

# SCOTTISH DIGITAL TOURISM

## A National Strategy and Travel Tech Industry Action Plan



# Scottish Tourism Alliance: Holyrood Election Manifesto 2026

In the wake of the global pandemic, Marc Crothall MBE, Chief Executive of the Scottish Tourism Alliance (STA), describes the tourism sector as “rising like a phoenix from the ashes.”

On the surface, the flames of recovery are burning bright: in 2024, Scotland welcomed 4.4 million international visitors who contributed a record-breaking £4 billion to the economy.

It is a sector that has proved itself the most resilient of Scotland’s industries, outperforming the rest of the UK in inbound value. However, as any economic analyst will tell you, a phoenix requires sustained fuel to stay airborne. While the headline figures are dazzling, they mask a fragile reality.

The STA’s 2026 [Holyrood Election Manifesto](#) reveals a sector at a crossroads. Despite the fact that recent investment in VisitScotland marketing delivered a staggering return of £18 for every £1 spent, the industry faces a complex paradox.

Download the [Tourism Blueprint](#).

The Scottish Tourism Alliance 2026 Manifesto outlines a strategic vision to establish Scotland as a global leader in high-quality, sustainable tourism by the end of the decade. The document emphasizes three primary pillars: championing the industry through dedicated government leadership, connecting the country via improved transport and digital infrastructure, and investing in workforce development and emerging technologies.

## The Outperformance Paradox: Leading the UK While Losing Ground at Home

Scotland’s tourism success is currently a story of two markets. While international spend has soared, there is a “significant gap” appearing in the domestic market—the historical backbone of the industry.

# Scottish Tourism Alliance: Holyrood Election Manifesto 2026

In 2024, Scotland saw 1.4 million fewer domestic trips than in previous years. Crucially, these trips were characterized not just by lower volume, but by shorter stays, suggesting a fundamental shift in how residents are spending their leisure time and capital.

This reliance on international travel creates a geographic vulnerability. Edinburgh remains the only region where international visits outnumbered domestic ones; the rest of the country remains heavily dependent on a domestic market that is currently contracting.

“Businesses must have the breathing space to build on these unique assets, to elevate the quality of our visitor experience and deliver value for money.” — Rebecca Brooks, Chair of the STA

To mitigate this, the manifesto argues for better visitor dispersal and robust, ring-fenced funding for VisitScotland to maintain a competitive edge while attempting to revitalize domestic interest in “regional and seasonal” travel.

## The Price of Beauty: A Global Competitiveness Warning

Scotland is globally renowned for its natural assets, but in the cold light of economic data, beauty is no longer a sufficient defense. A startling reality highlighted in the manifesto is the UK’s lack of price competitiveness. The World Economic Forum ranks the UK 113th out of 119 countries in this category—a precarious position for a nation seeking to grow its export value.

International tour operators are now warning that Scotland is perceived as becoming “overpriced for the quality of experience offered.” This “pincer movement” is driven by a combination of high-level policy pressures:

# Scottish Tourism Alliance: Holyrood Election Manifesto 2026

- **Taxation Disparity:** The UK maintains one of the highest rates of VAT in Europe.
- **The Unlevel Playing Field:** The sector faces “unreplicated business rates support” and disparities in visitor levy charging models compared to the rest of the UK, creating a competitive disadvantage.
- **Eroded Profits:** Post-pandemic financial crises and a projected £2.6 billion “black hole” in public spending have thinned profit lines, hampering the ability to reinvest in “people, product, and place.”

Without addressing these regulatory and cost barriers, Scotland risks pricing itself out of the very markets it currently leads.

## The Invisible Thread: Why a Closed Pub in Plockton Matters to a Web Designer in Glasgow

The most significant takeaway for policymakers is that tourism is no longer a siloed “growth sector”—it is the engine room of the Scottish economy. Tourism-related industries have recently surpassed business and financial services to become the single biggest source of employment in Scotland, accounting for 32% of total growth sector employment.

The “Multiplier Effect” means that 1 in 11 jobs and businesses in Scotland are anchored by this industry. The closure of a single rural hotel or a village pub isn’t just a loss for travelers; it snaps a supply chain that supports:

# Scottish Tourism Alliance: Holyrood Election Manifesto 2026

- Self-catering property maintenance services and trade contractors.
- Local food and drink producers who rely on hospitality volume.
- Specialized toiletries suppliers and laundry services.
- Web designers and marketing agencies in urban hubs like Glasgow who manage the digital storefronts of rural retreats.

