



## Value and Simplicity

An Interview with Brent Handler,  
Founder and Chief Executive Officer,  
Inspirato with American Express



Inspirato with American Express destinations in Los Cabos, Mexico (left)  
and Beaver Creek, Colorado (above)

**EDITORS' NOTE** In 2002, Brent Handler and his brother, Brad, co-founded Exclusive Resorts, a destination club industry pioneer. Brent was the company's president from 2002 through 2009. In January 2011, convinced that they could improve on the model they helped establish, the Handlers and two partners founded Inspirato, which provides luxury travelers with the benefits of a traditional destination club without the six-figure, upfront fees previously standard in the industry. In March 2013, the company announced a partnership with American Express and the club's new name, "Inspirato with American Express."



Brent Handler

**COMPANY BRIEF** Inspirato with American Express ([inspirato.com](http://inspirato.com)) is a private destination club that provides the space and comfort of a personal vacation home combined with the five-star service and amenities traditionally found in luxury resorts. Inspirato members and clients enjoy exclusive access to more than 235 awe-inspiring homes in some of the world's most coveted destinations, all at members-only rates. Members are also treated to dedicated trip planning, on-site concierge service, unique club benefits, and the luxury of certainty that comes with knowing Inspirato is committed to making each club vacation extraordinary from start to finish.

### What has been the secret to Inspirato's success?

It has been value and simplicity. Until Inspirato, there were essentially three ways to have a luxury vacation with certainty: to buy a vacation home; to get multiple rooms at a hotel suite; or to join Exclusive Resorts.

This lasted for seven years, from 2002 when we started Exclusive Resorts, to 2010.

The reason I don't bring up vacation rentals is because most people to this day will not have a luxury vacation with a vacation rental – it's still a tiny section of the market because people don't believe that you can have a luxury experience by renting someone else's home from a broker. That's why hotels are so great – they are managed and controlled, there is onsite service, and there is certainty everywhere you go. Vacation rentals work well for the lower end and middle market, but not for the luxury market.

Inspirato brought about a fourth option, and the number of people that were interested in that fourth option was very large. It's a small sub-\$20,000 downstroke and to only have to pay for what you use and a nominal annual fee, a luxury customer gets exactly what he wants: a home versus a hotel but fully serviced and amenitized at a very high, luxury level.

Customers are saying, "I can't believe I can get these great homes at these great rates and be part of this great club for such an economical structure."

Also, you think it would cost more than renting a vacation home because you're getting an onsite concierge and daily housekeeping, and you're part of a club. But, as compared to a HomeAway or a broker or searching online, our rates are less because we fully control the houses. We manage them, we sign long-term leases, we pay for them whether they're used or not, and we take out that inefficient brokerage fee, which is about 50 percent of every vacation rental that costs over \$700 a night.

So it wasn't that difficult for us to jump into that value chain and create a better product for less money.

### How do you go about developing the membership base?

Most people have no idea what Inspirato is today. Our focus is on member relationships, and with a strong member base, you can very aggressively invest in those members and their club experience.

The next chapter we're embarking upon includes getting much more involved with our members at a local level. For example, we're starting to take hospitality suites at sports venues. Within five years, we'll have made significant partnership investments with major sports venues so that our members can enjoy sports events in their hometowns as a part of being a member of the club.

We're also investing in social events and other ways to galvanize and bond a local membership because, with some major areas like the New York-New Jersey-Connecticut tri-state area, we now have over 1,000 members, which is a large local club. We're starting to concentrate on how we can be relevant in the lives of our members beyond the two or three weeks that they vacation with us. That level of engagement will ultimately be the measure of our success.

The first measure of our success was value. If you're going to do something different and get people's attention and have them change their behavior, your product has to be 10 times better than the product it's replacing. We believe Inspirato is 10 times better than what the alternatives are in the market and that got us to scale.

But what is going to make the company last for generations is its relevancy in usage – like all clubs, you have to feel like you're using it and getting value all the time.

We have a great plan to be relevant all year long in our customers' lives, particularly in major metropolitan areas, where the vast majority of our membership base is located.

### Is your challenge today still largely one of education since you're essentially disrupting the industry?

That is the case, unless the member is referred by one of our existing members. We're very focused on growing the club organically at this stage. Of course, you can't grow the club organically when you only have 100 or 1,000 members – the world is too big and you have too little penetration.

But with nearly 8,000 members, we now educate through our members who have very high satisfaction levels. However, we have to facilitate that process, which is why we're looking at investing heavily in local activities. Our members can share our story and that is infinitely more effective than us telling our story through advertising.

### You're also opening experience centers. How broad will the reach be and can the experience truly be understood through these centers?

We can get pretty close. We have replicated a couple of living rooms, a beach house, and a mountain house, and we have it staffed by Personal Vacation Advisors.

Each of our experience centers resonates with consumers differently. Some work best for members that like to stop by when they're at one of the locations while others serve as a good education center for prospective members. Some experience centers are more ideal for events.

It's too early to say if experience centers will be a success but it has been a good learning experience. The overall concept of decentralization and providing more human interaction in the markets where a lot of members live is an overriding theme that is the driving force of this next chapter of our development. ●