



# Package Holiday Trends 2018 Report

holiday  
hypermarket

# Introduction

Over the last decade, the UK package holiday market has experienced a resurgence despite challenges affecting consumer confidence in overseas travel.

Within our current economic and political climate, as well as a fiercely-competitive and increasingly fragmented travel market, package holidays provide certainty and value to consumers.

In alignment with the stages of the travel customer journey, this report provides insight into current package holiday market trends using figures taken from a survey of 1,500 people who have been abroad and are planning a package holiday for 2018. These statistics are complemented by data from booking patterns, external research and news.



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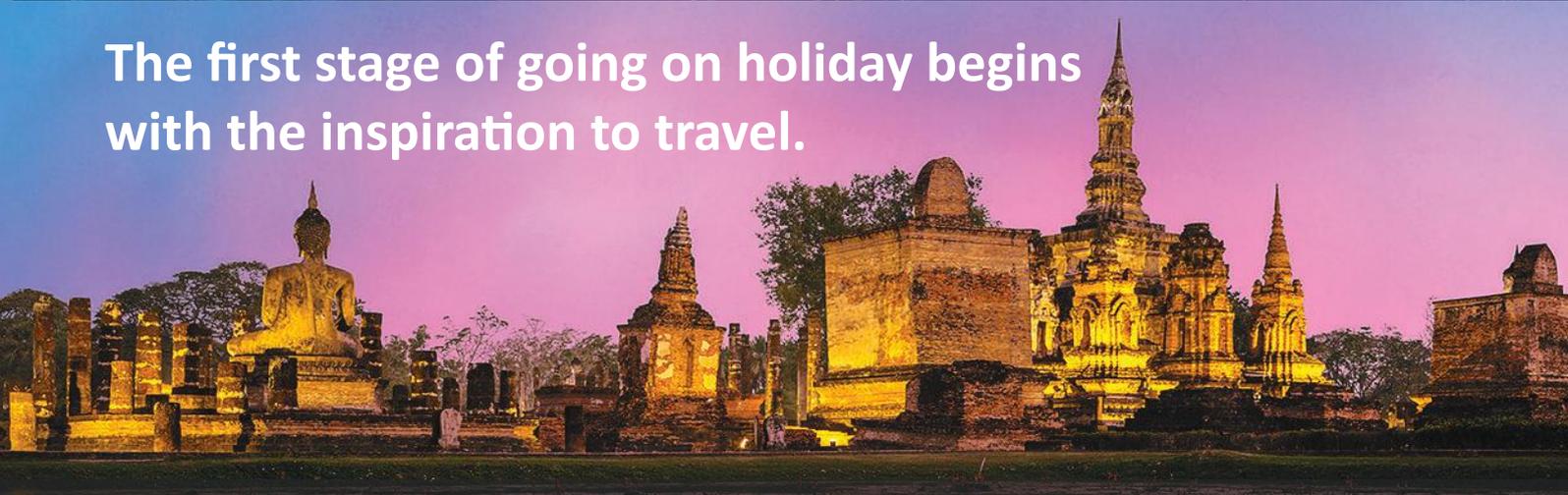
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# Getting Inspired

The first stage of going on holiday begins with the inspiration to travel.



The travel customer journey has become increasingly complex over the last decade, and the internet plays a crucial role in helping consumers discover and explore their next destination.

With the rise and subsequent uptake of technology, search and social media, consumers can access even more options than ever before, meaning many experience information overload when researching ideas.

Consumers in 2018 also want to feel reassured in their decision-making about their holiday. A 2017 Google study showed 55% of holidaymakers feel they have to check too many sources of information before making a confident decision.<sup>1</sup>

Cutting through the noise to reach consumers at meaningful moments in the decision making process has become increasingly challenging for travel business.

As such, many are turning towards more authentic ways of sharing travel experiences to inspire their future customers. This can be seen in the rise and increasing importance of travel influencers and bloggers, such as **The Londoner's** Rosie Thomas, or Carrie Santana da Silva of **Wish Wish Wish**.

Customer expectations will continue to rise in 2018 as we demand more from our travel experiences. And, more than ever before, holidaymakers in 2018 are seeking new, exciting and memorable experiences.

