

A photograph of two hikers walking away from the camera on a dirt path in a mountainous landscape. The hiker in the foreground is a woman with a colorful backpack, and the hiker behind her is a man with a grey and yellow backpack. They are walking through a field of dry, brownish vegetation. In the background, there are large, rugged mountains under a clear blue sky. A small white building is visible in the distance on the right side of the path.

# **SCOTTISH TOURISM**

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## TWO-YEAR RECOVERY RECOMMENDATIONS

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A REPORT BY

THE SCOTTISH TOURISM EMERGENCY RESPONSE GROUP  
PUBLISHED: NOVEMBER 2021



# CONTENTS

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<b>INTRODUCTION</b>	<b>3</b>
<hr/>	
<b>FOREWORD</b>	<b>6</b>
<hr/>	
<b>THE JOURNEY TO DATE</b>	<b>7</b>
<hr/>	
<b>PHASE 1: IMMEDIATE RECOVERY MEASURES 2021-2022</b>	<b>8</b>
<hr/>	
<b>PHASE 2: TWO-YEAR RECOMMENDATIONS 2022-2024</b>	<b>9</b>
<hr/>	
<b>TOURISM SECTOR CONSULTATION</b>	<b>13</b>
<hr/>	
<b>RECOVERY PROPOSALS FOR 2022-2024: OVERVIEW</b>	<b>18</b>
<hr/>	
<b>THE ROUTE AHEAD</b>	<b>28</b>
<hr/>	
<b>ACKNOWLEDGEMENTS</b>	<b>29</b>

## INTRODUCTION

This report presents a package of proposals developed by the Scottish Tourism Emergency Response Group (STERG) to support the responsible, inclusive recovery of Scotland's tourism sector between 2022 and 2024.

STERG was created to respond to the COVID-19 crisis in March 2020 and to support tourism businesses to recover from the pandemic. It is a partnership between VisitScotland, the Scottish Tourism Alliance, The Convention of Scottish Local Authorities, Scottish Enterprise, South of Scotland Enterprise, Highlands and Islands Enterprise, Skills Development Scotland and the Scottish Government.

Its remit is to coordinate the response of key public agencies involved in tourism, facilitate the sector's recovery by working with the industry and Scottish Government and offer support and advice to individual businesses, destination and sector organisations.

Based on the formal set of recommendations made by the **Scottish Tourism Recovery Task Force** in late 2020, the Scottish Government requested that STERG develop a recovery plan.

A £25 million programme developed by STERG has already provided the foundation and first phase of support for a sustainable recovery and a significant amount of research and consultation has been undertaken to identify the opportunities and challenges that are likely to emerge for Scotland's tourism sector in 2022 and beyond.

This report provides an overview of the phased planning process and presents a set of proposals which build on the Task Force recovery recommendations and are aimed at addressing the very real challenges faced by the tourism sector as a result of the global slowdown in tourism seen during 2020-2021.

They are also designed to tackle the longer-term issues that the tourism sector must address as a matter of urgency, including the transition to Net Zero, the adoption of Fair Work practices and improved use of data and insights to support more informed decision making across the sector.

These proposals represent a bridge to take Scotland's tourism sector from 'surviving' to 'thriving' so that it can emerge stronger, and able to deliver on the long-term outcomes that the national tourism strategy, *Scotland Outlook 2030: Responsible Tourism for a Sustainable Future*, aims to achieve. These are:

- **A more resilient, agile sector capable of managing future shocks and change, building longer term sustainability and profitability.**
- **A greener low carbon exemplar sector which delivers tangible community and social benefit, creating and developing sustainable destinations.**
- **Skilled sustainable workforce with improved employee working conditions built on fair work principles creating a committed, diverse and valued workforce.**
- **A globally recognised sector - considered world class in key sectors and providing the very best, authentic and memorable experiences.**

Together we can show the world that the way we recover matters, and in doing so, realise our stated ambition of being the world leader in 21st century tourism.



Credit: VisitScotland / Paul Tomkins

*The recommendations in this report were submitted by STERG to the Scottish Government in August 2021, following a comprehensive consultation process with over 100 tourism sector stakeholders, background research and a review of international best practice. They should not be attributed as the views of any one individual or organisation.*





## FOREWORD

I know the considerable effort that has gone into coproducing the proposed programme of activity for the second phase of the Tourism Recovery Programme, on behalf of the Scottish Tourism Recovery Taskforce. The aim of this programme is to address continued recovery, over the next two years (2022-2023 and 2023-2024). I would like to thank everyone who took part in the Stakeholder consultation process.

The Tourism Recovery Programme is essential to set Scotland's tourism and hospitality industry back on track to achieve the vision of our National Tourism Strategy - Scotland Outlook 2030. Phase 1 of the Tourism Recovery Programme (2021-2022) is already in delivery, and ten recovery projects are being implemented by our delivery partners. These projects are already having a significant positive impact throughout the entire tourism supply chain.

In 2019, tourism activity was a major driver of the Scottish economy, worth an estimated £11.6 billion, a notable annual increase of 9% from 2018. Tourism and Hospitality have faced very severe challenges as a result of the pandemic. I do not underestimate these challenges. The Tourism Recovery Programme aims to provide Scotland with the necessary impetus to become the world leader in 21st century tourism.

Tourism is definitively a force for good – creating value in every corner of Scotland and enhancing the well-being of everyone who experiences it. Tourism makes Scotland richer, economically, environmentally and socially. The Phase 2 recovery proposals have the potential to deliver greater, greener and fairer prosperity for Scotland in line with Scotland Outlook 2030 – Responsible Tourism for a Sustainable Future as well as the 10-Year National Strategy for Economic Transformation.



