ERBID How's Business Survey

March 2024

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Executive Summary

Compared to March 2023 businesses reported that:

March 2024 Visitor levels:
Increased 34% / Stayed the same 9% / Decreased 56%
Estimated actual change in visitors -9%

March 2024 Turnover levels:
Increased 34% / Stayed the same 12% / Decreased 54%
Estimated actual change in turnover -10%

April 2024 Outlook is:
Better than last year 13% / Same as last year 3% / Not as good as last year 84%

May 2024 Outlook is:
Better than last year 14% / Same as last year 14% / Not as good as last year 71%

June 2024 Outlook is:
Better than last year 14% / Same as last year 16% / Not as good as last year 70%

Optimism:
Optimism score is 4.82 out of a possible 10

March 2024 – Key results

March 2024 saw 56% of all businesses experiencing a decrease in their visitors/customers and a similar proportion, 54%, experiencing the same in terms of their turnover –representing decreases of -9% and -10% respectively compared with March 2023. For performance in relation to both visitors/customers and turnover it is also worth noting that there was very little middle ground as well with only between 9-12% saying that their levels had stayed the same with the remainder saying they had either increased or decreased and which explains why the actual change in both is quite low compared to the actual percentage who had seen a decreases.

The majority of businesses anticipated decreased bookings for April (84%), May (71%) and June (70%) compared with 2023 levels, although these figures may change as we collect data for each of these months.

At 78% each, businesses are currently most concerned about the increase in the cost of living generally and decreasing visitor numbers/booking levels (an increase of 3% each compared with last month), rising energy costs (67%, an increase of 2% compared with last month) and other business costs e.g. food and other business supplies etc. (61%, compared with 60% last month).

At 4.82 out of 10.00, the optimism score was higher than last month but remained the second lowest level recorded over the last 12 months.

This month's survey has a sample of 89 businesses.

January – March 2024 – General performance

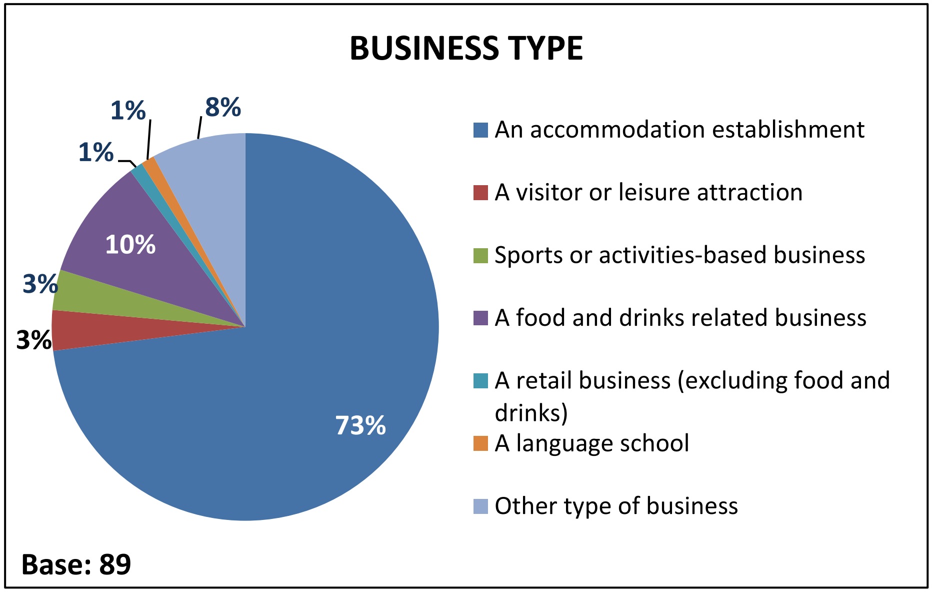
The first quarter of 2024 has, once again, continued to remain very tough for the majority of tourism businesses with the largest proportion reporting both decreased visitors and turnover in all three months (48% or more).

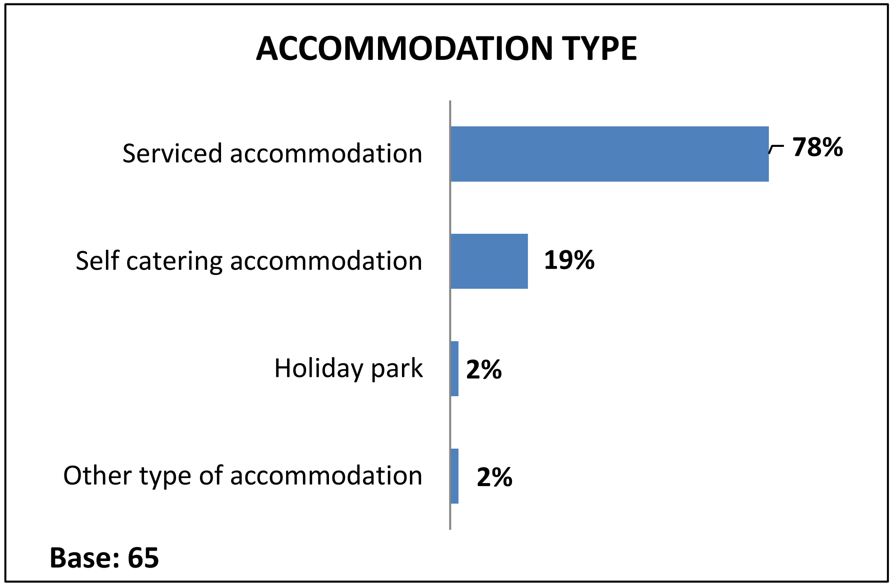
The wet and poor weather over the Easter holidays has impacted very negatively on most businesses with many commenting that last minute bookings suffered as a result and with new fire regulations, higher minimum wage and energy/food costs at an all time high, many are wondering if they can continue to operate and survive without the government stepping in and offering help and support to the hospitality industry.

