



**Tourism Market Insights
United Kingdom: 2021**

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research

Contents

1. Overview of United Kingdom
2. Overview of the United Kingdom Travel Market
3. British Outbound Travel Trends
4. The British Traveller to South Africa
5. The British Traveller to the Western Cape
6. Key Findings
7. List of sources

1. Overview of the United Kingdom

Where is the United Kingdom? Lying off the coast of western continental Europe between the Atlantic Ocean and the North Sea, the UK consists mainly of two distinct land masses. The larger incorporates England, Scotland and the Principality of Wales, and the smaller consists of the Republic of Ireland and Northern Ireland – actually, the northeastern part of the island of Ireland.

Population 67,0 million (2020 estimate)

Time Difference GMT. In summer BST (UTC + 1)

Language English is the official language. Regional languages include Cornish, Irish, Scots, Scottish Gaelic and Welsh.

Economy The Coronavirus pandemic was first detected in the UK in January 2020. By March, Prime Minister Johnson initiated a national lockdown, public travel was postponed, social distancing laws were announced, educational establishments were momentarily closed and entertainment and non-essential service businesses were closed, in the hope of containing the virus. The reopening of the economy was a phased approach, however some restrictions were reimposed following a rise in cases. The containment measures had a serious economic impact.

Economic growth are forecasted to continue in 2022, although at a lower rate than in 2021. The pace of growth is anticipated to be 2.5% in 2022, supposing that COVID-19 can be controlled in the first half of 2021. After that, the economy would steadily slow down with growth reaching about 1.3% per year by 2028.

UK citizens are referred to as British. Terms such as 'English', 'Scot/Scots/Scottish', 'Welsh' and 'Irish' may only be used when heritage is certain. Two-thirds of Northern Ireland has Scottish and English roots; the remaining third are Irish. The Irish value friendliness, sincerity and nature. Family is very important.

United Kingdom Etiquette Qualities such as politeness, reserve and restraint are usually admired among the British. The British are reserved, which makes them appear rather aloof, but they are generally friendly and helpful once introductions are made. Punctuality is important, be on time.

Brits tend to get down to business at hand after a few moments of polite introduction. Business protocol is observed in business interactions. Meetings are usually scheduled well in advance. Presentations should be formal and detailed.

2. Overview of the United Kingdom Travel Market

Largest Cities Number of people (2021 estimate)	1. London: 7,556,900
	2. Birmingham: 984,333
	3. Liverpool: 864,122
	4. Nottingham: 729,977
	5. Sheffield: 685,368

Disposable income GBP millions, 2020	1,446 million
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Savings As % of disposable income (2020)	14,4%
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Median Age (2020)	40.3 years
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Paid Holidays (2020)	20,0
Public Holidays (2020)	8,0
Annual Leave (2020)	28,0

Outbound Departures ('000 trips)	1. 2016: 82,7
	2. 2017: 86,6
	3. 2018: 89,2
	4. 2019: 91,4
	5. 2020: 23,4

Type of Outbound Trips	Leisure: 89.7% Business: 10.3%
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Top 10 Outbound Destinations (‘000 trips)	'000 trips	2016	2017	2018	2019	2020	2021
	France	11,808.5	12,385.8	12,683.0	12,853.7	5,122.0	7,678.0
	Spain	17,675.4	18,806.8	18,524.0	17,582.3	3,190.4	4,001.9
	Italy	4,355.9	4,932.6	5,659.1	6,110.3	1,771.0	3,045.0
	Ireland	4,990.0	4,760.0	4,797.0	4,764.0	1,950.7	2,956.4
	US	4,587.1	4,482.7	4,659.2	4,780.0	730.0	2,026.6
	Greece	2,894.7	3,002.0	2,942.8	3,499.3	1,068.6	2,000.0
	Turkey	1,587.6	1,604.2	2,220.3	2,541.4	820.7	1,299.4
	Poland	1,324.8	1,444.4	1,549.6	1,487.6	648.5	1,070.0
	Portugal	3,237.4	3,413.5	3,386.4	3,266.3	700.1	990.5
Germany	2,551.1	2,601.0	2,679.0	2,552.4	0.5	912.7	

