

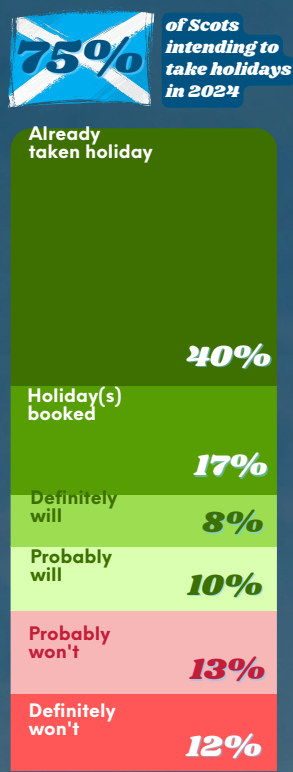
COMPARED WITH THE FIRST FOUR MONTHS OF 2023, FEWER SCOTS HAVE TAKEN BREAKS IN SCOTLAND OVER THIS PERIOD THIS YEAR, AND LOOKING AT THE REST OF 2024, IT IS UNLIKELY WE WILL MATCH 2023 LEVELS OF DOMESTIC BREAKS AND HOLIDAYS

WHAT IS 2024 LOOKING LIKE IN TERMS OF SCOTS' HOLIDAY BEHAVIOURS?

By the end of April this year, around four in ten Scots adults had already taken a holiday or break of some description away from home (40%). A further 17% had not yet done so but had holidays booked, whilst 8% were definite that they would take a holiday(s) this year. Some 10% 'probably' would - though this is always going to be the softest segment based on previous years' data as it is unlikely they will all convert to take holidays. Around a quarter (25%) are already saying that a holiday is at best unlikely to be taken this year.

By the end of April, 18% of Scots adults have already taken a domestic break this year, and with a further 22% claiming they are likely to do so, there is the potential of 40% of Scots taking a staycation of some description during 2024. The two most popular destinations are the Highlands (potentially as many as 12% visiting) and the Islands (12%) - however, only 4% and 3% respectively have already visited these destinations this year. A third intend visiting other parts of the UK this year (33%) with the North West, North East and London the most popular options.

The post-pandemic recovery in trips to Europe continues, with just over four in ten likely to take a holiday there this year (41%) with Spain (19%), France, Portugal and Italy (each 7%) likely to be the main beneficiaries. Interest in Germany - probably fuelled by the Euro 2024 football finals means that Germany is especially popular this year amongst Scots (6%).



