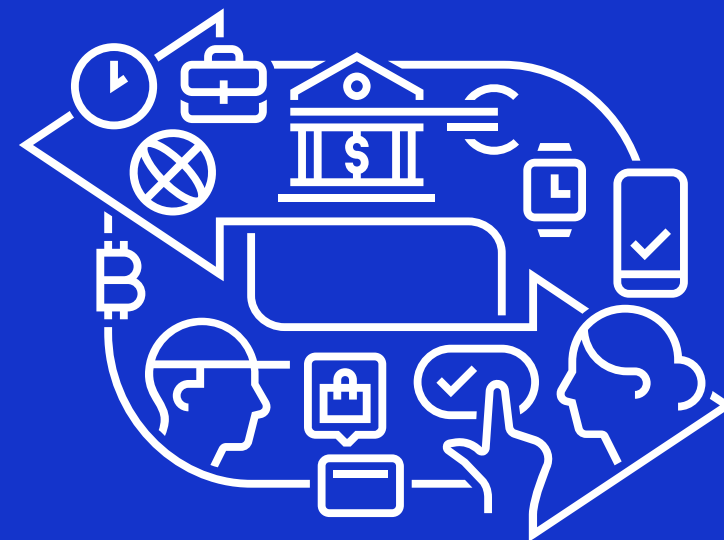


Where are Asia's affluent and what do they want?

Macroeconomic, travel and spending trends the luxury industry need to follow in 2025



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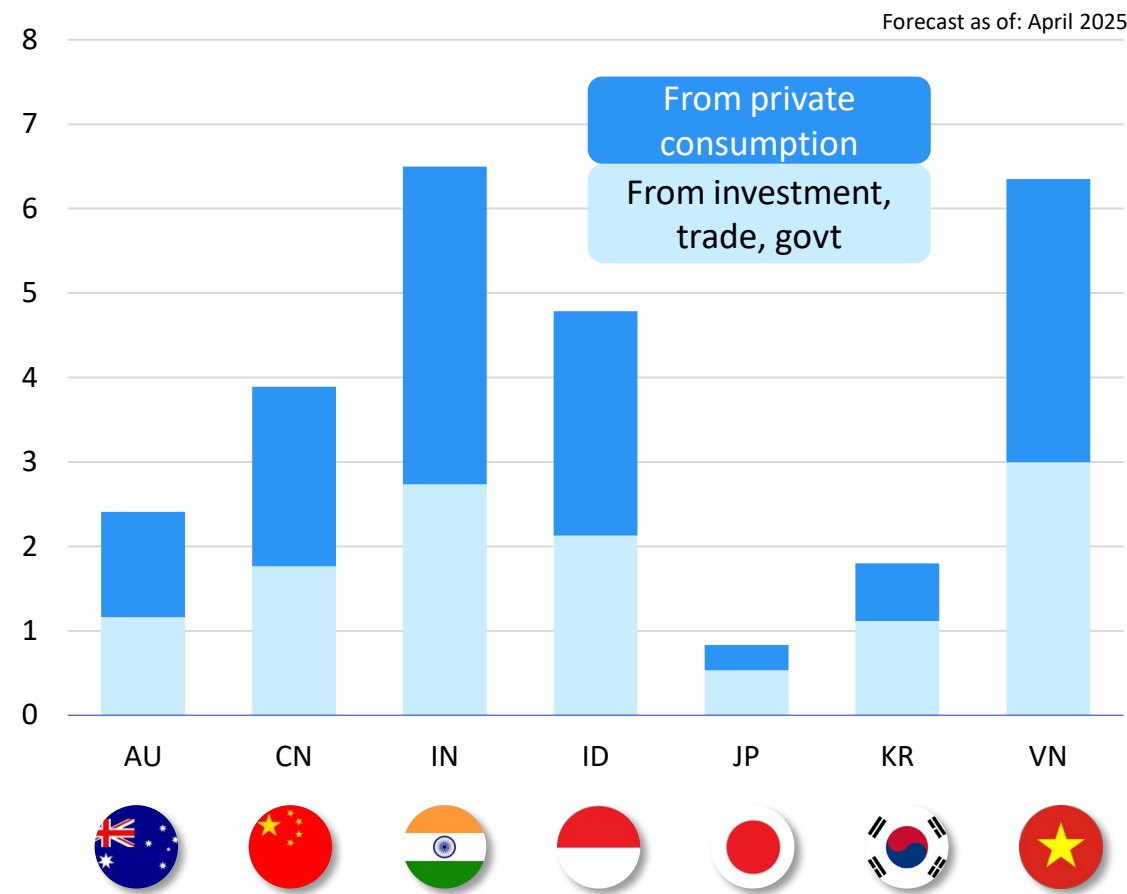
Growth and opportunity in Asia Pacific

Macroeconomic context for luxury and travel

Growth getting harder as trade barriers rise and Mainland China slows

Difficult domestic choices will have to be faced as the external environment toughens

GDP growth 2025-29 (average annual, percent)



The world's fastest-growing region

India and Southeast Asia are growing relatively fast, even as Mainland China slows systematically



Demographic change

Urbanisation is driving strong growth in the middle class in many places, yet societies are ageing rapidly and jobs growth is slow



Technological change and investment

AP a tech leader



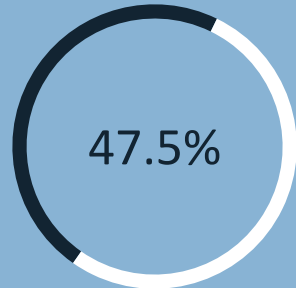
Policy uncertainty

Uncertainty will reduce investment by firms and increase savings by households

Half of the world's new affluent
will be in Asia Pacific

\$2.14
trillion

Current analysis reveals
\$2.14 trillion total addressable
market¹ across 10 key AP
markets



The AP region will
account for nearly half
of all new High Net
Worth Individuals
between 2025 to
2028²

Profitable and rapidly growing

Payment Volume
Growth Rate 2023 vs 2024

High Net Worth
Segment

20%
Growth rate

Mass Affluent
Segment

12%
Growth rate

Mass Market
Segment

1%
Growth rate

Source:

1. Total Addressable Market is based on (total household taxable income of affluent cohort). Subject to further refinement. Data source used is Euromonitor, and Credit Suisse reports.
2. Asia-Pacific home to half of world's new wealth by 2028 | The Asset

