ETOA

IMPACT SURVEY
MIDDLE EAST CRISIS

11 MAY 2026

Disclaimer, Methodology and Terms of Use

This survey ran from 1st to 8th May 2026, targeting operators and DMCs within ETOA membership to assess current impact, business response, and concerns.

While results should be taken as an indicative snapshot only, they align with insights from ETOA's confidential dialogue with members. As anonymity was permitted, multiple responses from the same company may have been received, a manual review of responses suggests this only happened in a few cases.

Summaries of illustrations, examples and expectations of future decisions have been generated using AI-assisted aggregation and synthesis of free text responses.

Content may be shared providing source is acknowledged and qualifications above are noted. Any enquiries should be addressed to **policy@etoa.org**

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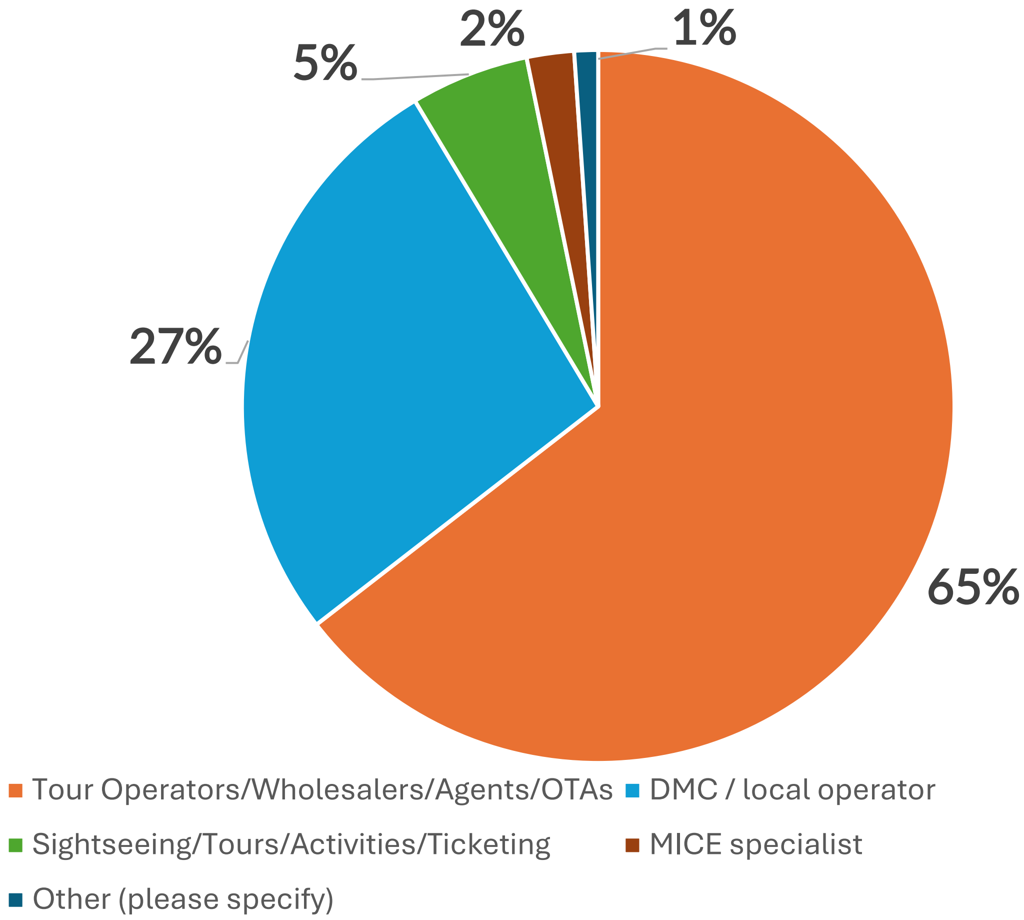
Current Impact
Middle East Crisis

Most respondents are **tour operators and agents**, with many **local operators** also included.



