



SCOTTISH
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ALLIANCE

Your voice in tourism matters

Scottish Tourism Alliance

Tourism and Hospitality Industry Financial Impact Survey

Key Findings

13th January 2022

Context

- Survey open from 17th December 2021 until 10th January 2022
- 1,335 responses
- Good geographical spread across 31 Local Authorities
 - Strong representation from the Highland Council area (27%)
- Responses recorded against 12 different sub-sectors. Most robust sub-sectors include:
 - Serviced Accommodation (26%) – hotels, B&Bs, hostels and guest houses
 - Non-Serviced Accommodation (36%) – self-catering, camping / caravan parks
 - Food & Drink (10%) – pubs, bars, cafes, restaurants
 - Attractions (Including Leisure and Activity Providers) (8%) – arts & theatre, historic and leisure
 - Tour & Coach Operators (11%)
 - Other (9%)

Survey Questions



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- Where Is Your Business Located ?
- What Is Your Main Business Activity?
- What Is Your Revenue Split By Market? (please ensure that this totals 100%) Domestic / Inbound / outbound
- How Many Employees Do You Have?
- How is Your Turnover For The Following Periods Compared to Pre-Covid? October 2021 / November 2021 / December 2021
- What Level Of Cancellations Have You Been Experiencing For The Following Periods? December 2021 / January – March 2022 / April 2022 Onwards
- What Level Of Bookings Have You Been Experiencing For The Following Periods Compared To Pre-Covid? [December 2021 / January – March 2022 / April 2022 Onwards
- How Many Months Of Cash Reserves Do You Have?
- If You Are In Financial Difficulty, What Is The Main Reason?
- Prioritise These Reasons For Increased Costs (1 = most important reason) Higher Staff Costs / Higher Energy Costs / Higher Inputs and Materials Costs / Covid Compliance Costs
- Prioritise These Reasons for Reduced Revenue (1 = most important reason) Reduced Capacity as a Result of Staff Shortages / International Travel Restrictions / Domestic Travel or Social Distancing Restrictions / Need for a Covid Pass or testing
- Have You Been Impacted By Staff Shortages?
- If Staff Shortages Have Impacted Your Business, How Have You Responded? (1 = we haven't responded in that way and 10 = this has been one of the main ways we have responded) Employees have had to work increased hours / We've had to recruit temporary workers / We've had to reduce our hours or services / We've had to pause trading entirely / We've had to turn away business / Our business has not been affected]
- How Is Staff Turnover Compared To Normal?
- Based on the Current Outlook, How Likely Is It That Your Business Will Fail In 2022?
- What Government Measures Would Most Make a Difference To Your Business and Encourage Recovery? (1 = it would make little difference and 10 = would make a big difference) Additional Sector Specific Grants / Removing Covid Restrictions / Retaining the 12.5% VAT Rate / Greater Government Clarity On Rules / Government Funding for Marketing Campaigns / Reintroduction of Furlough / Government Reassurance On The Safety Of Travel
- Is There Any Other Feedback Or Comments That You Would Like To Provide?

Where Is Your Business Located ?

Local Authority	Number of Respondents	% of All Respondents
Aberdeen City Council	20	1.5%
Aberdeenshire Council	55	4.1%
Angus Council	17	1.3%
Argyll and Bute Council	105	7.9%
City of Edinburgh Council	112	8.4%
Clackmannanshire Council	8	0.6%
Comhairle nan Eilean Siar	44	3.3%
Dumfries and Galloway Council	52	3.9%
Dundee City Council	9	0.7%
East Ayrshire Council	5	0.4%
East Dunbartonshire Council	2	0.1%
East Lothian Council	19	1.4%
East Renfrewshire Council	0	0.0%
Falkirk Council	15	1.1%
Fife Council	57	4.3%
Glasgow City Council	55	4.1%
Inverclyde Council	3	0.2%

Local Authority	Number of Respondents	% of All Respondents
Midlothian Council	26	1.9%
North Ayrshire Council	48	3.6%
North Lanarkshire Council	7	0.5%
Orkney Islands Council	58	4.3%
Perth and Kinross Council	69	5.2%
Renfrewshire Council	2	0.1%
Scottish Borders Council	46	3.4%
Shetland Islands Council	7	0.5%
South Ayrshire Council	9	0.7%
South Lanarkshire Council	17	1.3%
Stirling Council	42	3.1%
The Highland Council	364	27.3%
The Moray Council	39	2.9%
West Dunbartonshire Council	7	0.5%
West Lothian Council	15	1.1%
Blank	1	0.1%
Total Responses	1,335	

What Is Your Main Business Activity?



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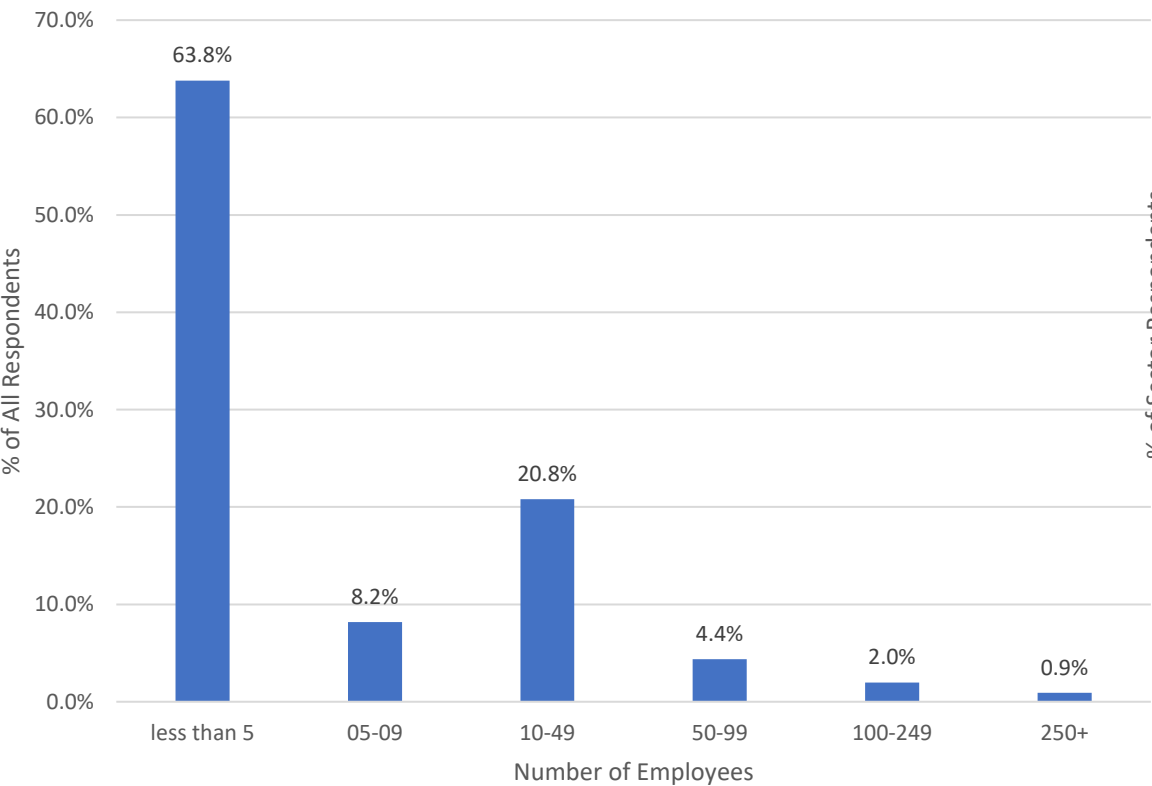
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Tourism & Hospitality Sectors	Total Number of Respondents	% of Respondents
Serviced Accommodation	342	25.9%
Non Serviced Accommodation	478	36.1%
Food & Drink	129	9.8%
Attractions (Including Leisure & Activity Providers)	104	7.9%
Tour & Coach Operator	151	11.4%
Other	119	9.0%
Total Responses	1,323	
Blanks	12	
Total Respondents	1,335	

How Many Employees Do You Have?

