



**THE SCOTTISH
TOURISM ALLIANCE**

LEADING ON INDUSTRY MATTERS

EU REFERENDUM IMPACT ASSESSMENT

Key Findings

2016

As the industry representative body, the Scottish Tourism Alliance conducted a piece of research to collate evidence from industry on how Brexit is affecting businesses around Scotland.

- **Online survey sent to members & industry contacts during July 2016**
- **415 responses**

WHO TOOK PART

Varied mix of business locations

| Region | Response Percent |
|--------------------------|------------------|
| The Highlands | 23% |
| Edinburgh and Lothians | 12% |
| Argyll & Isles | 12% |
| Aberdeen City and Shire | 8% |
| Outer Hebrides | 8% |
| Perthshire | 7% |
| Glasgow and Clyde Valley | 6% |
| Ayrshire and Arran | 4% |
| Dumfries and Galloway | 4% |
| Fife | 4% |
| Stirling and Trossachs | 4% |
| Scottish Borders | 4% |
| Angus and Dundee | 3% |
| Orkney | 1% |
| Shetland | 1% |

411 Responses

Sector breakdown

Accommodation Provider 68%

Adventure & Recreation 9%

Visitor Attraction 8%

Food and Drink 5%

Tourism Services 5%


Events & Conferences 2%

Travel Trade 2%

Transport Operator 1%

409 Responses

49% SAID THAT THEIR
BUSINESS WAS **EVENLY**
SPLIT BETWEEN INBOUND
& DOMESTIC TOURISM



PRIOR TO THE REFERENDUM...

Most
businesses
up on last
year

Up between 0-10%
33%

Up more
than 10%
18%

Static
26%

Down
between
0-10%
14%

Down
more
than 10%
8%

PRIOR TO THE REFERENDUM...

46% said forward bookings were up from last year.

