



The Leisure Society

An extract from nVision's
pan-European service

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Executive Summary

We are spending more on leisure than ever before: levels of discretionary income have risen across Europe, and the proportion of that spent on leisure has increased.

The leisure industry plays an increasingly important role in European economies both in terms of spending and employment.

People are increasingly seeking personal fulfilment and balance in their busy lives, and leisure providers must respond to this appropriately.

European consumers – especially the young – are looking for new experiences by engaging in an ever-broadening array of leisure activities. Central and Eastern European countries are especially keen to try new things, Northern countries less so.

With the exception of the Scandinavian countries, average weekly working hours for European workers have been decreasing since 1995 meaning that time available for leisure is on the up.

Since people are also living longer, we are enjoying more leisure time in retirement too. Increased affluence among retired generations means more disposable income to devote to leisure pursuits. This will apply less to most Eastern European countries, which were faced with significant political and economic reforms following the fall of Communism.

Smaller household sizes and a rise in single-person dwellings means there is more call for out-of-home social leisure activities.

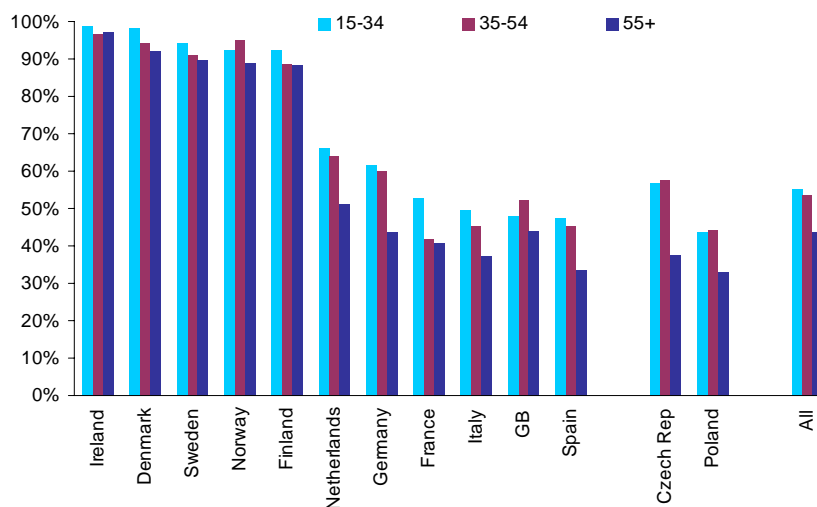
Regional differences exist in the leisure portfolios of the various European countries. Northern and Scandinavian countries having the widest range of leisure interests while the less wealthy Central and Eastern European countries, have the fewest.

Lowest cost activities – watching TV, reading and exercising – are more popular in Central and Eastern European countries while more costly activities such as going to the cinema, eating out or entertaining at home are more popular in the wealthier Northern and Western European countries.

1. Defining leisure in context

Chart 1 The importance of having sufficient leisure time, by age within country

% who agree: "For each of the following, please tell me if you think it absolutely necessary to live properly nowadays....Having sufficient leisure time and the means to enjoy it?"



Source: Source: 'Changing Lives in Europe', nVision

Base: 1,000 per country aged 15+, 2005

This analysis is intended to provide an overview of the European leisure industry, as well as the broader social structure in which it lies and the factors that will ultimately drive change. In order to understand complex patterns of consumption, the identity of the consumer must be understood within a larger social, cultural and economic framework.

First, the term leisure must be defined. For the purpose of quantifying people's leisure activities we will take the viewpoint that leisure is the equivalent to free time, once work, both paid and unpaid is complete (Hawrylyshn: 1978). However, amongst social commentators and academics there is a broad range of opinion as to how leisure should be defined; from Veblen's theory of the 'Leisure class' (wherein leisure has notions of social stratifications), to vague notions that leisure should be considered whatever one wants it to be. Although we will take Hawrylyshn's definition as the working definition of leisure, the other two notions of leisure have interesting implications that we will later consider.

