THE GULF STATES MOVE EVENTS AND TURN TO DOMESTIC TOURISM



Six Arab Gulf states have experienced noticeable declines in international tourism due to the aggression of Iran. As a result, almost all of these states have adopted assurance tactics to attract tourists. This decline is somewhat similar to the sharp tourism decline seen during the pandemic, which took a long time to recover from. According to the UN Tourism Dashboard, international tourists to the GCC fell by 30% in May 2026 compared to May 2025.

Whilst there is some hope for optimism surrounding the diversification of the Gulf economies due to their heavy reliance on tourism, once global restrictions were lifted things did start to return to normal. However, the conflict in the Middle East is a unique issue which Gulf policymakers must combat with targeted approaches to reassure tourists. Domestic tourism is the focus now as well.

The Weaponization of Travel

Tourism can be an incredibly risky business to pursue due to the attacks on airports and airspaces in the early stages of the conflict. **Many airlines stopped flying to Gulf capitals.** However, once the risks reduced Gulf airlines have returned to operating globally with some international airlines now being cautious to return. Gulf airlines are operating at around 90% capacity. Emirates has signed seven new deals relating to tourism.

There are still risks. Bahrain initially had to evacuate their airlines to Saudi Arabia. However, King Khalid International Airport in Riyadh was attacked by an Iranian proxy in October. This resulted in increased casualties and a longer period of closure compared to when Kuwait airport was attacked in June. The terror attack on Flydubai shows how the extremism of the region can create extra issues. One trend that has been seen across the Gulf is to open their airports as soon as possible. Whilst it isn’t fully back to normal, there has been some consistency.

Confidence in the Gulf Events

Many high profile events have been cancelled in the Gulf this year due to the conflict between the US-Israel and Iran. This includes the Bahrain Airshow, Saudi Formula 1, Offlimits music festival in Abu Dhabi (headlined by Shakira) and the Future Investment Initiative conference in Riyadh. Others have decided to delay events.

It seems like organizers have considered the success of the Gulf militaries to reduce risks to civilians. There is a high interception rate, strong early warning systems and an overall feeling of safety. It seems like many have realized that whilst there has been a shock to safety, there hasn’t been a complete loss of confidence. Many believe the states haven’t reached the point of cancellation.

Policymakers have taken proactive steps to ensure the hospitality sector remains financially viable. Dubai has released a US$400 million economic stimulus package, removed the nightly hotel tax and the city tax on hotel/restaurant bills. Bahrain’s Tourism & Exhibitions Authority has also introduced the option to defer fees in the first quarter. This ensures there is consistency for tourists however assumes the conflict will not last long. If the conflict does last longer it may become more difficult.

This is why there has been an increase in activity in the UAE. The Arabian Travel Market in Dubai has attracted 115 different countries. Syrian President Ahmed Al-Sharaa spoke at the Arab Media Summit in September. This wouldn't have been possible without the tourism officials in the Gulf reassuring organizers who have in turn become more confident. Most of this positive news has been focused on the UAE, Saudi Arabia and Oman. However, the UAE has been hit the hardest. Bahrain, Kuwait and Qatar have also been hit harder.

Relocations as a Strategy of Continuity

One of the most obvious examples of the flexibility of the Gulf states has been the decision to move large events to other countries. This not only ensures they fulfil their contracts but strengthens their economic relationships with the host country.

Saudi Arabia moved their Esports World Cup. The event was launched in Riyadh in 2024 and was due to be held for the third time in 2026. However, in 2026 it has been moved to Paris. Saudi Telecom Company have still remained as a key partner with naming rights for the STC Arena and STC Players Lounge. They have also created a competitive platform known as STC Contenders. Saudi Crown Prince and Prime Minister Mohammed bin Salman was hosted by French President Emmanuel Macron in Paris.

Bahrain also moved their Grand Prix. The event was originally going to be held at the Bahrain International Circuit in Sakhir between the 10th-12th April. However, it was moved to the Sepang International Circuit in Malaysia in October. Despite this they have kept the name Bahrain Grand Prix. Tickets were still sold through the official Bahrain GP website. Malaysia was chosen as it suited the schedule between the Azerbaijan and Singapore Grands Prix. This also shows how their economic relationships are strengthening. AirAsia X were due to start a regional hub in Bahrain this year but have delayed it to the first quarter of 2027. However, due to their engagement it is more likely they will return. What would have been a complete loss for Bahrain has been turned into an opportunity to strengthen their relationship with Malaysia. Malaysia has also benefitted from the economy boost of hosting an international sporting event.

Future of the GCC Tourism

The Gulf states are beginning to realize that they need to focus on domestic tourism within the GCC. Oman has seen a spike in Eid bookings. Nearly 64,000 guests booked Omani hotels for Eid al-Fitr, this is a 60% increase from last year. Around 70% of these were from neighboring Gulf states. In September Bahrain's Minister of Tourism Fatima Al Sairafi spoke about wanting to increase tourism collaboration between GCC countries. GCC Secretary General Jasem Mohamed AlBudaiwi has also mentioned that a GCC tourist visa will "see the light soon". The region is beginning to realize the benefits of having a domestic tourism buffer within the GCC. They can turn six individual markets into one.

The pandemic was handled with health measures which governments had a lot of control over. However, the Gulf has very little control over the current conflict. Tourism requires forward planning but neither the Gulf states or the world have any real insight into what the Trump administration or Iran will do next. The biggest challenge is getting an accurate understanding of how long the tourism decline will last and creating policies around this.

The current actions are working but are somewhat guess work. The Gulf states haven't had much experience with this type of conflict and hopes are high for a better recovery in 2027. However, it will depend on how the situation plays out.

Date: 2026-11-02

Article link:
https://www.tourism-review.com/gcc-countries-discover-the-benefits-of-domestic-tourism-news15697