



Monthly Travel Indicators Summary

January 2024

March 6, 2024

About the Monthly Travel Indicators Summary

The Monthly Travel Indicators Summary is a summary compilation of key indicators and statistics from a variety of Visit California and third-party data sets for the reporting month, including:

Visit California Sources	Third Party Sources
AirDNA	Bureau of Labor Statistics (BLS)
CIC Research	Department of Homeland Security (DHS)
Cirium	Department of Labor
Future Partners	U.S. Energy Information Administration (EIA)
NTTO	University of Michigan
SMARInsights	
STR, Inc.	
Tourism Economics	
YouGov	

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Executive Summary Domestic

Macroeconomic

Economic growth and consumer spending are expected to slow in 2024, but January's strong job numbers and higher-than-expected inflation rate sent mixed signals.

- Inflation was 3.1%, down from the prior month but higher than economists' forecasts. The U.S. average retail price for a gallon of gas continued to decline and was \$3.20 (vs. \$3.26 the previous month). The California equivalent price was \$4.48 (vs. \$4.56 the preceding month).
- Approximately 353,000 jobs were added to the economy, an increase over last month's 333,000 jobs (adjusted upwards). The unemployment rate held steady at a historically low 3.7% for the third month.
- The University of Michigan tracked U.S. consumer sentiment on the economy to 78.8, up significantly from the 69.7 measurement in December.

Consumer Sentiment

Overall, U.S. consumer sentiment was comparable to the prior month, while California residents were somewhat more pessimistic about their financial outlook relative to previous months.

- The incidence of U.S. consumers planning domestic leisure travel in the next 12 months was holding steady at 49% (compared to 47% the prior month and 48% a year ago).
- According to YouGov, the price of travel continued to be the primary barrier, with 42% of domestic consumers citing this factor (flat from the prior month).
- Nearly a third of American and California resident travelers (31% and 34%, respectively) felt optimistic about their current financial situation relative to a year ago. They are even more confident about their future economic situation (48% of the U.S. and 51% of California residents expect more positive). The California measures have declined in recent months relative to the overall U.S. measures for both questions.
- A majority of American travelers said travel was a budget priority (52%, flat from the prior month). Californians are likelier to say travel is a budget priority relative to the overall U.S. (57%). The California measurement has also declined.
- American travelers were excited about future travel, with 85% of U.S. travelers (and 88% of California residents) saying they were excited about leisure travel in the next 12 months.

Executive Summary Domestic (continued)

Lodging

With travel demand normalizing and showing lower year-over-year growth rates, January's metrics were mainly flat to the prior year. Room demand remained down 10% from 2019 levels.

- Room demand growth in the state was flat year over year, with the San Francisco Bay Area, Central Coast, and Los Angeles County regions showing slight growth year over year. Room demand in the state was down 10% from 2019 levels.
- California's monthly occupancy rate was 57% (-1% YOY), marking 10 months of consecutive year-over-year declines.
- The state's ADR was \$183 (+2% YOY), and RevPAR was \$104 (flat YOY).
- Group room demand was also flat year-over-year but down 31% from 2019 levels.

Airlift

Passenger traffic and airlift growth rates have also normalized, growing slower than prior months.

- Sixty-four million passengers were screened at TSA checkpoints for the month (+6% YOY). Passenger traffic growth rate slowed to under 10% for the first time since 2021.
- There were 8.7 million non-stop seats to California destinations for the month (-3% YOY).

Forecast/Travel Spending

Domestic visitor spending is expected to reach \$130B in 2024. According to U.S. Travel, visitor spending in January was up 2% year over year.

- According to the Visit California February 2024 forecast, domestic visitor spending in California is expected to reach \$130 billion in 2024, with \$101 billion in leisure spending and \$30 billion in business spending. Leisure spending is forecast to grow at a rate of 3% and business spending at a rate of 10% relative to 2023.
- U.S. Travel's estimate for California for the month showed total visitor spending up 2% year-over-year.

Executive Summary International

Forecast

International travel spending in California is forecasted to fully recover in 2024, driven by Mexico, Canada, and key overseas markets.

- International visitor spending in the state is forecast to reach \$29B in 2024, according to the February 2024 forecast.
- North American neighbors Mexico and Canada are forecasted to be California's largest spending markets at \$4.6B and \$3.9B, respectively.
- China and India are the largest overseas markets at \$2.2B and \$1.8B in visitor spending.
- While most of California's 13 opportunity markets will have fully recovered to prepandemic spending levels in 2024, China's recovery is forecast to reach 81%.

Consumer Sentiment

International leisure travel intent remained robust in California's opportunity markets, while travel prices remained the top barrier in all markets.

- On average, across California's target markets, 43% of international consumers said they were planning international leisure travel in the next 12 months, up 2 points from the prior month and from 38% a year ago. The markets with the highest propensity for travel abroad were the Middle East (61%), Nordics (59%), and Germany (58%).
- Travel prices remained the primary barrier to travel (44% citing travel price, +1 pt MOM). Canada (53%), South Korea (52%), Australia (51%), and France (50%) were the markets with consumers most likely to indicate prices were a barrier to travel.
- Safety and health concerns remained secondary barriers in the Asia Pacific and Middle East markets.

Airlift/Arrivals

International airlift continued strong growth in January, with most international markets fully recovering. Arrivals from California's opportunity markets also grew.

- There were 1.5M non-stop seats from California's opportunity markets for the month, a 17% year-over-year growth rate. Airlift from China grew in January with 56K seats, up nearly 600% from 2023.
- Arrivals through California's ports of entry were up 30% year over year but down 26% from 2019 levels for California's opportunity markets. China arrivals recovered 48% for the month.
- California's share of international arrivals for the month based on First Intended Address (FIA) completions was 15%, an improvement over last year's 14% share.

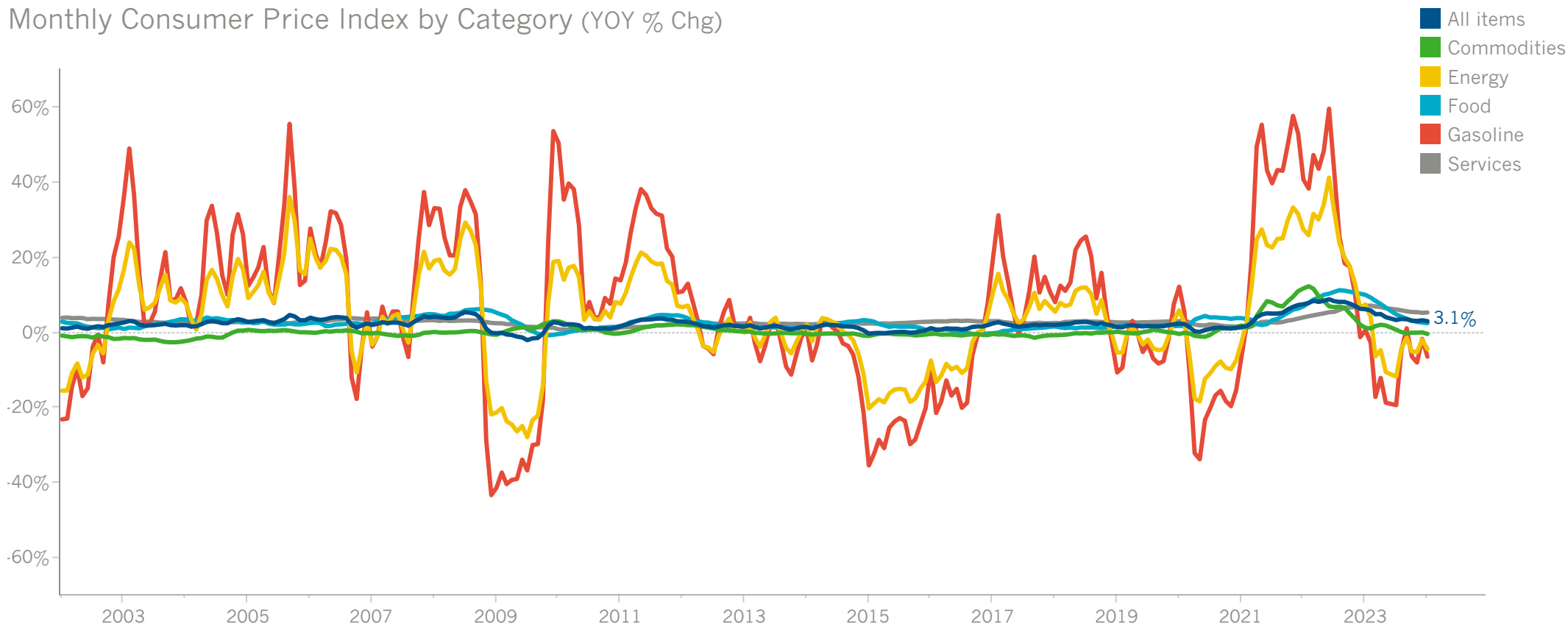


Domestic Indicators: **Macroeconomic**

- Inflation Rate
- Gas Prices
- Jobs/Unemployment Rate
- Consumer Sentiment

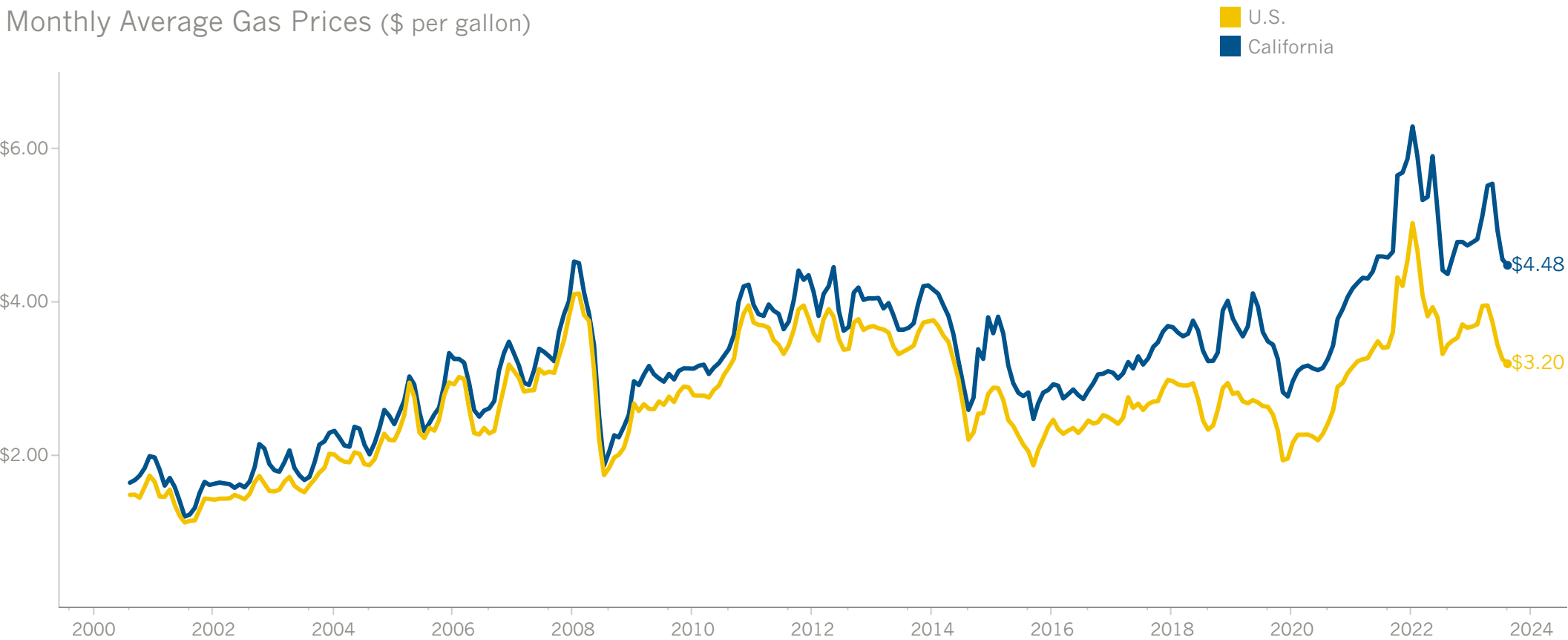
U.S. Inflation Rate

The chart below shows the national Consumer Price Index as a percent change compared to same month in the prior year.



U.S. & California Gas Prices

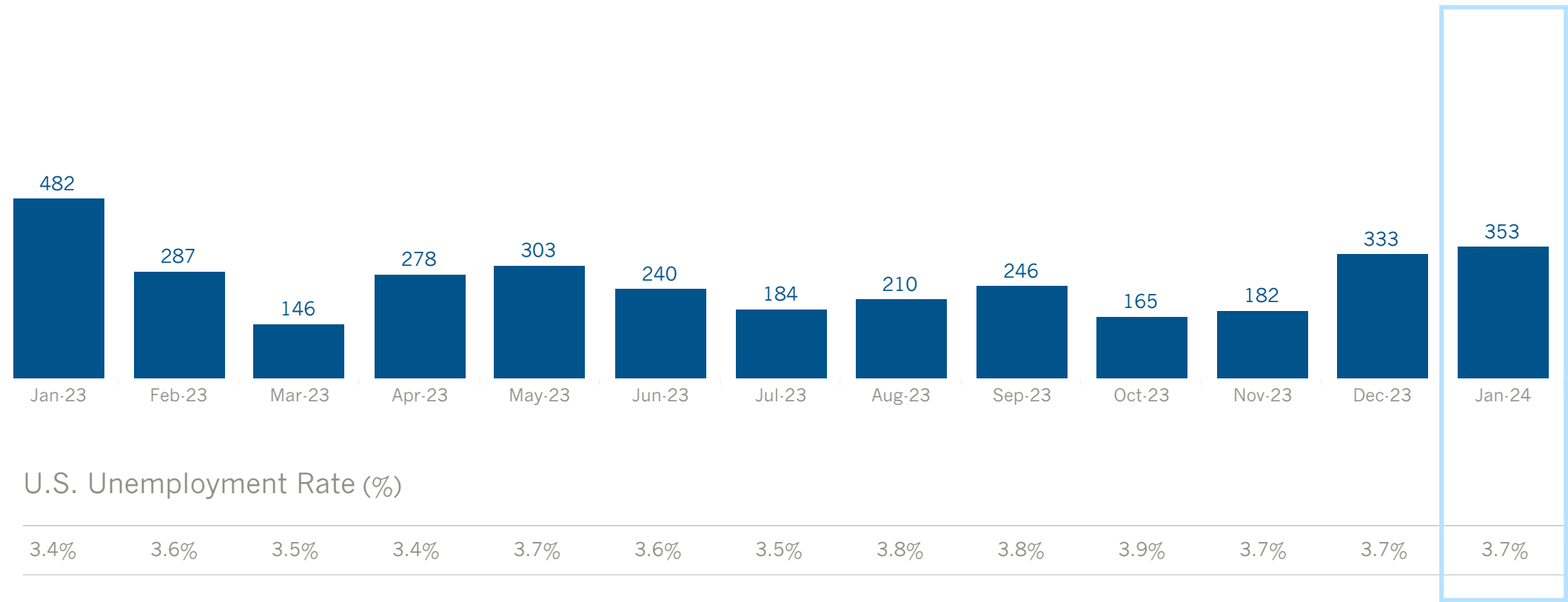
The chart below shows U.S. and California monthly average retail gas price for all grades.



U.S. Jobs Added/Lost & Unemployment Rate

The chart below shows net U.S. non-farm jobs gained or lost for the month and the table shows U.S. unemployment rate.

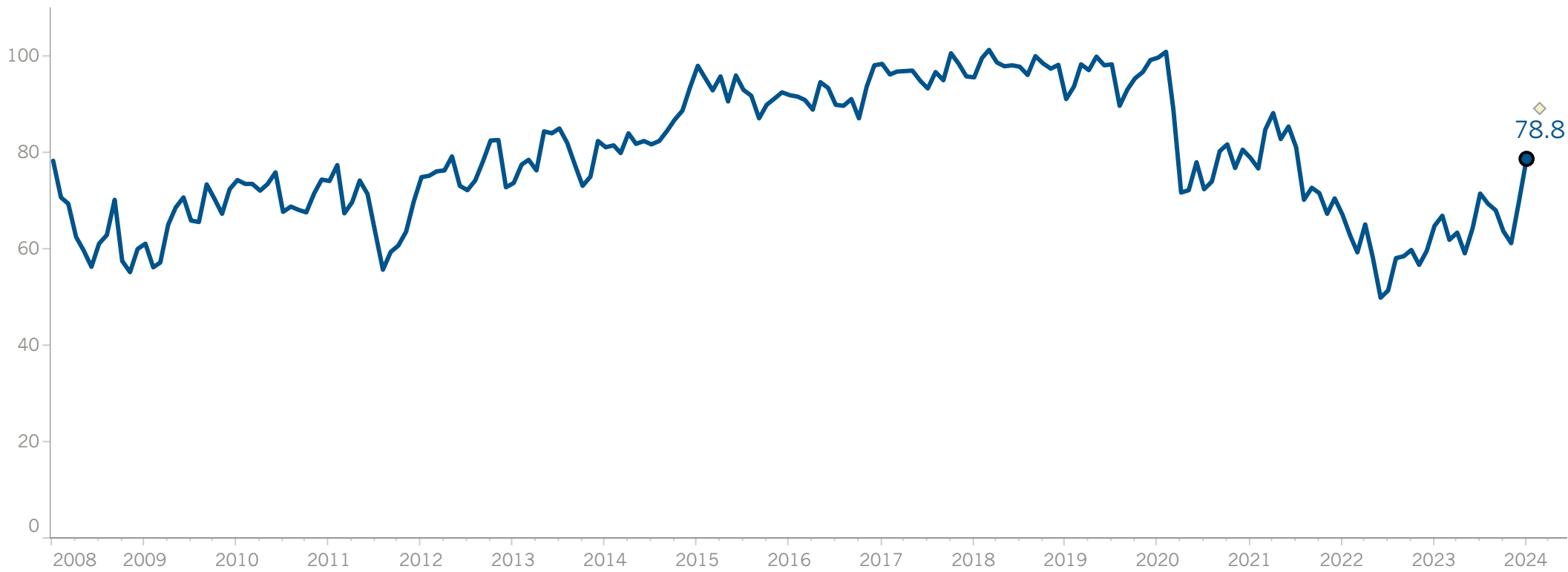
U.S. Net Jobs Added/Lost from Prior Month ('000)



U.S. Economic Consumer Sentiment

The chart below shows U.S. monthly consumer sentiment about the economy as an index.

