

AHLA Releases Findings From Its State of the Industry Report

By **LODGING Staff** - January 27, 2026



WASHINGTON, D.C.—The [American Hotel & Lodging Association](#) (AHLA) released its *2026 State of the Industry* report, providing a data-driven look at hotel performance, operating conditions, and the sector's outlook for the year ahead. AHLA projected improved opportunity in 2026 as major global events such as the FIFA World Cup and America250 help lift travel demand, and the industry continues to invest in hiring and operations.

In 2025, hotels operated in a constrained environment marked by persistent cost inflation, uneven recovery across markets, and shifting travel patterns. While domestic demand remained relatively stable, the report underscored that “stability” is not the same as a full return to pre-pandemic fundamentals, particularly once inflation and expense growth are accounted for.

“AHLA’s State of the Industry Report is clear in its message: hotels continue to deliver economic value in every community, and we expect to see improvement over the last challenging year,” said Rosanna Maietta, president and chief executive officer of AHLA. “Even as operating costs remain elevated and profitability lags in many markets, hotels supported more than two million jobs last year and generated tens of billions of dollars in tax revenue for governments at every level. This year, we expect consumer spending to rise and our workforce to expand – showing some positives amidst many market challenges as our industry continues to persevere.”

Findings

Findings from the *2026 State of the Industry* report include:

- Hotels generated \$85.1 billion in local, state, and federal taxes in 2025 (up \$1.7 billion from 2024), and that total is projected to rise to nearly \$87 billion in 2026.
- Hotel guest spending in 2026 is expected to reach nearly \$805 billion, a 1.7 percent increase over 2025.
- Rising operating expenses were a primary factor keeping gross operating profit per available room (GOPPAR) at roughly 90 percent of 2019 levels.
- The industry paid nearly \$128 billion in wages and benefits in 2025 and is projected to approach \$131 billion in 2026.
- The hotel workforce is projected to grow by more than 30,000 jobs in 2026, bringing direct hotel operations employment to approximately 2.2 million.

The report also noted that domestic leisure travel remained the largest component of U.S. travel activity, while international inbound travel remained below pre-pandemic levels, an important headwind for destinations that relied heavily on overseas visitation and high-spend travelers.

AHLA's report emphasized that converting resilience into sustained growth will depend on a supportive operating and policy environment, including measures that facilitate travel, address cost pressures, and strengthen workforce development.

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