



2019

AFFLUENT INSIGHTS™



ASIAN MILLIONAIRE TRAVEL

REGIONAL TOPLINE REPORT



ILTM is a global collection of invitation-only events that bring together leading international buyers to meet and discover the most luxurious travel experiences. Each event introduces an unrivalled selection of luxury travel brands to ILTM’s extensive network of hand-picked luxury travel advisors, through bespoke appointment programmes and networking sessions. Alongside the global flagship events in Cannes and Asia Pacific, ILTM has four core local events; ILTM Arabia, ILTM China, ILTM Latin America and ILTM North America, as well as one specialist event; ILTM Africa.

Agility and AFFLUENTIAL™

Agility Research & Strategy is a global research and consulting company with a core focus on the Affluent and Luxury consumer for premium brands. With over 30 years combined experience in understanding the Affluent consumer, we are truly Fluent on the Affluent™.

AFFLUENTIAL™, powered by Agility, is a leader provider for data and intelligence on the Affluent consumer. We engage with millionaires in more than 30 key markets across the United States, Europe, and the Asia Pacific.

We work with the world’s leading premium and luxury brands to provide actionable insights on global affluent, high net-worth, and ultra high net-worth consumers. Some of our travel retail and hospitality clients are:



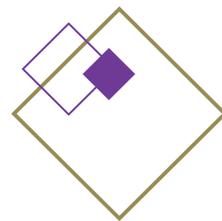


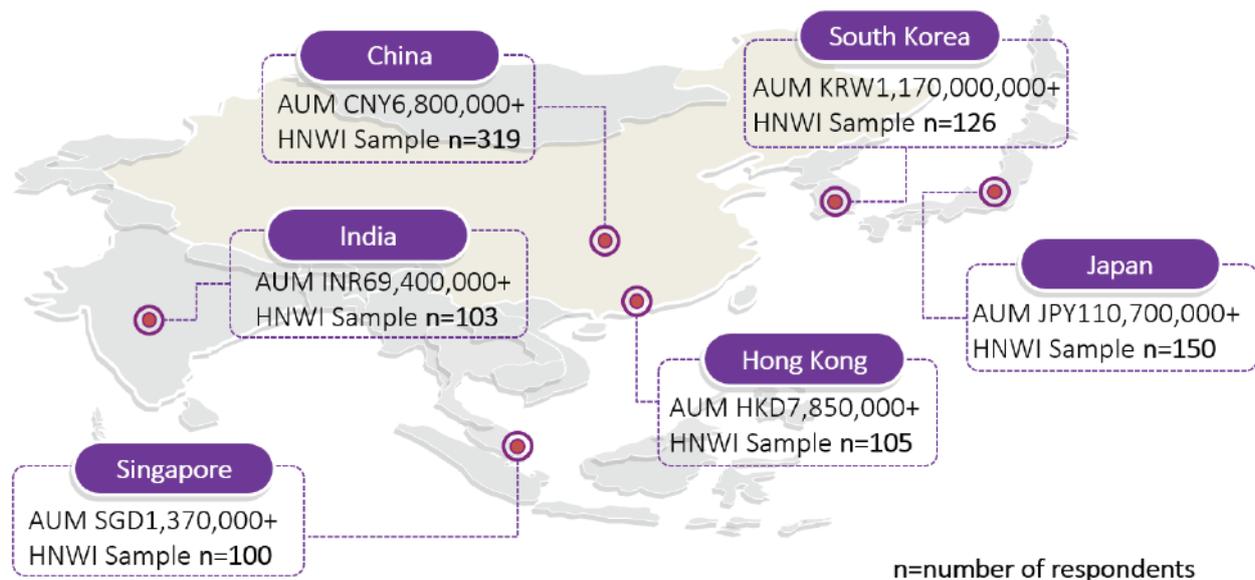
Table of Contents

02	About ILTM About Agility and Affluential
04	Study Methodology and Sample
06	Introduction
07	SECTION: 2018 TRAVEL BEHAVIOR
08	Travel as a Passion
09	Share of Wallet
10	Number of Overseas Trips
11	Leisure Destinations
12	Travel Activities
13	Luxury Shopping and Travel
14	Shopping Abroad – Share of Purchases
15	Travel with Family
16	SECTION: TRAVEL SPENDING AND OUTLOOK
17	Spending Outlook – 2019
19	Next Leisure Destination
20	SECTION: TRAVEL BOOKING
21	Important Accommodation Features
24	Top Travel Brands Plan to Use - Next 12 Months
25	Purchase Channels – Hotels / Accommodation
26	Online Booking Sites Used – Hotels / Accommodation
27	Share of Influence - Media & Information Sources
28	Media & Info Sources for Travel: Digital
29	Media & Info Sources for Travel: Social Media
30	Social Media Celebrities / Influencers: for Travel
31	Media & Info Sources for Travel: Traditional Media
32	KEY TAKE-AWAYS
34	SECTION: PROFILING
35	AFFLUENT INSIGHTS™ REPORTS

Affluent Insights™ 2019 Study

This report is based on findings from the Affluent Insights™ Luxury Study:

- Fielded in November/December 2018
- We interviewed a total of 903 millionaires across 6 markets.
- All of the respondents were defined as millionaires (HNWI individuals with US\$ 1 million+ in investable assets), with a sizable proportion in the USD 2 to 5 millions AUM category.



Affluent Insights™ 2019 Study

In this report...

We will be looking at millionaires' travel behaviour, motivations, media channels, brand preferences, in addition to consumption patterns and spend in 2018 compared to the 2019 forecast.

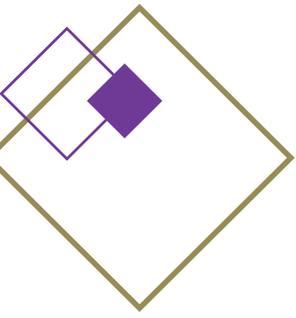
PRODUCT CATEGORIES COVERED:

This report is an excerpt of the Affluent Insights™ 2019 Luxury Study, which covers premium brands across the following categories:

72	HOTEL BRANDS	17	CRUISE BRANDS
113	FASHION BRANDS	50	ALCOHOL BRANDS
81	WATCH BRANDS	72	JEWELLERY BRANDS
48	MAKEUP BRANDS	60	SKINCARE BRANDS

Brand selection: For past purchase/ownership and future purchase plan questions, we have selected brands that are well-known luxury brands and/or are part of the competitive set of our subscribers' brands. For brand image questions, we include subscriber brands, as well as, a sub-set of high-end luxury brands that have shown to be the most popular in our research.

Note on definitions used: In this study, when thinking of the terms "premium" or "luxury", respondents were asked to think of products such as high-end fashion/clothes, high-end bags, watches, jewellery, alcohol, cosmetics, and travel.



THE ASIAN MILLIONAIRE IN 2019

The APAC region contributes over 6 million millionaires, recording double digit growth in 2018. A powerhouse market like China continues to drive global wealth, with well over 1 million millionaires to date. In our latest conversations with the affluent Asian consumer covering 6 key markets, we looked at their travel habits, preferences and aspirations.

The travel sector has seen strong growth in recent years, driven by high-net-worth consumers' continuing shift in priorities from material items to experiences. Many Asian millionaires interviewed by Agility point to a change in priorities from focusing on brand names and physical luxury goods towards more of a focus on quality of life, and an increasing association of international travel with a high-quality lifestyle.

Agility expects this trend to continue in 2019, with far more HNW Asians looking to increase their leisure travel frequency and spend than to reduce it. We also register sustained overall optimism across the region when it comes to future travel spending.



Luxury is “an attitude toward life”, encompassing the ability to “live slowly”, enjoy oneself, and give your children unique experiences around the world at a young age.

**34 YEAR OLD FEMALE
MILLIONAIRE, BEIJING**



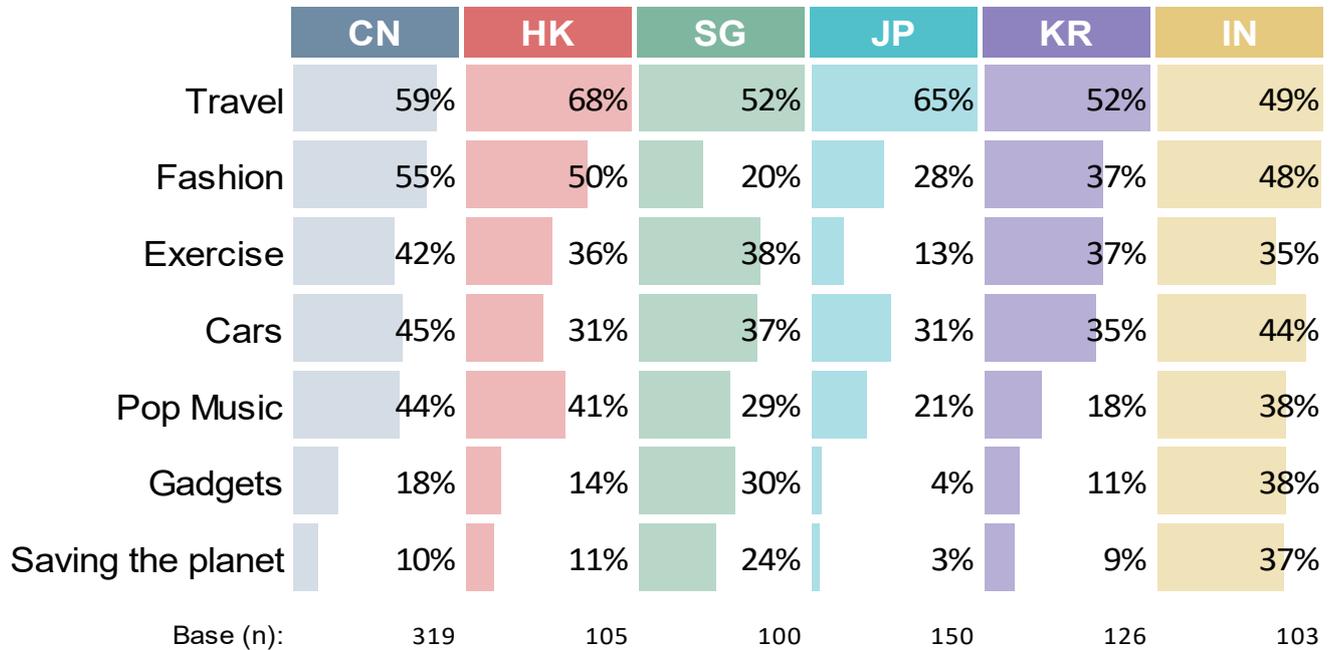
SECTION

2018 TRAVEL BEHAVIOUR



TRAVEL AS A PASSION

Asian millionaires' enthusiasm for travel is readily apparent. Among all the things they are passionate about, travel is number one – ahead of fashion, cars and exercise.



