

# The Impact of Uncertainty

How geopolitical dynamics are impacting the United States  
travel industry in 2025 and beyond



# Agenda

- 01 **How did we get here?**

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- 02 **Quantify the impact of international travel to US**

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- 03 **Demand impact to neighboring countries**

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- 04 **Macro effect on US hotel pricing**

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- 05 **Specific market analysis**

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- 06 **Looking ahead**



# What is Driving this Uncertainty?



Tariffs and  
Trade Disputes



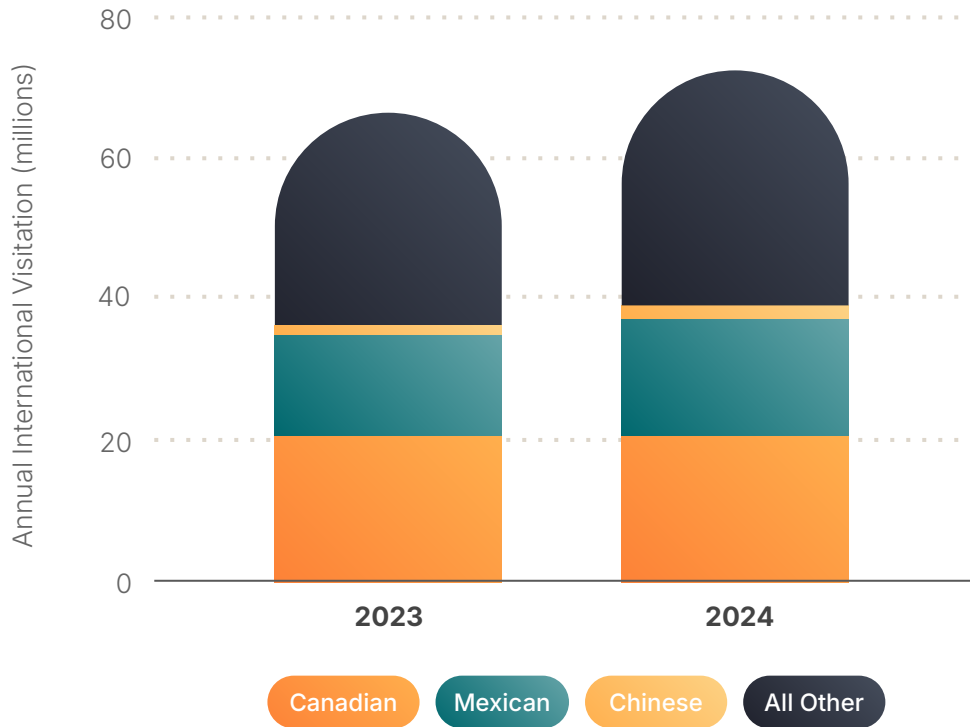
Border Controls  
and Immigration  
Policies



Political  
Polarization



Economic  
Uncertainty and  
**Decline** in Traveler  
Confidence



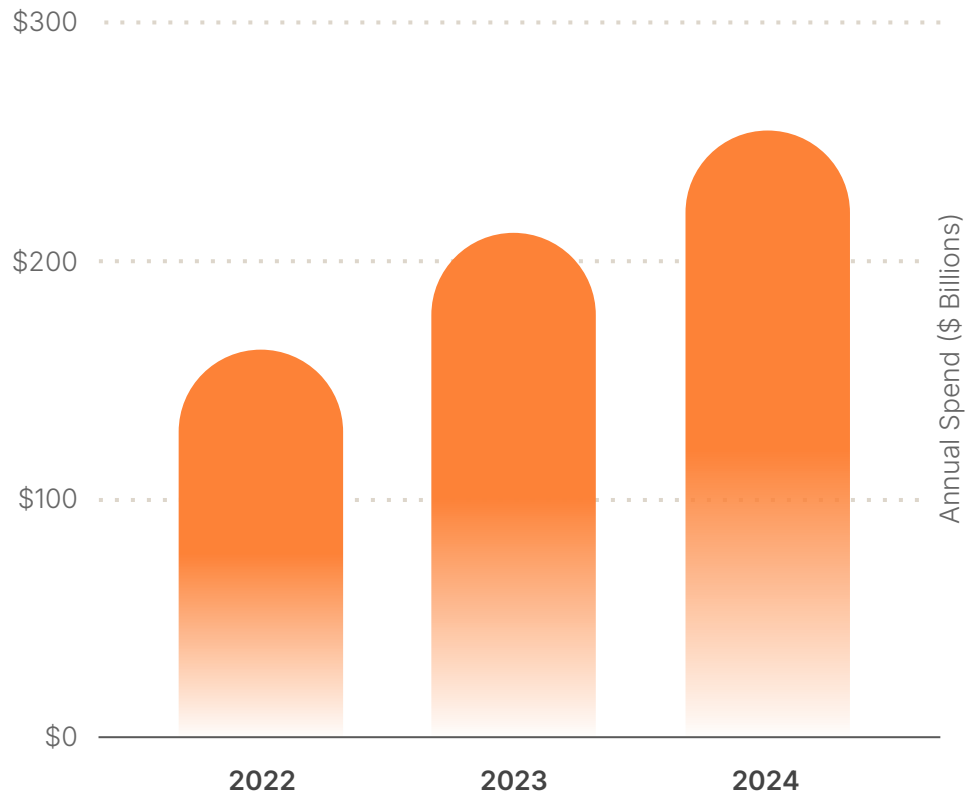
# How Important is International Inbound Travel to the US?

**Estimated Annual  
International Visitation to the US**



# And how much do they spend?

**Estimated Annual  
Int'l Visitor Spend in US**



Source: U.S. Department of Commerce - International Trade Administration

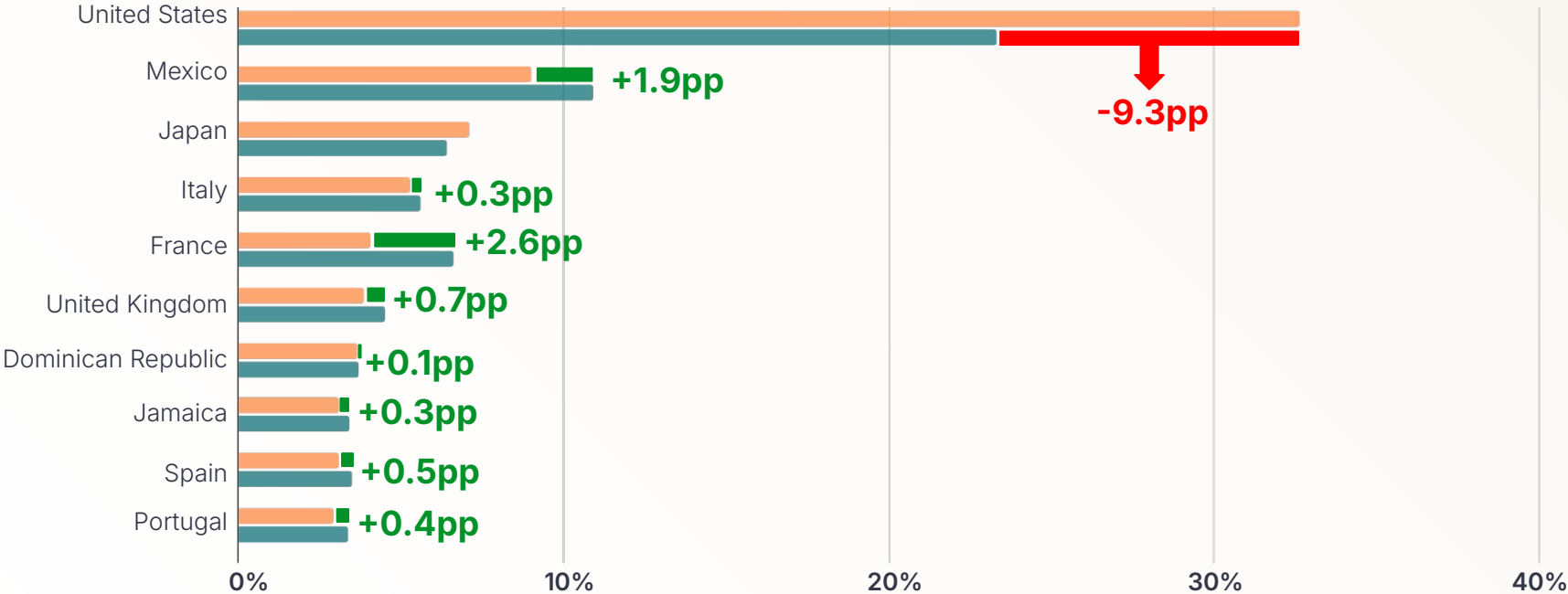
# Canadian Int'l Hotel Search % by Destination Country