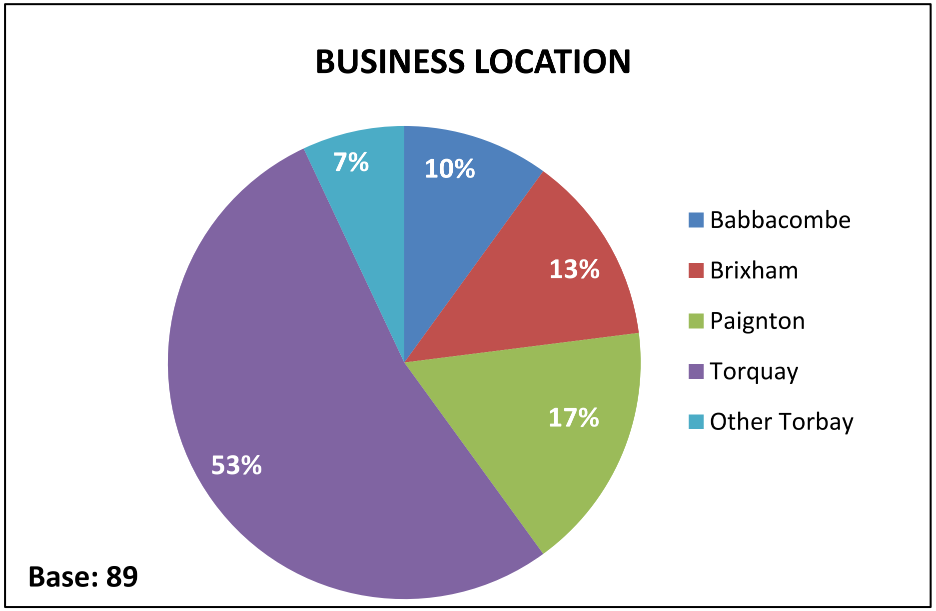
However, there are a handful of businesses who did perform better than expected despite the poor weather and some who remain cautiously optimistic of returning a small profit this year, although this will be largely dependent on the weather improving over the next couple of months, along with improvements in the economy.

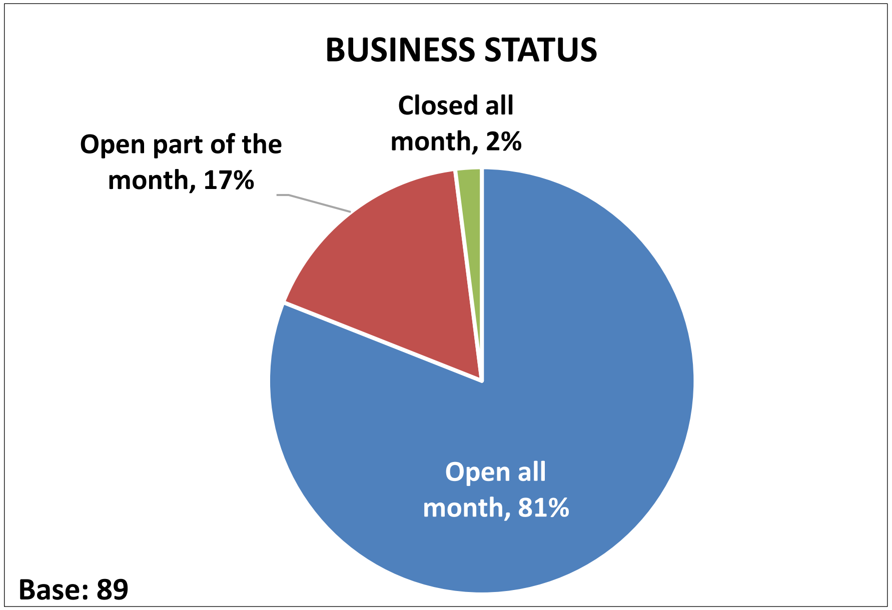
Our thanks go to all businesses that have taken part in the survey this month and to those organisations that have assisted us with the promotion of the survey. It's very much appreciated.

