right cruise experience to match his or her interests, tastes and budget. Which is why CLIA invests heavily in training and certifying our agent members to be knowledgeable experts in selling cruises. It’s a win-win situation: the cruise lines have a cost-effective, efficient sales distribution system and travel agents have a livelihood. Between now and 2012, for example, the increase in capacity of the CLIA fleet alone represents potential incremental commissions of \$300 million.

In the final analysis, probably the most important reason the cruise industry is

optimistic that it can sail through whatever economic storms may be ahead is value. Ask most consumers what they like best about cruising and value almost always tops the list. And this applies at all price points, from luxury cruises to three-day samplers. The inclusive nature of cruise pricing plays a big part but less tangible factors are also important, including the convenience of packing and unpacking only once; having a “home away from home” for the duration of the trip; not having to worry about flight reservations or getting from one city to the next; comfort and security; having the opportunity to explore several countries or destinations in one vacation. North American home ports for cruises are within driving distance of 75 percent of the population. These all figure into the value proposition. Currently, one of the greatest values is a European cruise. With the dollar so weak against the Euro, and cruises paid in dollars, there may be no better way to see the Continent, and CLIA member lines are obliging by significantly increasing their capacity in the Mediterranean, northern Europe and elsewhere to enable travelers to take advantage.

In summary, the cruise industry is not recession proof; almost no industry is. But it has repeatedly demonstrated its “recession resistance” through economic downturns, even times of war. With the near future promising more new cruise ships, exciting destinations and innovative shipboard faculties and experiences plus a vast market just waiting to be penetrated, an efficient distribution system and, most of all, an offer of incomparable value for the consumer, it would appear that everything is in place to ensure strong results for 2008 and beyond. ■

Bob Sharak is Executive Vice President, Marketing & Distribution of CLIA (Cruise Lines International Association, Inc.) <http://www.cruising.org>

GREENING WITH MEANING

by Steve Pinetti

Kimpton Hotels, Sr. VP Sales and Marketing

With the media so often reporting corporate dishonesty, it's no wonder today's consumers are a mix of savvy and skeptical. It's become more important than ever for businesses to back up their message with consistent and reliable action - even more so when it pertains to something people are as passionate about as the environment.

As the executive management team leader for EarthCare and Social Responsibility at Kimpton Hotels & Restaurants, I know that adding an environmental initiative to your business isn't as simple as rolling out a new and improved formula. Helping our planet can be personal, political, and even profound to some. It's about the future - for us and our children. And when you're dealing with a matter that holds such weight, it's important to remain authentic and clear in your message.

Coming Clean on Green Washing

'Green' is the marketing buzzword of the new millennium thanks to extensive coverage in respected media like Time, Vanity Fair, Elle, and the Oscar winning film Inconvenient Truth. An eco-focus has the power to move market share and hotels are taking notice. In a recent Deloitte survey, it was found that some 34 percent of travelers seek out hotels that are environmentally friendly, just as 38 percent have researched green lodging facilities either online or by asking friends and relatives. Similarly, 28 percent say they would be willing to pay 10 percent more to stay in a green lodging facility.

There are many reputable hotel brands, such as Kimpton, that have an authentic desire to help the environment by evaluating and changing their products, services, and operational practices to become eco-friendly. However at the same time, we read everyday about brands that engage in 'greenwashing' - misrepresenting the extent of their eco-programs in hopes of gaining market share.

What is a "Real" Hospitality Eco-Program?

Today, there is no industry standard that fully defines what a credible environmental program is, leaving a lot of room for subjective opinion. Most people, though, would agree that a hotel whose only eco-practice is the towel and linen re-use program or that simply offers guests a carbon offset, doesn't have a fully-developed eco-program. On the flipside,

most people would probably agree a hotel that has gone through the rigors of securing LEED (Leadership in Energy and Environmental Design) certification (of which there are fewer than 20 at the time of this article) is highly evolved in the green space, and taking the matter seriously.

In between these two ends of the spectrum are many hotels that weren't born green, and are now making a concerted effort to incorporate eco-practices and services into their operations. In hotels like these, what makes a great program over a good one?

