

CAXTON

2023 RESEARCH REPORT

Caxton Customers Travel Survey - 2023

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Introduction

An insight into travel for 2023

As the summer months are rolling in, we like to ask our customers about their travel needs, habits, and requirements for the year ahead.

It's important for us to understand what we can expect to see the travel industry look like, and better understand how our customers are feeling when it comes to travelling.

The tail end of 2022 brought us a cost of living crisis, which is affecting almost everyone in the country. Through this research we have begun to understand what this nationwide issue will truly mean to our customers and the travel industry as a whole.

Overall, this research gives us a fantastic oversight of what travelling in 2023 is going to look like, from booking holidays in advance to destination preferences. Anyone in the travel industry will find this research key to understanding the movements of the industry throughout the year.



Rupert Lee-Browne
Founder and CEO

CAXTON

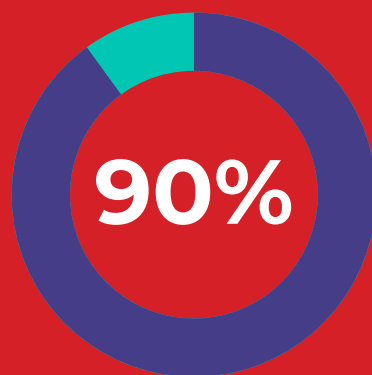


About this survey

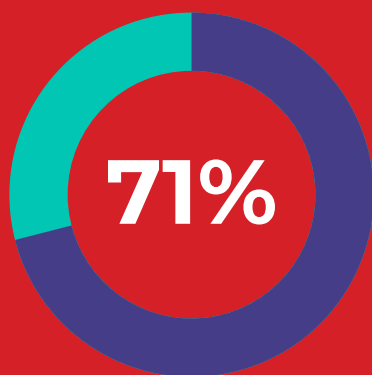
We surveyed 3,665 of Caxton Currency Card account holders to find out their travel needs and ambitions for 2023. We asked about quantity and duration of holidays, holiday type, location, and have begun to understand whether the economic climate has affected people's willingness to book a holiday.

This research was conducted online by Caxton Payments Ltd. between 09/03/2023 - 14/03/2023.

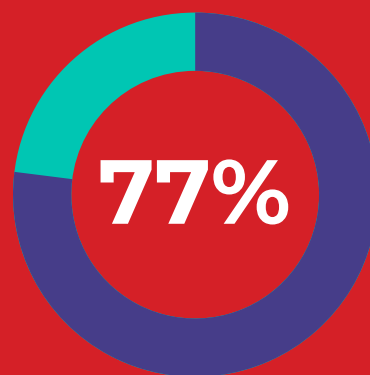
We surveyed 3,665 Caxton Currency Card account holders across a varying age demographic.



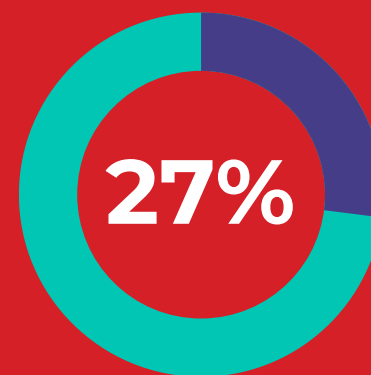
Of holiday makers
said they planned
on going abroad in
2023



Of holidays
planned in 2023 will
be in the summer
months



Of travel money is
bought with one
month or less until
the holiday begins

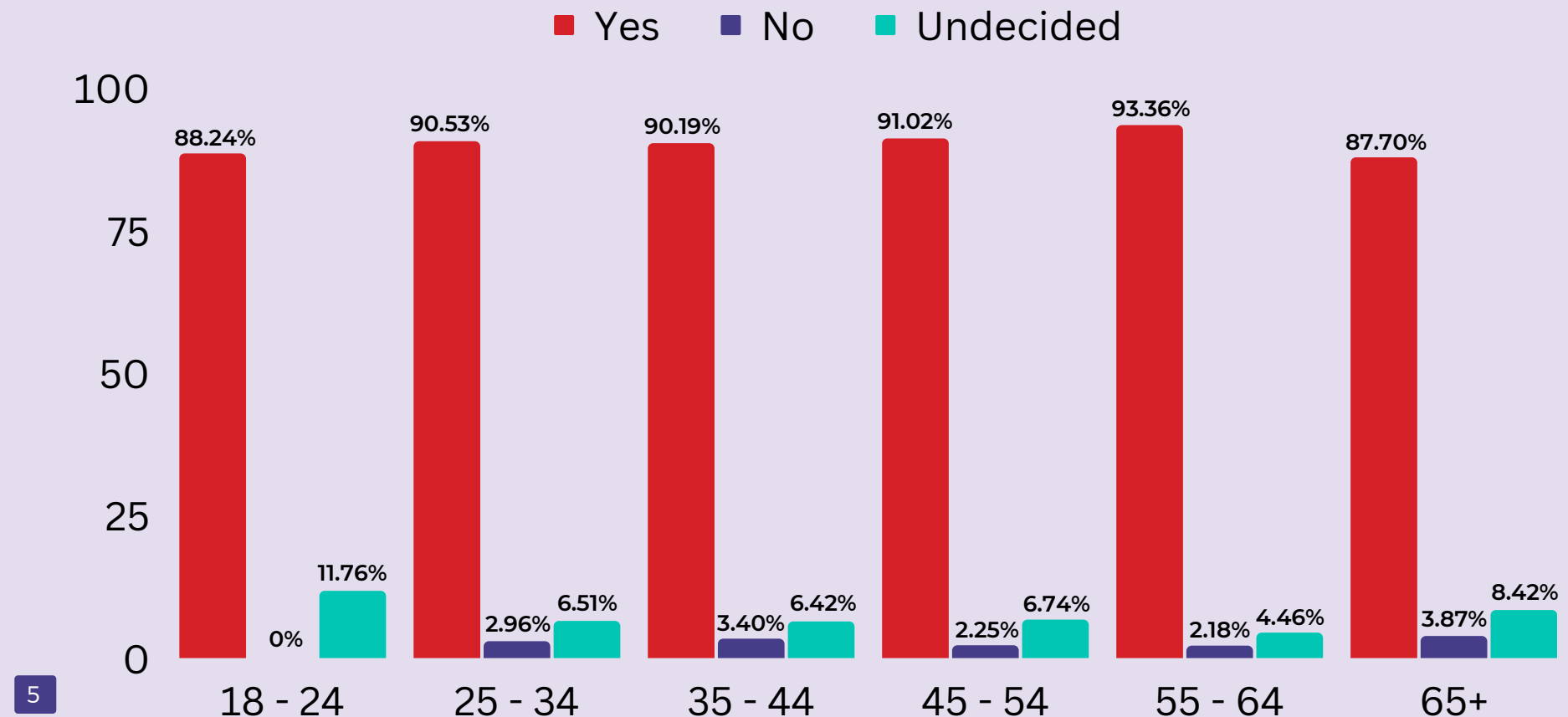


Of holidays
planned have been
compromised due
to added financial
pressures

Are you planning to travel abroad this year?

Segmented by age range.

At the time of data analysis, the Easter holidays are just beginning and our customer's enthusiasm for travel remains high. It is interesting to see an average of 90.25% across all groups already have planned on travelling this year, which is a significant jump of more than 14% from our previous survey in July 2022. The 55-64's have the largest percentage ready to travel abroad at 93.36%, with only 2.18% not. Meanwhile, the 18-24's show they are either planning on travelling abroad or are unsure, but 0% of those surveyed said an outright no to the idea.





You might like

Caxton's ultimate guide to tipping abroad in 2023

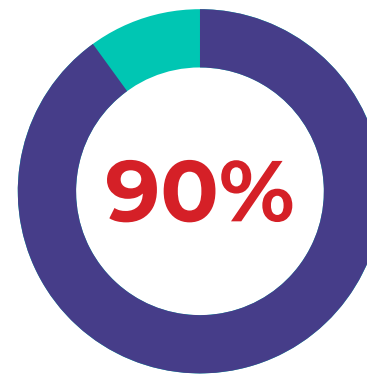
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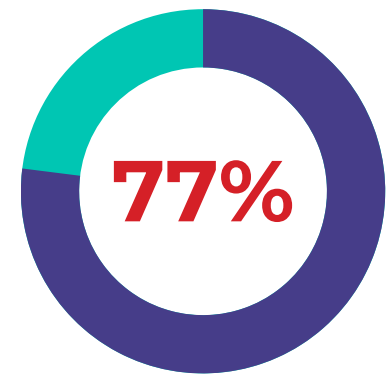
On average, 90.25% of people plan to travel abroad, 2.96% don't, and 6.79% are undecided.

The percentages of people who plan to travel abroad are fairly consistent across different age groups, ranging from 87.70% in the 18-24 and 65+ age groups to 93.36% in the 55-65 age group.

Overall, these results show that our customers are both ready and willing to travel across all age groups. After the Covid-19 pandemic, major disruption to travel in 2022, and the ongoing cost of living crisis in the UK, it is interesting to see that people are not compromising their plans to travel.



Of holiday makers
said they planned
on going abroad in
2023

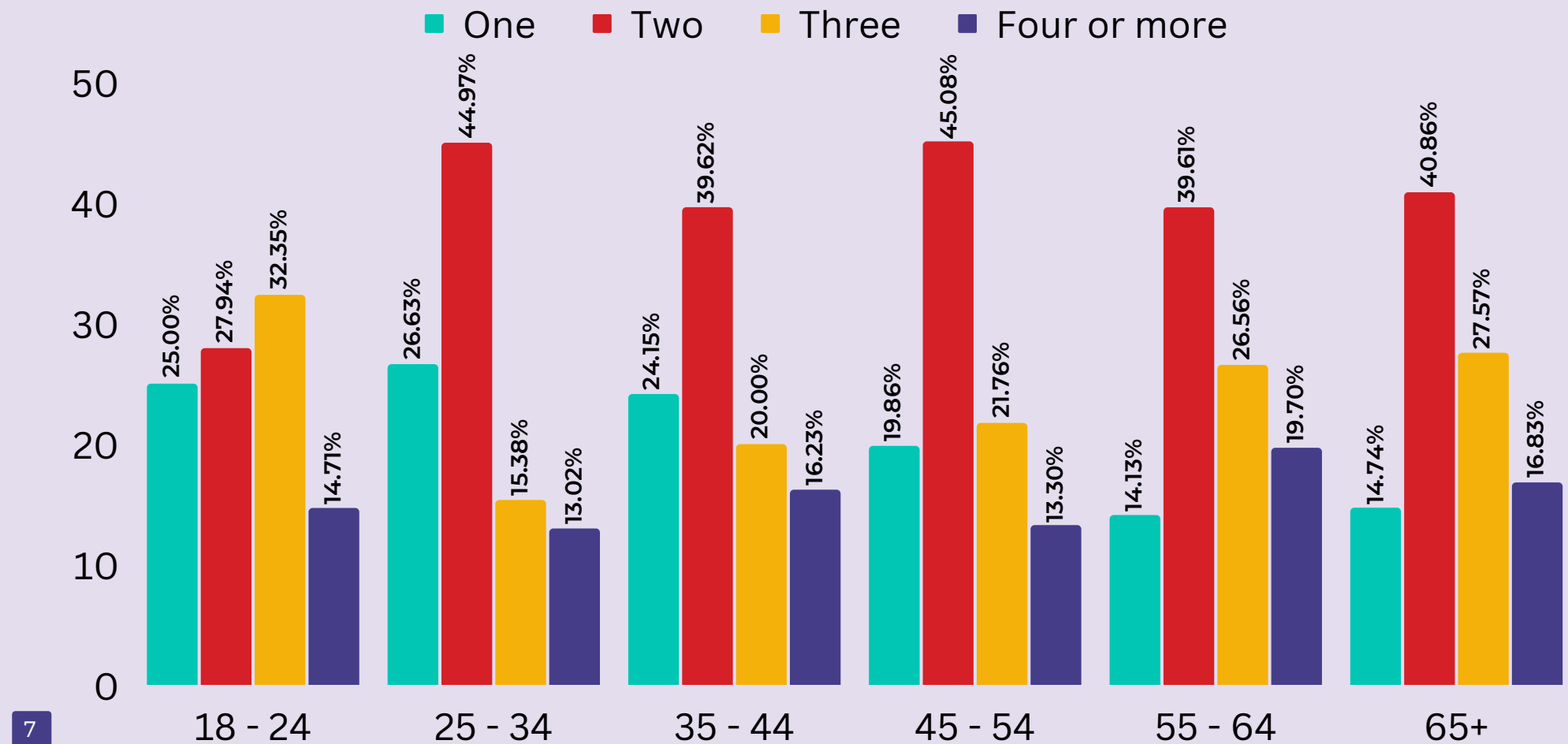


Of holiday makers
said they planned
on going abroad in
2022

How many holidays are you planning on taking this year?

Segmented by age range.

All of our customers who were surveyed expressed plans of taking two holidays this year, with the exception of the 18 - 24 year olds who by a small majority showed plans to take three holidays. It's interesting to see that the 65+ group also had the highest percentage of four or more holidays planned.



It's interesting to see that the 18 - 24 year olds show a very different trend of how many holidays they have planned compared to the rest of the age categories, with 25% showing plans to take one holiday, 27.94% for two, and 32.35% wanting to take three holidays this year. In comparison to the rest of the age categories surveyed, this shows young people's willingness to travel this year, regardless of the cost of living crisis that we are currently in.

The rest of the age groups surveyed showed a distinct trend that taking two holidays this year is the plan for the majority of holiday makers, with an average of 41%.

A trend you can also observe is that as you look at the higher age categories, their plans for taking three or more holidays this year increases steadily, with the 65+ being the most willing to take three holidays at 27.57%, and the 55 - 64 group being most willing to take four holidays at 19.70%.

After everything the last three years have thrown at us, 2022 showed that the travel industry was back with a bang, and in our survey for 2023 you can see that the trend this year is not going to be too dissimilar with an average of 83% of holidaymakers planning on taking multiple trips.

