



# SCOTTISH ON-TRADE MARKET INSIGHT REPORT SEPTEMBER 2023

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# THE HOSPITALITY SECTOR CONTINUES TO FACE AN ONSLAUGHT OF RISING COSTS AND CHALLENGES IN RECRUITING.

The key challenges are:-

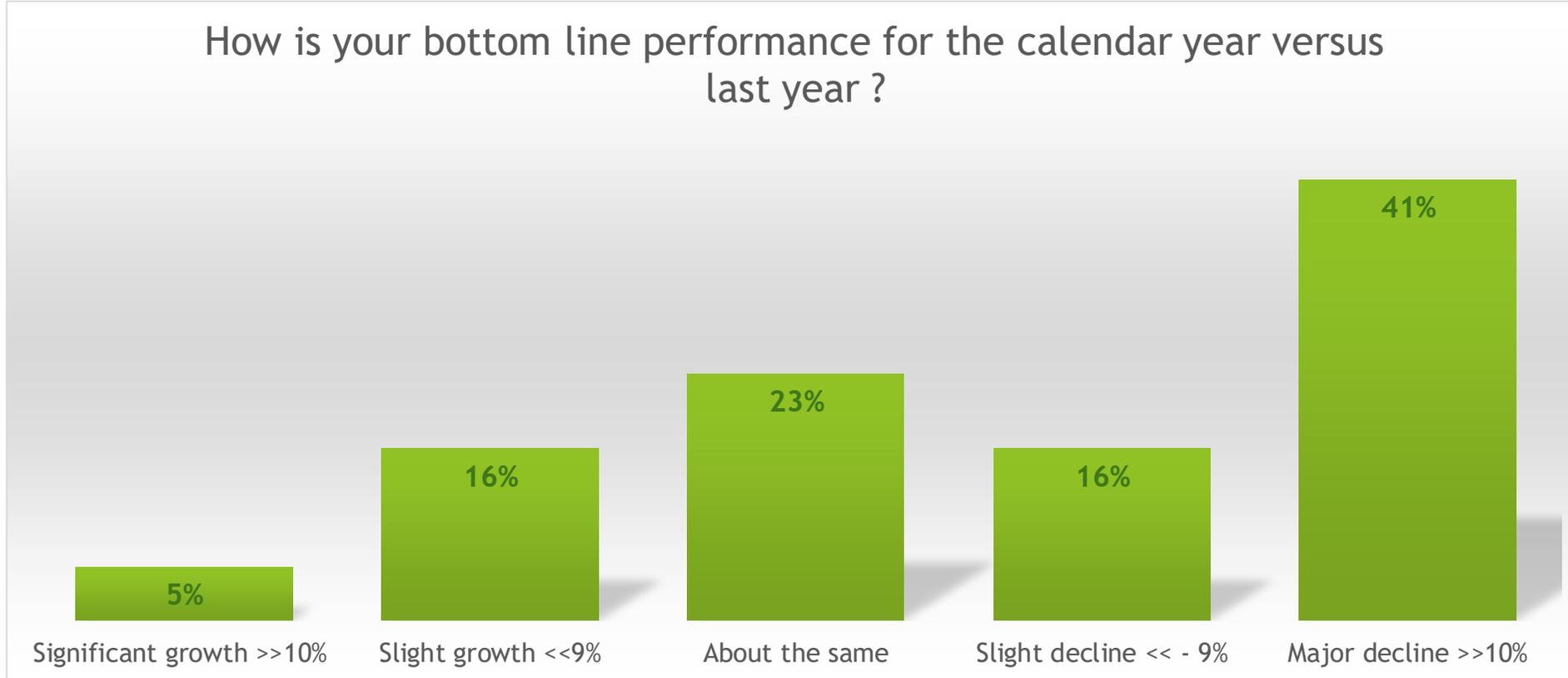
- Staff recruitment - 72% of respondents are struggling to fill vacancies, with 68% of outlets under-staffed.
- Challenging macro-economic environment.
  - 58% of outlets are trading below pre COVID levels.
  - An onslaught of rising costs in supplier costs and wage inflation, although there is a slight sign that utility costs are stabilising.
  - 67% of outlets expect further economic decline.
- A concerning 9% of outlets are planning to close or considering options.