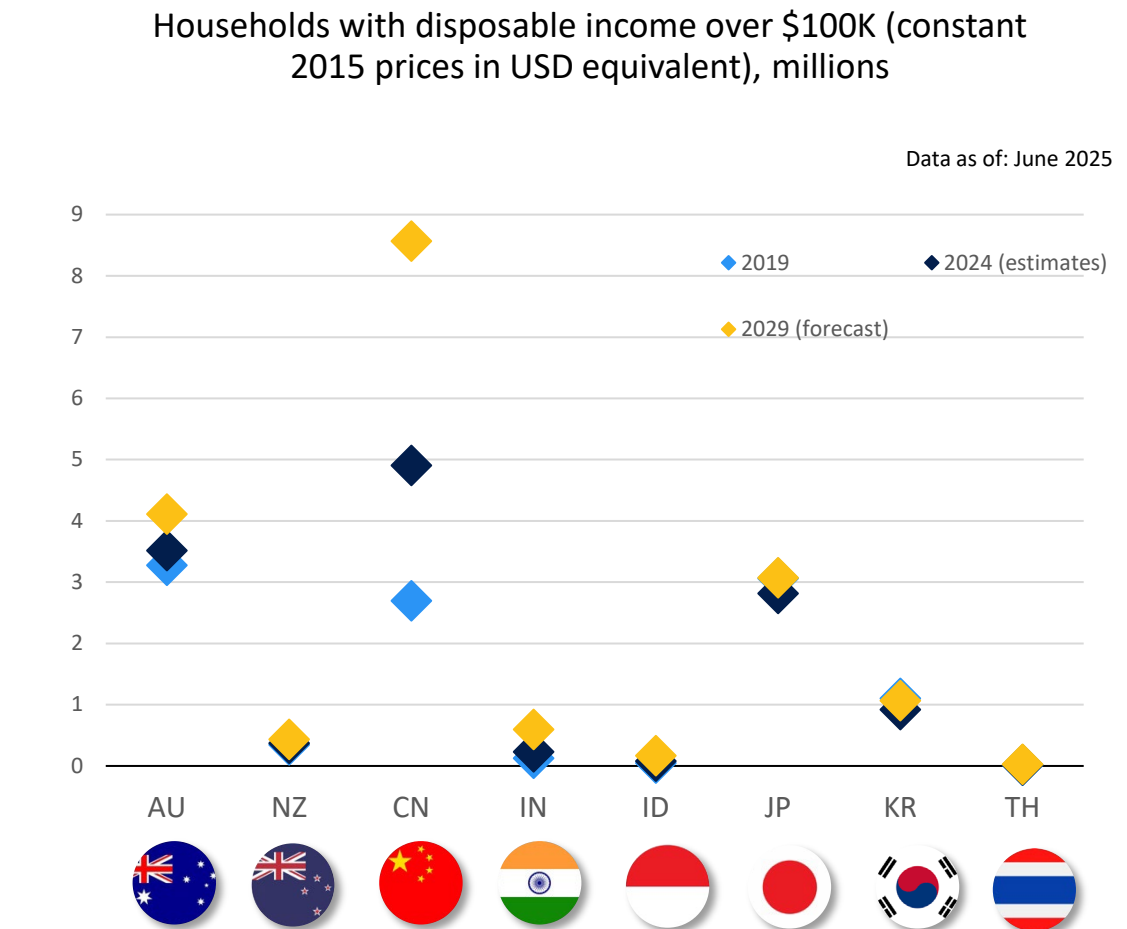
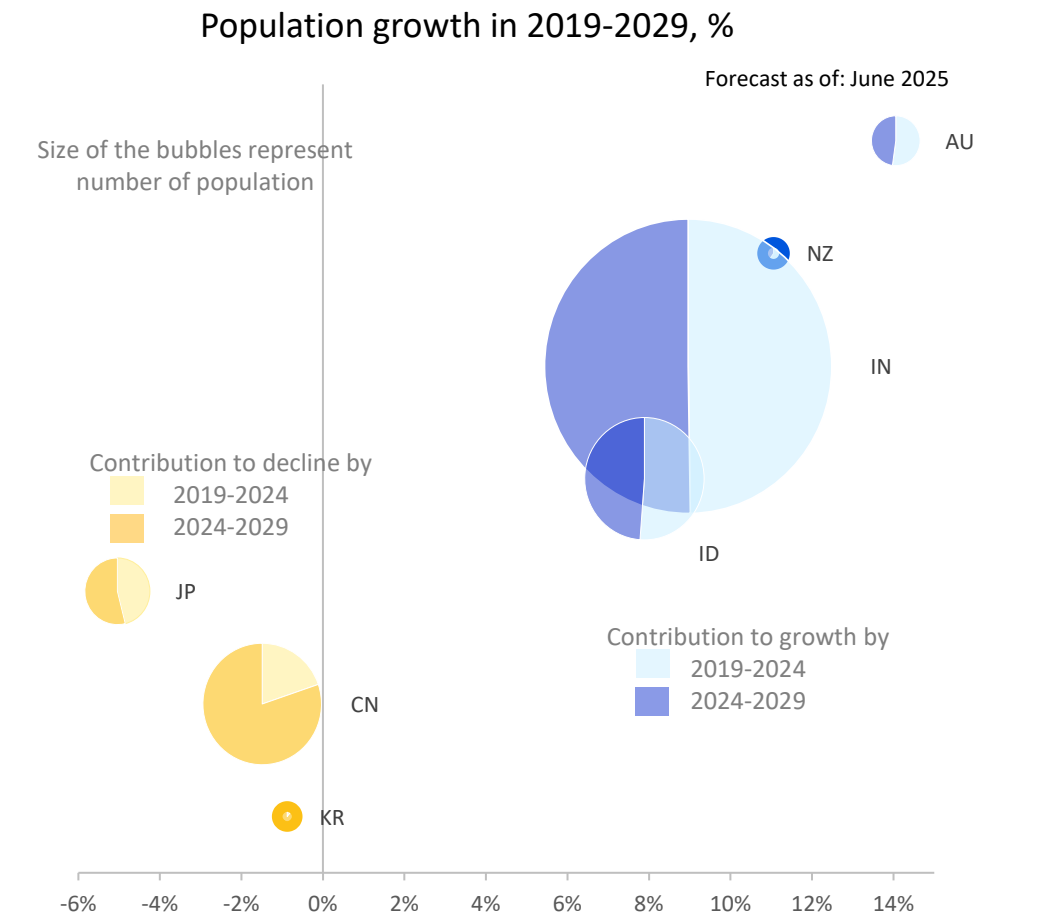
Source:

Ops Cert 2023-2024 | HNW Segment includes Visa Infinite across AP and Visa Platinum in Japan, Mass Affluent includes Visa Signature in AP, Mass Market includes Visa Platinum, Visa Classic, Visa Gold and Visa Rewards in AP