May YOY

2024

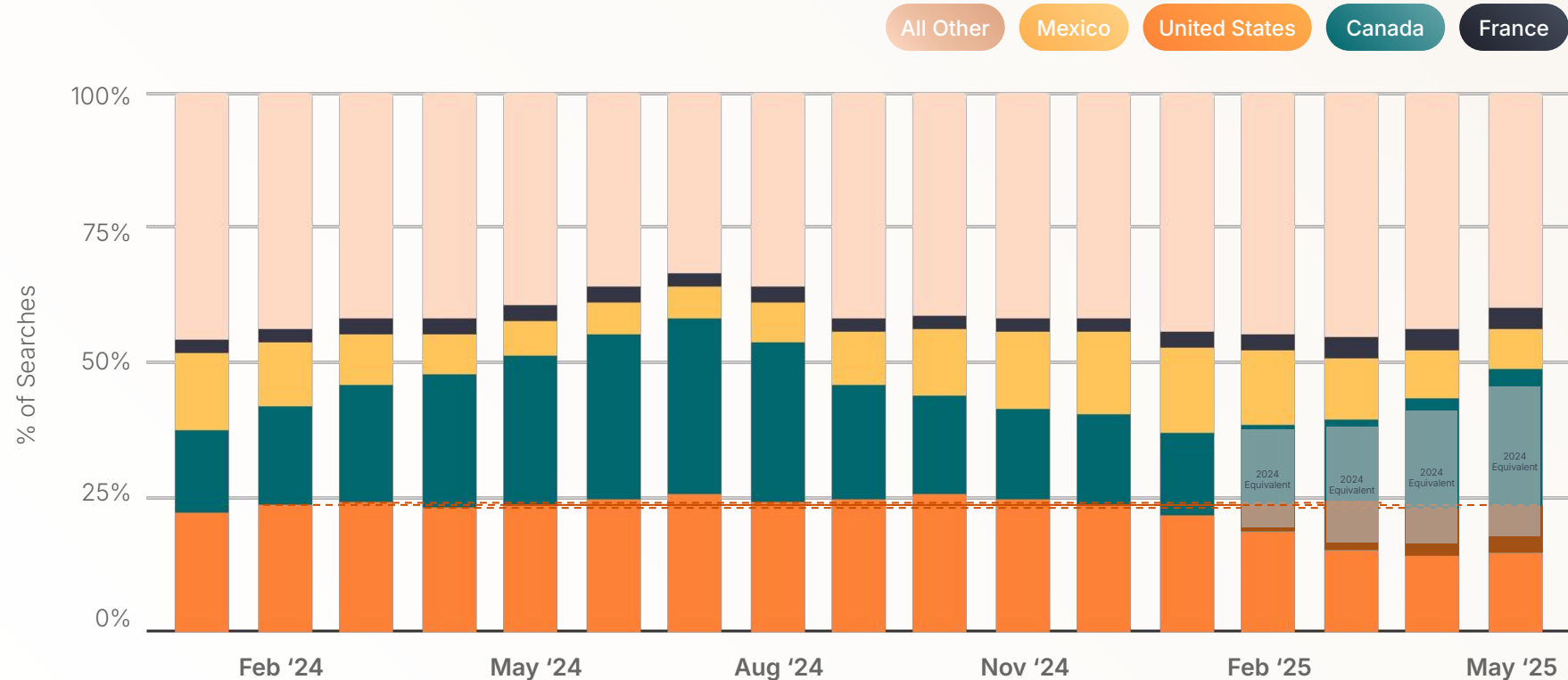
2025



# Canadian Hotel Search % by Country



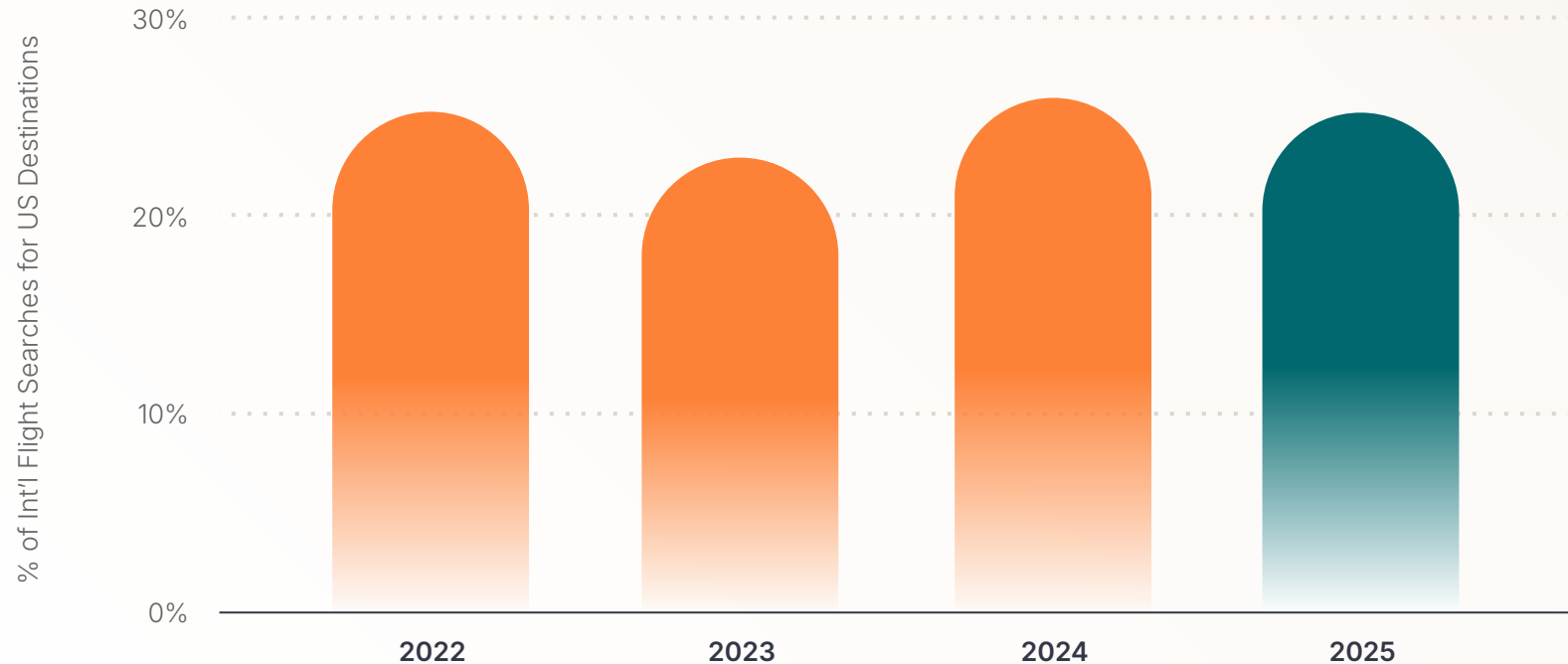
Evolution - January 2024 Onward



# Mexican Flight Search % for US Destinations



May Monthly Data, by Year

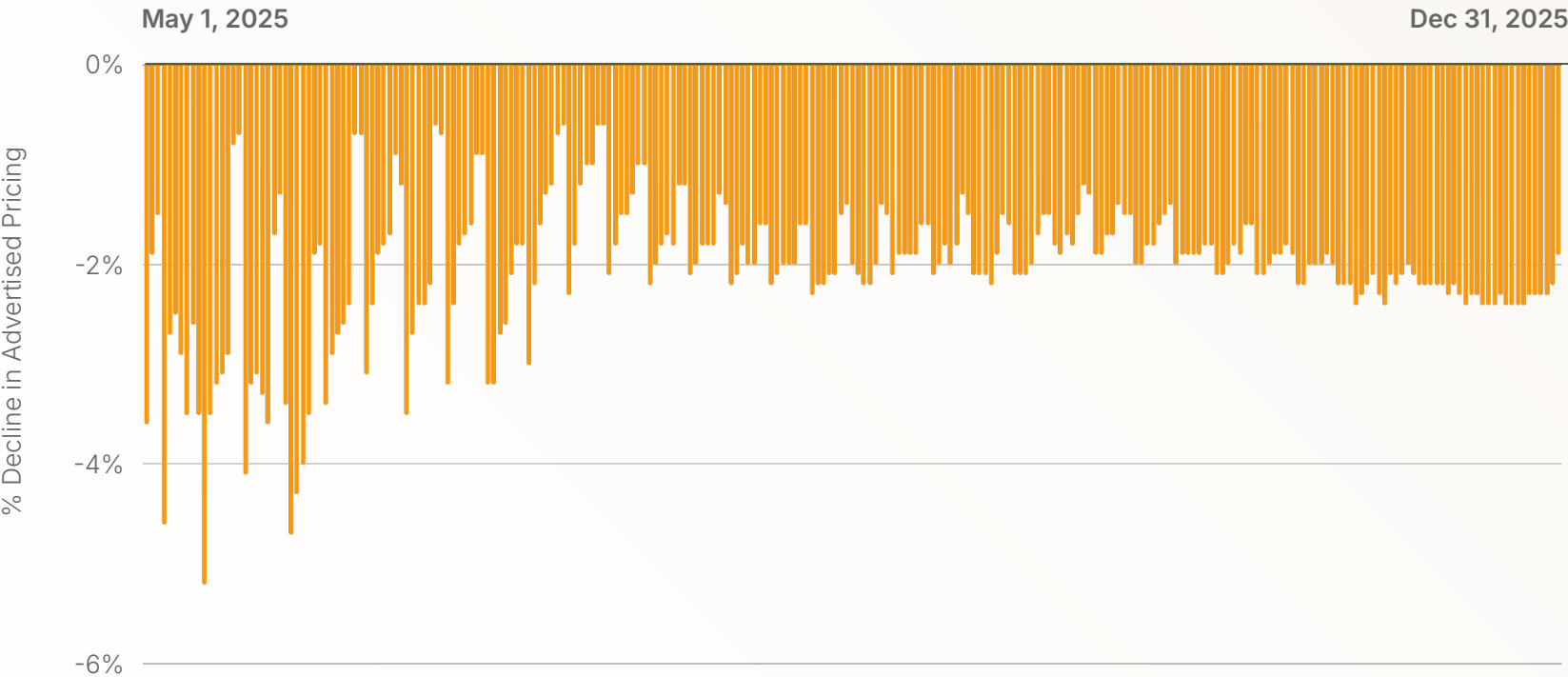




# Advertised Hotel Pricing: Tariff Correlation



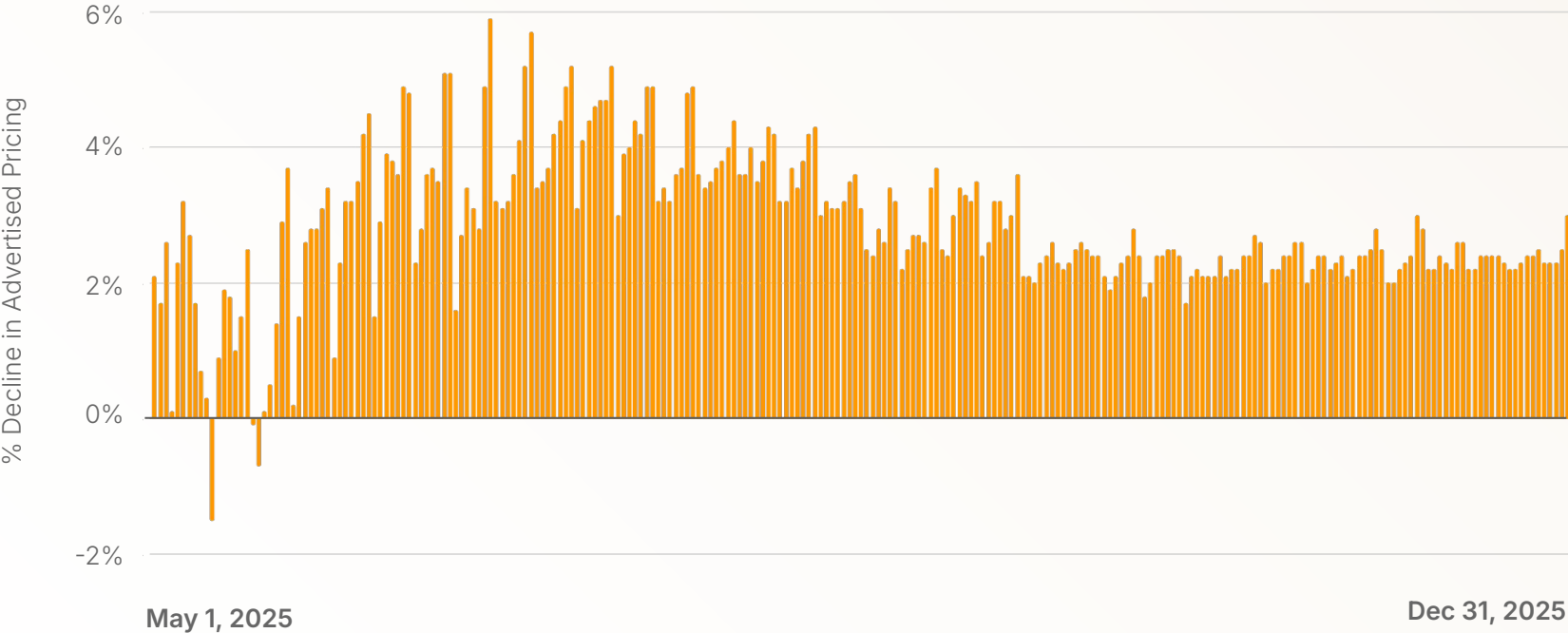
Adv. Prices for overall US for May - Dec 2025; Avg Adv. Pricing as of March vs. April 2025



