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JANUARY 2026

The Power of Travel 2050

OUR PERSPECTIVE ON THE NEXT GOLDEN ERA OF TRAVEL

The Power of TR[AI]VEL

ALVAREZ & MARSAL

Context and objective of the study

This study is the result of a collaboration between Alvarez & Marsal and Google, combining their deep travel and tourism expertise with advanced data and analytics capabilities

The objective is to provide a forward-looking perspective on global travel trends, across source markets, destinations, and domestic travel, to support strategic planning and decision-making

Predictive models estimate future tourism flows using 20+ variables, billions of Google searches, 90k+ tourism datapoints, and Iberia travel trends

The analysis outlines actionable implications for travel operators to consider by 2030 in preparation for long-term industry trends

Executive Summary

Travel's Foundations Are Stronger Than Ever

Travel's structural foundations are stronger than ever, supported by accelerating wealth creation, longer and healthier lifespans, travel becoming a lifestyle necessity, and increasingly diversified global travel corridors.

Global Travel Will Double and Shift Towards APAC

By 2050, travel is expected to double to ~3.5 billion international trips and reach ~$6.0 trillion in international spend, adding around ~$4.2 trillion versus 2025. APAC will surpass Europe as the world's largest source market, while Europe will remain the top destination, although losing share to APAC. Growth in APAC will be driven mainly by short-haul intraregional travel, while Europe benefits from a more favorable long-haul mix.

Domestic Travel Will Remain the Industry's Backbone

Domestic travel will remain the backbone of the industry, accounting for over 90% of all trips. Trips per capita (domestic + outbound), will increase across key markets, reaching ~5 trips per year compared with ~3.5 today, led by emerging economies. The United States will continue to lead in travel frequency, at ~8 trips per person per year.

Commercial Zones Will Guide Investment Decisions

Investment decisions will increasingly be shaped by commercial zones. Europe and the US will be yield-focused markets where higher spend per trip and ancillaries drive margins, while APAC, MEA, and LATAM will be volume-led growth that require fast footprint expansion, and domestic markets will serve as loyalty platforms.

Volume Alone Won't Deliver Sustainable Profitability

Incremental volume will not guarantee sustainable profitability. It will come with a complexity tax as growth fragments, customer expectations rise, travel patterns shift, operational complexity intensifies, and investors demand more consistent returns. Companies will need clear strategies, greater agility and adaptability in their operating models, and healthy balance sheets to withstand unexpected shocks and disruptions.

AI Will Become the Industry's Biggest Enabler

AI will be the biggest enabler for the industry, helping operators deliver hyper-personalized experiences at scale, unlock cost efficiencies, redesign operating models, and do so while preserving a fundamentally human business centered on people serving people.

AGENDA

AGENDA

Barceló
HOTEL GROUP

Raul Gonzalez

CEO EMEA at Barceló

Raul is CEO EMEA of Barceló Hotel Group. He brings over 20 years of experience in hospitality and has held multiple senior leadership roles across Europe before becoming CEO in 2006. His career has been closely tied to driving operational excellence and international growth, underpinned by a strong focus on dedication, innovation, and leadership.

“Travel’s foundations are stronger than ever.
We are entering a new golden era for the industry, and AI will be the defining force transforming how we operate, compete, and deliver value to guests while remaining at its core a business of humans serving humans”

The travel industry is often impacted by noise from a complex global macro environment and transient headwinds

Selection of macro trends impacting the travel environment

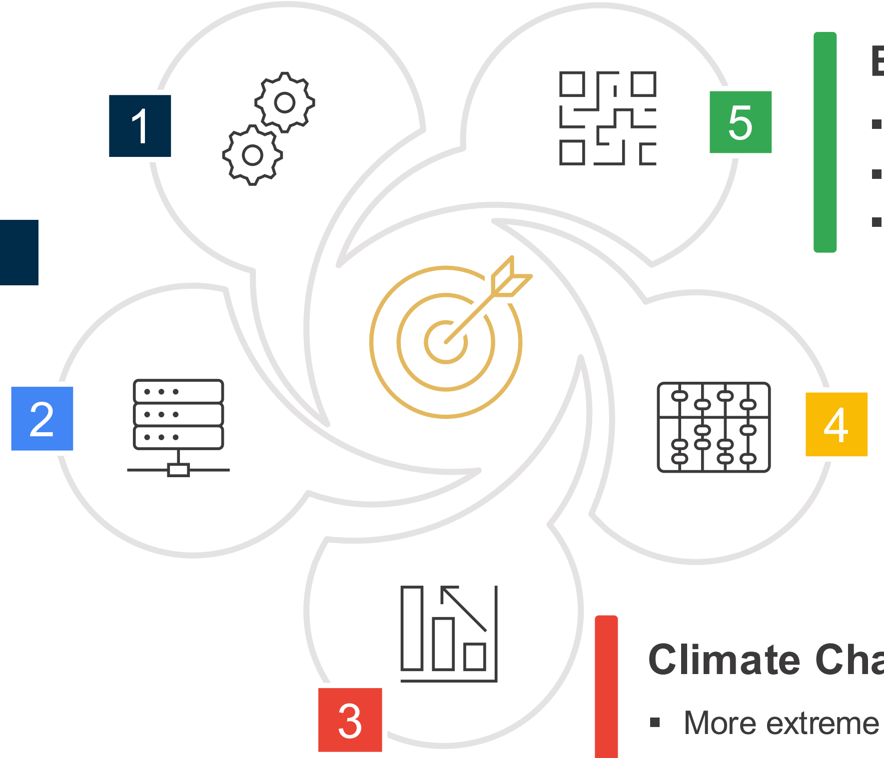
NON-EXHAUSTIVE

Geopolitics & Power

- Rising tension between global powers
- Immigration policies
- Conflict risk impacting specific corridors

Social Movements

- Fragmentation and polarization
- Shifting values/priorities and traveler expectations
- Pushback against tourism in local communities



Business Reinvention

- AI and other technologies
- Talent gaps
- Investor pressure

Economic & Financial Stability

- Inflation and cost-of-living pressures
- Supply chain challenges
- Increased risk of cyberattacks

Climate Change & Sustainability

- More extreme weather disrupting travel
- Rising regulatory pressure on travel (e.g., aviation)
- Destination vulnerability (coasts, nature hotspots)

Source: A&M Analysis

Looking beyond the noise, travel's structural foundations have never been stronger

The Velocity of Wealth

Accelerating wealth and rising disposable incomes are expanding the traveler base, supported by a +4Bn middle class and faster shifts from domestic to high-value long-haul travel

Longer, Healthier Lifespans

A larger working age population and healthier older travelers are extending active travel years, and for the first time seven generations are traveling simultaneously

Travel as a Necessity

Travel is becoming a human necessity, shifting from an occasional luxury to something people expect to enjoy regularly, as experiences matter more than things

Diversified Corridors

Travel demand is shifting toward fast-growing regions like Asia, while better connectivity and lower costs are opening up both iconic destinations and under-the-radar hidden gems

By 2050…

- ~3Bn new potential travelers
- 7-8 generations simultaneously traveling[1]
- Travel dominates discretionary spending
- More routes, faster connectivity

Notes: 1. Seven generations are simultaneously traveling in 2025. Silent Generation, Baby Boomers, Gen X, Millennials, Gen Z, Gen Alpha, Gen Beta. By 2050, longer lifespans and the emergence of a new post-Beta generation could result in eight generations traveling simultaneously.
Source: World Bank, The Lancet, United Nations, GapMinder classification, IAIA, AARP, A&M Analysis

By 2050, ~70% of the global population will be potential travelers, with emerging travelers taking as many trips per year as experienced travelers did in 2000

Global potential traveler population (#Bn people)

	2000	2025E	2050E
Global Population	6.2	8.2	9.6
Global Potential Traveler Population	1.7 *(~30% of population)*	4.1 *(~50% of population)*	6.7 *(~70% of population)*

2000 → 2025E: **+2.4Bn people**

2025E → 2050E: **+2.6Bn people**

Outbound trips per potential traveler population (#)

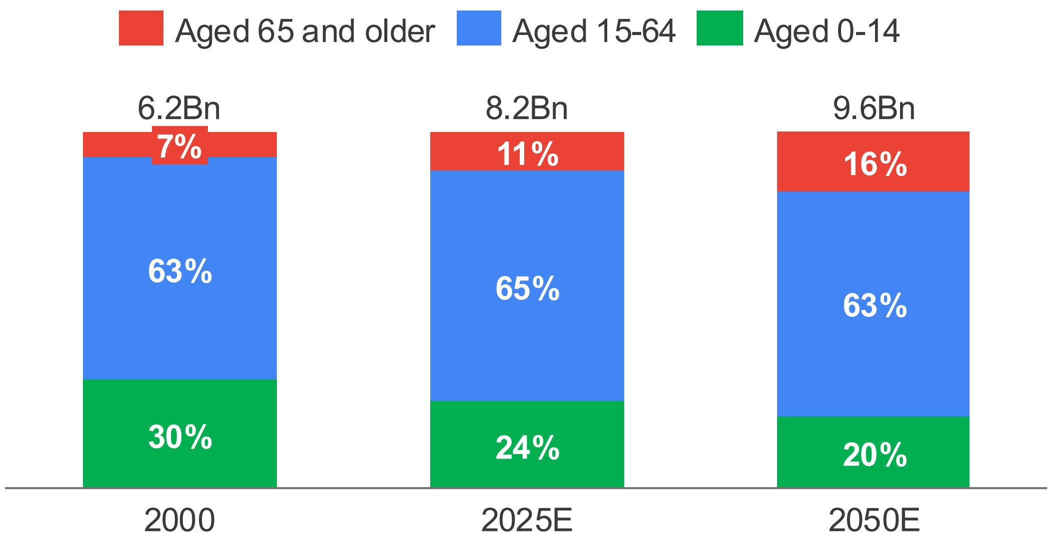
Potential traveler population defined as middle class or above[1]

	2000	2025E	2050E
Experienced (USA + Germany + UK + France + Spain)	~0.5	~0.8	~1.5
Emerging (China + India + Saudi Arabia + Indonesia + Thailand)	~0.2	~0.3	~0.5

Notes: Rounded numbers for presentation purposes; 1. Middle class population defined as population with a GNI of more than $9,200, which corresponds to levels 3, 4, 5 and above from GapMinder classification, understood as those who can save money, access credit lines and buy products and services beyond basic needs
Source: GapMinder classification, World Bank, The Lancet, United Nations, A&M Analysis

A record working-age population and healthier older adults will extend active travel years, with more families traveling together across generations

Distribution of the global population in broad age groups (#Bn, % of total population)



	2000	2025E	2050E
Aged +65 and older (Mn)	420	865	1,570
Healthy Years (#)	~58	~62	~67

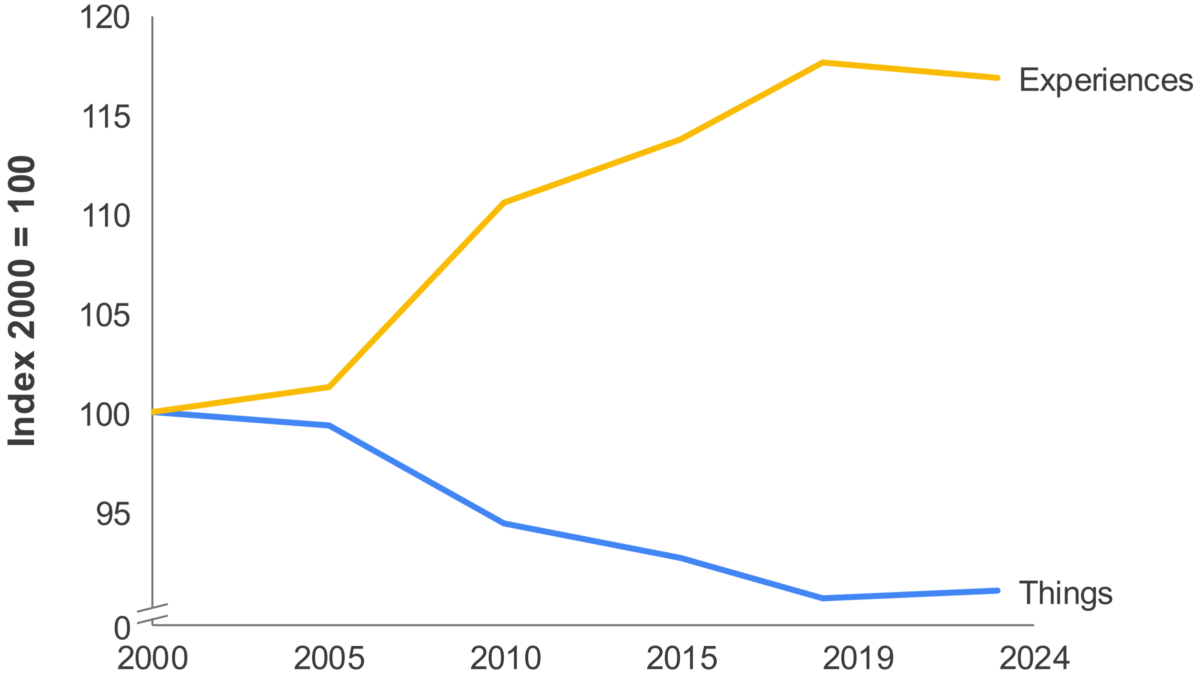
Insights - Aged +65 and older

- **At age 65, people have ~20 years of remaining life expectancy,** extending travel horizons and with travel becoming a marker of healthy aging
- **The senior economy is expanding,** with GDP contribution approaching ~40% globally
- **Healthier older adults are driving multigenerational trips,** with seven generations traveling simultaneously and more families taking trips that include grandparents, parents, and children together
- **Older generations are increasingly spending wealth during their lifetime**, rather than passing assets primarily through inheritance

Notes: Rounded numbers for presentation purposes
Source: World Bank, WHO HALE, OECD, AARP, Eurostat, UNWTO, European Commission, A&M Analysis

Consumers are increasingly prioritizing experiences over material goods, reinforcing travel's role as a lifestyle necessity

Evolution of discretionary share of wallet spend in the US by type of spend[1]
(% share of wallet, Index 2000=100, Years 2000, 2005, 2010, 2015, 2019 and 2024)



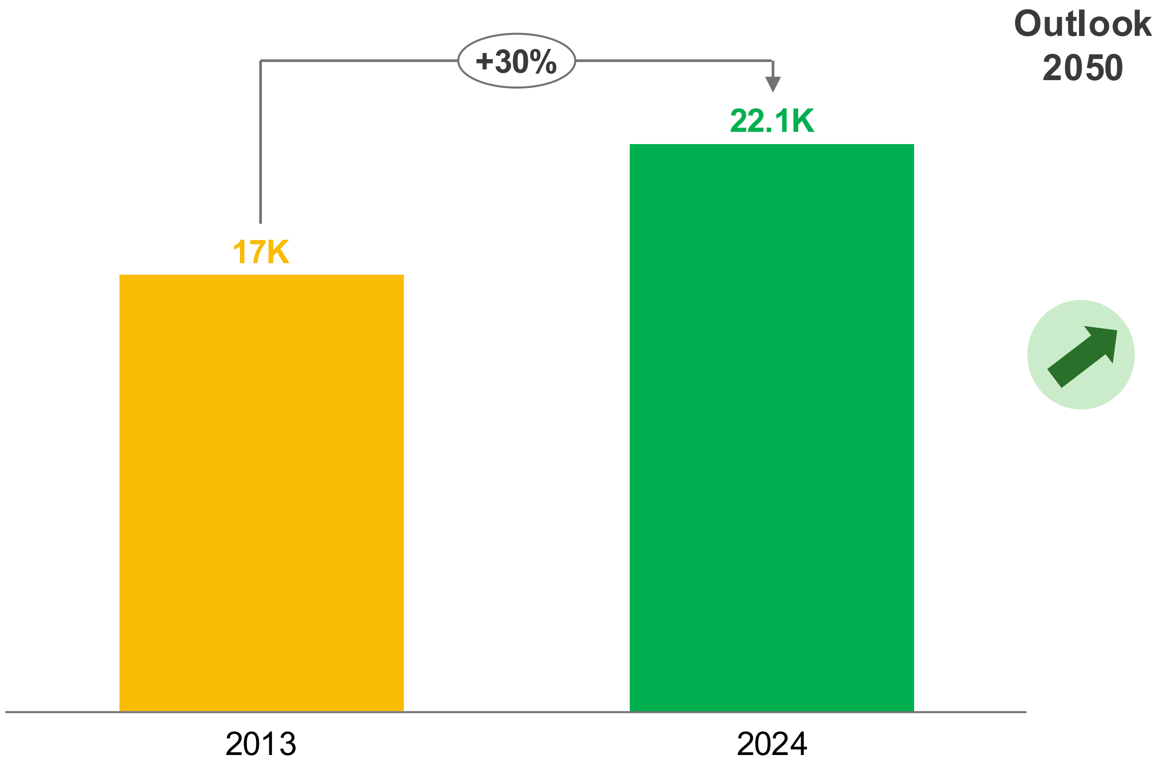
Notes: 1. Spend on things excludes essential goods and includes durable goods, clothing and footwear, and food and beverages purchased for off-premises consumption; Experiences include transportation, recreation services and food services & accommodation
Source: US Bureau of Economic Analysis, A&M Analysis

Insights

- Share of wallet is **shifting from goods to experiences** (further accelerated by the expansion of social media)
- **This also applies to luxury, where experiences offer greater exclusivity,** enabling premium pricing
- Similarly, **luxury travel demand is broadening,** driven by younger, experience-seeking consumers who prioritize memorable, unique moments
- **Travel is increasingly seen as a path to personal fulfillment** across generations and a mindset for living a more meaningful life

Expanding air routes and new travel corridors are broadening global connectivity and democratizing access to travel

Unique city pairs (#K of airline routes)



Insights

- **Rising affordability is creating new source markets and broadening travel** from iconic destinations to under-the-radar hidden gems
- **New aircraft models** have reduced the breakeven load factor/fare required to service thinner routes (e.g., A321XLR, B787)
- **Hub and spoke networks have been strengthened** via M&A/partnerships and expanded access
- **Average ticket prices have dropped ~40% in the last decade[1],** but future declines are uncertain, making it imperative for airlines to find new efficiencies, including AI and new technologies

Notes: Rounded numbers for presentation purposes. 1. Average passenger airfare cost of $380 in 2025 vs $679 in 2014
Source: IATA, A&M Analysis

New technologies and productivity gains will transform travel more than any past disruption and enable people to travel more often

Key technological disruptions impacting travel in the last decades

1950s

Commercial Jet Engine Age

Commercial jet airliners reduced travel times dramatically, changing the way people could explore the world forever

1980s

GDS & Loyalty

Global Distribution Systems and loyalty programs made travel easier and encouraged people to fly more often

2000s

Online Travel

The internet put planning and prices in people’s hands, making travel faster to arrange and easier to afford

2020s

Personalized Travel (AI)

AI makes travel effortless, from planning to execution, with hyper-personalization

2050s

More Time, More Travel

AI will enable work-from-anywhere models and shorter work weeks, making travel a regular part of life

Source: A&M Analysis

Hany Abdelkawi

Head of Travel, International Growth, EMEA, Google

Hany has over 15 years of experience in the travel industry and currently leads global travel innovation at Google. In this role, he drives digital transformation for travel partners worldwide, helping them expand their international reach while leveraging Google's advanced data, analytics, and machine learning capabilities to optimize performance across the travel value chain.

> **"Travel is a Fast Market of demand constrained by a slow industry of supply: a structural gap that forces reactive firefighting to clear distressed inventory. Agentic AI resolves this asymmetry. It acts as the infinite scaler of decision-making, shifting the commercial mandate from chasing volume to architecting yield to drive both operational efficiency and commercial efficacy"**

AGENDA

1 Context & Macro Foundations

2 **THE FUTURE OF TRAVEL TO 2050**

3 Strategic Implications For 2030

4 Deep-dive Key Markets

5 Appendix
- Our team
- Glossary

Alvarez & Marsal

Juan Cierco

Chief Corporate Director at Iberia

Juan is Chief Corporate Officer at Iberia, where he leads Corporate Communications, Brand, Marketing, and Social Impact. He brings more than 12 years of experience in the airline industry, with a strong focus on institutional relations, reputation, and strategic positioning. He is deeply embedded in Spain's tourism ecosystem, serving as President of the CEOE Tourism Council, and brings a long career as a highly regarded journalist.

> **"The coming decades in the tourism industry will be shaped in developed countries by a larger senior population eager to travel, a growing interest in premium and tailored experiences, and an increasing demand for long-haul travel. Adapting to these trends will be essential for travel companies to succeed"**

Predictive models were used to estimate future tourism flows, combining key outbound and destination variables with extensive data

Variables 2050

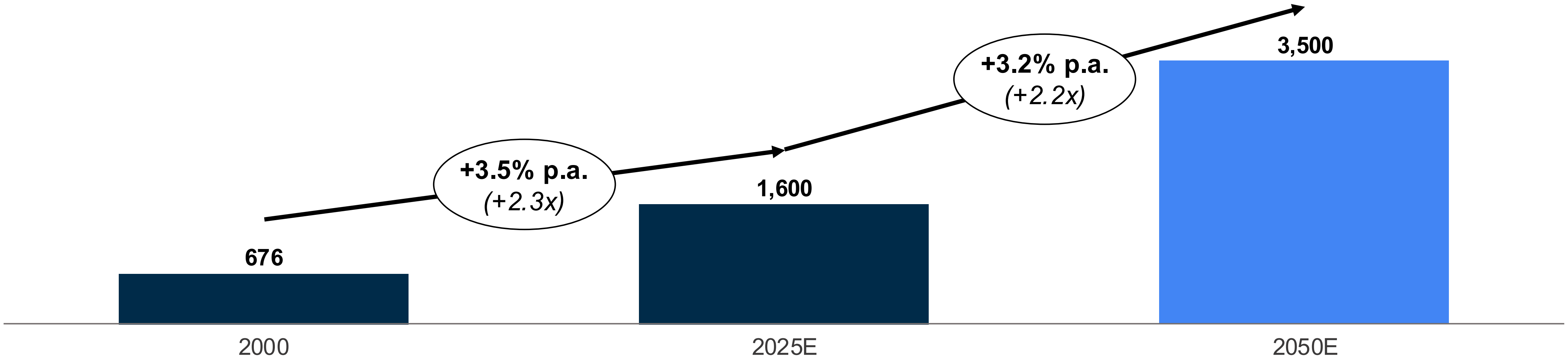
NON-EXHAUSTIVE

Socio-demographic	Travel propensity	Destination attractiveness		Key Data Sources
Middle-Class Expansion Projections of middle-class population growth indicating future travel propensity and demand	**Trips per person per year** Average number of trips each person takes annually	**Accommodation supply and quality** Range, availability, and standard of lodging options	**Trade and mobility agreements** Membership in common agreements that incentivize trade or travel (e.g., Schengen Area)	▪ Google Queries ▪ A&M Analysis ▪ Iberia travel trends ▪ UNWTO ▪ WTTC ▪ World Bank ▪ IMF ▪ OECD ▪ IATA ▪ National Tourism Offices ▪ Gapminder ▪ World Factbook ▪ Eurostat ▪ STR / CoStar ▪ Press Releases
Economic Power & Income Includes GDP per capita projections, purchasing power parity, and income group classifications	**Distance to Markets** GDP-weighted distance to key origin markets, measuring accessibility to global economic centers	**Transport infrastructure** Connectivity capacity, quality of airports, transport, and on-the-ground mobility	**Historical & cultural ties** Shared cultural and historical ties and common influence spheres between countries	
		Safety and security Perceived personal safety and risk while traveling	**Flow interdependencies** Cross-target relationships, such as outbound departures acting as an indicator	
Cost & Stability Metrics Key stability indicators including inflation rats and currency purchasing power adjustments over time	**Passport power** How many countries citizens can enter easily or visa-free	**Linguistic network scale** The total economic power (GDP) and population size of countries sharing primary language	**Structural geography** Key physical attributes including total land area, coastline length, location, temperatures, vulnerability, etc.	

