



Luxembourg for Tourism

# Latest travel insights

Quarterly Report – March 2025





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# Executive Summary

# Executive Summary (1/4)



## Performance 2024, vs. 2023 (provisional figures)

- Luxembourg, arrivals: total paid +6%, hotels +4%, campsites +14%, youth hostels +5%, other paid +9%.
- Luxembourg, arrivals, best-performing source markets: NL +15%, US +12%, FR +10%, BE +6%, LU +6%.
- Luxembourg, hotels: occupancy rate 74% (+3%), ADR 156€ (+3%), RevPAR 115€ (+6%).
- Luxembourg, visitors: tourist infos +19% (Lux-City), +2% (other) ; castles +0% ; museums +5% ; leisure sites -1%.
- Virtually full recovery of international travel in 2024. Arrivals vs. 2019: World -1%, Europe +1%. Arrivals vs. 2023: World +11%, Europe +5%.
- Europe's performance largely driven by short-haul travel demand and season extension into Q4. Luxembourg is in Top 10 European destinations with strongest arrival growth vs. 2019.
- Inbound expenditure to Europe up 8% vs. 2023, but travelers are increasingly opting for good value-for-money destinations and shorter stays.
- Outbound travel spend from several key European source markets about 40% higher than in 2019 (DE, UK, BE, AT)
- US and India lead long-haul market recovery to Europe, while Chinese arrivals still -40%-50% vs. 2019 (visa issues, reduced air capacity, preference for Asia). Chinese arrivals to Luxembourg are -20% vs. 2019, a better result driven by the new direct air connection with Zhengzhou.
- Global air travel with record high (+1% vs. 2019). European air travel +10% vs. 2023, as load factors reach 84% despite delays and cancellations in Q3-Q4.
- Hotels, Western Europe: occupancy +2%. ADR +3%, RevPAR +5% vs. 2023. Weaker ADR growth in Q4 as pricing pressures increase. Strong occupancy growth across Europe in Q4, highlighting increasing demand for autumn and winter.

## LFT Hotel Survey

- Hotel occupancy rate forecast: 56% (Feb), 62% (Mar), 65% (Apr), a decline of ca. 0.4 points over 2024 (-2 points in Luxembourg City).
- Net decline in demand is more pronounced in the leisure segment, but prospects are better in North & East regions. (+2-+4 pts occupancy)
- Less optimism than last year (54%, -11 pts), except in North & East. 73% of hotels faced a loss in profit in 2024 due to high costs (equal share to 2023).



# Executive Summary (2/4)



- Key challenges for the industry include (in descending order): high operating costs, the economic situation, short-notice bookings and staff shortages.
- 56% of hotels are planning to raise room rates (-29 pts vs. 2024) as on-site spending declines but length of stay may extend (+17 pts vs. 2024)

## Current search & booking data

- Hotel searches for future stays are 6% higher than in 2024, mainly driven by business travel; leisure demand for long spring weekends down on 2024.
- Flight bookings are up 5% on 2024 (arrivals March +10%, April +5%, growth potential for June). Leisure air travel +4%, business air travel +6% vs. 2024.
- Strong year-on-year growth for future hotel stays from BE, FR, UK, ES, IT, PT, FR, UK (the latter two business-travel driven), and for future air travel from most markets, esp. FR, AT, UK (the latter business-travel driven). Air travel demand from DE -13%, as capacity lags 2019 levels from this market.
- Overall seat capacities +1% vs. 2024 and +11% vs. 2019 for travel until July.
- Camping bookings for future stays are up 5% vs. 2024, driven by demand from NL (+7%) and DE (+5%) and equally high growth for spring and summer.
- Google: travel-related searches for Luxembourg are increasing from BE, FR, UK vs. 2024. Relative search interest for city trips (including Luxembourg City) is lower across most markets. Search growth for hiking and holiday homes.

## Luxembourg's E-Reputation

- Luxembourg's online reputation, as measured by its Net Sentiment Index, hovered around +80-+90 on a scale from -100 to +100 throughout 2024, constantly exceeding the European benchmark. It reached +87 in January 2025, driven by events, culture/history, leisure offer and accommodation.
- Satisfaction measured via online review sites improved in January (esp for restaurants), reaching its highest score in a year.
- Perception of value for money was stable overall but slightly improved for lodgings and restaurants. Sustainability perception has dropped for a third consecutive month in January.



# Executive Summary (3/4)



## Short-term travel intent surveys

- European markets :
  - 89% of Europeans plan go at least once on holiday this year, compared to 86% in 2024 (travel intent is highest in UK and ES, and is substantially higher than last year among Germans).
  - A higher share of Europeans are considering overseas travel (18%, +2 pts; esp. NL, FR, UK).
  - External factors exert a greater impact on Europeans' travel choices: 40% are impacted by extreme weather events, 48% by rising prices (e.g., by travelling less frequently or choosing more affordable accommodation), 49% by overtourism (possibly avoiding certain destinations).
  - Various surveys highlight again the priority consumers attach to travel compared to other spending categories. Intended travel spend in 2025 is expected to rise, but some may cut on length of stay, and rising tourist taxes are considered a deterring factor.
  - Higher travel intent for April-June period (esp. Easter) than last year in UK and FR ; May and October favourite months for short trips for Dutch.
- Long-haul markets :
  - Travel intent has decreased to 63% in 2025 (2024: 65%) for all long-haul, and to 44% for Europe (2024: 49%) in 7 key long-haul markets.
  - Chinese are an exception to this, showing strong growth in intent for travel to both overseas and Europe.
  - Safety, quality of tourism infrastructure and iconic, must-see sites are top criteria when choosing a European destination, the latter criteria having gained in relevance vs. 2024.
  - Biggest barriers to travel to Europe are high travel costs, preference for other World regions and limited vacation time. All have gained in importance compared to last year.
  - Average intended length of stay and planned travel budgets for Europe are decreasing vs. 2024, whereas many younger travellers more often opt for package holidays.
  - Top holiday types for Europe include culture & history, gastronomy, city trips and nature.
  - 29% would return at less busy moments, but 28% would stick to their initial visiting plans if confronted with sites suffering from overtourism.



# Executive Summary (4/4)



## Economic and travel forecasts

- EU consumer confidence improved marginally in February (+1% vs. 2024), as did the general economic sentiment, also driven by industry confidence.
- Other indicators point to a more subdued trend, reflecting continued stagnation in the euro area, mainly due to weaker prospects in FR and DE.
- Household consumption risks being impacted by subdued consumer confidence and worsening labour market conditions (Eurozone & UK), inflation (IN, BR) or weak currency (JP).
- Global growth outlook for GDP in 2025 is positive (+3%; advanced economies +2%, emerging economies +4%), boosted by fiscal stimulus in US & CN.
- In the medium term, US tariffs and their retaliatory measures will likely cause higher (even though probably not extreme) inflation and disruptions, with trade war a major risk factor.
- Eurozone inflation has picked up again recently, and service inflation remains high – but the outlook for 2025 still points to a decrease, allowing for further interest rate cuts by the ECB. In the US, the Fed is taking a more cautious approach as inflation remains stickier.
- Travel prices are forecast to rise further in 2025, esp. for food and accommodation, whereas global air fares are expected to drop by 2% vs. 2024.
- Forecast international arrivals 2025: World +3%-+5% vs. 2024; Europe +10% vs. 2024, +13% vs. 2019; Western Europe +7% vs. 2024, +12% vs. 2019 – despite higher uncertainty due to ongoing geopolitical tensions and weaker consumer confidence.
- Intra-European markets (UK, FR, NL, BE and, esp., DE) set to make significant contributions to growth in 2025.
- 4% growth in international arrivals to Luxembourg possible in 2025, based on LFT's new forecast model (despite current subdued outlook for spring).
- Opportunities for growth include “bleisure” travel, infrastructure improvements, leisure events, domestic travel, sustainability trends.
- Trump's new policy measures may favour Chinese tourism to Europe at the expense of the US (in analogy to patterns seen in 2017-19). Reasons could include US visa restrictions for Chinese, reduced air capacity and sentiment effects.
- US demand to Europe is forecast to remain strong as high-income households (the demographic most likely to travel to Europe) should benefit most from Trump's new tax policies boosting consumer spending.





# Recent Performance Data



# Hotels & Campsites

## Nights & Arrivals



HOTELS (Statec data)	2024	vs. 2023
Nights	1.971.375	+3,8%
Arrivals	1.082.449	+4.0%

Source: Statec, provisional figures.

YOUTH HOSTELS	2024	vs. 2023
Nights	161.748	+3,0%
Arrivals	85.453	+5.0%

Source: CAJL.

TOTAL PAID <sup>1</sup>	2024	vs. 2023
Nights	3.615.539	+3.7%
Arrivals	1.532.216	+6.3%

Source: Statec, provisional figures.

CAMPSITES (Statec data)	2024	vs. 2023
Nights	1.349.845	+3.7%
Arrivals	328.634	+14.4%

Source: Statec, provisional figures.

RENTALS (Statec data)	2024	vs. 2023
Nights	132.571	+3,1%
Arrivals	35.680	+8,6%

Source: Statec, provisional figures.

<i>LFT estimate</i>	Jan-Feb 2025 vs. Jan-Feb 2024
Hotels <sup>1</sup>	+2%
Youth Hostels <sup>2</sup>	+2%

<sup>1</sup>Based on LFT survey & MKG Hospitality (occupancy rate), and Sojern booking data  
<sup>2</sup> Actual data as reported by CAJL, nights (Jan only).

# Arrivals by source markets



Arrivals in paid accommodation (Statec data)	2024 vs. 2023
Total inbound	+6%
NL	+15%
BE	+6%
DE	+0%
FR	+10%
UK	-3%
US	+12%
IT	+2%
CH	+2%
ES	-5%
PT	-1%
LU	+6%

Please note that due to a number of technical issues currently being investigated by our data provider, we are unable to include mobile phone data figures in this report.



# Hotels & Short-term Rentals



<b>HOTELS Luxembourg City (MKG data)</b>	<b>2024</b>	<b>vs. 2023</b>
Occupancy rate	73,6%	+2,9%
ADR	156,1 €	+2,7%
RevPAR	114,9 €	+5,8%

Source: MKG Hospitality.

<b>SHORT-TERM RENTALS (Sharing Economy) (*)</b>	<b>Jan-Sep 2024</b>	<b>vs. Jan-Sep 2023</b>
Nights	375.049	+19,2%
Arrivals	94.832	+21,5%
Supply (capacity, Q4/2024**)	7.735	+11,8%

(\*) Data refers to short-term rentals on Airbnb, HomeAway, VRBO.

Source: Eurostat (experimental statistics).

(\*\*) Vs. same period last year. Source: Lighthouse/ETC.

# Tourist Info & Attractions

## Visitors, 2024



Tourist Infos	vs. 2023
Luxembourg City	+19%
Other regions	+2%

Tourist Attractions	vs. 2023
Castles	+0%
Museums	-1% / +5% <sup>1</sup>
Leisure sites	+9% / -1% <sup>2</sup>
Guided tours	+14% (City) / -3% (ORT)

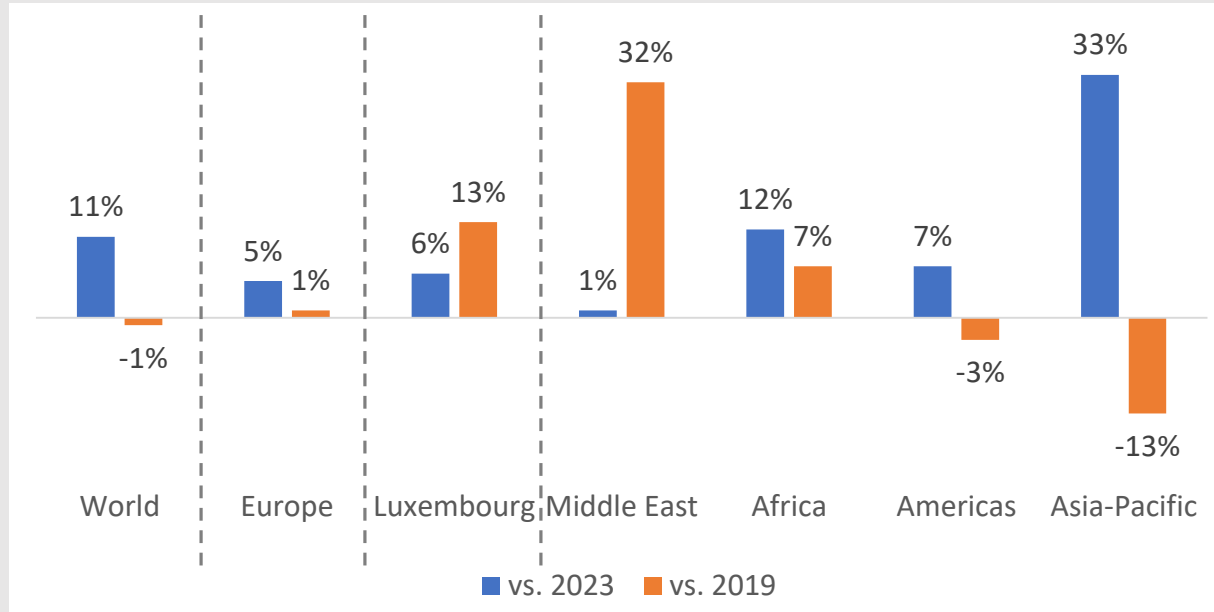
<sup>1</sup> Without Musée Européen Schengen & Musée Résistance Esch (partly closed in 2023 & 2024 respectively).

<sup>2</sup> Without Casemates (partly closed in 2023 (Bock)).

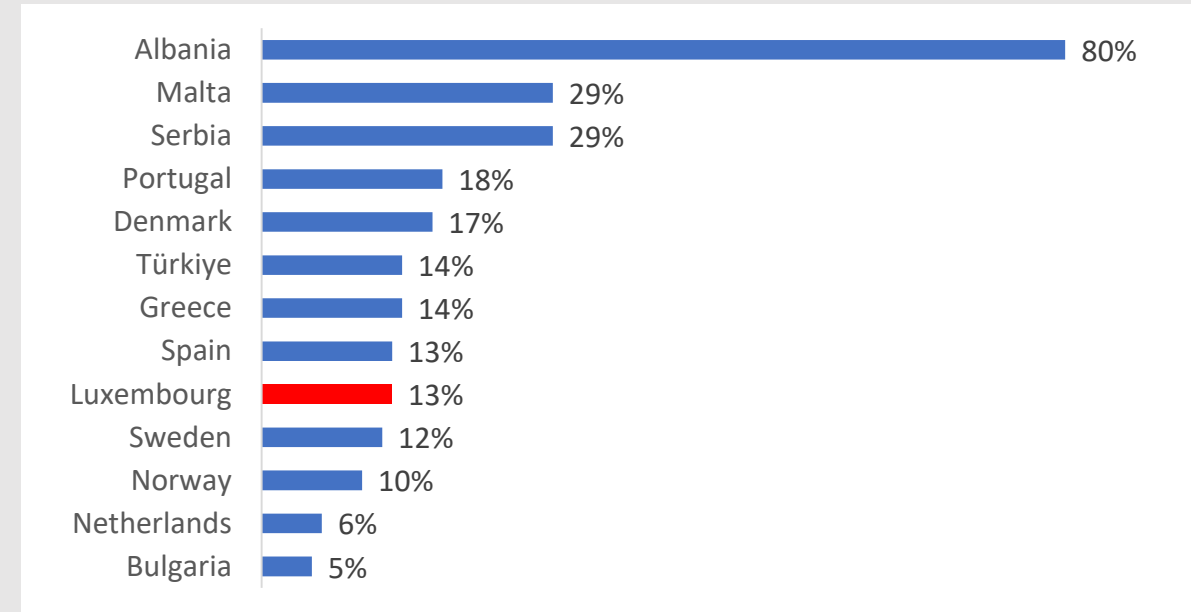


# Full recovery of international travel in 2024 in Europe

Inbound arrivals by world regions, % change vs. 2023 & 2019



Top European destinations with strongest inbound arrival growth, 2024 year-to-date (\*), % change vs. 2019



The year **2024** marks the **recovery of international tourism**: 1.4 bn tourists travelled internationally in 2024, about 11% more than in 2023 and virtually the same as in 2019. Results were **driven by** strong post-pandemic demand across all regions, robust outbound travel from many large source markets and the ongoing recovery of Asia-Pacific. International tourism receipts grew by 3% over 2023, and by 4% over 2019 in real terms.