41% >>>

of those surveyed plan to take two holidays this year

19% >>>

of those 65+ plan on taking four or more holidays this year

83% >>>

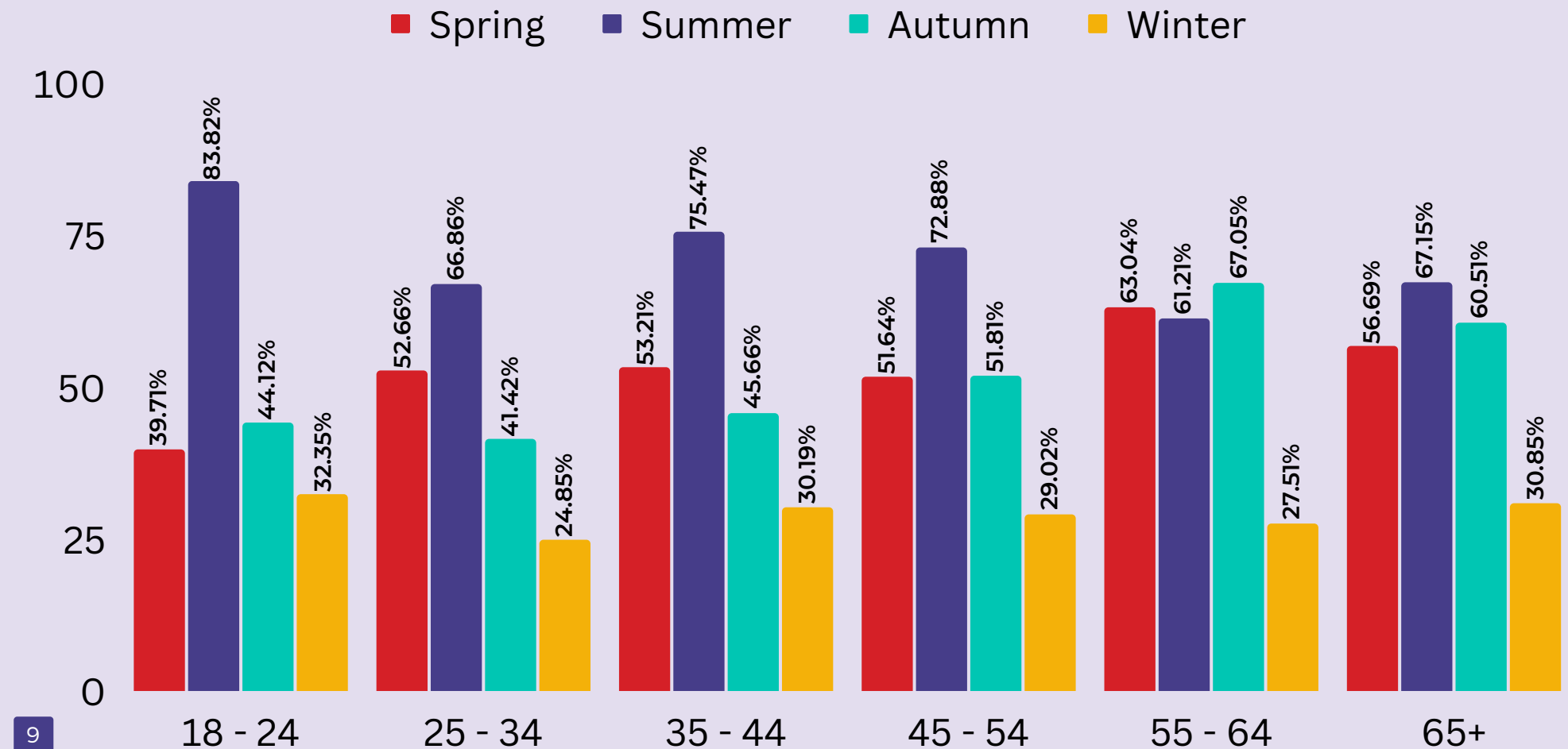
of holidaymakers plan on taking multiple trips in 2023



When would you be travelling?

Segmented by age range. This question was multiple choice.

Whilst autumn and spring holidays are not as popular due to school term times and the fact that the majority of British holidaymakers tend to opt for sunnier locales in the Northern hemisphere, it is unsurprising to see that on average just over two thirds of those surveyed had said they were interested in getting away in summer.

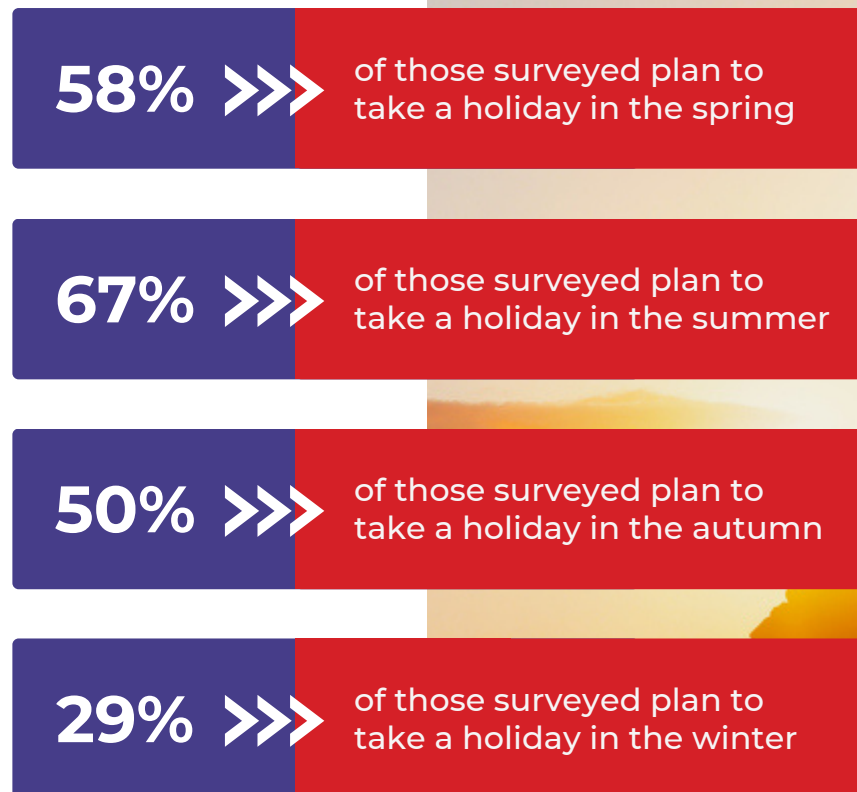


Unsurprisingly, summer holidays are a favourite amongst our customers surveyed, with an average of 67% planning on travelling in the summer. However, what couldn't be anticipated is how widely enjoyed spring and autumn holidays are, at 58% and 50% on average respectively.

A trend we see throughout the age groups is that as you get older, your preference on which season you travel in varies more. This is most likely due to the school holidays which limit travel time in all seasons other than summer, which then reduces demand for travel in the spring, autumn, and winter months which makes these holidays cheaper to book.

Another reason for this increase in spring and autumn travelling for those aged 55+ could be due to family, they will be at an age where if they have had children they will be older and so they won't need to plan family holidays in the 6 week summer break.

The statistics for the 18 - 24 year olds shows the highest demand for winter holidays at 32.35%. This could be due to the younger generations hunger for travel experiences and visiting a range of places rather than having an emotional attachment to one destination.



Where are you planning to travel?

Segmented by age range.

Other than the 18 - 24 year old category, all other age groups top destination to visit was Spain. The 18 - 24 year olds preferred Greece, which has recently become a travel hot spot as a new generation of travellers are getting to experience the islands' beauty.

The rest of the top five destinations remained fairly consistent throughout the different age ranges, including (in order of appearance):

- USA
- Italy
- Spain
- France
- Portugal
- Turkey

What we can see from these destinations is that other than the USA, our customers seem to be happy staying within Europe and going on short-haul holidays rather than long-haul.

The exception of this statement being the USA, which we can only assume is due to the size of the country, and also the attractions that the country has to offer like the two Disney parks, the vast and varied scenery and landscape, and also areas like California and New York which are favourites amongst Brits.



Where are you planning to travel?

18 - 24 year old responses.

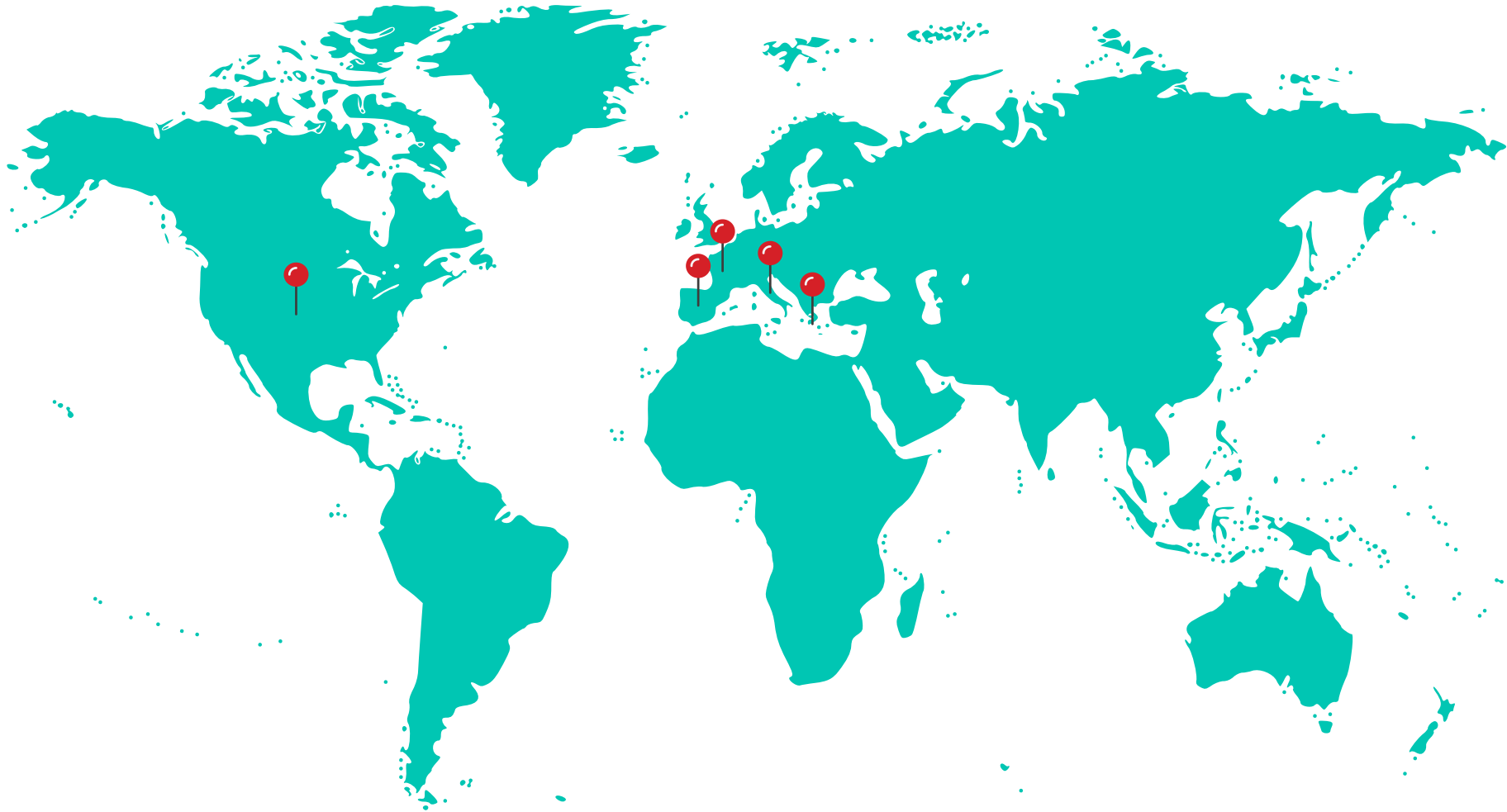
#1 Greece

#2 USA

#3 Italy

#4 Spain

#5 France



Where are you planning to travel?

25 - 34 year old responses.

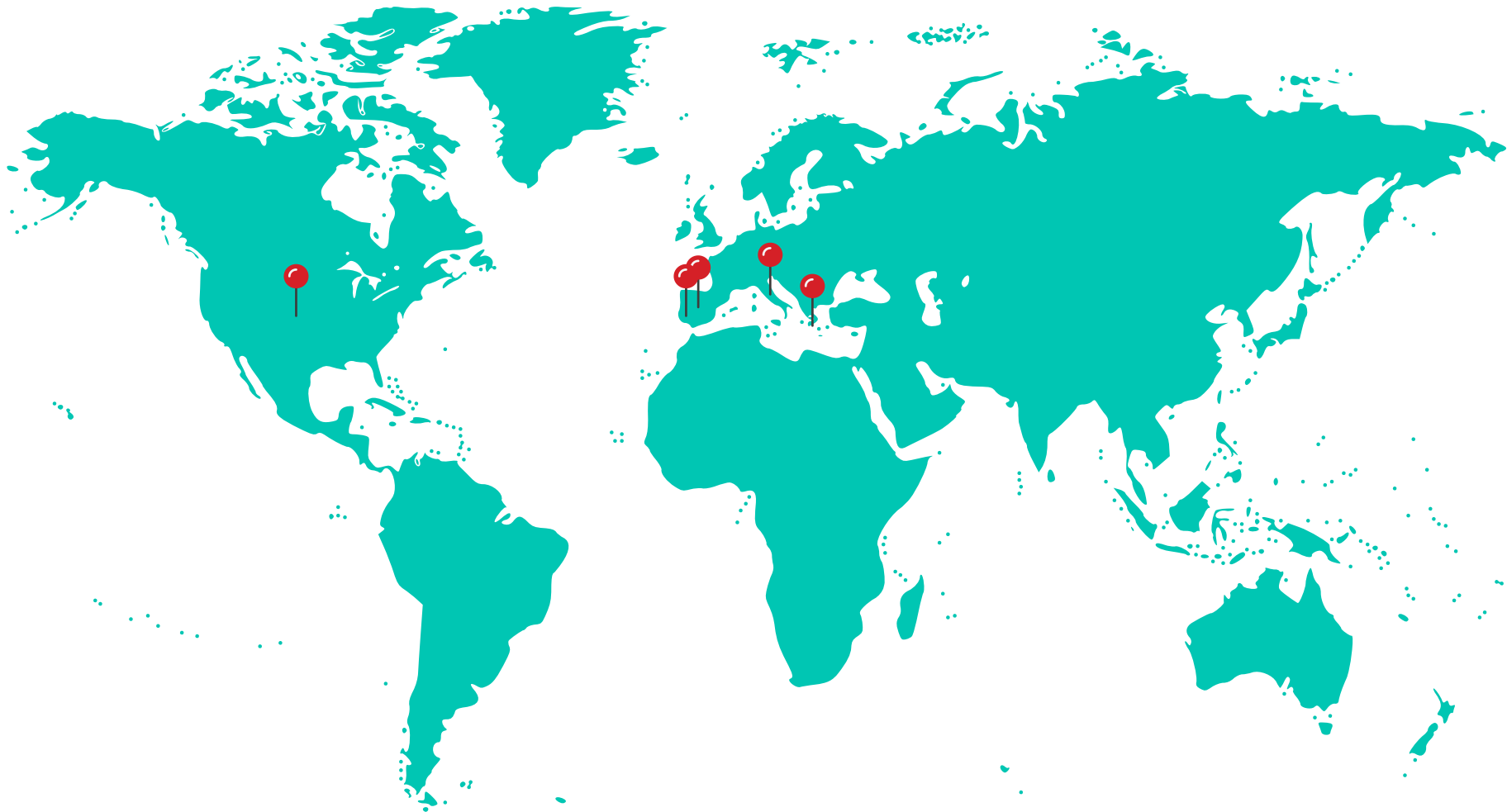
#1 Spain

#2 Greece

#3 USA

#4 Italy

#5 Portugal



Where are you planning to travel?

