

# Monthly Travel Indicators Summary

July 2024

August 28, 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	

# Table of Contents

- Executive Summary
- Domestic Indicators
  - Macroeconomic
  - Forecast
  - Consumer Sentiment
  - Lodging
  - Airlift
- International Indicators
  - Forecast
  - Consumer Sentiment
  - Airlift/Arrivals
  - China Recovery Spotlight
- Appendix
  - YTD Metrics

# Executive Summary Domestic

## **Forecast** (updated February, June, & October)

California is forecast to receive \$156.7B in travel spending in 2024, 4% higher than in 2023, with \$129B coming from domestic visitor spending.

- According to the Visit California June forecast, domestic visitor spending in California is expected to reach \$129 billion in 2024, with \$101 billion in leisure and \$28 billion in business spending. Domestic leisure spending is forecast to grow by less than 1%, and business spending is expected to grow by 2% relative to 2023.

## **Macroeconomic**

The good news in July was that inflation finally dropped below 3% further solidifying a likely interest rate cut in the coming weeks. Overall, the economy remains on a solid footing from a numbers perspective, but consumers continued to express some caution in terms of sentiment tracking.

- Inflation declined below the 3% mark to 2.9% for the first time in 40 months. The national average retail price for a gallon of gas was \$3.60 (vs. \$3.58 the previous month). The California equivalent price was \$4.59 (compared to \$4.78 the preceding month).
- Approximately 114,000 jobs were added to the economy, a slight decrease from last month's 179,000. The unemployment rate ticked up again slightly to 4.3% (compared to 3.5% in July 2023).
- The University of Michigan tracked U.S. consumer sentiment on the economy to 66.4, down from the 68.2 measurement in June.

## **Consumer Sentiment**

While domestic leisure intent declined slightly in July (potentially off-set by increasing international leisure travel intent), domestic travel consumers continued to have a positive outlook on their financial situation and travel in general.

- According to YouGov, the incidence of U.S. consumers planning domestic leisure travel in the next 12 months was 48%, down from 51% the prior month. The price of travel continued to be the primary barrier, with 43% of domestic consumers citing this factor.
- Consumer tracking from Future Partners showed that a third of American travelers (34%) felt optimistic about their current financial situation relative to a year ago (California residents were more optimistic at 41%). However, they were more confident about their future economic situation (52% of the U.S. and 56% of California residents expect more positive). These measurements have trended up in recent months.
- American travelers were excited about future travel, with 86% of U.S. travelers (and 90% of California residents) saying they were excited about leisure travel in the next 12 months.
- More than a third of American travelers (36%) and half (52%) of California travelers said they were considering international leisure travel in the next 12 months. Both measurements ticked up again this month and are considerably higher relative to the same month last year.

# Executive Summary Domestic (continued)

## Lodging

July was the third month in a row with positive growth in room demand, albeit a growth rate of 1%. Group demand has been a particular bright spot for the industry, out-pacing transient demand. Rates (ADR) across the state declined slightly as many hoteliers looked to drive higher occupancy levels and RevPAR.

- Hotel room demand in the state for the month was +1% year over year. Looking at the year-to-date figures, room demand for the state was flat year over year and down 8% from 2019 through July.
- California's monthly occupancy rate was 74% (+1% YOY). The state's ADR was \$200 (-2% YOY), and RevPAR was \$147 (-1% YOY).
- Group room demand in the state was up 5% relative to July 2023. Los Angeles County saw group room demand increase by 24% year over year for the month.
- The occupancy rate for short-term vacation rentals in the state was 67%, down 1% year over year and ADRs were down 2%, leading to a -2% decline in RevPAR year over year.

## Airlift

Passenger traffic measured by TSA checkpoints hit record levels again in July.

- Eighty-four million passengers were screened at TSA checkpoints for the month (+6% YOY), setting another post-pandemic record. Nearly 11 million travelers were screened at California airports (+4 YOY).
- There were 10.3 million non-stop seats to California destinations for the month (+3% YOY).

# Executive Summary International

## **Forecast** (updated February, June, & October)

International travel spending in California is forecast to nearly fully recover in 2024 (99% of 2019 spending), driven by Mexico, Canada and key overseas markets.

- According to the June forecast, international visitor spending in the state will grow by 23% in 2024 and reach \$27.8B.
- North American neighbors Mexico and Canada are forecast to be California's largest spending markets, with visitor spending of \$5B and \$3.9B, respectively.
- China is forecast to be the most important overseas market, with visitor spending of \$2.7B in 2024.

## **Consumer Sentiment**

International leisure travel intent averaged across California's 13 priority markets remained consistent with prior months, as did the cost of travel as a barrier.

- On average, across California's priority markets, 42% of international consumers said they were planning international leisure travel in the next 12 months, up from 38% a year ago and 32% two years ago.
- Travel prices remained the primary barrier to travel (44% citing travel price). Australia (53%), Canada (53%), and South Korea (52%) 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, India, and Middle East markets.

## **Airlift/Arrivals**

International airlift to California from 13 priority markets continued to expand in July, although the rate of growth has been declining. Non-resident arrivals saw double-digit growth for the month (+11%) with China, Japan, and Germany seeing the largest year over year gains among the markets.

- For the month, 1.7M non-stop seats were available from California's 13 priority markets, an 6% year-over-year growth rate. The U.K. and Japan had the most non-stop seats to California for the month in the overseas markets.
- Non-resident arrivals through California's ports of entry were up 11% year over year but down 21% from 2019 levels for California's priority markets.
- China arrivals recovered to 33% of pre-pandemic airlift and arrivals recovered to 58% for the month. These recovery indicators have held steady over the last four months.

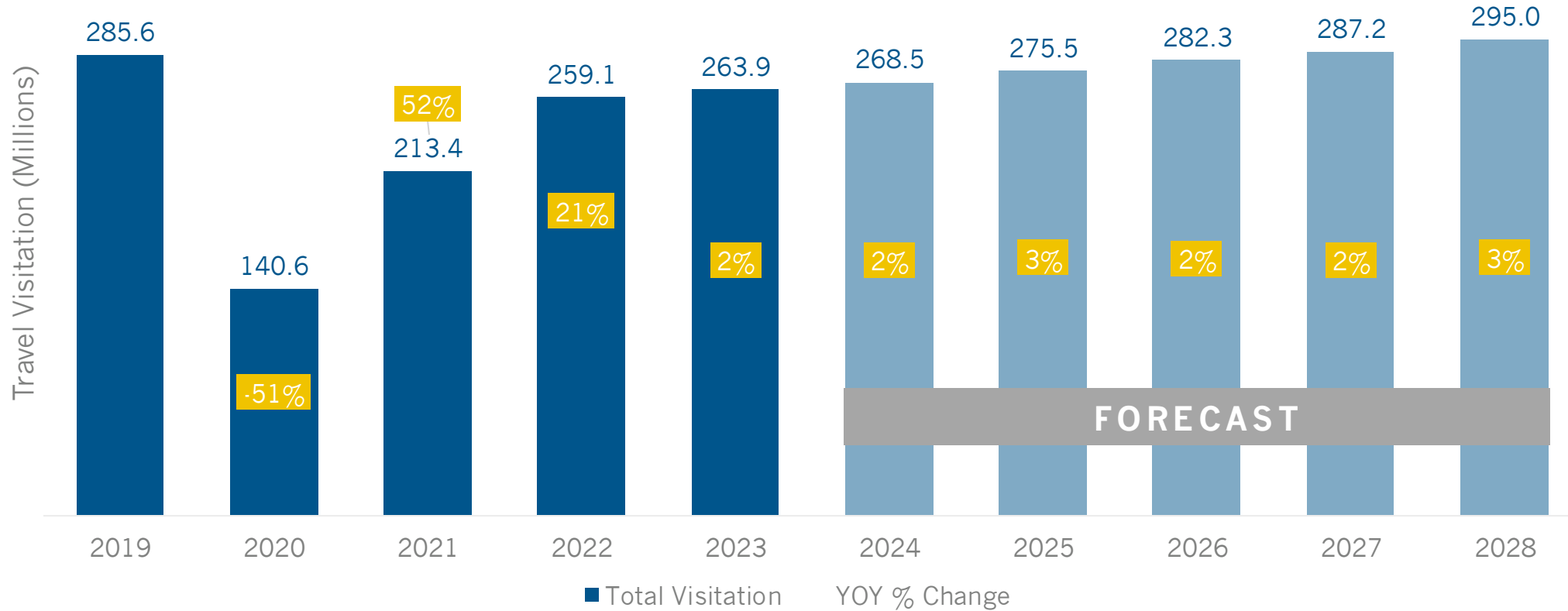


# Domestic Indicators: Forecast

- Total Visitation & Spending Forecast
- Domestic Spending Forecast

# California Visitation Forecast

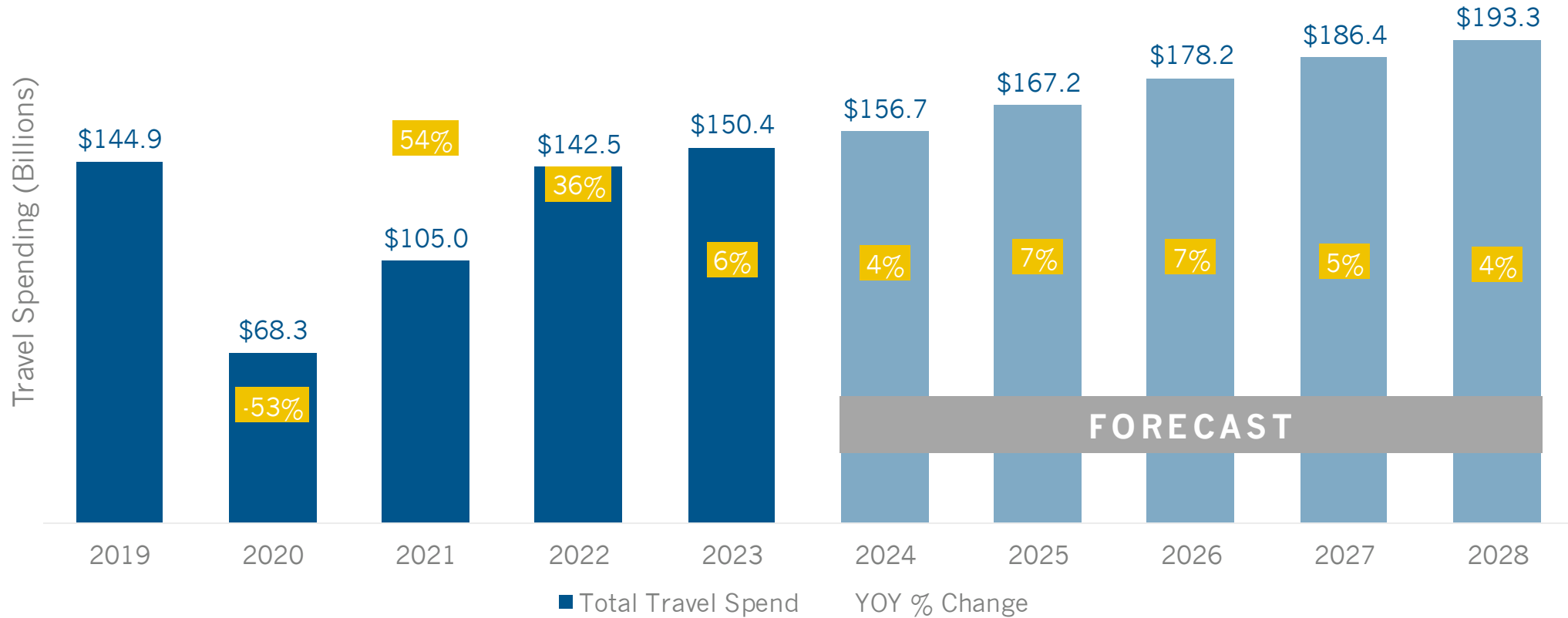
The chart below shows the current visitation forecast (domestic and international) and annual growth rate.





# California Spending Forecast

The chart below shows the current travel spending forecast (domestic and international) and annual growth rate.

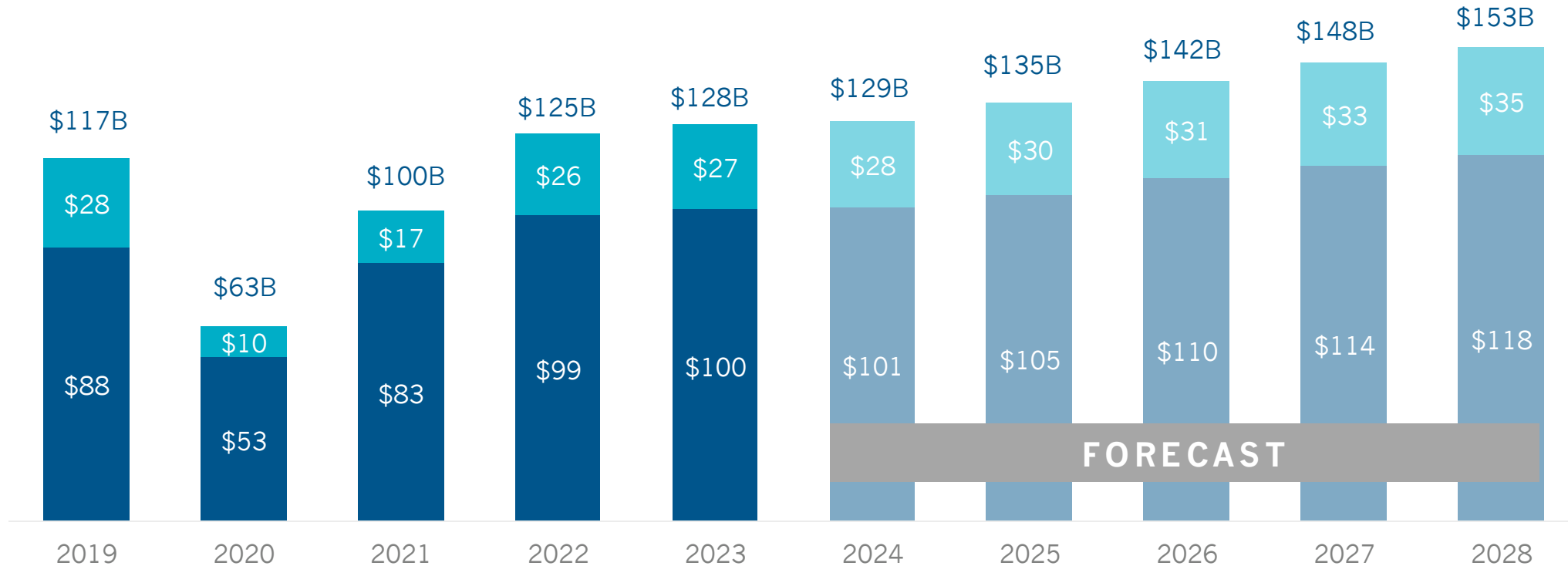


# California Domestic Spending Forecast

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

Domestic Visitor Spend to California by Segment (Billions)

■ Domestic Leisure ■ Domestic Business





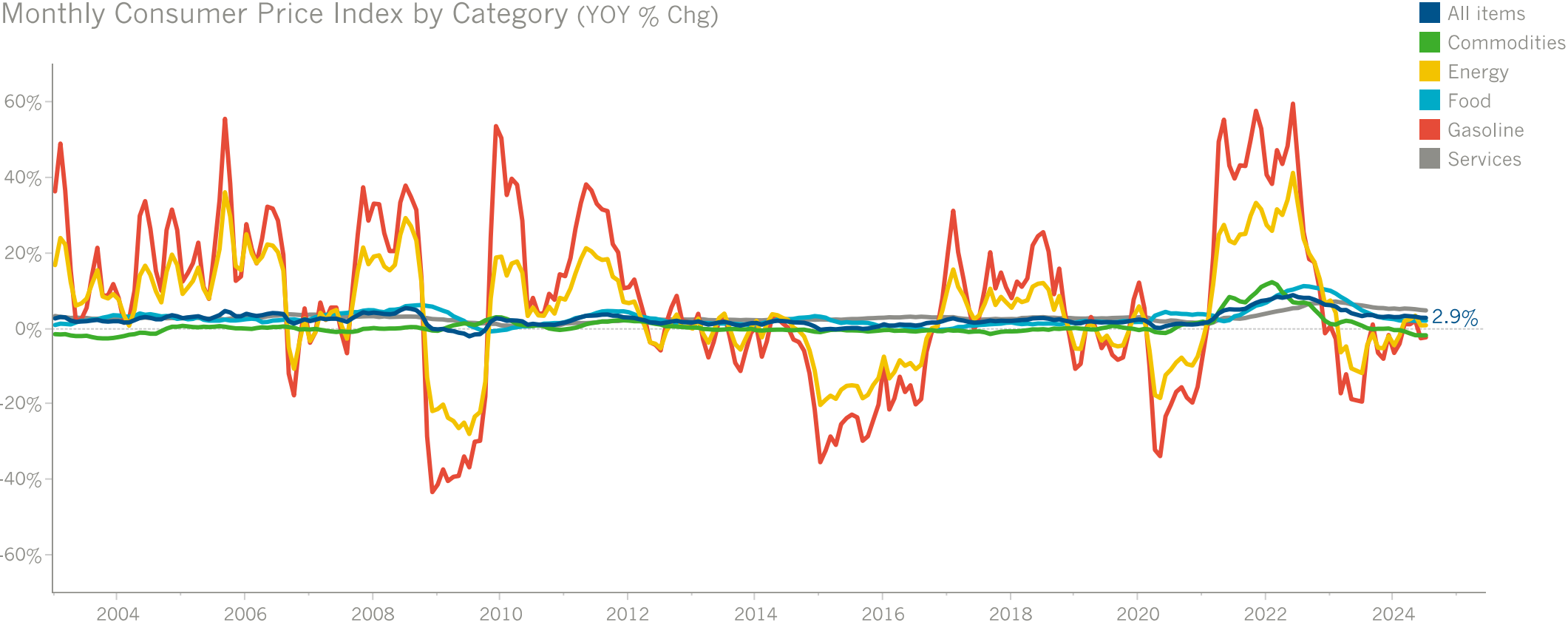
# Domestic Indicators: Macroeconomic

- 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.

