Tourism Market Watch

2Q26 overview

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2Q26 Highlights

Visitors

International visitor arrivals declined by 4.5% y/y to 1.6mn in 2Q26, with tourists reducing by 2.7% y/y to 1.3mn and same-day visitors down by 11.6% y/y at 0.3mn. The decline was primarily driven by lower arrivals from the Middle East (-32.4% y/y) due to the Iran conflict, India (-75.8% y/y) following Indigo's suspended flights, and neighboring countries including Türkiye (-6.9% y/y) and Armenia (-5.0% y/y). These declines were partly offset by stronger arrivals from the EU (+19.4% y/y), as well as from Russia (+5.1%), Ukraine (+21.3%), Azerbaijan (+4.7%) and China (+3.2%).
Overall, international visits declined by 2.7% y/y to 2.7mn in 1H26, with tourists broadly flat (+0.1% y/y) at 2.3mn and same-day visitors down by 14.6% y/y to 0.5mn.
We continue to project low-single-digit growth in int'l tourist arrivals in 2026, supported by improved air connectivity, the normalization of travel demand from the Middle East, and arrival growth from Azerbaijan after the reopening of the Baku-Tbilisi railway.

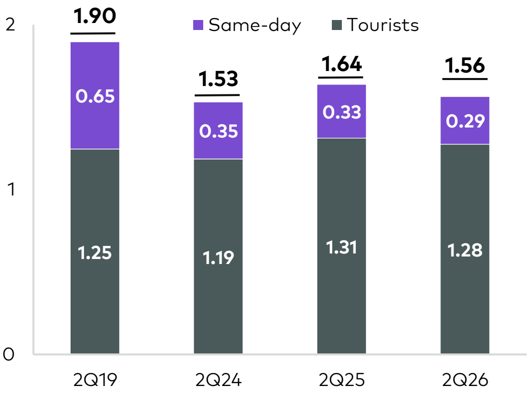
Revenues

Tourism revenues declined by 3.8% y/y to US$1.1bn in 2Q26.
Mirroring visitor trends, the decline was driven mainly by lower tourism revenues from the Middle East, particularly Iran (-65.1% y/y) and Saudi Arabia (-61.9%), as well as from Türkiye (-10.9%). Notably, revenues from Israel declined by only 3.0%, despite a sharper reduction in visitor arrivals. On a positive note, revenues increased from the EU (+12.1%), Russia (+10.1%), Ukraine (+49.8%), and Azerbaijan (+10.3%), partially offsetting the declines in the abovementioned markets.
Overall, tourism revenues declined by 2.0% y/y to US$1.9bn in 1H26.
We forecast full-year 2026 tourism revenues at US$ 4.9bn.

Accommodation

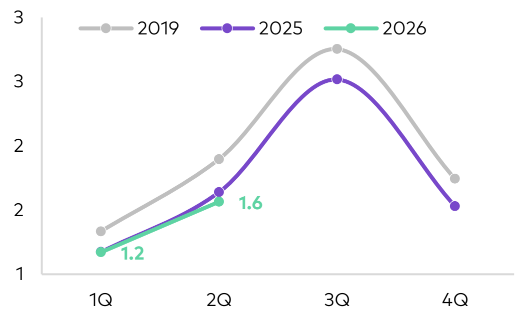
Hotel KPIs improved toward the end of 2Q26 as travel demand normalized following disruptions related to the Iran conflict. Although monthly performance recovered in June 2026, weakness in April-May weighed on quarterly occupancy. As a result, in Tbilisi average occupancy declined to 65% in 2Q26 from 67% in 2Q25, while ADR rose to US$92 from US$86 in the same period. In Batumi, occupancy remained flat at 60%, while ADR rose to US$98 in 2Q26 from US$96 in 2Q25.
Airbnb demand remained resilient, with nights booked increasing by 14% y/y to 358k in Tbilisi and by 7% y/y to 197k in Batumi in 2Q26. ADR increased slightly to US$44 in 2Q26 from US$43 in 2Q25 in Tbilisi, but declined to US$35 from US$37 in Batumi.

