

ERBID How's Business Survey

August 2025

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September 2025



Sample and supporting information

This month's survey has a sample of 62 businesses, representing a minimum sample of approximately 71 businesses when respondents representing multiple businesses, outlets or sites are also considered.

This latest report also includes data produced by Lighthouse (formerly Transparent Intelligence) for Visit Britain looking at the short term rental* market. This provides useful data across the English Riviera and provides a good comparison to the data produced through the How's Business survey moving forward. Our thanks go to Lighthouse and Visit Britain for making this data freely available for the tourism industry.

Lighthouse tracks over 35 million vacation rental listings worldwide and maintains a proprietary database of hundreds of thousands of reservations tracked by month. Listings on the four major short-term rental platforms are tracked: Airbnb, Booking.com, Vrbo and Tripadvisor. Listings data is deduplicated when the same property is advertised on more than one platform.

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** The UK Government defines a short-term rental property as 'a dwelling, or part of a dwelling, provided by a host to a guest, for use as accommodation other than the guest's only or principal residence, in return for payment, in the course of a trade or business carried on by the host'.*

At a glance – August 2025

Compared to August 2024 businesses reported that:

August 2025 Visitor levels:

Increased 34% / Stayed the same 27% / Decreased 39%

Estimated actual change in visitors +1%

August 2025 Turnover levels:

Increased 31% / Stayed the same 29% / Decreased 40%

Estimated actual change in turnover -1%

September 2025 Outlook is:

Better than last year 27% / Same as last year 32% / Not as good as last year 41%

October 2025 Outlook is:

Better than last year 5% / Same as last year 39% / Not as good as last year 55%

October half term 2025 Outlook is:

Better than last year 5% / Same as last year 46% / Not as good as last year 44%

Optimism:

Optimism score is 5.15 out of a possible 10

August 2025 Key results

For the second month in a row, August 2025 saw more than 60% of businesses (61%) reporting level (27%) or increased (34%) visitors/customers compared with the same time last year and representing, albeit a small, positive +1% change in visitors/customers compared with August 2024. Turnover showed a similar performance with 60% of businesses reporting level (29%) or increased (31%) turnover for the month, representing a small decrease of -2% however, compared with the same time last year.

Looking ahead, the outlook for September 2025 is cautiously optimistic, with 59% of businesses expecting conditions to be level (32%) or better (27%) than the previous year. Sentiment lowers currently for the month of October as a whole with over half of businesses anticipating a decrease rather than level or increased performance, although they are more optimistic that the half term week will be level (46%) or better (5%) than during 2024 with this proportion likely to improve further as we get closer to the period with a later booking pattern evident this year. The overall optimism score at 5.15 out of 10, whilst decreasing slightly compared with last month (5.28) remains very similar to June 2025 and significantly higher than optimism levels from May 2025 or earlier when scores remained at 4.89 or lower in comparison.

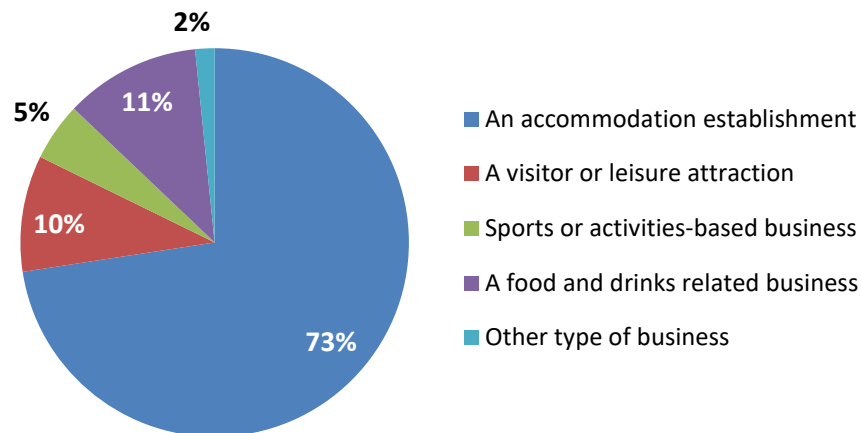
The most pressing concerns for businesses remain cost related. The top three issues - rising costs of food and other supplies (66%), general cost of living (63%) and decreasing visitor numbers and rising energy and fuel costs (61% each) reflect persistent inflationary pressures and weakened consumer spending with these concerns having remained consistently high across the last three months.

Despite widespread concerns about rising costs and declining bookings, several businesses highlighted encouraging signs of resilience and performance. A number reported a strong August, with some achieving year-on-year growth. Special events performed particularly well and European visitors were credited by some as a vital source of income and businesses during the month.

The reliance on the summer months, particularly July and August, is becoming unsustainable for many businesses with last-minute booking trends failing to extend into the shoulder season and there is widespread frustration amongst businesses over escalating costs including business rates, energy, food supplies and employment expenses all being cited as major burdens. Several businesses noted that profitability is under severe pressure, with some resorting to unsustainable price increases just to stay afloat. The government taxation and lack of support were also criticised for exacerbating financial strain.

