



TOURISM
ECONOMICS

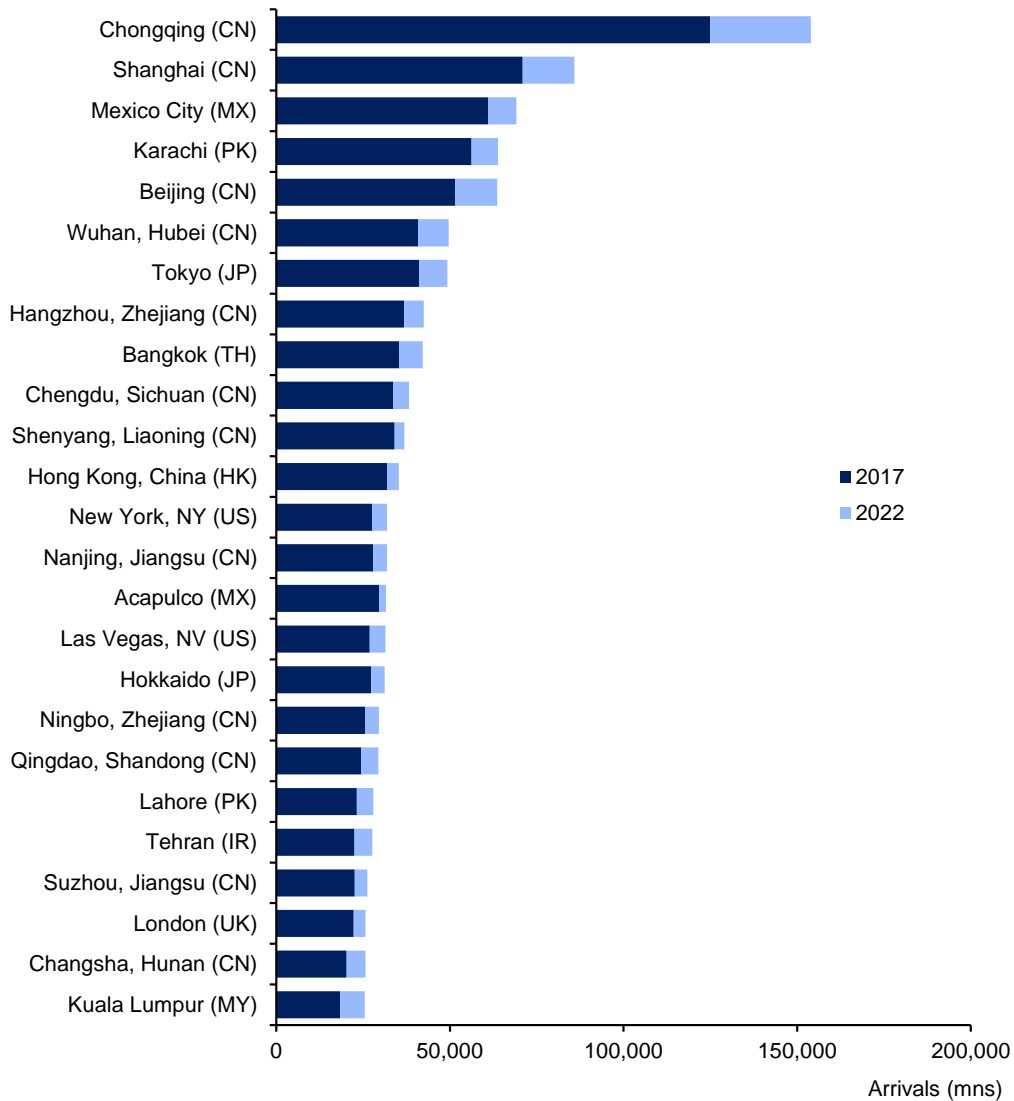


North America Inbound Tourism Outlook

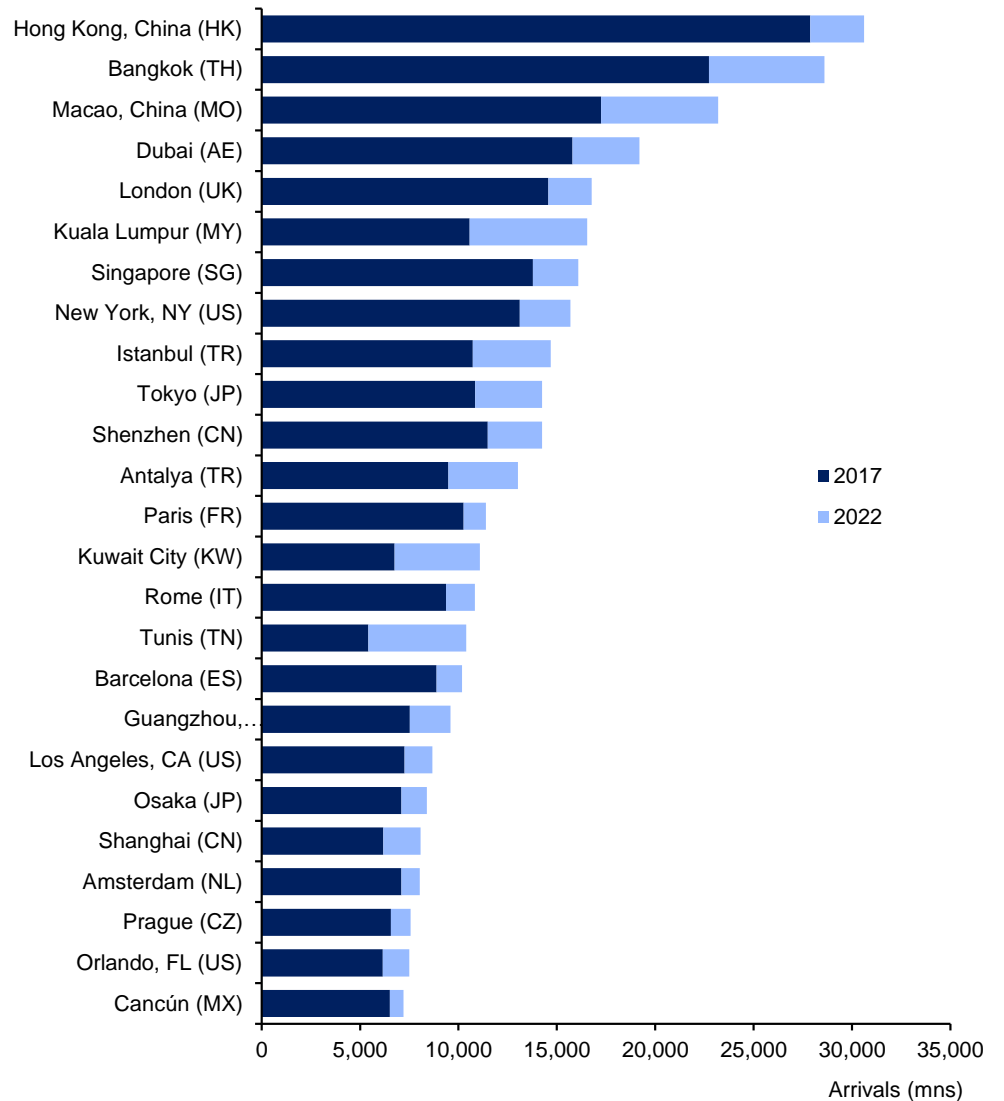
September 2018

Top Global Markets 2022

Global cities: total domestic and inbound arrivals
Top 25 markets, 2022



Global cities: international arrivals
Top 25 markets, 2022



Markets shown above are the world's 25 largest city destinations ranked according to expected total arrivals in 2022. The left-hand chart includes both domestic and international arrivals. The right-hand chart shows international arrivals only. Both charts show each city destination's size in 2022 as well as its size in 2017.