Asia Pacific's people are moving, ageing and getting richer

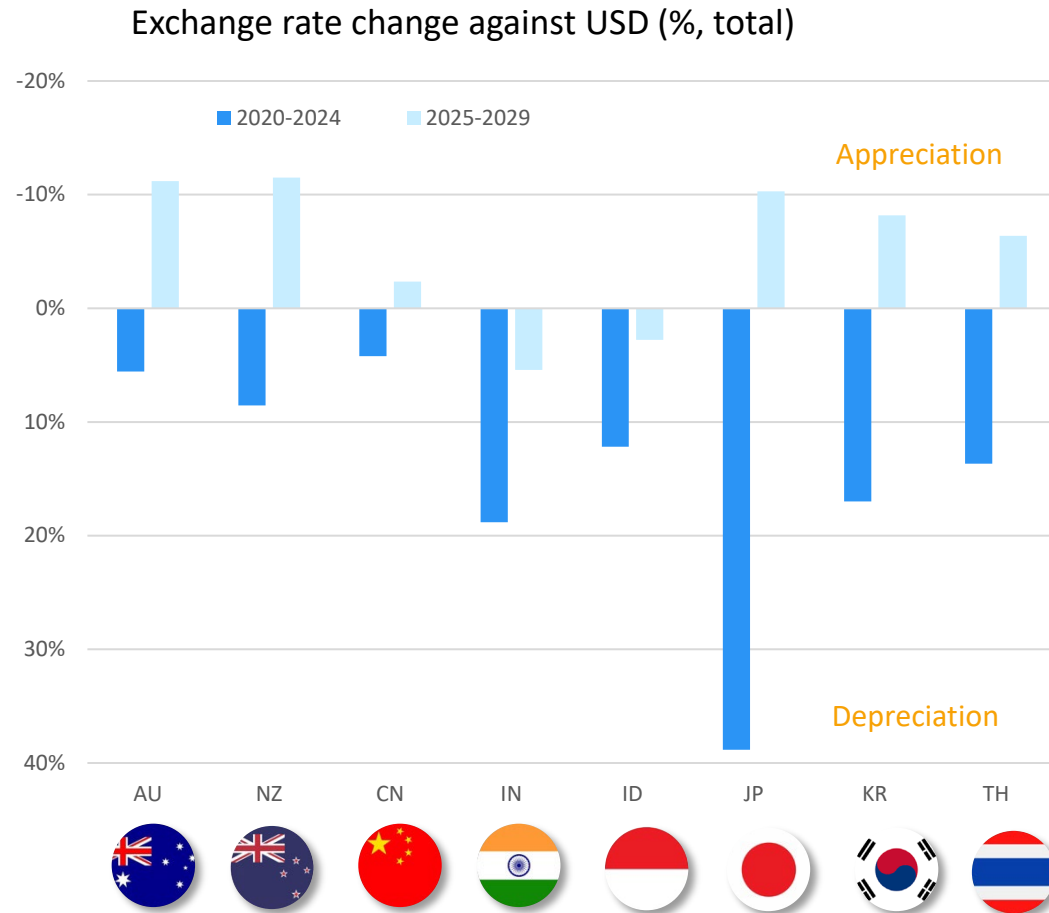
Some populations are already shrinking, and more will follow

Affluent individuals are rising fast, making AP a global hotspot for luxury growth



Currency appreciation will give most in AP more spending power

Most Asian currencies will remain weaker than pre-covid



Most currencies down since 2020 as people flocked to US assets, reducing international purchasing power



AP currencies expected to diverge: some may appreciate on strong fundamentals, others face pressure from global rates and geopolitical risks



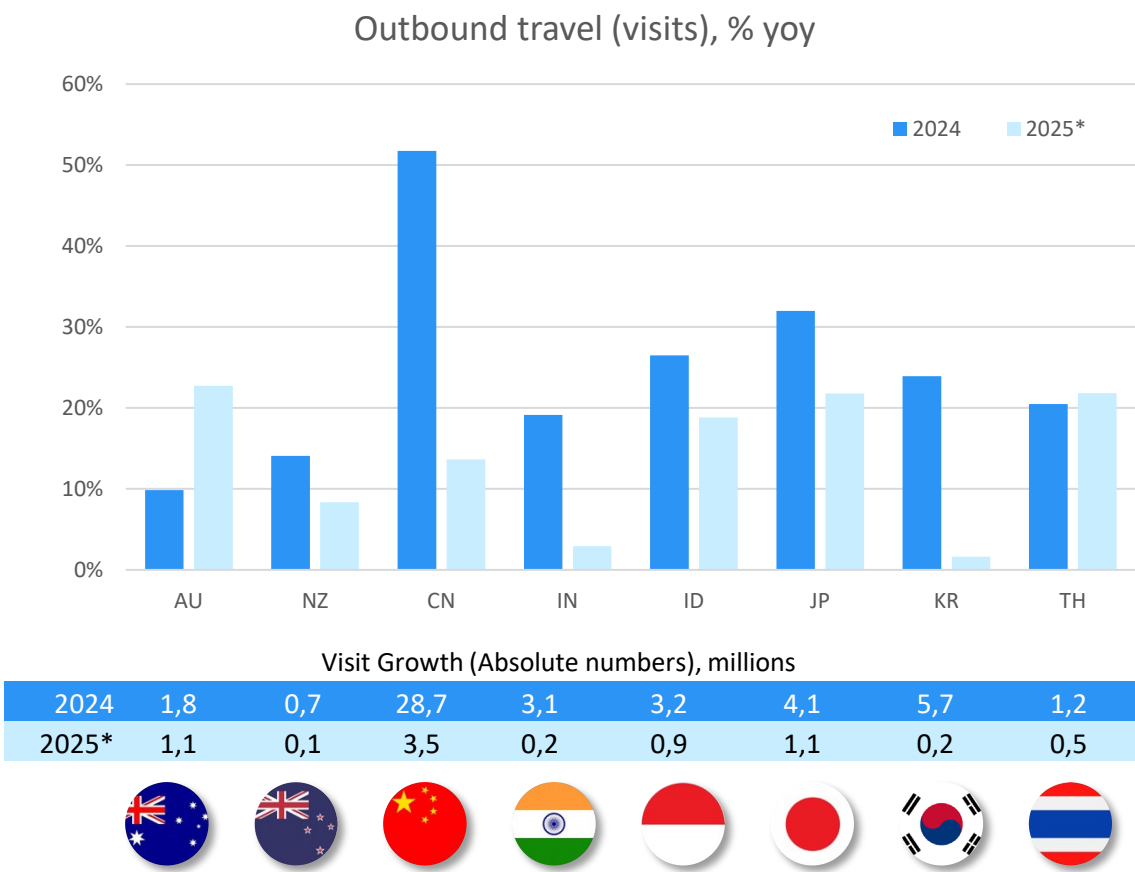
Stronger currencies may support purchasing power for luxury goods

Where are we going?

