

HOLIDAY HABITS REPORT 2019



INTRODUCTION

This is ABTA's ninth Holiday Habits report, revealing the planning and booking behaviour of UK holidaymakers over the past year and their attitudes to holiday-taking in the year ahead.

Once again, despite the continuation of the political crisis that has gripped the nation for many months, the research shows that Britons remain firmly committed to taking their holidays. The proportion of the population taking a holiday and the average number of holidays per person have both increased.

However, what is also noticeable is how much people have cut their holiday spending – before and during a holiday – over the past two years, so it seems clear that people are

preserving their holidays while budgeting ever more carefully.

It has been another positive year for the package holiday – figures show a slight increase on last year with half the population taking at least one package. During times of uncertainty, package holidays hold particular appeal for customers as they enable people to budget more easily.

Responsible tourism has been increasing in public consciousness in recent years, and this year's research findings reinforce this fact: the number of people who say they would choose one travel company over another if they have better sustainability practices has increased by 10% in just four years. Many travel businesses have been factoring

environmental and social impacts into their business planning and decision-making for some time now and this research reinforces the importance of this work.



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1. NUMBER OF HOLIDAYS TAKEN

Britons are still firmly committed to their holidays – with 88% of people saying they took a holiday in the last 12 months, up slightly from 86% last year.

The average number of holidays people went on also increased, rising to 3.9 breaks a year – and for the first time since 2011 the average number of holidays taken abroad, 1.9 is now nearly as high as the average number of UK breaks (2.0).

Almost two thirds of people took a foreign holiday in the 12 months to July 2019 (64%), an increase of 4% since last year and 11% more than five years ago. However, people have cut back on what they spend before they go on holiday and while they are away.

Compared to 2017, people are spending a combined £98 less before and whilst away on a short overseas break and £94 less on a longer overseas break. This shows that while people are still booking and taking holidays, they are looking to make their money go further by reducing costs before and during their trip.

Last year, there was a slight dip in UK holiday-taking, after two strong years of growth for domestic holidays, and the figures for 2019 show a return to pre-2018 figures. 72% of people took a trip within the UK this year (up from 68% in 2018), with people taking an average of two holidays (up from 1.8 last year).

BRITS HOLIDAY HABITS 2019



TABLE 1

AVERAGE NUMBER OF HOLIDAYS 2017- 2019



TABLE 2

SPEND WHILST ON HOLIDAY 2017 - 2019

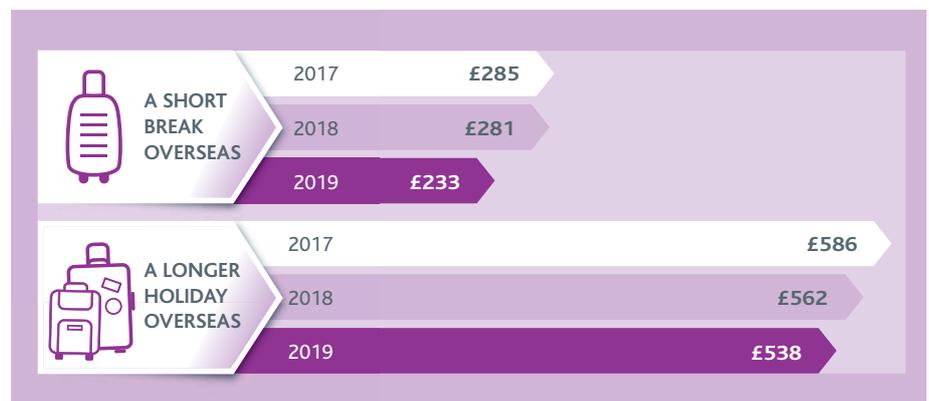


TABLE 3



1. NUMBER OF HOLIDAYS TAKEN *CONTINUED*

Out of all the life stages, families took the most holidays. However things have changed within this combined group compared to last year, as families with older children – aged five and over – took the most holidays (5.6 on average). Whereas, last year, families with young children had the most breaks (3.9 in 2019 vs 4.0 in 2018).

In particular, there has been a significant increase in the number of holidays taken abroad by families with older children – 2.8 compared to 1.6 in 2018 and 1.8 in 2017. This could reflect this year’s very competitive market for overseas holidays with destinations that had been particularly negatively affected

by a perceived threat of terrorism, such as Turkey, Egypt and Tunisia, coming back strongly this year.

Holidays at home proved most popular among 25-34 year olds, who took an average of 2.6 breaks this year (up from 2.1 in 2018).

