

ERBID How's Business Survey

May 2023



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Executive Summary

Compared to May 2022 businesses reported that:

May 2023 Visitor levels:

Increased 21% / Stayed the same 29% / Decreased 51%

Estimated actual change in visitors -9%

May 2023 Turnover levels:

Increased 25% / Stayed the same 25% / Decreased 50%

Estimated actual change in turnover -9%

June 2023 Outlook is:

Better than 2022 16% / Same as 2022 23% / Not as good as 2022 61%

July 2023 Outlook is:

Better than 2022 9% / Same as 2022 26% / Not as good as 2022 65%

August 2023 Outlook is:

Better than 2022 4% / Same as 2022 23% / Not as good as 2022 74%

Optimism:

Optimism score is 5.35 out of a possible 10

May 2023 – Our comment

May saw 50% of all businesses in each case experiencing level or increased visitors/customers (29% and 21% respectively) and turnover (25% each) compared with the same time during 2022. Decreases of -9% each.

61% or more of businesses anticipated decreased bookings for June (61%), July (65%) and August (74%) compared with 2022 levels, although this may change as we collect data for these months. Businesses continue to be most concerned about the increase in the cost of living generally and/or rising energy/fuel costs (84% each) along with decreasing visitor numbers/booking levels (74%) and increases in other business costs e.g., food and other supplies etc. (73%).

This month's survey has a sample of 77 businesses.

March to May 2023 general performance

Whilst March to May 2023 has continued to see large proportions of businesses reporting decreases in visitors/customers and turnover across the board, May has seen a similar performance to April, where the proportion of businesses reporting level or increased visitors and turnover have been at around 50% (49% and 50% respectively compared with 51% and 50% respectively during April).

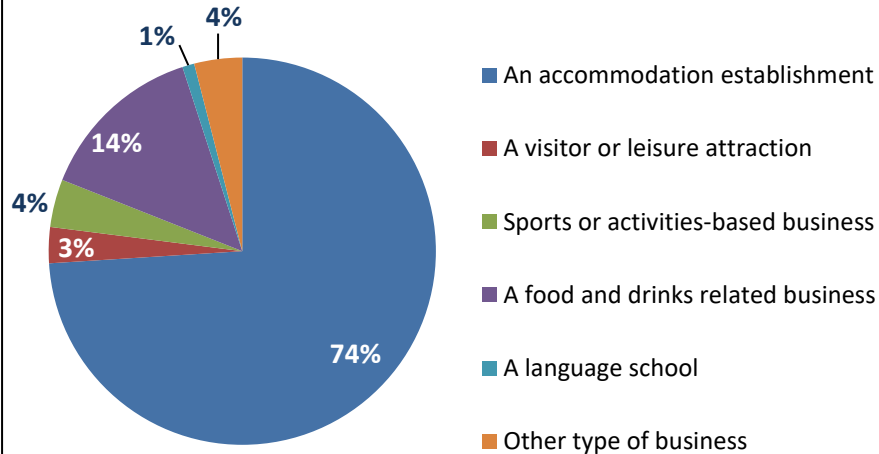
Whilst performance in the ER during March was similar to the region, April saw a lower decrease in both visitors and turnover for the ER (-6% and -7% respectively) compared with the region as a whole (-12% and -10% respectively) with May performing at a similar level to the region in terms of both visitors and turnover (-9% each for the ER compared with -9% and -8% for the region). Whilst slightly lower than April, business optimism was at one of its highest level for seven months during May at 5.35 (5.37 April).

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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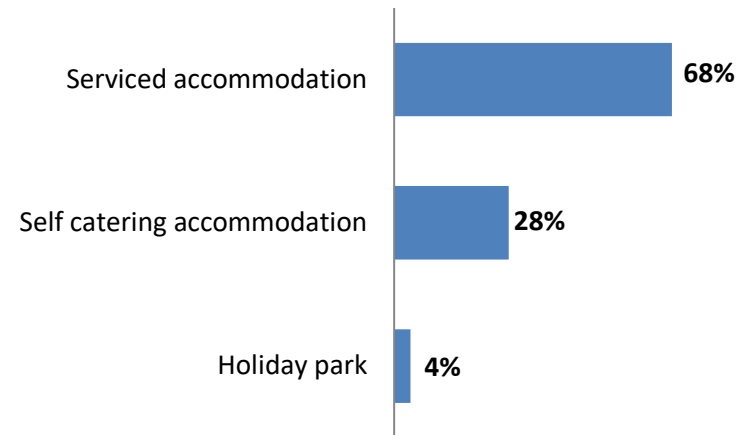
Sample profile, business location and status

