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The Power of Travel 2050

OUR PERSPECTIVE ON THE NEXT GOLDEN ERA OF TRAVEL

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

The Velocity of Wealth

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

Longer, Healthier Lifespans

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

Travel as a Necessity

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

Diversified Corridors

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

By 2050…

~3Bn new potential travelers

7-8 generations simultaneously traveling[1]

Travel dominates discretionary spending

More routes, faster connectivity

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

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

1950s

Commercial Jet Engine Age

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

2000s

Online Travel

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

2050s

More Time, More Travel

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

Key technological disruptions impacting travel in the last decades

GDS & Loyalty

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

1980s

Personalized Travel (AI)

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

2020s

Source: A&M Analysis

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

Variables 2050

NON-EXHAUSTIVE

Socio-demographic

- Middle-Class Expansion
- Economic Power & Income
- Cost & Stability Metrics

Travel propensity

- Trips per person per year
- Distance to Markets
- Passport power

Destination attractiveness

- Accommodation supply and quality
- Trade and mobility agreements
- Transport infrastructure
- Historical & cultural ties
- Safety and security
- Flow interdependencies
- Linguistic network scale
- Structural geography

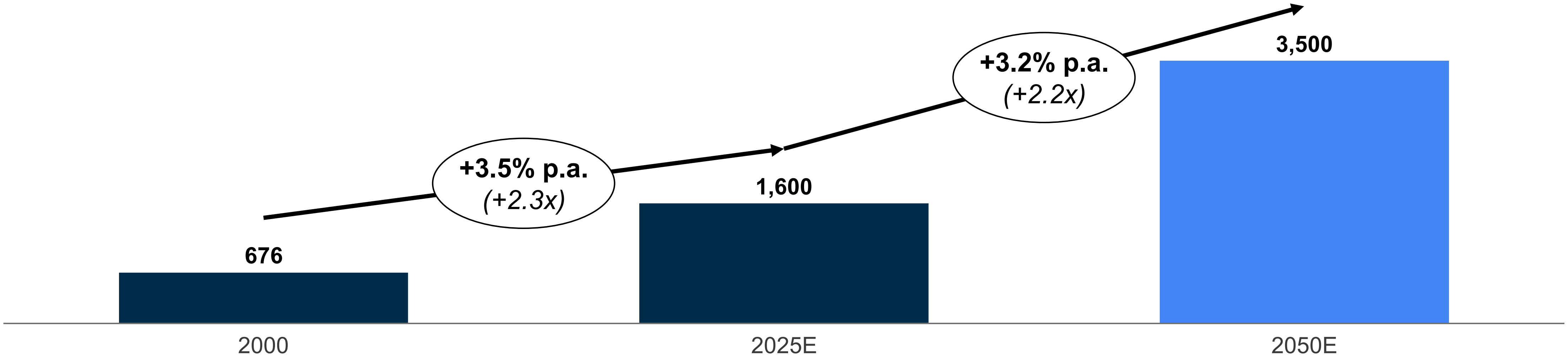
Key Data Sources

- Google Search
- A&M Analysis
- Iberia travel trends
- UNWTO
- WTTC
- World Bank
- OECD
- IATA
- National Tourism Offices
- World Factbook
- STR / CoStar

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

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

Outbound Departures (#Mn; 2000-2050E)



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

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

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

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

2000

	Country[1]	Outbound Trips (Mn)	Outbound per middle class (#)
35%	Germany	81	0.99
	USA	61	0.22
	UK	57	0.98
	Italy	20	0.36
	France	20	0.34
	Canada	19	0.63
	Russia	18	0.26
	Japan	18	0.15
	Netherlands	14	0.88
	Switzerland	12	1.72
	Mexico	11	0.26
	Hungary	11	1.38
	China	10	0.13
	Belgium	8	0.78
	Austria	8	0.95
46%	Below top-15	308	
	Total	**676**	

2025E

	Country	Outbound Trips (Mn)	Outbound per middle class (#)
33%	China	155	0.13
	Germany	115	1.42
	USA	115	0.34
	UK	95	1.41
	France	35	0.58
	Italy	35	0.62
	Canada	35	0.89
	India	35	0.15
	Russia	35	0.24
	Saudi Arabia	30	0.86
	South Korea	30	0.58
	UAE	30	3.09
	Netherlands	25	1.34
	Spain	20	0.48
	Mexico	20	0.21
48%	Below top-15	790	
	Total	**1,600**	

2050E

	Country	Outbound Trips (Mn)	Outbound per middle class (#)
40%	**India**	415	0.34
	China	365	0.29
	USA	295	0.80
	UK	165	2.31
	Germany	160	2.07
	Indonesia	75	0.31
	France	75	1.12
	Russia	70	0.53
	Saudi Arabia	65	1.41
	South Korea	65	1.48
	Brazil	65	0.32
	UAE	60	5.46
	Italy	55	1.05
	Canada	55	1.19
	Spain	50	1.14
41%	**Below top-15**	1,465	
	Total	**3,500**	

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

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

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

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

2000

	Country	Inbound Arrivals (Mn)
37%	France	77
	USA	51
	Spain	46
	Italy	41
	China	31
	UK	23
	Russia	21
	Mexico	21
	Canada	20
	Germany	19
	Austria	18
	Poland	17
	Greece	13
	Portugal	12
	Malaysia	10
38%	Below top-15	255
	Total	**676**

