

How investment trends are *reshaping* travel in 2025

Hospitality and tourism's next epic adventure will be unlocking the promise of intelligent transformation



No industry is an island unto itself.

The tourism brands that whisk people away from ordinary problems cannot do the same for themselves. They need to confront challenges and changing markets head-on every day. Their businesses are inextricably linked to investment trends across sectors, which affect who can travel, where they go, and what they expect.

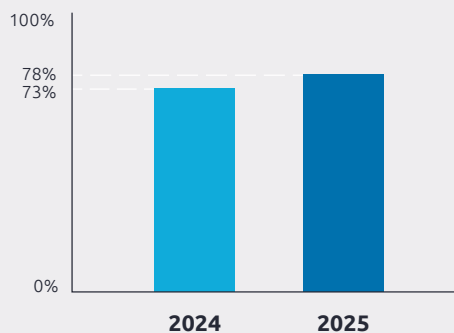
The Capgemini Research Institute's (CRI) 2025 report on emerging investment trends shows how business leaders can make sense of new technologies, public pressures, and changing policies.

Based on a comprehensive survey of 2,500 senior executives across 17 countries, *Navigating uncertainty with confidence: Investment priorities for 2025* brings clarity to an ever-changing world and can help hospitality and travel executives sharpen their decision-making. Throughout 2025, businesses are expected to increase investments in customer experience (CX), artificial intelligence (AI), sustainability, and supply chains.

Travel brands can anticipate these trends with the power of intelligent transformation, which is the use of advanced technologies to improve business performance and public wellbeing. Incorporating innovative solutions and quality of life considerations into decision-making can position brands for success in an uncertain, evolving market.

Meeting customer expectations

CX remains the top investment priority for 2025, with 78 percent of businesses planning to increase investment, up from 73 percent in 2024.



CX investment growth percentage: 2024–2025

Although CX differentiates quality brands from the competition in all sectors, it is especially important in travel and tourism where the experience is the product.

Since tourism is entirely experience-driven, customers expect the best experiences from hospitality and travel brands. As CX investment increases elsewhere, airlines, resorts, cruises, amusement parks, and other tourism organizations will need to keep pace.

Large organizations (those with more than \$1 billion in annual revenue) are also expected to increase CX investment but at lower levels than the average: 12.7 percent in 2025, up from 11.7 percent in 2024.

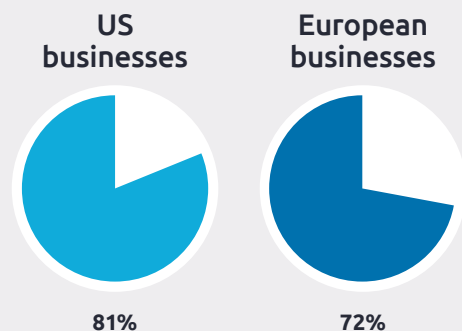
Curiously, this upward trend is common across all regions except the United States, where it is expected to drop from 13.2 percent in 2024 to 11.8 percent in 2025.

This may indicate that large US-based businesses have already invested heavily in CX and are shifting toward maintaining rather than expanding these programs. But it could also suggest that those funds are being allocated to digital transformation and tech-optimization programs, which in turn could improve CX.

Integrating AI into operations

Seventy-four percent of business leaders worldwide ranked AI and generative AI in their top three technologies for investment in 2025.

But US organizations are expected to invest more in tech programs than their global peers. On average, 81 percent of US businesses are expected to prioritize AI and Gen AI in 2025, compared with 72 percent of European businesses.



Expected prioritization of AI and Gen AI in 2025

The average tech investment as a percentage of 2025 revenue is anticipated to be 1.45 percent in the US, 1.32 percent in Asia-Pacific, and 1.29 percent in Europe.

This discrepancy could exacerbate the already existing tech-maturity lead the US has over Europe – a trend previously identified by [the European Commission’s Draghi report](#).

Tech investments are particularly important for hospitality and travel brands because they have the potential to improve the customer experience, increase operational efficiency, and drive revenue growth.

We have already seen AI deployed to help hotel chains, cruises, airlines, and similar companies. Many AI-powered programs can analyze guest behaviors and customize preferences or itineraries. Gen AI-enabled chatbots handle frequently asked questions from customers, which frees up workers to handle more complicated or delicate issues.

