Tourism State of the Nation

VisitBritain/VisitEngland

February 2026

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Recent trend:

- Inbound: 2025 ended with growth for Europe but a decline from long haul markets, mirroring performance for the year overall; VisitBritain estimates visits up by 2% and spend 3%. Flight data suggests a weak start to the year in January, but return to growth in February.
- Domestic: data for 2025 so far indicates a challenging year. Sentiment data suggests financial barriers are driving consumer choices (shorter trips, free entertainment on trips).

Forward look:

- Inbound: Prospects have warmed, with flight bookings made in 2026 so far up on early 2025. Looking forward, short term bookings are up. Reversing the 2025 trend, growth from long haul markets is tracking a little above Europe.
- Domestic and industry: Trip intentions are down year-on-year although are stable compared to recent months. Industry confidence is much stronger amongst businesses in arts / entertainment / recreation than in hospitality.

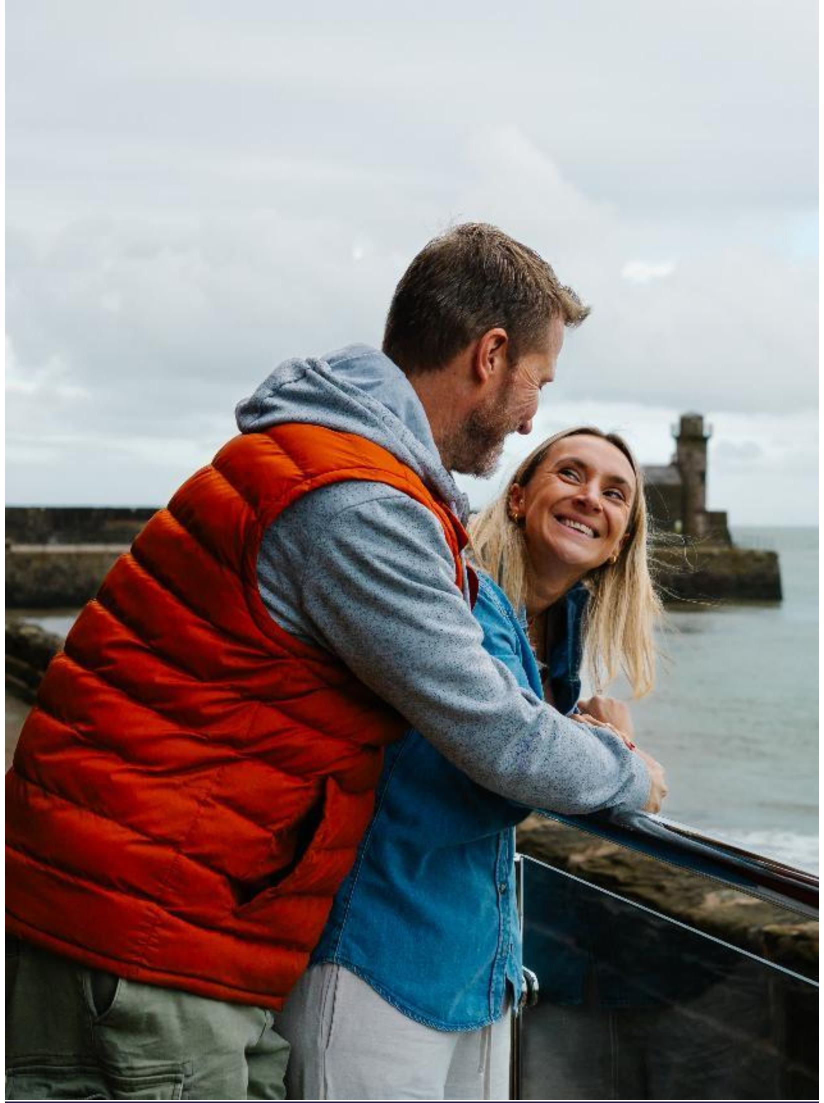

Image: A couple stand outside the café at The Edge Hotel and Coastal activity centre, Whitehaven, Cumbria © VisitBritain/Zedmill

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Tourism State of the Nation February 2026: Inbound performance and prospects