2025E

	Country	Inbound Arrivals (Mn)	CAGR 2000-25 (%)
26%	France	105	1.2%
	Spain	95	3.0%
	Italy	70	2.2%
	USA	70	1.1%
	China	65	3.0%
	Turkey	55	7.3%
	Mexico	45	3.3%
	UK	40	6.0%
	Japan	40	2.3%
	Germany	40	8.9%
	Saudi Arabia	40	2.9%
	Greece	40	7.3%
	Thailand	35	4.4%
	Austria	35	2.5%
	UAE	30	8.2%
49%	Below top-15	795	4.5%
	Total	**1,600**	**3.4%**

2050E

	Country	Inbound Arrivals (Mn)	CAGR 2025-50 (%)
16%	**Spain**	130	1.1%
	France	125	0.7%
	China	110	2.2%
	USA	105	1.7%
	Thailand	100	4.5%
	Italy	95	1.2%
	Mexico	90	2.7%
	Turkey	85	1.7%
	Saudi Arabia	85	3.2%
	India	70	5.5%
	Germany	65	2.1%
	UK	65	1.9%
	Japan	60	1.7%
	UAE	60	3.0%
	Malaysia	55	3.0%
63%	**Below top-15**	2,200	4.3%
	Total	**3,500**	**3.3%**

▨ Top 5 markets in 2000 ⬚ Top 5 markets in year ● xx% % share of overall inbound travel

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

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

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

2010[1]

74%

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

2025E

81%

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

2050E

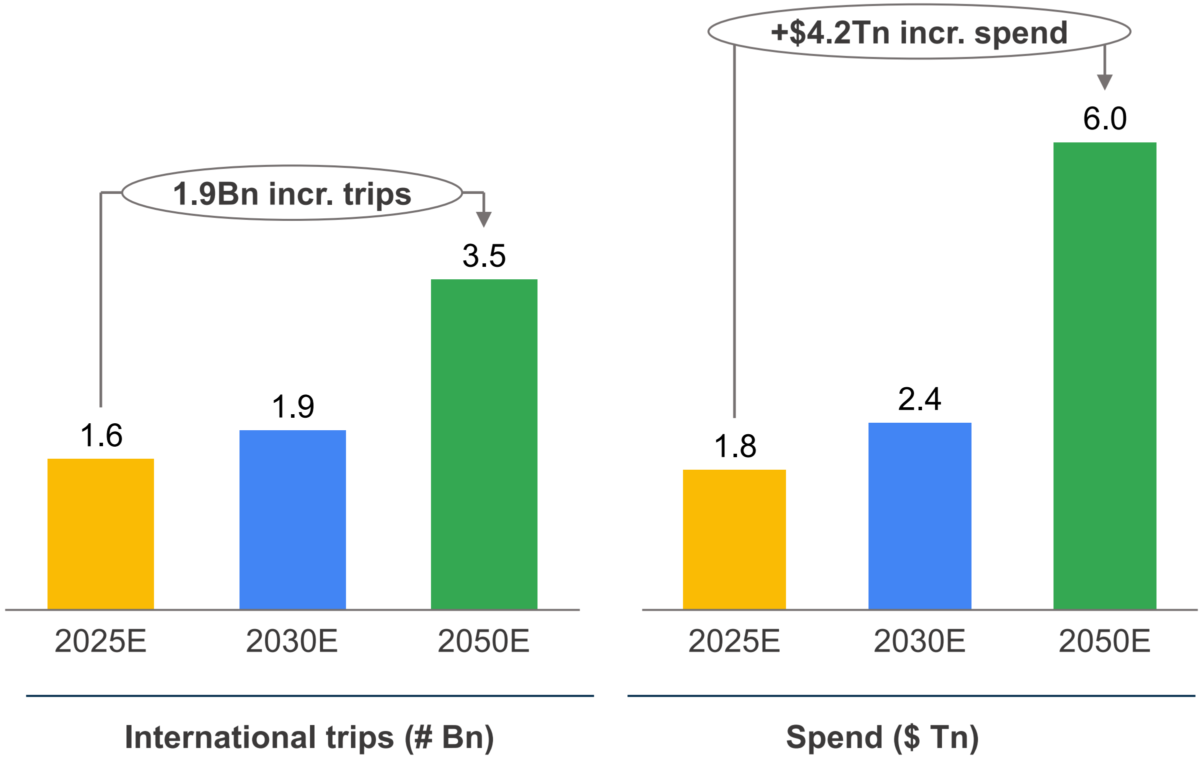
82%

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

Notes: Rounded numbers for presentation purposes; 1. Only countries with consistent and comparable domestic travel data are included; 2. 2000 figures not available due to limited country data from UNWTO
Source: A&M Analysis

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

Opportunity



Complexity TAX

Growth will fragment across regions

Channels and interfaces will proliferate, as social, AI-driven, and traditional discovery and booking coexist

Dmand for hyper-personalization, flexibility, and seamless experiences

Operating costs rise and increasingly sophisticated investors

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

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

Implications across commercial zones

DIRECTIONAL

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

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

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

Overview of implications for 2030

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

Source: A&M Analysis

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

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

NON-EXHAUSTIVE

	FOR THE OPERATOR	🟥	🟨	🟩	FOR THE TRAVELER	🟥	🟨	🟩
1.	Personal product and price				From EA to AI			
2.	From OrgChart to Workchart				Intelligent Spend & Loyalty Optimization			
3.	Reshape of the job descriptions and scopes				Undifferentiated inventory gets commoditized			
4.	Automated Frontline Operations and Tech Modernization				Hyper-Personalized In-Stay Experiences and Disruption Resolution			
5.	Predictive & Autonomous Property / Asset Management				Post-trip memory creates real lock-in			

Source: A&M Analysis

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THANK YOU

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