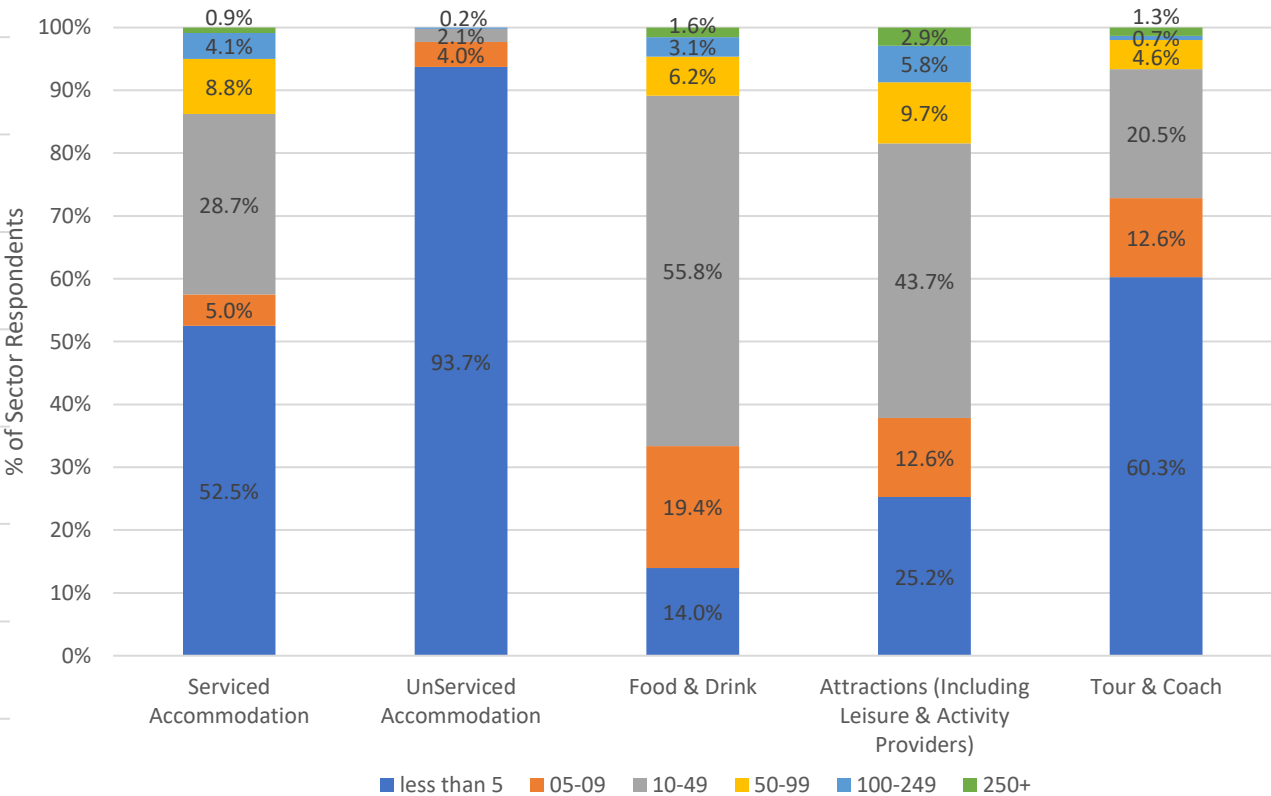
All Respondents (1,331)

How Many Employees Do You Have?



Sector Specific

How Many Employees Do You Have?



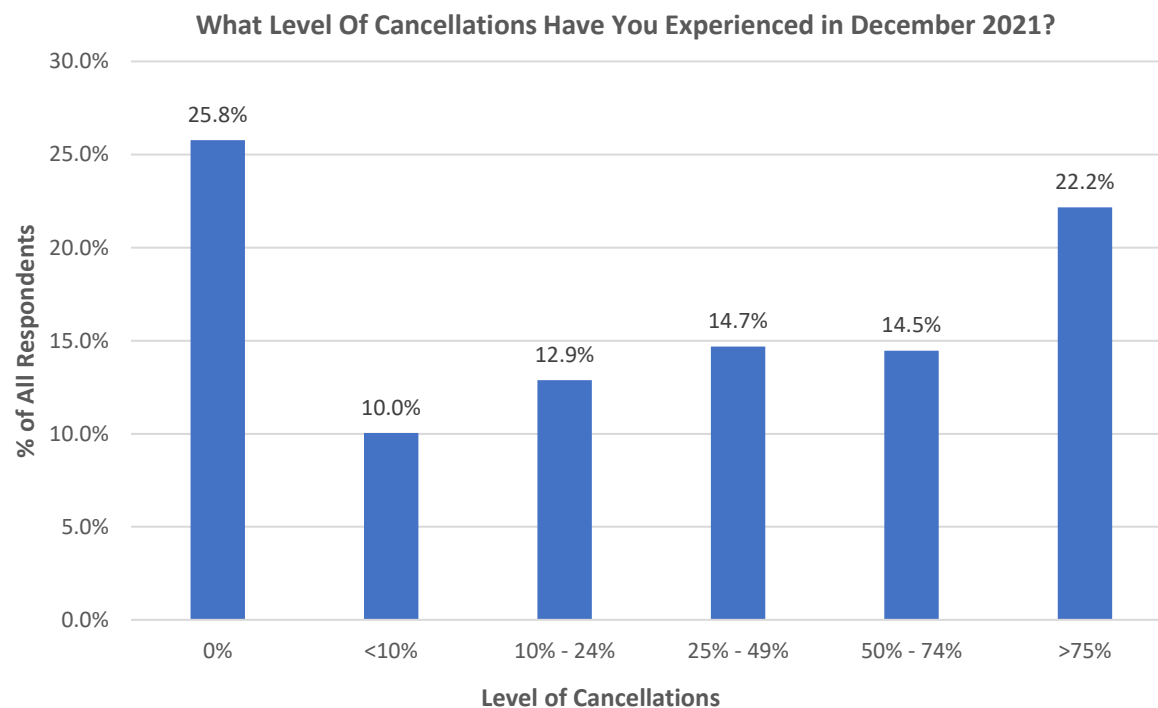
What Level Of Cancellations Have You Been Experiencing In December 2021



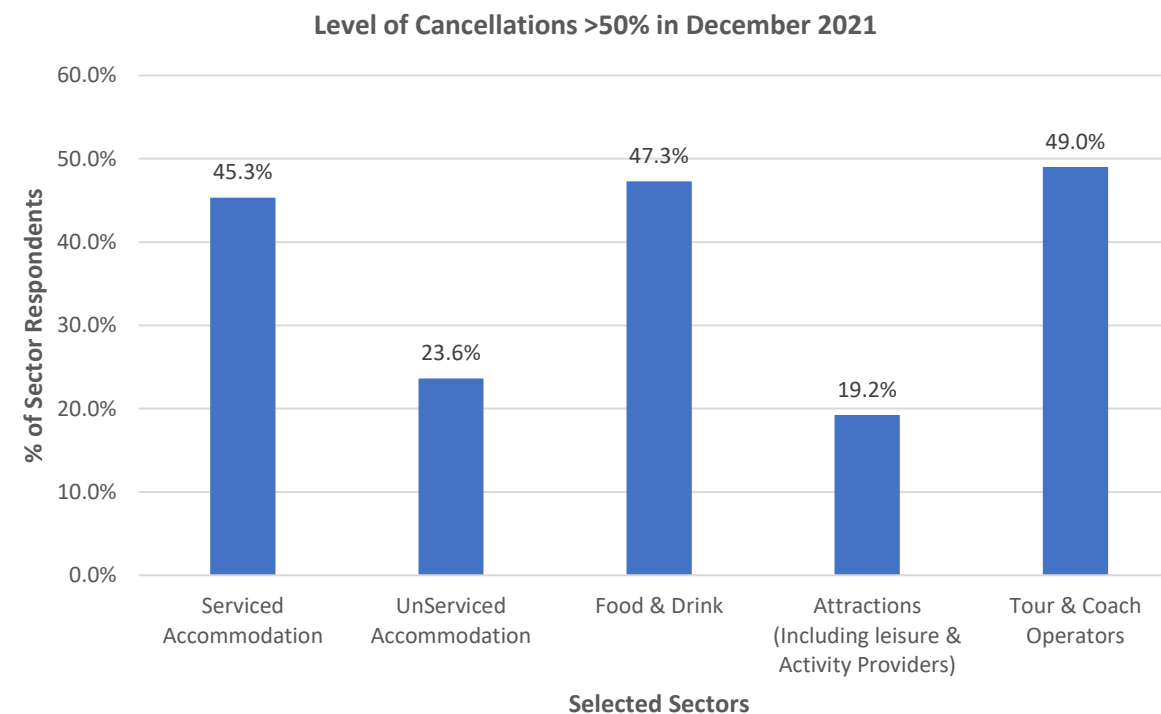
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All Respondents (1,335)



Sector Specific



- 26% of all respondents had 0% cancellations
- 38% of all respondents had <50% cancellations
- 37% of all respondents had >50% cancellations

