Economic impact supported by Booking.com in Australia



Prepared by:

TOURISM ECONOMICS
AN OXFORD ECONOMICS COMPANY

Prepared for:

Booking.com



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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.

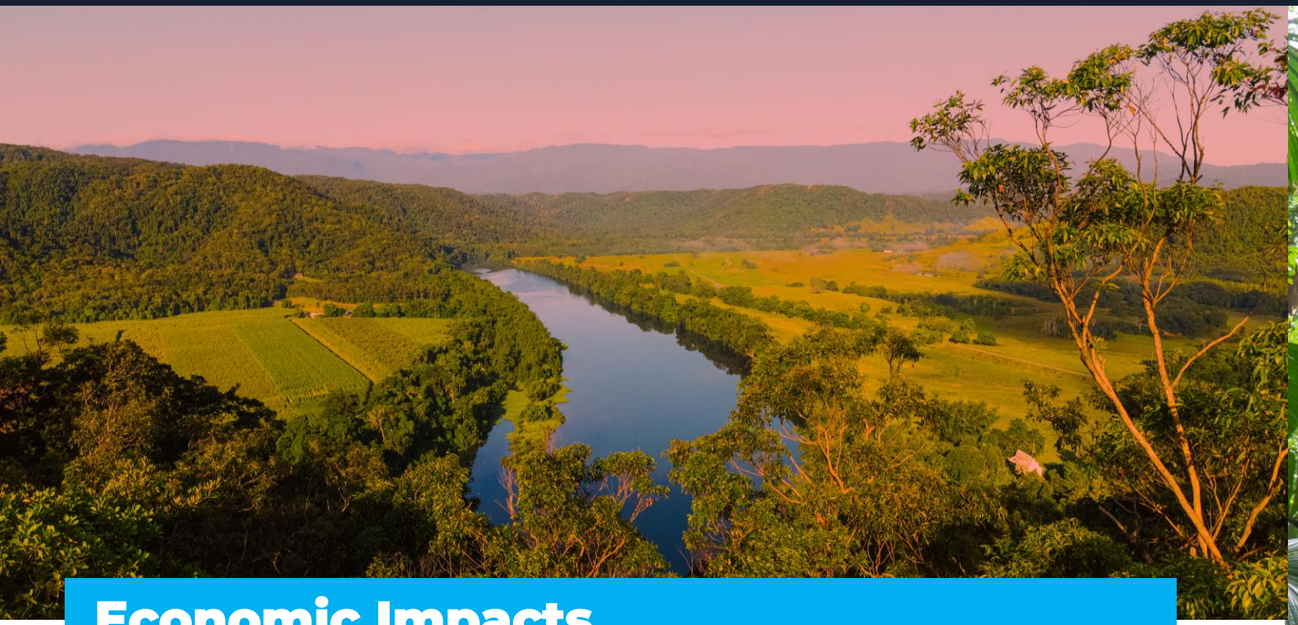
Accommodation providers have benefitted in equal measure: platforms give them access to a global audience across multiple languages, streamline payment processing, and reduce the operational complexity of distribution. At a broader level, online travel platforms have expanded the overall market, generating additional economic activity across the sector.

The benefits extend to destinations too. Visitor expenditure — on accommodation, food, entertainment, recreation, and transport — generates local income, amplified by supply chain activity and the 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 Australia in 2025.

This document presents key elements of the analysis. It is organised in three sections:

- Key Findings
- Direct Impacts
- Total Economic Impacts



Economic Impacts

Our analysis starts with travel booked via Booking.com and traces its downstream effects through the Australian economy. To do this, we use an Input-Output (I-O) model, which maps how spending flows across industries.

An I-O model captures the relationships between industries and consumers, tracking how revenue moves through wages, profits, taxes, and supply chains. This allows us to measure three distinct levels of economic impact:

Direct impacts reflect the initial traveller spending on accommodation, food, entertainment, transport, and retail — the first and most visible layer of economic activity generated by platform-booked travel.

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 is a typical example of how spending cascades through the supply chain.

Induced impacts occur when employees across the supply chain spend their wages in the economy. These secondary spending flows generate additional sales, jobs, income, and tax revenues that extend well beyond the tourism sector itself. Adding these three levels together gives the total economic impact.

For each level, the model calculates five key indicators:

- Sales (gross output)
- Gross Value Added
- Employment
- Wages
- Taxes

Economic Impact Framework

DIRECT	INDIRECT	INDUCED
Visitor spending associated with Booking.com on retail, lodging, transportation, dining, recreation and entertainment	Related businesses purchase goods and services from other providers creating supply chain effects	Employees of tourism-related businesses and their suppliers spend wages throughout the wider economy, generating further impacts

TOTAL IMPACT

SALES | VALUE ADDED | EMPLOYMENT | TAXES | WAGES

Direct, indirect and induced impacts combine to equal the total economic impact

KEY FINDINGS



ECONOMIC IMPACT SUMMARY

Visitor Spending & Direct Impacts Linked to Booking.com

The Australian economy gained substantially from domestic and international travellers who booked accommodation through Booking.com in 2025. As well as paying for their stays, these visitors spent at restaurants and shops, on local transport and at entertainment venues.

