

SCOTTISH RETAIL

—
KEY FACTS
AND FIGURES



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TO MAKE A POSITIVE
DIFFERENCE TO THE
RETAIL INDUSTRY
AND THE CUSTOMERS
IT SERVES, TODAY
& IN THE FUTURE.

”

OUR PEOPLE

David Lonsdale is the Director of the Scottish Retail Consortium. David represents and promotes the interests of the retail industry and member companies to government, policy makers and opinion formers on a wide range of public policy issues. He is also Head of Devolved Nations for the BRC.



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AN AMBITIOUS INDUSTRY WHICH WILL CONTINUE TO SERVE SCOTTISH COMMUNITIES AND CONSUMERS

Retail is an exciting, diverse and dynamic industry undergoing transformational change. We represent retailers from across the United Kingdom, as well as Scottish headquartered businesses such as Scotmid, House of Bruar, Sterling Furniture, Dobbies, and The Paint Shed. Those businesses play a crucial role in driving Scotland's economy. The SRC wants to see the Scottish Retail Industry adapt and grow through the technological revolution altering the industry. Our mission is to shape the debate, engaging with the Scottish Government and Scottish Parliament to deliver understanding of these changes, and how best to deliver the policies which will lead to a strategic, collaborative, and cohesive agenda that will grow the industry in an inclusive and sustainable manner; helping support communities and driving economic development across Scotland.

A DYNAMIC INDUSTRY COMMITTED TO GROWING SCOTLAND'S ECONOMY:

The industry could potentially grow Research and Development spending from **£19 MILLION** in 2017 to **£29 million** by 2025

The industry could potentially grow Retail Turnover from **£25 BILLION** to **£27 BILLION** by 2030

Over the next decade there will be **100,000 NEW JOBS** in retail across the UK which didn't exist five years ago

13 PERCENT of new Scottish Businesses are Retailers

13 PERCENT OF ALL Commercial Investment is by Retail

A SUSTAINABLE INDUSTRY WHICH CONTINUES TO MAKE A POSITIVE DIFFERENCE TO SCOTTISH COMMUNITIES

- Retailers have removed billions of calories from products through reformulation.
- Retailers have voluntarily agreed not to sell energy drinks to under 16-year-olds.
- Retailers have led the way in labelling products to help consumers make informed choices to live healthier lives and recycle more responsibly.
- Retailers have committed to reduce absolute carbon emissions from retail operations by 25 percent.
- Retailers have committed to send less than one percent of their waste to landfill and reduce food waste.

THE SCOTTISH RETAIL INDUSTRY PLAYS A VITAL ROLE AS THE ENGINE OF THE ECONOMY

The retail industry holds a unique position in Scotland's economy. We have customers in every household in Scotland and retailers are at the heart of every community from Stornoway to Stranraer. Our members therefore play an essential role in the economic and social aspect of everyone in Scotland, whether that's providing high quality goods or great jobs, essential services or supporting good causes.

The scale of the industry is immense. Retail is the largest private sector employer in Scotland and one of the largest contributors to the economy. Our members spend billions with Scottish suppliers each year to bring products to market both domestically and as exports. We're an innovative industry, investing in research and development, new technology and our workers.

We also play a crucial role for Government. Whilst our primary contribution is helping households by keeping prices down, retailers are also an essential source of tax revenue and are at the heart of delivering policies. From investing in reformulation and labelling to enable healthier food and drink customer choices to delivering leadership in tackling waste and improving recycling, retailers are at the centre of much of the policy debate, playing our part in making Scotland a healthier, more beautiful, and more productive nation.

THE LATEST STATISTICS FOR THE RETAIL INDUSTRY:



22,280
Scottish Shops



245,000
Scottish
Retail Workers



Grocery Retailers
buy around
**£5 BILLION
PER YEAR**
from Scottish
Suppliers



£25 BILLION
in Retail sales



**£41.7
MILLION**
for Scottish Good
Causes since 2016



HMRC collected
£10.1 BILLION
in Scottish VAT in
2017-18



Scottish Retail
wages rose by
2.9 PERCENT
last year



Scottish Retailers invest
£550 MILLION
in training every year

AN INDUSTRY IN TRANSITION

THE SCOTTISH RETAIL INDUSTRY IS GOING THROUGH A PERIOD OF TRANSFORMATIONAL CHANGE, DRIVEN BY CHANGING CUSTOMER BEHAVIOUR, NEW TECHNOLOGY, AND THE COST OF DOING BUSINESS

The shift to retail browsing online is now primarily on mobile devices. As this can be done 'on-the-go' it is changing the role of stores in the shopping experience.