What Level Of Cancellations Have You Been Experiencing For The Period January - March 2022

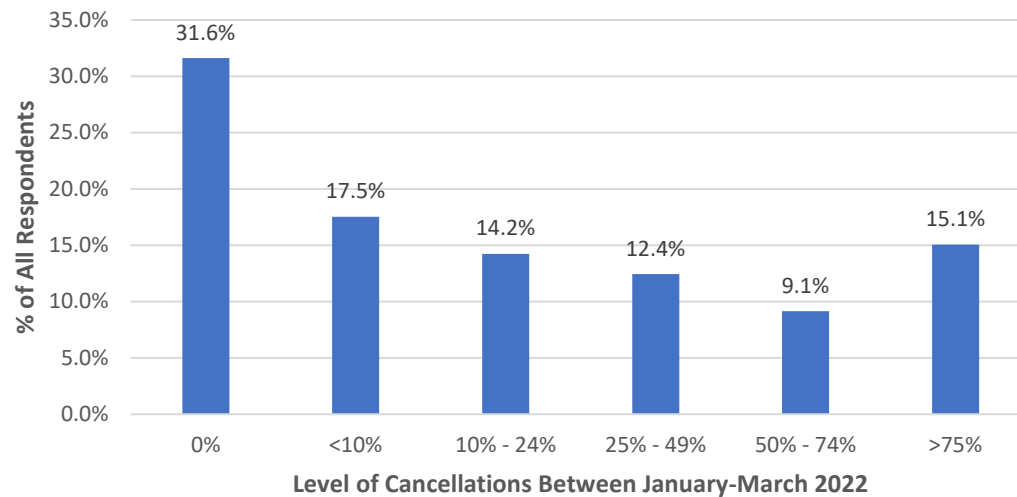


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All Respondents (1,335)

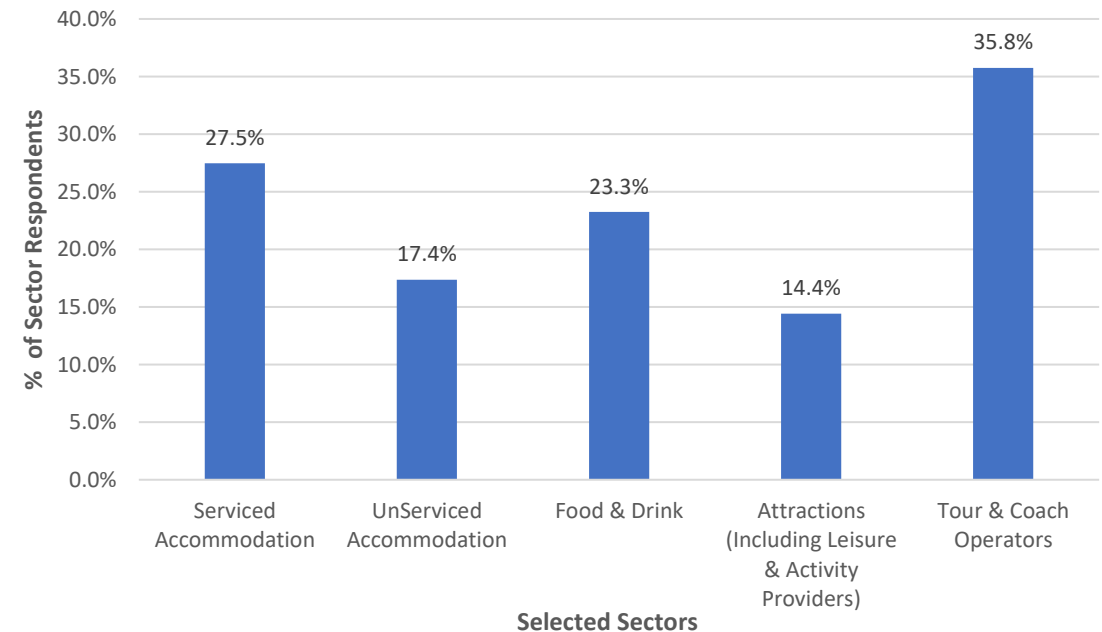
What Level Of Cancellations Have You Been Experiencing For The Period January - March 2022?



- 32% of all respondents had 0% cancellations
- 44% of all respondents had <50% cancellations
- 24% of all respondents had >50% cancellations

Sector Specific

Level of Cancellations >50% For The Period January - March 2022



What Level Of Cancellations Have You Been Experiencing For The Period April 2022 Onwards?

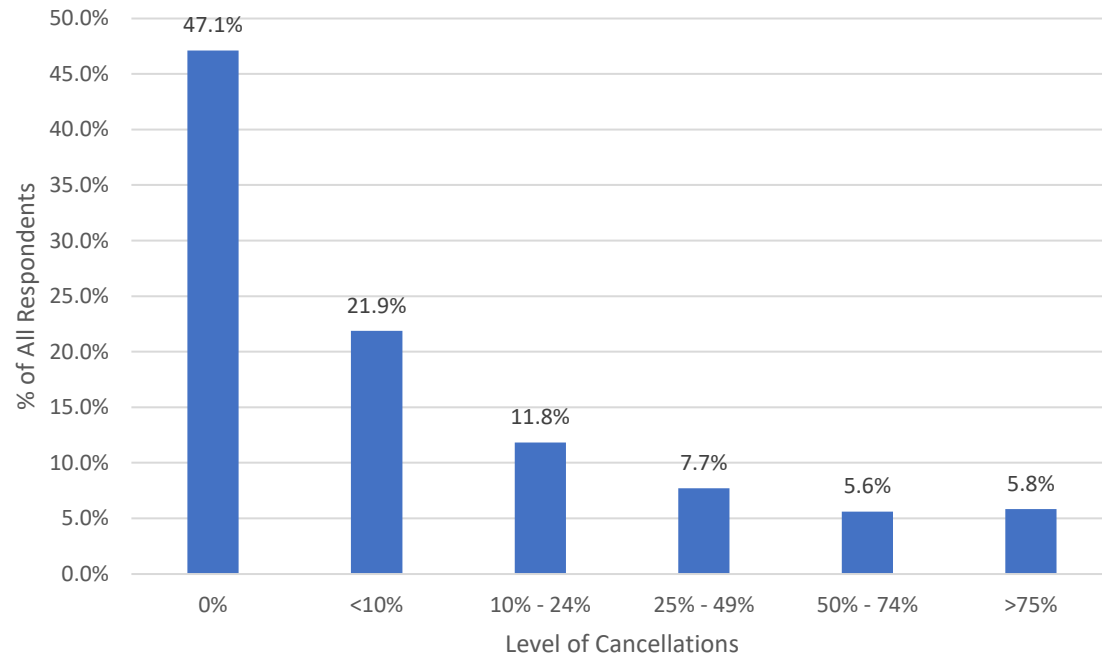


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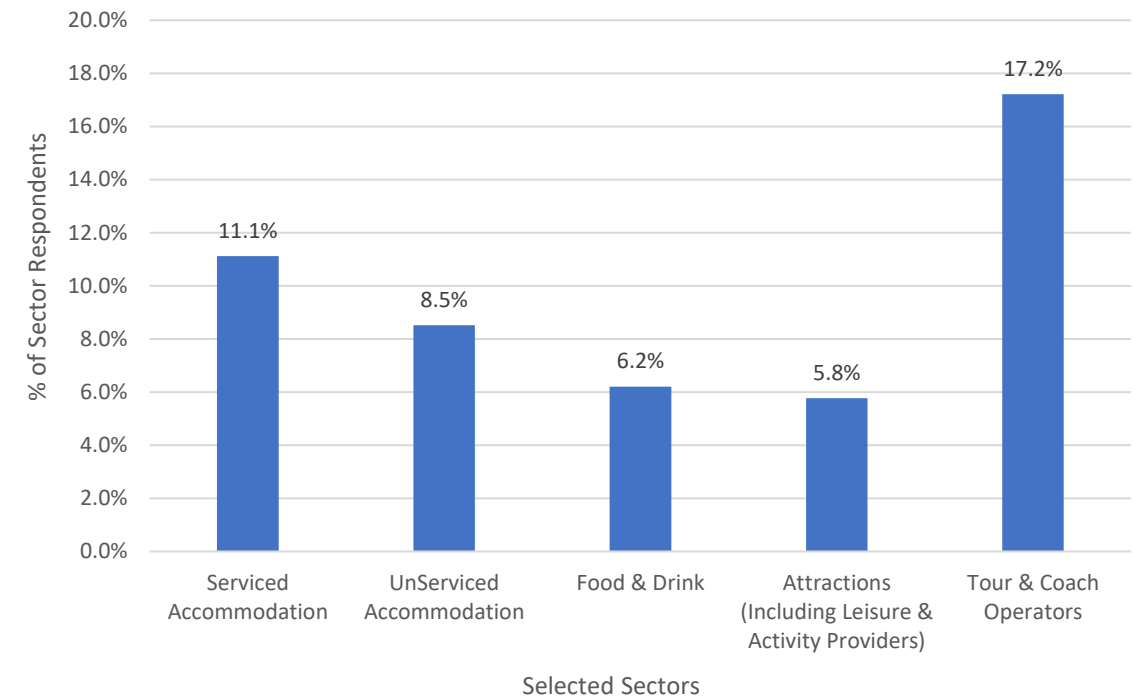
All Respondents (1,335)

What Level Of Cancellations Have You Been Experiencing For The Period April 2022 Onwards?



