

# GOOD PROSPECTS FOR SWISS TOURISM



Swiss tourism is back to normal, with a record-breaking summer amid a robust recovery from the pandemic. However, according to estimates by the Basel-based institute Bak Economics, the winter season may only slightly increase overnight stays.

The number of tourists staying overnight is predicted to rise by 0.4% to 17.5 million in the winter of 2023/2024. However, domestic tourism is expected to decline by 2.2% this winter following several years of strong demand. Despite this, foreign demand is expected to compensate for the decline in Swiss travelers. Economists predict that there will be a strong growth of 2.2% in the European source markets, despite the difficult economic situation. Distant markets are expected to grow by 5.4%, but these will be mixed. Even though there has been strong growth in the demand from China, it remains far from its pre-Covid levels.

Last summer, the hotel industry in Switzerland saw a significant increase to 23.5 million overnight stays, primarily driven by American tourists who visited more frequently than pre-pandemic. However, European guests, especially those from the United Kingdom, remained loyal to Switzerland. BAK Economics predicts that the industry is poised to break all-time records in 2023, during which it is expected to cross the 40 million overnight stays mark.

According to experts, the number of overnight stays for the summer of 2024 is expected to increase by 0.7% to reach 23.7 million. However, this growth rate is slower than before. Swiss guests are expected to contribute to a 2.2% drop in overnight stays, while European travelers will experience a decline of 4.6%, returning to their 2019 levels. On the other hand, distant markets are predicted to provide a significant boost, with an expected jump of 13.5%, leading to a larger share of the total number of overnight stays.

## **Part of business tourism lost**

Although the travel sector is slowly recovering from the pandemic, one segment has undergone significant and permanent changes. According to expert opinions, business travel is not expected to regain its previous significance.

The market is expected to experience a permanent loss of 5 to 10% of its overnight stays, and corporate travel has significantly reduced. Cities dependent on business tourism for half of their overnight stays are adjusting to this change. They are now promoting themselves as leisure destinations to attract individual travelers and fill the void left by corporate customers. This strategy is expected to succeed in the long run, leading to a strong recovery for urban areas.

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