Booking.com visitors spent $19 billion in Australia in 2025. This spending was direct revenue (output) for the businesses that served them and contributed $8.6 billion to Australia's GDP, measured as Gross Value Added (GVA).[1]

This value added is the wages, profits and taxes on production generated by visitor spending. Visitor spending also directly supported 76,800 jobs across the country, which paid $5.4 billion in wages.

$19B
Direct Spending

$8.6B
Direct GDP

77K
Direct Employment

1. This figure is lower than total spend because GDP captures only the value added at each stage of production, not the full purchase price paid by the consumer. In other words, a portion of every dollar spent goes towards intermediate inputs such as supplies, energy, and raw materials, which are excluded from GDP to avoid double-counting.

Total Economic Impacts

The effects of visitor spending reach well beyond the businesses that travellers pay directly. Indirect effects arise as tourism businesses buy goods and services from their suppliers. Induced effects follow when workers across these businesses and their supply chains spend their wages in the wider economy.

Taking all three effects together, visitor spending associated with Booking.com stays supported $47 billion in business output across Australia in 2025. This activity generated $22 billion in GDP and $5.9 billion in tax revenues for the government. Travel associated with the platform also sustained a total of 140,000 jobs, which paid $12 billion in wages.

$47 BILLION
Total Economic Output Associated with Booking.com in Australia in 2025

Economic Impacts Associated with Booking.com, 2025

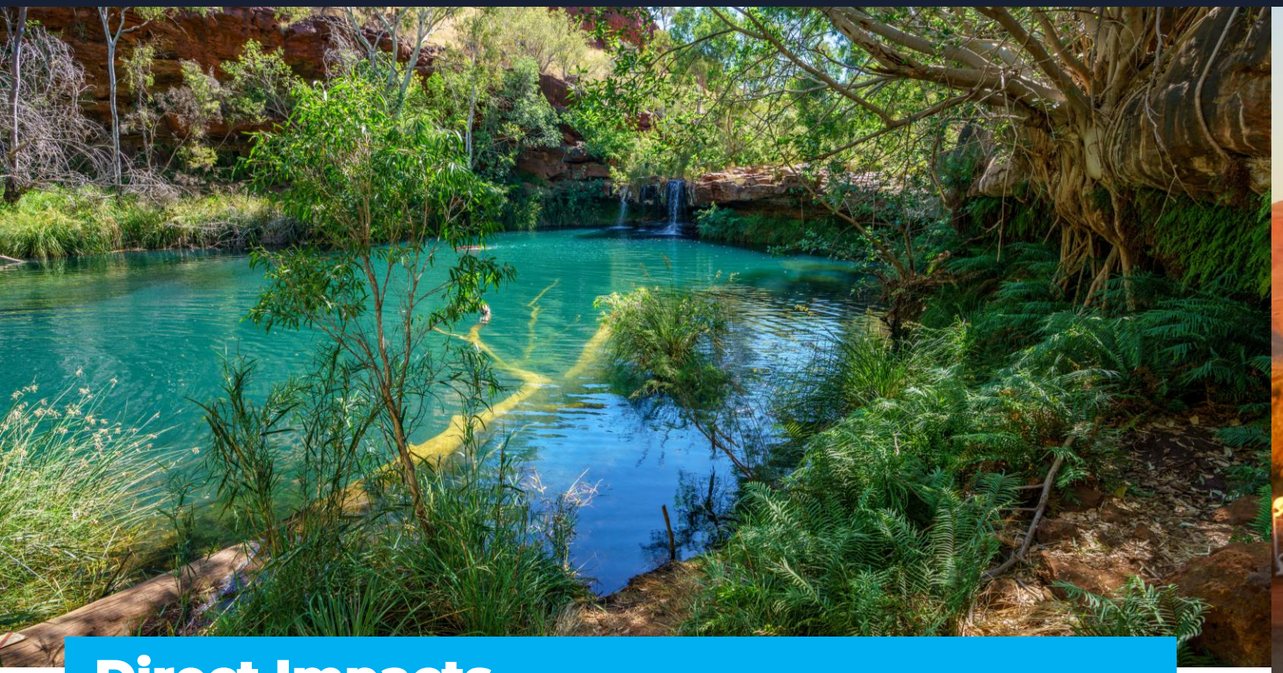
$47B	$22B	140K	$12B	$5.9B
Total Economic Output	Total Value Added (GDP)	Total Jobs	Total Wages	Total Taxes

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



DIRECT IMPACTS





Direct Impacts

Overview of Visitor Spending

Booking.com visitors spent $19 billion on their trips in Australia in 2025. Hospitality made up the largest share of spending at 56% for international visitors, and 50% for domestic visitors. The rest was spent on transport, retail, entertainment and other items.[2]