Because of this interconnectedness, the tourism sector acts as a “force for good” that brings high streets and post-industrial areas back to life, fostering community cohesion and preventing the “brain drain” in regions suffering from population decline.

## The ROI of Grand Stages: Golf and Major Events

The manifesto makes a data-driven case for the “Grand Stage” strategy, framing public investment in major sporting events as a “safe return on investment.”

The figures demonstrate why this is an analyst’s dream:

- **The Open:** Hosting this event delivered a massive £1.36 billion economic return for Scotland between 2005 and 2024.
- **Future-Proofing Golf:** A joint £11 million contribution from the Scottish Government and VisitScotland will secure various Open championships through 2034, cementing the nation’s brand as the “Home of Golf.”
- **Upcoming Catalysts:** The 2027 Tour de France Grand Départ and the joint hosting of UEFA Euro 2028 are essential for wider economic benefits. The STA is also eyeing future bids, such as bringing the World Rally Championships to Aberdeen.

“The sector is a catalyst for growth across all parts of Scotland and is the heartbeat of our local communities, particularly in our island and rural areas that are suffering population drain.” — STA 2026 Manifesto

# Scottish Tourism Alliance: Holyrood Election Manifesto 2026

## Future-Proofing: AI, Data, and the “21st-Century Visitor”

To remain a world leader by 2030, the STA is calling for a “Digital First” agenda. The modern traveler—the “21st-century visitor”—expects a frictionless experience that Scotland’s aging infrastructure is currently struggling to provide.

Key priorities for this digital transformation include:

- **Evidence-Based Decisions:** Investing in improved national data collection to inform economic impact assessments before policy decisions are made.
- **Smart Infrastructure:** Moving toward “smart ticketing” across all transport networks and universal contactless payment options to reduce friction.
- **The Digital Baseline:** Universal 4G/5G and fiber broadband coverage is no longer a luxury; it is a baseline requirement, particularly in rural and island “blackspots” where mobile signals currently fail.

The goal is to harness AI and emerging technologies to personalize the visitor journey, ensuring that Scotland’s “natural brand” is supported by high-tech efficiency.

## Conclusion: A Call to Champion, Connect, and Invest

The STA’s 2026 Manifesto is built on a single, sobering truth: “Tourism doesn’t just happen.” As global competition for traveler spend intensifies, Scotland requires intentional, high-level political leadership. The STA’s primary “ask” is the creation of a dedicated, named Cabinet Secretary to champion the sector and ensure cross-portfolio cooperation on everything from planning reform to affordable housing for the workforce.

By addressing the “Outperformance Paradox” and the “Price of Beauty,” Scotland can safeguard its most resilient industry. However, a fundamental question remains for the next Scottish Parliament: Can Scotland afford to rest on its “natural brand” laurels, or will it find the political will to fund the digital and physical infrastructure required to win the global race for the 21st-century traveler?

# The Rise of TravelTech: Revolutionizing the Way We Explore the World

The travel industry has always been a dynamic space, adapting to cultural shifts, economic changes, and technological advancements.

In recent years, a new wave of innovation has transformed how we plan, experience, and share our journeys: 'TravelTech'.

This burgeoning sector, blending travel with cutting-edge technology, is redefining the travel landscape by enhancing convenience, personalization, and sustainability. From AI-powered trip planners to blockchain-based booking systems, TravelTech is reshaping the way we explore the world.

## What is TravelTech?

TravelTech refers to the application of technology to streamline and enhance the travel experience. It encompasses a wide range of solutions, including mobile apps, artificial intelligence (AI), virtual reality (VR), blockchain, and the Internet of Things (IoT), applied across various aspects of travel—booking, navigation, accommodation, and beyond. The sector addresses pain points for travelers, businesses, and service providers, offering seamless, efficient, and personalized solutions.

The global TravelTech market is booming. According to industry reports, the market size was valued at over \$9 billion in 2022 and is projected to grow at a compound annual growth rate (CAGR) of around 8% through 2030. This growth is fueled by increasing smartphone penetration, rising demand for personalized travel experiences, and the need for sustainable travel solutions.

# The Rise of TravelTech: Revolutionizing the Way We Explore the World

## Key Innovations in TravelTech

### AI and Machine Learning: Personalization at Scale

Artificial intelligence is at the heart of TravelTech, enabling hyper-personalized travel experiences. AI-powered platforms analyze user data—preferences, budgets, and past trips—to recommend tailored destinations, accommodations, and activities. For example, companies like Hopper use AI to predict flight and hotel price fluctuations, advising travelers on the best time to book.