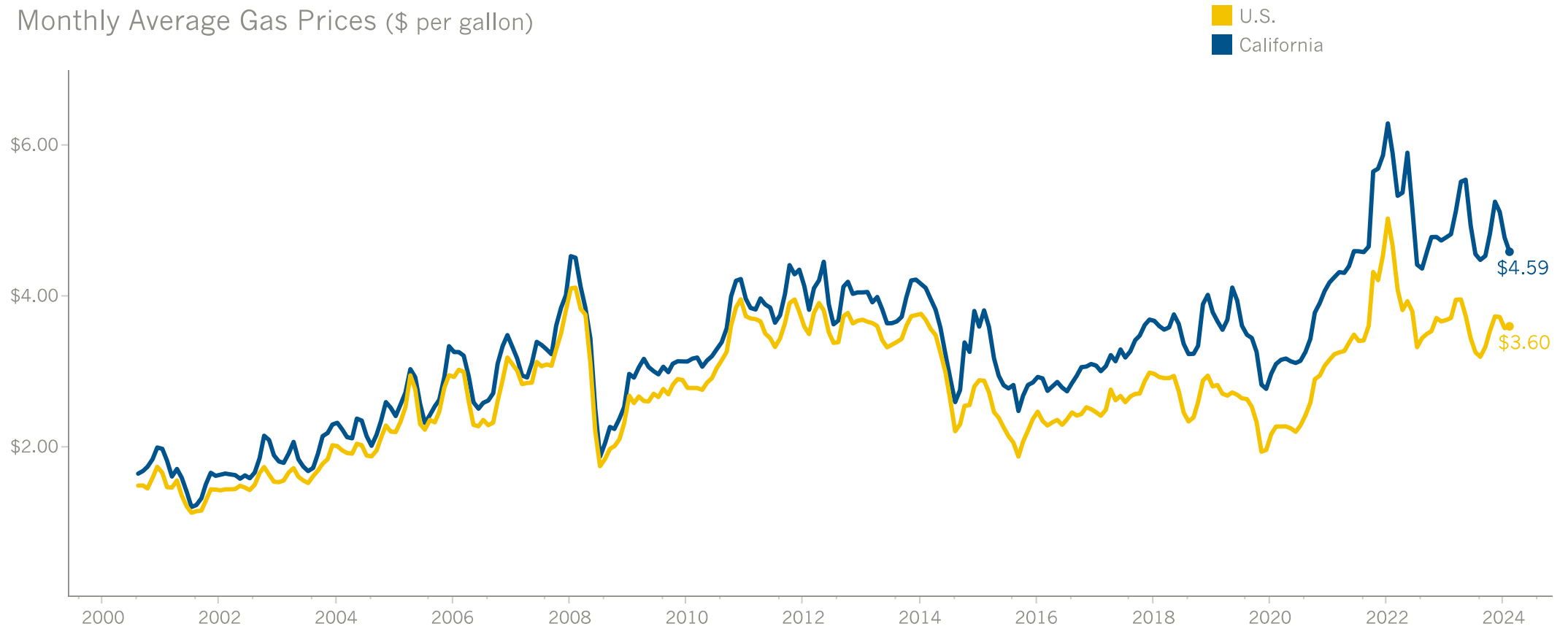
Monthly Consumer Price Index by Category (YOY % Chg)



# U.S. & California Gas Prices

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

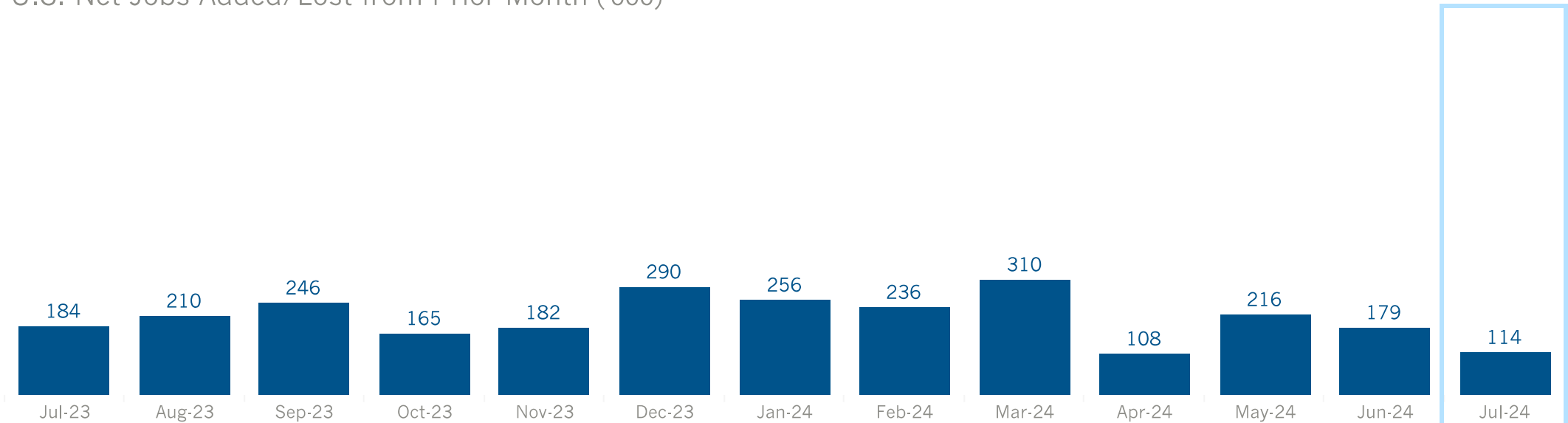
Monthly Average Gas Prices (\$ per gallon)



# 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)



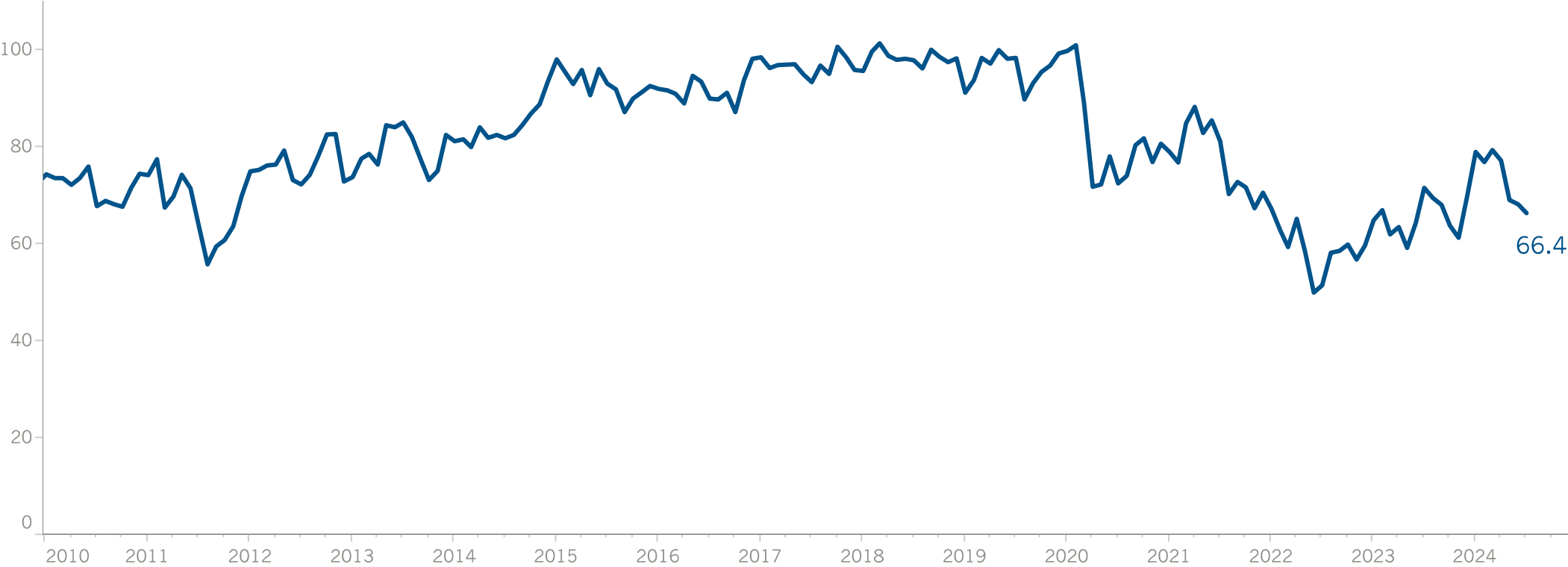
U.S. Unemployment Rate (%)

3.5%	3.8%	3.8%	3.9%	3.7%	3.7%	3.7%	3.9%	3.8%	3.9%	4.0%	4.1%	4.3%
------	------	------	------	------	------	------	------	------	------	------	------	------

# 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

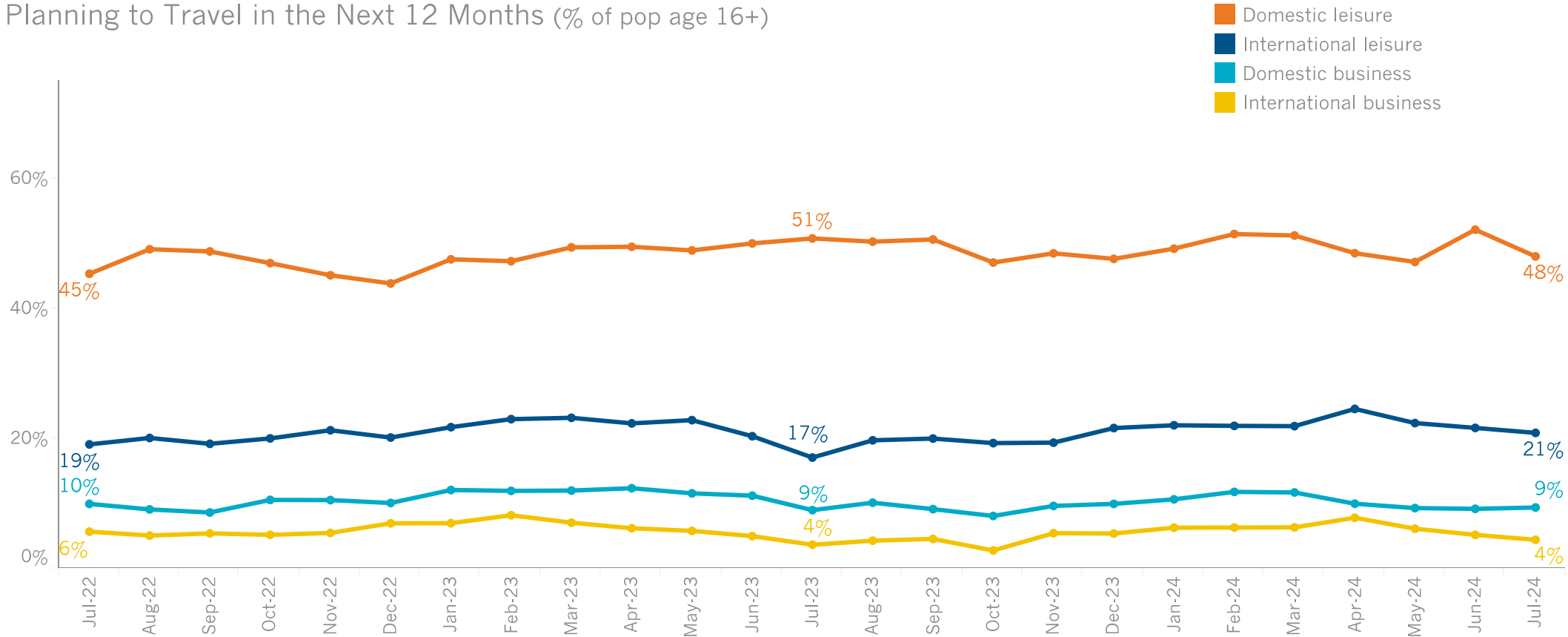
- Travel Planned
- Barriers to Travel
- Perceptions of Financial Situation
- Travel as a Budget Priority
- Expectations for Travel Spending
- Excitement for Travel
- International Travel Intent



# 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+)



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

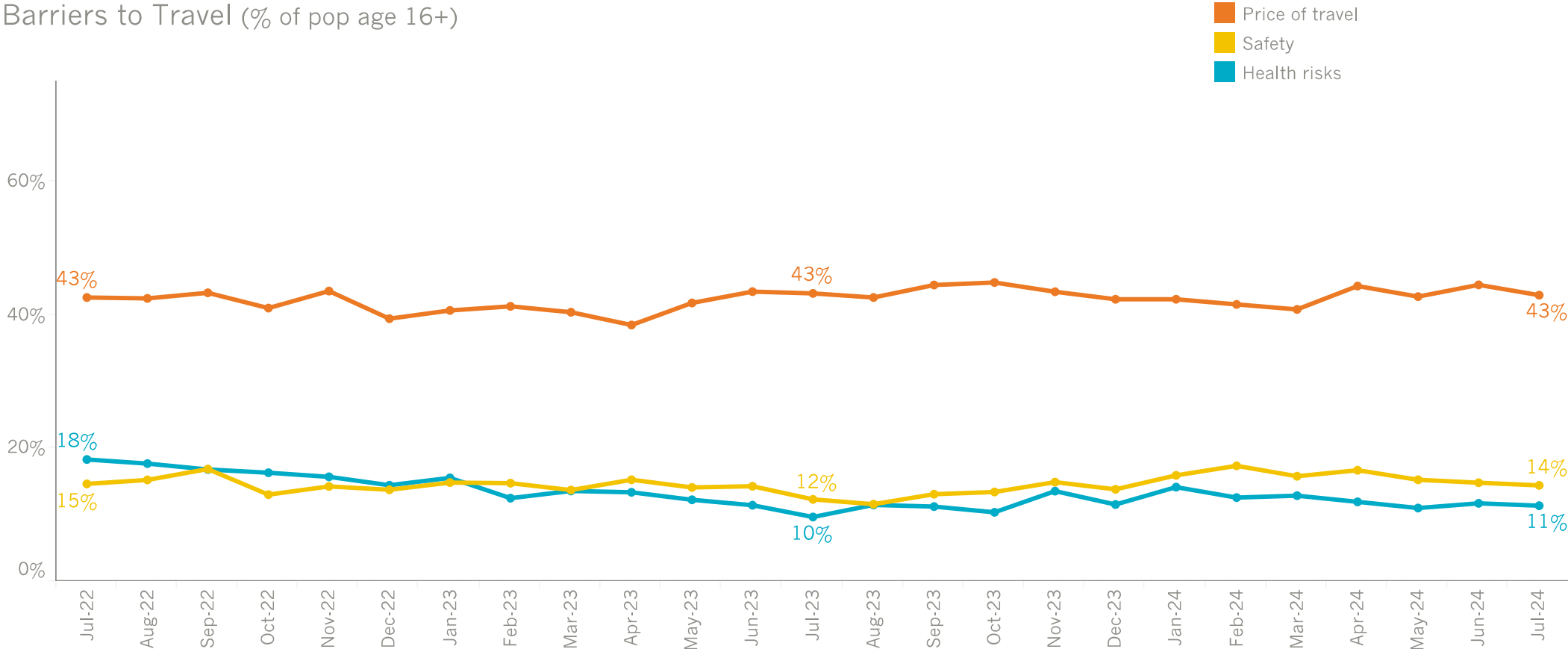
Data reported for: July 2024

Source: YouGov

# 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?

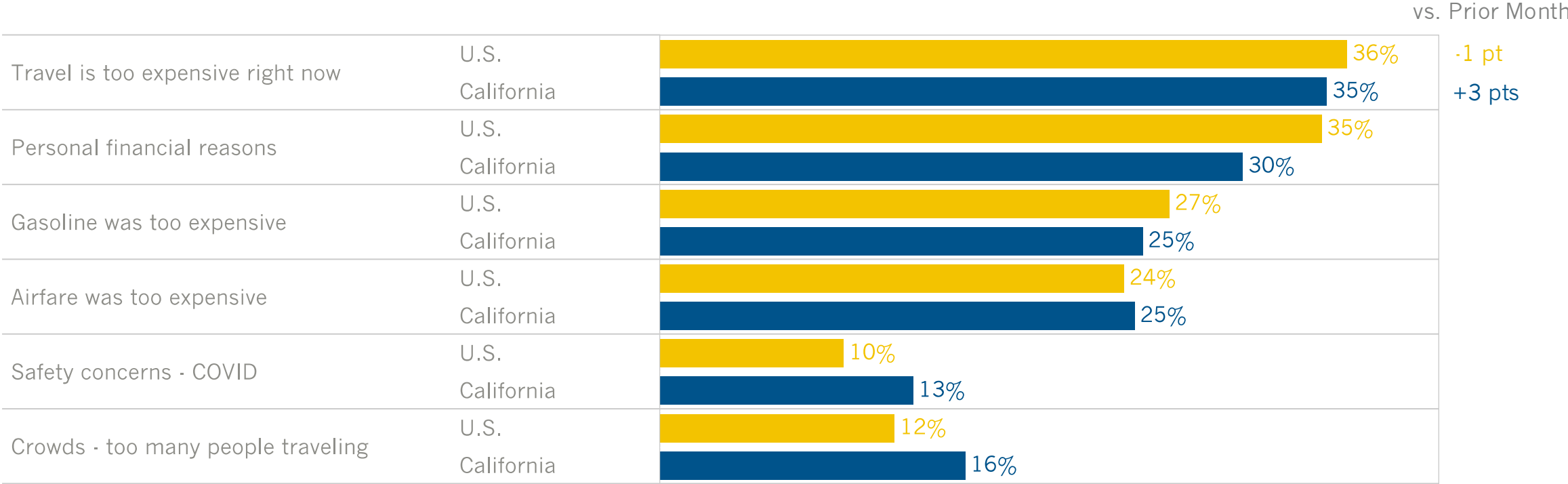
Data reported for: July 2024

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.

Travel Deterrents (% past 6 months)



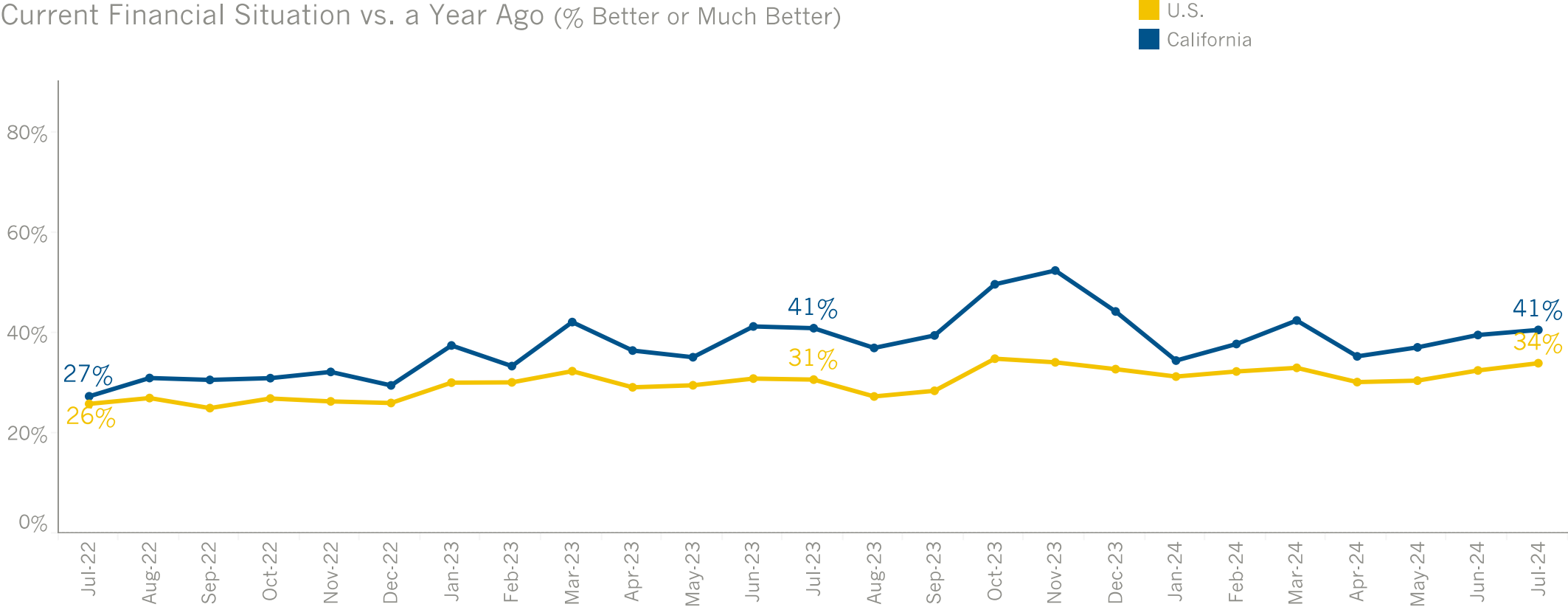
Q: In the past 6 months, which (if any) of the following have kept you from traveling more than you would have otherwise preferred?  
Data reported for: July 2024

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.

