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Oregon's International Tourism Recovery Outlook

August 2024

Prepared for:



**TRAVEL
OREGON**

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Executive summary

Tourism Economics prepared this analysis on behalf of Travel Oregon. Key findings are summarized as follows.

- International travel spending in the US has continued to recover. Adjusted for inflation, spending was still 24% below its 2019 level during 2023 but is expected to recover above its 2019 level in 2025.
- Oregon experienced strong gains in international inbound activity during 2023, outpacing US growth as international visits to Oregon grew 41% and spending grew 48% percent year over year.
- Oregon recovered its 2019 market share of overseas spending (international excluding Canada and Mexico) among a set of comparable states in 2023, but experienced lower market share among visitors from Canada.
- Canada accounted for 34% of international visitor spending in Oregon in 2023, making it the most important inbound market in the near term.
- Asia Pacific markets have been slower to recover, but over time, Asia Pacific is on track to be the most important origin market for Oregon by 2028 in terms of spending.
- Some origin markets have higher leisure visitation shares than others, making these markets relatively important more important strategically than overall visitation figures would suggest, such as Germany, Mexico (air) and Australia.
- Growth in inbound activity in 2024 is anticipated to be strong, with the year representing almost full recovery in visits to Oregon (total international 4% below 2019, overseas 2% below 2019). Total international visitor spending in Oregon is expected to increase 21% year over year.
- This document is based primarily on the following Tourism Economics / Oxford Economics databases:
 - International State Travel (July 2024 forecast update)
 - Global Travel Service (June 2024 forecast update)
 - Global Economics (July 2024 forecast update)

A scenic view of a river flowing through a dense forest. The river is in the foreground, with some rocks visible in the water. The forest is lush and green, with tall trees lining both banks. The sky is a deep blue, suggesting a clear day. A semi-transparent blue overlay covers the middle of the image, containing the text "1 Overview – the US International Market" in white.

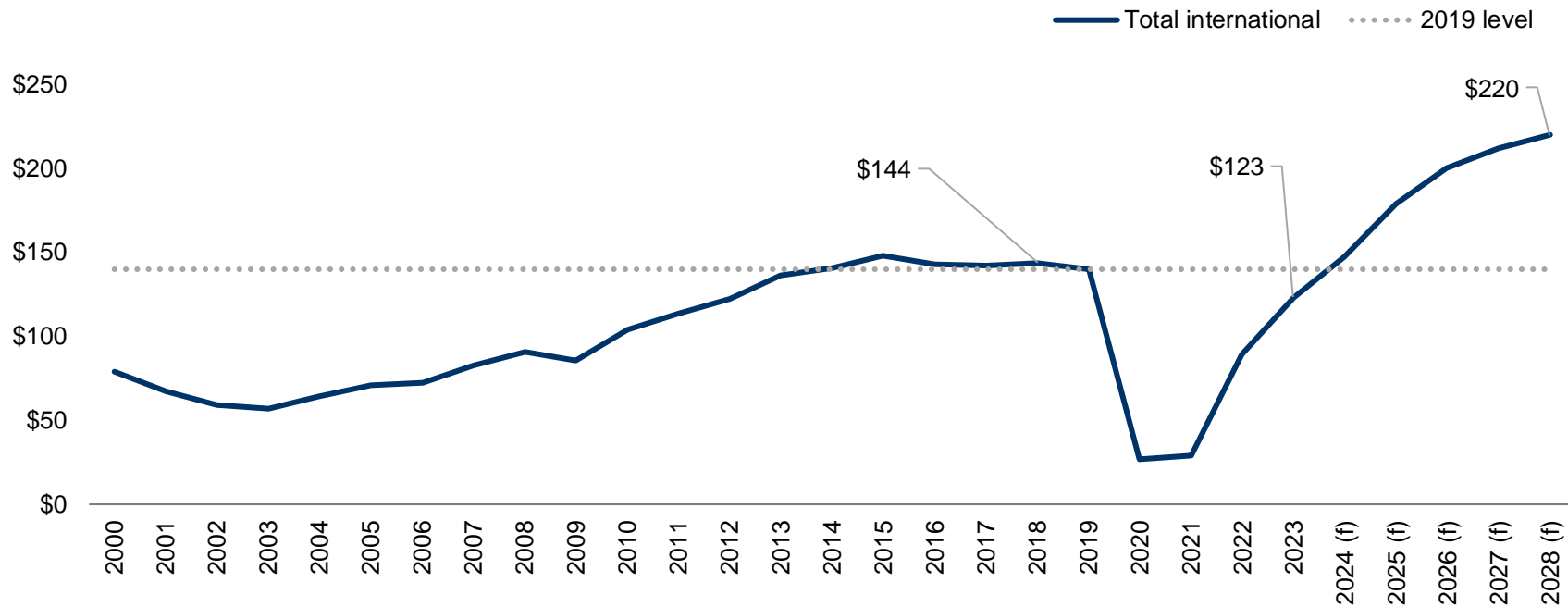
1 Overview – the US International Market

International visitors to US spent \$123 billion in 2023

- International visitor spending in 2023 was still 12% below 2019 levels in nominal dollars but is expected to recover above its 2019 level in 2024.

International travel spending in the US

Dollars, billions

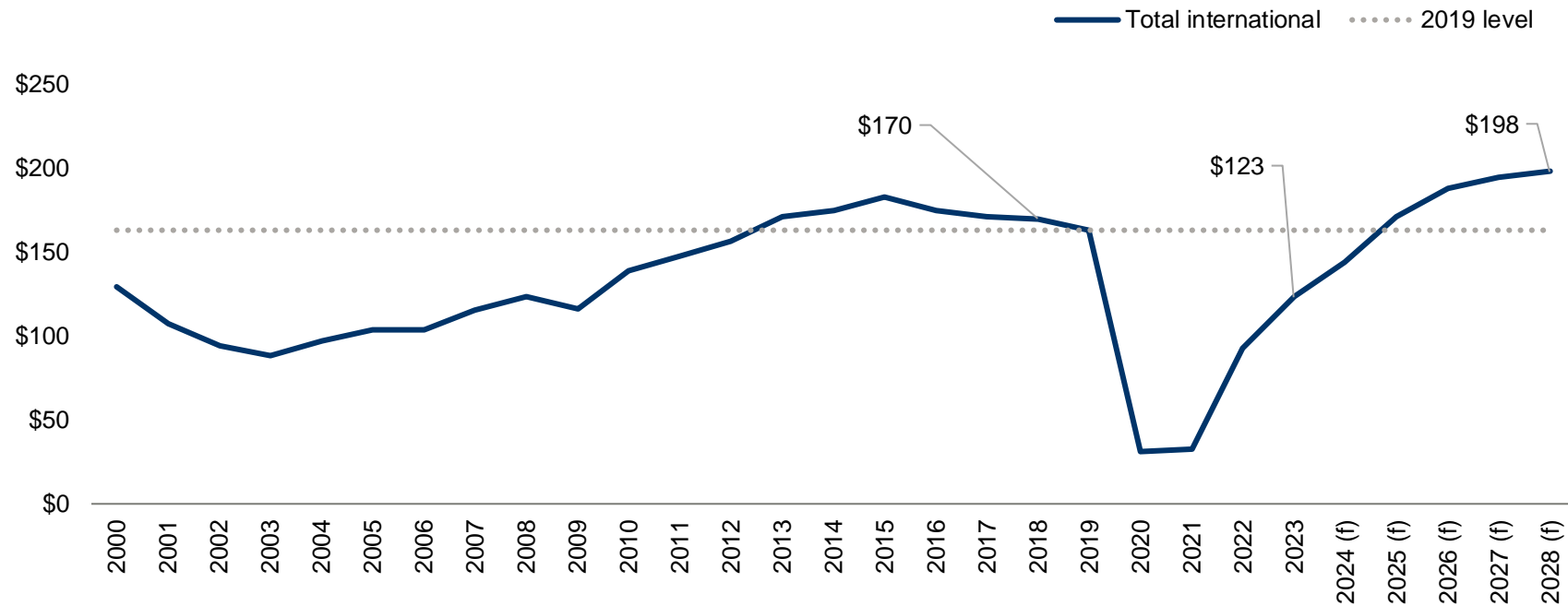


International visitors real spending still 24% below 2019

- Adjusted for inflation, international visitor real spending in the US in 2023 was 24% below its 2019 level but is expected to recover above its 2019 level in 2025.

International travel spending in the US

Dollars, billions, in 2023 dollars

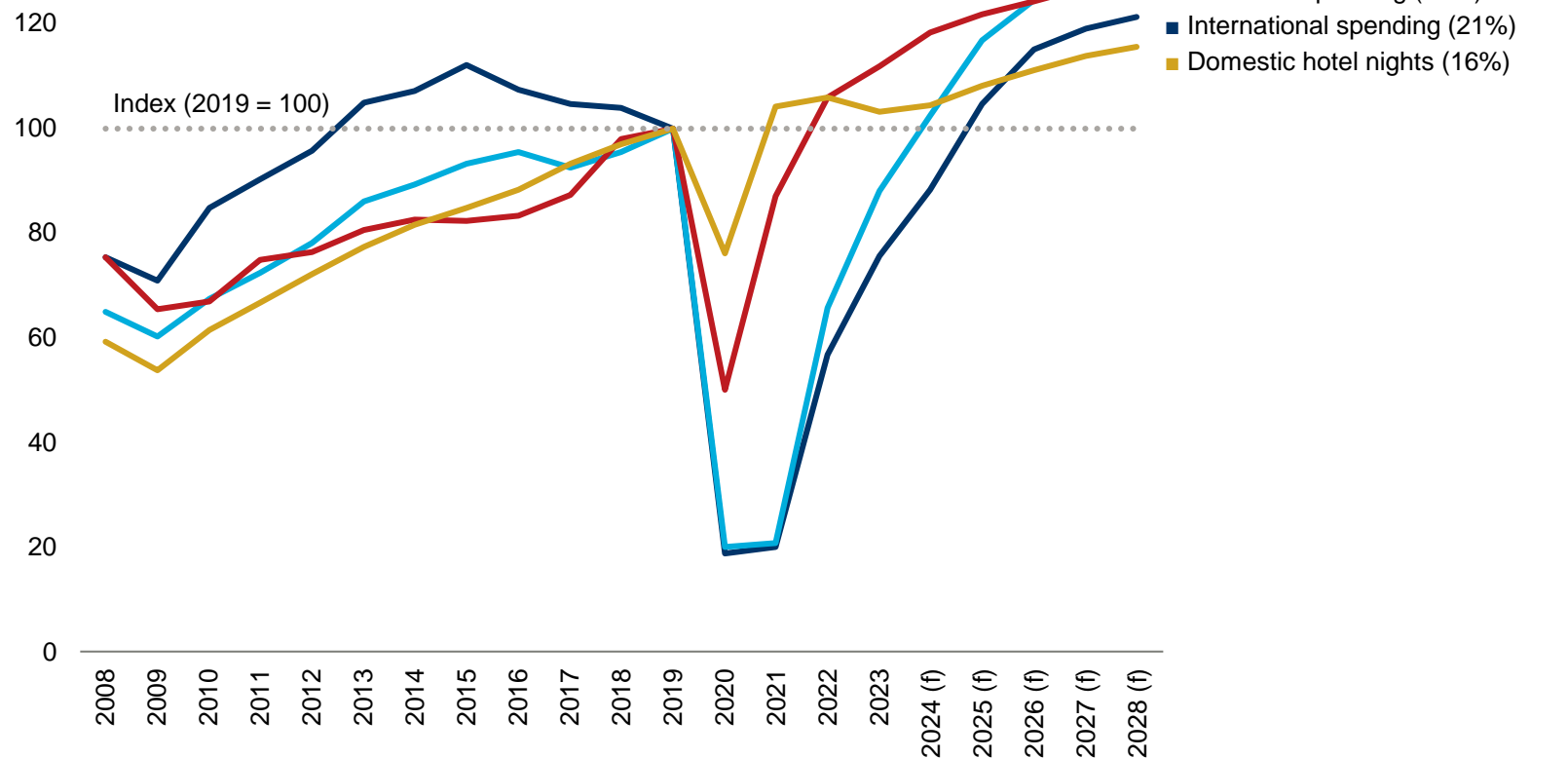


International tourism fell the furthest, but is recovering

- Both domestic and international travel were negatively impacted by the Covid-19 pandemic. However, domestic travel recovered more quickly and by 2023 was back ahead of 2019 levels.
- International tourism was more negatively impacted, and 2023 remained a recovery year, with activity still below 2019 levels.
- By 2025, both real international visitor spending and international visitor nights in hotels are expected to recover above 2019 levels.

Growth in US tourism markets

Index (2019 = 100), based on real spending





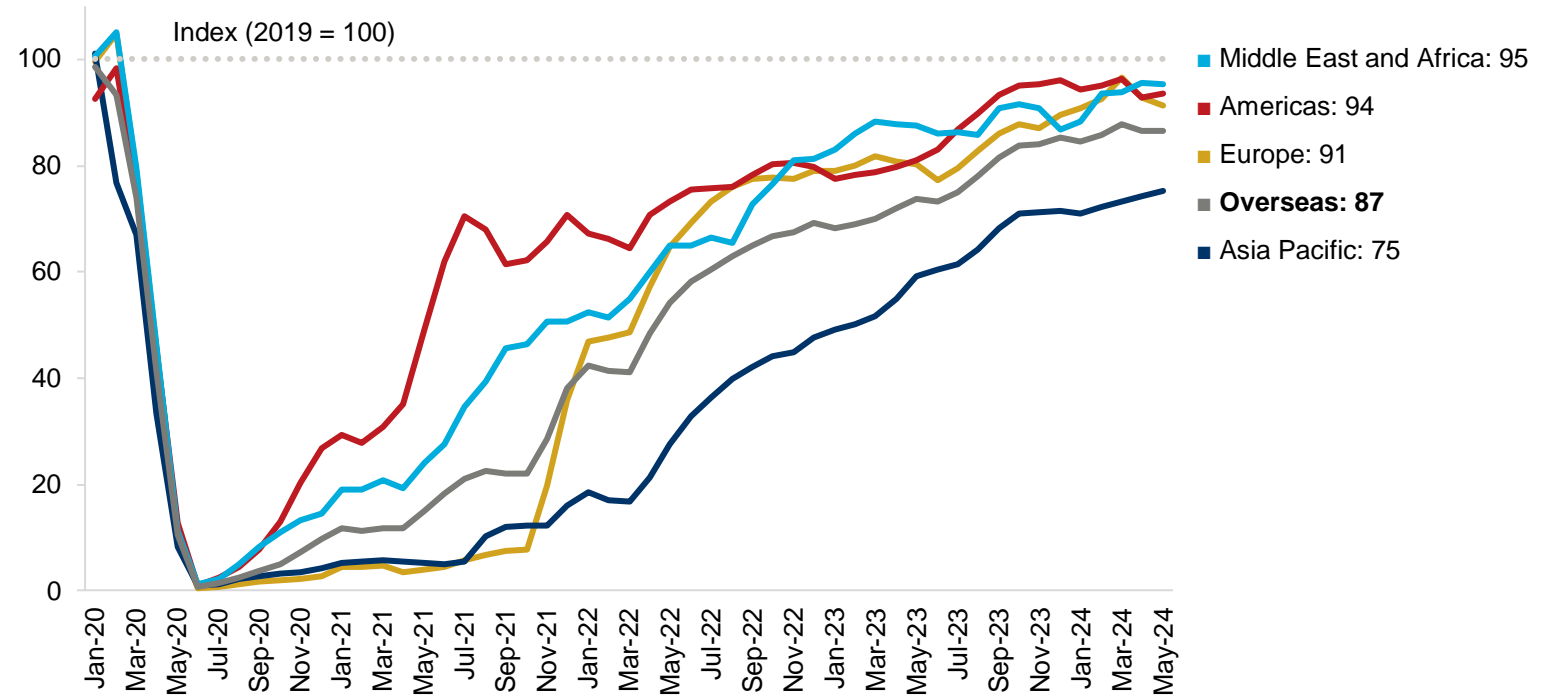
2 2023 National Review

Recovery pace slows but remains positive

- The pace of growth in international visitor arrivals has slowed, but generally remains positive across origin regions.

Visits to US by global region

Index (2019=100, same month comparison), three-month moving average



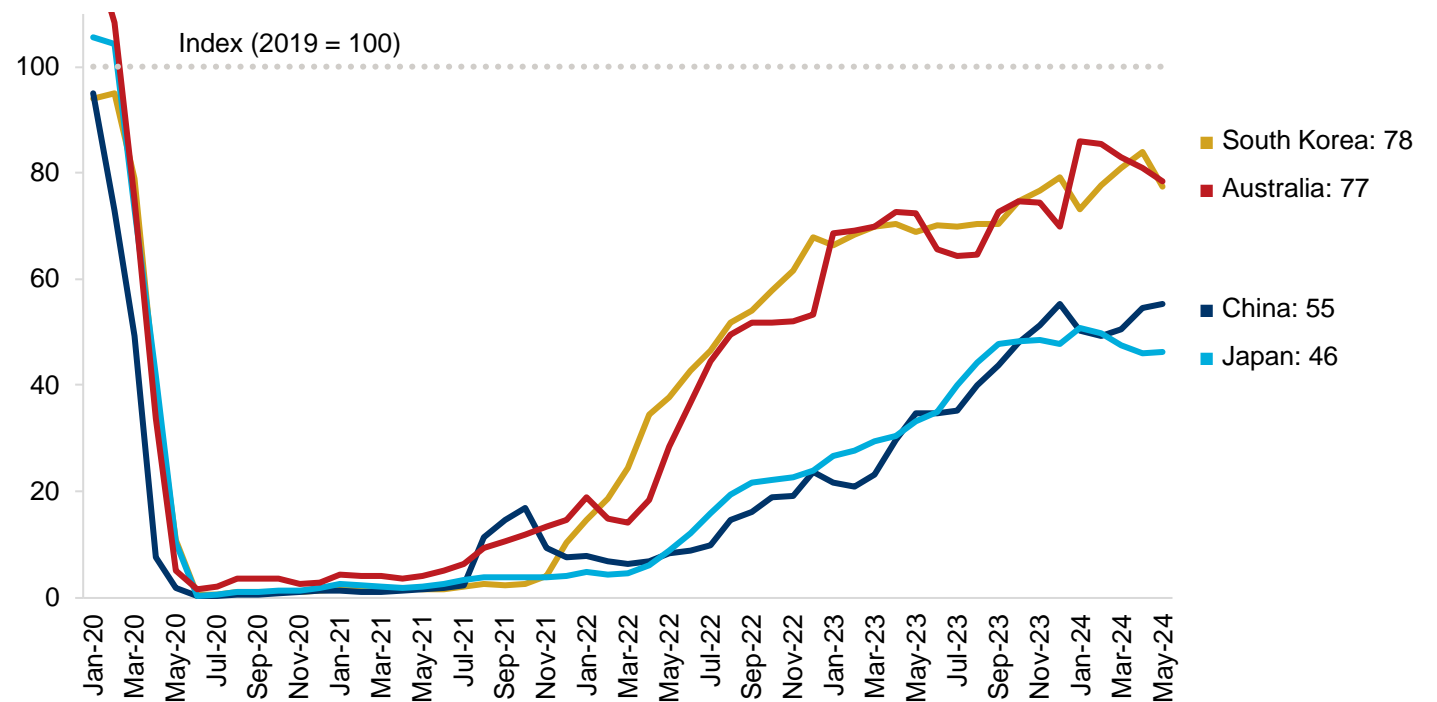
Note: Americas excludes Canada and Mexico. Most recent data point is May 2024.
Source: NTTO

Asia Pacific recovery is split, with China and Japan still only half of 2019 levels

- Even as China and Japan are still at only one-half 2019 levels, other origins, such as South Korea and Australia have more fully recovered.

