

U.S. Hotel Outlook Report

FIFA World Cup 2026

April 2026



Executive Summary

The hotel industry in the United States has spent years preparing for the 2026 FIFA World Cup, making significant investments to ensure communities across the country are ready to welcome a global audience. Hotels have developed fan-focused activations, strengthened security and transportation coordination with federal, state, and local partners, upgraded properties, and created tailored offerings.

From multilingual services to international menus and culturally relevant programming, hotels are ready to meet the needs of fans and provide a great experience for guests from around the world.

With just two months until kickoff, however, indicators suggest the anticipated economic lift may fall short of expectations. Despite more than five million tickets sold, this demand has not yet translated into strong hotel bookings. Forecasts show that domestic travelers are outpacing international travelers – an imbalance that threatens the broader economic impact the World Cup was expected to generate.

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Ticket Sales Source: FIFA

To better understand these trends, AHLA commissioned a comprehensive analysis across all World Cup host markets. **The findings reveal several emerging challenges that require immediate attention:**

- **Close to 80% of respondents say hotel bookings are tracking below initial forecasts.**
- **Visa barriers and broader geopolitical concerns are significantly suppressing international demand**, cited by **close to 70% of respondents** across most markets. These factors consistently rank as the top constraint on World Cup driven travel.
- **FIFA room block over commitment created an artificial early demand signal that has since unraveled**, with **roughly half of respondents in host markets** reporting material room block releases. Many hotels indicate that early booking signals overstated true demand.
- **Only a limited subset of markets – those with strong baseline leisure demand or confirmed team base camps – are seeing meaningful incremental uplift**, representing close to 30% of overall respondents.
- State and local policies are adding last-minute costs for travelers.

