Insights

Taking a Holiday in Space Could Become Routine… And Sooner Than You Think

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In the past, space was the preserve of great nation states, who would dedicate huge budgets to put people and satellites into space. Slowly the private sector tip-toed into the space sector, with commercial satellites becoming the major space-based sector relying on private funding.

But now, with lower and lower costs making it more economic to put objects and people into space, the private sector is looking to capitalize on this new sphere for growth in the economy.

One emerging trend is in space-based tourism. Virgin Galactic is experimenting with putting paying customers into low-earth orbit within the next few years, while SpaceX and other launch system companies see higher orbits as within reach for tourists before the end of the decade.

Where tourists go, you would expect to find hotels. And tourists going into orbit may be able to stay in an orbiting hotel by the year 2027. Fund raising has already been started by Orbital Assembly Corporation to start building a 50,000 square metre hotel in space, with rooms for up to 440 people. Construction is planned to commence in 2026 with the first paying guests staying in the hotel by 2027.

The emerging space tourism industry is part of the wider space economy trend, which we see as an exciting long-term investment opportunity. Although it is still early days, technological development is accelerating and opening-up the potential for the space economy to become an integral part of future investment portfolios.

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