Visits to US by selected Asia Pacific countries

Index (2019=100, same month comparison), three-month moving average



Note: Most recent data point is May 2024.
Source: NTTO

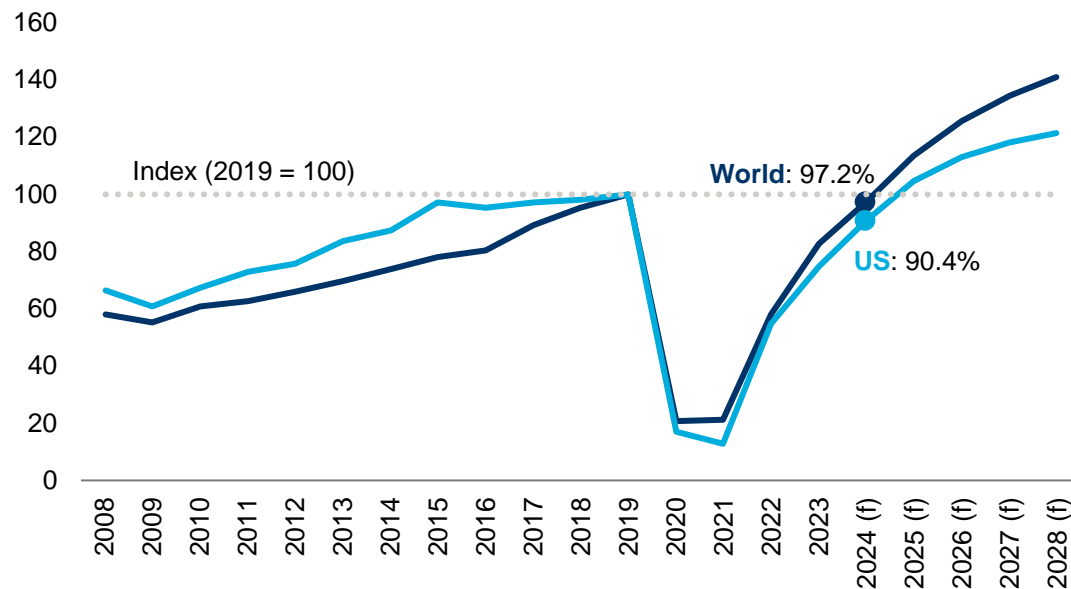
US is still the largest global long-haul destination, and is nearing full-recovery

- US is still the top long-haul destination.
- Areas such as UAE and Saudia Arabia have gained visitors relative to 2019.

Visitor arrivals, long-haul

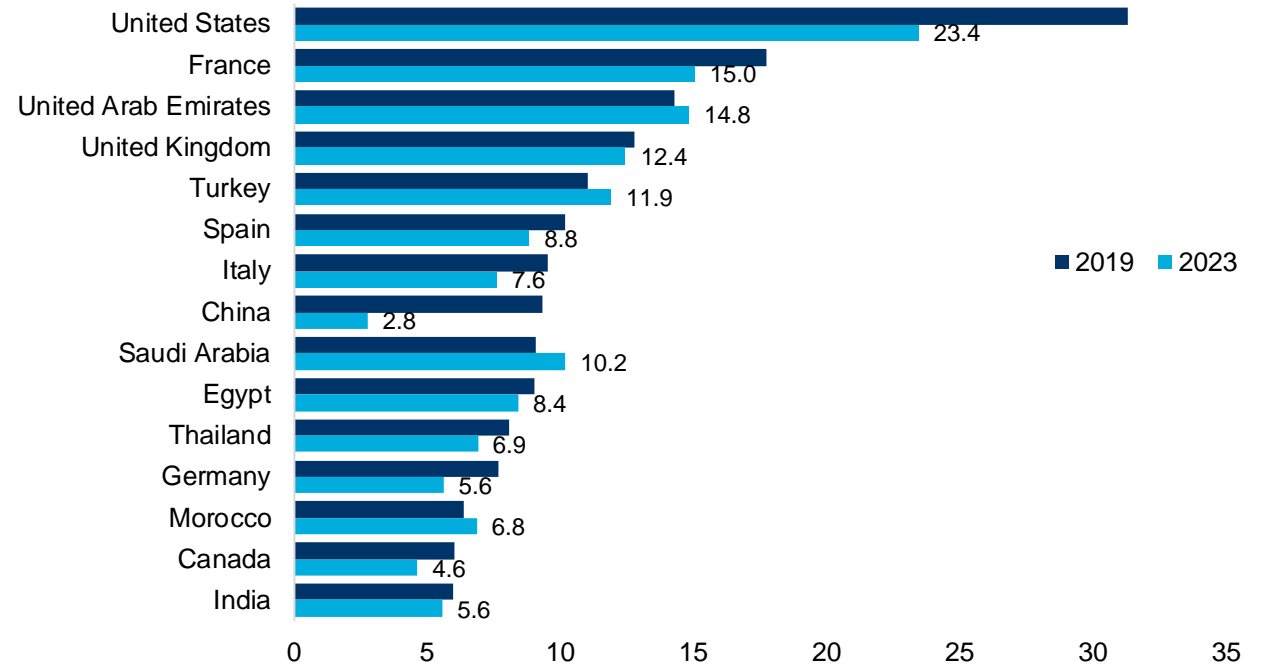
Index to 2019

Index, 2019=100



Level of arrivals, by destination

Arrivals, in millions



Note:

- Long-haul travel represents trips from outside the major region. For the US, this is travel from Europe, Asia, and Middle East/Africa (excludes North, South and Central America)
- Top destination countries sorted by number of long-haul arrivals in 2019

Source: Tourism Economics

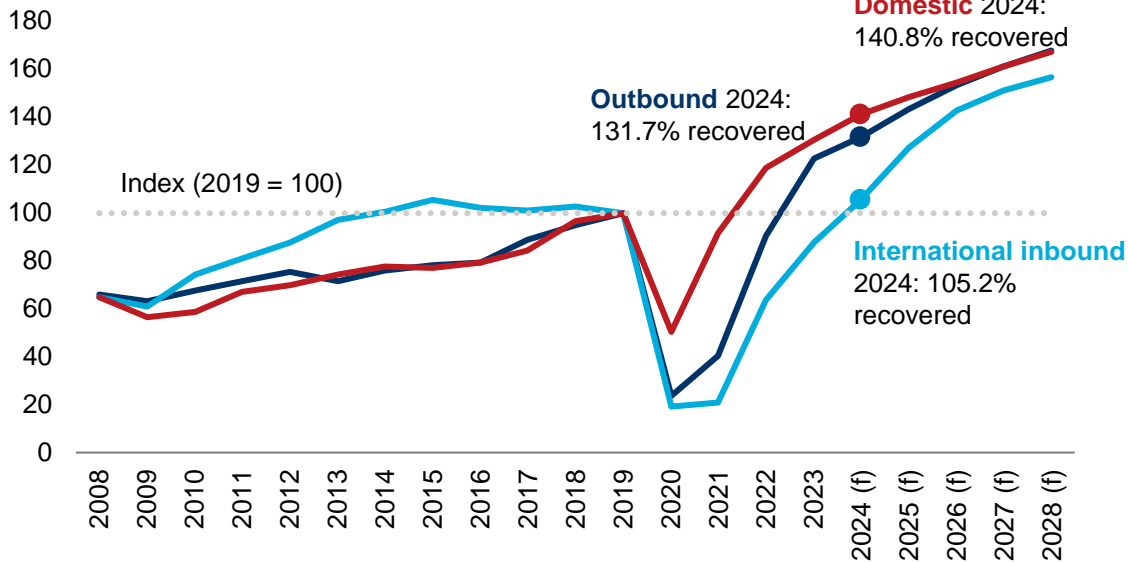
US outbound has recovered ahead of inbound

- Travel spending by US residents traveling abroad in 2024 is expected to be 31.7% ahead of 2019 levels, even as international inbound spending is only expected to be 5.2% ahead.
- Domestic spending gains are still the largest source of growth, though the pace is slowing.

Travel spending within US and US outbound

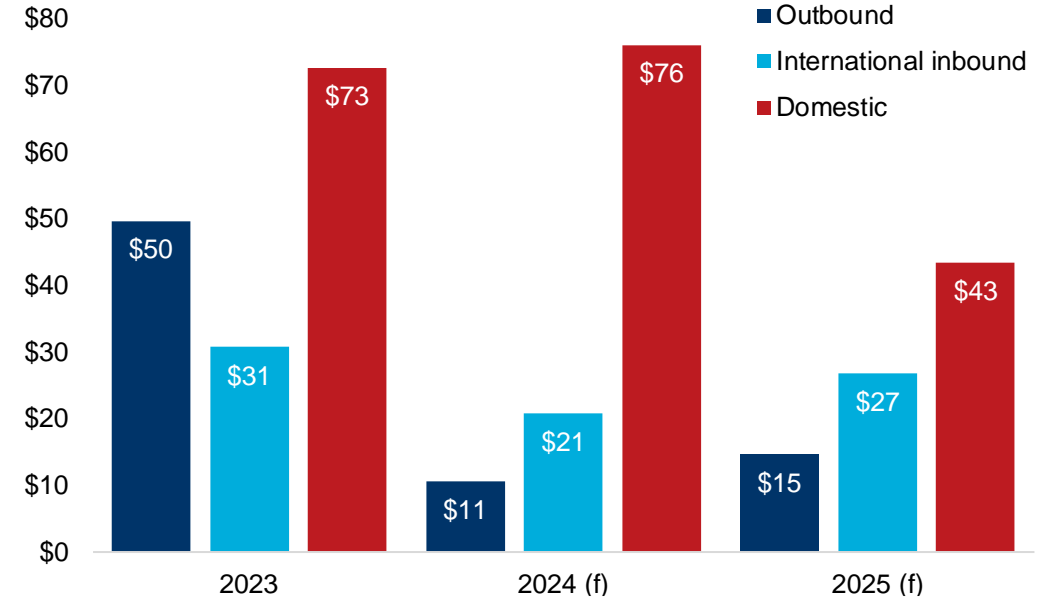
Index, by origin

Index, 2019=100



Increase each year, by origin

Billions, real, 2023 dollars





3 Oregon's International Market: Visits

Data update background

- The most recent updates to International State Travel incorporate the latest available data. The latest data includes additional Survey of International Air Traveler (SIAT) results, such as new coverage of ground visitors from Canada.
- As part of integrating this data, we have revised historical estimates for 2019 to 2021 to enable comparisons of 2022 and 2023 estimates with historical years on a consistent basis. Analysis of trends in this report are based on that updated historical data.

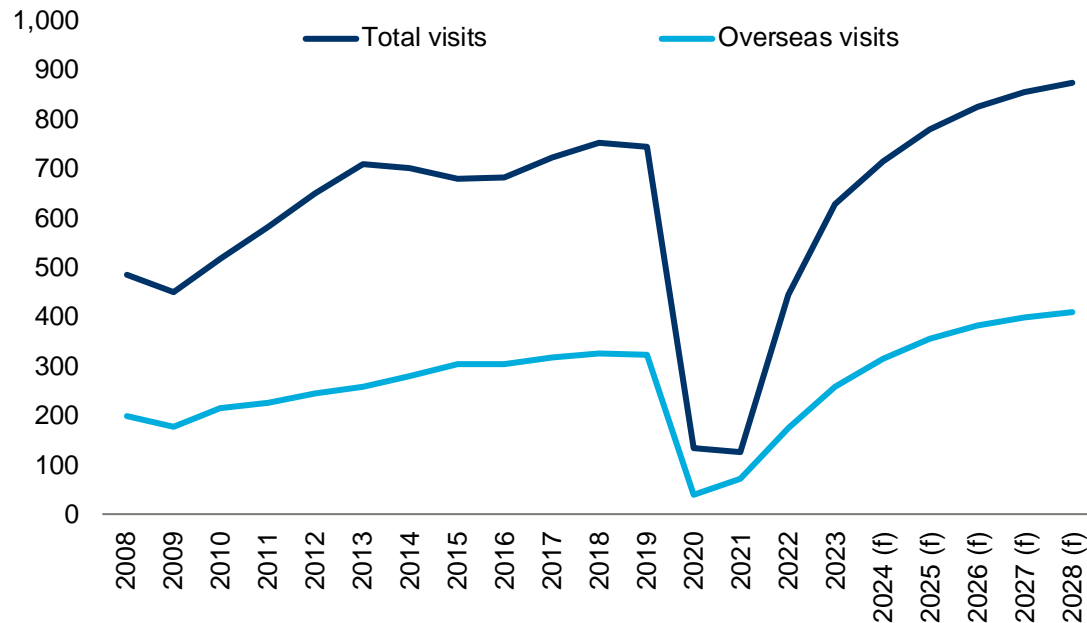
International visitors are returning to Oregon

- Growth in Oregon during 2023 was strong, with total international visits increasing 41%, reaching 16% below 2019 levels, and overseas visits increasing 48%, reaching 20% below 2019 levels.
- 2024 is expected to represent an almost full recovery in visits (total international 4% below 2019, overseas 2% below 2019), with continued growth in future years.

Visitor arrivals: total and overseas

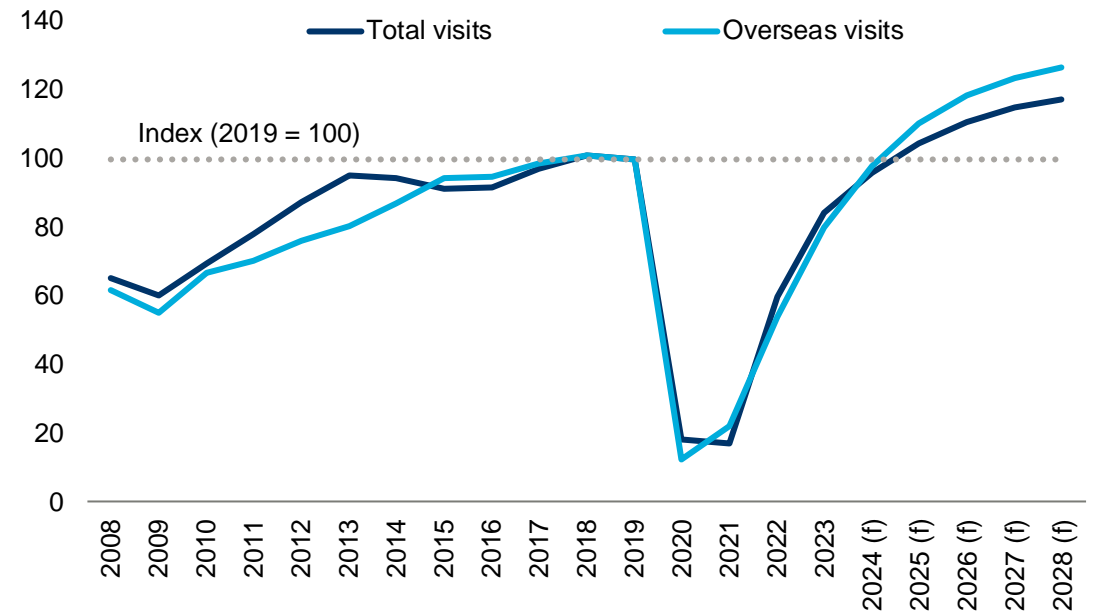
Levels of visits

Thousands, Oregon



Index of visits

Index (2019=100), Oregon



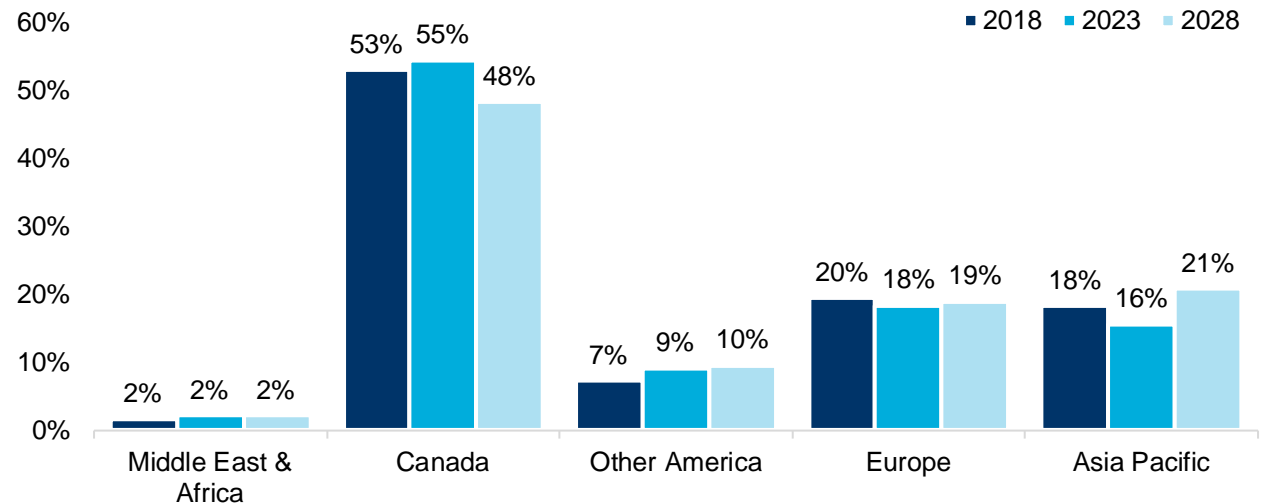
Note: Overseas refers to international, excluding Canada and Mexico.
Source: Tourism Economics

Asia Pacific and Other America will become more important origin markets over time

- Asia Pacific has been slower to recover, but by 2028 it is expected to account for a greater share of visitors to Oregon than pre-pandemic.
- Other America, which includes Mexico, is also gaining importance over time. Mexico grows from 3.8% to 4.9% during 2018 to 2028, while other America countries grow from 3.6% to 4.7% during the same period.
- Europe is expected to continue to represent about 1-in-5 international visitors.

Share of international visitors by origin

Oregon



Note:

- Other America includes Mexico, Caribbean, Central and South America; Europe includes Western Europe and Emerging Europe.
- 2028 is based on forecasted data.

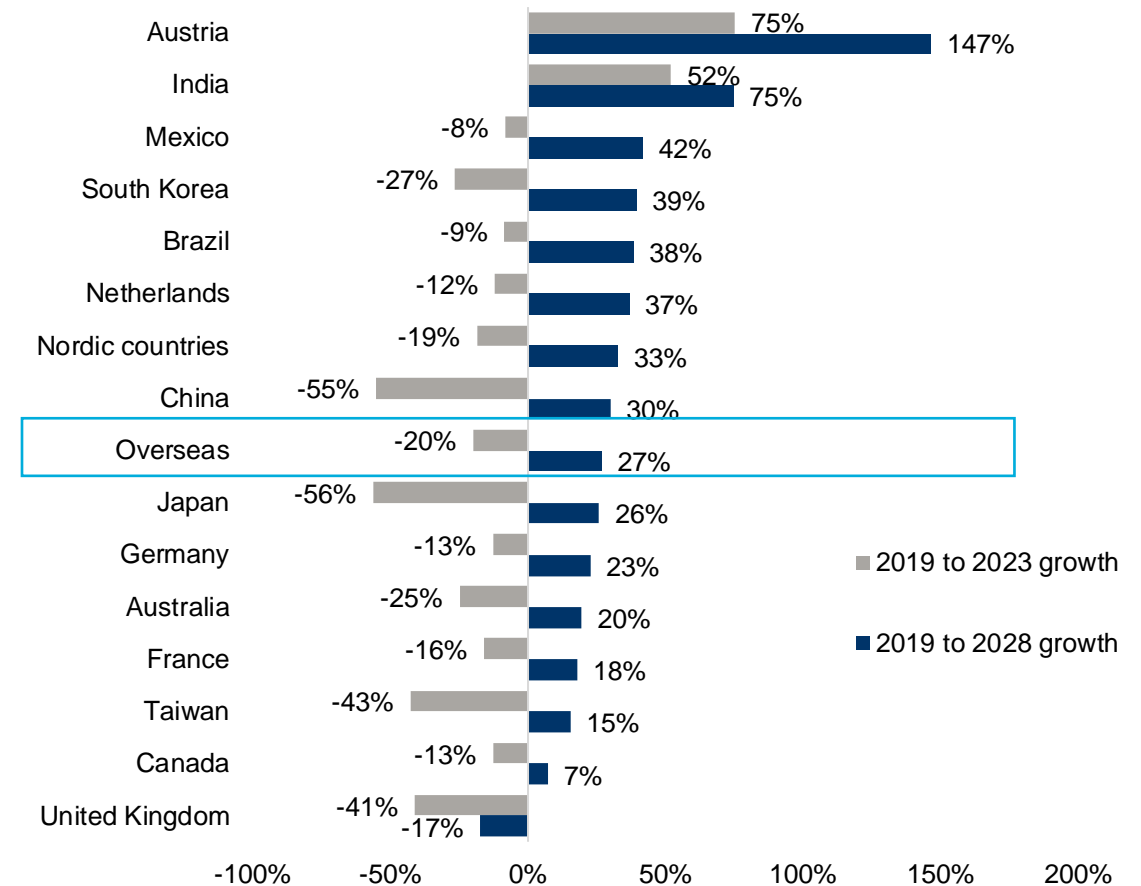
Source: Tourism Economics

Many key origins were still below 2019 levels last year

- Visitation from many key origins was still below 2019 levels in 2023. For example, Visits from China and Japan were -55% and -56% relative to 2019, respectively.
- However, by 2028, visits from most origins are expected to exceed 2019 levels.
- Canada is anticipated to be a relatively slow growth market.
- UK travelers are returning to the US and it is possible that Oregon will manage a stronger recovery than has been observed in recent years. Oregon's market share of UK visitors is estimated to have declined in 2022 and 2023 relative to 2019, and in the current forecast, Oregon does not fully recover its 2019 volume of UK visitors.