# Broadening horizons: travelling further for new experiences

Destinations that offer plenty of activities and adventure will have strong appeal in 2018. Consumers are also becoming more willing to travel further for the experience.

## Mid-haul destinations set to be most popular in 2018

52% of consumers surveyed chose mid-haul destinations such as Cyprus or Morocco as their preference for their next package holiday. Cost is also significant in this decision, as many would instead opt for long-haul destinations if it wasn't an issue. 28% chose the up-and-coming Caribbean island of Cuba – with an average direct flight time of around 9 hours – as the most appealing option for a future package holiday. Adding to an already competitive landscape, the advent of low-cost long-haul means further-flung locations will continue to attract visitors and become real contenders to traditional short and mid-haul destinations.

Furthermore, after a turbulent few years, interest in mid-haul destinations such as Egypt, Tunisia and Turkey is expected to rise in 2018 as perceptions gradually change and holidaymakers feel more confident to return to their favourite sunny locations.

Slightly longer flight durations are not a deterrent for most. Only 6% of consumers reported this as their primary consideration when choosing a destination, outranked by 19% of respondents who consider the things to do in their holiday location a primary consideration. This is even above aspects such as cost, weather conditions and the perceived safety of a destination.

Ian Crawford of Holiday Hypermarket commented:

**“The travel industry has stood resilient amidst challenges of recent years, bringing a wider variety of mid-haul destinations, new holiday experiences and competitively-priced deals to a fresh audience of holidaymakers.”**



## Europe's rising star

Having fast risen to prominence thanks to its picturesque film set locations, which act as the backdrop for Game of Thrones, Croatia tops the list as the most attractive short-haul destination to holiday to in 2018. This is especially true for younger travellers aged 18-24, who were most likely to choose Croatia.

Data from Holiday Hypermarket also confirms a huge 272% spike in bookings already this year, compared to 2017 for holidays to the country this summer.

## Dimensions

Pula, 29th August - 2nd September



Pula, 5-9th September



## INMUSIC

Zagreb, 25-27th June



Novalja, 19-23rd August

Zagreb

Pula

Novalja

Island of Pag



Island of Pag, 25-29th June

Tisno



## SuncéBeat 9

Tisno, 18-25th July



Tisno, 27th June - 7th July

Obonjan

Split



Split, 6-8th July



Tisno, 26-30th July

## OBANJAN

Obanjan Island,  
25th June - 2nd September

## Outlook, Sonus and Dimensions representative commented:

"In recent years, increasing amounts of festival goers have been flocking to the beaches of Croatia for their summer party destinations. Attending a music festival in Croatia is a truly unique experience, with it's idyllic settings, sandy beaches and crystal clear seas - Croatia is the ideal festival location. With Outlook, Dimensions and Sonus festival having firmly cemented themselves in the Croatian festival scene, these are the festivals not to miss. Outlook and its sister festival Dimensions are set in the seaside town of Stinjan, in an abandoned fort which they have integrated into the festival stages. Sonus, on the other hand, is spread across the beaches and clubs of the town Zrce. All unique in their own right, these festivals highlight the diversity of what Croatia has to offer."

Ian Crawford of Holiday Hypermarket commented:

"With destinations like Croatia continuing to rise in prominence, attracting festival-goers from all over the world, we've certainly seen more and more of our customers base their destination choices and departure dates around key events in the Arts calendar."

He added, "We've also seen travel operators in 2017 meet this demand for holidays with a purpose, with increasingly flexible packaged options and wider availability of new resorts, as well as conveniently-located hotels."

Not only has this given holidaymakers the opportunity to take advantage of more holiday deals, but also the convenience of package holidays, which are likely to be an increasingly big draw in 2018 – helping people get to their destination easily to make the most of cultural events held around the globe."



# Beach holidays still rule

The majority of consumers opt for beach holidays as their preferred type of package holiday (62%), above city break holidays (14%) – the second most popular option.

From a survey of the general population, recent ABTA research also confirmed city breaks and beach holidays as the top two choices expected for holidays in 2018.<sup>3</sup> Furthermore, as ABTA indicates, value is a still a top priority, especially in light of Brexit and a fluctuating currency.

