

# Trends & Statistics - October 2015



Insight Department

VisitScotland

October 2015

## Welcome

In today's rapidly changing world, having an informed outlook is vital. The tourism and hospitality sectors are increasingly sensitive to consumer trends and economic conditions.

The VisitScotland Insights Team combines consumer perspectives with industry knowledge to allow Scottish Tourism to meet the challenges of today's marketplace.

Our monthly Trends and Statistics Summary is a snapshot of industry performance. It also provides a commentary on the drivers influencing consumers and business now and in the future.

## Insights Summary

- 5.62 million domestic overnight trips were recorded in Scotland for the year to June, a 5.5% increase on the same period in 2014.
- In the three months to July 2015, UK residents took more visits abroad across all journey purposes monitored than they did in the three months to July 2014.
- Virgin East Coast is launching a direct service from London Kings Cross and Stirling, starting on December 14.
- Finnair has announced a seasonal service between Edinburgh and Helsinki, set to launch in 2016.

## MONTHLY INSIGHTS DASHBOARD

### Exchange Rate

|        |        | <u>July – August 2015</u> |       |
|--------|--------|---------------------------|-------|
| £ / \$ | \$1.56 | ↔                         | 0.0%  |
| £ / €  | €1.40  | ↓                         | -0.7% |

### Domestic Visitor Average Length of Stay

|            |         | <u>June 2015</u> |
|------------|---------|------------------|
| 1-3 nights | 275,000 | 55%              |
| 4-7 nights | 142,000 | 28%              |
| 8+ nights  | 81,000  | 16%              |

### Hotel RevPar Rate

|      | <u>Year to August</u> |
|------|-----------------------|
| 2015 | £67.42                |
| 2014 | £67.86                |

### Main Purpose of Trip to Scotland

|          |         | <u>Year to June 2015</u> |
|----------|---------|--------------------------|
| Holiday  | 2.8m    | 51%                      |
| VFR      | 1.4m    | 26%                      |
| Business | 960,000 | 17%                      |

### GfK Consumer Confidence

|      | <u>September</u> |
|------|------------------|
| 2015 | +3               |
| 2014 | -1               |

### Origin of Visitor to Scotland

|          | <u>June 2015</u> |
|----------|------------------|
| Scotland | 549,000          |
| England  | 438,000          |
| Wales    | 9,000            |

## Tourism Performance

### Domestic Overnight Tourism to Scotland (GB Residents)

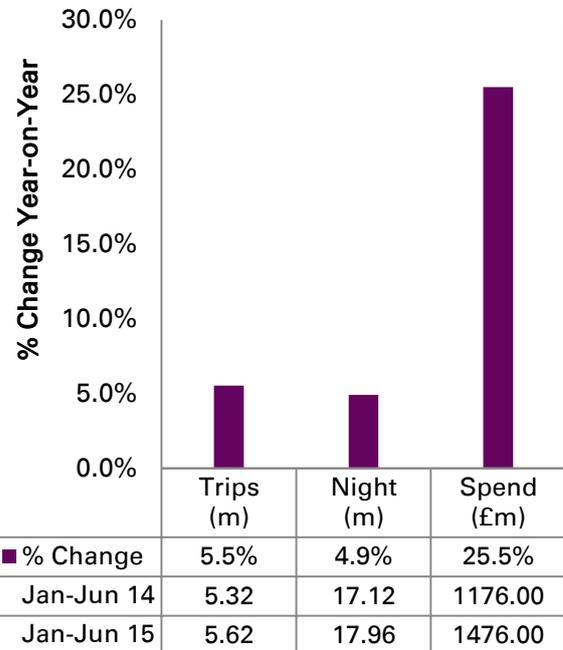
The year to June recorded 5.62 million trips, an increase of 5.5% on the same period in 2014, while spend increased by 25.5% to reach £1.47 billion.

For the month of June 2015 there was a decrease of 3% in domestic overnight tourism trips in Scotland, while bednights and expenditure also experienced a decrease on the same period, with a 6.4% and 1.2% decrease respectively.

The overall increase can be attributed to a positive growth in domestic overnight holiday and business tourism trips, while VFR has experienced a slight decrease in terms of trips and a larger decrease in overall nights.

