

# World Travel Market 2013 Industry Report

Discover key findings from the **World Travel Market** Exhibition Floor



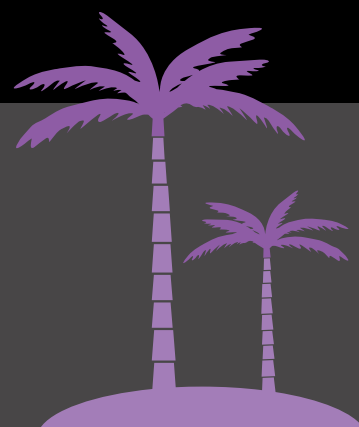
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HOLIDAYMAKERS



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# World Travel Market 2013 Industry Report

## FOREWORD

World Travel Market, the leading global event for the travel industry, will – as it has done since its launch event in 1980 – host the global travel and tourism industry as it looks to agree business deals and discuss the current issues facing the sector.

Deals facilitated by WTM 2013 will top £2 billion following on from WTM 2012 which generated a record £1.8 billion in travel industry contracts between exhibitors and buyers from the WTM Buyers' Club (formerly called WTM Meridian Club).

Despite this clear desire to conduct business, the industry faces many hurdles, but I'm am pleased to see the report finds a high level of industry optimism for 2014.

World Travel Market has surveyed its key exhibitors and senior WTM Buyers' Club members to discover the central issues for the industry and the topics of conversations on the exhibition floor across the four days of WTM 2013 (4 – 7 November).

The findings form the backbone for the **World Travel Market 2013 Industry Report**. They cover a range of issues from industry optimism, aviation, airport capacity, emerging travel and tourism markets, taxes and the role of social media in the travel industry.

These results are put into context by comparison with a survey of more than 1,000 UK 2013 holidaymakers (all of whom took a seven-day summer holiday overseas or in the UK in 2013) revealing their booking and holidaying habits.



### **Simon Press**

Senior Exhibition Director

World Travel Market



## **Report Research Background**

The World Travel Market 2013 Industry Report is based on the findings of two independently conducted surveys in September 2013.

The first is a poll of 1,277 World Travel Market stakeholders comprised of exhibitors (tourist boards and private sector travel industry organisations) and the industry's senior buyers from the WTM Buyers' Club.

The second piece of research is a survey of 1,001 British holidaymakers (all of whom took a minimum seven day summer holiday overseas or in the UK in 2013). A full cross section of the UK public in all regions and income brackets was surveyed according to Market Research Society's guidelines.



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# 1. Introduction

**89%**

**OF THE INDUSTRY ARE  
OPTIMISTIC ABOUT ITS  
PROSPECTS IN 2014.**

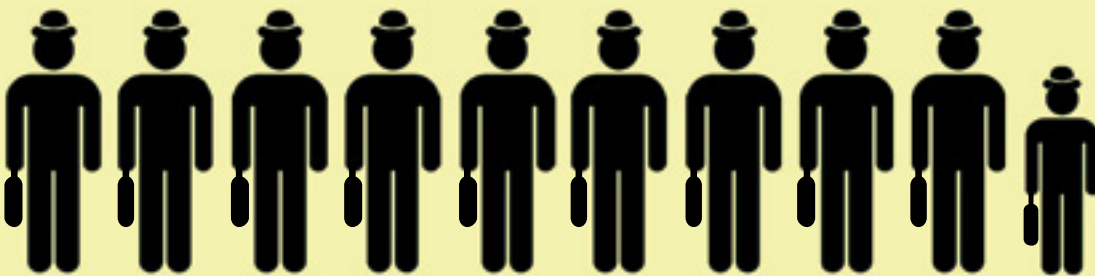


**POLITICAL  
INSTABILITY:**

**1/2**

**SAY THEY ARE  
CONCERNED  
ABOUT THIS.**

**9 OUT OF 10 SENIOR INDUSTRY EXECUTIVES**



**ARE OPTIMISTIC ABOUT THEIR  
COMPANY'S PROSPECTS IN 2014.**

**23%**

say **taxes**  
are the greatest  
negative impact  
on the industry



# World Travel Market 2013 Industry Report

## 1. Introduction

### Industry Optimistic for 2014

The global economy is slowly starting to recover following the recent financial downturn. US unemployment figures are at their lowest since December 2009, while the UK's are at their lowest since February 2009. Greece, the highest profile bailout by the European Union, predicts it will be out of a six-year long recession in 2014.

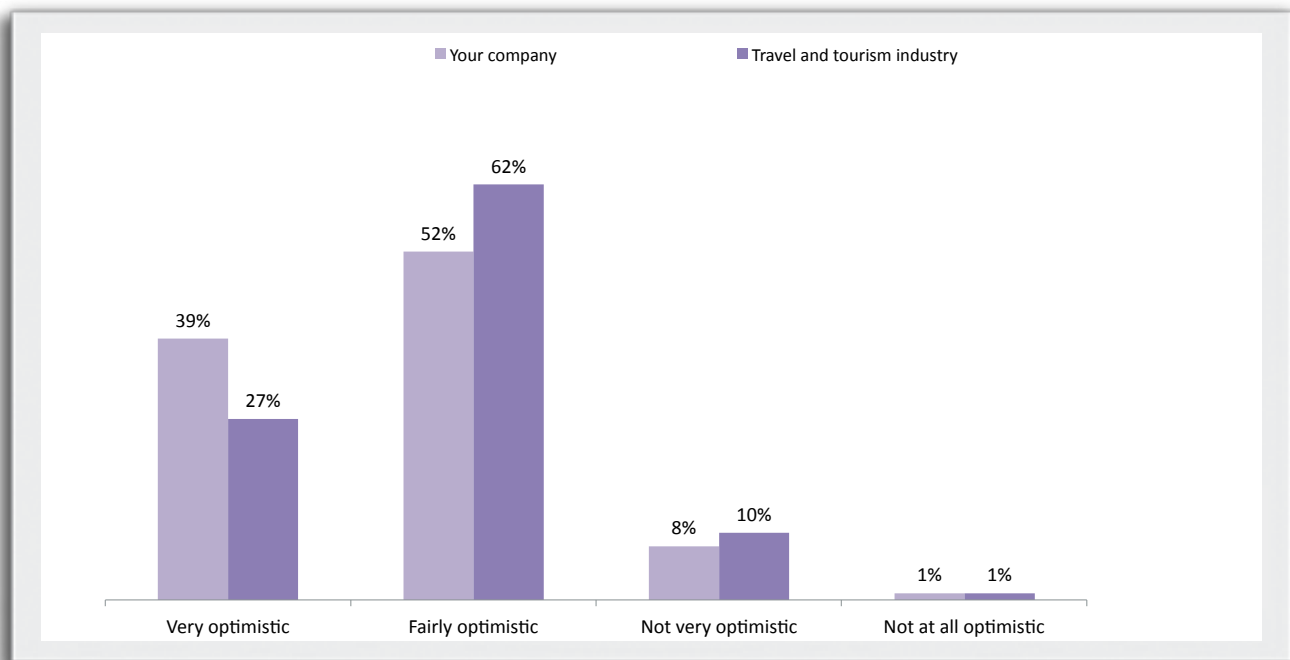
The travel industry is following suit. 2012 was the first year more than one billion (1,035 billion) global trips were taken. 2013 is poised to be even better with the United Nations World Tourism Organization predicting a further 4% increase, as almost 500 million trips were taken in the first half of the year (an increase of 5%).

Airline body IATA is predicting a collective profit of \$11.7 billion for 2013 compared to \$7.4 billion in 2012. The airline industry is predicted to make profits of \$16.4 billion in 2014, which would make it the second most profitable year behind 2010's \$19.2 billion.

