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The Ultimate Recipe for Building a Vacation Rental Lifestyle Brand - formatted transcript.

This episode is brought to you by <u>Point Central</u>, the leaders in smart home automation, and <u>Breezeway</u>, the best in class property care and automations platform.

Bob Garner and his husband, Ian, have built their Casal dei Fichi into a powerhouse of repeat bookings, positive environmental action and the profitability needed to achieve a fun, balanced lifestyle. In this episode Matt and Bob dig into the how's and why's, and explore a 'two loops model' for vacation rental businesses that is critical listening for anyone in the industry.

Links and resources mentioned in this episode:

Bob's Environmental Roadmap Guide
Sense of Place Le Marche
Casal Dei Fichi
Casal Dei Fichi Environmental Initiatives
Touchstay
The Star Throwers
It's a Wonderful Life Trailer

Matt Landau [Speaking Italian]....I'm Matteo Landau, and this is Unlocked Season Six: Magic Zones. Today's episode is brought to you by two winners of VRMB's Keystone Software Awards: Point Central, the leaders in smart home automation, and Breezeway, a property care and operations platform. If you couldn't tell by my introduction, today's interview features Bob Garner, the owner of Casal dei Fichi, a restored farmhouse with six eco-friendly villas in the rolling hills of Italy. Bob and his husband Ian weren't happy living in London, working for large corporations, so they decided to make a change, and vacation rentals ended up resembling the ultimate lifestyle business design. This level of success in terms of relationships, niche marketing and growth doesn't come without a very specific kind of decision making. But with it, your inputs become clear, and the virtuous cycle of momentum begins to build.

Bob Garner!

Bob Garner It's great to be here, Matt,

Matt Landau It's great to have you. It feels like just yesterday, I was visiting Le Marche, in Italy, but it was actually like, four years ago.

Bob Garner Yeah, indeed. Absolutely. Time flies,

Matt Landau How is everything where you are? How is the neighborhood and Italy as a whole dealing right now?

Bob Garner Um, well, things are up and down. And you know, obviously, Italy was the center of the pandemic a year ago and, things were really bad. And, obviously, you know, that spread around the world. And it's starting to come out of it quite well. Still got quite a long way to go. But you know, we're still in partial lockdown, but sort of things are starting to happen and the vaccines are getting rolled out. And we're hopefully going to have a great summer, we're keeping our fingers crossed and doing everything we can to make sure that happens.

Matt Landau I remember in some of the earliest days of the pandemic, you said to me on the telephone, you said, Matt, this thing is coming for the United States. And I almost get goosebumps hearing that because I don't think I fully grasped it. And indeed, this thing did come for the United States, this thing came for everybody everywhere. And we're all still dealing with it. Have you had any discoveries with regards to bookings in this post peak pandemic time are people still staying?

Bob Garner Well last year, obviously was somewhat chaotic in the first half of the season, and everything got canceled, and there was nothing one could do about it. And then, and the second half of the season, we pivoted to the domestic market, because obviously there couldn't be international travelers. And so that part of the season was brilliant. You know, we had loads of Italians, and we were booked up for a couple of months. And then those that had to cancel, switched their booking most of them to this year. And along with the bookings we've had since it's been, it's been incredible. You know, we were really, really heavily booked up for this year, you know, touch wood as I'm touching my head.

Matt Landau Bob let's just give people an overview of the business. For those who do not know it, Casal dei Fichi is located where and just a brief summary of the property itself.

Bob Garner So yeah, we're in a region called Le Marche in central Italy, which for those who are a little bit familiar with Italy, we're on the Adriatic coast, opposite to Croatia, south of Venice, north of Rome. And me and my husband here, Ian, we have six self-contained apartments. And we live on site, and we enjoy hosting our guests.

Matt Landau And it was formerly a farmhouse, right, you guys actually did all the restoration yourself. I seem to remember seeing photos from the early days.

Bob Garner Yeah, yeah. When we just found the place. It was an abandoned farmhouse. It had been empty for 35 years. So it was just a derelict, building in a field of mud, essentially, with a couple of trees. And obviously, you know, that was quite a challenge because you had to envisage beyond what you were seeing and think about what it could be. But that was also partly the excitement and the enjoyment was creating something special out of what was there

because you could see beyond, you know, the short straw and shit on the floor and and see what it could be wanted had been converted and obviously it's set in a lovely look. So we had some clear criteria about what we were looking for in a property. And one of them was obviously, very much the location and the view and the outlook, we were really pleased to find this place and turn it into something special.

Matt Landau Was that something that you guys had done before with real estate investment,

Bob Garner our first house that we bought together, needed quite a bit of work went this was in Manchester in northern England, but not nothing to the scale of this, obviously, we had to, you know, get it and not the front of the house down and things like that, but not not, not this scale whatsoever. But it's something we're both quite comfortable with. And it's really funky and enjoyable. And, and in fact, you know, we've already got our eye on the next project once this one finishes in, in a few years time.

Matt Landau And for those who haven't seen the website, the the property itself is the centerpiece, of course, but there's a beautiful pool that looks out over these rolling hills, there's, there's gardens for guests to pick their own vegetables from this is really like a compound of sorts, right?

Bob Garner We traveled quite a lot before. And we'd had mixed experiences, I'm sure I'm sure many people have had, seeking, staying in vacation rentals, holiday rentals, bmds. And when we came to decide to do this for ourselves, we decided that we would put all that learning all that experience into trying to make these apartments the sort of place that we would want to stay. And so we took all that experience and made sure that the apartments and the gardens and, and the whole philosophy of how we operate, the business was put into the construction of it that was very much in our minds all the time.

Matt Landau And we're gonna get into what makes this business so special, some of that philosophy that's baked into every element. But I thought it'd be cool to start with a little bit of pre-vacation rental, Bob and Ian, because no one was really born into this industry, at least no one of our generation, you guys were doing something completely different, right? Where were you and what was your professions, pre vacation rentals?