U.S. Index of Consumer Sentiment





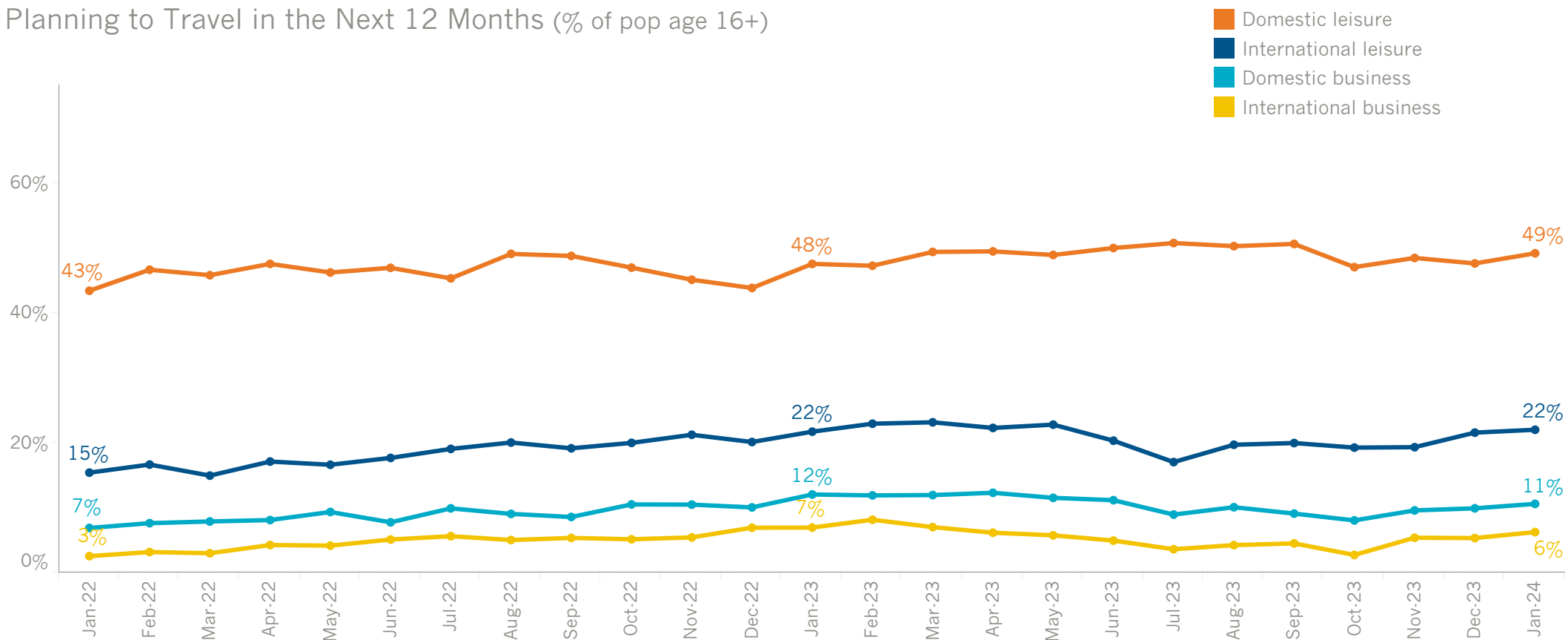
Domestic Indicators: Consumer Sentiment

- Travel Planned
- Barriers to Travel
- Perceptions of Financial Situation
- Travel as a Budget Priority
- Expectations for Travel Spending
- Excitement for Travel

U.S. Travel Planned

The chart below shows the types of trips planned in the next 12 months among U.S. consumers.

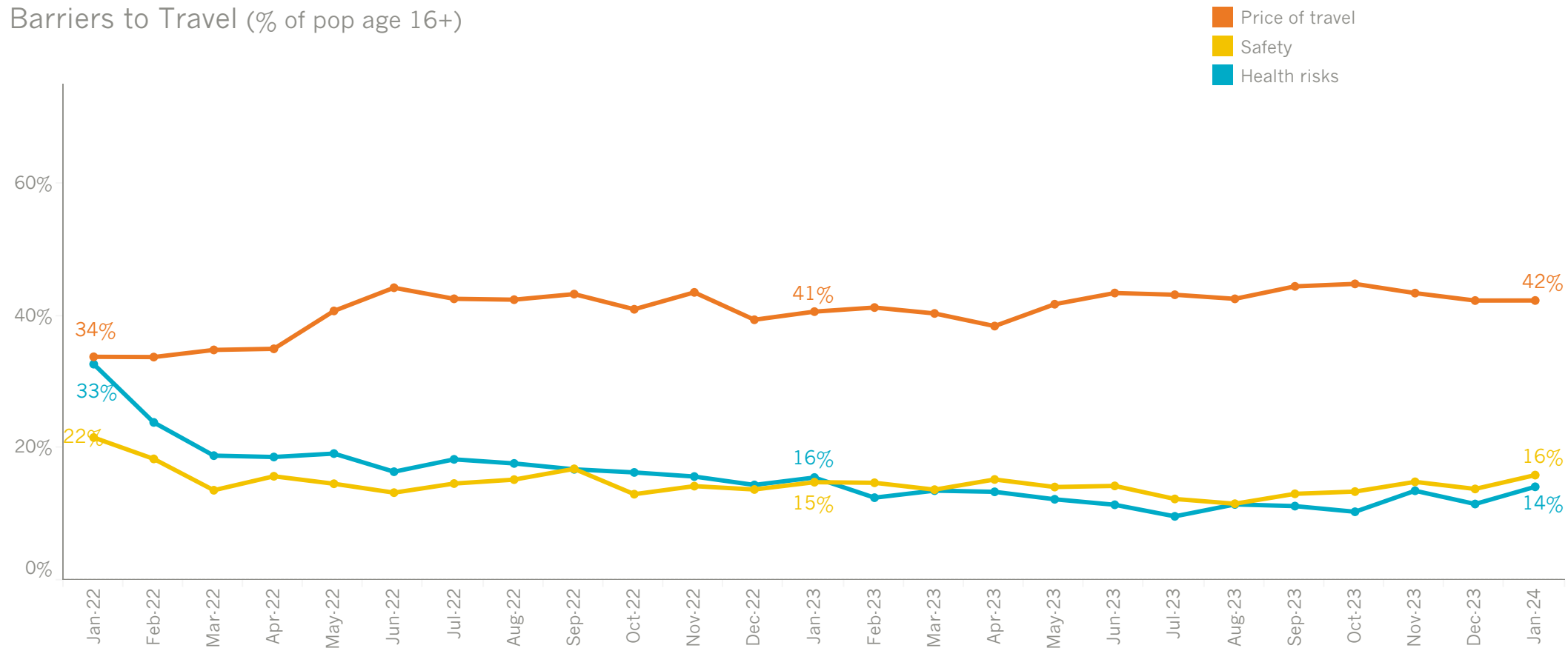
Planning to Travel in the Next 12 Months (% of pop age 16+)



U.S. Barriers to Travel

The chart below shows current travel barriers among U.S. consumers.

Barriers to Travel (% of pop age 16+)



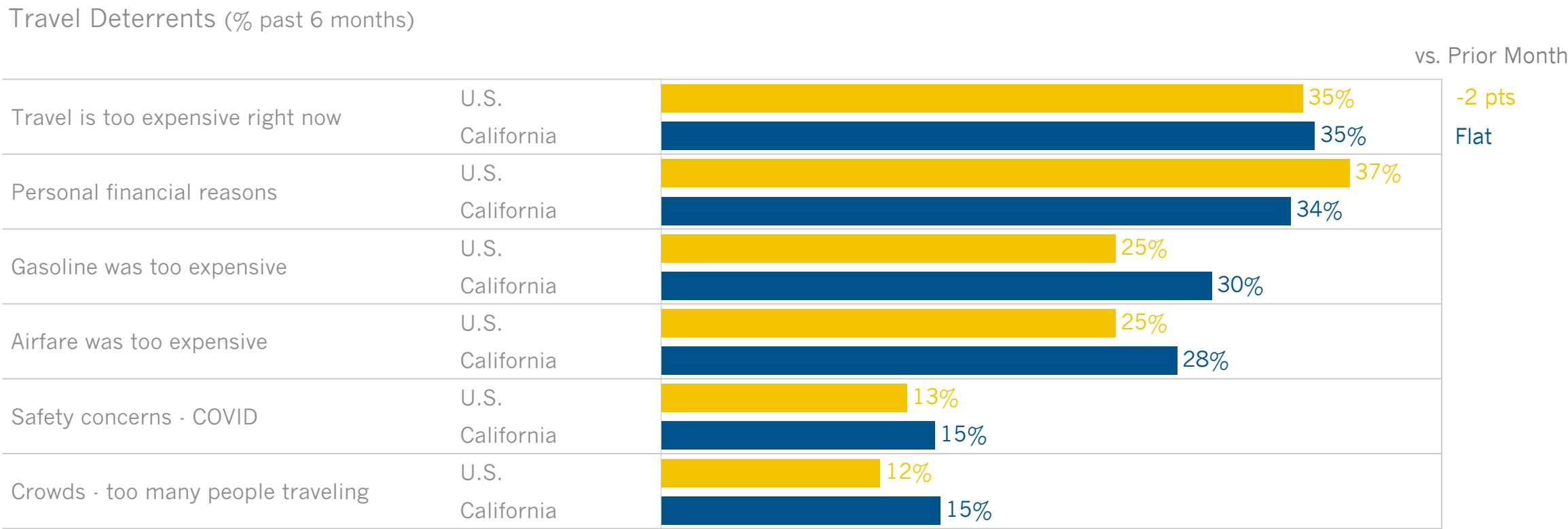
Q: Which, if any, of the below factors are currently preventing you from traveling?

Data reported for: January 2024

Source: YouGov

U.S. & California Travel Deterrents

The chart below shows travel deterrents among U.S. and California traveling consumers in the past 6 months.

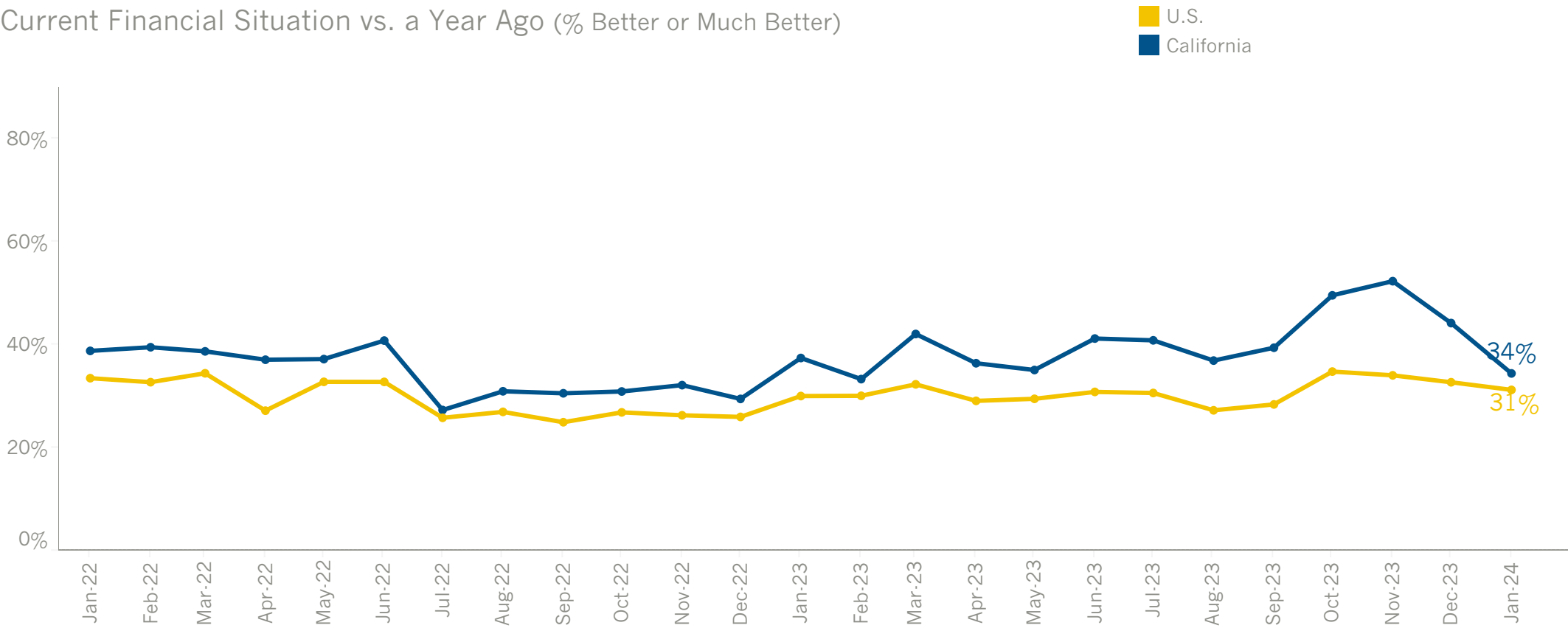


Q: In the past 6 months, which (if any) of the following have kept you from traveling more than you would have otherwise preferred?
Data reported for: January 2024

Source: Future Partners, *The State of the American Traveler*

U.S. & California Current Financial Situation

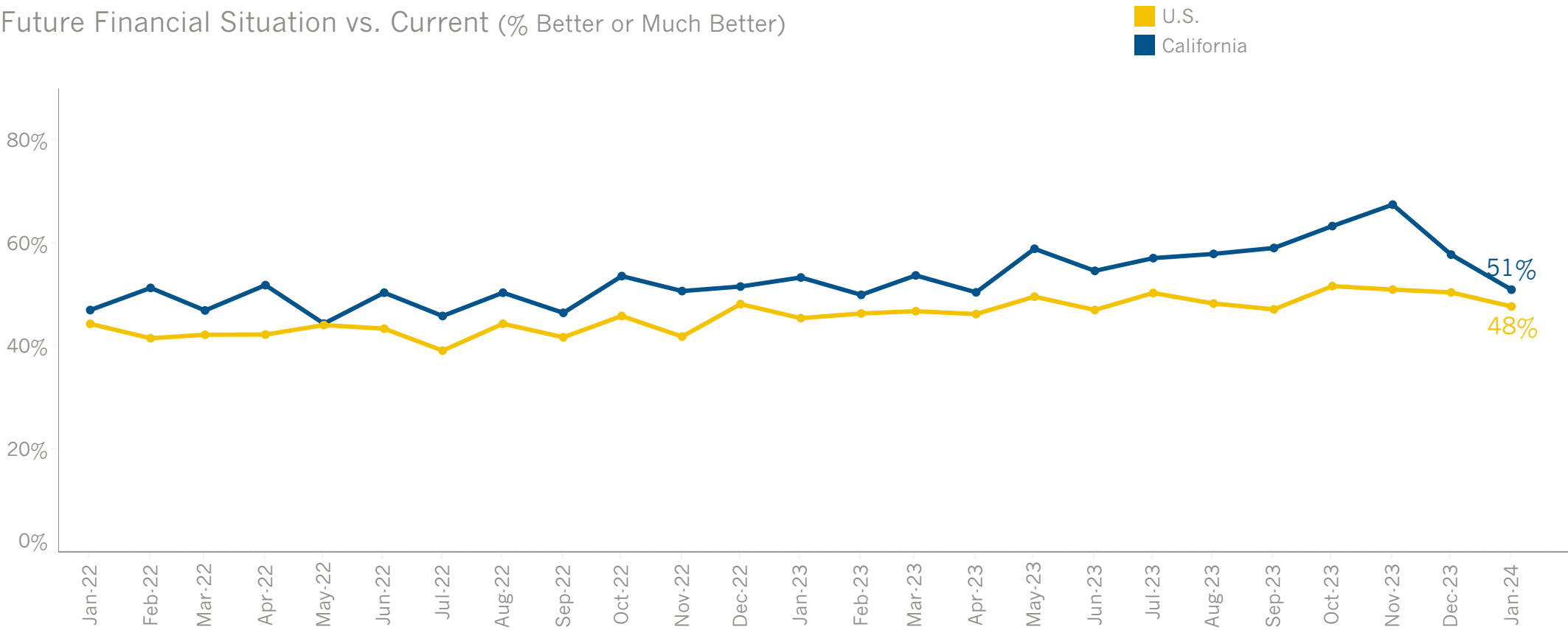
The chart below shows perception of current financial situation (vs. a year ago) among U.S. and California traveling consumers.