It wouldn't be fair to critique the hotels that aren't doing a whole lot - all eco-steps are good no matter how small. There can be a lot of challenges and fears to overcome before implementing a program and while the cause is urgent, each company has its own pace. There's only one group that could be called inappropriate and that is any company that claims to be doing more than they really are. It can be deadly to a company's reputation to mislead the consumer. Honesty and transparency are crucial. For the most part, consumers don't expect every business to be eco-friendly from floor to ceiling, but if an organization can take sincere action to the best of its ability, people appreciate the honest effort.

Four Fears Hotels Face to Becoming Eco-Friendly

What are the challenges hotels face in becoming eco-friendly? With so many brands entering the eco-space, it's hard to understand why there are still hold-outs, but there are some common fears that get in the way of progress.

1) Fear of Change

People are creatures of habit. Asking someone to change the way they do their job takes away the comfort of a routine they've worked hard to establish. One of the surefire ways to break through this resistance is to find the employees who truly care about environmental issues and enlist them to help with the creation and implementation of the program. Their passion can serve as a model of behavior to peers, and can go a long way in igniting the enthusiasm of fellow employees.

2) Fear of Cost

There has long been a perception that it's expensive to be green. In some cases, it's still true when you compare the



premium prices of organic produce in your local grocery to the non-organic variety, for example. However, due to increased consumer demand for eco-friendly

products and practices, there has been a large influx of high-quality eco-products into the marketplace at competitive prices. There is also compelling cost savings on the back end. Compact florescent lights (CFL) are the best example. A CFL replacing a 75 watt incandescent fixture offers an average annual savings of \$22 from reduced energy usage and cost of labor to change lamps. The capital investment of \$2 per fixture is typically paid back in less than two months. Using old-fashion incandescent lighting is not only bad for the planet, but bad for the bottom line. When the cost savings is recognized, it's easy to make the change.

3) Fear of Compromising the Guest Experience

It's understandable that hotel executives worry about down-grading their guest experience by going eco. They wonder "Will the non-toxic cleaning agents work as well? Will the lighting be unflattering from CFL bulbs?" These are valid concerns, for it used to be that eco-products weren't on par with standard hospitality products. The emergence of a stylish and affluent generation of people who wear high-end eco-clothing lines like Edun and drive luxury hybrid cars has increased demand on suppliers and service providers to make available high-quality, high-performing, and even quite hip eco-products. Hotels now have many alternatives to change to environmentally friendly products and practices without compromising the guest experience they are used to delivering.

4) Fear of Eco-Overload

Initiating an environmental program can be overwhelming. There's so many small ways to make a difference that it can be hard to pick a starting point. However, there are efficient, effective, and powerful hospitality eco-programs out there with no more than 10 practices in place. Hotels should start with the easiest and fastest ideas first so the program gains instant momentum and rapid support. Larger hotel chains can even beta test the practices first among their hotels to compare efficacy and guest feedback. Smaller hotels can try out new ideas on one or two floors. Case in point, in 1990 the Hotel Triton, a Kimpton hotel in San Francisco, designated one entire level as its Eco-Floor so they could gauge guest reaction to newly installed energy efficient lighting, low-flow water systems, air purifiers, recycling containers, and all-natural bath products. Guests did, in fact, notice and reaction was very positive. Guests started to request rooms on the Eco-Floor and as demand increased, the hotel expanded its program to all seven floors. In 2004, the hotel was selected as the "green model hotel" by the State of California.

"The Secret" of an Effective Eco-Program

The secret ingredient of a successful hotel eco-program is the company's commitment to the behavior change and culture change within its management and executive team. When developing an environmental program, it's important to emphasize operations, but it's equally important to shift the culture of the organization -- starting with the front line employees, all the way to the executive team -- to a more eco-friendly one.

For example, you can change the lightbulbs on property to compact fluorescent ones, but if the staff isn't turning them off when they leave the room, then the program suffers a setback. You can offer guests in-room recycling bins, but if the housekeeping staff throws bags full of recyclables in with their main trash, then

progress is limited. Having the support of all team members creates an openness and willingness to try, test, and pilot new products and practices. Buy-in for the program increases the likelihood that employees will bring the practices from work into their home and vice versa. The lines become closer between company values and employee values, and eventually become one.