Whilst growth in online sales is slowing, it is still vastly outperforming in-store sales that have been in decline for approximately four years.

Rising commodity prices have led to increased food prices and have left less available money to be spent on the discretionary part of consumers' shopping baskets.

Retailers already pay 22% of all Scottish Business Rates. This ever-increasing burden is putting those retailers under immense pressure. Without change, many will struggle to maintain their current store footprint.

The increases in costs incurred through public policy, such as the National Living Wage and the Apprenticeship Levy, are also increasing pressure on retailers who employ large numbers of workers.

These issues have contributed to store numbers falling in recent years, which unless conditions improve will continue in the future.

These changes are being shaped and accelerated by public policy which is making it more expensive to operate from property and employ large numbers of workers; spurring retail businesses and others to shift towards operating online.

Retail is liable for **22 PERCENT** of Scottish Business Rates

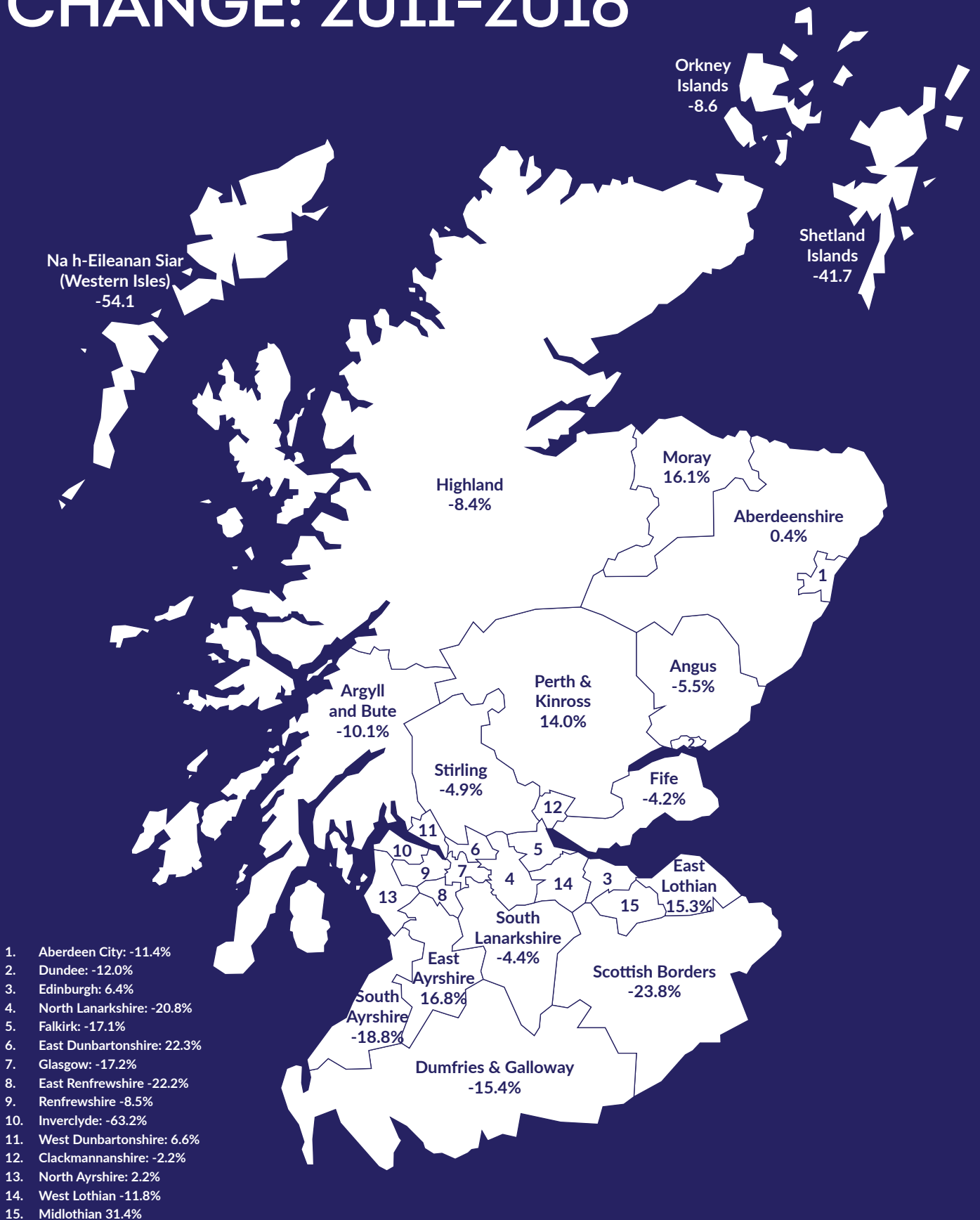
Retailers in Scotland have paid over **£60 MILLION** since 2016 as consequence of the higher Scottish Large Business Supplement

