



CONSUMER RESEARCH

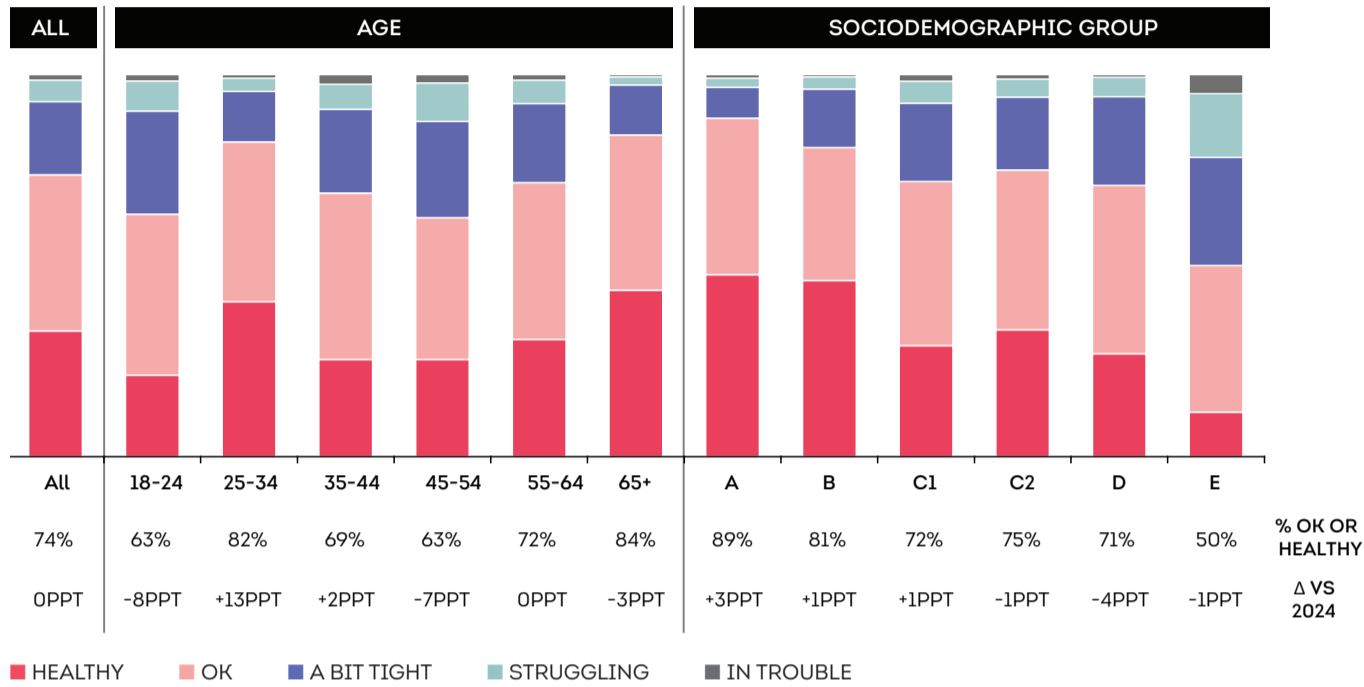
METHODOLOGY

PwC survey of 2,000 consumers in July 2025 about how they are feeling about spending and their personal finances, and their intentions for the year ahead, alongside third party insight.

Most consumers feel OK about their finances currently, although there are variances across consumer groups

HOW WOULD YOU DESCRIBE YOUR FINANCIAL SITUATION AT THE MOMENT?

% of respondents, July 25



In a theme seen throughout most of the year, consumers are currently feeling broadly happy with their financial situation, with nearly three-quarters of those surveyed by PwC considering their finances “OK” or “healthy” and fewer than 10% stating they were “struggling” or “in trouble”.

The research notes that as the year has progressed, younger consumers, specifically those aged between 25 and 34, have got more confident.

There are still concerns for the year ahead, but the balance has tipped upwards from earlier in 2025, to a net balance of -5, from -8 back at the start of the year. “While still negative, this is now notably above the long-term average level of -14%, so this should be a positive sign for the outlook for spending,” says PwC partner Eleanor Scott.

That said, Scott notes a continual increase in the proportion of consumers raising concerns for the UK economy and the rising cost of living. While 70% of consumers said they had concerns for the UK economy towards the start of 2025, this has risen to 86%, while rising costs of everyday goods and services has seen an uptick in concern from 78% in January 2025 to 84% in the latest research.

“We’ve also seen concerns over household earnings and job prospects, so confidence is still a bit fragile, meaning people continue to be careful with their spending,” Scott adds.