How Consumers Can Spot a Fake

Until a national eco-standard is established and accepted for all hotels, consumers are on their own to research eco-options through word of mouth, online searches, and combing web resources like expedia.com that provide green hotel listings. One way to know the validity of a hotel's eco-program is by the various awards and honors they have won. Kimpton hotels in particular have won many awards - two of which are The National Geographic and Travel Industry Association Award. Another green indicator is if the hotel has any local third-party endorsements or certifications. San Francisco has a Green Business Program that distinguishes companies that have taken action to help the environment and Kimpton has enjoyed many years of recognition as one of the city's best examples of a socially responsible company, largely because of our EarthCare practice.

How Eco-Hospitality is Changing the World

Hotels have an opportunity to impact the consumer in a very unique and personal way. Unlike a store which offers simply a shopping experience, or a restaurant that offers a dining experience, a hotel offers a living experience. For the duration of their stay, the hotel has an opportunity to support the guest in the daily rituals of life, like sleeping, dining, bathing, working and playing. While away from home, senses and awareness are heightened, and fun opportunities to 'try on' different choices present themselves. People are more willing try a different brand of

Continued on page 11

LGBT Niche Marketing

Watchwords, Trends and Opportunities

by Marion Edward

The 25th anniversary of the International Gay and Lesbian Travel Association (“IGLTA”) was recently celebrated at its annual convention in Las Vegas. I spoke with Executive Director, John Tanzella, about his perspectives on this niche market:

How has the gay travel market progressed in the last 25 years?

“IGLTA was founded in 1983. True that was the height of Madonna, Calvin Klein and AIDS, yet did you see gay travel ads from the various advertisers you see today? Gay was on the world’s radar, more as a curiosity and pop culture but not yet on Madison Avenue as a target market to reach out to.”

What are you hoping to achieve in the next 25?

“We are becoming more integrated into the mainstream in larger cities worldwide, but whether you are marketing clothes, cars or cruises, the distributors of those products know that the gay/lesbian niche they will always need to understand what makes our niche unique, what motivates our buyer, what trends are gay consumers leading following or creating. Therefore IGLTA wants to continue to be the leader in providing education, resources, connections and innovation in reaching the gay consumer.”

Why is it important to market to the LGBT communities?

“Every niche community has its

importance, whether it’s the golfing community or any other group. If you feel you have a product or service that would appeal to the lgbt community, to enable you to capture their revenue and loyalty you must market to them specifically and in a manner that would appeal to the audience.”

As a purveyor of luxury hospitality estates, Bella Palazzo surveyed lgbt experts in debuting its proprietary services for upscale guests and concluded from expert discussions to trademark Bella Woman (Femme)TM Bella Man (Homme)TM and Bella You as you are (LGBT)TM internationally. Margie Van Zee, CEO of Bella Palazzo comments: “The Bella guest is a discriminating traveler, appreciative of the privileged life, and we choose to tailor our services to accommodate every aspect of guest indulgence. We had the opportunity to evaluate several branding suggestions in the rollout of the LGBT initiative but regarded this simple and authentic phrase of You as you are the most genuine name and are grateful to Jeff Guaracino for posing that suggestion.”

Jeff Guaracino, VP, Communications, Greater Philadelphia Tourism Marketing Corporation, author of the 25-year overview of pioneering industry efforts, Gay and Lesbian Tourism: The Essential Guide for Marketing, and panel presenter “Staying Competitive in the Gay and Lesbian Tourism Industry” at the IGLTA convention states: “Any key general manager, revenue manager or director of sales in the hotel industry looking

to increase their revenue stream should consider opportunities within the gay and lesbian markets.”

Guaracino continues: “As the economy turns downstream, hoteliers can still capture this market by treating it with respect, by invitation and demonstrated commitment to the gay and lesbian community, e.g., advertising, sponsorships of gay and lesbian events locally, nationally, even internally for your gay and lesbian employees. Not since 9/11 has the gay and lesbian tourism offered such marketing gateways for airlines and tourism companies. Before, it was: ‘Gay and lesbian tourism, do we need that?’ The pendulum has swung back: The industry acknowledges: ‘We need that business.’ They are repeat visitors to hotels in which they’ve had positive experiences and are brand loyal when they come back to a destination. In Philadelphia, this market spends \$353 for a 2-night hotel stay, illustrating there’s a complete correlation between marketing and booking.”

