
Feature Article

OVERSEAS TOURISM TO SCOTLAND: PATTERNS, PROBLEMS AND PROSPECTS

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INTRODUCTION

The Tourism (Overseas Promotion) (Scotland) Bill became law on 14 May 1984, and gave overseas marketing powers to Scotland's statutory national tourist agency, the Scottish Tourist Board (STB). The Scottish Office minister responsible for tourism, Lord Gray of Contin sees the Act as "providing a first-rate promotional service to Scotland's tourist industry".¹ Board chairman Alan Devereux has suggested that the foundation for a great upsurge in international tourism to Scotland has been laid, arguing that, "We should aim to double the number of overseas visitors to Scotland over the next five years to 2.5 million, which would earn an additional £250 million in hard currency and generate more than 25,000 new jobs".

This article examines overseas tourism to Scotland, reviewing trends and the factors shaping this market and highlighting impediments and constraints which must be overcome before such a significant expansion can occur. Our conclusion is that this country does not yet have a "first-rate promotional service" and that a doubling of overseas traffic to Scotland by 1989/90 is unlikely to occur.

THE PATTERN OF OVERSEAS TOURISM TO AND WITHIN SCOTLAND

The majority of Scottish tourists are from Britain - notably from Scotland itself and from England. Overseas visitors account for only 10% of trips. On average, they stay longer and spend more than domestic tourists, accounting for 19% of total tourist bednights and 26% of total tourist

of total tourist spending (see Table 1). Their average per capita daily spend (£17.8) is just over 50% higher than that of British tourists travelling to and within Scotland (£11.7). It is worth noting that in expenditure terms overseas visitors are less important to Scotland than they are to other parts of Britain. This can be seen in two main ways.

TABLE 1 SCOTTISH OVERSEAS AND DOMESTIC TOURISM: TRIPS, NIGHTS AND SPENDING IN 1983

	Trips £m	Nights £m	Spending £m
Overseas tourism	1.2	12.1	215.0
Domestic tourism	10.5	51.5	604.6
Total	11.7	63.6	819.6

Source: IPS and BHTS, 1983

First, overseas visitors account for over 40% of total tourism spending in Britain, compared with 26% in Scotland. Secondly, the average per capita daily expenditure of overseas tourists in Scotland (£17.8) compares with figures of £37.7 for foreign tourists in London and £25.1 for Britain as a whole. These per capita disparities may be due in part to Scotland's relatively low share of business and conference traffic (see Table 2). However, it also reflects the fact that the majority of overseas visitors to Scotland (71%) combine a stay in Scotland with a trip to other parts of Britain, notably London, where there are

¹Caterer and Hotelkeeper, 24 November, 1983, p15.

conglomerations of spending outlets (eg Oxford Street) which have few parallels in Scotland. Additionally, a high proportion of those overseas tourists to Scotland who stay only in Scotland (30%) are visiting friends and relatives (VFR's). The latter tend to stay for longer periods (accounting for over 40% of overseas tourist bednights in Scotland), but spend relatively little per day.

TABLE 2 OVERSEAS TOURISM TO SCOTLAND AND BRITAIN BY TRIP PURPOSE, 1983

	Scotland	Britain
Holiday trips (independent) %	47.3	29.5
Holiday trips (inclusive) %	13.7	17.3
Business and conference trips %	12.5	19.9
VFR trips %	20.8	19.7
Other trips %	5.7	13.6

Notes: Other trips are mainly for health and education (ie language schools) purposes

Source: IPS, 1983

The rapid growth in overseas tourism to Britain which characterised the 1960s and early 1970s peaked in all parts of Britain during 1977/78. In Scotland, the trend has been for the **annual number** of bednights to drop slightly since then, caused less by declining **numbers of trips** than by a fall in the **average length** of stay (see Table 3). In any one year, the scale of overseas tourism to Scotland tends to reflect the overall performance of Britain as an international tourist destination.

When trips and bednights by overseas visitors to Britain increase, the same will tend to happen in Scotland (see Table 4). For instance, an analysis of visitor bednights and spending data over the 1976-83 period (see Table 4) shows that the average number of international bednights recorded annually in Scotland between

TABLE 3 SCOTTISH OVERSEAS TOURISM 1974-83 - TRIPS & BEDNIGHTS

	Trips (£m)	Nights (£m)	Average number of bednights per tourist
1974	0.8	11.1	13.9
1975	0.9	12.0	13.3
1976	1.0	12.5	12.5
1977	1.2	13.6	11.3
1978	1.2	13.1	10.9
1979	1.1	12.6	9.3
1980	1.1	12.4	9.3
1981	1.0	11.2	11.2
1982	1.1	12.0	10.9
1983	1.2	12.1	10.1

Source: IPS, 1974-1983

1976-79 was 13 million, the comparable figure for the 1980-83 period being 12 million. For Britain as a whole, the respective figures were 147 million and 141 million. Nevertheless it should be noted that over this same period, Scotland's **share** of the UK overseas tourism market, expressed in terms of the key bednights indicator, fell from 9% to 8% (see Tables 5 and 6). It is noteworthy that while London's share fell from 41% to 39%, that of the provincial areas other than Scotland grew by 3%.