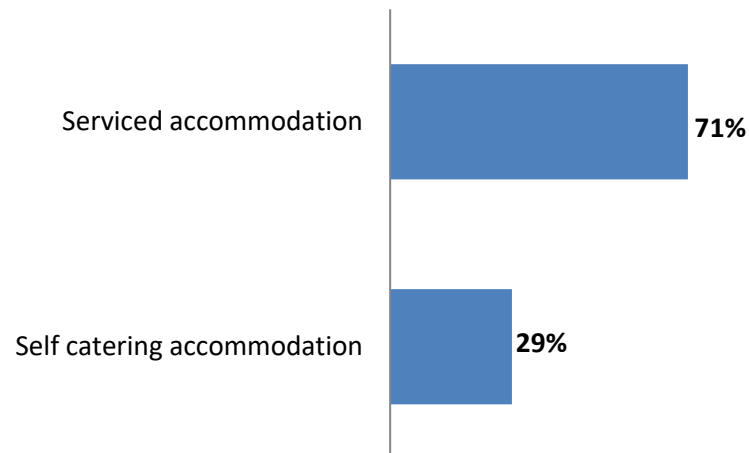
Sample profile, business location and status

BUSINESS TYPE



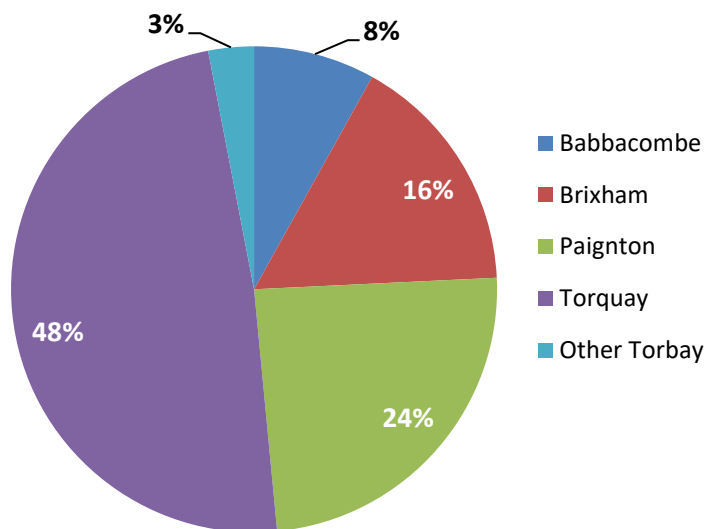
Base: 62

ACCOMMODATION TYPE