## Britain: a nation of sun-hunters

One of the main draws of a beach holiday has to be the glorious weather. And it's official, the search for a Vitamin D hit is the top consideration (23% of respondents) when thinking about our next destination. That is to say, weather conditions outranked considerations such as family-friendliness of a destination and even the cost involved to get there.

## Where's hot?

JAN



**Cape Verde**

High Temp 24°C  
Avg. Temp 23°C

FEB



**Dominican Republic**

High Temp 29°C  
Avg. Temp 25°C

MAR



**Tenerife**

High Temp 23°C  
Avg. Temp 20°C

APR



**Fuerteventura**

High Temp 23°C  
Avg. Temp 20°C

MAY



**Turkey - Bodrum**

High Temp 26°C  
Avg. Temp 21°C

JUN



**Spain - Costa Brava**

High Temp 27°C  
Avg. Temp 21°C

JUL



**Malta**

High Temp 32°C  
Avg. Temp 27°C

AUG



**Portugal - Algarve**

High Temp 32°C  
Avg. Temp 24°C

SEP



**Cyprus - Nissi Bay**

OCT



**Greece - Rhodes**

NOV



**Gran Canaria**

DEC



**Goa**

Data sources: [www.holiday-weather.com](http://www.holiday-weather.com) & [www.tui.co.uk](http://www.tui.co.uk)

# Getting organised



## Value leads the way: the majority of consumers opt for All Inclusive as their preferred choice of package holiday

A recent study has shown that 56% of long-haul holidaymakers would be more inclined to book a long-haul trip if it was an All Inclusive deal.<sup>4</sup>

ABTA also reported that All Inclusive package holidays are expected to perform particularly well in 2018. They're especially popular with families, with the obvious advantage of cost saving when more people are eating and drinking.

Here in this survey, All Inclusive is certainly the preferred choice for package holidaymakers, with almost half of all respondents opting for All Inclusive over any other board basis – a very popular choice when you consider the added freedom Half Board, B&B and fully Self Catering options can sometimes offer on a package holiday.

Interestingly, and while ABTA suggests Brexit and an uncertain economic future are key motivators of this increase in All Inclusive holidays, results here show 83% of respondents don't consider the exchange rate to be a factor affecting their choice of holiday.

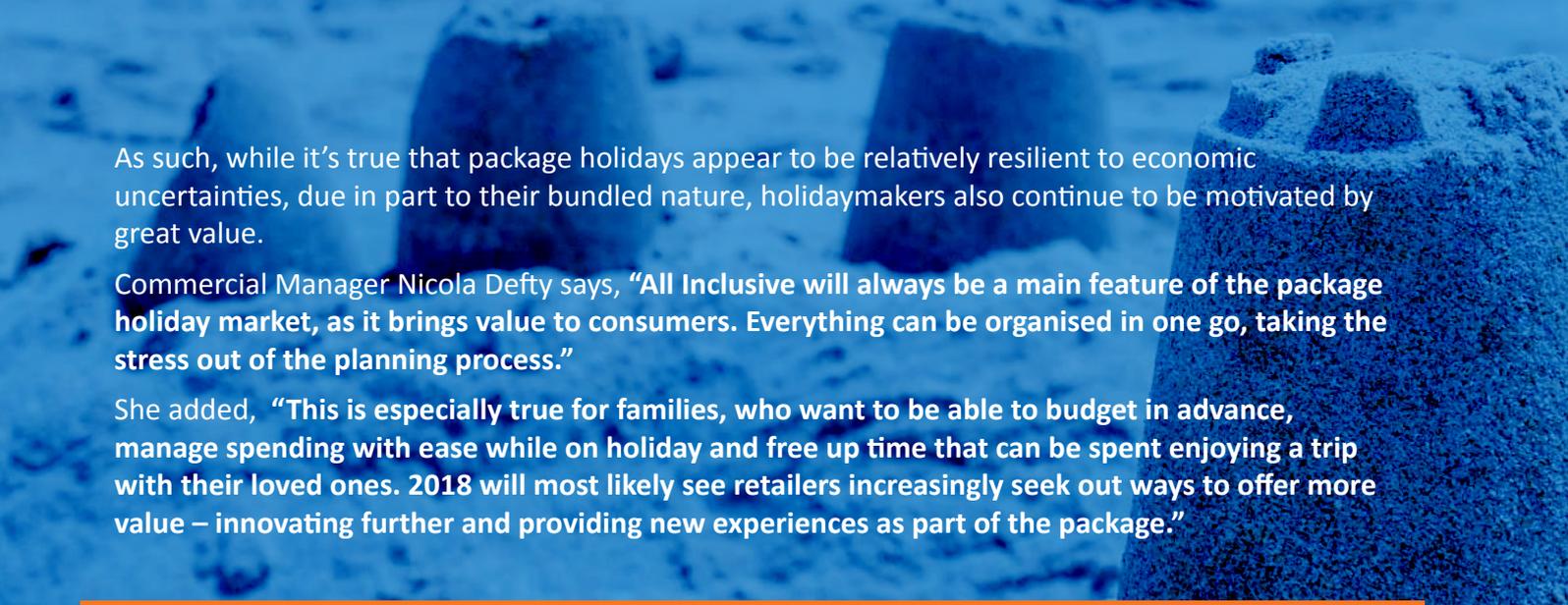
Ian Crawford of Holiday Hypermarket commented: **“While the exchange rate appears to be a smaller consideration for most when choosing a holiday destination, this may of course change with the finalisation of Brexit in 2019, as rules have yet to be adjusted in line with the UK's exit from Europe.**

