

The Staycation: - 2011 and beyond?

30 March 2011

Undertaken for Visit England by



Our Research Aims

To provide a clear indication of what will happen to the uplift in domestic travel seen in 2009 and 2010...THE STAYCATION

-How was the 2010 England experience?

-What will happen in 2011?...and beyond?

The Approach

- 1000+ quantitative online interviews
 - 28 February – 7 March 2011
(Middle East troubles had started, pre Earthquake & Tsunami in Japan)
1 week later than 2010 (but comparable as the week immediately after half term)
 - 20 minute questionnaire
 - GB population (18yrs +)
- Included key questions on impact of & attitudes towards economic downturn tracked quarterly since Oct 08

We took fewer holidays in 2010 than at any point in the past 5 years

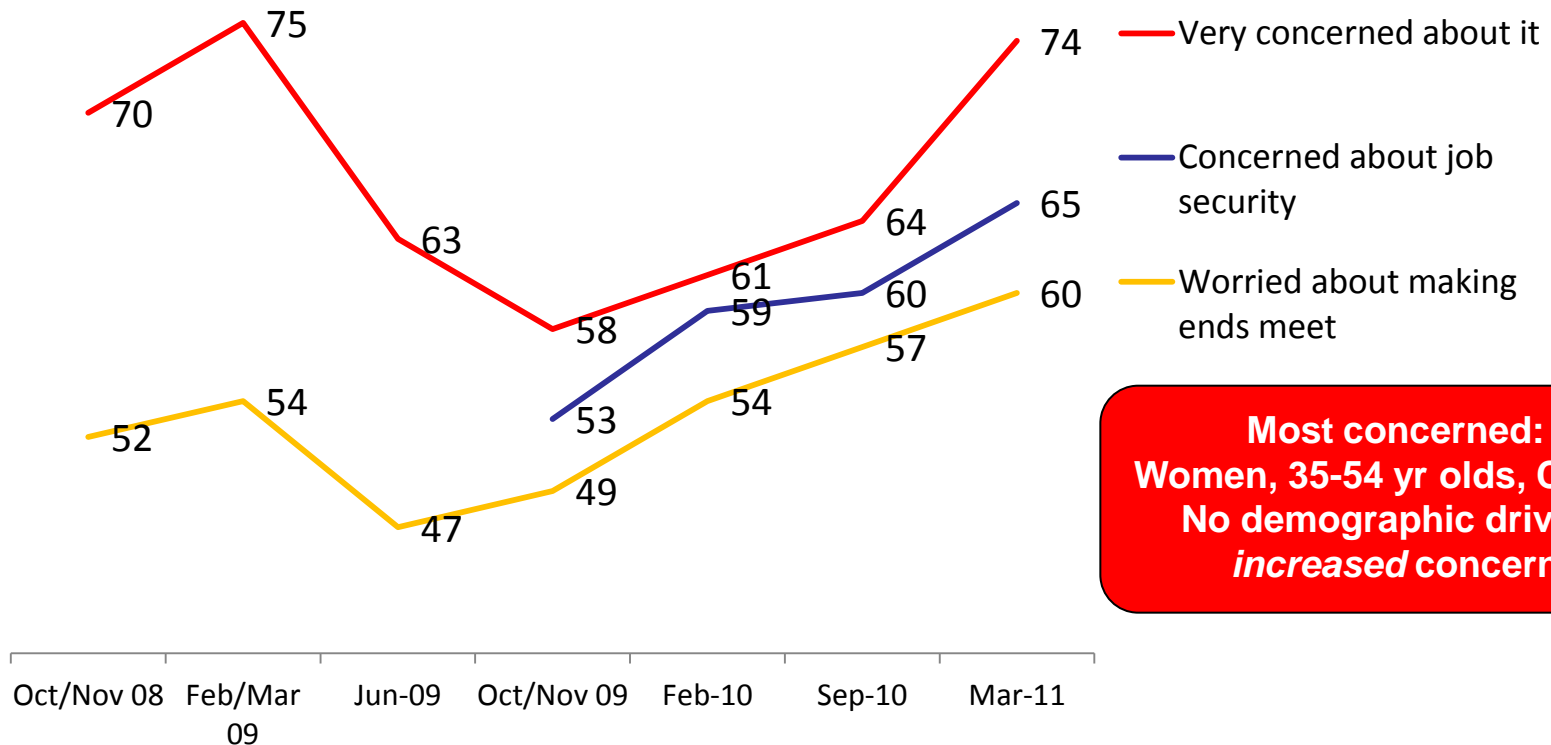
Year	England Domestic Holidays 1-3 nights (million)	England Domestic Holidays 4+ nights (million)	UK Residents Overseas Holidays All lengths (million)	All holidays (England domestic + UK outbound) (million)
2006	25.7	14.9	45.3	85.9
2007	25.8	15.9	45.4	87.1
2008	25.4	14.7	45.5	85.6
2009	29.9	17.4	38.5	85.8
2010	28.1	15.8	36.1	80.0
09 vs 10	-1.8	-1.6	-2.4	-5.8

THE IN-GOING CLIMATE

*Ongoing impact of, & attitudes to the
Economic Downturn*

Levels of concern over economy & its impact has risen sharply in last few months

% 'Strongly agree'/'Slightly agree' with each statement

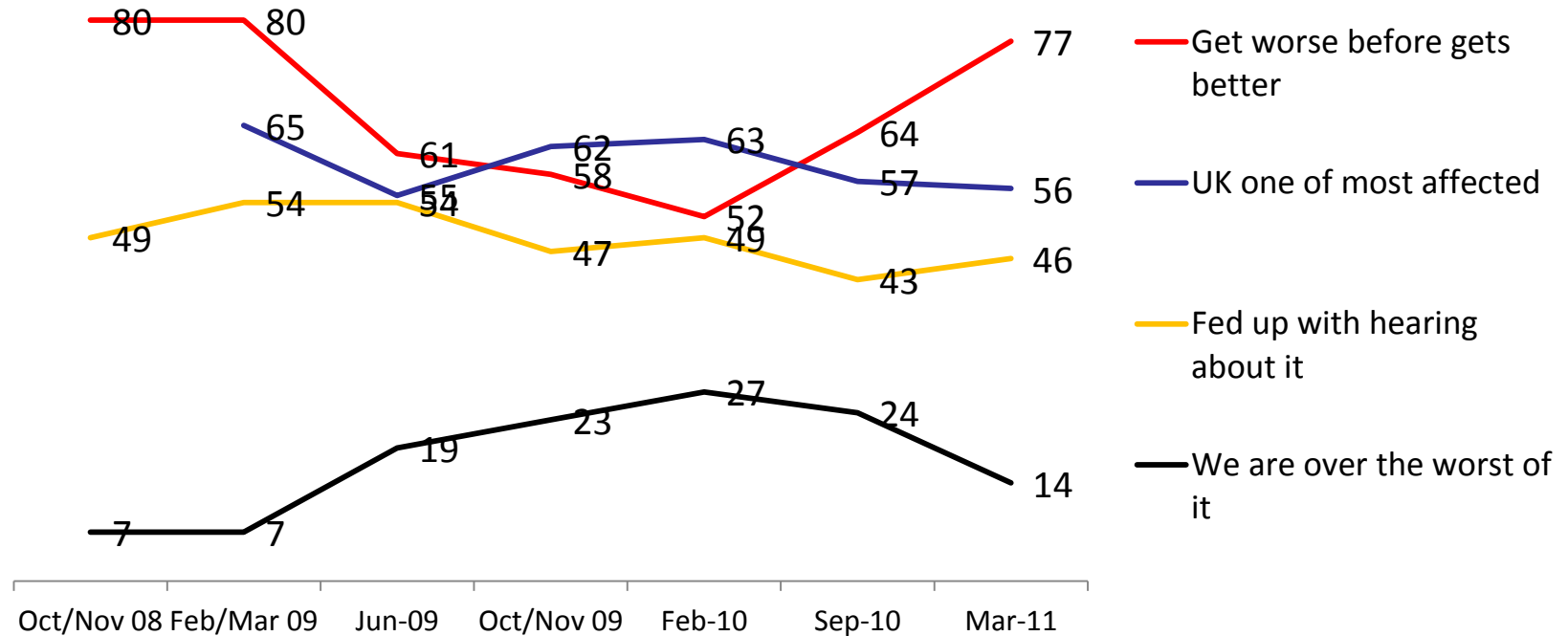


Most concerned:
Women, 35-54 yr olds, C2DEs
No demographic driving
increased concern

Q1. To what extent do you personally agree or disagree with the following statements about the economic downturn or credit crunch? Base: All respondents (1000+) Differences of c 5% are significant)

Over three- quarters now feel the economic situation will get worse before it gets better

% 'Strongly agree'/'Slightly agree' with each statement

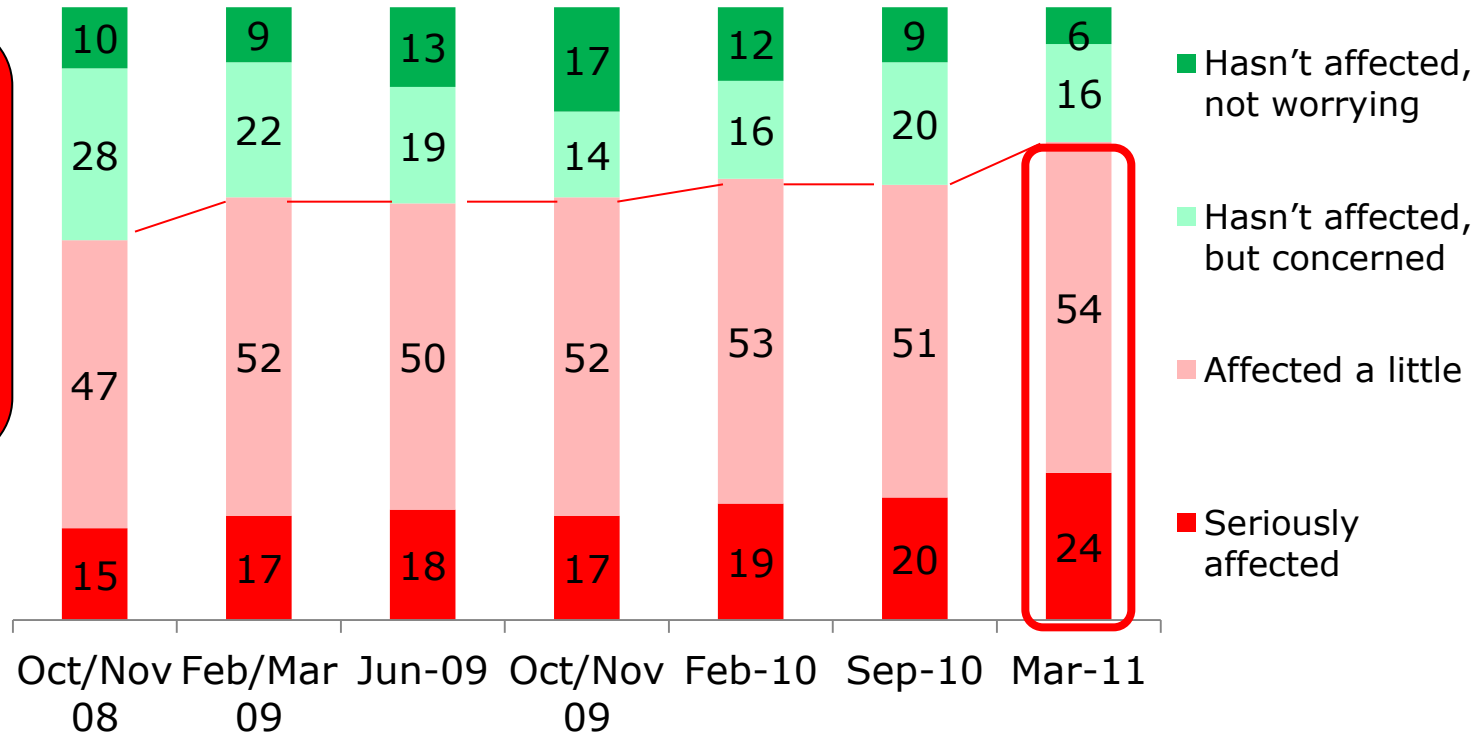


Q1. To what extent do you personally agree or disagree with the following statements about the economic downturn or credit crunch? Base: All respondents (1000+) Differences of c 5% are significant)

Slight rise in level of those actually affected, driven by 35-54 yr old and lower SEG groups

Impact of economic downturn (%)

Most affected:
 35-54 yr olds & C2DEs: 1/3 of these groups now seriously affected (was 1/4 across 2010)

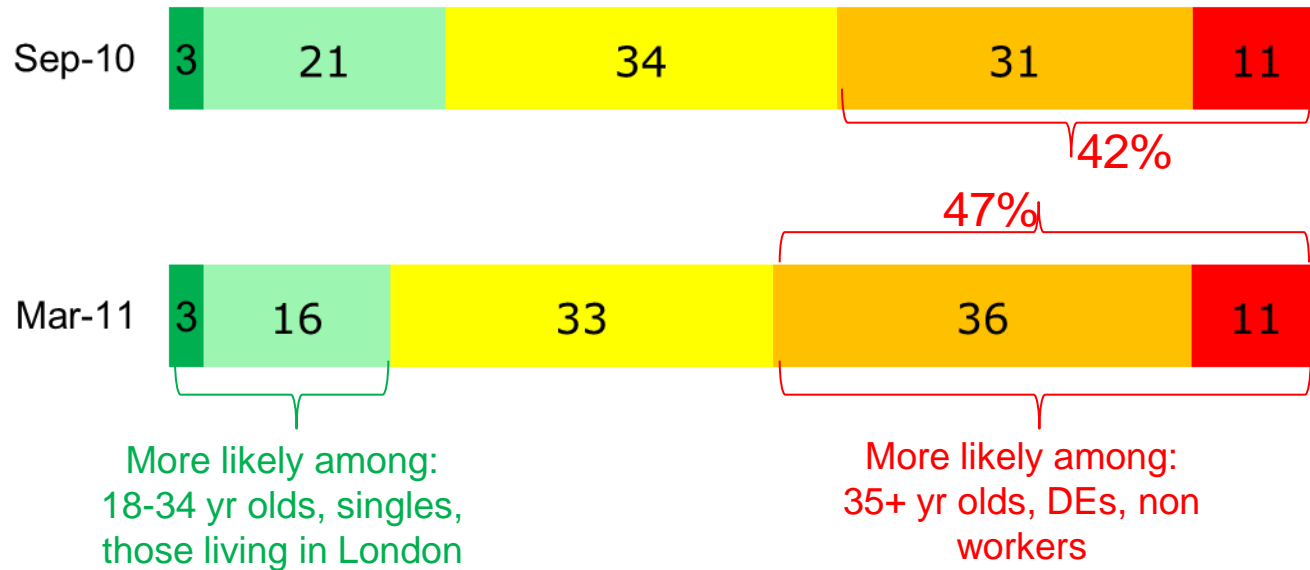


Q2. Which of the following best describes your feelings about the economic downturn or credit crunch?
 Base: All respondents (1000+) Differences of c 5% are significant)