Notes: Highlighted variables include those used in the modeling as well as business sense checks applied to validate outputs. The list is not exhaustive.
Source: A&M Analysis

International trips have doubled in the last 25 years and will double again by 2050, reaching ~3.5Bn departures

Outbound Departures (#Mn; 2000-2050E)



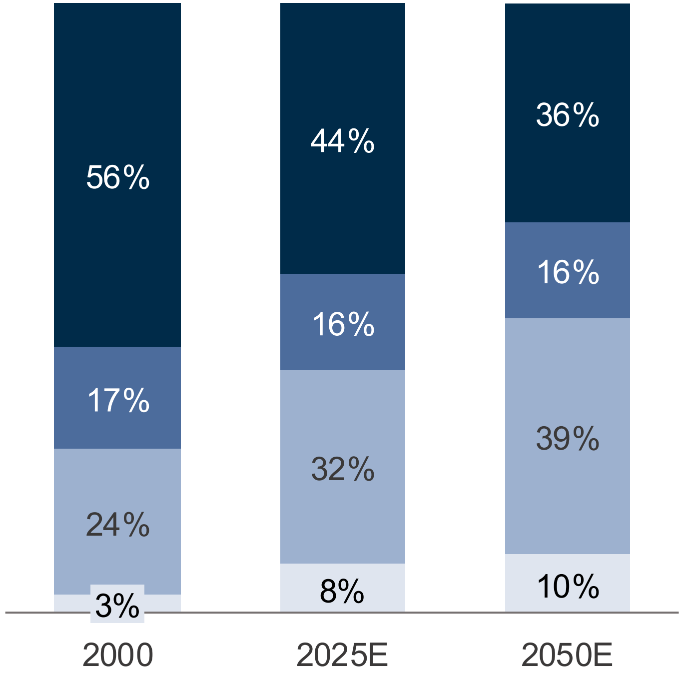
		CAGR 2000-'25		CAGR 2025-'50	
Total Spend ($Tn)	0.5	5.2%	1.8	5.0%	6.0
Spend / Trip ($)	748	1.7%	1,135	1.7%	1,730

Notes: Rounded numbers for presentation purposes
Source: UNWTO, A&M Analysis

Outbound growth will shift to APAC while Europe and Americas realize higher spend per trip growth driven by favorable long-haul travel mix

Outbound Travel Evolution (2000-2050E)

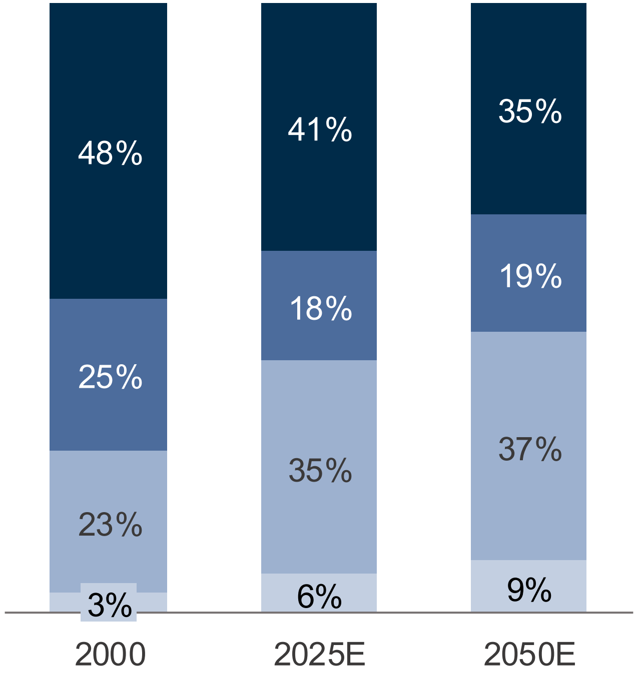
Trips (% of total departures)



	CAGR 2000-25E	CAGR 2025E-50E
Europe	2.4%	2.4%
Americas	3.1%	3.3%
APAC	4.6%	4.1%
MEA	7.5%	4.0%
Average	3.4%	3.3%

Above average growth

Spend (% of total spend)[1]



	Spend / trip	
	CAGR 2000-25E	CAGR 2025E-50E
Europe	1.9%	1.9%
Americas	0.7%	1.9%
APAC	2.1%	1.2%
MEA	0.4%	2.2%
Average	1.7%	1.7%

Above average growth

Notes: 1. Stacked bars represent percentage of total spend. CAGR is calculated on spend per trip in real dollars to adjust for inflation and isolate the volume growth effect
Source: UNWTO, A&M Analysis

Feeder markets are consolidating, and India and China will emerge as the largest source markets worldwide, reshaping global origin flows

Top 15 Markets by Outbound Departures (#Mn; 2000-2050E)

2000

Country[1]	Outbound Trips (Mn)	Outbound per middle class (#)
Germany	81	0.99
USA	61	0.22
UK	57	0.98
Italy	20	0.36
France	20	0.34
Canada	19	0.63
Russia	18	0.26
Japan	18	0.15
Netherlands	14	0.88
Switzerland	12	1.72
Mexico	11	0.26
Hungary	11	1.38
China	10	0.13
Belgium	8	0.78
Austria	8	0.95
Below top-15	308	
Total	676	

35% (top 5); 46% (below top-15)

2025E

Country	Outbound Trips (Mn)	Outbound per middle class (#)
China	155	0.13
Germany	115	1.42
USA	115	0.34
UK	95	1.41
France	35	0.58
Italy	35	0.62
Canada	35	0.89
India	35	0.15
Russia	35	0.24
Saudi Arabia	30	0.86
South Korea	30	0.58
UAE	30	3.09
Netherlands	25	1.34
Spain	20	0.48
Mexico	20	0.21
Below top-15	790	
Total	1,600	

33% (top 5); 48% (below top-15)

2050E

Country	Outbound Trips (Mn)	Outbound per middle class (#)
India	415	0.34
China	365	0.29
USA	295	0.80
UK	165	2.31
Germany	160	2.07
Indonesia	75	0.31
France	75	1.12
Russia	70	0.53
Saudi Arabia	65	1.41
South Korea	65	1.48
Brazil	65	0.32
UAE	60	5.46
Italy	55	1.05
Canada	55	1.19
Spain	50	1.14
Below top-15	1,465	
Total	3,500	

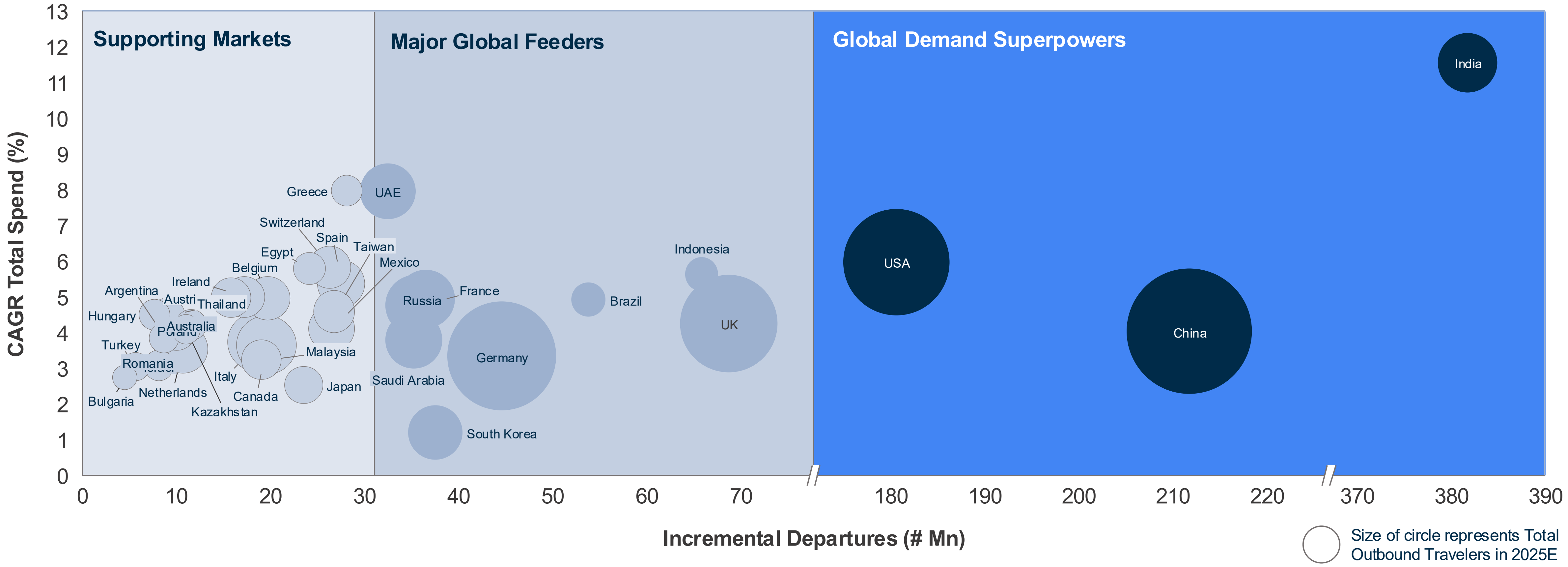
40% (top 5); 41% (below top-15)

Top 5 markets in 2000 | Top 5 markets in year | xx% % share of overall inbound travel

Notes: Rounded numbers for presentation purposes; 1. 2000 figures exclude Poland (57Mn trips) and Malaysia (31Mn trips) from Top 5 due to lack of / inconsistent data in outer years
Source: UNWTO, A&M Analysis

A new outbound hierarchy will emerge, led by three global demand superpowers, a diversified set of major feeders, and key supporting markets

Outbound Travel Spend Growth vs Outbound Departures (2025E-50E)

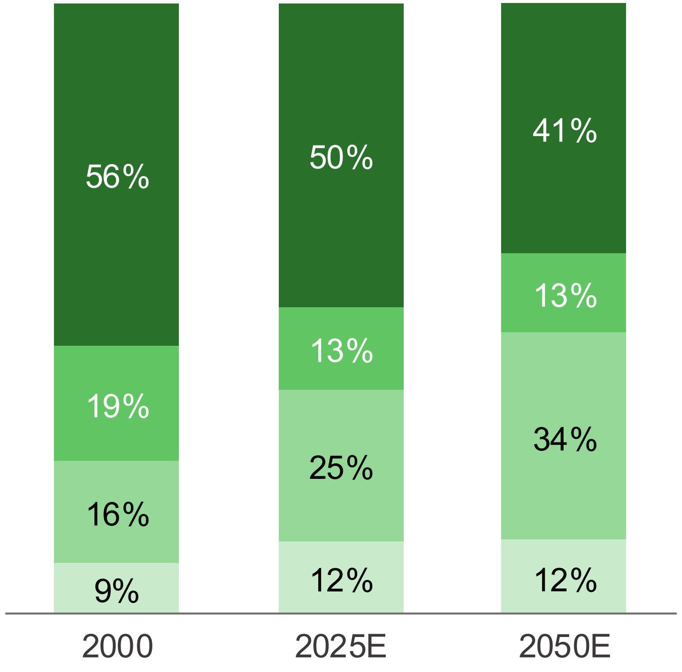


Notes: The chart covers 36 markets and accounts for 85 percent of outbound travel spend in 2025
Source: UNWTO, A&M Analysis

In inbound travel, Europe will stay as #1 destination region but will lose volume share to APAC; by spend APAC will see a shift towards short-haul regional travel

Inbound Travel Evolution (2000-2050E)

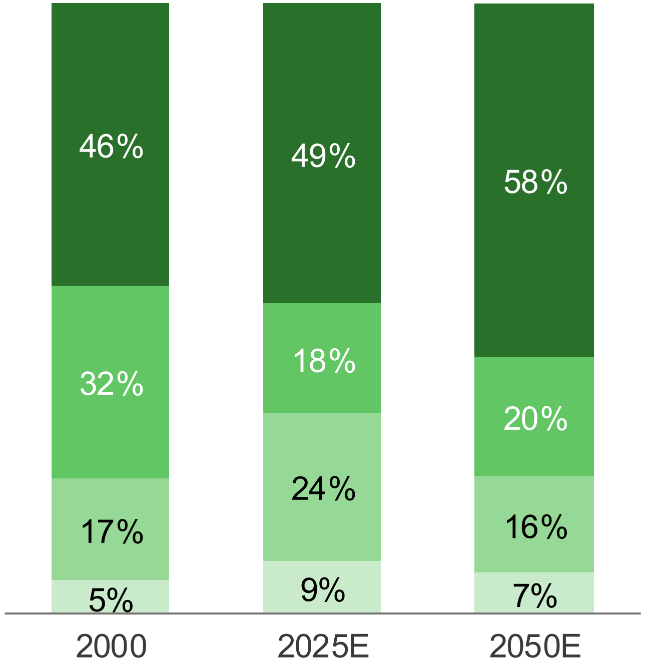
Trips (% of total arrivals)



	CAGR 2000-25E	CAGR 2025E-50E
Europe	2.9%	2.5%
Americas	2.0%	3.1%
APAC	5.1%	4.6%
MEA	4.8%	3.3%
Average	3.4%	3.3%

Above average growth

Spend (% of total spend)[1]



	Spend / trip	
	CAGR 2000-25E	CAGR 2025E-50E
Europe	2.4%	3.1%
Americas	0.8%	2.2%
APAC	1.5%	-1.3%
MEA	2.2%	0.6%
Average	1.7%	1.7%

Above average growth

Notes: 1. Stacked bars represent percentage of total spend. CAGR is calculated on spend per trip in real dollars to adjust for inflation and isolate the volume growth effect
Source: UNWTO, A&M Analysis

Destinations will democratize as the Top 5 lose share and Below Top 15 countries gain most of the growth

Top 15 Markets by Arrivals (#Mn; 2000-2050E)

2000 Country	2000 Inbound Arrivals (Mn)	2025E Country	2025E Inbound Arrivals (Mn)	2025E CAGR 2000-25 (%)	2050E Country	2050E Inbound Arrivals (Mn)	2050E CAGR 2025-50 (%)
France	77	France	105	1.2%	Spain	130	1.1%
USA	51	Spain	95	3.0%	France	125	0.7%
Spain	46	Italy	70	2.2%	China	110	2.2%
Italy	41	USA	70	1.1%	USA	105	1.7%
China	31	China	65	3.0%	Thailand	100	4.5%
UK	23	Turkey	55	7.3%	Italy	95	1.2%
Russia	21	Mexico	45	3.3%	Mexico	90	2.7%
Mexico	21	UK	40	6.0%	Turkey	85	1.7%
Canada	20	Japan	40	2.3%	Saudi Arabia	85	3.2%
Germany	19	Germany	40	8.9%	India	70	5.5%
Austria	18	Saudi Arabia	40	2.9%	Germany	65	2.1%
Poland	17	Greece	40	7.3%	UK	65	1.9%
Greece	13	Thailand	35	4.4%	Japan	60	1.7%
Portugal	12	Austria	35	2.5%	UAE	60	3.0%
Malaysia	10	UAE	30	8.2%	Malaysia	55	3.0%
Below top-15	255	Below top-15	795	4.5%	Below top-15	2,200	4.3%
Total	**676**	**Total**	**1,600**	**3.4%**	**Total**	**3,500**	**3.3%**

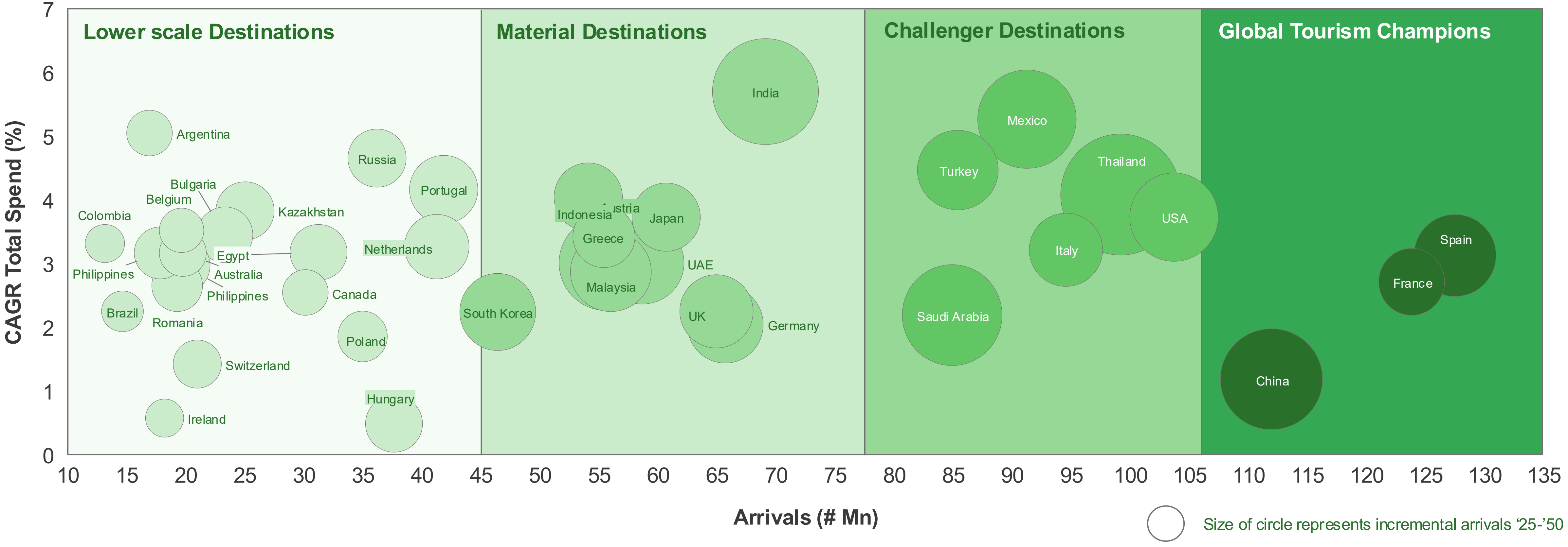
Share of top 5: 2000 37%; 2025E 26%; 2050E 16%
Share of below top-15: 2000 38%; 2025E 49%; 2050E 63%

Top 5 markets in 2000 | Top 5 markets in year | xx% % share of overall inbound travel

Notes: Rounded numbers for presentation purposes
Source: UNWTO, A&M Analysis

Global arrivals will cluster around three destination leaders and emerging economies will rise as new challengers (together with key experienced markets)

Inbound Travel Spend Growth vs Inbound Arrivals (2025E-50E)



Notes: The chart covers 37 markets and accounts for 85 percent of inbound travel spend in 2025
Source: UNWTO, A&M Analysis

In domestic travel, India, China, and the US will remain the global anchors

Top 15 Markets by Domestic Trips (#Mn; 2010-2050E)

2010[1]

Country	Domestic Trips (Mn)	% of Top 15
China	2,103	32%
USA	1,964	30%
India	748	12%
Japan	318	5%
Indonesia	234	4%
France	194	3%
Germany	146	2%
Spain	145	2%
UK	119	2%
Colombia	118	2%
Thailand	101	2%
South Korea	92	1%
Canada	92	1%
Australia	69	1%
Malaysia	44	1%
Top 15	6,488	100%

74%

2025E

Country	Domestic Trips (Mn)	% of Top 15
China	5,830	42%
India	3,070	22%
USA	2,310	17%
Indonesia	805	6%
Japan	300	2%
France	210	2%
Germany	165	1%
Colombia	160	1%
South Korea	160	1%
Spain	155	1%
Thailand	130	1%
Canada	125	1%
UK	120	1%
Philippines	120	1%
Australia	120	1%
Top 15	13,780	100%

81%

2050E

Country	Domestic Trips (Mn)	% of Top 15
India	7,220	37%
China	6,210	32%
USA	2,615	13%
Indonesia	1,120	6%
Philippines	390	2%
Thailand	270	1%
Japan	265	1%
France	250	1%
Colombia	250	1%
Germany	190	1%
UK	190	1%
Australia	175	1%
Canada	170	1%
Spain	165	1%
Malaysia	150	1%
Top 15	19,630	100%

82%

Notes: Rounded numbers for presentation purposes; 1. 2000 figures not available due to limited country data from UNWTO
Source: A&M Analysis

Domestic travel drives heads on beds and remains the backbone of the industry, accounting for more than 90 percent of trips across major markets

Top 15 Markets by Domestic Trips + Inbound Arrivals (#Mn; 2010-2050E)

2010[1]

Country	Domestic Trips (Mn)	Inbound Arrivals (Mn)	Total (Mn)
China	2,103	56	2,159
USA	1,964	60	2,024
India	748	6	753
Japan	318	9	326
France	194	77	271
Indonesia	234	7	241
Spain	145	53	198
Germany	146	27	173
UK	119	29	148
Colombia	118	1	119
Thailand	101	16	117
Canada	92	16	108
South Korea	92	9	101
Australia	69	6	75
Malaysia	44	25	68
Top 15	6,488	395	6,883

2025E

Country	Domestic Trips (Mn)	Inbound Arrivals (Mn)	Total (Mn)
China	5,830	65	5,895
India	3,070	20	3,090
USA	2,310	70	2,380
Indonesia	805	15	820
Japan	300	40	340
France	210	105	315
Spain	155	95	250
Germany	165	40	205
South Korea	160	20	180
Colombia	160	5	165
UK	120	40	160
Thailand	130	35	165
Canada	125	20	145
Malaysia	110	25	135
Australia	120	10	130
Top 15	13,770	605	14,375

2050E

Country	Domestic Trips (Mn)	Inbound Arrivals (Mn)	Total (Mn)
India	7,220	70	7,290
China	6,210	110	6,320
USA	2,615	105	2,720
Indonesia	1,120	55	1,175
Philippines	390	20	410
France	250	125	375
Thailand	270	100	370
Japan	265	60	325
Spain	165	130	295
Colombia	250	15	265
Germany	190	65	255
UK	190	65	255
Malaysia	150	55	205
Canada	170	30	200
Australia	175	20	195
Top 15	19,630	1,025	20,655

Top 5 markets in 2010 | Top 5 markets in year | X Red denotes domestic share is greater than 90%, Blue in between 80% and 90%, Green less than 80%

Notes: Rounded numbers for presentation purposes; 1. 2000 figures not available due to limited country data from UNWTO
Source: A&M Analysis

Trips per capita (domestic and outbound) will rise across all markets, led by emerging economies; the US to continue leading at around eight trips per year

Top 15 Markets by Domestic Trips + Outbound Trips (#Mn; 2010-2050E)

2010[1]

Country	Domestic + Outbound Trips (Mn)	Trips / Capita (#)
China	2,160	1.6
USA	2,025	6.5
India	761	0.6
Japan	334	2.6
Indonesia	241	1.0
Germany	232	2.8
France	219	3.4
UK	184	2.9
Spain	158	3.4
Canada	121	3.6
Colombia	120	2.7
Thailand	107	1.6
South Korea	105	2.1
Australia	76	3.5
Malaysia	52	1.8
Top 15	**6,894**	**1.8**

2025E

Country	Domestic + Outbound Trips (Mn)	Trips / Capita (#)
China	5,985	4.3
India	3,105	2.1
USA	2,425	7.1
Indonesia	815	2.9
Japan	315	2.6
Germany	285	3.4
France	245	3.6
UK	215	3.1
South Korea	190	3.7
Spain	180	3.7
Colombia	165	3.1
Canada	160	3.8
Thailand	140	2.0
Australia	130	4.7
Philippines	130	1.1
Top 15	**14,485**	**3.4**

2050E

Country	Domestic + Outbound Trips (Mn)	Trips / Capita (#)
India	7,640	4.5
China	6,580	5.3
USA	2,905	7.8
Indonesia	1,200	3.7
Philippines	415	3.1
Germany	355	4.6
UK	350	4.7
France	325	4.6
Japan	300	2.9
Thailand	290	4.4
Colombia	265	4.4
Canada	225	4.8
Spain	215	4.8
South Korea	215	4.8
Australia	195	5.9
Top 15	**21,475**	**4.9**

Top 5 markets in 2010   Top 5 markets in year

Notes: Rounded numbers for presentation purposes; 1. 2000 figures not available due to limited country data from UNWTO
Source: A&M Analysis

Jorge Gilabert

Managing Director

Co-Head of Travel, Hospitality, Leisure

Jorge co-leads the Travel, Hospitality & Leisure practice at Alvarez & Marsal and specializes in corporate transformation, M&A strategy and execution, top-line growth, and target operating models. He brings over 15 years of consulting experience with deep expertise in hospitality and tourism across Europe, Americas, APAC, and MEA.