*2021- Forecasted figures

Source: Euromonitor International, 2021

3. British Outbound Travel Trends

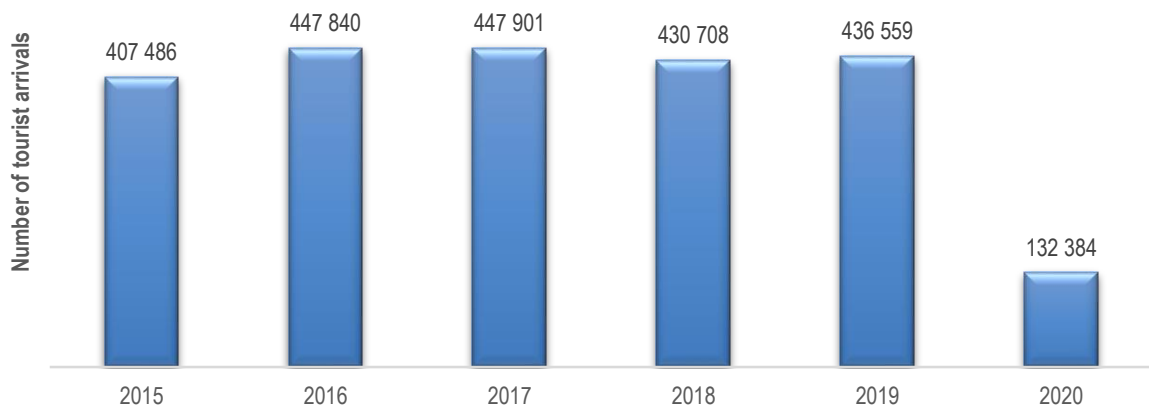
- The recurrent amendments of travel restrictions, vaccination certificates and compulsory testing, both in source and destination markets, continue to generate doubt with travelling abroad and is discouraging many British from leisure travel in 2021.
- Demand for domestic travel has evidently been growing, and domestic trips are forecasted to remain higher than outbound trips in 2021.
- Rural areas and destinations, where social distancing rules are easier to follow, are gaining increasing popularity, with the Lake District and West the Country in England seemingly among the top destinations.
- Meanwhile, hospitality in big cities, which is linked to mass tourism, continue to suffer from the lack of tourists in 2021.
- In addition to taking leisure holidays in the UK, visiting friends and relatives has been another driver of domestic trips in 2021.
- Trends revealed that travellers who are possibly staying at their family's homes are more inclined to spend less on accommodation, resulting in a declining domestic spend on lodging in 2021.
- According to Euromonitor International's 2020 Lifestyle Survey, consumers are eagerly awaiting the day when unhindered leisure travel to Europe and other foreign holiday destinations will return to pre-pandemic levels.
- Until then, the release of contained demand is evident in the growing domestic holidays in destinations such as Cornwall, Devon and coastal areas, even for low-end caravan and camping holidays.
- According to the survey, 23% of Millennials conveyed that finding time to travel are among their top three life priorities, and it is likely that they will be the first to recommence holiday travel once restrictions are lifted.
- Spending leisure time visiting social media platforms became even more popular during lockdown. The latest analysis from Ofcom showed that Facebook has now become the platform of choice for older UK consumers. In turn, younger consumers continue to shift to newer platforms such as TikTok.