Sector Specific

Level of Cancellations >50% For The Period April 2022 Onwards



What Level Of Bookings Have You Been Experiencing For December 2021 Compared To Pre-Covid?

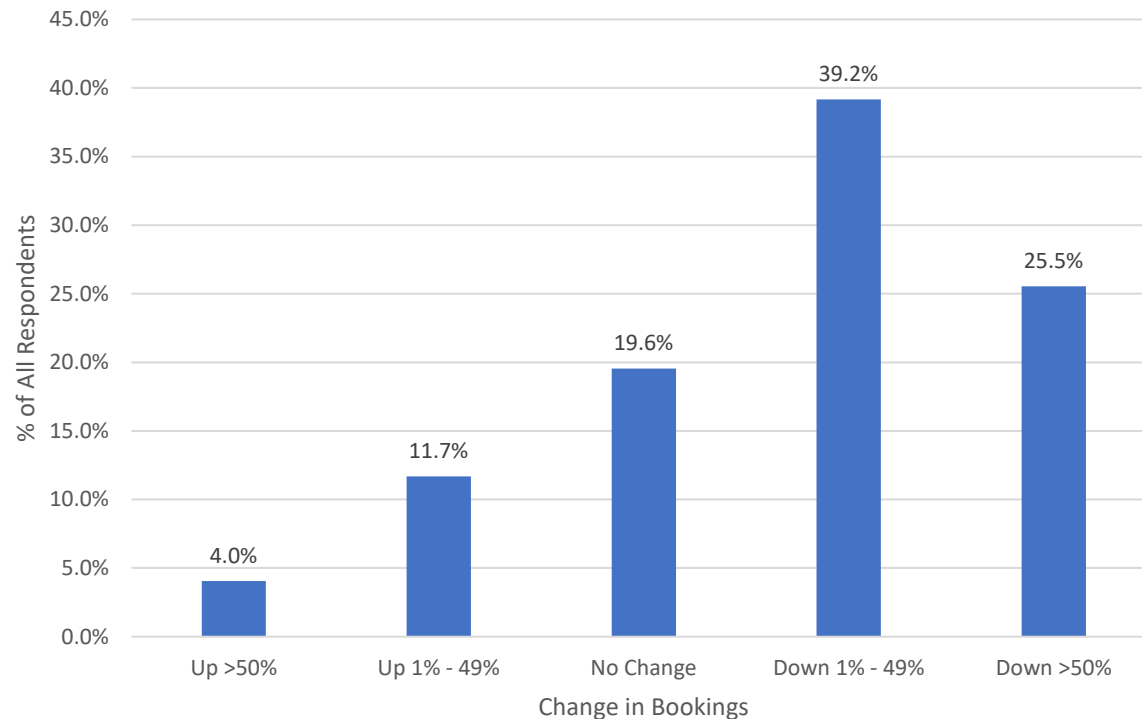


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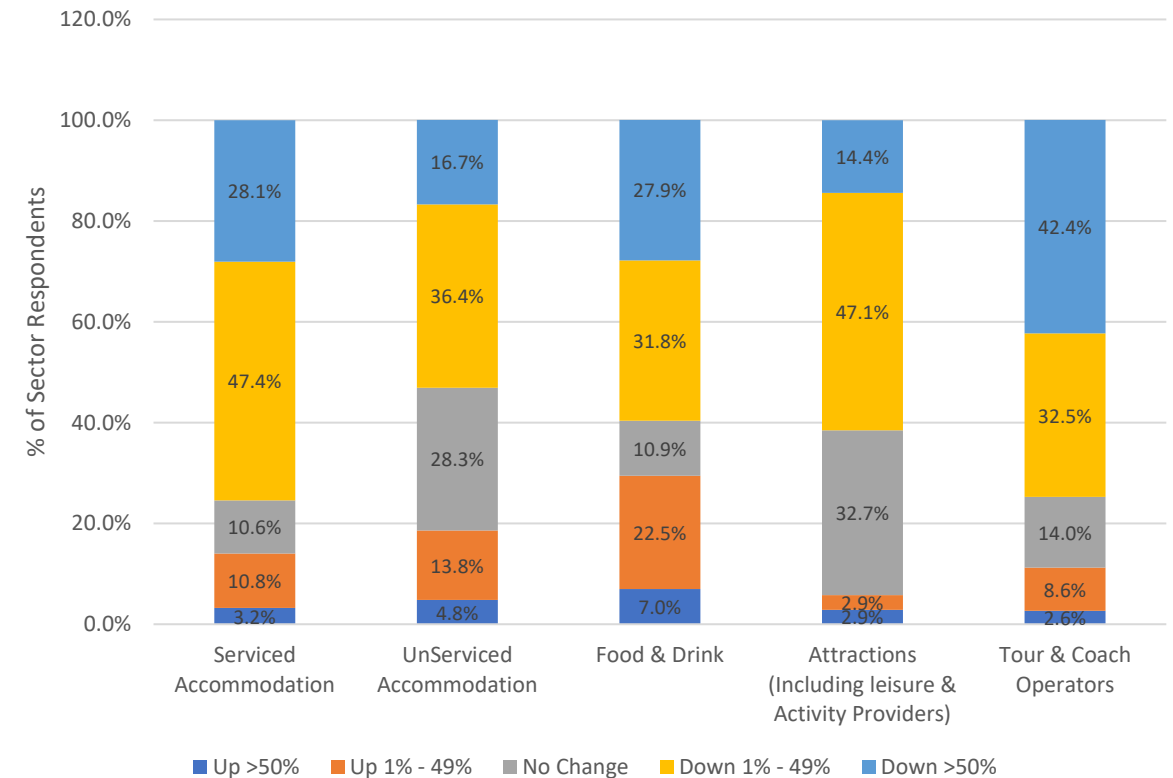
All Respondents (1,335)

December 2021 Bookings Compared To Pre-Covid



Sector Specific

December 2021 Bookings Compared To Pre-Covid

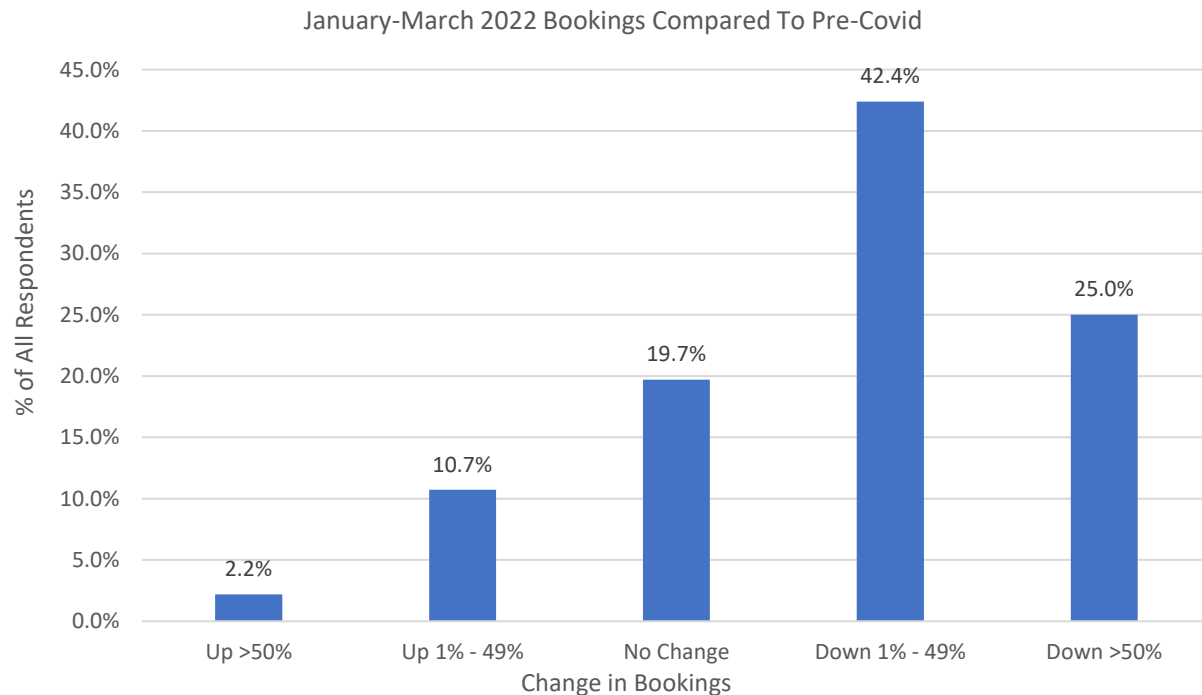


What Level Of Bookings Have You Been Experiencing For The Period January-March 2022 Compared To Pre-Covid?