Travel trends in Asia Pacific

Outbound travel in AP continues to grow, albeit mostly at a slowing pace

This is more than a return to pre-covid norms, with new corridors forming



* Jan-Apr 2025 compared to Jan-Apr 2024.



Most countries show a slowdown in growth as they approach pre-covid travel numbers, yet overall figures remain strong



Mainland China stands out as the top driver, leading both in growth rate and total outbound travellers



Regional disparities persist, with some markets recovering faster than others



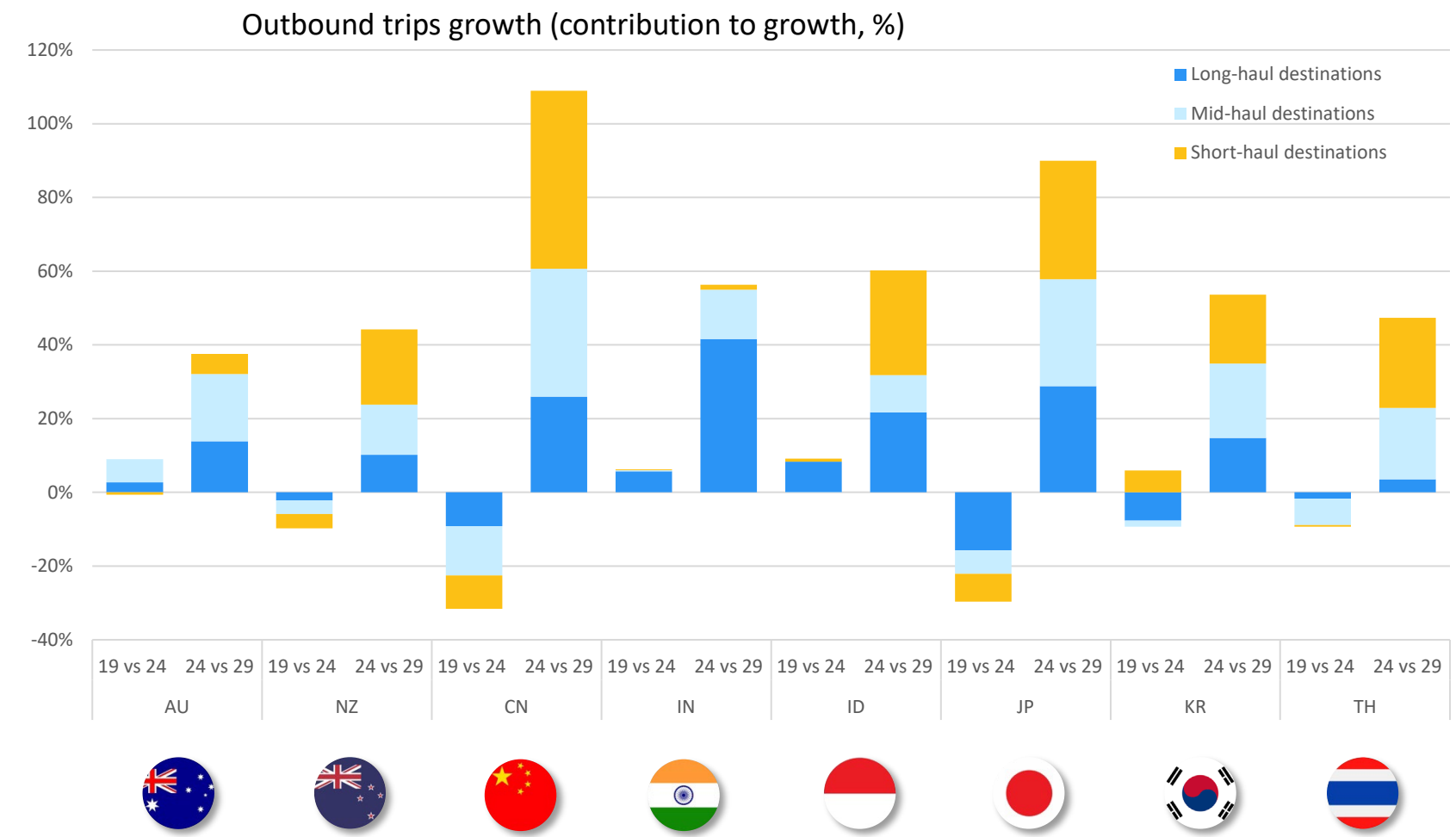
Travellers are showing increased confidence and willingness to spend on international trips



Key barriers, such as visa restrictions and airfare costs, continue to influence recovery pace across countries

The mix of short- and long-haul travel differs by market

Indian residents are keen on longer-haul travel, while travellers from Mainland China are shifting towards short-haul