Sample profile, business location and status

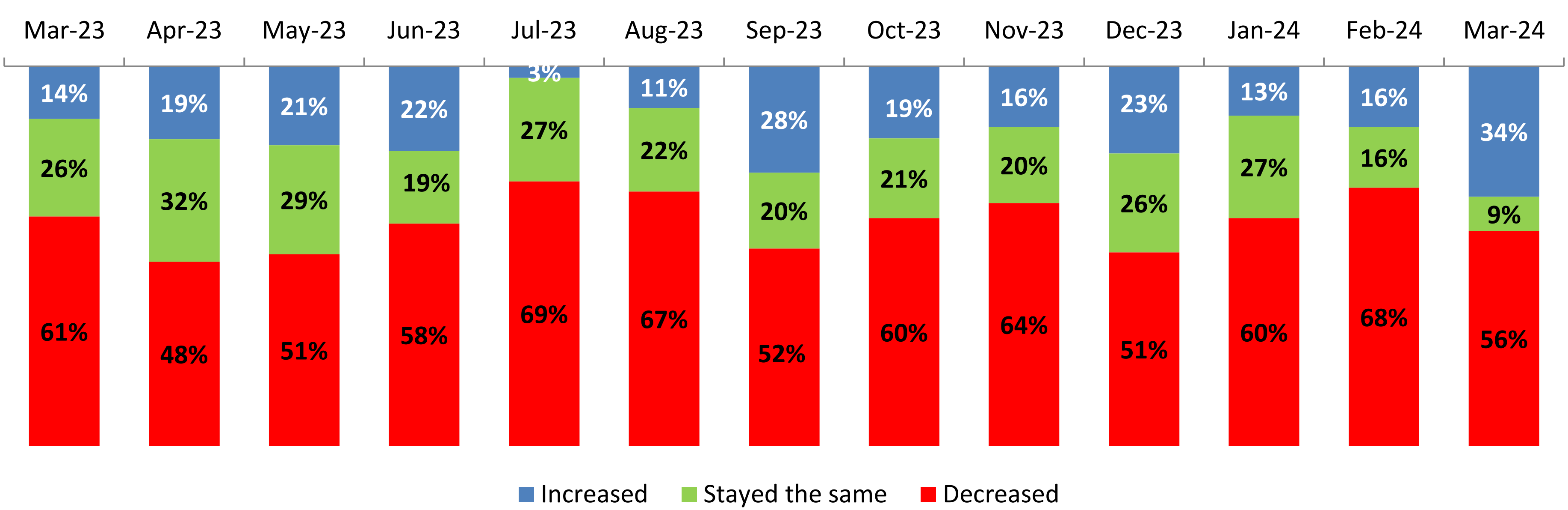


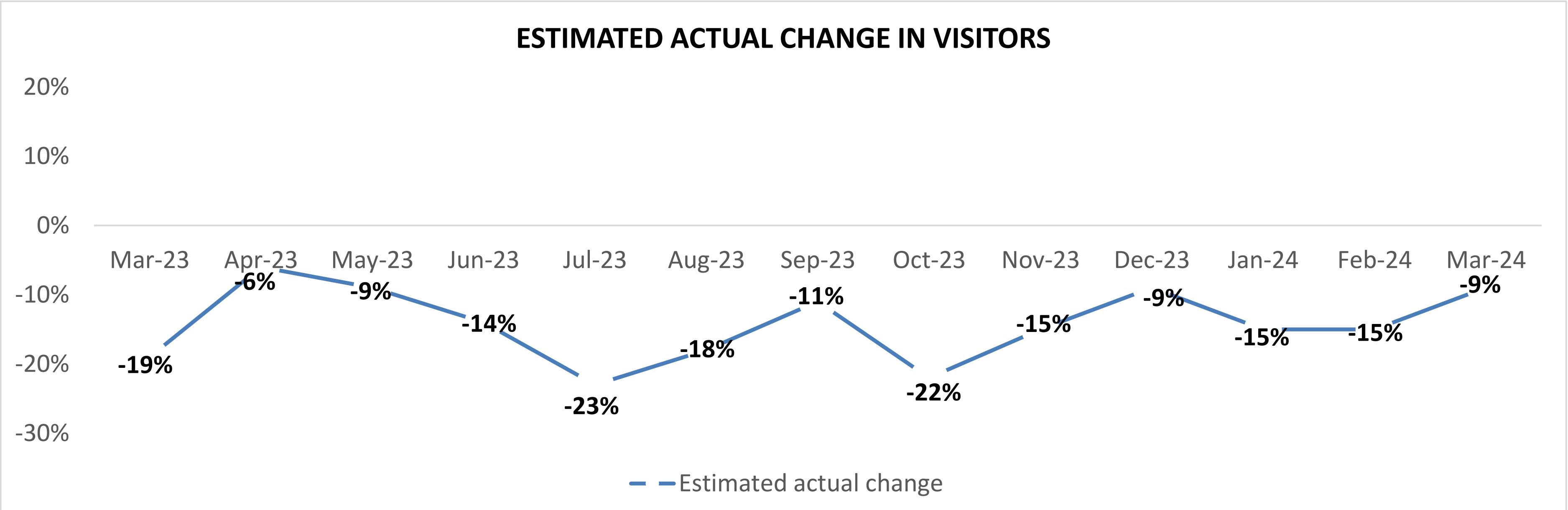