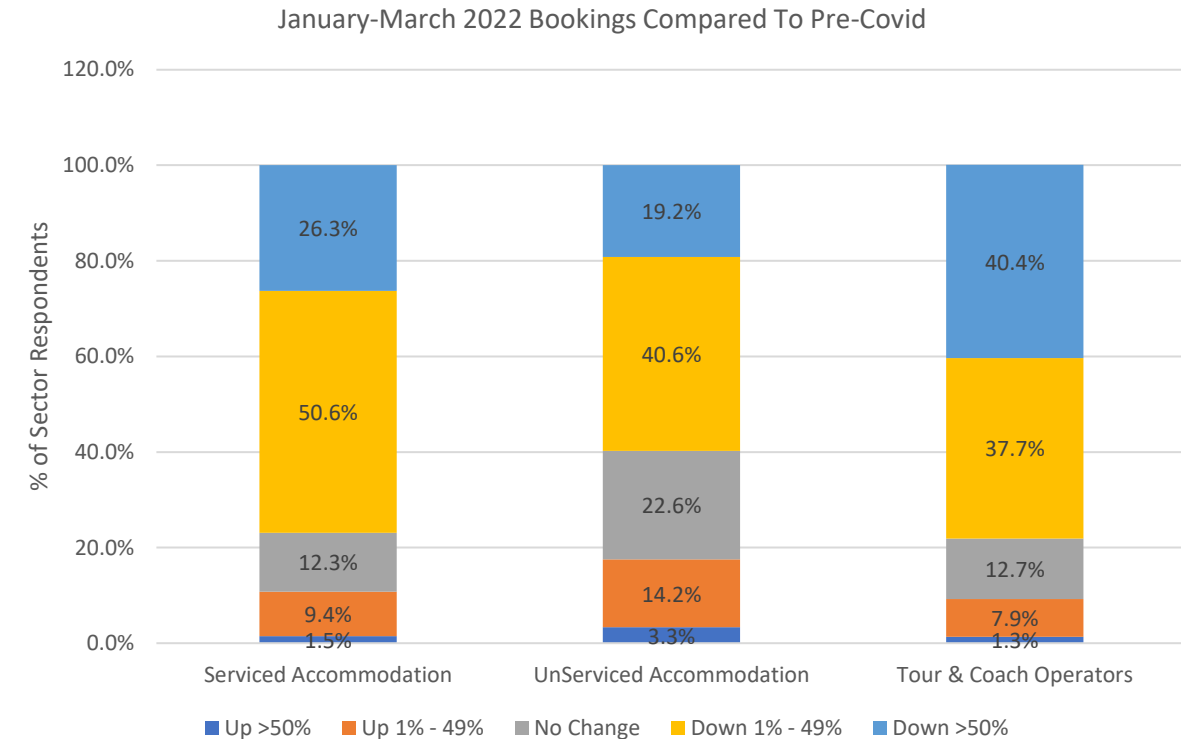


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All Respondents (1,335)



Sector Specific



What Level Of Bookings Have You Been Experiencing For The Period April 2022 Onward Compared To Pre-Covid?

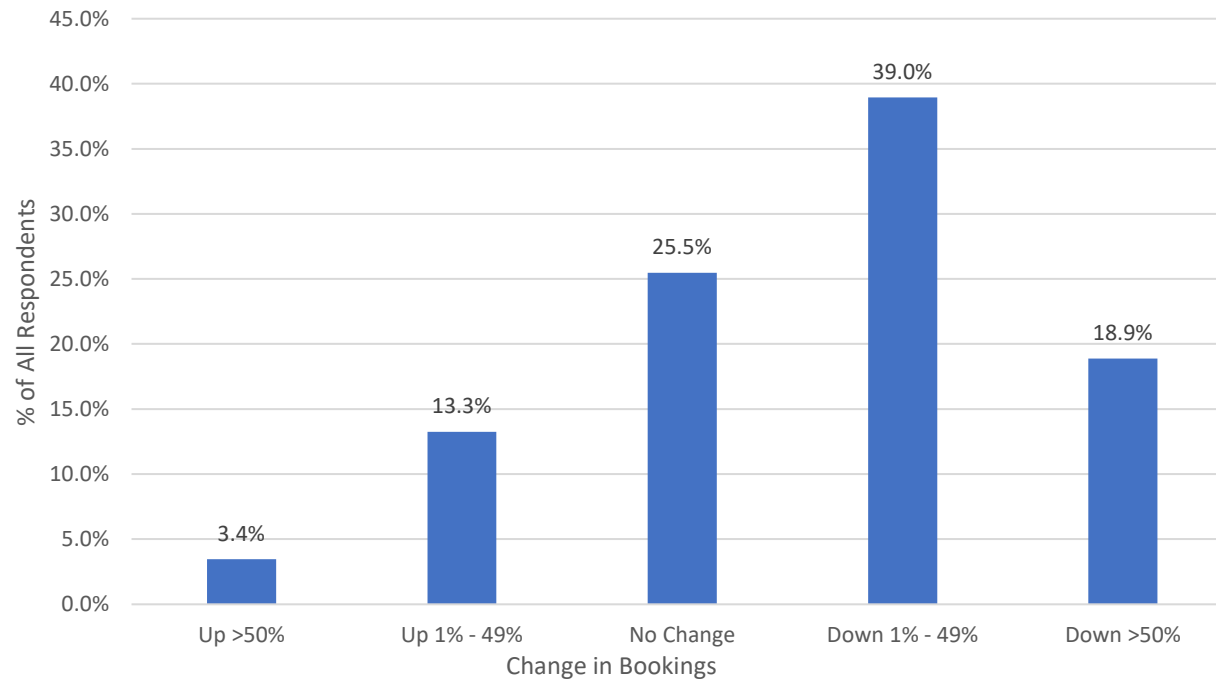


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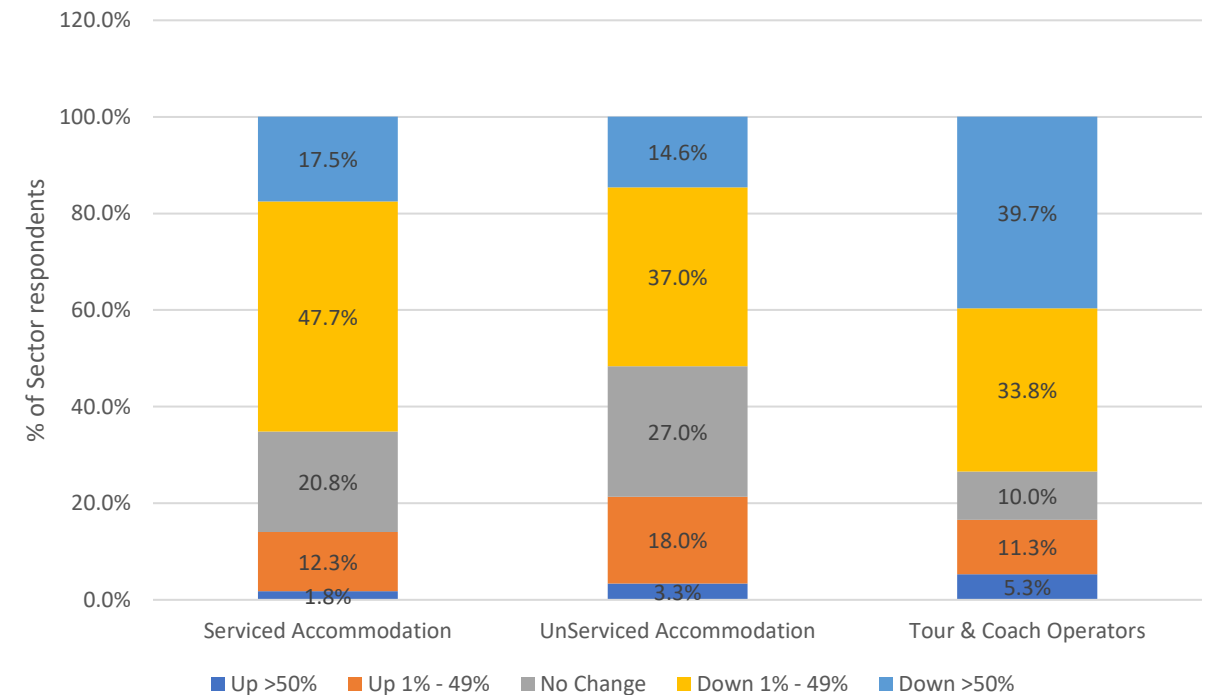
All Respondents (1,335)

April 2022 Onward Bookings Compared To Pre-Covid



Sector Specific

April 2022 Onward Bookings Compared To Pre-Covid



How Many Months Of Cash Reserves Do You Have?

