2025

Economic impact supported by Booking.com in Europe

Executive Summary

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Prepared by:

TOURISM ECONOMICS
AN OXFORD ECONOMICS COMPANY

Prepared for:

Booking.com

Introduction

Over the past two decades, online travel platforms have transformed how travel services are marketed, distributed, and discovered — reshaping the experience for travellers, accommodation providers, and destinations alike.

For travellers, the ability to search, compare, and book accommodation across thousands of destinations has made international travel more accessible than ever, bringing greater choice, clearer pricing, and confidence in lesser-known properties and places. Accommodation providers have benefitted in equal measure: platforms give them access to a global audience across multiple languages, streamline payment processing, and reduce the operational complexity of distribution. At a broader level, online travel platforms have expanded the overall market, generating additional economic activity across the sector.

The benefits extend to destinations too. Visitor expenditure — on lodging, food, entertainment, recreation, and transport — generates local income, amplified by the supply chain activity and wages it sustains, ultimately feeding through into jobs, earnings and tax revenues.

Against this backdrop, Tourism Economics, an Oxford Economics company, has conducted a comprehensive analysis of the economic impact supported by Booking.com across Europe in 2025. The findings are substantial: the total economic contribution associated with Booking.com amounted to €691 billion, which supported a contribution of €344 billion to European GDP, the generation of €137 billion in tax revenues for governments, and supported over 4.7 million jobs and €175 billion in wages.

