

ERBID How's Business Survey

June 2022

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Executive Summary

Compared to June 2019 businesses reported that:

June 2022 Visitor levels:

Increased 32% / Stayed the same 22% / Decreased 47%
Estimated actual change in visitors -7%

June 2022 Turnover levels:

Increased 42% / Stayed the same 23% / Decreased 35%
Estimated actual change in turnover -3%

July 2022 Outlook is:

Better than 2019 37% / Same as 2019 22% / Not as good as 2019 41%

August 2022 Outlook is:

Better than 2019 24% / Same as 2019 33% / Not as good as 2019 43%

September 2022 Outlook is:

Better than 2019 19% / Same as 2019 26% / Not as good as 2019 55%

Optimism

Optimism score is 6.32 out of a possible 10

June 2022 – Our comment

Whilst June saw 47% of businesses reporting a decrease in visitors/customers and a -7% change compared with the same time in 2019 (pre-pandemic), the percentage change in turnover was much less at -3% compared with 2019 (pre-pandemic) with fewer businesses reporting a decrease (35%).

41% of businesses anticipated decreased bookings for July compared with 2019 levels, whilst 43% and 55% of businesses respectively anticipated the same for August and September however, this may change as we move further into the year.

91% of businesses are most concerned about rising energy costs, 82% about increases in other business costs e.g. food and other supplies etc. and/or 63% in the increase in the cost of living generally.

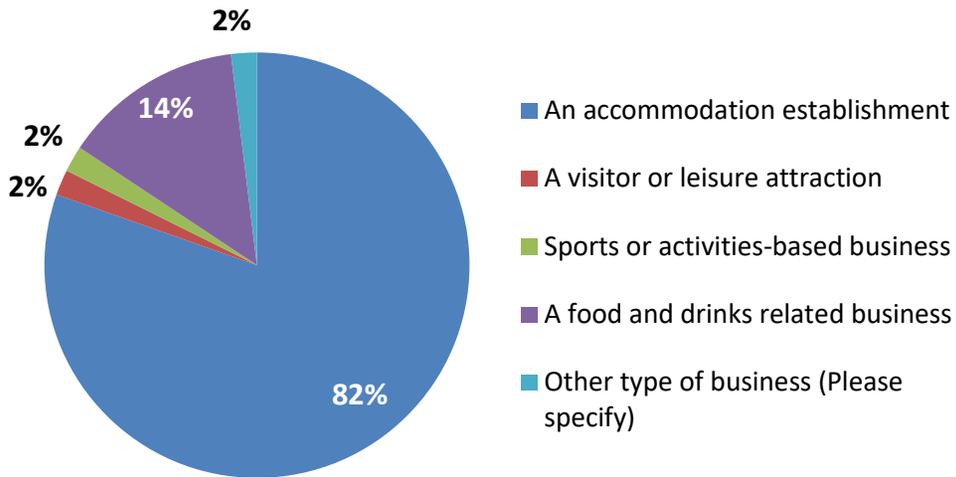
This month's survey has a sample of 65 businesses.

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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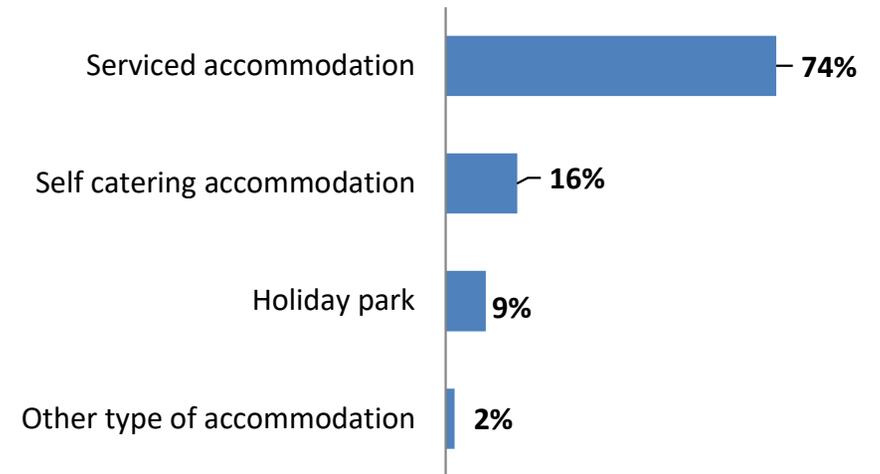
Sample profile/business location