35 - 44 year old responses.

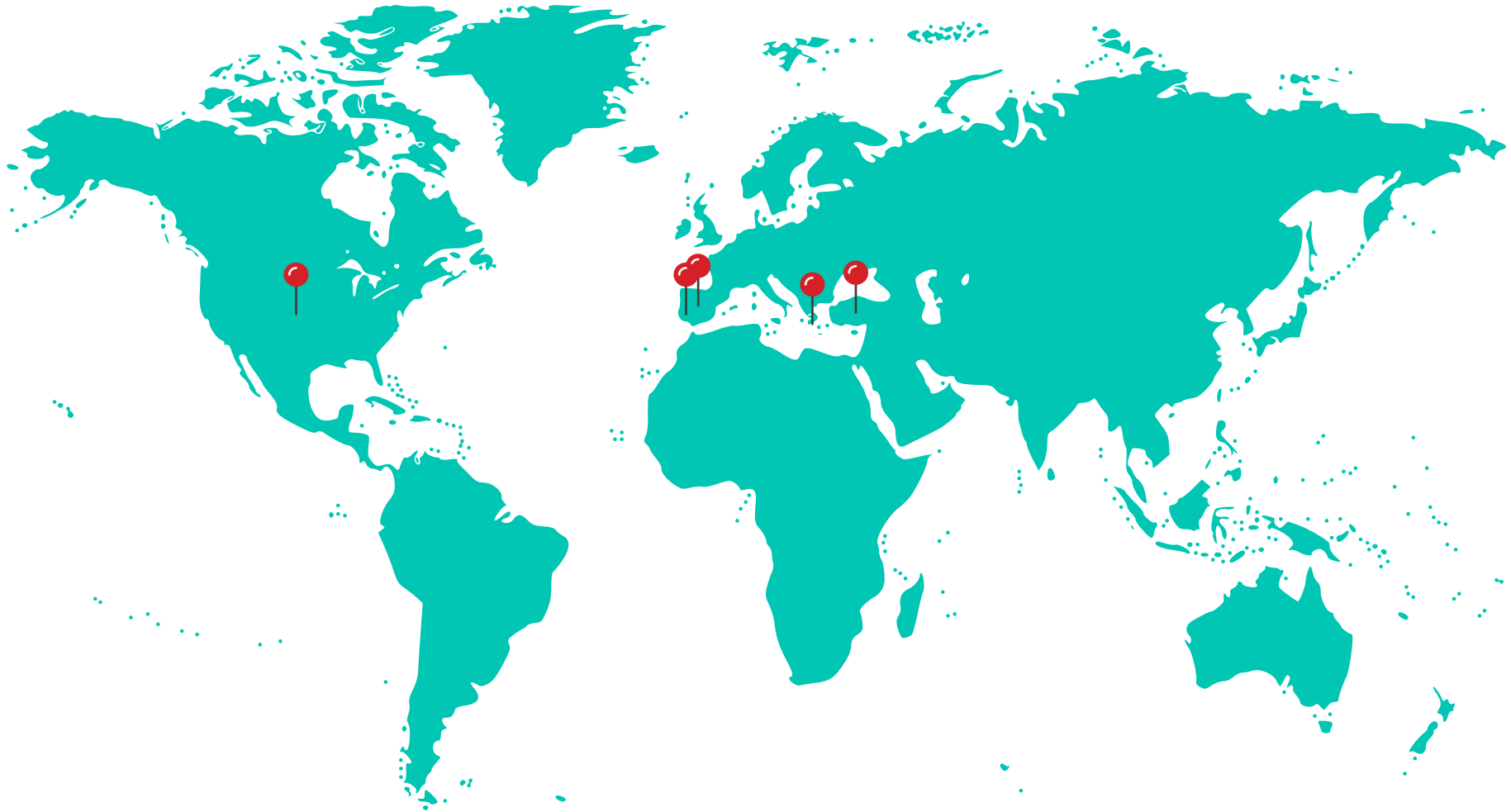
#1 Spain

#2 USA

#3 Greece

#4 Turkey

#5 Portugal



Where are you planning to travel?

45 - 54 year old responses.

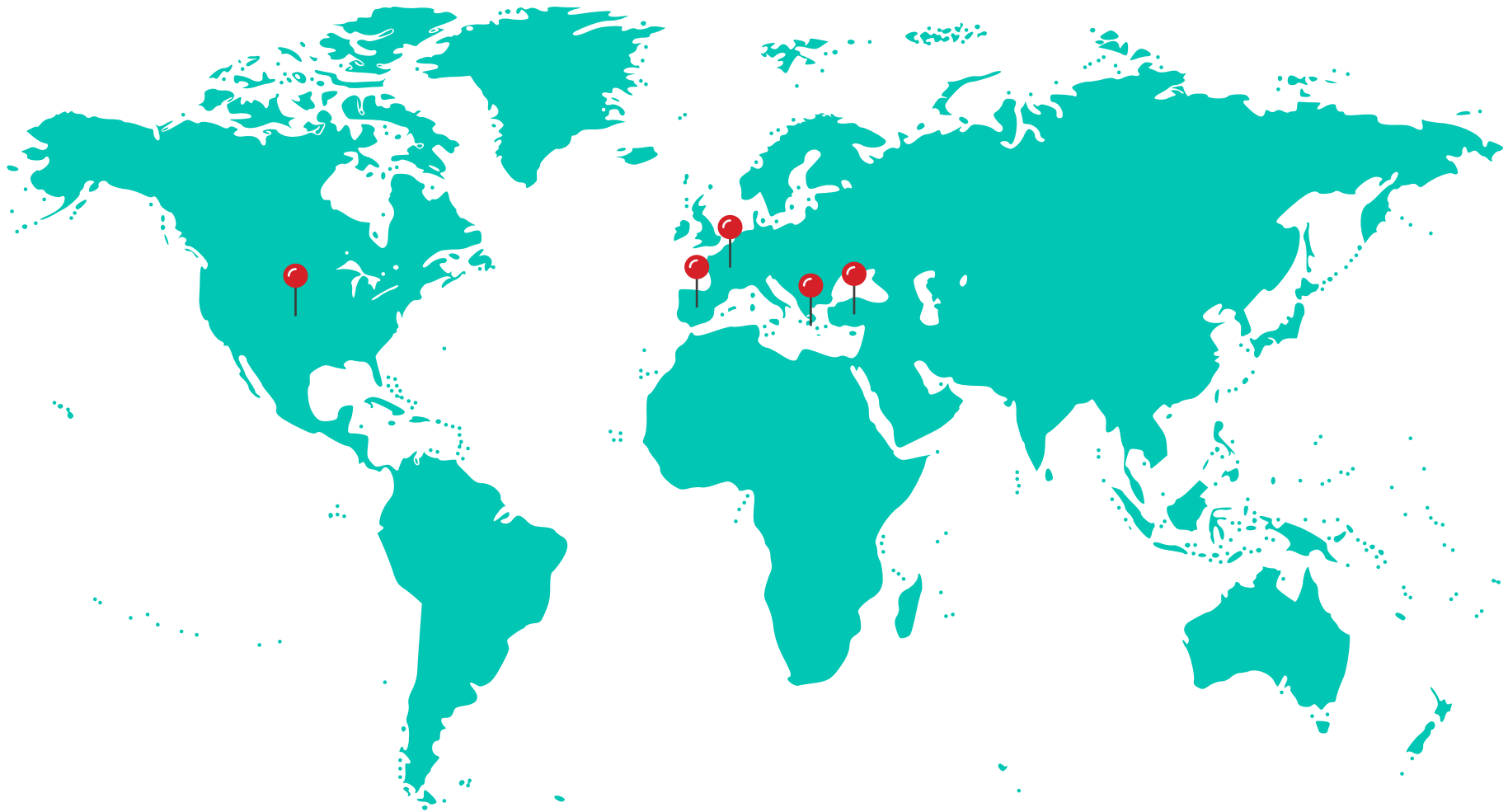
#1 Spain

#2 Greece

#3 France

#4 Turkey

#5 USA



Where are you planning to travel?

55 - 64 year old responses.

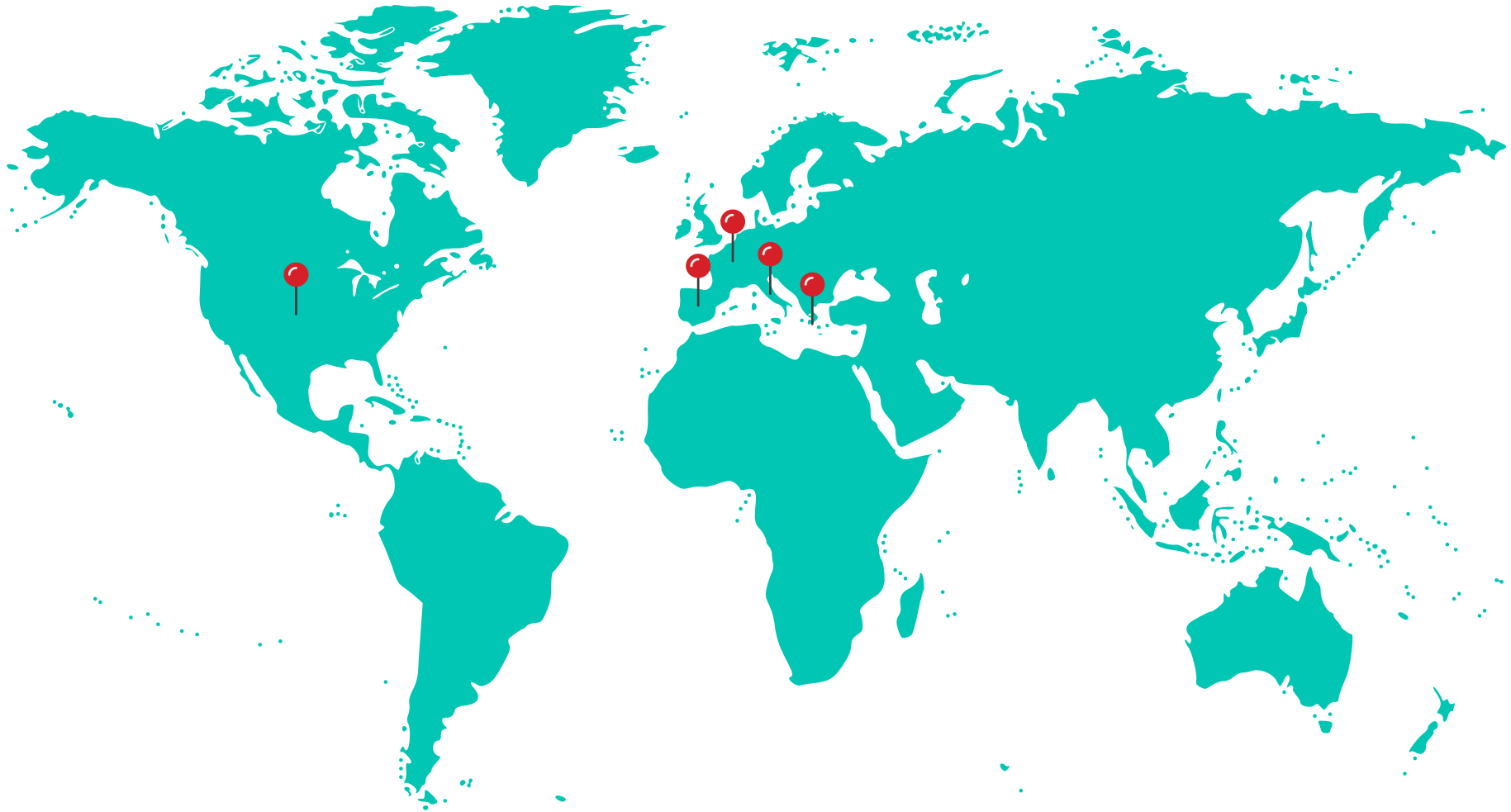
#1 Spain

#2 Italy

#3 Greece

#4 France

#5 USA



Where are you planning to travel?

65+ year old responses.

