

# **Hostels income on the increase in Scotland**

**The income earned by Scotland's youth hostels increased by almost 20% to more than £10 million last year, amid rising popularity among budget conscious travellers.**

Hostelling Scotland earned a total income of £10,032,371 in 2023/24 – up 19% on the previous year, according to its latest accounts.

The not-for-profit charity reinvested £1,232,261 on maintenance, health and safety and capital expenditure across its network and after all costs made a surplus of £741,120.

Founded in 1931 as the Scottish Youth Hostel Association, the charity was rebranded as Hostelling Scotland in 2018 and is now one of Scotland's leading accommodation providers.

Operating 29 hostels along with 24 affiliates in key locations around the country, it is benefiting from the sector's growing appeal to a broader demographic beyond young backpackers.

Hostels can be found from Kirkwall in Orkney down to Whithorn in Wigtownshire, in picturesque rural settings and busy towns and cities, providing "affordable, welcoming accommodation in some of the best locations across Scotland".

Margo Paterson, Hostelling Scotland's CEO, said: "Our customer feedback and reviews highlight that value for money plays a big part in the experience and self-catering can also keep costs lower.

“More groups are discovering we can accommodate them in private rooms or exclusive private hire, while still enjoying the use of communal facilities to gather and socialise.

“Visitor research shows that value for money continues to play a significant part in choosing accommodation and a destination.”

Data shows overnight stays rose by 8% to 317,447, with an occupancy rate of 68%. The majority of guests were individuals and families with groups making up 24% and private hires 11% where the entire youth hostel was rented for special occasions.

European visitors were the biggest single group of overnighters (33%) ahead of tourists from the rest of the UK and Ireland (29%) Scots (23%), and other international tourists (15%).

With 16 of the charity’s hostels rated by VisitScotland as 4-5 star and 10 rated three-star, the accommodation provided is far removed from outdated hostels of the past following a 21st century image makeover.

They now offer high-quality affordable accommodation – some including private rooms with en suites – as well bike repair stations and cafe bars in some locations.

One of the network’s flagship hostels in Rowardennan, on the eastern shore of Loch Lomond, reopened this year after a £900,000 refurbishment and Braemar Youth Hostel in Aberdeenshire – an impressive former hunting lodge – has been also upgraded, funded by proceeds from the sale of the former Aberdeen Youth Hostel.

The organisation is, meanwhile, progressing with a three-year programme focusing on upgrading bike sheds in the most popular locations, including provision of e-bike charging points.

Modernising and upgrading the network has paid dividends with the charity scoring a 94% overall approval rating out of 5443 guest reviews.

One reviewer said: "If Carlsberg did hostels... Ratagan (is) probably one of the best hostels in the world."

Hostelling Scotland also introduced the first dog friendly hostel in 2019, with 17 "WoofHostels" now allowing visitors to bring family pets – a move that has further expanded the charity's customer base following an increase in dog ownership since the pandemic.

VisitScotland said value for money continues to play a significant part when visitors are choosing accommodation.

The national tourism organisation said one of the biggest growth areas in hostelling was school and university students looking for budget breaks.

Younger groups – defined as 10 or more people – now make up almost a third of all hostel stays, driving up bookings by almost 6% and accounting for 264,049 overnights this year to the end of October.

Jacqui Souter, VisitScotland's Senior Marketing Insight Manager, said: "We know from our research that cost is the biggest consideration for many visitors thinking about a trip just now.

"Hostels make an important contribution to driving the visitor economy and growing the impact of tourism.

"Visitors on a budget can experience hostel locations in villages, towns and cities across the entire country, supporting local jobs and investment."



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