Furthermore, nine out of ten senior travel industry executives that the World Travel Market 2013 Industry Report polled are optimistic about the prospects for both their company and the wider industry as a whole in 2014. Interestingly, the percentage is slightly higher for the senior executives own companies (91%) than it is for the industry (89%).

### Q. How optimistic are you for your company and the travel and tourism industry in 2014?

(Industry Survey)



# World Travel Market 2013 Industry Report

These figures include 39% and 27% who are 'very optimistic' for their company's and the industry's prospects respectively.

Seven out of ten say their businesses had seen an increase in demand over the past 12 months.

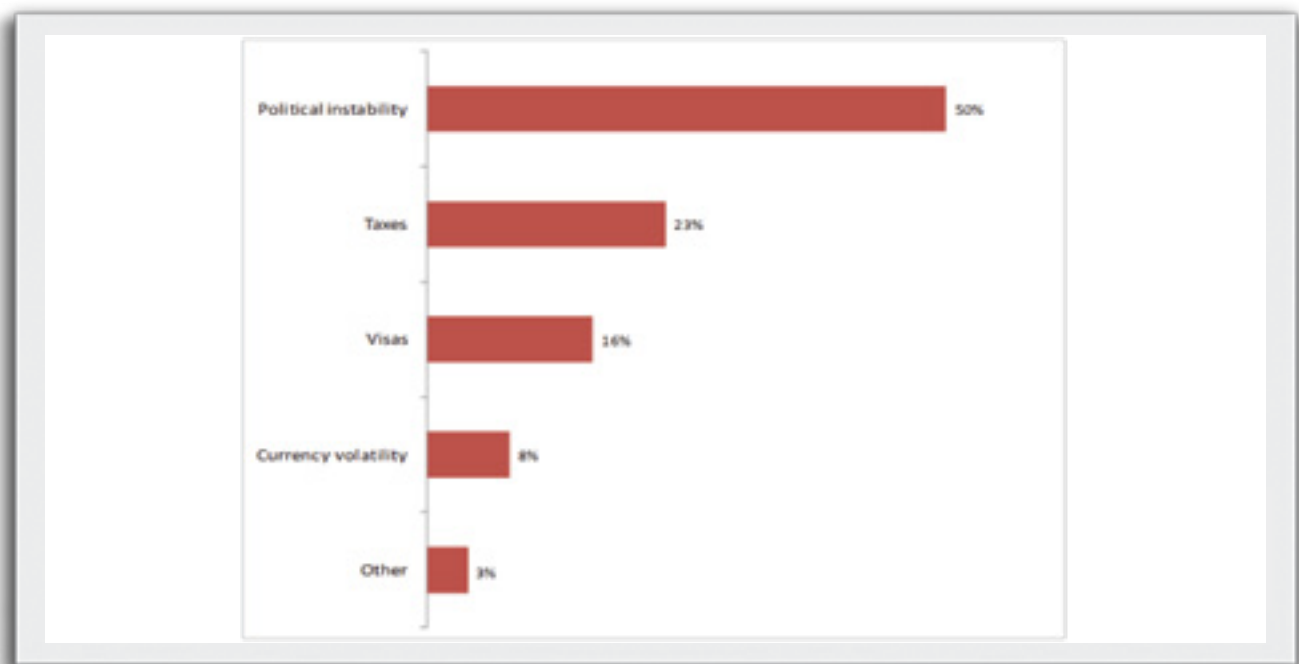
However, the industry still faces some hurdles, with half of those polled highlighting the negative impact international and domestic conflicts can have on the industry.

Taxes were identified by a quarter as the next biggest concern for business. For example, the UK's Air Passenger Duty (APD) – a tax on outbound flights from the UK – increases again in 2014 (see more on APD in the Aviation Chapter). Visa regulations are highlighted by 16%.

Only 4% highlight economic stability and consumer confidence as barriers to growth, which further demonstrates the industry's optimism and highlights how the global economy has improved.

## Q. Which of the following has the greatest negative impact on the tourism industry?

(Industry Survey)







## 2. The Olympics

**4 IN 10**

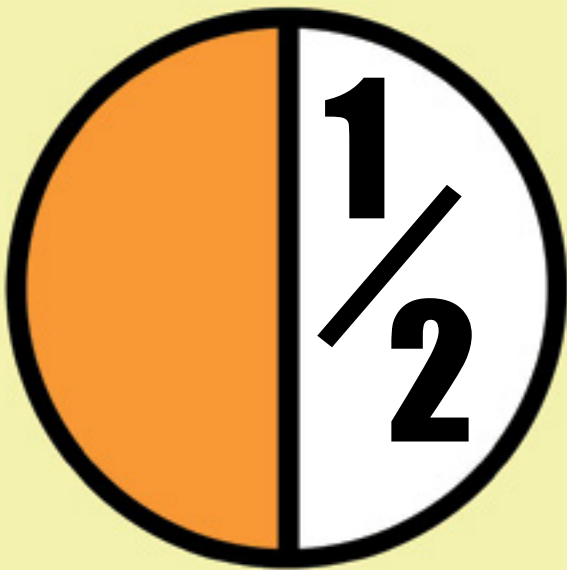
SENIOR INDUSTRY EXECUTIVES ARE **MORE LIKELY** TO COMMIT CAPACITY TO COINCIDE WITH THE **RIO GAMES**.



**UK HOLIDAYMAKERS:**

**18%**

**LIKELY TO VISIT RIO 2016 DUE TO LONDON'S SUCCESS.**



**OF ALL TRAVEL COMPANIES HAVE INCREASED CAPACITY FOR LONDON AND THE UK FOLLOWING THE 2012 OLYMPICS.**

**64%**

OF SENIOR INDUSTRY EXECUTIVES SAY **HOLIDAYMAKERS DEMAND FOR LONDON HAS INCREASED.**

**1 QUARTER +**

Are **SO** confident of Rio's tourism potential as a Olympic host city that they will **INCREASE CAPACITY REGARDLESS** of success of the 2014 World Cup.

## 2. Olympics

### UK and London Tourism Post London 2012

During the London 2012 Games positive images of the UK and especially its capital city were beamed into the world's living rooms. It is claimed the amount of exposure generated by hosting the world's largest sporting event is the best form of exposure for the host city's and country's tourism industry.

Some people within the industry doubt these claims citing a range of tourism figures highlighting the detrimental impact hosting the Games can have on tourism before, during and years after the event.

European Tour Operators' Association are among those, and it claims Australia suffered a dip in tourists for three years after the 2000 Sydney games (ETOA compares it to New Zealand's tourism industry which grew during the same period), while arrivals to Greece lagged behind fellow Eastern Mediterranean countries Turkey and Croatia after the 2004 Athens Games.

According to the industry's senior executives, London and the UK are bucking this recent trend with an increase in demand from holidaymakers, fuelling an increase in the city's capacity.