The Middle East remained the best-performing region in 2024, with arrivals 32% above 2019 levels. **Europe**, the world's largest destination region, recorded 1% more international arrivals than in 2019, driven primarily by **short- and medium-haul travel** (left chart). More than half of European destinations saw arrivals ahead of 2019 (see right chart for destinations with strongest growth, among which Luxembourg). Arrivals from **long-haul source markets** to Europe are -5% below 2019 and a lot of this persistent weakness comes from the Asia-Pacific region. International travel growth to Europe largely picked up towards the end of 2024, suggesting travel in the **shoulder season and into the winter** period remained robust (+6% international arrivals in Q4 vs. 2019). This was despite adverse weather conditions including flooding, snow and storms which disrupted air travel, impacting outbound travel from, e.g., France, Spain, Germany and the UK.

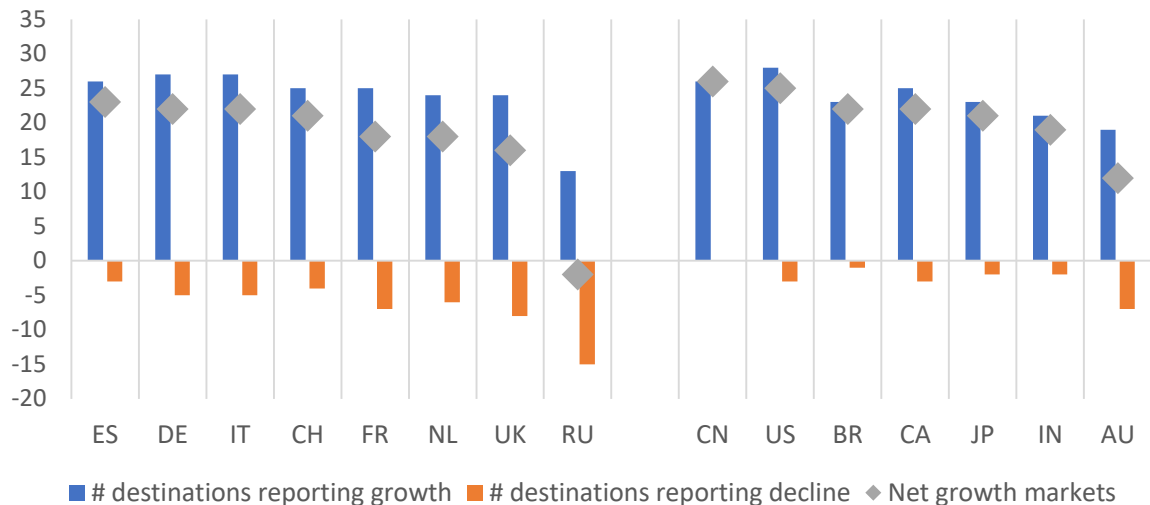
Consumers seemed to increasingly favour destinations offering good **value for money** or opt for **shorter stays** due to elevated travel costs. Still, **inbound spend** to Europe has increased by 8% vs. 2023. Higher levels of inflation and increased demand for travel contributed to the increase.



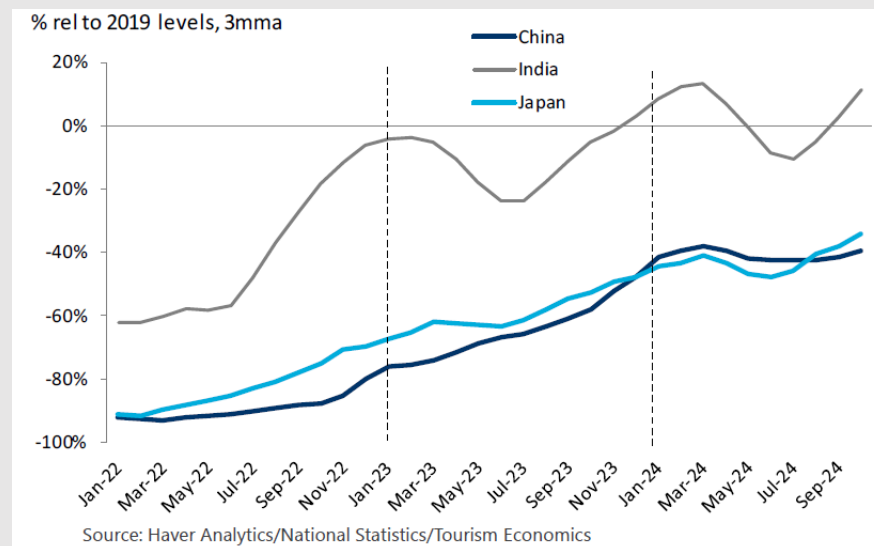
# Key source markets trends in 2024 in Europe



## Source market demand to European destinations, 2024 vs. 2023



## Outbound trips from Asia-Pacific to Europe, 2022-2024



Compared with 2023, most European destinations saw growth in arrivals from, esp., Spain, Germany and Italy, but in fact, most major **short-haul markets** yielded travel growth to Europe in 2024 (left chart). Besides, **German** travelers also seemed to have slightly more often opted for shoulder season travel, perhaps to avoid overcrowding. **British** tourists similarly showed strong interest in Mediterranean destinations in shoulder season, although disruptions caused by adverse weather hampered demand into winter months. **Italians** have driven growth to Nordic destinations in Q4, and longer stays and spending in some destinations in 2024. **Dutch** travelers showed clear preference for affordable near-haul destinations like Austria and Germany in Q4/2024. According to UN Tourism, **outbound travel spend** was also significantly higher than in 2019 from some key nearby markets such as Germany and the UK (both +36%), Belgium (+37%) and Austria (+47%).

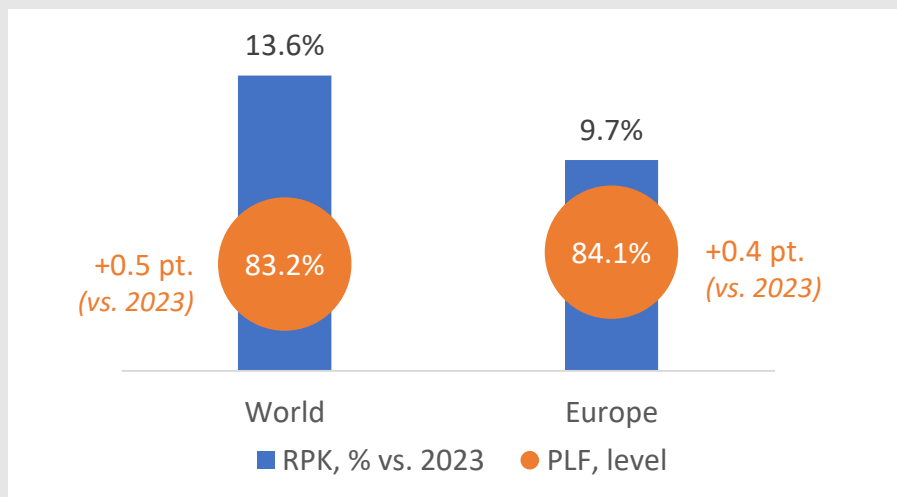
**US** arrivals to Southern Europe exceeded 2019 levels, suggesting extended stays. Indeed, US travel to Europe again proved fundamental in the post-pandemic recovery, supported by favorable exchange rates. By contrast, the anticipated strong recovery of **Chinese** outbound tourism did not materialize in 2024: trips to Europe were still 40%-50% down on 2019. Visa processes, reduced flight connections and more intra-Asian travel contributed to this. According to preliminary Statec data, **Chinese visits to Luxembourg** in 2024 were only 20% down on 2019, likely a consequence of the new **direct flight connection** with Zhengzhou. This would represent an additional 4.000 arrivals from China in 2024 (our flight booking tool provided by ForwardKeys indicates 5.100 arrivals via that route but some will not have spent a night in Luxembourg, so the estimate does seem plausible).

Some destinations like Germany saw double-digit growth from **Japan** vs. 2023, but, again, arrivals remained far below 2019 levels. Performance from **India** was notably better, with trips to Europe exceeding pre-pandemic demand levels by Q4/2024.

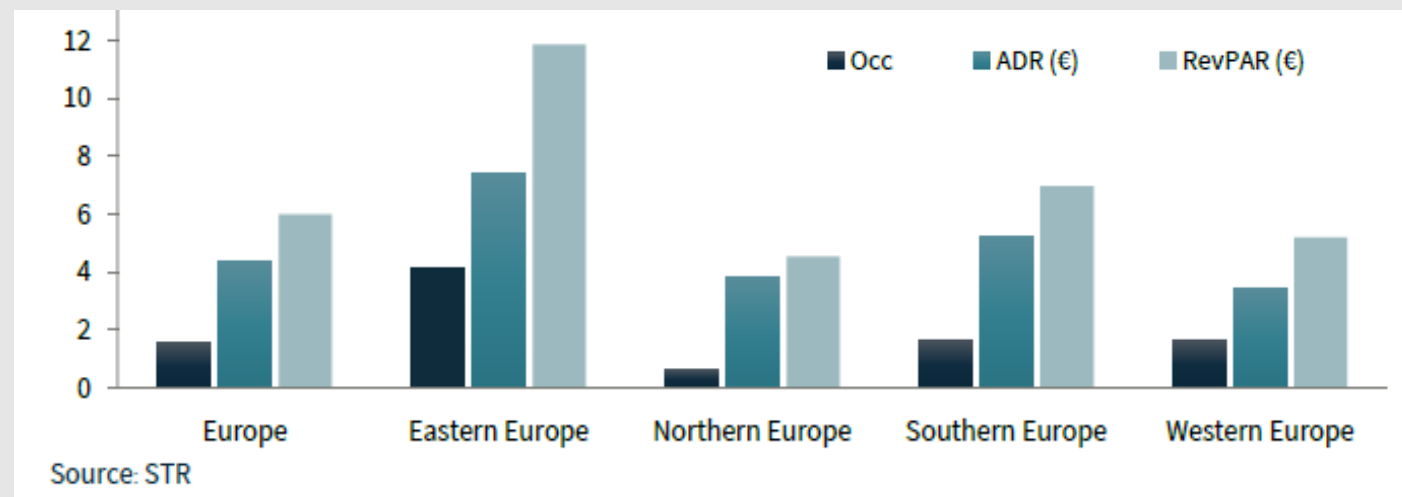
# Air travel, hotels & short-term rentals performance in 2024



RPKs<sup>1</sup> and PLF<sup>2</sup>, international air travel, 2024 vs. 2023



European hotel performance, 2024 vs. 2023



**European international air travel** demand grew by 10% over 2023, as measured in RPKs<sup>1</sup>. This slightly exceeded capacity growth (due to fewer new aircraft deliveries and engine issues in some markets), further pushing up **load factors** to a high level of 84% (left chart). This is despite some 1,100 flights having been cancelled in September-October due to bad weather (up from 400 the previous year). **Global** demand growth in 2024 vs. 2023 has been double-digit, driven by Asia-Pacific (+26%) which, however, is the only region where air travel still remains below 2019 levels (-9%). Global air travel in 2024 reached a record high (+1% vs. 2019).

**Global hotel performance** largely had a strong end to 2024, with quarter-on-quarter growth across all regions for key hotel performance metrics in **Q4**. In **Europe**, growth in occupancy rates has increased from 1.3% to 1.6% between Q3 and Q4/2024, mirroring the strength of the shoulder months and the winter season, and the popularity of less crowded destinations and winter activities. **Western Europe** had a more challenging year end compared to other areas: ADR growth has fallen from +4.5% to +3.5% **between Q3 and Q4/2024**, driving slower RevPAR growth (+5.2% in Q4, from +5.9% in Q3). This suggests that hoteliers have faced higher pricing pressure than the rest of Europe in recent months, possibly due to increased value-hunting behaviour by consumers as well as the return to more normal levels of inflation. However, when looking at **full year** figures (right chart), we can see **healthy growth** rates across all metrics for both **Europe** as a whole and **Western Europe** (occupancy +2%, ADR +3%, RevPAR +5% in 2024 vs. 2023). RevPAR growth was strongest in Serbia, Bulgaria, Greece, Spain and Czech Rep, which all reported double-digit year-on-year growth.

Europe reported a rise of 9% in the **supply** of **short-term rental** units since November 2023, driven by the 2024 Summer Olympics in Paris (supply dropped afterwards). Europe-wide monthly median **ADR** throughout 2024 was 112€, an increase of 10% over 2023.



# LFT Hotel Survey



# LFT Hotel Survey

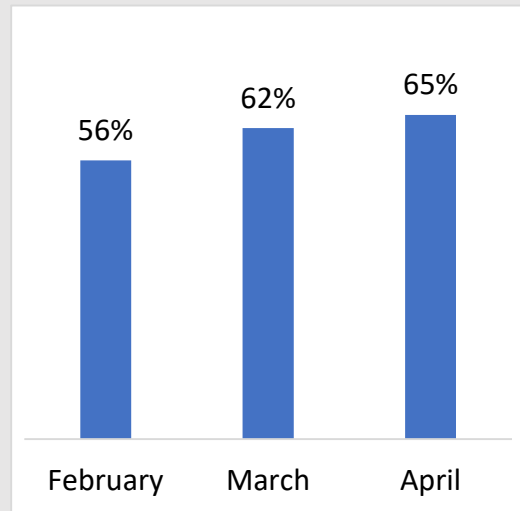
## 11 – 27 February 2025: 46 hotels



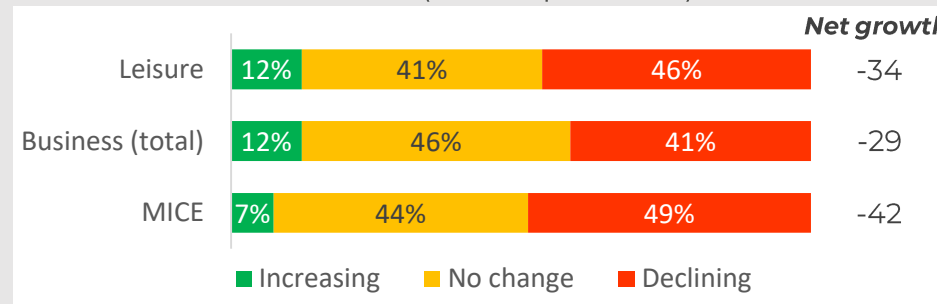
Prospects for this year's **early season** are **slightly less positive** than last year, according to LFT's latest hotel survey. In terms of occupancy rate forecasts, the decline is, however, only very marginal: the **occupancy rate** is expected to reach 56% in February (-0.3 pts compared to 2024), 62% in March (-0.4 pts) and 65% in April (-0.4 pts). The decline for April is more surprising, as Easter will be in April this year while it was in March last year. This is being reflected in **leisure vs. business** trends. For both segments, a larger share of hotels is expecting declining visitor levels this spring, but the net decline is more obvious in the leisure segment, but also in the business events (MICE) segment. That said, it is, on the other hand, interesting to observe the **North & East** regions forecasting better results than their peers in other regions: occupancy rates are expected to rise by 2-4 points in North & East, whereas they are forecast to drop by 2 points in Luxembourg City. Net decrease rates for leisure (-15 pts) and business (-8 pts) demand trends next months are also less pronounced in North & East regions.

A slight majority of hotels is **optimistic** with regard to this year's tourism season, but levels are down 11 points on one year ago. Again, optimism appears to be higher among hotels in the North & East (69% of respondents), and it is lowest in South & West (36%).