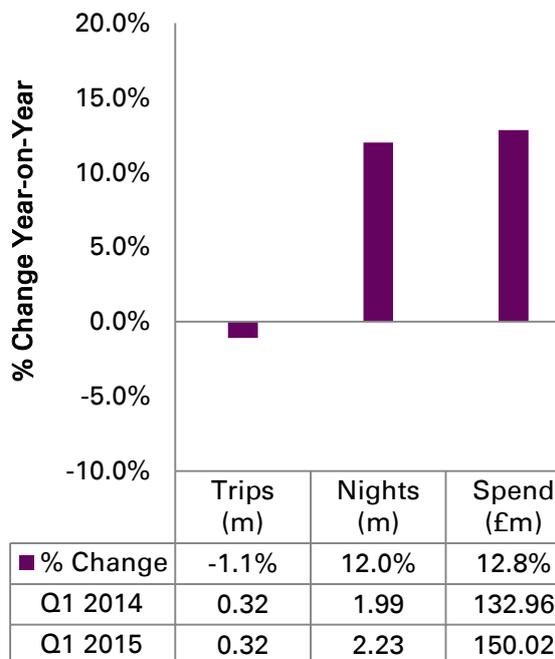
Figures for June indicate an increase in VFR trips, but a significant decrease in nights, indicating more, shorter trips. Figures indicate domestic VFR visitors' average trip length has decreased from 3.38 to 2.59 on the same period in 2014.

### Domestic Overnight Tourism



### International Tourism to Scotland

#### International Inbound Tourism



#### International travel to Scotland

During the first quarter of 2015, the number of overseas visitors to Scotland decreased marginally by 1% when compared to the same period in 2014. However, the expenditure was up by nearly 13%, driven primarily by visitors from North America.

#### International travel to/from UK

Overseas visitors spent £2.36 billion while in the UK during July, 12% below the current record from July 2014. Overseas visitor spending during the first seven months of 2015 was 3% behind record levels posted during this time last year. The UK saw 3.65 million visits in the month of July 2015, 5% more than in July 2014 and setting a new July visits record. Visits to the UK in the seven months to July 2015 were almost 20.5 million. UK residents took 19.5 million overseas trips between May and July 2015 – 10% more than the same time last year. UK residents spent over £11 billion (in nominal terms) while abroad in the three months to July 2015. In the three months to July 2015, UK residents took more visits abroad across all journey purposes monitored, than they did in the three months to July 2014.

## Tourism Performance

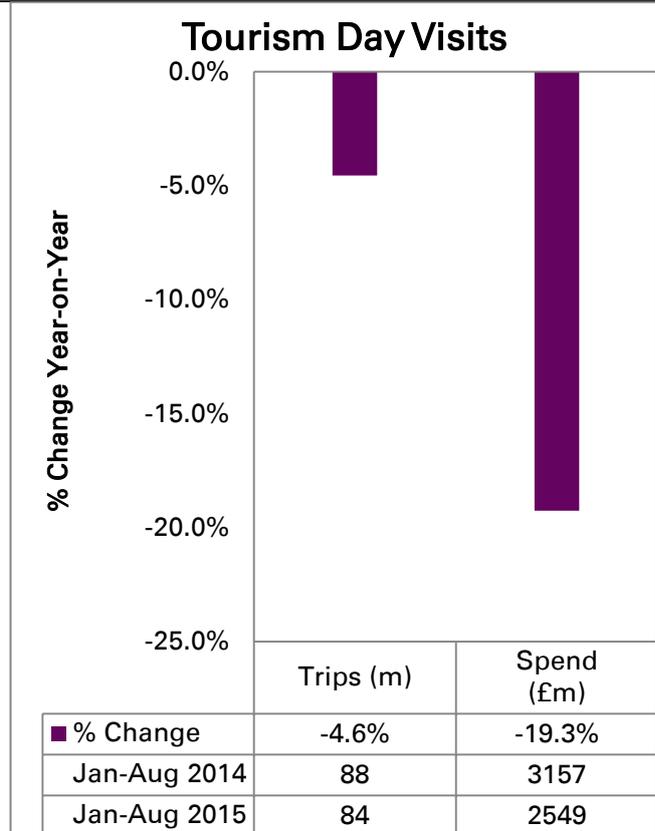
### Tourism Day Visits to Scotland (GB Residents)

Figures for the year to August indicate that the number of day visits has decreased by 5% in comparison with the same period in 2014.

Spend figures for the year to August have also recorded a drop, with a decrease of 19% compared to the same period last year.