International

Hospitality Spending
(56%)

Wider Spending
(44%)

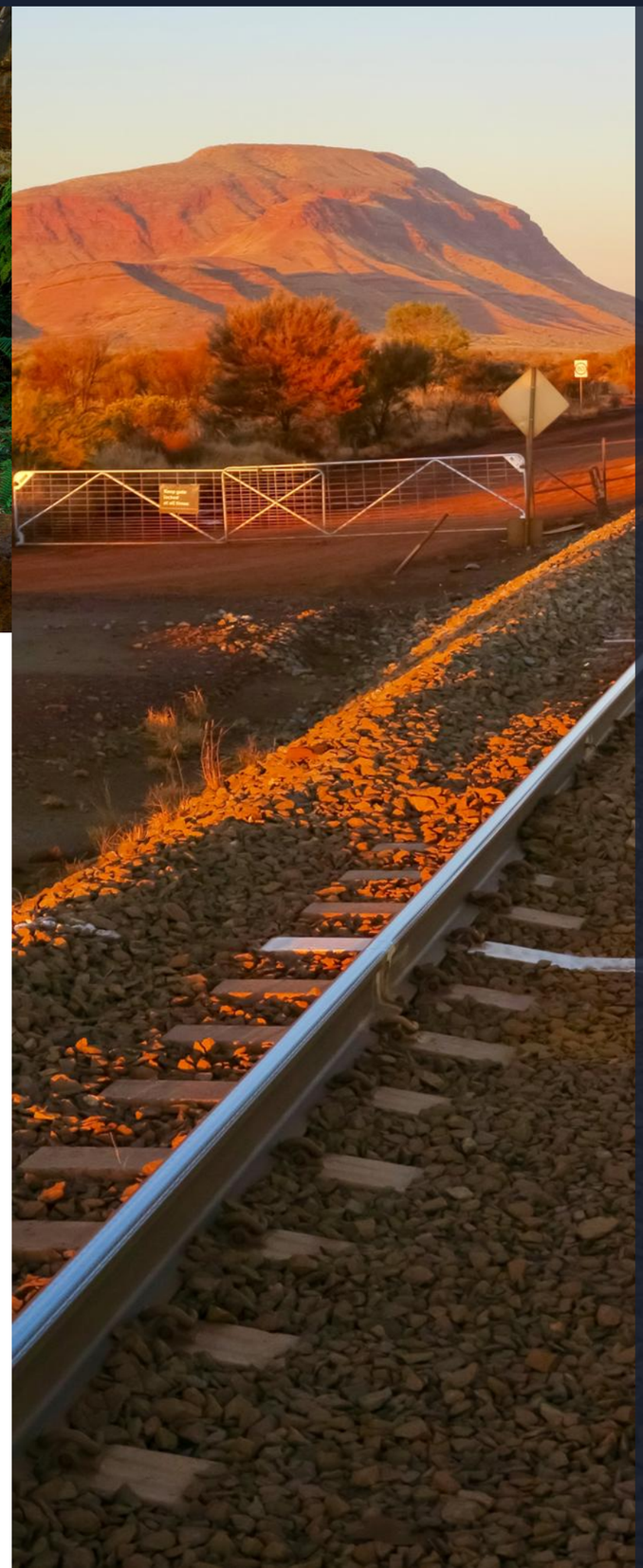
Domestic

Hospitality Spending
(50%)

Wider Spending
(50%)

The composition of the remaining spending differed between the two groups. For international travellers, other goods and services were the second-largest category, at 19% of total spending. Domestic travellers spent proportionally more on getting around, and transport accounted for 30% of their spending.

2. Hospitality spending includes spending on accommodation and food and beverage ('f&b'). Wider spending includes spending on transport, retail, entertainment and other expenditures not included in the other categories. For more details, please refer to Appendix A.





Half of domestic expenditure went beyond hospitality, mainly on transport.

International Visitor Profile and Spending

Hospitality was the largest spending category for international visitors, at 56% of their total expenditure. Non-hospitality spending accounted for the remaining 44% and included costs related to inbound travel to the country.

Wider spending was spread across the four remaining categories, ranging from 3% for entertainment to 19% on other.