"The next wave of travel growth will not automatically translate into sustainable value for companies.

Historically, the industry has struggled to capture its fair share of value, and new travelers, new corridors, and technology disruption are now adding a complexity tax that will further challenge legacy models.

Capturing a fair share of the coming growth will require companies to rethink customer acquisition, footprint expansion, and operating models"

AGENDA

Miguel Hernandez-Bronchud

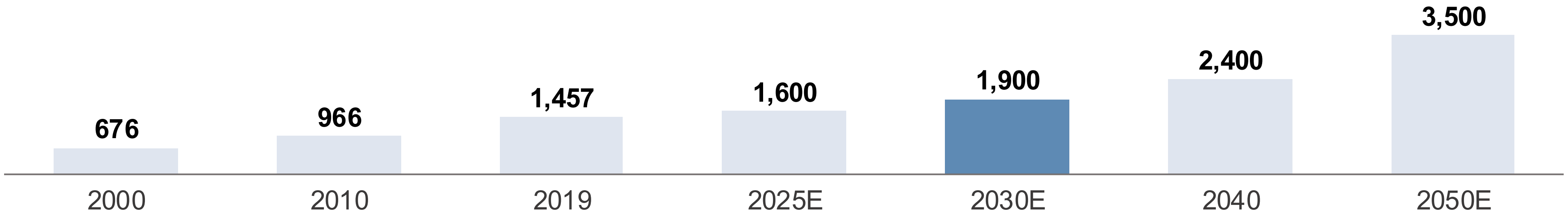
Director Travel, Hospitality, Leisure

Miguel is a Director with Alvarez & Marsal's Travel, Hospitality and Leisure team in New York, bringing over eight years of experience advising global hospitality companies on growth strategy, international expansion, M&A, and corporate transformation across the Americas, Europe, APAC, and MEA.

> **"Winning the next era of travel starts with earning loyalty early.**
>
> **Gen Z travelers, born between 1997 and 2012, will be at peak spending power by 2050 (38 to 53 years old).**
>
> **Brands that build emotional connections today through curated partnerships, hyper-personalized experiences, and reimagined loyalty will be best positioned to capture this moment of reinvention"**

By 2030, global travel volume will have begun to decisively shift toward APAC

INTERNATIONAL TRIPS (#Mn; 2000-2050E)

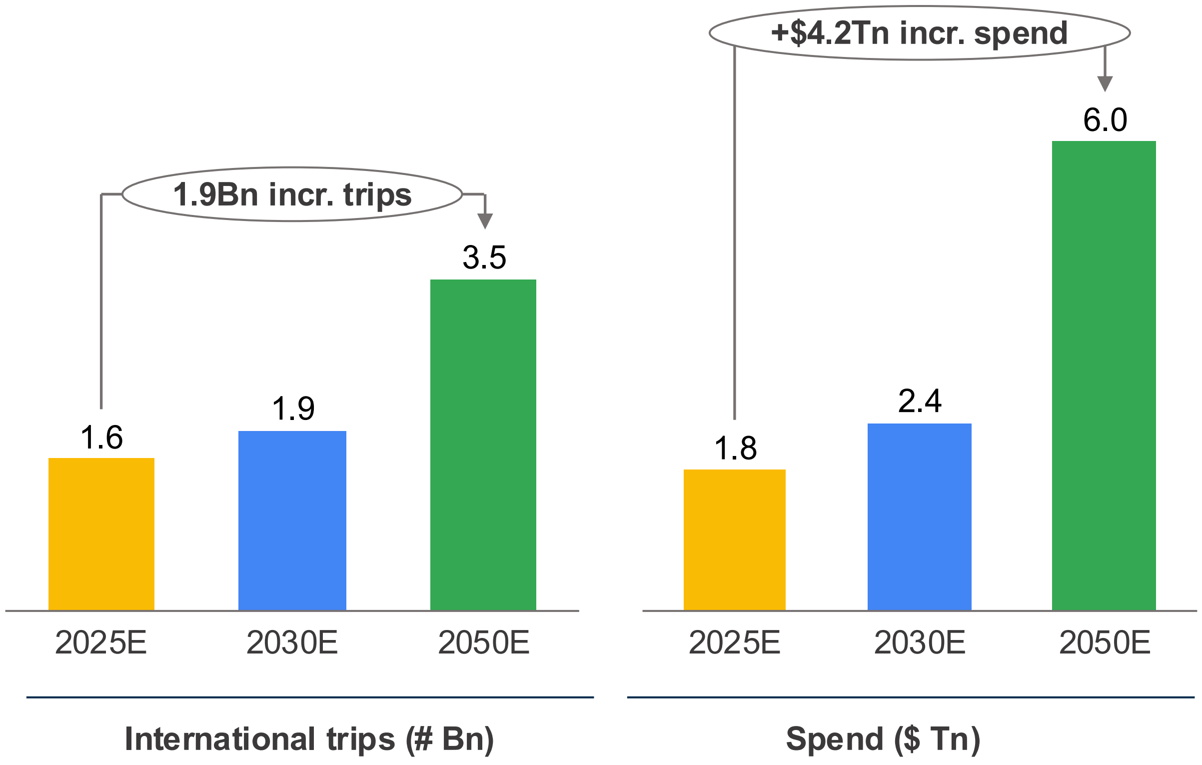


		2000	2010	2019	2025E	2030E	2040	2050E
OUTBOUND TRIPS	Europe	56%	48%	43%	44%	43%	40%	36%
	Americas	17%	15%	15%	16%	15%	16%	16%
	APAC	24%	29%	35%	32%	34%	35%	39%
	MEA	3%	8%	7%	8%	8%	9%	10%
INBOUND TRIPS	Europe	56%	50%	49%	50%	48%	44%	41%
	Americas	19%	16%	15%	13%	13%	14%	13%
	APAC	16%	22%	26%	25%	26%	29%	34%
	MEA	9%	13%	11%	12%	14%	13%	12%

Source: A&M Analysis

By 2050, travel will add 1.9 billion international trips and $4.2 trillion in spend, but this growth will come with a rising complexity tax that challenges legacy models

Incremental travel by 2050



Key complexity drivers

- Growth will fragment across regions, with some markets scaling volume and others requiring disciplined yield management
- Travel patterns will diversify, across domestic, regional, and long-haul journeys with distinct economics
- Channels and interfaces will proliferate, as social, AI-driven, and traditional discovery and booking coexist
- Traveler expectations will rise, increasing demand for hyper-personalization, flexibility, and seamless experiences
- Operational complexity will intensify, as operating costs rise and increasingly sophisticated investors demand stronger, more consistent returns

Notes: Rounded numbers for presentation purposes
Source: A&M Analysis

Commercial zones will guide investment decisions, and as operations become more sophisticated, new metrics will be needed to monitor performance

Implications across commercial zones

DIRECTIONAL

	EUROPE AND USA	APAC, MEA, AND LATAM	DOMESTIC
	YIELD FORTRESS	VOLUME MOVE	LOYALTY GAME
	▪ Mature markets with slower volume growth but high value density per trip ▪ Ancillary and non-core revenue streams will be key to maximize margins	▪ Fastest-growing regions driven by new travelers and expanding wealth ▪ Increasing investor professionalization will raise expectations on returns, governance, and execution	▪ Domestic travel remains the largest and most frequent demand pool ▪ Domestic travel will be the gateway to long-term brand loyalty as travelers expand internationally
Success KPI	**Revenue per square meter per hour ($)[1]**	**Footprint (% share of travel)**	**Engaged Members (# of people)**

Notes: 1. Revenue per square meter per hour is used as a KPI to measure revenue productivity per available inventory, with the definition of inventory varying by travel sub-sector (e.g., hotel: rooms, common spaces vs aircraft: seats)
Source: A&M Analysis

Converting growth into value will not be automatic and will require a new playbook across traveler, geography, profitability, and AI-enabled operations

Overview of implications for 2030

WIN TOMORROW'S TRAVELER	Elevate loyalty, personalization and brand connection to serve tech-native, experience-driven travelers who will dominate spend by 2050
GO WHERE GROWTH IS	Adapt your global presence and portfolio as demand shifts to new source markets and diversified destinations
RUN FOR PROFITABILITY	Re-engineer operations to capture rising demand efficiently through smarter portfolios, empowered teams and automation
AI AS AN ENABLER	Position AI as the transversal layer that enables better experiences at scale, redefines operations, protects the balance sheet, and optimizes yield

Source: A&M Analysis

Operators must offer differentiated value propositions for 7 generations traveling simultaneously, while designing experiences that work across generations

Key assets to build

NON-EXHAUSTIVE

WIN TOMORROW'S TRAVELER

TANGIBLE	TALENT	TECHNOLOGY
▪ Design products for new travel patterns (e.g., multi-generational family, extended stays, solo travel, bleisure) ▪ Build strong emotional brands supported by curated partnerships that increase brand value (community-building) ▪ Embed flexibility, wellness, and accessibility to serve both tech-native Gen Z travelers and affluent seniors ▪ Redefine loyalty beyond the traditional redeem-for-stay model, enhancing personalized, experience-led value	▪ Equip teams with intuitive, user-friendly tools that reduce friction and free up time for guest-facing, social, and emotional interactions ▪ Preserve human-touch service as a core differentiator, augmented by AI rather than replaced by it ▪ Equip frontline teams with real-time AI support to personalize service and resolve issues faster ▪ Continuously upskill the workforce through modular, digital-first learning and certifications	▪ Use AI and data to hyper-personalize inspiration, booking and in-trip support ▪ Evolve loyalty into always-on digital ecosystems powered by data and AI that deliver personalized recognition ▪ Ensure visibility and relevance across new discovery and search channels (e.g., social media, AI tools) ▪ Use digital twins to test product viability, guest appeal, and operational impact before scaling

Source: A&M Analysis

To capture the full growth potential, operators must build presence in APAC, diversify destinations, and continue building domestic loyalty

Key assets to build

NON-EXHAUSTIVE

	TANGIBLE	TALENT	TECHNOLOGY
GO WHERE GROWTH IS	▪ Reallocate capital toward fast-growing source markets (e.g., APAC, emerging economies) ▪ Expand presence in secondary and diversified destinations as demand spreads beyond traditional hubs (under the radar appeal) ▪ Defend domestic travel as a core engine of volume, frequency, and loyalty ▪ Align capacity strategy with future mobility shifts, preparing assets and networks for new corridors and evolving travel flows	▪ Build deep local market expertise in priority growth regions ▪ Embed regional ownership and decision-making closer to demand to accelerate execution ▪ Develop culturally fluent commercial and operational teams to localize offerings and go-to-market ▪ Align incentives to sustainable, profitable growth, not just market expansion	▪ Use AI and advanced analytics to anticipate where demand will emerge next ▪ Shift from country-based to traveler-based growth strategies ▪ Ensure visibility and relevance in new global discovery channels ▪ Build scalable technology platforms that enable rapid market entry (e.g., local adaptation, product rollout, pricing, partnerships integration)

Source: A&M Analysis

AI-enabled operating models will be key to engaging & delighting travelers at scale profitably, while strong balance sheets ensure resilience to potential shocks

Key assets to build

NON-EXHAUSTIVE

	TANGIBLE	TALENT	TECHNOLOGY
RUN FOR PROFITABILITY	▪ Protect and enhance product excellence as a core driver of profitability ▪ Scale ancillary and new business models to create recurring, higher-margin revenue streams ▪ Look beyond traditional efficiencies by leveraging technology to adopt dynamic cost models and strengthen cross-functional teams ▪ Maintain strong balance sheets and financial flexibility to remain resilient through shocks	▪ Equip a future-ready workforce with digital, analytical, and service-driven skills to lift productivity and performance ▪ Align incentives and career paths to productivity, cross-functional delivery, and service quality ▪ Build a strong performance and service culture that reinforces accountability, ownership, and continuous improvement ▪ Develop organizational adaptability, enabling teams to respond quickly to demand shifts, shocks, and changing priorities	▪ Leverage AI and new technologies to redefine processes and ways of working (from Org Chart to Work Chart) ▪ Modernize core systems and data foundations to enable automation, scale, and AI readiness ▪ Test, prove, and scale AI and digital use cases with clear ROI, avoiding technology complexity without value ▪ Embed advanced analytics and agentic AI into core decisions and execution, improving productivity, speed, and cost efficiency

Source: A&M Analysis

In this context, AI is shifting from tools that support people to systems that manage business processes at scale

Conceptual framework of the AI journey

Helps Me Think
(insight & understanding)

Predictive Analytics
Uses past data and statistical models to forecast behaviors, trends, and likely future scenarios

Natural Language Understanding
Interprets meaning in text and speech

Knowledge Retrieval / Search
Provides the right answer from across information sources

Anomaly Detection
identifies unusual patterns that may need attention

AI informs, travelers decide and act

Helps Me Do
(task execution inside the workflow)

Generative AI
Drafts content (messages, documents, outputs) to accelerate work

Intelligent Automation (RPA + integrations)
Completes routine tasks across systems

Decision Support Engines
Recommends next actions for fast approval

Conversational AI with Execution
Interacts and triggers actions (book, route, update)

AI acts, travelers supervise

Does It For Me
(autonomous outcome delivery)

Agentic AI
Plans and executes multi-step workflows toward a goal

Autonomous Decisioning
Optimizes operations autonomously within parameters

Reinforcement Learning
Gets better by learning from outcomes

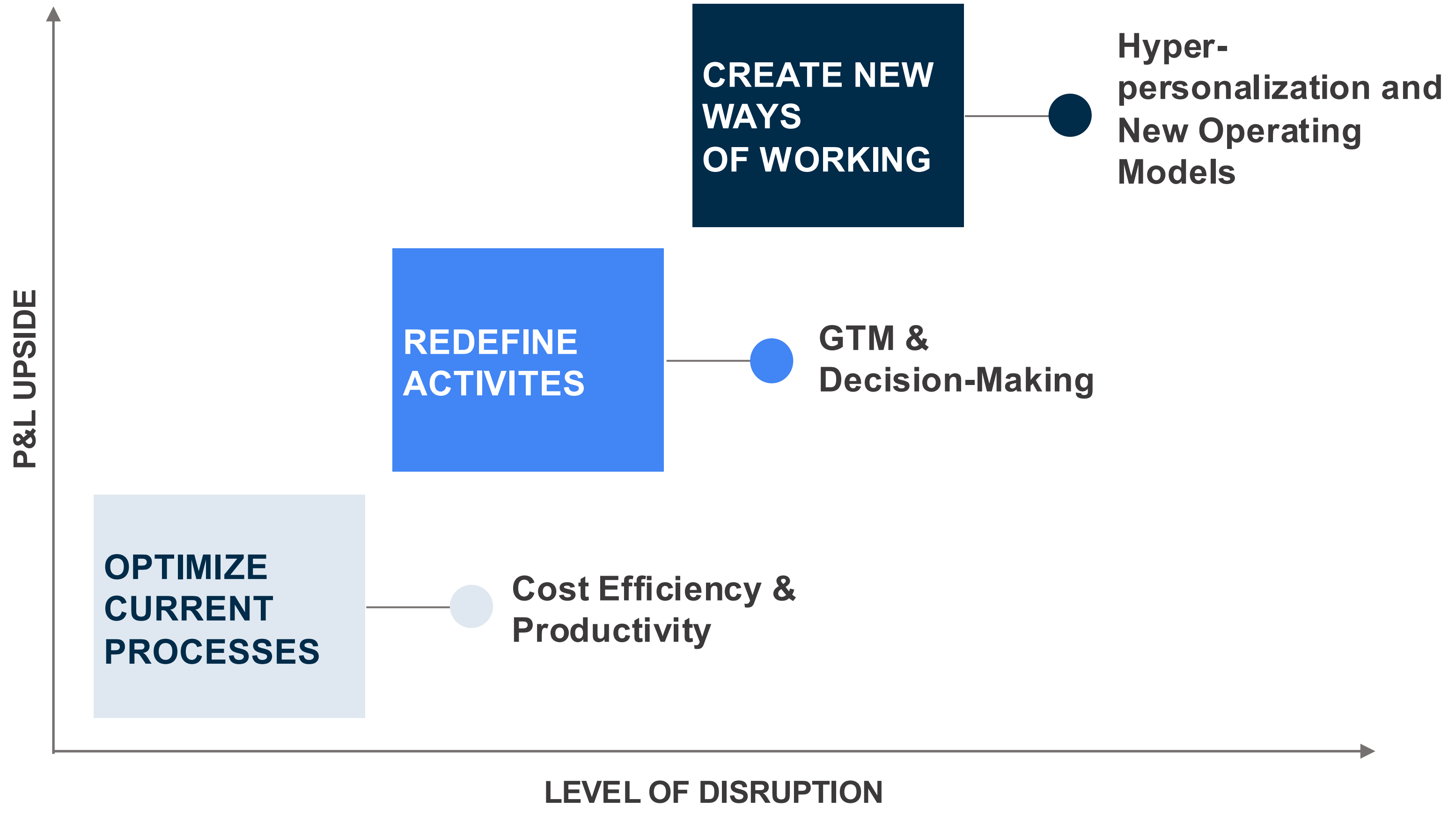
Cross-System Orchestration
Coordinates actions across multiple tools and platforms

AI delivers options, travelers finalize

Source: A&M Analysis

This shift positions AI as the key enabler for delivering better traveler experiences at scale

Categorization of AI use cases in Travel



CREATE NEW WAYS OF WORKING

Introduce entirely new capabilities and operating models that were not possible before, unlocking new revenue streams and guest experiences

REDEFINE ACTIVITES

Reimagine how work gets done by redesigning activities, and decisions to be more efficient and guest-centric using new technology

OPTIMIZE CURRENT PROCESSES

Improve how today's workflows run by removing manual tasks, reducing errors, and speeding up execution without changing the underlying process

Source: A&M Analysis

AI will be the defining gamechanger, with the coming shift to agentic AI reshaping traveler experiences and operating models end to end

Selection of high-impact Agentic use cases that can transform travel by 2030

NON-EXHAUSTIVE

FOR THE OPERATOR

1.	**Automated Frontline Operations (Rebooking, Service Requests, Issue Resolution)**	AI automates routine tasks, helping operators manage complexity at scale and focus on higher-value needs
2.	**Predictive & Autonomous Property / Asset Management**	From predictive maintenance to dynamic room assignments and housekeeping routing
3.	**Dynamic Pricing, Bundling & Revenue Optimization**	Agentic AI creates bundles, tests prices, reacts to demand surges instantly
4.	**Automated Tech Modernization (Self-Improving Infrastructure)**	AI agents rewrite legacy code, update systems, and orchestrate modernization sprints
5.	**Workforce Productivity & Skill Augmentation**	Agents support staff with insights, next-best-action execution, scheduling, workflow orchestration, and upskilling

FOR THE TRAVELER

Autonomous Trip Planning & Booking	AI designs and books end-to-end itineraries using preferences, loyalty, calendars, and real-time availability
Real-Time Disruption Resolution	An AI agent can automatically resolve travel disruptions by rebooking flights or extending stays, and then present the solution to the traveler for confirmation
Hyper-Personalized In-Stay Experiences	AI anticipates needs using past trips, contextual signals, and unstructured data (reviews, sentiment)
Intelligent Spend & Loyalty Optimization	Automatically applies miles, optimizes redemptions, maximizes tier progression, bundles ancillaries
Context-Aware Travel Companion	AI assists the traveler throughout the journey checking real-time conditions (e.g., health cues, weather, crowds) and suggesting adjustments instantly

Source: A&M Analysis

Maialen Carbajo

Director, Travel, Retail & Aggregators, Google Spain

Maialen is Head of Industry, Travel for at Google in Spain. She brings 20 years of experience across the travel and consumer goods sectors, having worked in both Europe and the United States. Her work focuses on driving digital transformation for businesses and helping them maximize both short- and long-term profitability.

> **"AI is the new operating system for the travel industry, built to drive profitability at a global scale by automating millions of operational decisions. This same system is what transforms the traveler's journey, creating a seamless experience from the first moment of inspiration through the trip itself"**

AGENDA

Mayte Ballestar

Head of Analytical Consultants, Google Spain

Mayte is Head of Analytics at Google and holds a PhD in Applied Economics. A trained statistician, she brings deep expertise in data driven strategy, technology, and digital innovation.

> **"Our research calls domestic travel the 'loyalty engine,' and data proves it. It's one of the best predictors of future international travel. With the right analytics, brands can identify and nurture these travelers today to secure profitable international customers tomorrow.**

Michael Eiden

AI/ML Managing Director

Michael Eiden is a Managing Director with Alvarez & Marsal in London. He is an expert in applied Artificial Intelligence and Machine Learning, with +20 years of experience in the field across various sectors including Travel and Transport.

> **"Travel operators will increasingly rely on AI and machine learning to guide strategic decisions.**
>
> **Our use of agentic AI–powered predictive models delivers a forward-looking perspective on global tourism flows, enabling more informed planning across markets and destinations**

The following eight markets have been identified as key travel markets for 2050, based on absolute volume and incremental growth between 2025 and 2050

Top travel markets by 2050

	SOURCE MARKETS	DESTINATIONS	DOMESTIC
Top 3 By absolute figures (2050)	India, China, USA	Spain, France, China	India, China, USA
Top 3 By incremental growth (2025-50)	India, China, USA	China, Thailand, Saudi Arabia	India, China, Indonesia

Shaded flags indicate countries already highlighted

Notes: Numbers in deep-dives have been rounded for presentation purposes
Source: Google queries, A&M Analysis

India (1/5) – Market Insights

OUTBOUND

- Rising personal incomes, changing lifestyles, and affordable airfares, combined with sustained investment in travel infrastructure and airport capacity, are making international travel easier and more accessible for Indian consumers.
- India's outbound travel is set to grow as online travel agencies and digital booking platforms continue to simplify trip planning, discovery, and purchasing for a rapidly expanding base of travelers.
- Visiting friends and relatives remains a major driver of outbound travel, supported by India's large diaspora and international student base, while growing regional economic integration is expected to stimulate more intra-regional business travel.
- Travel is increasingly seen as a symbol of success, and alongside this a large wave of first-time international travelers is emerging, creating strong long-term growth potential as India's economy continues to expand and mature.

INBOUND

- High-spend international visitors from long-haul markets such as the US, UK and the Middle East are becoming an increasingly important source of inbound growth as demand shifts toward curated cultural and premium experiences.
- Easier entry and digital visa processes are improving India's accessibility and helping convert international interest into actual visits.
- Niche segments such as wellness, yoga and holistic retreats are strengthening India's positioning beyond traditional sightseeing and heritage tourism.
- India faces strong competition from regional peers that offer compelling value across price segments and will need to improve service quality, cost competitiveness and global promotion to sustain inbound growth.

