



Scottish holidays in 2023

Another year of uncertainty?

SSDA Annual Conference
Peebles Hydro
14th March 2023

Jim Eccleston



- Introduction
- The impacts of the cost of living crisis
- Prospects for 2023



Providing insight on the trends and drivers of Scottish tourism activity is one of our key objectives at 56 Degree Insight



With an absence of information on how the Scottish population felt about holidays and travel during lockdown in Spring 2020, we launched the Scottish Tourism Index to try to fill this information gap for tourism businesses

5 nationally representative surveys of the Scottish population were run between May 2020 and March 2021 ensuring we could see how attitudes and behaviours evolved.

Last year, we relaunched the STI on a quarterly basis to provide a much needed barometer of Scottish consumer attitudes, plans and behaviours based on a representative sample of 1,000 Scots.

Today, we focus on the results from the 1st 2023 survey wave (late January).



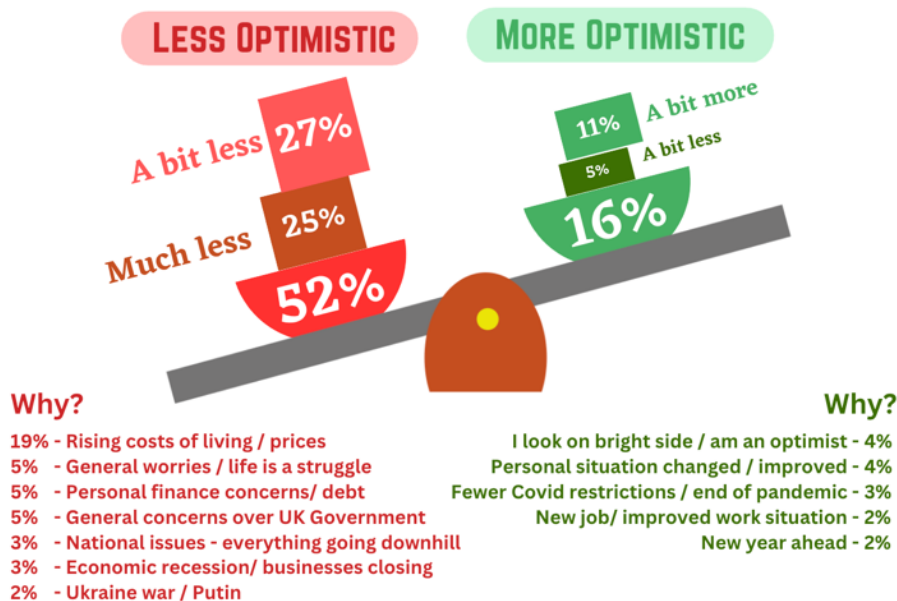
The impacts of the cost of living crisis



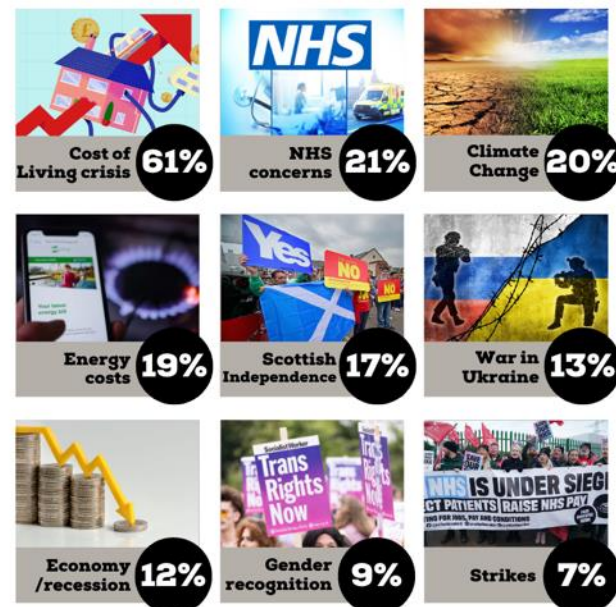
As a nation, we are considerably less optimistic about the year ahead than we were at this point last year with the cost of living crisis a key concern. We also have concerns about the NHS, climate change, energy costs, Independence and the war in Ukraine at the forefront of our minds.