He added, **“We imagine changes like these will not only get new destinations onto the map, they may also inspire new generations of adventurous holidaymakers to experience a wider range of destinations.”**

Moreover, 2018 holiday plans don't appear to have been disrupted by money worries at all, with over 58% opting to take two or more package holidays this year, representing an average of 1.8 holidays per person.

With ABTA predicting a 6% increase in general spending on travel in 2018, this can be attributed not just to rising costs, but also a shift in priorities as people value holidays more than ever before – choosing to spend their income on a trip aboard, over and above day-to-day entertainment and leisure activities.





As such, while it's true that package holidays appear to be relatively resilient to economic uncertainties, due in part to their bundled nature, holidaymakers also continue to be motivated by great value.

Commercial Manager Nicola Defty says, **“All Inclusive will always be a main feature of the package holiday market, as it brings value to consumers. Everything can be organised in one go, taking the stress out of the planning process.”**

She added, **“This is especially true for families, who want to be able to budget in advance, manage spending with ease while on holiday and free up time that can be spent enjoying a trip with their loved ones. 2018 will most likely see retailers increasingly seek out ways to offer more value – innovating further and providing new experiences as part of the package.”**

## Will 2018 spell the end of the sunbed wars?



**While we seem happy to spend more on holidays overseas, there are some aspects of the holiday experience we won't be willing to part with our money for.**

You only have to head over to YouTube to witness a hotel sunbed war in action, most probably before sunrise. This is the phenomenon whereby some holidaymakers, rather than risk missing out on a sunbed if the pool gets busy, take matters into their own hands and rise early to claim their territory with a beach towel.

The morning sprint to the pool is fine for some, with 22% happy to forgo a lie-in to be able to reserve a sunbed. Most, it would seem, don't bother – and they wouldn't be willing to pay to reserve a sun bed either – 74% would opt against it if there was a cost involved.

When you take into account that one in five respondents have also had their sunbed 'stolen' on holiday when left unattended, this may be more a matter of holiday etiquette and consideration than a question of cost.

What's more, willingness to rise early for a sunbed is impacted by our age as well as our personal preferences – it appears the older we are, the more we value our sleep and going with the flow.

# Quality drives our accommodation preferences

A key part of the holiday planning stage is choosing our accommodation.

At the end of a long day sightseeing or relaxing by the pool, there's little better than a clean and comfortable room to retire to. Be it a hotel, apartment or villa, there are plenty of options and room types for the discerning holidaymaker.

And, as tourist boards strive to increase revenues, there has been a significant rise in the provision of luxury accommodation in recent years.

This survey shows 31% of people would be willing to pay more for their hotel room than considerations like dining out or activities, and even childcare, to ensure it meets their requirements.

Holiday Hypermarket's latest booking trends suggest that interest in luxury holidays (5 star hotels) is up 114% for the first quarter of 2018 versus 2017, so expectations are certainly evolving.