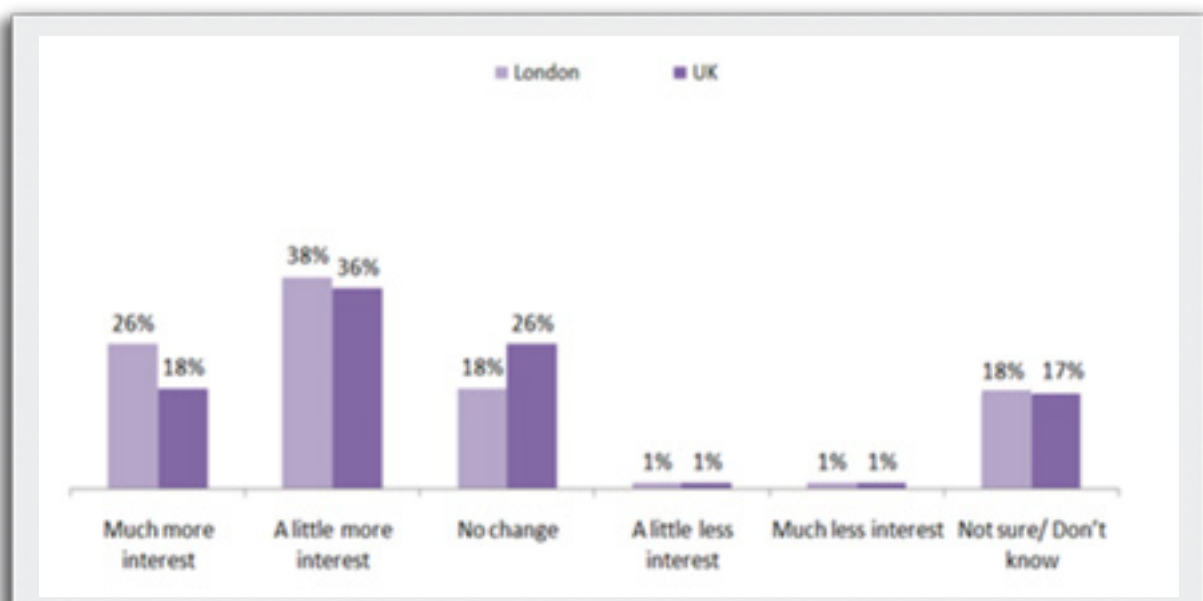
Almost two thirds (64%) of senior industry executives say there has been an increase in demand from holidaymakers for London, including more than one quarter (26%) which say there was 'much more interest' in the city.

Furthermore, this interest has spread to the whole of the UK with 54% stating an upturn in holidaymakers' appeal for the UK.

Because of this increased interest in the London and the UK, half of all travel companies have increased their capacity (52% for London and 48% for the UK).

#### Q. Has the success of last summer's London Olympic and Paralympics games seen your company increase capacity?

(Industry Survey)



# World Travel Market 2013 Industry Report

The findings are supported by Office of National Statistics data which show the first eight months of the year have seen more visits to the UK than the same period in any other year, and 7% more than 2012.

Almost eight million people have visited London in the first six months of the year – 8% higher than 2012 and also an all-time high, with spending up 12% to almost £5 billion.

London & Partners Chief Executive Gordon Innes says London is set for a “bumper” 2013 attracting more than the 15.5 million tourists that came to the city in the Olympic year of 2012.

VisitBritain Chief Executive Sandie Dawe says: “More people than ever from around the world are choosing to holiday in Britain. This all adds up to a new milestone of spend over a 12 month period of £20 billion, which proves the massive contribution that inbound tourism makes to the UK economy.”

Furthermore, attendance at 33 top tourist attractions surveyed by London & Partners – including the London Eye and the Tower of London – show numbers were up 9.6% on last year.

Historic Royal Palaces – which runs the Tower of London - Development Director Danny Homan says the Tower of London is 25% up on visitors compared to 2012 with 75% of those coming from overseas.

“We can attribute this to a buoyant inbound visitor market following the Jubilee celebrations and the Olympics,” he said.



# World Travel Market 2013 Industry Report

## Rio 2016

Brazil is one of the world's emerging travel and tourism economies. The country's rapid growth has now given Brazil the opportunity to host the 2014 FIFA World Cup and then the 2016 Olympic and Paralympic Games.

Brazil is targeting 500,000 more visitors to the country in the World Cup year, compared to 2013, and a further 15% increase in visitors for the Olympic year, compared to 2015 arrival numbers.

The success of London 2012 has had a positive impact on the industry's view of Brazil and Rio as a tourism destination during the Games. Four out of ten (39%) senior industry executives say they are more likely to commit capacity and sell holidays to coincide with the Rio Games.

Furthermore, more than a quarter (26%) are so confident of Rio's potential as a successful and popular host city that they will commit capacity to Rio for the games regardless of the success of the 2014 football World Cup.

A further 28% are willing to increase capacity to Rio for the games but will wait until after the football World Cup before deciding.

Additionally, almost a quarter (18%) of UK holidaymakers say London 2012 has made them more inclined to make the trip to Rio for the games in 2016. Almost one in ten (8%) say they would be 'much more likely', with 10% 'a little more likely'.

Only 155,448 British people visited Brazil in 2012, so the World Travel Market 2013 Industry Report's findings would indicate there is a significant increase in interest from UK holidaymakers to Brazil, especially during Rio 2016.

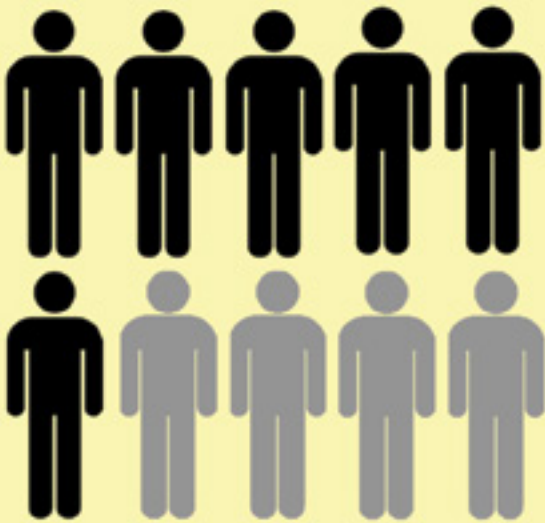






### 3. Aviation

**SIX IN TEN**  
UK HOLIDAYMAKERS



**WOULD PAY EXTRA FOR NO FRILLS BUSINESS CLASS.**



**ALMOST HALF**

**OF THE TRAVEL INDUSTRY FEAR LONDON WILL LOSE ITS POSITION AS A MAJOR GLOBAL HUB EVEN IF CAPACITY IS INCREASED.**

**APD**  
(AIR PASSENGER DUTY)

**39% Of UK holidaymakers will only consider short haul holidays following next year's rise.**

**87%**

**OF TRAVEL EXECUTIVES SAY NO-FRILLS BUSINESS CLASS WILL BE ADOPTED GLOBALLY**



**LHR 40% OF INDUSTRY LEADERS BACK EXPANSION**

## 3. AVIATION

### No-frills Business Class

A new trend has taken off in the Middle Eastern aviation industry of no-frills carriers offering a business class service. No-frills business class can include bigger seats, more leg room, a meal and on-board duty-free, while keeping low prices and the airlines still achieving good profitability.

Jazeera Airways was the first to introduce this service and this year Flydubai has followed suit. It is a trend which has been highlighted in the WTM 2013 Global Trends Report, in association with Euromonitor International.

It also looks like it will expand across the globe. A massive 87% of senior industry executives believe no-frills business class cabins could be successful in other regions.

Europe and Asia are the two regions it is felt are best suited to the new and emerging business model, with 42% and 40% respectively. North America and the UK & Ireland followed on 35% and 29% respectively.