North America in Perspective

In 2001, North America received 14% of total global visitors. However, despite growth in arrivals its share has since diminished. Growth in recent years has been hampered by the strength of the US dollar for long-haul travel to the US.

The rate of economic growth in Asia and household wealth accumulation has created demand that did not previously exist, with the emergence of a new travel class in emerging markets such as China. Much of the new tourism demand has been for short-haul destinations, and notably within Asia. However, some North America has gained some demand from these emerging markets and stymied its loss of share to a degree.

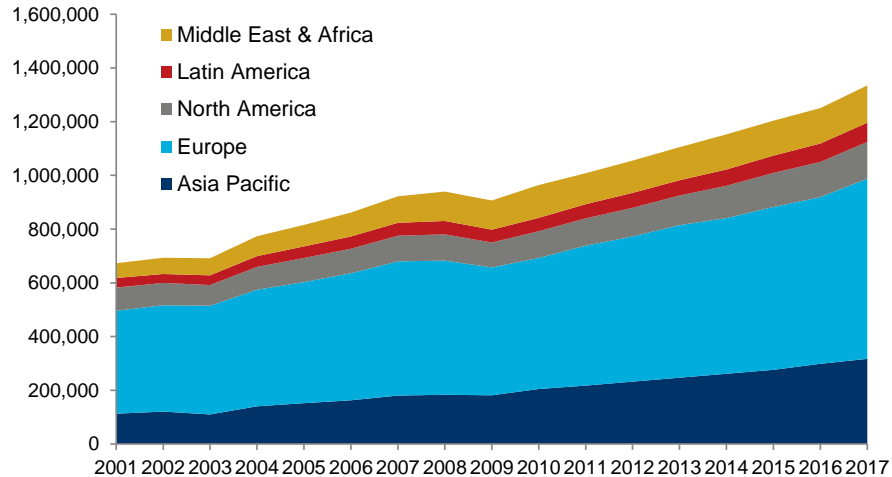
Many of the largest city destinations in the world for international travel are within North America and are set to enjoy continued growth in demand, even if this involves some loss of global market share.

The charts opposite show total international arrivals to country destinations at a regional level. For example, Europe includes total international arrivals at all European country destinations included within the Global Country Travel service.

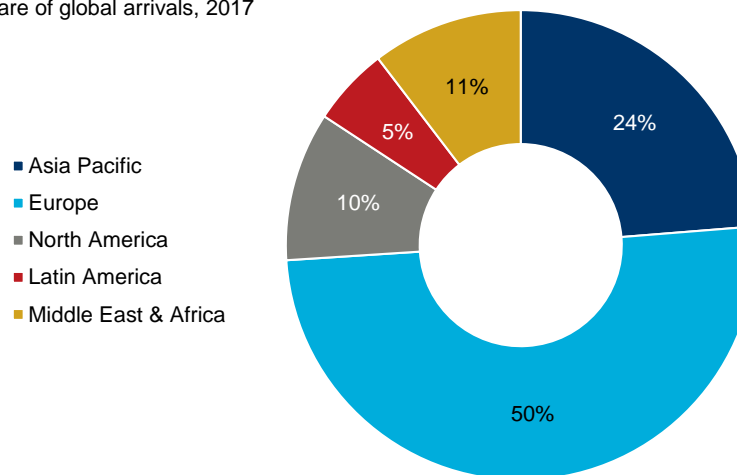
The top chart shows the total number of international arrivals growing over time since 2001 (with some decline following the global financial crisis in 2007-08) and the proportion of total arrivals owing to each region of the world.

The bottom chart gives a snapshot based on 2017 arrivals, by which point North America's share of total arrivals was 10%.

North America in the context of global arrivals
No. of arrivals (000s)



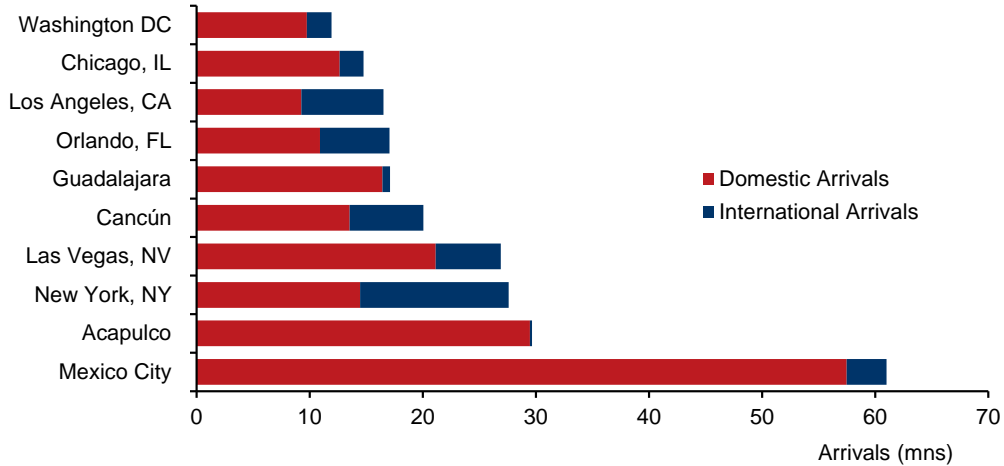
Share of international travel by region
No. of arrivals (000s), 2017
% share of global arrivals, 2017



