

TRAVEL TRANSACTIONS ARE DOWN 38.8% IN THE FIRST HALF OF 2023



365 deals, including mergers and acquisitions, private equity, and venture financing agreements, were announced in the global travel and tourism industry in the first half of 2023. This represents a decrease of 38.8 percent from the 596 deals announced during the same period last year, GlobalData said.

An analysis of GlobalData's Financial Deals database shows that all deals have declined in activity. Mergers and acquisitions (M&A), private equity, and venture capital deals fell by 41.6 percent, 33.3 percent, and 30.4 percent, respectively, year-on-year.

The reasons

Many economies worldwide are currently seeing a decline in deal activity within the travel and tourism industry. This is due to various factors, including increasing interest rates, the possibility of a recession, and ongoing geopolitical tensions.

Key markets

The global travel and tourism industry saw the highest number of deals announced in Europe, followed by Asia-Pacific, North America, the Middle East and Africa, and South and Central America. However, Europe witnessed a significant decline of 46 percent in deal volume compared to last year. Meanwhile, Asia-Pacific, North America, the Middle East and Africa, and South and Central America witnessed declines of 19 percent, 47.6 percent, 20 percent, and 23.1 percent, respectively.

There was a decrease in deal activity in several major markets, such as the U.S., U.K., India, Australia, France, South Korea, Japan, and Spain. According to the data, transaction volume decreased by 47.7 percent, 44.8 percent, 21.4 percent, 21.1 percent, 33.3 percent, 20 percent, 62.1 percent, and 69.2 percent, respectively. However, China was an exception, with an increase of 18.2 percent in deal announcements.

Date: 2023-07-18

Article link: <https://www.tourism-review.com/travel-deals-in-2023-declined-news13422>