

Holiday Habits Report

ABTA Consumer Survey 2015



Our research findings suggest that **growth** in the number of holidays is being driven by more affluent consumers.



This report outlines the findings from ABTA's annual research among UK consumers to better understand their holiday habits: what they're booking, how they're booking and what they're thinking about for the year ahead.

The past 12 months have been an extraordinary time for the travel industry.

We have seen positive signs of growth with Members reporting sales up year-on-year and a strong summer season. Our research findings suggest that this growth is being driven by more affluent consumers. Our report shows that the average number of holidays taken per person is increasing while at the same time there has been a continued slight decline in the total number of people taking a holiday.

Summer 2015 was one of the most challenging periods in the history of the industry. While we are well versed in managing incidents and issues, the scale and nature of the appalling terrorist attack in Tunisia, along with the intense period of financial uncertainty surrounding Greece, at

the peak of its tourist season, sent shockwaves through our industry.

While the threat of terrorism in the UK and further afield remains, the incidents and uncertainties of the summer do not appear to have deterred Brits from taking holidays. We saw a strong late booking market and our research suggests a positive outlook for 2016, with more consumers saying that they will spend more than those looking to cut back.

I hope you find the research useful. If you would like further information on any aspect of the research please don't hesitate to contact our PR team press@abta.co.uk.



Mark Tanzer
Mark Tanzer
 CHIEF EXECUTIVE

Number of holidays taken

1.

Overall 77% of Britons said they took a holiday either at home or abroad in the 12 months to August 2015, which is slightly fewer than last year and more than 10% fewer than in 2011.

Continued pressure on household finances appears to be the key reason behind this decrease. Those classified as social grade E* took an average of 3.0 holidays in 2011 and only 1.7 in 2015. At the same time people from the most affluent households, those classified as social grade A, took an average of 8.0 holidays per person last year, up from 7.4 holidays per person in 2011.

The decline in the number of people taking a holiday appears to have most affected UK holidays. Foreign holidays have held relatively steady over the last five years and saw an increase this year over last, particularly for overseas breaks of seven plus nights. This reflects The ONS Travel Trends 2014* statistics which show that the total number of overseas holidays has been steadily rising since 2011, reaching 38.5 million in 2014. Additionally, VisitEngland's Great Britain Tourism Survey shows that the number of domestic trips in 2014 was 9% lower than in 2013.

* National Readership Survey (NRS) Social Grades, a classification system based on occupation.

