

Future of the Staycation

Research Presentation



Our research aims

To provide a clear indication of what will happen to the 19% uplift in domestic travel seen in 2009..THE “STAYCATION” (S-C)

- Was it the start of a sustainable trend, or just a fad?

...and what can VE do to keep it going?

The Approach

Phase 1 -Quantitative

- 1000+ quantitative online interviews
- 22nd Feb – 1st March 2010
- 15 minute questionnaire
- GB population (18yrs +)
- Included key questions on impact of & attitudes towards economic downturn tracked quarterly since Oct 08

- Provide empirical measurement of the situation
- Identified key audiences for phase 2

Interim Debrief

Phase 2 - Qualitative

- 8 group discussions across English regions
- 2 hours in duration
- With Extras and Switchers – but also 'Non Staycationers' and Waverers,

- Provide in depth understanding of staycation situation, issues, messages for Visit England to maximise the staycation opportunity

Phase 1 Quantitative Sample In Detail

- sample reflects England, Wales & Scotland demographic profile by gender, age, and social grade
- weighted to correct minor imbalances

	Wave 1 sample	Wave 2 sample	Wave 3 sample	Wave 4 sample	Current sample	Weighted to:
Gender	%	%	%	%	%	%
Male	50	50	51	52	49	50
Female	50	50	49	48	51	50
Age						
18 - 34 yrs	28	27	30	30	30	32
35 - 54 yrs	35	35	36	39	35	34
55 +yrs	36	37	34	32	35	33
Social Grade						
ABC1						
C2DE	60	53	55	57	68	60
	40	47	45	43	32	40

- sufficiently large base sizes for analysis of those living in London, and weighted data to reflect correct proportions by RDA

Phase 2 –Qualitative Sample in Detail

- Segmented by key audiences identified in Phase 1

	Switchers	Extras	Non S-Cers	Waverers
London	1 x Family ,	1 x Pre family		
Leeds	1 x Empty Nester / no kids	1 x Family		
Manchester			1 x Pre family + family	1 x Empty Nester + family (40+)
Birmingham			1 x Empty Nester / no kids	1 x Pre Family + Family (<39)

THE IN-GOING CLIMATE

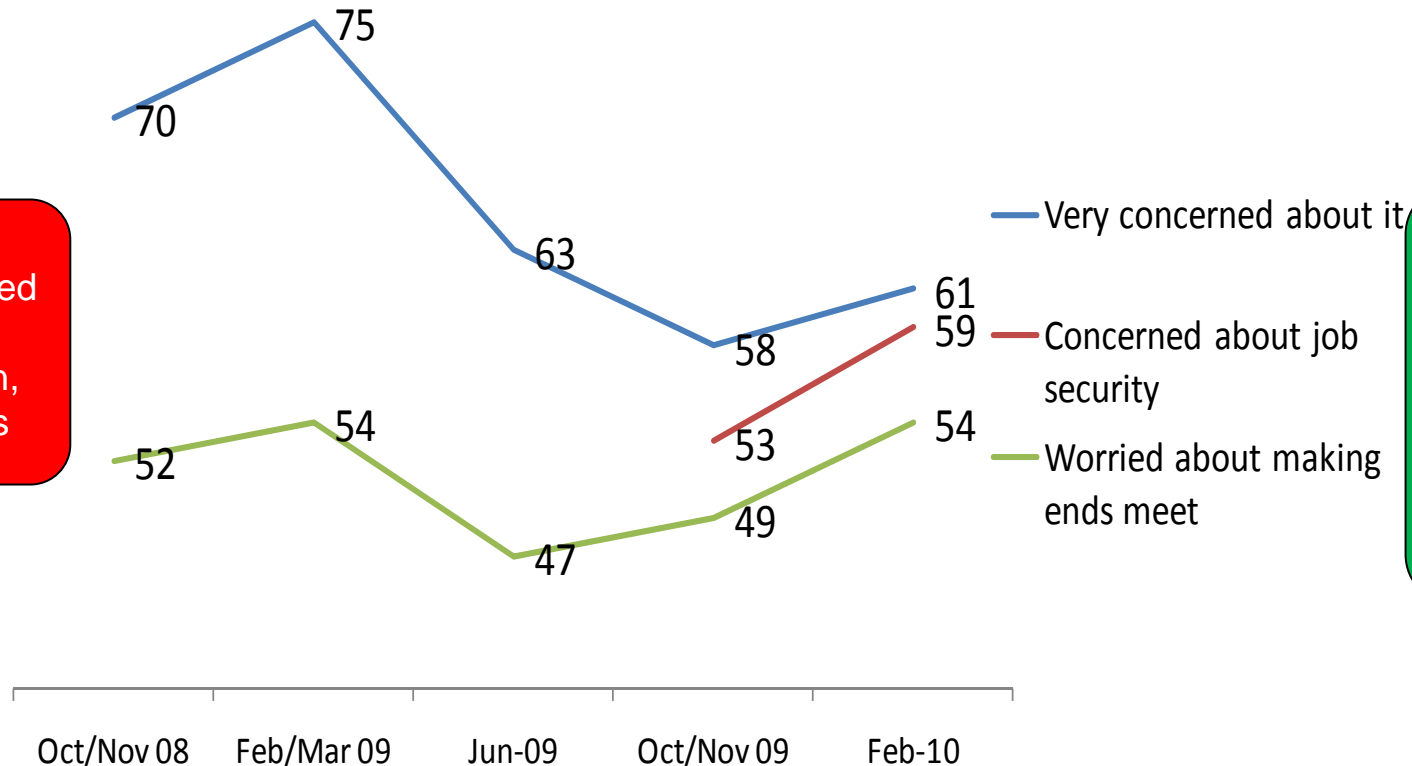
*Ongoing impact of, & attitudes to the
Economic Downturn*

“Well it’s pretty grim at the
moment”

Slightly raised levels of concern over economy & its personal impact

- October '09's decrease not continued to March '10

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



Most concerned are:
Women,
C2DEs

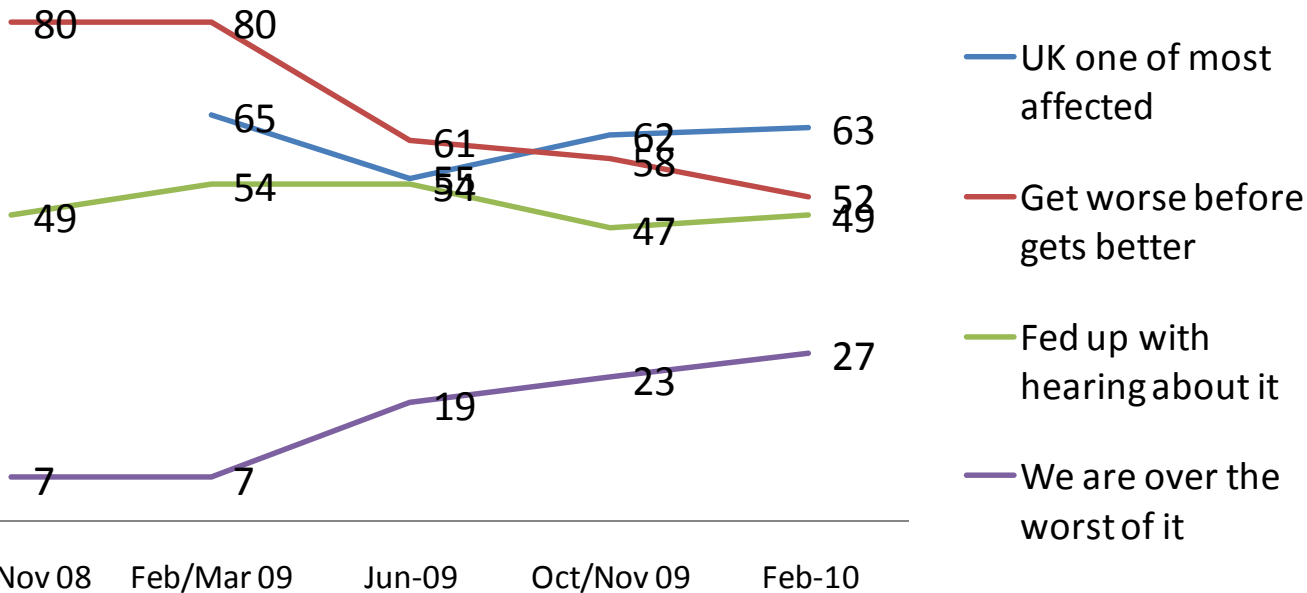
Olive Watchpoint:
Election result may impact

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)

Growth in positivity looking ahead

- Over 1 in 4 now think worst is over

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



Men and Over 55's most likely to think it'll get worse before it gets better

Olive Watchpoint:

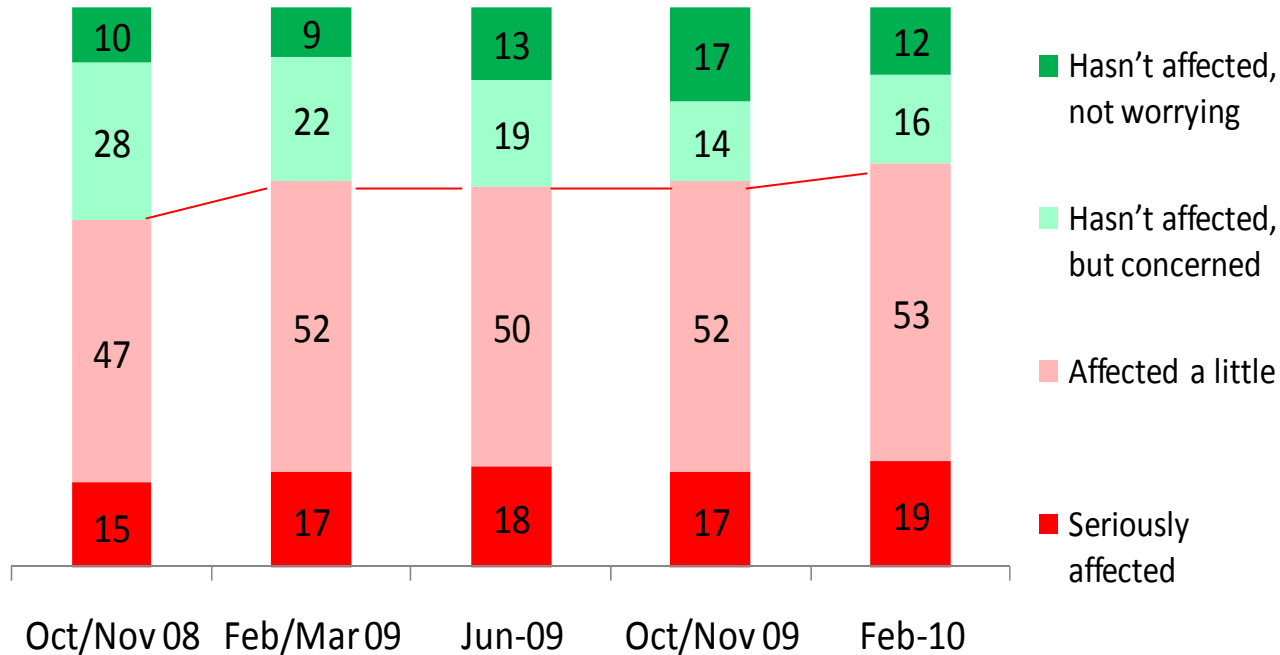
The perception of the green shoots of recovery emerging

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)

Small rise in those actually affected

- October's rise in % unconcerned drops to previous levels

Impact of economic downturn (%)



Most seriously affected are: 35-54 yr olds, C2DEs, families

Olive Watchpoint:
Physical implications of recession, e.g redundancies, more apparent to people

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)

Recession not a mere perception but a reality for many

- Recession felt particularly amongst families of lower SEG
 - erosion quality of life & far less disposable income
- Many making real sacrifices
 - cutting back on luxuries, nights out, watching what spend on food, clothes, changing holiday portfolios
- Harbours resentment to their situation
- There are perceptions things will get better eventually
 - new government (although 'all as bad as each other')
 - 'green shoots' of the recession being discussed in the media
 - BUT for many recovery hasn't started yet
 - some do question will ever be as good
 - particularly older with drops in house prices and pension values
- (although substantial minority not affected so much)

2009 THE YEAR OF THE S-C

Who were the staycationers? Why did they choose England? What did they replace?

What did we find out about “staycationers”?

- In total, 25% of the population

“I went on so many holidays last year... here as well as abroad..it was great”

13% “Switchers”

- Replaced a foreign holiday with one at home (22% of 8+ night breaks switched)
- High proportion of families
- More worried about job security and credit crunch
- Main motivations were financial situation and exchange rate

“I had to go on holiday in this country because money was well short”

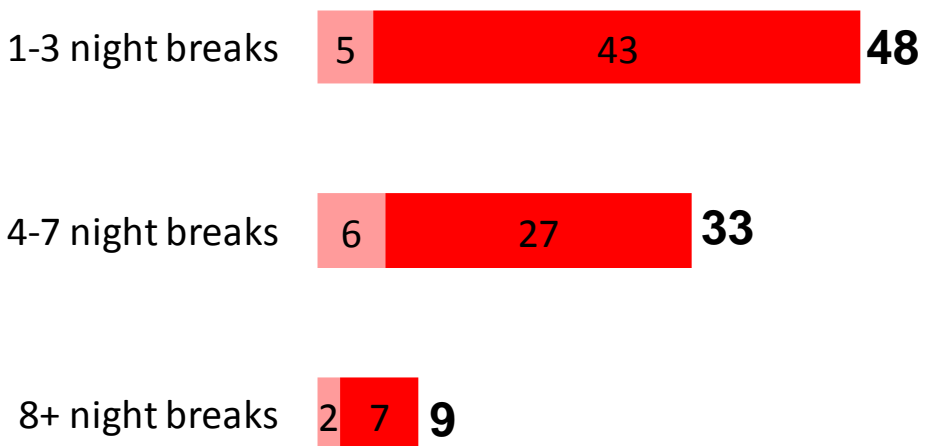
15% “Extras”

- Took more domestic breaks – but not as substitute for others – also more foreign hols
- Younger profile
- Less affected by credit crunch than average
- Main motivations were exploring / going somewhere new

14% of holidays in England in '09 replaced ones that would have been taken abroad

% having taken holiday type during 2009

■ % replacing hol abroad ■ % not replacing hol abroad



% of each type replacing one that would normally be taken abroad

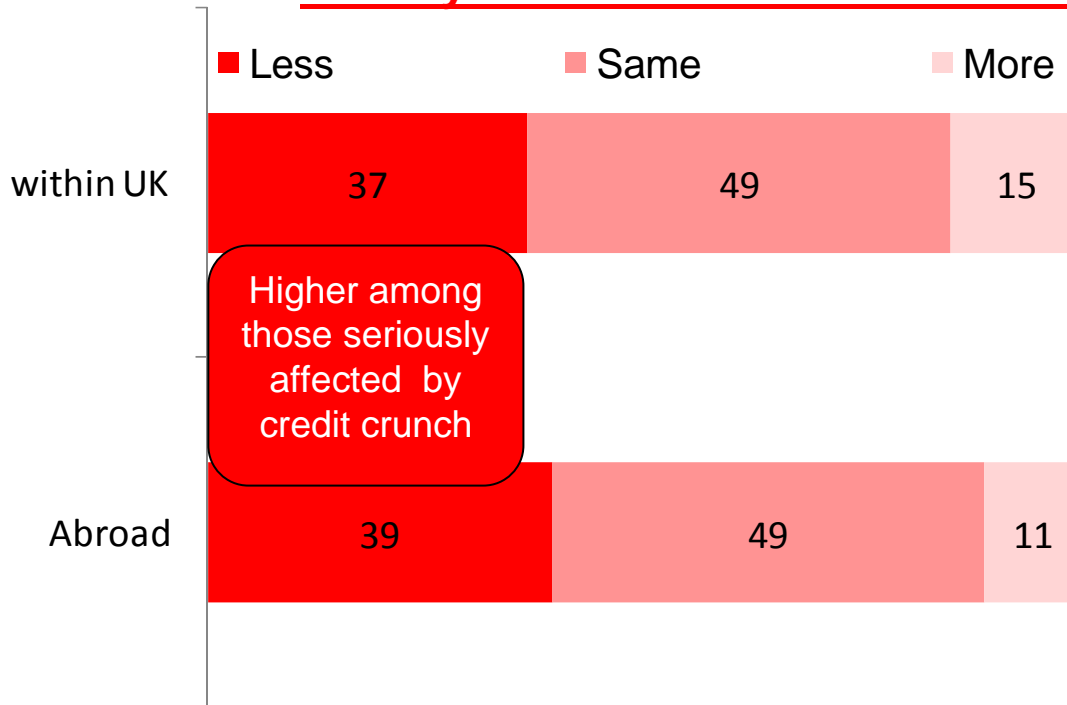
14
11
17
22

Q16 Did this holiday replace one you'd normally have taken abroad?
 Base: England holidays taken: -1263 (1-3 nights = 794, 4-7 nights = 455, 8+ nights = 114)