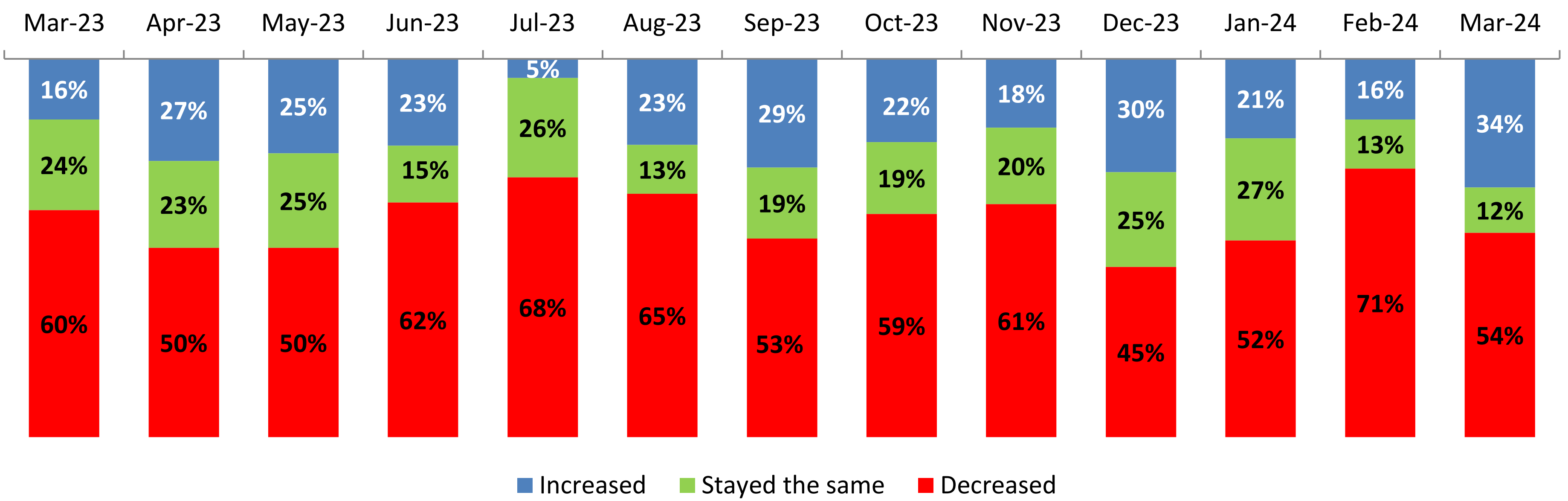


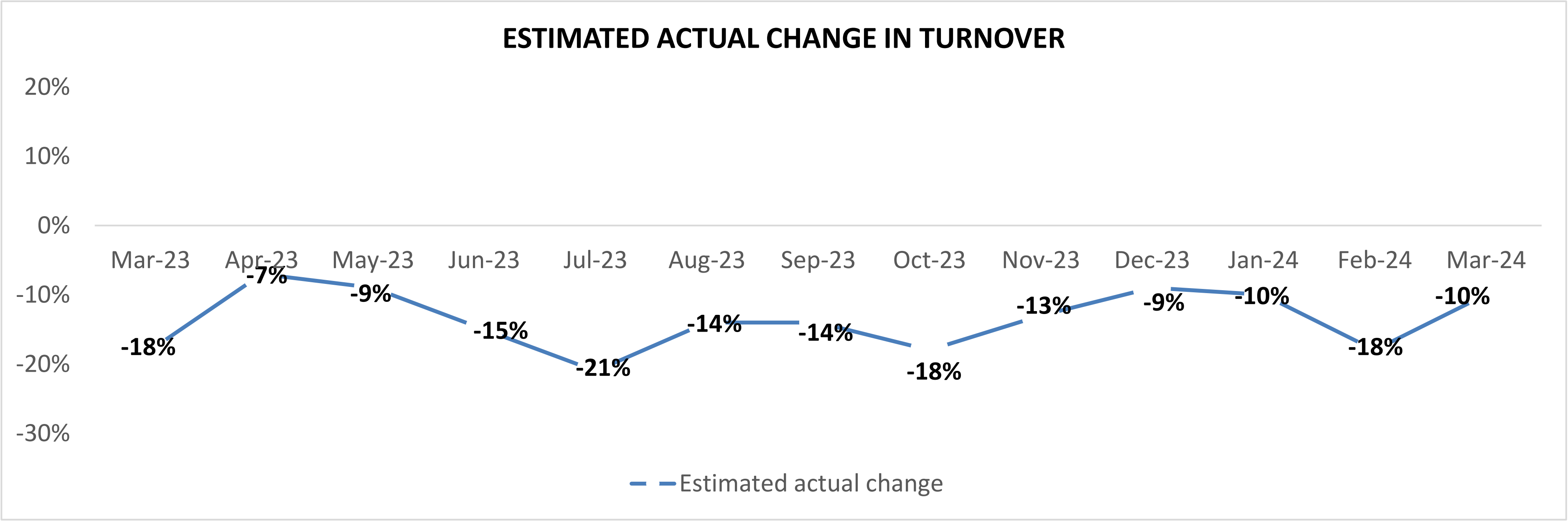
Performance – Number of visitors compared to previous year