Having sufficient leisure time is considered very important for the majority of Europeans, with over half of European consumers citing leisure and having the means to enjoy it as 'absolutely necessary to live properly nowadays'. Those from Scandinavian countries, as well as Ireland, consider leisure

extremely important, with over 90% of all age groups in these countries citing it as imperative for a good life. With disposable income steadily rising across Europe along with the perceived importance of leisure, undoubtedly spending in the leisure sector is set to increase.

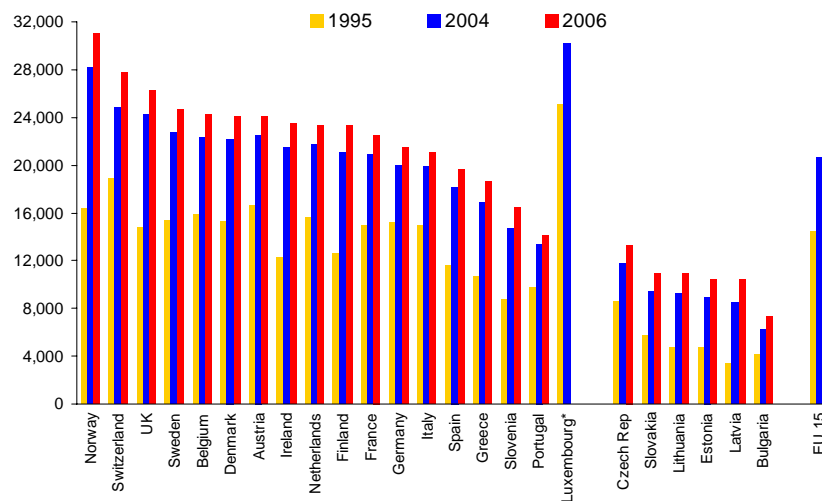
2. Drivers of change:

2.1. Wealth

2.1.1. Increasing affluence

Chart 2 Net national disposable income across the EU 25

In Purchasing Power Standards (PPS) per inhabitant



Source: Source: Eurostat/nVision

Levels of disposable income have risen significantly across Europe during the last two decades, and expenditure on leisure has increased alongside this. People are no longer forced to focus on sustenance needs and can afford to spend more on enjoying themselves. Not only are Europeans becoming wealthier, but as societies become more time pressured, leisure time is seen as increasingly important and scarce, thus people are willing to spend more money on it.

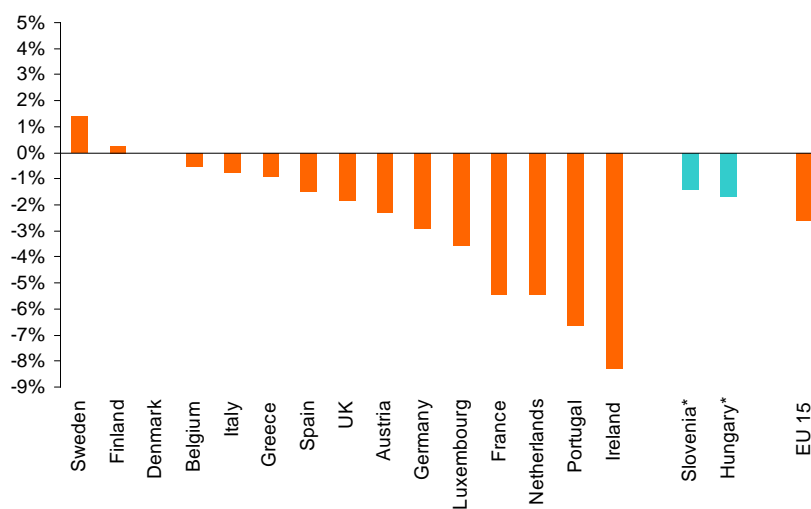
It is worth noting that while there remain significant differences in the standard of living between the various EU member states, every country has enjoyed substantial increases in real disposable income in the last twenty years, and steady growth is forecast to continue. Although cultural factors inevitably play an important role in spending on leisure, positive economic change is undoubtedly the key factor in sustaining market growth.

* Data for these countries is 2002.