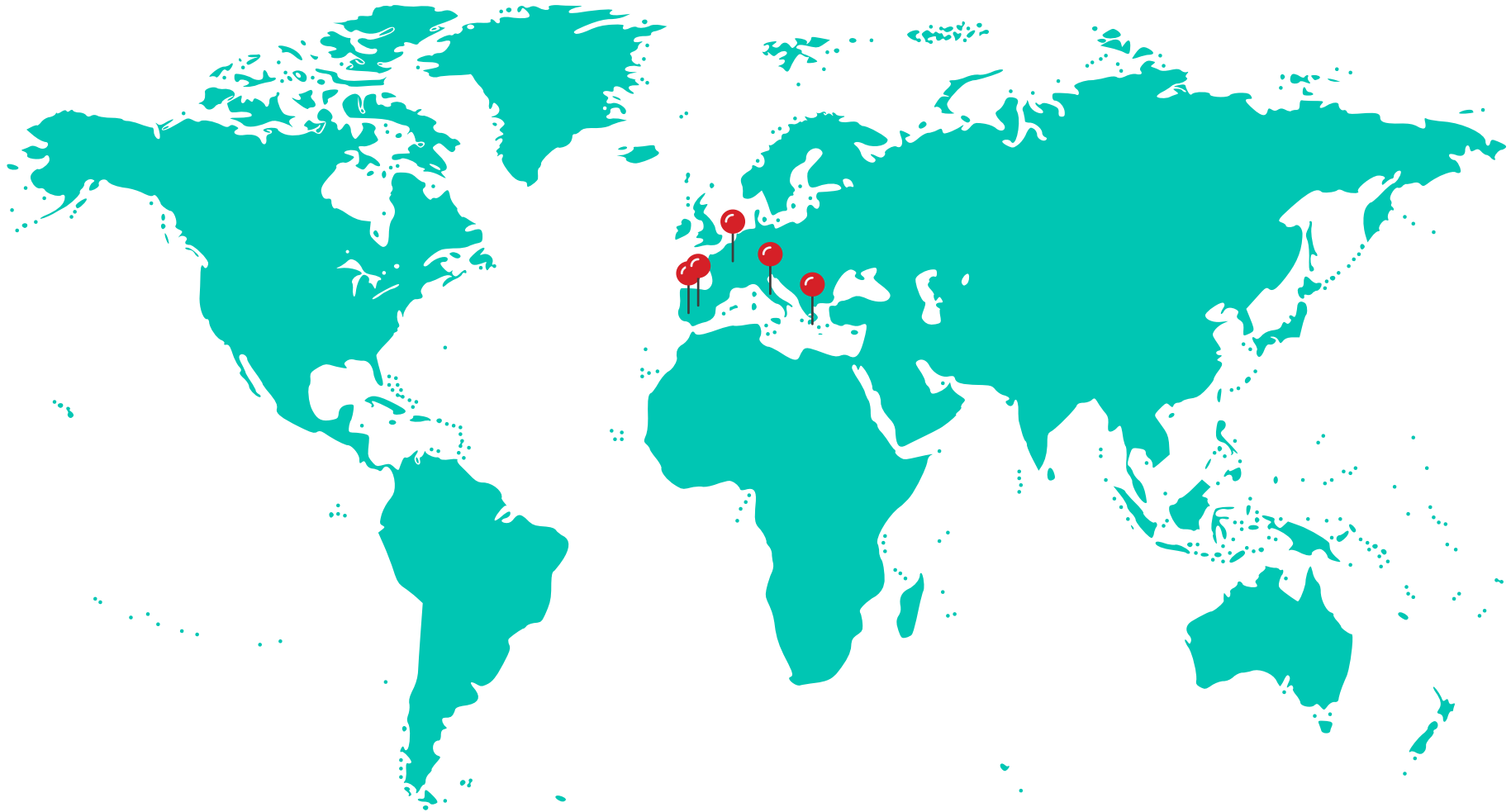
#1 Spain

#2 France

#3 Greece

#4 Portugal

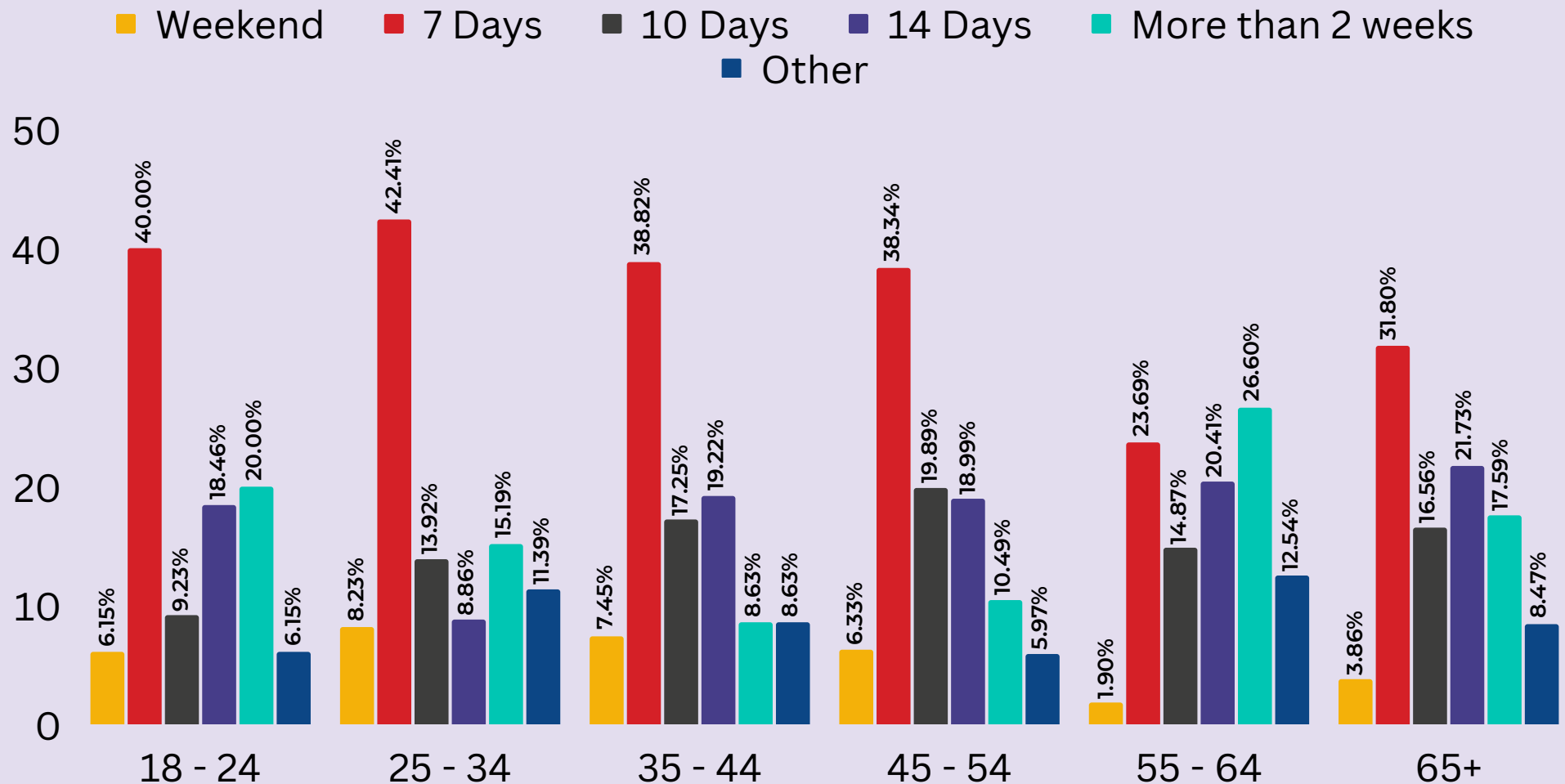
#5 Italy



What will be the duration of your trip?

Segmented by age range.

The majority of those surveyed expressed the largest interest in a 7 day trip, with 10 day and 14 day trips not too far behind. The 55+ age groups stray from this trend slightly, with interest in longer trips, and 3% - 5% less interest in weekend trips compared to the younger counterparts.





You might like

Caxton's Travel Money
Guides

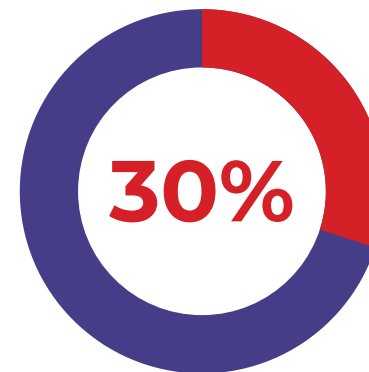
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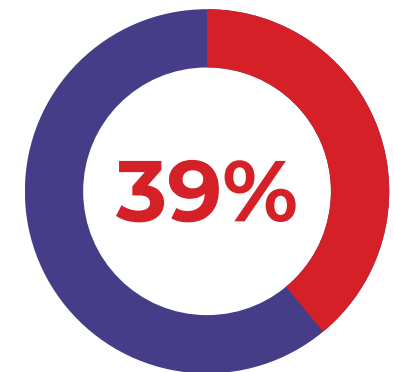
We can see from the graph on the previous page that on average 30.78% of holidaymakers are planning to travel for 7 days.

A lot of the comments left in the 'Other' category express interest that the holiday length is either undecided yet or it will vary dependent on a number of factors like weather and family.

You can see the 18 - 24 category had the second highest demand for holidays longer than 2 weeks at 20%, which you could assume would be for gap years, extended summer holidays between university, and the younger generations enthusiasm for longer-style holidays like backpacking and hiking.



Of holiday makers
said they planned
on taking a 7 day
holiday

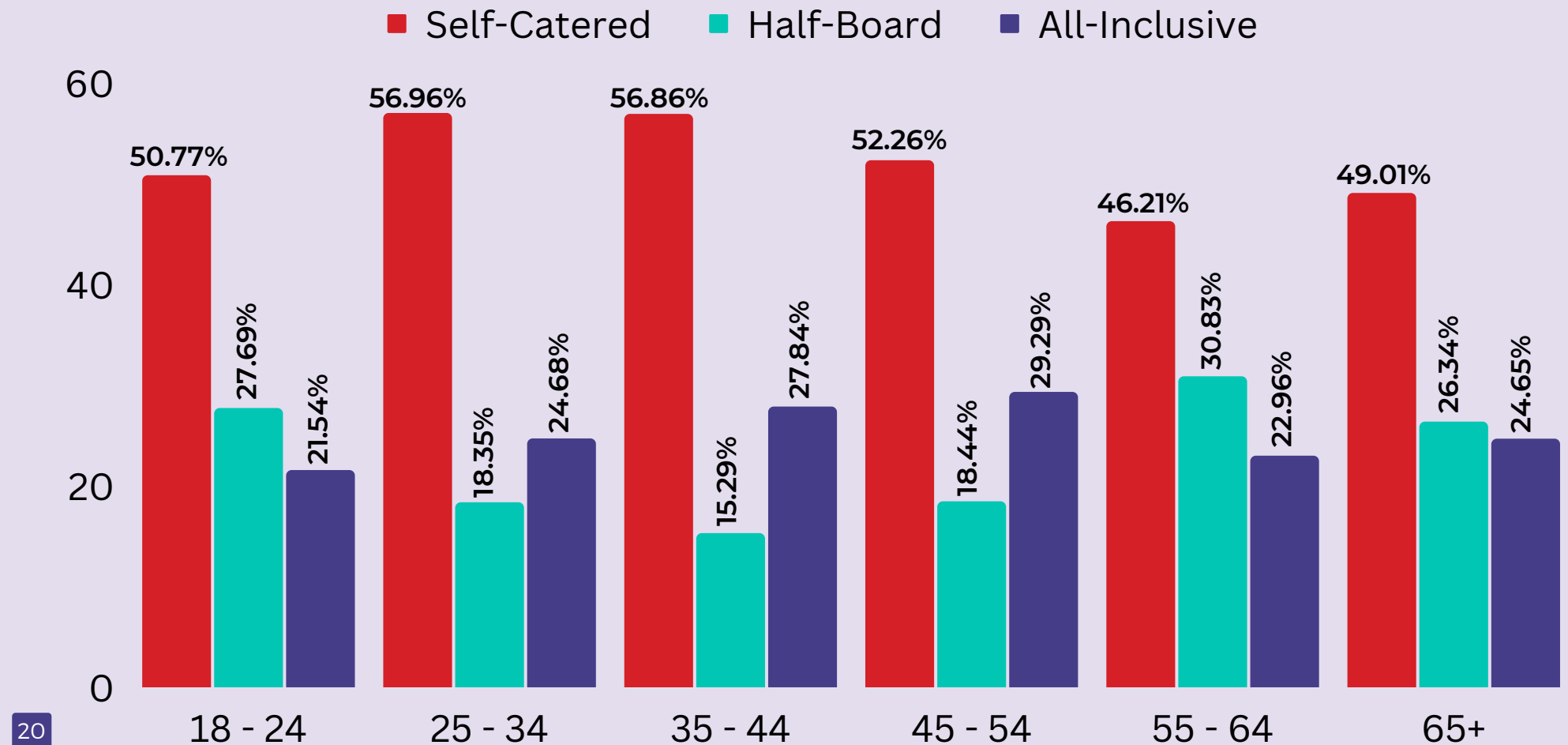


Of holiday makers
said they planned
on taking a 14 day
or longer holiday

What type of accommodation are you booking?

Segmented by age range.

For all the age ranges surveyed the clear winner for accommodation type is self catering. This type of accommodation typically provides more privacy and independence, as holidaymakers can prepare their own meals and have more control over their activities schedule.



It's interesting to note that as the age range increases, the percentage of people choosing self-catered accommodation decreases going from 56.96% at its peak with the 24 - 35 age range, down to 46.21% with the 55 - 64 age range. This may be due to older generations having different preferences or needs when it comes to amenities or services provided by a hotel or resort, as well as expecting a different level or service or luxury when booking a holiday.

The argument of self catered vs all inclusive holidays also can be related back to cost. All inclusive holidays have more upfront costs, but the idea is that with all food, drink, accommodation, and usually some activities provided in the package you save money whilst you are actually there. Compare this to self catering where you are responsible for booking your own accommodation, and organising food, drink, and activities yourself, there could be a clear winner on which type of holiday is right for you based on budget.

49%



of those surveyed plan to book self catering accommodation

26%

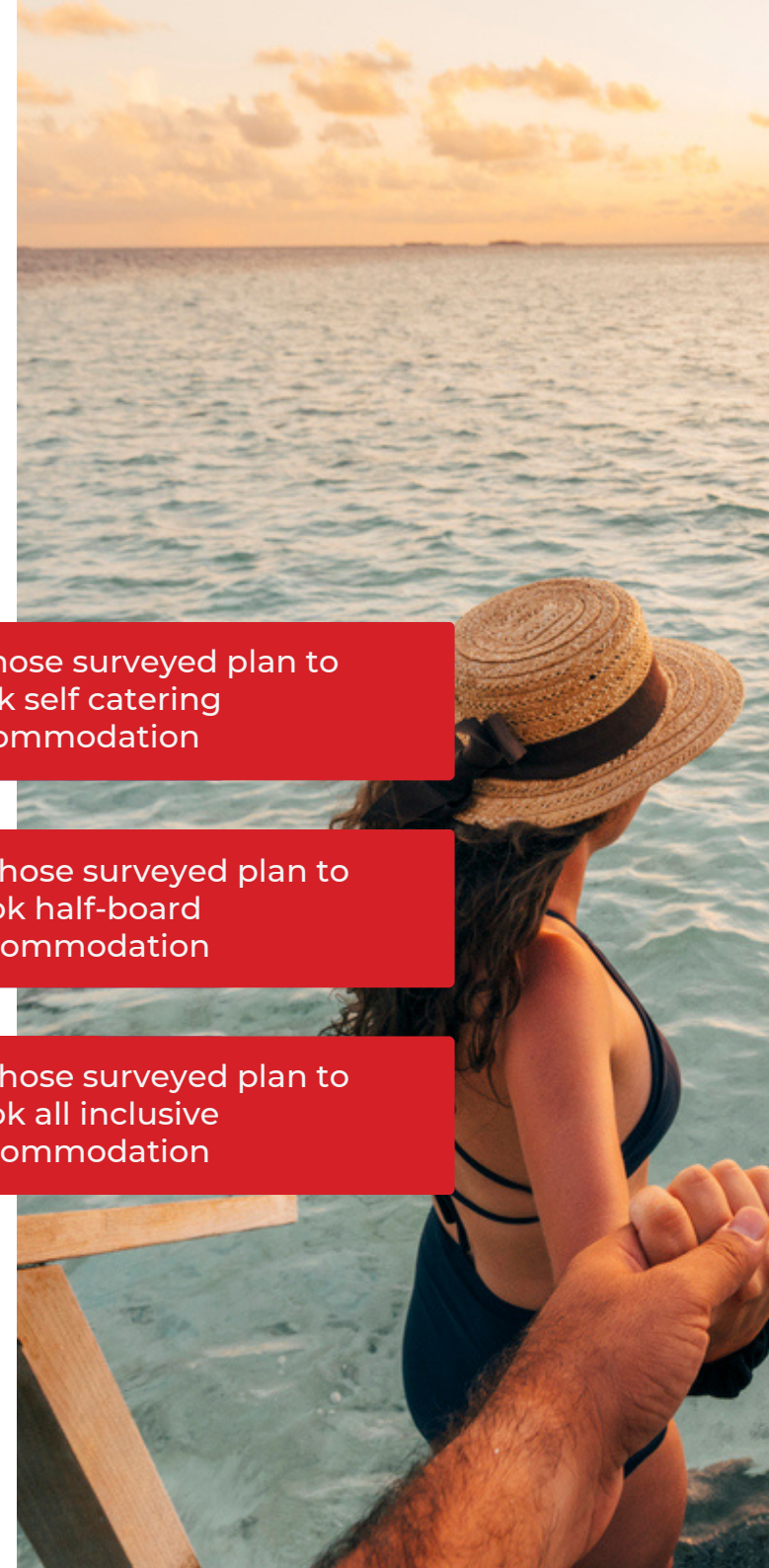


of those surveyed plan to book half-board accommodation

25%



of those surveyed plan to book all inclusive accommodation



How far in advance do you book your holidays?

