

CZECH REPUBLIC WELCOMED 14% FEWER RUSSIANS



Recently released data shows that the soaring relationship between Russia and the West has caused a drop of 14% drop in the number of spendthrift Russian tourists visiting the Czech Republic.

The national airline, some hotels and travel agencies operating in the top tourist locations have reported even sharper declines since the Moscow-Ukraine crisis began. This has especially been felt in spring where the Russian Ruble took a heavy plunge.

Tourism plays an important role in the economy of the Czech Republic with the latest data (2012) showing foreign tourism brought in \$5.3 billion (€4.3 billion) worth of revenue.

Since the era of communism, Russians have always favored the Czech Republic, and they come second to tourists from the neighboring country, Germany.

According to Angela Fedorenko, one of the owners of Prager travel agency that targets foreign tourists mainly from Russia, they knew the crisis was serious after witnessing a decline in May which happens to be one of their strongest months. She further stated that the situation has become quite dire with the decline standing at roughly 50-60 percent.

Statistics from the Czech Statistical Bureau indicate that 180,000 tourists from Russia visited the country in the third quarter leading to a 14 percent drop. However, the shortfall was counter-balanced by an upsurge in the number of tourists from Poland, Slovakia and German thereby increasing the overall arrivals by about 4 percent.

Fedorenko said that affluent Russian tourists keep visiting the region, while the middle class is lacking enough money or is too worried.

At the start of the year, the Russian currency slipped by nearly a fifth against the major currencies further denting a big blow to the already ailing economy. This was further worsened by the crisis over Ukraine which has made Russians less attracted to foreign travel.

Czech Airlines, the Czech national carrier which is partly owned by Korean Air had placed high hopes on the Russian market in its bid to overturn the losses it had made in the previous years, but suffered even more losses on the Ukrainian and Russian routes this year. Daniel Sabik, a spokesman for the airlines said that year-on-year change was almost nil during the first quarter but they saw a significant decline beginning in April.

He said that traffic to Russia was down by 23 percent and 61 percent in Ukraine in September. Besides revenue declining by hundreds of millions, the company results have also been affected negatively.

Other nations in Europe are also experiencing similar effects, with Switzerland's and Austria's ski resorts bracing themselves for tough times in the months to come as Russian tourist numbers are

declining.

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