

Written submission from Scottish Tourism Alliance, 30 September 2026

Pre-budget scrutiny 2027-28

Europe, External Affairs and Culture Committee

Introduction:

The Scottish Tourism Alliance (STA) would like to thank the Europe, External Affairs and Culture Committee for inviting us to submit evidence on funding for external affairs as part of its scrutiny ahead of the Scottish Government's 2027-28 Budget

As the largest and overarching trade body for the tourism and hospitality industry in Scotland, the STA is fully aware of the great economic, cultural and social value that attracting international visitors contributes to the country.

Not only do international visitors spend more – contributing £4 billion visitor spend to the Scottish economy in 2024¹ – they also act as the heartbeat of our local communities by helping to support jobs and business creation, particularly in our rural and island areas.

International visitors also help to promote greater tolerance and inclusion in communities, while attracting international artists, performers and sports professionals to Scotland plays an important role in supporting local residents to experience different international cultures and experiences.

Bringing more international visitors to Scotland further plays a crucial role in showcasing the country and encouraging them to invest, trade, live, work, and study here. There remains vast potential to play to our strengths and grow our role as a major export industry and catalyst of future prosperity by prioritising long-term investment for the sector and supporting VisitScotland's work in sustaining and attracting new international markets – ensuring there is not an overreliance on the lucrative US market.

We believe that the following budget asks would help to strengthen Scotland's ability to compete internationally and support Scotland's International Strategy.

STA Budget Asks for 2027-28:

1. Invest in greater international visitor marketing

Following the COVID-19 pandemic, competition amongst the global tourism industry has been fierce to attract visitors to their destinations, supported by multi-

¹ <https://www.visitscotland.org/research-insights/about-our-visitors/international/annual-performance-report>

million pound marketing budgets.

VisitScotland's budget to promote Scotland overseas pales in comparison to international competitors². For example, Ireland's Overseas Tourism Marketing Fund announced in 2026 budget was set at €71.43 million to drive international tourism growth.³

To keep pace with other countries and retain the country's competitive advantage, greater investment is needed to successfully compete to attract international visitors to the Scotland and increase our overall visibility. For every £1 spent on VisitScotland marketing this generates £18 in added value for Scotland's visitor economy⁴, building Scotland's profile as a must-visit destination and place to host major events.

To optimise economic growth opportunities and protect the future of the tourism and hospitality sector, we are looking to the Scottish Government to identify a multi-year funding package for VisitScotland and EventScotland to allow them to strategically plan their activities for the next few years – investing in marketing, trade engagement and digital activity to encourage visitor dispersal and extending the visitor season.

2. Ensure Scotland House network and Brand Scotland have a strong, consistent tourism focus

The STA welcomes the Scottish Government's announcement that it plans to expand its Scotland House network, as long as this is done in close partnership with VisitScotland and other key stakeholders. A better coordinated and strong, consistent tourism presence is needed to ensure that Scotland House and Brand Scotland can help grow the sector as a key export industry.

It is crucial that the expansion of the Scotland House network by over 40 locations supports the Brand Scotland proposition and we urge the Scottish Government to work with VisitScotland to consider priority visitor markets when deciding the location of these networks, including countries with a strong diaspora link.

The network must also be properly resourced to ensure that it supports targeted marketing opportunities to ensure that Scotland's visitor economy can fully benefit from the development of the network, supporting VisitScotland's work in attracting new and emerging marketing, along with the network benefiting from existing relationships that VisitScotland has already established.

As Scotland's shop window to the world, tourism and events remain a leading engagement tool for Brand Scotland to attract further investment and develop the

² <https://live.worldtourismforum.net/news/Catch-up-the-latest-news-in-tourism-industry/The-Billion-Dollar-Race-Nations-Spend-Big-to-Lure-Tourists>

³ <https://www.tourismireland.com/news-and-press-releases/press-releases/article/tourism-ireland-launches-2026-marketing-plans>

⁴ <https://www.visitscotland.org/news/2025/press-release-major-drive-to-boost-uk-and-overseas-tourism>

country's reputation as a place to do business, along with encouraging people to live, work and study here.

3. Support for international connectivity and route development

Improved international connectivity and route development are crucial in making it possible to grow international tourism and deliver the economic benefits this generates for the country. Future international connectivity and route development opportunities include key emerging visitor markets such as Pakistan, India and China, alongside delivering more US and Canadian routes and European connectivity.