The bulk of the Scottish overseas tourism market consists of people on holiday (see Table 7), with 61% of overseas visitor trips being currently for holiday purposes. This is a substantially lower proportion than the 70% recorded in 1975. The importance of this segment of the market is threefold: first, it accounts for the lion's share of overseas tourist spending in Scotland (58%); secondly, it is the market segment which commercial and public authority marketing efforts can most readily influence; and thirdly, it is (potentially) less concentrated in spatial terms. The one major drawback it suffers vis-a-vis the business and conference and VFR sectors is that it is appreciably more seasonal.

Business and conference traffic has experienced a significant growth during the last decade, both in absolute and relative terms. In 1975 this sector of

TABLE 4 OVERSEAS VISITS TO THE UK 1976-83: STAYS, NIGHTS AND EXPENDITURE IN THE UK, LONDON AND SCOTLAND

	Staying visits ('000)			Nights (m)			Expenditure (£m)		
	UK	London	Scotland	UK	London	Scotland	UK	London	Scotland
1976	10,808	7,300	1,020	134.2	57.2	12.5	1,768	1,078	119
1977	12,281	8,100	1,160	148.5	62.6	13.6	2,352	1,440	144
1978	12,646	8,360	1,230	149.1	60.7	13.1	2,507	1,480	145
1979	12,486	7,900	1,120	154.6	60.7	12.6	2,797	1,588	167
1980	12,421	7,400	1,130	146.0	56.4	12.4	2,961	1,695	185
1981	11,452	6,840	970	135.4	51.8	11.2	2,970	1,702	168
1982	11,636	7,140	1,050	136.3	53.5	12.0	3,168	1,825	205
1983	12,499	7,580	1,150	145.5	55.2	12.1	3,655	2,080	215

Source: IPS, 1976-83

TABLE 5 OVERSEAS VISITORS TO THE UK 1976-83: RESPECTIVE MARKET SHARES OF LONDON, SCOTLAND AND REST OF UK

	Staying Visits (%)			Nights (%)			Expenditure (%)		
	London	Scotland	Rest of UK	London	Scotland	Rest of UK	London	Scotland	Rest of UK
1976	67.5	9.4	23.1	42.6	9.3	48.1	61.0	6.7	32.3
1977	66.0	9.4	24.6	42.2	9.2	48.7	61.2	6.1	32.7
1978	66.1	9.7	24.2	40.7	8.8	50.5	59.0	5.9	35.2
1979	63.3	9.0	27.7	39.3	8.2	52.9	56.8	6.0	37.2
1980	59.9	9.1	31.0	38.6	9.5	52.9	57.2	6.2	36.5
1981	59.7	8.5	31.8	38.3	8.3	53.5	57.3	5.7	37.0
1982	61.4	9.0	29.6	39.3	8.8	51.9	57.6	6.5	35.9
1983	60.6	9.2	30.2	37.9	8.3	53.7	56.9	5.9	37.2

Source: IPS, 1976-83

TABLE 6 OVERSEAS VISITORS TO UK 1976-83: RESPECTIVE MARKET SHARES OF LONDON, SCOTLAND AND REST OF UK, 1976-79 COMPARED WITH 1980-83

	Annual % age share of nights and expenditure expressed as 4 year average 1976-79	Annual % age share of nights and expenditure expressed as 4 year average 1980-83
London:		
nights	41	39
expenditure	60	57
Scotland:		
nights	9	8
expenditure	6	6
Rest of UK:		
nights	50	53
expenditure	34	37

Source: IPS, 1976-83

TABLE 7 OVERSEAS TOURISM TO SCOTLAND, 1983, BY TRIP PURPOSE AND EXPENDITURE

	Overseas	
	Trips %	Expenditure %
Holidays	61	58
VFR	21	29
Business and conference	13	15
Other	6	7

Source: IPS, 1983

the overseas tourism market comprised only 3.3% of trips. The comparable figure for 1983 was 13%.

