

TOURISM IN ARGENTINA FELL 11.8% IN AUGUST



In August, during the peak of the winter season in Argentina, when all ski resorts were covered with snow, the country experienced an 11.8% decline in the number of travelers staying in hotels and other hostels, totaling 1.4 million tourists, according to the INDEC (National Institute of Statistics and Census).

The agency also reported a significant decrease of 13.7% in the number of nights these tourists spent in the country compared to August 2023. **This decline in tourism in Argentina is attributed to both residents, with a decrease of 15%, and non-resident travelers, with a 9% drop.**

Of the overnight stays, 33.6% were in 4- and 5-star hotels, 31.5% were in 3-star hotels, apartments, and boutique accommodations, and 18.1% were in 1- and 2-star hotels.

Overnight stays by resident travelers were primarily recorded in 3-star hotels, apartments, and boutique accommodations, which accounted for 32.8% of the total. Meanwhile, 4-star and 5-star hotels represented 26.4% of overnight stays for resident travelers. In contrast, non-resident travelers predominantly stayed in 4-star and 5-star hotels, making up 58.2% of their accommodations.

Regionally, Patagonia registered the highest percentage of overnight stays for the month at 28.8%, followed by the City of Buenos Aires at 21.7%. For resident travelers, overnight stays were mainly distributed among regions, with Patagonia accounting for 27.9%, Litoral at 13.8%, and the Federal Capital at 13.8%.

The most visited localities by region included San Carlos de Bariloche (Patagonia) with 73,665 stays, Puerto Iguazú (Litoral) with 45,173 stays, the city of Córdoba (Córdoba) with 44,532 stays, the city of Salta (North) with 41,444 stays, Mar del Plata (Buenos Aires) with 41,139 stays, and the city of Mendoza (Cuyo) with 37,137 stays.

Experts have warned that, due to the dollar's parity and the limited incentives for domestic vacations, tourism in Argentina may face a deficit of \$2.7 billion and an uncertain future for hotels and local businesses.

In the first half of the year, outbound tourism expenditures reached \$3.9 billion, resulting in a negative balance (net of inbound tourism receipts) of \$1.4 billion.

Analyzing current trends, it is projected that the demand for dollars from outbound tourism could reach approximately \$7.5 billion for the year. Consequently, the net outflow may be around \$2.7 billion, with inbound tourism revenues estimated at about \$4.8 billion, based on preliminary figures.

In September, searches for outbound tourism increased by 54% year-on-year, while searches for domestic tourism declined by 15%. **This shift indicates a growing interest in international travel, negatively impacting tourism in Argentina.**

As a result, the rise in outbound tourism compared to inbound tourism contributes to a deficit in the

sector's trade balance, foreshadowing a challenging summer season. Tourism in Argentina is costly, and the industry has experienced eight consecutive months of decline, leading to an accumulated deficit of \$3.3 billion from January to August.

Without incentives to boost tourism spending and a lack of price regulation and tariff relief, the tourism industry's outlook becomes uncertain, which can be devastating for Argentina's economy.

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