International Visitor Spending by Category



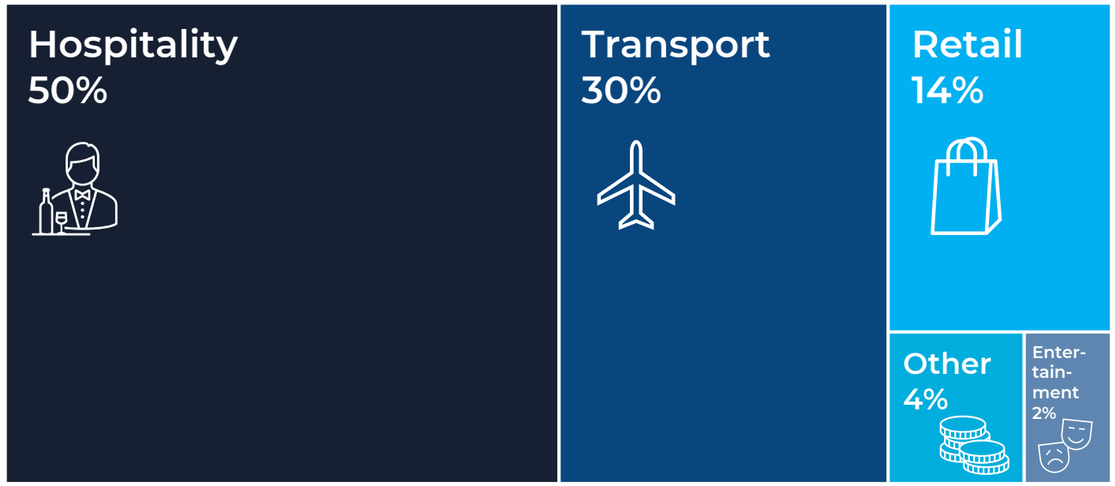
Source: Booking.com data and Tourism Economics.
Note: Other spending includes spending not elsewhere included across hospitality, transport, retail, or entertainment. For more detail refer to Appendix B.

Domestic Visitor Profile and Spending

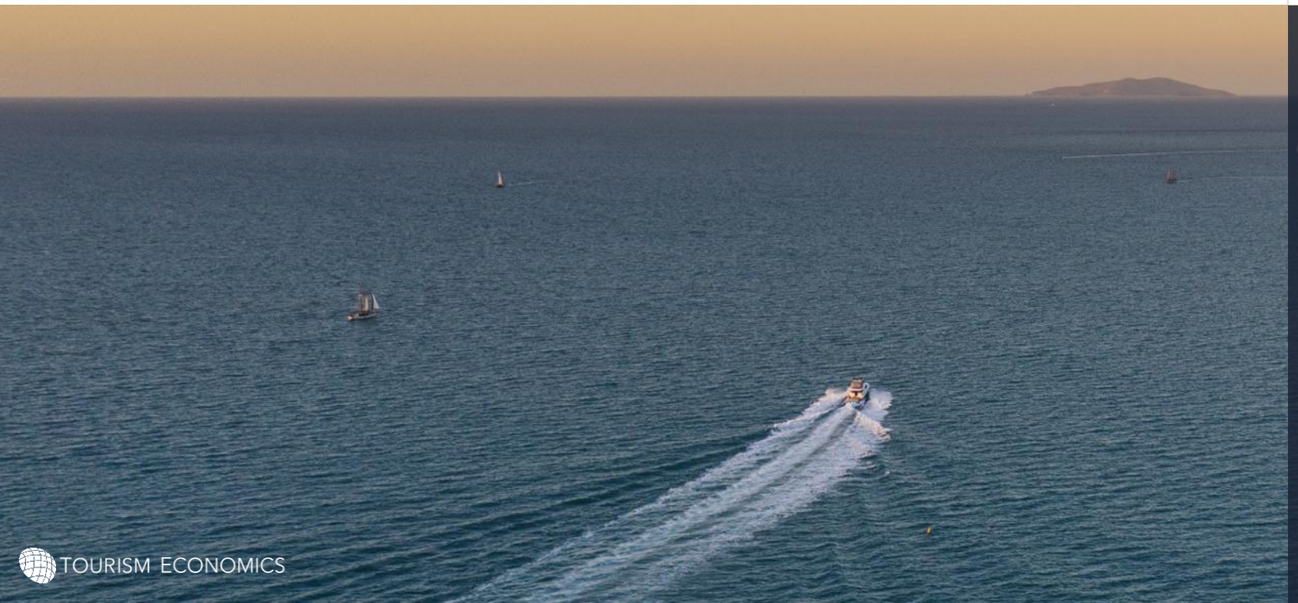
Hospitality was also the largest spending category for domestic travellers, at 50% of the total.

Non-hospitality expenditure accounted for the remaining 50% of spending and was distributed across the four other categories. The largest share was spent on transport (30%), followed by retail (14%), other (4%), and entertainment (2%).

