

# Press Release

Zurich, 26 October 2021, 10am

## **KOF forecast for Swiss tourism: slow recovery in sight, with domestic travellers supporting tourism sector**

**The gradual recovery of the tourism sector – also among European tourists – started in late summer. However, domestic travellers remain the mainstay of the tourism industry, while overseas markets are recovering only very slowly. KOF's in-depth analysis reveals that the parahotel sector on the whole has come through the coronavirus crisis better than the hotel sector. KOF expects its tourism forecasts to gradually return to normal over the coming winter and summer seasons.**

### **Review of the 2021 summer season: overnight stays 21 per cent below pre-crisis level**

Last summer's tourist activity did not return to its normal level despite the easing of the pandemic situation and the travel facilitation provided by the COVID-19 certificates. The number of overnight stays was 21 per cent lower than in the summer of 2019. Domestic tourists were the main drivers of this trend, as they were last year. The number of overnight stays by domestic travellers in summer 2021 was actually 2.5 million higher than its pre-crisis level. Overnight stays by foreign visitors, on the other hand, were just 43 per cent of their pre-crisis level. Recently, however, demand from foreign guests has improved. Since July the number of foreign visitors has reached an average of 60 per cent of its pre-pandemic level. A particularly sharp increase in overnight stays from the neighbouring countries of Germany and France was recorded in August.

### **High immunisation rates could ensure rapid recovery of overseas markets**

Overseas markets also showed the first signs of life in the 2021 summer season, albeit only selectively. Demand from tourists from the United States rose particularly sharply in August. The number of overnight stays by tourists from the United Arab Emirates (UAE), which rose significantly during the summer months, was also notable. With more than 85 per cent of its population over the age of 12 fully immunised, the UAE has the highest vaccination rate in the world, closely followed by other Gulf states such as Qatar and Bahrain. This makes the UAE the first long-haul market to exceed its pre-crisis levels in terms of overnight stays. Although guests from the UAE account for only a small proportion of all travellers, this trend indicates that high rates of immunisation, its recognition in Switzerland and the use of targeted advertising campaigns can ensure a rapid recovery in tourism activity.

### **Outlook for the 2021/22 winter season: more domestic tourists but fewer foreign guests**

In the winter half-year 2021/22 there will hardly be any more restrictions on the supply side. Although coronavirus infection rates are likely to increase during the winter months, no new containment measures are now expected owing to the advanced progress of the vaccination campaigns. There are currently no plans to make certification compulsory on mountain railways, which means that less strict rules will apply in Switzerland than in Austria or Germany, for example. A certain catch-up effect is expected among travellers who either had to, or decided to, forego a winter holiday last year; this is especially the case with tourists from Switzerland and neighbouring countries. Although domestic tourists are increasingly likely to choose foreign destinations, their overnight stays will be significantly higher than they were last winter and probably even higher than before the pandemic. According to KOF's forecast, however, visitor numbers from abroad will still be lower in winter 2021/22 than they were before the crisis despite the ongoing normalisation of the pandemic situation.

### **Gradual return to normal during the 2022 summer season**

Foreign tourist destinations should regain some of their appeal as things gradually return to normal from the 2022 summer season onwards. As a result, domestic tourism – which has remained relatively strong throughout the pandemic – should start to decline but remain at a slightly higher level. According to KOF's forecast, tourist flows from other European countries will continue their strong recovery and slightly exceed their pre-pandemic levels in the 2022 summer season. The recovery in urban areas remains fairly sluggish mainly because of the decline in business tourism and the predominant absence of non-European tourists. The hotel industry in the alpine region, on the other hand, should continue its gradual recovery.

### **In-depth analysis: para-hotel industry recovering faster than hotel sector, with camping especially popular**

The para-hotel sector – which includes holiday apartments, shared accommodation and campsites – recovered faster and more strongly than the hotel sector following the severe restrictions introduced in spring 2020. In-depth analysis by KOF reveals that demand for overnight stays at campsites was particularly strong. Overnight camping stays increased 1.8-fold from January to June 2021 compared with 2019. However, these elevated levels are expected to decline as the pandemic subsides and things return to normal. Although some pent-up domestic demand for international travel will depress the currently high level of overnight stays in the para-hotel sector, larger numbers of foreign tourists can be expected. However, demand for overnight stays in shared accommodation is forecast to recover fully from next year onwards. This should stabilise the performance of the para-hotel sector as a whole.

KOF's tourism forecasts are produced on behalf of Switzerland's State Secretariat for Economic Affairs (SECO). SECO is able to finance tourism forecasts under the Swiss Federal Act on the Promotion of Innovation, Cooperation and Knowledge Building in Tourism (Innotour). The main addressees of these forecasts are the tourism sector and the cantons.

### **Further information on KOF's tourism forecasts can be found here:**

<https://kof.ethz.ch/en/forecasts-and-indicators/forecasts/kof-forecasts-of-tourism-in-switzerland.html> →

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