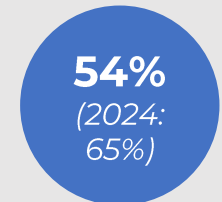
**Occupancy rate**  
(forecast)



**Share of bookings, trend next months 2025,  
vs. 2024 (% of respondents)**



**Optimistic regarding  
season 2025**



# LFT Hotel Survey

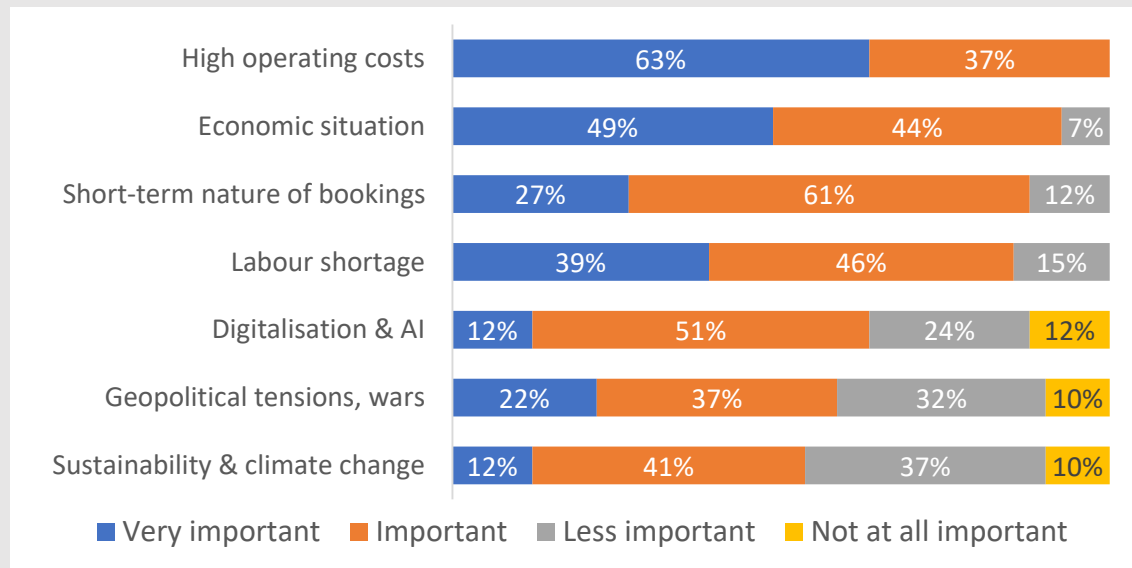
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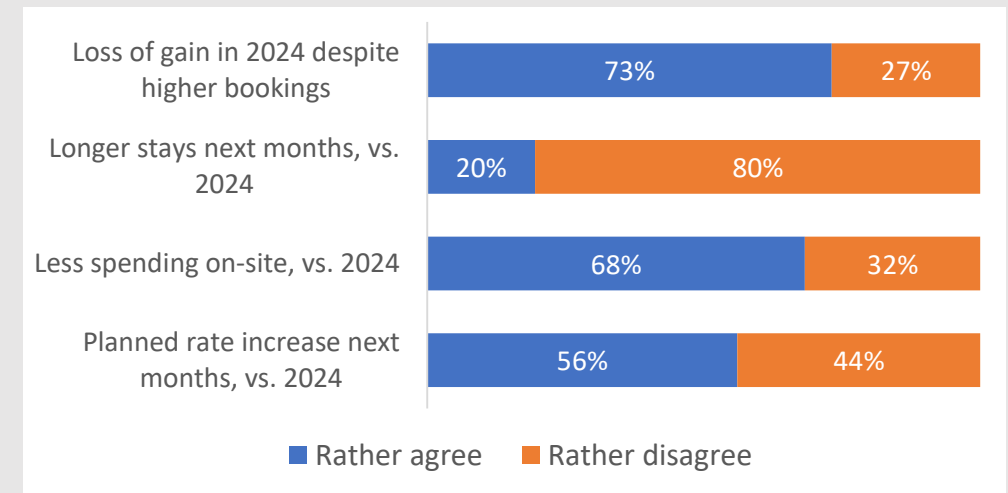
The general economic situation remains a **key concern** for most hoteliers with regard to future demand, followed by the ongoing trend of customers booking at short notice, and staff shortages which have been marginally less frequently mentioned than in our previous surveys. By contrast, both artificial intelligence and geopolitics have gained in importance as future challenges for the industry. Sustainability and climate change, on the other hand, were substantially less often than previously cited by respondents. But it is **high operating costs** that still tops the overall ranking of challenges. This echoes with another key fact, namely that a wide majority (73%) of hotels actually had to face a **loss in profit** in 2024 due to high costs, despite strong growth in bookings and revenue. This share was similar to 2023, and the trend was observed across most regions, with the exception of the South & West. It seems uncertain to what extent there remains potential for future price hikes: still, a slight majority of respondents (56%) is planning **raise room rates** over the next months, but that share was 85% one year ago - and in Luxembourg City, it has meanwhile dropped to 41%. The capital city and surroundings are also most often witnessing declining **on-site visitor expenditure**, an observation shared by 2/3 of hotels on a national level. On a more positive note, 20% of hotels (and nearly 1/3 in the North & East regions) are seeing a likely extension of their guests' **length of stay** for the coming months, a share that was only 3% last year.

Many of these results are in line with Tourism Economics' latest Tourism Industry Monitor, a global survey among tourism professionals: cost factors were identified as **key challenges** by 87% of respondents (vs. 83% in Q2/2024), followed by labour shortages, more frequently mentioned in Europe than in the US.

**Relevance of challenges for hotels** (% of respondents)



**Economic statements** (% of respondents)





# Search & Booking Data

(Hotels / Flights / Campsites / Travel Themes)

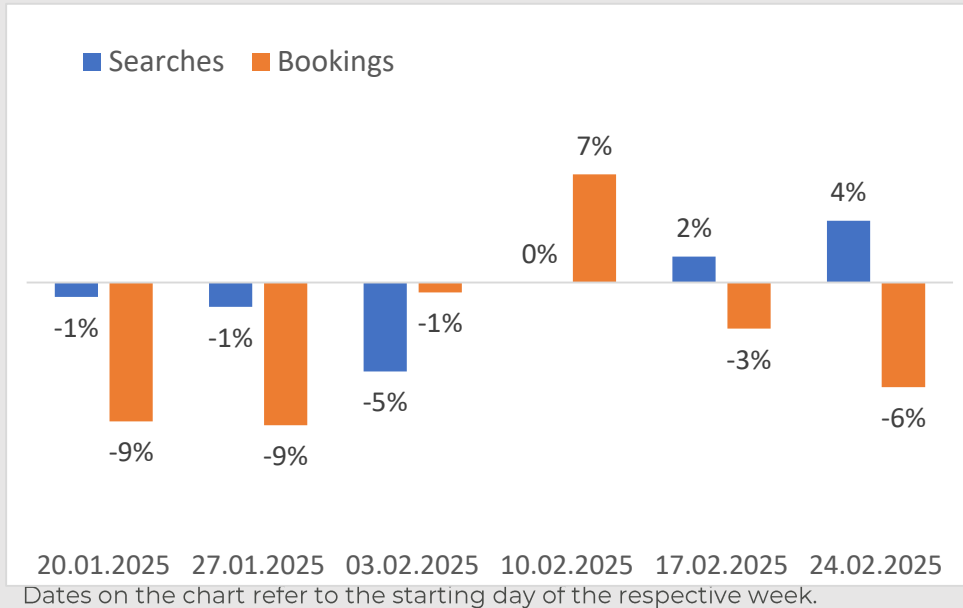


# Hotel Searches & Bookings

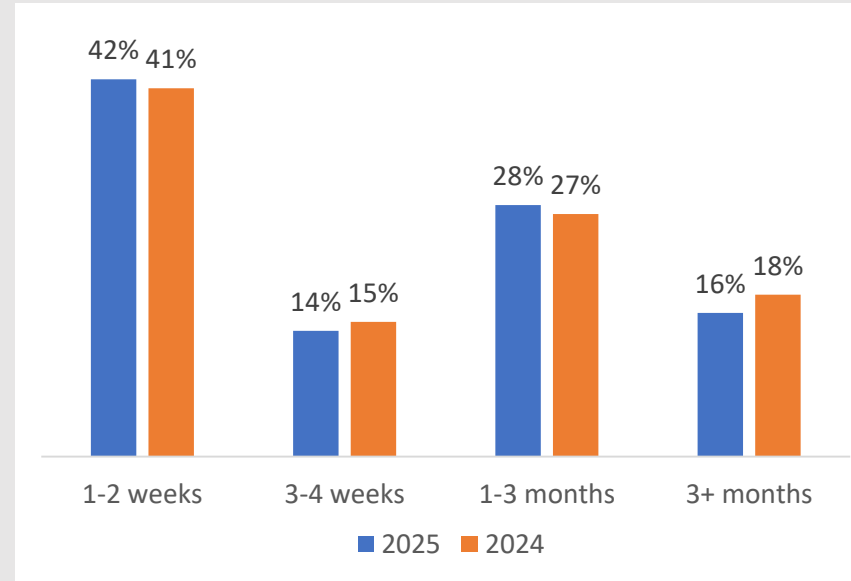
## Luxembourg



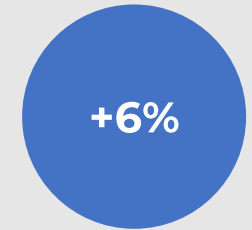
Hotel searches and bookings, all future arrivals,  
% week-on-week change



Lead times for inbound hotel searches to  
Luxembourg made between 3.2.-4.3.



Hotel searches for all future  
arrivals, % change vs. 2024



Between mid-January and mid-February, **searches** for future **hotel stays** in Luxembourg have been gradually decreasing each **week** after their peak during the Christmas/New Year period. Since mid-February, however, we are seeing a rebound in hotel searches (left chart), which may well result in new bookings in the next weeks. Indeed, while there was a brief spike in new **bookings** around mid-February, recent weekly booking volumes are decreasing. When comparing with the same period **last year**, **hotel searches** for future stays are currently 6% higher, but this is mainly driven by **business travel** demand, whereas searches for future leisure stays are flat. Coupling this with recent observations from LFT's hotel survey, it seems clear that **leisure demand for long weekends** in spring is currently lagging behind 2024 levels.

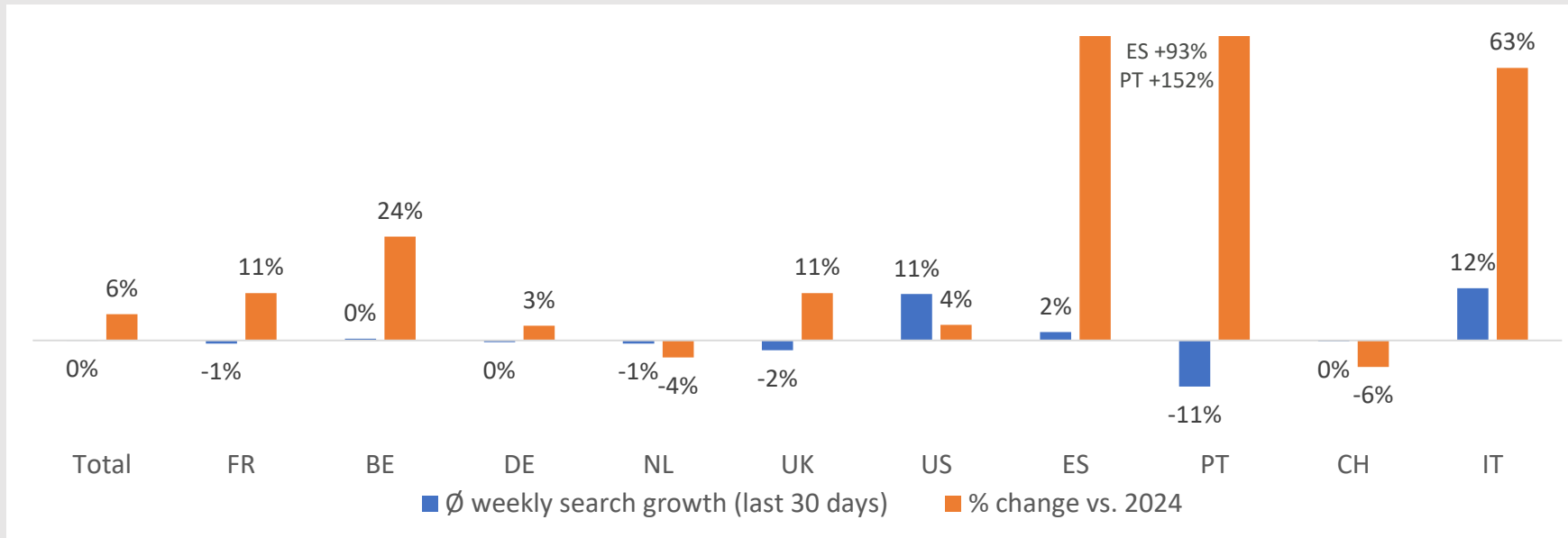
**Lead times** appear to be virtually identical to those seen last year, with the exception of stays in **summer** and beyond which, at this stage, yield less search interest than last year (right chart). Luxembourg is currently outperforming the Western European **benchmark** in terms of recent search trends, but is lagging behind with regard to booking trends.

# Hotel Searches & Bookings

## Luxembourg



Hotel demand for all future arrivals by top 10 source markets,  
% change week-on-week & vs. 2024



Hotel searches,  
% market shares by source market

France	22%
Belgium	16%
Germany	15%
Netherlands	11%
UK	8%
US	4%
Spain	3%
Portugal	3%
Switzerland	3%
Italy	2%

Throughout February, **week-on-week** evolution of hotel searches to Luxembourg has been flat from most key **source markets**, with the exception of the US and Italy which grew, and Portugal which slightly decreased. When comparing future hotel demand with **last year**, however, Portugal generates exceptional growth, together with Spain and Italy. It should however be noted that search volumes in absolute terms from these markets are small and therefore should be approached with caution.

Among the **larger source markets**, we are seeing double-digit **year-on-year** growth future hotel demand from Belgium, France and the UK. Among these countries, relative growth was particularly strong from Wallonia, Scotland as well as Ile-de-France and PACA regions. **Origin regions** in other source markets that have gained demand share compared to last year include Baden-Württemberg, Milan, Madrid, Zurich and New York City.

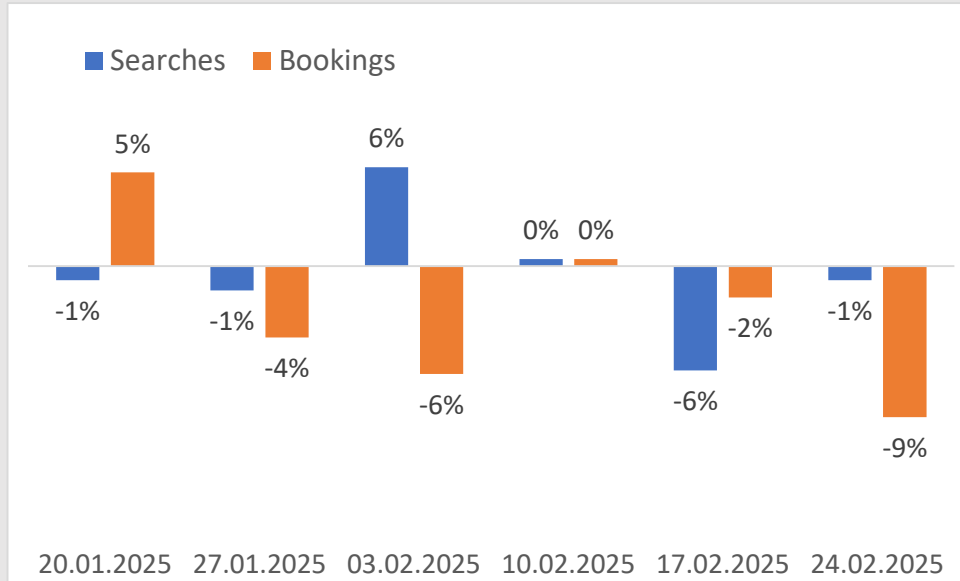
In the case of France and the UK, growth vs. 2024 is exclusively **business-travel**-driven, for Belgium, Spain and Italy it is **both leisure- and business-**driven.

# Flight Searches & Bookings

## Luxembourg

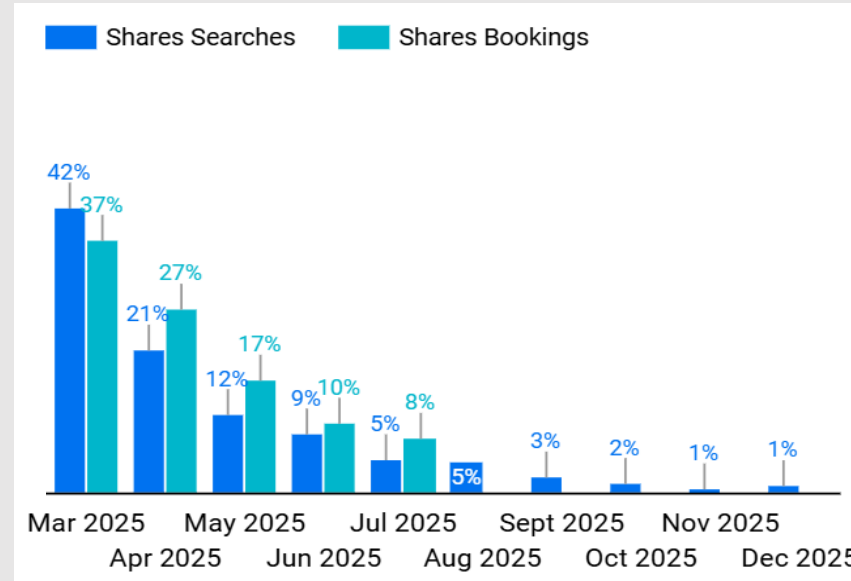


Flight searches and bookings, all future arrivals,  
% week-on-week change



Dates on the chart refer to the starting day of the respective week.