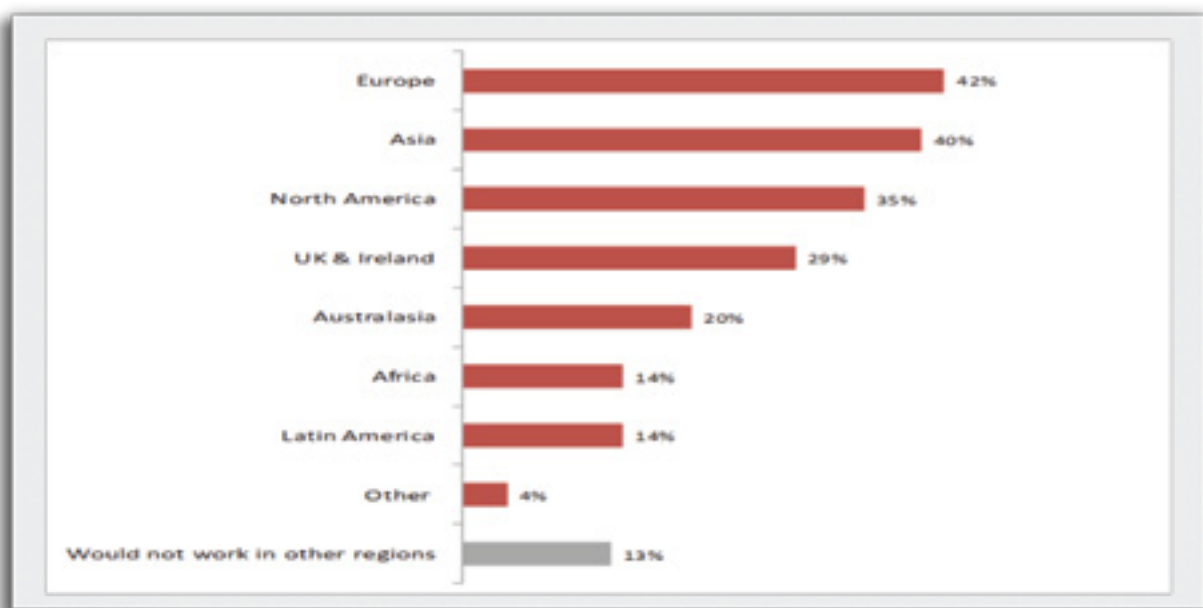
UK holidaymakers appear to support the emerging business model. Six out of ten UK holidaymakers say they would pay extra to sit in a no-frills business class cabin. More than a quarter gave an outright 'yes' to the question of paying extra for the service, while a 39% said it would depend on the additional cost.

In the WTM Global Trends Report 2013, Euromonitor International suggests no-frills business class cabins or full business class flights are a business model that the UK's low-cost carriers, led by easyJet and Ryanair, could embrace.

The no-frills airlines may take on board the business model quicker as UK holidaymakers say they would be willing to pay up to £350 more to fly low cost business class. Although, some holidaymakers say they would only be prepared to pay an extra £5 for no-frills business class service.

### Q. 'No frills' airlines in the Middle East are starting to offer business class cabins on flights. In which regions around the world could this model be a success?

(Industry Survey)



## England's South East Aviation Capacity

UK airport capacity, especially serving London and the South East of England, has long been debated and is currently one of the hottest topics in the UK and the global travel and tourism industry.

Over recent years, it has been felt London's competitiveness as a – or the – European city of business is slipping. This is because of new infrastructure and capacity in European cities, especially at Amsterdam's Schiphol Airport and Frankfurt Airport.

The UK coalition government launched a commission into airport capacity - The Davies Commission, chaired by ex-Financial Services Authority boss Howard Davies - which will not report its recommendations until 2015, leaving the decision up to the next government.

However, Davies does concede the need for extra capacity and is expected to confirm this in the interim report, which is due to be published next month.

As the UK dithers about, if, and how, it increases capacity other countries are stealing a march and threatening to damage UK PLC's competitiveness.

For example, Istanbul is building the largest airport in the world - a six-runway hub which will open in 2017 - while Dubai World Central Airport was due to open last month (October 2013) with the capacity of 160 million passengers a year.

More than half (52%) of senior industry executives believe London and the South East of England needs extra aviation capacity, only a quarter (22%) answered with a resounding 'no' that there is no need for extra capacity.

A majority of 56% fear London's position as a major global aviation hub is under threat if capacity is not increased to compete with both its traditional European rivals of Amsterdam and Frankfurt, but also developments in other countries such as the United Arab Emirates and Turkey.



# World Travel Market 2013 Industry Report

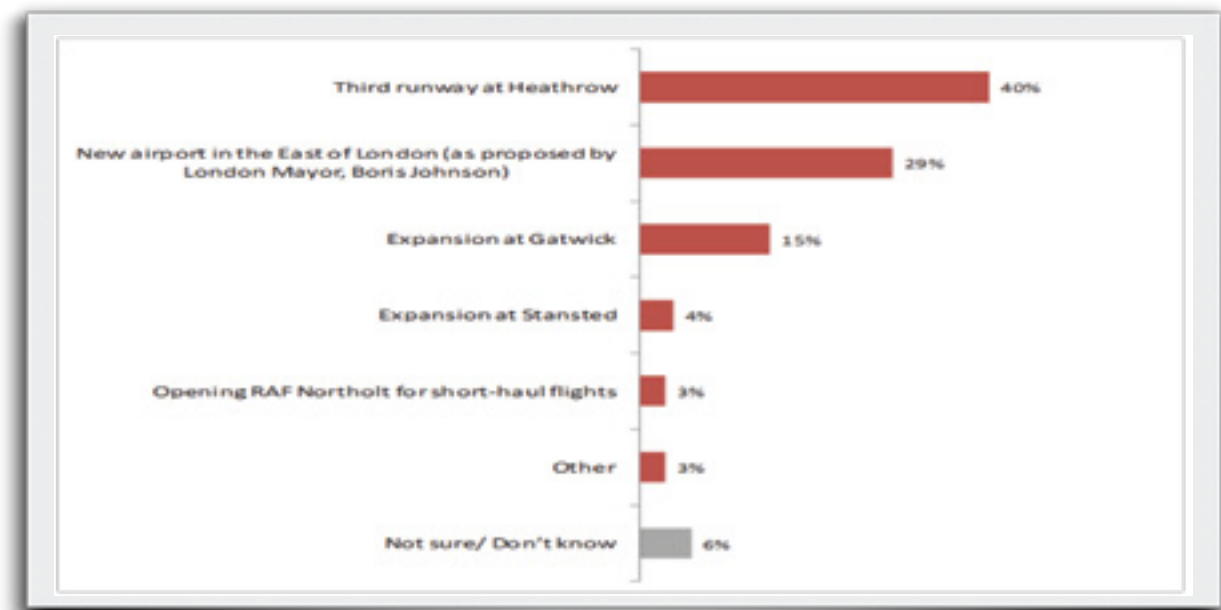
Worryingly, almost as many senior executives (47%) fear London's position as a global aviation hub is under threat regardless of whether capacity is increased or not.

London business leaders are equally concerned and are to fund a major campaign to put pressure on the next government to implement the recommendations of The Davies Commission. London First is open-minded to how capacity is increased but wants the next government to "commit to tackling the capacity crunch".

"We cannot afford to see this kicked into the long grass again," said London First's Rob McIvor.

## Q. Which of the following options do you believe to be the best solution?

(Industry Survey)



Heathrow Airport's position as the industry preferred solution to expanding South East England's aviation capacity has been cemented in the past 12 months. The World Travel Market 2012 Industry Report had Heathrow Airport as the most popular solution on 34%. This year's report has a third runway at Heathrow Airport on 40%, 11% in front of a new airport east London in Kent, as proposed by London Mayor Boris Johnson – which polled 25% in the 2012 report.

Willie Walsh, Chief Executive of British Airways' parent company IAG has publicly backed Heathrow expansion several times and is dismissive of the other alternatives put forward.