Source: Euromonitor Voice of the Consumer: Lifestyles Survey 2021

4. The British Traveller to South Africa

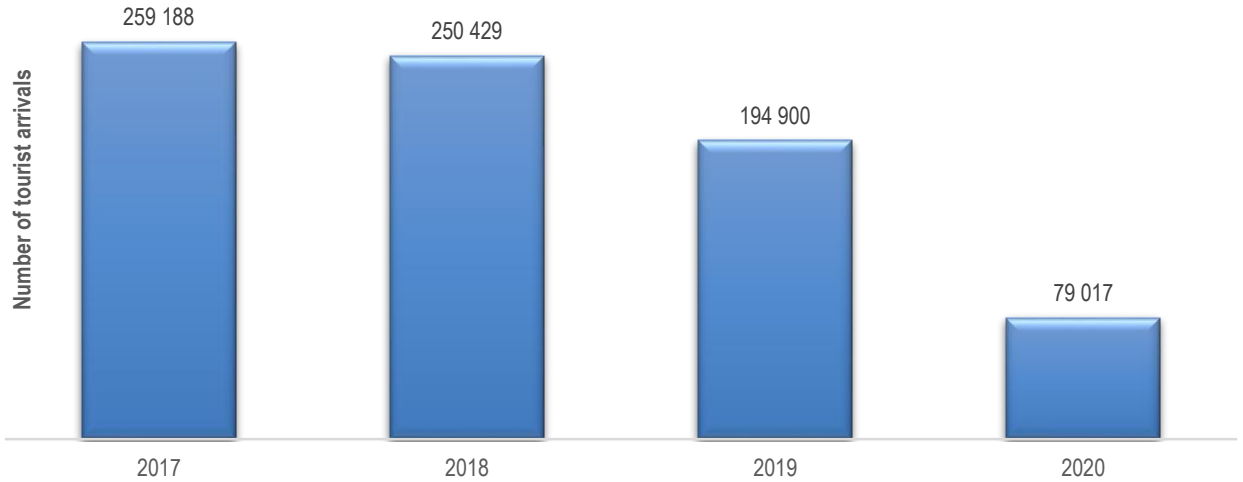
BRITISH TOURISTS TO SOUTH AFRICA, 2015-2020



Purpose of visit to South Africa (2020)	Holiday (52,5%) VFR (30,8%) MICE (6,1%)
Average length of stay in South Africa (Number of nights)	2018: 15,8 2019: 15,2 2020: 16,2
Age profile (2020)	18-24 years: 7,5% 25-34 years: 21,4% 35-44 years: 13,7% 45-54 years: 20,5% 55-64 years: 19,2% 65+ years: 17,6%
Repeater Rate of United Kingdom Travellers (2020)	First timers: 45,1% 2-3 times: 22,2% 4-5 times: 12,8% 6-9 times: 9,9% 10 times or more: 10,0%
Accommodation Usage (2019)	Friends & family: 2,239,971 Hotels: 1,639,971 Game Lodges: 446,563
Total Foreign Direct Spend in South Africa (R in billions)	2018: R7,8 2019: R9,8 2020: R2,8
Average Spend in South Africa	2018: R19,700 2019: R24,200 2020: R22,400
Top activities undertaken in South Africa (2020)	Adventure (15,8%) Wildlife (15,6%) Visiting natural attractions (15,1%) Theme parks (11,6%) Culture/heritage (11,2%)