Top North American Markets, Arrivals 2017 vs. 2022

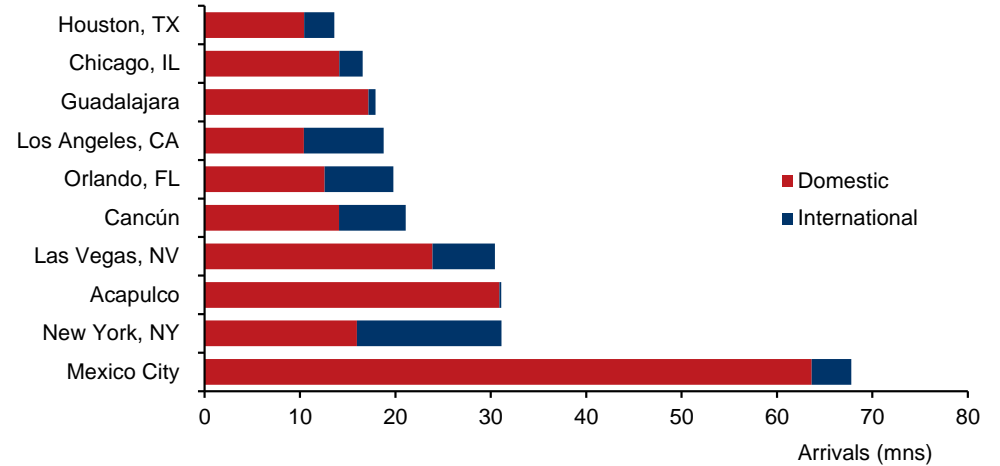
North American cities: total arrivals

Top 10 markets, 2017



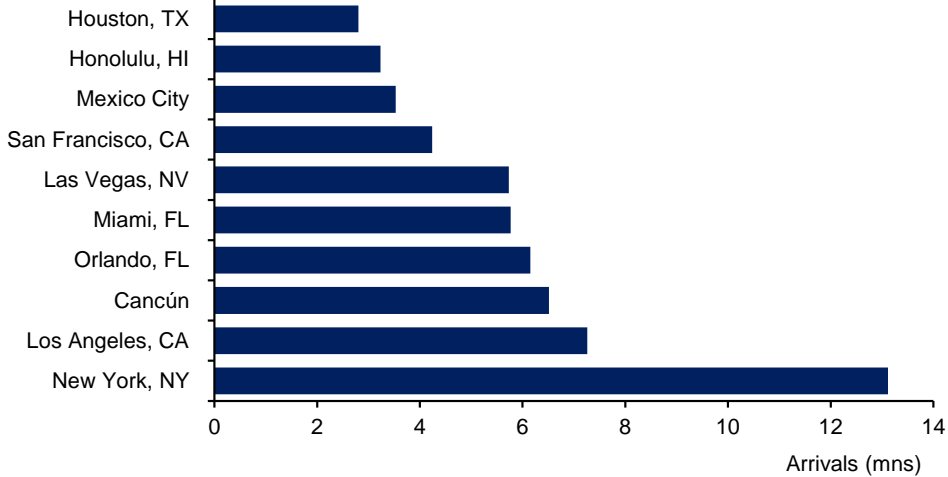
North American cities: total arrivals

Top 10 markets, 2022



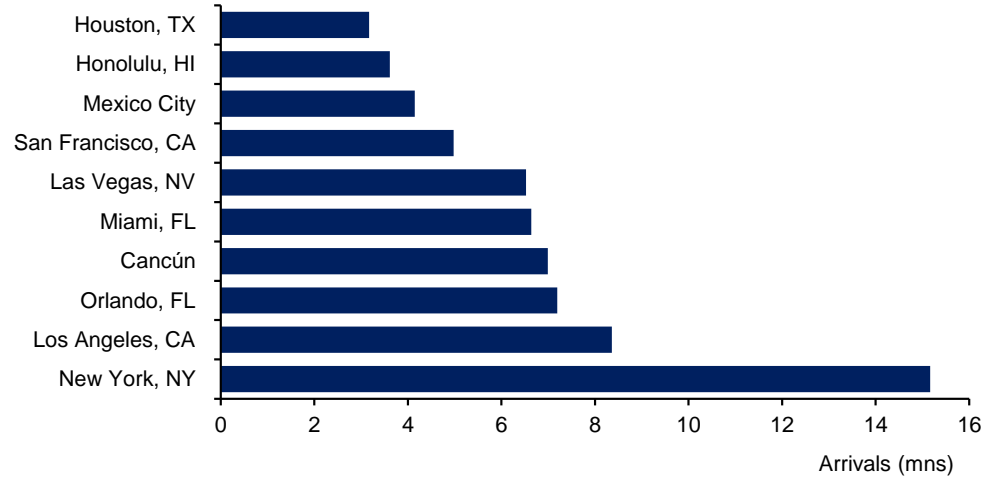
North American cities: international arrivals

Top 10 markets, 2017



North American cities: international arrivals

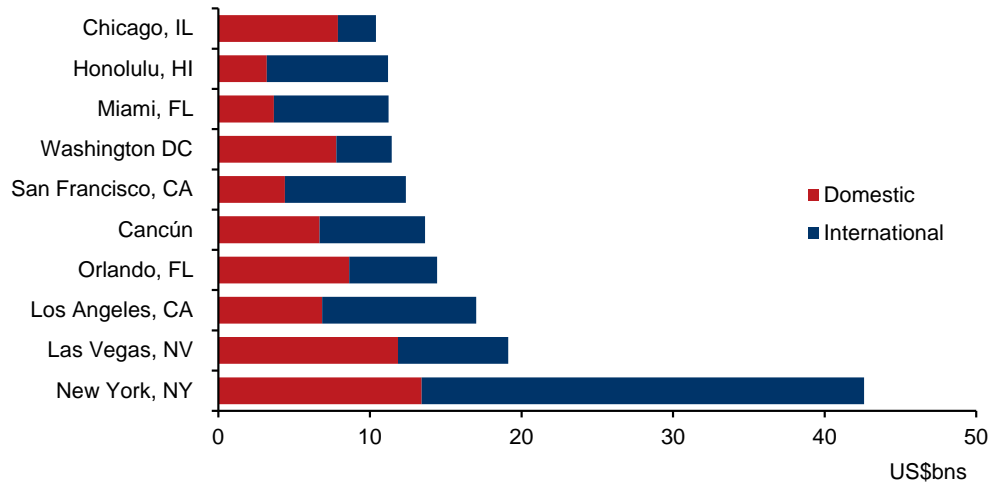
Top 10 markets, 2022



Top North American Markets, Expenditure 2017 vs. 2022

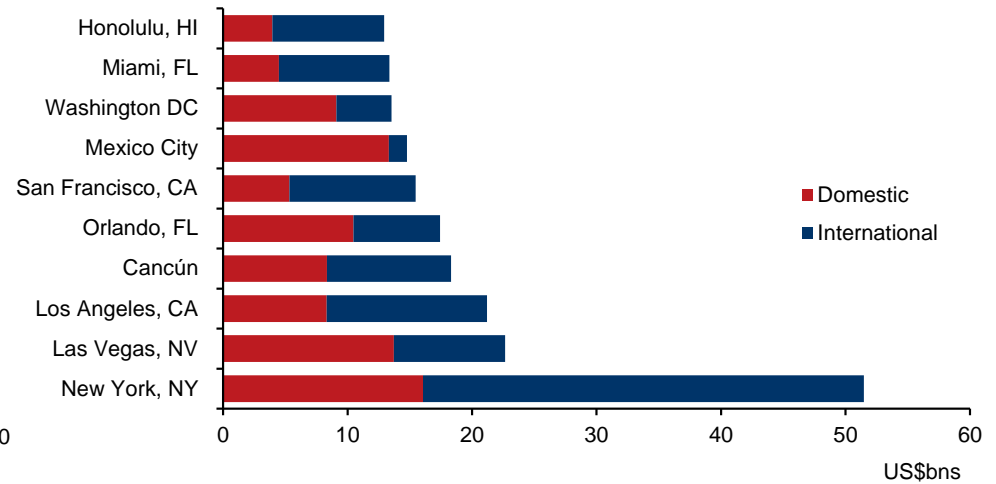
North American cities: total expenditure

