Monthly Travel Indicators Summary

March 2024

May 3, 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

While under control relative to the prior two years, inflation continues to be a challenge for the U.S. economy, which is ticking up again this month. Gas prices have also increased, but this reflects seasonal trends. Otherwise, strong job growth, low unemployment and rising consumer confidence point to a healthy economy.

- Inflation for the month was 3.5%, up slightly for the second month in a row. The national average retail price for a gallon of gas was $3.54 (vs. $3.33 the previous month). The California equivalent price was $4.83 (vs. $4.54 the preceding month).
- Approximately 303,000 jobs were added to the economy, an increase over last month's 270,000 jobs. The unemployment rate was 3.8% (vs. 3.9% the previous month).
- The University of Michigan tracked U.S. consumer sentiment on the economy to 79.4, up from the 76.9 measurement in February.

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

Domestic visitor spending is forecast to reach $130B in 2024.

- 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 by 3%, and business spending by 10% relative to 2023.

Consumer Sentiment

Among American travelers, consumer sentiment around their financial situation and travel outlook remained highly positive, and there was a strong interest in domestic travel as the summer travel season quickly approached.

- The incidence of U.S. consumers planning domestic leisure travel in the next 12 months was a record high of 52%.
- According to YouGov, the price of travel continued to be the primary barrier, with 39% of domestic consumers citing this factor (compared to 42% the prior month).
- A third of American travelers (33%) felt optimistic about their current financial situation relative to a year ago (California residents were more optimistic at 42%). They are even more confident about their future economic situation (48% of the U.S. and 55% of California residents expect more positive).
- Most American travelers increasingly said travel was a budget priority (59%, +4 pts. from the prior month). Californians are likelier to say travel is a budget priority relative to the overall U.S. (61%).
- American travelers were excited about future travel, with 87% of U.S. travelers (and 90% of California residents) saying they were excited about leisure travel in the next 12 months.

Executive Summary Domestic (continued)

Lodging

Hotel metrics improved slightly in March from a sluggish February, but room demand growth remained elusive through the first quarter. The U.S. is seeing a comparable slow start to the year overall.

- Hotel room demand growth in the state was flat year over year and down 8% from 2019 levels. Regions with positive growth rates included the San Francisco Bay Area, Central Coast and High Sierra.
- California's monthly occupancy rate was 68% (-2% YOY). The state's ADR was $189 (flat YOY), and RevPAR was $128 (-2% YOY).
- Group room demand was down 5% year-over-year and down 29% from 2019.
- Short-term vacation rentals saw growth on all three metrics (occupancy, ADR and RevPAR) , with 6% growth in RevPAR for the month.

Airlift

Passenger traffic measured by TSA checkpoints continued to grow on a year-over-year basis.

- Seventy-seven million passengers were screened at TSA checkpoints for the month (+8% YOY).
- There were 9.2 million non-stop seats to California destinations for the month (-1% YOY).

Executive Summary International

Forecast (updated February, June, & October)

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, with spending of $4.6B and $3.9B, respectively.
- China and India are the most significant overseas markets, with visitor spending of $2.2B and $1.8B, respectively.
- While most of California's 13 priority 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 priority markets, while travel prices remained the top barrier in all markets.

- On average, across California's priority markets, 42% of international consumers said they were planning international leisure travel in the next 12 months, flat with the prior month but up from 38% a year ago. Travelers in all 13 of Visit California's priority markets were increasingly likely to travel internationally relative to a year ago,
- Travel prices remained the primary barrier to travel (44% citing travel price, -1 pt MOM). South Korea (54%), Canada (54%), Australia (51%), and France (49%) 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 continued to grow strongly year over year in March. Arrivals from California's priority markets saw double-digit growth. Chinese travelers continued to find ways to reach California despite a stagnant recovery in non-stop seats from mainland China. Arrivals from China recovered to an impressive 71% for the month.

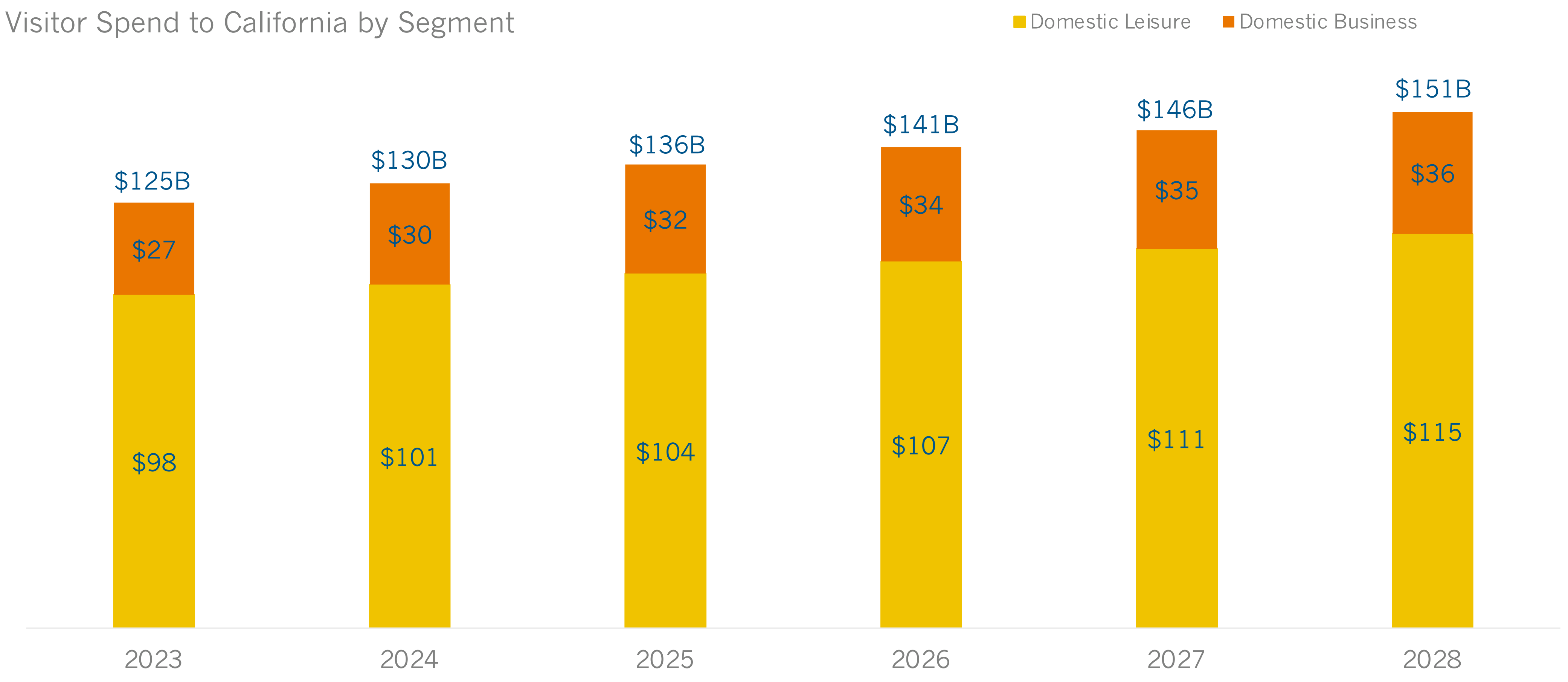
- For the month, 1.5M non-stop seats were sold from California's 13 priority markets, a 15% year-over-year growth rate. Airlift from China grew in March with 57K seats, up 354% from 2023.
- Arrivals through California's ports of entry were up 17% year over year but down 14% from 2019 levels for California's priority markets. China arrivals recovered to 71% for the month.

Domestic Indicators: Forecast

- Domestic Forecast

Domestic Spending Forecast by Segment

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



Source: Tourism Economics (Feb 2024)

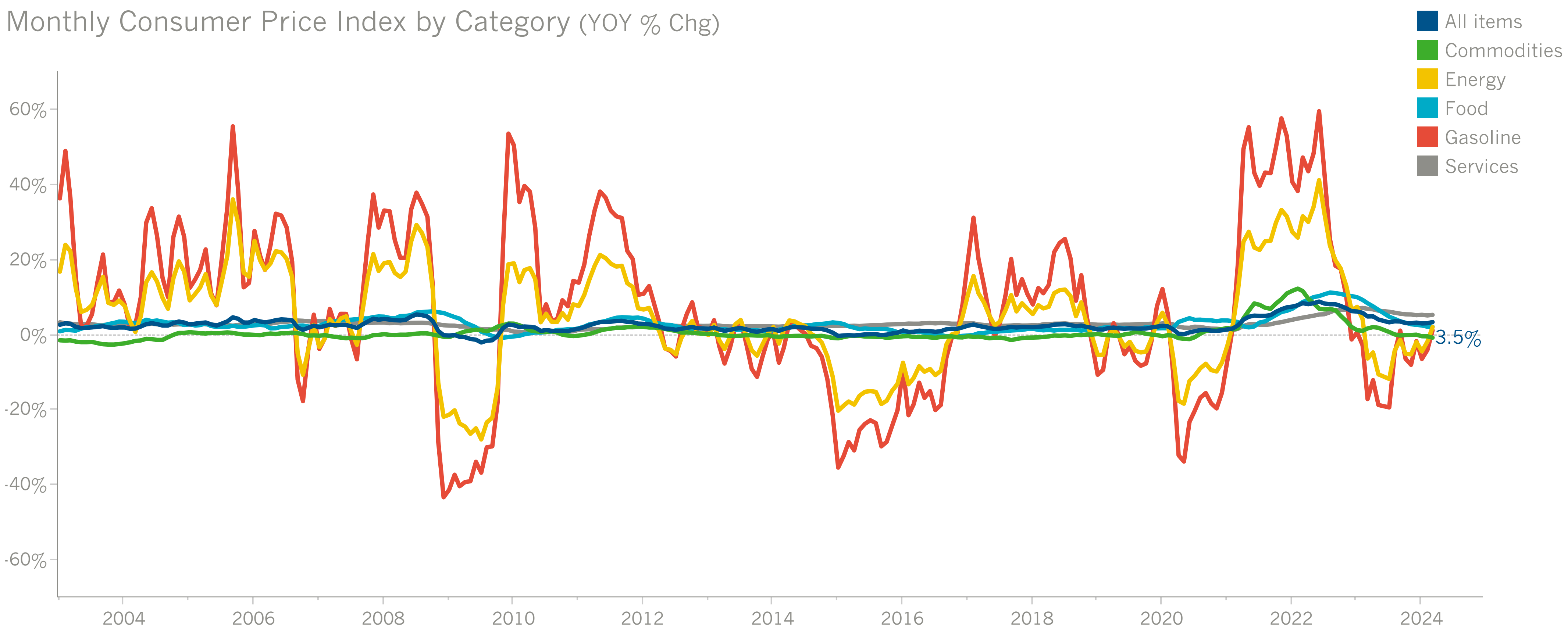
Domestic Indicators:

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.

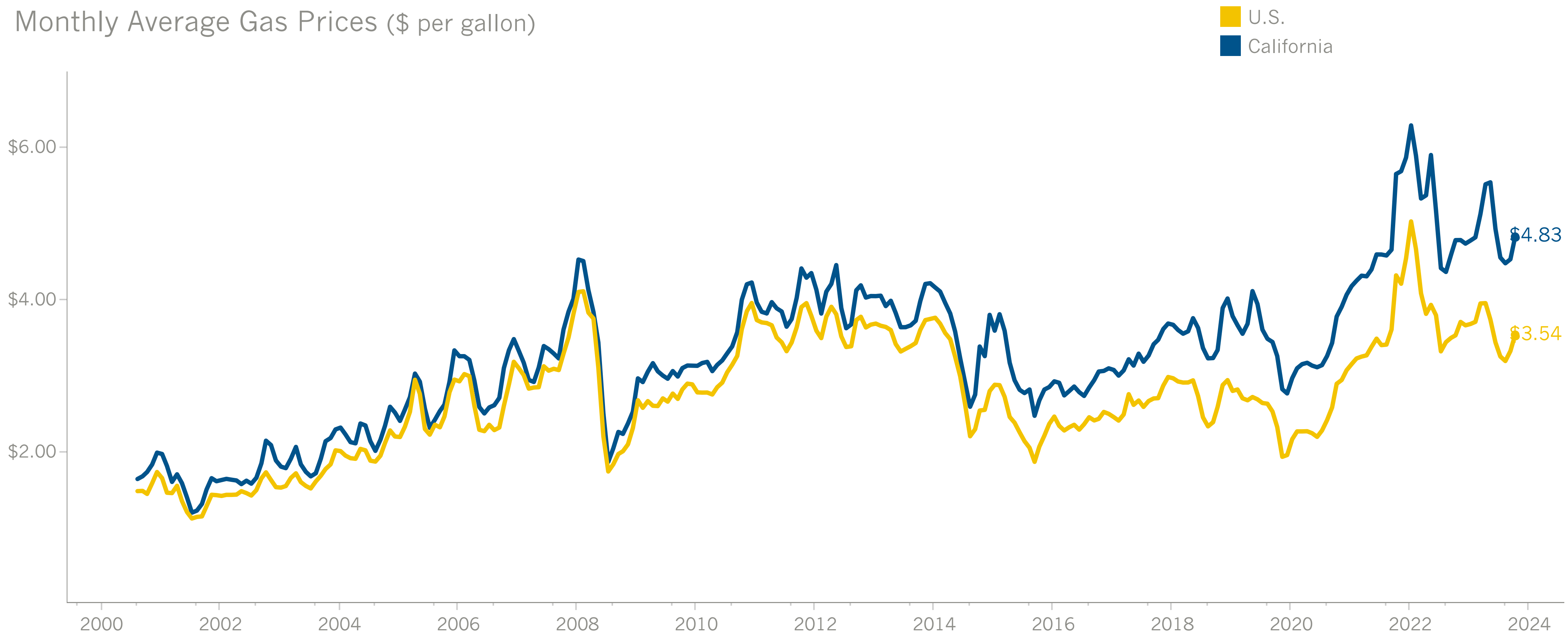


Data reported for: March 2024

Source: Bureau of Labor Statistics (BLS)

U.S. & California Gas Prices

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



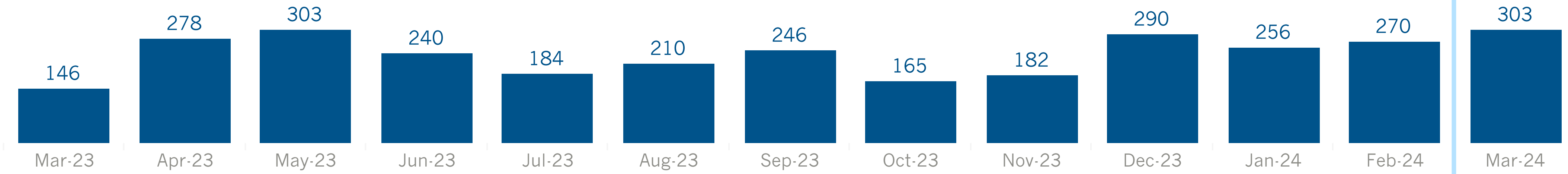
Data reported for: March 2024

Source: U.S. Energy Information Administration (EIA)

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 (%)

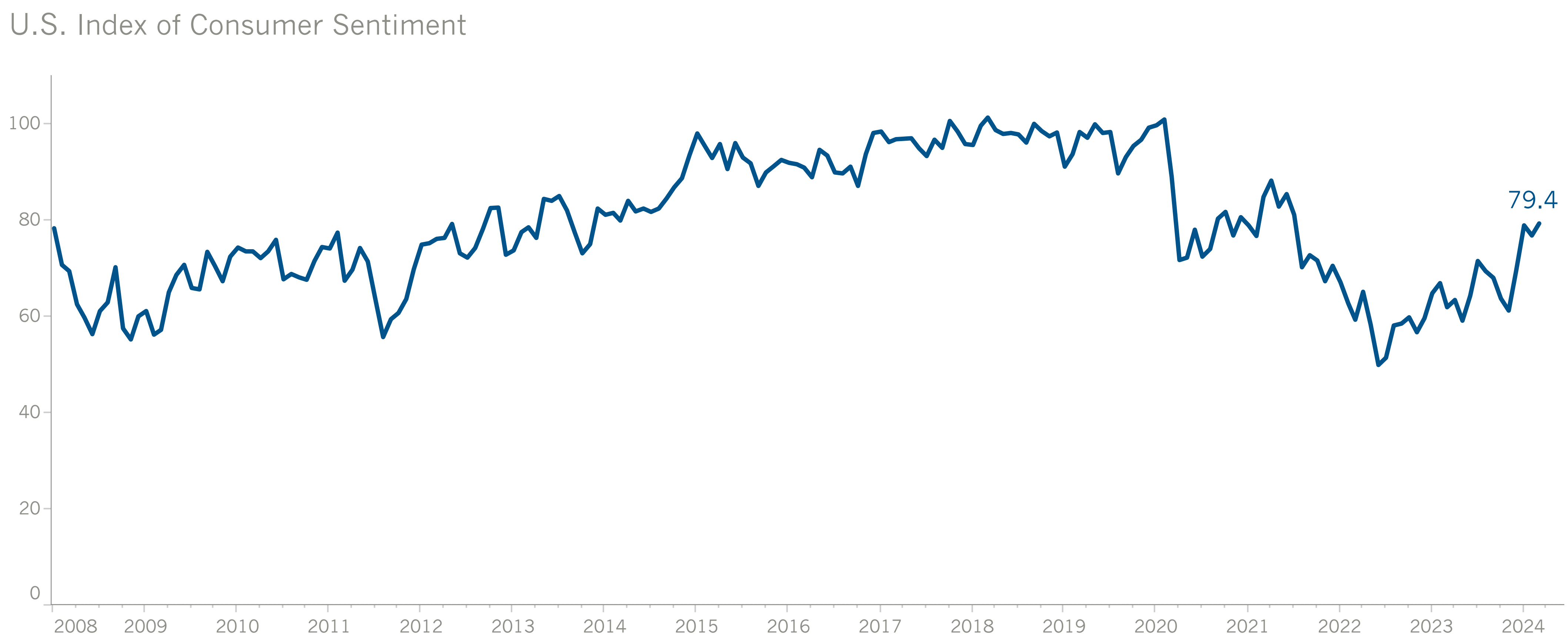
3.5%	3.4%	3.7%	3.6%	3.5%	3.8%	3.8%	3.9%	3.7%	3.7%	3.7%	3.9%	3.8%

Data reported through: March 2024

Source: Bureau of Labor Statistics (BLS)