**IVAN MCKEE**

MINISTER FOR BUSINESS, TRADE,  
TOURISM AND ENTERPRISE

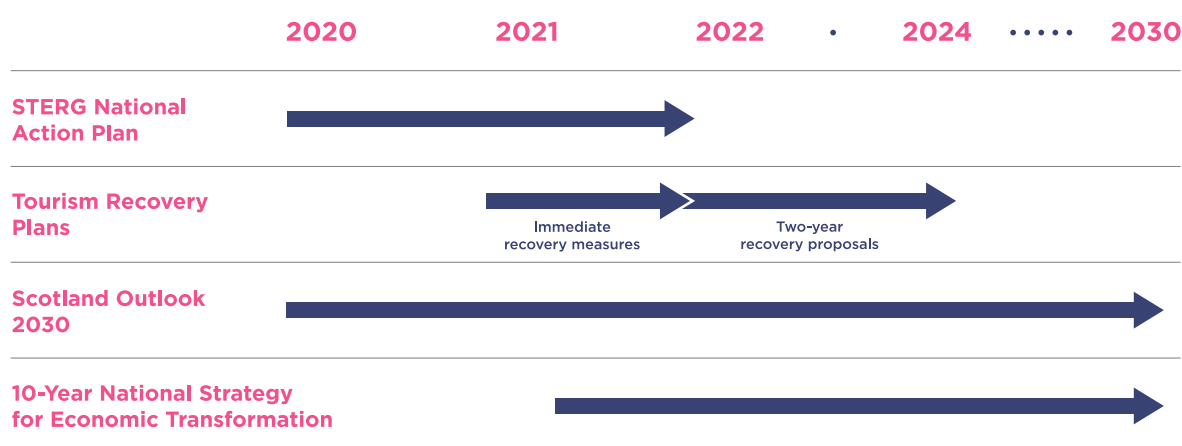


## THE JOURNEY TO DATE

Since the first public health restrictions were introduced in March 2020, the COVID-19 pandemic has had a swift and profound impact on Scotland's tourism sector. The right response has consistently required careful planning and widespread dialogue with tourism businesses of all sizes to ensure that all views are taken into account and that the measures taken reflect the needs of the sector. Furthermore, new twists and turns in the pandemic, such as repeated lockdowns and the challenges associated with reopening businesses under tight restrictions, have required STERG members to continually monitor and adjust plans, and to seek further support from the UK and Scottish Governments when necessary.

In spite of the challenges presented by the pandemic, continual dialogue with the tourism sector has confirmed that the long-term vision and priorities set out in Scotland Outlook 2030: Responsible Tourism for a Sustainable Future remain the right path for the sector to follow. The aim of the recovery planning process is therefore to put Scotland's tourism sector in the best position for achieving its Outlook 2030 goals, while helping the sector to deal with the specific challenges presented by the pandemic. Planning has been carried out in two key phases. Phase 1 has focused on responding to the immediate recovery as the sector has gradually reopened. Phase 2 will focus on managing longer-term challenges over the next two years.

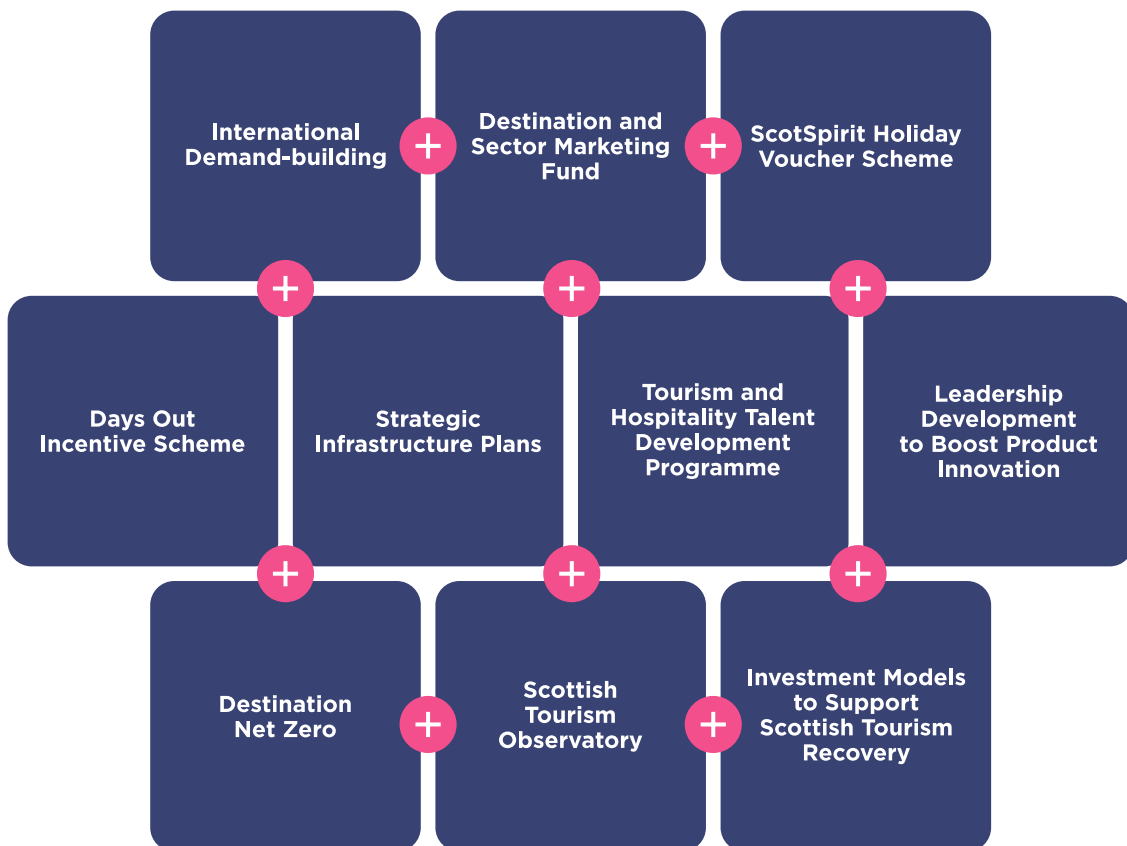
The illustration below sets out STERG's recovery planning process against the timeline for the STERG Action Plan which responds to immediate business needs, the Scotland Outlook 2030 strategy, and the 10-Year National Strategy for Economic Transformation. The recommendations presented in this report respond to Phase 2 of the recovery planning process described above.



