

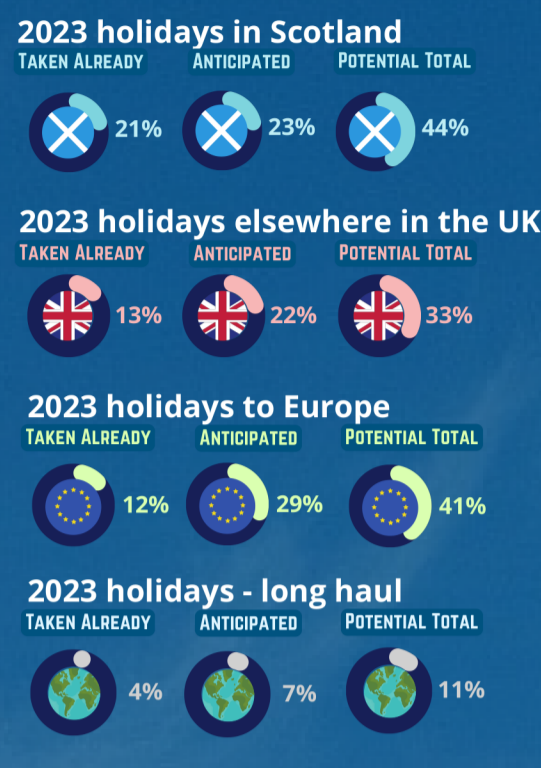
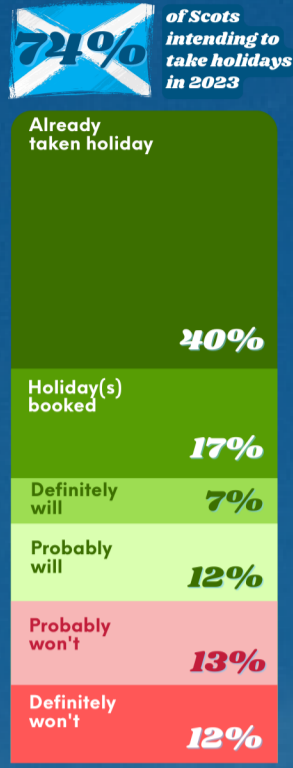
## FOLLOWING MUCH UNCERTAINTY IN JANUARY, THE SPRING SCOTTISH TOURISM INDEX SUGGESTS SOME GROUNDS FOR CAUTIOUS OPTIMISM FOR THE TOURISM INDUSTRY IN 2023, WITH GREATER RESILIENCE AMONGST SCOTS FOR HOLIDAYS - AT HOME AND ABROAD - DESPITE CONTINUING ECONOMIC CONCERNS

### WHAT IS 2023 LOOKING LIKE IN TERMS OF SCOTS' HOLIDAY BEHAVIOURS?

By the end of April this year, around four in ten Scots adults had already taken a holiday or break of some description away from home (40%). A further 17% had not yet done so but had holidays booked, whilst 7% were definite that they would take a holiday(s) this year. Some 12% 'probably' would - though this is always going to be the softest segment based on previous years' data as it is unlikely they will all convert to take holidays. Just over a quarter (26%) are already saying that a holiday is at best unlikely to be taken this year.

Already, just over one in five Scots have taken a domestic home holiday this year (21%), and with a further 23% claiming they are likely to do so, there is the potential that this year, some 44% of Scots will take a staycation of some description. The two most popular destinations are the Highlands (potentially as many as 13% visiting) and the Islands (12% - however in both cases, only around 3% have already visited these destinations this year. Just over a third intend visiting other parts of the UK this year (35%) with the North West, North East and London the most popular options.