## Here are our top picks for affordable luxury in 2018.



JAN

Cape Verde



FEB

Dominican Republic



MAR

Tenerife



APR

Fuerteventura



MAY

Turkey - Bodrum



JUN

Spain - Costa Brava



JUL

Malta



AUG

Portugal - Algarve



SEP

Cyprus - Nissi Bay



OCT

Greece - Rhodes



NOV

Gran Canaria



DEC

Goa

# Planning ahead for the ultimate experience

While we plan to take more holidays in 2018, current travel trends show we are gravitating away from taking longer breaks in favour of shorter, more frequent trips.

When asked how far in advance they booked their main 2018 holiday, the majority of respondents didn't book last minute (within 2 months of their departure date). 78% book further in advance, most typically 3-5 months ahead of departure.

This differed according to gender too, with female respondents typically booking further in advance than males – up to 12 months or more for 6% of females polled, compared with 4% of male respondents. The majority of female respondents book 6-8 months ahead (31%) versus 3-5 months ahead for male respondents (33%).

Age is also a factor, with respondents aged 18-24 least likely of all age groups to book 12 months or more in advance. With the rise of Generation Z travel consumers comes new holiday habits.<sup>5</sup>

When it comes to holiday duration however (that's to say, how long we'd like to go on holiday for), the genders are very much aligned. The majority of respondents opted for a solid fortnight away for their ideal holiday abroad, closely followed by 10-11 days.



Batting away the classic 'Brit Abroad' stereotype of the British holidaymaker, over half of respondents (52%) learn foreign language phrases in advance too.

Although females tend to plan holidays further ahead, typically more males (55%) than females (50%) take the time to learn foreign language phrases to help get about.

# The family holiday in 2018



The majority of people organising a package holiday in 2018 are also planning to take their family with them (47%). Contrast this with only 11% of people that intend to go solo.

How does age factor into choosing who we go with?

While all cite family holidays as a top choice (they're most popular with the 35-44 age group), Millennials are more likely to take a solo holiday than any other age group, whereas Generation Z holidaymakers are more likely to go with friends.

And, who says romance is dead? Generation Z and Baby Boomers are the groups most likely to plan to go on holiday with their partner.

The family holiday has certainly transformed in recent years with more on offer for families than ever before.

Enter the multi-generational holiday – a rising trend attributed to our need for more quality time with the whole family. Sometimes labelled as '3G holidays' (holidays with three generations), travel retailers are increasingly catering for this type of break.

And, looking at the figures, it would seem this trend shows no sign of slowing.



# Meanwhile, the term time holiday debate rages on...

**A big consideration in planning a holiday is typically one of the first decisions to be made - when is the best time to go? This is especially true for families taking their children.**

The controversial introduction of fines for parents taking their kids out of school during term-time gave the landmark case of Jon Platt huge media attention. Platt was prosecuted for refusing to pay the £120 fine served to him for his daughter's unauthorised term-time absence. While he won initially, thanks to his daughter's high attendance the rest of the year, his case was eventually overturned by the Supreme Court.

And when we polled our package holidaymakers to see what they think, the majority (49%) believe that parents should be allowed to take their children on holiday during term-time, compared to 26% who think they shouldn't be, with 25% remaining unsure.

Indeed, this is a debate with many layers and complexities. On the one hand, holidays could offer educational experiences that place learning from the classroom in a real-world context. On the other, time out of school could be argued as disruptive, not just to the child's learning, but also to teachers and other children who have to accommodate the extra homework, planning and logistics.

And, of course, the huge demand for holidays during peak seasons, such as summer, mean parents have to budget very carefully and the issue becomes a financial one. Some parents have even taken to risking a fine and prosecution in order to make cost savings elsewhere.



# Booking the holiday

**In our mobile-first world, when booking our holiday in 2018 we'll be more device-happy than ever before.**

As Google reported in 2016, "94% of leisure travellers switch between devices as they plan or book a trip." This can be done for a variety of reasons, including double-checking exactly what's included in each package, comparing prices or checking out a competitor.

Online is by far our preferred way of spending our time when researching and choosing a destination. In fact, 61% prefer to go online to research their next holiday, choose it and book. Some combine online with in-store visits and calls to sales and customer service centres.