Flight searches and new bookings (\*),  
% shares by month of future arrival



(\*) Searches made 17.2.-2.3., bookings last 6 months for travel until Jul 25.

Flight bookings for all future arrivals,  
% change vs. 2024



On average, **weekly search** volumes for future **air travel** to Luxembourg have been stable between mid-January and end-February, although a slight downward trend can be observed since mid-February. This trend is more pronounced with regard to new **bookings**, which have dropped throughout February. This is however not too worrying, since on-the-book figures for future flights to Luxembourg are already 5% higher than **last year** to date, with notably arrivals for **March** currently 10% higher than in 2024 despite the fact that Easter was in March last year. Remarkably, there is still last-minute untapped potential since a larger chunk of recent searches than bookings relate to stays in March (middle chart).

Bookings for **April** are 5% above 2024, whereas demand for later spring and summer is currently similar to last year – but recent searches also hint at further growth potential for **June**. More bookings (+5%) with very **long lead times** have also been recorded (for arrival period October-December).

Compared to 2024, **leisure travel** bookings are currently up 4%, while **business travel** bookings are up 6%, for all future air travel to Luxembourg.

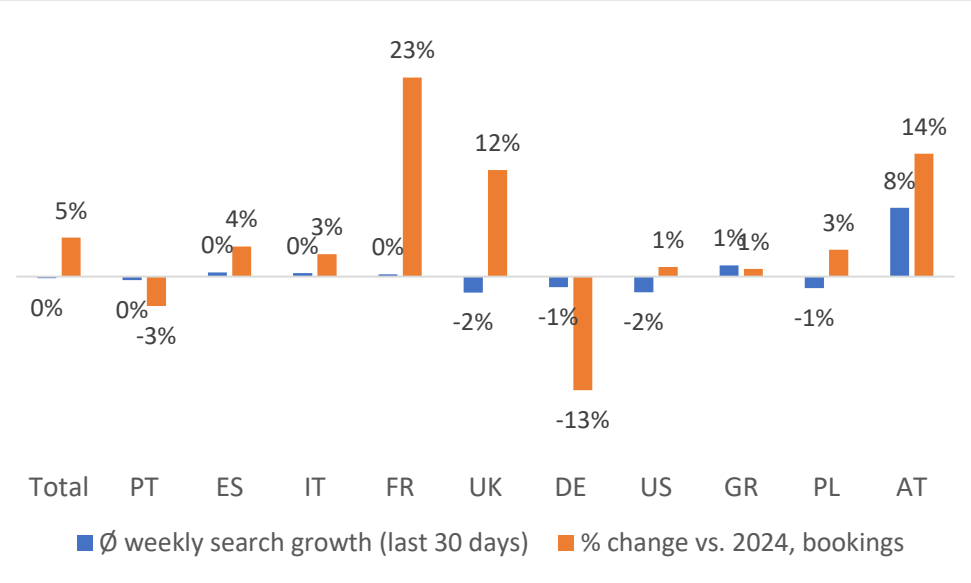


# Flight Searches and Capacities

## Luxembourg



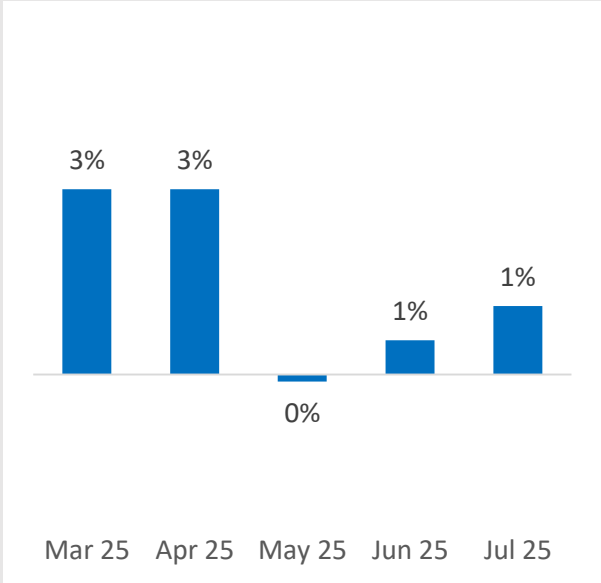
Flight demand for arrivals next 6 months  
by top source markets,  
% change searches week-on-week & bookings vs. 2024



Flight searches,  
% market shares  
by source market

Portugal	21%
Spain	19%
Italy	11%
France	10%
UK	10%
Germany	5%
US	5%
Greece	3%
Poland	3%
Austria	2%

Seat capacities to Luxembourg  
by arrival months,  
% change vs. 2024



Flight connectivity  
to Luxembourg

	Mar-Jul 2025	Change year-on-year
Countries connected	33	=
Avg weekly flights	549	=
Seats	1.468.078	+1%
Airlines	16	+1
Top 5 origins, seats (% year-on-year): PT (+2%), ES (+1%), DE (-6%), IT (+5%), UK (+9%)		

Compared to **last year**, **flight bookings** are up from almost all key **source markets**, with the exception of Portugal and, more significantly, Germany. It is worth noting that available capacity from Germany is still 27% down on pre-pandemic levels, and also 6% lower than last year. It is essentially leisure air travel demand that contributed to the decline from Germany. Future air travel demand from France is enjoying particularly strong growth compared to one year ago, but there is also healthy booking growth from Austria and the UK, in the case of Britain however mainly due to business-related air travel. Recent **weekly search trends** for future air travel have been flat or slightly declining from **most markets** (in line with overall search trends), with the exception of Austria. Some **origin cities** that have disproportionally contributed to recent search growth for air travel to Luxembourg include Bordeaux, Valencia and Manchester.

**Seat capacities** for air travel to Luxembourg until July are, on average, up 1% on 2024, and up 11% on 2019 levels. Growth is particularly evident for March and April, while capacity for the following months is more or less stable. Growth is strongest for source markets UK (London/BA & Ryanair), Italy (Milan/Easyjet & Ryanair), Netherlands (Amsterdam/Luxair) and Turkey (Istanbul/Turkish Airlines).

# Campsites Bookings

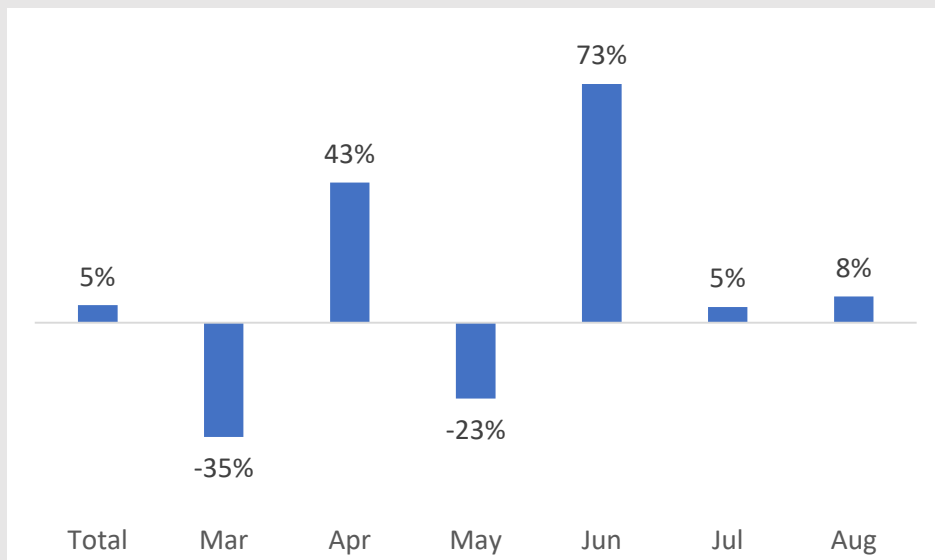
## Luxembourg



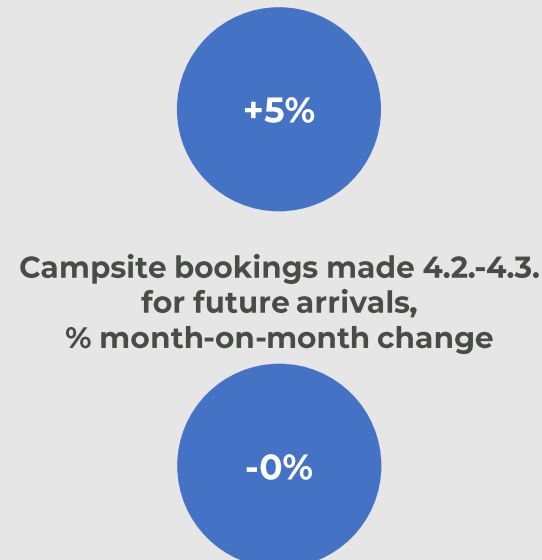
Luxembourg's **campsites** have seen several consecutive years of strong growth, with arrivals in 2024 50% higher than in 2019, according to latest Statec estimates. Our new forecast for 2025 suggests a further 5% **year-on-year** increase in demand this spring and summer, based on available on-the-book data. The left chart shows the year-on-year growth in future bookings by **arrival month**, with the large divergence in spring due to calendar effects (Easter in March 2024 and April 2025, Whit Sunday in May 2024 and June 2025). When aggregated into two-month periods, there is little difference, with growth always hovering around 5%. There is more variation when looking at the main **source markets** (right chart): growth is strongest from the Netherlands, followed by Germany, while domestic demand falls sharply compared to 2024. Although more marginal in absolute terms, recent bookings by French and British visitors are also higher than last year to date.

While future demand is thus currently higher than in 2024, there has been some **slowdown** in new bookings in **recent weeks**, which was not as pronounced in February last year. It remains to be seen whether this trend will consolidate and eventually drag down bookings growth, or whether it was just a temporary slowdown, possibly linked to the later Easter this year.

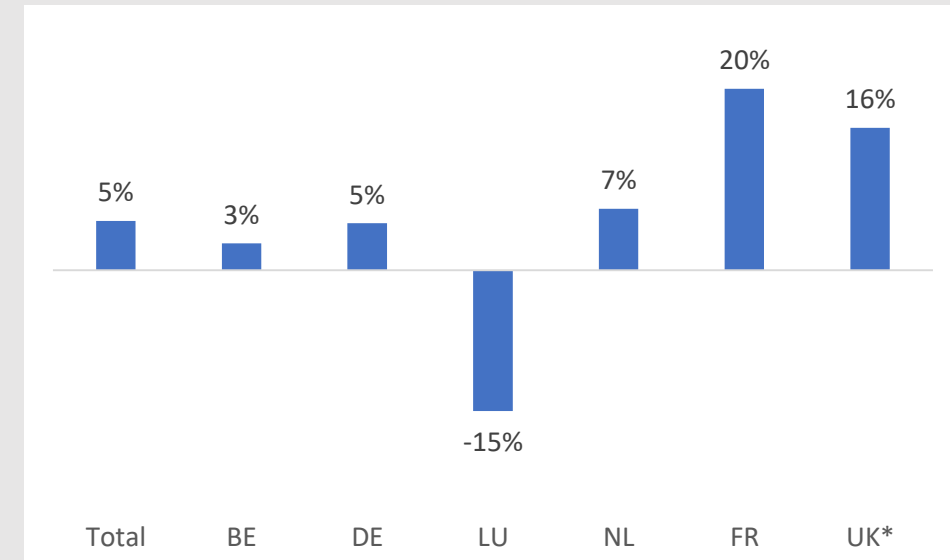
**Campsite bookings  
by month of future arrival, % change vs. year ago (\*)**



**Campsite bookings for arrivals until  
August 2025, % change vs. year ago**



**Campsite bookings for arrivals until August 2025  
by top source markets, % change vs. year ago (\*)**



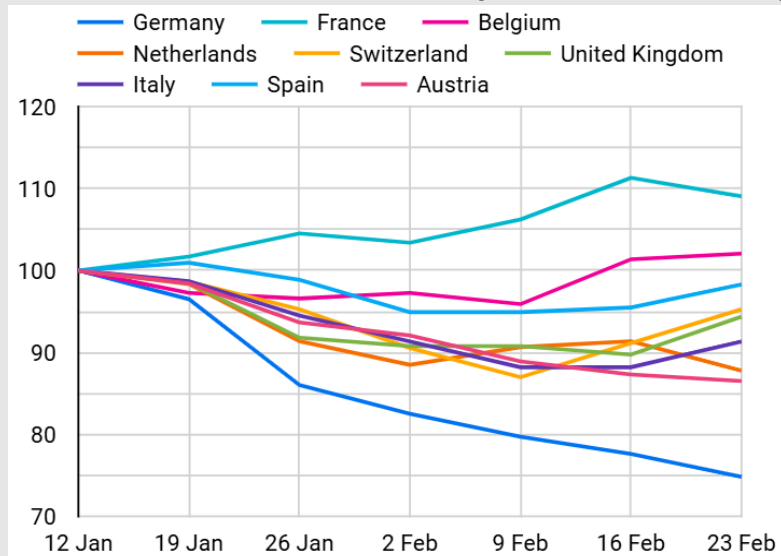
(\*) as of 4.3.2025. UK until June only.

# Travel Themes on Google



## Evolution of relative search interest on Google in main source markets

### ALL travel-related searches (12.1.2025 = index 100)



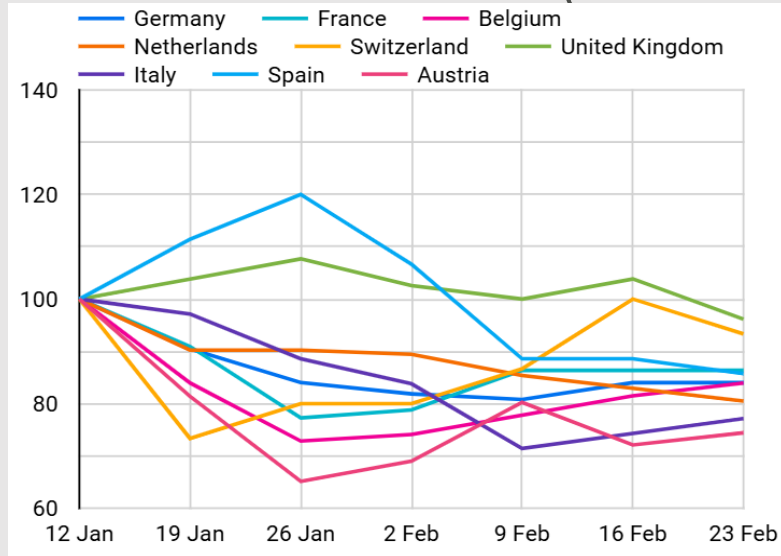
After a peak at the turn of the year, **travel-related searches on Google** declined in most **source markets** until mid-February, with the exception of Belgium and France. Since then, interest has started to pick up again in most countries, with the exception of Germany, which is also the only market that has yielded fewer travel searches than in **2024**. All other markets are around 10% higher than at the beginning of 2024. Search trends for **travel to Luxembourg** followed the same pattern in January-February 2025, and are currently up on 2024 for Belgians, French and British, and down for Germans, Swiss and Austrians.

With the arrival of sunnier weather in mid-February, search interest for **hiking** on Google increased across all source markets (especially France and the Netherlands), but relative interest remains below 2024 levels in the DACH countries.

Relative search levels for **youth hostels** are slightly lower than a year ago in all markets, with recent demand growth strongest in Spain and weakest in Austria. In contrast, searches for **holiday homes** are currently higher than in 2024, particularly in Spain and Italy.

Searches for **city breaks** on Google have fallen in recent weeks, except among Belgians and Spaniards. Compared to 2024, they are only higher in Belgium and the UK. The latter, along with Austria, are also the only source markets that show higher search levels for **city breaks to Luxembourg** than last year, and since the beginning of 2025, searches for city breaks to Luxembourg have decreased in all markets except the UK.

