



TOURISM
ECONOMICS

AN OXFORD ECONOMICS COMPANY

California Visits and Spending Forecast

February 2025

Prepared for:

visit
CaliforniaTM

Introduction


Visit California engaged Tourism Economics to prepare five-year forecasts of key visitation and spending indicators for the state of California. The analysis draws on the following data sources:

This forecast relies on:

- Tourism Economics' prior research on California's tourism economy;
- Lodging Data from STR;
- Data on international travel including NTTO, OAG, FIA, POE;
- Tourism Economics proprietary forecast databases, Global Travel Service and International State Travel;
- Economic forecasts by Oxford Economics; and,
- Assumptions on the future path of tourism sector recovery.

Due to standard forecast variability, future hotel performance may vary from the estimates presented in this forecast.



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 - 2 US Economic Trends
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 - 4 California Forecast Highlights
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Forecast Summary

- California's visitor volume is projected to have grown 2.7% in 2024, adding 7.0 million visits for a total of 271.1 million. Total visits are forecast to grow 2.9% in 2025, to 279.0 million.
- International visits increased an estimated 13.9% in 2024 and are forecast to grow 11.2% in 2025 to 19.0 million, surpassing the pre-pandemic peak set in 2019.
- Visitor spending is estimated to have totaled \$156.4 billion in 2024 and is projected to reach \$166.1 billion in 2025.
- No growth in domestic spending is forecast for 2024 amid signs of some pullback in consumer spending. A couple years of rapid inflation and the higher interest rates that followed led to a more price-sensitive consumer. A lack of pricing power is evidenced by the 1% decline in California's hotel ADR during 2024.
- Robust growth in international spending is expected to continue in 2024 and 2025. International spending is estimated to have risen 17.5% in 2024 and is forecast to rise 18.1% in 2025.

California Forecast Summary

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Levels										
Total Visits (millions)	285.6	140.6	213.4	259.1	264.1	271.1	279.0	287.3	294.5	302.4
Domestic	268.1	136.9	208.3	247.3	249.1	254.0	260.0	267.1	273.3	280.4
International	17.5	3.7	5.1	11.8	15.0	17.1	19.0	20.2	21.2	22.0
Visitor Spending (billions)	\$144.9	\$68.3	\$105.0	\$142.5	\$152.4	\$156.4	\$166.1	\$176.9	\$186.0	\$195.2
Domestic	\$116.7	\$63.0	\$99.9	\$124.9	\$129.8	\$129.9	\$134.8	\$141.9	\$148.4	\$155.4
International	\$28.1	\$5.3	\$5.2	\$17.6	\$22.5	\$26.5	\$31.3	\$35.0	\$37.6	\$39.8
Growth										
Total Visits	-50.7%	51.7%	21.4%	1.9%	2.7%	2.9%	3.0%	2.5%	2.7%	
Domestic	-48.9%	52.1%	18.7%	0.7%	2.0%	2.3%	2.7%	2.3%	2.6%	
International	-78.6%	37.3%	128.7%	27.5%	13.9%	11.2%	6.5%	5.1%	3.6%	
Visitor Spending	-52.9%	53.9%	35.7%	6.9%	2.7%	6.2%	6.5%	5.1%	5.0%	
Domestic	-46.1%	58.6%	25.1%	3.9%	0.1%	3.8%	5.3%	4.5%	4.7%	
International	-81.2%	-2.4%	239.9%	28.2%	17.5%	18.1%	11.7%	7.5%	6.0%	

Source: Tourism Economics, Dean Runyon & Associates

Visitor Volume Summary

Total visitor volume

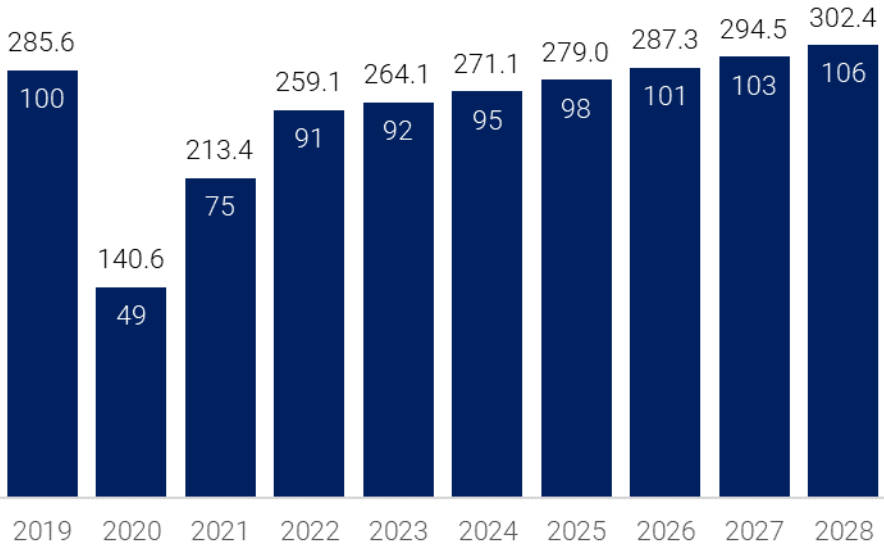
Visits to California increased by an estimated 2.7% in 2024 and surpassed 270 million visitors for the first time since the pandemic. Visitor volume is projected to rise 2.9% in 2025, representing 7.9 million additional visitors.

Visitor volume recovery

Visitor volume is forecast to reach an all-time high in 2026 and surpass 300 million in 2028, 105% of 2019 visitation.

Total California visitor volume

Millions (Index relative to 2019)



Source: Tourism Economics

Visitor Spending Summary

Total visitor spending

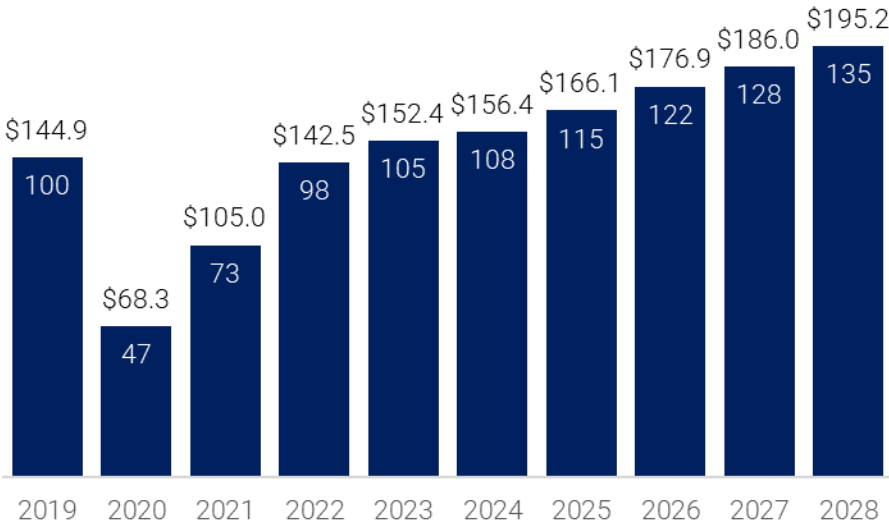
Direct tourism spending in California is estimated to have risen 2.7% in 2024 and is forecast to rise 6.2% in 2025. After no growth in 2024, domestic spending is forecast to rise 3.8% in 2025, and international spending is projected to rise by 18.1%.

Total visitor spending recovery

Visitor spending fully recovered in 2023, exceeding 2019 levels by 5%. By the end of 2028 visitor spending is expected to exceed 2019 levels by 35%.

Total visitor spending in California

Billions (Index relative to 2019)



Source: Dean Runyon & Associates, Tourism Economics

Spending: Real vs Nominal

Inflationary pressures have overstated the real increase in spending

Annual inflation, measured by the U.S. consumer price index (CPI), exceeded 4% from 2021-2023 and peaked at 8% in 2022. Consumer price inflation slowed to 3% in 2024. For context, the Federal Reserve's target rate of inflation is approximately 2%.

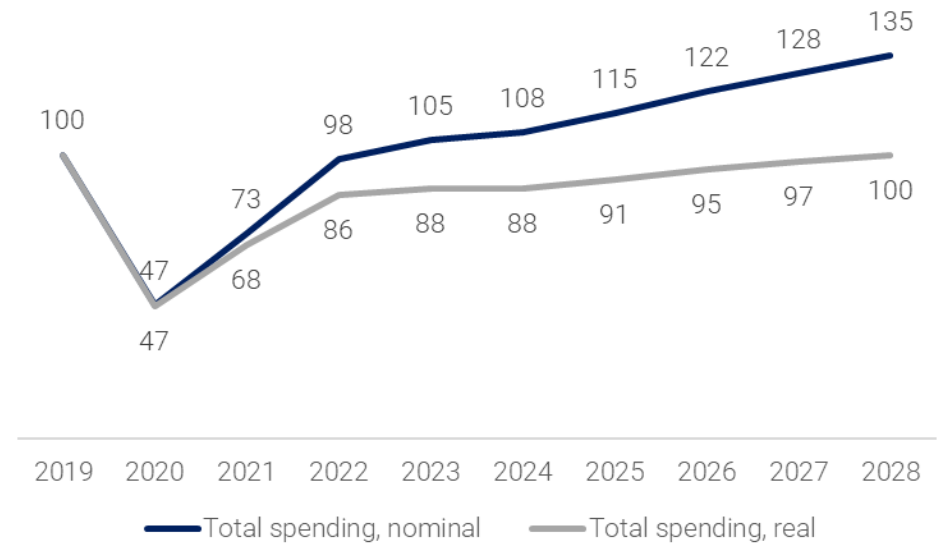
Real visitor spending recovery

While nominal visitor spending fully recovered in 2023, visitor spending expressed in real (inflation-adjusted) terms is not expected to fully recover until 2028.


Nominal spending in 2028 is forecast to exceed 2019 by 35%.

Total visitor spending in California

Index, 2019 = 100



Source: Dean Runyon & Associates, Tourism Economics

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US Economy

Resilient consumer spending despite inflation and high interest rates

Economic output

The US economy has demonstrated remarkable resilience considering the past two years of high inflation and interest rates.

The economy appears to be on track for a successful “soft-landing” in which economic activity slows enough to lower inflation but so much that it triggers layoffs and risks tipping the economy into a recession.

Gross domestic product (GDP) is forecast to rise 2.6% in 2025, down slightly from the estimated 2.8% growth in 2024.

Consumers

Consumers continue to be the main growth driver, buoyed by a sturdy job market, rising wages, and rising household wealth. Inflation is retreating faster than wage growth, leading to gains in real (inflation-adjusted) incomes and supporting consumer purchasing power.

Our forecast is for solid growth in consumer spending over the next few years, but that is largely attributed to the resilience of high-income households, who account for most of the consumption.

Labor market

The labor market has softened over the past two years as the unemployment rate has risen from 3.4% in January 2023 to 4.1% in December 2024.

However, while the hiring rate has slowed, the layoff rate has not accelerated and remains below the pre-pandemic average. Therefore, the recent rise in unemployment can be attributed to slower hiring in combination with an increase in labor force participation, rather than permanent layoffs.

Inflation

Progress on the inflation front appeared to stall near the end of 2024 as the rate of inflation ticked up to 2.7% in November. However, we believe the disinflation trend has temporarily stalled, not stopped. We expect the central bank will pause in January and lower rates three times in 2025, although the risk of fewer rate cuts has risen..

Inflation has been particularly strong among essentials (e.g. food, shelter, clothing) which has more significantly impacted middle- and lower-income households. As a result, the share of low-income household spending on discretionary items fell sharply in 2020 and has barely begun to recover, a clear sign that more of their incomes are going toward necessities. Conversely, spending behavior by higher-income households has been largely unaffected.

US Economy Assumptions

GDP

US: GDP Forecast

% annualized



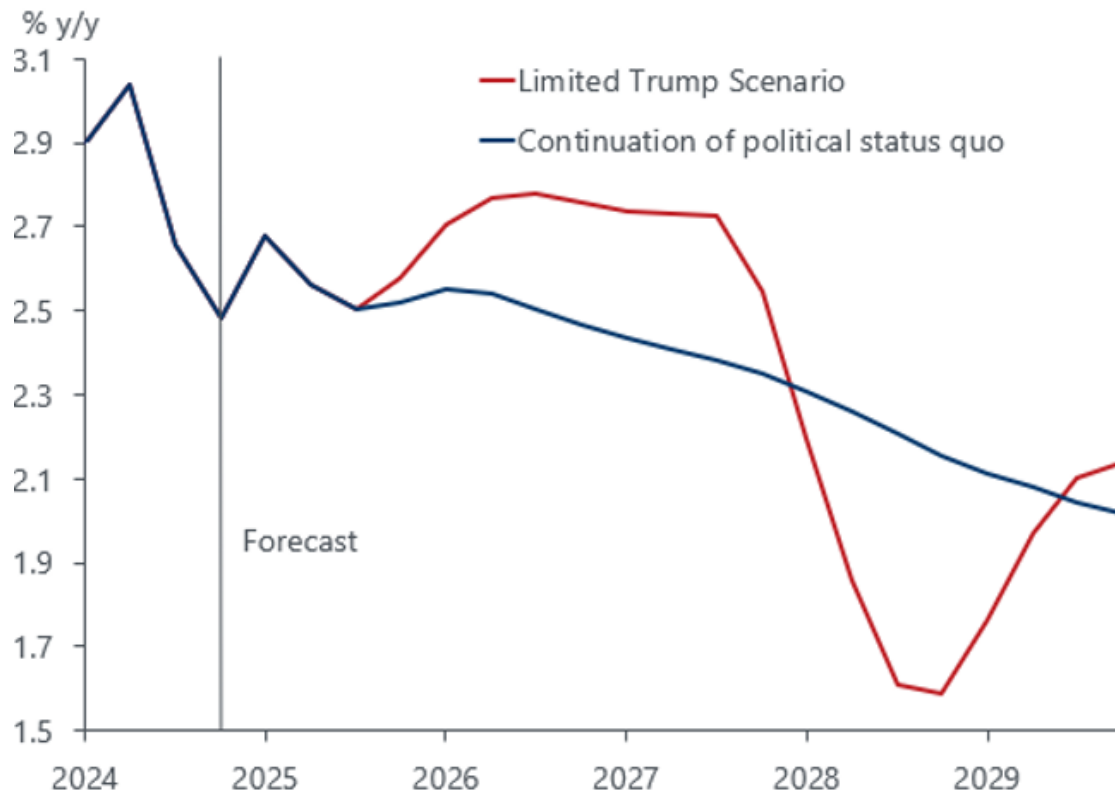
Source: Oxford Economics (November 2024 Forecast)

- We expect US GDP growth of 2.8% in 2024 and 2.6% in 2025.
- The US economy has demonstrated remarkable resilience considering the past two years of high inflation and interest rates, and the economy appears to be on track for a successful “soft-landing”.
 - Soft landing – a scenario in which economic activity slows enough to reduce the rate of inflation but not so much as to trigger layoffs and tip the economy into a recession.

