

2025

Economic impact supported by Booking.com in Europe

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Introduction

Over the past two decades, online travel platforms have transformed how travel services are marketed, distributed, and discovered — reshaping the experience for travellers, accommodation providers, and destinations alike.

For travellers, the ability to search, compare, and book accommodation across thousands of destinations has made international travel more accessible than ever, bringing greater choice, clearer pricing, and confidence in lesser-known properties and places.

Accommodation providers have benefitted in equal measure: platforms give them access to a global audience across multiple languages, streamline payment processing, and reduce the operational complexity of distribution. At a broader level, online travel platforms have expanded the overall market, generating additional economic activity across the sector.

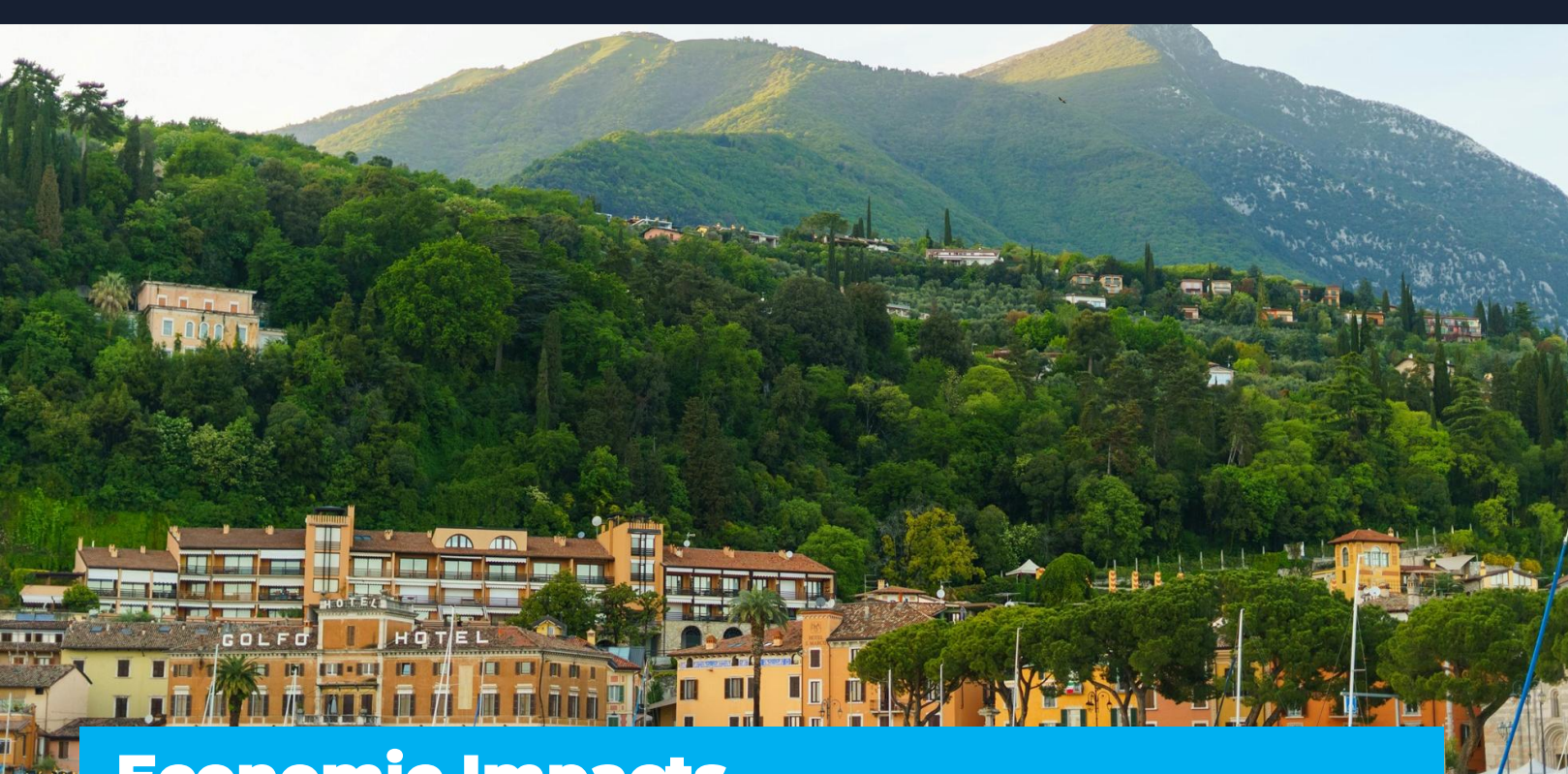
The benefits extend to destinations too. Visitor expenditure — on lodging, food, entertainment, recreation, and transport — generates local income, amplified by supply chain activity and the wages it sustains, ultimately feeding through into jobs, earnings and tax revenues.

Against this backdrop, Tourism Economics, an Oxford Economics company, has conducted a comprehensive analysis of the economic impact supported by Booking.com across Europe in 2025.¹

The document presents key elements of the analysis. It is organised in three sections:

- Key Findings
- Direct Impacts from Visitor Spending
- Total Economic Impacts

1. For a full list of countries included, refer to Appendix A.



Economic Impacts

Our analysis starts with travel booked via Booking.com and traces its downstream effects through the European economy. To do this, we use an Input-Output (I-O) model, which maps how spending flows across industries.

An I-O model captures the relationships between industries and consumers, tracking how revenue moves through wages, profits, taxes, and supply chains. This allows us to measure three distinct levels of economic impact:

Direct impacts reflect the initial traveller spending on accommodation, food, entertainment, transport, and retail—the first and most visible layer of economic activity generated by platform-booked travel.

Indirect impacts arise as businesses receiving that spending purchase goods and services from their own suppliers. A hotel buying from food producers or linen suppliers is a typical example of how spending cascades through the supply chain.

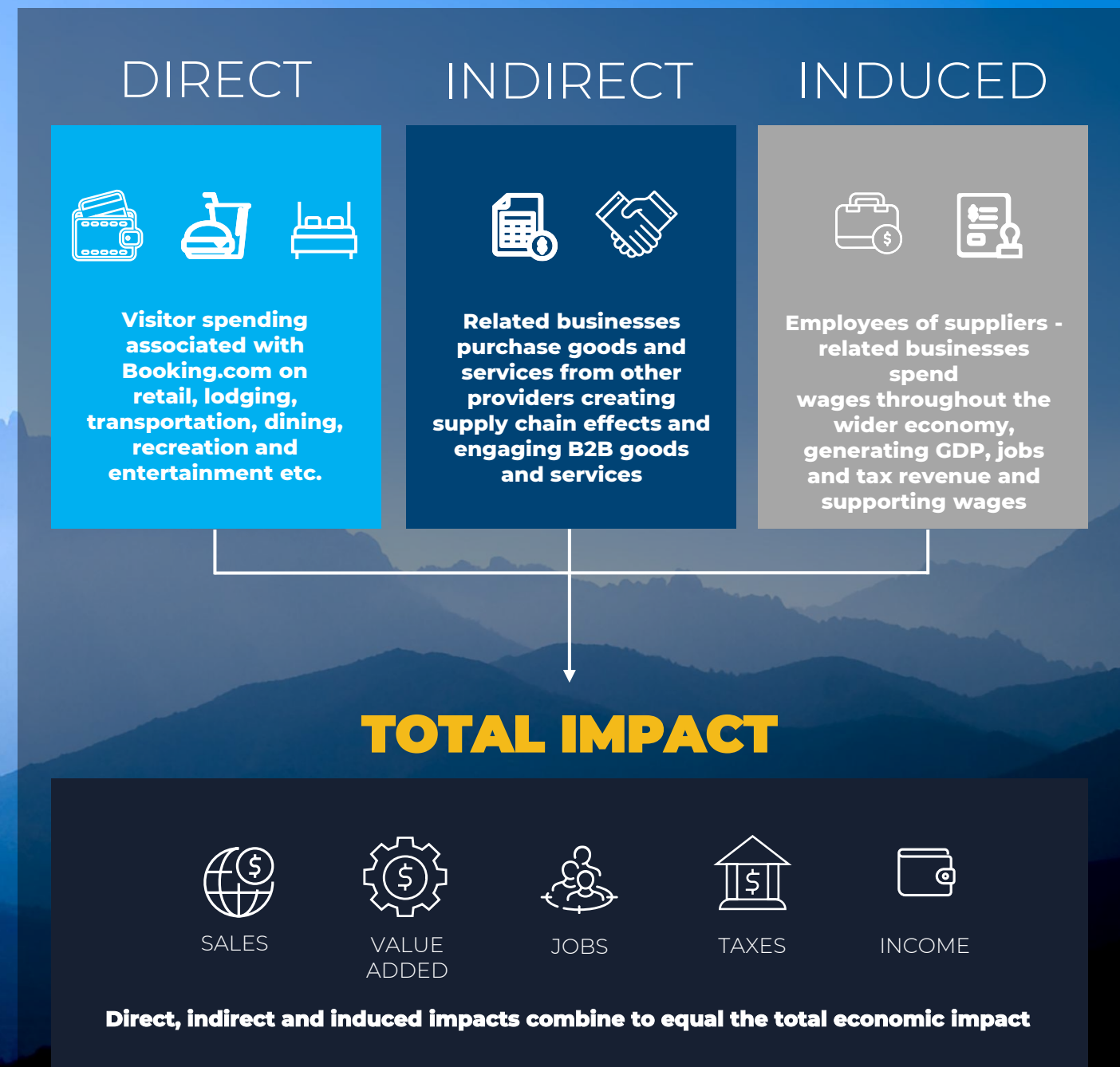
Induced impacts occur when employees across the supply chain spend their wages in the local economy. These secondary spending flows generate additional sales, jobs, income, and tax revenues that extend well beyond the tourism sector itself.

