

**Conclusion: What is the impact of luxury yachting on the well-being of consumers and relevant stakeholders?**

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**Abstract**

**Purpose** - This concluding paper offers an overview of the academic and practitioner approaches to the issue of well-being in the luxury yachting sector of tourism, highlighting the significance of the theme issue. The paper proposes a Model of Luxury Yachting Research illustrating the relationship between the areas directly affecting well-being and suggests that the Model can serve as a road map for further research in the field.

**Design/methodology/approach** – This paper argues that luxury yachting could be considered as a form of tourism which contributes to the well-being of a wide range of stakeholders relevant to the sector, and not only to those who experience their holidays on board luxury yachts. It builds on the range of contributions in this theme issue, using a synthesis of the knowledge generated from this publication.

**Findings** – The paper argues that luxury yachting as a specific and unique sector of tourism which presents itself as a meta economic sector, is representative of the evolution of global finance and the global economy. Additionally, luxury yachting can act as a transformative societal force which positively encompasses and impacts its relevant stakeholders and sectors. The syntheses of the articles presented in this issue identifies four main areas of further academic enquiry in the field.

**Originality/value** – The value of this paper is that it presents luxury yachting as a prism which enables the investigation of the issue of well-being in the context of luxury tourism. This theme issue has addressed the well-being aspect of the luxury yachting tourism and, by doing so, has emphasised the significance of luxury yachting as a field of research which is ripe for extensive academic investigation. The outcomes of the issue have informed our Model of Luxury Yachting Research, a road map which is offered as a guide for further research in the field of luxury tourism.

**Keywords** – Luxury yachting; Tourism; Well-being; Sustainability; Meta; Transformative

**Paper type** – Viewpoint

## Introduction

*What is the impact of luxury yachting on the well-being of consumers and relevant stakeholders?* This question, addressed in the current issue of *Worldwide Hospitality and Tourism Themes (WHATT)*, helps us to shed light on various aspects related to the issue of well-being and wellness in the context of the superyacht (or luxury yacht) industry. This is an attempt to explore the broader and important societal issue of health which received special attention in the context of the United Nations' Global Sustainable Development initiative as a specific goal towards creating a healthier, more sustainable, and therefore happier global community. Goal 3 of the 17 Sustainable Development Goals (SDGs), focuses on ensuring "healthy lives" and promoting "well-being for all at all ages" (UN, 2023). SDG 3 Good Health and Well-being, is directly related to other Goals, such as SDG 8 Decent Work and Economic Growth, SDG 12 Responsible Consumption and Production, SDG 14 Life Below Water, and is also linked more indirectly with such Goals as SDG 13 Climate Action and SDG 10 Reduced Inequalities.

Used interchangeably with superyachting, luxury yachting in this issue highlights its unique position in the economy as a niche sector, the enjoyment of which is unreachable for the majority of populations and primarily only accessible to High-Net-Worth individuals (HNW), generally with liquidity assets exceeding \$1mln. However, individuals affected by the industry who represent other stakeholder groups such as crew, suppliers and destination communities, are part of the complex landscape of the industry and this specific sector. Their lives are directly affected by the industry and thus form a broader context for academic and practitioner interest in this meta economic sector, representative of the evolution of the global finance and economy. Despite the negative global contemporary economic outlook impacted by such recent events as military conflict, national disasters and the recent global pandemic, luxury tourism exceeded USD 17 billion in 2021 and has a forecast of 15% Compound Annual Growth Rate (CAGR) over the period 2022 to 2030 (Global Market Insight, 2022). As for luxury yachting, the 2022 Global Order Book (GOB) for superyachts stands at 1,024 projects in-build or on order, a 24% increase on the 2021 GOB of 821 (Motigneaux and Robinson, 2021). The industry, therefore, acts as a magnifying glass of the global economy and finance through which the issues of well-being, consumption of goods and services, sustainability and various other aspects of the economy can be studied.