Segmented by age range.

On average, 29% of Caxton customers surveyed said they book their holiday two to three months in advance, followed by four to five months in advance at 19%.

This question highlights that while over 87% of our customers like to book their holidays at least two months in advance, there is a small minority of holidaymakers who like to book with a month or less until they travel.

This shows that the travel industry can prepare to see a rise in holiday bookings for July hit its peak in May, and booking for August will hit their peak in June.

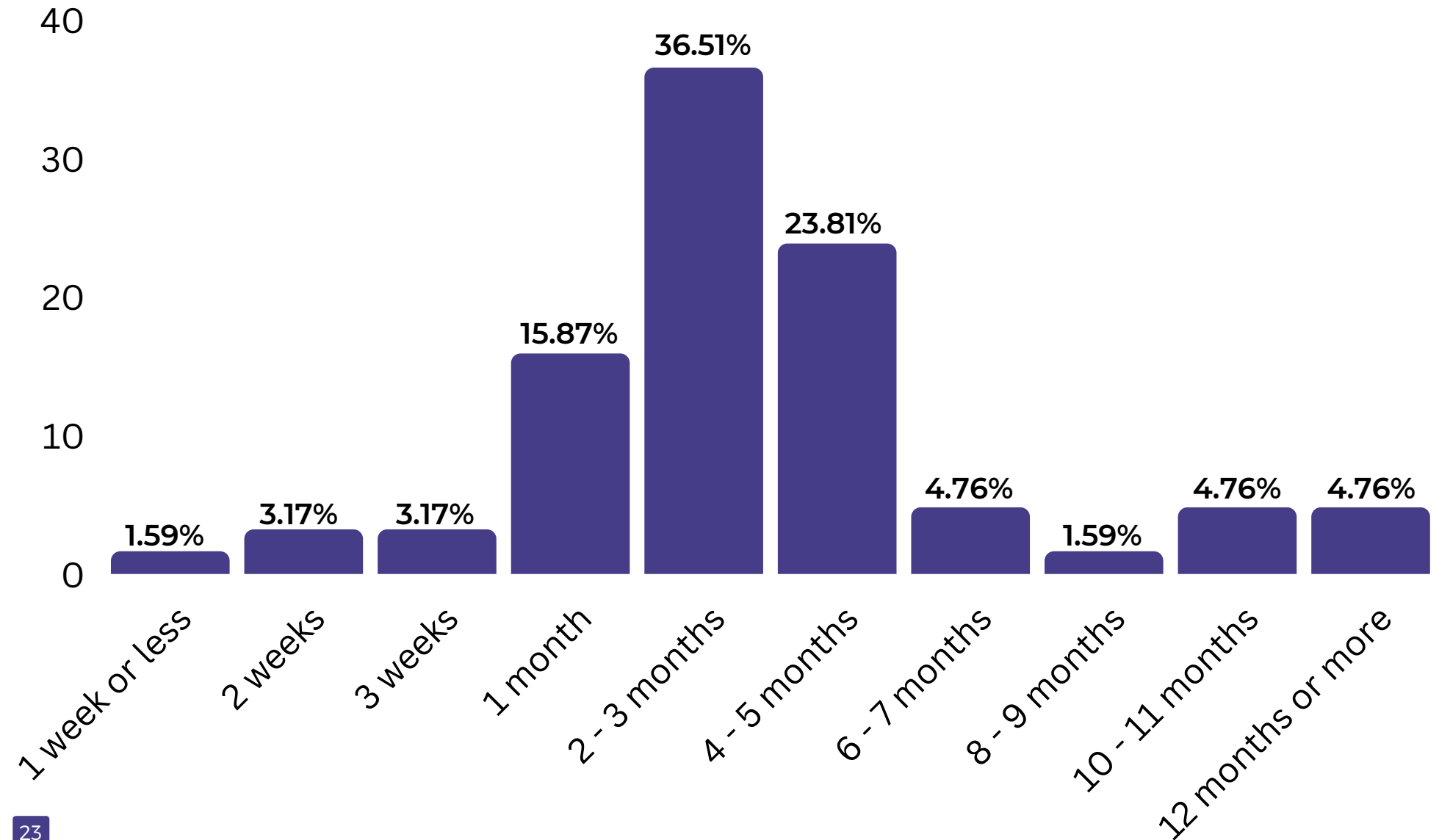
The stand out age range for last minute bookings (one month or less prior to their holiday) is the 18 - 24 group, with an average of nearly 24% of the group. Contrasting this, the least likely group to make last minute bookings is the 25 - 34 year olds at 9.92%, closely followed by the 35 - 44 year olds at 9.93%.

It's interesting to see that the step up from the 18 - 24 age range to being in the 25 - 34 age range brings a 14% decline in last minute bookings.



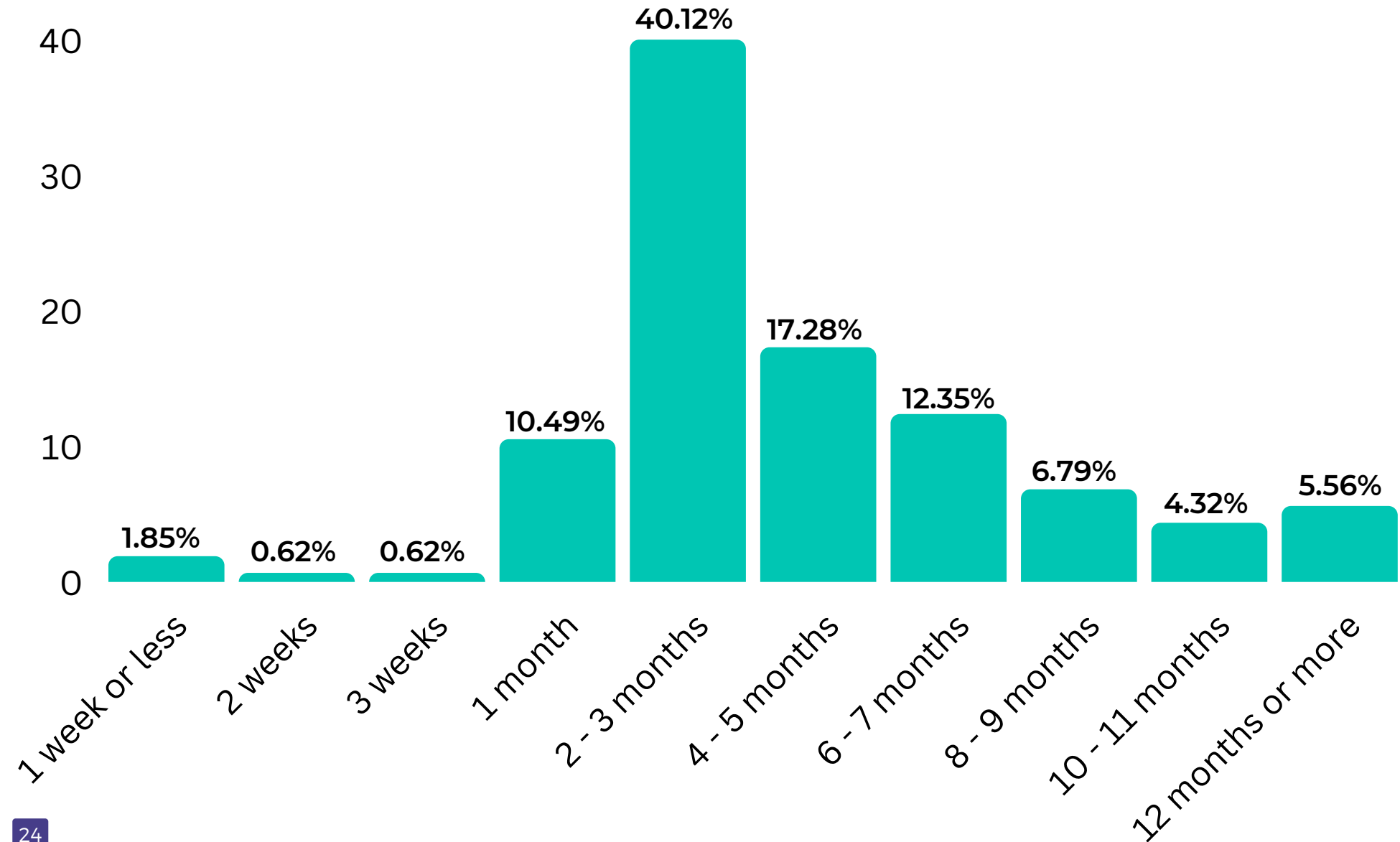
How far in advance do you book your holidays?

18 - 24 year old responses.



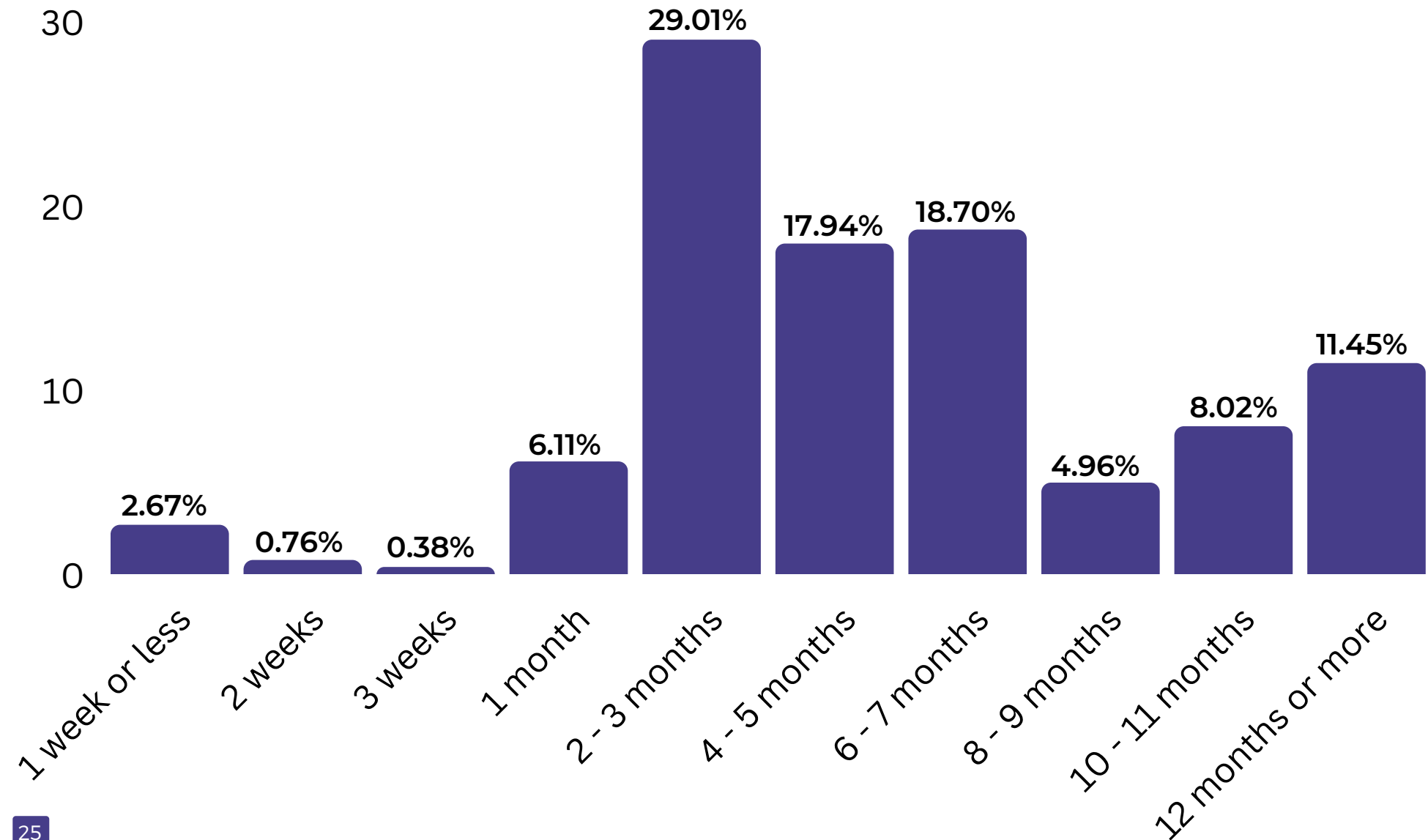
How far in advance do you book your holidays?

25 - 34 year old responses.



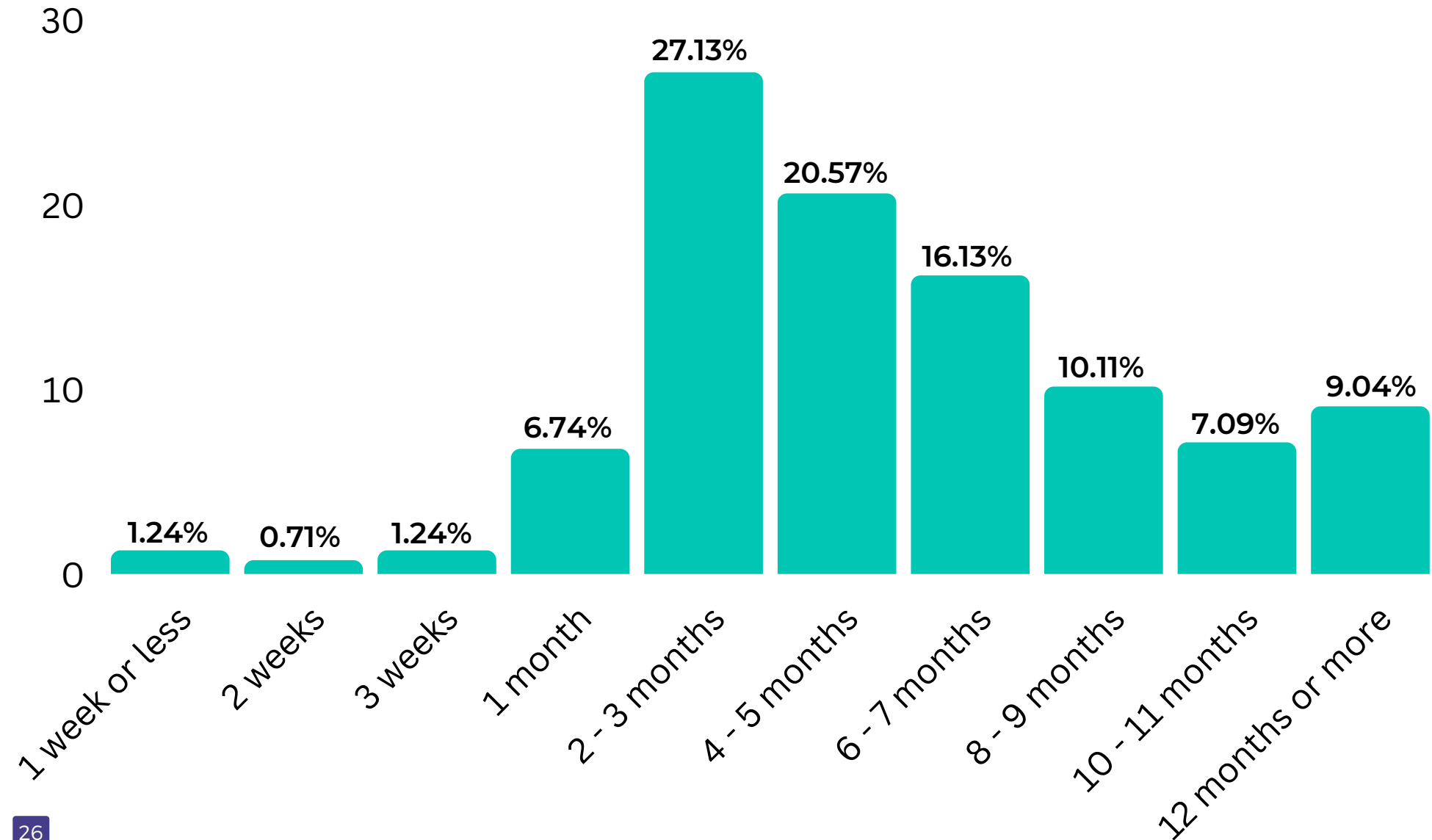
How far in advance do you book your holidays?

