

# Analyses

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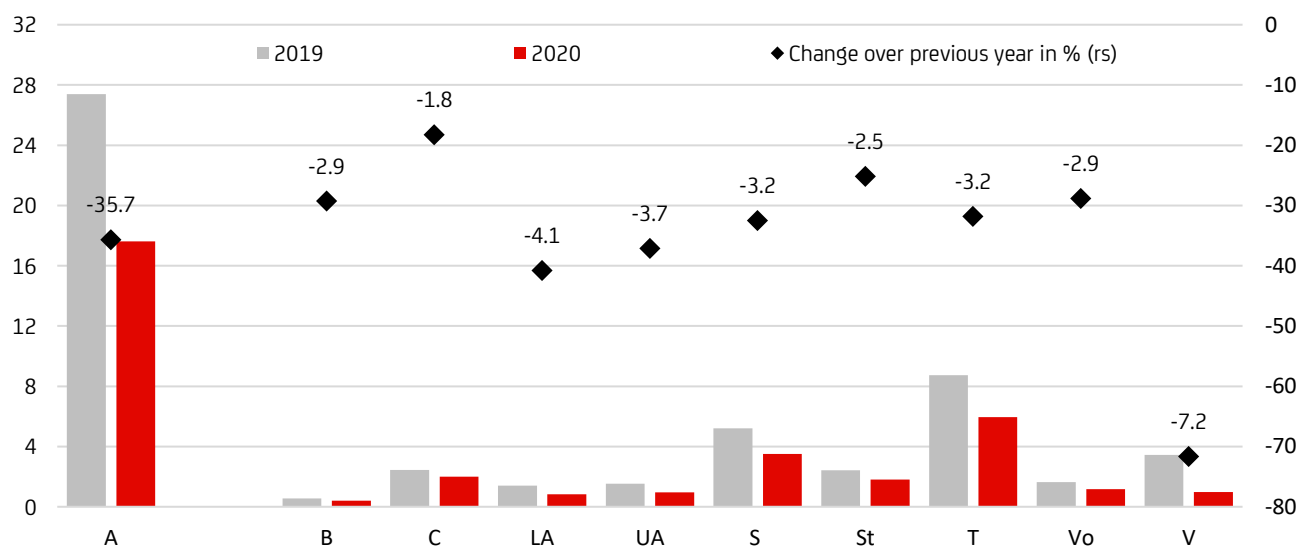
**Revenue from tourism  
in the "year of the  
coronavirus" 2020**



# AUSTRIA'S TOURISM SHOWS STRONG SYMPTOMS OF COVID-19

## Tourism revenue from domestic and international travel

(Estimate in EUR bn resp. change from 2020 to 2019 in %)



Source: OeNB, Statistik Austria, WIFO, UniCredit Research

- As a result of the pandemic, the number of tourist overnight stays in 2020 fell to 1970 levels
- Tourism revenue from domestic and international travel fell by almost 36 percent in 2020 compared with 2019, to EUR 17.6 billion
- Vienna had the highest loss of revenue compared with 2019 by far, with a drop of 70 percent; Carinthia saw the lowest loss of revenue out of all the federal states, at less than 20 percent
- Despite a pronounced decrease in the number of tourists, tourist expenditure per overnight stay did not change much in 2020, standing at an average of EUR 180
- Austrians have become somewhat more frugal and have spent on average 2 percent less, while foreigners have increased their expenditure per overnight stay by almost 2 percent

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as of May 2021

The following abbreviations for the individual federal states are used in our graphs:

B ..... Burgenland	C ..... Carinthia
LA .... Lower Austria	UA .. Upper Austria
S ..... Salzburg	St ..... Styria
T ..... Tyrol	Vo..... Vorarlberg
V ..... Vienna	

Lockdowns and travel restrictions caused heavy losses for Austrian accommodation providers

With the general opening up of the Austrian economy from 19 May 2021, domestic tourism companies will start to make up the ground lost during the pandemic. The measures to curb the pandemic have led to a reduction in overnight stays in the “year of the coronavirus” 2020 for the Austrian tourist industry and a fall in tourism revenue of around 36 percent respectively compared with 2019. After the lost winter season and the protective measures that have to be observed, it will not be possible to close the gap in 2021 as a whole, but we are confident that the upcoming winter season will almost offset the results of the previous year.

