

BREXIT: A BOON FOR DOMESTIC TOURISM IN GREAT BRITAIN?



The vote of British electors in favor of the United Kingdom's exit from the European Union (EU) in June 2016, commonly known as "Brexit," will have consequences for the country's tourism industry, as well as for Europe. It seems domestic tourism will benefit quite substantially.

It was one of the most discussed topics at the World Travel Market (WTM) 2016. It is the subject of an entire chapter in the 7th edition of the "Industry Report" presented by the fair and is at the heart of several conferences.

For the majority of British tourists who have spent at least seven nights abroad during the summer of 2015, the Brexit is expected to increase travel fares. 44% are convinced that changes in the exchange rate between the British Pound and the Euro will drive up prices, and 43% consider it a risk.

Interesting Exchange Rates for Foreign Visitors

This phenomenon, on the other hand, will have positive consequences on inbound tourism in Great Britain.

"The decline in the price of the British Pound will attract more visitors in the short term," said Caroline Bremner, director of research on tourism and travel for Euromonitor International.

"They will benefit from a favorable exchange rate for their spending in the United Kingdom."

July 2016 was also the month in which the performance of inbound British tourism was the best ever recorded, with 3.8 million international visits (+2% in a single year). 42% of tourism professionals present at WTM 2016 nevertheless believe that the vote in favor of the Brexit has had a negative impact on Britain's reputation as a tourist destination.

The British Are Traveling... to Great Britain!

Other consequences are also envisaged by travelers of the United Kingdom: the potential loss of their European health card (EHIC) at 31%; the increase in queues to enter foreign territories at 24%; and the increase in costs related to the use of mobile phones outside their borders at 20%.

In addition, 17% fear an impoverishment of their travel insurance, and 14% believe that the Brexit will lead to a decrease or even a disappearance of compensation in the event of their flight cancellation.

British travel agencies and tour operators who will have fewer sales after the Brexit will have to find solutions to reposition their activities. And they may not have to look very far.

"If the fall of the Pound has negative consequences for the number of British travelers traveling abroad, it is advantageous for domestic tourism within Great Britain," says Caroline Bremner.

If British tourists can no longer afford to travel abroad, then why not to encourage them to visit their own country instead!

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