BRITONS TAKING A HOLIDAY 2011-2015

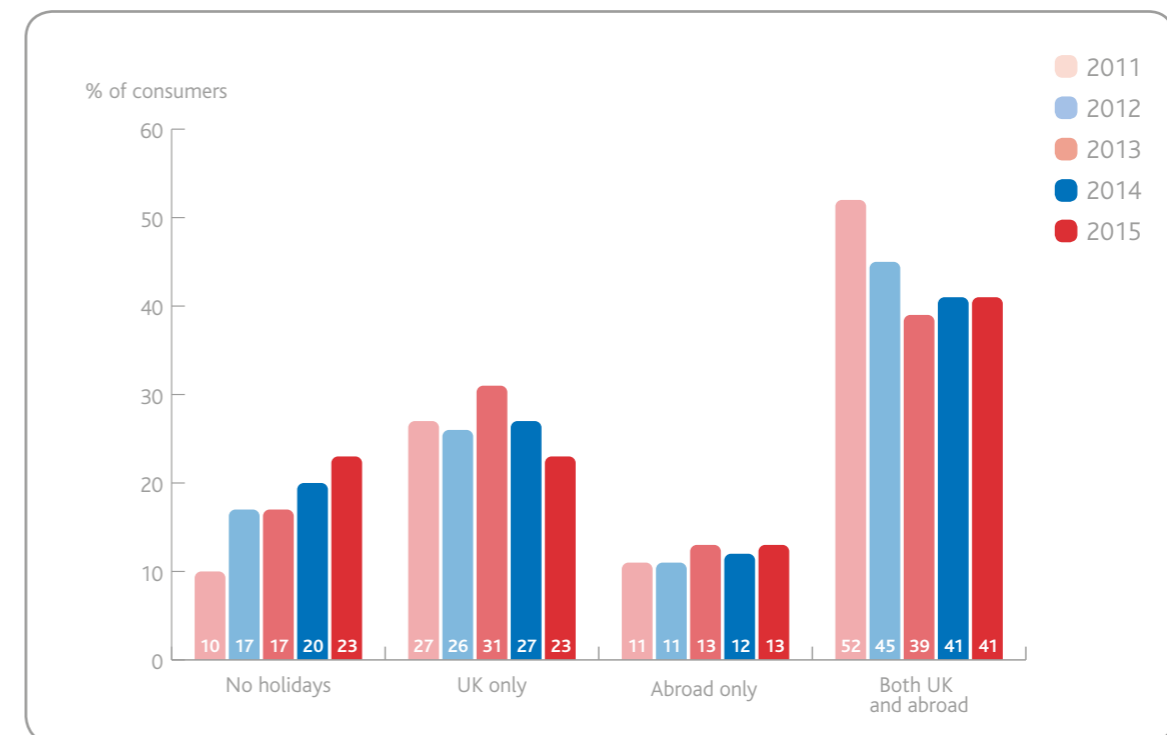


Table 1
 Britons taking a holiday 2011-15

AVERAGE NUMBER OF HOLIDAYS

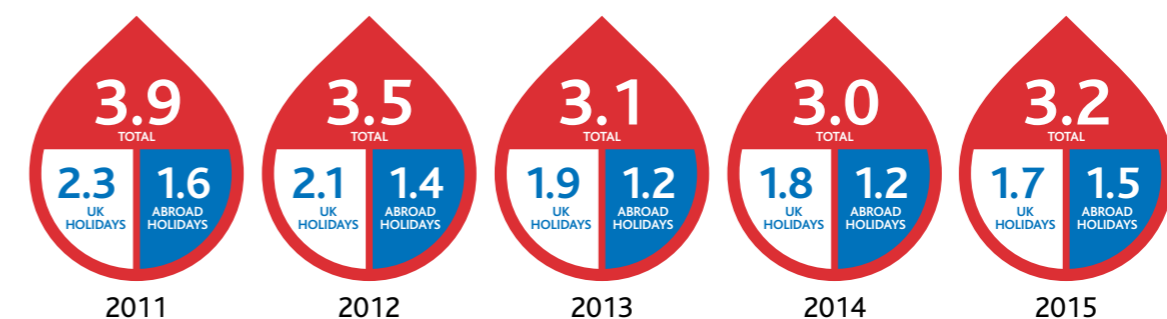


Table 2
 Average number of holidays taken per person 2011-15 (split by UK and abroad)

HOLIDAY COMPANIONS: WHO DO PEOPLE HOLIDAY WITH?

It is most common for people to holiday with their partner or immediate family. In the last two years there has been a notable increase in people holidaying with extended family (family members from outside the household) rising from 7% in 2013 to 20% in the last year. The extended family holiday is equally popular across all age groups and demographics.

