



Staycationing in the UK

RESEARCH PAPER

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This paper was originally published as part of the Economic Policy Review Committee’s report on visitor accommodation ([PP 2020/0212](#)).

Request: What motivates people in the UK to take staycations, and how UK staycations can therefore be sold to customers in the UK – not “front-of-house” material from the English Tourist Board. The Committee’s ultimate aim is to identify ways in which Isle of Man holidays can be sold to UK customers as soon as the easing of public health restrictions makes this possible.

CONTENTS

Summary	2
Introduction	2
Terminology	2
Reasons Why Tourists Take a Staycation	2
Short vs Long Breaks.....	2
Home Nation vs Rest of UK.....	3
Top Reasons for Scots to Holiday in Scotland.....	3
Top Reasons for Visitors from the Rest of the UK to Holiday in Scotland	4
Reasons to Take a Staycation in Norfolk.....	4
People Who are More Likely to Take a Staycation	4
Young People	4
Microgapping	5
Groups which include a member with a disability	5
Demographic Variation.....	5
Factors Influencing a Decision to Book a Staycation	5
Digitally Enabled Breaks	5
Special Offers	6
Current Events.....	6
Brexit.....	6
Weather	6

COVID-19.....	6
State-Incentivised Breaks.....	7
Marketing and Communications	7
Further Reading	7

SUMMARY

Motivations for people to take staycations in the UK are varied. They include a desire to visit natural sites, historical sites, cultural events, previous positive experiences of staycations, the perceived lack of stress associated with holidaying at home and taking trips to visit friends and relatives. The impact that current and short-term events can have on demand for staycations is also highlighted.

Different demographic groups have different priorities and respond to different marketing targeted at them.

INTRODUCTION

Local tourism economies have been decimated by the impact of international travel restrictions during the COVID-19 pandemic. The [OECD expects](#) global tourism to decline by 60% in 2020. With these restrictions anticipated to continue for some time, it has been predicted that domestic tourism will recover most quickly post-COVID, as domestic travel restrictions are eased sooner than international ones. Staycations are likely to become a future growing trend: [research for The Cumberland Building Society](#) identified that 71% of those questioned between 3 and 6 August 2020 planned to take a staycation in the UK in 2021.

TERMINOLOGY

[Staycation](#) – “A holiday spent at home or in one’s country of residence”.