US Economy Assumptions

GDP under a limited Trump scenario

US: Real GDP



Source: Oxford Economics/Haver Analytics

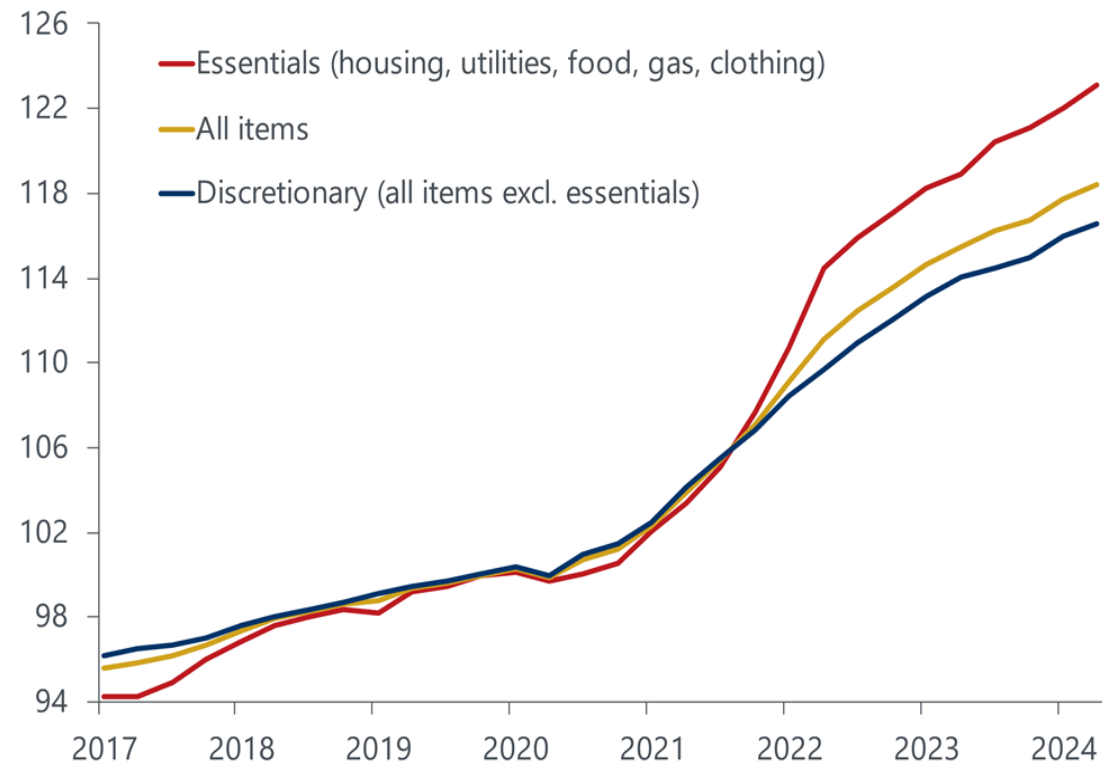
- Key Assumptions:
 - The 2017 personal tax cuts are extended
 - Higher government spending.
 - Reduced immigration
 - Targeted tariffs on China, Mexico, Canada, and the European Union.
- Tax cuts and higher government spending will provide a short-term boost to economic growth, while the negative macroeconomic impacts from tariffs and reduced immigration will likely be a drag on economic growth in the long run.

US Economy Assumptions

Inflation by essential/discretionary purchases

US: PCE price index

2019 Q4 = 100



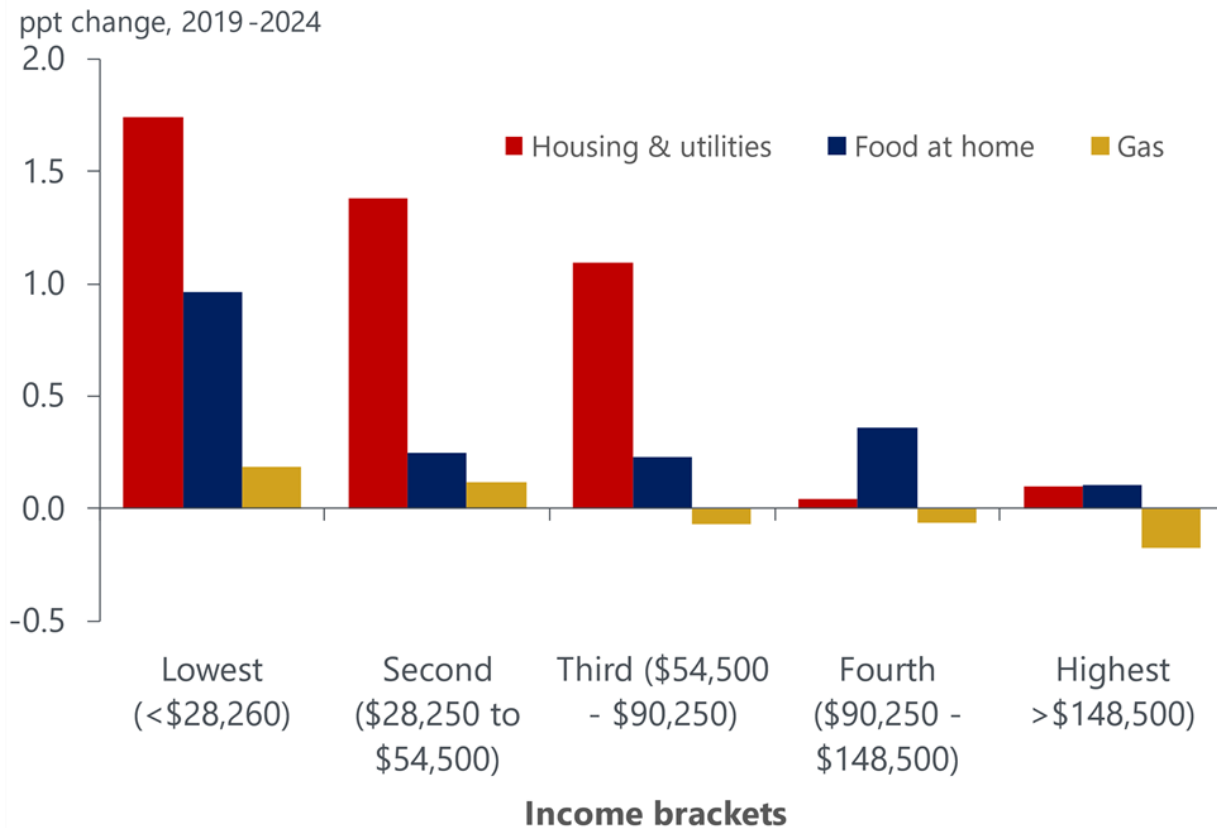
- Inflation has hit essentials more intensely than discretionary purchases.

Source: Oxford Economics/Haver Analytics

US Economy Assumptions

Spending share on essentials

US: Spending share on essentials by income quintile



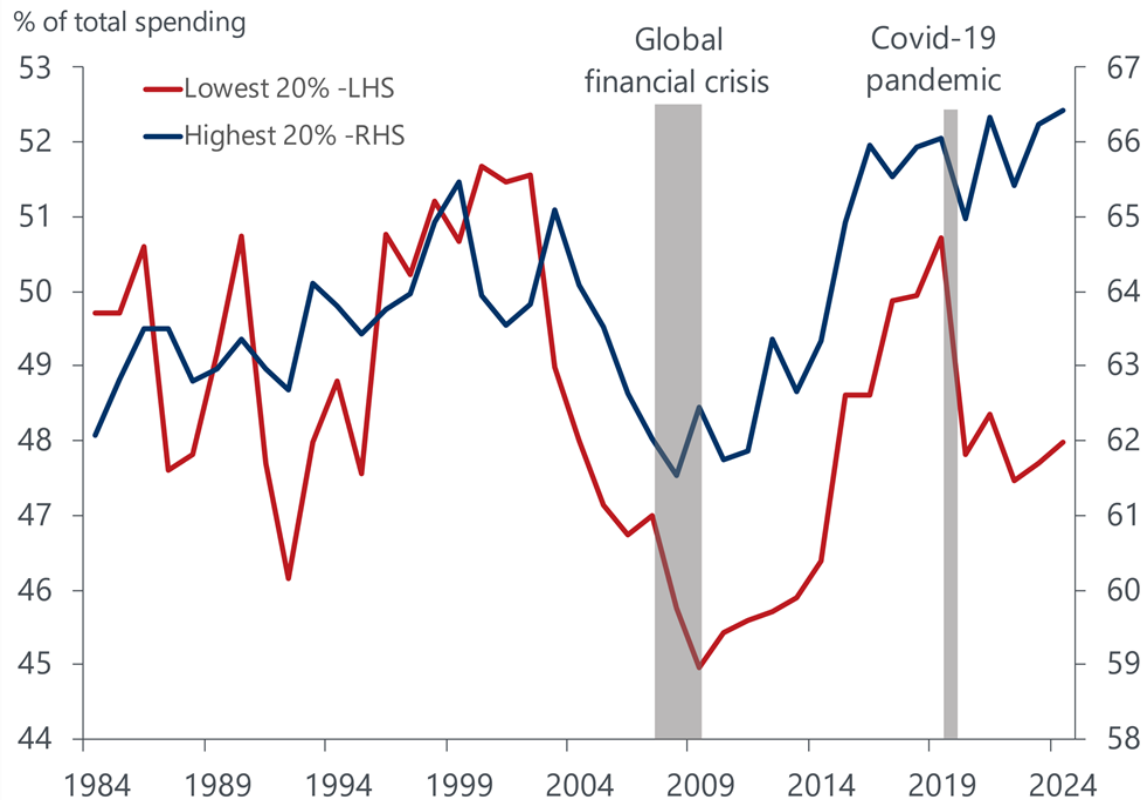
- Low-income households are dedicating more of their budget to essentials.

Source: Oxford Economics/Haver Analytics

US Economy Assumptions

Discretionary spending by income

US: Share of spending on discretionary items by income



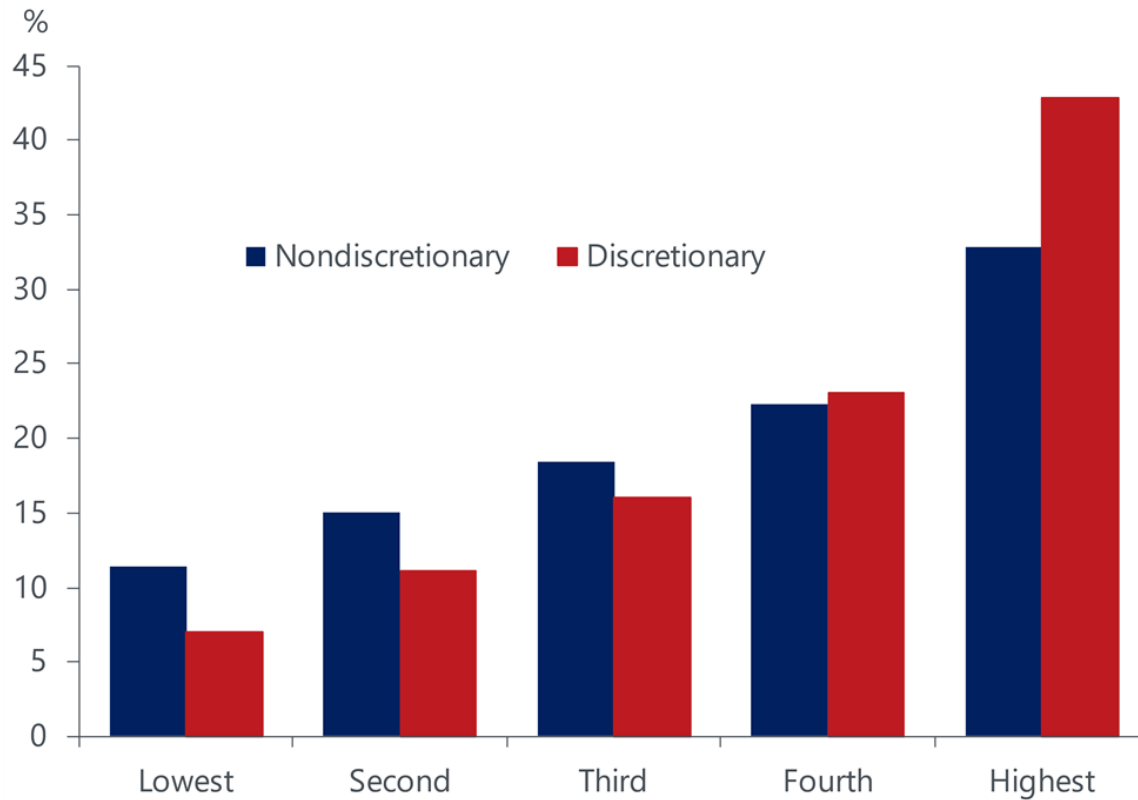
- Low-income discretionary spending has barely begun its recovery.
- High-income discretionary spending has remained resilient.