15% claim to have taken more holidays in UK in 2009 than usual

- Although 37% claim to have taken less

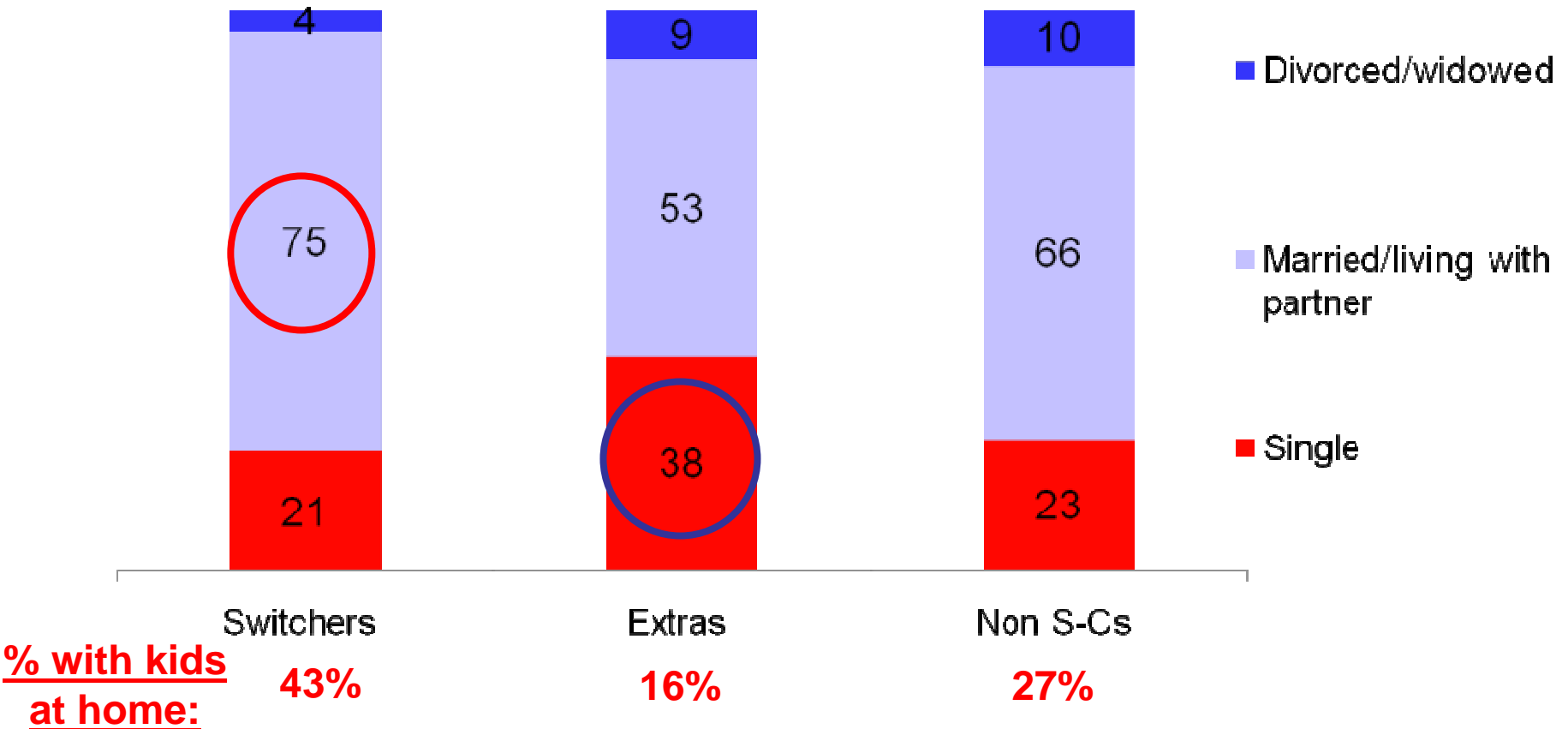
Whether took MORE, LESS or about the SAME amount of holiday/ breaks in 2009 than usual (%)



Q22a/b Overall, did you take MORE, LESS, or THE SAME amount of holidays/breaks in the UK during 2009 than you usually do? Base All (1049)

Switching driven by families. High proportion of Extras are singles

Marital status by Holiday maker

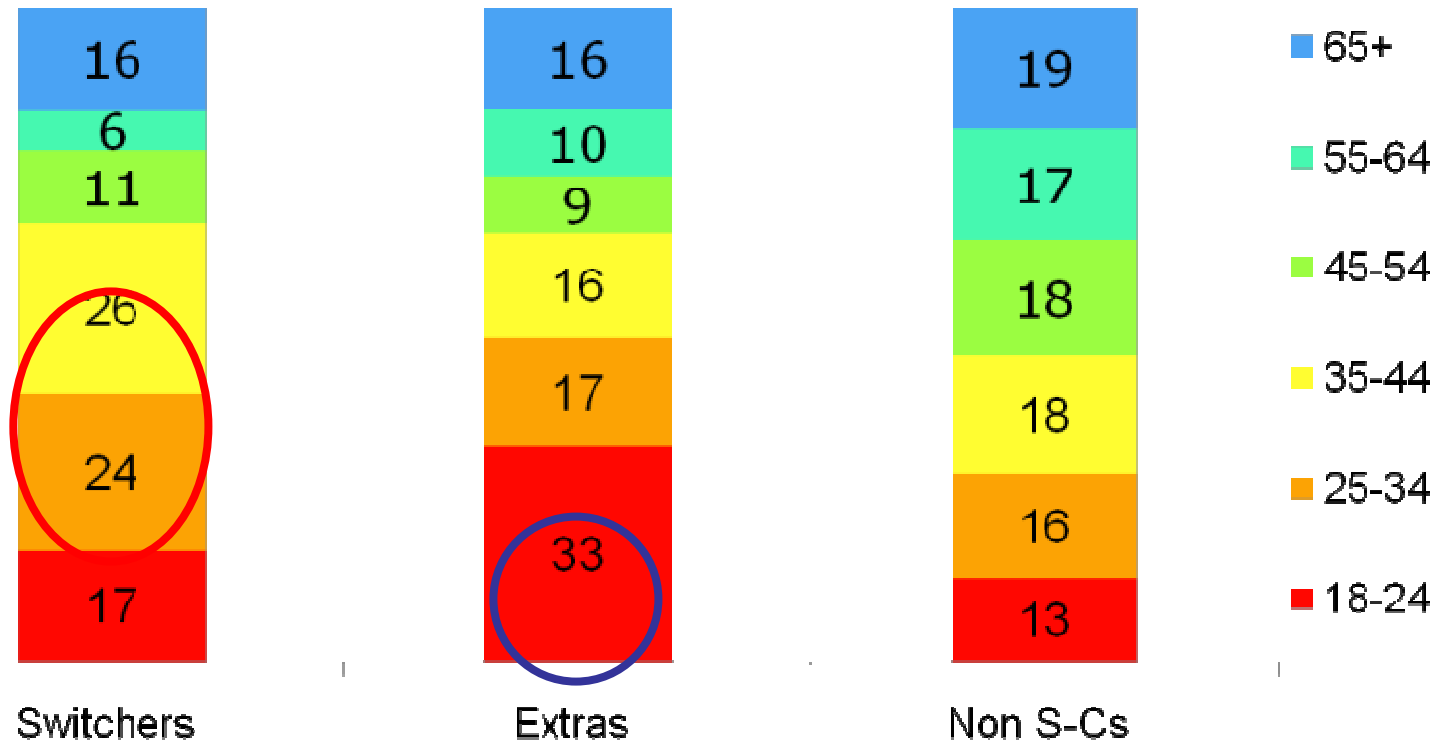


Base All (1049)

18-44 yr olds driving S-Cs

- Switchers have high proportion of 25-44 yr olds
- Extras have high proportion of 18-24 yr olds

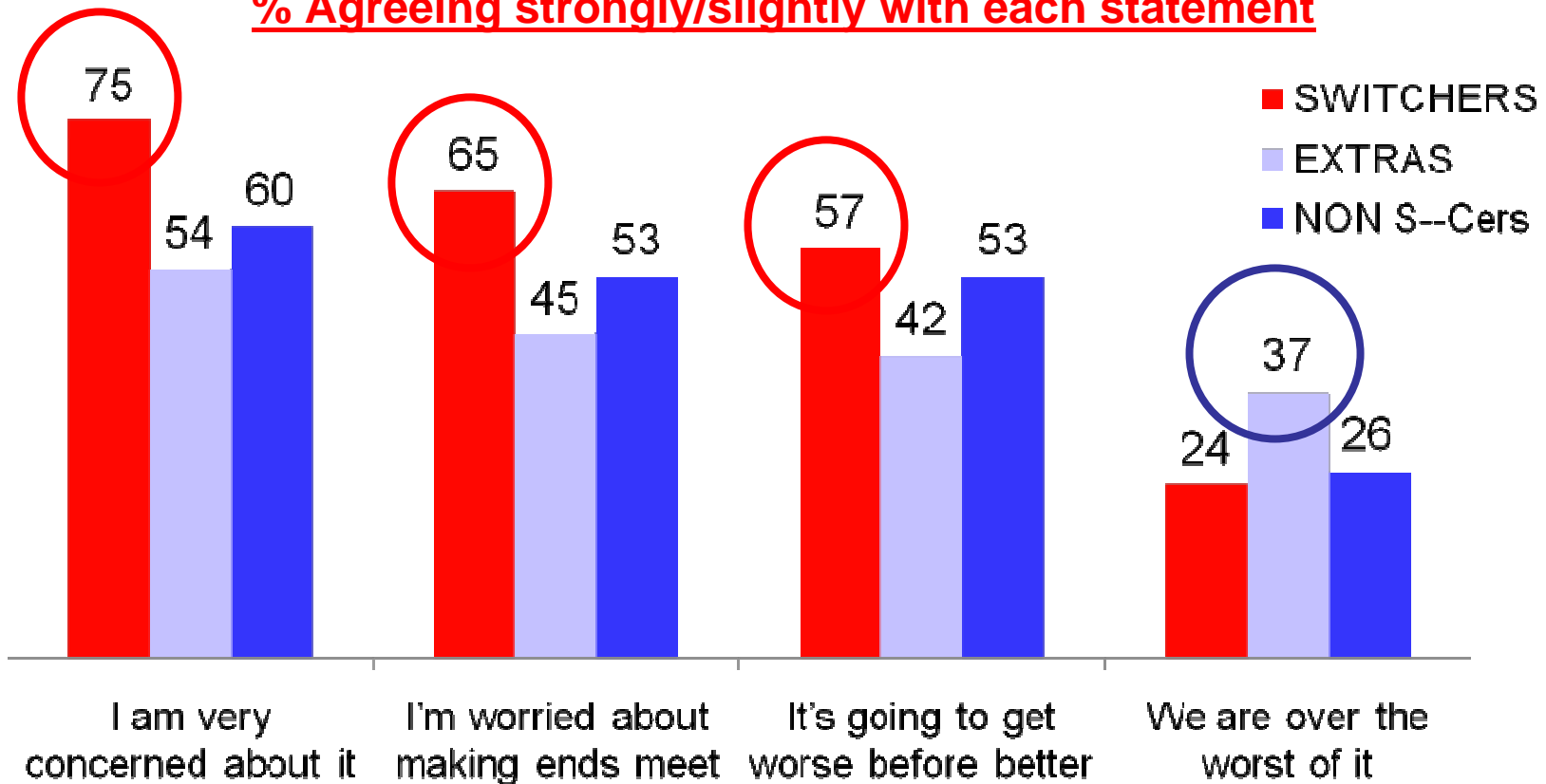
Age profile by Holiday maker



Base All (1049)