Figure 1: Int'l visits by type, mn visits



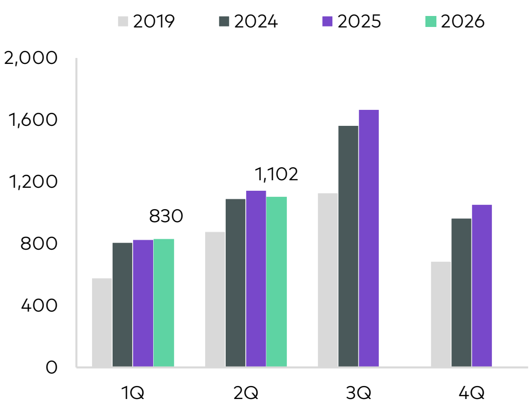
Source: GNTA

Figure 2: Int'l visits, mn visits



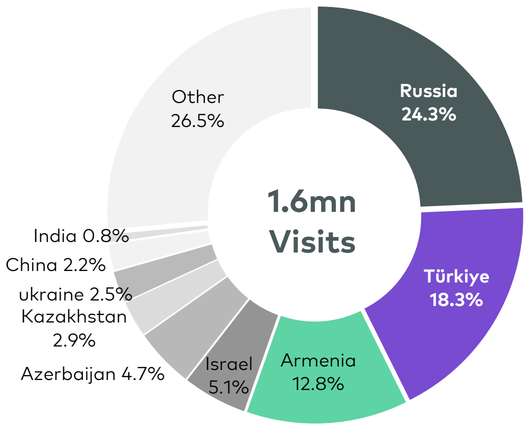
Source: GNTA
Note: Int'l visitors combine tourists (overnight stay) and same-day visits