AVERAGE NUMBER OF HOLIDAYS PER PERSON IN 2019 BY LIFE STAGE

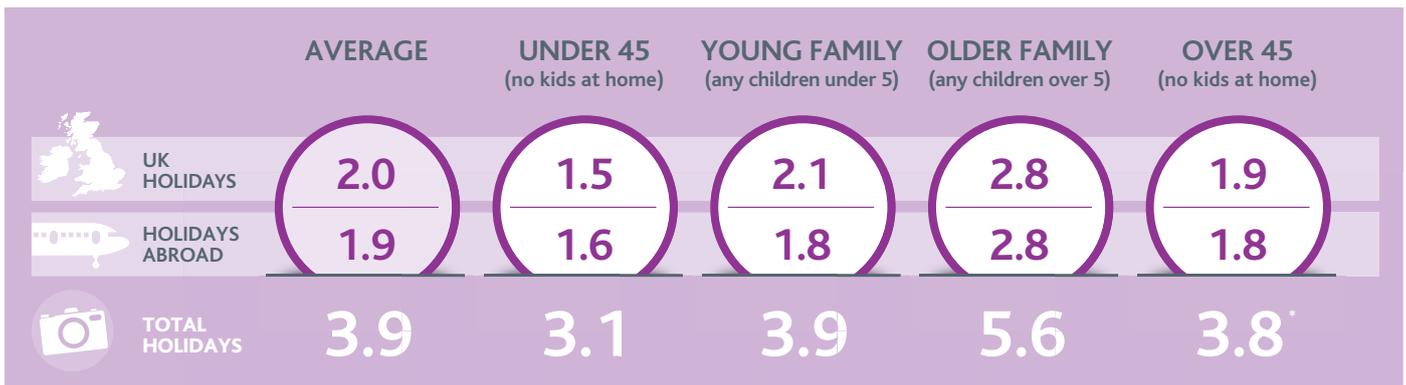


TABLE 4 *Total holidays may not equal the sum of UK and abroad holidays due to rounding

WHERE ARE PEOPLE GOING?

Europe remains the number one choice for British holidaymakers travelling abroad, with 84% visiting the continent in 2019. Spain continues to be the most popular destination for UK holidaymakers, with more than a third (38%) taking a trip there this year. However, the latest market data for packages shows bookings to Spain for summer 2019 are slightly down on last year, following several years of notable growth. With bookings to Turkey, Tunisia, Bulgaria and Egypt all significantly up on summer 2018, it suggests that some Brits who may have enjoyed several years of holidaying in the Western Med are branching out to other destinations.

Long haul travel is increasingly popular. 25% of people said they flew to Asia – a 10% increase from 2018 (15%) and a 4% rise in those who went to North America (26% compared to 22%). 6% of people went to South America – with nearly twice as many 25-34 year olds visiting this year (13%, up from 7%). The top destinations within South America were Mexico (72%), Argentina (29%) and Chile (20%). There was also a notable increase in the number of 18-24 year olds travelling to Africa, up from 6% in 2018 to 11% in 2019.



TOP DESTINATIONS IN PAST 12 MONTHS

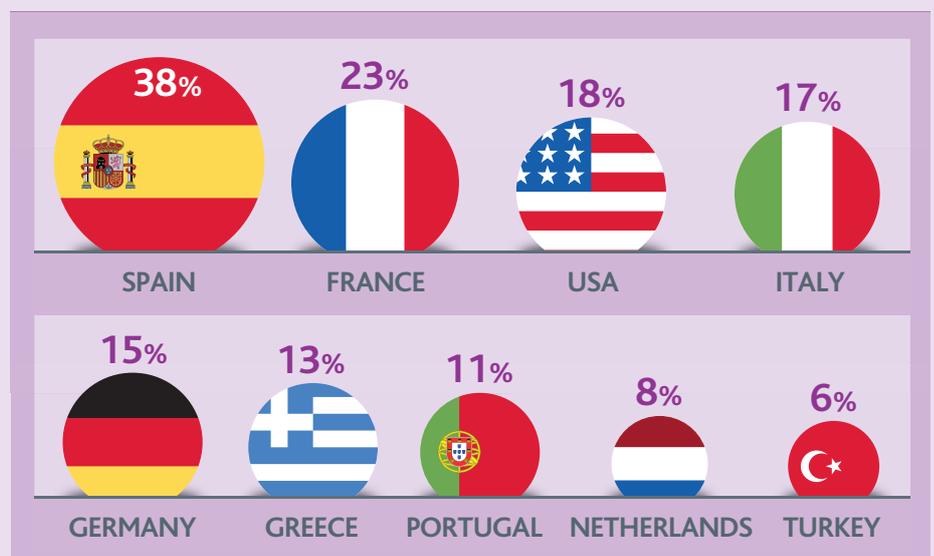


TABLE 5

2. WHAT TYPES OF HOLIDAYS HAVE BEEN BOOKED?

City and beach breaks continue to be the nation's top two favourite types of holiday, with most people taking at least one of the two in the past 12 months (68% combined).

The number of people taking beach holidays remains consistent with last year – 41% compared to 40% in 2018, whereas city breaks have seen a dip in popularity. Whilst they are still UK holidaymaker's favourite type of holiday, the number of people taking one in the past 12 months (46%), is a slight decrease from last year (48%) and 7% down since 2017 (53%).

