Positive news at a pivotal moment

As UK tourism businesses await a game-changing government deal, Sally Balcombe, Chief Executive of VisitBritain/VisitEngland, reflects on the current state of the sector.

Barclays' new research delivers some heartening news about the flourishing health of UK domestic tourism.

Particularly positive, from VisitBritain’s perspective, is the finding that those 18-24 year olds who take holidays are increasing the time they devote to UK breaks. This is the first evidence of a turning-point in what we had previously identified as a negative trend.

Those now in their late teens and early 20s grew up in the age of low-cost carriers, opening up much more affordable overseas trips. Because habits are formed young, this age group largely missed out on UK-based family experiences so were not seeking to replicate them in adulthood.

That phenomenon was the impetus for VisitBritain’s microgapping campaign, which launched last autumn. It encourages more in-depth mini-holidays within the UK: immersive experiences that often have an element of learning or giving something back.

Barclays’ findings suggest that younger people are starting to respond positively to those UK breaks that appeal to their passions. A growing awareness of sustainability may also be at play here.

Make it unique
Microgapping is just one example of a truth that transcends demographics: people are seeking unique holiday experiences. All the better, too, if they offer striking visual potential that is Instagram-friendly.

Barclays’ report underlines how visitors are keen to add value through the chance to sample a range of experiences during their holiday.

A multigenerational family group may all be inspired by the idea of an outdoor holiday, while entertaining rather different images of what that involves. Businesses will prosper if they have the ability to flex their product to realise each of those holiday dreams.

Partnership is key to this kind of nuanced offering. Joining forces to create a compelling theme or itinerary can be extremely effective. This has been a cornerstone of our Discover England Fund. The result is new itineraries and bookable tourism products such as the Great West Way touring route, the fruit of business collaborations all the way from Windsor to Bristol.

Rain and shine
One of the pleasantly surprising findings of the Barclays research is that many businesses are taking earlier bookings from UK customers.
If sustained, this would be a welcome reversal of a long-term trend for last-minute bookings. It may partly reflect consumers’ desire to get ahead of the game after the rush that followed last summer’s good weather.

Weather and tourism will always be correlated. Those businesses that have been able to build in an element of weather-proofing are reaping benefits. In Cumbria, for example, I have seen several operators start to open in the winter months for the first time, thanks to the installation of spas, pools and other facilities.

This is a canny move. It combines the ability to appeal to multigenerational groups at peak times, while retaining an offer for the shoulder and off-peak seasons.

**Responsive, relevant and bookable**
What Barclays’ research underlines above all is that customers are becoming ever more discerning and demanding. Tourism is an extremely competitive industry, other countries promote heavily to British holidaymakers and we must continue to offer great experiences that make people come back time-after-time. More than a quarter of all domestic holidays are taken in July and August so boosting tourism across the shoulder seasons remains crucial, as does encouraging more of us to stay for at least one night.

Domestic day trippers in England spent £37 on average last year while spending on overnight holiday trips was £73 per night.

To succeed, businesses need to refresh their offering constantly, and provide quality experiences.

In this context ‘quality’ needn’t mean luxury, but rather responsiveness and relevance. In part, this is about providing holidays that are accessible to everyone. While there has been progress in this area, we need to ensure we are promoting holidays to this audience.

And of course, holidays and experiences need to reach customers who are immersed in the digital world and that can be difficult for a small business.

We recently announced our new ‘Tourism Exchange Great Britain’ (TXGB) platform. This is a new business-to-business digital platform that will connect British tourism suppliers to global distributors. From accommodation to attractions, transport to experiences, TXGB is a ‘one stop’ exchange for suppliers to manage availability, pricing and bookings – and for distributors to tap into a huge range of products. It’s a first for us and for many businesses across the UK. This is a pivotal moment for UK tourism. Within the next few weeks we expect the UK Government will announce details of a new deal for the sector.

Symbolically, the deal will cement tourism’s critical importance to the government’s Industrial Strategy and to the UK’s economy. More practically, it will bring fresh policy and investment support to business, with the promise of growth in skills and training to help attract both domestic and overseas visitors.

Many of the themes in this report are likely to feature prominently in the sector deal: connectivity, collaboration, accessibility in its widest possible sense. I would commend Barclays’ research to any business seeking insight on the evolving attitudes of UK tourists, and the best ways to earn their lasting loyalty.

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