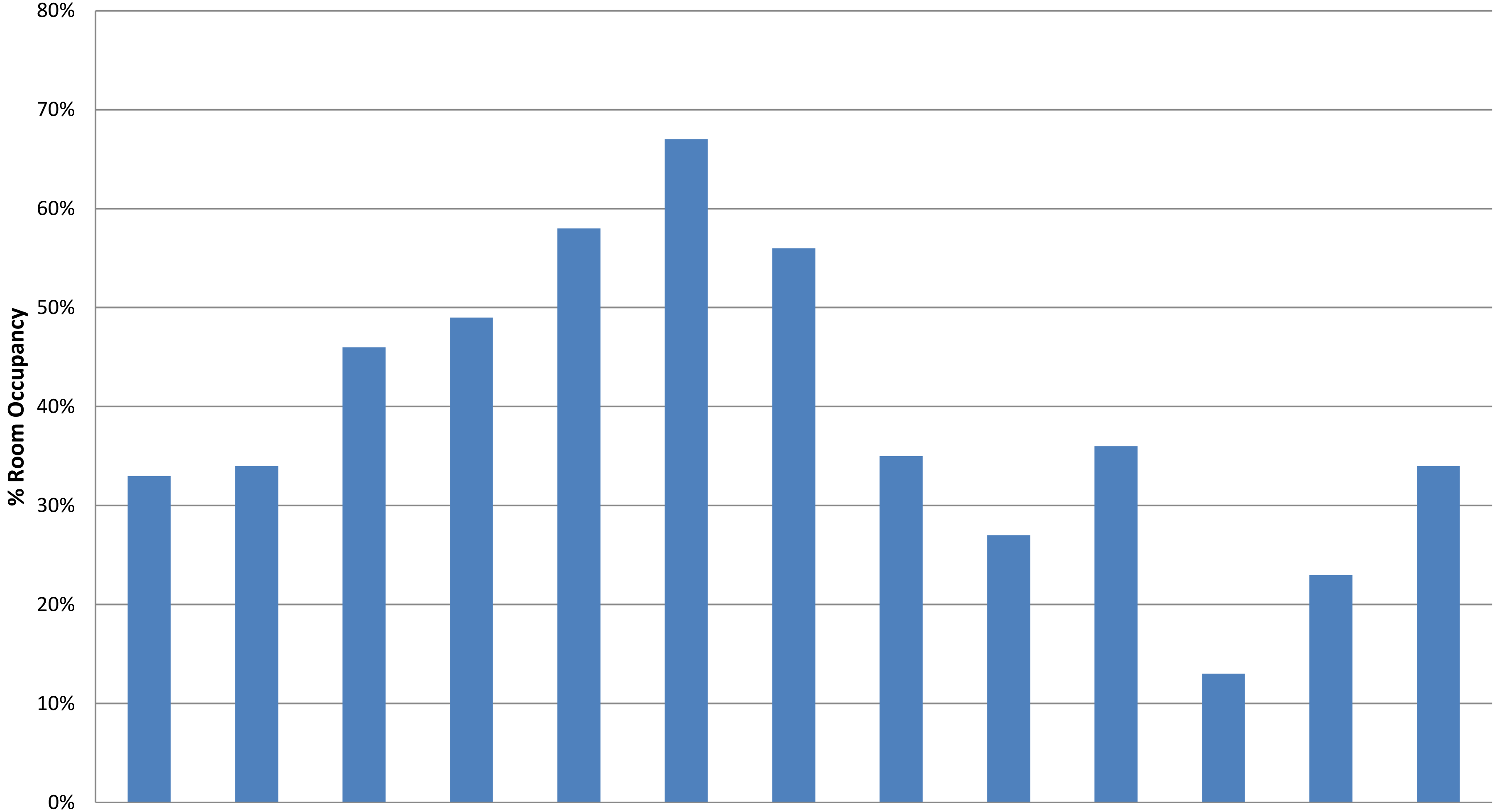


Performance – Turnover compared to previous year





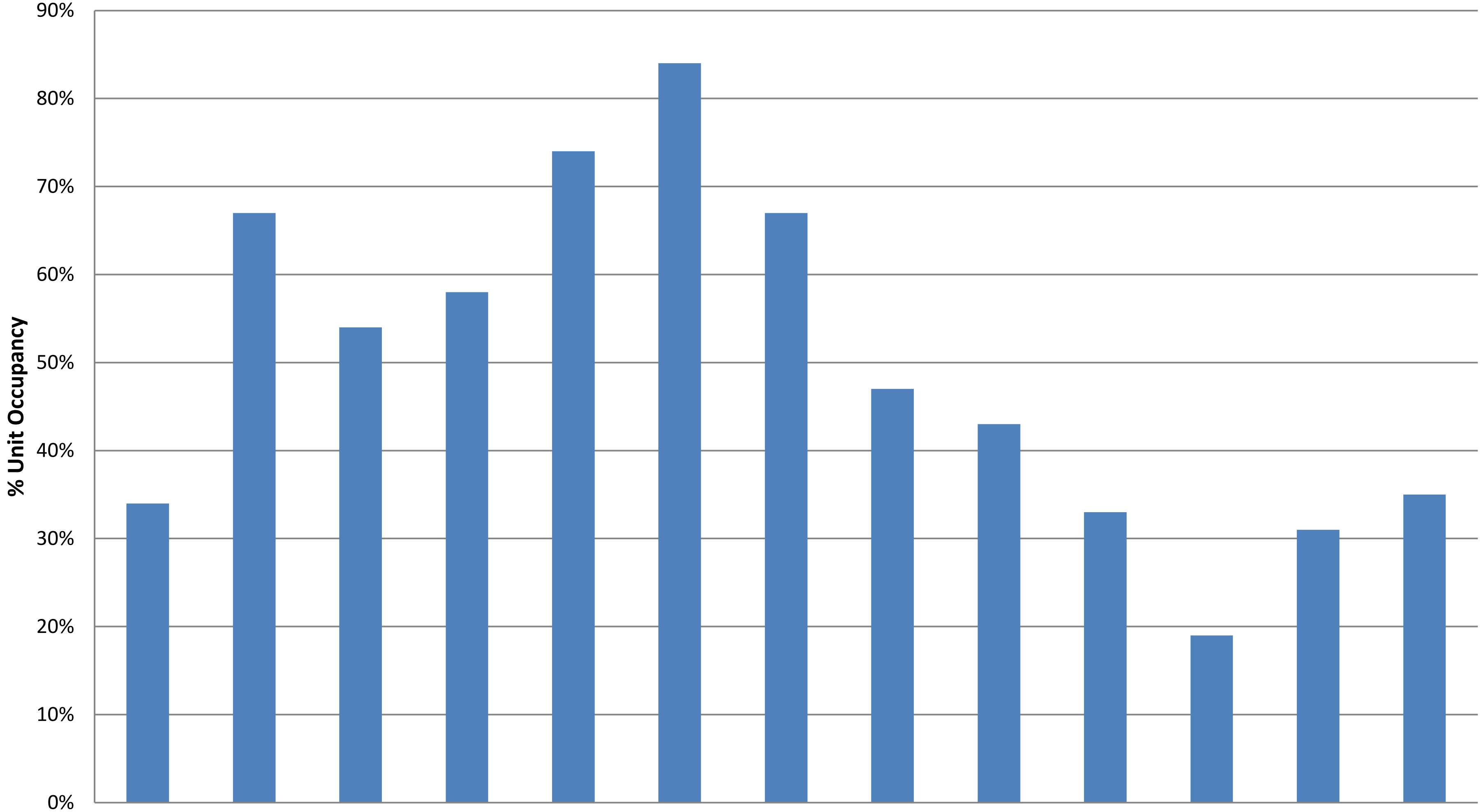
Performance – Serviced Room Occupancy



	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
ER	33%	34%	46%	49%	58%	67%	56%	35%	27%	36%	13%	23%	34%

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.

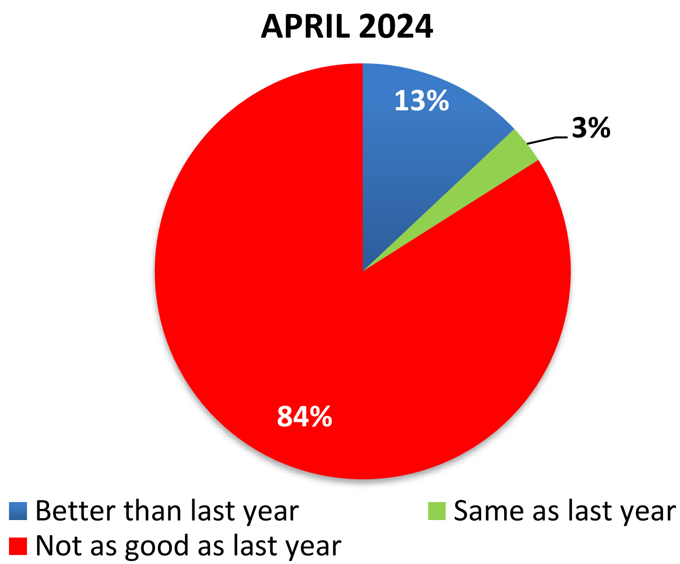
