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, we have studied the consumer environment and highlighted key trends developing within the tourism sector. The document also includes eight of our trends from 2013, which have been validated through evidence gathered throughout the year.
**Mod-stalgia** – Nostalgia has always been here. Reminiscing with fondness to past times or a reflective desire to re-live the past can be a magnet to travellers to previously visited destinations. Mod-stalgia evolves this to the next stage. It is embracing the past through the comforts of today. An example could be revisiting an old destination from your childhood, and embracing the modern accommodation options and contemporary attractions that now enhance the experience. Providers may also find it beneficial to utilise nostalgia in order to attract customers to their service, such as hosting themed events.

**Modern Clans** – What is the family unit? No longer should the family unit be considered as 2.4 children households. We have been aware for some time of the multigeneration effect with grandparents, parents and children sharing holidays together. There is also the more recent phenomenon brought on by the global economic situation of empty nesters taking and funding holidays with their elder children (20's/30's) due to the cost of living being so high for their returned fledglings to afford trips on their own. Young professionals are finding it tough to get on the property ladder, let alone afford a foreign holiday. Recent changes in legislation may also attract more gay visitors to Scotland for marriage tourism. Accommodation providers should also be aware in the rise of pets as integral parts of the family unit. The rise in the cost of living has led many to delay having children, and moving towards having pets as the new family member.

**Calculated Risk Averse** – Today’s traveller is constantly evaluating and re-evaluating their attitude to destinations and activities. Some will seek security in their destination choice, but crave the excitement of adventure activity. Some go off the beaten track where support networks may not be available and may temper their activities accordingly. Delivering a balance of calculated risk requires travellers to weigh multiple factors and understand their risk exposure. Tourism providers need to understand risks and provide clear communication about products with unambiguous, but non-threatening warnings.

**One Foot in the Past (Folklore & History)** - It can't be denied that 2014 will be a monumental year for Scotland. Along with the major sporting events there are the year-long Homecoming activities. Visitors' interest in history and folklore will be more focussed than ever, especially poignant with the centenary of the start of the Great War and Bannockburn’s 700th anniversary. The most direct connection with history had traditionally been genealogy and this has always been a draw for the Diaspora. But myths and legends have drawn visitors to the regions, from Nessie in the Highlands to Tam O'Shanter in the Lowlands. Drawing on aspects of Dark Tourism, myths can be presented in historical contexts such as Wigtown Book Festival commissioning a writer to gather and retell local folklore to more contemporary approaches such as jet setting to Game of Thrones or World War Z film locations. Consumer's desire for these elements of folklore has transcended into growth of diverse and innovative tourism products such as live action role-play events and “zombie runs” which are enhanced by the landscape and inherent history of the destination.
**Developed Trends**

**Consumer Feedback Prestige** – Consumers are now empowered more than ever due to the advent of social media. Platforms such as TripAdvisor, Facebook, and Twitter can leave both positive and negative digital footprints for businesses, with individuals using their online presence to influence other social media users. Stakeholders need to be aware that every customer has the potential to comment on their service, and leave lasting comments on the web.

**Soul Recharge (Boot Camp for the Soul)** – Stress is a continuing bi-product of the global economic woes we experienced in the recent past. Multi-tasking has become engrained in our psyche. Consumers now look to combine their vacation with fitness or wellbeing activities and it turns out the aspiration to get well has become quite a money-spinner for the international tourism segment. According to the projections released by The Global Wellness Tourism Economy report, the niche market for wellness tourism is slated to grow at a rate of 9.9% annually in the course of the next five years. The projected figures are expected to eclipse overall global tourism, twice over by 2017. Wellness tourism would thus account for 16% of all tourism revenues generated. Although the markets of Asia are set to dominate in the next couple of years, the Western markets of the U.S., France, Germany, Austria, Switzerland and the Asian countries of China and Japan, currently account for the largest inbound and outbound wellness tourism markets. It should also be noted that researchers have found that many of those who exercise regularly are far more concerned about looking and feeling attractive than ensuring they are fit and well.

**Techspectations** – As we immerse ourselves more and more into the digital world, what we increasingly value is time. As we seek the physical and tangible invariably engaging with it through the ephemeral our interaction with technology becomes more complex. To embrace our need for time and space, consumers are becoming ever more dependent on their portable devices for banking, information, retail, and communication. WIFI is now expected and not an added extra. Despite a desire to live, life is becoming more digital every day, leading to consumers having expectations of accessing information instantly. Through provision of clear information and easy access to that information will the consumer feel they can disconnect from the digital and back in to the analogue?

**Immediacy Culture** – Consumers are becoming wise on how to ‘play the game’ when it comes to purchasing items online, such as eBay items, holidays, and discount websites. The advent of sites such as Lastminute.com has allowed consumers to book their holiday/time off at work weeks/months in advance, but the chosen destination may have not been decided. This has an effect on booking trends, allowing the consumer to wait for the best possible deal for a number of destinations.