Mounting Challenges Across World Cup Host Cities



New Taxes and Fees



International Perception of Visa Delays



TSA Wait Times and Funding Uncertainty



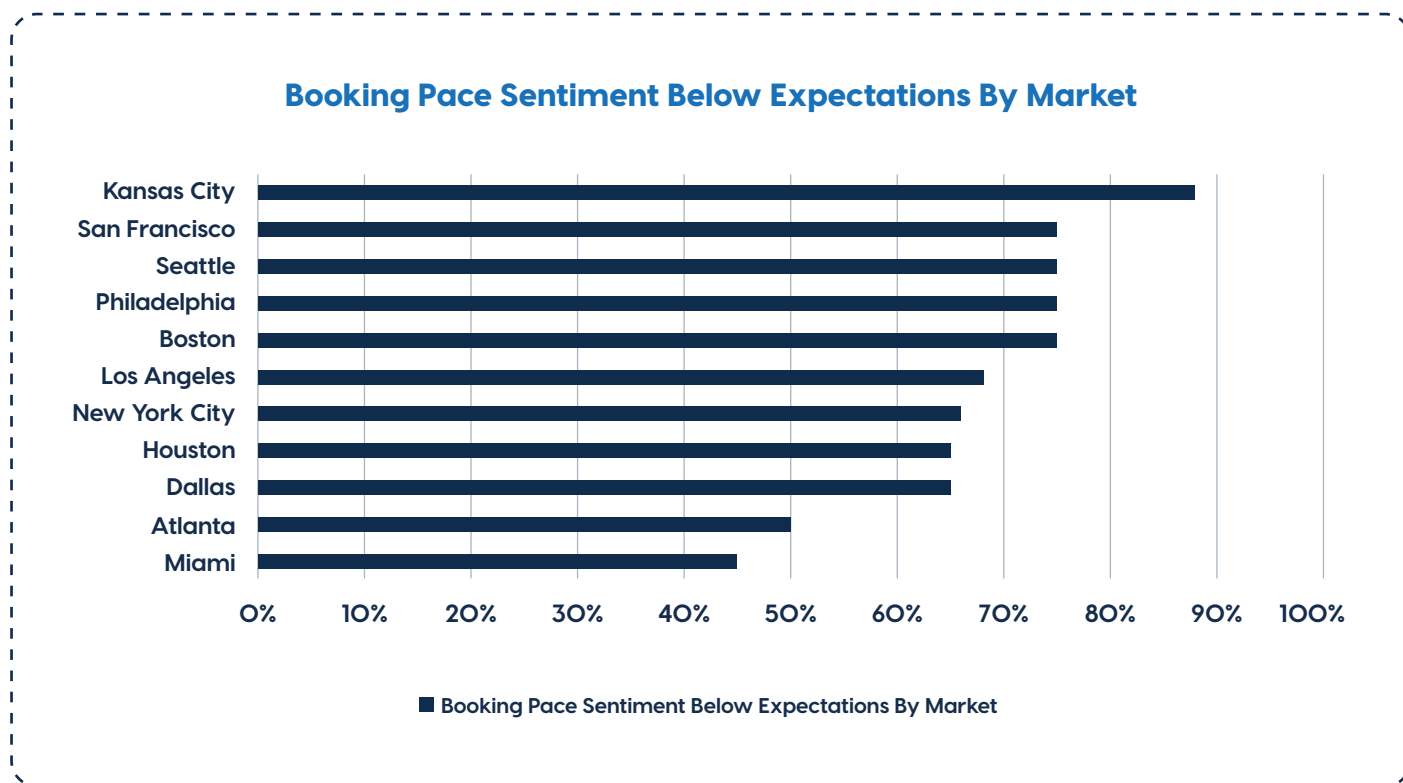
Room Block Cancellations



Increased Gas and Jet Fuel Prices

AHLA Member Survey: Market Challenges

An April 2026 AHLA member survey provides an early preview of World Cup hotel occupancy expectations. The data reveals widespread softness relative to initial expectations. Hotels in most markets report booking pace falling below forecasts, with some even trailing typical June or July summer demand.



Kansas City emerges as the most negatively impacted host market in the survey, with roughly **85–90%** of respondents reporting booking pace below expectations and trailing a typical June or July. Properties describe extensive FIFA room block cancellations, reaching **70–95%** of originally contracted inventory, while more than **70% cite visa barriers and weak international demand** as key drivers. Together, these factors have left the market oversupplied, underperforming, and highly rate-sensitive relative to normal summer benchmarks.

Los Angeles presents a mixed picture, skewing below expectations for many properties. Roughly **65–70%** of respondents report booking pace below expectations, often in line with or lagging behind a typical summer. Approximately half of respondents cite visa barriers, high labor costs, and distance from venues as meaningful constraints, alongside broader city policy challenges that continue to complicate operations. FIFA’s cancellation of thousands of downtown Los Angeles rooms reflects these pressures and underscores how World Cup-related performance is proving uneven and highly location-specific, varying significantly by submarket and proximity to match activity.

In New York City, about two-thirds of respondents similarly report softer-than-expected bookings that nonetheless track with normal summer demand. More than **60%** of New York City operators point to international travel barriers and geopolitical concerns influencing the soft bookings.

In Dallas and Houston, roughly **70%** of respondents report booking pace below World Cup expectations, though still broadly in line with a typical June or July, pointing to limited incremental lift from the tournament.

Other host markets, including **Boston, Philadelphia, San Francisco, and Seattle**, show similarly limited World Cup impact, with nearly **80%** of respondents reporting booking pace below expectations and behind a typical summer. Many respondents describe the tournament as a “non-event” in these cities, citing late FIFA room releases and weak international fan travel as the dominant concerns across markets.

Atlanta and Miami stand out as relatively bright spots among host cities. In Atlanta, approximately **50%** of respondents report booking pace in line with or ahead of expectations – and ahead of a typical June or July – driven largely by team base camps, strong air connectivity, and diversified demand sources. Miami shows even stronger momentum, with roughly **55%** of respondents reporting booking pace ahead of expectations and typical summer benchmarks, as the market captures World Cup-adjacent leisure demand and offsets broader international travel headwinds.

This preview suggests hotels face a fragmented demand environment. As many properties recalibrate sales strategies toward transient leisure demand, others are pausing investments around World Cup-specific activations, brand partnerships, and temporary renovations amid uncertainty. Hotels generate billions of dollars in tax revenue nationwide. If the bookings continue to fall below expectations, cities will not generate the tax revenue they expect.

However, forward indicators suggest there is still modest room for growth, even as hotel operators contend with rising costs across labor, insurance, and utilities. CoStar projects national Revenue Per Available Room (RevPAR) will increase 1.7% during tournament months, with occupancy curves expected to steepen around the U.S. team's June 12 opening game. Without the tournament, that figure would be just 0.2% – essentially flat. While the World Cup has the potential to be a welcome boost and an exciting moment for the industry, it is not a silver bullet for the broader financial pressures hotels continue to face.

Room Block Cancellations



FIFA's widespread room-block releases have amplified booking uncertainty, with cancellations hitting Boston, Dallas, Los Angeles, Philadelphia, Seattle, and elsewhere – sometimes topping 70% of contracted inventory in affected markets. These blocks, secured months ahead, shaped hotels' revenue forecasts, staffing plans, and preparations for World Cup-themed renovations or partnerships.

Operationally, block releases ahead of a major event are normal, but hotel properties require transparency, lead time, and a communications process that treats operators as partners. With those commitments withdrawn just three months out, properties are now working quickly to backfill rooms and adjust their sales strategies.