Source: Oxford Economics/Haver Analytics

US Economy Assumptions

Spending share by income bracket

US: Share of spending by income bracket



Source: Oxford Economics/Haver Analytics

- Our forecast is for solid growth in consumer spending over the next few years, but that is largely attributed to the resilience of high-income households, who account for most of the consumption.

World Economic Prospects Monthly

Oxford Economics Macroeconomic Outlook, January 2025

Outlook remains resilient despite mounting risks

- We still expect world GDP growth will pick up to 2.8% this year and 2.9% in 2026, following an estimated 2.7% expansion in 2024. But risks to our outlook remain high, reflecting uncertainty about both the scale and timing of changes to US fiscal, tariff, and migration plans.
- Our baseline forecast continues to assume that the US imposes tariffs on a select group of economies targeted at specific sectors, which are anticipated to come into operation around the end of this year. The moderate adverse growth effects of these measures will initially be more than offset by looser US fiscal policy.
- We've lowered our eurozone GDP growth forecast for 2025 by 0.1ppt to 1.1%. We expect GDP growth will gradually gain pace over the course of this year and expand by 1.5% in 2026.
- We've cut our 2025 GDP growth forecast for the UK by 0.3ppts to 1.1% in response to unfavorable historical revisions and a run of softer monthly data.
- We remain cautious on the outlook for emerging markets and maintain our aggregate 2025 GDP growth forecast at 4%. We expect growth will remain challenged by continued US dollar strength, higher US bond yields, and tariff concerns.
- We've kept our 2025 GDP growth forecast for China at 4.4%, down from an estimated 4.8% expansion last year, balancing the impact of the near-term policy stimulus with downside risks.

Summary of International Forecasts						
(Annual percentage changes unless specified)						
	2021	2022	2023	2024	2025	2026
Real GDP						
North America						
United States	6.1	2.5	2.9	2.8	2.6	2.7
Canada	6.0	4.2	1.5	1.3	1.5	1.7
Europe						
Eurozone	6.3	3.6	0.5	0.8	1.1	1.5
Germany	3.6	1.4	-0.1	-0.2	0.4	1.2
France	6.8	2.6	1.1	1.1	0.8	1.4
Italy	8.8	4.8	0.8	0.5	0.8	0.9
Spain	6.7	6.2	2.7	3.1	2.5	1.8
UK	8.6	4.8	0.4	0.8	1.1	1.7
EU27	6.3	3.5	0.5	0.9	1.4	1.7
Asia						
Japan	2.8	0.9	1.5	-0.2	1.2	0.8
Emerging Asia, excl Japan	7.8	3.7	4.9	4.7	4.5	4.3
China	8.5	3.0	5.2	4.8	4.4	4.1
India	9.4	6.5	7.7	6.4	6.5	6.5
World	6.5	3.3	2.8	2.7	2.8	2.9
Exchange Rates						
US\$ Effective	104.5	115.1	115.4	116.4	120.0	117.2
\$/€	1.18	1.05	1.08	1.08	1.04	1.06
¥/\$	109.8	131.6	140.6	151.3	156.0	149.7

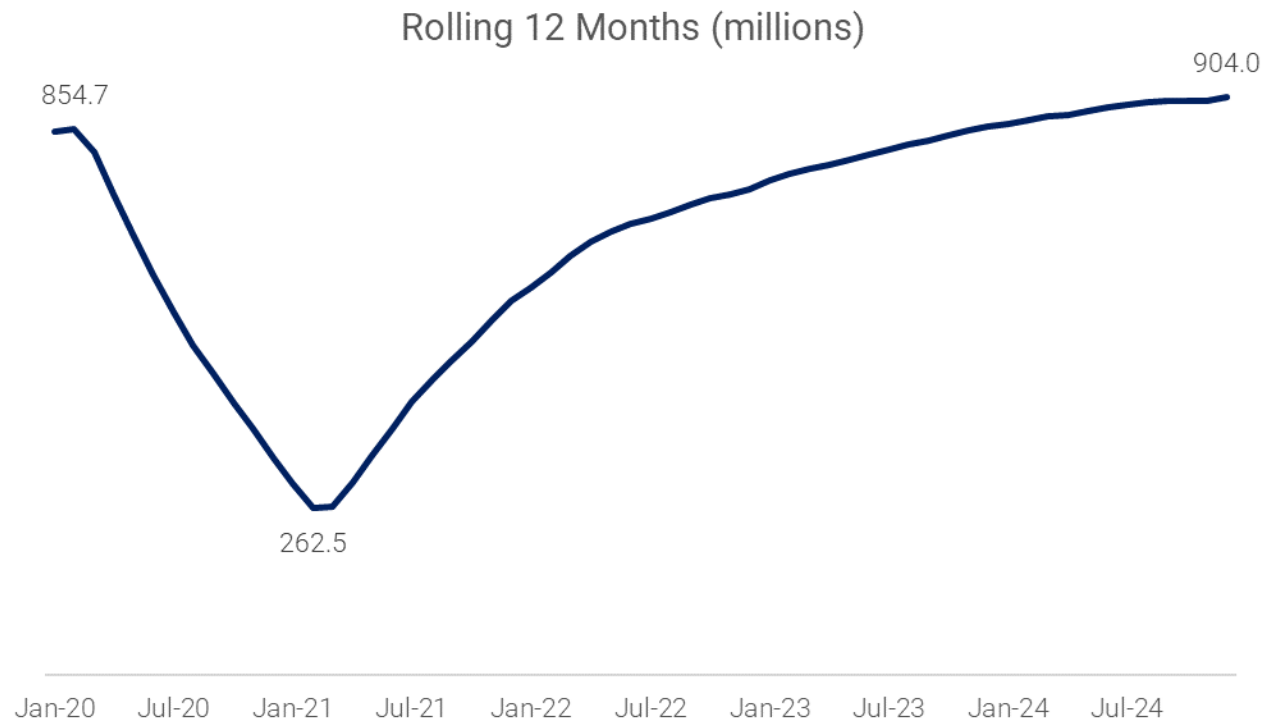


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U.S Airports Busier Than Ever

TSA Security Checkpoint Volume

Rolling 12 months totals



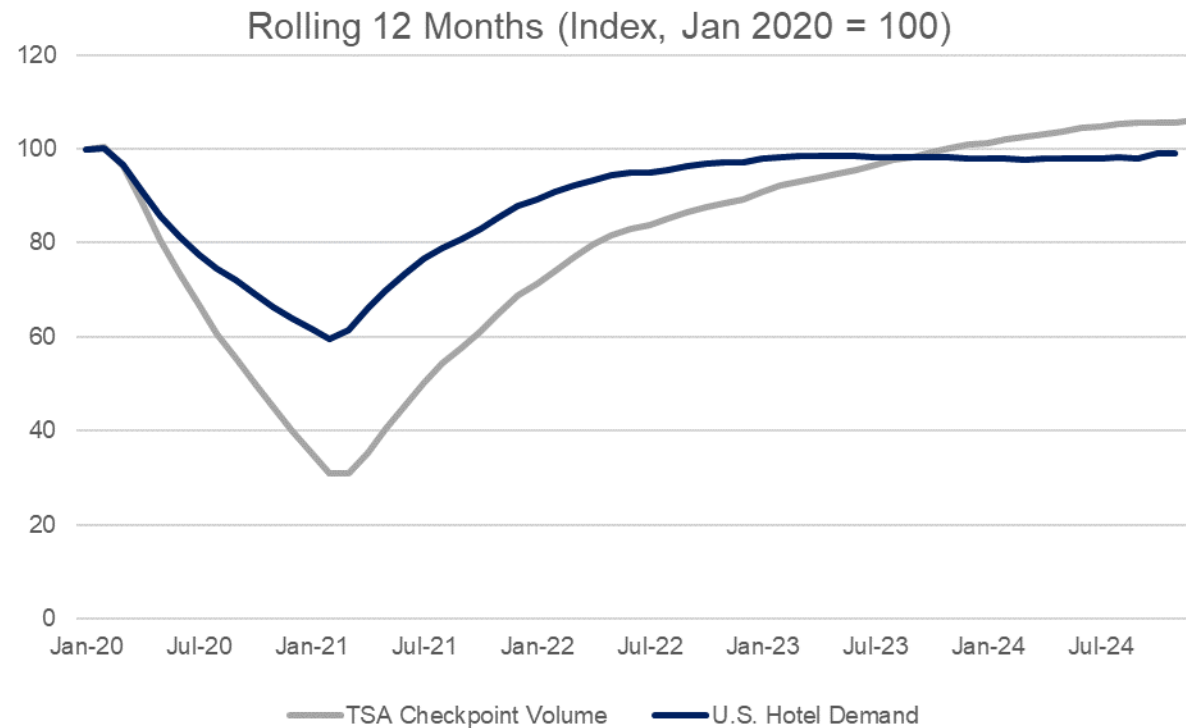
Source: TSA

- TSA security checkpoints, U.S. airports:
 - 904 million passengers in 2024, the busiest year ever
 - 84 million in July 2024, busiest month ever
 - 3 million on Sunday, Dec 1, busiest day ever
 - Every month except January set new monthly highs in 2024.

Hotel Demand Recovery Lagging

TSA Security Checkpoint Volume and Hotel Demand

Indexed



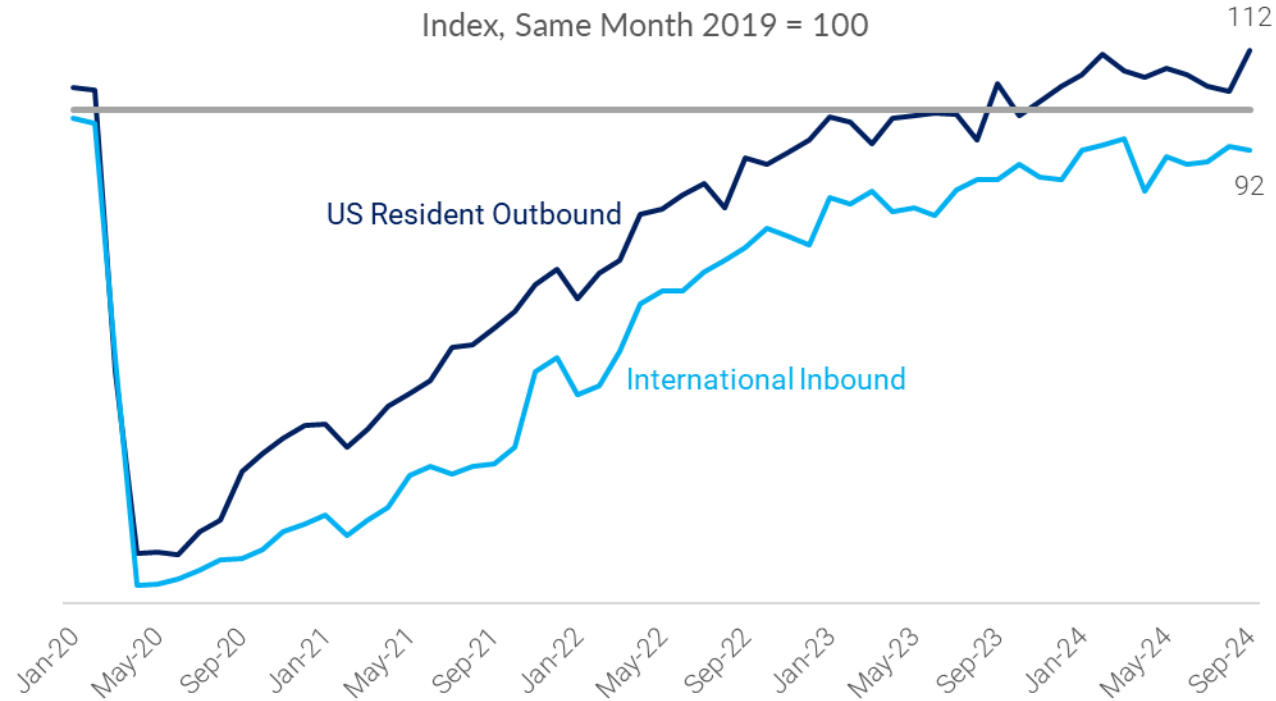
Source: TSA, CoStar

- If more people than ever are passing through U.S. airports, why is hotel demand still below the 2019 benchmark?
- Three contributing factors:
 - International travel
 - Cruises
 - Economic factors

