enjoyEngland™

UK market profile
updated January 2006

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Market profile

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CONTENTS 1 – THE MARKET

CONTENTS 2 – THE TRADE / B2B

1) Market snapshot

GENERAL MARKET CONDITIONS	• Population 60m in 2004 • IMF Forecasts 2006: GDP (based on PPP per capita) USD$30,280 GDP Growth Rate Forecast .(2006) 2.1%. Unemployment 4.8%. Inflation 3.0%
MARKET SIZING / MARKET SHARE	• 121.3 million domestic overnight trips in 2003 • 92% of all domestic trips taken by English residents • £20.6bn spent on overnight trips in England • £20.6bn spent in 2003. Average Exp per Trip £169; Average Exp per Day £55
MARKET SHAPE / MARKET DYNAMICS	• 40% VFR; 43% are HOLIDAY visitors • 72% stay 1-3 nights • 30% of trips between July - September • Top Regions = South West followed by South East and the North West
PRODUCT / MARKET FIT	• History / Heritage / Culture, Shopping, Sports, Events
DEMOGRAPHICS / POTENTIAL CONSUMER SEGMENTS	• Cosmopolitans /High Streets /Discoverers
REACHING THE UK CONSUMER	• Internet access 55.6%

2) UKTS 2004 – data usage notice

ALL UNITED KINGDOM TOURISM SURVEY (UKTS) DATA USED IN THIS REPORT IS TAKEN FROM 2003, UNLESS OTHERWISE INDICATED. PLEASE NOTE THE DATA USAGE NOTICE (SHOWN BELOW) IS FOR THE 2004 UKTS DATA.

Following an extensive review of tourism data, UKTS is moving to a new methodology for measuring the volume and value of domestic overnight trips: face-to-face interviews. This requires an increased investment in domestic data that VisitBritain, VisitScotland, Wales Tourist Board and Northern Ireland Tourist Board are committed to making from May 2005.

In the meantime we are cautious about using the 2004 data. The methodology used in 2004 (and since 2000) was telephone interviewing. Over 50,000 people were interviewed a year in order to get a suitable level of reliability in the data at regional level. However, in 2004 there appeared to be a growing problem with a changing demographic profile of the sample interviewed. Changes in the relationship between the public and the telephone survey industry appears to have skewed the sample so that each month there was a greater proportion of DE and low income respondents to the survey, and AB's and higher income earners appeared to be more likely to screen calls or refuse outright to take part in the interview.

Owing to the concerns about the telephone methodology not delivering a truly representative sample of the UK population in 2004, we advise caution in using and interpreting the 2004 data. Through feedback from the industry we know that, overall, in 2004 the domestic market was at worst stable. In addition, the United Kingdom Occupancy Survey revealed occupancy rates of 62% on average in the UK in 2004, up from 60% in 2003.

The new methodology

TNS has been appointed to run the survey for the remainder of 2005 and for 2006 – 2010. The Boards concluded the approach proposed by TNS would yield a more representative sample of the UK population by using a proven face-to-face interview approach instead of the previous random digit dialling telephone approach.

There will now be:

- 103,000 face-to-face interviews per annum, more than twice the number of the previous survey methodology.
- A weekly sample size of around 2,000 adults aged 16 or over – representative of the UK population in relation to various demographic characteristics including gender, age group, social class, and geographical location.

The questions were added to TNS's RSGB Omnibus on 4th May 2005 and the survey will provide data from April 2005 for total number of trips, nights spent on each trip by destination by purpose, and for the most recent trip: breakdown of expenditure, accommodation used and party composition.

If you require further information on the usage of the 2004 data or the new methodology please contact England Research at VisitBritain on 020 8563 3317 or 020 8563 3320.

England Research April 2005

3) General market conditions

Population:

The UK's population in mid 2004 stood at 59,834,300, broken down as follows:

England	50,093,100	83.7%
Wales	2,952,500	4.9%
Scotland	5,078,400	8.5%
Northern Ireland	1,710,300	2.9%
United Kingdom	**59,834,300**	**100%**

The UK has a growing population. It grew by 280,600 people in the year to mid-2004, and the average growth per year has been 0.4 per cent since mid 2001. Growth in the population of the UK is as a result of immigration, mainly from the new entrants to the European Union.

The UK has an ageing population, as a result of declines in fertility rates and in the mortality rate. This has led to a declining proportion of the population aged under 16 and an increasing proportion aged 65 and over. In 20 years time there will be a significantly higher percentage of the population aged 50 and over. This demographic represents a very important segment of society not only in terms of population, but also in terms of economic value. The 50+ age group owns 80% of the UK's wealth worth £280 billion.

Economics / politics

GDP rose by 0.6 per cent in the fourth quarter of 2005, up from 0.4 per cent in the previous quarter. For the year 2005 GDP increased by 1.8 per cent over 2004. GDP is expected to grow by 2.1% in 2006 according to HM Treasury.

