

SWISS TOURISM FEELS THE EFFECT OF BRAZILIAN CRISIS



Swiss tourism feels the impact of Brazil's economic problems. The Swiss tourism board expects declining visitor numbers from the South American country in the coming years.

For Swiss tourism professionals, Brazilian visitors represented a hope for the future of local tourism. The South American country was one of the markets, with which the Swiss tourism sector wanted to cushion the impact of the strong Swiss franc. **For European holidaymakers, Switzerland became too expensive, and South Americans, Asians and Russians were expected to fill the empty hotel rooms.**

According to Jürg Schmid, from the Swiss tourism board, the Brazilian market had tremendous growth opportunities. In 2012 the board estimated that by 2017 the number of overnight stays of Brazilians would grow from just under 200,000 to 320,000.

It is true that in recent years more and more Brazilians have come to explore Switzerland – since the turn of the millennium, the number of these visitors has increased by about a third. Switzerland was attractive for the South Americans thanks to the value of their currency – the Real had risen along with the economic boom a few years ago.

However, now Brazil has serious problems. The economy is in a recession, and politics is in chaos thanks to a huge corruption scandal. The impeachment of President Dilma Rousseff is just the tip of the iceberg.

Because of the crisis, the value of the currency has halved against the Franc. Three years ago Brazilians paid about 2 Real for 1 Franc, while this spring they had to pay 4 Real. For Brazilians Switzerland is a high-price country again.

The Swiss tourism numbers reflect the crisis already – since November the amount of Brazilian tourists has gone down, according to the Switzerland Tourism's Deputy Director Urs Eberhard. He anticipates the declining visitor numbers from Brazil for several years. Thanks to the bleak outlook, the Swiss tourism board cut its advertising budget for Brazil by 20%.

Moreover, Russian tourists are also coming less to Switzerland. **Last year the number of overnight stays booked by Russians decreased by a third.** Like Brazil that had previously experienced strong growth, the Russian market had been rising over the years as well. Like the Brazilian Real that depreciated, the Russian Ruble also went down significantly.

While the Brazilians and Russians are not among the largest groups of guests, they are very important for the Swiss tourism industry, since they spend significantly more than German or American visitors.

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