Q: Would you say that you (and your household) are better off or worse off financially than you were a year ago?
Data reported for: January 2024

U.S. & California Future Financial Situation

The chart below shows perception of future financial situation among U.S. and California traveling consumers.



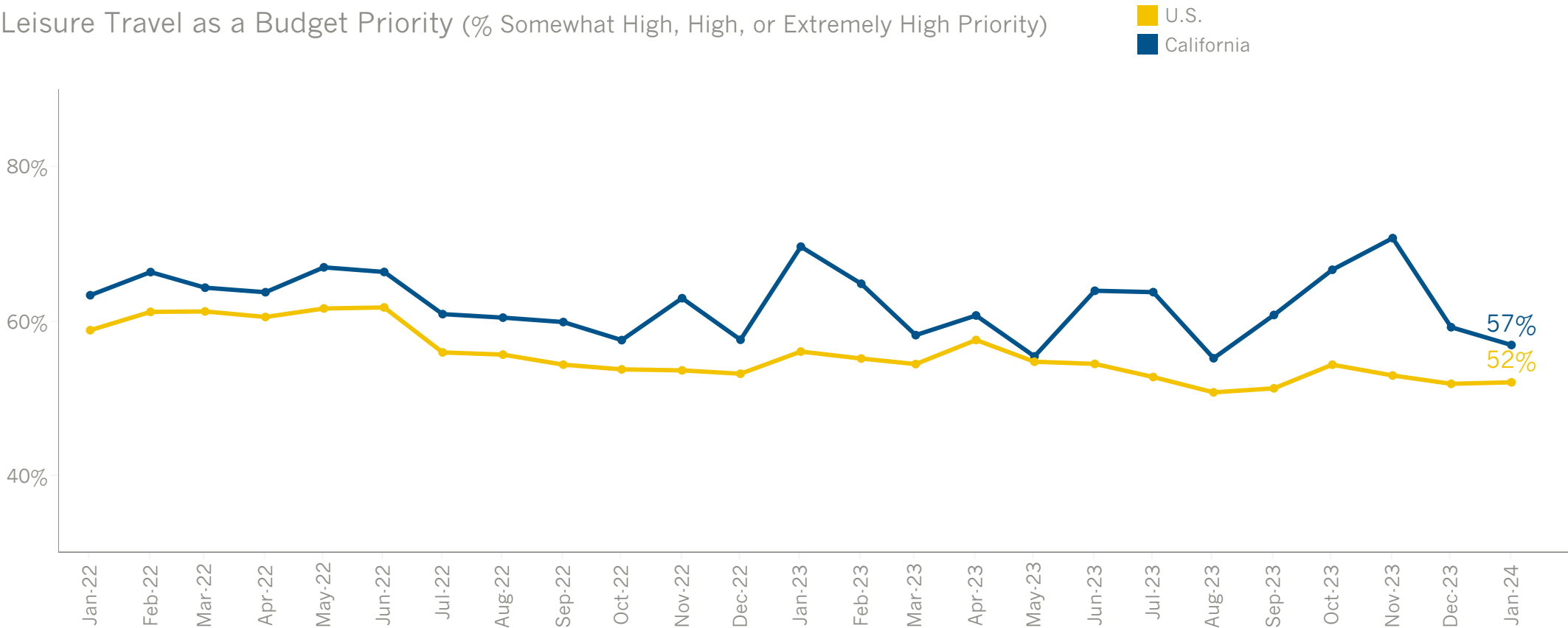
Q: Looking forward—do you feel that a year from now, you (and your household) will be better off financially, or worse off, or just about the same as now?

Data reported for: January 2024

Source: Future Partners, *The State of the American Traveler*

U.S. & California Budget Priorities

The chart below shows perception of leisure travel as a budget priority among U.S. and California traveling consumers.

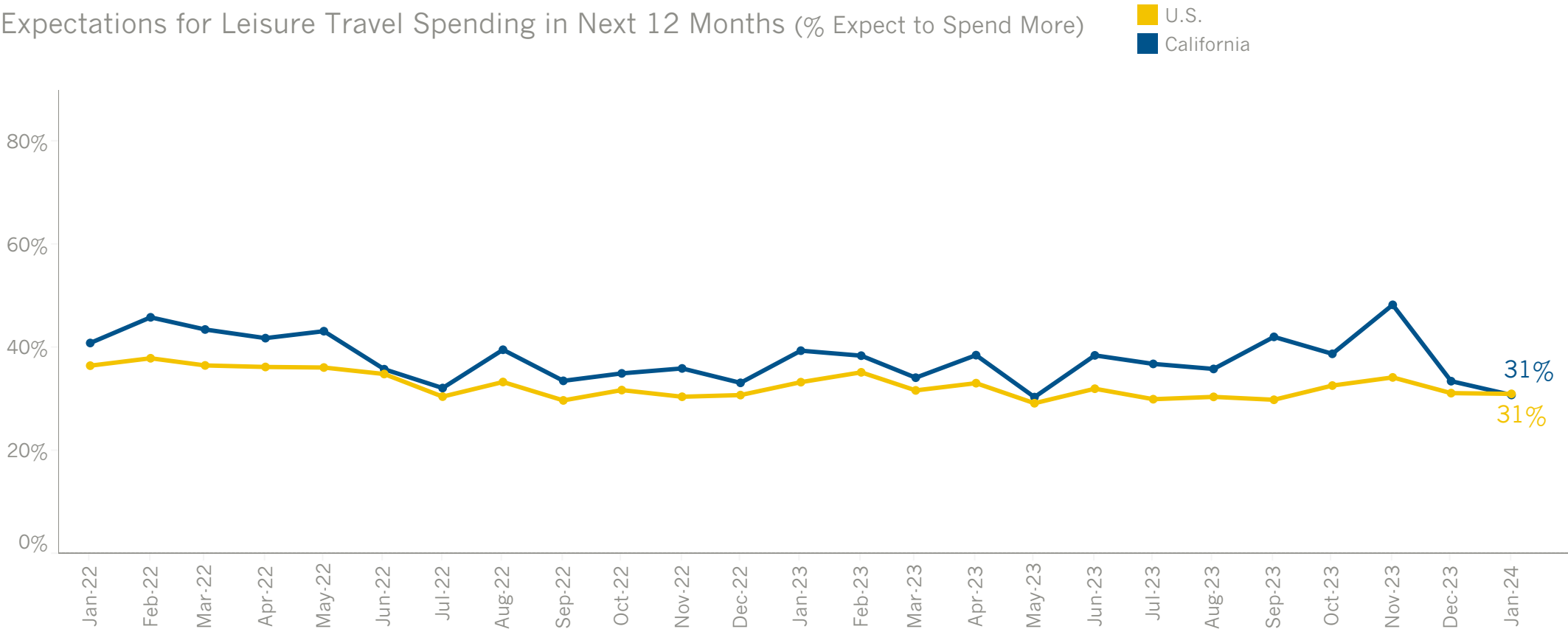


Q: Thinking carefully about how you expect to spend your income in the next three months, please use the scale below to describe your spending priorities. Leisure travel will be a(n)...

Data reported for: January 2024

U.S. & California Expectations for Spending

The chart below shows expectations for spending on leisure travel among U.S. and California traveling consumers.



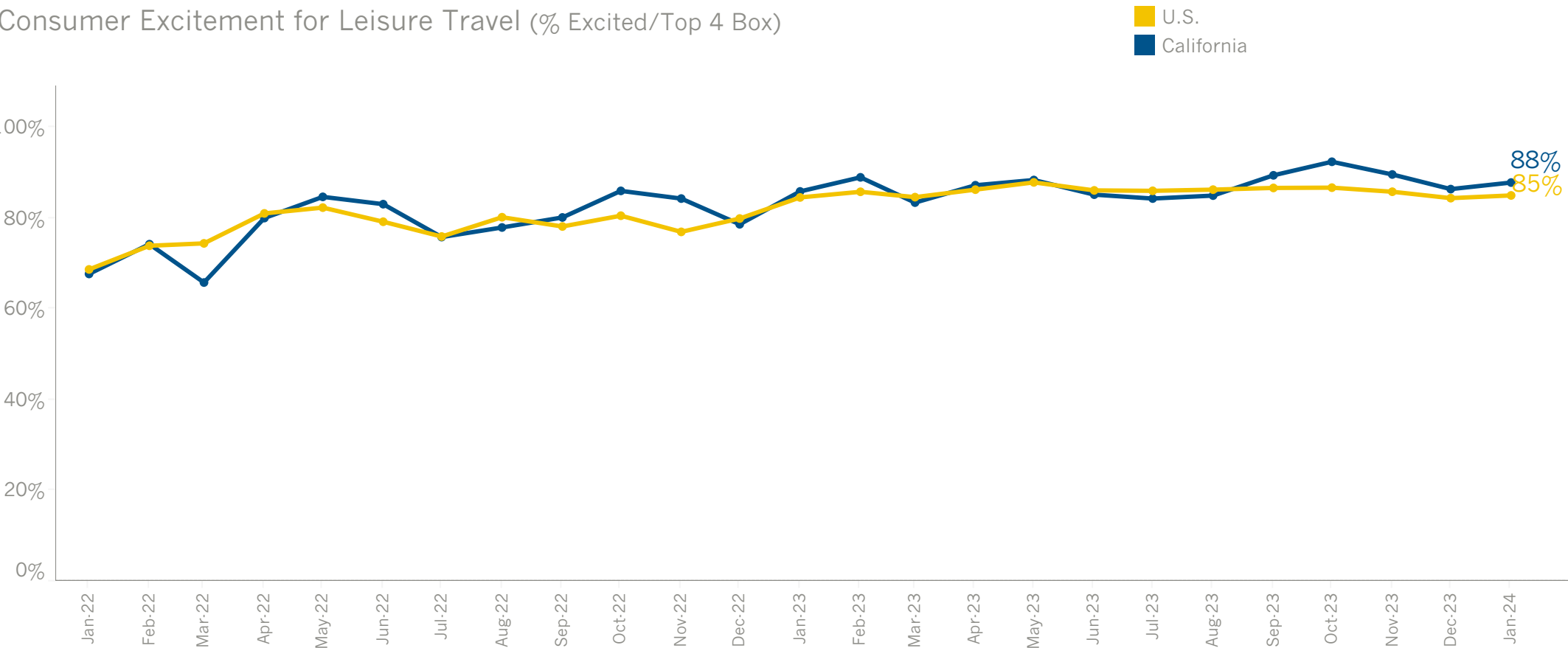
Q: Looking forward—do you feel that a year from now, you (and your household) will be better off financially, or worse off, or just about the same as now?

Data reported for: January 2024

Source: Future Partners, *The State of the American Traveler*

U.S. & California Excitement for Travel

The chart below shows consumer excitement to travel in the next 12 months among U.S. and California traveling consumers.



Q: Which best describes how excited you are about leisure travel in the next 12 months? (11-point scale)

Data reported for: January 2024

Source: Future Partners, *The State of the American Traveler*



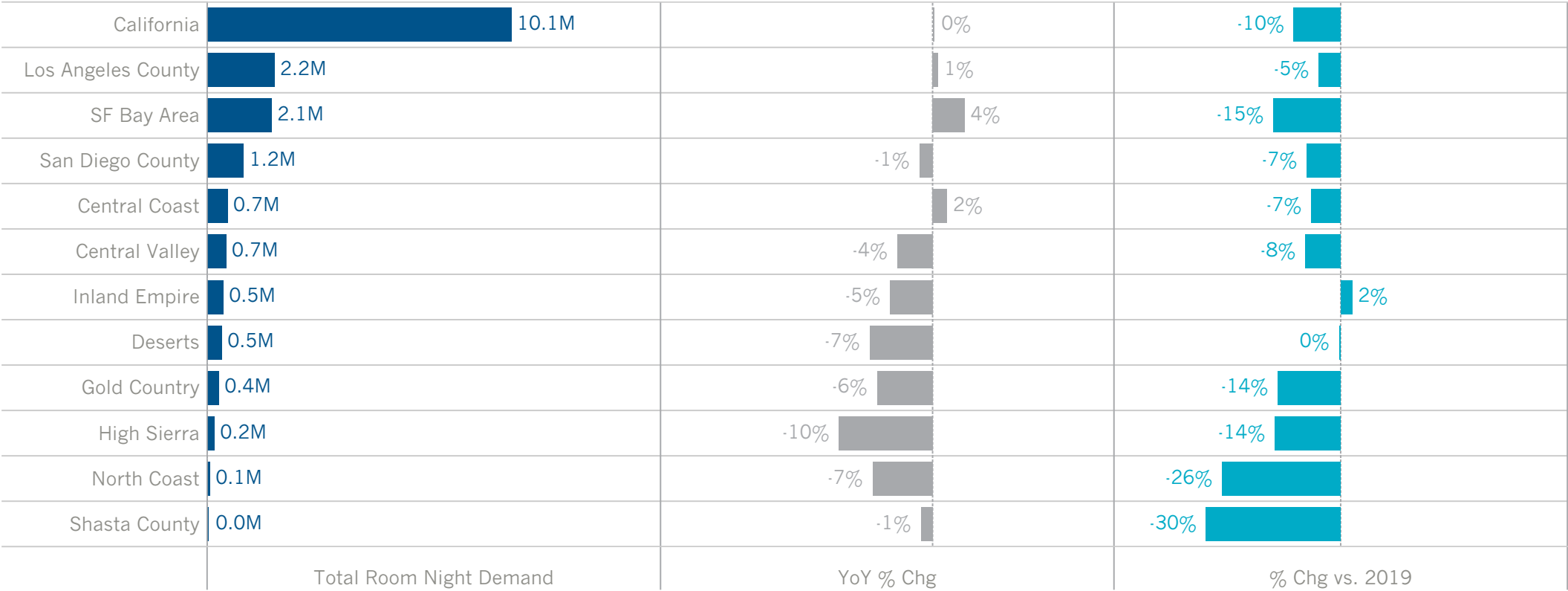
Domestic Indicators: **Lodging**

- Monthly Hotel Metrics
- Weekly Hotel Metrics
- Group Occupancy
- Short Term Rental Metrics

California & Regions Room Demand

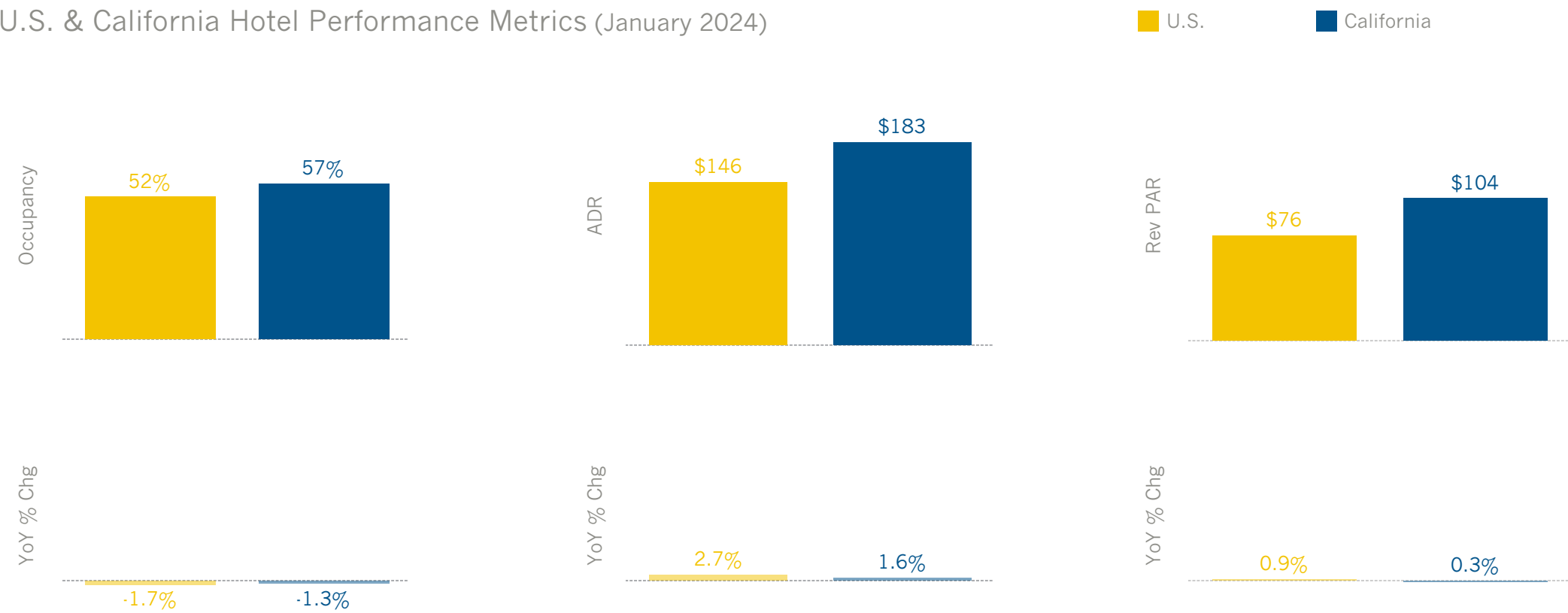
The chart below shows California and regions hotel room demand benchmarked to prior year and to 2019 for the reporting month.

