THE TRAVEL INDUSTRY WILL CONTRIBUTE A RECORD $11.1 TRILLION TO THE GLOBAL ECONOMY BY 2024

According to a survey conducted in 185 countries, more than 75% are expected to surpass their tourism performance levels in 2019. Additionally, almost all of these countries are predicted to grow year-on-year. The travel industry is expanding globally and is forecasted to reach an unprecedented amount of US$11.1 trillion this year, surpassing its previous record of US$10 trillion in 2019.

The World Travel & Tourism Council (WTTC) has released its Global Economic Impact Research 2024 report. The report provides forecasts by gathering information from governments and industry groups about international tourism arrivals and spending during the previous year and analyzing supply and demand in the travel industry.

Tourism will become a US$16 trillion industry in the next decade, making up 11.4% of the global GDP. Currently, one in ten people are employed in tourism-related jobs, and by 2034, it is estimated that 12.2% of the world's jobs will be linked to this sector.

However, the report's details offer a more nuanced and remarkable picture. The record travel rebound in 2023 occurred without a significant contribution from the Chinese and U.S. markets, where international arrivals continued to lag far behind the pre-pandemic levels. The potential for record numbers this year relies on the recovery of these markets.

The report classifies travel transactions into three types. Firstly, direct travel spending entails all expenses related to travel, such as hotels, tours, transportation, and public investment in these services.

Secondly, indirect travel spending measures the ripple effect of these companies' spending. This category includes expenditures such as linens and towels that hotels purchase from local suppliers or ingredients purchased in bulk for the breakfast buffet.

Lastly, induced spending considers the effects of hospitality employees using their wages to stimulate their local economies.

The travel industry in the United States has been an exception due to the increase in the dollar value, making it more expensive for people from countries experiencing inflation to visit the U.S. Additionally, visa delays have contributed to the decrease in international travel spending. As a result, the expenditure on inbound international visits to the U.S. is still more than 25% below the levels seen before the pandemic.

In contrast, China's tourism economy has had the most minor recovery, with visitor spending lagging by 60% compared to pre-pandemic levels. Notably, people spend more money on domestic travel than international travel. Domestic travel will represent a record $5.4 billion this year, a 10% increase over 2019.

142 out of 185 countries are projected to surpass their tourism performance levels from 2019 by

2024, with nearly all countries also expected to see tourism growth every year. This suggests that not only will the travel industry break records this year (assuming everything goes according to plan), but each country will also achieve new levels of success.

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