As shown in the collection of articles in this theme issue, the Luxury Yachting industry's activities are connected to those relevant stakeholders who are part of this global economic context and who also relate to achieving a better life for all, e.g., through food production, improving conditions of local/destination communities through education and better working conditions, etc. This highlights the intertwined nature of the wider ecosystem surrounding luxury yachting and supports our quest to establish its impact on the well-being and wellness of those involved with the industry.

The theme issue reiterates previous observations by Gladkikh, *et.al.* (2022) that the literature on the subject of luxury yachting is limited. K *et al.* explored 18 publications relevant to the theme of the investigation. Even given the limited publications to-date it is possible to observe that, with regards to well-being, health and wellness amenities on luxury yachts can be of physiological and psychological comfort, and that manufacturers and yachting clients signal

their interest in those features that create self-caring and wellness experiences. This includes yacht design and spatial influences.

Gladkikh and Gladkikh's findings based on practitioner observations echo this finding and reiterate the point that interior and exterior spaces on luxury yachts can facilitate the quality of the overall experience of guests. Design of yacht spaces in some cases also offers recreation areas for crew, which is a considerate approach towards the well-being of staff. However, this is not currently common practice, especially on smaller yachts.

The value of physical spaces on luxury yachts and their layout is also highlighted by Williams as a factor contributing to the hedonic (pleasure) happiness of guests. He also stresses that the co-creation of experiences strengthens the overall enjoyment of luxury yacht holidays. This is achieved through interaction with crew who, by involving guests in the design and process of their holiday experiences, can enhance their eudaimonic (e.g., body, mind and environment) happiness, thus tapping into several of the well-being dimensions.

Seraphin *et al.* place well-being at the centre of their proposed TLR-MM model and suggest that luxury has the potential to contribute to quality of life, happiness and well-being, thus reinforcing Williams' observations. At the same time Seraphin *et al.* recognise the ambidextrous approach to management of luxury experiences in the face of competing priorities, such as, for example, profitability and sustainability, thus reflecting the practical necessities surrounding provision of luxury, and more specifically, well-being experiences on luxury vessels. This is closely linked to the position of Fotiadis and his colleagues who argue that factors such as gratification, social motives, and the status quo are associated with satisfaction. The degree of satisfaction that luxury yacht crew strive to achieve for their customers is directly related to word-of-mouth recommendations. From a managerial point of view, the results of the study suggest that luxury yachting managers (in the United Arab Emirates) should capitalise on gratification, social motivation, financial risk and status quo to create memorable experiences for participants that can lead to satisfied customers who will be encouraged to return.

Linked to this perspective, Connors, drawing on knowledge of the discipline of business history since the 1980s, sheds light on the factors underpinning the demand for luxury yachts as a component of conspicuous consumption and proposes a set of methodologies and theoretical tools that support the investigation of practice and delivery aspects within the context of socio-economic change. He claims that our understanding of this will be enhanced if we engage with the socio-economic and political contexts that underpin economic growth and consumption.

Responding to this position, Seraphin and Maingi focus on one of the major global criticisms of the luxury yachting industry associated with its damaging environmental impact (Quest France, 2023) and explore the case of Sunreef Yachting which illustrates contemporary attempts to provide solutions. Sunreef Yachting shows that environmental innovation in the yachting industry is key to achieving sustainable experiences in luxury yachting. The authors provide evidence that luxury yachting can operate without impacting negatively on the environment and local population, provided it is fully aware of the challenges faced by the planet in terms of sustainability, and that everyone has a role to play in achieving

sustainability (consciousness), but also show a willingness (driver) to invest in research and development (power). The paper argues that 'green activism' is the key which encapsulates all the approaches taken by Sunreef, linking 'consciousness', 'power' and 'drivers' in sustainable yachting.

