

Domestic Tourism: Inc Impact of COVID-19 - UK - December 2020

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“Consumers’ desire to be outdoors is at an all-time high as a result of the pandemic. The UK’s countryside has great potential to benefit from this. Nature-based holidays with cultural elements, adventure or wellness have high growth potential.”

- Marloes de Vries, Senior Travel Analyst, 1 December, 2020

This report looks at the following areas:

- The impact of COVID-19 on the domestic holiday market.
- Future interest in visiting UK regions, holiday types and holiday activities.
- Likely behavioural changes among visitors.
- Factors influencing consumers’ choice of travel company.
- Opportunities to accelerate recovery.

Although city breaks are forecast to lose market share to rural/countryside-based breaks as a result of the pandemic, these remain the most desired holiday type in the UK. 38% of those who are planning to take a staycation in the year following October 2020 are interested in taking a city break.

The new lockdown announced in early January 2021 will prolong the recovery of the holiday market, as many people will delay decision-making during what would usually be a very popular booking period. In contrast, demand for staycations during the summer period is expected to exceed pre-COVID-19 levels due to pent-up demand following disrupted travel plans and the continued preference to stay closer to home. Holiday rental properties are expected to recover fastest, while hotels will see a slower recovery.

Over-55s, who tend to take longer domestic holidays, are less likely to take a staycation in the short term. As such, brands will have to entice other demographics to book longer stays. One area of potential growth is working holidays. Employers have shown greater flexibility on working locations since COVID-19 hit, enabling more travellers to stay longer at the holiday destination by combining leisure time with time spent working (remotely).

Consumers’ desire to be outdoors remains strong, from which the UK’s countryside can benefit. Nature-based holidays with cultural elements, adventure or wellness have high growth potential.

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Table of Contents

Overview

- What you need to know
- Key issues covered in this Report
- COVID-19: market context
- Impact of the January 2021 lockdown and the vaccination rollout
- Economic and other assumptions
- Products covered in this Report

Executive Summary

Impact of COVID-19 on domestic tourism

Figure 1: Short-, medium- and long-term impact of COVID-19 on domestic tourism, 6 January 2021

The market

Value of domestic holiday market expected to decline by 46% in 2020

Strong domestic summer season expected

The value of the domestic holiday market is expected to recover in 2022

Figure 2: Forecast volume and value* of domestic holidays taken by British residents (prepared on 6 January 2021), 2015-25

Working holidays provide the opportunity to reduce dependence on short breaks

Over the longer term, over-55s are an important driver for growth of the domestic travel market

Companies and brands

Companies continue to promote reassurance messages

Campaigns with an outdoor element

More brands have tapped into higher demand for stays closer to home

The consumer

New lockdowns impacted confidence in bookings

Figure 3: Actual bookings and plans to book a holiday in the next three months, January 2019 to November 2020 (fieldwork dates in November 2020: 5-18 November)

Over half of Brits took a staycation in the year to July 2020

Figure 4: UK holiday taking, 2016-20

Domestic holidaying intentions highest among 16-44s

Figure 5: UK holidaying frequency in the next 12 months, July 2020

Concerns about travelling abroad will see some consumers take more staycations...

...but some consumers worry about more disruption in the UK too

Demand for city breaks expected to bounce back once virus threat abates

Desire to be outdoors leads to high potential for South West, Scotland and Wales

Figure 6: UK holiday destinations, visited vs considered, July 2020

Price and flexibility key in the planning and booking process

Figure 7: Factors influencing choice of travel company for staycation, by age, July 2020

Opportunity to develop more self-drive routes and walking trails

Figure 8: Participation and future holidaying intentions in the UK, by holiday type, October 2020

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Families are looking to de-stress

Younger travellers desperate for new challenges

Figure 9: Changes in appeal of domestic holiday activities compared to prior to COVID-19, July 2020

Issues and Insights

Activity breaks have potential

High interest in combining nature with culture

Escaping from technology

The Market – Key Takeaways

Value of domestic holiday market expected to decline by 46% in 2020

Strong domestic summer season expected

The value of the domestic holiday market is expected to recover in 2022

Working holidays provide the opportunity to reduce dependence on short breaks

Market Size and Forecast

New lockdowns dampen speed of recovery of domestic travel market

Figure 10: Short-, medium- and long-term impact of COVID-19 on domestic tourism, 6 January 2021

2019 was a record year for domestic tourism

Value of domestic holiday market expected to decline by 46% in 2020

Strong domestic summer season expected

The value of the domestic holiday market is expected to recover in 2022

Figure 11: Forecast volume and value* of domestic holidays taken by British residents (prepared on 6 January 2021), 2015-25

Market drivers and assumptions

Figure 12: Key drivers affecting Mintel's market forecast (prepared on 6 January 2021), 2015-25

Learnings from the last recession

Figure 13: Value sales of domestic and overseas holidays, 2008-15

Forecast methodology

Market Segmentation

Scotland became the second most visited domestic holiday destination in 2019

Figure 14: Holidays in Great Britain taken by British residents, by region visited, 2016-19