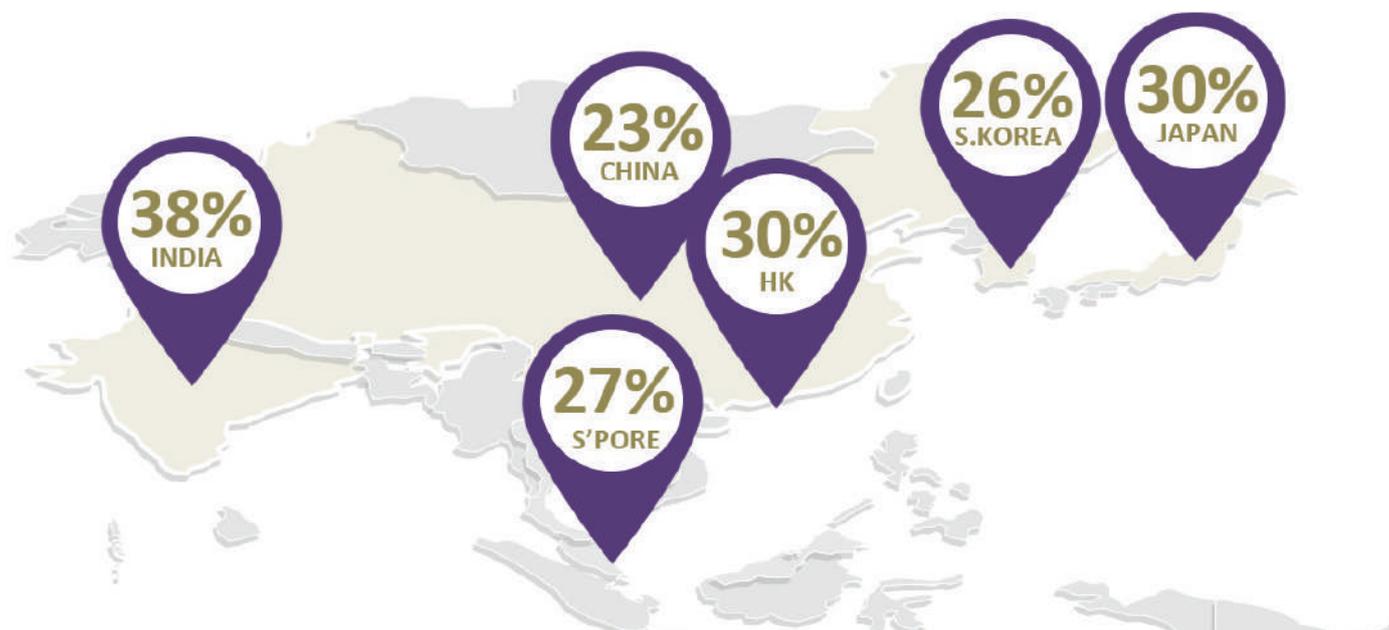
PASSIONS. Please indicate any things or causes you feel truly passionate about by selecting all appropriate choices from the list below, and/or fill your own choices below. Base: HNWI

“Today, luxury is the chance to switch off and actually escape from it all. We live in a time where we're defined by our connectivity. Luxury is taking the time to step away from that for any period of time to focus on enjoying yourself.

— INTERVIEW WITH AFFLUENT MALE, 25, SINGAPORE

SHARE OF WALLET – PAST 12 MONTHS

2018 TRAVEL-RELATED SHARE OF SPEND



In 2018, travel and travel-related experiences took up as much as a third of their discretionary spending. Travel overall was the biggest spending category, ahead of luxury fashion goods, except in China where millionaires still spent more on fashion. Within travel, consumers from China, Japan and India, in particular, showed willingness to spend on travel activities and experiences, while Hong Kong millionaires showed highest share of spend on cruises.

	CN	HK	SG	JP	KR	IN
Travel experiences/activities	9%	5%	6%	10%	6%	10%
Cruise	3%	10%	3%	2%	4%	5%
Airline tickets	6%	8%	9%	9%	8%	6%
Hotels / Accommodation	5%	7%	9%	9%	8%	7%
TRAVEL TOTAL	23%	30%	27%	30%	26%	28%
	n=319	n=105	n=100	n=150	n=126	n=103

WALLETSHR. How much did you spend in the following categories in the last 12 months? Base: All

SHARE OF WALLET – PAST 12 MONTHS

On average, Asian millionaires travelled internationally two to four times for leisure and one to five times for business in the past 12 months. Down to market level, Japanese millionaires show the least propensity to travel internationally, with 39% of all Japanese millionaires not having travelled at all internationally for leisure in the past 12 months.

Number of Trips	CN	HK	SG	JP	KR	IN
Average number of Leisure Trips	3.0	3.4	3.1	1.8	2.8	3.7
Average number of Business Trips	2.7	2.6	4.8	1.2	1.5	4.2
Base (n):	319	105	100	150	126	103

“Bleisure”, mixing business and leisure in the same trip, is an important component of international travel for millionaires, particularly for Indian respondents who took on average 3.5 bleisure trips in the past 12 months.

	CN	HK	SG	JP	KR	IN
Average number of Bleisure Trips	2.1	1.3	1.8	0.6	1.6	3.5
Base (n):	319	105	100	150	126	103

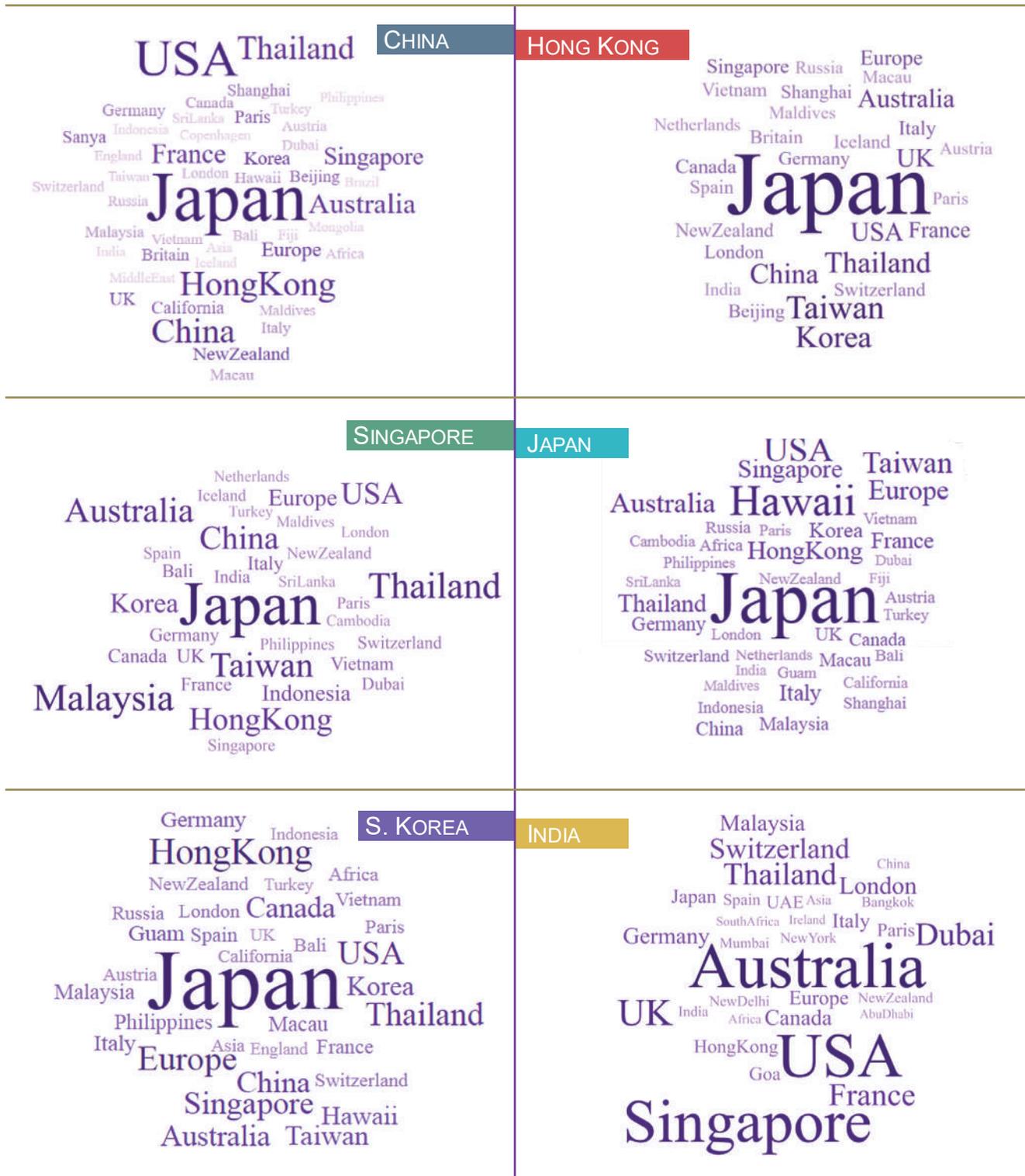
TRAVEL. How many international trips have you taken in the past 12 months for the following purposes?