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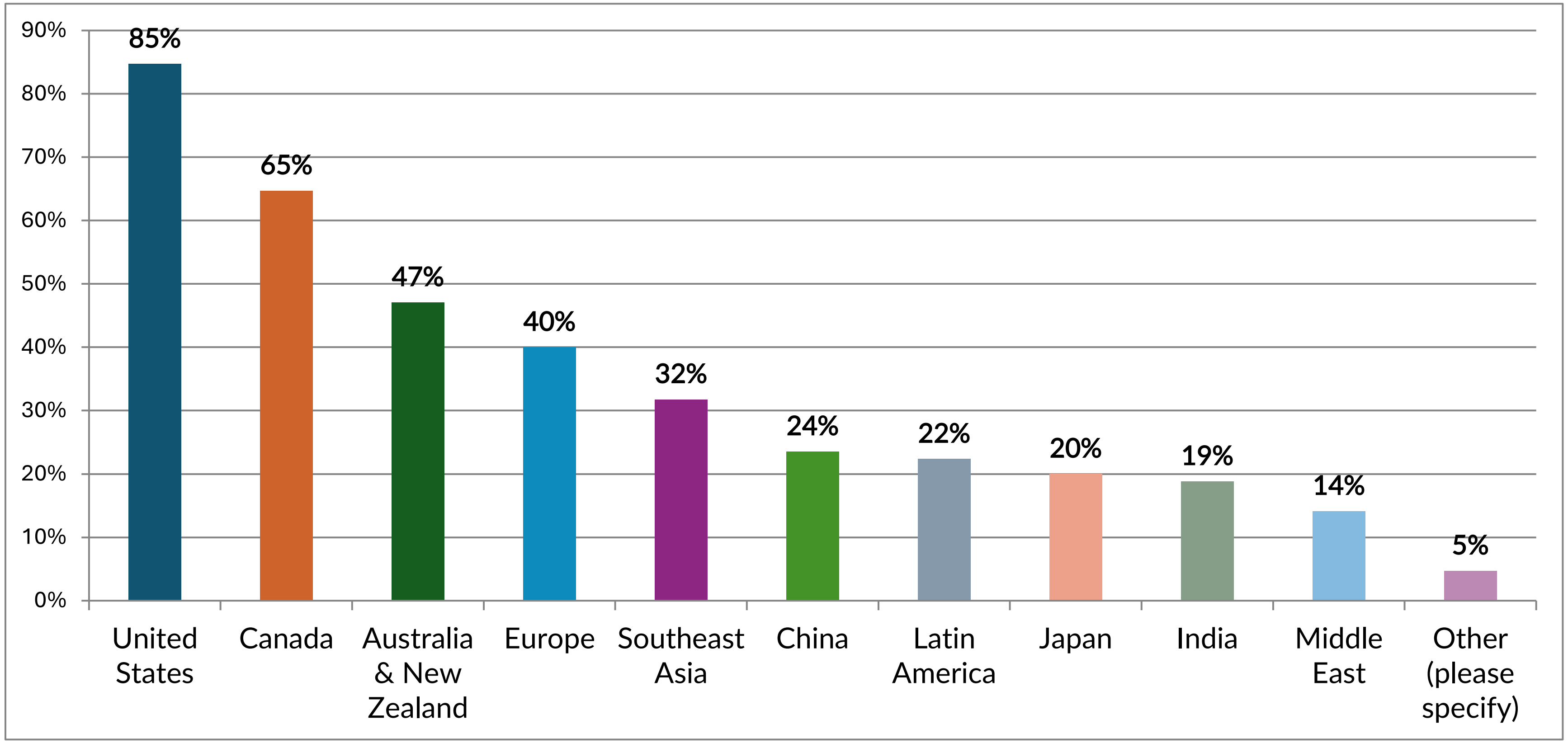
