

Statistical bulletin

Consumer card spending, UK tourism-related sectors: 2019 to 2024

Analysis of Visa cardholder spending on categories associated with tourist activity, including domestic tourism and international tourism in the UK.

Contact:
Subnational Development team
subnational.development@ons.
gov.uk
+44 1329 444824

Release date:
2 October 2024

Next release:
To be announced

Table of contents

1. [Main points](#)
2. [Overview of spending data](#)
3. [Estimates of domestic spending in tourism-related industries](#)
4. [Estimates of international spending in tourism-related industries](#)
5. [Data on spending in tourism-related sectors](#)
6. [Glossary](#)
7. [Data sources and quality](#)
8. [Related links](#)
9. [Cite this bulletin](#)

1 . Main points

- The percentage of in-person domestic spending in tourism-related industries dipped during 2020 and 2021 but has since recovered to around 6% of all in-person domestic spending.
- The restaurant industry had the largest percentage of in-person domestic tourism spending across the time series, followed by accommodation and retail goods.
- The percentage of face-to-face domestic spending on travel agents has decreased across the time series, while the percentage spent on fast-food restaurants has increased.
- Spending on tourist industries accounts for around half of in-person spending by international visitors to the UK.

2 . Overview of spending data

The Office for National Statistics (ONS) has entered into an agreement with Visa to receive aggregated and anonymised data on UK card payments. This data source offers new opportunities to understand UK consumer spending. This is the latest in a series of publications that provide new and granular insights for users. Our previous articles can be found in [Section 8: Related links](#).

This bulletin explores the amount of in-person (also referred to as face-to-face) spending on Visa cards that we can attribute to spending categories associated with tourism. We have made efforts to align the categories in these data with the categories used by the Department for Culture, Media, and Sport (DCMS) in their [DCMS Sector Economic Estimates](#) for ease of use.

It includes data for England, Scotland, Wales, and Northern Ireland. In this bulletin, “spend” or “spending” refers to spending by UK residents with bank cards issued by Visa when referring to domestic tourism, or spending at UK merchants by consumers with Visa bank cards issued by non-UK countries when referring to international tourism. All spending referred to in this bulletin occurred in person, rather than online.

The analysis in this bulletin covers credit and debit card spending, which are part of the UK spending landscape, but this is not exhaustive. Consumers may also use a variety of other payment methods, including cash, direct debit, faster payments, or standing orders, which will not be reflected in these data. For more information on card usage, see [Section 7: Data sources and quality](#) and our [Regional consumer card spending trends quality and methodology information \(QMI\)](#).

3 . Estimates of domestic spending in tourism-related industries

To improve the quality of our estimates, we have removed spending that occurred at merchants within a cardholder's own postal area for certain industries. These industries are restaurants and fast-food restaurants, transportation including vehicle rental, entertainment, and retail goods. This is to account for the definition of tourism as activity outside of one's usual place of residence. However, this method is only a proxy, and will not be as effective in areas with many small postal areas, such as London. We are working to improve our methodology in future estimates. This adjustment has not been applied to industries such as airlines, because we have classified spending in these industries as always being related to travel and tourism.

Table 1: Total percentage of annual domestic in-person spending on tourism-related industries

Year (Jan-Dec)	Total percentage of annual domestic in-person spending on tourism-related industries (%)
2019	6.2
2020	3.3
2021	4.6
2022	6.0
2023	6.1

Source: Aggregated and anonymised data on UK card payments 2023 from Visa Europe Limited

Notes

1. To align with the categories used in our Tourism Satellite Account (TSA) tourism-related industries were created from Visa Merchant Category Groups. These are airlines, accommodation, travel agents, entertainment and culture (outside of home postal area), fast-food restaurants (outside of home postal area), restaurants (outside of home postal area), transportation (outside of home postal area), and vehicle rental (outside of home postal area).

The total percentage of domestic in-person spending on tourism-related industries was 6.1% in 2023.