Increases in spending have centred around experiences rather than “things” overall, but travel has recently experienced a more muted growth than specialist or clothing retail, according to spending tracker data from Barclaycard.

Spending on travel, at a 2.9% increase year-on-year in July 2025, was more buoyant than eating out, but less so than entertainment, which saw a 7.8% growth year-on-year.

Looking at the travel market, PwC/TTG research reveals a polarised booking profile over the summer months. Asking travel businesses when they were seeing the higher booking levels over late 2025 and 2026, summer was revealed to be the optimum time, be it 2025 or 2026. More than half of respondents reported higher levels of bookings for this summer, but 40% said their customers had already locked in their bookings for summer next year.

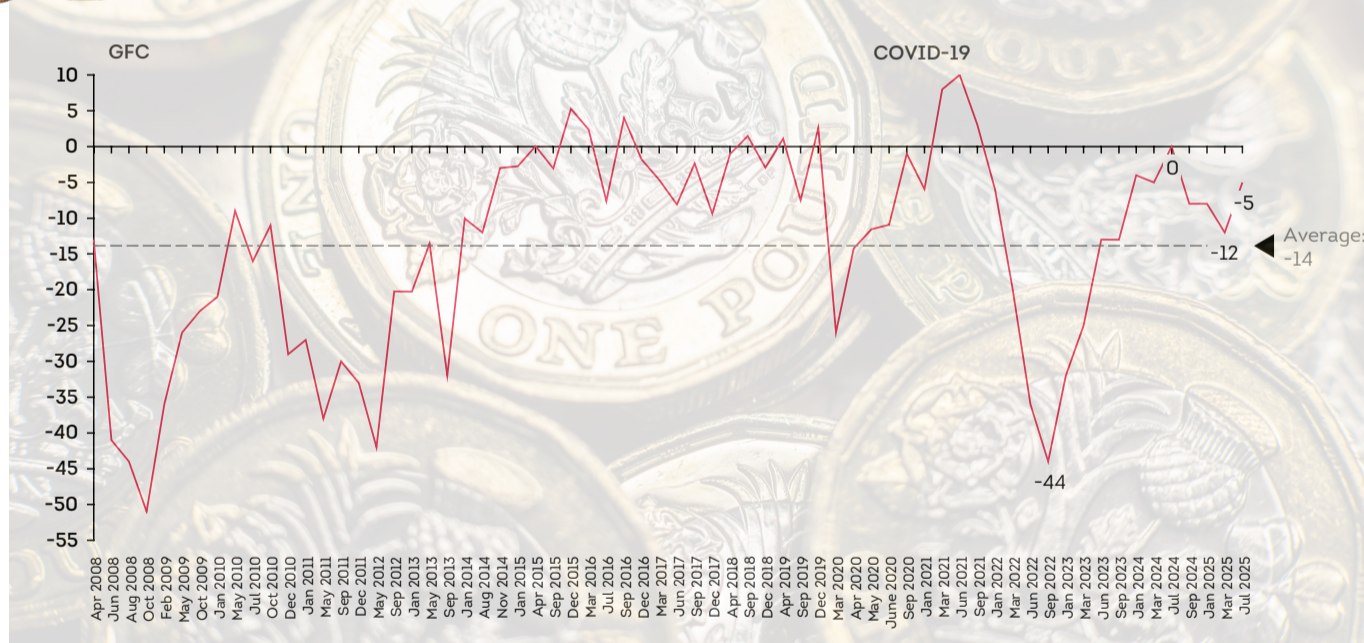
“Compared with this time last year, we are seeing more late bookings, but also more for further out in 2026 and fewer for the October half-term and Christmas periods,” says Scott.

This report was compiled by TTG Media’s head of insight, Sarah Dennis, and produced by TTG Media and PwC in September 2025 as part of the TTG Agenda 2025 Breakfast – a Summer of Celebration or Concern?

Consumer sentiment in outlook for finances has improved slightly, and is above long-term average levels

