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HOME IS WHERE THE CONCIERGE IS Increasingly people are asking, 'Why squeeze myself and my family into a hotel room, when I can rent an entire house?' Add in full-service hotel amenities and the question gets even more pressing. STEVE SCOTT

# How to Get a Vacation Rental with All the Luxuries of a Hotel

Top hotel brands are starting to rent vacation houses too, tempting travelers who want the services of a known hospitality name—like spa treatments and private chefs—but the space and privacy of their own digs

By Christian L. Wright March 17, 2022 8:00 am ET

THE VACATION-RENTAL MARKET is white hot right now. All those delayed weddings, scuttled family reunions and muffled milestone celebrations created a pent-up demand for travel that's suddenly gushing like a geyser. If Christmas 2022 seems far away, think again: Top travel advisers report that "festive" bookings are already going gangbusters, 10 months in advance—whether it's multiple-family groups determined to converge in a big ski chalet in Gstaad or three generations planning to alight in a teak and shingle hideout in sunny St. Barts. This is a very rich pie, and luxury hotel brands want a piece of it. And so they're moving into the market with seaside villas, cosseted bungalows and grand lodges that promise space and privacy, yes, but all the deluxe hospitality trappings, too.

Last year, after a few planned trips fizzled, Jay Ruderman, a Boston-based philanthropist, took his family on vacation to California. They settled into a Tuscan-style four-bedroom house at the Resort at Pelican Hill in Newport Coast, which gave him, his wife and their four teenage children the intimacy of home with the seamless efficiency of a hotel. "They took care of everything—how we wanted the house set up, what we wanted stocked in the kitchen, restaurant reservations, activities," said Mr. Ruderman. "For us, a house makes for a better family experience."

### SHARE YOUR THOUGHTS

Have you stayed in a hotel vacation rental? How was the experience? Join the conversation below.

The home-hotel hybrid trend emerged pre-pandemic, but the boom in demand for free-standing houses has accelerated development and options. According to the property management platform Guesty, interest is now 129% higher than 2020 and 30% higher than 2019. Montage recently opened a new resort in Big Sky, Mont., with a collection of two- to six-bedroom residences, and One & Only Moonlight Basin will open there in 2024 (put your bid in now to buy a private home; then put it into the rental pool when you'd rather be in Mallorca).





Overlooking Italy's sparkling Lake Como, this property from Homes & Villas by Marriott International has a whopping eight bedrooms.

Mandarin Oriental has invested in and partnered with the expensive homesharing membership company StayOne, offering branded "exclusive home" packages at eight of StayOne's 3,500 properties. First up, a three-night wellness retreat at a private 600-acre Georgian estate in the Cotswolds with spa treatments from Mandarin Oriental Hyde Park, a helipad and a private chef, for about \$5,700 per person. In 2016, the French hospitality giant Accor—which owns many hotel brands, from Fairmont to Novotel acquired the high-end house and villa rental company OneFineStay, whose guests earn All-Accor Live Limitless loyalty points. Four Seasons has recently rebranded some of its residential inventory, which it's been building for 20 years, and positioned the homes as "private retreats." And in 2018, when Marriott learned that 27% of its Bonvoy loyalty program members had left the portfolio—consisting of 30 hotel and resort brands in 131 countries—to rent a house, it began testing a concept that has morphed into Homes & Villas by Marriott International. Officially launched with 2,000 properties under the banner, the brand's inventory has ballooned to some 50,000, from castles to lakeside cabins. "It makes sense," as an extension of Marriott, said Peter Kern, CEO of Expedia Group, the online travel behemoth that owns many companies, including the vacation rental platform VRBO. "They want their most loyal customers to stay in their ecosystem."

Renting a fancy four-bedroom ski lodge in the Rockies or an expansive estate with its own pool and outdoor kitchen in the French countryside—an established tradition among the well-heeled—has suddenly caught on with a broader swath of Americans. Analysts credit the pandemic, which inspired more people to experiment with types of vacation accommodation. It motivated them to seek more space, privacy or even proximity to a nature preserve. Now that they've experienced home-sharing, some people are reluctant to squeeze back into a hotel room. For those who can't cope with the vagaries and inconsistency laced through most rental aggregators, a known hospitality brand might help soothe nerves and mitigate risk.

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"The fundamental flaw in the sharing economy is trust," said Thomas Bennett, co-founder and CEO of StayOne. He said he was inspired to start his exclusive membership company after a bad experience years ago: When he rented his family's country house in Spain to strangers, they trashed it.

Airbnb is dominant in the home-sharing market, according to a recent study by the travel research company Phocuswright. It's the most recognized, most often used for recent bookings and offers the best value for money. Where it's not dominant is at the high end. "There isn't a brand market leader when it comes to the upscale and luxury tier," said Madeline List, senior research analyst at Phocuswright. Brand power is strong among luxury renters, says Phocuswright, and brand loyalty has grown during Covid. "There's huge potential for profitability," said Ms. List,

indicating that we might soon see more hotel brands in the vacation rental space.



A private oceanside pool at a Four Seasons Private Retreat villa in Los Cabos, Mexico.

Case in point: Within the next three years, Four Seasons will add 16 new destinations to the Private Retreats portfolio (each key comes with access to the parent hotel's amenities), starting this year in the Napa Valley, Fort Lauderdale and Los Cabos, where a modern three-bedroom beachfront villa comes with fireplaces, a full kitchen, stocked bar, sunlit bathrooms that open onto terraces, a swimming pool, twice-daily housekeeping, a personal assistant and access to all privileges at the new resort on Mexico's Baja California peninsula. (Obviously not designed for the backpacking budgetminded, villas cost about \$12,500 per night.)