Almost half now expect their financial situation to get worse next year

How expect personal financial situation to change in coming year (%)

■ Much better ■ A little better ■ No better or worse ■ A little worse ■ Much worse



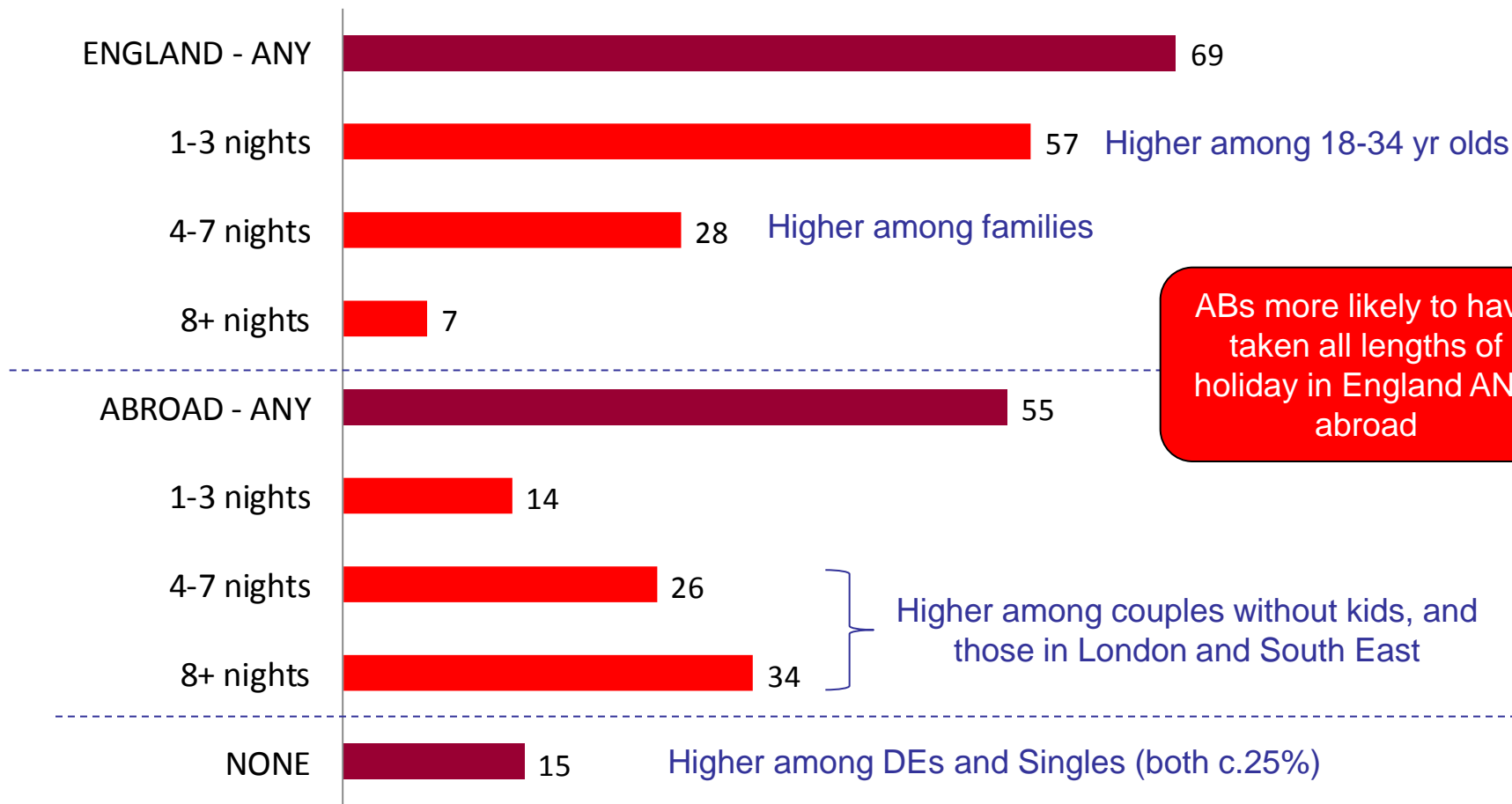
Q2b. Q2b: How do you think your personal financial situation will change in the coming year?

Base: All respondents (1000+)

7 in 10 took a holiday in England in 2010; 3 in 10 taking at least one of 4+ nights

- Longer holidays more likely to be taken abroad

% took holiday type in 2010



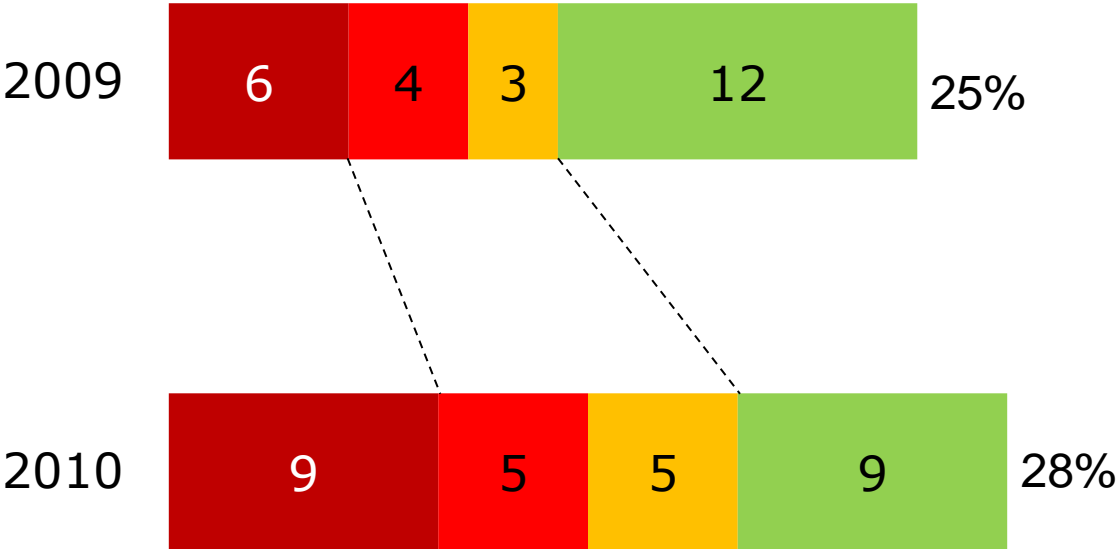
Q7 How many of each of these holidays did you take in 2010? Base: All 2010 respondents (1000+)

Switchers and Extras – A Reminder

- Switchers took at least one holiday in England that directly replaced a holiday they would have taken abroad
- Extras took more domestic holidays than they had done previously – in most cases, without giving up holidays abroad
- Together, these groups drove the uplift in domestic holidays in 2009 and 2010

Since 2009, the number of Switchers has increased – but more of them are reducing their overall number of UK breaks

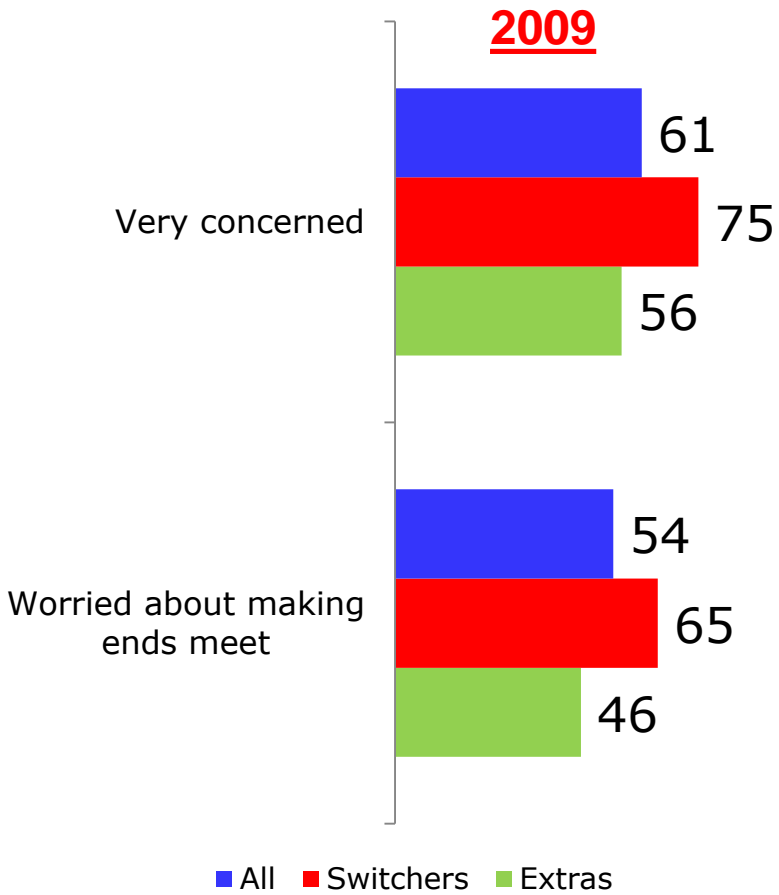
% Staycationer Types 2009 - 2010



- Switcher / Less UK Hol
- Switcher / Same UK Hol
- Switcher AND Extra
- Extra Only

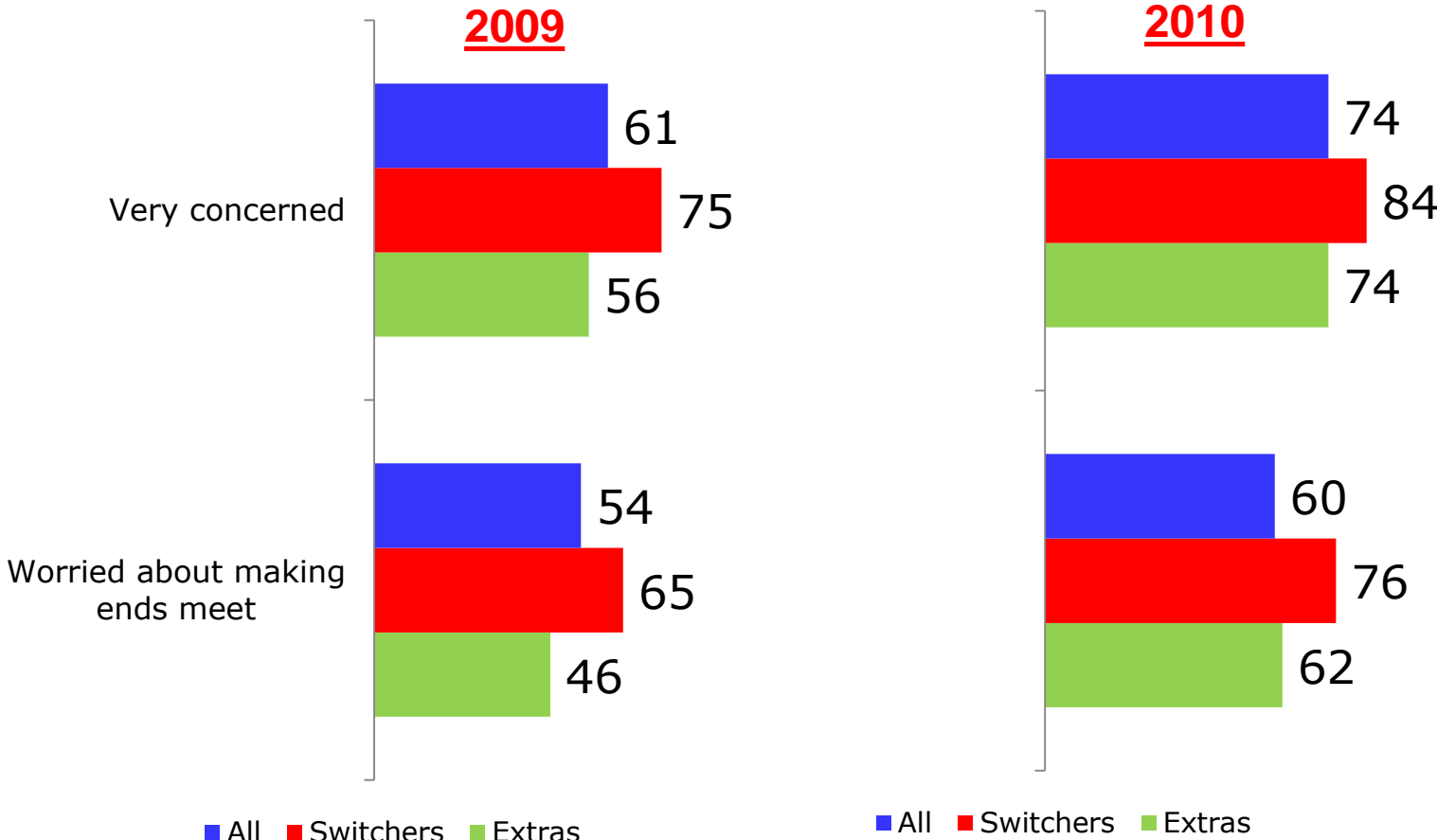
Extras now less protected from impact of downturn