Unemployment in the UK is around 5%, the lowest in Europe. Inflation in the UK economy is relatively low at only 2%.

The UK, along with Denmark and Sweden were the only original members of the EU not to join the Euro currency when it began in January 2002.

Holidays / annual leave

UK employees receive an average of between 20 and 25 days annual leave.

General emerging consumer trends

The travel market, whilst enjoying growth worldwide, is constantly changing due to the shifting expectations of consumers. Domestic tourism is sensitive to global events such as the rising price of oil and more terrorist attacks.

If oil prices continue to rise dramatically, this would inevitably have an impact on airlines as they would be forced to increase their fuel surcharges which would significantly increase fare prices. Some passengers would be priced out of the market, opting to forgo a foreign holiday in favour of a domestic holiday.

The ageing population is also likely to have a significant impact on domestic tourism, the older consumer will be more active than previous generations and will be working longer. They will be relatively well travelled and will increasingly seek to sample new and exciting destinations.

4) Market sizing/share

Current & forecast market size

The United Kingdom Tourism Survey estimates that there were 121.3 million overnight trips in England in 2003. Total expenditure on these trips was £20.6 billion.

English residents currently make up 92% of all English overnight trips by UK residents.

Current volume and value statistics / trends

As stated earlier the UKTS 2004 data is not considered reliable and thus trend data is not readily available.

Key competitor destinations – actual

The main competitors to England as a holiday destination for UK residents are the close European countries and the USA. The number of trips to each of these destinations is shown in the table below.

Country	Total visits, 2004 (000s)
Spain	13,833
France	11,602
USA	4,167
Irish Republic	4,125
Italy	2,974
Greece	2,709
Netherlands	2,165
International Passenger Survey 2004	

5) Market shape/dynamics

Purpose of trip

The table below shows the main purpose of an overnight trip to England by country of origin.

	Overall	England	Scotland	Wales	Northern Ireland
Holiday, pleasure and leisure	43%	43%	43%	43%	40%
Holiday, visiting friends or relatives	16%	16%	16%	18%	18%
Other visits to friends or relatives	24%	25%	15%	21%	13%
Business Travel	14%	14%	24%	16%	27%
Other	3%	3%	2%	2%	2%

Data taken from UKTS survey 2000 – 2003

Over a quarter of trips made by Northern Ireland residents are for business purposes, with fewer trips to visit friends or relatives in comparison to the other nations.

Nearly a quarter of all overnight trips by Scottish residents are for business purposes, with fewer trips to visit friends and relatives than English or Welsh residents.

A quarter of all overnight England trips are to visit friends or relatives.

Just over two-fifths of all holiday trips in England are for holiday, pleasure and leisure purposes.

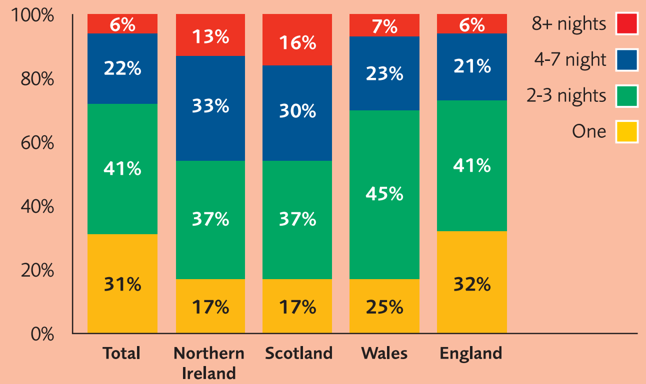
Length of stay

Nearly a third of all overnight trips made by English residents are of a single night in duration.

A third of all overnight trips made by Northern Ireland residents are between 4 and 7 days in length.

On average trips to England made by residents of Northern Ireland and Scotland last more than 4 days, whilst trips made by residents of Wales and England are shorter in length, lasting 3.45 and 3.18 days, respectively.

Overnight trips to England - length of stay



Method of transport

The majority of visitors from Northern Ireland use planes as the main method of travel to England; this falls to under a quarter of Scottish visitors and just 2% of visitors from Wales arrive in England by plane, with the majority arriving by car.

	Overall	Northern Ireland	Scotland	Wales
Car	74%	21%	50%	73%
Train	13%	2%	17%	14%
Regular Bus	4%	3%	4%	4%
Organised coach	2%	3%	3%	4%
Plane	3%	63%	23%	2%
Other	4%	3%	3%	3%

Data taken from UKTS survey 2000 – 2003

The majority of English overnight trips (made by English residents) use the car as the main method of transportation (75%), followed by the train (13%) and bus or coach (4%).