Scottish Retailers pay **£12 MILLION** per year due to the Apprenticeship Levy

The Scottish Retail Industry paid **£579 MILLION** in tax in 2016

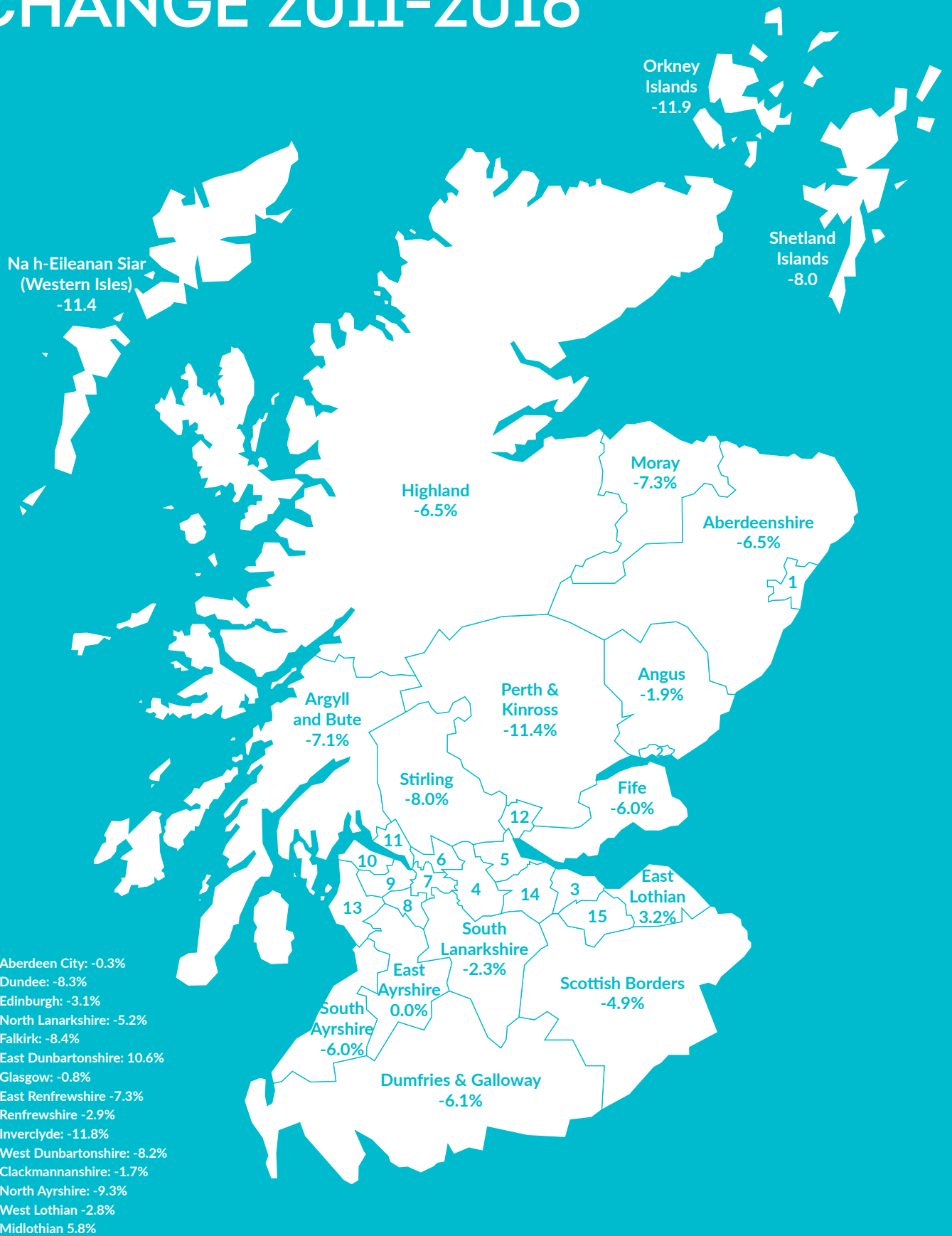
Those profound changes are leading to very different High Streets, and to a new more productive model of retail employment. The SRC has projected over a fifth of shops could close and it is likely there will be fewer but better retail jobs, as the next decade progresses.