Delving into the lgbt buys in hotels, Guaracino further notes: “The \$353 figure is not limited to the hotel stay, but bar, mini bar, restaurant, f&b, in room entertainment, gay business small meetings or social events like leisure softball or other events.”

“As hotels offer more brands and travelers use Internet more frequently for booking rooms, this market should be part of any hotel’s long or short term revenue goals...”

Guaracino believes hoteliers should explore all avenues to win gay and lesbian guest while becoming more literate in factors which influence travel purchase decisions and lifestyle issues, preferences and expectations.

The sophistication of this market in terms of allegiance, expectation and discretionary spending has been the subject of varied research over the last several years. Community Marketing, Inc., a San Francisco-based organization, is the acknowledged leader in pioneering research for this segment. Thomas E. Roth, MBA, President, Community Marketing, Inc., provides this summary of his organization's marketing research focused on the gay and lesbian community: "Over the previous five years, the premiere trend was the introduction of hotel brands top the LGBT community, featuring active outreach programs.

"Five years ago only a few were active in the market. Today, almost every major (and minor) brand has an active gay and lesbian outreach program. Because of this, the new trend for the next five years will be competition. With virtually every leading brand actively pursuing the gay market, it will take more than just waving a "gay-friendly" rainbow flag to earn loyalty and market share."

"It does no good to "Pink Wash." That means advertising and promoting the property in the gay community, but not cleaning up the house first. Well prepared hotels conduct diversity training, including gay and lesbian issues, to be sure everyone's on board and that guests have a great experience when they arrive."

"Recent Community Marketing research shows that hotels and brands now need to be more than "just gay-friendly" to maintain market share. Those with more aggressive outreach campaigns are noticed more, and practicalities like good value, great location, free WiFi, etc. are becoming more important is an age when almost every hotel and brand is expected to be gay-friendly."

"Another trend we are observing is

tracking Return On Investment. Tracking revenue from the LGBT community can be difficult, unless you are creative. You can't just ask a person's sexual orientation at check-in. Creative companies like Kimpton Hotels are showing terrific 2007 ROI because they have thought it out, and developed systems that allow their guests to comfortably self-identify their interest in LGBT community programs."

"Readers can find out more about these and related topics by joining the TAG Approved® Accommodations program (www.tagapproved.com) and by participating in upcoming webinars on Best Practices and Marketing as well as other training offered by the group to its members."

Darrell Schuurman, President, Travel Gay Canada and Co-founder, Canadian Gay & Lesbian Chamber of Commerce credits Community Marketing Inc. for their assistance in his organization's five-year history: "Overall as a tourism program specifically for businesses with the tourism industry, we saw there was an opportunity to tap into that market previously not done in Canada ...Tom's organization provided valuable insights into gay market research. We found a lot of opportunity for Canada as a whole and new business...What we did was collaborate and pool some of the program."

Schuurman continues: "Over the past 5 years the biggest change we have seen is the attitude change and openness that business have developed....Before, this market was foreign and many businesses didn't feel comfortable. Now it's viewed for its lucrative potential and loyalty of this segment. Because of its economic advantage, there's much more competition today. Before, there were a couple destinations and a few hotels. Now not only in the USA and Canada but throughout the world, it's a rich market to tap."

In Canada, Schuurman estimates, "We have probably the most progressive atmosphere due to the political environment, and we have it a little easier in terms of the

hotel perspective. With companies like Hyatt, Starwood, Delta....because of legislation already in place, employees have benefits and it's easier for us to get involved." For the most recent information on Schuurman's organization's studies, inquire about "Canadian Gay & Lesbian Chamber of Commerce, Toronto, 2007 Domestic LGBT Travel Research Study".

Alan Baer, VP Human Resources for the Kimpton Hotel Group states: "In 2007, Kimpton generated 3.9 million dollars in trackable revenue from lesbian and gay guests and groups. Tracking revenue from the LGBT community can be difficult and we know the actual revenue is much higher, but we are very happy with the trackable ROI."

