

# state of the market 2019

A concise review of kate & tom's booking trends  
in relation to the wider market environment

June 2019



**kate & tom's**





Manor on the Cove,  
Dorset.

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# welcome

Since kate & tom's first launched in 2005 we've provided thousands of guests with an extraordinary holiday. Our portfolio contains over 250 of the finest holiday properties that the British Isles has to offer - we even own nine of our own! From boutique cottages to contemporary mansions to child-friendly escapes for all the family. We aspire to provide each guest with a taste of what we like to call 'friendly luxury'!

As a small, family run business we're immensely proud of everything we've achieved. However, we're acutely aware that kate & tom's would not be where it is today without you – our owners. The aim of this report is to help arm our owners with insights from the wider domestic holiday market, as well as key trends from our own bookings data, to support you navigate the year ahead.

As political uncertainty continues to grip the nation, now is not the time to rest on our laurels. We must all listen to what the market is telling us and be willing to adjust our offering accordingly. By sharing this report with you I hope you'll be more equipped to tackle the coming years ahead. After all we want your property booked to maximum capacity as much as you do!



**Hayley Bretherton**

kate & tom's Commercial Manager



## k&t insight...

The demand for pet friendly properties has more than doubled between 2016 & 2018



The average length of stay during 2018 was...







# state of the market

The British Isles is blessed with some of the most stunning landscapes and incredible historic sites. From rugged Cornish coastlines, to breath taking views a-top Scafell Pike, to quaint Cotswold villages. Who needs to jet abroad for a holiday?

But don't take our word for it. Both ABTA<sup>(1)</sup> and VisitBritain<sup>(2)</sup> have observed significant growth in the domestic British holiday market since 2015. In VisitBritain's latest publication<sup>(3)</sup>, they report that 57.89mil domestic holidays took place during 2018. At face value this figure is substantial. However, it is **2% down from the previous year**. A recent report by ABTA also verified this finding and identified that the volume of domestic holidays fell from 2.1 to 1.8 per person in 2018.

This downturn in domestic holidays has come during an unprecedented period of political turmoil and uncertainty. **However, one thing that we can be certain of is large groups of friends and family are still committed to holidaying together – albeit on shorter breaks than previous years.** Therefore, as an agency we need to ensure our offering is as relevant as possible and aligned to consumer demand. As owners we need you to be open to new ideas and suggestions to help you keep pace with current market conditions. Over the following pages we'll share with you insights from our bookings data to help us, help you, navigate the year ahead and beyond.

## Footnotes

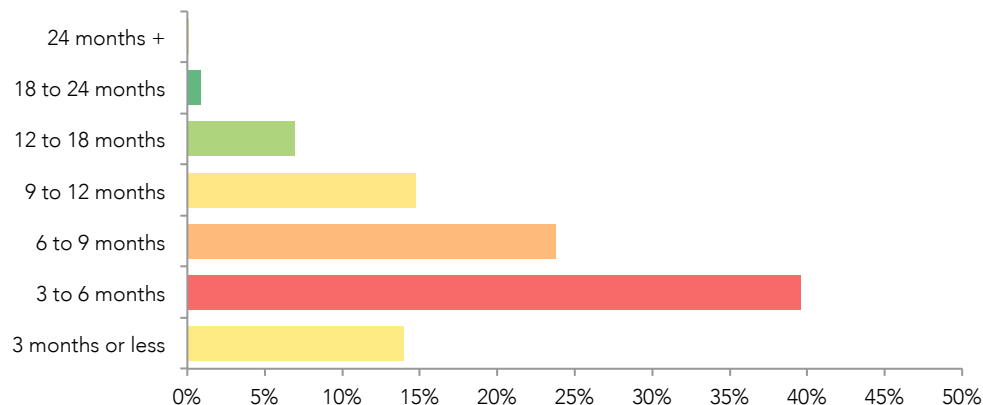
<sup>1</sup> see [www.abta.com/sites/default/files/2018-10/Holiday%20Habits%20Report%202018%20011018.pdf](http://www.abta.com/sites/default/files/2018-10/Holiday%20Habits%20Report%202018%20011018.pdf)

