Exploring travel in 2015

Suzanne Devai, Research Director
How does an improving economic outlook impact on the travel sector?
Consumer confidence continues to pick up overall, despite a small dip at the end of 2014

YouGov / Cebr UK Consumer Confidence Indicator (Index runs from 0-200 where 100 is neutral)

- Confidence started to dip in the second half of 2014, but has picked up in 2015 to date
- Consumer confidence saw a steady improvement in 2013 and early 2014

Monthly consumer confidence index
Headline Consumer Confidence Index (3 month average)
Consumer confidence index average since 2009

Source: YouGov/HEAT Tracking. The HEAT Index (YouGov Consumer Confidence score) is derived from consumer sentiment on 4 metrics (household financial situation, job security, home prices and business activity) measured retrospectively and prospectively.
... this may be impacting on holiday planning, with more positivity towards short breaks than major holidays.

**Spending Expectations** 12 months from now

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dec-14 Less</th>
<th>Dec-14 Same</th>
<th>Dec-14 More</th>
<th>Jan-14 Less</th>
<th>Jan-14 Same</th>
<th>Jan-14 More</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taking short holidays / weekend trips</td>
<td>36</td>
<td>15</td>
<td>49</td>
<td>18</td>
<td>17</td>
<td>40</td>
</tr>
<tr>
<td>Going to clubs</td>
<td>31</td>
<td>16</td>
<td>39</td>
<td>18</td>
<td>16</td>
<td>32</td>
</tr>
<tr>
<td>Food shopping</td>
<td>38</td>
<td>19</td>
<td>38</td>
<td>29</td>
<td>31</td>
<td>28</td>
</tr>
<tr>
<td>Going to the cinema</td>
<td>30</td>
<td>19</td>
<td>43</td>
<td>27</td>
<td>44</td>
<td>46</td>
</tr>
<tr>
<td>Hiring videos / DVDs</td>
<td>41</td>
<td>24</td>
<td>44</td>
<td>29</td>
<td>44</td>
<td>27</td>
</tr>
<tr>
<td>Eating out</td>
<td>45</td>
<td>27</td>
<td>44</td>
<td>29</td>
<td>57</td>
<td>21</td>
</tr>
<tr>
<td>Going to pubs / wine bars</td>
<td>59</td>
<td>13</td>
<td>57</td>
<td>18</td>
<td>67</td>
<td>20</td>
</tr>
<tr>
<td>Gym and other memberships</td>
<td>48</td>
<td>31</td>
<td>41</td>
<td>18</td>
<td>41</td>
<td>19</td>
</tr>
<tr>
<td>Subscriptions to TV services</td>
<td>62</td>
<td>30</td>
<td>59</td>
<td>38</td>
<td>57</td>
<td>17</td>
</tr>
<tr>
<td>Buying music or films</td>
<td>49</td>
<td>31</td>
<td>41</td>
<td>20</td>
<td>60</td>
<td>18</td>
</tr>
<tr>
<td>Broadband subscriptions</td>
<td>41</td>
<td>20</td>
<td>60</td>
<td>20</td>
<td>65</td>
<td>19</td>
</tr>
<tr>
<td>Drinking coffee out of home</td>
<td>38</td>
<td>19</td>
<td>40</td>
<td>20</td>
<td>60</td>
<td>18</td>
</tr>
<tr>
<td>Gambling / playing bingo</td>
<td>29</td>
<td>18</td>
<td>27</td>
<td>19</td>
<td>57</td>
<td>21</td>
</tr>
<tr>
<td>Newspaper / magazine subscriptions</td>
<td>20</td>
<td>17</td>
<td>46</td>
<td>18</td>
<td>55</td>
<td>28</td>
</tr>
</tbody>
</table>

Source: YouGov Household Economic Activity Tracker (HEAT)
Time period: 10th December 2014 – 10th February 2015
Base: purchasers of each category n = from 610 to 6386

Time period: January and December 2014
Base: all purchasing major holidays
How has this changed over the last few years?

Source: YouGov Household Economic Activity Tracker (HEAT)
Time period: respondents asked in December of preceding year about spending expectations in the coming calendar year
Base: all purchasing major holidays

Spending Expectations in Coming Year

Major Holidays:
Expect to Spend in 2015
£2,303
Spent in 2014
£2,112

Major Holidays

Short Breaks

More  Same  Less

2015
2014
2013
2012

26
32
42
46

26
27
28
35

24
15
17
24

48
49
48
49

YouGov
The vast majority plan to take some sort of holiday this year

~50 million adults of the UK population

37.5 million plan to go on holiday in 2015

Of UK adults expect to go on a holiday in 2015

Regular YouGov panel screening via our Oracle means we can pre-identify specific and even niche samples, leading to faster and more efficient sampling and fieldwork

In February we already identified a pool of 32,248 panellists who plan on going on a holiday in 2015

Source: YouGov Oracle
Time period: February 2015
Base: UK Nat Rep

Which, if any, of the following types of holiday are you planning on going on (or have already been on) in 2015?
... with city breaks and visiting family/friends particularly popular