Baer continues: "At Kimpton, we not only advertise in the LGBT media, but most of our corporate energy goes to support and sponsorship of community efforts and organizations. For example Kimpton's Red Ribbon fundraisers in Kimpton cities benefiting AIDS and HIV organizations, generated \$95,000 in 2007."

Within the company, KGLEN, the Kimpton Gay & Lesbian Employee Network, provides a forum in each Kimpton city whereby common interests and challenges in the workplace can be discussed.

Kimpton Hotels was the first accommodations company to earn a 100% HRC Corporate Equality Index score and in 2007 the hotel group was awarded Hotel Group of the Year by Planet Out and was in the top three in the hotel category in Out Traveler's Reader's Choice awards. "Authenticity is the watchword for any hotelier interested in capturing this market," states Baer. "If not, your attitude will be transparent to the community." ■

See charts and research findings corresponding with this article on page 11

DUBAI:

An Overnight Success ...20 Years In The Making

by Peggy Bendel



Five years ago, few Americans had heard of Dubai. Today, you would be hard-pressed to find someone who HASN'T.

While the era of "hot" destinations seems to have ended, if there still is such a thing, Dubai would be it. Four years ago, just four North American tour operators ran programs to Dubai; today there are 24, with more on the way. This year's ATME Atlas Award for Best Brand offers the perfect opportunity to have a look at what's new – and it's guaranteed that by publication time, there will be more!

The second largest of the seven United Arab Emirates, Dubai has made one of the most dramatic transformations of modern times: in twenty years, growing from largely empty desert to one of the boldest and most modern skylines in the world.

According to Alba Hotchkiss, Director of the New York-based Dubai Tourism Office North America, "Such projects as The Palm (actually, there will be three!); the World, accessed only by water; Ski Dubai, an indoor ski slope in an elegant shopping mall; Burj Al Arab, the iconic seven star sail-shaped hotel, now a decade old; Burj Dubai, slated to be the world's tallest building, have literally and metaphorically put Dubai on the map."

Business and leisure travel are both booming, as visionary projects such as Media City; a state-of-tomorrow's-art airport; and Tiger Woods' first golf course join an array of the world's most prestigious brands, complemented by an ever-changing skyline and extraordinary service and technology at every turn, starting with the microchip in your hotel room key.

Modern Art in Modern Dubai

The region's first-ever museum of Middle Eastern modern art was launched recently by His Highness Sheikh Mohammed bin Rashid Al Maktoum, ruler of Dubai and vice president/prime minister of

The second largest of the seven United Arab Emirates, Dubai has made one of the most dramatic transformations of modern times: in twenty years, growing from largely empty desert to one of the boldest and most modern skylines in the world.

the UAE. Situated at 40 million square-foot Culture Village, the new museum's striking design highlights elements of the sea, and Dubai's seafaring tradition. The museum's designers, Netherlands-based UN Studio, have also designed Hartford, CT's Wadsworth Atheneum; the Mercedes-Benz Museum, Stuttgart; and the renovation and extension of the Rijksmuseum in Amsterdam.

The \$13.6 billion Culture Village will also house an amphitheatre for live performances and international cultural festivals, an exhibition hall and smaller museums displaying local and international art, as well as a shipyard for traditional dhow builders.

Visionary Hotels Opening

While the first of three "Palms," Palm Jumeirah, has already opened several apartment and hotel facilities, more are to come later this year and next. Well-known to many via several hour-long television specials tracking the amazing engineering challenges overcome during its constructions – and the smallest of the three – Palm Jumeirah will soon add:

- **Atlantis Hotel** will include two towers with a total of 2,000 rooms, and two monorail stations linking it to the main stalk of the Palm Jumeirah, as well as a

40 acre water-theme park, various water attractions, 86 thousand square foot two-story conference center, 20,000 square feet of retail space, and an archeological attraction entitled The Dig. It is scheduled to be completed by November of 2008. www.atlantis.com

- **Palm Trump International Hotel and Tower**, also referred to as Trump Tower Dubai, will be the luxury centerpiece building of the Palm Golden Mile, located on the trunk of the Palm Jumeirah. Including a 300 room five-star hotel and 360 residential apartments, amenities include exclusive access to a private beach and yacht club with tennis courts, gymnasium and fitness centre, stylized pools and gardens. It is scheduled for completion in early 2009. http://trumpinternationalpalmbeaches.com/Trump_Portfolio/trump_portfolio.asp

