

# Bloomberg

## Thanks to the Pandemic, Luxury Hotels Become Home

Villas and vacation houses are out; year-long hotel stays are in.



An ocean view room at Chileno Bay Resort & Residences in Cabo San Lucas, Baja California, Mexico. Source: Auberge Resorts

After a very quiet spring, Julie Danziger, the managing partner of travel advisory Embark Beyond, spent the greater part of June and July booking compelling domestic alternatives for her clients, who normally favor Italian villas and Greek resorts at the end of summer. But something strange happened in August: No one was ready to go home.

“Suddenly, all of my clients were asking where they could spend the rest of the year,” she explains, citing specific queries about Cape Cod, Mass.; Cabo San Lucas in Mexico’s Baja, California; and Saint Barthélemy.

The majority of Danziger’s New York-based clients have secondary residences in New York’s Hamptons or along the New Jersey Shore—and oftentimes a third in Florida or Aspen, Colo.—but none of them showed interest in their auxiliary properties. Instead, they wanted a pseudo fourth home: a hotel.



The Four Seasons Anguilla is offering steep discounts for long-term guests. *Source: Four Seasons Anguilla*

Living in hotels is by no means a new idea; a handful of storied properties in New York and Los Angeles have hosted actors, artists, and other bon vivants for long-term stays over the decades. The idea had a resurgence at the pandemic’s start, when stranded vacationers tried to ride out quarantines wherever they’d taken spring breaks.

But with work-(and school)-from-home mandates stretching into the foreseeable future, many Americans are finding themselves untethered to their primary residences. They are interested in multimonth hotel bookings that could stylishly bypass a cold-weather span of locked-down living.

To deal with the onslaught of requests, Danziger put together a spreadsheet of everything a long-stay guest might need: laundry service, a parking space, easy breakfast options. Then she started asking resorts for preferential pricing. It didn't take much convincing. Even hotels and resorts that ordinarily never move the discount dial were keen to start recouping losses by booking long visits; what Danziger proposed would not only fill their rooms for multiple months but breathe life into their food and beverage offerings.

“I've been getting quotes for 30%, 40%, and even 50% off the best available rates for one- to three-month stays at coveted places like Amanyara, the Four Seasons Anguilla, and Montage Laguna Beach,” Danziger adds. As a result, she's created Embark Longer, a spinoff brand for her agency to streamline the plethora of long-stay queries that continue to pour in.



## A Fast-Growing Trend



A two-bedroom oceanfront villa with its own pool at Auberge's Esperanza, in Los Cabos, Baja California, Mexico. *Source: Auberge Resorts*

Danziger isn't the only one up to her eyeballs in multimonth hotel bookings. A quarter of the guests at Timbers Kaua'i in Hawaii are currently booked in for stays longer than 30 days; Gurney's Montauk, normally a weekend haven in New York's Long Island, also reports multiple visitors bedding down for an entire month. After a surge of interest, Ocean House in Rhode Island anticipates at least three long-stay families for the fall.

Demand has been so strong that some hospitality companies are formalizing brand-wide offerings. Take Auberge Resorts, which owns 19 hotels around the world, including the newly renovated Mayflower Inn & Spa in Connecticut and the adventure-centric Madeline Hotel in Telluride, Colo. A two-month booking at those hotels can come with a 30% to 40% discount on the nightly rate, along with private tutoring services for kids. Some package deals include personally stocked in-room kitchenettes, pet care, and laundry. The chain has experienced a 300% increase in the length of guests' stays.

## The Lost Year, Found



The Hilton Barbados Resort has made it easy to move in for a full year. *Source: Hilton Barbados Resort*



International tourism is still highly limited for Americans, but all is not lost for those who want to live the expatriate life on an island. As part of Barbados's tourism rebuilding plan, the Caribbean island nation announced a 12-month Welcome Stamp initiative in late June; for a \$2,000 fee, visa holders can work remotely, tax-free, for a full calendar year. To help stamp holders settle in, the Hilton Barbados Resort is offering room rates that start at \$2,500 a month, with the opportunity to grab office space with a beach view and use the hotel's dedicated shipping services to bring personal effects.

Similarly, Bermuda's newly-announced Work From Bermuda certificate encourages digital nomads to move right in for \$263. Sascha Hemmann, managing director at the island's Rosewood Bermuda, says he's "prepared to negotiate a competitive rate" for extended stays.

The first deal he signed included six weeks in an Ocean View King room with deeply discounted spa and laundry services and a private golf cart to get around the island. (The price is undisclosed.)

## Rethinking Staycations



The iconic Beverly Hills Hotel in Los Angeles. *Source: The Dorchester Collection*

The same is happening in urban hotels. Even with a 30% discount, a recently booked year-long stay at Rosewood Miramar Beach's two-bedroom residence in Montecito, Calif., would cost roughly \$1.1 million. And both the Beverly Hills Hotel and the Hotel Bel-Air in Los Angeles have seen an uptick in 90-day bookings since the advent of Covid-19—mostly from L.A. natives.

“These guests do not feel safe in [their own] homes with staff members coming in and out, without proper protocols in place,” explains Ed Mady, the regional director of the Dorchester Collection, which manages both properties. By contrast, Mady’s hotels each have an on-site nurse, as well as a dedicated director of risk management to ensure full compliance with Centers for Disease Control and Prevention guidelines.

Danziger is seeing extended staycation requests in New York, too, including a three-month stint at the Mark and a two-month sojourn at the Carlyle by native New Yorkers.

“Hotels are being really transparent with their rigid safety procedures, because they can’t afford to mess up,” Danziger says, as the trust factor offered by a luxury property fast becomes as much of a draw as the destinations.

“People now want the protection, comfort, and convenience of a hotel, instead of a standalone home,” she adds. “And after the stress of the last six months, who isn’t ready to move in and be pampered by a hotel?”