35 - 44 year old responses.



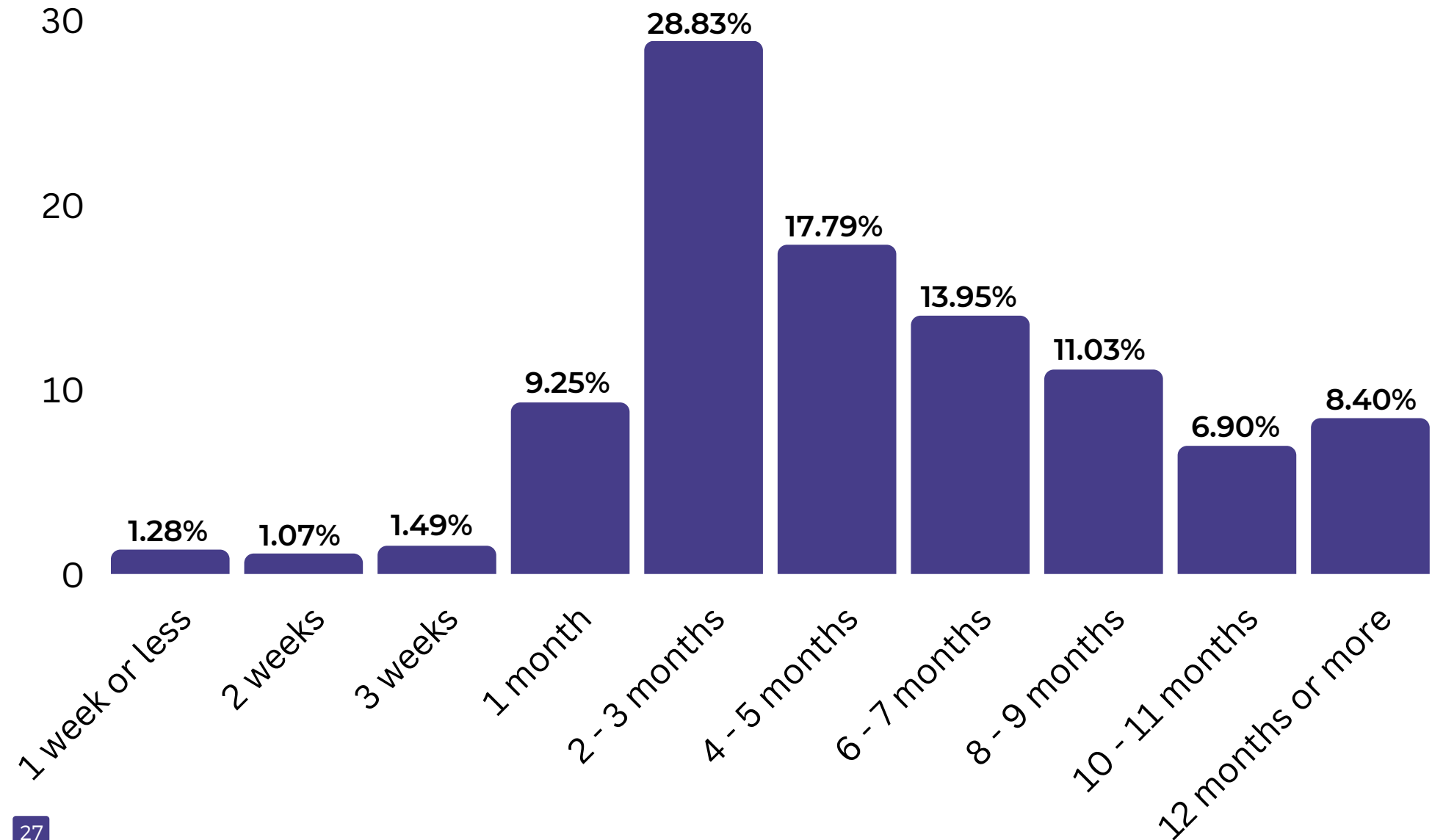
How far in advance do you book your holidays?

45 - 54 year old responses.



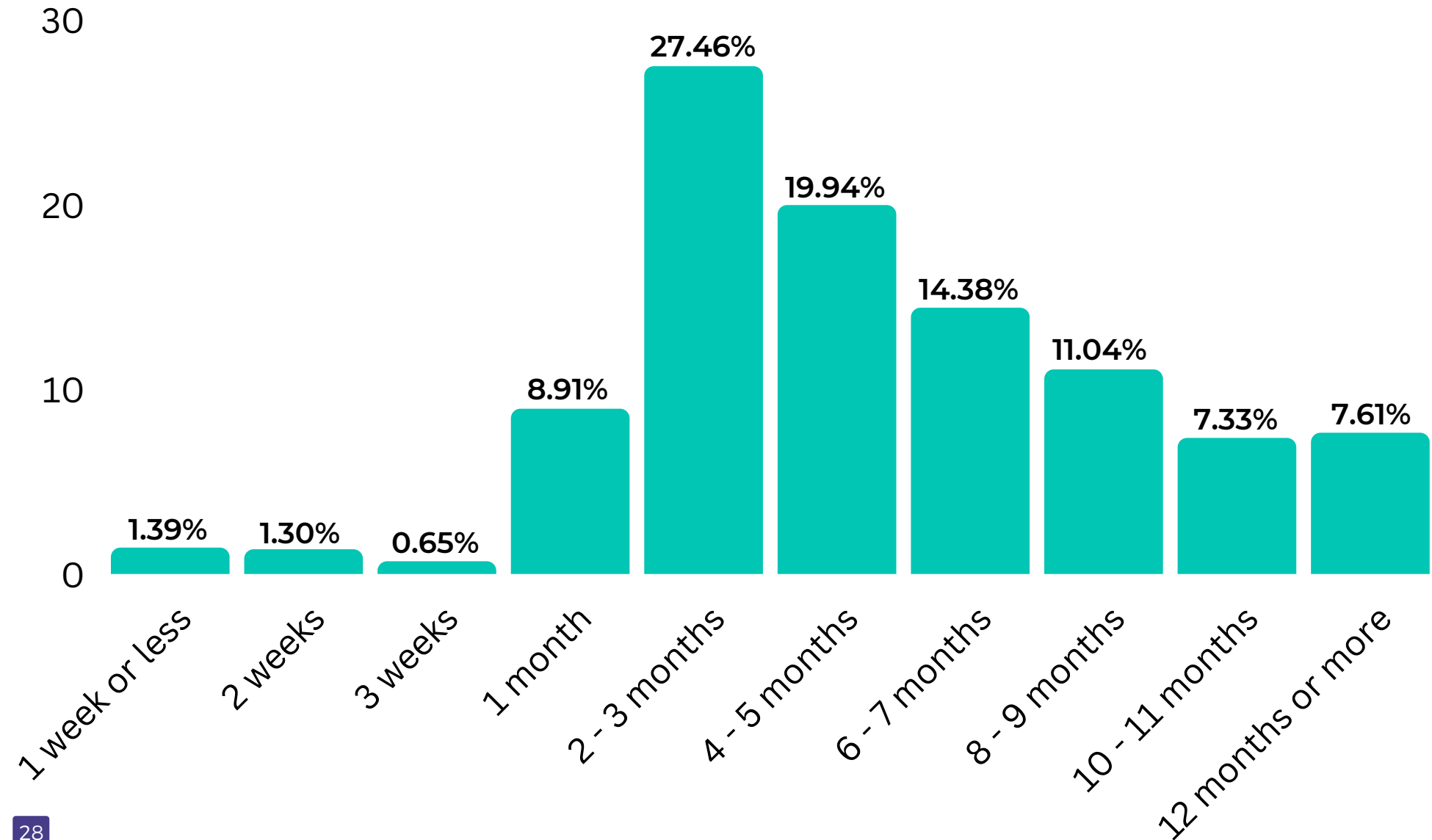
How far in advance do you book your holidays?

55 - 64 year old responses.



How far in advance do you book your holidays?

65+ year old responses.

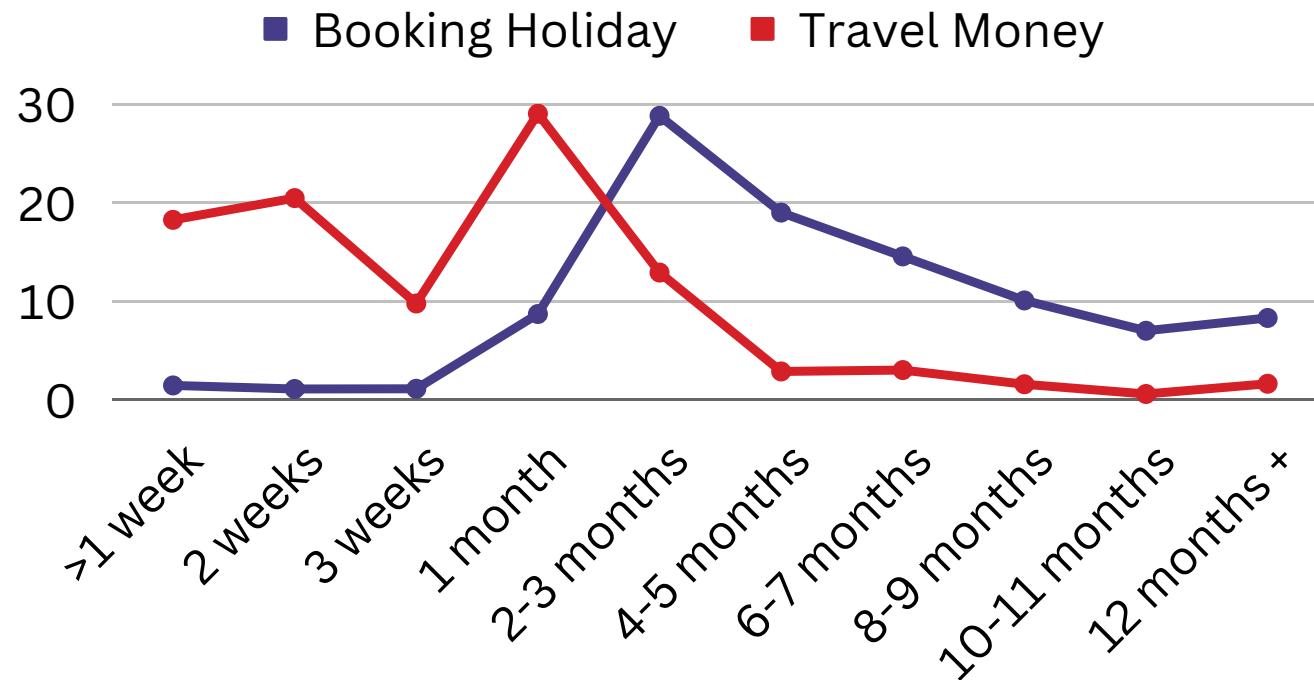


How far in advance do you organise your travel money?

Segmented by age range.

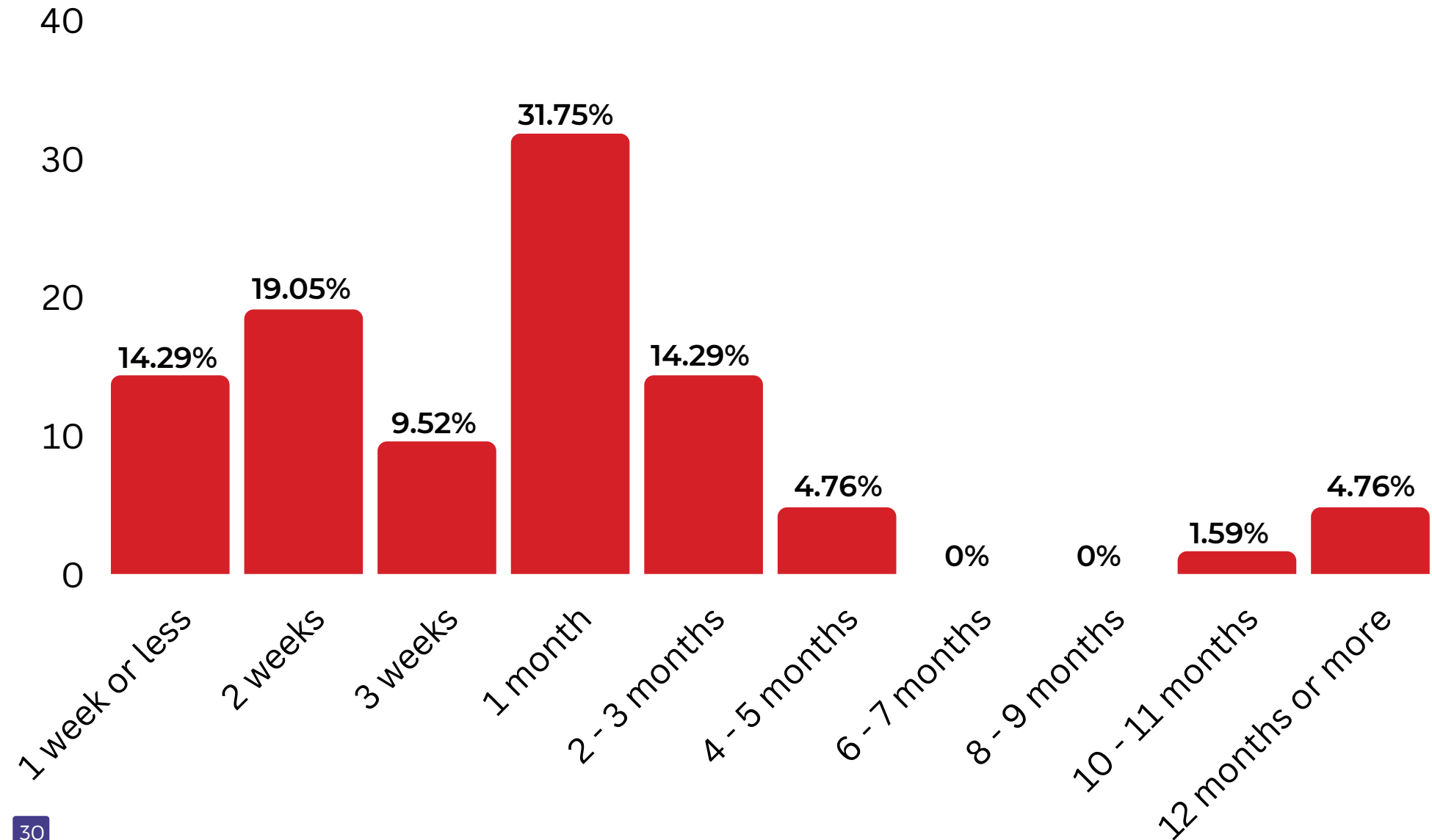
From the survey we can see that on average, 77.5% of Caxton customers organise their travel money with one month or less to go before their holiday, with only 22.5% organising their holiday money two or more months in advance.