# WHAT ARE RETAILERS FLAGGING AS THE BIG ISSUES THEY FACE IN 2023?



# AS ECONOMIC CHALLENGES INCREASE, 57% OF OUTLETS SHOW YEAR ON YEAR DECLINE.

How is your bottom line performance for the calendar year versus last year ?



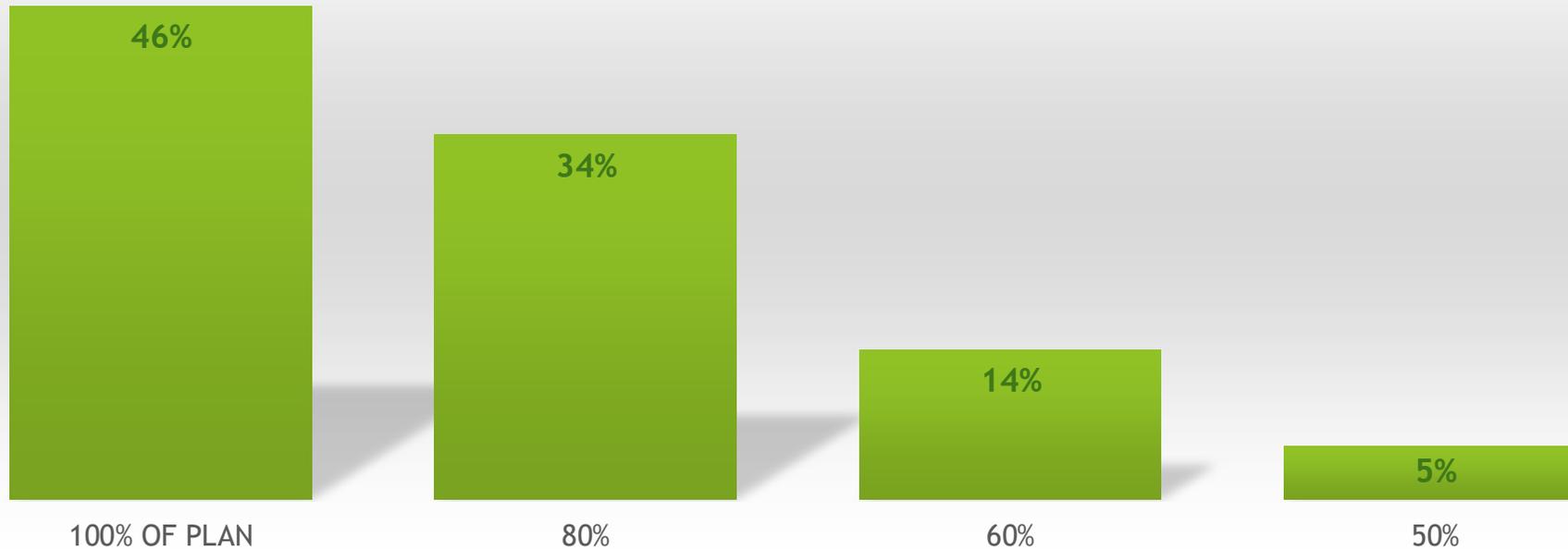
# OVER 50% OF OUTLETS ARE STILL NOT TRADING AT PRE-COVID LEVELS

How is your bottom line performance for calendar year to date versus the equivalent pre COVID ?