- **The Palm Grandeur** includes the Taj Exotica Resort & Spa and The Grandeur Residences, both modeled as the archetypal palaces of Rajasthan, and built on the crescent of the Palm Jumeirah, to be completed by October 2009. www.realestate.themiratesnetwork.com/developments/dubai/palm_islands/palmgrandeur.php

All the action is NOT at The Palm, however. One of the most exciting real estate projects in Dubai is the construction of the \$500 million underwater **Hydropolis Hotel**. This hotel will resemble a giant submarine anchored in the Gulf, and will be accessed only by a tunnel via a waterside reception area. Completion is scheduled for late 2008. www.hydropolis.com

Palazzo Versace Dubai, also opening this year, this is a landmark project of the new Culture Village master development on Dubai Creek, a premium waterfront location with unobstructed views of the Creek. It will include 215 suites, restaurants, and a day spa, all furnished with an exclusive line of products from the Versace Home Collection. The Palazzo Versace is the world's first fashion-branded hotel. www.palazzoversace.ae

Green Hospitality

Situated in a desert environment by the sea, Dubai must grapple with the same constraints on water and energy that face most of the world.

Hotels have been asked to reduce their carbon footprint by 20% as soon as 2011, in a voluntary campaign to preserve precious natural resources. Properties are being urged to cover swimming pools to reduce evaporation; installing solar panels to capture the powerful Dubai sunshine to heat water; using reflective coatings to cool exterior walls, and energy-saving modules to operate air conditioners. Such simple tactics as turning off lights when rooms are unoccupied will add to the savings.

Shopping, Anyone? Everyone?

The shopping hub of the Middle East does not disappoint: from the traditional gold and spice souks to state-of-the-shopping-art high-end malls, Dubai's retail opportunities satisfy all tastes. Mall of the Emirates, just named 'Best in Dubai,' offers 466 stores to choose from.

And for those who need to "chill," the world-famous Ski Dubai, with a quad chairlift, five indoor slopes and "Magic Carpet" slides. Eight other top malls throughout the city add to the entertainment and relaxation with spa services readily available for those tired of trekking with their shopping bags at Wafi Mall and others.

And just wait until later this year, when The Dubai Mall, one of the largest malls in the world, located in the heart of the prestigious Downtown Burj Dubai, will open, intending to be the premier lifestyle destination for shopping and entertainment. It is a shopper's paradise featuring 1,200 retail outlets, two anchor department stores, a 220-store Gold Souk (the world's largest indoor gold souk) and more than 150 food and beverage outlets – all spread over an astonishing area totaling 12.1 million square feet. Need a break? Visit the world's largest single volume Aquarium featuring a

180-degree walkthrough tunnel, take in a flick out one of 22 movie screens in the Cineplex, or a spin on the Olympic-sized indoor ice rink.

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World-Class Golf in the Desert

Joining already excellent golf courses in Dubai are three developments eagerly anticipated by the world's top golf talent:

- **The Tiger Woods Dubai**, a private residential community and resort will include the world's first golf course designed by Tiger Woods. The course will be a 7,800 yard, par 72, 18-hole championship course with dramatic elevation changes. It is scheduled to be completed by the end of 2008. www.tigerwoodsdubai.com
- **The Dunes Golf Course**, just opened in March 2008, is Ernie Els signature golf course, described as a 'desert links' course with a natural look and feel about it, with its broad and gently rolling fairways, located within the Dubai Sports City.
- **Jumeirah Golf Estates** is set to

become one of the world's most prestigious residential golfing communities. Inspired by the natural elements of Fire, Earth, Wind and Water, the compound draws on the talents of some of the game's most famous names: Greg Norman, the 'Great White Shark'; former world number one Vijay Singh; European Ryder Cup hero Sergio Garcia; and the father of modern course design, the legendary Pete Dye.

Airlines Expanding Service

Nonstop flights from the US and Canada on both Delta and Emirates have expanded in the last two years to include Toronto, Houston and Los Angeles, as well as New York and Atlanta.

