

# Business Barometer Survey

Over 1000 Local  
Businesses  
Responded

From every part of  
Perth and Kinross  
and every major  
sector of the  
economy.

42% of businesses had applied to HMRC to furlough workers.

The highest percentage of respondents (36%) were based in Perth City, with the lowest level from both the Carse of Gowrie and Almond & Earn (3% each).

247 businesses requested a follow-up consultation with a business adviser.

An initial approach has been made to every business.

98%

of responses were from micro and small businesses

80%

reported lost income due to the Covid-19 pandemic

over  
6000



FURLOUGHED  
WORKERS

around half from employers with over 50 staff members

20%

are looking to cut jobs following the pandemic

62%

remain positive about their trading position in one year

# Manufacturing & Construction

Invest in Perth

Manufacturers are more likely to be in Perth and to have more employees.

The sector has proved more resilient with significantly lower levels of lost income/business than other sectors. More businesses have also reported an upturn over the pandemic period with products in high demand for use in healthcare settings. Companies in this sector are more likely to look at wider UK and global markets moving forward.



**30%**  
of responding  
businesses were  
from Perth City

**1/3**   
of business employed  
more than 10 people

**Half**

reported loss of  
business, compared  
to 80% of all business

**20%**

recorded an upturn  
in demand during  
the pandemic

**78%**

of businesses have  
a positive trading  
outlook

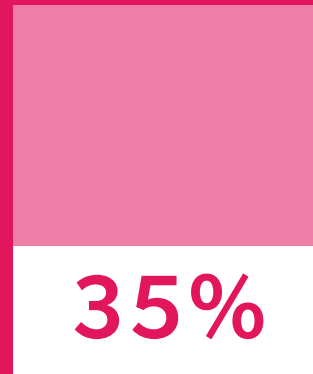
**A THIRD**

will explore new  
export markets  
moving forwards

over  
**70%**

will look at the wider  
UK market for new  
sales

# Tourism, Hospitality & Leisure

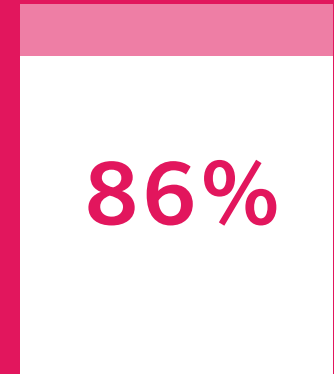


of overall survey respondents

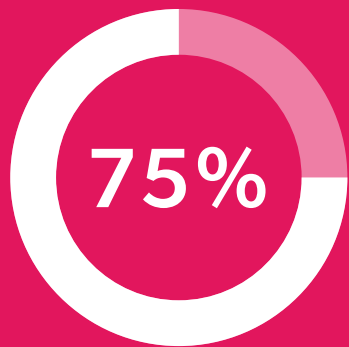
26%



are planning redundancies



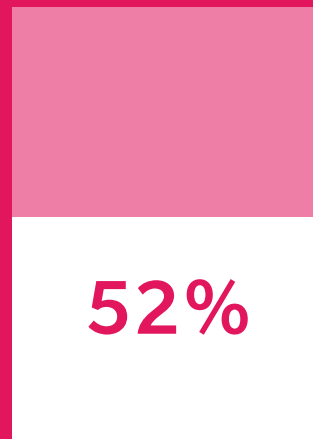
reported loss of income



want events & marketing to bring visitors and investment to the region



will prioritise the wider UK market for new sales



remain positive about their trading position in one year

Almost 400 businesses identified with this sector (including hotels, tour operators, restaurants, cafes, theatres, cinemas, bingo halls and more).

Lower confidence in their future trading position is significant at 10 points less than the survey average.

Reliance on the sector is greatest in rural areas where job losses will have potentially greater community/social impact, with threat of redundancy statistically higher than other sectors (only comparable to Retail).

The UK 'staycation' market is highlighted as key to salvaging something from both this season and looking further forward. Guidance on how to re-start operating safely is a key concern including access to and use of PPE.

A need for flexibility around licensing of new outdoor space and planning for re-modelled buildings is also a key theme recurrent in the feedback.