RETAIL TURNOVER % CHANGE: 2011-2016



Local Authority	Retail Turnover 2016	% Change
SCOTLAND	23,672,800,000	-8.1%
ABERDEEN CITY	1,402,200,000	-11.4%
ABERDEENSHIRE	1,186,300,000	0.4%
ANGUS	374,700,000	-5.5%
ARGYLL & BUTE	313,800,000	-10.1%
CLACKMANNANSHIRE	197,000,000	-2.2%
DUNDEE	892,000,000	-12.0%
DUMFRIES & GALLOWAY	602,200,000	-15.4%
EAST AYRSHIRE	482,800,000	16.8%
EAST DUNBARTONSHIRE	410,800,000	22.3%
EAST LoTHIAN	314,100,000	15.3%
EAST RENFREWSHIRE	234,400,000	-22.2%
EDINBURGH	2,871,800,000	6.4%
FALKIRK	522,500,000	-17.1%
FIFE	1,390,800,000	-4.2%
GLASGOW	2,843,100,000	-17.2%
HIGHLAND	1,005,400,000	-8.4%
INVERCLYDE	297,300,000	-63.2%
MIDLoTHIAN	459,700,000	31.4%
MORAY	583,600,000	16.1%
NA H-EILEANAN SIAR	49,300,000	-54.1%
NORTH AYRSHIRE	555,500,000	2.2%
NORTH LANARKSHIRE	1,044,500,000	-20.8%
ORKNEY ISLANDS	91,500,000	-8.6%
PERTH & KINROSS	816,100,000	14.0%
RENFREWSHIRE	858,100,000	-8.5%
SCOTTISH BORDERS	285,500,000	-23.8%
SHETLAND ISLANDS	58,100,000	-41.7%
SOUTH AYRSHIRE	478,100,000	-18.8%
SOUTH LANARKSHIRE	1,238,100,000	-4.4%
STIRLING	464,400,000	-4.9%
WEST DUNBARTONSHIRE	381,500,000	6.6%
WEST LoTHIAN	967,500,000	-11.8%

