

Luxury Hotel Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> ****Industry:**** Hotels, Accommodation & Resorts (Hospitality & Tourism)
> ****Source:**** <https://www.mordorintelligence.com/industry-reports/luxury-hotel-market>
> ****Scraped Date:**** 2026-09-17

Executive Market Summary

Market Metric	Details
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Base Market Size	USD 150.22 billion
Projected Forecast (2031)	USD 150.22 billion
Growth Rate (CAGR)	8.28 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

![Major players in Luxury Hotel industry](images/chart_2.png)

![Luxury Hotel Market (2026 - 2031)](images/chart_3.png)

![Luxury Hotel Market: Market Share by Service Type](images/chart_4.png)

![Luxury Hotel Market: Market Share by Room Type](images/chart_5.png)

![Luxury Hotel Market CAGR (%), Growth Rate by Region](images/chart_6.png)

![Luxury Hotel Market Concentration](images/chart_7.png)

![footer background image](images/chart_10.png)

![Mordor Intelligence on Facebook](images/chart_12.svg)

![Mordor Intelligence on Pinterest](images/chart_14.svg)

![Mordor Intelligence on Instagram](images/chart_15.svg)

![ESOMAR](images/chart_17.png)

![GPTW](images/chart_19.png)

Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period
|

2020 - 2031
|

Market Size (2026)
|

USD 150.22 Billion
|

Market Size (2031)
|

USD 223.56 Billion
|

Growth Rate (2026 - 2031)
|

8.28 %
|

Fastest Growing Market
|

Asia Pacific
|

Largest Market
|

Europe
|

Market Concentration
|

Low
|

Major Players

*Disclaimer: Major Players sorted in no particular order

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Market Overview

Luxury Hotel Market Analysis by Mordor Intelligence

The luxury hotel market size is USD 150.22 billion in 2026 and is projected to reach USD 223.56 billion by 2031, reflecting an 8.28% CAGR over the forecast period. Momentum builds as high-end travel continues to scale on the back of steady

international arrivals, renewed corporate budgets, and wider adoption of experiential and wellness-led itineraries that sustain rate power in both urban and resort settings. Operators enhance digital touchpoints around discovery, booking, and in-stay personalization, while aligning with procurement preferences that favor verifiable sustainability credentials and third-party certifications. The recovery in international travel is broad-based, with Europe welcoming 625 million tourists through September 2025 and Asia-Pacific reaching 90% of its 2019 baseline, which sustains occupancy and mix in key destinations and supports the rate-led strength now visible in upscale and luxury categories.[1]Source: UN Tourism, “International Tourist Arrivals Up 5% in the First Nine Months of 2025,” UN Tourism, untourism.int Certification programs such as LEED and Green Key continue to expand across upscale portfolios, giving certified properties procurement advantages, efficiency benefits, and reputational gains that reinforce competitive positioning in the luxury hotel market.

Key Report Takeaways

- * By service type, Business Hotels led with 46.36% of the luxury hotel market share in 2025, while resorts are forecast to expand at a 13.47% CAGR through 2031.
- * By room type, Suites accounted for 41.76% of the luxury hotel market share in 2025, and villas/bungalows are projected to grow at an 11.74% CAGR through 2031.
- * By booking channel, direct booking captured 43.75% of reservations in 2025, whereas online travel agencies are projected to record a 13.78% CAGR to 2031.
- * By geography, Europe held 37.38% of the luxury hotel market share in 2025, with Asia-Pacific expected to post the fastest regional CAGR at 11.43% through 2031.

Key Market Trends

Market Trends and Insights

Drivers Impact Analysis of Luxury Hotel Market*

Driver

1

(~) % Impact
on CAGR Forecast |

Geographic Relevance

I

Impact Timeline

i

Rebound of international tourism post-pandemic

1

+2.3%

|

Global, strongest in Europe and Asia-Pacific, with the Middle East ahead of 2019

|

Medium term (2-4 years)

|

Rising disposable incomes in emerging Asian economies

|

+1.8%

|

Asia-Pacific core with spillover to the Middle East and Africa

|

Long term (≥ 4 years)

|

Expansion of branded luxury chains into tier-2 cities

|

+1.2%

|

Global, concentrated in India, China, the United States, secondary markets, and Latin America

|

Medium term (2-4 years)

|

Hybrid work trends boosting long-stay bleisure demand

|

+1.5%

|

North America, Europe, Asia-Pacific urban and resort hubs

|

Short term (≤ 2 years)

|

Growth of ultra-high-net-worth individuals from tech IPOs

|

+0.9%

|

Global wealth hubs in the United States, China, and Gulf markets

|

Long term (≥ 4 years)

|

Carbon-neutral certification premiums influencing bookings

|

+0.6%

|

Global, with early traction in Europe, North America, and Singapore

|

Medium term (2-4 years)

|

Source: Mordor Intelligence

|

Competitive Landscape

Competitive Landscape

The luxury hotel market remains structurally fragmented at a global level, with scale advantages accruing to large brand families while independent and regional champions continue to compete effectively on authenticity and service. Leading groups execute asset-light growth strategies that balance organic signings, conversions, and brand extensions into residences and long-stay formats, which expands their exposure to premium demand pools in multiple geographies. Portfolio momentum is fueled by record pipelines, targeted openings, and brand refreshes in top-tier cities and leisure destinations, which support revenue growth and loyalty expansion in the luxury hotel market. Operators elevate signature experiences and curated programming to stand apart in high-ADR markets, while expansion into tier-2 nodes reduces concentration risk and improves cross-sell opportunities. Sustainability adoption deepens across brands with LEED and other frameworks enabling measurable efficiencies and procurement access, particularly for corporate travel. As the cycle evolves, portfolios that combine strong brand equity with credible sustainability progress and agile distribution are positioned to outpace category averages in the luxury hotel market.