BUSINESS TYPE



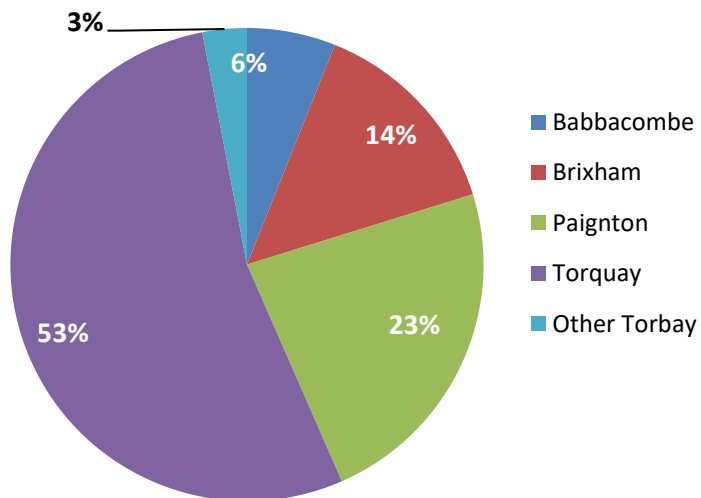
Base: 77

ACCOMMODATION TYPE



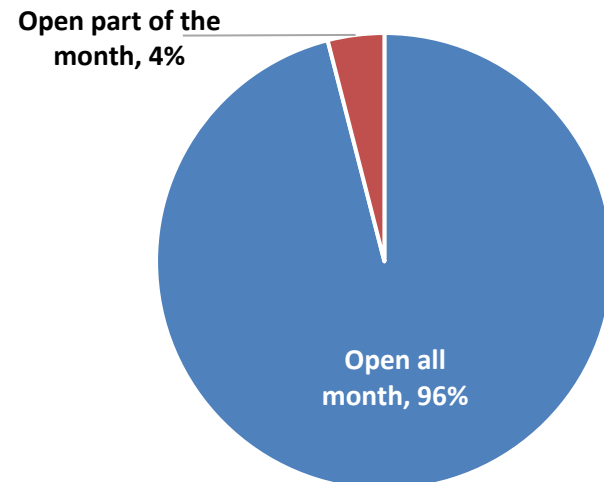
Base: 57

BUSINESS LOCATION



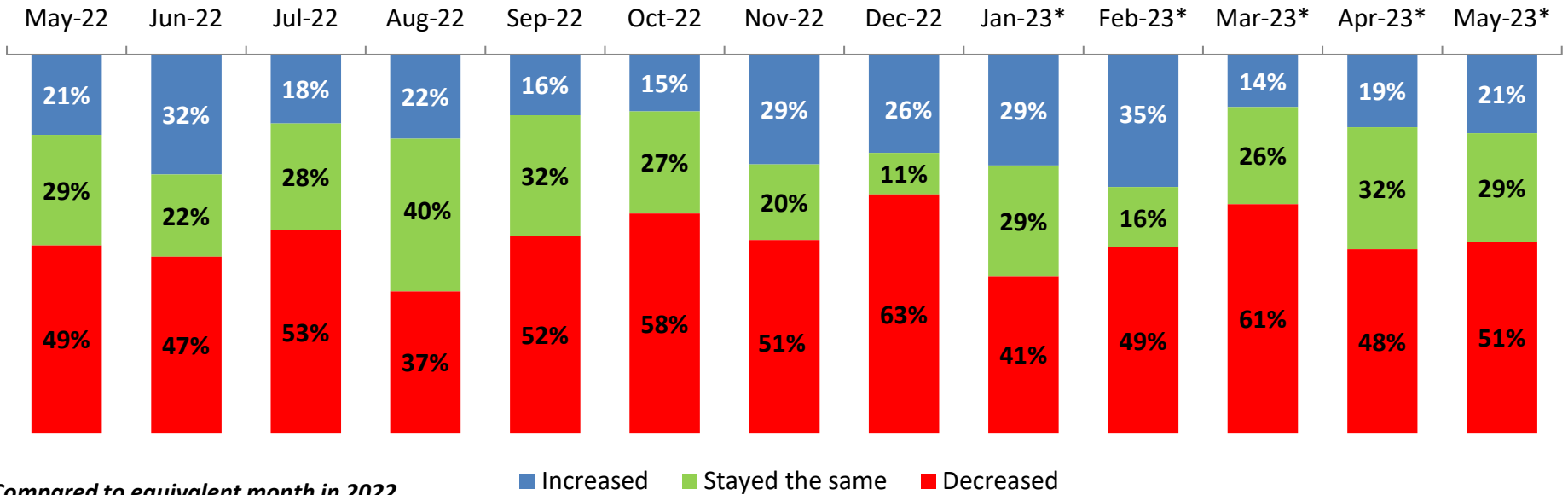
Base: 77