# Advertised Hotel Pricing: Tariff Correlation



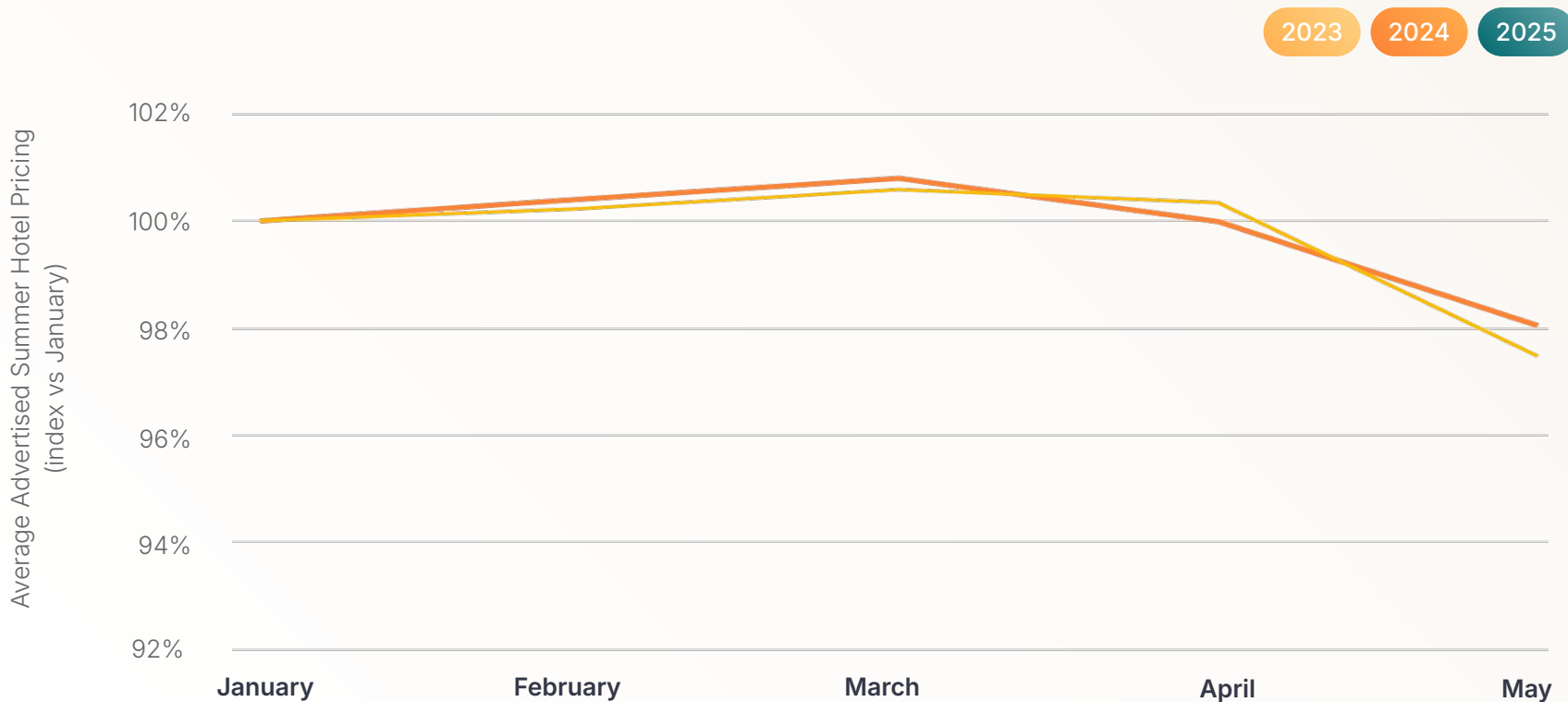
Adv. Prices for Canada for May - Dec 2025; Avg Advertised Pricing as of March vs. April 2025



# YOY Price Evolution for Summer Travel



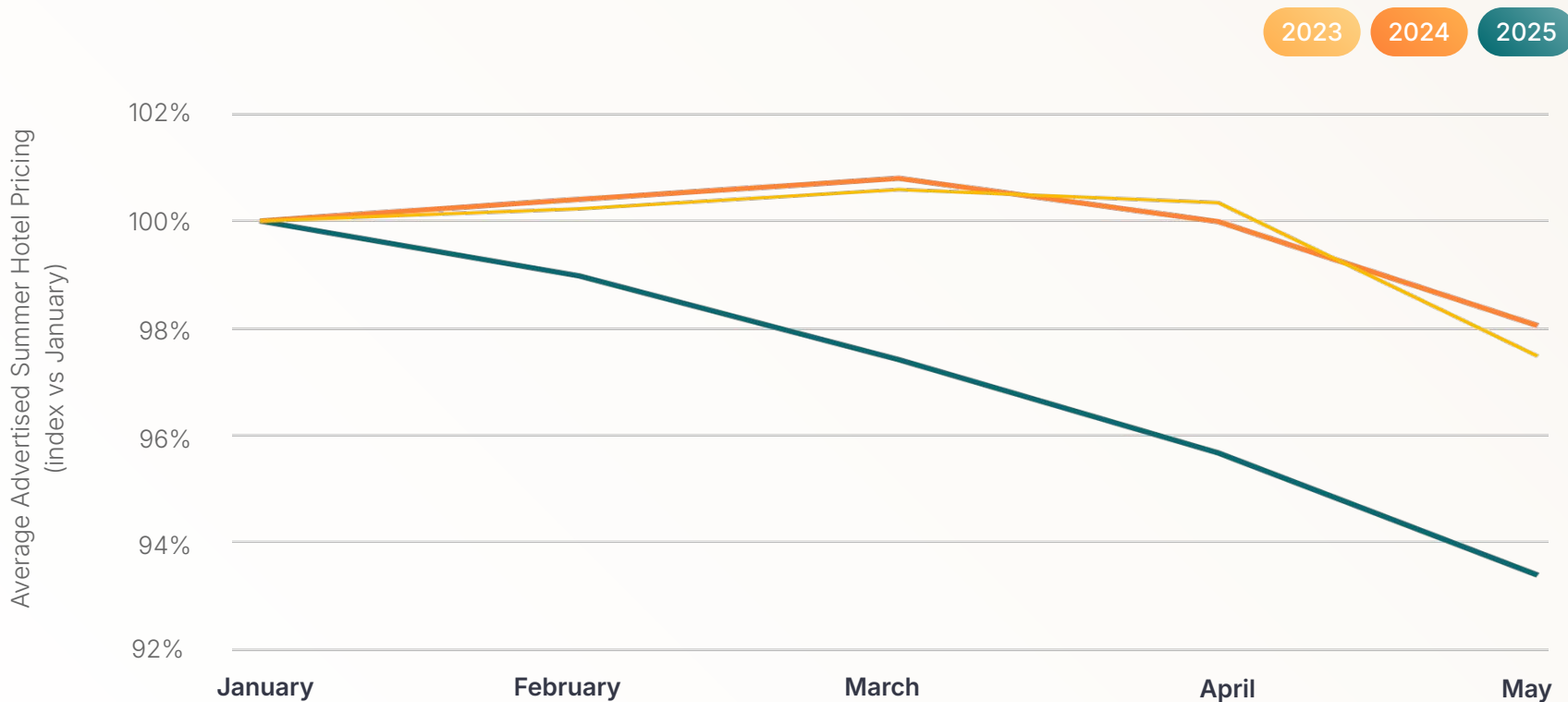
U.S. Advertised Summer Hotel Pricing (June + July in Aggregate) by Month - Index vs. January



