

ERBID How's Business Survey

July 2022

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September 2022



Executive Summary

Compared to July 2019 businesses reported that:

July 2022 Visitor levels:

Increased 18% / Stayed the same 28% / Decreased 53%

Estimated actual change in visitors -11%

July 2022 Turnover levels:

Increased 38% / Stayed the same 20% / Decreased 42%

Estimated actual change in turnover -3%

August 2022 Outlook is:

Better than 2019 31% / Same as 2019 25% / Not as good as 2019 44%

September 2022 Outlook is:

Better than 2019 28% / Same as 2019 21% / Not as good as 2019 51%

October 2022 Outlook is:

Better than 2019 10% / Same as 2019 19% / Not as good as 2019 71%

Optimism

Optimism score is 6.07 out of a possible 10

July 2022 – Our comment

July saw the largest proportions of all businesses experiencing a decrease in visitors/customers and turnover (53% and 42% respectively) compared with 2019 (pre-pandemic) with changes of -11% and -3% in visitors and turnover respectively and a similar performance to the South West region as a whole.

44% of businesses anticipated decreased bookings for August compared with 2019 levels, whilst 51% and 71% of businesses respectively anticipated the same for September and October. However, this may change as we collect data for these months.

91% of businesses are most concerned about rising energy costs, 73% about the increase in the cost of living generally and 68% about increases in other business costs e.g. food and other supplies etc.

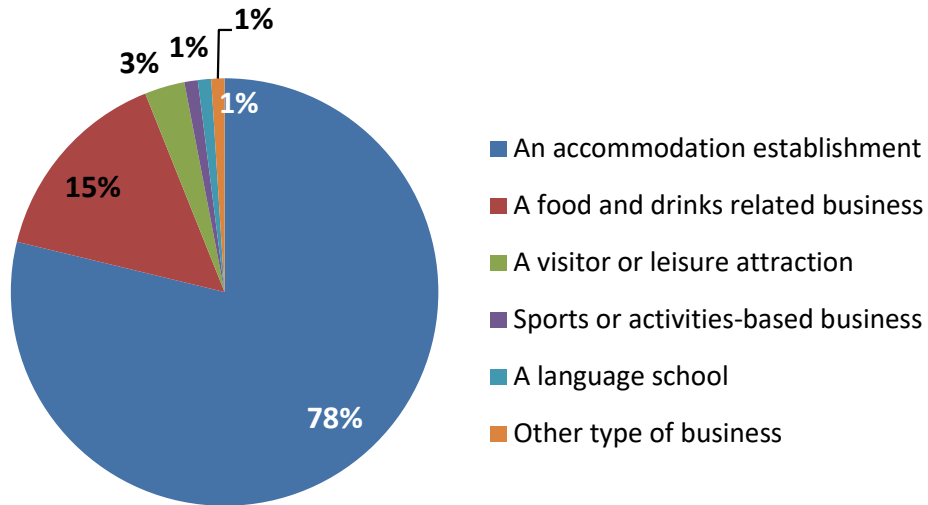
This month's survey has a sample of 68 businesses.

Our thanks go 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.

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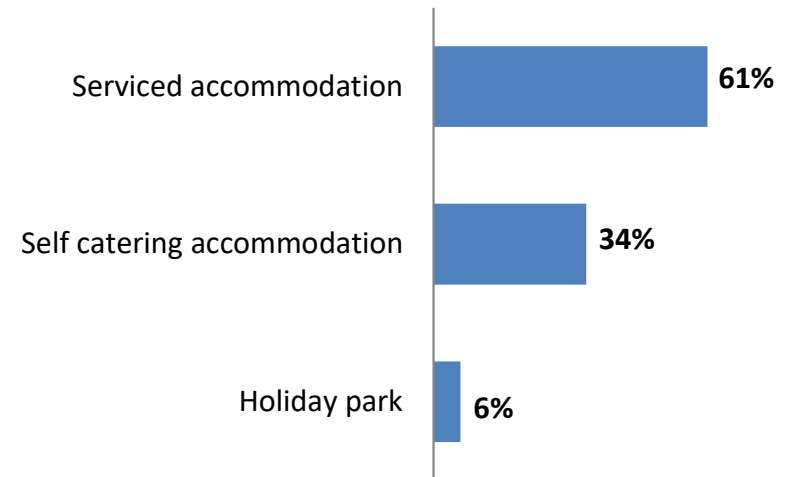
Sample profile/business location

