Tourism State of the Nation

VisitBritain/VisitEngland

October 2026

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Recent trend:

- Inbound: The pace of flight arrivals started to pick up from low summer levels in September and October. This trend has been more noticeable amongst long haul markets, which had been slow previously.
- Domestic: Recent performance appears to be steady: similar to, or slightly up on, 2025.

Forward look:

- Inbound: Inbound flight bookings have been tracking a little above last year's levels in recent weeks. However, the continued rise in the oil price is a risk for affordability of travel.
- Domestic: Economic and cost pressures are a concern, with consumer confidence down and inflation and fuel prices up; domestic travellers are signalling growing worries about some costs. However, this has not yet translated into a dropoff in travel intentions.



Image: Three friends eating cakes outside The Original Bakewell Pudding Shop, in Bakewell, Derbyshire, England. © VisitBritain/Ula Blocksage

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

- **Recent performance:** Flight bookings data suggests that the pace of arrivals started to pick up from low summer levels in September and October. This trend has been more noticeable amongst long haul markets, which had been slow previously. 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:** Inbound flight bookings have been tracking a little above last year's levels in recent weeks. Flight arrivals for October-December are still running 7% below 2025 in the Forward keys database, for both European and long haul arrivals, although this source has been more pessimistic than other sources lately so this could yet translate into numbers on par or slightly up on last year for late 2026.
- **Nations/Regions:** VisitBritain estimates that in the first half of the year inbound spending in England was up 2% year-on-year, Scotland up 9% and Wales down 11%. Within England, spending in London was up 1%; North West (11%) and North East (10%) led growth. (Estimates primarily based on Visa card data). More recently, flight arrivals in Aug-Oct have been tracking below 2025 by similar rates between London and Rest of England, but Scotland's trend has been much higher.
- **Overall 2026 forecast:** VisitBritain forecasts growth of 2% in both visits and nominal spending in 2026 (1% decline in spending in real terms) vs 2025. 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.
- **Global regions:** The pace of flight bookings has been strong from Northern Europe, Australia and South East Asia in particular, although those from Middle East are still tracking well below last year. Flight arrivals from the US were down in Q3, but picking up in October/November. Overall this year, European markets are forecast to grow 4% by volume and 7% value; long haul markets to decline 3% by volume and 2% by value.

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

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

- **Economic outlook:** Short term growth has been upgraded for the US, driven by the AI buildout, with the US economy forecast to grow 2.4% this year and 2.5% next year; however, consumer spending is set to lag slightly behind at 2.0% next year, constrained by higher interest rates. Eurozone forecasts, on the other hand, have been downgraded in light of higher energy prices, inflation, and interest rates, with growth of just 0.9% and 1.2% this year and next. In 2027, markets forecast to see higher growth include Asian economy (with the GCC rebounding from a tough 2026) and within Europe, Poland, Spain and Norway. France, Italy, Germany and the UK are likely to see slow growth.
- **Oil price:** Rose again in October on fears of renewed US strikes on Iran following the midterm elections. The oil price is just down from a recent high of $117, almost matching April's high point, and an increase of 50% on this time last year. The jet fuel price has also continued to creep up, again just below spring highs, and is more than double its 2025 level, putting upwards pressure back onto air costs.
- **Exchange rate:** The euro has weakened recently. One euro buys 84p at time of writing, down from 88p a year ago and the weakest in 18 months, making outbound travel more expensive for many Europeans. Against the dollar the pound has been steadier, at 75p similar to its rate a year ago of 76p.
- **Travel trends:** Many US consumers are currently cautious and value-conscious in light of inflation and job pressures, but wealthier travellers are well positioned to maintain their spending. Interest from Southern Europeans for cooler destinations in the summer to escape the heat; an opportunity for the UK given its milder climate. Some concern amongst tour operators of the UK's increasing costs.

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

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

- **Domestic outlook:** Domestic holiday intentions are broadly stable. 76% intend to take a trip in the next 12 months, similar to the 75% seen a year ago. Outbound intentions have crept up in the last few months, with 64% anticipating a trip abroad in the next year, up from a low of 56% in July, and slightly up on the 62% recorded a year ago. There has been a sharp increase in concern over the cost of fuel as a barrier to domestic trip taking (33% citing this as a barrier, compared to 21% a year ago), as well as an increase in the number identifying the cost of eating/drinking out as a barrier (37%, a 3-year high). In recent months, spending less on eating/drinking out has been the most commonly cited response to cost of living pressures on domestic trips.
- **Economic outlook:** Another downgrade in economic prospects, with consumer spending forecast to grow by an anaemic 0.3% next year, down on 2026's 1.2%. This implies virtually no consumer spending growth per capita next year in real terms. Inflation jumped to 3.5% in September, its highest level in a year, and is likely to rise to 4% early next year before easing. Petrol prices have risen again, to their highest level since 2022, with diesel prices hitting their highest ever level. Interest rates are also likely to rise in the coming months. Consumer confidence, after defying gravity for a few months, fell sharply in October to a six-month low, with a big fall in confidence about making major purchases.
- **Recent performance:** The value of Visa card spending on overnight trips was 2% up in the first half of the year overall. Adjusting for inflation, this is slightly below last year. Spending has grown fastest in Northern England and the Midlands.
- **Industry data:** Hotel room demand was 1% down year-on-year in September, but 1% up in August. Average daily rates are well up on last year, driven by an increase in London. Business revenues in hospitality are up above inflation in the June-August period (7% for accommodation, 5% for eating/drinking out) but in the arts/recreation/culture sector only by 2%, less than inflation; however, forward looking confidence in the latter sector is more positive.

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