Insight Department:
Trends 2017

November 2016
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 Insight Team combines in-depth perspectives using industry knowledge to allow Scottish Tourism to meet the challenges of today’s marketplace.

In this our annual trends review, VisitScotland have studied the consumer environment and highlighted key trends developing within the tourism sector. The trends highlighted within this document are intended to stimulate thought in the tourism industry throughout Scotland, allowing stakeholders to be alert to developing consumer behaviour that may affect their business throughout the year.

The ever-changing nature of the consumer environment, through technology, and society, means that stakeholders need to be aware of what may impact their business. Trends 2017 by VisitScotland provide stakeholders with guidance on possible developments within the consumer environment for the coming year.

For the most up-to-date trend information, VisitScotland’s Insight Team publish a monthly ‘Trends & Statistics Snapshot’, which contains the latest data regarding Scotland’s tourism performance, as well as providing commentary on the drivers that influence Scottish tourism businesses today and in the future. The monthly papers can be found in the ‘Research and Statistics’ section of our corporate website: visitscotland.org
Trends for 2017

THE CERTAINTY OF UNCERTAINTY

PRODUCT DRIVERS
- Intrepid Travel
- Tourism Capital Investment

HEALTH & WELLBEING
- Silence Is Tartan
- The Hunt For Sustainability

CONSUMER BEHAVIOUR
- Just In Time Inspiration
- Fluid Itinerary Travel

INSPIRING THROUGH HISTORY & HERITAGE
- Cultural Noir
- Reading Tourism’s Potential
For 2016, the Oxford Dictionaries recognised “post-truth” as their word of the year. The dictionary defines “post-truth” as:

“Relating to or denoting circumstances in which objective facts are less influential in shaping public opinion than appeals to emotion and personal belief.”

During 2016 society has witnessed some seismic geopolitical events which clearly influenced the growth in use of “post-truth”. Among the monumental occurrences of 2016 has been the continuation of the migrant crisis in Europe, global terrorism, the EU referendum and US Presidential campaign. Each event has caused individuals, businesses and policy makers to reflect on how each event will impact on themselves and those they interact with.

As we all look towards 2017, we will all be sure that a sense of uncertainty will permeate as plans and decisions are made. Understanding uncertainty and responding to it will be crucial to being able to manage change. Clearly
predicting the future is complicated, however remaining informed and being flexible will mitigate the negatives and amplify the positives wherever they may be.

VisitScotland’s Trends for 2017 represent elements of consumer and industry behaviour expected to develop over the next 18 to 24 months. The overarching theme to the year’s trends is “Understanding Uncertainty” from which there are four sub-groups covering “Product Drivers”, “Consumer Behaviour”, “Health & Wellness” and “Inspiring through History & Heritage”. Each of these sub-groups are accompanied by two disruptors of change, which detail their impact on the visitor economy.

Towards the end of 2016, some commentators were predicting slowing consumer behaviour for various tourism markets, and others point to the advantages presented by the weakening of exchange rates for Sterling (£UK). Clearly tourism businesses need to remain informed to allow them to interpret the facts and adapt to their own circumstances. It should be noted that as we progress through 2017, Scotland’s visitor economy has grown steadily in terms of expenditure since 2012, with 2015 being the highest recorded spend levels on record, so the Scottish tourism product remains a valuable commodity to travellers both international and domestic.

We can continue to inform and be informed, interpret the uncertainty and act accordingly. In 2017, regardless of the uncertainty and like every year before, Scottish tourism is open for business and our industry has the spirit for success.

1 As reported in The Scotsman, 16th Nov, 2016: scotsman.com/news/uk/post-truth-named-word-of-the-year-by-oxford-dictionaries-1-4291651
MILD CAMPING &
THE SAFETY OF ADVENTURE
Digital search trends have suggested that ‘wild camping’ is a popular aspiration for consumers. How this can be delivered and commoditised is an opportunity and a challenge for the tourism industry in Scotland. With the growth in land access laws and legislation, particularly within Loch Lomond National Park, there is a distinct lack of obvious destinations for consumers to partake in such adventurous activities.

