

EUROPE'S CITIES SUFFER DROP IN TOURISM



The rising value of the Euro may seem, on the surface, to be great news for European economies. However, this is not particularly the case. As a result, many non-Eurozone Europeans and non-Europeans have been avoiding countries with the single currency in order to save money. A similar result of huge prices is that people are spending less whilst on holiday. Indeed, 8 out of 10 recently surveyed European cities have experienced a drop in demand.

Paris and Budapest have experienced a slight increase recently. This moderate success is believed to be due to the fact that the two mentioned cities are the friendliest to American visitors. They are both renowned for offering Americans the opportunity to pay in American dollars, thus saving large amounts of cash. Elsewhere, visits from the USA and UK have been dropping quite significantly. Amsterdam has even suffered a decrease of 4.6% in revenue and visitors. The Euro has simply become too expensive for those earning American dollars or British pounds.

The situation is more shocking in other major cities, for example in Hamburg in Germany. The widespread pressure to put massive discounts on goods has led to prices being considerably reduced and has put a large strain on the general economy of the city of Hamburg.

A further factor leading to the negative results of Amsterdam and Hamburg is the hosting of major events in other cities. For example, whereas Vienna profited handsomely from the Euro 2008 football championship, others lost the revenue which Vienna swallowed up gleefully. Vienna experienced an 8% surge in gross operating profit during the football, naturally at the expense of others. The Austrians and the Swiss simply played a winning tactical game. Other cities will be forced to play it soon.

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