California & Regions Hotel Room Demand (January 2024)



U.S. & California Hotel Metrics (Current Month)

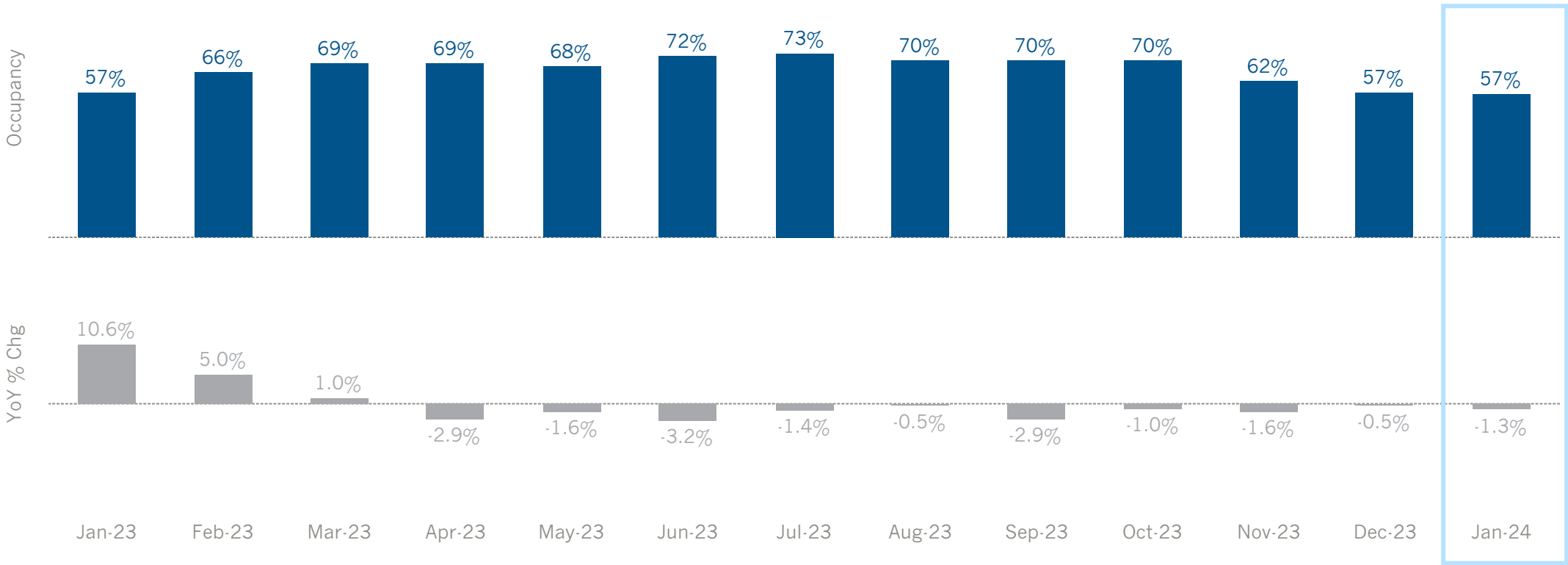
The charts below show key hotel metrics and percent change for the U.S. and California for the reporting month.



California Hotel Occupancy

The chart below shows monthly California hotel occupancy rates and percent changes.

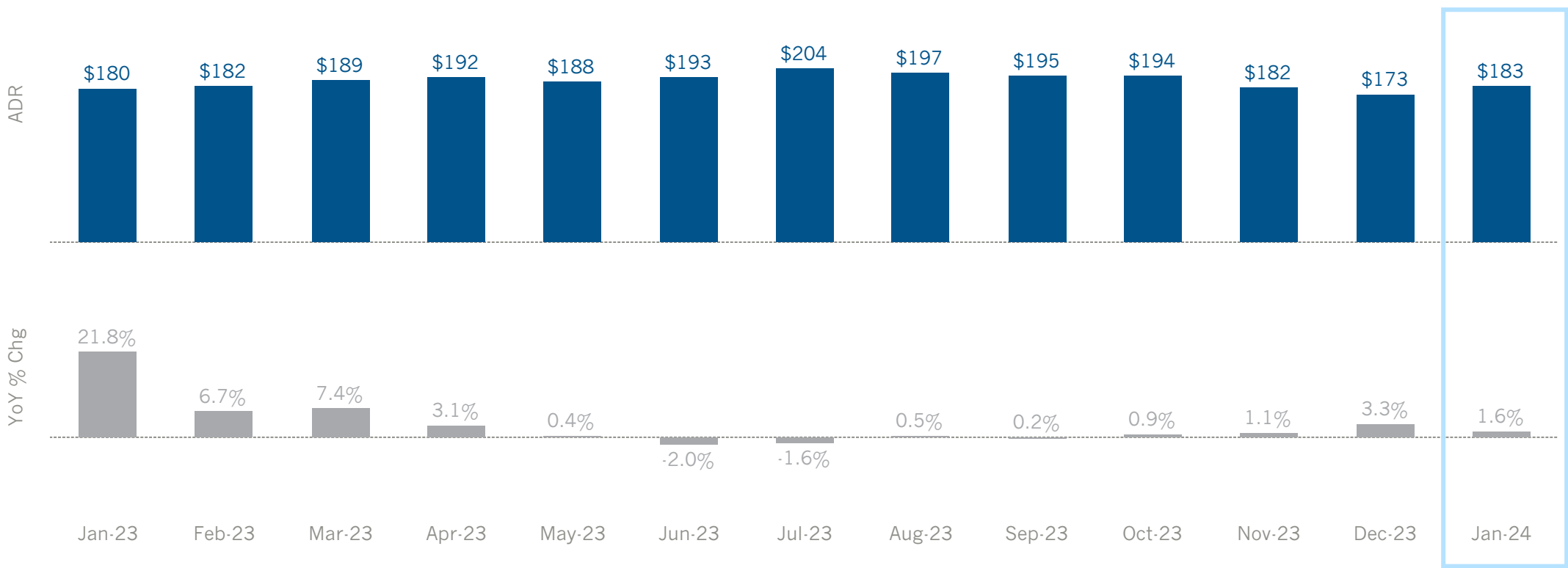
California Hotel Occupancy



California Hotel ADR

The chart below shows monthly California hotel average daily rates (ADR) and percent changes.

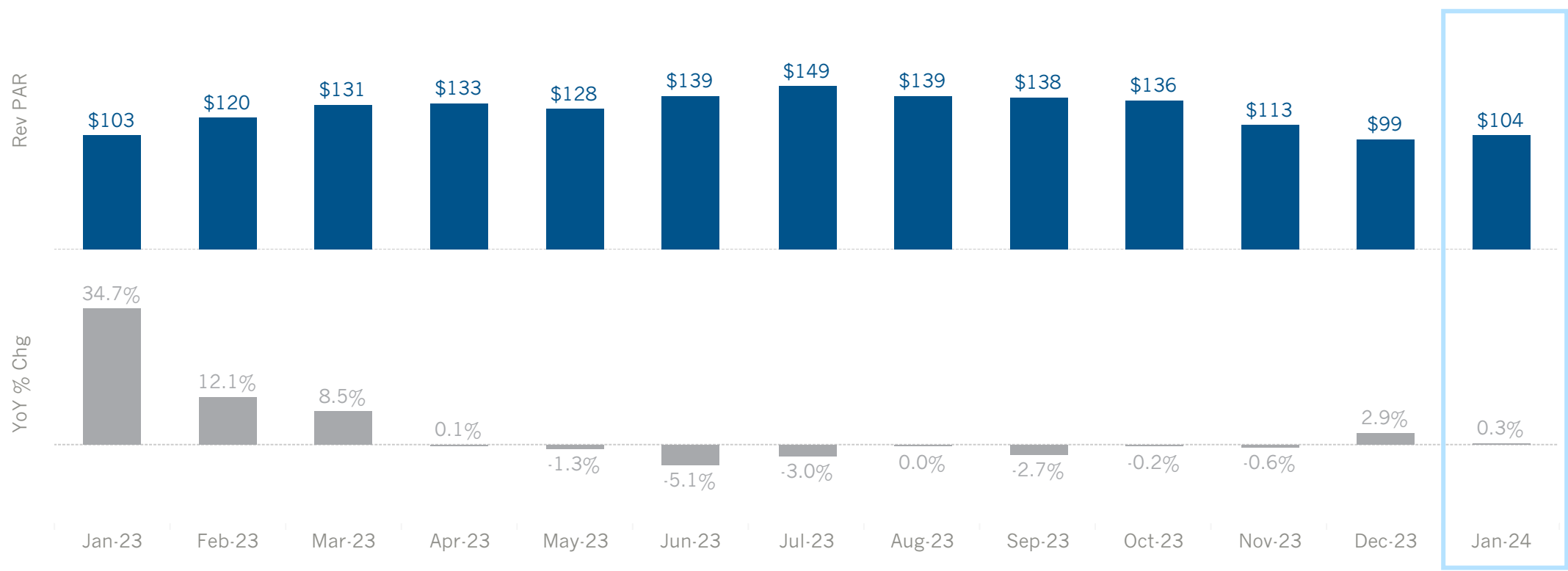
California Hotel ADR



California Hotel RevPAR

The chart below shows monthly California hotel revenue per available room (RevPAR) and percent changes.

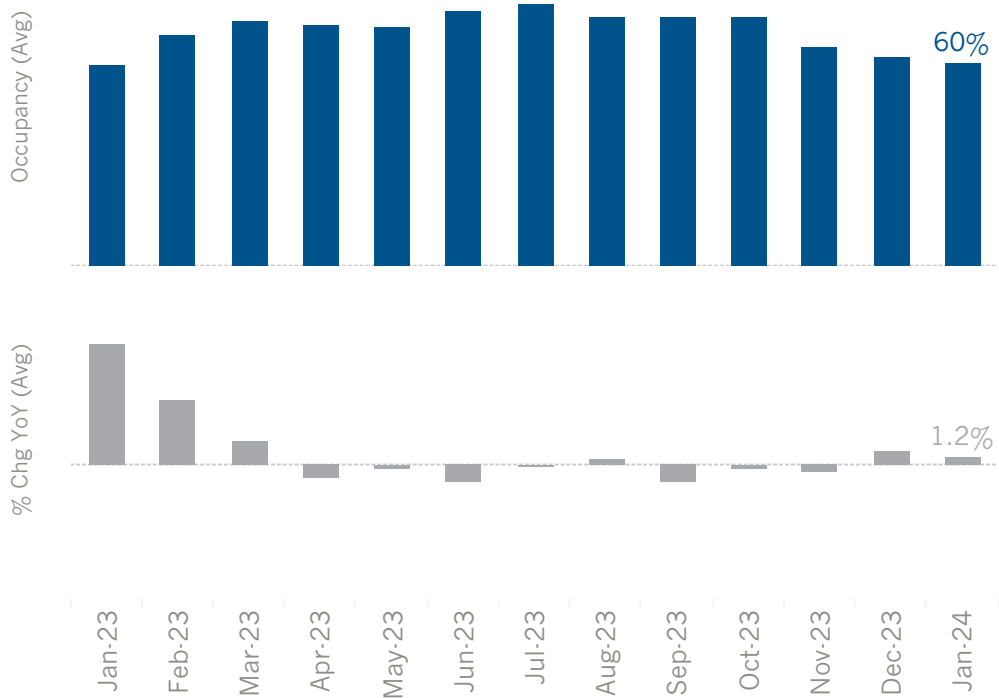
California Hotel RevPAR



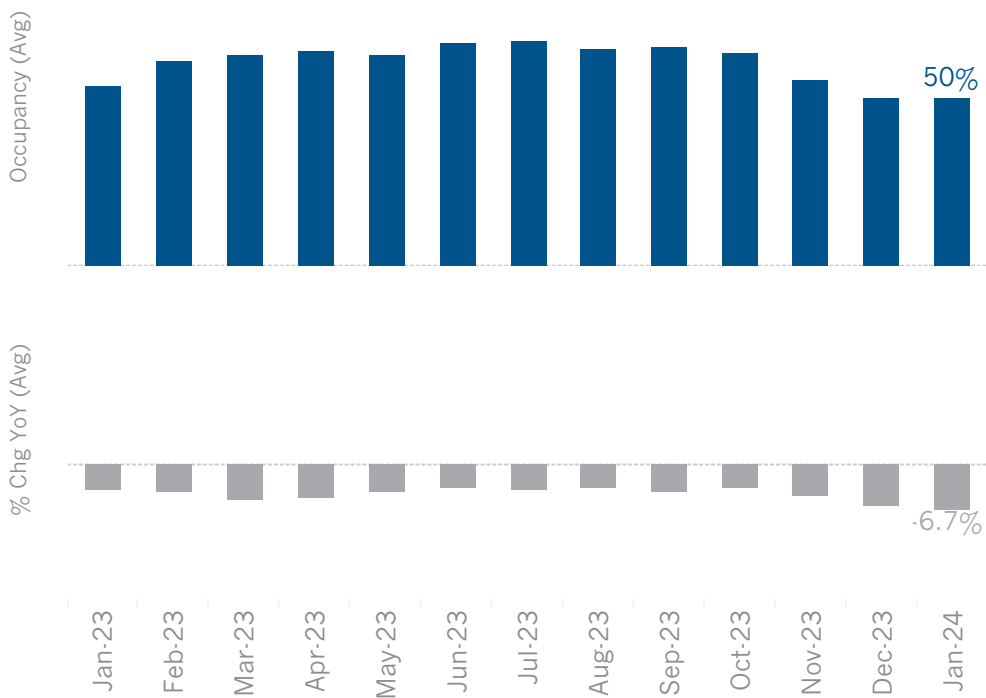
Gateway & Other Regions Hotel Occupancy

The charts below show average monthly occupancy rates and percent changes for the Gateway and Other/Rural tourism regions.