**Venue Versatility or Versatility Venues** – The growth of the event industry has led to businesses and organisations working within budgetary constraints as many traditional event meetings are limited due to demand. The event venue has now morphed into a number of formats, allowing organisations to tailor their event around a certain available space. This is also prevalent within the wedding industry. The growth of the secular society has allowed for weddings to take place in stately homes, hotel conference rooms, gardens, even football stadiums. No longer is event industry confined to hosting events in the ‘standard venue’ facility. Venues may also be used for family events with the modern family model being widely spread geographically, which emphasizes the need for exclusive use venues.
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 interested in revisiting their past, but with the comforts of today. They enjoy commentating and informing others on social media about their experiences, which is seen as a form of empowerment. They are also aware of how to shop for the best deals, and will plan their holiday dates but may withhold their destination in order to find the most desirable option.

New trends like (Calculated) Risk Averse, and One Foot in The Past currently have a high influence on Scottish Tourism, but low impact/importance on the consumer. With consumers re-evaluating their attitudes to destinations constantly, their choice of destination may change at any point. Folklore and History has also become a high influencer for Scottish Tourism, with many local authorities researching their history in order to attract the ‘historical fantasy’ market to Scotland, attracting consumers through the use myths and legends and modern day film locations.

Physical and mental health has become very important to consumers. The strain of everyday life through work, technological addictions and lack of time for exercise or personal reflection has led to consumers becoming interested in rejuvenating their appearance by booking a holiday for rest, but will combine it with wellbeing activities. The expectation of technology also has a high impact on the consumer, expecting connectivity and information almost instantaneously.

Trends which currently have a low impact on both the consumer and Scottish Tourism are Modern Clans and Venue Versatility. Modern Clans are beginning to have an impact on the consumer with cultural advances in diversity, which will soon impact on many sectors within the tourism market in particular. Venue Versatility may advance in influence and impact to the industry and the consumer over the next few years as venue stock and innovation changes. Many may find that utilising their property in different ways during the austerity years may generate income in innovative ways.
Since January 2013, the Insight team have been scanning the consumer environment to validate the trends developed in late 2012. Here are a list of the most prominent discovered over the last twelve months.

**Never Pay Full Price For Pizza** – The offers culture continues with consumers seeking and expecting offers, deals and discounts all the time. Even if the offer is not taken up the opportunity is.

2013 saw the explosion of offer culture through the use of smartphone applications and other media sources. With the advent of retail sale days such as ‘Black Friday’, online retailers have identified that many consumers spend the first weekend after December pay days as the time to go round shops, identifying items they will purchase for Christmas. There online retailers would then create short term sales on ‘Cyber Monday’ (first Monday after December pay day) to maximise sale opportunity. Retailers have recognised that consumers now take longer when considering purchases and will opt to find the best price for the item they are looking for. This is known as ‘Showrooming’. A study by Adara and Hudson Crossing found that U.S. leisure travellers who book hotel rooms online show less brand loyalty, increasingly younger, and use smartphones and tablets when booking accommodation. Of 123 million travellers who research hotel options online in 2013, 92% went on to book online. The use of smartphones allows consumers to have a wider range of options, creating a “let the best deal win” mind-set.

**Transpicuous Transactions** – On the back of big corporation tax avoidance stories, brands need to be more transparent than ever. Companies offering quality & simplistic products & services have been the biggest winners in recent years (e.g. Growth of pay as you go gyms).

Brand such as ‘Innocent Smoothies’ have flourished due to their simplistic product design and transparency. Consumers are more likely to trust brands that have no hidden costs or agendas. ‘Innocent Smoothies’ also successfully ran a charitable campaign throughout November known as ‘The Innocent Big Knit’, supporting the elderly of the UK. This further reiterates the transparency of the brand, offering simplistic products and services, with a caring attitude being projected during a time of austerity. A second example is Sky’s ‘Now TV’, which allows consumers to pay for exactly what they watch, and on a wide range of devices such as; smartphones, tablets, computers, and game consoles. In the wake of recent news of data protection and usage from government agencies, consumers are becoming ever more protective of their information and purchases, which may lead to brands becoming even more transparent to protect the anonymity of the consumer. In time, the anonymity that consumers possess and seek may become ever more difficult to find, which may lead to a change in brand loyalty by consumers.

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2. [www.thebigknit.co.uk](http://www.thebigknit.co.uk)
Digital Detox - JOMO (Joy of Missing Out) – Overuse of smartphones; the rejection of technology will see consumers seeking meaningful & emotional experiences. Scotland’s off-grid locations will enable this. The novelty of Luddism!

Although technology is and will be a driving force for many years to come with tourism, some providers have identified a niche market for those who want to escape digital life (albeit temporarily). Health and Wellbeing tourism has excelled in recent years with the use of low cost gyms, and healthy eating. Psychological health is also identified as an area for growth, with many providers offering packages such as ‘Tai Chi’ breaks in the Scottish Highlands as a means of escape from everyday digital life, providing an opportunity for consumers to detach from life, and regenerate. Figures from VisitScotland’s Visitor Survey[1] found that 45% of consumers were either neither or less satisfied with the availability of WiFi and broadband access whilst in Scotland, or 34% were also either neither or less satisfied with the availability of mobile phone reception. Although the majority of consumers would not see this as a positive aspect, many would identify Scotland as a destination to escape and ‘detach’ from the digital world.