Average spend

Visitors from…	Average spend per trip	Average spend per night
Northern Ireland	£360	£94
Scotland	£252	£56
Wales	£174	£56
England	£164	£55

Source: UKTS Survey 2003

Regional spread

The most visited region by residents of England is the South West. The table below shows the number of holiday trips made to a region (in millions) by country and region. The data includes all trips in England between 2000 and 2003.

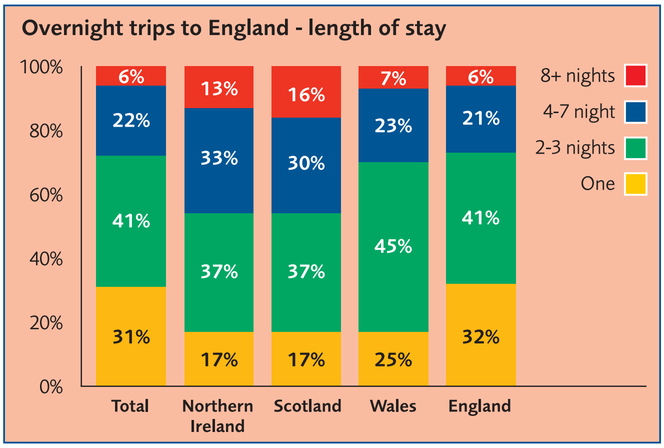
Travelling to …

Travelling from …

	Overall	West Midlands	East of England	East Midlands	London	North West	North East	South East	South West	Yorks & Humber
Total	**313.5**	**22.8**	**29.1**	**23.5**	**31.9**	**46.3**	**11.3**	**51.7**	**70.6**	**29.7**
Northern Ireland	2.1	0.2	0.1	0.1	0.5	0.6	0.1	0.3	0.3	0.1
	1%	1%	0%	0%	2%	1%	1%	1%	0%	0%
Scotland	12.2	1	0.8	0.5	1.6	3.9	1.3	1.4	1.1	1.3
	4%	4%	3%	2%	5%	8%	12%	3%	2%	4%
Wales	11.3	1.1	0.6	0.5	1.7	1.7	0.1	1.7	3.4	0.5
	4%	5%	2%	2%	5%	4%	1%	3%	5%	2%
England	286.2	20.5	27.4	22.2	27.9	39.9	9.8	48.2	65.4	27.6
	91%	90%	94%	94%	87%	86%	87%	93%	93%	93%
North East	12.7	0.7	0.7	1	1.3	2.8	2.2	0.9	1.2	2.2
	4%	3%	2%	4%	4%	6%	19%	2%	2%	7%
North West	33.9	2.7	1.4	1.8	3.4	12.7	1.4	2.7	4.2	4
	11%	12%	5%	8%	11%	27%	12%	5%	6%	13%
Yorks & Humber	32.1	1.4	1.7	3.9	3.1	5.7	1.7	2.3	3.3	9.2
	10%	6%	6%	17%	10%	12%	15%	4%	5%	31%
East Midlands	27.1	2	2.9	5.4	2.7	3.2	0.7	2.6	4.4	3.1
	9%	9%	10%	23%	8%	7%	6%	5%	6%	10%
West Midlands	29.5	4.3	1.6	2	2.8	4.1	0.7	3.6	8.4	1.9
	9%	19%	5%	9%	9%	9%	6%	7%	12%	6%
South West	31.6	1.9	1.6	1	3.9	2	0.3	5.3	15.3	1.
	10%	8%	5%	4%	12%	4%	3%	10%	22%	3%
East of England	31.8	1.9	8.7	2.3	3	2.5	0.8	5.4	5.5	2
	10%	8%	30%	10%	9%	5%	7%	10%	8%	7%
London	36.9	2.7	4.8	2	2.9	3.2	1	10.2	8.3	2
	12%	12%	16%	9%	9%	7%	9%	20%	12%	7%
South East	50.6	3	4	2.7	4.8	3.6	0.9	15.2	15	2.2
	16%	13%	14%	11%	15%	8%	8%	29%	21%	7%

Data taken from UKTS survey 2000 – 2003

Seasonal Spread



Residents of Northern Ireland are more likely to take their trip to England from July until September.

58% of those who make trips to England from Scotland do so during April – September.

Type of accommodation – where do they stay?

Accommodation type	Overall	Northern Ireland	Scotland	Wales	England
Hotel/Motel/Guesthouse	29%	46%	42%	34%	27%
Bed & Breakfast	6%	5%	7%	6%	6%
Self Catering in rented accommodation	6%	2%	6%	4%	6%
Hostel/University/School	1%	2%	1%	0%	1%
Holiday village/Centre	0%	1%	0%	0%	0%
Friends house/Rented house/own home	45%	46%	41%	45%	45%
Camping/mobile home	10%	2%	5%	7%	10%
Other	5%	4%	4%	5%	5%
Data from UKTS survey 2000 – 2003, UK Residents taking overnight trips in England					

Nearly half of all overnight trips to England involve staying at a friends/relatives house or staying in rented accommodation.