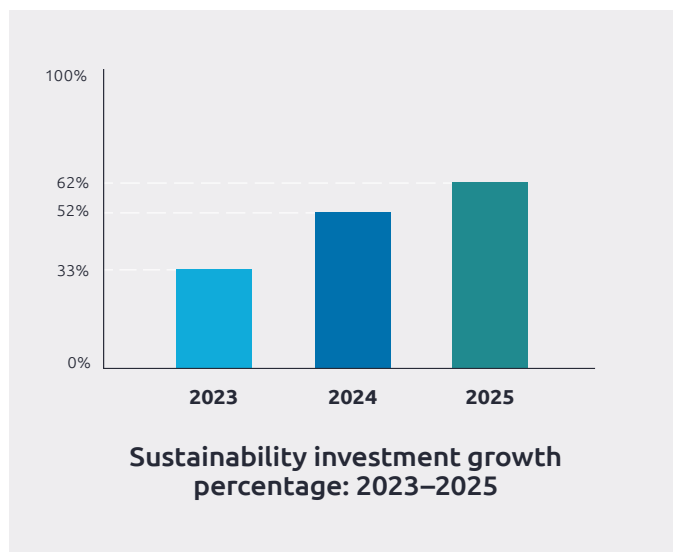
But it’s clear that the existence of these tools isn’t enough to guarantee results. Travel brands should approach next-generation technologies and associated processes with a clear roadmap and understanding of how they complement the existing business.

Moving toward sustainability goals

Research consistently shows customers are choosing to purchase from brands that [share their values](#). This is especially true when it comes to [eco-conscious customers](#). Sustainability is a critical factor in purchasing decisions for 62 percent of consumers overall, according to the CRI’s 2025 edition of [What matters to today’s consumer](#).

There’s growing awareness that eco-friendly and decarbonization projects don’t need to harm company profits. The general image of sustainability has been transforming from a cost center to a value driver and brand differentiator.

The *Navigating uncertainty with confidence* report found that 62 percent of business leaders say they will increase sustainability investments in 2025, up from 52 percent in 2024 and 33 percent in 2023. However, the average increase expected in 2025 is 10.5 percent, down from 12.2 percent in 2024. So, more businesses will invest in sustainability, but at smaller levels.



Only 23 percent of executives think the cost of sustainability projects outweigh the benefits. And this change in perspective is evident in how many have implemented water stewardship programs (75 percent, up from 55 percent in 2022) or invested in natural habitat conservation (66 percent, up from 43 percent in 2022).

Nevertheless, legal requirements and guidance governing the impact of business activities on the environment still underpin many sustainability projects. Most executives surveyed (69 percent) agreed that sustainability initiatives are driven by a desire to anticipate or pre-empt stricter regulations in the future.

Seventy-two percent of business leaders say they will increase investments in climate tech, such as batteries, renewables, and carbon capture.

All else being equal, travelers will likely pick more sustainable options when they’re available. *What matters to today’s consumer* also suggests that the proportion of consumers willing to pay a premium of one to five percent for sustainable products is increasing, climbing from 30 percent in late 2023 to 38 percent in late 2024.

If these trends continue, we should expect to see an increase in eco-friendly accommodations, green transportation, community-based tourism (in which the local population benefits), farm-to-table restaurants, and low-impact activities.

Diversifying suppliers, building resilient supply chains

Similar to the responses regarding sustainability, more business leaders plan to increase their supply chain investments this year (48 percent in 2024 to 62 percent in 2025), but the average investment is expected to be lower (13 percent in 2024 to 9.4 percent in 2025).

Protectionist policies and trade disputes have already disrupted the global supply chain, resulting in higher prices and market volatility. The current complexity of the global supply chain makes it difficult to achieve true tech independence.

Companies are taking steps to mitigate potential supply risks by diversifying suppliers and “friendshoring,” shifting production to countries that are considered allies rather than competitors.

Only 49 percent of business leaders around the world said they were reducing reliance on China by investing in other emerging countries in 2024. That figure rose to 74 percent for 2025.

Seventy percent of executives agree that next-generation supply chains will be a top tech trend for 2025. These incorporate AI and the internet of things (IoT) to enable real-time tracking and predictive analytics.

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Travel and hospitality brands could use this increased visibility to improve decision-making, reduce costs, drive efficiency, and so on. For example, hotels and cruise lines could manage inventory better and airlines could perform predictive maintenance, minimizing delays. Enhanced traceability could help companies opt for sustainably sourced products, as well.

Exploring new horizons

The important information contained in *Navigating uncertainty with confidence* will help the hospitality and travel industry build resilient, sustainable, and tech-driven organizations that can react to a range of circumstances and pivot quickly.

Achieving this wouldn't just assure a business that it is keeping pace with competitors – it will open a new world of possibilities.

That's easier said than done. But a trusted business and technology transformation partner can help design and implement a roadmap toward this agile future state. Intelligent transformation is a key process – incorporating smart devices, AI, and other advanced technologies – for achieving this in the years to come.

In the face of uncertainty, businesses can take decisive actions to optimize efficiency, unite people, facilitate innovation, and support sustainability.

Adventure awaits.
It's time to get started.





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