LEVELS OF OPTIMISM FOR THE YEAR AHEAD - JANUARY 2023 VS JANUARY 2022

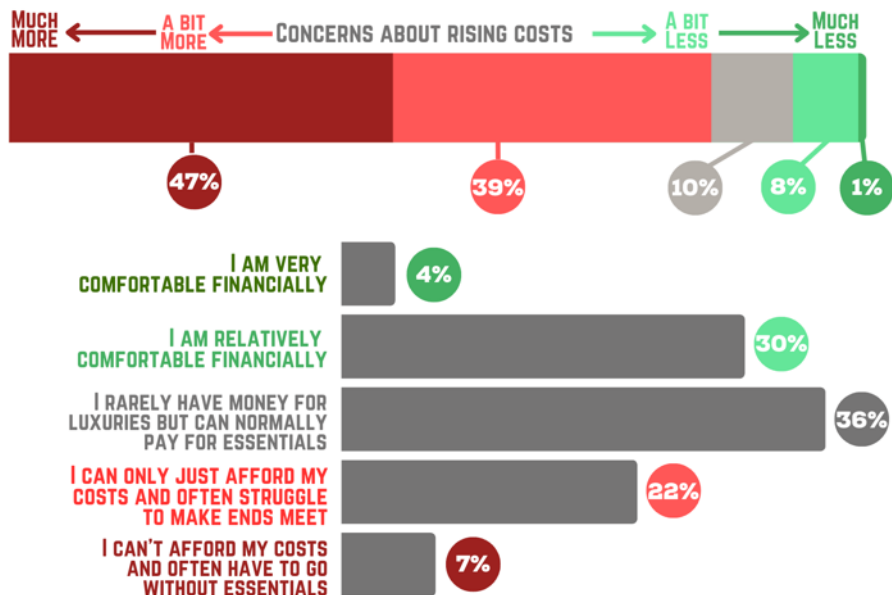


THE ISSUES OF GREATEST CONCERN FOR SCOTS - LATE JANUARY 2023

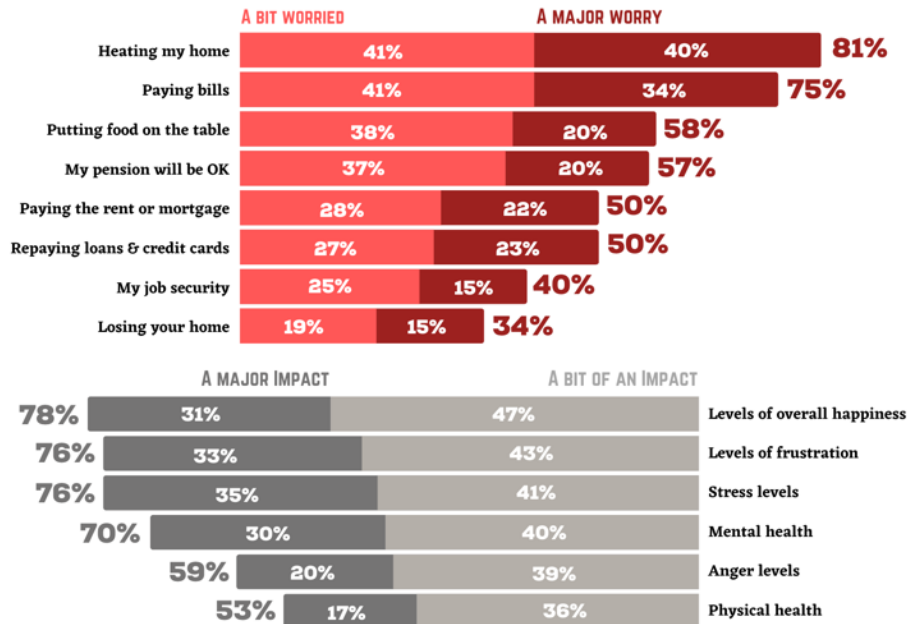


But it is the cost of living crisis that is dominating our thoughts – 86% of us are more concerned about managing our personal finances than a year ago, with three in ten financially struggling. Heating our homes and paying bills are key concerns and are impacting how we are feeling emotionally