Adding these three levels together gives the total economic impact.

For each level, the model calculates three key indicators:

- Sales (gross output)
- Gross Value Added
- Employment
- Wages
- Taxes

Economic Impact Framework



KEY FINDINGS



ECONOMIC IMPACT SUMMARY

Visitor Spending & Direct Impacts Linked to Booking.com

Visitor spending supported by Booking.com generated significant economic impacts across Europe² as international and domestic travellers spent money on hospitality and other local activities during their stay — including at retailers and recreation and entertainment venues.

In total, visitors³ whose trips were booked through Booking.com spent €291 billion⁴ during their stays, representing direct revenue (output) for local businesses. In addition, the associated contribution to GDP — measured as Gross Value Added — amounted to €152 billion.⁵

The €152 billion represents the net economic contribution: wages, profits, and taxes generated as a result of visitor spending. In addition, spending linked to the platform directly supported nearly 2.5 million jobs across the region.



€291B

**Direct Spending
Impact**



€152B

**Direct GDP
Impact**



2.5M

**Direct
Employment
Impact**

Total Economic Impacts

Direct visitor spending injects revenue into local businesses, setting off a chain of further economic activity. Those businesses purchase goods and services from their suppliers — the indirect effect — while the wages they pay flow back into the wider economy as employees spend their income — the induced effect.

Together, these three layers of impact added up to a total economic contribution of €691 billion to the European economy in 2025. This supported nearly €344 billion in GDP and generated €137 billion in tax revenues for local governments. In the labour market, the platform's total impact sustained over 4.7 million jobs and €175 billion in wages.



€691 BILLION

Total Economic Output Associated with Booking.com in Europe in 2025

2. For a full list of the 29 countries included, refer to Appendix A.

3. Includes all Booking.com trips to the 29 European countries from origin markets worldwide, not only European residents or bookers.

4. Where not specified economic impacts include trade effects. For a full definition of economic impacts and trade effects, refer to Appendix A.

5. This figure is lower than total spend because GDP captures only the value added at each stage of production, not the full purchase price paid by the consumer. In other words, a portion of every euro spent goes towards intermediate inputs such as supplies, energy, and raw materials, which are excluded from GDP to avoid double-counting.

Economic Impacts Associated with Booking.com, 2025



€691B

**Total
Economic
Output**



€344M

**Total
Value Added
(GDP)**



4.7M

**Total Jobs
Supported**



€175B

**Total
Wages
Supported**



€137B

**Total
Taxes
Generated**

ECONOMIC IMPACTS BY CHANNEL AND COUNTRY

Total Economic Impacts

Direct visitor spending linked to Booking.com amounted to €291 billion. This initial expenditure triggered a further €187 billion in indirect business sales — as tourism businesses purchased goods and services from their suppliers — and €118 billion in induced sales, as wages earned throughout the supply chain were spent in the wider economy. Because European economies are deeply interconnected, a portion of these indirect and induced effects crossed national borders. These cross-border spillovers amounted to €94 billion in output, reflecting the wide-reaching economic influence of platform-linked travel across the continent. Together, these effects add up to a total economic output of €691 billion.

This activity supported approximately €344 billion in total GDP — comprising €152 billion in direct GDP, €88 billion in indirect GDP, €63 billion in induced GDP, and €41 billion in GDP generated through cross-border trade flows from other European study countries.

In the labour market, Booking.com-linked travel sustained nearly 4.8 million jobs across Europe, with total associated wages amounting to just over €175 billion. Of these, approximately 0.5 million jobs and €21 billion in wages were sustained in countries other than where the original spending occurred — a testament to how deeply integrated European tourism economies have become.

The platform's contribution to public finances was equally substantial. Direct fiscal impacts reached €80 billion, with a further €33 billion in indirect tax revenues, €14 billion in induced tax revenues, and €10 billion in taxes generated through cross-border trade flows — bringing the total fiscal contribution to €137 billion.

Total Economic Impacts Associated with Travel Booked Through Booking.com (€ millions and 000s jobs), 2025

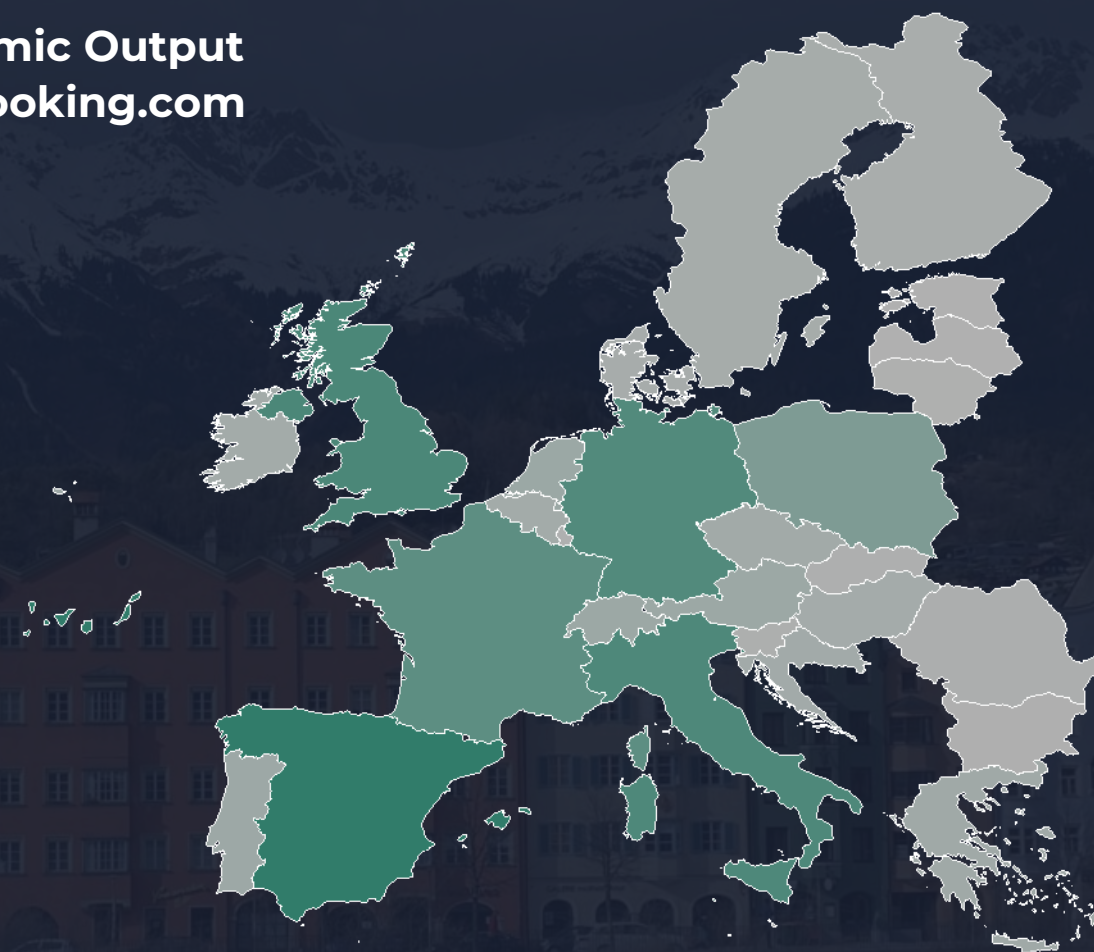
Description	Direct	Indirect	Induced	Trade	Total
Output (Business Sales)	290,759	187,250	118,467	94,135	690,611
GDP	152,345	88,233	62,513	40,773	343,864
Employment	2,490	1,092	701	454	4,738
Wages	83,286	42,963	28,108	20,862	175,219
Tax	80,466	32,547	13,745	10,307	137,065

