

Scottish Tourism Alliance

STA Snap Survey on the impact of the latest restrictions on hospitality

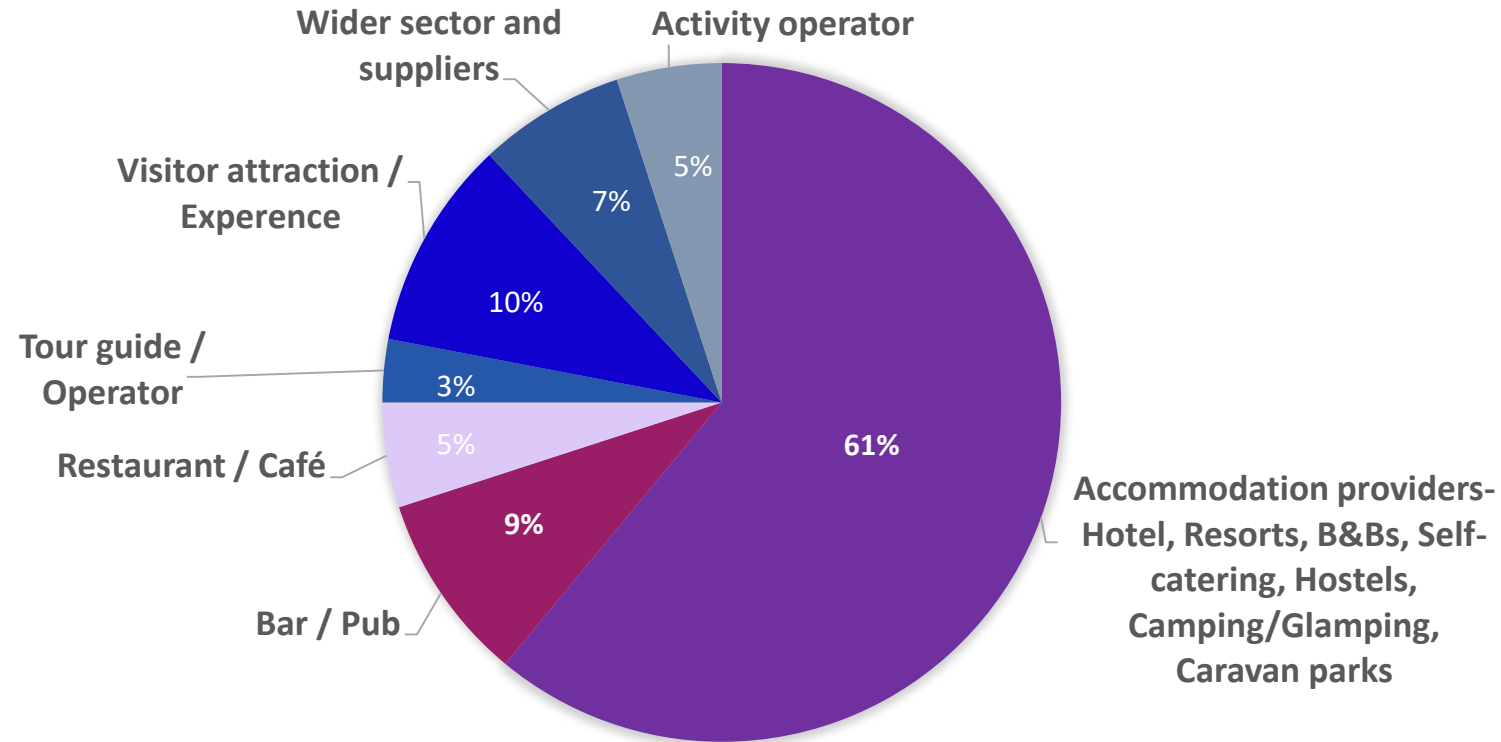


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14 October 2020

Summary

- ❖ Snap survey of predominantly Scottish hospitality businesses on the impact of the latest coronavirus restrictions announced by the First Minister on the 7th October
- ❖ The survey was designed to measure the financial impact of the new hospitality restrictions between 10th - 25th October
- ❖ A total of 350 businesses responded, 180 of which have had to fully or partially close aspects of their business



Business Closure

Businesses who have had to fully or partially close aspects of their business due to the new restrictions during the period 10th - 25th October

- ❖ 180 businesses stated they had fully or partially closed aspects of their business due to the new restrictions
- ❖ 47% of businesses said having to close fully/partially between 10th - 25th October would result in fixed costs of up to £5,000 still having to be covered
- ❖ 5% said that despite zero income, more than £50,001 in fixed costs would still have to be covered

Fixed Cost during the period (10th - 25th Oct)	Number of businesses
0 - 5,000	85
5,001 - 10,000	37
10,001 - 15,000	18
15,001 - 20,000	13
20,001 - 25,000	4
25,001 - 30,000	4
30,001 - 35,000	3
35,001 - 40,000	1
40,001 - 45,000	5
45,001 - 50,000	1
50,001 - 55,000	1
65,001 - 70,000	1
70,001 +	7

Room Cancellations

- ❁ 211 accommodation providers said they had experienced room cancellations
- ❁ 45% of accommodation providers who responded said that their loss in room revenue due to cancellations was up to £5,000
- ❁ 9.5% of businesses who responded said their direct loss in room revenue due to cancellations was above £50,001



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Loss of revenue due to room cancellations	Number of businesses
0- 5,000	95
5,001 - 10,000	41
10,001 - 15,000	19
15,001 - 20,000	10
20,001 - 25,000	6
25,001 - 30,000	5
30,001 - 35,000	4
35,001 - 40,000	4
40,001 - 45,000	7
50,001 - 55,000	1
55,001 - 60,000	4
60,001 - 65,000	1
65,001 - 70,000	1
70,001 +	13

Food and Drink

- ❖ 120 responses from businesses who operate a food and beverage outlet. *This data included accommodation providers, bars, restaurants and venues*
- ❖ 30% businesses who responded said they expected to lose up to £5,000 in revenue due to not being able to operate their food and drink outlets normally due to new restrictions
- ❖ 9% of businesses said they expected to lose more than £50,001+



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Total loss of revenue	Number of businesses
0 - 5,000	36
5,001 - 10,000	14
10,001 - 15,000	14
15,001 - 20,000	17
20,001 - 25,000	10
25,001 - 30,000	5
30,001 - 35,000	3
35,001 - 40,000	6
40,001 - 45,000	3
45,001 - 50,000	1
50,001 - 55,000	1
55,001 - 60,000	1
65,001 - 70,000	2
70,001 +	7

Activity Operators and Visitor Attractions

- We had 65 responses from activity operators/visitor attractions stating loss of revenue as a direct result of new restrictions
- 38% businesses who responded said they expected to lose up to £5,000 in total revenue due to new restrictions
- 11% expected to lose over £55,001



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Total loss of revenue	Number of businesses
0 - 5,000	25
5,001 - 10,000	13
10,001 - 15,000	4
15,001 - 20,000	3
20,001 - 25,000	4
25,001 - 30,000	4
30,001 - 35,000	2
35,001 - 40,000	2
40,001 - 45,000	1
55,001 - 60,000	1
60,001 - 65,000	1
70,001 +	5

Redundancy

- 277 businesses responded
- Between these businesses a total of **1,149 people** were made redundant on account of the new restrictions



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Conclusions

This sample set would appear to be consistent with data being gathered by other trade associations in the industry.

The results clearly demonstrate that the restrictions continue to have a significant impact on businesses across the sector. The findings further highlight the urgent need for a substantial level of financial support to be made available to help businesses' both survive and to mitigate further job losses.



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