

Domestic Overnight Travel Spending Breakdown

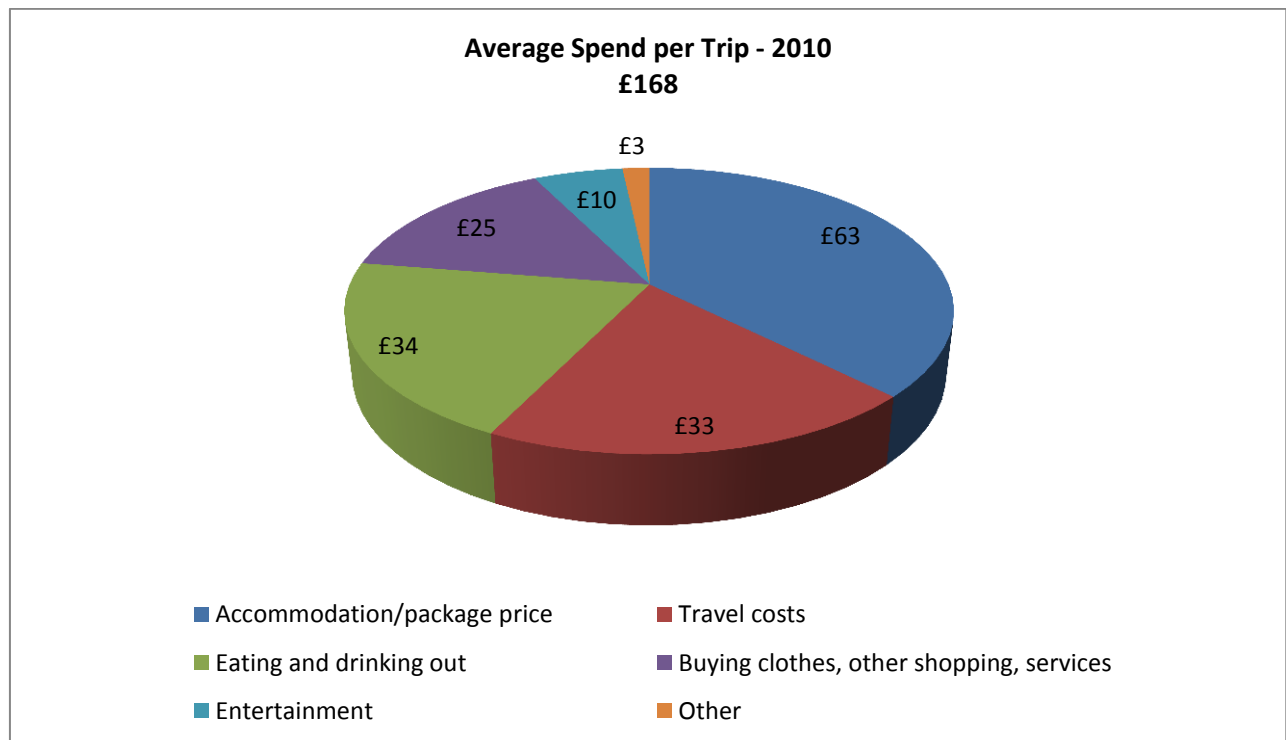
Introduction

In the UK/GBTS survey, we calculate the overall value of domestic tourism by asking respondents to think about the different things they might have spent money on during their overnight trip, such as accommodation, transport or eating out, and then to estimate what they spent for each element separately. The sum of these different elements makes up their total expenditure on that trip, and from this information, we generate our national estimate of tourism value.

The main purpose of asking respondents to think separately about each part of their trip is to make it easier for them to remember how they spent their money while they were away from home. At the same time though, this data also allows us to build a picture of how these different elements together contribute to the overall value of domestic tourism.

Average Spend per Trip

In 2010, the average spend on each overnight trip was £168.



Out of this total, accommodation made up the single largest share, £63 (or 37%). £33 was spent on travel, and £34 on eating and drinking out, each around 20% of the total.

Other purchases (buying clothes and other items) made up most of the remaining amount – £25, or 15%, with entertainment and other expenditure together making up less than 10% of trip spending.

Changes Over Time

The average spend per trip increased between 2006 and 2008, from £159 to £172, but dropped back to £168 in 2009, as consumers sought ways to save money in the challenging economic environment.