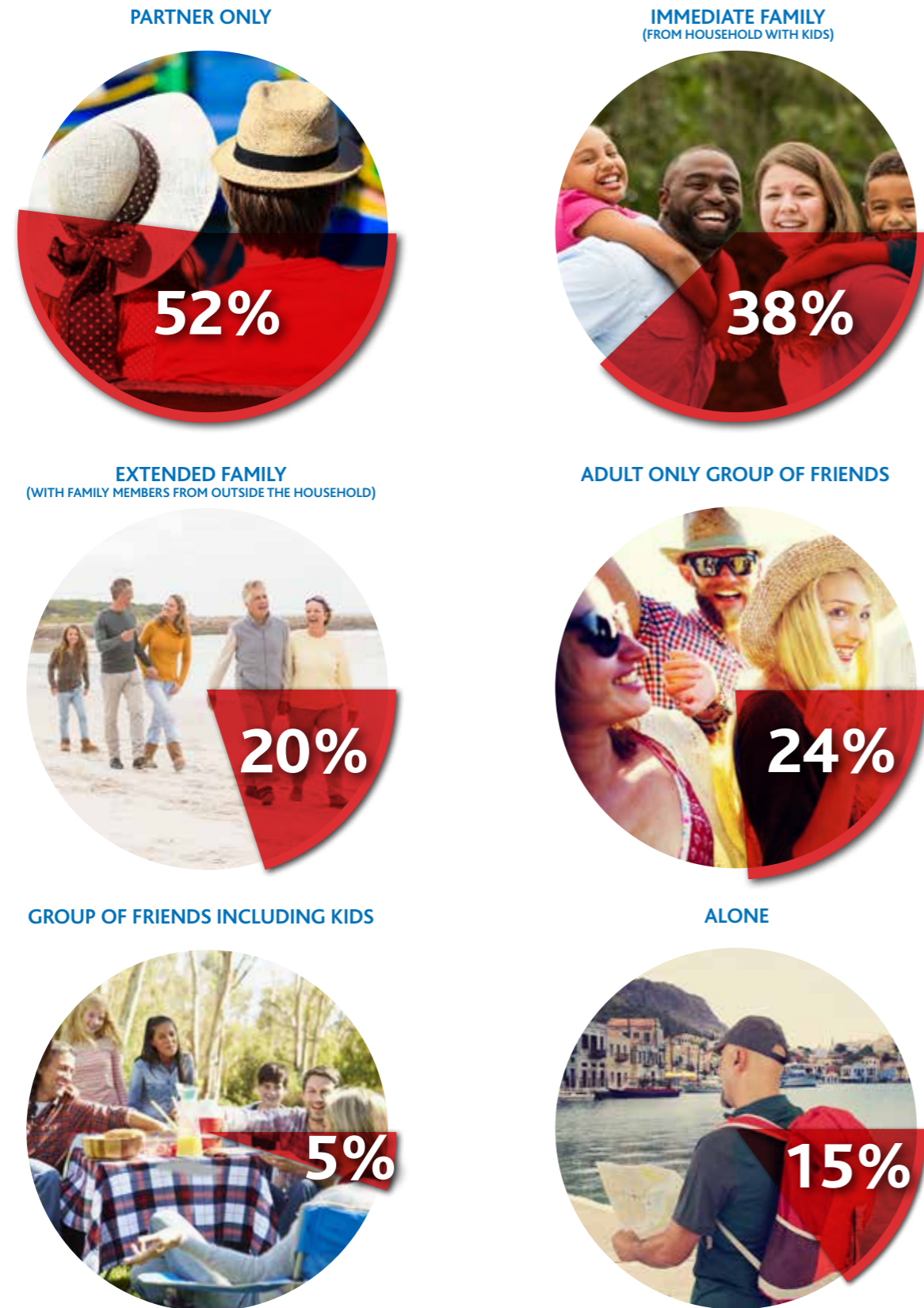
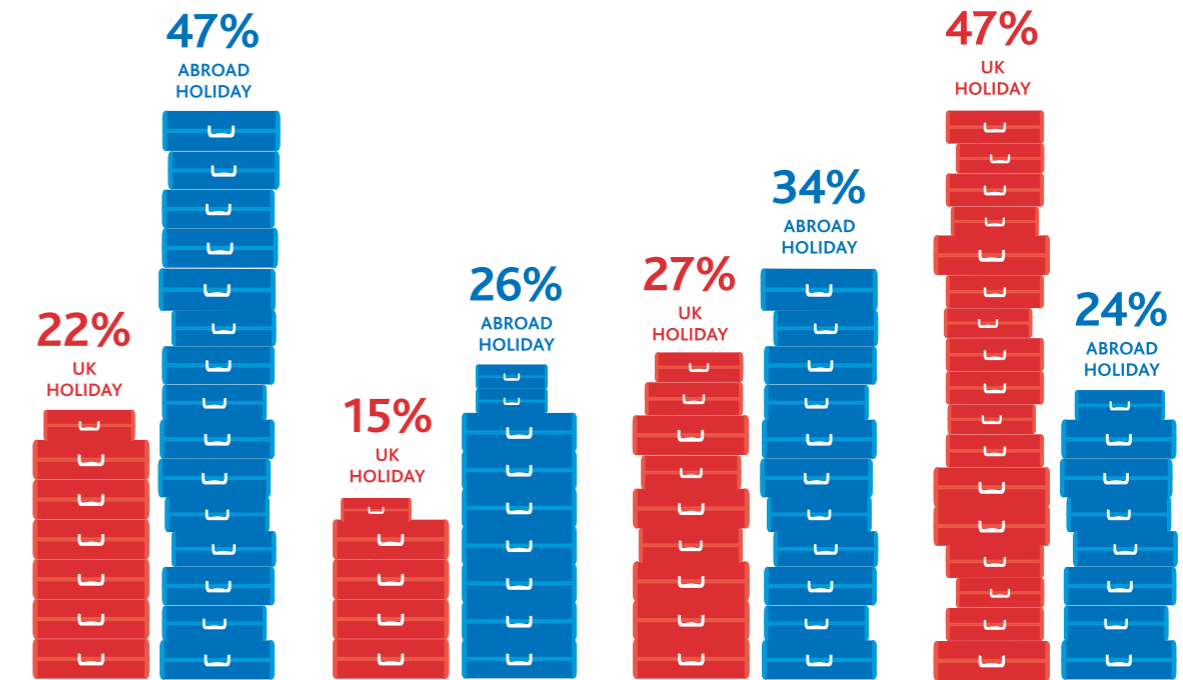