Most popular holidays planned for 2015

- Beach holiday: 27% → 9,685
- City break: 24% → 11,052
- Visiting family/friends: 22% → 11,008
- Sight seeing: 18% → 9,021

Pre-identified on our panel:

- Walking/hiking holiday: 9% → 4,929 pre-identified
- Cruise holiday: 4% → 2,374 pre-identified
- Spa/wellness break: 3% → 1,182 pre-identified

We also identified consumers planning to take more niche holidays:

Source: YouGov Oracle
Time period: February 2015
Base: UK Nat Rep

Which, if any, of the following types of holiday are you planning on going on (or have already been on) in 2015?
There appears to be a tendency for more frequent, shorter holidays.

Number of times they plan on taking different kinds of holidays in 2015

<table>
<thead>
<tr>
<th>Type of Holiday</th>
<th>None</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4 or more</th>
<th>Not sure</th>
<th>Average number planned (among those taking them)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short stay holidays of up to 3 days</td>
<td>24%</td>
<td>27%</td>
<td>22%</td>
<td>9%</td>
<td>7%</td>
<td>10%</td>
<td>2</td>
</tr>
<tr>
<td>Short to medium stay holidays of more than 3 days and up to 1 week</td>
<td>27%</td>
<td>38%</td>
<td>17%</td>
<td>4%</td>
<td>2%</td>
<td>12%</td>
<td>1.5</td>
</tr>
<tr>
<td>Medium to longer stay holidays of more than 1 week and up to 2 weeks</td>
<td>38%</td>
<td>38%</td>
<td>10%</td>
<td>2%</td>
<td>11%</td>
<td></td>
<td>1.4</td>
</tr>
<tr>
<td>Longer stay holidays of more than 2 weeks and up to 3 weeks</td>
<td>74%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.4</td>
</tr>
<tr>
<td>Long stay holidays of more than 3 weeks</td>
<td>83%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.6</td>
</tr>
</tbody>
</table>

Average number planned (among those taking them)

Source: YouGov Oracle
Time period: February 2015
Base: all taking or intending to take a holiday in 2015

How many times are you planning on taking the following kinds of holidays this year?
When do people book holidays?

How organised are we as a nation? What is the true impact of key booking dates?
Ditch the stereotypes – younger travellers are more organised?

Source: YouGov Oracle
Time period: February 2015
Base: all taking or intending to take a holiday in 2015
Early booking is largely dominated by the need to go away in the peak summer period

**When they booked** their MAIN holiday for 2015

**When they will be going** on their MAIN holiday in 2015

Source: YouGov Oracle
Time period: February 2015
Base: all taking or intending to take a holiday in 2015
When will you, or have you, been making the booking for your MAIN holiday in 2015 (i.e. booking the flights/trains/hotel etc.)?
When are you planning on going on your MAIN holiday for 2015 (or when did you go)?
The return to work after the festive season is just one part of the booking story.

‘MISERABLE MONDAY’ LEADS TO SURGE IN HOLIDAY SEARCHES

Searches for flights and holidays rocketed yesterday as people who returned to work after the long Christmas break started looking for their next break, said British Airways.

It claimed views on the BA website were up 68% on the first day back to work last year, peaking at 12.30 noon. The top searches were to the best-known destinations in the US, Canada and Asia.

Visits to travel websites

* Source: YouGov Pulse panellists*
Analysis of visits to travel websites show the role played by review sites

<table>
<thead>
<tr>
<th>Website</th>
<th>Total Visits</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>thomson.co.uk</td>
<td>1,784</td>
<td>14.6</td>
</tr>
<tr>
<td>expedia.co.uk</td>
<td>1,615</td>
<td>13.3</td>
</tr>
<tr>
<td>skyscanner.net</td>
<td>1,320</td>
<td>10.8</td>
</tr>
<tr>
<td>thomascook.com</td>
<td>1,143</td>
<td>9.4</td>
</tr>
<tr>
<td>travelrepublic.co.uk</td>
<td>831</td>
<td>6.8</td>
</tr>
<tr>
<td>trivago.co.uk</td>
<td>741</td>
<td>6.1</td>
</tr>
<tr>
<td>travelsupermarket.com</td>
<td>609</td>
<td>5</td>
</tr>
<tr>
<td>jet2holidays.com</td>
<td>515</td>
<td>4.2</td>
</tr>
<tr>
<td>monarch.co.uk</td>
<td>466</td>
<td>3.8</td>
</tr>
<tr>
<td>lowcostholidays.com</td>
<td>464</td>
<td>3.8</td>
</tr>
<tr>
<td>firstchoice.co.uk</td>
<td>438</td>
<td>3.6</td>
</tr>
<tr>
<td>onthebeach.co.uk</td>
<td>381</td>
<td>3.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Website</th>
<th>Total Visits</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>britishairways.com</td>
<td>1,947</td>
<td>33.1</td>
</tr>
<tr>
<td>easyjet.com</td>
<td>1,670</td>
<td>28.4</td>
</tr>
<tr>
<td>ryanair.com</td>
<td>798</td>
<td>13.6</td>
</tr>
<tr>
<td>virgin-atlantic.com</td>
<td>646</td>
<td>11</td>
</tr>
<tr>
<td>jet2.com</td>
<td>410</td>
<td>7</td>
</tr>
<tr>
<td>flybe.com</td>
<td>394</td>
<td>6.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Website</th>
<th>Total Visits</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>tripadvisor.co.uk</td>
<td>2,097</td>
<td>61.7</td>
</tr>
<tr>
<td>telegraph.co.uk/travel</td>
<td>390</td>
<td>11.5</td>
</tr>
<tr>
<td>dailymail.co.uk/travel</td>
<td>339</td>
<td>10</td>
</tr>
<tr>
<td>theguardian.com/travel</td>
<td>287</td>
<td>8.4</td>
</tr>
<tr>
<td>independent.co.uk/travel</td>
<td>104</td>
<td>3.1</td>
</tr>
</tbody>
</table>