PERSONAL FINANCES - HOW WE ARE FEELING AND COMPARISONS WITH A YEAR AGO



THE IMPACT OF THE COST OF LIVING CRISIS ON WELLBEING AND SPECIFIC WORRIES ITS GENERATING



We are much less likely to eat out, take days out or be planning holidays – and we're much more likely to be turning down the thermostat, switching off lights, buying cheaper brands and shopping in discount stores. And over a third of us are having difficulties sleeping

BEHAVIOURS - WHAT ARE WE DOING **LESS** THAN A YEAR AGO BECAUSE OF RESTRICTED FINANCES



BEHAVIOURS - WHAT ARE WE DOING **MORE** THAN A YEAR AGO BECAUSE OF FINANCIAL CONCERNS



So what are the Scottish tourism prospects for 2023?



Firstly, globally, there are a range of trends which need to be on our radar...



Reasons to leave home will persist:

- Escape the frenetic everyday
- Relax
- Recharge our emotional batteries
- Reconnect with loved ones
- Adventure activities
- Cultural immersion
- Pursue hobbies, learn new skills
- Hang out with friends
- Attend events, concerts, festivals

What will be important?

- Space: outdoors – rural – activities
- Value for money – but also ‘Save and Splurge’
- Flexibility: cancellations, refunds
- Accessibility: easy to find, book, & reach
- Balance between technology and personal: efficiency vs. reassurance
- ‘Bleisure’ – long stay working rentals
- Use of third party travel agents to provide cover & reassurance



The importance of sustainability and 'eco choices' continues to grow – and are linked to a desire for local food and drink and authentic experiences



Sustainability

Almost a third of Scots factor in green credentials when choosing their accommodation (31%)

31%

61%

Local Food and Drink

Six in ten choose places to eat that source local food and drink

Authenticity

Real, authentic experiences make visits much more enjoyable to most Scots

65%

To understand trends for this year, it's important to understand the context by looking at the holidays taken by Scots last year



Where?

2022 - taken In Scotland



2022 - taken to other UK



2022 - taken to Europe



2022 - taken long haul



Specific Destinations

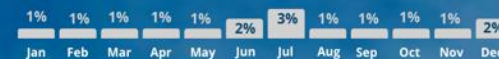
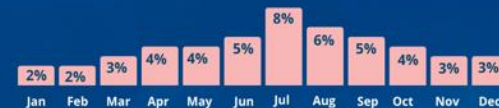
HIGHLANDS	13%	BORDERS	4%
EDINBURGH	8%	PERTSHIRE	4%
GLASGOW	7%	FIFE	4%
L LOMOND, ARGYLL	6%	ABERDEENSHIRE	3%
ISLANDS	6%	ANGUS & DUNDEE	3%
AYRSHIRE	4%	DUMFRIES & GALL	3%

NW ENGLAND	7%	MIDLANDS	4%
LONDON	6%	SE ENGLAND	2%
NE ENGLAND	6%	WALES	2%
SW ENGLAND	5%	NORTHERN IRELAND	1%
YORKSHIRE	4%		

SPAIN & ISLANDS	16%	PORTUGAL	3%
FRANCE	6%	NETHERLANDS	2%
ITALY	4%	TURKEY	2%
GREECE & ISLANDS	3%	GERMANY	2%

USA	4%	SOUTH AMERICA	1%
CANADA	2%	SOUTH AFRICA	1%
ASIA	2%	SOUTH EAST ASIA	1%
MEXICO	1%	OTHER	1%
AUSTRALIA	1%		

When?