U.S. Economic Consumer Sentiment

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



Data reported for: March 2024

Source: University of Michigan

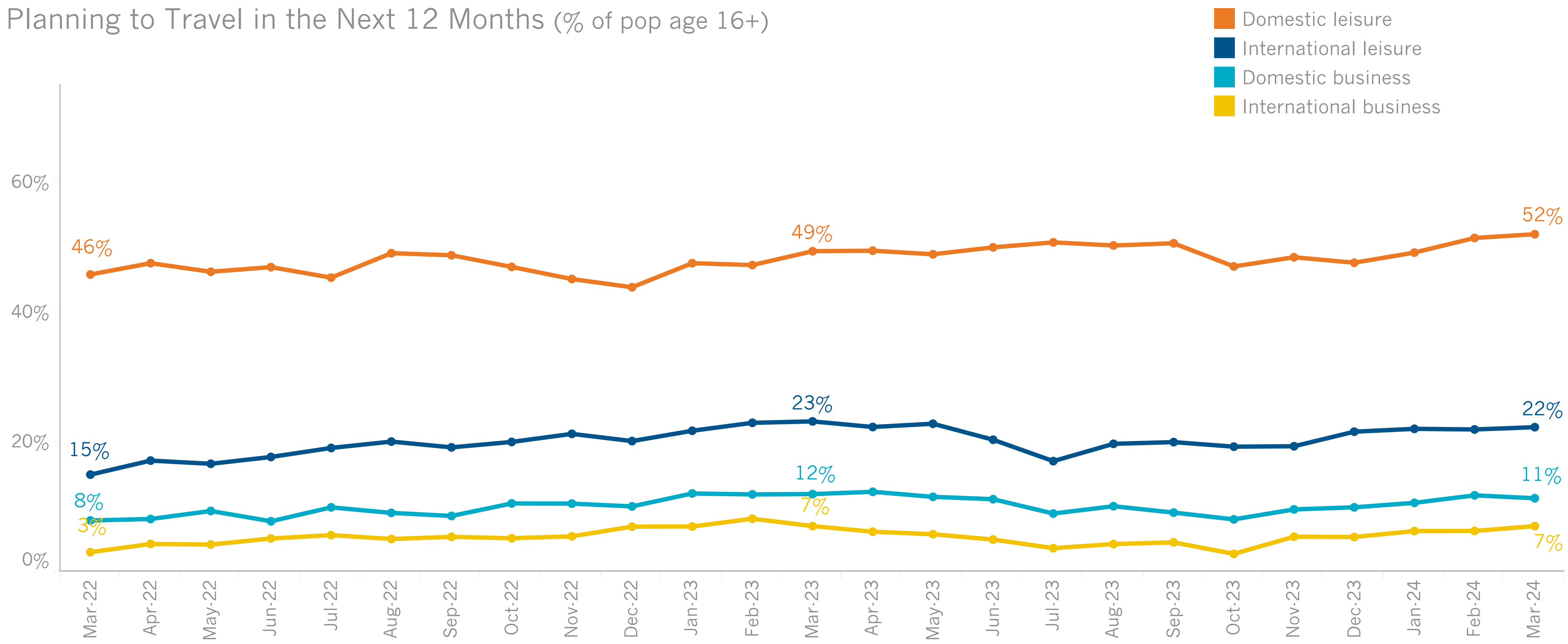
Domestic Indicators:

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.



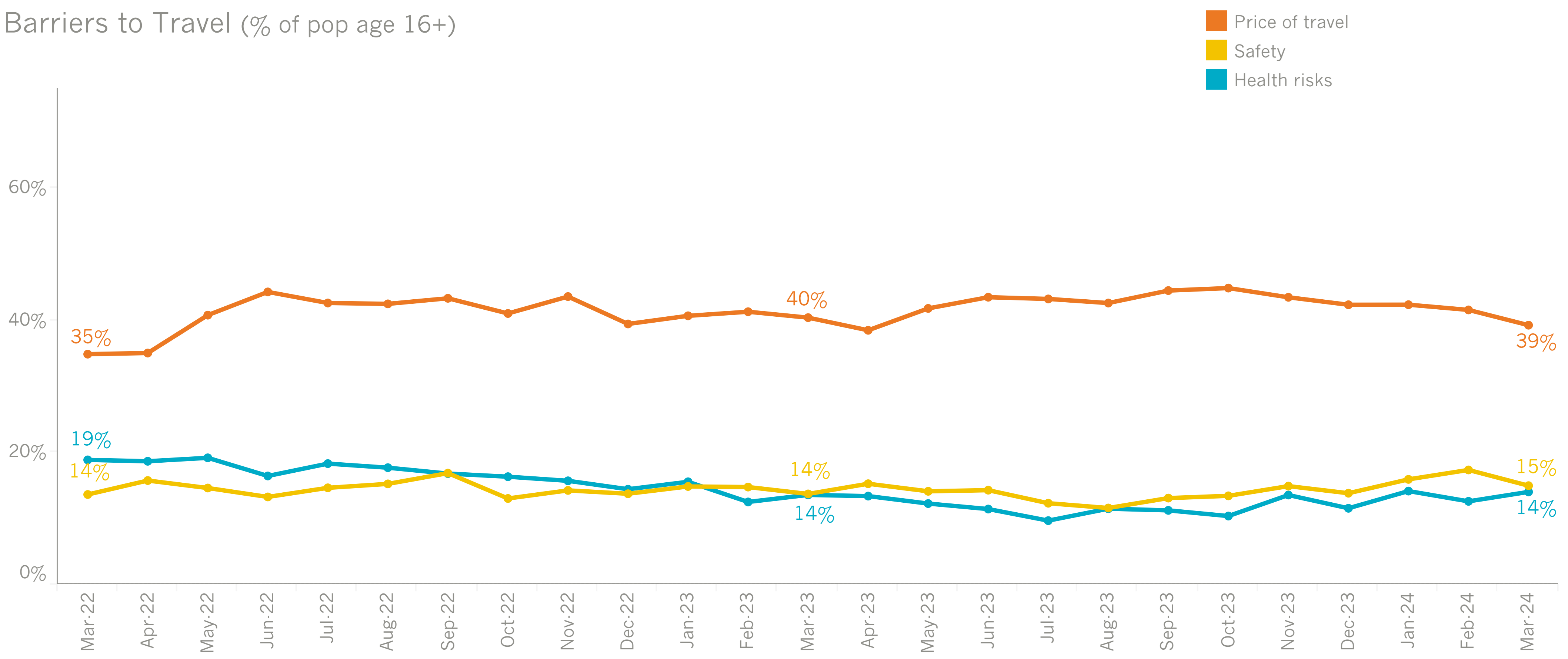
Q: Which, if any, of the following trips are you planning to take in the next 12 months?

Data reported for: March 2024

Source: YouGov

U.S. Barriers to Travel

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



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

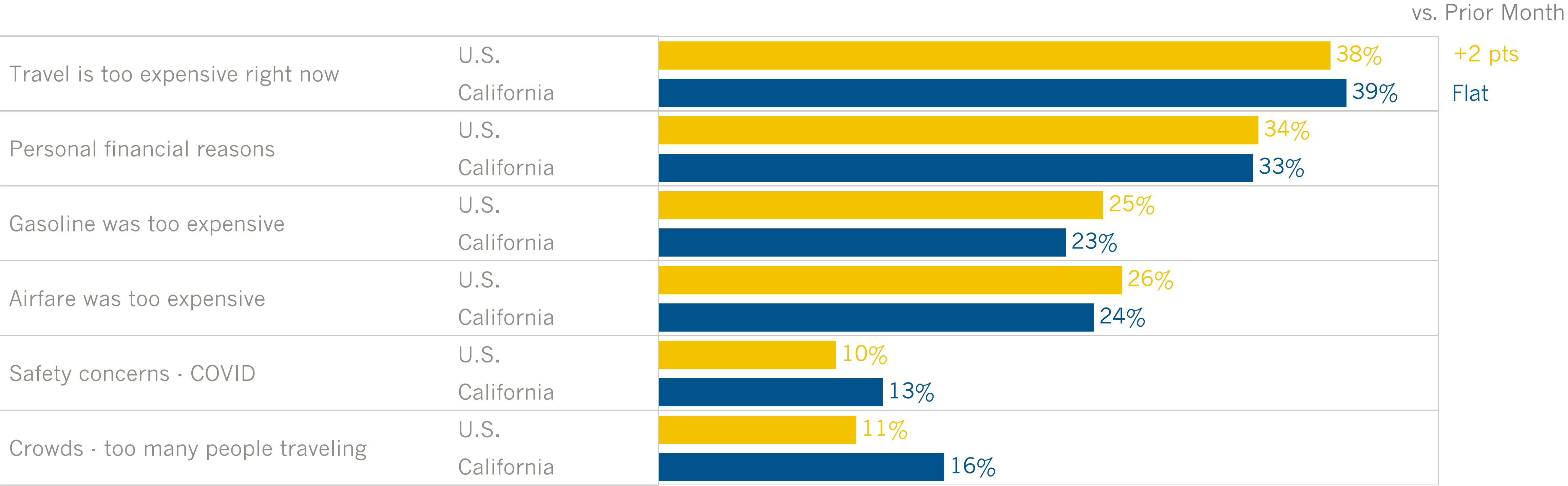
Data reported for: March 2024

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)

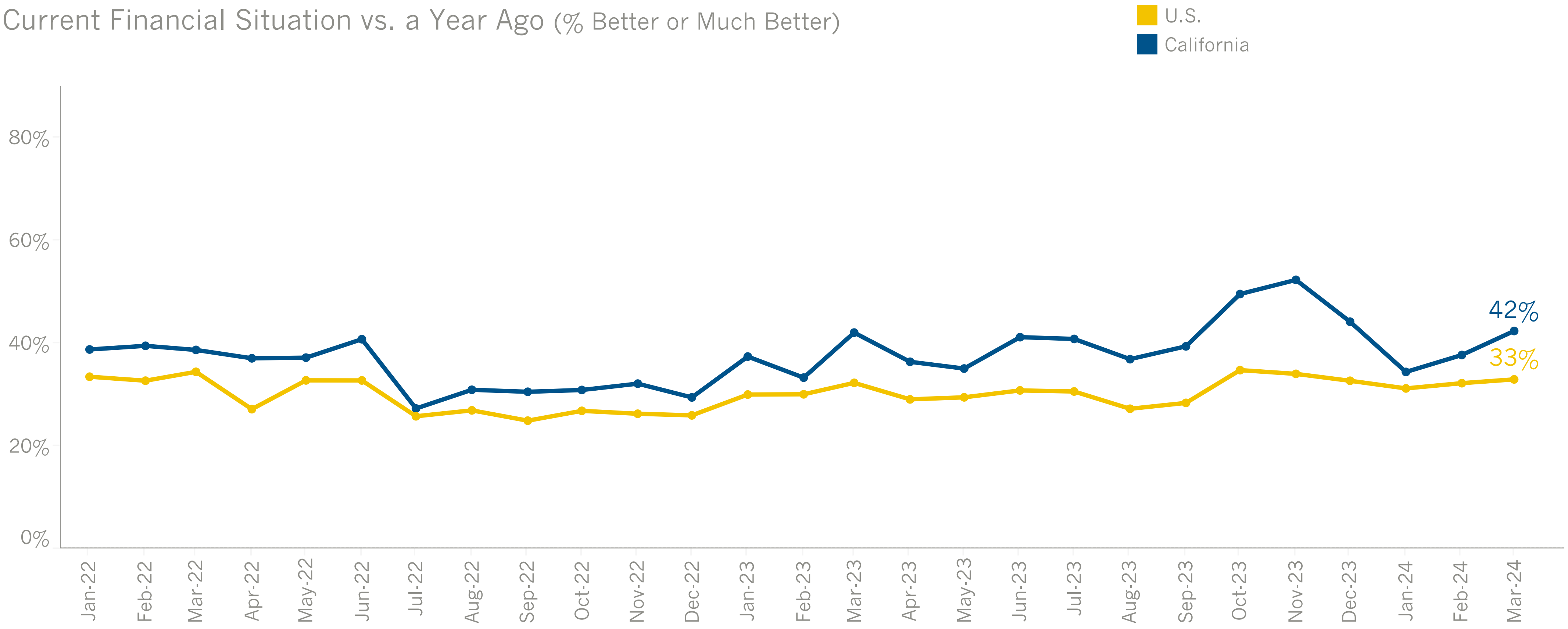


Q: In the past 6 months, which (if any) of the following have kept you from traveling more than you would have otherwise preferred?
Data reported for: March 2024

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.

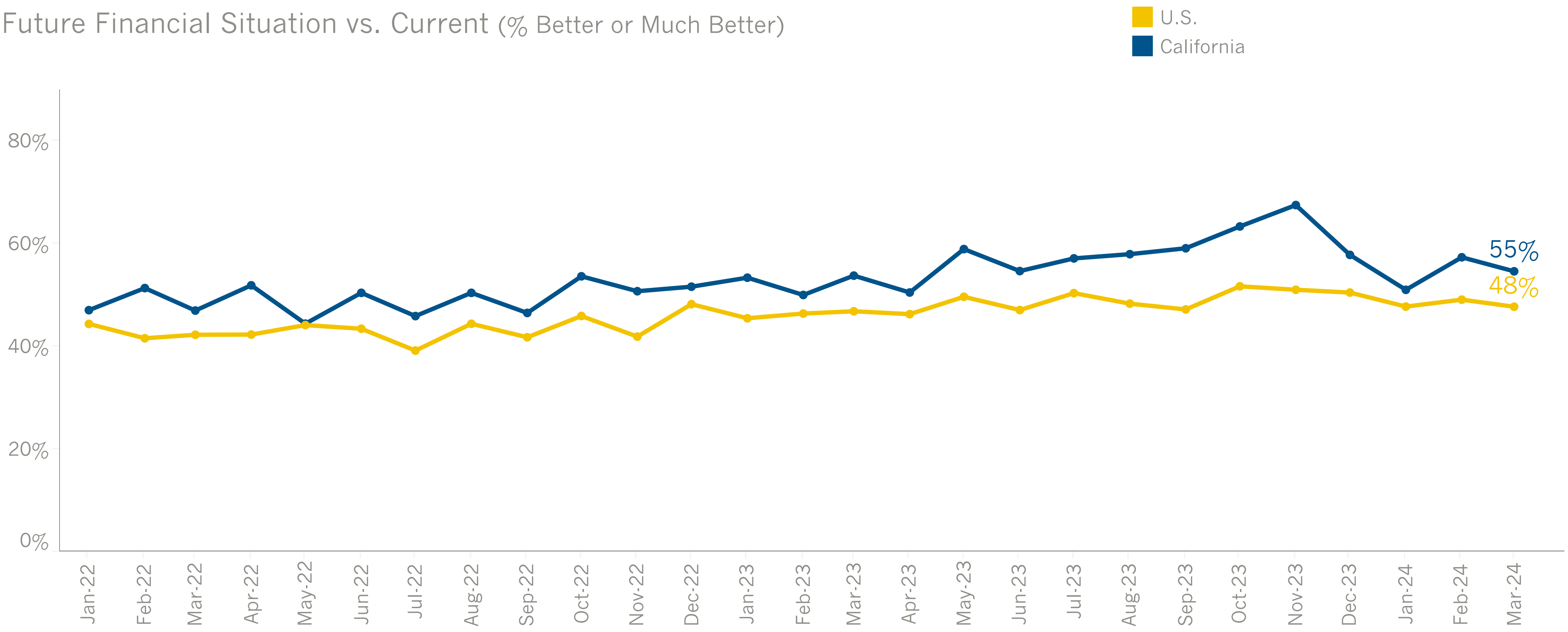


Q: Would you say that you (and your household) are better off or worse off financially than you were a year ago?
Data reported for: March 2024

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.



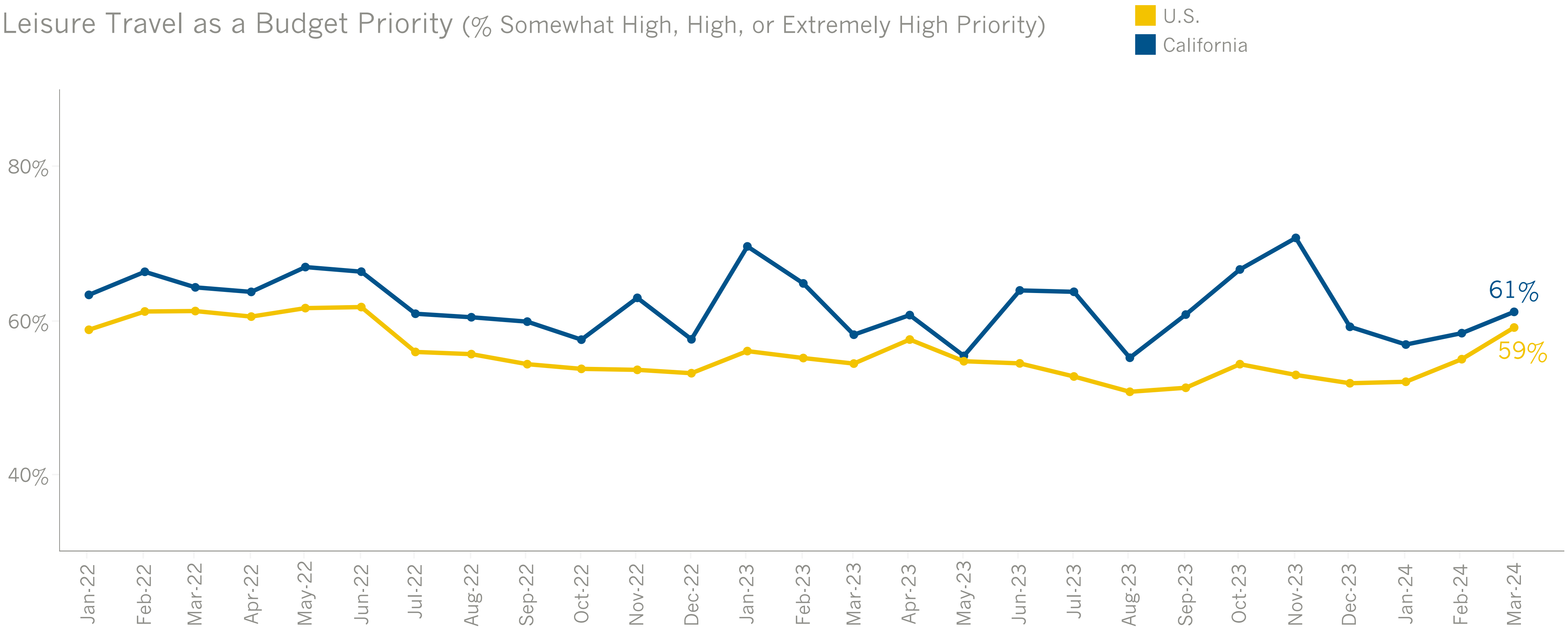
Q: Looking forward—do you feel that a year from now, you (and your household) will be better off financially, or worse off, or just about the same as now?