BUSINESS TYPE



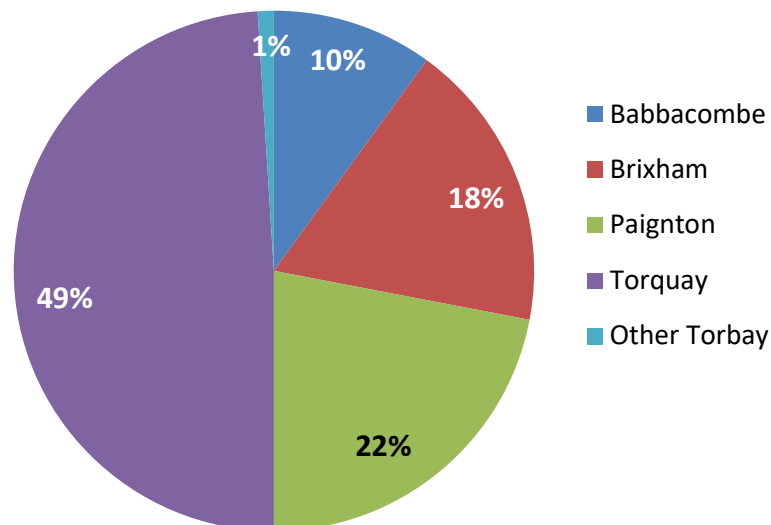
Base: 68

ACCOMMODATION TYPE



Base: 53

BUSINESS LOCATION

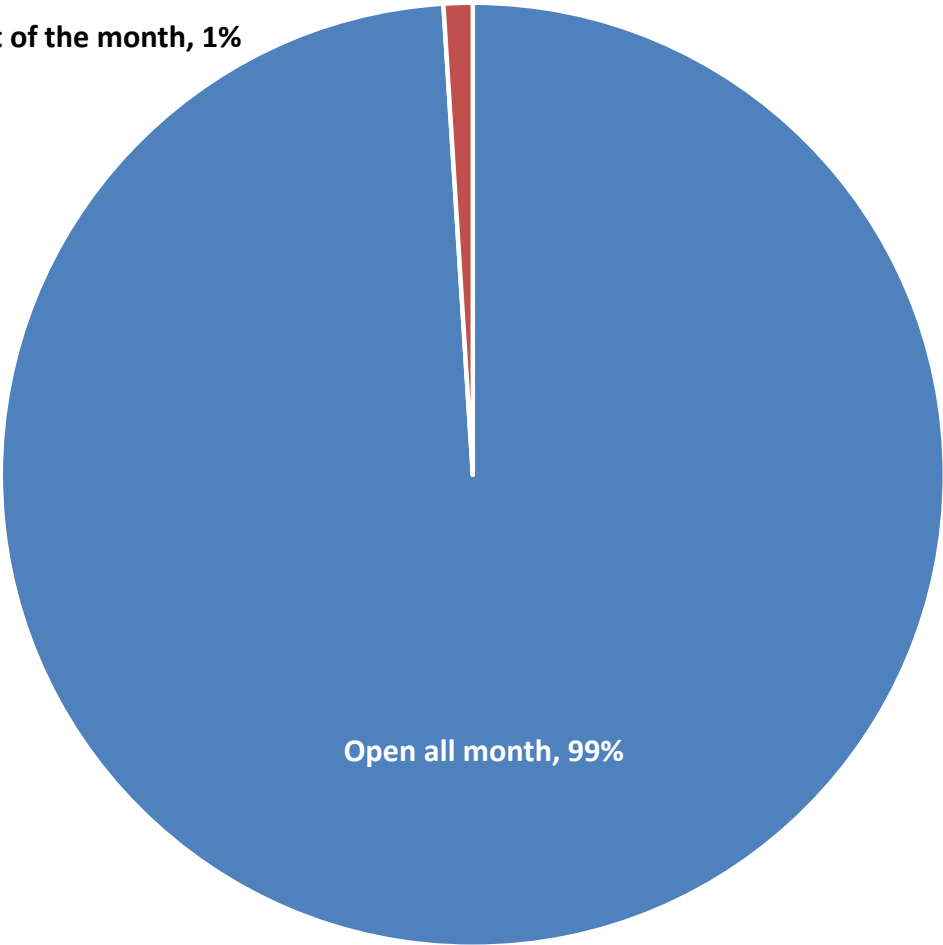


Base: 68

Business status

BUSINESS STATUS

Open part of the month, 1%