Table 3
Percentage of people who have taken this type of holiday

What types of holidays have been booked?

Overall the types of holiday that have been booked represent a similar mix to last year. Packages remain a firm favourite for holidays abroad, with the numbers holding steady from last year following several years of growth.



Package holiday where your travel and accommodation were included in the same price

Holiday where you booked and paid for separate travel and accommodation, but from the same travel company

A holiday where you booked travel and accommodation yourself, from different travel companies

Travel only or accommodation only for the purpose of a holiday

Table 4
What has been booked in the past 12 months

REASONS PEOPLE CHOOSE A PACKAGE

£££	Best value option for price	54%
APRPT HOTEL	Having everything taken care of (travel arrangements etc.)	46%
🕒	Convenience (saves time)	42%
🧳	I wanted an all-inclusive holiday	41%
★★★★★	Reputation of company	30%
🙏	To be looked after in case something went wrong (ash cloud, civil unrest, strikes etc.)	18%
£	Financial protection	16%
👤👤	Someone else booked it	8%
?	Don't know/ no particular reason/ it was what I was offered	3%

Table 5
Reasons people choose a package

3.

How are people booking their holidays?

Consumers like to book their holidays in a variety of ways. More people booked with an online travel agent this year than last, while bookings through high street travel agents remained flat. There was a notable increase in those booking a holiday abroad directly with service providers (54% compared to 34% in 2014 and 41% in 2013). This could be attributed to the growth in popularity of city breaks, which holidaymakers are more likely to book directly, as well as the emergence of home sharing websites.

There are some notable regional variations in the way consumers book their holidays with those outside London, the South East and South West far more likely to use a high street travel agent.

WHO HOLIDAYS HAVE BEEN BOOKED WITH IN 2015

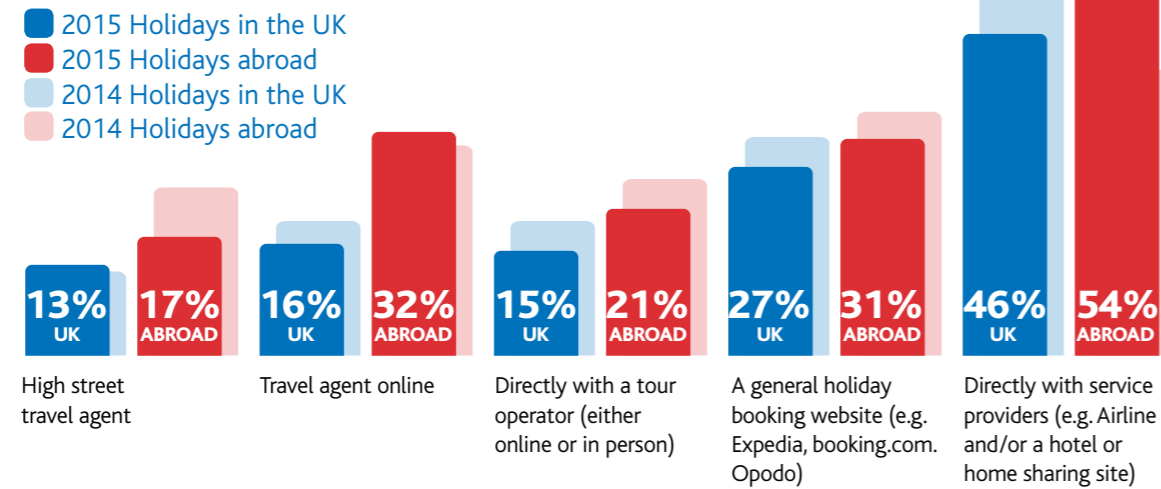


Table 6
Who holidays have been booked with 2015

ONLINE HOLIDAYS

The PC continues to be the most popular online booking device although tablets are gaining in popularity across all age groups, now used by 24% of online bookers compared to 18% last year.

