

Glocality



Seeing the ways of a place through the eyes of the locals

Michael Coyle, CEO Replay

In a time-starved world that is moving faster, changing more and feeling smaller as countries and cultures collide, it's about how we spend our time away from home that truly matters. Whether you're 30-something or 60-something, free (personal) time and the richness or rarity of what one does with it is the new luxury. People want the guarantee of a great vacation, even if it's just a three or four-day fast break. They want exploration as well as relaxation.



They want the uncommon, the extraordinary, even the impossible. They seek places where they can continue to test physical boundaries, collect experiences, expand their knowledge and, at the end of the day, can enjoy comparing stories of those accomplishments with others who are on the same journey. These are among the factors driving people's vacation choices and that, increasingly, will both influence their real estate choices and determine the way that resorts, resort hotels and resort real estate are designed and marketed.

surfer
[THE BAR]

The Disconnect

Today's resorts and resort hotels are great at selling rooms, spa treatments and romantic dinners - keeping guests behind their gates. But a growing and important segment of today's travelers are focused outward - on the local history, arts, culture, nature and the hidden places that only the locals know. **They crave life beyond what's described in the resort's brochures and on its website.** For them, the resort is mostly a place to sleep. Therein lies the disconnect.

Resorts and resort hotels have long had a cruise-ship mentality - meaning holding travelers captive - keeping them "on board" to as great a degree as possible and profiting from it. For most resorts "change" has simply meant adding spas, infinity pools, multiple golf courses, larger meeting spaces, casinos and bars. And with few exceptions, that business model persists to this day, which presents developers with an opportunity.

Glocal Travelers

I first heard the word "glocal" used by California-based Jody Turner, cultural futurist and trend hunter. Jody was a presenter at a 2008 envisioning session a friend was staging for a tea company whose goal it was to become the Starbucks of teas. As Jody spoke, I began to see that the term had application to the resort sector to describe a category of travelers we had identified - global experience-seekers driven by the desire to "see the ways of a place through the eyes of the locals." We have referred to them ever since as "glocal travelers." **These are people motivated by their desire to connect with still largely undiscovered places and the unspoiled culture, customs and cuisine of the region.** They are seeking access to the inaccessible, to experiences one never finds on the tourist maps. When away from their own homes, they want to be treated by the locals as locals. So far, glocal travel has been the exclusive domain of the guided adventure travel companies and a handful of high-end boutique hotels. However, through our own first-hand experience, we see glocal travel as an area of vast untapped potential for the development sector.

Our hypothesis is that this market segment spends more per trip and they spend in different ways. They are experience collectors wanting to take in everything that a destination has to offer. That relieves the requirement for developers like us, to build and operate high-cost amenities as part of the resort - like \$25 million golf courses and extravagant clubhouses, glittery casinos or even extensive retail villages. **Instead, we know glocals prefer to lose themselves in the natural beauty and already existing attractions of the region. As they begin to establish strong emotional ties to a region, they are more likely to buy real estate.** And they are strongly attracted to the idea that the resort or resort hotel is an extension of the local community, supports local entrepreneurs, provides meaningful careers including senior management positions to locals, and is a marketing partner in the success of a destination in its totality.



The Case

It's clear that the Internet has changed the face of travel forever, just as it is beginning to more strongly influence the way people buy resort real estate. Not only do many travelers tailor-make their own vacations with cheap online flight and hotel bookings, other sites including blogs, photo-sharing sites and video sites allow them to quite accurately assess destinations, resorts and resort hotels around the world. But although the Expedia, Travelocity and Orbitz

travelers keep occupancies up, their frugality drives down ADR (average daily rate) and Revpar (revenue per available room) by requiring the hotel to keep room-rates low. For us, it's also been a concern that these on-line travel agents have become the hoteliers' default sales department. At one of our properties, Turtle Bay on Oahu's North Shore, these OTA (online travel agencies) customers - tourists rather than travelers - were muddying the waters. **As one of Replay's leaders observed, "for the most part, they were satisfied to sit by the pool, eating cheeseburgers while sipping a Mai Tai, watching the palm trees sway in the breeze."** But being host to a sedentary guest wasn't giving the hotel, the hotel's owners or the local community the economic benefit they were seeking.