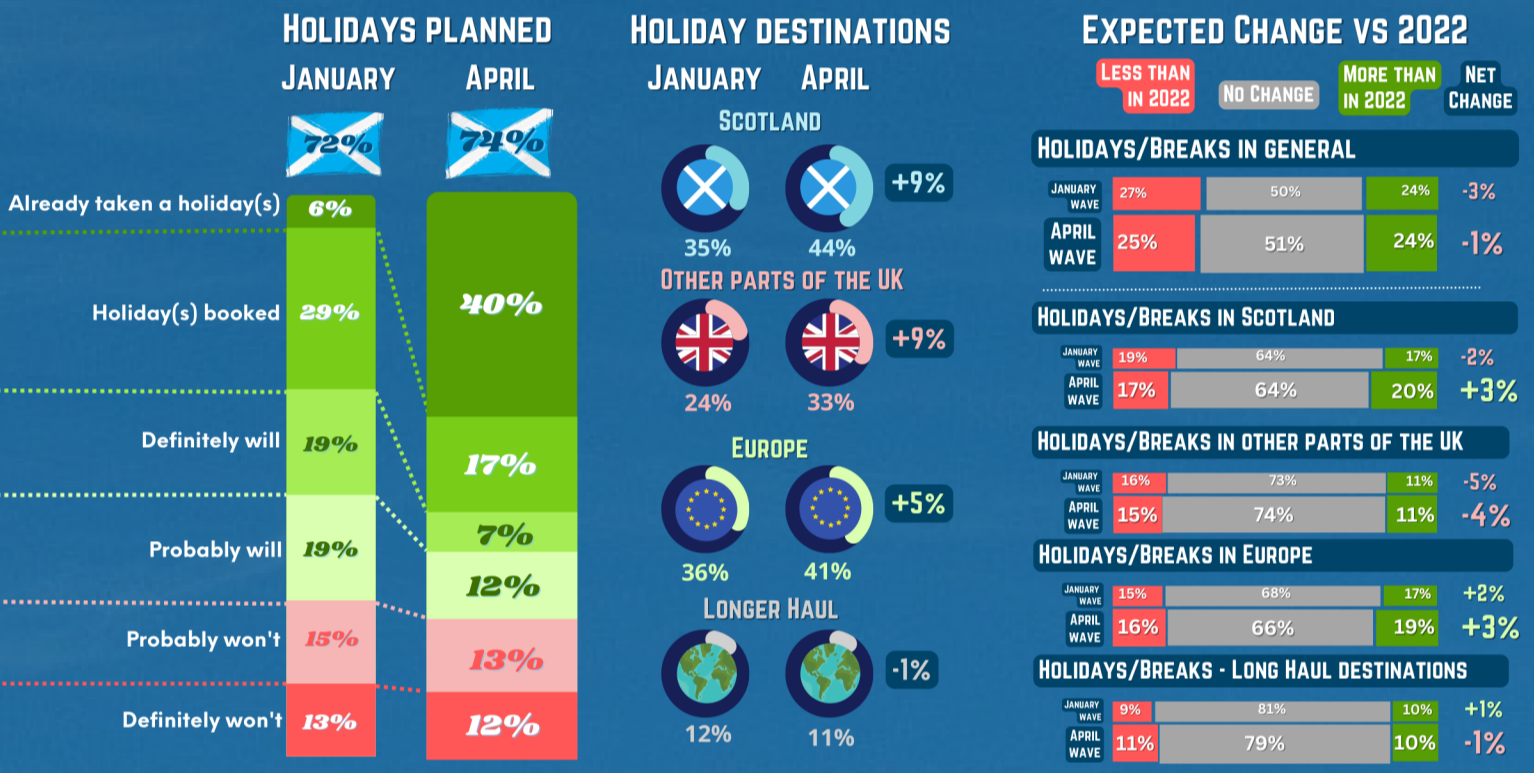
The recovery in trips to Europe continues, with just over four in ten likely to take a holiday there this year (41%) with Spain (20%), France (9%) and Italy (7%) likely to be the main beneficiaries. Travelling further afield continues to lag quite far behind (11% planning a long haul holiday) with North America the most popular region to visit.



