

2021 - 2030

Our Atlantic Larder

Unlocking our potential



Outer Hebrides Food & Drink Development Plan



OUTER
HEBRIDES
CHAMBER of
COMMERCE



SCOTLAND
FOOD & DRINK





Building strong foundations

Surrounded by the clean and clear waters of the Atlantic Ocean, we benefit from our proximity to the sea. We have a diverse range of Food & Drink businesses including aquaculture, fishing, crofting, artisan producers and socially-focused enterprises. Collectively, the products and produce reflect the unique culture and history of the Islands, and our distinct language and landscape.

Food & Drink in the Outer Hebrides

The Outer Hebrides is home to a range of Food & Drink producers, from traditional Crofts producing small scale farm produce, to artisans and lifestyle producers. The waters offer a range of seafood, notably salmon and shellfish, some of which goes on to be smoked products. Our manufacture of Stornoway Black Pudding is safeguarded by Protected Geographical Indication status. In drink production, strong markets have been established for our gin produced on the Islands of Harris, North Uist, and Barra.

Tourism brings in excess of 200,000 visitors to the Islands annually. Our Food & Drink service offers an eclectic mix of traditional tearooms, pop-up venues, food trucks, cafes and restaurants.

2021-2030 Development Plan

The Food & Drink Development Plan has come about in response to the needs of the sector to support its development and growth. We are building on the significant potential of the quality, provenance and track record of existing businesses. To realise this potential, a coordinated and consistent approach to tackling the barriers to growth is required.

Areas of development include: strengthening supply chain infrastructure; supporting a local approach and building confidence in our produce; a regional marketing effort; developing skills through training; supporting collaboration across the sector and exploring experiences in Agri-tourism and Food Tourism.

To achieve these ambitions, a Food & Drink Partnership is being formed to oversee progress towards the 2030 vision outlined in this document.



Population
26,720



Gaelic Speakers
52.2%



Air connections:
**Inverness
Glasgow
Edinburgh**



Ferry routes:
**Ullapool
Uig (Skye)
Oban
Mallaig**



Our unique culture

We are mainly small and micro businesses with larger scale fisheries the exception. Crofting sits at the heart of the community with around 6000 crofts across 280 townships. A positive work / life balance is valued by many producers leading to less focus on growth. While for others, their ambitions for growth sit at the heart of flourishing and innovative businesses and organisations.

Who we are



Primary

AGRICULTURE: CROFTING, FARMING

AQUACULTURE: SEAFOOD

Shellfish including scallops, langoustine, lobster, cockles etc, salmon and a range of fish from local waters.

Crofting and wild produce including locally reared meat (lamb, beef, venison) eggs and inseason vegetables.

Seaweed is an innovative and developing area.

Secondary

FOOD AND DRINK MANUFACTURE AND PROCESSING

Smoked seafood products.

Stornoway Black Pudding with PGI status.

Distilling including craft alcohol based drinks.

Store cupboard artisan produce including mustards, jams, chutneys, baked goods and sweets.

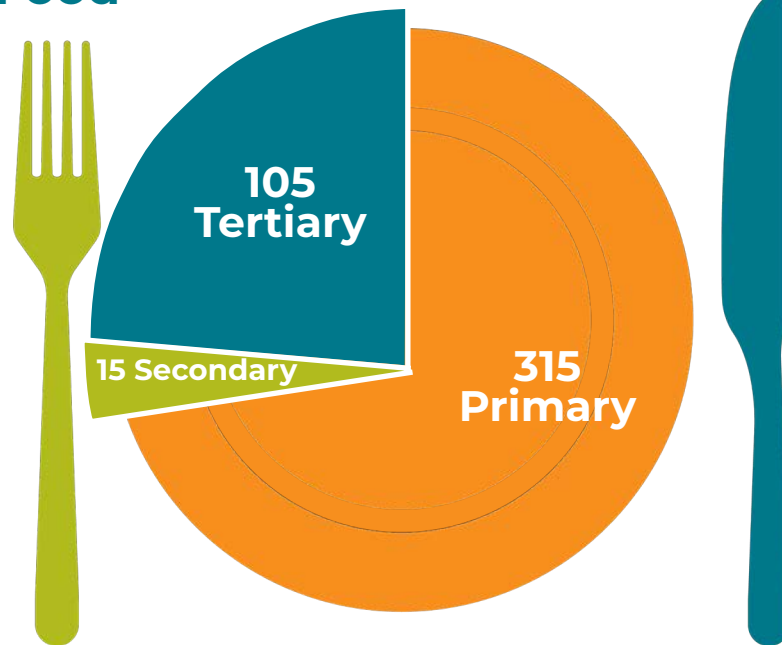
Tertiary

FOOD AND DRINK SERVICE

A range of restaurants, tearooms, pubs, pop-up venues, takeaway services, food trucks, community shops and cafes with many offering a range of local produce.