LEISURE DESTINATIONS

PAST 12 MONTHS

Japan was a favourite destination in 2018 across most markets, with the notable exception of Indian millionaires, who travelled predominantly to USA, Australia and Singapore



TRAVDEST. What destinations have you travelled to for leisure in the past 12 months? Base: P12M leisure travellers

LEISURE ACTIVITIES

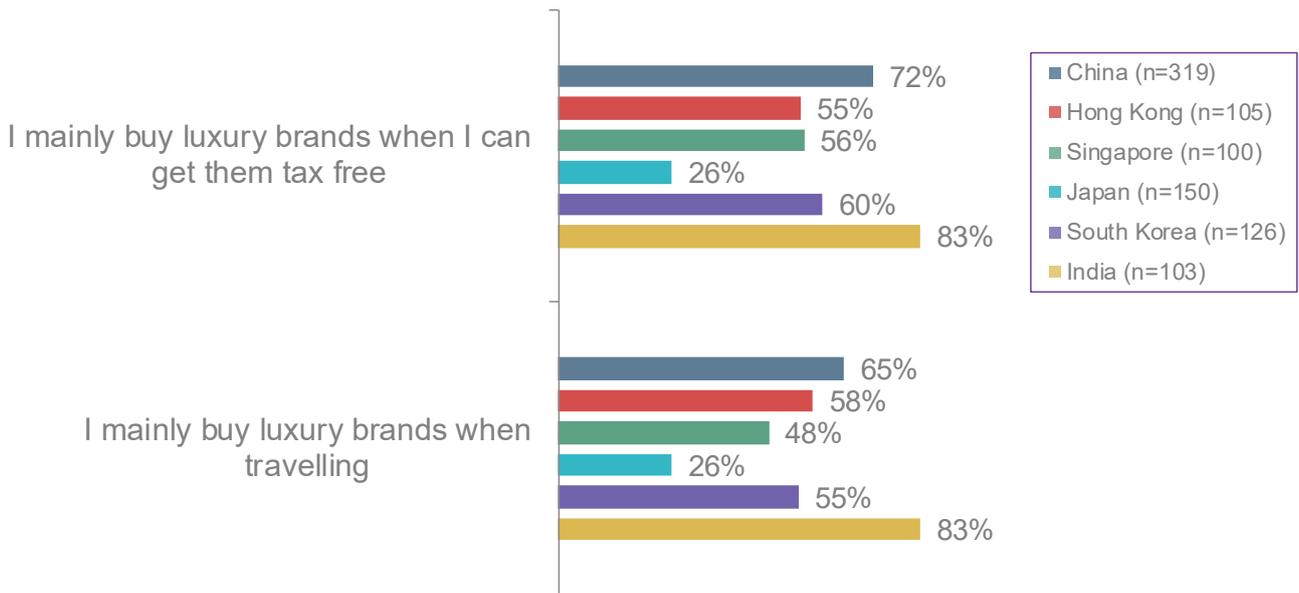
Shopping and sightseeing remain favourite travel activities for Hong Kong, Singapore and Korean millionaires. In China, amusement parks and city tours top the list, with shopping trailing in third position. Japanese millionaires show a strong preference for city tours, diving and adventure, while Indian millionaires prefer to spend time on the beach. Cultural activities and museums are not big drivers, although our data shows interest is growing versus the previous year.



TRAVACTIV. What activities have you done during your leisure travels in the past 12 months? Please list all different activities.
Base: P12M Leisure Travellers

LUXURY SHOPPING AND TRAVEL

Millionaires are frequent travellers, therefore it is not surprising that they enjoy shopping abroad, either to take advantage of cheaper pricing, to buy items not available in their own country, or to enjoy the original retail experience at their favourite brand's flagship store in Paris, Milan or New York.

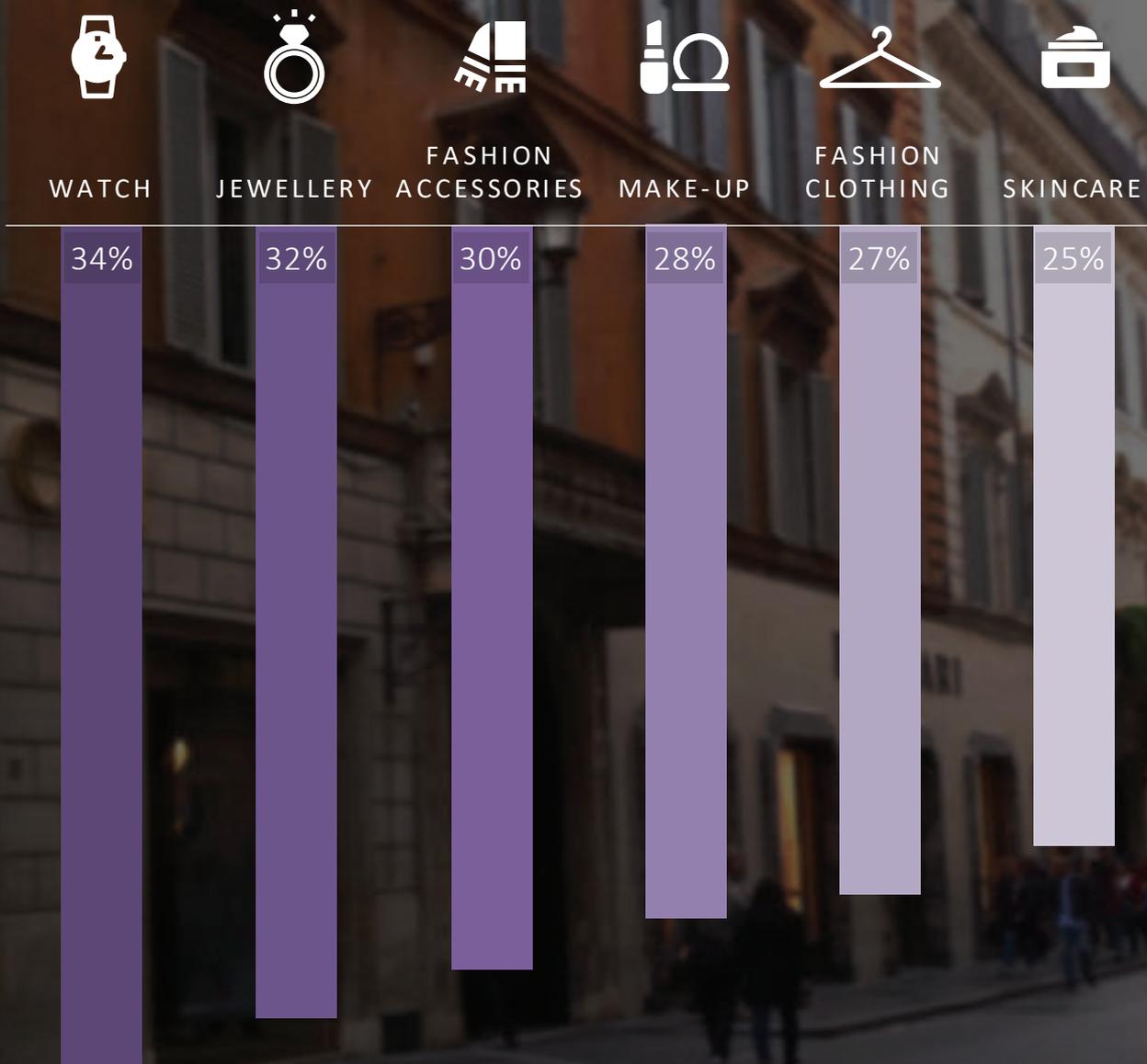


LUXSEG. Please rate how strongly you agree with each of the following statements. (Top-2-box) Base: HNWI



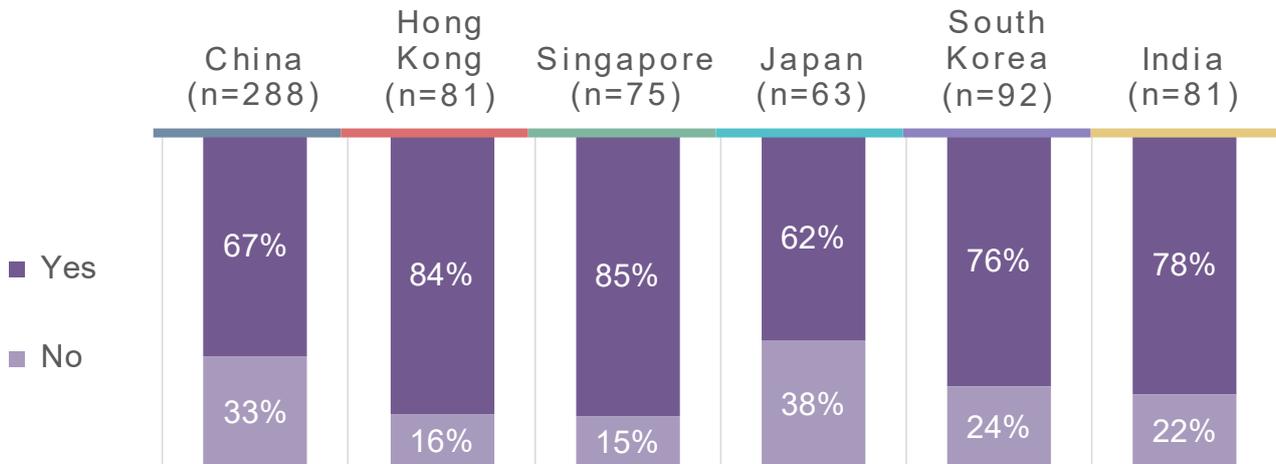
SHOPPING ABROAD - SHARE OF PURCHASES

Watches are the category most purchase abroad, with 33% of the overall spend going to overseas retail stores, followed by jewellery and fashion accessories.