29%

Up between 0-10% on this time last year

17%

Up more than 10% on this time last year

37%

Same as this time last year

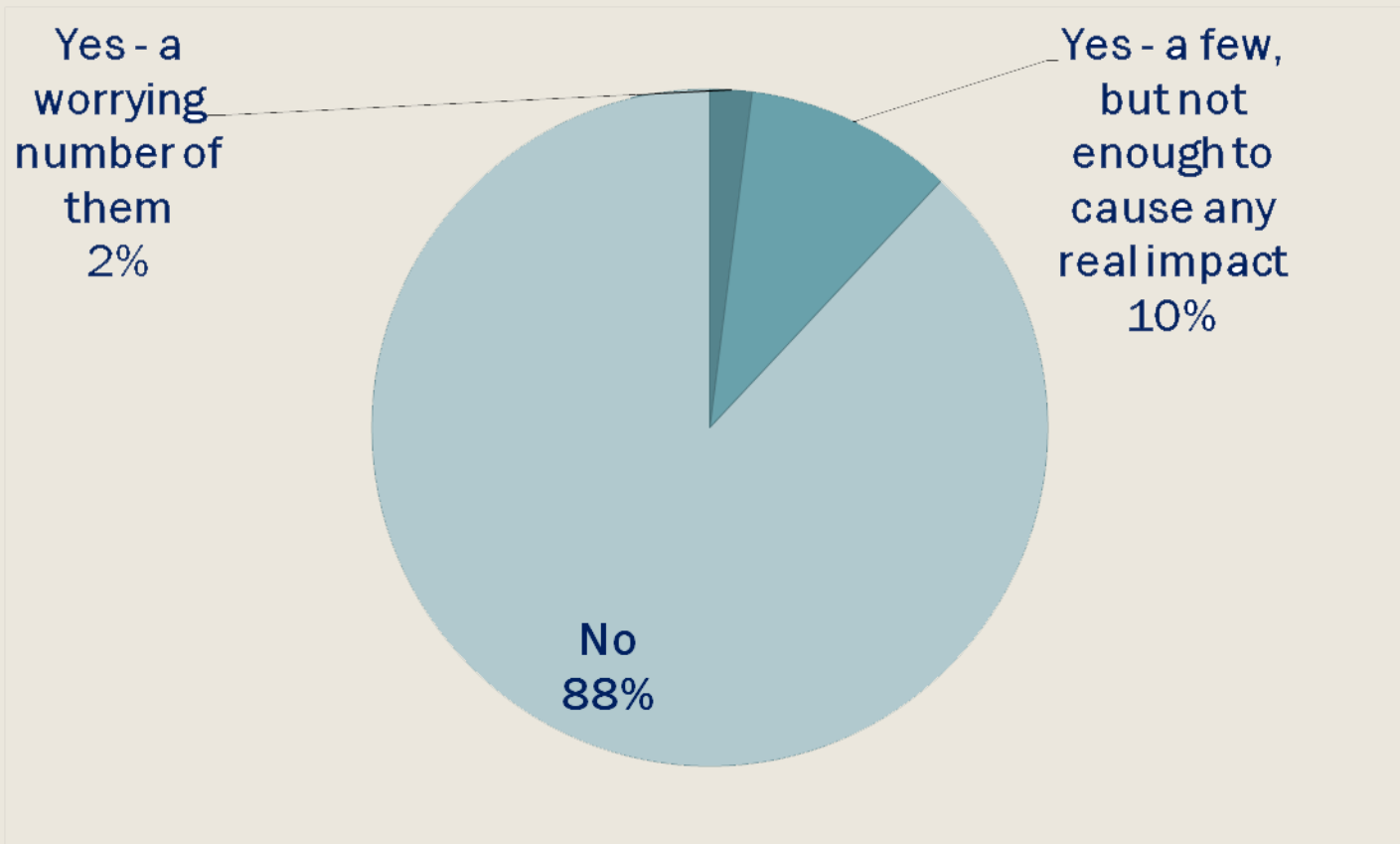
13%

Down between 0-10% on this time last year

4%

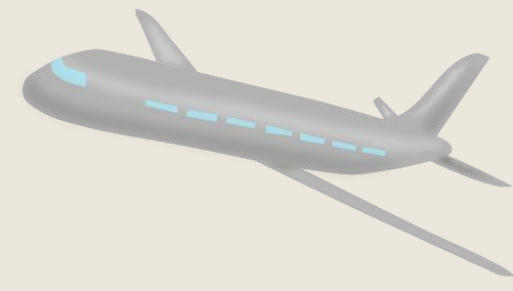
Down more than 10% on this time last year

Majority of business have had **no** cancellations since the Referendum



“The cancellations received since the Referendum were probably triggered before the 23rd June, but did not translate through to the business until a later date. They are not necessarily attributable to the Referendum.”

“Slightly more than in a normal year, half from Germany.”



SINCE THE REFERENDUM, FORWARD BOOKINGS HAVE...