<sup>2</sup> see [www.visitbritain.org/annual-review/annual-review-2017-18/englands-domestic-tourism-performance](http://www.visitbritain.org/annual-review/annual-review-2017-18/englands-domestic-tourism-performance)

<sup>3</sup> see [www.visitbritain.org/gb-tourism-survey-2018-overview](http://www.visitbritain.org/gb-tourism-survey-2018-overview)

# booking analysis

We've reviewed our 2018 bookings data and crunched the numbers to reveal the following insights. Of particular interest is the lead-time analysis in the graph below – this is the difference in time between a booking being made and subsequently checking-in. During 2018 the most popular booking window was 3 to 6 months.



## Our most-booked property in 2018 was...

...a pet-friendly, 7-bed property with a hot tub, swimming pool, off-road parking, an open-fire, Wi-Fi, dishwasher, children's play area, BBQ and a games room.



# k&t insight...

kate & tom's property portfolio is focused on large houses. Of all bookings that checked-in during 2018...

**33%**

had 10-14 guests



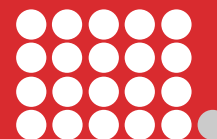
**53%**

had 15-20 guests



**14%**

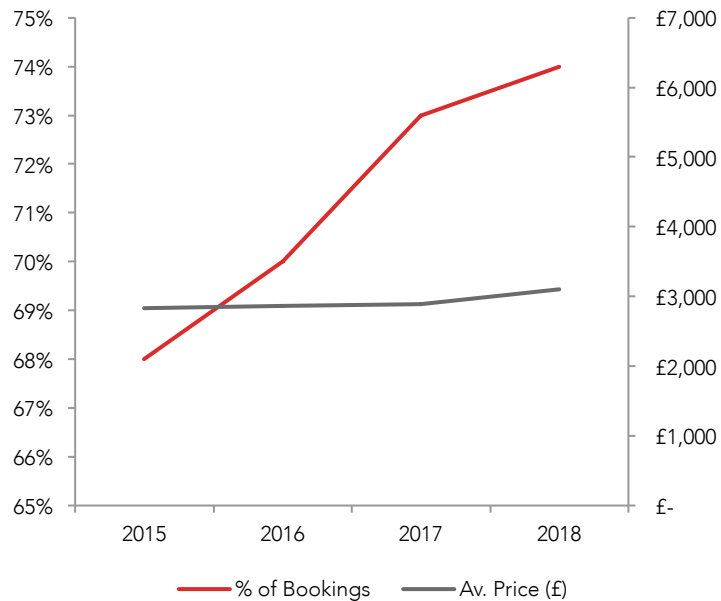
had 21+ guests



# booking trends

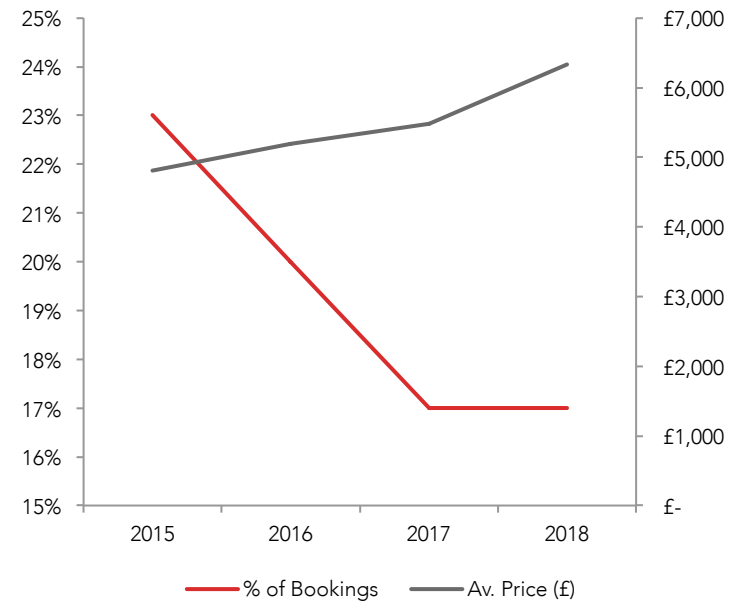
## 2 to 3 night stays

Since 2015 the percentage of kate & tom's bookings with a 2-3 night stay has increased from 67% to 74%. During that time the average price of these stays has increased by £265. A growth in short breaks is consistent across the industry and perhaps reflects how the British public are being more discerning with their budgets during a time of political uncertainty and austerity.



