

Tourism Outlook: 2026 and Beyond

Bing Pan, Ph.D. (bingpan@psu.edu)

3rd Annual SKAL Northeast Regional Leadership Meeting

Oct 29, 2025



PennState
College of Health and
Human Development

Recreation, Park, and Tourism Management

What determine tourist volumes?

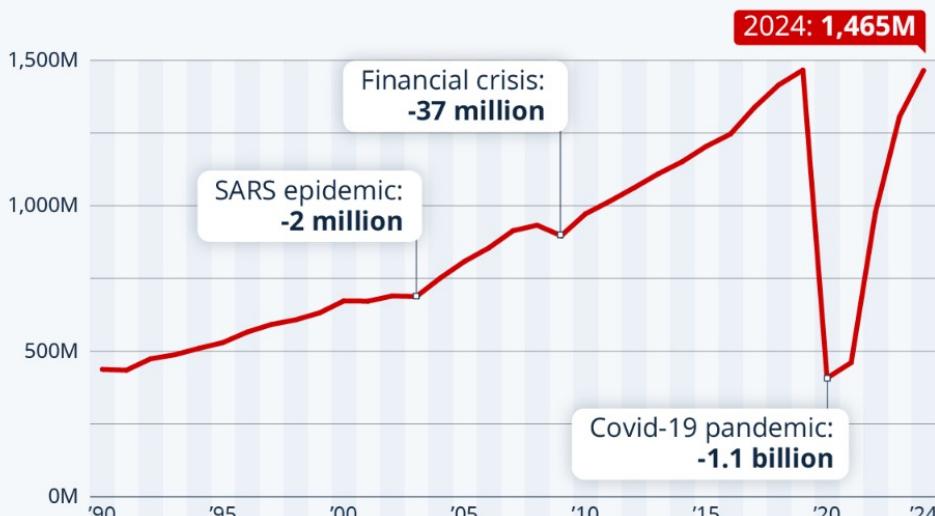
- Income level of origin country
- Population of the origin country
- Relative price in the destination
- Travel cost
- Political stability and security
- Destination image
- Visa requirements and convenience of customs



Perceived!

Full Recovery: Global Tourism Returns to Pre-Pandemic Level

International tourist arrivals worldwide since 1990



Source: UNWTO



PennState
College of Health and
Human Development

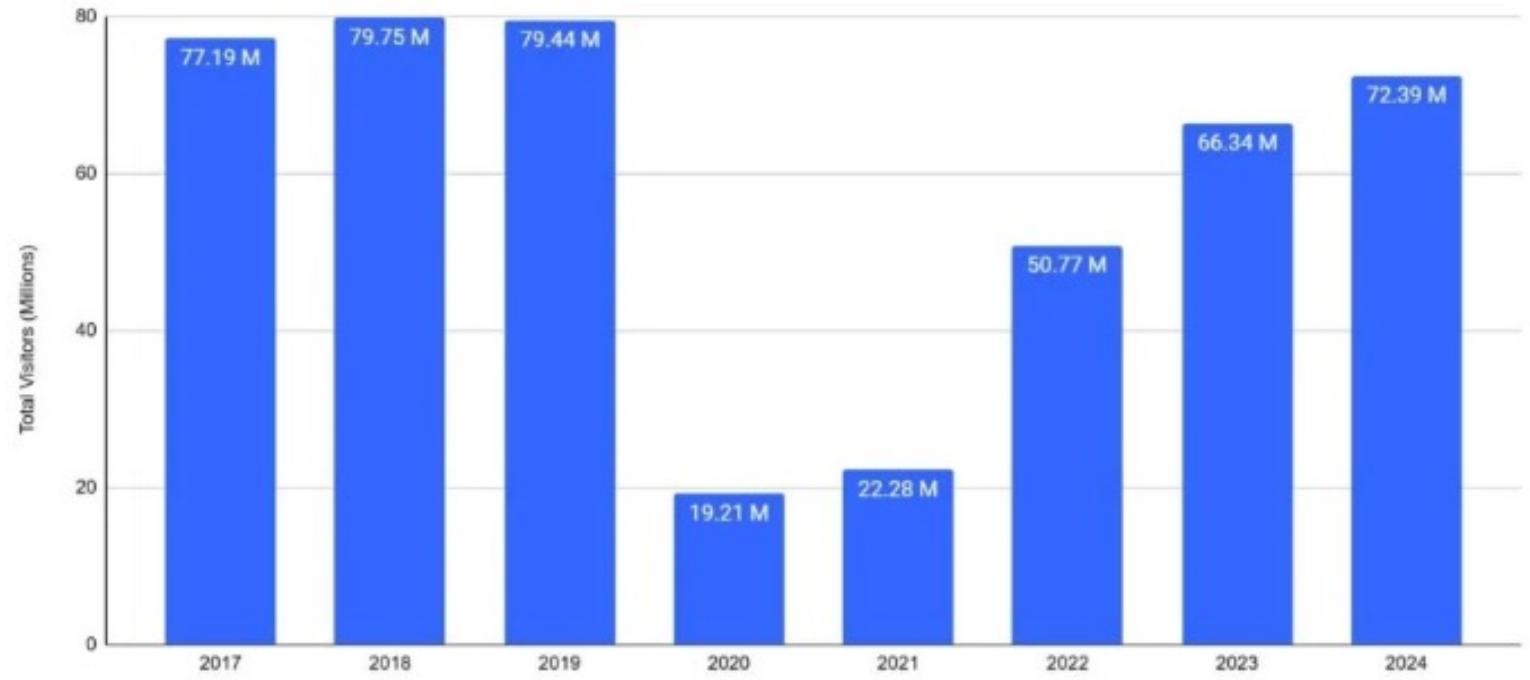
Global tourism grew 5% in the first half of 2025, expected to continue in the rest of the year and surpass 2019 level.