Remained the same
58%

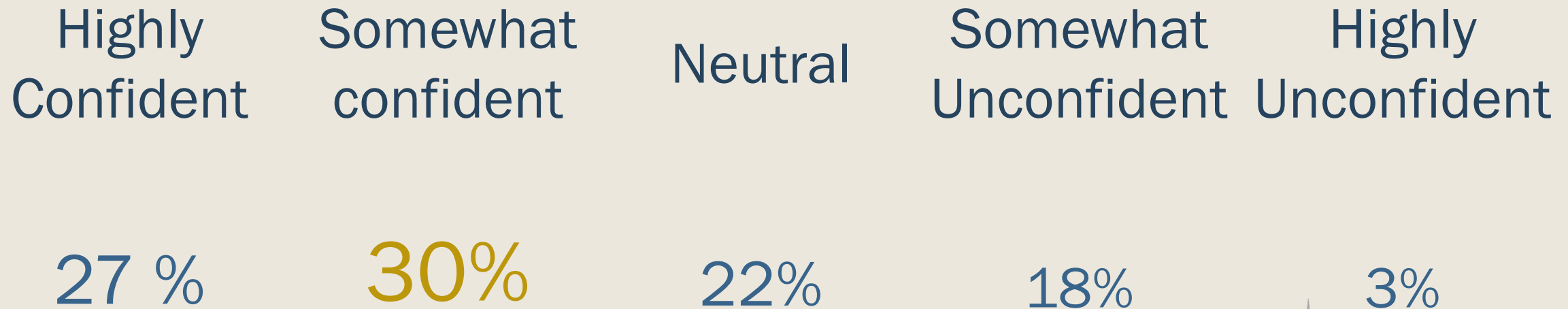
Increased
by 0-10%
18%

Increase by more
than 10%
10%

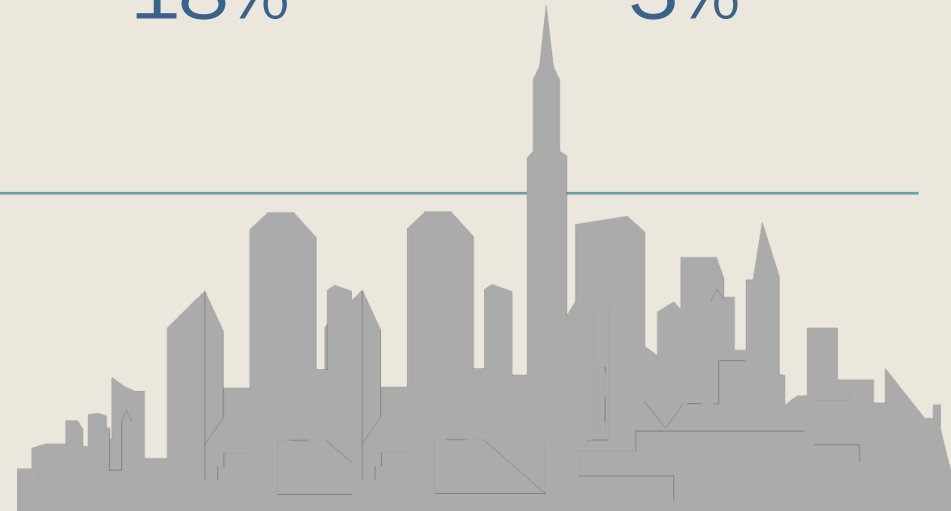
Decreased by
0-10%
11%

Decreased by more
than 10%
2%

Businesses feeling **confident** for the next 12 months.

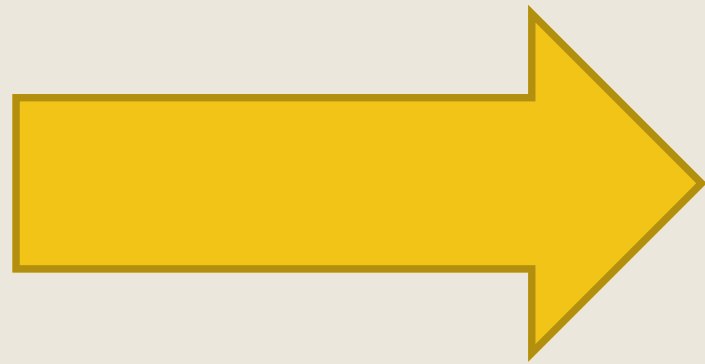


410 Responses

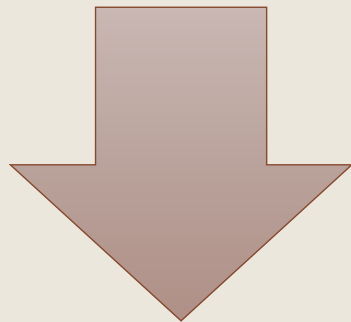


AS A RESULT OF THE REFERENDUM...

Investment remains the same.