Gateway Region Occupancy



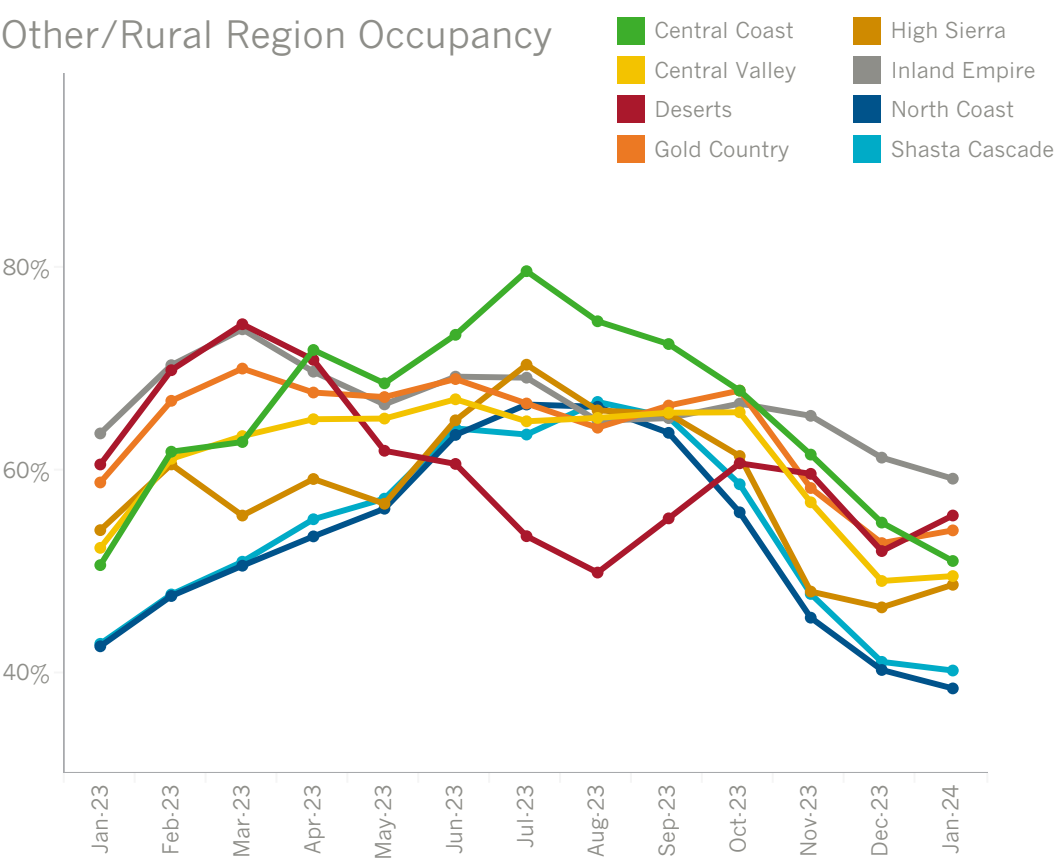
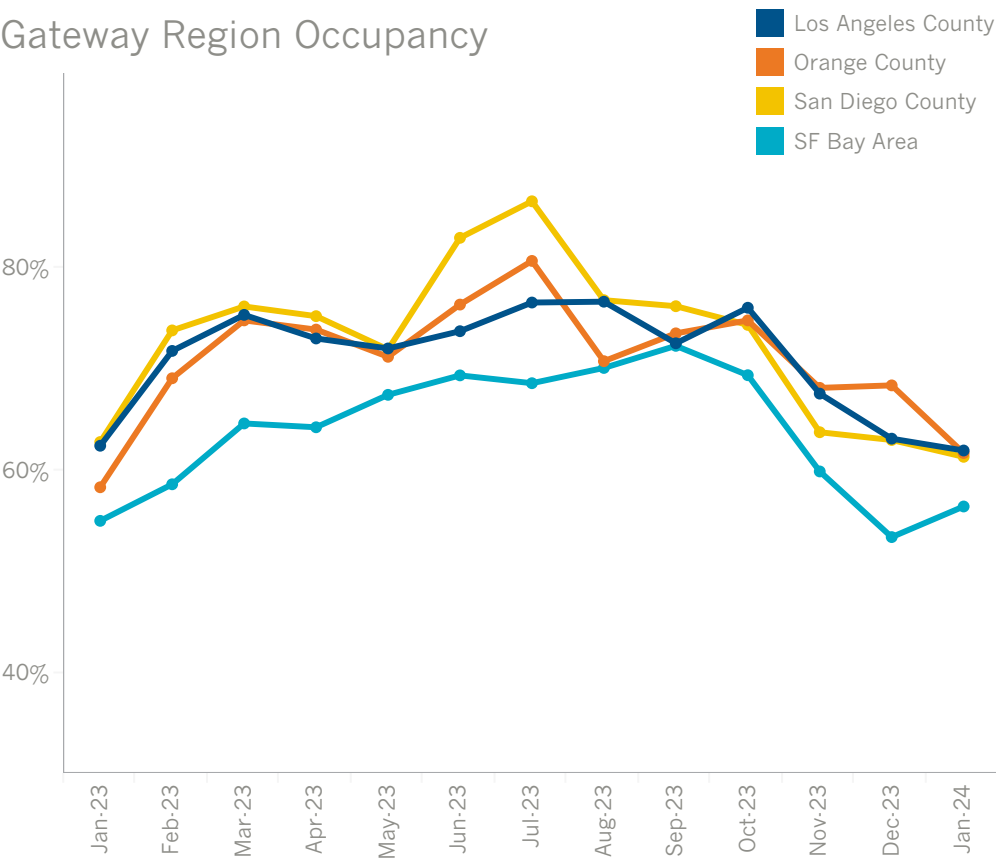
Other/Rural Region Occupancy



Gateway Regions include: Los Angeles County, Orange County, San Diego County, & San Francisco Bay Area
Other/Rural Regions include: Central Coast, Central Valley, Deserts, Gold Country, High Sierra, Inland Empire, North Coast, & Shasta Cascade
Data reported through: January 2024

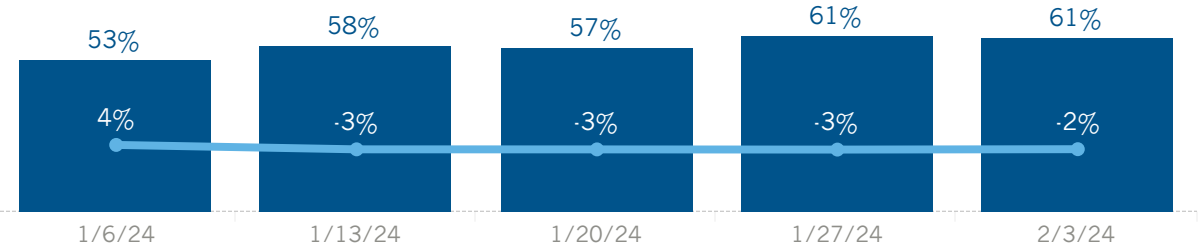
Regions Hotel Occupancy

The charts below show monthly occupancy rates the individual Gateway and Other/Rural tourism regions.

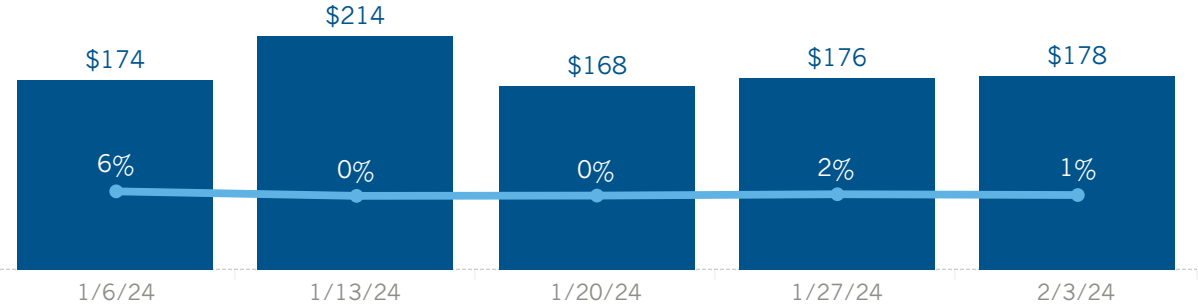


California Hotel Metrics (Weekly)

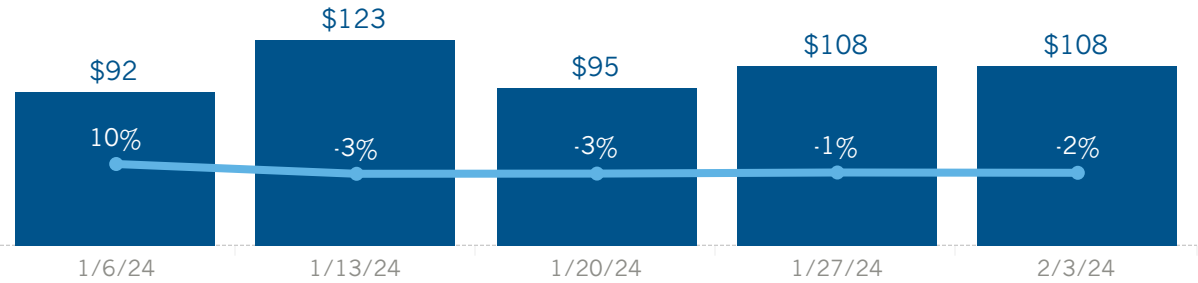
Occupancy



ADR



RevPAR



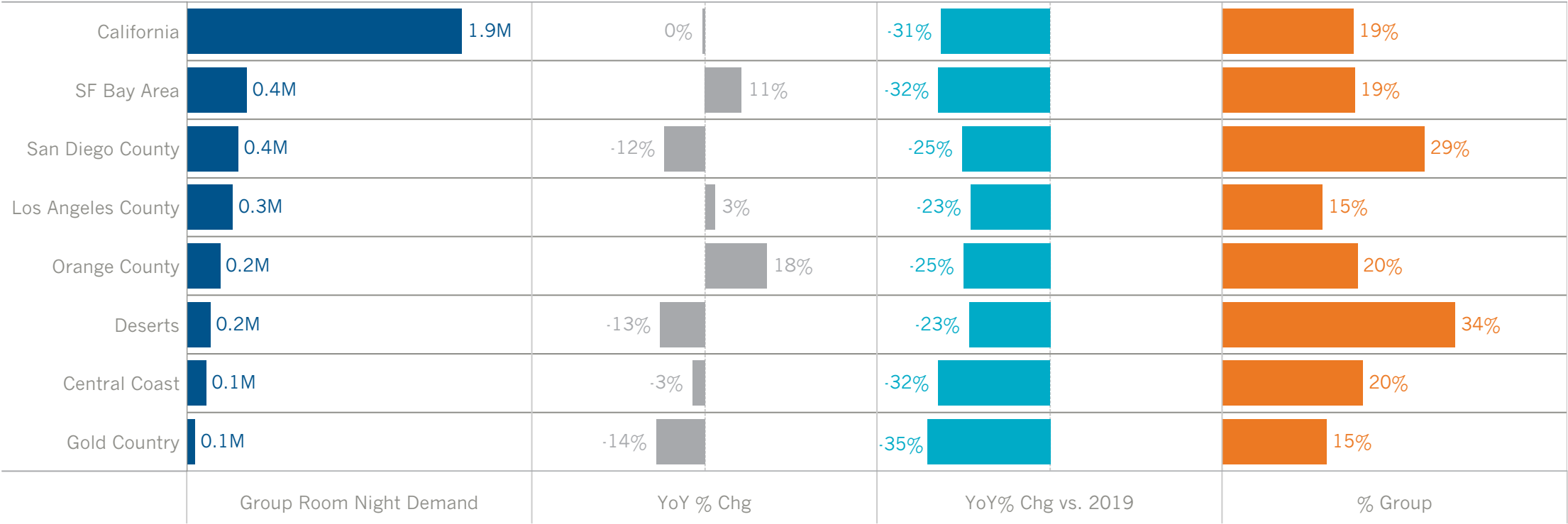
California Hotel Metrics (Weekly)

The charts to the left show key California hotel metrics (dark blue text) and year-over-year percent change (white text) for weeks in the reporting month. Dates shown are week ending dates.

California Hotel Group Demand

The chart below shows group room demand by market for the reporting month, percent change, & percent of total demand.

California & Regions Group Hotel Room Night Demand

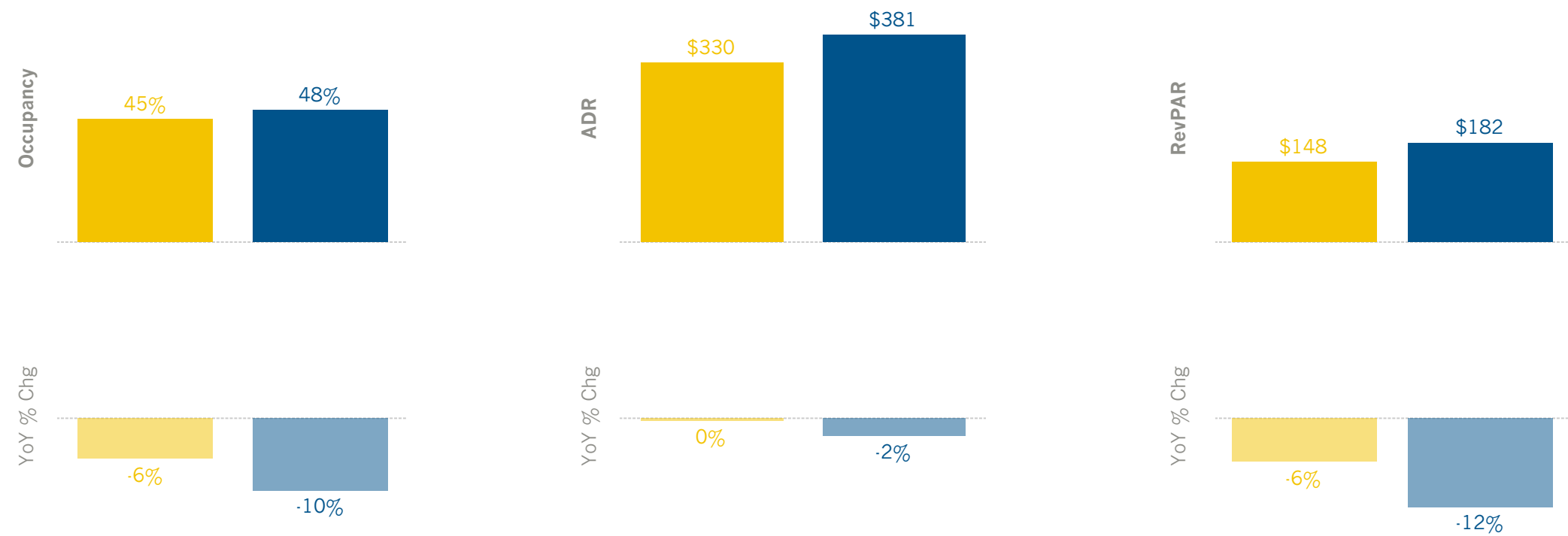


California Short-Term Rental Metrics

The charts below show key short-term rental metrics and percent change for the U.S. and California for the reporting month.

U.S. & California Short-Term Rental Metrics (January 2024)

■ U.S. ■ California





Domestic Indicators:

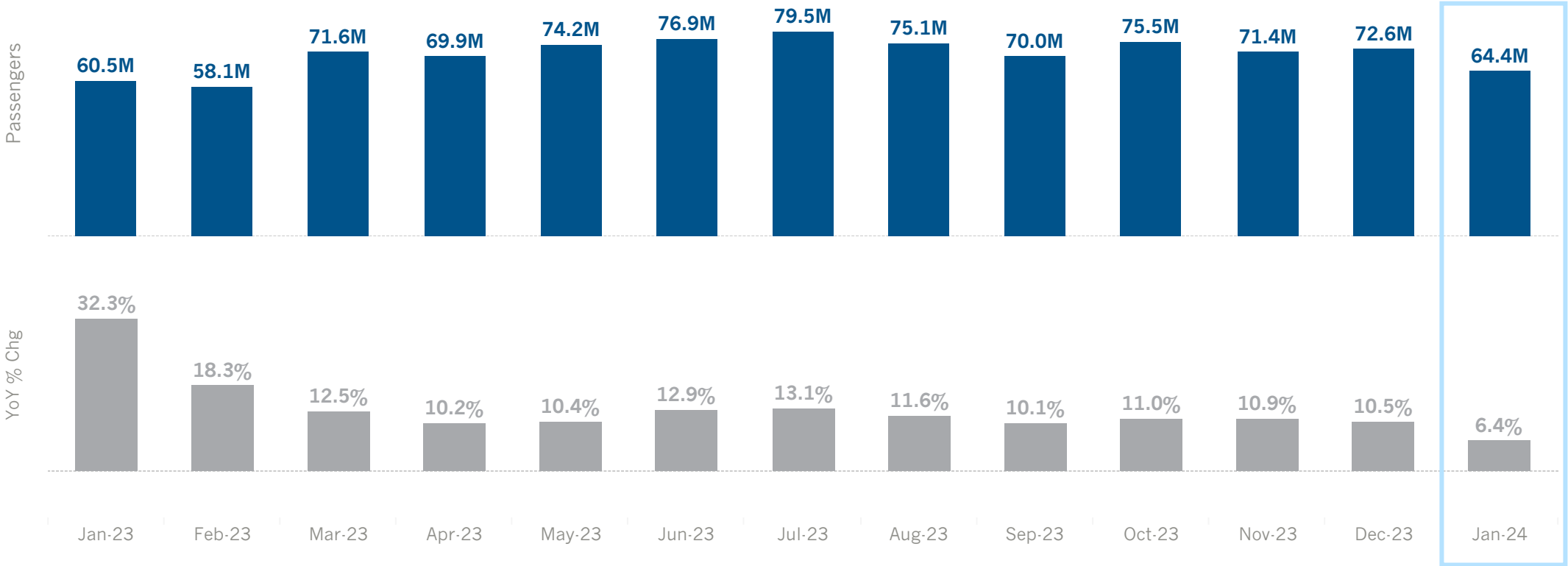
Airlift

- Air Passenger Throughput
- Domestic Non-Stop Seats

U.S. Air Passenger Throughput

The chart below shows the monthly total number of passengers screened at TSA checkpoints in U.S. airports and percent change.