% Agreement with Statements About Economy



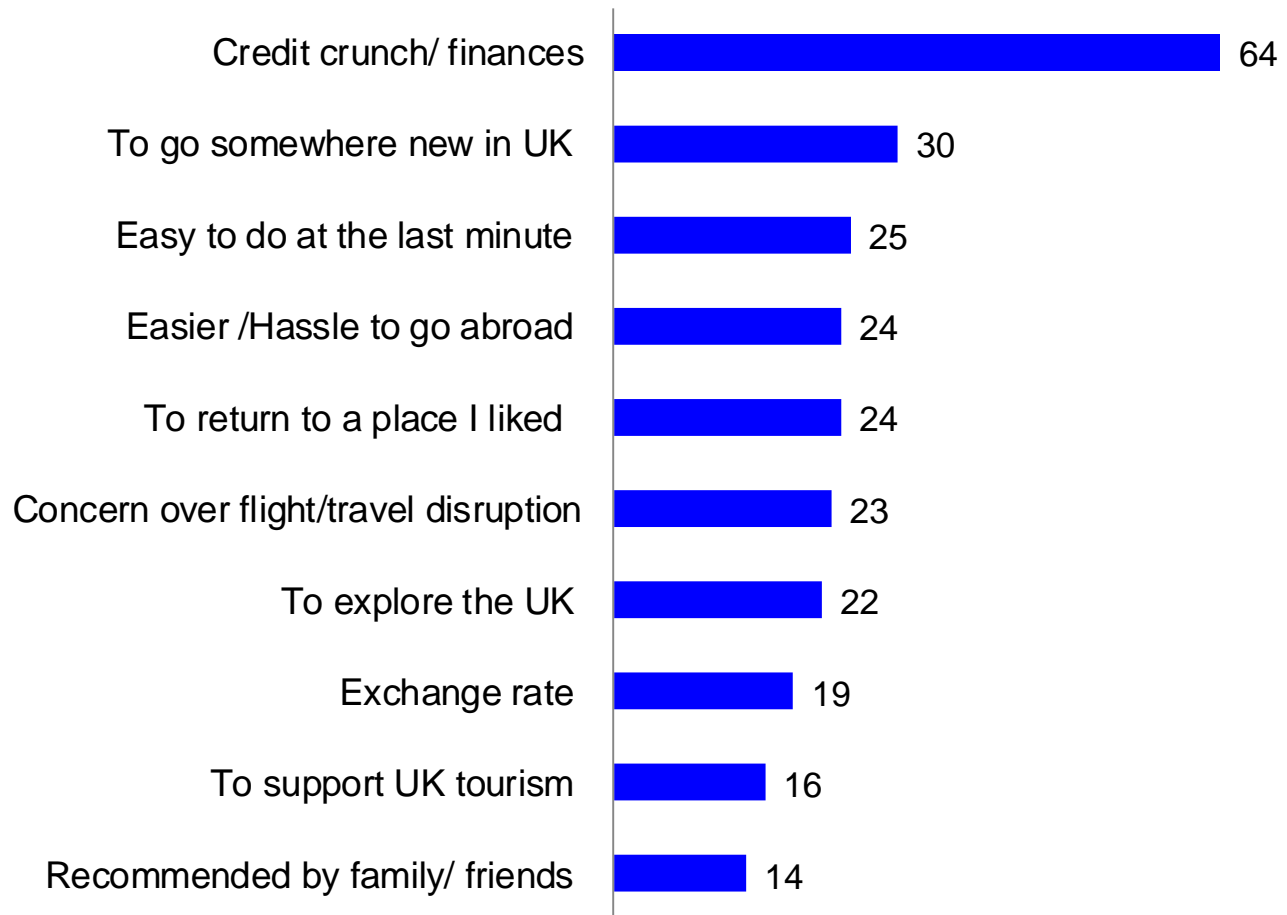
Extras now less protected from impact of downturn

% Agreement with Statements About Economy



Economy is the most frequent reason for "switching" (but not the only one)

ALL REASONS for replacing a holiday normally taken abroad with one in England

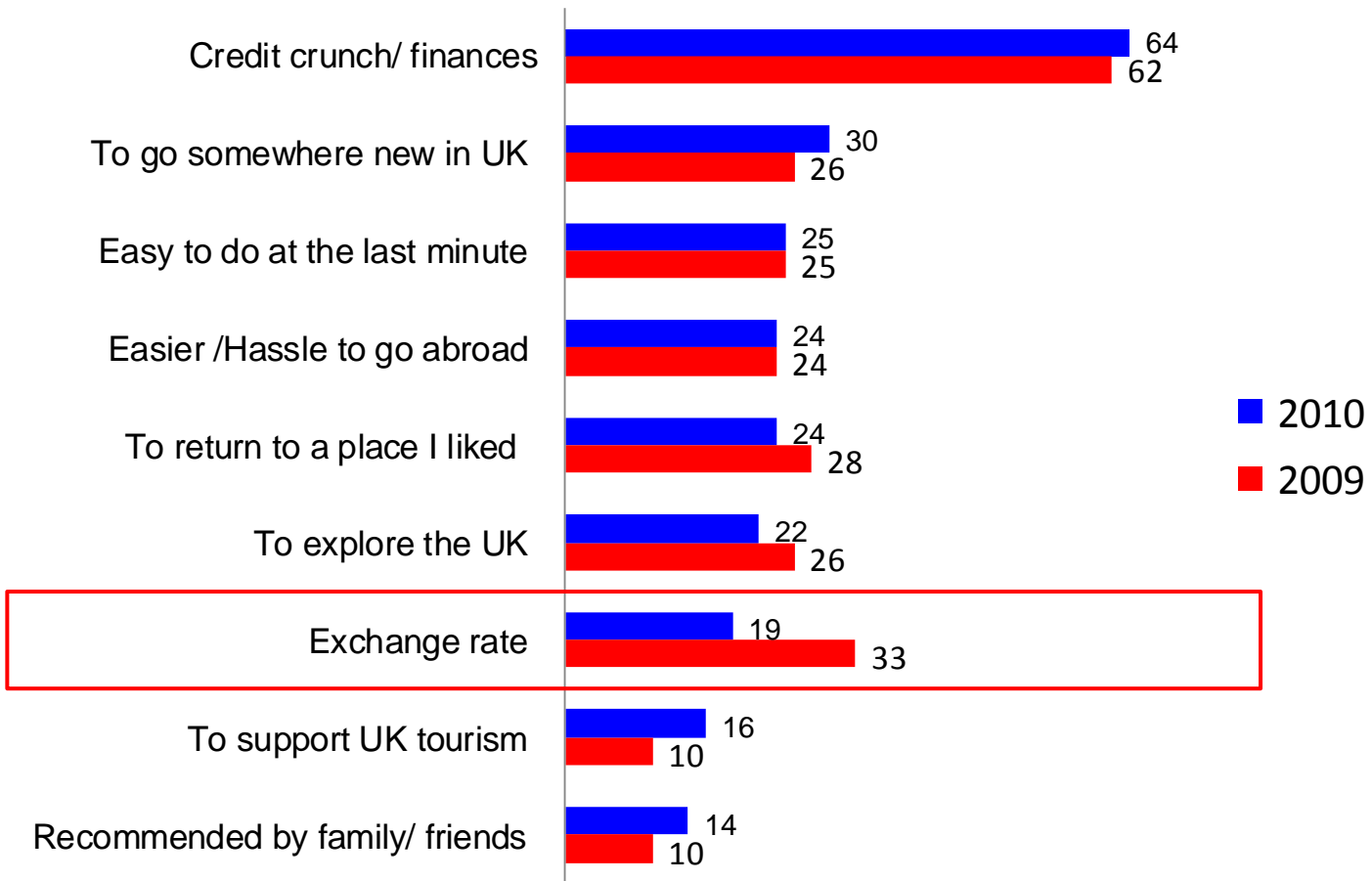


Base: Those taking hol in England that would normally have been taken abroad (2010=177)



Exchange rate less prominent – but motivations otherwise very similar to 2009

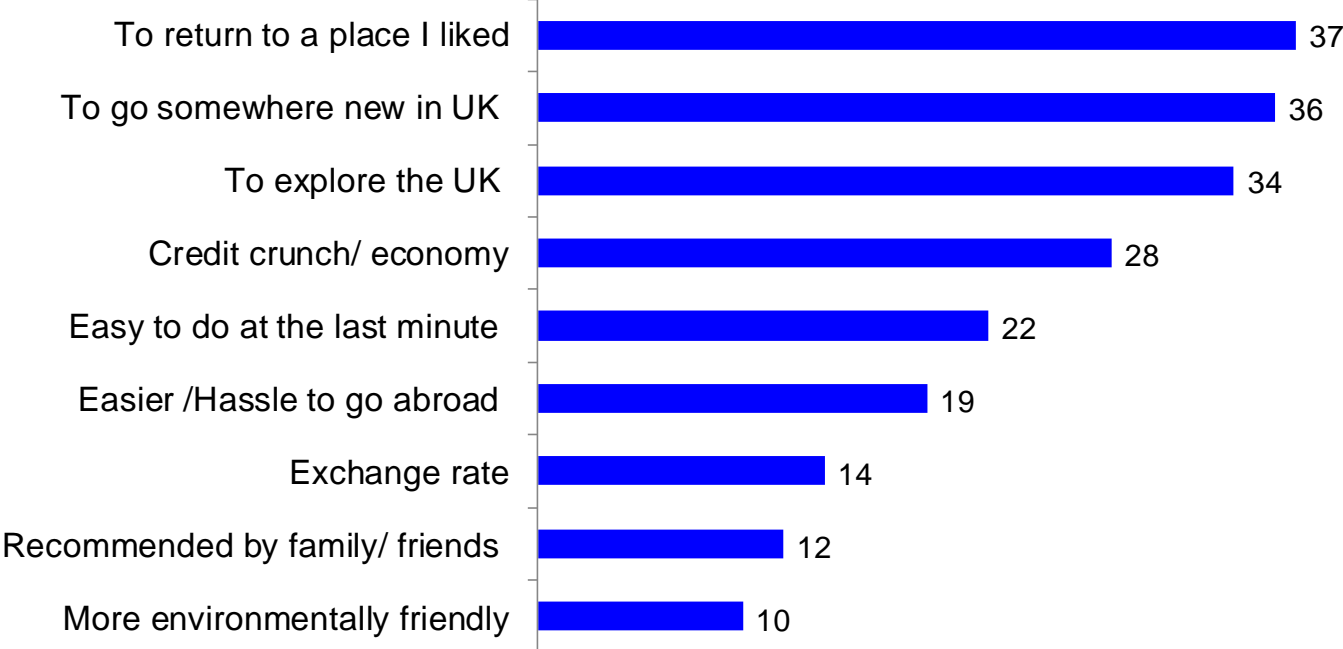
ALL REASONS for replacing a holiday normally taken abroad with one in England



Base: Those taking hol in England that would normally have been taken abroad (2009= 134, 2010=177)

Extras are driven much more by positive motivations

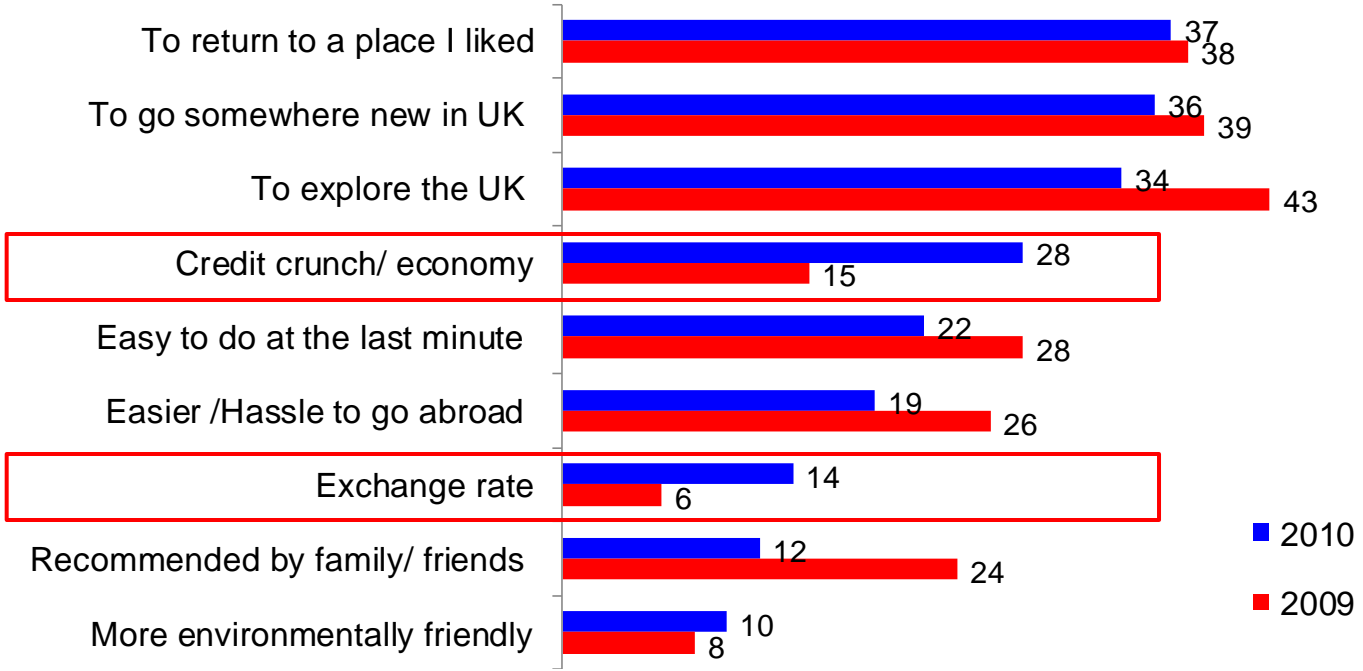
ALL REASONS for taking MORE holiday in UK
(among those not replacing a holiday normally taken abroad)