Source: Tourism Economics.

Economic Impacts – Total Output (€ billions), 2025

€691B

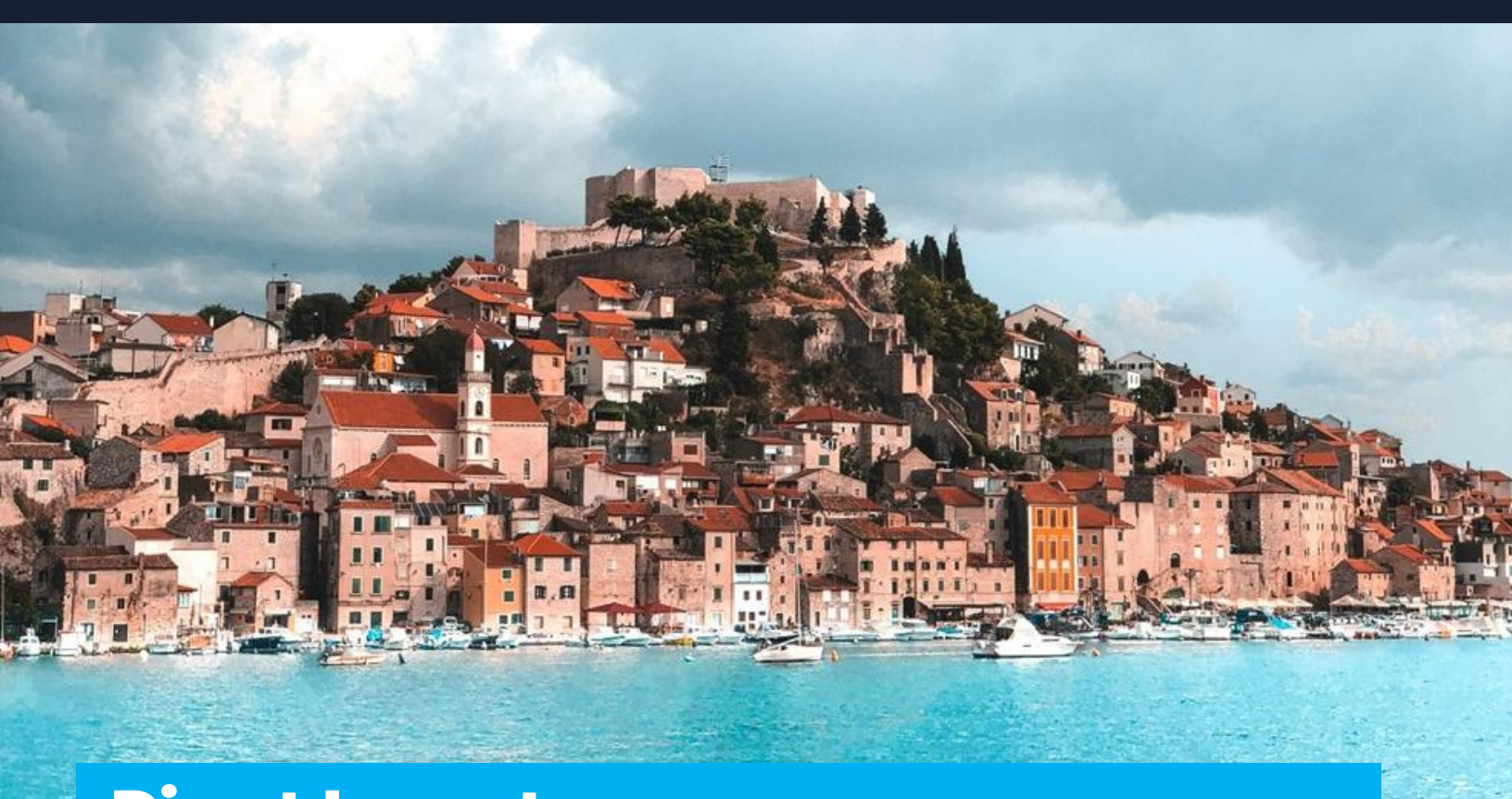
Total Economic Output Linked to Booking.com in Europe



Source: Booking.com data and Tourism Economics. Map powered by Bing. ©GeoNames, Microsoft, Open Places, OpenStreetMap, TomTom

DIRECT IMPACTS





Direct Impacts

Overview of Visitor Spending

Visitors who used Booking.com to book their trip in 2025 spent a total of €291 billion on travel. Depending on their origin, between 44% and 42% of this expenditure was devoted to hospitality, with the remainder spread across transport, shopping, and entertainment.⁶

International

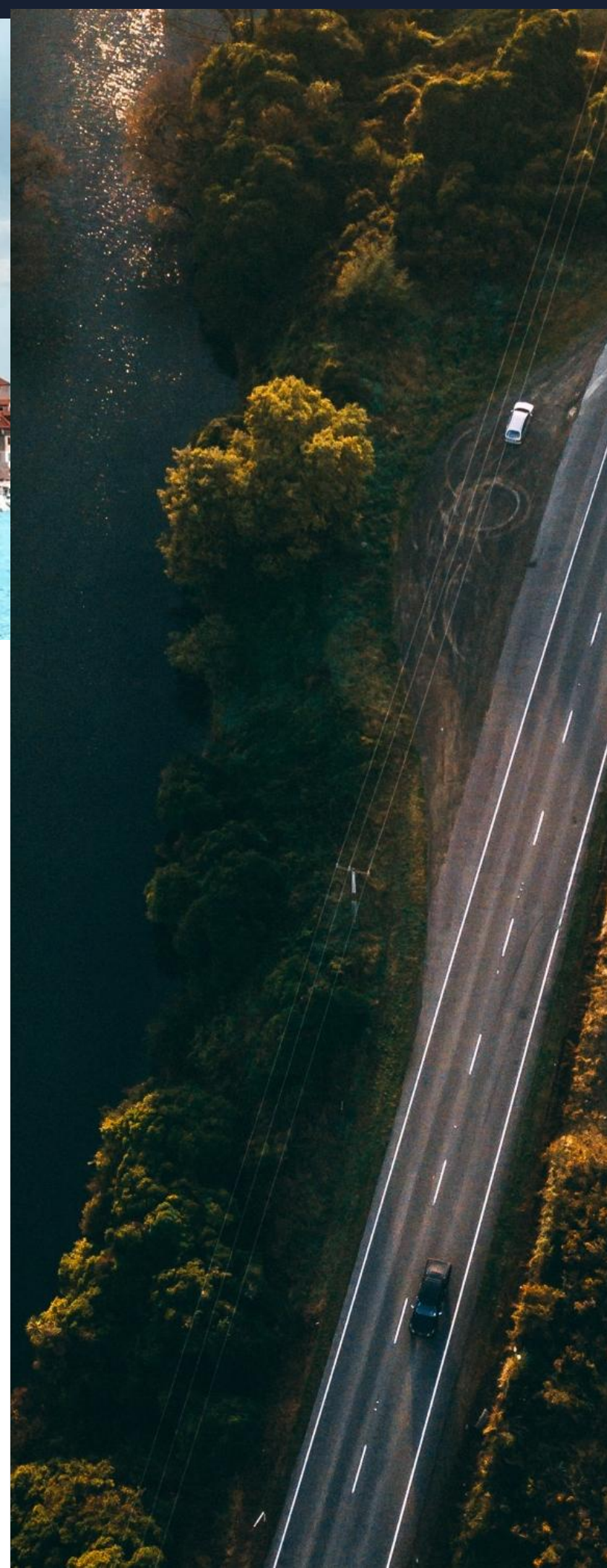
Hospitality Spending
(44%)