Host-market performance was initially supported by early FIFA room blocks, which manufactured artificial demand by locking up large pools of inventory well ahead of the tournament. That compression masked softer underlying traveler demand, with FIFA returning some blocks without a single reservation having been made, and other blocks seeing only 15% actual pickup. As FIFA cancelled and released this previously held inventory – 70% of its group blocks across host cities – the artificial demand signal is reversing. As this inventory returns to the open market, it is creating near-term pressure on host-market average daily rates.

International Travel Barriers



Even with global anticipation building, the path to the U.S. for many World Cup travelers feels increasingly less like a red-carpet welcome. There is a perception that international travelers may face lengthy visa wait times, increased visa fees, and lingering uncertainty around entry processing. For those who do make the journey, concerns do not end at the border – questions about airport security screening wait times and airport congestion add another layer of hesitation.

Cost pressures only compound the issue. A strong dollar, high airfare costs, and elevated gas prices make the U.S. a more expensive destination compared to past tournaments, while broader international perceptions about affordability and policy unpredictability further dampen enthusiasm. Taken together, these factors are contributing to a growing sense that visiting the U.S. for the World Cup may be more complicated and costly.

The High Impact Traveler: How International Guests Drive U.S. World Cup Revenue

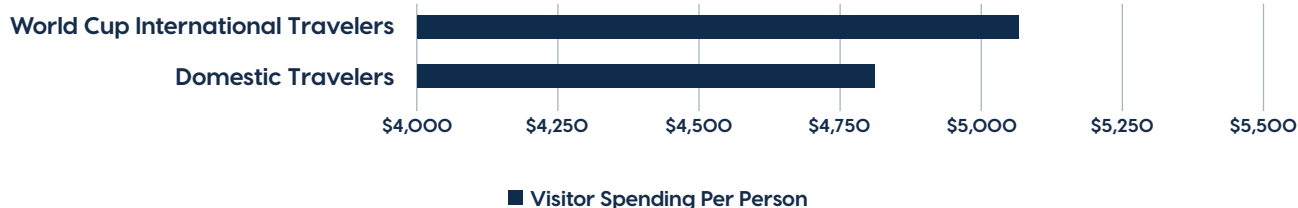
With millions of World Cup tickets sold, there is no doubt that the stadiums will be full. Today, it is unclear who will fill these seats. To fully realize the economic potential of the games, we need a healthy mix of international and domestic travelers to generate revenue.

Research from the U.S. Travel Association highlights how critical international travel is for the success of the World Cup. International World Cup visitors are higher spend, longer stay travelers who expect to spend roughly \$5,048 per person – about 1.7 times more than typical international visitors to the United States. One third of international visitors plan stays of more than two weeks, often turning match trips into broader multi destination vacations that extend beyond host cities. While domestic World Cup travelers still spend roughly \$4,794 per person, they are more likely to cluster around match day peaks and shorter, game focused itineraries rather than diffuse multi week spend as seen with international arrivals.

1.7X

World Cup international traveler spending compared to traditional international travelers

Visitor Spending Per Person



Case Studies: Assessing the impact of new taxes and fees on travelers and residents

New Jersey

New Jersey is proposing a last-minute, temporary World Cup tax that would be felt by visitors and residents alike. The proposed package would raise the prepared food and general sales tax rate from 6.6% to 9.6% (45% increase) and lodging tax from 5.0% to 7.5% (50% increase).

The tax burden would fall on local families through higher prices for everyday goods and services, adding to the cost-of-living squeeze already facing households near the stadium. This creates an unfair competitive advantage to the counties included in the proposed tax increase legislation.

This tax proposal is highly unpopular among New Jersey residents. **A recent poll conducted by Morning Consult on behalf of AHLA shows 86% of New Jersey residents believe the proposed tax hikes jeopardize the state's World Cup economic benefits**, 82% expect harm to small businesses, especially, and 64% oppose it outright.

Many of the World Cup cities already have high lodging taxes. Last-minute surge taxing during a major event is short-sighted and will deter tourism from the market, ultimately creating larger tax revenue problems. This creates operational challenges for hotels and other local businesses, including pre-paid rooms and pre-existing contracts. There are also significant operational costs with updating software to account for a temporary surge tax.

\$110.5M

Total Monthly Burden on 17 Counties

86%

Of NJ Residents Say Tax Hikes Jeopardize World Cup Benefits

Imposing an additional consumer tax at this moment risks further discouraging visitors from choosing New Jersey, undermining a critical opportunity to drive tourism and deliver a much-needed boost to state and local economies. It also is a deterrent for future events, as meeting planners, hotels, local businesses and residents could now anticipate temporary surge taxes becoming a concerning precedent for policymakers looking to plug budget shortfalls. In reality, much of this tax burden will fall on New Jersey residents themselves. The World Cup should be a moment to showcase New Jersey at its best. We should make it easier and more attractive to visit and spend, not more costly and frustrating.