Switchers most concerned about credit crunch, Extras feel end in sight

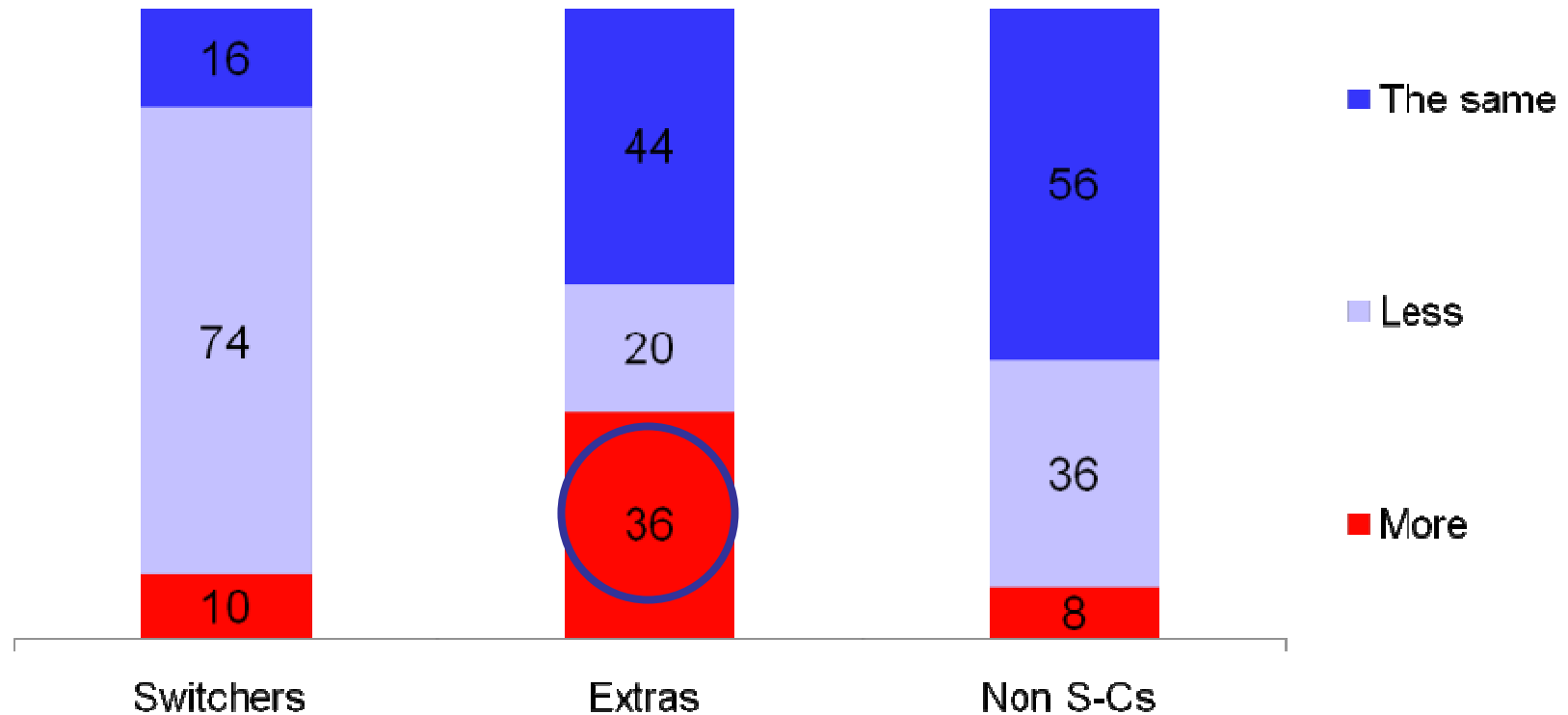
% Agreeing strongly/slightly with each statement



Base All (1049)

Extras also more likely to have taken more breaks ABROAD than usual during 2009

Whether took more/less/same holidays ABROAD in 2009 vs normal

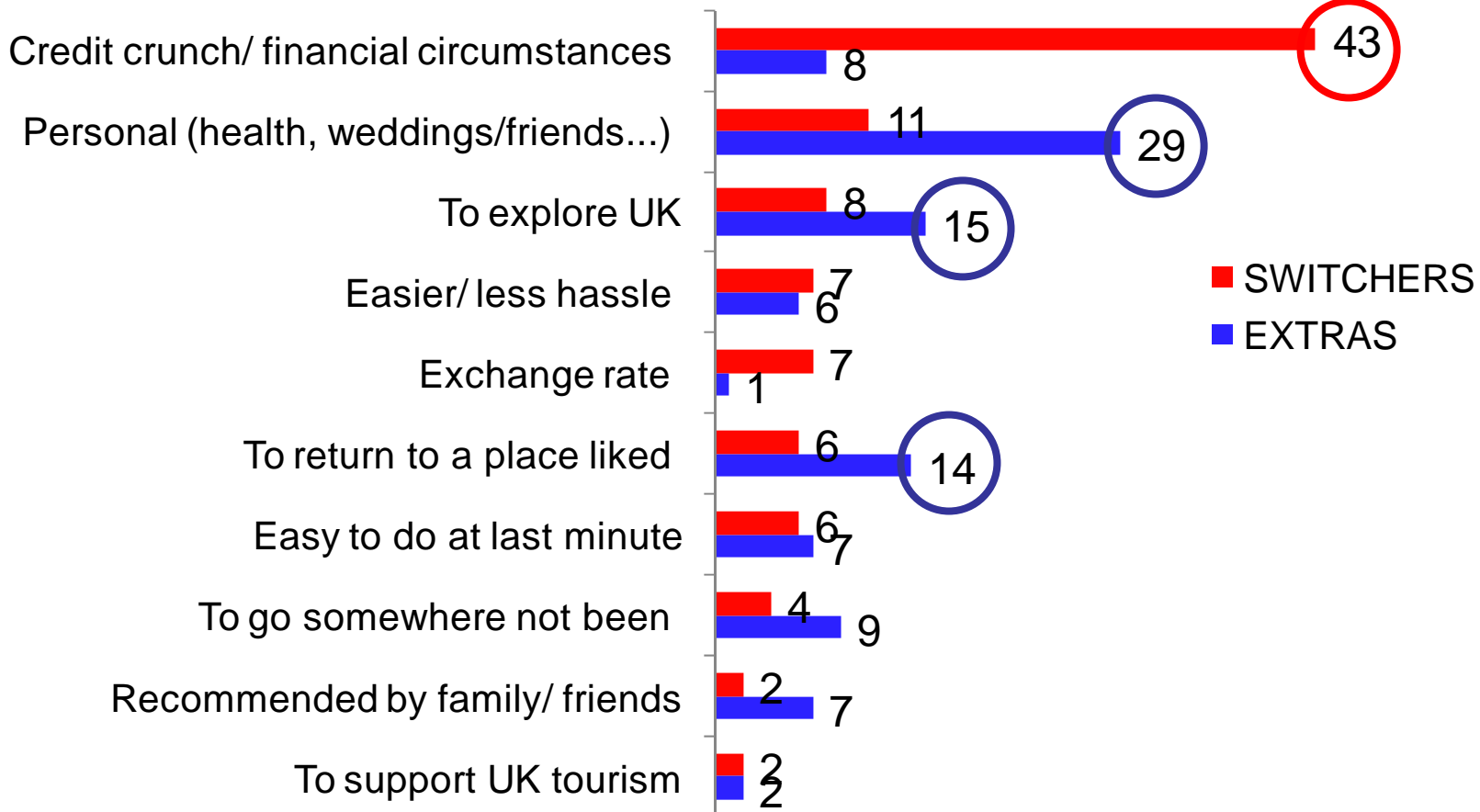


Base All (1049)

