



## Appendix 5 : A Scenario for Growth

(The figures in this section are expressed in real terms)

**Table A : Scottish Tourism 2005**

Base Case 2005				Spend per		
	Trips Base	Nights m	Value £m	Nights Per Trip	£ per Night	Trip £
<b>Overseas</b>						
Holidays	1.10	9.30	584	8.5	62.8	531
VFR	0.75	7.60	273	10.1	35.9	364
Business	0.40	2.80	217	7.0	77.5	543
Other	0.14	4.63	133	33.1	28.7	950
<i>Total</i>	2.39	24.33	1,207	10.2	49.6	505
						0
<b>UK</b>						
Holidays	9.45	37.70	2,023	4.0	53.7	214
VFR	2.18	6.80	240	3.1	35.3	110
Business	2.53	7.30	681	2.9	93.3	269
Other	0.71	1.80	62	2.5	34.4	87
<i>Total</i>	14.87	53.60	3,006	3.6	56.1	202
						0
<b>Total</b>	17.26	77.93	4,213	4.5	54.1	244

By looking at the effects of adjusting different variables we can assess what it will take for us to reach the growth ambition. Based on current estimates of market growth, scale of opportunity and prospects for intervention we have constructed a scenario for a 50% increase in tourism revenues built around the following.

- Continuing strong growth in overseas visitors with a 50% increase in holiday and VFR trips and a 35% increase in business trips.
- Slightly longer trips by overseas visitors with a 5% increase in holiday nights per trip and a 10% growth in business nights per trip.
- Increased daily expenditure by overseas visitors, up 15% for holidays, 20% for business and VFR and 10% for all other.
- A less bullish UK market – our biggest market - with only a 25% increase in holiday trips over ten years and a **reduction** of 5% in average length of stay.
- Stronger UK business tourism, with a 35% increase in trips, 10% increase in length of stay and 20% growth in daily spend
- Also good growth in VFR with a 10% increase in each of trips, nights and spend.

The results of these changes are shown in detail in the following tables.

**Table B : Scottish Tourism 2015**

Scenario One						← Factor →			Spend per Trip £
	Trips m	Nights m	Value £m	Nights per Trip	£ per Night	Trips	Nights per Trip	£ per Night	
<b>Overseas</b>									
Holidays	1.65	14.65	1,058	8.9	72.2	1.50	1.05	1.15	641
VFR	1.13	11.40	491	10.1	43.1	1.50	1.00	1.20	437
Business	0.54	4.16	387	7.7	93.0	1.35	1.10	1.20	716
Other	0.14	4.63	146	33.1	31.6	1.00	1.00	1.10	1,045
<b>Total</b>	<b>3.46</b>	<b>34.84</b>	<b>2,082</b>	<b>10.1</b>	<b>59.8</b>				<b>603</b>
<b>UK</b>									
Holidays	11.81	44.77	2,643	3.8	59.0	1.25	0.95	1.10	224
VFR	2.40	8.23	319	3.4	38.8	1.10	1.10	1.10	133
Business	3.42	10.84	1,214	3.2	111.9	1.35	1.10	1.20	355
Other	0.71	1.80	68	2.5	37.9	1.00	1.00	1.10	96
<b>Total</b>	<b>18.34</b>	<b>65.64</b>	<b>4,244</b>	<b>3.6</b>	<b>64.7</b>				<b>231</b>
<b>Total</b>	<b>21.79</b>	<b>100.47</b>	<b>6,326</b>	<b>4.6</b>	<b>63.0</b>				<b>290</b>

50% increase = £m 6319.5

**Table C : Scottish Tourism Change 2005 to 2015**

Difference from Base	Trips m	Nights m	Value £m	Nights per Trip	£ per Night
<b>Overseas</b>					
Holidays	0.55	5.35	473.77	0.42	9.42
VFR	0.38	3.80	218.40	0.00	7.18
Business	0.14	1.36	169.69	0.70	15.50
Other	0.00	0.00	13.30	0.00	2.87
<b>Total</b>	<b>1.07</b>	<b>10.51</b>	<b>875</b>	<b>-0.10</b>	<b>10.16</b>
<b>UK</b>					
Holidays	2.36	7.07	619.54	-0.20	5.37
VFR	0.22	1.43	79.44	0.31	3.53
Business	0.89	3.54	532.54	0.29	18.66
Other	0.00	0.00	6.20	0.00	3.44
<b>Total</b>	<b>3.47</b>	<b>12.04</b>	<b>1,238</b>	<b>-0.02</b>	<b>8.57</b>
<b>Total</b>	<b>4.53</b>	<b>22.54</b>	<b>2,113</b>	<b>0.10</b>	<b>8.90</b>

**Please note:** the baseline used for this scenario is 2005 and the focus on possible change in Scottish Tourism over the ten year period until 2015. The information contained within this document should be viewed a possible outcome rather than a forecast.