BUSINESS TYPE



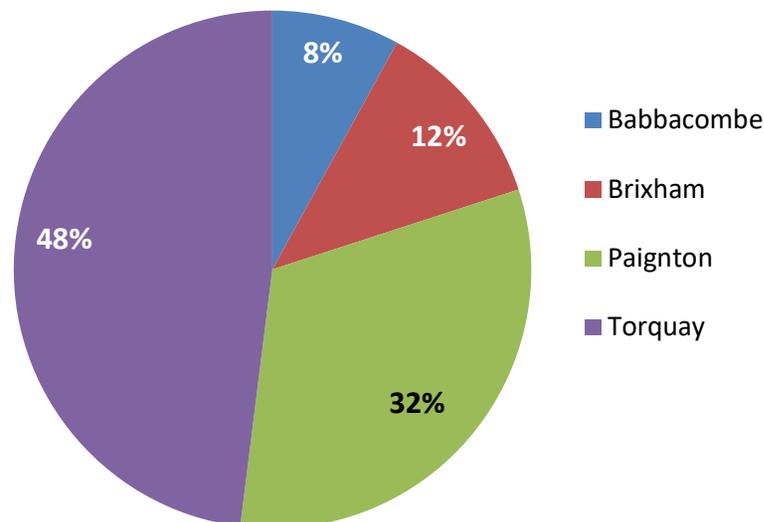
Base: 65

ACCOMMODATION TYPE



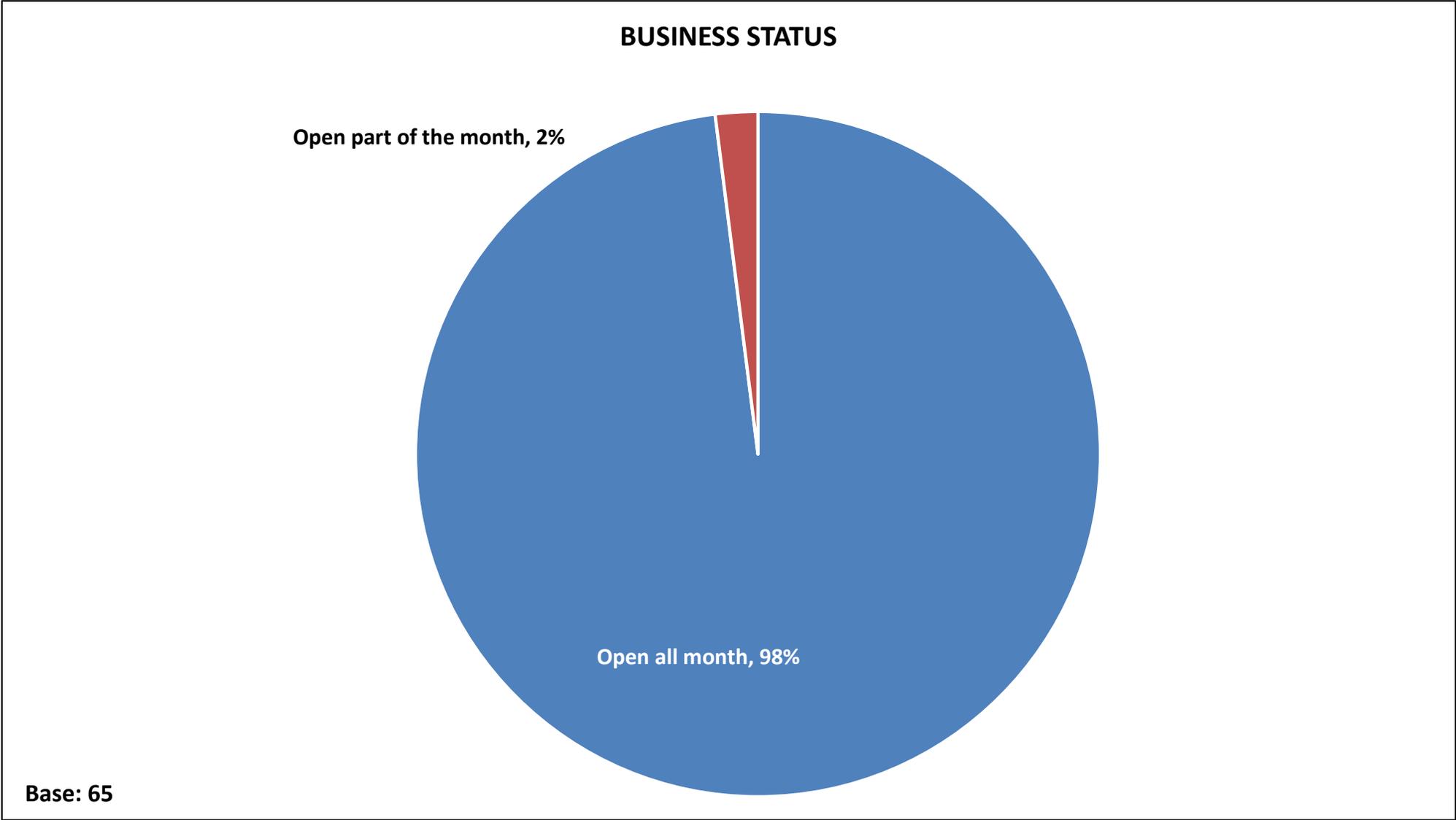
Base: 53

BUSINESS LOCATION



