

New Luxury-Travel Hot Spots

Beautiful and unspoiled locales aren't just for backpackers anymore.

By Sophia Banay
Jun 29 2007



Sharon and Michael Young, founders and partners at the investment firm Quadrant Capital Partners, in Dallas, are adventurous travelers who favor unusual destinations. But even they weren't entirely prepared for how challenging their 2005 visit to Bhutan would be.

"We'd be driving, and the road would just end," Sharon says. "The laborers were building the next part."

The Youngs learned of Bhutan while sailing on a friend's yacht. "One of his other guests was the ambassador from Australia to Bhutan," Sharon recalls. "She started telling us about this country that modernization had not touched. It was very appealing—to go see what sounded like an unspoiled, deeply traditional country."

For a growing number of high-end travelers, destination fatigue—been there, done that, paid a big bill—is starting to set in. When your past vacations are identical to the ones portrayed in the pages of every high-end travel brochure (the Youngs count Patagonia, the British Virgin Islands, and the Greek islands among their previous family trips), experiencing the euphoria that comes with discovering a new destination becomes harder.

"People are looking for new places," says **Pallavi Shah, founder of Our Personal Guest**, a Manhattan-based luxury travel agency that has coordinated trips for C.E.O.'s of investment banks and for Thomas Freston when he was head of Viacom. "A lot of people have been traveling for many years and are therefore running out of places. By their 50s and 60s, they've done Europe, been to Africa and gone on safari, done the Middle East, cruised the Nile and the Yangtze rivers, been around China. Now where to go?"

The answer is places like Bhutan, central India, remote northwest China, and the eastern coast of Vietnam, all of which are coming into favor among Shah's well-heeled clients. But a thirst for adventure doesn't mean that C.E.O.'s want to rough it on vacation. To the contrary, they are increasingly attracted to areas that have received little international tourism—places that their parents never heard of, much less fantasized about visiting—but are nonetheless luxurious, complete with secluded swimming pools and high-thread-count sheets.

Take Bhutan. Since 2005, the superluxury Amanresorts chain has opened a series of four elegant lodges in the tiny Himalayan kingdom, and Taj Hotels, Resorts & Palaces, the Indian luxury hotel chain (read "The Hotel Collector"), is opening a Bhutan resort at the end of the summer. The country has succeeded in marketing itself as an exclusive destination for highly selective travelers. And Sharon Young, who ended her Bhutan trip with a "heavenly" stay at the only Amanresort then operating there, says she is more likely to go back now that Amanresorts has expanded in the country.

Obviously, it takes more than the opening of a new resort, even one with rooms lavish enough and a reputation sterling enough to attract wealthy travelers, to turn an obscure village into the luxury travel destination du jour. But, it turns out, not that much more.

"A local culture that is welcoming" is one of the most important factors in sustaining the success of a new travel destination, says Bjorn Hanson, lodging specialist at PricewaterhouseCoopers in Manhattan. An unusual or exotic natural setting also helps a luxury travel spot get off the ground, he says. And access is important too. **Shah says the scarcity of flights to and from Bhutan is one of the main impediments preventing her clients from planning trips there.** Poor transportation also hampers Central India, which has become another burgeoning high-end travel region thanks to the African-style game lodges that have been planned as a joint venture between Taj and the luxury safari operator CC Africa. "My clients are too damn lazy to sit for eight hours on a back road," says Shah.

Moscow has regular flight service to and from the U.S. but has attracted few discriminating Western tourists. That may change this summer, when the

Ritz-Carlton opens its first Russian property in Moscow as part of a corporate strategy to develop hotels in cities with growing economies. The hotel, constructed on the site of an 18th-century tavern, cost \$350 million to build, and the plan is for it to become a culinary haven: Its restaurant has a three-star Michelin chef, Heinz Winkler, and boasts specials like a \$700-per-person Tsar's Breakfast that includes champagne, Kobe beef steak, foie gras, Beluga caviar, and a truffle omelet. After some grand-opening specials, standard nightly room rates will start at \$1,000.

It's expected that the hotel will attract not just tourists but other luxury brands to Moscow. "After one or two good hotels open, a place becomes established and alluring" to other hotel operators as well as tourists, says Sean Hennessey, who runs Lodging Investment Advisors, a Manhattan-based hotel consultancy.

And once those hotels have opened, there's an added bonus for visitors. "There's a certain cache to being in on the early stages of a travel market," says Hennessey. "It's a lot sexier if you tell people at a cocktail party that you're going to Budapest than that you're going to London, where everyone's already been."