### LUXEMBOURG travel-related searches (12.1.2025 = index 100)





# E-Reputation



# E-Reputation Luxembourg

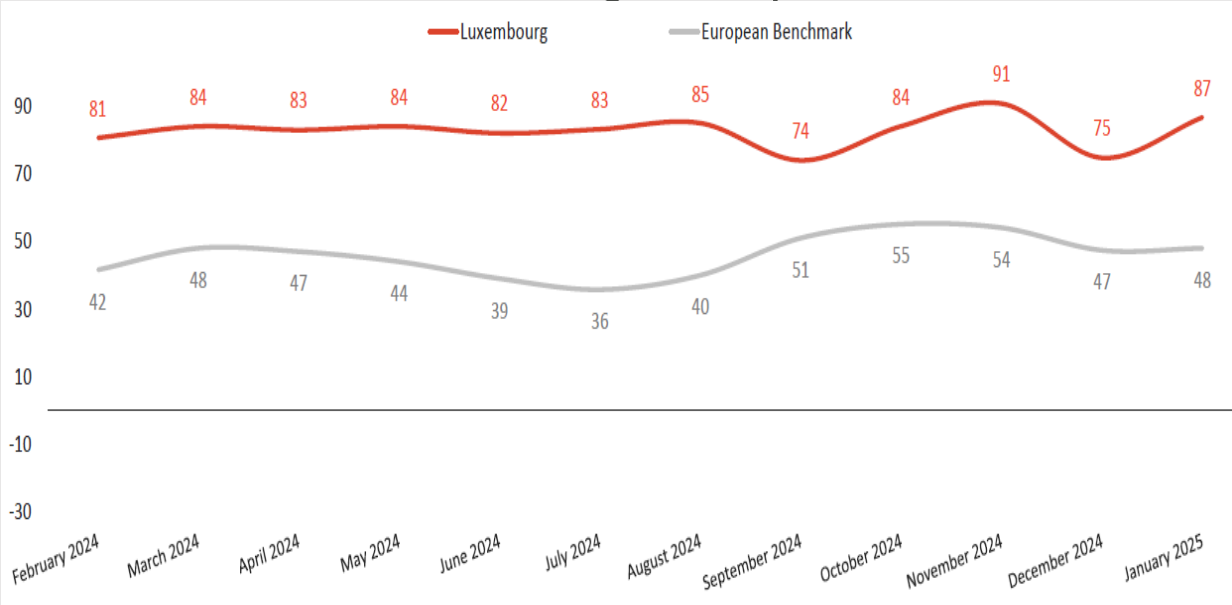
## Conversations on Social Media



Following a slight decline in December due to more negative mentions than usual about traffic disruptions, Luxembourg’s **online travel reputation** fully recovered in **January**. It should also be noted that the relating indicator, i.e. the **Net Sentiment Index**, hovered around **+80-+90** on a scale from -100 (only negative mentions on social media) to +100 (only positive mentions) throughout the **entire year 2024**. It has also consistently exceeded the European **benchmark** by a large extent, and continued to do so in January. In January, Luxembourg’s e-reputation as a destination notably improved in France, the US, Germany and the Netherlands, compared to the previous month.

Discussions remained largely focused on **culture, events and food** in January. Outdoor, culture, events and food generated considerably **more conversation volume** than last year, with mentions up by over 20% for each category. **Sentiment improved for accommodation, MICE and sustainable travel**, compared to December. **Positive discussions** in January centered on Luxembourg’s natural landscapes, leisure opportunities, and its rich history. The country’s safety for solo visitors, free public transportation, and excellent hiking and cycling options were also highlighted. The few **negative mentions** focused on traffic-related issues (disruptions, but also a parking meter scam in Luxembourg City and the cancellation of Luxair’s new connection with Rotterdam after only a few months of operation).

Net Sentiment Index of Luxembourg and Europe



Volume of mentions and Net Sentiment Index of Luxembourg by main topics, January 2025 (vs. December 2024)



# E-Reputation Luxembourg

## Visitor Experience

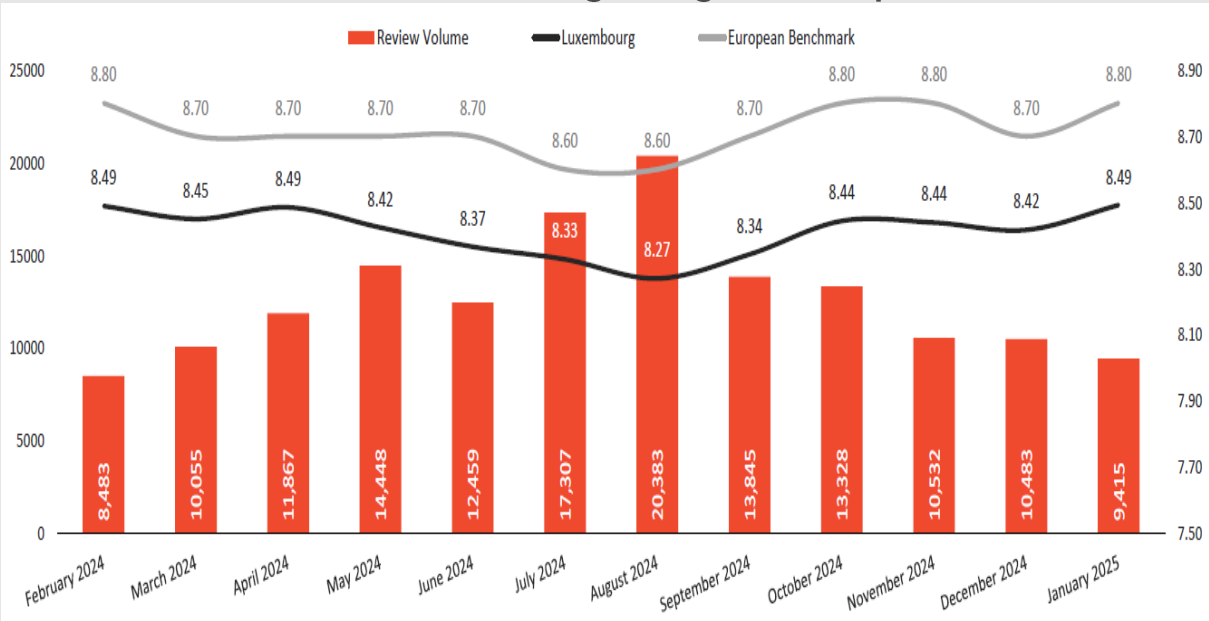


The number of **reviews** published on rating platforms (Trip Advisor, Google, Booking etc.) in **January** declined compared to the previous month, but Luxembourg's overall **rating improved** by 0.07 points, reaching its highest score in one year. The European **benchmark** saw an increase of the same scope, thus, satisfaction ratings of Luxembourg's offer remain below the European average.

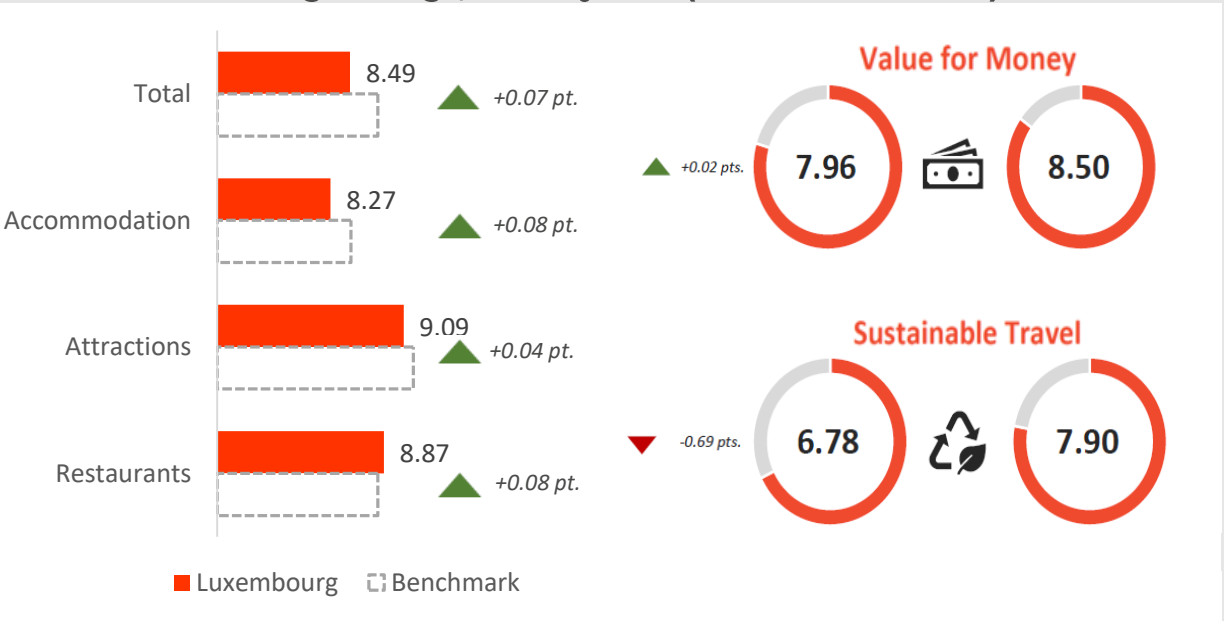
All **three sub-categories** (accommodation, attractions, restaurants) saw increases in **satisfaction scores** over the **previous month**. Ratings also have improved over the **previous year** for most categories (except accommodation), especially for **restaurants** which are now in line with the European benchmark. With regard to **attractions**, six of the ten sub-categories saw higher ratings compared to the **previous month**, with Nature, Parks & Gardens achieving the highest overall score and one of the strongest growth rates, besides museums and Other sports/wellness. By contrast, substantial declines were observed in the hiking & cycling segment but it should be noted that volumes are weak due to seasonality.

Luxembourg's **value for money** perception remained stable in January and below the European benchmark – but slight improvements for lodgings and restaurants may be encouraging signals. **Sustainability** perception has dropped for a third consecutive month due to more negative recent ratings in some hotels.

Volume of reviews and avg. rating on online platforms



Average ratings, January 2025 (vs. December 2024)





# Short-term travel intent surveys

# Travel Intent of Europeans for 2025

## NBTC international survey



A new update of the European Travel Commission's regular survey of Europeans' travel intentions will only be available in April. Therefore, we will present some recent results from **national travel intent surveys** on the following pages, as well as a few insights from a **European survey** recently conducted by our colleagues of the **Dutch National Tourist Board** (NBTC). This survey was carried out online in December 2024 among 7,000 respondents from the Netherlands, Belgium, Germany, France, the UK, the US and Spain.

- From the results, it appears that **travel intentions for 2025** are, on average, higher than the previous year with 89% of Europeans planning to go at least once on holiday this year, compared to 86% in 2024. Travel intent is highest in Britain (93%) and Spain (92%) and lowest in Belgium and France (yet still at very high levels of 87% respectively).
- No change is seen with regard to **trip frequency**, as 2.6 holiday trips are intended to be taken this year by Europeans, a share similar to 2024, but which has increased among British travellers. **Length of stay** patterns are also similar to those seen last year, with 42% of Europeans planning to travel for 4-7 nights and 30% planning to travel for 8-14 nights during their next trip.
- Most Europeans are still intending to travel **within Europe** (49%) or in their **own country** (29%). However, compared to 2024, shares of respondents considering **overseas travel** are increasing from 16% to 18%. Especially Dutch, French and British are keener on long-haul travel than last year. **Air travel** is set to remain the most popular transport mean in 2025 (60% of Europeans), whereas substantial shares (of over a third each) among Dutch, Belgians and German travelers also intend to take the car. Only 5% of travelers in the surveyed markets are planning to travel by train this year.
- As already pointed out in our previous report in December, it is likely that travel plans of Europeans will be more impacted than last year by external factors such as high prices, overtourism and weather patterns. According to NBTC's survey, no less than 40% of Europeans are seeing their travel choices impacted by **extreme weather conditions**, resulting in Dutch and Germans adjusting destination choices and travelers from other markets rather adapting travel periods. 48% of Europeans are adjusting their travel behavior due to **rising travel prices**, e.g. by travelling less frequently or choosing more affordable accommodation. 49% of Europeans are also considering avoiding certain holiday destinations due to negative media coverage of **overtourism**.

# Travel Intent of Europeans for 2025

## National surveys



- **Germany (Deutsche Reiseanalyse)**

- Findings from the latest survey wave of the “Deutsche Reiseanalyse” in November 2024 (representative for the German population) point to a stabilisation in respondents’ assessments of their **future personal financial situation**, compared to the previous year. 34% of Germans expect their financial situation in one year to be worse than today (2023: 35%), a score that however remains above its long-term average. 44% reckon it will be the same as now (2023: 45%), and 22% think it will improve (2023: 21%).
- The importance consumers attach to travel has again been confirmed as travel ranks second out of ten on a list of **top spending priorities**, only behind groceries. 64% of Germans consider travel, and 42% consider short and weekend breaks as particularly important, with both scores 1-2 points higher than last year.
- This is reflected in the fact that 57% of Germans express strong **desire to travel** in 2025, a score that is 3 points higher than last year and is now on a par with 2019 levels. Likewise, 59% of Germans claim to have the **financial means** to go on vacation this year (+5 points vs. 2024, -3 points vs. 2019).
- **Travel intent** is substantially higher than one year ago, with 76% of Germans claiming to have holiday plans for 2025, up 9 points vs. 2024. Only 8% have no travel plans for 2025 (-3 points).
- Further notable trends include rising interest for a **larger variety of destinations** but also for domestic trips, as well as for a range of more specific holiday types such as **city breaks and wellness**. A tendency to **book earlier** and a certain rebound of **travel agency and tour operator bookings** is also likely.



# Travel Intent of Europeans for 2025

## National surveys



- **Netherlands (ANWB survey) (\*)**

- Just over 85% of Dutch people **plan to go on holiday** this year according to the recent ANWB survey.
- The most important **criteria when choosing** a holiday are the destination (76%), accommodation (57%), budget (54%) and weather (42%).
- 15% of the Dutch will stay at home this year due to **financial constraints**, a preference to stay at home or because of health.
- Most Dutch travellers expect to **spend** between €1,000 and €2,000 per person over the whole of 2025 on holiday(s). In addition, 38% expect to spend more or much more than in 2024, while 44% expect to spend the same amount.
- For **short holidays**, May and October are the most popular **months**. A third opt for a **city trip abroad**.
- For **travel inspiration**, social media (61%), reviews (55%) as well as friends/family (69%) are used much more among the **Generation Z**. **Asia** is a popular destination for them, with over 21% of respondents aged 19-30 planning to travel to this continent. Gen Z also expects to get on a **plane** more often: 62% expect to take the plane for the long holiday, compared to 46% among 30-somethings.

(\*) The ANWB survey is a representative, quantitative survey of 2446 Dutch people aged 18 and over and held in December 2024.

- **UK (Visit Britain Consumer Tracker) (\*)**

- 33% of UK adults are more likely to choose UK trips, while 30% prefer outbound travel. Top **reasons** for preferring **outbound trips** include better weather (53%) and wanting to visit new places/experience new cultures (41%). Other reasons include cheaper overseas holidays, prioritising overseas trips after missing out, and visiting friends/relatives.
- 8% of respondents are planning to go on their next outbound trip in **February-March** (-2 points vs. 2024), 27% between **April and June** (+2 points) and 37% would rather do so in **July-September** (+1 point).
- In February 2025, 51% of UK adults stated that 'the worst is still to come' regarding the **cost-of-living crisis** and many perceive their **personal finances as a barrier** to both domestic and outbound travel.

(\*) Online survey based on a UK nationally representative sample of 1,500 adults aged 16+. Fieldwork was conducted between 3rd to 9th February 2025.

# Travel Intent of Europeans for 2025

## National surveys



- **France (Liligo/Opinionway) (\*)**

- French people's **desire to travel** seems to be holding steady in 2025. The French are set to be **spending** 12% more on travel in 2025 than last year, confirming the priority attached to travel. That being said, for 85% of French people, **inflation** and price rises do have an impact on their summer holiday bookings, but this is a drop of -2 points compared to 2024. French travellers are not hesitating to **sacrifice other expenses**, such as food, in order to have a quality stay, but may well be considering to **cut on length of stay**.
- Among other **obstacles** to summer travel in 2025, **strikes** are having a major impact on holidaymakers' choices for 42% of them (+7 pts vs. 2024). International **conflicts** and the **carbon footprint** will respectively have an impact on 42% (2024: 40%) and 37% (2024: 34%) of French people's travel choices this summer.
- 79% of travellers surveyed intend to book their trips **more than one month** in advance (+2 pts vs. 2024). While the summer holidays are still the preferred time for 61% of French travellers, **other periods** are gaining in popularity. The **Easter** holidays in particular stand out, attracting 25% of travellers.

