



Global Travel Insight

2023 was the year of beach and business destinations, Visa estimates show

Data from Visa and the **Visa International Travel platform**¹ provide fresh insights into international travel and where people went in 2023. The data suggest three key trends in global travel:



Global travel has become more concentrated, especially beach getaways. While international travel arrivals have almost fully recovered to their 2019 levels, recovery across destinations has varied. Of the top 1,000 most visited cities in 2019, only half fully recovered by 2023, suggesting that more people are crowding into fewer places. Sun and sand destinations in particular have outperformed, with a gain of 15 percent in international arrivals versus a loss of 3 percent for non-beach destinations since 2019.



Business destinations are seeing a more broad-based recovery in travel spending. Analysis of depersonalized and anonymized transaction data shows that the share of Visa cards active in travel in 2023 was closer to 2019 shares for commercial rather than consumer cards. This broader basis for recovery has enabled business destinations to stage the second strongest recovery.



Global travel recovery leaves room for more gains in arrivals and spending in 2024. Over 188 million more visits could occur in 2024 if travel to lagging destinations perks up, especially in Asia Pacific, North America and Africa. This could create opportunities for diversifying travel offerings and reducing the strain on more popular tourism spots, particularly in Europe.

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Key Points:

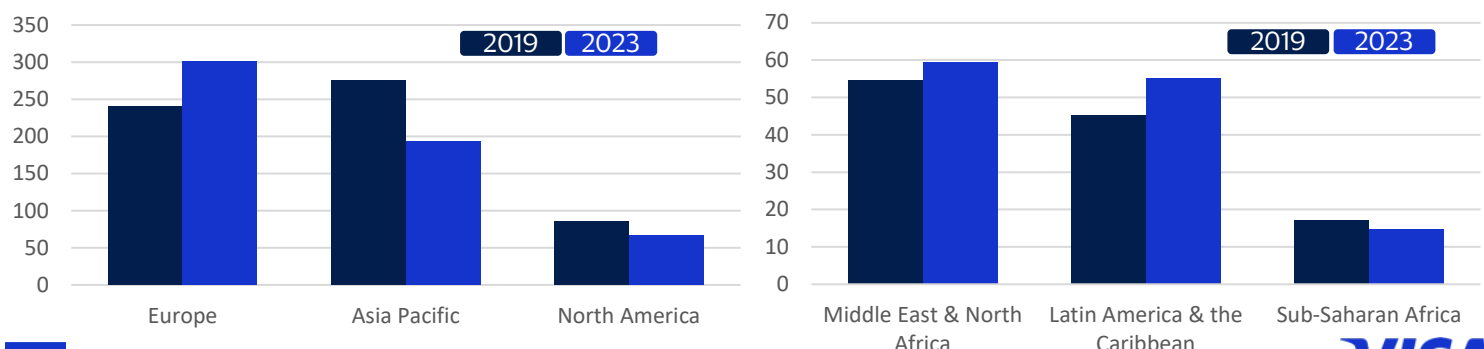
Global travel staged a near-complete but uneven recovery in 2023

If travel broadens to more destinations, as many as 188 million more visits could occur

Business destinations are staging a healthy recovery and not far behind beaches

The top 25 cities in each region have remained nearly the same, but the recovery across regions has been uneven: Asia Pacific, North America and Africa are lagging while other regions lead

(Cross-border visits to top 25 cities in each region, millions)



Sources: Visa Business and Economic Insights, Visa International Travel Platform





International travel recovery leaves room for more gains in arrivals and spending in 2024

In 2023, the top 1,000 most-visited cities on the planet welcomed 1.2 billion foreign visitors,² marking a near-complete recovery in the volume of international visitor arrivals to its 2019 level.³

As the recovery strengthens, some aspects of travel have remained relatively unchanged, such as the cities that made the list in both years: nine out of 10 cities were in the top thousand in 2019 and in 2023. Similarly, the odds that a city in the top 25 list within its respective region in 2019 was also on that list in 2023 is somewhere between 84 to 92 percent.

Change, though, has come as the pace of recovery has varied across regions. The still-incomplete recovery in travel across key corridors—such as between the U.S. and Canada or Mainland China and the rest of Asia—means that 448 cities saw their relative global rankings fall by over 10 points since 2019. Over the same period, 433 cities saw gains of a similar magnitude, including new globe trekker favorites like Lisbon, Mecca and Punta Cana.

Some of this churn could prove temporary. Less than half of the destination cities covered have yet to pass their 2019 levels. Together these cities accounted for about 57 percent of international arrivals in 2019, suggesting that potentially over 188 million more cross-border trips could occur in 2024 if travel to these destinations simply returns to its 2019 levels. As capacity in the travel industry catches up to demand, there may be significant opportunities to diversify travel offerings to meet the remaining pent-up consumer demand for travel to off-the-beaten-path destinations, helping to reduce strain on the more popular tourism spots.



