

The Future Looks Bright for Coach Operators

The demand for UK coach travel holidays is set to rise by 23% to be worth an estimated £2.93 billion by 2011, with demand for holidays overseas likely to fuel the rise, according to research specialists Mintel in their bi-annual Coach holidays, Leisure Intelligence report.



The total number of passengers carried in 2006 was 8.2 million and that figure is expected to rise to 8.8 million in four years time, but only if coach operators can respond to a change in the market. Like most domestic travel operators, coach travel companies are suffering as a result of the rise in the low-cost airline industry and the Eurostar. Both allow cheap travel to the continent, but whilst short-haul destinations are suffering the long-haul market is booming with wealthy 'third-agers' booking most of the seats. They were responsible for filling 2.3 million seats in 2006 and by 2011 that total is expected to rise to 2.8 million. The average cost of a coach holiday of this type was £291 in 2006 and is expected to hit £333 by 2011, a rise of 14% in five years.

But, despite the encouraging estimates contained in the Mintel report, there are downsides and the report authors say that more should be done to attract new coach travellers. The public perception remains that coach travel is a cheap alternative for the older generation. Only 5 per cent of those surveyed said they took a coach holiday during 2006, a third said they would never consider a coach holiday, but an amazing 13 per cent said they would be interested in taking a coach trip - almost two and half times more than the number who booked a coach holiday in the last year. That adds up to a huge untapped market for the coach operators, and the good work of improving the quality and reliability of their services as they have over the last decade must continue, if the operators are to cash in on that potential market.



Mintel suggest that operators must stress the benefits of coach travel to potential customers such as the green, environmental advantages of coach travel versus air travel. Other improvements suggest Mintel, should be to vary itineraries and to get similar-age travellers on the same vehicle, as that is what people prefer. However, with many travellers over 60, the challenge is to ensure that the next generation of 45 - 54-year-olds can be tempted to step aboard, and indeed the generation after that, and so on. Age segmentation is certainly a way to attract more people to the world of coach holidays.



In response to the Mintel report, the body that promotes travel and tourism by coach - the Coach Tourism Council - said its members were eager to address the issues raised by the Mintel report and that most were already doing so. Chief executive Christopher Wales confirmed: "All our coach operator members are aware of the need to adapt, and the continuing and substantial multi-million-pound investment in new coaches, new products and huge improvements in service levels highlight how companies are moving forward."

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