Top 10 markets, 2017



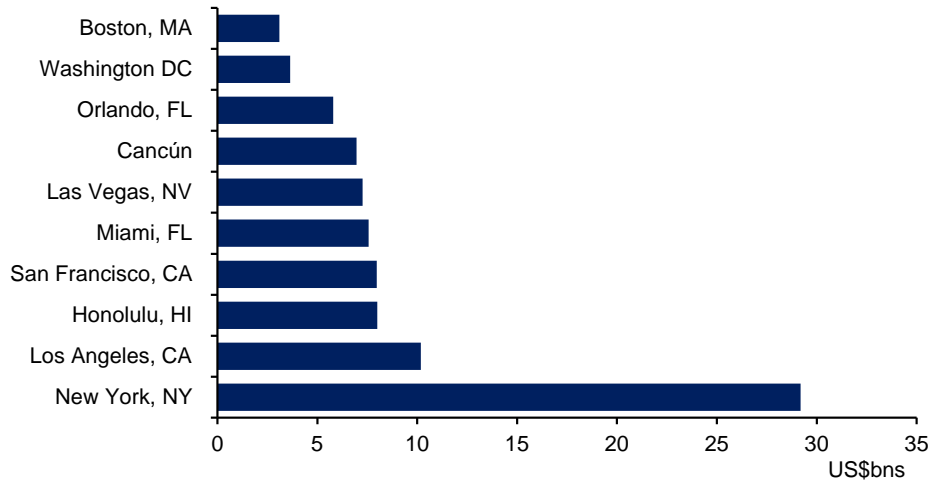
North American cities: total expenditure

Top 10 markets, 2022



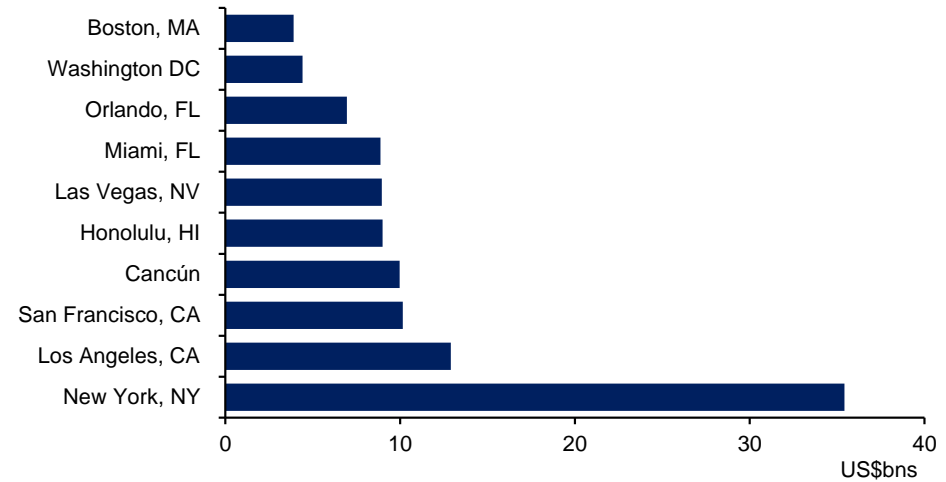
North American cities: international expenditure

Top 10 markets, 2017



North American cities: international expenditure

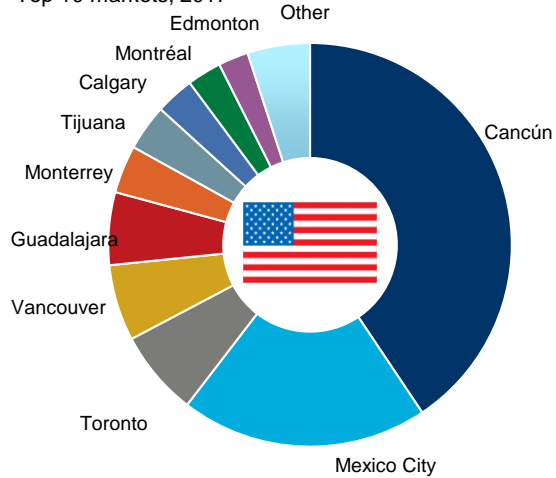
Top 10 markets, 2022



North American Source Markets 2022

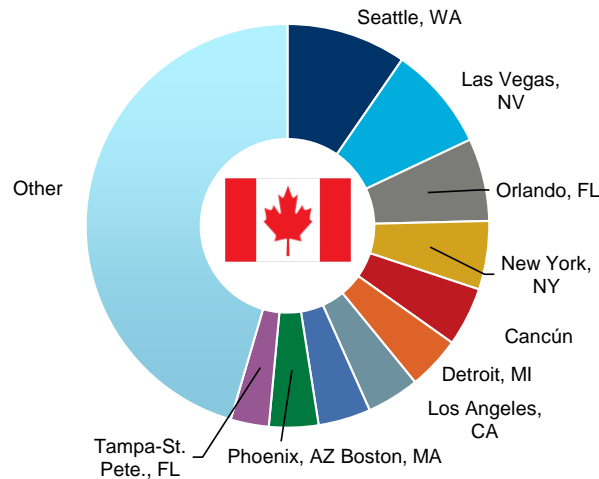
Top city destinations, foreign travel from USA

Top 10 markets, 2017



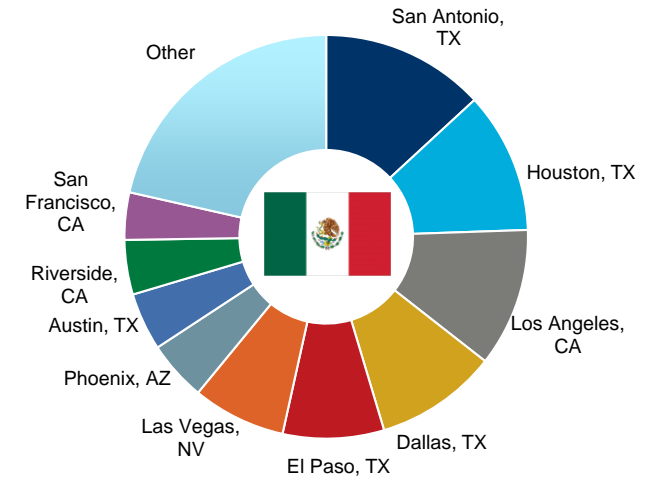
Top city destinations, foreign travel from Canada

