**In The Luxury Travel Segment, The Super Rich Are Leaving Technology In The Draw**

During the summer, Deauville in the north of France draws an eclectic mix of tourists. Americans and Canadians come to see the beaches of Normandy and the cemeteries of the World War II soldiers who fought to free Europe from the grip of the Nazis and died doing so. The English come across the channel in their cars and campers by ferry and tunnel, enjoying the rolling hills of the French countryside. Sheiks and princes from the Middle East descend in their private jets, bringing their horses to the famous racetrack. Parisians drive the two hours of highway and winding roads to escape the city heat and visit their version of the Hamptons. Others take a chance at the casino. The clay courts in front of the 5-star Le Normandy hotel are filled with vacationers dreaming they are playing in front of the crowds at Roland Garros.

Normally in February, there are no crowds, and the micro-systems of weather mean sunny skies are followed by gale force winds, driving rain, then the sun comes back out moments later. You get four seasons of weather in one hour, locals say. Last week the three luxury hotels of the Barriere group were unusually filled, packed with some 800 hoteliers, executives of destination management companies (DMCs) and high-end travel agents. They spent four days listening to luxury experts from other fields speaking about trends and then 10-hour days speed dating with 10-minute appointments to discuss which clients would be a fit for which resorts, seeing pictures of new suites, spas, and event space, and brainstorming about over the top experiences they might concoct when money is not an object. One DMC executive that specializes in the United States, said she is putting together a trip that will price out around $500,000 for the client of a travel agent. It was another sign that those in the media who for more than a decade wrongly wrote stories comparing the travel advisor profession to dinosaurs can now dine on a meal of sautéed crow.

This gathering of travel agents was for the annual conference of Traveller Made, a Paris-headquartered group of “travel designers” made up of 270 agencies with 949 designers spanning 55 countries. The group will hold its meeting here for the next two years after outgrowing its previous venue in Montreux, Switzerland. The conference center in Deauville can accommodate the group’s projected growth, expected to reach 500 agencies in the next couple years.

In total, the various agencies and their travel designers, who operate independently, generate just under $2 billion in annual sales. And while that’s not bad for an organization that launched less than four years ago, it still pales against other agency groups such as U.S.-based Travel Leaders and Travelsavers, which both claim over $20 billion in annual sales for their member agencies. Virtuoso, another U.S.-based group, estimates its member agencies sell $14 billion per year in travel. Yet the fact that a new consortium of agencies is bursting onto the scene shows that the travel agency distribution system, far from being on life support, is, in fact, a key source of customers, particularly in luxury travel, friends and family groups, destination weddings and even weekend getaways.

“The travel agent has become a very important source of business again. Nobody thought it would turn out this way,” said one hotelier who was attending the conference. Conventional wisdom was that booking travel could mainly be handled online, and giant online travel agencies, or OTAs in trade lingo, annually spend over $3 billion in marketing and advertising trying to persuade consumers to plan their own trips.

Many consumers who have tried booking online are now back using agents. Multiple studies show technology tied Millennials are the fastest growing segment of travel agency users, more than ready to turn over the time-consuming job of planning the perfect trip to experts. Increasing airline delays and overbooking, disruptions from strikes and storms and terrorism have caused more and more consumers to decide they need a professional to look after them when they are on the road, even if it is rebooking a canceled flight instead of waiting on hold or trying to tweet for help. In fact, Traveller Made gives an annual award to a designer for “Crisis Management.”

For Traveller Made’s founder and CEO Quentin Desurmont, the growth of his group reflects that newly minted Super Rich families around the globe who have made fortunes in the past 25 years were never a fit for Expedia or Travelocity. Traveling with extended families and in large groups, they often need multiple suites, even taking over entire hotels. Organizing these type of trips is more akin to planning a concert tour for the Rolling Stones than searching for best rates on Kayak.

Launched officially in September 2013, the agents, who in Traveller Made talk are referred to as travel designers, are focused on the over 200,000 families worldwide with a net worth of at least $30 million, a target market referred to as Ultra High Net Worth or UHNWs. Desurmont says this group of customers controls over $30 trillion in wealth, roughly equivalent to the combined GDP of the United States, China, and Japan.

Source: [Doug Gollan](http://www.forbes.com/sites/douggollan/) , Forbes, Mar 4, 2017