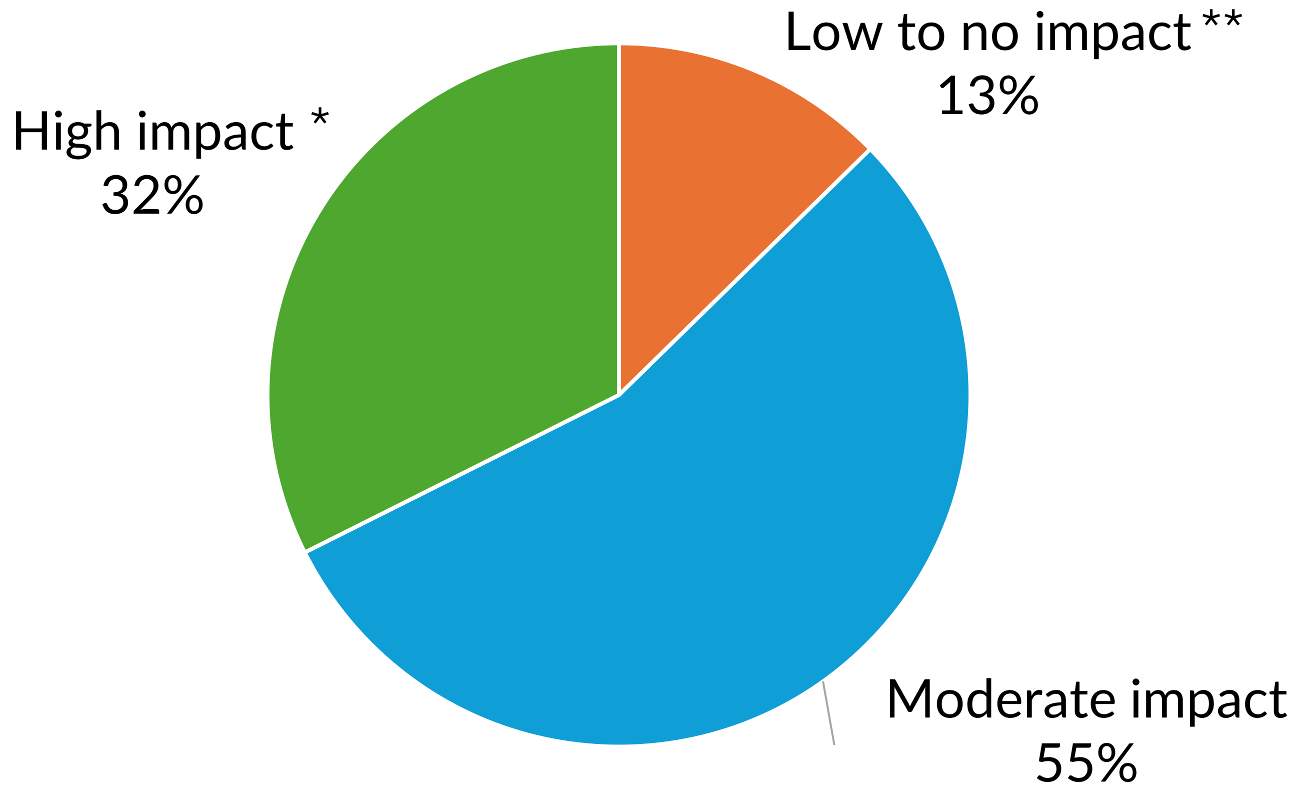
Source Markets