Current Financial Situation vs. a Year Ago (% Better or Much Better)



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

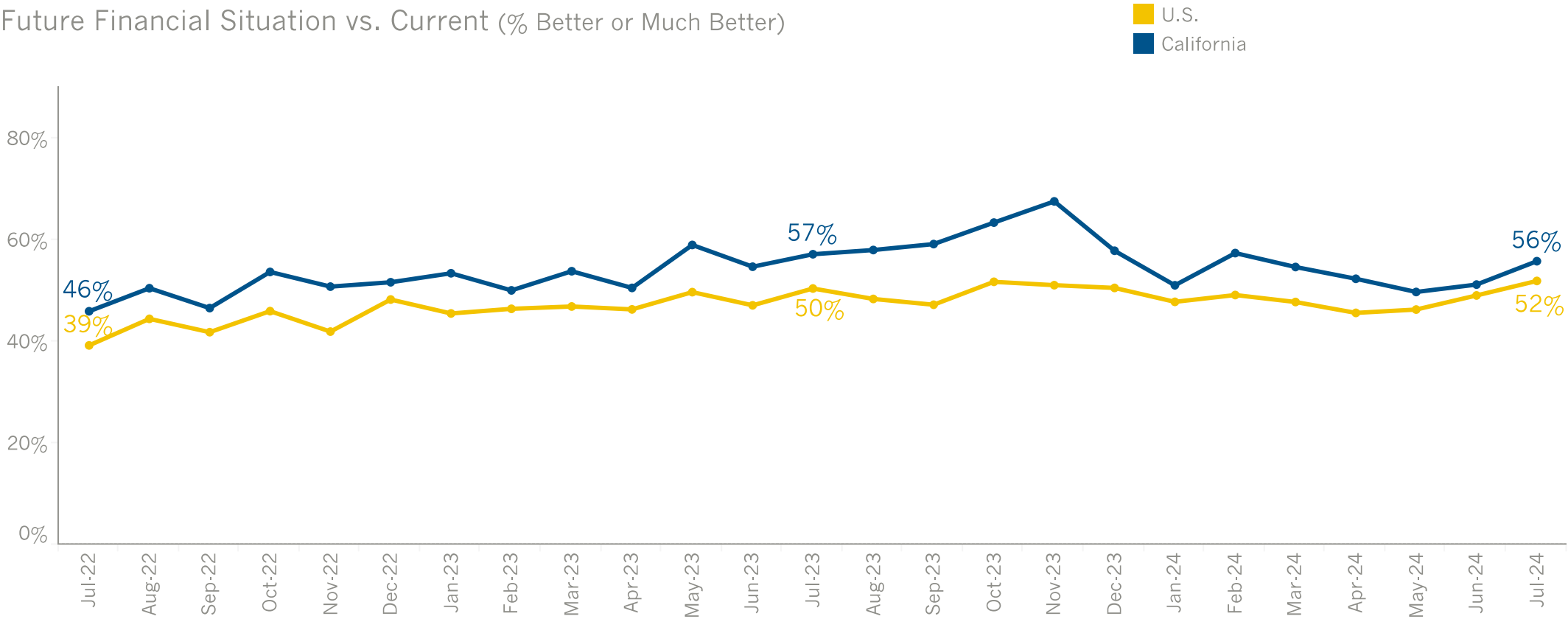
Data reported for: July 2024

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

# U.S. & California Future Financial Situation

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

Future Financial Situation vs. Current (% Better or Much Better)



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: July 2024

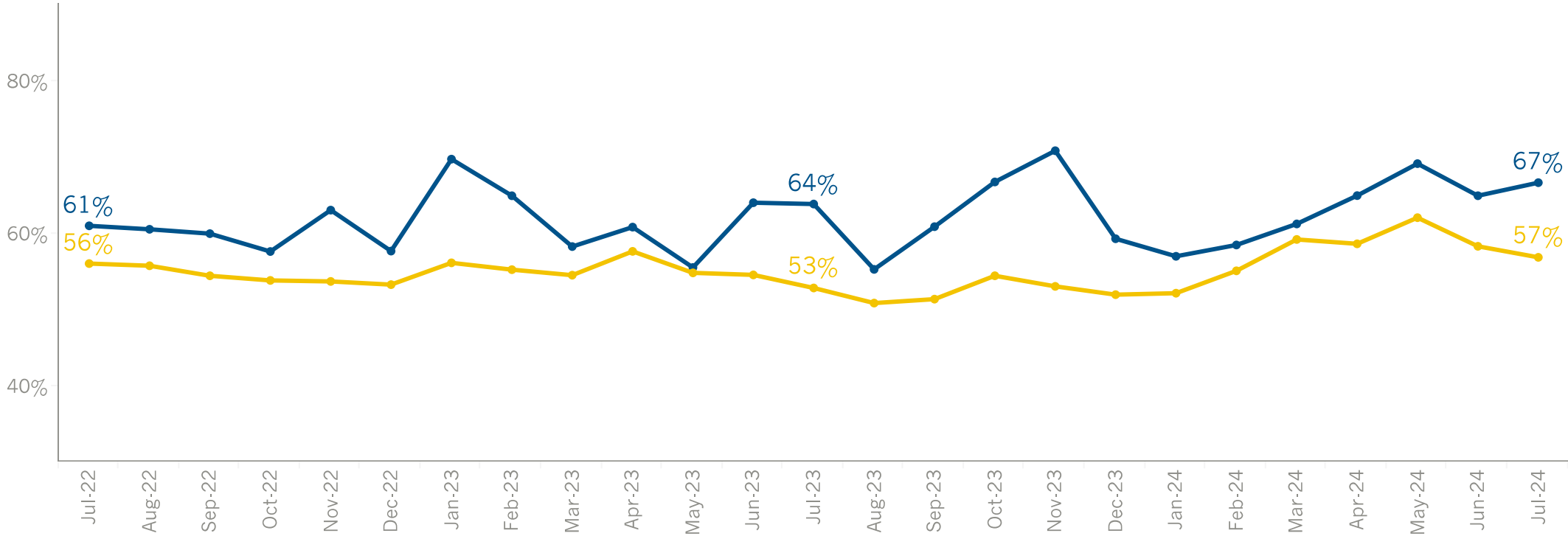
Source: Future Partners, *The State of the American Traveler*

# U.S. & California Budget Priorities (Leisure)

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

Leisure Travel as a Budget Priority (% Somewhat High, High, or Extremely High Priority)

- U.S.
- California



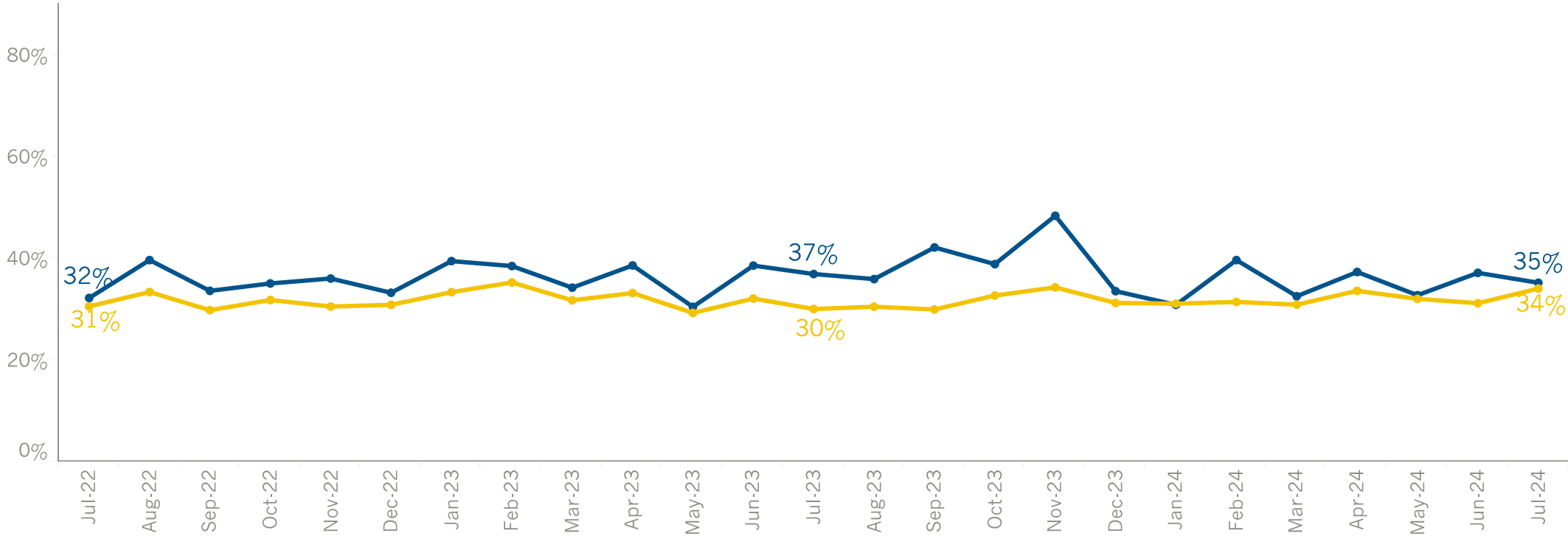
Q: Thinking carefully about how you expect to spend your income in the next three months, please use the scale below to describe your spending priorities. Leisure travel will be a(n)...  
Data reported for: July 2024

# U.S. & California Expectations for Spending

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

Expectations for Leisure Travel Spending in Next 12 Months (% Expect to Spend More)

- U.S.
- California



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?

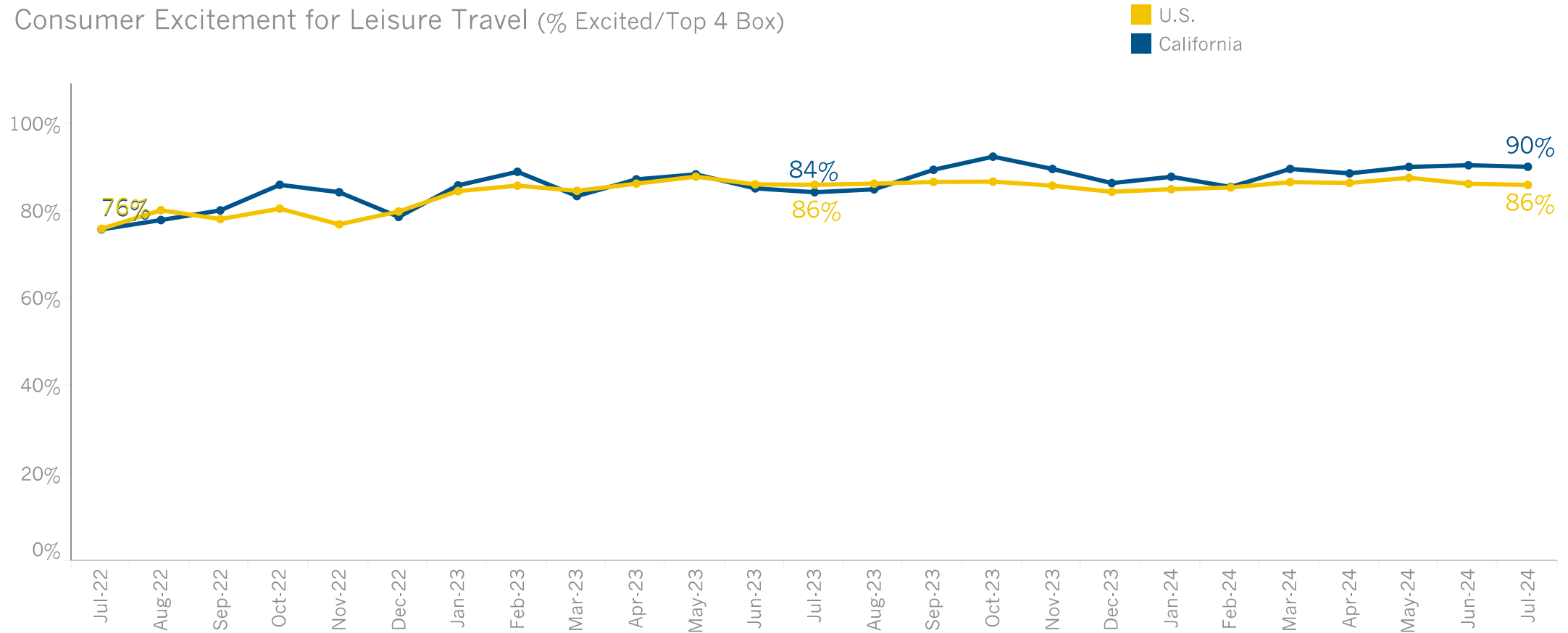
Data reported for: July 2024

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.

Consumer Excitement for Leisure Travel (% Excited/Top 4 Box)



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

Data reported for: July 2024

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

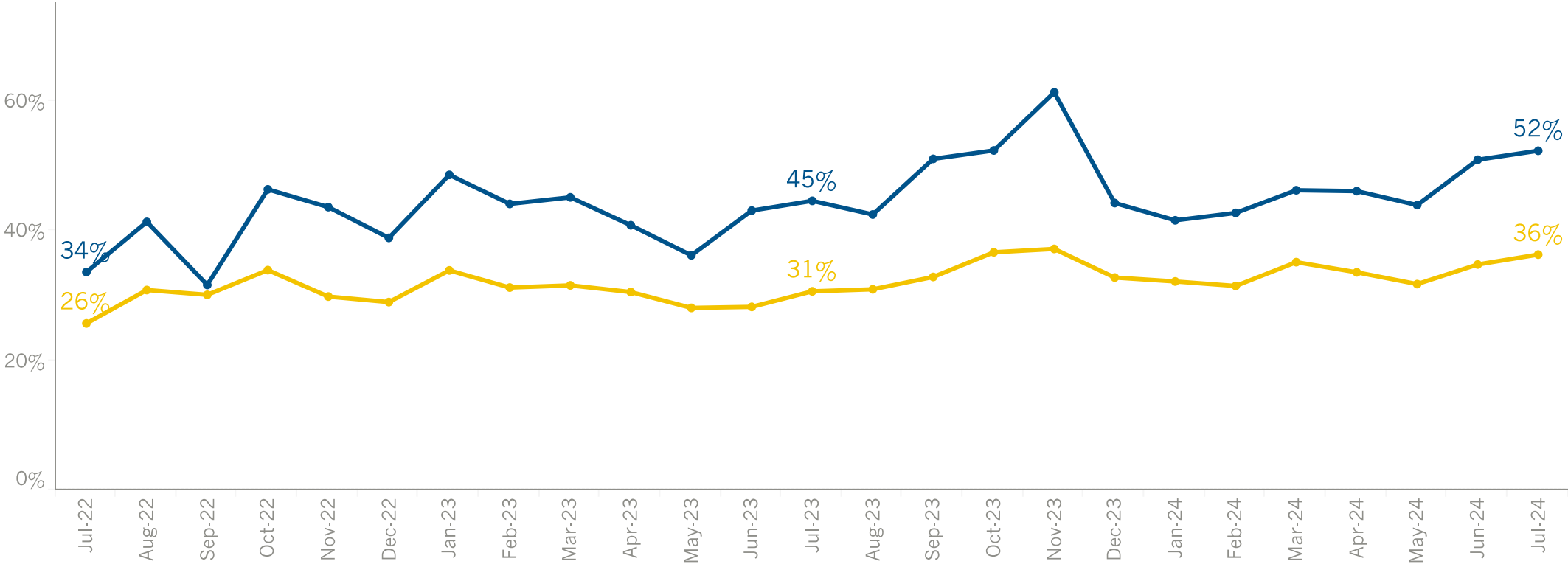


# U.S. & California Int'l Leisure Travel Plans

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

Likelihood to Travel Outside of the U.S. in the Next 12 Months (% Likely or Very Likely)

- U.S.
- California



Q: How likely are you to travel outside of the U.S. for leisure in the next 12 months?