There were 17 million day visits in Scotland during August, which was flat compared to the same period in 2014. The expenditure figures experienced a significant drop of 45% in comparison to August 2014, at £416m.

Scotland recorded a spend-per-trip average of £30.38, which is 18% down on the same period in August 2014.



### Accommodation Occupancy

|                    | Year to August 2015    |                   |
|--------------------|------------------------|-------------------|
|                    | Average Occupancy Rate | Pp change on 2014 |
|                    | % Occupancy            |                   |
| Hotel (Room)       | 84%                    | 0                 |
| BB/GH (Room)       | 76%                    | 12                |
| Self-Catering      | 80%                    | 5                 |
| Hostel             | 77%                    | 0                 |
| Caravan & Camping* | 55%                    | -2                |

\*data collected Apr-Oct

Confidence rates during August were high among all accommodation sectors for the long-term outlook.

Confidence over a three-month horizon is higher among all sectors, except holiday parks.

Occupancy rates remained fairly flat among most sectors, except the self-catering, and B&Bs. The growth in both sectors has been driven by an increase in occupancy in both Dumfries & Galloway and the Highlands.

## Tourism Trends

| Trend                      | Commentary  |
|----------------------------|---|
| <i>Consumer Conditions</i> | Recent studies have found that British consumers are happy to stretch their holiday budget to purchase products protected through ABTA membership, rather than seeking a cheaper alternative. Research conducted by ABTA found that 56% of Britons sampled in the survey would pay up to £25 more for a product, whereas 78% would pay up to £10 more. This research indicates consumers are seeking confidence and security in their products more than ever, with association through recognised travel brands. Consumers feel more secure in their purchase and may develop brand trust through association.   |
| <i>Weather</i>             | September saw north-westerly winds bringing cool and showery weather to the UK at the beginning of the month. The weather was dominated by high pressure from the fifth until the 11th and again from the 25th onwards there after, bringing dry, warm weather near the end of the month. Between the 12th and 24th, the weather was rather changeable and, despite two spells of warm weather, it was generally a cool month.  |
| <i>News</i>                | Edinburgh's Surgeons' Hall Museum has reopened after an 18-month refurbishment period. The transformation, costing £4m, is the first refurbishment the building has undergone since 1908. The museum is housed within the Wohl Pathology Museum, making it Scotland's oldest museum.<br>Ardbeg Distillery has recently tested the process of zero gravity distilling, after receiving a whisky sample it sent to the International Space Station in October 2011. The Islay distillery experimented with the process to measure the difference in the distilling process, which produced 'ground-breaking' results. It is understood that the effects of zero gravity could help a number of industries, such as the whisky industry, develop new and innovative products for the future. |
| <i>Tourism Industry</i>    | Scotland welcomed the Tour of Britain road cycling event at the beginning, which reached Dumfries & Galloway, Kelso, Holyrood Park, Edinburgh, East Lothian and the Borders. The combined worth of road cycling and mountain biking trips by domestic visitors to Scotland is estimated at £114m to the Scottish economy. The event hopes to encourage further interest in cycling activity across Scotland, which generated 284,000 road cycling trips during 2014. Glasgow will welcome a Radisson Red property by Carlson Rezidor in 2017. Located next to the SECC in the city's West End, the 176-room property will be first new-build in Europe by the lifestyle brand.  |
| <i>Travel Demand</i>       | Finnair has announced a seasonal service between Edinburgh and Helsinki, set to launch in 2016. The flight will operate three times a week and will operate between April 18 and October 27. This move is likely to open up Finnair's extensive Asian network for Scottish passengers with short connections at Helsinki airport.<br>Virgin East Coast is launching a direct service from London Kings Cross and Stirling, starting on December 14. The train will depart at 05.26am, linking with Falkirk Grahamston before linking with Edinburgh Waverley for the scheduled departure of 06.26am   |

### Information Sources

GBTS - Great Britain Tourism Survey  
 IPS - International Passenger Survey  
 GBDVS - Great Britain Day Visit Survey  
 SAOS - Scottish Accommodation Occupancy Survey  
 (SAOS represented as % of total occupancy.)  
 Unless stated % Change and percentage point difference is calculated against comparable period in previous 12 months.

For further information on this briefing please contact the Insights Department - [research@visitscotland.com](mailto:research@visitscotland.com)

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**Notes**

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