Top 10 markets, 2017



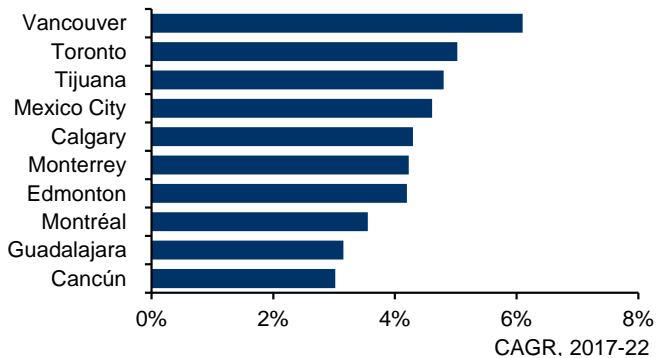
Top city destinations, foreign travel from Mexico

Top 10 markets, 2017



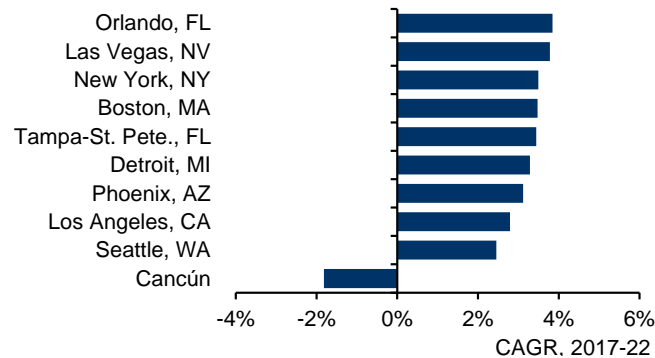
Expected arrivals growth, top destinations from USA

City destinations based on 2017 levels



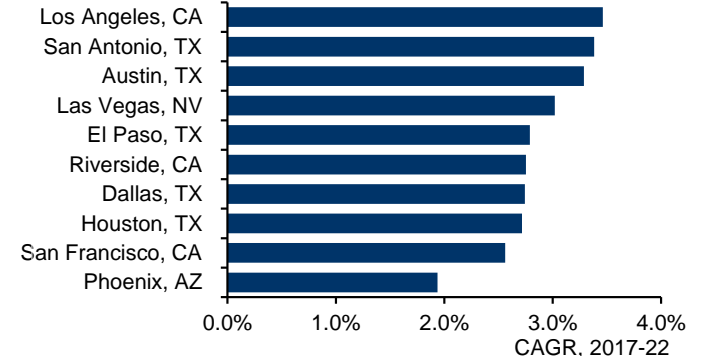
Expected arrivals growth, top destinations from Canada

City destinations based on 2017 levels



Expected arrivals growth, top destinations from Mexico

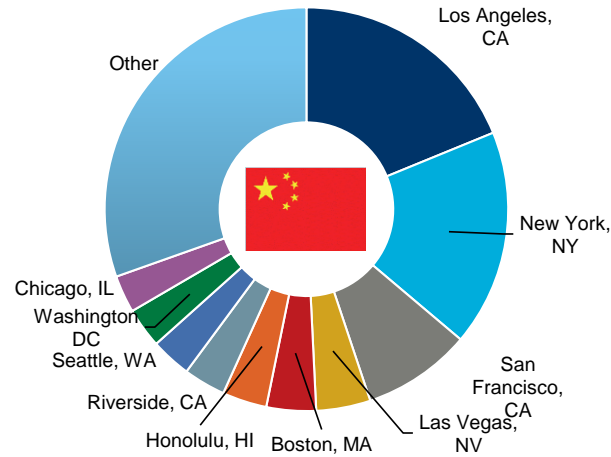
City destinations based on 2017 levels



Largest Asia-Pacific Source Markets 2022

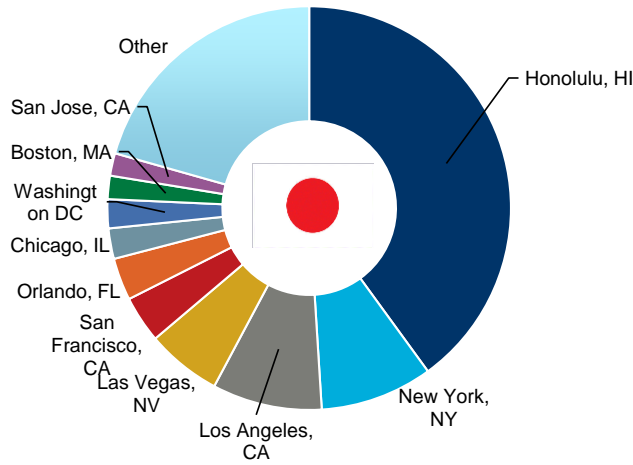
Top city destinations, foreign travel from China

Top 10 markets, 2017



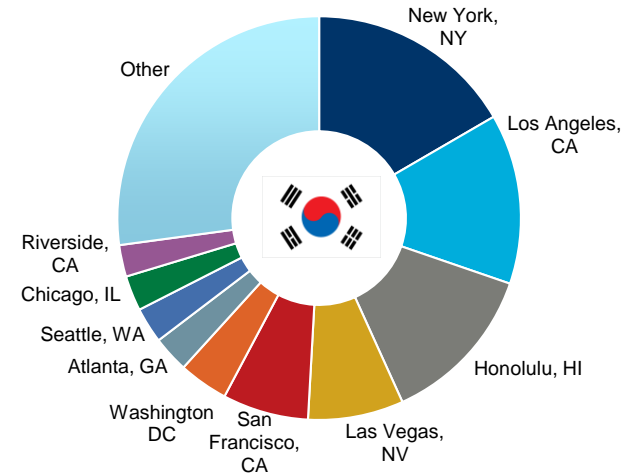
Top city destinations, foreign travel from Japan

Top 10 markets, 2017



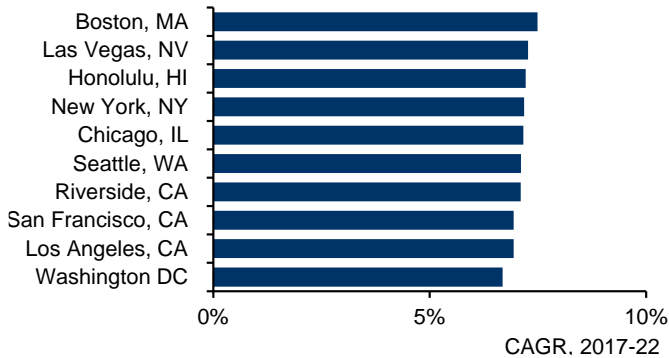
Top city destinations, foreign travel from S.K.