Performance – Self Catering Unit Occupancy



	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
ER	34%	67%	54%	58%	74%	84%	67%	47%	43%	33%	19%	31%	35%

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



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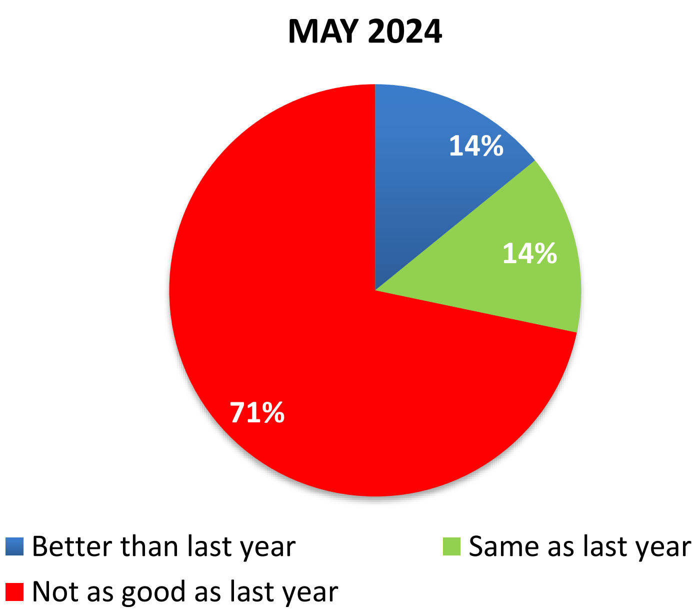

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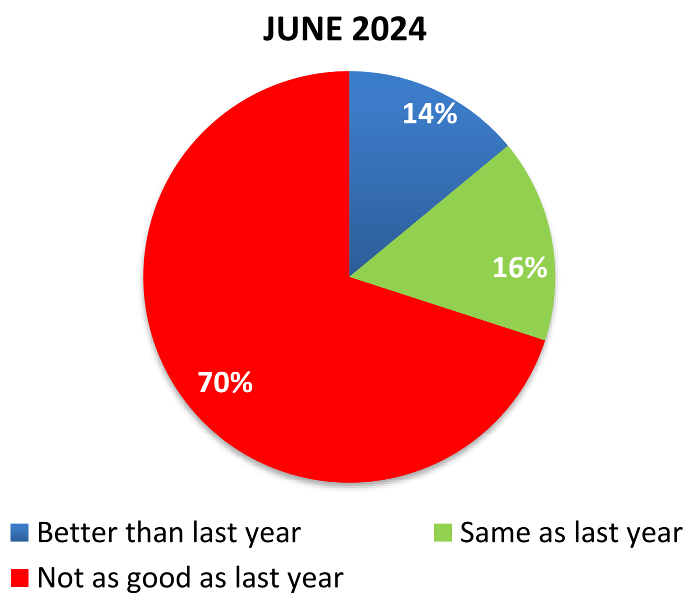