Technology and product innovation now create clear competitive separation in the luxury hotel market, as operators deploy advanced booking engines, modular tech stacks, and CRM-linked personalization to manage mix and enhance conversion. Brands and families extend into apartment-style and long-stay offerings to serve hybrid work patterns and multi-generational travel, with new formats improving both occupancy resilience and ancillary revenue capture. Conversions remain a significant portion of development activity at several leading groups, which allows faster market entry and leverages existing structures while maintaining brand standards that sustain rate power. In parallel, curated residences and experiential products extend the brand ecosystem and give luxury guests multiple ways to engage across seasons and destinations. These moves keep the competitive field dynamic while preserving the category's diversity across independent and chain-affiliated operators in the luxury hotel market.

Capital discipline and risk management remain central themes for owners and operators as they navigate renovations, project phasing, and geopolitical uncertainty in the luxury hotel market. Public disclosures from leading owners illustrate how large-scale capital programs and weather-related disruptions can affect short-term profitability, while laying the groundwork for long-term value creation after completion. Cross-functional sustainability programs drive both cost efficiencies and reputational upside, strengthening bids for corporate travel while aligning with consumer expectations. On the commercial side, balanced distribution strategies and loyalty investments help defend direct relationships while maintaining the reach that intermediaries provide during periods of uneven demand. As product and brand portfolios stretch into new geographies and formats, execution capability and consistent service delivery become differentiators that shape long-run share outcomes in the luxury hotel market. Operators that remain focused on experience quality, sustainability, and tech-enabled service are positioned to capture the most resilient demand over the forecast period.

Luxury Hotel Industry Leaders

*

Marriott International (The Ritz-Carlton, St. Regis)

*

Hilton Worldwide (Waldorf Astoria, Conrad)

*

Accor (Fairmont, Raffles)

*

Hyatt Hotels Corporation (Park Hyatt, Andaz)

*

Four Seasons Hotels & Resorts

*

*Disclaimer: Major Players sorted in no particular order

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Scope Methodology P Space

For this study, the luxury hotel market is the value of paid guest stays sold by luxury properties, captured as room-led lodging revenue that is realized through direct and indirect booking routes across major geographies.

Scope exclusions: It excludes airline and cruise tourism spend, short-term rentals, and most off-property luxury experiences that are not sold as part of the lodging transaction.

Segmentation Container

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By Service Type

*

Business Hotels

*

Airport Hotels

*

Suite Hotels

*
Resorts

*
Other Service Types

*
By Room Type

*
Standard Luxury Room

*
Suites

*
Villas / Bungalows

*
Penthouses & Presidential Suites

*
By Booking Channel

*
Direct Booking (Brand Website, Call Center)

*
Online Travel Agencies (OTA)

*
Travel Agents / Tour Operators

*
Corporate Contracts

*
By Geography

*
North America

*
Canada

*
United States

*
Mexico

*
South America

*
Brazil

*
Peru

*
Chile

*
Argentina

*
Rest of South America

*
Europe

*
United Kingdom

*
Germany

*
France

*
Spain

*
Italy

*
BENELUX (Belgium, Netherlands, Luxembourg)

*
NORDICS (Denmark, Finland, Iceland, Norway, Sweden)

*
Rest of Europe

*
Asia-Pacific

*
India

*
China

*
Japan

*
Australia

*
South Korea

*
) South East Asia (Singapore, Malaysia, Thailand, Indonesia, Vietnam, Philippines)

*
Rest of Asia-Pacific

*
Middle East and Africa

*
United Arab Emirates

*
Saudi Arabia

*
South Africa

*
Nigeria

*
Rest of Middle East and Africa

Frequently Asked Questions

What is the luxury hotel market size in 2026 and its growth outlook through 2031?

The luxury hotel market size is USD 150.22 billion in 2026 and is projected to reach USD 223.56 billion by 2031 at an 8.28% CAGR, signalling robust multi-year expansion across regions.

Which service type grows fastest within the luxury hotel market through 2031?

Resorts are the fastest-expanding service type with a projected 13.47% CAGR through 2031, supported by wellness and experience-led travel preferences.

Which room type is gaining the most momentum in premium properties?

Villas and Bungalows are projected to grow at an 11.74% CAGR as travelers prioritize privacy, space, and residential-style amenities in luxury settings.

What booking channels will see the strongest growth for luxury stays?

Online Travel Agencies are projected to post a 13.78% CAGR through 2031, although Direct Booking remains a large share due to loyalty and mobile investments.

Which region leads today, and which is growing the fastest for luxury hotels?

Europe held a 37.38% share in 2025, while Asia-Pacific is set to grow the fastest with an 11.43% CAGR through 2031, reflecting a broad-based recovery and rising affluence.

How are sustainability certifications influencing luxury hotel demand?

Certified properties gain procurement advantages and efficiency benefits, with LEED and Green Key programs contributing to operating resilience and guest preference in premium categories.