

# SPACE TOURISM IS STEADILY DEVELOPING



According to a report of the commercial space transportation department of the US Federal Aviation Administration, the total volume of the space industry in 2016 was \$335 billion. Russian Roskosmos estimates a similar market of \$320 billion and an annual increase of 5%. It is noteworthy that budgets of state structures do not occupy the first place in this branch. \$98 billion is accounted by the satellite television business, followed by a \$81 billion segment of global navigation satellite systems. Space tourism is also growing in importance.

The business in this industry is somewhat fresh. In 1965, the United States put their first private cargo into orbit. It was a commercial communications satellite Intelsat. Since then, hundreds of them have appeared in space. 90% of all commercial launches in the world put telecommunications satellites in orbit.

**Moreover, private investors are also sending commercial flights to space - most notably SpaceX of businessman Elon Musk.** Besides all this, however, there is also a new phenomenon connected to it - space tourism.

Although the first work in these field was presented back in 1967 (the son of the founder of the Hilton Empire, Barron Hilton, came up with the idea of creating a network of hotels in space), seriously this industry began to develop only at the end of the 20th century.

The reference point is considered to be the 1986 report "Probable economic consequences of the development of space tourism", as well as the tragic events of the Challenger ship crew in the same year.

As a result, the first tourist in space was launched by the USSR. In 1990, the station Mir was visited by Japanese journalist Toehiro Akiyama. However, it was more of a business trip, as the Tokyo Broadcasting System had paid for sending the journalist into space. The first actual tourist was Dennis Tito in 2001, who paid \$20 million for a ticket himself to visit the ISS.

Six more tourists visited the ISS, and prices of tickets grew substantially. For example, the founder of Cirque du Soleil Guy Laliberté paid \$35 million for the voyage. It is interesting that many people were not allowed to fly to the ISS, and not only because of health problems. For example, in 2004 the extravagant businessman Sergey Polonsky did not pass the weight and height control.

As a result, space tourists do not bring as much in revenues as delivery of satellites does. For example, in 2016 Roskosmos earned \$130 million on commercial launches, according to estimates by the US Federal Aviation Administration.

However, private traders are entering the sector and are on the heels of state agencies. In the US, several companies are engaged in the development of space tourism. For example, Virgin Galactic of American businessman Richard Branson promises to send people to space in six months. **The company offers suborbital, rather than full-fledged space flights. But tickets for such a flight are sold at a cheaper price - for \$250 thousand.**

Such an "affordable" price has led to the formation of a queue of hundreds of interested people, including singer Lady Gaga, actor Tom Hanks and other celebrities. Moreover, Branson recently

acquired a powerful investor. Saudi Arabia announced its desire to invest \$1 billion in the project of Virgin Galactic, and further add another \$480 million.

Date: 2017-12-04

Article link: <https://www.tourism-review.com/space-tourism-not-that-profitable-news10401>