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## THE PERSONALIZATION ARMS RACE: ARE APAC & GCC BRANDS READY TO COMPETE?

**Dear Reader,**

Our main story: Travel personalization used to be a luxury. A special touch that wowed guests. Today, it's a baseline expectation and a matter of survival. Imagine a frequent traveller who opens a hotel app to find their favourite room fragrance pre-set, a spa appointment suggested at their preferred hour, and a custom itinerary awaiting – all before check-in. This isn't sci-fi; it's the new normal being shaped by global travel and hospitality leaders. Personalization is no longer optional, it's table stakes. From airlines to hotel chains, Western brands are in an arms race, leveraging AI, guest data platforms, and predictive UX to anticipate needs and delight guests at every step. The payoff? Loyalty and revenue. Hyatt, for example, unified its guest data and revamped its mobile app, boosting mobile booking revenue by over 80% in one month. Marriott and Accor are likewise

embedding AI across operations to customize service at scale. The message is clear: whoever knows their guest best and caters to them fastest, wins.

### **APAC & GCC: Rapid Growth, Fragmented Systems**

Across Asia-Pacific and the Gulf, travel demand is exploding. The APAC travel and hospitality market is projected to hit \$400 billion by 2025, and the Gulf states are investing billions to become global tourism hubs. Saudi Arabia, for one, welcomed 115.9 million tourists in 2024 – surpassing its Vision 2030 target six years early – and has now raised its goal to 150 million annual visitors by 2030. Dubai, too, broke records with 17.15 million international visitors in 2023. But amid this breakneck growth lies a sobering reality: many APAC and GCC hospitality players are held back by fragmented infrastructure and legacy tech. New research shows 70% of APAC travellers would pay up to 30% more for personalized upgrades – a huge revenue opportunity – yet only ~22% of hotel chains in the region have a centralized data platform to support such personalization. In other words, demand for tailored experiences is surging, but the systems to deliver them are lagging. Disparate booking systems, siloed guest profiles, and outdated CRMs make it hard for an Asian or Middle Eastern hotel chain to recognize you as the same guest across their properties, let alone predict your next move. The result? Missed upsell opportunities and loyalty left on the table. Operators in these markets risk falling behind if they can’t unify their data and modernize. As one industry expert put it, “personalization extends far beyond loyalty points... it becomes a holistic process grounded in data accuracy, infrastructure, compliance, and guest-centric design.”





## Founders Launchpad - Investor Matching

Jameson Ho, our Senior Investment Analyst represented Velocity Ventures at Founders Launchpad's Demo Day 2025 investor matching session, meeting early-stage startups across hotel tech, transport, and F&B. He engaged founders in curated 10–15-minute discussions, identifying several promising teams aligned with Travel & Hospitality innovation trends.



## Singapore Week of Innovation & Technology (SWITCH 2025)

Our Partner, Patrick Imbardelli, joined SWITCH 2025 as a panel speaker alongside key industry bodies like Singapore Tourism Board, Singapore Tourism Accelerator, and Enterprise Singapore. He shared insights on the future of Travel & Hospitality innovation and the role of sector-focused venture capital in strengthening Singapore's broader startup ecosystem.



## Hotel Investment Conference Asia Pacific (HICAP 2025)

Our Partner, Jon Cocks, attended HICAP 2025 as a judge for the Startup Pitch Competition, evaluating solutions shaping the future of hospitality. He reviewed technologies



across booking automation, sustainability, and guest experience, ultimately contributing to the selection of the winning startup from ZUZU Hospitality.

### **High Stakes: Mobile-First Gen Z Demand Hyper-Personalization**

The next wave of travelers – Millennials and Gen Z – bring a different rhythm. They are mobile-native, impatient with friction, and quick to abandon brands that treat them like strangers. Across APAC, over 80 percent already rely on travel apps, and AI-driven search and planning are becoming the default. They expect recommendations that feel intuitive, offers that match their preferences, and a journey that adapts to them. If their entertainment is curated on Netflix and Spotify, why shouldn't their holiday be just as tailored? For brands in APAC and the GCC, this generation is both a challenge and an opening. They will reward companies that deliver seamless personalization, and ignore those that fall back on outdated, generic experiences.