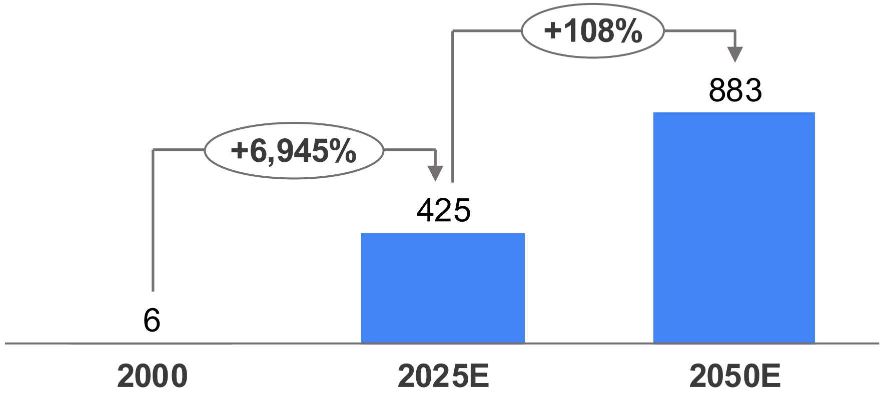
DOMESTIC

- Domestic travel demand is being broadened by a new wave of travelers from Tier II and Tier III cities, expanding beyond the traditional metro-driven pattern and lifting participation across multiple trip types.
- Short break formats and experience-led choices are gaining share, with travelers increasingly mixing beaches, mountains and religious trips with newer interests like wildlife, cruises and natural phenomena.
- Religious and cultural mega events are a major domestic volume engine and are being reinforced by destination-level infrastructure investment and improved connectivity that keeps visitors flowing year round.
- India has traditionally been a domestic-first travel market, but as outbound accelerates the priority will be protecting heads in beds by upgrading the domestic proposition and/or scaling inbound to offset leakage of spend overseas.

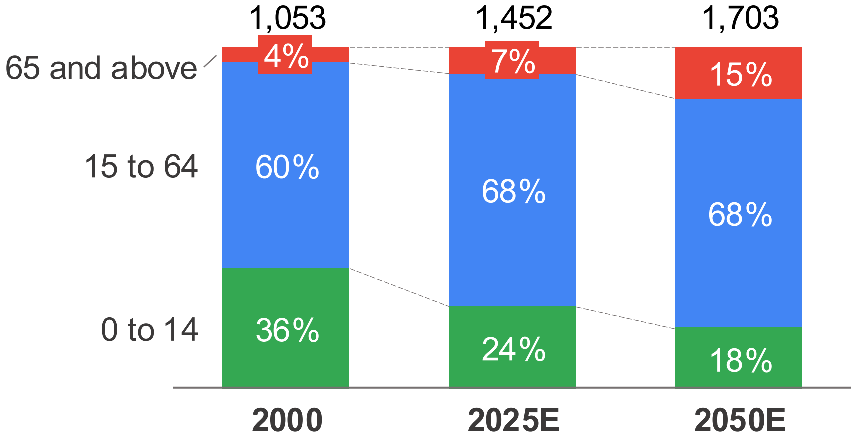
Source: Desk research, Google queries, A&M Analysis

India (2/5) – Macro Environment

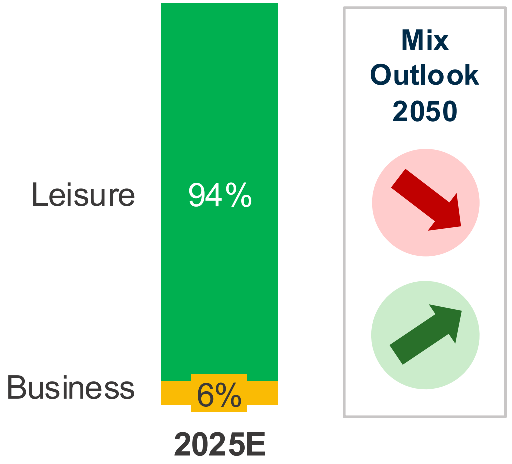
Potential traveler population (#Mn)[1]



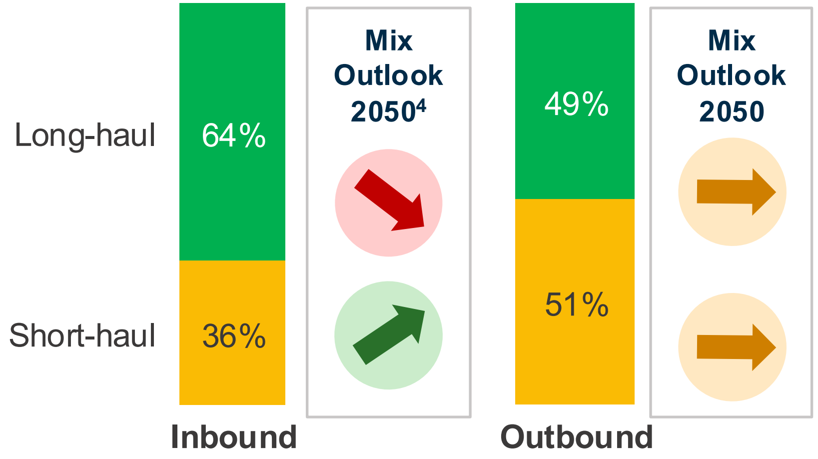
Population by age group (#Mn, %)[2]



Inbound + domestic spend mix by purpose of travel



Long vs short-haul[3] travel mix (2025E, %)

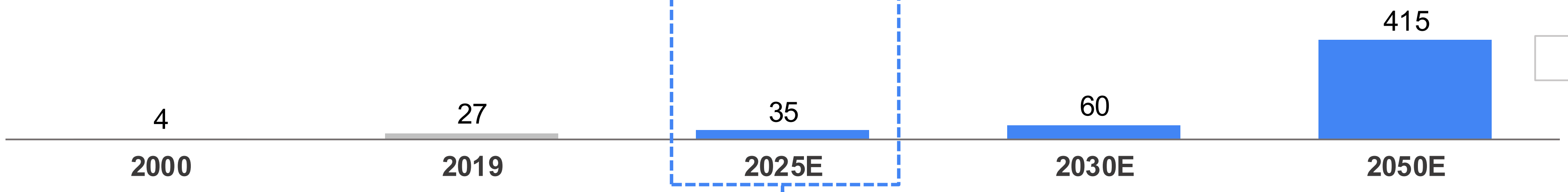


Increase share   Maintain share   Decrease share

Notes: 1. Potential traveler population includes GapMinder income levels 3–5, aligned with World Bank's definition of middle class (GNI per capita > $9,200); 2. 2025 split is the average between 2020 and 2030E data; 3. Long-haul refers to flights with a duration of +6h, excludes domestic; 4. Long- vs. short-haul mix outlook linked to spend/trip growth. Short-haul gains mix: <0.5% CAGR25–50, Mix remains stable: 0.5–1.5%, Long-hauls gains mix: >1.5%. Source: UNWTO, GapMinder, World Bank, WTTC, Google queries, A&M Analysis

India (3/5) – Outbound Departures (#Mn)

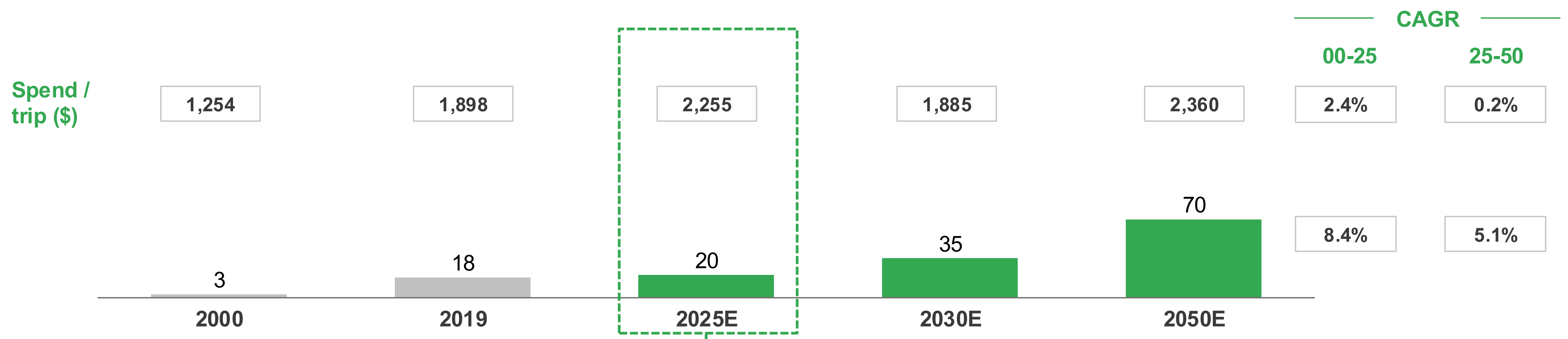
	2000	2019	2025E	2030E	2050E	CAGR 00-25	CAGR 25-50
Trips / capita (#)	0.00	0.02	0.02	0.04	0.25		
Spend / trip ($)	835	1,071	1,360	1,570	1,745	2.0%	1.0%
Outbound departures (#Mn)	4	27	35	60	415	8.6%	10.4%



Google Queries 2025 Deep-dive				Road to destination (2025 LTM)				Stay (2025 LTM)			
Top 5 countries	% departures	Average trip duration (Days)	Lookahead window	Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
UAE	16%	8.8	36	1.0	96%	1%	3%	1.2	89%	10%	0%
USA	10%	33.9	57	1.2	90%	4%	6%	2.7	88%	11%	1%
Thailand	9%	6.6	46	1.1	91%	3%	7%	2.5	92%	6%	2%
Saudi Arabia	8%	13.6	32	0.3	96%	3%	1%	0.3	97%	3%	0%
Malaysia	5%	7.1	43	0.2	90%	3%	7%	0.4	90%	9%	1%
Rest of world	52%	14.5	49	5.5	82%	9%	8%	7.9	85%	13%	2%

Source: WTTC, Google queries, A&M Analysis

India (4/5) – Inbound Arrivals (#Mn)

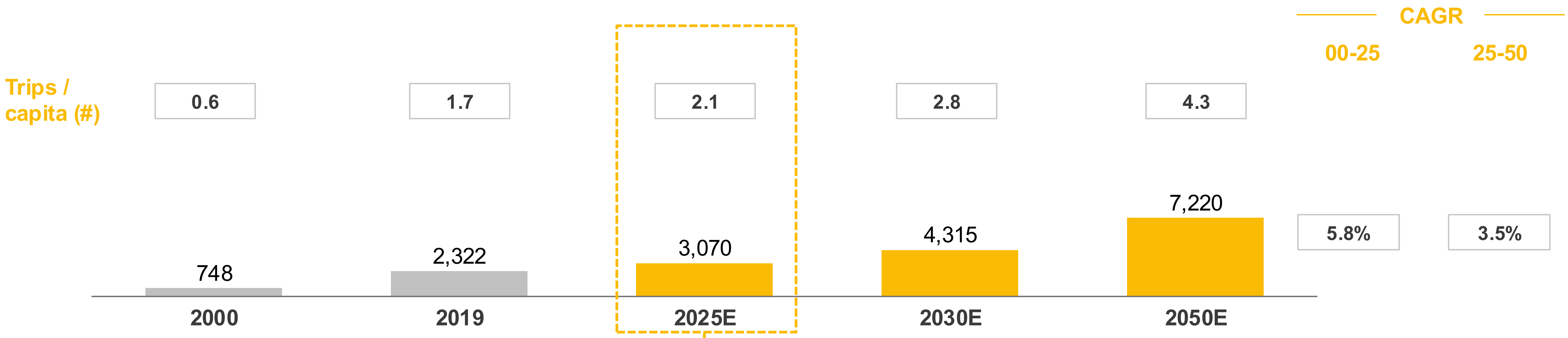


Google Queries 2025 Deep-dive

				Road to destination (2025 LTM)				Stay (2025 LTM)			
Top 5 countries	% Arrivals	Average trip duration (Days)	Lookahead window	Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Bangladesh	8%	6.8	30	0.0	83%	10%	7%	0.1	89%	7%	4%
USA	8%	22.1	69	1.7	91%	3%	6%	3.0	91%	8%	1%
UK	6%	17.8	63	0.5	93%	3%	4%	0.6	89%	10%	1%
Australia	3%	19.7	67	0.2	94%	2%	4%	0.2	89%	10%	1%
Sri Lanka	3%	7.4	39	0.0	91%	4%	6%	0.1	88%	11%	0%
Rest of world	72%	15.2	46	2.9	93%	2%	4%	2.9	90%	10%	1%

Source: WTTC, Google queries, A&M Analysis

India (5/5) – Domestic Trips (#Mn)



Google Queries 2025 Deep-dive

				Road to destination (2025 LTM)				Stay (2025 LTM)			
Top 5 cities	% Trips	Average trip duration (Days)	Lookahead window	Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Mumbai	5%	5.5	24	**2.1**	**69%**	**17%**	**13%**	**2.9**	**88%**	**10%**	**2%**
Bengaluru	5%	5.7	23	**1.9**	**63%**	**10%**	**26%**	**2.5**	**87%**	**12%**	**1%**
New Delhi	4%	5.9	25	**2.2**	**91%**	**8%**	**1%**	**1.5**	**90%**	**8%**	**2%**
Hyderabad	3%	5.1	21	**1.1**	**66%**	**10%**	**24%**	**1.3**	**83%**	**14%**	**2%**
Goa	1%	4.9	31	**1.0**	**88%**	**1%**	**11%**	**0.3**	**71%**	**24%**	**4%**
Rest	82%	5.7	28	**22.2**	**49%**	**17%**	**34%**	**53.4**	**86%**	**13%**	**1%**

Source: WTTC, Google queries, A&M Analysis

China (1/5) – Market Insights

OUTBOUND

- The pandemic rebound is being driven by a wave of first-time international travelers who are expanding the market beyond its pre-pandemic frequent traveler base and typically start with iconic global destinations before later exploring more niche locations.
- Short haul remains the backbone of outbound travel, with Japan, Thailand and South Korea benefiting from easy visas, strong airlift and reliable tourism infrastructure while regional destinations continue improving their tourism value proposition.
- Long haul travel is becoming more diverse as Chinese travelers expand beyond classic European iconic destinations into the Middle East, Africa and Nordic nature and polar experiences.
- Travel preferences are shifting toward personalized and authentic experiences, with Gen Z and younger travelers using social media and digital platforms for spontaneous lifestyle-driven trips while older and family travelers favor comfort, wellness and multi-generation formats over packaged group tours.

INBOUND

- China is positioned to gain inbound share from neighboring countries as APAC travel continues to rebound and regional demand accelerates.
- Easier access through expanded visa-free entry and longer visa-free transit is materially lowering barriers and improving China's attractiveness for multi-country Asia trips.
- Improved air connectivity including new international routes is strengthening China's reach across Asia, Europe and long-haul markets and supporting broader inbound growth.
- International travelers are increasingly discovering new cities across China beyond the main gateways as capacity and attractions continue to expand and demand for unique experiences grows.

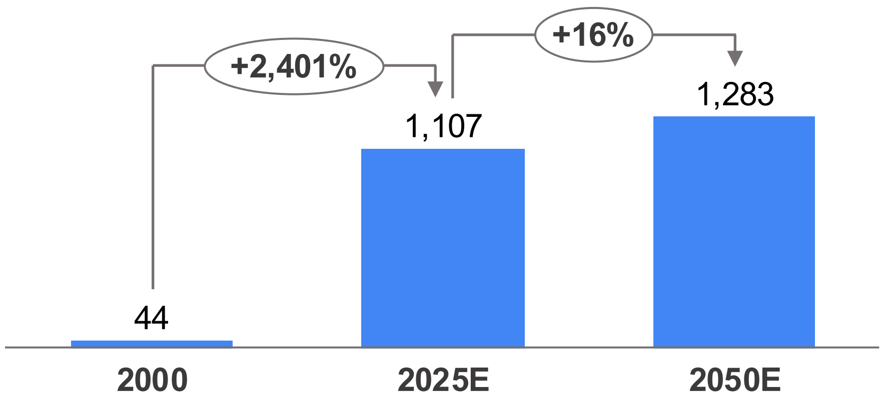
DOMESTIC

- Travel remains one of the strongest forms of household consumption with major holidays anchoring nationwide mobility and leisure spending, and extended break periods now generating record-breaking volumes and unprecedented traveler spending.
- Short-distance trips and micro vacations continue to grow as high-speed rail and regional aviation make frequent weekend and spontaneous travel easier and more accessible for a broader range of travelers.
- Domestic travelers are increasingly motivated by immersive formats such as night tourism, local food and culture trails, seasonal festivals, outdoor activities and themed experience clusters, reflecting a preference for deeper engagement rather than only classic sightseeing.
- Secondary and emerging destinations are gaining momentum as travelers seek novelty and value beyond top-tier cities, supported by broader tourism infrastructure investment and strong regional tourism development strategies.

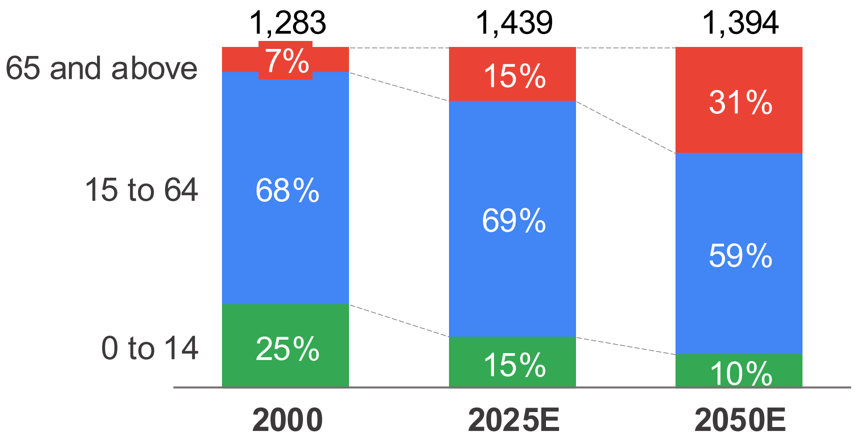
Source: Desk research, Google queries, A&M Analysis

China (2/5) – Macro Environment

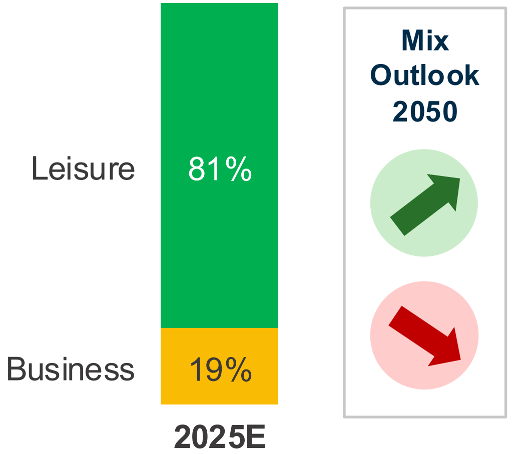
Potential traveler population (#Mn)[1]



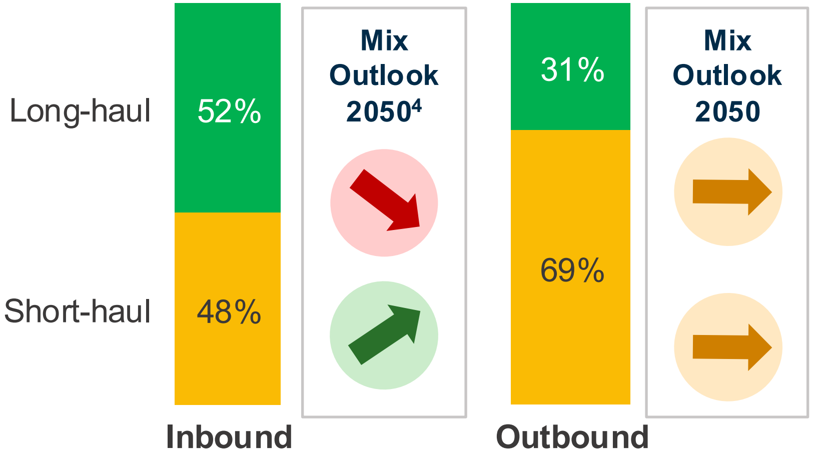
Population by age group (#Mn, %)[2]



Inbound + domestic spend mix by purpose of travel



Long vs short-haul[3] travel mix (2025E, %)

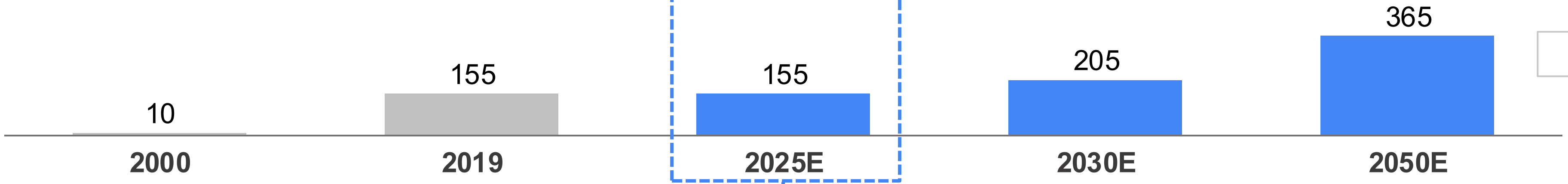


Increase share   Maintain share   Decrease share

Notes: 1. Potential traveler population includes GapMinder income levels 3–5, aligned with World Bank's definition of middle class (GNI per capita > $9,200); 2. 2025 split is the average between 2020 and 2030E data; 3. Long-haul refers to flights with a duration of +6h, excludes domestic; 4. Long- vs. short-haul mix outlook linked to spend/trip growth. Short-haul gains mix: <0.5% CAGR25–50, Mix remains stable: 0.5–1.5%, Long-hauls gains mix: >1.5%. Source: UNWTO, GapMinder, World Bank, WTTC, A&M Analysis

China (3/5) – Outbound Departures (#Mn)

	2000	2019	2025E	2030E	2050E	CAGR 00-25	CAGR 25-50
Trips / capita (#)	0.01	0.11	0.11	0.15	0.29		
Spend / trip ($)	1,353	1,647	1,925	2,175	2,180	1.4%	0.5%
Outbound departures (#Mn)	10	155	155	205	365	11.4%	3.5%



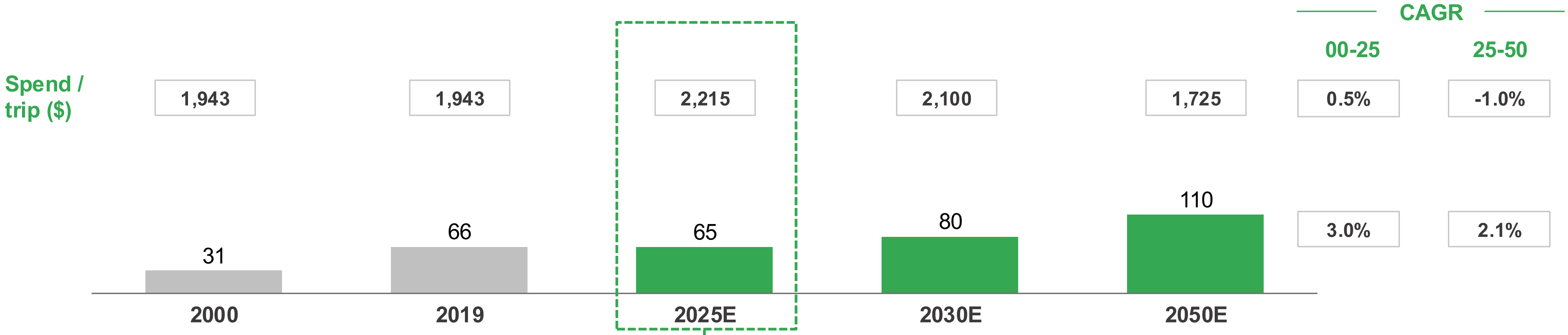
2025 Deep-dive

Top 5 countries	% departures	Average trip duration (Days)	Lookahead window
Hong Kong	21%	7.0	51
Macao	16%	5.3	50
Japan	10%	7.3	61
Thailand	9%	6.6	58
South Korea	6%	4.2	58
Rest of world	38%	15.6	64