International Travel Imbalance

Inbound and Outbound International Travel

Indexed to 2019

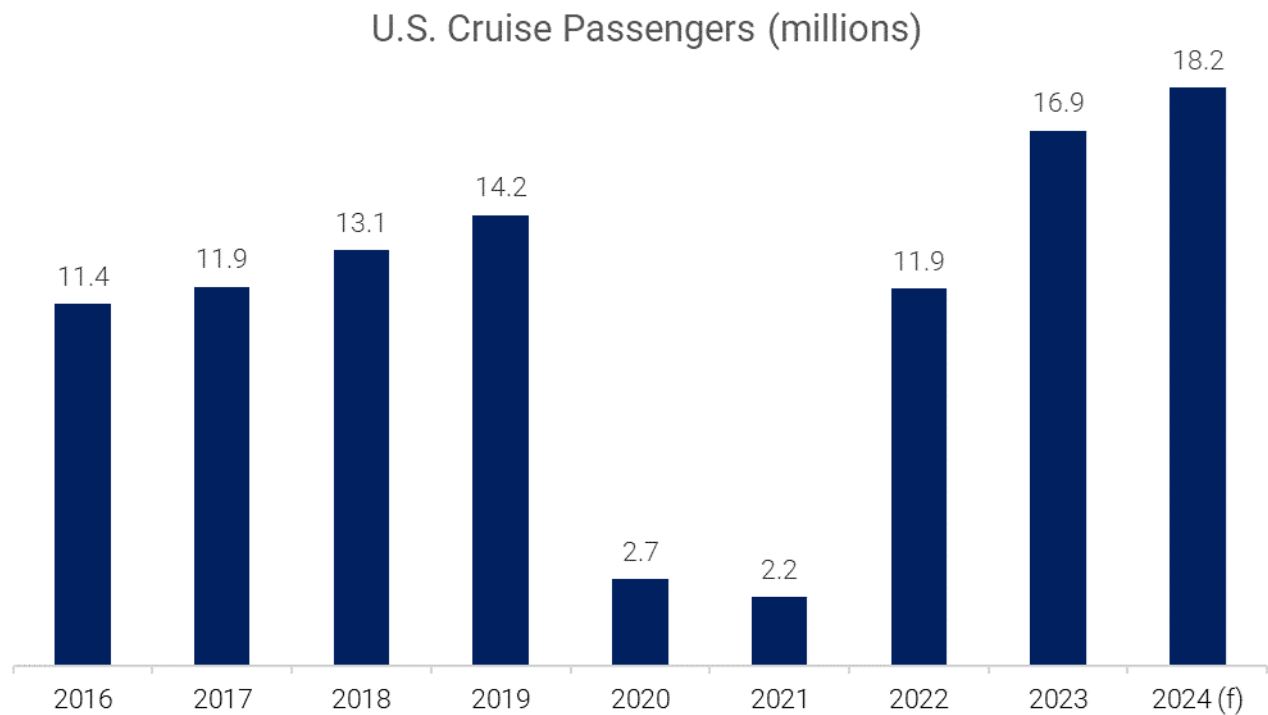


- More Americans than ever are traveling outside the country.
- International arrivals to the U.S. still haven't reached pre-pandemic levels.

Source: NTTO

Cruise Passenger Volume Surging

U.S. Cruise Passengers
Millions



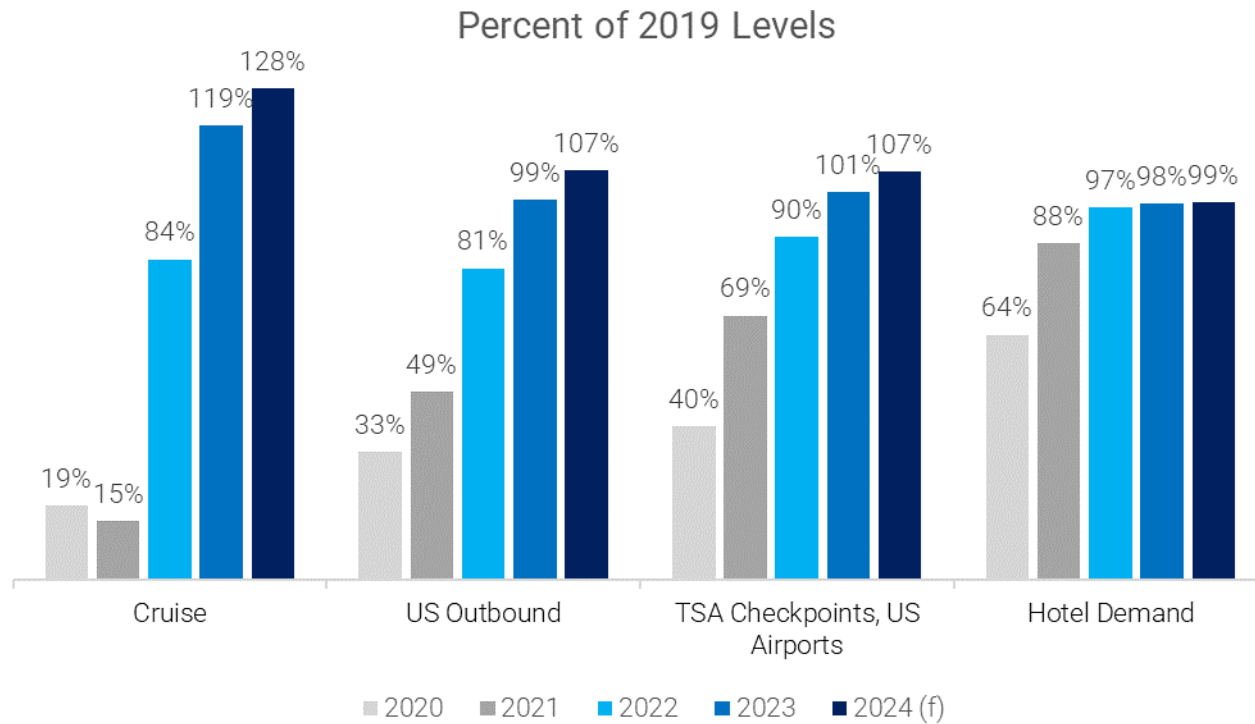
Source: Tourism Economics

- The introduction of newly-built and feature-rich mega-vessels, primarily on Caribbean cruise itineraries, has contributed to the strong growth.
- Additionally, shorter itineraries are growing in popularity. This allows for more frequent sailings, generating a higher number of cruisers.

Cruise Industry Leads Travel Recovery

Annual Volumes

Percent of 2019



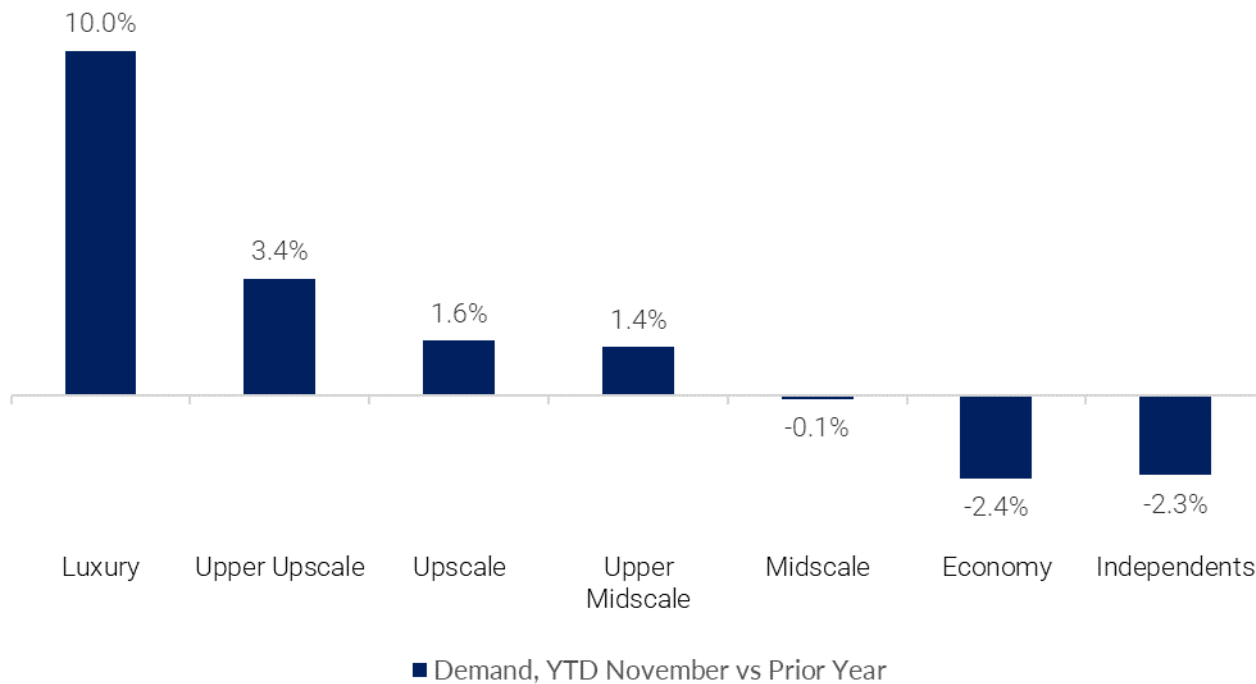
- The pandemic impacted cruising more severely than other segments of the travel industry, but the cruise industry has rebounded more strongly.

Source: Tourism Economics, NTTO, TSA, CoStar

Weak Demand in Lower Hotel Classes

Hotel Demand

Percent change from prior year



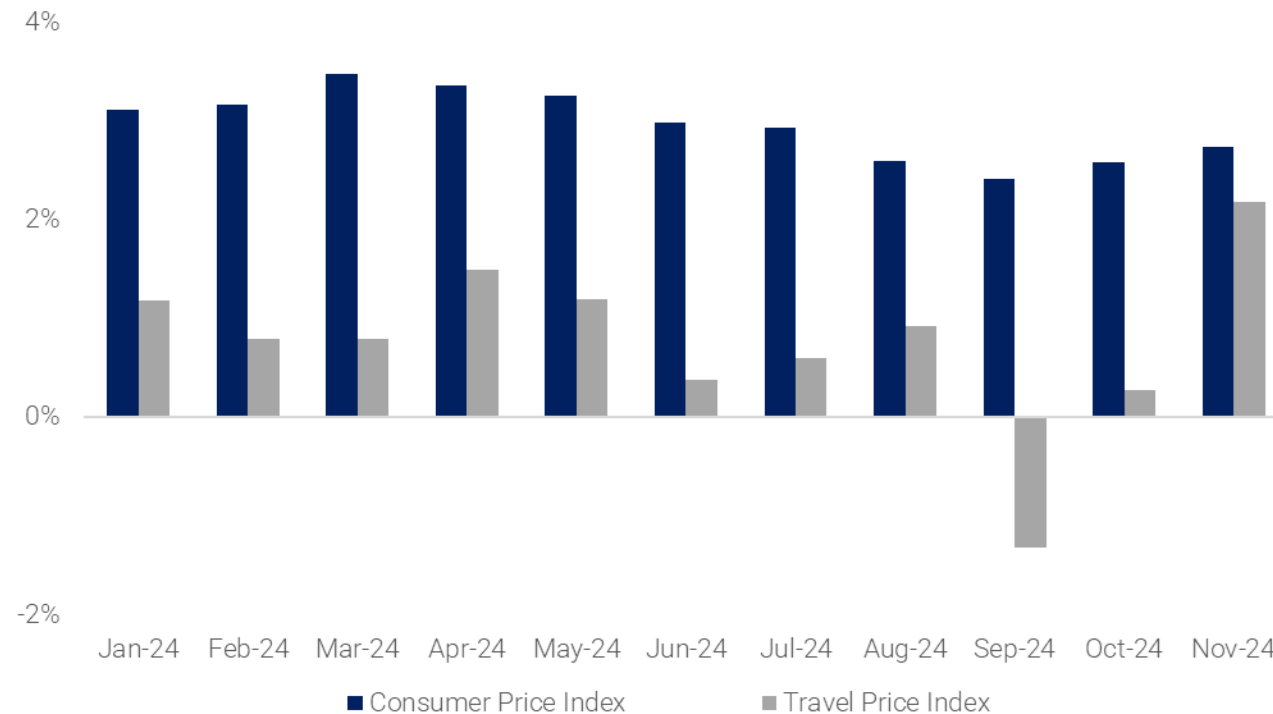
- The regressive nature of inflation and higher interest rates have contributed to a weak demand in lower hotel classes.
- Upper upscale and luxury hotel demand, growth in cruise passenger volumes, and international travel by U.S. citizens all suggest higher-income households are traveling.

Source: CoStar

Travel Prices Rising Slower Than CPI

Price Levels

Percent change from prior year



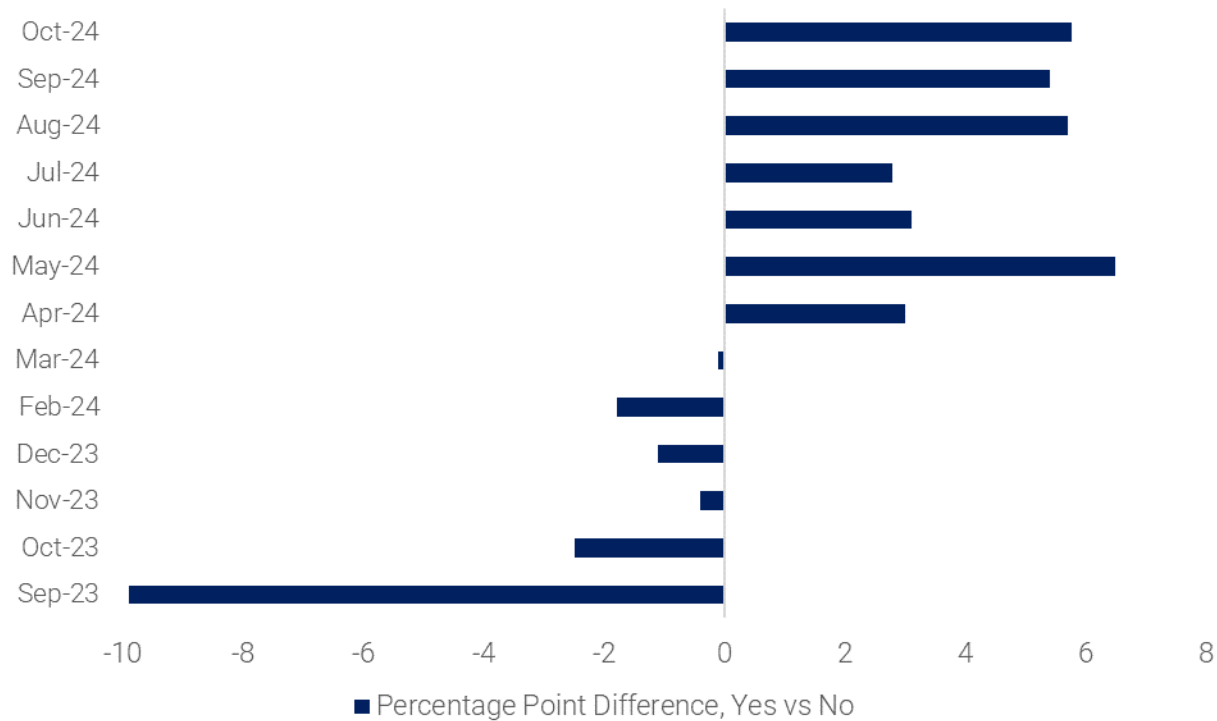
- Gas prices are down from a year ago.
- Airfares were down most of the year before growing in Q4.
- U.S. Hotel ADR +1.6% YTD November.