Figure 3: Tourism revenues, US$ mn



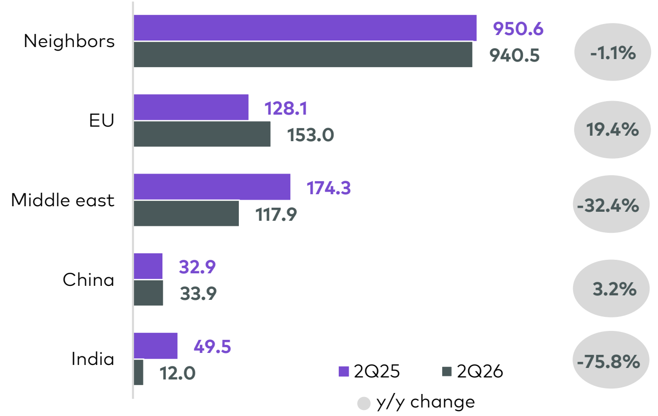
Source: NBG

Figure 4: Int'l visits (tourists and same-day) by country, 2Q26



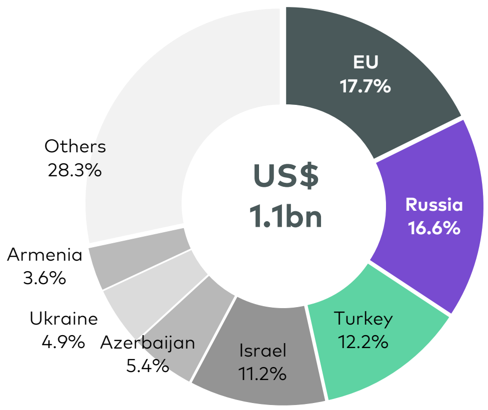
Source: GNTA

Figure 5: Int'l visits from top 5 markets and y/y changes, '000 visits



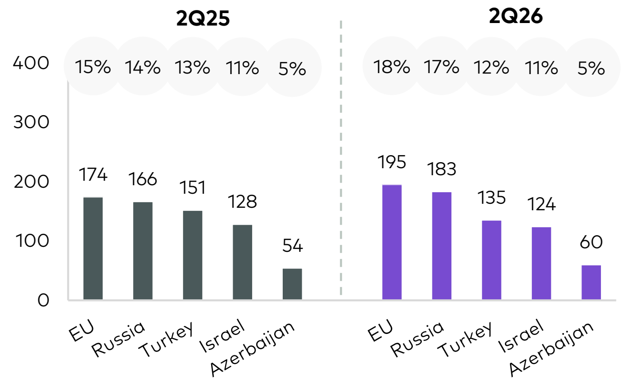
Source: GNTA
Note: The EU figures include the UK; Neighbors include Russia, Türkiye, Azerbaijan and Armenia

Figure 6: Int'l tourism revenue by country, 2Q26



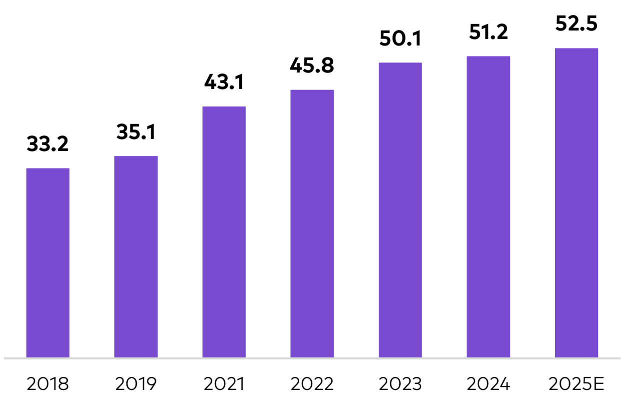
Source: NBG
Note: The EU figure includes the UK

Figure 7: Int'l tourism revenue from top 5 countries and share in total, US$ mn



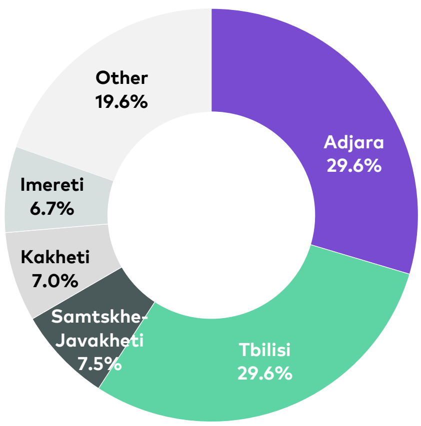
Source: NBG
Note: The EU figures include the UK