Whilst classic holiday types, such as beach breaks are still very popular, people are diversifying their choices and increasingly taking experience led breaks, with the option of 'getting away from it all' also being a strong motivation for some holidaymakers. Lakes and mountain trips are growing in popularity (11% vs 8% in 2018) and 7% of people took a camping trip or holiday 'off the beaten track', rising to 10% of 55-64 year olds for the latter. Adventure holidays have also seen an increase in popularity with 18-24 year olds – 13% took one this year compared to 6% in 2018.

All-inclusive holidays have also seen an increase – both this year and for those planning next year's holiday. Almost a fifth of people have taken one in the past 12 months (18%) – 3% up on last year and the highest figure since 2016. More people are also planning an all-inclusive holiday this year than last (21% vs 18%), suggesting that value for money and the ability to budget are increasingly strong drivers for some holidaymakers.



13%
of 18-24 year olds went on an adventure holiday this year – which has doubled since 2018

TOP TEN TYPES OF HOLIDAY TAKEN IN THE PAST 12 MONTHS

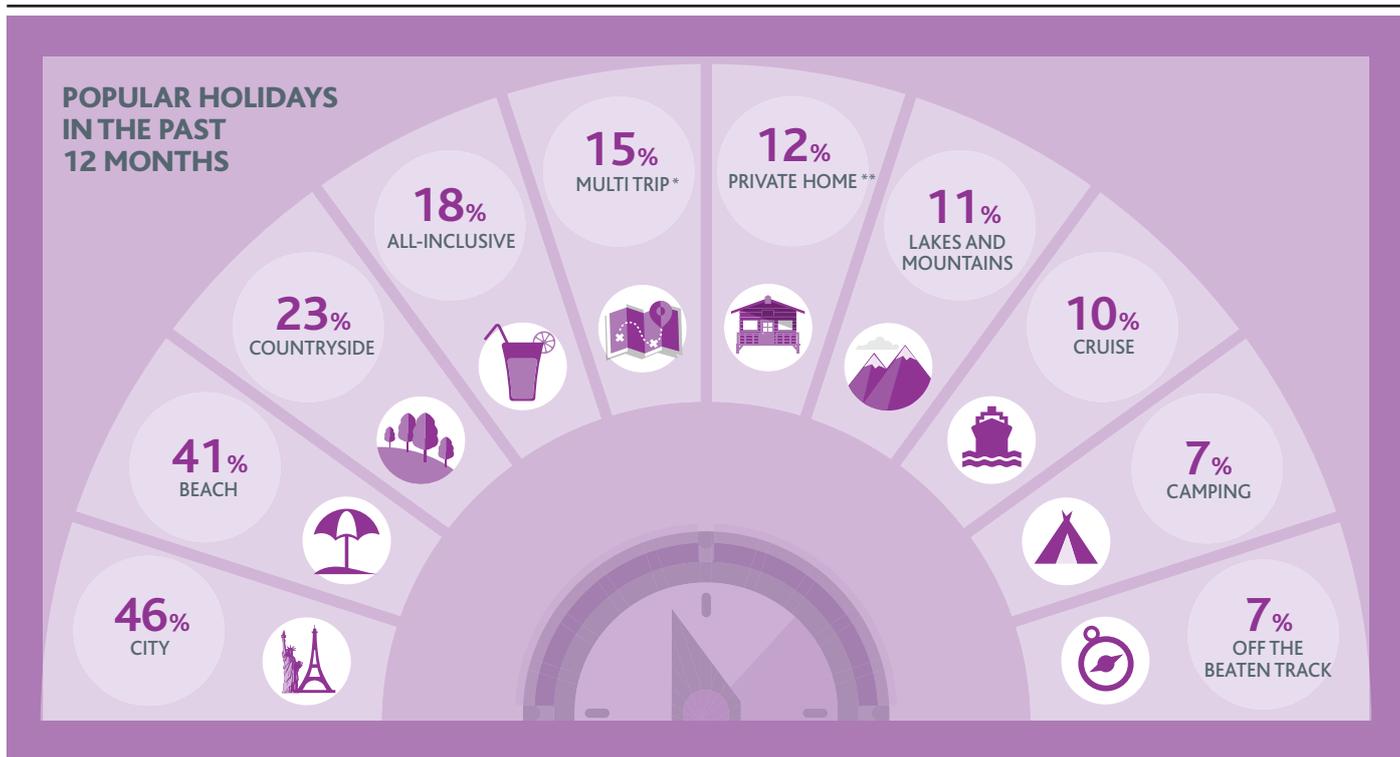


TABLE 6 * travel to different places within a single trip **or a home swap, home stay, couch surfing

3. HOLIDAYMAKERS' BOOKING HABITS

The booking journey for holidaymakers, and the way they interact with travel professionals, continues to evolve.