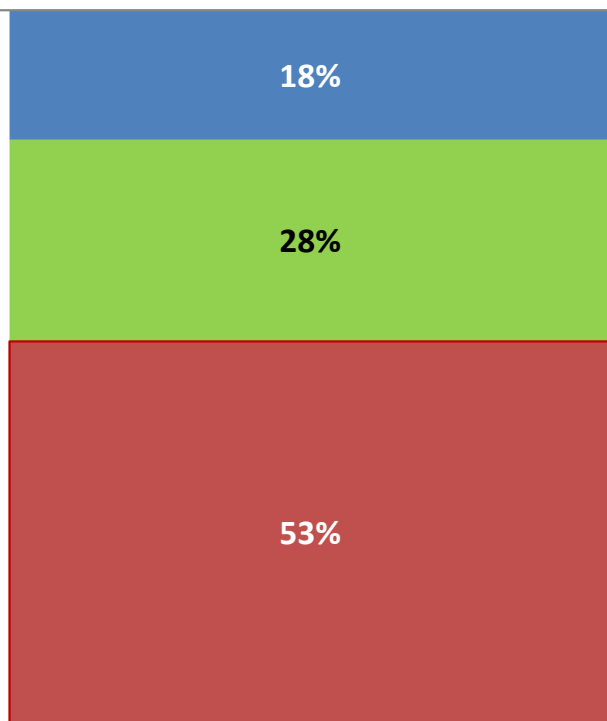


Open all month, 99%

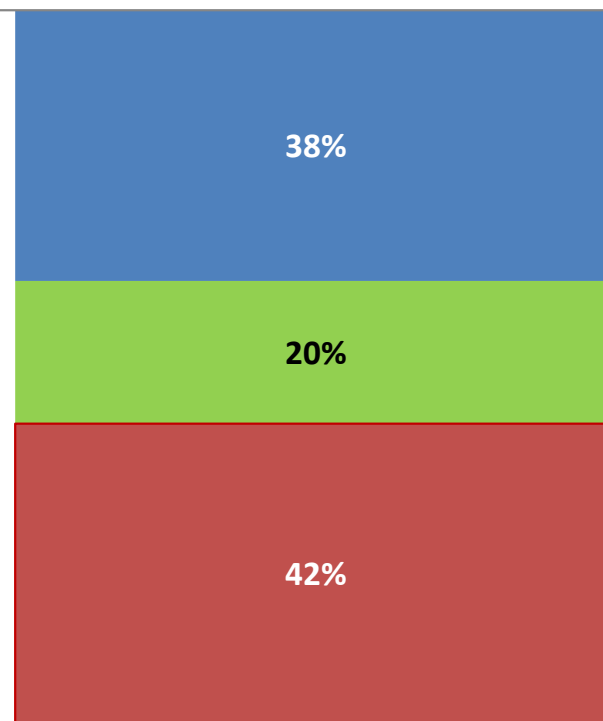
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Visitors/customers & turnover (compared to July 2019)