Respondents primarily sell to B2B and B2C clients in **North America**, particularly the United States and Canada, followed by **Australia/New Zealand, Europe, and key Asian source markets.**

To what extent has the current Middle East crisis impacted your business?



Most businesses (55%) are experiencing **moderate impact**, with nearly one-third (32%) reporting **high impact requiring major operational changes.**

** High Impact definition: Strong and sustained impact requiring major operational changes such rebooking/rerouting, cost mitigation, and/or strategic shifts e.g. to refocus on other markets and/or products.*
*** Low to no impact definition: No significant effect as yet on demand, operations, costs, or revenue*

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What impact do you see?

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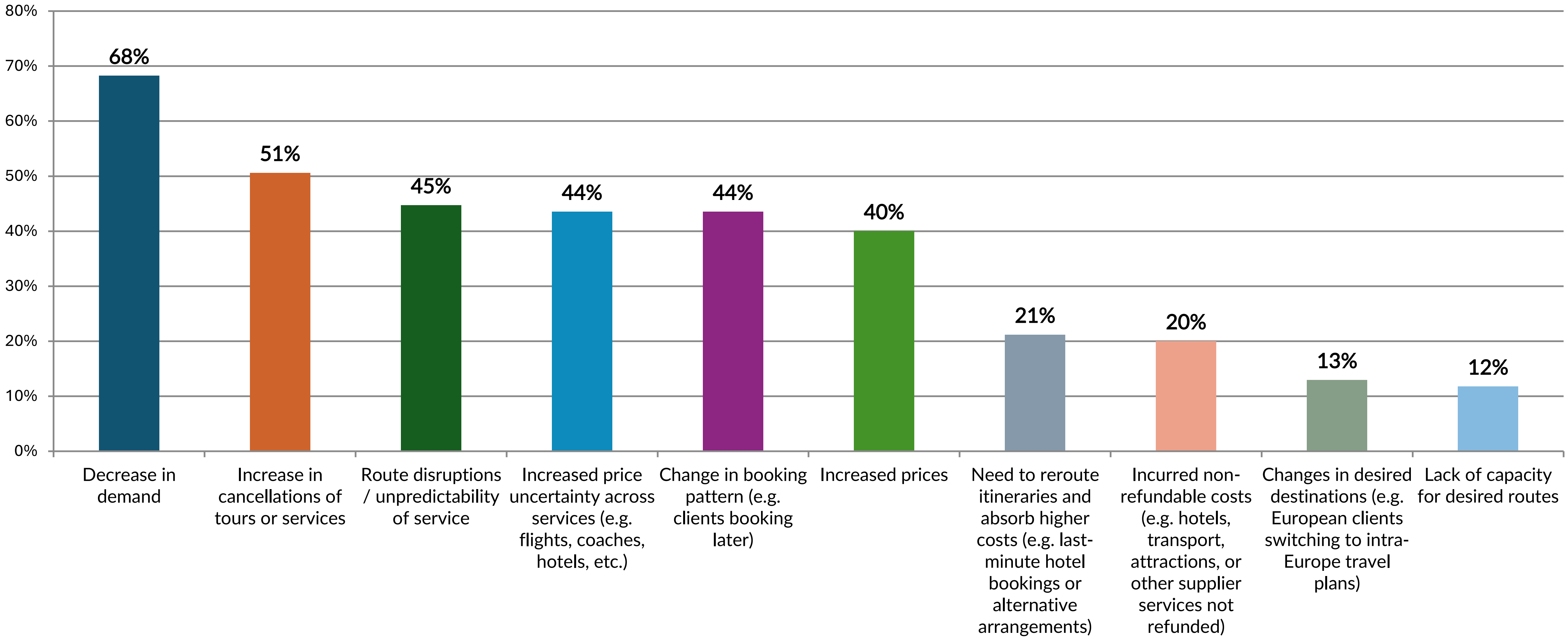
The most common impact, reported by over two-thirds of respondents, is a decrease in demand.



Sector Feedback | Summary 1

Flight disruption and routing constraints: Extensive cancellations and restricted airspace have made it difficult to secure viable flight options, particularly for routes transiting the Middle East.

Regional demand imbalance: Asia–Europe and Australian markets have been heavily affected, while other regions show relatively limited impact, creating uneven business performance.