Total growth in visits in top 15 markets and overseas

Oregon, growth from 2019 to 2023, and 2019 to 2028



Note:

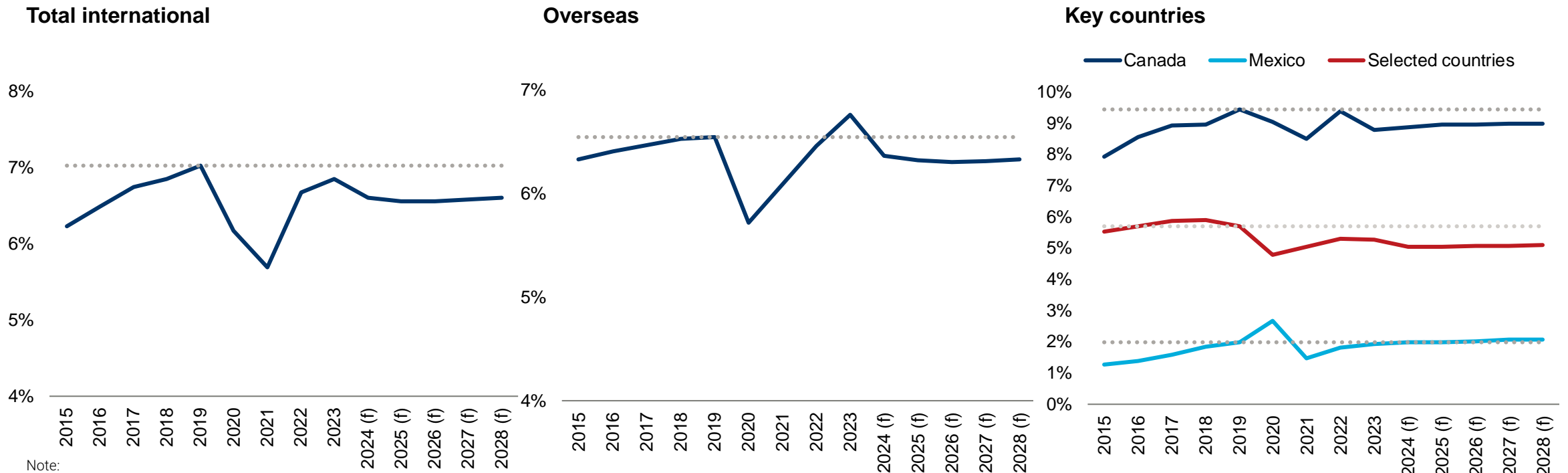
- Top 15 markets are selected based on 2023 visit levels.
- 2028 is based on forecasted data.
- Nordic countries include Denmark, Finland, Norway, and Sweden.
- Graph is sorted by 2019 to 2028 growth.

Source: Tourism Economics

Oregon's market share of overseas visits slightly exceeded 2019, but Canada market share was lower

- Oregon's share of international visits to a set of five comparable states (including Oregon) has declined slightly relative to 2019, which was a peak year for Oregon. The reduced market share among visitors from Canada is the largest driver of this shift, as Oregon's overall overseas market share was slightly above 2019.

Oregon's share of visits to comparable states (Comparable state historical estimates are subject to change)



Note:

- The comparable set is defined as Oregon, Colorado, Idaho, Nevada, Washington.
- The grey dotted line indicates Oregon's share of comparable set for each origin market in 2019.
- Selected countries include: Australia, France, Germany, Japan, Netherlands, South Korea, United Kingdom.
- Overseas share for 2021 was an outlier (13%). For the graph, we have used an alternative overseas share for 2021 based on the average of 2020 and 2022. We applied a similar approach for the selected country share for 2021, which was also an outlier (9%).



4 Oregon's International Market: Spending

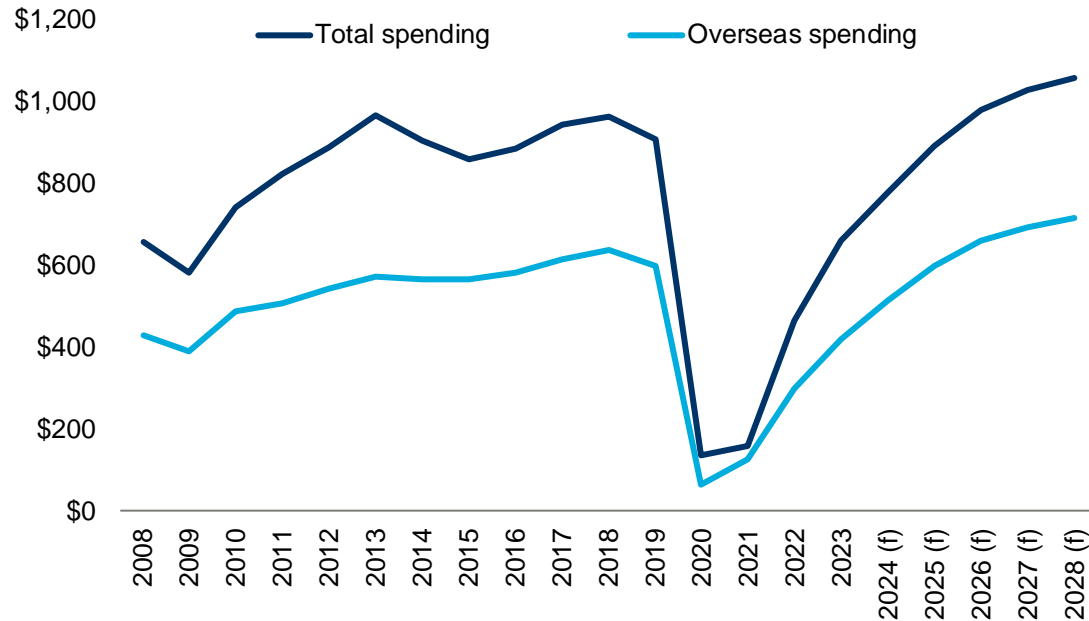
Real visitor spending expected to be very close to full recovery in 2025

- International visitor spending in Oregon grew 48% in 2023 (nominal dollars).
- Real visitor spending is expected to reach close to full recovery to 2019 levels in 2025, and then by 2028, reach a level that is 17% greater than 2019.
- Real spending by overseas visitors indexed to 2019 is tracking very closely with total international.

Visitor spending: total and overseas

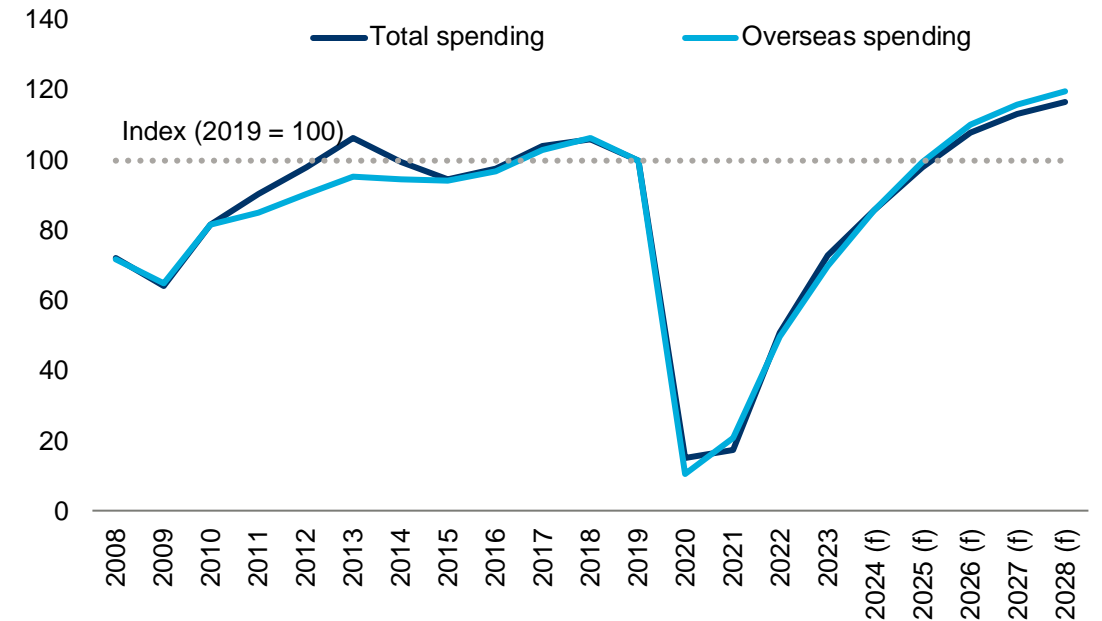
Levels of spending

Millions, in 2023 dollars, Oregon



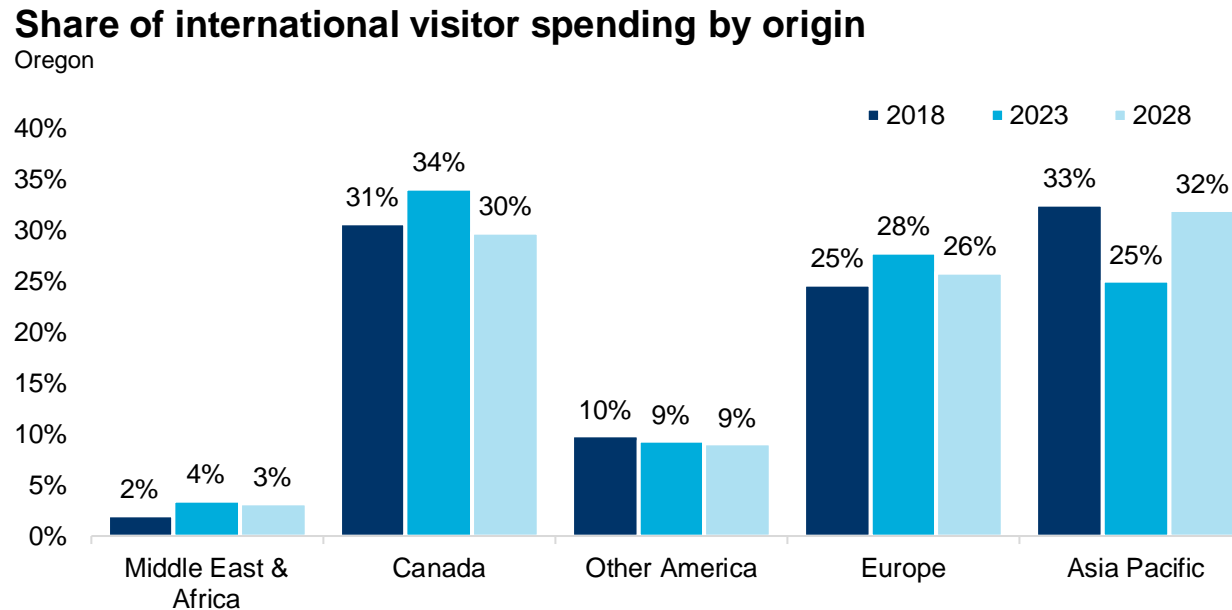
Index of spending

Index (2019=100), spending in 2023 dollars before indexing, Oregon



Asia Pacific is on track to be the most important origin by 2028 in terms of spending

- While visitors from Canada accounted for 34% of international visitor spending in Oregon in 2023, faster growth by Asia Pacific over time is expected to boost that region to a leading 32% share by 2028.



Note:

- Spending is nominal
- Other America includes Mexico, Caribbean, Central and South America
- Europe includes Western Europe and Emerging Europe
- 2028 is based on forecasted data

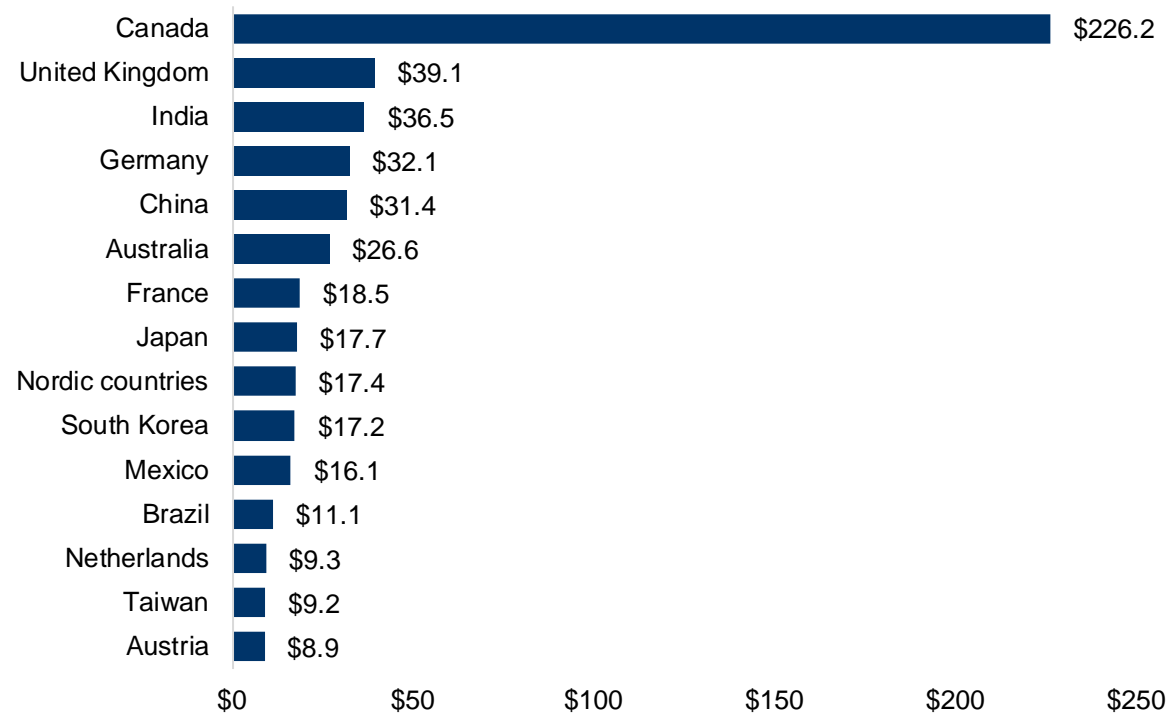
Source: Tourism Economics

Canada accounts for 34% of all spending

- Canada represents the largest origin country for Oregon, with spending that is greater than the next seven countries combined.

Spending by top 15 markets of origin

Millions, Oregon, 2023



Note:

- Top 15 markets are selected based on 2023 spending levels
- Spending is nominal
- Nordic countries include Denmark, Finland, Norway, and Sweden

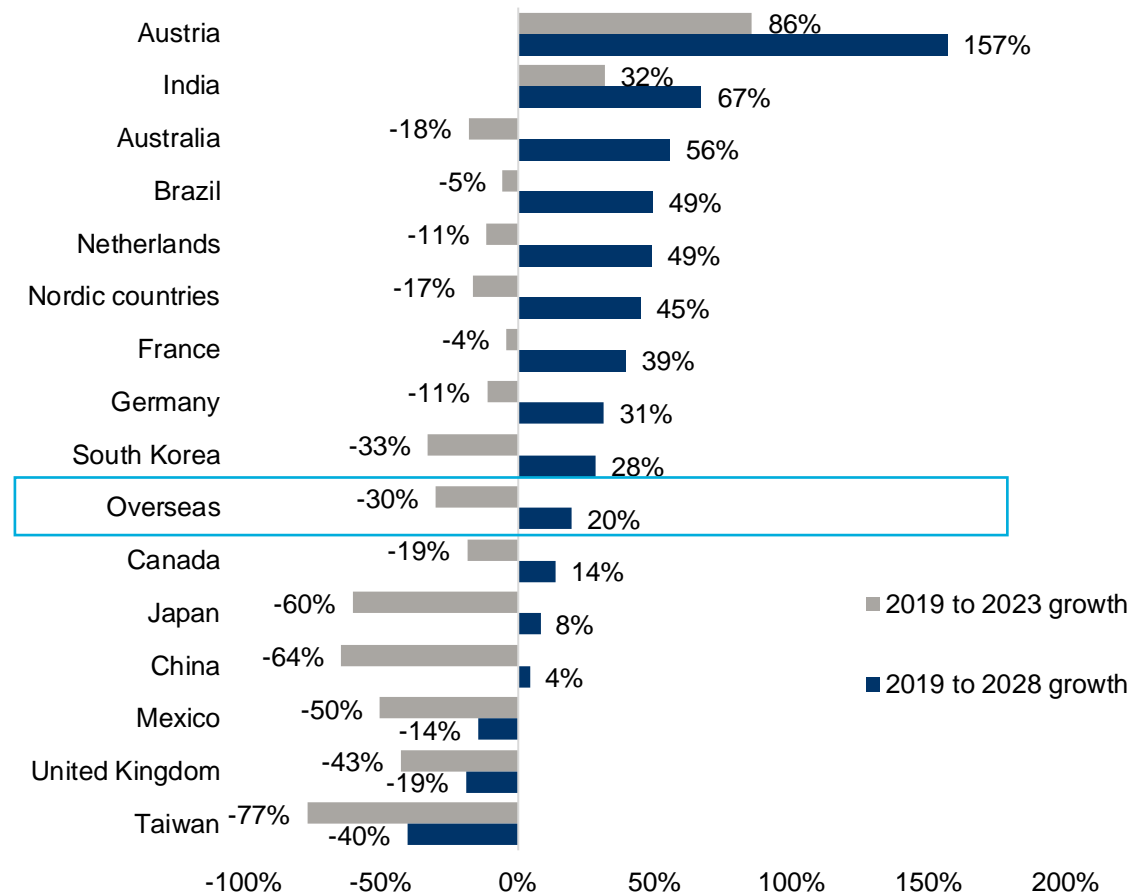
Source: Tourism Economics

Strong spending growth expected among certain countries

- Some countries are forecast to generate spending growth that is substantially stronger than the overseas average, including Austria, India, Australia and Brazil.