Data reported for: March 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.



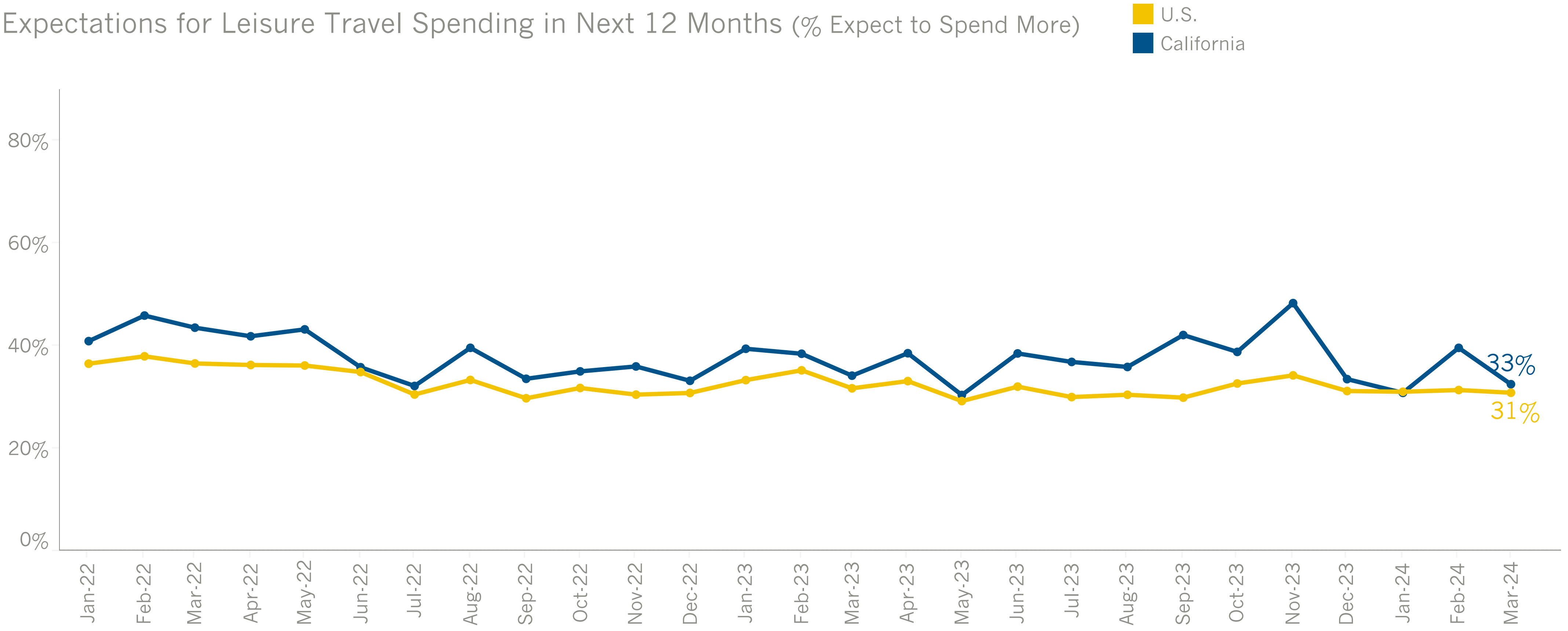
Q: Thinking carefully about how you expect to spend your income in the next three months, please use the scale below to describe your spending priorities. Leisure trave will be a(n)...

Data reported for: March 2024

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

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?

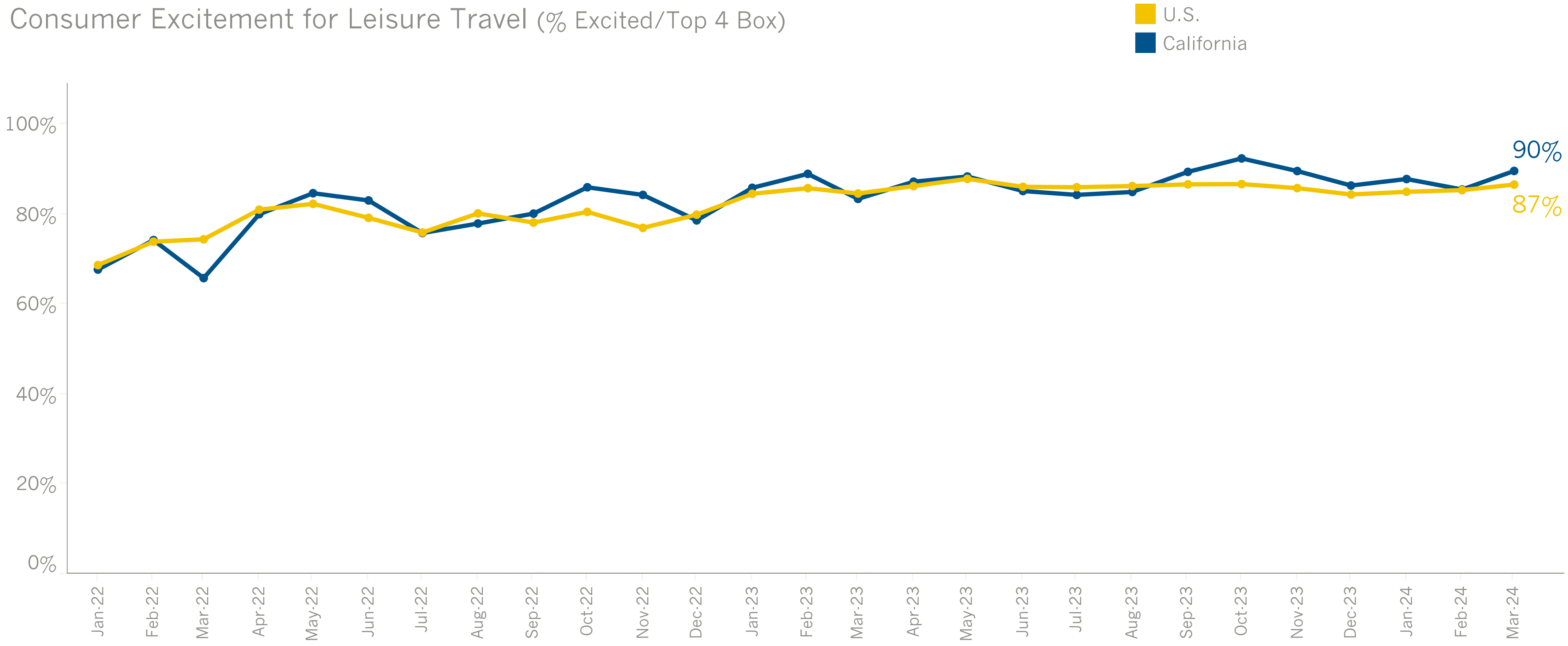
Data reported for: March 2024

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: March 2024

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

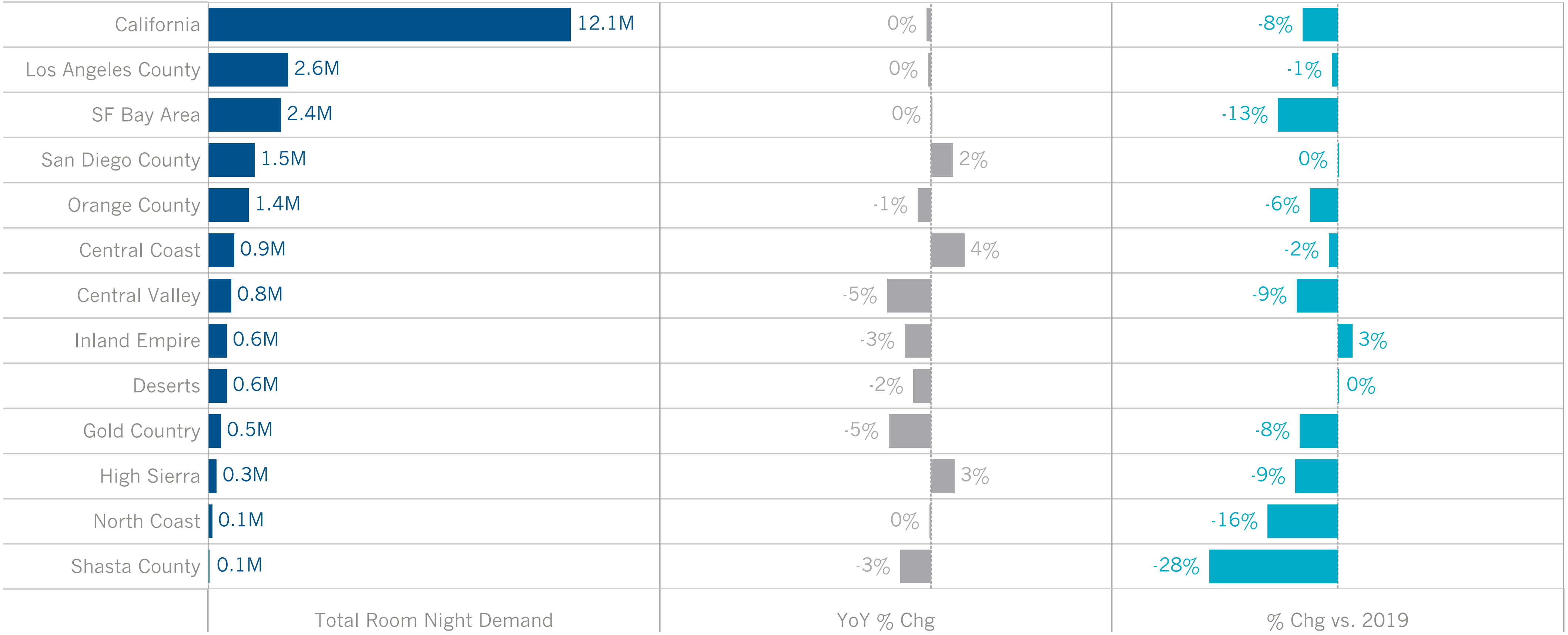
Domestic Indicators:
Lodging

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

California Room Demand

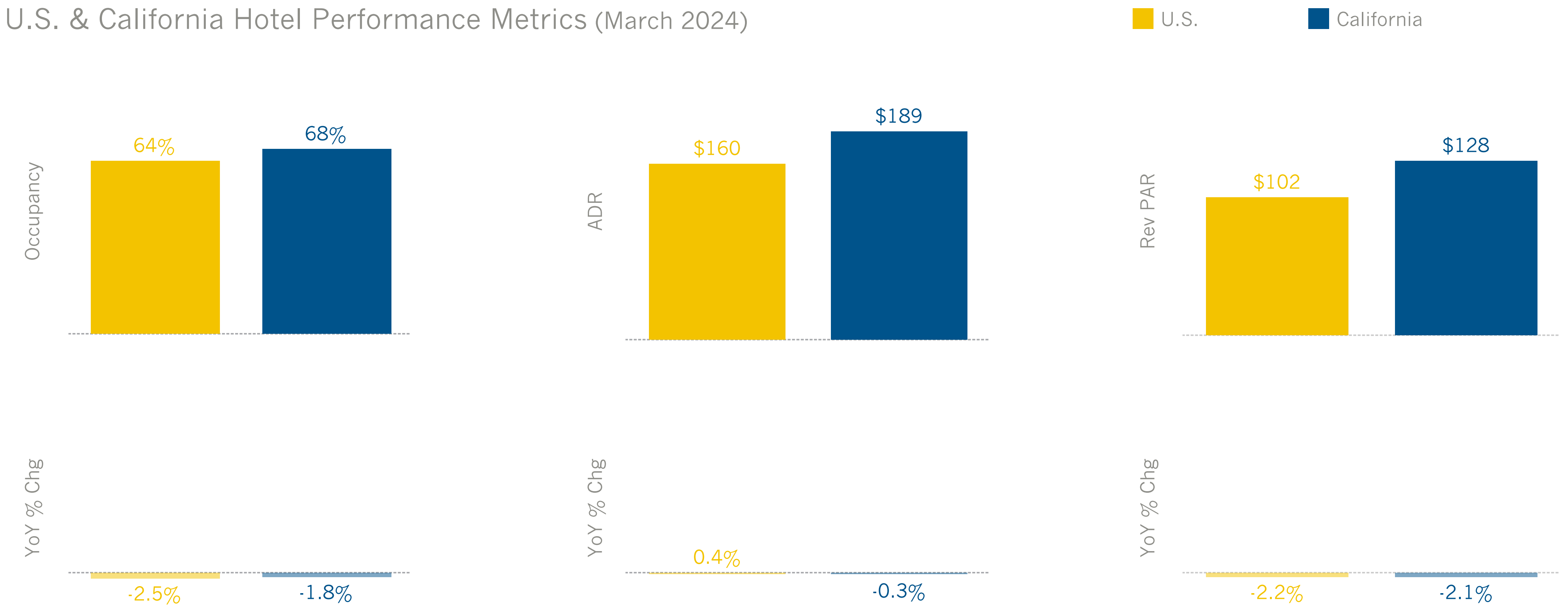
The chart below shows California and regions hotel room demand benchmarked to prior year and to 2019 for the reporting month.

California & Regions Hotel Room Demand (March 2024)



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.

