

What kind of businesses have benefited the most from Taylor Swift's Eras Tour and how?

The inevitable turn into summer brings with it the promise of a full calendar. No matter where you are, local parks and stadiums alike will be filled with excited kids and exhausted parents. But there was only one event in the summer of 2023 that people were talking about. And when Taylor Swift's The Eras Tour graced stages across the globe, "Swifties" weren't the only people left grateful.

The tour's effect on local economies was so profound that the commonly used phrase "concert economics" was re-named Swiftonomics¹ when discussing the magnitude of the Eras Tour's impact. And after being credited with providing the UK with a \$1 billion boost, even her critics can't argue the significance of the tour and the benefits it has brought to a multitude of cities.

It is reported that each leg of the tour has produced approximately 3,000 temporary jobs in its wake², supported small businesses³ and encouraged councils to improve their cities' infrastructure. The positive effect of the tour has benefited everyone in the local area, not just fans of the pop star.

Alongside this there have been many incredibly generous donations to local food banks by Miss Swift herself, leading UK social commentators to claim

¹ The term was coined by UK economist Augusta Saraiva

² Taylor Swift's weekend in Los Angeles created roughly 3,300 jobs and had an economic impact of \$320 million.

³ Small businesses selling Taylor Swift inspired merch have seen a large increase in demand along with various craft shops seeing a rise in friendship bead and sequin sales.

that “she’s done more than this Conservative government has in 14 years to eradicate food poverty”.⁴

But out of all the sectors touched by the billion-dollar tour, none has been so affected as the hospitality industry. An industry that can be broken down into four main categories: accommodation, travel, food and entertainment. In this essay I will be exploring the vast impact the Eras Tour had on the hospitality industry.

Upon the arrival of the Eras Tour hotel prices were always expected to soar, however an unprecedented peak hit during the European leg of the tour with Warsaw seeing a rate increase of 154%, followed closely by Stockholm at 119% and Liverpool at 115%. Regardless of the significant increase in price, fans were not deterred from booking accommodation. As Swift wrapped the European leg of the tour in London, hotel occupancy rates reached an all-time high, with August 17th pushing 94%. The popularity of the tour exceeded all previous expectations. European “Swities” however weren’t the only contributors to the rising hotel statistics. Her Chicago dates demanded 44,000 hotel rooms leading to a 97% occupancy rate, while her Las Vegas dates in the summer of 2023 matched figures caused by the 2024 Superbowl.⁵ Similar circumstances arose when Swift’s four-night visit to Paris outperformed the peak dates of the 2024 Olympics on a night-to-night

⁴ This is a claim that has been made by many over social media (e.g. Giles Paley-Phillips through an Instagram post) and been reported on by newspapers such as the Mirror.

⁵ Travel weekly reported “Las Vegas, individual nights during Swift’s March 2023 concerts matched the per-night RevPAR of the city’s 2024 Super Bowl, with her shows driving 90% occupancy and average rates between \$400 and \$500 over a two- to three-day period, while the Super Bowl ran at about 80% occupancy, with average rates in the \$600 range, over a four- to five-day period.

comparison. These comparisons emphasize the demand that Swift was creating as her tour traveled from city to city.

As of October 2024, Swift's the Eras Tour is said to be responsible for \$1 billion dollars' worth of extra hotel revenue across Europe, Asia and the US. However, along with an increase in income, the rise in demand for hotel capacity has also made clear new booking trends which the hospitality industry must respond to. The next generation of customers, for example, is booking much further in advance than before due to event tickets being released earlier. Hoteliers have had to respond to these changes in customer behavior by making their rooms available when the events scheduled demand so.

Trends seen throughout hotels and accommodation were mirrored in the travel sector. With US ticket prices being up to 87% more expensive than European shows, Swift fans were finding it cheaper to go abroad to see the show rather than supporting the Pop Star in their home country. With the influx of American fans flooding to Europe came a significant increase in tourism.