## PHASE 1: IMMEDIATE RECOVERY MEASURES 2021-2022

The **first** phase of recovery planning work carried out by STERG provided immediate, essential measures to support the short-term recovery of the sector. This consisted of a carefully structured package of 10 projects to be delivered during the financial year 2021-22. These 10 projects (summarised below) are currently underway, with each led by one or more STERG members and delivered in collaboration with a range of public and private sector partners. The Scottish Government has allocated £25 million to March 2022 to support the delivery of these projects.

More information about these projects is detailed on [STERG's tourism recovery programme web pages](#).





## PHASE 2: TWO-YEAR RECOMMENDATIONS 2022-2024

### Background

The consultation and planning process to produce the recommendations in this report took place between March and September 2021. This period saw the gradual scaling-back of most major public health restrictions, and the reopening of Scotland's tourism, hospitality and events sector. However, given the uncertainty of the pandemic and its deep impact on daily life, returning to 'normal' has not been - and is still not - a smooth process. Tourism is widely accepted as the global industry most affected by the pandemic and the impact of the substantial drop in visitor numbers remains significant. It is clear that the reopening of our sector does not automatically equate to recovery and survival remains a genuine concern for many tourism and events businesses. Some businesses will require significant support over a sustained period of time to restart their operations while others will need investment to rebuild amid the continued uncertainty caused by the pandemic.

### The global context

According to the World Tourism Organization (UNWTO), in June 2021, 29% of destinations around the world still had their borders completely closed to tourism, and 34% had their borders partially closed (for example, to travellers from specific countries, or subject to certain quarantine conditions). Even where borders have opened and travel has been possible, the additional time and money required for quarantine and testing has prompted many travellers to stay closer to home.

Testing, vaccination programmes and the use of digital COVID-19 certificates have been key to enabling the gradual reopening of borders around the world. For much of 2021, inbound travel to the UK has been restricted, or subject to testing requirements. This has been an important part of keeping our nation safe. With international visitors representing a significant share of tourism spending in Scotland pre-pandemic, our tourism sector has, however, been heavily impacted by the restrictions on inbound travel to the UK.

While Scotland's tourism sector is ready and eager to welcome back visitors from around the world, it is important to recognise that some COVID-19-related issues are outwith our control, given that visitor demand is subject to factors such as:

- **International travel restrictions applied in our source markets:** How easy is it for our core markets to leave their country and travel here? Do their governments allow it?
- **Connectivity:** How easily can our visitors get here? What routes are available?
- **Consumer confidence:** What is consumer confidence like in our source markets?







## OTHER FACTORS AFFECTING SCOTTISH TOURISM

In addition to the specific issues relating to COVID-19, a number of additional (often inter-related) challenges set the context for the two-year recommendations described in this report. These include:

- **Brexit** - The full impact of Brexit is gradually becoming clearer. The significant reduction in the EU workforce, as well as changes to UK entry requirements for EU nationals holding an ID card but not a passport, have impacted both supply chains and the ease of visiting Scotland.
- **Labour and skills shortages** - This is one of the most pressing challenges facing the hospitality sector. Pre-COVID-19, tourism was the sector most dependent on non-UK workers (16% of workforce)<sup>1</sup>. The reduction in migrant workers has left many businesses unable to recruit a full workforce, resulting in closures and scaled-back service. Pre-existing skills shortages (e.g. chefs) are also contributing to the recruitment challenge.
- **Challenging operational environment** - Day to day operations and forward planning have become especially challenging due to high energy costs and issues affecting the supply chains that Scottish tourism businesses rely on. As a result of these and other factors, businesses are having to deal with rising operational costs.
- **Business survival** - A diverse, attractive offer of quality experiences across Scotland depends on businesses and attractions - particularly in remote areas - surviving amid the current highly challenging conditions. Shops, bars and restaurants that serve local people often depend on visitors for a substantial proportion of their income, which has been severely impacted by lockdowns as well as national and international travel restrictions.
- **Footfall in our towns and cities** - The sharp increase in remote working and online shopping has changed the dynamics of Scotland's towns and cities, with a knock-on impact on businesses serving commuters, business events and shoppers. The long-term effects of these trends are yet to be fully understood.
- **The ups and downs of the staycation market** - Scotland has become a popular destination for UK 'staycationers' and that's something to be celebrated and repeated in years to come. As international travel gradually resumes it will be important to maintain loyalty among the visitors we've welcomed to Scotland, while ensuring that popular locations are well managed, for the benefit of locals and visitors alike.
- **Climate change, local community and global travel** - The enforced slowdown of daily life has also forced people around the world to reassess their personal priorities and pay closer attention to the state of the environment and their local community. Structural disruption to the aviation sector, consumers' reduced willingness to fly, as well as the need for stricter governmental controls on aviation expansion may have implications for the flow of international visitors to Scotland.

- **Public funding and delivery** - Large-scale public funding measures introduced to support businesses during the height of the pandemic are gradually being reduced, while pressure on public finances will require a rethink about how some tourism-related projects and programmes are financed in the longer-term.

*To learn more about our starting point and the challenges and opportunities highlighted by Scotland's tourism sector during the 2021 consultation phase, please see the section 'Stakeholder consultations - what we heard.'*

## RECOVERY PLANNING: AN OPPORTUNITY

As the Organisation for Economic Cooperation and Development (OECD) has [pointed out](#), **the crisis, and the recovery plans that are being put in place by countries around the world, are a once in a lifetime opportunity to move towards more sustainable and resilient models of tourism development.** This sentiment is guiding our approach in Scotland too. The vision of the national tourism strategy Scotland Outlook 2030 is for Scotland to become the leader in 21st century tourism, with a thriving, responsible visitor economy. To achieve this we need to show global leadership in terms of the measures that we prioritise and invest in as we move forward.