- Chinese outbound travel in 2025 favored short haul regional destinations for flexible and accessible trips (e.g., Japan and Southeast Asia)
- There is a move away from group tours toward more personalized and culturally rich experiences
- The outbound market is becoming more diverse as travelers born in the 1980s and 1990s remain core while active older travelers add new travel styles (e.g., wellbeing, culinary, multi-generation family trips)

Notes: Google Queries 2025 not available
Source: WTTC, Press releases, A&M Analysis

China (4/5) – Inbound Arrivals (#Mn)



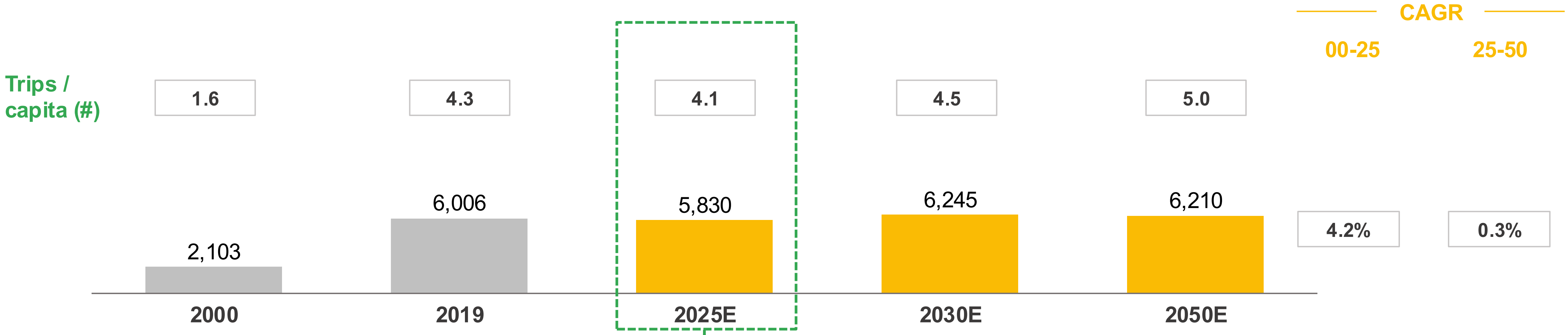
2025 Deep-dive

Top 5 countries	% Arrivals	Average trip duration (Days)	Lookahead window
Hong Kong	45%	6.1	46
Macao	13%	5.2	49
South Korea	7%	9.2	58
Myanmar	5%	10.2	43
Japan	4%	8.0	57
Rest of world	26%	11.7	68

- International visitors are increasingly attracted by easier access through expanded visa free and transit policies
- Secondary destinations are becoming more popular alongside the main gateways as itineraries broaden (e.g., Hunan, Chengdu, Hangzhou)
- The inbound mix is becoming more diverse with more source markets reinforcing China as a priority growth market for travel operators

Notes: Google Queries 2025 not available
Source: WTTC, Press releases, A&M Analysis

China (5/5) – Domestic Trips (#Mn)



2025 Deep-dive

Top 5 cities	% Trips	Average trip duration (Days)	Lookahead window
Shanghai	25%	5.6	51
Guangzhou	13%	6.0	46
Beijing	12%	5.6	55
Shenzhen	8%	5.0	37
Chengdu	3%	5.8	54
Rest	39%	6.1	56

- Domestic travel is increasingly driven by short-distance and “micro-vacation” trips within a few hours of home, reflecting preferences for weekend and spontaneous leisure
- Travelers are seeking experience-led activities such as local food culture, heritage stays and immersive cultural tourism rather than only traditional sightseeing
- A wider range of destinations, including rural getaways and secondary cities, are gaining popularity as people explore beyond major urban centers

Notes: Google Queries 2025 not available
Source: WTTC, Press releases, A&M Analysis

USA (1/5) – Market Insights

OUTBOUND

- Demand for international travel remains strong, with a growing share of Americans planning and booking overseas trips despite macroeconomic uncertainty, showing that travel remains a protected lifestyle necessity.
- Social media and AI tools are increasingly driving how Americans discover and book international trips, with OTAs facing growing competition from direct bookings while still playing a central role in convenience, dynamic pricing and planning.
- Destination choice is becoming more geographically diverse and increasingly shaped by climate realities, with Americans spreading travel beyond Southern Europe and Mexico while factoring in climate shocks (e.g., heat waves) that affect the viability and timing of certain destinations.
- Outbound travel behavior is fragmenting by generation, with baby boomers using lifestyle flexibility to avoid peak season flying, while younger travelers leverage remote work to travel longer and more often, spending more on flights and accommodation to stay comfortable while working abroad.

INBOUND

- The United States has historically been a global leader in inbound tourism, but rising barriers to entry and reputational and political uncertainty are weakening arrivals, particularly from neighboring short-haul markets like Canada, even though underlying destination appeal remains strong.
- The country faces growing pressure to modernize travel infrastructure and facilitation, as biometric processing, visa wait times, visa-free access and new screening technologies are advancing more slowly than in parts of Europe, China and the Middle East.
- The next decade represents a decisive window for the United States to reclaim its position as a global travel superpower as mega events such as the FIFA World Cup and Olympic Games create unmatched global visibility and demand that can reset inbound momentum.
- There is a collateral opportunity to build international demand for Tier 2 cities that are already popular with domestic travelers, as global events across the country can showcase new regional value propositions beyond traditional gateways.

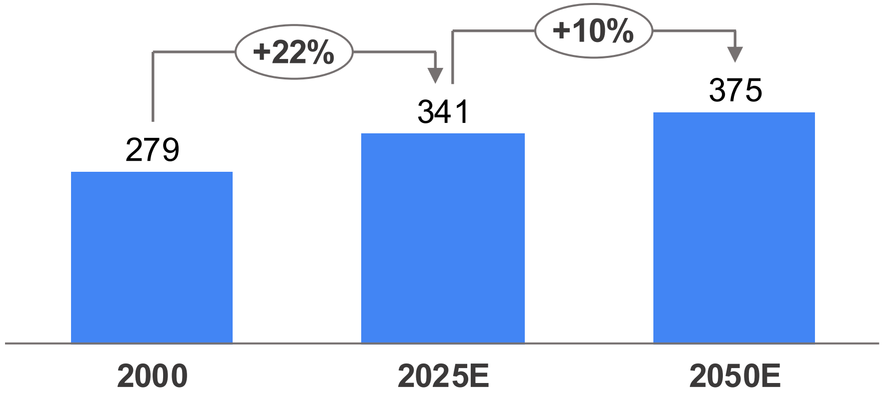
DOMESTIC

- Domestic travel remains the backbone of the US tourism economy, with one of the highest levels of domestic tourism per capita globally, as American consumers continue to prioritize trips and experiences and make up much of the shortfall from weaker international arrivals.
- Americans are increasingly shifting toward flexible and value-driven travel, including road trips, regional destinations, longer stays and the use of travel hacking and alternative accommodation platforms to travel more often.
- Brand loyalty and points maximization are deeply embedded in how US travelers plan and book, with credit card, airline and hotel rewards driving repeat behavior and consumers increasingly redeeming points for flights and stays as well as events, dining and lifestyle perks.
- Leisure-led and experience-focused travel continues to grow alongside the recovery of corporate travel, while generational differences shape when and how people travel, with younger travelers using remote work to extend trips and older travelers using schedule flexibility to avoid peak periods.

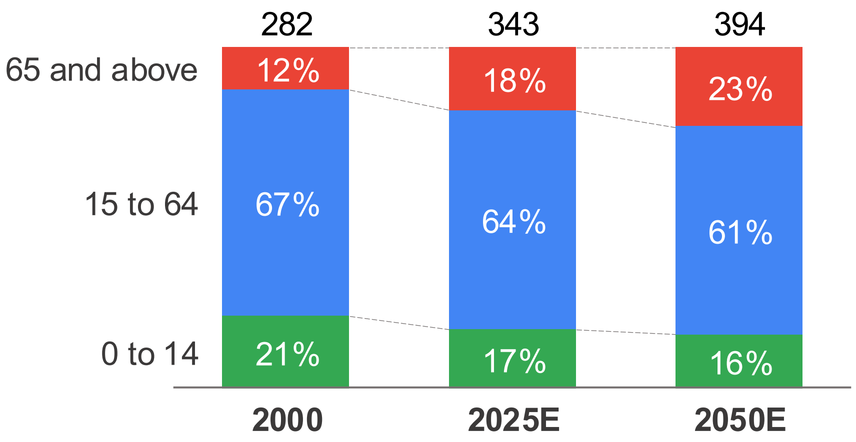
Source: Desk research, Google queries, A&M Analysis

USA (2/5) – Macro Environment

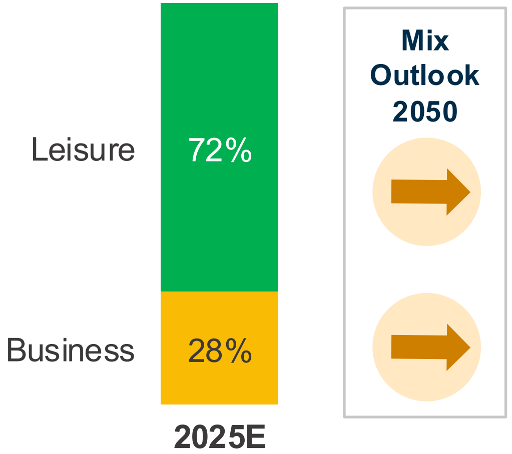
Potential traveler population (#Mn)[1]



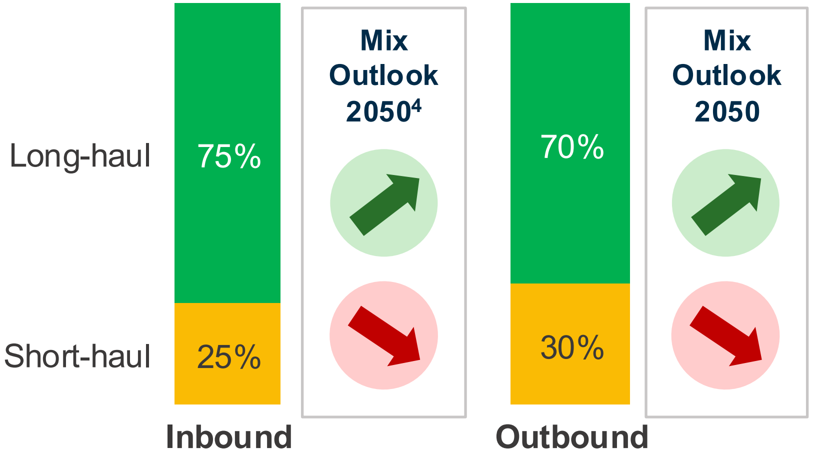
Population by age group (#Mn, %)[2]



Inbound + domestic spend mix by purpose of travel



Long vs short-haul[3] travel mix (2025E, %)

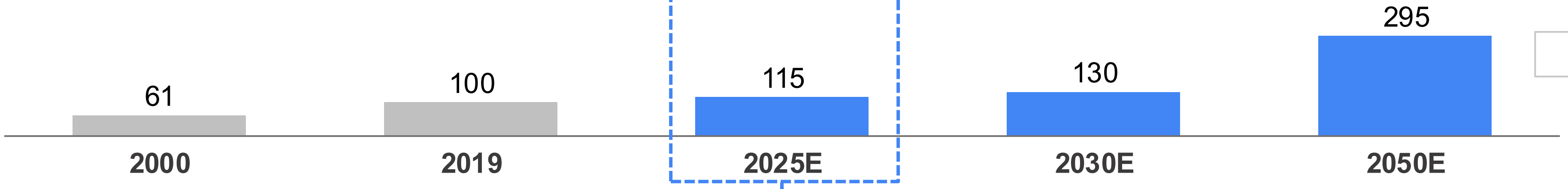


Increase share   Maintain share   Decrease share

Notes: 1. Potential traveler population includes GapMinder income levels 3–5, aligned with World Bank's definition of middle class (GNI per capita > $9,200); 2. 2025 split is the average between 2020 and 2030E data; 3. Long-haul refers to flights with a duration of +6h, excludes domestic; 4. Long- vs. short-haul mix outlook linked to spend/trip growth. Short-haul gains mix: <0.5% CAGR25–50, Mix remains stable: 0.5–1.5%, Long-hauls gains mix: >1.5%. Source: UNWTO, GapMinder, World Bank, WTTC, Google queries, A&M Analysis

USA (3/5) – Outbound Departures (#Mn)

	2000	2019	2025E	2030E	2050E	CAGR 00-25	CAGR 25-50
Trips / capita (#)	0.22	0.30	0.34	0.37	0.79		
Spend / trip ($)	1,394	1,853	1,635	1,805	2,685	0.6%	2.0%
						2.5%	3.8%

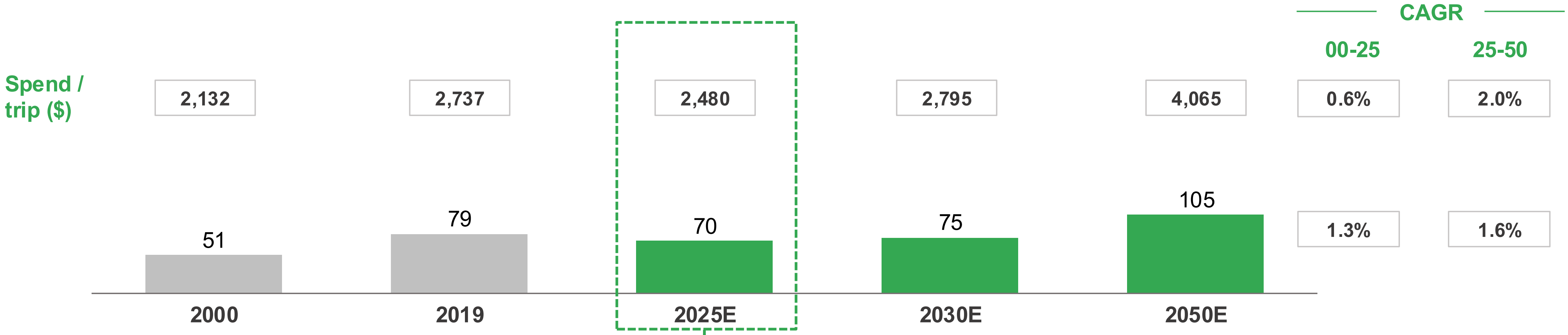


Google Queries 2025 Deep-dive

Top 5 countries	% departures	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM): Queries (#Mn)	Road to destination (2025 LTM): Flights (%)	Road to destination (2025 LTM): Train (%)	Road to destination (2025 LTM): Other (%)	Stay (2025 LTM): Queries (#Mn)	Stay (2025 LTM): Hotel (%)	Stay (2025 LTM): Rental (%)	Stay (2025 LTM): Other (%)
Mexico	27%	6.2	65	**2.0**	**86%**	**0%**	**13%**	**8.6**	**92%**	**8%**	**0%**
Canada	10%	5.6	53	**1.3**	**61%**	**15%**	**24%**	**3.9**	**84%**	**14%**	**1%**
UK	4%	9.8	85	**1.7**	**54%**	**28%**	**18%**	**4.3**	**80%**	**18%**	**3%**
France	4%	9.7	89	**2.3**	**48%**	**40%**	**12%**	**5.4**	**89%**	**9%**	**1%**
Puerto Rico	3%	5.4	60	**0.8**	**75%**	**0%**	**25%**	**1.5**	**88%**	**11%**	**1%**
Rest of world	52%	12.7	87	**19.7**	**72%**	**15%**	**13%**	**52.3**	**88%**	**11%**	**2%**

Source: WTTC, Google queries, A&M Analysis

USA (4/5) – Inbound Arrivals (#Mn)

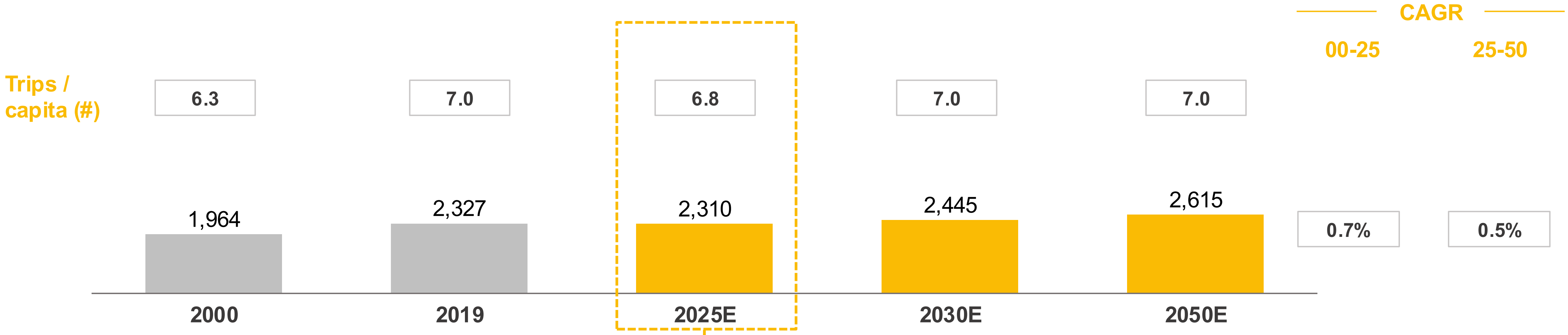


Google Queries 2025 Deep-dive

Top 5 countries	% Arrivals	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM): Queries (#Mn)	Road to destination (2025 LTM): Flights (%)	Road to destination (2025 LTM): Train (%)	Road to destination (2025 LTM): Other (%)	Stay (2025 LTM): Queries (#Mn)	Stay (2025 LTM): Hotel (%)	Stay (2025 LTM): Rental (%)	Stay (2025 LTM): Other (%)
Canada	28%	5.6	51	1.8	74%	6%	19%	5.2	87%	12%	1%
Mexico	23%	7.9	50	0.6	82%	4%	14%	1.4	89%	10%	1%
UK	6%	10.8	78	1.4	75%	6%	19%	3.9	86%	13%	1%
India	3%	33.9	57	1.2	90%	4%	6%	2.7	88%	11%	1%
Germany	3%	13.1	91	0.6	78%	4%	18%	1.3	86%	13%	2%
Rest of world	37%	13.3	81	6.2	78%	5%	18%	15.9	87%	12%	1%

Source: WTTC, Google queries, A&M Analysis

USA (5/5) – Domestic Trips (#Mn)



Google Queries 2025 Deep-dive

Top 5 cities	% Trips	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM)				Stay (2025 LTM)			
				Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
New York	4%	4.8	43	**3.2**	**56%**	**19%**	**26%**	**8.0**	**88%**	**11%**	**1%**
Las Vegas	3%	3.9	45	**1.9**	**75%**	**8%**	**17%**	**5.4**	**90%**	**10%**	**0%**
Los Angeles	2%	5.1	43	**1.7**	**66%**	**6%**	**28%**	**2.6**	**82%**	**17%**	**1%**
Chicago	2%	4.2	40	**1.5**	**72%**	**14%**	**15%**	**3.1**	**88%**	**11%**	**1%**
Orlando	2%	n.a.	n.a.	**1.5**	**70%**	**3%**	**26%**	**2.7**	**86%**	**14%**	**0%**
Rest	88%	4.6	44	**37.0**	**61%**	**8%**	**31%**	**188.8**	**81%**	**18%**	**1%**

Source: WTTC, Google queries, A&M Analysis

Spain (1/5) – Market Insights

OUTBOUND

- Price and value are central to destination choice, with Spanish travelers increasingly using AI-driven search, digital comparison tools and price matching platforms to find the best flight and hotel deals before committing to an international trip.
- Spanish travelers are a very mature short-haul market that is upgrading into long-haul and more premium trips, treating one or two big international journeys each year as a personal investment in experiences, while continuing frequent short-haul breaks to secondary European destinations focused on culture, food and local immersion.
- Direct connectivity has become decisive, with destinations offering nonstop flights from Spanish airports gaining an advantage as travelers prioritize convenience, reliability and time efficiency.
- Travel is becoming less concentrated in peak summer times and more spread across the year, as Spanish travelers increasingly choose shoulder and off-peak periods to avoid crowds, reduce costs and limit exposure to extreme heat while gaining better value.

INBOUND

- Spain remains very strong for short-haul European travelers, consistently ranking as a preferred winter and year-round destination thanks to climate, cultural familiarity, connectivity and brand appeal in markets such as France, Germany and the UK.
- Spain is becoming increasingly important for long-haul travelers, attracting high-spend visitors from the Americas and Asia and serving as an anchor Mediterranean destination in multi-destination Europe itineraries.
- Inbound growth is shifting toward higher value rather than pure volume, with visitor spending rising faster than arrivals as travelers prioritize gastronomy, heritage, shopping and premium experiences.
- Demand is spreading across the calendar and geography, supported by luxury experiences, events and cultural tourism that reduce seasonality and help disperse visitors into inland and secondary destinations beyond classic coastal hotspots.

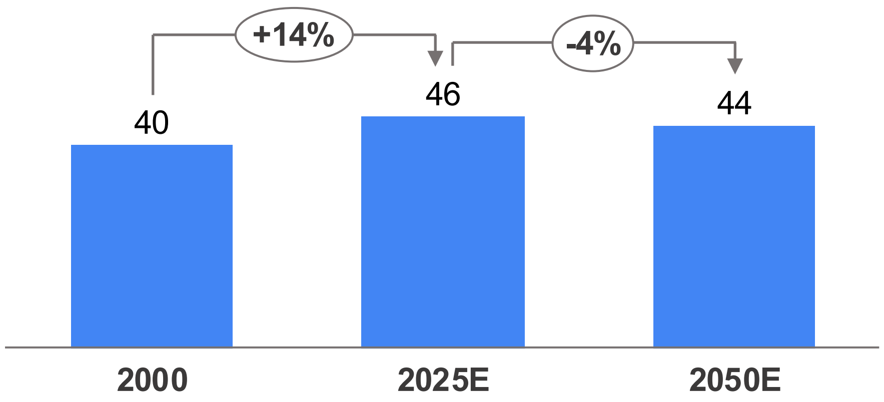
DOMESTIC

- Domestic travel has become a core lifestyle and wellbeing proposition for Spaniards, but as international travel normalizes a growing share of demand is shifting abroad again, while a stable to slightly declining population means overall domestic volumes may grow more gradually.
- Travel patterns are becoming more diverse and geographically spread, with Spaniards increasingly visiting classic beach and city destinations as well as mountain, rural and secondary cultural areas throughout the year.
- Trip behavior is becoming more fragmented and flexible, with more short breaks, weekend escapes and multi-trip years replacing the single long summer holiday model, supported by better transport, remote work and digital planning.
- Events and live experiences are powerful domestic travel triggers, with sports, music and cultural festivals increasingly acting as the main reason to travel and driving higher spending beyond traditional leisure patterns.