Wider Spending
(56%)

International visitors allocated a larger share to hospitality, at almost 44% of their total spend. Within wider spending, shopping was the second-largest category, representing 20% of the total.

Domestic visitors, by contrast, devoted around 42% of their expenditure to hospitality and the remaining 58% to wider spending. For this group, entertainment was the second largest spend category, accounting for 19% of total spend.

6. Hospitality spending includes spending on accommodation and food and beverage ('f&b'). Wider spending includes spending on transport, shopping entertainment and other expenditures not included in the other categories. For more details, please refer to Appendix A.



More than half of visitor spending was spent beyond hospitality, in transport, shopping and entertainment.

International Visitor Profile and Spending

During their visits, international travellers spent almost 44% of their spending on hospitality, making it the largest individual spending category. Non-hospitality spending accounted for the remaining 56% and included costs related to inbound travel to the destination.

Non-hospitality spending was broadly balanced across categories. Spanning from 20% of the total on retail to 10% of total expenditure on recreation, entertainment and sport.

International Visitor Spending by Category



Source: Booking.com data and Tourism Economics.

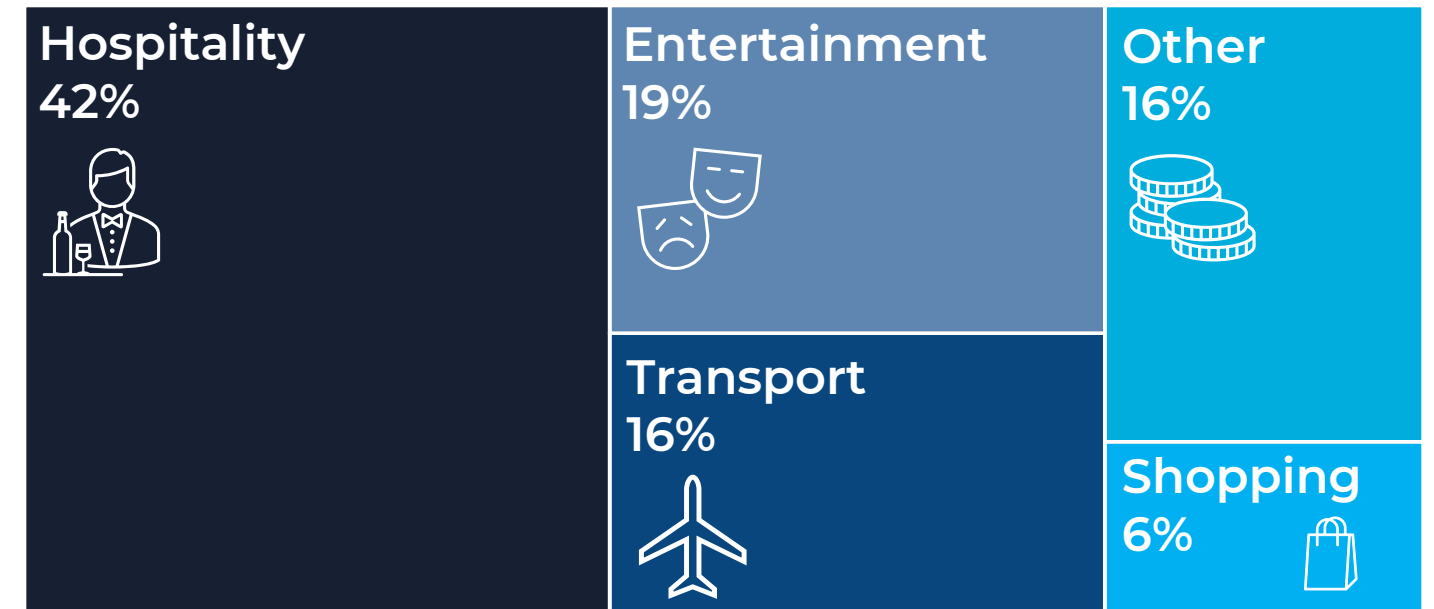
Note: Other spending includes spending not elsewhere included across hospitality, transport, shopping, or entertainment, for more detail refer to Appendix B.

Domestic Visitor Profile and Spending

Domestic travellers spent 42% of their total expenditure on hospitality during their trips, making it the largest individual spending category. Spending on entertainment accounted for 19% of total expenditure and non-hospitality spending accounted for 58%.

Non-hospitality spending was broadly balanced across categories, ranging from 19% on entertainment to 16% on transport. Retail accounted for the smallest share, representing just 6% of total spending.

Domestic Visitor Spending by Category



Source: Booking.com data and Tourism Economics.

Note: Other spending includes spending not elsewhere included across hospitality, transport, shopping, or entertainment, for more detail refer to Appendix B.



International visitors to Europe spend the most on **hospitality and shopping**, while **domestic visitors** prioritise **hospitality and entertainment**.

Visitors who booked their trip using Booking.com spent **€291 billion** on their trips to Europe in 2025.

Direct Impacts – Visitor Spending

Visitors who booked their trip to Europe using Booking.com spent a total of €291 billion during their trip.

- International visitors spent 44% of their total expenditure on hospitality. A fifth, 20%, was spent on retail, followed by spending on transport at 12%. The smallest share of spending was spent on entertainment, accounting for 10% of the total.
- Domestic visitors spent 42% of their total expenditure on hospitality. Across non-hospitality spending, 19% was spent on entertainment, followed by transport at 16%. The smallest proportion of non-hospitality spending was spent on retail, at 6% of the total.

Summary Direct Visitor Spending, 2025

Description	International	Domestic
Hospitality	44%	42%
Non-hospitality	56%	58%
Transport	12%	16%
Shopping	20%	6%
Entertainment	10%	19%
Other	14%	16%
Direct spending impact	100%	100%

Source: Booking.com data and Tourism Economics.



€291 BILLION

Total Direct Visitor Spending Associated with Booking.com in Europe in 2025

Direct economic impacts stem from the total amount spent by visitors on their trip and the cost of their travel, which together amount to €291 billion. This spending directly translates to revenues (output) generated in the economy.

Source: Tourism Economics
Note: totals may not sum due to rounding.

ECONOMIC IMPACTS



Direct, Indirect, Induced and Trade Impacts

Direct visitor spending in the European economy totalled €291 billion. This figure includes expenditure on both hospitality and non-hospitality services incurred by visitors during their trips.