### **Mega-Destinations and Mobile Economies Reshape the Race**

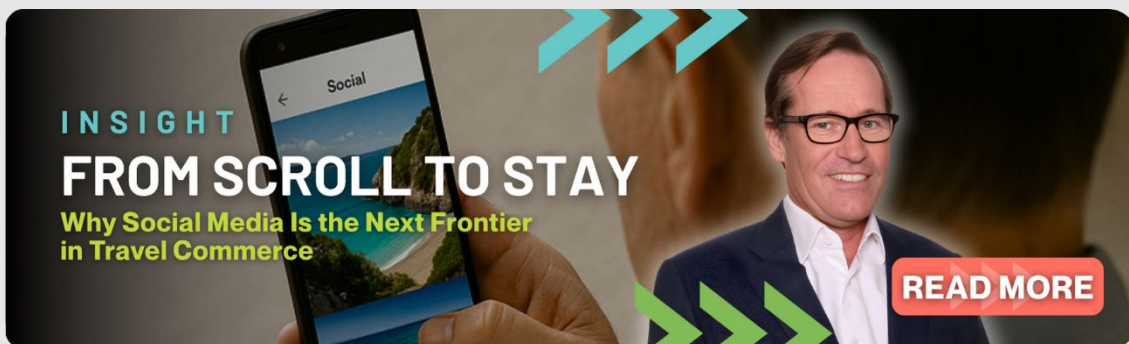
The rise of mega-destinations and mobile economies in APAC and the GCC adds both pressure and opportunity for personalization. The Gulf's new tourism magnets – from Saudi's NEOM and Red Sea projects to ever-evolving attractions in Dubai and Abu Dhabi – aim to offer world-class, tech-enabled guest experiences to tens of millions of visitors. These visitors will skew younger and more international, with sky-high expectations. Meeting those expectations at scale will require hotels and attractions to leverage every tool from AI translators to predictive concierge services. Meanwhile, Southeast Asia's booming travel market is inherently mobile-driven. In regions like Southeast Asia and China, a majority of travelers leapfrog PCs entirely, doing everything on smartphones. Travel brands here are experimenting with super-apps and social commerce to engage customers. When a traveler from Jakarta or Bangkok can plan an entire trip on a super-app – booking flights, hotels, local rides, and experiences – all personalized via AI, it raises the bar for what "seamless journey" means. The flip side is that digital adoption gives APAC and GCC players a chance to *leapfrog* older markets. They can build with mobile and AI at the core, rather than bolting it on later. Governments, too, are backing innovation: Singapore's hotels, for example, have

embraced digital concierge bots, and Dubai’s tourism board is partnering with tech firms to personalize city experiences for each visitor. The stage is set; the question is whether regional brands can execute fast enough.

### The Question for the Region

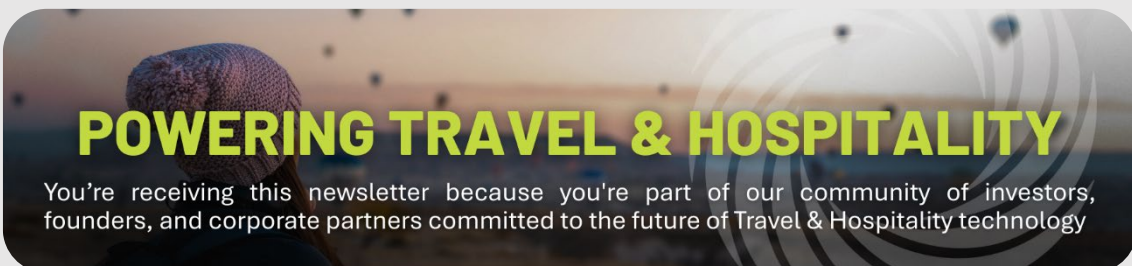
Personalization may have started as a luxury in travel, but in 2025 it’s an arms race – one that no region can afford to sit out. The West may have a head start, yet APAC and the GCC are uniquely positioned to catch up fast, fueled by young, tech-savvy consumers and bold investments in tourism. The winners in this race will be brands that combine deep guest insights with frictionless digital execution, blending the predictive power of AI with the warmth of human hospitality. As Gen Z and millennial travelers pack their bags, they’re gravitating toward the Netflix of travel – experiences that feel curated just for them. APAC and GCC brands have the talent and tools to rise to that challenge. The question posed to every hotelier, airline, and operator in these regions is simple: are you ready to compete? The future of travel will be personalized – and it’s arriving now.

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