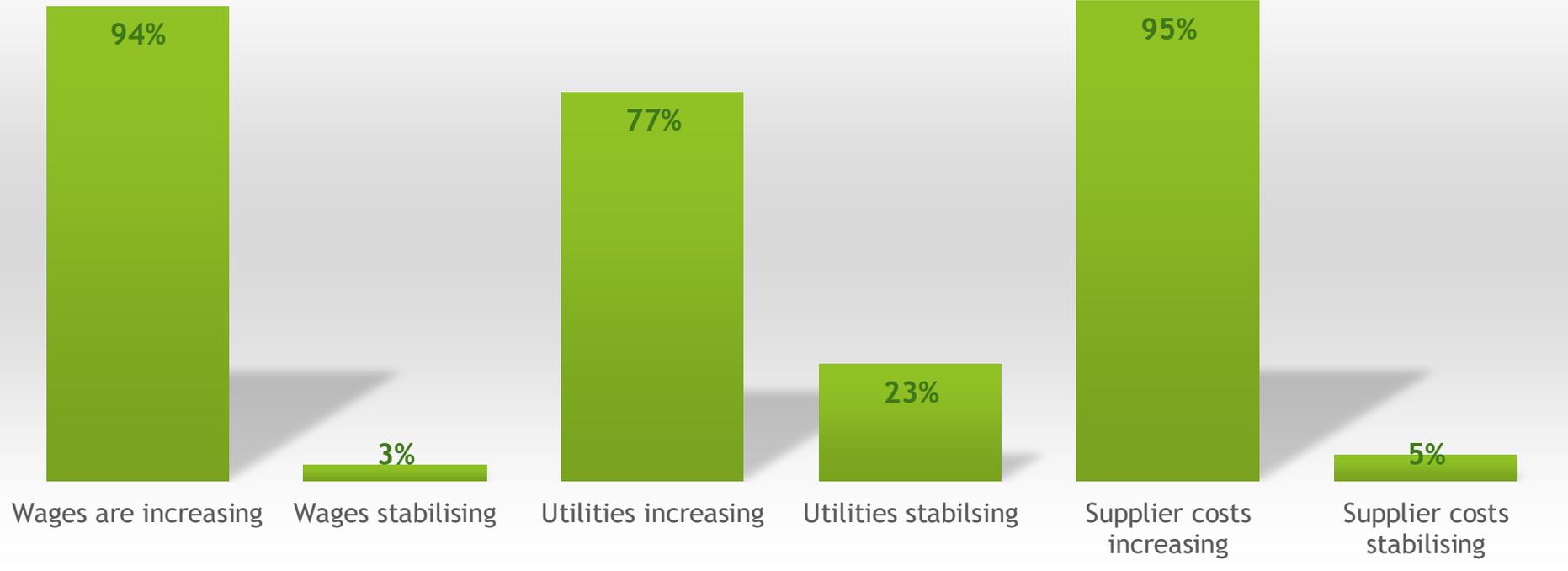
# 54% OF OUTLETS ARE NOT OPENING TO THEIR FULL OPERATING HOURS PLAN. THIS IS 5% HIGHER THAN IN JANUARY 2023.

How many hours per week are you opening on an average week versus your operating plan?