Bob Garner We moved to London, of Gosh, 25 years ago, and we were living and working in London, we both worked in the city City of London, we were both working for big organisations. And as many people know, those organizations can be brilliant to work for, you get the fantastic opportunities, which we both had and took. They pay you extremely well. And they work extremely hard and expect a lot of money. totally understandable. And it got to the point where we decided that we wanted to do something different with our lives, and we weren't sure what it was. But we knew it wasn't continuing to do what we were doing for the next 25 years or so. So

that was the start point of signing to think about changing our lives and doing something different.

Matt Landau And I think a lot of people right around now are feeling that. That tension, that friction, that anxiety about their professions, about their careers about their lives, frankly, COVID has forced a lot of people to rethink and reset in a lot of ways. For people who maybe are resonating with a profession in which they're not really fulfilled. What was ultimately that moment that helped you guys pull the trigger the actual moment that you said, okay, we're gonna do this?

Bob Garner Well, from deciding to do it to actually doing it took quite a while, because we're both sort of a little bit planning focused. And we decided that we needed to get our house in order, so to speak, our finances in order. So what we chose to do was to put our spare cash into paying off our mortgage, because then you start to get the interest rate coming down, the money that you need to pay eventually drops and drops, and then you've paid off your mortgage. So we just every month kept putting more and more money into our mortgage, until we finally paid it off after I think, three and a half years. And so we had a clean slate in terms of we had an asset as in a property in London, we have no debts, no commitments. And that gives you the sort of freedom mentally to think a little bit more widely, and to think about what you want to do. And then that led to brainstorming all these different ideas about what we could do. And we dismissed lots of options that weren't going to be what we wanted, because we wanted to create a business but we also wanted to create a different lifestyle for ourselves as well.

Matt Landau And so what were some of the other ideas out of curiosity.

Bob Garner We talked about running a pub, we talked about running a restaurant, and we didn't dismiss all of them because they were a lot of work or a lot of time tied to the business. A lot of insecurity. And so you know, even have this crazy idea that we would want to be in B. And we were both into walking, and we would get six Belgian shepherds. And we would train them by whistles to do certain walks around the countryside. And they would take our guests on these walks. So there was all these crazy ideas. And in the end, we came down onto a model of, of a vacation rentals because we decided it would give us the freedom to go off and do all the things we didn't need to be tied to the business 24 seven, and also gave us a big advantage over BM B's because traditionally, it's a longer stay people book further ahead, you're not committed to providing meals. So the lots of advantages we feel of vacation rentals over bnbs. And that was the big factor that swung us in this direction. And then on a trip to Italy to stay with some friends. Our friend Joe was coming up to mark a from Rome, where we were staying. And I tagged along and came home and said, hey, I've just found a new place that I've never heard of before. It's not a very well known region. This is the place we should move to, you know, let's go and visit and let's find a property. It's that that's how it started.

Matt Landau I found a derelict farmhouse in an open field, you're gonna love it. What I love about that little brainstorming list, though, is like a pub or restaurant, a b&b, you're

basically doing all of those. Now, to a degree, you have some element of each of those in Casal dei Fichi as we know it, and I know it because I have visited it. In fact, Casal dei Fichi was one of the first episodes of the first season of our travel show Sense if Place.

Matt Landau (Show Narration) Bob and Ian are two of the more advanced vacation rental professionals I've ever met. I use the word advanced, not in relation to technology, or IQ, but rather advancement in their consistent movement forward a developed sense of who they are, what their businesses, and how those two things dovetail to form a life that they're so obviously proud to live.

Matt Landau And of course, we'll add a link to that full episode. But I thought it might be neat Bob, because I've got a little travel jonesing here and haven't really taken a trip in over a year. I thought it would be cool to go through what my experience to Le Marche was like, and you can chime in with whatever details you wish, just to give people an idea of what experience is offered to guests. And we started out do you remember before we even got to Le Marche, we we started out with lunch, and I'm pretty sure we must have drunk an excess of wine because I remember just being a little bit drunk arriving at that property and giggling. And I think I was hiding inside of one of the closets or something. But at the very event, that's kind of how I do vacation at times, and we arrived to Casal dei Fichi. And of course, if it wows, it just blows you away. The actual introduction is not just the tour through the property itself, but also some of the features that are offered about the stay. And my favorite and most memorable feature there is your ecological friendly introduction and give listeners an idea of what that little spiel sounds like for your guests.

Bob Garner We have to focus on making sure the customer has a brilliant experience. And we put a lot of our energy into that, because we live on site. So we see our guests a lot. And that's really almost an obsession of ours. And then the other obsession is environmental sustainability. So if you break open Casal dei Fichi it's like a stick of rock, it'll have written, you know, environmental sustainability all the way through. Because just about every touchpoint now in the organization is focused on environmental sustainability. And that's grown over the years. And as we've developed, as we've learned, as we've decided how best to play our part to be good sort of planet stewards. And one aspect of that, which is I think the one that you're referring to is is our treatment scheme, where we talk to guests, of course, when they arrive and explain to them as we did to you, Matt, that we have this scheme whereby a number of local restaurants will give a discount to our guests when they stay. Those guests pass that discount on to us and we add our own contribution and Then we pass that money on to well, we have two organizations, now we have freedom and ecology. And those organizations, plant trees on our behalf, helping subsistence farmers to create a business and to plant trees, which can absorb carbon dioxide and give out oxygen, which is obviously good for the planet, as everybody knows. So through that mechanism, we're able to help guests make a contribution without any financial impact on themselves, because just by going out there going to have a meal. And with that we do anyway, and the restaurant is helping finance this, this scheme. So the guests are really connected to that, and they love it. And since you were here, Matt, four years ago, we've extended it in a

couple of ways. And it's gotten much bigger now. And it's really a way that guests can make a difference just by doing something that we're going to always do, as in go out to eat. And it's something that's really become sort of one of the trademarks of our business.