Phone bookings have seen a slight increase (17% vs 15% in 2018), with the biggest jump coming from the over 75s – almost double last year's figures (44% vs 23% in 2018). While the travel sector has not been immune to the pressures on the high street impacting many retailers in recent years, with in-store bookings dipping from 15% in 2018 to 12% this year, this headline figure masks some interesting trends. People are more than twice as likely to book a foreign holiday (only) rather than a domestic holiday (only) in-store (13% vs 6%). And 18-24 year olds are the age group booking most holidays in-store, with an 8% increase since 2018 (22% vs 14% in 2018). Those with young families are also more likely than average (17%) to book in-store, while more than a quarter (26%) of affluent holidaymakers (social group A) book in-store.



8%
more 18-24 year olds booked a holiday in-store this year (22% vs 14% in 2018)

ONLINE BOOKING METHODS

Online booking figures have remained steady over the past two years (83% vs 81% in 2018 and 83% in 2017). The research reveals 16% of people who book a holiday online now seek additional support – such as using a live chat service or speaking with a travel professional via social media – suggesting that people are increasingly seeking a variety of ways to get travel insights and expertise to support their online experience.

Whilst people are increasingly using social media as a method of interacting with travel professionals, the reliance on social media to provide holiday inspiration and information has fallen this year (3% for both social media posts of friends and family – 13% to 10% and brands/influencers – 9% to 6%). At the same time, there have been uplifts in the number of people preferring to consult travel company websites or travel professionals (36% vs 32% and 17% vs 14% in 2018 respectively). This suggests an increasing wariness of social media as a source of information perhaps reflecting higher awareness of 'fake news' and fake reviews.



16%
of people booked a holiday online with the help of a chat/messenger service on the website or via social media

3. HOLIDAYMAKERS' BOOKING HABITS *CONTINUED*

WHO DID PEOPLE BOOK THEIR HOLIDAYS WITH?

The preferred method for booking a holiday abroad is through a holiday booking website (44%) – up from 41% in 2018. The next most popular methods are directly through a service provider (42%), which has seen a drop since last year (47%), and through a travel company or travel agent (39%). Interestingly, there's been a 5% increase in people aged 35-44 booking via a travel company or travel agent, with two-fifths (40%) of this age range doing so in the past year. And almost twice as many people book their holiday abroad through a travel company or travel agent than for a UK holiday (39% vs 20%).

As with last year, for domestic holidays people still prefer to book through a holiday booking website (47%) or directly with the service providers (46%), with the figures remaining the same for both.

Bookings via a home sharing or owners letting website remain flat, consistent with the past few years, with around one in ten people booking a holiday this way (11% abroad and 12% UK).

HOLIDAY BOOKING METHODS IN THE PAST 12 MONTHS

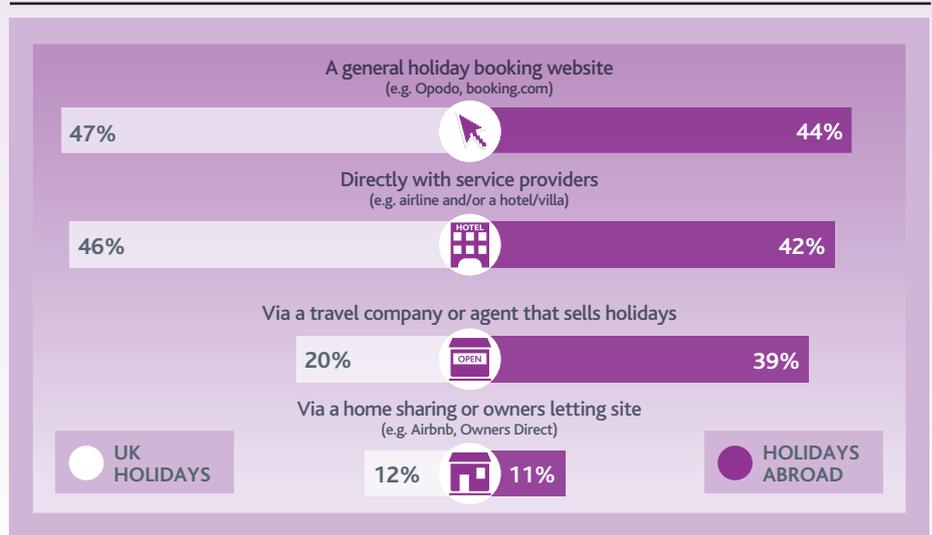


TABLE 7

SPOTLIGHT ON THE 'AFFORDABLE LUXURY' TRAVELLER

This year, for the first time, we've delved into holidaymaker's attitudes to travel and accommodation standards – asking them what class of travel they have used and which star accommodation (or equivalent of) they have stayed in over the past year.

Many UK holidaymakers are becoming experienced travellers and know how to get the most for their money. They have a number of ways of doing this; whether it's by taking advantage of the many low deposit/direct debit schemes ABTA travel companies offer to spread the cost, or booking early to get the best deals and take advantage of upgrades on offer.