Base: Those taking more hol in England but not having switched from a holiday abroad (2009= 124 , 2010= 87)

BUT 2010 Extras more likely than 2009 Extras to have holidayed at home for financial reasons

ALL REASONS for taking MORE holiday in UK
(among those not replacing a holiday normally taken abroad)



Base: Those taking more hol in England but not having switched from a holiday abroad (2009= 124 , 2010= 87)



THE 2010 EXPERIENCE

- *How was the experience?*
- *How will this impact on 2011 plans...and beyond?*

England holidays continue to deliver a great experience

Rating of England holiday taken on: (%)



Q19. How would you rate this holiday/ break on? (Excellent, Very good, Satisfactory, Poor, Very poor)

Weather perceptions similar in 2010 and 2009

Weather on Holiday

Good

Mixed

Poor

2010 holiday

(2009 holiday)



- As may be expected, the weather affects the overall rating of the holiday

Holiday Experience

% Excellent/Very Good

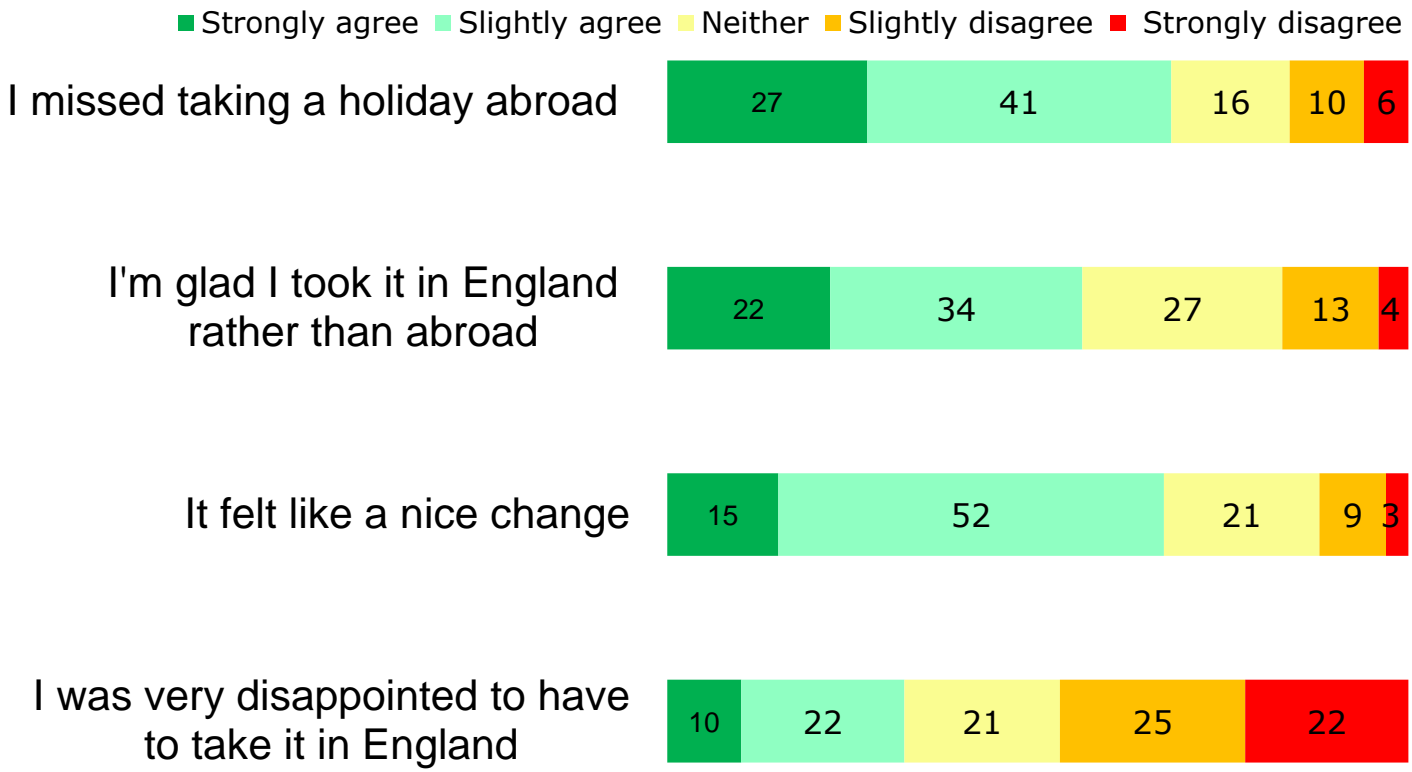
91%

82%

61%

Although 7 in 10 Switchers missed taking a hol abroad, most felt it was a nice change

Attitudes to taking a holiday in England rather than abroad in 2010 (%)



Q9c/3e To what extent do you personally agree/disagree with the following statements about replacing your holiday abroad with one in England? Base: Those taking hol in England that would normally have been abroad (2009: 155 -asked in Sept '10, 2010: 177)



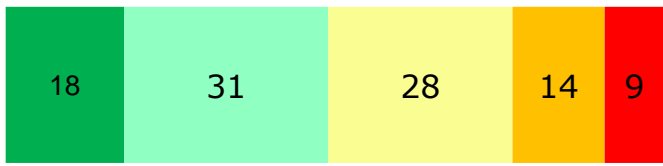
6 in 10 Switchers want to take more holiday in England as a result of holidaying here

- Though half are motivated to want a holiday abroad next time

Attitudes to taking a holiday in England rather than abroad in 2010 (%)

■ Strongly agree ■ Slightly agree ■ Neither ■ Slightly disagree ■ Strongly disagree

It made me want to take a holiday abroad next time



It made me want to take more holidays in England



Q9c/3e To what extent do you personally agree/disagree with the following statements about replacing your holiday abroad with one in England? Base: Those taking hol in England that would normally have been abroad (2009: 155 -asked in Sept '10, 2010: 177)

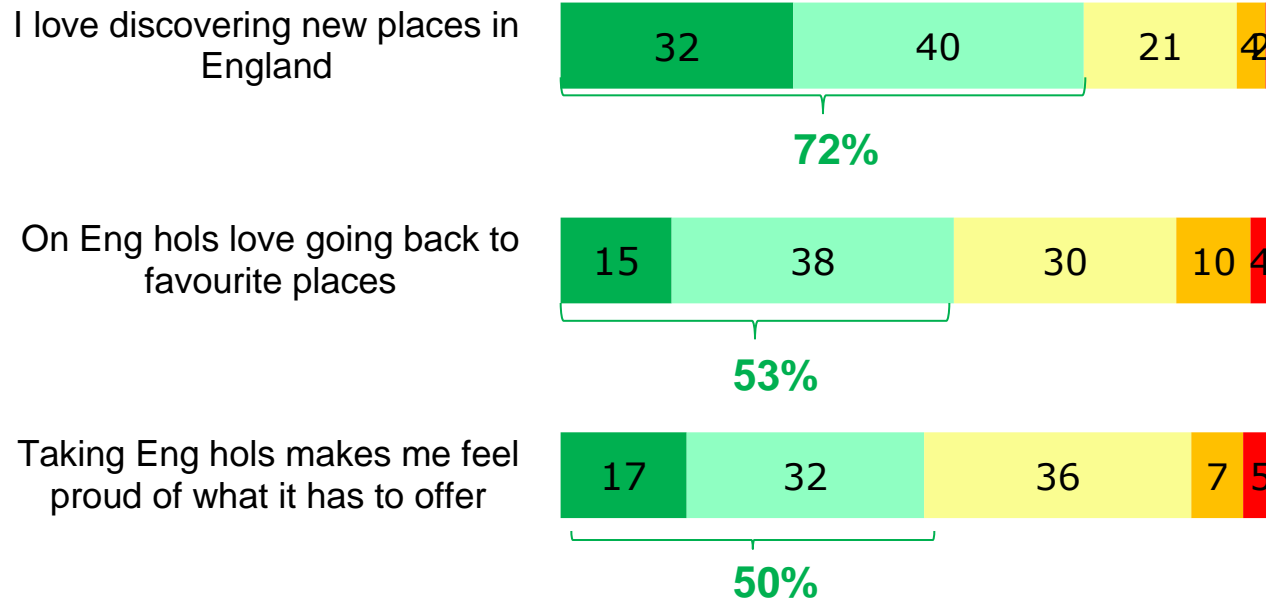
The consumer doesn't necessarily see domestic and overseas breaks as mutually exclusive!

	All Switchers	Switchers Agreeing "I missed taking a holiday abroad"	Switchers agreeing "It felt like a nice change"
It made me want to take a holiday abroad next time	49%	66%	43%
It made me want to take more holidays in England	61%	54%	76%

Discovering *new* places in England is key, and half feel pride in holidaying at home

Attitudes to taking a holiday in England (%)

■ Strongly agree ■ Slightly agree ■ Neither ■ Slightly disagree ■ Strongly disagree



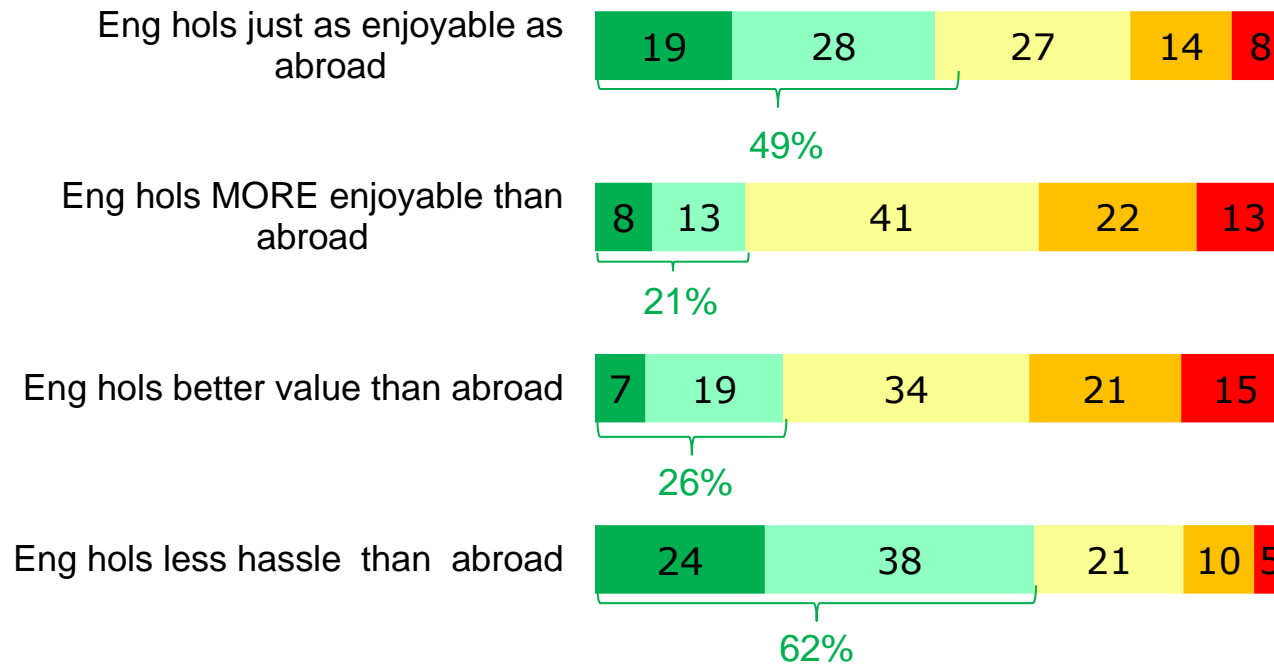
Q10a To what extent do you personally agree or disagree with the following statements about taking a holiday in England?

Base: All (1000+)

England breaks are less hassle – but value is still a concern

Attitudes to taking a holiday in England (%)

■ Strongly agree ■ Slightly agree ■ Neither ■ Slightly disagree ■ Strongly disagree



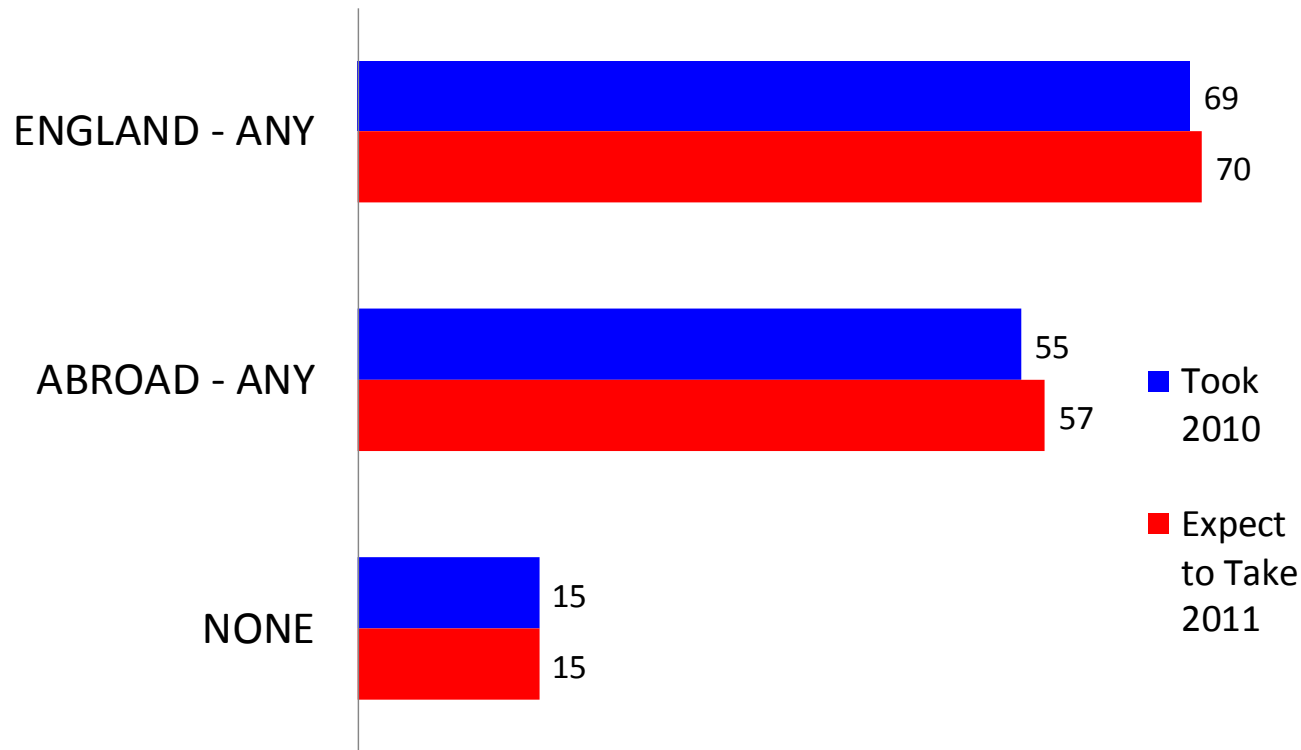
Q10a To what extent do you personally agree or disagree with the following statements about taking a holiday in England? Base: All