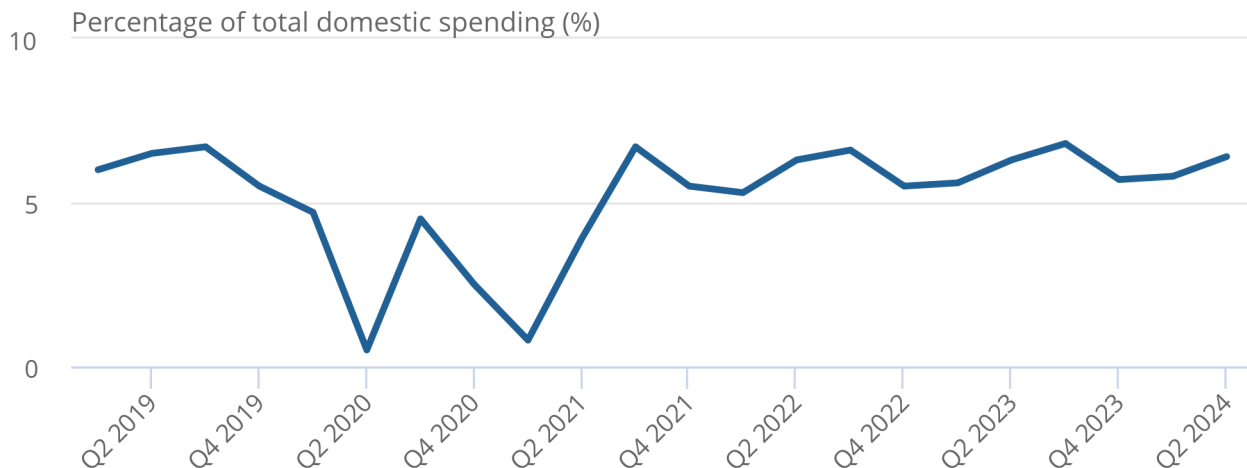
The share of annual in-person domestic spending on the tourism sector decreased during the coronavirus (COVID-19) pandemic, but has now increased to a similar percentage as seen in 2019. However, the impact of inflation has not been taken into account and could vary across industries.

Figure 1: The percentage of domestic in-person spending in tourism industries peaks in July to September of each year

Percentage of total domestic in-person spending that occurred in tourism industries, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024

Figure 1: The percentage of domestic in-person spending in tourism industries peaks in July to September of each year

Percentage of total domestic in-person spending that occurred in tourism industries, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024



Source: Aggregated and anonymised data on UK card payments 2023 from Visa Europe Limited

Notes:

1. These data are not adjusted for inflation.
2. Q1 refers to Jan to Mar, Q2 refers to Apr to June, Q3 refers to July to Sept, and Q4 refers to Oct to Dec.

The percentage of domestic in-person spending on tourism industries peaked in Quarter 3 (July to Sept) each year in the time series, as shown in Figure 1. This aligns with the summer months being considered the peak season for tourist activities, partially because of warmer weather and school holidays. This was also found to be the peak season for spending abroad by UK cardholders, as described in our [International consumer card spending, UK and abroad: 2019 to 2023 article](#).

The percentage of spending on tourism industries returned to typical levels by Quarter 3 2021. Post-pandemic, the lowest percentage of spending on tourism industries has occurred in Quarter 1 (Jan to Mar) of each year.

Figure 2: The restaurant industry had the highest percentage of domestic in-person tourism, followed by accommodation and retail goods

Percentage of total domestic in-person spending that occurred within tourism categories, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024

Figure 2: The restaurant industry had the highest percentage of domestic in-person tourism, followed by accommodation and retail goods

Percentage of total domestic in-person spending that occurred within tourism categories, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024



Source: Aggregated and anonymised data on UK card payments 2023 from Visa Europe Limited

Notes:

1. These data are not adjusted for inflation.
2. This chart includes “retail goods” to give insight into spending in this industry. However, “retail goods” is not included in the total spending shown in other charts, to align with the more widely used definition of tourism.
3. Q1 refers to Jan to Mar, Q2 refers to Apr to June, Q3 refers to July to Sept, and Q4 refers to Oct to Dec.

The largest percentage of domestic in-person spending across the time series occurred in the restaurant industry, followed by accommodation, as shown in Figure 2.

However, this analysis only includes face-to-face spending. Therefore, spending on industries such as airlines or accommodation, where many payments may occur online, is likely to be underrepresented. We intend to explore how online spending can be attributed to the location where the activity takes place in the next phase of this project.

Travel agents had the fourth highest percentage of total spending at the beginning of the time series. This had dropped to the seventh highest of the nine categories shown by the end of the time series. This may be because of less face-to-face spending occurring in this industry.