Matt Landau And we're going to talk about eco friendly marketing in a little bit. But one of my favorite lines of the entire season was when I was interpreting what you were telling me about these cool, environmentally friendly features. And I said, Oh, so it helps, it gives the guests a better experience. And it supports your cause. And you said yes, but it's not our cause. It's our cause, like the world it's, it's, it's our planet. So that was like my first little epiphany, of course, in your refrigerator, there's no use of plastic, there's beautiful glass bottles and, and for water and things like that. And we went out to one of those restaurants and had an incredible dinner, and got to meet the chef. And this is something that your guests do on a regular basis, as is these cool little outings. And I actually remember we did the truffle hunting outing, before we arrived. That's what led to the drunkin wine lunch, right? This was out in the countryside, if I remember correctly?

Bob Garner Yeah!

Matt Landau This is such an aspirational kind of experience that can be promoted and shared with your guests. But we went out with a little dog who sniffed around and found some truffles and we dug them up. And then we brought those truffles to a restaurant where we just started shaving them, like completely extra, over every dish that we had. And as if that was like, that was a pretty great introduction to Italy to begin with much less the experience of Castile they freaky. One of the other things that I thought was really neat in that episode was when we went with you and Ian to the fishermen caves, and explained to folks about how you guys integrate these days off. So to say, even if guests are invited to come along with the balance of work, like what's the role of that little thinking, we came here to create a business to have a new challenge, but also had to have a different lifestyle.

Bob Garner We have six apartments, and I think it's a successful business that gives us an income, we're very happy. But we do take some time out each week to go and do other things. When we're on site, where we were with the guests, we're helping the guests, we do whatever is necessary to make the guests have a great time. But you can't be like that all the time, you have to have some downtime, you have to have some of your own time everybody does in every situation. So we make a point of having a couple of days in the week, because the weekends are busier for us when we will go off and we'll go off to the fisherman's caves, as you mentioned, or are to some other location and, you know, we'll you know, disconnect, and, you know, enjoy ourselves and have fun and also gives us chance to, to reflect on what we're doing well, or what we're not doing quite so well what we want to change. But also sometimes just to, you know, have a great time. And I think that balance is really important. It's difficult in any business. People have got to have time off, they've got to commit themselves to their own development. And we make a point of doing that twice a week and getting away and just switching off. And

then when we come back, we're refreshed and revived and ready to jump back into the fray and our guests have a great time.

Matt Landau Do you ever find that it's hard because a lot of us independent business owners, entrepreneurs, we work anytime that there's a challenge in front of us, we just tackle it. Do you find that it's hard to stick with this philosophy of taking days off? Do you find yourself having to like, like, be disciplined?

Bob Garner Yeah, we have to be really disciplined and actually, Ian is much more disciplined than I am. So if one of us is likely to go, oh really this this happening or that happening today. It's more allowed to be me. But Ian's quite forceful and quite right that we need to preserve those, those times. And so we, we really try to stick to them. Because we are, we are on call the rest of the time we live on site. And we spend a lot of time but I guess, which we love, we really enjoy it. But we do need some downtime too.

Matt Landau And you said earlier that one of your dream ideas was a pub one was a restaurant. And what I was hinting at is at the end of each week, you host a pizza party. And that, for me, was like one of the coolest highlights of any Vacation Rentals day I've ever been to. You invited myself and anyone else who wanted to pop along into town to purchase, you know, the flower that was being I don't even know what you threshed, we had the olive oil, we picked up the wine from the local vineyard. And we went back to consolidate Viki and you turn your sort of outdoor lawn area, and handmade pizza oven into a party where each guest gets to pick their own ingredients, make their own pizza, and drink wine. And that's something as connective and sort of unique of a vacation rental experience as I have ever seen. That's got to be both fun and effective with regards to direct bookings. Right?

Bob Garner Yeah, it's amazing fun. And we've done over 250 of them now. So I think we have learned what to do and how to make it work well, and, and to be honest, it's worked well from the beginning. Because as you say, we get the flour from the mill, the wind from the vineyard, the veggies from the garden. And in Mex the dough, and then we gather everybody together each Sunday evening or Monday evening, usually trying to do it at the beginning of the week. And then people get their turn to roll out the dough, put on their toppings of choice, put it in the oven, we share it with all the other fellow guests. And then the next person does it and the next person and usually it goes on till midnight or beyond. And it's great, it's we get a lot of feedback in the reviews. And in person from people who find that it's often the highlight of their week, because they've had a great chance to break the ice and get to know each other. And it's one of those opportunities where people can start to make a connection with their fellow quests or with us. And it's become so good that often we'll have people who met at a pizza party, and they will coordinate their holidays, to come back at the same week as some other guests in the following year. So they've obviously made a connection and made some friendships there. And we've obviously got people who've come back, you know, maybe a dozen times now. And I'm not saying it's all down to the pizza party, because there are other elements that have important

particular environmental policies. But it certainly played his part. And we love it. It's you know, what's not to like pizza and drinking wine.

Matt Landau Folks, Bob's pizza party is an element of his Magic Zones, the perfect lifestyle business where income blends with fun, in listening to Bob describe the importance of relationships in his bottom line. Think about what act or event or process you can weave into your guests' stay in order to achieve the same magic effect.