Decline in sales and forward bookings: Enquiries and bookings have slowed significantly, with weaker pipelines for late 2026 and 2027.

Reduced consumer confidence: Safety concerns, uncertainty, and high prices are discouraging travel and shortening booking windows.

Rising cancellations and financial exposure: Increased cancellations, coupled with inflexible supplier terms, are leading to lost deposits and unrecovered costs.

Sector Feedback | Summary 2

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Escalating travel and operating costs: Higher airfares, fuel surcharges, and ground transport costs are eroding margins and, in some cases, making trips unviable.

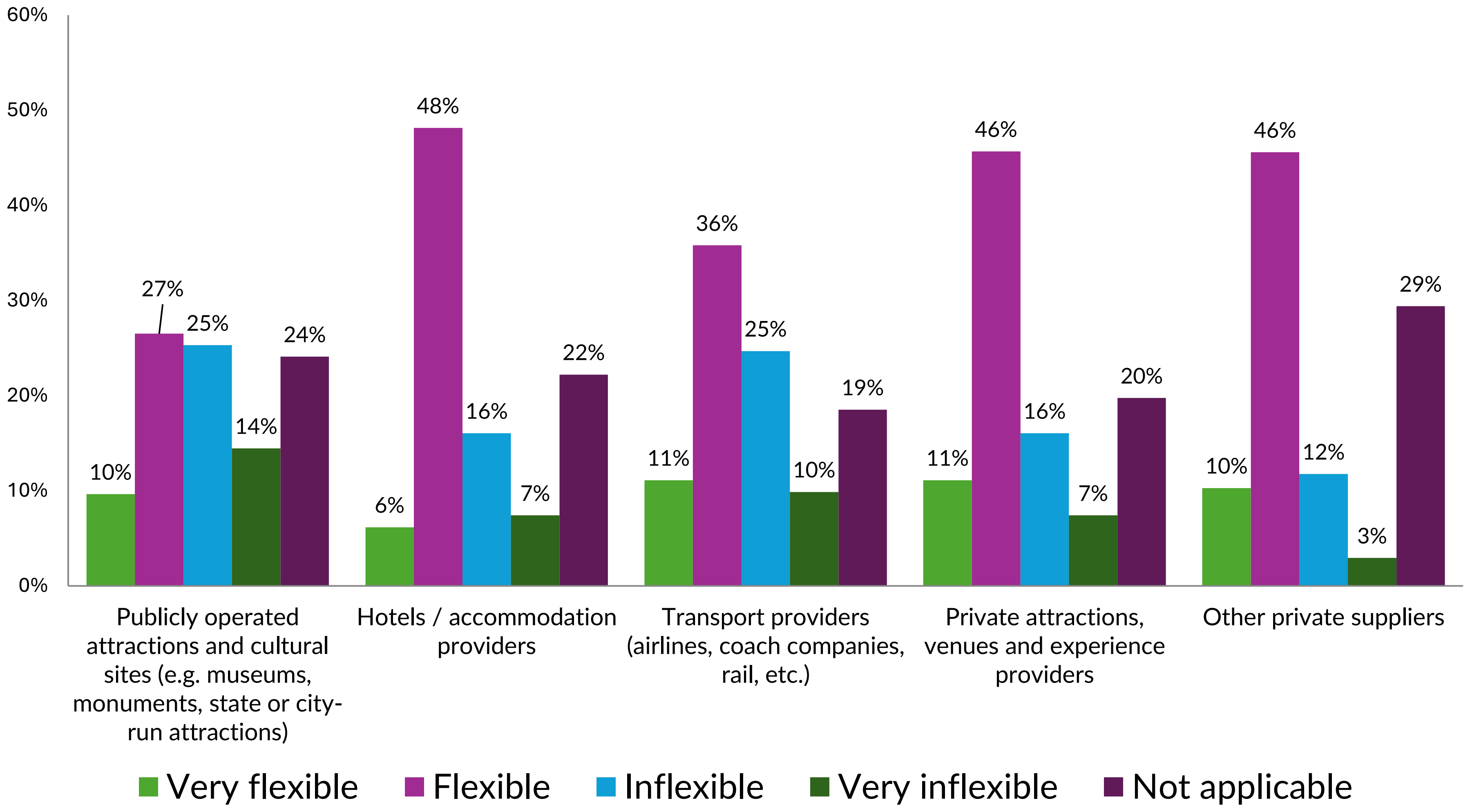
Operational complexity and workload: Operational challenges including supplier negotiations, refunds, alternative routing management, and client management are increasing administrative strain.