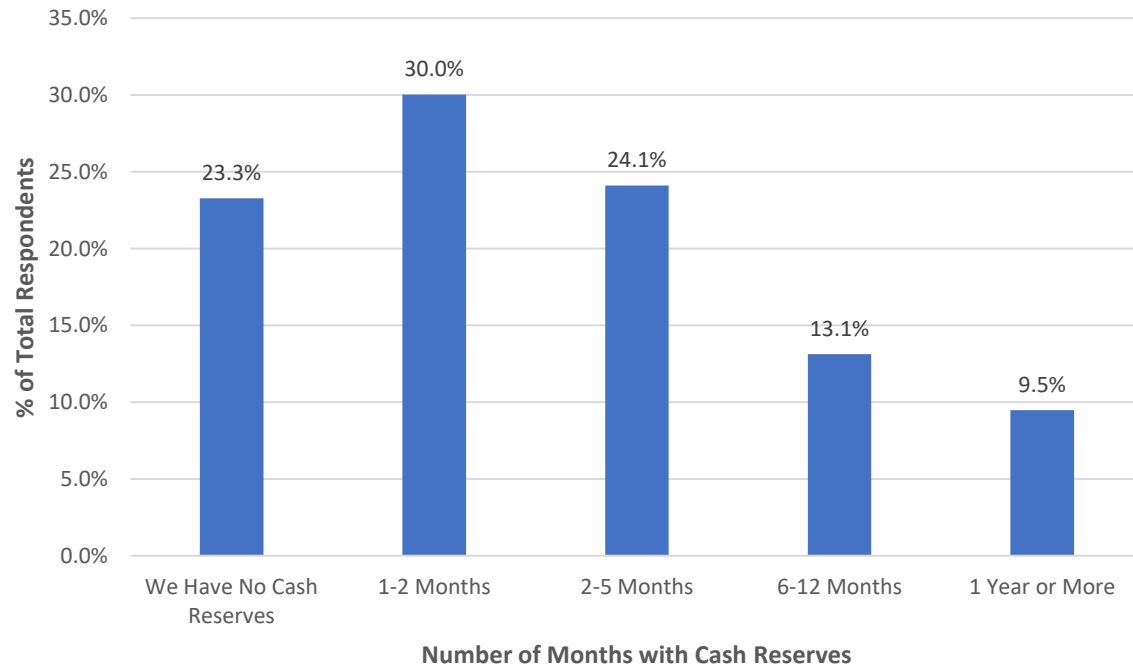


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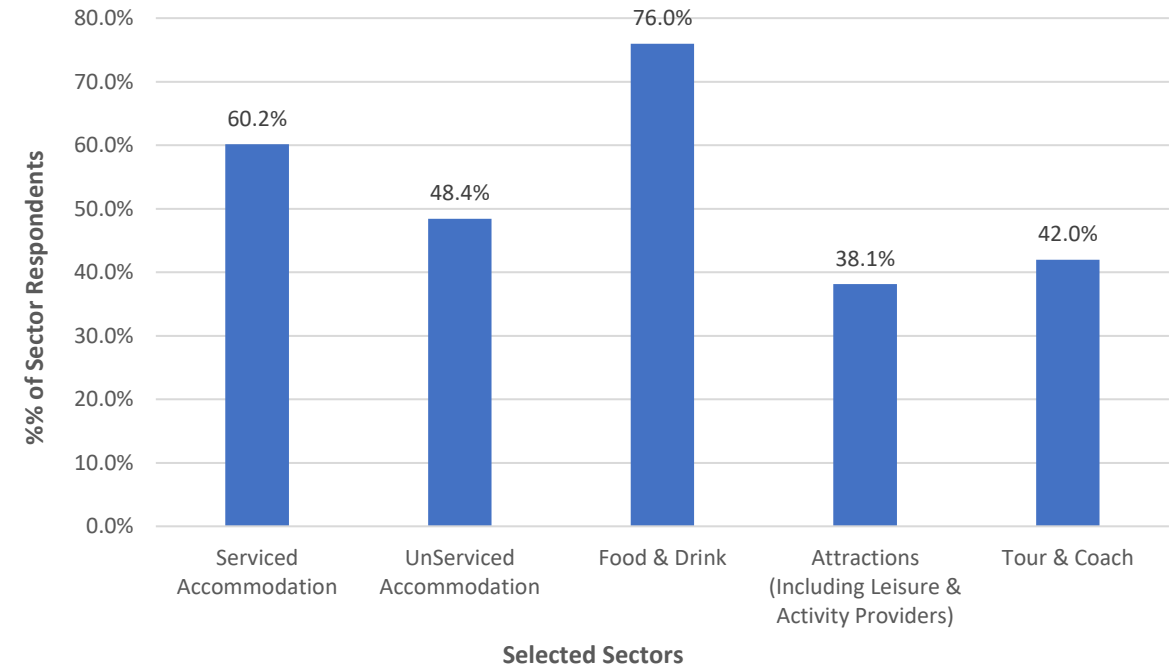
All Respondents (1,319)

How Many Months Of Cash Reserves Do You Have?



Sector Specific

Zero or 1-2 Months Cash Reserves Available

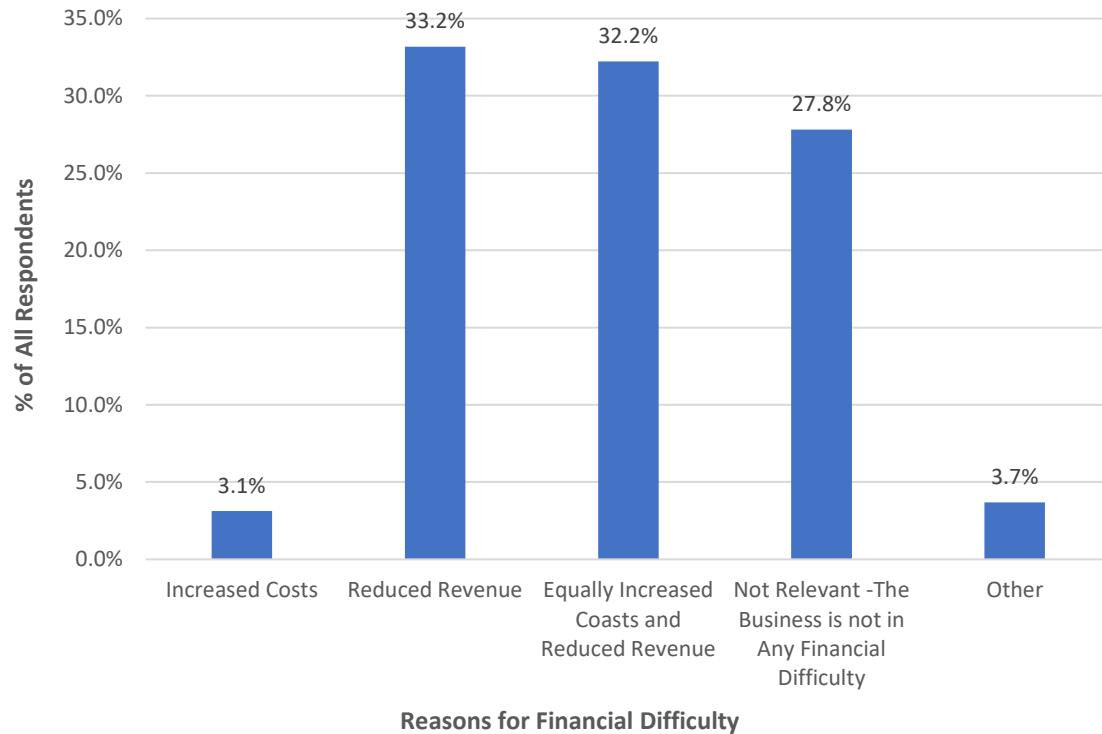


- 53% of all respondents had zero or 1-2 months cash reserves

If You Are In Financial Difficulty, What Is The Main Reason?