Data reported for: July 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 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 (July 2024)

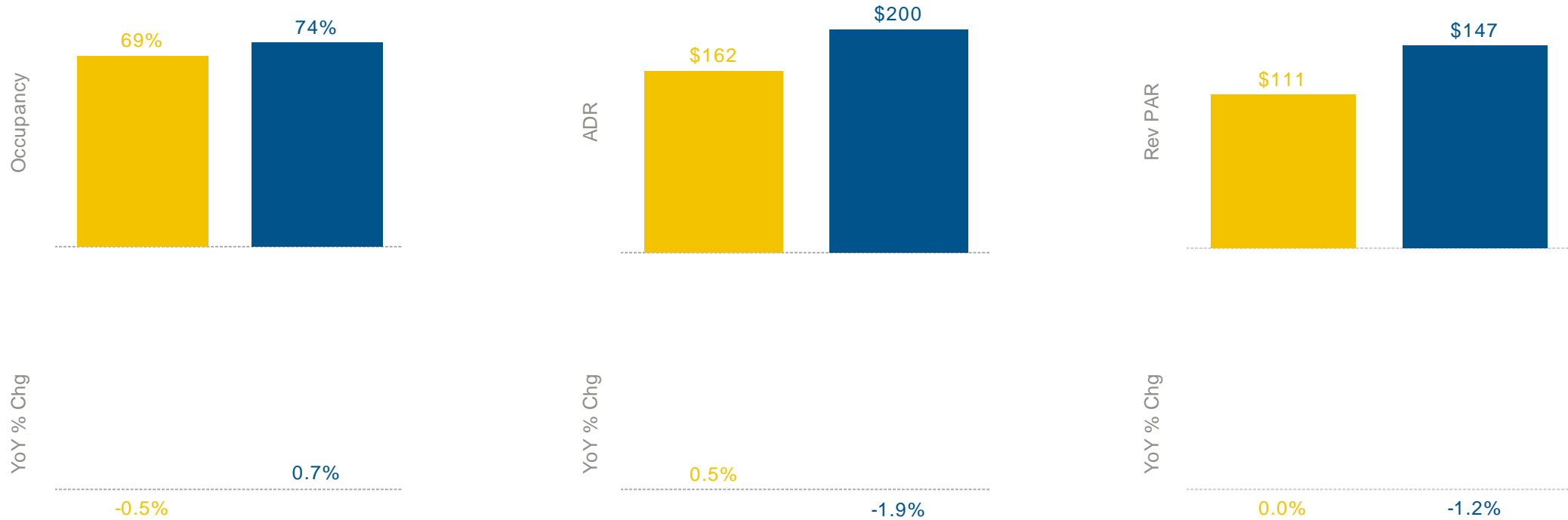
Region	Total Room Night Demand	YoY % Chg	% Chg vs. 2019
California	13.0M	1%	-6%
Los Angeles County	2.8M	2%	-2%
SF Bay Area	2.6M	2%	-11%
San Diego County	1.7M	-1%	1%
Orange County	1.5M	1%	-1%
Central Coast	1.1M	3%	2%
Central Valley	0.9M	2%	-6%
Inland Empire	0.6M	0%	3%
Deserts	0.4M	-2%	-8%
Gold Country	0.5M	5%	-6%
High Sierra	0.3M	-1%	-7%
Shasta Cascade	0.2M	16%	0%
North Coast	0.2M	10%	-5%

# U.S. & California Hotel Metrics

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

U.S. & California Hotel Performance Metrics (July 2024)

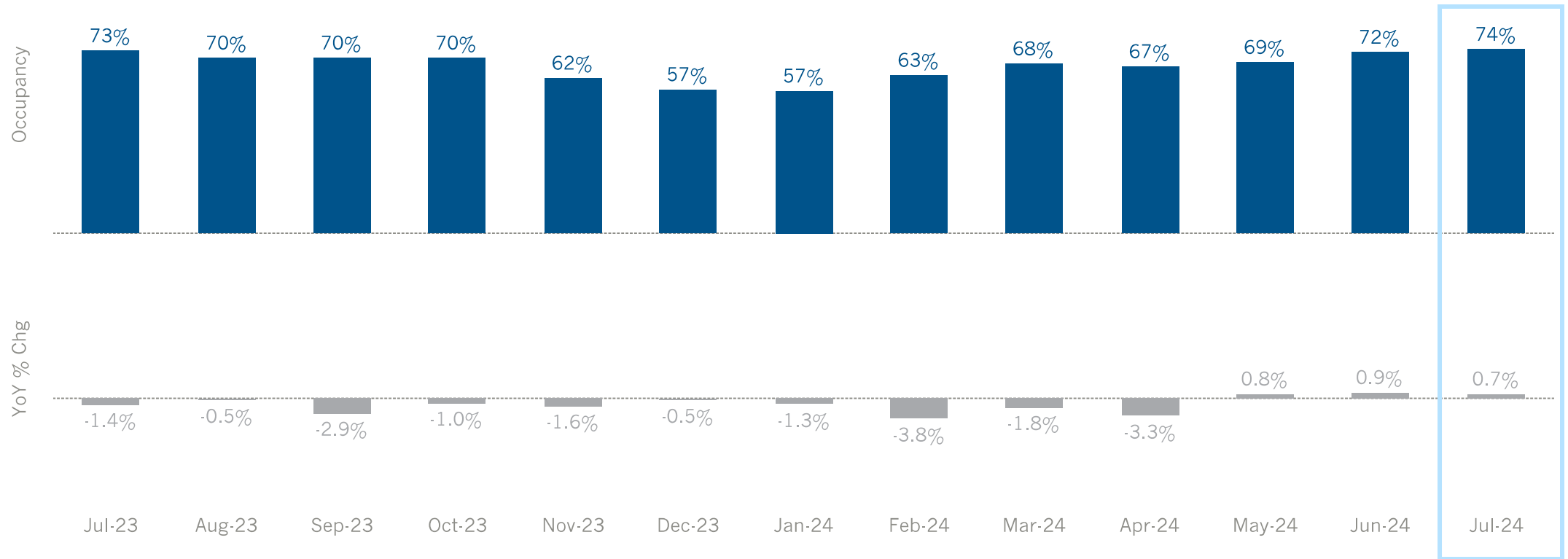
■ U.S. ■ California



# California Hotel Occupancy

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

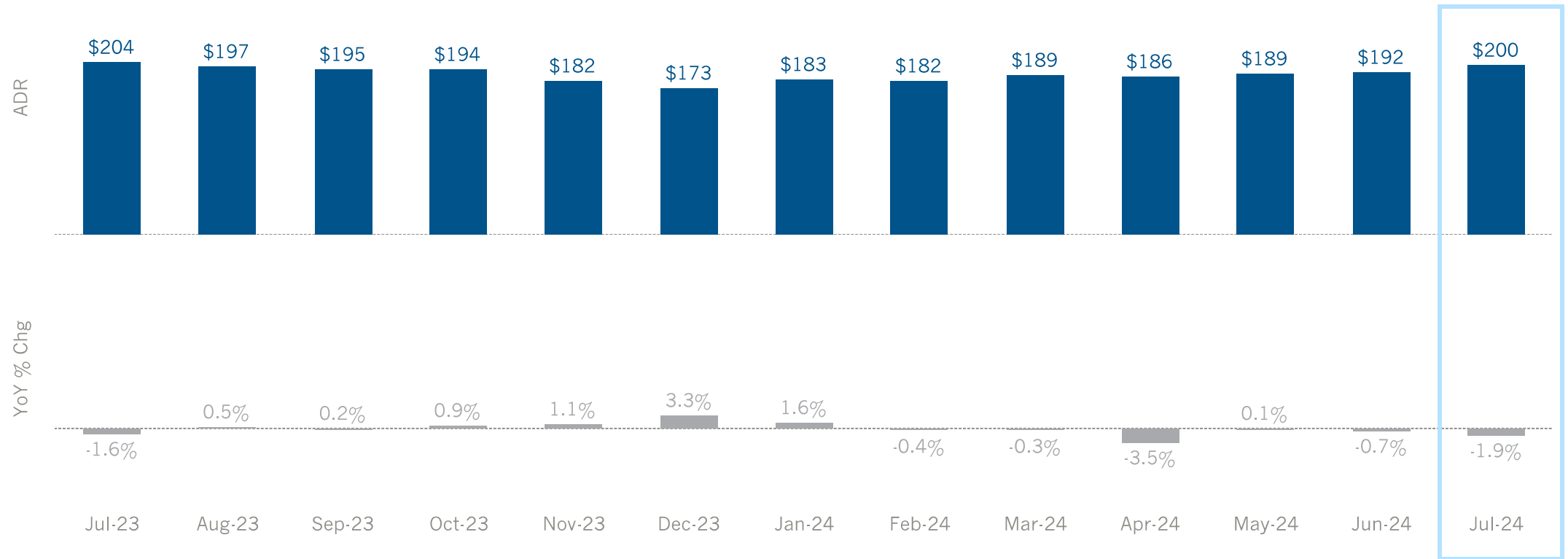
California Hotel Occupancy



# California Hotel ADR

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

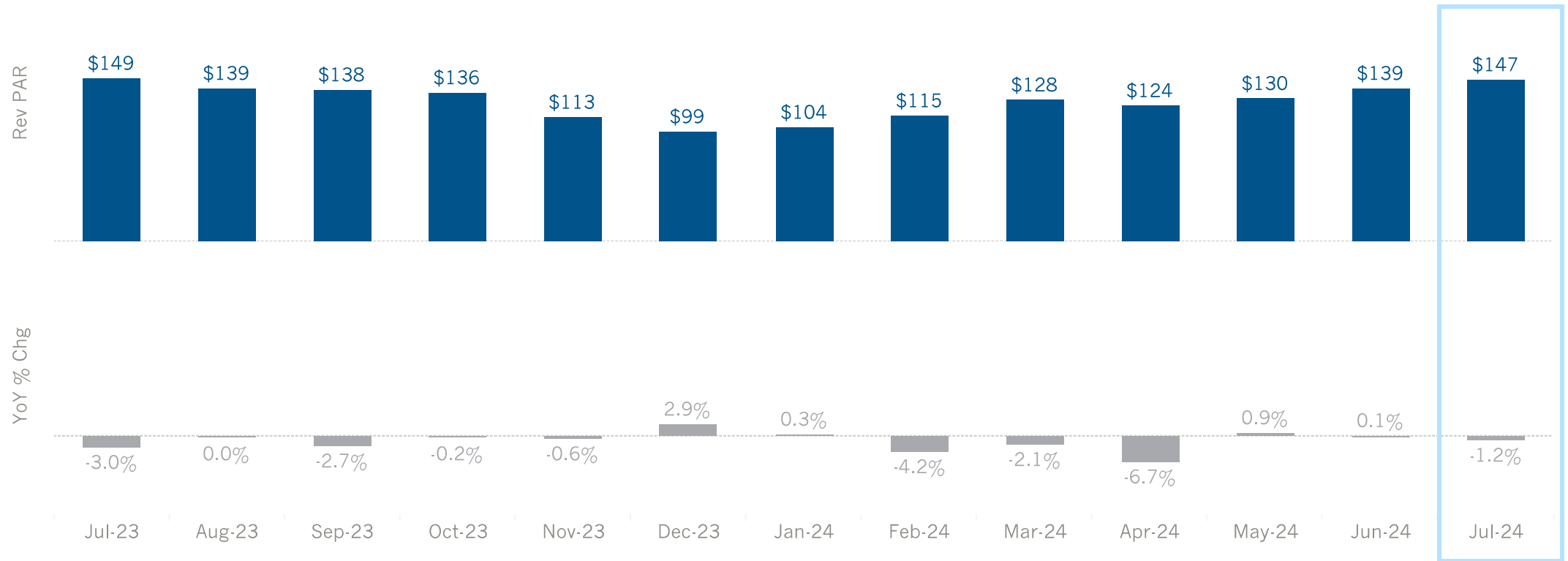
California Hotel ADR



# California Hotel RevPAR

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

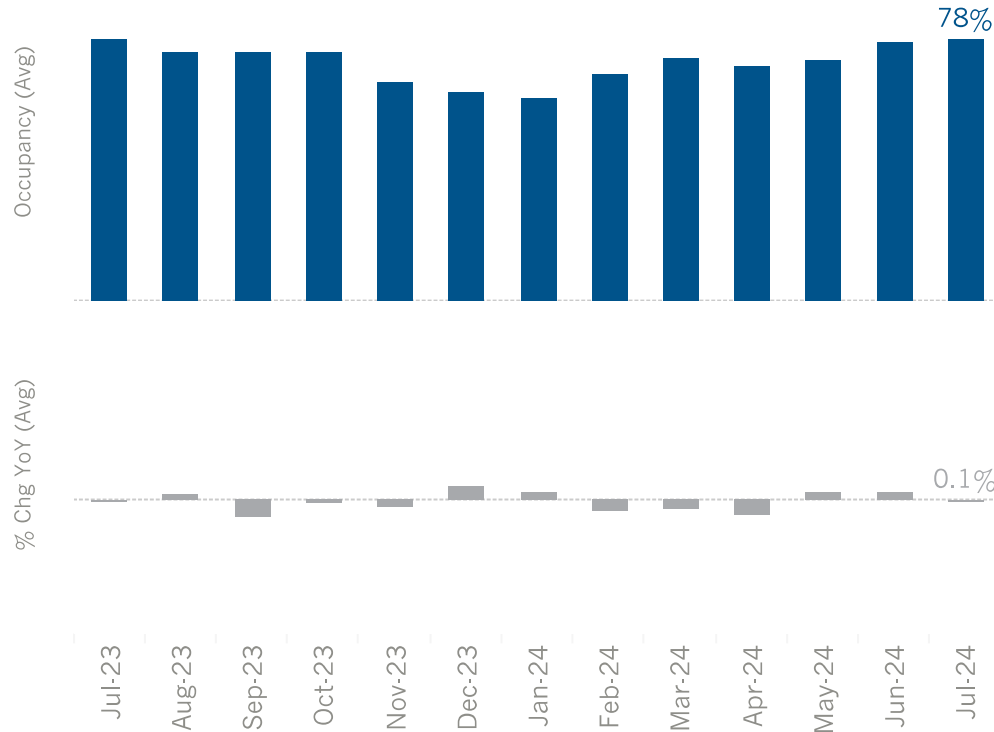
California Hotel RevPAR



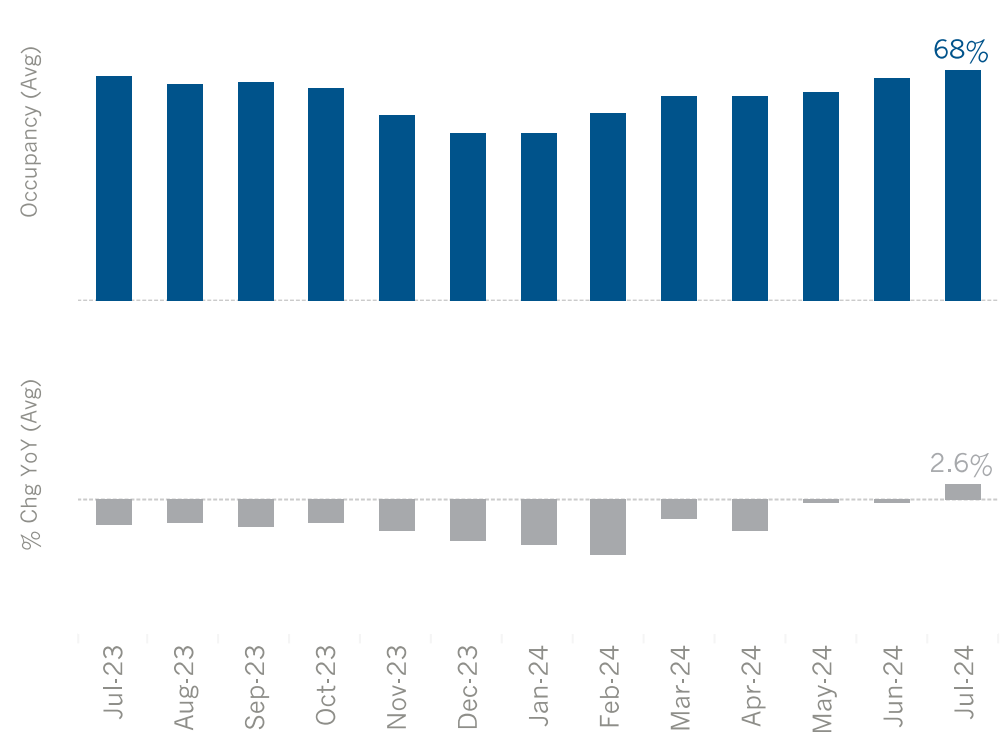
# Gateway & Other Regions Hotel Occupancy

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

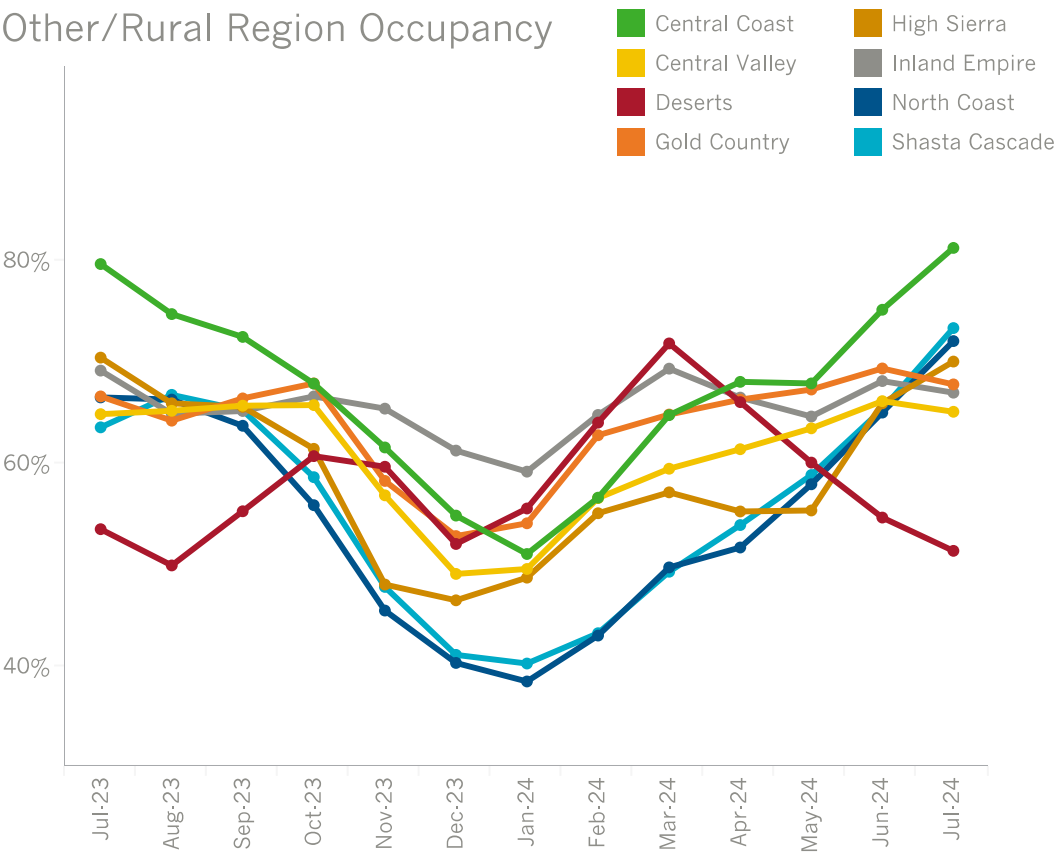
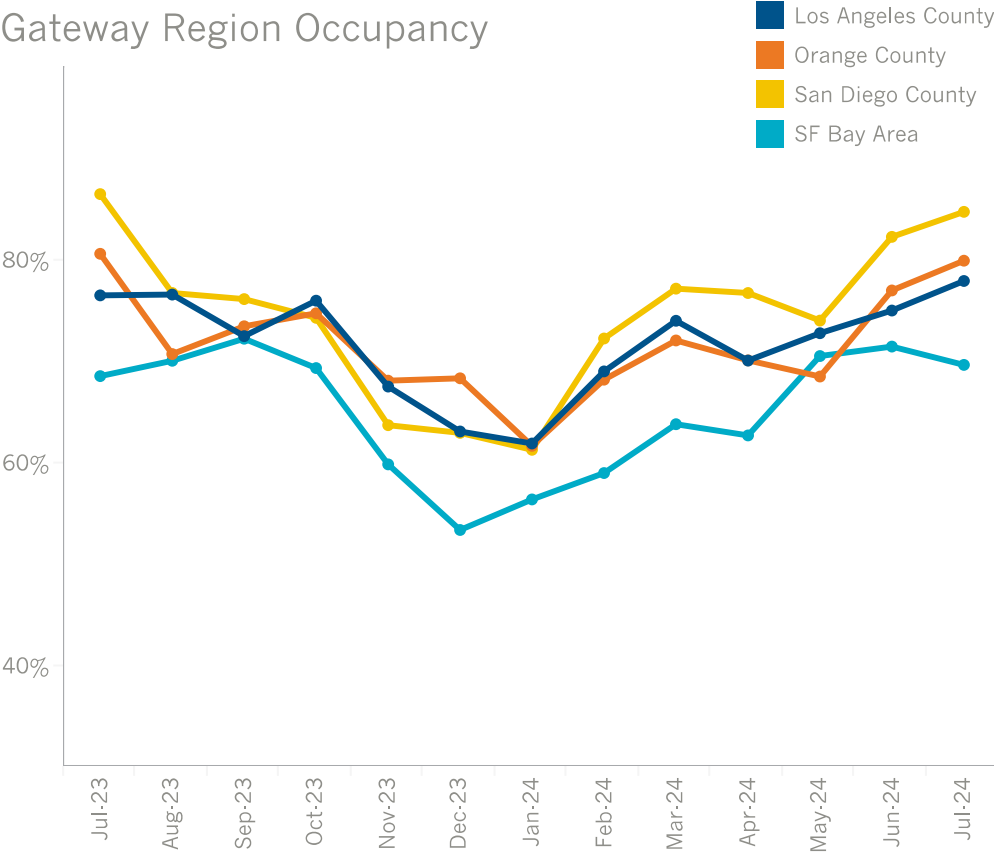
Data reported through: July 2024