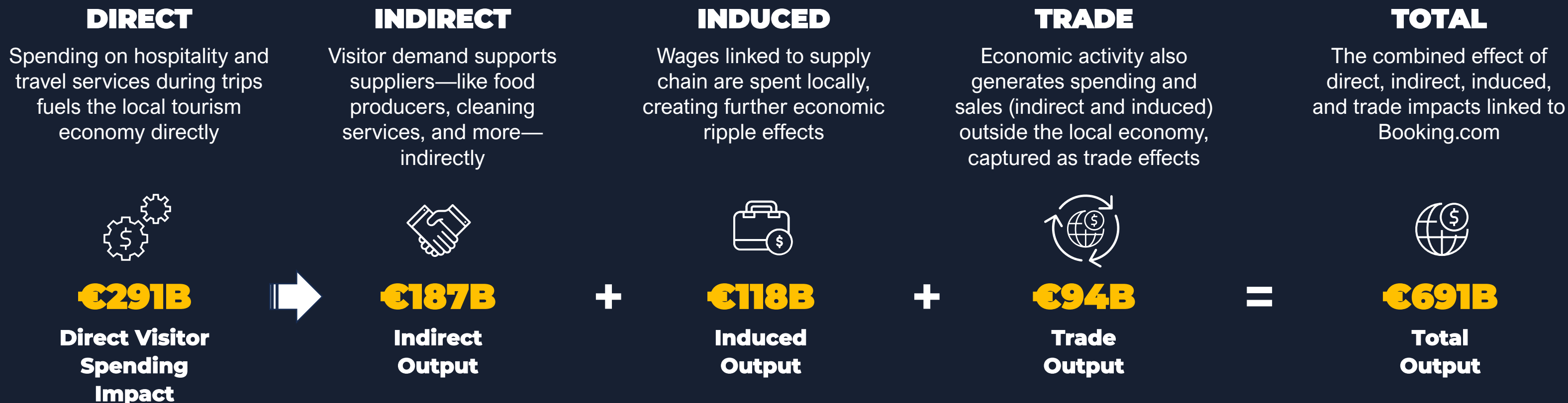
This spending indirectly supported a range of other activities in business-facing industries—for example, supplies purchased by restaurants serving tourists, or cleaning services required by hospitality providers. These indirect business sales (or output) amounted to €187 billion.

Employees in direct and supply chain industries received compensation for the work involved in supporting visitor-related services. Subsequently, a portion of this income was spent within the local economy, generating further economic activity—referred to as induced spending—which contributed an additional €118 billion.

Expenditure that leaks beyond the local economy is captured under trade effects. This covers both purchases made by business-facing firms outside the area (indirect trade effects) and any wages earned through this activity that are then spent elsewhere (induced trade effects).

Business sales outside the local economy totalled €94 billion.

The combined direct, indirect, induced, and trade effects amount to a total economic impact of €691 billion associated with Booking.com.



Total Economic Impacts of Booking.com

Visitor spending linked to Booking.com totalled €291 billion. This total direct impact drove indirect, induced and trade spending for a total of €400 billion and resulted in a total economic output of €691 billion.

Total economic output supported approximately €344 billion in total value added to the European economy. Visitor spending also sustained just over 4.7 million jobs across Europe, with total linked wages amounting to just over €175 billion. In terms of public revenue, travel associated with Booking.com generated a total fiscal contribution of €137 billion.

Total Economic Impacts Associated with Booking.com (€ millions and 000s jobs), 2025

Description	Direct	Indirect	Induced	Trade	Total
Output (Business Sales)	290,759	187,250	118,467	94,135	690,611
GDP	152,345	88,233	62,513	40,773	343,864
Employment	2,490	1,092	701	454	4,738
Wages	83,286	42,963	28,108	20,862	175,219
Tax	80,466	32,547	13,745	10,307	137,065

Source: Tourism Economics
Note: totals may not sum due to rounding.

Spending associated with Booking.com generated a total economic output of **€691 billion** across Europe in 2025.

Economic Impacts Associated with Booking.com, 2025



€691B

**Total
Economic
Output**



€344M

**Total
Value Added
(GDP)**



4.7M

**Total Jobs
Supported**



€175B

**Total
Wages
Supported**



€137B

**Total
Taxes
Generated**

Source: Tourism Economics
Note: totals may not sum due to rounding.

Booking.com-linked visitor spending generated approximately **€344 billion in total GDP**, with **wholesale & retail and accommodation & food leading the impact.**



GDP Impacts

Total visitor spending of €291 billion by travellers supported by Booking.com directly contributed €152 billion in GDP throughout visitor-serving industries in the economy. This spending contributed over €88 billion in indirect impacts and approximately €63 billion in induced impacts. This activity also generated €41 billion in trade impacts, reflecting spending and income flows that occurred outside the local economy, such as supply purchases or wages spent abroad. Combined, the direct, indirect, induced, and trade effects contributed a total of just under €344 billion in GDP across the European economy.

The retail sector had the highest GDP contribution at €78 billion, 23% of the overall GDP contribution. The accommodation and food sector followed closely with approximately €71 billion.

GDP Impacts Attributable to Booking.com (€ millions), 2025

	Direct	Indirect	Induced	Trade	Total
GVA, All Industries	152,345	88,233	62,513	40,773	343,864
Agriculture	-	2,689	1,531	1,428	5,647
Mining	-	337	189	471	998
Manufacturing	-	11,018	5,803	10,066	26,887
Utilities	-	3,926	2,285	1,088	7,299
Construction	-	2,418	1,163	488	4,068
Wholesale & Retail trade	46,697	16,271	7,946	6,924	77,838
Transportation & Storage	17,403	6,643	2,470	2,773	29,289
Accommodation & Food	64,545	2,054	3,328	579	70,506
Info & Communication services	-	4,269	2,469	1,930	8,667
Financial services	-	5,595	3,965	3,123	12,682
Real estate services	-	9,305	14,879	2,815	26,998
Other Professional services	-	14,927	4,189	6,068	25,183
Public Admin. Services	-	793	579	226	1,597
Education	-	304	1,297	228	1,829
Healthcare services	-	4,724	7,593	1,924	14,240
Arts & Entertainment	23,699	2,962	2,064	570	29,296
HHs as employers	-	-	764	74	838

Source: Tourism Economics

HHs as employers covers impacts from wages paid to domestic workers and, more broadly, household production of goods and services for own use.

Note: totals may not sum due to rounding.

Employment Impacts

Visitor spending linked to Booking.com directly supported nearly 2.5 million jobs across the European economy.

The majority of these were in the accommodation and food services sector, which accounted for almost half of all direct employment (47%). A further 1.8 million jobs were supported through supply chain activity and the spending of wages within the local economy. Additionally, just under 0.5 million jobs were supported through economic activity taking place outside the local economy.

In total, economic output associated with Booking.com supported just under 4.8 million jobs across Europe.

Employment Impacts Associated with Booking.com (000s jobs), 2025

	Direct	Indirect	Induced	Trade	Total
Employment, All Industries	2,490	1,092	701	454	4,738
Agriculture	-	69	40	32	141
Mining	-	2	1	2	4
Manufacturing	-	137	72	110	319
Utilities	-	22	13	6	41
Construction	-	37	18	7	62
Wholesale & Retail trade	657	231	113	91	1,092
Transportation & Storage	200	81	31	32	344
Accommodation & Food	1,173	35	56	10	1,274
Info & Communication services	-	41	20	17	78
Financial services	-	37	27	19	83
Real estate services	-	9	15	3	28
Other Professional services	-	216	61	73	350
Public Admin. Services	-	9	7	2	19
Education	-	6	28	5	40
Healthcare services	-	97	157	37	292
Arts & Entertainment	460	60	40	10	571
HHs as employers	-	-	0	0	0

Source: Tourism Economics. HHs as employers covers impacts from wages paid to domestic workers and, more broadly, household production of goods and services for own use. Note: totals may not sum due to rounding.

Wage Impacts

Wages linked to jobs supported by direct visitor spending totalled €175 billion across the European economy.