Consumers of the Scottish tourism product may be attracted to the idea of wild camping due to the sense of adventure and discovery it offers, which is of particular interest to the family market. In a digitally immersed society, seeking safe areas to enjoy the great outdoors and create mini adventures is becoming increasingly appealing to the consumer, who rely heavily on tech, and yearn to reconnect with former past times, and show their children the simplicity of the great outdoors. Scotland’s Outdoor Access legislation could further encourage this activity.

This could be identified as an ample opportunity for landowners in Scotland’s rural landscape to create incremental gains within the Scottish visitor economy, by offering basic amenities on their land to attract tourists to partake in their own ‘wild camping’ experience in Scotland at a premium. It could also offer existing campsites the opportunity to rebrand themselves as a wild camping destination to attract a new market or consumers, who are seeking cultural and adventure experiences, without overspending to improve their product to cater for an existing market.
DRIVERS

• Growth in interest of wild camping in Scotland
• Loch Lomond & the Trossachs National Park Authority is now more stringent in regards to wild camping
• Consumer appetite for discovery, but crave security aspect
• Increasing cultural and experiential family travel occurring — getting off the beaten track

OPPORTUNITY

• Potential for landowners to offer land for camping
• Opportunity for existing holiday parks to offer basic amenities and rebrand
• Scotland provides adventure and excitement with controllable variables of safety
FOR ANYONE TO REALISE THEIR TOURISM POTENTIAL
The development of non-traditional tourism businesses entering the visitor attraction market is not a new phenomenon. For years, industrial businesses have capitalised on their operational capacity to increase revenue opportunities, through guided tours of facilities and open days. Consumer curiosity in the development of products has created a unique opportunity for these non-traditional tourism businesses such as whisky distillers, breweries, even power stations are now at the forefront of producing world-class visitor attractions.

With traditional and non-traditional tourism businesses already engrained in the sector, development of a third sector would be of tremendous benefit to the tourism industry in achieving increased tourism revenue, and boosting the visitor economy. The development of a third sector would look to target businesses that have little to no connection with the tourism industry, but have assets that may attract consumer interest. For example, fishing trawlers are in operation during certain times of the year, however due to fishing quotas, they must restrict their operations to maintain stocks. Would consumers be interested in a tour from crew of such a vessel to tell tales at sea, and understand how such an operation works? There is also the opportunity for non-tourism businesses to run workshops on how they develop their particular products.

This trend could be an ample opportunity for product development within the tourism industry in Scotland, while also acting as a catalyst for generating ‘incremental gains’ for the visitor economy.
DRIVERS
• Heritage/Historical industrial tourism businesses — New Lanark etc.

• Existing industrial tourism businesses — Distilleries, Breweries, Power Stations etc.

• Third sector potential

OPPORTUNITY
• Non Tourism businesses with large investment items have an opportunity to capitalise on tourism

• Pay to plough field, pick fruit/veg. Learn life skills we are currently detached from
WHO NEEDS GREY MATTER WHEN YOU HAVE 4G?
In today’s technologically driven world, many consumers have grown dependent on their smartphones and tablets, to the extent that they no longer rely on their own mind to remember important factors of their lives. With many businesses moving towards mobile friendly websites, it is evident that smartphones are now integral tools within the tourism experience. However, what are the implications of an over reliance on technology?

Digital amnesia is an increasing phenomenon within consumer behaviour, as many become so reliant on their technology for their daily lives, it has become evident that recalling phone numbers, significant dates, or other important information is often placed within the hands of technology and not in the minds of the consumer.

So how does this affect the tourism industry? This important information may be a hotel reservation, flight details, phone numbers for restaurant table reservation, or booking confirmation for visitor attractions. With Scotland’s mobile connectivity improving year on year, it would be naïve to suggest that connectivity is a guarantee across the country. Despite the efforts to develop improved networks, there may still be times where our technology fails us.