They also have increasingly high expectations: staying in high-end accommodation is no longer seen as a luxury, but is often expected – more than half (55%) of people have stayed in four-star accommodation (or the equivalent) over the past 12 months. A further one in five (20%) stayed in five-star accommodation – rising to nearly one in four (24%) for 25-34 year olds and those aged 75 or over.

Holidaymakers are also taking advantage of the availability of luxury transport options – with more than a third of people (37%) travelling via premium economy or a higher class in the past year – with 25-34 year olds, once more, proving to be the most discerning (48%).

The industry is taking note, with tour operators expanding their hotel offering to suit changing tastes, offering and increasing the range of destinations and resorts where luxury holidays are more affordable and offering inexpensive flight upgrades.

Holidaymakers are also making the most of opportunities to make their pre-holiday experience that little bit more luxurious without making too much of a dent in their budget – using services such as airport luggage transfers and premium airport lounges.



55%
have stayed in four-star accommodation over the past 12 months

4. THE PACKAGE HOLIDAY

Package holidays continue to be a popular choice, particularly for holidays abroad – with more than half (51%) of people taking an overseas package holiday this year, up slightly on 2018 (49%). They are also a particular favourite among young holidaymakers with 53% of 18-24 year olds booking this type of trip – an increase of 13% from last year. For over a third of people (37%), going all-inclusive was the reason they opted for a package.

Travel companies have developed and evolved their package holiday offering, ensuring their continuing appeal for many holidaymakers. The majority of people (64%) opted for a ready-made package. A third (32%) also chose a shopping basket style option, where you select different elements yourself but pay a single price. However, having the option to personalise your package such as upgrading transfers, choosing a specific room and even booking your preferred sun lounger clearly appeals to customers. Almost a fifth of people

(18%) booked this type of holiday in 2019, rising to 27% among 25-34 year olds. In addition, almost one in ten people (9%) opted for a tailor-made package, which allows them to have a holiday completely bespoke to their requirements while still enjoying the full benefits and protection provided by a package.

The number of people who chose to book their travel and accommodation separately for a holiday abroad this year is consistent with last year (51% vs 50% in 2018).

TYPES OF PACKAGE HOLIDAY PEOPLE HAVE BOOKED IN THE PAST 12 MONTHS



TABLE 8



5. CRUISE HOLIDAYS

Cruises are an increasingly popular choice for UK holidaymakers, with figures from CLIA (Cruise Lines International Association) showing that the number of UK cruise passengers reached over two million for the first time last year.

Our figures reflect this growth, with one in ten respondents (10%) having taken a cruise trip in the past 12 months, up 2% on last year. Furthermore, one in seven (14%) are considering going on a cruise in the next 12 months, also up 2% on last year. While more than a third (38%) of those aged over 65 have been on a cruise, it is the younger age groups which have seen the most growth

– with 28% of 18-34 year olds having taken a cruise, up from 22% last year.

Continued investment in the cruise product and innovations such as on-board technology including fast wifi, bluetooth speakers and USB charging ports is appealing to every generation of cruise holidaymakers.

The increasing diversity of cruise holiday types is also appealing to younger audiences with wellness (26%), food (25%) and expedition (27%) focused trips all proving popular choices with 25-34 year olds. Meanwhile, among the older age groups, people aged 55-64 are most likely to try

a cruise exclusively for adults (42%), while half of those aged 65 or over are interested in a river cruise; second only in popularity to an ocean cruise (64%).

For the first time we asked respondents about their preferred length of cruise holiday, with seven days being the most popular duration. However, younger travellers generally favoured shorter trips, including 16% of 18-24 year olds who cited a weekend cruise as the ideal amount of time to go away. This could also reflect the growing popularity of mini cruises with 11% of 35-44 year olds being most likely to choose a retro themed trip.

HAVE YOU BEEN ON A CRUISE HOLIDAY?

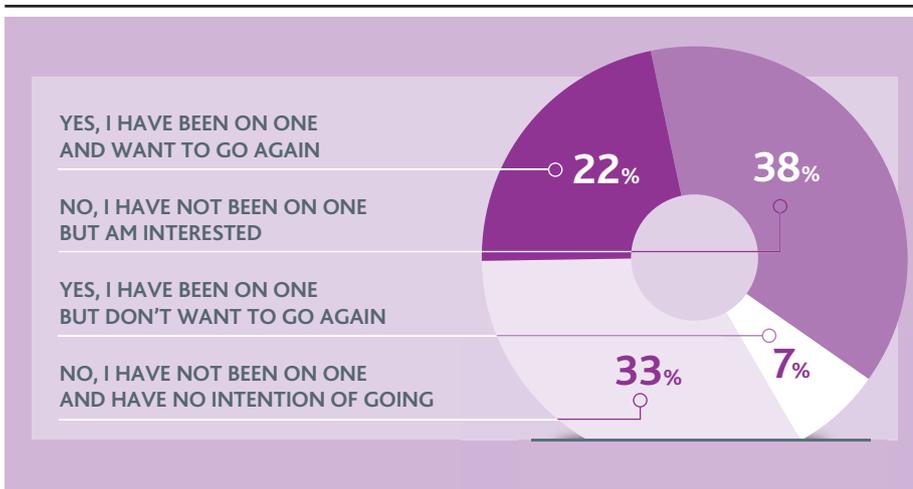
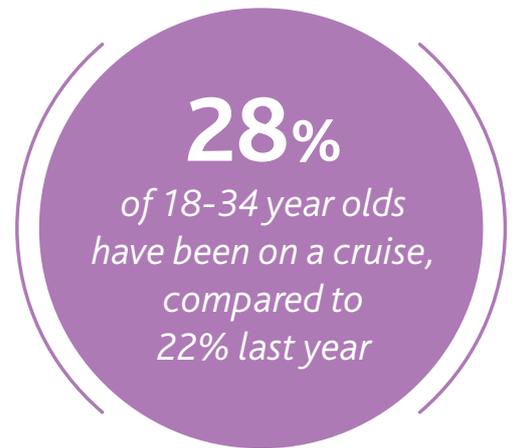