## CONDITIONS FOR RECOVERY

In order for the actions that have been planned under the proposals in this report to be effective, firstly, the right conditions for recovery must be in place. These conditions relate to a wide variety of policy areas beyond those linked to the tourism sector specifically. If successfully implemented, they can help

to create an enabling environment which promotes business recovery, growth in jobs, and improved local quality of life, through greater opportunities to enjoy the health and cultural benefits that tourism activity can bring to communities. These conditions for success also depend on collaboration at national, regional and local level. As such, they should be taken into account when developing local tourism recovery plans and strategies too. The key conditions, which will make the most profound impact, include:

- **A consistent and coordinated policy response from the UK and Scottish Government that reflects tourism businesses' ability to operate safely and responsibly**
- **Implementing supportive fiscal policies and proportionate legislation.**
- **Providing strategic, targeted support measures for key sectors, destinations, our important assets across the sector and the industry supply chain;**
- **Ensuring favourable financing conditions for servicing debt and enabling investment;**
- **Restoring international travel connectivity to ensure that Scotland is well connected as international travel demand returns.**
- **Embracing the benefits of technology, data and digitalisation to enable and accelerate the recovery process across the tourism sector.**
- **Adopting sustainable practices throughout our businesses and destinations, in order to achieve our Net Zero ambitions**

<sup>1</sup>Source: ONS, Annual Population Survey, Jan-Dec 2019

<sup>2</sup>European Travel Commission (2021) Handbook on Sustainable Tourism Practices



## TOURISM SECTOR CONSULTATION

### WHAT WE HEARD

The recommendations in this document were identified through a comprehensive stakeholder consultation process, facilitated by TOPOSOPHY Ltd, an international agency specialised in tourism strategy and research. The consultation was based on the same principles as the national tourism strategy Scotland Outlook 2030; that the outcome should be underpinned by robust research, based on the real needs of Scotland's tourism sector, and be well adapted to address future trends and challenges. The consultation revealed valuable first-hand insights on the issues that businesses are facing, and the strategic issues that are likely to have the greatest bearing on success in the coming years. The consultation included:

- **Online stakeholder workshops** – these focused on each of the four strategic priorities identified in Scotland Outlook 2030. Participants included Scotland's tourism business community (from micro-enterprises to multinational corporations)
- **In-depth interviews** – these were conducted with business leaders, tourism policy makers from across Scotland
- **Sector Association consultation** - lead representatives of Scotland's tourism business associations heard findings from the themed workshops and gave their feedback
- **Tourism Task Force review** - at two milestone stages, the Scottish Tourism Recovery Taskforce debated the recommendations and put forward their views

- **Civil society groups** - organisations including Keep Scotland Beautiful, SENScot and the Scottish Council for Voluntary Organisations set out their strategic priorities and how the recommendations could best support their work
- **Industry collectives** - organisations such as Creative Scotland, Interface Scotland and TravelTech Scotland provided the views of their partners, together with detailed recommendations
- **Review of international best practices** - inspirational examples of recovery work occurring around the globe, that could prove effective if adapted and adopted in Scotland, were taken into account.

The main consultation phase of this project took place during April 2021, with the four main industry workshops taking place during the period 23rd - 30th April. On Monday 26th April a milestone was reached as hospitality businesses in Scotland were permitted to reopen following nearly six months of restrictions and closure. This provided an important and timely opportunity to reflect on the challenges faced since the start of the COVID-19 global pandemic, while also looking ahead to the prospect of travel and tourism restarting.

The STERG members would like to sincerely thank everyone who contributed their time and energy to supporting the process of compiling these recommendations. A full list of the organisations invited to participate is provided at the end of this document.

## WHAT WE HEARD

A summary of what we heard in the Spring 2021 consultation is provided in the following section. This includes headline findings (issues which arose most frequently, or which have an impact on the overall approach to the two-year recommendations) and findings relating to each of Scotland Outlook 2030's four strategic priorities: Rebuild our Diverse Businesses, Protect and support our Passionate People, Restore our Thriving Places and Reimagine our Memorable Experiences.

### CONSULTATION - HEADLINE FINDINGS

- **The ambition and priorities in Outlook 2030** are still valid and the right approach to follow. Due to the pandemic, some aspects such as Fair Work and Net Zero should now be accelerated more urgently than before.
- **The best ways to help businesses trade and thrive are to focus even more intensely on the 'Conditions for Success'** identified in Outlook 2030. This means harnessing the power of digital technology; providing a supportive policy and regulatory landscape; easier access to public and private investment; improving transport and digital connectivity; supporting a strong cross-sector business network and ensuring strong domestic and international positioning for Scotland.
- **Local communities** across Scotland have been heavily affected by the decline in visitor spending. The pandemic has exposed the interdependent relationship between a thriving tourism sector and thriving communities.
- **The shortage of skilled staff** has quickly become one of the main challenges preventing businesses from fully reopening.
- **Working during the pandemic has been stressful.** In addition to receiving a fair wage, tourism sector employees need improved support, compassion and flexibility in order to make careers in the sector more attractive.
- **Pressure of visitor numbers at some locations** during specific periods has highlighted the need for improved planning and infrastructure at local level, as well as timely intervention when specific local issues arise.



## REBUILDING OUR DIVERSE BUSINESSES

### WHAT WE HEARD:

- **The pandemic has been punishing for Scotland's tourism businesses.** The fall in demand and challenges faced as the sector reopened mean that many businesses are still operating in 'survival' rather than 'recovery' mode.
- **Many businesses have innovated to survive.** As a result, digitalisation has accelerated and businesses have tapped into new sources of income (e.g., subscription models, virtual tours and tastings or online events) which provide valuable lessons for reaching new audiences in the future.
- **Some small businesses struggle with day-to-day basics** such as admin, banking, communications and human resource management, suggesting a need for improved training and support.
- **Tourism businesses need an agile and adaptive regulatory environment to support trade.** For example, faster decision making on planning issues by local authorities can help businesses to make better use of outdoor spaces and continue to operate year-round.
- **To contribute effectively to achieving a Net Zero Society,** businesses need clear guidance on what is expected of them and support with putting official recommendations into action.