47% of package holiday customer journeys involve the use of a smartphone at any single point, and one in five of us are now completing the journey on our mobile phones (21%) indicating the accelerating trend towards mobile commerce.

Transactional data from Holiday Hypermarket further confirms this rise, with 20% of bookings made from mobile devices in the first three months of 2018, versus 14% in 2017 for the same period.

ABTA's Holiday Habits report reveals similar stats, with bookings increasing from 13–20% between 2016 and 2017.

Holiday Hypermarket representative Craig Duncan comments, "**Travel companies have worked hard to improve the mobile booking experience for their customers. With the increased usage of smartphones boasting larger screens, and the rise of apps, it's made booking easier as consumers become more confident in mobile commerce.**"

Google research supports the trend towards the increasingly complex path to purchase travel consumers are taking in 2018.<sup>6</sup> Previous studies by Google show hundreds of touchpoints involved in the journey to a booking over the course of several months.<sup>7</sup>

In 2018, this journey is expected to get even more complex as travel consumers demand and expect more. However, as a 2017 Google US study highlighted, a third of people still feel uncomfortable researching and booking travel on their phone.

Despite this, for the majority of travel consumers, our love of technology and use of social media has become a big part of ensuring a positive holiday experience in our destination.

# On holiday

## Our virtual world

We've never been more connected. Living in an 'always-on' culture, holidaymakers need information at the ready at all points during the travel customer journey. Not only that, but we rely on technology to access that information, consuming it even when we've already arrived at our destination.

An interesting 2015 Google study showed that "85% of leisure travellers decide on activities only after having arrived at the destination."<sup>8</sup> So this is certainly an important stage to focus on when providing useful content to improve customers' holiday experiences.

## Sharing the fun

The top three social media platforms for sharing our holiday experiences are Facebook (41%), Instagram (23%) and Snapchat (14%). And many of those active on social media like to use more than one platform, hopping from one app to the next.

**Although popular, almost a third of people (31%) are not planning to share their holiday experiences at all on social media in 2018.**

This of course varies according to demographics and personal interests. Millennials and Generation Z are most connected and active on social media. Millennials are most likely to be on Facebook, with Instagram more popular for Generation Z. These two generations are the most active when it comes to sharing their holiday experiences online, with Generation Z leading the pack.

Yet, while we have our tech with us on holiday and the majority of us use it while we're there, our attitudes regarding social etiquette haven't changed much at all.

**Almost two thirds of people think it isn't okay for children to use their mobiles/tablets at mealtimes while on holiday with the family (65%).**

Unsurprisingly, our attitudes towards the use of mobiles or tablets at mealtimes has a direct correlation with age.

Generation Z are more likely to consider mobiles at mealtimes part of the norm, whereas Baby Boomers are the least likely to be approving. A quarter of Millennials (25%) think it's okay for children to use their phones/tablets at mealtimes when on holiday, compared with just 5% for Baby Boomers.

# Multi-tasking on holiday

It's widely reported that holidays help with maximising our health and work-life balance. With our busy digital lives, sometimes, a holiday is the only breathing space we afford ourselves.<sup>9</sup>

Much like switching off at the dinner table, we often like to switch off completely whilst on holiday.

Most people (50%), when asked if they would be willing to take a working holiday (if their annual leave allowance was unaffected), said they wouldn't, compared with 41% that would.

Taking into account generational differences, Generation Z, alongside Millennials, are carving their own destinies as the most likely to blur work with downtime.<sup>10 11</sup>

However, regardless of generation, almost one fifth (18%) will check in on work while on holiday. Those taking family holidays are most likely of all holidaymakers to leave work at home

## So where do we feel happiest on holiday?

Most people surveyed are happiest on holiday when relaxing on the beach (32%) or by the pool (38%).

Respondents under 45 showed a strong preference for where they like to spend their holiday time, with the majority choosing to spend it at the pool rather than the beach. In contrast, responses from the 55+ age group show the majority prefer the beach, but are perfectly satisfied with either option.

Gender differences show females are slightly more likely than males to take part in structured activities on holiday, whereas males lean more towards the bar than females.