UK CONSUMER SENTIMENT IN OUTLOOK FOR HOUSEHOLD FINANCES

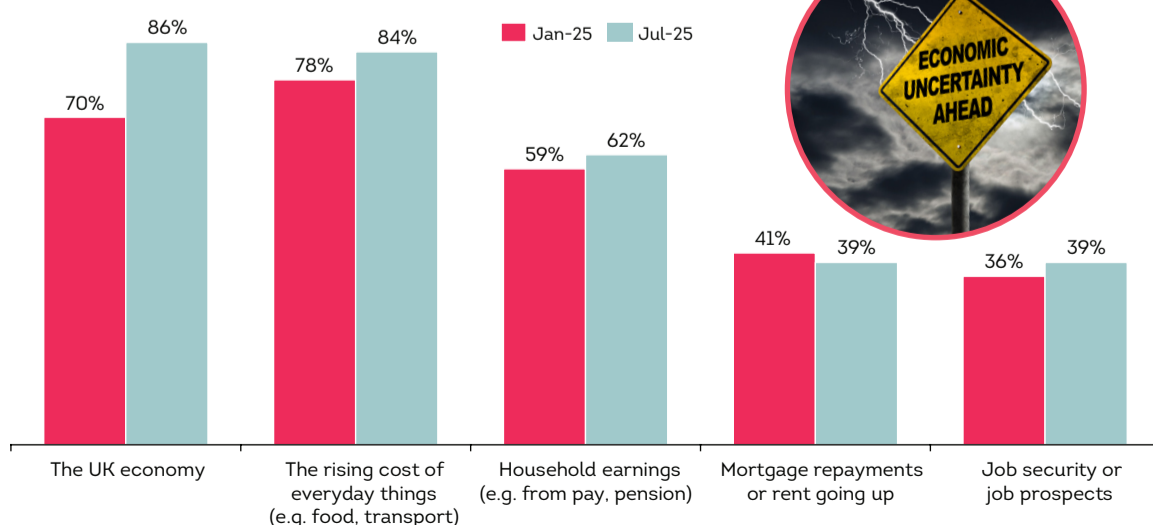
Balance of opinion, 2008-2025



Economic worries remain, with recent increases in concern around inflation, earnings and job security

CONCERN ABOUT THE ECONOMY AND FINANCES

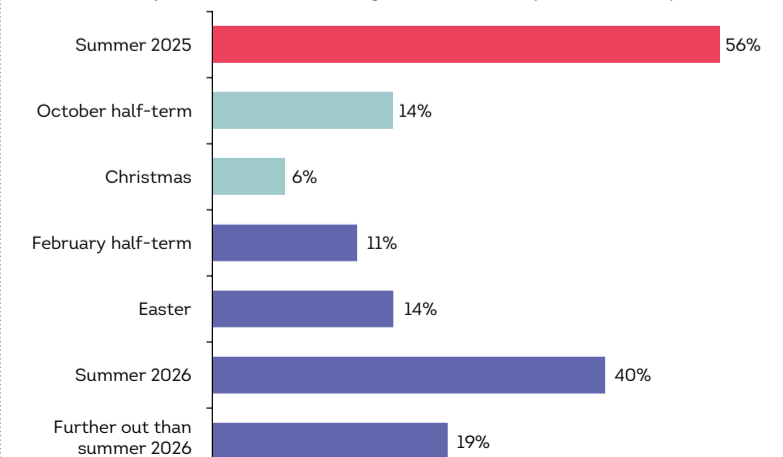
% of respondents concerned about these issues over the next 12 months, Jul 2025



Recent business for travel companies has been a mix of near-term summer bookings and longer-term bookings

IN THE PAST MONTH, FOR WHICH PERIODS HAVE YOU SEEN THE GREATEST NUMBER OF BOOKINGS?

PwC/TTG survey of travel businesses, August 2025, % of respondents (multiple choice)



TRAVEL BUSINESSES SURVEY

METHODOLOGY

PwC/TTG survey of 71 travel businesses in August 2025 compared with 16 previous surveys from May 2020 to February 2025.

More than three-quarters of travel businesses have reported that 2025 year-to-date bookings are ahead of 2024 – with half saying this was significantly so. Across all survey respondents, PwC/TTG found a net average year-to-date growth in bookings of 4% compared to last year. On average, respondents have secured 69% of this year's booking targets so far, but just over a third said bookings have been below what they were actually expecting at this point in 2025.

"Where bookings are ahead of expectations, some businesses say this is destination-specific, but for those where results have fallen behind, they had high expectations that were not quite met. This is therefore down versus this time last year – by an overall 5% – when on average we heard trading was up versus expectations," says PwC partner Eleanor Scott.

Turning to the lates market, 60% of businesses have reported a high number of late bookings over the summer, but more than half said this is happening even later than in previous years.

In contrast to overall booking expectations, nearly half of respondents said late bookings were ahead this year, with 31% agreeing that discounting is supporting this, and 26% citing the UK's recent cooler periods outside of the mid-August heatwave as influencing lates.

The biggest barrier to growth remains consumer concerns over finances, cited by more than two-thirds of businesses. Geopolitical impact and conflicts across the world have become more prominent, but concerns over extreme weather have fallen slightly compared to August 2024. "Other barriers to growth our respondents raised were increased competition and distribution costs," Scott remarks.