Source: STR, LLC



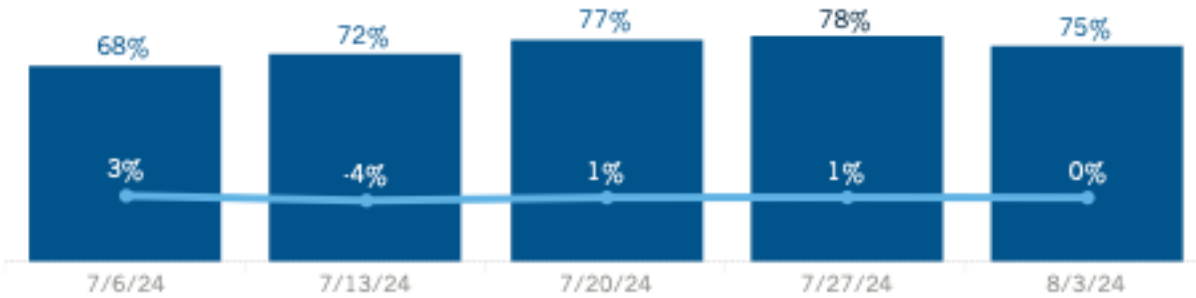
# Regions Hotel Occupancy

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

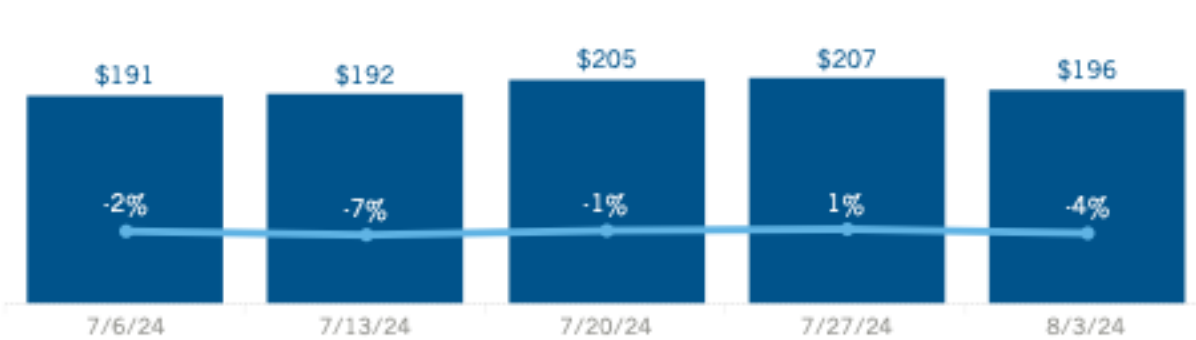


## California Hotel Metrics (Weekly)

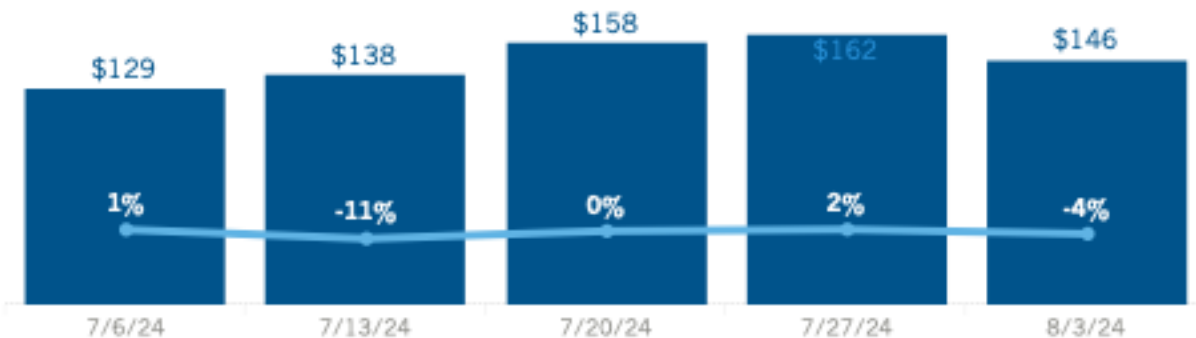
### Occupancy



### ADR



### RevPAR



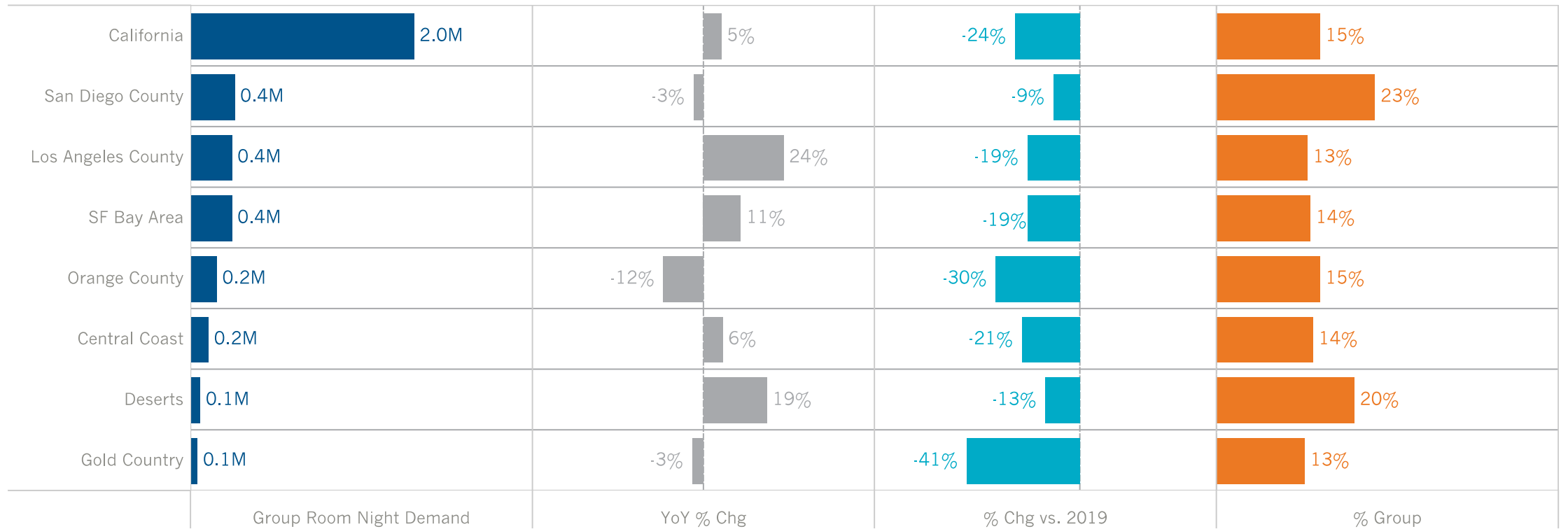
# California Hotel Metrics (Weekly)

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

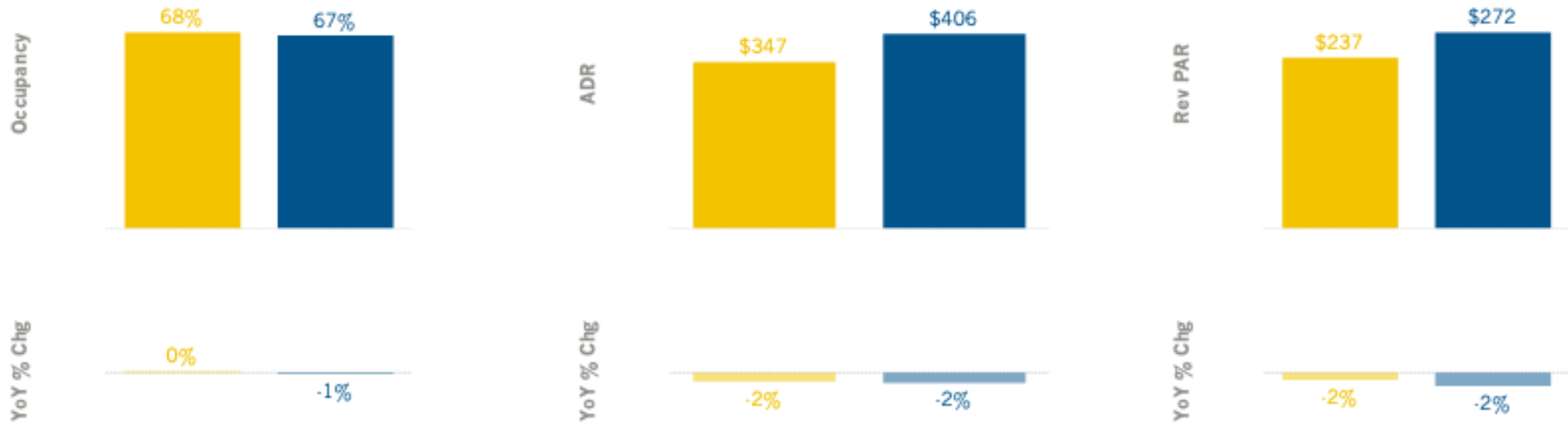


# California Short-Term Rental Metrics

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 (July 2024)