Dubai's recently launched low-cost airline FlyDubai has announced an order for 50 Next-Generation 737-800s at the Farnborough Airshow. The order is valued at approximately \$4 billion and marks the biggest single order by a Gulf-based low cost carrier for the Boeing aircraft. FlyDubai has substitution rights to convert its 737-800 orders to 737-900ERs (extended range) in the future.

His Highness Sheikh Ahmed Bin Saeed Al-Maktoum, Chairman of FlyDubai, who signed the deal said, "This aircraft is ideally suited to our core business, which is providing affordable, efficient and flexible options for people wishing to travel to and from Dubai."

"FlyDubai will be the first step for a new set of passengers seeking out high-demand tourist destinations in the Gulf States and surrounding countries, while bringing connectivity to all parts of the globe," he added. ■

Peggy Bendel is Senior Vice President/Travel Marketing at Development Counsellors International, the leader in marketing places (leaderinmarketingplaces.com).

For more information on Dubai, go to dubaitourism.ae.

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shampoo, a new technology, or an unusual cocktail. Guests love the experiences they have in trying on different choices and it isn't limited to material things; values are extended as well. If a hotel values helping the environment, then a guest may adopt that value as their own at home. Countless Kimpton guests have said things like, "I never thought about recycling my coat

hangers before," or "I always thought that CFL lights were unflattering, but I looked fine in the mirror. Who knew?" The ripple effect is exciting.

While companies can make a huge difference, it really comes down to each person making individual choices to help the environment. We hope we make

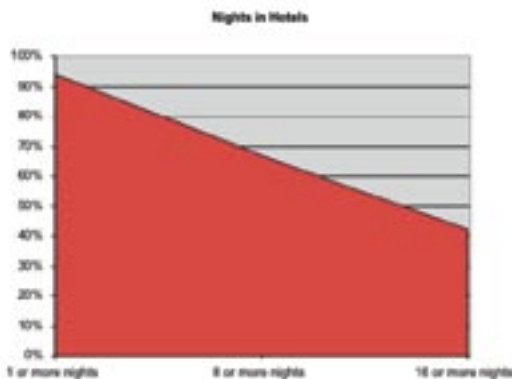
it easier by giving them an eco-friendly choice in hotels. ■

Steve Pinetti is Senior Vice President, Sales and Marketing of Kimpton Hotels.

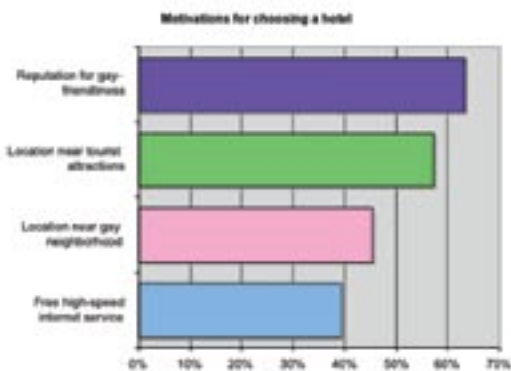
LGBT NICHE MARKETING

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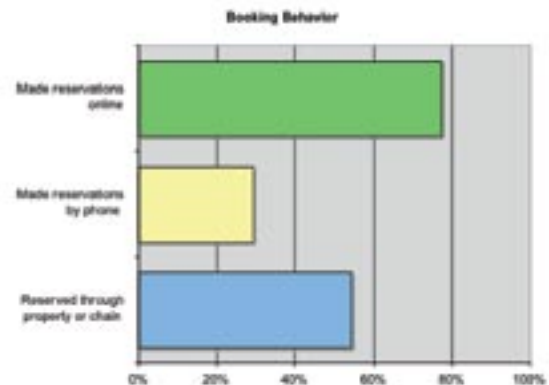
Findings in Community Marketing's 12th Annual Gay and Lesbian Tourism Study of over 7,500 gay and lesbian consumers indicate the gay and lesbian travelers spent 14 nights (median) in hotels during the previous year. 42% of respondents spent 16 or more nights in hotels.



Reputation for gay-friendliness is the most important motivator for lesbians and gay men when choosing a hotel (63%), followed by location near tourist attractions (57%), location near a gay neighborhood (45%), and free high-speed internet access (39%).