### Vienna saw the highest loss of revenue in 2020 and Carinthia the lowest

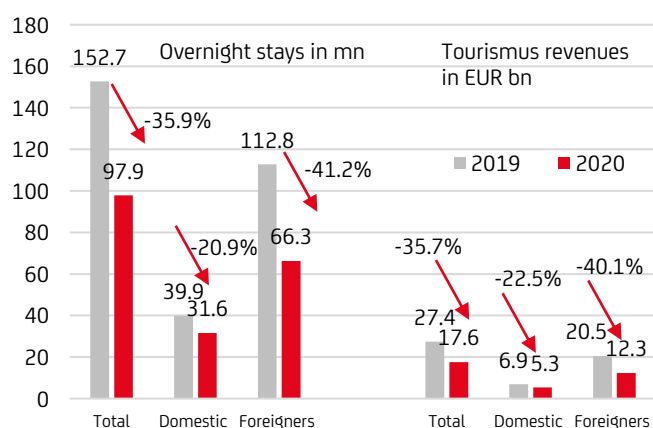
The tourism revenue of the individual federal states was affected by the fall in tourism during the pandemic to varying degrees, largely depending on the different tourism demographics of the states. Using a model based on the proportions that each country of origin makes up of total overnight stays in the respective federal states as well as the average expenditure of each tourist per night, we forecasted the trend in tourism revenue for the Austrian federal provinces.

Vienna 2020 with around 2.5 billion euros less tourism revenue. This means that Vienna accounts for almost 25 percent of the total Austrian losses with a share of overnight stays of less than 5 percent

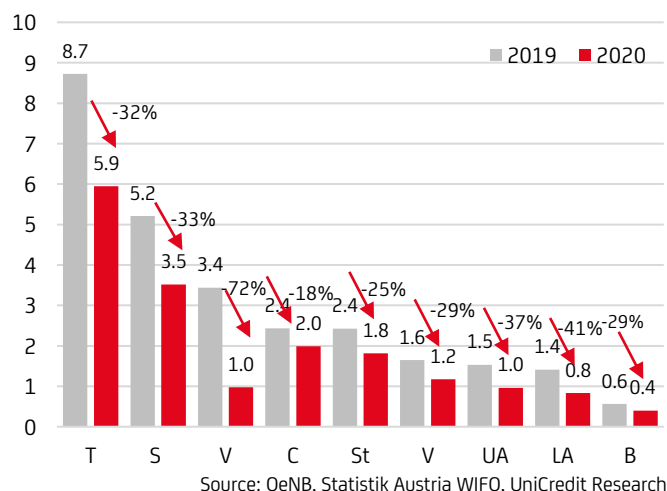
The highest tourism revenue from domestic travel and international travel combined is estimated to be EUR 5.9 billion for Tyrol, which is around one third of the total revenue for Austria in 2020 of EUR 17.6 billion. Burgenland recorded the lowest tourism revenue at just under EUR 400 million or 2.3 percent of total revenue for Austria. As a result of the different tourism trends, the loss of revenue in Carinthia in 2020 remained below 20 percent, while the City of Vienna saw by far the highest loss of revenue at more than 70 percent compared with 2019, according to our estimate. In Tyrol, the decline was around 32 percent below the Austrian average compared with 2019, as was the case in Burgenland, Salzburg, Styria and Vorarlberg. However, with tourism representing less than 4 percent of the overall economy, these losses are significantly less important in Vienna than in the tourist heartland of Tyrol, where tourism accounts for almost 15 percent of GDP.