■ U.S. ■ California





# Domestic Indicators:

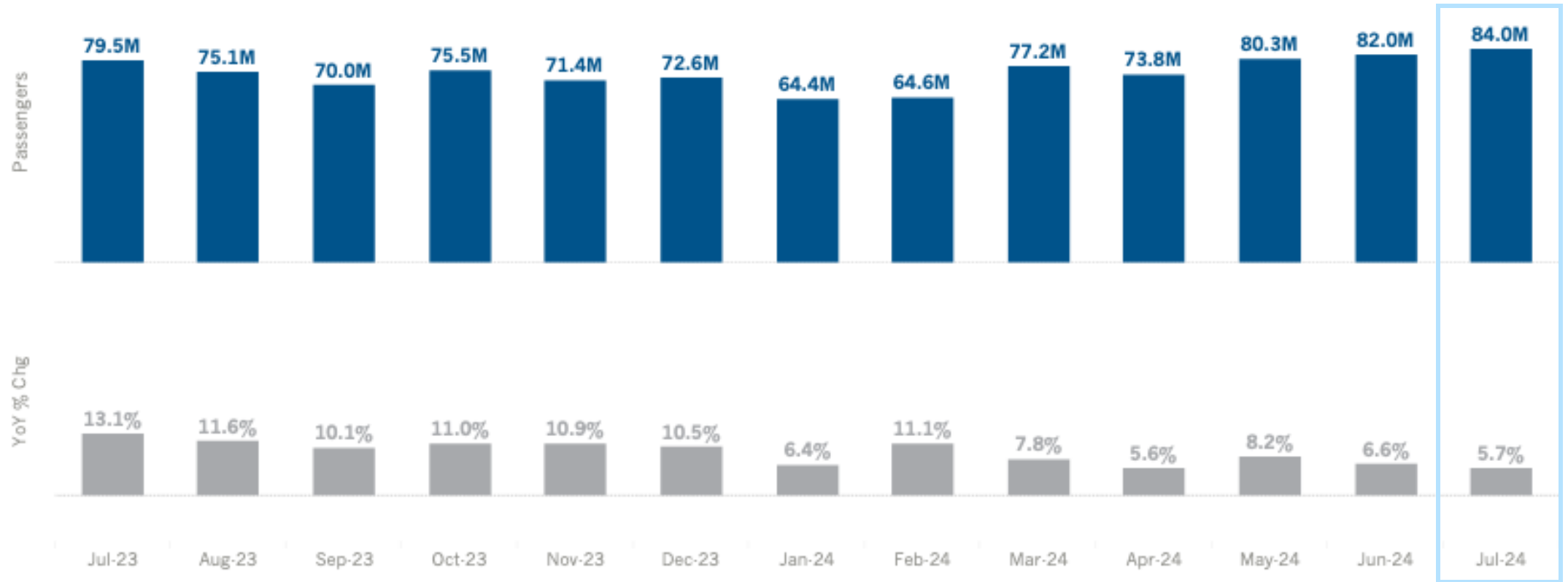
## Airlift

- Air Passenger Throughput
- Domestic Non-Stop Seats

# US Air Passenger Throughput

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

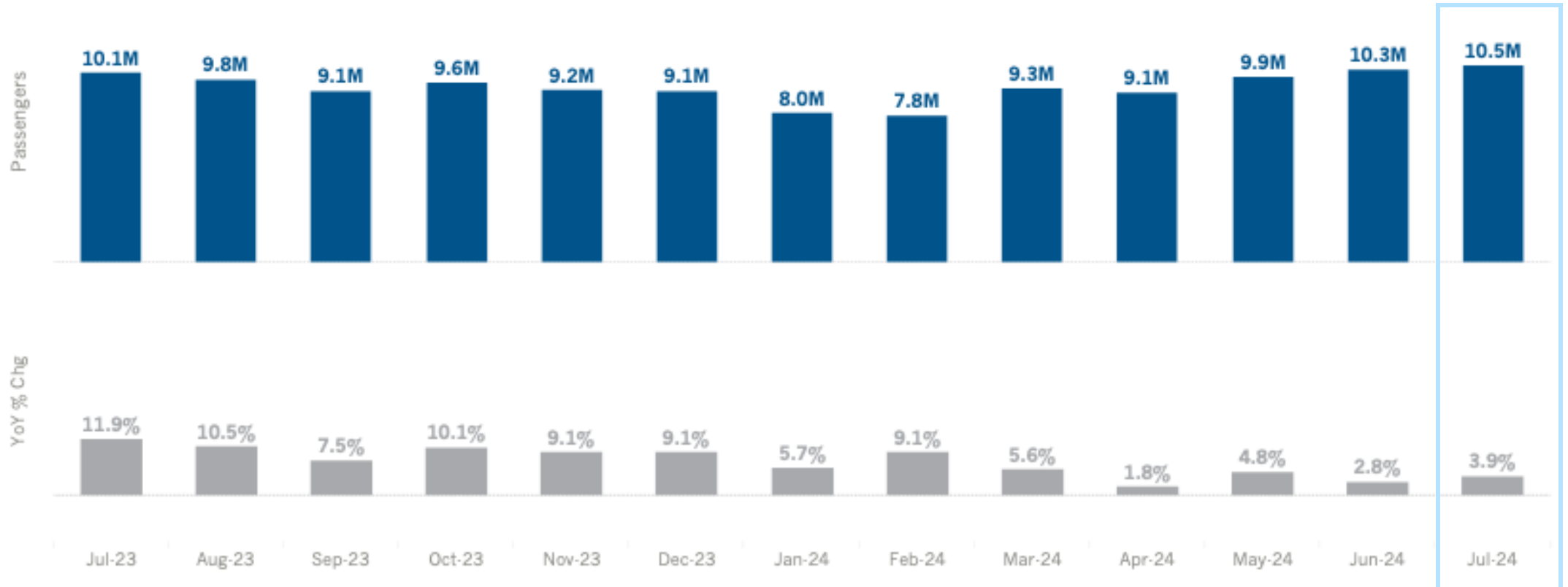
## U.S. Air Passenger Throughput



# CA Air Passenger Throughput

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

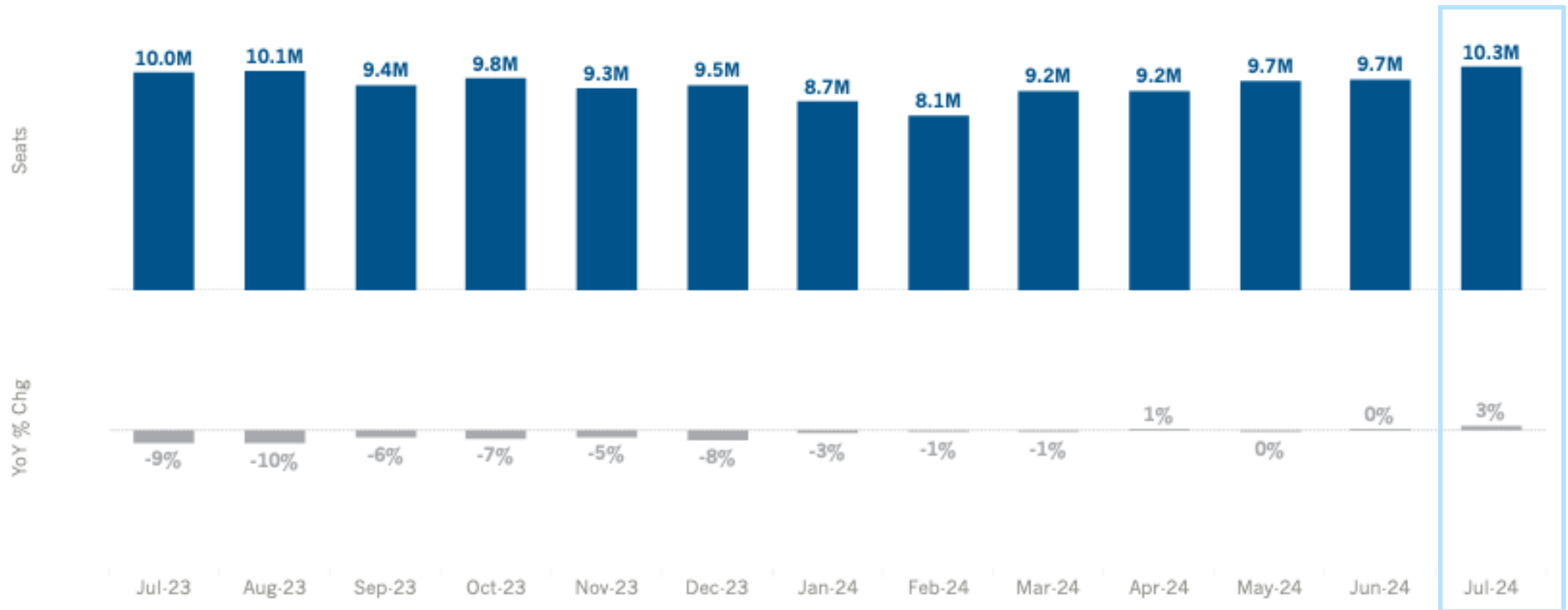
CA Air Passenger Throughput



# California Domestic Non-Stop Seats

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

## California Domestic Non-Stop Seats





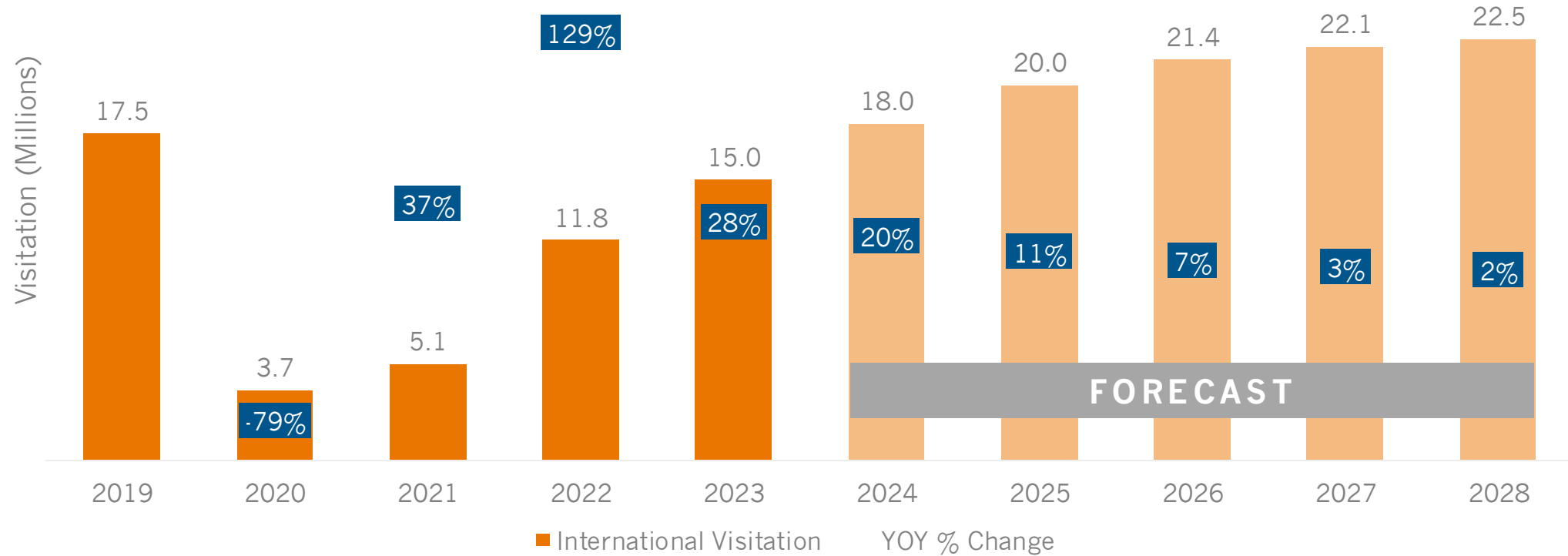


# International Indicators: Forecast

- International Market Forecast

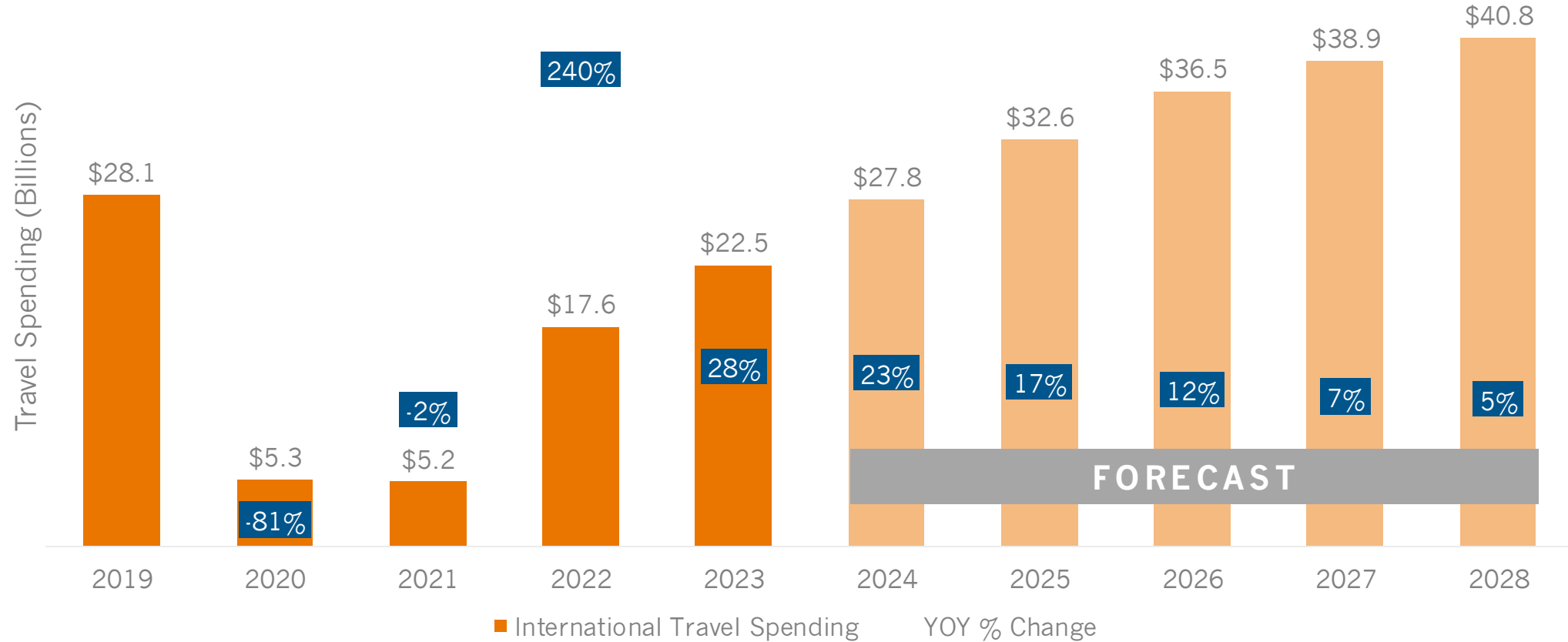
# California International Visitation Forecast

The chart below shows the current international visitation forecast and annual growth rate.



# California International Spend Forecast

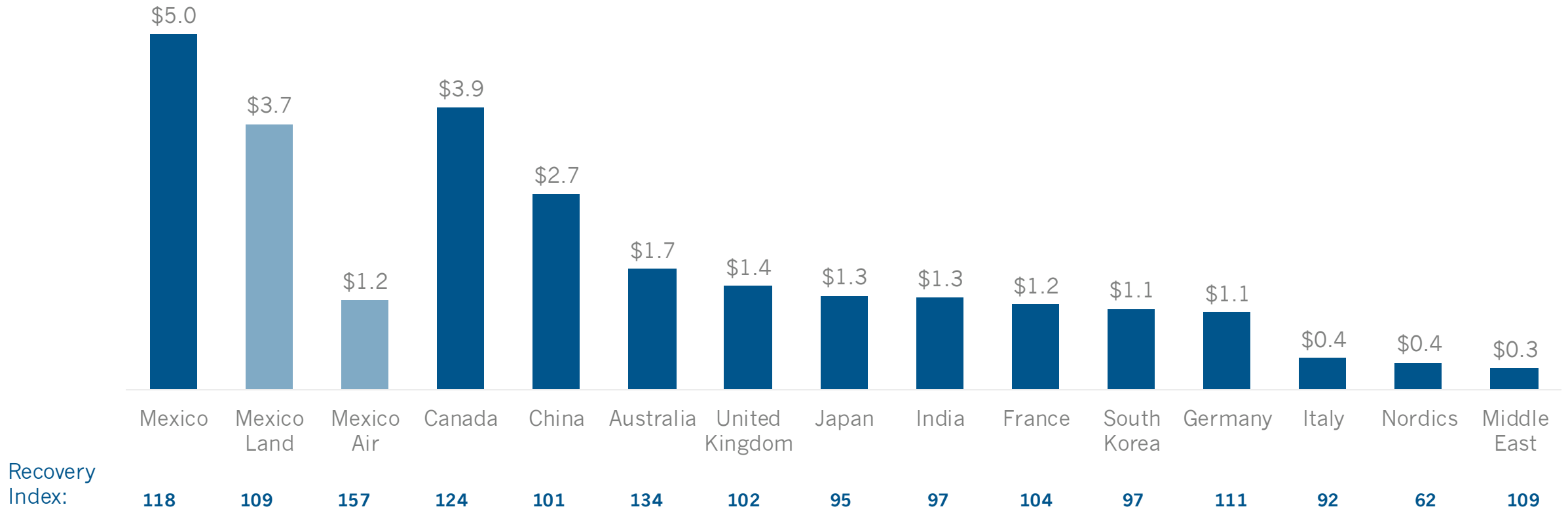
The chart below shows the current travel international spending forecast and annual growth rate.



# California International Market Spend Forecast

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

2024 Visitor Spend Forecast by Market (Billions)





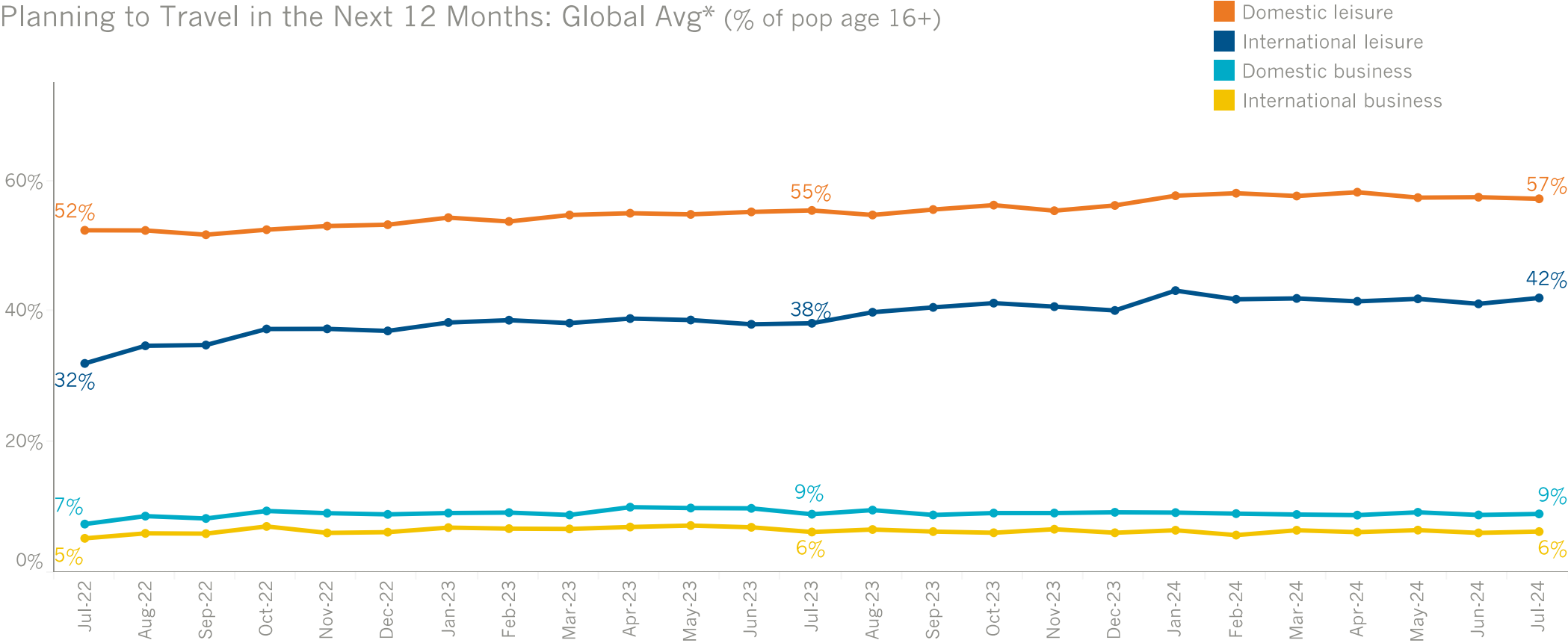
# International Indicators: Consumer Sentiment

- 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?

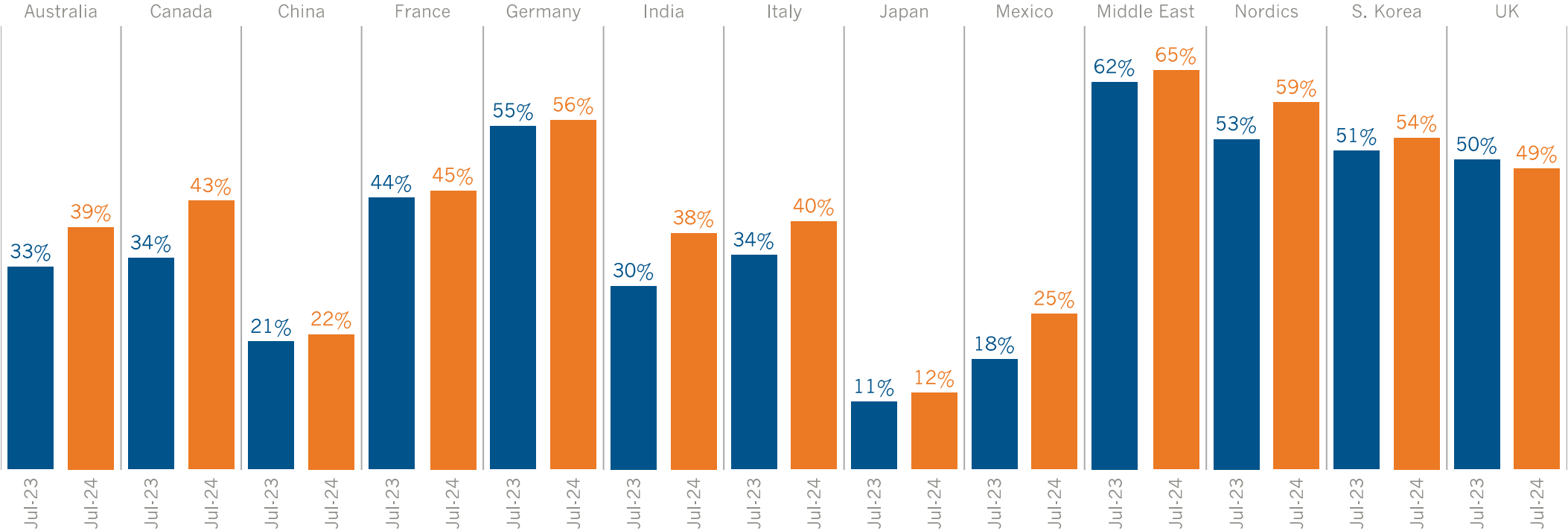
\*Based on respondents in Australia, Canada, China, Germany, France, India, Italy, Japan, Mexico, Middle East (Saudi Arabia & UAE), Nordics, South Korea & UK

Data reported for: July 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+)



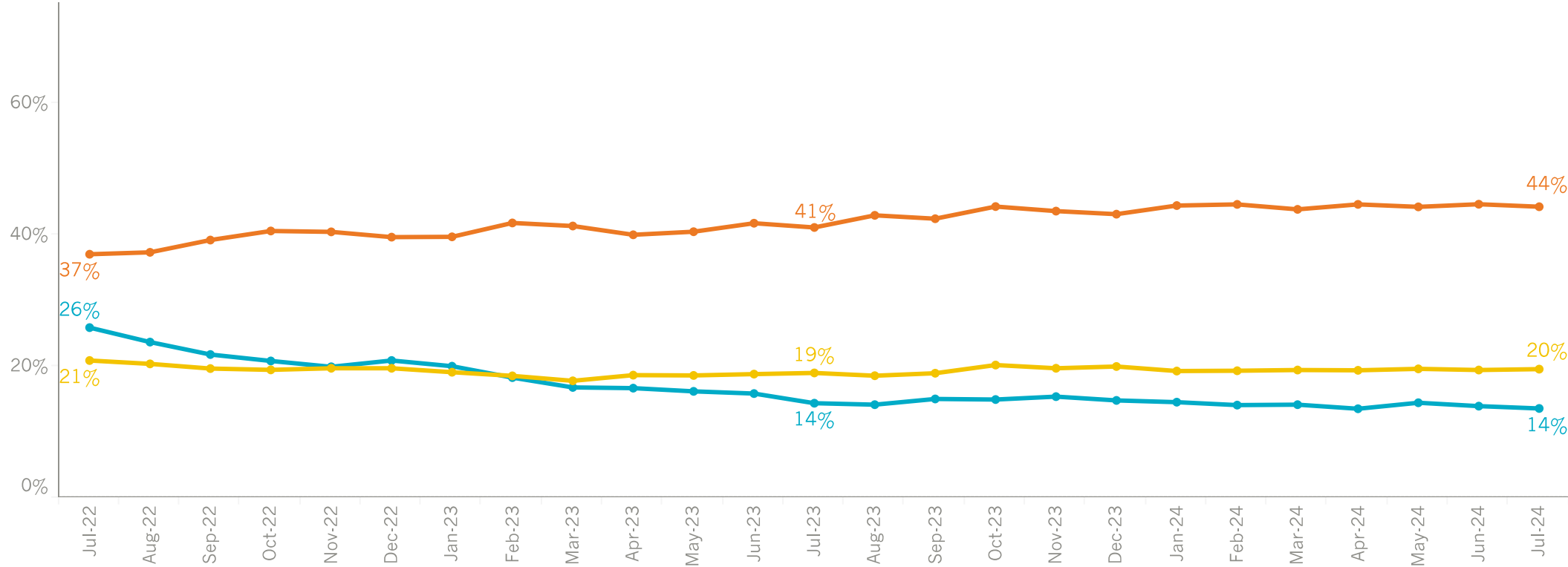
Q: Which, if any, of the following trips are you planning to take in the next 12 months?  
 Data reported for: July 2024

# International Markets Barriers to Travel

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

Barriers to Travel: Global Avg\* (% among not planning to travel International in next 12 months)