Of this, €83 billion was generated directly in visitor-serving industries, such as accommodation and food services, where a large share of direct employment is concentrated.

An additional €43 billion in wages was supported indirectly through the supply chain, while €28 billion resulted from induced impacts as employees spent their earnings within the local economy. A further €21 billion in wages was associated with economic activity occurring outside the local economy, captured under trade effects.

Overall, this resulted in a total wage impact of over €175 billion.

Wage Impacts Associated with Booking.com (€ millions), 2025

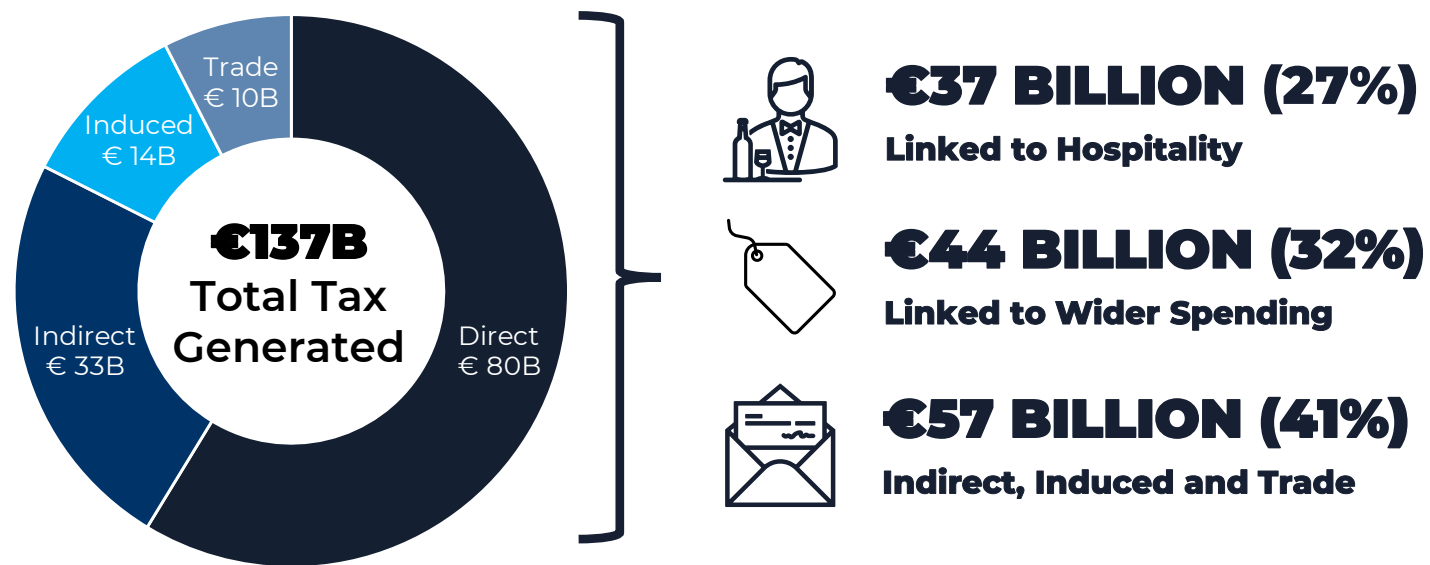
	Direct	Indirect	Induced	Trade	Total
Wages, All Industries	83,286	42,963	28,108	20,862	175,219
Agriculture	-	668	388	380	1,435
Mining	-	129	76	117	322
Manufacturing	-	6,109	3,243	5,589	14,942
Utilities	-	1,303	762	376	2,441
Construction	-	1,208	590	255	2,053
Wholesale & Retail trade	25,266	8,999	4,525	3,922	42,712
Transportation & Storage	9,626	3,568	1,346	1,490	16,030
Accommodation & Food	35,271	1,106	1,756	330	38,463
Info & Communication services	-	2,207	1,127	980	4,313
Financial services	-	2,862	2,080	1,601	6,544
Real estate services	-	393	685	141	1,219
Other Professional services	-	8,484	2,441	3,499	14,425
Public Admin. Services	-	590	435	169	1,195
Education	-	252	1,075	188	1,515
Healthcare services	-	3,496	5,708	1,448	10,652
Arts & Entertainment	13,123	1,589	1,105	303	16,121
HHs as employers	-	-	764	74	838

Source: Tourism Economics. HHs as employers covers impacts from wages paid to domestic workers and, more broadly, household production of goods and services for own use. Note: totals may not sum due to rounding.

Fiscal (Tax) Impacts

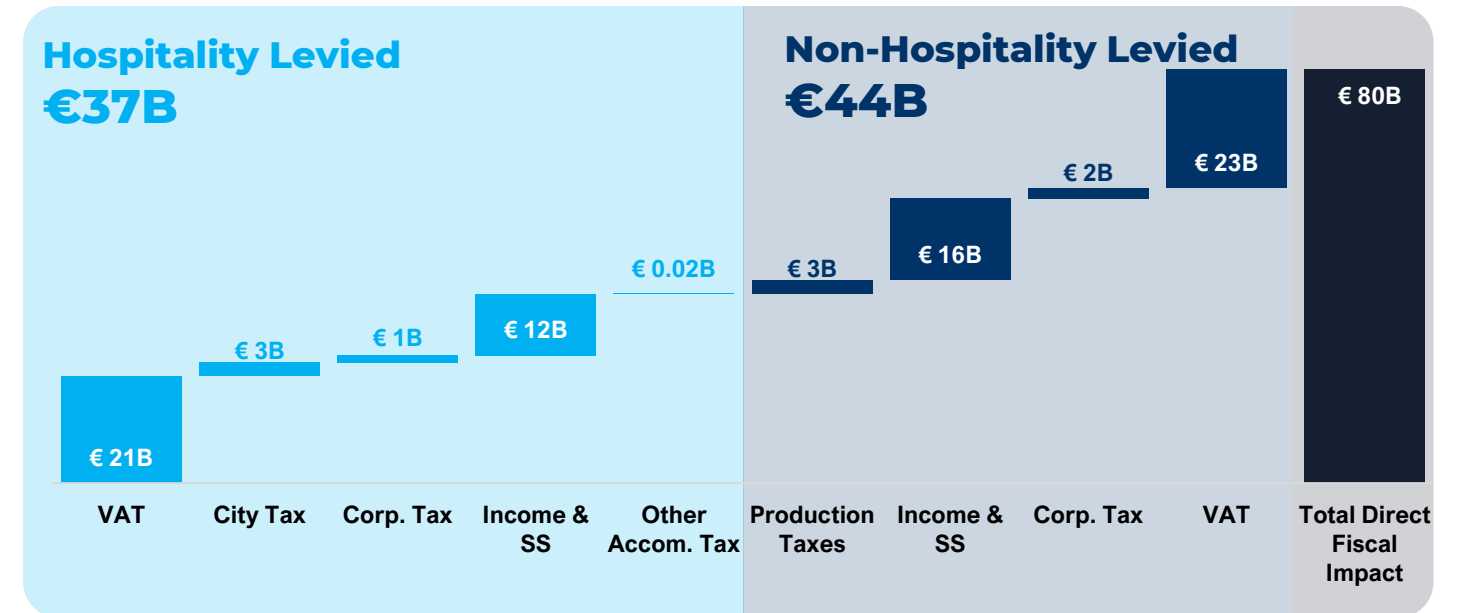
Visitor spending associated with Booking.com generated total tax revenues impact of €137 billion; €80 billion stemmed directly from visitor expenditures. Of total tax revenues, 27% came from spending on hospitality and a further 32% of the total from non-hospitality spending, amounting to €37 billion and €44 billion, respectively. The largest portion of these tax revenues came from VAT revenues, followed by income and social security taxes.

Beyond direct contributions, additional fiscal impact was generated through subsequent rounds of spending—via supply chain activity, employee wages, and trade—adding a further €57 billion, equivalent to 41% of the total.