67% said investment levels
will remain the same

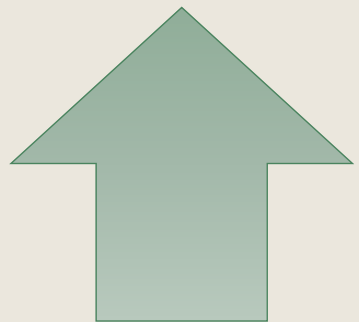


15 %

plan to put
investment on hold

18 %

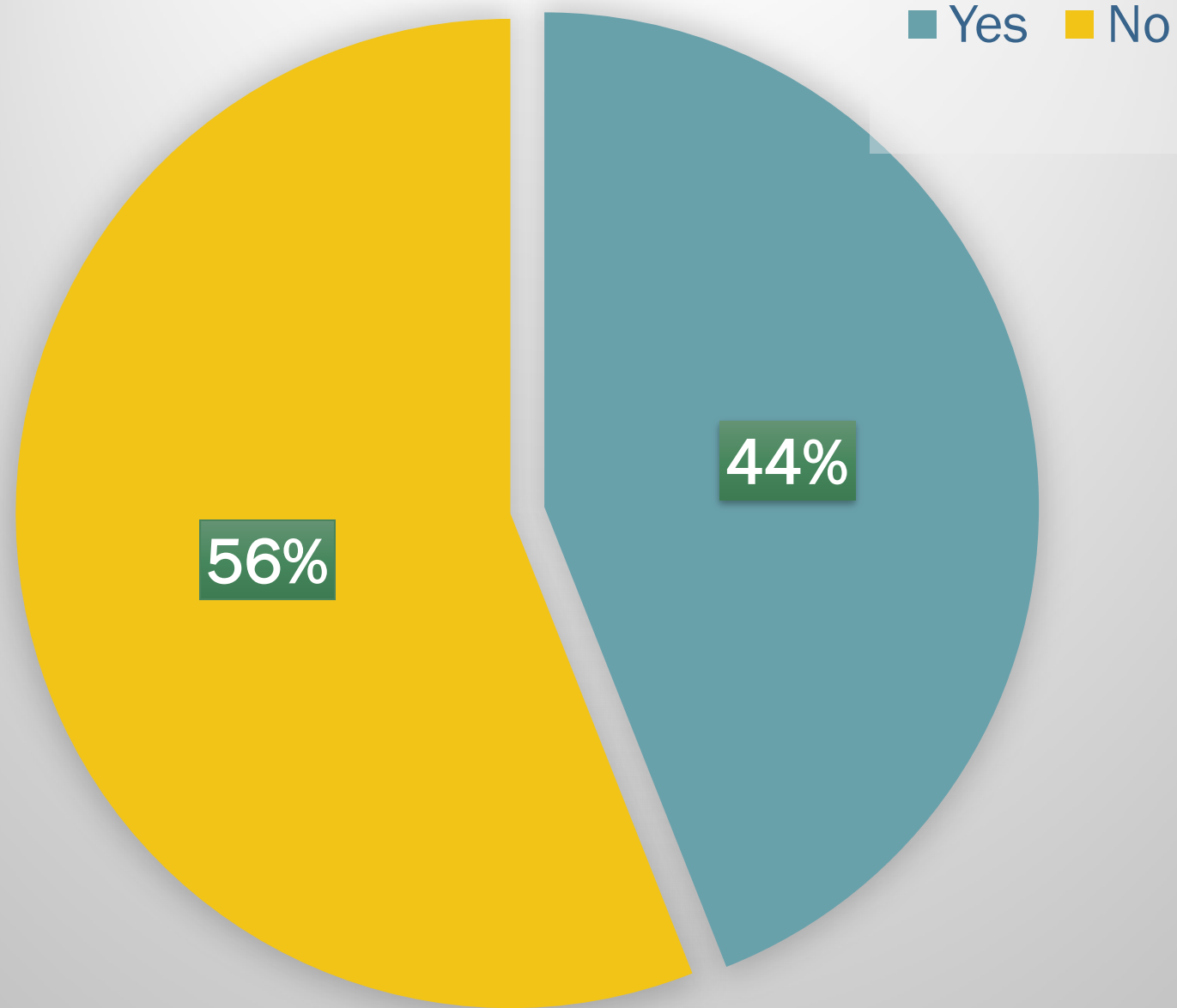
planning to increase
investment



397 Responses

AS A RESULT OF THE REFERENDUM...

44% expect costs
to increase



396 Responses

OPPORTUNITIES

1) The vast majority of responses related to taking advantage of the **exchange rate** and that this will make it cheaper for overseas visitors to come to Scotland and UK visitors more inclined to stay in UK.

Opportunities Better Value Business Rules
Scotland Red Tape European Low GBP Versus
Exchange Rate Bookings Visitors
Domestic Pound Travel Increase
Referendum Tourism VAT Staycations
Brexit Holiday Service Guests Think Tourists

2) Opportunity to remove business and wider economic red tape and bureaucracy (cut VAT), improve efficiency, open up new trade options etc.

3) Opportunity to raise Scotland's profile (as a pro-EU destination) and UK's 'safe reputation' etc.

483 Responses

CONCERNS

Uncertainty was the key word.

1) A second Independence Referendum

2) Threat to Reputation as Destination (Scotland or UK)

3) General UK economic concerns

Exchange Rate Pound Costs Future
Scotland Increase Concerns Currency
European Overseas Uncertainty
Recession Referendum
Scottish Independence Visitors Negative
Business Price Spending Indymore Funding

674 Responses

ENSURING TOURISM REMAINS COMPETITIVE

Free
Movement

Costs of
Doing
Business

Reputation &
Profile of
Scotland

Changing
Regulations