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High inflation boosted travel spending, but moderating prices should help broaden recovery to more cities

Global consumers spared no expense when indulging pent-up demand for international travel.

Cross-border tourism spending recovered much more quickly than arrivals, with consumers prioritizing travel and other experiences despite surging price inflation globally over the past two years. In fact, travel spending by foreign visitors has already exceeded pre-pandemic levels in nine out of 10 destination cities in 2023, according to an analysis of depersonalized and anonymized transactions at merchants across 1,000 top destination cities globally.

Travel spending recovery has been more prevalent in business rather than leisure destination cities.⁴

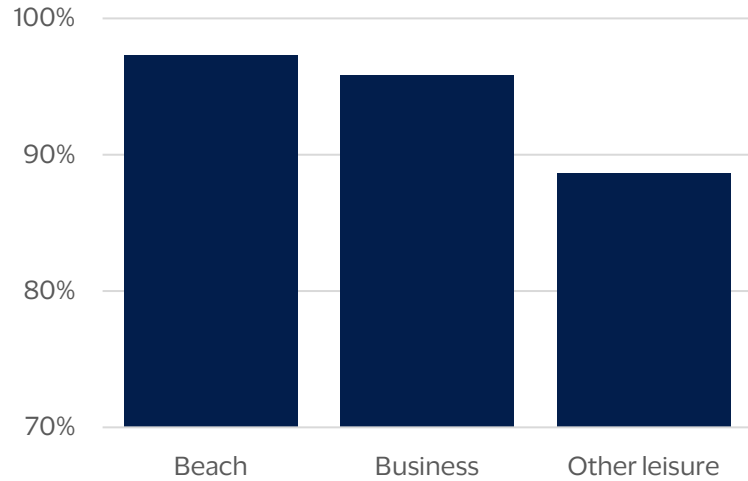
Even though overall global travel spending has strongly rebounded to 2019 levels, participation in leisure travel has been generally slower to return to its pre-pandemic norm compared to business travel. Analysis of depersonalized and anonymized transaction data shows that the share of Visa cards active in travel in 2023 was closer to 2019 shares for commercial rather than consumer cards, likely contributing to a relatively broader base of recovery in global travel to business destinations. Within leisure destinations, consumers maintained a strong preference for sun and beach vacations, helping contribute to full spending recovery in 97 percent of beach destinations covered.

With the global cost-of-living squeeze on consumers abating, moderating prices should help expand travel spending recovery to more cities.

Over the past four years, cities facing a sharper rise in prices have been slower to recover, but the gap linked to inflation could be closing as prices continue to moderate around the world. Taking growth in average transaction amounts across the top 1,000 destination cities as a rough approximation of inflation facing international visitors in 2023, travel demand appears to have been most sensitive to the cost of lodging. In fact, for every 10 percentage point increase in average lodging costs, destination cities on average experienced 5.6 percent less growth in foreign arrivals relative to 2019. A levelling of these costs with expected shifts in exchange rates and weaker upward price pressures should see travel equalize across destinations.

Travel spending recovered in most destination cities, more so for sun and sand destinations

(Cities where cross-border spending fully recovered in 2023 relative to 2019*, percent of cities)



* Based on depersonalized and anonymized cross-border purchase transactions on Visa cards at merchants across 1,000 top destination cities globally.

Sources: Visa Business and Economic Insights, VisaNet

Higher costs held back some cities' recovery—stronger growth expected as inflation retreats

(Foreign visitors' average spend per transaction by category: recovered vs. recovering cities, 2019 = 100)



* Based on depersonalized and anonymized cross-border purchase transactions on Visa cards at merchants across 1,000 top destination cities globally.

Sources: Visa Business and Economic Insights, VisaNet



The world's most visited cities in 2023

The post-pandemic recovery of the tourism industry has reshaped the preferences and behaviors of international travelers. In 2023, the top five destination cities for international tourist arrivals were Paris, London, Tokyo, Barcelona and Istanbul. In 2018, the top five were Paris, Tokyo, Bangkok, London and Barcelona. Post-pandemic, European cities gained popularity, claiming four spots among the top five.