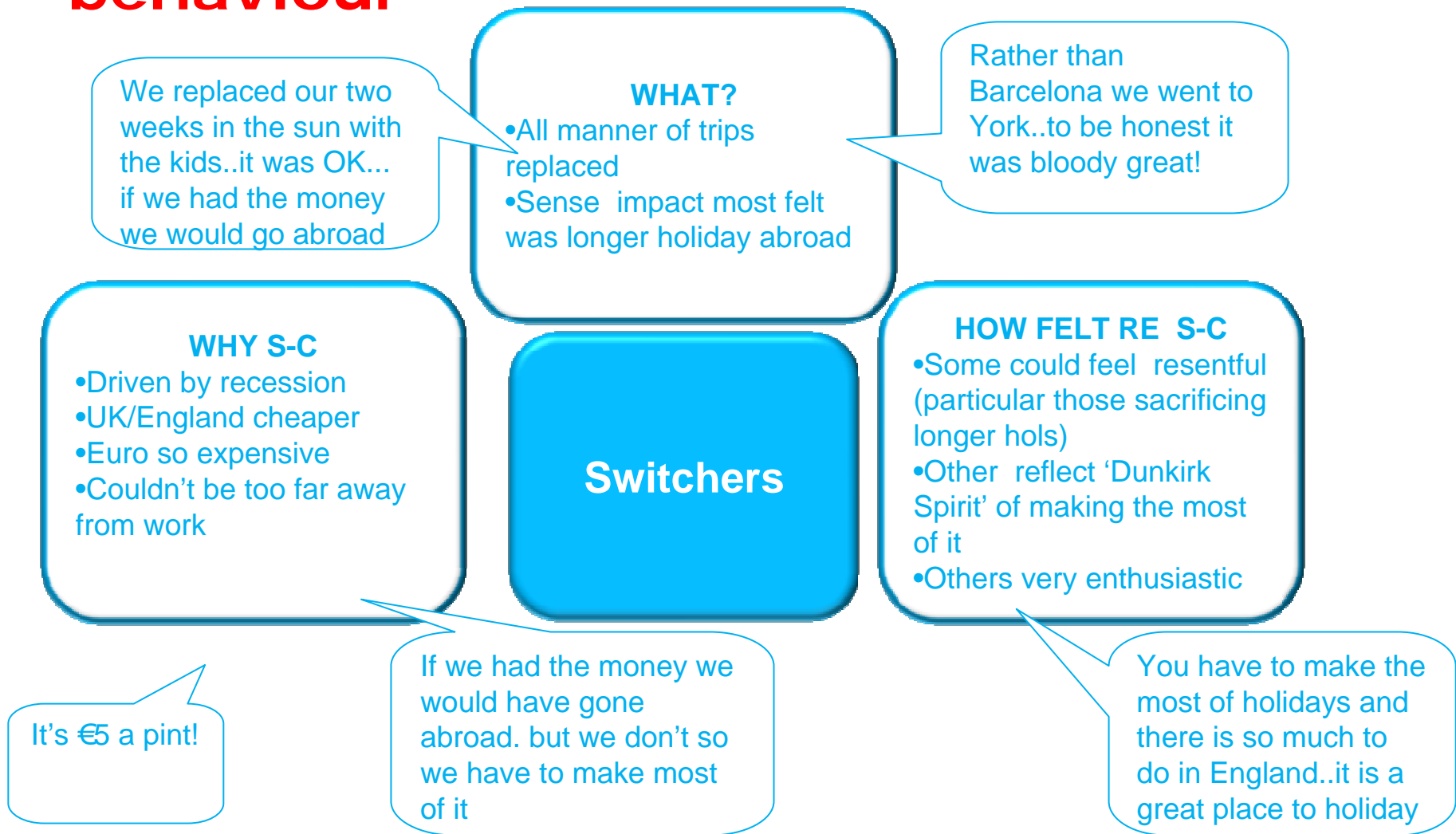
Main reason for S-C economy

- Switchers particularly influenced by economy,
- Extras seeking new /adding to familiar experiences

MAIN REASON for Taking More Holidays/breaks in the UK during 2009



Switchers economic situation drove S-C behaviour



Extras made much more positive choices

We had a wedding in Cumbria...so we decided to extend it to 3 days in the Lakes...wow!

WHAT?

- Extending other trips (weddings)
- Spontaneous** weekends away
- Full weeks exploring an area

WHY S-C

- Enjoy life / Make most of time
- A little more money as get a little older
- Personal circumstance
E.g. last year house buying now enjoy self

Extras

HOW FELT

- Positive
- Excited
- Intrigued / curious

I don't know...I just had a whole year of holidays... kept going away it was brilliant

England has so much to offer, if it wasn't for the weather you wouldn't go anywhere else

A word about waverers and “non-staycationers”

Waverers

- Could also be any of the other 3
- Some Wavering 2010 because of the economic downturn (most like Switchers)
- Others making decisions across portfolio and waiting for good deals /offers / ideas (more like Extras)

Non S-Cs

- Mixed orientations to England
- For some intrinsic part of holiday portfolio
- no change year on year as almost can't take any more
- Others only play minor role, lack real involvement in England/UK
- Little change year on year as focus elsewhere

It is clear media plays key role

- Media highly influential on decisions to holiday at home last year, particularly for “staycationers”
 - term ‘Staycation’ common
- Often quote reports and articles of increase in domestic tourism
 - massive increase in ‘Yorkshire tourism’
- Many cite reports of the exchange rate issues often with accurate recall of rate
- Underlying feeling / macro trend of ‘locality’ / local pride
 - E.G. Coast
 - bombarded ‘locally sourced food and drink’ etc

Olive Watchpoint:

Although don't openly admit clear media influencers combine to increase propensity to S-C last year

In their own words...

I didn't want to go too far away...I am financial advisor and didn't know what was happening

The flights abroad are pretty expensive..don't you even have to pay to go to the loo these days...for just a quick couple of days it's hardly worth it

I mean the € is ridiculous at the moment..it's more expensive than here so there's no point in going away

We couldn't afford to go away ..everything was so much tighter..I am a single mum and work in retail and we didn't know if I would have a job

THE EXPERIENCE

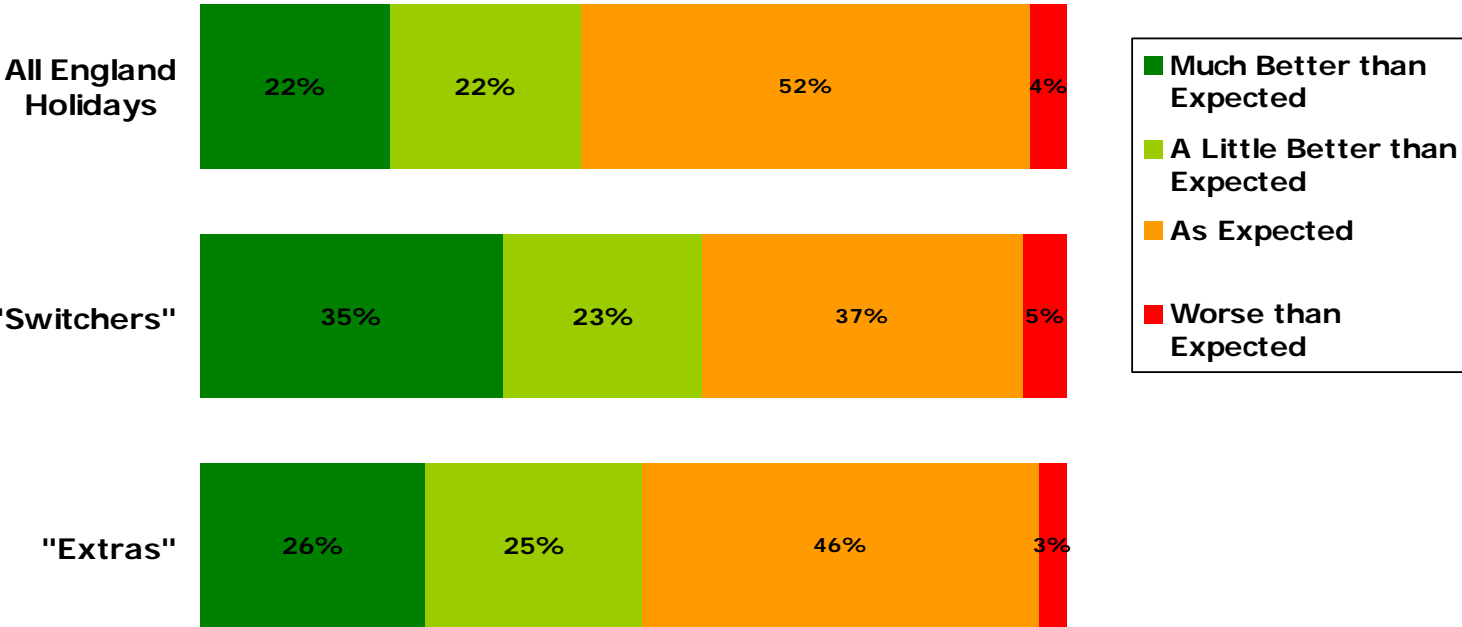
How was it? What was the value like? The weather? The accommodation?