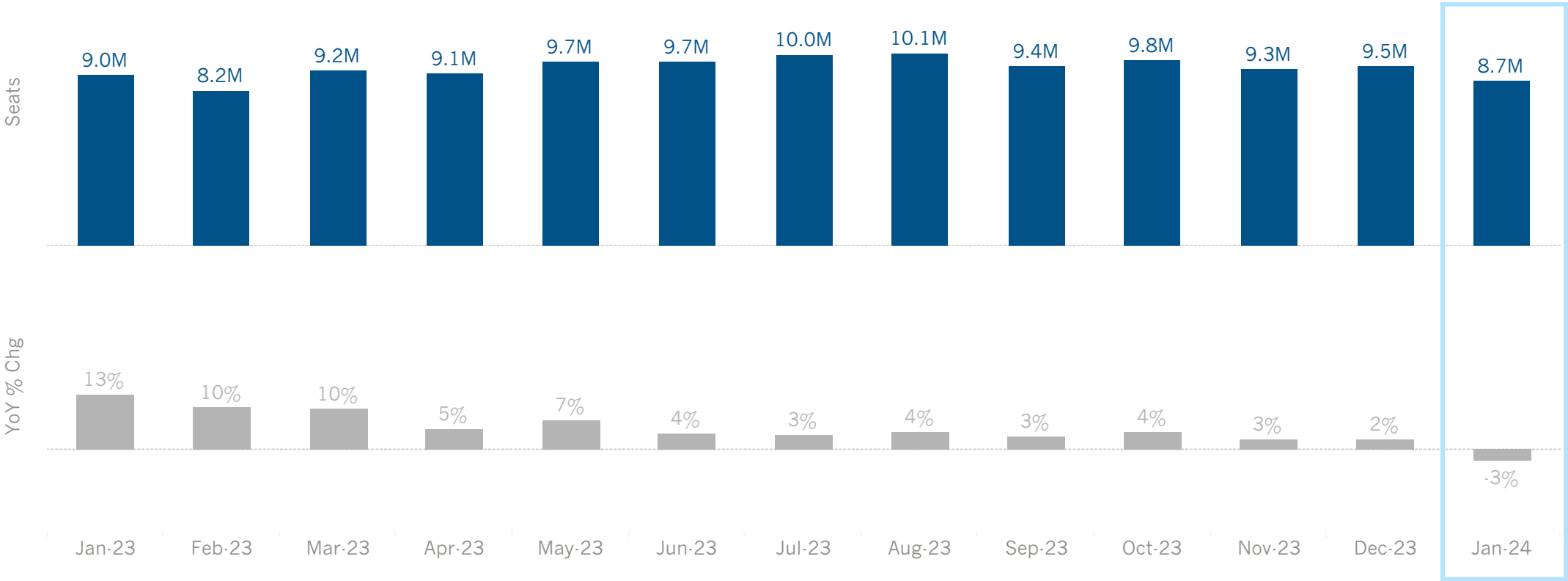
U.S. Air Passenger Throughput



California Domestic Non-Stop Seats

The chart below shows monthly domestic non-stop seats to California and percent change.

California Domestic Non-Stop Seats





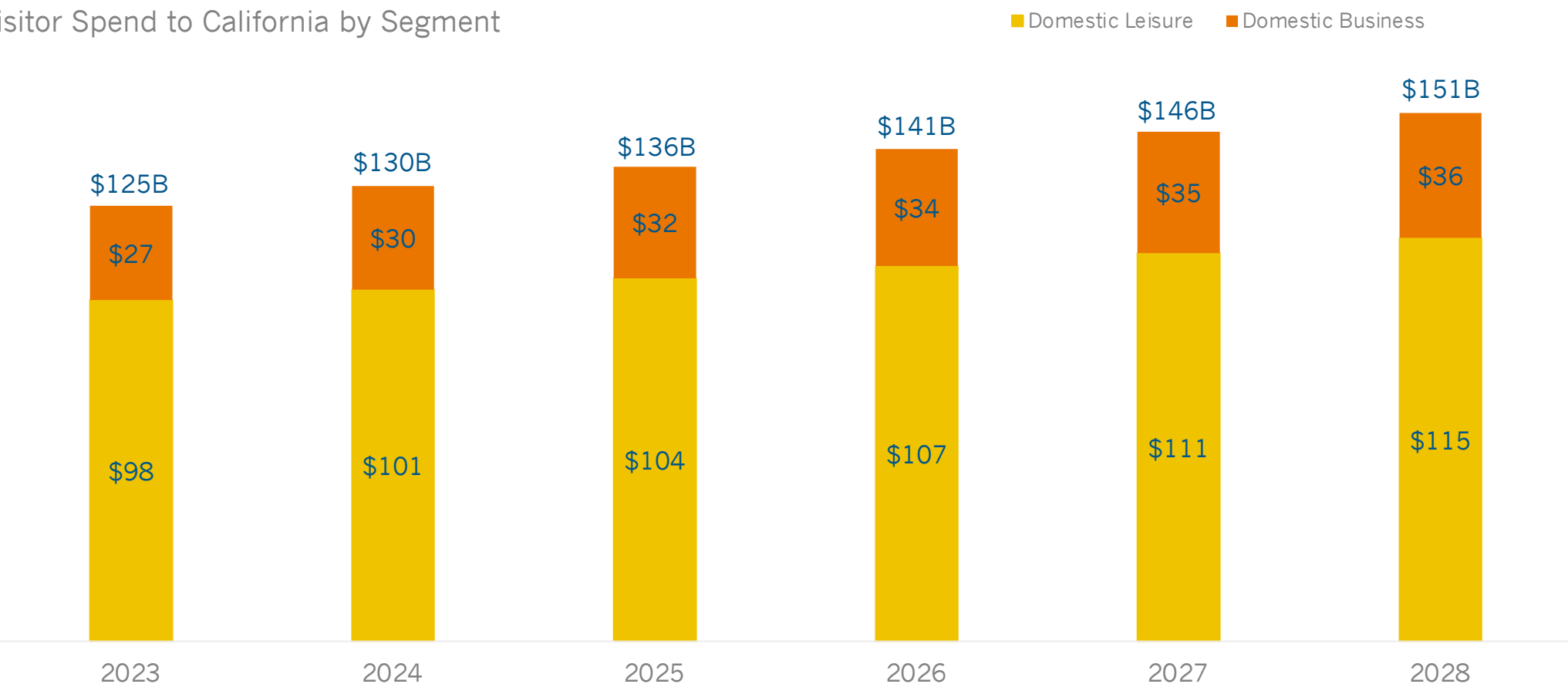
Domestic Indicators: Forecast/Travel Spending

- Domestic Forecast
- Travel Spending

Domestic Spending Forecast by Segment

The chart below shows the current travel spending forecast by domestic leisure and business segments.

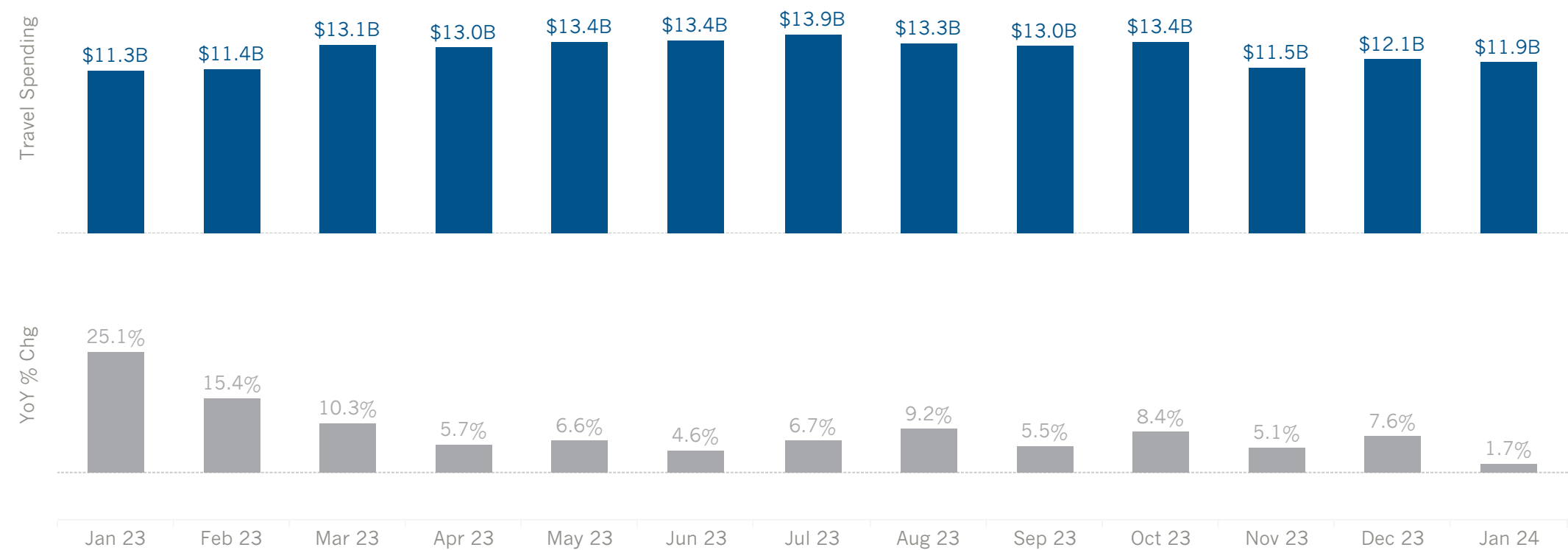
Visitor Spend to California by Segment



California Travel Spending

The chart below shows monthly travel spending in California based on Tourism Economics estimates for U.S. Travel.

California Travel Spending





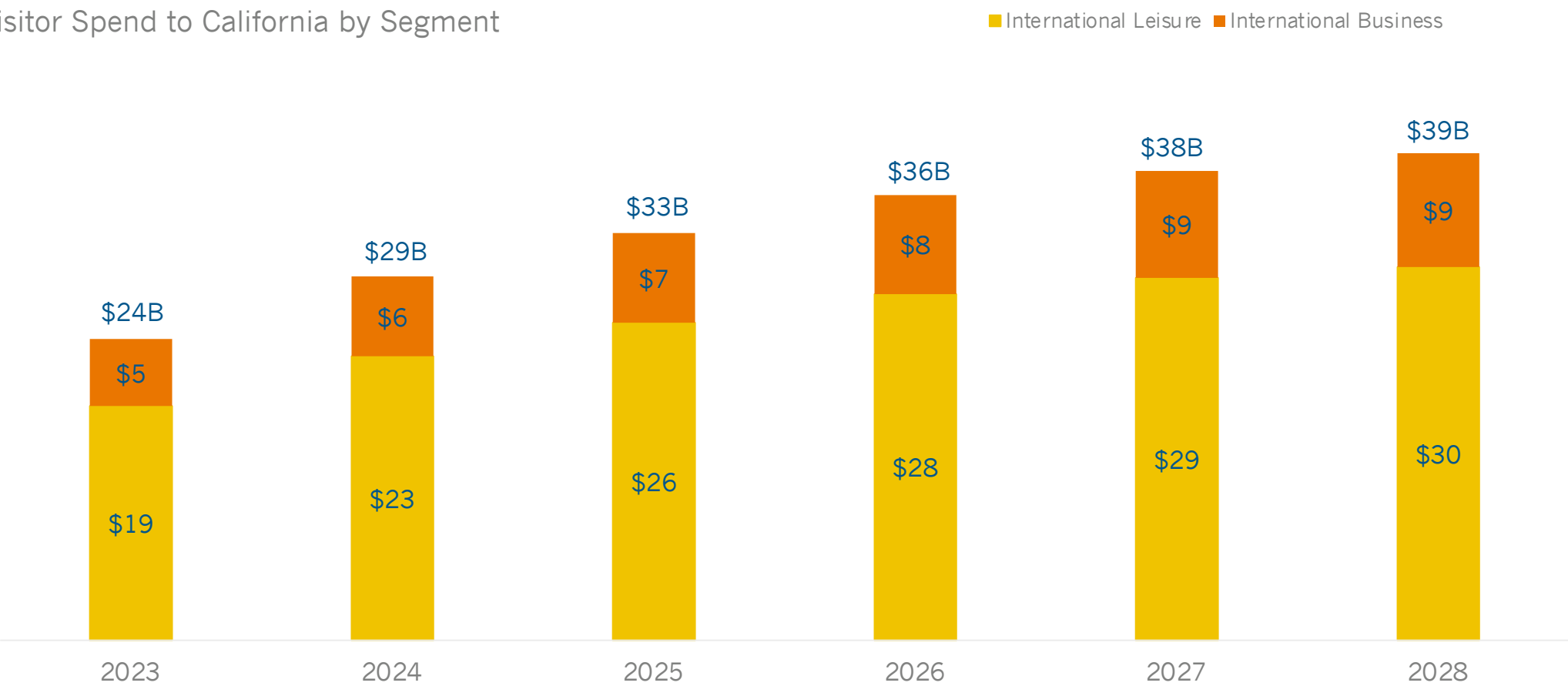
International Indicators: Forecast

- International Market Forecast

International Spending Forecast by Segment

The chart below shows the current travel spending forecast by international leisure and business segments.

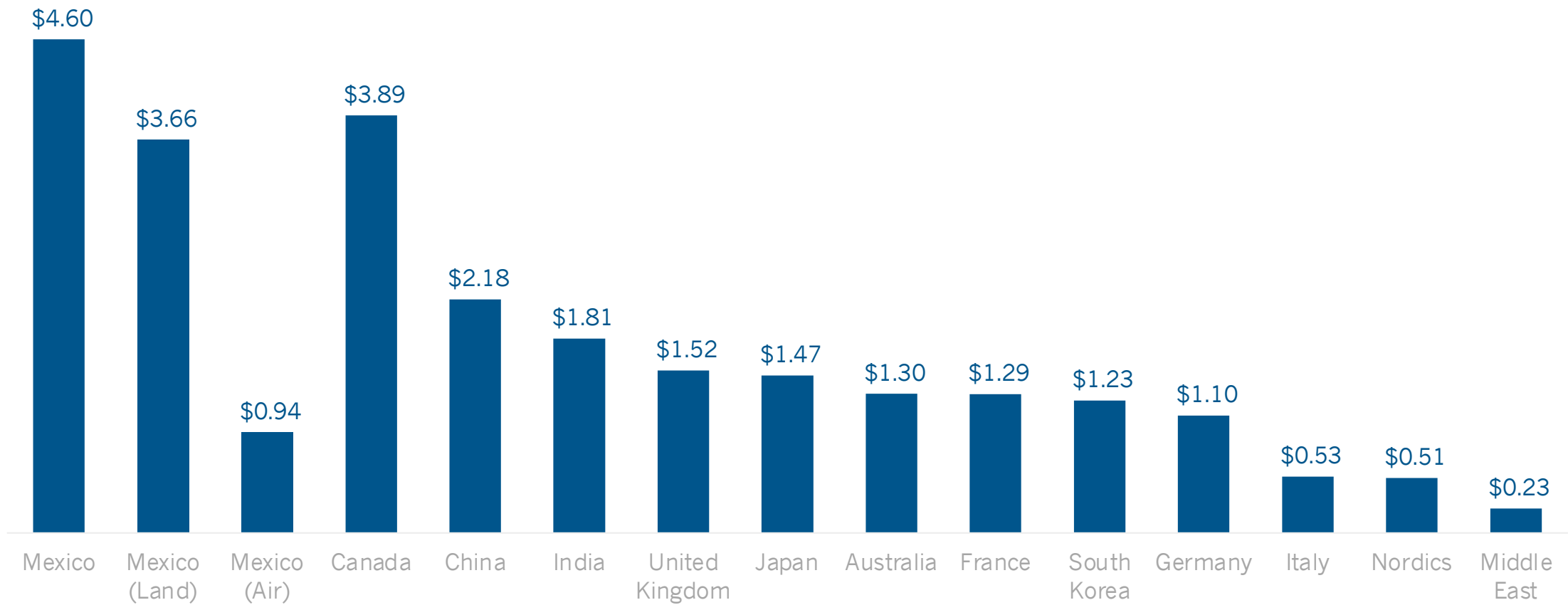
Visitor Spend to California by Segment



California International Travel Spend Forecast

The table below shows the international visitor spend forecast for California broken out by international market.

2024 Visitor Spend Forecast by Market (billions)





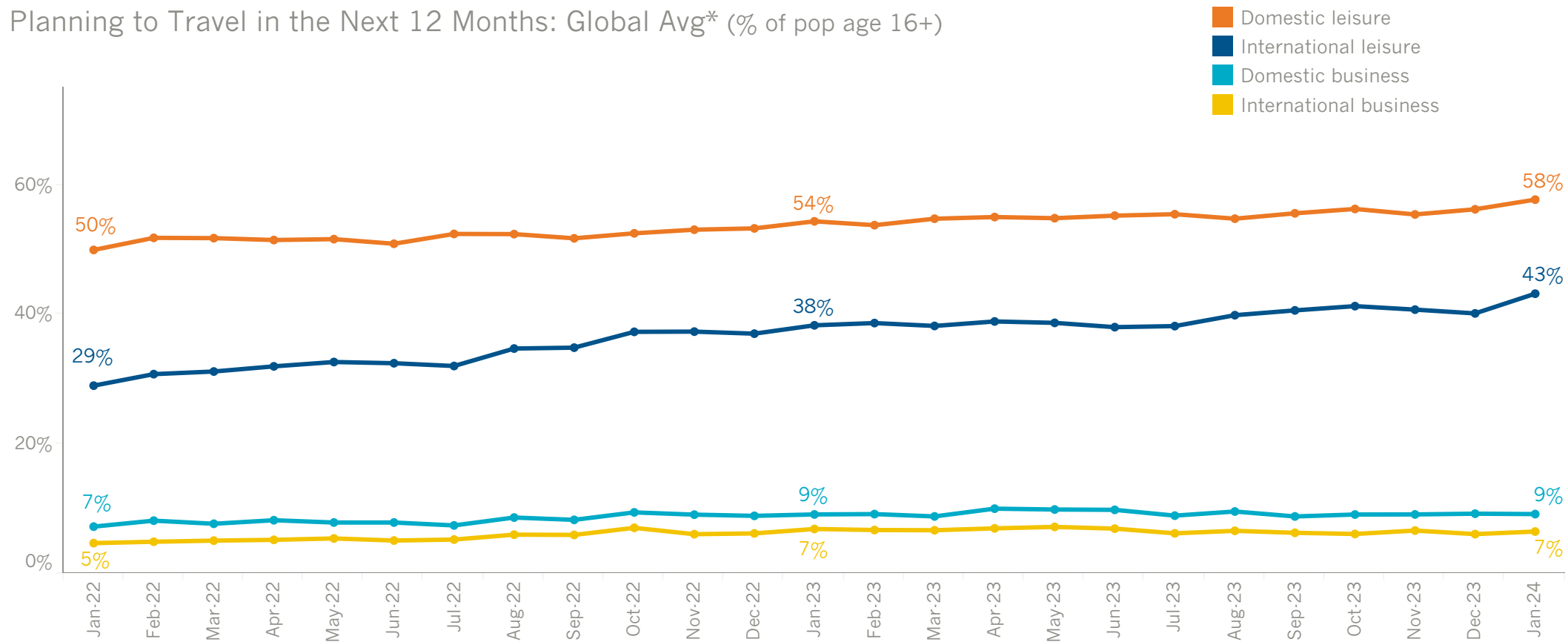
International Indicators: Consumer Sentiment

- Travel Planned
- Barriers to Travel

International Markets Travel Planned

The chart below shows types of travel planned in the next 12 months among international market consumers.