Visitors/customers



Turnover



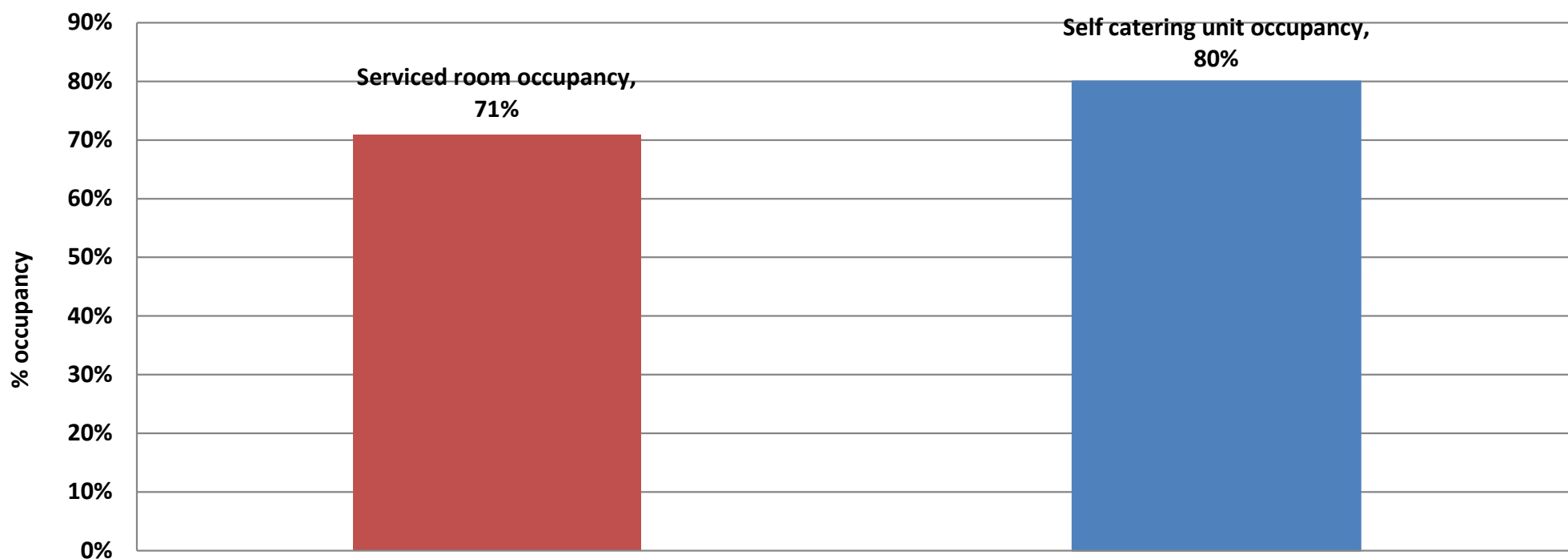
■ Increased ■ Stayed the same ■ Decreased

ESTIMATED ACTUAL CHANGE
-11%

ESTIMATED ACTUAL CHANGE
-3%

VALUE OF CHANGE
-£1.9 million

Serviced room occupancy & self catering unit occupancy – July 2022

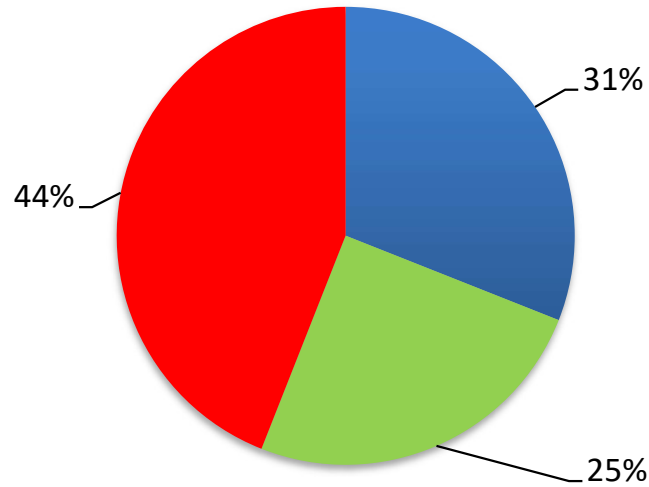


Accommodation type	Occupancy %	Measure	Sample
Serviced	71%	Room occupancy	25
B&B/Guest House	72%	Room occupancy	20
Hotel	67%	Room occupancy	5
All self catering	80%	Unit occupancy	20
Holiday Parks	83%	Unit occupancy	<5
Self catering exc. Holiday Parks	79%	Unit occupancy	18

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.

