HOW MUCH DOES A COUNTRY REALLY BENEFIT FROM TOURISM INDUSTRY?



The latest Power, Efficiency & Opportunity (PEO) Indices developed by the World Travel & Tourism Council (WTTC) with Oxford Economics (and supported by OMRAN Group) measure Travel & Tourism performance across 184 economies. Launched at World Travel Market London in November 2026, the indices look beyond traditional metrics like visitation and economic contribution to provide a clearer picture of how a country performs in terms of Power (economic scale and influence), Efficiency (resource use and environmental impact), and Opportunity (jobs and opportunities).

Tourism is a major economic contributor to the global economy, contributing around $11.6 trillion to global GDP in 2025 (9.8% of the global economy) and creating a vast number of jobs. However, **looking at how much a country contributes economically doesn't provide much information about how resource efficient it is and what opportunities it offers.** The new PEO Indices have been developed to provide greater insight by taking into account ecological and social factors.

The Three Interlinked Indices

The Power, Efficiency & Opportunity indices can be broken down into the following three indices:

- **Power** – Measures the economic scale and influence of Travel & Tourism using GDP contribution, employment and investment.
- **Efficiency (environmental)** – Measures how efficient the tourism industry is, by relating economic contribution to environmental impact. This includes greenhouse gas emissions, water usage, air pollution, material use and low-carbon energy.
- **Opportunity** – Measures the jobs and inclusive growth created. This includes how many jobs are created in tourism as a percentage of total jobs, growth in employment and how many women and young people are involved.

Countries are often grouped together based on their income level from the World Bank to provide fairer comparisons. The indices should be viewed together to provide a clearer picture for policymakers, investors and leaders to understand how well they are doing.

Power: Economic Strength Concentrated at the Top

The research shows that tourism still has a high concentration of power. The top 20 tourism economies made up around 81% of global Travel & Tourism GDP in 2024. The United States, China and India are the top 3 countries in the Power rankings. Germany came in at number 4. The rest of the top 10 globally are France, the United Kingdom, Japan, Mexico, Spain and Saudi Arabia.

Whilst some of the largest economies are dominating the rankings, there are some countries that are performing well in terms of investment and employment.

Environmental Efficiency: Progress and Leaders

This looks at how well the tourism industry is performing ecologically in comparison to how much it

contributes economically. Although these indices have only recently been launched in 2026, the research looks back at historical data. Globally, the score has improved by 2.3 points between 2019 and 2024. This has been driven by improvements in low-carbon energy (+6.7 points) and reduced greenhouse gas intensity (-3.9 points). Many destinations are becoming less environmentally intensive.

Sweden leads high-income countries and Costa Rica leads upper-middle-income countries. This shows that it is possible to have a high score in terms of ecological performance regardless of the development stage of a country.

Opportunity: Jobs, Inclusion, and Social Impact

The opportunity index looks at how many jobs are created and how inclusive the industry is. This includes how much tourism contributes to total jobs, how much employment has grown and how many women and young people are involved.

Croatia leads high-income countries, the Maldives leads upper-middle-income countries, El Salvador leads lower-middle-income countries, and The Gambia leads low-income countries. The Maldives, Grenada and Belize show how much tourism contributes to employment in their countries.

Why the PEO Indices Matter

The research shows that the most economically powerful tourism countries aren't necessarily the most ecologically efficient or providing the most opportunities. **By breaking down the three factors and putting them back together, governments, investors and businesses have a more detailed benchmark.**

This encourages a move towards a tourism industry which provides more benefits to people, communities and the environment in addition to growing GDP and visitation. With pressure on destinations to grow in an inclusive and sustainable way, this provides a practical benchmark for everyone.

Date: 2026-11-15

Article link:
https://www.tourism-review.com/report-reveals-not-only-the-profitability-of-tourism-industry-news15718