Planning to Travel in the Next 12 Months: Global Avg* (% of pop age 16+)

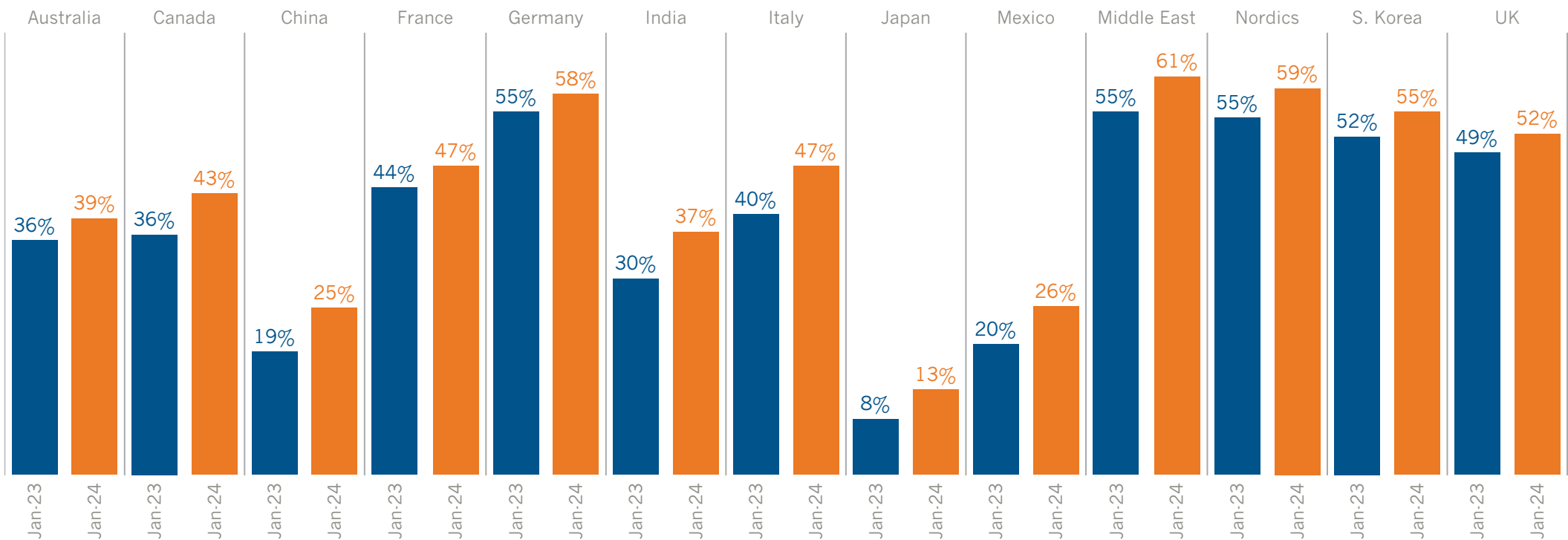


Q: Which, if any, of the following trips are you planning to take in the next 12 months?
*Based on respondents in Australia, Canada, China, Germany, France, India, Italy, Japan, Mexico, Middle East (Saudi Arabia & UAE), Nordics, South Korea & UK
Data reported for: January 2024

Markets Travel Planned (International Leisure)

The chart below shows international leisure travel planned in the next 12 months by market.

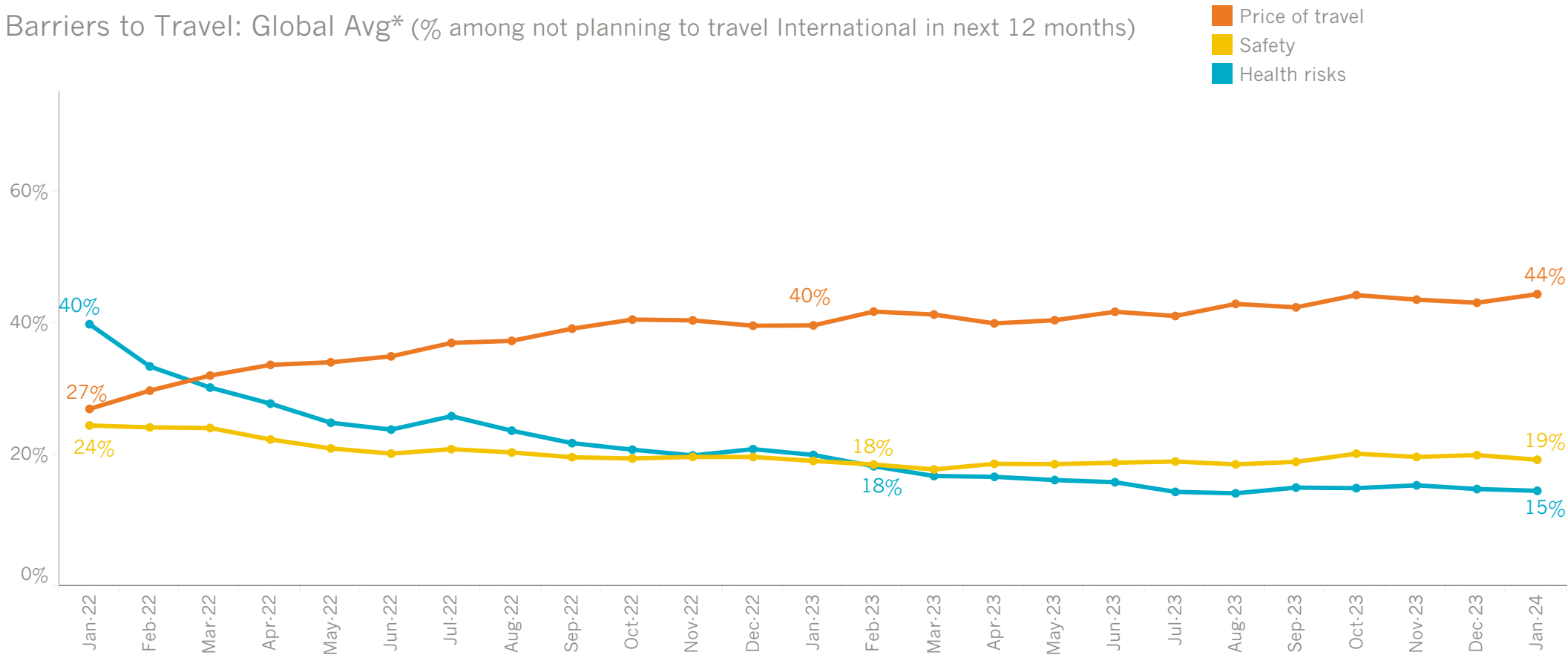
Planning to Travel in the Next 12 Months: International Leisure Trip (% of pop age 16+)



Q: Which, if any, of the following trips are you planning to take in the next 12 months?
Data reported for: January 2024

International Markets Barriers to Travel

The chart below shows perceived barriers to travel among international market consumers not currently planning an international trip.

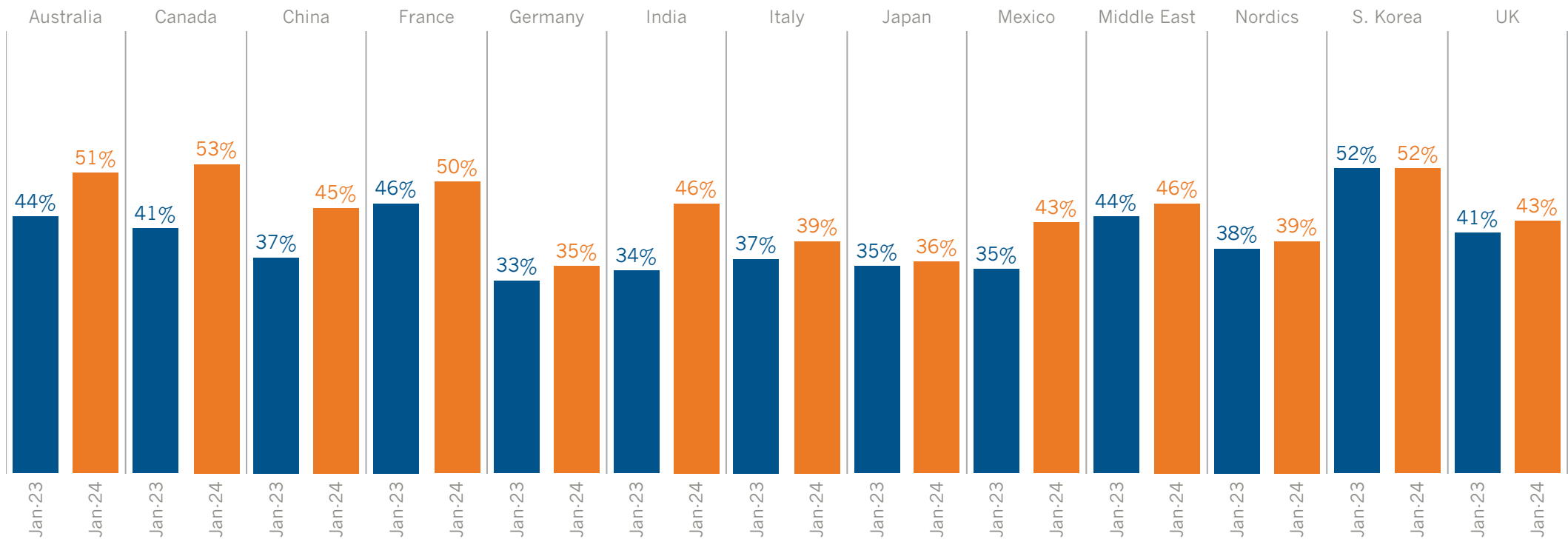


Q: Which, if any, of the below factors are currently preventing you from traveling?
*Based on respondents in Australia, Canada, China, Germany, France, India, Italy, Japan, Mexico, Middle East (Saudi Arabia & UAE), Nordics, South Korea, & UK
Data reported for: January 2024

Markets Barriers to Travel (Price)

The chart below shows price of travel as a barrier among international consumers not currently planning an international trip.

Barriers to Travel: Price of Travel (% among not planning to travel International in next 12 months)

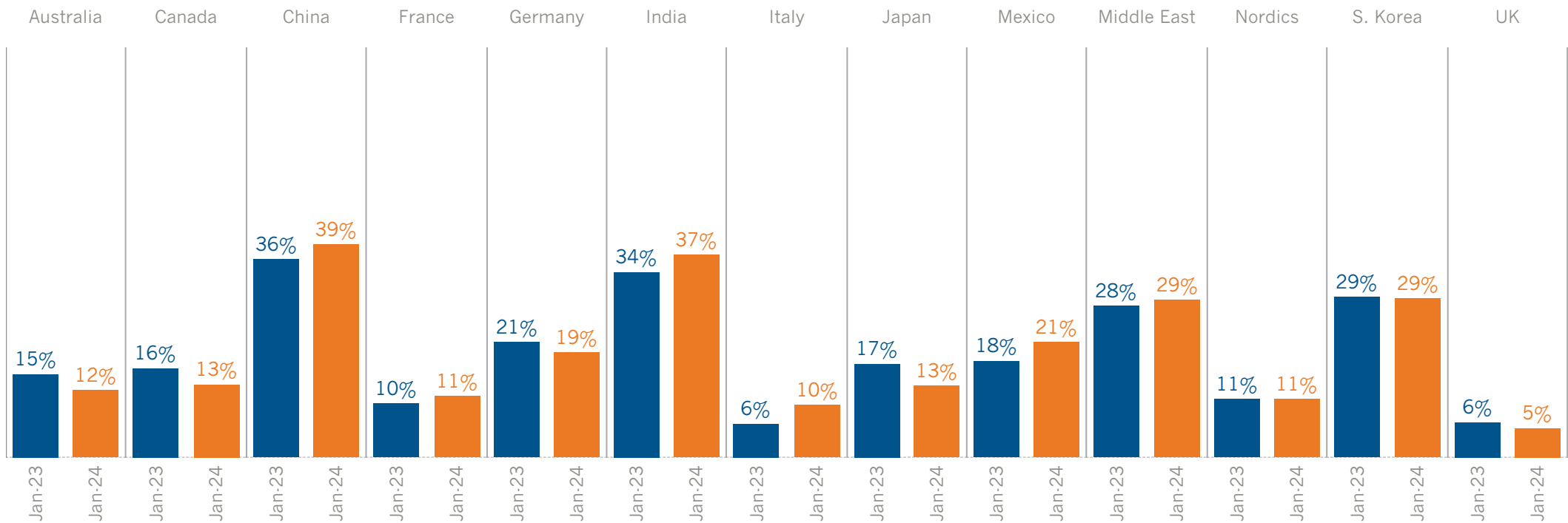


Q: Which, if any, of the below factors are currently preventing you from traveling?
Data reported for: January 2024

Markets Barriers to Travel (Safety)

The chart below shows safety as a travel barrier among international consumers not currently planning an international trip.

Barriers to Travel: Safety (% among not planning to travel International in next 12 months)

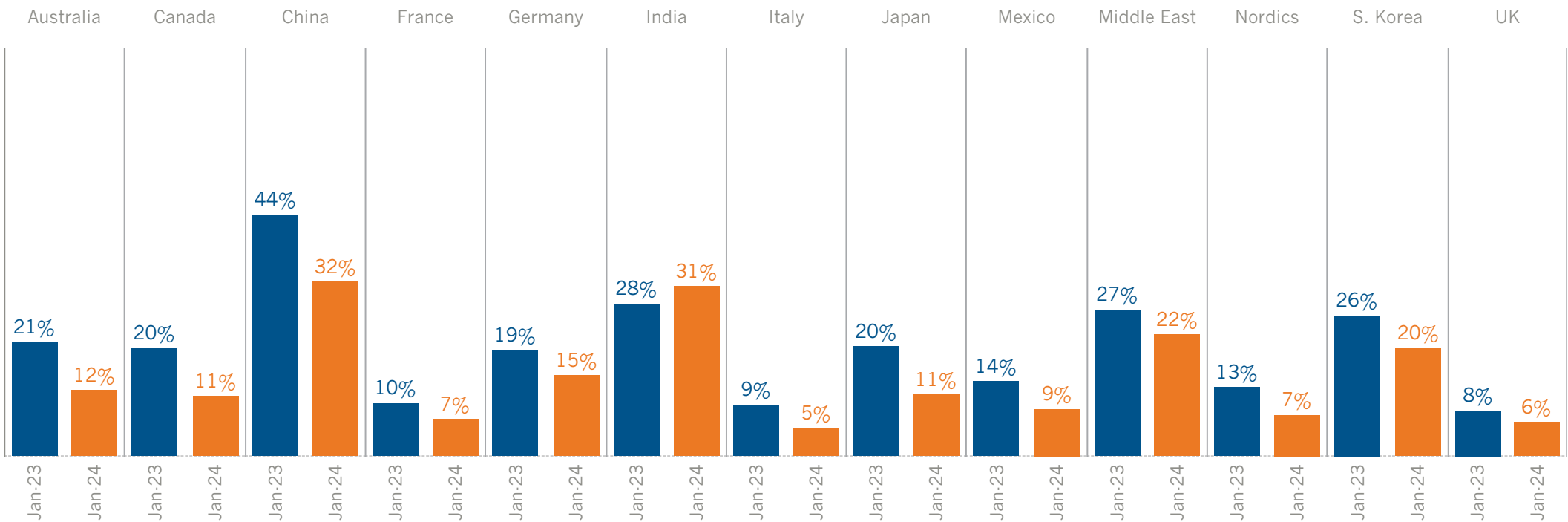


Q: Which, if any, of the below factors are currently preventing you from traveling?
Data reported for: January 2024

Markets Barriers to Travel (Health Risks)

The chart below shows health risks as a travel barrier among international consumers not currently planning an international trip.