# YOY Price Evolution for Summer Travel



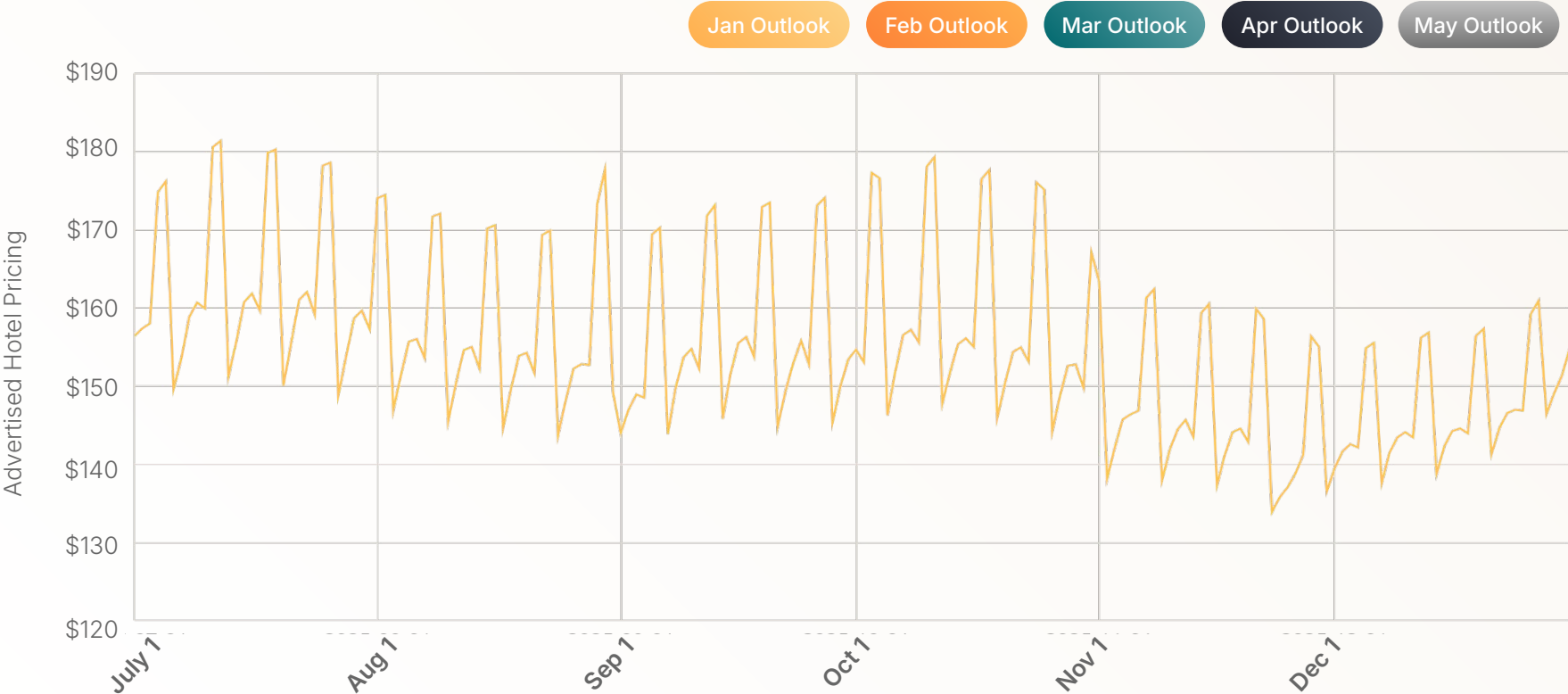
U.S. Advertised Summer Hotel Pricing (June + July in Aggregate) by Month - Index vs. January



# United States H2 Pricing Outlook Evolution



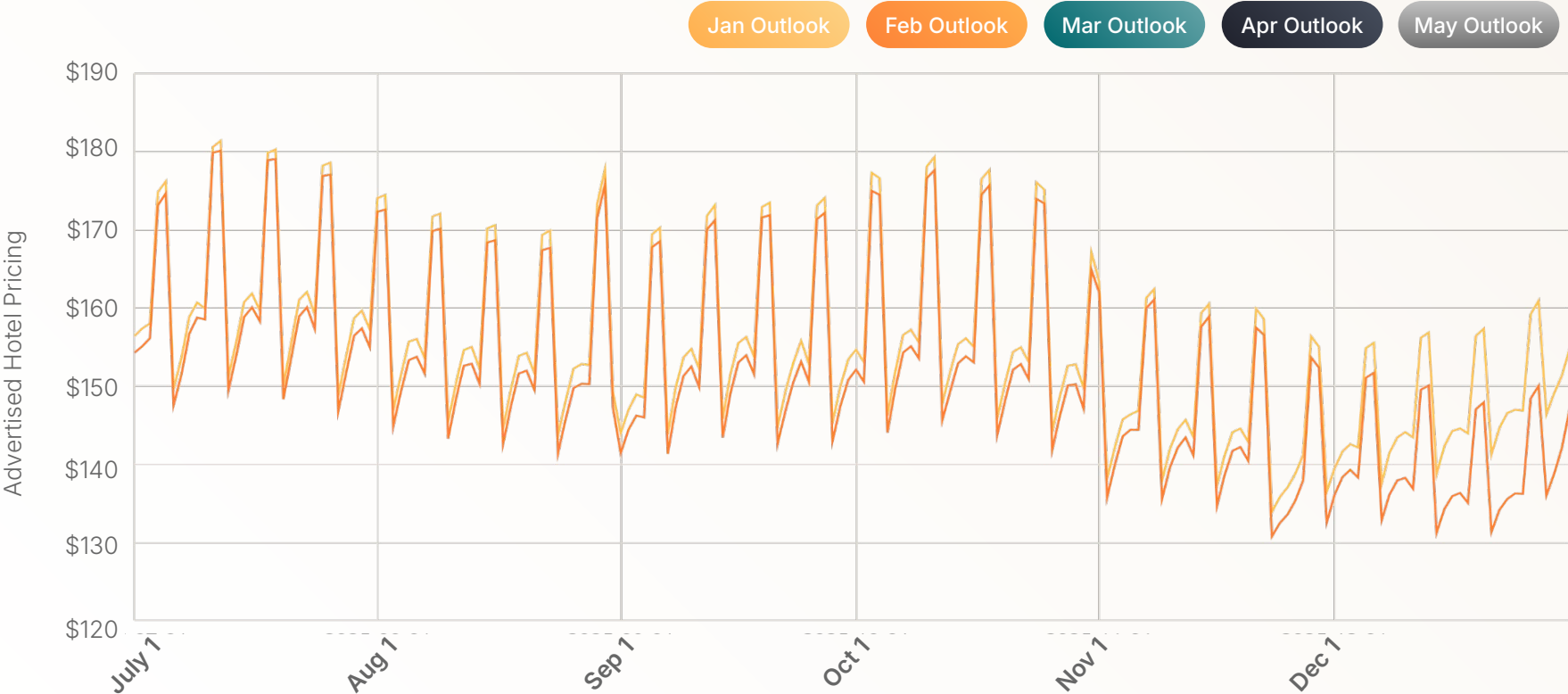
## 2nd Half Advertised Hotel Pricing - Evolution by Month