TABLE 9



WHAT TYPE OF CRUISE WOULD INTEREST YOU – TOP TEN



TABLE 10 *Spending more time in the destination



6. RESPONSIBLE TOURISM

Britons are becoming increasingly aware of the environmental and social impacts of their holidays and factor this into the buying process when choosing who to travel with and where to stay.

Half (50%) of people now say that the green credentials of a travel company are important or essential when choosing a holiday, and this has been rising over recent years, up 5% since 2018 alone to its highest level ever. More than six in ten people (62%) also want travel companies to ensure their holidays help the local people and economy.

The two areas of greatest concern for people are waste and plastic pollution and the treatment of animals.

Two-thirds (66%) of people say they are concerned with how animals are treated. ABTA first published its animal welfare guidelines in 2013, the first of their kind in the world, and will publish revised guidelines at the end of 2019.

Two thirds (66%) of people also say they are concerned about waste and plastic. Businesses

are introducing new approaches to waste management with more than 110 companies registering their support for ABTA's 2019 Make Holidays Greener campaign to encourage holidaymakers and travel companies to 'Reduce, Reuse and Recycle'.

As part of the campaign businesses have shared steps they have taken to create better places for locals to live in and better places for holidaymakers to visit. Initiatives include reducing food waste in hotels, setting up a holiday clothes swap and providing customers with water bottles that filter as they re-fill to reduce the need for single-use plastic bottles.

In the survey, 54% also stated their concern about the impact of climate change with those aged 25-34 most likely to be concerned (57%).

Sustainability has been on the agenda for many travel businesses for quite some time. Companies are considering the environmental and social impacts of their tourism products – including developing excursions which support local communities and working with local authorities to manage tourist flows in

destination - to put them at the heart of their planning and decision making.

More and more hotels are also joining Travelife – an accreditation scheme for accommodation providers who are committed to sustainability.