Figure 8: Accommodation supply in Georgia, rooms '000



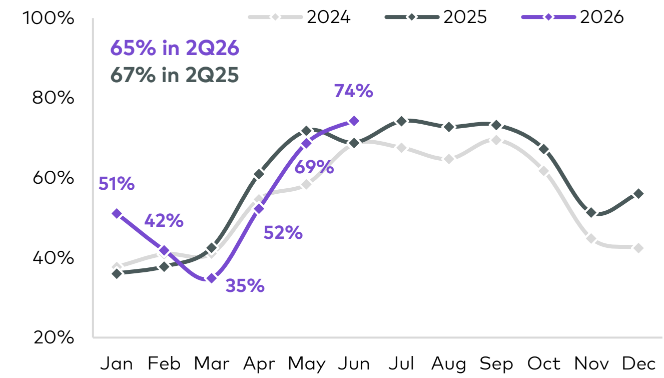
Source: GNTA, Galt & Taggart

Figure 9: Accommodation supply in Georgia by regions, 2025E



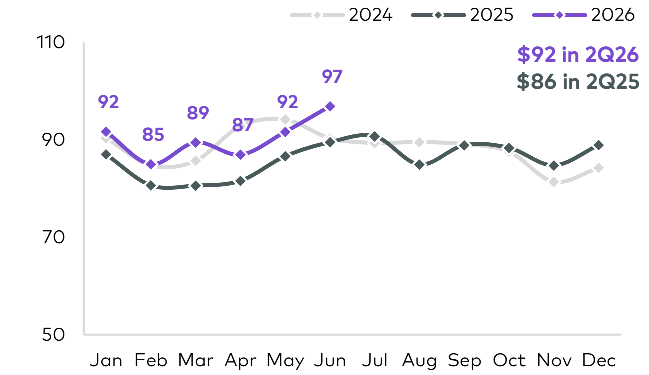
Source: GNTA, Galt & Taggart

Figure 10: Occupancy of selected hotels in Tbilisi



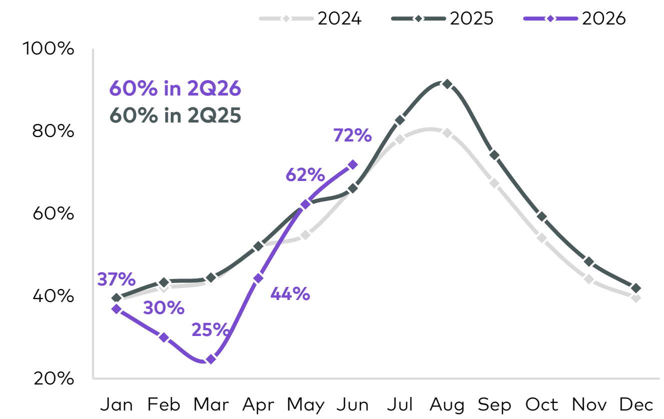
Source: Galt & Taggart, BoG

Figure 11: ADR of selected hotels in Tbilisi, US$



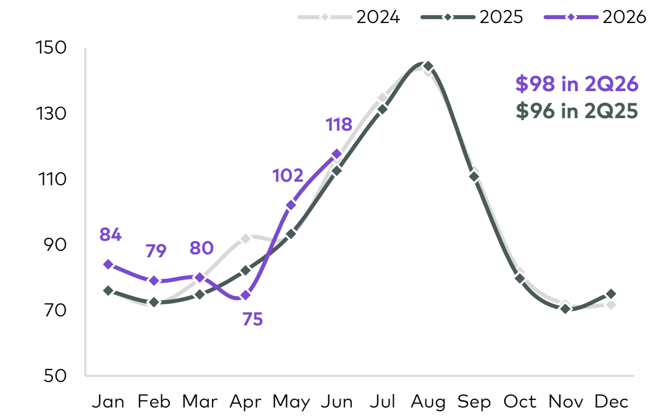
Source: Galt & Taggart, BoG
Note: net of VAT

Figure 12: Occupancy of selected hotels in Batumi



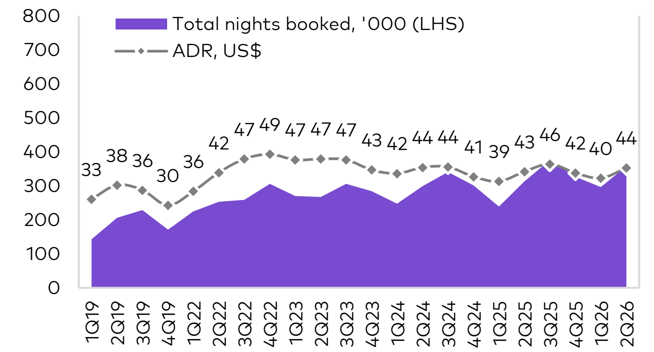
Source: Galt & Taggart, BoG

Figure 13: ADR of selected hotels in Batumi, US$



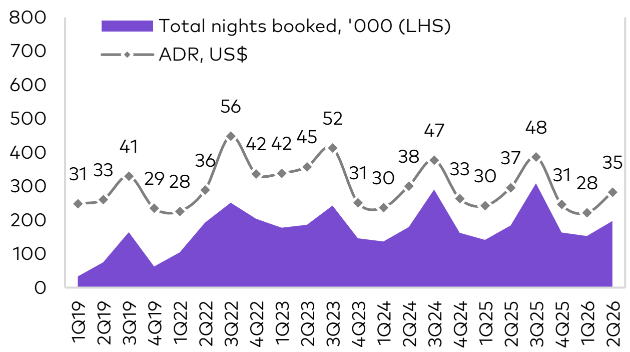
Source: Galt & Taggart, BoG
Note: net of VAT

Figure 14: Airbnb demand and prices in Tbilisi



Source: AirDNA
Note: Figures differ from previously reported editions due to a methodology update from AirDNA, improving reservation detection accuracy and providing greater fidelity to actual market trends.