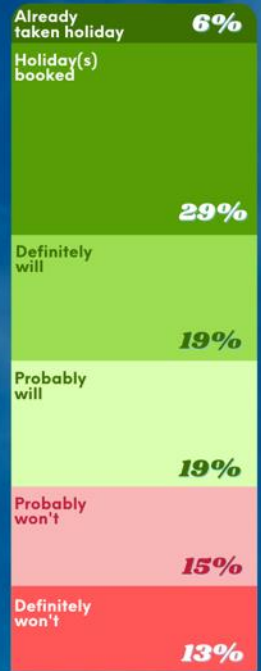
70%
of Scots adults took at least one holiday in 2022



This year, the proportions expecting to take Scottish holidays are down on last year – with European and longer haul destinations showing recovery. However, the lead times for booking should be borne in mind – with last minute breaks in Scotland always a possibility



of Scots intending to take holidays in 2023



2023 - anticipated In Scotland



HIGHLANDS	10%	DUMFRIES & GALL	3%
ISLANDS	10%	AYRSHIRE	3%
EDINBURGH	6%	FIFE	3%
L. LOMOND, ARGYLL	6%	ANGUS & DUNDEE	3%
GLASGOW	5%	BORDERS	3%
PERTHSHIRE	4%	ABERDEENSHIRE	2%

2023 - anticipated to other UK



NW ENGLAND	9%	MIDLANDS	3%
LONDON	6%	SE ENGLAND	2%
NE ENGLAND	5%	WALES	2%
SW ENGLAND	4%	NORTHERN IRELAND	2%
YORKSHIRE	3%		

2023 - anticipated to Europe



SPAIN & ISLANDS	19%	TURKEY	3%
FRANCE	7%	CYPRUS	3%
ITALY	6%	GERMANY	3%
GREECE & ISLANDS	5%	CROATIA	3%
PORTUGAL	4%	NETHERLANDS	3%

