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VIRTUOSO® SHOWCASES THE SPLENDOR OF VANCOUVER, B.C. DURING ITS ANNUAL GLOBAL LEADERSHIP SYMPOSIUM

Scaling Loyalty, Optimizing Peak Experiences & Why the Boomer Generation Remains the Most Lucrative Market for Travel Advisors

NEW YORK (May 15, 2017) – International luxury travel network [Virtuoso®](#) recently held its annual Symposium in Vancouver, British Columbia, attracting 530 of luxury travel's most prominent figures from 41 countries. During the event, Virtuoso focused on the opportunity that exists for travel advisors, speaking of the ability to cultivate peak experiences for a clientele willing to pay for it. The Symposium's keynote speakers included Ken Dychtwald, Ph.D., CEO of Age Wave, as well as Matthew D. Upchurch, Chairman and CEO of Virtuoso.

Renowned gerontologist, best-selling author of 16 books and frequent Virtuoso presenter, Dychtwald reminded the audience why the aging Boomer population should not be dismissed despite recent focus on the rise of younger generations, stating that households headed by those 65 years and older have more than 21 times the median wealth of households headed by people under 35. From a travel perspective, the figures become even more resonant. Consumers 50 years of age and over account for 33 percent of the population, yet they are responsible for 51 percent of entertainment expenses, 53 percent of airfare expenditures, 59 percent of lodging expenditures, 70 percent of all disposable income, 74 percent of ship fares, 76 percent of total net worth, and 92 percent of all affluent households. What's more, those aged 55 and older will soon face time affluence like the world has never experienced, with 2.5 trillion hours of leisure time over the next 20 years.

Dychtwald shared data from the joint Age Wave/Merrill Lynch study his group produced. With plenty of downtime ahead of them, Dychtwald stated that 47 percent of retirees are most excited about their newfound ability to travel. They are in search of peak experiences (48 percent) and adventure (45 percent), with 95 percent of retirees saying they prefer to have more enjoyable experiences than more things. His message to the Virtuoso travel agency executives in the audience: optimize invaluable expertise. Dychtwald shared that Virtuoso advisors are poised to become more important than ever, as they help clients imagine their dreams by reimagining tomorrow's travel marketplace, and provide an unseen layer of safety and protection during the actual travel experience.

Virtuoso's Upchurch took the opportunity to build upon Age Wave's research and zeroed in on the scalability of loyalty at a time when interrupting the trust that comes from genuine human connections appears to be the primary driver of so many travel organizations. He shared that when the ownership of the coveted client is at stake, scaling loyalty and creating a system that expands while also growing

allegiance must be the goal. Success comes from combining both the structural and emotional components of loyalty.

Upchurch talked of the opportunity facing the luxury travel industry, citing the emerging customer base and an IATA statistic showing anticipated air passengers nearly doubling to 7.2 billion by 2035, as well as the growth of the cruise industry and the innumerable niche products. And while there have never been more choices, consumers are looking for someone to simplify their lives as they become even more overwhelmed by information. They are turning to travel advisors to make their lives more secure and fun.

Said Upchurch, “Today we are in the era of exponential choices. We’re swimming in options and there are so many more products. The goal for all of us should be enduring loyalty, which is not to be confused with repeat business. It’s building lifetime connections and lifetime value.”

Continued Upchurch, “There is a legitimate commodity play based on price, convenience and accessibility, but this is not what we in the luxury and experiential business are working to create. Points and cards are everywhere. They’ve become a new currency, which, like real money, can increase and decrease in value. We want to scale enduring loyalty – experiences worth paying for.”

Upchurch went on to say that structural components like mobile apps that register guests provide new conveniences and reward behaviors, but to some degree have created a structural arms race within the industry. However, he pointed out, human beings don’t make decisions solely on facts, points or price. They make choices largely based on emotions, quoting Harvard Business Review’s *The New Science of Customer Emotions*: “On a lifetime value basis, emotionally connected customers are more than twice as valuable as highly satisfied ones.”

Human connection matters and it is this desire that has fueled the growth of travel advisors as a profession. Luxury and experiential customers come with high value and high expectations. Structurally, they want things to be fast, efficient, productive and in the way they like to communicate. They also want the personal touch, and to feel cared for.

Upchurch called on Virtuoso’s partners to elevate and integrate the next phase of the digital revolution, going from a direct-only bias to compensating on the whole. He surmised that scaling loyalty will take a combination of game-changing elements, including synchronizing structural systems like data conformity and providing assets that support travel agencies as they develop their own systems to support their advisors and the many ways they go to market.

Lastly, he concluded by restating that authentic human connections amongst its travel agencies and preferred partners make a notable difference in how his network’s customers experience travel. And the power to scale loyalty begins with the everyday touchpoints that occur before, during and after the trip. The emerging advisory sector will co-create the peak experiences of the future and uncover new opportunities. And the emerging customer, with unprecedented wealth, time and need for powerful experiences, will lead to the sustainability of the travel industry as an economic powerhouse and a force for good.

Referring to the way Virtuoso has scaled its own organization, Upchurch also shared the tremendous growth his network has experienced so far in 2017:

- Agency locations: more than 800 (up nine percent) in over 45 countries, representing a 22 percent increase
- Number of Advisors: 15,200, up 33 percent
- New Virtuoso agency locations: China, Japan, South Korea, and Taiwan

It was not all work for the group, as they also enjoyed events at Stanley Park, the Rocky Mountaineer Train Station, and at some of the city's best neighborhood restaurants. An entire day was devoted to exploration of the area, with personalized options highlighting the wildlife, active lifestyle and natural splendor associated with Vancouver. The event concluded with a private performance by three-time Grammy-winning artist and Vancouver resident Sarah McLachlan.

Virtuoso holds its annual Symposium in some of the world's most exciting cities, from Cairo to Cannes, Singapore to St. Petersburg, Madrid to Mexico City, Buenos Aires to Berlin. Next year Virtuoso is proud to bring its Symposium to Amsterdam for March 17-22, 2018.

As the leaders in luxury travel, the Virtuoso network is responsible for annual travel sales in excess of (U.S.) \$21.2 billion. For more information on Virtuoso, visit www.virtuoso.com.

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About Virtuoso

Virtuoso® is the leading international travel agency network specializing in luxury and experiential travel. This by-invitation-only organization comprises over 800 travel agency partners with more than 15,200 elite travel advisors in over 45 countries throughout North America, Latin America, the Caribbean, Europe, Asia-Pacific, Africa and the Middle East. Drawing upon its preferred relationships with 1,700 of the world's best hotels and resorts, cruise lines, airlines, tour companies and premier destinations, the network provides its upscale clientele with exclusive amenities, rare experiences and privileged access. More than (U.S.) \$21.2 billion in annual travel sales makes Virtuoso a powerhouse in the luxury travel industry. For more information, visit www.virtuoso.com.

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