“It was great...really surprised me, I'd go again this year”

“We had a really nice time ...but the weather wasn't great and I really needed the beach “

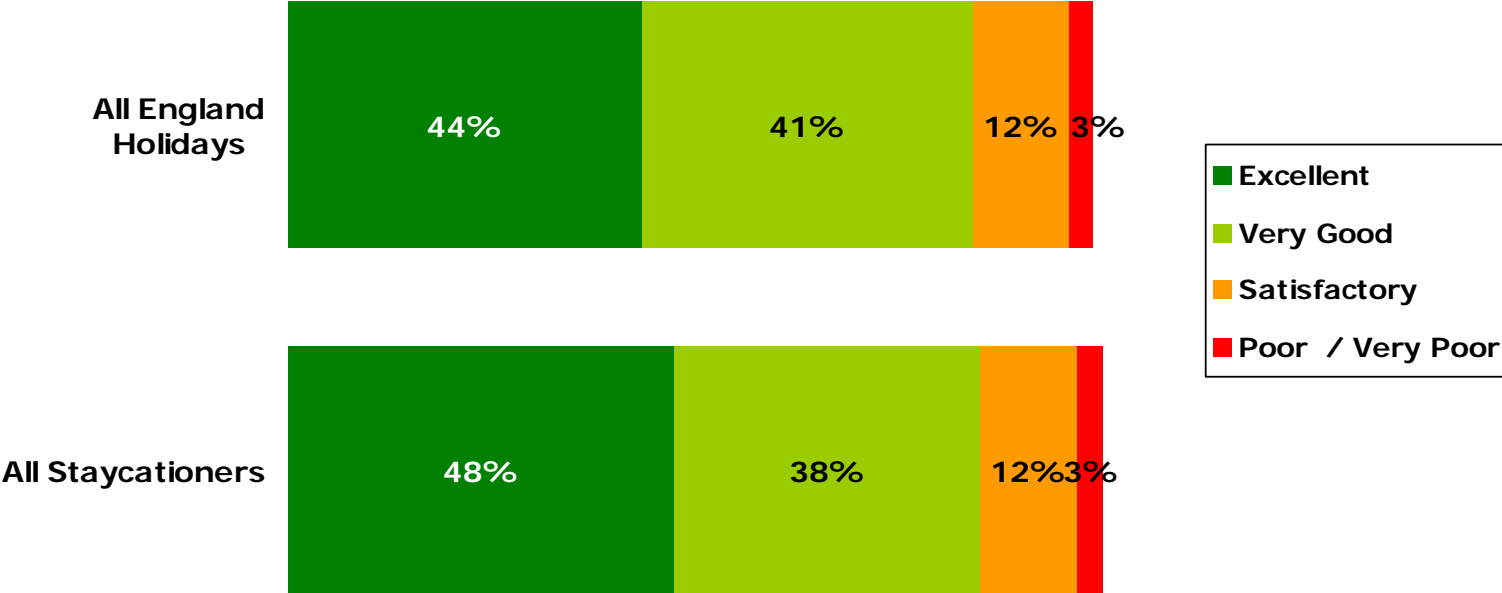
Holidays “better than expected” for over half of staycationers

How did England Holiday Compare with Expectations?



The majority really did enjoy their break!

Rating of England Holiday Experience



In depth exploration confirms that English trips often thoroughly enjoyed

- General perception across audiences that holidays in England
 - enjoyable
 - fun
 - involving
 - great many things to do
- At the very least fulfilled expectations
- And often surprised people
 - so much to do
 - such involving and interesting experiences

The English holiday was seen engaging and involving

- Families found themselves doing things together
 - thus having more engaged / involved time
 - parents showing their kids what they used to do on holidays
 - discovering exploring new things / ideas together
- Pre families doing more
 - different / new / unfamiliar things
- In general at the very least fulfilled expectations
- And more often than not exceeded them

Olive Watchpoint:

Experiences very different from a holiday abroad

In their own words...

We enjoyed it as a family much more than we thought we would...we did things together...went on trips to light railways, country houses, the grounds

We went to Cornwall...it was sunny all the time..we got a tent..it was really luxurious and views of the beach... got up every morning much more than when you are abroad

We went to Newcastle..it really is a great city....it was fun..not what I was expecting...

We went to Scarborough and the theatre there is amazing...I went with the kids and we had such a good time

For many experience has 'improved' attitudes to England

- For some the English holiday was surprisingly good
 - had enjoyed much more than expected
 - some it was incredibly memorable (vs bland beach holidays)
- Others reaffirmed their perceptions that England is a great place to go on holiday / short break
- Many **Switchers** had been surprised as they had been expecting a sacrifice
- Many **Extras** had not thought about it too much, had been spontaneous and had a great time

Olive Watchpoint:

Tapping into latent pride of England as nice place to visit

However not all so positive

- Some of the Switchers who had to sacrifice their trip abroad less enamoured with their English holiday
- They still enjoyed but less thrilled than those who made an active choice
- Here had often sought to replace 2 week holiday in 'sun' with a similar type of holiday in the UK and disappointed
 - weather not so good
 - couldn't just relax
 - needed to find things to do and sort out self
 - Vs abroad where all laid on
- Some mentioned destination quality and/or rude/unwelcoming locals as off-putting factors

Olive Watchpoint:

Experiences very different from a holiday abroad and if seek to mirror them can be a little disappointed

The experience in their own words...

It was really amazing...we absolutely loved it..the whole family...we are going to do it next year as well...I don't know you just do so much more together..it sounds naff but you really bond

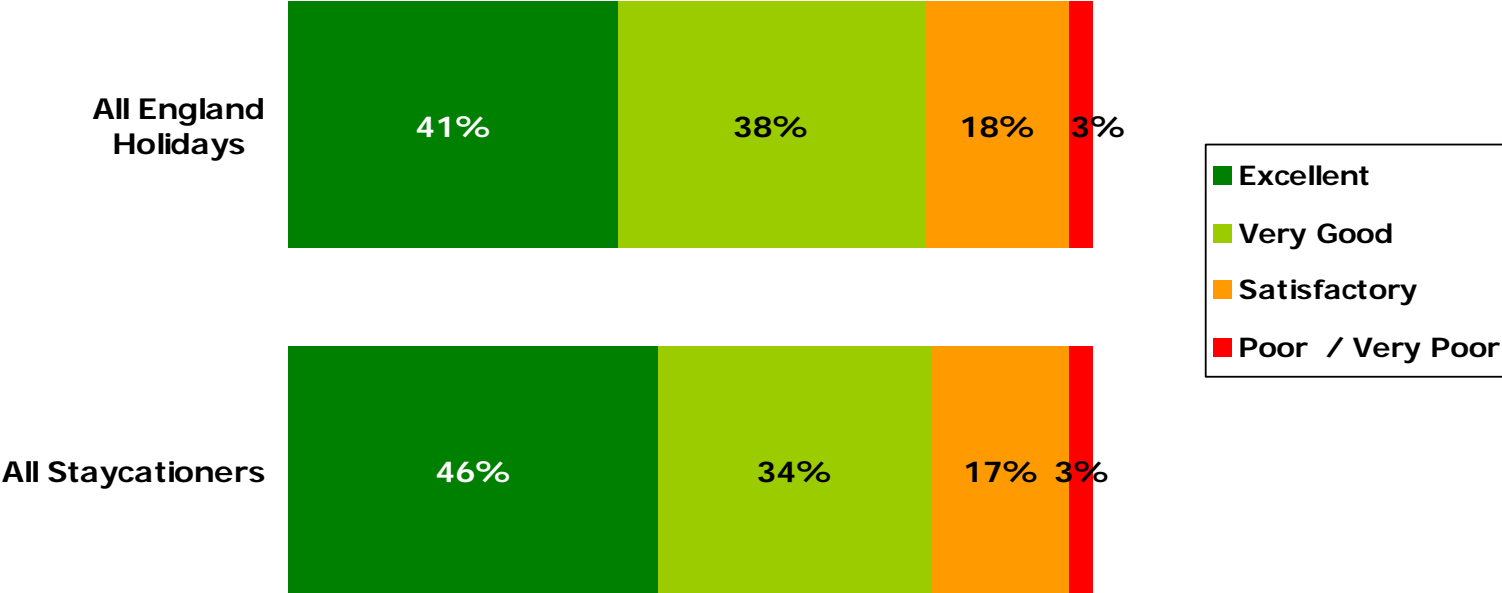
You can't really compare a holiday in England to abroad..they are different things. Sometimes you want to just chill by a pool but others you want to do stuff

It was OK..But to be honest if I had more money I would go abroad this year...I don't so it will have to be England...I don't know it's not quite like going away

It was far better than expected...we went to Cornwall where I used to go when I was a kid ..but it's better than I remember and little ones wanted to be shown what we used to do...they really loved it