The Programme for Government referenced a commitment to international air connectivity through VisitScotland and we would be looking to the Scottish Government to provide new, dedicated funding for them to deliver on this and support marketing activity attached to existing and new routes.

The STA believes that investment in both route connectivity and year-round offer are crucial in being able to attract more international visitors to Scotland, including supporting the spread visitor activity by supporting improvements to rail, bus, tram and active travel options to and from airports.

Looking towards the next Budget announcement for 2028–29, Scotland cannot afford for there to be any divergence on the Air Departure Tax (ADT) that leads to the country charging more to travel than other parts of the UK. We encourage the Scottish Government to set this tax at a level that gives Scotland a competitive advantage compared to other destinations, and we welcome the discussions we are currently having with them as part of the ADT Steering Group.

4. Continue to invest in major events offer

The hosting of major events in Scotland ensures that the country is centre stage worldwide, with the Tour De France Depart 2027 beginning in Edinburgh not only expected to attract over 1.27 million spectators and more than £45.4 million in economic benefits for the capital but also set to be broadcast in over 190 countries worldwide.⁵

Likewise, co-hosting the UEFA Euro 2028 is estimated to deliver an economic benefit of around £270 million for the country.⁶

The STA urges the Scottish Government to continue to invest in the hosting of major and mega sports and cultural events in Scotland in the latest Budget, working closely with UK Government counterparts to successfully jointly bid to host events.

Along with developing Scotland's global profile and attracting visitors to the country

⁵ <https://www.bbc.co.uk/news/articles/c075jyvn8ljo>

⁶ <https://www.gov.scot/news/euro-2028-investment-to-grow-economy/>

during and post-event, these deliver wider benefits for the local visitor economy, offer job and work experience opportunities for young people, and often leave a lasting legacy for communities and visitors alike to benefit from.

To ensure that Scotland gets the most out of hosting these events, we support VisitScotland to coordinate on international and domestic marketing activity, working closely with destination management organisations to ensure businesses and communities benefit, and that Brand Scotland and the Scotland House network are effectively utilised.

5. Establish a Scottish Tourism and Hospitality Growth Plan

The sector is ready to work in partnership with the next Scottish Government and political parties to begin developing a Scottish Tourism and Hospitality Growth Plan, building on its strengths and positioning the sector as a key export and future industry for Scotland, which will in turn help to inform the next five-year Scottish National Tourism Strategy from 2031 onwards.

This should also look to support sector businesses to grow, including funding for VisitScotland and key destination management organisations to support business growth and export potential.

To accompany the plan, the STA are also calling on the Scottish Government to create a dedicated funding support mechanism to enable the sector to upskill its workforce to ensure that our people meet the quality of experience that international visitors expect, including developing multiple language skills, which has worryingly declined in recent years. We are also calling for sector-specific skills investment to support businesses to utilise technology and AI to effectively compete with international destinations.

As part of this plan, the STA recommends the introduction of ring-fenced budget to deliver on the vision and strategic missions identified and recommended by the Tourism and Hospitality Industry Leadership Group to be a world leader in 21st century tourism.

About The STA:

The Scottish Tourism Alliance (STA) is the largest and overarching trade body for the tourism and hospitality industry in Scotland. Its strong core membership comprises of over 250+ trade associations, tourism and hospitality facing businesses, destination groups, subsector groups, academic institution, tour operators, outdoor activity providers, visitor attractions, and other business organisations with an interest in tourism, including many from the critical supply chains that support the sector. In total, an estimated 15,000+ businesses are connected to the STA from across all regions of Scotland.

The organisation is governed by a Board with wide-ranging representation from Scotland's tourism industry and supply sectors, who together with the STA's Council,

Destination Forum and Policy Working Group shape the organisation's policy agenda for the Scottish Government, UK Government and other key stakeholders.

In full collaboration with the Scottish Government and its agencies, the STA played an integral role in co-ordinating the development and launch of Scotland's national tourism strategy, Scotland Outlook 2030. The trade body remains driven by this strategy, growing the value and positively enhancing the benefits of tourism in Scotland by delivering the very best for visitors, businesses, people, communities and environment.

The STA's Chief Executive, Marc Crothall MBE, chairs the Tourism and Hospitality Industry Leadership Group (THILG). The group's core purpose is to provide the recommended strategic direction that will help to drive recovery and sustainable growth across both tourism and hospitality in the long term.