ERBID How’s Business Survey

December 2021

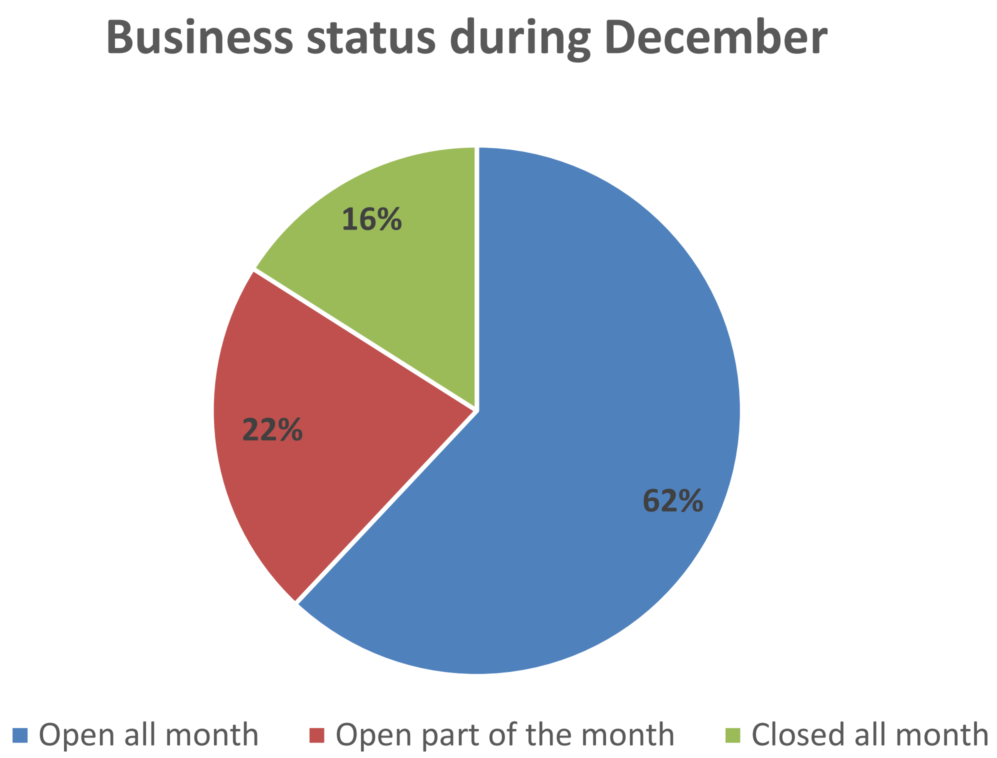
Published by The South West Research Company Ltd

February 2022

Summary

- This report contains a summary of the findings from the ERBID How's Business Survey for the month of December 2021 undertaken on behalf of The English Riviera BID during January and February 2021.
- This months survey has a sample of 81 businesses.
- 74% of businesses responding to the survey were accommodation providers and 16% were food and drink businesses. 5% were a visitor or leisure attraction and 1% in each case were a sports or activities-based business or a language school. 2% categorised themselves as an 'other' business type.
- 64% of the accommodation businesses were serviced accommodation providers including 27% who were B&B's, 22% who were guest houses and 15% who were hotels. 29% were self catering businesses (12% with single units and 17% with multiple units). 7% were a holiday park and 2% categorised themselves as an 'other' accommodation type.
- 48% of businesses were based in Torquay, 21% in Paignton, 16% in Brixham and 12% in Babbacombe. 2% were based elsewhere on The English Riviera.
- 62% of businesses said their business was open for the whole of December whilst 22% said their business had been closed for part of the month and 16% for the whole of the month.
- 57% of businesses said they were now fully open, 16% said they were now open but operating at reduced capacity and 27% said their business was currently closed. 46% of closed businesses or those operating at reduced capacity said they only operated a seasonal business anyway, 23% said it was because of Covid protocols, 14% due to their own personal health issues and fear of contracting Covid and 9% because of staff shortages. 40% said it was due to another reason.
- National tourism survey data, local area survey data and Cambridge Model data has been used to model the outputs in this report.
- Our thanks to all businesses that have taken part in the survey this month and to those organisations that have assisted us with the promotion of the survey. It's very much appreciated. The content of this document is researched, verified and provided exclusively by the South West Research Company Ltd. and is for general use only and is not intended to amount to advice on which you should rely. The South West Research Company do not accept any liability for any loss or damage arising from the use of, or reliance on the information.