The impact of the pandemic has resulted in a shift towards takeaway services, and an increase in street food / food truck businesses.

435 businesses across the 3 Food & Drink categories



SOURCE: nomisweb.co.uk.
PAYE and/or VAT registered businesses.

On Land

6000 Crofts across 280 townships.

Typical size 3 hectares.

Raising store lamb is the main crofting product.

On Sea

Largest fleet of small vessels in Scotland.

Employs:
680 direct
300 processing / other
550 fish farming (FTEs)

90% shellfish catch
10% white fish / other



Aquaculture

Salmon
Mussels
Oysters



Shellfish

Scallops
Langoustines
Lobster
Crabs



Key Food & Drink Produce



Crofting and Wild

Lamb. Beef. Venison
Eggs
Seasonal (Summer) Produce
Guga



Heritage and Artisanal

Black Pudding
Preserves and Condiments
Bread and Baked goods
Sweets



Drink

Distilling
Micro Brewing
Soft Drinks

Our Potential

A number of challenges face the sector, in part due to our geographic and remote location, alongside the need to invest in food & drink infrastructure. In equal measure we must capitalise on our strengths and embrace the opportunities for the region to build our resilience and foundations for growth.

Strengths

Distinct culture, language, history and way of life.

Crofting as a social and sustainable way of life.

Low business entry costs and a supportive public sector.

Collaborative spirit. Networks of associations and committees in place.

Business expertise. Established, successful businesses operating in sector.

Tourism offer promotes food and drink produce and service.

Protected Geographical Indication (PGI) status for Stornoway Black Pudding.

Environment clean air and waters.

Desirability and high profile of the region including lifestyle attractiveness.

Weaknesses

Cost inefficiencies Production costs, profitability, and limited scalability.

Inconsistent use of location name and overall branding and marketing.

SME led with no large-scale producers.

Seasonality in growing season and visitor numbers.

Supply Chain infrastructure is underdeveloped.

Geographical location for access to wider markets.

Skills and training availability and labour shortages to support seasonality.

Choice is limited and traditional offer to tourists.

Abattoir has limited availability.

Digital Capability and experience

Opportunities

Infrastructure improvements to support supply chain.

Collaboration to create scale among SMEs.

Premiumisation of key products and produce trending towards 'less but better'.

Awards and certification of products

Empowering communities leading to collaboration and cooperation.

Localism increased understanding and demand (2020 experience).

Reducing food miles, on-island processing and value add services.

Circular economy and Zero Waste, links to green energy production.

Digital and virtual expansion.

Food and Agri-Tourism new and innovative experiences to engage visitors.

Crofting positioning to embrace artisanal produce.

Food events and experiences building on existing events and festivals.

Threats

Brexit and impact on export, particularly seafood.

Consumer trends towards vegetarianism, veganism and reducing alcohol consumption.

Distribution and the long running challenge of ferry constraints.

Climate Change and physical impact on Islands and market changes.

Depopulation history of numbers reducing.

Reputational damage if tourism demand is unmet by a reduced Food & Drink Service resulting from Brexit / Covid impacts.

Abattoir regulations.

Succession planning and owner operated businesses.

Economic disruption at national or global levels.

Consumer trends

We expect to see a continuation of these existing trends.

Sustainability

Environmentally and socially conscious decisions, zero waste and an increased awareness of the broader story in relation to the food and drink purchases made.

Experiences

Increasing demand for food & drink experiences, where it comes from and meeting the people behind the produce.

Wellbeing

Healthy mind and body leading to food choices, personalised diets and nutrition.

Reduction in meat consumption and increase in vegetarianism.

Digital

A greater number of transactions taking place online and a desire to buy direct from producers.

We know from survey data, our visitors are passionate about food and drink.

For them, it goes a long way beyond a functional need. They enjoy seeking out local food, and love mini-experiences that tell the story behind the food they enjoy. Fresh, convenient and local are important factors for them.