So what can we do in the tourism industry to help combat this situation? The construction of innovative, attention-grabbing promotional marketing could be utilised in location service software within smartphone and tablets to alert consumers when they are close to certain attractions or providers. Although there are existing examples of this already within a number of business sectors, tourism businesses, especially within areas of high competition, to truly set themselves apart. Advising consumers on potential activities on day trips or short breaks may also be a lucrative opportunity within this field. As consumers would normally rely on their technology to search for locations for holidays or things to do, the development of engaging content on tourism products could set businesses apart from competitors.
DRIVERS

- More connected cities/networks increases reliance on smartphones/tablets
- Smartphone-friendly websites driven more traffic for mobile users
- Consumers becoming more reliant on their technology, they feel they don’t need to remember important details

OPPORTUNITY

- Tourism organisations must become more savvy to gain consumers’ attention. Market saturated with similar approaches
- How do you engage the un-engaged?
REALISING THE DEPTH OF OUR PRODUCT
Scotland’s tourism product is soaked in history and heritage, which makes it such a popular and attractive destination for many of our core markets. The ability to go from bustling cities like Edinburgh or Glasgow into breathtaking rural landscapes in the matter of hours like Loch Lomond, Glencoe, or the Cairngorms shows the strength of our product. What has become further evident from the inception and increasing popularity of the North Coast 500 is the desire to undertake and greater appreciate how extensive the tourism product is and what there is to offer beyond the traditional tourism activities.

In recent years, there has been an increase of interest in ‘road trip’ style holidays with North American and European consumers, both of whom are familiar with long-distance driving between neighbouring states or country borders. With overnight domestic tourists ever increasing their use of cars for personal transport on trips, it is only likely to increase the popularity of such routes such as the North Coast 500.

Another major factor in the growth of road trips is the search for an experience over a physical product. This further emphasises the attraction of Scotland as a destination to undertake excursions of breathtaking landscapes and scenery. It is also evident that there is an increase in the number of trips taken with friends rather than relatives, offering a unique opportunity for tourism businesses to target specific demographics such as millennials who are very much interested in experience-based travel and looking for activities not within the core attributors of Scotland’s tourism product.

So what can be done for tourism businesses to capitalise on this movement? Promote local routes within their area to entice tourists using a holistic approach of collaborating with local tourism businesses to create their own trail, or incorporate existing routes to create attractive opportunities for the road trip market. Remember, there are consumers who look beyond the core attributors in search for something different.
DRIVERS

• Growth in ‘road-trip’ based tourism trips from North American and European markets

• Pan-European road trips on the rise

• Importance/Reliance on car

• Growth in the search for an experience over a physical product

• Diversification of Scottish tourism product

OPPORTUNITY

• NC500/Brown Sign Tourist Trails — Local DMOs opportunity to capitalise on their products

• Looking beyond the core attributes of history/heritage/landscape
THE DEAFENING SILENCE OF WELLBEING

A recent European Union report highlighted that Scotland is actually one of the quietest destinations across the whole of the continent. The modern consumer is constantly surrounded by sounds both natural and technological, and is often a contributor to stress, and anxiety.

The growth of interest in health and wellbeing by consumers is transcending across multiple industries, and is already developing within the tourism industry through fitness boot camps, spa retreats, and yoga sanctuaries to name but a few. The opportunity for Scottish tourism business to capitalise is tremendous, when you consider our natural landscape. As it’s possible for consumers to immerse themselves in Scotland’s rural landscape in a matter of hours, businesses have another angle to target consumers to their product.

Scotland also enjoys some of the darkest skies in Europe thanks to large areas of low light pollution, especially in the Highlands and Islands away from large centres of urban settlement. On a clear night, constellations of stars, planets, the Milky Way galaxy and even the Northern Lights are often visible.