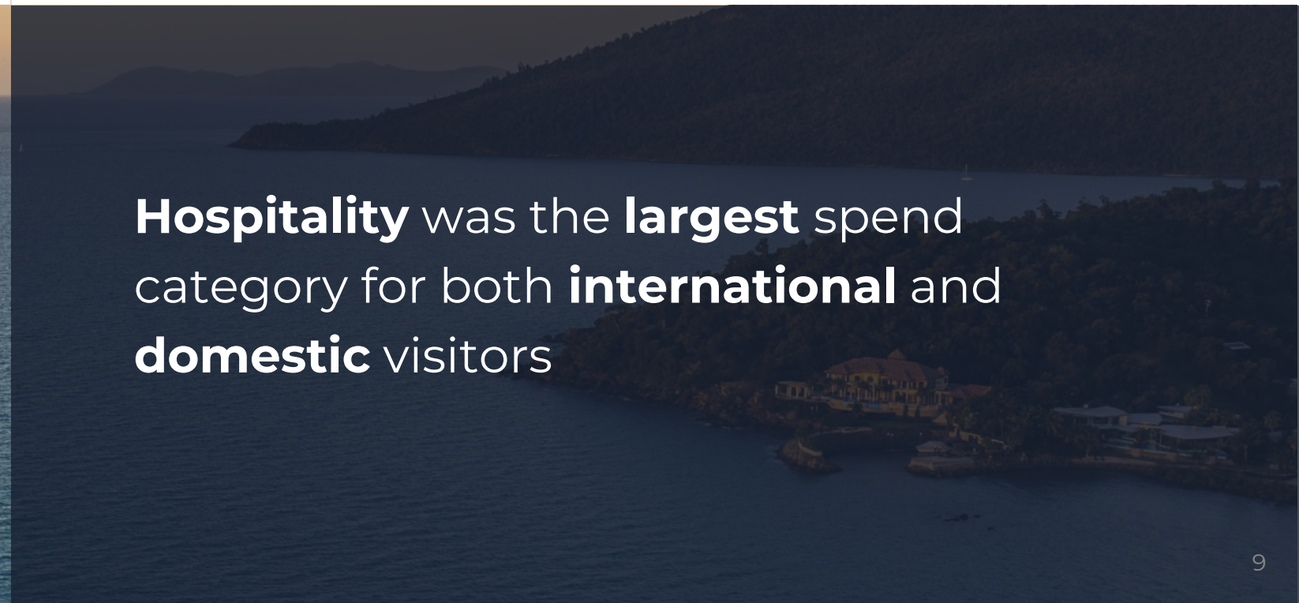
Domestic Visitor Spending by Category



Source: Booking.com data and Tourism Economics.
Note: Other spending includes spending not elsewhere included across hospitality, transport, retail, or entertainment. For more detail refer to Appendix B.



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Hospitality was the **largest** spend category for both **international** and **domestic** visitors

TOTAL ECONOMIC IMPACTS



Direct, Indirect, and Induced

Visitors who booked stays through Booking.com spent $19 billion with businesses in the Australian economy during their trips in 2025. This included expenditure on both hospitality and non-hospitality purchases.

Those businesses in turn bought goods and services from their own suppliers, from the fresh produce that restaurants buy from farmers to the laundry and maintenance services that hotels contract. This supply chain (indirect) impact generated a further $17 billion in output.

Additional activity came from workers in tourism businesses and their supply chains spending their wages in the wider economy. This induced impact contributed $11 billion in business output.

Combining all three channels, visitor spending associated with Booking.com stays supported a total economic output of $47 billion in Australia.



DIRECT

Spending on hospitality and travel services during trips fuels the local tourism economy directly

$19B

Direct Visitor Spending Impact

INDIRECT

Visitor demand supports suppliers—like food producers, cleaning services, and more—indirectly

$17B

Indirect Output

INDUCED

Wages of employees in tourism-related business and their supply chains are spent locally, creating further economic ripple effects

$11B

Induced Output

TOTAL

The combined effect of direct, indirect and induced impacts linked to Booking.com

$47B

Total Output

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

Total Economic Impacts linked to Booking.com in Australia

In 2025, visitor spending linked to Booking.com totalled $19 billion in Australia. This direct impact drove indirect and induced output of $28 billion, and resulted in a total economic output of $47 billion.

As a result, $22 billion in total value added was supported in the Australian economy. Visitor spending associated with Booking.com stays also sustained 140,000 jobs across the country, generating wage payments of $12 billion. Finally, the spending also generated a total fiscal contribution of $5.9 billion.

Total Economic Impacts
($ billion and 000s jobs), 2025

Description	Direct	Indirect	Induced	Total
Output (Business Sales)	19	17	11	47
GDP	8.6	7.6	5.5	22
Employment	77	35	28	140
Wages	5.4	3.9	2.6	12
Tax	3.4	1.5	1.0	5.9

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



In 2025, Booking.com-related visitor spending generated a total economic output of **$47 billion** in Australia.

Economic Impacts Associated with Booking.com, 2025

$47B
Total Economic Output

$22B
Total Value Added (GDP)

140K
Total Jobs

$12B
Total Wages

$5.9B
Total Taxes

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



The **accommodation and food** sector accounted for the largest share of the **$22 billion in GDP** supported by Booking.com visitors.

GDP Impacts

The $19 billion that Booking.com travellers spent in Australia directly contributed $8.6 billion in GDP through the tourism businesses they paid. Supply chain (indirect) effects added a further $7.6 billion, and induced effects $5.5 billion. In total, this visitor spending contributed $22 billion to Australia's GDP.