Other rural parts of Scotland have built a reputation for local food & drink, particularly Arran and Orkney. They tell us that, overall, food & drink does not currently match the rest of their experience in the Outer Hebrides.

In particular, they find it hard to taste local food, especially seafood, and want food and drink availability that matches their lifestyle, for example coffee to go. They want more things to see and do, including food experiences.

Trend predictions are always difficult, however several opportunities in 2021 stand out for the region.



From The Food People's predictions for food & drink consumer trends in 2021-22, the following are examples where the Outer Hebrides could respond:

Streateries – outdoor eating opportunities along pavements and in outdoor areas.

Mini Splurge – touches of edible luxury and upgrades of day-to-day products. Examples include craft gin and beer, artisan coffee, etc.

Frozen – perceptions of frozen food have shifted and opens up opportunities for new product lines.

I Can Cook – fakeaways, meal kits and cook-alongs. Cooking school style experiences for visitors.

Localism – an increased awareness and appreciation of local products and produce.

Stellar Seafood – as meat is reduced from diets, seafood is gaining traction.

Added Extras – health and wellbeing boosts, for example seaweed which is high in vitamins and minerals.

Source: <https://thefoodpeople.co.uk/infographics/hot-trends-2021>

Markets

Much of our produce is exported off Island to service national and international markets.

Our buyers are Restaurateurs, Gourmet food stockists and International markets who value the premium quality and provenance of local produce.

There was significant local interest in products and produce from closer to home during 2020. This has led to an improved understand of what is available locally and is a key market for growth.

Expansion into the Scottish market with increased brand recognition and supply chains to support businesses to sell direct to consumers.

International exports to areas where the quality and provenance are already valued. Introduction to complementary products across our key Food & Drink themes.

Growth Markets

- 1. Local across the Outer Hebrides**
- 2. Scotland wide**
- 3. Cross selling to established International markets**



Development areas

We spoke to a range of businesses across the Food & Drink sector with input from different areas of the Islands.

Here's what they told us.

Supply Chain, Distribution and Logistics Support

A range of support services is needed, from primary production services such as more frequent abattoir services, to working collaboratively to reduce the cost of freight and improve transport connections. Practical solutions such as shared storage facilities would enable businesses to service markets year-round and beyond the limits of the summer season.

Businesses express the need for 'hub' services where economies of scale can be realised through SMEs and Sole Traders working collaboratively

to access the services needed to support business growth.

Localising the supply chain wherever possible will help to keep money within the regional economy and add to the visitor experience through increased availability for local produce in restaurants and food outlets. Support could range from local delivery services that are responsive to the geographic and seasonal challenges, to facilitating conversations with large scale retailers and outlets.

Given the challenges of our remoteness including transport and rurality of agriculture in the islands, a regular abattoir service is seen as essential.





a Passion for our Produce



Branding and Marketing Support

A cohesive, identifiable brand for the Outer Hebrides supported by promotional activities to reinforce the values of the Islands is required.

The Outer Hebrides has unique regional characteristics which have been developed successfully through Outer Hebrides Tourism marketing and promotion. The growth in tourism prior to 2020 demonstrated the success of promoting the Outer Hebrides in line with the themes:

- History with Mystery
- Living Gaelic
- Closer to Wildlife
- Epic Landscape
- Mind, Body and Spirit
- Atlantic Larder

There is no singular Outer Hebrides product mark in use. A branding exercise undertaken around 2008 identified the region's positioning as unique and distinctive; warm and friendly; high quality but expensive; and with a strong community spirit and soul.

Eat Drink Hebrides has established a successful Food Tourism brand supporting the Outer Hebrides Tourism activities.

The competitive retail environment has led to tight margins which in turn have put pressure on profitability. Marketing and brand development and positioning have the potential to drive up margins by reflecting the quality and provenance of our produce and products.

Building a brand owned and used across the sector is a key priority over the next 3 years.

Skills and Experience

The skills and knowledge to support individuals to build careers in the industry is a long-term investment that must begin now. This work will deliver benefits in the medium to long term as existing businesses find they can fill vacancies more easily and achieve business growth on the back of local labour supply.

Provision of training and promotion of the sector to encourage individuals to choose food and drink as a career path and help to grow the sector over the long-term. A coordinated approach to recruitment, pooling resources for smaller organisations and leveraging regional level branding would be welcomed.