- Price of travel
- Safety
- Health risks



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: July 2024

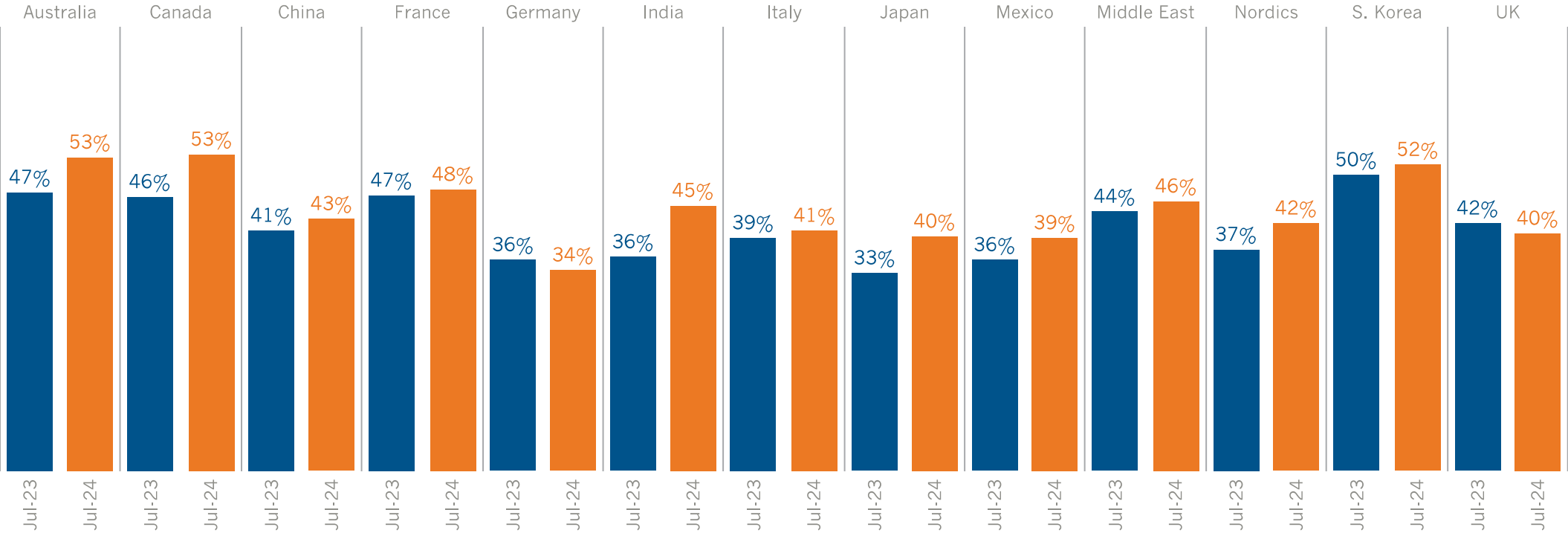
Source: YouGov



# 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?

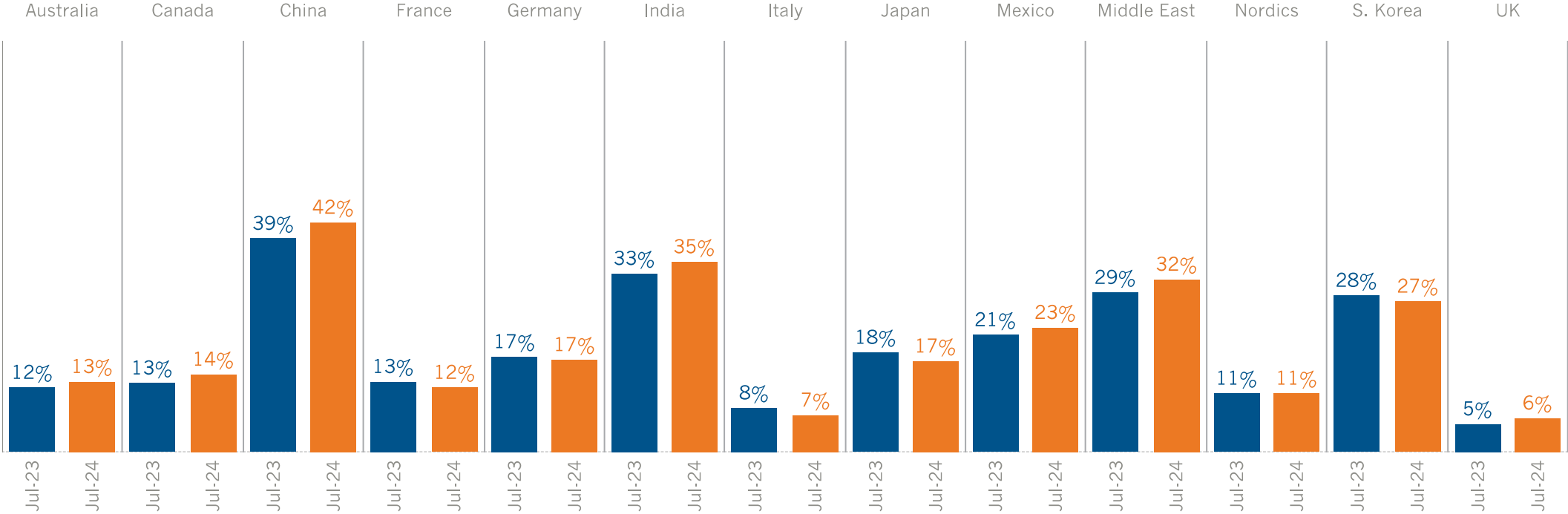
Data reported for: July 2024

Source: YouGov

# 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?

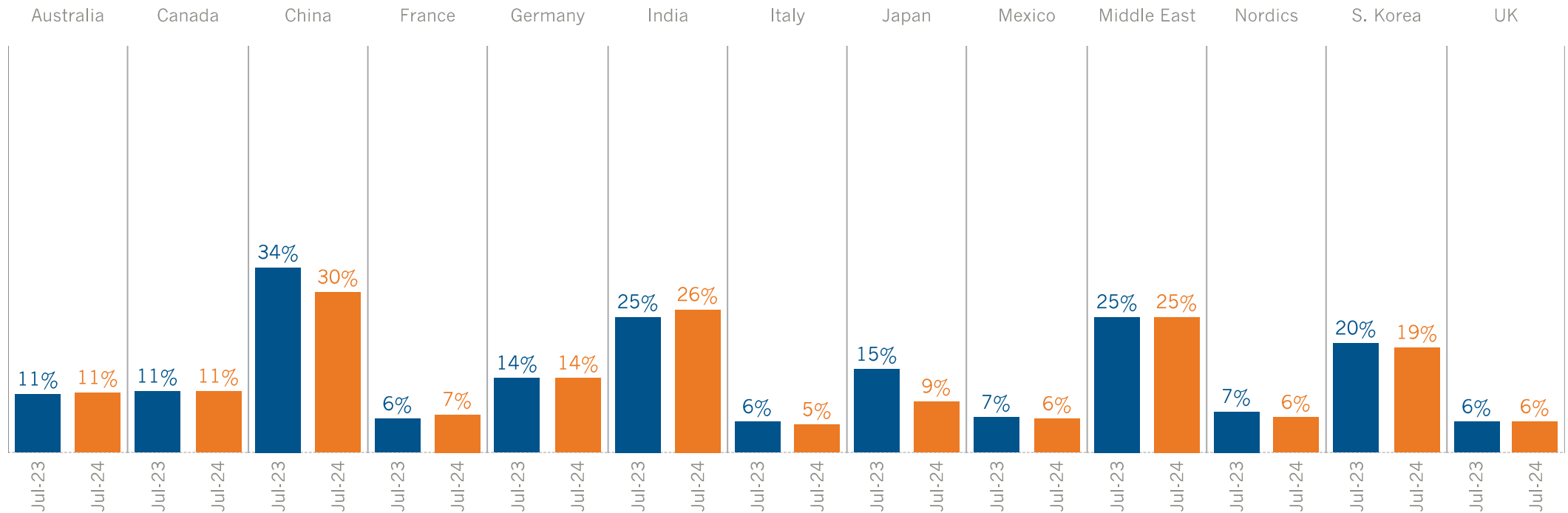
Data reported for: July 2024

Source: YouGov

# 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: July 2024

Source: YouGov



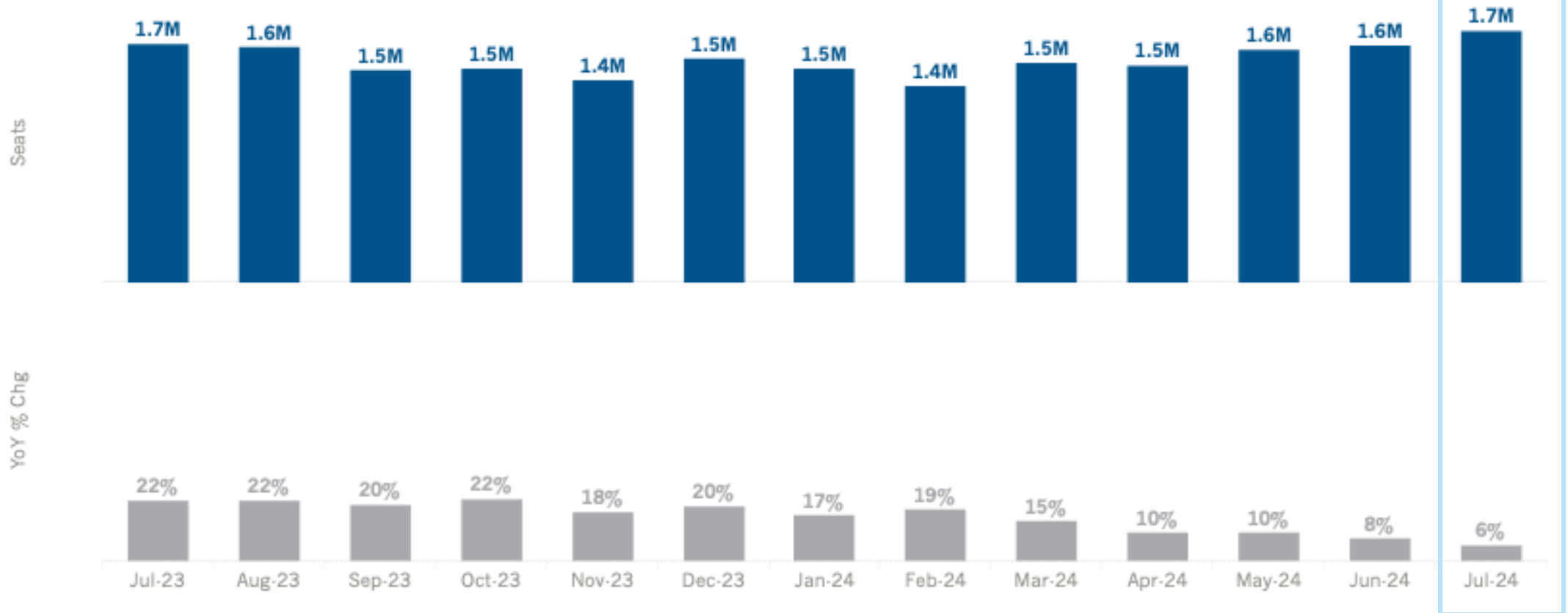
# International Indicators: Airlift & Arrivals

- International Non-Stop Seats
- Non-Resident Arrivals

# California International Non-Stop Seats

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

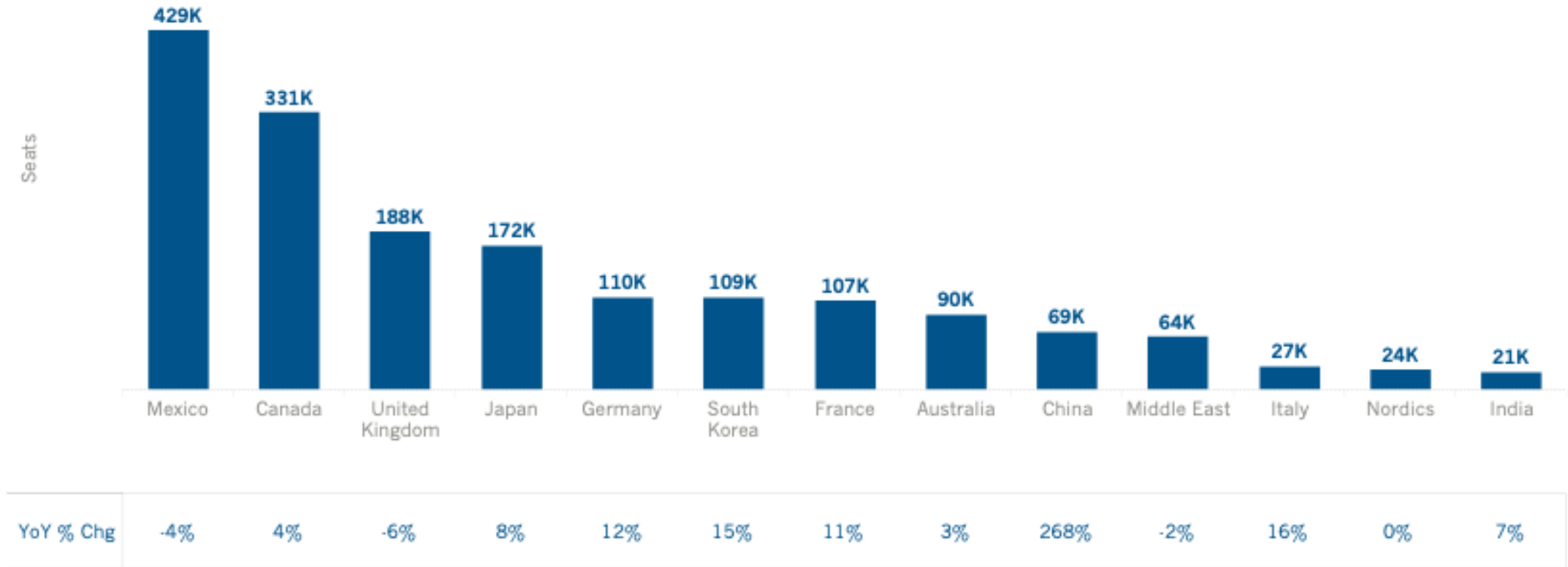
### California International Non-Stop Seats



# California Int'l Non-Stop Seats by Market

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

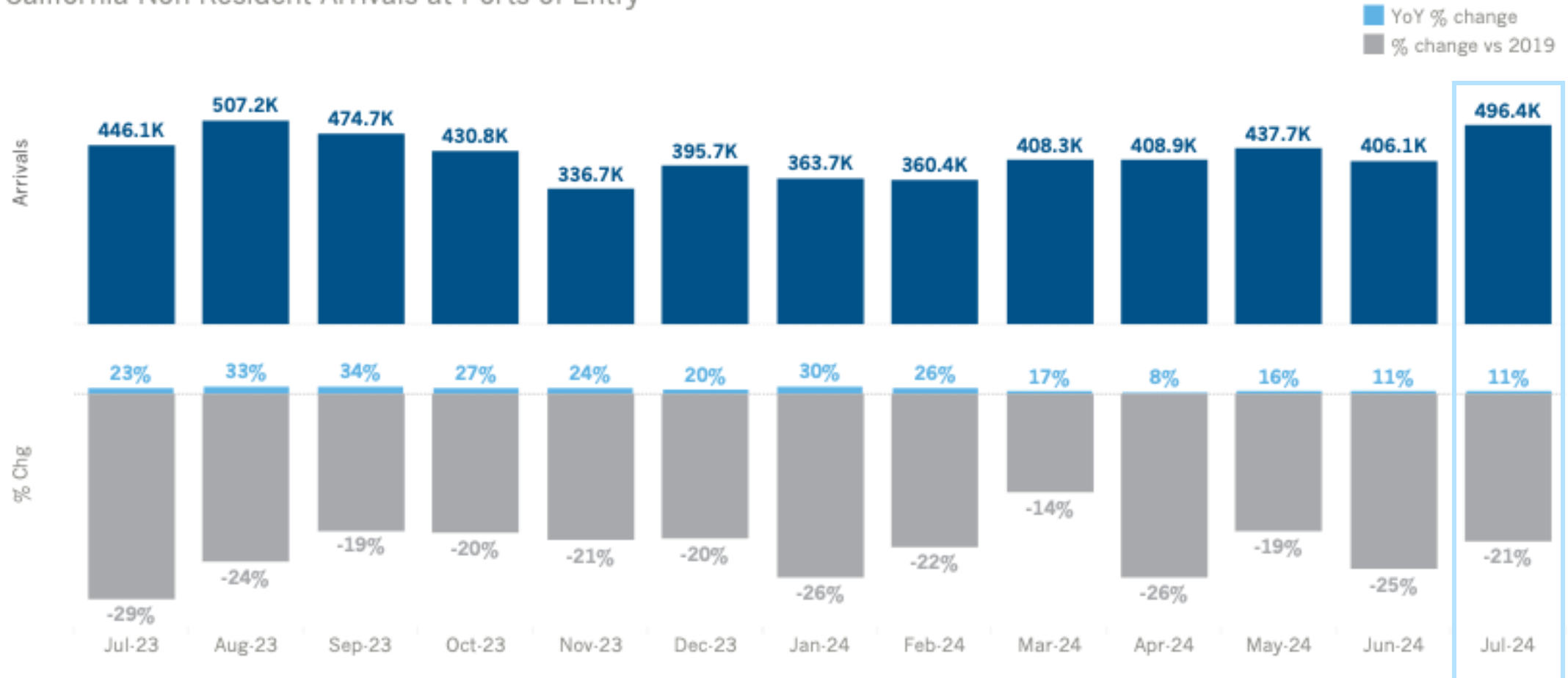
California International Non-Stop Seats (July 2024)



# California Non-Resident Arrivals

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

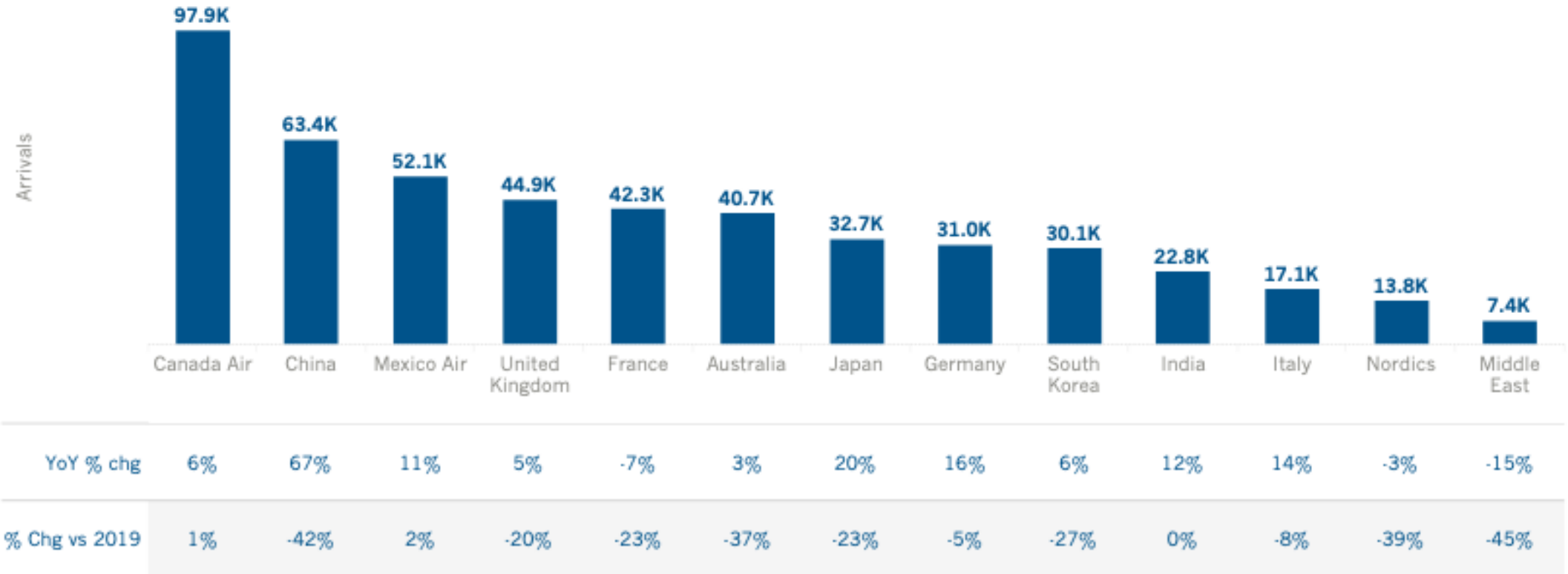
## California Non-Resident Arrivals at Ports of Entry