A quarter of all overnight trips involve staying in a hotel/motel or guesthouse, this rises to nearly half of trips originating from Northern Ireland (46%) and Scotland (42%).

6) England's brand image in Britain

England as a tourist destination - Real, Fun and Indulgent

The main pillars of the England brand in the domestic market are Real, Fun and Indulgent. The England brand model can be said to be describing 3 key Need states ('The 3 Pillars') which are shown in the diagram below:

- **Real**: The need 'to Feel and Sense' is the result of the need to belong, to feel part of something, to feel secure in your own surroundings, to feel at home.
- **Fun**: The need 'To Do', to be active and proactive, avoiding sitting around doing nothing, bonding with friends and family, letting off steam, etc.
- **Indulgent**: The need to 'Reward yourself' to counter act the stresses and strains of modern everyday life.

Recent research by Enjoy England has shown that Real is the strongest brand value for domestic visitors in England. Fun brand values such as variety and social aspects are also perceived as relatively strong. There are opportunities to increase awareness of the Indulgent factors England has to offer (this is particularly important as Indulgent is a differentiator that drives consideration for England as a destination).

7) Product / market fit

What products / experiences are most attractive to British visitors?

Research by Enjoy England using the TR*M research model examined the key drivers of visitor satisfaction and their relative importance. It also looked at visitor retention, the influences on it and how England was perceived to be performing amongst its key visitor segments.

The research identified that England excels in the provision of Unspoilt Countryside and History and Heritage. These are also product drivers for the British visiting England.

The model has also identified that Local Produce, Arts and Crafts, facilities for Camping and Caravanning, Activities for Children and Myths, Legends and Folklores have high real importance amongst visitors and England is recognised as performing well. The challenge here is to raise the awareness of these factors amongst visitors.

For Beaches and Coastline and Chance to see Wildlife in its Natural Habitat there is a chance to educate visitors about how good the product is, while for others there is a need to address the quality of the product to change perceptions.

Short versus long breaks

England is a popular and easy destination for a 'quick fix' – generally seen as a short break destination.This particularly includes weekend and mini-breaks of 1-3 days.

England is not seen as a holiday destination for longer breaks of 4+ days. This is partly due to a perception of poor value for money and variable weather, but also because more contrast from the norm is required, i.e. for some, more surprises are needed, which they believe are only found abroad. Holidays in England however are seen as being much easier and spontaneous than other destinations, especially versus flying and travelling greater distances.

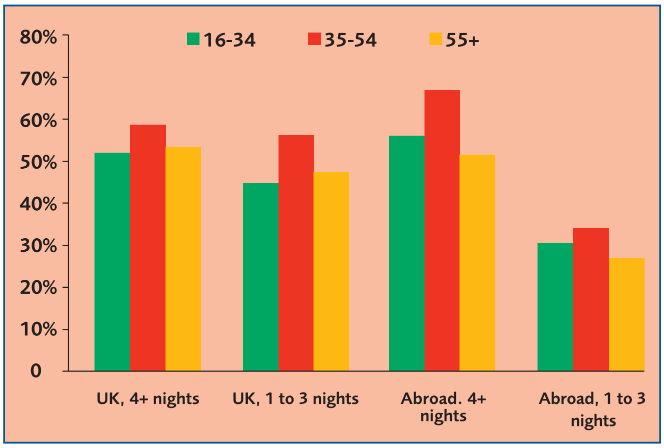
8) Who is the domestic trip taker?

Age/gender

A recent survey by Changing Lives (Future Foundation's nVision) suggests that older people (excluding the 65+ age group who are more constrained by low incomes and faltering health), appear more attracted to UK destinations than younger people. This is shown in the chart below.

Persuading young people of the attractions of domestic holidays may be the root to success for domestic tourist organisations and destinations. Those in the 35-54 age group are the most likely to go on holiday, and the most likely to go on holiday in the UK. This may be because this age group also contains a large proportion of parents, whose children may place some restraints on the choice of holiday destination.

Proportion who took a holiday in the past year



Source: Changing Lives N-Vision, Base 1000 Adults 16+, UK 2005

Data from the UKTS survey suggests a similar pattern for domestic holidays with those in the 35-44 age group the most likely to take overnight trips in England.

Age group	Male	Female
16 – 24	16%	15%
25 – 34	21%	21%
35 – 44	23%	22%
45 – 54	17%	16%
55 – 64	12%	12%
64+	11%	15%

1st timers & repeat visitors

67% of visitors from Northern Ireland had previously visited England within the last five years, 69% of Scottish visitors and 73% of Welsh visitors had previously visited England in the last five years.