Mobile phone bookings have remained fairly steady across all age groups. The research suggests this could be because people are finding the mobile booking experience more difficult than on a PC or tablet. 7% of people said they found their experience of booking via a mobile phone difficult, while no one said the same about booking via a PC.

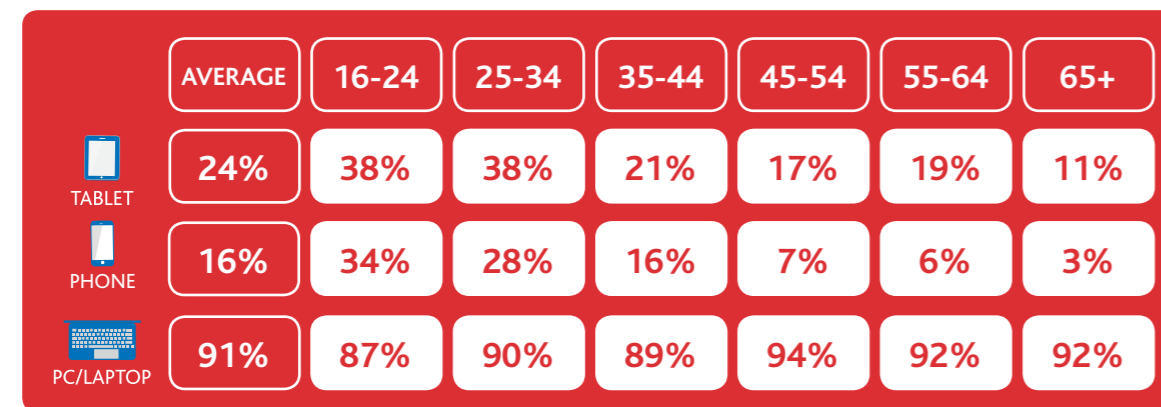


Table 7
Percentage of people who have booked a holiday on a device

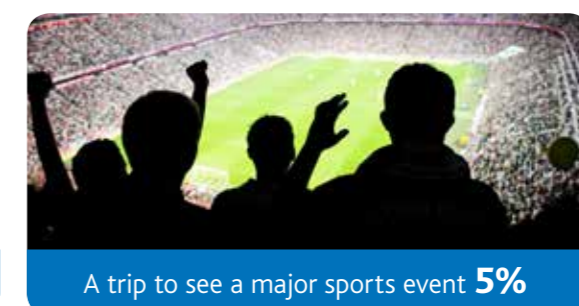
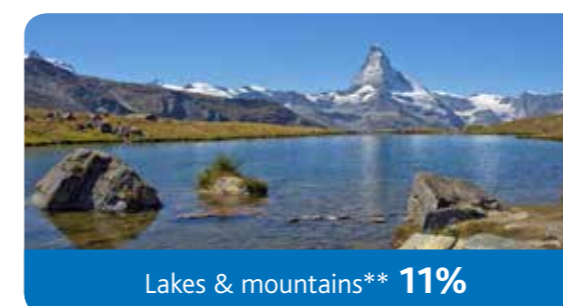
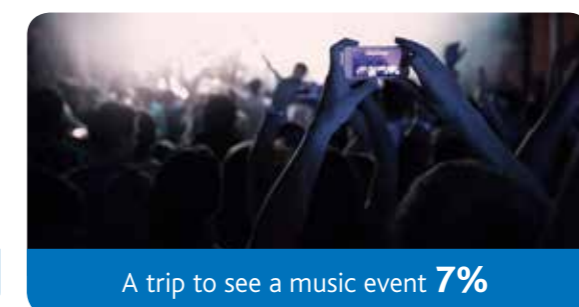
HOLIDAY TYPES

City breaks maintain the leading position they gained in 2014 as the nation's favourite holiday type, closely followed by the beach holiday. Both types of breaks have seen a 12% boost in popularity from last year.

