

Tourism State of the Nation

VisitBritain/VisitEngland

June 2026



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Recent trend:

- Inbound: Flight data suggests that inbound tourism declined in Q2 2026, after growing by an estimated 2% in Q1.
- Domestic: Recent performance appears to be steady: similar to, or slightly up on, early 2025.

Forward look:

- Inbound: Flight bookings are up in the most recent data collected since the peace deal was announced; flights on the book for the summer are still down year on year, with those from Europe slightly up and from long haul well down. The oil price has fallen back down to pre-conflict levels but it will take much longer for this to translate into lower fares.
- 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 and consumer confidence is cautious.



Image: Crowds gather at Diecast - Manchester's biggest beer hall, for food and drinks. © DieCastMcr

Tourism State of the Nation June 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. Flight data suggests a decline in trips in Q2.
- **Prospects:** Flights on the book for June-August in the Forward Keys database are tracking 10% 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 around on par with last year. Although weekly data is volatile, and more data is needed to assess the impact post the peace deal, the pace of flight bookings picked up in mid-June, with European bookings especially strong, and those from Middle East and Australia also up year-on-year by double digits.
- **Global regions:** Looking at the June-August period, bookings from Europe are around 3% up year-on-year. Those from long haul are tracking down 12%, with Middle East down 22% and North America down 11%, although North East Asia (which had been seeing strong numbers before the conflict) down only 3%.
- **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. Flight bookings made to London airports in the last 8 weeks are down 12% and to the Rest of England down 10%, but to Scotland up 2%.
- **Competitive view:** Oxford Economics forecast that tourism to the UK is forecast to grow by just 1.5% this year, compared to 6.3% for Western Europe; Mediterranean destinations are expected to have a strong year due to travellers avoiding the Middle East, and the UK has a higher exposure to Middle Eastern and Indian visitors than most destinations. Globally, tourism is forecast to grow by 4.3% this year, with growth led by Sub-Saharan Africa, Central America, Southeast Asia and Oceania.

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

- **Oil price:** The oil price has fallen following the announcement of the peace deal. It stands at \$72/barrel at time of writing, down from \$86 at the start of June and highs of over \$110 in April/May, and around the same as it was at the start of the conflict. The oil price is now only up 9% year-on-year. This will ease global pressures on costs and disposable incomes. The jet fuel price also continues to ease, although it is still up by a more substantial 30% year-on-year. Air fares, however, are unlikely to fall as quickly or as much as the oil price, given remaining tensions, and resilient demand on many routes despite price increases.
- **Economic outlook:** Forecasts have not been revised since the peace deal. Those released just before revised downwards US growth for this year slightly, to 2.1% (vs 2.8% before the Iran conflict began) and for the Eurozone revised down to just 0.4%. Next year is forecast to see higher growth, of 2.7% and 1.5% respectively. It is very likely that short term forecasts will be revised up if the deal holds, given the importance of the Strait of Hormuz to world fuel prices and inflationary pressures on consumers and businesses. There is a wide divergence of prospects within Europe, with some European markets are forecast to grow at a healthy pace this year (e.g. Spain, Poland, Sweden) with other stagnating (e.g. Germany, Italy, France). Eurozone interest rates have risen, and are expected to rise further, to combat higher inflation.
- **Exchange rate:** The pound has risen slightly against the dollar, with \$1 buying 76p, up from May, and up compared to 73p a year ago. The pound has been broadly stable against the euro recently, and over the last year.
- **Global consumer confidence & trends:** Sentiment from markets collected prior to the peace deal was that travellers remain cautious but still travelling, with some adopting a wait-and-see attitude. Some reports of price sensitivity, though others (e.g. the USA) that spending is increasing as travellers swallow price rises. Key current concerns amongst consumers and trade remained rising airfares, jet fuel surcharges and increasing cost of living.

Tourism State of the Nation June 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. *NB the June domestic sentiment tracker has been delayed and will be released 1st July; the above comes from the May tracker.*
- **Recent performance:** Visa domestic data suggests that spending was up 3% in the first quarter of the year, around in line with inflation (and similar to the picture suggested by other sources). Northern England saw strong growth (up 13%).
- **Economic outlook:** Weak growth outlook, despite inflation forecasts easing. GDP growth of just 0.9% is forecast for this year (with consumer spending even lower at 0.7%), and forecasts for 2027 are similar at 0.8%/0.6%. The peace deal means that inflation should average at around 3.1% this year, above target but lower than expected early in the conflict. Consumer confidence was stable in June, up slightly from its April low point but still much lower than before the Iran conflict. Petrol prices have come down slightly from their peak, and are likely to ease further, though are still up 16% year on year (diesel 24% up) in the latest figures.
- **Industry data:** Business revenues in the accommodation sector are up 4% year to date (with 9% growth in April) and 8% for eating/drinking out, both ahead of inflation, although up a milder 3% in recreation/culture.