Total growth in real spending in top 15 markets and overseas

Oregon, growth from 2019 to 2023, and 2019 to 2028



Note:

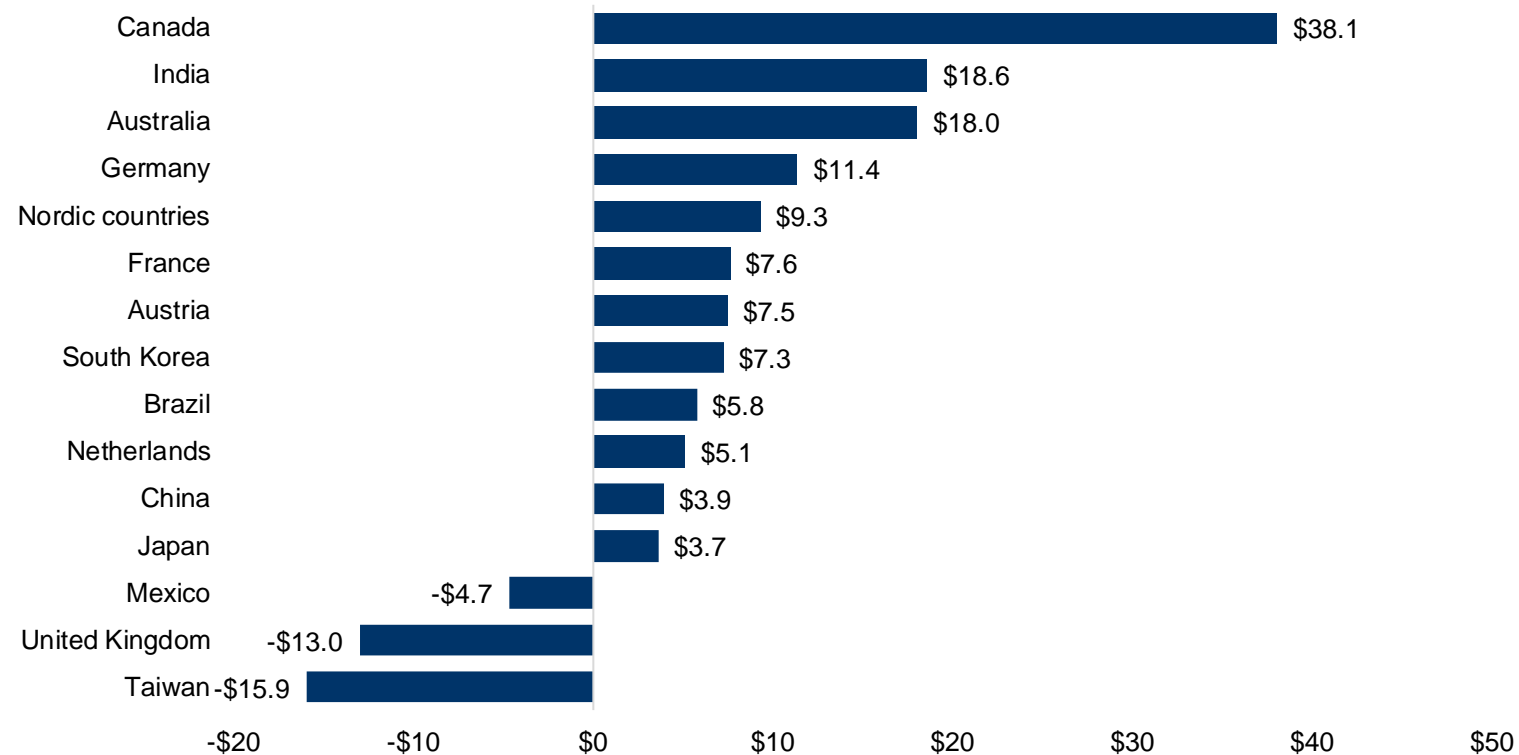
- Top 15 markets are selected based on 2023 spending levels
- Spending is in real dollars (2023)
- Graph is sorted based on 2019 to 2028 growth
- Nordic countries include Denmark, Finland, Norway, and Sweden
- 2028 is based on forecasted data

Source: Tourism Economics

Despite slower growth, Canada will still represent the largest source of spending gains by 2028

Change in spending in top 15 markets

Millions, in 2023 dollars, Oregon, amount change from 2019 to 2028



Note:

- Top 15 markets are selected based on 2023 spending levels
- Spending is in real dollars (2023)
- Nordic countries include Denmark, Finland, Norway, and Sweden
- 2028 is based on forecasted data

Source: Tourism Economics

Visitor spending: key countries

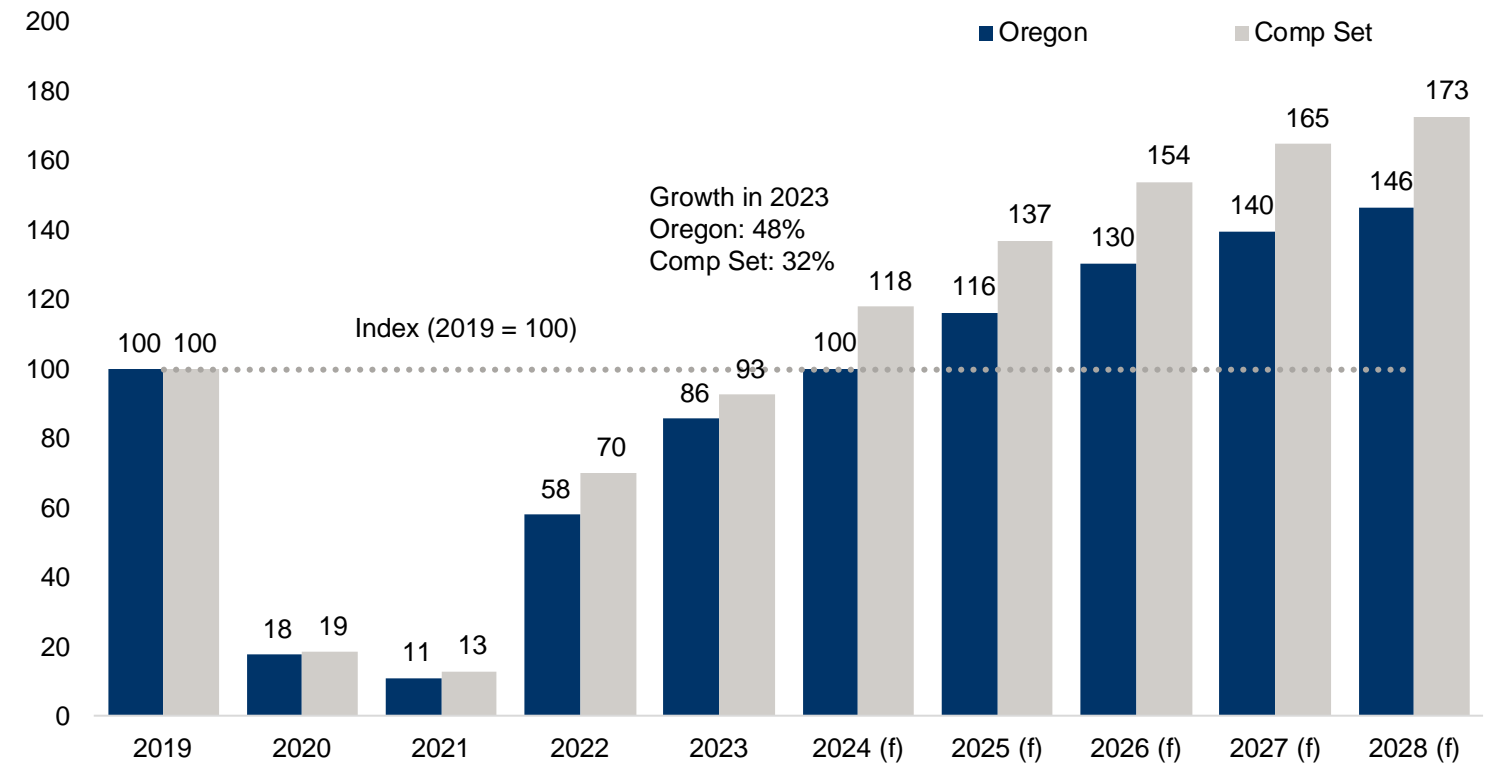
In the following slides, we compare Oregon to a set of states (Oregon, Colorado, Idaho, Nevada, Washington).

Key countries total includes:

- Canada
- Mexico
- Australia
- France
- Germany
- Japan
- Netherlands
- South Korea
- United Kingdom

Visitor spending: Canada, Mexico and selected inbound countries

Index (2019=100)



Note:

- Comparable Set is defined as Oregon, Colorado, Idaho, Nevada, Washington
- Spending is nominal

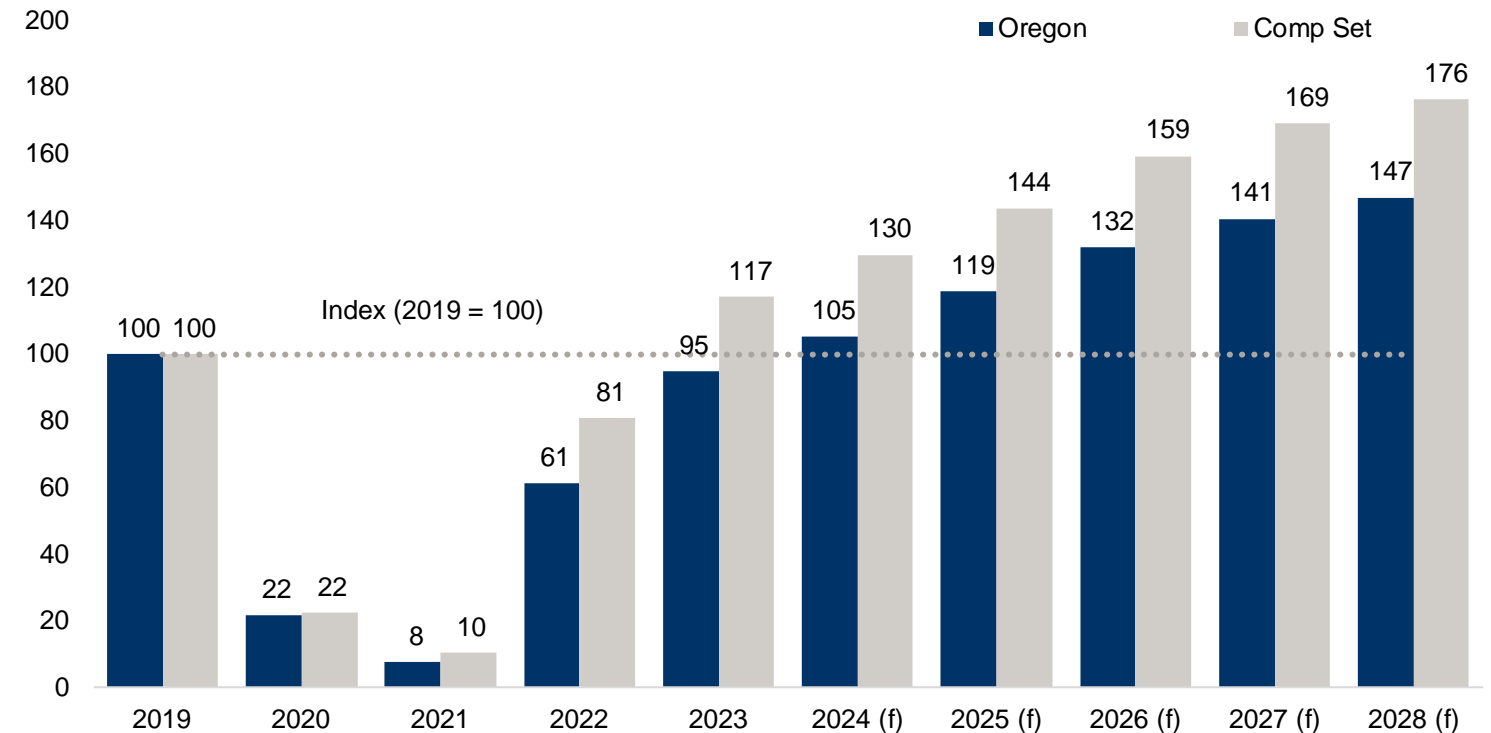
Source: Tourism Economics

Canada visitor spending

In future years, Oregon is expected to realize similar growth in inbound spending from Canada as the comparable set of states.

Visitor spending: Canada

Index (2019=100)



Note:

- Comparable Set is defined as Oregon, Colorado, Idaho, Nevada, Washington
- Spending is nominal

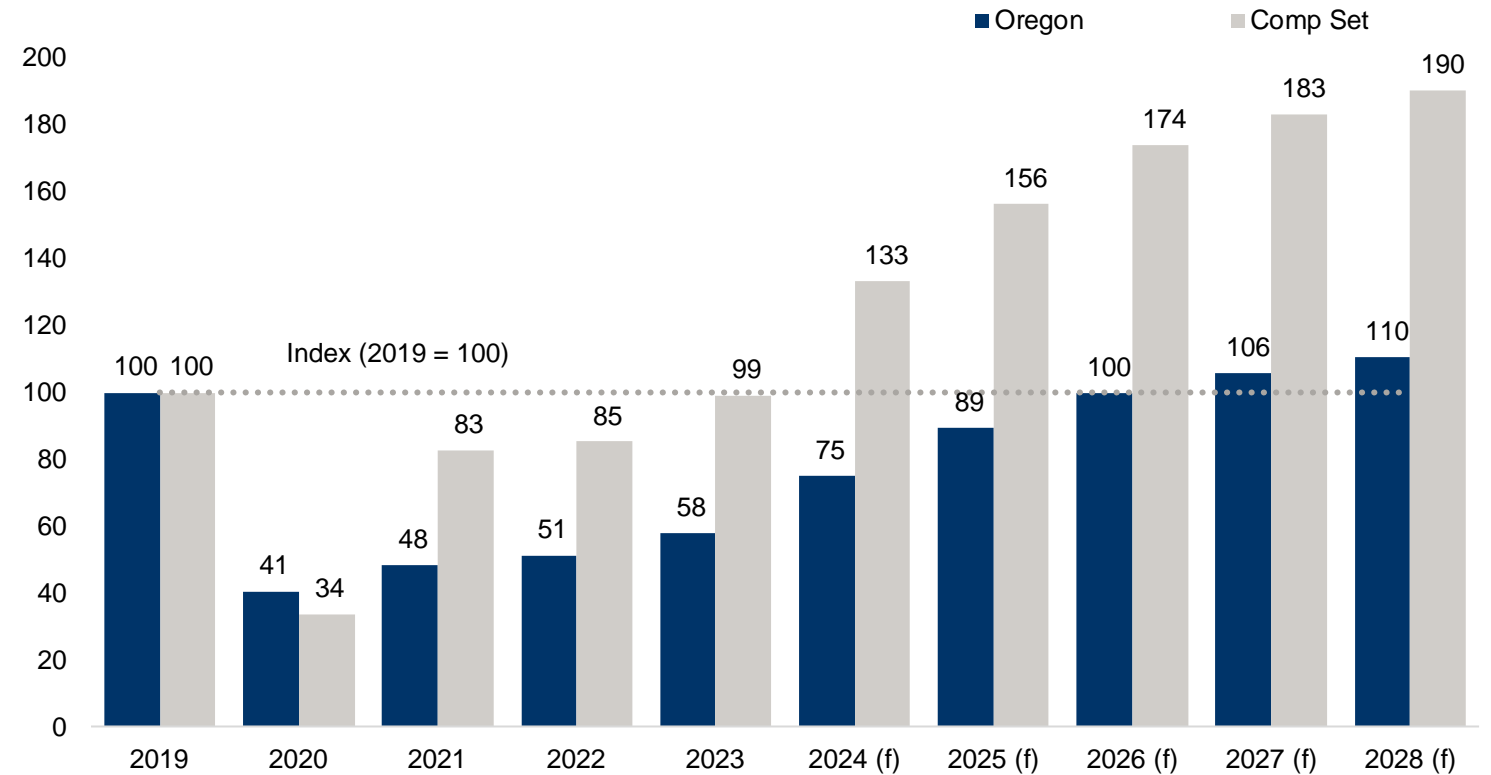
Source: Tourism Economics

Mexico visitor spending

The outlook anticipates strong growth in inbound spending from Mexico over the coming years, with Oregon on pace with the comparable set of states.

Visitor spending: Mexico

Index (2019=100)



Note:

- Comparable Set is defined as Oregon, Colorado, Idaho, Nevada, Washington
- Spending is nominal

Source: Tourism Economics

Visitor spending from selected countries

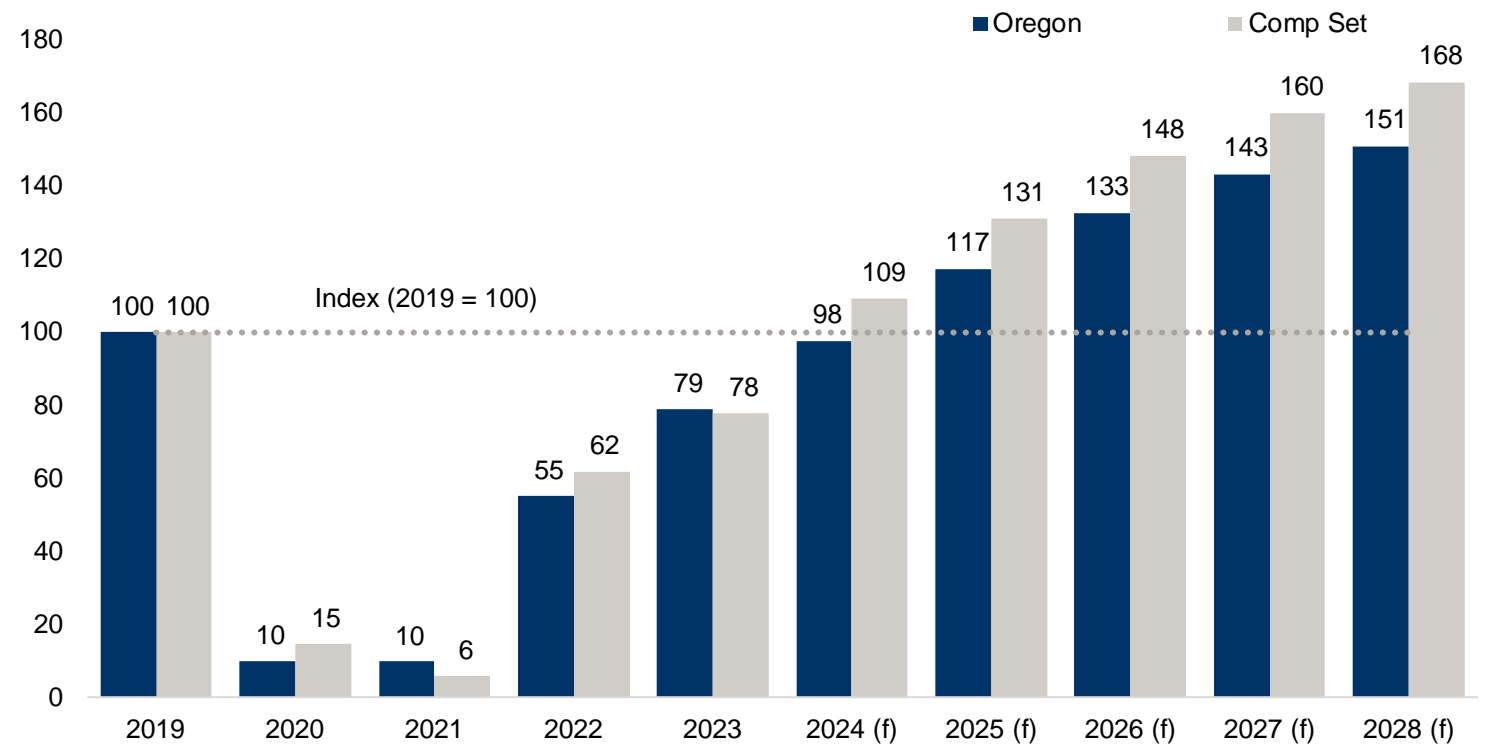
Oregon is anticipated to slightly trail the comparable states in terms of spending from selected countries.