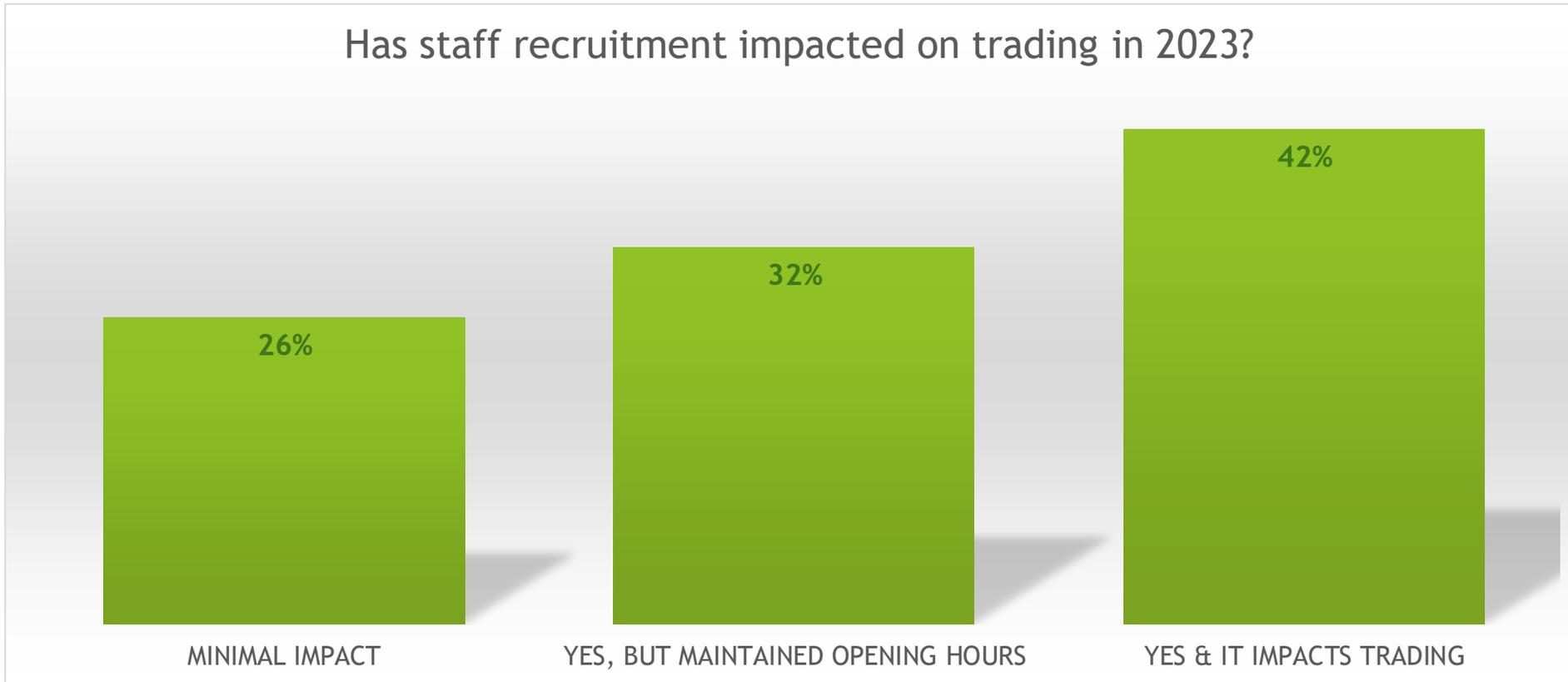


# THE ON-TRADE FACES A TIDAL WAVE OF INCREASING COSTS PARTICULARLY WAGES & SUPPLIER COSTS.

How would you describe the costs facing your business?