Enjoy England key market segments

Enjoy England uses a segmentation system that is based on people's core values and definitions of quality. A value-based segmentation has many advantages. Values do not change (or only change very slowly) throughout a person's life and can provide a more in-depth understanding of consumers. Values or beliefs shape people's needs, which in turn shape their behaviour. Value-based segments will differ in their brand choice, behaviour, life styles, leisure activities and interests and so a deeper understanding of their purchasing behaviour, propensity to travel and general views on life can thus be gained.

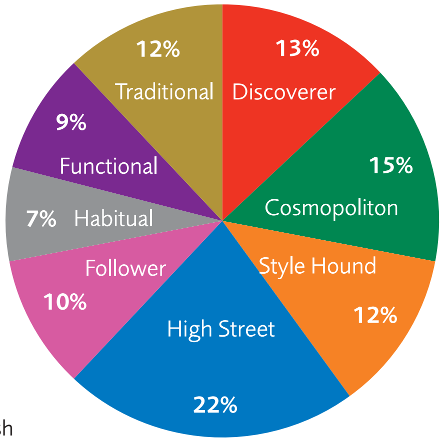
The additional benefit of this model is that it also takes life circumstances and purchasing situations into account. Customers make travel decisions depending on whether they meet both their aspirations and their practical requirements, so it is imperative to acknowledge these separate variables.

A person's priorities may change depending on what type of holiday they are planning but they will always remain in the same value segment.

Because the system is not based on predicting a specific set of purchases, it is also more flexible and can be applied across a wider set of tourism markets, a specific destination or an individual product group.

How the model works

The ArkLeisure model consists of three main elements: **aspirations** (value statements that identify segments and are made on the basis of quality judgments), **life factors** (life stage, income, etc) and **purchase** scenarios (preferences, perceptions, suitable accommodation, purchase drivers, satisfaction with choices made, purpose of trip, etc). In order to define people's aspirations and therefore segment them into different groups, their values are measured in relation to two key dimensions: the extent to which they embrace or resist innovation and the extent to which they are influenced by mass culture and peer pressure. Willingness to pay for different services and products is also considered, as this is clearly related to individual values. By using this information, the system is able to divide the UK market into eight value-based segments: **Cosmopolitan**, **Discoverer**, **High Street**, **Style Hound**, **Traditional**, **Functional**, **Habitual** and **Follower**.



The chart above depicts each of the segments and the percentage of the British population they represent.

Enjoy England needed a model such as this in order to better understand consumers' needs, motivations, holiday-taking patterns, attitudes towards England as a destination for main holidays and short breaks, and their awareness and responsiveness to the England brand. The ArkLeisure model works well for Enjoy England because it reveals what customers look for in a holiday, what types of messages they will respond to and the most efficient methods of communicating with them. It also reveals how customers' priorities and product choices will change under different purchasing scenarios, such as when planning a long family holiday or a short romantic weekend away.

England Marketing decided to focus its marketing efforts on three of the eight segments from ArkLeisure's segmentation model: **Cosmopolitans**, **Discoverers** and **High Streets**. This decision was based on the fact that these groups are the most active in the UK short break market and are most likely to be influenced by the England marketing message. A summary of each key segment is provided below:

Cosmopolitans

Cosmopolitans are strong, active confident individuals, who do what they want rather than following any particular fashion. Cosmopolitans view themselves as stylish, but individuality rather than fashion is most important and they are quite happy to adopt traditional values when they feel they are appropriate. They are comfortable to try things that are out of the ordinary. Whilst early adopters of new ideas this is not based on fashion trends but on their personal interest in new products and opportunities. They will be the early to try out new products, especially in the field of new technology. However, they still value and seek functionality in their purchases. They are a high-spend market who will buy expensive alternatives. For this group, to be given individual attention is very important and they will pay for it.

They are risk takers; this is reflected in their purchases, but also in their desire for things that are new and different and provide them with new challenges, both physical and intellectual. This includes an appreciation of art and culture. Life for this group is full and active, yet peace and relaxation is still valued in the right circumstances.

Key facts	
Segment size	15.20%
Mean age	42
Modal age	15 –25
SEG index	2.5
Modal group	C1
% Male	51
Ethnic origin	18
Mean income	£26,004
% Pre family	28
% Family	34
% Post family	38

High Streets

The High Street segment are generally externally referenced. They are interested in fashion brands. Style is more important than functionality or individuality. This is born out by the fact that they care what others think, which may hold their choice back a little. They will not be the first to adopt but are keen to follow along when a fashion has been established. They will adopt products and services earlier than most, and are prepared to spend money on getting a good service. They are prepared to try new and different things, although these are likely to have been tested by others and are therefore experiences that are new to them as individuals as opposed to new to the market. They are an active segment moderately interested in intellectual pursuits, arts and culture.

Key facts	
Segment size	21.20%
Mean age	42
Modal age	26 –35
SEG index	2.5
Modal group	ABC1
% Male	50
Ethnic origin	15
Mean income	£22,150
% Pre family	28
% Family	32
% Post family	40

Discoverers

Discoverers as the name suggests are independent of mind. They are the group least likely to be worried about what others might think. They are little influenced by style or brand unless it represents values they are seeking. Function far out rates style as a purchase driver.

