



UK Holiday Parks and Campsites are Providing a Value for Money Holiday Option During a Cost of Living Crisis

The UK domestic tourism market is facing dual challenges of a strong rebound of overseas holiday travel post COVID-19, as well as the cost of living crisis affecting consumer finance. VisitBritain data showed that in 2023, the biggest barrier for UK residents to taking an overnight trip was the 'rising cost of living'¹.

Camping and caravanning have long been seen as a cost-effective holiday option, with a range of options within the UK to suit a variety of budgets³.

Holiday park and campsite operators are facing cost of living challenges

Holiday park and campsite operators are facing a rise in operating costs, like thousands of other hospitality businesses across the country, and many are having to increase prices, cut services or introduce measures such as electricity meters⁴.

Findings from the 'Pitching the Value' 2024 Economic Benefit Report: Holiday Parks and Campsite UK⁵ showed that operators are facing challenges with operating costs, pricing and general financial uncertainty. The cost of living has also affected consumer behaviour, with consumers becoming more frugal and changing how they book e.g. with last minute bookings leading to uncertainty for operators.

Some of the most cited implications from the report were:

- **economic pressures** – in terms of guests not spending as much, or increasing site operating costs for the operators
- **changing customer behaviour** – in particular shorter visitor stays or last minute bookings
- **pricing challenges** – decreased margins due to trying to limit price increases

- **decrease in spend** – including on new caravan stock
- **increasing general uncertainty** – including customer numbers, operating costs and interest rates
- **decrease in holiday caravan ownership spend** – reduced spending for holiday caravan upgrades, and an increase in abandoned holiday caravans and unpaid utility bills

Comments from holiday park and campsite operators included:

"Reduced or pressurised disposable income means guests are more frugal with expenditure."

England

"Cost of fuel to travel, rising energy prices, less disposable income; holidays become a considered purchase."

Scotland

"Worrying...could be a decider of whether we keep going."

Wales

"To offset the higher utilities costs, there might be a need to adjust our pricing. However, such decisions must be taken with caution to ensure that we remain competitive and don't alienate our loyal customer base."

Northern Ireland

¹ <https://store.mintel.com/report/uk-domestic-tourism-market-report>

² [https://www.visitbritain.org/research-insights/domestic-sentiment-tracker#:~:text=78%25%20of%20those%20surveyed%20in,of%20living%20\(35%25\)](https://www.visitbritain.org/research-insights/domestic-sentiment-tracker#:~:text=78%25%20of%20those%20surveyed%20in,of%20living%20(35%25))

³ <https://www.theguardian.com/business/2022/apr/15/british-camping-caravanning-holidays-boom-pandemic-mintel>

⁴ <https://www.telegraph.co.uk/travel/camping-holidays/uk-experiencing-cost-camping-crisis/>

⁵ This report can be found at www.ukcca.org.uk



Visitors see holiday parks and campsites as good value for money, and while adjusting spending and travel habits, still spent more per day than an average UK tourist.

Findings from the 2024 Economic Benefits study showed that when comparing holiday parks or campsites as either a good or poor value holiday choice, 86% of respondents see them as good value⁶.

The most common responses when visitors were asked: "In relation to my holidays, as a result of the cost of living crisis I....."

"view holiday parks and campsites as a good value for money holiday option"

"will holiday more in my caravan/motorhome/tent/ lodge/chalet"

"will travel shorter distances to visit holiday parks and campsites"

"view holidays overseas to be a much more considered purchase"

Despite the cost of living crisis, visitors who stayed in rented accommodation spent, on average, £217 per day. Touring visitors spent, on average, £101 per day, while visitors who owned their holiday caravan spent £102 per day. This is higher than the wider average tourism spend per UK visitors at £96 per day⁷.

So while visitors see holiday parks and campsites as good value for money, they still typically spend more per day than the average tourist.

Comments from holiday park and campsite visitors included:

"Camping in our tent provides us with the freedom to choose where we pitch and enjoy travelling our beautiful country without forking out a fortune."

Tent User, Scotland

"Love our motorhome. Affordable and allows us to experience more of UK and Europe than we ever considered. Love the long trips we are able to do wherever we fancy going."

Motorhome/Campervan Owner, Wales

"Simply, the cost of staying at campsites have shot up. We have fixed disposable income. So it's go away less, stay shorter time, spend less in local areas."

Touring Caravan Owner, England

⁷ <https://www.visitbritain.org/research-insights/great-britain-domestic-overnight-trips-latest-results#:~:text=There%20were%20in%20total%2069.8,5%25%20in%20real%20terms>