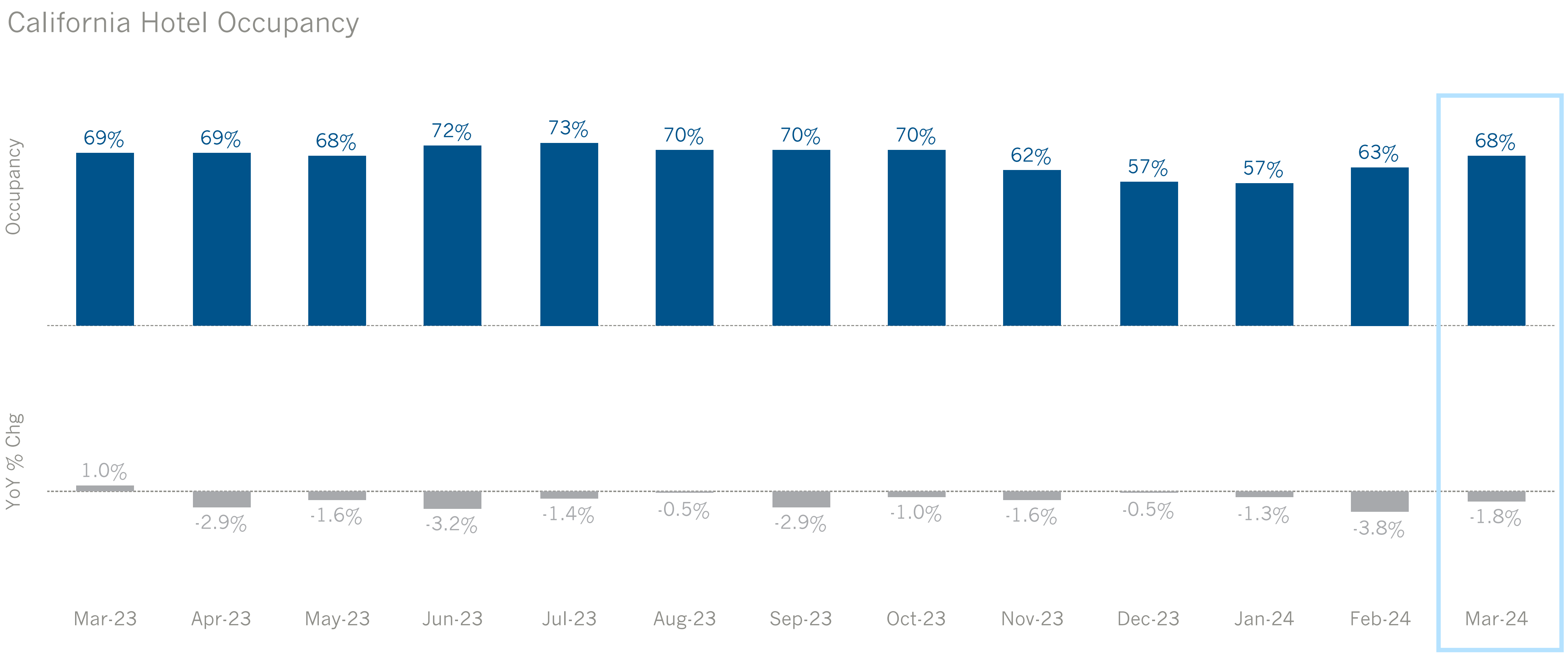


Data reported for: March 2024

Source: STR, LLC

California Hotel Occupancy

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

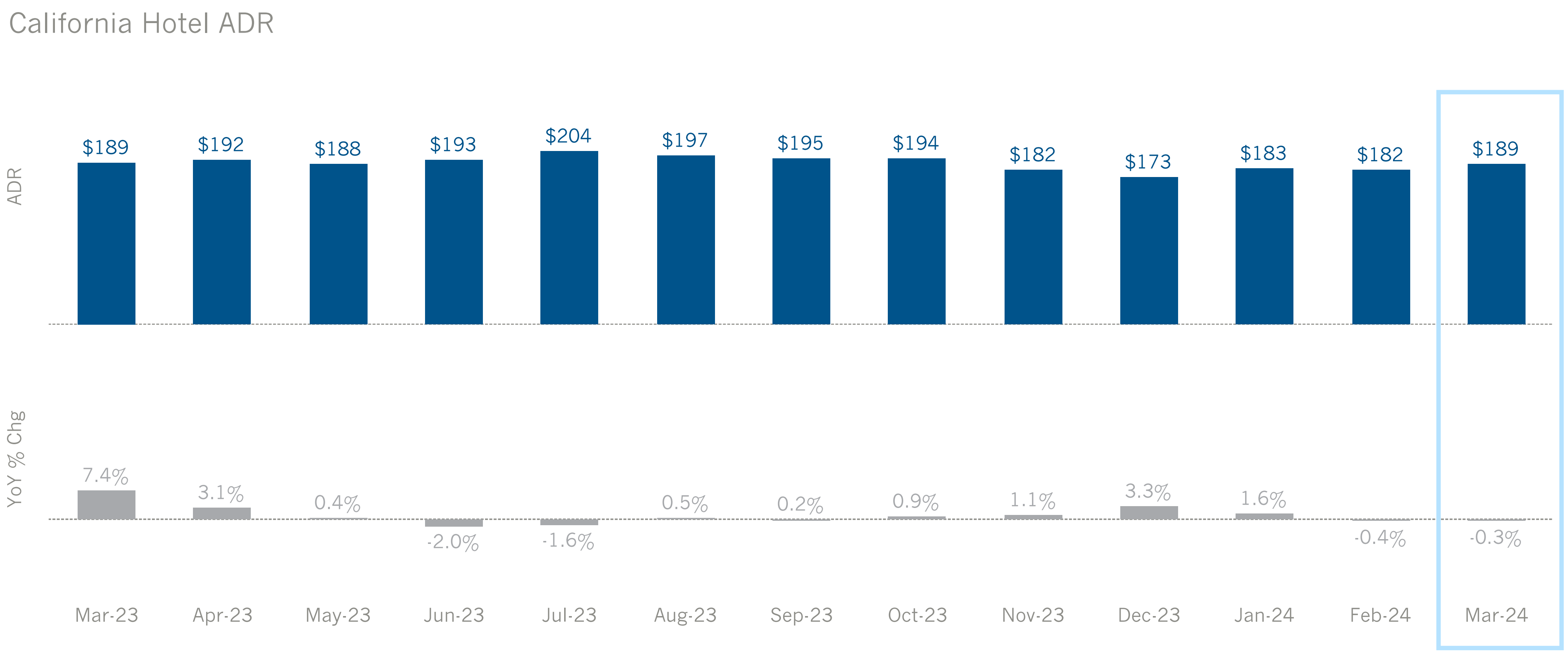


Data reported through: March 2024

Source: STR, LLC

California Hotel ADR

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

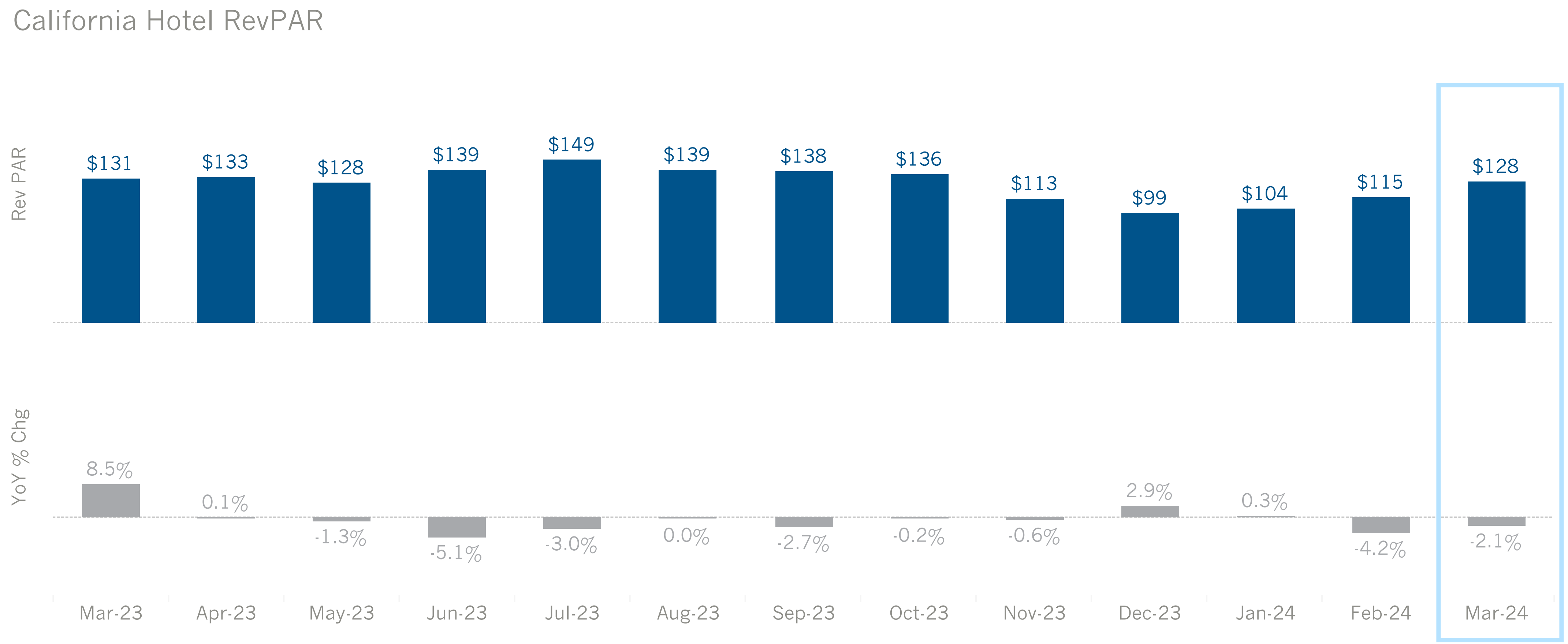


Data reported through: March 2024

Source: STR, LLC

California Hotel RevPAR

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



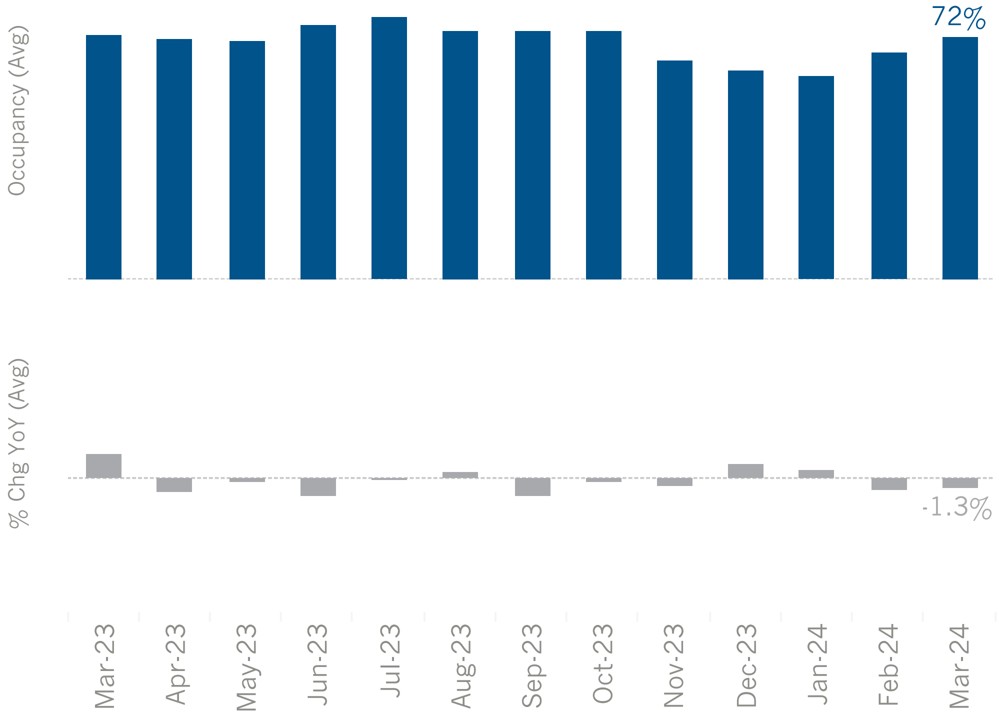
Data reported through: March 2024

Source: STR, LLC

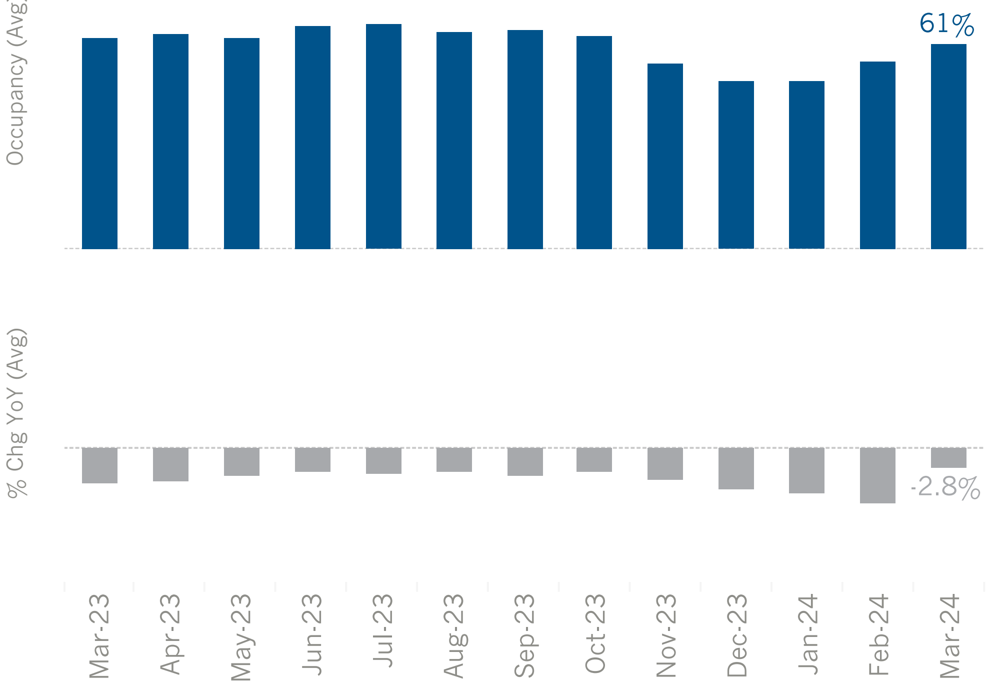
Gateway & Other Regions Hotel Occupancy

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



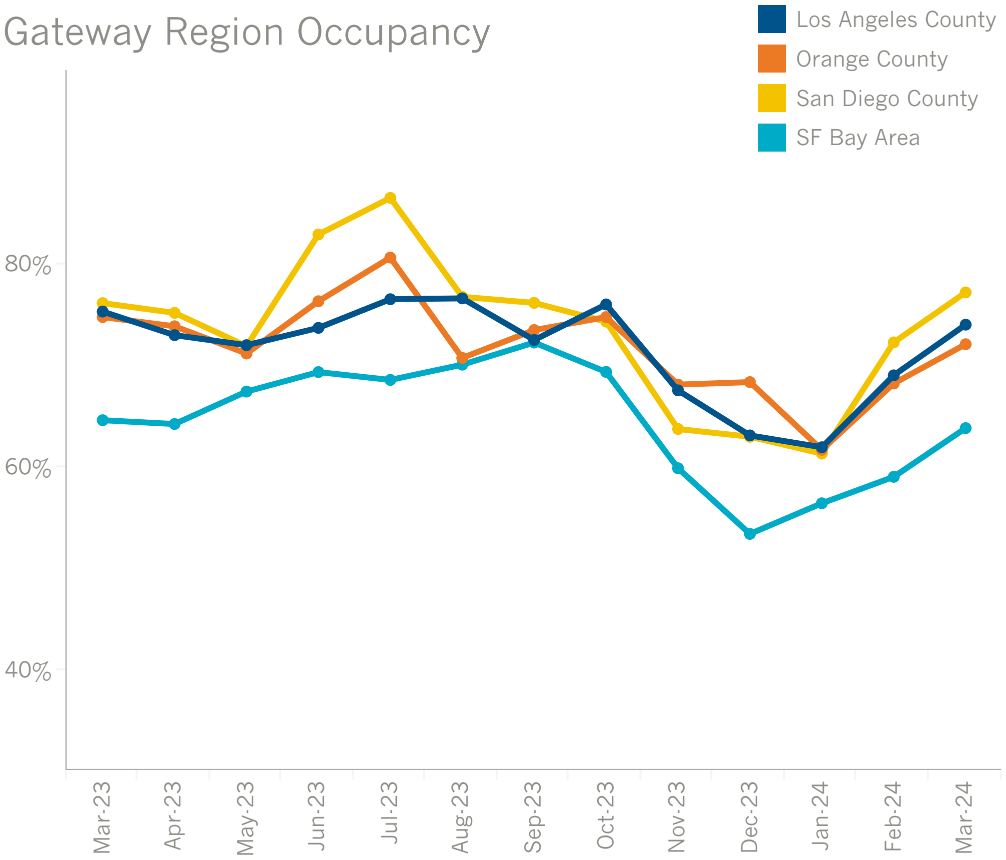
Gateway Regions include: Los Angeles County, Orange County, San Diego County, & San Francisco Bay Area
Other/Rural Regions include: Central Coast, Central Valley, Deserts, Gold Country, High Sierra, Inland Empire, North Coast, & Shasta Cascade
Data reported through: March 2024

Source: STR, LLC

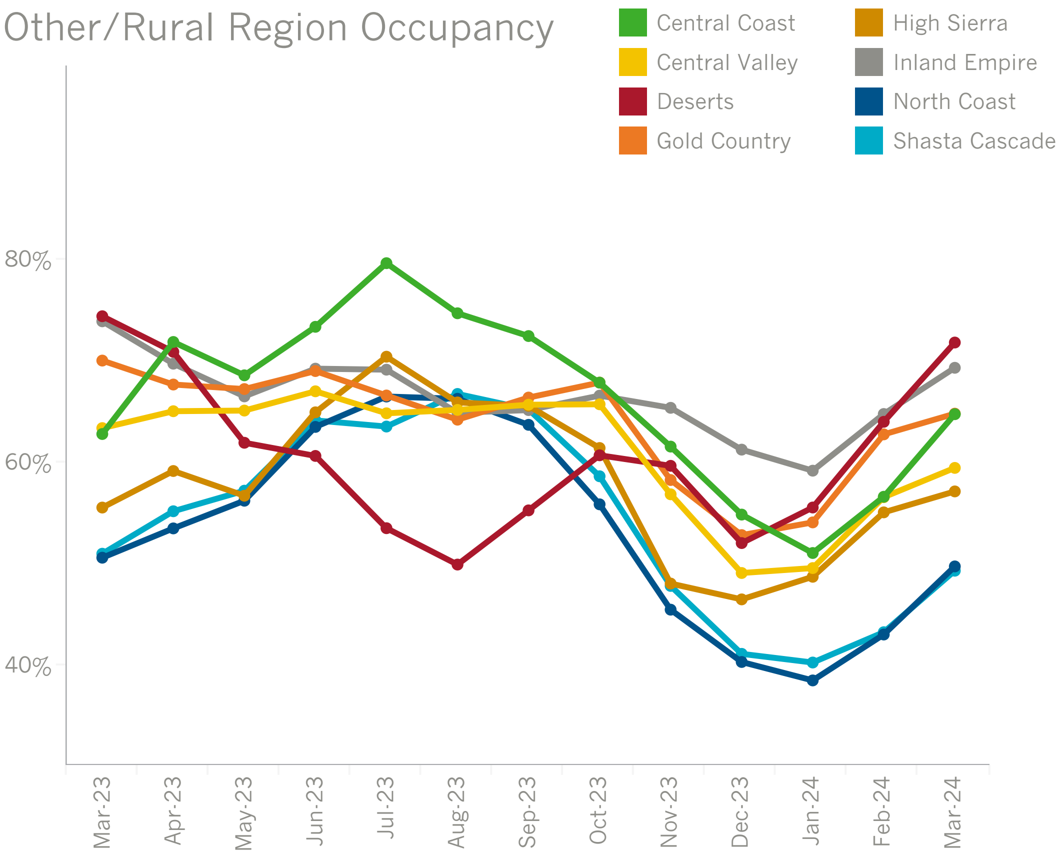
Regions Hotel Occupancy

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

Gateway Region Occupancy



Other/Rural Region Occupancy

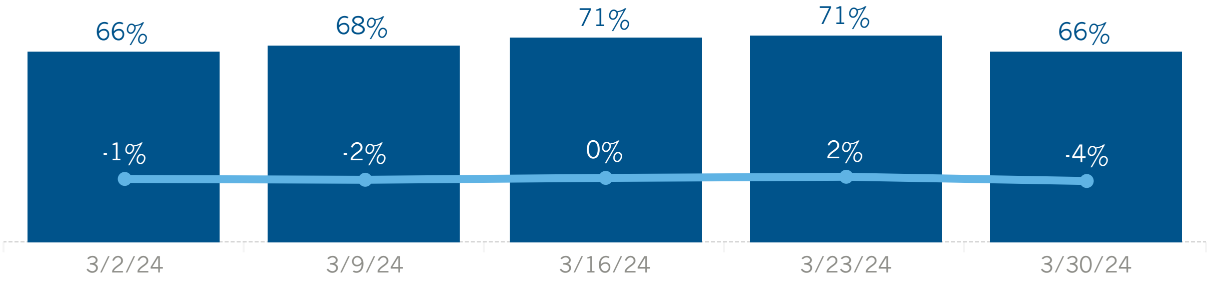


Data reported through: March 2024

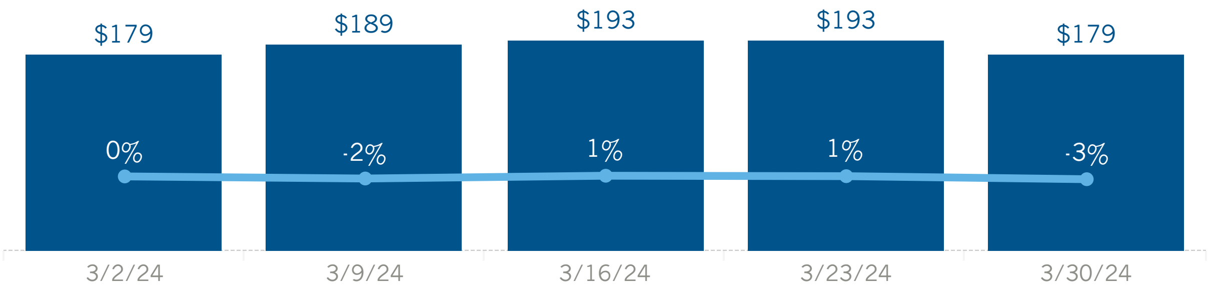
Source: STR, LLC

California Hotel Metrics (Weekly)