Source: US Travel Association, Tourism Economics

Travelers Feel Good About Traveling

Is Now a Good Time to Spend Money on Travel?

Monthly Survey



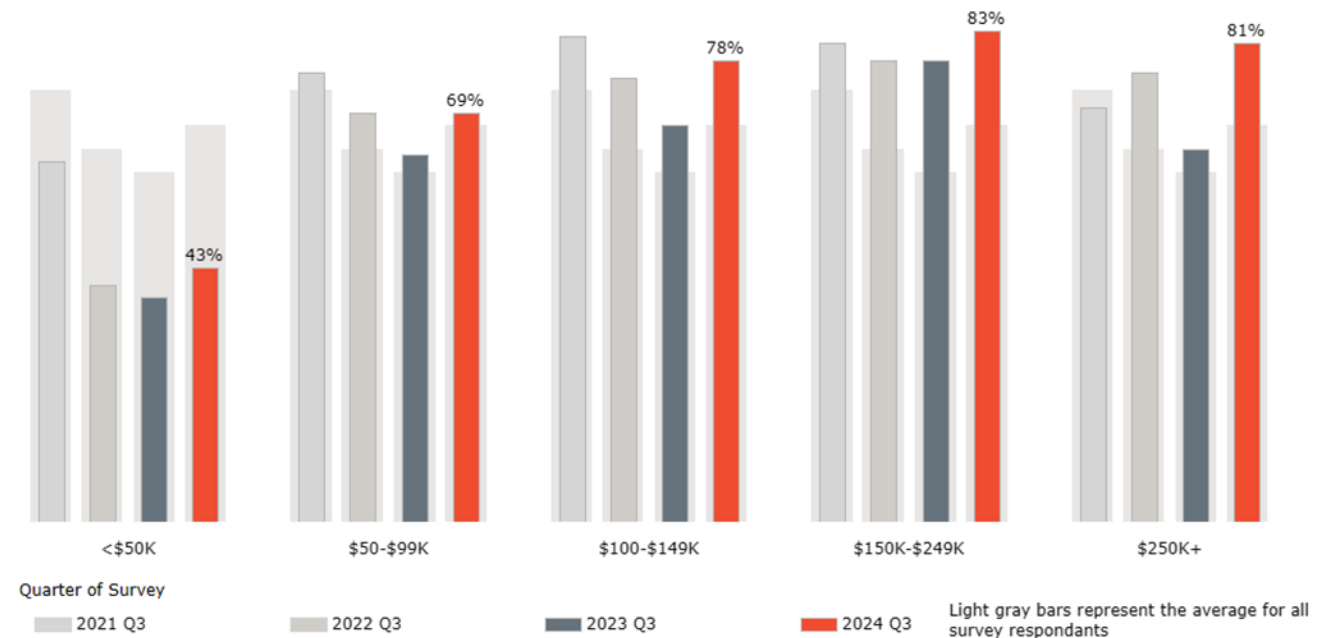
- One year ago, more travelers thought it was a bad time versus a good time to spend money on travel.
- Now, positive responses outnumber the negative.

Source: Future Partners

Travel Intentions Are High

Real Incomes Growing
Robust Consumption
Modest Growth in Travel Prices

Planning Leisure Travel Within the Next 6 Months
% of American Consumers



Source: MMGY

Summary

Economic Outlook

- Economy is slowing modestly but fundamentals are strong.
- A resilient labor market and cooling inflation will underpin consumer spending.
 - Largely due to the resilience of high-income households. By contrast, spending patterns of low-income households have barely begun to recover, a clear sign that more of their incomes are going toward necessities.
- Policy and geopolitical risks abound.

Travel Outlook

- Leisure travel continues to experience a tailwind from income growth and strong travel intentions.
- International inbound still room to grow.
- Hotel industry facing competition from outbound travel and cruising.



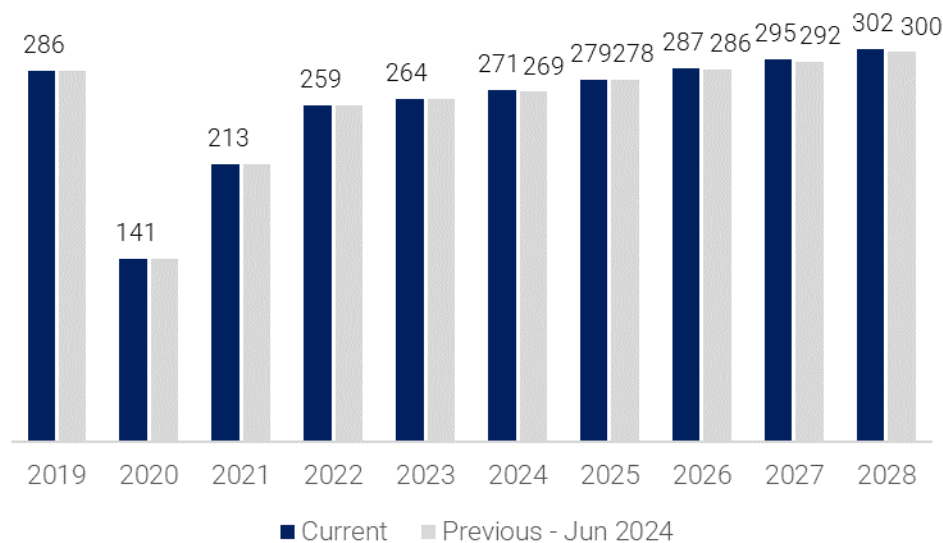
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California Visitor Forecast

Forecast comparison: current vs. previous

Total California visitor volume

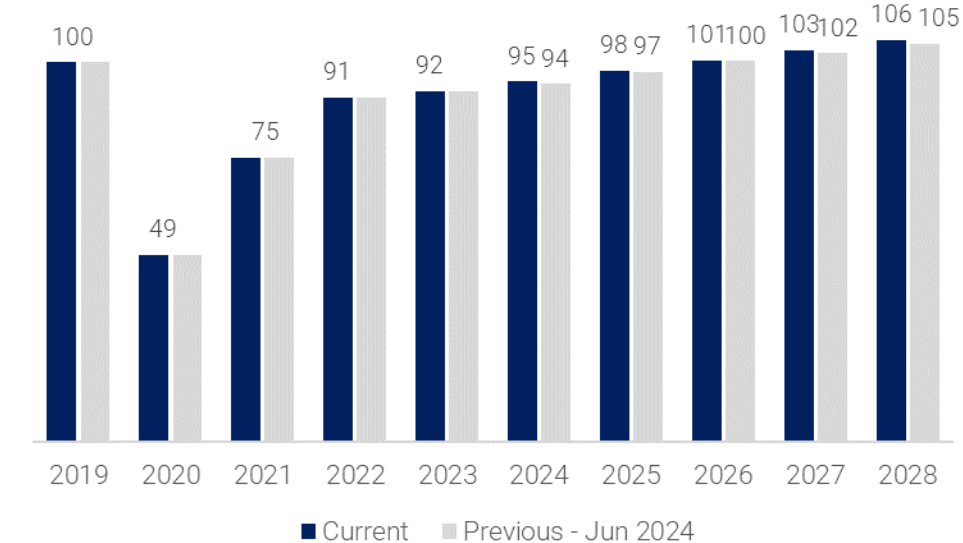
Millions



Source: Tourism Economics

Total California visitor volume

Index, 2019=100



Source: Tourism Economics

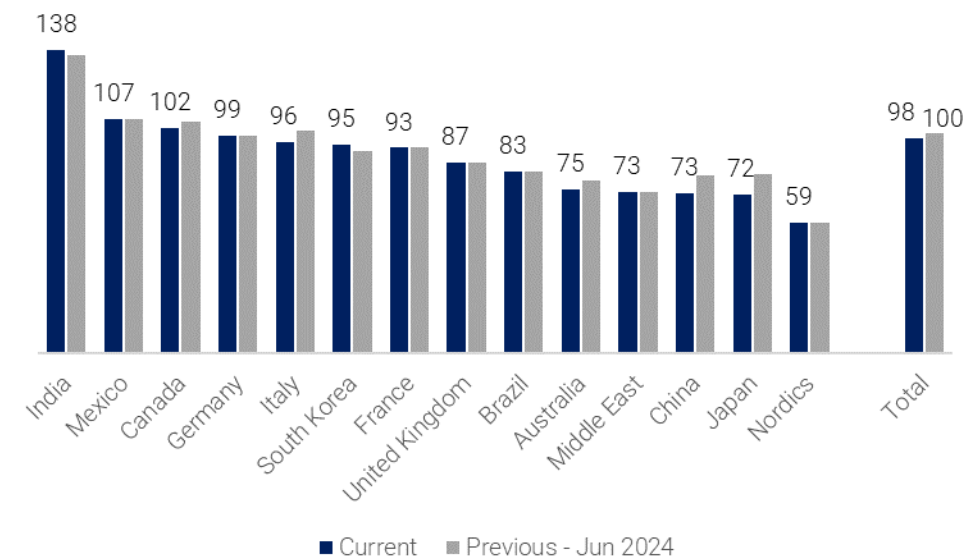
California International Visitor Forecast

Forecast comparison: current vs. previous

- The outlook for international visits to California was pulled back slightly compared to the previous forecast. As a result, international visits are projected to fully recover in 2025.
- A few markets appeared to be outperforming expectations, leading to upward revisions to the outlook for India and South Korea. Conversely, China and Japan have not recovered as expected.
- Among the selected markets, the Nordic countries have experienced the slowest recovery.
- Canada is also experiencing a notable slowdown in economic growth and arrivals to the U.S. have slowed in 2024, leading to a softer outlook for growth in visits to California.