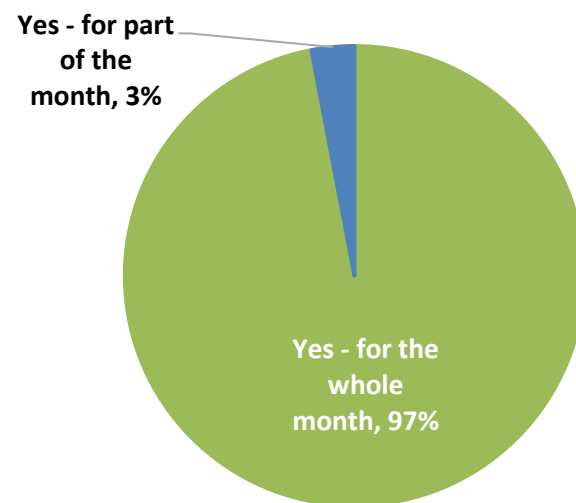
Base: 45

BUSINESS LOCATION



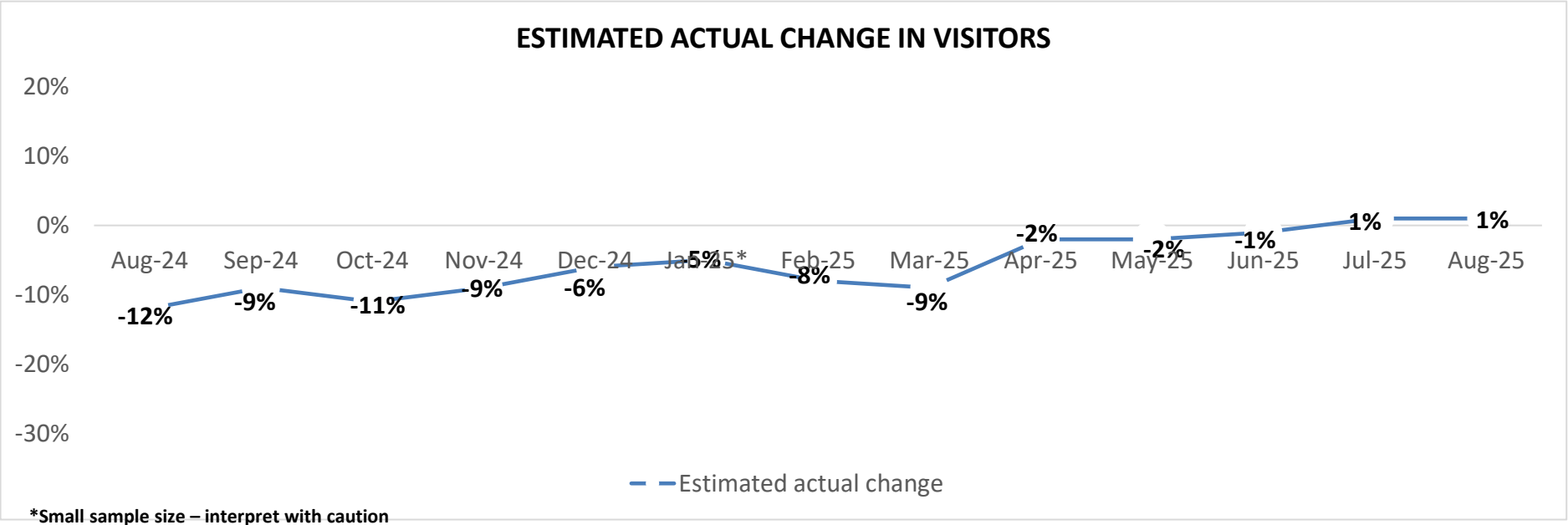
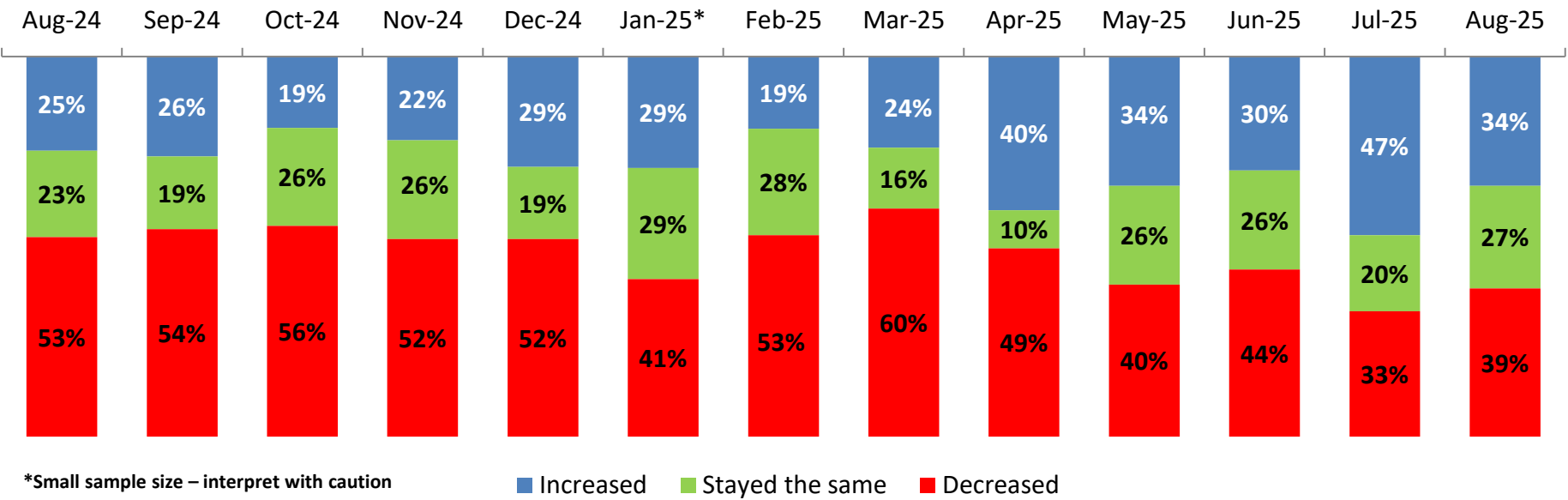
Base: 62