2024 holidays in Scotland



2024 holidays elsewhere in the UK



2024 holidays to Europe



2024 holidays - long haul



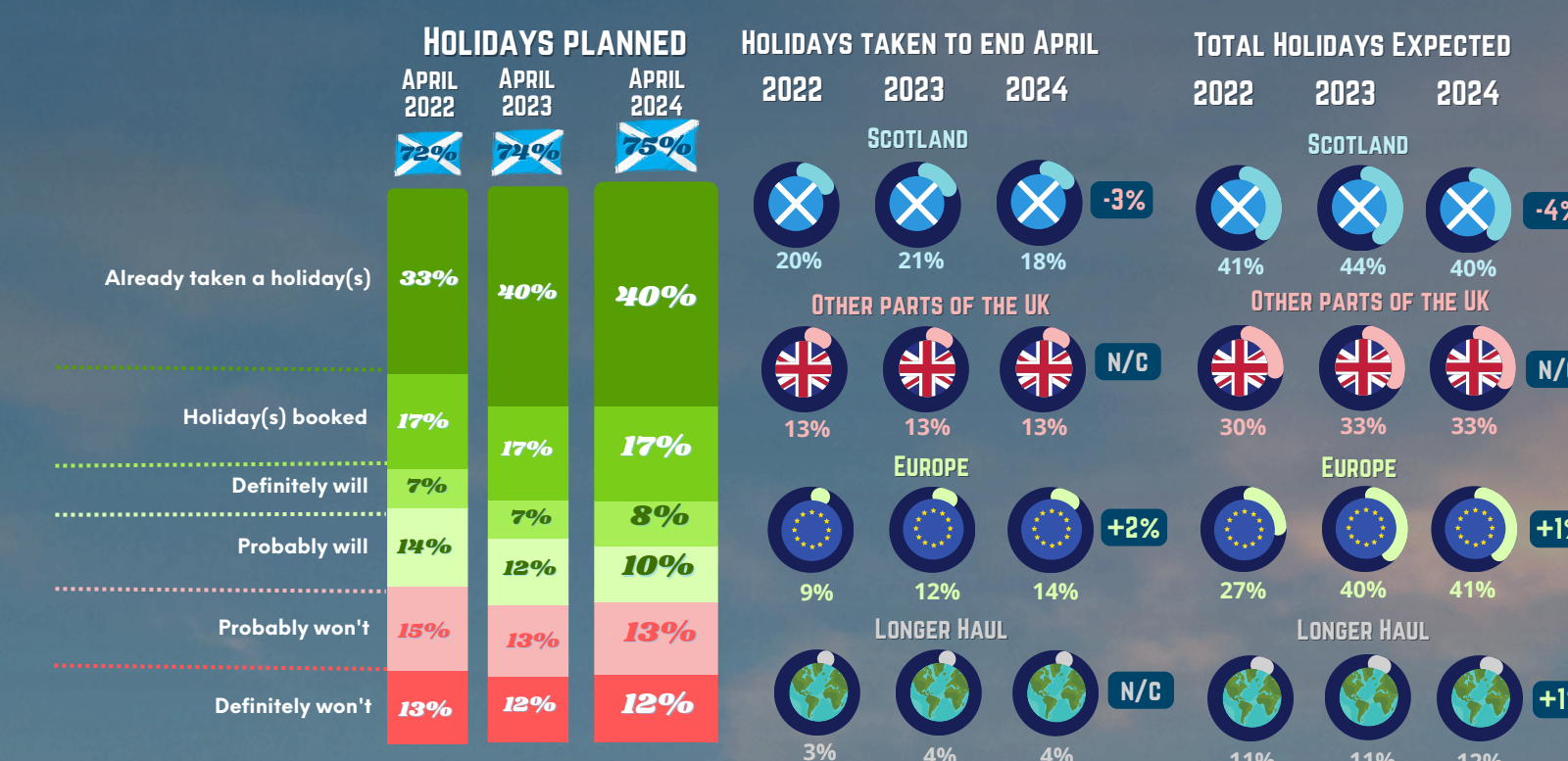
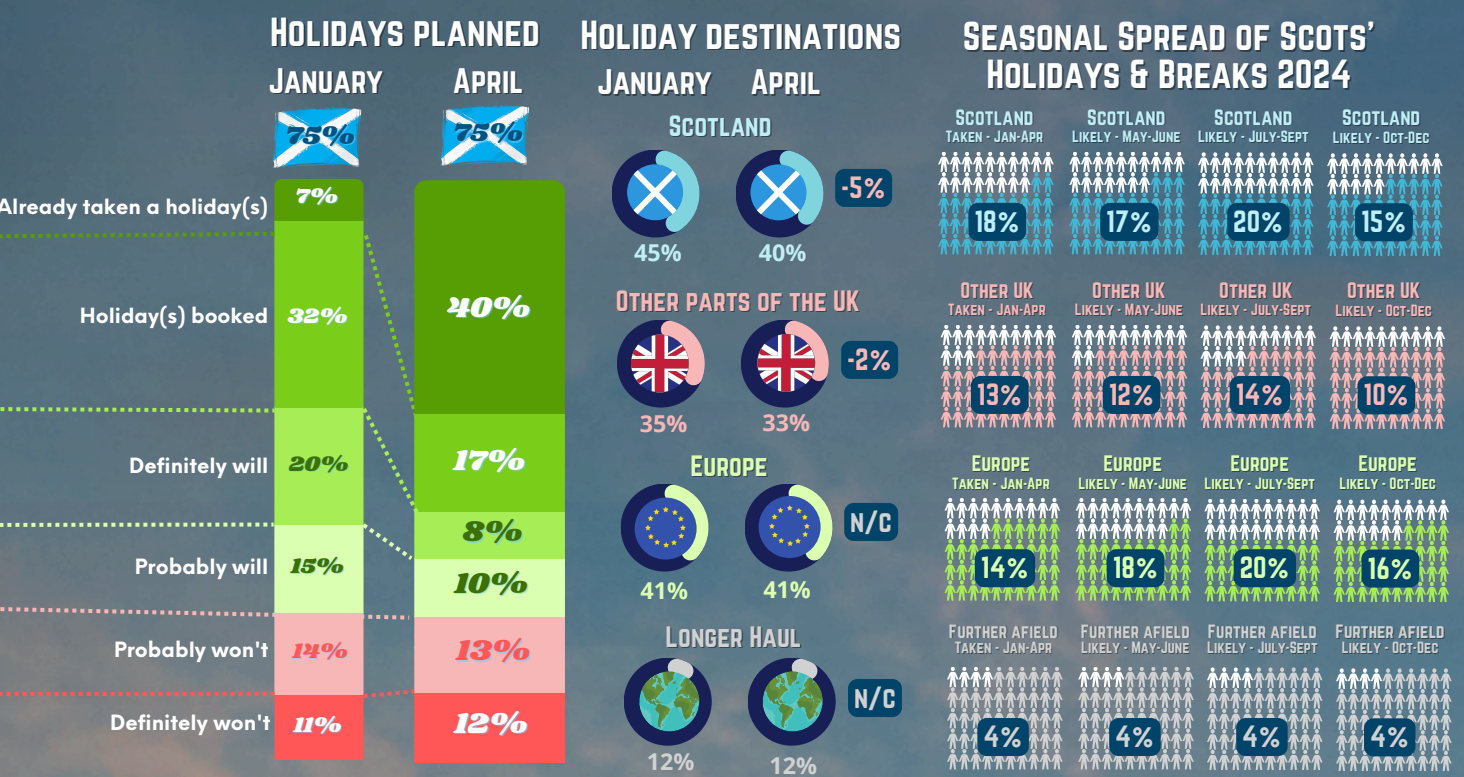
Region	Taken	Possible	2024 Potential
HIGHLANDS	4%	8%	12%
ISLANDS	3%	9%	12%
EDINBURGH	4%	5%	9%
GLASGOW	4%	4%	8%
L LOMOND, ARGYLL	2%	5%	7%
ANGUS & DUNDEE	2%	3%	5%
AYRSHIRE	2%	3%	5%
PERTSHIRE	1%	3%	4%
BORDERS	1%	3%	4%
DUMFRIES & GALL	1%	3%	4%
FIFE	1%	2%	3%
ABERDEENSHIRE	1%	1%	2%
NW ENGLAND	4%	7%	11%
LONDON	2%	7%	9%
NE ENGLAND	2%	5%	7%
YORKSHIRE	2%	3%	5%
MIDLANDS	2%	3%	5%
SW ENGLAND	1%	3%	4%
WALES	1%	3%	4%
OTHER SE ENGLAND	1%	2%	3%
N IRELAND	1%	2%	3%
SPAIN & ITS ISLANDS	5%	14%	19%
FRANCE	1%	6%	7%
ITALY	2%	5%	7%
PORTUGAL	2%	5%	7%
GERMANY	<1%	6%	6%
GREECE / ISLANDS	1%	5%	6%
TURKEY	<1%	3%	3%
CYPRUS	1%	2%	3%
CROATIA	<1%	3%	3%
USA	1%	4%	5%
CANADA	<1%	1%	1%
MEXICO	<1%	1%	1%
THAILAND	<1%	1%	1%
AUSTRALIA	<1%	1%	1%
JAPAN	<1%	1%	1%
SOUTH AMERICA	<1%	1%	1%
INDONESIA	<1%	1%	1%
OTHER	1%	3%	4%