Over 3/4 described the holiday as good value

Rating of England Value for Money

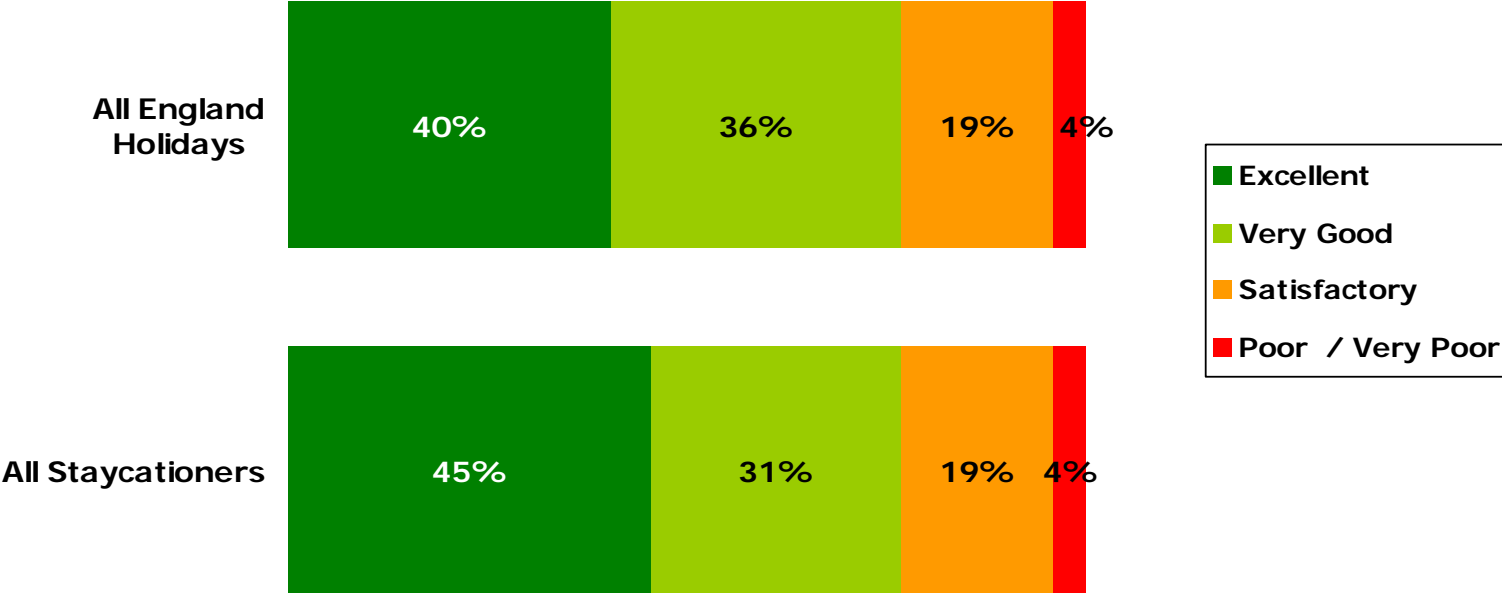


England not cheap but still chosen in downturn

- England perceived 'not cheap'
- Chosen in the downturn for several reasons
 - easy to predict / budget
 - know what things cost and understand currency
 - therefore will not get out of control
 - abroad where once cheap now same price or more expensive
 - Euro zone considered extremely expensive
 - cost of flights now prohibitive, particularly short breaks
 - job fears
 - what if made redundant / something happens whilst away / need to demonstrate indispensable
 - But some aspects (parking, trains, family days out) are expensive – and accommodation can be very variable

The majority were happy with their accommodation

Rating of England Value for Money



However on in depth exploration accommodation experiences quite mixed

- Many pleasantly surprised finding accommodation surpassing expectations
 - whether it be an individual guest house / B&B / hotel
 - or the much eulogised Premier Inn
 - *“amazing value”*
 - high standard camp sites or caravan
- However an outspoken minority can be very disappointed
 - often old style ‘named’ hotels
 - E.g Adelphi Liverpool, The Grand Scarborough which considered over priced with very poor service
 - various B&Bs
 - Centre Parcs consistently criticised for prices

The weather affects the experience – but not as much as we might expect!

Weather on Holiday

Good



Mixed



Poor



Holiday Experience

% Excellent/Very Good

90%

85%

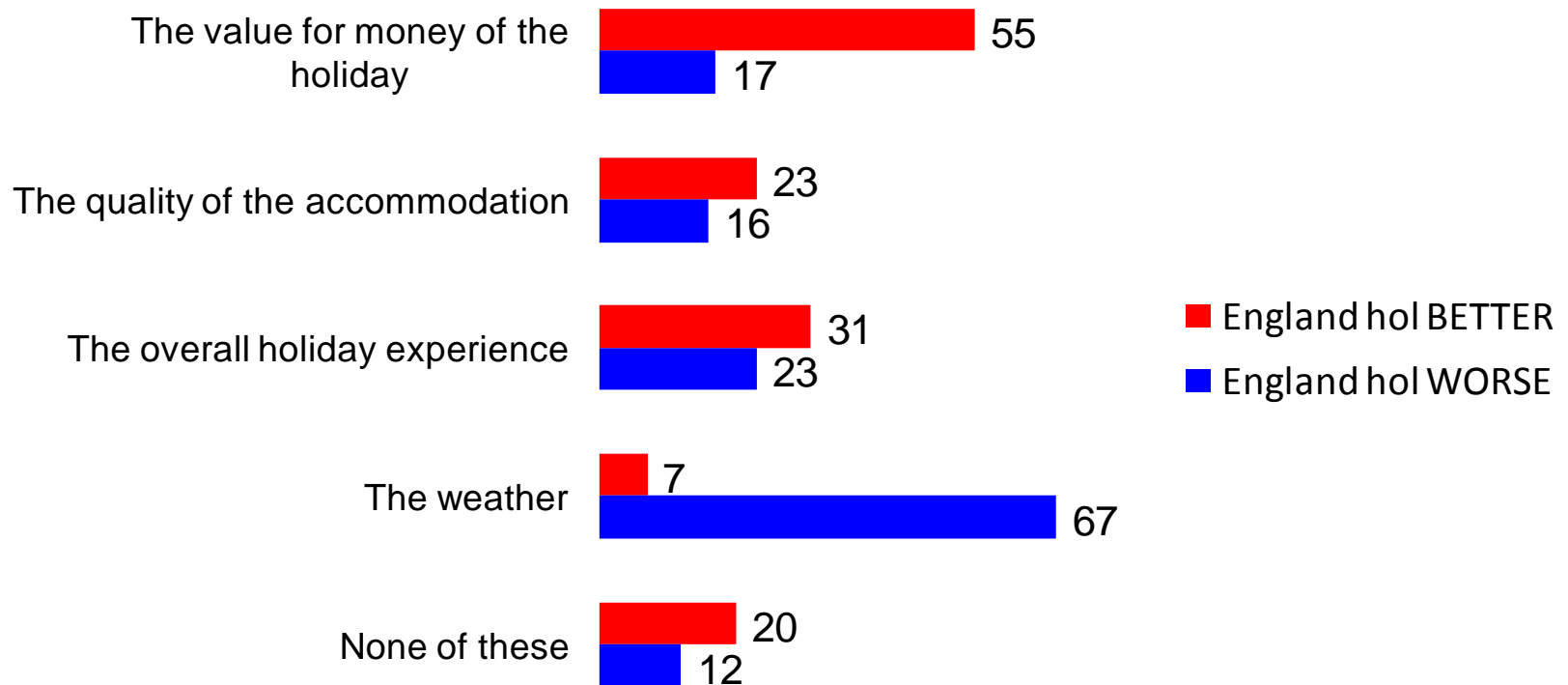
72%

Again in depth exploration weather issue more mixed

- Some did report good weather particularly those holidaying earlier in the summer
- There is generally a pragmatic approach to the weather
 - appreciation must have provision / alternative activities if (when!) rains
 - for many part of the fun and can enable interesting new discoveries
 - proviso rain not ad infinitum
- However a level of disgruntlement re promises of last years barbeque summer
 - *“Were the Met Office in on it with the tourist board? They promised us sun all summer and it rained every day”*
 - Won't believe this year

Half feel English holiday better value than the one it replaced abroad

Whether aspects of holiday taken in England thought to be **BETTER** or **WORSE** than holiday abroad it replaced



Base: All England holidays taken in 2009 replacing a holiday abroad (269)

No change here..will enjoy England but nothing touches those two weeks in the sun

I'll probably do the same a bit of England and a bit of abroad...but it really depends on what happens and what comes my way

FUTURE INTENTIONS

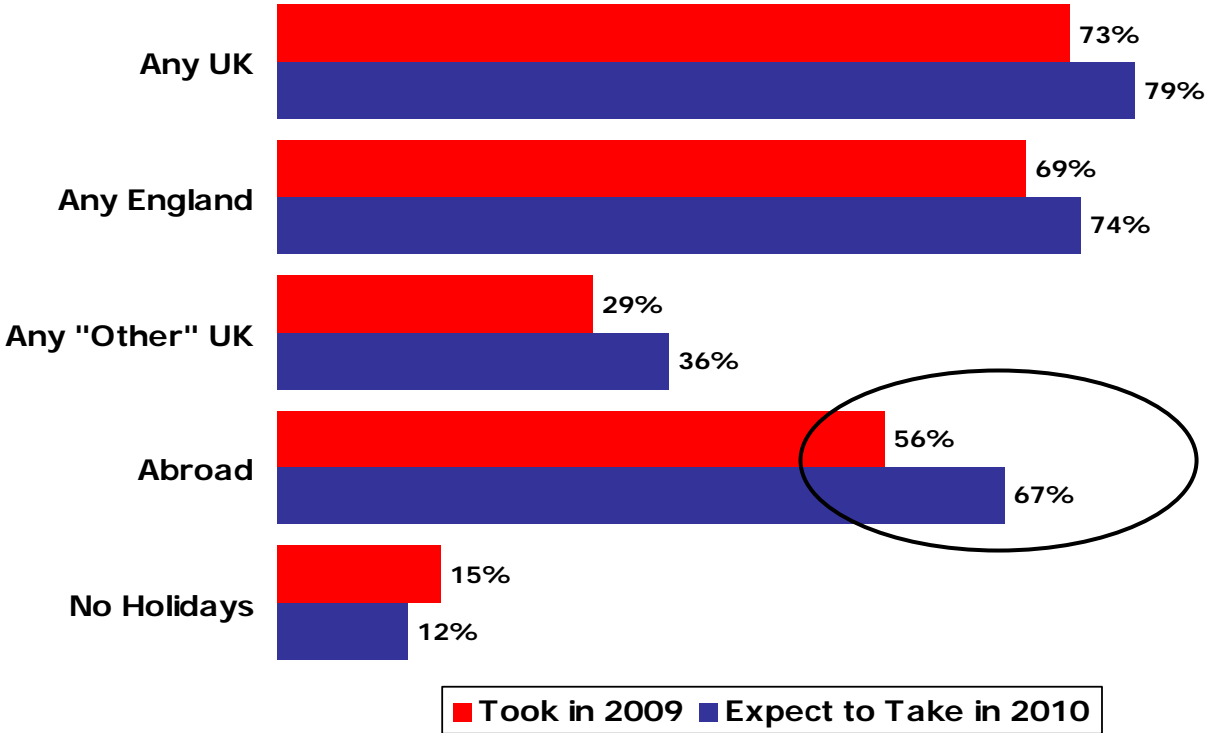
2010? And beyond? Booking? Celts? Awaydays?