Key results – December 2021 overview



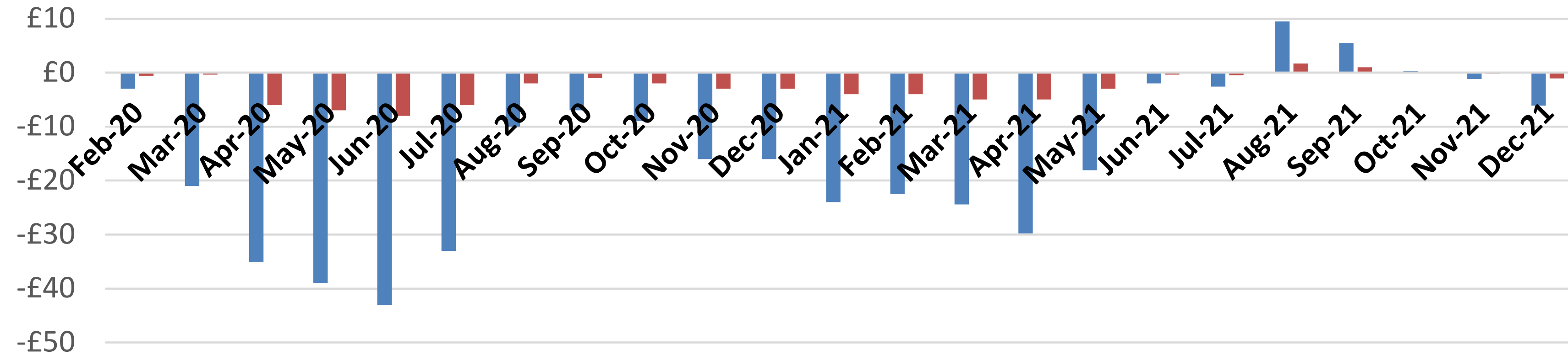
- 62% of businesses said their business had been open for the whole of December whilst 22% said they had been closed for part of the month and 16% for the whole of the month.
- Businesses were operating at -28% turnover levels compared to December 2019*.

* Please note that a comparison with December 2019 was used as it was not affected by the impacts of Covid-19 (unlike December 2020).

December turnover change	**-34%**
December turnover change	**-£6.1 mn**
December supply chain spend change	**-£1.1 mn**

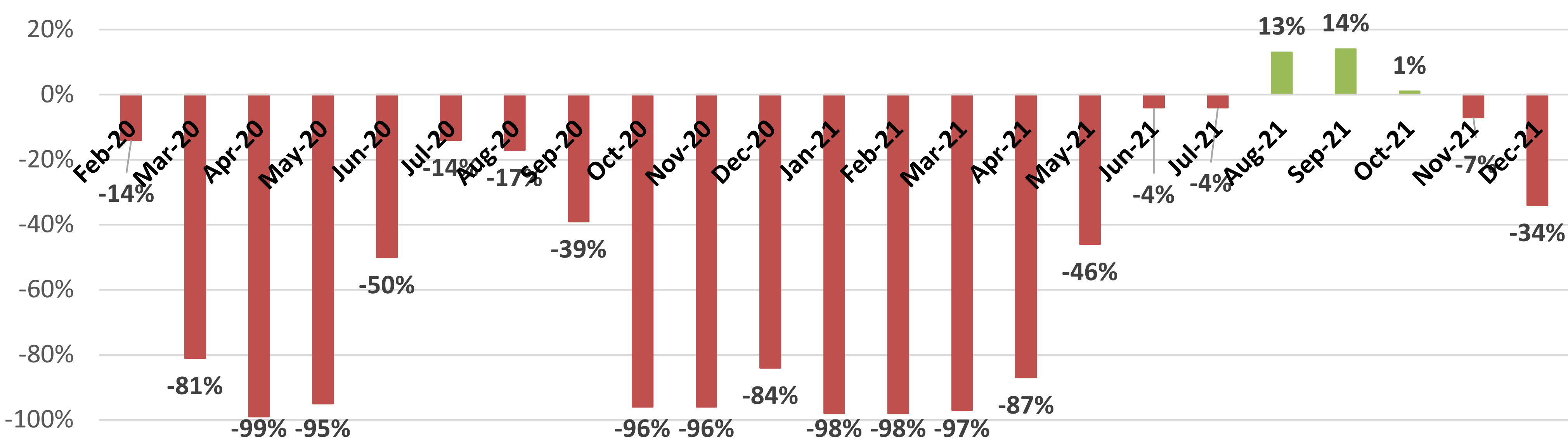
Key results – Economic Impacts by Month 2020 & 2021 (compared with 2019)