BUSINESS STATUS

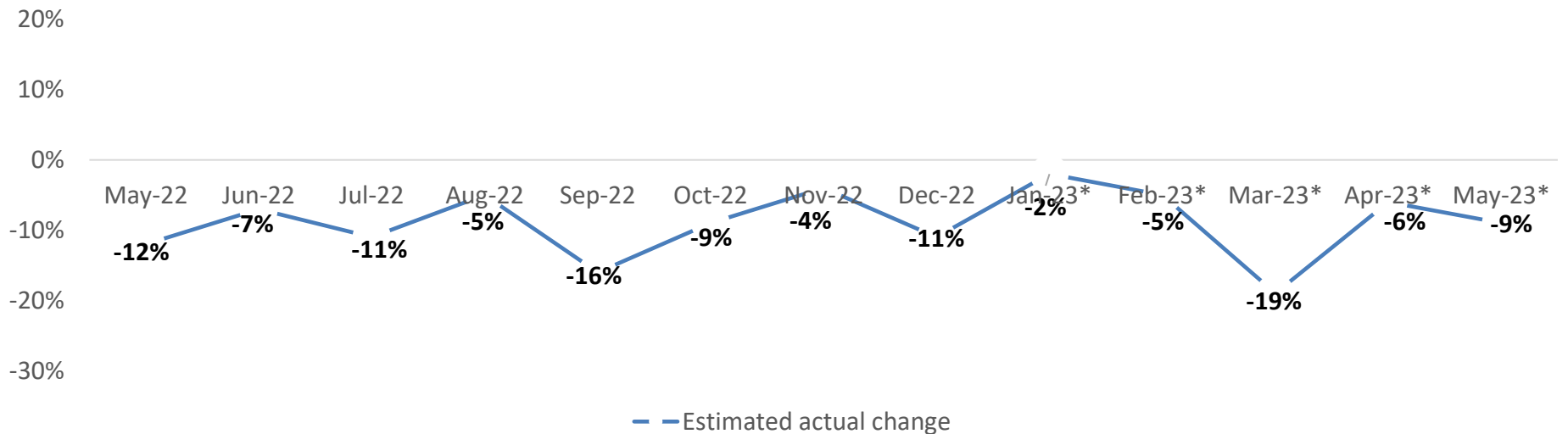


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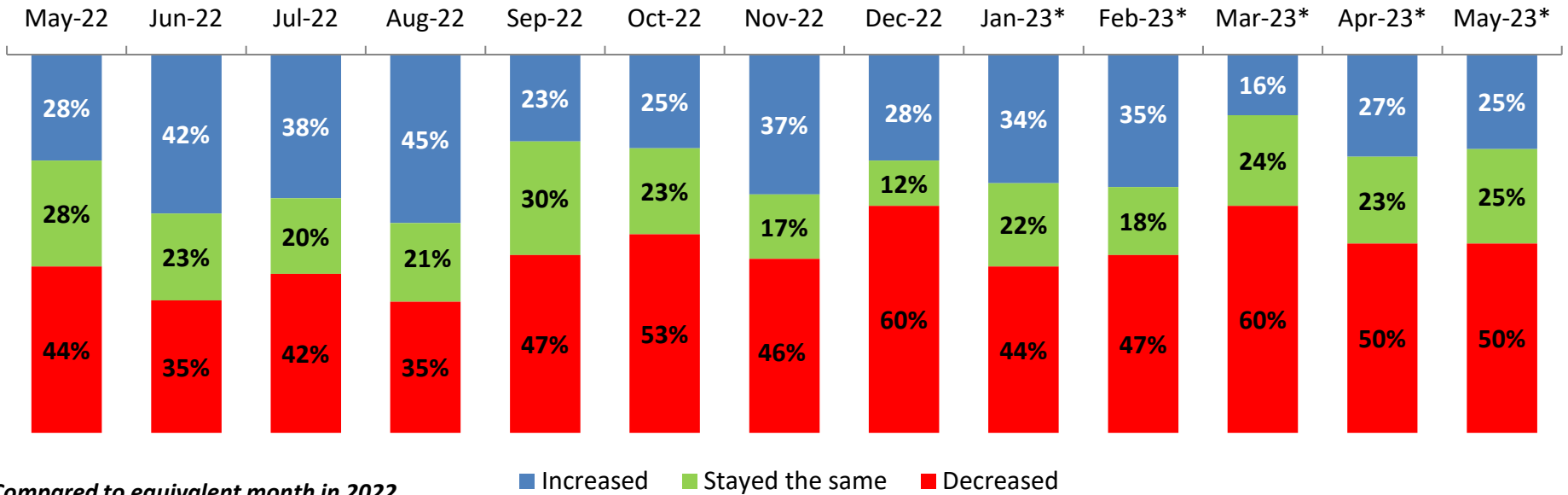
Performance – Number of visitors compared to 2019/2022*