Outlook – Based upon forward booking levels

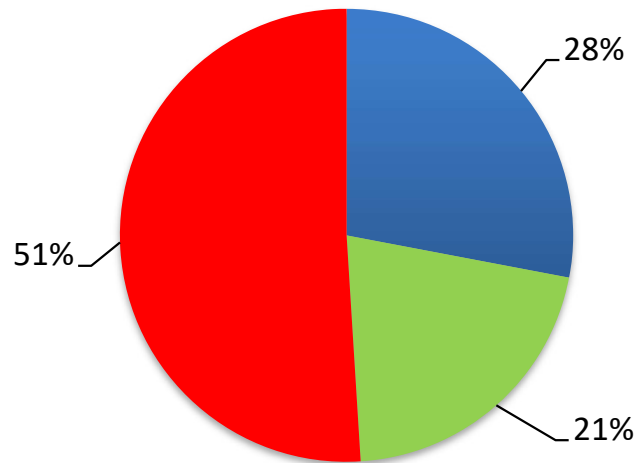
AUGUST



■ Better than 2019 ■ Same as 2019 ■ Not as good as 2019

Base: 48

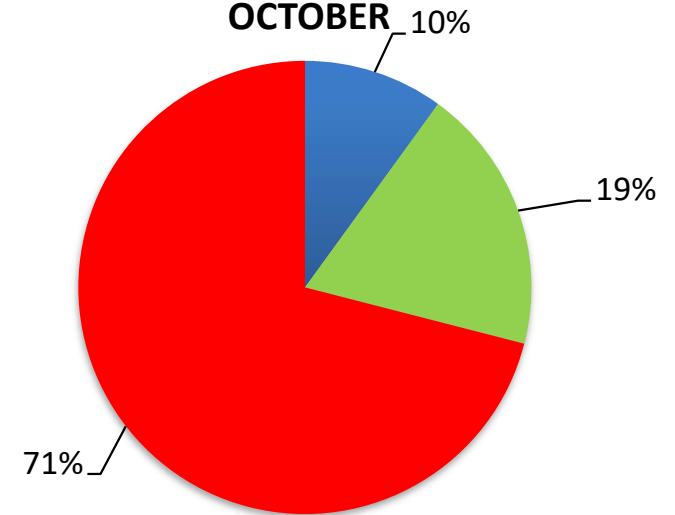
SEPTEMBER