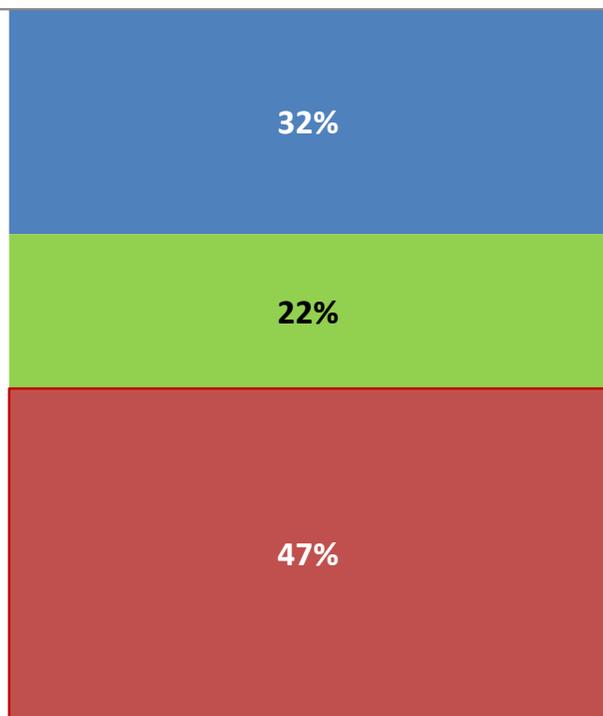
Base: 65

Business status

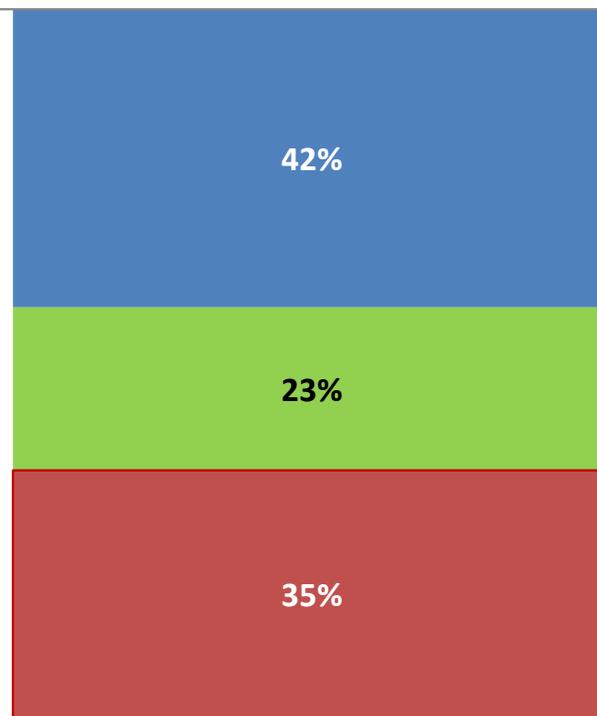


Visitors/customers & turnover (compared to June 2019)