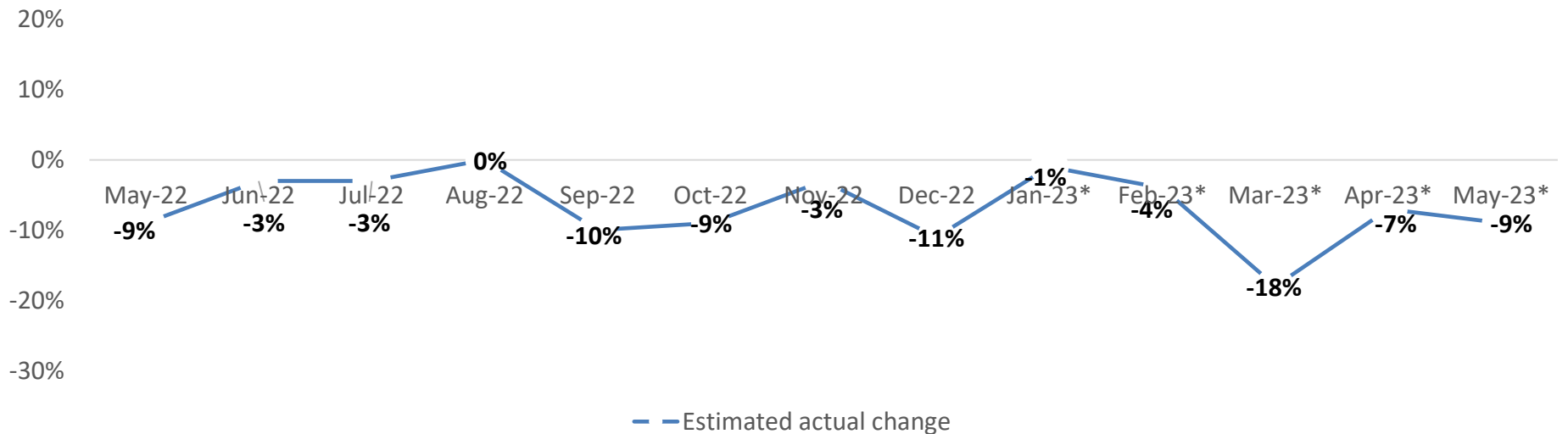
ESTIMATED ACTUAL CHANGE IN VISITORS



Performance – Turnover compared to 2019/22*

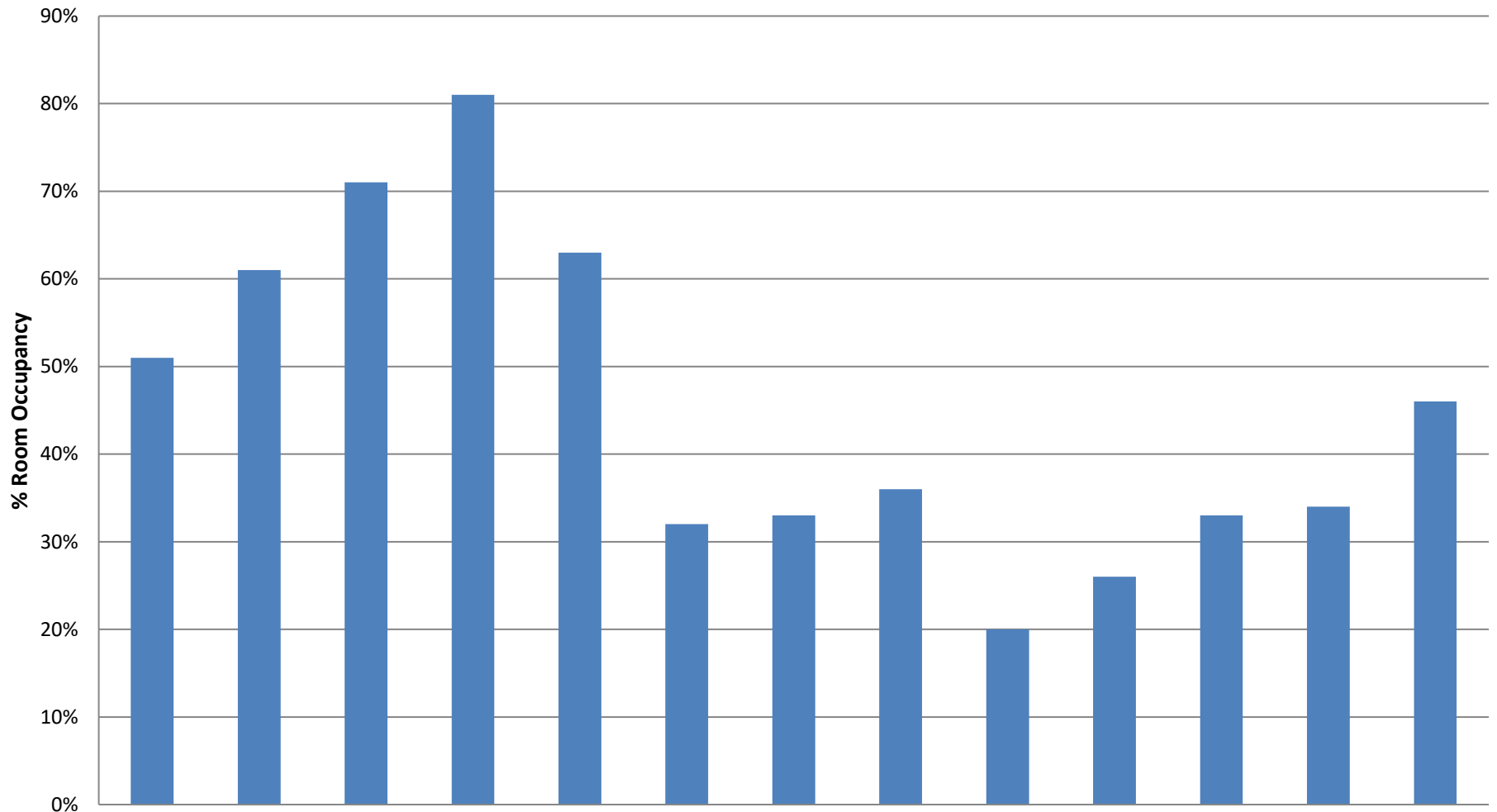


ESTIMATED ACTUAL CHANGE IN TURNOVER



***Compared to equivalent month in 2022**

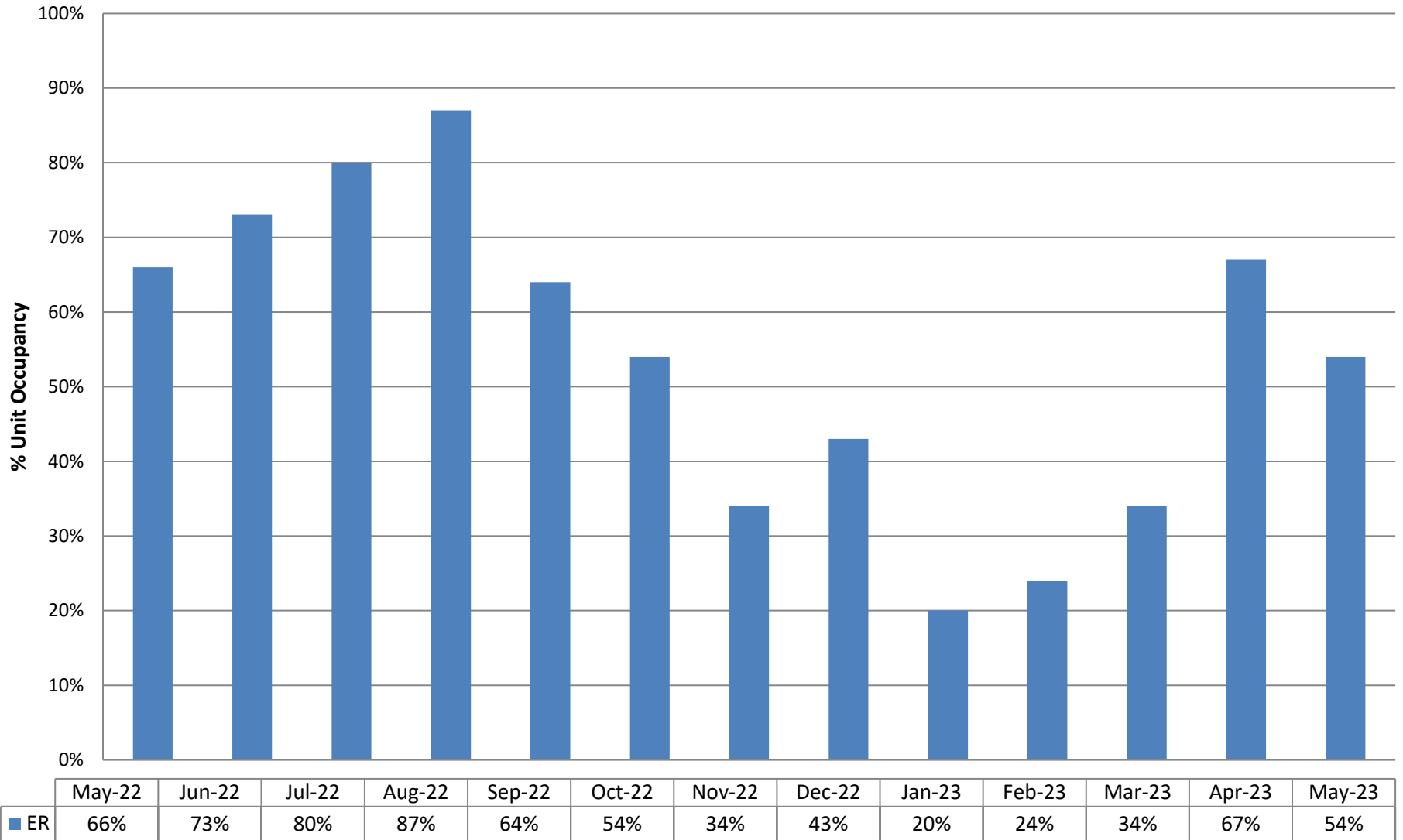
Performance – Serviced Room Occupancy



	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
■ ER	51%	61%	71%	81%	63%	32%	33%	36%	20%	26%	33%	34%	46%

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.

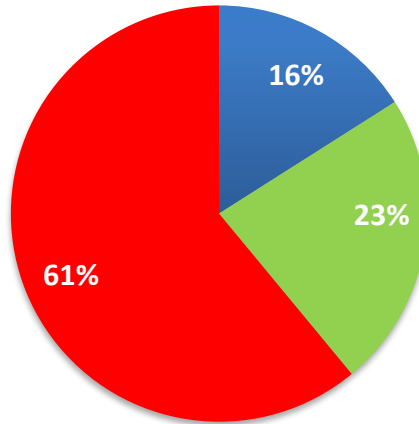
Performance – Self Catering Unit Occupancy



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Outlook – Based upon forward booking levels