2023 - anticipated long haul



USA	5%	SOUTH AMERICA	1%
CANADA	2%	SOUTH AFRICA	1%
ASIA	2%	SOUTH EAST ASIA	1%
MEXICO	1%	OTHER	2%
AUSTRALIA	1%		

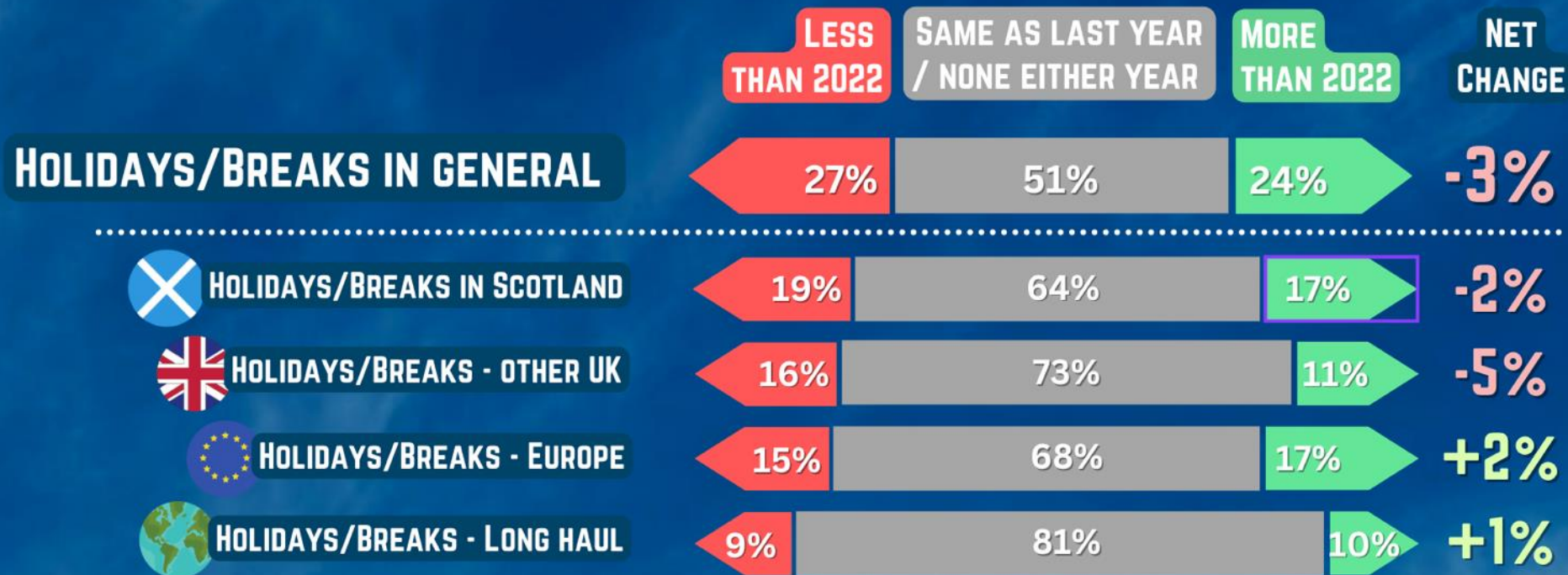
ADVANCE BOOKING TIME



Overall, at this stage, a decrease in holiday taking is likely amongst Scots, reflecting the current cost of living crisis – with domestic breaks likely to suffer at the expense of continued recovery in international travel (inbound tourism to Scotland may also therefore increase)

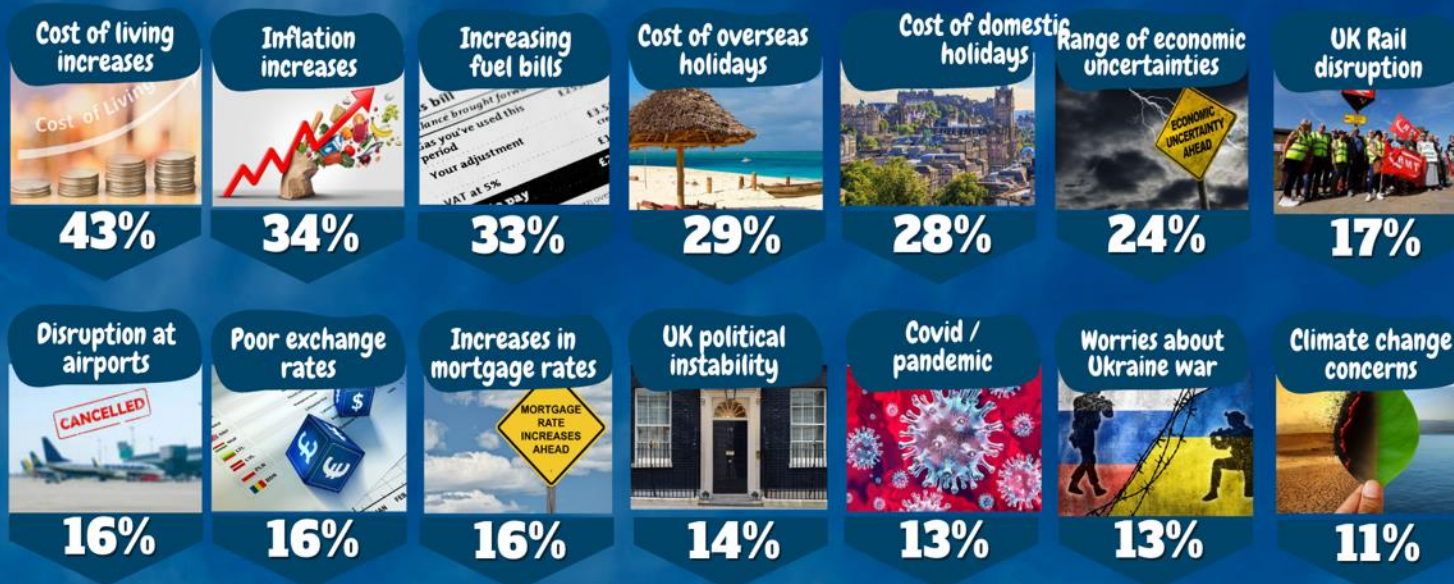


HOW HOLIDAY INTENTIONS COMPARE WITH LAST YEAR...