## REIMAGINING OUR MEMORABLE EXPERIENCES

### WHAT WE HEARD:

- **Scotland is receiving new, and different visitors, especially from the rest of the UK.** 'Staycations' are on the rise, especially among larger family and friend groups, and those looking to explore the country's landscapes on foot or by bike.
- **Visitors are discerning and (even more) digitally savvy.** Many consumers in the UK have money saved up and are willing to spend in Scotland. They're also adept at composing their trips online and using online tools to get best value for their budget.
- **The great outdoors is one of Scotland's biggest assets.** It's attracting many more visitors to explore further and more frequently. This provides an opportunity for more year-round outdoor experiences, but also requires us to work together to provide better outdoor infrastructure and roadside facilities.
- **Supply chains:** The pandemic confirmed the importance of strong local supply chains. Strengthening them will help to build local resilience and gives visitors the produce they are looking for.

## PROTECTING AND SUPPORTING OUR PASSIONATE PEOPLE

### WHAT WE HEARD:

- **The Fair Work Agenda has become more important than ever before.** In addition to fair wages, aspects like improved employee wellbeing are key to making the sector a more attractive place to work.
- **Digital acceleration means increased demand for digital skills.** As businesses do more online, this has underlined that digital skills (e.g. in data processing and digital marketing capability) are increasingly essential if businesses are to thrive.
- **It is important that young people are aware of tourism as an employer, and that they reach the sector with the skills needed.** These include great service skills, skills to support our sustainability goals, such as the need to decarbonise the tourism sector or improve tourism's impact on communities. These should bring benefits for individuals and the sector as a whole.

## RESTORING OUR THRIVING PLACES

### WHAT WE HEARD:

- **Towns and cities are facing structural changes** (e.g. related to working patterns and online shopping) and visitors will need compelling reasons to stay and explore. Place activation (e.g. through dedicated events, thriving hospitality venues, good transport links and longer opening hours) will be key to this.
- **Working first with local communities brings benefits for all.** Tourism should be done with communities, not to them. Future developments should recognise local communities as a vital stakeholder, who underpin the uniqueness of our places and generate important local demand.
- **Scotland has a dense network of local tourism marketing and management organisations.** Looking ahead, greater coordination across regions, and within communities, is needed, as well as improved resourcing and skills, to be able to support businesses and the local community effectively.

All of the points that were put forward in the consultation process have helped to inform our approach in compiling the two-year recovery proposals. These are explained in the following pages.

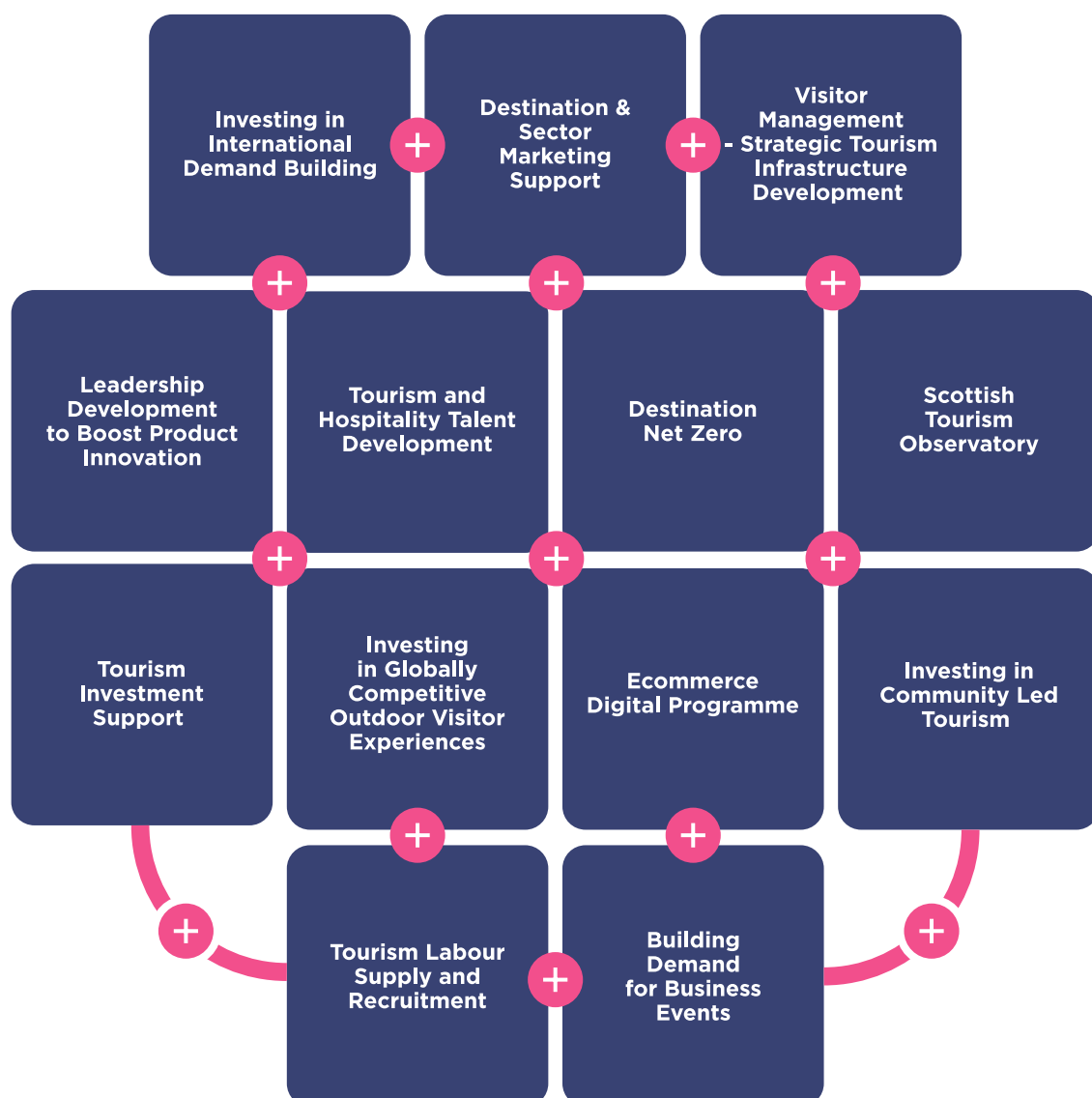




## RECOVERY PROPOSALS FOR 2022-2024: OVERVIEW

The following 13 proposals are individual but interconnected; in other words, whilst each would be expected to deliver specific and discrete objectives, their collective positive impact is amplified when all are delivered together as a comprehensive recovery programme. Furthermore, each proposal is specifically designed to boost recovery by going over and above ‘business as usual’ for all the stakeholders involved in delivery.