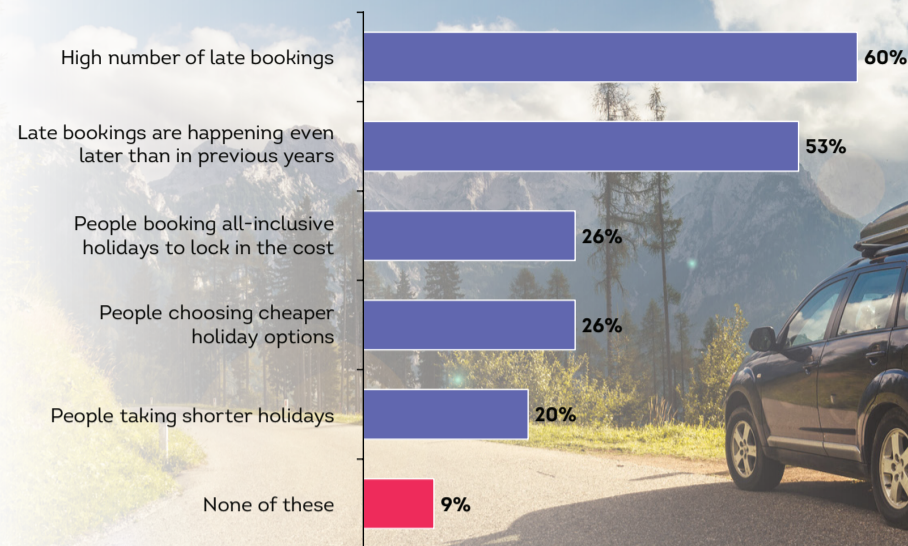
There has been more reporting of discounting and offers compared to 2024, with 47% offering early-bird discounts (32 percentage points up on last year), and 40% offering repeat booking discounts. In fact, "discounting is considerably up on last year, suggesting a more competitive market from a pricing perspective", says Scott. And while consumer ability to spend on travel topped the list of forthcoming concerns for travel companies, competitor discounting was cited by 23% as their top worry.

Looking ahead, businesses think shoulder season/off-peak promotion and including experiences as part of a holiday booking are their biggest opportunities for the year ahead. "This indicates opportunities to extend the season or offer off-season product. There is also an opportunity of demand for more premium holiday options to target more resilient high-income customers," says Scott.

The lates market has been important this year, with bookings happening later than in 2024

WHICH OF THE FOLLOWING, IF ANY, HAVE YOU SEEN IN THE RUN-UP TO THE PEAK SUMMER TRAVEL PERIOD?

% of respondents (multiple choice)

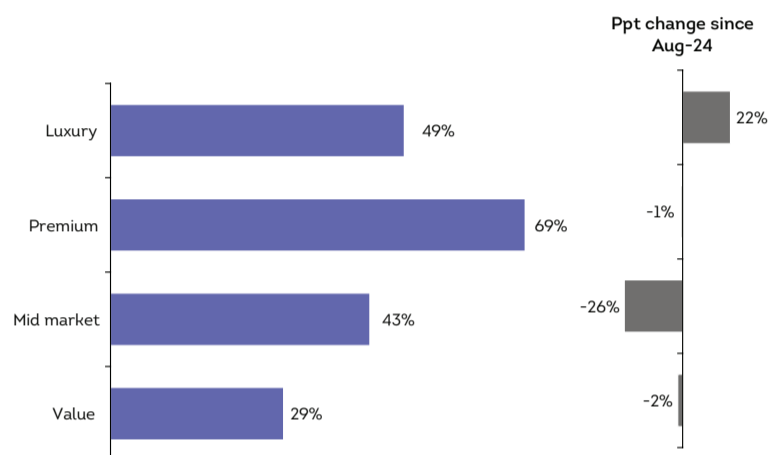


Demand is being seen across price segments, with relative strength in the luxury end of the market vs last year



WHAT PRICE SEGMENTS ARE YOU SEEING DEMAND FOR IN 2025?