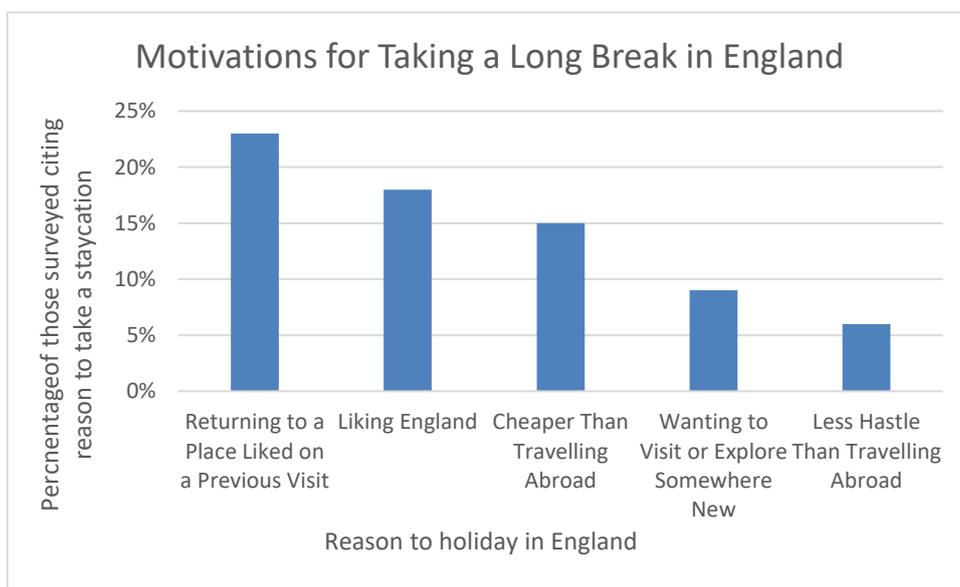
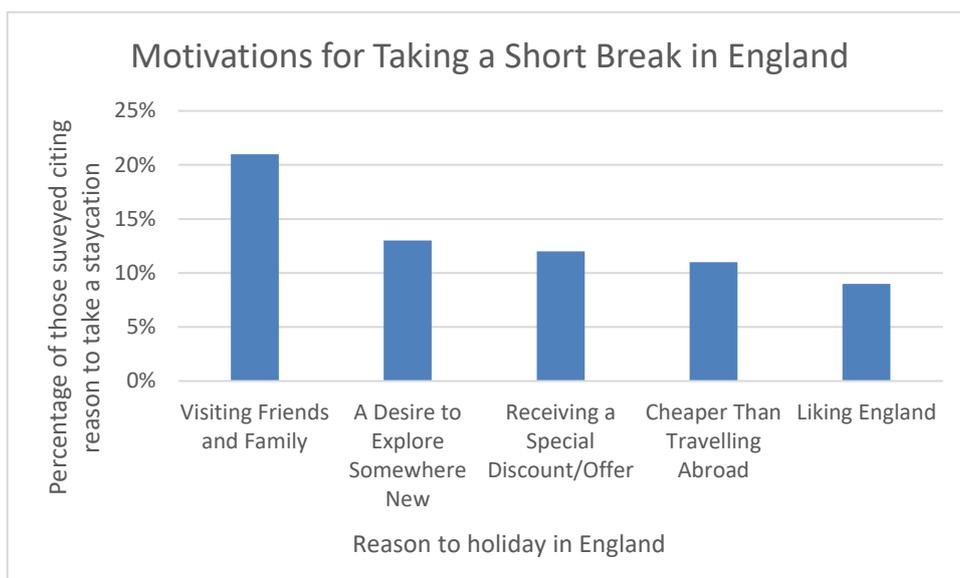
[Millennial](#) – “A member of the generation who reached adulthood in or around the year 2000”.

REASONS WHY TOURISTS TAKE A STAYCATION

Reasons for taking staycations varied by destination and type of traveller, but common themes do emerge and include: a desire to visit natural sites in the UK; liking the UK; repeating a visit to a previous holiday destination; the lower cost and perceived reduced levels of stress associated with taking a staycation compared with travelling abroad; visiting culturally and historically important sites; visiting friends and relatives.

SHORT VS LONG BREAKS

[In 2015](#), interview research with 1,002 participants undertaken by Visit England found that reasons to take a staycation in England varied depending upon the length of time that a person planned to be away for. Visiting friends and family was substantially more likely to be associated with a short break than a longer holiday, whereas a desire to return to somewhere where a tourist had had a previous positive experience of a holiday was more likely to be associated with taking a longer staycation. The findings are summarised in the graphs below:



HOME NATION VS REST OF UK

[Survey research](#) conducted by Visit Scotland across 2015 and 2016 identified different reasons for people to take staycations in the country depending upon whether they live in Scotland or the rest of the UK.

TOP REASONS FOR SCOTS TO HOLIDAY IN SCOTLAND

The main reasons for people from Scotland to stay in the country for a staycation relate to its natural capital and the ease with which people can take a holiday close to home:

- Scenery and landscape (44%)
- Closeness to home (36%)
- To get away from it all (29%)
- Visited before and wanted to return (26%)
- Easy to get to (25%)
- Personal event/celebration (10%)

TOP REASONS FOR VISITORS FROM THE REST OF THE UK TO HOLIDAY IN SCOTLAND

While Scotland's natural landscapes are also the most important factor for visitors from the rest of the UK, its history and culture are also important, in addition to visiting friends and family and previous positive holiday experience:

- Scenery and landscape (46%)
- Holidayed before and wanted to return (29%)
- History and culture (26%)
- Visit friends and family (25%)
- Special event (12%)
- Personal celebration (11%)

REASONS TO TAKE A STAYCATION IN NORFOLK

[A report](#) by Visit Norfolk compiled using online surveys from a nationally representative sample of the UK adult population in 2019 identifies several reasons why people would be likely to take a staycation in Norfolk, as well as activities visitors would be likely to undertake while there.