■ Better than 2019 ■ Same as 2019 ■ Not as good as 2019

Base: 47

OCTOBER

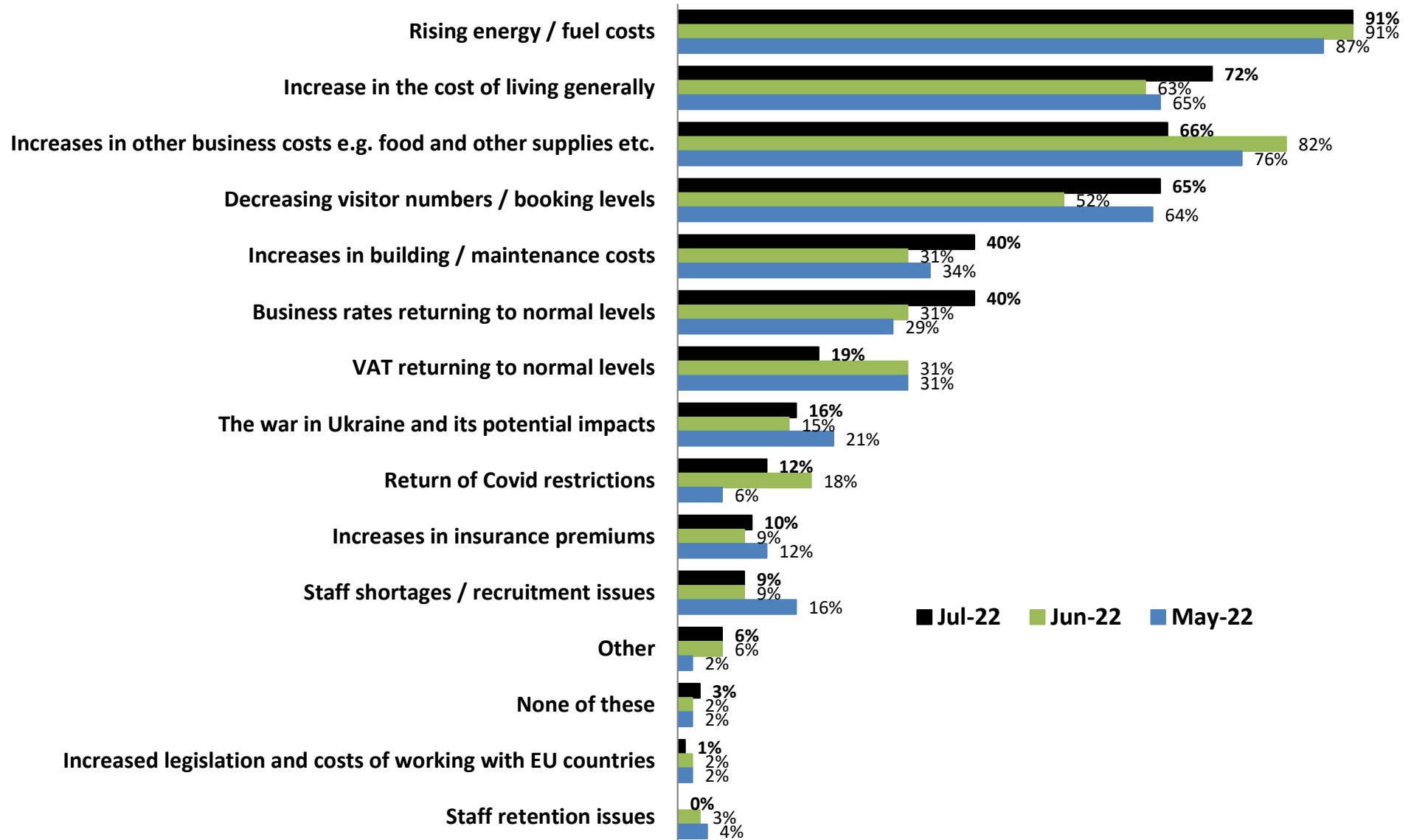


■ Better than 2019 ■ Same as 2019 ■ Not as good as 2019

Base: 42

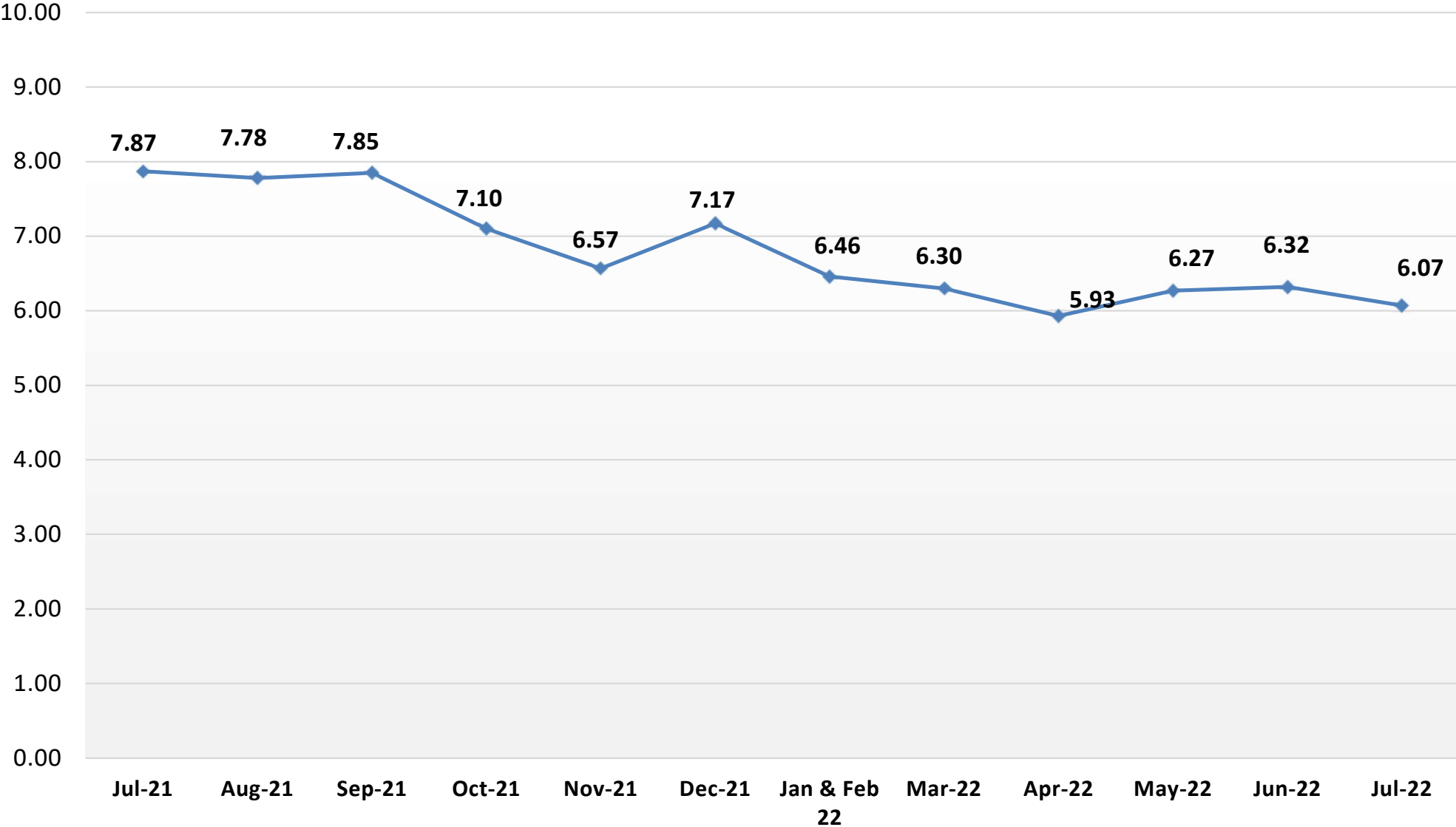
Top 5 business concerns (pre-defined list)