Impacts by month



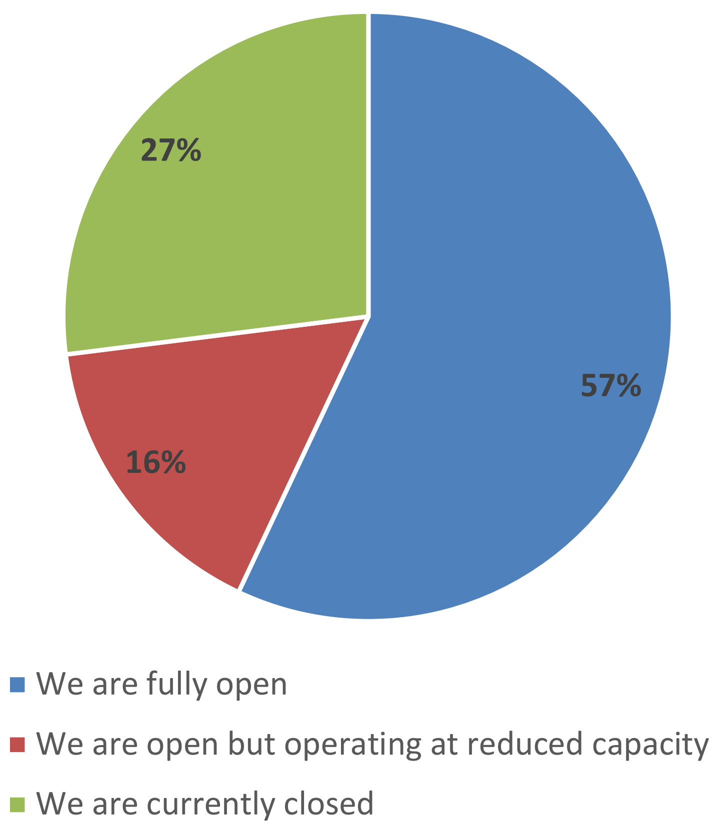
	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Turnover change (£mn)	-£3	-£21	-£35	-£39	-£43	-£33	-£10	-£7	-£9	-£16	-£16	-£24	-£22.5	-£24.4	-£29.8	-£18.1	(£2)	-£2.6	£9.5	£5.5	£0.3	-£1.2	-£6.1
Supply chain spend change (£mn)	-£0.6	-£0.4	-£6	-£7	-£8	-£6	-£2	-£1	-£2	-£3	-£3	-£4	-£4	-£5	-£5	-£3	-£0.4	-£0.5	£1.7	£1	£0.1	-£0.2	-£1.1