# 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 (July 2024)





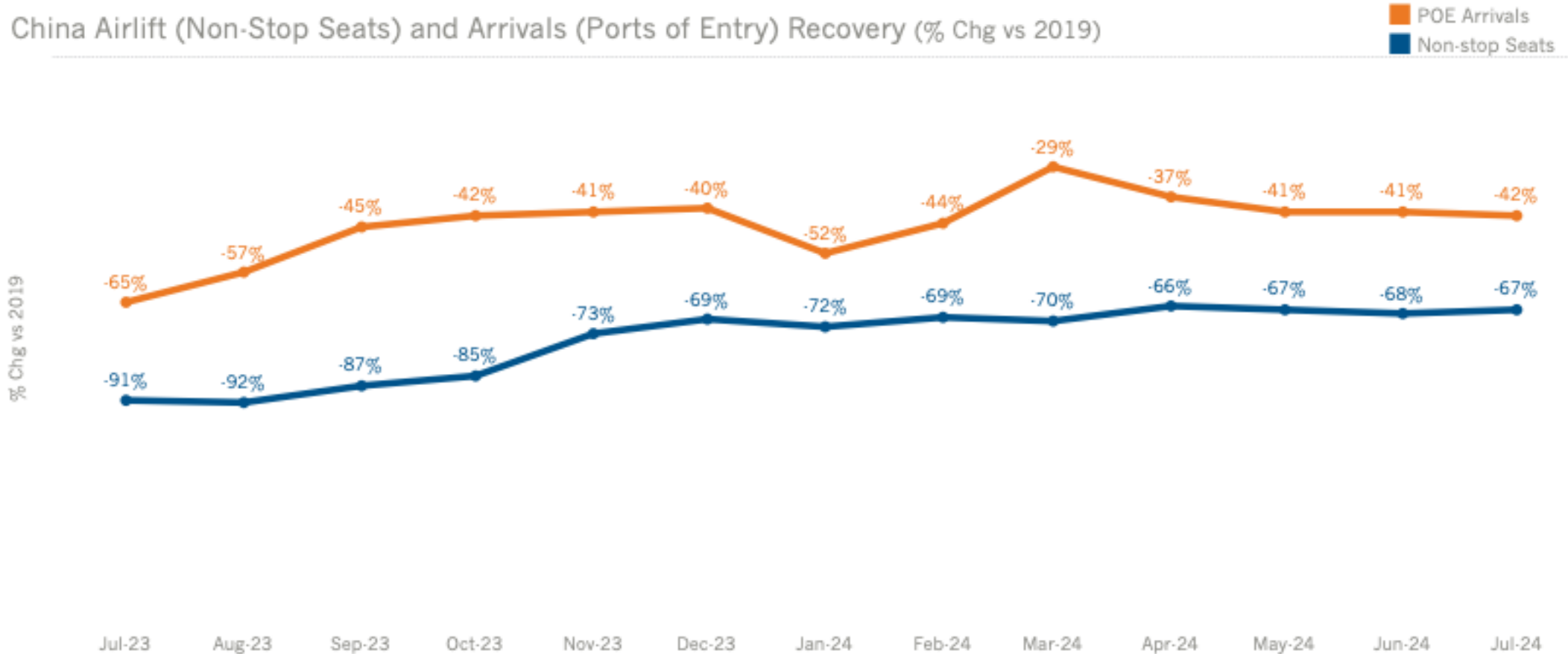


# International Indicators: China Recovery Spotlight

- 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.





# Appendix:

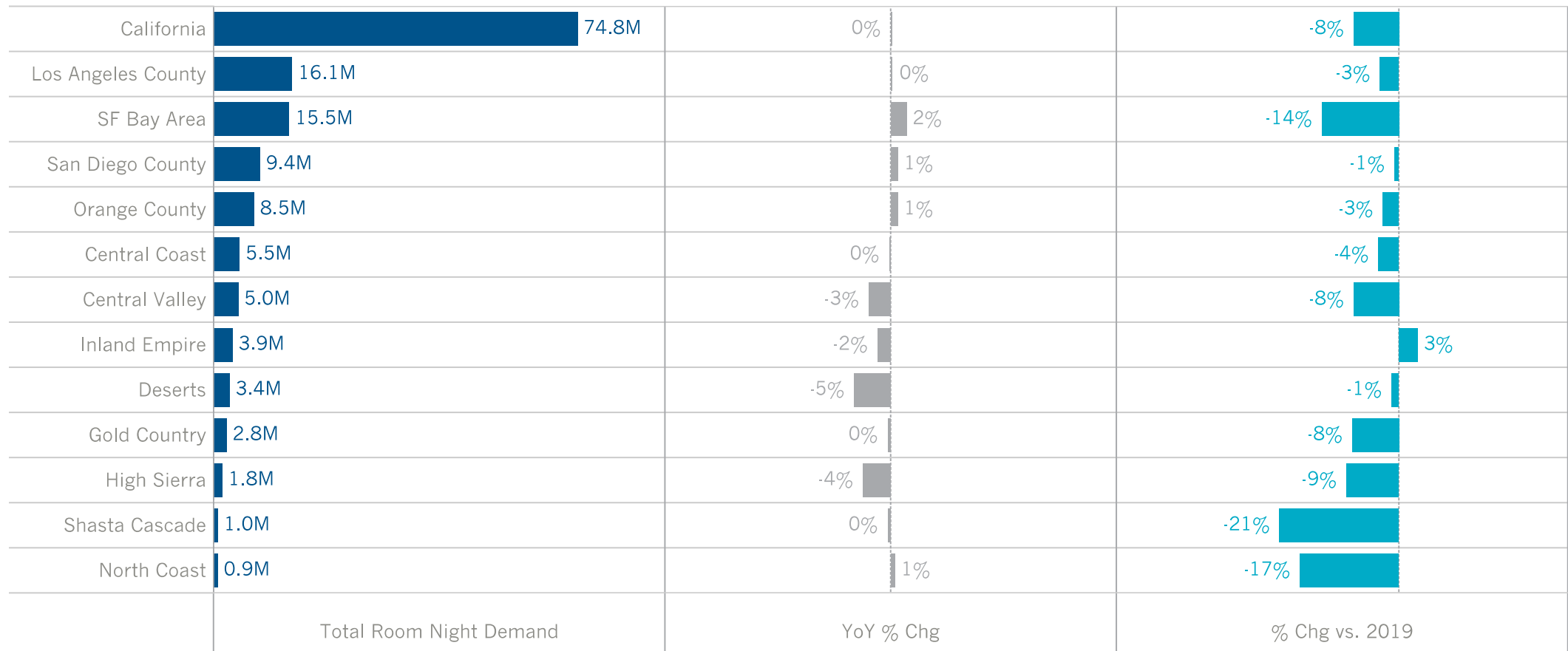
## YTD Metrics

- Lodging Performance
- International Airlift
- International Arrivals

# California & Regions Room Demand (YTD)

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

California & Regions Hotel Room Night Demand (YTD)

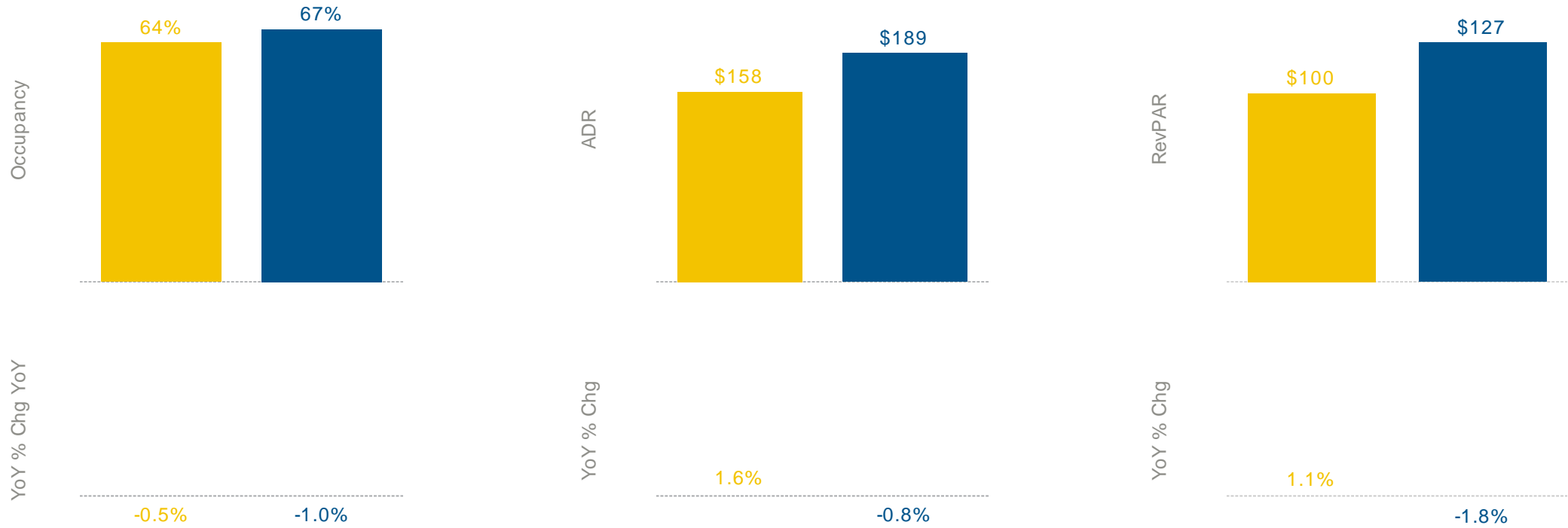


# U.S. & California Hotel Metrics (YTD)

The charts below show key hotel metrics and percent change for the U.S. and California for year-to-date.

U.S. & California Hotel Performance Metrics (YTD)

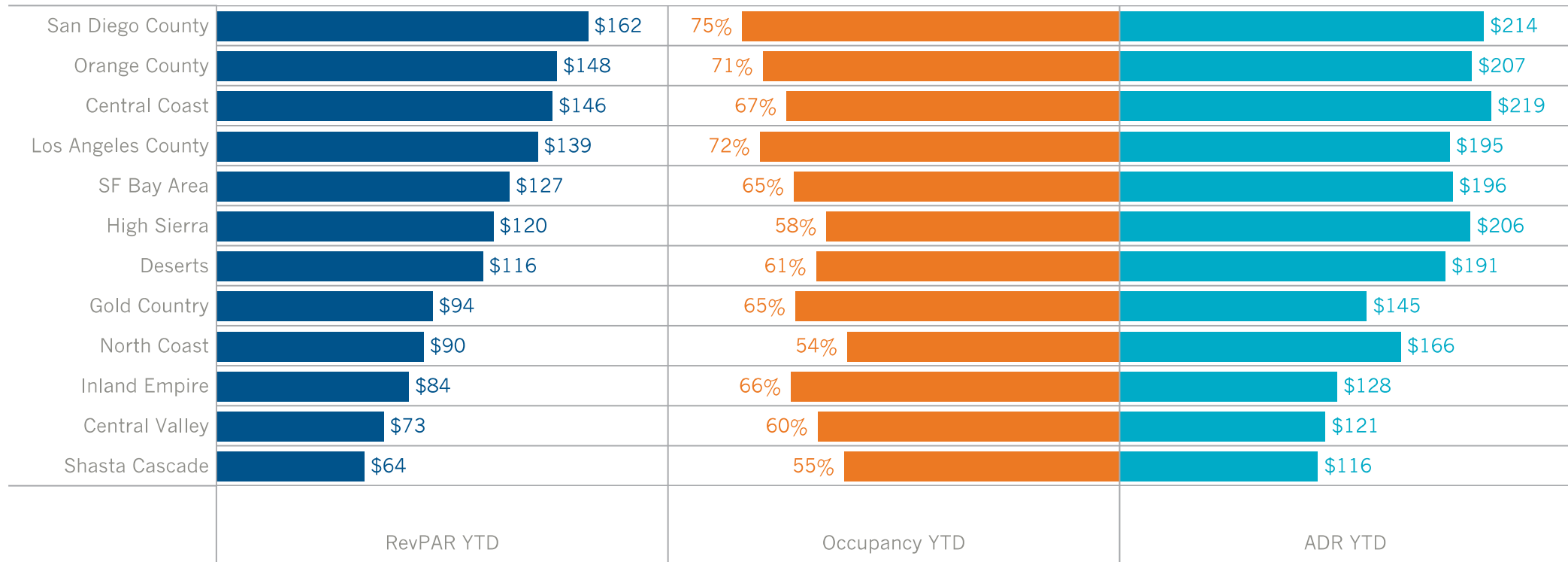
■ U.S. ■ California



# California Region Hotel Metrics (YTD)

The charts below show key hotel metrics and percent change for the California tourism regions for year-to-date.

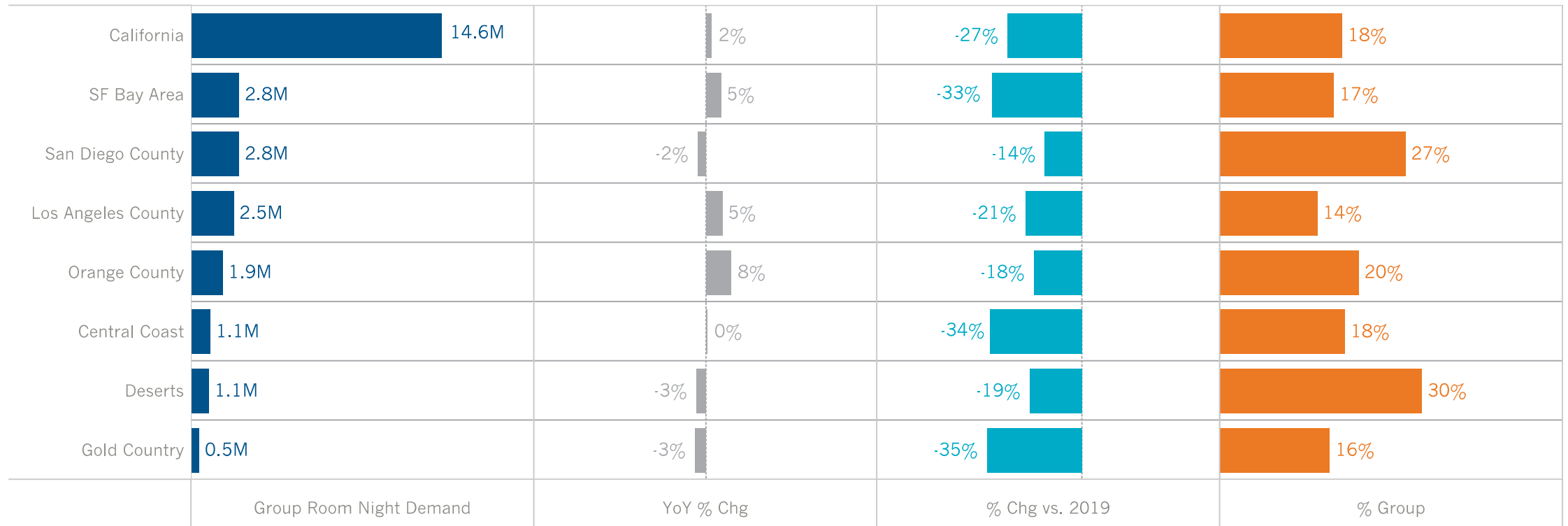
California Region Hotel Performance Metrics (YTD)



# California Hotel Group Room Demand (YTD)

The chart below shows group room demand by market, percent change, & percent of total demand for year-to-date.

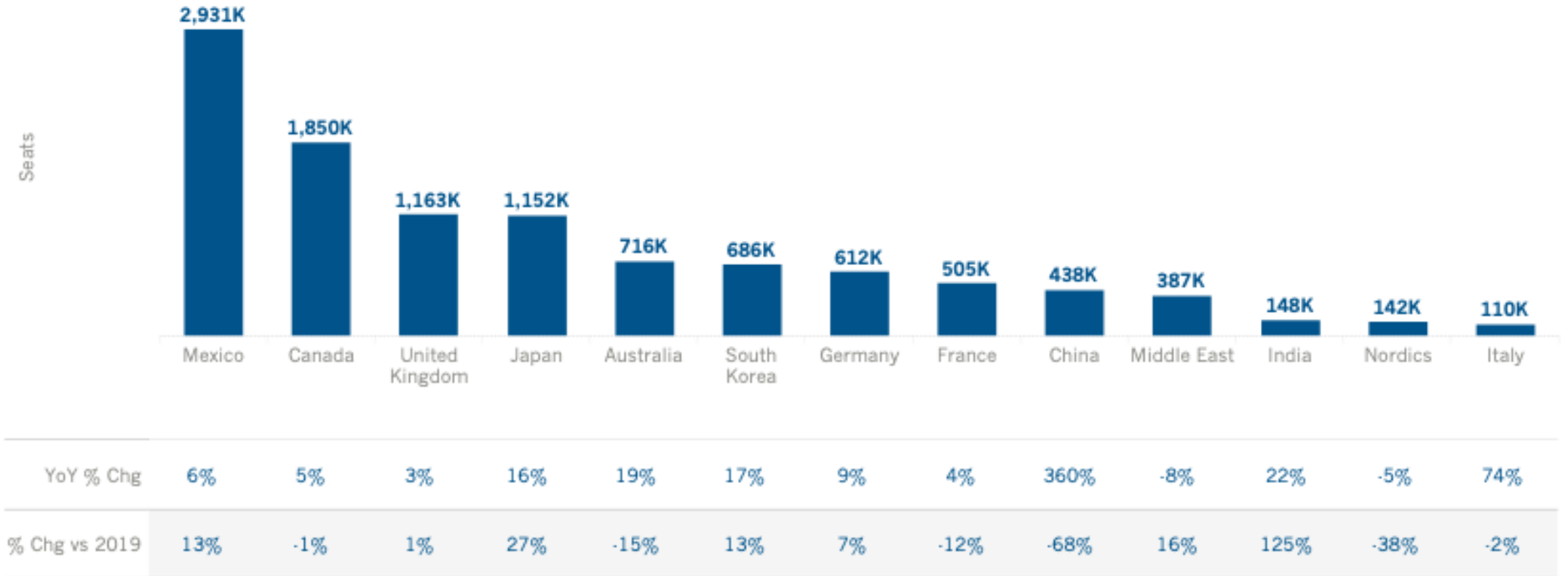
California & Regions Group Hotel Room Night Demand (YTD)



# California Int'l Non-Stop Seats by Market (YTD)

The chart below shows non-stop seats to California by international market for year-to-date.

California International Non-Stop Seats (YTD)





# California Non-Resident Arrivals by Market

The chart below shows non-resident arrivals at California's ports of entry by international market for year-to-date.

California Non-Resident Arrivals Ports of Entry (YTD)