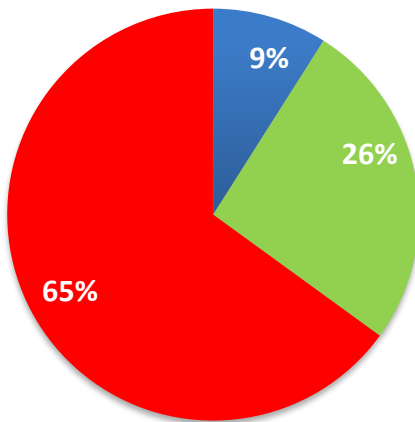
JUNE 2023



■ Better than 2022 ■ Same as 2022 ■ Not as good as 2022

Base: 57

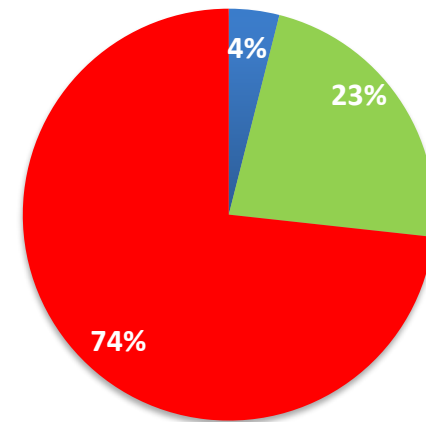
JULY 2023



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AUGUST 2023

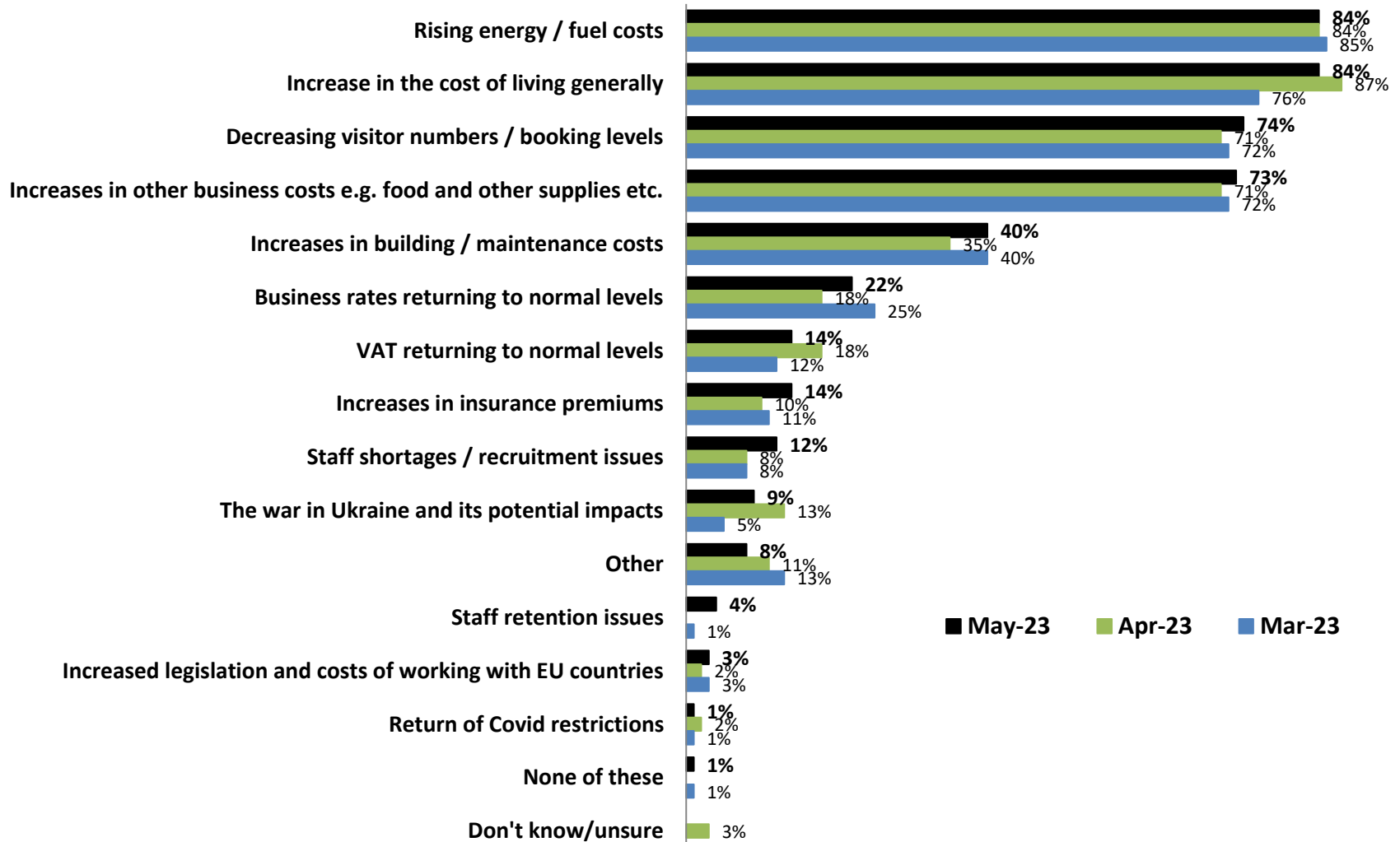


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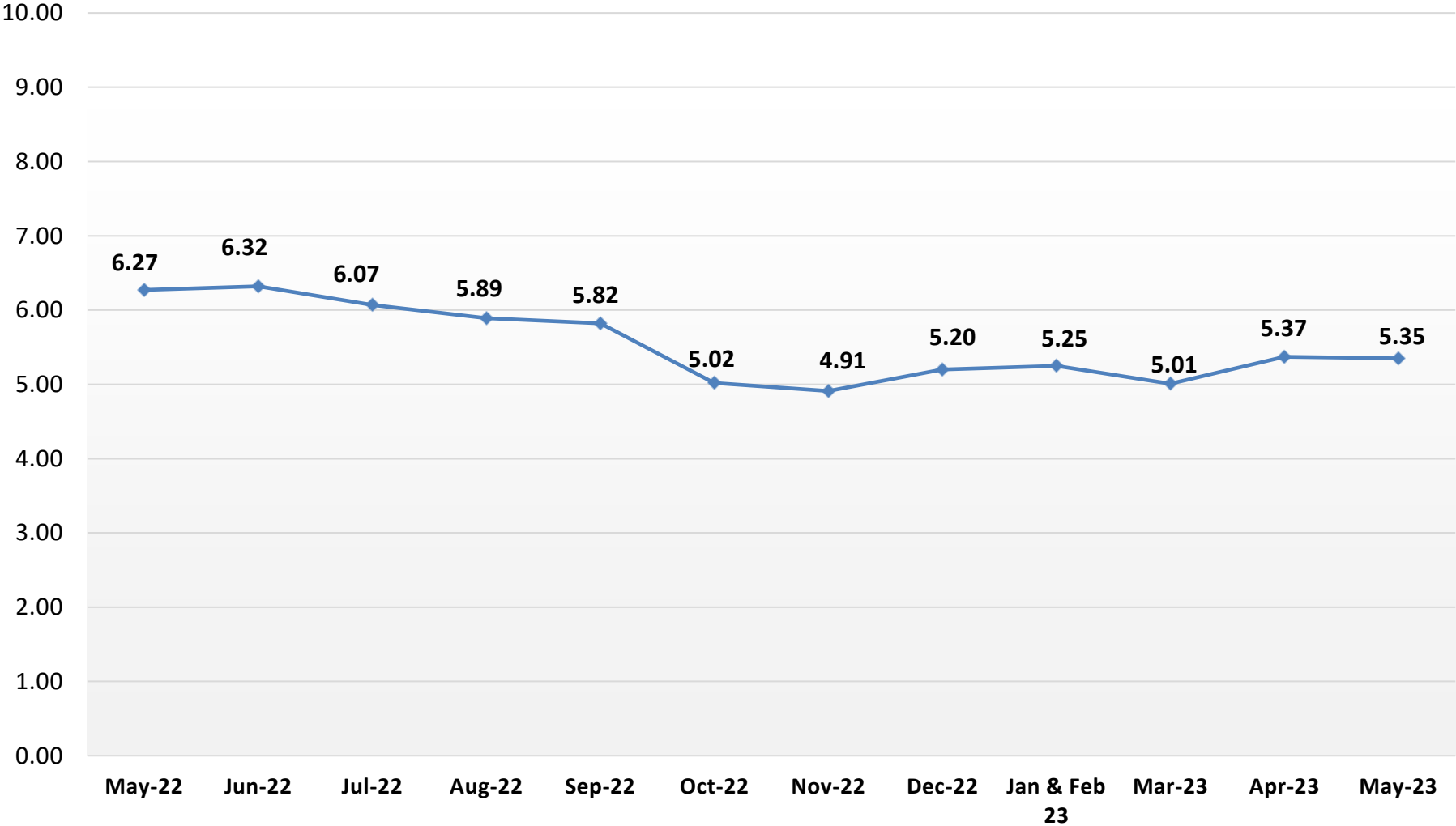
Top 5 business concerns (pre-defined list)

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

Numbers are down drastically. We are barely covering bills. There is not enough income to do the necessary roof repairs and redecorating needed. We will not be in a good position to survive the winter. We will need to take employment to survive the winter.

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The number of bookings in June and July is very low so far. Energy prices fixed contract in January this year at a very high level.