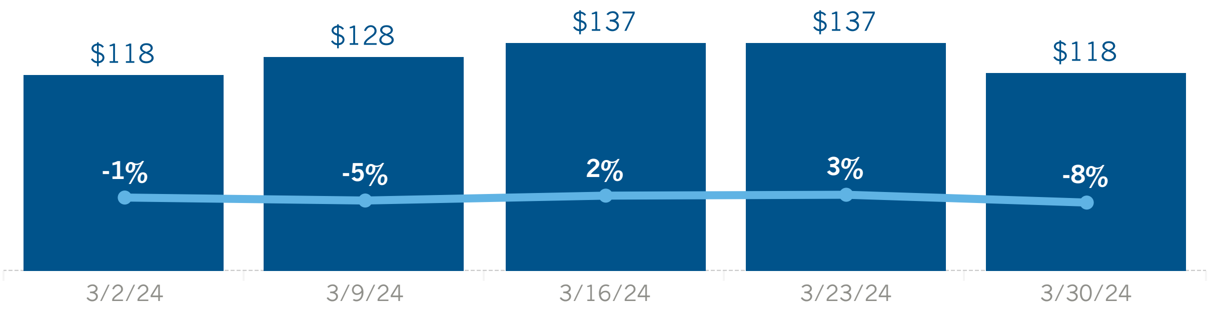
Occupancy



ADR



RevPAR



Data reported for: March 2024

Source: STR, LLC

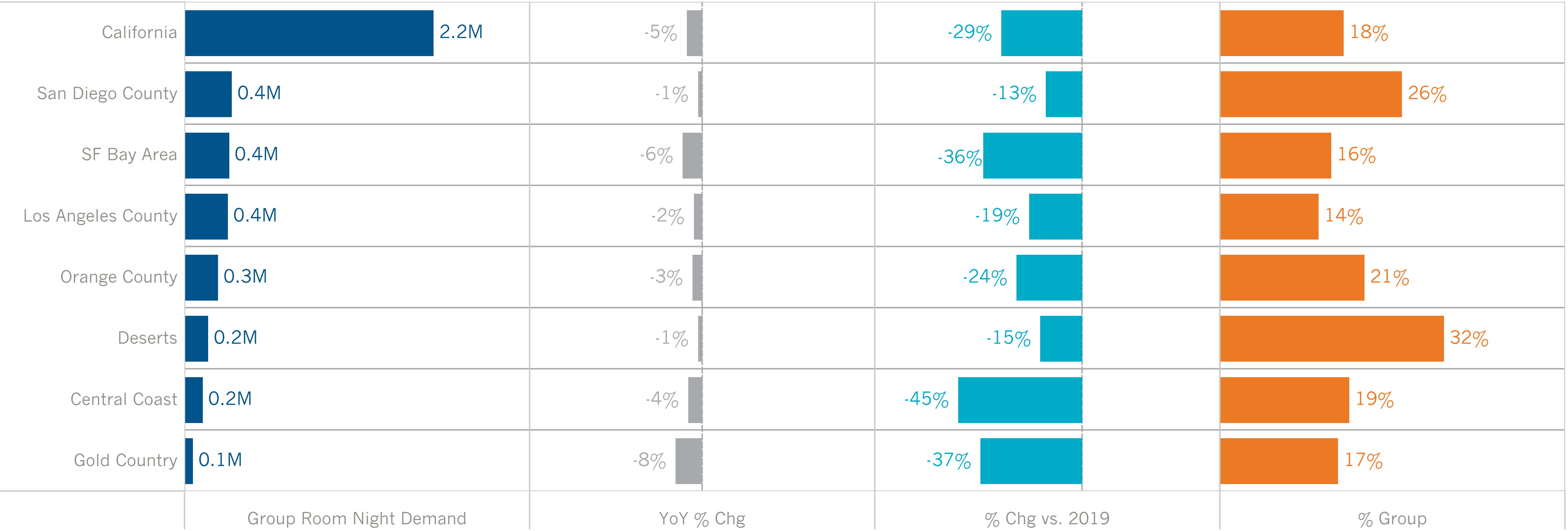
California Hotel Metrics (Weekly)

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.

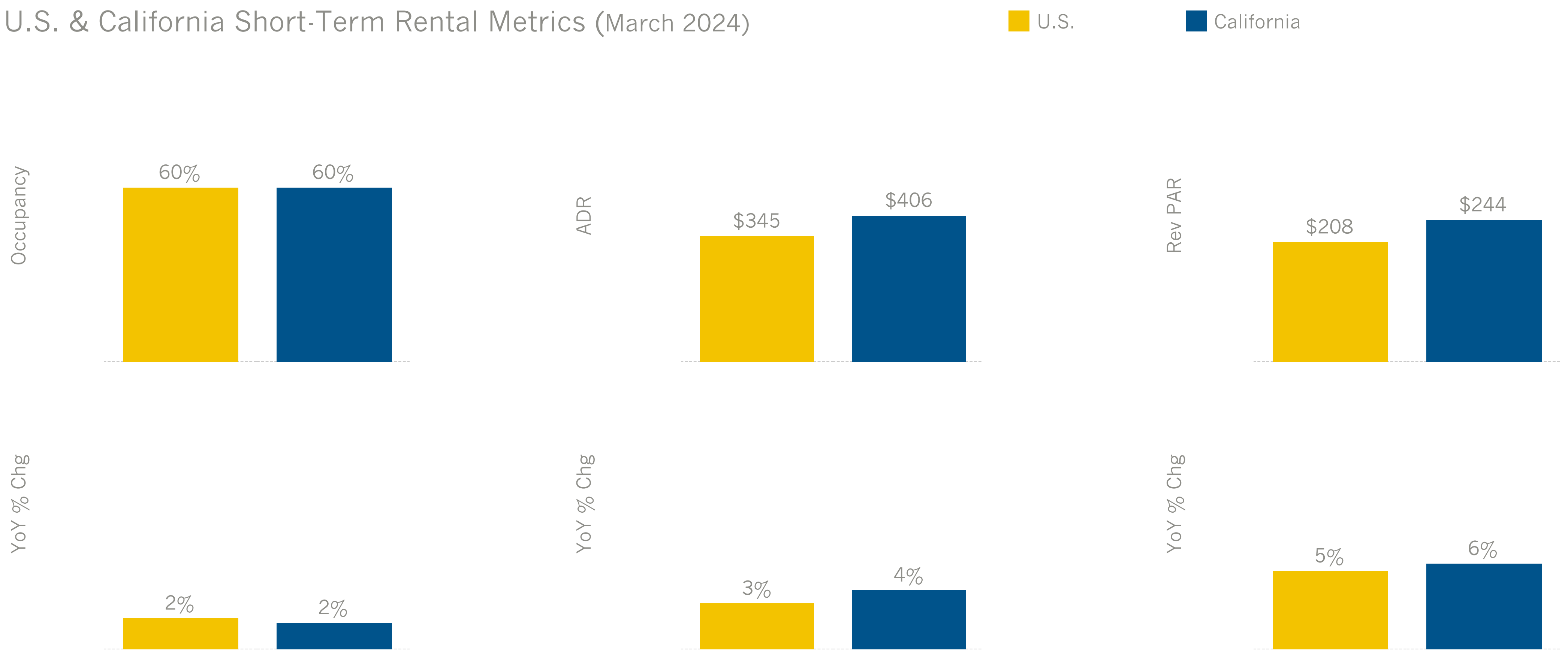
California & Regions Group Hotel Room Night Demand



Source: STR, LLC

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.



Data reported for: March 2024

Source: AirDNA

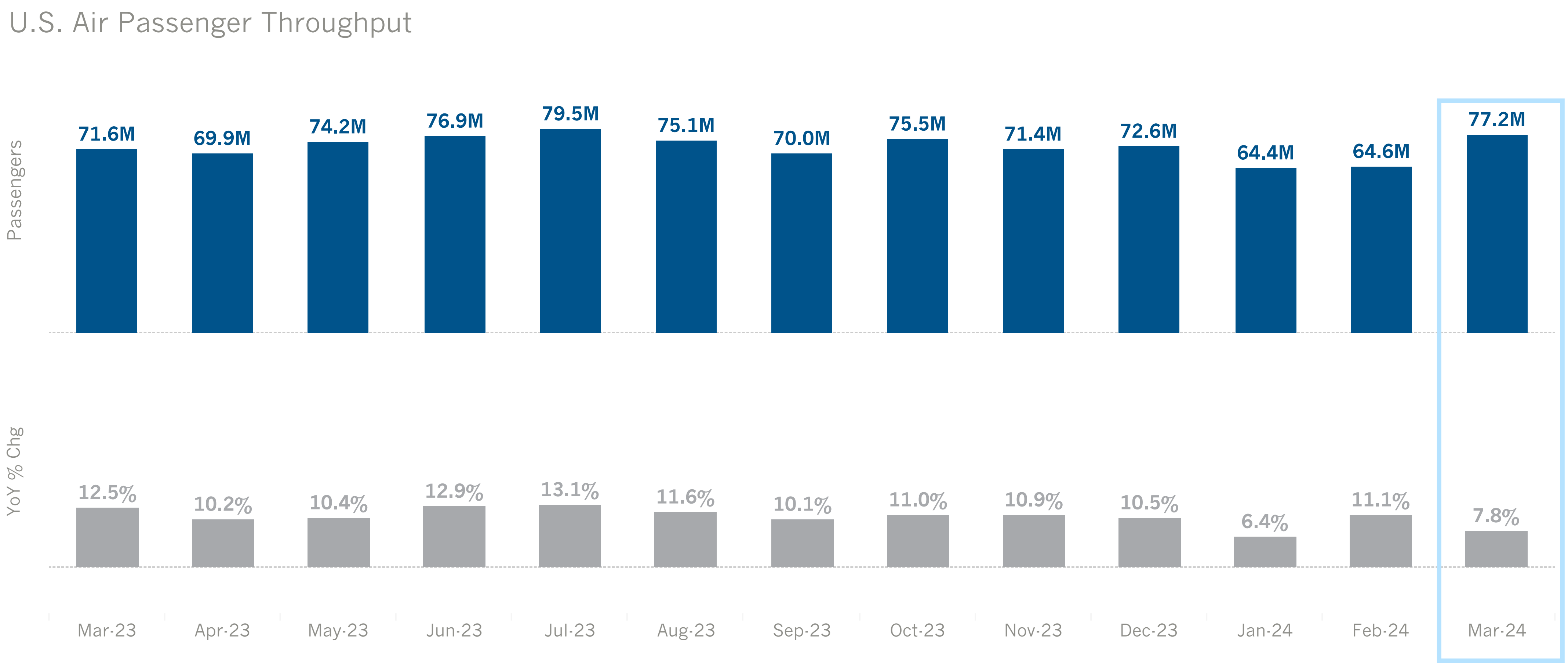
Domestic Indicators:

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.

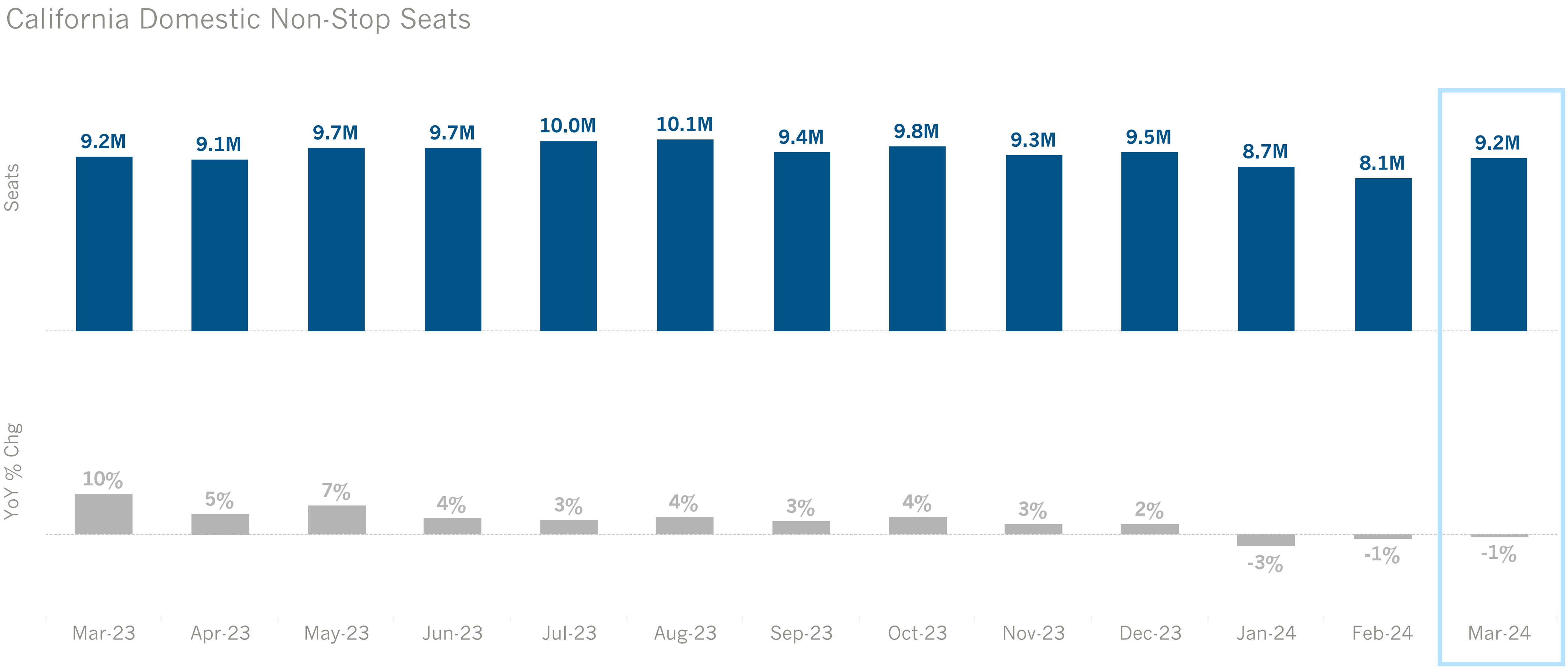


Data reported through: March 2024

Source: Department of Homeland Security (DHS)

California Domestic Non-Stop Seats

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



Data reported through: March 2024

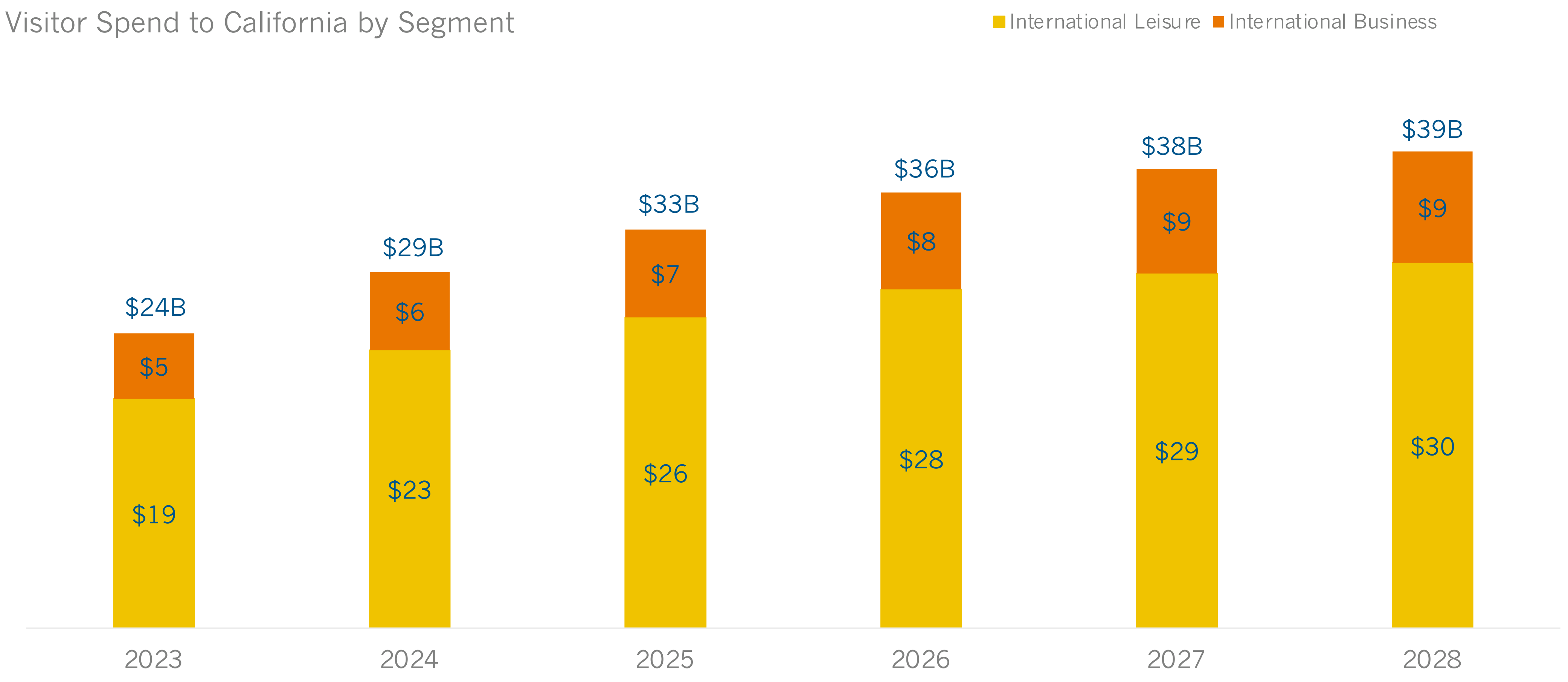
Source: Cirium

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.