*(\*) OpinionWay poll for Liligo carried out from 4 to 6 December 2024 on a sample of 1016 people representative of the French population aged 18 and over.*

- **Tourism Economics**

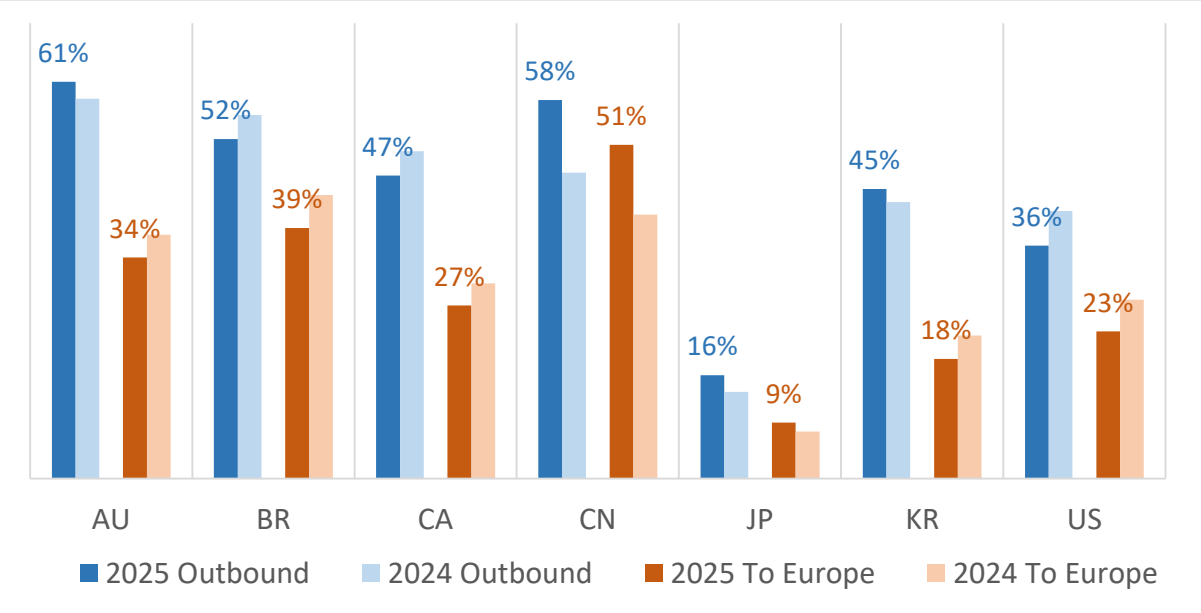
Tourism Economics' Travel Trends Survey (TTS) captures the views of more than 4,000 respondents in Australia, Canada, China, France, Germany, Italy, the UK and the US. The latest findings indicate that consumers are becoming **more cost-conscious**. Based on the latest travel data, the trend appears to be benefitting some **smaller, "off the beaten track" destinations** which are perceived to be more budget-friendly such as Montenegro and Albania. Survey results also show that **tourist taxes** could be a **financial barrier to travel** as 41% of travellers oppose destinations charging a fee to help tackle overtourism and provide additional funds for tourism infrastructure improvements. There was greater resistance to tourism taxes among those who perceived themselves as financially worse-off compared to a year ago. Decisions for cost-conscious travellers could come in the form of changing to a **cheaper destination** or choosing to stick with the original choice for a **shorter stay**.

# Travel Intent of Long-Haul Travellers

## To Europe in 2025



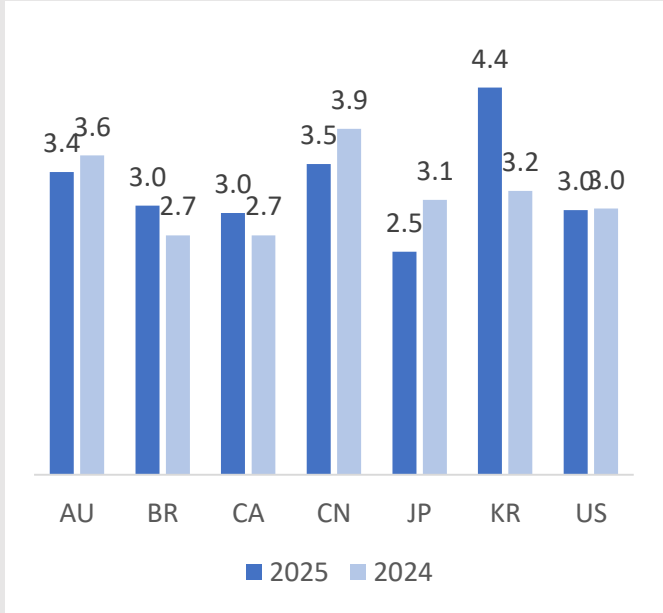
Intention to travel long-haul and to Europe in 2024-2025, % of respondents with concrete plans to travel overseas (\*)



Travel intent to Luxembourg, % travelers planning to visit Europe in 2025

	Planning to visit Luxembourg	% pts change vs. 2024, Luxembourg	% pts change vs. 2024, Ø all destinations
CN	2.9%	-2	-1
KR	1.6%	-2	+4
BR	2.8%	-0	+1
US	0.8%	-2	+0
JP	0.9%	-1	+1
AU	1.7%	-0	-0
CA	3.1%	+2	+1

Avg. number of countries planned to be visited during trip in Europe, 2024-2025



(\*) >70% certainty to travel overseas. Please note that survey results relate to attitudes and are not intended to quantify demand levels.

The European Travel Commission’s latest survey on **long-haul travel intentions** in key overseas markets for 2025 reveals some contrasting trends: overall, intent for long-haul outbound travel has, on average, decreased from 65% to 63% between 2024 and 2025. Travel intent to Europe has declined even more, from 49% to 44%. However, if we look at the share of respondents with a **high certainty** of travelling long-haul (i.e., with rather concrete plans or intentions), the trend is a bit more optimistic, as shown on the left chart. Here, long-haul travel intent is increasing in several markets, but travel intentions to **Europe** are still declining almost everywhere, except Japan (but at a very low level), and China. Indeed, **Chinese** are showing the strongest growth in intent for both travel overseas and to Europe, and the relative share of people interested in such travel is also highest among the Chinese. Travel intent to Europe remains lowest among **South Koreans and Japanese**. Among long-haul travellers intending to visit Europe in 2025, 2% are considering **Luxembourg** to make part of their trip. Intentions to visit Luxembourg have decreased across most markets except Canada, but it should be reminded that sample sizes are small and results therefore purely indicative.

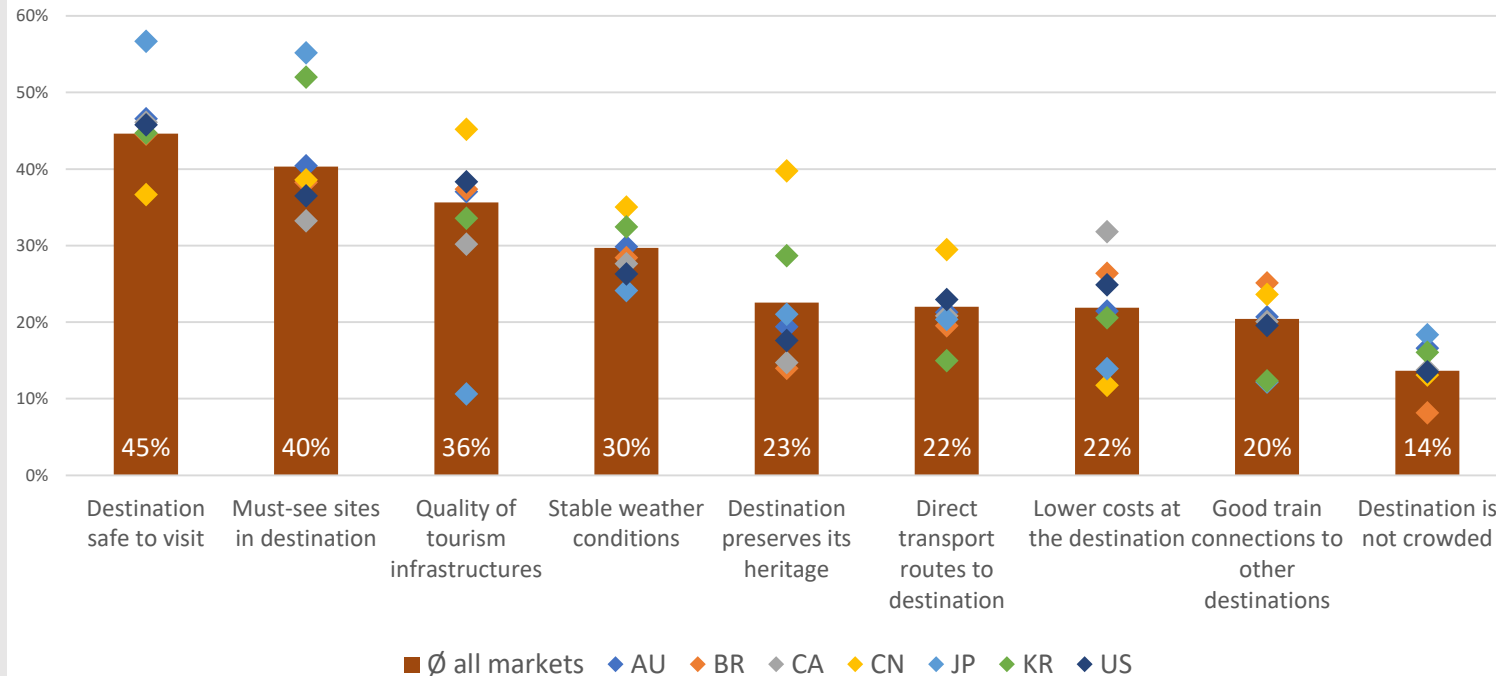
Long-haul visitors are planning to visit an average of **3.4 countries** during their European trip, a share that is roughly equal to last year. Koreans plan to visit a larger number of countries, followed by Chinese and Australians.

# Travel intent of Long-Haul Travellers

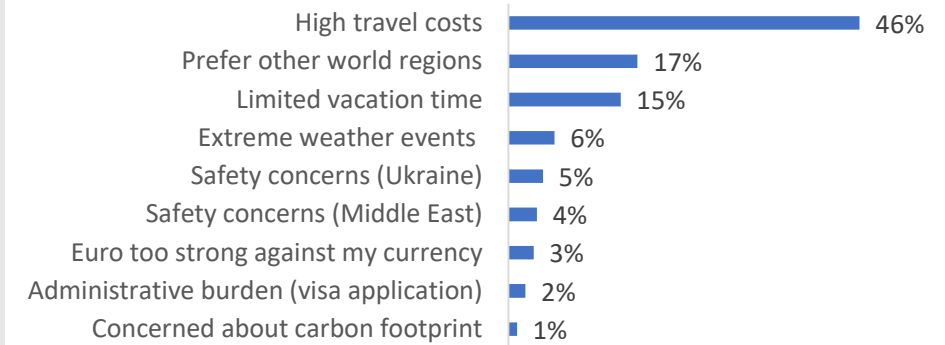
## To Europe in 2025



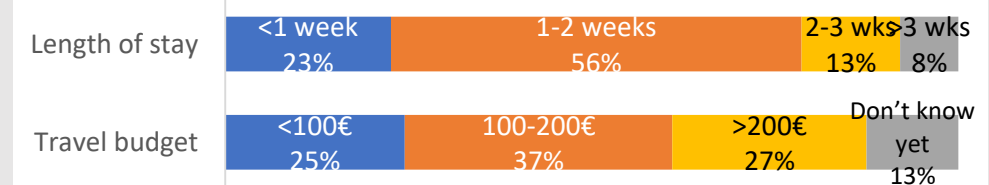
### Most important criteria for choosing a holiday destination in Europe, 2025



### Barriers to travel to Europe, 2025



### Intended length of stay and travel budget on trips to Europe in 2025, % of respondents



**Safety** remains the most important **criteria** for long-haul visitors when choosing a destination in Europe, followed by iconic, must-see sites which has moved up from 4<sup>th</sup> to 2<sup>nd</sup> most relevant criteria since last year, notably for Japanese and Korean visitors. Quality of tourism infrastructures – which ranks third overall – is particularly important for Chinese, American and Brazilian visitors. Chinese also pay more attention to destinations actively preserving their natural and cultural heritage while affordability was more frequently mentioned by Canadians and Brazilians. In that context, **high travel costs** are considered the biggest **barrier** to travel to Europe in 2025, mentioned by half of all respondents. Preference for other parts of the World and limited vacation time follow next. All three have gained in importance compared to last year. Weather and geopolitics play a role but are not decisive factors to avoid travelling to Europe this year.

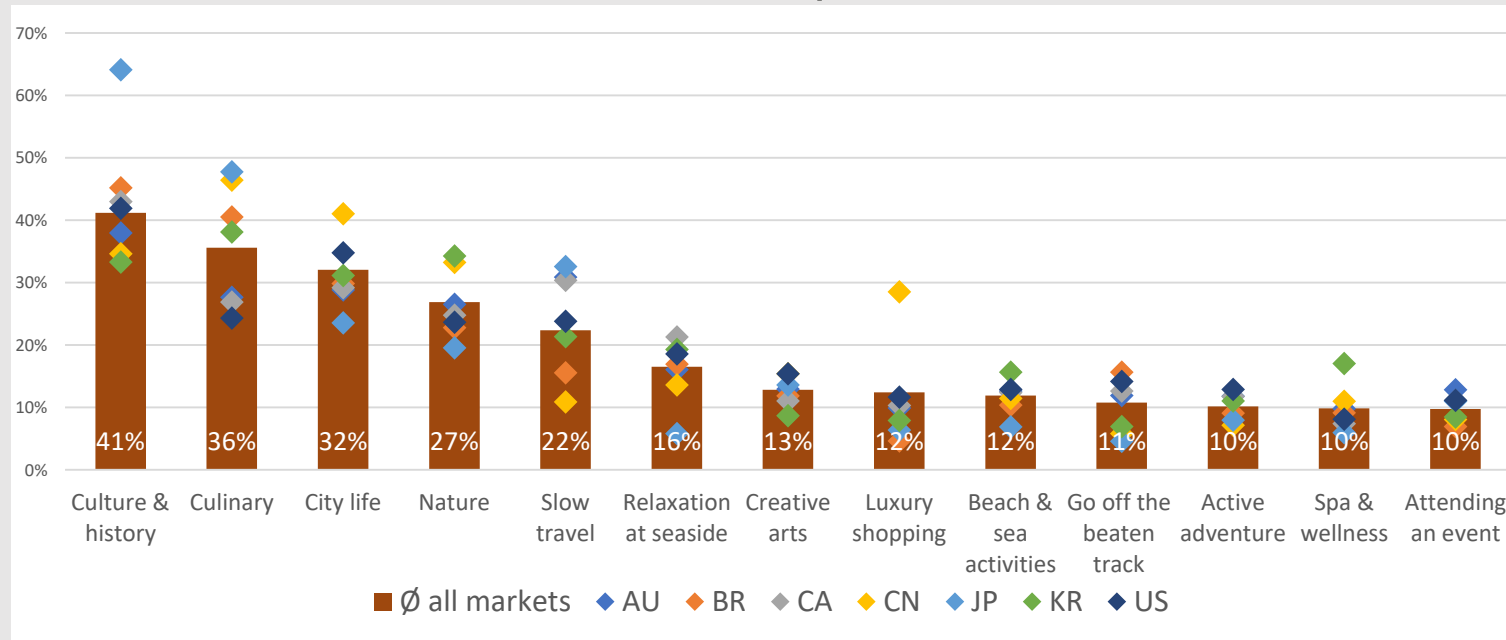
More long-haul travellers than last year plan to stay **7 nights or less** in Europe (+2 pts), at the expense of trips lasting 2-3 weeks (-3 pts). Intended **spend per person** per day is also decreasing, with a considerably lower share of travellers than last year planning to spend more than 200€ per day (-8 pts). Booking behaviour is also changing, as younger travellers increasingly prefer **package holidays** (47% of respondents aged 18-34 would book packages with tour operators to lock in prices and ensure convenience).