2.1.2. Working hours

Chart 3 Change in hours normally worked per week across Europe, 1995 - 2002

All workers by country: *Slovenia, Hungary: % change between 1996-2002



Source: Source: Eurostat/Labour Force Survey/nVision

Base: All workers in the EU

Despite what media commentators might have us believe, we are not working longer hours than previous generations. Whilst it is often perceived that people have been spending an increasing amount of time at work in recent years, average weekly working hours for all EU workers (with the exception of the Scandinavian countries) have been decreasing since 1995. Though these changes may be slight, they nevertheless demonstrate that, in general, the working population of the EU is working less.

In addition, the growing understanding of the benefits of a work-life balance are beginning to be felt, both on a corporate and a national level. Although shorter working weeks (such as the 35 hour week in France) were primarily introduced for the economic benefits, governments are keen to emphasise the lifestyle benefits implied by this change.

The amount of time spent on unpaid work has changed very little, despite evidence that suggests that people are spending more time on childcare and shopping. We would argue that this is because these are increasingly seen as pleasurable activities rather than 'work'. Within this context, it is important

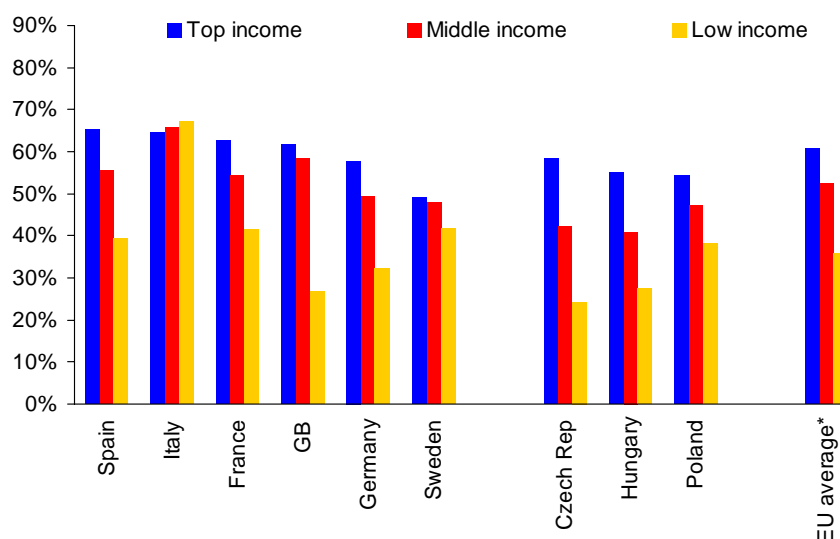
to note that the work-leisure balance between different socio-economic groups has reversed. In the 1960s people in higher status groups (that is, who were better educated and had higher status employment) tended to spend less time working and therefore had more leisure time than those in lower status groups. Today, however, the highest-educated and highest-paid work the longest hours – although shorter hours than they would have done in the past. We might speculate that, by way of compensation, within those in higher status employment some enjoy a greater number of ‘leisure’ elements in their daily work lives – think, for instance, of coffee and lunch meetings, access to telephone and Internet services, as well as greater freedom to choose when to go for lunch or have a break. Going in hand with a slight decrease in working hours, our trend data shows that people consider work slightly less stressful than they did several years ago. Indeed, the growing perception of time pressure may be more directly related to growing aspirations rather than lack of time.

2.1.3. Time pressure

Chart 4 Perception of time pressure, by country and income level

Proportion who agree or strongly agree that they are under time pressure in their everyday life

“Please indicate how much you agree or disagree with each of the following statements that I read out. Remember, we are interested in your attitudes, opinions and views alone, not those of others. Firstly...I’m often under time pressure in my everyday life”



Source: Source: 'Changing Lives in Europe', nVision

Base: 1,000 per country aged 15+, 2004

People are increasingly feeling pressured for time, with half of all Europeans stating that they are often under time pressure in their everyday life. This pressure, real or perceived, is due to a variety of factors such as women's participation in the workforce, longer commuting hours and higher life aspirations.