The Associated Press reported that Americans made up 20% of the tickets sold for the 2024 Paris shows, illustrating the high international demand for European tickets. And in Stockholm 10,000 of the 120,00 attendees were represented by Americans. This increase in tourism, however, does not just affect the cities Miss Swift has visited, but neighboring locations as well. With

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a large majority of the shows taking place in the summer months, many Americans took the opportunity to combine their travel plans with an extended holiday. Paris, London and Stockholm were just some of the cities that, despite already having a strong tourist pull due to their rich history and culture, gained extra visitors from the added allure of the tour. The impact was so significant that some locations reached visitor levels similar to those of pre-covid levels⁶.

With this increase in visitors comes an increase in spending, meaning local shops and restaurants alike were reaping the rewards of the rise in tourists. And as businesses making Swift themed merchandise, fans were encouraged to spend even more.

Although the trip abroad may have been cheaper for many “Swifties” in comparison to watching the show on home ground, an international holiday can still not be defined as cheap. In a time where prices are constantly going up, the cost of travel was no exception, however that still does not seem to have deterred fans from making the journey.

During the Eras Tour’s visit to Singapore travel bookings increased by 275% and inbound flights rose by 186% due to the demand created by fans.

Airlines were forced to add extra flights to their schedule to accommodate the demand, with up to 13,000 additional seats being added for travel to the host cities of the tour.

⁶ Swift’s two Las Vegas concerts lead tourism levels to mirror that of pre-covid levels.

“Swifites” however have remained vigilant when reaching their destination, utilizing public transport to offset the costs caused by flights. The Chicago Transit Authority reported that it provided 5.63 million rides in the week commencing June 4th (the week the city was visited by the Eras Tour), this unusual peak being caused by the concert. This surge in riders illustrated to governments, councils and public transport officials alike that when given the option for reliable and reasonably priced public transport, the public will use it. Jim Aloisi, a lecturer of transport policy and planning at MIT commented how "What Taylor Swift is doing, and I thank her for this — although I don't know she intended to — is proving that if you give people better, reliable transit alternatives, they'll take it,".

Fans were also utilizing ride sharing as a way to lower costs on their Eras Tour trip. Lyft reported that for hotels situated near the concert venues, ride sharing was up by an average of 8.2%, peaking in New Orleans with a surge of 31%. Whether being picked up by friends or a ride sharing service, for fans unwilling to rely on public transport or wanting a more direct mode of transportation, ride sharing proved to be a great alternative. It certainly benefited companies such as Uber who, due to dynamic pricing, were able to increase customers’ costs during peak hours. Furthermore, with the 353,000 “Swifites” picked up by Uber across the course of the tour being generous tippers, drivers received on average eight times the normal rate.

Upon reaching their destination, and like most people wanting to avoid venue price, Swift fans started exploring food and drink options in the surrounding area. But with a bottle of water costing as much as \$10 fans were forced to spend the extra money. The Master Card Economic institute found that restaurants within a 2.5-mile radius of the Pops Stars tour venues saw a 68% increase per day and an extra \$100 million in restaurant sales across the United States in 2023.

As mentioned previously, restaurants were able to maximize their revenue through themed drinks and meals. Edinburgh in particular took advantage of this idea, releasing a Taylor Swift themed food trail including 39 local businesses for the almost 73,000 fans that visited the city. From Mackays on the Mile's Afternoon Swift-tea to Brewhemia's Friendship bracelet making brunch, there was something for everyone.

In conclusion, I believe there is compelling evidence that the sector to have been most impacted by Taylor Swift's Eras Tour was the Hospitality sector. Although there are some variations in how the hospitality sector is defined, I have explored accommodation, transportation and food and beverages. Throughout the duration of the tour there has been both a significant price increase for these services and a higher demand due to the increase in visitors to the tour cities. This has consequently led to an increase in revenue across the hospitality industry, which is ultimately the principal objective for most businesses. While other businesses have benefited from the Eras Tour⁷

⁷ such as the fashion, retail, cnstruction, etc

I believe no other sector has been as significantly impacted as the hospitality industry.

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