

High AI Adoption and
Strong Insurance
Uptake are Transforming
Malaysia’s Travel Market



AI Powers Discovery,
People Power the Decision

01



Highest AI adoption
rate in East Asia: 54%
have used AI to plan
or book a holiday

Malaysians use AI more than Europeans or Americans
as an all-in-one platform that consolidates insights from
multiple sources.

- 96% research destinations and build itineraries
- 93% discover activities and attractions



15%

are comfortable to
delegate their entire
trip booking to AI

54%

would only delegate
booking to AI, if they
could review and approve
options before purchase



Barriers to adoption:
Data privacy, accuracy & errors

- 45% prefer to make booking decisions themselves
- 42% don't trust AI with payment or personal data
- 38% worry about mistakes or incorrect bookings
- 37% have data privacy and security concerns

Malaysian travelers
are digitally mature &
AI enabled

They use AI when planning
and during travel:

- 93% to discover activities and attractions
- 89% to get help or guidance in case of issues during the trip
- 87% to communicate or translate information

Popular booking
channels

- 45% mobile apps
- 37% direct booking with airlines or hotels
- 23% travel agencies
- 16% aggregator websites



02



Global conditions
significantly impact
Malaysian’s travel
enthusiasm

Top issues include:

- 81% inflation & high prices affecting budget
- 80% wars & armed conflicts
- 79% health concerns such as epidemic outbreaks

Travelers’ destination choices are increasingly
influenced by concerns about:

64%

risk of terrorist
attack

58%

armed conflict

55%

risk of personal
attack

40%

choose
destinations
based on safety

Risks travelers feel most
exposed to are driving demand
for multi-risk coverage:

- 95% transportation accidents
- 92% health-related issues
- 92% loss of belongings
- 88% natural disasters
- 85% personal attacks

Growing openness to AI-assisted
insurance purchase:

37%

currently use AI
to compare travel
insurance policies

56%

expect to use AI
to compare
coverage in
future

57%

would consider
purchasing
coverage through
AI tools or agents

Travel insurance
is essential:

Malaysians increasingly
view protection as a
core part of travel
planning rather than
an add-on

74%

travel with an insurance or
protection policy, among
the highest in the region
and globally.

7 in 10

Nearly
insured through annual
policies, while temporary
insurance policies are
widely adopted at nearly

9 in 10

Top factors
influencing purchase:

- 25% affordability
- 13% full range of products & services offered
- 10% reputation of insurance provider

03



Risk-awareness
is not travel
fatigue:
Malaysian demand
stays strong

89% still express strong enthusiasm for travel
this year, despite growing safety concerns and
cost pressures.

Frequent Travel Habits

88% ↑

travel at least once
a year

1 in 4

travel 3 times
or more yearly

36%

travel just once
annually

80%

already have
travel plans
this year

Highest Travel Spend Relative to
Income in Asia



MYR 6,409.52

(USD 1,555) average holiday budget
(13% of Gross National Income)

Balanced Travel
Intentions, A Sign
of Resilience

46%

international travel

43%

domestic travel

Among the preferred
trip types:

- 57% city trips
- 50% seaside
- 42% countryside
- 30% mountain

Favorite Aspects
of Travel

65%

travel to relax and escape
from daily routines and stress

62%

enjoy exploring new places
– cities, landscapes and
attractions

58%

get excited about trying
new foods and local cuisine,
a top-three favorite aspect
of travel