The single most important international market is the United States which generates 31% of all overseas trips to Scotland. Along with Canada, the North American market accounts for four out of every ten overseas tourist trips to Scotland and for 37% of overseas visitor spending (see Table 8). Europe is the origin or a further 38% of trips, the bulk

of these (63%) being attributable to just four countries: France, West Germany, Italy and the Netherlands. By contrast, overseas visitors to Britain come predominantly from Western Europe (58% of trips), with North America being the next most important market (23%).

TABLE 8 OVERSEAS TOURISM TO SCOTLAND AND BRITAIN 1983: PRINCIPAL MARKETS

	Scotland		Britain
	Trips	Expenditure	Trips
US & Canada	40.2	37.3	23
France, W Germany, Netherlands & Italy	24.3	17.0	34
Rest of Europe	14.1	12.8	24
Australia & New Zealand	7.7	7.7	3
Rest	13.7	25.2	16

Source: IPS, 1983

Two other overseas markets are worthy of note. The first is Australia and New Zealand (8% of both trips and expenditure), emphasising, along with North America, the importance of ancestral connections. The second is Saudi Arabia and the other Gulf States. These countries are fairly insignificant in terms of number of tourists, but they constitute approximately 14% of overseas tourism receipts - more than the combined French, West German and Italian total.

Approximately two-thirds of overseas visitors to Scotland enter and leave by air (69%), with the remaining one-third using sea ports. The majority of North Americans (76%) and Italians (61%) use air services, while the French, German and Netherlands markets are sea- rather than air-based.

Relative to the UK as a whole, the number of trips by international tourists to Scotland is small. It has to be borne in

mind that only 9.2% of international tourists to Britain visit Scotland, and only 2.6% of trips are confined only to Scotland. The remaining 6.6% are combining a trip to Scotland with visits to other parts of the UK, notably London. Nearly half (48.2%) of overseas visitor trips to Scotland involve an overnight stay in London. The interdependence of Britain's tourism products is further emphasised by the fact that 77% of Scotland's foreign tourists leave by sea or air ports situated in the south of England (see Table 9), with less than 10% of foreign visitors to Scotland using a Scottish gateway.

The geographical distribution of overseas visitors to Scotland is noticeable for its concentration in Lothian region (where Edinburgh is the magnet). It obtains approximately one-third of all expenditures made by overseas visitors in Scotland (see Table 10). Other important regions are Strathclyde (23.1%), the Highlands and Islands (11.3%), and Grampian (8.9%) and Tayside (8.2%). It can be seen, therefore, that five regions are recipients of 83% of total overseas expenditure. Fife, Dumfries and Galloway and the Borders are relatively insignificant as destinations for overseas tourists.

TABLE 9 OVERSEAS TOURISM TO SCOTLAND, 1983: DEPARTURE POINTS

	Trips %
Heathrow	39.5
Gatwick	15.3
Dover	14.5
Other Southern	7.3
Total South	76.6
Harwich and other Eastern	9.4
Midlands and the North	1.3
Glasgow	3.0
Prestwick	5.3
Total Scotland	8.3
Other	3.2

Source: IPS, 1983

TABLE 10 SCOTTISH OVERSEAS TOURISM 1983: SPENDING BY REGION

	% age of total expenditure by overseas tourists spent in the region
Highlands and Islands	11.3
Grampian	8.9
Tayside	8.2
Central	3.4
Fife	4.7
Strathclyde	23.1
Dumfries and Galloway	2.1
Lothian	31.4
Borders	1.1
Unspecified	3.4

Source: IPS, 1983

PROBLEMS AND PROSPECTS

Overseas tourism flows to Britain are remarkable for their spatial imbalance. They favour London and a handful of other localities - notably Windsor, Oxford, the Cotswolds, Stratford and York. These areas are situated in the southern half of Britain and are attractive to overseas visitors because of their historical, cultural and ceremonial attractions. They even suffer from a degree of peak season congestion and overcrowding. Their popularity with overseas visitors shows few signs of slackening.

As the most northerly part of the northern half of Britain, Scotland's tourist industry can be seen as a prime victim of this spatial imbalance. Tourist industry leaders in Scotland, anxious to see more foreign tourists steered this country's way, have pressed for its tourism products to be promoted overseas in a more vigorous and effective manner. This lay behind the Tourism (Overseas Promotion) (Scotland) Act which, in turn, has led to a programme of STB international marketing initiatives during the current financial year. The Board's budget for this programme is fixed by Government at £200,000, and the various sales and promotions are being undertaken in conjunction with the British Tourist Authority (BTA), Scottish Area Tourist Boards, and the tourist trade.