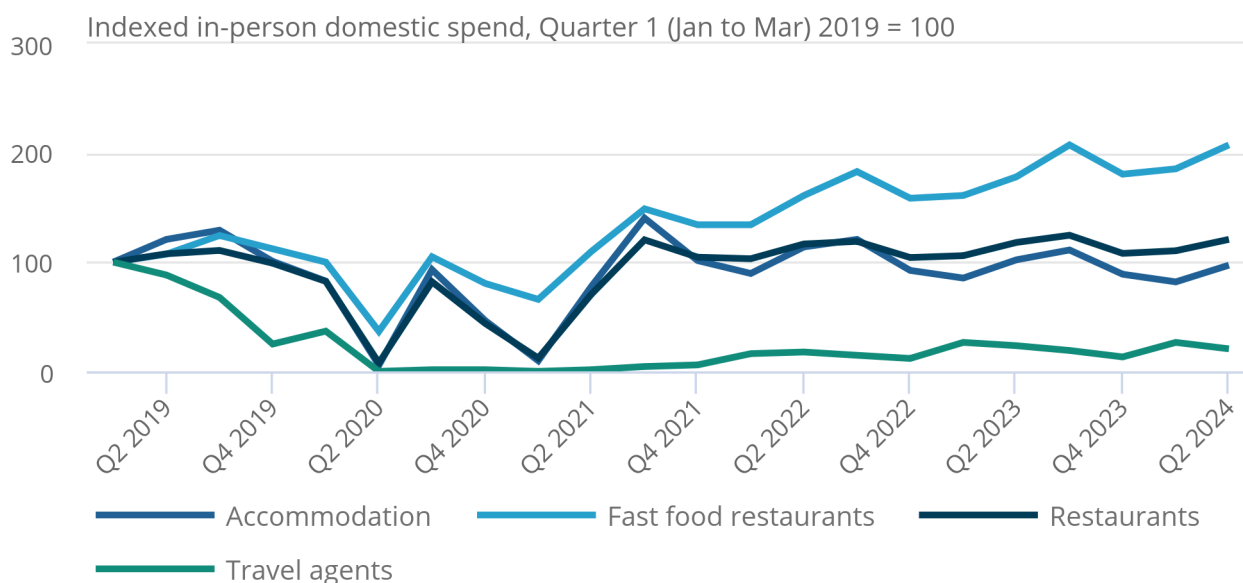
Meanwhile, the percentage of spending on fast-food restaurants has changed from the fifth largest percentage at the start of the time series to the joint third highest by the end of the time series.

Figure 3: In-person domestic spending at fast-food restaurants rose notably across the time series, while spending on travel agents has remained below its pre-coronavirus pandemic level

Level of in-person domestic spending that occurred in the selected industries, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024

Figure 3: In-person domestic spending at fast-food restaurants rose notably across the time series, while spending on travel agents has remained below its pre-coronavirus pandemic level

Level of in-person domestic spending that occurred in the selected industries, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024



Source: Aggregated and anonymised data on UK card payments 2023 from Visa Europe Limited

Notes:

1. These data are not adjusted for inflation.
2. Q1 refers to Jan to Mar, Q2 refers to Apr to June, Q3 refers to July to Sept, and Q4 refers to Oct to Dec.

Figure 3 shows that indexed spending on the fast-food restaurant industry increased across the time series, in line with the increase of the percentage of domestic in-person spending on fast-food restaurants shown in Figure 2. This may be because of an increased number of fast-food restaurants, or higher amounts of spending in them. This increase contrasts with indexed spending in restaurants, which has been at broadly-consistent levels post-pandemic.

Indexed in-person domestic spending on travel agents declined across 2019, and declined further once pandemic travel restrictions were introduced. Although there have been small increases since the pandemic, indexed spending remained low post-pandemic and has peaked at around a quarter of the level seen in Quarter 1 2019. This may be because more spending on this industry occurred online. In general, spending on travel agents tends to peak in the first half of each year, possibly because consumers book their holidays in advance of the summer, though this requires further exploration.

Indexed in-person domestic spending on accommodation peaked in Quarter 3 2021, but has had diminishing summer peaks in the years since. This may be because of more spending on this industry occurring online. It could also be attributed to a return to more typical levels after an increase in domestic holidays following international travel restrictions during the pandemic, as was found in our [Coronavirus and its impact on UK hospitality: January 2020 to June 2021 article](#).