TOP TEN TYPES OF HOLIDAY TAKEN IN PAST 12 MONTHS



*or a home swap, home stay, couch surfing
**or sporting holiday (walking, sailing, cycling, taking part in a trek)

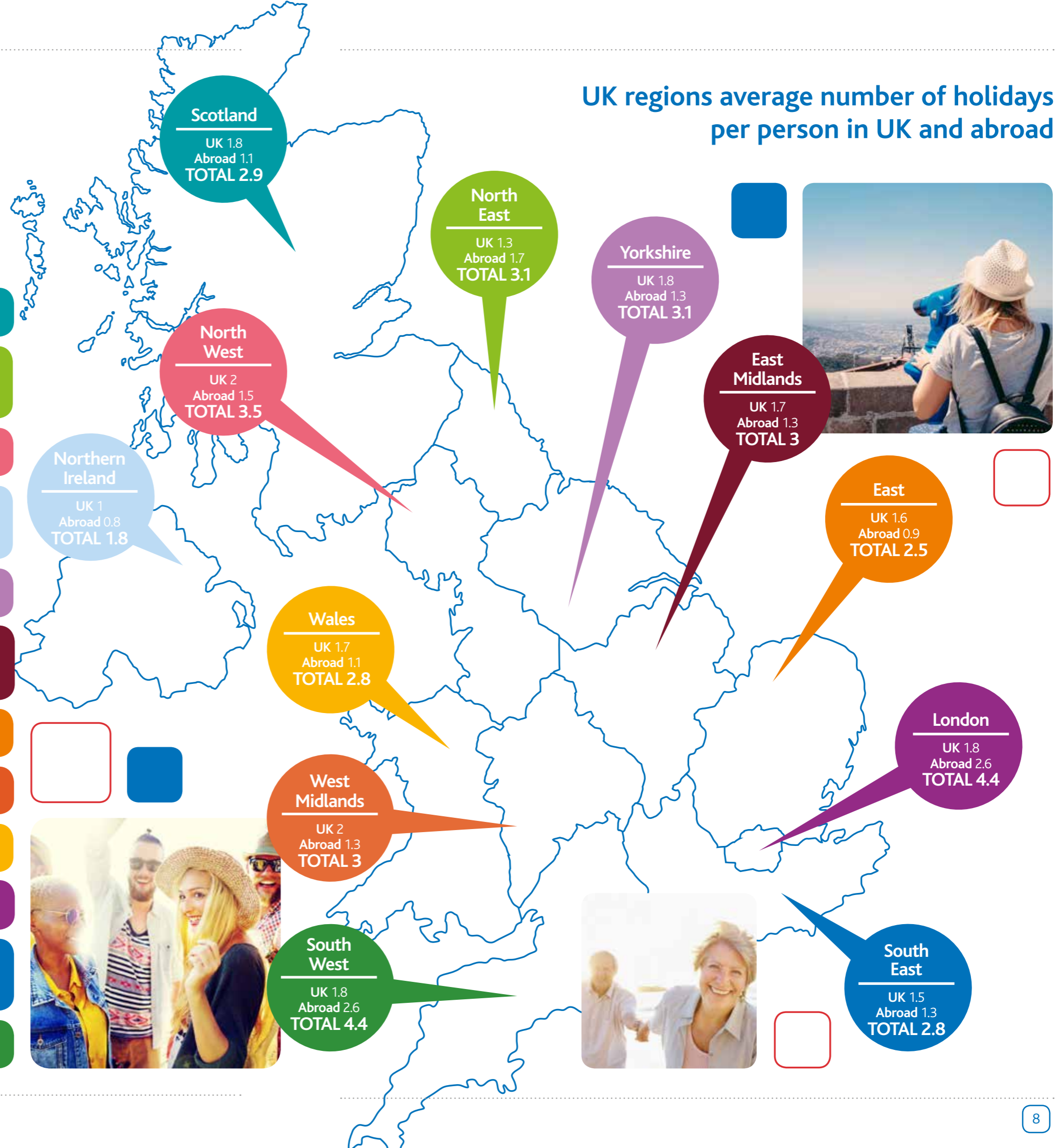


Regional trends

Most likely to in...