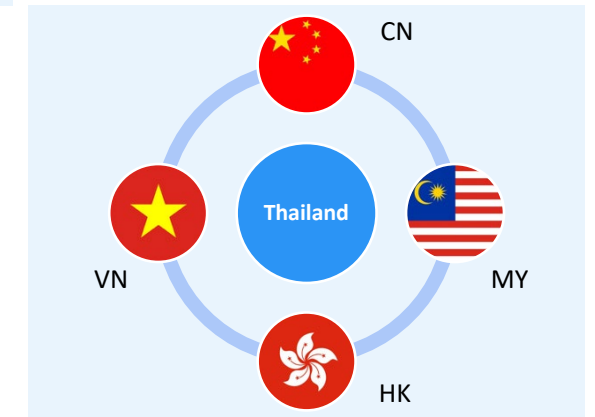
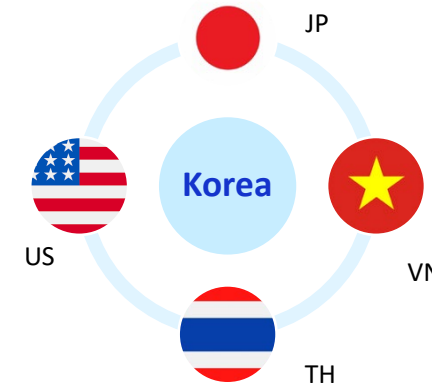
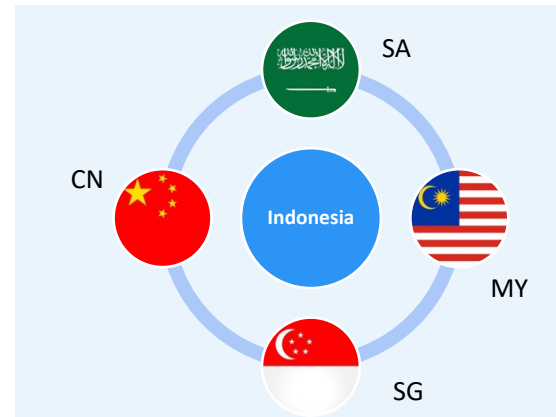
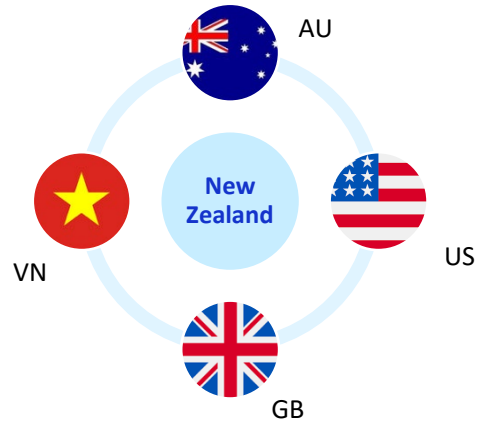
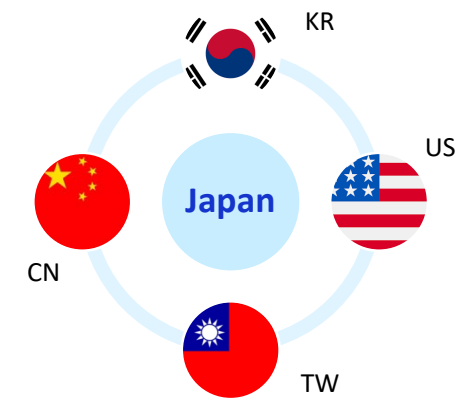
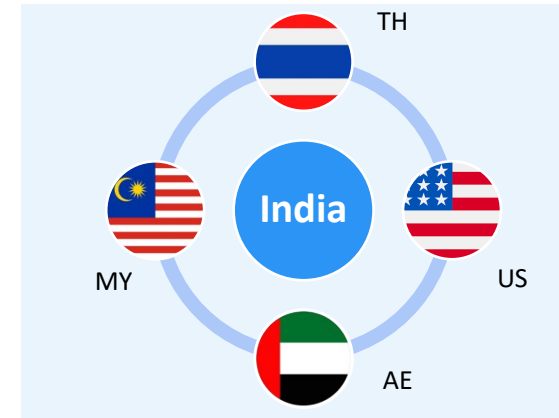
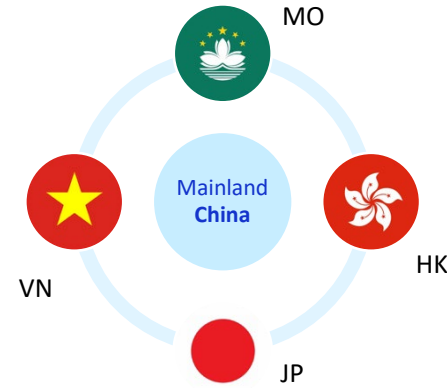
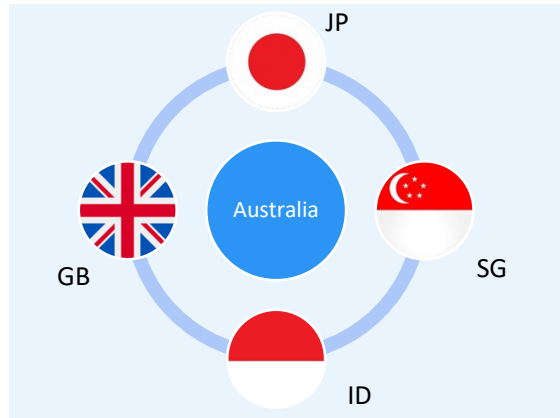


- Short-haul and mid-haul trips are leading the resurgence
- Travellers are increasingly preferring nearby destinations
- Overall demand is steadily increasing as confidence returns

Travel preferences reflect cultural, political and social norms

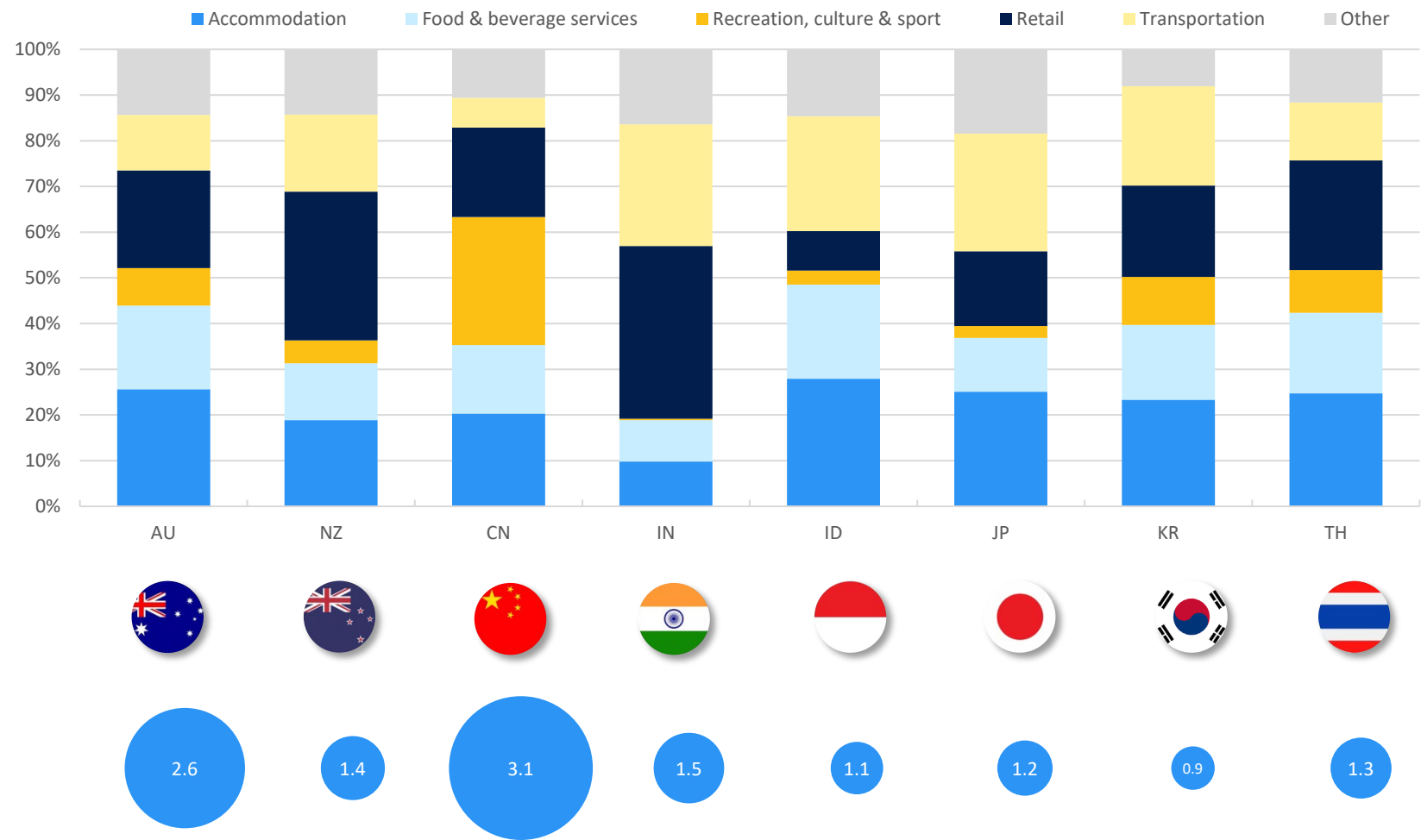
While top destinations are mostly stable, there are new hotspots rising