-- UNWTO

Recreation, Park, and Tourism Management

Recovery of U.S. International Visitors – International Trade Administration

Annual International Visitor Arrivals to the USA

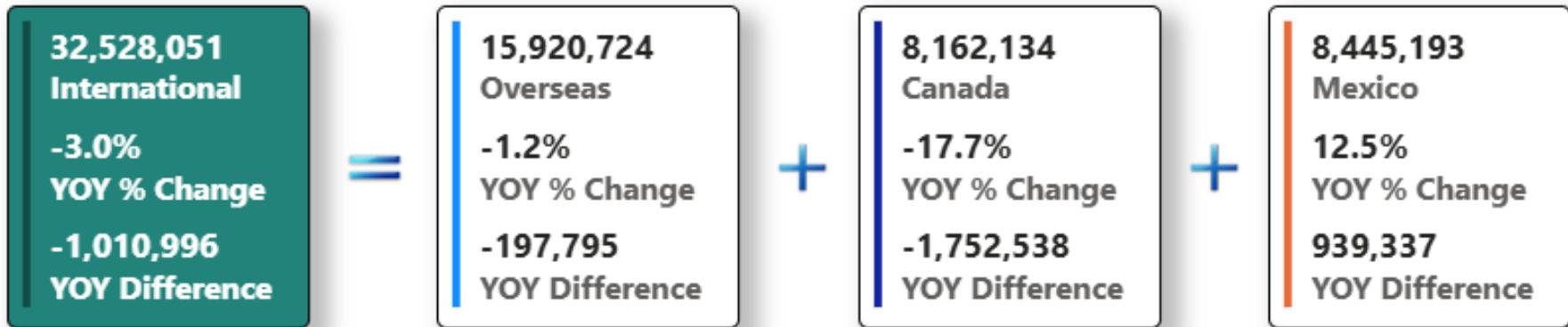


Pitt
County
Health

ent

The Year of 2025 is not looking good.

Current State of Visitor Arrivals to the United States (Year-To-Date) - June 2025



USTA forecast -6.3% in 2025; NTTO forecasted 6.5% increase

Regional differences in recovery

From 2019 to 2024:

China: 57% level

India: 149% level

South Korea: 74%

Italy: 103%

Dominican Republic: 114%

Canada: down -18% in 2025 from
2024

Colombia: 113%

Ecuador: 108%

Factors

- Strong U.S. dollar
- More strict U.S. immigration and visa policies
- Slow visa processing time
- Geopolitical and political tensions

Forecast for 2026 and beyond?

- Inbound arrival will be up from 2025 level and reach pre-pandemic level due to some Mega-events (FIFA 2026 and America's 250th Anniversary in 2026)
- East Asian markets will be staying at low-levels, but Canadians will come back
- Economic decoupling, tribalism, and climate challenge will put pressure on global tourism growth in near future....
- Is there an international tourism crisis?

Further explosion of GenAI use

53% of AI users rely on it to find attractions and restaurants;
47% use it for travel inspiration and transportation planning;
88% use AI services for overall booking and travel experience.

- Adobe report (2025)

Customer service chatbots increased productivity
Content generations for marketing and communication

AI is still not there yet...

- Nonexistent Sacred Canyon in Peru: AI placed tourists at an altitude of over 4,000 meters (about 13,000 feet) without proper resources, such as oxygen or phone signal, requiring intervention from local guides. – BBC News
- AI sent tourists to a mountain due to incorrect opening time – BBC News

We need to get ready...

Past: search algorithms and algorithmic marketing; the filter bubble and the Mathew effect

Future: communicate with your customers but also for AI models

Preparation for AI revolution

- Embed AI in the tourist research and planning process
- Mandatory AI literacy training
- Automate marketing and reservation with AI agents

- More authentic and high-touch hospitality service will be even more valued: marketing for non-AI service