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About a third of the Auberge Resorts Collection currently has a residential component (privately owned houses that are part of a rental pool, with rates that start at \$1,500 a night), and of the 14 existing properties that don't, seven are considering adding rentable houses—the Commodore Perry Estate in Austin, Texas, among them. There are also more than 300 in development, including offerings in Napa and Mexico's Punta Mita.

Like many of its deluxe peers, Auberge is a hotel management company that operates but doesn't necessarily own its properties. According to Craig Reid, president and CEO of Auberge Resorts Collection, this model allows the brand—Four Seasons, Aman, Auberge—a lot of control over the "product" and can give guests confidence that the villa they rent will be up to snuff. Little chance of checking in to find that the screened porch smells of mildew. And if the pool's water temperature is off by a couple of degrees or everyone suddenly feels like a spontaneous lobster dinner at "home," help is a few taps on the house-issued iPad away.





One of the 10 bedrooms in a Cotswolds mansion from Mandarin Oriental Exclusive Homes.

Some brands like Marriott, meanwhile, rely on third-party management companies like Vacasa and select houses within their inventories to offer in their rental programs. (Some of Marriott's hotels are franchises, too.) "Over 40% of the destinations we're now in are new to Marriott," said Jennifer Hsieh, vice president of Homes & Villas by Marriott International. Working with small, sometimes family-owned, management companies that have expertise in specific regions lets the company offer vacation rentals from St. Barts to Stowe, Vt. Within the Marriott stable, the price range is generally lower and more affordable than at the other tony names. According to Ms. Hsieh, more than 90% of bookings come from Marriott Bonvoy members, earning or using mountains of points.

This is all good news for the luxury-brand-loyal camp. For those always in search of the super rarefied or a hidden gem, there are still some worthy independents—the Thinking Traveller, for example, that operates in the Mediterranean with fully staffed villas available exclusively to its clientele, and the London-based Plum Guide which individually selects properties based on a set of 150 criteria—and a few little upstarts, like D. Alexander, an American company that calls itself the first owner-operated home hotel collection. They're there until, say, <u>Hyatt</u> comes calling.

# A Little Place in the City

These five hotel-apartments in top destinations are the next best thing to your own Pied-à-terre





PHOTO: PALISOCIETY

## **Beach Base in SoCal**

Designated a Santa Monica Historic Landmark in 2001, this 1927 apartment hotel has been reimagined as Palihouse. It's about a five-minute walk to the beach from this stylish crash pad with 38 accommodations. Five are standard guest rooms, the others are a mix of studios and one- and two-bedroom "residences," each with ample sitting rooms, charming little kitchens and walk-in showers. *From about \$300* 





## A Paris Pad Built for Takeout

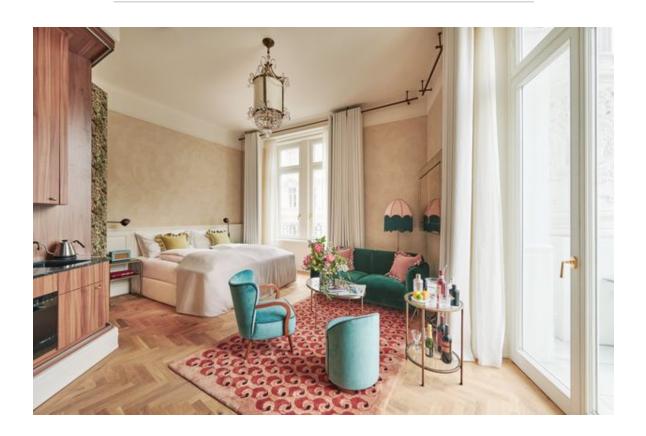
In the 9th arrondissement—surrounded by boulangeries, fromageries and chocolate shops—Residence Nell, the sister property to nearby Hotel Nell, offers 17 soothingly minimalist guest quarters. Of those, 11 are "classic" apartments with big windows, a natural-palette color scheme and efficiently designed kitchens, where you can stock up on groceries in the neighborhood and dine on Alessi dishes back at "home." *From about \$250* 



# Bank Holiday in Scotland

The former National Bank of Scotland has been transformed into the Edinburgh Grand, an all-apartment hotel, taking care to preserve some of the landmark building's original details like wood paneling, fireplaces and brass hardware. The 50 apartments, from small, open-plan units to a three-bedroom penthouse, are handsomely chic—think velvet upholstery and

bathroom tiling—with sleek kitchens and daily housekeeping. *From about \$215* 



# A Viennese Perch

As delicious as a flaky croissant, the 90-room Hotel Motto is wedged into a 17th-century building and done up like an ode to Art Deco Paris, with a showpiece central staircase and a bellhop-and-cheetah mural in the lobby. On the famed shopping street Mariahilfer Strasse, there are eight elegant junior suites. Each one comes with a parquet floor, midcentury décor, freestanding tub and discreet kitchenette; some have a balcony. *From about \$140* 





PHOTO: THE RESIDENCES AT ZERO GEORGE

# **New Digs in Old Charleston**

Guests kept telling the proprietors of Zero George in Charleston, S.C.— spread throughout a few old buildings in the historic downtown—that they wished they could stay longer. Voilà, five well-designed residences opened last summer. A three-bedroom sprawls on two floors, with a piazza, Frette linens, a Sub Zero in the kitchen and housekeeping. *From \$6,000 a month, with a 30-night minimum* 

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