The decline in tourism revenue in the federal provinces is due to the sharp decline in the number of tourist overnight stays as a result of the pandemic, with numbers falling to those seen in 1970. After nearly 153 million overnight stays were recorded in 2019, only 98 million were recorded in 2020. At just under 36 percent, this decline in numbers was almost mirrored by the decline in revenue. Revenue from international travel fell by more than 40 percent to EUR 12.3 billion, while revenue from domestic travel fell by just 22.5 percent to EUR 5.3 billion.

**Chart 1: Overnight stays and tourism revenue 2020**  
(in mn resp. EUR bn and change over previous year in %t)



**Chart 2: Tourism revenue of the federal provinces**  
(Estimate in EUR bn resp. change over previous year in %)



Tourism receipts down 35.7 percent in 2020 compared to 2019, dampened particularly strongly by the decline in international travel receipts

### Revenue from international travel fell particularly sharply

The significant decline in revenue from international travel in 2020 was largely due to the decline in the number of tourists from more distant countries of origin, while the losses in tourism revenue from neighbouring countries were generally below average. For example, tourism revenue from the US and China fell by more than 80 percent, and from Japan by more than 75 percent. On the other hand, the decline in spending by German tourists, who were by far the most important tourists in Austria making up more than 50 percent of international travel revenue, was below average at around 32 percent. The increased flexibility in terms of dates and the possibility of individual travel during the pandemic, during which legal conditions, for example travel restrictions, changed rapidly, had a positive effect on these figures.

### Domestic tourists saving more money in 2020; foreign tourists spending a little more

While the amount of money spent by tourists in Austria per night in 2020 remained largely unchanged compared with 2019, at an average of EUR 180, the amount spent per night by domestic tourists fell by an average of 2 percent to EUR 169. On the other hand, however, the amount spent per night by foreign tourists rose by almost 2 percent to EUR 185 per night.

The amount spent per night by foreign tourists was not at all consistent in 2020. As a rule, tourists from more distant countries of origin significantly increased their daily expenditure. The result is influenced by the particularly sharp decline in the number of overnight stays by tourists from these countries. Among other things, the proportion of business travellers from the US, China or Japan who tend to spend more money, compared with traditional holiday-makers from these countries, is likely to have increased significantly during the pandemic.

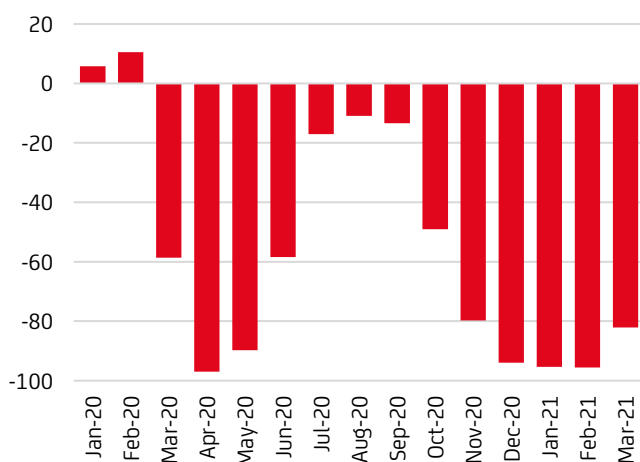
The demand for higher-quality accommodation classified as safe according to hygiene standards also increased. Seasonal patterns may also have played a role in this trend. The winter season, usually characterised by higher spending per night, was excellent until mid-March, while the summer season, with lower daily revenue from tourists from more distant countries of origin, was almost completely non-existent. As a result, the amount spent per night by tourists from China rose particularly sharply, doubling in 2020 to an average of EUR 390. The amount spent per night by tourists from Japan increased by more than 50 percent last year to an average of EUR 364.