Selected countries include:

- Australia
- France
- Germany
- Japan
- Netherlands
- South Korea
- United Kingdom

Visitor spending: Selected inbound countries

Index (2019=100)



Note:

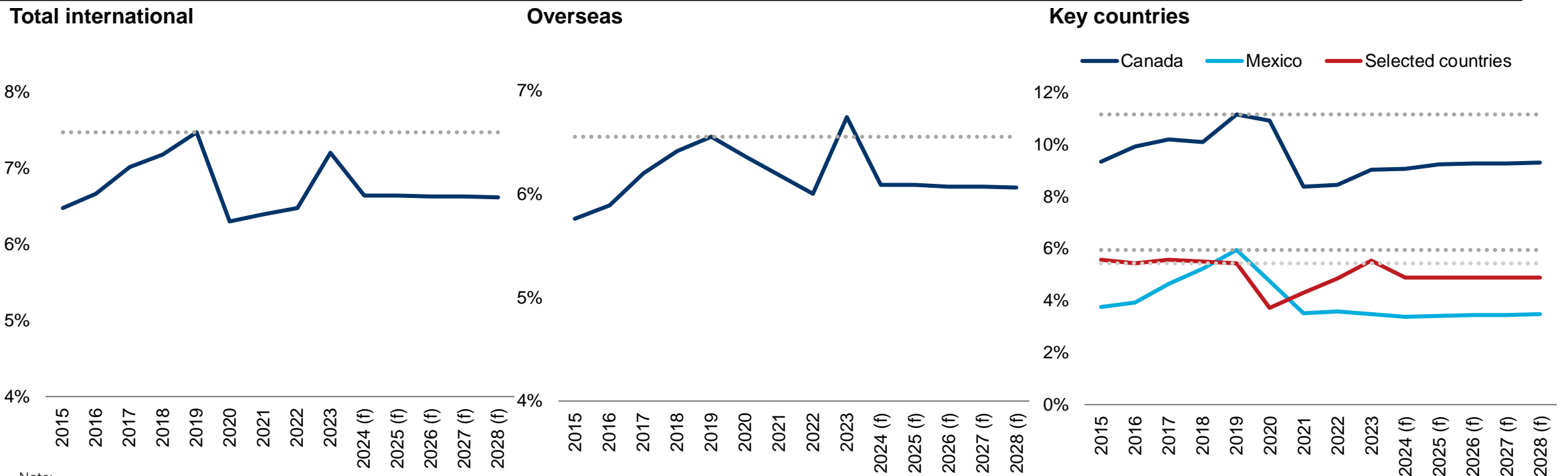
- Comparable Set is defined as Oregon, Colorado, Idaho, Nevada, Washington
- Spending is nominal

Source: Tourism Economics

Oregon's market share of overseas spending remains strong, but the state has lost Canada market share

- While Oregon's share of overseas spending slightly exceeded its 2019 level, the state's share of Canada visitor spending has declined, pulling down the state's share of total international visitor spending.

Oregon's share of spending in comparable states (Comparable state historical estimates are subject to change)



Note:

- The comparable set is defined as Oregon, Colorado, Idaho, Nevada, Washington
- Selected countries include: Australia, France, Germany, Japan, Netherlands, South Korea, United Kingdom
- Total international share for 2021 was an outlier (10%). For the graph, we have used an alternative total international share for 2021 based on the average of 2020 and 2022. We applied a similar approach for the overseas share in 2020 (4%) and 2021 (12%); Mexico 2020 (7%) and the selected country share for 2021 (9%).
- Grey dotted line indicates Oregon's share of comparable set for each origin market in 2019

Source: Tourism Economics

A scenic view of a river flowing through a dense forest. The river is the central focus, winding through the landscape. The surrounding trees are lush and green, creating a vibrant natural setting. A semi-transparent blue overlay is positioned across the middle of the image, containing the title text in white. The overall mood is serene and natural.

5 Pacific Northwest: Analysis of Trip Motivations and Characteristics

Pacific Northwest: Visits by trip purpose

- For this analysis of trip motivations and characteristics we have summarized visits to Oregon and Washington during 2019 and 2023 combined as the Pacific Northwest. This is done to provide a larger sample size that allows the inclusion of more countries and more robust comparisons.
- Austria shows the greatest share of leisure visitors, at 71%, while India has the lowest share at 16%.
- India has the highest share of business travel (43%) while United Kingdom have the highest share of visiting friends and relatives (VFR) (47%).

Visitation from major markets by trip purpose

Percent of visits, 2019 and 2023 combined, visitors to Pacific Northwest

	Leisure	Business	VFR	Other	Total
Overseas	41%	23%	31%	6%	100%
Australia	59%	4%	37%	0%	100%
Austria	71%	26%	0%	3%	100%
Benelux	65%	20%	15%	0%	100%
Brazil	68%	15%	16%	1%	100%
Canada (air only)	42%	31%	24%	3%	100%
China	42%	22%	20%	16%	100%
France	59%	25%	17%	0%	100%
Germany	59%	12%	24%	5%	100%
India	16%	43%	39%	2%	100%
Japan	25%	36%	34%	5%	100%
Mexico (air only)	49%	20%	30%	1%	100%
Nordic countries	45%	21%	32%	2%	100%
South Korea	44%	16%	29%	12%	100%
Taiwan	27%	31%	37%	4%	100%
United Kingdom	33%	16%	47%	3%	100%

Note:

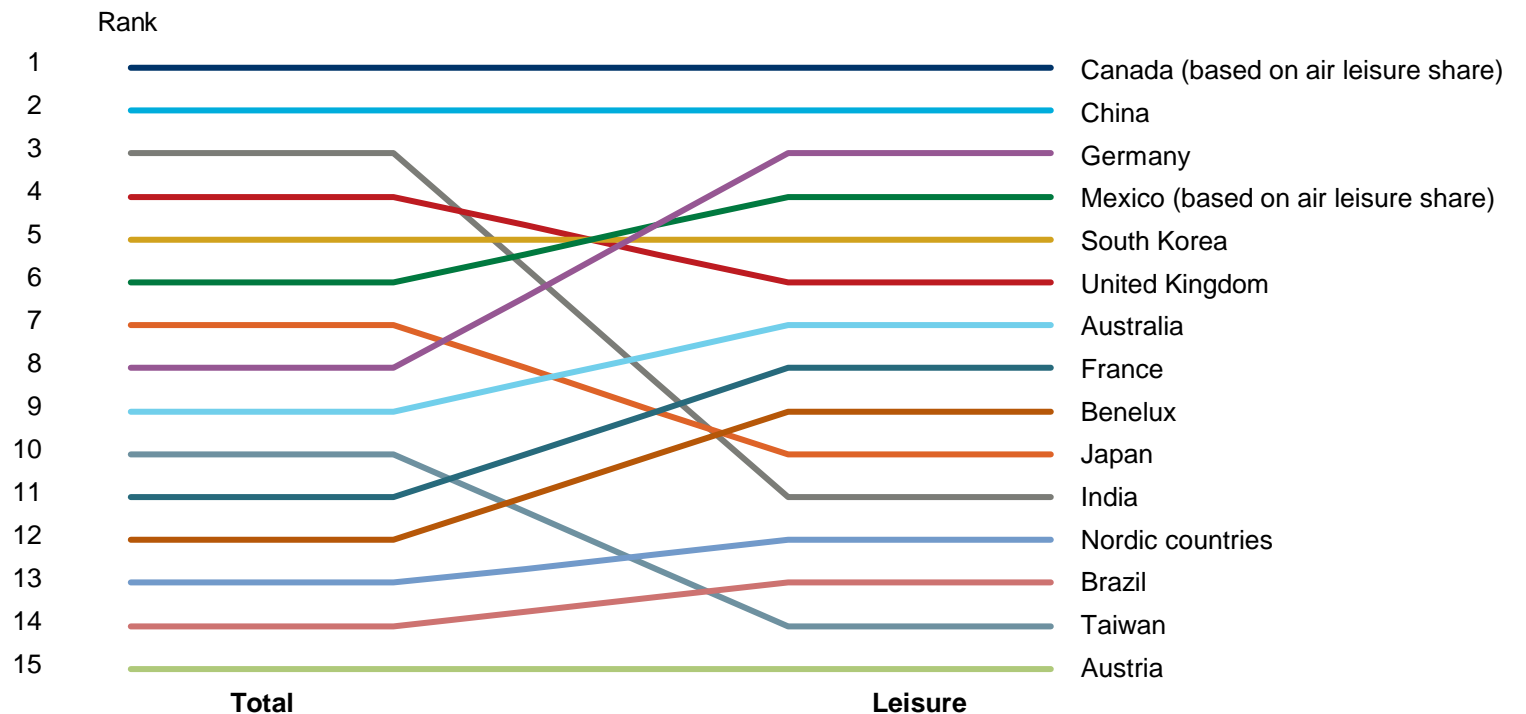
- Table shows overseas and top fifteen countries/regions selected based on 2023 spending
- Business includes business and convention/conference/trade show; leisure only includes vacation/holiday; VFR refers to visiting friends/relatives
- Pacific NW region includes Oregon and Washington state
- Benelux includes Belgium, Netherlands, and Luxembourg; Nordic countries include Denmark, Finland, Norway, and Sweden
- Canada data is air only and 2023 only
- Sample size by country ranges from 17 (Austria) to 220 (United Kingdom). Overseas sample size is 1,869; Canada sample size is 205. Austria is included in the table but has a limited sample size (17).
- Due to limited number of respondents in the Survey of International Air Travelers (SIAT) sample, the table above combines visitors in 2019 and 2023. In the future, it may be useful to also include 2024 results to have a larger sample, which would provide a more accurate indication of typical trip purpose.

Source: Tourism Economics; SIAT

Pacific Northwest: Visits by trip purpose

- The accompanying figure shows top countries based on two rankings.
 - On the left, it shows countries ranked based on forecast total visitors in 2028.
 - On the right, it shows countries ranked based on forecast leisure visitors in 2028, assuming the leisure share based on the historical average.
- This shows that countries with strong leisure shares are even more important for strategic planning and marketing purposes.
- For example, while Germany ranks eighth for total visits, when adjusting for the high leisure share among visitors from Germany, it would rank as the third most important origin by leisure visits, while origins such as India are much less important.

Visits ranking among major markets by type



Note:

- Rank based on total visitation (forecast 2028, Oregon and Washington combined) and leisure visitation (forecast of total visitation in 2028 times historical leisure share for market).
- Benelux includes Belgium, Netherlands, and Luxembourg; Nordic countries include Denmark, Finland, Norway, and Sweden

Source: Tourism Economics; SIAT

Full breakdown of activity participation

Slightly more visitors from Asian countries prefer urban activities, while slightly more visitors from western countries prefer history/cultural activities.

Activity participation by international tourists to the Pacific Northwest

Percent participation, 2019 and 2023 combined

		Overseas	Australia	Austria	Benelux	Brazil	Canada (air only)	China	France	Germany	India	Japan	Mexico (air only)	Nordic countries	South Korea	Taiwan	United Kingdom
History/Culture	American Indian Communities	11%	6%	27%	30%	15%	3%	4%	16%	15%	11%	2%	10%	21%	9%	5%	10%
	Art Galleries/Museums	38%	39%	49%	43%	26%	28%	50%	23%	27%	28%	16%	29%	25%	60%	30%	43%
	Guided Tour(s)	19%	46%	24%	25%	19%	16%	17%	4%	22%	22%	3%	7%	26%	9%	7%	21%
	Historical Locations	35%	49%	71%	71%	22%	21%	25%	44%	45%	24%	17%	18%	38%	0%	14%	45%
	National Parks/Monuments	51%	58%	81%	67%	51%	25%	37%	68%	67%	44%	20%	38%	48%	45%	20%	52%
	Cultural/Ethnic Heritage Sights	22%	39%	27%	22%	26%	7%	29%	20%	21%	15%	5%	17%	9%	10%	12%	23%
Sports/Outdoors	Camping/Hiking	18%	23%	43%	8%	12%	4%	9%	36%	26%	15%	5%	16%	18%	10%	5%	24%
	Environmental/Eco. Excursions	8%	12%	16%	12%	15%	4%	8%	2%	8%	7%	3%	7%	0%	13%	8%	8%
	Golfing/Tennis	2%	29%	0%	0%	0%	2%	0%	0%	3%	1%	11%	1%	4%	0%	1%	1%
	Hunting/Fishing	1%	3%	0%	0%	0%	2%	2%	0%	0%	0%	0%	3%	0%	0%	1%	3%
	Snow Sports	2%	4%	0%	0%	19%	0%	2%	2%	2%	3%	1%	3%	0%	0%	1%	2%
	Sporting Event	14%	20%	17%	13%	33%	20%	9%	6%	19%	5%	9%	14%	20%	11%	6%	17%
	Water Sports	6%	5%	0%	10%	0%	2%	2%	7%	8%	7%	1%	1%	6%	4%	3%	11%
Urban Recreation	Amusement/Theme Parks	21%	23%	6%	4%	21%	9%	27%	5%	13%	16%	6%	37%	15%	40%	25%	10%
	Casino/Gamble	10%	19%	0%	11%	8%	9%	10%	1%	17%	8%	6%	3%	5%	16%	11%	13%
	Concert/Play/Musical	13%	20%	5%	12%	18%	13%	12%	10%	21%	11%	4%	10%	11%	6%	8%	15%
	Experience Fine Dining	34%	34%	26%	44%	23%	29%	41%	10%	29%	47%	22%	19%	22%	21%	63%	33%
	Nightclubbing/Dancing	11%	10%	9%	13%	10%	13%	3%	22%	10%	12%	3%	20%	7%	8%	7%	12%
	Shopping	83%	91%	71%	64%	88%	74%	83%	87%	83%	79%	75%	75%	83%	81%	80%	77%
Unknown/Other	Sightseeing	84%	94%	97%	83%	89%	75%	85%	70%	89%	85%	70%	76%	72%	93%	67%	90%
	Small Towns/Countryside	52%	70%	68%	72%	39%	28%	36%	68%	66%	29%	21%	37%	73%	44%	26%	62%
	Other	2%	0%	0%	5%	0%	3%	0%	0%	2%	4%	2%	1%	0%	0%	1%	6%
Sums		Overseas	Australia	Austria	Benelux	Brazil	Canada (air only)	China	France	Germany	India	Japan	Mexico (air only)	Nordic countries	South Korea	Taiwan	United Kingdom
	History/Culture	175%	237%	279%	257%	159%	100%	162%	176%	196%	144%	64%	118%	167%	134%	87%	194%
	Sports/Outdoors	51%	96%	77%	43%	79%	35%	32%	53%	65%	38%	29%	45%	47%	37%	24%	65%
	Urban Recreation	172%	196%	116%	148%	169%	147%	176%	135%	172%	174%	115%	163%	144%	171%	193%	162%
	Unknown/Other	138%	164%	165%	160%	128%	105%	120%	138%	157%	118%	93%	114%	145%	137%	93%	158%

Note:

- Pacific Northwest includes Oregon and Washington
- Benelux includes Belgium, Netherlands, and Luxembourg; Nordic countries include Denmark, Finland, Norway, and Sweden
- Table shows activities of overseas visitors while in the US, as reported by visitors that spent at least one night in the Pacific Northwest

Source: Tourism Economics; SIAT

Pacific NW: Activity participation based on index to overseas

- Visitors from Australia, Brazil, Germany and the UK tend to be more interested in sports/outdoors activities than other visitors.
- Visitors from Taiwan, China and India tend to be more interested in urban recreation activities than other visitors.

Activity Participation by major markets in the Pacific NW

Index (overseas = 100), 2019 and 2023 combined

	Australia	Austria	Benelux	Brazil	Canada (air only)	China	France	Germany	India	Japan	Mexico (air only)	Nordic countries	South Korea	Taiwan	United Kingdom
History/Culture	135	159	147	91	57	92	100	112	82	37	68	95	76	49	111
Sports/Outdoors	188	151	84	155	68	63	104	128	74	58	88	93	74	47	128
Urban Recreation	114	68	86	98	86	102	79	100	101	67	95	84	100	113	94
Unknown/Other	119	120	116	93	77	87	100	114	86	68	83	106	100	68	115

Note:

- Pacific Northwest includes Oregon and Washington
- Benelux includes Belgium, Netherlands, and Luxembourg; Nordic countries include Denmark, Finland, Norway, and Sweden
- Table shows activities of overseas visitors while in the US, as reported by visitors that spent at least one night in the Pacific Northwest
- This index is calculated as follows: from prior page, Australia sum of mentions for Sports/Outdoor is 96% and overseas sum of mentions for Sports/Outdoor is 51%, the index is 188 = 96%/51%*100.

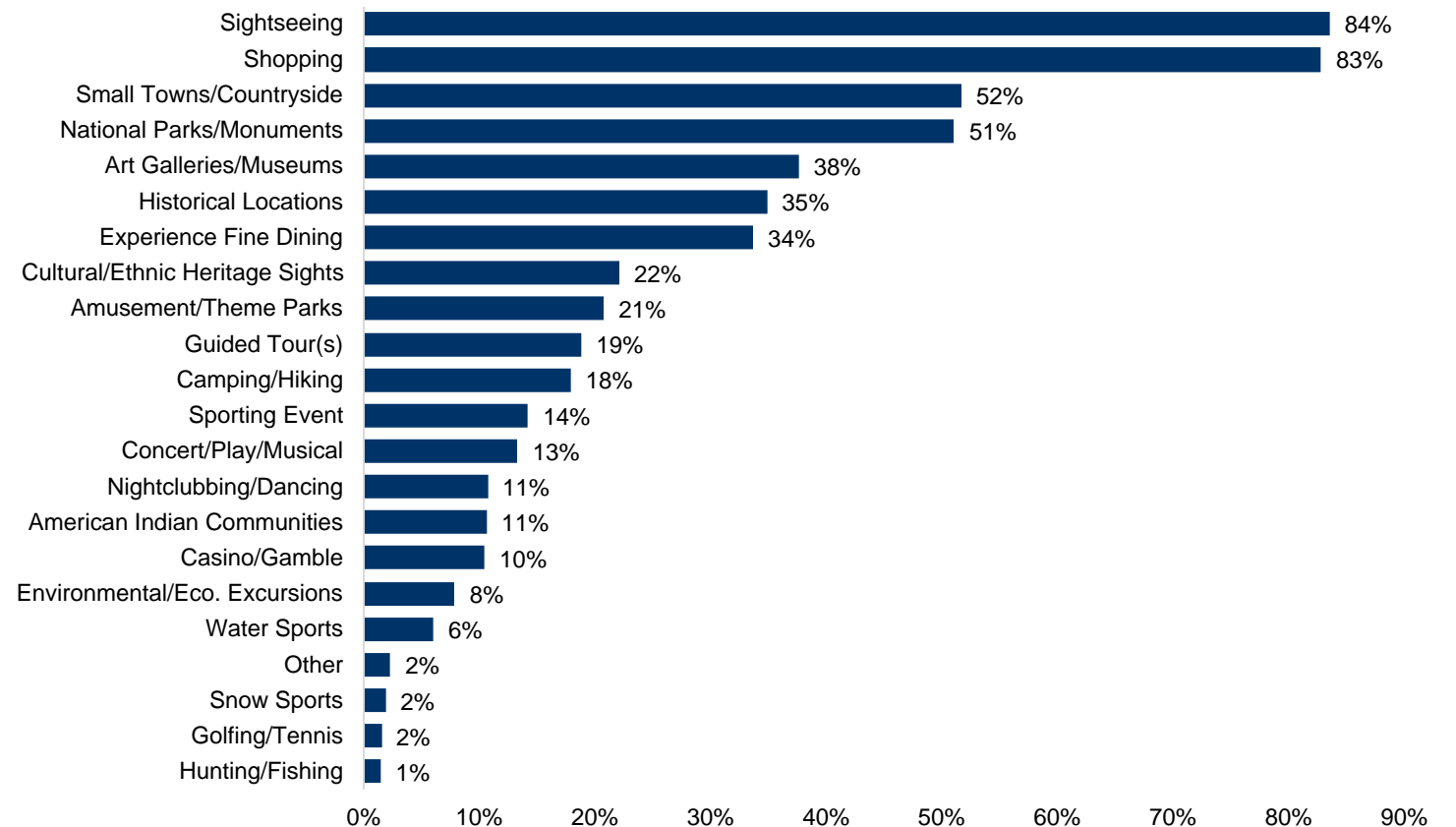
Source: Tourism Economics; SIAT

Shopping and sightseeing are most popular

Shopping and sightseeing are the most popular activities among overseas visitors, followed by small towns/countryside.

Activity participation by overseas visitors to the Pacific Northwest

Percent participation, 2019 and 2023 combined



Note:

- Pacific Northwest includes Oregon and Washington
- Table shows activities of overseas visitors while in the US, as reported by visitors that spent at least one night in the Pacific Northwest

Source: Tourism Economics; SIAT

Pacific NW and US: Additional details on travel motivations

- Visitors from China, India and South Korea tend to support the highest level of average hotel nights per visitor, above the overseas average of 7.5.
- Visitors from Austria, India and China have the longest average length of stay.