COMPARED WITH THE START OF 2024, GREATER HOLIDAY OPTIMISM AMONG SCOTS

Although in the first wave of the Scottish Tourism Index this year (late January), three quarters of Scots expected to take holidays this year, there was always going to be some uncertainty at this early stage - only 39% had taken any or had booked holidays by then. Three months' on in late April, likelihood to holiday has held up with three quarters of us still planning to do so (75%), and 57% of us have either already taken a break somewhere or have booked one. More disappointing from a domestic holiday perspective, those of us planning holidays in Scotland this year has decreased to 40% from 45% in late January, trips overseas remain at the levels predicted in January with 41% of us planning holiday(s) in Europe and 12% going further afield. We are most likely to take a Scottish holiday in the July-September period (20% of us), though it is encouraging to see 15% intending to take a Scottish break in the 4th quarter.

HOWEVER, AT THIS STAGE, WE ARE ON TRACK FOR FEWER DOMESTIC HOLIDAYS THAN IN 2023

It is also possible to compare tourism prospects amongst Scots with this time in both 2022 and 2023 - we ran identical questions in the same week in late April of each year. Overall holiday taking is almost identical to what we observed this time last year - in both years, 57% have already taken holidays or have holidays booked - seven percentage points ahead of 2022 at this time (50%). And whilst 72% of Scots anticipated taking holidays during 2022 at this point of the year, this increased to 74% last year and 75% this year. Whilst this suggests a lot more buoyancy in the holiday markets, more concerning is that these increases appear to be boosting overseas destinations rather than the domestic markets: by late April 2022, 9% of Scots had already taken a European break. This increased to 12% by that stage last year and 14% this year - and more are anticipating holidays in Europe (41%) across the course of the year than in either of the last 2 years. The opposite is the case for domestic breaks - 18% of us have taken a home holiday so far (21% last year) and 40% anticipate doing so over the year - less than in 2022 and four points lower than was anticipated at this stage last year.



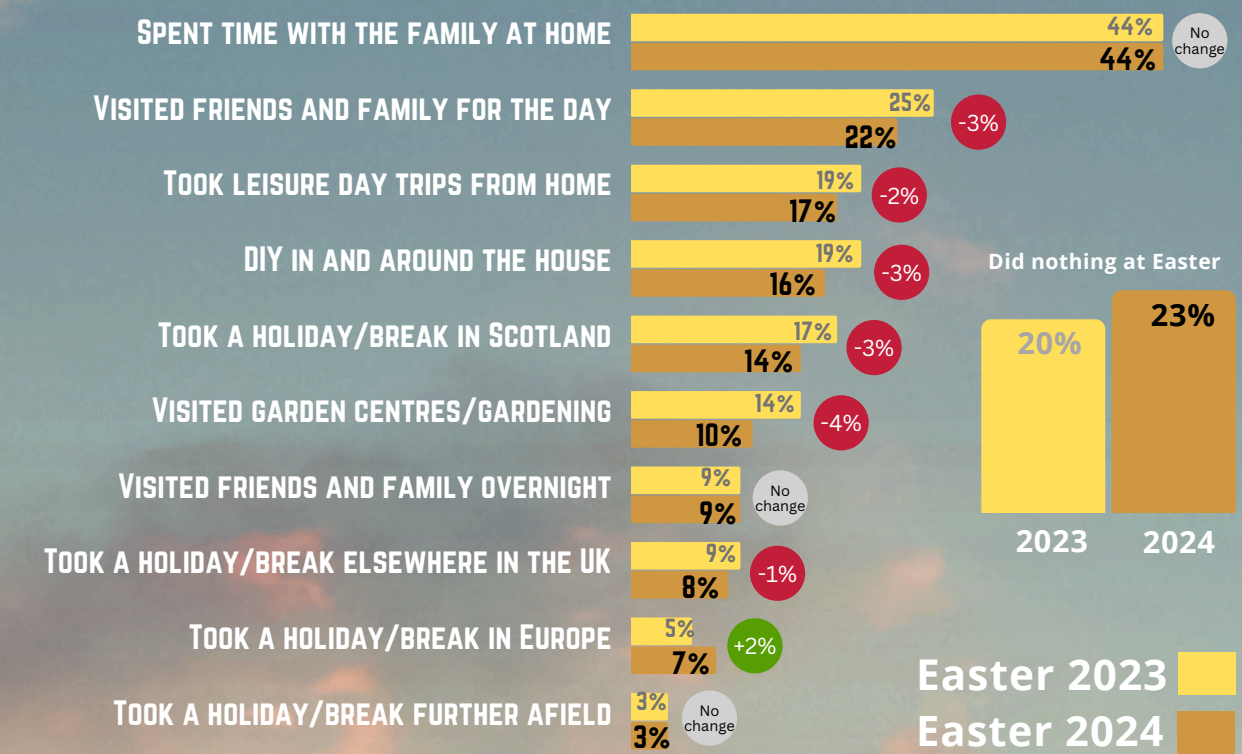
HIGH PRICES ARE STILL HAVING AN IMPACT - ESPECIALLY ON THE DEMAND FOR DOMESTIC HOLIDAYS