Top outbound destinations in 2025



Travellers from India spend more on shopping and travellers from Mainland China prioritise recreation Australian and Chinese travellers are the most willing to spend money while travelling

Share of outbound spend by category (2024, %)



Importance of comfortable and convenient lodging options, as well as the desire to shop and bring back souvenirs or luxury items from their trips is growing.

Average spend per trip in 2024, USD '000

Splurging and spending: luxury consumption drivers

A perspective from Visa's data

When affluence evolves: how ap consumers are changing



1

*Focusing on
relationships
and wellbeing*



2

*More meaningful
spending on
others*



3

*Pursuing
personal passions
and growth*

5

priorities are
driving the spend
behaviour of High Net
Worth Individuals in AP

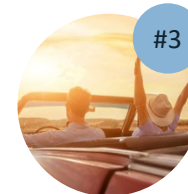
Derived from 120 one-on-one
interviews and 1,500 online surveys
with HNWIs in 12 markets¹ across AP



Focus on physical health
and well-being



Pursuit of long-term
financial security



Focus on family and
social relationships

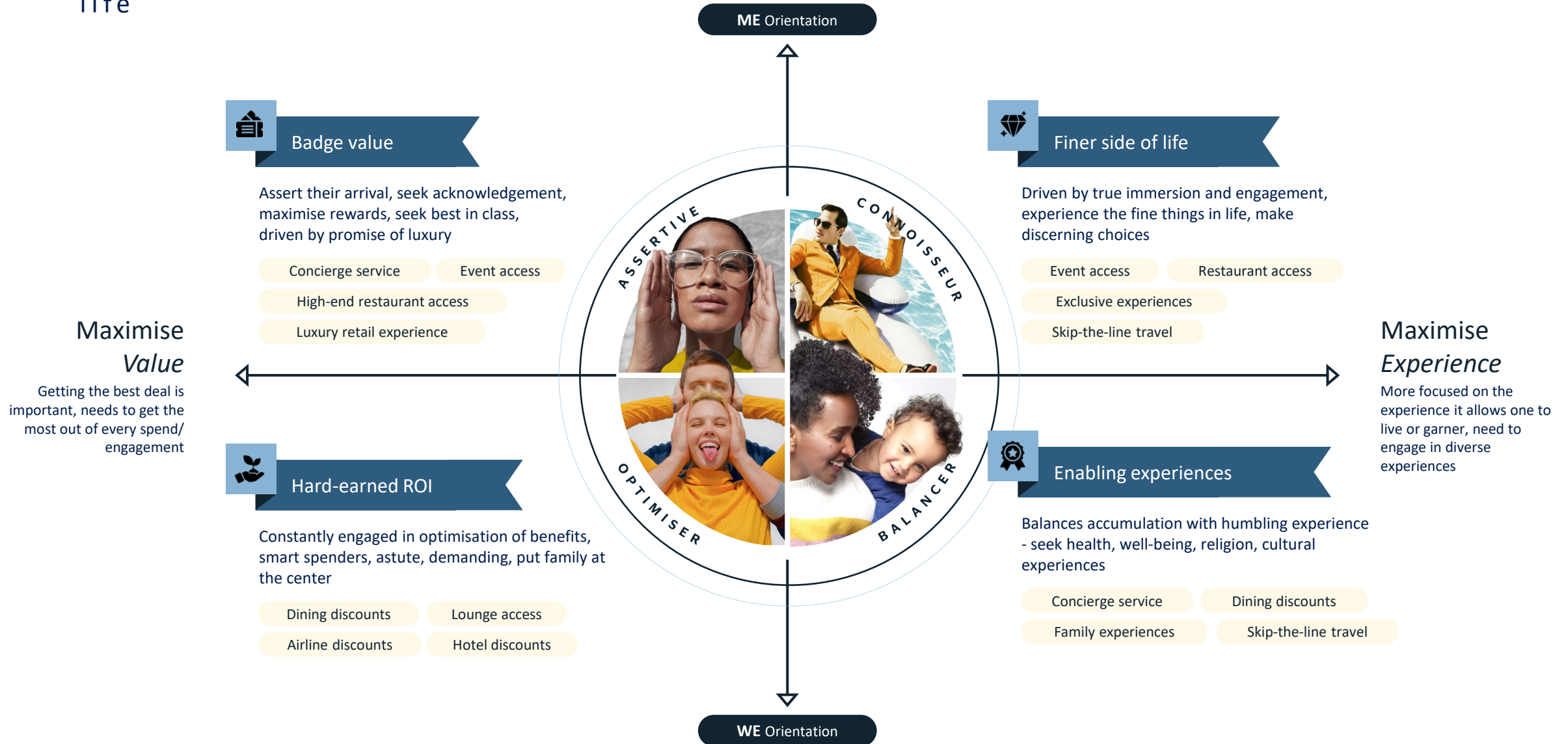


Expressing wealth through
cultural proficiency



Seeking curated luxury goods
and curated experiences

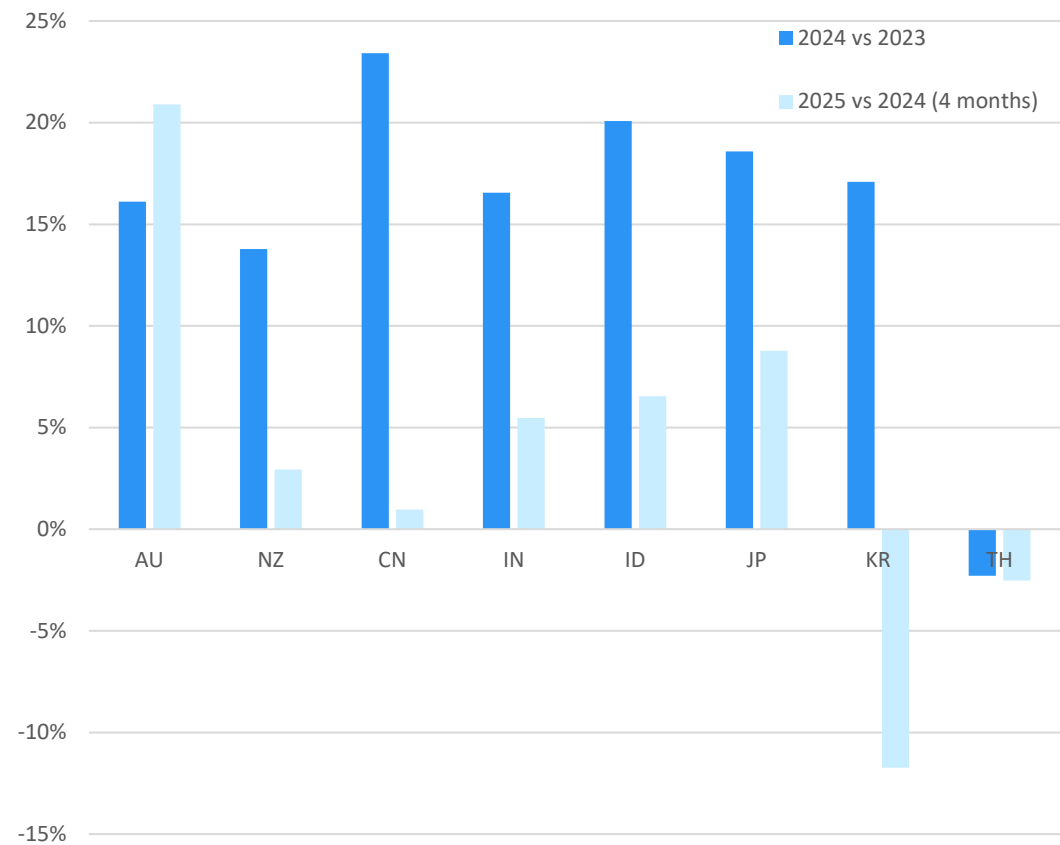
Bringing the affluent personas to life



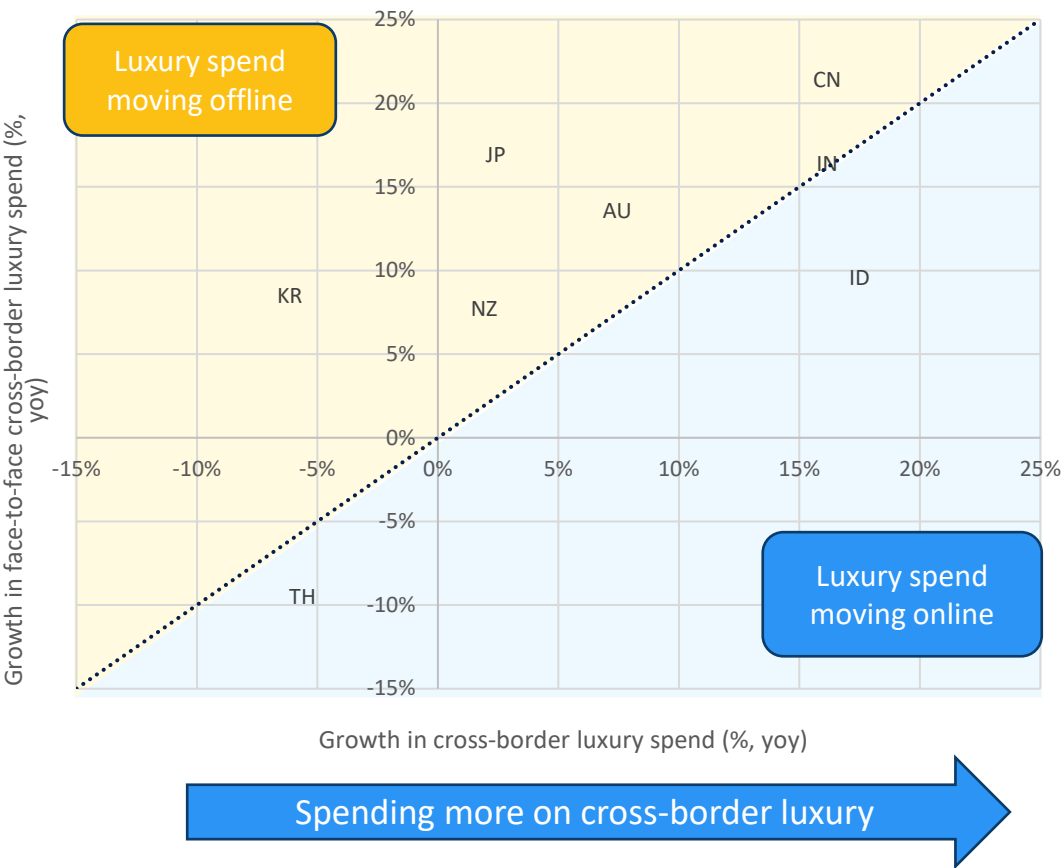
Travel spend grew rapidly in 2024, but is starting to plateau

For luxury, face-to-face is generally gaining market share for those buying overseas

Growth in total travel spending (% , yoy)



