



Market Report

A Snapshot of your Market Sector

Travel Agent

This pack has been designed to provide information on setting up a business in the **Travel Agent** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **May 2024**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the Travel Agent market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Over the five years through 2028-29, industry revenue is slated to **grow at a compound annual rate of 3.9% to reach £35.2 billion**. In the short term, bookings for cheaper package holidays will support travel agents. Rising disposable incomes following a challenging two years through 2023-24 will result in UK tourists taking more expensive holidays. To help propel sales, travel agencies will supplement their services by fully integrating their businesses with online platforms and introducing more niche services, like youth student travel and trips catered to those over 60. (IBISWorld, *Travel Agencies in the UK*, October 2023).
- ◆ Local consumers are willing to spend more on travel, but at the same time, are seeing their disposable incomes squeezed. In this climate, package holidays, especially all-inclusive packages, are popular with travellers seeking to manage their holiday budgets. **All-inclusive packages are particularly popular with young families**, a demographic more likely to be exposed to higher interest rates. (Euromonitor, *Travel in the United Kingdom*, September 2023).
- ◆ **Parents with younger children are more likely to say sustainability is important to them when booking a holiday**. Parents with younger children are more likely to be younger themselves, and therefore more aware of the prominence and importance of sustainability, as well as being eager to set good examples for their young children to follow. With family travel being a key trend in 2024, brands have opportunities to ensure these holidays are as sustainable as possible. (Intel, *Sustainability in Travel - UK*, May 2024).
- ◆ Holidays remain a key priority for the majority of British people, with **booking intentions for the three months following January 2024 being the highest on record**. The holiday sector is benefitting from the continued increase in consumers' financial confidence and wellbeing. However, holidays have become more expensive, and inflation is likely to remain relatively high for some time to come so travellers are likely to continue to prioritise their main summer holiday. (Intel, *Holiday Review 2024 - UK*, January 2024).
- ◆ The national organisation for this industry is the [Association of British Travel Agents](#) (ABTA). Other industry bodies include the [Scottish Passenger Agents Association](#) (SPAA), and [Visit Scotland](#).



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Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Mintel – Sustainability in Travel, UK (May 2024)**
- ◆ **Mintel – Package vs Independent Holidays, UK (May 2024)**
- ◆ **Mintel – The Wellness Traveller, UK (January 2024)**
- ◆ **Mintel – Luxury Travel, UK (January 2024)**
- ◆ **Mintel – Holiday Review 2024, UK (February 2024)**
- ◆ **IBISWorld – Online Travel Agencies in the UK (December 2023)**
- ◆ **IBISWorld – Travel Agencies in the UK (October 2023)**
- ◆ **Euromonitor – Travel in the United Kingdom (September 2023)**

There are also a number of online resources you may find helpful:

- ◆ [ABTA – Reports and Publications](#). Latest research on travel and holiday trends from the Association of British Travel Agents, including *ABTA Trends Report* which outlines the trends expected to shape people's holiday habits over the year and their *Holiday Habits Report*.
- ◆ [Office for National Statistics – Leisure and tourism statistics](#). Statistics on tourism to the UK, and UK residents travelling abroad, reasons for travel and money spent. The statistics on UK residents travelling abroad are an informal indicator of living standards. UK residents made 28.3 million visits abroad in Quarter 3 2023; this compares with 25 million visits in Quarter 3 2022. They spent £24.5 billion on their visits abroad in Quarter 3 2023.
- ◆ [Visit Scotland – Travel Trade](#). Visit Scotland has a range of resources to support Travel Trade industry representatives, including a supplier trade contacts database, multimedia toolkits and itineraries, and the SCOTSAgent online learning programme. Their [Research & Insights](#) on visitor interests and activities, regions, and trends may also be of interest.
- ◆ [Deloitte - Travel Weekly Insight Annual Report 2023-24](#). This report from Deloitte considers the current state of the travel market and looks ahead to how the industry might develop in the future. *'Following the disruptions to the sector over the last three years, consumers have found a renewed interest in travel giving the industry the opportunity to redefine itself. The future of travel lies in recognising it can play a fundamental part in the human experience. Beyond being a 'commodity', travel is increasingly becoming a means of self-discovery and personal enrichment. To redefine its role and its offering, the travel industry needs to embrace innovation, better understand the diversity of its customers and prioritise the delivery of personalised experiences.'*

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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