Visitors/customers



Turnover



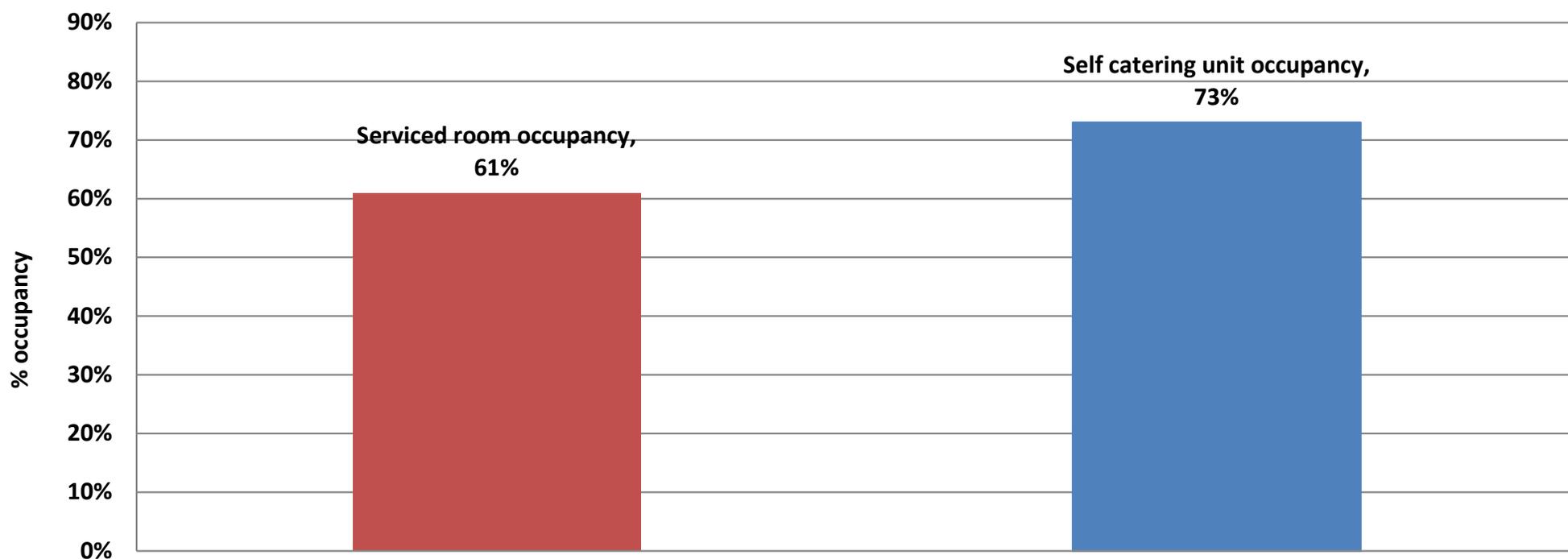
■ Increased ■ Stayed the same ■ Decreased

ESTIMATED ACTUAL CHANGE
-7%

ESTIMATED ACTUAL CHANGE
-3%

VALUE OF CHANGE
-£1.4 million

Serviced room occupancy & self catering unit occupancy – June 2022

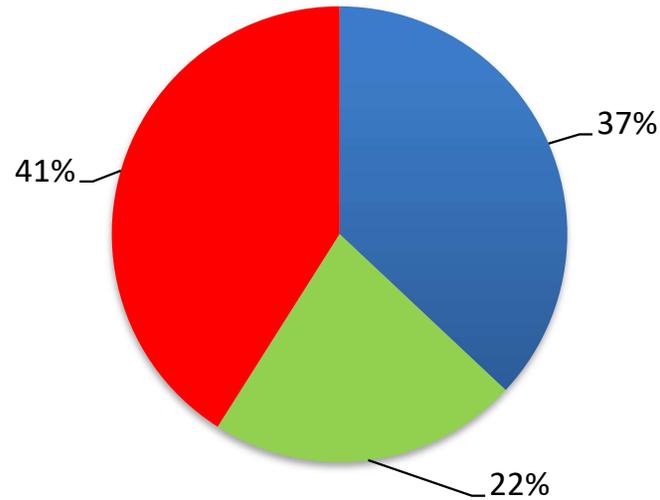


Accommodation type	Occupancy %	Measure	Sample
Serviced	61%	Bedspace occupancy	31
B&B/Guest House	59%	Bedspace occupancy	26
Hotel	73%	Bedspace occupancy	5
All self catering	73%	Unit occupancy	11
Holiday Parks	69%	Unit occupancy	<5
Self catering exc. Holiday Parks	74%	Unit occupancy	8