WHETHER OPEN FOR BUSINESS FOR THE MONTH

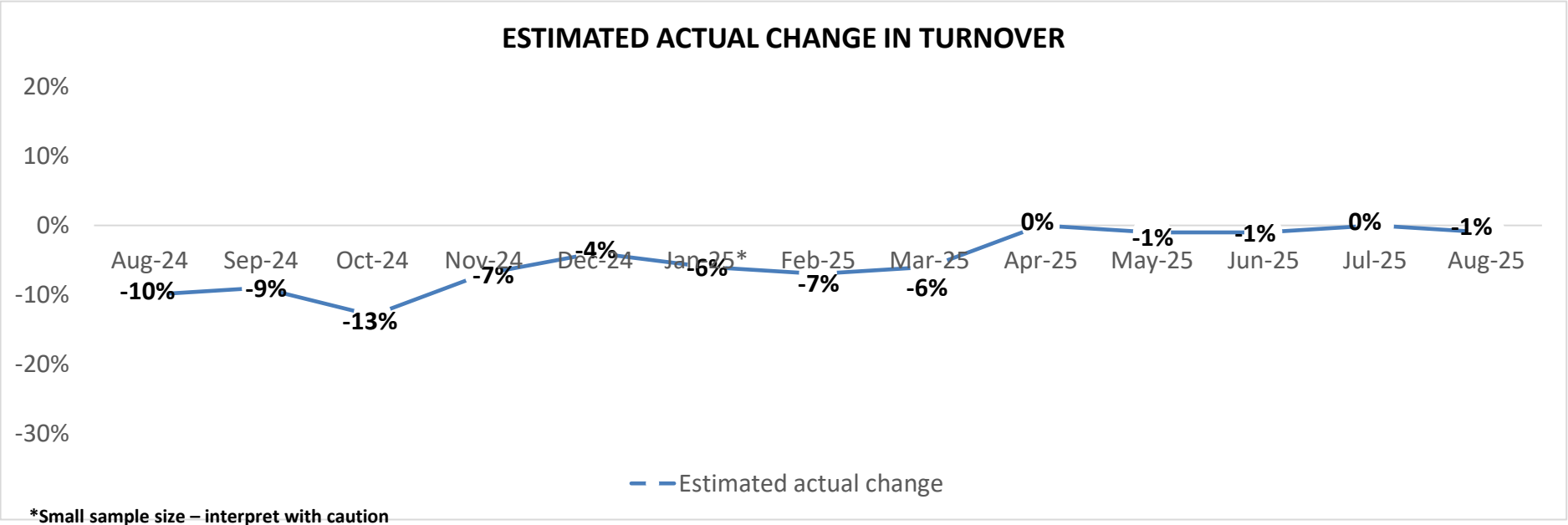
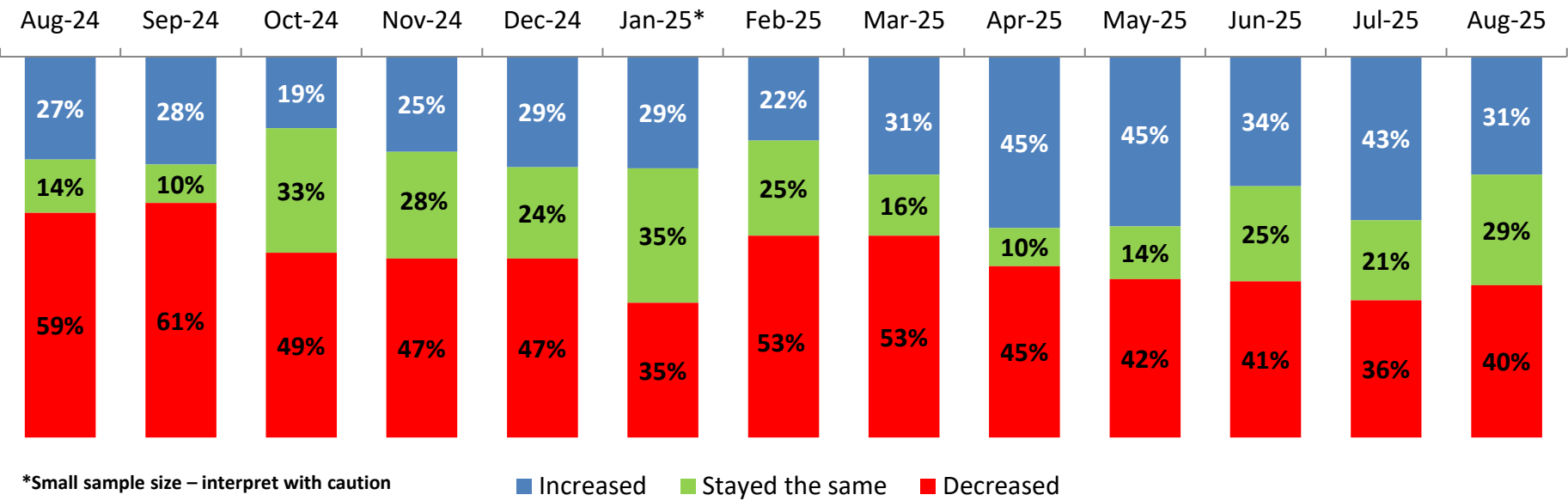


