

LEADERS IN *Hospitality*

Selling an Experience

An Interview with Jeff Potter,
Chief Executive Officer, Exclusive Resorts



EDITORS' NOTE From 2002 until he joined Exclusive Resorts in 2007, Jeff Potter served as President and Chief Executive Officer of Frontier Airlines. Prior to that, he was President and Chief Executive Officer of Vanguard Airlines and held various management positions with McDonnell Douglas Corporation, Pacific Southwest Airlines, Continental Airlines, and Northwest Airlines.



Jeff Potter

COMPANY BRIEF Headquartered in Denver, Colorado, Exclusive Resorts (www.exclusiveresorts.com) began operations in 2003. The company has more than 3,500 members, has provided more than 70,000 vacations, and owns more than \$1.1 billion in residential resort real estate in top vacation destinations. Many of the residences are spacious and luxuriously appointed, with private pools, spa bathrooms, and gourmet kitchens. Exclusive Resorts is the destination club partner of choice for leading companies including American Express, Marquis Jet, and Citi Smith Barney.

Are you happy with your brand awareness?

No, but this is an opportunity. We have more than 3,500 members and an environment where we have yet to tell the full story about Exclusive Resorts as a vacation alternative. Our focus is to bring friends and families together to share rich and rewarding experiences, and we hear from members that the club has impacted their lives in a positive way. It's interesting that the awareness level is not higher, but it has re-energized us, and raising awareness is our primary focus for 2009.

How broad is the product you offer members?

With regard to destinations, we're trying to meet the desires and needs of a broad group of members. Our members like beach and ski destinations, so those are our primary focus. They also like alternatives that don't fit into beach or ski. In metropolitan destinations, for example, we offer apartment homes, which are very different from the four-bedroom homes we offer at places like Cabo San Lucas or Grand Cayman.

What makes your brand unique?

It is our unique mission and opportunity to change the way families vacation. We're selling an experience and a way of life, and

we succeed by taking out the vacation planning headaches and allowing members to simply enjoy time together with their friends and families. We are the predominant player in terms of size, which is important because we provide diversity in our destination offerings. We also really pride ourselves on our service. We provide 24-hour/seven-days-a-week concierge service. Members are assigned a member services manager who really looks out for members' every want and desire.

Are you content with the number of resorts and destinations you have, and do you foresee opportunities for growth?

I'm very happy with where we're at right now, and our member satisfaction is consistently very high, which tells us that our members are also satisfied. At the same time, we're always looking for new opportunities, new destinations, and new experiences for our members. Every year, we ask members what destinations and experiences would enhance their membership. They're very responsive and fairly consistent in their thoughts. Typically their responses point to beach or ski destinations.

What concierge services do you offer?

One thing we don't do that I would like to get into is flight arrangements. Aside from that, we help them with everything else. They fill out their grocery lists, and when they arrive, the groceries are stocked. If they want their activities planned, the concierge does that. The logistics are really taken out so they can focus on what a vacation should be – sharing valuable time together and creating memories with friends and family.

Has the current economic crisis had a major impact on business?

We've certainly seen a slowdown, but 2008 was a terrific year. We'll get through these economic challenges. We fully expect and are looking forward to growth, but the most important thing we do now is provide a service to our current membership.

Can you give a brief overview of your Once in a Lifetime adventure product?

With Once in a Lifetime, we work with partners to put experiences together that our clients can do on their own. One example is we took approximately 40 members on a National Geographic seven-day cruise around the Galapagos Islands. We have trips to Bhutan, a cruise to Antarctica,

and safaris in East Africa. The response from members has been tremendous, and the adventures have pretty much sold out from day one. Members also enjoy getting to know other members through these experiences.

Are you happy with the talent you've attracted?

The employees within our member services group and resort operations group who work with the members would tell you they have the greatest job in the company. Members rave about their experiences with Exclusive Resorts, and they rave about their Member Services Managers. We don't have a lot of turnover in that area because it's a great job. The employees have a lot of weight on their shoulders because members invest a lot of time and resources in their membership, so they expect a lot. And we provide them with a lot. The employees take pride in what they do, and I can honestly say this is a group of people that is more motivated than any group I've seen.

When this opportunity was presented to you, did you know right away you wanted to pursue it, and has it been what you expected?

I didn't know it was for me right away. As challenging as the airline business is, I left a company that I took a lot of pride in. Frontier was deeply committed to customer service, which set us apart in the industry. So when this opportunity came along, there were a few boxes I needed to check. One of them was it had to be something, whether a product or service, where I felt we could set ourselves apart because of our service. And as I learned more about Exclusive Resorts, I found that not only was that a possibility, but they had already set themselves apart. So that was important. Also, I really wanted to find a company that was truly passionate about the service it was delivering. As I got to meet the team, the board, and the Chairman, that really turned my head, and I knew I'd found a new home. None of us expected the economic environment we find ourselves in, but in terms of the areas within our control – providing great homes, great destinations, and the best vacation alternative you could ever hope for – I'm just ecstatic about that. I could not be more thrilled than I am now. ●

The Balinese-style Exclusive Resorts Na Hale residences on the Kohala Coast feature private pools, hot tubs and beautiful bedroom suites that all open directly onto the pool area.