

Introduction: what is the impact of luxury yachting on the well-being of consumers and relevant stakeholders?

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Abstract

Purpose - This introductory paper aims to provide an overview of the significance of the theme issue.

Design/methodology/approach – The article explains why luxury yachting can be considered as a form of tourism which contributes to the well-being of stakeholders in the sector.

Findings – Luxury yachting (tourism) can be considered as a meta economic sector because it is representative of the evolution of global finance and economics. Luxury yachting is also a transformative sector of activity which positively spills over to other sectors and stakeholders, contributing to the well-being of a large community.

Originality/value – The value of this paper is that it presents luxury yachting as a prism which enables the investigation of other topics. For this reason, the article refers to luxury yachting as a meta sector of the economy and a field of research.

Keywords – Luxury yachting; Tourism; Sustainability; Meta; Well-being; Transformative

Paper type - Viewpoint

Introduction

The tourism industry is moving towards more specialised products and services for delivery to customers (Evans, 2020; Park, 2014; Trauer, 2006). This trend towards specialisation has led to a more segmented market, and the emergence of concepts such as luxury yachting tourism, luxury yachting destinations, etc which are segments of the industry, and/or destinations providing unique and personalised experiences to visitors by combining the benefits of personalised high-end services, and existing core resources of the destination (Koo et al, 2016).

Luxury products and services in tourism and cognate industries are grounded in the provision of unique and personalised experiences, in a heterogeneous consumer market (Evans, 2020). As a result, the luxury market is often considered to be unethical (Kapferer & Michaut, 2015). Having said that, a decision to move towards the mass market or towards a more specific target is often dictated by the market, referred by Crouch and Ritchie (1999) as qualifying determinants. Owners of luxury yachts, and businesses and organisations catering for this market could be said to be activists as they tend to disregard the ethical issues surrounding luxury products and service (Kapferer & Michaut, 2015). Indeed, ‘activists’, are often groups of individuals committed to supporting or protecting something or a cause (Brochado, Teiga & Oliveira-Brochado, 2017; Cole, Wardana, Dharmiasih, 2021) from issues arising (Barnett, 2021), and so they have the potential to influence others (Hoofd, 2010).

As a growing trend and sector, luxury yachting tourism has many common features with an emerging trend in hospitality, namely the ‘Adult Only Hotel’ (AoH).

The hospitality sector, one of the largest industries worldwide (Okumus et al, 2020: 25) includes hotels, motels, guest houses, villas, and time-shares. This sector is further segmented into sub-categories including luxury hotels, boutique hotels, mid-market hotels, and budget hotels (Okumus et al, 2020). Hotels can also be segmented as exclusive luxury hotels (designed to provide the ultimate services and experiences); boutique hotels (also exclusive hotels with contemporary designs that aim to provide the ultimate customer service and experience); eco hotels and resorts; large convention and gambling centres; extended stay hotels; capsule hotels and budget hotels (Bowie et al, 2017). A further grouping could be according to size, i.e., small, medium, and large (Okumus et al, 2020); in terms of customers i.e., corporate, vacationers, etc. (Evans, 2020). ‘Adult only’ hotels (AoH) are positioned in the category of exclusive luxury hotels / boutique hotels for vacationers (IHCS [Online]) and luxury yachts can be likened to small luxury boutique hotels for wealthy customers.

Adult only hotels have been an emerging category since the beginning of the 21st century and they are mostly luxury hotels (very often boutique hotels). Amongst the specialised services, they provide spa treatment, gastropubs and other adult services. As for customers choosing this type of accommodation/holiday, they are generally in search of peace and quiet, escapism from daily routines, a break from a stressful working environment, and more importantly, in search of a customised experience. Research shows that the demand for this type of hotel has tripled since the start of the trend (IHCS [Online]). Since Auh's also provide spa services, they may be included in the group of entities offering wellness services, despite not directly having the status of a spa (Beckova & Kantorova, 2021). Luxury yachting (tourism) and AoH provide similar types of products and services, and target the same type of customers. The quest for wellness is also a shared common point which makes them a Special Interest form of Tourism (SIT) based on niche products and services (Park, 2014). This form of tourism occurs when individuals travel somewhere for a very specific reason either related to an activity or a specific setting of a destination (Hall & Weiler, 1992). As a form of tourism, SIT is often defined as being the opposite of mass tourism (Park, 2014). SIT is also said to have a positive impact on the quality of life of locals, as connected to specialisation in a specific area, which quite often is specific to the destination (national or local level), subsequently making the locals proud of their place of residence, and therefore more willing to contribute to the industry by developing connections with visitors, which positively contributes to both the image of the destination, and visitors' and locals' experience of tourism (Park, 2014; Trauer, 2006). This form of tourism, and more specifically, Special Interest Tourism Events (SITE) such as community-based festivals was presented by Séraphin, Gowreesunkar, Zaman & Bourliataux-Lajoinie (2019) as a tool to combat tourismphobia and anti-tourism movements. As a result, SIT is sometimes associated with terms such as alternative, sustainable, responsible, eco-tourism (Trauer, 2006).