### Here's the top 5



And when it comes to kids' clubs, it's an even split. For those who have access to a kids' club on holiday, 41% of parents typically use them, 41% of parents don't, and this differs based on gender too. Female respondents reported using them less, with 37% stating they use them, compared with 47% of males.

# The changing face of the British package holiday:

## is the 'Brits Abroad' stereotype fair?

Brits on their overseas holidays have long been negatively characterised as rowdy tourists, thanks in part to the highly-publicised antics of some when they're let loose on holiday. And most have heard of the stereotype (92%), so it would appear that perceptions haven't evolved that much in the last decade.

In fact, 68% consider the stereotype to be fair, with just under a third (32%) flying the flag for package holidaymakers who think the stereotype is, in fact, unfair. So are we really that bad?

General ignorance of different cultures when on holiday appears to be a main theme characterising the stereotype. Here are what package holidaymakers think the stereotype comprises of the most:

### Top characteristics of a Brit Abroad



1

**Terrible sunburn**



2

**Drinking before 12pm**



3

**Not learning the language**



4

**Only wanting to eat 'English food'**



5

**Having a fry-up abroad**



6

**Packing tea bags**



7

**Socks with sandals**



8

**Reserving sun loungers with towels**



9

**Still talking about the weather back home**



10

**Constantly checking the weather**



11

**Novelty towels**



12

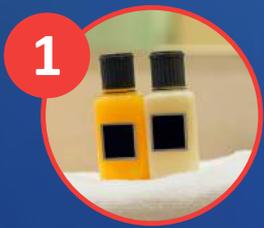
**Buying items from beach sellers**

So above all, we think terrible sunburn is most characteristic of the stereotype. And while we perceive 'not learning the language' as the third most telling characteristic, when we consider the actual figure of respondents who plan to learn at least a couple of phrases of the language before jetting off (52%), the stereotype isn't as fair as many might think.

However, when it comes to holiday antics, it would seem some Brits can't resist stealing a cheeky toiletry or two from their hotel room when abroad.

Millennials appear to be the generation with the stickiest fingers (or the ones most likely to admit to it) and females (17%) are slightly more likely than males (15%) to take, or admit to taking, something they shouldn't. Overall though, and reassuringly so, most of us appear to be an honest bunch, with the majority (77%) leaving things where they belong.