4 . Estimates of international spending in tourism-related industries

This section explores face-to-face spend at merchants in the UK by consumers with Visa cards issued internationally. Users should take care when looking at spend from different countries, because Visa card usage varies internationally. Additionally, the data may be influenced by international students or other migrants using a bank card, or bank cards, from their home country.

Table 2: Total percentage of annual in-person international spending on tourism-related industries

Year (Jan – Dec)	Total percentage of annual in-person international spending on tourism-related industries (%)
2019	45.2
2020	33.2
2021	36.0
2022	49.0
2023	49.8

Source: Aggregated and anonymised data on UK card payments 2023 from Visa Europe Limited

Notes

1. To align with the categories used in our Tourism Satellite Account (TSA) tourism-related industries were created from Visa Merchant Category Groups. These are airlines, accommodation, travel agents, entertainment and culture (outside of home postal area), fast-food restaurants (outside of home postal area), restaurants (outside of home postal area), transportation (outside of home postal area), and vehicle rental (outside of home postal area).

The total percentage of international in-person spending on tourism-related industries was 49.8% in 2023.

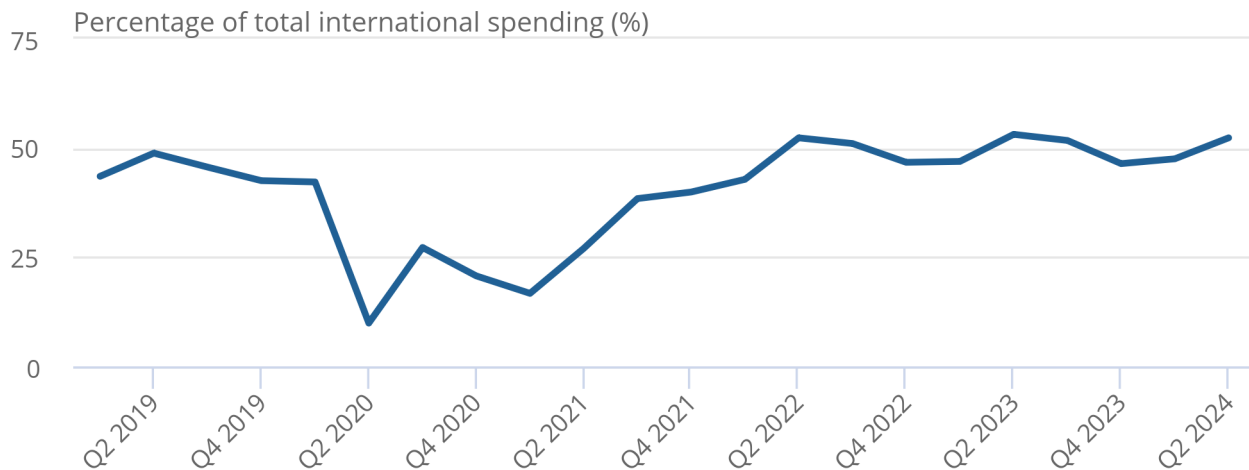
The share of in-person spending on the tourism sector by international visitors decreased during the coronavirus (COVID-19) pandemic. It has since recovered and is now at a higher level than that seen in 2019. However, the impact of inflation has not been taken into account and could vary across industries.

Figure 4: Spending on tourism industries accounts for around half of in-person spending by international visitors to the UK

Percentage of total in-person international spending that occurred in tourism-related industries, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024

Figure 4: Spending on tourism industries accounts for around half of in-person spending by international visitors to the UK

Percentage of total in-person international spending that occurred in tourism-related industries, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024



Source: Aggregated and anonymised data on UK card payments 2023 from Visa Europe Limited

Notes:

1. These data are not adjusted for inflation.
2. Q1 refers to Jan to Mar, Q2 refers to Apr to June, Q3 refers to July to Sept, and Q4 refers to Oct to Dec.

A larger percentage of international in-person spend is in tourism industries, compared with domestic in-person spend. This can be seen when comparing Figure 4 with Figure 1.

In general, the international in-person tourism spending percentage followed a similar pattern to the domestic tourism spending percentage, with two large drops during the pandemic and annual peaks in the years since. However, international tourism spending peaked in Quarter 2 (Apr to June) of each year, while domestic tourism peaked in Quarter 3 (July to Sept) of each year.

