

EUROPEAN BUSINESS TRAVEL EXPECTING BRIGHT FUTURE



GBTA BIT Outlook – Western Europe is the title of the latest report released by GBTA Foundation, the research part of the Global Business Travel Association. It is a semi-annual analysis of the five most critical business travel markets in Europe: Germany, the UK, France, Italy, and Spain.

The report's details reveal that business tourism spending in the five markets grew by 4.9 percent and it's expected to rake in over €147.1 billion by the end of 2014. **The spending is expected to carry on the growth pattern into 2015 where it's expected to grow at a rate of about 6.6 percent.**

Catherine McGavock who is GBTA's regional director in Europe notes that the figures are an indication of a brighter future for the economic zone experiencing years of disappointing results. This is because even EU nations that are facing harsh times as a result of numerous global financial problems have also recorded impressive growth. Spain and Portugal have for instance received a boost brought in by direct spending from the increasing number of business travelers visiting the region besides embracing increased tourism activities generated by their initiatives and efforts to jump-start the economies.

Germany is ahead of Denmark, Sweden, France and Italy, making its tourism sector one of the strongest in Europe. The report however says that all the EU member nations are likely to catch up given the economic zone's low inflation rates that make its travel packages affordable to a wider number of global business travelers. EU as a whole is as well trying to step up its marketing strategies and woo more investors into the tourism industry using lucrative tax deals amongst other things.

A Closer Look at the Major Players

Germany's 2014 earnings from business travel in 2014 Q2 add up to €10.4 billion which presents 7.5 percent growth compared to the gains achieved in the same period in 2013. The report expects the country's business travel to grow at 10.8 percent in 2015.

The United Kingdom had the second highest level of spending on business travel in Western Europe in 2013. The country raked in €32.9 billion, a figure that's expected to go up by 6 and 8 percent in 2014 and in 2015 respectively.

The French are also part of the action given that their business travel spending went up by 1.3 percent in the 2nd quarter of 2014 alone. This earned France €6.6 billion. The country's earnings from business travel undertakings' direct spending has so far gone past the 3.3 percent mark and is expected to rise by close to 4.6 percent in 2015.

Spain's economy is creeping back from the cold and so are its business travel activities. The International Monetary Fund for instance projects that the economy is likely to grow by close to 1.3 percent in 2014 and by about 1.7 percent at the turn of 2015. Spain's earnings from business tourism went up by nearly 6.7 percent and the figures are likely to go higher by the close of 2014.

Italy is amongst the EU countries that have reported increased business travel activities despite recording economic decline of 0.1 percent in GDP. The situation is anticipated to improve in 2015 when the growth rate is likely to rise to 1.1 percent. This is partly because Italy's business travel spending is anticipated to grow at 1.4 percent and 2 percent in 2014 and 2015 respectively, notes GBTA.

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