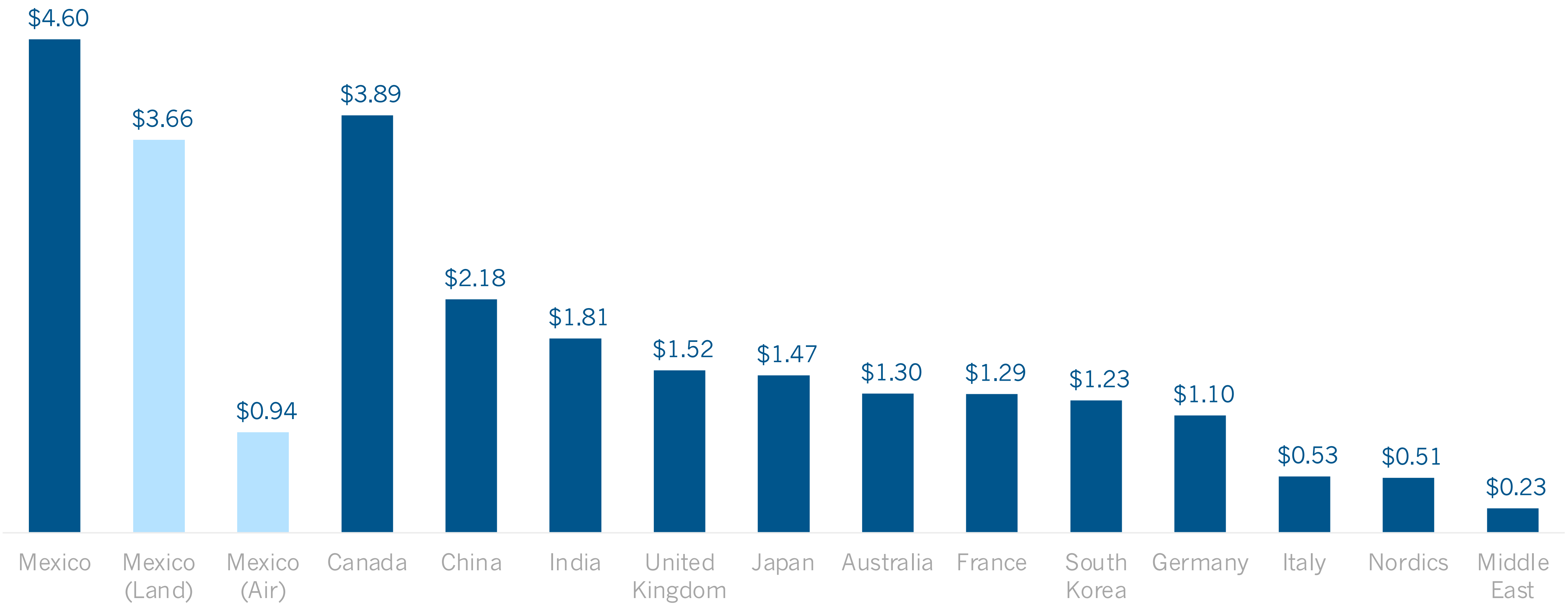


Source: Tourism Economics (Feb 2024)

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)



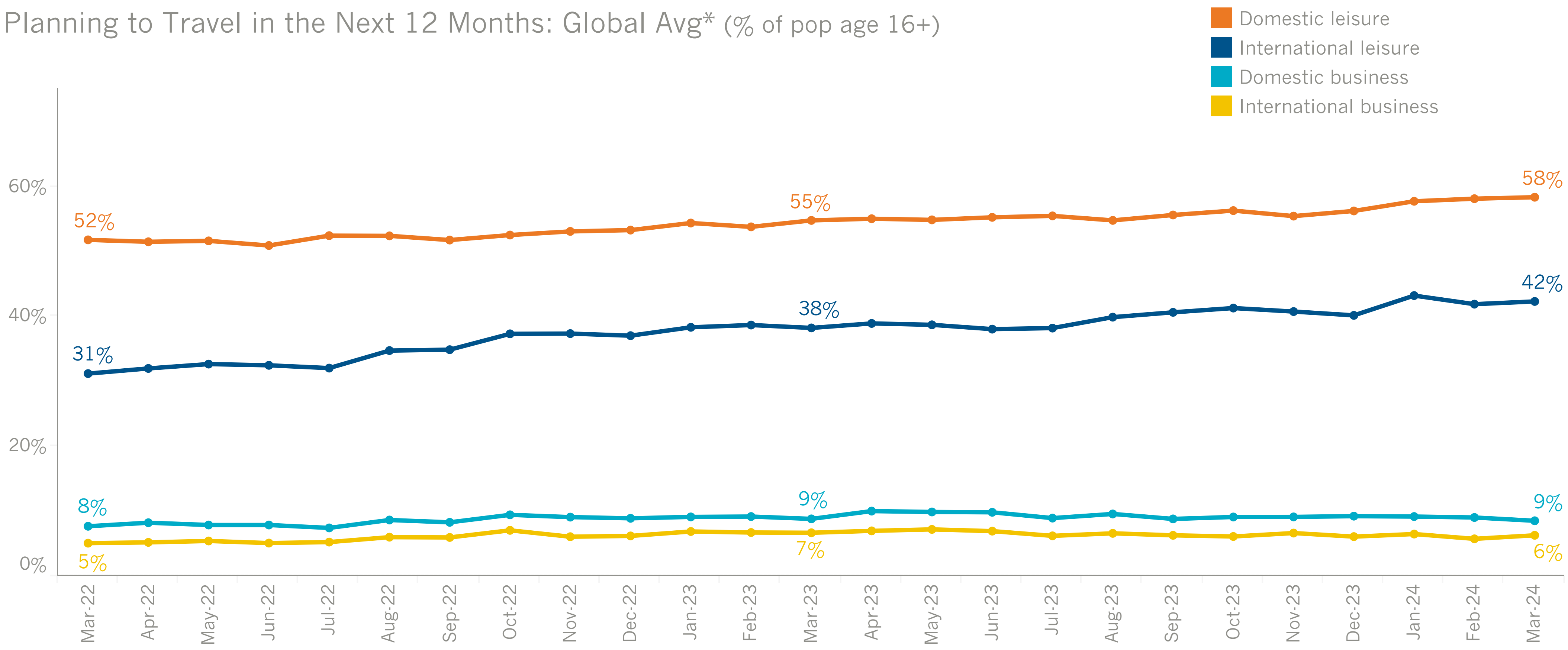
Source: Tourism Economics (Feb 2024)

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.



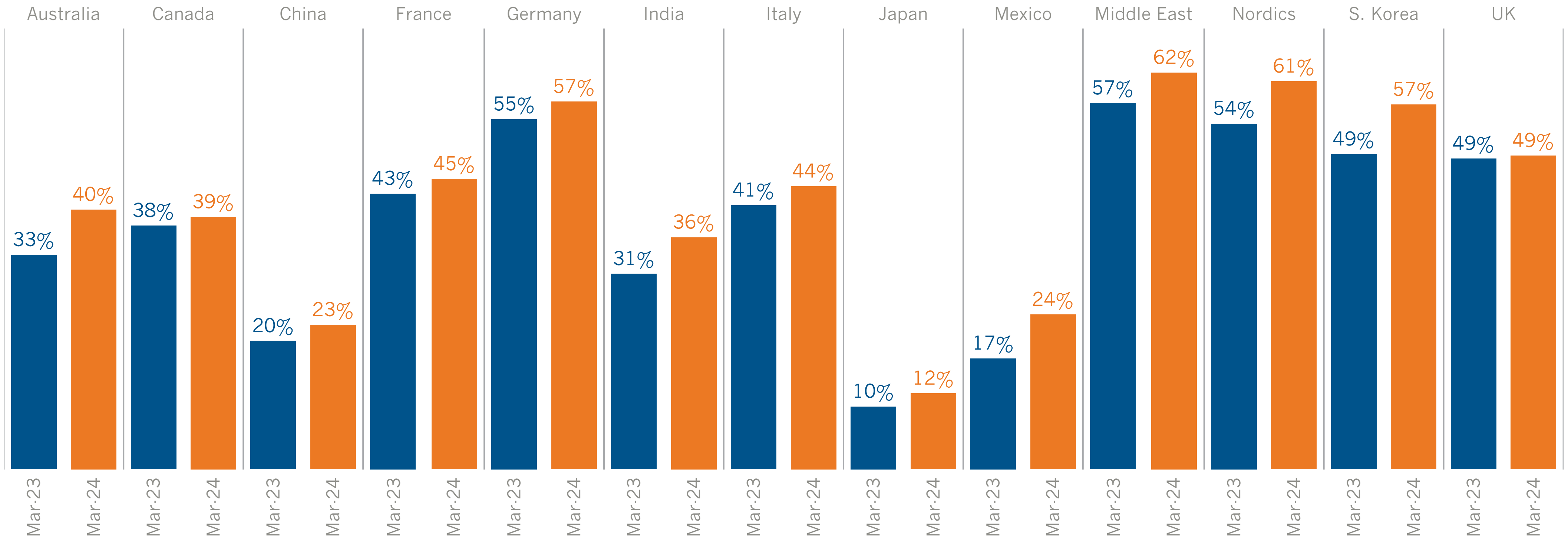
Q: Which, if any, of the following trips are you planning to take in the next 12 months?
*Based on respondents in Australia, Canada, China, Germany, France, India, Italy, Japan, Mexico, Middle East (Saudi Arabia & UAE), Nordics, South Korea & UK
Data reported for: March 2024

Source: YouGov

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+)



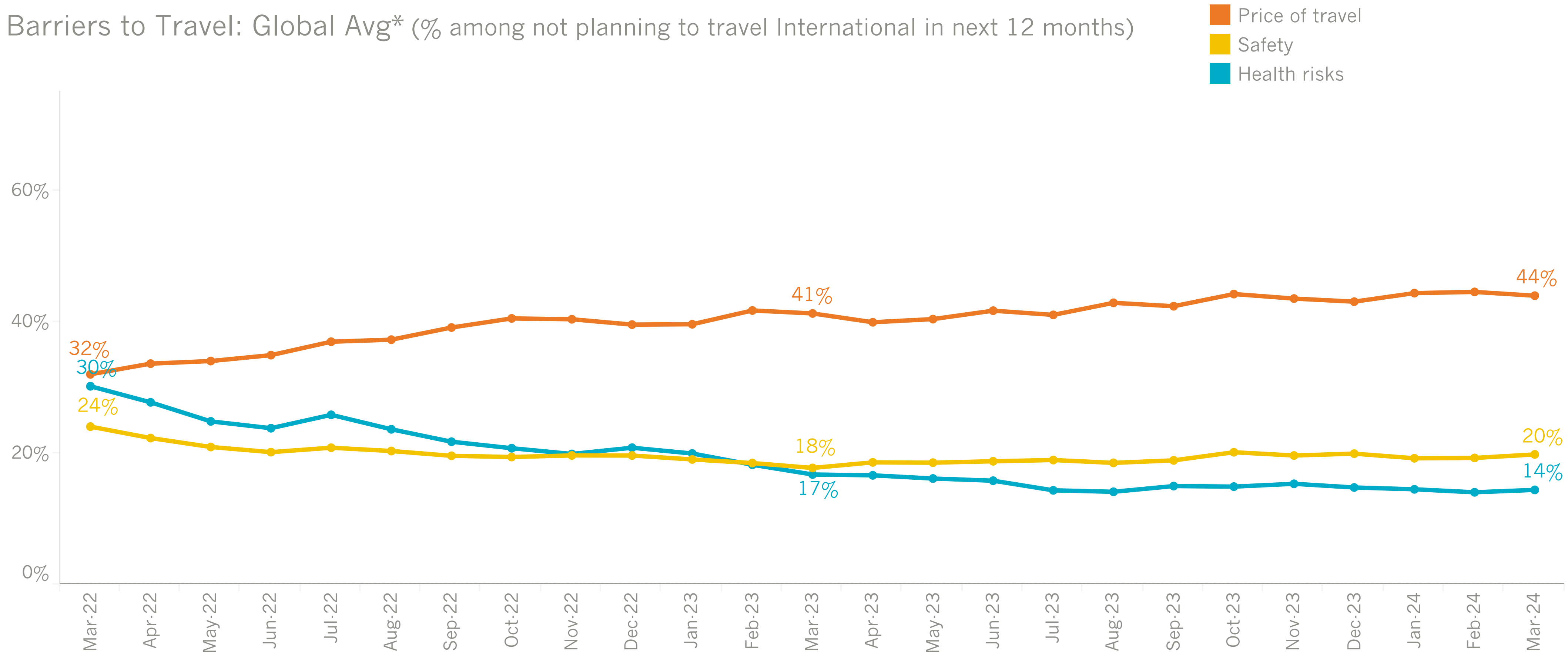
Q: Which, if any, of the following trips are you planning to take in the next 12 months?

Data reported for: March 2024

Source: YouGov

International Markets Barriers to Travel

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

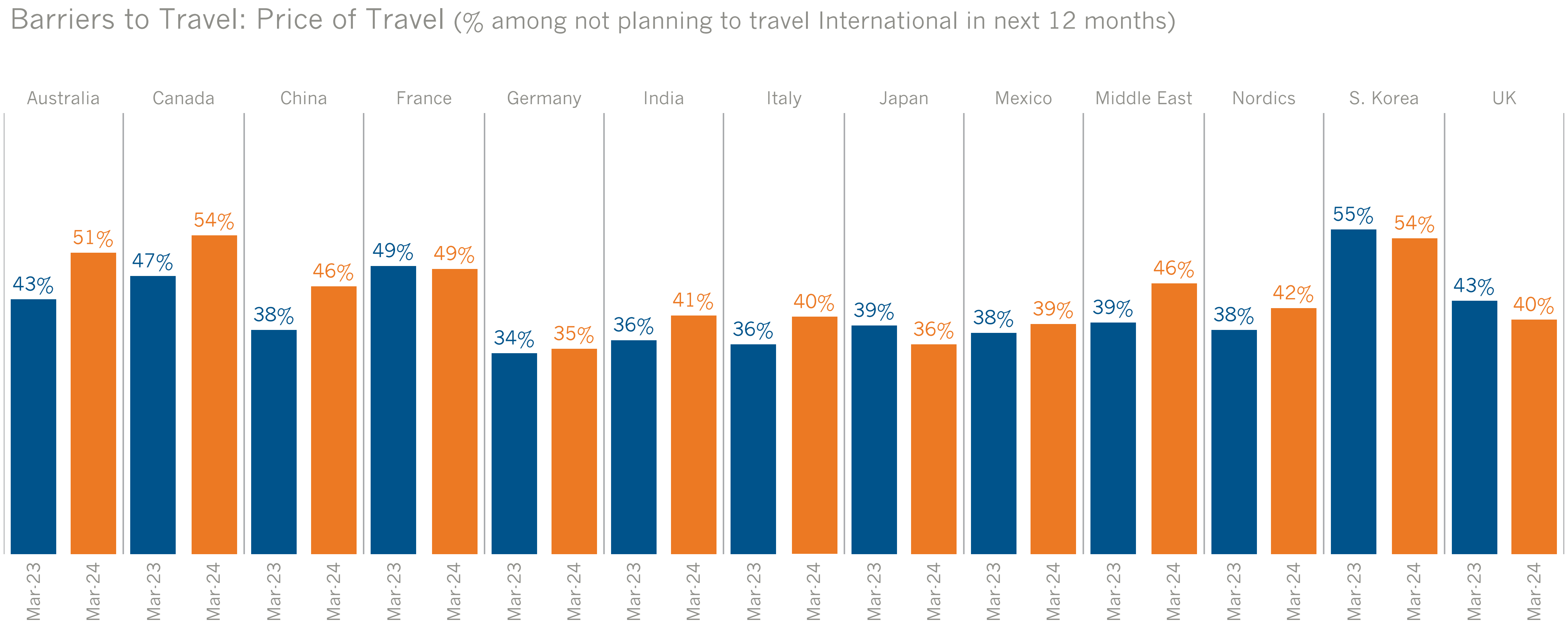


Q: Which, if any, of the below factors are currently preventing you from traveling?
*Based on respondents in Australia, Canada, China, Germany, France, India, Italy, Japan, Mexico, Middle East (Saudi Arabia & UAE), Nordics, South Korea, & UK
Data reported for: March 2024

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.



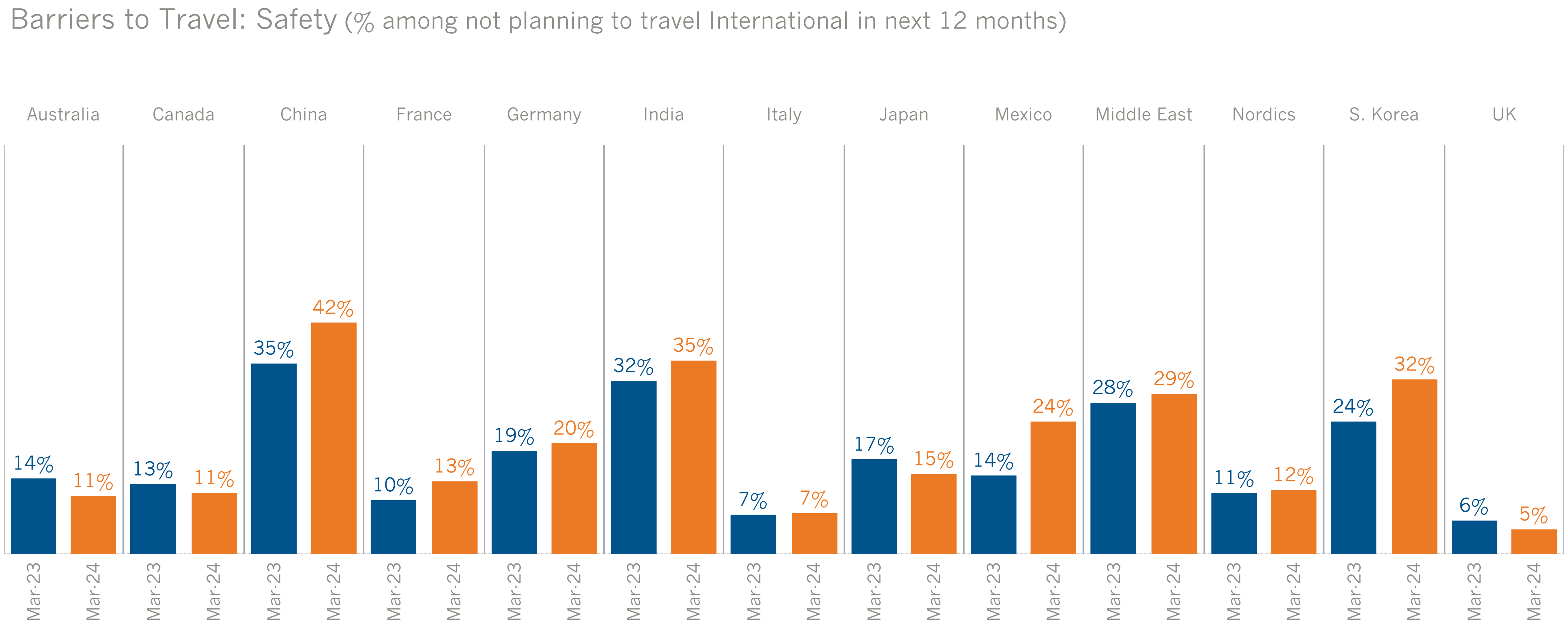
Q: Which, if any, of the below factors are currently preventing you from traveling?

Data reported for: March 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.