2011 AND BEYOND

- *What holidays are people expecting (hoping?) to take in 2011?*
- *Hopes for holidays in a stable economic climate*

2011 patterns expected to be similar to 2010

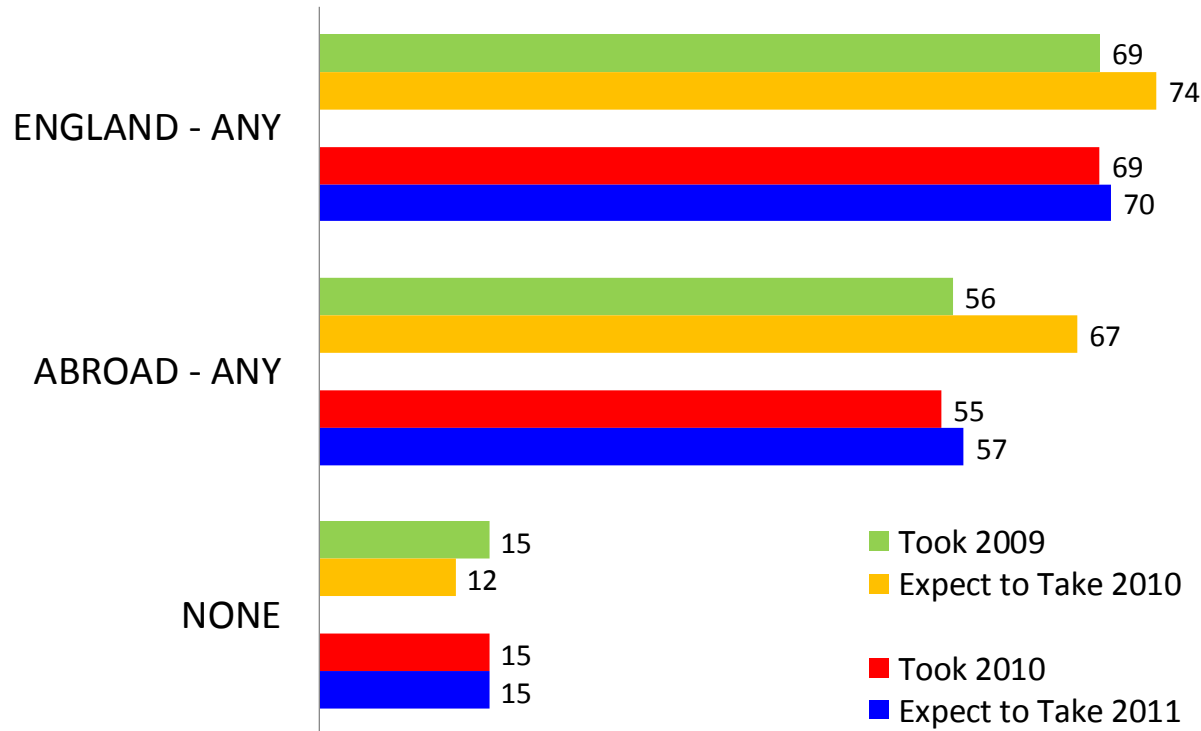
% took 2010 / expecting to take holiday type in 2011



Q12 How many of each of these holidays do you think you'll take this year, in 2011? Base: All 2010 respondents (1000+)

Less optimism now than in early 2010 – especially about overseas breaks

% expecting to take holiday type in 2011

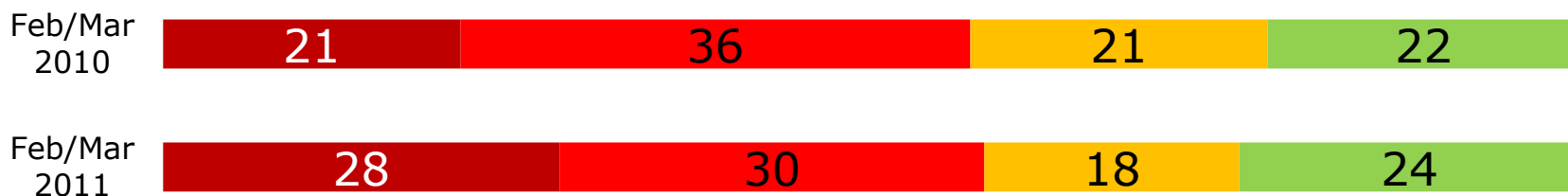


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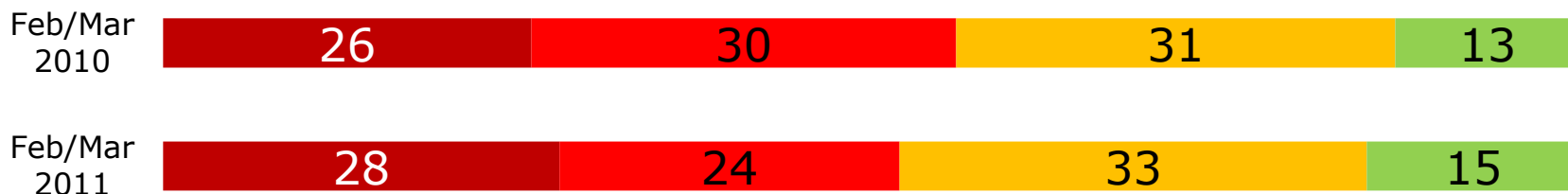
Some evidence of earlier booking this year – and opportunity to convert the 1 in 4 who “haven’t thought about it yet”

Booking Expectations early 2010 vs early 2011

England Holiday



Holiday Abroad

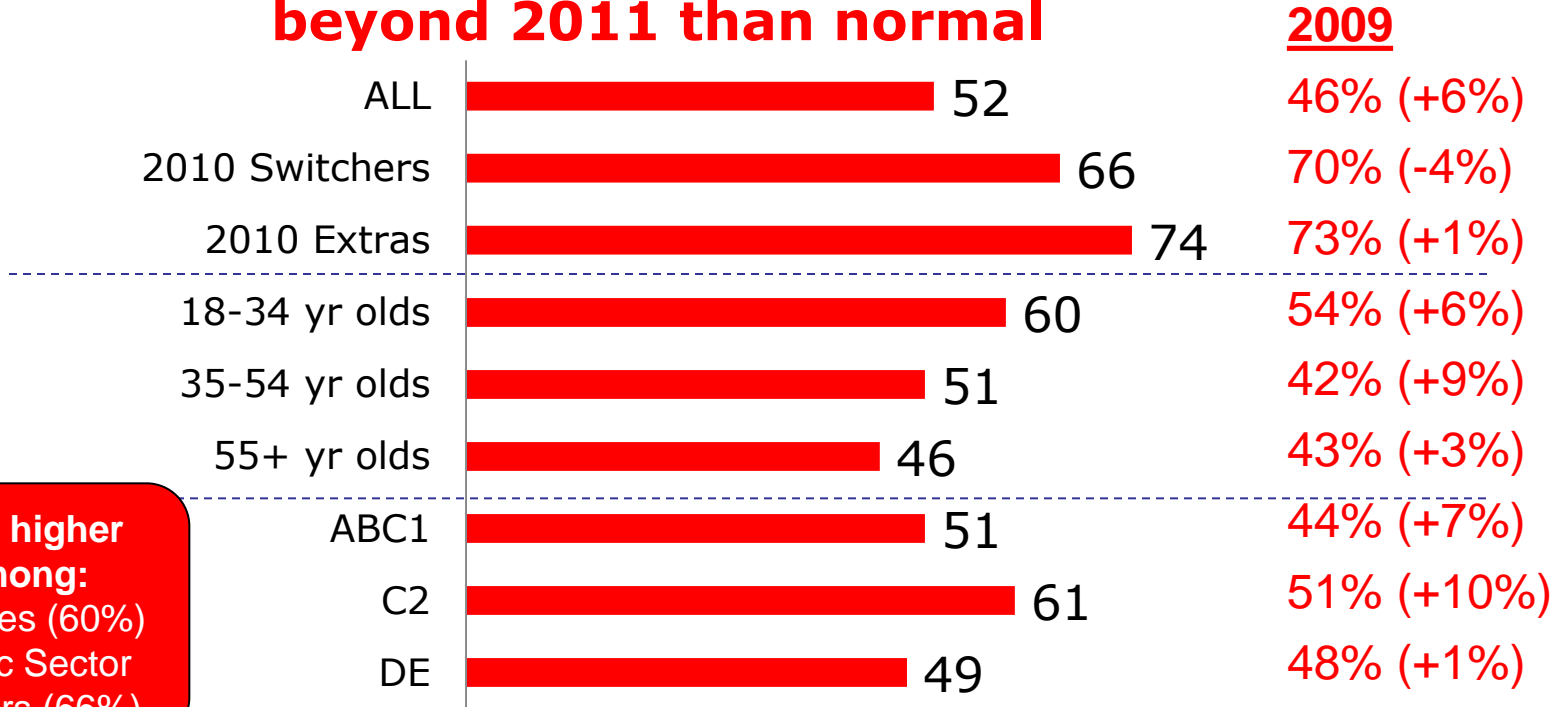


■ Already Booked ■ Likely, Not booked ■ Unlikely ■ Haven't thought

Expectation that more domestic breaks will be taken in future has increased since 2009

- Though this may reflect fears of longer term financial constraints

% likely to take more holiday in UK beyond 2011 than normal

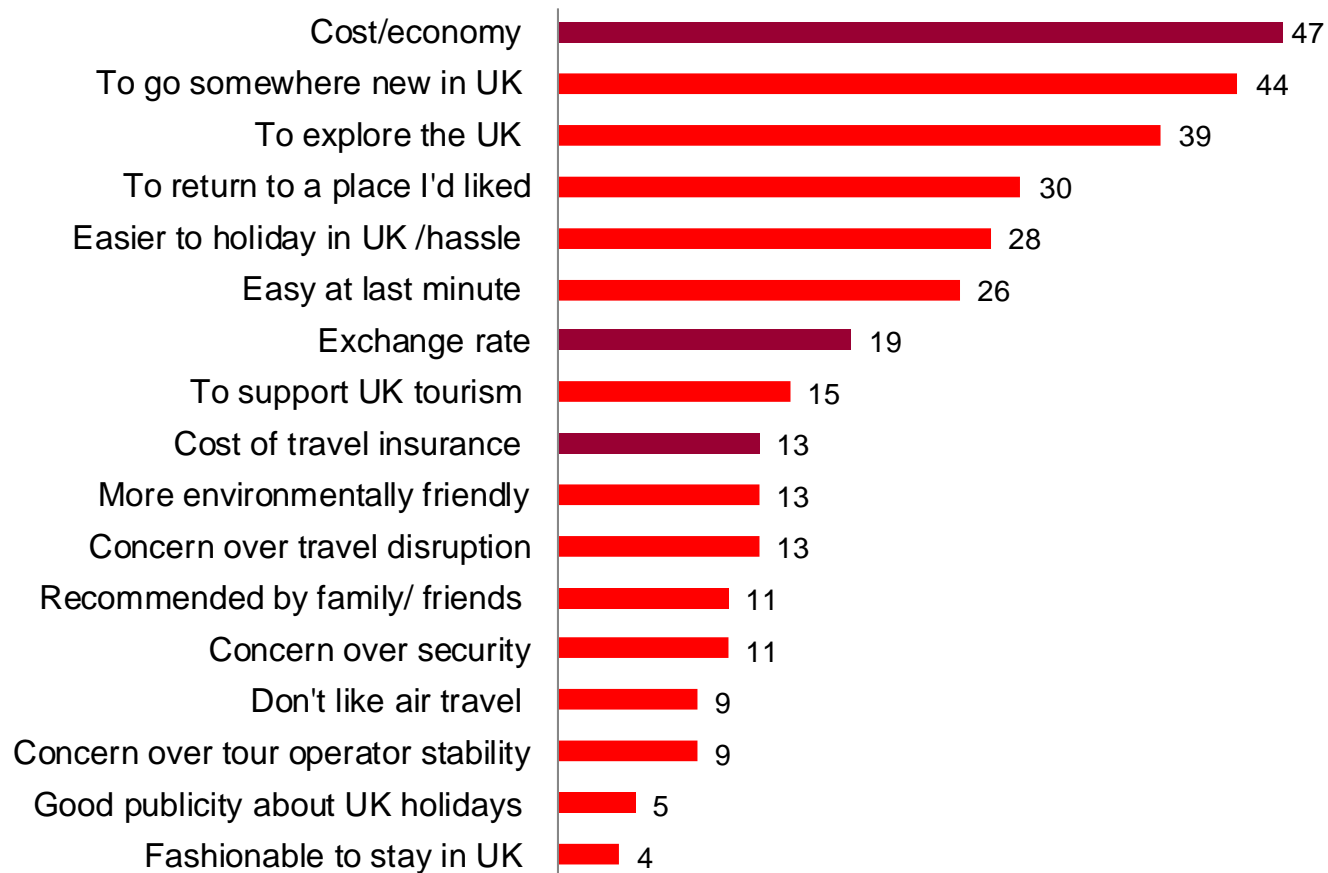


Also higher among:
 Families (60%)
 Public Sector workers (66%)