Crucially, seven of the projects established under the Phase 1 Recovery Measures described on page 8 are designed to be substantially scaled up to ensure that they achieve transformational impact for Scotland’s tourism destinations, communities and businesses. A further six new proposals are designed to accelerate recovery further and ensure that Scotland’s tourism sector is well-placed to capitalise on emerging consumer and business trends. Collectively, the overall programme will provide recovery support for the period 2022-2024 but is also positioned to continue to deliver core objectives beyond that period.





## INVESTING IN INTERNATIONAL DEMAND BUILDING

As international travel returns; we need to ensure that Scotland is well connected with its key markets and is a first-choice destination; particularly for high spending international visitors.

### WHY?

The COVID-19 pandemic has created many challenges for Scotland's tourism sector, however it has also created some opportunities as global consumers take a renewed interest in experiences that play to our strengths, such as outdoor activities and exploring our unique natural and built heritage. To capitalise on these opportunities, we must ensure that Scotland is front of mind as global consumers make their travel plans, and that the right transport connections are in place to ensure easy access to all parts of the country.

### Key elements of this proposal include:

- Restoring Scotland's connectivity with key markets, working in partnership with transport providers aligned to our route development strategy
- Ensuring Scotland is front of mind for international travellers, encouraging forward bookings throughout 2022/23/24
- Developing world class visitor experiences that can be taken to market to promote Scotland as a responsible and sustainable tourism destination

## DESTINATION & SECTOR MARKETING SUPPORT

To support the delivery of a sustainable recovery and ensure Scotland grows its share in a competitive UK marketplace, it is essential to empower destination and sector groups to develop and promote high-quality, responsibly-led visitor experiences.

### WHY?

Scotland has so much to offer visitors - especially those who are keen to spend on high-quality experiences, explore further and visit year-round. To ensure that Scottish destinations and specific products achieve cut-through in the UK and overseas, this support is targeted at boosting local marketing and product development in a targeted way and structured in a way that encourages greater cross-region and cross-sector collaboration.

### Key elements of this proposal include:

- Ensuring that Scotland's cities are well positioned in order to boost nationwide recovery
- Helping destination and sector organisations to build capacity and capability to promote their members and ensure a sustainable recovery
- Increasing the number of bookable Scotland products sold online
- Delivering a coordinated marketing approach to promote Scotland to priority UK audiences
- Facilitating cross-region and cross-sector collaboration



## VISITOR MANAGEMENT - STRATEGIC TOURISM INFRASTRUCTURE DEVELOPMENT

Investment to upgrade infrastructure at key visitor locations to ensure a high-quality visitor experience, and address tourism's impact in places that are experiencing visitor pressures.

### WHY?

Before the emergence of COVID-19, some locations in Scotland were struggling at times to handle visitor demand. The relaxation of the lockdown in summer 2020, which saw higher concentrations of domestic visitors, put pressure on car parks, toilets and other local facilities, and accelerated instances of wild camping and motorhome use. This proposal seeks to address these issues by providing capital funding for permanent, strategic infrastructure that goes beyond what local authorities or community groups are able to provide.

### Key elements of this proposal include:

- Identifying infrastructure issues at specific locations (linked to the Strategic Tourism Infrastructure Development Plans in Phase 1), as well as the barriers to be addressed including planning, environmental impact, legal issues, costs and timescales required
- Providing infrastructure development at key visitor locations experiencing visitor pressures

## LEADERSHIP DEVELOPMENT TO BOOST PRODUCT INNOVATION

Leadership skills development programmes across Scotland's tourism industry, combined with support for projects that create new, innovative products in Scottish tourism.

### WHY?

Scotland's tourism sector sustains fragile communities, extensive supply chains and attracts investment. Furthermore, the significant shift in market profile of Scotland's visitor's post-pandemic has challenged tourism destinations to refocus their product and overall approach to tourism delivery. Now, to ensure a sustainable recovery, the sector needs to grow a strong network of new leaders who have the skills to innovate and help achieve the outcomes set out in Scotland Outlook 2030. This proposal recognises the diverse needs of tourism leaders in destinations, sectors and growth products areas.

### Key elements of this proposal include:

- Delivering a programme of leadership skills development for leaders across Scotland's tourism industry in rural and urban settings
- Supporting the development of innovative projects to secure recovery and renewal in places, across industry subsectors and within communities
- Supporting innovation and rural business development by focussing on rural growth sectors

## TOURISM AND HOSPITALITY TALENT DEVELOPMENT

A programme of training and skills support to support the upskilling of staff and keep good people within the tourism sector. This programme is also targeted at implementing Fair Work practices more widely across the sector.

### WHY?

The acute challenges faced by the tourism sector during reopening in 2020 and 2021 (such as shortages of skilled staff, the impact of Brexit and the increased need for digital skills) have increased the need for staff to multi-skill and up-skill to perform a wider range of tasks. It also underlines why there is a greater need to encourage more businesses to implement the principles of fair and safe work within the sector to support the drive to attract and retain staff. Supporting longer-term skills needs, such as training around carbon literacy are also a key priority if the sector is to make its full contribution to achieving Scotland's Net Zero Society commitments.

### Key elements of this proposal include:

- Supporting businesses to identify training pathways for their staff
- Delivering the priority training the sector needs
- Increasing the adoption of fair work practices across the sector.
- Supporting tourism businesses and staff to become fully carbon-literate and reduce their carbon footprint

## DESTINATION NET ZERO

The national tourism strategy Scotland Outlook 2030 recognises the need for tourism to make its full contribution to achieving a Net Zero Society by 2045. Destination Net Zero is the programme of action designed to achieve this. It includes a comprehensive package of measures to build on and scale up the first phase of the programme, delivered in 2021-22. The key aims of this second phase are to: build evidence and partnerships; prioritise investment in low carbon recovery and renewal and drive innovation for environmental, economic and social benefits.