Heathrow Airport Chief Executive Colin Matthews last month said "without a larger hub airport the UK can expect to fall behind in the global race for trade, jobs and economic growth" when announcing passenger numbers for the first nine months of the year hit 54.65m (up 3.6%)

While London Mayor Boris Johnson has conceded it is unlikely his proposal will be accepted by the Davies Commission.

Interestingly, UK holidaymakers appear less convinced a third runway at Heathrow Airport is the preferred solution. In the World Travel Market 2012 Industry Report 34% of UK holidaymakers said Heathrow Airport expansion was the best way to expand capacity. However, in this year's report only 19% agreed. Almost one in three UK holidaymakers say they did not know what the best solution would be – this compares to only 6% who said they were unsure in 2012.

## Aviation Taxes – Air Passenger Duty

Aviation taxes, and in particular the UK's controversial Air Passenger Duty, have been a constant theme in all four of the World Travel Market Industry Reports since its launch in 2010.

Air Passenger Duty was introduced in 1994 on outbound flights from the UK, with a £5 rate for UK/EU flights and £10 for everywhere else. Since then it has seen several increases. In 2009 four geographical bands were introduced, based on the distance from London to the capital city of the country flying to (except Russia, which is split east and west of the Ural Mountains).

APD was increased again in 2010, 2012 and 2013. The UK has the highest rate of air tax in the world, some 400% more than most other EU countries. APD will rise again in 2014, taking the highest APD cost for a flight more than 6,000 miles in first class up to £388 (up from £376).

The only APD band which is not increasing is Band A, which covers short flights up to 2,000 miles. This stays between £13 and £52.

Bands (approximate distance in miles for the UK)	Reduced rate (lowest class of travel)		Standard rate (other than the lowest class of travel)		Higher rate	
	From 1 April 2013	From 1 April 2014	From 1 April 2013	From 1 April 2014	From 1 April 2013	From 1 April 2014
Band A (0-2000 miles)	£13	£13	£26	£26	£52	£52
Band B (2001-4000 miles)	£67	£69	£134	£138	£268	£276
Band C (4001-6000 miles)	£83	£85	£166	£170	£332	£340
Band D	£94	£97	£188	£194	£376	£388

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Following this increase, which takes effect on all flights from April 1, less than three in ten holidaymakers will consider long-haul holiday destinations due to the increase in long haul APD. Almost four out of ten (39%) will only consider short-haul holiday destinations.

This could have a serious implication to countries in Band B to D, including the popular holiday destinations of the Caribbean islands and the emerging BRIC economies (Brazil, Russia, India, China and South Africa).

Furthermore, a report by campaign group A Fair Tax on Flying claims the government is losing out on £190 million in APD taxes because travellers are flying to airports in mainland Europe before flying on to mid- or long-haul destinations. A Fair Tax on Flying polled 356 people and found 3.6% are taking this approach. If the same percentage of the 98 million people that departed the UK last year did this it would equate to £190 million.

Worryingly for the UK inbound industry, almost two thirds of the industry's senior executives fear the APD increase will see fewer tourists come to the UK. Approaching one in two (45%) believe it will have a slight decrease on the number of tourists coming to the UK, while a fifth state it will see 'significantly fewer' people visit the UK.

Both Chancellor George Osborne and London Mayor Boris Johnson were in China last month in a bid to attract more business links and tourists from China to the UK. However, APD for Chinese tourists increases to a maximum of £340 per person, which could significantly impact the number of Chinese tourists that visit the UK.

The findings indicate the increase in the tax could jeopardise the successful tourism legacy of the London 2012 Games for the industry.



## 4. Emerging Travel and Tourism Economies

# CHINA



# #1

**CHINA IS THE  
INDUSTRY'S  
MOST  
IMPORTANT  
BRICS  
MARKET**

**ASIA IS THE NEXT  
TOURISM HOTSPOT WITH**



# VIETNAM



# MYANMAR



# CAMBODIA

**AMONG THE HIGHLIGHTED**

**SLIMMA** Sri

**countries  
continue to  
show  
travel and  
tourism  
potential.**

**Lanka  
Indonesia  
Malaysia  
Mexico  
Argentina**

# 28%

**OF SENIOR INDUSTRY LEADERS  
SAY THE BRICS ARE NOT  
IMPORTANT TO THEIR BUSINESS.**

## 4. Emerging travel and tourism economies

### BRICS

The emerging markets of Brazil, Russia, India, China and South Africa have long been highlighted as the future powerhouses of the travel and tourism industry. The BRICS have featured heavily in all four of the World Travel Market Industry Reports.

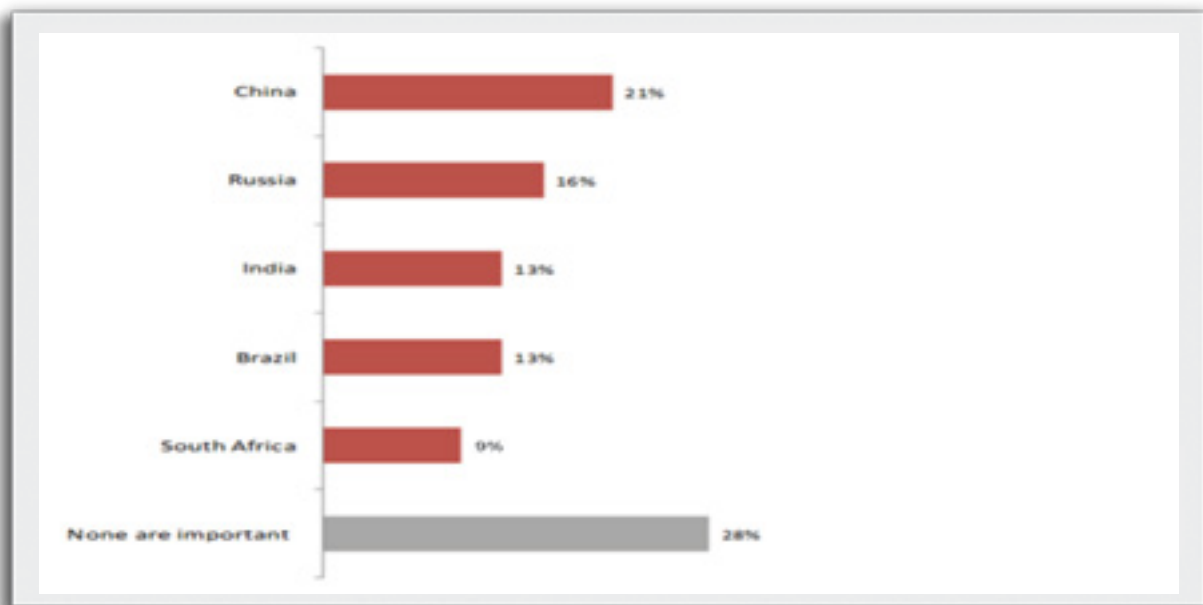
In the 2010 report, almost half (47%) of the industry saw the BRIC nations (minus South Africa at that stage) as one of the biggest growth opportunities until 2014, with almost one in three (28%) seeing them as the single biggest opportunity over the same period.

China remains the most important of all the BRICS markets for outbound tourism. In 2012 China was viewed as the most important market followed by Russia, Brazil, India and then South Africa.

This year China is still top for outbound tourism, highlighted by more than a fifth (21%) of senior industry executives. Russia was second on 16%, followed by India and Brazil on 13%, with South Africa on 9%.

### Q. Which of the BRICS countries is the most important to your business from an outbound tourism perspective?

(Industry Survey)





# World Travel Market 2013 Industry Report

The size of the potential market and the potential spend alongside existing business links were cited as the reasons for China being the most important outbound tourism market.