The top three reasons to take a staycation in Norfolk were given as: history/heritage (33%), nature/wildlife watching (32%) and walking/hiking (28%). The top three activities that those surveyed planned on taking part in included: walking (51%), boating/sailing (19%), bird/wildlife watching (17%).

Price was the most influential factor when planning leisure trips, but good value for money was viewed as slightly more important than low price. This was followed by nature of accommodation, ease of access and the seaside/coastal amenity. Those travelling with children are most likely to consider accommodation, ease of access, the seaside, variety of things to do, entertainment and multi-generational appeal.

Distance is identified as a key reason why people would not visit Norfolk. 46% of those living a 4+ hour drive away said it was too far. A significant proportion also have not got round to visiting.

PEOPLE WHO ARE MORE LIKELY TO TAKE A STAYCATION

YOUNG PEOPLE

[Research](#) conducted by Barclays Corporate Banking in 2019 using a survey of 2,006 UK adults and 528 managers in the hospitality industry found that 18-24 year olds were more inclined than those in other age groups to take a UK based holiday. However, the research highlighted that staycationing was a specific type of holiday for which this age group has much higher expectations. 31% of this group planned on taking active holidays in the mountains or lakes; they were least likely to book a city break or countryside retreat.

The research showed that 18-24 year olds were much more likely to expect Wi-Fi and streaming services in standard holiday accommodation. They were also keen to know about other providers of experiences in local areas.

Ensuring that holiday offerings were sustainable was also identified as important for this age group amid a growing awareness of the environmental impact of travel.

A break from the digital distractions that are a large part of this age group's lives was also reported to be important. 91% of those in their late 20s and early 30s cited escapism as a goal of their holiday time and 70% said digital detox was an objective. The research identified this as a potential gap in the market,

noting that only 7% of hospitality and leisure businesses have invested in digital detox retreats in the last 5 years according to Barclays.

MICROGAPPING

This age group is also likely to be receptive to the concept of 'microgapping' – a shorter alternative to a gap year that encompasses similar experiences, focussing on relaxation, wellbeing and seeing iconic landmarks. Visit England surveyed 2,000 16-34 year olds in the UK in 2018 and found that [over 52%](#) of those aged 16-34 would like to acquire new skills during a break. 64% of those surveyed found the idea of microgapping appealing and 57% said they would be likely to try microgapping in the UK if shown how to do it. 24% of 16-24 year olds said they would be likely to take three months or longer off from working over the next three years. 82% would be interested in taking a career break if possible to go travelling.

This group would be likely to prioritise experiencing new cultures, relaxing and unwinding, seeing iconic sights and meeting new people during such a break. 75% said financial constraints would prevent them taking a career break and 41% cited the impact it might have on their education or career progression as a preventative factor.

GROUPS WHICH INCLUDE A MEMBER WITH A DISABILITY

The Barclays report also highlights that 300,000 Britons were unable to take any form of holiday in 2018 due to accessibility issues, with one in ten people saying it is difficult to book a holiday that meets their particular access needs or other special requirements. The report suggests that businesses which adapt their offerings to cater for people with such needs will potentially benefit from being able to provide to this market which otherwise has not been well serviced before.

DEMOGRAPHIC VARIATION

According to [research undertaken by Tourism Northern Ireland in 2018](#) (methodology unclear), demographics were identified as being important in understanding why people visit Northern Ireland. Different groups take staycations in the country for different reasons and have different priorities for what they want to get out of such a holiday.

Six distinct segments of domestic tourists in Northern Ireland were identified: aspiring families, natural quality seekers, social instagrammers, comfort seekers, short break enthusiasts and pragmatists. The original paper breaks these categories down into further detail.

FACTORS INFLUENCING A DECISION TO BOOK A STAYCATION

DIGITALLY ENABLED BREAKS

[Barclays](#) also note that the use of digital technologies as part of the holiday process is becoming more important to consumers and it is important that businesses marketing staycations ensure their digital capabilities match these expectations.

At the booking stage of the process, Barclays argue that a high quality website with links to positive online reviews is vitally important to three quarters of holidaymakers in converting interest in a staycation into an actual booking. Customers like the ability to book a specific room in advance, with 48% more likely and a further 20% much more likely to book. Links to good quality third party websites with information about the local area are also important to over two thirds of people.

