

# Holiday Review - UK - January 2021

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## This report looks at the following areas:

- The impact of COVID-19 on the domestic and overseas holiday market.
- Trends in booking behaviour.
- Holidaying intentions and likely behavioural changes in 2021.
- Holidaying motivations.
- Company activity during the pandemic.

Despite limited travel options in most of 2020 and the disruption caused for UK travellers, the vast majority (83%) of UK travellers would like to return to their typical holiday behaviour once COVID-19 has fully cleared. Agreement peaks among over-65s at 91%; a group that is rising in volume, confident in its financial situation and among the first to be vaccinated.

The national lockdown announced on 4 January 2021 led to a further decline in holiday bookings, with only one in 10 consumers having booked a trip in the three months to early January compared to nearly three in 10 a year ago. Nevertheless, underlying demand for travel remains strong and brands can expect a surge in holiday bookings once travel restrictions are lifted. The domestic market will continue to recover quicker, due to the likelihood of (entry) restrictions on travel to some countries, potential quarantine measures and the higher cost of overseas travel.

The pandemic will leave its mark on the economy. Over a quarter of UK holidaymakers intend to take fewer holidays per year after the COVID-19/ coronavirus outbreak is over than they typically did before the outbreak, particularly to save money. Nevertheless, some consumers have managed to reduce their outgoings over a quiet 2020 with limited travel opportunities. Brands have the opportunity to entice this group to splash out on travel in 2021, for example by offering more premium accommodation or private experiences.



“New lockdowns led to a decline in booking levels in January, which would have been an important booking period in a ‘normal’ year. Nevertheless, underlying demand for travel remains strong as Brits do not want to miss out on their main holiday again.”

– Marloes de Vries, Associate Director – Travel, 19 January 2021

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Rural/countryside-based holidays in the UK and overseas beach holidays will be among the better-performing segments when recovery accelerates in the middle of 2021. Brands will have to promote lesser-known areas to stay as many travellers will not feel comfortable being part of crowds.

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- **De-stressing and reconnecting with others will be central to consumers' motivation to travel in 2021**

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