Proportion of anticipated turnover change

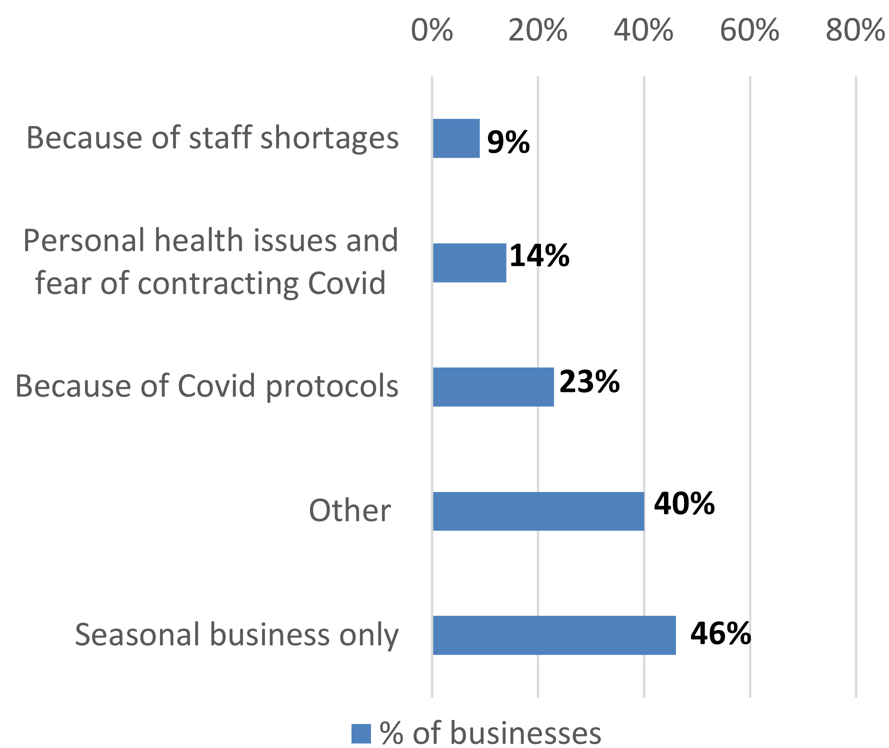


Key results – December 2021 overview

Current business status



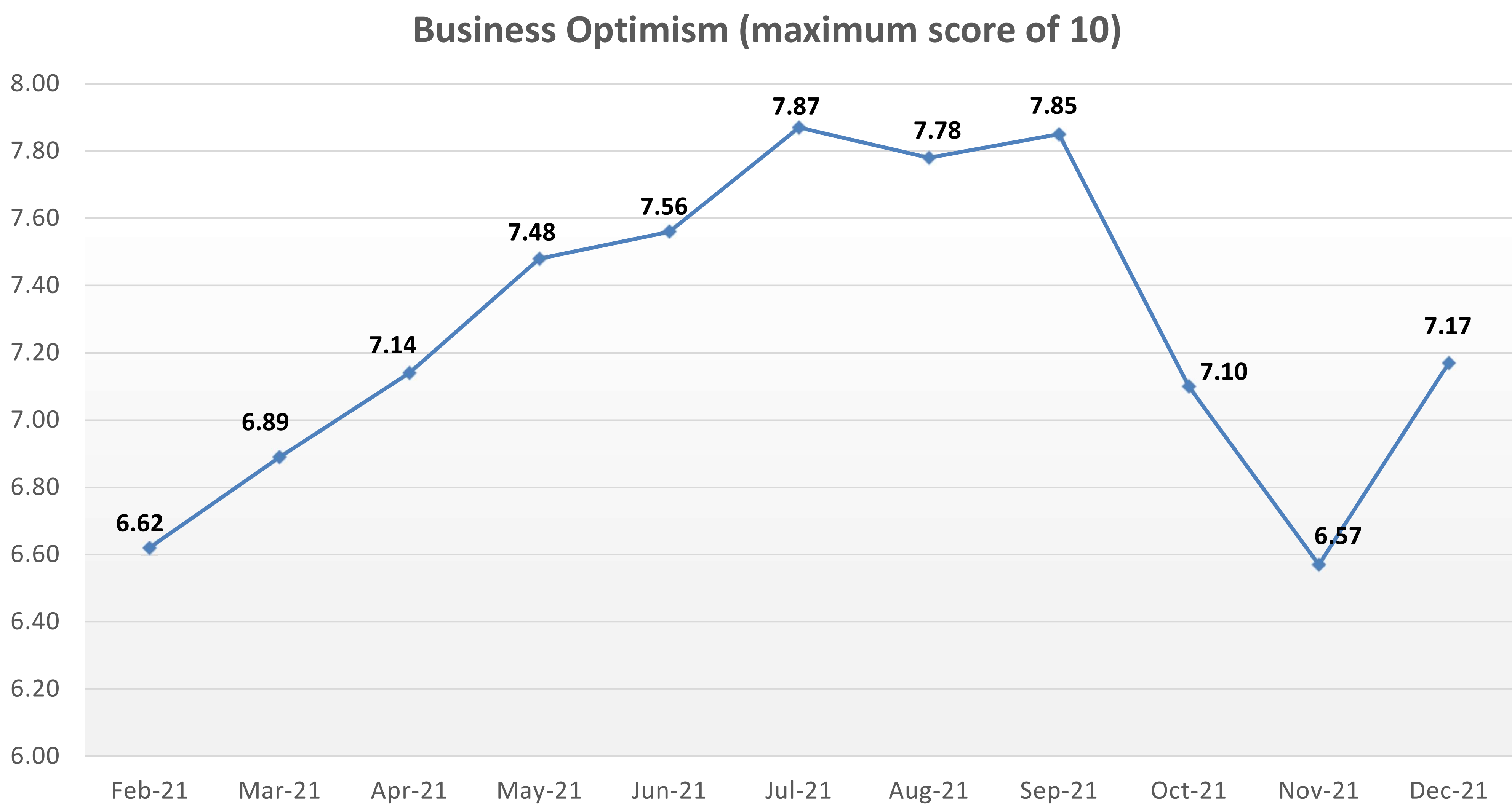
Why is your business currently closed or operating at reduced capacity?