With Brazil, forthcoming tourism events and growing economy is cited.

However, 28% of those polled say the BRICS nations are not important to their businesses. This may indicate the industry is shifting its focus away from the BRICS to other emerging economies.

## SLIMMA

The World Travel Market 2011 Industry Report highlighted the SLIMMA countries – Sri Lanka, Indonesia, Malaysia, Mexico and Argentina as emerging travel and tourism powerhouses.

The SLIMMA nations were highlighted again in last year's report and have been cited in the 2013 report for their potential for travel and tourism.

## SRI LANKA

- Re-emerging after the civil war
- Investing in infrastructure
- Beauty of destination



## INDONESIA

- Diversity of country
- Growing population
- High disposable income



## MALAYSIA

- Asian country but with more freedom than others
- Developing tourism Industry
- Aggressive marketing



## MEXICO

- Improved infrastructure
- Low taxes
- High disposable income



## ARGENTINA

- Up and coming destination
- Positive economic growth
- Cost effective holiday destination



Reasons taken from the World Travel Market 2011 Industry Report

# World Travel Market 2013 Industry Report

## Asia

However, the World Travel Market 2013 Industry Report has unearthed a greater trend with Asia appearing to be the focus for industry growth.

When senior industry executives were asked to identify three developing countries with the greatest travel and tourism potential, nine of the top 30 destinations are in Asia.

As well as China and SLIMMA's Sri Lanka, Indonesia and Malaysia, senior industry executives also highlight:

- Vietnam
- Myanmar
- Cambodia
- Philippines
- Thailand



These findings are supported by those of The World Travel and Tourism Council, which projects that South Asia will have the strongest growth in Travel & Tourism's direct contribution to GDP in the coming years - with a growth rate of 6.7%. Its ten year outlook is that South Asia will outperform all other world sub-regions with a 7.2% growth rate driven by increasing wealth in the middle classes.

The UN World Tourism Organization projects the Asia Pacific Region will have the largest increase in inbound tourism through to 2030 with an increase of 330 million international arrivals reaching a total of 535 million international arrivals by 2030 and a 30% global market share – the only region with an increasing market share through to 2030.

Furthermore, research company Trimetric has four Asian countries in its Tourism Potential Index Top Ten. Singapore is first due to the buoyant economies in key source markets of Indonesia, China and Malaysia. Malaysia is fourth with Thailand fifth, with Japan at number ten.

# World Travel Market 2013 Industry Report

## MINTs

Last month the investment company MSCI highlighted the MINT countries - Mexico, Malaysia, Indonesia, Nigeria and Taiwan - in its Beyond BRIC Index. Interestingly, all of the countries except for Taiwan, were in the senior executives' top 30 destinations with travel and tourism potential.

**Mexico**



**Indonesia**



**Taiwan**



**Malaysia**



**Nigeria**

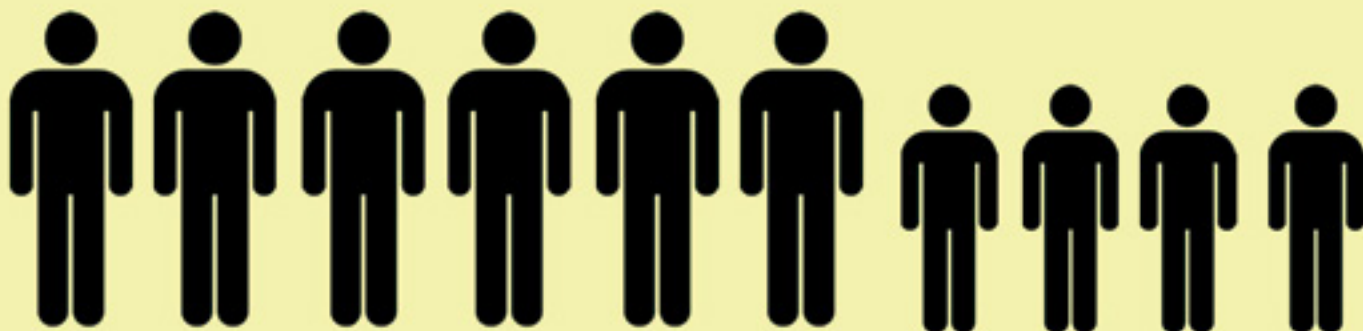






## 5. Resources for Travel

**6 OUT OF 10 HOLIDAYMAKERS**



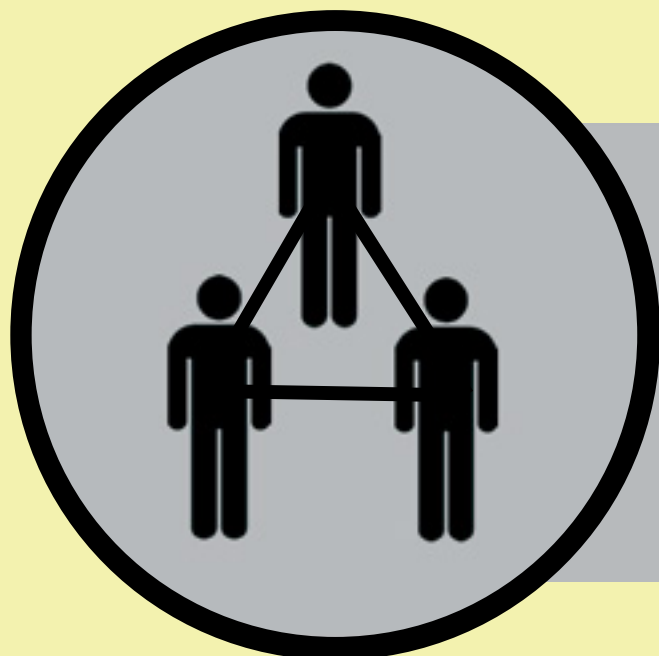
**USE A GUIDEBOOK WHEN ON HOLIDAY**

**43%**

OF UK  
HOLIDAYMAKERS  
USE



WHILE ON  
HOLIDAY



**PEER REVIEW**

**27%**

OF UK HOLIDAYMAKERS  
TRUST THESE OVER  
PERSONAL  
RECOMMENDATIONS

## 5. Resources for Travel (before and during the holiday)

### Peer Review Sites the Key Holiday Planning Resources

Despite the on-going controversy surrounding peer review sites, including the legitimacy and authenticity of reviews and the effort of the sites to improve this, they remain the most trusted and key resource for UK holidaymakers when it comes to planning their holidays.

Peer review sites – such as TripAdvisor – are the clear leaders on more than one quarter (27%), followed by personal recommendations on only 18%, so UK holidaymakers trust strangers on peer review sites more than they do their friends and family.