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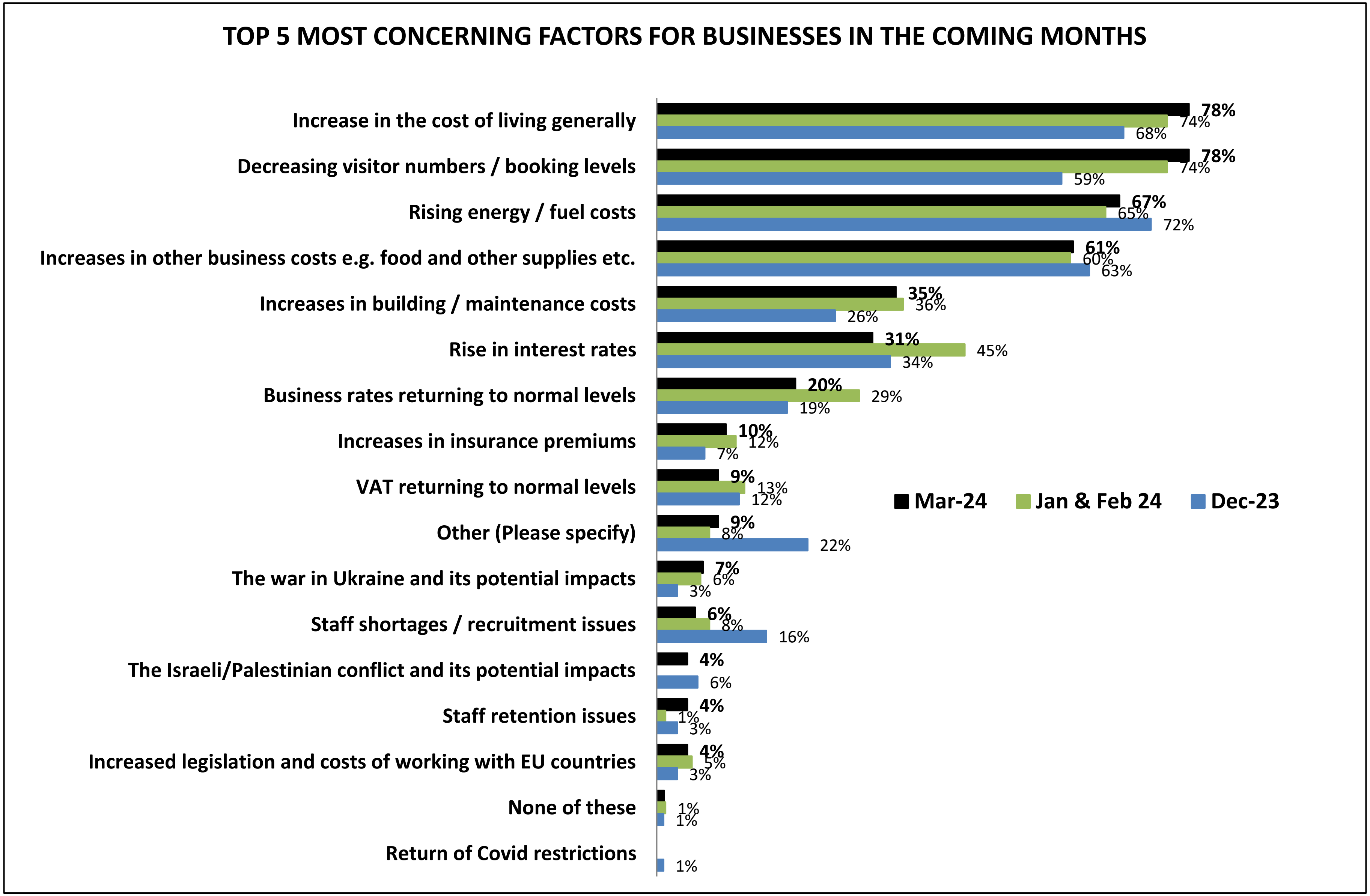
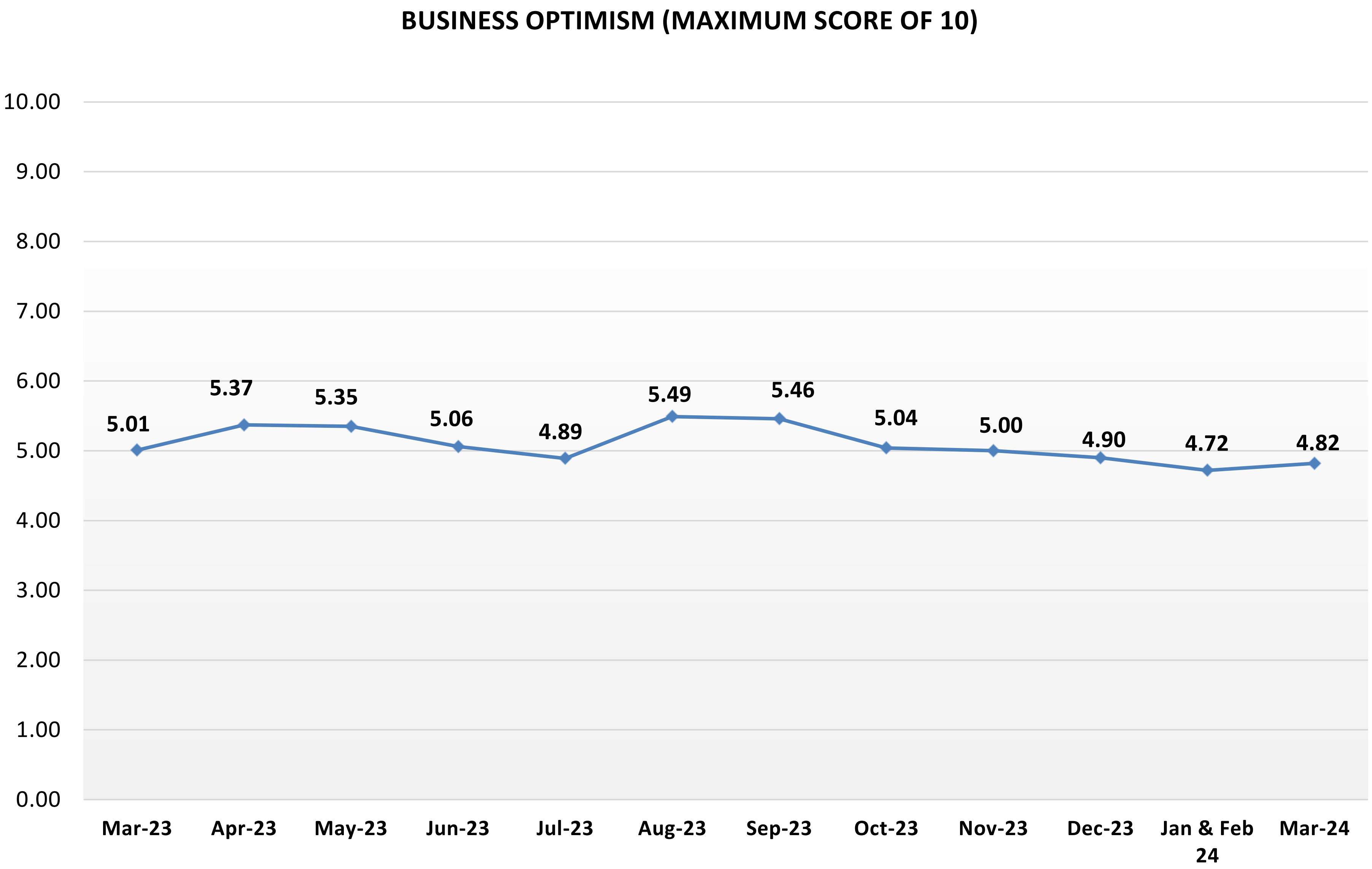
Top 5 business concerns (pre-defined list)