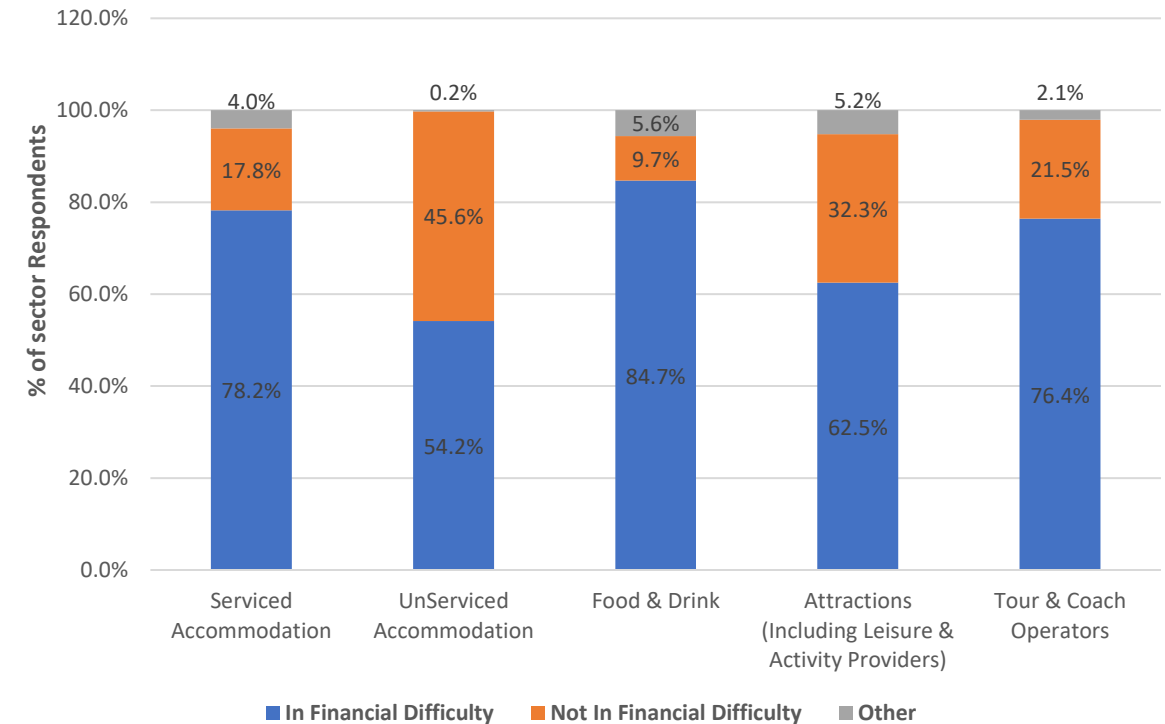
All Respondents (1,251)

If You Are In Financial Difficulty, What Is The Main Reason?



Sector Specific

Selected Sectors In Financial Difficulty



- 68% of respondents in financial difficulty state that it is due to increased costs, reduced revenue or a combination of both
- 28% of respondents stated that their business was not in financial difficulty

Prioritise The Reasons For Financial Difficulty

(1 = most important reason)



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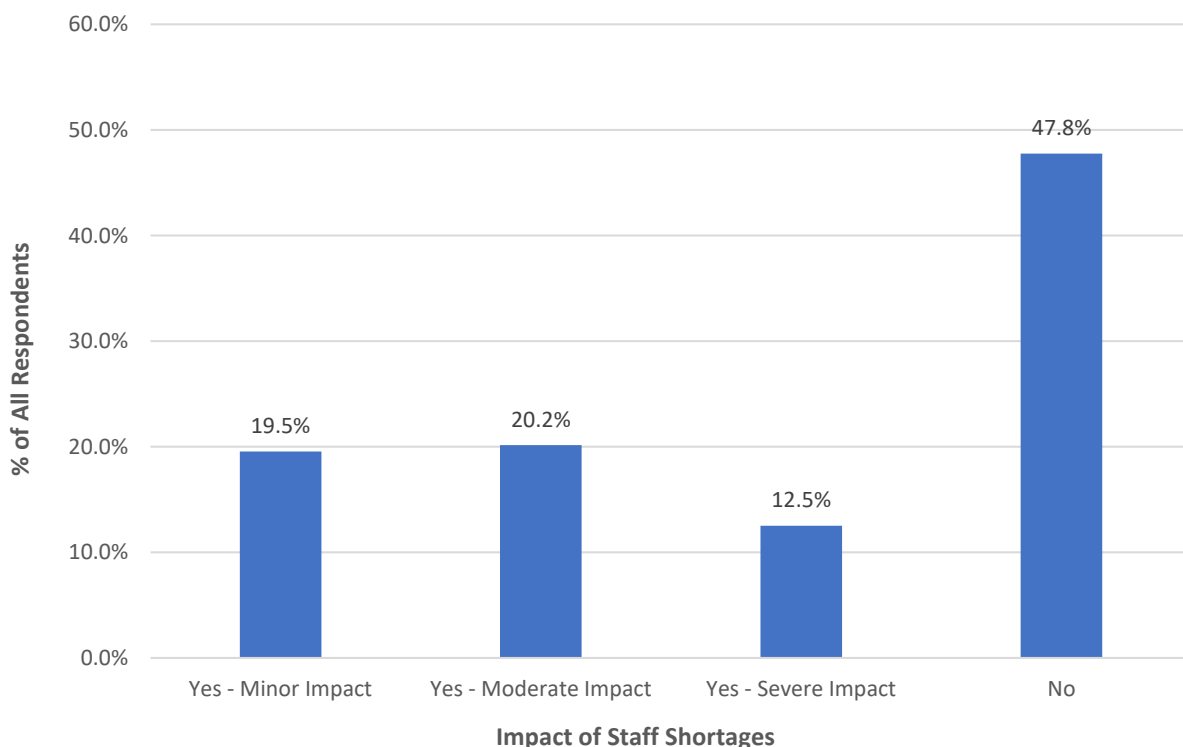
Increased Costs				
% of All Respondents	Higher Staff Costs	Higher Energy Costs	Higher Inputs and Materials Costs	Covid Compliance Costs
Priority 1 (1,188 Responses)	26.3%	41.5%	17.2%	15.0%
Priority 2 (1,124 Responses)	17.3%	30.4%	36.5%	15.7%
Priority 3 (1,087 Responses)	15.2%	20.1%	34.1%	30.6%
Priority 4 (1,015 Responses)	33.8%	9.5%	16.2%	40.6%

Reduced Revenue				
% of All Respondents	Reduced Capacity as a Result of Staff Shortages	International Travel Restrictions	Domestic Travel/Social Distancing Restrictions	Need for a Covid Pass/Testing
Priority 1 (1,232 Responses)	10.7%	42.9%	42.8%	3.6%
Priority 2 (1,132 Responses)	14.3%	29.8%	39.5%	16.4%
Priority 3 (1,008 Responses)	23.2%	17.3%	18.7%	40.9%
Priority 4 (961 Responses)	44.0%	15.8%	4.4%	35.8%

Have You Been Impacted By Staff Shortages?