Hotel stays and total length of stay from major markets in the Pacific NW

2019 and 2023 combined

	Overseas	Australia	Austria	Benelux	Brazil	Canada (air only)	China	France	Germany	India	Japan	Mexico (air only)	Nordic countries	South Korea	Taiwan	United Kingdom
Hotel Stays																
Percent using	59%	63%	62%	77%	45%	72%	60%	76%	64%	57%	64%	46%	52%	68%	60%	59%
Mean # nights	7.5	4.1	8.4	5.6	5.7	3.7	11.0	4.2	4.0	16.3	4.9	8.6	5.4	14.7	4.7	4.5
Total length of stay																
1 - 3 Nights	4%	2%	0%	4%	0%	29%	3%	0%	3%	1%	17%	4%	2%	11%	14%	5%
4 - 7 Nights	18%	12%	8%	19%	23%	38%	18%	18%	15%	12%	44%	36%	22%	19%	22%	20%
8 - 10 Nights	11%	5%	0%	4%	14%	12%	11%	7%	9%	9%	9%	15%	13%	24%	11%	13%
11 - 14 Nights	18%	14%	12%	21%	11%	7%	28%	6%	14%	15%	8%	9%	28%	15%	24%	19%
15 - 21 Nights	19%	26%	33%	35%	37%	5%	15%	16%	36%	10%	9%	16%	24%	5%	20%	18%
22 - 28 Nights	10%	27%	3%	13%	9%	2%	6%	39%	9%	9%	3%	5%	2%	11%	0%	15%
29 - 35 Nights	5%	6%	25%	4%	1%	3%	3%	4%	5%	10%	0%	6%	3%	1%	1%	4%
36 or More Nights	14%	7%	19%	0%	4%	2%	16%	10%	9%	34%	11%	9%	7%	15%	8%	6%
Mean # nights	26.5	22.0	58.9	15.4	14.5	8.7	31.8	21.8	20.4	46.5	19.0	16.0	24.7	24.1	21.0	18.5

Note:

- Coloring based on values within statistics
- Table shows averages for overseas visitors that spent at least one night in the Pacific Northwest. However, the length of stay and hotel nights data represents visitors' complete trip in the US, not just the period in the Pacific Northwest.
- Pacific Northwest includes Oregon and Washington
- Benelux includes Belgium, Netherlands, and Luxembourg; Nordic countries include Denmark, Finland, Norway, and Sweden

Source: Tourism Economics; SIAT

Pacific NW and US: Additional details on travel motivations

- The Pacific NW tends to have a low percentage of leisure travel compared to the US (41% of overseas travelers, as compared to 57%).
- The leisure travel share from Japan, South Korea, and United Kingdom is particularly low compared to the US.

Leisure share from major markets

Percent of visits, 2019 and 2023 combined, visitors to Pacific Northwest and United States

	Pacific NW	United States	Ratio: Pacific NW to US
Overseas	41%	57%	0.7
Australia	59%	67%	0.9
Austria	71%	62%	1.1
Benelux	65%	60%	1.1
Brazil	68%	68%	1.0
Canada (air only)	42%	59%	0.7
China	42%	31%	1.3
France	59%	65%	0.9
Germany	59%	59%	1.0
India	16%	16%	1.0
Japan	25%	68%	0.4
Mexico (air only)	49%	53%	0.9
Nordic countries	45%	53%	0.9
South Korea	44%	68%	0.6
Taiwan	27%	33%	0.8
United Kingdom	33%	63%	0.5

Note:

- Coloring based on values within statistics
- Pacific Northwest includes Oregon and Washington
- Benelux includes Belgium, Netherlands, and Luxembourg; Nordic countries include Denmark, Finland, Norway, and Sweden

Source: Tourism Economics; SIAT

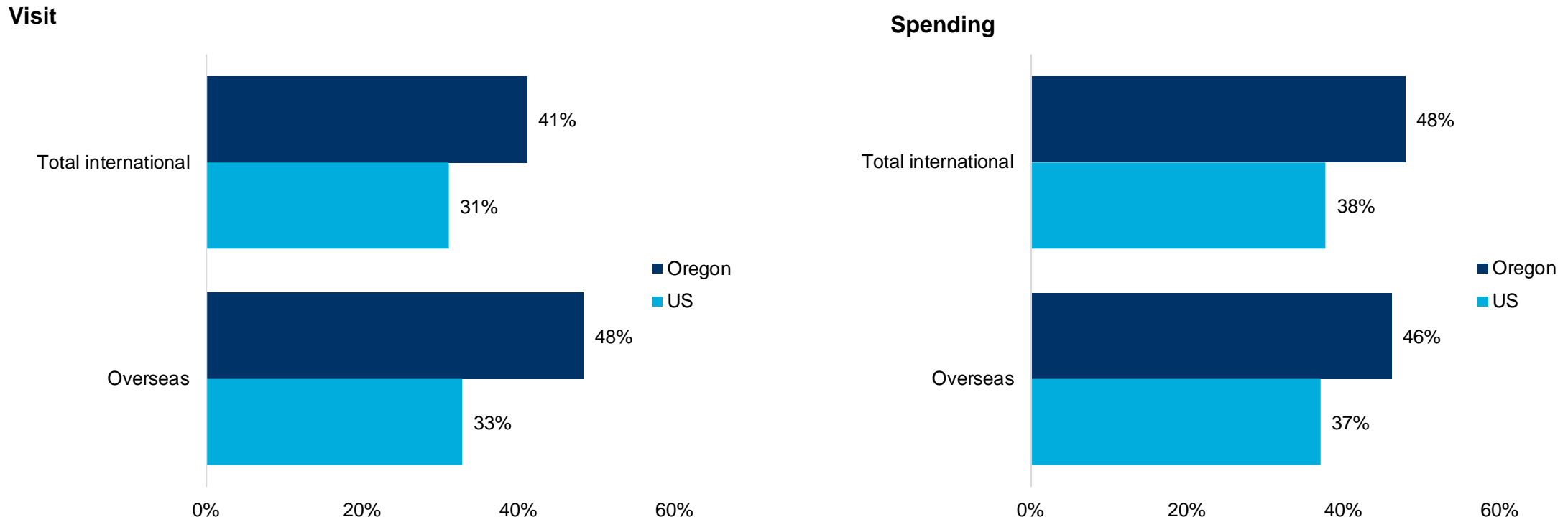


6 2023 Oregon Results

Oregon outpaced the US in 2023

- International visits and spending to Oregon grew more quickly than the US average in 2023. This was also true for the overseas segment.

International annual year-over-year growth in 2023



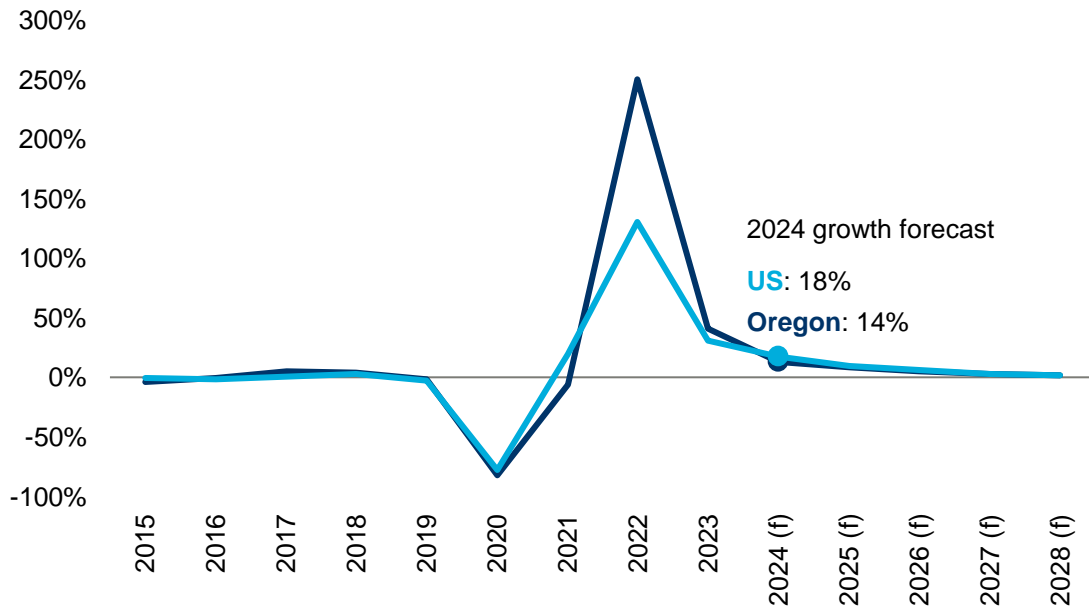
Note:
• Overseas refers to international, excluding Canada and Mexico
• Spending is nominal
Source: Tourism Economics

Growth in international visitation to Oregon will slow this year

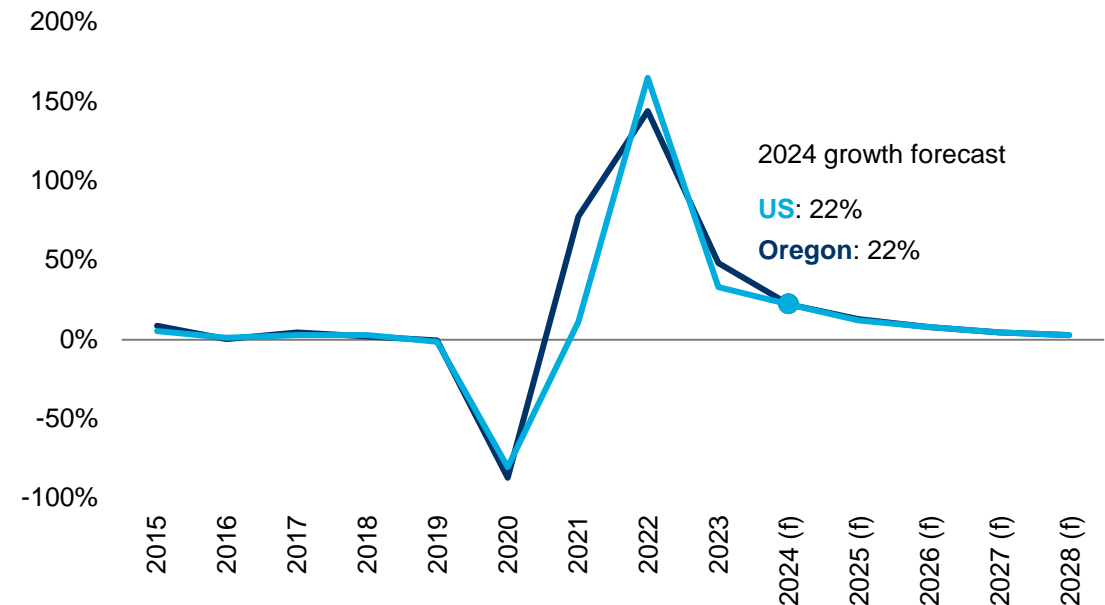
- Forecast anticipates growth in total international visitation to Oregon will slow to a still-strong 14% this year.

Visits, annual year-over-year growth

Total international



Overseas

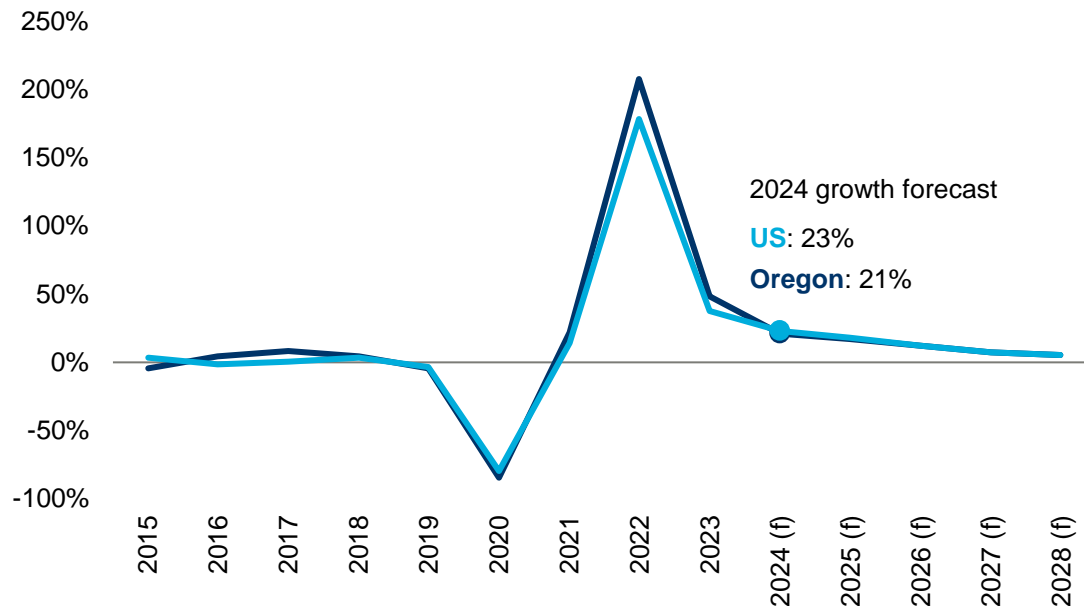


Oregon outpaced the US in spending growth in 2023, but the forecast expects slower growth this year

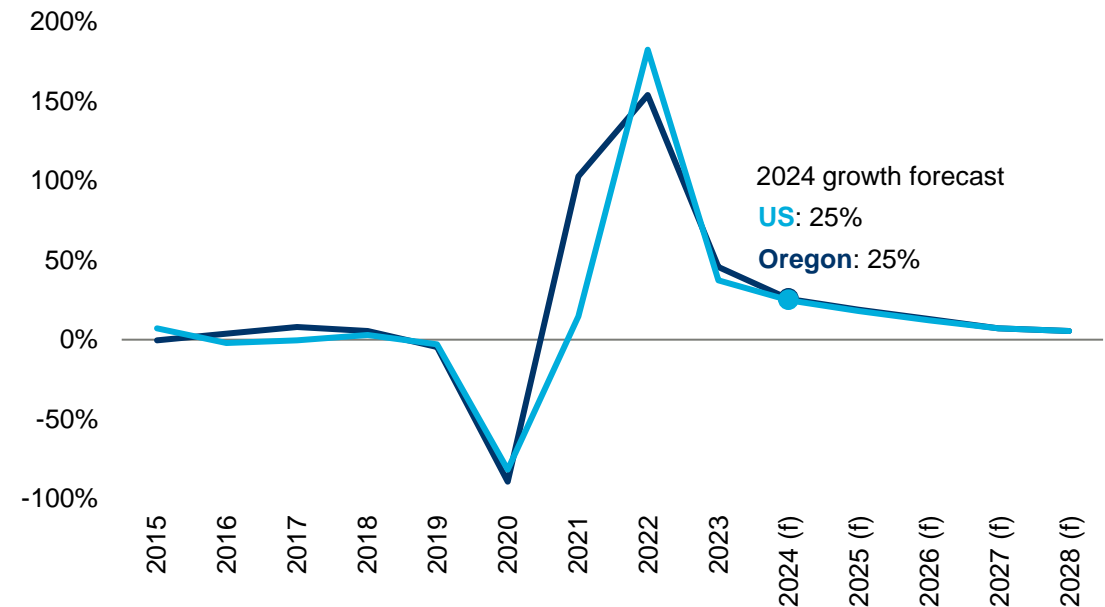
- Total international visitor spending in Oregon is expected to increase by more than one-fifth this year, though that represents slower growth than 2023.

Spending, annual year-over-year growth

Total international



Overseas

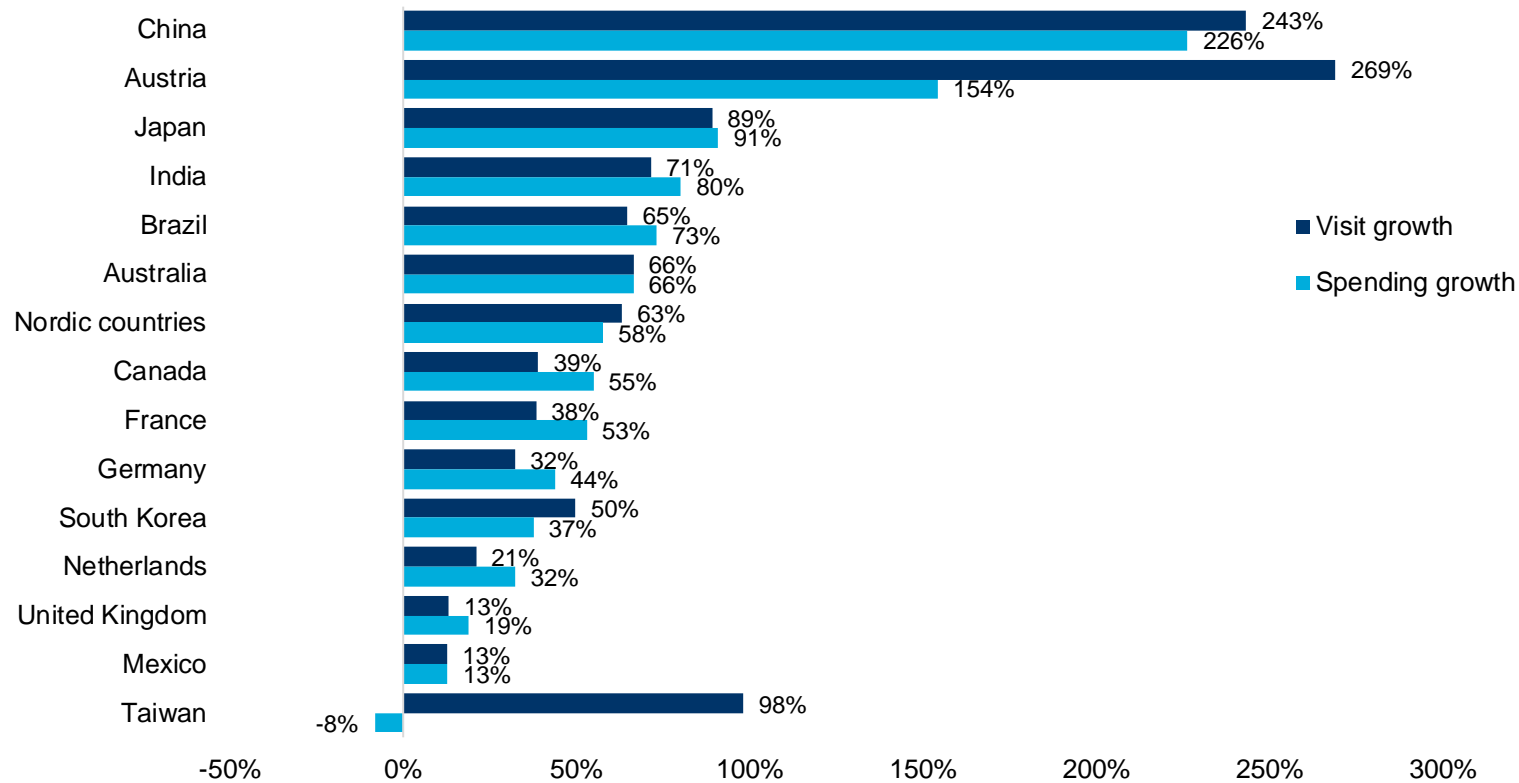


Note:
 • Spending is nominal
 • 2024 and beyond includes forecasted data
 Source: Tourism Economics

Gains in 2023 benefited from strong growth across major origins

- Strong growth across Asia Pacific and European markets. Slower growth from UK and Mexico.