# United States H2 Pricing Outlook Evolution



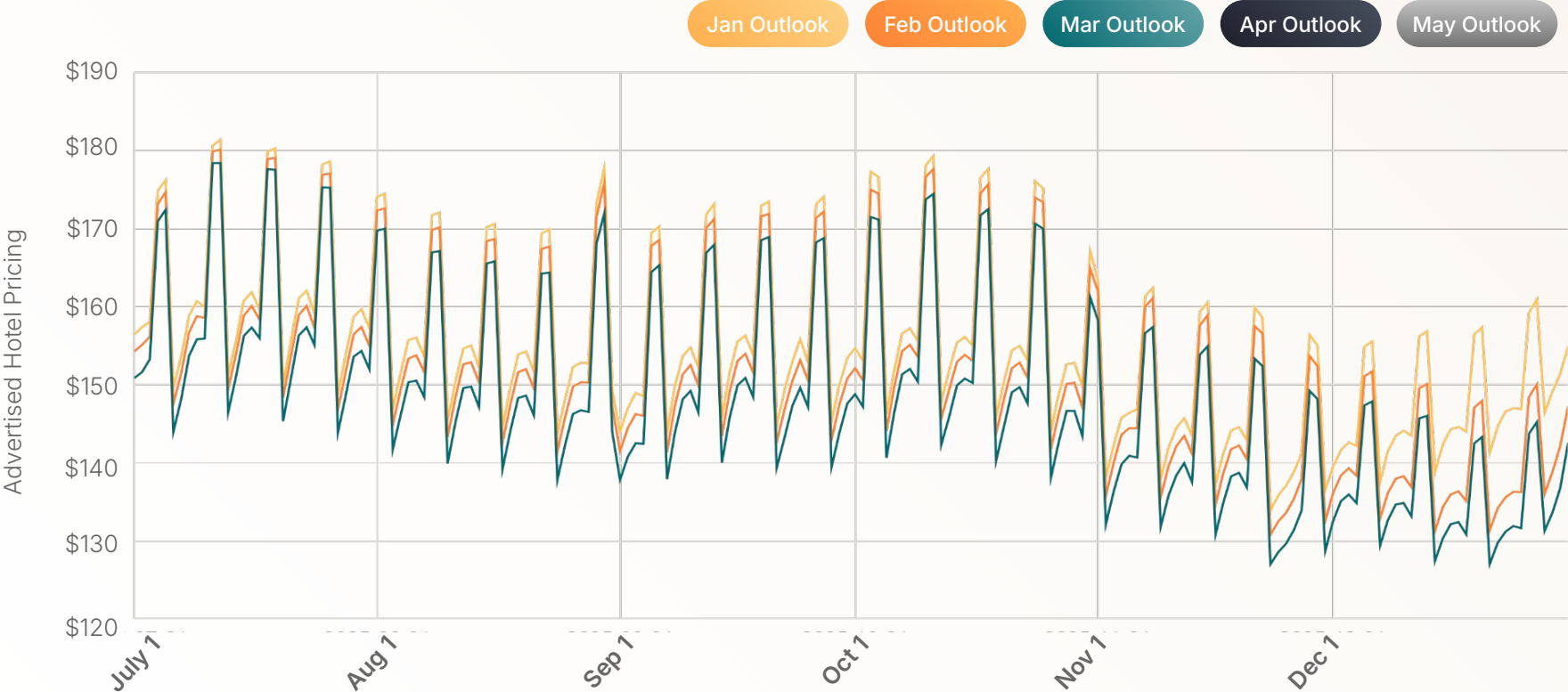
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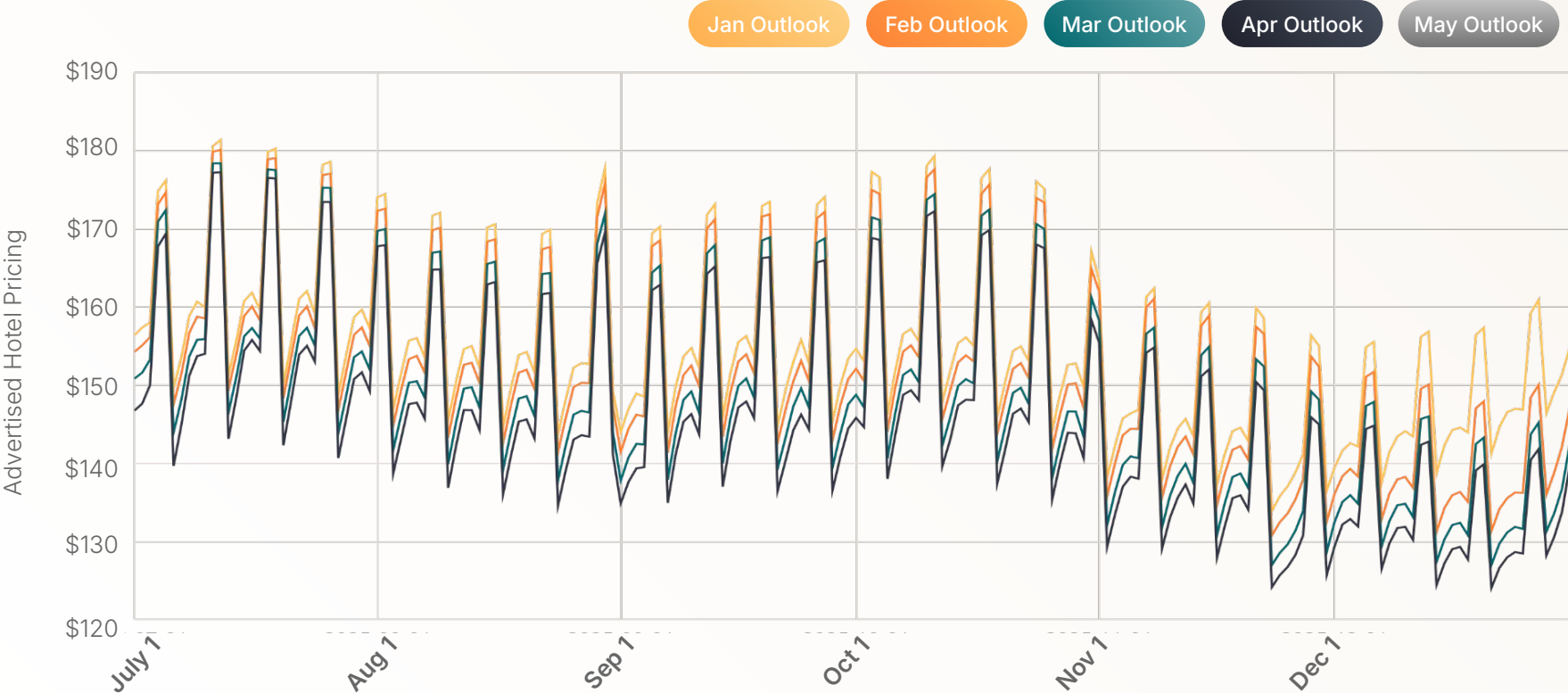
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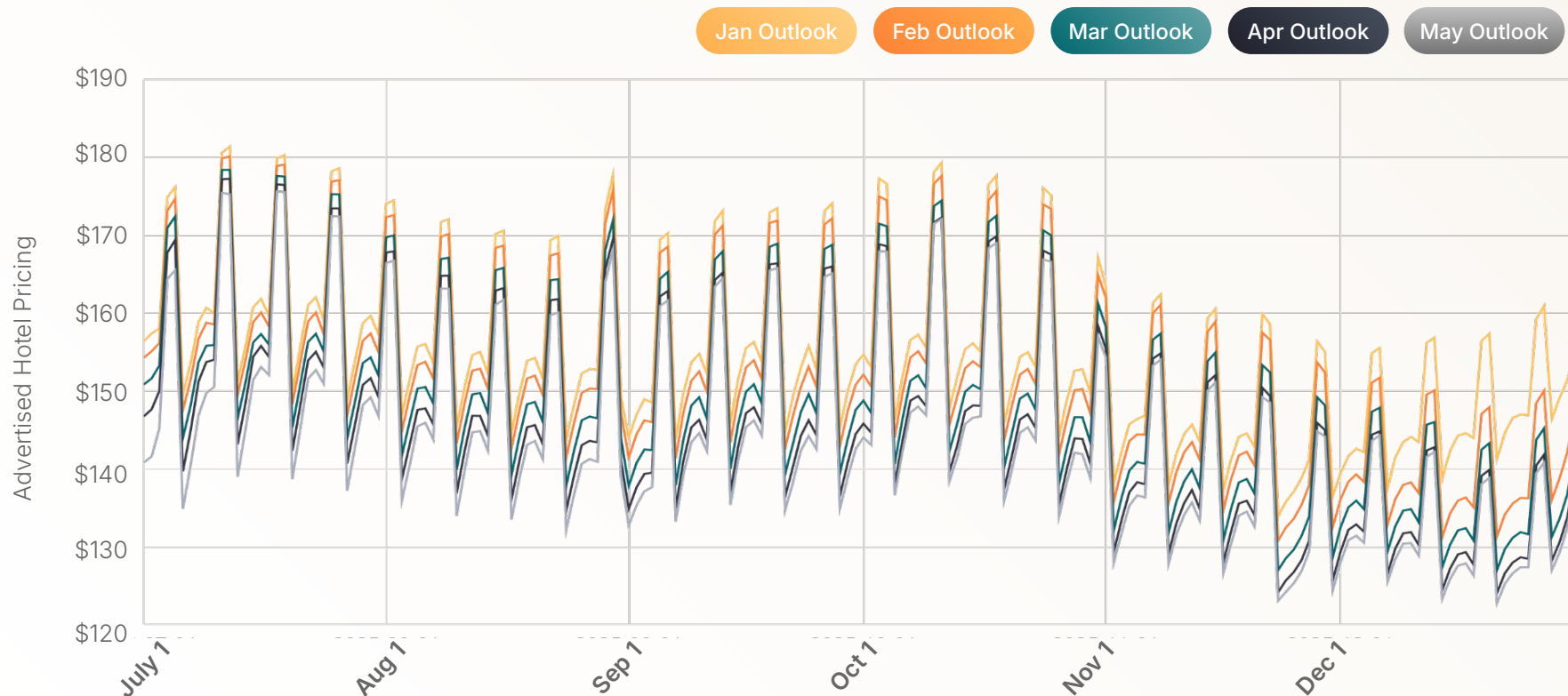




# United States H2 Pricing Outlook Evolution



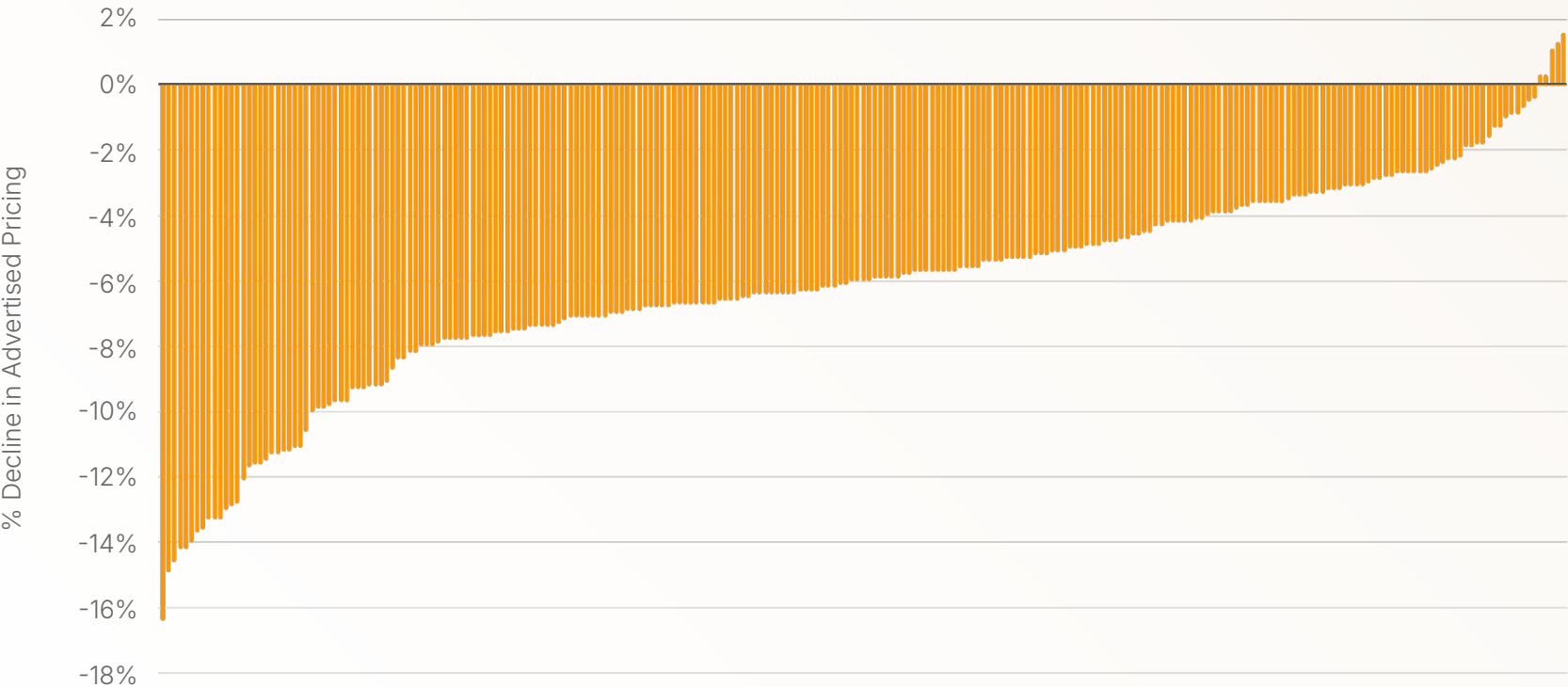
## 2nd Half Advertised Hotel Pricing - Evolution by Month



# Advertised Hotel Pricing: Tariff Correlation



Adv Prices in Washington, DC for May - Dec 2025; Avg Advertised Pricing as of March vs. April 2025



# The Effect of Tariffs on Advertised Hotel Pricing



Top 8 US Cities for Overseas Visitors - Comparing Hotel Pricing for May - Dec '25 as of March vs. April '25

# Days with Negative Price Growth

Average Nightly Price Decline

Los Angeles

244 -4.1%

Orlando

242 -3.7%

Washington, DC

240 -5.9%

San Francisco

232 -3.4%

New York

230 -3.2%

Miami

225 -3.5%

Las Vegas

223 -3.0%

Chicago

223 -2.3%

Average:  
232 Days

Average:  
-3.6%

# The Effect of Tariffs on Advertised Hotel Pricing



Non-Gateway Cities - Comparing Hotel Pricing for May - Dec '25 as of March vs. April '25