Our theme issue highlights the complexity of the luxury yachting industry operating on a global scale. Gupta and Roy, investigating the perceptions of stakeholders in the luxury yacht business in Fiji, argue that the services/facilities provided on luxury yachts are state-of-the-art; however, there is a need to integrate luxury yachting with more personalised, creative, unique and innovative experiences. Their findings emphasize the role of stakeholders involved in creating luxury yacht experiences and suggest a need for government funding for the redevelopment/renovation of some ports and skill-based training for yacht employees in the areas which have not reached the desired standards. Echoing this stance, Walker *et al.* use the example of the Caribbean, which continues to benefit from a yachting tourism industry with prominent yachting destinations in the Northern Caribbean. The yachting tourism industry has proven to be resilient, and yachting visitors often connect with local communities and support economic development activities. The authors stress the importance of the adoption of policies that support the growth of the yachting tourism industry across destinations and unified consideration of sharing relevant management solutions to overcome challenges faced by the whole industry.

This theme issue recognises that there are numerous challenges to be addressed. Wyatt, for example, discusses luxury yachting from the perspective of its hidden dark side and that this impacts on the overall wellbeing of yacht crew members who are responsible for delivering luxury yachting experiences. She argues that scholarly research related to luxury yachting tourism and yacht crew management and experiences remain under-developed and that the dark side of this rapidly developing industry requires further investigation to resolve and enhance yacht crew well-being without impacting on the guest experience. This is only one aspect which illustrates the dark side of the industry, others need closer scrutiny, recognition and solutions.

The studies that contribute to this theme issue brings into focus several areas that help us to understand the industry more broadly and well-being more specifically. The synthesis of the work presented here allows us to identify four main categories which are instrumental in further exploration of the industry and its contribution to global society and the well-being of its stakeholders. These four areas are: stakeholder experiences on board luxury yachts, the role of leadership and management in creating and facilitating luxury yacht experiences for guests, crew and stakeholders; the importance of infrastructure (e.g., marinas, relevant policies surrounding the industry); and addressing the challenges faced by the industry (e.g., the treatment of staff, education/skills training of stakeholders, environment and sustainability among others). The four areas are presented in the descriptive model below:

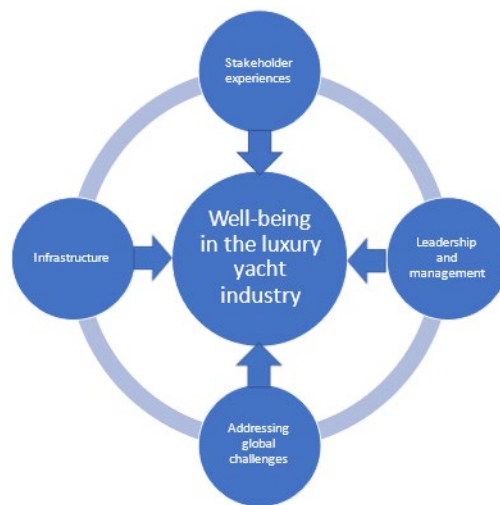


Figure 1. *Model of Luxury Yachting Research*

Source: the authors

As we reflect on the question posed by our theme issue, the four areas presented in the diagram above centre on well-being as a core focus of any quest to better understand the industry. The diagram demonstrates the interconnectedness of the four identified aspects which comprise the environment and context in which the industry operates. It also illustrates their individual impact on the issue of well-being in the industry. It should be recognised that the concept of well-being is mainly viewed in this collection of articles from a customer perspective but it also stresses implications for other stakeholders (e.g., crew) demonstrating a broader area of concern. We think that our descriptive model could act as a road map for further research in the field of luxury tourism, and more specifically, luxury yachting.

## Summary

Well-being as a concept has been the starting point for the multi-faceted studies presented in this theme issue which is not only used interchangeably with wellness but also as an element of happiness, an elusive state of being which deserves further and deeper investigation in our chosen context of luxury tourism and luxury yachting. This theme issue has enabled us to glimpse into the niche area of unaffordable luxury for many but also to stress that the industry affects various stakeholders without whom it wouldn't be able to operate. Finally, the theme issue facilitated an opportunity to explore ideas that link our existing knowledge of this industry with a wider global picture.

Well-being as a concept is central to our descriptive model of luxury yachting research and we believe that it can assist in a better understanding of luxury yachting which acts as a transformative societal force with positive impacts on relevant stakeholders and sectors, thus contributing to the well-being of a large range of communities locally and globally.

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