

Luxury Travel: Inc Impact of COVID-19 - UK - December 2020

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This report looks at the following areas:

COVID-19 has changed the way travellers define luxury holidays. With consumers advised to stay at home and avoid travel, this has given people a fresh perspective and made them re-evaluate what is important to them. Nearly four in 10 luxury travellers now associate luxury holidays with feeling special, while almost a third are focused on making memories. Association with these characteristics has risen significantly in 2020.

The underlying demand for luxury travel is still there; however, the new lockdowns announced in January 2021 will prolong the recovery of the holiday market and consumers will continue to be cautious when taking holidays once restrictions are lifted. Destinations closer to home will remain more popular options compared to pre-COVID-19, while there will be an unprecedented demand for villa and cottage holidays.

Despite their financial power, luxury travellers are as likely as the wider travel market to spend less on travel in the 12 months following September 2020. The uncertain environment will continue to boost bookings made at the last minute, while flexible cancellation policies remain crucial to enticing travellers to book earlier.

Luxury travellers show an above-average interest in multi-centre trips. Visiting multiple destinations during one trip will grow in popularity as people feel safe to travel again. One segment that is set to benefit is luxury train holidays, which have widespread appeal.

- The impact of COVID-19 on the luxury travel market
- How Brexit will impact luxury travellers' booking intentions
- Considered luxury holiday destinations and holiday types
- The changing definition of luxury travel
- Opportunities to accelerate recovery



"COVID-19 has changed the way travellers define a luxury holiday. Whilst comfort remains a key element, feeling special and making memories have become more essential."

– Marloes de Vries, Senior Travel Analyst, 14 December 2020

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