# Agriculture And Food & Drink Processing

Invest in Perth



30%

want to explore new overseas export markets

over 30%

are having difficulty in sourcing key ingredients



Only 5% of overall response. Apparent low rate on Food & Drink is largely down to businesses identifying as either Hospitality or Retail as their processing operation is seen as ancillary to their food service, retail or tourism experience income.

Difficulty in sourcing key goods (ingredients) from suppliers and workers (for agriculture) of greater impact in this sector compared to others.

Shift toward on-line sales and/or direct delivery to customers is also significant (comparable only to Retail sector).

Significant interest in working with Tourism, Hospitality and Retail sectors to promote more loyalty to local products and Food Tourism.

64%

remain positive about their trading position in one year



40%

are looking at new customers in the wider UK market

almost Half

want promotion of more 'buy local' schemes

over Half

looking to move to more direct online sales

# Professional Services

53%

of respondents  
were from  
Perth City

50%

Are considering more  
home working in future

Statistically the sector most likely to fall between the cracks of grant support: Small 'Limited companies' operating from home where the owner takes a dividend rather than a salary and is therefore neither self-employed nor able to be furloughed - and also with no business property to attract a grant. This scenario is particularly acute outside of Perth City.

Highest rate of Homeworking and consequently the highest rate of those keen to see improved digital connectivity – particularly to facilitate effective homeworking from rural locations.

Significantly greater interest from this sector (13 points over the average) in diversifying their current business offer.

Two  
Thirds

remain positive  
about their trading  
position in one year

30%

have had no access  
to Covid-19 financial  
support

54%

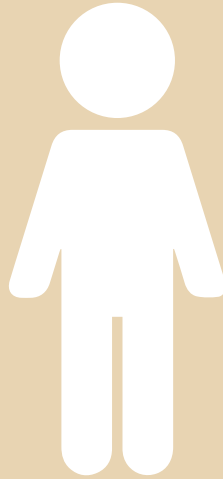
want better digital  
infrastructure across  
the region

40%

looking to diversify  
business to broaden  
income stream

# Trades and Other Services

over  
**45%**  
self-employed



**46%**



see access  
to financial  
support as  
a priority  
for their  
business

This is the largest sector for those identifying as self-employed.

Traditional trades have been negatively impacted by social distancing denying them access to work in homes.

Comments from businesses show concern that their future is tied directly to job losses in the wider economy - but sentiment that 'The world will always need plumbers!' remains strong in traditional trades.

**82%**

reported a loss of  
income due to the  
pandemic

**81%**

remain positive  
about their trading  
position in one year

**One  
Third**

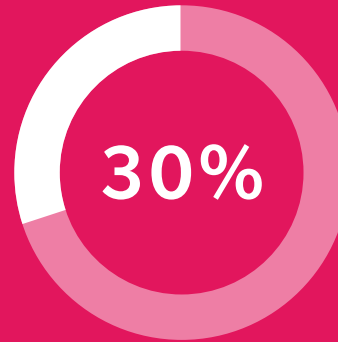
concerned about  
potential business  
closure

**25%**  
want to diversify to  
offer a new product  
or service

# Retail



Over 50%  
based in  
Perth City  
Centre



of respondents' main  
concern is going out  
of business

25%

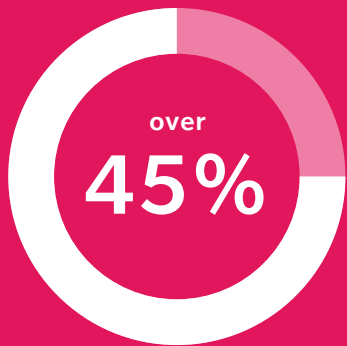


of businesses  
are planning  
redundancies

Over 175 businesses surveyed from this sector. Sector with highest proportion of businesses accessing the £10k Business Support Grant. Sector with highest level of interest in accessing the Bounce Back Loan Scheme. Equal lowest level of business confidence looking forward (52%).

Qualitative data suggests that smaller, rural or community 'corner' shops make-up many of those who report increased or level trade. But comments show concern that this 'loyalty' will not continue once larger retail is again more accessible.

