Towards a Strategy for Tourism - Overview of findings from Phase 1 – May 2011

The Tourism Leadership Group's (TLG) vision for Scottish Tourism will drive our strategy and it is that:

"Scotland is a destination of first choice for a high quality, value for money and memorable customer experience"

The TLG believes that focused effort in the following 6 areas will achieve the vision:

- **Developing Markets** – A detailed market attractiveness exercise and sector mapping exercise has begun and will provide guidance for the industry as a whole as to where to prioritise development and marketing activity.
- **Maximising quality and value** - rooted in business leadership.
- **Enhancing and improving visitor facilities**
- **Responding to internal and external changes –** market intelligence, performance information and innovation.
- **Providing industry leadership and strategic direction** – and recognising a real opportunity to build industry cohesion
- **Calling for infrastructure improvements –** e.g. roads, digital infrastructure

The TLG review of Scottish tourism performance found that:

1. Scotland is a mature destination operating in established markets, hence exponential increase in visitor numbers is unlikely and any growth, without appropriate intervention, is low and variable from year to year. Tourism is however an important cash generator for the economy and an important part of our social infrastructure, particularly in the rural areas.

   - Although the value of overnight visits to Scotland has slightly decreased since 2005, there is evidence that the number of business units and turnover in the wider tourism sector has grown by 5% per year since 2005.
   - Scotland's most important market remains the UK, with English visitors dominating, but Scotland is starting to lose its share of the UK overnight tourism market.
   - The overseas market remains of high value but is broadly static, with between 2.48 and 2.79 million international trips to Scotland each year since 2005.

2. Scotland's distinctiveness is in its unique landscape, its culture and festivals, its heritage, both in cities and rural areas, the activities on offer and its welcoming people. Both leisure and business tourism are important.

3. Scotland's main weaknesses lie in failing to offer sufficient value for money, and the inconsistency in meeting customer expectations, e.g. in areas such as the quality of accommodation, customer service, and food and drink. Businesses, however, are supportive of the need to improve standards and value.

   The industry highlight inherent weaknesses relating to leadership and management skills, a culture that is dependent on the public sector, and complacency about competition.

4. Opportunities exist to grow revenue through building strongly on Scotland's existing strengths in traditional markets, whilst improving existing infrastructure and visitor experiences, to new markets which are not yet fully exploited.

5. In a time of increased competition within the UK and abroad, reduced resources and a more discerning customer being firmly in control of the decision making process, the following will be important for Scotland's future competitiveness:

   - The quality of the experience - product and service. We must put the customer, whether an overnight or day visitor, at the centre of everything we do and make sure that every interaction at least meets their expectations, and ideally exceeds them. This is an industry-wide responsibility.
   - The ability to adapt on the basis of sound management data, innovate and be flexible
   - The private sector taking more responsibility for development and marketing.
   - Increasing, or at least maintaining, market share compared with key competitors.