Inbound California visits forecast: 2024

Index, 2019 = 100



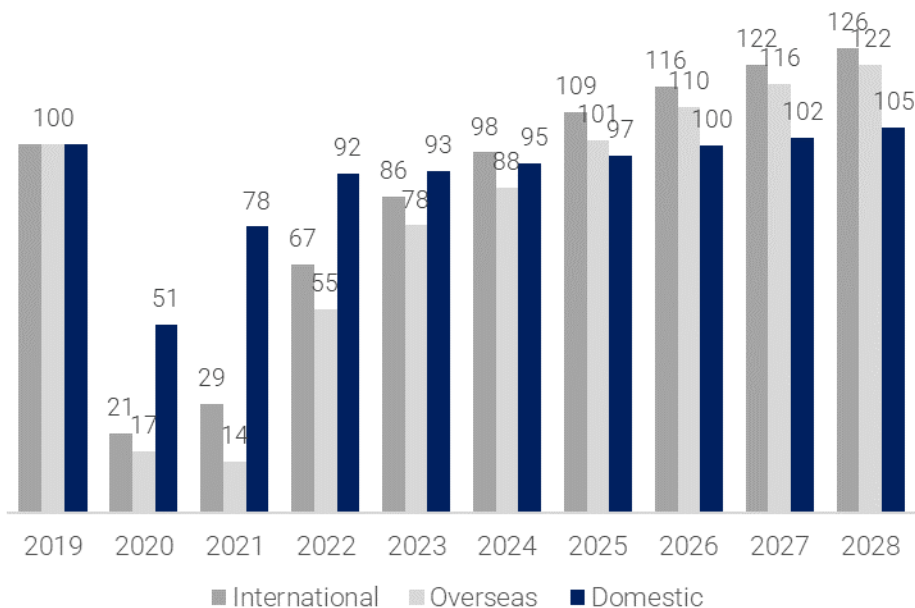
Source: Tourism Economics

California Visitor Forecast

Recovery to 2019

Total visitors in California

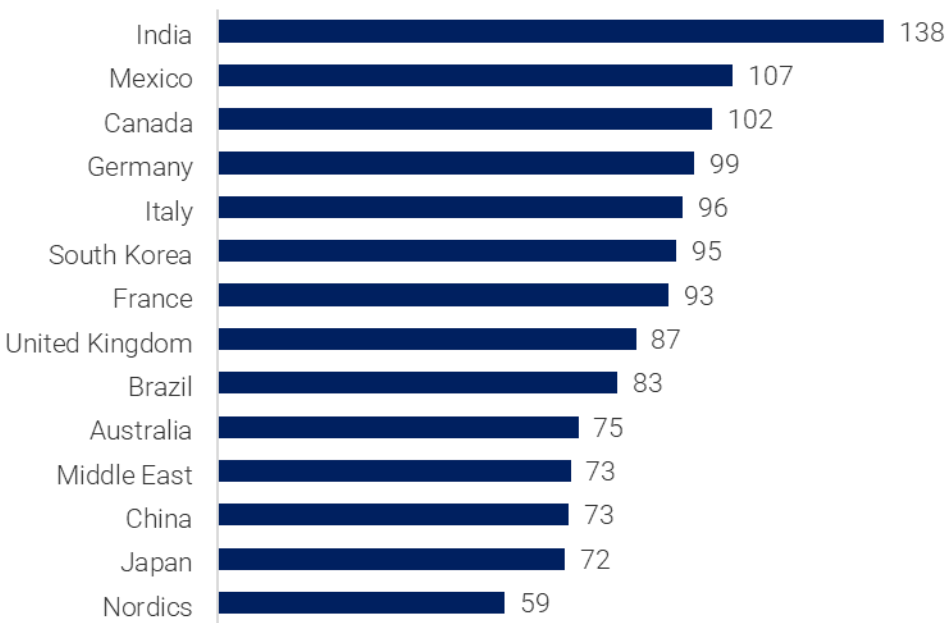
Index, 2019 = 100



Source: Tourism Economics

California international visitors in 2024

Index, 2019 = 100



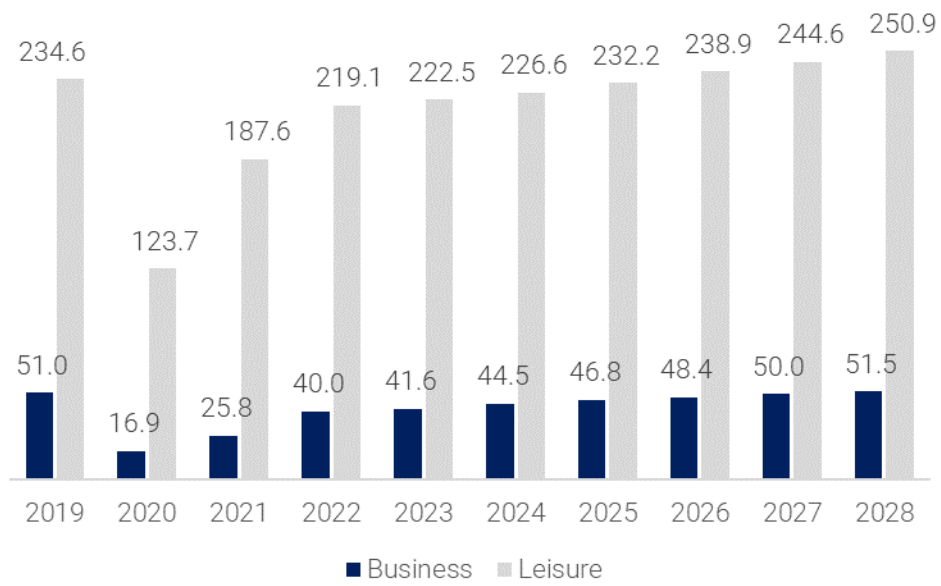
Source: Tourism Economics

California Visitor Forecast

Business vs. leisure

Business vs. leisure

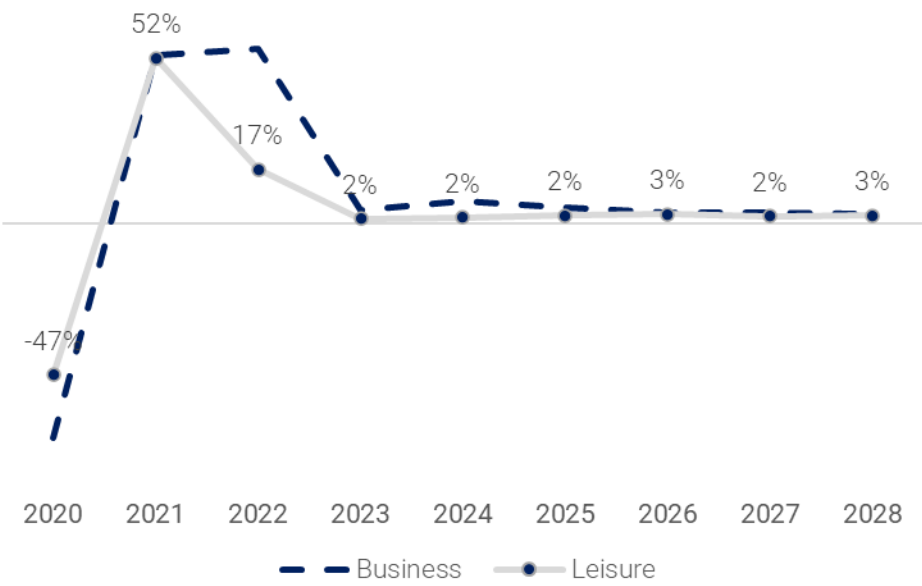
Millions



Source: Tourism Economics

Business vs. leisure

Percent change from prior year



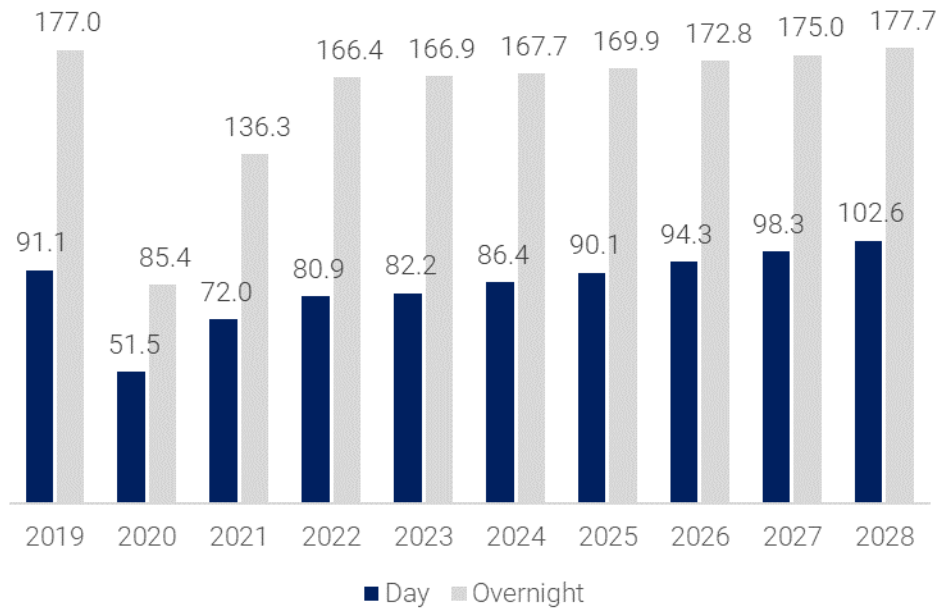
Source: Tourism Economics

California Visitor Forecast

Day vs. overnight

Domestic: day vs. overnight

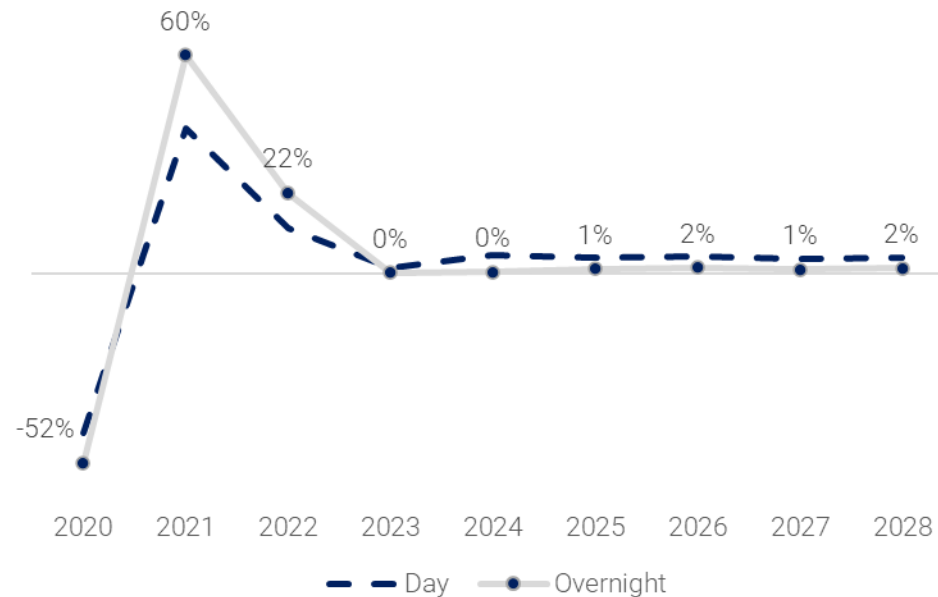
Millions



Source: Tourism Economics

Domestic: day vs. overnight

Percent change from prior year



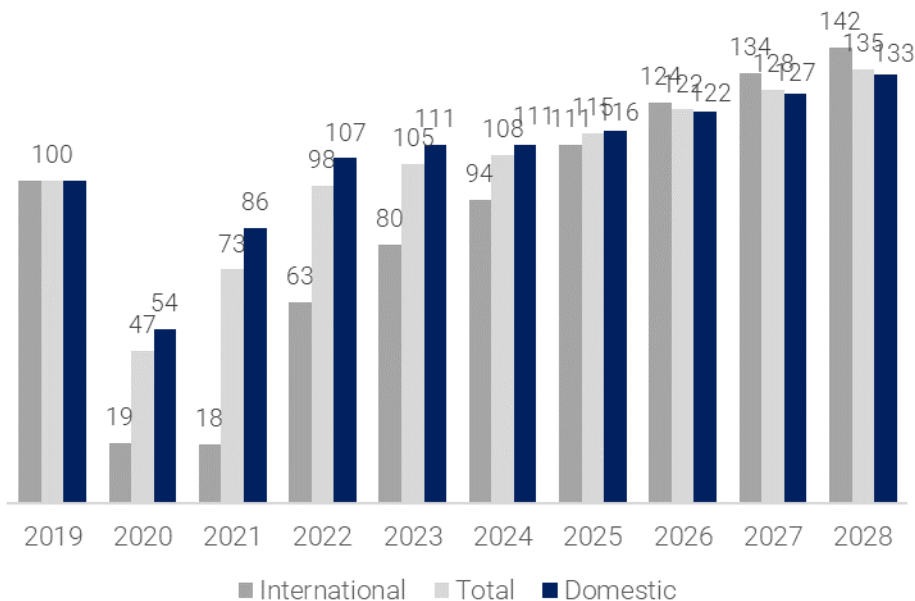
Source: Tourism Economics

California Visitor Forecast

Direct visitor spending

Domestic vs. international visitor spending

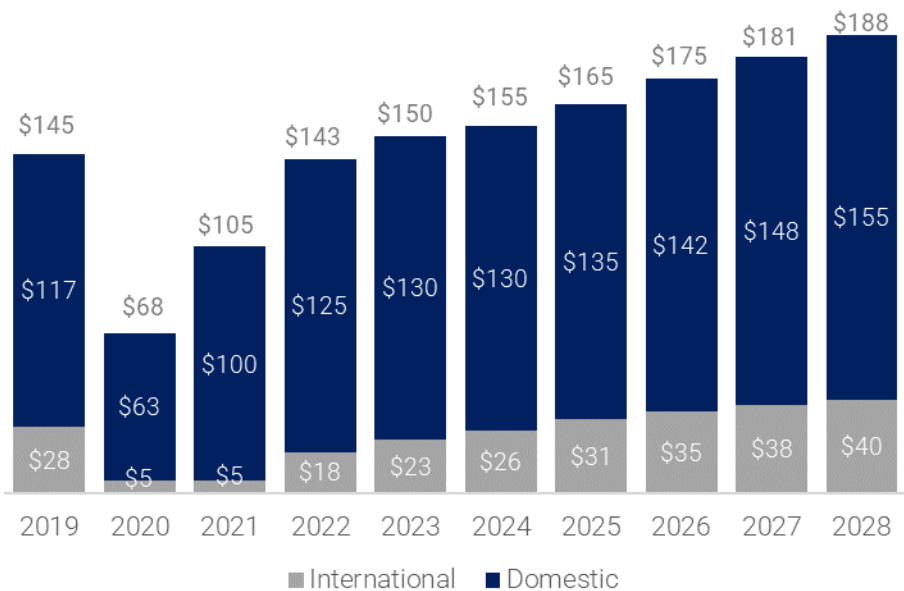
Index, 2019 = 100



Source: Dean Runyan, Tourism Economics

Domestic vs. international visitor spending

Billions



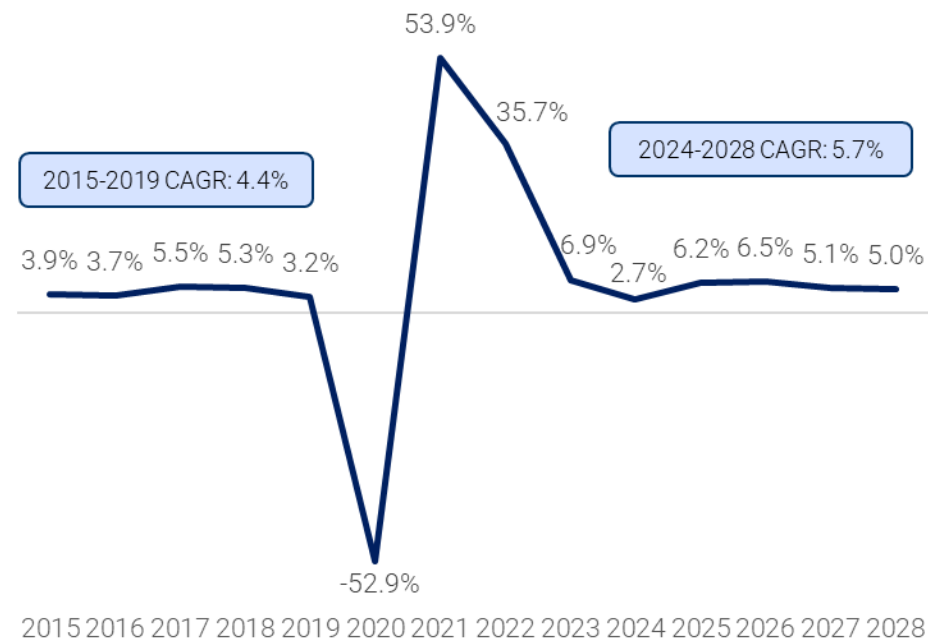
Source: Dean Runyan, Tourism Economics

Spending Growth Trends

International segment is lifting spending growth above trend

Total visitor spending

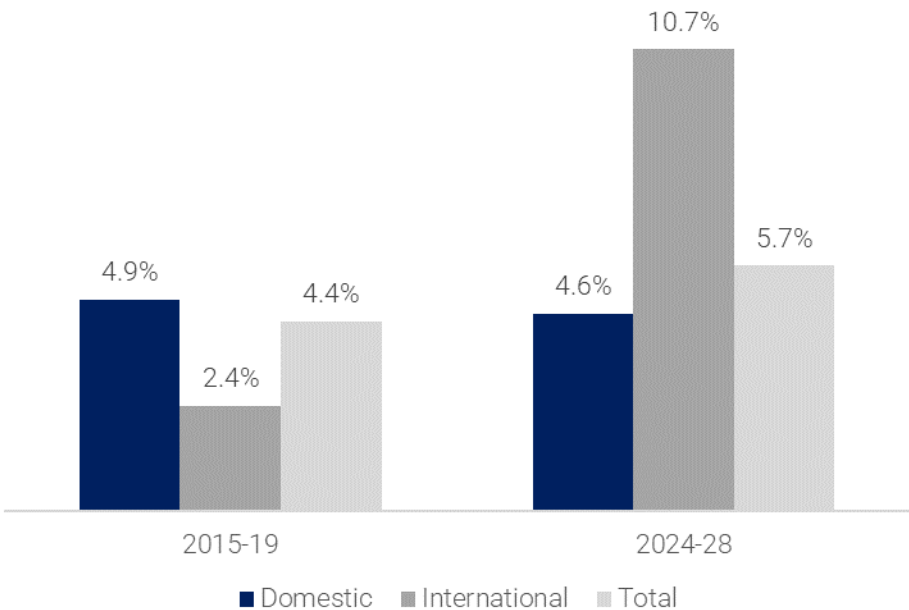
Percent change from prior year



Source: Dean Runyan, Tourism Economics

Visitor spending by origin

Compound average annual growth rate (CAGR)



Source: Dean Runyan, Tourism Economics



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California tourism summary (millions)

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Leisure	234.6	123.7	187.6	219.1	222.5	226.6	232.2	238.9	244.6	250.9
Domestic										
Total	268.1	136.9	208.3	247.3	249.1	254.0	260.0	267.1	273.3	280.4
Business	47.4	16.1	25.2	38.2	39.1	40.9	42.7	44.1	45.4	46.8
Group	9.2	n/a	n/a	n/a	6.3	7.5	8.0	8.7	9.0	9.5
Leisure	220.8	120.8	183.1	209.1	210.0	213.1	217.3	223.0	227.9	233.6
Day	91.1	51.5	72.0	80.9	82.2	86.4	90.1	94.3	98.3	102.6
Overnight	177.0	85.4	136.3	166.4	166.9	167.7	169.9	172.8	175.0	177.7
Paid accom.	119.5	72.8	97.9	111.1	111.8	111.7	113.5	115.4	116.5	118.5
Unpaid accom.	57.6	12.6	38.4	55.3	55.1	56.0	56.4	57.4	58.4	59.2
Gateway	118.6	63.2	87.8	109.1	111.8	114.8	117.8	121.3	124.1	127.1
Rural/Other	149.5	73.7	120.5	138.3	137.3	139.2	142.2	145.8	149.2	153.2
Fly	54.6	17.4	41.8	49.7	49.6	49.8	50.7	51.5	52.1	52.9
Drive	213.5	119.5	166.5	197.6	199.5	204.2	209.3	215.6	221.1	227.4
International										
Total	17.5	3.7	5.1	11.8	15.0	17.1	19.0	20.2	21.2	22.0
Overseas	8.0	1.3	1.1	4.5	6.3	7.1	8.1	8.9	9.4	9.8
Mexico	7.7	2.0	3.7	6.0	6.9	8.2	9.0	9.4	9.8	10.0
Canada	1.7	0.4	0.3	1.3	1.8	1.8	1.9	2.0	2.1	2.2
Business	3.6	0.8	0.6	1.7	2.5	3.6	4.1	4.3	4.6	4.7
Leisure	13.8	2.9	4.5	10.0	12.5	13.5	14.9	15.9	16.7	17.3
Total travel spending (\$ billions)	\$144.9	\$68.3	\$105.0	\$142.5	\$152.4	\$156.4	\$166.1	\$176.9	\$186.0	\$195.2
Domestic	\$116.7	\$63.0	\$99.9	\$124.9	\$129.8	\$129.9	\$134.8	\$141.9	\$148.4	\$155.4
Business	\$28.5	\$10.2	\$16.7	\$26.4	\$27.8	\$28.5	\$30.1	\$31.8	\$33.4	\$35.1
Leisure	\$88.2	\$52.7	\$83.1	\$98.5	\$102.0	\$101.5	\$104.7	\$110.1	\$115.0	\$120.3
International	\$28.1	\$5.3	\$5.2	\$17.6	\$22.5	\$26.5	\$31.3	\$35.0	\$37.6	\$39.8
Business	\$6.5	\$1.4	\$0.8	\$2.9	\$4.1	\$6.0	\$7.3	\$8.0	\$9.0	\$9.5
Leisure	\$21.6	\$3.9	\$4.4	\$14.7	\$18.5	\$20.5	\$24.0	\$27.0	\$28.6	\$30.4

California tourism :

	Forecast >>						
	2022	2023	2024	2025	2026	2027	2028
Total visits	21.4%	1.9%	2.7%	2.9%	3.0%	2.5%	2.7%
Business	55%	4%	7%	5%	3%	3%	3%
Leisure	17%	2%	2%	2%	3%	2%	3%
Domestic							
Total	18.7%	0.7%	2.0%	2.3%	2.7%	2.3%	2.6%
Business	52%	2%	5%	4%	3%	3%	3%
Group			18%	7%	8%	4%	5%
Leisure	14%	0%	1%	2%	3%	2%	2%
Day	12%	2%	5%	4%	5%	4%	4%