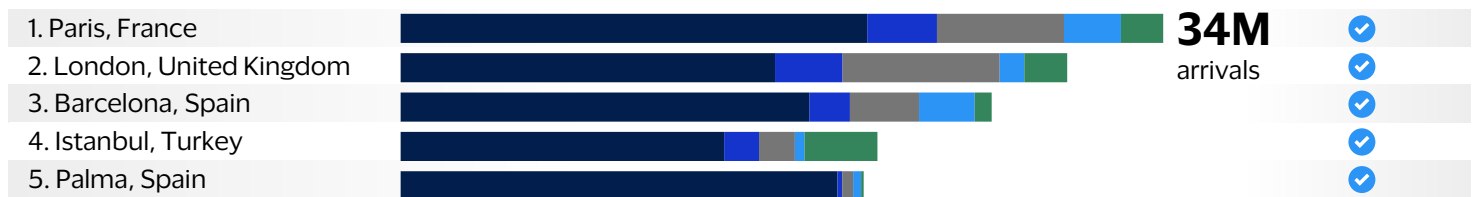
Eight new cities from Europe, the Middle East, and Latin America entered the top 50 list, reflecting the growing popularity of diverse and emerging destinations. Meanwhile, some of the traditional hotspots in Asia and the U.S. experienced a decline in their positions, due to various factors such as the COVID-19 pandemic, travel restrictions, and the strong U.S. dollar. The following table ranks the world's top cities for international arrivals in each region.

The world's most visited cities in 2023, by region

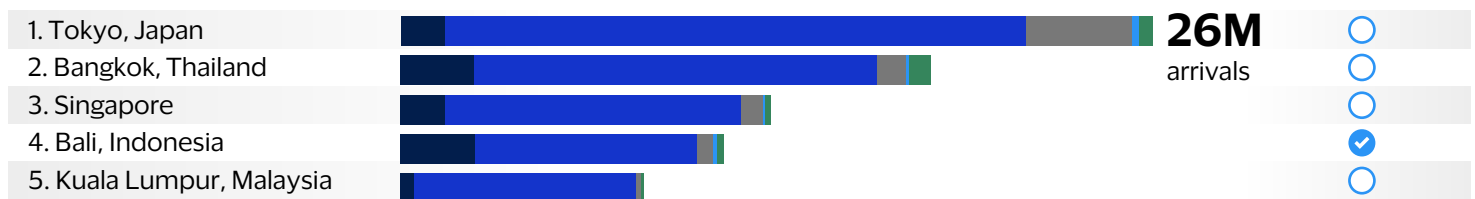
Arrivals by origin region (millions)

Relative to 2019

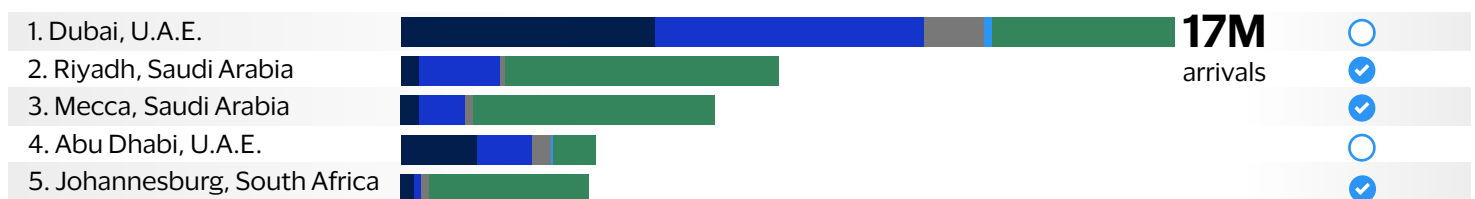
Europe → ● Europe ● Asia Pacific ● North America ● LAC ● MEA ✓ Recovered ○ Recovering