Q14a In future, beyond 2011, do you think you'll continue replacing holidays you normally took abroad with holidays in the UK?
 OR In future, beyond 2011, do you think you'll continue to take more holidays in the UK than you used to?
 OR In future, beyond 2011, do you think you'll take more of your holidays in the UK than you've normally taken? Base All (1000+)

Reasons are a mix of finance and positive aspects of domestic breaks

Reasons for being likely to take more UK hol than normal beyond 2011 (%)

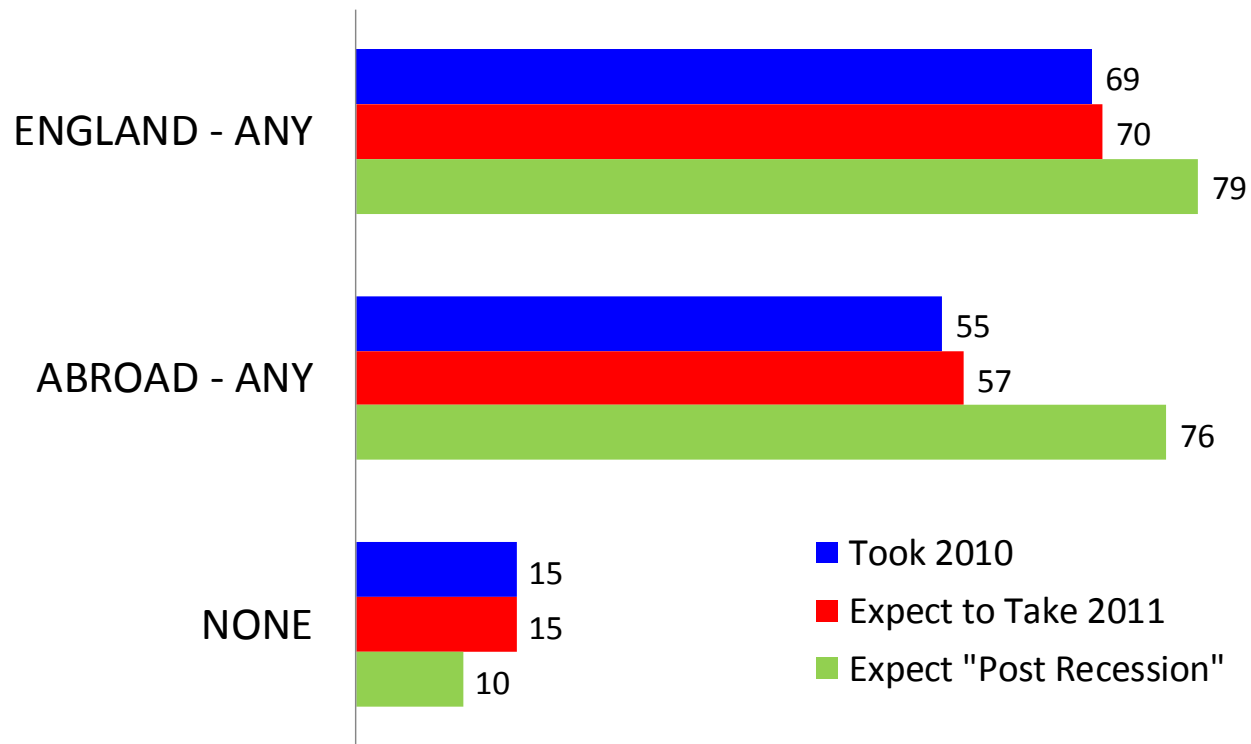


Q14B Why are you likely to take more UK hol in future, beyond 2011 than you've normally taken?

Base: Those likely to take more UK hol in future, beyond 2011 than normally taken(2010=519)

Expectations of more foreign holidays “post recession” – but not at the expense of England breaks

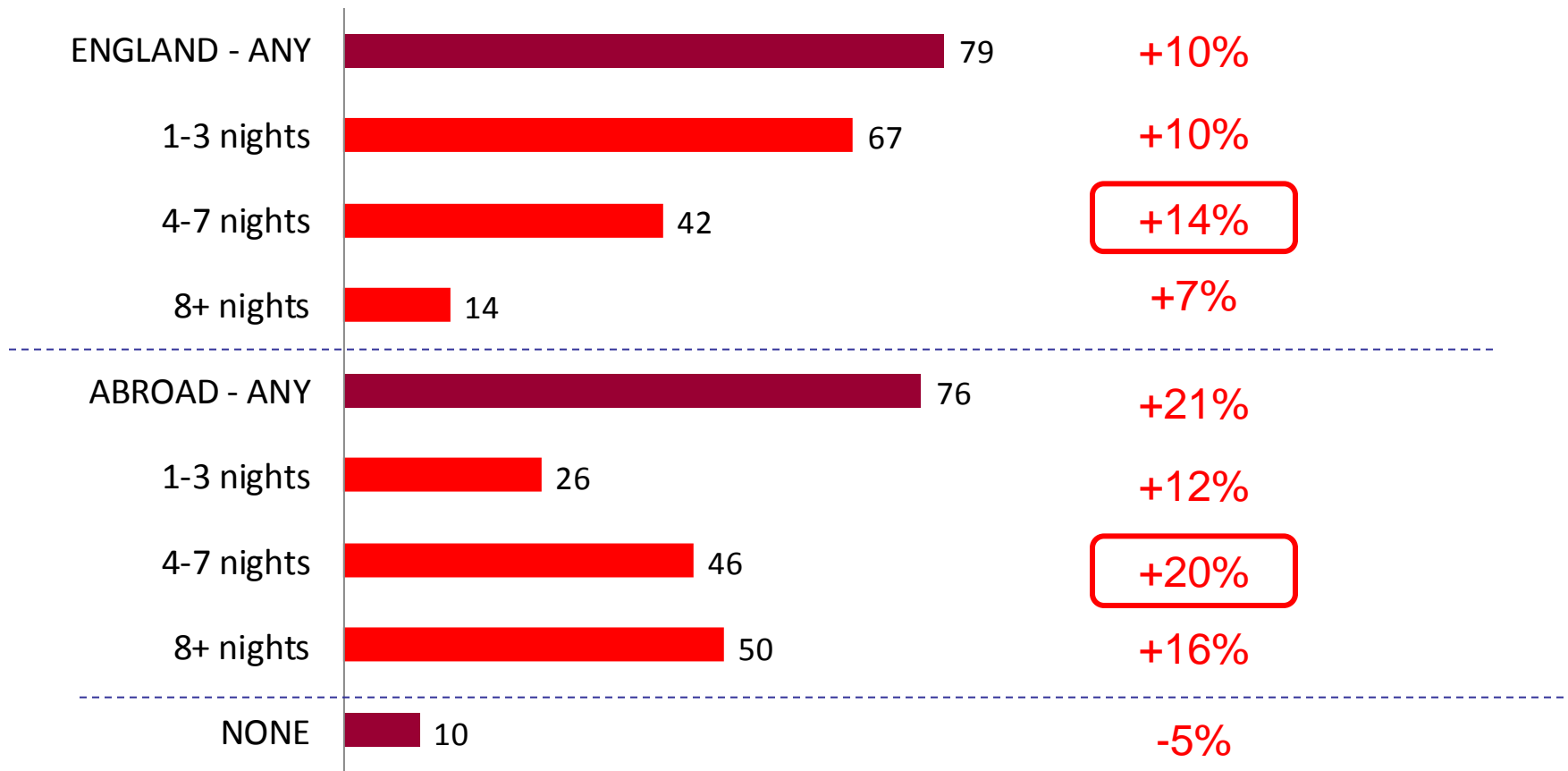
% took hol 2010/will take 2011/expect to take “post recession”



Q12 How many of each of these holidays do you think you'll take this year, in 2011? Base: All 2010 respondents (1000+)

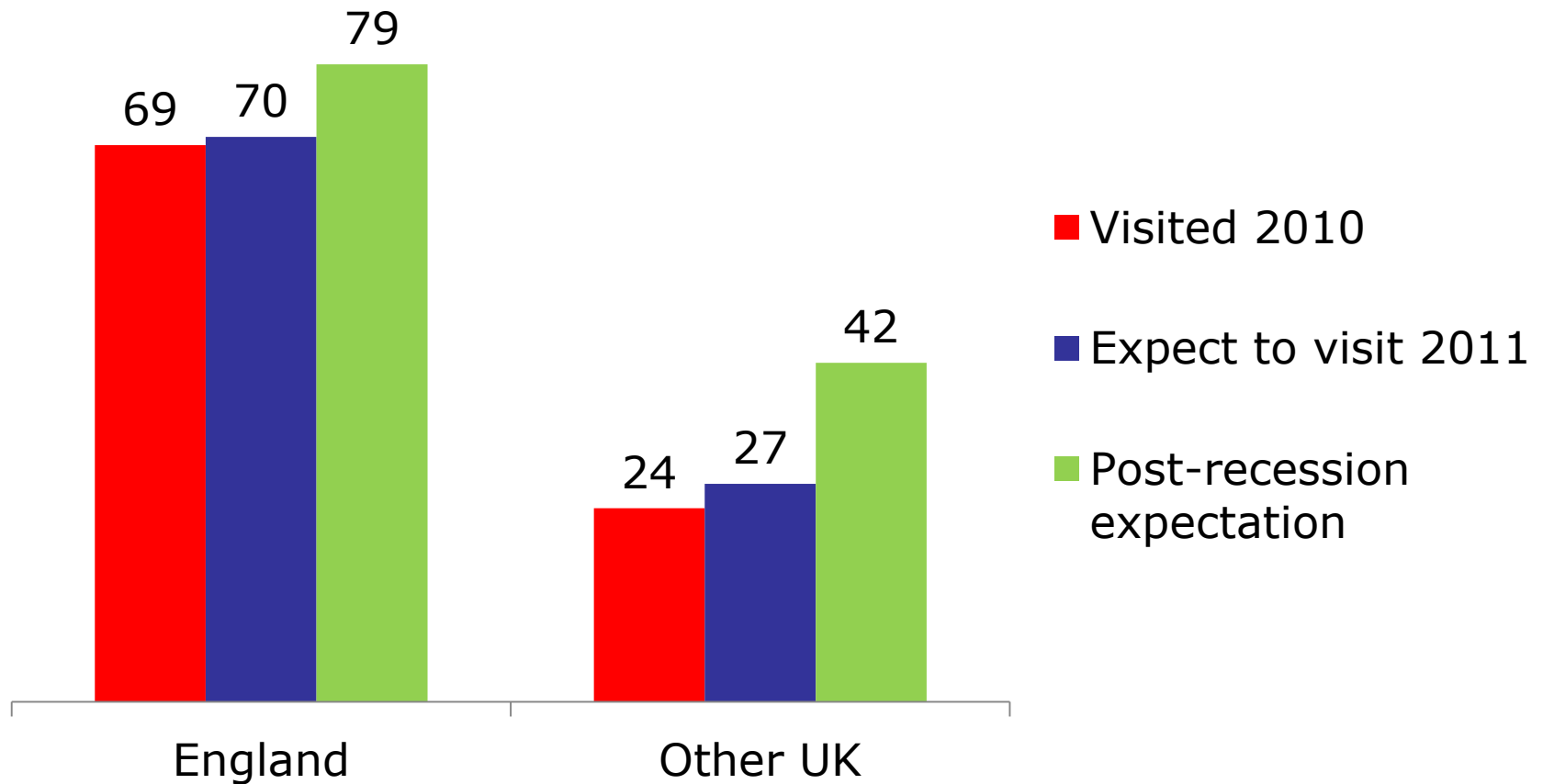
'Post recession', greater expectation of longer foreign breaks – with mid-length as the real battleground for share of repertoire

% expect to take holiday type in 'stable future' Change from % in 2010



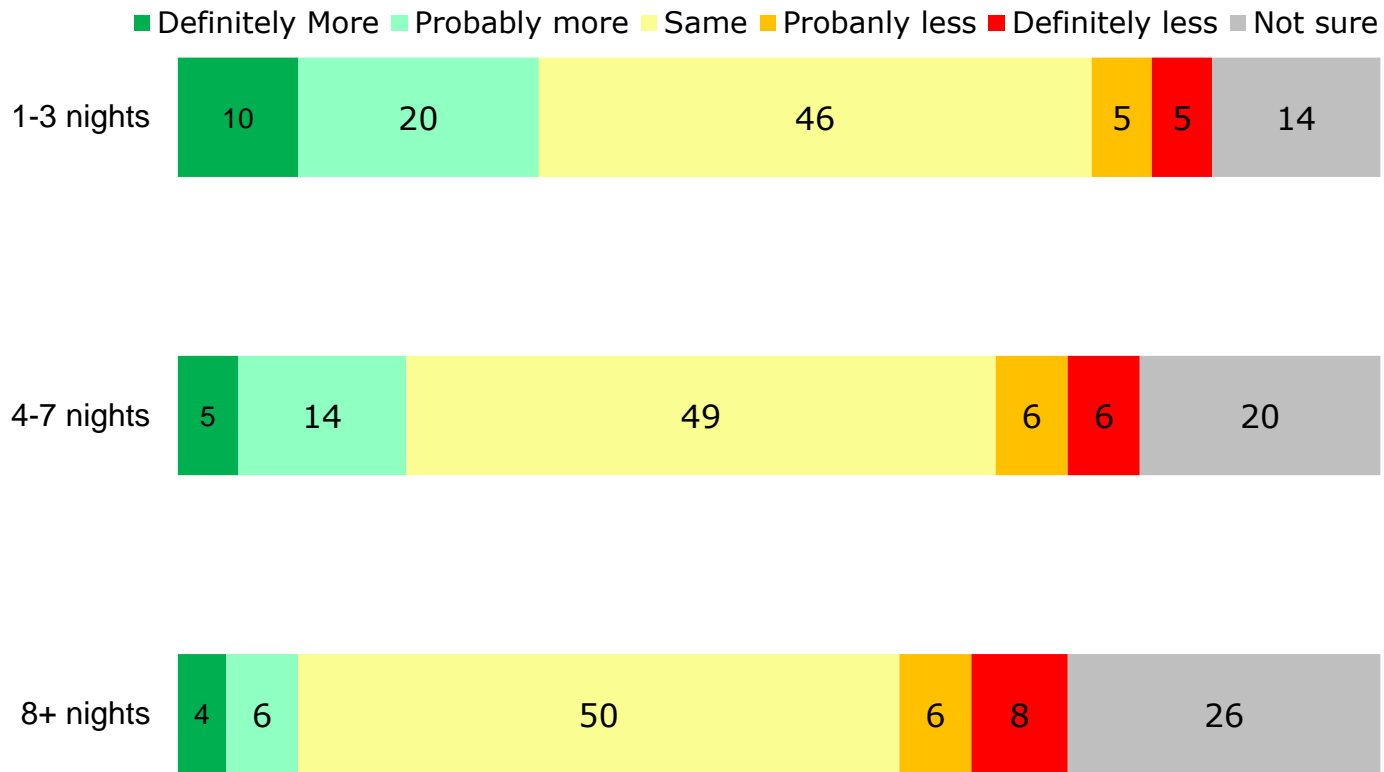
Q13b If the economic situation stabilises, how many of each type do you think you'll tend to take in future years? Base: All (1000+)