Bob Garner We often get approached by other businesses wanting us to arrange tours and events locally, of different varieties. And we've tried that in the past and it hasn't worked so well. Because it's felt too coordinated to organize. The whole point of the pizza party is they know what's going to happen. And they can drop in if they would like to or not if they wouldn't, it's very casual, they've only got to open their door and walk across the lawn and they're there at the party. So it's it's very, very informal. But almost all of our guests come along and attend and have a great time. But I think it's making the connection with the guests that I mean, we really enjoy it. I really look forward to the pizza night, because it's a great opportunity to get to know a little bit about the guests. Although we do have one rule, which I've explained to you in the past map is that we never ask a guest what they do for a living. I know it's something that often comes up socially when you meet somebody. But we think that our guests are on holiday and they might not want to be thinking about work. So we are happy to talk about it for other guests as other guests in our company. But we will never never initiate that. And it's One of our little rules that we both have at the pizza party, and generally during the week when we're, we're talking to people that love that. Well, it's just respecting the situation really.

Matt Landau But more than just that it's it's, it's showing interest in something other than what traditionally defines them. Like one of the things I love most about my swim group here is that no one asks what anybody does, you just enjoy all these things that everybody has in common. And eventually, after some time, you know, someone might ask you what you do for a living, but it's such a nice refreshing change from the normal, you know, you know, what do you do, which is just so it's what we're trying to get away from when we go on vacation?

Bob Garner I think, yeah, I think the other thing is that what you do either consciously or unconsciously, is that you start to make judgments and pigeonhole people see, once you know, their occupation, you know, if you're a street cleaner, or a brain surgeon, you might make some assumptions about that person, their interests, their intellect, their abilities. And if you don't know these things, then everything's a clean sheet. So that's quite nice.

Matt Landau I love that. I mean, that's just a great tip for like, social life. You know, don't make judgments don't ask somebody exactly what they're doing right off the bat, get to know some other things first, and I want to talk about the intensive nature of this business, as you called it in just a moment, but I want to tee that up by talking about your niche, and your direct booking strategy, which is as exemplary as I have ever come across your public niche, the one that you are speaking about regularly, is

environmentally conscious vacation rentals. And, to me, this seems like, and you and I have many, many conversations for every hour or blog post people see on the forward facing VRMB platform, we probably have 10 going on in the back background about how to do this stuff and how to share it with others. Talk to us a little bit about how the environmentally friendly niche to begin with impacts the business like the business aspect, and then I want to talk about kind of the other side effects.

Bob Garner I think, putting it in context, it's really important. We know as society that we have to deal with the climate emergency, we know that we have to reduce global greenhouse gas emissions by 50%. By 2030, in nine years time, and to net zero by 2050. So that's the framework of this conversation. That is a given, it's understood, there is a science behind it. And that's what society has to achieve. And within that, we know that tourism globally, accounts for between seven and 10% of those greenhouse gas emissions. So obviously, as a community, as an industry, we have to do our bit, you know, the rest of the world might change. But if we stay the same, then they have to do even more. So there's an onus, there's an obligation, there's a requirement in our industry to make some moves. And we've been doing that for the last 13 years. Now, I would say upfront, I am not an expert. I don't claim to know everything about this, I've learned a lot along the way. I would call myself an educated informer, I think. And for me, it's about doing the right thing for our business, doing the right thing for our guests. And when I blogged about this, and I talked about this, and I write about this, I'm also trying to persuade the other peers in our community to do this, take some steps as well, because I think that's relatively easy. I think people see it as an add on that they'll get to when they've done everything else in their business. And I don't think that works, we have to adapt. And we know that this is coming, because we're seeing the stats, we're seeing the surveys, you know, from booking.com, for instance, that came out that said last year that 69% of global travelers expect our industry to do more to create environmentally sustainable holidays. So there's a state there, then people need to sit up and start to take notice, we know that the legislation will come, we know that regulation will come and this will impact every vacation rental in the world at different points at different times. And so I'm trying to gear up and and galvanize our industry to take notice and to take action because one, it's in your interest to do it because the customer base is starting to move in that direction. So do it now and get some progress before your competitors do. And also you're going to have to do it eventually. So start to take those actions now. While you've got more time and as you know, I've written a lot about this, and I wrote the roadmap that you kindly published on your, on your, your website, and perhaps you can put a link to that in the show notes. There are lots of things that people can do that don't need to cost them any money, and that they can make a big difference. But we need to start and we need everybody to take some steps, even if they're just just some baby steps, everybody can do something. And we've done a number of those steps. And we've got more to do as well. So I'm trying to encourage and caiole and influence and persuade other people to do the same. And the important thing is that guests love it, you know, our repeat business and our regular businesses are partly based on our environmental sustainability. So it's a great business tool as well. You don't have to do it and think, Oh, well, I'm not going to get in the business, you'll get more businesses ultimately, not less. And so there's a lot to unpack there. But I'd really encourage people to, to think about that. And obviously, I'm always available to help anybody who needs some advice.

Matt Landau There's a spectrum of niches, let's just say at the very right end of the spectrum is, you know, extremely focused properties that are really designed from the ground up around a particular special interest or a particular block or a particular area of the world. Then there on the other side is kind of the more commodity vacation rental business that doesn't really have the niche figured out and a lot of it does depend on the property itself. Maybe it's just a vacation rental condo in a larger building, or maybe it's on what might otherwise be a nondescript block you have in this environmentally friendly line of thinking and niche that can be applied to almost any property or host if they chose to. And I don't I can't think of too many other niches that are that easily applicable. Do you know of any other niches Bob that seemed to be falling into the same kind of category that really is speaking to a growing demographic of travelers?