This doesn't mean that they do not spend their money. In fact, this group are quite high spenders, and value new products and services as well as new experiences. However, they will judge their value for themselves. If the product suits their needs and is right then they will spend their money.

They value good service. They live a relatively relaxed pace of life. They enjoy intellectual challenges but arts and culture are not really an important part of who they are.

Key facts	
Segment size	12.80%
Mean age	39
Modal age	26 –35
SEG index	2.5
Modal group	C1
% Male	57
Ethnic origin	5
Mean income	£25,519
% Pre family	26
% Family	42
% Post family	32

9) Caring for the British consumer

Accommodation

Research by Enjoy England has shown that the price (59%) and location (49%) are the most important factors in choosing accommodation. Other key factors include personal recommendation from friends and relatives (32%) and previous personal experience (30%).

Information provision

The Internet is the most popular source of information when choosing accommodation (as can be seen in the table below), while previous experience and advice from friends/relatives are important factors.

Sources of information used to choose accommodation	
The Internet	49%
Previous experience	45%
Advice from friends/relatives	44%
Accommodation guides	37%
Tourism brochures	29%
Tourist information centres	23%
Roadside B&B, hotel or camping signs	12%
Articles in newspapers/magazines	9%
Advertisements in newspapers/magazines	9%
Television/radio programmes	3%
Television/radio advertisements	2%

Value for money

England can sometimes be perceived as an expensive relative to other destinations. A key factor in foreign competition for holidays is the Pound (Sterling) exchange rate against the currencies of popular destination countries. The adoption of the Euro also means that there is more price transparency between Euro destinations.

10) Reaching British consumers

Deciding, planning & booking patterns

Around a half of visitors to England obtain information about the destination they are travelling to from previous experience while advice from friends and relatives (47%) and the Internet (46%) are also strong influences.

Sources of information when choosing a holiday destination in England	
Previous experience	50%
Advice from friends and relatives	47%
The Internet	46%
Tourism brochures	27%
Travel agents	23%
Articles in newspaper/magazines	17%
Accommodation guides	15%
Television/radio programmes	11%
Advertisements in newspapers/magazines	10%
Television/radio advertisements	5%
Items in the post	4%

Online environment

13.1 million (55%) of UK households are online.

60% have used the Internet in the past 3 months of which 58% have purchased.

Most common purchase: travel, accommodation or holidays (52%).

People aged 25–44 most likely to buy online.

6.2million new broadband connections in 2004.

Media

Domestic holidaymakers are slightly more likely to be broadsheet readers, Internet users and mid-market tabloid readers. In terms of supermarket usage they also contain a larger proportion of Marks & Spencer shoppers. Those that watch the least amount of TV also show a higher propensity towards taking domestic holidays.

For those visitors to England who were aware of any England advertising most current awareness could be attributed to written media such as brochures/leaflets, magazines and newspaper articles, as can be seen in the table below.

Source of awareness of England	
Tourism leaflets/brochures	56%
Magazines	50%
Newspaper articles/supplements	46%
Newspaper advertisements	43%
TV programmes	42%
TV advertisements	39%
The Internet	38%
Items in the post	37%
Tourism guidebooks	34%
Other	50%

11) The trade

Overview of trade structure

There has been talk for a few years now regarding the 'demise of the travel agent' resulting from the growing trend for operators to 'sell direct' and as consumers booking direct and on the web. However, the retail travel agent is still going strong, albeit with a more focused and strategic approach. A number of multiples have streamlined their operations and one is seeing a u-turn from major retail chains on the value of them selling UK products due to the more traditional revenue streams drying up and commission rates being regularly cut – there is money to be made selling the UK!

Tour operators: There are a number of key UK tour operators covering a whole range of products including coach, boating, short breaks, walking holidays, theatre breaks, self catering, sports and event breaks, car hire, domestic flights etc. The vast majority of UK tour operators have commercial agreements with the major retail travel agents and consortia making their products readily available on the high street.

Travel agencies: The main high street presence still remain the 'big 4', Thomson (formerly Lunn Poly) – MyTravel (formerly Going Places), First Choice and Thomas Cook. The consortia, made up of a number of independent agencies working under the umbrella of a commercial buying power such as Worldchoice, Advantage and Global. These three have recently joined forces, to offer all members a better commercial/buying service form an organisation, called Triton, although they all still operate on a day to day basis individually. There are a small number of real independents that do not belong to one of the consortia, but are few and far between.

Online: A vast array of online booking opportunities are available from the web only based operators – Lastminute.com, e-bookers, Opodo, Octupus, Teletext, etc. The increasing trend is that operators and retailers are promoting their own products and packages via their own bookable websites.