Top 10 markets, 2017



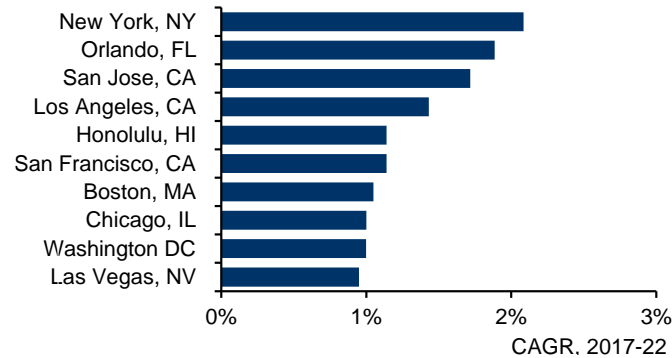
Expected arrivals growth, top destinations from China

City destinations based on 2017 levels



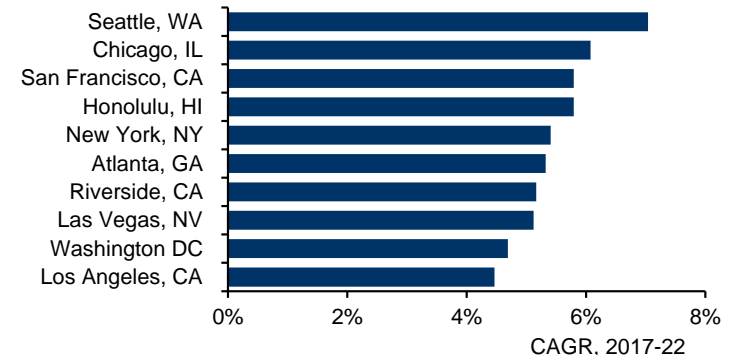
Expected arrivals growth, top destinations from Japan

City destinations based on 2017 levels



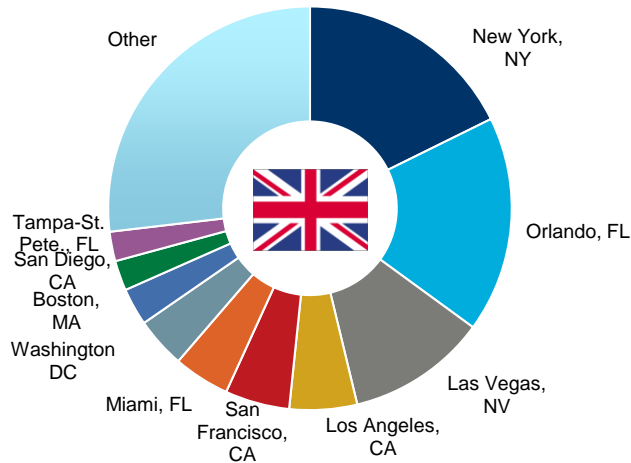
Expected arrivals growth, top destinations from S.Korea

City destinations based on 2017 levels

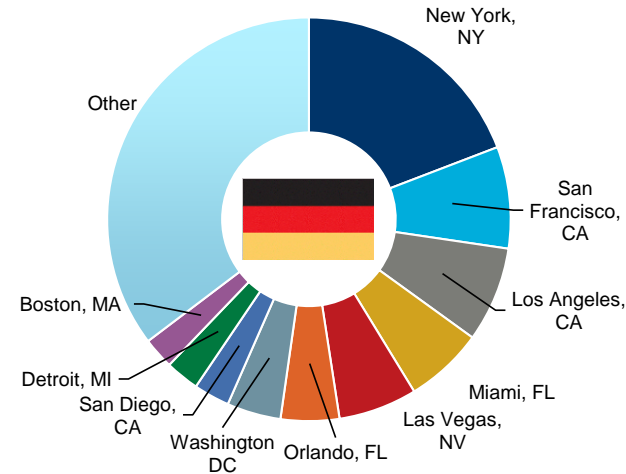


Largest EU Source Markets 2022

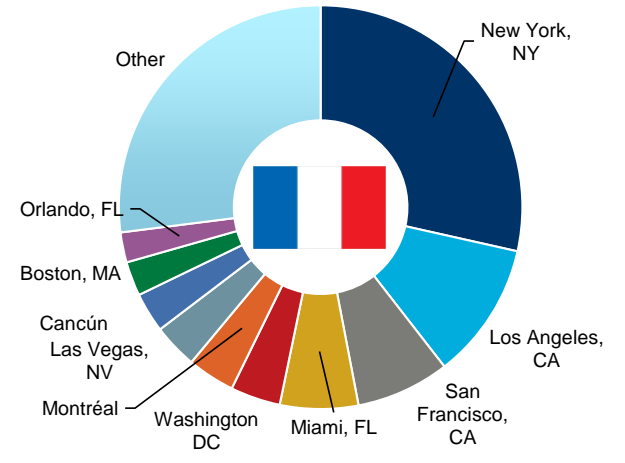
Top city destinations for foreign travel from UK
Top 10 markets, 2017



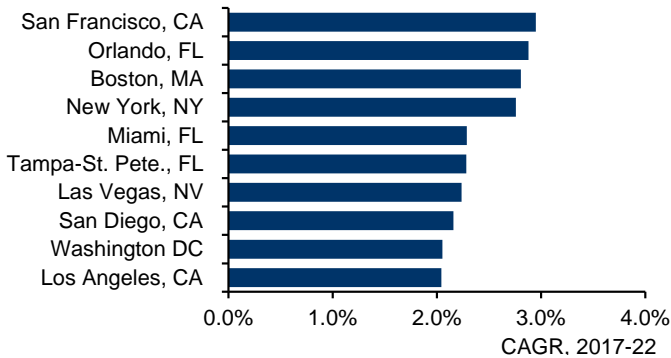
Top city destinations for foreign travel from Germany
Top 10 markets, 2017



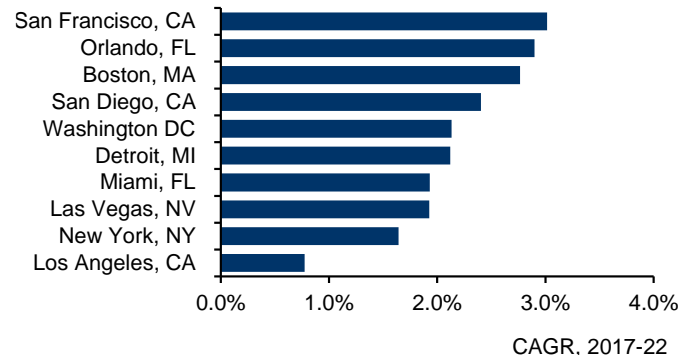
Top city destinations for foreign travel from France
Top 10 markets, 2017



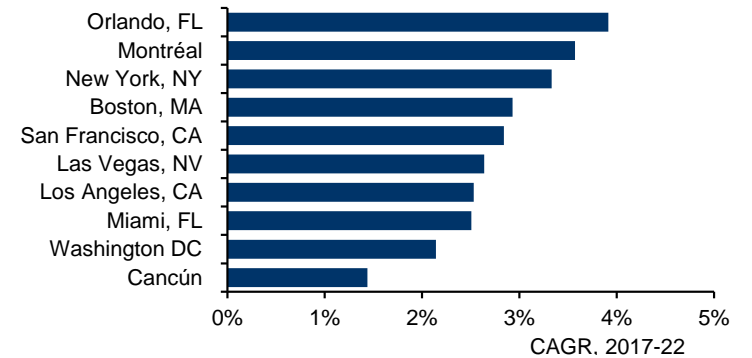
Expected arrivals growth for top destinations from UK
City destinations based on 2017 levels



Expected arrivals growth for top destinations from Germany
City destinations based on 2017 levels



Expected arrivals growth for top destinations from France
City destinations based on 2017 levels



Importance of Tourism

Tourism can play an important role in the context of economic growth. Tourism can provide jobs and improve the wealth of an area and many cities are keen to develop tourism in order to become richer and to improve the quality of life for their inhabitants.