While the amount spent per night by Chinese tourists doubled, spending by tourists from Austria's neighbouring countries—as was the case with Germany—remained stable or even

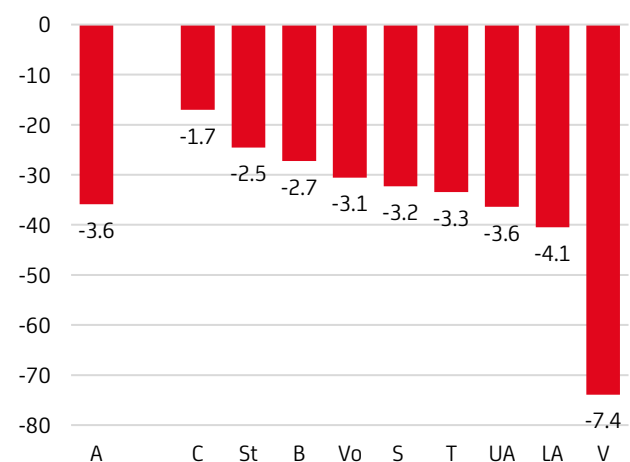
Tourism revenue per overnight stay in 2020 almost unchanged compared to 2019 at an average of 180 euro

Strongest increase in expenditure per overnight stay among guests from China

**Chart 3: Tourist overnight stays in Austria**  
(Change over previous year in %)



**Chart 4: Overnight stays in the federal provinces**  
(2020, change over previous year in %)



Source: OeNB, Statistik Austria, WIFO, UniCredit Research

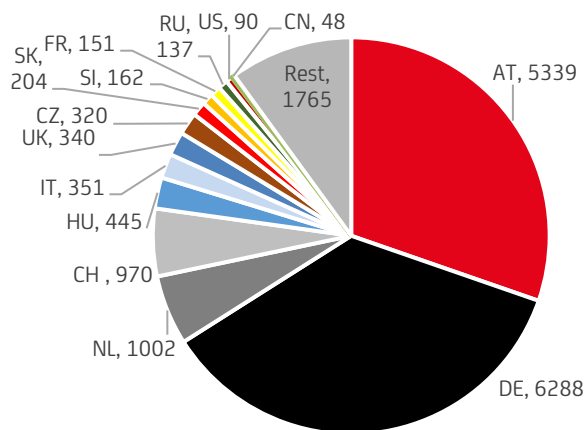
Tourists from some of Austria's neighbouring countries reduced their expenditure per overnight stay in 2020

decreased significantly in some cases. German tourists, who account for more than 50 percent of the total international tourism revenue in Austria, spent an average of EUR 163 per day in 2020 and in 2019, while guests from Slovenia, Slovakia and the Czech Republic reduced their expenditure by 3 to 6 percent. This development could also be related to the trend towards camping holidays during the pandemic and the limited possibilities for cross-border shopping trips due to the ordered closures of Austrian shops.

The development of tourist spending from individual countries led to an increase in average revenue per night in only three federal provinces. Only in Vienna, the federal capital, Tyrol and Vorarlberg, was the decline in tourism revenue in 2020 lower than the decline in overnight stays. In these federal provinces, the overall losses could at least be mitigated by increased revenue per night.

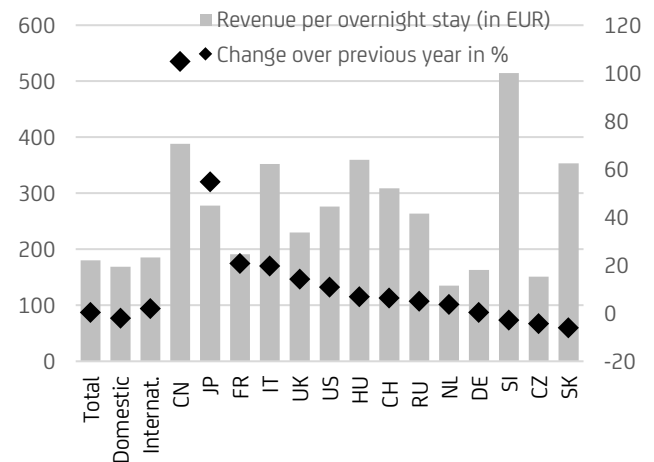
**Chart 5: Revenue from travel 2020**

(according to the most important countries of origin, in EUR mn)



**Chart 6: Revenue per overnight stay 2020**

(in EUR according to the most important countries of origin)



Source: OeNB, Statistik Austria, WIFO, UniCredit Research



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