Building skills in food science and added value services will increase the economic benefit to the Islands and underpin future diversification. The Secondary sector supporting manufacturing and processing is particularly underrepresented and present a significant opportunity for the sector to develop skills in.

The Island demographic is older than the national average and many of the young people leave the Islands to pursue further education or work experience. Promoting the sector as an attractive and rewarding place to work with career progression opportunities will help to attract and retain this important demographic for our Island region.





Digital and Ecommerce Support

Many businesses recognise they could be doing more to sell and market their products online. The digital solutions that would benefit businesses range from full e-commerce solutions already in place, to social media marketplaces, and making use of collaborative online stores and retail services.

The trend for curated marketplaces is showing signs of abating as consumers increasingly have expectations of buying directly with producers, particularly in relation to artisan products and those with strong provenance and history. Consumer behaviour indicates a desire to deal directly with the producer or organisation.

Supporting individual businesses to increase their online presence and leverage a range of e-commerce and marketing tools to sell direct to consumers is required. However, the solutions must be tailored to meet the individual needs of the business and its desire and capability to operate digitally.

Business engaging in ecommerce currently report challenges with distribution, particularly for chilled products. Consideration of a hub or service on the mainland to facilitate ecommerce opportunities should be explored.

Community Networking and Collaboration

Businesses increasingly recognise the benefit of collaborating and networking to achieve common goals and benefits for all. There is a desire to develop this based around the shared goals of improving the Food & Drink infrastructure, skills and training and mentoring based on shared experience.

A network of businesses and organisations for the sector, by the sector, will help to build confidence through shared experience and an understanding of what is possible in spite of geographic challenges. In time, this is expected to also build local consumer confidence where local products and produce are valued with strong customer loyalty.

Collaborating across the sector is expected to deliver economies of scale through an SMEs community able to leverage experience and resources. In parallel, building a network of integrated businesses across the Food & Drink supply chain will build the region's economic resilience, sustainable communities, and drive employment opportunities in the years ahead.

Many Island businesses in this sector are owner operated. Support and shared experiences in developing succession plans including handover or exit strategies would be welcomed.



Support Network

Support is available through a range of agencies and organisations including:

Business Gateway

Highlands and Island Enterprise

Co-operative Development Scotland

Outer Hebrides Chamber of Commerce

Scotland Food & Drink

Scottish Crofting Federation

Outer Hebrides Tourism

Western Isles Fishermen's Association





Our Vision

It is 2030, food & drink from the Outer Hebrides is recognised at home and nationally as high quality, artisan, rich in heritage and culture.

Its uniqueness is celebrated and a draw card for visitors to the Islands.

Our Mission

To contribute to the economy of the Outer Hebrides and build the resilience of the region through a strong Food & Drink sector.

Our work will support vibrant communities and work towards a sustainable population. We will do this by creating strong foundations upon which the industry can grow.

Our Aims to 2030 are:

1. Build a culture of **localism** and pride in our Region's produce.
2. Bring together businesses and organisations to **collaborate** and form networks supporting growth, scalability, and increasing confidence.
3. Develop the **experiences** offered to visitors including Agri-Tourism, Food Tourism and ways for visitors to connect with our Food and Drink producers.
4. Develop **infrastructure**, distribution and logistics solutions, both on-Island, and once products have left our shores.
5. Establish and support the use of an Outer Hebrides **Brand** for products and produce.
6. Increase the number of businesses that have embraced **digital** skills and opportunities.
7. Create a **skills** and training pipeline to meet the needs of organisations in the sector, matched to the career aspirations of our young people.
8. Position the sector for **diversification and innovation** opportunities.
9. **Grow** the food and drink sector with a larger market share both locally and off-Island growth, increasing turnover of £xxx to £xxx by 2030.



Roadmap to 2030

Our Roadmap to 2030 sees a focus on building confidence, brand and infrastructure while strengthening local markets.

Our initial focus is on quick wins and skills planning to build momentum and long term resilience.

ROADMAP TO 2030

It is 2030, food & drink from the Outer Hebrides is recognised at home and nationally as high quality, artisan, rich in heritage and culture. Its uniqueness is celebrated and a draw card for visitors to the Islands.