By sector, accommodation and food services accounted for the largest share of this contribution, at $4.7 billion (22%). Wholesale and retail trade was the next biggest, at $3.6 billion (17%).

GDP Impacts Attributable to Booking.com ($ billion), 2025

	Direct	Indirect	Induced	Total
GVA, All Industries	**8.6**	**7.6**	**5.5**	**22**
Agriculture	-	0.5	0.1	0.6
Mining	-	0.1	0.1	0.2
Manufacturing	-	0.7	0.3	0.9
Utilities	-	0.3	0.2	0.4
Construction	-	0.3	0.2	0.4
Wholesale & Retail trade	2.0	1.1	0.5	3.6
Transportation & Storage	2.0	0.9	0.2	3.2
Accommodation & Food	4.3	0.2	0.2	4.7
Info & Communication services	-	0.4	0.2	0.6
Financial services	-	0.8	0.7	1.5
Real estate services	-	0.7	1.3	2.0
Other Professional services	-	1.1	0.4	1.5
Public Admin. Services	-	<0.1	<0.1	0.1
Education	-	<0.1	0.2	0.2
Healthcare services	-	0.2	0.8	1.1
Arts & Entertainment	0.2	0.2	0.2	0.6
HHs as employers	-	-	-	-

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.
Note: totals may not sum due to rounding.

Employment Impacts

Visitor spending associated with Booking.com directly supported 76,800 jobs in Australia during 2025. The largest share of these were in the accommodation and food services sector, which accounted for almost three quarters of all direct employment (73%).

Supply chain and wage-induced effects supported a further 62,800 jobs, bringing the total to just under 140,000 jobs across the Australian economy.

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

	Direct	Indirect	Induced	Total
Employment, All Industries	**77**	**35**	**28**	**140**
Agriculture	-	1.3	0.4	1.6
Mining	-	0.3	0.1	0.4
Manufacturing	-	3.1	1.3	4.4
Utilities	-	0.6	0.3	0.9
Construction	-	1.4	0.8	2.2
Wholesale & Retail trade	12	6.7	3.0	22
Transportation & Storage	6.4	2.9	0.7	9.9
Accommodation & Food	56	2.8	2.3	61
Info & Communication services	-	1.0	0.6	1.6
Financial services	-	1.9	1.6	3.5
Real estate services	-	1.5	3.0	4.5
Other Professional services	-	7.0	2.3	9.2
Public Admin. Services	-	0.2	0.2	0.4
Education	-	0.2	1.9	2.1
Healthcare services	-	2.1	7.6	9.7
Arts & Entertainment	1.9	2.3	1.6	5.8
HHs as employers	-	-	-	-

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. Note: totals may not sum due to rounding.

Wage Impacts

The jobs supported by visitor spending associated with Booking.com travellers paid a total of $12 billion in wages. Of this, $5.4 billion was paid directly in tourism-facing industries, such as accommodation and food services.

A further $3.9 billion in wages was supported through the supply chain (indirect), while $2.6 billion resulted from induced impacts as employees spent their earnings within the wider economy.

Wage Impacts Associated with Booking.com ($ billion), 2025

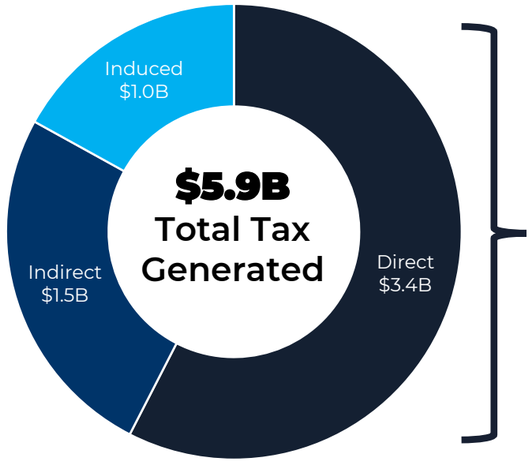
	Direct	Indirect	Induced	Total
Wages, All Industries	**5.4**	**3.9**	**2.6**	**12**
Agriculture	-	0.1	<0.1	0.1
Mining	-	<0.1	<0.1	0.1
Manufacturing	-	0.4	0.2	0.6
Utilities	-	0.1	<0.1	0.1
Construction	-	0.2	0.1	0.2
Wholesale & Retail trade	1.3	0.7	0.3	2.3
Transportation & Storage	1.0	0.4	0.1	1.6
Accommodation & Food	3.0	0.2	0.1	3.3
Info & Communication services	-	0.2	0.1	0.3
Financial services	-	0.2	0.2	0.5
Real estate services	-	<0.1	0.1	0.1
Other Professional services	-	0.9	0.3	1.2
Public Admin. Services	-	<0.1	<0.1	0.1
Education	-	<0.1	0.2	0.2
Healthcare services	-	0.2	0.7	0.9
Arts & Entertainment	0.1	0.2	0.1	0.4
HHs as employers	-	-	-	-

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.
Note: totals may not sum due to rounding.