LUXCHANNEL. . What percentage of your purchases for each of the following categories was from each of the following channels?
Base: P12M category purchasers. All Markets

TRAVEL WITH FAMILY



Travel with family represents an emerging trend across almost all markets, with Hong Kong, Singapore and India leading in the region with over 80% millionaires who have kids saying that they took their children with them when travelling.

FAMTRAVEL. Did your children accompany you on your international leisure trips in the past 12 months? Base: Leisure Travellers with kids



FAMILY-FRIENDLY HOTELS

Each Rosewood hotel has a program in place to help kids discover the destination, while learning about the local culture and new skills. The Rosewood Explorer programme takes children outside of a room and provides cultural experiences: in Rosewood Phuket kids can farm the herb garden and learn about local ingredients. Thai weaving stations teach kids about local weaving.



SECTION

TRAVEL SPENDING AND OUTLOOK



SPENDING OUTLOOK – 2019

A significant proportion of millionaires are looking to increase their spending on a number of luxury categories, but travel related categories (i.e., travel experiences, hotels, and airline tickets) are at the top of the list, ahead of luxury watches and fashion clothing. Among travel categories, spending on travel experiences is expected to grow the most in China, Hong Kong and Singapore, while millionaires in S. Korea and India expect to increase spending the most on hotels, and Japanese millionaires on cruises.

	CN	HK	SG	JP	SK	IN
Travel experiences/ activities	63%	59%	50%	31%	55%	70%
Hotels / Accommodation	54%	58%	46%	24%	61%	73%
Airline tickets	51%	43%	44%	28%	61%	65%
Cruises	48%	53%	24%	33%	40%	56%
Base (n):	319	105	100	150	126	103

FUTURESPEND. Looking ahead to the next 12 months, and comparing it to the previous 12 months, how does your likely spending in each of the following categories compare? Top-Box Base: All

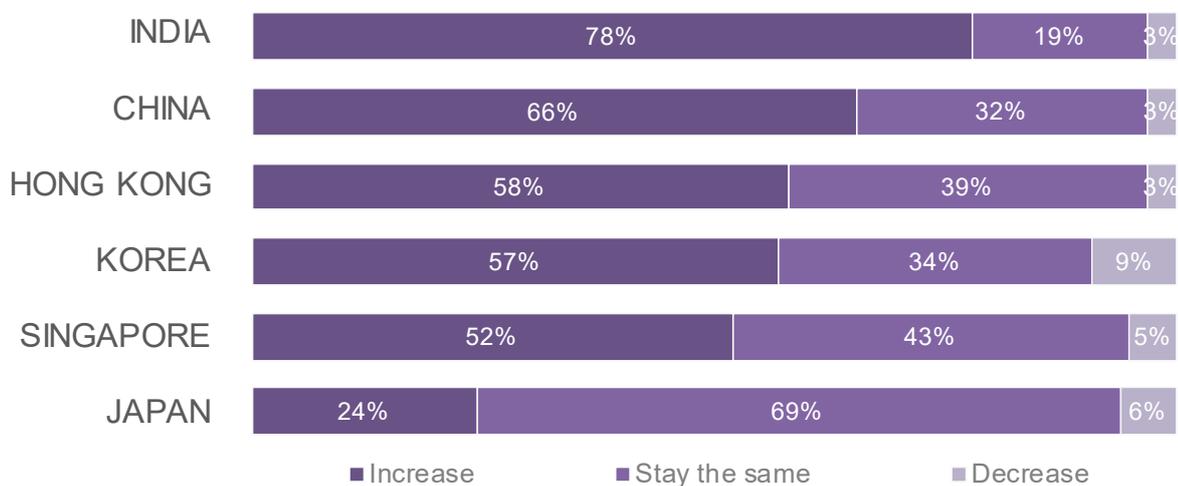
“ I go to a different Michelin Starred restaurant every time I visit Hong Kong, and I go there at least 4-5 times a year.

— INTERVIEW WITH HNWFEMALE, 40, SHANGHAI

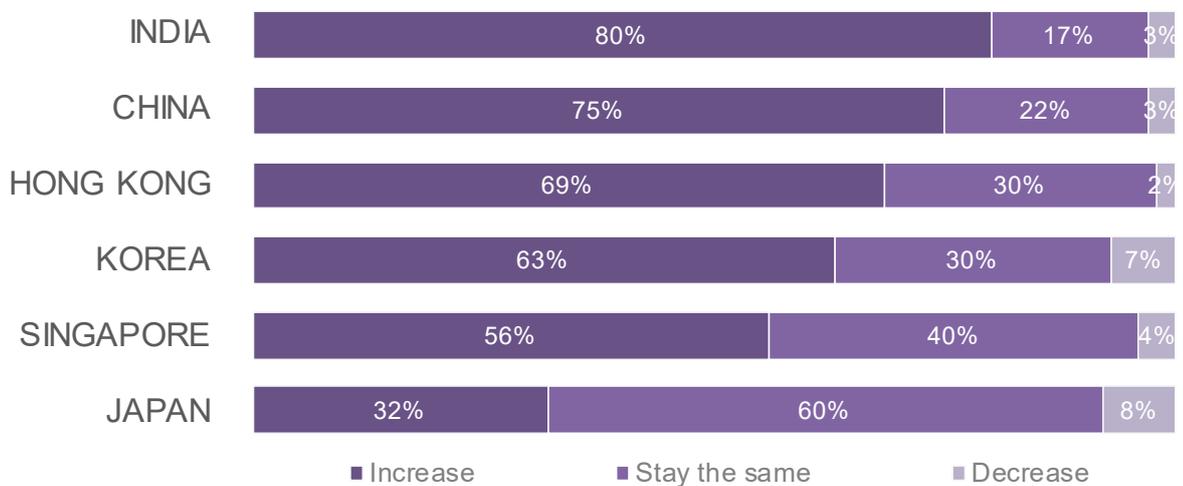
SPENDING OUTLOOK – 2019

The same optimism and willingness to increase spending is evident when looking at future travel plans and overall spending on travel. Among all markets, Chinese and Indian millionaires show the highest propensity to increase the number of trips and spend in 2019. Consistent to other data points in our study, Japanese millionaires remain unenthusiastic about increasing their travel abroad in 2019.

NUMBER OF TRIPS ABROAD FOR VACATION WILL...



TOTAL AMOUNT I SPEND ON TRAVEL WILL...