5. The British Traveller to the Western Cape

BRITISH TOURIST ARRIVALS TO THE WESTERN CAPE, 2017-2020

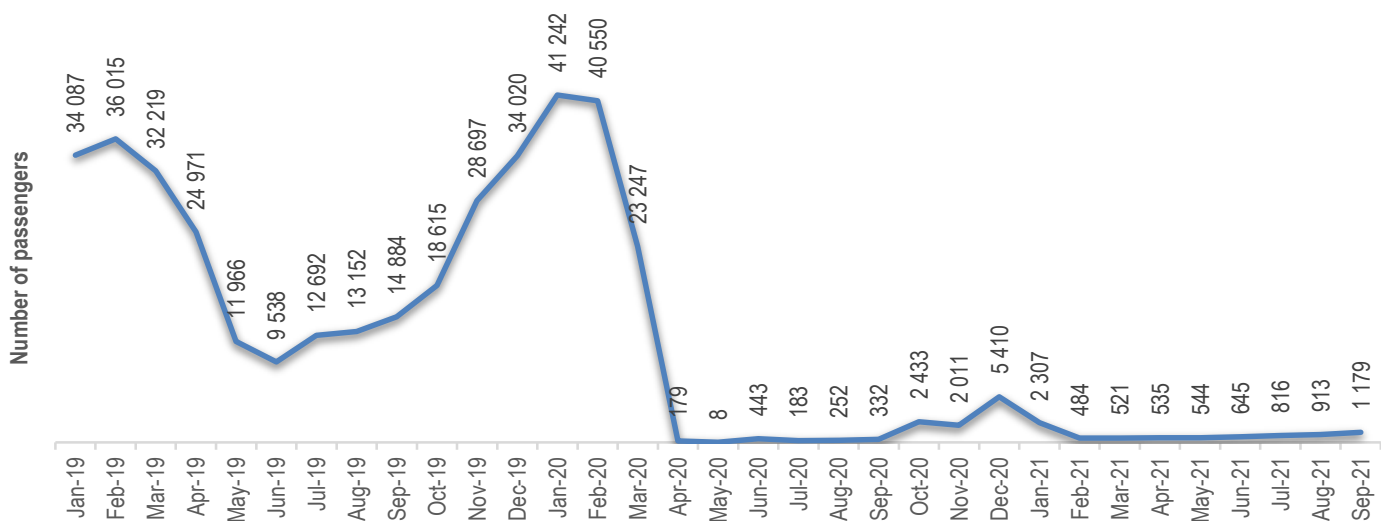


Source: SA Tourism, 2021

5.1 British passengers through the Cape Town International Airport

According to the latest OAG Passenger Traffic Analyser, British passenger movement started plummeting in April 2020 and dropped to only 8 passengers in May 2020. However, the start of domestic air travel in June 2020 resulted in close to 500 passengers for the month. When observing passenger movement trends since 2019, it is evident that the peak in travel from the British market occurs over the summer months, particularly during December, January and February. Since the start of the nationwide lockdown in March 2020, December 2020 (5,410) reflected the largest number of British passengers to Cape Town, followed by 2,307 passengers in January 2021 and 1,179 in September 2021.

BRITISH PASSENGERS THROUGH THE CAPE TOWN INTERNATIONAL AIRPORT, JAN 2019-SEP 2021



Source: OAG Traffic Analyser, 2021

6. Key Findings

- In addition to the overall pause in tourism due to COVID-19, some forms of travel was impacted more strongly than others. Long-haul travel is not likely to recover to 2019 levels before 2024 due to many reasons: social distancing; health concerns about long-haul flights; doubt around travel restrictions in certain countries; as well as economic factors, such as a decline in real GDP or depreciation of the pound sterling against other currencies. These factors will all contribute to an overall drop in intercontinental travel.
- Hence, UK residents will choose domestic or European destinations for their holidays such as France and Spain. The unique nature of the pandemic will lead to consumer reluctance when it comes to planning a holiday, which is expected to result in more last-minute bookings.
- Demand for domestic travel has evidently been growing, and domestic trips are forecasted to remain higher than outbound trips in 2021.
- Rural areas and destinations, where social distancing rules are easier to follow, are gaining increasing popularity, with the Lake District and West the Country in England seemingly among the top destinations.
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- Until then, the release of contained demand is evident in the growing domestic holidays in destinations such as Cornwall, Devon and coastal areas, even for low-end caravan and camping holidays.
- UK tourists travelling to South Africa are predominantly visiting for the purpose of holiday (52,5%) and visiting family and friends (30,8%). In 2020, the largest share (45,1%) of UK tourists to South Africa visited for the first time while 54,9% were return visitors. They are typically between the ages of 25-34 and 45-54 years. Top activities enjoyed in South Africa included adventure, wildlife, visiting natural attractions, theme parks and cultural experiences.

7. List of Sources

1. South African Tourism
2. Euromonitor International
3. OAG Airline Passenger Traffic Analyser
4. <https://worldpopulationreview.com/countries/cities/united-kingdom>

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