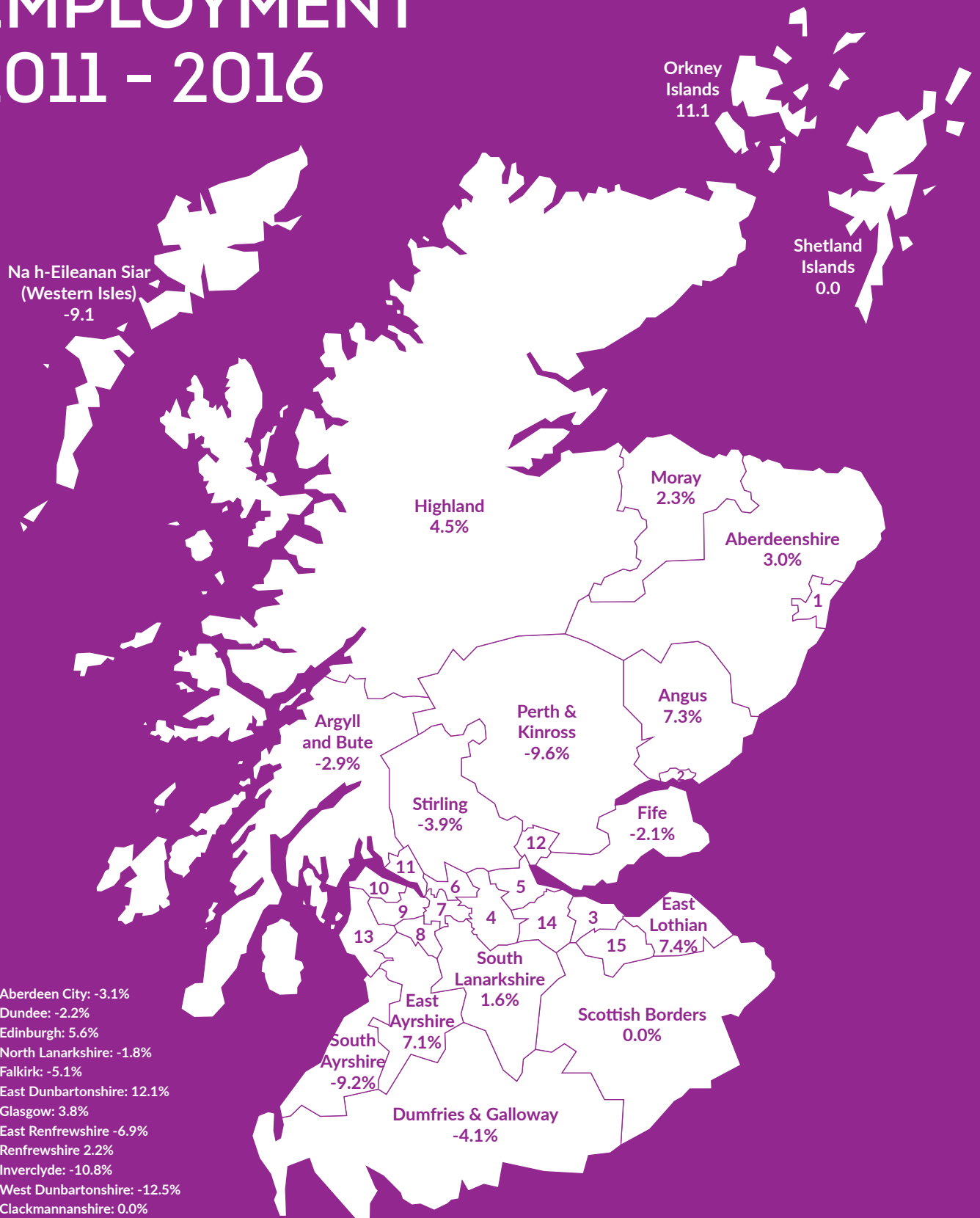
SCOTTISH SHOP NUMBERS CHANGE 2011-2016



1. Aberdeen City: -0.3%
2. Dundee: -8.3%
3. Edinburgh: -3.1%
4. North Lanarkshire: -5.2%
5. Falkirk: -8.4%
6. East Dunbartonshire: 10.6%
7. Glasgow: -0.8%
8. East Renfrewshire: -7.3%
9. Renfrewshire: -2.9%
10. Inverclyde: -11.8%
11. West Dunbartonshire: -8.2%
12. Clackmannanshire: -1.7%
13. North Ayrshire: -9.3%
14. West Lothian: -2.8%
15. Midlothian: 5.8%