Base: 62

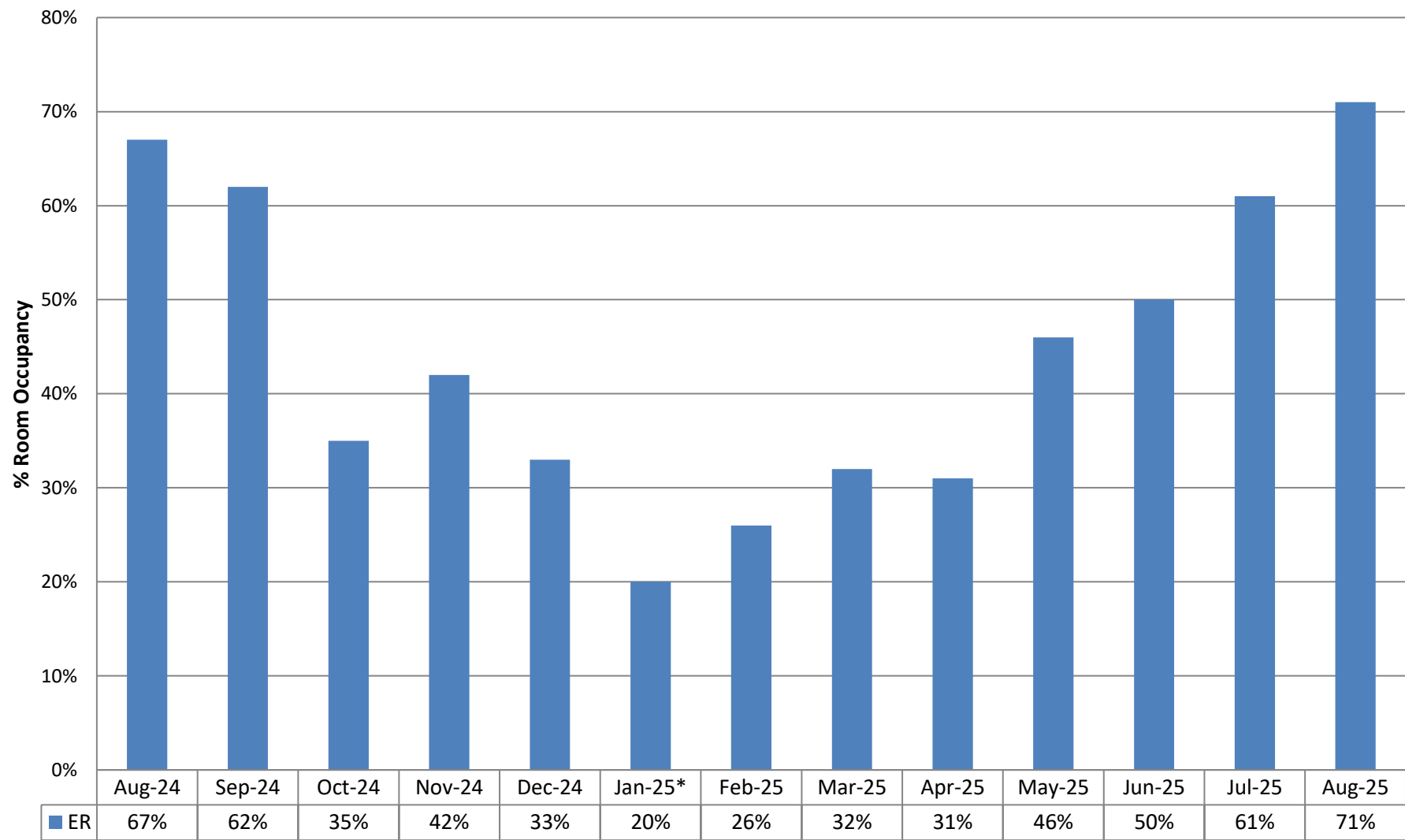
Performance – Number of visitors compared to previous year



