

Forecasting Tourism in Dubai

During the past decade, Dubai has become a global tourism hub. The DIFC Economic Note 8 “[Forecasting Tourism in Dubai](#)” forecasts guest nights demand in Dubai hotels and hotel apartments as a proxy to measure the performance of the tourist sector in the Emirate. Although tourism represents only 2.5% of recorded GDP, it has a profound impact on retail sales and transportation, which together represent some 44% of recorded GDP.

The empirical analysis uses traditional empirical methods, but in addition to the data compiled by Dubai authorities, it tests the explanatory power of seasonal factors and dummy variables capturing erratic effects such as the Holy Month of Ramadan, the school calendar and major sporting events. As a final element in the forecasting exercise, the analysis includes the number of searches conducted on Google using keywords related to travel to Dubai.