Source: Booking.com and Tourism Economics

Total direct fiscal impact linked to Booking.com-related visitor spending amounted to €80 billion. €37 billion is generated through hospitality-related spending, primarily via VAT and income and social security taxes. In contrast, €44 billion, or 32% of the total, stemmed from wider non-hospitality spending, highlighting the broader fiscal footprint of visitor activity beyond hospitality spending. Of the latter, the vast majority is attributable to income and social security taxes and production taxes.



Source: Booking.com data and Tourism Economics

Note: totals may not sum due to rounding.

Other accommodation taxes include government and local taxes, residential taxes and other accommodation-levied taxes.



Visitor spending linked to Booking.com generated **€137 billion** in tax revenues, with **VAT** being the largest single contributor.

Trade Impacts

European economies are deeply interconnected, engaging in substantial cross-border trade of goods and services. While direct visitor spending associated with Booking.com is recorded in the country where the expenditure occurs, the broader economic effects often extend beyond national borders. These ripple effects arise as money moves through supply chains and wages are spent across Europe, generating both indirect and induced impacts.

When supply chains rely on imports or wages are spent abroad, these cross-border flows are captured as indirect and induced trade effects. For instance, a restaurant in France may purchase supplies from Spain (indirect impact), or one of its workers might spend income in Italy (induced impact).

Excluding trade, direct visitor spending contributed €596 billion in output. Trade-related business sales outside of the local economy amounted to €94 billion, bringing the total economic output to €691 billion. Similarly, GDP impacts supported by visitor spending amounted to €303 billion, an additional €41 billion was supported by trade impacts across Europe. Overall, GDP impacts amounted to €344 billion.

Visitor spending linked to Booking.com supported 4.7 million jobs, where 0.5 million was sustained through trade effects outside the countries where the original spending occurred—reflecting the wide-reaching economic influence. These jobs generated €21 billion in wages and over €10 billion in tax revenues outside of the local economy.

Summary of Trade Impacts



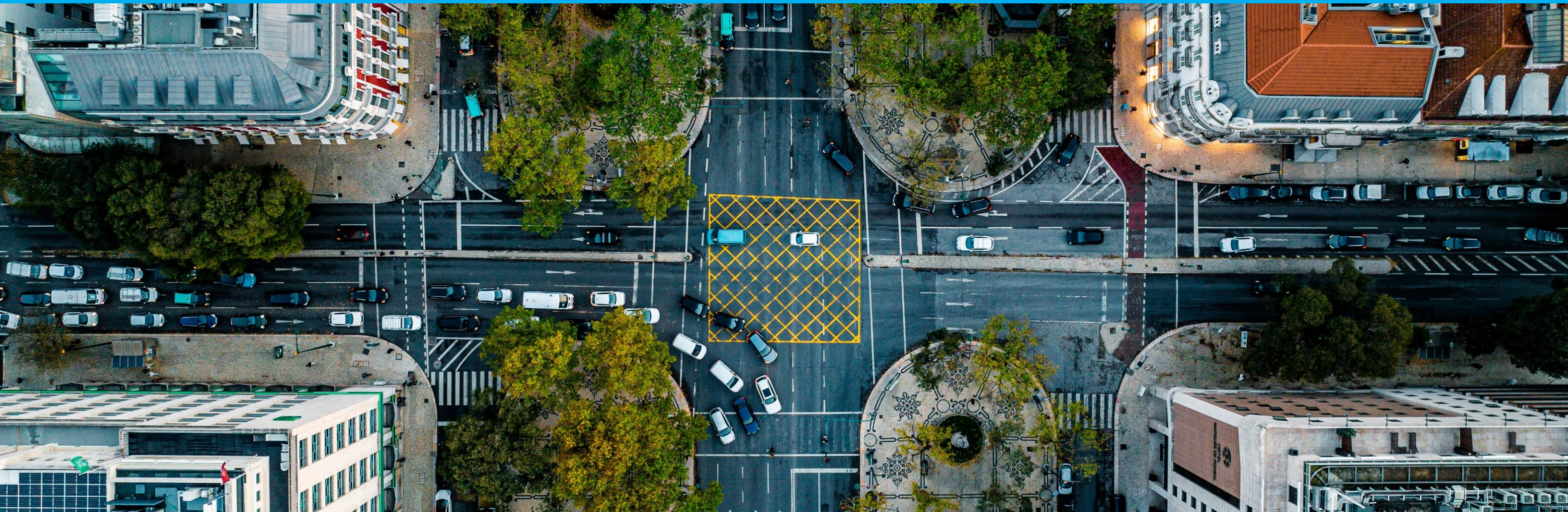
Visitor spending associated with Booking.com had a total output impact of €596 billion within the economy where spending took place. Cross-border trade effects amounted to an additional €94 billion—highlighting the broad economic interconnections that extend beyond national borders and bringing the total economic output to €691 billion.

Trade Impacts (€ millions and 000s jobs), 2025

	Economic Impacts excl. trade	Trade Impacts	Economic Impacts	Trade effect on economic impacts
Output	596,476	94,135	690,611	+14%
GVA	303,091	40,773	343,864	+12%
Employment	4,284	454	4,738	+10%
Wages	154,357	20,862	175,219	+12%
Tax	126,758	10,307	137,065	+8%

Source: Tourism Economics
Note: totals may not sum due to rounding.

APPENDICES



Appendix A

Definitions

OTA or Platform: online travel agency ('OTA') refers to Booking.com for the purpose of this analysis.

Visitor spending: expenditure by visitors relying on Booking.com for booking their trip. Includes expenditure on accommodation, food and beverage, retail, recreation, transport and other.

Hospitality spending: expenditure on accommodation and food and beverage ('F&B') by visitors relying on Booking.com for booking their trip.

Wider spending: expenditure on retail, recreation, transport and other categories by visitors relying on Booking.com for booking their trip.

Inbound transport: included in transport expenditure for international visitors.

Total economic output (Output): total sales in an industry or the economy. By default impacts include trade impacts across Europe. See Trade included economic impacts below.

Total value added (GDP): total contribution (value added) to the GDP of an industry or GDP of the economy.

Jobs supported: number of full-time and part-time jobs supported by visitor spending linked to Booking.com.

Tax revenues: Taxes generated in the Economy as a result of increased output, employment and income.

Trade excluded economic impacts: economic impacts estimated within the destination country.

Trade included economic impacts: economic impacts estimated within the destination country, including impacts from trade with other countries.

Trade effects: difference between economic impacts including and excluding trade. These are impacts attributable to the trade that occurs within countries as a result of visitor spending linked to Booking.com and accrued wages being spent.

Europe/the Economy: this report assesses impacts across 29 countries, referred to as 'Europe'. The following countries are included:

- | | | |
|-------------------|----------------|--------------------|
| 1. Austria | 10. France | 20. Netherlands |
| 2. Belgium | 11. Germany | 21. Poland |
| 3. Bulgaria | 12. Greece | 22. Portugal |
| 4. Croatia | 13. Hungary | 23. Romania |
| 5. Cyprus | 14. Ireland | 24. Slovakia |
| 6. Czech Republic | 15. Italy | 25. Slovenia |
| 7. Denmark | 16. Latvia | 26. Spain |
| 8. Estonia | 17. Lithuania | 27. Sweden |
| 9. Finland | 18. Luxembourg | 28. Switzerland |
| | 19. Malta | 29. United Kingdom |

Appendix B

Methods and Data Sources

1. Direct business sales

Visitor spending associated with Booking.com in Europe represents a key source of demand in the tourism economy. This activity generates revenue in accommodation and other travel-related sectors, forming the basis of *direct business sales* and their wider ripple effects through the economy. Direct business sales comprise spending by visitors linked to Booking.com including both hospitality and wider expenditures.