€691B
Total Economic Output

€344B
Total GDP

4.7M
Total Jobs Supported

€175B
Total Wages Supported

€137B
Total Taxes Generated

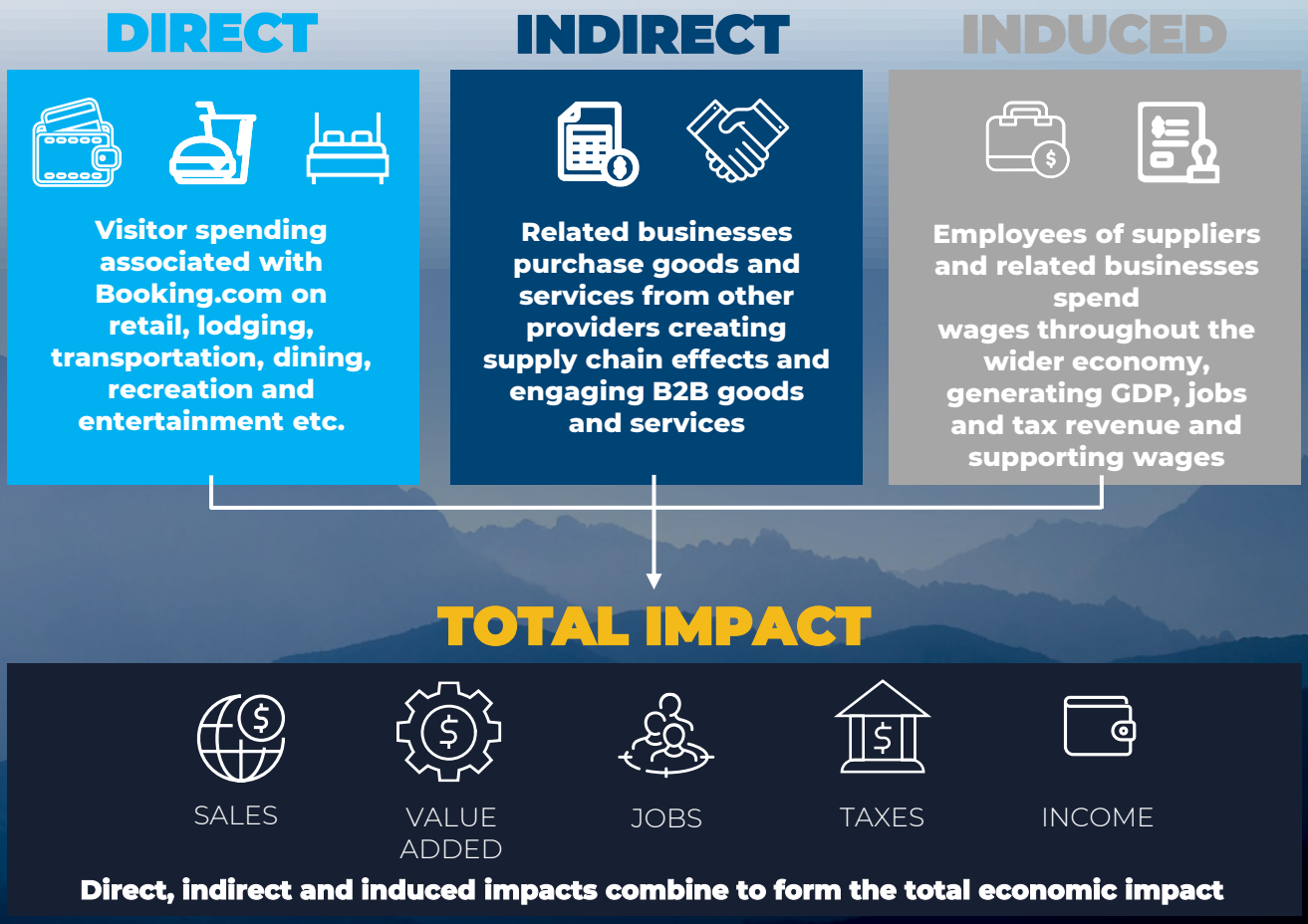
Methodology

The analysis starts with travel booked via Booking.com and traces its downstream effects through the European economy using an Input-Output (I-O) model, which maps how spending flows across industries and captures the relationships between industries and consumers — tracking how revenue moves through wages, profits, taxes, and supply chains.

The model measures three distinct levels of economic impact. Direct impacts reflect the initial traveller spending on accommodation, food, entertainment, transport, and retail.

Indirect impacts arise as businesses receiving that spending purchase goods and services from their own suppliers — a hotel buying from food producers or linen suppliers, for example.

Induced impacts occur when employees across the supply chain spend their wages in the local economy, generating additional sales, jobs, income, and tax revenues well beyond the tourism sector itself. For each level, the model calculates gross output, Gross Value Added, employment, wages and taxes.



Direct Impact

Visitor spending supported by Booking.com generated significant economic impacts across Europe, as international and domestic travellers spent money on hospitality and other local activities during their stay — including at retailers and recreation and entertainment venues.

In total, visitors[1] whose trips were booked through Booking.com spent €291 billion during their stays, representing direct revenue (output) for local businesses. Hospitality absorbed the largest percentage of that spending for both visitor types — 44% among international visitors and 42% among domestic visitors. Beyond accommodation and food, spending patterns diverged: international visitors directed a fifth of their expenditure to retail and 12% to transport, while domestic visitors spent more on entertainment (19%) and transport (16%), with retail accounting for just 6%. Entertainment drew the smallest percentage of international visitor spending, at 10%.

Summary Direct Visitor Spending, 2025

Description	International	Domestic
Hospitality	**44%**	**42%**
Non-hospitality	**56%**	**58%**
Transport	12%	16%
Shopping	20%	6%
Entertainment	10%	19%
Other	14%	16%
Direct spending impact	**100%**	**100%**

Source: Booking.com data and Tourism Economics.

In addition, the associated contribution to GDP — measured as Gross Value Added — amounted to €152 billion. This figure is lower than total spend because it only captures the value added at each stage of production, not the full purchase price paid by the consumer. In other words, a portion of every euro spent goes towards intermediate inputs such as supplies, energy, and raw materials, which are excluded from GDP to avoid double-counting. The resulting economic contribution reflects the wages, profits, and taxes generated by visitor spending. In addition, spending linked to Booking.com directly supported nearly 2.5 million jobs across the region.