Bob Garner No, I mean, obviously, there are lots of great niches that everybody would want to support if they could, you know, the LGBT, the women only traveling, the pet friendly, there are so many. But I think environmental sustainability is your right, the only one that I can think of that really does affect everybody. Because everybody in the world, everybody in the world is going to be impacted by the climate crisis. And it's one of these big issues that has a slow burn effect. And so it's like putting the lobster in the warm water, and then raising that temperature slowly, the lobster doesn't get out, because it doesn't realize that it's gonna be boiled to death. It's a little bit like that with the climate crisis that it's happening slowly. And it's been happening slowly for decades. And so we've sort of become used to it in the background. And people aren't, haven't been jerks into taking some responsibility. Yeah, but that is coming that the legislation is coming, the regulation is coming. And I would encourage people to look at an organization called tourism that declares a climate emergency, which I know you're familiar with. And this is a group of a few 100. organizations, businesses who work in tourism, all parts of tourism, who've stood up and said, there's a climate emergency. And we're declaring that we're going to do something about it. And I would really encourage people to look out for that organization or get in touch with me, and connect with them, and make a declaration, which is as simple as saying. I understand there's a problem. And I want to be part of the solution to fix it, there are some things that you need to do further down the line about reducing your impact and reducing your emissions. But the first stage is connecting and saying, holding your hand up and saying I'm going to do something about this, I'm not just not going to sit on the sidelines, and assume it's all going to go away, because it isn't going to go away. So I'm encouraging people to get involved and play their part.

Matt Landau I'm having flashbacks to our phone call. In February, when you told me that COVID was coming to the United States.

Bob Garner Just to say that, you know, COVID has been a disaster, it's been horrible. Millions of people have died. It's been truly, truly horrible for many, many people, but put it in context. And this is not an exaggeration, the climate emergency will be much, much worse, because I don't want to get into heavy science. But even if we do the things that we've claimed to do, and

said we're going to do by governments, it still won't be enough. And the impact will be much, much more severe than COVID. It's really unfortunate, it will be a slow process, but it will happen. So it's a little bit of a shock to the system there.

Matt Landau along the lines of this sustainable thinking about looking out what's coming. I've always been very impressed by your direct booking strategy with all these things woven in from the eco friendly, neat marketing to the pizza parties to the actual amazing experience that you host. You have sort of been the perfect example of what I like to think of as the golden ratio, which is the growing relation between your direct bookings to your otaa bookings, which is to say out of every 100%. So 1% is coming as a percentage is coming from direct and the remainder is coming from otas. Share, share a little bit about what it means to increase that direct booking, even if it's a tiny amount.

Bob Garner Year upon year, the idea of being independent from the OTAs...we do use them, we've used them in the past, but they've become less and less important to us. And as guests go home and they've had a great experience, they leave a review. They might book for next year, they might talk to their friends about it and their family about it and word spreads. And then maybe you get some press coverage. Or you might get some awards for some things that you're doing. All of this generates a level of interest and creates more hype for a better word around your business. And I guess we stumbled across it. I can't claim that it was, you know, a master plan and that we were thinking this is how it would work. We just decided that we would really be obsessed about our time with our guests. And it's actually part of our social life in the summer, you know, we will sit with them in their private garden and have a glass of wine and, and shoot the breeze and, and chat and maybe go out for dinner. And so it's really integral to what we do. And the guests, the result of it is that incrementally as years have gone by, we've seen that repeat and referral business go up, you know, through the 50s and into the 60s, percent. And in fact, this year, we're around 100% at the moment, so we're pretty well booked, and we're on 100%, we've got no other bookings from the otas, or anywhere else. So I'm not sure we'll be able to maintain it at 100. But usually we'll get it to 60-70%.

Matt Landau This is a very good exercise for anybody listening who has not done this runner report, dating back as far as possible, what your ratio is, and even if you've only been in operation for two or three years, you can see that if you continue at that trajectory, your direct booking or repeats, or referral booking line will cross the otaa bookings and you have officially become less dependent. My question, Bob is with numbers like these, and with by all accounts success like this, have you been tempted to grow the business? Because the capitalist, business instructor from my university would say you should scale this thing as far as you think you can? What are the what's the role of sort of limitations on that kind of growth, in order to avoid falling into that rat race that you left London for?

Bob Garner We have no desire to make the business any bigger than it is. And you know, I refer back to what we talked about earlier about lifestyle. You know, we get asked that question all the time. I could we keep joking that we'll have these t shirts made up with the top 10

questions that we get asked by our guests on one side and the top 10 answers on the other side, we'll just refer them to those, those those points when they ask it that everybody says Why don't you open up a second? Because I'll defeat it. And, you know, it's like, well, it does what we want, it gives us what we want, it's successful. It gives us the income that we need, we enjoy what we do. Why would we want to mess with that? Why would we want to make any changes, it's giving us the lifestyle that we've wanted, all the time. We're closed in the winter anyway. So in normal years, it's gives us some chance to travel and, and do other things. And in the spring, summer and autumn, we're here. And we love it. So now we would never open another one.

Matt Landau And is the way to do that by sitting down with your partner, and team and defining what the dream model looks like and then sticking to it?

Bob Garner That makes it sound very formal, I guess it's just been a given from the day we started, we knew why we were coming here. We wanted a new challenge. We wanted to go to a new country and learn a new language and have a new experience. And we also wanted time for foreigners and for ourselves. And so it's just never come up that we would even consider doing more because, frankly, we want some time off and we want to enjoy what we do. And it's a model that's worked for us. And I wouldn't want to mess with that and change it because I can see no good reason to do that.

Matt Landau I think that's really sort of the secret to success in a way for the vacation rental independent is defining what is your upper boundary, what is the limit, the perfect dream model looks like, and weaving some of those lifestyle elements into it. So that you know when you achieve it, which is entirely feasible. It's not out of reach, you've got a really balanced and sustainable thing that you can enjoy. In hindsight, but this is a really intensive business model that you've described. It requires you and Ian being charming and funny. And on site a lot. If you had to do this over again, and you were to do so remotely, would there be any aspects, specifically human aspects that you would prioritize for let's say, an onsite manager or cleaning team or housekeeper or whatever?