Business optimism



Key results – Sample of other comments on impacts

As a small B&B we are unable to compete with the deals and low room rates of the bigger chain hotels, both new and established. We have had to decrease room rates but still not enough to compete. On top of this our incoming costs just keep rising from utilities, mortgage costs to food costs, our window cleaner has even put his rates up! On top of this the few guests we have had have all commented on how much more it costs them to do anything here, big increases in eating and drinking costs, some attractions have raised their admission fees etc. etc. It seems the only businesses that have not been able to raise rates are the smaller hospitality establishments. It feels like we are trying to keep our costs down to attract visitors in order to survive just so the attractions, bars and restaurants can fleece them when they are out and about. This is bound to affect visitor numbers! I won't even comment on the Harbourside works. !!

Not one guest in over Easter, bookings for season are bad.

Poor weather verses last year but sales still growing.

Need to get Strand in Torquay finished ASAP, accelerated project timetable. Condition of Strand will have major impact on attracting visitors.

This Easter was the worst for us since we have been here and my guests that did come complained about Torquay in general - the state of the town, the roadworks, the homeless, the closed shops and generally that the town was in a big decline. Sinking very fast.

Overall the business performed well due to the extreme wet weather we had in March.

The current business climate remains unsustainable with high food, energy, mortgage and staff costs and no guests as people can't afford breaks or holidays. Easter would have been empty had it not been for a paying family. Easter school holidays cost us to have 2 guests in as heating was on. April is dead, we're lucky one group booking has kept us afloat. It is a shame there is no zero score for business optimism. This area seems to be in rapid decline and it will take dozens of tourism businesses with it.

Hotels and B&Bs suffering heavily, some did not even open for Easter. We have a huge issue with footfall, as a business, the knock-on effects of the weather and Easter being so early. I would not count Easter as Easter more like the 15th April onwards which is the real gauge of how things will fair for the next 3 months. To me if the first bank holiday is poor we are certainly in for a rough ride. If it excels then we should be confident in inflations reductions working out over time.

It is looking very concerning. We are looking at getting second jobs.

Poor weather and an early Easter are factors, but generally things are looking worse. Extra costs related to fire regulations have yet to work though as well.

The weather has not helped us as there has obviously been a lot of rain!

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ENGLISH RIVIERA BID COMPANY

The South West Research Company