A number of issues will impact on potential holiday taking amongst Scots this year – however economic barriers are key

WHAT WOULD HAVE A MAJOR IMPACT ON HOLIDAY DECISIONS AND CHOICES IN 2023?



AND REMEMBER.....

42% ARE LESS LIKELY TO BE PLANNING HOLIDAYS (13% MORE LIKELY)

52% ARE LESS LIKELY TO BE TAKING LEISURE DAY TRIPS (9% MORE LIKELY)

56% ARE LESS LIKELY TO BEAT OUT IN RESTAURANTS (7% MORE LIKELY)



So how do we maximise the opportunities? Getting the right information sources in front of prospective Scots travellers at the right time is key

INFORMATION SOURCES USED BY SCOTS PLANNING A SCOTTISH HOLIDAY OR BREAK IN 2023	LIFESTAGE				
	Young Independents	Families	Empty Nesters	Retirees	
Family/friends recommendation	31%	36% ↑	39% ↑	22% ↓	12% ↓
Web: Online Review Sites	30%	34% ↑	31%	28%	23% ↓
Web: Accommodation in the area	29%	29%	26%	36%	24% ↓
Web: Things to do in the area	26%	26%	30% ↑	30% ↑	15% ↓
Web: General sites about the area	26%	23%	27%	35% ↑	21% ↓
Web: General travel sites	20%	21%	23%	22%	10% ↓
Social media	19%	38% ↑	21%	4% ↓	1% ↓
visitscotland.com	17%	12% ↓	16%	25% ↑	21% ↑
Travel apps on my phone	11%	21% ↑	9%	5% ↓	2% ↓
Travel docs/shows on TV	10%	17% ↑	5% ↓	11%	2% ↓
Tourist brochures	8%	7%	5%	9%	17% ↑
Guidebooks	7%	10%	5%	7%	7%
Newspaper travel sections	4%	5%	4%	1%	3%
Travel magazines	4%	6%	5%	4%	1%
No information sources used - trip based on previous experiences	20%	12% ↓	10% ↓	29% ↑	46% ↑

EARLY PLANS FOR EASTER

SPENDING TIME WITH THE FAMILY AT HOME	36%
VISIT FRIENDS AND FAMILY FOR THE DAY	25%
TAKE A HOLIDAY/BREAK IN SCOTLAND	16%
USE THE TIME FOR DIY IN AND AROUND THE HOUSE	16%
TAKE LEISURE DAY TRIPS FROM HOME	16%
USE THE TIME TO VISIT GARDEN CENTRES/GARDENING	13%
TAKE A HOLIDAY/BREAK ELSEWHERE IN THE UK	8%
VISIT FRIENDS AND FAMILY OVERNIGHT	8%
TAKE A HOLIDAY/BREAK IN EUROPE	5%
TAKE A HOLIDAY/BREAK FURTHER AFIELD	3%

There is a division of opinion amongst Scots about the merits of the introduction of a tourist tax. And without clear messaging of how the income would be applied to benefit the local tourism economy, there is a threat that tourists may choose to visit alternative destinations



“Legislation has been passed which means that in the next 4 or 5 years (unless the legislation is subsequently reversed), Scottish local authorities will be able to introduce a Visitor Levy – also known as a ‘Tourist Tax’. This is an additional charge to people visiting (staying overnight) in a destination as tourists.

It is anticipated that the revenue generated from such a visitor levy would be reinvested by Local authorities into the local public realm, local tourism infrastructure and promotion of the destination. This is similar to how the local visitor taxes charged in hotels and in other types of accommodation across much of Europe and the US are spent.”