It's interesting to see the correlation between booking travel money and booking the actual holiday, which is shown in the chart below. The chart shows the averages across all age ranges,



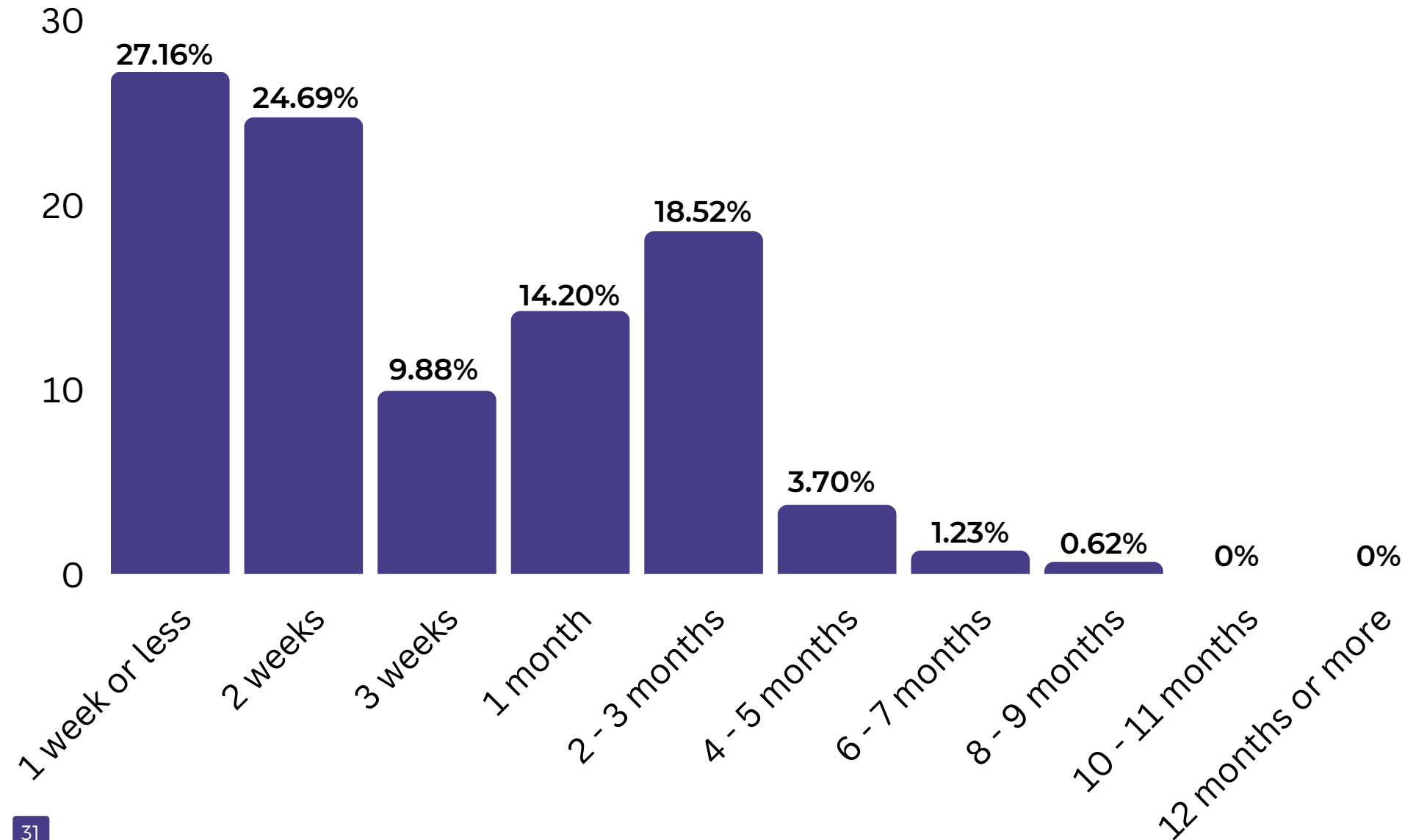
How far in advance do you organise your travel money?

18 - 24 year old responses.



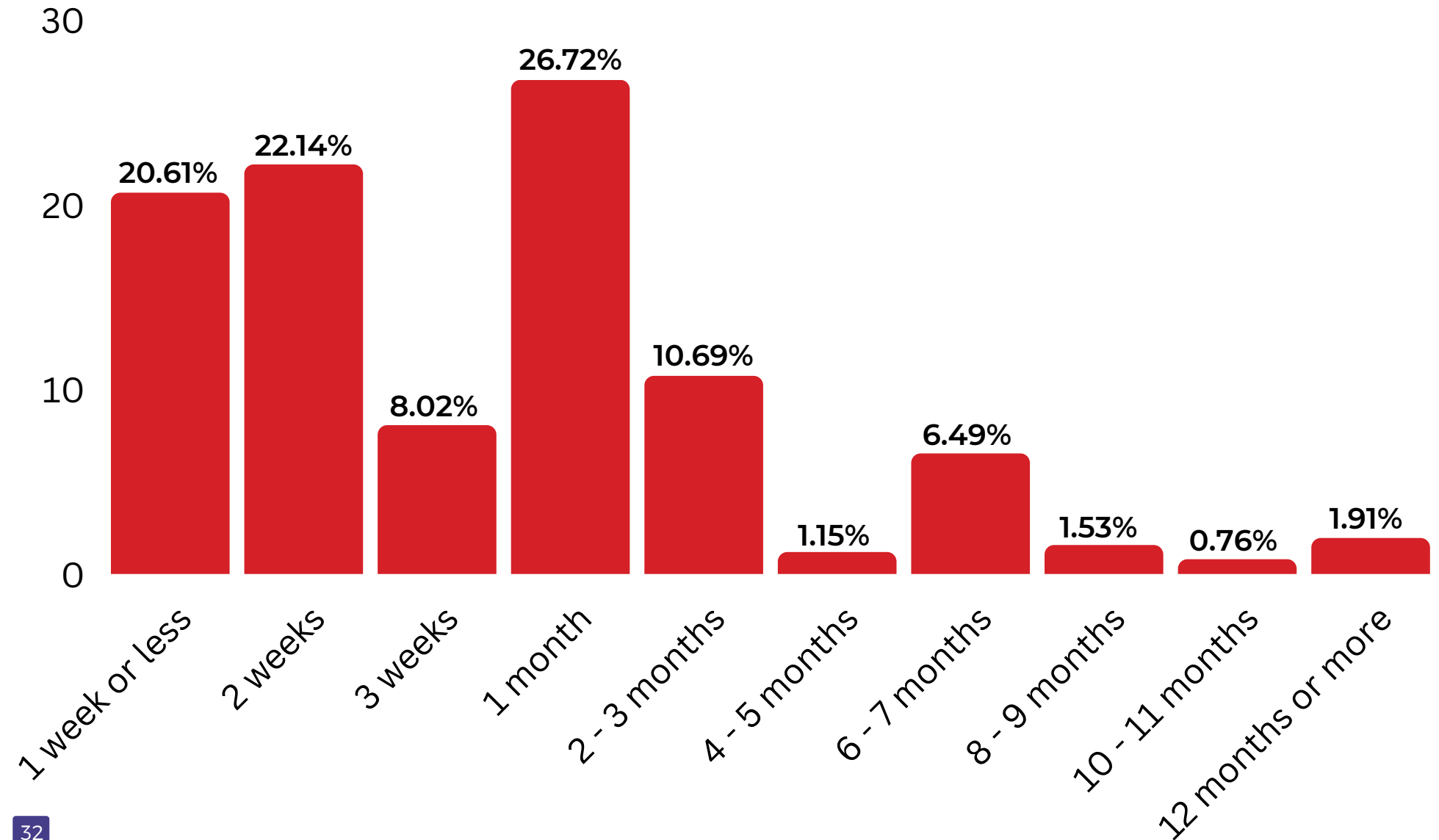
How far in advance do you organise your travel money?

25 - 34 year old responses.



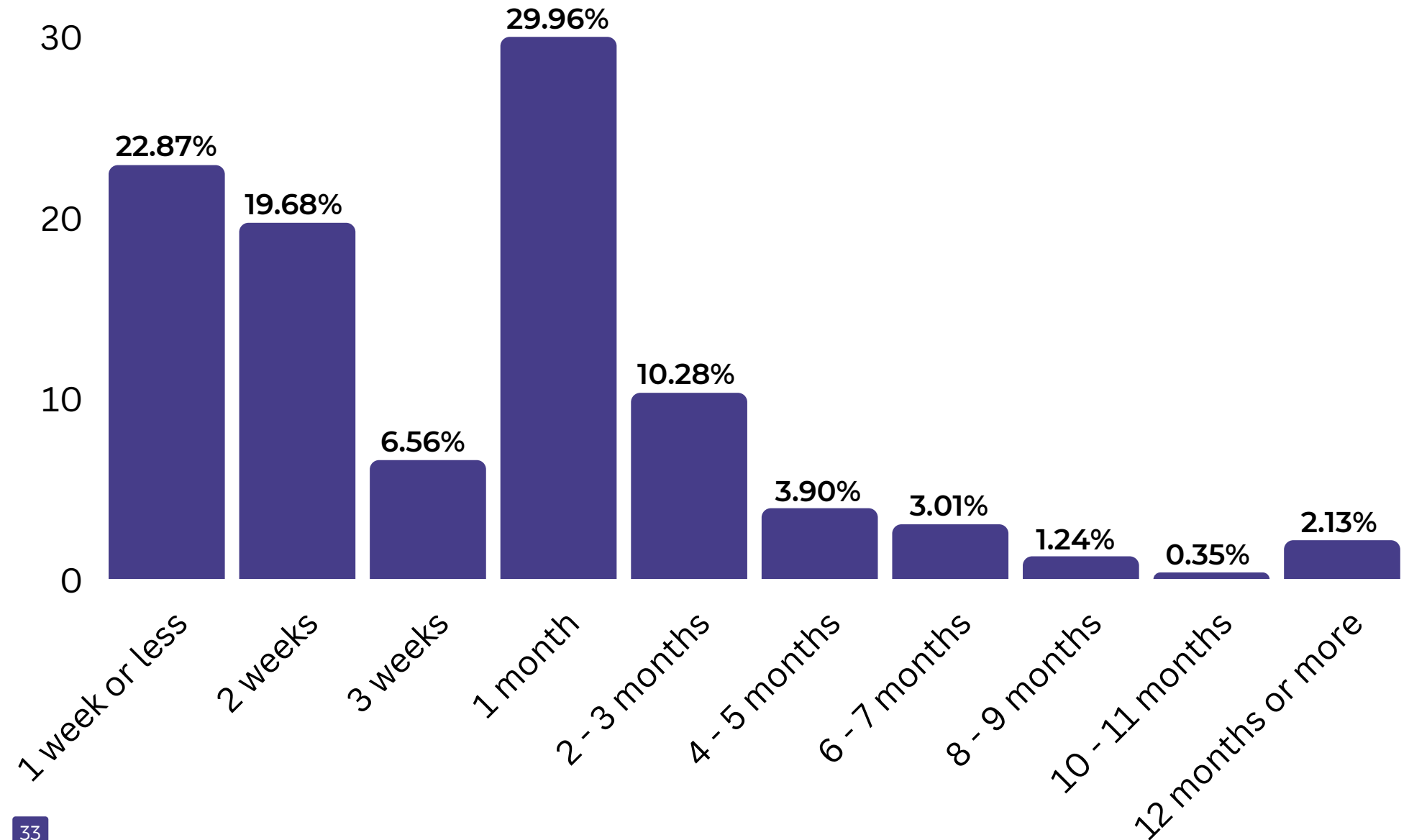
How far in advance do you organise your travel money?

35 - 44 year old responses.