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

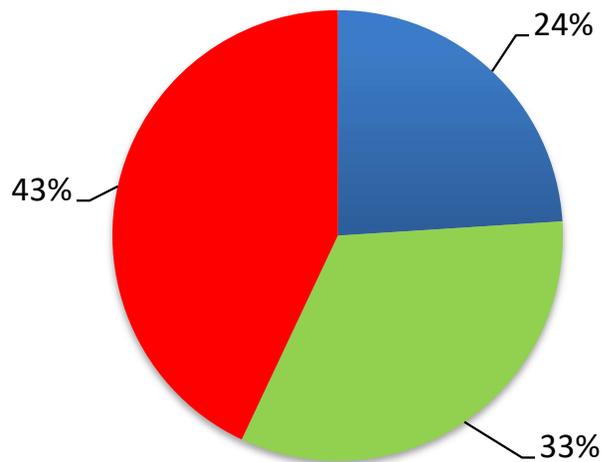
JULY



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

Base: 49

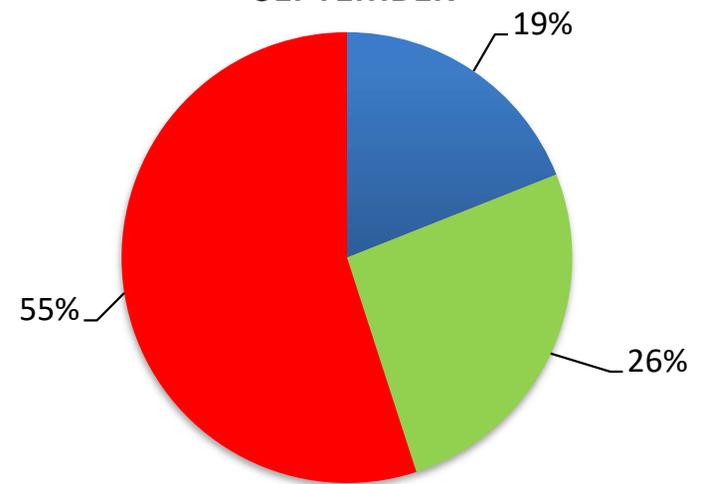
AUGUST



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

Base: 49

SEPTEMBER

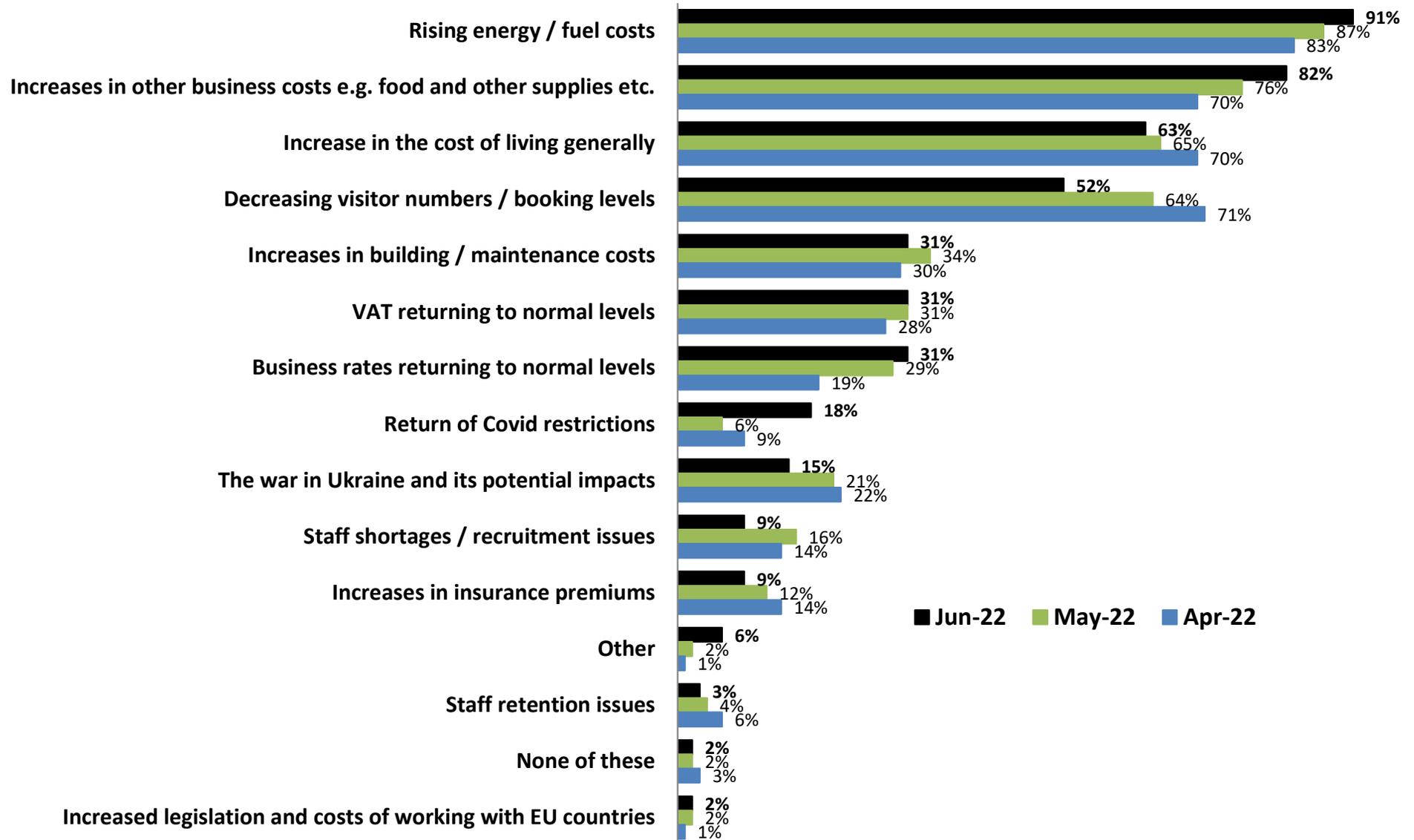


■ Better than 2019 ■ Same as 2019 ■ Not as good as 2019

Base: 47

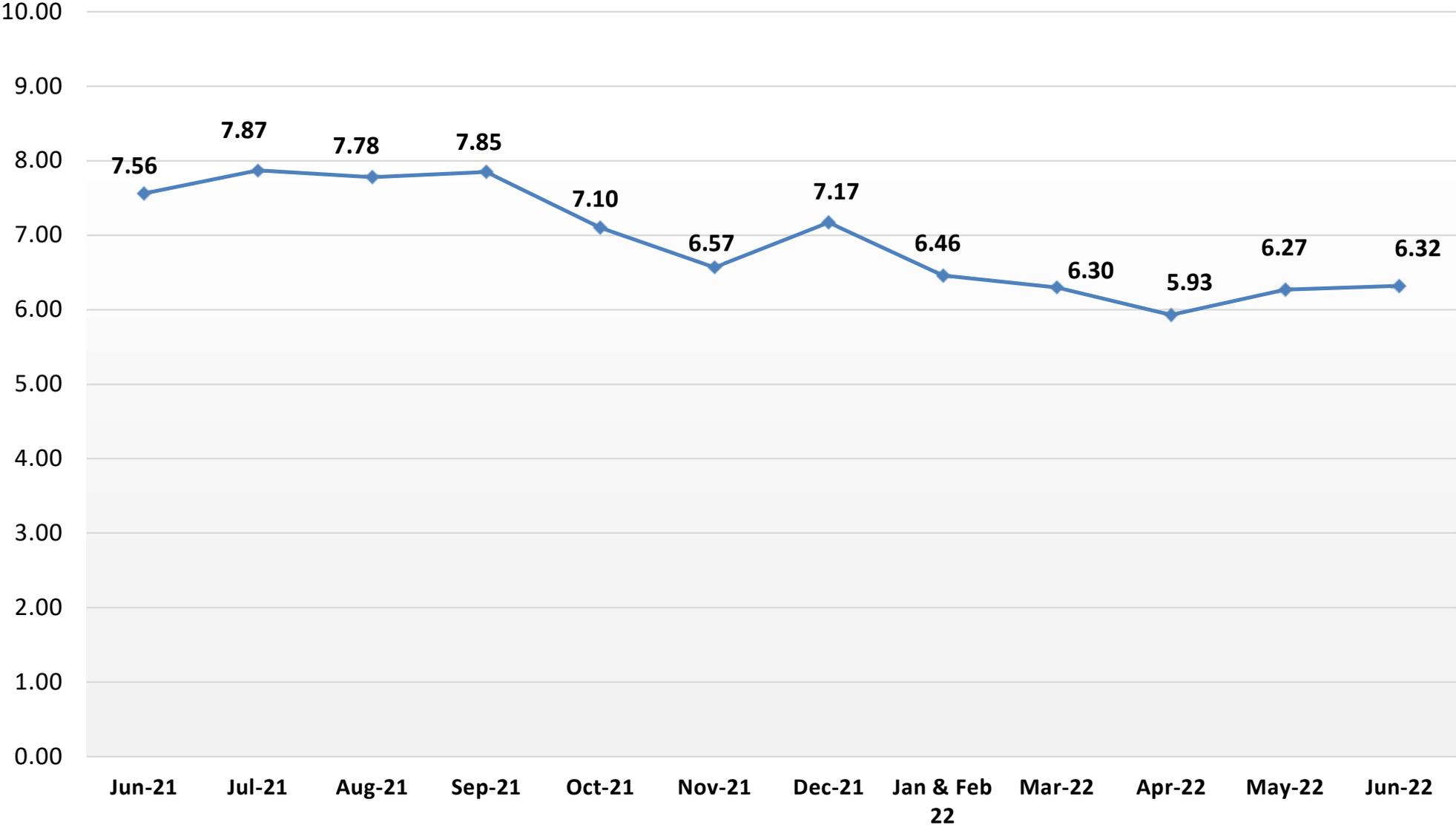
Top 5 business concerns (pre-defined list)

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

There has been an explosion in the number of self catering units across the Bay. I have just done an availability search on Air BnB for a week in August and there are 631 properties showing as available. This is making the industry unsustainable and much of the accommodation is poor quality and lacking in proper safety measures and adequate insurance. Much of the accommodation is in leasehold properties where holiday letting is prohibited explicitly in the leases.