Premier Inn and Travelodge most frequently visited hotel chains
Who takes what kind of holiday?

*Using YouGov Profiles data to provide an overview of different consumer groups*
Profiling the package holiday seeker

**Characteristics**
- speak no foreign languages
- enjoy relaxing on a beach
- be influenced by TV advertising and use TV as main source of news
- shop at Morrisons

**Attitudes**
- enjoy going to the pub for a drink
- enjoy going to trendy restaurants and bars
- find debt stressful and consider themselves good at saving up for things they want
- enjoy seeing favourite celebrities in advertising
- consider it important to be insured for everything

**Brands**
- Thomson
- First Choice
- Thomas Cook
- Low Cost Holidays
- James Villa Holidays

**Websites**
- Groupon
- Thomson
- Trip Advisor
- Voucher Cloud
- Holiday Extras
- EasyJet
- Lastminute

* compared to a nationally representative sample

Source: YouGov Profiles
Time period: snapshot taken February 2014, data collected throughout previous 12 months
Base: formulated from the question “Thinking about your last holiday, how was it booked?” (Answer: "Package booking - both transport and accommodation were booked together")
Profiling the luxury holiday seeker

**Characteristics**

- be AB social grade, aged 35-44, married no children, work full-time
- be influenced by radio advertising, outdoor and print magazines
- enjoy reading lifestyle and food/cooking magazines
- own an Apple device and have Sky
- have a Tesco Clubcard and a myWaitrose card

**Attitudes**

- seek out good quality products and don’t mind paying extra for them
- manage their finances well and look for profitable ways to invest
- take an interest in fashion
- consider it important to seize opportunities
- expect adverts to entertain
- exercise regularly, eat healthily and don’t allow family to eat junk food
- check product reviews before buying

**Brands**

- Emirates
- InterContinental Hotels & Resorts
- British Airways
- Booking.com
- Marriott Hotels
- Hilton

**Websites**

- reviewcentre
- groupon
- SuperBreak
- holidayweather.com
- YouGov

* compared to a nationally representative sample

Source: YouGov Profiles
Time period: snapshot taken February 2014, data collected throughout previous 12 months
Base: formulated from the question: “Thinking about holidays in general, to what extent do you agree or disagree...?” (Agree that “I book luxury accommodation when possible”)

About YouGov
Who are we and what do we do?

YouGov is an international, full service online market research agency offering custom research, omnibus, field and tab services, qualitative research, syndicated products and market intelligence reports.

Be empowered with your own targeted research that goes deep on your challenges and big on solutions.

Make your arguments stronger and decisions easier with a continuous feed of data market intelligence.

With over 600,000 panellists we can target specific attributes for customer requirements.
From big data to the niche groups – we can find your audience

• We are continually collecting data on each of our c.600,000 panellists to build an ever-increasing bank of knowledge. We know far more about them than simply their answers to your specific questions.

• By carrying out continuous pre-screening we can identify the number of people who meet certain criteria – so we know if it’s feasible to interview niche audiences and low incidence groups.

• We don’t need to go out looking for respondents, meaning we can significantly reduce the time and costs associated with free sourcing respondents.

...for example we know we have:

• c.32,200 consumers who plan on going on a holiday in 2015

• c.41,000 who like to take beach holidays

• c.41,000 who like to take city breaks

• c.13,000 who do all their holiday booking online
YouGov’s custom research and consulting services provide a 360º perspective on your market, your brand and your customers.

1. MARKET
Category intelligence and market assessment

2. PRODUCTS & SERVICES
Concept testing and pricing

3. LAUNCH
Monitoring product introduction

4. COMMS
Pre- and post-testing campaigns

5. BRAND
Perception tracking

6. LOYALTY
Customer satisfaction

YouGov Consulting consists of sector specialists supported by our data products, plus custom quantitative and qualitative analytics.