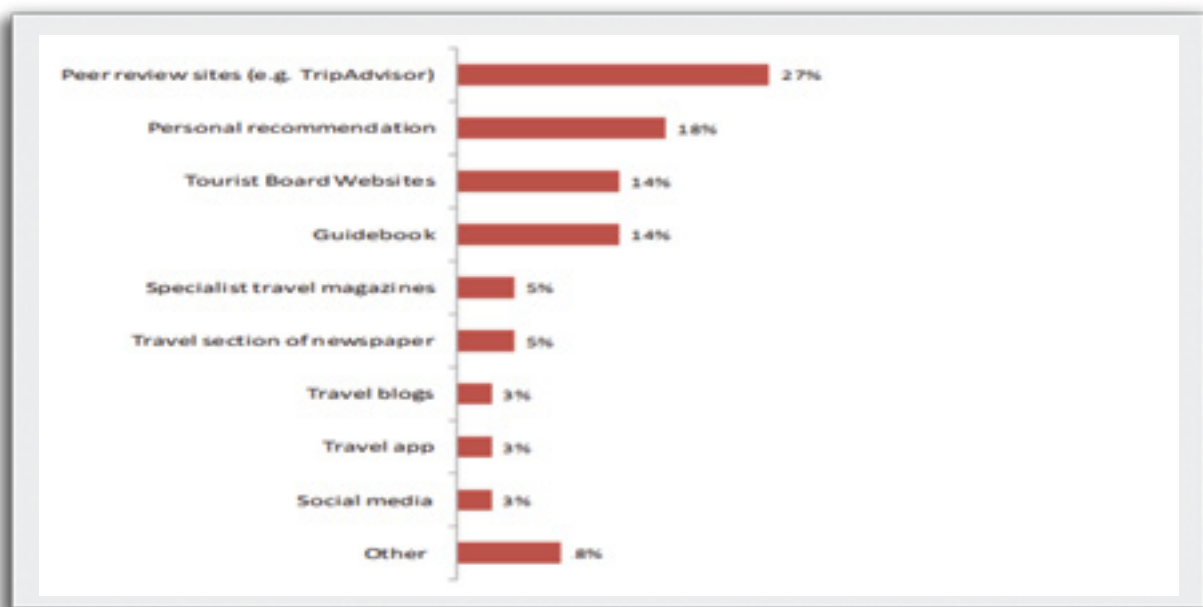
Tourist board websites and guidebooks each polled 14%.

Worryingly for the publishing industry specialist travel magazines and the travel sections of the newspapers poll only 5% each.

However, they fared better than blogs, travel apps and social media – which all only secure 3% of the vote each.

### Q. What is your key resource when planning to and going on holiday?

(Industry Survey)



## The Renaissance of the Guidebook

As the internet and mobile apps have grown in prominence and had more and more investment from travel and tourism companies, the role of the traditional guidebook has been called into question.

It has been felt – and certainly claimed – that the traditional hard copy guidebook, which has been the best friend of holidaymakers since mass market travel started, has been on the wane.



Arguably the most famous guidebook publisher, Lonely Planet

was sold by the BBC - at a significant loss - at the beginning of the year. Staff at its Melbourne headquarters found out later in the year they could face redundancy.

However, the World Travel Market 2013 Industry Report contradicts claims of the death of the guidebook and reveals they are in good health.

Almost six out of ten holidaymakers (59%) use a hard copy traditional guidebook, compared to 25% who print from the web and three times the 20% who use an app.

Furthermore, the statistic that will most please the traditional guidebook industry is the massive 41% purchased the guidebook for the trip, compared to the 18% who borrowed a guidebook from friends.

The guidebook's superiority over the internet and apps is further demonstrated as UK holidaymakers value the information in them as far more useful for planning a holiday. Guidebooks poll 14%, almost five times more than the 3% achieved by travel blogs, travel apps and social media.

DK Travel has celebrated its 20th anniversary by re-launching its main travel guide series. Publishing Director Clare Currie notes that this re-launch comes at a pivotal time: "Our current reality is that more people buy guides in print than they do in digital equivalents. We've listened to our users and also looked at how we travel ourselves, and what we want before, during, and after we hit the road."

## Use of Social Media on Holiday

Holidays were once essential for people to relax and switch off from the stresses and strains of their lives and recharge their batteries.

However, it would appear this is changing with more and more people wanting to keep in touch with friends and relatives back home.

Approaching half (43%) of holidaymakers use social media – to varying degrees – while they are on holiday. One in ten holidaymakers will use social media regardless of whether they are in the UK or abroad, while a further 7% will only use social media when on holiday in the UK. More than one quarter (27%) are active on social media – wherever they are – but not as active as they normally are at home.

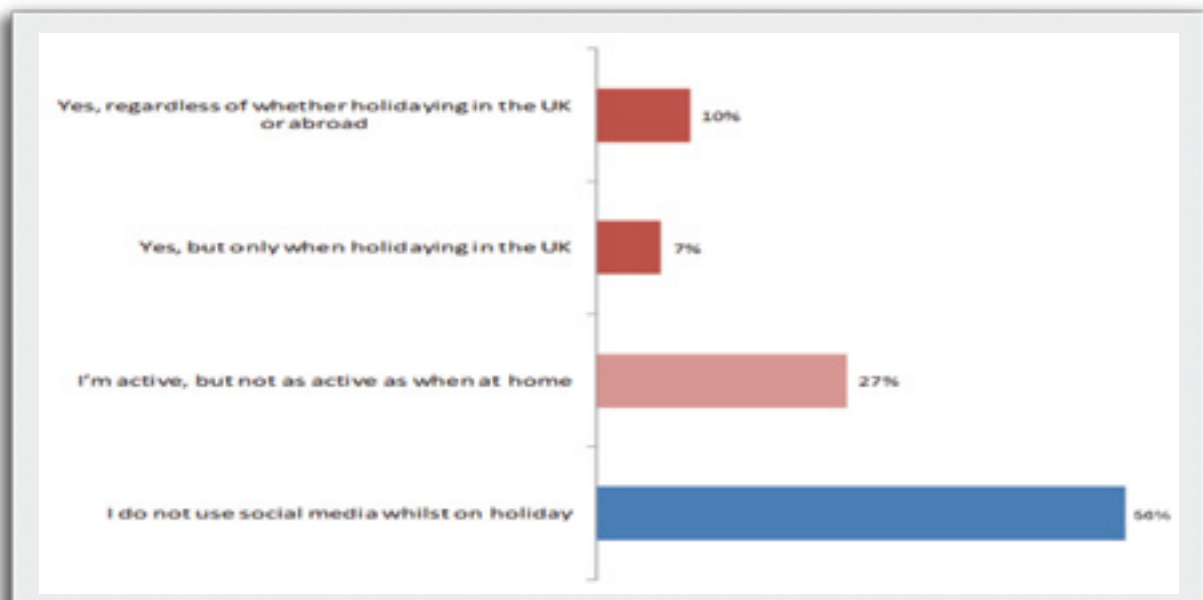
The use of social media while on holiday looks set to become commonplace, due to the potential ditching of mobile roaming charges while in European Union countries

The EU is looking to scrap roaming charges in its 28 member countries, which include major holiday hotspots countries of France, Spain, Croatia, Greece and Portugal. This follows on from a cap the EU introduced in July this year.

Almost half (48%) of UK holidaymakers polled say they will be more inclined to use their mobiles abroad – either calling, text messaging or using data – following the decrease of roaming charges.

### Q. Are you more active on social media during your holiday?

(Holidaymakers' Survey)







## 6. UK Trends

1 / 3

**SAY GOOD WEATHER IN 2013 WILL SEE THEM HOLIDAY AT HOME IN 2014**



**70% OF HOLIDAYMAKERS HAVE NEVER BEEN ON A CRUISE**

**37% OF PARENTS WILL TAKE THEIR CHILDREN OUT OF SCHOOL TO HOLIDAY DESPITE FINES**

37%



**THE UK IS HOLIDAYMAKERS' FAVOURITE DESTINATION FOR 2014**



**The Duke & Duchess of Cambridge & Baby George are the most popular family to sit next to on a flight**

## 6. UK Trends

### The rise of the Staycation

Since the global financial downturn hit the UK in 2008 much has been made in the UK about the rise of the Staycation – people holidaying in the UK because it is cheaper than going overseas.

This year's report seems to indicate this trend is set to continue in to 2014. When UK holidaymakers were asked where they holidayed this year the UK was by far the most popular destination – more than twice as many entries than Spain and three times as France.