Scotland	Spend £500 whilst on a longer overseas holiday	44% (Ave 34%)
North East	Buy an overseas holiday from a high street travel agent	32% (Ave 17%)
North West	Go on an all-inclusive holiday	21% (Ave 18%)
Northern Ireland	Use travel review websites for holiday research and planning	43% (Ave 35%)
Yorkshire	Book last minute	29% (Ave 24%)
East Midlands	Book further in advance	35% (Ave 30%)
East	Holiday with extended family	10% (Ave 5%)
West Midlands	Take a tailor made tour	10% (Ave 5%)
Wales	Buy a holiday abroad with an online travel agent	40% (Ave 32%)
London	Take 4+ holidays abroad a year	20% (Ave 9%)
South East	Rent a private home/home swap/couch surf	12% (Ave 8%)
South West	Only take a UK holiday	30% (Ave 23%)

UK regions average number of holidays per person in UK and abroad



Trends among young people, families and baby boomers

Younger People



This age group takes the most holidays out of all age groups with many taking advantage of the "bank of mum and dad" to travel with their parents.

- **4.6 holidays per person** (2.1 UK, 2.5 abroad)
- Most likely to holiday with their **immediate family – 48%**
- Favourite holiday – **the beach (52%)**
- Average spend whilst on an overseas holiday: **£323**
- Most likely to: book a **holiday abroad with an online travel agent online (48%)**

Families

(with school age children)



Still taking a large number of trips, particularly domestic, this group are the biggest fans of the more traditional family beach holiday.

- **3.9 holidays per person** (2.2 UK, 1.7 abroad)
- Most likely to holiday as a **family (79%)**
- Favourite holiday – **the beach (64%)**
- Average spend whilst on an overseas holiday: **£364**
- Most likely to: take a **cruise next year (17%)**

New Families

(with children under five)



Families with young children value the relaxation and time spent together provided by a holiday. They take a higher than average number of breaks, holidaying with extended families, and love all-inclusives.

- **4.3 holidays per person** (2.2 UK, 2.1 abroad)
- **One in five (20%) holidayed with their extended family**
- Favourite holiday – **the beach (63%)**
- Average spend whilst on an overseas holiday: **£358**
- Most likely to: take an **all-inclusive holiday next year (31%)**

Baby Boomers

(55-64 year olds)



Baby boomers are looking for holidays offering quality rather than quantity, travelling in couples after their families have flown the nest.

- **2.7 holidays per person** (1.6 UK, 1.1 abroad)
- Most likely to holiday with their **partner (69%)**
- Favourite holiday – the **city break (60%)**
- Average spend whilst on an overseas holiday: **£383**
- Most likely to: book an **overseas package (50%)**

Outlook for 2016

The outlook for 2016 looks positive. Spending on holidays has been increasing in recent years in line with the economic recovery and this trend looks set to continue into next year, with 23% expecting to spend more on their holidays in 2016, up from 20% saying this last year.

In terms of the types of holidays, city breaks, beach holidays and all-inclusives look set to continue to top holidaymakers' lists in 2016. However, the findings indicate people are feeling bolder about their choice of destinations. In recent years, people have put their faith in tried and tested destinations but next year may see holidaymakers in a more exploratory mood. Almost one in five consumers (18%) say they will travel to a country they have never been to before, compared to 9% who said this last year, and nearly a quarter (23%) say they will try a new resort or city (even if they have visited the country before) compared to 10% who said this last year.