Ultimately, this presents an opportunity for tourism businesses to promote the health benefits of Scotland through the means of its peace and tranquillity it offers. It also offers opportunities for tourism businesses to host events based around health and wellbeing products or practices to generate collaborative partnerships with non-traditional tourism businesses.
DRIVERS
• EU report highlights Scotland is one of Europe’s quietest places
• Silence has links with wellbeing
• Rise of interest in wellbeing tourism

OPPORTUNITY
• Highlight the peacefulness of Scotland as a destination
• Opportunity for rural communities to capitalise
• Dark Skies Tourism
• Wellbeing/tourism industry collaborative working opportunity
GREEN IS IMPORTANT TO ME

Following a number of high-profile instances across multiple business sectors regarding transparency of products, consumers are becoming more and more interested in the origin and practices of the brands they purchase. As we have recently experienced these instances within food & drink and car manufacturing, it is becoming increasingly evident that tourism businesses should also be more transparent about their green credentials.

Social responsibility and concern of sustainable living is become ever more prevalent among tourism businesses, as many consumers now actively seek out brands or products that are authentic and honest about their development and social good. It has been evident in other business sectors where dishonesty has occurred within the production of goods believed to be sustainable, the brand damage has often been severe, and in some cases irreparable.

Tourism businesses should look to showcase their green credentials to consumers, be it through their waste disposal, or stocking of local goods and produce. The consumers is now more aware of the social responsibility of such practices and often adds to their experience that they are making a difference by selecting sustainable destinations or products. This will also allow for tourism businesses to differentiate themselves from competitors, and also highlighting the importance of preserving the natural landscape which, ultimately, is one of Scotland’s key attractors.
DRIVERS
• Rise in consumer interest in green living
• Businesses encouraged/discriminated based on green practices
• Consumer choice now influenced by social responsibility of businesses

OPPORTUNITY
• Highlight your green credentials
• Emphasise yourself from competitors
CELEBRATING OUR DARK SIDE
No matter how you view it, Scotland’s dark history is one of the main drivers of interest for international visitors to Scotland. From William Wallace’s battles at Stirling and Falkirk, Robert the Bruce and the Battle of Bannockburn, or even Culloden, Scotland’s tourism product is based in part on these events, and consumers are very attracted to our history. It is becoming evident that consumers are becoming more and more interested in the past, with shows such as Downton Abbey, Game of Thrones, and Outlander. The attraction of the past is driving consumers to investigate ‘dark’ tourism further.

Similar to this, we have seen a rise in interest of Scottish film and literature in recent years. With the impending release of ‘Trainspotting 2’, as well as recent films such as ‘Filth’, the Scottish personae have been associated with pessimism, dour, and dark humour. Although this may be seen by some as a negative, it is clearly a positive in terms of storytelling. Works by authors such as Irvine Welsh, Ian Rankin and Iain Banks, all renowned international authors, highlight Scottish personalities and personas through the medium of literature, which could be an opportunity for tourism businesses to capitalise on. As our humour is based around our dark past and sense of pessimism, why can’t this be a unique selling point for tourism businesses?

With the global success of the Spirit of Scotland campaign, businesses can further highlight their #ScotSpirit by immersing their consumers in Scottish culture, telling stories of local folklore, and being proud of their Scottish heritage. The rise in popularity ‘Outlander’ in particular has been a catalyst for increased visitor numbers to sites such as Glencoe, further highlighting the opportunity for tourism businesses. Tourism businesses should be open and proud of their local heritage and history, despite dark events in its history. Ultimately, there is an appetite from consumers to understand more about the destination.
DRIVERS

• Scotland’s tourism industry thrives through dark tourism past — William Wallace, Battle of Stirling Bridge, Battle of Falkirk, Culloden etc.

• Scottish ‘dour’ ‘dark’ side explored by famous authors — Irvine Welsh, Ian Rankin, Iain Banks etc.

