

## Less Is More: Brits Ringfence 2014 Holiday Budgets For Shorter Trips Away

10 September, 2013 - [TripAdvisor®](#), the world's largest travel site, announces the results of the world's largest accommodation and traveller survey<sup>1</sup> – the **TripBarometer by TripAdvisor**. The survey reveals the leading travel and hospitality industry trends, according to over 19,000 travellers and over 10,000 accommodation business owners around the world. The study is conducted twice a year, and the results are analysed independently by research firm Edelman Berland.

The key findings of TripBarometer provide a unique insight into the current state of travel trends in the UK and around the world:

A third of UK travellers expect to increase their travel budgets in 2014, despite lingering consumer pessimism about the economic recovery

- UK travellers' holidays are becoming shorter but more frequent, as one in five Brits cut back on longer holiday breaks
- Two thirds of UK hoteliers are optimistic about their business' profitability in 2014, and more than half plan to increase room rates – yet the economy is still expected to have a negative impact on business
- Brits are also making cutbacks in their daily lives to protect their holiday budgets – more than half are cutting nights out, a fifth are cutting back on charity donations, and one in twelve (8%) are even cutting back on childcare costs

“UK hoteliers are generally pretty confident about the year ahead, and they have every right to be. British holidaymakers are determined to protect their travel budgets, even if that means making sacrifices elsewhere in their daily lives. There is also good news globally, with a growing middle class in emerging markets in Asia and South America set to boost travel spending around the world,” commented James Kay, TripAdvisor spokesperson.

### UK travel budgets defy consumer pessimism on economy

- Only a fifth of UK travellers (21%) are optimistic about the economy, compared to a third of travellers globally
- Yet, more UK travellers (32%) expect to increase their travel budget in 2014 than expect to decrease it (24%)
- Only 9% of UK travellers attribute their planned increase in budget to increased confidence in the economy
- In fact, two thirds (60%) say the health of the UK economy will have no impact on their travel plans for 2014
- Globally, more travellers in emerging markets plan to increase travel spending than those in Europe and North America

Region	Percentage of respondents who plan to spend more on travel in 2014
Africa	59%
South America	48%
Central America	47%
Middle East	46%
Asia	42%
Australasia	38%
Europe	36%
North America	35%

### Trips are shorter yet more frequent

- One in five Brits (20%) will take more shorter holidays in 2014, while conversely around one in five (18%) expect to take fewer longer holidays

### Everyday sacrifices help make trips possible

- 88 per cent of all global travellers say it's worth making sacrifices to make memories

- In UK, consumers are most likely to sacrifice nights out in order to save for a holiday
- More than one in five (21%) Brits are even willing to cut back on charity donations for a holiday
- For some, holidays even take priority over child-related commitments
  - 8 per cent of UK travellers cut back on child care costs for holiday
  - 8 per cent of UK travellers cut back on child-related extracurricular activities
  - 6 per cent of UK travellers cut back on children's education spending

<b>Factor</b>	<b>Percentage of UK respondents who will make sacrifices on the factor in order to save money for travel</b>
Nights out	54%
Meals out	44%
Clothes, etc.	43%
Home improvements	29%
Cigarettes	27%
Gifts	27%
Charity	21%
Groceries	17%

#### **Hoteliers are confident about future profitability**

- Two thirds of UK hoteliers (59%) are optimistic about their business' profitability in 2014
- Yet, more than half (52%) expect the state of the UK economy to have a negative impact on their business
- UK hoteliers are slightly more optimistic than European average (56%) but less optimistic than rest of the world

<b>Region</b>	<b>Percentage of hoteliers who feel optimistic about making a profit in 2014</b>
Central America	79%
North America	74%
Asia	74%
South America	72%
Middle East	72%
Africa	70%
Australasia	67%
Europe	56%

#### **Hoteliers' optimism is driving investment**

- More than half of UK hoteliers (53%) plan to increase room rates
- A third (30%) of those increasing rates say it is in anticipation of increased demand
- Globally, 17 percent of hoteliers plan to open a new property in 2014, with Asia, Europe and South America leading the way – with 34 percent, 21 percent and 10 percent respectively making plans

-ENDS-

**Methodology:** The research was commissioned by Trip Advisor and conducted by Edelman Berland, an independent market

research firm, conducted via online survey in June and July 2013. Survey respondents were 10,469 accommodation business owners and 19,692 18+ adults who have booked travel online and taken at least one trip in the past year. Respondents were from Argentina, Australia, Brazil, Canada, Caribbean, China, Egypt, France, Germany, Greece, India, Indonesia, Italy, Japan, Malaysia, Mexico, New Zealand, Russia, South Africa, South Korea, Spain, Thailand, Turkey, UAE, UK and USA.

**<sup>2</sup>Number of UK respondents:**

- 1,761 consumers
- 878 accommodation owners

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