Local Authority	Shop Numbers 2016	% Change shop numbers 2011-2016
SCOTLAND	22,434	-4.4%
ABERDEEN CITY	921	-0.3%
ABERDEENSHIRE	898	-6.5%
ANGUS	461	-1.9%
ARGYLL & BUTE	520	-7.1%
CLACKMANNANSHIRE	177	-1.7%
DUNDEE	652	-8.3%
DUMFRIES & GALLOWAY	738	-6.1%
EAST AYRSHIRE	447	0.0%
EAST DUNBARTONSHIRE	333	10.6%
EAST LoTHIAN	357	3.2%
EAST RENFREWSHIRE	293	-7.3%
EDINBURGH	2,402	-3.1%
FALKIRK	511	-8.4%
FIFE	1,410	-6.0%
GLASGOW	3,118	-0.8%
HIGHLAND	1,211	-6.5%
INVERCLYDE	298	-11.8%
MIDLoTHIAN	255	5.8%
MORAY	416	-7.3%
NA H-EILEANAN SIAR	124	-11.4%
NORTH AYRSHIRE	497	-9.3%
NORTH LANARKSHIRE	1,018	-5.2%
ORKNEY ISLANDS	111	-11.9%
PERTH & KINROSS	695	-11.4%
RENFREWSHIRE	672	-2.9%
SCOTTISH BORDERS	558	-4.9%
SHETLAND ISLANDS	115	-8.0%
SOUTH AYRSHIRE	595	-6.0%
SOUTH LANARKSHIRE	1,144	-2.3%
STIRLING	506	-8.0%
WEST DUNBARTONSHIRE	323	-8.2%
WEST LoTHIAN	658	-2.8%

% CHANGE IN RETAIL EMPLOYMENT 2011 - 2016



1. Aberdeen City: -3.1%
2. Dundee: -2.2%
3. Edinburgh: 5.6%
4. North Lanarkshire: -1.8%
5. Falkirk: -5.1%
6. East Dunbartonshire: 12.1%
7. Glasgow: 3.8%
8. East Renfrewshire: -6.9%
9. Renfrewshire: 2.2%
10. Inverclyde: -10.8%
11. West Dunbartonshire: -12.5%
12. Clackmannanshire: 0.0%
13. North Ayrshire: -1.8%
14. West Lothian: -4.4%
15. Midlothian: 30.0%

Local Authority	Retail Employment 2016	Retail Employment Change 2011-2016 (%)
SCOTLAND	244,600	0.5
ABERDEEN CITY	12,700	-3.1
ABERDEENSHIRE	10,400	3.0
ANGUS	4,400	7.3
ARGYLL & BUTE	3,400	-2.9
CLACKMANNANSHIRE	1,900	0.0
DUNDEE	9,100	-2.2
DUMFRIES & GALLOWAY	7,100	-4.1
EAST AYRSHIRE	4,500	7.1
EAST DUNBARTONSHIRE	3,700	12.1
EAST LoTHIAN	2,900	7.4
EAST RENFREWSHIRE	2,700	-6.9
EDINBURGH, CITY OF	28,100	5.6
FALKIRK	5,600	-5.1
FIFE	14,100	-2.1
GLASGOW	35,100	3.8
HIGHLAND	11,700	4.5
INVERCLYDE	3,300	-10.8
MIDLoTHIAN	3,900	30.0
MORAY	4,400	2.3
NA H-EILEANAN SIAR	1,000	-9.1
NORTH AYRSHIRE	5,400	-1.8
NORTH LANARKSHIRE	11,200	-1.8
ORKNEY ISLANDS	1,000	11.1
PERTH & KINROSS	6,600	-9.6
RENFREWSHIRE	9,100	2.2
SCOTTISH BORDERS	4,700	0.0
SHETLAND ISLANDS	1,100	0.0
SOUTH AYRSHIRE	5,900	-9.2
SOUTH LANARKSHIRE	12,700	1.6
STIRLING	4,900	-3.9
WEST DUNBARTONSHIRE	3,500	-12.5
WEST LoTHIAN	8,600	-4.4

ABOUT THE SRC

The SRC's purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future.

Retail is an exciting, dynamic and diverse industry which is going through a period of profound change. Technology is transforming how people shop; costs are increasing; and growth in consumer spending is slow.

The SRC is committed to ensuring the industry thrives through this period of transformation.

We tell the story of retail, work with our members to drive positive change and use our expertise and influence to create an economic and policy environment that enables retail businesses to thrive and consumers to benefit. Our membership comprises businesses delivering £180bn of retail sales and employing over one and half million employees.



SCOTTISH RETAIL CONSORTIUM

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