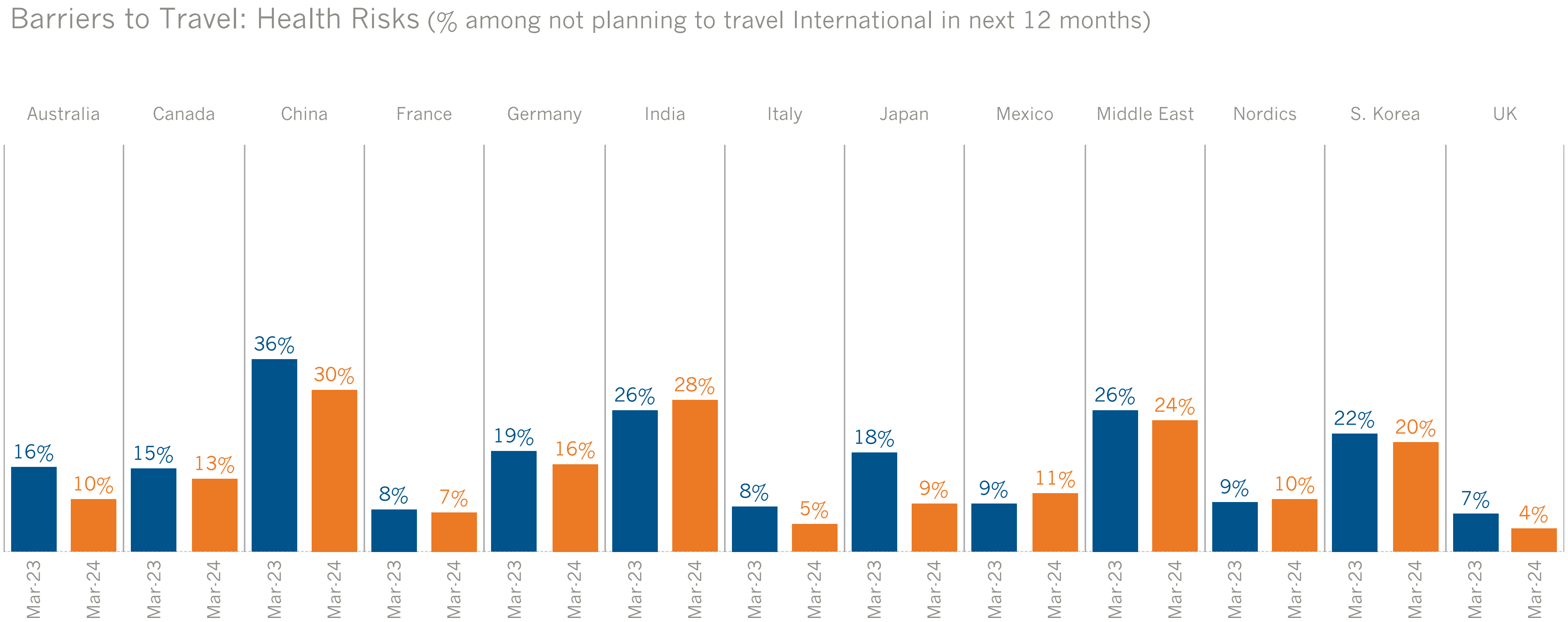
Q: Which, if any, of the below factors are currently preventing you from traveling?

Data reported for: March 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.



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

Data reported for: March 2024

Source: YouGov

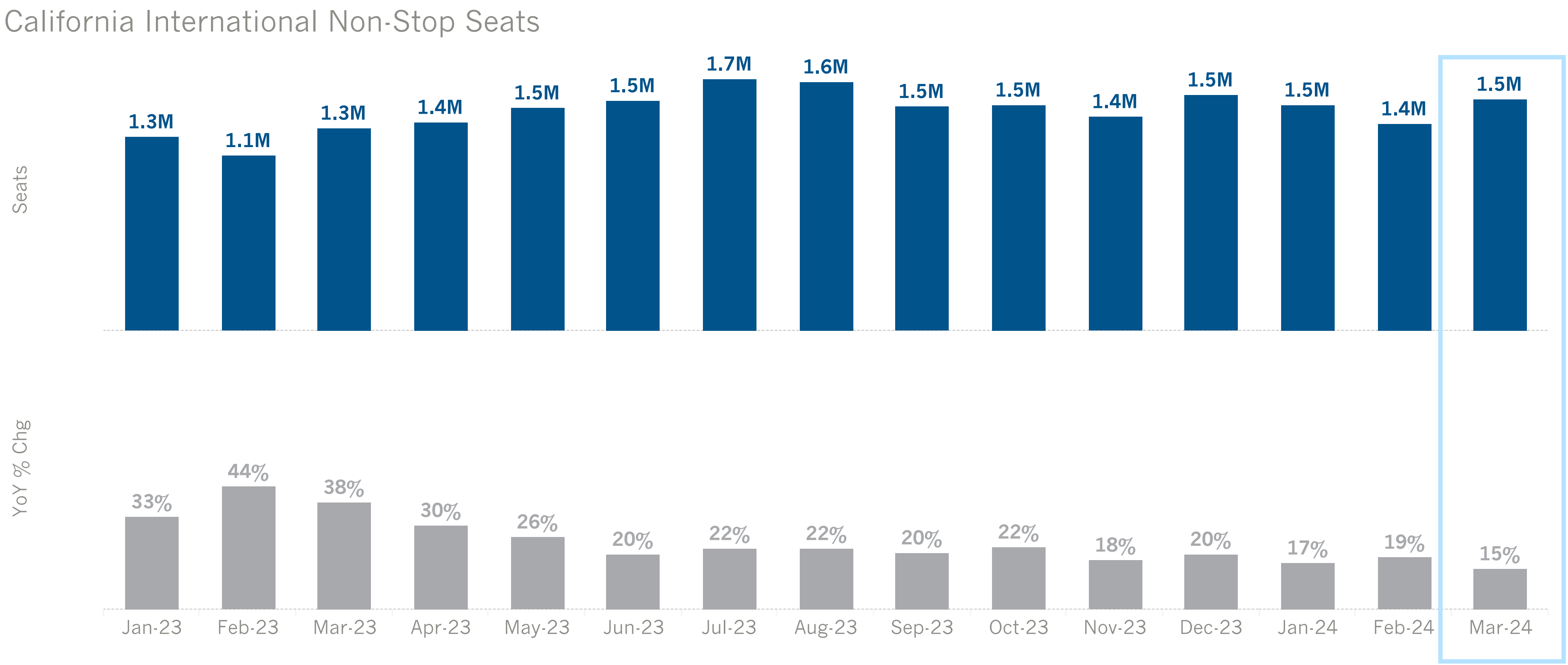
International Indicators:

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.



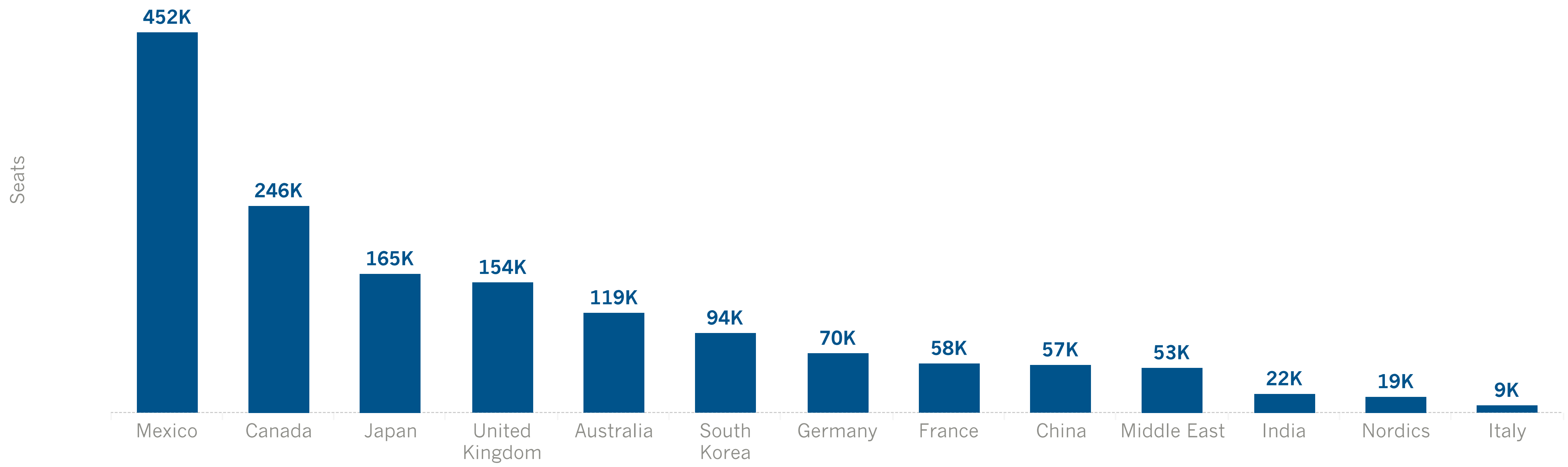
Data shown for Visit California target markets.

Source: Cirium

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 (March 2024)



YoY % Chg	15%	6%	20%	8%	35%	16%	-8%	-4%	354%	-15%	21%	-4%	91%

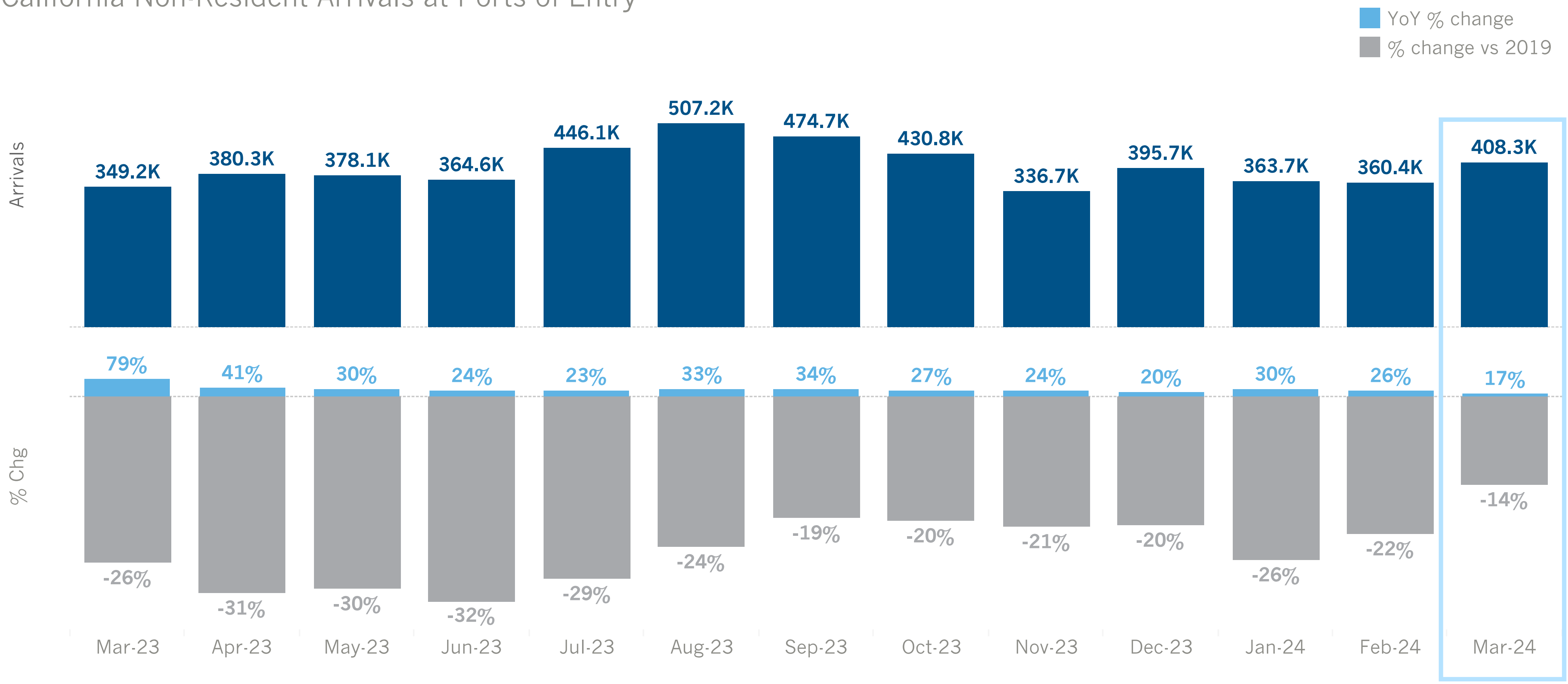
Data reported for: March 2024

Source: Cirium

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

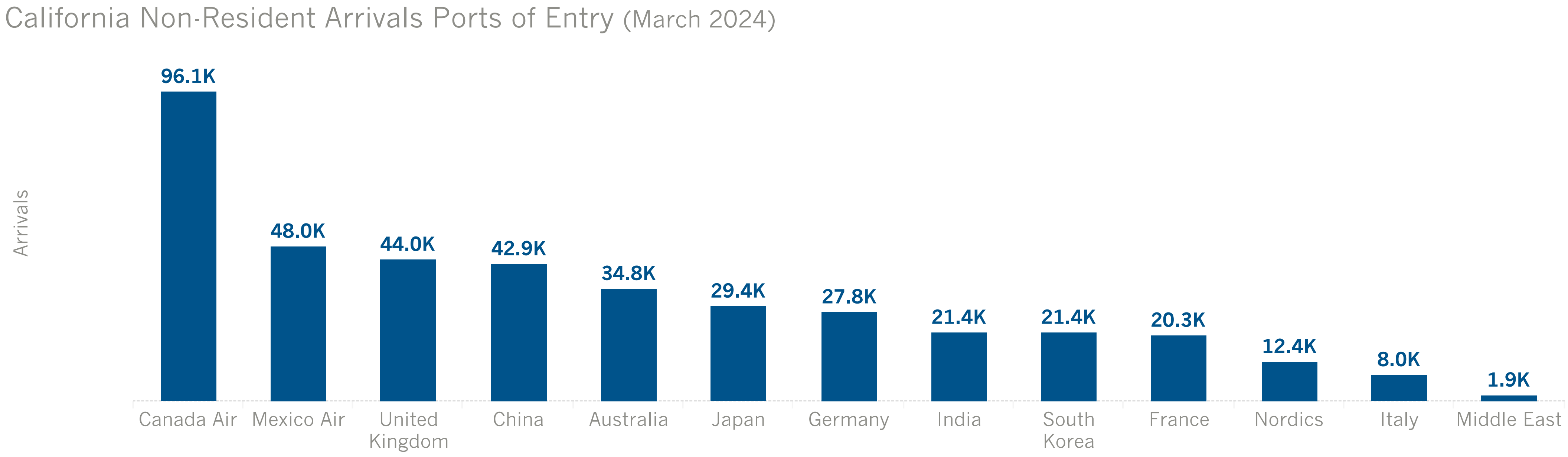


Data shown for Visit California target markets.

Source: NTTO/CIC Research

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.



	Canada Air	Mexico Air	United Kingdom	China	Australia	Japan	Germany	India	South Korea	France	Nordics	Italy	Middle East
YoY % chg	1%	51%	3%	92%	19%	21%	14%	22%	6%	9%	-6%	20%	-35%
% Chg vs 2019	-11%	35%	-6%	-29%	-25%	-42%	3%	8%	-20%	-15%	-25%	9%	-62%

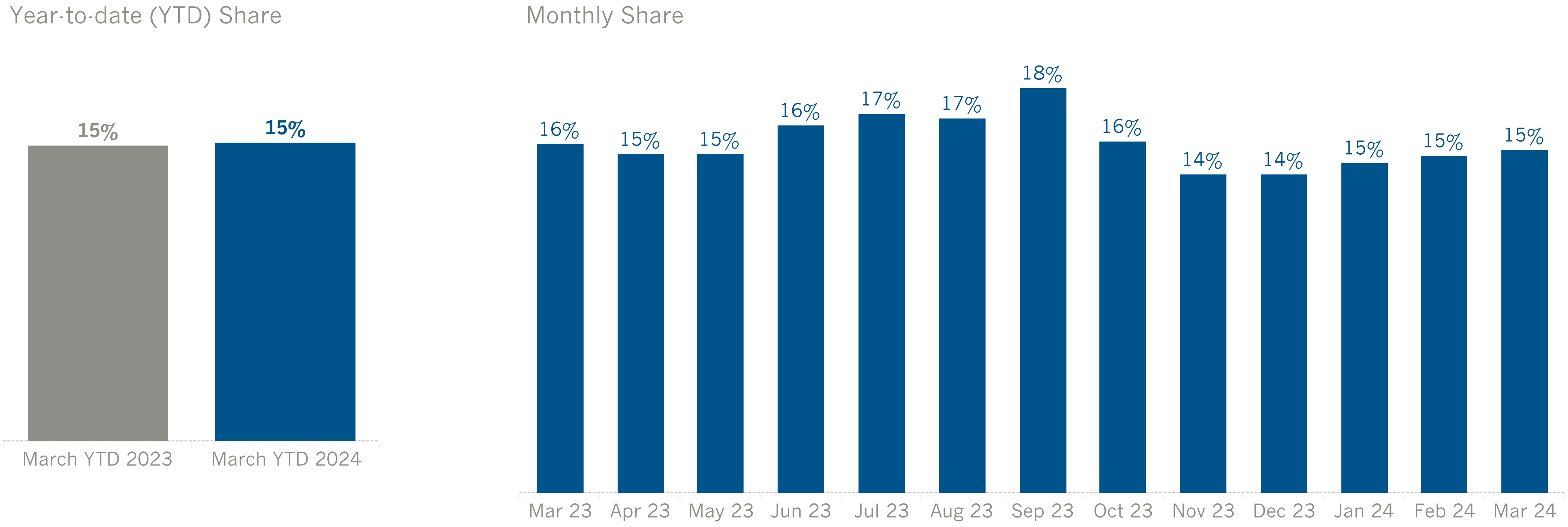
Data reported for: March 2024

Source: NTTO/CIC Research

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 (%)



Source: NTTO/CIC Research

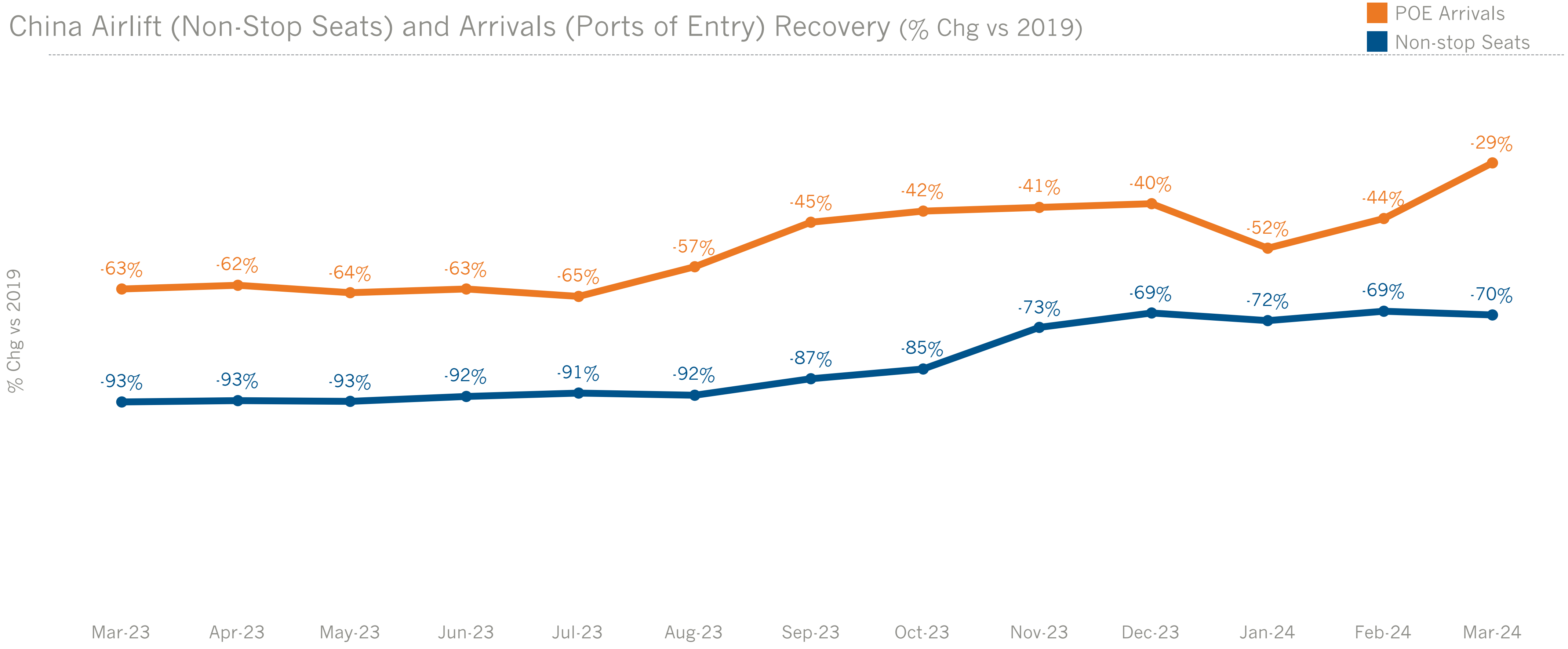
International Indicators:

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.