This year has got me thinking

I think I will take a couple of shorter ones ..a bit of variety

There is optimism about all holiday types in 2010

2009 Trips vs 2010 Expectations



8+ night breaks in England one of the few types not expected to increase

BUT 90% of staycationers expect to take at least one England break in 2010

The S-C Phenomena set to continue

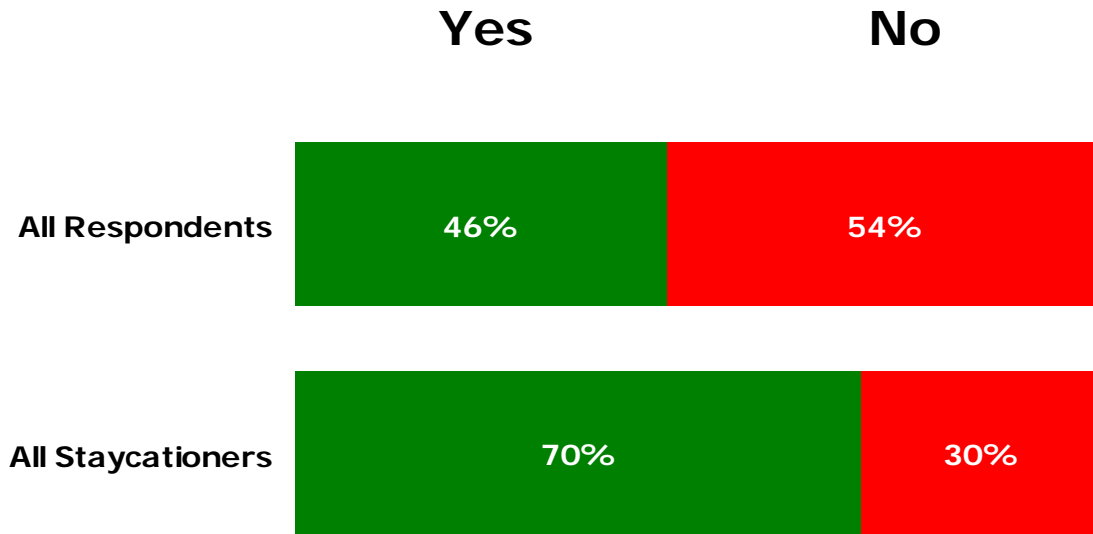
- Given generally positive experiences last year's increase in S-Cs will continue
- Here, many across audiences are considering taking holidays in England in 2010 and beyond
- In particular re this year's holiday booking For England...
 - many **Switchers** (33% at end of March) done so already
 - **Extras** as likely but just leave all booking more last minute
 - only 22% had booked
 - **Waverers** (which can be either non-SCer or SCer) are of course undecided and are sensitive to inspiration / encouragement

General perception wait and see given macro climate of economy and elections

- Currently many still in state of flux with respect to their holiday plans
- **Switchers** mixed
 - some have tried to get good deals by booking a UK holiday in advance
 - others are waiting to see if their financial position improves to see what can afford (more than likely England)
- **Waverers** are waiting for the right opportunity and deal
- **Extras** under less financial constraints have already booked their holiday abroad
 - but are still very open to UK trips and holidays

There is real potential for the longer term

Beyond 2010, whether will take more holidays in UK than have “normally” done in past



In depth exploration highlighted this potential change in behaviour

- Many felt as a consequence of the experiences in 2009 their orientations had changed
- They had become more interested / involved about taking a holiday in England
- This differed by the different audiences

By different audience...

Switchers

- Either last year had surprised them and opened eyes
- And/ or still feeling affects downturn
- Likely to stay SCs
- But may split longer trips into two shorter ones
- (some sill year for 2 weeks in sun)

Waverers

- Wavering so need a prompt / catalyst
- Many very open to UK /England
- Often swayed by deals and promotions
- Particularly for short breaks
- For some concerns re economic environment casuign wavering

Non S-Cs

- Need something to fire imagination
- Less motivated by deals
- Typically haven't re-evaluated England
- Will utilise if like but often also 'need' abroad

Extras

- Interest often (re)awakened
- Have broad portfolios of abroad and UK
- Excited by last year's experience
- Keen to find new experiences / discoveries
- Could be permanent change

By different audience...

Switchers

We are just not in the position to go abroad this year

We had such a good time in North Yorkshire we want to go somewhere else like it

Waverers

We haven't decided yet...I tend to wait until I see a deal come up

It's either England or abroad...It depends on the weather a little and if see or hear something interesting

Non S-Cs

No change next year..we are creatures of habit 2 weeks abroad and couple of short breaks in this country

Our main focus our two weeks in the sun can't do without it..might have a short break somewhere

Extras

Tend to go last minute ..make a decision on the spur of the moment so if see something exciting we do it

I really enjoyed the trip last year in England...really opened eyes to possibilities you don't really think of...great country really and seen so little of it

Potentially S-Cs minor impact on away days

- General sense that interest in England per se has been (re) awakened with emergence of staycation
 - unlocked a latent pride in England as place to visit
- As consequence some report more open to away days than before etc
 - particularly younger generation who want more information /educations
 - Older / empty nester often feel do enough of these already
- However challenges to away days for many in that often favoured when weather good
 - and everyone has same idea
- Call for places / ideas that might be a bit different / less well known and subsequently less crowded

PERSUASION

Messaging? Highlights? Opportunities

You don't see it (England) advertised that much...they should advertise it more....I mean you see those wild ads for Scotland all the time

The audiences' radars are up

- As result of staycation and the typically positive experiences now is optimum time to push advantage home*
 - to make sure 2009 not simply a blip as a result of extraneous circumstances
- Consistently audiences spontaneously called for more information, education, inspiration re holidaying in England
- Here we prompted them with several broad message areas and explored qualitatively...

* Suggest even more so as result recent no fly zone

Concepts explored

There's much more to do
in England than you
might think - do
something different in
England

Rediscover your England

Enjoy every minute of
England

No matter how long or
how short you have there
are plenty of experiences
to have in England

England is hassle free
compared to going
abroad

Holidaying in England is
great value

Holidaying in England
costs less than you think

Concepts generate interested debate

- All audiences call for more ...
 - stimulation
 - encouragement
 - inspiration
 - ideas
 - help (enabling)
- Here sense communication territories that really get over the positive choice of taking a trips in England most fertile
 - Rediscover Your England
 - Enjoy Every Minute of England

Various territories stimulated interested debate

Rediscover your England

- Most positive response
- Appreciate exploration and discovery
- 'Your England' latent pride
- **Rediscover** positive sense of nostalgia

Enjoy every minute of England

- Concept of 'Enjoy' very positive
- 'Every minute' more mixed (so much to do vs stressed)
- Handle with care!

No matter how long or how short

- different time frames interesting
- Good framework for provision of ideas
- Lacks emotional hooks of 'rediscover'/'enjoy'

There's much more... something different

- Concept of 'doing stuff' core in England's proposition
- Idea of doing different can interest
- But many not always after the different vs nostalgia)

Highlighting 'negatives' of less interest

England is hassle free compared to going abroad

- Untrue: jams, weather, finding activities etc
- fundamentally not why people holiday in England
- 'hassles' of abroad part of the fun and excitement

Holidaying in England is great value

- For many England not great value
- But more easily budgetable and better relative value for now
- Idea of 'accessing great value England' more relevant

Holidaying in England costs less than you think

- Again idea not credible
- easy to budget but quite expensive
- However some feel there are surprisingly cheap alternatives for good quality

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

1. The general climate is still challenging
 - Recession is reality for many
 - green shoots emerging slowly
 - election may impact
2. Two audiences accounted a rise in the staycation
 - Switchers
 - Extras
3. The key stimulators of this rise
 - economic climate
 - media coverage
 - macro trend in the 'local'

Conclusions

4. Most “staycationers” really enjoyed their holidays in England
 - often more than expected
 - with some caveats that some still would prefer to take their longer ‘sun and sand’ trips abroad
5. In all English trips / breaks / holidays...
 - engaging
 - involving
 - fun
 - in terms of value they are relatively better value than once were
 - more easily budgetable
 - very different from the two weeks in the sun

Conclusions

6. A latent pride has been awakened in England (UK) as holiday destination
 - so much to see, do and experience!
7. It feels like it is a more serious consideration for many and more often
8. Communications areas that highlight the positives well received
 - rediscovery
 - enjoyment
 - different time frames
 - enabling access to value (vs overt claims that England is great value)

Recommendations

1. The time is ripe **right now** to take advantage of situation
2. Must continue to highlight idea of the S-C
 - not just with respect to England being more suitable in times of economic challenge
 - but it delivers very different experience than hols abroad
 - at its best a more emotionally profound one
 - tap into macro trends of locality, provenance, latent national pride as a great country to holiday in
 - focus on short and mid length breaks
 - PR message - people really enjoy holidays in England!!
3. Communicate around territories of Rediscover your England, enjoyment in time frames and enabling great value England
4. Advertise England more (a consumer plea!)

Recommendations

It really is a wonderful country - we should be encouraged to make more of it

VisitEngland Research

One North East
5th May 2010

Sharon Orrell