# Travel intent of Long-Haul Travellers

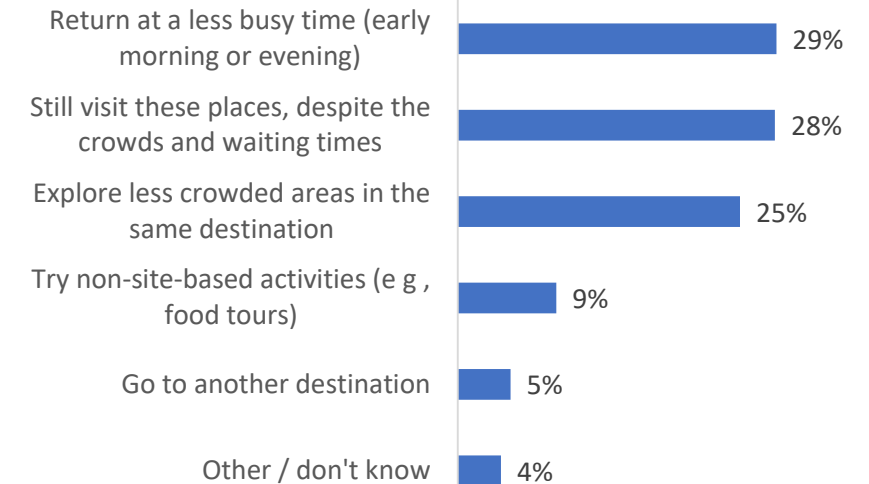
## To Europe in 2025



Preferred holiday experiences on trips to Europe in 2025, % of respondents



Actions likely taken if places (planned to be) visited are overcrowded, % of respondents



Most-preferred **holiday experiences** for long-haul travellers to Europe in 2025 include culture & history (events, museums, historical sites), gastronomy, city life (including hidden urban gems, contemporary art, nightlife) and nature (including hiking and eco-tourism). Japanese travellers cherish cultural and culinary experiences, joint for the latter by the Chinese to whom also city life experiences appeal a lot, as is the case for the Americans. “Slow travel” appeals to 22% of respondents but with bigger variance across markets : Japanese, Canadians and Australians mostly cherish these experiences. Luxury shopping is frequently mentioned by Chinese, spa & wellness often by South Korean respondents.

Asked what **actions** long-haul travellers would take if places visited (or intended to be visited) are **overcrowded**, the preferred strategy is to return at a less busy moment of the day (29%), followed by changing visiting plans to explore less crowded areas in the same destination (25%). Only 5% would go to a different destination altogether. However, 28% of respondents would also stick to their initial plans and bear with the crowds and waiting times.

In conclusion, **Europe remains a top travel destination** for long-haul travellers in 2025 but **more flexible and cost-effective options** (e.g., personalised package deals) could boost demand and customer loyalty.



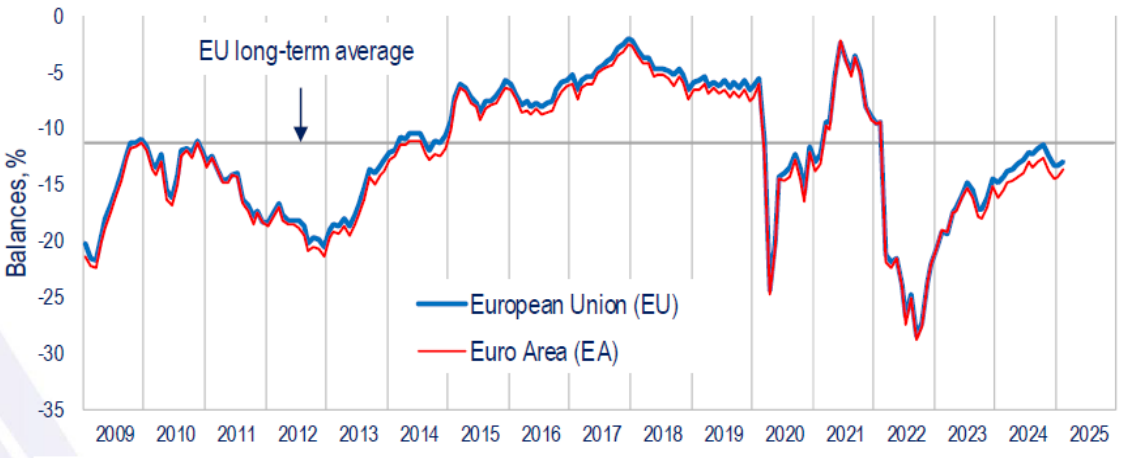


# Economic and travel forecasts

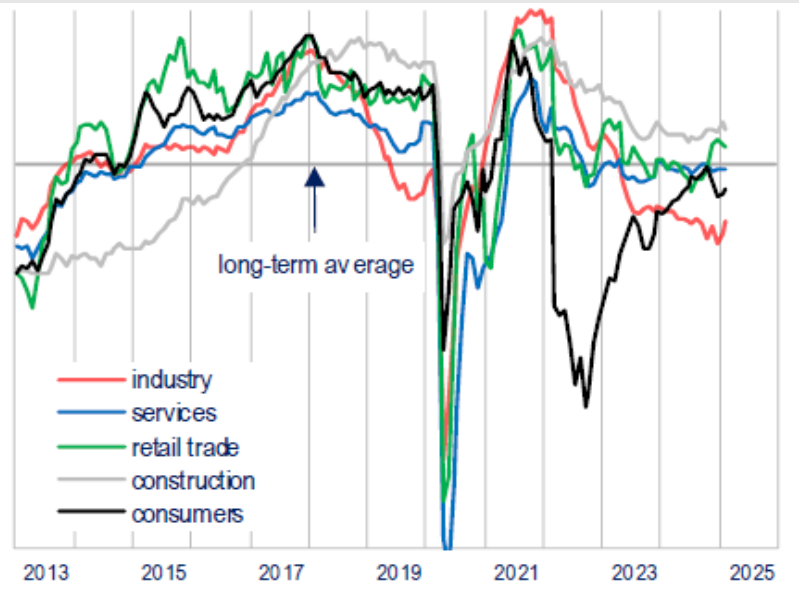
# Consumer and business sentiment in Europe



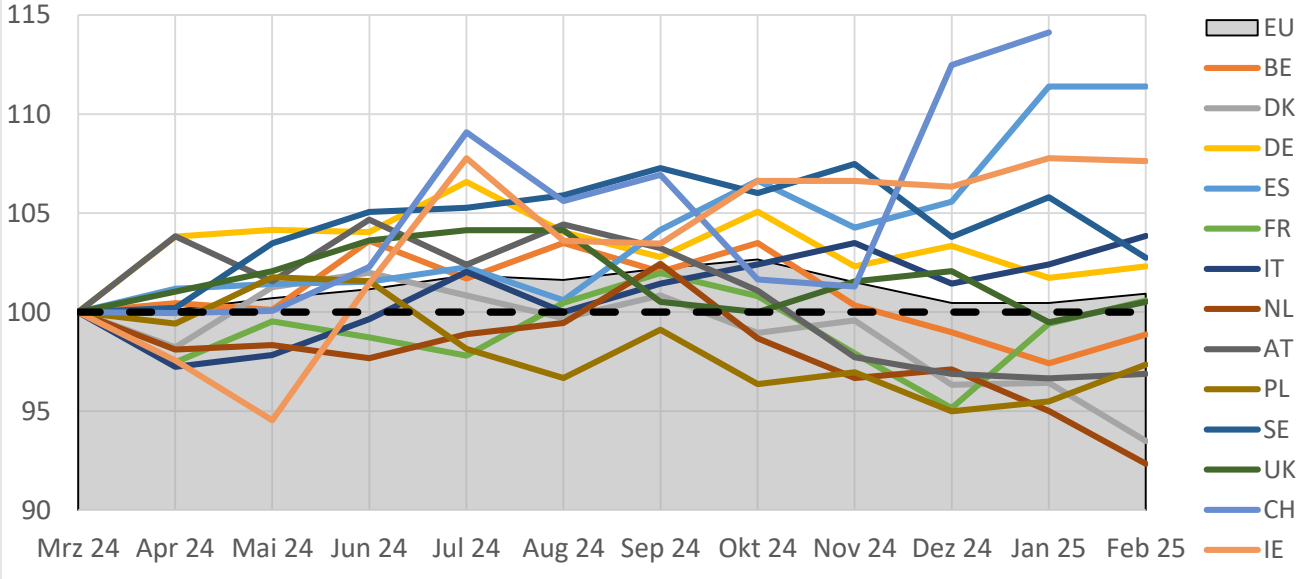
EC Consumer Confidence Index



EC Confidence indicators



Consumer Confidence indexes, monthly evolution (March 2024 = 100)



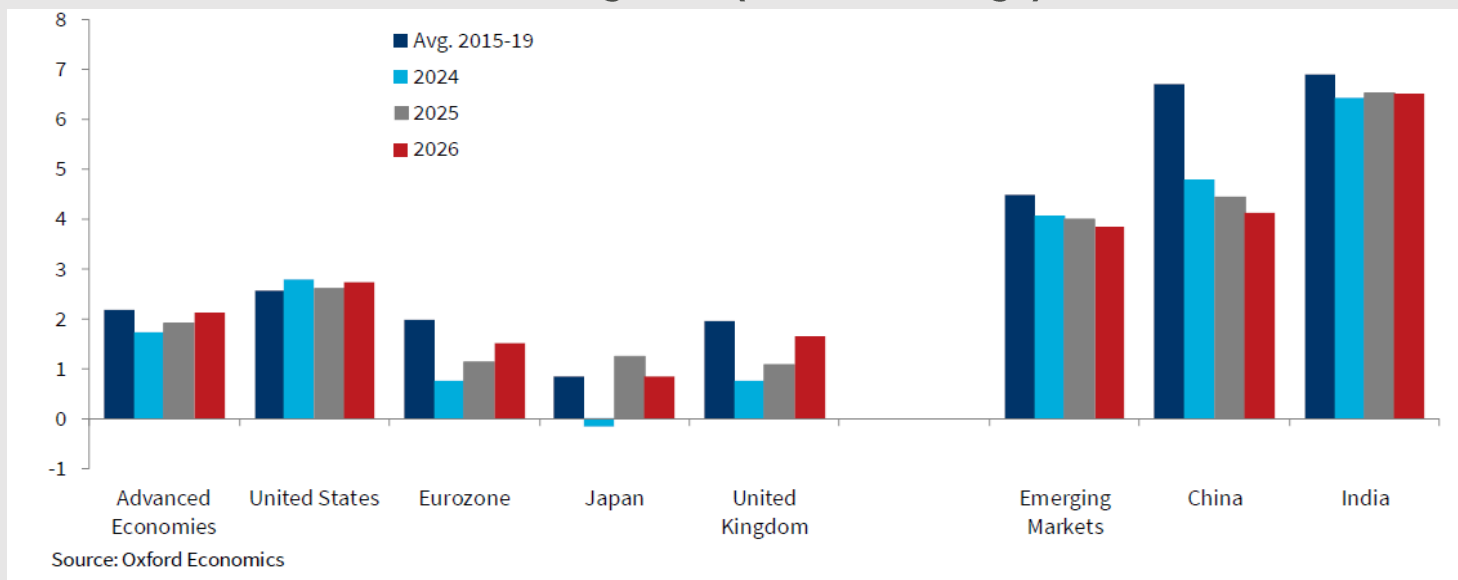
**Consumer confidence** eroded at the end of 2024, and remained low in January as well, before picking up marginally by 0.4 points in February 2025. It is 1% higher than **one year ago**, but remains below its long-term average. Compared to the **previous month**, consumer confidence has most increased in Poland, Belgium and Italy, and most declined in Netherlands, Denmark and Sweden. When comparing with **one year ago**, confidence growth is strongest in Switzerland, Spain and Ireland. It is lower in Netherlands, Denmark and Austria.

The slight improvement in consumer confidence in February was driven by **more optimism** regarding the general economic situation and consumers' higher intentions to make major purchases. Consumer confidence was also a key contributing growth factor to the **Economic Sentiment Index** (ESI) which also improved by 1.1 pts in February (notably in Poland, France and Germany). An uptick in **industry confidence** for the second consecutive month also pushed up the ESI.

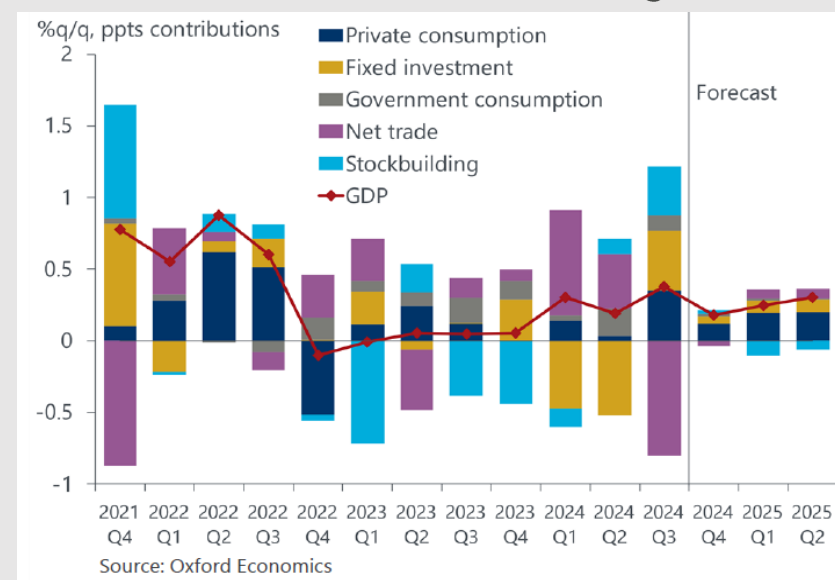
# GDP forecast



Real GDP growth (annual % change)



Contributions to Euro area GDP growth



**Global GDP growth** is now estimated at 2.7% in 2024, and is likely to increase to 2.8% in 2025. The advanced economies are set to see growth rise from 1.7% to 1.9%, while growth in the emerging markets on average is expected to hold steady at 4% (left chart). The prospect of more fiscal stimulus in the US alongside earlier news that China will step up fiscal support could imply a slightly faster global growth over the next two years.

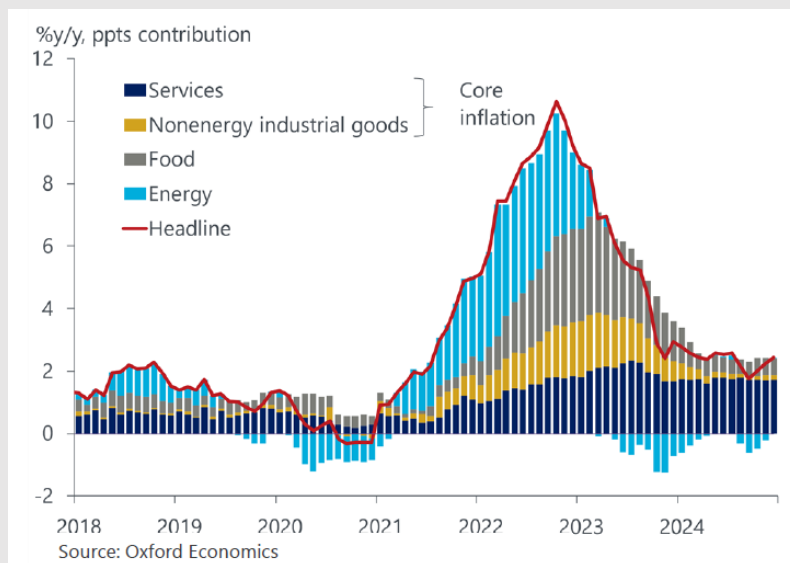
In the **Eurozone**, the composite PMI (\*) fell sharply towards the end of 2024, and despite a slight improvement in January, the February reading of 50.2 suggests **continued stagnation**, if not further deterioration. The drag is coming mainly from France and Germany, while other eurozone economies are faring better. Services are still showing growth, but the outlook remains uncertain, especially in the ailing manufacturing sector. Subdued consumer confidence and worsening labour market conditions risk impacting **household consumption**, even if the bulk of GDP growth in Q1-Q2/2025 should result from consumer spending – but in low absolute terms (right chart). In the **UK**, tighter fiscal policy could hamper GDP growth. In the **US**, solid consumer spending, low unemployment and an increase in business investment spending as a result of Trump's fiscal stimulus will be key **drivers of growth** in 2025. But higher US **tariffs** and associated retaliatory measures will likely create downsides for the US and the World in the form of higher **inflation and disruptions**. Business confidence and financial markets are already reacting negatively to the new tariffs. A full **trade war** is now being considered the biggest near-term risk for the global and the US economy, ahead of geopolitics.