# Days with Negative Price Growth

Average Nightly Price Decline

Albuquerque

226 -2.2%

Anchorage

204 -2.6%

Columbia

186 -1.2%

Pensacola

182 -1.0%

Lancaster

169 -0.5%

Reno

152 -0.7%

Greenville

140 +0.1%

Bakersfield

82 +0.6%

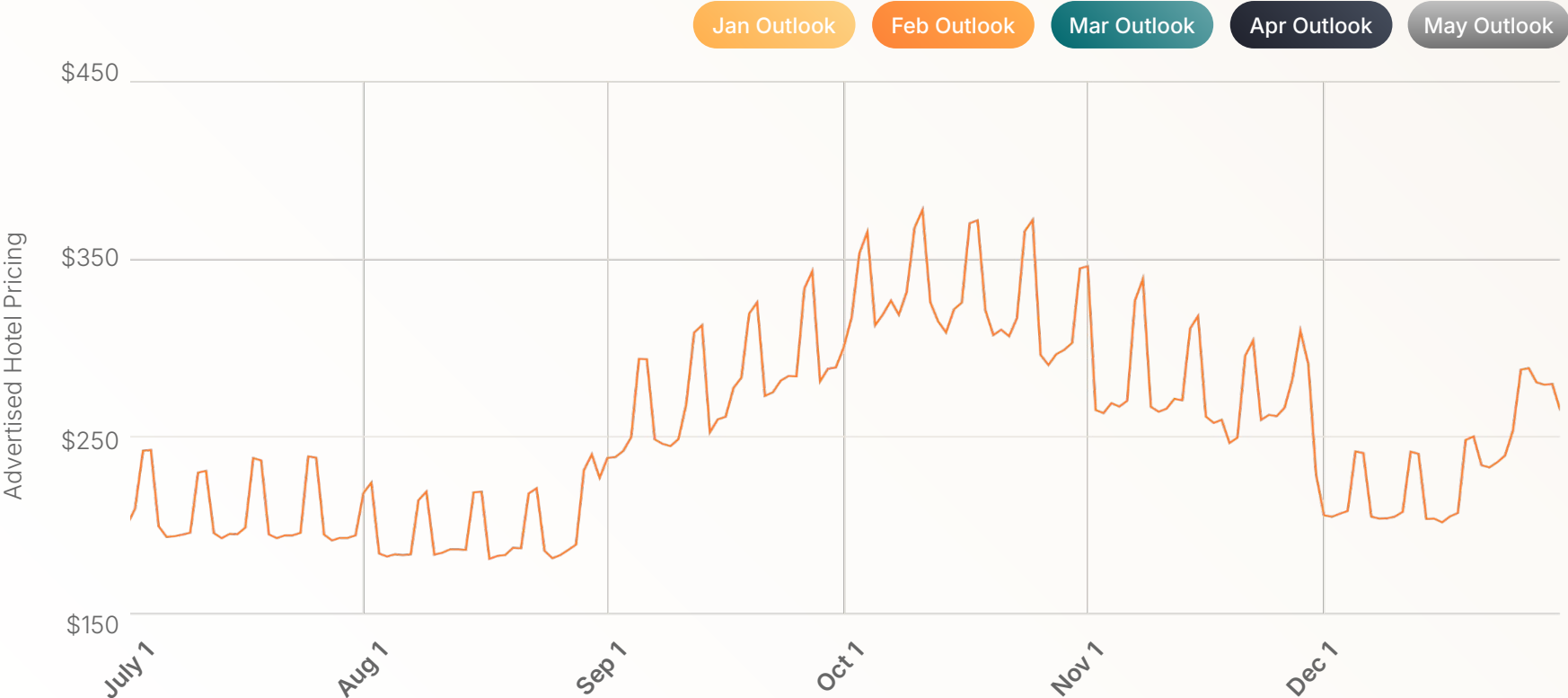
Average: 167  
Days

Average:  
-0.9%

# Sedona H2 Pricing Outlook Evolution



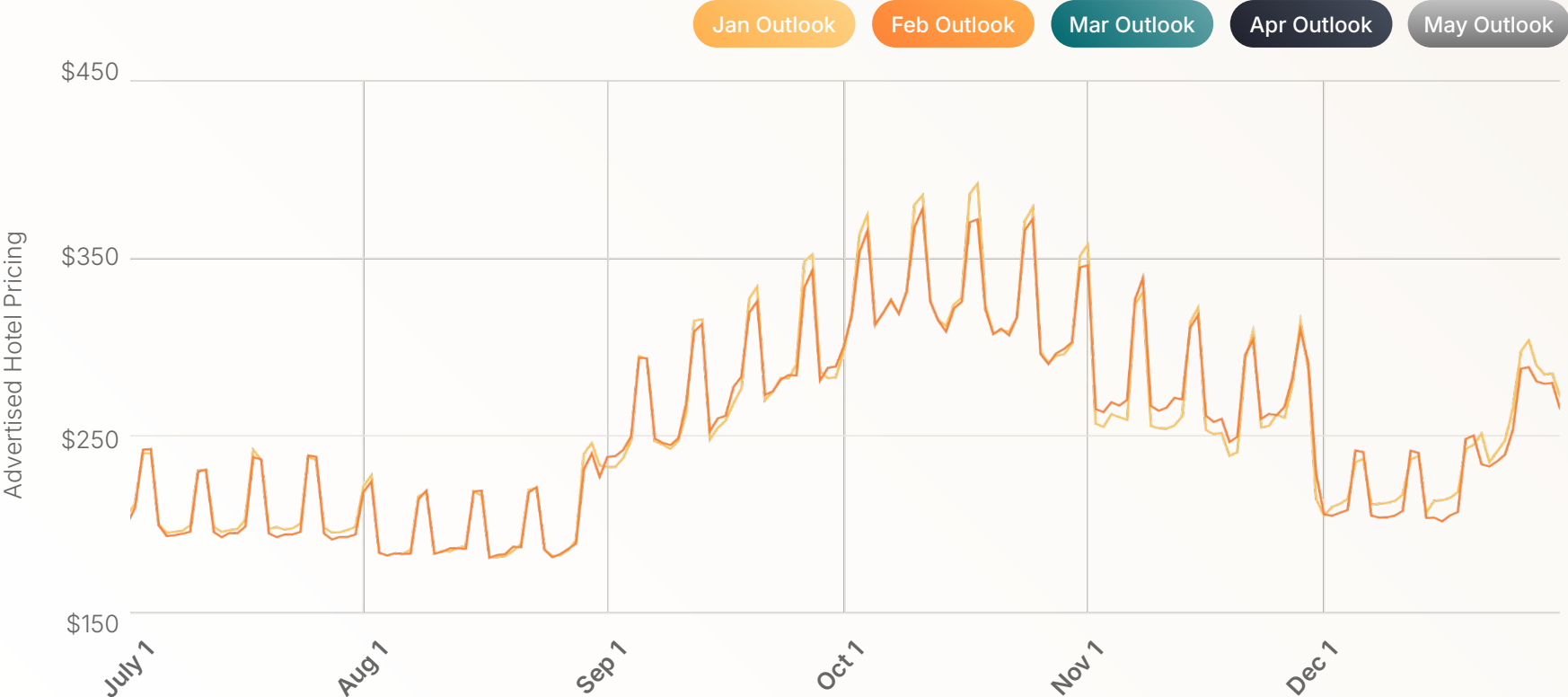
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# Sedona H2 Pricing Outlook Evolution



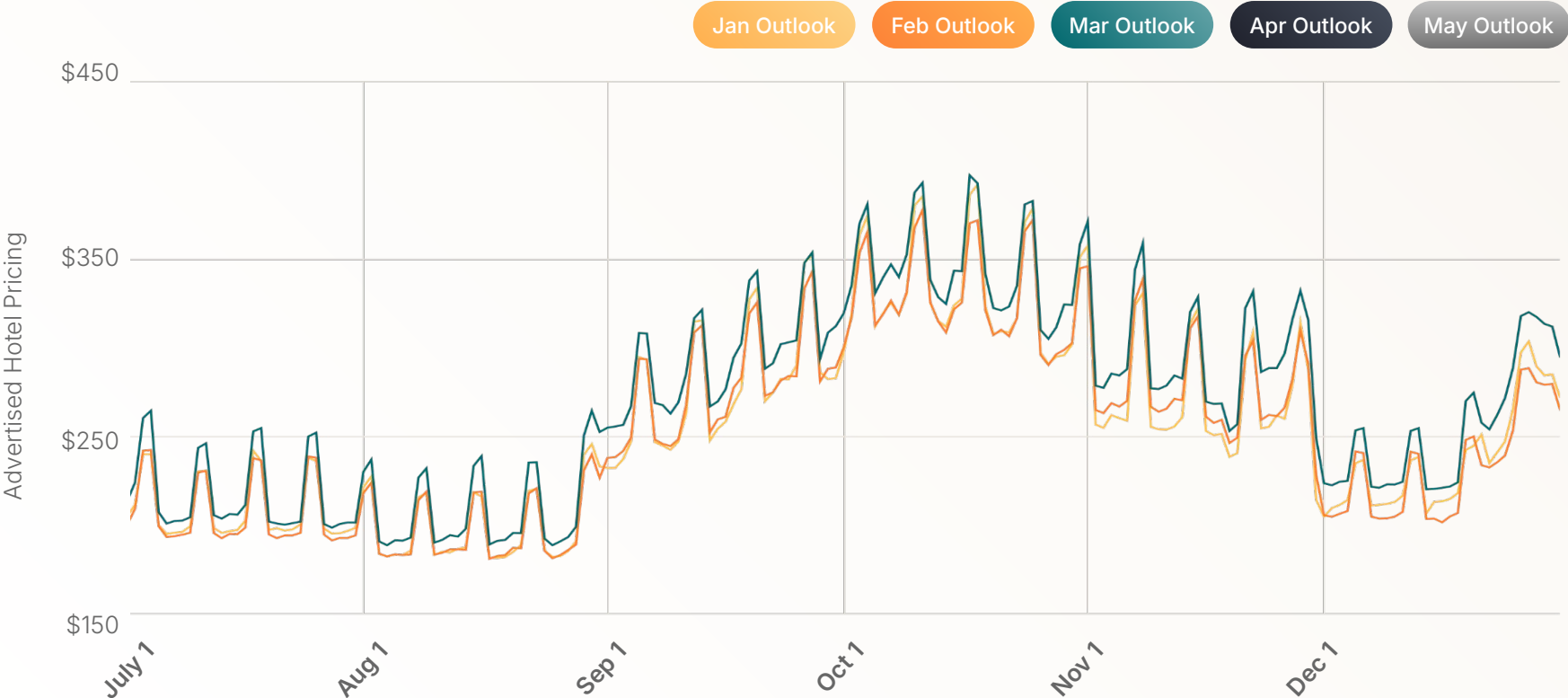
2nd Half Advertised Hotel Pricing - Evolution by Month