Data Sources:

- **Visitors and guests data (Booking.com data):** data provided by Booking.com. Includes number of visitors, guest nights, accommodation type, travel purpose and reservations by origin country and destination.
- **Accommodation expenditure data (Booking.com data):** data provided by Booking.com. Includes data on accommodation expenditure by origin country, destination and travel purpose.
- **Accommodation fees and taxes data (Booking.com data):** Data on taxes, fees and related charges associated with accommodation expenditure, reported by destination.
- **Wider Spend data:** data sourced from Oxford Economics; Global Travel Survey ('GTS') data and publicly available tourism satellite accounts (TSAs). Includes visitor spending by origin market, destination, and travel purpose across categories such as food & beverage, retail, recreation, transport, and other categories. *Other expenditure* covers all remaining visitor spending not classified under hospitality, transport, shopping, or entertainment, and may vary by destination.
- **Global Travel Survey – 'GTS data':** total international arrivals by source market.

A. Direct Impacts (Visitor spending):

Direct visitor spending estimates are developed by origin country, destination, visitor type (international or domestic), and purpose of travel (business, leisure, or other). The estimation involves three main steps:

1. Accommodation expenditure: total spending on accommodation by visitor type is sourced from Booking.com data.
2. Wider expenditure: spending on other categories (f&b, retail, recreation, transport and other items) is estimated using Wider Spend data. These spending profiles, captured by origin market and destination, are aligned to accommodation demand on a per-guest-night/per unit of accommodation basis.
 - Transport spending for international visitors includes inbound travel, refined using Tourism Economics airfare data to reflect average airfares by origin market and destination.
 - Other expenditure, consistent with tourism satellite account practice, captures residual spending not falling under the other categories and differs by destination.
 - Cross-checks are applied to validate consistency of spending patterns across countries and to identify and limit the influence of outliers.

- Business and leisure spending shares are calibrated using Wider Spend data on a per-origin and per-destination basis. This ensures spending profiles across all countries are consistent while limiting outliers.

Finally, total direct visitor spending aggregates all expenditure categories, including accommodation fees from Booking.com data.

B. Indirect and Induced Impacts

The direct business sales described above are input into the input-output model in order to estimate the total economic impact attributable to Booking.com. Economic impact analysis measures the total effects of an incremental change in a regional or national economy. The initial change could be in the form of new spending, employment, income or investment, and the change will have additional impacts on employment, income, and output (also called business sales). The approach is based on making estimates of the initial change, for example the amount of net spending or investment as a direct result of a project or Event, and this is considered the direct effect. In this case, the direct tourism spending comes in several industries including lodging, food and beverage, recreation, retail, local transportation, and air/train transportation.

Beyond the initial direct business sales, other effects ripple throughout the economy and these indirect effects are usually calculated in two categories: First, indirect effects result from the supply chain impact when new spending generates additional demand in related industries that provide inputs. For example, spending at hotels and restaurants both require inputs from other industries in the form of goods and services. Producers of those inputs will experience additional demand for their goods and services such as legal or accounting services, agricultural goods and unprepared food items, and energy inputs such as gasoline and electricity. Some of this supply chain effect occurs in the local economy, some of the additional demand is placed on producers elsewhere in the national economy, and some may be imported from outside of France. Second the direct business sales and the additional demand placed on other industries both generate additional income for workers in those industries. A portion of the additional income earned is again spent in the economy, and this is considered the induced effect. The direct effect plus the indirect and induced effects combined make up the total economic impact, and this can be calculated for the local region, the broader region, or national economy.

These ripple effects that stem from an initial change in the local economy is captured in the “multiplier” concept. For example, \$1.0 million in direct business sales could result in a total of \$1.5 million of spending in the economy, for a multiplier of 1.5. The actual multiplier effect in a regional economy depends on many factors, such as productivity by industry and the regional distribution of productive resources in the economy.

These characteristics of a regional economy are captured in an input-output model (I-O model). An I-O model can quantify the relationship between not only industries but also geographies. Fundamentally, an I-O model is an accounting method to describe a specific regional economy and the flow of money through the industries. In a matrix, the columns usually represent the buyers (demand) and the rows represent the sellers (supply). The value at the intersection a column and row reflects the flow of money between the buyer and seller of a good or service. The sum of a row is the total supply (in value of output or sales) of that industry and the sum of any column is the total demand of the industry. In competitive markets total demand is equivalent to total supply; the sum of the row sums must equal the sum of the column sums. The richness of I-O modelling is that it serves as an accounting of the total economy and allows the analyst to measure the total impact in the broader economy of a small change in one region or industry.

The input-output model used in this analysis is based on a proprietary model developed by Tourism Economics. The model contains supply and use data for 60 industries in the national economy in 14 major groups. The major industries included are:

- Agriculture and fishing
- Mining and natural resources
- Manufacturing
- Electricity, gas and water (Utilities)
- Construction
- Wholesale, retail and repair services
- Arts and entertainment
- Hotels and restaurants
- Transport, storage and communication
- Finance
- Real estate, rental and business services
- Education
- Health and social services
- Other community, social and personal services

The model is set up as follows:

$$x = Ax + y$$

where the first x represents a vector of gross output by industry and the second x vector represents intermediate demand generated by production in other industries; A is the input-output coefficient matrix that represents how much output from industry x is needed to generate output in other industries of the economy; y is a vector that represents final demand by industry. In words, total demand for x equals intermediate demand plus final demand. Household demand is assumed to be a part of final demand. A few additional steps yield:

$$x - Ax = y$$

$$(I - A)x = y$$

$$x = (I - A)^{-1}y$$

Appendix C

Summary of impacts

The following tables provides a full overview of the economic impacts from visitor spending impacts associated with Booking.com.

Total Impacts, Trade Included, 2025

(€ millions and 000s jobs)

Description	Direct	Indirect	Induced	Trade	Total
Output (Business Sales)	290,759	187,250	118,467	94,135	690,611
GDP	152,345	88,233	62,513	40,773	343,864
Employment	2,490	1,092	701	454	4,738
Wages	83,286	42,963	28,108	20,862	175,219
Tax	80,466	32,547	13,745	10,307	137,065

Source: Tourism Economics.

Note: totals may not sum due to rounding.

Total Impacts, Trade Excluded, 2025

(€ millions and 000s jobs)

Description	Direct	Indirect	Induced	Total
Output (Business Sales)	290,759	187,250	118,467	596,476
GDP	152,345	88,233	62,513	303,091
Employment	2,490	1,092	701	4,284
Wages	83,286	42,963	28,108	154,357
Tax	80,466	32,547	13,745	126,758

Source: Tourism Economics.

Note: totals may not sum due to rounding.

Total Trade impacts, 2025

(€ millions and 000s jobs)

Description	Direct	Indirect	Induced	Total
Output (Business Sales)	-	47,697	46,438	94,135
GDP	-	20,017	20,757	40,773
Employment	-	226	229	454
Wages	-	10,548	10,314	20,862
Tax	-	5,048	5,259	10,307

Source: Tourism Economics.

Note: totals may not sum due to rounding.

Trade impacts are derived as the difference of economic impacts including trade minus economic impacts excluding trade.

Direct trade impacts are zero because direct impacts reflect spending by visitors within the destination country, and therefore do not count as trade since the transaction occurs domestically. This is not the case for indirect and induced effects, which can involve cross-border flows through supply chains or as wages are spent outside the destination.

About the Research Team

Oxford Economics was founded in 1986 as a commercial venture with Oxford University's business college to provide economic forecasting and modelling to UK companies and financial institutions expanding abroad. Since then, we have become one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact.

Oxford Economics is an adviser to corporate, financial and government decision-makers and thought leaders. Our worldwide client base comprises over 2,000 international organisations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

This study was conducted by the Tourism Economics group within Oxford Economics. Tourism Economics combines an understanding of traveller dynamics with rigorous economics in order to answer the most important questions facing destinations, investors, and strategic planners. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, destination recovery plans, forecasting models, policy analysis, and economic impact studies.

Oxford Economics employs 600 full-time staff, including 300 professional economists and analysts. Headquartered in Oxford, England, with regional centres in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC.



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