This remains the trend for 2014, with the UK predicted to be the most popular holiday destination next year – with more than twice as many highlighting the UK than Spain and France and three times as many as the USA.

Three out of ten UK holidaymakers say last summer's good weather will make them more likely to holiday at home next year, including 15% who say they are 'much more likely' to holiday in the UK in 2014.



## School Holidays

For the current academic year, the UK Government has introduced a £60 fine per child if parents take them out of school to go on holiday during term time, making next summer the first peak time the new law will be tested.

Almost four out of ten (37%) of parents (514 in total) would pay the fine to take their children out of school during term time.

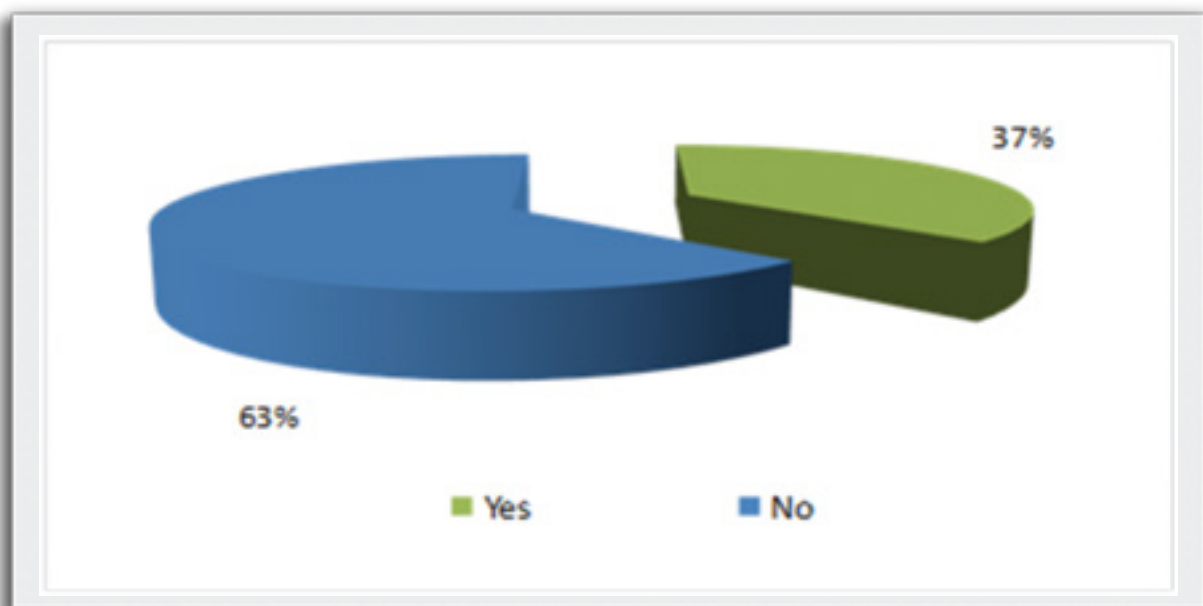
Figures from the Nationwide Building Society in summer 2013 showed the extent of the price differentials – and why parents are prepared to break the rules, as fines are cheaper than the school holiday rates.

A UK break to Centre Parcs in Wiltshire, for example, was £1,038 in early July, but the price rose to £1,928 when the school holidays began.

For a EuroDisney break, prices ranged from £2,262 in the first week of July to £2,631, while a package deal to Spain ranged from £1,501 to £2,558 over the same periods – an increase of more than £1,000 for those who wait for school holidays.

**Q. Would you be prepared to pay a fine of £60 per child to take them out of school during term time?**

(Holidaymakers' Survey)



## Cruise Holidays

The cruise industry is the fastest growing sector of the global tourism industry with new ships being introduced every year.

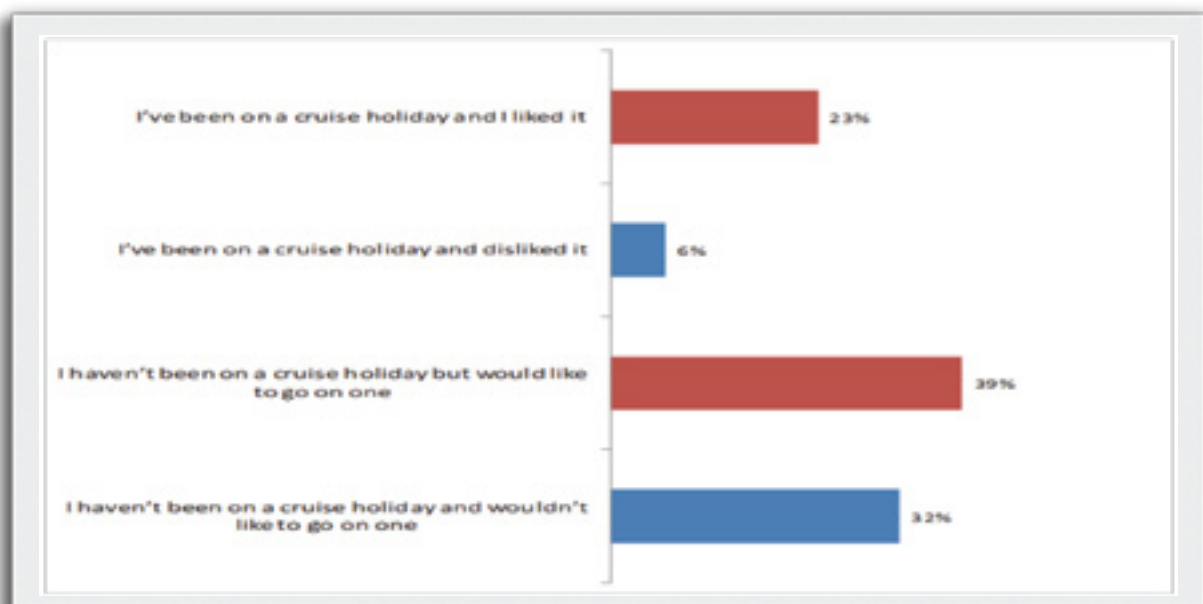
Interestingly, more than seven out of ten (71%) of UK holidaymakers have never been on a cruise holiday, with 32% not interested in a cruise holiday.

This is despite the vast sums the cruise industry spends on marketing. Nielsen statistics reveal the cruise shipping sector spent around £285 million on marketing between 2010 and 2013. This covers print advertising, TV advertising, direct mail and cinema promotions.

However, the marketing assault has worked on 39% of holidaymakers who said they would like to go on a cruise.

Almost a quarter (23%) had been on a cruise and liked it. While 6% had been on a cruise holiday but did not like the experience.

### Q. Which of the following statements best describes your thoughts on cruise holidays?



(Holidaymakers' Survey)

# World Travel Market 2013 Industry Report

## Flying Companions

The World Travel Market 2013 Industry Report asked UK holidaymakers which celebrity parents they would most like to sit next to.

Maybe unsurprisingly, one couple and their child came out top of both polls... the Duke and Duchess of Cambridge and baby George.

Almost half of UK holidaymakers want to sit next to Kate Middleton and Prince George of Cambridge on a flight. Victoria Beckham and baby Harper and Beyonce Knowles and baby Blue Ivy were some way behind on 10% each.

Kim Kardashian and baby North West are last with only 2%.

The father and baby poll was much tighter with Princes William and George top on 39%. David Beckham and Baby Harper were second with more than a quarter (26%) wanting to sit next to them on a flight.

Simon Cowell and baby and Jay Z and baby Blue Ivy poll 5%. Kanye West and Baby North West poll only 2%.









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