Digital services would be popular with young audiences. Smartphone check-in would be an incentive to book for 47% of the 25-34 age group and 43% of 18-24s. Around half of 18-34s would appreciate a hotel's ability to remember their preferences, such as food choices and check out times, from previous visits. If young people are a market to be targeted for staycations, it is important that hospitality businesses have modern and constantly evolving digital services in place to meet this need.

SPECIAL OFFERS

The [Barclays research](#) further points out that special offers are an integral part of encouraging people to book staycations, as value for money was identified as the most important factor when choosing holiday accommodation. Links between accommodation providers and other businesses who can offer tourists services at a discounted price would also help to assure travellers of added value and encourage them to book. For example, a hotel offering discounts on a nearby spa would make customers up to the age of 45 more likely to book.

Cost is also a major factor suggested in [2019 research by consumer research company TLF](#). 64% of people said they could not afford to go on holiday, with this being particularly marked among millennials – 91% wanted to take a holiday but only 14% could afford to.

CURRENT EVENTS

[Research](#) by the House of Commons library published in 2019 highlights the importance of understanding the role of current events in people's choices to holiday at home.

BREXIT

The cost of travelling was identified as one reason: the fall in the value of the pound as a result of Brexit has made travelling abroad more expensive and people less likely to leave home. [14%](#) of those reporting increased tourism business in Wales in autumn 2019 stated in a survey for the Welsh Government that they had increased tourism business due to more people taking staycations. They put this down to a number of factors including Brexit uncertainty and the weak value of the pound making overseas holidays more expensive, which has [been further identified](#) as likely to increase staycation traffic by Cumbria tourism.

WEATHER

The weather is a further factor identified by the House of Commons as encouraging people to take staycations. This is an argument further supported by the TLF research, which suggests that 62% of people in the UK are likely to book a staycation if the weather in summer 2019 was the same as the particularly long period of dry, hot weather experienced in summer 2018.

COVID-19

The COVID-19 pandemic has caused consumers to worry about the financial future of travel companies and about their own bank balances according to [UK insurance company Schofields](#), who analysed their own data from holiday insurance purchases and combined it with data gathered from third parties. They found that redundancies and pay cuts mean people are not looking for long and expensive holidays. The UK offers a more financially safe option. In addition, holidays in the UK are less stressful as tourists don't have to worry about finding out about and abiding by local restrictions or accessing health services overseas. Travellers are also now more concerned than ever about the environmental impact of travel: 30% would consider swapping a foreign holiday for a UK based one.

STATE-INCENTIVISED BREAKS

In order to encourage people to take staycations in the Republic of Ireland, [the Irish Government have introduced a 'stay and spend scheme'](#) where spending of up to €625 on accommodation, food and drinks will be refunded with the lesser of an income tax credit of €125 per taxpayer or 20% of the qualifying expenditure. To claim, receipts are submitted to the relevant government department via a mobile app. The estimated cost of the scheme is €140m in 2021.

An extensive and detailed summary of schemes implemented in several countries around the world to encourage both domestic and international tourism is available in [this research briefing from the Oireachtas Library & Research Service](#) prepared in 2020.

MARKETING AND COMMUNICATIONS

[A report](#) by Tourism Northern Ireland published in March 2020 and compiled from several sources pointed out the importance of communications centred on the interests of the market segments identified as most likely to take a staycation.

The report also suggests that an overarching communications architecture must be in place to ensure that marketing material is communicated to the domestic audience at the right time and in the right place. The domestic tourism market strategy must be understood and owned by the entire tourism industry and businesses must be supported in the use of digital media to enable the message to reach potential customers.

FURTHER READING

1. ['UK's favourite staycations revealed in new research'](#), travelbulletin.co.uk (6 Aug 2020).
2. ['UK summer staycations favoured by drivers as further easing of lockdown restrictions mooted'](#), media.rac.co.uk (19 Jun 2020).
3. ['Destination UK – focus on Wales. Driving growth in the UK hospitality and leisure sector'](#), Barclays (2019).

CONTACT

Author: Kieran Skehan

The research team in the Chamber and Information Service can be contacted by emailing research@tynwald.org.im.

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