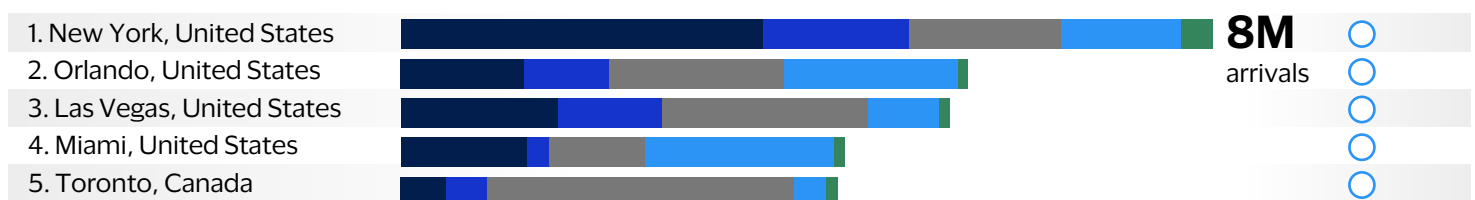
Asia Pacific (AP) →



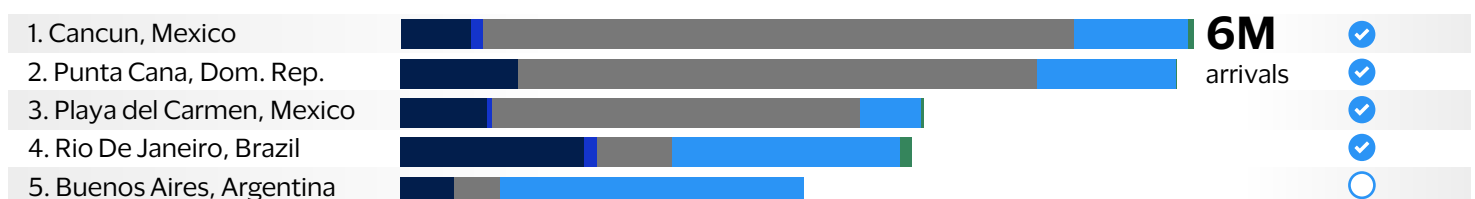
Middle East and Africa (MEA) →



North America →



Latin American and Caribbean (LAC) →



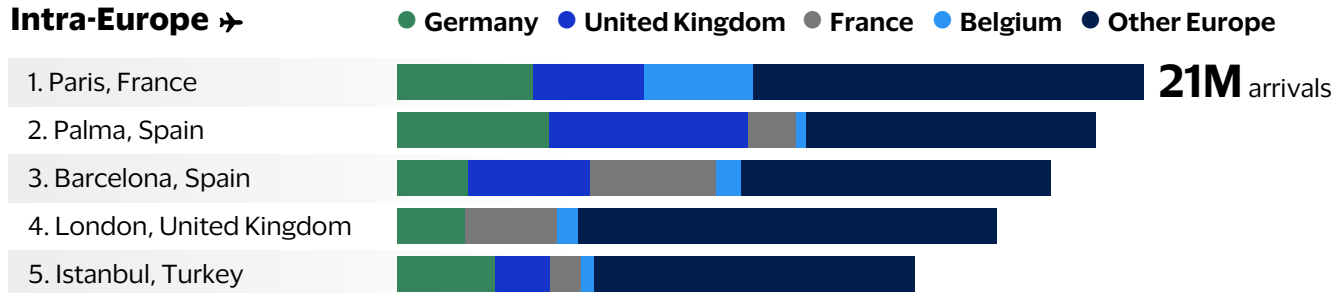


The world's most visited cities in 2023: European travelers

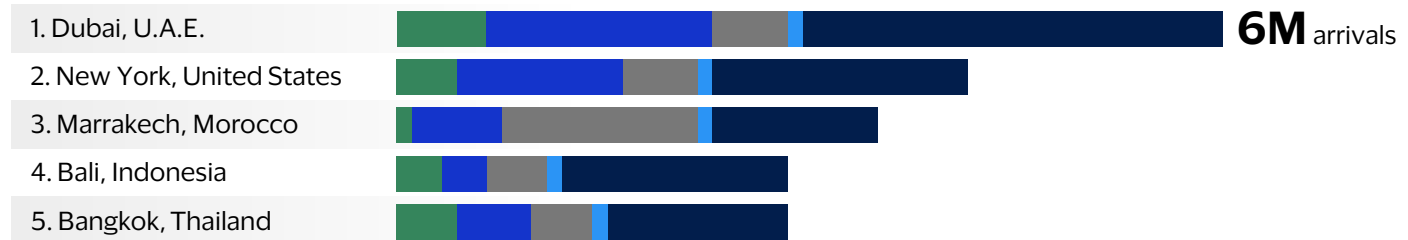
2023 was a year of recovery for intra-Europe travel. The top five destination cities attracted 89 million travelers. European travel to Dubai and Bali recovered to pre-pandemic levels, while some other popular destinations, such as New York, Marrakech and Bangkok, remained below pre-pandemic figures.

The world's most visited cities in 2023, European travelers

Arrivals by country of origin (millions)