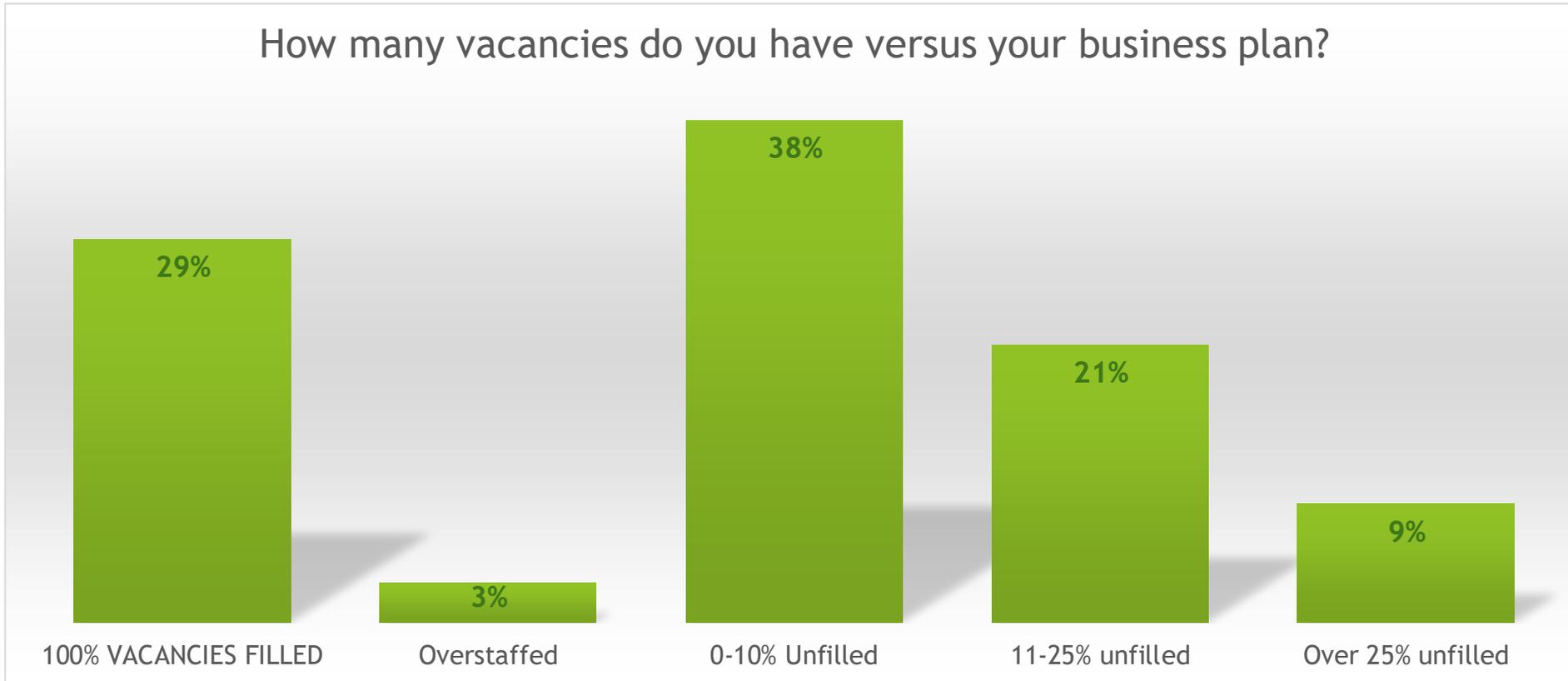


# 42% OF OUTLETS ARE FINDING STAFF RECRUITMENT IMPACTS ON OPENING HOURS.



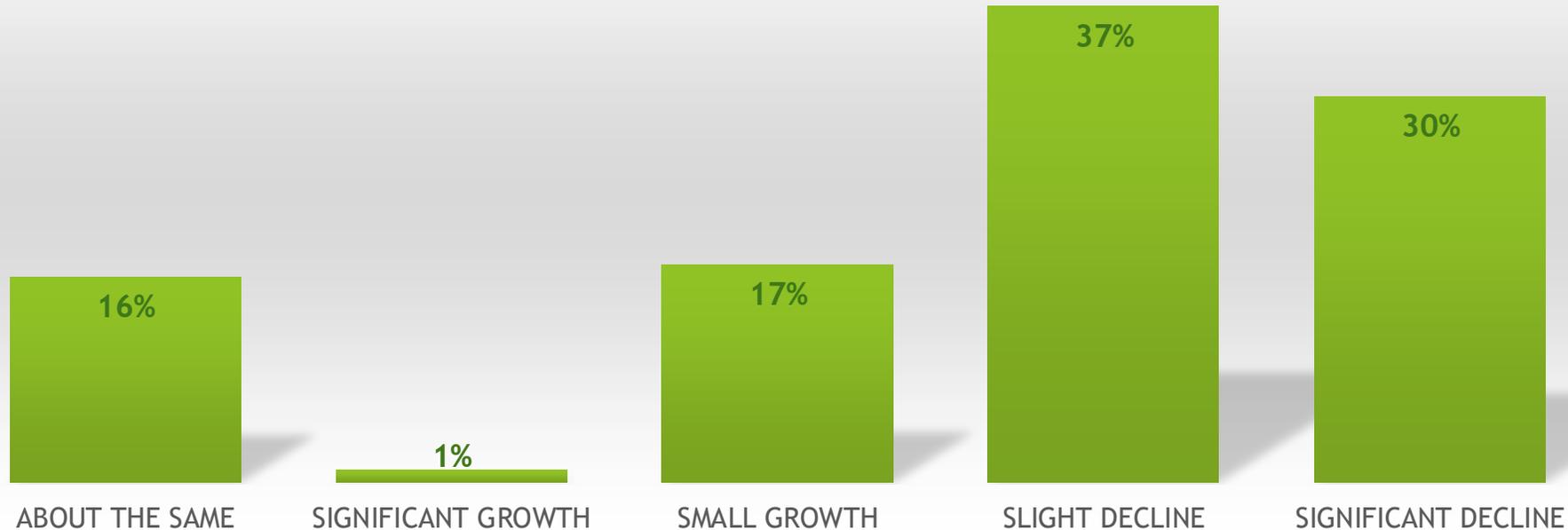
# 68% OF OUTLETS HAVE VACANCIES. 72% OF OUTLETS STRUGGLING TO FILL VACANCIES.

How many vacancies do you have versus your business plan?



