

Scotland's Rural College

Rural Report 2017/18. Infographic 2. Rural/Urban Businesses

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Print publication: 01/01/2018

Document Version

Early version, also known as preprint

[Link to publication](#)

Citation for published version (APA):

Thomson, SG., & Atterton, J. (2018). *Rural Report 2017/18. Infographic 2. Rural/Urban Businesses*. Scotland's Rural College (SRUC).

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Rural Business Survey

- Infographic 2



Rural / Urban Businesses

Rural Businesses in the North East & South of Scotland: 2017

61% of surveyed businesses were in rural areas with 24% in towns and 15% in urban areas

Rural Businesses

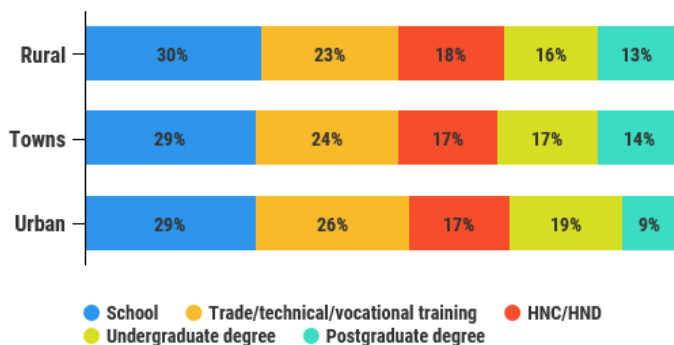


This research was undertaken within the Scottish Government's Strategic Research Programme 2016-2021, Work package 2.4 Rural Industries

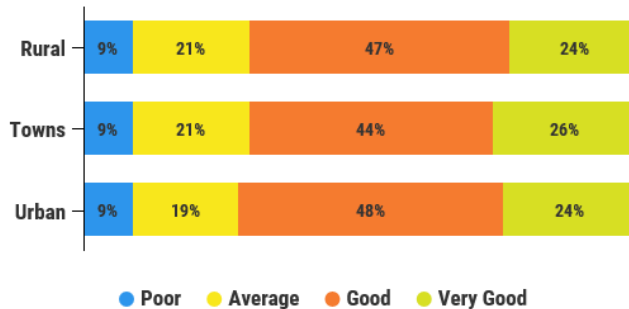


There were slightly higher postgraduate qualification levels amongst business owners in rural areas and towns

Educational Attainment



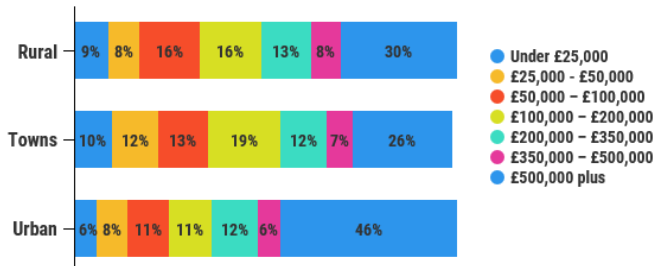
Current Operating Environment



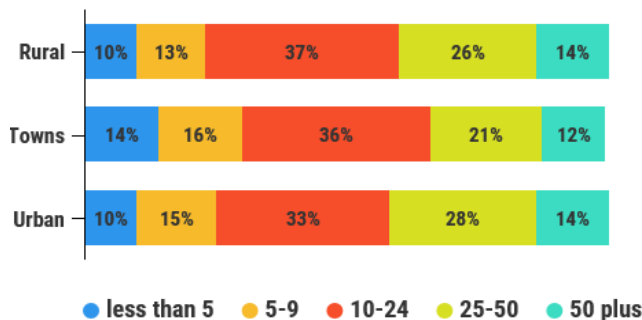
Regardless of location about 1/4 reported their 2017 operating environment as very good

Businesses in towns were more likely to have turnovers over £0.5 million. 1-in-3 rural and town based businesses had turnovers under £100,000

Business Turnover



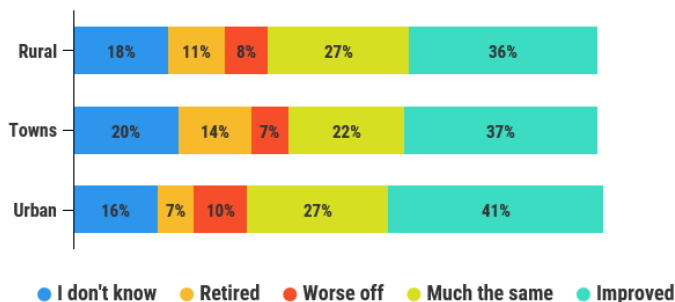
Business Age



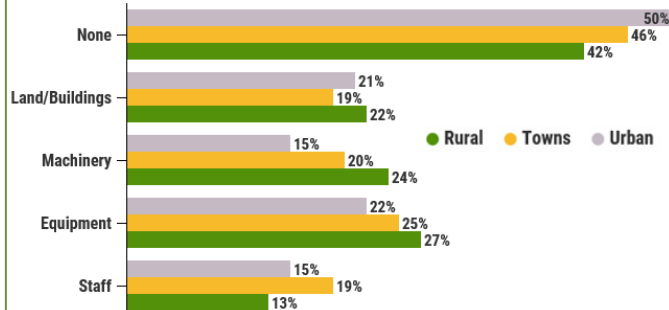
14% of businesses from towns were less than 5 years old. Rural businesses tended to be older than in towns