Data reported through: March 2024

Source: Cirium/NTTO

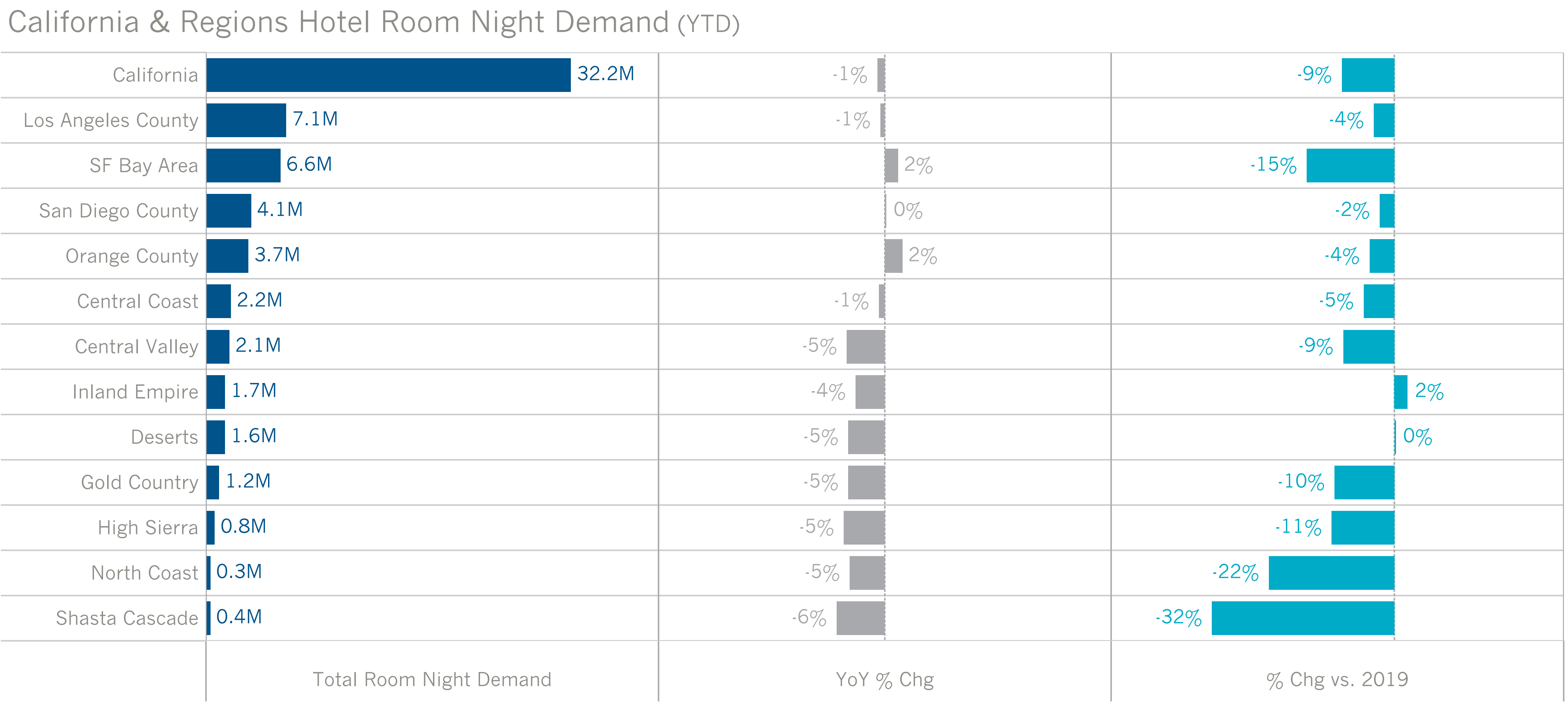
Appendix:

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 month.

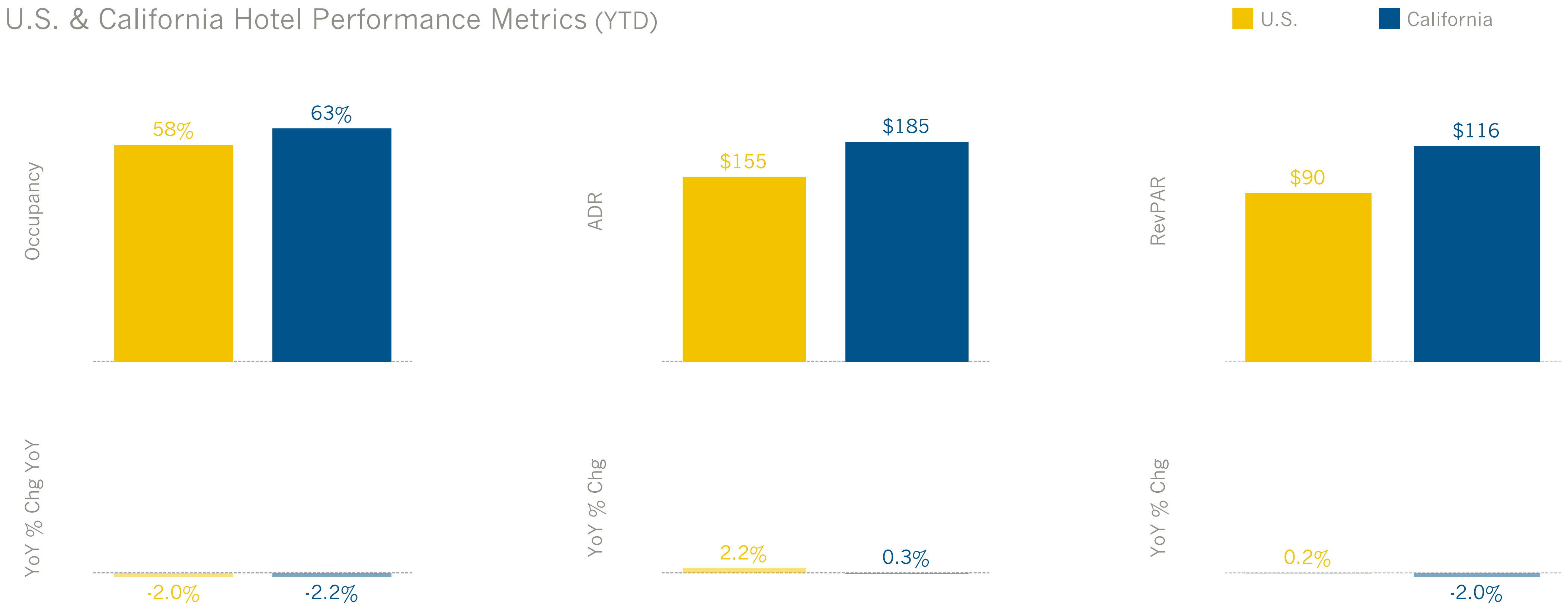


Data reported for: March 2024

Source: STR, LLC

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.



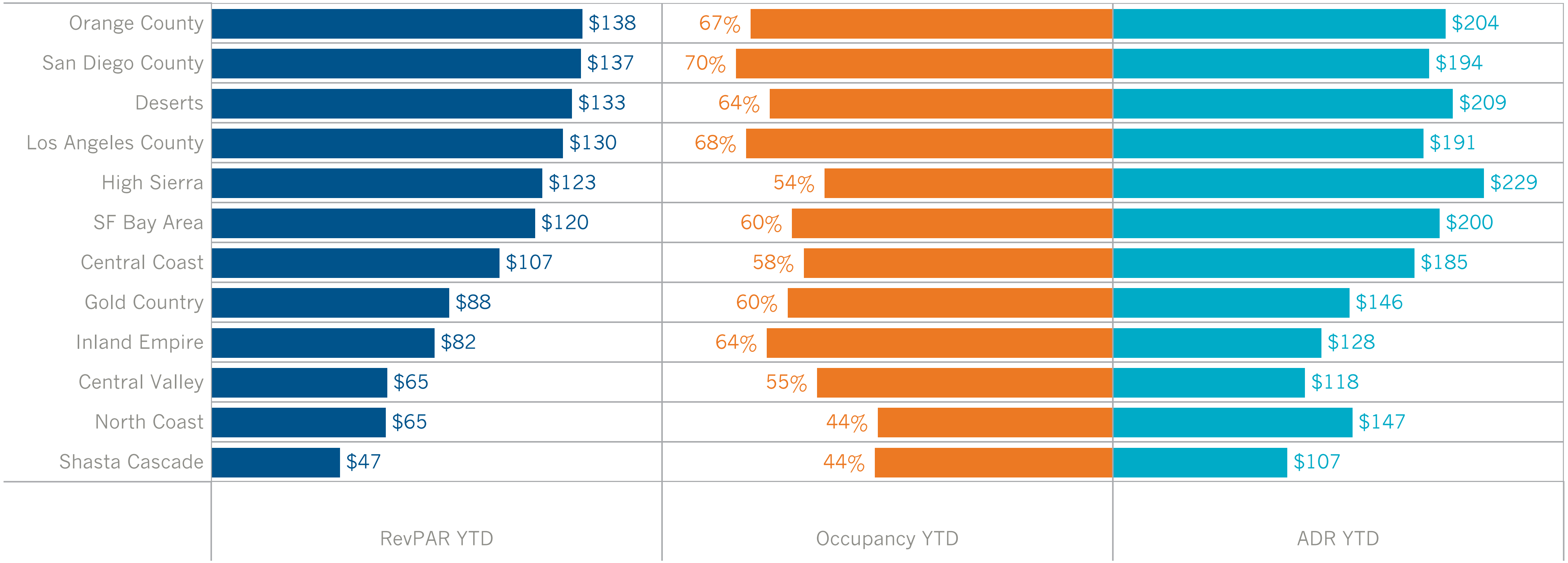
Data reported for: March 2024

Source: STR, LLC

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)



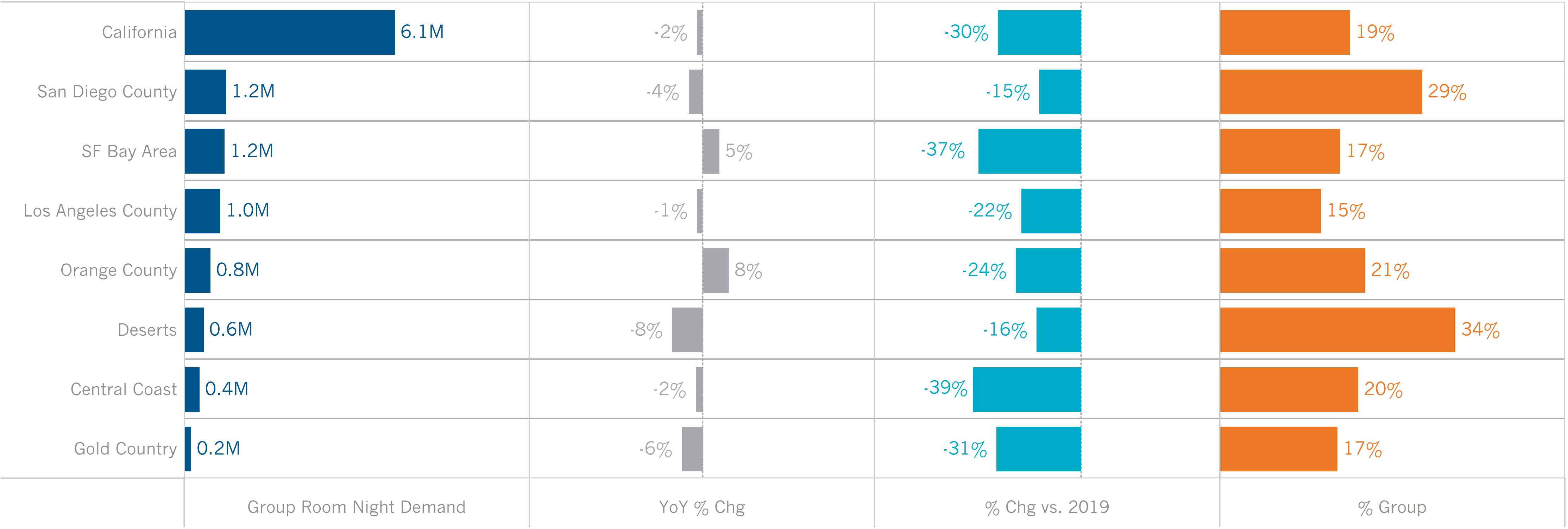
Data reported for: March 2024

Source: STR, LLC

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)



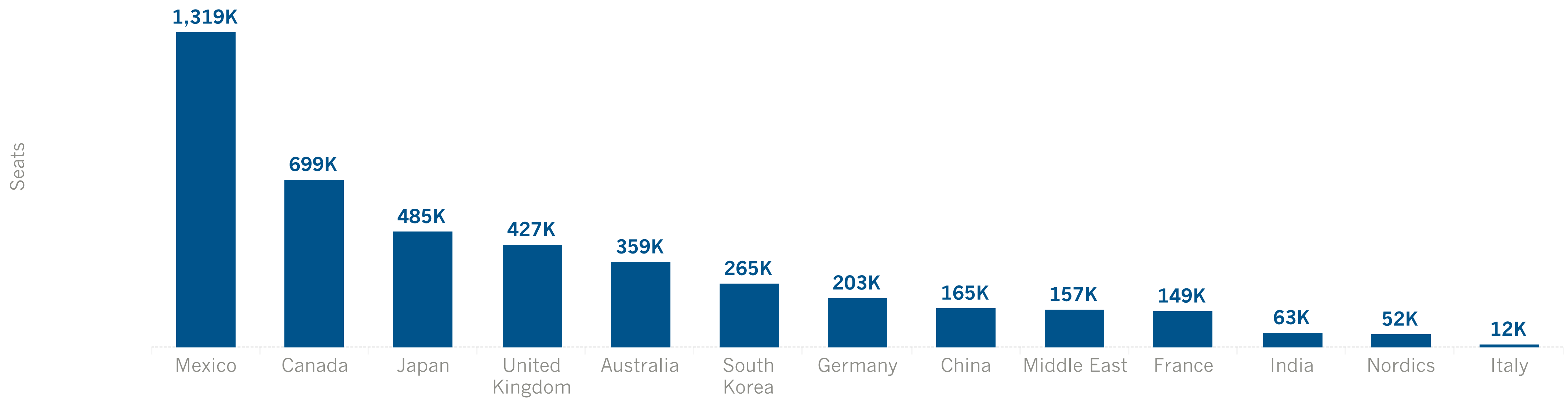
Data reported for: March 2024

Source: STR, LLC

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)



	Mexico	Canada	Japan	United Kingdom	Australia	South Korea	Germany	China	Middle East	France	India	Nordics	Italy
YoY % Chg	18%	6%	23%	9%	35%	15%	-4%	410%	-12%	-3%	19%	-4%	101%
% Chg vs 2019	25%	-7%	31%	-8%	-1%	5%	-1%	-70%	13%	-18%	128%	-10%	31%

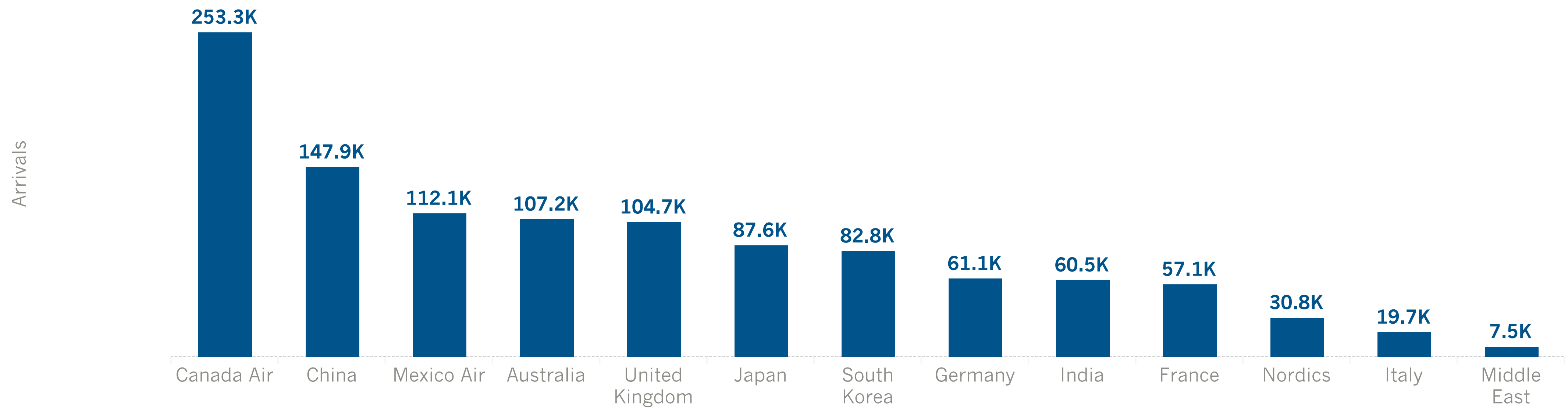
Data reported for: March 2024

Source: Cirium

California Non-Resident Arrivals by Market (YTD)

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)



	Canada Air	China	Mexico Air	Australia	United Kingdom	Japan	South Korea	Germany	India	France	Nordics	Italy	Middle East
YoY % Chg	7%	157%	44%	20%	0%	41%	13%	9%	23%	7%	-1%	22%	-15%
% Chg vs. 2019	-10%	-45%	21%	-24%	-18%	-36%	-20%	-8%	6%	-17%	-32%	-7%	-50%

Data reported for: March 2024

Source: NTTO/CIC Research