



Market Report

A Snapshot of your Marketing Sector

Holiday Homes

This pack has been designed to provide information on setting up a business in the **Holiday Homes** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **May 2025**.

What do I need to know about the Holiday Homes market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ The Domestic Tourism **market value is expected to reach £14.6 billion by 2029**. 56% of Brits took a domestic holiday in the year ending September 2024. The volume of domestic holidays is estimated to have increased by 5% in 2024, reaching **38.9 million trips, up from 37.2 million in 2023**. Average spend per holiday is expected to remain at the same level in 2024 but is currently 27% higher than in 2019. As costs for domestic holidays rise, some travellers are adopting a 'quality over quantity' mindset, by taking fewer domestic holidays, but of higher quality. Luxury short break staycations will boost market value, as sectors such as health and wellness breaks, golf holidays and glamping options, become more popular. (Mintel, *Domestic Tourism UK*, December 2024).
- ◆ The rise of the sharing economy, led by platforms like Airbnb, is reshaping consumer preferences and putting pressure on holiday accommodation providers to rethink their pricing strategies. With more guests opting for short-term lets for home comforts and local experiences, providers are facing downward pricing pressure and intensifying competition. **Demand for staycations is expected to remain strong** as consumers seek attractive short getaway options. A resilient number of domestic and international visitors to Scotland is providing good revenue opportunities for holiday accommodation in the region. VisitScotland reveals there were **12.4 million overnight trips in Scotland by Great Britain residents in 2023**, while overnight trips by **international visitors reached 4 million**. (IBISWorld, *Holiday Accommodation in the UK*, April 2025).
- ◆ Spending on stays in domestic holiday rental properties by British residents is estimated to reach **£3billion in 2024**. Value is expected to increase by 13% between 2025-29 to £3.6 billion in 2029. Over **30% of UK adults stayed in a holiday rental property** in the three years to May 2024, up from 25% in April 2017. Of these, 18% stayed in a rental house, such as a villa or cottage, 15% stayed in a rental apartment or flat and 4% opted for a rented room in a property. (Mintel, *Holiday Rental Property UK*, July 2024).
- ◆ Self-Catering unit occupancy in Scotland experienced a 2.06 percentage point decrease when comparing 2024 with 2023. In **2024, Self-Catering unit occupancy peaked in August at 57.4%**, whilst in 2023, unit occupancy peaked at 58.4% in August. In 2024, 98.7% of all participating Self-Catering accommodation providers had their own website. Just over half of businesses had a Facebook page and /or were listed on Tripadvisor. (Visit Scotland, [Scottish Accommodation Occupancy Survey 2024](#)).
- ◆ The national organisation for this industry is the [Association of Scotland's Self-Caterers](#). Other industry bodies include [Holiday Homes Association](#), [British Holiday & Home Parks Association](#) and the [UK Short Term Accommodation Association](#).

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Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Mintel – Holiday Rental Property (July 2024).** 68% of potential holiday rental property guests are most likely to choose holiday rental properties in the mid-range scale. This is followed by budget and luxury properties, at 19% and 10% respectively. Over-45s are more likely to opt for mid-range properties (76%). 16–44-year-olds are an important segment to budget properties, with 26% most likely to be staying in such accommodation. 16–34-year-olds are also more likely to opt for luxury properties (14%) than other age groups.
- ◆ **Mintel – Holiday Review (February 2025).** Despite a slight decline in the number of staycations in 2024, Mintel estimates that the value of the market grew slightly in 2024. This was driven by an increase in the average cost of a domestic holiday, which has risen by 30% over the past five years to reach £337 in 2024. Holiday rental properties command a higher nightly spend and continue to capture an increasing share of the market.
- ◆ **Statista – Regions for Summer Staycations UK (April 2025).** A March 2025 survey revealed that the South West was the leading destination for upcoming overnight domestic trips during summer in the UK, with 19% of respondents stating that this was the case. Meanwhile, 12% of respondents said that they intended to visit Scotland during the summer, and only 2% stated that they would like to visit Northern Ireland.
- ◆ **Statista – Penetration rate in the vacation rentals market UK (February 2025).** The penetration rate in the 'Vacation Rentals' segment of the travel & tourism market in the UK was forecast to continuously increase between 2024 and 2029 by in total 2.6%. After the ninth consecutive increasing year, the penetration rate is estimated to reach 27.49 % and therefore a new peak in 2029.

There are also a number of online resources you may find helpful:

- ◆ [The Sykes Staycation Index 2024](#), June 2024. This report looks at the popularity of staycations in the UK and reviews trending holiday hotspots and activities. *“22% of those surveyed opt for shorter, more frequent breaks to use their annual leave more efficiently. Sykes has seen a 9% uplift in long weekend break bookings YoY in 2024, with 35% of Brits preferring more regular, short breaks. The top reasons for this were to experience more locations (44%), easier to fit breaks into busy schedules (37%) and offers more regular escapism (29%).”*
- ◆ **Visit Scotland - [Research & Insights](#).** The corporate section of the Visit Scotland website provides information and statistics on Scotland’s tourism industry.

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.



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How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) ["Find a Chartered Accountant"](#) tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk ["Licence Finder"](#) tool

Law Society of Scotland's ["Find a Solicitor"](#) tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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