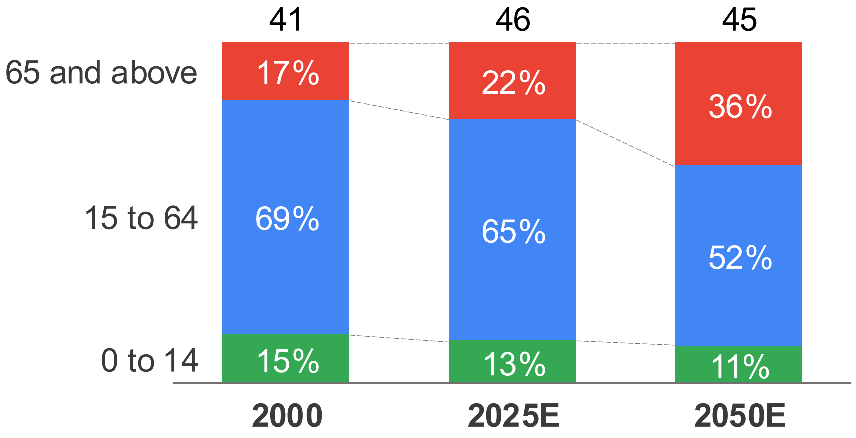
Source: Desk research, Google queries, A&M Analysis

Spain (2/5) – Macro Environment

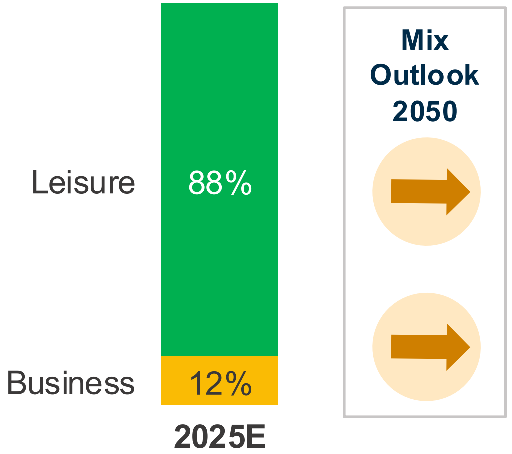
Potential traveler population (#Mn)[1]



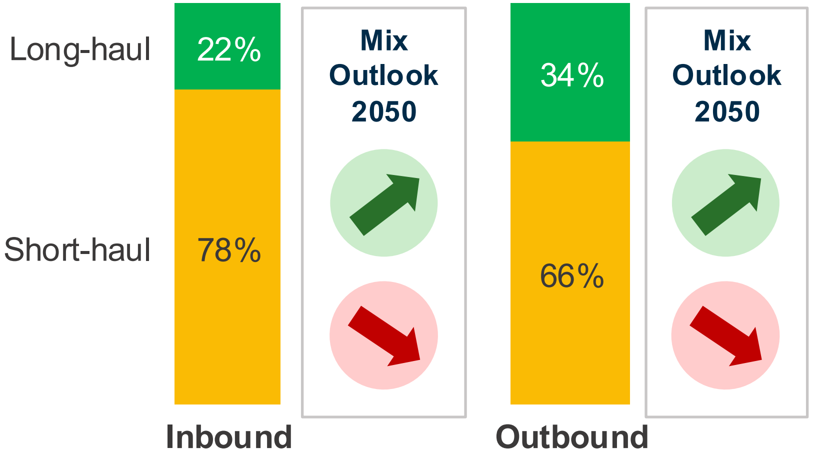
Population by age group (#Mn, %)[2]



Inbound + domestic spend mix by purpose of travel



Long vs short-haul[3] travel mix (2025E, %)

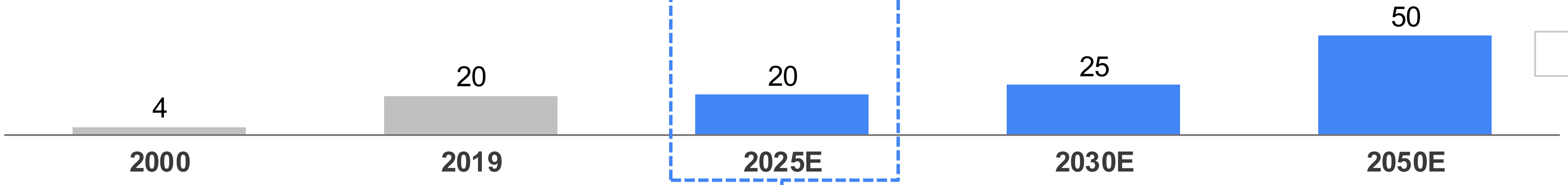


Increase share | Maintain share | Decrease share

Notes: 1. Potential traveler population includes GapMinder income levels 3–5, aligned with World Bank's definition of middle class (GNI per capita > $9,200); 2. 2025 split is the average between 2020 and 2030E data; 3. Long-haul refers to flights with a duration of +6h, excludes domestic; 4. Long- vs. short-haul mix outlook linked to spend/trip growth. Short-haul gains mix: <0.5% CAGR25–50, Mix remains stable: 0.5–1.5%, Long-hauls gains mix: >1.5%. Source: UNWTO, GapMinder, World Bank, WTTC, Google queries, A&M Analysis

Spain (3/5) – Outbound Departures (#Mn)

	2000	2019	2025E	2030E	2050E	CAGR 00-25	CAGR 25-50
Trips / capita (#)	0.10	0.42	0.41	0.52	1.11		
Spend / trip ($)	1,456	1,397	1,545	1,705	2,530	0.2%	2.0%
Outbound Departures (#Mn)	4	20	20	25	50	6.5%	3.7%



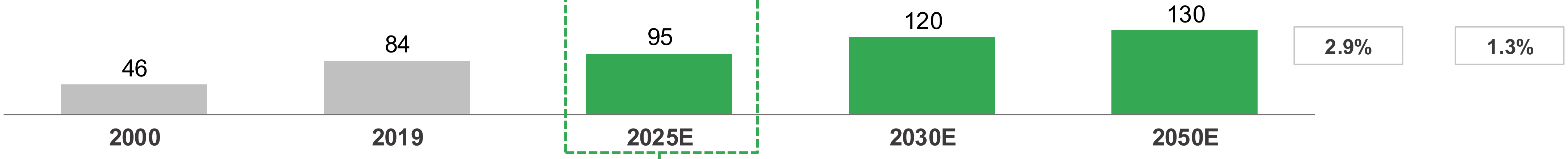
Google Queries 2025 Deep-dive

				Road to destination (2025 LTM)				Stay (2025 LTM)			
Top 5 countries	% departures	Average trip duration (Days)	Lookahead window	Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
France	25%	5.0	59	1.1	62%	25%	13%	2.0	84%	14%	2%
Italy	14%	5.0	66	0.8	65%	17%	19%	0.9	82%	14%	3%
UK	8%	5.4	58	0.5	71%	15%	14%	0.6	79%	17%	4%
Portugal	8%	4.7	61	0.3	66%	15%	19%	0.9	73%	24%	3%
Morocco	5%	6.6	52	0.2	85%	4%	12%	0.2	87%	11%	2%
Rest of world	40%	8.9	69	3.9	79%	8%	13%	5.9	82%	15%	2%

Source: WTTC, Google queries, A&M Analysis

Spain (4/5) – Inbound Arrivals (#Mn)

	2000	2019	2025E	2030E	2050E	CAGR 00-25	CAGR 25-50
Spend / trip ($)	627	1,201	1,265	1,275	2,080	2.8%	2.0%

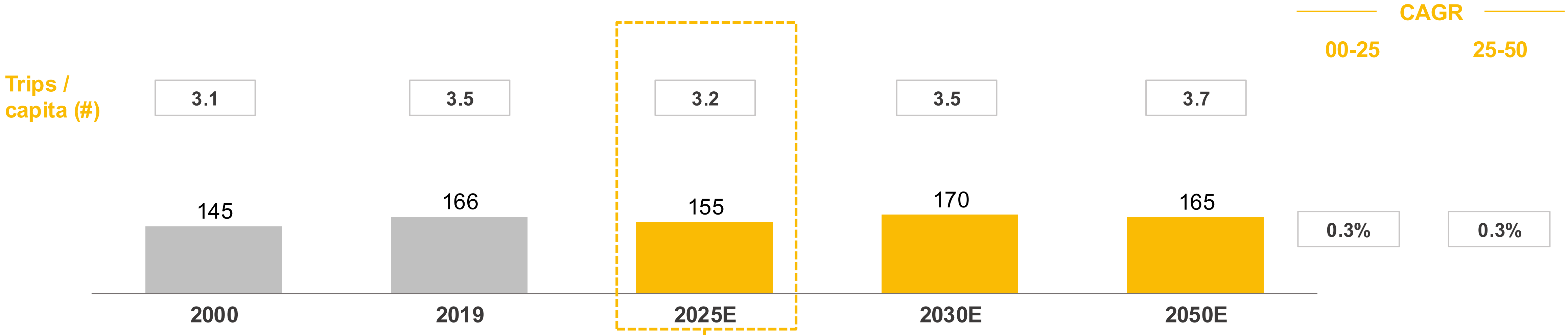


Google Queries 2025 Deep-dive

Top 5 countries	% Arrivals	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM) Queries (#Mn)	Road to destination (2025 LTM) Flights (%)	Road to destination (2025 LTM) Train (%)	Road to destination (2025 LTM) Other (%)	Stay (2025 LTM) Queries (#Mn)	Stay (2025 LTM) Hotel (%)	Stay (2025 LTM) Rental (%)	Stay (2025 LTM) Other (%)
UK	20%	5.1	62	**2.2**	**66%**	**9%**	**24%**	**6.4**	**80%**	**19%**	**1%**
France	14%	5.1	59	**3.2**	**60%**	**15%**	**25%**	**5.9**	**76%**	**20%**	**3%**
Germany	13%	6.1	62	**1.6**	**68%**	**5%**	**27%**	**3.5**	**80%**	**18%**	**2%**
Italy	6%	4.7	65	**1.2**	**78%**	**7%**	**15%**	**1.4**	**70%**	**24%**	**6%**
Netherlands	5%	5.8	64	**0.6**	**60%**	**10%**	**30%**	**1.2**	**73%**	**24%**	**3%**
Rest of world	42%	9.6	75	**6.8**	**62%**	**19%**	**20%**	**14.4**	**79%**	**17%**	**4%**

Source: WTTC, Google queries, A&M Analysis

Spain (5/5) – Domestic Trips (#Mn)



Google Queries 2025 Deep-dive

Top 5 cities	% Trips	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM) Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Stay (2025 LTM) Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Madrid	10%	4.8	49	**2.0**	**31%**	**47%**	**22%**	**2.6**	**71%**	**17%**	**13%**
Barcelona	6%	4.4	53	**1.2**	**38%**	**35%**	**26%**	**1.4**	**62%**	**31%**	**7%**
Seville	3%	4.4	54	**0.5**	**33%**	**40%**	**27%**	**0.8**	**71%**	**21%**	**8%**
Valencia	2%	4.5	47	**0.5**	**28%**	**40%**	**33%**	**0.6**	**71%**	**23%**	**5%**
Bilbao	1%	4.1	49	**0.3**	**42%**	**24%**	**34%**	**0.3**	**80%**	**13%**	**8%**
Rest	78%	4.9	53	**7.9**	**27%**	**27%**	**46%**	**27.3**	**70%**	**25%**	**6%**

Source: WTTC, Google queries, A&M Analysis

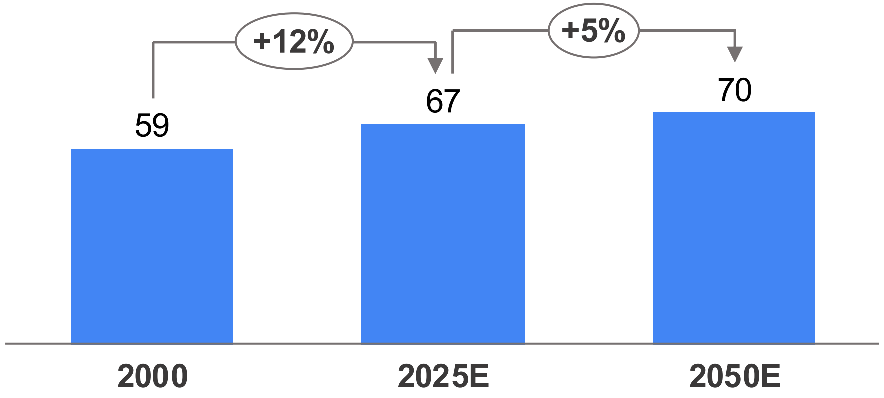
France (1/5) – Market Insights

OUTBOUND	INBOUND	DOMESTIC
▪ Value discipline is shaping where and when the French travel, with stronger comparison shopping and more willingness to adjust timing and destination to keep trips affordable. ▪ French travelers are leaning further into self-planned trips, using digital tools to build flexible itineraries and prioritizing culture and gastronomy abroad over standardized package formats. ▪ Long-haul aspiration is rising again through more premium leisure behavior, illustrated by Air France doubling down on high-end cabins to capture affluent leisure demand on routes like New York, Tokyo and Singapore. ▪ Destination choice is increasingly influenced by access and visibility, with airlines and destinations competing through route launches and promotion, helping some smaller markets win share as French outbound demand rebounds.	▪ France is set to remain one of the world's leading tourism countries, with Paris still drawing large numbers of visitors while Nice, the coasts and rural regions become more important in international plans. ▪ International visitors are looking beyond famous sights, with more interest in food, wine, small towns, countryside stays and local culture as part of trips. ▪ Visitor spending is becoming more important than visitor numbers, as more travelers choose higher quality experiences, longer stays and more carefully planned trips. ▪ France is investing more in travel infrastructure, events and promotion, supporting year-round demand and attracting visitors for reasons beyond classic leisure.	▪ Domestic tourism remains core in France, and while budgets are more closely watched, people will continue taking more trips per person and exploring secondary and less-known destinations. ▪ Camping, outdoor stays and nature-based travel are a strong and lasting part of domestic tourism, driven by demand for space, fresh air, good value and simpler experiences closer to nature. ▪ Short-term rentals are changing how and where people travel inside France, making it easier to stay in small towns and rural areas while creating pressure on housing in some popular places. ▪ Digital tools and booking platforms are playing a bigger role in domestic travel, making it easier to discover, compare and book stays and experiences across France, including in smaller towns and rural areas.

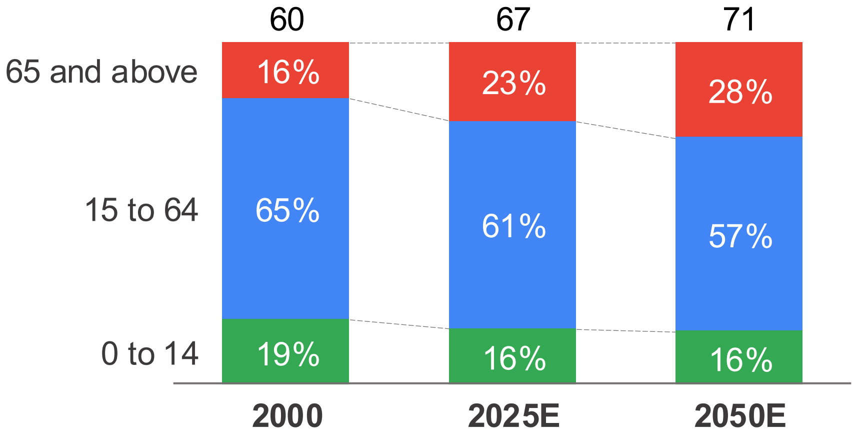
Source: Desk research, Google queries, A&M Analysis

France (2/5) – Macro Environment

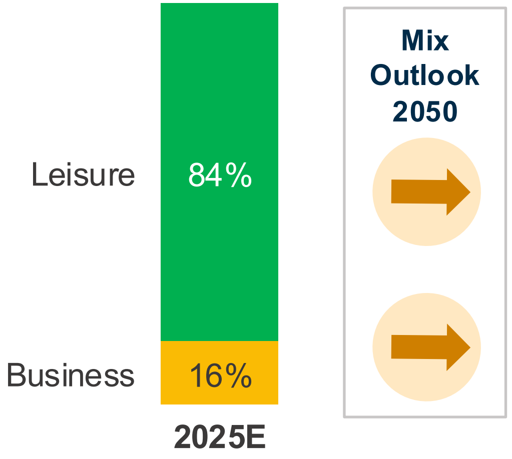
Potential traveler population (#Mn)[1]



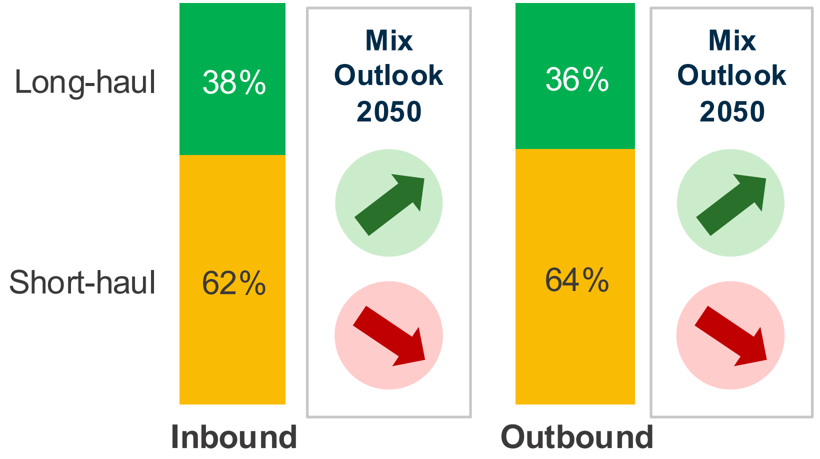
Population by age group (#Mn, %)[2]



Inbound + domestic spend mix by purpose of travel



Long vs short-haul[3] travel mix (2025E, %)

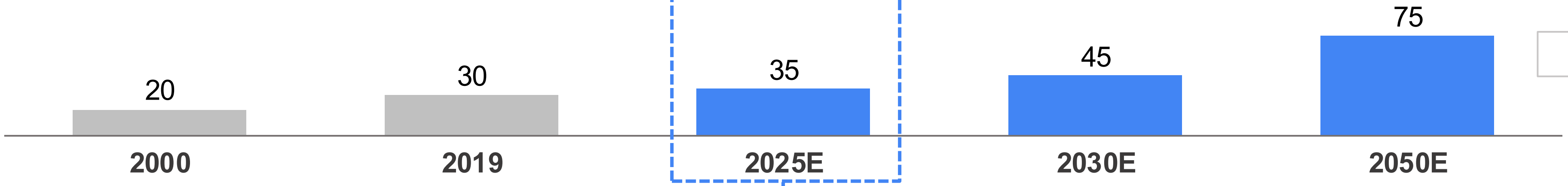


Increase share | Maintain share | Decrease share

Notes: 1. Potential traveler population includes GapMinder income levels 3–5, aligned with World Bank's definition of middle class (GNI per capita > $9,200); 2. 2025 split is the average between 2020 and 2030E data; 3. Long-haul refers to flights with a duration of +6h, excludes domestic; 4. Long- vs. short-haul mix outlook linked to spend/trip growth. Short-haul gains mix: <0.5% CAGR25–50, Mix remains stable: 0.5–1.5%, Long-hauls gains mix: >1.5%

France (3/5) – Outbound Departures (#Mn)

	2000	2019	2025E	2030E	2050E	CAGR 00-25	CAGR 25-50
Trips / capita (#)	0.32	0.45	0.51	0.65	1.08		
Spend / trip ($)	1,459	1,965	1,675	1,850	2,745	0.6%	2.0%
Outbound Departures (#Mn)	20	30	35	45	75	2.3%	3.1%

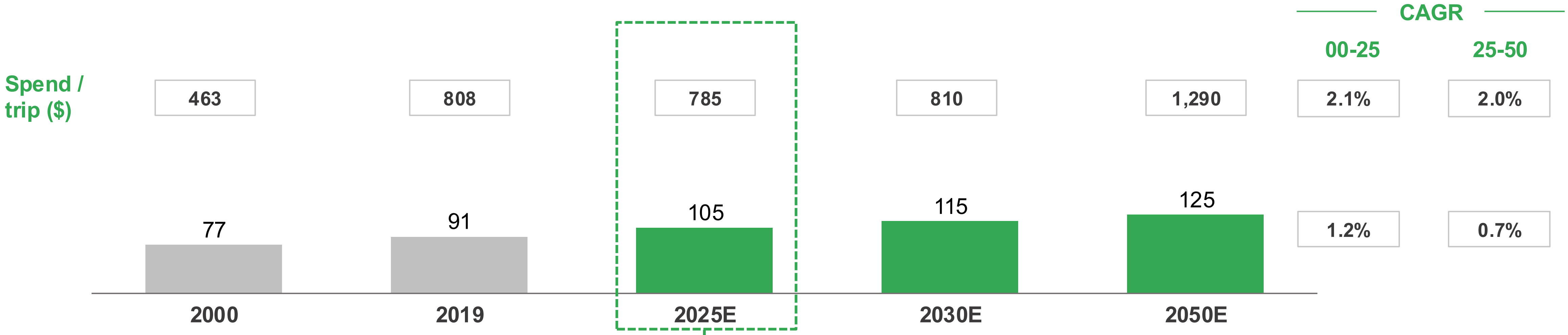


Google Queries 2025 Deep-dive

Top 5 countries	% departures	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM): Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Stay (2025 LTM): Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Spain	23%	5.1	59	**3.2**	**60%**	**15%**	**25%**	**5.9**	**76%**	**20%**	**3%**
Italy	13%	5.1	66	**1.2**	**54%**	**26%**	**20%**	**1.8**	**80%**	**17%**	**2%**
UK	7%	4.7	58	**0.7**	**46%**	**37%**	**17%**	**0.9**	**80%**	**16%**	**4%**
Morocco	5%	7.9	58	**0.8**	**82%**	**4%**	**14%**	**0.7**	**80%**	**19%**	**1%**
Greece	3%	7.4	81	**0.4**	**70%**	**1%**	**29%**	**0.6**	**88%**	**12%**	**1%**
Rest of world	49%	9.2	69	**9.1**	**74%**	**10%**	**16%**	**11.8**	**82%**	**15%**	**3%**

Source: WTTC, Google queries, A&M Analysis

France (4/5) – Inbound Arrivals (#Mn)

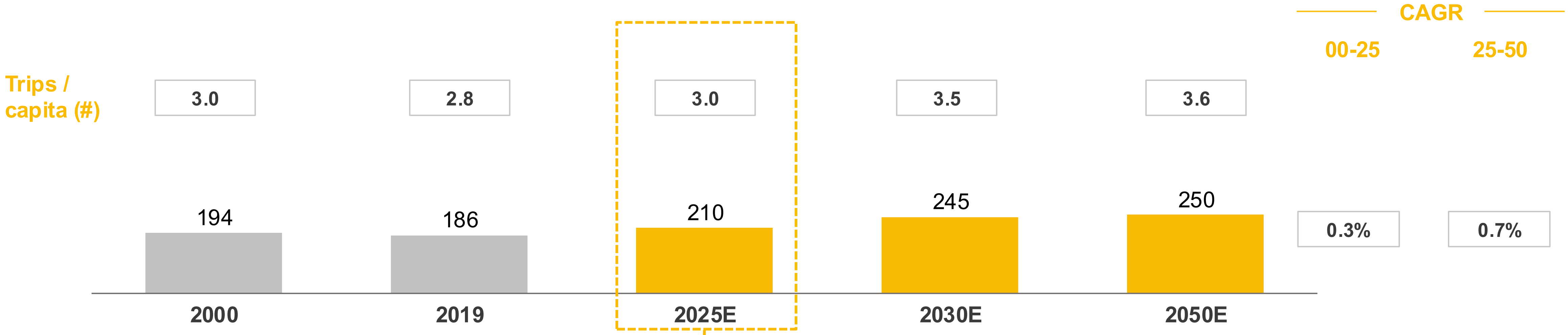


Google Queries 2025 Deep-dive

				Road to destination (2025 LTM)				Stay (2025 LTM)			
Top 5 countries	% Arrivals	Average trip duration (Days)	Lookahead window	Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Germany	16%	5.1	55	**0.7**	**43%**	**39%**	**19%**	**1.4**	**75%**	**21%**	**4%**
UK	14%	4.4	57	**1.5**	**38%**	**37%**	**25%**	**2.1**	**81%**	**17%**	**2%**
Belgium	10%	5.7	57	**0.4**	**27%**	**59%**	**15%**	**1.1**	**74%**	**19%**	**7%**
Italy	8%	4.7	65	**0.7**	**64%**	**21%**	**15%**	**1.0**	**85%**	**13%**	**2%**
Switzerland	8%	4.7	49	**0.4**	**37%**	**42%**	**22%**	**1.4**	**80%**	**15%**	**4%**
Rest of world	44%	8.5	65	**6.6**	**54%**	**33%**	**13%**	**13.3**	**86%**	**12%**	**2%**

Source: WTTC, Google queries, A&M Analysis

France (5/5) – Domestic Trips (#Mn)



Google Queries 2025 Deep-dive

Top 5 cities	% Trips	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM)				Stay (2025 LTM)			
				Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Paris	14%	5.2	50	**2.5**	**31%**	**52%**	**17%**	**3.6**	**83%**	**16%**	**2%**
Marseille	3%	4.8	49	**0.6**	**49%**	**32%**	**20%**	**0.5**	**74%**	**24%**	**2%**
Nice	2%	4.8	54	**0.5**	**54%**	**28%**	**18%**	**0.4**	**74%**	**24%**	**2%**
Lyon	2%	4.6	49	**0.5**	**49%**	**33%**	**18%**	**0.6**	**74%**	**24%**	**3%**
Toulouse	2%	4.5	45	**0.4**	**48%**	**36%**	**16%**	**0.3**	**68%**	**30%**	**2%**
Rest	78%	5.1	52	**9.1**	**27%**	**40%**	**34%**	**25.7**	**64%**	**29%**	**7%**

Source: WTTC, Google queries, A&M Analysis

Thailand (1/5) – Market Insights

OUTBOUND

- A stronger Thai baht and easier affordability are bringing more first-time international travelers into the market, widening the travel base and building a stronger culture of travel overall.
- Outbound travel is diversifying as Thai travelers mix classic nearby destinations with growing interest in long-haul and culturally rich itineraries, supported by expanded carrier networks and greater access to international routes.
- Visa policies with key countries such as China are increasingly stimulating outbound travel, with easier entry helping record numbers of Thai visitors head to China and encouraging broader demand.
- Thai travelers are becoming more choice-driven and digitally savvy, using online and mobile platforms to compare offers and curate itineraries that balance cost, experience and convenience.