20% of businesses in rural areas & towns were uncertain of their future, but over 35% expected their business to improve. Retirement expectations were highest in towns (14%) & rural areas (11%)

5 Year Outlook

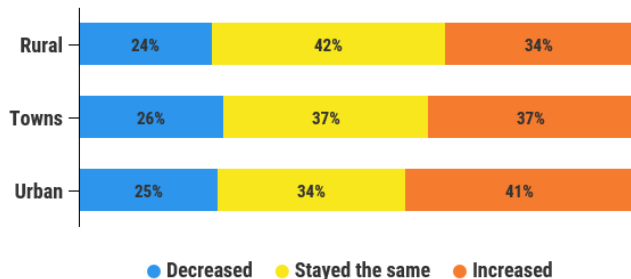


5 Year Investment Plans



58% of rural businesses expected to invest in their business in the next 5 years - with highest expectations of investing in capital items....but they were least likely to invest in staff

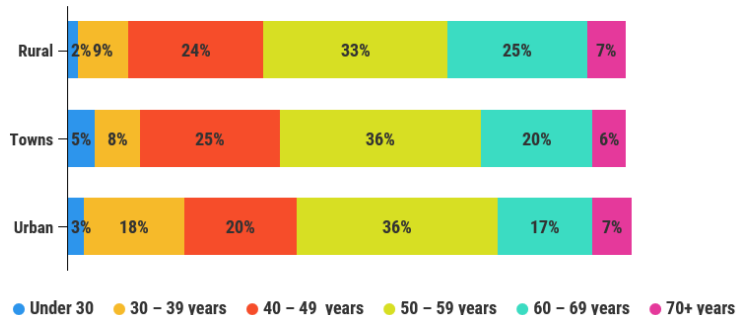
Turnover Change 2016-17



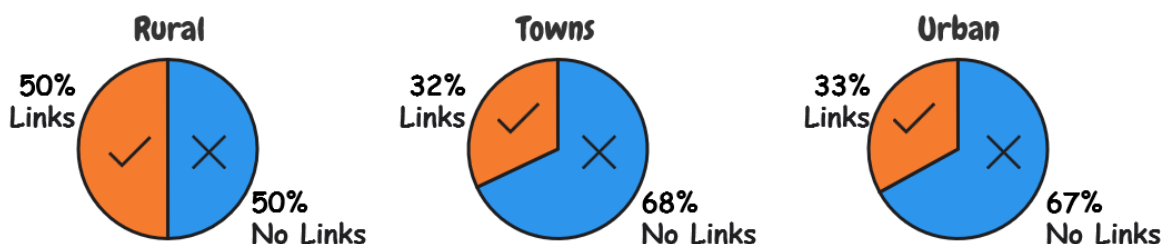
Rural businesses were most likely to have had no change in their turnover between 2016-17, with a third having improvement and a fifth having worsening turnover. 41% of urban businesses reported improved turnover.

In rural areas a third of business owners / partners / directors were over 60 years old with over two-thirds in the over 50 year old bracket. In rural areas, the 11% under 40 years old compares poorly to 21% in urban areas.

Age of Owners / Partners / Directors



Links to Land-based Sector

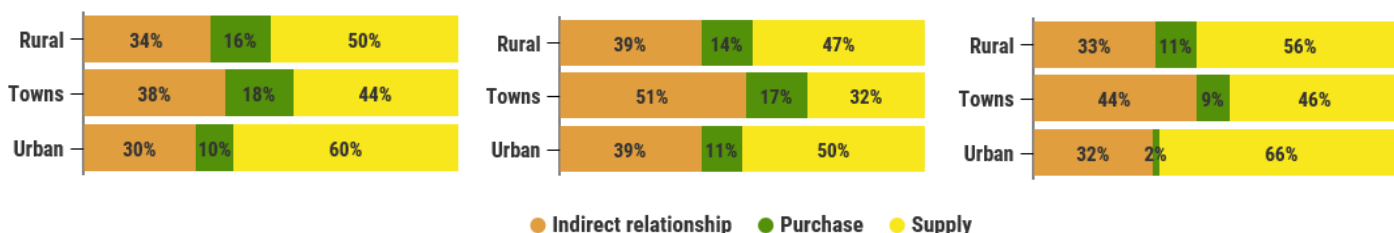


Unsurprisingly rural businesses surveyed were much more reliant on the land-based sector than businesses in towns and urban areas. In rural areas half the businesses relied on land-based businesses to some extent - perhaps surprisingly a third of businesses in towns and urban areas also did.