Fiscal (Tax) Impacts

In 2025, Booking.com-linked visitor spending raised $5.9 billion in tax revenue. Of this, $3.4 billion was generated directly: $1.5 billion from hospitality spending and $1.9 billion from wider spending. GST was the biggest source, followed by income and social security taxes.

Beyond direct contributions, further impacts were generated through subsequent rounds of spending—via the indirect and induced channels—adding $2.5 billion, equivalent to 42% of the total.



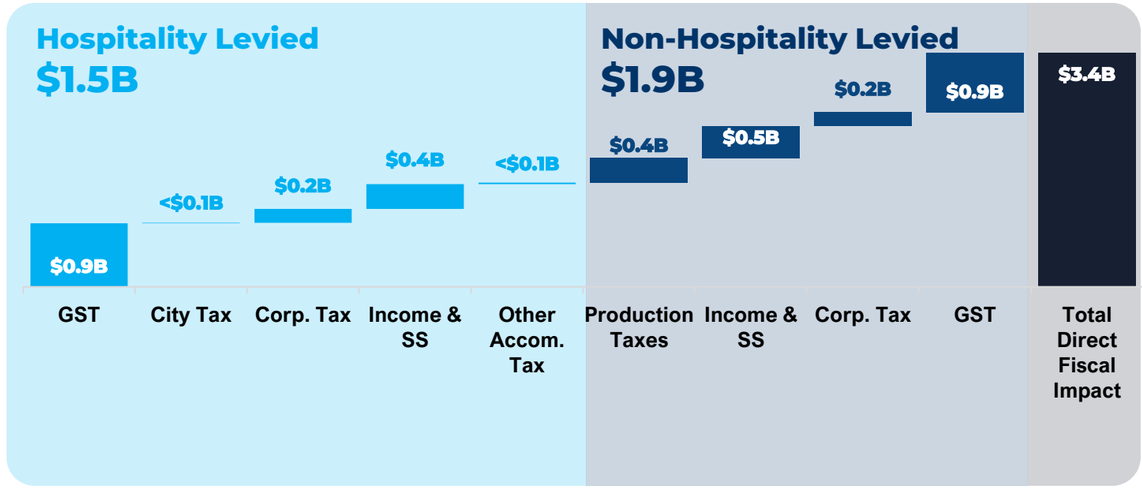
$1.5 billion (26%)
Linked to Hospitality

$1.9 billion (32%)
Linked to Wider Spending

$2.5 billion (42%)
Indirect and Induced

Source: Booking.com and Tourism Economics

Direct tax revenue of $3.4 billion was shared between hospitality ($1.5 billion) and wider spending ($1.9 billion). In both, GST and income and social security taxes made up most of the total. A greater share was supported by non-hospitality spending, showing that the tax contribution of Booking.com visitors extends into the wider economy.



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.



Visitor spending linked to Booking.com generated **$5.9 billion** in tax revenues, with **GST** being the largest single contributor.

APPENDICES



Appendix A
Definitions

OTA or Platform: online travel agency ('OTA') refers to Booking.com for the purpose of this analysis.

Visitor spending: expenditure by visitors relying on Booking.com for booking their trip. Includes expenditure on accommodation, food and beverage, retail, entertainment, transport and other.

Hospitality spending: expenditure on accommodation and food and beverage ('f&b') by visitors relying on Booking.com for booking their trip.

Wider spending: expenditure on retail, recreation, transport and other categories by visitors relying on Booking.com for booking their trip.

Inbound transport: included in transport expenditure for international visitors.

Total economic output (Output): total sales in an industry or the economy.

Total value added (GDP): total contribution (value added) to the GDP of an industry or GDP of the economy.

Total jobs: number of full-time and part-time jobs supported by visitor spending linked to Booking.com.

Total tax revenues: taxes generated in the economy as a result of increased output, employment and income.

Currency: all values in the report are presented in AUD.

Appendix B
Methods and Data Sources

A. Direct business sales

Visitor spending associated with Booking.com in Australia represents a key source of demand in the tourism economy. This activity generates revenue in accommodation and other travel-related sectors, forming the basis of *direct business sales* and their wider ripple effects through the economy. Direct business sales comprise spending by visitors linked to Booking.com including both hospitality and wider expenditures.

