

Travel and tourism revenues to reach only \$385bn in 2021

According to data presented by StockApps.com, the global travel and tourism revenues are projected to reach only \$385bn in 2021, less than half pre-Covid-19 levels.



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Countries across the globe have started preparing for summer 2021 early at the beginning of the year to revive travel to their territory and enable tourists to visit safely.

Total lockdowns in the first months of 2021, increased testing capacity, and even complete bans on non-essential arrivals, especially from countries with virus mutations, have all been parts of these efforts. However, it still wasn't enough to stop mounting losses caused by the pandemic's direct impact on tourism and other sectors closely linked to it.

Cruise and hotel industry worst hit

The Covid-19 triggered the biggest market contraction in history, as countries across the globe imposed lockdown rules to curb the spread of the virus, leading to thousands of cancelled vacations, and closed hotels. Although many of them lifted off travel restrictions and reopened for the 2021 summer season, the total revenue losses this market is expected to witness this year are still colossal.

In 2020, the revenues of the entire sector plummeted by nearly 60% YoY to \$298.5bn, revealed the Statista data. Although this figure is expected to grow by almost 30% to \$385.8bn in 2021, that is still \$351bn less than before the pandemic struck.

The cruise industry remains the worst-hit sector of the global travel and tourism market. In 2021, the global cruise revenues are set to reach only \$6.6bn, or 76% less than in 2019. The hotel industry follows with a \$132.3bn in revenue and 64% drop in two years. Although millions of tourists decided to go on a vacation in the 2021 season, statistics show the combined revenues of the two sectors will remain \$258bn below the pre-pandemic levels.

Package holidays are forecast to generate \$115.7bn in revenue this year, 54% less than in 2019. Vacation rentals follow with a 15% drop compared to pre-Covid-19 levels and \$71.1bn in revenue in 2021.

The Number of Users in the Travel and Tourism Sector Still Down by 40%

Analysed by geography, the United States represents the largest travel and tourism industry globally, expected to grow by 32% year-on-year and reach \$83.3bn value this year, \$62.1bn less than in 2019.

The revenues of the Chinese market, as the second-largest globally, are forecast to jump by 41% year-over-year to \$82.4bn in 2021, still \$37bn below pre-Covid-19 levels. Germany, Japan, and the United Kingdom follow with \$23.8bn, \$22.3bn, and \$14bn in revenue, respectively, nearly half the pre-pandemic levels.

The Statista survey also showed the total number of people travelling and going on a vacation this year will remain 40% below the pre-Covid-19 levels. In 2019, the global travel and tourism sector had nearly 1.65 billion users. This figure is expected to amount to \$971.1 million in 2021, a massive 679 million drop in two years.

The full story can be read here: <https://stockapps.com/blog/2021/08/18/travel-and-tourism-revenues-to-reach-only-385b-in-2021-less-than-half-the-pre-pandemic-levels/>

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