Economic uncertainty is still playing a role when it comes to our likely holiday decisions and behaviours this year. The continued high cost of living is likely to impact 38% of us and 30% are impacted by inflation - both identical proportions to January. More directly, the costs of overseas and domestic holidays are each negatively impacting 29% of us - with domestic holiday cost concerns in particular increasing since the start of the year. A slightly improved perceived picture on exchange rates is also probably exacerbating the potential for a drop in domestic holidays and as an outbound barrier is reduced. The other economic impact which has shown a notable recent increase are mortgage rates - up 5 percentage points on January with 19% of us now citing this as having an impact. This perhaps reflects the increasing numbers of people being affected by fixed term flat rate mortgages coming to an end. In previous years, transport disruption - on the railways and at airports - have been major concerns, however for the moment, they are showing lower impacts. Whereas, the continued conflicts in Ukraine and the Middle East are resulting in slightly increased impacts on our potential holiday choices. More encouragingly, Covid concerns are now at the lowest levels of recent years.



LESS EASTER ACTIVITY THAN LAST YEAR - OTHER THAN BREAKS TO EUROPE

Easter is often seen by many in the Scottish tourism industry as the 'natural start' to the tourism season in Scotland. Of course, this is complicated by the fact that it falls at different times each year - in April 2023, it fell later in April than in 2024 when Easter weekend was at the very start of the month. It is interesting to compare what people did over Easter each year - and there is clear evidence that the later Easter in 2023 resulted in more activity (80% did something) than was the case this year when 77% did something. For most, each year, it was about spending time with the family (44% in 2023 and 2024), however we did less this year than last - notably, 3% fewer took Scottish overnight breaks (14% in 2024 vs 17% in 2023) and even day trips were down by 2 percentage points - also perhaps reflecting the poorer weather this year. The only activity to show an increase - and again, reflecting all of the other data gathered in this survey, are European breaks - up by 2 percentage points to 9% of the adult population in 2024.



LOOKING FORWARD: THE NATURE OF FORTHCOMING TRIPS IS ALSO CHANGING...

Some 35% of us say that any Scottish holidays they will either take fewer or shorter holidays than would have been the case before now - an increase on 31% who responded this way a few months ago in January. Just under 6 in 10 are keeping costs as low as possible by reducing their spending when on holiday (57%). Reflecting the other results described above, it would seem fairly clear that the overall outcome for domestic tourism will continue to be a trend towards shorter, lower spend trips - and a likely reduction overall on last year. Additionally, over a third of us will book holidays at the last possible moment (35%) which adds to the uncertainties for tourism businesses.