Cross-border Luxury Spend in 2024 vs 2023

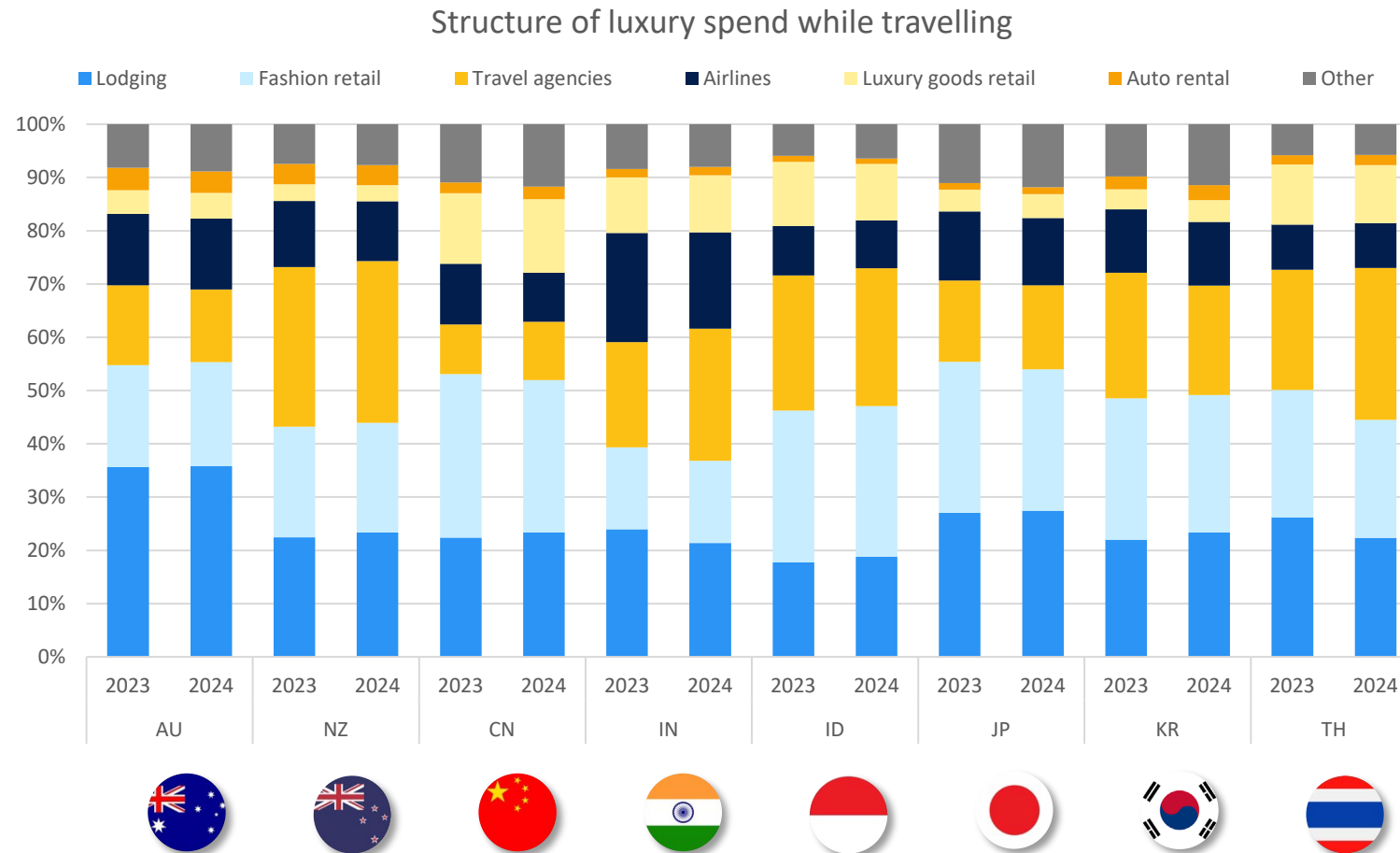


* Luxury includes Airlines, Auto Rental, Lodging, Marina Services, Travel Agencies, Luxury Goods Retail, Fashion Retail, Duty Free, Sporting Goods Retail, Home Goods Retail, Spa / Beauty Services, Sports & Recreation.

Source: VisaNet and Visa Business and Economic Insights

Composition of luxury spend differs by market

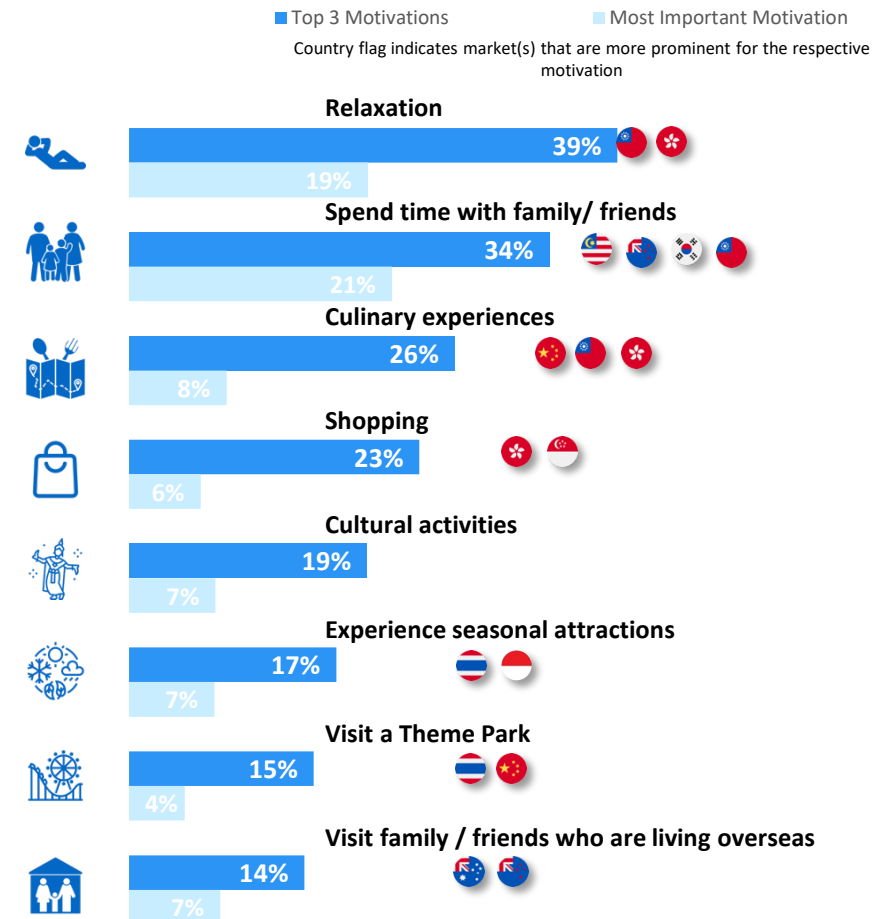
Travellers from Australia love hotels, Mainland China love fashion, and India prefer travel agencies



Relaxing and personal connections are the main reasons to travel, but dining and shopping are also important



TOP MOTIVATIONS FOR OVERSEAS TRAVEL MOTIVATIONS (AP)



Key takeaways



Global outlook

Asia Pacific is the world's fastest growing region

Growth will be slower than pre-covid



What it means for business

Asia Pacific is a growing hotspot for luxury consumers



Evolving consumers

Affluent demographic is focused on wellbeing

Preferences differ by market and will change as new affluent emerge