

TRAVEL AND HOSPITALITY

Five-star hotel bookings jumped 19pc in 2022: Deloitte

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The global consulting group is attempting to relay the importance of embracing emerging luxury travel trends, in order to stay ahead in this dynamic market. Image credit: Deloitte

By AMIRAH KEATON

Though luxury travel has fully rebounded to pre-pandemic levels, subsequent consumer priority and preference shifts are accompanying a period of major transformation throughout the industry's top end.

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To stay ahead in this dynamic market, experts suppose that businesses must understand and embrace the emerging trends that are shaping the future of luxury travel. Global consulting group Deloitte's Future of Luxury Travel series explores five key forces moving high-end hospitality, shedding light on the evolving desires and expectations of today's luxury travelers.

Hassle-free hospitality

Per insights from the firm, the global luxury travel industry is worth upward of \$1.2 trillion, set to grow at a Compound Annual Growth Rate (CAGR) of 7.6 percent in the lead-up to 2030.

These figures aside, bookings at five-star hotels rose 19 percent over the first three quarters of 2022 compared to the same period in 2021.

Luxury travel professionals should remain weary of allowing increases to paint a picture of ease, as far as customer acquisition is concerned in this case, changes do not mean that yesterday's novelties still make the cut, as calls for curation, collaboration, sustainability, digital innovation and hyper-personalization quickly become the norm.

How can **#LuxuryTravel** brands prepare for potential disruptions and new avenues for growth in the post-pandemic world? Find out in Deloitte's new "Future of Luxury Travel" article series.

<https://t.co/Y1sHpzaq9Z> pic.twitter.com/CIYzX6FPpG

Deloitte (@Deloitte) **June 9, 2023**

First up, the demand for luxury travel advisers who provide tailored, high-touch experiences seems to be growing stronger.

A survey fielded by the firm reveals that 85 percent of luxury travelers surveyed view advisers as the best way to book personalized luxury travel, while 74 percent say that travel advisers can create a truly "luxury experience."

Luxury travel advisers possess the playbook to scoping out top destinations and scoring unmatched accommodations, balancing recommendations with practical expertise on worldwide travel restrictions and guidelines surrounding health and safety.

Concierge services operating in this space may first consult with travelers to understand their interests and desired budgets, carefully considering factors such as travel history, leisure values and upcoming special occasions and to design a bespoke stay, before crafting custom itineraries and seamless schedules.

Providing expert guidance, professionals leverage relationships with top-tier suppliers, including luxury hotels, resorts, airlines and tour operators to secure their clients with exclusive access to transport, amenities and more.

The perks of tapping a travel adviser with the capacity to handle bookings in the high-end arena hit at the essence of luxury, as time spared is the well-resourced HNWI's ultimate convenience.

Round-the-clock, real-time assistance is also key. In the case that plans go awry, having a dedicated contact on hold is of importance to the demographic of interest.

Structures that support 24/7 availability are likely already digging into Deloitte's second emerging trend: digital innovation.

The company's series emphasizes the significance of smart technology use in shaping the future of luxury travel.

Luxury travelers are seeking tech-enabled, hassle-free solutions for unique, one-stop experiences. Here are the key trends that can help [#LuxuryTravel](#) brands boost [#customer engagement](#). <https://t.co/mRws8Lkm1l> pic.twitter.com/4DpfciuEr5

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By leveraging technologies such as artificial intelligence, data analytics, and machine learning, luxury travel businesses can gain insights into customer preferences and behaviors, allowing for the creation of hyper-personalized experiences that cater to individual tastes.

As the industry acknowledges advancements, leaders are using a variety of these tools to enhance each trip.

Meanwhile, augmented reality (AR) possesses the power to offer immersive elements on-site, overlaying information and digital content onto real-world environments and providing interactive and educational snippets during tours and activities.

Virtual reality (VR) can play a part in meeting consumer expectations as well, with the power to preview potential excursions, giving onlookers a glimpse into the many luxury travel possibilities that await them.

One-of-a-kind offerings

Besides luxury travel agents and the strategic use of digital technologies to further hyper-personalization on vacation, "Future of Luxury Travel" speaks to other market priorities, including sustainability and collaboration.

Per prior research from both Deloitte and peers in the space, the pursuit of sustainability is no longer a mere option. Rather, modern-day, conscious operations are non-negotiable.

Discerning travelers are today seeking environmentally responsible services that value social impact and cultural preservation. Thus, players looking to gain market share should invest in sustainable practices such as eco-friendly infrastructure, carbon offset programs and collaborations with local communities ([see story](#)).

By aligning their offerings with eco-conscious mottos, messages and marketing, businesses can attract and retain the growing number of luxury travelers who are increasingly opting into sustainable tourism.

In terms of luxury brands teaming up in the name of travel ([see story](#)), social media platforms, such as Instagram and YouTube, have become powerful storytelling tools, helping brands boost their unique "out-of-office" offerings.



An eight-week retail and restaurant run serves as Dior and One&Only's first collaboration in Malaysia. Image courtesy of One&Only Resorts/Eric Chow

Though the acquisition of goods has kept commerce afloat in many resort contexts, luxury travelers are seeking experiences that transcend the material, taking interest in creating lasting memories instead.

Private cultural tours, culinary adventures, wellness retreats and exclusive access to local traditions and customs are among the unique experiential activations capturing the attention of HNWLs worldwide.

All-in-all, Deloitte's series backs the premise that by better understanding the needs of luxury travelers, catering to the cohort with curation, luxury brands can tap into the emotional desires of their discerning clientele.

Following recommendations as outlined, businesses can garner loyalty from clients, an invaluable asset amid an ever-evolving luxury travel landscape.

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