### WHY?

In its Climate Change Plan, the Scottish Government has set a legally binding target to cut greenhouse gas emissions to net zero by 2045, as well as a target reduction in emissions of 75% by 2030. There are massive environmental, economic, and reputational risks if Scotland is unable to meet these targets. As an industry reliant on and benefiting from Scotland's environment and biodiversity, the tourism industry can view these targets as an opportunity for global positioning and motivation for sustainable economic recovery. Engagement with this programme to date has proven the significant demand from across the industry to know more, do more and contribute more towards Scotland's Net Zero ambitions.

### Key elements of this proposal include:

- Guiding the Net Zero recovery and renewal of Scotland's tourism sector, built on a strong foundation of evidence, data, monitoring, effective management and partnership
- Prioritised delivery of global best practice for carbon reduction in buildings, hydrogen, electric and active transport (for visitors and workers)
- Exploring and implementing opportunities around Local Energy Systems, Carbon Offsetting, EV and Hydrogen transport for the tourism sector







## SCOTTISH TOURISM OBSERVATORY

A comprehensive resource for Scotland's tourism industry which will make necessary, relevant, and valuable data, analysis and insight accessible and easy to use, as well as helping to expand our knowledge of tourism's trends and impacts further.

### WHY?

Data, analysis, and insight, which could help tourism stakeholders in their planning and decision-making, can be found in many places across the public, private and third sectors, and academia. However, at present, there is no single repository of this knowledge which makes it easy to use and accessible to many, and which exploits its combined value. There is a need to change this and put data to work more effectively in helping us to achieve our Scotland Outlook 2030 ambitions.

### Key elements of this proposal include:

- Creating a data hub which will ingest, store, link and manage public and private data sources relevant to the visitor economy and Scotland's places and communities
- Developing a 'wrap around' observatory (a website or data platform) where data will be analysed and visualised to provide insights defined by and designed for stakeholders
- Gathering valuable tourism-related research from a wide range of sources, to provide a one-stop-shop, to help stakeholders information can be found quickly and easily
- Supplying a range of resources to develop data skills and encourage usage of data for tourism

## TOURISM INVESTMENT SUPPORT

This support combines specialist expertise, debt finance and grant funding to incentivise and stimulate interest from a younger demographic of business owners and also support existing businesses to adapt and diversify their offer to meet the changing expectations of the visitor market.

### WHY?

Tourism has a vital role to play in sustaining Scotland's local economies; creating jobs, adding vibrancy, and enhancing our places, helping to improve our health and wellbeing. Continued investment has an equally vital role to play, as does the continued development of the army of committed individuals behind every tourism operation who brings our memorable tourism product to life for every visitor. Investment and guidance are key to driving long-term business profitability, innovation and recovery in the sector.

### Key elements of this proposal include:

- A package to incentivise the development and diversity of Scotland's tourism offer
- Measures to leverage private sector investment into Scotland's tourism product offer and support upgrading and diversification among existing businesses
- Incentives to drive a more balanced and sustainable owner demographic across Scotland's tourism business base, particularly in remote rural areas.

## INVESTING IN GLOBALLY COMPETITIVE OUTDOOR VISITOR EXPERIENCES

Support and investment to develop visitor experiences which respond to emerging consumer trends, particularly around nature and the outdoors, and in pre-existing visitor routes and leading tourism assets.

### WHY?

The increase in UK staycations attracted new and different visitors to Scotland, especially mountain bikers, hikers and other outdoor enthusiasts. With targeted investment in specific outdoor facilities, Scotland has a significant opportunity to become the to 'go-to' destination for these visitors, while acting as a catalyst in the local area for new business creation and wider business investment and employment.

### Key elements of this proposal include:

- Targeted investment in globally competitive outdoor visitor experiences to capitalise on visitors increased interest in exploring Scotland's great outdoors
- In collaboration with local communities, attracting visitors to places which have experienced new levels of visitor interest and footfall as a result of their location and connection with these types of experiences

## ECOMMERCE DIGITAL PROGRAMME

A national platform for enabling the tourism and events sector to be bookable across multiple third-party platforms for accommodation, attractions, activities and experiences.

### WHY?

Today, more than ever, businesses need to be findable and bookable online, yet the digital ecosystem for tourism is complex and fragmented for individual businesses to navigate and manage. Access to tourism data is also fragmented, yet we need to use it more than ever to understand consumer preferences and visitor flows. A central marketplace would enable bookability on third-party platforms for accommodation, attractions, activities and experiences via one platform.

### Key elements of this proposal include:

- Connecting buyers and sellers of Scotland's trade of accommodation, attractions, tours and events in one digital marketplace
- Working with Destination & Sector groups to provide the technology, training and support to onboard businesses to one centralised platform.
- Improving the range and quality of travel insights and while delivering an improved visitor experience

## INVESTING IN COMMUNITY-LED TOURISM

Providing support to help implement community-led tourism opportunities that will best support recovery, resilience, and local transition to a low carbon economy.

### WHY?

Communities have been at the forefront of the COVID-19 emergency response, with community organisations proving to be the critical conduit of local, place-based support to the wider community, providing leadership, local knowledge and ‘on the ground’ practical assistance. This is particularly prevalent in our more remote areas which are often distanced from support services and at the end of long supply chains. With the correct skills, targeted support and an inclusive, collaborative approach, these organisations also have the potential to play a key role in supporting tourism recovery.

### Key elements of this proposal include:

- Supporting local leadership around tourism development, and encouraging community engagement in decision making and delivering tourism experiences for visitors
- Growing capacity and skills within community-led organisations
- Enabling capital investment to accelerate opportunities to support income generation from tourism through experiences that are responsible and support the transition towards a low-carbon economy

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## TOURISM LABOUR SUPPLY AND RECRUITMENT

A programme to support the tourism sector to address challenges it faces in recruiting staff and addressing skills shortages across the sector.

### WHY?

The sector has historically suffered from a poor perception as an employer, being seen as an industry with low pay, anti-social hours and shift patterns, and as a temporary job rather than a career. It is time to make the pandemic a turning point and demonstrate that the tourism sector has a key role in the re-building of Scotland’s economy with a diverse, talented, professional, and passionate workforce behind it.