Aspiration to visit other UK nations “post recession” (comms driven?) is both an opportunity and a threat



Beyond 2011, expectation of more 1-7 night England breaks – but fewer 8+ nights

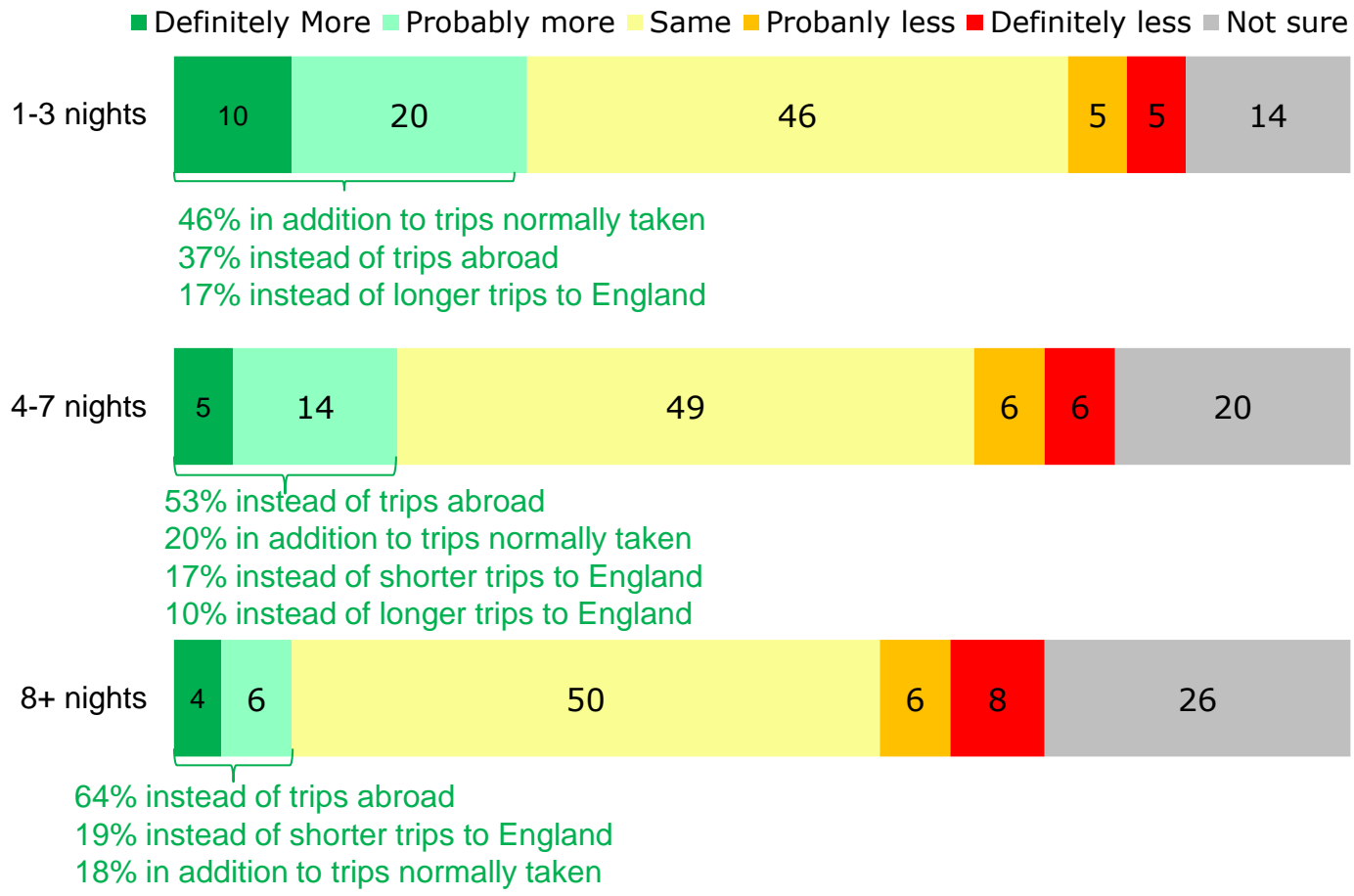
- 18-34 yr olds, ABs and families more likely to take more of each type
Expected change in breaks within England beyond 2011 vs pre credit crunch (%)



Q15a. Beyond 2011, how will the number of breaks you take within England change compared to the number you normally tended to take a couple of years ago, before the credit crunch? Base: All (1000)

Increased short breaks will be incremental, longer (4+) nights will replace overseas trips

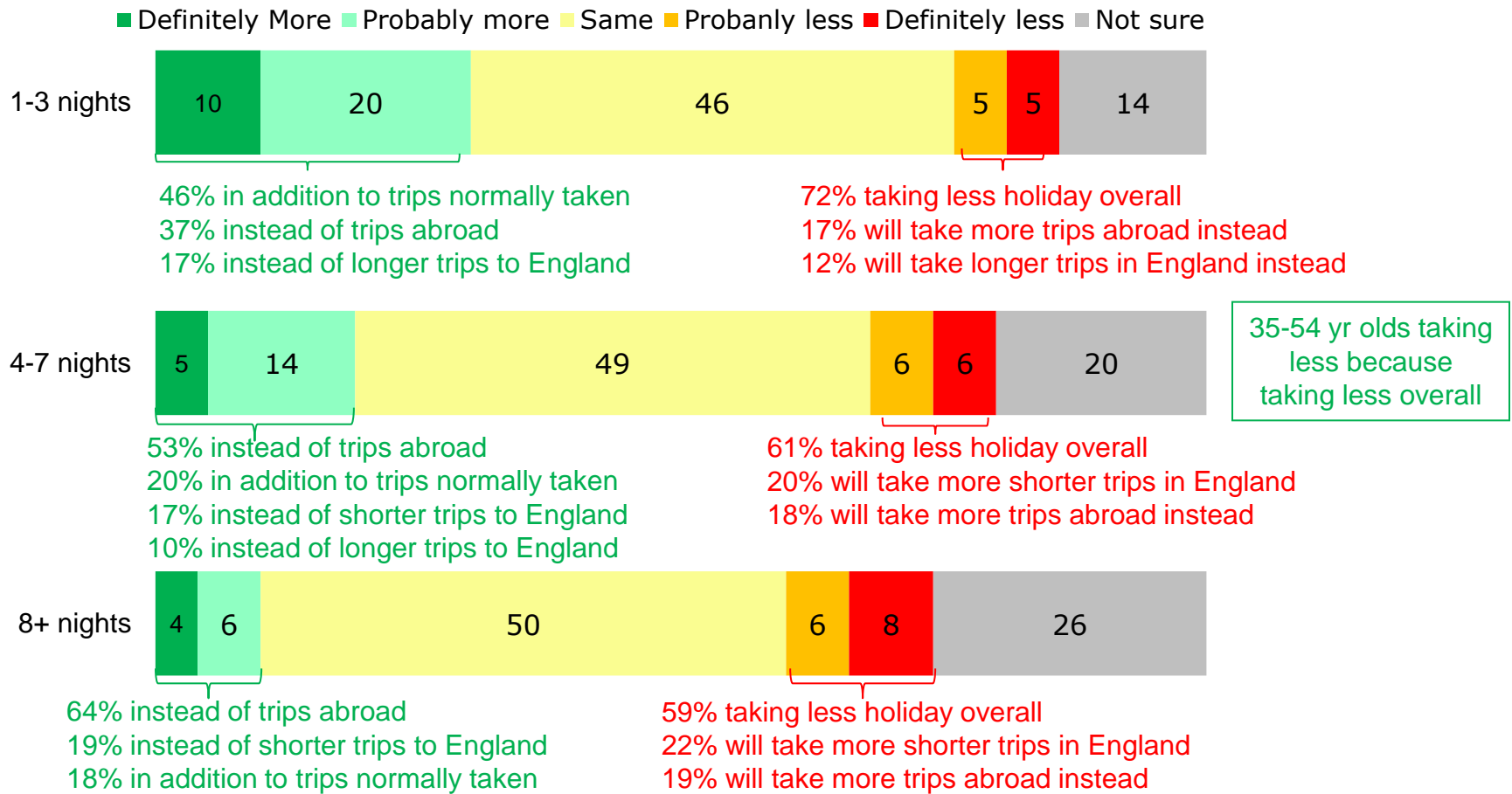
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Anticipated future reduction in England trips generally due to decreased holiday taking rather than switching overseas

Expected change in breaks within England beyond 2011 vs pre credit crunch (%)



Q15a. Beyond 2011, how will the number of breaks you take within England change compared to the number you normally tended to take a couple of years ago, before the credit crunch? Base: All (1000)

CONCLUSIONS

Conclusions

- ❑ Pessimism about the economy, and about consumers' personal financial situation, has increased sharply over the past 6 months
 - Degree to which fears are realised is bound to impact 2011 behaviour
- ❑ The Staycation continued in 2010, with 2 in 10 taking a break in England that would otherwise have been abroad
 - Mainly due to financial reasons, but also for positive appeal of an England break
 - Signs that "Extras" are being affected by financial pressures
- ❑ 2011 holidays are expected to be similar to 2010
 - Less optimism about increased trip taking than at the same time last year
- ❑ Once through the recession, people hope to reinstate trips abroad
 - Though this is unlikely to be at the expense of the England holiday, also expected to increase
 - 4-7 night trips likely to be a key battleground for share of repertoire
- ❑ 18-34 year olds and families in particular are likely to continue taking more holidays in England, in 2011 & beyond
 - Their positive reasons for doing so (exploring new places, in an easy, hassle free way) should be tapped into with communication, to help convert their intent to action
 - Value perceptions still a challenge

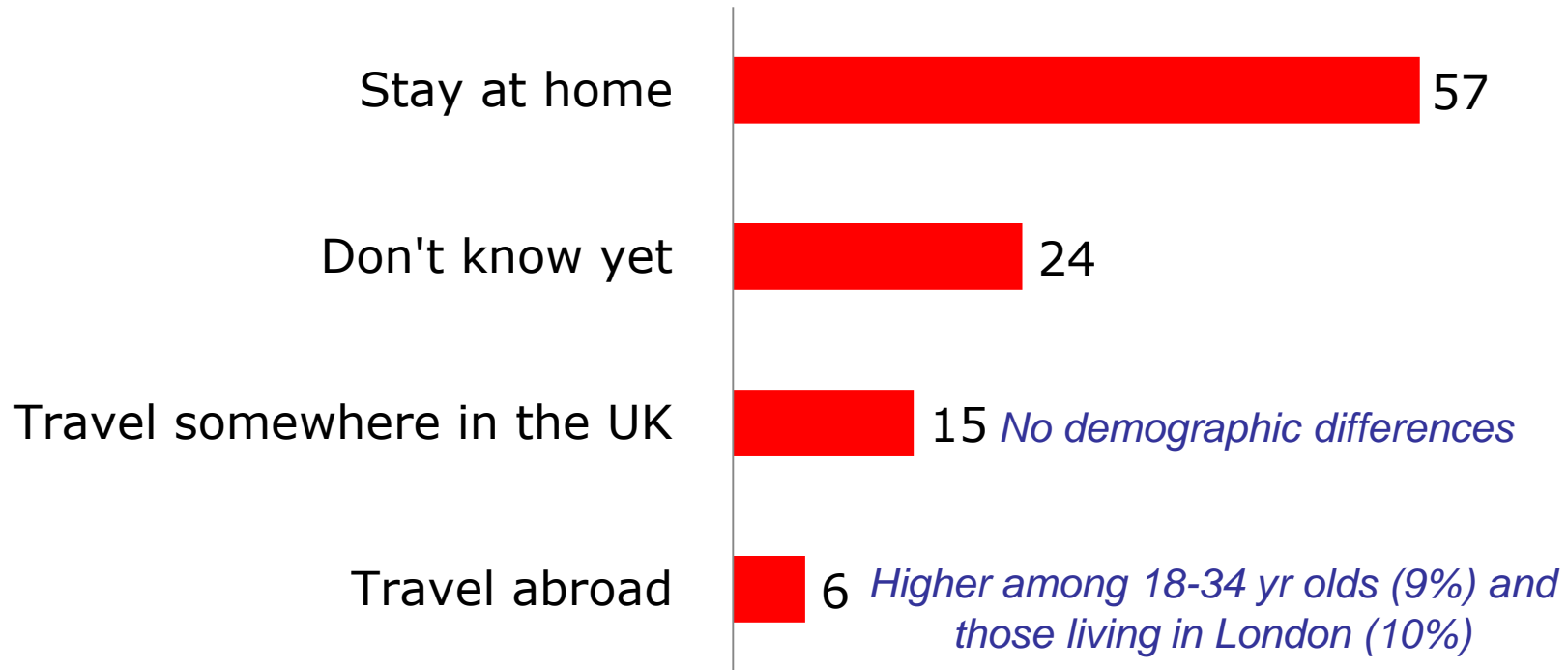
THE ROYAL WEDDING!

