

What Impact Will Brexit Have On U.S. Travel To U.K., Europe

NEW YORK (<u>MainStreet</u>)- With the summer travel season already underway, the Brexit vote that triggered the U.K.'s departure from the European Union will have a big impact on U.S. travelers heading overseas, especially to Great Britain.

According to Jason Clampet, co-founder and head of all content at SKIF, the daily online leader in global travel insider intelligence, the impact on travel may be much larger than you think.

"We knew that European tourism was going to be different in 2016, but the vote by citizens of the United Kingdom to leave the European Union is a new twist that will have both short- and long-term implications," says Clampet. "In the short-term, it will likely slow both outbound and internal travel in the U.K. as residents focus on the fallout. Long-term it will affect big business like <u>air travel</u>, especially the low-cost sector, as well as small businesses from restaurants to small hotels to tour companies run by people who will lose the right to work in Europe and the U.K."

As for the rest of Europe, we're likely to see Spain and Portugal enjoy one of their best summers of tourism ever as travelers look for destinations they perceive as safer, following earlier terror attacks in Brussels and Paris, Clampet says.

Financially, any travel to the U.K. could be big, cost savings - wise.

"For outbound U.S. tourists, a weaker pound makes <u>international travel</u> more appealing in a year when the dollar was already stronger than it had been in over a decade," he adds.

Certainly, American travelers are getting the picture that travel to the UK just got more affordable. According to the travel search site Momondo, a comparison of searches from the U.S. to the U.K. made in the weekend of June 24th to June 26th, against all U.S. searches to the U.K. made in the weekend of June 17th to June 19th, found an uptick of 79% in activity.

But ask a British tourism expert about the prospects of lower travel costs to the U.K., and the picture really isn't quite that clear.

"Who really knows what the new Visa and travel requirements will be," says James Chappell, global business director at Horwath HTL, a hospitality advisory and consulting firm based in London. "Whatever happens, it will likely be more complicated to come here from the EU (but not the U.S.) and that means less travel. In the short term, it will probably be positive as a combination of a weak pound, making London much more affordable, plus the desire to travel before any possible restrictions kick in."

Others say the opportunity to take advantage of a weaker British currency should trump other concerns, and drive more tourists to the U.K. "We may see an immediate positive impact on U.K. tourism in the form of increased visitation as travelers seek to benefit from the weak British pound," says Chris Mumford, managing director of the London office of AETHOS Consulting Group, a hospitality-focused executive search firm.

While there is certainly no guarantee that a favorable <u>currency exchange rate</u> will remain in place with the British pound versus the U.S. dollar, financial experts say it will take a while for the U.K. to sort the

European Union exit out. As the process proceeds, experts say the currency rate should favor U.S. travelers heading to London.

Currently, one British pound equals in \$1.33 U.S. dollars, and that number has slid down after the <u>Brexit</u> <u>vote</u>. "To go over to Great Britain, there's definitely a benefit right now," states Tom Cassidy, chief investment officer at Univest Wealth Management. "Certainly, for U.S. travelers and vacationers, it' cheaper to go overseas because the sterling pound has declined in value."

If you are planning a trip to London and the U.K., be prepared for plenty of political volatility in the streets, and especially at famous landmarks, as protestors vent their frustrations over the vote. "Travelers should expect to see an increase in demonstrations and protests throughout the United Kingdom, given the close results of the Brexit referendum, says Jim Hutton, Chief Security Officer at On Call International, a travel risk management company. "Although these events typically remain peaceful in the U.K., travelers should avoid them in order to not place themselves at increased risk."

These are turbulent times in Europe, and especially in the U.K. By all means, take advantage of favorable currency conditions and hop on a plane to London. Just expect a trip where many of the natives are restless, and who won't mind displaying that restlessness in public.