

# Tourism industry in European Union countries

## A brief overview of the tourism industry in Germany

### Already a mature market, Germany continues to offer long-term growth potential as a tourism destination

Before the COVID-19 pandemic, tourism in Germany was a significant economic driver, generating over EUR 123.8bn for the economy. In 2022, the German travel and tourism industry had total revenues of EUR 195.9bn, representing a CARC of 1.2% between 2017 and 2022. In 2021, there were 29.4 thousand enterprises operating within the tourism industry. The sector directly provided over 2.1m tourism jobs, or 4.7% of total employment in 2019.

The recovery of tourism in Germany has been moderate. In 2021, there were 96.8mn tourists (domestic and international), which is 1.3% lower than in 2020. Of these, 11.7mn were international tourists, and 85.1mn were domestic tourists. International tourists remained 70.5% below 2019 levels, and domestic tourists remained 43.8% down.

Germany, one of the most popular tourist destinations in the European region, is renowned for its architectural landmarks, valleys, forests, lakes and museums. The country's attractions, including the Brandenburg Gate, Museum Island, the Rhine Valley, Zugspitze Massif and others, draw visitors from around the world. Digitalisation is gaining momentum in Germany's tourism industry. The demand for online bookings, contactless check-in, online payments and digital travel guides is growing significantly. As a result, plans are underway to create the "Open Data Tourism Alliance", which will manage transnational tourism information and is expected to boost the tourism industry in the coming years.

Germany's tourism industry is well-established, attracting a large number of visitors each year. However, the market is smaller compared to regional leaders such as France, Spain and the UK. Germany boasts one of the most robust domestic tourism industries in the region, which is a positive indicator for the market as it recovers from the disruption caused by the COVID-19 pandemic. Destinations that are accessible by car are likely to be more popular than those that depend heavily on air travel. Germany offers a broad range of attractions, from cultural city breaks to winter sports activities and a wide variety of historical attractions, indicating its long-term growth potential. The coastline along the Baltic and North Sea is particularly popular, especially within the domestic travel sector. The market also benefits from extensive government support.

The ongoing growth in the tourism industry is facilitated by the country's extensive and modern transport infrastructure network. Germany's numerous international airports offer regional and global flight connections, and the country's extensive road and rail networks enable easy travel within the country and to and from neighbouring markets, boosting inbound arrival numbers. The Schengen free movement agreement also contributes to this, and despite recent terrorist events in Germany, France, Spain and Belgium and the ongoing migrant crisis raising questions about the practicalities of the scheme, interregional travel should remain relatively smooth. The government is highly supportive of the tourism industry and is taking steps to increase arrivals. It is also working to ensure that growth in the market is sustainable over the longer term.

In 2022, the food service sector was the largest segment within the industry, generating total revenues of EUR 90.2bn. This accounted for 46% of the industry's overall value. The travel intermediaries segment also made a significant contribution, with revenues of EUR 33.3 bn in 2022, representing 17% of the industry's total value.

Germany travel & tourism industry category segmentation 2017-2022, EUR bn