- 57% of businesses said they were now fully open, 16% said they were now open but operating at reduced capacity and 27% said their business was currently closed.

- 46% of closed businesses or those operating at reduced capacity said they only operated a seasonal business anyway, 23% said it was because of Covid protocols, 14% due to their own personal health issues and fear of contracting Covid and 9% because of staff shortages. 40% said it was due to another reason.

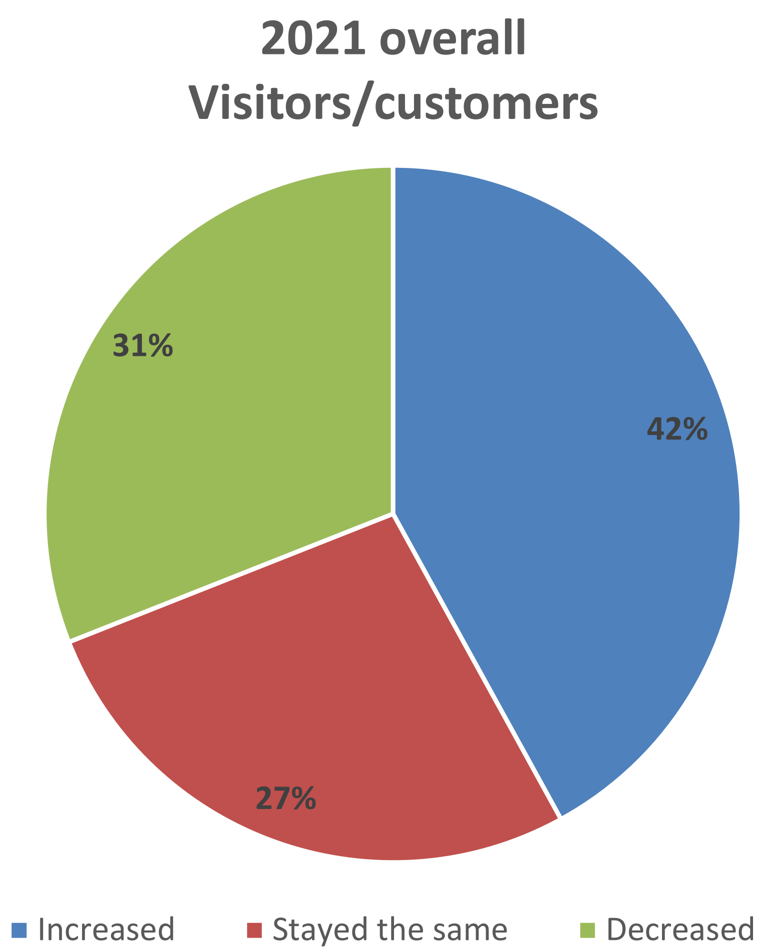
Key results – Business optimism and performance feedback