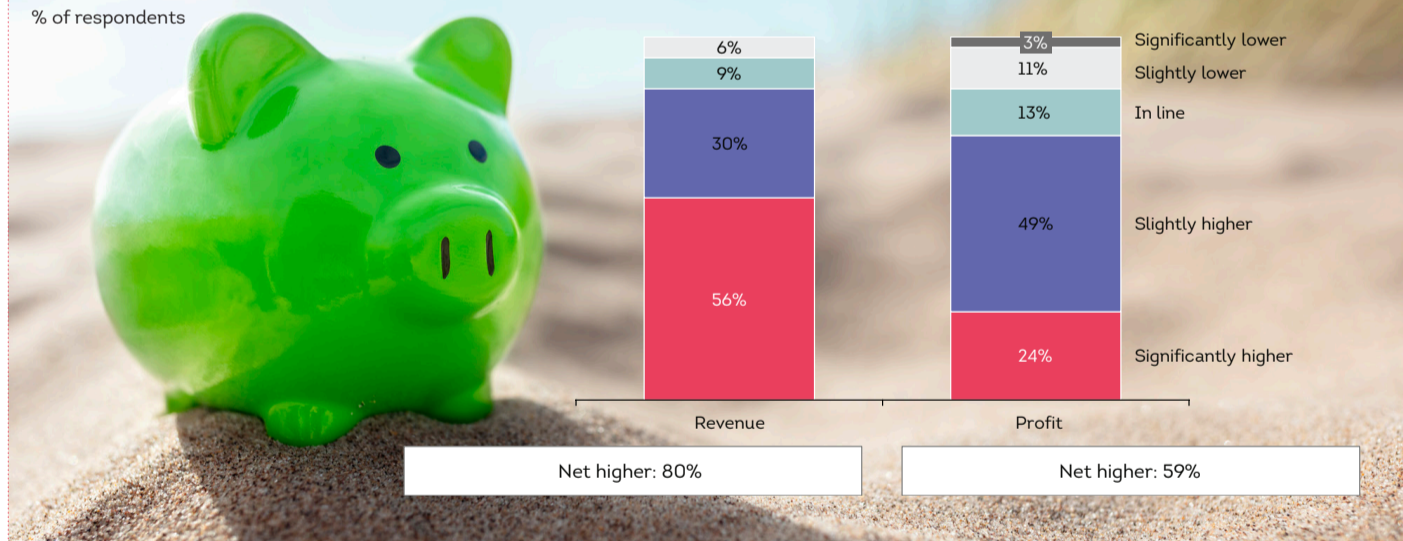
% of respondents (multiple choice)



Revenues are expected to be up around 5% overall, with profits also growing but with some variability across companies

WHAT ARE YOUR EXPECTATIONS FOR REVENUE AND PROFITS IN 2025 VS 2024?

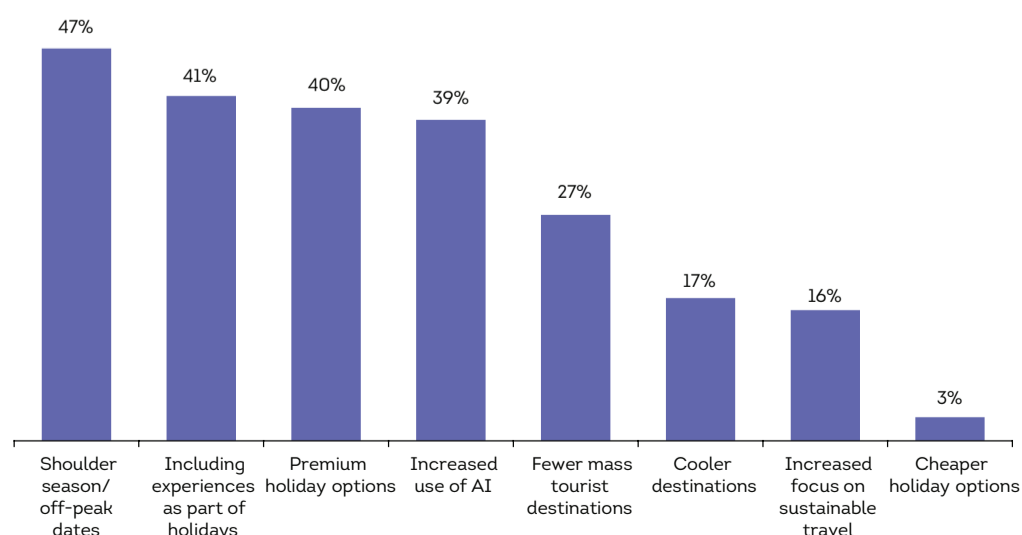
% of respondents



Opportunities are being seen in a number of areas to tap into demand trends, like shoulder season, the inclusion of 'experiences' and premium options

WHAT, IF ANY, NEW OPPORTUNITIES ARE YOU SEEING FOR 2026?

% of respondents (multiple choice)



On average 69% of annual booking targets have been secured so far in 2025



WHAT PERCENTAGE OF YOUR ANNUAL BOOKINGS TARGET HAS BEEN MADE SO FAR IN 2025?

% of respondents