• Rise of interest in periodic films/TV shows/folklore podcasts. Consumers crave information/fantasy of past

• Scottish humour built around pessimism from dark past

OPPORTUNITY

• Emphasise the importance of storytelling/local knowledge

• Spirit of Scotland campaign

• Walking tours based around folklore/fiction writing
As previously discussed, Scotland has a rich heritage of literary works, with many highlighting the landscape, culture, and history of Scotland, with Sir Walter Scott’s 1810 publication ‘Lady of the Lake’ being the catalyst for Scottish tourism.

As film has acted as a catalyst for visiting a tourism destination (set-jetting), it is the belief by VisitScotland that literary works can also have the same impact. Welcome to ‘Novoleisure’. With the worldwide success of JK Rowling’s Harry Potter fantasy series, a number of the film scenes were shot in Scotland, which have seen increased visitor numbers based on this fact.

With the upcoming theme year of History, Heritage & Archaeology in 2017, promoting the popularity of Scottish writers offer an opportunity to showcase our rich heritage of producing world-renowned works of fiction. Book festivals such as Edinburgh, Borders, and Wigtown are well known events on the international circuit, and could see increased interest considering our theme year plans for 2017. The association with such events could promote more rural book festivals, and ultimately increase the tourism potential for other areas in Scotland. Businesses should look to highlight famous works of literature in their area, and construct walking tours to existing tourist trails within their area.
DRIVERS

- Literary Heritage — Sir Walter Scott’s Lady of the Lake was a catalyst of Scottish tourism

- Historic and contemporary Scottish literature defines and drives visitors to Scotland in the same way film and television does. Whisky Galore, Trainspotting and the works of Ian Rankin all contribute to people’s perceptions and desires to visit — it is set-Jetting for readers — Noveleisure if you will

- Literary Festivals in Scotland are world renowned. The Edinburgh Book Festival is considered an international influencer in terms of its type. Borders and Wigtown Book Festivals also punch above their weight in global terms for the quality and scale of their offerings

OPPORTUNITY

- Ties in with Year of History, Heritage & Archaeology

- Existing associations with film tourism

- Writing Retreats – Write your own history, minimise seasonality effects

- Build on the literary walks through increasing scale with trails and routes

- Satellite events to the main book festivals
The table below displays the importance and impact of the trends on the consumer, as well as the influence on Scottish tourism.
Trends found within the high/high (top right) quadrant are expected to have the greatest impact on the Scottish tourism industry. This would suggest that consumers are seeking experiences over products, with greater emphasis being placed on road trip based holidays, and seeking adventure experiences within a controlled environment, such as mild camping. It is also evident that there is a great opportunity for tourism businesses to capitalise on the growth and innovation within digital marketing to differentiate themselves from competitors.

The Reading Tourism’s Potential and Tourism Capital Investment trends can be found within the Low/High (Bottom Right) quadrant, which is expected to have a high influence on the Scottish tourism environment, but a lower impact on the consumer. The potential for Scotland to capitalise on its literary history is boundless. Connecting work of Scottish authors to specific destinations has the potential to direct consumer’s interest to areas, which are not normally tourist hotspots, as well as direct attention to satellite book festivals across the country. Tourism Capital Investment could have a vast impact on the industry by empowering non-traditional tourism businesses to build a captive audience based on their existing products. As some of these products may be of a niche nature, it may take time for consumer interest to build within this sector.

The Hunt for Sustainability, Silence is Tartan, and Cultural Noir trends can be found within the High/Low (Top Left) quadrant, which is expected to have a high impact and importance on consumers, but a lower influence on Scottish tourism. The growth of consumer interest in health and wellbeing products are now well developed within society, however there is still an opportunity for tourism businesses to realise this potential. Consumers are developing a stronger sense of social responsibility with many products they purchase, and may transfer to the tourism industry when considering certain product’s green credentials. There is also an opportunity for tourism businesses to highlight the peaceful and tranquil image of Scotland to attract more consumers to rural areas. Finally, Scotland’s somewhat stereotyped dour, and dark humour should also be seen as a selling point to potential visitors. This is slowly having an impact on the tourism industry and consumers due to the vast growth in shows such as Outlander.