Overnight	22%	0%	0%	1%	2%	1%	2%
Paid accom.	14%	1%	0%	2%	2%	1%	2%
Unpaid accom.	44%	0%	2%	1%	2%	2%	1%
Gateway	24%	3%	3%	3%	3%	2%	2%
Rural/Other	15%	-1%	1%	2%	3%	2%	3%
Fly	19%	0%	0%	2%	1%	1%	2%
Drive	19%	1%	2%	2%	3%	3%	3%
International							
Total	128.7%	27.5%	13.9%	11.2%	6.5%	5.1%	3.6%
Overseas	301%	41%	13%	14%	9%	6%	5%
Mexico	61%	16%	18%	9%	4%	4%	2%
Canada	320%	36%	0%	7%	5%	6%	5%
Business	174%	44%	46%	13%	5%	7%	3%
Leisure	122%	25%	8%	11%	7%	5%	4%
Total travel spending (\$ billions)	35.7%	6.9%	2.7%	6.2%	6.5%	5.1%	5.0%
Domestic	25%	4%	0%	4%	5%	5%	5%
Business	58%	5%	2%	6%	6%	5%	5%
Leisure	19%	4%	-1%	3%	5%	4%	5%
International	240%	28%	17%	18%	12%	8%	6%
Business	277%	40%	47%	22%	9%	13%	5%
Leisure	233%	26%	11%	17%	13%	6%	6%

California Tourism Summary (2019=100)

	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total visits	49	75	91	92	95	98	101	103	106
Business	33	51	78	82	87	92	95	98	101
Leisure	53	80	93	95	97	99	102	104	107
Domestic									
Total	51	78	92	93	95	97	100	102	105
Business	34	53	81	83	86	90	93	96	99
Group	n/a	n/a	n/a	69	81	88	94	99	103
Leisure	55	83	95	95	97	98	101	103	106
Day	57	79	89	90	95	99	104	108	113
Overnight	48	77	94	94	95	96	98	99	100
Paid accom.	61	82	93	94	93	95	97	98	99
Unpaid accom.	22	67	96	96	97	98	100	102	103
Gateway	53	74	92	94	97	99	102	105	107
Rural/Other	49	81	93	92	93	95	98	100	103
Fly	32	76	91	91	91	93	94	95	97
Drive	56	78	93	93	96	98	101	104	107
International									
Total	21	29	67	86	98	109	116	122	126
Overseas	17	14	55	78	88	101	110	116	122
Mexico	26	48	78	90	107	117	122	127	130
Canada	23	18	75	102	102	110	116	122	129
Business	23	17	47	68	99	113	119	127	130
Leisure	21	33	73	91	97	108	115	120	125
Total travel spending (\$ billions)	47	73	98	105	108	115	122	128	135
Domestic	54	86	107	111	111	116	122	127	133
Business	36	59	93	98	100	106	112	117	123
Leisure	60	94	112	116	115	119	125	130	136
International	19	18	63	80	94	111	124	134	142
Business	21	12	44	62	91	112	122	138	145
Leisure	18	20	68	86	95	111	125	132	141

Sources: Tourism Economics; STR; Longwoods (domestic); OAG (air traffic); NTTD (international); Dean Runyan (spending); BTS

Forecast Tables

Annual domestic leisure trips to California (millions)

	Forecast >>									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total	220.8	120.8	183.1	209.1	210.0	213.1	217.3	223.0	227.9	233.6
California	126.4	84.9	101.6	117.4	117.4	119.1	120.9	124.0	126.8	129.8
Western markets	41.1	14.0	35.6	40.3	40.7	41.2	42.0	43.0	43.9	44.8
Arizona	12.3	3.9	11.4	13.1	13.3	13.3	13.6	14.0	14.2	14.5
Colorado	4.1	1.3	3.4	3.8	3.8	3.9	3.9	4.0	4.1	4.2
Nevada	10.0	3.1	7.9	9.0	9.1	9.3	9.5	9.7	9.9	10.1
Oregon	5.2	2.1	4.5	5.0	5.0	5.0	5.1	5.2	5.3	5.4
Utah	3.4	1.1	3.1	3.4	3.5	3.5	3.6	3.7	3.8	3.8
Washington	6.1	2.5	5.3	5.9	6.0	6.1	6.2	6.4	6.5	6.7
Rest of West	4.6	1.7	4.2	4.7	4.7	4.8	4.9	5.0	5.1	5.2
Idaho	1.8	0.7	1.7	1.9	1.9	1.9	2.0	2.0	2.0	2.1
Montana	1.3	0.5	1.2	1.4	1.4	1.5	1.5	1.5	1.5	1.6
New Mexico	1.0	0.4	0.9	1.0	1.0	1.1	1.1	1.1	1.1	1.1
Wyoming	0.4	0.2	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Rest of US	48.7	20.1	41.7	46.8	47.2	48.1	49.4	50.9	52.1	53.7
Illinois	3.8	1.1	3.2	3.5	3.5	3.6	3.7	3.8	3.9	4.0
New York	4.8	1.1	3.9	4.5	4.5	4.6	4.7	4.9	5.0	5.1
Texas	9.9	5.6	8.5	9.4	9.5	9.7	9.9	10.2	10.4	10.7
Rest of US	30.2	12.3	26.2	29.4	29.6	30.2	31.1	32.1	32.8	34.0

Source: Tourism Economics; STR; Longwoods (domestic); OAG (air traffic); Dean Runyan (spending)

Annual domestic travel spending in California (billions)

	Forecast >>									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
California	\$25	\$16	\$24	\$28	\$29	\$29	\$30	\$31	\$32	\$34
Western markets	\$29	\$17	\$27	\$32	\$33	\$33	\$34	\$36	\$37	\$39
Rest of West	\$5	\$3	\$4	\$5	\$5	\$5	\$5	\$6	\$6	\$6
Rest of US	\$57	\$28	\$45	\$60	\$63	\$63	\$65	\$69	\$73	\$76

Sources: Tourism Economics; STR; Longwoods (domestic); OAG (air traffic); Dean Runyan (spending)

Annual domestic leisure trips to California (% change)