Non-Europe →

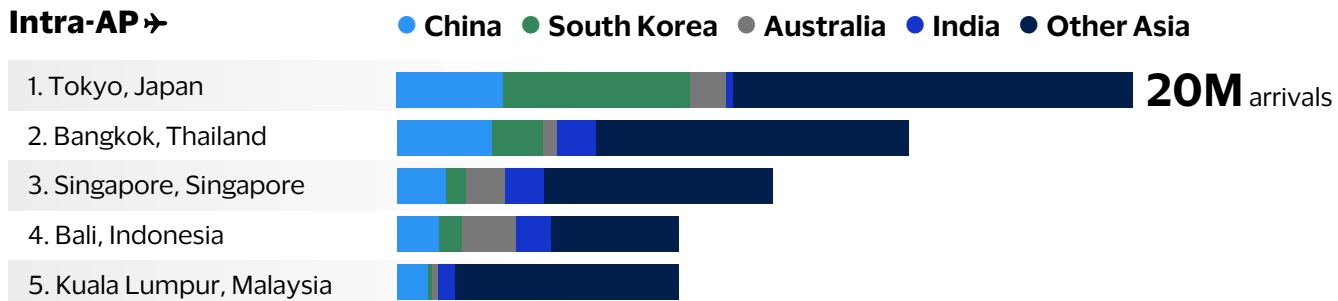


The world's most visited cities in 2023: Asia Pacific travelers

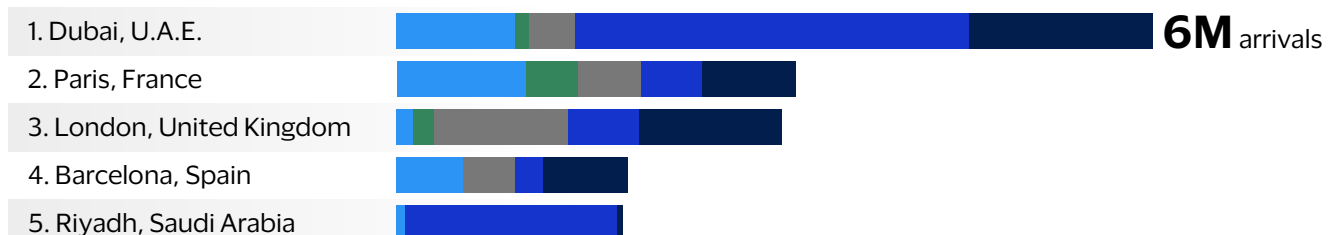
Outbound travel from Asia Pacific is still below pre-pandemic levels, mainly due to travel restrictions and delayed reopenings of major markets. The most popular intra-regional destinations are still Tokyo and Bangkok, but inbound travel has been slower to recover. Bali, on the other hand, has seen an increase in travelers and surpassed its pre-COVID numbers.

The world's most visited cities in 2023, Asia Pacific travelers

Arrivals by country of origin (millions)



Non-AP →



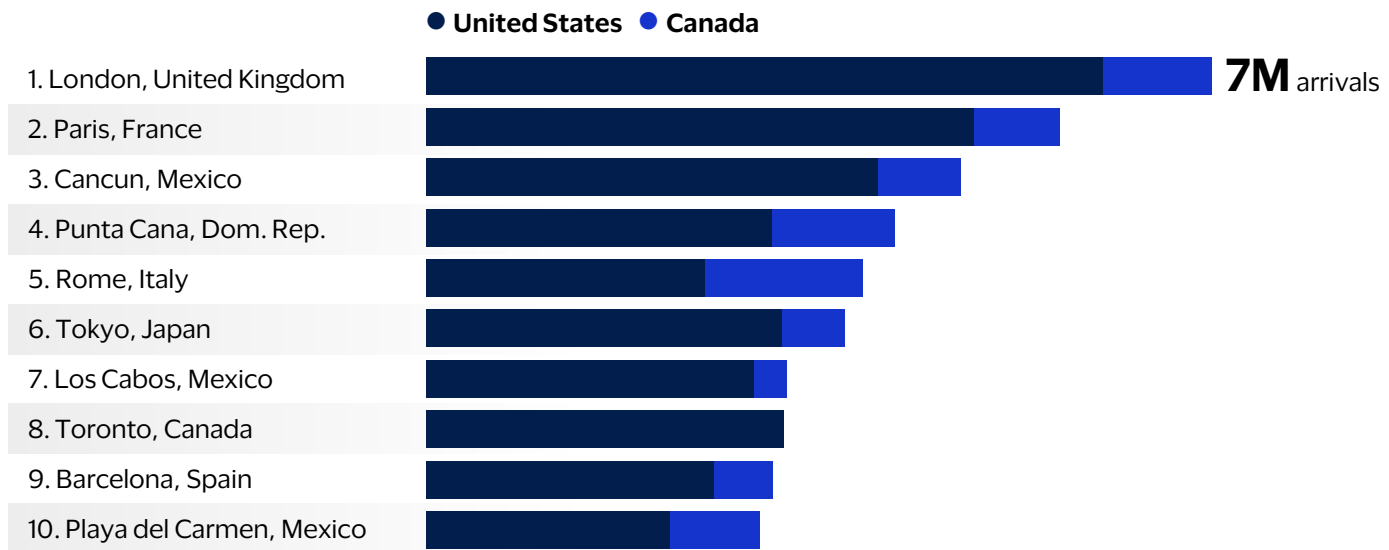


The world's most visited cities in 2023: North American travelers

Among the top 10 destination cities for North American travelers, cities in Europe, Mexico, the Dominican Republic and Japan have recovered to pre-pandemic levels. Canadian cities, however, are still recovering in travel demand from North American travelers. Travel spend by North American travelers has surpassed 2019 levels.