The bold answer was to create a new story, a new business model for Turtle Bay because to be truly successful we needed, over an agreed-up period of time, to fire the existing customers. We would do so by creating a truly one-of-a-kind expression of Hawaii that would attract glocals - a more discerning and more affluent visitor - one who truly appreciated the true uniqueness of the North Shore. By doing so, we could not only increase the monetary value of Turtle Bay itself, we could also add to the North Shore's growing reputation as one of the world's Great Places, as judged by National Geographic.



These are six of the dozens of steps we have taken to accomplish our objectives.

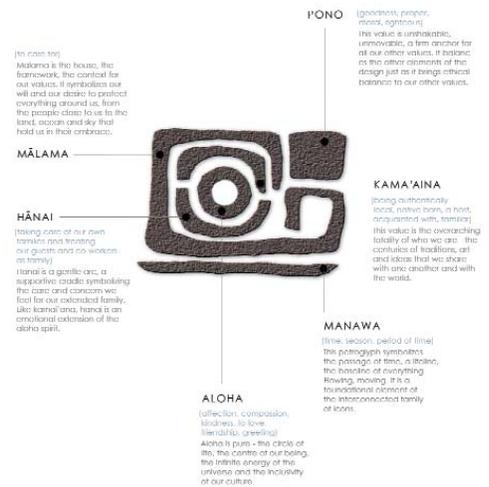
- 1) We have created a brand story that draws on the worldwide acclaim of the North Shore as a Big Wave surfing and watersport Valhalla (all of Turtle Bay's previous owners had shied away from the surfing ethos)
- 2) We have extensively researched and identified authentic qualities and features that clearly differentiate the North Shore from other destination choices in Hawaii. Click to see a brief, [3-minute video](#) introduction to the North Shore
- 3) Turtle Bay has not only made it possible for guests to go out into the community and enjoy the best of what takes place there, it has taken that concept a step further and found ways of welcoming locals into the resort. The gates have come down. The locals are now part of the social fabric and the uniqueness of the resort
- 4) We explored the strengths of co-branding - drawing on the strength of category power brands like Surfer Magazine
- 5) In Surfer, the Bar, we created a "common ground" for locals and glocals to share a universal love of music and the ocean in a relaxed atmosphere. We provided a stage for Hawaiian musicianship and drew attention to the Islands' influence on other music genres - including country, rock, hip-hop and reggae. Click here to see a go-second video description of Surfer, The Bar
- 6) We developed a hospitality standard based on ancient Hawaiian traditions, values and language and have imbedded that culture in the leaders, managers and 600 front-line workers of Turtle Bay. We have not only elevated Turtle Bay's standards of hospitality we have also endeared ourselves to the community who have actively participated in the process and who are pleased that we have honoured their ancestors and their customs.

VALUES  GUIDE
The Evolution Of Turtle Bay
Translating Values Into Reality



Our Values Expressed As Petroglyphs

THE SIX TURTLE BAY VALUES ARE REPRESENTED BY SIX GLYPHS. EACH GLYPH, EACH VALUE, STANDS ALONE BUT THEY ARE ALSO INTERCONNECTED. WHEN PLACED TOGETHER, THEY TELL A STORY THAT IS MORE THAN THE SUM OF ITS PARTS.



The Synopsis

We have learned at Turtle Bay that glocality both directly and indirectly increases the appeal and, therefore, the value of the resort. Having gone through the experience, we believe there are ways of applying these lessons-learned to your project - small, medium or large - be it a startup or a mature development. **Becoming an extension of the host (surrounding) community and vice versa is a far more cost effective way of establishing a destination than building attractions inside the gates.**

It's an approach that recognizes the shifting values of today's guests and can capitalize on them. One that sees the interrelationship between the hotel and the destination it occupies to create a true thrill of traveling. One that takes the best of today's current resort hospitality offerings, be they traditional hotels, condo hotels, private residence clubs or luxury boutiques, and does a 'mash-up' to create an entirely new category of experience-driven resort development and resort real estate - **all by encouraging our guests to see the ways of the place through the eyes of the locals.**

Call or e-mail me at mcoyle@replayresorts.com and Replay will be pleased to share further insights with you on the significance of the experiential traveler to your resort.