Links to Farming

Links to Forestry

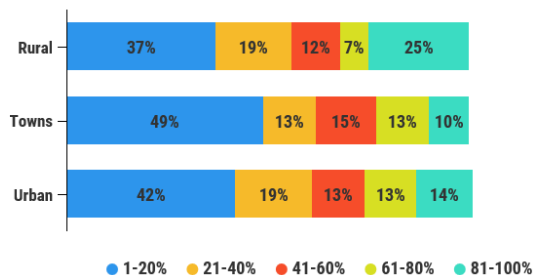
Links to Estates



About 17% of rural and town based businesses with links to farming were downstream purchasers of goods and services. Upstream suppliers of goods and services were the most common form of linkage.

A quarter of rural businesses that are linked to farming rely on the sector for over 25% of turnover. In towns half those linked to farming generate less than 10% of turnover from it.

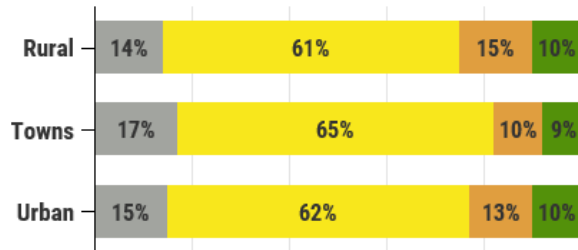
Turnover from Farming



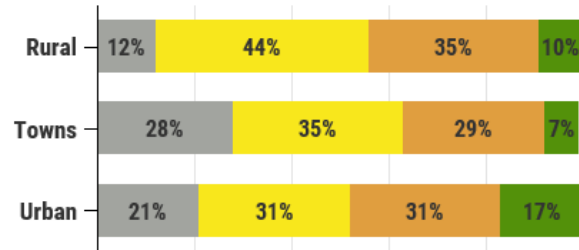


BREXIT Challenges & Opportunities

Imports

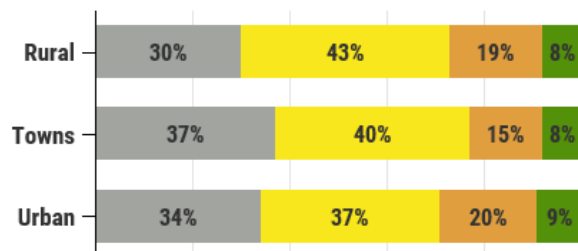


Exports

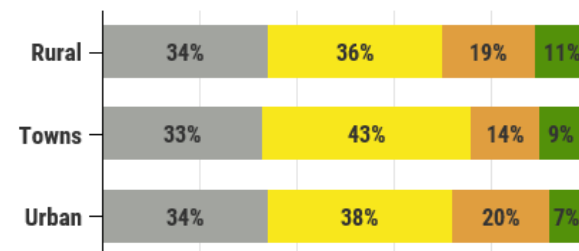


● I don't know ● Challenge ● Opportunity ● Both

Access to Public Finance

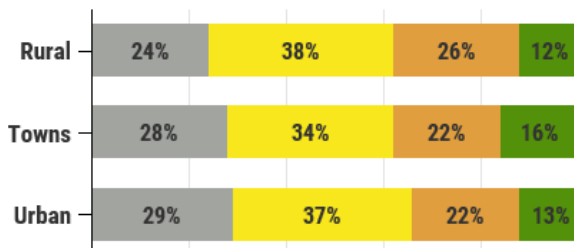


Access to Private Finance



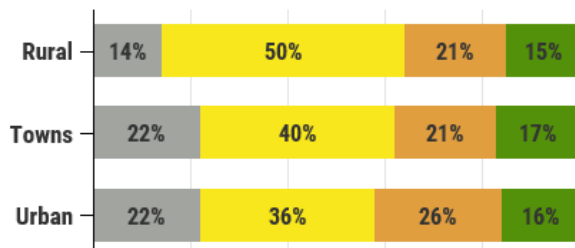
Over 60% of all businesses that import felt that post-Brexit it would become more challenging. 45% of the rural businesses that export thought there would be greater export opportunities. Few businesses, regardless of location, felt that access to private and public finance would improve.

Business Regulations

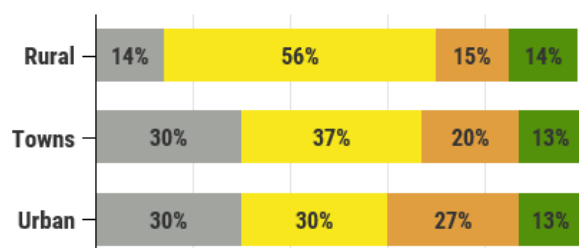


Rural businesses were more likely to think post-Brexit access to labour would be challenging, although 30-35% of rural businesses thought there will be some improved opportunities to access labour. 38% of rural & town businesses thought there was some scope to cut red tape.

Regular Labour



Seasonal Labour



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Full report from: www.sruc.ac.uk/ruralbusinesssurvey