Tourism State of the Nation

VisitBritain/VisitEngland

August 2026

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Recent trend:

- Inbound: VisitBritain estimates visits up by around 1% in the first half of the year, with growth from Europe and a decline from long haul. The summer looks like a continuation of this trend.
- Domestic: Recent performance appears to be steady: similar to, or slightly up on, early 2025.

Forward look:

- Inbound: Our updated forecast for the year overall is growth in both visits and spending of 2%. Flight bookings picked up in June and July from their slow pace in the spring, and have been tracking ahead of last year in August; this points to growth in the second half of the year and a recovery from long haul by year end, contingent on geopolitical factors.
- Domestic and industry: Domestic holiday intentions are a little down year-on-year. Broader consumer confidence is well ahead of levels a few months ago, although inflation has ticked up and is likely to increase further, putting pressure on disposable incomes.

Image: The Royal Pavilion in Brighton, East Sussex, England, with domed roofs and minarets, lush green garden in foreground © Royal Pavilion & Museums Trust/Simon Dack

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

- **Forecast:** VisitBritain has updated its inbound forecast for 2026. We forecast 44.2 million visits to the UK in 2026, with these visitors spending £33.9 billion. This would be growth of 2% in both visits and nominal spending (1% decline in spending in real terms) vs 2025. We estimate this to be 103% and 119% of 2019 levels respectively. This is a downgrade from the forecast issued by VisitBritain in January, when we were expecting 45.5 million visits and £35.7 billion spending (the downgrade is driven by lower expectations for long haul markets, with the Europe forecast little-changed). Please see the VisitBritain website for more details on the forecast, as well as information on data sources, methodology and comparability with official statistics from the ONS.
- **Recent performance:** Looking across several available data sources, VisitBritain estimates that the first half of the year saw visits up by an estimated 1% (3% in the first quarter and a decline of 1% in the second quarter).
- **Prospects:** Flight bookings picked up in June and July from their slow pace in the spring, and have been tracking ahead of last year in August. This points to growth in the second half of the year.
- **Global regions:** European markets are forecast to grow by 4% in volume terms and 7% in value terms for 2026 overall. However, long haul markets are forecast to decline by 3% in volume terms and 2% in value terms. Looking at the first half of the year, data suggests growth from Canada and China, a slight decline from the USA, and steeper declines from Gulf, India and Australia, although bookings from long haul markets have picked up in recent weeks.
- **Nations/Regions:** We estimate that in the first half of the year inbound spending in England was up 2% year-on-year, to Scotland up 9% and to Wales down 11%. Within England, spending in London was up 1%; North West (11%) and North East (10%) led growth. (These estimates are primarily based on Visa card data).

Source: VisitBritain, Visa, Oxford Economics, Forward Keys/Amadeus

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

- **Economic outlook:** The US economy is forecast to grow at 2.2% this year, Eurozone 0.8%, a small upgrade for the latter. Growth next year is forecast to be 2.7% and 1.4% respectively. However, in the short term inflation forecasts for both the US and Eurozone have been raised, which will contribute to ongoing pressures on consumer spending. Within Europe, Spain, Poland and the Nordics are seeing stronger economic growth this year, with France, Germany and Italy all growing by under 1%. Globally, growth will be led by India and China this year; Gulf markets are expected to contract this year, before a likely rebound next year.
- **Oil price:** The oil price is in the middle of its recent range at time of writing, at $88/barrel, up from a low of $72/barrel at the time of the peace deal (and up 21% year on year) but well down from spring levels. The jet fuel price is also up from its low point in June and is up 82% on 2025, putting upwards pressure back onto air costs, though still below spring highs.
- **Exchange rate:** The pound has been fairly stable recently, with $1 buying 74p, the same as a year ago, and €1 buying 86p, again the same as a year ago.
- **Connectivity:** Overall seat capacity on flights to the UK is 3% up on last year. Looking at long haul markets, capacity is up from markets including China, India and Singapore, and down slightly from USA. Capacity has recovered to varying degrees from the GCC: 94% from UAE, 78% from Qatar but only 56% from Saudi Arabia.
- **Travel trends:** Key trends from the US at present include a move away from crowded and mainstream tourism to tiny-tourism and hyper-local experiences. Overall demand remains resilient, particularly in the premium and luxury sectors, but traveller behaviour is becoming more selective and value conscious.

Source: VisitBritain, Oxford Economics, Bank of England, IATA

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

- **Domestic outlook:** Domestic holiday intentions are a little down year-on-year, continuing the trend seen last month. 75% intend to take a trip in the next 12 months, down from 78% a year ago. Outbound intentions, however, have recovered after a dip last month; 59% intend to take an outbound trip, the same as a year ago (although this remains well below the levels seen before the Iran conflict). In recent months, spending less on eating/drinking out has been the most commonly cited response to cost of living pressures on domestic trips.
- **Recent performance:** The value of Visa card spending on overnight trips was 1% up year on year in the second quarter of the year, and 2% up in the first half of the year overall. Adjusting for inflation, these numbers are slightly below last year. Spending has grown fastest in Northern England and the Midlands. Reported recent domestic trip taking appears to be in line with or slightly up on last year, with 25% say they took a trip in May-July, similar to the 24% seen in the same period in 2025. 14% report having taken an outbound trip, just below the 15% seen the same time last year.
- **Economic outlook:** Consumer confidence has continued to increase, and hit a two-year high in August, well above the lows seen a few months ago. However, the outlook is more clouded. Inflation is creeping back up and could put strain on travellers' finances. Inflation rose from its June low of 2.8% to 3.1% in July and is forecast to reach 3.4% later in the year. Petrol prices in particular have rebounded from their post-ceasefire lows to their highest level since 2022. Consumer spending growth forecasts remain weak at 0.9% this year and 0.7% next year.
- **Industry data:** Hotel occupancy rates and room demand were around 1% down on last year in June and July. Looking back at Q2, business outputs tracked above inflation: in the accommodation sector business performance was up 5%, in eating/drinking out 6%, and in recreation/culture up 4%. Business confidence about the next 12 months is balanced (similar proportions are positive vs negative) for both hospitality and recreation/culture.

Source: VisitEngland, Visa, ONS, Oxford Economics, DESNZ