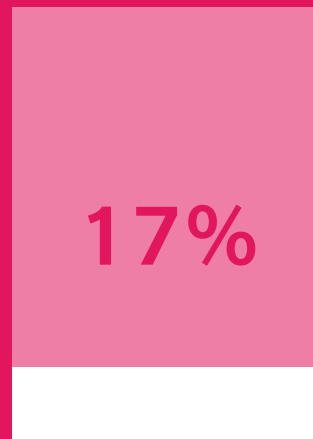
Evidence of innovation toward more direct delivery and 'click and collect' models. Concern about effective social distancing/PPE use on full re-opening, and how shoppers will be able to access city centre-based locations safely and effectively e.g. parking, public transport restrictions, road closures.



want events & marketing  
to bring visitors and  
investment to the region



are planning to  
generate more digital  
and online sales

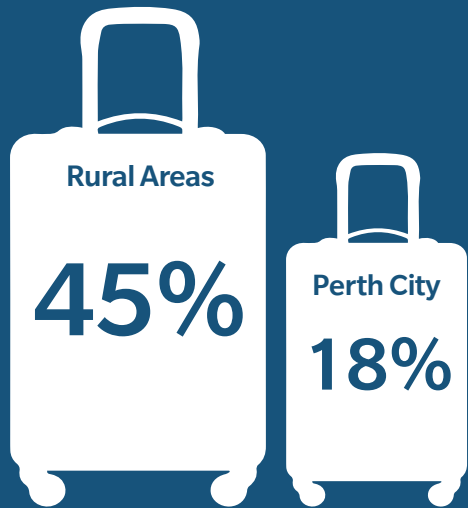


reported an increase  
or no change in  
business



of respondents  
employ fewer than  
10 staff members

# Location Comparison



## Reliance on Tourism

Rural areas are more reliant on Tourism and Hospitality: the sector makes up 45% of businesses, and just 18% within Perth City.



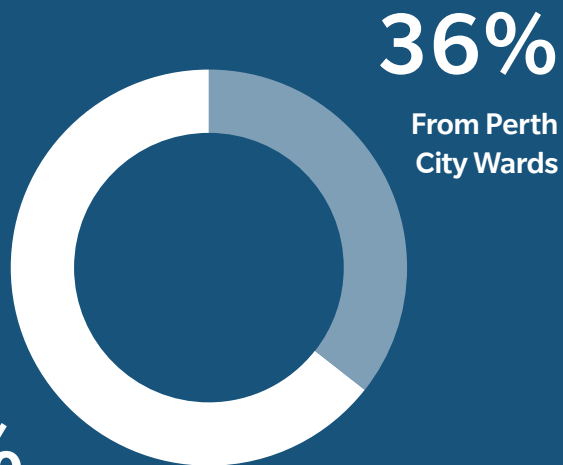
## Reliance on Retail

Retail is much more vital to Perth City, making up 24% of businesses compared to just 12% in rural areas.

In terms of business confidence, the greater rural reliance on Tourism & Hospitality is balanced by the greater importance of Retail to the city – those being the two most pessimistic sectors overall.

Analysis supports a view that different perceptions between sectors are more influential than any urban vs. rural divide for our region.

Although the more diverse city economy does potentially dilute some negative impacts, sectors other than Tourism, Hospitality and Retail are much more positive in their outlook (74% vs. 52%) regardless of business location.



64%

From Rural Perth & Kinross

36%

From Perth City Wards



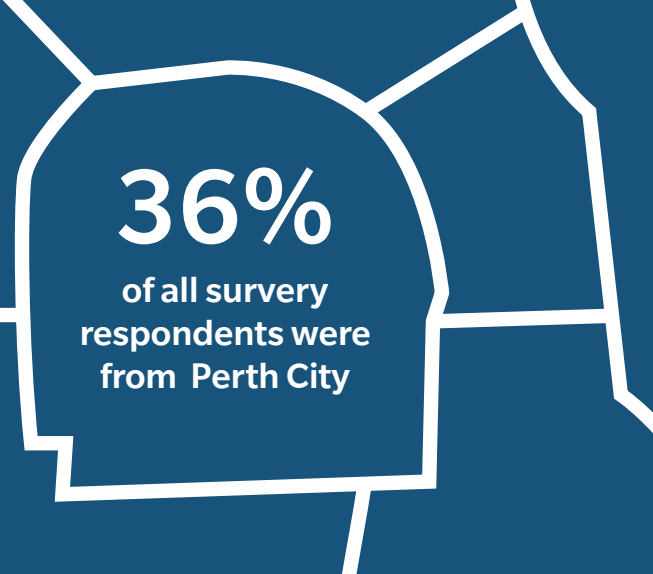
over 60%

## Looking Forwards

Overall confidence levels looking forward are largely identical at just over 60% for both city and rural.