77% of gay and lesbian survey respondents said they reserved accommodations online at least once during the year, and 29% reserved over the phone. 54% of respondents said they had made reservations directly with a property or chain directly.



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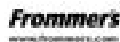
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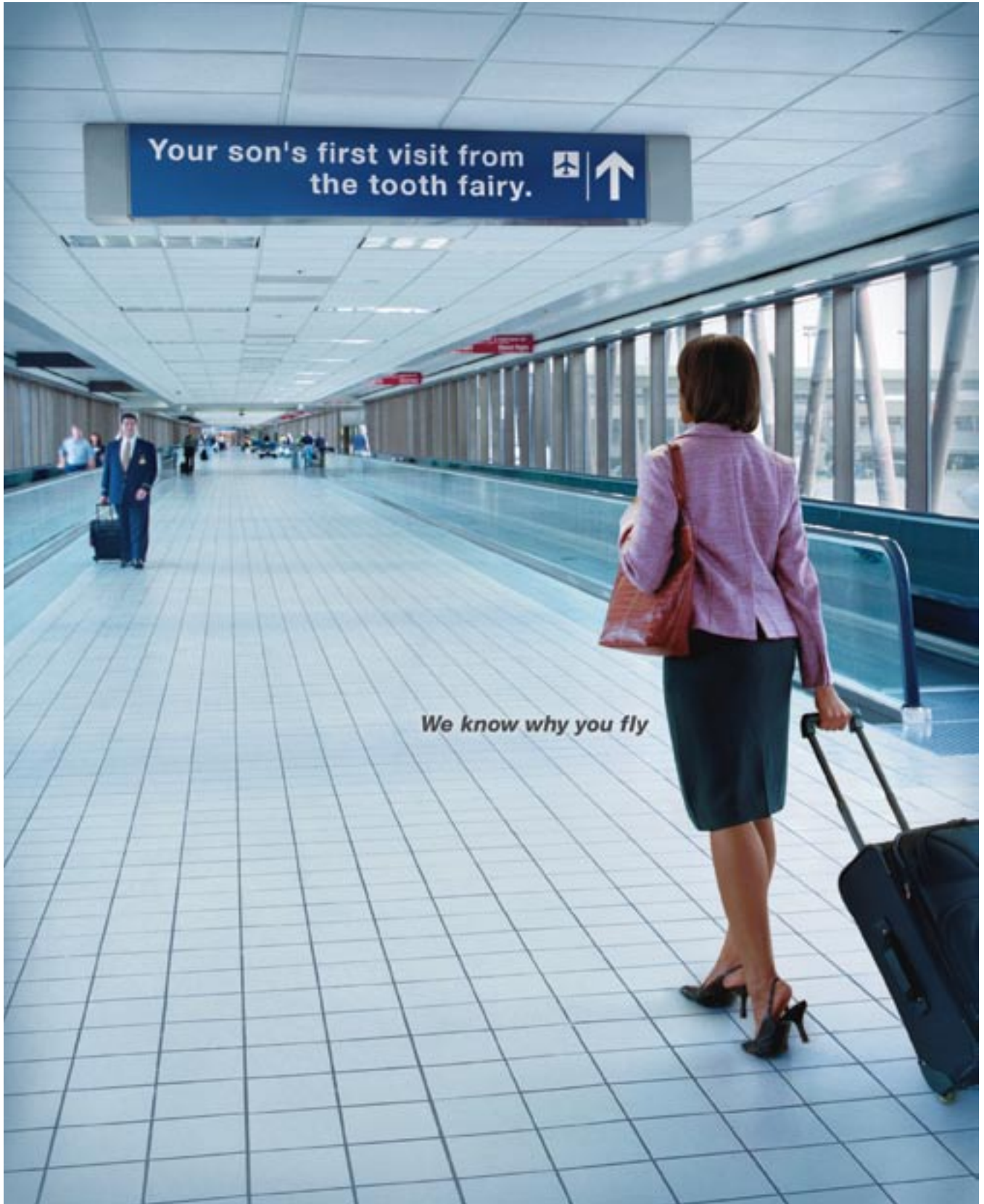
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