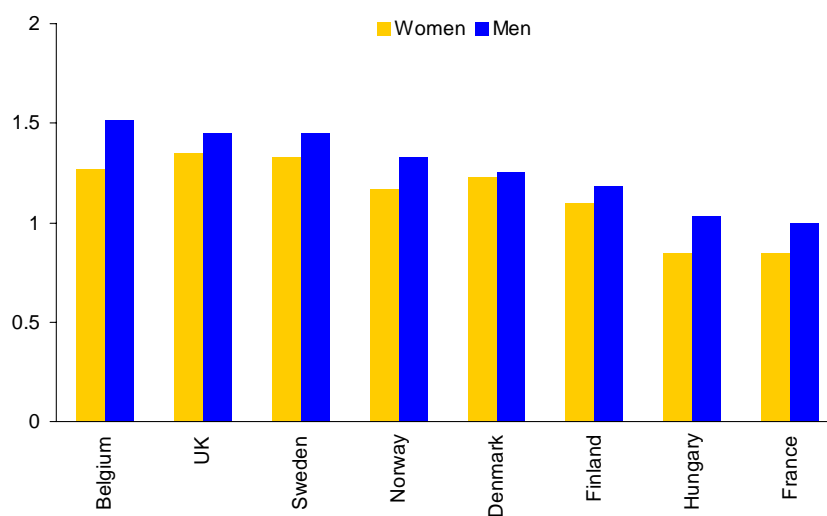
As this chart shows, there is a clear correlation between the perception of being under time pressure and income level. Indeed, within the past decade a growing class of the 'cash rich, time poor.' has emerged. This group is willing to spend a larger amount of money to cram as much into a short time period. This phenomenon is clearly manifested in the travel market, where many short breaks now consist of long haul destinations. Figures released by 'ebookers', a British online travel company, earlier this year showed that New York was the most popular destination for short breaks, followed by Bangkok and Dubai. Paris, which traditionally held the number one spot, an obvious destination for a short break, now trails behind destinations as far as Cape Town. Perhaps not all European countries have this propensity of travelling long haul for such a short amount of time; nevertheless this clearly illustrates a growing trend of trying to experience something that traditionally takes a fair amount of time in a much shorter time period.

Indeed, time is becoming a very limited commodity. Although income per household is rising, with often two incomes per household, people are stressed in trying to accomplish household duties such as childcare and housework. Thus there is a need for products and services that give greater value for time, or that save time, whether it be convenience products or exciting new leisure activities.

2.1.4. Time pressure – Commuting time

Chart 5 Time per day spent travelling

Average number of hours per person, by gender within country. (Excluding work related travel).



Source: Source: European Time Use Studies/nVision

2003

Does the decrease in working time necessarily mean an increase in leisure time? The definition of leisure as 'all time outside work', does not consider one aspect that characterises so much of modern day life – travelling.

As cities grow larger, commuting time is increasing – time that is not always quantified within the work / leisure paradigm. This period of transit is not always thought about when marketing to the consumer. After all, this daily time period is growing larger for many Europeans and is a time of day is when many feel stressed and would benefit from some form of relaxation.

Although the problem of commuting is widely recognised, hence the increase of teleworking along with the flexible possibilities that new media technologies have to offer, at the moment many Europeans are spending over half an hour a day travelling. In London people are commuting an average of 8.5 miles, 17% further than a decade ago. Products that can relieve the boredom and the stress of the commute, such as the ipod, could fare phenomenally well.

Further contents of this report:

- Drivers of change: Wealth
 - Women and employment
- Drivers of change: New Aspirations
 - The aspirational European
 - The need for new experiences and fulfilment
 - Importance of seeking adventure and risk
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 - Time Oases: Relaxing
 - Taking part in 'alternative' activities

The Leisure Society - Further contents of this report:

- Sport and exercise
- Conclusions
- Business implications

This is an extract from the leisure society report produced by nVision's pan-European service. To view the full report or to discuss the service please contact Meabh Quoirin on 020 7250 3343 or meabh.quirin@nvisiononline.co.uk