The percentage of face-to-face international spending on tourism industries increased across the time series, unlike the equivalent for domestic spending. This should be interpreted with caution as the data have not been adjusted for inflation.

Figure 5: The category with the highest percentage of international in-person tourism spending was restaurants, followed by accommodation

Percentage of total in-person international spending that occurred within tourism categories, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024

Figure 5: The category with the highest percentage of international in-person tourism spending was restaurants, followed by accommodation

Percentage of total in-person international spending that occurred within tourism categories, Quarter 1 (Jan to Mar) 2019 to Quarter 2 (Apr to June) 2024



Source: Aggregated and anonymised data on UK card payments 2023 from Visa Europe Limited

Notes:

1. These data are not adjusted for inflation.
2. Q1 refers to Jan to Mar, Q2 refers to Apr to June, Q3 refers to July to Sept, and Q4 refers to Oct to Dec.
3. This chart includes “retail goods” to provide insight into spending in this industry. However, “retail goods” is not included in the total spending shown in other charts, to align with the more widely used definition of tourism.
4. In Quarter 2 2020, no data pertaining to travel agents are available because of the coronavirus (COVID-19) pandemic.

Figure 5 shows that, in general, international visitors spent a higher percentage of their money on accommodation and transportation, compared with the domestic spend shown in Figure 2. This may be because domestic visitors are more likely to do day trips. International visitors spent a lower percentage on fast-food restaurants, compared with domestic cardholders.

International visitors also spent a lower percentage on travel agents, likely because these activities would have occurred in their own country.

Large amounts of spending on certain industries will occur online, which is not included in these data. Therefore, spending on these industries, such as accommodation and airlines, may be underestimated in this analysis.

5 . Data on spending in tourism-related sectors

[Consumer card spending. UK tourism-related sectors](#)

Dataset | Released 2 October 2024

Analysis of Visa card spending data, including domestic, international, and combined percentage of face-to-face spending on tourism-related industries.

6 . Glossary

Cardholder location

For spending by cardholders from the UK, cardholder postal sector, district or area is inferred by Visa. Visa analyse anonymised cardholder spending patterns, along with merchant location, to form a predictive view of a cardholder's likely home location. This is a predicted data attribute only, so a cardholder's exact home address cannot be determined. Data are aggregated, so it is not possible to identify any single individual.

For spending by international cardholders, cardholder location is presented at country level. These data are not inferred, but are based on cards issued in a given country. Because Visa card usage varies internationally, we do not encourage comparisons across different countries, including with the UK.

Debit and credit card transactions

Debit and credit cards facilitate the transfer of money for goods and services rendered without the usage of cash. These transactions occur both in-person, through contactless and chip and pin, and online, through mail order or e-commerce. All card data that we receive are anonymised and aggregated to protect against disclosure of individuals' consumer data.

Financial payment system

Debit and credit cards are provided by card issuers that enable consumers to make payment transactions. Card issuers are financial institutions, such as a bank or building society, responsible for providing a customer with a card. Card schemes, of which Visa is one, are payment networks that provide a range of services. For consumer payments, card schemes provide secure connectivity for merchants to transact with cardholders, either face-to-face or online, and ensure those merchants safely receive their funds from the cardholder's bank.

Merchant category group

A merchant category group (MCG) defines an industry, using a set of merchant category codes (MCCs). An MCC is a four-digit number assigned to describe a merchant's primary business, based on annual sales volume measured in local currency.

For this bulletin, certain MCGs have been selected because of their alignment with typical tourism activities, and with the categories used by the Department for Culture, Media, and Sport (DCMS) in their DCMS Sector Economic Estimates. We have categorised these as either always being considered tourism, or considered tourism when happening outside of a consumer's local area.

The MCGs considered to always be related to tourism are:

- airlines
- lodging (“accommodation” in this bulletin)
- travel services (“travel agents” in this bulletin)

The industries considered to be related to tourism when spending occurs outside of a consumer’s local area are:

- entertainment (“entertainment and culture” in this bulletin)
- quick service restaurants (“fast-food restaurants” in this bulletin)
- restaurants
- retail goods
- transportation
- vehicle rental

Merchant location

Merchant location is gathered from the merchant’s register. The merchant acquirer (the bank or financial institution that processes card payments for a merchant) is responsible for providing the card network with the correct location of each merchant outlet. For in-store transactions with a fixed location, the merchant location will be where the transaction took place. For merchants that do not have a fixed location, the location can either be where the transaction took place or the merchant’s principal place of business.