Chatbots and virtual assistants, such as those integrated into platforms like Expedia or Kayak, provide real-time customer support, answering queries about bookings, cancellations, or itinerary changes. These tools leverage natural language processing (NLP) to offer conversational, human-like interactions, reducing the burden on customer service teams.

### Mobile Apps: Travel in Your Pocket

Smartphones have become indispensable travel companions, and TravelTech has capitalized on this trend. Mobile apps like Google Maps, Triplt, and Airbnb consolidate essential travel functions—navigation, itinerary management, and accommodation booking—into user-friendly interfaces. Apps like Citymapper go further, offering real-time public transit updates and multi-modal route planning for urban travelers.

Augmented reality (AR) is also gaining traction. Apps like Google Lens allow users to point their phone cameras at landmarks or signs to access instant translations or historical information, enriching the travel experience.

### Blockchain: Secure and Transparent Transactions

Blockchain technology is addressing trust and security concerns in travel. It enables secure, decentralized booking systems, reducing reliance on intermediaries like online travel agencies (OTAs). Platforms like Winding Tree use blockchain to connect travelers directly with service providers, cutting costs and increasing transparency.

# The Rise of TravelTech: Revolutionizing the Way We Explore the World

Blockchain also streamlines loyalty programs. Instead of fragmented reward systems, travelers can earn and redeem universal tokens across airlines, hotels, and other services, simplifying the process and enhancing flexibility.

## Sustainable Travel Solutions

As environmental concerns grow, TravelTech is prioritizing sustainability. Platforms like Skyscanner now highlight “greener” flight options based on carbon emissions, while apps like GreenGlobe help travelers find eco-friendly accommodations. Startups like Cool Cousin connect users with local guides to promote authentic, low-impact tourism.

IoT devices are also playing a role. Smart hotels use sensors to optimize energy consumption, reducing waste while maintaining guest comfort. These innovations align with the growing demand for responsible travel, particularly among younger generations.

## Virtual and Augmented Reality: Immersive Experiences

Virtual reality is transforming how travelers research and experience destinations. VR platforms allow users to take virtual tours of hotels, attractions, or entire cities before booking. For instance, Marriott Hotels has experimented with VR to showcase properties, giving guests a “try before you buy” experience.

AR enhances on-the-ground exploration. Apps like AR City overlay digital information onto real-world views, providing historical context or navigation cues as travelers explore new places.

## The Future of TravelTech

The future of TravelTech is bright, with several trends poised to shape the industry:

# The Rise of TravelTech: Revolutionizing the Way We Explore the World

- **Contactless Travel:** Post-pandemic, touchless check-ins, digital passports, and biometric authentication (e.g., facial recognition at airports) are becoming standard.
- **Metaverse Integration:** As the metaverse evolves, virtual travel experiences could become mainstream, allowing users to “visit” destinations in fully immersive digital environments.
- **AI-Driven Hyper-Personalization:** Advances in AI will enable even more granular customization, from curated dining suggestions to real-time itinerary adjustments based on weather or crowd levels.
- **Sustainability as a Priority:** TravelTech will continue to innovate in eco-friendly solutions, such as carbon offset integrations and AI-optimized travel routes to minimize environmental impact.

## Scottish TravelTech Pioneers

The UK traveltech sector has reached record investment levels, with Edinburgh emerging as a key hub, driven by advancements in AI, according to a [Dealroom analysis](#) commissioned by the [Traveltech Innovation Hub](#) at Edinburgh Futures Institute, led by Joshua Ryan-Saha, Director.

Edinburgh hosts major players like Skyscanner, [TravelNest](#), [Citizen Ticket](#), and TravelPerk, which recently [opened](#) a new office in the city.

The report highlights Edinburgh’s AI expertise and innovation ecosystem as key drivers, with AI transforming how travel is discovered, booked, and experienced. Edinburgh-based [Obvlo](#) recently raising \$2 million (£1.5m) to develop AI solutions for personalised local content for travel and hotel brands such as Virgin Hotels.

## Conclusion

TravelTech is more than a trend—it’s a transformative force in the travel industry. By leveraging AI, blockchain, VR, and other technologies, it empowers travelers with greater control, flexibility, and access to unique experiences. As the sector continues to evolve, it promises to make travel more seamless, sustainable, and personalized, ensuring that the journey is as rewarding as the destination. Whether you’re a frequent flyer or an occasional explorer, TravelTech is paving the way for a new era of global adventure.