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

Bookings are coming in with much shorter lead times and we are seeing more late cancellations. Businesses in the town are clearly struggling for staff and there seems a possibility that (with the energy cost hikes) the local economy may not be able to keep enough eating and drinking establishments open this autumn to support the guests we have. Bookings for 2023 are very thin at the moment also.

Its starting to hit home. Just had a quote for energy 2023 up £60,000. We need a govt support package for 2023, we cannot absorb a wage increase of 7%, a return of 100% business rates, to cover this you are talking of an increase in prices per room of £20 per night and what will this do to occupancy? Leadership and direction from the govt is required. 2022 is done its all about getting through this winter and 2023.

We have seen a massive decrease in guests this year, and what we have received have only been two nights or three nobody seems to be staying seven or 14 nights, guests that I have spoken to report just small breaks because of the cost.

The business rates are too high and little is provided to business in return for these.

Generally, there appears to be reduced visitor numbers in Torbay. It has not been an easy year. To attract more visitors we need far better retail and entertainment, especially as we need to attract more affluent visitors who will still be able to afford to take stycations. Families and C2/DEs will be need to be more and more careful about money so we need to have the right environment to interest AB/C1s who are probably empty nesters.

We will not be able to reinvest into capital projects this year as profit margins are down and monies in bank will only just cover winter bills.

Very slow start initially. June, July, August were OK. Weather has been awesome so that has helped hugely!! Going forward I think it will become tighter and people will not have disposable income - fuel costs are a real hindrance.

People are looking for value for money, which as a B&B we try to give. However, our profits are going down and down and if we don't put room rates up we can't make a living. If we put room rates up people can't afford to travel or enjoy their holiday when they get here due to the high prices of eating out and attraction prices. Eating out in Torbay and visitor attractions are hugely expensive, especially for families. This comes up regularly with our guests.

Lack of future bookings becoming a real worry. We have had to raise prices very slightly due to spending the whole of last years profits on maintenance and upgrades. I now doubt we will get them back.

A concern for the future, tough times ahead!

Our measure to improve our website and drive sales through additional channels are reaping rewards. Additionally, investment in the building and grounds are also improving the kerb appeal and general appeal of the business.

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