Bob Garner Well, I do the charming and the and just the funny actually, that's how it works. If we weren't here, and we wanted somebody else to be running the business, and we've talked about that, you know, maybe going off for a week in the summer and doing something that we'd like to do like going over to Croatia and sailing. We don't feel we can do that. Because we've got guests who've booked and They are looking forward to seeing us as we're looking forward to seeing them. But if we were to do that, if that were to be the situation, I guess we would want somebody who felt as obsessive about it as we do. We have a holiday rental and apartment in London that we rent out as well that we use as our home when we go back in, in the winter, on to normal times. And in the early days, we had a manager who looked after everything for us, he had a small business, he would do the meet and greet, he would supervise the cleaning, he would come out in the middle of night, if there was a problem, he was the perfect person because he was as committed to it as though it were his own business. And that's what really is what you need from somebody that they will give everything and they will, you know, he will even come out once on Christmas day because somebody was having a problem. And I mean,

that's a commitment that you're looking for, from, from, from an individual. And thankfully, he got burnt out. And he doesn't do it anymore. But that would be the sort of attributes that I think I'd be looking for. If somebody were to step into our shoes, and we were here, or we were working remotely.

Matt Landau And what about actual tools like technology? What, in in hindsight, if let's say you were to do this remotely, what tools could you not do without

Bob Garner we don't use many tools. And I know that goes against all the advice that you hear all the time from all the professionals. But we don't really use many tools. We do have touch day, which we love, which is a great digital guide. And our guests give us great feedback on that. It's constantly adapting, constantly improving, and I think there's a new iteration of it coming out very soon. So that's probably the only thing that we use in terms of technology. And the other things are things more connected to building our environmental sustainability. So you know, for instance, our carbon offset scheme that we introduced, and then we've introduced another one, which we call tipping point. So we encourage the traditional norm here not to leave a tip, which is what's expected guests leave that tip with us. And we plant some trees on their behalf. And we call that scheme tipping point. So that's a new addition that we introduced last year to try and build more infrastructure into our tree planting scheme.

Matt Landau And your Tesla charging station would be a good example. Right? That's a tool.

Bob Garner Yeah, yeah, that's a two. And actually, you know, that's, it's a really good point. I often forget about that. And, and actually, that does bring in business because people will cross reference the databases for where they can charge to the otas, or to other sites where they can find great places to stay. So we've had several guests stay.

Matt Landau And real quick, what, what was the process to get that?

Bob Garner We wrote to Tesla and said, Can we have a Tesla charger, please? And they said, yes, you can, here it is. That's how it happened. They were then at that time, this is about five years ago, they were trying to build the infrastructure into places that didn't have them. And obviously, we fitted that market. So they gave us one, and we fitted it.

Matt Landau So it was as easy as that, very cool. I want to spend the last part of our conversation talking about this model that you and I have been mulling over, you kind of invented one version of it, the other version of it has been around as long as time. And it has to do with the two kinds of loops or cycles that vacation rental professionals can fall into whether they're aware of it or not. And it really is one or the other. It's not often we see somebody in both. And I'm going to aim to give a quick summary of this for folks just to give them an idea. It's something we've touched on in other episodes of Unlocked. But then I'd like to break down into each of these loops to help people see which one that they currently fall into and which one they would like to get into. But the first loop begins

with a guest booking the moment that guest pays you, chooses you as opposed to every other vacation rental option or hotel option that they had. And this first loop the good loop is one in which you as the vacation rental owner or manager are doing the giving back things that are necessary for your local environment. And when I say environment could be a neighborhood, it could be the trash that's on the street, it could be the physical environment, our planet when giving back in some capacity, whether it's as exemplary as the stuff that you and lan are doing, or simple stuff like making a donation with each booking to the local Land Trust when you are contributing back You get this reaction from the community that supports your business, they appreciate it, the local businesses want more of it, the neighbors are respectful of it, which in turn generates something of a social licence to operate, you now are a welcomed element in that environment or community, which in turn brings us back to the the actual guest bookings generates more, because guests feel welcomed, your destination is healthy, and you have a long term visibility ahead of you. That's the good loop. Right. And, and we have spent a lot of time trying to help people find that good loop and find the elements that go into it. Because it's a reinforcing loop, the more you do of it, the more momentum you build, and the more you get out of it. The opposite loop. And this is for not people who have chosen to be a bad vacation rental host or fall into this vicious cycle. It's simply the people who often haven't thought about it before. And it catches up to you. And this second loop, not unlike the first one begins with the guest booking. But it's the opposite. It's the mirror effect. It's if you're not contributing in any way to the environment, it's if your guests are extracting or taking away, whether it's noise or trash, or any kind of bad apple that somehow takes away from the health of your local environment. What happens next is that you have community resistance, you have neighbors, and you have government officials when it comes to unfair regulation, that recognize what you're doing as extractive as not a positive thing. And what happens when you get community resistance, you get a reduction in appeal. Guests don't find it appealing anymore, especially your kind of guest and that in turn, detracts takes away from your future opportunity. And that is a vicious cycle. By all standards, that's something that becomes equally momentum. It has an equal amount of momentum, but it begins to eat away at the very foundation of your business. In terms of the good loop. First and foremost, which of course epitomizes you in the end and Casal dei Fichi. Explain how your version of how people see you, how you as a vacation rental entrepreneur are seen by community members, and perhaps some of the little elements that you think characterize this good loop or good host?

Bob Garner Well, it's really kind of you to put us in the good loop, Matt, we aspire to do the right things.

Matt Landau You're not a bad loop, come on?

Bob Garner Well, I know, but it sounds a little self serving to talk about it as it's me. I agree totally with what you've said. And I know we've talked about this in the past. And, you know, I'm going to give an analogy, which you know, may be lost on you, but won't be lost on some

people. And it's from the film. It's a Wonderful Life, which is usually in the top 10 films of all time. I guess you've not seen it, Matt. It's a very old film.