	Forecast >>								
	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total	-45%	52%	14%	0%	1%	2%	3%	2%	2%
California	-33%	20%	16%	0%	1%	2%	3%	2%	2%
Western markets	-66%	154%	13%	1%	1%	2%	2%	2%	2%
Arizona	-68%	192%	15%	1%	1%	2%	3%	2%	2%
Colorado	-68%	159%	12%	1%	1%	2%	3%	2%	3%
Nevada	-69%	157%	14%	1%	2%	2%	2%	3%	2%
Oregon	-59%	111%	11%	0%	1%	2%	2%	1%	2%
Utah	-67%	174%	12%	1%	2%	2%	3%	2%	2%
Washington	-59%	116%	10%	2%	2%	2%	2%	2%	2%
Rest of West	-62%	138%	13%	1%	2%	2%	2%	2%	2%
Idaho	-62%	137%	13%	0%	2%	2%	2%	2%	2%
Montana	-63%	146%	14%	2%	2%	2%	2%	2%	2%
New Mexico	-63%	145%	10%	1%	2%	2%	1%	1%	2%
Wyoming	-55%	100%	12%	1%	0%	2%	1%	2%	2%
Rest of US	-59%	107%	12%	1%	2%	3%	3%	2%	3%
Illinois	-72%	200%	10%	1%	2%	3%	3%	2%	2%
New York	-77%	252%	15%	0%	2%	3%	3%	2%	3%
Texas	-43%	50%	11%	2%	2%	2%	3%	3%	3%
Rest of US	-59%	112%	12%	1%	2%	3%	3%	2%	4%

Annual domestic travel spending in California (% change)

	Forecast >>								
	2020	2021	2022	2023	2024	2025	2026	2027	2028
California	-37%	49%	18%	3%	0%	3%	5%	4%	5%
Western markets	-44%	62%	20%	3%	0%	3%	5%	5%	4%
Rest of West	-42%	59%	18%	3%	0%	3%	4%	5%	5%
Rest of US	-52%	62%	33%	5%	0%	4%	6%	5%	5%

Annual domestic leisure trips to California (2019=100)

	Forecast >>									
	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Total	55	83	95	95	97	98	101	103	106	
California	67	80	93	93	94	96	98	100	103	
Western markets	34	86	98	99	100	102	105	107	109	
Arizona	32	92	107	108	108	110	113	116	118	
Colorado	32	83	93	94	95	97	100	102	104	
Nevada	31	79	90	91	93	95	97	99	101	
Oregon	41	86	96	96	97	99	101	102	105	
Utah	33	90	101	102	103	105	108	110	113	
Washington	41	88	97	98	100	103	105	107	109	
Rest of West	38	91	102	103	105	107	109	111	113	
Idaho	38	90	102	102	104	106	109	111	113	
Montana	37	92	104	106	108	111	113	115	117	
New Mexico	37	90	100	101	103	105	106	107	110	
Wyoming	45	90	100	101	101	104	105	107	109	
Rest of US	41	86	96	97	99	102	105	107	110	
Illinois	28	84	92	93	94	97	100	102	104	
New York	23	82	94	95	96	99	102	105	107	
Texas	57	85	94	96	98	100	103	105	108	
Rest of US	41	87	97	98	100	103	106	108	112	

Annual domestic travel spending in California (2019=100)

	Forecast >>									
	2020	2021	2022	2023	2024	2025	2026	2027	2028	
California	63	94	111	115	114	118	123	128	134	
Western markets	56	91	110	113	113	117	122	128	133	
Rest of West	58	92	108	112	112	115	120	126	132	
Rest of US	48	78	104	109	109	114	121	126	133	

Forecast Tables

Annual international trips to California (thousands)

	Forecast >>									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total	17,457	3,744	5,141	11,756	14,994	17,082	18,993	20,222	21,247	22,010
China	1,032	147	71	154	492	751	1,005	1,167	1,216	1,255
India	420	90	83	323	480	579	628	649	669	686
Japan	559	104	30	129	344	402	517	583	620	639
South Korea	485	94	55	219	392	460	521	579	636	675
Australia	598	86	21	253	411	447	505	548	594	632
United Kingdom	753	121	85	588	629	652	734	775	833	885
Germany	449	59	41	351	421	443	479	517	541	553
France	458	63	50	356	412	428	475	530	555	585
Italy	204	20	21	148	175	196	212	232	242	252
Nordics	243	46	22	181	139	145	165	189	211	230
Brazil	193	35	19	107	130	160	187	197	207	215
Middle East	93	9	43	69	71	68	78	88	97	106
Canada	1,732	401	310	1,302	1,769	1,773	1,902	2,001	2,121	2,236
Mexico	7,677	2,008	3,719	6,000	6,944	8,192	8,951	9,353	9,761	9,975
Land	7,138	1,756	3,083	5,535	6,388	7,529	8,226	8,605	8,990	9,197
Air	539	252	636	465	556	664	725	748	771	778
Rest of World	2,562	461	571	1,577	2,186	2,386	2,633	2,814	2,944	3,086
Business	3,614	827	627	1,716	2,463	3,587	4,068	4,288	4,596	4,713
Leisure	13,844	2,916	4,514	10,040	12,531	13,495	14,924	15,934	16,651	17,297

Annual international trips to California (% change)

	Forecast >>								
	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total	-79%	37%	129%	28%	14%	11%	6%	5%	4%
China	-86%	-52%	117%	219%	53%	34%	16%	4%	3%
India	-79%	-8%	289%	49%	21%	8%	3%	3%	2%
Japan	-81%	-71%	330%	167%	17%	28%	13%	6%	3%
South Korea	-81%	-41%	298%	79%	17%	13%	11%	10%	6%
Australia	-86%	-76%	1105%	62%	9%	13%	8%	9%	6%
United Kingdom	-84%	-30%	592%	7%	4%	13%	6%	7%	6%
Germany	-87%	-31%	756%	20%	5%	8%	8%	5%	2%
France	-86%	-21%	612%	16%	4%	11%	11%	5%	5%
Italy	-90%	5%	605%	18%	12%	8%	10%	4%	4%
Nordics	-81%	-52%	723%	-23%	4%	14%	14%	12%	9%
Brazil	-82%	-46%	463%	21%	23%	17%	5%	5%	4%
Middle East	-90%	378%	60%	3%	-4%	15%	13%	10%	9%
Canada	-77%	-23%	320%	36%	0%	7%	5%	6%	5%
Mexico	-74%	85%	61%	16%	18%	9%	4%	4%	2%
Land	-75%	76%	80%	15%	18%	9%	5%	4%	2%
Air	-53%	####	-27%	20%	19%	9%	3%	3%	1%
Rest of World	-82%	24%	176%	39%	9%	10%	7%	5%	5%
Business	-77%	-24%	174%	44%	46%	13%	5%	7%	3%
Leisure	-79%	55%	122%	25%	8%	11%	7%	5%	4%

Annual international trips to California (2019=100)

	Forecast >>									
	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Total	21	29	67	86	98	109	116	122	126	
China	14	7	15	48	73	97	113	118	122	
India	21	20	77	114	138	150	154	159	163	
Japan	19	5	23	62	72	92	104	111	114	
South Korea	19	11	45	81	95	107	119	131	139	
Australia	14	4	42	69	75	85	92	99	106	
United Kingdom	16	11	78	84	87	97	103	111	118	
Germany	13	9	78	94	99	107	115	120	123	
France	14	11	78	90	93	104	116	121	128	
Italy	10	10	73	86	96	104	114	119	124	
Nordics	19	9	74	57	59	68	78	87	95	
Brazil	18	10	55	67	83	97	102	107	111	
Middle East	10	46	74	76	73	84	95	104	114	
Canada	23	18	75	102	102	110	116	122	129	
Mexico	26	48	78	90	107	117	122	127	130	
Land	25	43	78	89	105	115	121	126	129	
Air	47	118	86	103	123	135	139	143	144	
Rest of World	18	22	62	85	93	103	110	115	120	
Business	23	17	47	68	99	113	119	127	130	
Leisure	21	33	73	91	97	108	115	120	125	

Sources: Tourism Economics, NTT; STR; OAG (air traffic); BTS

Forecast Tables

Annual international travel spending in California (billions)

	Forecast >>									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total	\$28.1	\$5.3	\$5.2	\$17.6	\$22.5	\$26.5	\$31.3	\$35.0	\$37.6	\$39.8
China	\$2.7	\$0.5	\$0.1	\$0.5	\$1.4	\$2.3	\$3.2	\$3.8	\$4.0	\$4.1
India	\$1.3	\$0.3	\$0.2	\$0.9	\$1.2	\$1.5	\$1.7	\$1.9	\$2.0	\$2.1
Japan	\$1.4	\$0.3	\$0.1	\$0.4	\$0.8	\$0.9	\$1.2	\$1.4	\$1.5	\$1.6
South Korea	\$1.2	\$0.3	\$0.1	\$0.6	\$1.0	\$1.1	\$1.3	\$1.5	\$1.7	\$1.8
Australia	\$1.3	\$0.2	\$0.0	\$0.7	\$1.3	\$1.4	\$1.7	\$1.9	\$2.1	\$2.3
United Kingdom	\$1.4	\$0.2	\$0.2	\$1.2	\$1.3	\$1.3	\$1.6	\$1.7	\$1.9	\$2.0
Germany	\$1.0	\$0.1	\$0.1	\$0.8	\$1.0	\$1.1	\$1.2	\$1.3	\$1.4	\$1.5
France	\$1.1	\$0.1	\$0.1	\$1.0	\$1.0	\$1.1	\$1.3	\$1.5	\$1.6	\$1.7
Italy	\$0.5	\$0.1	\$0.1	\$0.4	\$0.4	\$0.5	\$0.5	\$0.6	\$0.6	\$0.7
Nordics	\$0.6	\$0.1	\$0.1	\$0.5	\$0.3	\$0.4	\$0.4	\$0.5	\$0.6	\$0.7
Brazil	\$0.5	\$0.1	\$0.0	\$0.3	\$0.4	\$0.4	\$0.5	\$0.6	\$0.6	\$0.7
Middle East	\$0.3	\$0.0	\$0.1	\$0.2	\$0.3	\$0.3	\$0.3	\$0.4	\$0.4	\$0.4
Canada	\$3.2	\$0.7	\$0.5	\$2.6	\$3.6	\$3.7	\$4.3	\$4.8	\$5.2	\$5.7
Mexico	\$4.2	\$1.1	\$2.0	\$3.2	\$4.1	\$4.9	\$5.4	\$5.8	\$6.1	\$6.3
Land	\$3.4	\$0.7	\$0.9	\$2.4	\$3.1	\$3.7	\$4.1	\$4.4	\$4.7	\$4.8
Air	\$0.8	\$0.4	\$1.0	\$0.8	\$1.0	\$1.2	\$1.3	\$1.4	\$1.5	\$1.5
Rest of World	\$7.6	\$1.3	\$1.5	\$4.4	\$4.5	\$5.7	\$6.6	\$7.3	\$7.8	\$8.3
Business	\$6.5	\$1.4	\$0.8	\$2.9	\$4.1	\$6.0	\$7.3	\$8.0	\$9.0	\$9.5
Leisure	\$21.6	\$3.9	\$4.4	\$14.7	\$18.5	\$20.5	\$24.0	\$27.0	\$28.6	\$30.4

Annual international travel spending in California (% change)

	Forecast >>								
	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total	-81%	-2%	240%	28%	17%	18%	12%	8%	6%
China	-83%	-74%	289%	210%	59%	42%	17%	5%	4%
India	-78%	-19%	258%	40%	24%	16%	8%	5%	4%
Japan	-81%	-73%	412%	124%	14%	31%	16%	8%	4%
South Korea	-77%	-64%	531%	57%	13%	17%	16%	13%	8%
Australia	-85%	-78%	1668%	69%	14%	18%	13%	12%	9%
United Kingdom	-84%	-33%	700%	8%	2%	18%	10%	9%	8%
Germany	-87%	-31%	862%	20%	7%	12%	13%	6%	3%
France	-88%	-18%	762%	6%	6%	16%	16%	6%	7%
Italy	-89%	-2%	660%	9%	11%	11%	13%	5%	5%
Nordics	-78%	-57%	755%	-32%	6%	19%	20%	15%	12%
Brazil	-84%	-50%	685%	21%	22%	22%	11%	8%	6%
Middle East	-90%	374%	74%	18%	-7%	20%	17%	11%	10%
Canada	-78%	-30%	431%	38%	5%	15%	12%	9%	8%
Mexico	-75%	86%	61%	28%	19%	11%	6%	6%	3%
Land	-80%	38%	151%	30%	19%	11%	7%	7%	3%
Air	-52%	####	-22%	22%	21%	11%	5%	5%	2%
Rest of World	-83%	18%	188%	4%	25%	17%	11%	6%	7%
Business	-79%	-45%	277%	40%	47%	22%	9%	13%	5%
Leisure	-82%	13%	233%	26%	11%	17%	13%	6%	6%

Annual international travel spending in California (2019=100)

	Forecast >>									
	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Total	19	18	63	80	94	111	124	134	142	
China	17	4	17	53	84	120	140	147	153	
India	22	18	65	91	114	132	142	150	157	
Japan	19	5	27	60	68	89	104	111	116	
South Korea	23	8	52	82	93	109	126	142	153	
Australia	15	3	59	100	114	135	151	170	186	
United Kingdom	16	11	86	93	95	111	122	134	144	
Germany	13	9	84	101	108	121	136	144	149	
France	12	10	86	92	97	112	130	138	147	
Italy	11	11	80	87	97	108	122	129	136	
Nordics	22	9	81	55	59	70	84	97	108	
Brazil	16	8	61	74	91	111	122	132	140	
Middle East	10	47	82	97	91	109	127	141	155	
Canada	22	15	81	112	118	135	151	166	179	
Mexico	25	47	76	97	116	129	138	146	150	
Land	20	28	70	91	109	121	129	138	142	
Air	48	129	100	122	147	164	173	182	185	
Rest of World	17	20	58	60	75	87	97	103	110	
Business	21	12	44	62	91	112	122	138	145	
Leisure	18	20	68	86	95	111	125	132	141	

Sources: Tourism Economics; NTT; BEA; Dean Runyon

About Tourism Economics

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, Buenos Aires, Dubai, Frankfurt, and Ontario.

Oxford Economics is one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC, we employ over 250 full-time staff, including 150 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

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