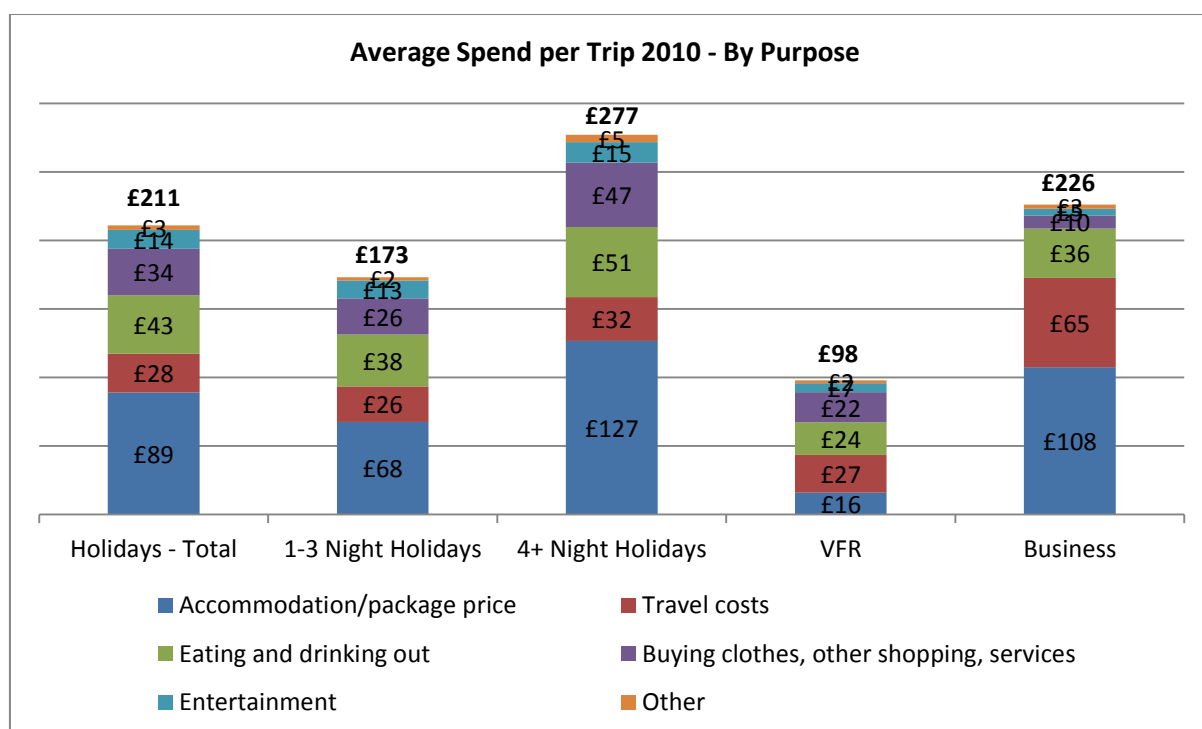
(Note – prices quoted are historical prices, i.e. do not take into account inflation)



While the overall spend per trip in 2010 was higher than in 2006, this was not the case for all categories of spending.

Domestic visitors spent more in 2010 than 2006 on “core” trip elements, with total expenditure on accommodation, travel and eating and drinking out up from £119 to £130 over the five year period. However, the amount spent on “extras” such as shopping and entertainment has actually fallen slightly, from £40 to £38 (and this fall would be greater in real terms, if inflation were taken into account). This fits with anecdotal evidence of consumers reducing secondary spend to control the overall cost of their holiday.

Spend by Trip Type



Not surprisingly, spending levels vary widely by type of trip. In 2010, those travelling on business spent on average £226 on each trip, while holiday travellers spent £211, and those travelling to see friends and relatives just £98.

The different nature of the trips is also clear in the breakdown by element – accommodation accounted for almost half of total spend on business trips, just over 40% of holiday outlay, but less than 20% of expenditure on VFR trips, when travellers can often stay without cost in other peoples' homes.

At £65, spend on travel for business trips was more than twice as high as for other trip types, reflecting differences in both mode of transport (over one in four business trips were made by train or by air last year, compared to just over 10% of holiday trips) and also the requirement to travel at more expensive peak periods.

While it is to be expected that spend would be lower on short holiday breaks than longer holidays , there were also some differences in spend profile – for example, short-breakers spent proportionately more on eating out and entertainment (29% of the total trip value) than those on longer breaks (24%), but proportionately less on their accommodation.

In Summary

UKTS value information is generally used to illustrate the wider economic impact of tourism. As this analysis shows, breaking down this information into its component parts can also help us to understand more about trends in spending over time, and the differing spending patterns by trip type and other trip characteristics.