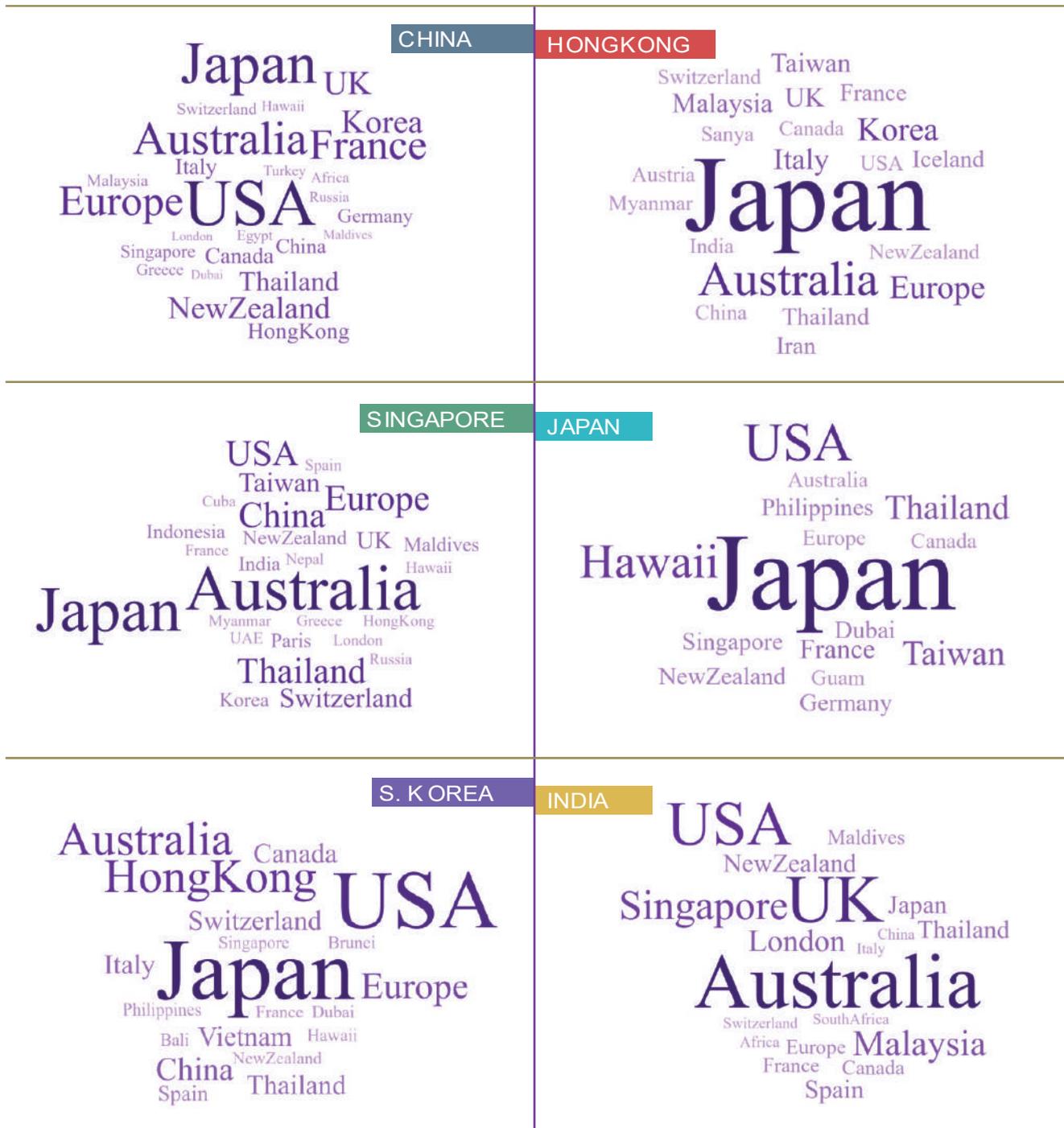


Q. Looking ahead to the next 12 months, compared with the previous 12 months how do you expect the following aspects of your life to change? Base: HNWI

LEISURE DESTINATIONS

NEXT DESTINATION

When asked where they plan to travel next, Japan, Australia and USA feature strongly in millionaires' minds as the next preferred destination. Europe does not seem to rank high in the respondents travel bucket-list, with the exception of the UK which appeals to Indian millionaires.



TRAVDEST2. What destination are you planning on traveling on your next leisure trip? Base: HNWI



SECTION

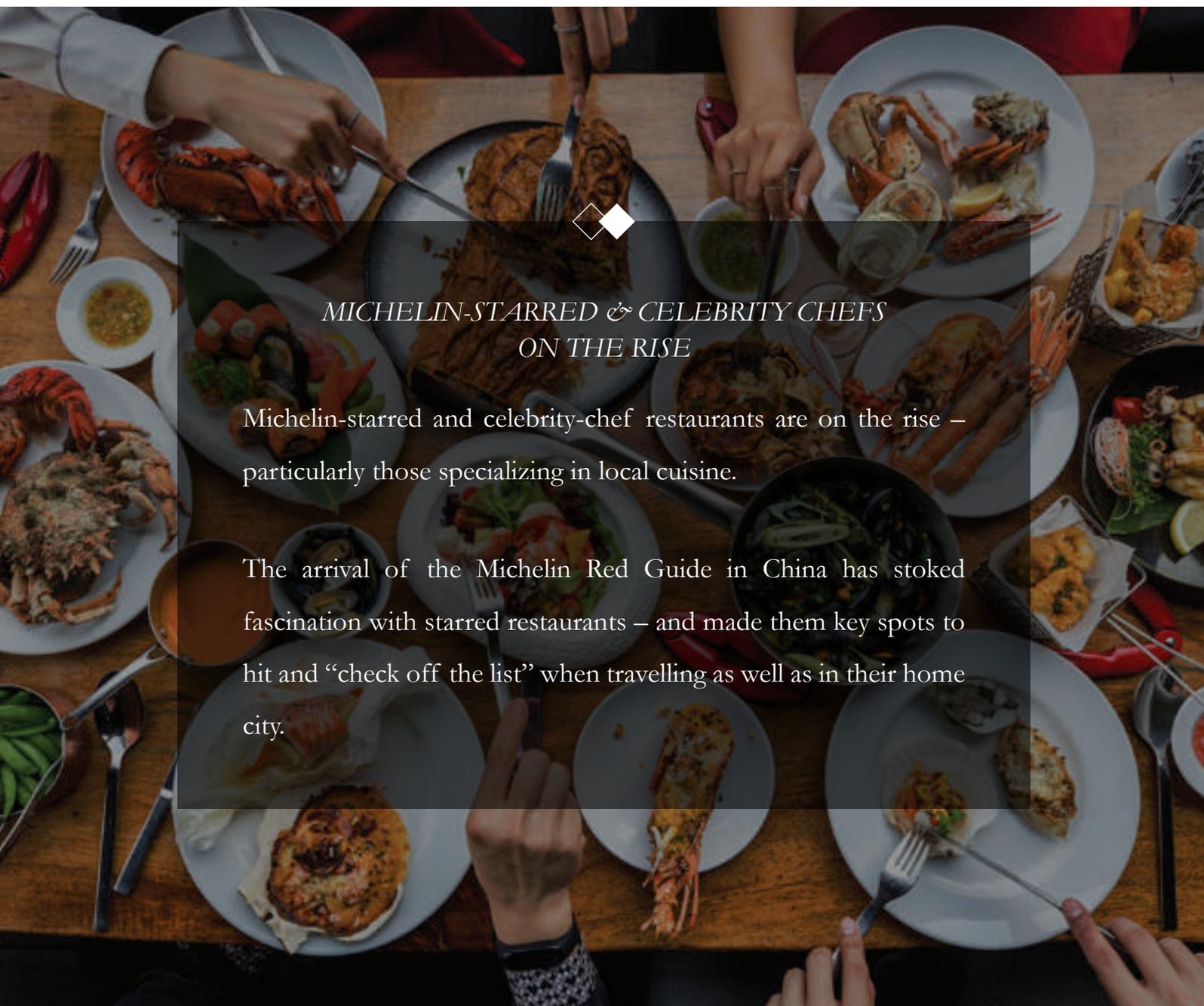
TRAVEL BOOKING



IMPORTANT ACCOMMODATION FEATURES

Looking at the top 3 features millionaires consider important when staying at a hotel, the top spot goes to wireless internet, followed by local food options and extensive breakfast items. Casual and fine dining are also rated highly, which shows that overall, food and food experiences remain a very important for Asian millionaires when travelling.

HOTEL. Please rate how important the following aspects of your accommodation are during your leisure trips? (top-2-score: Important + Extremely Important) Base: Leisure Travellers



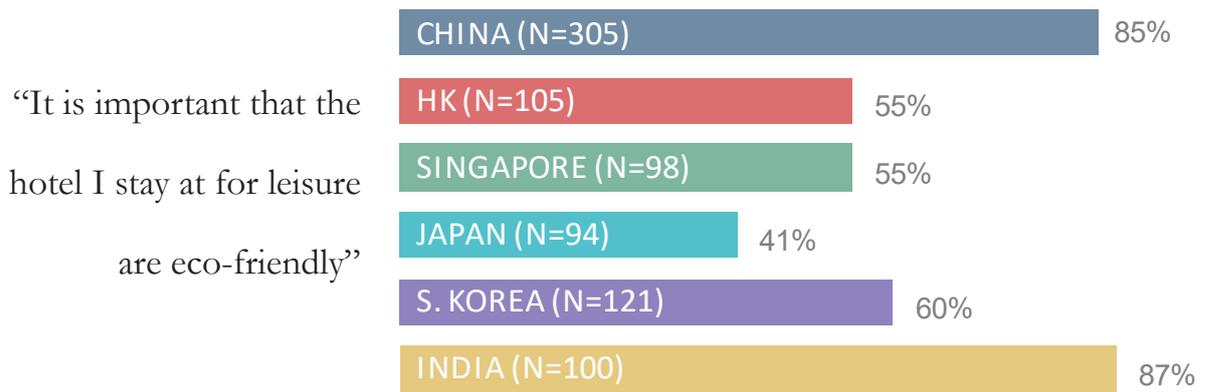
MICHELIN-STARRED & CELEBRITY CHEFS ON THE RISE

Michelin-starred and celebrity-chef restaurants are on the rise – particularly those specializing in local cuisine.

The arrival of the Michelin Red Guide in China has stoked fascination with starred restaurants – and made them key spots to hit and “check off the list” when travelling as well as in their home city.

IMPORTANT ACCOMMODATION FEATURES

Millionaires evaluate the hotel's eco-friendliness before making a booking. This is particularly true of Chinese and Indian millionaires: 85% and 87% respectively say it is an important feature they consider when choosing where to stay.



HOTEL. Please rate how important the following aspects of your accommodation are during your leisure trips? (top-2-score: Important + Extremely Important) Base: Leisure Travellers



IMPORTANT ACCOMMODATION FEATURES

In line with the shifting definition of luxury, from physical products to experiences, our data shows that daily activities and excursions offered by a hotel are important for our millionaires respondents, particularly for Chinese, Hong Kong and Indian ones.

	CN	HK	SG	JP	KR	IN
DAILY ACTIVITIES	72%	70%	55%	47%	59%	92%
EXCURSIONS	73%	81%	47%	36%	41%	88%

HOTEL. Please rate how important the following aspects of your accommodation are during your leisure trips? (top-2-score: Important + Extremely Important) Base: Leisure Travellers

“After years of travel, I want something unique, go somewhere so pure and pristine. Nature has given us so much and yet we are oblivious to the harm we’ve done, I hope to give my contributions no matter how small it may be.”

– *HNW, MALE, 50, HONG KONG*



TOP TRAVEL BRANDS PLAN TO USE - NEXT 12 MONTHS

Sheraton, JW Marriott, Intercontinental, Shangri-La and Hyatt are the region millionaires' preferred hotel brands. AirBnB also ranks among the top 10 hospitality brands in most markets.



Royal Caribbean, Princess Cruises and Star Cruises top the ranking of preferred cruise brands.



