

HVS Monday Musings: Bleisure Travel is Back in Business

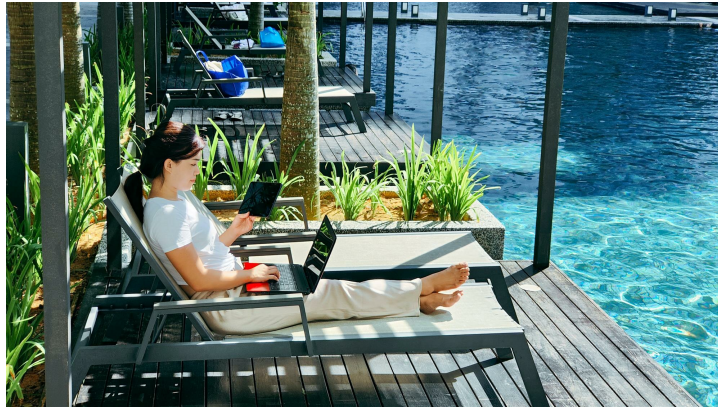
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Bleisure travel – business travelers extending their business trips by a few days for leisure tourism activities – is expected to grow substantially in the next few years. Can the hotel industry leverage its potential? Read on to know more.

With the steady recovery in corporate travel, the concept of bleisure travel, also known as blended travel, is re-gaining popularity. Prior to the pandemic, bleisure was primarily a millennial trend; however, as flexible work arrangements and remote work have gained traction, bleisure has become more common and acceptable across age groups and among professionals from various industries. As a result, the global bleisure tourism market, which accounts for 30%-35% of the global business travel market, is expected to reach US\$ 497.5 billion in 2022 and will grow at a 19.5% CAGR over the next ten years.

As the name implies, bleisure is a fusion of business and leisure travel in which business travelers extend their business trips by a few days for leisure tourism activities. After nearly two years of almost no travel, people are no longer viewing business trips as a simple fly-in, attend meetings, fly-out-routine, and most are extending their business trips to experience the destination or nearby areas and compensate for lost time during the pandemic by bringing family or loved ones along for the trip.

Furthermore, a recent Deloitte corporate travel survey found that, while health concerns and travel restrictions have subsided, they have been replaced by financial concerns, with many travelers concerned about rising travel costs. In such a scenario, bleisure is poised to take off because it enables people to enjoy a quick getaway with family and loved ones at much lower costs because travel and lodging costs are partially covered by their employer. This is especially true for people attending in-person conferences and MICE events in domestic or international destinations after a two-year hiatus. Global events, for example, have helped Dubai to emerge as one of the world's bleisure hotspots in recent months. Thanks to events such as Expo 2020 and the Dubai Shopping Festival, the city has already hosted 7.1 million visitors in the first six months of 2022, compared to 7.3 million in the entire year of 2021. South Korea, which recently reopened to international tourists, has also announced its plans to capitalize on the growing popularity of bleisure to entice corporate and MICE travelers through various marketing campaigns and promotions.



Source: Unsplash

Bleisure is as popular in India as it is elsewhere. According to reports, prior to the pandemic, Indians ranked second among bleisure travelers in 31 countries, with more than 70% of Indians surveyed extending their business trips to enjoy the destination. The increased influx of international business travelers, as well as the return of high-profile MICE events in India, will further drive bleisure tourism in the country in the future.

As a result, it is critical that the hotel industry, particularly traditional business hotels, recognize the opportunity and create special packages and offerings by incorporating more leisure elements into the experience to attract corporate guests looking to extend their trip. As employee retention and well-being become top priorities, many companies are expected to improve corporate travel policies encouraging bleisure travel in the future. Hotels can collaborate with such organizations to offer special bleisure packages with discounted rates and other perks such as wellness treatments, special dining and F&B offers, family-friendly activities, and curated local experiences for their employees on business trips. Furthermore, these packages should be tailored to the bleisure traveler's work schedules so that they can actually use the property's services.

Bleisure is back and here to stay. Embracing this trend by providing tailor-made experiences to meet the evolving needs of the business traveler will give them reasons to stay longer, helping the hotel industry to generate more revenue and guest loyalty.