The world's most visited cities in 2023, North American travelers

Arrivals by origin country (millions)



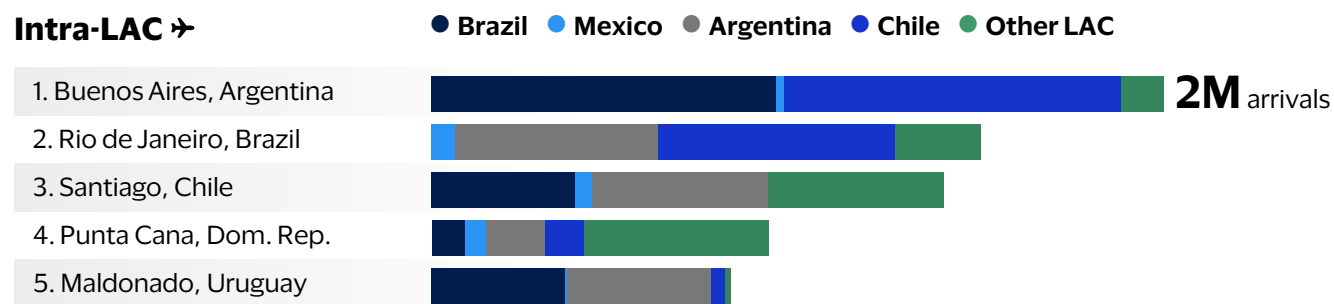
The world's most visited cities in 2023: Latin American and Caribbean travelers

In 2018, most travelers from Latin America and the Caribbean preferred to visit destinations within their own region. However, by 2023, this trend changed significantly as more travelers opted for destinations outside of their region. Another shift in travel trends is the increased preference for cities in Europe over those in the U.S., apart from Miami.

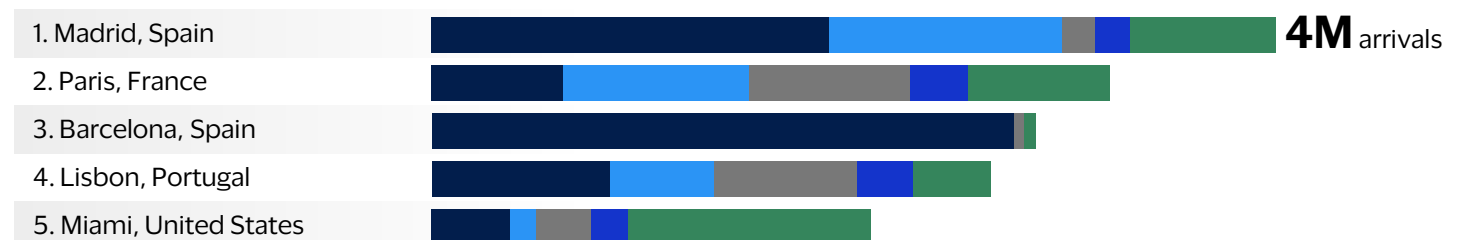
The world's most visited cities in 2023, Latin America and Caribbean travelers

Arrivals by origin region (millions)

