

Media Release

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KOF Forecasts for Swiss Tourism

Low levels of snowfall, a strong franc and global economic and political uncertainties have had an adverse effect on tourist demand in Switzerland. The number of overnight stays fell accordingly in the winter season. In particular, demand from abroad was weak. The KOF is expecting a more positive development in the summer season. Growth in overnight stays is expected to reach 1.4 per cent. According to the KOF, the shift from Alpine tourism to city breaks is continuing.

A review of the 2015/2016 winter season: Low levels of snowfall and a strong franc as adverse factors

Weather that was unfavourable for snow and the strong franc resulted in a weak 2015/ 2016 winter season for Swiss tourism. The number of overnight stays fell by 1.6 per cent compared to the previous year's season. Demand from abroad in particular fell back significantly. According to expectations, a lower number of overnight stays were purchased from the Eurozone. In addition, uncertainties concerning the global economic climate and political instability dampened down demand. Overnight stays by foreign visitors fell by 3.7 per cent. According to current estimates, overnight stays by national residents grew marginally by 0.5 per cent compared to the previous year's season. However, the development remained slightly behind expectations. In particular in the Alps, the persistent scarcity of snowfall led to a collapse in demand.

Forecast for the 2016 summer season: prospects improving

Following the difficult winter season, the prospects for Swiss tourism are gradually improving. The slow economic recovery in Europe, including in particular the robust increase in consumer spending, and the stable exchange rate are expected once again to provide sporadic positive impulses to national tourism. In addition, due to the improved national economic climate, demand from Switzerland is projected to be higher than during the last summer season. For the summer season, the KOF is forecasting an increase in the number of overnight stays by national residents of 1.3 per cent. Overnight stays by foreign residents are projected to increase by 1.5 per cent this summer. As previously, urban areas report the strongest growth. Thanks to the increasing popularity of city breaks, the increase in the number of guests from distant markets and stable demand for business travel, die KOF expects there to be further growth in the number of overnight stays in urban areas. Slight increases in the number of overnight stays are expected in the summer, also in the Alpine area.

Tourism value added moving sideways

Overall demand for tourism, which is comprised of national and international demand, developed largely sideways this year. The KOF is also forecasting stagnation for gross value added. This is in contrast to the situation in 2015 which saw overall revenues fall as a result of the abrupt price adjustments following the removal of the exchange rate floor, whilst leaving little scope for savings on the cost side. Overall demand, and thus the revenue position of the tourist sector, is only expected to improve sustainably next year. At the same time, moderate growth in gross value added is expected.

Special analysis: travel patterns of national residents

A special analysis throws light on the travel patterns of national residents. Tourist demand from national residents provides an important basis for the national tourist economy. Practically all day-trips and around 40 per cent of overnight stays made by the resident Swiss population are domestic. However, growth in tourist demand, which is outpacing the increase in population levels, appears to have focused predominantly on foreign destinations over the last few years. This dynamic is also supported by the high purchasing power of the Swiss franc. In Switzerland, urban areas have gained market share from the Alpine regions and other areas also in terms of national demand.

The full report on forecasts for Swiss tourism is available here:

<http://kof.ethz.ch/en/media/press-releases/> →

Contacts

Florian Hälg | Tel. +41 44 632 84 61 | haelg@kof.ethz.ch

KOF Corporate Communications | Tel. +41 44 632 40 61/ +41 44 632 53 44 | kofcc@kof.ethz.ch

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The KOF tourism forecasts are prepared on behalf of the State Secretariat for Economic Affairs (SECO). According to the Swiss Federal Act on the promotion of innovation, cooperation and the expansion of expertise in the tourism sector (Innotour), the SECO is able to finance tourism forecasts. The direct addressees of tourism forecasts are the industry and the cantons.