Matt Landau Yeah, I I haven't seen it.

Bob Garner Okay, you need to check it out. It's always on Christmas in Europe. And it's a famous film from the 19. Probably 1950s. As essentially there's somebody in it, a character called George Bailey, who does all the right things for the community. He's there, he stands up for people, he helps people, he puts himself second or third. And he's always giving the knockbacks. And he's always the one who in the end can't seem to guite make it. But then when he hits rock bottom, and he's everything is falling apart the whole community comes together and supports him, and basically financially bails him out from the problems that have been created that would have his making. And the moral of the story is that obviously, if you're doing those good things, eventually that good karma will come back. And people will acknowledge what you've done and what you've tried to do. And, and it's just the good karma that comes from doing the right thing. So I think that, you know, businesses and people, you know, we all want to be good people and to be seen to be good people and to be fair and honest and appropriate and supportive. You know, Who wouldn't? Nobody's going to say they wouldn't. But unfortunately, life gets in the way and a lot of us get diverted from doing that. And, you know, nobody's perfect, and I'm certainly far from that. But I think if you're in that good loop and you can reinforce that you're, you're seen as somebody who is sort of community minded, you have an awareness of your impact that goes beyond Just your business, the whole focus of your business isn't necessarily about how to make the biggest book the fastest book as much as possible, and continue to grow and grow and grow, you have a sort of sense that you know where your business fits in the community, and what you can do to give back to the community. And you must measure success in more than one way rather than just the bottom line.

Matt Landau Measuring success in more ways than just the bottom line, this is the easiest way to find your Magic Zones. What would you do if you were rich beyond your wildest dreams, and you didn't need to work anymore? After all the travel and maybe purchasing material things that you've ever wanted? How would you spend your days? Would it be working on a cause? pursuing some kind of passion meeting interesting people? Whatever the answer to this question is for you, think about integrating it into your current daily routine, Bob's reverse engineered his life mission through the lens of his vacation rental business.

Bob Garner For me, you know, that good loop is trying to do the right thing, whatever the right thing is in your community, or whatever you feel passionate about. And that will come and pay dividends, that people will acknowledge that your guests will acknowledge it, your peers will acknowledge it, your community will acknowledge it, whatever the topic, it doesn't matter. From this point of view, it's about putting yourself in that situation and saying, you know, what can I do this week or this month, that is going to be supportive of, of my community, and thinking about, you know, public good, just not your own private good, and thinking how you can represent your community. And I think if you're doing it, right, you're seen as maybe just too grandiose to see to

say, You're, you're seen as somewhat as a responsible business leader, you've got some respect in the community. And you've done that over time. It's, it's not something that happens overnight, you can't just switch it on, you've got to build at it. And you've got to work at it over years. And I'm not saying I'm perfect, I'm certainly not. But it's certainly something that's been core to what we've done from day one. And I can't imagine not doing it really.

Matt Landau I like to think of this analogy of the lake, that the little town depends on for fish. And if any resident of the town is thinking beyond the next month or the next quarter, then next year, they realize that the health of the lake is directly correlated with their survival. And that if the lake is not being carefully monitored, and if sustainability fishing, best practices are implemented, and if all these things aren't being considered on a regular basis, eventually, you've got no lake and fish left to eat, which makes if you really think about your vacation rental in the same sense, there is a local ecosystem that keeps you up. And what we often don't deal with in our side of the professional sector is the people who are short sighted who are doing things in an extractive way. What Bob does in this second loop, this bad loop kind of leads to because I know whenever I see an article about an irresponsible Airbnb host, I think to myself, that's a bad loop that could not only take down that individual, but could take down the entire destination.

Bob Garner Absolutely. Yeah. I mean, basically, the other loop is the antithesis of the good loop. And perhaps not to define it as bad because you know, that might be a little bit too pejorative for people who are not in the good loop yet. But we can all aspire to do more. And it's perhaps acknowledging that if you're in the loop that we don't call good, then you're perhaps not giving back to your community, you're not thinking as much as you might, about the difference that you can make. Maybe you're spending all your time thinking about the profit and building the profit. And that's become too obsessive. Maybe you're not giving enough time to your guests and thinking about how you can make their satisfaction even greater, because that's going to come back and give you some rewards when they come back and stay or they come back in and recommend somebody else. You know, maybe you don't have a mechanism for, you know, financing something good in the community. You know, often you've talked in the past Matt about organizations that do After an extra dollar a night, and that dollar then goes to helping a good cause locally, or further afield. And, you know, in my experience, nobody really objects to paying another 10 or \$15 on the price of a 1000 \$2,000 stay. It's, it's, it's totally immaterial, but it's getting yourself into that mindset to think about it in that way, really. So I think Model B is, if you're not part of the community, you're not seen as leading the community, you're not seen as integrated in the community, you don't necessarily have that same high standing in the community, and you might be considered to be a fairly neutral person. And maybe there's a way of changing that by moving further towards the loop that we've talked about the good loop and giving back or thinking about what you could do to make a difference and it can be in so many areas really it's it's it's totally unlimited. So we know we know, Matt from the Safra was organization that we've both been involved in, there are so many of these topics, and people doing incredible work in their communities, and are putting children through school or helping theirs, there's in the middle of America, or whatever the topic cleaning beaches, find the one that works for you, and do it and your guests will appreciate it, and your and your community will appreciate it. But if you don't do it, you're I think you're missing some of the great connections that you can make and, and missing being part of a community, which I think is really, really important.