The chart opposite shows the full complement of North American city destinations included within the Global City Travel service (however, not all are labelled) The cities labelled are outlying significant city destinations. It charts historical tourism growth (in the form of overnight arrivals) against GDP growth over a 5-year period spanning 2012-17, with growth given as the average rate per annum over that period.

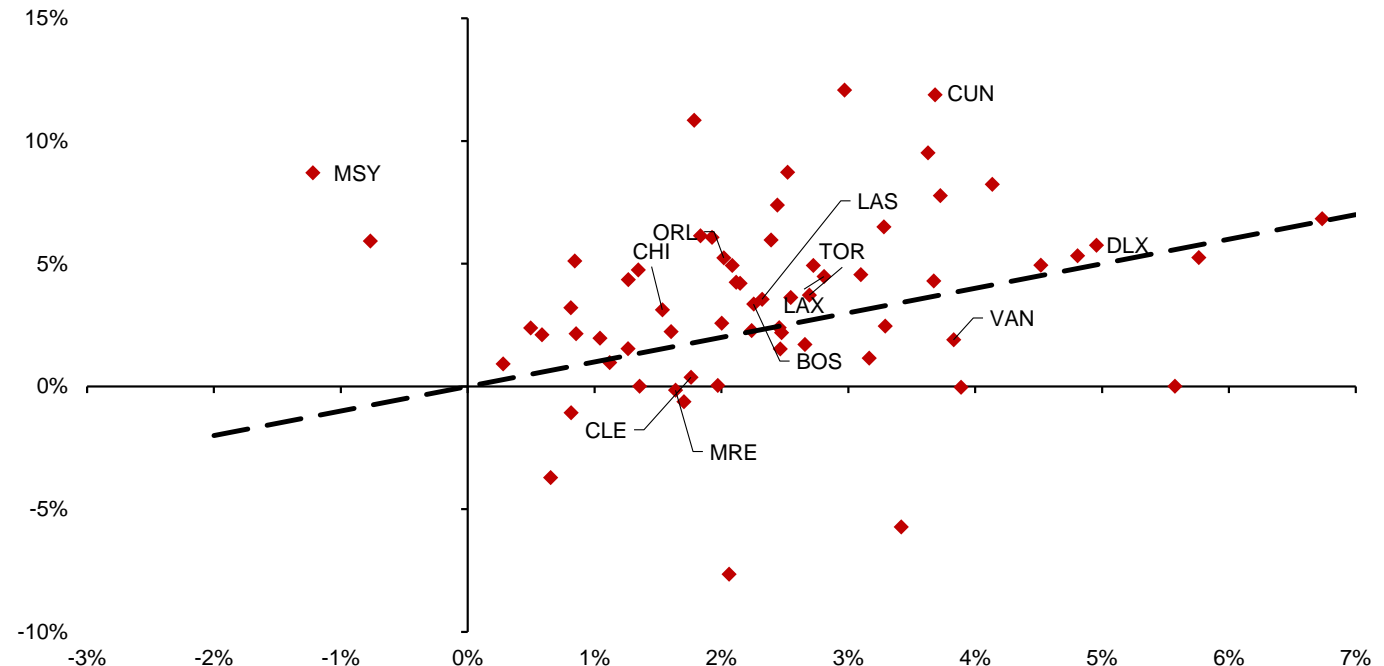
Above the dotted line are those city destinations where tourism growth outpaced economic growth over the period (tourism leading economies). Below the dotted line are those city destinations where tourism growth fell short of economic growth over the period (tourism lagging economies).

The majority of North American city destinations had tourism leading economies over the 2012-17 period.

North American cities: foreign arrivals growth vs GDP growth

In cities above the line tourism leads economic growth and below tourism lags economic growth

Arrivals CAGR, 2012-17



Source: Oxford Economics

Legend

- | | |
|---------------------|-----------------------|
| BOS - Boston, MA | LAX - Los Angeles, CA |
| CHI - Chicago, IL | MRE - Montreal |
| CLE - Cleveland, OH | MSY - New Orleans, LA |
| CUN - Cancún | ORL - Orlando, FL |
| DLX - Dallas, TX | TOR - Toronto |

Future Importance of Tourism

The chart opposite shows the full complement of North American city destinations included within the Global City Travel service (however, not all are labelled). The cities labelled are outlying significant city destinations. It charts expected tourism growth (in the form of overnight arrivals) against GDP growth over a 5-year period spanning 2017-22, with growth given as the average rate per annum over that period.

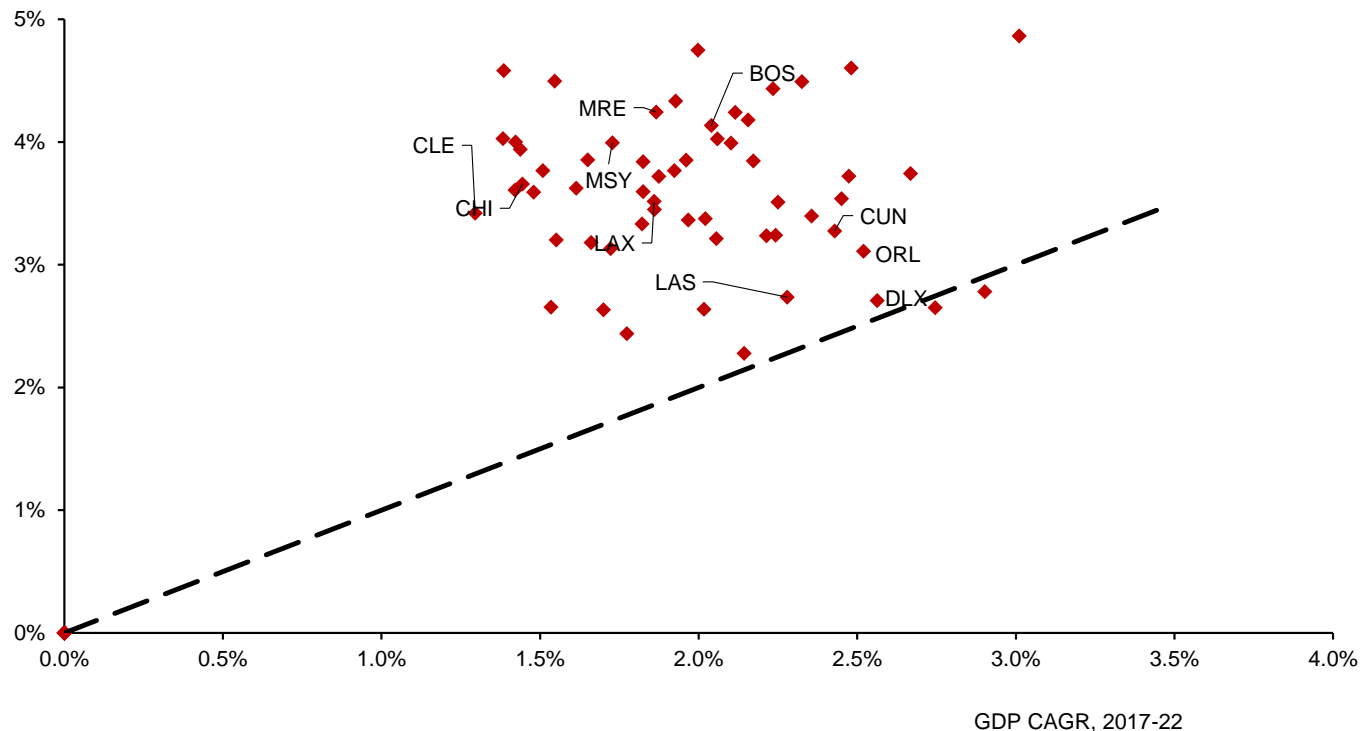
Above the dotted line are those city destinations where tourism growth is expected to outpace economic growth over the period (tourism leading economies). Below the dotted line are those city destinations where tourism growth is expected to fall short of economic growth over the period (tourism lagging economies).