Annual year-over-year growth from major markets to Oregon, 2023



Note:

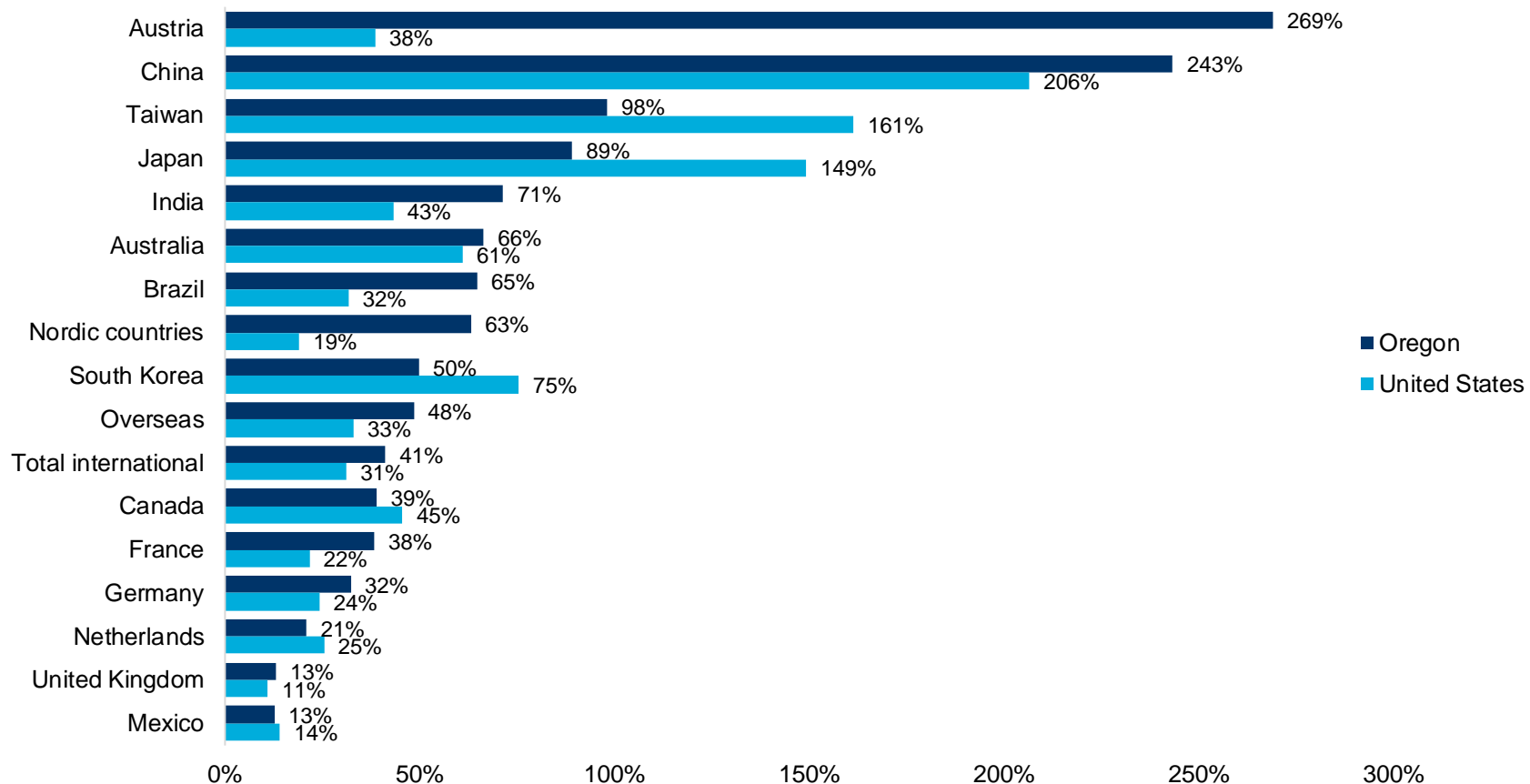
- The US-level estimates of spending by Taiwan visitors is volatile, showing a low level of spending in 2023 and then a large increase in 2024. This has resulted in a similar pattern for Oregon. It appears this is due to low volumes of visitation and that the estimates for the levels of visitation and spending in 2024 will be more stable.
- Top 15 markets are selected based on 2023 spending levels
- Graph is sorted by spending growth

Source: Tourism Economics

Oregon visitation growth led the US in several markets

- Examples of stronger growth relative to US include Austria, China and India.

International visits to Oregon and US annual year-over-year growth in 2023

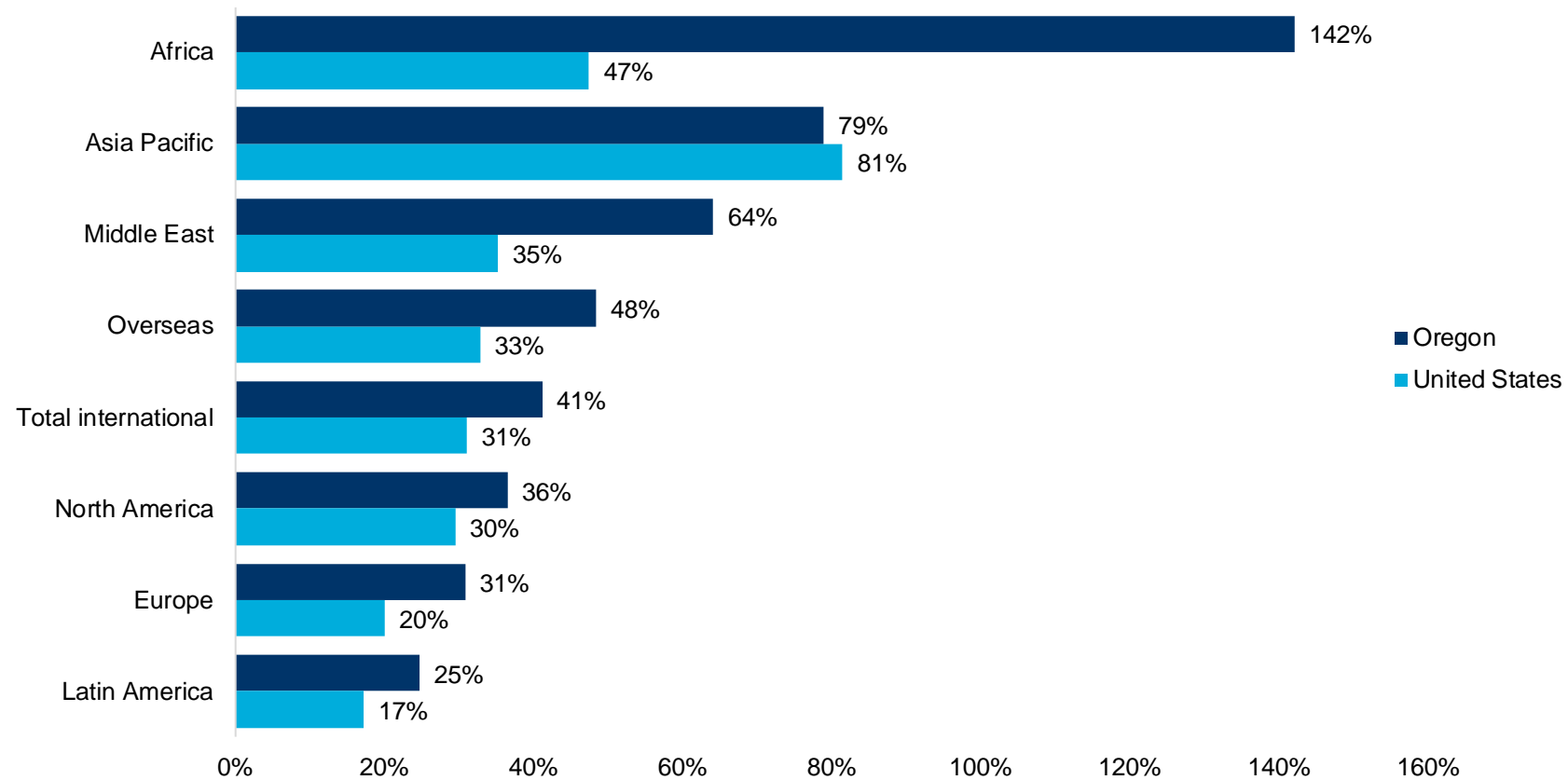


Note: Top 15 markets are selected based on 2023 Oregon spending levels.
Source: Tourism Economics

Oregon led the US in 2023 growth across almost all regions

- Asia Pacific was the only global region in which growth inbound to Oregon in 2023 was slower than the US average.

International visits to Oregon and US annual year-over-year growth in 2023



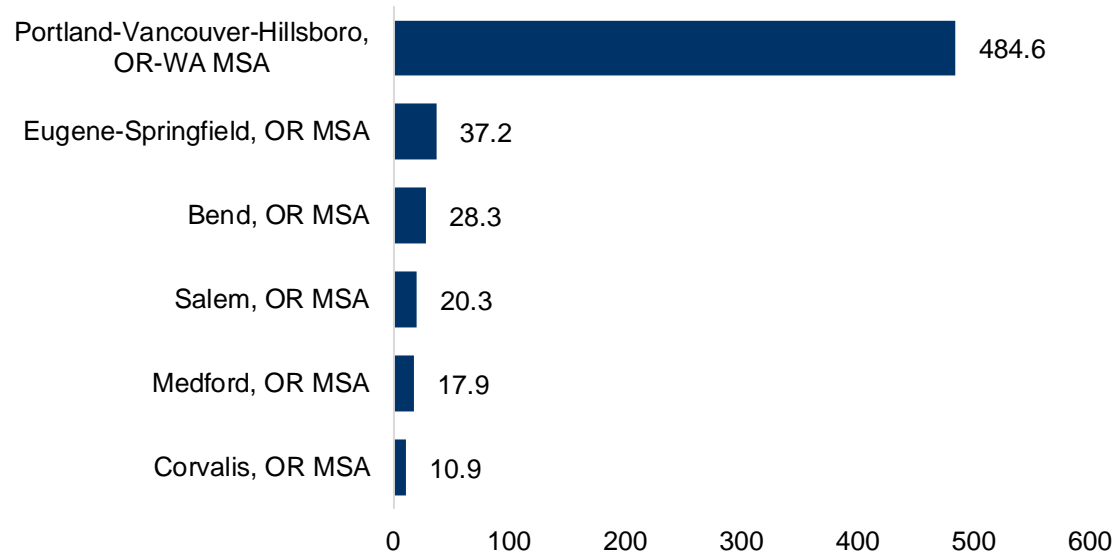


7 2023 Oregon MSAs Review

Most of the international visitors to the state stay overnight at least one night in the Portland metro area

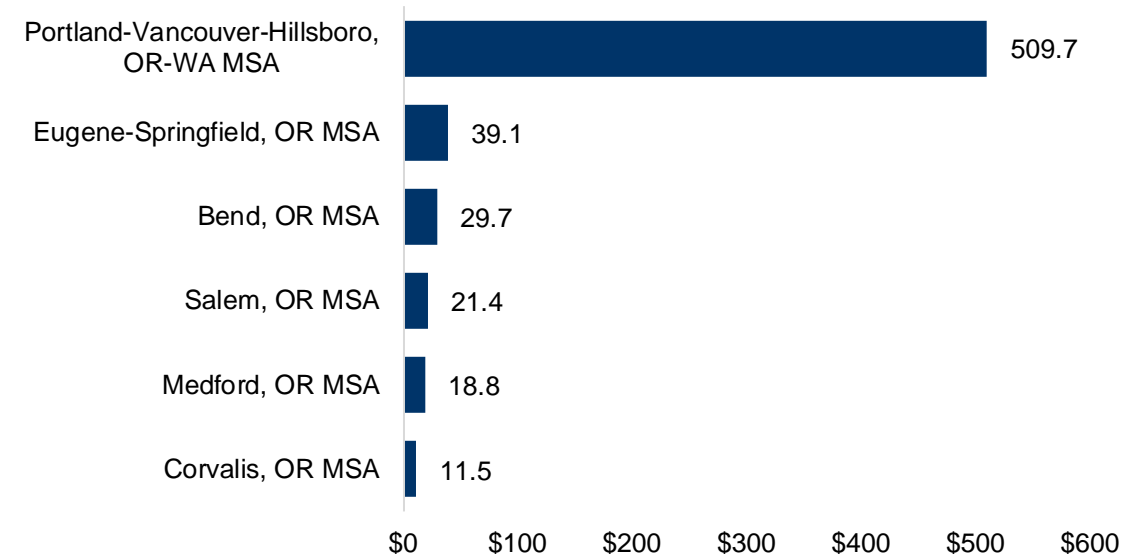
Visits from World (total) to Oregon's MSAs, 2023

Thousands



Spending from World (total) to Oregon's MSAs, 2023

Millions



Note:

- Based on each metropolitan statistical area's (MSA's) share of visitors to Oregon based on SIAT, multiplied by total visits to Oregon. Uses SIAT data for 2017 to 2019, and 2023 combined due to limited sample size. These MSAs account for less than 100% of visits to Oregon.
- Spending is nominal

Source: Tourism Economics



8 2023 Oregon Seasonality Analysis

Seasonality analysis background

- This seasonality analysis is provided to show the approximate distribution through the year of 2023 visits and spending from top markets and overseas to Oregon.
- It is based on the following key data inputs:
 - 2019 and 2023 OAG (air passengers inbound to Oregon airports, on a true origin destination basis)
 - 2023 National Travel and Tourism Office (NTTO) international visitor arrivals to US
- The countries included in the analysis were selected based on the top source markets for Oregon based on 2023 estimated spending, plus Belgium.

Oregon: Seasonality analysis

- Among all the selected countries and regions, summer (Q3) generally accounted for the largest share of visitors, while winter (Q1) had the lowest share.
- Canada and Mexico have a less pronounced seasonal peak in the summer relative to other countries..

2023 Seasonal share of Oregon by countries and regions

	Quarter				Total
	Q1	Q2	Q3	Q4	
Overseas	19%	25%	30%	25%	100%
Australia	21%	25%	28%	27%	100%
Austria	18%	24%	33%	26%	100%
Belgium	16%	26%	34%	25%	100%
Brazil	21%	24%	29%	26%	100%
Canada	23%	25%	29%	23%	100%
China	19%	22%	34%	25%	100%
France	16%	26%	34%	24%	100%
Germany	16%	27%	34%	23%	100%
India	21%	27%	28%	25%	100%
Japan	20%	21%	33%	26%	100%
Mexico	24%	23%	26%	27%	100%
Netherlands	20%	26%	30%	24%	100%
Nordic countries	20%	27%	29%	24%	100%
South Korea	22%	24%	30%	24%	100%
Taiwan	20%	26%	31%	23%	100%
United Kingdom	18%	27%	30%	25%	100%

Note:

- Nordic countries include Denmark, Finland, Norway, Sweden
- Overseas is total international excluding Canada and Mexico

Source: Tourism Economics

Oregon: Seasonality analysis

- The following tables show estimated quarterly visits and spending, based on the quarterly shares on the previous page multiplied by annual estimates. It is possible that this understates the actual level of Q3 spending, for example due to higher prices or visitors with stronger spending profiles during Q3.

2023 Oregon's top markets levels by quarter

Levels of visits

Thousands, Oregon

	Quarter				Total
	Q1	Q2	Q3	Q4	
Overseas	50.3	65.1	77.9	65.1	258.4
Australia	2.7	3.2	3.5	3.4	12.8
Austria	1.1	1.4	1.9	1.5	5.9
Belgium	0.4	0.6	0.8	0.6	2.3
Brazil	1.4	1.6	1.9	1.7	6.6
Canada	79.8	87.1	98.7	77.5	343.2
China	2.3	2.6	4.1	3.0	12.0
France	2.2	3.5	4.6	3.3	13.7
Germany	3.5	5.7	7.2	4.8	21.2
India	5.3	6.8	7.1	6.3	25.6
Japan	2.6	2.7	4.3	3.4	13.0
Mexico	6.7	6.4	7.2	7.6	27.9
Netherlands	1.5	2.0	2.2	1.8	7.6
Nordic countries	1.9	2.6	2.9	2.3	9.7
South Korea	2.5	2.7	3.5	2.8	11.4
Taiwan	1.5	1.9	2.3	1.7	7.5
United Kingdom	4.8	7.0	7.8	6.4	26.0

Levels of spending

\$ Millions, Oregon

	Quarter				Total
	Q1	Q2	Q3	Q4	
Overseas	81.7	105.8	126.5	105.7	419.7
Australia	5.5	6.7	7.4	7.1	26.6
Austria	1.6	2.1	2.9	2.3	8.9
Belgium	0.6	1.0	1.3	0.9	3.7
Brazil	2.3	2.7	3.2	2.8	11.1
Canada	52.6	57.4	65.1	51.1	226.2
China	6.0	6.9	10.7	7.9	31.4
France	3.0	4.8	6.3	4.4	18.5
Germany	5.3	8.7	10.9	7.3	32.1
India	7.6	9.7	10.2	9.0	36.5
Japan	3.5	3.7	5.8	4.7	17.7
Mexico	3.9	3.7	4.2	4.4	16.1
Netherlands	1.9	2.4	2.8	2.3	9.3
Nordic countries	3.4	4.6	5.1	4.2	17.4
South Korea	3.7	4.1	5.2	4.2	17.2
Taiwan	1.8	2.4	2.9	2.1	9.2
United Kingdom	7.2	10.5	11.7	9.7	39.1

Note:

- Nordic countries include Denmark, Finland, Norway, Sweden
- Overseas is total international excluding Canada and Mexico

Source: Tourism Economics



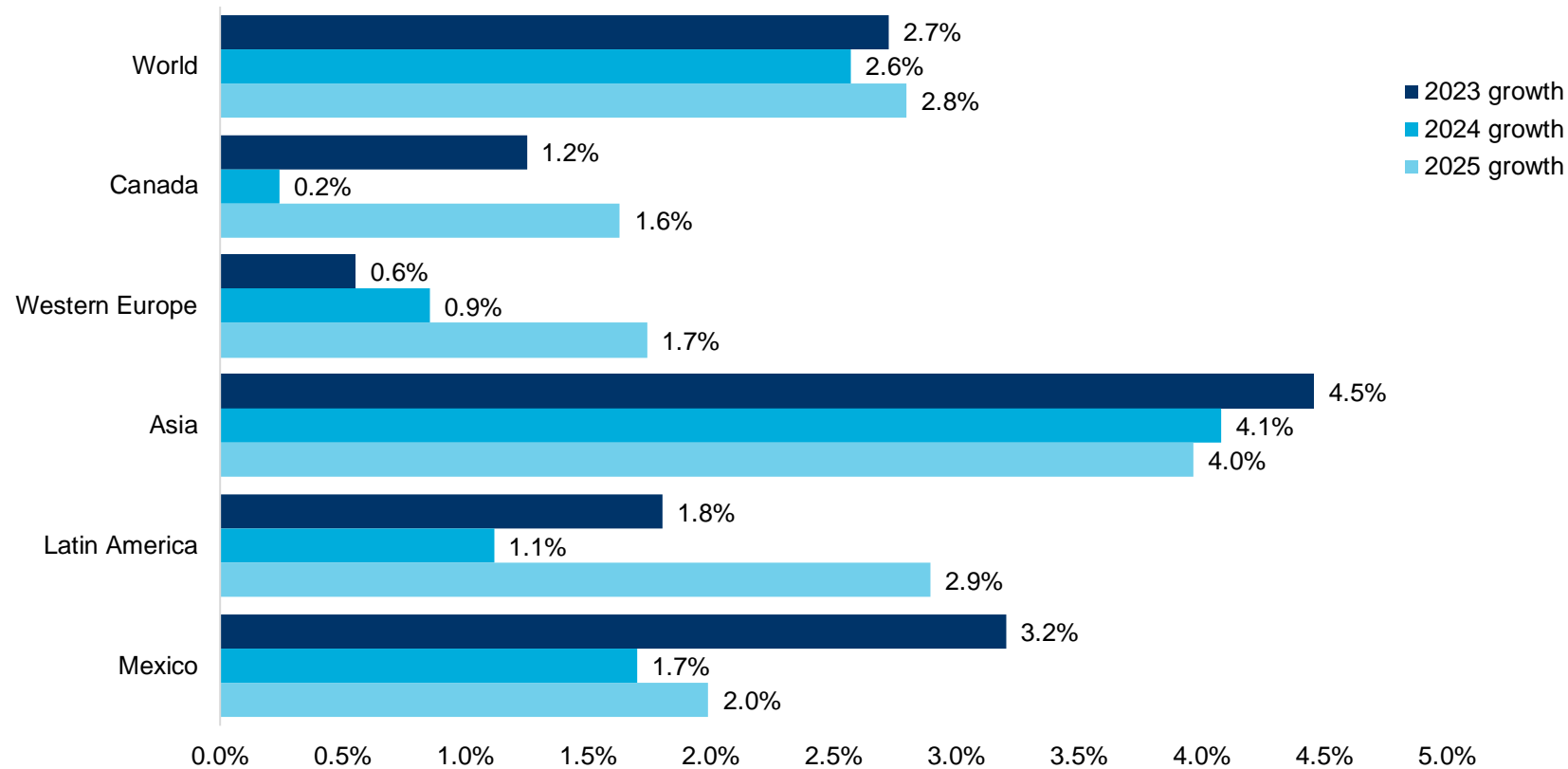
9 Trends for 2024 and Beyond

The global economy is slowing

- With higher interest rates in place to slow inflation, many advanced economies are expected to experience slower growth in 2024 than in 2023.