INBOUND

- Thailand remains one of the most visited destinations in Southeast Asia, anchored by Bangkok's global strength while beaches, food and cultural experiences continue to draw visitors.
- Inbound visitor numbers have faced temporary headwinds from geopolitical and safety concerns as well as climate-related disruptions, affecting confidence from international markets even though underlying appeal remains strong.
- Thailand is positioned to benefit from growing regional demand from India, Indonesia and China and from higher-spending long-haul travel that stays longer, strengthening its global position.
- The mix of inbound demand is evolving toward wellness, nature, food and local experience, with operators and authorities adjusting products and promotion to attract higher value and repeat visitors.

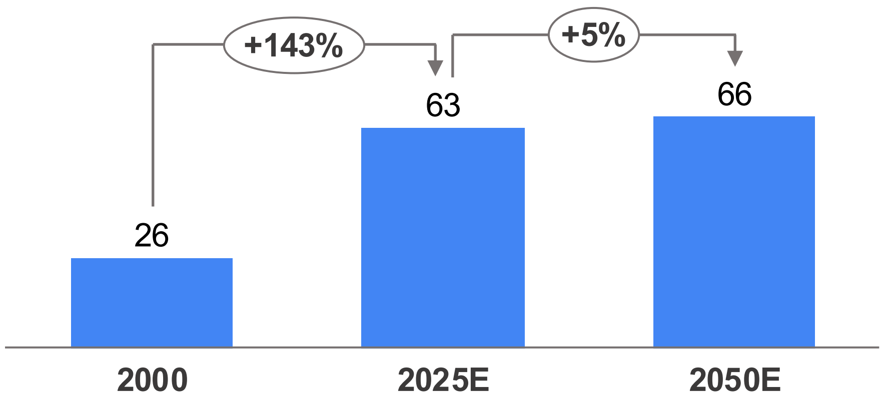
DOMESTIC

- Domestic travel is being actively supported through subsidy programs such as free or discounted domestic flights, helping offset weaker international demand and encouraging discovery of secondary cities.
- Domestic travel is helping spread tourism beyond Bangkok and the main beach hubs, as more people explore regional cities and less-visited provinces.
- Short-break and experience-led domestic trips remain a strong pattern, with travelers prioritizing food, wellness and local culture, helping smooth demand across the year.
- Travel inside Thailand is becoming more digital, with people increasingly using online and mobile platforms to search, compare and book trips as part of everyday planning.

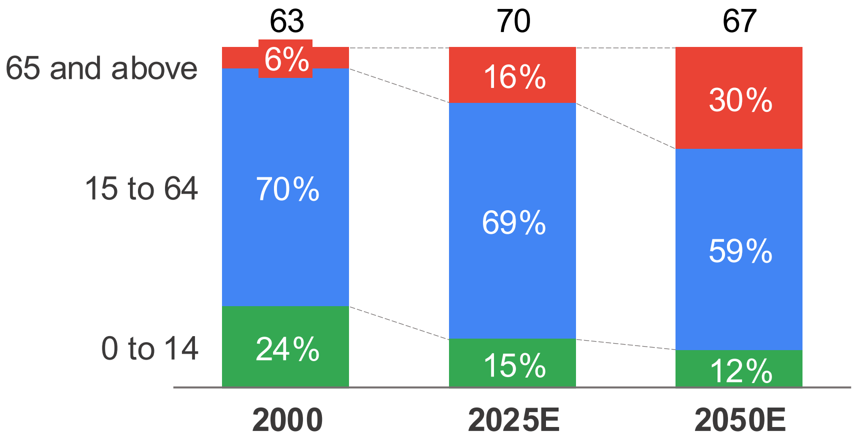
Source: Desk research, Google queries, A&M Analysis

Thailand (2/5) – Macro Environment

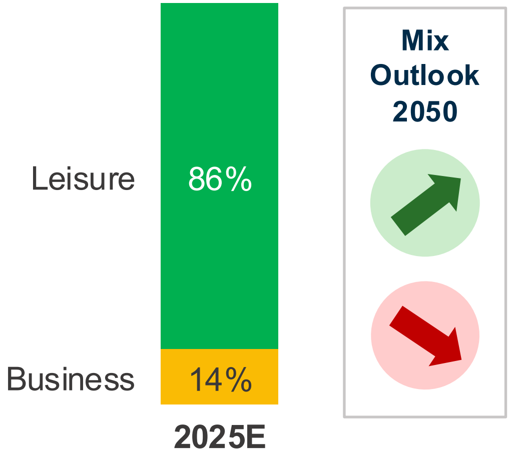
Potential traveler population (#Mn)[1]



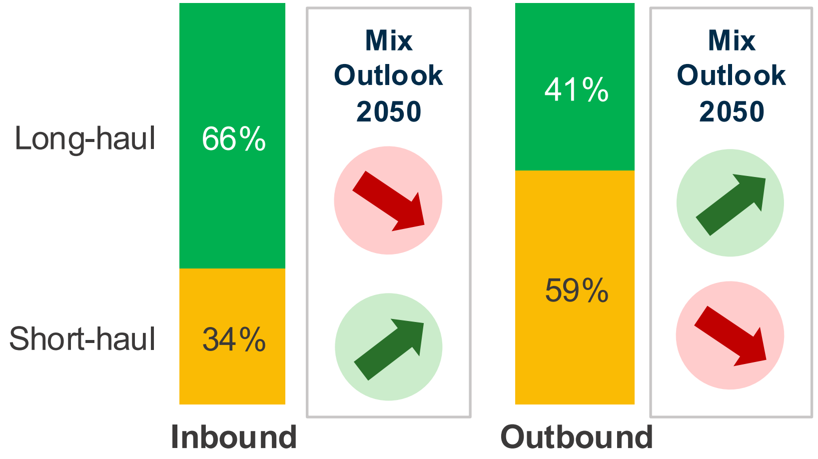
Population by age group (#Mn, %)[2]



Inbound + domestic spend mix by purpose of travel



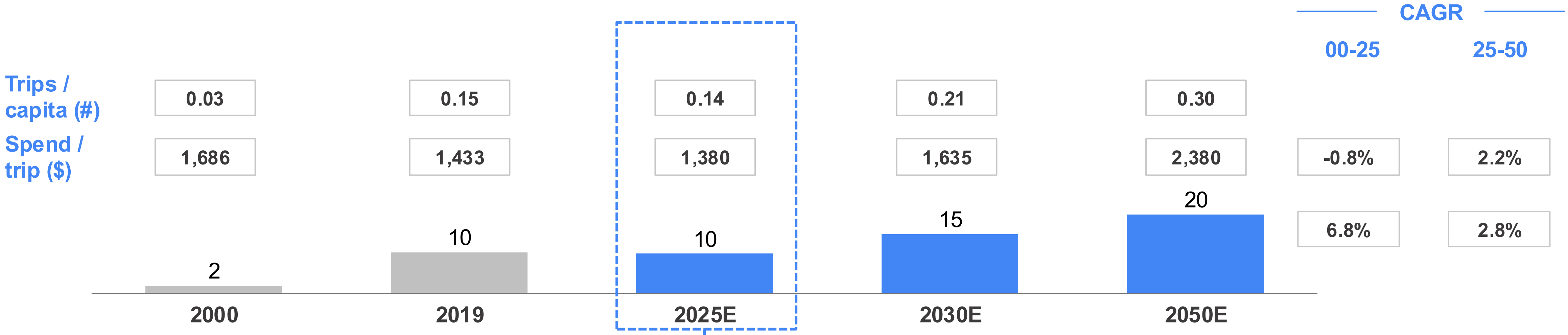
Long vs short-haul[3] **travel mix (2025E, %)**



Increase share Maintain share Decrease share

Notes: 1. Potential traveler population includes GapMinder income levels 3–5, aligned with World Bank's definition of middle class (GNI per capita > $9,200); 2. 2025 split is the average between 2020 and 2030E data; 3. Long-haul refers to flights with a duration of +6h, excludes domestic; 4. Long- vs. short-haul mix outlook linked to spend/trip growth. Short-haul gains mix: <0.5% CAGR25–50, Mix remains stable: 0.5–1.5%, Long-hauls gains mix: >1.5%. Source: UNWTO, GapMinder, World Bank, WTTC, Google queries, A&M Analysis

Thailand (3/5) – Outbound Departures (#Mn)

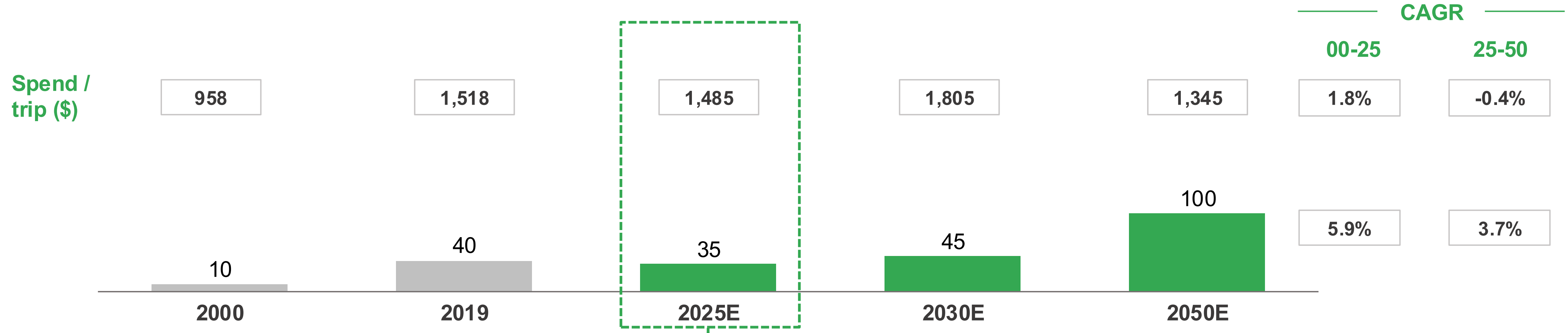


Google Queries 2025 Deep-dive

Top 5 countries	% departures	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM): Queries (#Mn)	Road to destination (2025 LTM): Flights (%)	Road to destination (2025 LTM): Train (%)	Road to destination (2025 LTM): Other (%)	Stay (2025 LTM): Queries (#Mn)	Stay (2025 LTM): Hotel (%)	Stay (2025 LTM): Rental (%)	Stay (2025 LTM): Other (%)
Cambodia	19%	5.4	41	0.0	75%	5%	21%	0.0	86%	10%	4%
Laos	18%	5.2	50	0.0	80%	8%	12%	0.0	88%	6%	6%
Malaysia	15%	4.9	46	0.0	74%	14%	12%	0.1	91%	8%	1%
Japan	10%	6.7	85	0.2	67%	20%	13%	0.4	93%	4%	2%
Myanmar	6%	5.6	40	0.0	95%	3%	3%	0.0	96%	1%	3%
Rest of world	32%	10.1	64	1.0	84%	9%	7%	1.7	89%	9%	2%

Source: WTTC, Google queries, A&M Analysis

Thailand (4/5) – Inbound Arrivals (#Mn)

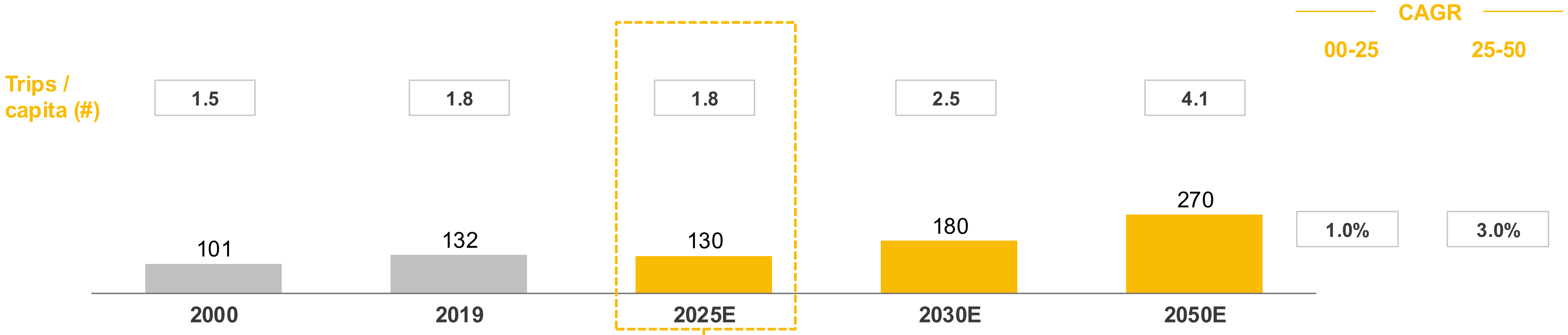


Google Queries 2025 Deep-dive

				Road to destination (2025 LTM)				Stay (2025 LTM)			
Top 5 countries	% Arrivals	Average trip duration (Days)	Lookahead window	Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
China	19%	6.6	58	**0.0**	**81%**	**6%**	**13%**	**0.1**	**94%**	**5%**	**1%**
Malaysia	14%	4.3	52	**0.1**	**62%**	**24%**	**14%**	**0.6**	**91%**	**8%**	**1%**
India	6%	6.6	46	**1.1**	**91%**	**3%**	**7%**	**2.5**	**92%**	**6%**	**2%**
South Korea	5%	6.9	65	**0.0**	**84%**	**9%**	**7%**	**0.1**	**93%**	**5%**	**1%**
Russia	5%	14.4	69	**0.0**	**75%**	**1%**	**25%**	**0.4**	**92%**	**8%**	**0%**
Rest of world	51%	12.6	86	**4.1**	**88%**	**5%**	**7%**	**10.9**	**88%**	**10%**	**2%**

Source: WTTC, Google queries, A&M Analysis

Thailand (5/5) – Domestic Trips (#Mn)



Google Queries 2025 Deep-dive

				Road to destination (2025 LTM)				Stay (2025 LTM)			
Top 5 cities	% Trips	Average trip duration (Days)	Lookahead window	Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Bangkok	22%	4.8	40	**0.7**	**71%**	**14%**	**16%**	**2.8**	**89%**	**7%**	**4%**
Chiang Mai	4%	4.5	50	**0.2**	**69%**	**20%**	**11%**	**0.4**	**82%**	**10%**	**8%**
Bang Sao Thong	1%	n.a.	n.a.	**0.2**	**95%**	**1%**	**5%**	**0.1**	**94%**	**3%**	**3%**
Khon Kaen	1%	4.3	32	**0.0**	**77%**	**10%**	**13%**	**0.2**	**89%**	**2%**	**9%**
Hat Yai	1%	4.6	38	**0.0**	**72%**	**21%**	**7%**	**0.0**	**88%**	**1%**	**10%**
Rest	70%	5.1	50	**1.2**	**68%**	**10%**	**22%**	**9.8**	**74%**	**4%**	**21%**

Source: WTTC, Google queries, A&M Analysis

Saudi Arabia (1/4) – Market Insights

OUTBOUND

- Saudi travelers have a high propensity for international travel and tend to be premium travelers, with overseas trips forming a regular part of household leisure spending.
- They combine repeat visits to key European flagships and nearby gateways such as Dubai with growing interest in less familiar destinations like the Caucasus, Southeast Asia and Indian Ocean islands.
- Trust, safety and cultural comfort shape destination choice, with halal food, prayer facilities, privacy and family-friendly environments often more important than price alone.
- Discovery is driven by family and friends, social media, influencers and entertainment, while booking is increasingly digital but still supported by travel advisors for complex or high-value trips.

INBOUND

- Saudi Arabia is repositioning itself as a global leisure and lifestyle destination, with large-scale investment in airports, hotels, transport and new destinations creating an international-ready platform.
- The traditional role as a religious destination remains core, and growth from emerging Muslim source markets can be amplified as easier visas allow pilgrims to extend stays and spend more days exploring.
- The inbound mix is shifting toward long-haul and higher-end travelers, driven by luxury resorts, restored heritage sites and curated experiences that support longer stays.
- The country is working to improve global perception and its value proposition, including exploring selective alcohol policies and other standards that increase attractiveness for a wider mix of travelers.

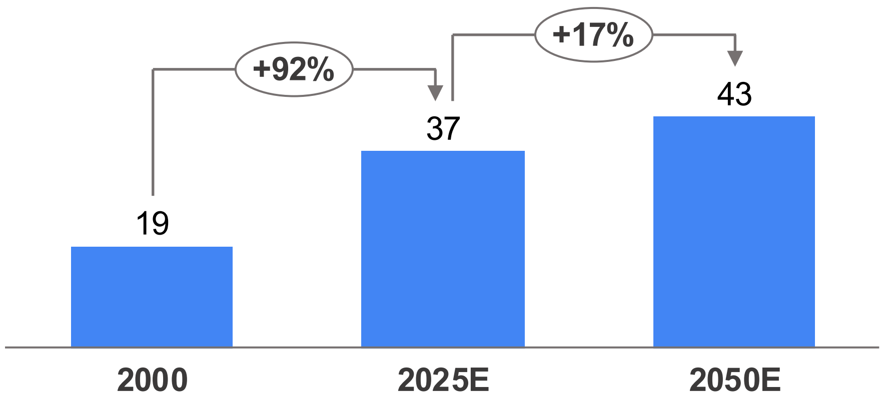
DOMESTIC

- Domestic travel is increasingly a lifestyle choice rather than only family or religious trips, as improved infrastructure and new destinations encourage Saudis to explore for leisure and wellness.
- New destinations such as Al-Ula, the Red Sea and Qiddiya are unlocking new demand, with residents choosing premium hotels and curated experiences inside the Kingdom instead of defaulting abroad.
- Events, culture, sports and entertainment are reshaping when and why people travel domestically, creating year-round movement beyond holidays and pilgrimages.
- Business travel is becoming a major domestic engine, driven by Vision 2030 activity and increasingly managed through digital platforms that enable frequent and short-notice trips.