1. Includes all Booking.com trips to the 29 European countries from origin markets worldwide, not only European residents or bookers.

€291B
Direct Spending Impact

€152B
Direct GDP Impact

2.5M
Direct Employment Impact

€83B
Direct Wage Impact

€80B
Direct Tax Impact

Total Economic Impact

Visitor spending flows directly into local businesses, triggering a cascade of further economic activity. Those businesses draw on their own supply chains — the indirect effect — while the wages they pay recirculate through the broader economy as employees spend — the induced effect. Taken together, these three layers of impact supported a total economic contribution of €691 billion to the European economy in 2025, underpinning nearly €344 billion in GDP and generating €137 billion in tax revenues for local governments.

Total Economic Impacts Associated with Travel Booked Through Booking.com (€ millions and 000s jobs), 2025

Description	Direct	Indirect	Induced	Trade	Total
Output (Business Sales)	290,759	187,250	118,467	94,135	690,611
GDP	152,345	88,233	62,513	40,773	343,864
Employment	2,490	1,092	701	454	4,738
Wages	83,286	42,963	28,108	20,862	175,219
Tax	80,466	32,547	13,745	10,307	137,065

Source: Booking.com data and Tourism Economics.

€691B

Total Economic Output Linked to Booking.com in Europe

Source: Booking.com data and Tourism Economics. Map powered by Bing.
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GDP Impacts

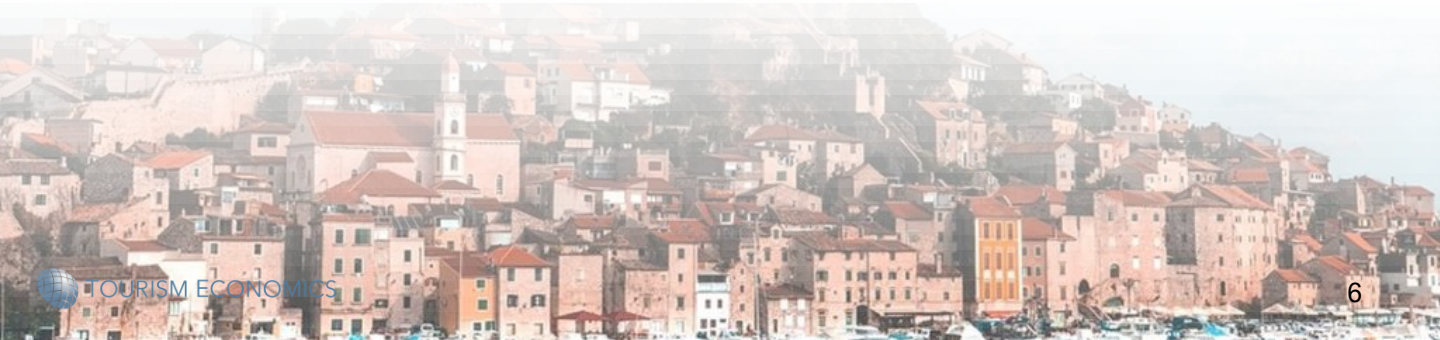
Booking.com-linked visitor spending of €291 billion directly supported a contribution of €152 billion to GDP across visitor-serving industries. Indirect supply chain activity added a further €88 billion, while induced impacts — generated as employees spent their earnings — contributed approximately €63 billion. Trade effects, reflecting spending and income flows outside the local economy, added €41 billion.

By sector, retail generated the largest GDP contribution at €78 billion — 23% of the total — followed closely by accommodation and food services at approximately €71 billion.