We moved in just over a year ago with plans to make this a long term commitment and to grow and invest in our bed and breakfast but unless things improve drastically we may not survive the winter. I am already looking for other work to help tide us over the quiet winter months. The money we planned to invest will now be used to pay bills and for us to live on.

A few of guests have commented about the large number of rough sleepers and vagrants wandering the streets in Torquay, and the run down nature of Paignton and shops in Torquay that have closed around Debenhams and Union street.

Times are very worrying where visitor numbers are declining greatly. The summer season seems to be holding itself but the shoulder season is really struggling. I recognise in the area that the streets/shops are very quiet too, there just doesn't seem to be the same footfall as last year.

People seem to be leaving it to the absolute last minute to book and are booking shorter breaks.

After a surge in bookings during April / May, bookings have fallen off a cliff in recent weeks. Cancellation rates for the summer are high and we are, so far, only just about holding steady.

Similar occupancy but due to other hoteliers reducing prices to compete we have had to reduce too. Interest rates and all costs means turnover down around 20% and costs up about 20% - this is a genuine nightmare, we are already worried about the winter months and know The Bay is not doing great overall – very, very difficult.

It continues to be a really tough year. Energy help has ended so we're paying 43p per unit of electricity. My rooms are being sold cheaper just to try and get someone through the door. For June to have days on end with only one or even no guests isn't a good sign. Hoping for a bumper July, August and September. Getting through winter without a buffer built up means dipping into savings.

Very difficult times, made even worse by the mortgage rate rises, which will slow the economy further.

August school holiday, peak weeks, have not sold yet!

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