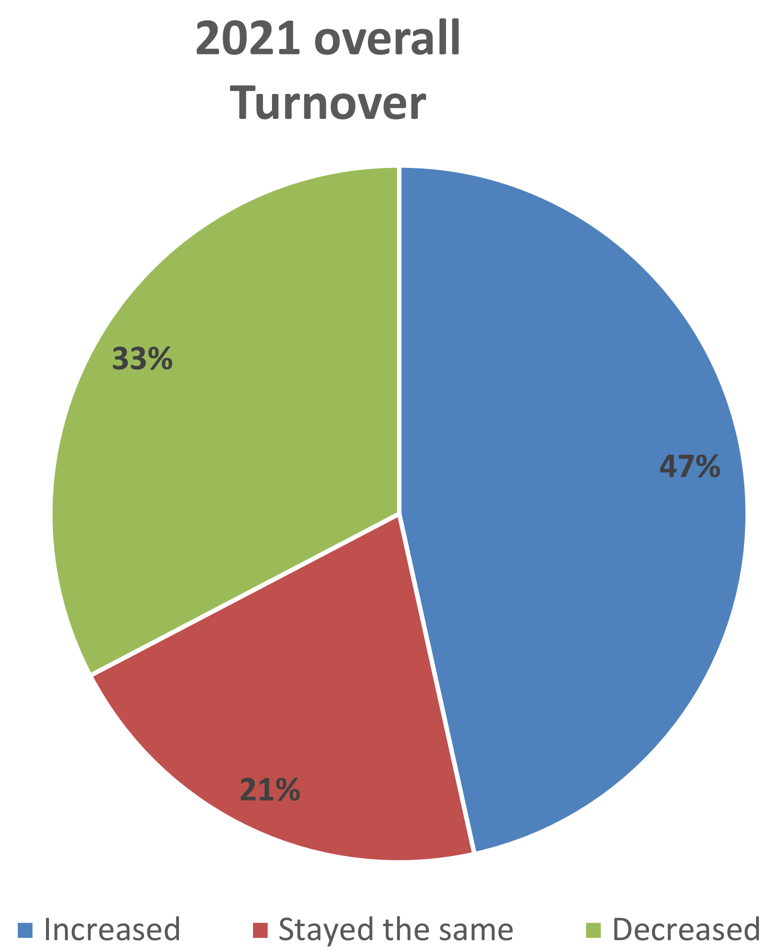


- When asked how optimistic they were for the prospects of the tourism industry in their area during 2022 businesses gave an average score of 7.17 out of a maximum of 10, a significant increase compared with last month (6.57) and higher than during October 2021 (7.10) but still considerably lower than the scores achieved between May and September 2021.

Key results 2021 overall – Visitors/customers & turnover (compared with 2019)

- 42% of businesses said their overall visitors/customers for the whole of 2021 (compared with the whole of 2019) had increased, 27% said they had stayed the same and 31% said they had decreased.
- When asked the same about their turnover, 47% of businesses said that their overall turnover for the whole of 2021 (compared with the whole of 2019) had increased, 21% said it had stayed the same and 33% said it had decreased.





Key results – Sample of other comments on impacts

Great summer. Hope 2022 is the same.

2022 is going to be a very tough year on the costs front, not least energy and other services where energy is involved as we cannot pass that onto our customers.

Rising costs is now the next biggest challenge.

Generally a good year but the inflationary pressures were substantial fuelled by the staff shortages.

2021 income increased purely by the fact we did NOT offer any discounts like we have in the past.

We have increased all our prices without scaring customers away. We still need customers to come in to survive so may have to increase again due to all our supply etc. increases and wages. So still unsure of survival.

Performance was really healthy last year. Virtually all our clients were resident Brits, mostly from the North West or those on an easy driving route to Torbay, far less from Eastern Britain, no-one from Wales, Scotland or EU. Worth noting, however, that we were previously big on overseas visitors and that has now started to trickle back for 2022, with one adult student booking and a pair of German hikers staying in North Devon for a week then Torbay. We are Air BnB Superhosts with excellent references and our clients can see all the reviews when booking and we feel certain that these good reviews and being in the Air BnB Superhost category helps to account for a lot of our bookings. We offer free off-road parking and great views and these are also big benefits which are essentials for most of our clients, in addition to quality and value for money.

We have completed our first year and with electric, laundry, vat (due soon) we have decided parts of the business are not viable as they are and will be shutting for all winter instead next year. We are sad about this but running costs will outweigh charges customers are willing to pay and Paignton will become a ghost town during winter if others follow suit.

2021 was a good year - I worry that this increase in business will NOT continue going forward - the weather was not good for most of the season and first timers who came due to COVID fears abroad will not come back - the whole area is dirty, there has been trouble with gangs of local kids causing trouble and Paignton centre looks like it is dying on it's feet. The area around the station up to and including the sea front is old and tired - young families do not want cheap old tat shops and slot machines - all that has not changed much since I first came to Torbay in the 1960's as a youngster with my family. The best family beach in Torbay, Goodrington Sands, needs a huge clean up. We need to decide which type of visitors we want and focus on them.

2021 saw no (zero) foreign visitors but due to travel restrictions - this would be expected.

ERBID How's Business Impact Survey

December 2021