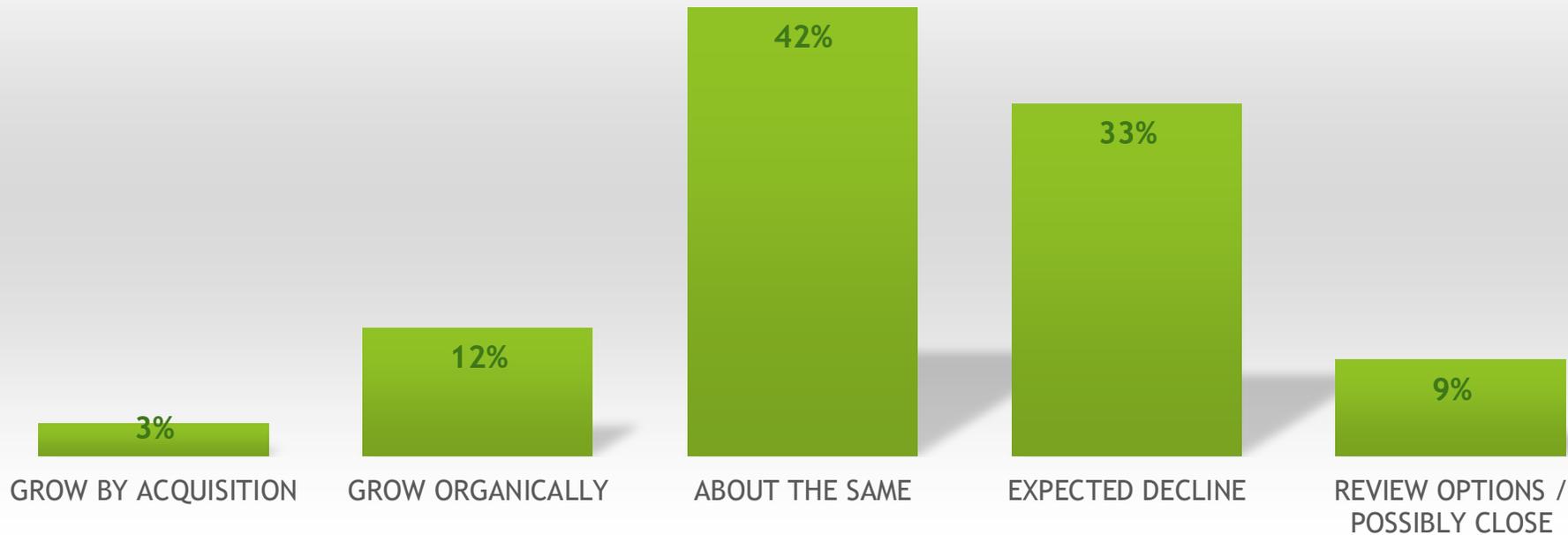
# THE OUTLOOK CONTINUES TO BE CHALLENGING. 67% OF OUTLETS EXPECT ECONOMIC DECLINE IN NEXT 18 MONTHS.

How do you expect the Scottish economy to perform in the next 18 months?



# 33% EXPECT THEIR BUSINESS TO DECLINE IN THE NEXT YEAR, A CONCERNING 9% ARE CONSIDERING CLOSURE OR REVIEWING OPTIONS.

How do you view trading conditions for your business over the next year?



The Scottish Licensed Trade Association has been in existence since 1880, to protect and promote the interests of those working in the licensed trade in Scotland.

Their current Registered Stakeholders are 'owner operators', who on average sell 150% more than the average Scottish On-trade outlet. In addition, they have an emerging Registered Supporters network comprising over 1,300 Personal Licence Holders and incorporates members of the Scottish Bartenders Network.

They have an ambitious strategy to bring together all those working in the Scottish licensed retail On-trade.

They are supported via registration fees, fundraising events, and by brand owners/wholesalers who recognise the importance of a vibrant On-trade in Scotland to the success of their business.

If you would like to find out more about how your business can benefit from supporting the SLTA, please contact us via E-mail at [info@theslta.co.uk](mailto:info@theslta.co.uk)

- Scottish On-trade Retail Market Insight Report was conducted in August / September 23 via online questionnaire.
- Participation was open to all outlets including owned, managed, leased, tenanted outlets, SLTA Stakeholders and members of the various Scottish Bartender Networks.
- All data is shown as a %, unless stated and due to rounding percentages may not total 100. Responses are not weighted and all answers were anonymous.