

## Package vs Independent Holidays: Inc Impact of COVID-19 - UK - May 2020

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"Rural areas and self-drive holidays will be in high demand when recovery starts, whilst the younger generation will be most likely to travel overseas. As a result, the independent sector is set to gain share from package holidays in the short and medium term."

– **Marloes de Vries, Senior Travel Analyst – 20 May 2020**

This report looks at the following areas:

- The impact of COVID-19 on the package and independent holiday segments
- How consumers' holidaying preferences will change in the short, medium and long term
- Interest in being able to customise elements of package holidays
- Reasons for booking package vs independent holidays

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Short term

Medium term

Long term

Opportunities and threats

Overseas holidays will be heavily disrupted even once the possibility returns

Consumers will expect brands to demonstrate action to protect travellers

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The facts

The implications

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The facts

The implications

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## The Market – What You Need to Know

- Strong demand for package holidays in 2019
- Travel industry will face its steepest decline in history
- Low-cost destinations are likely to increase in appeal once travel restrictions are lifted
- UK economy expected to contract as a result of COVID-19

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UK economy expected to contract as a result of COVID-19

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easyJet Holidays has high potential once holidaying resumes

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British Airways trials autonomous wheelchairs

Jet2 is expanding its vegan offering

Wright Electric expects the entry of its electric aircraft in 2030

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British Airways trials autonomous wheelchairs

Virgin Atlantic becomes headline sponsor of Manchester Pride Festival

Offering 'greener' foods

Jet2 is expanding its vegan offering

Singapore Airlines serves meals from indoor vertical farm

Responsible tourism

Sustainability pledge by TUI Blue

Wright Electric expects the entry of its electric aircraft for 186 passengers in 2030

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Almost half of overseas main holidays booked independently

Rise in one-person households creates opportunities for group holidays

Value for money remained leading motivation to book independently

Customisation may hinder convenience of booking package holidays, but it's worth the risk

Majority of travellers would like more options to personalise package holidays

Travel agents play a key role in gaining customers' trust

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## Package vs Independent Bookings

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Abbreviations

Consumer research methodology

CHAID analysis methodology

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Forecast methodology

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