Region	Taken	Possible	2023 Potential
HIGHLANDS	3%	10%	13%
ISLANDS	3%	9%	12%
EDINBURGH	4%	5%	9%
L LOMOND, ARGYLL	2%	7%	9%
GLASGOW	4%	4%	8%
PERTSHIRE	2%	4%	6%
DUMFRIES & GALL	1%	4%	5%
AYRSHIRE	2%	3%	5%
FIFE	2%	3%	5%
ANGUS & DUNDEE	2%	3%	5%
BORDERS	1%	3%	4%
ABERDEENSHIRE	1%	2%	3%
NW ENGLAND	3%	8%	11%
LONDON	4%	6%	10%
NE ENGLAND	2%	5%	7%
YORKSHIRE	2%	5%	7%
SW ENGLAND	1%	5%	6%
MIDLANDS	1%	4%	5%
SE ENGLAND	3%	5%	4%
WALES	3%	4%	3%
N IRELAND	3%	3%	2%
SPAIN & ITS ISLANDS	5%	15%	20%
FRANCE	2%	7%	9%
ITALY	1%	5%	6%
PORTUGAL	10%	10%	4%
GREECE / ISLANDS	10%	4%	4%
GERMANY	6%	6%	4%
TURKEY	1%	2%	3%
CYPRUS	1%	2%	3%
CROATIA	1%	2%	3%
USA	1%	3%	4%
CANADA	1%	1%	2%
MEXICO	-	1%	1%
THAILAND	-	1%	1%
AUSTRALIA	-	1%	1%
JAPAN	-	1%	1%
OTHER	1%	5%	2%