Who will be watching it?

What will people do over the long bank holiday weekend?

Twice as many likely to travel in UK over the bank holiday weekend as to go abroad

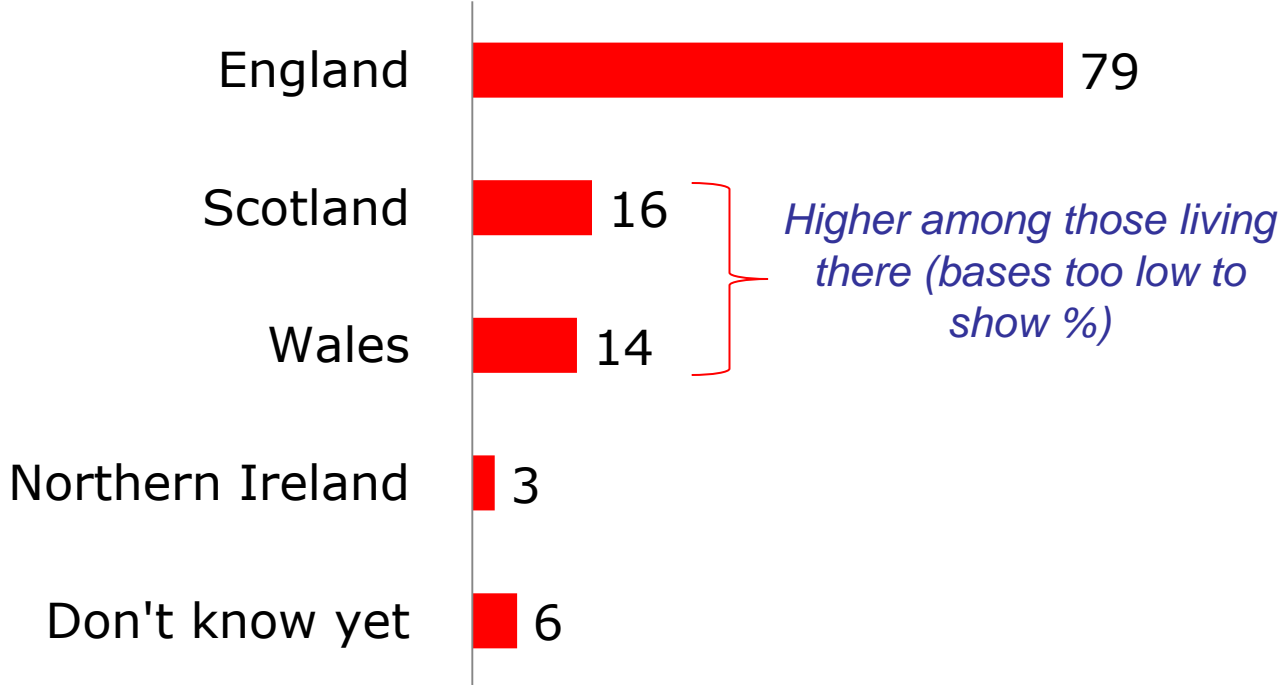
Which most likely to do over long Bank holiday weekend (%)



Q27. There will be an additional Bank Holiday this year on 29th April to help celebrate the wedding of Prince William and Kate Middleton which takes place that day. The May Day Bank Holiday on the following Monday, 2nd May, makes this a long bank holiday weekend. Which are you most likely to do on that extra Bank Holiday Weekend?? Base All (1000+)

8 in 10 travelling in UK will do so in England

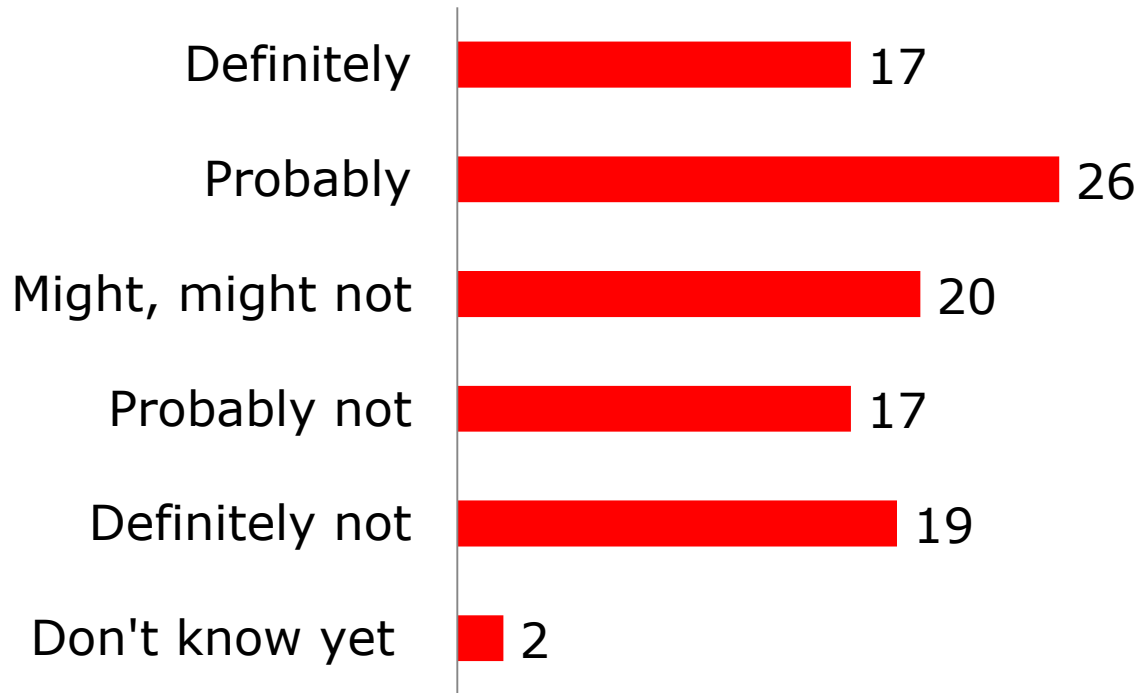
Where plan to travel in UK over long Bank holiday weekend (%)



Q28. Where do you plan to travel in the UK?
Base Those planning to travel in UK over the weekend (150)

c. 4 in 10 likely to watch the wedding, higher among women (53%) than men (33%)

Likelihood of watching Royal Wedding (%)



Q29. Do you think you will watch the Royal Wedding?
Base All (1000)

Most will watch the Royal Wedding at home

- Only those living in London at all likely to go to watch it first hand

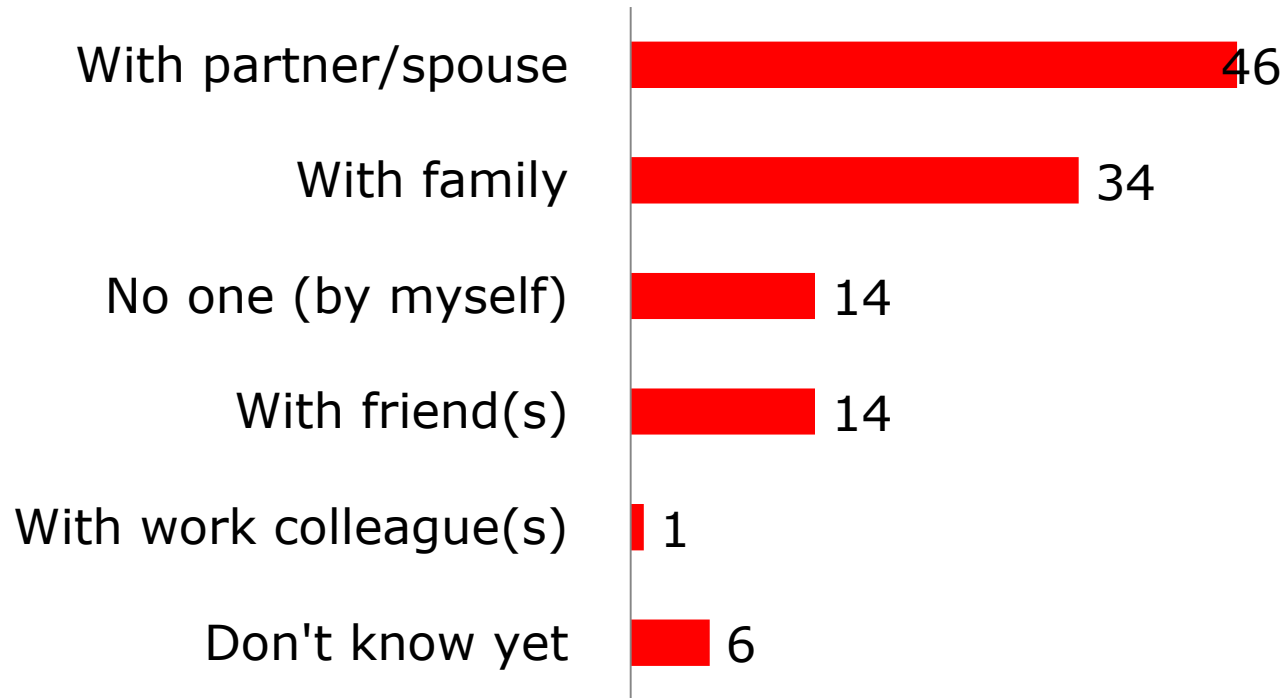
Where likely to watch Royal Wedding (%)



Q30. Where is the main place you expect to watch the Royal Wedding?
Base Those who expect to watch the Royal Wedding (434)

Most will watch the Royal Wedding with their partner/family

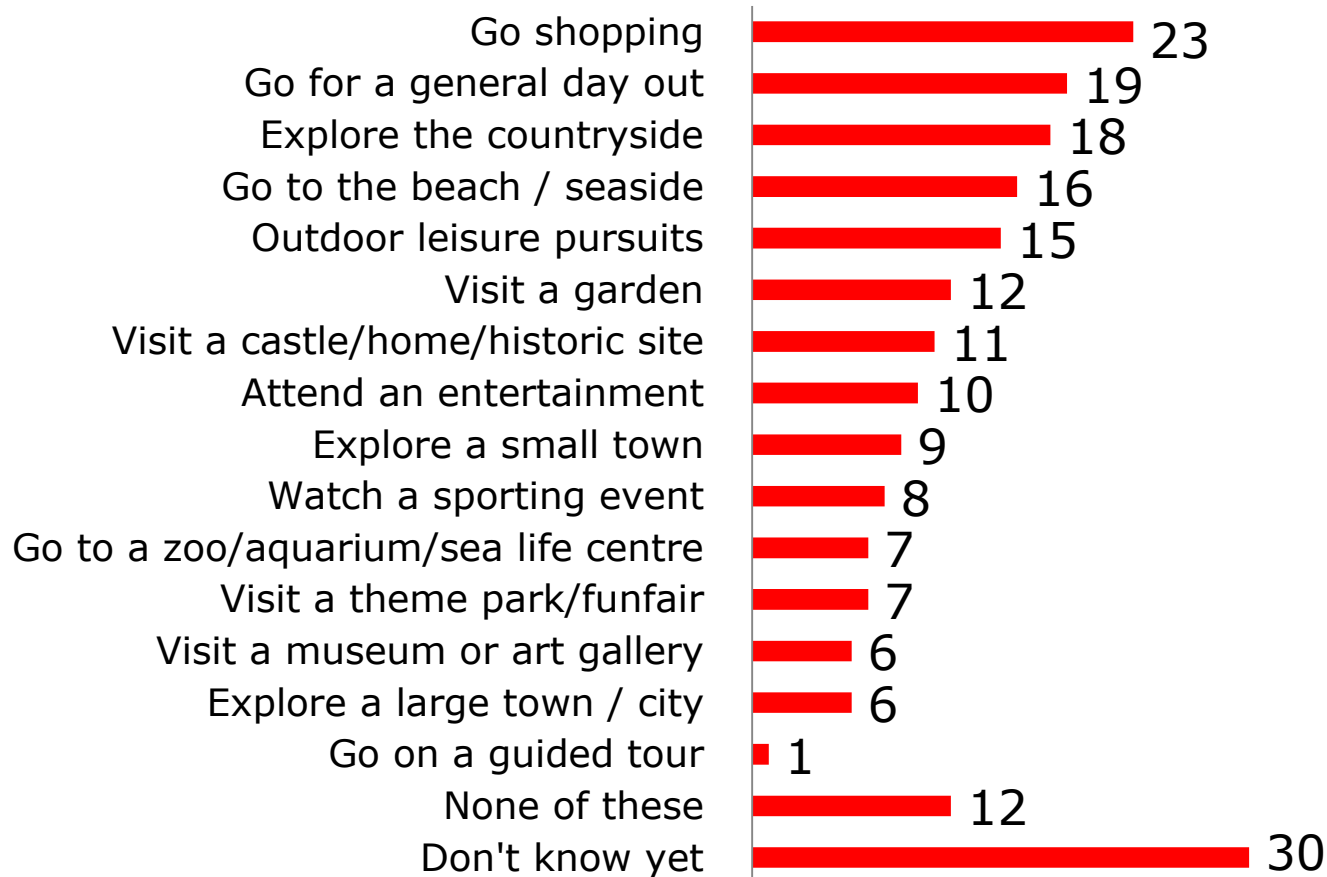
Who likely to watch Royal Wedding with (%)



Q31. Who do you think you'll be watching it with?
Base Those who expect to watch the Royal Wedding (434)

Shopping, a day out, to the country/beach most likely activities over the long weekend

What most likely to do over Bank Holiday weekend (%)



Q32. And over the Bank Holiday weekend, which of the following do you expect to do? Even if you are not sure of your plans please select those you are most likely to do, Base All (1000)