Performance – Turnover compared to previous year



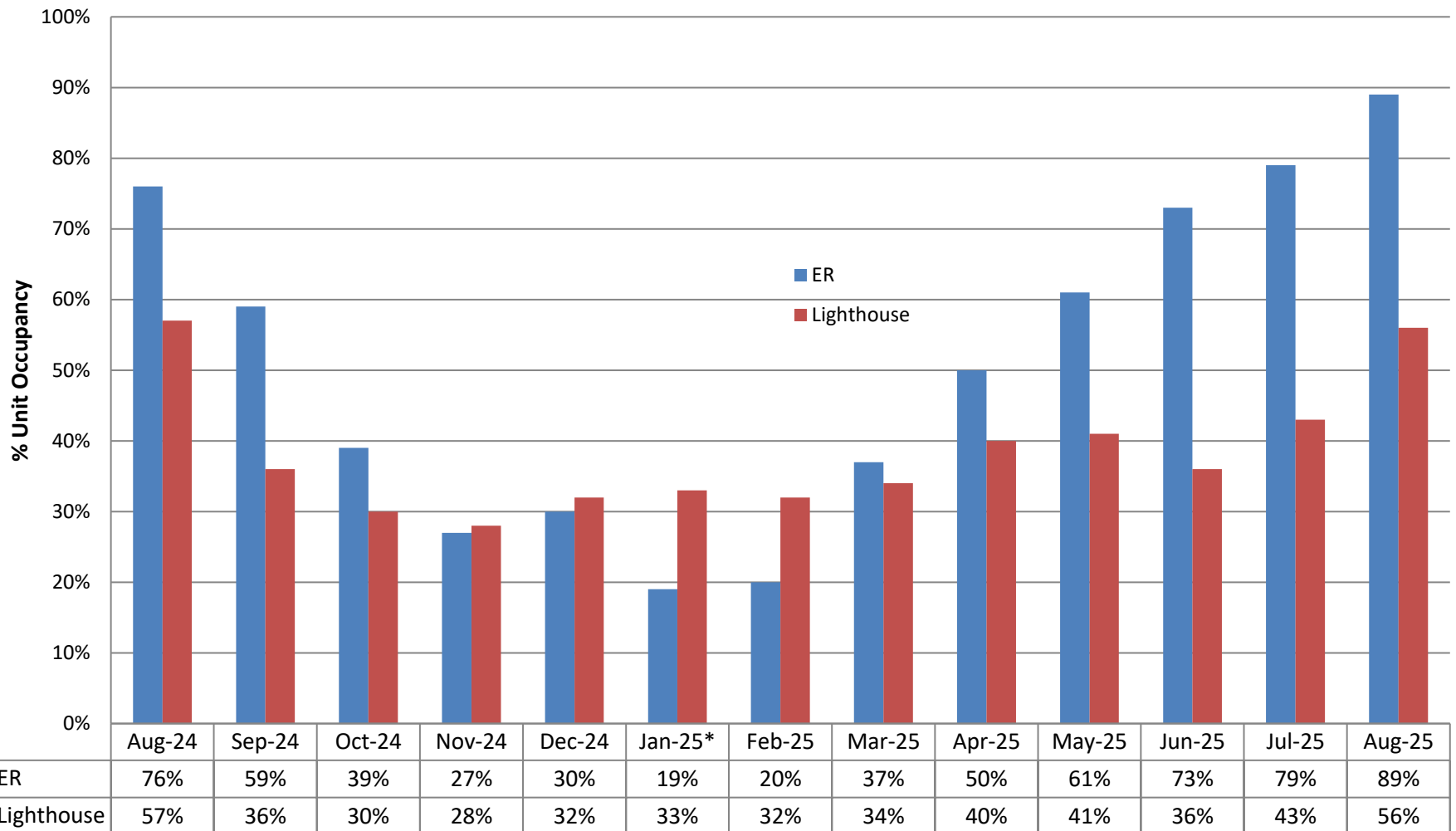
Performance – Serviced Room Occupancy



*Small sample size – interpret with caution

It should be noted that the figures provided represent the occupancy rates for those responding to this survey and the results are not weighted to represent regional and county accommodation stocks.

Performance – Self Catering Unit Occupancy



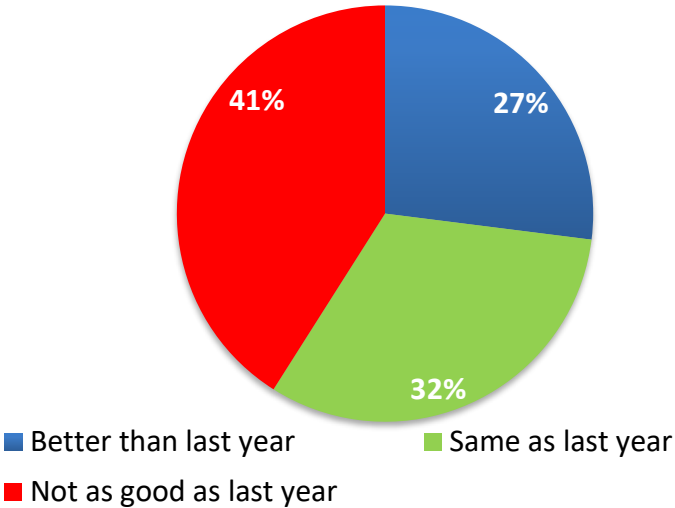
*Small sample size – interpret with caution

It should be noted that the HB figures provided represent the occupancy rates for those self catering businesses responding to this survey and the results are not weighted to represent regional accommodation stocks.

Lighthouse data represents the short term rental market on the English Riviera.

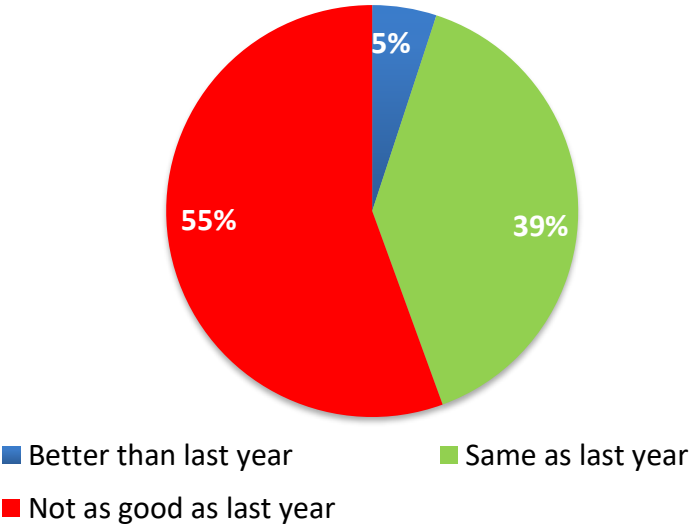
Outlook – Based upon forward booking levels