Tour operators

The majority of tour operators sell packages but due to the buying trends of consumers are becoming more flexible by offering 2/3/4/5 night stays rather than the more traditional 7 night or 3 night weekends.

There are a number of UK key operators offering a diverse cross section of packages:

Hoseasons and Cendant VRG (Country Cottages, Cottages4you, English Country Cottages) operate a self-catering operation as well as boating. Highlife, Embassy Leisure Breaks and Superbreak all offer short breaks, themed weekends along with theatre, sporting and spa breaks. Wallace Arnold Shearings are the biggest coach operator with a national network of UK holidays/breaks. National Express offers a point-to-point service. There are also a number of regional based coach operators. There are a few specialist tour operators featuring walking holidays (HF Holidays) to cycling holidays.

Travel agents

There are approximately 6,300 travel agents in the UK and the majority are members of ABTA (Association of British Travel Agents). Mainly made up of the 'big 4' Thomas Cook, Thomson, First Choice and MyTravel. The numerous Co-op branches formed a commercial entity named CTTG (Co-op Travel Trading Group). There are three main consortia, Worldchoice, Advantage and Global who joined forces to form Trition (a commercial/buying consortia). There has been the introduction of many more homeworkers over the recent year with a number of agents introducing a home working element along with specifically home worker orientated companies like Travel Councillors.

Many retailers have found that they need to diversify their business due to the decrease in commission paid by airlines and operators. Some more innovative ideas have been to sell travel related products, luggage, guidebooks, beachwear, travel books, suntan lotions, tanning products etc.

Many of the retailers now have their own websites offering holidays and short breaks.

Opportunities to reach the consumer via the travel trade

Enjoy England offers a number of innovative ways in which to reach the consumer via the travel trade:

- Window campaigns – in conjunction with a tour operator and Enjoy England (we create a poster/point of sale for a window campaign).
- Instore activity – brochure racking, leaflet racking, posters.
- Merchandising – visiting a number of agents to promote a particular brochure, product, and/or message.
- Conferences – Enjoy England are present at a number of trade events and conferences including: World Travel Market (WTM Nov), British Travel Trade Fair (BTTF March), ABTA Travel Convention (Nov), and Institute of Travel & Tourism (ITT) (June).
- Marketing activity with particular tour operators and retailers with regular editorial, competition, training on intranet sites and in-house magazines.
- UK Roadshow – in conjunction with UK tour operators and trade paper we showcase a diverse range of products to inspire the consumer to take a break in England.

12) The future of domestic tourism

Trends

Research by the Henley Centre has identified a number of significant themes which could have an impact on domestic tourism in 10 years' time:

Experience economy: As we become affluent, our spending shifts from goods to services; as the process continues further, the types of services we buy shift towards 'experiences' rather than utility.

Wellbeing: One of the strongest of current trends is toward the pursuit of wellbeing; not just health but an overall sense of wellness. This links to Henley research which shows that people feel that the resource they most lack in their lives is not money, or even time, but energy.

Changing social structures: An ageing population, with high divorce rates, and a higher proportion of 'reconstituted families'; young adults staying in education (and at home later); more people live on their own; and so on. This all changes the nature of leisure consumption and also makes more important social opportunities with friends and family.

Environmental impact: As climate change moves from being a hypotheses to being accepted as 'best science', so individuals and organisations are starting to move their behaviour to less damaging forms of consumption and lifestyle. Public intervention (e.g. through regulation, incentives, and planning practice) all tend to accelerate this.

Urbanisation of culture: a profound shift towards the city as the locus not just of work but of pleasure as well

Networked society: people are more networked, especially with each other, through the internet and mobile. This has implications for authority and the importance of peer group opinion, and so on. But over the next ten years the environment as well as the people will start to be networked.

Fragmentation of leisure: Customers are more demanding, and more empowered (partly through a combination of affluence and networks). In leisure as well as elsewhere, there is a greater fragmentation of the offer to match specific tastes, preferences, and requirements.

Entitlement: In the shadow of increasingly large gaps of wealth between the richest and the poorest, nonetheless public policy emphasises entitlement of all. It is a cultural expression which has its roots in the human rights movement, as embodied in the UK in the Human Rights Act. The strongest cultural expression has been in arts and sport. It is a strong trend.

Scenarios

From these themes, four possible scenarios are identified which could unfold for domestic tourism. They are designed to provoke thought rather than frame strategy (they are only several possible futures from many possibilities):

1. **Naked city (or urban safari):** Experience the city as the natives never do, going deep into its cultures and its sub-cultures, with expert guides. There's a variant on this, which is city-as-backdrop to gaming or treasure-hunting experiences, using technology to knit participants together (who may never have met face to face).

2. **Illicit pleasures:** Increasingly there are - and will be more - things that we are not allowed to do in public places. Foxhunting is already on the list. High-noise activities (such as quad biking, for example) are likely to follow. This scenario is about holidays in which private land and locations are used for these socially disapproved of activities.