## That said, here are the most popular things stolen from hotel rooms while on holiday:



1

Toiletries



2

Stationery



3

Towels



4

Drinks/condiments



5

Dressing gown and slippers



6

Minibar items



7

Cutlery



8

Bedding



9

Hair dryer



10

Kettle



11

Bibles



12

Bedside lamps

# Memorable experiences



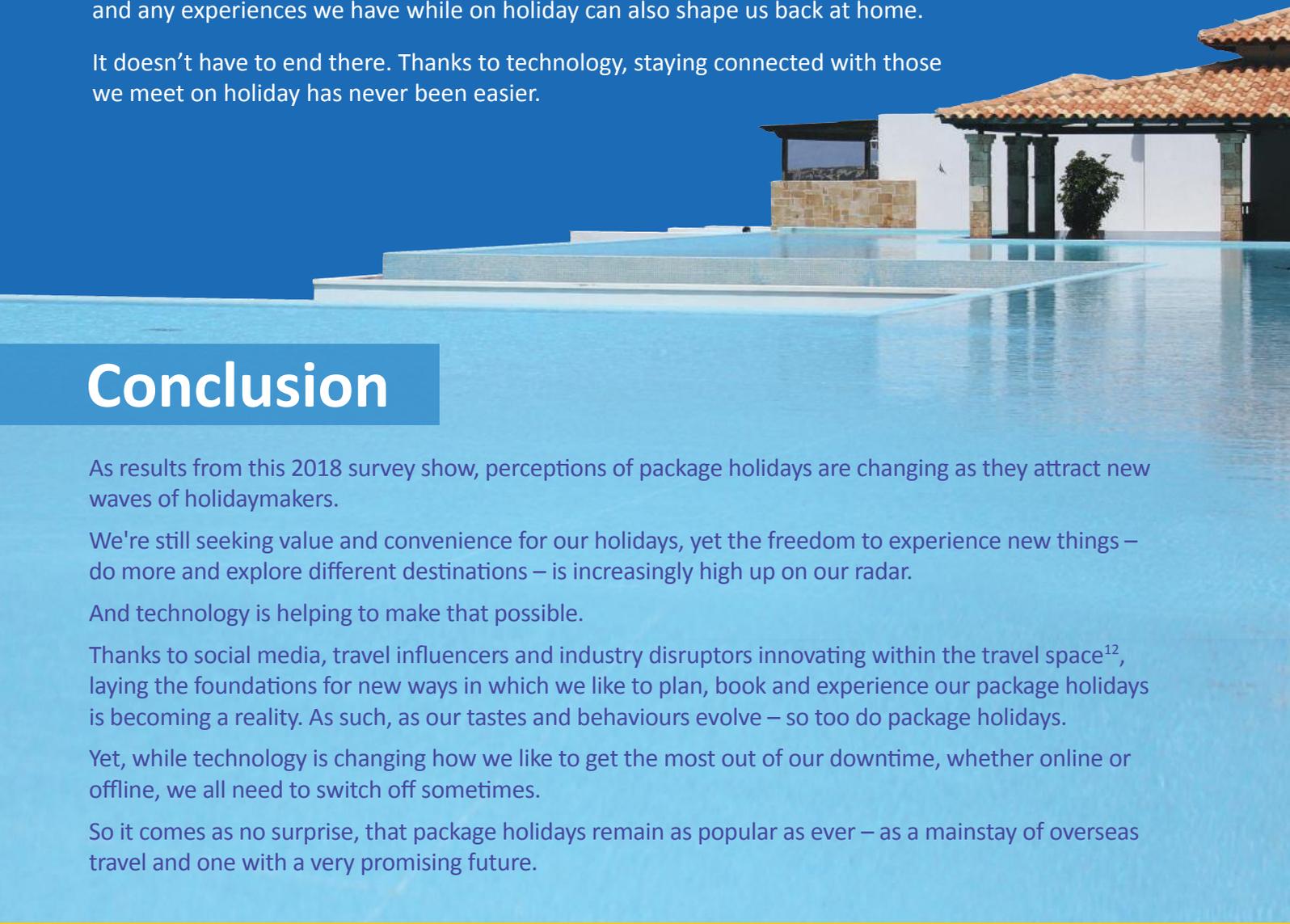
Despite the 'Brit Abroad' stereotype, when we take a look at holiday romances abroad, on average 19% of people have had a one-night stand while on holiday, (14% for females, and 25% for males).

Millennials were the most likely generation to have had a one-night stand and also the biggest group who kept their cards close to their chest and didn't want to say either way.

As such, holidays represent an ideal opportunity to meet like-minded people with shared interests, and any experiences we have while on holiday can also shape us back at home.

It doesn't have to end there. Thanks to technology, staying connected with those we meet on holiday has never been easier.

## Conclusion



As results from this 2018 survey show, perceptions of package holidays are changing as they attract new waves of holidaymakers.

We're still seeking value and convenience for our holidays, yet the freedom to experience new things – do more and explore different destinations – is increasingly high up on our radar.

And technology is helping to make that possible.

Thanks to social media, travel influencers and industry disruptors innovating within the travel space<sup>12</sup>, laying the foundations for new ways in which we like to plan, book and experience our package holidays is becoming a reality. As such, as our tastes and behaviours evolve – so too do package holidays.

Yet, while technology is changing how we like to get the most out of our downtime, whether online or offline, we all need to switch off sometimes.

So it comes as no surprise, that package holidays remain as popular as ever – as a mainstay of overseas travel and one with a very promising future.



Sources:

1. [thinkwithgoogle.com](http://thinkwithgoogle.com), 2. [journals.sagepub.com](http://journals.sagepub.com), 3. [abta.com](http://abta.com), 4. Mintel - Long-haul Holidays, 5. [fitch.com](http://fitch.com), 6. [thinkwithgoogle.com](http://thinkwithgoogle.com), 7. [thinkwithgoogle.com](http://thinkwithgoogle.com), 8. [thinkwithgoogle.com](http://thinkwithgoogle.com), 9. [huffingtonpost.co.uk](http://huffingtonpost.co.uk), 10. [forbes.com](http://forbes.com), 11. [time.com](http://time.com)

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