# Perth City



**36%**  
of all survey respondents were from Perth City

**50%**



of businesses have furloughed staff

The most diverse location in terms of economic activity with less reliance on one sector. Evidence that this diversity shields Perth from larger per capita impact than some rural locations, but more job losses inevitable given the presence of more of the larger businesses.

Above average shift to more home working might impact city centre footfall.

Move to explore smaller premises might impact commercial property market.

Qualitative data shows concern around how social distancing will work in the city centre, how parking will work if street space is to be restricted, and concern that public transport timetables do not support more flexible travel / shift patterns.

**22%**

of respondents are planning staff redundancies

**10%**

planning to reduce the size of their current premises

**62%**

of businesses have a positive trading outlook

**23%**

are considering more home working in the future

# Highland Perthshire



want to see an increase in regional events and marketing



of businesses are in the Tourism & Hospitality sector

200 businesses took part in the survey. The area has the largest reliance on one sector: Tourism & Hospitality.

The region has the highest level of interest in the Bounce Back Loan Scheme (24%) suggesting a higher level of planning and resilience.

A 10% higher than average future focus on the wider UK market underpins qualitative data on where business would like to see more marketing effort in the shorter term.

29% of respondents wish to see improved Digital connectivity is perhaps lower than expected. Limited qualitative comments suggest an understanding that the customer on-line booking journey is more dependent on connectivity at the customer location than in the area itself.



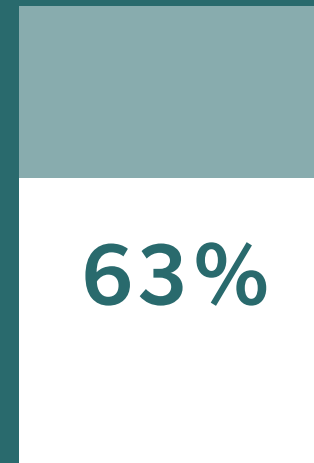
want to focus on the wider UK market for future sales



reported lost income due to the Covid-19 pandemic



of businesses are planning staff reductions



of businesses have a positive trading outlook

# Eastern Perthshire

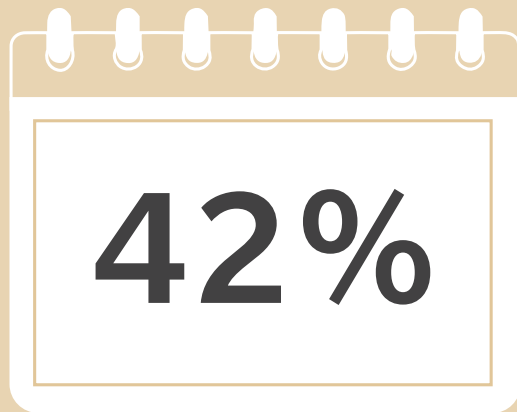
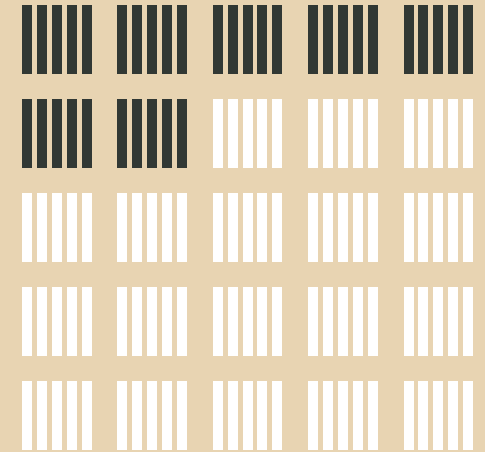


of respondents were from the Tourism & Hospitality sector

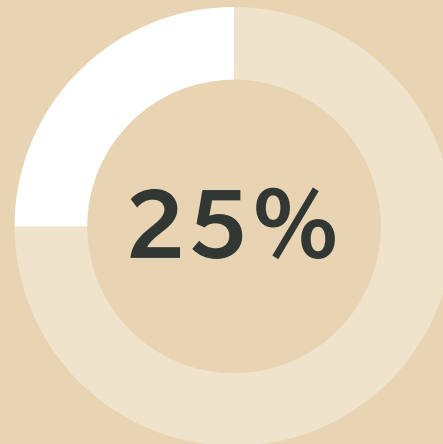
125 local businesses took part:

35 from Strathmore

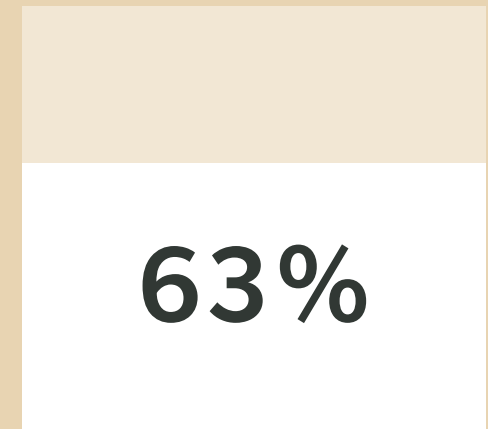
90 from Blairgowrie & The Glens



want to see an increase in regional events and marketing



of businesses want more local partnership working



of businesses have a positive trading outlook

**36%**  
self-employed



**50%**

Are considering more  
home working in future

**28%**

of respondent's main concern  
is going out of business

**71%**

have a positive trading  
outlook moving forwards

over  
**Half**

want promotion of more  
'buy local' schemes



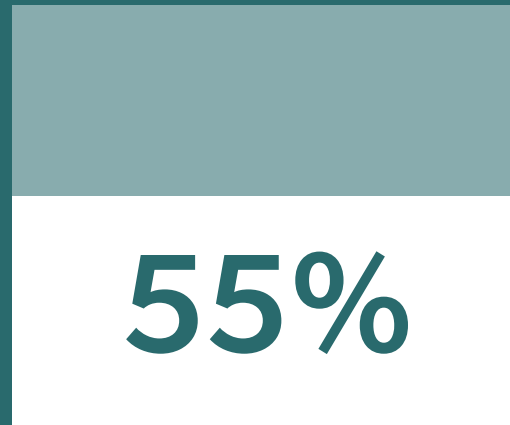
want to see an increase in regional events and marketing



of respondents were from the Tourism & Hospitality sector



were concerned about business closure



have a positive trading outlook moving forwards

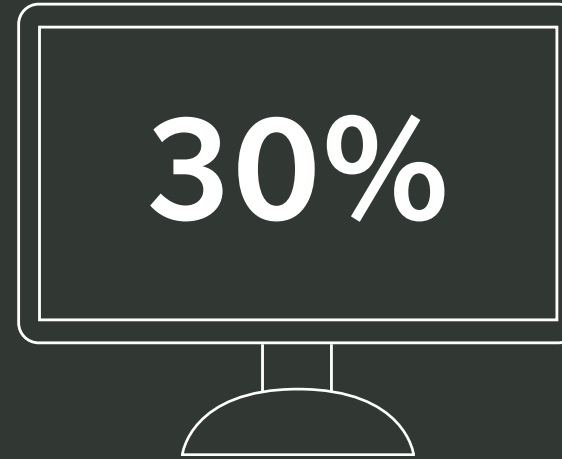


want improved digital infrastructure

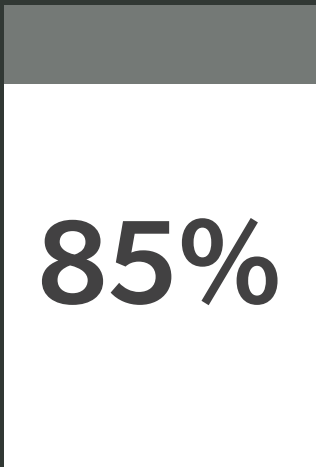
# Carse of Gowrie



of respondents  
were from the  
Retail sector



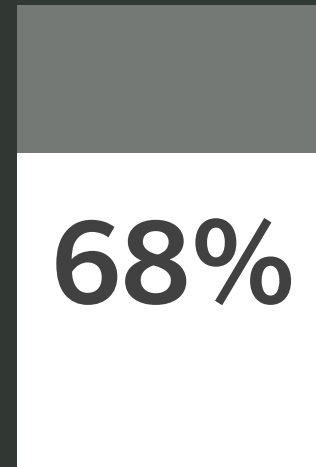
are looking  
at generating  
more income  
from online  
business