WHAT CONSUMERS ARE EXPECTING TO SPEND ON NEXT YEAR'S HOLIDAY

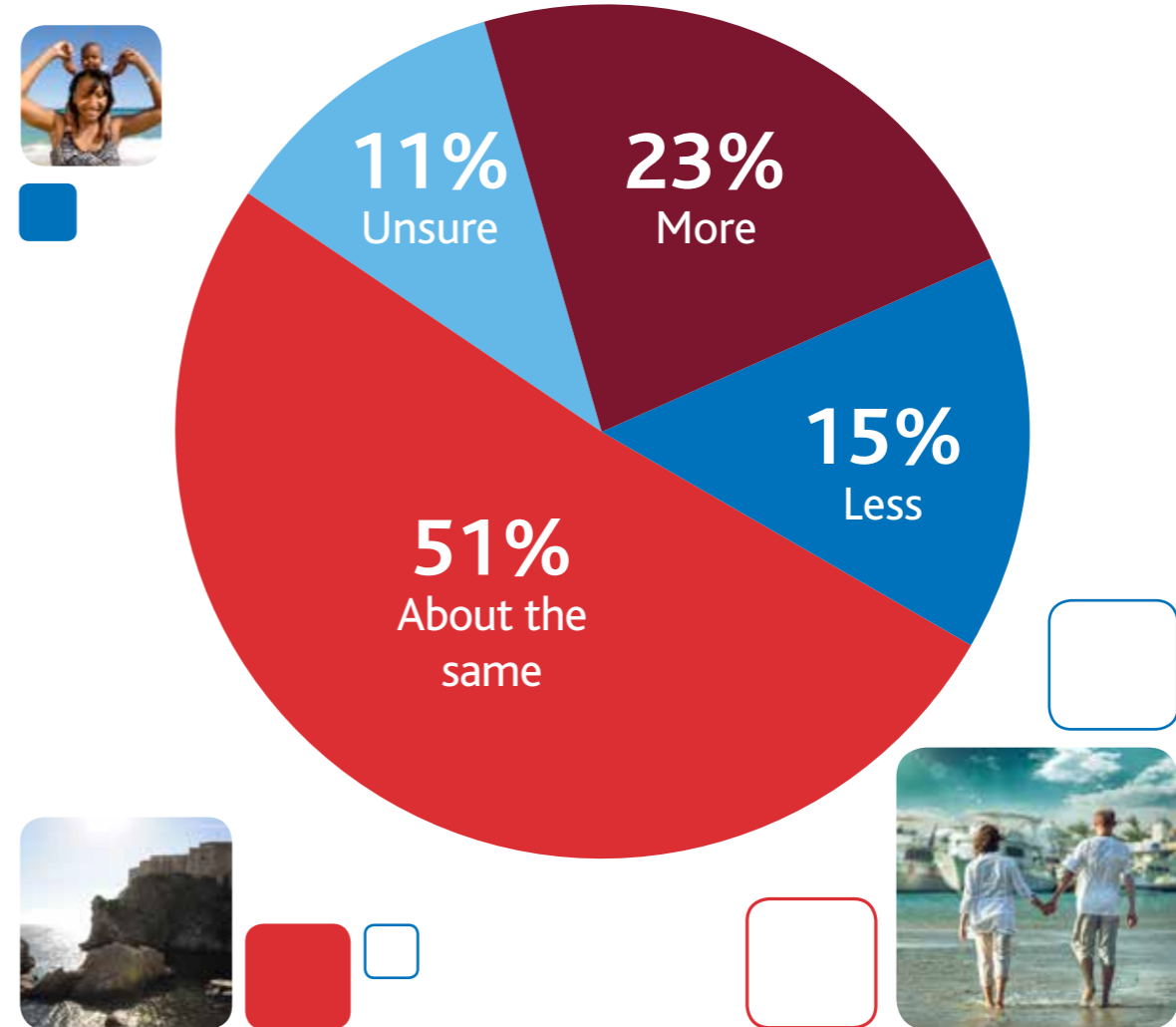


Table 8
Chart showing whether consumers are planning to spend more or less on their holidays next year.

Did you know...

74% expect their holiday company to be a member of ABTA

73% of people feel more confident booking with an ABTA Member and among people who recognise the ABTA logo, this figure rises to **86%**

60% of people think less positively of companies that are not ABTA Members

65% of people believe that ABTA's work in setting industry standards is essential

About the research

*Consumer research was conducted by Arkenford Ltd (www.arkenford.co.uk) who specialise in tourism and leisure market research. The ABTA Consumer Survey 2015 generated response from a nationally

representative sample of 2003 consumers using an online research methodology and related to holiday booking habits in the 12 months to July 2015. Fieldwork was conducted in July and August 2015.

About ABTA

ABTA has been at the heart of travel for 65 years. Our purpose is to help our Members to grow their businesses successfully and sustainably, and to help their customers – the travelling public – 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; by 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 around 1,200 Members. For more details about what we do, what being an ABTA Member means and how we're working at the heart of the industry to ensure that the British public can travel with confidence visit www.abta.com.

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