Millionaires in each market prefer to fly with their national carrier, except in India where Emirates is the preferred airline brand.

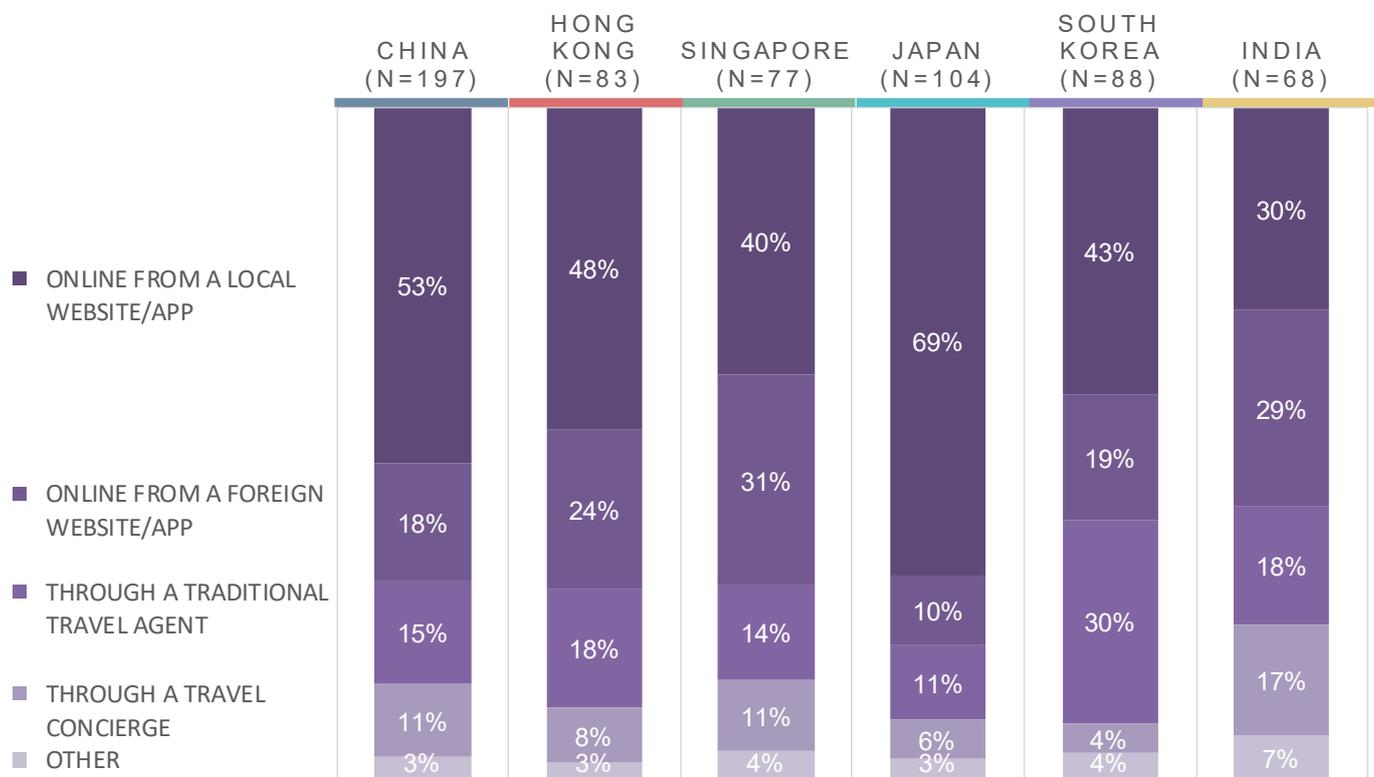
AirChina KoreanAir SingaporeAirlines
CathayPacific Ana Emirates

HOTELBRANDS. Which of the following HOTEL OR CRUISE brands are planning on using in the next twelve months?
Wealth=HNWI, Year=2018 Base: n=903

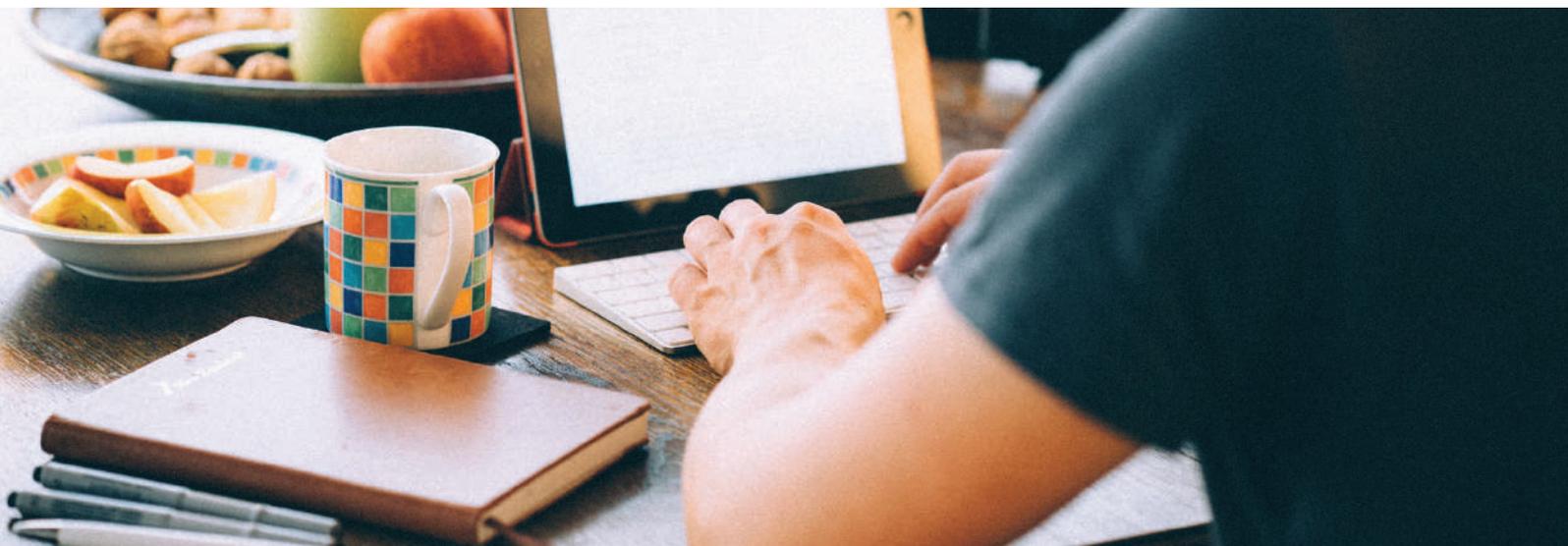
PURCHASE CHANNELS

HOTELS / ACCOMMODATIONS

When booking an accommodation, millionaires in all markets favour the internet, either through a local or a foreign website, although traditional travel agents remain an important channel in South Korea, India and China. Our data shows that the online channel is increasingly utilized to purchase travel experiences, thanks to new platforms specifically dedicated to it like Klook and AirBnB.



TRAVELCHANNEL. What percentage of your purchases for each of the following travel categories was from each of the following channels?. Base: P12M category purchasers



ONLINE BOOKING

HOTELS / ACCOMMODATIONS

In all markets surveyed, consumers prefer the convenience of travel aggregator websites to book their hotel accommodation. Local champions Ctrip, Rakuten and MakeMyTrip take the top spot in China, Japan and India, while international platforms like Expedia and Hotels.com lead in the other markets.

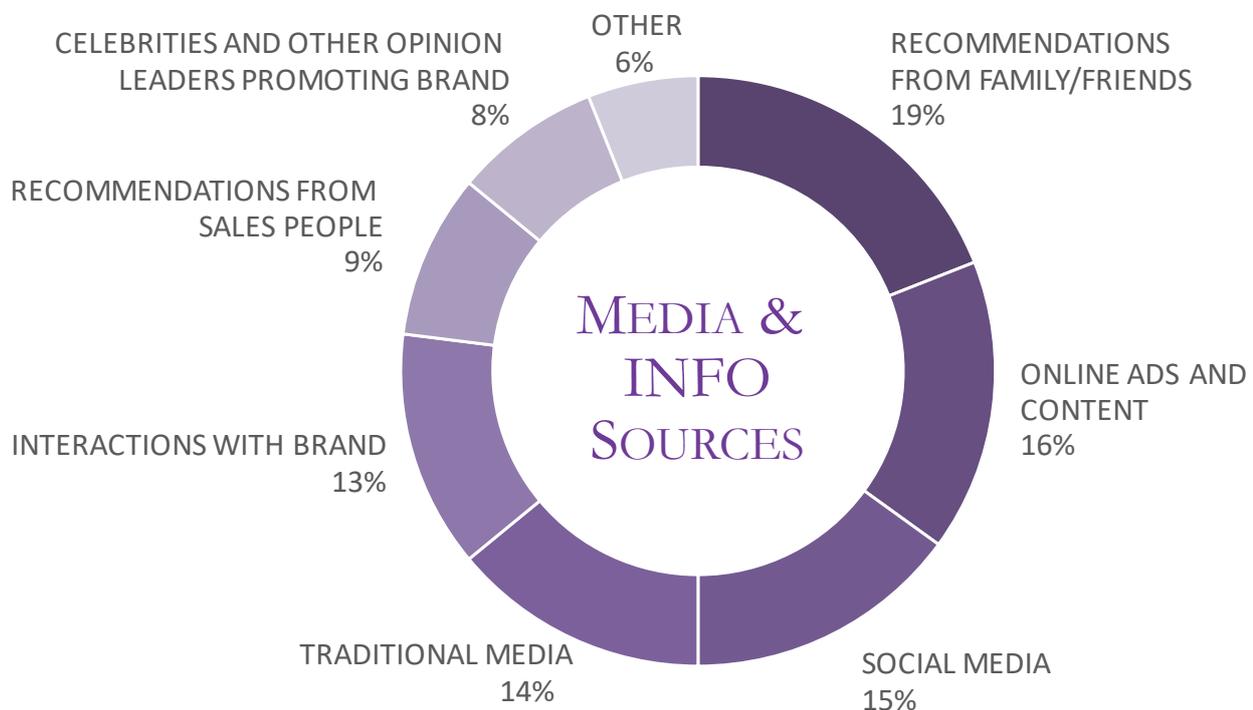


ONLINEBOOK. What websites or apps have you used to book the following travel categories in the past 12 months? Please list all you have used. Base: Those who have booked hotels/accommodations online

SHARE OF INFLUENCE - MEDIA & INFORMATION SOURCES

When choosing a brand to travel with, millionaires are influenced by a variety of media & information sources. As consumers receive information from different types of media, brands need to maintain and monitor presence across various channels.

