Introduction

The Autumn Statement from the Chancellor of the Exchequer highlighted that there is little evidence that the depressed state of the British economy will show any marked upturn in 2013. After a ‘double dip’ recession, how is this going to impact the British public’s attitudes and intentions towards taking holidays in 2013?

Despite the downturn in the economy, there has not been a significant decline in the proportion of the British population taking a holiday – it has remained around two-thirds over the last few years. However, over the last three years there has been number of changes in the holiday patterns of British travellers with an increase in the number of domestic holidays being taken within Britain – the ‘staycation’ effect.

There are also fewer travellers choosing long-haul destinations and, with the relative strength of the pound vis-a-vis the Euro in the last 12 months, European destinations have once again become attractive options for holidays and short breaks. There has been a noticeable trend towards all-inclusive deals within the ‘package holiday’ market reflecting the customers’ desire for certainty over the cost of the holiday and the convenience of the arrangement, especially where children are in the holiday party.

No commentary on the holiday market within Britain would be complete without reference to the weather. There is little doubt that the poor summer in 2012 has made consumers more inclined to consider a holiday in 2013.
The characteristics of the British holiday market

7 in 10 of the British population take some type of holiday or short break away from home at least once a year, whether to a destination abroad or within the UK and Ireland. Around 1 in 3 of the population takes at least one holiday within Britain and one holiday to an overseas destination each year.

Looking specifically at the market for overseas holidays, the population divides into three types:

- **44%** of adults go on at least one overseas holiday each year, including 20% of the population who take more than one overseas holiday a year.
- **27%** take overseas holidays approximately every other year.
- **26%** have not been on an overseas holiday in the last 10 years, including 15% who have never taken such a holiday.

On a similar basis, looking at the market for domestic holidays within Britain:

- **61%** of adults take at least one domestic holiday each year, including 35% who take more than one domestic holiday a year.
- **16%** take a domestic holiday on an occasional basis, less often than once a year.
- **20%** have not taken a domestic holiday in the last 10 years, including 12% who have never taken such a holiday.

Holiday attitudes 2013

The British population is evenly divided between those who regard a holiday away from home as ‘essential’ and those who consider it as a ‘luxury’ – around 40% in each category.

There is a clear relationship between the frequency of taking holidays and whether people regard them as being ‘essential’. Those who take at least one holiday a year are much more likely to consider holidays to be ‘essential’ rather than a ‘luxury’.

Additionally, 72% of those that considered a domestic holiday as ‘essential’ and 63% of those that consider a holiday abroad as ‘essential’ were planning such a holiday in 2013.

Looking ahead to the likelihood of taking a holiday away from home in 2013, the variations between domestic and holidays abroad are featured to the right:

Over two-thirds of those planning to have a holiday abroad in 2013 stated that they would book this holiday online – primarily via a desktop computer but with a small minority (5%) stating that they would use a mobile device such as smartphone or tablet. Amongst younger people aged under 35 years, the bias towards online was even more marked – 80% compared to 55% of those aged over 55 years.

How those planning to have a holiday abroad in 2013 will book their holiday

One in five travellers stated that they would book a holiday abroad in a travel agency face-to-face, with a further 1 in 10 saying that they would book by phone – to a travel agent, holiday operator or hotel etc. Older travellers were more likely to use both of these offline options than younger travellers.

Those who were planning to go on a package holiday were asked whether they would select an all-inclusive deal – 47% stated that they were ‘very likely’ to do so and a further 22% said that they were ‘quite likely’. Such an arrangement appeared to be preferred by those with children – 78% were likely to select that option compared to 65% of those without children.

A mixture of different types of holidays are likely to be booked by those heading overseas:

- 40% are intending to book a package holiday
- 25% are only booking a flight with no accommodation
- 15% are intending to book their travel and accommodation separately with different companies to construct a ‘dynamic package’
- 10% will book their travel and accommodation separately but with the same company

When asked what their economic prospects were for 2013 compared to 2012, just over half the population said that they were about the same (53%), 14% were more confident about 2013 compared to 2012, while 31% were less confident – a difference of 17 points. The difference is considerably lower in the under 35 age group.

Confidence levels in 2013 compared to 2012 %

Across different age groups, the net confidence levels vary:

- Same levels of confidence
- Less confident
- More confident


This ‘snapshot’ measurement of the economic outlook for households into 2013 broadly reflects the trends from other similar barometers of consumer confidence which are in the public domain. These suggest that while the situation has improved slightly during 2012 compared to 2011, there is no evidence of a major uplift going into 2013. Also, as holidays and other leisure spending are financed from discretionary income, increased spending on such items is unlikely to be the first beneficiary of an improved economic outlook.
How TNS can help

As the world’s leading custom research company, TNS is a trusted advisor to an impressive portfolio of companies and organisations in terms of providing information and insights which are vital inputs to their future planning and growth.

TNS advises clients on specific growth strategies around innovation, brand switching and stakeholder management, based on long-established expertise and market-leading solutions.

TNS’ wealth of experience working within the travel, tourism, leisure and hospitality sectors, both within the UK and overseas, means we have a detailed knowledge and understanding of these markets.

The increased use of digital technology has had a major impact on the dynamics of the planning and booking process for travel, holidays and leisure in general. The variety of information channels and the ready access to these sources of information through smartphones and tablets in particular represents a major challenge for suppliers to fully understand how best to target and influence consumers.

At TNS, we are able to combine our detailed market knowledge within the travel, tourism and leisure sectors with an unrivalled understanding of the digital landscape.

To discuss how TNS can help you, contact:
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TNS UK is part of TNS Global, the world’s biggest research company. TNS delivers precise plans to help our clients grow.

Whatever your challenge TNS UK can help:
- Innovation & Product Development
- Brand & Communications
- Retail & Shopper
- Stakeholder Management
- Qualitative
- Automotive