SEPTEMBER 2025



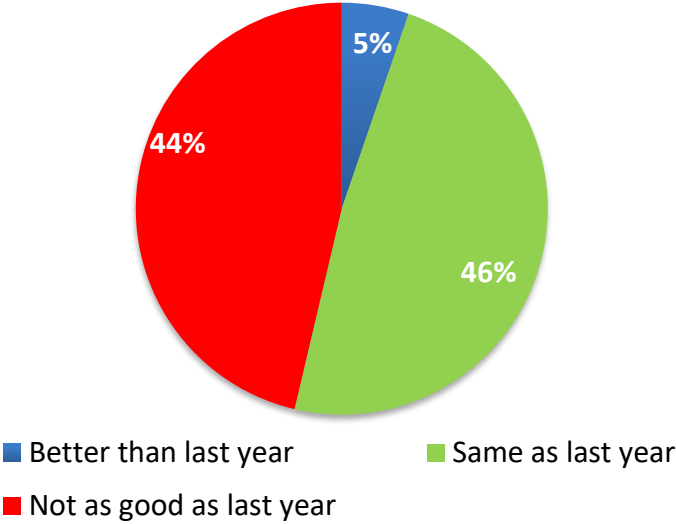
Base: 44

OCTOBER 2025



Base: 38

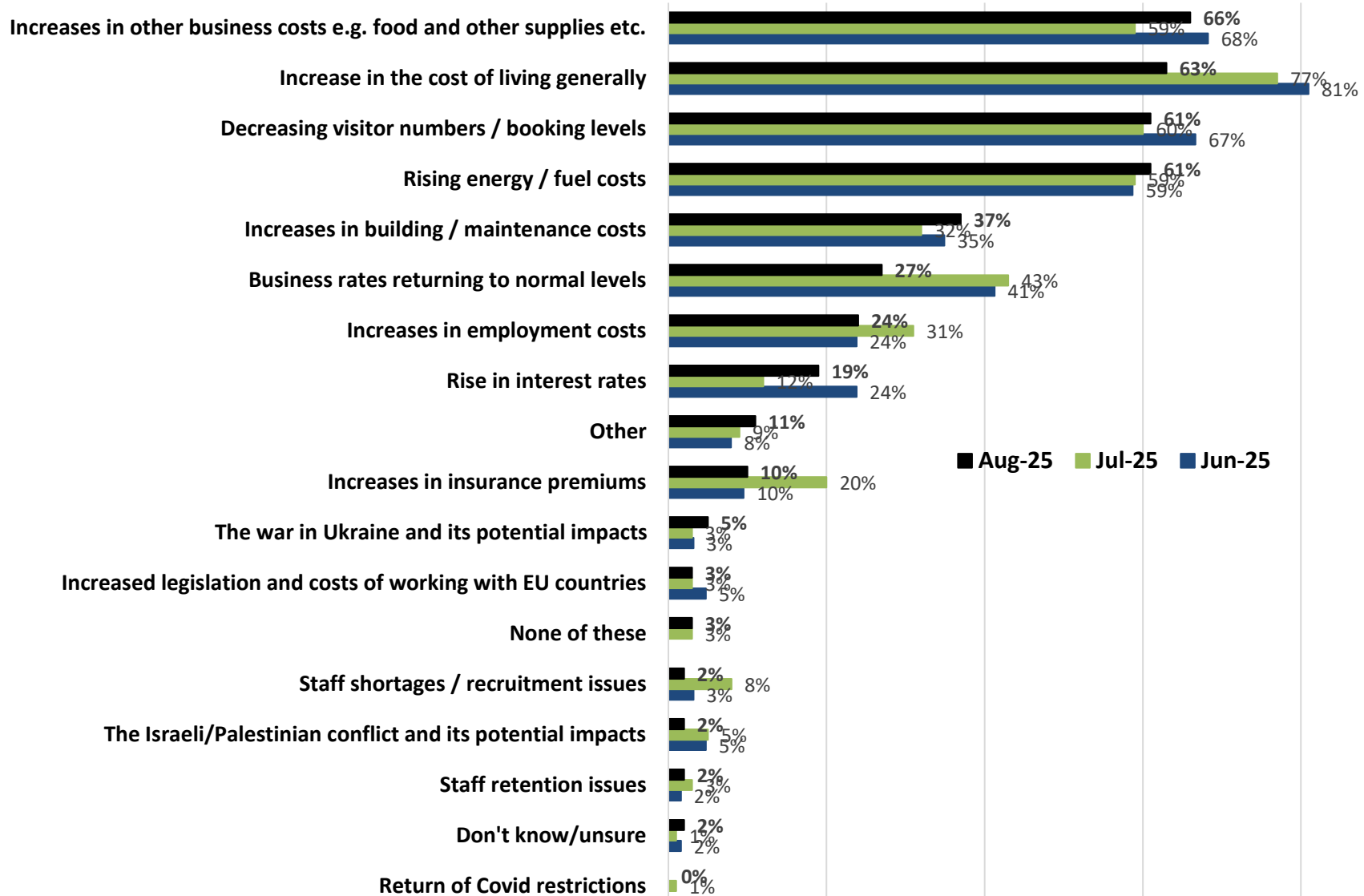
OCTOBER HALF TERM 2025



Base: 39

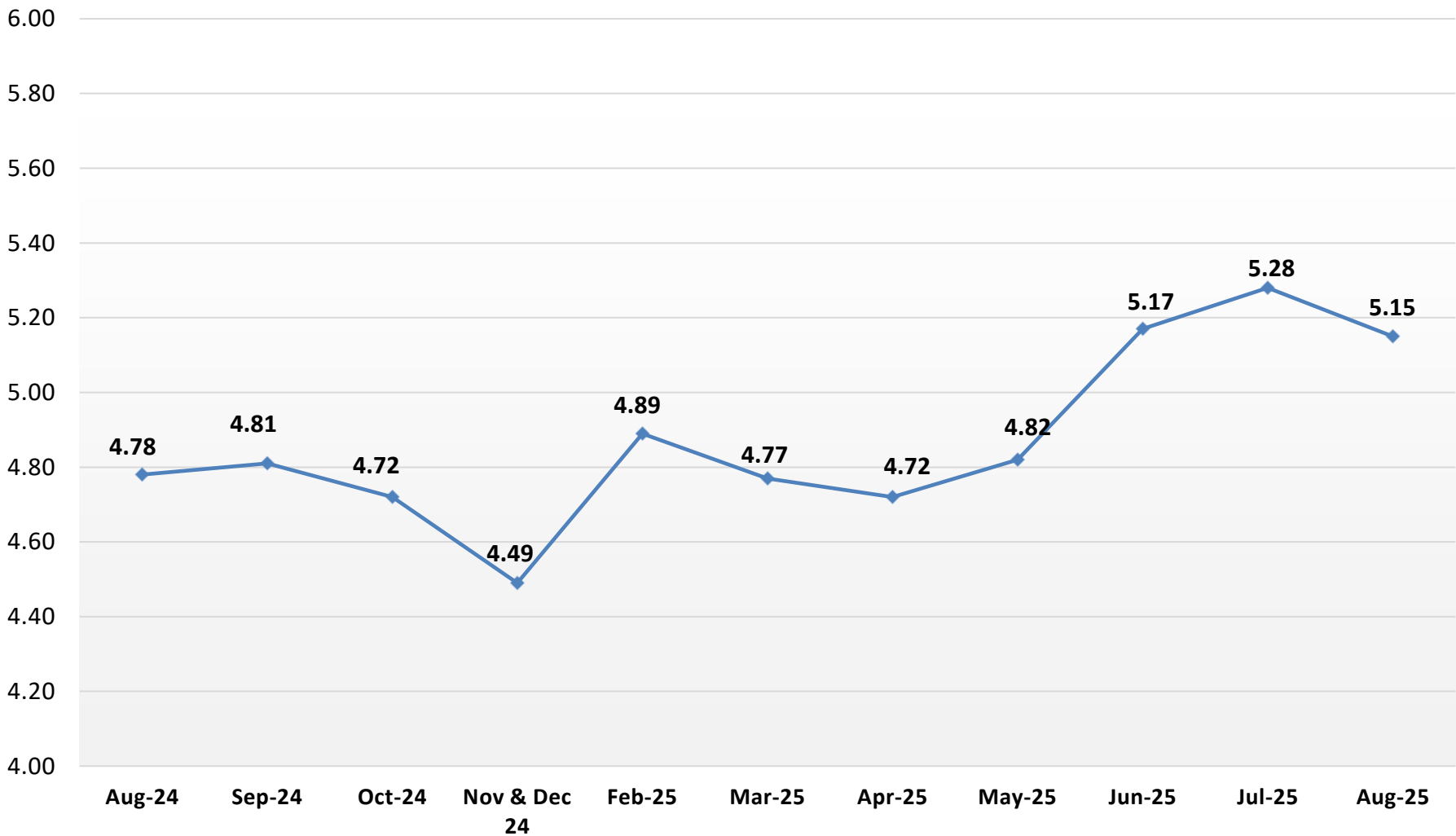
Top 5 business concerns (pre-defined list)

TOP 5 MOST CONCERNING FACTORS FOR BUSINESSES IN THE COMING MONTHS



Business optimism

BUSINESS OPTIMISM (MAXIMUM SCORE OF 10)



Key results – Sample of other comments on impacts

Even though the weather has been good this summer, the cost of living has kept bookings lower. Guests comment it is not so much the accommodation costs but eating out is proving more costly. Promoting the large hotel chains with low offers do not help. Our saving grace is we are small, offer a personal service and free parking!!!!

Good August but then falls off a cliff for September and October. Where is everyone? Even with price reductions bookings are feeble.

August started really well, we were running about 8% up after the first 10 days, but it then tapered out a bit as it went on (hot sunny beach weather is not the best for us), the last few days of the month were quieter than usual.

Business rates, car parking costs and availability. Homeless on streets.

Keep everywhere clean and keep gangs of yobs away from tourists

Profitability under ever increasing pressure not helped by government intervention (NI, Corp Tax etc. etc.)

Our business isn't doing as well as we'd like. The biggest problem is that we've had a lot fewer customers. For the last two years, our customer numbers have gone down by a consistent 30% each year. Even with good weather, which we thought would help, our customer numbers are still low. This tells us the problem isn't just about the seasons. It's more likely a bigger issue with how customers are shopping or what's happening in the market. We're not just sitting back. We're actively working to fix this. Right now, we are looking at our marketing, the customer experience we offer, and what our competitors are doing to figure out why we've been losing so many customers. Over the next year, our main goal is to create and start new plans to bring our customer numbers back up and rebuild our business.

We are compensating for increased costs unfortunately at the menu board. This is not sustainable but currently a need so that we can survive. We are hoping that ongoing increased costs to the business stabilise so that we can concentrate on building the business through repeat business and increased confidence in the market from customers.

A very good year to date driven by excellent weather. August was again right on track following a VERY busy August in 2024. Our cafe has performed in line with our predicted takings throughout the year to date, once adjusted for the weather - this was a 3% increase (this is adjusted for inflated prices) compared to 2024

Our special events have performed extremely well compared with previous years.

The usual, rising costs, less visitors, high interest rates - impossible to live, impossible to sell. Interest rates need to come down, potential visitors need a cash boost in their pockets and tourism/hospitality needs a shot in the arm. Small businesses are going bust, establishments are closing, people are handing keys back to the bank or reverting their B&Bs to just housing and going out to work. This industry is in serious trouble.

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