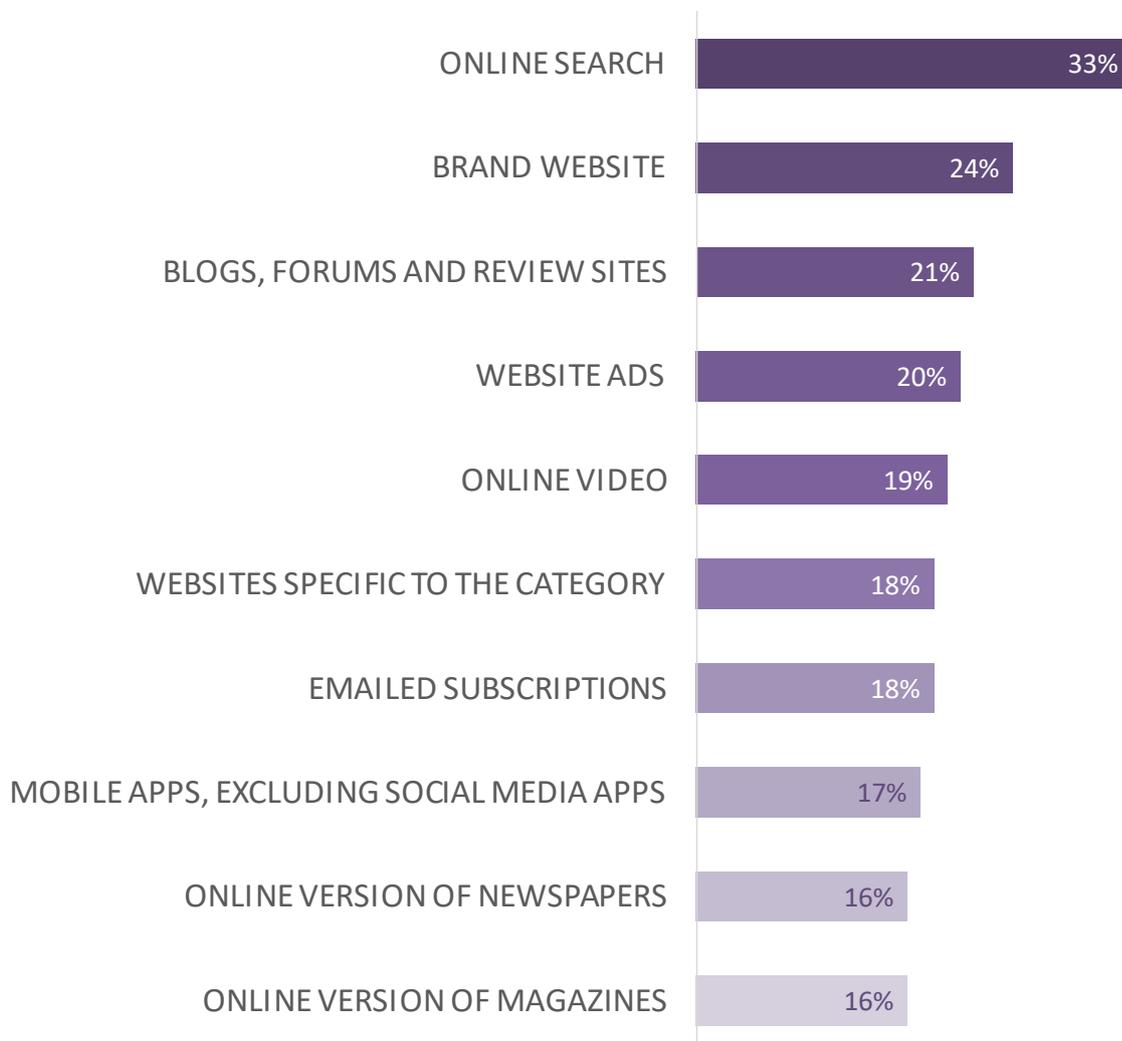
Celebrities and other KOLs, an area where most brands have invested heavily in the past few years, do not seem to play a very large part in influencing millionaires purchasing decisions: standing at 8% share of influence, this channel is well below recommendations from family & friends, online ads and social media.



MEDIASHARE. Thinking about what influences your brands choices in each of the following categories. Please estimate the share of influence of each of the following media and touchpoints where brands advertise, communicate and interact with you. Base: P12/N12M Category Purchasers

MEDIA & INFO SOURCES: DIGITAL

When looking at which digital channels millionaires turn to to gather information about brands and products, online search and brand website come on top, but no single channel is predominant. This indicates that brands need to invest in all communication channels, ensuring a consistent cross-channel experience.



AWARENESS. In which of the following places, venues, or media do you look for or pay attention to information or advertising of products in the following categories. Base: P12/N12M Category Purchasers

MEDIA & INFO SOURCES: SOCIAL MEDIA

China continues to innovate in the social media space. Little Red Book, a social platform which focuses on the beauty and fashion segment, has become one of the fastest growing social media platforms in China, and has started diversifying its content in other lifestyle categories. TikTok (Douyin), is the most used media app for creating and sharing short videos, although few travel brands have been able to unlock the opportunity to use it effectively. It is worth noting that despite the country firewall, most Chinese consumers still access Facebook, Twitter and Instagram, which remain important channels to reach Chinese millionaires.

	CN		HK		SG
WeChat	40%	Reddit	44%	Facebook	48%
Sina Weibo	34%	WeChat	40%	Instagram	27%
Little Red Book - Xiao Hong Shu	23%	Sina Weibo	26%	None	27%
Twitter	22%	Facebook	26%	Twitter	16%
Douyin	22%	Instagram	25%	Pinterest	15%
Facebook	20%	Tumblr	25%	WeChat	14%
Instagram	19%	Twitter	24%	Tumblr	14%
Pinterest	19%	Pinterest	22%	Reddit	13%
	JP		KR		IN
None	55%	Instagram	40%	Facebook	43%
Facebook	17%	Reddit	36%	Line	33%
Instagram	16%	Facebook	28%	Instagram	32%
Twitter	14%	Naver Café	24%	Twitter	30%
Line	9%	Tumblr	22%	Tumblr	27%
Other social media	8%	KakaoTalk	21%	Sina Weibo	25%
Snapchat	5%	WeChat	20%	Telegram	25%
Pinterest	4%	Twitter	20%	Pinterest	23%
Base (n):	130	Base (n):	121	Base (n):	102

AWARENESS2. In which of the following social media do you look for or pay attention to information or advertising of products in the following categories? Base: P12/N12M Category Purchasers

SOCIAL MEDIA CELEBRITIES / INFLUENCERS: FOR TRAVEL

In each market, millionaires follow and gather information from a mix of celebrities' social accounts, KOLs activities, brand accounts and aggregator platforms.