**Japan's** economic outlook remains cautious with the economy only set to expand by 1% in 2025. The weak yen will limit households' real income gains. In **India** and **Brazil**, high inflation will erode real income growth and weigh on household consumption.

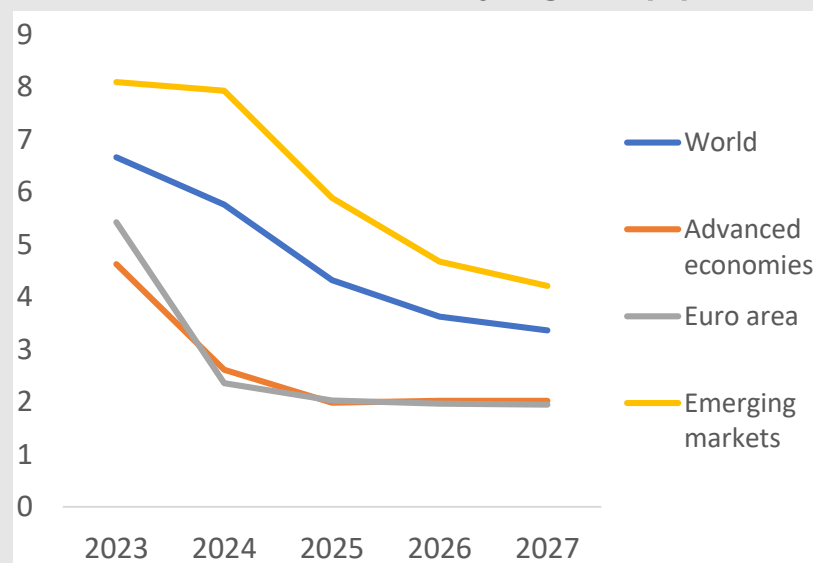
# Inflation, policy rates, travel prices



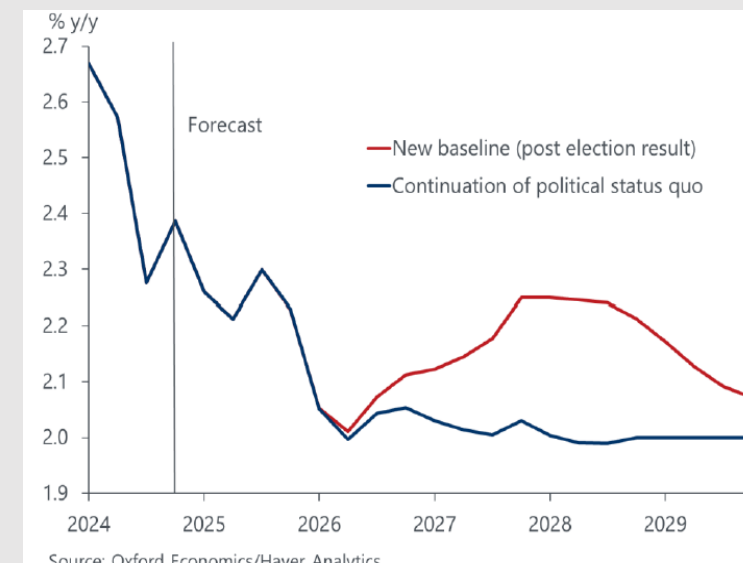
## Euro area inflation breakdown



## Inflation forecast by regions (%)



## US inflation forecast (\*)



**Eurozone inflation** has been gradually increasing each month since November to reach a six-month high of 2.5% in **January**. **Services inflation** remains sticky at a high 3.9% (left chart). Looking ahead, however, inflation is likely to remain near the European Central Bank's target this year (middle chart), which should allow further **interest rate cuts** over the next 12 months. In the **UK**, the Bank of England will likely not switch to a faster pace of rate cuts as inflation is set to average 3% in 2025, squeezing household spending power amidst looser labour market conditions.

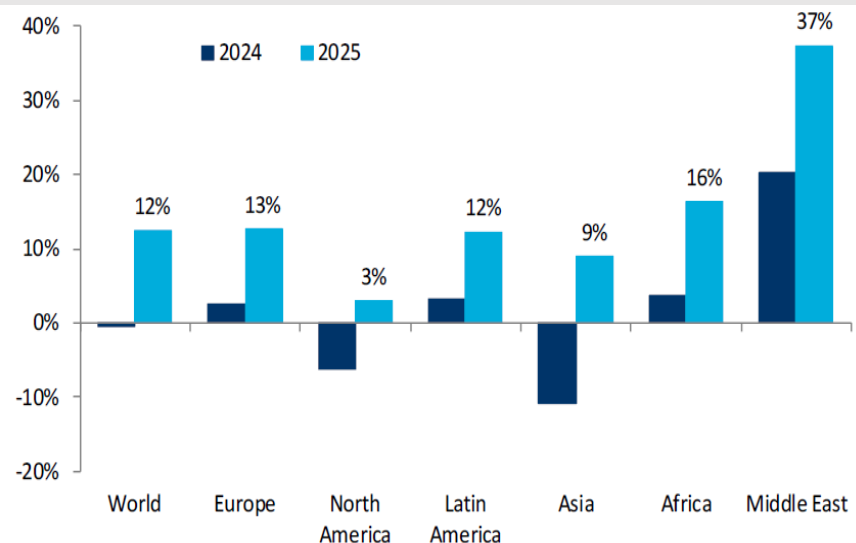
Only a cumulative 75bps of rate cuts is expected in the **US** in 2025. The Fed's more **cautious approach** is not surprising as the economy is doing better than anticipated, and inflation is a little stickier. **Rising inflation risks** in the US amid heightened uncertainty, looser fiscal policy and new tariffs could reduce household disposable income. So far, however, the impact on US inflation is forecast to be noticeable, but **not extreme** (+0.2 points in 2027-28; right chart). Inflation prospects in **China** remain subdued, driven by weak domestic demand with historically low household income growth and high debt levels.

According to a recent industry poll by Tourism Economics<sup>1</sup>, **travel prices** are forecast to rise further in 2025. A net<sup>2</sup> share of +75% of tourism professionals are expecting price growth for food & drinks, +71% for travel experiences, +61% for accommodation and +56% for flights in Q1/2025. In the UN Tourism's latest Barometer, **high accommodation and transport prices** have been ranked the top challenge for tourism in 2025, by 58% of its "panel of tourism experts", up 3 points over 2024. Meanwhile, IATA, the airline industry's trade body, forecasts a decline in average global **airfares** of -1.8% vs. 2024, set to reach US\$ 380 in 2025 (including ancillaries).

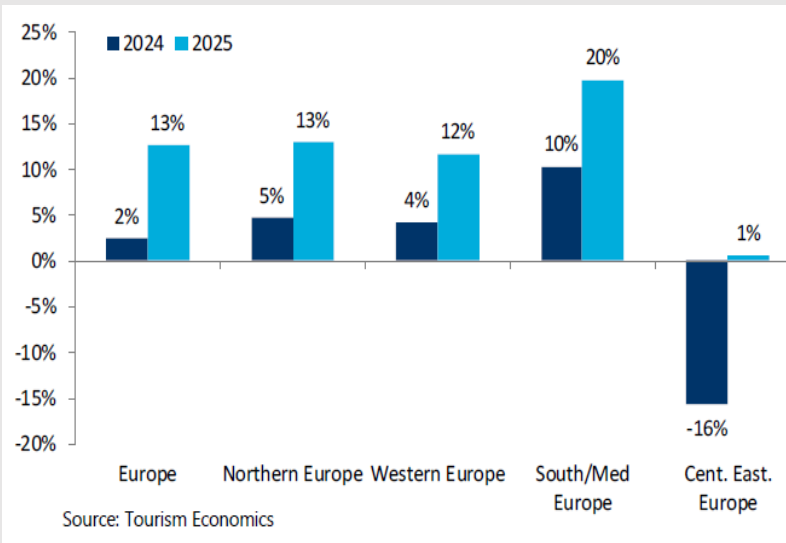
# Travel forecast 2025 (I)



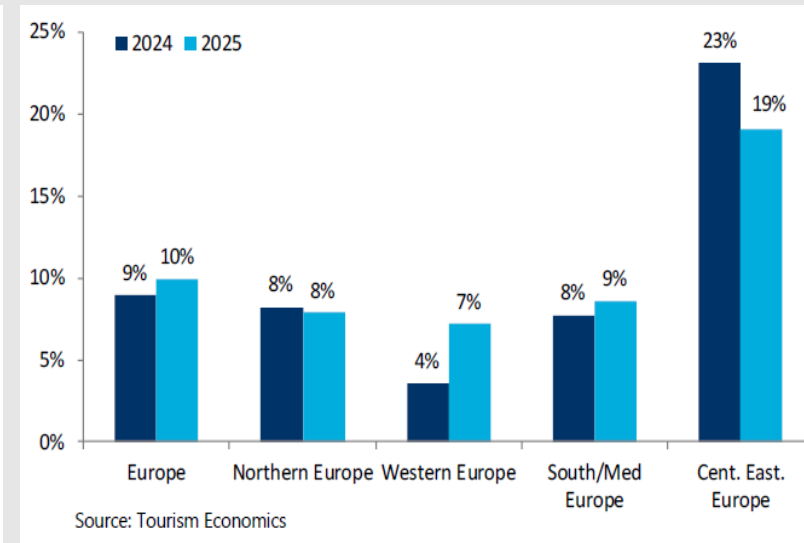
International arrivals by World regions,  
% vs. 2019



International arrivals by European regions,  
% vs. 2019



International arrivals by European regions,  
% year-on-year



In **2025**, **global international arrivals** are projected to grow 3% to 5% vs. 2024 based on economic forecasts, the outlook by the UN Tourism Panel of Experts, and the assumptions that economic conditions remain favorable and inflation continues to recede. Yet, 2025 is also expected to be a year of heightened **uncertainty** due to ongoing geopolitical tensions, weaker consumer confidence in many key source markets and rapidly evolving consumer travel behaviour (besides lingering risks such as extreme weather events, transport disruptions). Still, for **Europe**, Tourism Economics forecasts international **arrivals** to be 13% higher than in **2019**, and 10% higher than **last year**. For **Western Europe**, international arrivals are expected to top last year's levels by 7% (+12% vs. 2019). **Mediterranean** destinations are expected to see another strong year, thus overtourism-related pressures are likely to continue in 2025. The outlook for **Central & Eastern Europe** remains more mixed, but full recovery to 2019 levels should now be in reach. The abolition of land border controls for visitors to Bulgaria and Romania at the start of 2025 could be a positive driver.

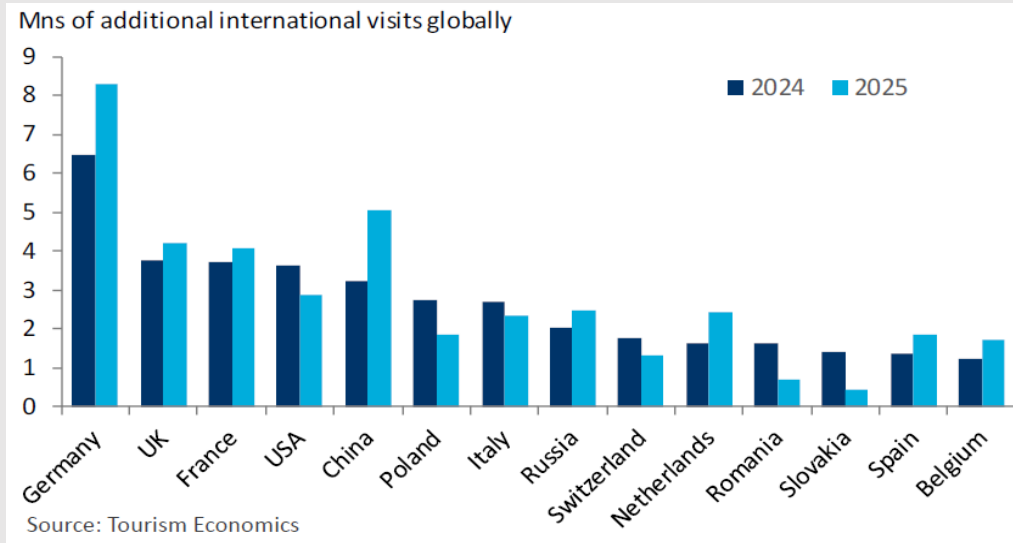
**Costs** remain a top **concern** for tourism businesses. Business tourism and, especially, **“bleisure”** travel could be a top **opportunity** for the tourism industry. **Further opportunities** include tourism infrastructure improvements and leisure events. More specifically in Europe, industry stakeholders are also seeing more domestic travel and sustainability trends among businesses and consumers as potential growth opportunities for 2025 and beyond.



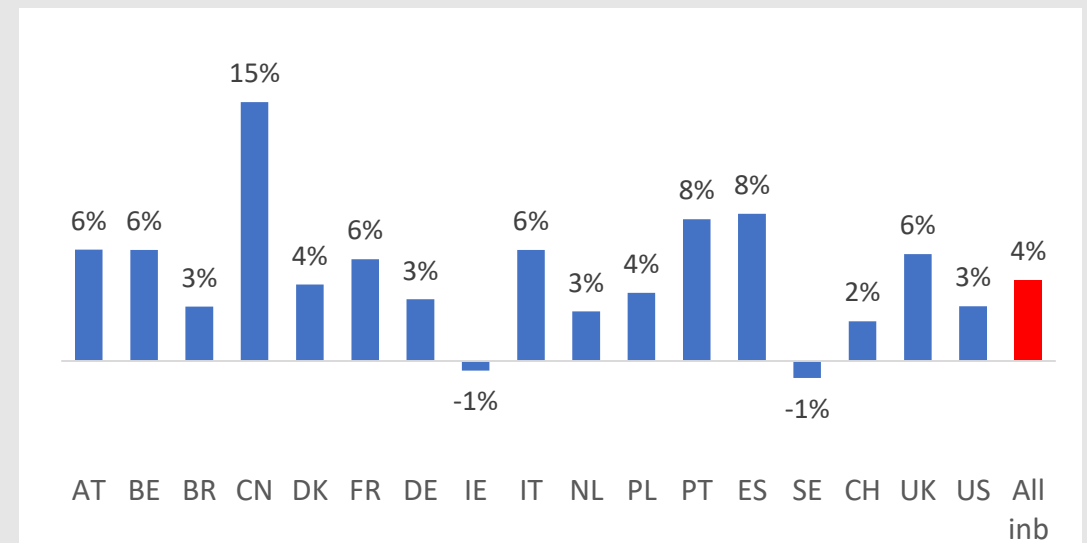


# Travel forecast 2025 (II)

Source market contribution to Europe inbound arrivals growth



Inbound arrivals growth to Luxembourg, 2025 LFT forecast



As in previous years, a lot of the strong demand growth expected for 2025 in Europe will again stem from **intra-European demand**, with the UK, France, the Netherlands, Belgium and, especially, Germany expected to make **strong contributions to growth** in absolute terms (left chart). This can also play in favour of Luxembourg since these are mostly key nearby markets for our destination. Therefore, and despite the currently more subdued outlook for the early spring months, LFT expects **full-year growth** in international arrivals to **Luxembourg** to reach +4%. This is based on **our new forecast model** taking into account economic indicators, results from travel intent surveys and forecasts from Tourism Economics, ETC and UN Tourism. See right chart for our forecasts for key inbound markets.

With regard to **long-haul markets**, demand could be impacted by Trump's policy effects (taxes, tariffs), presenting both risks and opportunities for Europe's tourism sector. During **Trump's first term** (2017-2020), **Europe gained** a larger share of **Chinese tourism**, with Europe's share in total Chinese outbound trips reaching 79% (compared to pre-Trump 61%), while the US experienced a 7% decline in Chinese visitors. A similar trend may emerge in 2025-2028. **Key factors** influencing this shift include potential US visa restrictions for Chinese and reduced air capacity, and sentiment effects that favour European destinations. This adds to prospects of a rebound in Chinese long-haul outbound travel that is anyway overdue.

The **US outbound travel** market is projected to remain resilient despite slightly less favorable currency exchange rates and higher inflation. Economic fundamentals bolstered by planned tax cuts will likely sustain consumer spending and travel demand, with **high-income households** (the demographic most likely to travel to Europe) benefiting most from **tax policies**. Thus, US inbound travel to Europe should, in any circumstances, remain key to long-haul demand growth in 2025 as well.



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