GDP Impacts Associated with Booking.com (€ millions), 2025

	Direct	Indirect	Induced	Trade	Total
GVA, All Industries	**152,345**	**88,233**	**62,513**	**40,773**	**343,864**
Agriculture	-	2,689	1,531	1,428	5,647
Mining	-	337	189	471	998
Manufacturing	-	11,018	5,803	10,066	26,887
Utilities	-	3,926	2,285	1,088	7,299
Construction	-	2,418	1,163	488	4,068
Wholesale & Retail trade	46,697	16,271	7,946	6,924	77,838
Transportation & Storage	17,403	6,643	2,470	2,773	29,289
Accommodation & Food	64,545	2,054	3,328	579	70,506
Info & Communication services	-	4,269	2,469	1,930	8,667
Financial services	-	5,595	3,965	3,123	12,682
Real estate services	-	9,305	14,879	2,815	26,998
Other Professional services	-	14,927	4,189	6,068	25,183
Public Admin. Services	-	793	579	226	1,597
Education	-	304	1,297	228	1,829
Healthcare services	-	4,724	7,593	1,924	14,240
Arts & Entertainment	23,699	2,962	2,064	570	29,296
HHs as employers	-	-	764	74	838

Source: Tourism Economics
HHs as employers covers impacts from wages paid to domestic workers and, more broadly, household production of goods and services for own use.



Employment Impacts

Visitor spending associated with Booking.com directly supported nearly 2.5 million jobs, nearly half of which (47%) were in accommodation and food services. A further 1.8 million jobs were sustained through supply chain activity and the spending of wages in the local economy, while just under 0.5 million were supported through cross-border trade effects. In total, economic activity associated with the platform sustained just under 4.8 million jobs across Europe.

Employment Impacts Associated with Booking.com (000s jobs), 2025

	Direct	Indirect	Induced	Trade	Total
Employment, All Industries	**2,490**	**1,092**	**701**	**454**	**4,738**
Agriculture	-	69	40	32	141
Mining	-	2	1	2	4
Manufacturing	-	137	72	110	319
Utilities	-	22	13	6	41
Construction	-	37	18	7	62
Wholesale & Retail trade	657	231	113	91	1,092
Transportation & Storage	200	81	31	32	344
Accommodation & Food	1,173	35	56	10	1,274
Info & Communication services	-	41	20	17	78
Financial services	-	37	27	19	83
Real estate services	-	9	15	3	28
Other Professional services	-	216	61	73	350
Public Admin. Services	-	9	7	2	19
Education	-	6	28	5	40
Healthcare services	-	97	157	37	292
Arts & Entertainment	460	60	40	10	571
HHs as employers	-	-	0	0	0

Source: Tourism Economics.
HHs as employers covers impacts from wages paid to domestic workers and, more broadly, household production of goods and services for own use.

Wage Impacts

Those jobs generated €175 billion in wages across the European economy. The largest share — €83 billion — was earned directly in visitor-serving industries such as accommodation and food services. Supply chain activity supported a further €43 billion, induced spending by employees added €28 billion, and trade effects contributed €21 billion.

Wage Impacts Associated with Booking.com (€ millions), 2025

	Direct	Indirect	Induced	Trade	Total
Wages, All Industries	**83,286**	**42,963**	**28,108**	**20,862**	**175,219**
Agriculture	-	668	388	380	1,435
Mining	-	129	76	117	322
Manufacturing	-	6,109	3,243	5,589	14,942
Utilities	-	1,303	762	376	2,441
Construction	-	1,208	590	255	2,053
Wholesale & Retail trade	25,266	8,999	4,525	3,922	42,712
Transportation & Storage	9,626	3,568	1,346	1,490	16,030
Accommodation & Food	35,271	1,106	1,756	330	38,463
Info & Communication services	-	2,207	1,127	980	4,313
Financial services	-	2,862	2,080	1,601	6,544
Real estate services	-	393	685	141	1,219
Other Professional services	-	8,484	2,441	3,499	14,425
Public Admin. Services	-	590	435	169	1,195
Education	-	252	1,075	188	1,515
Healthcare services	-	3,496	5,708	1,448	10,652
Arts & Entertainment	13,123	1,589	1,105	303	16,121
HHs as employers	-	-	764	74	838

Source: Tourism Economics
HHs as employers covers impacts from wages paid to domestic workers and, more broadly, household production of goods and services for own use.