BRITS CONCERNS OVER WIDER IMPACTS OF TOURISM

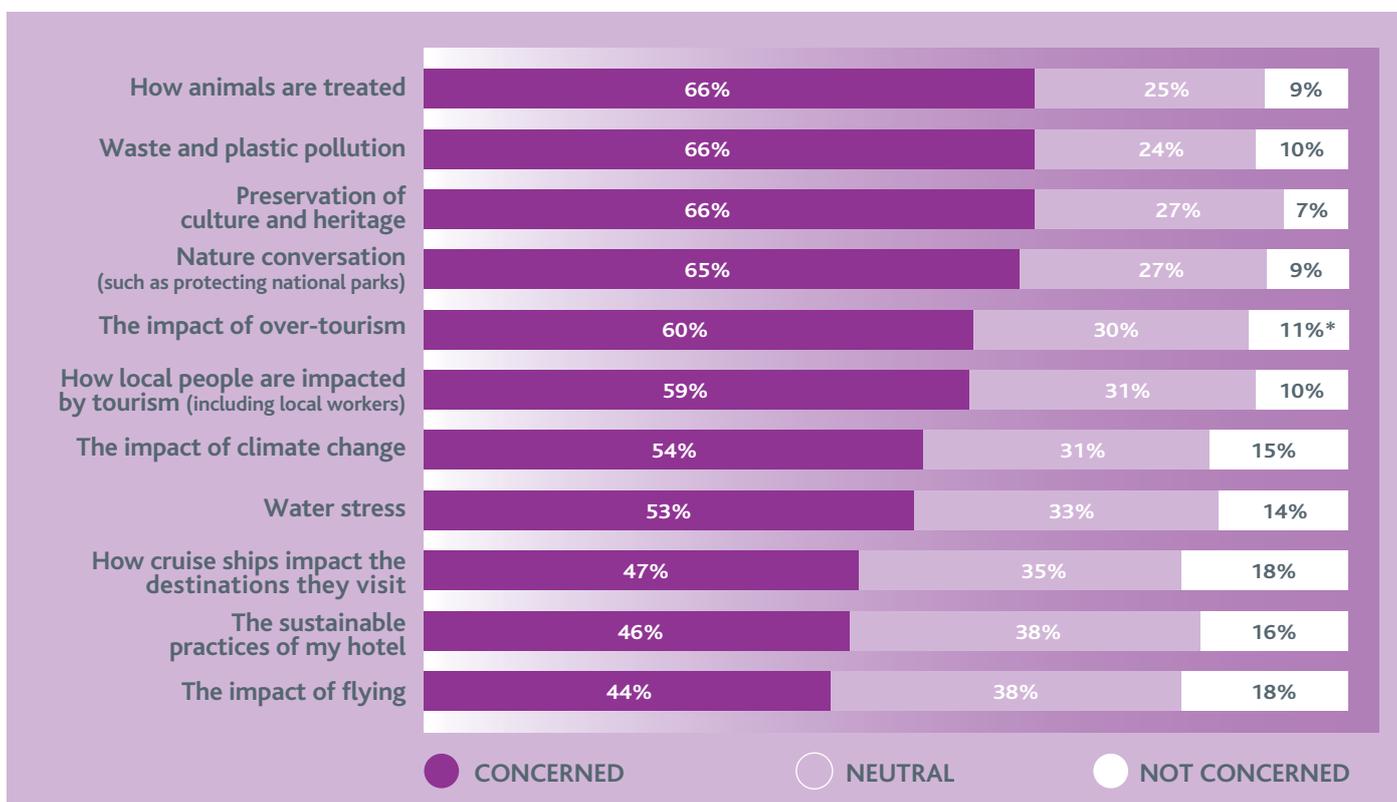


TABLE 11 * Percentages may not sum to 100% due to rounding

7. OUTLOOK FOR THE YEAR AHEAD

Holidays continue to be a spending priority for people, in spite of ongoing political uncertainty. There has been a slight increase in positive sentiment about holiday spending. More than a quarter of people (27%) plan to spend more on their holiday in the year ahead, up from 25% who said the same last year. The number of people who plan to spend less (14%) is consistent with last year and 2017. The 18-24 year old age group have the strongest feelings about holiday spend: 38% say they'll spend more next year, while 17% intend to spend less.

The main reasons people are planning to spend more are to secure the destination of their choice and to take the trip of a lifetime. Of the 14% of people who intend to spend less, the main reasons cited are they took a major trip last year (24%) and lack of confidence in the economy (23%).

Research was conducted in late July 2019 and shows that people's attitudes to the impact of Brexit on travelling abroad have seen few

significant changes since last year. Opinion continues to be divided on the degree to which Brexit might impact holidays, although costs represent the biggest concern: 51% say they're worried it will be more expensive to go on holiday after the UK leaves the EU, this rises to 60% among those aged 34 or under and falls to 41% among those aged 65+. Fewer than one in five (19%) disagree with this statement.

When it comes to a 'no deal', 37% of people say they're concerned about the impact of a no deal scenario on their travel arrangements, 32% disagree while 31% are unsure. Younger people (46% of under-35s), young families (48%) and those in certain parts of the country, particularly Northern Ireland (53%), London (45%), Yorkshire and the Humber (42%) and the East Midlands (38%) are more likely to be concerned. Those who are least concerned – saying they disagree with the statement – are older people (44% of those aged 65+) and people in the East of England

(45%) and the West Midlands (44%). The South East of England is split evenly: 36% not concerned, 30% not sure, 34% concerned.

Looking ahead, Europe still tops the list of places people plan to travel to in the next 12 months – just slightly ahead of the UK (57% vs 56%) – with both destinations seeing a small drop since last year (61% vs 59%). The top countries people are planning to go to are Spain (28%), USA (19%), France (16%), Italy (15%), the UK (14%) and Greece (13%).

All-inclusive holidays look set to increase in popularity, with one in five people planning to take one (21% – compared to 18% who took one in the past 12 months), as do lakes and mountains trips (11% vs 14% planning to take one) and cruises (10% vs 14% planning to take one). Beach holidays look set to stay in line with this past year (41% took one in past 12 months, 40% plan to in next 12 months), with city breaks dipping a little to 42% (46% of people took one in the past 12 months).