Over the medium-term future (1-5 years) the results achieved in numbers and spend are unlikely to be spectacular because no matter how hard that £200,000 is made to work the Scottish international tourism market is closely tied to that for the UK as a whole, with volume shift in Scotland moving in line with those of the UK. This is hardly surprising since 79% of foreign tourists to Scotland are also visiting other parts of Britain (see Table 11). In fact, three "Scotland: other British destinations" combinations (viz Scotland: London, Scotland: English provinces, and Scotland: London and English provinces) are responsible for 59% of overseas tourist movements to Scotland. These three groupings consist essentially of holiday tourists, the vast majority of whom, for their Scottish visit, make a journey north from the south of England. In contrast, the "Scotland only" market is more likely to involve a Scottish gateway (21%), and is appreciably more VFR and business and conference based (see Table 11). Potentially, Scotland may have a strong tourist image overseas, but the bulk of its holidaymakers are British rather than purely Scottish visitors and, whether in Scotland, England (or Wales for that matter), they seek out a mainly historical and cultural package based on a "heritage" of dress, food, music, architecture and literature. **While Scotland's tourist image is distinctive, the actual tourism products currently offered to overseas visitors are essentially complementary to, and inferior in scale and reputation to, those in England (and London in particular).** The dependence of Scottish overseas tourism on this wider British market is further emphasised by three sets of considerations.

First, there is the important question of **marketing resources**. A £200,000 overseas marketing programme - even when boosted considerably by joint promotions with trade and Area Tourist Board interests and set alongside the £2 million expended by BTA on promoting Scotland overseas - is hardly capable of effecting a radical diversion of overseas tourist traffic to Scotland. The greater part of the BTA's expenditure will continue to be slanted toward English tourist products. It also needs to be borne in mind that total BTA expenditures are only 15%-20% of the total spent on marketing tourism to Britain. Airlines, hotel groups, tour operators, British Rail, National Bus and others have substantially increased their involvement in overseas marketing in recent years, and their marketing places a massive emphasis on the tourist attractions of London and the South.

A second and related point, is that **access to Britain by foreign tourists** is in the main afforded by entry points situated in London and South East England. Relatively long distances are involved in travelling to Scotland, making it a relatively inconvenient and significantly more expensive place to visit. Scotland is not lacking in entry points, the difficulty is in persuading commercial operators to use them.

Thirdly, there would appear to be a lack of **political commitment** nowadays to the idea of "regional spread". The concept of spreading tourism to the regions (Scotland included) was the central policy thrust of the Shore review and guidelines of November 1974. These directed the statutory national tourist agencies to reduce the existing "heavy expenditure on generalised promotion both at home and overseas" and to gear their marketing and development policies to help realise "untapped potential for tourism in those areas that can readily absorb and benefit from more visitors, particularly in certain parts of the Development Areas". Little was achieved in concrete terms, but the guidelines did give official backing to the concept of provincial tourism and redistributing tourism flows from the congested south to northern areas of greatest need.

TABLE 11 SCOTTISH OVERSEAS TOURISM 1983: TRIP COMBINATIONS BY VISIT PURPOSE

Main combinations	% share of Scottish overseas market %	Trip purpose			
		Holidays %	VFR %	Business conferences %	Other %
Scotland only	29	43	30	30	9
London, English provinces and Scotland	26	74	12	10	4
English provinces and Scotland	18	56	31	7	4
London and Scotland	15	62	14	20	4

Source: IPS, 1983

2Department of Trade Press Notice, **New Guidelines for Tourism: Mr Peter Shore's Announcement**, 21 November 1974.

Current government guidelines for tourism state that previous government policies, with their bias in favour of the less well known tourist areas, had led to "underselling London overseas" and "were wrong".³ The current official emphasis is on promoting the London Gateway.

CONCLUSION

The STB's acquisition of overseas marketing powers should not be seen as a panacea and should not be allowed to obscure the fact that the fortunes of Scotland as an overseas tourist destination depend crucially on wider British products and markets. Although the image of international tourism is one of a fickle and vacillating consumer market, the reality is somewhat different. For a host nation or region, the scale and character of its overseas tourism flows remains fairly stable over the medium-term. The medium-term future will tend to bear a strong similarity to the medium-term past. Things do not change overnight. This is exemplified in the above examination of overseas tourism to Scotland. The CBI has recently called on the STB to do "a damned sight better job"⁴ in promoting Scotland overseas. It certainly will need to if it is to attract 2.4 million overseas visitors in 1989/90!

³Department of Trade and Industry Press Notice, **Tourism Review: Statement by Norman Lamont**, 22 November 1983.

⁴House of Commons Scottish Affairs Committee, **Highlands and Islands Development Board**, Session 1983-84, Minutes of Evidence, Confederation of British Industry (Scotland), Wednesday 25 July 1984, HMSO 1984.