Figure 15: Airbnb demand and prices in Batumi



Source: AirDNA

Table 1: Key tourism statistics for 2Q26

	2Q19	2Q23	2Q24	2Q25	2Q26
Tourism revenues, US$ mn	**877.6**	**1,009.1**	**1,090.7**	**1,145.0**	**1,101.8**
International visitors, persons	**1,896,104**	**1,463,838**	**1,530,580**	**1,638,188**	**1,564,142**
by type:					
Tourists	1,245,012	1,085,151	1,185,172	1,311,416	1,275,435
Same-day	651,092	378,687	345,408	326,772	288,707
by country:					
Russia	437,510	320,845	312,051	361,835	380,108
Türkiye	298,440	366,136	369,395	308,349	287,012
Armenia	298,545	214,573	195,861	209,983	199,577
Israel	52,130	61,742	79,424	90,398	79,884
Azerbaijan	329,815	45,424	48,006	70,430	73,774
Others	479,664	455,118	525,843	597,193	543,787

Source: NBG, GNTA
Note: Sorted by 2Q26

Table 2: Key tourism statistics, annual

	2018	2019	2020	2021	2022	2023	2024	2025
Tourism revenues, US$ mn	**3,222**	**3,269**	**542**	**1,245**	**3,517**	**4,125**	**4,425**	**4,690**
As % of GDP	*18.30%*	*18.70%*	*3.40%*	*6.70%*	*14.20%*	*13.40%*	*12.90%*	*12.30%*
International visitors, persons	**7,203,350**	**7,725,774**	**1,513,421**	**1,721,242**	**4,703,945**	**6,171,540**	**6,456,064**	**6,856,809**
by type:								
Tourists	4,756,820	5,080,478	1,087,093	1,577,463	3,652,949	4,669,467	5,091,732	5,521,866
Same-day	2,446,530	2,645,296	426,328	143,779	1,050,996	1,502,073	1,364,332	1,334,943
by country:								
Russia	1,404,757	1,471,558	208,677	212,979	1,087,257	1,418,464	1,421,923	1,579,764
Türkiye	1,098,555	1,156,513	335,580	326,494	925,561	1,396,660	1,336,834	1,248,881
Armenia	1,268,886	1,365,048	260,965	164,698	742,593	962,540	948,299	948,242
Israel	156,922	205,051	25,731	100,686	210,178	217,065	310,982	402,426
Azerbaijan	1,424,610	1,526,619	295,132	82,718	152,969	199,835	219,356	292,149
India	50,910	54,606	8,364	24,992	52,841	84,688	124,335	142,476
Ukraine	177,058	207,667	42,414	144,901	168,915	146,931	118,528	136,826
China	31,855	48,071	4,363	3,468	7,380	48,304	88,583	127,895
Others	1,589,797	1,690,641	332,195	660,306	1,356,251	1,697,053	1,887,224	1,978,150
Airport arrivals	**1,788,417**	**1,829,341**	**269,193**	**877,158**	**1,536,316**	**1,921,872**	**2,438,796**	**2,854,412**
Tbilisi	1,402,157	1,355,489	202,632	568,149	1,040,729	1,230,888	1,599,984	1,867,086
Batumi	239,251	258,159	19,868	221,853	264,021	254,082	399,624	521,325
Kutaisi	147,009	215,556	46,693	87,156	231,566	436,902	439,188	466,001

Source: GNTA, NBG, Geostat, Galt & Taggart

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