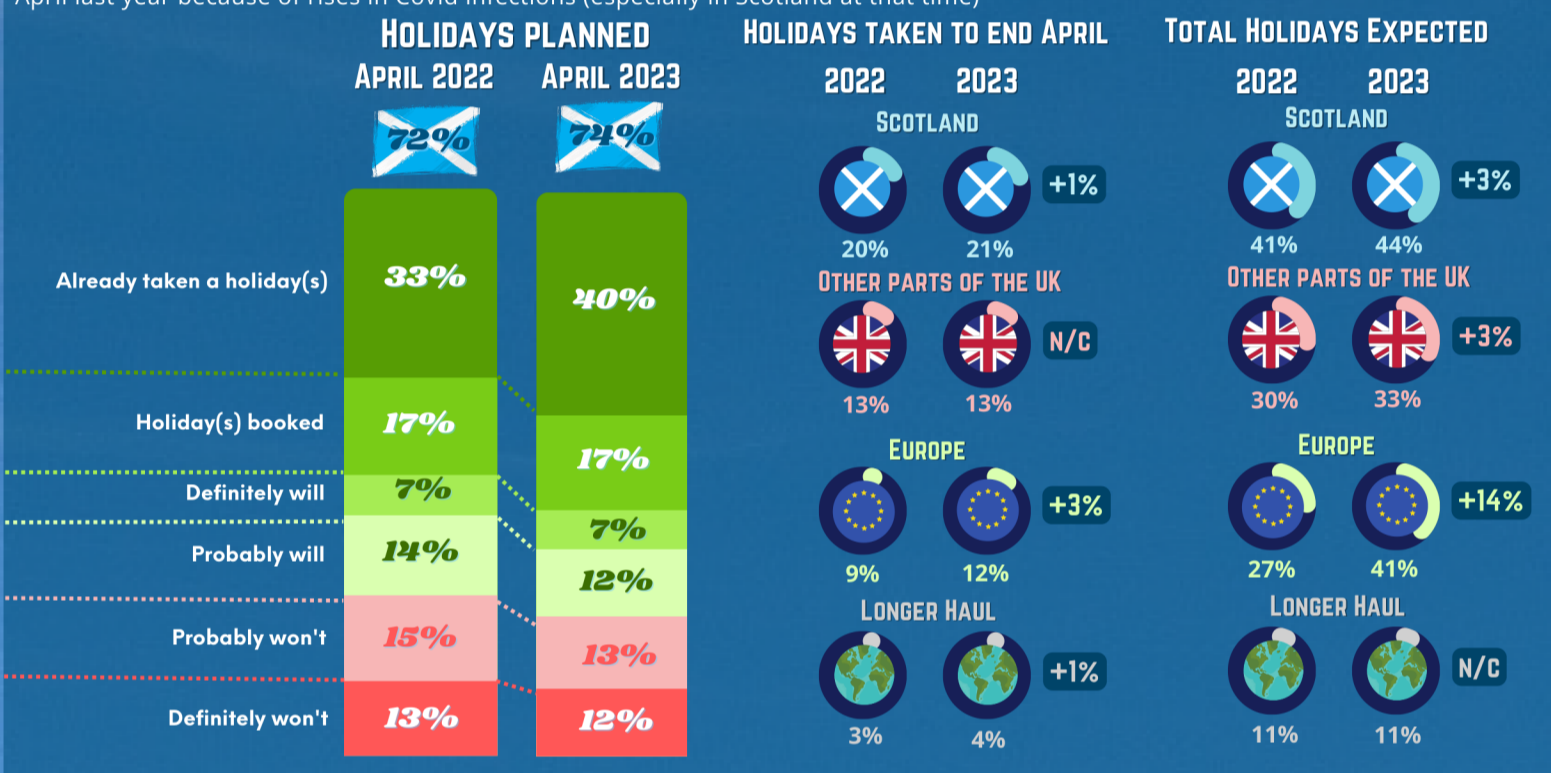
### COMPARED WITH THE START OF 2023, GREATER HOLIDAY OPTIMISM AMONG SCOTS

For many Scots, in the first wave of the Scottish Tourism Index this year (late January) there was a great deal of uncertainty around whether or not they would take holidays this year: only 35% had taken any or had booked at that stage. This has risen to 57% by late April, and the proportion unlikely to do so has decreased slightly from 28% to 26%. There are increases in the likely destinations of these holidays from January - in the case of home holidays, a nine percentage points increase from 35% to 44% anticipating a Scottish staycation. When asked to compare their likely holiday-taking behaviours with last year, although it remains slightly negative (-1%), this is less than predicted in January (-3%) and encouragingly, a +3% increase is anticipated for holidays in Scotland itself compared to 2022.



