



TripAdvisor Has a Massive Influence on a \$5 Trillion+ (and Growing) Global Travel Economy, According to New Oxford Economics Study

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Estimated 10.3% of Global Travel Spend (\$546 Billion) Was Influenced by the World's Largest Travel Site in 2017, up from 7% (\$268 Billion) just a Decade Prior

TripAdvisor-Influenced Travel Spending Has Grown Faster than Total Travel Spending to the Benefit of Travel and Hospitality Businesses around the World

NEEDHAM, Mass., May 10, 2018 /PRNewswire/ -- [TripAdvisor, Inc.](#) (NASDAQ: TRIP) today announced the results of the "Sizing the Worldwide Travel Economy" study, conducted by Oxford Economics in partnership with TripAdvisor to examine the size of the global travel economy and TripAdvisor's contributions to it. The study found that the travel industry reached more than \$5.29 trillion USD in spending in 2017, with international tourism spend growing for the last eight consecutive years.

(PRNewfoto/TripAdvisor)

By comparing world economic growth data with TripAdvisor's own trends, the study was also able to show that TripAdvisor had an enormous estimated influence of \$546 billion in 2017 alone. Globally, the popular travel site influenced more than 433 million trips last year, and 65 million in just the United States alone last year.

For access to the full Oxford Economic study, [click here https://www.tripadvisor.com/TripAdvisorInsights/w2841](https://www.tripadvisor.com/TripAdvisorInsights/w2841)

"We launched this study not only because we wanted to better understand the true size and scope of the global travel economy, but also to better understand TripAdvisor's scale and impact on tourism," said Charlie Ballard, director of strategic insights, TripAdvisor. "The travel category is indeed enormous and outpacing other consumer spending worldwide, and TripAdvisor not only inspires travel, but also causes more travel – in particular by encouraging travelers to take longer trips by showing them how much more there is to see and do."

To determine the total addressable market, Oxford Economics takes a more expansive view of the tourism and hospitality economy than some other well-known research firms. Their approach is widely recognized as a reliable source of industry sizing and trending, and is a primary source of data for global organizations such as the World Travel & Tourism Council (WTTC), the U.S. Travel Association, and the European Travel Commission. Included in the study's scope are businesses and employees supported directly by tourism.

To reach a high degree of confidence in their findings, Oxford Economics took TripAdvisor user trends data going back through 2004 and married them together with data from their Global Travel Service database which draws on raw data from the United Nations World Tourism Organization (UNWTO), as well as national and regional statistical agencies. The result is one of the largest, most comprehensive views of the size and scope of the global tourism economy performed to date, along with deep insight into TripAdvisor's own impact on the industry.

"We are happy to see more data and studies that affirm TripAdvisor's positive contribution to consumers, travel businesses and the broader economy is huge and undeniable," said Martin Verdon-Roe, vice president of product & marketing, TripAdvisor hotels. "For hotels, rentals, attractions, experiences and restaurants across the globe, the key takeaway from the latest research is that there has never been a better time to market your business on TripAdvisor."

The Oxford Economics report comes soon after two major influence studies: a [comScore study](#), which showed the "staggering" influence TripAdvisor on global travel bookings, and the [Harris Poll of consumers who recently named TripAdvisor the "2018 Travel Brand of the Year"](#) in its EquiTrend® Study.

TripAdvisor's Increasing Influence on Travel Decisions

Over the past 10 years according to Oxford Economics, travel-related spending influenced by TripAdvisor sites has outpaced growth in overall travel and tourism spend. TripAdvisor-influenced spend has grown at an annual average growth rate of 7.4% over the past decade. This compares favorably with average growth of 3% for total tourism spend. Even when total spend fell by 5.3% in the depths of the global recession in 2009, TripAdvisor-influenced spend outperformed the wider trend.

TripAdvisor's influence has also risen across all global regions over the past decade – with notable improvement in both developing tourism destinations, as well as in developed markets. In fact, Oxford Economics applied sophisticated analysis to prove that TripAdvisor causes more travel (i.e., "TripAdvisor additional" travel), which is most evident through increased visitor nights and spending than through arrivals.

TripAdvisor's Global Influence and Additional, 2017				
		Trips (millions)	Nights (millions)	Spend (US\$ billions)
Total Travel Market	Total	4,453.7	18,757.1	5,288.5
	Inbound	1,280.3	5,765.2	1,405.3
	Domestic	3,173.4	12,991.9	3,883.2
TripAdvisor Influence	Total	433.1	2,236.2	545.7
	Inbound	179.2	982.4	220.1
	Domestic	253.9	1,253.8	325.6
TripAdvisor Additional	Total	32.2	502.7	80.3
	Inbound	11.3	232.2	35.3
	Domestic	21.0	270.5	45.0

Global Travel Economy Healthy and Growing

The Oxford Economics "Sizing the Worldwide Travel Economy" paints a picture of a healthy and growing travel economy, with the greatest surges in travel spending over the last few years resulting from the APAC, Middle East and Latin American regions.