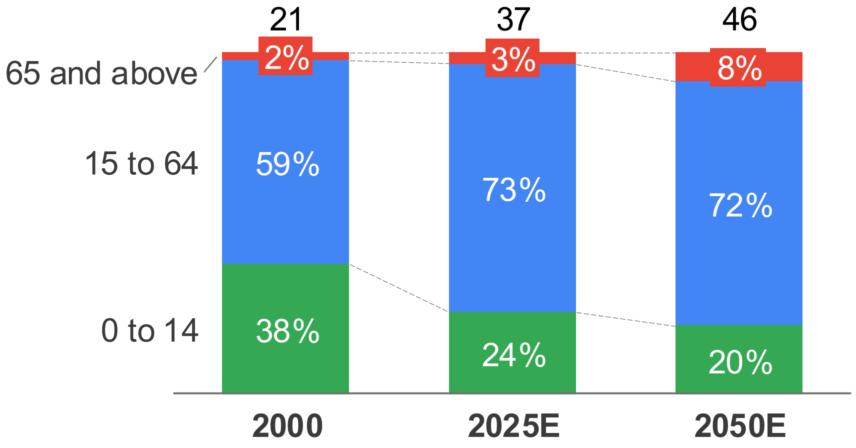
Notes: 1. Domestic figures not included in deep dive due to limited / consistent historical country data
Source: Desk research, Google queries, A&M Analysis

Saudi Arabia (2/4) – Macro Environment

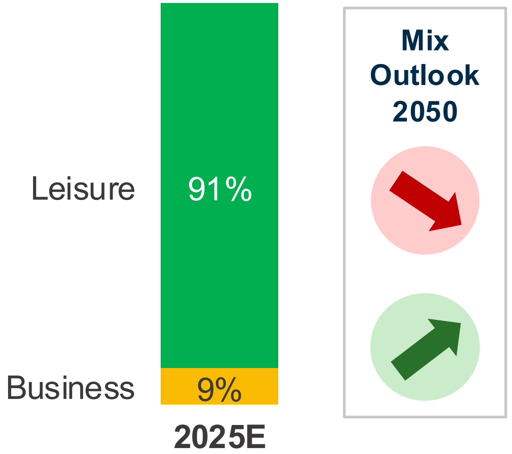
Potential traveler population (#Mn)[1]



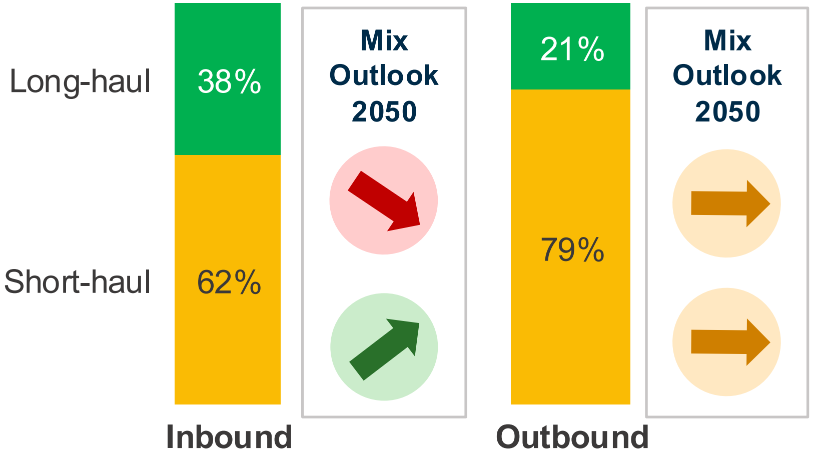
Population by age group (#Mn, %)[2]



Inbound + domestic spend mix by purpose of travel



Long vs short-haul[3] **travel mix (2025E, %)**

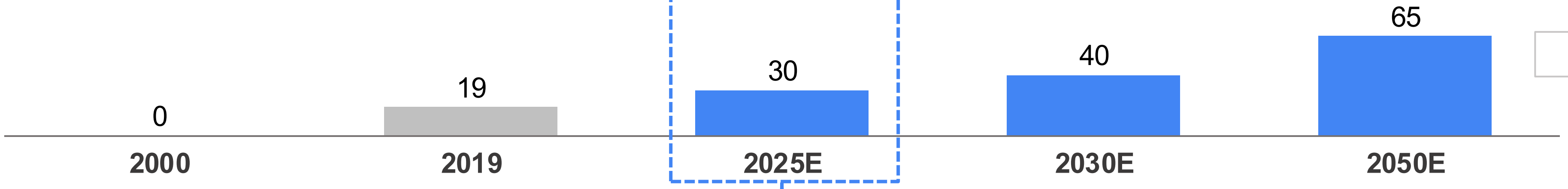


Increase share   Maintain share   Decrease share

Notes: 1. Potential traveler population includes GapMinder income levels 3–5, aligned with World Bank's definition of middle class (GNI per capita > $9,200); 2. 2025 split is the average between 2020 and 2030E data; 3. Long-haul refers to flights with a duration of +6h, excludes domestic; 4. Long- vs. short-haul mix outlook linked to spend/trip growth. Short-haul gains mix: <0.5% CAGR25–50, Mix remains stable: 0.5–1.5%, Long-hauls gains mix: >1.5%. Source: UNWTO, GapMinder, World Bank, WTTC, Google queries, A&M Analysis

Saudi Arabia (3/4) – Outbound Departures (#Mn)

	2000	2019	2025E	2030E	2050E	CAGR 00-25	CAGR 25-50
Trips / capita (#)	-	0.63	0.84	1.03	1.32		
Spend / trip ($)	-	863	1,195	1,180	1,440	-	0.7%
Outbound Departures (#Mn)	0	19	30	40	65	-	3.1%

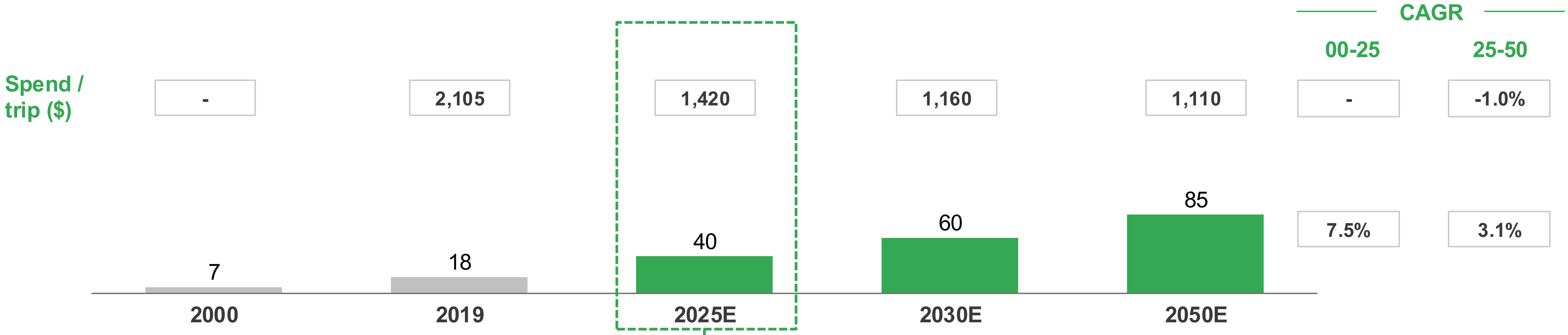


Google Queries 2025 Deep-dive

Top 5 countries	% departures	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM): Queries (#Mn)	Road to destination (2025 LTM): Flights (%)	Road to destination (2025 LTM): Train (%)	Road to destination (2025 LTM): Other (%)	Stay (2025 LTM): Queries (#Mn)	Stay (2025 LTM): Hotel (%)	Stay (2025 LTM): Rental (%)	Stay (2025 LTM): Other (%)
Bahrain	25%	4.0	19	0.0	85%	0%	15%	0.1	93%	7%	0%
Egypt	13%	8.9	28	0.0	95%	1%	4%	0.1	94%	6%	0%
Kuwait	11%	4.4	20	0.0	93%	0%	7%	0.0	90%	10%	0%
Qatar	9%	4.7	25	0.0	96%	0%	4%	0.1	92%	8%	0%
UAE	8%	4.8	22	0.1	83%	1%	17%	0.2	91%	9%	0%
Rest of world	34%	17.2	37	0.9	86%	6%	8%	1.2	89%	10%	1%

Source: WTTC, Google queries, A&M Analysis

Saudi Arabia (4/4) – Inbound Arrivals (#Mn)



Google Queries 2025 Deep-dive

Top 5 countries	% Arrivals	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM) Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Stay (2025 LTM) Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Bahrain	10%	4.8	25	**0.0**	**81%**	**13%**	**6%**	**0.0**	**95%**	**5%**	**0%**
Egypt	9%	10.1	28	**0.0**	**93%**	**4%**	**2%**	**0.2**	**97%**	**3%**	**0%**
Pakistan	9%	15.8	31	**0.1**	**87%**	**11%**	**2%**	**0.2**	**98%**	**2%**	**0%**
Indonesia	7%	11.1	66	**0.0**	**95%**	**3%**	**2%**	**0.3**	**100%**	**0%**	**0%**
Kuwait	7%	4.2	19	**0.0**	**79%**	**12%**	**9%**	**0.1**	**95%**	**5%**	**0%**
Rest of world	58%	11.7	38	**0.9**	**90%**	**7%**	**4%**	**1.8**	**97%**	**3%**	**0%**

Source: WTTC, Google queries, A&M Analysis

Indonesia (1/5) – Market Insights

OUTBOUND

- More Indonesians are able to travel abroad as incomes rise, expanding the outbound traveler base and pushing demand beyond usual destinations.
- Outbound travel remains resilient even when budgets tighten, with travelers trading down, shortening trips or adjusting choices rather than stopping travel.
- Short-haul international trips dominate because they are easier to plan and offer more flexibility, keeping nearby hubs structurally attractive.
- More Indonesians are planning trips digitally and building their own itineraries, reflecting a shift toward self-planned travel rather than standard packages.

INBOUND

- International arrivals are steadily recovering toward pre-pandemic levels, reflecting broad demand from Malaysia, Australia, Singapore and China.
- Bali remains one of the strongest global travel brands for Indonesia, anchoring inbound demand even as other destinations expand.
- International visitor spending is reaching record highs, reflecting higher-value trips, although this is expected to normalize as more short-haul regional arrivals return.
- Government strategy is broadening inbound tourism beyond Bali by prioritizing source markets and promoting a more diverse set of destinations across the archipelago.

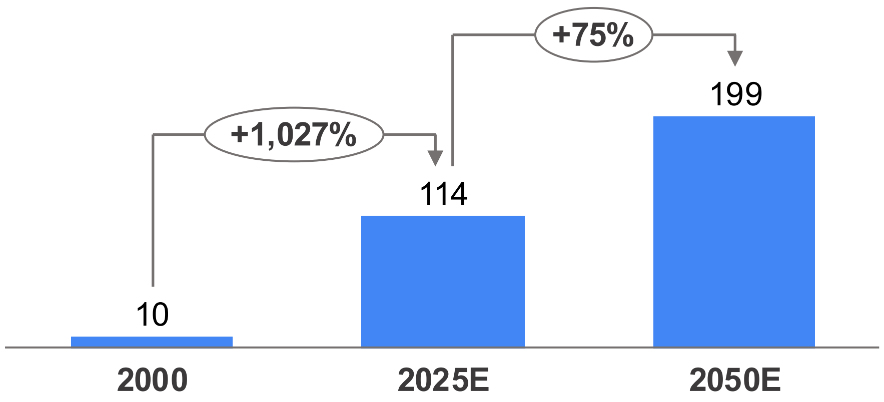
DOMESTIC

- Domestic tourism remains a key foundation, providing resilience when international arrivals fluctuate and expected to grow as more Indonesians gain disposable income.
- Travelers are exploring beyond familiar spots, with growing interest in culture, food, nature and regional experiences reflecting the country's diversity.
- Investments in connectivity and infrastructure are supporting domestic travel, with improved airports and transport links making more areas accessible for multi-destination trips.
- Bali's experience is shaping how Indonesia approaches sustainable tourism, encouraging policies such as visitor levies and stronger destination management.

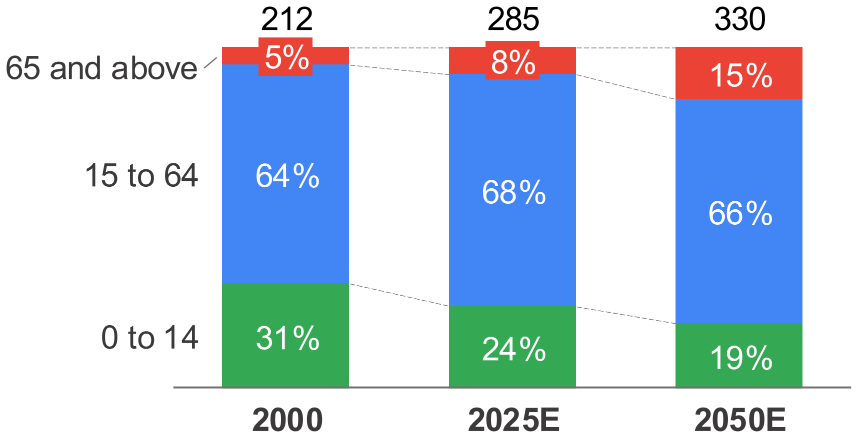
Source: Desk research, Google queries, A&M Analysis

Indonesia (2/5) – Macro Environment

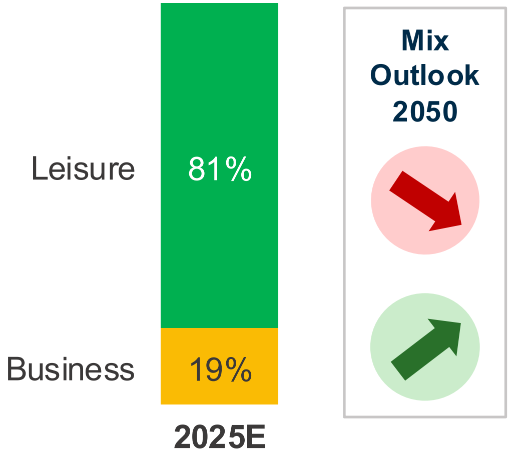
Potential traveler population (#Mn)[1]



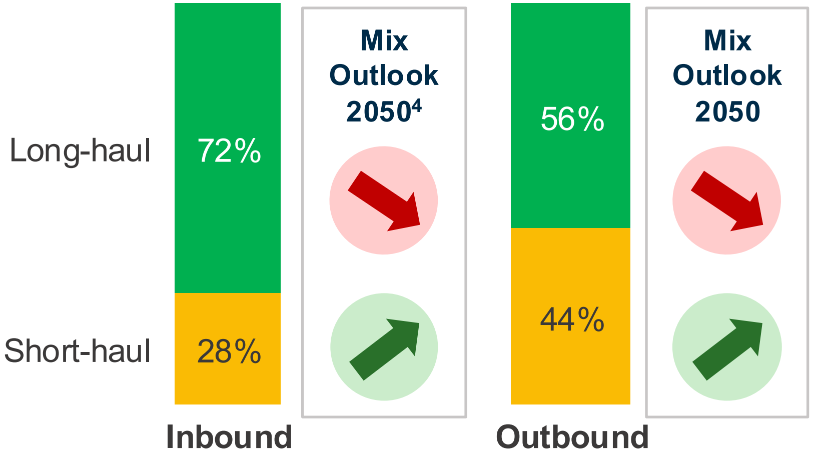
Population by age group (#Mn, %)[2]



Inbound + domestic spend mix by purpose of travel



Long vs short-haul[3] travel mix (2025E, %)

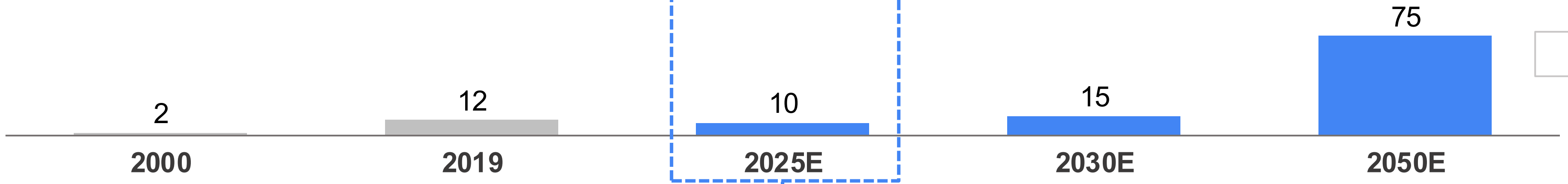


Increase share Maintain share Decrease share

Notes: 1. Potential traveler population includes GapMinder income levels 3–5, aligned with World Bank's definition of middle class (GNI per capita > $9,200); 2. 2025 split is the average between 2020 and 2030E data; 3. Long-haul refers to flights with a duration of +6h, excludes domestic; 4. Long- vs. short-haul mix outlook linked to spend/trip growth. Short-haul gains mix: <0.5% CAGR25–50, Mix remains stable: 0.5–1.5%, Long-hauls gains mix: >1.5% . Source: UNWTO, GapMinder, World Bank, WTTC, Google queries, A&M Analysis

Indonesia (3/5) – Outbound Departures (#Mn)

	2000	2019	2025E	2030E	2050E	CAGR 00-25	CAGR 25-50
Trips / capita (#)	0.01	0.04	0.03	0.05	0.23		
Spend / trip ($)	1,450	1,236	1,510	1,865	865	0.2%	-2.2%
Outbound Departures (#Mn)						6.2%	8.4%



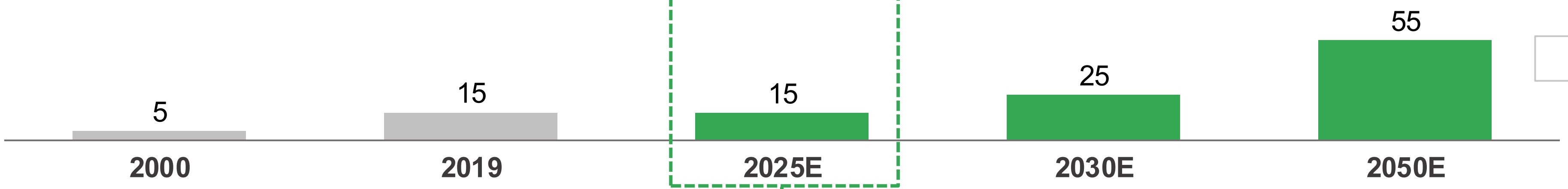
Google Queries 2025 Deep-dive

Top 5 countries	% departures	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM): Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Stay (2025 LTM): Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Malaysia	30%	5.5	43	**0.1**	75%	6%	19%	**0.3**	90%	10%	1%
Saudi Arabia	18%	11.1	66	**0.0**	95%	3%	2%	**0.3**	100%	0%	0%
Singapore	13%	5.1	47	**0.1**	69%	3%	28%	**0.2**	90%	8%	1%
Thailand	7%	6.4	58	**0.1**	78%	10%	12%	**0.3**	88%	10%	2%
Japan	4%	8.6	83	**0.1**	54%	36%	10%	**0.2**	90%	9%	1%
Rest of world	28%	10.8	63	**0.6**	65%	14%	20%	**1.8**	87%	12%	1%

Source: WTTC, Google queries, A&M Analysis

Indonesia (4/5) – Inbound Arrivals (#Mn)

	2000	2019	2025E	2030E	2050E	CAGR 00-25	CAGR 25-50
Spend / trip ($)	907	1,255	1,405	1,110	830	1.8%	-2.1%
Inbound arrivals (#Mn)	5	15	15	25	55	4.4%	5.3%

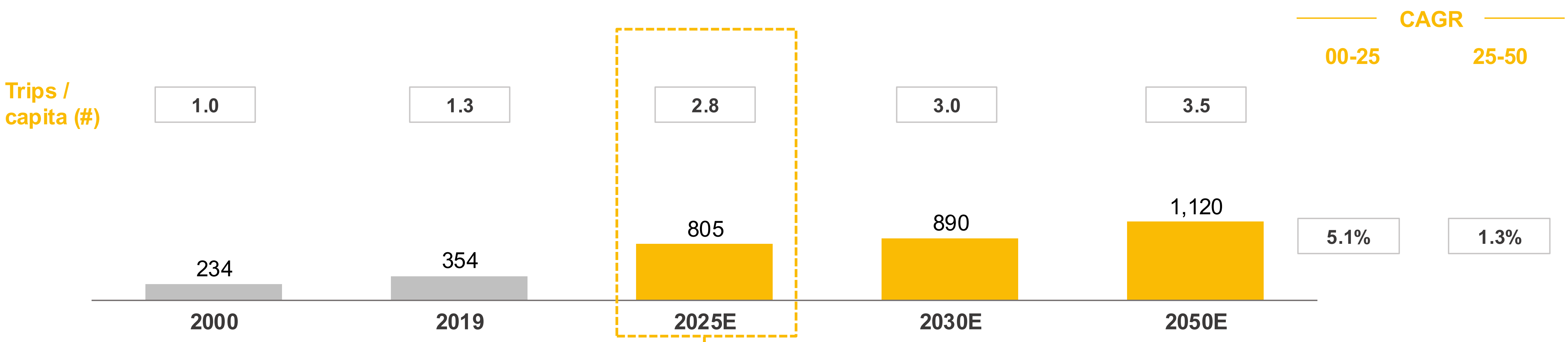


Google Queries 2025 Deep-dive

Top 5 countries	% Arrivals	Average trip duration (Days)	Lookahead window	Road to destination (2025 LTM) Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Stay (2025 LTM) Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Malaysia	22%	5.6	48	0.1	78%	7%	15%	0.3	88%	11%	1%
Singapore	16%	5.6	45	0.2	57%	3%	40%	0.4	92%	8%	0%
Australia	14%	10.2	66	0.4	97%	0%	3%	1.2	83%	17%	1%
China	4%	8.9	54	0.0	85%	6%	9%	0.0	95%	5%	0%
India	3%	8.7	47	0.5	97%	0%	3%	1.2	83%	16%	1%
Rest of world	41%	12.7	73	1.7	94%	2%	4%	4.0	84%	15%	1%

Source: WTTC, Google queries, A&M Analysis

Indonesia (5/5) – Domestic Trips (#Mn)



Google Queries 2025 Deep-dive

				Road to destination (2025 LTM)				Stay (2025 LTM)			
Top 5 cities	% Trips	Average trip duration (Days)	Lookahead window	Queries (#Mn)	Flights (%)	Train (%)	Other (%)	Queries (#Mn)	Hotel (%)	Rental (%)	Other (%)
Jakarta	20%	6.2	25	**0.8**	38%	36%	26%	3.7	84%	15%	1%
Bandung	9%	n.a.	n.a.	**0.3**	21%	42%	37%	0.7	90%	10%	1%
Surabaya	5%	6.1	25	**0.1**	33%	39%	28%	0.0	87%	12%	1%
Palembang	1%	5.9	25	**0.3**	61%	15%	24%	1.6	96%	3%	1%
Tabanan	0%	n.a.	n.a.	**0.1**	100%	0%	0%	0.2	88%	11%	2%
Rest	65%	6.1	27	**2.3**	43%	29%	28%	12.3	86%	13%	1%

Source: WTTC, Google queries, A&M Analysis

Sergio Torrijos Selma

Senior Head of Sales, Travel, Google Spain

Sergio is a Sales & Marketing executive with +20 years of experience driving digital transformation for world-leading companies. His versatile background spans Telecommunications, Consumer Electronics, Finance and Travel.

> **Google AI simplifies the complexity of travel advertising. With AI Max for Search, we empower our partners to automatically identify and connect with their most valuable travelers. This isn't just automation; it's smarter personalization that drives marketing returns.**

Juan Calderón

Senior Director Travel, Hospitality, Leisure

Juan is a Senior Director at Alvarez & Marsal in Spain, with over 10 years of experience in corporate strategy for the travel and hospitality sector across Europe, Americas, the Middle East, and APAC.

> **By 2050, APAC will overtake Europe as the new volume and spend leader, driven largely by short-haul regional growth and the rise of potential traveler population. Europe will remain a yield-fortress market, with a mature demand base, higher spend per trip, and incremental growth skewing toward long-haul travel**

AGENDA

1 | Context & Macro Foundations

2 | The Future Of Travel To 2050

3 | Strategic Implications For 2030

4 | Deep-dive Key Markets

5 | APPENDIX

- Our team
- Glossary

ALVAREZ & MARSAL

This study has been developed by senior travel and hospitality leaders alongside data and analytics experts

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Glossary - Key concepts

GENERAL	**Tourism Flows and Distance**	Source market: The place, whether a region, country, or city, from which travelers originate their trips to other destinations Destination: The place, whether a region, country, or city, where travelers arrive to visit and spend time Long-haul: People flows to an international destination with an average flight time of 6 hours or more (=>4,670 km of distance) Short-haul: People flows to an international destination with an average flight time of less than 6 hours (<4,670 km of distance)
	Outbound Departures	Number of overnight trips taken by residents to destinations outside their country of residence for business or leisure purposes, excluding same-day visitors. Each trip is recorded as a separate departure, even if the same destination is visited multiple times within a year.
	Inbound Arrivals	Number of overnight trips made by non-resident visitors to the country of reference for business or leisure purposes, excluding same-day visitors. Each arrival is recorded separately, including multiple visits within a year or arrivals to multiple countries during a single trip.
	Domestic Trips	Number of overnight trips taken by residents within their own country of residence for business or leisure purposes, excluding same-day visitors. Each trip is recorded separately, even if multiple trips are taken within the same year.

Glossary - Key concepts

REGIONS[1]	Region	Countries
	APAC	Australia, Bangladesh, Bhutan, Cambodia, China, Cook Islands, Fiji, French Polynesia, India, Indonesia, Japan, South Korea, Kyrgyzstan, Lao, Malaysia, Maldives, Nepal, New Caledonia, New Zealand, Niue, Pakistan, Papua New Guinea, Philippines, Samoa, Singapore, Sri Lanka, Tajikistan, Thailand, Turkmenistan, Tuvalu, Uzbekistan, Vanuatu
	Europe	Albania, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kazakhstan, Latvia, Lithuania, Luxembourg, Malta, Moldova, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, UK
	MEA	Algeria, Angola, Bahrain, Burundi, Central African Republic, Chad, Congo, Cyprus, Egypt, Eswatini, Ethiopia, Gabon, Gambia, Ghana, Iran, Israel, Jordan, Kuwait, Libya, Madagascar, Malawi, Mauritius, Morocco, Nigeria, Oman, Qatar, Saudi Arabia, Sao Tome and Principe, Seychelles, Sierra Leone, Sudan, Syria, Tanzania, Togo, Tunisia, UAE, Uganda, Zimbabwe
	Americas	Argentina, Bermuda, Bolivia, Brazil, British Virgin Islands, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Trinidad and Tobago, Uruguay, USA, Venezuela

Notes: 1. List reflects key countries in the region and may not be exhaustive

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