Philadelphia

Philadelphia's hotel sector is still climbing back from the severe impacts of the pandemic, with many properties continuing to face an uneven recovery. Despite that backdrop, the industry remains a vital \$6 billion economic engine in Philadelphia, supporting 34,000 jobs and generating nearly \$900 million in tax revenue. Major events like the World Cup could play a role in accelerating the city's recovery, with early forecasts projecting RevPAR growth of 22% in June and 19% in July compared to historical benchmarks, if the full opportunity is realized.

Hotel Tax Hike Impact on Philadelphia



1,900
Jobs Lost



\$154M
Lost Economic Activity



192K
Room Nights Lost

In March, FIFA cancelled approximately 2,000 blocked room nights and a looming proposal to raise Philadelphia's hotel tax from 8.5% to 10.5% adds to demand uncertainty – precisely as the city is on the threshold of its strongest recovery since 2019.

Philadelphia's current 8.5% hotel tax is reinvested through state and local destination marketing organizations to attract conventions, meetings, and leisure visitors – expanding demand for the very businesses that pay this tax. The proposed increase breaks that alignment: the extra 2% would be diverted to non-tourism purposes and function purely as a price increase passed on to guests. The proposed hotel tax represents a nearly 24% increase on the lodging industry, potentially costing 1,900 jobs, \$154 million in economic activity, and 192,000 room nights amid a recovery still 5% below pre-COVID peaks. If enacted, Philadelphia's total state and local hotel tax burden would rise to 17.5%, one of the highest total tax rates on the east coast. These impacts would forfeit the full economic benefit of the World Cup in Philadelphia.

Transportation Costs

Layered on top of room block releases, host markets are introducing visitor surcharges that could further dampen demand. New Jersey Transit [announced](#) \$150 round-trip fares from New York City's Penn Station to MetLife Stadium on match days – more than 11 times the usual \$12.90 fare – drawing backlash and FIFA criticism for a potential "chilling effect." In Los Angeles, airport authorities [approved](#) hikes pushing rideshare fees from \$4 to \$6-\$12 per trip, explicitly tied to congestion relief ahead of SoFi Stadium games. Similar transit markups appear in [Boston](#), with \$80 round-trip fares to Gillette Stadium.

Conclusion

With just two months ahead of the games, World Cup hotel bookings track below expectations due to FIFA cancellations, international traveler headwinds, and new tax and fee proposals that are injecting uncertainty into travelers' plans. Policy restraint and operational transparency can unlock remaining potential. Host cities like Philadelphia, New Jersey and others must avoid tax hikes that compound uncertainty, preserving jobs and revenue for a tournament still poised to deliver if late demand materializes.

Methodology & Sources

Economic impact estimates and hotel performance data are drawn from CoStar/STR, Oxford Economics/Tourism Economics, and the U.S. Bureau of Labor Statistics (BLS). Hotel demand and RevPAR forecasts are sourced from Costar/STR, Oxford Economics/Tourism Economics and Larkspur. Philadelphia market-level analysis is based on AHLA exclusive research. Tax impact modeling – including projected losses in room revenue, total business revenue, and employment – was conducted by Advocacy Analytics on behalf of the American Hotel & Lodging Association (AHLA), drawing on research and economic analysis by David Ozgo.

Resources: Bureau of Economic Analysis (BEA), per capita personal income via FRED (2024); U.S. Census Bureau, population estimates (2025); U.S. Census Bureau, Small Area Income and Poverty Estimates (SAIPE) (2024); USDA Economic Research Service (ERS), food-away-from-home share of disposable income (5.5%); Tourism Economics (2026); CoStar/STR (2025); CBRE Hotels (2025); American Hotel & Lodging Association (AHLA) Survey of 500 New Jersey residents (2025); Public lodging tax schedules: New Jersey, New York, and Pennsylvania; Morning Consult Survey conducted in April 2026 on behalf of AHLA in New Jersey; New Jersey World Cup tax proposal dataset. Fielded April 7-21, 2026, the AHLA member survey encompasses hotel owner and operator respondents from across the country.

About AHLA

The American Hotel & Lodging Association (AHLA) is the largest hotel association in America, representing more than 30,000 members from all segments of the industry nationwide – including iconic global brands, 80% of all franchised hotels, and the 16 largest hotel companies in the U.S. Headquartered in Washington, D.C., AHLA focuses on strategic advocacy, communications support, and workforce development programs to move the industry forward. Learn more at www.ahla.com.