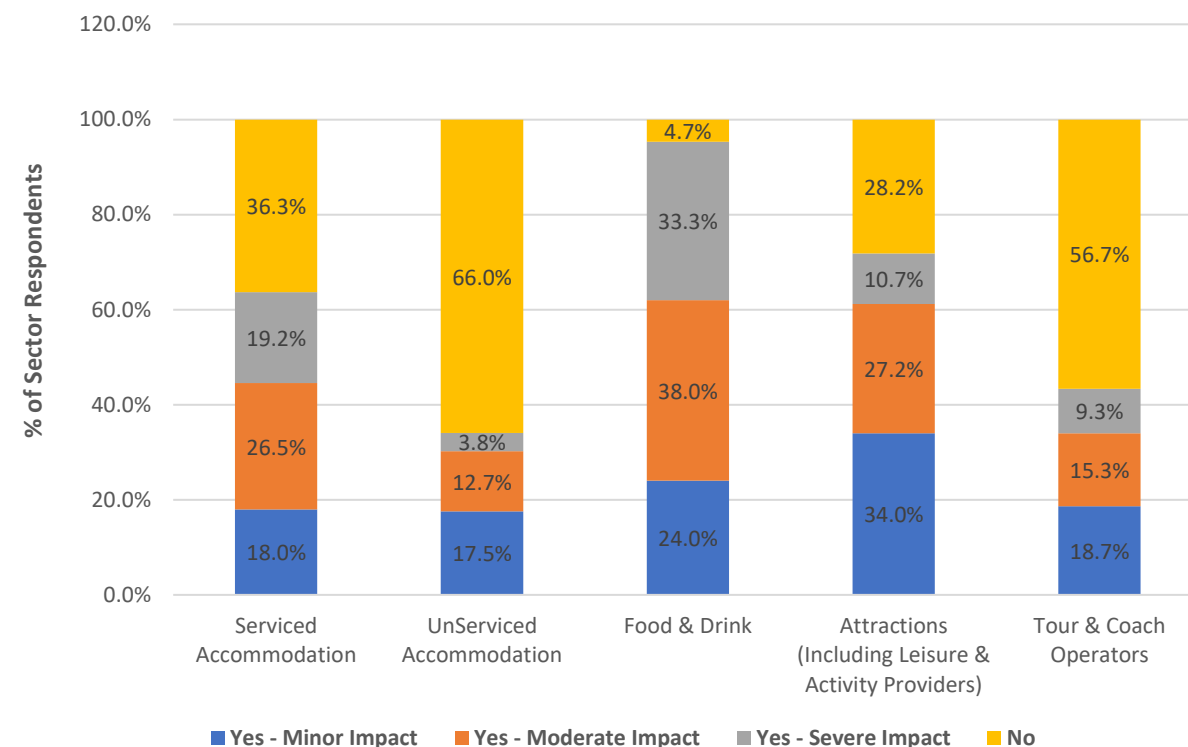
All Respondents (1,325)

Have You Been Impacted By Staff Shortages?



Sector Specific

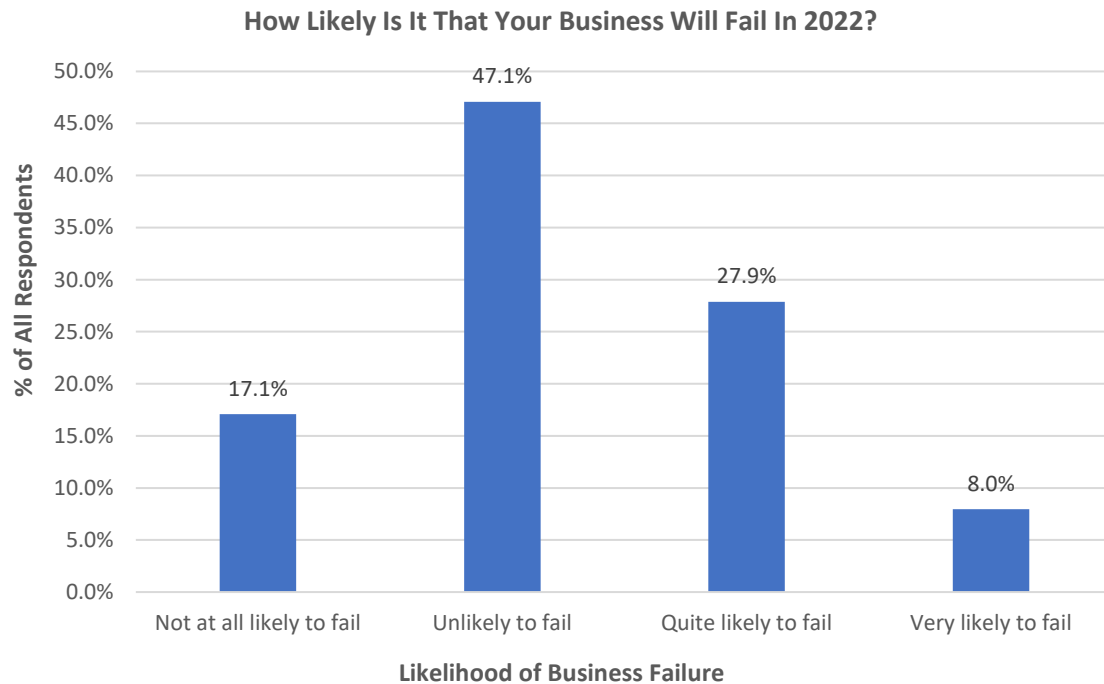
Have You Been Impacted By Staff Shortages?



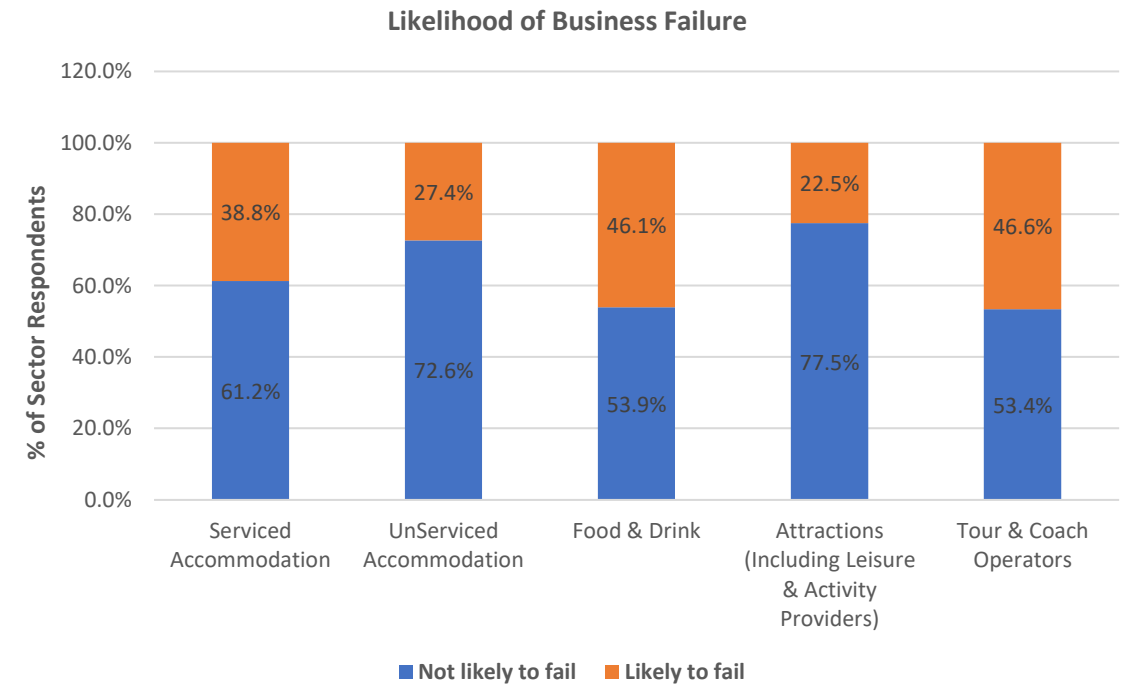
- 52% of respondents have been impacted by staff shortages
- 48% of respondents have not been impacted by staff shortages

Based on the Current Outlook, How Likely Is It That Your Business Will Fail In 2022?

All Respondents (1,317)



Sector Specific



- 36% of respondents state that their business is likely to fail
- 64% of respondents state that their business is unlikely to fail

What Government Measures Would Most Make a Difference To Your Business and Encourage Recovery?



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(1 = it would make little difference and 10 = would make a big difference)

	Additional Sector Specific Grants	Removing Covid Restrictions	Retaining the 12.5% VAT Rate	Greater Government Clarity On Rules	Government Funding for Marketing Campaigns	Reintroduction of Furlough	Government Reassurance On The Safety Of Travel
All Respondents	7.7	7.1	5.9	6.5	5.5	5.0	7.0
Serviced Accommodation	7.7	6.9	6.6	6.4	5.6	5.6	7.2
Unserviced Accommodation	7.2	6.9	5.1	6.6	5.1	3.1	6.8
Food & Drink	8.3	7.4	8.1	6.5	5.2	6.8	6.3
Attractions Attractions (Including Leisure & Activity Providers)	7.5	6.6	6.7	6.7	6.0	5.5	6.9
Tour & Coach Operators	8.8	7.6	4.1	6.6	6.4	6.4	8.2



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The Scottish Tourism Alliance would like to thank everyone who took the time to contribute to this important piece of evidence gathering.