

Tourism State of the Nation

VisitBritain/VisitEngland

May 2026



Tourism State of the Nation May 2026

Recent trend:

- Inbound: VisitBritain estimates that Q1 2026 inbound volumes were around 2% ahead of 2025, with arrivals slipping in April and May.
- Domestic: Recent performance appears to be steady: similar to, or slightly up on, early 2025.

Forward look:

- Inbound: The pace of flight bookings has picked up from the lows seen in the early weeks of the Iran conflict, although still running behind last year. Bookings from the Middle East and India are picking back up but still behind normal levels. The oil price and jet fuel price have eased back from their recent highs, softening the pressure on travellers.
- Domestic and industry: Domestic overnight intentions are holding steady, and outbound intentions are below their level a few months ago. Costs of fuel and travel generally are a concern for travellers.



Image: A family enjoy a day out in the sand dunes at Ainsdale beach, Southport © VisitBritain/Zedmill

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

- **Recent performance:** Looking across several available data sources, VisitBritain's provisional estimate is that the volume of inbound tourism to Britain in the first quarter was up around 2% on 2025. The pace of arrivals then slipped in April and March.
- **Prospects:** Flights on the book for May-July in the Forward Keys database are tracking 8% down year-on-year, although looking at recent patterns in this dataset vs other sources suggests that the overall picture is likely to be a little better than this. Bookings for the autumn so far are currently tracking up on last year. The pace of bookings made in the last few weeks has been better than in the early weeks of the Iran conflict.
- **Global regions:** European bookings have been holding up better than long haul. Looking at the last 8 weeks of bookings, those from Europe are down 2% and long haul 10%. Within the latter, Middle East is down 31%, with bookings declining at a much slower rate in the last few weeks, and South Asia (mainly India) down 19%, again with bookings improving in recent weeks. Bookings from North America tracked down 6%.
- **Nations/Regions:** In Q1, inbound card spending by Visa cardholders was up 3% year on year in England, up 19% in Scotland, but down 12% in Wales vs a strong Q1 2025. Spending was up 3% in London, and up 18% in the North of England. Looking forward, flight bookings to London airports are down 7% in the last 8 weeks, and to airports outside London down by a similar 8%; bookings to Scotland are down just 2% but to England outside London down 13%.
- **Competitive view:** The UK is likely to lose competitive share this year. Oxford Economics have revised up their forecast for growth in inbound tourism to Western Europe this year but have revised down their forecast for UK. In part this reflects the Middle East and India comprising a greater share of tourism to the UK than to Europe, and strong growth expected this year for sunshine destinations in southern Europe.

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

- **Oil price:** Oil and fuel prices have eased, giving some respite to consumers and travellers, but are still elevated. The oil price has fallen back from its highs of well over \$100/barrel to stand at \$84 at time of writing, the lowest since March although still up 34% year-on-year. The jet fuel price, which has risen more sharply than the overall oil price, has also softened, though is up 78% year-on-year. Inflation expectations have therefore moderated, but still represent a major financial squeeze compared to a few months ago. Concerns over availability of jet fuel have also eased.
- **Economic outlook:** Forecasts have been revised down for the Eurozone but up for the USA. Growth of just 0.7% is now expected for the Eurozone, and consumer spending similar at 0.9%; some European markets are forecast to grow at a healthy pace this year (e.g. Spain, Poland) with others stagnating (e.g. Germany, Italy, France). Eurozone interest rates are expected to rise during the summer to combat higher inflation. Next year is expected to be somewhat better but still slow (1.4% GDP growth). The US is forecast to grow by 2.2%, and 2.6% next year, with a resilient stock market supporting spending despite concerns over high inflation. There remains considerable uncertainty about prospects, with upside and downside risks depending on the progression of the Iran conflict.
- **Exchange rate:** The pound has been fairly stable recently. At time of writing €1 buys 87p and \$1 buys 75p, similar to the level a month ago. The pound is 3% and 1% weaker than a year ago against the euro and US dollar respectively.
- **Global consumer confidence & trends:** The key current concerns amongst consumers and trade in most markets are rising airfares, jet fuel surcharges and increasing cost of living. This is resulting in higher price sensitivity and, in some markets, shorter trips. General traveller sentiment remains cautious but still travelling, with some adopting a wait-and-see attitude. Sentiment from the Gulf in particular remains positive but cautious, with slower or delayed bookings more common than cancellations.

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

- **Domestic outlook:** Domestic overnight intentions are holding steady, but rising costs are a concern for travellers. 77% intend to take a trip in the next 12 months, around the same as 78% a year ago, and little-changed since the start of the Iran conflict, aside from a temporary dip in March. Outbound intentions are down, with 59% intending an outbound trip in the next 12 months, down from 65% in February (but only down slightly since 61% a year ago). There has been a sharp increase in the proportion quoting “rising costs of holidays/leisure” as a barrier to domestic trip taking since March. More specifically, concern over the cost of fuel has jumped, with 35% quoting this as a barrier to domestic trip taking, from 22% in March. 27% say they are likely to reduce the number of overnight trips over the next six months as a result of the cost of living crisis, and 34% the number of day trips. “Global conflicts or warzones overseas” was cited by many as a reason for a preference for a domestic break vs outbound, although still behind cost, ease of planning and shorter/quicker travel.
- **Economic outlook:** Although the outlook has worsened sharply since the start of the year, 2026 forecasts have been slightly upgraded due to a strong Q1, and inflation forecasts have eased (3.4% is forecast for this year, down from expectations of 3.9% last month, though well ahead of 2.5% in February). Consumer spending is forecast to grow by a thin 0.6% this year. Consumer confidence recovered a little in May, after hitting the lowest level since 2023 in April. However, confidence is still much lower than a few months ago. Confidence about making major purchases was the one individual confidence metric to fall in May. Although petrol prices have stabilised, they are up 20% year on year (diesel 34%).
- **Recent performance:** 19% took a domestic overnight trip between February and April 2026, slightly above the 17% who did so in the same period in 2025.
- **Industry data:** Revenues in the accommodation sector were up 3% year on year in Q1, on par with inflation, and grew at a faster rate in other leisure categories. Industry confidence dipped in May in both hospitality and arts/entertainment.