The rise in energy costs are truly terrifying. The effects of Net Zero Zealotry are only just beginning to be felt - there is much more to come if we don't change direction and tens of thousands of businesses will be destroyed.

There has definitely been an marked increase in the number of last minute bookings. This time last month July was looking very empty (we even had 6 days at the start of July with zero rooms booked), however a surge in bookings meant that the occupancy for those 6 days actually hit 59%.

Bookings mainly 2-3 weeks in advance of the holiday, as opposed to 2021 bookings that were made 2-3 months in advance.

Different type of guests seem to be booking, not having tried self catering before, and feels like they are "down grading" as they seem to have needs and wants of a fully inclusive sort of holiday.

We are getting a lot of cancellations due to a rise in Covid and the cost of living, money is very tight.

Completely empty, no bookings at all.

Reducing the rate of VAT on tourism and increasing the VAT threshold remain top priority.

Following the report in Devon Live re "staycation fatigue" and quotes from the head of the bridge group, we seem to be bucking the trend and are busier this year than last (and much busier than before the pandemic when the business was under different owners). However this could be due to a considerable redecoration and our service proposition being higher than some establishments. There is a worry that some less financially/business minded accommodation providers do not cost their rooms appropriately and so we are sometimes competing against very low prices (albeit for lower quality accommodation).

There are too many Airbnb being allowed in the area that are normally second homes.

Value for money is the key to a healthy business at the moment and I think we fit into that category.

Very concerned about potential government action against second properties.

We only started trading last year and were fully booked hence we had to become VAT registered but now our bookings are low this year. We only have 10 days booked in August.

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