Intra-LAC →



Non-LAC →



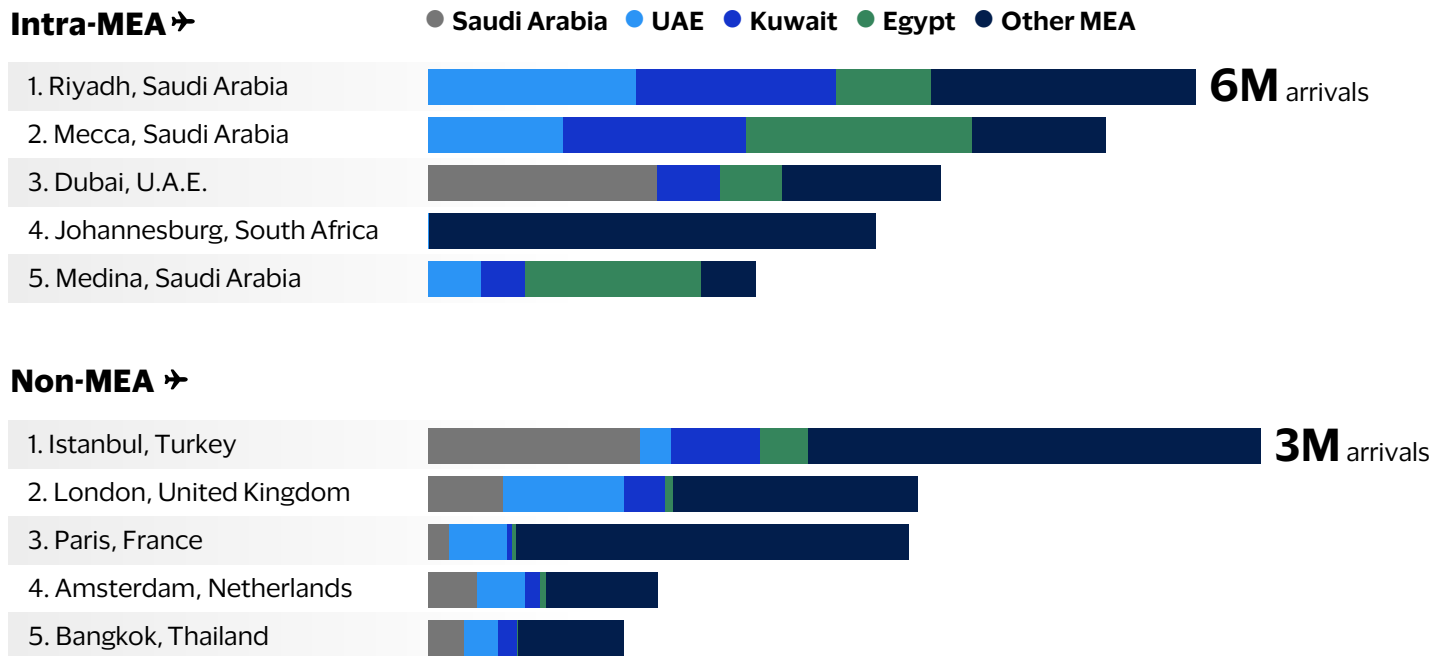


The world's most visited cities in 2023: Middle East and Africa travelers

The pandemic has affected the preferences and patterns of intra-regional travel in the Middle East and Africa. Riyadh and Mecca have replaced Dubai and Johannesburg as the most popular destinations for travelers within the region in 2023. This shift is attributed to the significant investments that Saudi Arabia has made in its travel and tourism sector.

The world's most visited cities in 2023, Middle East and Africa travelers

Arrivals by origin region (millions)



Source: Visa International Travel (VISIT) Platform



Footnotes

1. Based on Visa International Travel (VISIT) platform estimates. VISIT is a proprietary model that combines depersonalized and aggregated Visa cardholder data with publicly available cross-border arrival statistics. Visa uses this data to econometrically model official arrival statistics compiled by various government sources and to generate estimates that fill in the large gaps existing in the cross-border travel data. All analysis in this document excludes Russia and Ukraine.
2. Based on Visa International Travel (VISIT) platform estimates. VISIT is a proprietary model that combines depersonalized and aggregated Visa cardholder data with publicly available cross-border arrival statistics. Visa uses this data to econometrically model official arrival statistics compiled by various government sources and to generate estimates that fill in the large gaps existing in the cross-border travel data. All analysis in this document excludes Russia and Ukraine.
3. Visa Business and Economic Insights (Travel Insights Newsletter, April 2019). The world's most visited cities in 2018. <https://usa.visa.com/partner-with-us/visa-consulting-analytics/the-worlds-most-visited-cities-in-2018.html>
4. Based on depersonalized and aggregated transactions on Visa-branded credentials making card-present purchases at merchants located in cities outside the market where that credential was issued. Cities are classified as a business destination if the share of business travelers among visitors to the city places them within the top 30 percent of the peer group in 2019.

Accessibility Notes

Figure 1: Cross-border visits to the top 25 cities in Europe reached 301 million in 2023 compared to 241 million in 2019. Cross-border visits in Asia Pacific were 193 million and 275 million, respectively, while in North America they were 68 million and 86 million, respectively.

Figure 2: Cross-border visits to the top 25 cities in the Middle East and North Africa reached 59 million in 2023 compared to 55 million in 2019. Cross-border visits in Latin America and the Caribbean were 55 million and 45 million, respectively, while in Sub-Saharan Africa they were 15 million and 17 million, respectively.

Figure 3: Among travel destinations, cross-border spending had fully recovered in 2023 relative to 2019 in 97 percent of the cities in beach destinations, 96 percent of the cities in business destinations, and 89 percent of the cities in leisure destinations.

Figure 4: Indexed to 100 in 2019, cross-border USD spending per transaction in 2023 at merchants across top destination cities was 89 for lodging spend, 83 for retail spend and 81 for all spend among recovered cities, while it was 106, 102 and 96 respectively among recovering cities.