Global GDP annual year-over-year growth

Constant exchange rates, constant prices

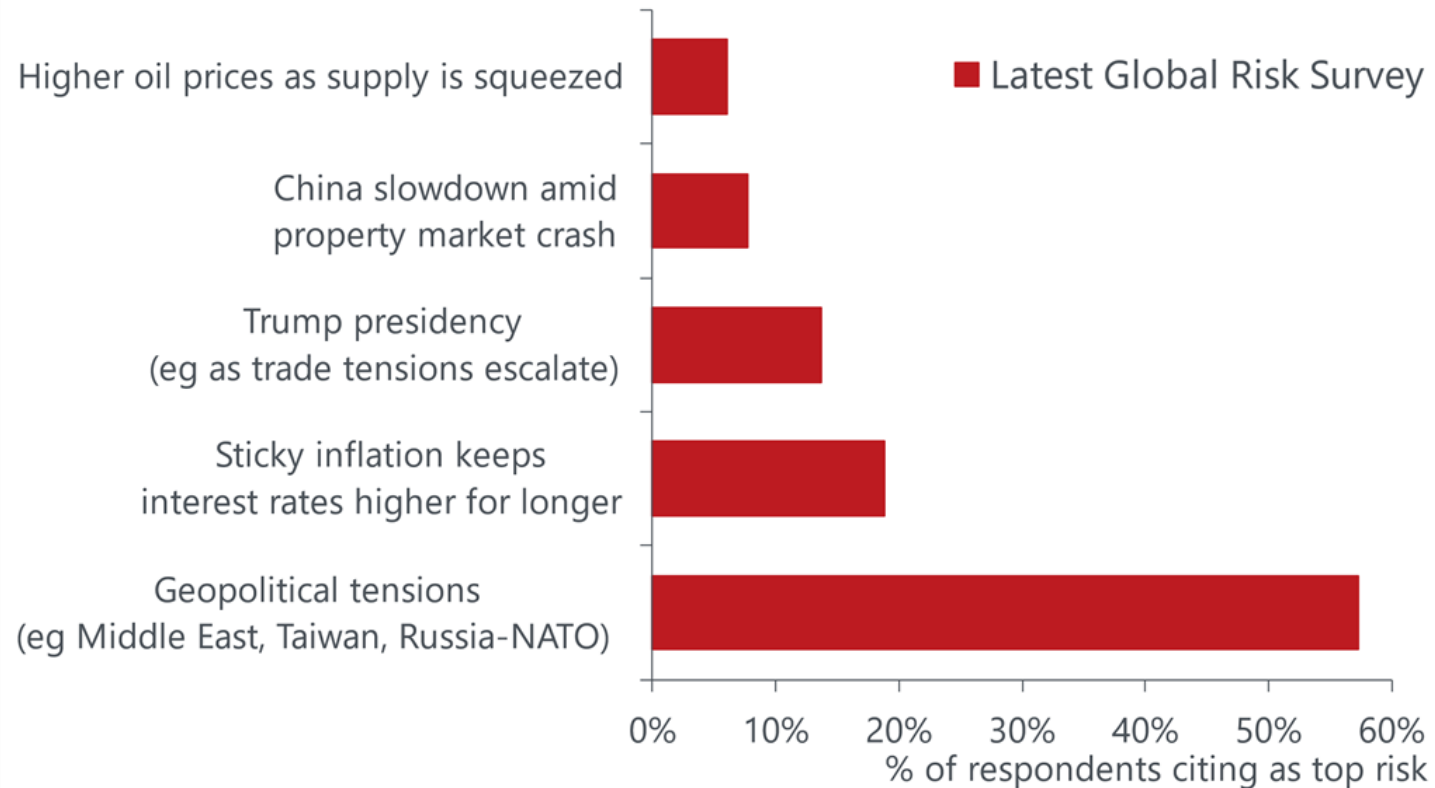


Note: Latin America excludes Mexico, which is shown separately, and Venezuela, which has experienced volatile GDP growth.
Source: Tourism Economics

Businesses cite geopolitical tensions as the top risk

- Escalation of one or more world conflicts would have the potential to slow global growth, though the effects would primarily be concentrated within the same region as the conflict

Global Risk Survey: near-term downside risks

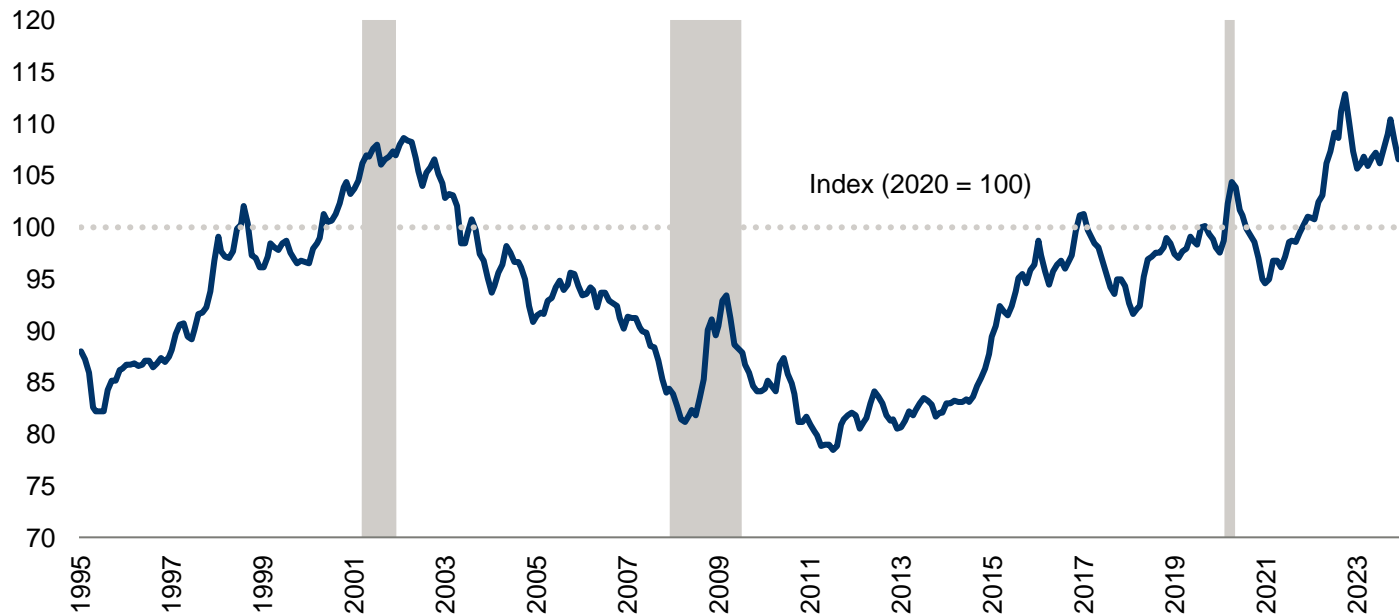


The dollar remains strong

- Vacations to the US are currently more expensive due to exchange rates
- In the outlook the US dollar is expected to weaken moderately after 2025.

Exchange rate, US dollar

Real broad effective exchange rate for United States, Index 2020=100, monthly, not seasonally adjusted



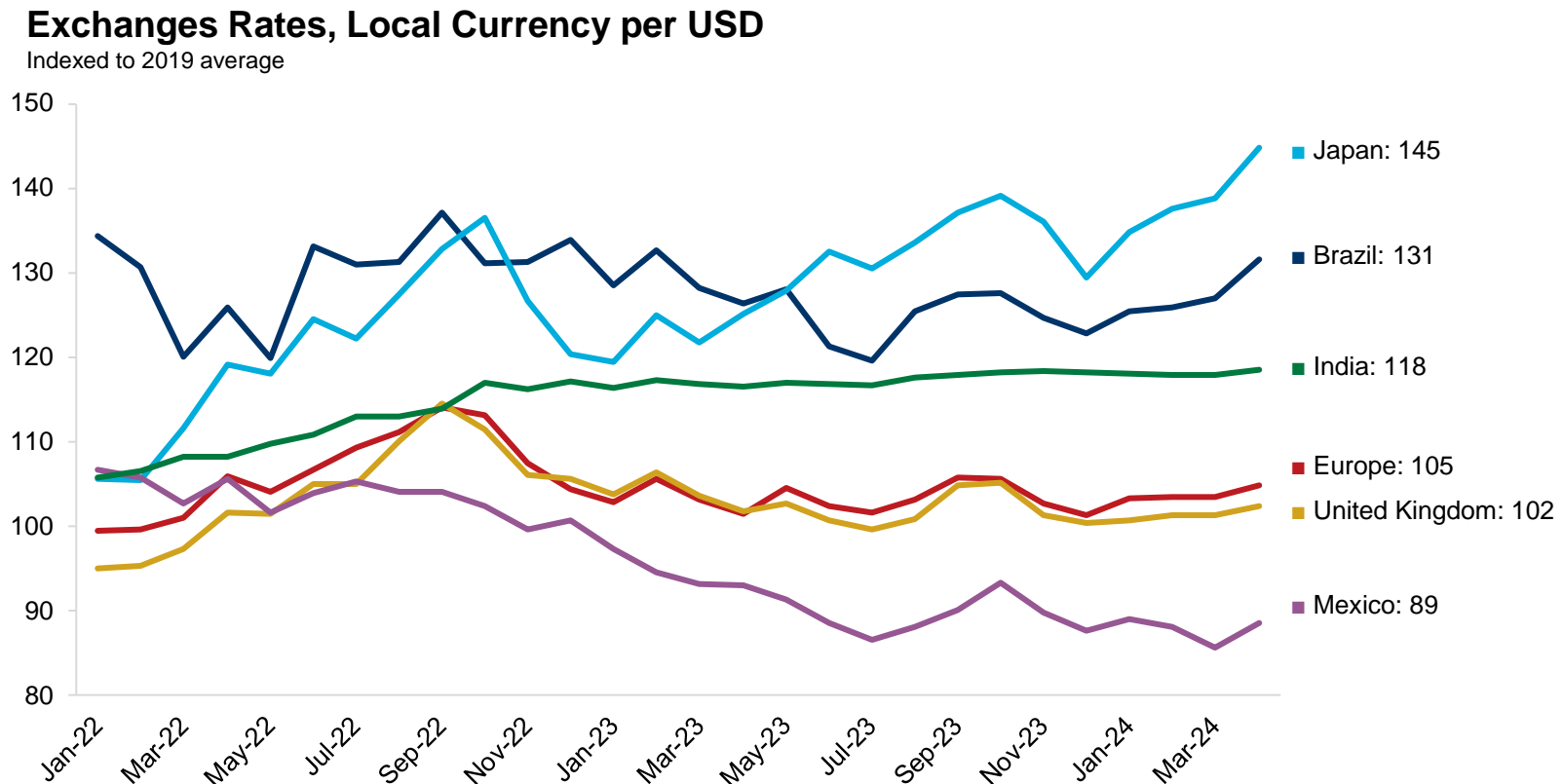
Note:

- Grey columns represent the recession periods.
- Real effective exchange rates are calculated as weighted averages of bilateral exchange rates adjusted by relative consumer prices.

Source: Federal Reserve Bank of St. Louis, Tourism Economics

Strong US dollar is a headwind for some inbound markets

- For Japan and Brazil in particular, the weak local currency means that the US appears as an even more expensive destination to visit. For example, it takes 1.45 times as many Yen to purchase a US dollar as it did in 2019, implying that the US appears 45% more expensive to Japanese travelers.



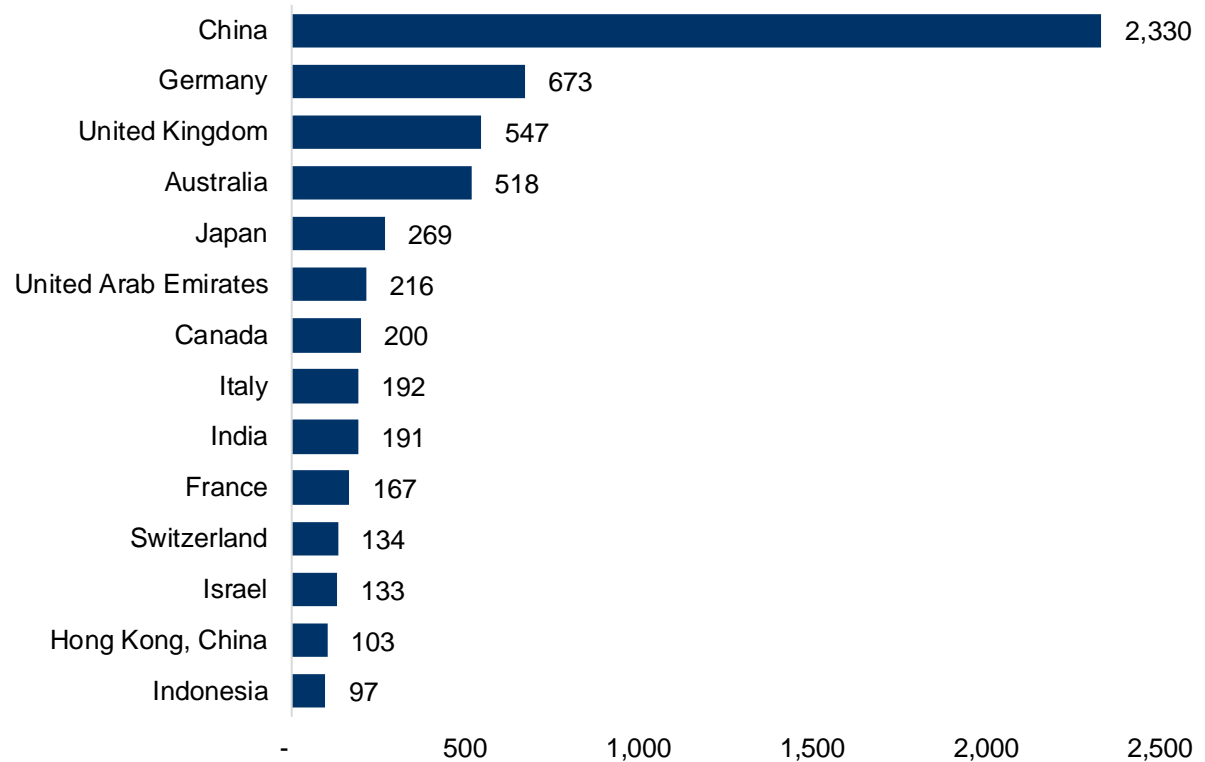
Note: Most recent data point is April 2024.
Source: Haver Analytics, Tourism Economics

The market of travel-ready households is expanding

- Even as the Chinese economy is slowing, the country is still expected to add 2.3 million target-market households between 2023 and 2028.
- As real incomes continue to grow in mature economies such as Germany and UK, these areas also are expected to experience growth in target market households.

Target market household growth

Thousands, change from 2023 to 2028



Note:

- Target market households defined here as 50% of households with income from \$100k to \$150k US dollars, plus all households with income over \$150k US dollars.
- Household income was measured in 2015 real dollars.

Source: Oxford Economics



10 Appendix

Global economic outlook assumptions

The world economy remains on track to grow at a steady pace through the second half of this year and into 2025. While growth will be unexceptional, we think concerns that a US recession could push the world economy on to a weaker growth trajectory are misplaced. Our world GDP growth forecasts are unchanged at 2.6% in 2024 and 2.8% in 2025.

US GDP growth slowed sharply at the start of 2024 and somewhat underperformed economists' expectations. But this doesn't imply that the economy is teetering on the brink of recession. After a robust H2 2023, some slowdown isn't an automatic cause for concern because growth in excess of the potential rate cannot continue indefinitely. Indeed, the Federal Reserve's goal for the past couple of years has been to bring growth down closer to trend to help contain underlying inflationary pressures.

Outright falls in activity would be cause for concern. However, it is the recent soft US data that is painting the most pessimistic picture and these indicators have done a poor job at predicting growth in recent years. Meanwhile, the softening labor market partly reflects new entrants to the labor force, rather than large-scale job losses. Reassuringly, the more reliable hard economic data have been more resilient and remain consistent with a relatively soft economic landing.

The US's weak start to the year was offset by more robust Chinese growth, which reflected strong rises in exports and inventories. But domestic sentiment is still weak and a further major ramp up of policy support is unlikely, so a return to more moderate growth is probable from Q2. Without further policy support, we expect growth to undershoot the government's 2024 target of 5%.

Overall, the likely soft performance of world GDP growth in Q2 was likely to have been payback for Q1's strength. In H2, we believe global growth will pick up gradually. Given this and ongoing signs that underlying inflation pressures are moderating, we expect central banks in key advanced economies to slowly lower rates from here. We continue to expect the Fed will begin its cautious rate cutting cycle in September.

Summary of International Forecasts						
(Annual percentage changes unless specified)						
	2020	2021	2022	2023	2024	2025
Real GDP						
North America						
United States	-2.2	5.8	1.9	2.5	2.3	1.8
Canada	-5.0	5.3	3.8	1.2	0.2	1.6
Europe						
Eurozone	-6.2	5.9	3.5	0.6	0.8	1.7
Germany	-4.2	3.1	1.9	0.0	0.1	1.2
France	-7.6	6.8	2.6	1.1	0.9	1.6
Italy	-9.0	8.3	4.1	1.0	0.8	1.1
Spain	-11.2	6.4	5.8	2.5	2.5	1.9
UK	-10.4	8.7	4.3	0.1	1.1	2.0
EU27	-5.8	5.9	3.5	0.6	0.9	1.9
Asia						
Japan	-4.2	2.8	1.2	1.8	0.2	1.2
Emerging Asia, excl Japan	0.0	7.8	3.7	4.9	4.7	4.4
China	2.2	8.5	3.0	5.2	4.8	4.2
India	-5.9	9.4	6.5	7.7	6.8	7.1
World	-3.0	6.4	3.1	2.7	2.6	2.8
World 2015 PPPs	-2.9	6.5	3.3	3.2	3.0	3.3
World trade	-6.0	12.6	4.7	-0.8	2.0	4.7
Inflation (CPI)						
North America						
United States	1.2	4.7	8.0	4.1	3.2	2.7
Canada	0.7	3.4	6.8	3.9	2.6	2.3
Europe						
Eurozone	0.3	2.6	8.4	5.4	2.3	1.4
Germany	0.5	3.1	6.9	5.9	1.9	0.9
France	0.5	1.6	5.2	4.9	2.3	1.7
Italy	-0.1	1.9	8.2	5.6	1.0	1.6
Spain	-0.3	3.1	8.4	3.5	3.0	2.3
UK	0.9	2.6	9.1	7.3	2.5	2.5
EU27	0.7	2.9	9.2	6.4	2.5	1.7
Asia						
Japan	0.0	-0.2	2.5	3.3	2.2	1.5
Emerging Asia, excl Japan	2.3	2.3	4.2	3.2	2.5	2.5
China	2.5	0.9	2.0	0.2	0.4	1.5
India	6.6	5.1	6.7	5.7	4.7	4.5
World	2.8	4.4	8.1	6.2	4.5	3.4
Exchange Rates						
US\$ Effective	109.0	104.5	115.1	115.4	117.2	116.3
\$/€	1.14	1.18	1.05	1.08	1.08	1.08
¥/\$	106.8	109.8	131.6	140.6	155.1	152.8
Commodity Prices						
Brent Oil (\$/bl)	41.8	70.7	100.8	82.5	83.2	77.9

About Tourism Economics

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, Buenos Aires, Dubai, Frankfurt, and Ontario.

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