Fiscal (Tax) Impacts

Visitor spending associated with Booking.com generated €137 billion in tax revenues across Europe. Of this, €80 billion arose directly from visitor expenditure — with hospitality accounting for 27% of the overall total (€37 billion) and non-hospitality spending a further 32% (€44 billion). VAT was the largest single source, followed by income and social security taxes. Subsequent rounds of spending through supply chains, wages, and trade generated a further €57 billion, equivalent to 41% of the total.

Source: Booking.com data and Tourism Economics
Note: totals may not sum due to rounding. Other accommodation taxes include government and local taxes, residential taxes and other accommodation-levied taxes.

Cross-border Trade Effects

European economies are deeply interconnected, and the economic effects of visitor spending do not stop at national borders. As money flows through supply chains and wages are spent across the continent, indirect and induced impacts spill over into neighbouring economies. For instance, a hotel in France may source food, furnishings or other supplies from businesses in Spain, generating economic activity beyond the country where the original visitor spending occurred.

Excluding these trade effects, direct visitor spending associated with Booking.com supported €596 billion in output and contributed €303 billion to GDP; trade-related activity added a further €94 billion in output and a €41 billion contribution to GDP, bringing the totals to €691 billion and €344 billion, respectively. Of the 4.7 million jobs sustained by spending linked to the platform, around 0.5 millionwere generated outside the countries where the original spending took place, supporting €21 billion in wages. Trade also generated €10 billion in tax revenues.

Trade Impacts
(€ millions and 000s jobs), 2025

	Economic Impacts excl. trade	Trade Impacts	Economic Impacts	Trade effect on economic impacts
Output	596,476	94,135	690,611	+14%
GVA	303,091	40,773	343,864	+12%
Employment	4,284	454	4,738	+10%
Wages	154,357	20,862	175,219	+12%
Tax	126,758	10,307	137,065	+8%

Source: Tourism Economics
Note: totals may not sum due to rounding.

2025

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Economic Impact of Visitors Associated with Booking.com in Greece

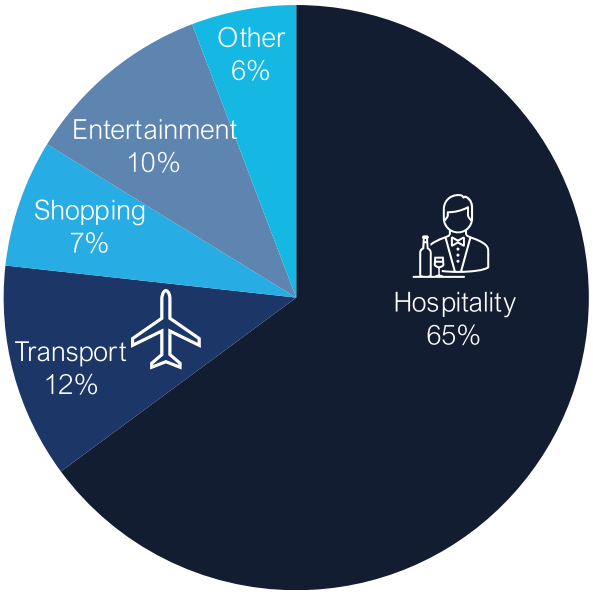
€15.2B
TOTAL ECONOMIC OUTPUT

€7.8B
DIRECT SPENDING

Visitors who relied on Booking.com for their travel drove a strong economic impact in the Greek economy, with a total economic output of **€15.2 billion,** and direct visitor spending of **€7.8 billion** in 2025.

