

# **The view from the UK – consumer trends and working effectively with the travel industry**

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# Agenda

- Introduction
- Value of outbound tourism
- Consumer trends – ABTA research
- Trends in travel
- Customer product experience



# About ABTA

- Largest UK travel & tourism association
- 61 years old
- Represents 1300 travel agents and tour operators
  - 800 tour operators
  - 5000 travel agents branches
- Different sizes (large and small, multi-national and independents)

# The ABTA Plan



# Value of Outbound Tourism

## ABTA Research:

- Outbound travel directly accounts for 1.6% of UK GDP (£22 billion)
- Total economic impact through the supply chain of 3.8% of GDP (£55 billion)
- More than 1.2 million jobs across the UK economy
- Over £6 billion in tax revenue to HM Treasury



# Consumer Trends

## Short term booking trends

- UK holiday market flat lined in 2011
- 2012 looking more positive
- Long haul destinations down overall

### Caribbean

- 2012 down 19%
- Winter 2012/13 down 14%
- Summer 2013 down 12%



# General Travel Trends

## Travel agents

- In past 3 years 10% increase in people booking through travel agents
- In past 12 months the value of their service climbed from 30% to 40%
- Reassurance, personal touch, assistance



# General Travel Trends

## Young travellers

- Younger travellers (below 35) taking more holidays
- Younger travellers (25-34) using high street travel agents
  - value advice on destinations, holiday ideas, activities
  - take more frequent shorter holidays (4 – 6 nights popular)





# General Travel Trends

## Early bookers

More people booking further in advance in past 12 months

- 68% better deals
- 56% availability
- 38% better choice
- Families = free child places

## Later bookers

- Perception is there are better deals if they wait
- Weather in UK drove later bookings 22%
- Worries about money & jobs 21%



# Package Holiday Bookings

Growth in past 3 years

2012	2011	2010
48%	42%	37%

35 – 44 year olds: 51% booked an overseas package in 2012, compared to 36% in 2011

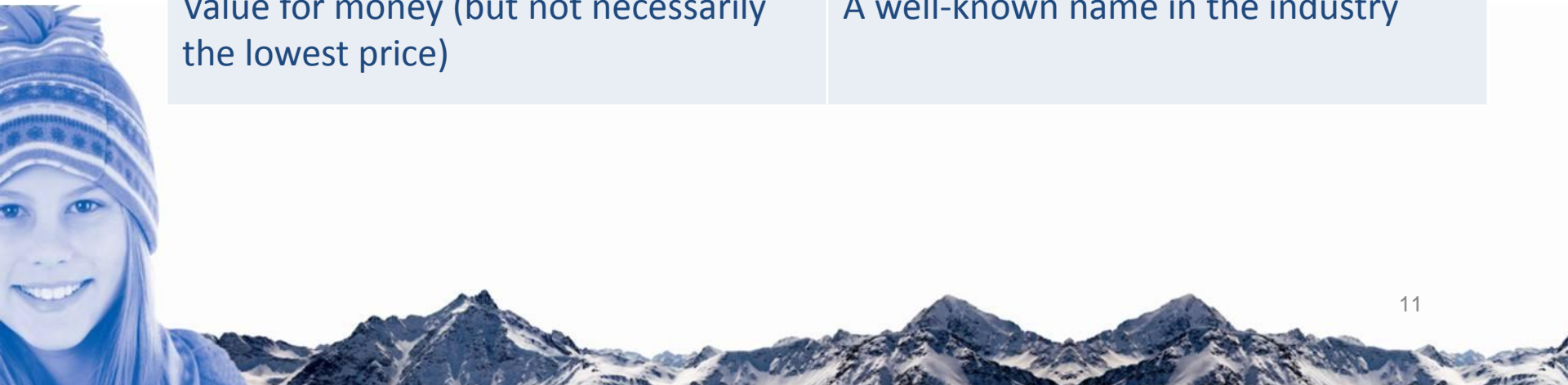
Customers value:

- Security, cost effectiveness
- Safe & secure accommodation
- Financial protection
- Ease of booking
- Great value for money
- Packages have evolved (cater to every taste & budget)



# Top Booking Essentials

Safe and secure accommodation	Knowledgeable staff
Financial protection	Ease of transport connections to the airport
ATOL protection	Lowest prices
ABTA membership	The range of holidays on offer
Value for money (but not necessarily the lowest price)	A well-known name in the industry



# Holidays are Essential

- Top item consumers unwilling to cut back on
- 24% over 65's - necessity couldn't do without
- 1 in 5 need longer overseas holiday
- Rather cut back on other leisure activities, home improvement and eating out



# Customer Product Experience

- Communications
- Ratings vs. reality
- Managing expectations



# Thank you