Destination perception risks: Locations perceived as close to the conflict are seeing reduced demand, impacting specific programmes.

Cash flow pressure: Lower revenues and higher costs are constraining liquidity and limiting investment capacity.

Group size and conversion decline: Fewer passengers per booking and lower quote-to-booking conversion rates are weakening overall performance.

Perceived supplier flexibility



While most suppliers have been flexible, especially private providers, there is a wide spectrum of practice with less flexibility attributed to public attractions and transport providers.

After an initial period of goodwill, it was reported that many suppliers have reverted to standard, less flexible policies.

Supplier flexibility

Good Practice

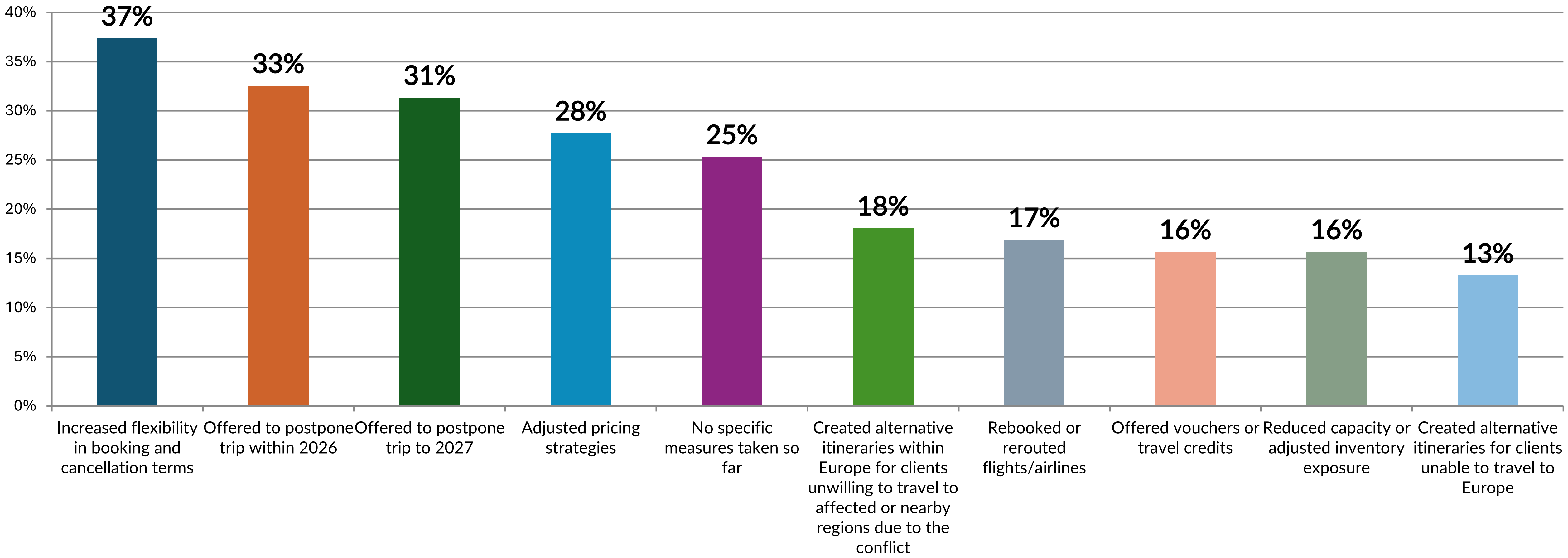
- **Waiving of cancellation fees:** Some destinations and some hotels waived cancellation charges to support affected bookings
- **Price stability from transport providers:** A pan-European coach operator has committed to no fuel surcharges and no cancellation fees, providing cost certainty
- **Partial refunds and goodwill gestures:** Some cultural institutions are offering partial reimbursements for cancelled or disrupted visits