Given this analysis, it appears that luxury yachting as a SIT, can contribute to the well-being of all stakeholders in the ecosystem of this sector. Indeed, taking the example of the Rolex Middle Sea Race, Navarro and Jones (2022) explain that this event is contributing positively to the local economy of Malta, but also contributes to developing a positive image of the destination and its people. The sector is also supporting the improvement of the quality of life of some local populations by contributing to the revival of some destinations which have disappeared from the map of tourism destinations and here, Montenegro is a good example (Séraphin, 2022). This industry is also contributing to the well-being of owners as they can enjoy a peaceful life where all their desires are fulfilled (Séraphin, 2022). In these respects,

AoH and luxury yachting tourism are quite similar and hedonism is at the intersection of both industries. Additionally, it is worth mentioning the fact that the luxury yachting sector is quite innovative in terms of reducing its impacts on the environment. This industry is aiming to become a green industry (Labuschagne, 2022; Ryburn, 2022) and in so doing, will benefit the well-being of all stakeholders involved in the ecosystem. However, what is less known is the level of well-being or happiness of staff working on these yachts. Gladkikh (2022), explored the roles and duties of staff in the deck department, interior department, and engineering department, but did not really discuss their level of happiness or well-being. That said, it is quite clear that all these roles are quite demanding in terms of skills, qualities, and physical abilities (Gladkikh, 2022).

The above observations are mainly based on the literature and for more specific intelligence, empirical research might be needed. The main challenge is to access some of the stakeholders, particularly the owners of luxury yachts. To overcome this, a covert research method might be needed which is an ethnographic approach used to collect data on an individual or a group of individuals (Torres, 2022). This approach, referred to as a concealed approach by Lugosi (2006) is also presented as a perfectly suitable method to collect data when secondary data and/or primary data such as surveys are not possible. Lugosi (2006) added that this approach can be particularly valuable when potential participants are not willing to speak openly. Having said that, depending on the context, the researcher has the potential to move from a covert position to a semi-covert one, then to an overt approach if that is possible. This transition can be important, for instance when direct questions need to be asked (Torres, 2022). The reason why a covert approach is barely used in academic tourism research is because for some, it has ethical limitations (Lugosi, 2006) as people are not made aware that they are being observed (Fox et al, 2014). Having said that, using mystery shoppers in hotels and restaurants is a common practice to identify improvements in customer service (Beck & Miao, 2003).

Purpose of this theme issue

There are three main unifying themes in this issue. The first is based on the fact that luxury yachting is actually meeting the needs of various groups. Some luxury yacht owners want to indulge in the best that money can offer without having to experience the perverse impacts of their social status. The industry is keen to develop products and services which are respectful of the environment and people. As for locals, they want the benefits of tourism, without the

negative impacts and luxury yachting has what it takes to meet the needs of all. As a SIT, luxury yacht tourism can be considered as a form of tourism which could enable the tourism industry to reach the stage of 'meta-tourism'. 'Meta' is a term used for anything which goes 'beyond the boundaries' (Pérez-Escamilla & Kac, 2013), or which exceeds expectations in terms of stakeholder experience (Kim, Whaley & Choi, 2022; Lugosi, 2008).

The second unifying theme is the contribution of luxury yachting to the well-being of a broad variety of stakeholders, which is connected with the transformative nature of this sector of the tourism industry. This is reflected in the fact that it is contributing to the revival of some destinations and their inhabitants given a strong desire to be eco-responsible and it is also encouraging others stakeholders to follow the same path. Last but not least, luxury yachting alongside AoH is playing a strongly positive role in the change of image of luxury products and services because of their contribution to well-being.

A microcosm of the international economy and finance

The next article in this issue: '*Sailing the tide of over consumption: applying a business history approach to the explore the rising demand of luxury yachts and travel since 1979*' (Connors, 2023) provides a socio-political and historical background to luxury products and services, which places the development of luxury yachting in a broader context. Further to this, the development of luxury yachting can be considered as a magnifier of the global economy and finance. It is a prism that could be used to investigate a certain number of topics related to international finance and economics, such as capitalism and the consumption of goods and services. This makes luxury yachting a meta field of research.

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