INTERNATIONAL DIRECT SPENDING

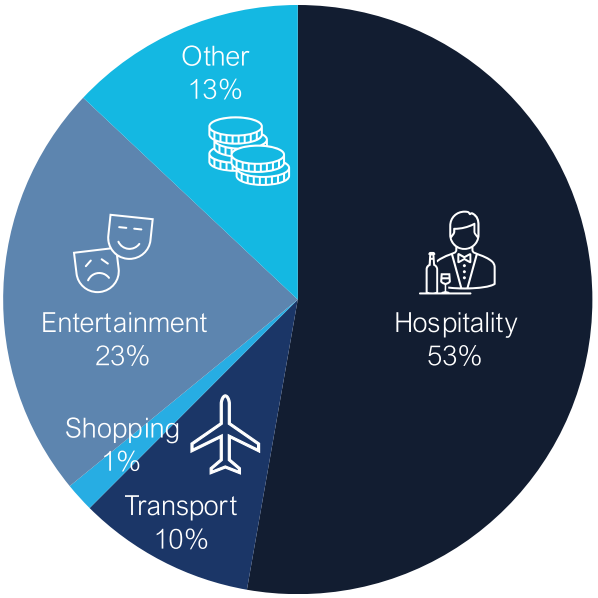
% of total international direct spending, 2025



Source: Booking.com data and Tourism Economics.

DOMESTIC DIRECT SPENDING

% of total domestic direct spending, 2025



Source: Booking.com data and Tourism Economics.

Note: Other spending covers expenditure not classified as hospitality, transport, shopping, or entertainment. See Appendix B for details.

GDP IMPACTS (Millions)

In 2025, the direct impact of visitor expenditure linked to Booking.com supported €4 billion in GDP. The local indirect and induced impacts of visitor expenditure total €3.8 billion. The indirect and induced impact outside of the Greek economy is €0.3 billion.

€8.1B
TOTAL GDP

EMPLOYMENT IMPACTS (000s)

In 2025, Booking.com-related visitor expenditures directly supported 84,000 jobs. When indirect and induced visitor spending impacts are included, visitor spending supported 63,000 jobs. The indirect and induced jobs in the rest of Europe total 6,000.

153,000
TOTAL EMPLOYMENT

WAGE IMPACTS (Millions)

In 2025, wages linked to visitor facing industries amounted to €1.3 billion. Wages attributable to successive rounds of supply chain or wage impacts came to €1.1 billion. Indirect and induced wages outside of Greece amount to €0.1 billion.

€2.5B
TOTAL WAGES

TAX IMPACTS (Millions)*

In 2025, visitor-related expenditures directly raised €2.4 billion in tax revenue. When indirect and induced visitor spending impacts are included, visitor spending raised €1 billion in tax. Indirect and induced taxes outside of Greece amount to €0.1 billion.

Note: Taxes include VAT, city taxes, corp. tax, income and ss. taxes, and other types; these are separated in direct, indirect, induced, and trade taxes, depending on whether they result from direct, indirect, induced, or trade-related spending, GDP, and wages.

€3.4B
TOTAL TAXES

About the Research Team

Oxford Economics was founded in 1986 as a commercial venture with Oxford University's business college to provide economic forecasting and modelling to UK companies and financial institutions expanding abroad. Since then, we have become one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact.

Oxford Economics is an adviser to corporate, financial and government decision-makers and thought leaders. Our worldwide client base comprises over 2,000 international organisations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

This study was conducted by the Tourism Economics group within Oxford Economics. Tourism Economics combines an understanding of traveller dynamics with rigorous economics in order to answer the most important questions facing destinations, investors, and strategic planners. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, destination recovery plans, forecasting models, policy analysis, and economic impact studies.

Oxford Economics employs 600 full-time staff, including 300 professional economists and analysts. Headquartered in Oxford, England, with regional centres in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC.

For more information, questions on the report or other general enquiries, please reach out to the team at **admin@tourismeconomics.com**.

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