Data Sources:

- **Visitors and guests data (Booking.com data)**: data provided by Booking.com. Includes number of visitors, guest nights, accommodation type, travel purpose and reservations by origin country and destination.
- **Accommodation expenditure data (Booking.com data)**: data provided by Booking.com. Includes data on accommodation expenditure by origin country, destination and travel purpose.
- **Accommodation fees and taxes data (Booking.com data):** Data on taxes, fees and related charges associated with accommodation expenditure, reported by destination.
- **Wider Spend data:** data sourced from Oxford Economics; Global Travel Survey ('GTS') data and publicly available tourism satellite accounts (TSAs). Includes visitor spending by origin market, destination, and travel purpose across categories such as food & beverage, retail, recreation, transport, and other categories. *Other expenditure* covers all remaining visitor spending not classified under hospitality, transport, retail, or entertainment, and may vary by destination.
- **Global Travel Survey – 'GTS data':** total international arrivals by source market.

B. Direct Impacts (Visitor spending):

Direct visitor spending estimates are developed by origin country, visitor type (international or domestic), and purpose of travel (business, leisure, or other). The estimation involves four main steps:

1. Accommodation expenditure: total spending on accommodation by visitor type is sourced from Booking.com data.
2. Wider expenditure: spending on other categories (f&b, retail, recreation, transport and other items) is estimated using Wider Spend data. These spending profiles, captured by origin market and destination, are aligned to accommodation demand on a per-guest-night/per unit of accommodation basis.
    - Transport spending for international visitors includes inbound travel, refined using Tourism Economics airfare data to reflect average airfares by origin market and destination.
    - Other expenditure, consistent with tourism satellite account practice, captures residual spending not falling under the other categories and differs by destination.
3. Business and leisure spending shares are calibrated using Wider Spend data on a per-origin basis.

4. Finally, total direct visitor spending aggregates all expenditure categories, including accommodation fees from Booking.com data.

C. Indirect and Induced Impacts

The direct business sales described above are input into the input-output model in order to estimate the total economic impact attributable to Booking.com. Economic impact analysis measures the total effects of an incremental change in a regional or national economy. The initial change could be in the form of new spending, employment, income or investment, and the change will have additional impacts on employment, income, and output (also called business sales). The approach is based on making estimates of the initial change, for example the amount of net spending or investment as a direct result of visits enabled to a country, and this is considered the direct effect. In this case, the direct tourism spending comes in several industries including lodging, food and beverage, recreation, retail, local transportation, and air/train transportation.

Beyond the initial direct business sales, other effects ripple throughout the economy and these secondary effects are usually calculated in two categories: First, indirect effects result from the supply chain impact when new spending generates additional demand in related industries that provide inputs. For example, hotels and restaurants both require inputs from other industries in the form of goods and services. Producers of those inputs will experience additional demand for their goods and services such as legal or accounting services, agricultural goods and unprepared food items, and energy inputs such as gasoline and electricity. Some of this supply chain effect occurs in the local economy, some of the additional demand is placed on producers elsewhere in the national economy, and some may be imported from outside Australia. Secondly, the direct business sales and the additional demand placed on other industries both generate additional income for workers in those industries. A portion of the additional income earned is again spent in the economy, and this is considered the induced effect. The direct effect plus the indirect and induced effects combined make up the total economic impact.

These ripple effects that stem from an initial change in the local economy are captured in the "multiplier" concept. For example, $10,000 in direct business sales could result in a total of $15,000 of spending in the economy, for a multiplier of 1.5. The actual multiplier effect in an economy depends on many factors, such as productivity by industry and the distribution of productive resources in the country.

These characteristics of an economy are captured in an input-output model (I-O model). An I-O model can quantify the relationship between not only industries but also geographies. Fundamentally, an I-O model is an accounting method to describe a specific economy and the flow of money through the industries. In a matrix, the columns usually represent the buyers (demand) and the rows represent the sellers (supply). The value at the intersection of a column and row reflects the flow of money between the buyer and seller of a good or service. The sum of a row is the total supply (in value of output or sales) of that industry and the sum of any column is the total demand of the industry. In competitive markets total demand is equivalent to total supply; the sum of the row sums must equal the sum of the column sums. The richness of I-O modelling is that it serves as an accounting of the total economy and allows the analyst to measure the total impact in the broader economy of a small change in one industry.

The input-output model used in this analysis is based on a proprietary model developed by Tourism Economics. The model contains supply and use data for 36 industries in the national economy in 17 major groups. The major industries included are:

- Agriculture
- Mining
- Manufacturing
- Utilities
- Construction
- Wholesale & Retail Trade
- Transportation & Storage
- Accommodation & Food
- Info & Communication Services
- Financial Services
- Real Estate Services
- Other Professional Services
- Public Admin Services
- Education
- Healthcare Services
- Arts & Entertainment
- HHs as employers

The model is set up as follows:

$$x = Ax + y$$

where the first x represents a vector of gross output by industry and the second x vector represents intermediate demand generated by production in other industries; A is the input-output coefficient matrix that represents how much output from industry x is needed to generate output in other industries of the economy; y is a vector that represents final demand by industry. In words, total demand for x equals intermediate demand plus final demand. Household demand is assumed to be a part of final demand. A few additional steps yield:

$$x - Ax = y$$

$$(I - A)x = y$$

$$x = (I - A)^{-1}y$$

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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