

Press Release

Zurich, 21 May 2015, 10.30 a.m.

KOF Swiss Tourism Forecast

The effects of the abrupt increase in the value of the Swiss franc are making themselves felt in the Swiss tourist industry. Following the slight upward trend over the last two years, overnight stays have fallen again during the current year. It is forecast that there will be a -0.6% fall over the course of 2015. However, the KOF is expecting the figure to pick up slightly again in 2016 with a 0.8% rise. KOF has been entitled by the State Secretariat for Economic Affairs (SECO) to produce bi-annual tourism forecasts for Switzerland.

2014 / 2015 winter season, overnight stays stagnating

The abrupt increase in the value of the Swiss franc in January of this year had a noticeable impact on the Swiss tourist industry during the last winter season. According to current estimates, the number of overnight stays stagnated during the winter season. Whilst tourist demand on the part of national consumers remained robust, demand from abroad weakened, in particular for travellers from the Eurozone. The result was also affected by the heavy fall in Russian visitors.

2015 summer season, national and foreign demand down

The KOF is expecting the number of overnight stays to fall by 1% during the 2015 summer season. Falls are forecast from both national and foreign travellers. For national travellers, the deterioration in the national economy in the wake of the increase in the value of the Swiss franc is depressing the mood of private consumers, which thus by extension also weighs down tourist budgets. Overnight stays by foreign guests will fall during the summer season, in some cases sharply depending upon the country of origin. However, part of the fall in demand on the part of European travellers may be offset by an increase in overnight stays from the more distant markets of Asia and America.

Value added by tourism

The gross value added by tourism will decline slightly both this year and next year. Forecasts point to a fall of -2.1% during the current year followed by -1.1% next year. This means that, given the relatively inflexible cost structure, the price reductions that will be necessary to remain competitive, especially with European countries, will eat into the margins of tourist businesses.

Focus on the exchange rate

In a special analysis, an empirical investigation has examined how demand for overnight stays has reacted to the change in the exchange rate. The results show that demand has been more affected by exchange rate changes in Alpine mountainous areas and in Ticino than in the cities. Alongside the changes in the exchange rate, the economic situation in the countries of origin is playing a significant role. It was not possible to confirm the hypothesis that overnight stays in premium hotels were less significantly affected by the increase in the value of the franc than overnight stays in hotels with a lower star rating.

You can find the detailed KOF Swiss Tourism Forecast (in German) on our webpage:
<http://kof.ethz.ch/de/medien/mitteilungen/>

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