Online and face-to-face spending

This bulletin only refers to face-to-face, or in-person, spending. Face-to-face transactions are defined as those where the credit or debit card is present for the transaction. This is where a consumer buys something in-store and uses a payment card, including contactless payments. Online transactions are defined as transactions where the payment card is not present. This includes where a purchase is made over the internet or telephone, or where an app is used to take payment.

Tourism

The United Nations definition of tourism states that tourism can only happen outside of a person’s usual place of residence, as described in their [International Recommendations for Tourism Statistics 2008 publication \(PDF, 2.3 MB\)](#). As a proxy for this, we have removed spend that occurs within a person’s own postal area in the domestic data. This is only a proxy, as postal areas in the UK vary considerably in size and in data quality.

These estimates are only indicative of the direction of change in the time series, and not of overall expenditure in tourism-related industries.

7 . Data sources and quality

Card spending data

Analysis in this bulletin is based on aggregated and anonymised data on UK card payments provided by Visa Europe Limited. Visa operate a card scheme that is used by a variety of card issuers, including debit and credit card providers. Visa has a Global Privacy Program to ensure proper safeguards are applied to personal information that they collect, use and share, and respecting privacy is crucial. Visa aggregate and anonymise data before sharing to remove information that would allow us to identify the activity of an individual or business within the dataset.

Card spending covers part of UK spending habits and is not exhaustive. For example, it will not cover cash transactions, direct debit payments, or other payment methods such as Buy-Now-Pay-Later. In 2022, 59% of payment transactions in the UK were made using cards, 14% using cash, and 10% using direct debit, according to [UK Finance's Payment markets summary \(PDF, 436KB\)](#). These figures reflect the number of transactions made and would differ if looking at the value of payments. The value spent on cards is lower as a percentage of these types of transaction, because of large-value payments such as salaries, mortgages, and bills that are usually paid through direct debit and faster payments. Overall, UK credit and debit card holders made 2.5 billion purchase transactions, totalling £84 billion, in June 2023, as explained in [UK Finance's Card spending update for June 2023 \(PDF, 226KB\)](#).

These data, although not adjusted for inflation, can be used to give an indication of spending habits. Our [Regional consumer card spending trends quality and methodology information \(QMI\)](#) about the Visa data covers the strengths and limitations of the data.

Excluded categories

Spending in some merchant categories is deemed as sensitive by Visa for legal reasons. This spending is excluded from the data published in this bulletin. The following types of spending are excluded:

- betting and gambling
- insurance, money, and financial institutions
- religious and political organisations
- legal services
- funeral services

Official statistics in development

These statistics are labelled as “official statistics in development”. Until September 2023, these were called “experimental statistics”. Read more about the change in the [guide to official statistics in development](#).

Future developments

We will continue to explore novel estimates of tourism activities using data sources such as this one.

We aim to develop a regular faster indicator for spending patterns on travel and tourism. This work will include:

- research into how international cardholder spending can be weighted to account for variations in Visa market penetration across different countries
- research into developing a dynamic definition for domestic tourism expenditure that is suitable for use with Visa cardholder data
- research into different patterns of spending based on the mode of transaction (for example, using cash or bank cards from different providers)

8 . Related links

[International consumer card spending, UK and abroad: 2019 to 2023](#)

Article | Released 17 June 2024

Analysis of consumer card spending habits covering where international cardholders are spending money in the UK and which countries UK cardholders spend in.

[Coronavirus and its impact on UK hospitality: January 2020 to June 2021](#)

Article | Released 19 July 2021

Analysis of the hospitality sector during coronavirus (COVID-19) with a focus on the most recent easing of restrictions in spring 2021. Includes details of how the sector has performed and the future of employment in hospitality.

[Consumer card spending, flow of spending across the UK: 2019 to 2023](#)

Article | Released 25 March 2024

Analysis of consumer card spending trends covering where UK cardholders are spending money. This analysis shows consumer spending habits on a local level, by publishing a dataset showing where consumers originated from for merchants at every postal district across the UK.

9 . Cite this bulletin

Office for National Statistics (ONS), released 2 October 2024, ONS website, statistical bulletin, [Consumer card spending, UK tourism-related sectors: 2019 to 2024](#)