The vast majority of North American city destinations are expected to have tourism leading economies over the 2017-22 period.

North American cities: foreign arrivals growth vs GDP growth

In cities above the line tourism leads economic growth and below tourism lags economic growth

Arrivals CAGR, 2017-22



Source: Oxford Economics

Legend

- | | |
|---------------------|-----------------------|
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Market Size versus Market Growth

The charts opposite shows the top North American city destinations (as included within the Global City Travel service) in terms of international arrivals in 2017 (top) and expected international arrivals in 2022 (bottom). Arrivals are plotted relative to average per annum growth over the periods 2012-17 and 2017-22 respectively.

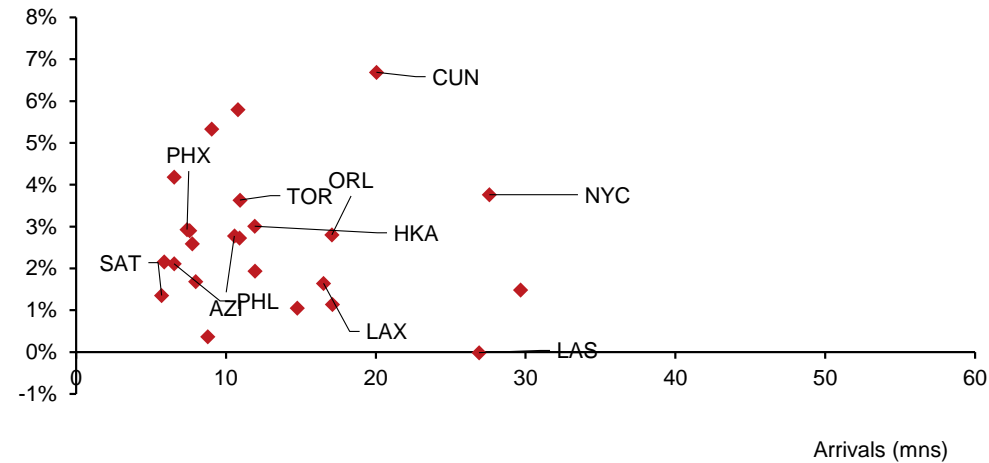
Mexico city was the largest North American city destination in 2017 and is expected to remain as the largest to 2022. However, some faster growth is expected in the forecast period compared to the historical period (0.4% vs. 2.5%).

Acapulco was the second largest North American city destination in 2017 but is expected to be overtaken by New York by 2022. Tourism growth to New York is expected to be somewhat slower in the forecast period (2017-22) compared to the historical growth period (2012-17).

North American cities: international arrivals vs historical growth

Top 25 markets ranked by international arrivals, 2017

CAGR, 2012-17



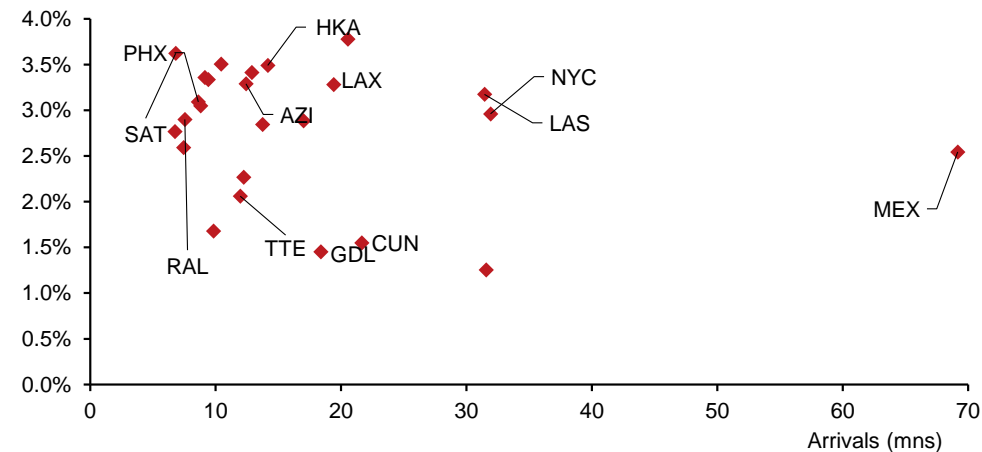
Legend

- CUN - Cancún
- DET - Detroit, MI
- HKA - Houston, TX
- LAS - Las Vegas, NV
- LAX - Los Angeles, CA
- MEX - Mexico City
- NYC - New York, NY
- ORL - Orlando, FL
- PHL - Philadelphia, PA
- PHX - Phoenix, AZ
- TOR - Toronto

North American cities: international arrivals vs forecast growth

Top 25 markets ranked by international arrivals, 2022

CAGR, 2015-20



Legend

- CUN - Cancún
- DET - Detroit, MI
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- PHL - Philadelphia, PA
- PHX - Phoenix, AZ
- TOR - Toronto
- WAS - Washington DC

About Us

Tourism Economics

Tourism Economics is an Oxford Economics company with a singular focus on quantitative analysis of the travel industry. By combining rigorous modeling with industry knowledge, Tourism Economics develops custom market strategies, industry forecasts, policy analysis and economic impact studies. Our parent company, Oxford Economics, is one of the world's leading providers of economic analysis, forecasts and consulting advice. Founded in 1981 as a joint venture with Oxford University's business college, Oxford Economics enjoys a reputation for high quality, quantitative analysis and evidence-based advice.

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