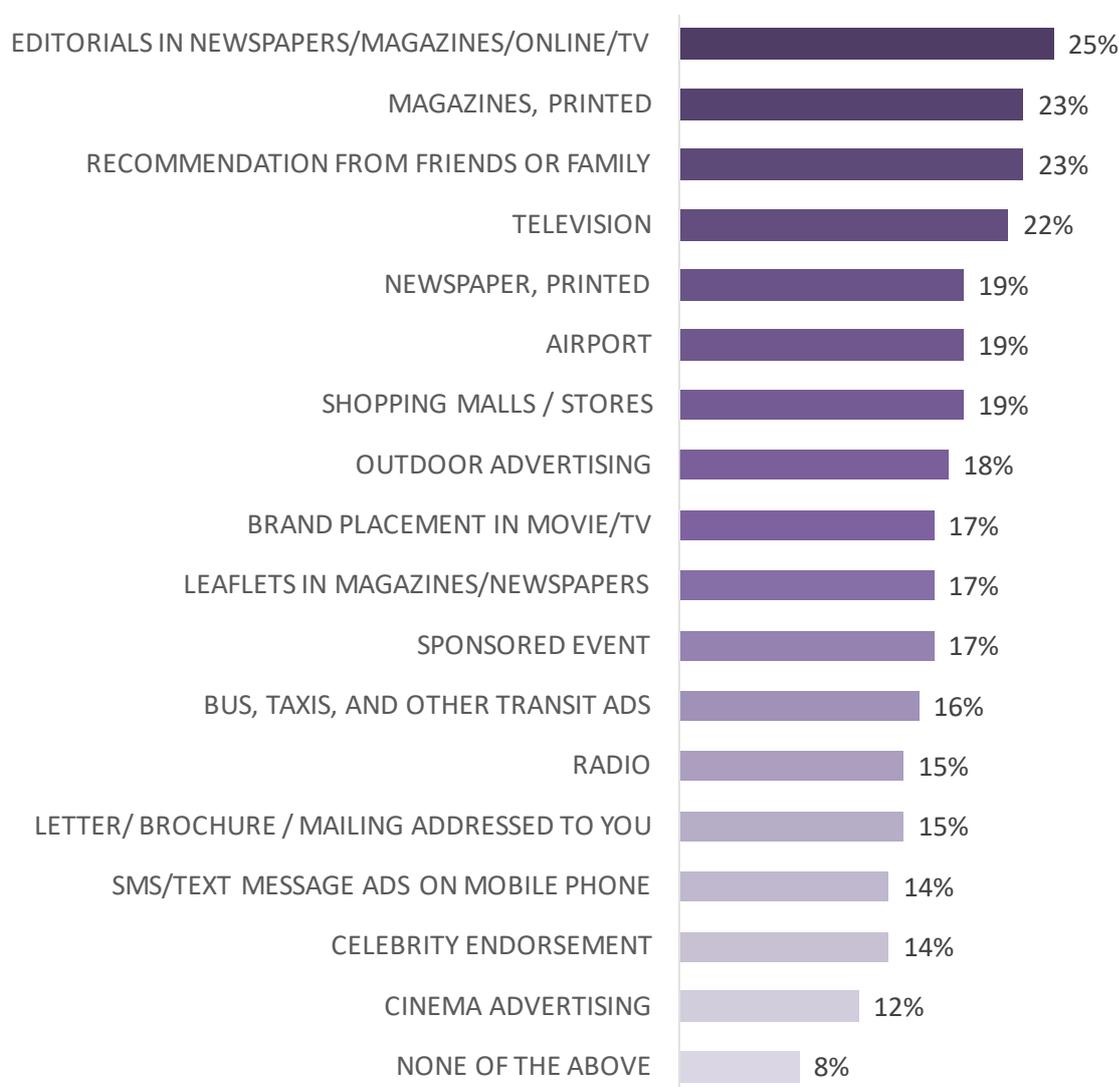


KOL. Please list the top 3 celebrities/influencers you follow on social media for each of the following topic areas. Base: HNWI except Japan excluded due to the low base

MEDIA & INFO SOURCES: TRADITIONAL MEDIA

Traditional media still plays a role in informing millionaires travel choices. Editorials, recommendations from friends/family, printed magazines and television are the most influential traditional media channels.

At the other end of the spectrum, celebrity endorsement does not seem to play a large role in informing millionaires about travel.



AWARENESS. In which of the following places, venues, or media do you look for or pay attention to information or advertising of products in the following categories. Base: P12/N12M Category Purchasers

KEY TAKEAWAYS

Our data shows that 2019 will be another year of strong growth for the luxury travel segment. Particularly encouraging is the willingness to travel manifested by Chinese and Indian millionaires, given the large size of HNWI's in these two countries. Japanese millionaires, on the other hand, remain reluctant to travel internationally, a trend that persists despite a stabilizing economy and increased inbound touristic flows.

Travel is the leisure activity millionaires are most passionate about, more so than fashion, cars and exercise.

There is increased awareness that luxury travel is more than luxury accommodation and transportation. Experience seeking has become the true motivation to travel. Food experiences remain high on the millionaires travel bucket-list, starting from a varied breakfast at the hotel, continuing with a local, authentic and safe lunch to sample the local cuisine, and ending with fine dining at a Michelin-rated restaurant.

The need for authenticity drives the choice of where to travel: Japan remains a very attractive destination for Asian millionaires because it is seen as safe, diversified and authentic.

Sustainability and eco-friendliness is growing in importance, particularly for Chinese and Indian millionaires: 85% say it influences their choice of which hotel to stay at.

A person wearing a red puffer jacket is seen from behind, standing on a snowy mountain slope and looking towards a large, snow-covered mountain peak under a cloudy sky. The scene is set in a high-altitude, alpine environment.

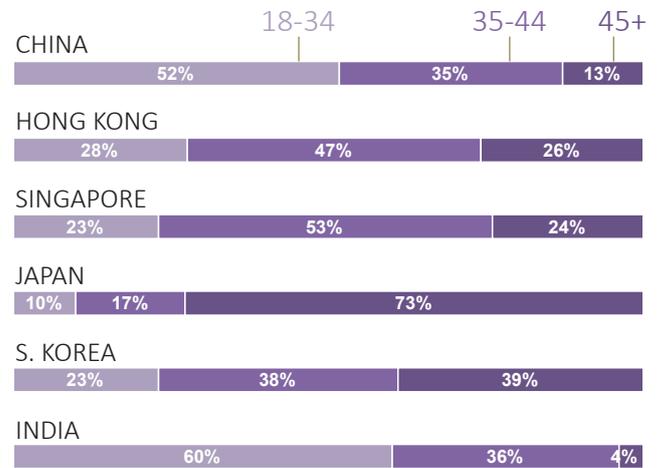
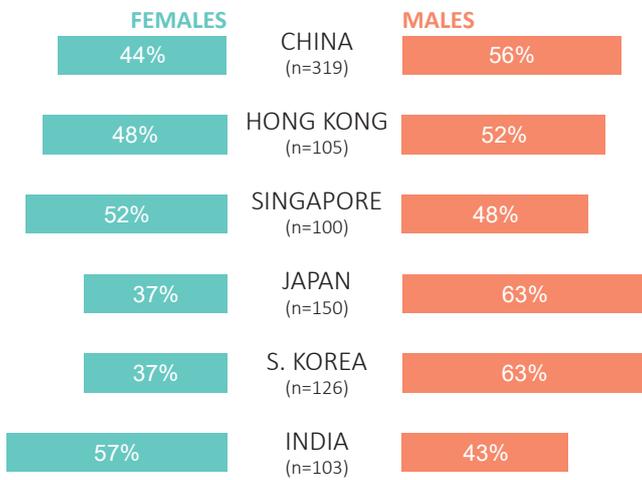
Our research indicates that millionaires' reasons to travel are shifting from status and recognition to personal growth and better quality of life. Increasingly, business trips become a mix of business and leisure (“bleisure”) and millionaires plan their trips with the whole family, to spend quality time with children, and to share the experiences together.

Shopping, which until a few years ago was cited as the top reason to travel across all 6 markets covered by the study, is becoming less relevant. Asian millionaires interests are becoming more sophisticated: city tours, diving, beach, food, amusement parks, spas and hot springs are some of the most mentioned reasons to travel.

We expect to see in the next few years an increase of interest in art & cultural travel, on the tail of the opening of major museums and cultural institutions throughout the region.

Online and digital is gaining traction both as a channel to search for information and as way to research and book travel. At the same time, traditional channels such as recommendation from friends and family, TV and magazines are still very relevant in shaping and influencing millionaires travel decisions.

PROFILES & DEMOGRAPHICS



	CN	HK	SG	JP	KR	IN
SINGLE (NEVER MARRIED)	4%	18%	15%	18%	25%	17%
MARRIED	96%	79%	82%	79%	74%	84%
SEPARATED OR DIVORCED	-	3%	3%	3%	2%	-

I HAVE KIDS AGED UNDER 15 YEARS	80%	63%	54%	15%	34%	61%
I HAVE KIDS AGED 15 YEARS OR OLDER	8%	10%	18%	45%	28%	7%
I HAVE KIDS AGED UNDER 15 YEARS AND AGED 15 YEARS OR OLDER	5%	5%	5%	7%	13%	13%
I HAVE NO KIDS	7%	23%	23%	33%	25%	19%



2019 Affluent Insights™ Reports

TARGETING THE AFFLUENT AND HIGH NETWORTH CONSUMER

AFFLUENT CONSUMER INSIGHTS

The Affluent Consumer continues to drive the consumption of premium brands, luxury goods and experiences globally. Brands increasingly need to monitor the pulse of these discerning consumers in order to win in a competitive market.

- ✓ PERCEPTIONS OF LUXURY
- ✓ PSYCHOGRAPHICS
- ✓ LUXURY BRAND PURCHASING
- ✓ TRAVEL BEHAVIOUR
- ✓ INFORMATION CHANNELS
- ✓ SHARE OF WALLET
- ✓ PURCHASE CHANNELS
- ✓ PROFILING / INTERESTS

BRANDS COVERED BY CATEGORY

You can subscribe to one or more categories:

112 FASHION BRANDS	72 JEWELLERY BRANDS
60 SKINCARE BRANDS	81 WATCH BRANDS
48 MAKEUP BRANDS	61 ALCOHOL BRANDS
17 CRUISE BRANDS	71 HOTEL BRANDS

METHODOLOGY

We interview 300 to 1,000 affluent individuals per market with minimum annual household incomes (AHHI) as indicated below, including 100 (300 in China) interviews among millionaires (or HNWI, with USD 1 million or more in investable assets).

MARKETS	MIN. AHHI	SAMPLE
CHINA	CNY 400,000+	Total: n=1,006 HNWI: n=319
SINGAPORE	SGD 150,000+	Total: n=320 HNWI: n=100
HONG KONG	HKD 1,000,000+	Total: n=312 HNWI: n=105
JAPAN	JPY 13,500,000+	Total: n=523 HNWI: n=150
SOUTH KOREA	KRW 100,000,000+	Total: n=516 HNWI: n=126
INDIA	INR 3 million+	Total: n=503 HNWI: n=103

Please contact us for the full report, with additional topic areas and detailed reporting, which is available for purchase. Country specific reports and different segment reports are also available.

EMAIL: CONTACT@AFFLUENTIAL.COM



agility RESEARCH & STRATEGY **AFFLUENTIAL**

AGILITY-RESEARCH.COM | AFFLUENTIAL.COM