DESTINATIONS PEOPLE ARE PLANNING TO TRAVEL TO IN THE NEXT 12 MONTHS

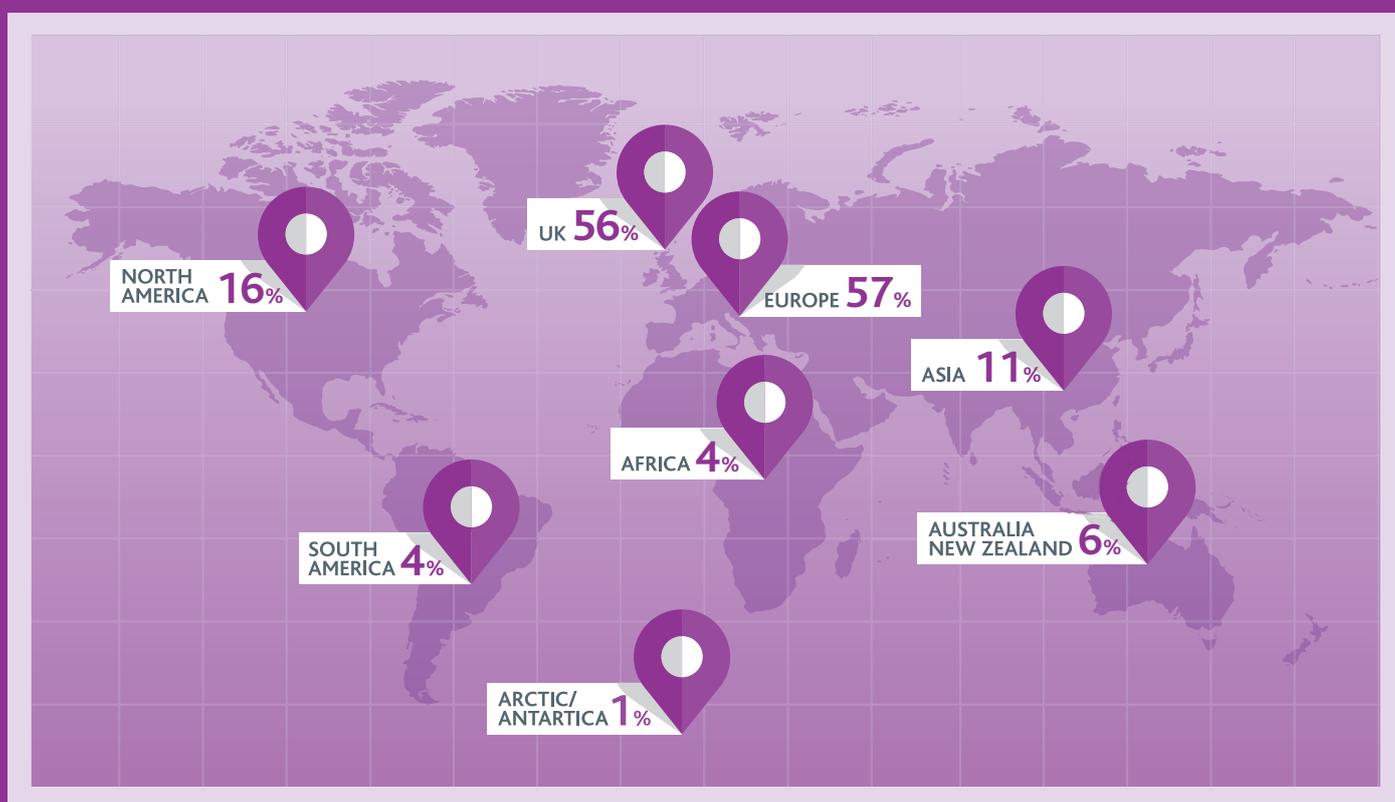


TABLE 12

DID YOU KNOW...

★ ★ ★ ABTA is ranked the UK's most trusted travel association ★ ★ ★

77%

of people **expect** their holiday company to be a **Member of ABTA**

78%

of people feel **more confident** booking a holiday with an **ABTA Member**

62%

of people feel **less positively** about companies that are **not ABTA Members**

72%

of people feel that **ABTA's help and advice** in the event of a crisis is **essential**

★ ★ ★ ABTA was voted a Business Superbrand in 2019 ★ ★ ★

ABOUT THE RESEARCH

Consumer research was conducted by The Nursery Research and Planning (formerly Arkenford, specialists in leisure and tourism research) www.the-nursery.net/. The ABTA Consumer Trends survey generated responses

from a nationally representative sample of 2,043 consumers using an online research methodology and related to holiday booking habits in the 12 months to July 2019. Fieldwork was conducted in July 2019.

ABOUT ABTA

ABTA has been a trusted travel brand for over 65 years. Our purpose is to help our Members to grow their businesses successfully and sustainably, and to help their customers travel with confidence.

The ABTA brand stands for support, protection and expertise. This means consumers have confidence in ABTA and a strong trust in ABTA Members. These qualities are core to us as they ensure that holidaymakers remain confident in the holiday products that they buy from our Members.

We help our Members and their customers navigate through today's changing travel landscape by raising

standards in the industry; offering schemes of financial protection; providing an independent complaints resolution service should something go wrong; giving guidance on issues from sustainability to health and safety and by presenting a united voice to government to ensure the industry and the public get a fair deal.

ABTA has more than 4,300 travel brands in Membership, providing a wide range of leisure and business travel services, with a combined annual UK turnover of £39 billion. For more details about what we do, what being an ABTA Member means and how we help the British public travel with confidence visit abta.com.

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