At \$3.9 trillion per year, domestic tourism spend accounts for around three-quarters of global tourism spend, while international spending grew to \$1.4 trillion in

2017.

Largest Tourism Sectors:

When looking at how the travel economy breaks out by sector worldwide, a few key findings stand out, including how a piece of the total traveler economy is spent on retail sales:

	Inbound Travel	Domestic Travel
Accommodation	22.4%	14.6%
Transportation	29.3%	34.0%
Recreation, culture & sports	6.5%	7.7%
Retail	20.0%	17.5%
Food & beverages services	14.8%	15.3%
Other	7.1%	10.8%

Top Growth Markets:

While the North America travel economy has grown by +25% in the past 10 years, the Asia-Pacific market has grown by +130%. In contrast, Western European destinations have largely remained flat during this time.

Destination region	2017 spend (US\$ trillions)	Growth 2007 – 2017
Global	5.29	41.9%
APAC	1.89	130.3%
Middle East	0.15	93.8%
Latin America/Caribbean	0.28	42.1%
Africa	0.12	26.4%
North America	1.20	24.9%
Emerging Europe	0.23	16.0%
Western Europe	1.42	2.9%

Other Key Industry Trends Revealed:

- **Tourism growth has outpaced global GDP growth**
- **Roughly half of all international trips are to European destinations**, while destinations in the Asia-Pacific region are taking a greater share of travel
- **International travel is expected to become more important as household wealth continues to rise in large emerging markets**, with a greater proportion of households able to afford international travel.
- **Nearly 1 in 10 employees globally is supported by tourism activity**

Travel Trends Underscore Importance of Online Marketing for Travel Businesses

Taking into consideration the large and growing global travel economy and the rise of emerging middle class markets, the climate is right for businesses to engage with potential guests online and drive conversions. And as more consumers turn to their mobile devices to seek out information, no other travel app is as widely used as TripAdvisor across the globe.

To help hotel and restaurant businesses capitalize on these opportunities, TripAdvisor launched Sponsored Placements, a new advertising solution enabling businesses to capture the attention of travelers and drive quality, targeted traffic to their property by advertising in high visibility placements on the site, including above search results.

Sponsored Placements is an integral part of TripAdvisor's suite of advertising opportunities available to travel businesses. Meanwhile, TripAdvisor's subscription services like [Business Advantage](#) for hotels and [Premium for Restaurants](#) empower hotels and restaurants, respectively, to differentiate themselves from competitors and measure their success through digital channels in a way simply not possible in traditional offline forms of marketing.

Methodology

The "Sizing the Worldwide Travel Economy" study conducted by Oxford Economics in partnership with TripAdvisor included extensive analysis to size the global travel market as well as measure the effect TripAdvisor had on the overall growth in travel. Causality and econometric testing was performed to prove that TripAdvisor content is not just positively correlated with travel activity, but in fact causes more travel.

About TripAdvisor

TripAdvisor, the world's largest travel site*, enables travelers to unleash the full potential of every trip. With over 630 million reviews and opinions covering the world's largest selection of travel listings worldwide – covering approximately 7.5 million accommodations, airlines, attractions, and restaurants -- TripAdvisor provides travelers with the wisdom of the crowds to help them decide where to stay, how to fly, what to do and where to eat. TripAdvisor also compares prices from more than 200 hotel booking sites so travelers can find the lowest price on the hotel that's right for them. TripAdvisor-branded sites are available in 49 markets, and are home to the world's largest travel community of 455 million average monthly unique visitors**, all looking to get the most out of every trip. TripAdvisor: Know better. Book better. Go better.

The subsidiaries and affiliates of TripAdvisor, Inc. (NASDAQ: TRIP) own and operate a portfolio of websites under 20 other travel media brands:

www.airfarewatchdog.com, www.bookingbuddy.com, www.citymaps.com, www.cruisecritic.com,
www.familyvacationcritic.com, www.flipkey.com, www.thefork.com (including www.lafourchette.com,
www.eltenedor.com, www.iens.nl and www.dimmi.com.au), www.gateguru.com, www.holidaylettings.co.uk,
www.holidaywatchdog.com, www.housetrip.com, www.jetsetter.com, www.niumba.com, www.onetime.com, www.oyster.com, www.seatguru.com,
www.smartertravel.com, www.tingo.com, www.vacationhomerentals.com

and www.viator.com.

* Source: comScore Media Metrix for TripAdvisor Sites, worldwide, November 2017

** Source: TripAdvisor log files, average monthly unique visitors, Q3 2017

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SOURCE TripAdvisor

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