

WEAKENING DOLLAR AFFECTS TOURISM TRENDS



For many years, the US dollar has been considered to be the world's most dominant currency. However, the introduction of the Euro and the surge in the pound have weakened the dollar quite considerably, to the extent that it has caused great changes in the travelling habits of those looking to spend a lot of money or indeed of those looking to save money. Surprisingly, the US has been earmarked as a bargain destination and it is now the Americans who are claiming they cannot

afford trips to Europe.

As the British pound hit the two-dollar mark recently, the highest mark in 26 years, there has been a surge in hotel bookings made by British people, especially in California, and they now account for 4.2 million arrivals to the US every year, third only to nearby Mexico and Canada. The average UK visitor spends around \$1.500. Due to the drop in the dollar, however, their British pounds now go a lot further. Even before the movement in exchange rates, many items were cheaper on the American market than in Britain. What the changes now mean is that shopping tourism should rise in America. For Americans themselves, who find that trips to Europe are now simply too expensive, holiday patterns are changing.

Another effect has been that British inbound tourism has been hit as fewer tourists have been arriving from across the Atlantic. These changes could possibly spark a price war between the two countries, and with the prediction that the US dollar will fall even further, these trends are likely to continue in the near future.

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