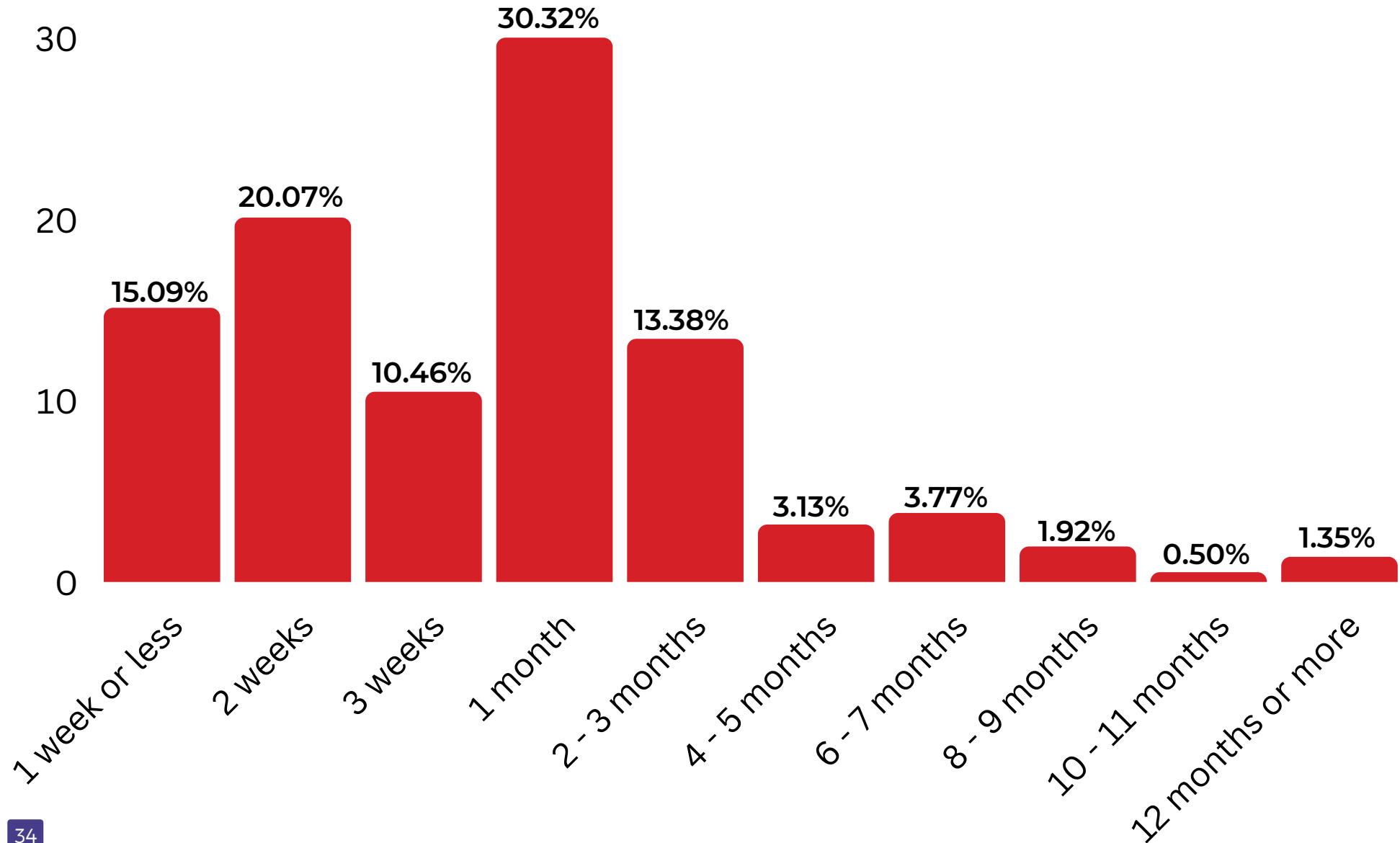
How far in advance do you organise your travel money?

45 - 54 year old responses.



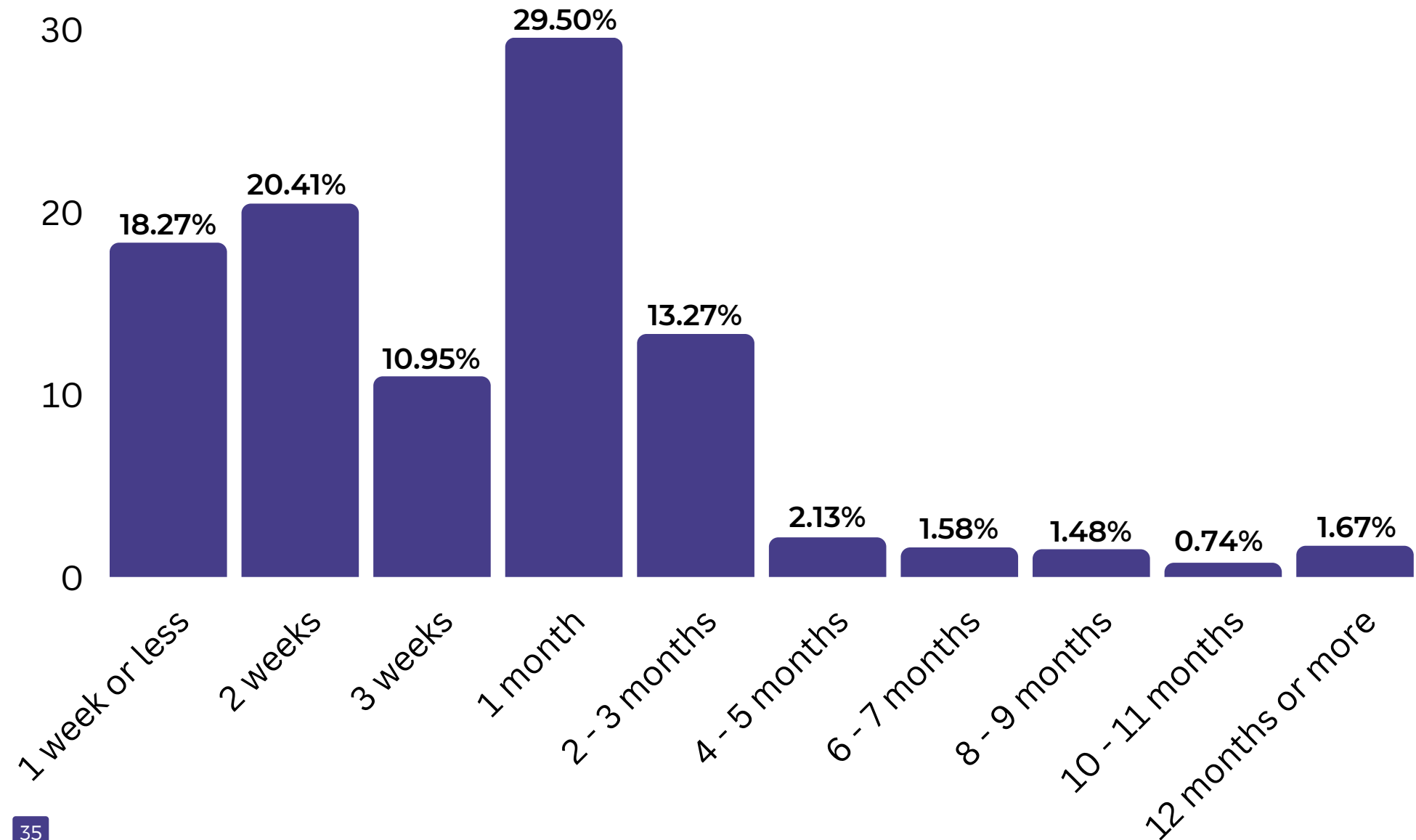
How far in advance do you organise your travel money?

55 - 64 year old responses.



How far in advance do you organise your travel money?

65+ year old responses.



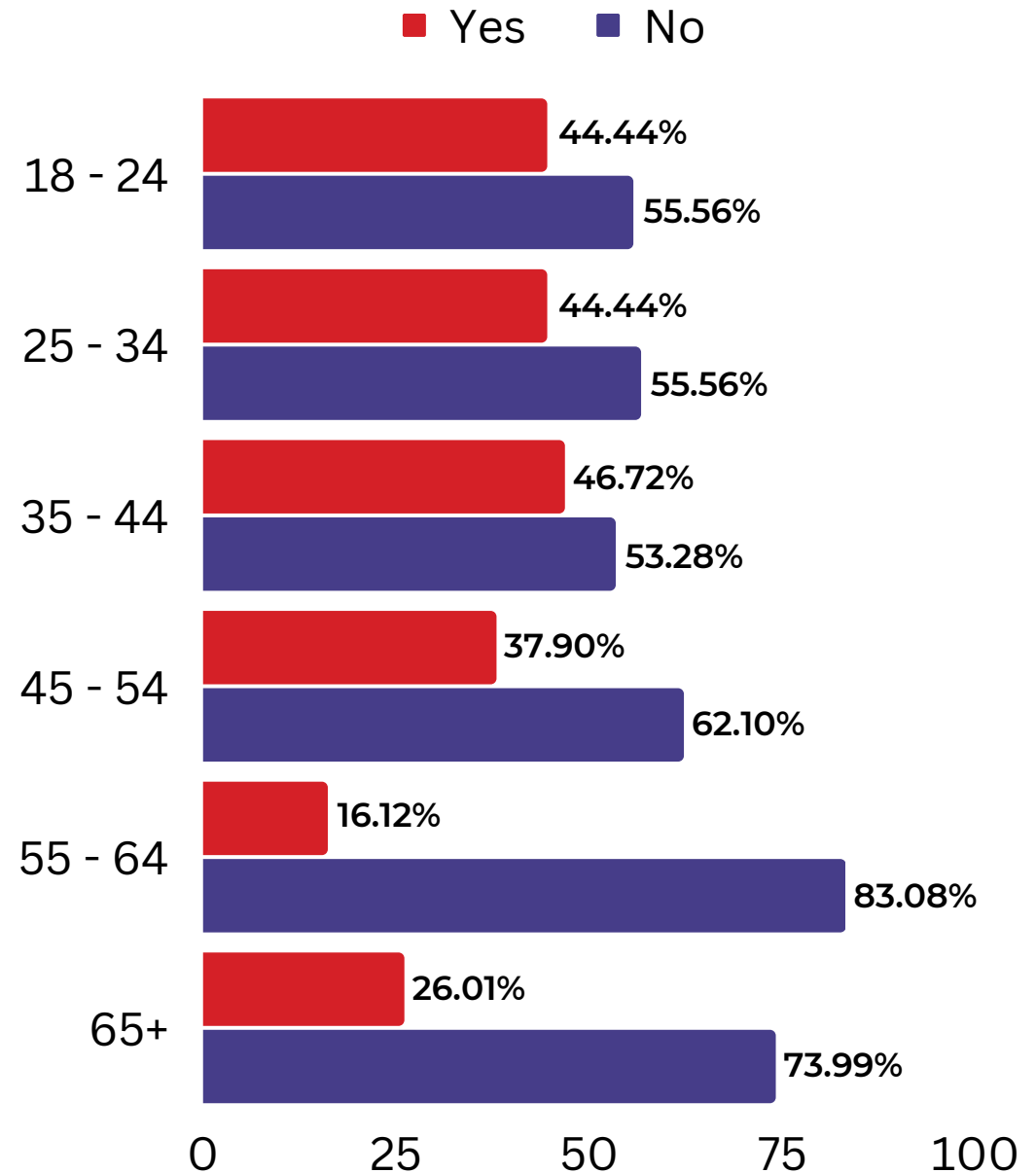
Have you compromised on your holiday plans because of added financial pressures?

Segmented by age range.

On average, 72.99% of those surveyed said that added financial pressures have not compromised their holiday. However, this is not proportionally shared between the age ranges. With the younger ages showing a higher frequency of plans being compromised due to financial pressures compared to their older counterparts.

One stand-out statistic is 83.08% of 55 - 64 year olds have not compromised their holidays, whilst in comparison 46.72% of 35 - 44 year olds have had to make compromises.

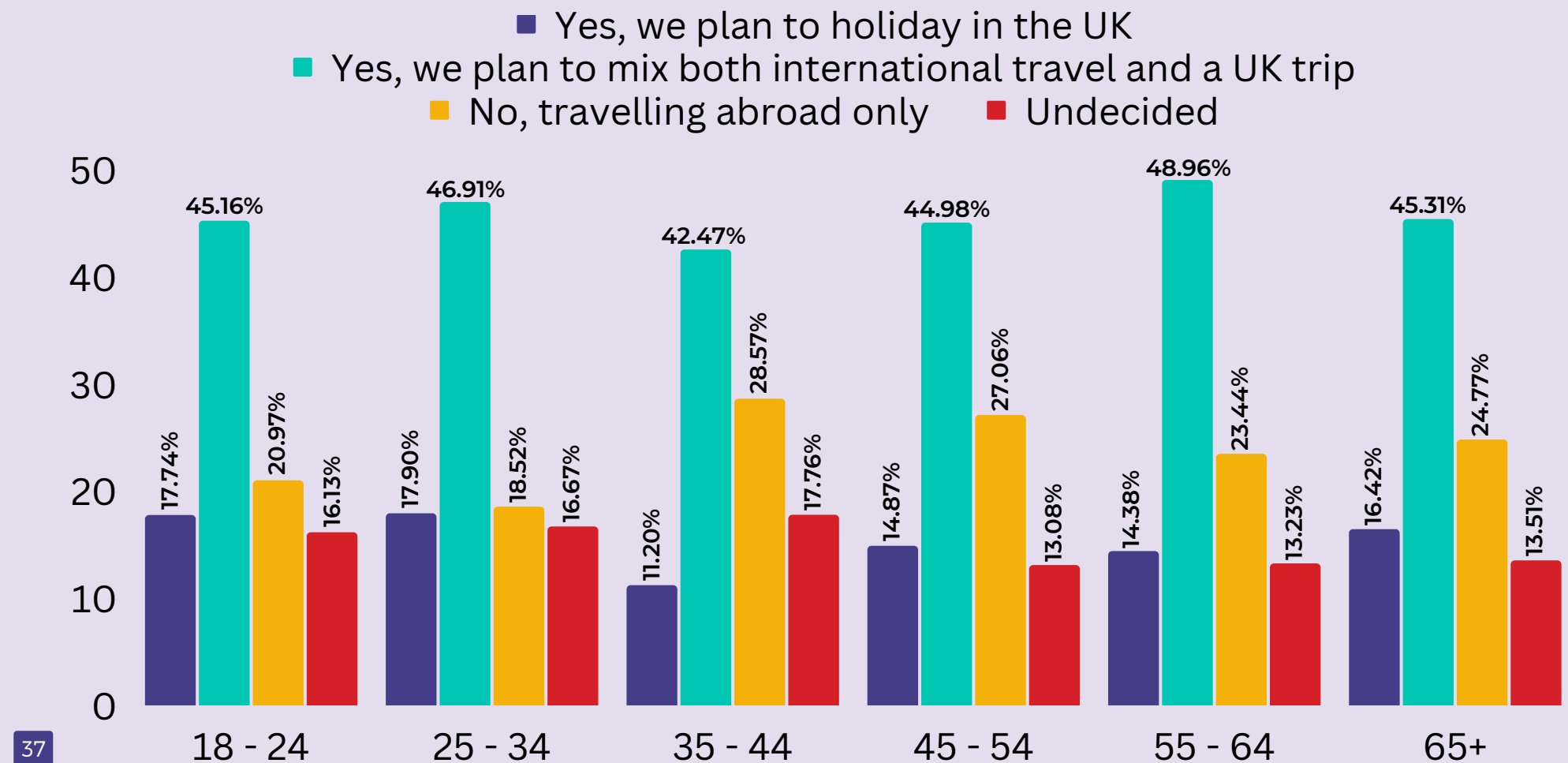
Those surveyed were given space to explain their compromises, and an overwhelming majority of those have said that money is tighter, disposable income is dwindling whilst the cost of holidays are rising, and that they are actively searching for the cheapest deals available. Some are also noting that after Covid-19 and the travel chaos last summer, airlines have raised prices.



Are UK staycations still appealing this year?

Segmented by age range.

The UK travel industry will be happy to see that on average over 61% of holidaymakers surveyed are planning to holiday in the UK, with just over 15% of those planning to only holiday in the UK and not go abroad. Many predicted that after Covid-19 restrictions lifted staycation numbers would decrease, but it seems as though this isn't the case and staycations are here to stay.



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