Figure 5: Europe was the top region of the world by arrivals in 2023 and its top origin region was Europe. The top five destination cities in Europe were Paris—ranked number one at 34 million arrivals—followed by London, Barcelona, Istanbul and Palma. All of the top five cities in Europe were fully recovered in 2023 relative to 2019.

Figure 6: Asia Pacific was the second-ranked region of the world by arrivals in 2023 and its top origin region was Asia Pacific. The top five destination cities in Asia Pacific were Tokyo—ranked number one at 26 million arrivals—followed by Bangkok, Singapore, Bali and Kuala Lumpur. Bali was the only city among the top five cities in Asia Pacific that was fully recovered in 2023 relative to 2019.

Figure 7: Middle East and Africa (MEA) was the third-ranked region of the world by arrivals in 2023. Its top five destination cities were Dubai—ranked number one at 17 million arrivals (with Europe and Asia Pacific being its top origin regions)—followed by Riyadh, Mecca, Abu Dhabi and Johannesburg. Among the top five cities in MEA, Riyadh, Mecca and Johannesburg were fully recovered in 2023 relative to 2019.

Figure 8: North America was the fourth-ranked region of the world by arrivals in 2023. Its top five destination cities were New York—ranked number one at 8 million arrivals (with Europe being its top origin region)—followed by Orlando, Las Vegas, Miami and Toronto. None of the top five cities in North America were fully recovered in 2023 relative to 2019.

Figure 9: Latin America and the Caribbean (LAC) was the fifth-ranked region of the world by arrivals in 2023. Its top five destination cities in LAC were Cancun—ranked number one at 6 million arrivals (with North America being its top origin region)—followed by Punta Cana, Playa del Carmen, Rio De Janeiro and Buenos Aires. Among the top five cities in LAC, all except Buenos Aires were fully recovered in 2023 relative to 2019.

Figure 10: Among European travelers traveling within Europe, the top five destination cities were Paris—ranked number one at 21 million arrivals (with Germany, Belgium and the U.K. being its top origin countries)—followed by Palma, Barcelona, London and Istanbul.



Accessibility Notes

Figure 11: Among European travelers traveling outside Europe, the top five destination cities were Dubai—ranked number one at 6 million arrivals (with Germany and the United Kingdom being its top origin countries)—followed by New York, Marrakech, Bali and Bangkok.

Figure 12: Among Asia Pacific travelers traveling within Asia Pacific, the top five destination cities were Tokyo—ranked number one at 20 million arrivals (with most visitors arriving from countries in Asia other than China, South Korea, Australia and India)—followed by Bangkok, Singapore, Bali and Kuala Lumpur.

Figure 13: Among Asia Pacific travelers traveling outside Asia Pacific, the top five destination cities were Dubai—ranked number one at 6 million arrivals (with India being its top origin country)—followed by Paris, London, Barcelona and Riyadh.

Figure 14: Among North American travelers traveling outside North America, the top five destination cities were London—ranked number one at 7 million arrivals (with the United States being its top origin country)—followed by Paris, Cancun, Punta Cana and Rome.

Figure 15: Among Latin American and Caribbean travelers traveling within LAC, the top five destination cities were Buenos Aires—ranked number one at 2 million arrivals (with Brazil and Chile being its top origin countries)—followed by Rio de Janeiro, Santiago, Punta Cana and Maldonado.

Figure 16: Among Latin American and Caribbean travelers traveling outside LAC, the top five destination cities were Madrid—ranked number one at 4 million arrivals (with Brazil and Mexico being its top origin countries)—followed by Paris, Barcelona, Lisbon, and Miami.

Figure 17: Among Middle East and African travelers traveling within MEA, the top five destination cities were Riyadh—ranked number one at 6 million arrivals (with the U.A.E. and Kuwait being its top origin countries)—followed by Mecca, Dubai, Johannesburg and Medina.

Figure 18: Among Middle East and African travelers traveling outside MEA, the top five destination cities were Istanbul—ranked number one at 3 million arrivals (with Saudi Arabia being its top origin country)—followed by London, Paris, Amsterdam and Bangkok.



Forward Looking Statements

This report may contain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are generally identified by words such as “outlook”, “forecast”, “projected”, “could”, “expects”, “will” and other similar expressions. Examples of such forward-looking statements include, but are not limited to, statements we make about Visa’s business, economic outlooks, population expansion and analyses. All statements other than statements of historical fact could be forward-looking statements, which speak only as of the date they are made, are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond our control and are difficult to predict. We describe risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, any of these forward-looking statements in our filings with the SEC. Except as required by law, we do not intend to update or revise any forward-looking statements as a result of new information, future events or otherwise.

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