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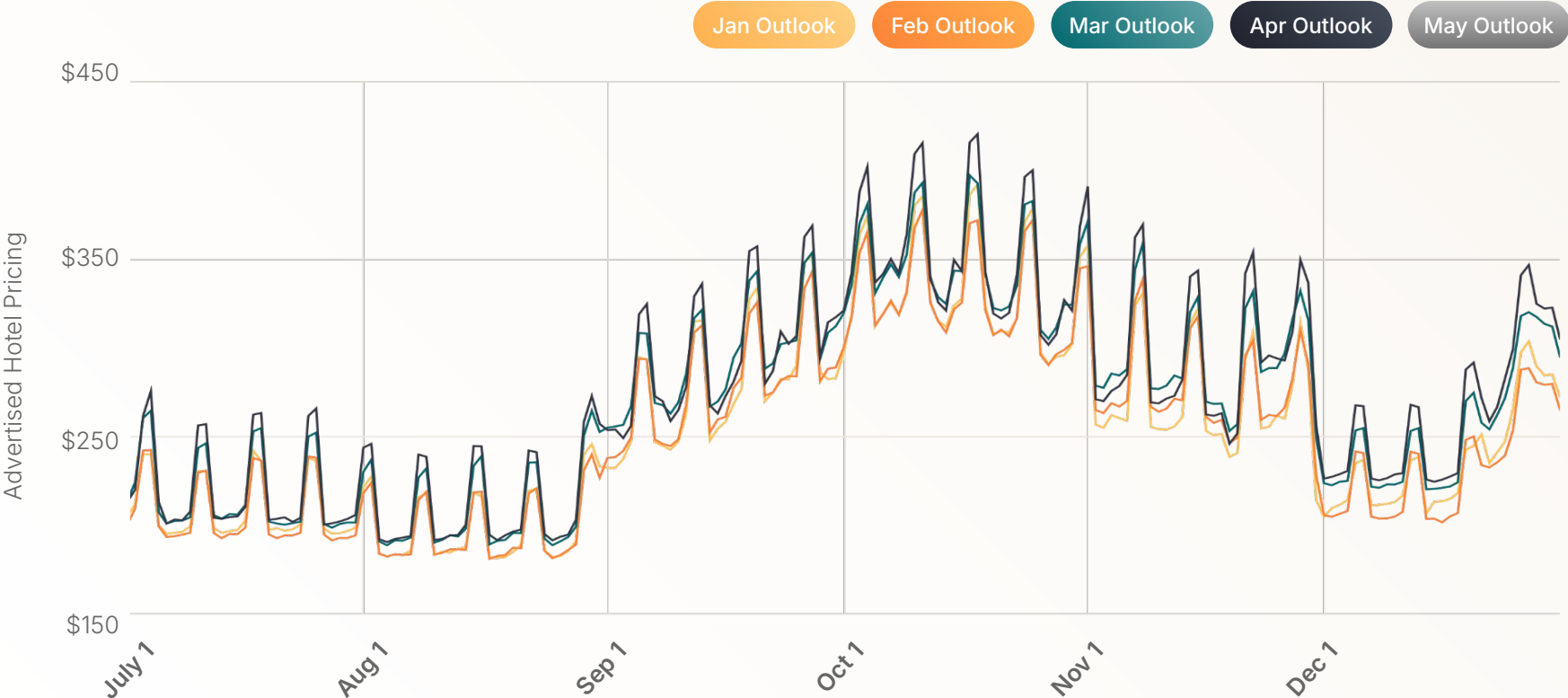
2nd Half Advertised Hotel Pricing - Evolution by Month



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2nd Half Advertised Hotel Pricing - Evolution by Month

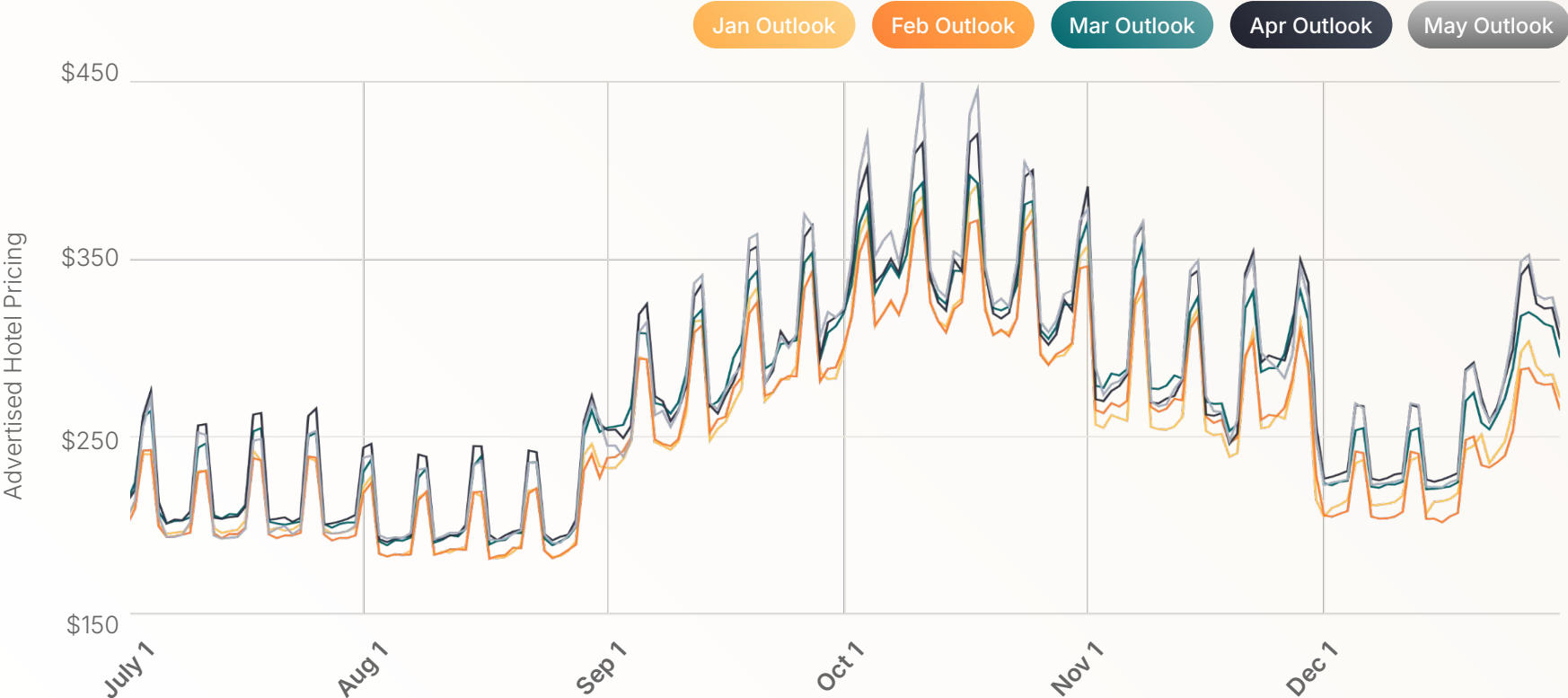




# Sedona H2 Pricing Outlook Evolution



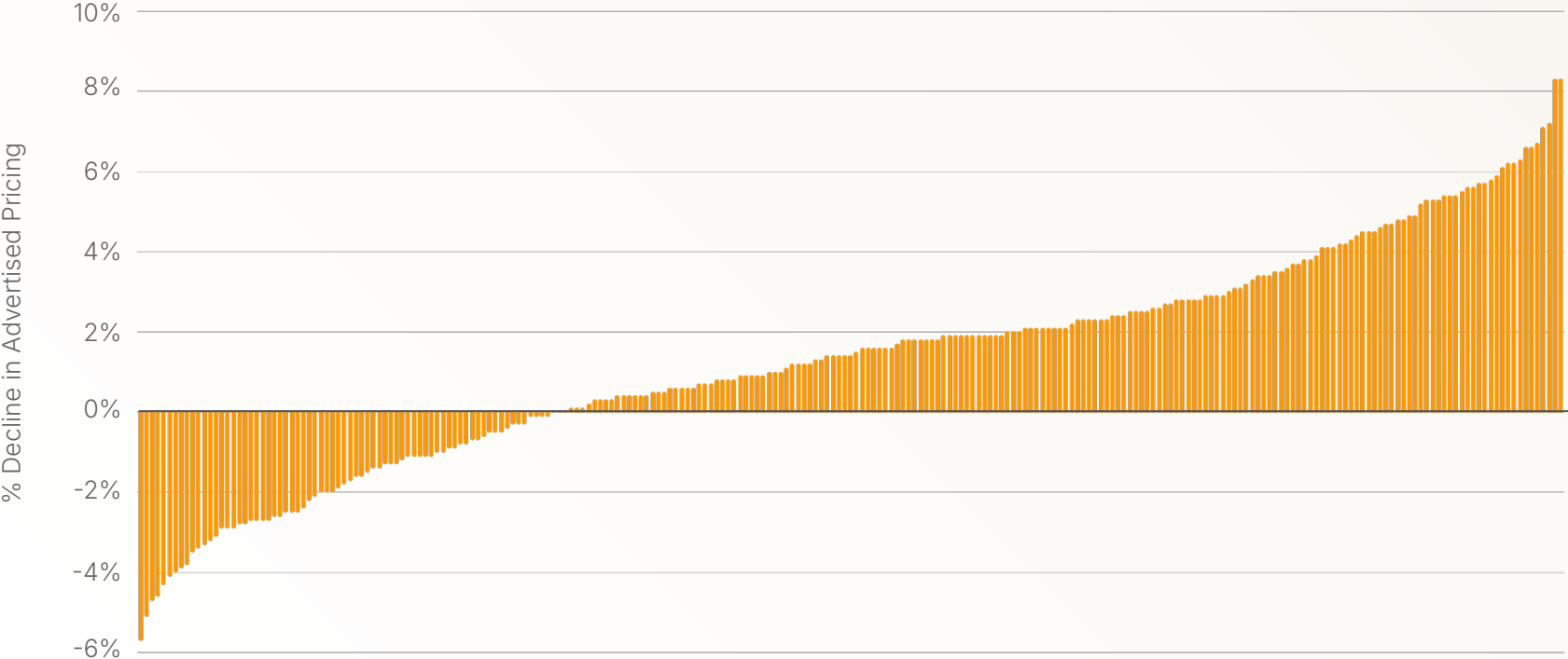
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# The Effect of Tariffs on Advertised Hotel Pricing