Prior to COVID-19 growth came predominantly from holidays to urban areas

Figure 15: Holidays in Great Britain taken by British residents, by type of destination, 2016-19

Working holidays provide the opportunity to reduce dependence on short breaks

Figure 16: Holidays in Great Britain taken by British residents, by duration, 2015-19

Market Drivers

Lockdowns will prolong the recovery of the holiday market

COVID-19 has impacted consumers' financial wellbeing

Figure 17: Changes in financial situation, November 2019-November 2020

Continued government support and better prospects from spring 2021 prevent fall in consumer confidence

Figure 18: Financial confidence in the year ahead, November 2019-November 2020

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Over the longer term, over-55s are an important driver for growth of the domestic travel market

Figure 19: 2018-based National Population Projections, release date 21 October 2019

Impact of human activity on climate change is fuelling demand for greener travel

Figure 20: UK mean temperature in °C, by quarter, 2013-20

Consumer confidence in travelling overseas has been low

Companies and Brands – Key Takeaways

Companies continue to promote reassurance messages

Campaigns with an outdoor element

Travel companies ramped up Black Friday activity in 2020

More brands have tapped into higher demand for stays closer to home

Launch Activity and Innovation

More brands have tapped into higher demand for stays closer to home

Kuoni launches its first UK and Ireland holidays

Cosmos launches UK Stay and Explore escorted tours

Airbnb launches Go Near initiative

Campaigns to boost staycations in the UK

Digital marketing campaign to promote the Scottish self-drive route North East 250

Tourism Northern Ireland launches recovery campaign “Embrace a Giant Spirit”

Wales launches “The Year of Outdoors 2020-2021”

Domestic campaign to boost autumn and winter breaks

Travel companies ramped up Black Friday activity in 2020

Digital detox experience ‘Unplugged’ launched during lockdown

Selections of campaigns abroad

Australia’s “Holiday Here This Year” campaign

Malaysia Airlines launches “Kids Fly + Stay Free” campaign to boost domestic tourism

New York publishes roadmap for tourism recovery

The Consumer – Key Takeaways

Late booking trend will continue

Domestic holidaying intentions highest among 16-44s

Desire to be outdoors leads to high potential for South West, Scotland and Wales

Despite subdued appeal, city breaks remain the most desired holiday type

The Impact of COVID-19 on Booking Intentions

New lockdowns impacted confidence in bookings

Late booking trend will continue

Brands providing great customer service will recover more quickly post lockdown

Figure 21: Actual bookings and plans to book a holiday in the next three months, January 2019 to November 2020 (fieldwork dates in November 2020: 5-18 November)

The Impact of COVID-19 on Confidence in Travel

Prospects of vaccinated older population offers opportunities for multigenerational breaks

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Significant growth opportunity for holiday homes

Figure 22: Consumers' confidence in holiday transport and accommodation types, 25 June-19 November 2020

Domestic Holiday Taking

Over half of Brits took a staycation in the year to July 2020

Figure 23: UK holiday taking, 2016-20

Domestic Holidaying Intentions

Interest in taking a staycation remains high

Figure 24: UK holidaying intentions, July 2020

Domestic holidaying intentions highest among 16-44s

Figure 25: UK holiday taking vs holidaying intentions, July 2020

Travellers will cut back on the number of breaks they take

Working holidays allow travellers to holiday more frequently

Over-55s will have a strong desire to meet others once the virus threat abates

Figure 26: UK holidaying frequency in the next 12 months, July 2020

Opportunity to offer luxury breaks

Figure 27: UK holidaying intentions per quarter, by age, July 2020

Reasons for Changing Holidaying Habits

Concerns about travelling abroad will see some consumers take more staycations

Figure 28: Reasons for taking more UK holidays in the next 12 months, by age, July 2020

Opportunity to provide specialist services for those travelling with pets

Fear of disrupted travel plans will impact domestic holidays too

Figure 29: Reasons for taking fewer UK holidays in the next 12 months, by age, July 2020

Domestic Holidaying Destinations

Demand for city breaks expected to bounce back once virus threat abates

Desire to be outdoors leads to high potential for South West, Scotland and Wales

Figure 30: UK holiday destinations, visited vs considered, July 2020

Purchase Drivers When Choosing a Travel Company

Price and flexibility key in the planning and booking process

It is important to implement hygiene measures without comprising the holiday experience

Figure 31: Factors influencing choice of travel company for staycation, by age, July 2020

Domestic Holiday Types

Opportunity to develop more self-drive routes and walking trails

Increased potential for digital detox experiences

Despite subdued appeal, city breaks remain the most desired holiday type

Testing strategies will help demand to recover quicker

Figure 32: Participation and future holidaying intentions in the UK, by holiday type, October 2020

Domestic Holiday Activities

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Families are looking to de-stress

Figure 33: Changes in appeal of domestic holiday activities compared to prior to COVID-19, July 2020

Younger travellers desperate for new challenges

Figure 34: Changes in appeal of domestic holiday activities compared to prior to COVID-19, positive vs negative (percentage points)*, by demographics, July 2020

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

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