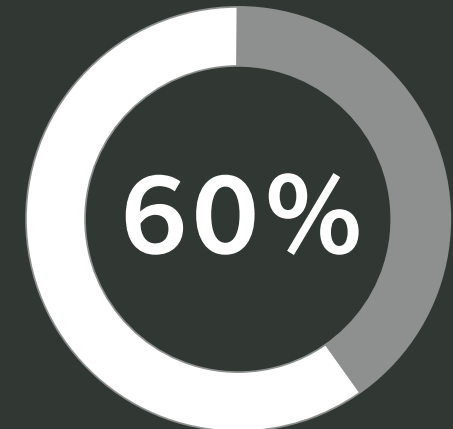
reported a loss of business  
due to the pandemic



are accessing government  
load funding



maintain a positive outlook  
about future trading



want support to access  
finance

**30%**  
self-employed



**11%**

are looking to explore export markets for the first time

**19%**

of respondents were in manufacturing and construction

**Half**

want promotion of more 'buy local' schemes

**76%**

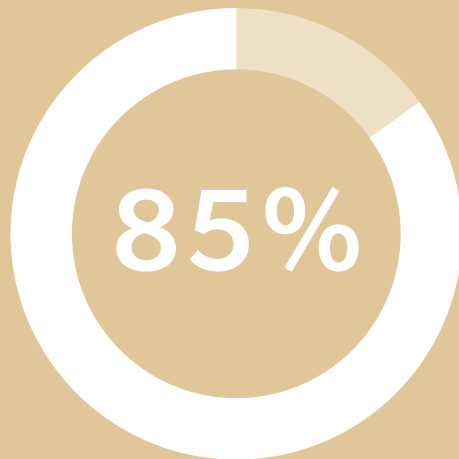
have a positive trading outlook moving forwards



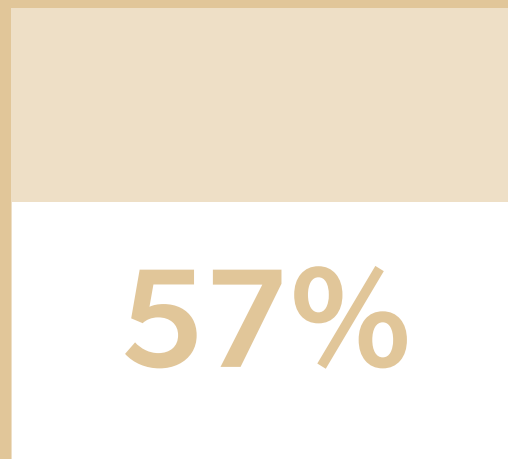
want to target growth from the wider UK market



of respondents were from the Retail sector



reported loss of business due to the pandemic

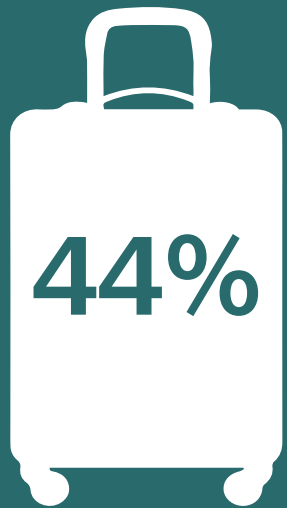


have a positive trading outlook moving forwards



see a need for improved digital infrastructure





of respondents were from the Tourism & Hospitality sector

over  
**30%**

applied for self-employment support



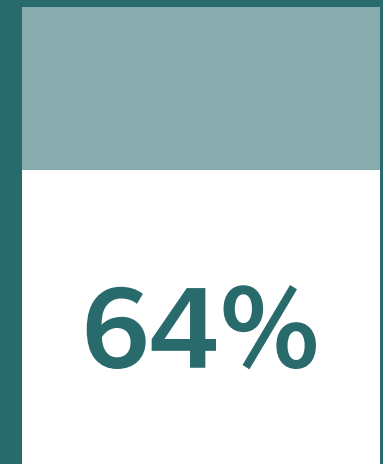
want to work more with other local businesses



want promotion of more 'buy local' schemes



want to see more regional events and marketing



have a positive trading outlook moving forwards