Challenges

- **Reinstatement of strict cancellation terms:** Suppliers have largely withdrawn earlier flexibility and are enforcing standard, non-negotiable conditions
- **Lack of recognition of force majeure:** Flight disruptions and lack of viable routes are often not accepted as valid grounds for refunds or exceptions
- **Non-refundable services maintained:** Private venues and attractions are not offering refunds despite exceptional circumstances
- **Inconsistent regional flexibility:** Approaches vary across destinations, with some locations perceived as especially inflexible
- **Rising costs without concessions:** Transport providers are increasing prices due to fuel costs while offering little additional flexibility in contractual terms

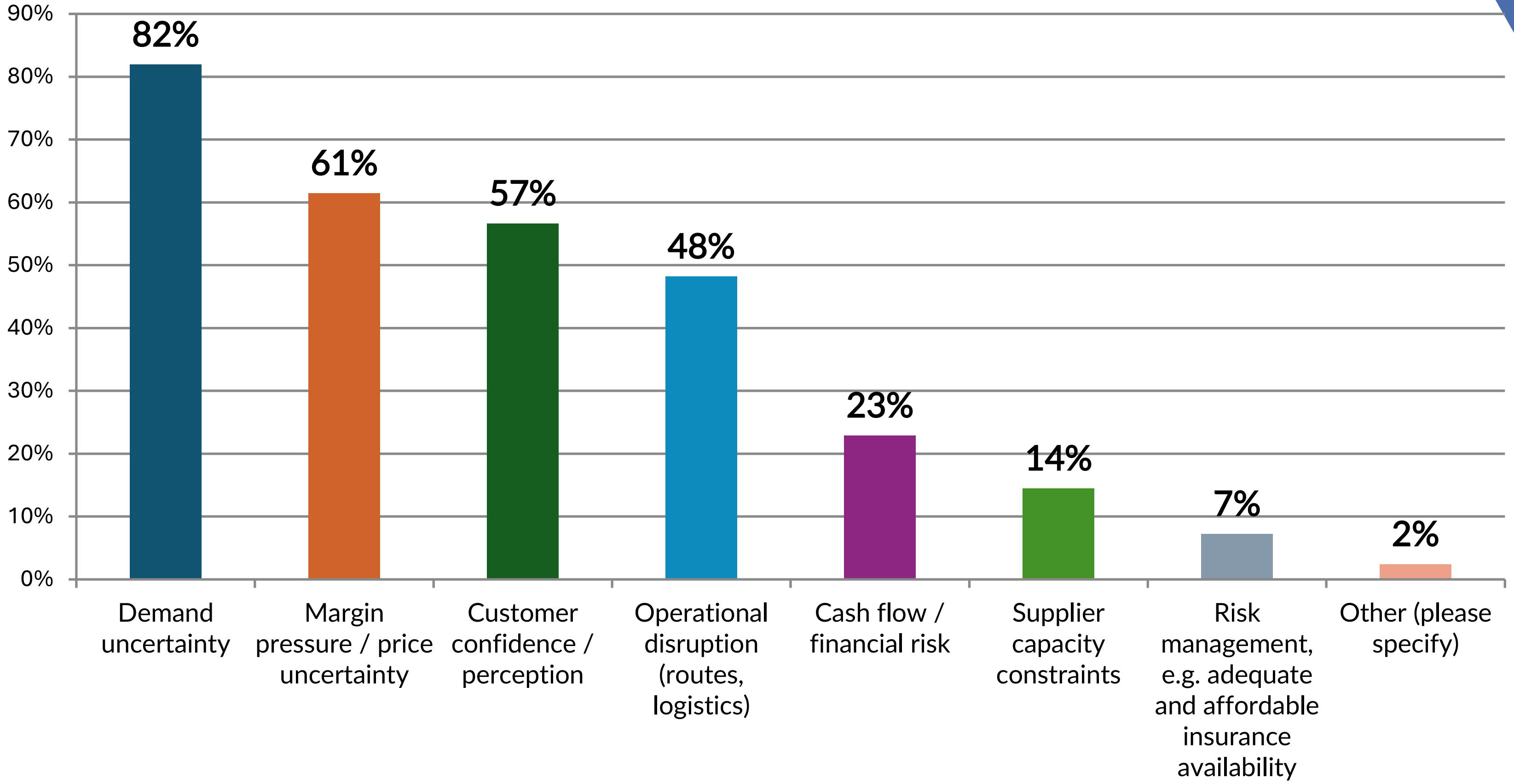
Measures implemented by operators

Businesses have primarily responded by increasing flexibility in booking and cancellation policies (37%) and offering clients options to postpone travel to 2026 or 2027, and adjusting pricing.



Major Concerns Looking Ahead

The biggest concerns moving forward are **uncertain demand, financial pressure, and weakening customer confidence**, with nearly half also highlighting **operational disruption** as a key risk



Expected Future Strategic Decisions

Product and destination rationalisation: A stronger focus on proven, lower-risk products and destinations such as river cruises and short-haul European travel, with some reduction or discontinuation of higher-risk itineraries