FOMO (Fear of Missing Out) – WiFi and 4G. Need it/Want it. Always be connected by tablet or smartphone. “Showrooming” products online and in-store digital connects with consumers. Beware though generational fault lines and know your customer. Try “smooting” about your latest travel destination.

The reliance on digital communication has led to many consumers becoming ‘addicted’ to checking their social media platforms to be up to date with all forms of news. Travel is recognised as a major influence on social media usages, especially Facebook. A study found that 51% of more than 3000 Facebook users put ‘holidays’ as one of the top three post types they see on the social media platform, above nights out, music, food, pets, babies, and weddings. A study by Sparkler[2] found that Facebook fuels discussion and discovery. After observing Facebook users from the United Kingdom, Germany and Scandinavia, the study found that 83% of 2018 Facebook users enjoy looking at photos of friends and family’s holidays, even when they’re not considering going on holiday. This may lead to conclusions of the influence of social media in future holiday destination choice. Research from VisitScotland found that most consumers don’t consider that they use Facebook as a tool for researching their trips but do acknowledge that it can help inspire destination choice, through friends post and pictures, providing advice on where to go and what to see. Evidence from VisitScotland’s Visitor Survey[3] found that 47% of visitors to Scotland shared their experiences online after they returned home, with 27% updating their Facebook status regarding their trip. The VisitScotland UK Consumer Behaviour study found that 55% of consumers who travel to Scotland would undertake some social media activity. The two most popular activities would are ‘upload trip photos’ and ‘update Facebook status’.

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Overseas or Staycation – The call of the continent is pulling the UK traveller overseas this year. Following 5 years of staycation, tourism businesses need to show how the quality, value and attractiveness of their product. Its better home than abroad.

The staycation trend has continued into 2013, and looks set to continue in the face of austerity. Evidence from the first half of the year has shown an increase in domestic holiday trips share against overseas trips. In fact, Q2 of 2013 had the highest share of domestic trips against overseas over the last 6 years, with 68.5% of trips.

Multi-generation – Multigenerational households are on the increase as are multigenerational holidays. Grandparents holiday with grandkids. Rebound kids holiday with parents… or they holiday to get away from each other? The austerity economy has altered the family unit with growing consequences.

Today, the family model is vastly geographically spread and people are living longer. The need for multi-generational travel is greater than ever before, with many of ‘generation x’ not able to afford many luxuries independently of their family. The cost of living is higher than ever before, leading many young people to travel with their parents. Wider family members such as grandparents, aunts, and uncles are now also included in holiday breaks due to wide geographical placements. Multi-generational travel needs to cater for 3 to 4 generations at one time, which can be very difficult. This has led to many travel providers building unique packages to help families maximise their experience without excluding any member of the party. Evidence has also shown an increase in family ‘bonding’ holidays involving families, particular with teenagers or young adults. This enables a generation of young adults to experience new destinations they would normally not be able to afford to travel to independently of their parents. It is also an opportunity for the family unit to reconnect through geographical spread, with many young adults moving away from their comfort zone for education and employment.

Juvenescence – We are all seeking eternal youth and an aging demographic speeds the search. Despite the statistical move upwards in average age, society is healthier and living longer so no major change is expected beyond the normal considerations maturity bestows upon us.

The general idea that the ageing population will represent a great challenge for the tourism industry and world has been discussed recently, with many concerned of the future impact on the labour market and many businesses across the globe. However, a study from Edinburgh University argues that the number of dependant older people has actually been falling, and the ratio of working adults to dependent pensioners is improving due to a healthier, fitter ageing population. The assumption that all pensioners are dependent on the working population has proved to be false. More people are in the over 65 demographic in the UK than in the under 15 currently, but rising life expectancy means the older generations are now more younger, healthier and fitter than in generations past. This may lead to a rethink by society when labelling a demographic dependent.
**Savvy sustainable** – Prosocial Consumers are switched off by excessive consumption, live more responsibly and embrace localism. Brands that court local culture and tastes will connect well with those who care about others and society as whole.

The advent of social media and dependency on technology has created a generation of lethargic consumers, who are more concerned with their smartphones or tablets than their surroundings. However, excessive consumption of information via modern technology is not craved by all. The importance of sustainability within the tourism industry has begun to transcend beyond the stakeholders, and into the thoughts of consumers. A successful pilot from the Travel Foundation's five-year destination partnership with Cyprus proved how consumer satisfaction could improve through sustainable practices on two Greek beaches through the promotion of recycling and growing native plants among other actions. The creation of the ‘Greening Cyprus Beaches’ handbook provides practical tips on enjoying the beach sustainably, whilst providing information on locally sourced food, drink and public information. Creative holidays are also growing more popular with consumers that involve local produce and historical practices. Many now seek ‘experiences’ on their vacation from various levels of education. Sustainable lifestyles are also attractive when considering a destination by consumers. A study by VisitSweden found that the North American markets are attracted to Sweden due to the healthy lifestyle and modern and design. Norwegian and Danish tourists note Swedish products and shopping are attractive traits for making the trip.

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