3. **Deep peace:** Wellbeing taken to its logical conclusion; mental or psychological asceticism is added to the physical cleansing found in spa offers. Location matters; quiet matters; but this may well be combined with learning and personal development.

4. **Glastonbury without fences:** The big free public festival, or public event. Likely to be rooted in the distinctive traditions of the place. La Tomatina, in Spain, or the German Oktoberfest, are examples. There's a variant of this: we also expect to see the rise of "public works" holidays where people spent their time with like-minded others restoring community assets, the things that make places distinctive; a combination of physical labour, social purpose and shared meaning.

In addition, a seminar with the main theme of Complicated Lives held by The Future Foundation's nVision (December 2005) offers four growing UK consumer types/trends that could be relevant to domestic tourism:

Authenti-Seeking - moving away from conspicuous consumption towards the 'real' and 'authentic' i.e. outdoor holidays, extreme sports, connecting with heritage, self-development opportunities, 'real' food (traceable, local, organic, healthy).

Singleton Society - one-person households have increased significantly (around a quarter of UK 25-40 year olds - three million people- are single). This could lead to more demand for single-person holidays/a backlash against single supplements; more holidays for groups of individuals with shared interests.

The Busyness of Leisure - even at leisure we are purposeful but many want to escape. Many would welcome the chance to 'do nothing', truly relax, and escape from technology.

The New Puritans - turning against consumption and indulgence and making morally-informed consumer choices. This suggests opportunities in supporting initiatives such as sustainable tourism.

13) Business visits and events

Business visitors from Scotland	Visits 2003(m)	% Business visits	Spend 2004 (£m)	% Business spend
Conference / Large meeting	0.011	1	12	3
Trade Fair / Exhibition	0.75	7	22	5
Other Business	1.049	92	434	93
	AEV(£)	**AED (£)**	**ALS (days)**	
Conference / Large meeting	1090	444	1.79	
Trade Fair / Exhibition	292	162	2.37	
Other Business	413	84	5	

Business visitors from Wales	Visits 2003(m)	% Business visits	Spend 2004 (£m)	% Business spend
Conference / Large meeting	0.022	3	15	8
Trade Fair / Exhibition	0.045	6	12	6
Other Business	0.731	91	174	86
	AEV(£)	**AED (£)**	**ALS (days)**	
Conference / Large meeting	693	148	2.21	
Trade Fair / Exhibition	275	123	4.58	
Other Business	238	92	2.65	

Business visitors from Northern Ireland	Visits 2003(m)	% Business visits	Spend 2004 (£m)	% Business spend
Conference / Large meeting	0.007	3	1	1
Trade Fair / Exhibition	0.02	8	8	7
Other Business	0.225	89	115	92
	AEV(£)	**AED (£)**	**ALS (days)**	
Conference / Large meeting	213	78	2.4	
Trade Fair / Exhibition	413	176	2.78	
Other Business	512	172	3.07	

Business visitors from England	Visits 2003(m)	% Business visits	Spend 2004 (£m)	% Business spend
Conference / Large meeting	0.499	3	144	3
Trade Fair / Exhibition	1.202	7	279	7
Other Business	14.503	90	3843	90
	AEV(£)	**AED (£)**	**ALS (days)**	
Conference / Large meeting	288	111	1.95	
Trade Fair / Exhibition	232	119	2.6	
Other Business	265	117	2.29	

Data for Northern Ireland, Scotland and Wales should be used with caution due to small sample sizes.

During the period 2000 through to 2003 14% of overall travel in England was for business purposes, and accounted for 22% of overall spend (UKTS).

Meet England – business visits & events opportunities

Destination features

Be part of an England Destination Feature in Incentive Travel & Corporate Meetings Magazine:

"The Next Big Thing" March/April issue **from £600**

Highlighting new and improved venues and future conference developments for 2006

'An English Christmas' September/October 2006 issue

Christmas Party Venues **from £600**

Hospitality England campaign - Winter 2006

Sponsorship Packages **from £1000**

Dedicated campaign to promote the wide range of sporting and non-sporting hospitality activities geared towards the corporate and incentive markets.

Suitable for Venues & Attractions offering corporate hospitality packages, Corporate Hospitality Agencies, Ticket Agents, Hotel Groups (offering bespoke packages).

English country conferences - Spring 2007

Sponsorship Packages **from £1000**

Business Meetings, Conferences and Incentives at countryside venues are the theme of this campaign, which will include Country House Hotels, Conference Centres and Stately Homes.

14) Enjoy England contacts

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Further information

To find out more about VisitBritain's research visit **www.visitbritain.com/research.**

VisitBritain publishes a quarterly roundup of its research and intelligence called Visitors voice. To receive it subscribe to the UK industry newsletter at www.visitbritain.com/ukindustry

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