- **Recent performance:** VisitBritain estimates that inbound visits grew by 2% overall in 2025, and the value of spending by inbound visitors by 3%. Throughout most of 2025, European markets showed better year-on-year performance in aggregate than long haul, a trend which continued into the end of the year; for 2025 overall, visits from European markets are estimated to have grown by 4% but visits from long haul fell by 1%. Recently, flight data suggests that arrivals were down 5% in January but up 4% in February, with long haul starting to slightly outperform Europe.
- **Prospects:** After a slow pace of bookings in late 2025, prospects have warmed, with flight bookings made in 2026 so far up 5% on early 2025. Looking forward, flight bookings are 6% up for arrival in the February-April period (with March strongly up and April tracking slightly below last year due to the timing of Easter). Reversing the 2025 trend, growth from long haul markets is tracking a little above Europe, with North East and South East Asian bookings well up on 2025. Bookings from North America are up 3% year-on-year.
- **Nations/regions:** Visa card spending data for the full year 2025 shows an increase in inbound cardholder spend of 9% for Scotland, 7% for Northern England and 4% for Wales. For London, spend declined 1% in December after 5 months of a steady year-on-year increase; overall, in 2025, spend in London increased by 2% year-on-year. Flight arrivals by inbound visitors to non-London airports grew by 5% for 2025 overall, and were down 1% to London.

Source: VisitBritain, Visa, Forward Keys (flight data to December), Amadeus (flight data from January)

Tourism State of the Nation February 2026: Global context and drivers

- **Economic outlook:** US real GDP is forecasted to grow in 2026 2.8%, up on the 2.3% recorded in 2025, with continued strong consumer spending and ongoing tailwinds from business investment in AI which should help keep economic growth solid. The Eurozone's GDP is forecasted to grow by a weaker 1.1% in 2026, down from 1.5% in 2025, with EU consumer spending forecasted to grow by 1.4% in 2026 and 1.8% in 2027.
- **Economic drivers:** The pound is relatively strong against the US dollar and steady against the euro. The dollar stands at £0.74, well down on its £0.79 level a year ago, and matching recent lows, making outbound travel from the US more expensive. The pound has been stable against the euro recently; at £0.87, it is up from £0.83 a year ago.
- **Geopolitical:** On 20th February, the US Supreme Court ruled against some of the trade tariffs introduced last year; however, this was followed by the introduction of a higher baseline tariff rate under a separate legal mechanism, causing fresh uncertainty. As a result of the ongoing trade transatlantic tension, intra-European travel is strengthening. Oil price (Brent Crude) increased by 6.5% throughout February, which could be impacting air travel costs.
- **Global consumer confidence & trends:** Broader societal shifts such as economic concerns, climate resilience, and digital innovation are impacting travel choices. Travel shifts from traditional sightseeing to authentic and experiential travel. (Source: Foresight Factory.) Consumer confidence in their own personal economic prospects remains higher than confidence in wider economic prospects.
- **Competitive view:** Oxford Economics estimate that inbound arrivals to the UK will grow in 2026 by 5%, which is similar performance to Western Europe inbound arrivals (4%). US inbound arrivals volume is forecasted to grow only 1% in 2026.

Source: VisitBritain, Oxford Economics, Foresight Factory

Tourism State of the Nation February 2026: Domestic and tourism industry

- **Recent performance:** Overnight volumes have been slow but there have been other encouraging signs. In the first nine months of 2025, overnight trips were down 5%, although spend was 9% up on a weak 2024. Day trips have performed better. Seaside destinations are continuing to struggle; city breaks are performing better. In recent sentiment surveying, there is a slightly wider gap between intentions and actual trip-taking than a year ago. Sentiment data suggests financial barriers are driving consumer choices (shorter trips, free entertainment on trips).
- **Domestic outlook:** In February 2026, domestic overnight trip intentions for the next 12 months were down year-on-year. Over the past few months, trip intentions have been fairly stable, not much affected by a slightly more volatile consumer sentiment towards the cost-of-living crisis.
- **Economic outlook:** Inflation is easing, with CPI falling in January and expected to average around 2.5% in 2026, but remaining above the Bank of England's 2% target. Further interest rate cuts are expected. However, consumer confidence remains cautious, reflecting the cumulative impact of higher prices, cooling wage growth and geo-political volatility. Mild economic growth is forecasted in 2026, with real GDP projected between 1% and 1.5%.
- **Accommodation data:** In January 2026, hotel room demand in England was 2% lower vs January 2025, following a decline in demand throughout 2025 vs 2024. Average daily rate was £136 in January 2026, 2% above January 2025, though below inflation. Short term rental properties showed a decline in nights reserved in 2025.
- **Industry data:** Industry confidence survey data reveals a sharp difference in expectations within the sector. Hospitality businesses are slightly more likely to say that they expect their performance to decrease than increase (19% to 16%), which is more negative than the average across the economy, whereas arts/entertainment/recreation businesses are much more likely to say their performance will increase (26% to 3%).

Source: VisitEngland, ONS, Oxford Economics

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