GROWTH MARKETS

LOCAL

TOURISTS

SCOTTISH

REST OF UK & EXPORT

OUR FOOD & DRINK

AQUACULTURE

Salmon
Mussels
Oysters

SHELLFISH

Scallops
Langoustines
Lobster

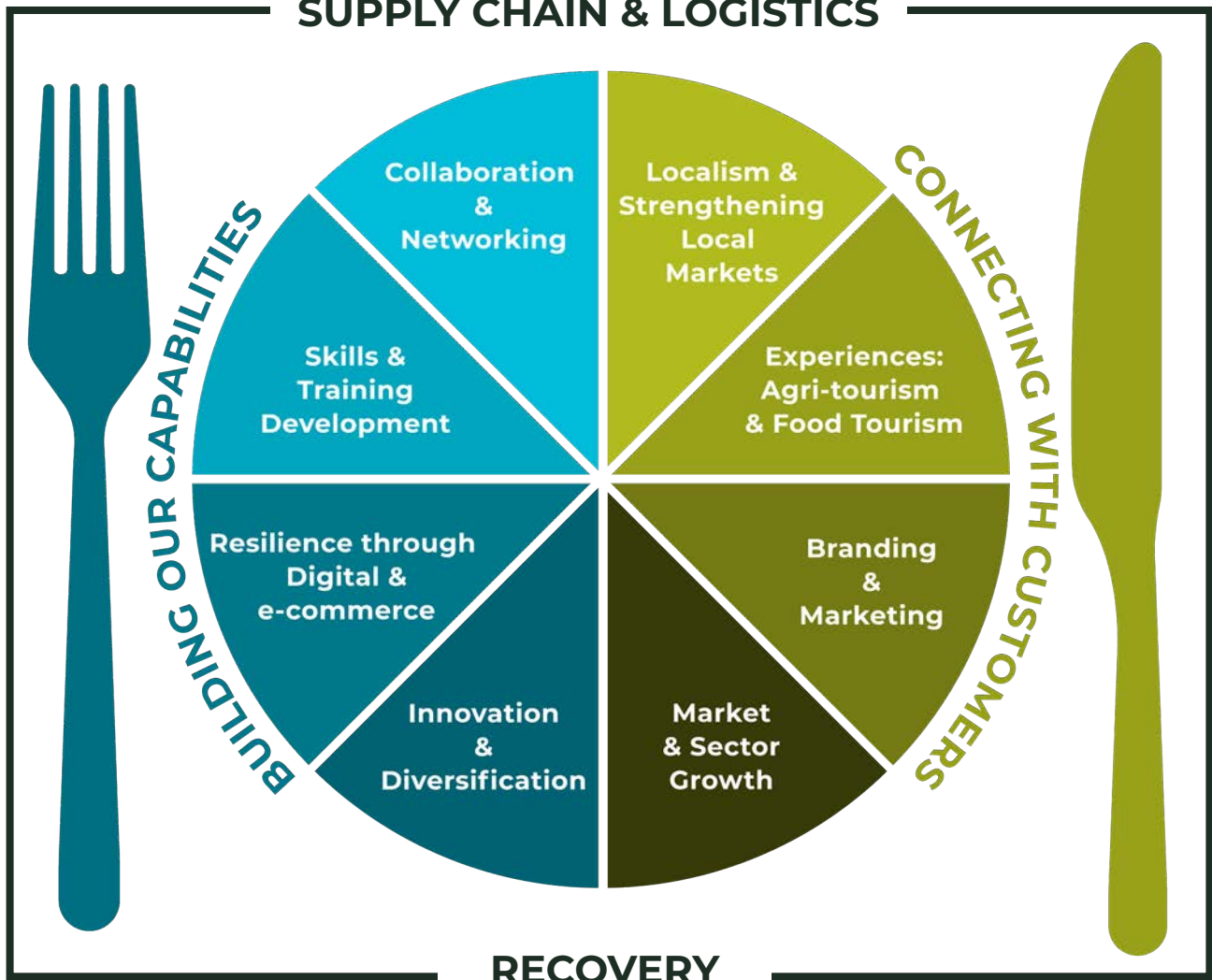
CROFTING & WILD

Lamb
Beef
Venison
Seasonal

HERITAGE & ARTISINAL

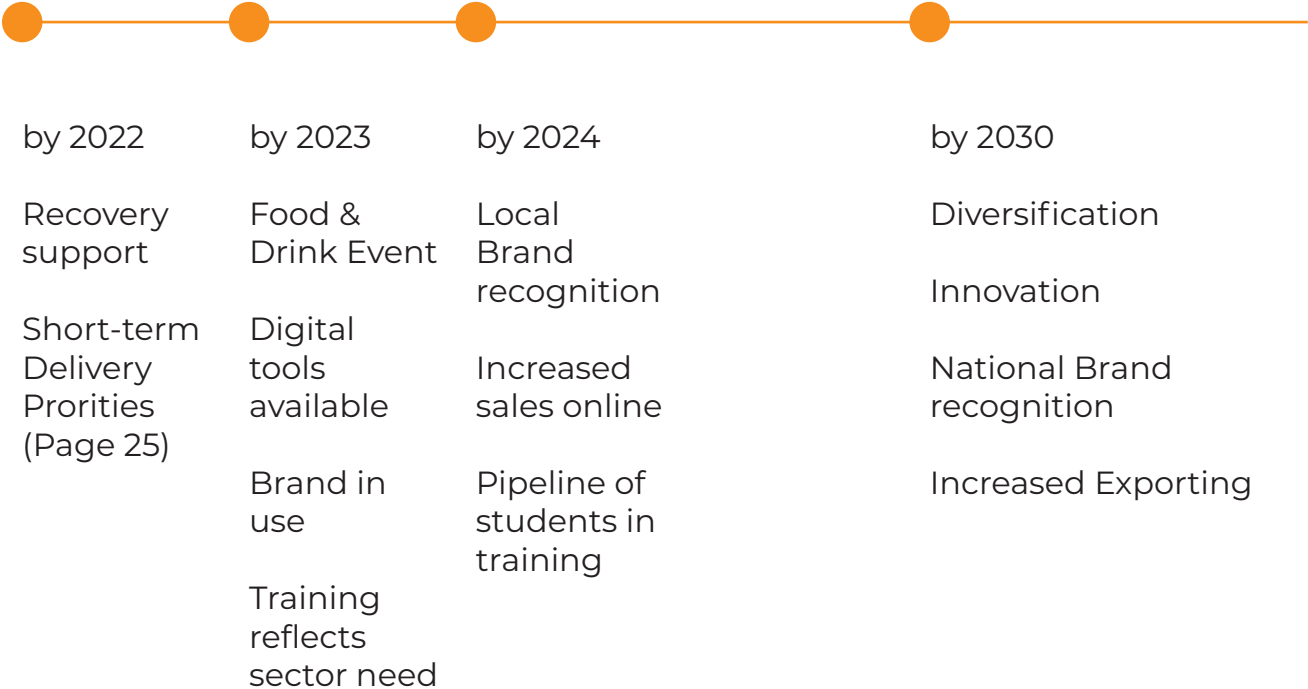
Black Pudding
Whisky & Gin
Preserves
Breads
Sweets

SUPPLY CHAIN & LOGISTICS



Timeline

The initial outcomes will be focused around business recovery as we exit the period impacted by Covid. Following this, the infrastructure requirements to support the



SHORT-TERM DELIVERY PRIORITIES

1

SUPPLY CHAIN & LOGISTICS

Progress Food Hub
Proposals in Harris and Uist

2

COLLABORATION & NETWORKING

Establish Sector
Leadership Group

3

FOOD TOURISM

Activity Programme
in 2021 Season

4

BRANDING & MARKETING

Proposal for branding of
Outer Hebrides Produce

5

DIGITAL & E-COMMERCE

Run series of
E-commerce workshops

6

SKILLS & CAPABILITIES

Strengthen Links to
schools and colleges

7

EVENTS

Profile-raising Events
in Central Belt

8

AMBASSADORS

Appoint series of Outer
Hebrides Ambassadors



“Scotland Food & Drink welcomes this document and the commitment to realising the full potential of the sector across the Outer Hebrides. It has obvious synergies with the Scotland Food & Drink Partnership’s national recovery plan which sets out an ambitious programme supporting businesses, at a local and regional level, recover from the devastating effects of Covid-19. The plan focuses on two key pillars: stimulating demand in key markets and building business capability, which we are pleased to see reflected here in the 8 short-term delivery priorities.”

**Fiona Richmond
Scotland Food & Drink**



For more information, please contact:

Outer Hebrides Food & Drink Partnership
enquiries@eatdrinkhebrides.co.uk

Join the conversation

Visit The Outer Hebrides Food & Drink Partnership on social media.

Become a member:

Outer Hebrides Chamber of Commerce
Outer Hebrides Tourism
Western Isles Fishermans Association

Outer Hebrides Food and Drink Partnership



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