Barriers to Travel: Health Risks (% among not planning to travel International in next 12 months)



Q: Which, if any, of the below factors are currently preventing you from traveling?
Data reported for: January 2024



International Indicators:

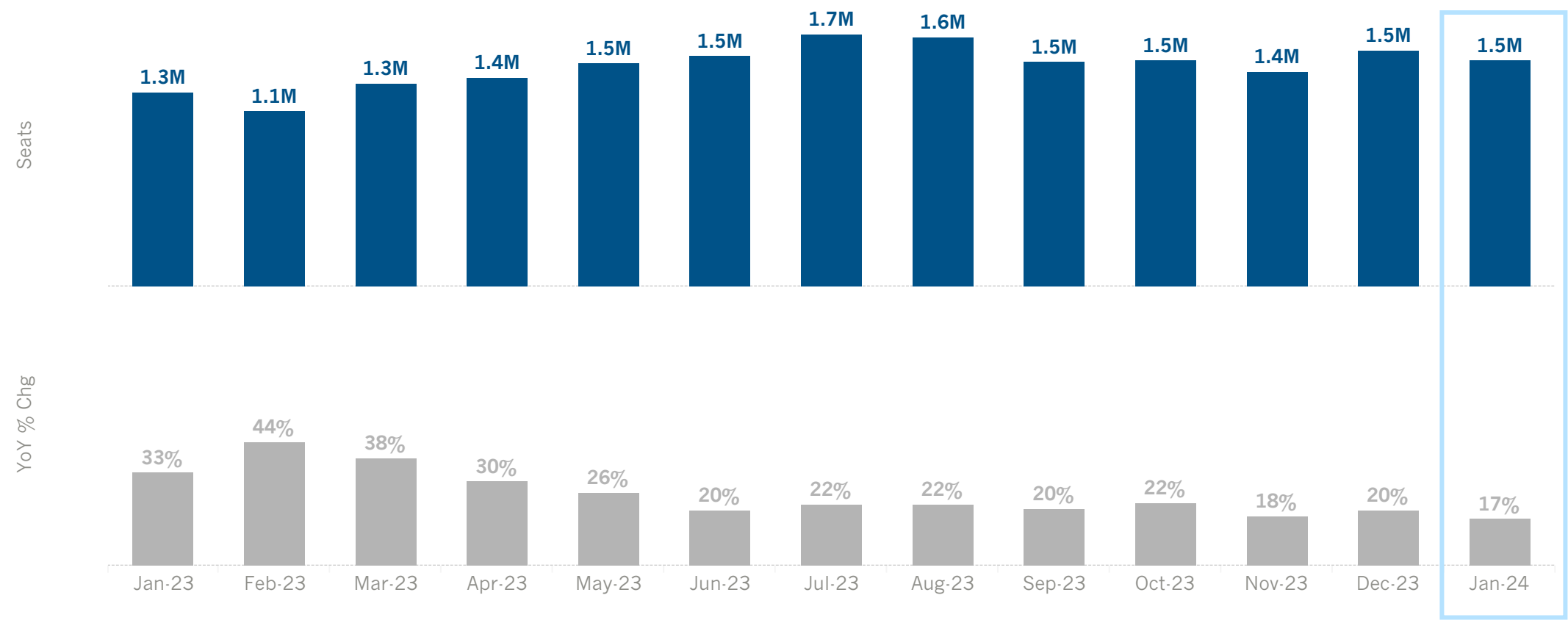
Airlift & Arrivals

- International Non-Stop Seats
- Non-Resident Arrivals
- International Market Share

California International Non-Stop Seats

The chart below shows monthly international non-stop seats to California and percent change.

California International Non-Stop Seats



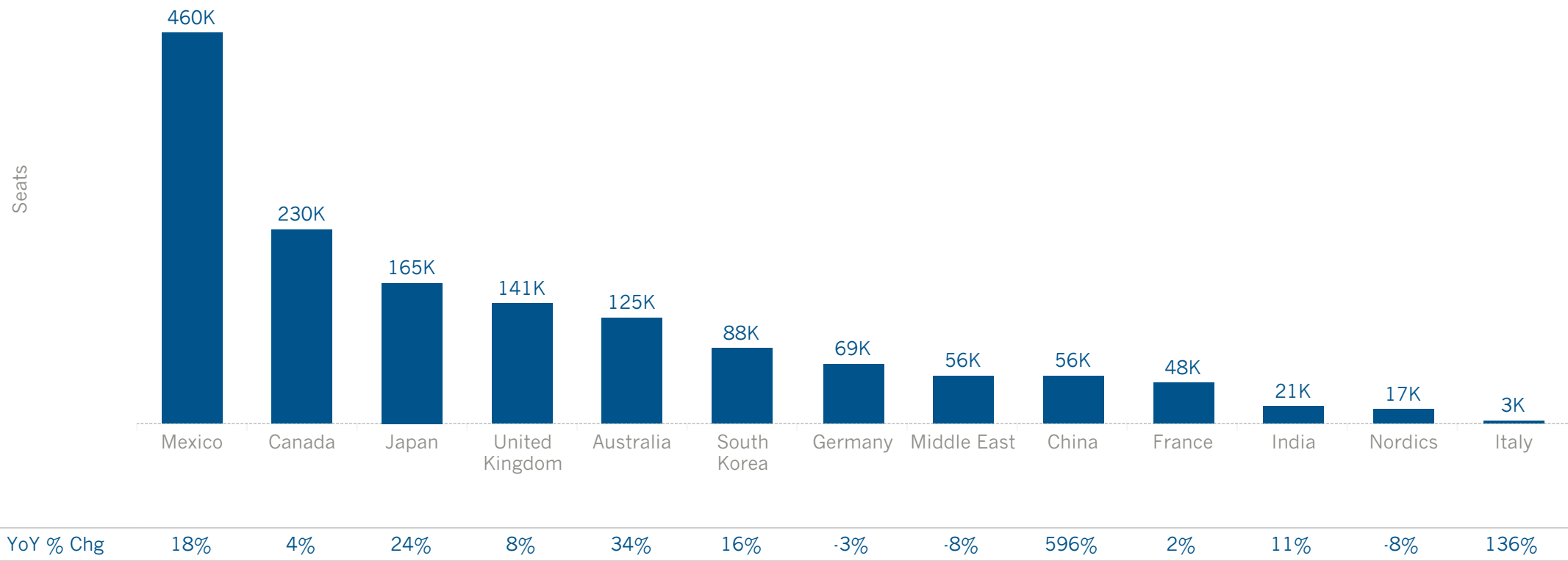
Data shown for Visit California target markets.

Source: Cirium

California International Non-Stop Seats by Market

The chart below shows non-stop seats to California by international market for the reporting month.

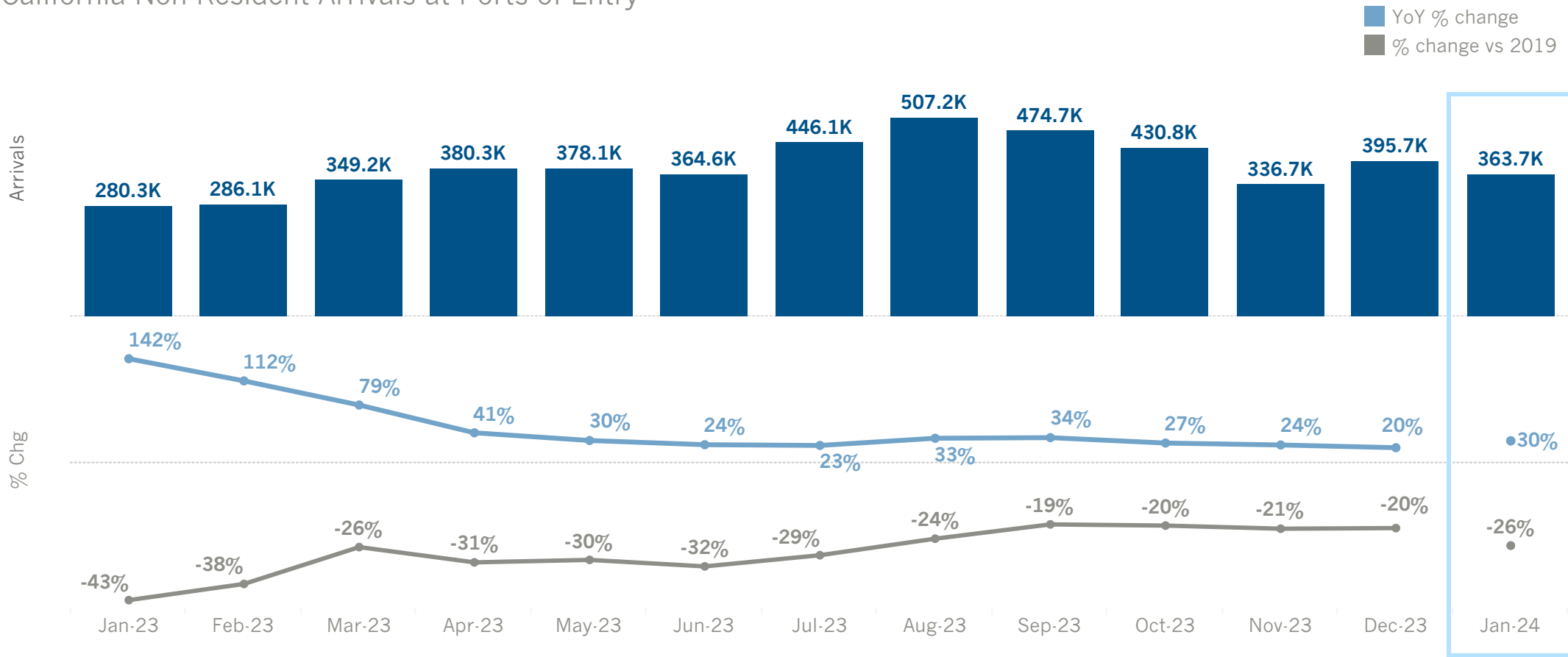
California International Non-Stop Seats (January 2024)



California Non-Resident Arrivals

The chart below shows total international non-resident arrivals at California’s ports of entry and percent changes

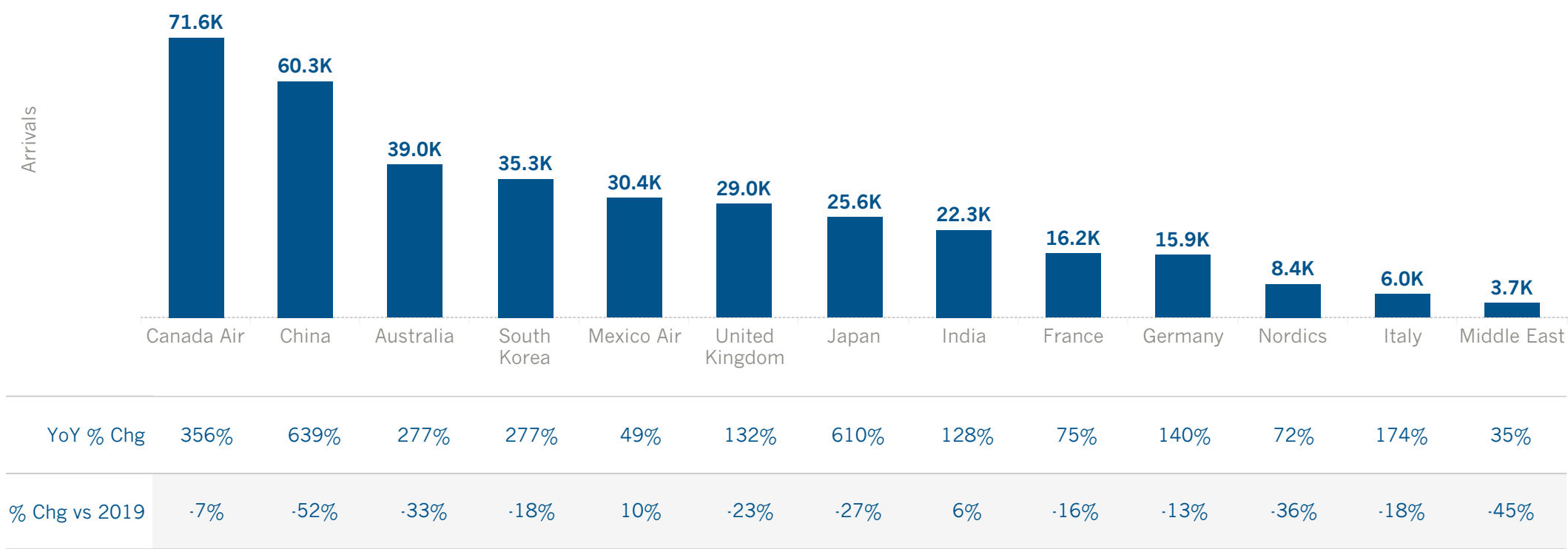
California Non-Resident Arrivals at Ports of Entry



California Non-Resident Arrivals by Market

The chart below shows non-resident arrivals at California’s ports of entry by international market for the reporting month.

California Non-Resident Arrivals Ports of Entry (January 2024)

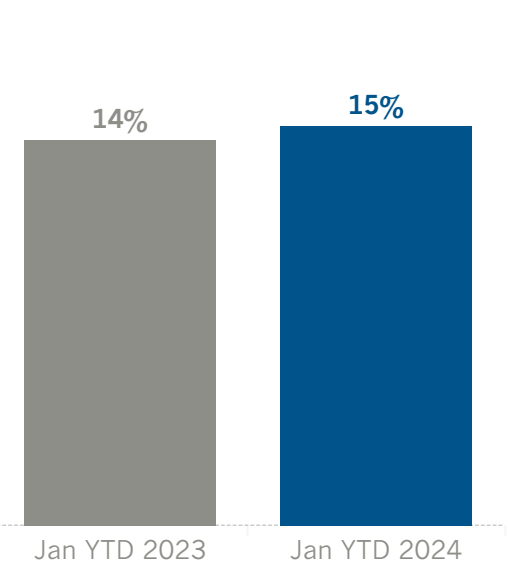


California International Market Share

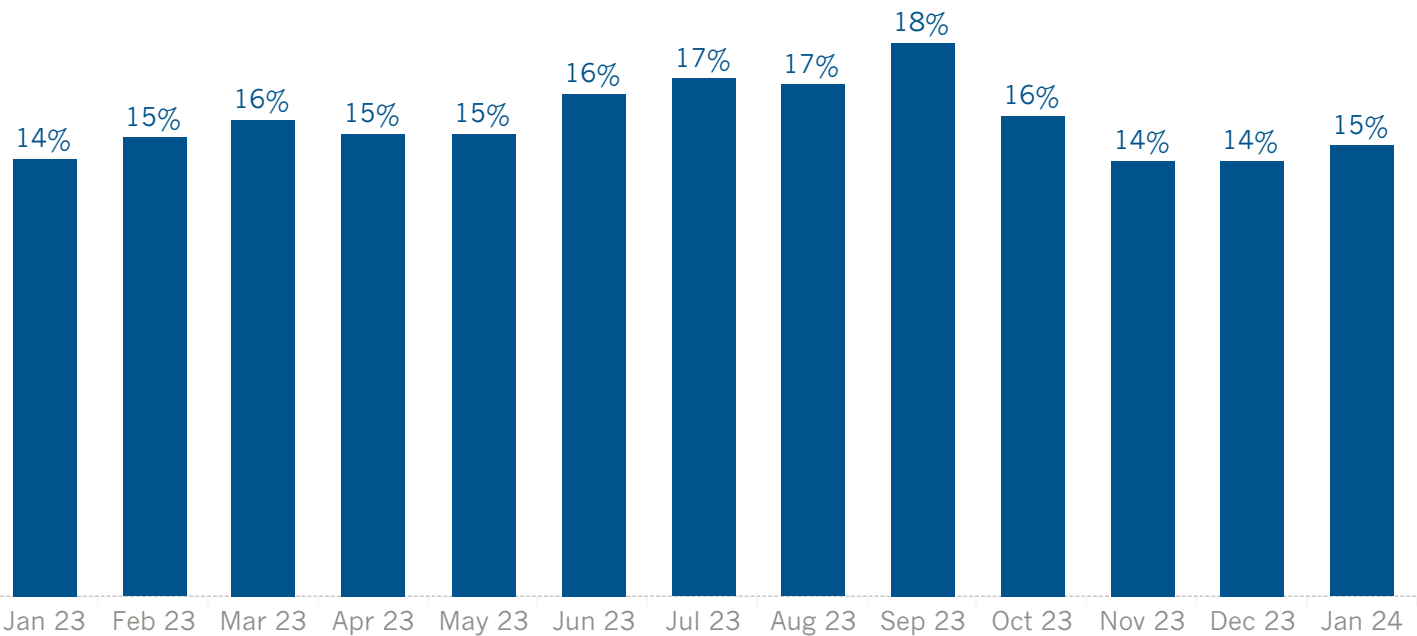
The charts below show California’s market share of international arrivals based on first intended address (FIA).

California Market Share of International Arrivals Based on First Intended Address (%)

Year-to-date (YTD) Share



Monthly Share





International Indicators: China Recovery Spotlight

- POE Arrivals/Non-Stop Seats Recovery

China Recovery: Airlift & Arrivals

The chart below shows China non-stop seats and non-resident arrivals at California's ports of entry benchmarked to 2019.

China Airlift (Non-Stop Seats) and Arrivals (Ports of Entry) Recovery (% Chg vs 2019)

POE Arrivals
Non-stop Seats