Matt Landau I think selfish versus selfless is, again, a bit of a crude way of putting it. But if you are only thinking about yourself, if you're not thinking about neighbors, if you're not thinking about other vacation professionals in town, that is a quick route into the second vicious loop. And I'm curious Bob, no holds barred. How do you think Airbnb is what I think of as a pretty selfish organization, especially as it relates to the professional vacation rental community, they've demonstrated time and time again, that this is not a selfless thing. This is we are doing what's best for our organization, and maybe we'll take you into account or not the size, the speed, the impact of an organization like that, that by all accounts, is selfish. Is that what's the future there? Like? What's the impact of Airbnb, not only on local communities, but with the good loop, the professional side of the organization that is trying to do things sustainably?

Bob Garner Hmm. Yeah. I mean, I don't have a great deal of time for Airbnb and, and luckily, we don't rely on them. So I with all due respect to those people who are very entrenched with Airbnb, or, you know, good luck to you, but remember that when, you know, push comes to shove as happened over the the COVID crisis this last year, you know, the, what they call their partners were very much pushed under the bus. So there were these cancellations that took place against their existing policies. And that puts a lot of people who are connected to Airbnb and really rely on Airbnb put those people under a lot of pressure, and a lot of stress and really impacted on their businesses. So I don't think they are committed to the partners, they will say the, of course and, and of course they will, they'll put all these great policies and initiatives out that look brilliant, but for me, they have turned into one of the bad guys of the community. And thankfully, we don't have to have anything to do with them. So, I really don't have time for them. Though I do totally understand that some people rely on them very heavily.

Matt Landau Bob, as our conversation comes to a close, my big takeaways here are that contributing to the environments in which we work is a necessary thing. It's a slow thing. It takes time, it takes consistency, little gestures, that compound in the same way that building a meaningful relationship with a human requires. Consistency requires showing up requires gestures, it requires being real. And if you're that type of friend, let's just say I'm sure we all have one who just takes or who just does things on your clock. That's not a sustainable relationship in the sense that the other person won't appreciate it and won't last very long. I have some friends who I like to put into that category and we just don't have the kind of meaningful, long standing relationship that I do with others. So my big takeaway here Is that if you can find the way whether it's a simple gesture of solving the trash problem, or contributing \$1 per night, like Halina and Park City, or creating urban gardens, like dawn or saving, bares, like Chuck, if you can't find one thing that's kind of close to your heart that you think has, that you're passionate about, that you can really get behind, you can be proud about, if you if you can find that thing that

kind of becomes your niche in a way, because the vast majority of your competitors are not doing that. And if you're properly communicating this element of contribution that you are passionate about, to your prospective quests, and it is something that appeals to them such as eco friendly travelers, it's a formula for long term success, and more than anything, it's a way to tap into huge new marketing opportunities, because the vast majority of travelers are not used to anything like this. And they do resonate with animals, or the environment or food insecurity. So this is like a huge opportunity for me purely from a business perspective. Of course, the whole reasons for doing which can be and should be much greater than that. But this is a huge opportunity. For everybody who's listening to this right now, we've pretty much given any variety of educational professional, an idea of ways that they could begin to contribute back ways they could leverage that kind of giving back into their business model, ultimately, making for a better solution, not just for the guests, and not just for your business. But Bob, as you'd like to say, for our cause, that is to say that the environment in which we operate. I want to thank you, Bob, because this is something that over the last How long have we been touched now, seven years, gosh, seven or eight years from the very beginning, you have always been persistent about. And you've always been really respectful about, I think it's easy, especially with these kinds of causes, whether it's the environment or you know, a caused like gang intervention, like I was doing, it's very easy to come off as preachy, it's quite a different thing to communicate these opportunities in ways that are objective, that may resonate with some people, outcomes that people like to get behind. And I think you're just like, among the absolute best in our industry, that does that it's no secret. It's also a bit of a surprise that it's taken us this long to get you on the podcast, after all these years, despite being one of the early flagship sense of place hosts. So I wanted to just thank you for your continued industry stewardship. Very, very, very cool to be around.

Bob Garner Thank you, man. And just to say, and I echo everything that you've said, and I couldn't say any more eloquently than you did. But you know, I would just challenge everyone to, to think about what they could do in their community. And there really can't be a thing that somebody can't think of in their community that's worth getting behind. It doesn't matter what it is, whatever you do feel passionate about AR, you can develop into something that will be a passion. And I would also say that it gets a little bit addictive. It certainly for us on the Ico side, it has been that way, you know, you do one thing, you see the success of it, you get some feedback, you get some positive strokes from your guests, you get, you know, some press, you get an award, you get more reviews, you get more business, and then it's like a drug, you're addicted you let's do the next thing and and you build it and build it and build it because you see it's a positive circle. And it's really reinforcing itself all of the time. And you feel really good about it doing something that's not just for you. But that also has benefits for you. I would really encourage anybody to think of something that they can do in their community. And certainly if it's on the environmental side, please get in touch.

Matt Landau And it really like we spent the first half of our conversation talking about kind of lifestyle design, building a business that has baked into it, the things that you

would dream about the things that you would only imagine when you retire, baking those elements into the business so that you have something that is really remarkable, this whole gift contribution part of it, it adds that third fulfillment piece that for me makes it the ultimate, ultimate pursuit, the ultimate cause. So there is lots of fulfillment in there. And I would just encourage anybody who is listening to this and ready to go and conquer the world. It starts outside your doorstep starts with one reach out to myself reach out to Bob. Consider becoming part of the star throwers calm, our socially and environmentally conscious vacation rental club. And Mr. Bob Garner, we made it through. We made it through without any major technical difficulties. Thank you!

Matt Landau I hope you enjoyed today's interview. To stay in the loop join VRMB's weekly mailer, aka, the most thoughtful newsletter in the biz! Head over to wrmb.com/mmm. And when you receive the introduction thread, hit reply and actually let me know where you're coming from. Learning about new vacation rental professionals is a favorite pastime of mine. That's wrmb.com/mmm. Ciao

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