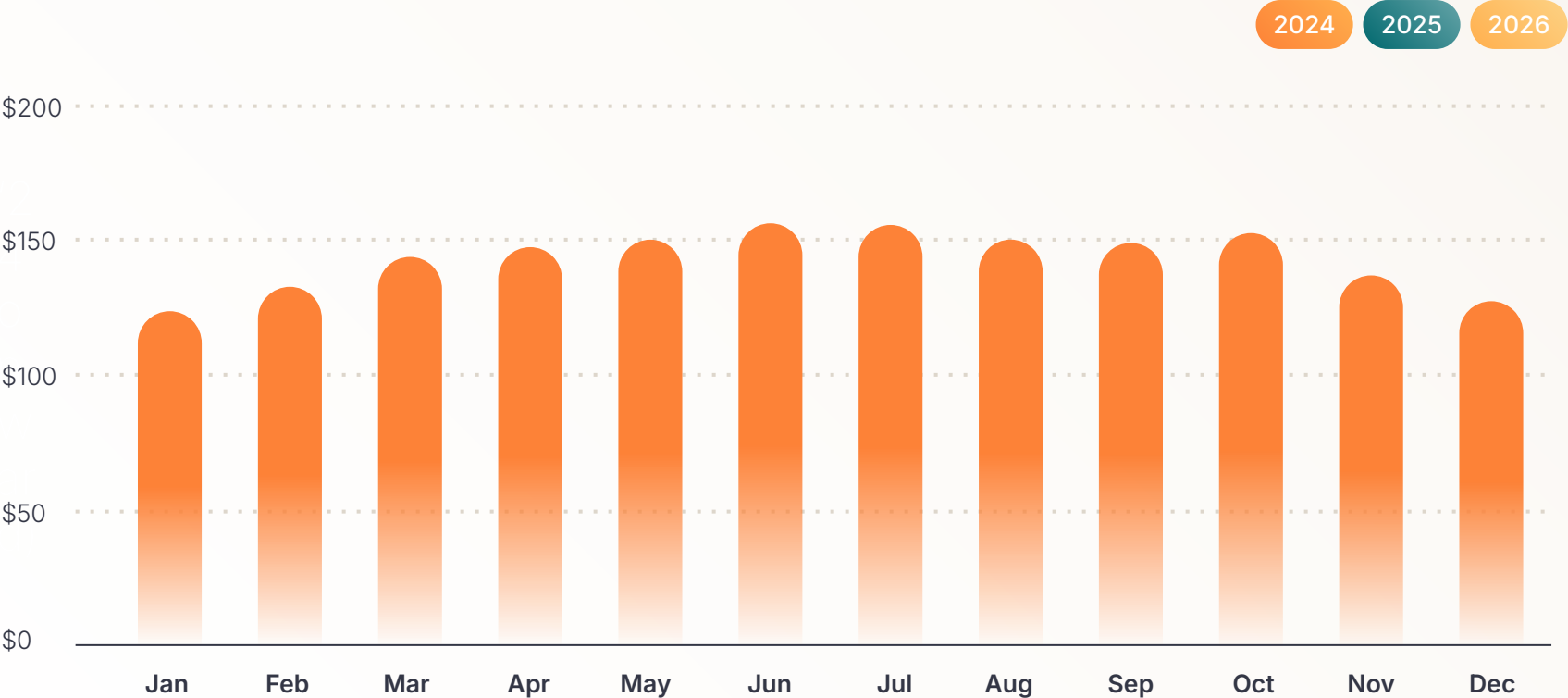
Adv. Prices in Sedona, AZ for May - Dec 2025; Avg Advertised Pricing as of March vs. April 2025



# US Hotel Pricing: 2024 vs. 2025 vs. 2026



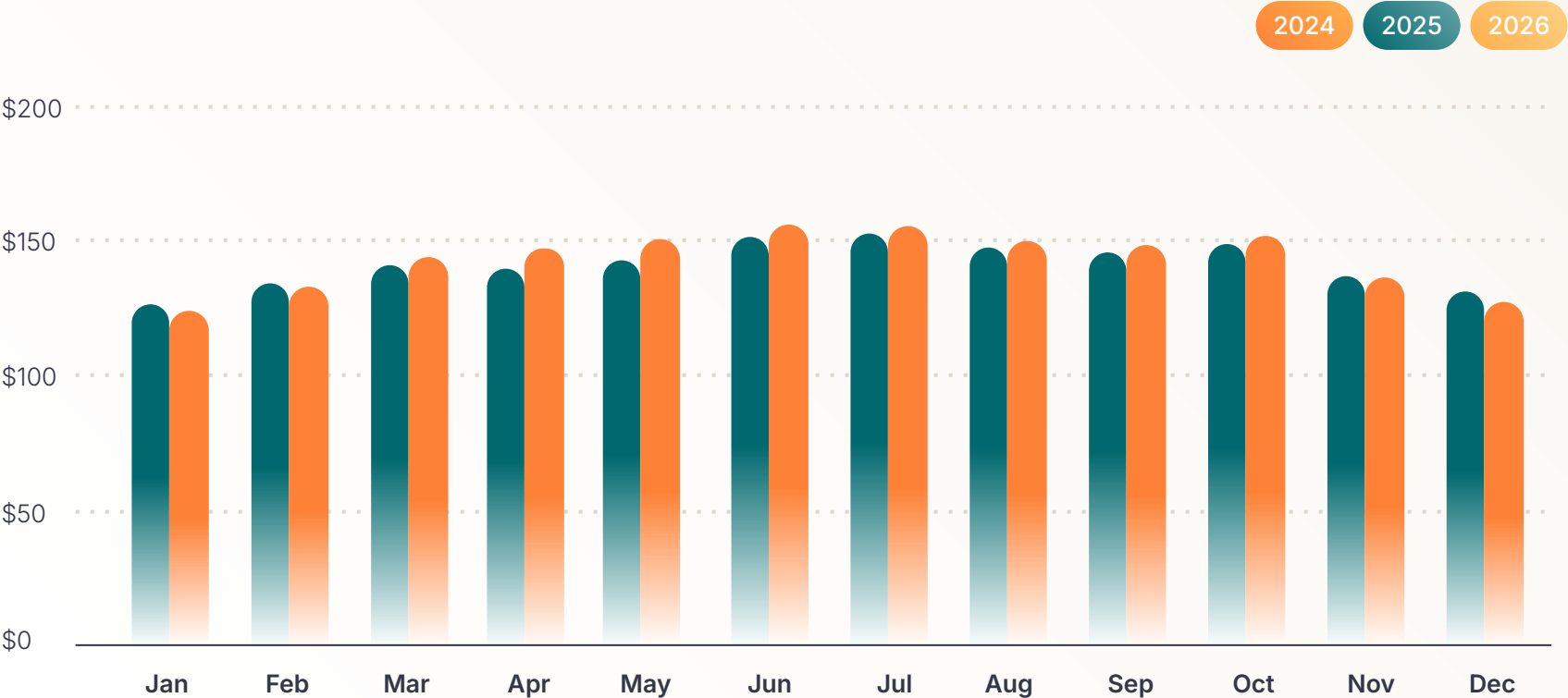
Actualized (2024 through May '25) and Advertised (June '25 onward)



# US Hotel Pricing: 2024 vs. 2025 vs. 2026



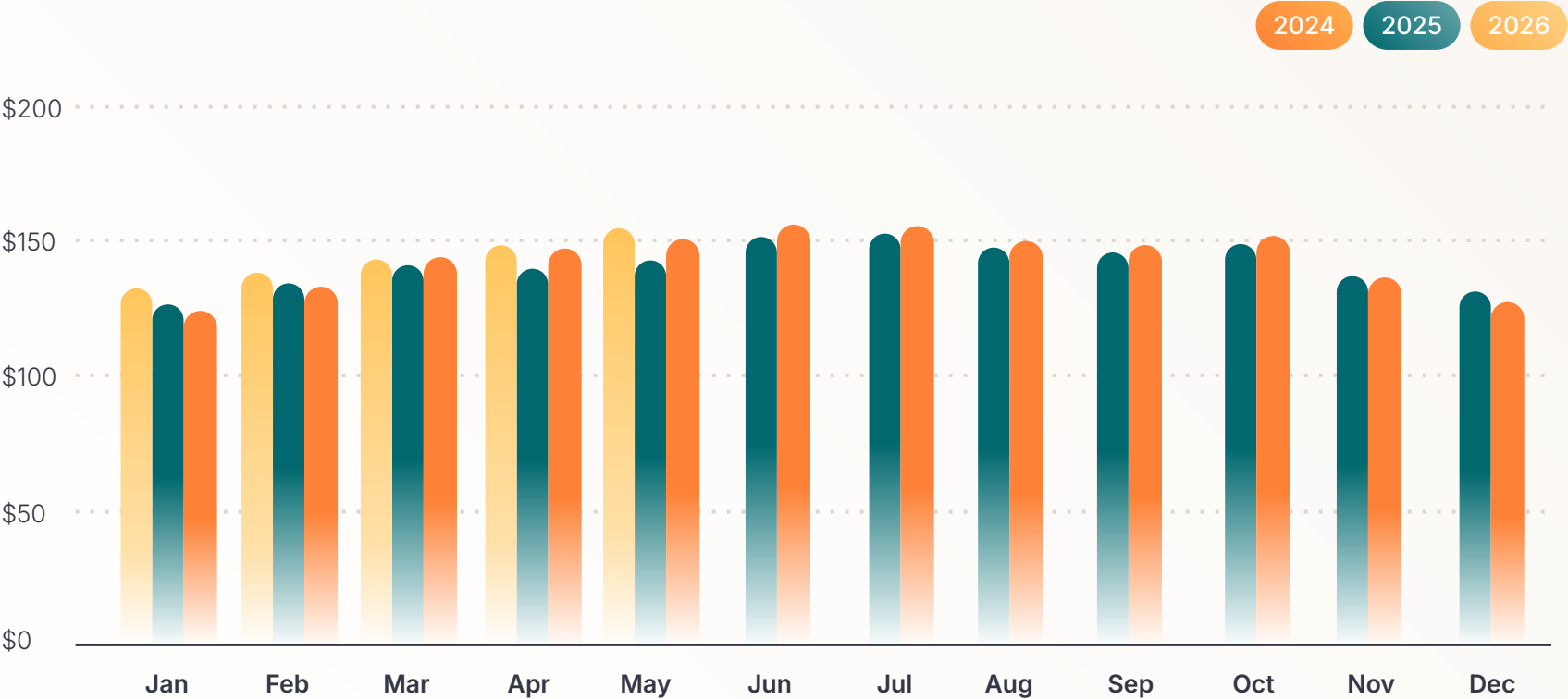
Actualized (2024 through May '25) and Advertised (June '25 onward)



# US Hotel Pricing: 2024 vs. 2025 vs. 2026



Actualized (2024 through May '25) and Advertised (June '25 onward)





# Key Takeaways



Int'l travel from Canada and Mexico - more significant impacts to Canadian demand vs Mexican demand



Downward hotel price adjustments for United States, broadly



Gateway cities impacted more than those which are less reliant on international demand



2026 pricing showing YOY growth (for now...)

**Uncertainty is impacting the current demand and pricing landscape** but the impact to medium-term indicators appears nominal

# Thank you!