## 7+ night stays

Since 2015 the percentage of kate & tom's bookings with a 7+ night stay has decreased from 23% to 17%. During that time the average price has significantly increased by £1,519. This drop off in week long bookings appears to correlate with a sharp increase in the price of these stays. Any future rate increases should be carefully considered given the wider market environment.



# kate & tom's hotspots

During the last 12-months Gloucestershire was our most booked location. The south west of England also performed strongly with the quintessential holiday locations of Devon and Cornwall picking up 2<sup>nd</sup> and 4<sup>th</sup> place respectively. The picturesque draw of the Lake District also appears to remain as strong as ever – with Cumbria taking 7<sup>th</sup> place in our top 10.



Top 10 **most booked** holiday locations in the last 12-months\*

1. Gloucestershire
2. Devon
3. Warwickshire
4. Cornwall
5. Somerset
6. Dorset
7. Cumbria
8. Worcestershire
9. Herefordshire
10. West Sussex



## k&t insight...

The previous top 5 most booked holiday locations were:

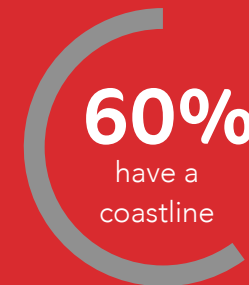
### 2017 - 2018\*

1. Gloucestershire
2. Devon
3. Dorset
4. Warwickshire
5. Cumbria

### 2016 - 2017\*

1. Gloucestershire
2. Devon
3. Dorset
4. Warwickshire
5. Worcestershire

Off the top 10 most booked locations in the last 12 months ....



# recommendations

## Consider becoming dog friendly

We've seen the demand for pet friendly properties more than double since 2016 and with almost a quarter of all UK households owning a dog, perhaps that's no surprise. By allowing guests to bring their four-legged friend with them to your property your listing will not only appeal to a broader audience, but you can also charge an additional fee; creating an extra revenue stream.

## Open up your peak-weeks

Since 2016 we've seen a 32% growth in short stays (0-3) days. During the same timeframe there's only been a 7% growth in stays of one week or more. To help boost occupancy look at releasing your seven night breaks in to a three night weekend and a four night midweek stay. This would apply mostly for July & August as well as Christmas and the New Year where often smaller breaks are more appealing and can be sold at a premium rate.

## Pricing and off-peak offers

Given the market conditions we would suggest you think hard about whether increasing pricing for 2020 is right for you and your property. We would suggest holding 2019 rates for the time being and then review the situation at the end of the calendar year.

To boost occupancy during the off-peak season we would also recommend planning your offers much further in advance. For example, the lead-time analysis on page 4 suggests that a three to six month window should be used to guide the timings of early bird offers.

# 2020 rates...

We might be halfway through 2019, but we're already taking bookings for 2020. In fact over 30% of our current week-on-week bookings are for 2020. To help kate & tom's secure your bookings for next year it's absolutely imperative that you submit your rates as soon as possible.

To submit your 2020 rates please contact Alex, our Digital Marketing & Pricing Specialist, using the details below:

**Alex Bindon**

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# about us...

kate & tom's is a close knit team based in the heart of the Cotswold's with one big wish: for our guests to enjoy an extraordinary holiday celebration or adventure. Whatever the occasion, whatever the backdrop we have an incredible house for you.

We're proud to support other British businesses and that will always remain our focus. Since we launched in 2005 we've grown to become one of the country's finest holiday letting agencies. However, we don't just list any house in our portfolio. We personally visit each prospective property to ensure it has all of the luxury characteristics and friendly features that we know our guests demand.

From swimming pools to billiard tables to marble drenched breakfast bars. From ocean views to private woodlands and everything in-between – kate & tom's portfolio is unrivalled.

## kate&tom's

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