Capacity and programme reduction: Closure of departures, reduced availability, and overall capacity cuts to better align supply with weakened demand

Cost containment and internal efficiency measures: Implementation of hiring freezes, reduced working hours, elimination of non-essential travel, and tighter control of operational expenditure

Market realignment and demand diversification: Strategic shift away from weakened source markets towards more resilient regions and intra-regional travel flows

Commercial and operational agility: Increased flexibility in pricing, booking conditions, and itinerary design, alongside closer monitoring of demand trends to enable rapid adjustments and risk management

Organisational restructuring and workforce adjustment: Restructuring of teams, potential layoffs, and possible asset sales to reflect reduced demand and maintain financial stability

Further information

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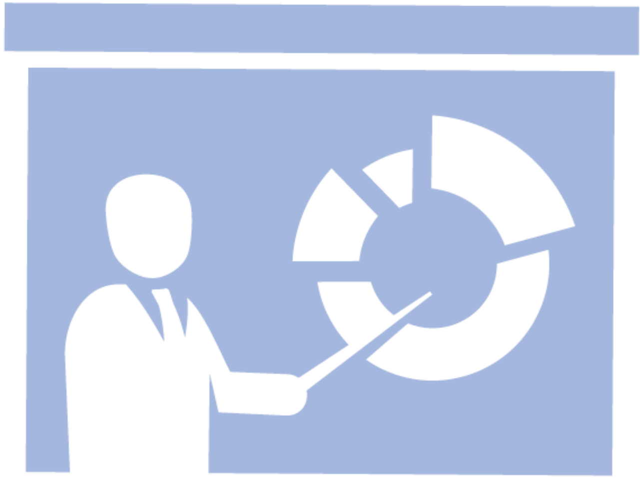
policy@etoa.org

Better Tourism in Europe

Making your voice heard on a European, national and local level

Networking and business development opportunities



Actionable information, insight and research supporting your business

Our Community

1000+
Members in ETOA

700+
Supplier & destination members

100+
New members in 2025

260+
Buyer members

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BETTER TOURISM IN EUROPE

30k
Tourism professionals in our database

27k+
LinkedIn followers

Why ETOA Matters