### Key elements of this proposal include:

- Developing and delivering of a campaign to promote the tourism/hospitality sector as a career of choice and attract and develop new talent
  - Raising awareness of the breadth of jobs and career opportunities that the sector offers.
  - Building stronger partnerships between industry and providers of education and training as well as the Developing the Young Workforce (DYW) network.
  - Embedding tourism related learning into the school curriculum and promote foundation, modern and graduate apprenticeships to school pupils and businesses
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## BUILDING DEMAND FOR BUSINESS EVENTS

Support to secure the hosting of internationally significant conferences between 2022 and 2030 that can bring economic and social impact to cities and regions across Scotland.

### WHY?

Business events are a vital sector for Scotland, delivering economic growth, creating jobs, and helping enhance Scotland's reputation globally. Events that are aligned with achieving the aims of Scotland's National Performance Framework and the United Nations Sustainable Development Goals are especially valuable to the country. However while the pandemic has hit the business events industry hard, many global businesses and industry associations are currently planning high-impact business events more than five years ahead. Therefore, it's now crucial to support the imminent and future pipeline of business events that make sense for Scotland, as far ahead as 2030.

### Key elements of this proposal include:

- Working across the Scottish Government, city and regional stakeholders to identify and attract major business events to Scotland from around the UK, Europe, and the rest of the world
- Supporting revivals or hybrid versions of conferences already scheduled to take place, in order to maintain the future viability of home-grown conferences in Scotland
- Pursuing of international conferences for which the bidding and planning process has already started







## THE ROUTE AHEAD

The successful delivery of all Phase 1 recovery projects continues to be a priority for STERG. The next stage of STERG's planning work, will be to scope out the proposals in this report further, as well as identifying investment models that would bring diverse sources of funding in to help in achieving them.

Public finances continue to be strained, in an environment where many sectors are also seeking urgent funds for renewal and recovery. As a tourism sector we must acknowledge that implementing these proposals will require concerted investment and collaboration from both the public and private sectors. Many cross-government programmes underway across Scotland (for example, to achieve Net-Zero ambitions, rural economic development or increase skills) could potentially be attained faster by investing in Scotland's tourism sector, which accounts for a substantial share of the country's workforce and economic output. Continued, concerted coordination between public agencies at all levels (national, regional, local) in partnership with the private sector and industry itself, will be required to ensure best value, while Scotland moves towards achieving its ambition as a leader in 21st century tourism.

Together, the proposals presented in this report have the potential to be truly transformational - not just for Scotland's tourism sector, but the country as a whole. The pandemic has exposed how tourism in Scotland underpins economic development across urban and rural areas. While trading conditions are exceedingly tough for the sector, in some cases we have also seen that out of a crisis, opportunities for renewal and innovation can emerge too.



## ACKNOWLEDGEMENTS

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- Aberdeen Performing Arts
- Active Travel Group
- Airbnb
- Apex Hotels
- Argyll & Isles Tourism
- Association of Scottish Self-Caterers
- Association of Scottish Visitor Attractions
- British Amusement Catering Trade Association
- British Holiday & Home Parks Association
- Buzzworks
- Cairn Collection
- Cairngorms National Park
- Calmac
- City Of Glasgow College
- Crear Hotels
- Criton
- Development Trusts Association Scotland
- Diageo
- Discover Scottish Gardens
- Disrupt Travel, Splash Rafting
- Dundee Tourism Leadership Group
- Dunnet Bay Distillers
- Edinburgh Airport
- Edinburgh Napier University
- Edinburgh Tourism Action Group
- Elektrek Explorer & Planet Rewild
- Federation Small Businesses
- Forestry Land Scotland
- For-Sight
- Glasgow Convention Bureau
- Glasgow Life
- Gretna Green Group
- Hidden Trax
- Highlands & Islands Enterprise
- Highland Tourism Partnership
- Highlife
- Historic Environment Scotland
- Historic Houses Scotland
- Hospitality Industry Trust (HIT) Scotland
- Hostelling Scotland
- IHG
- Independent Hostels
- Interface Online
- ITC Training Academy
- Kained Holdings
- Keep Scotland Beautiful

- Lochaber Chamber of Commerce
- Macs Adventure
- Make Tech Fly
- Merkat Tours
- NatureScot
- Nevis Range
- Night time Industries Association
- Outer Hebrides Tourism
- P&J Live
- Park Inn Aberdeen
- Pinewood Steading near Beauly. TBID
- Pour
- Radisson
- Sail Scotland
- Scotland's Towns partnership
- ScotRail
- Scottish Agritourism
- Scottish Council for Voluntary Organisations
- Scottish Country Sports Tourism Group
- Scottish Enterprise
- Scottish Golf
- Scottish Golf Tourism Development Group
- Scottish Government, Creative Industries
- Scottish Government, Culture and Historic Environment
- Scottish Government, Tourism & Major Events
- Scottish Independent Golf Tourism Operators Association
- Scottish Independent Hostels
- Scottish Local Authorities Economic Development Group
- Scottish Tourism Alliance
- Scottish Tourist Guides Association
- SENScot
- Skills Development Scotland
- Sleeperz Hotel Dundee
- Sligachan Hotel on Skye
- South of Scotland Destination Alliance
- South of Scotland Enterprise
- Springboard
- Stampede
- Swurf
- The Extraordinary Training Company
- Ticketing Hub
- Transcend Escape Rooms
- Transport Scotland
- Traveltech for Scotland
- UCI Cycling World Championships 2023
- UK Hospitality (Scotland)
- Unbagged
- Unite The Union
- V&A Dundee
- VisitAberdeenshire
- VisitScotland
- Wild Scotland

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# **SCOTTISH TOURISM** TWO-YEAR RECOVERY RECOMMENDATIONS

For further information about the Scottish Tourism Emergency Response Group (STERG) and Scottish Tourism Recovery Planning, please visit [www.visitscotland.org/supporting-your-business/advice/coronavirus/sterg](http://www.visitscotland.org/supporting-your-business/advice/coronavirus/sterg)