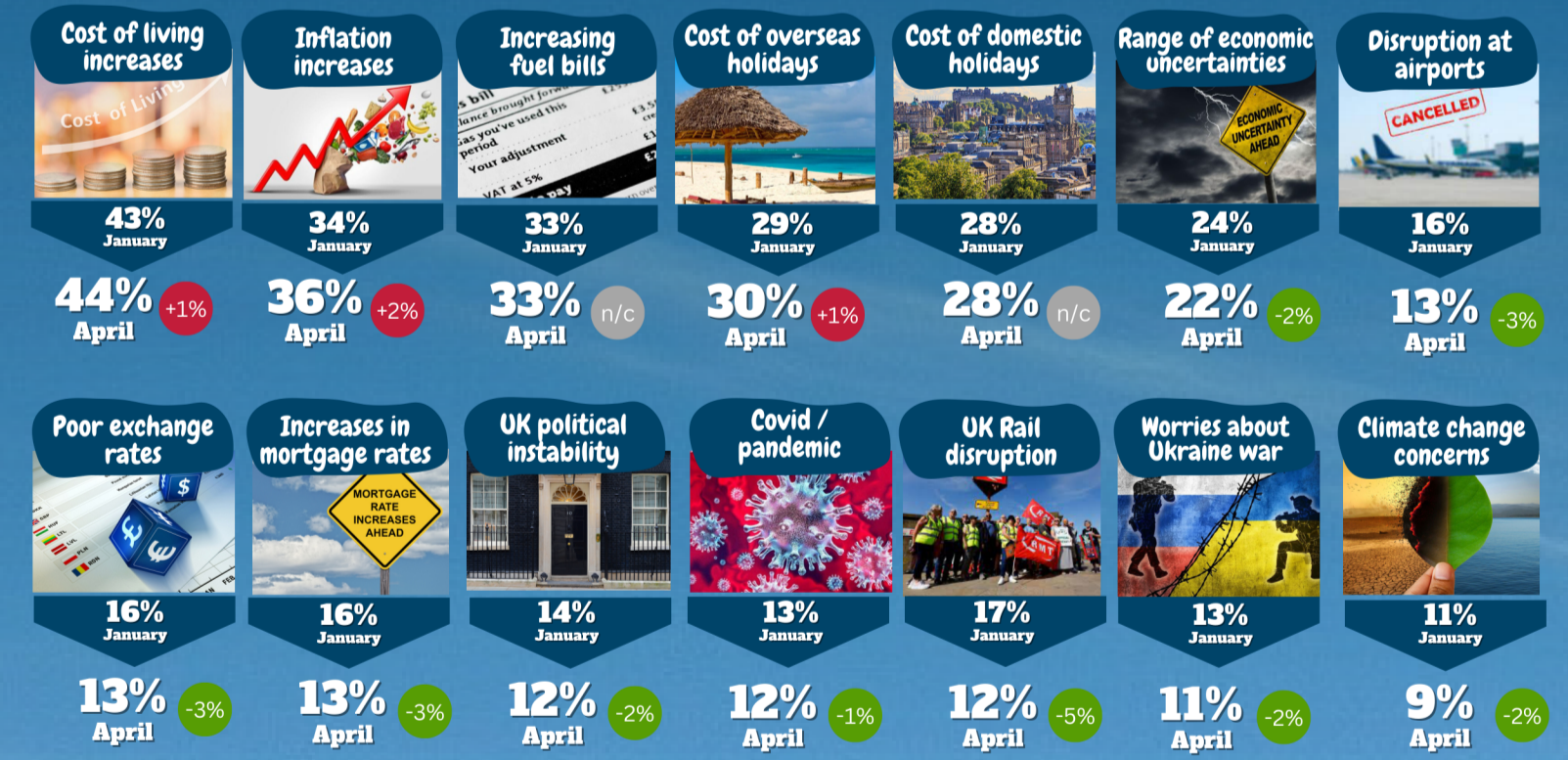
### AND FURTHER CAUSE FOR OPTIMISM COMPARED WITH THIS TIME LAST YEAR

It is also possible to compare tourism prospects amongst Scots with this time last year - we ran identical questions in the same week in late April in 2022. Encouragingly, holiday taking is very slightly ahead of where it was a year ago - 57% have already taken holidays or have holidays booked - seven percentage points ahead of last year at this time (50%). And whilst 72% of Scots anticipated taking holidays during 2022 at this point of the year, this has increased to 74% in 2023. Slightly more Scots have already holidayed in Scotland this year compared with the same time last year (21% vs 20%) and whilst 41% anticipated taking any holidays in Scotland last year, this has increased to 44% this year. The main change compared with last year however is that the proportion anticipating trips to Europe has increased significantly from 27% in April 2022 to 41% this year - reflecting the uncertainties around foreign travel even as late as April last year because of rises in Covid infections (especially in Scotland at that time).



### HOWEVER, HIGH PRICES & CONTINUED ECONOMIC PRESSURES MAY STILL HAVE AN IMPACT

Despite some positive indications, there remains a lot of uncertainty about holiday taking this year - and a number of factors are likely to act as real barriers to holiday taking with economic constraints at the forefront: 44% of Scots said that the cost of living increases would have a major impact on holiday decisions and choices together with increases in inflation (36%) - and both of these factors have increased slightly in importance from January. Fuel bills (33%) and the prices charged by operators at home (28%) and abroad (30%) are also significant barriers. These economic barriers have all been maintained or slightly increased compared with the start of the year - however the other factors listed - especially rail and airport disruption have become less prominent potential barriers compared to fears in January.



### EASTER 2023 PROVIDED A BETTER THAN PREDICTED TOURISM BOOST

Back in January, we asked Scots what they expected to do during the Easter holiday period - often seen as the main starting point for the Scottish tourism season. In the April wave of the survey, we repeated the question to see how predicted behaviours compared with reality. Generally, they were fairly close to their initial plans in January - if anything, Scots did slightly more than initially planned across the spectrum of activities with spending time with the family at home the most popular (44%). Overnight breaks in Scotland (17%) and day trips (19%) were slightly higher than predicted in January, and with 4% and 10% taking breaks and day trips respectively over the weekend of the King's Coronation, the Scottish tourism and hospitality sectors have hopefully benefitted to some extent over late April-early May.

