ERBID How’s Business Survey

May 2025

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Sample and supporting information

This month's survey has a sample of 67 businesses, representing a minimum sample of approximately 76 businesses when respondents representing multiple businesses, outlets or sites (9) 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 – May 2025

Compared to May 2024 businesses reported that:

May 2025 Visitor levels:

Increased 34% / Stayed the same 26% / Decreased 40%

Estimated actual change in visitors -2%

May 2025 Turnover levels:

Increased 45% / Stayed the same 14% / Decreased 42%

Estimated actual change in turnover -1%

June 2025 Outlook is:

Better than last year 30% / Same as last year 20% / Not as good as last year 50%

July 2025 Outlook is:

Better than last year 8% / Same as last year 21% / Not as good as last year 71%

School summer holidays 2025 Outlook is:

Better than last year 4% / Same as last year 22% / Not as good as last year 74%

Optimism:

Optimism score is 4.82 out of a possible 10

May 2025 Key results

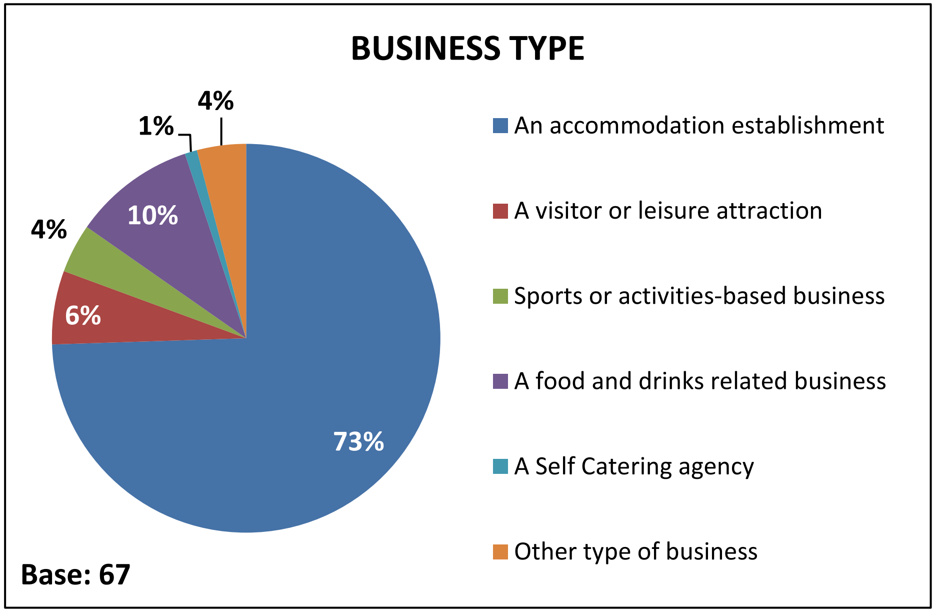
In May 2025, businesses reflected a mixed picture compared to the previous year. While 34% reported an increase in visitor levels, 40% indicated a decrease, resulting in an estimated overall decrease of -2% compared with May 2024. Turnover followed a similar pattern, although 45% of businesses experienced an increase and 42% faced a decrease, resulting in an estimated decrease of -1% in turnover. Whilst slightly down compared with the same time last year, May (and indeed April) has been one of the strongest in terms of business performance on the ERTC for some time.

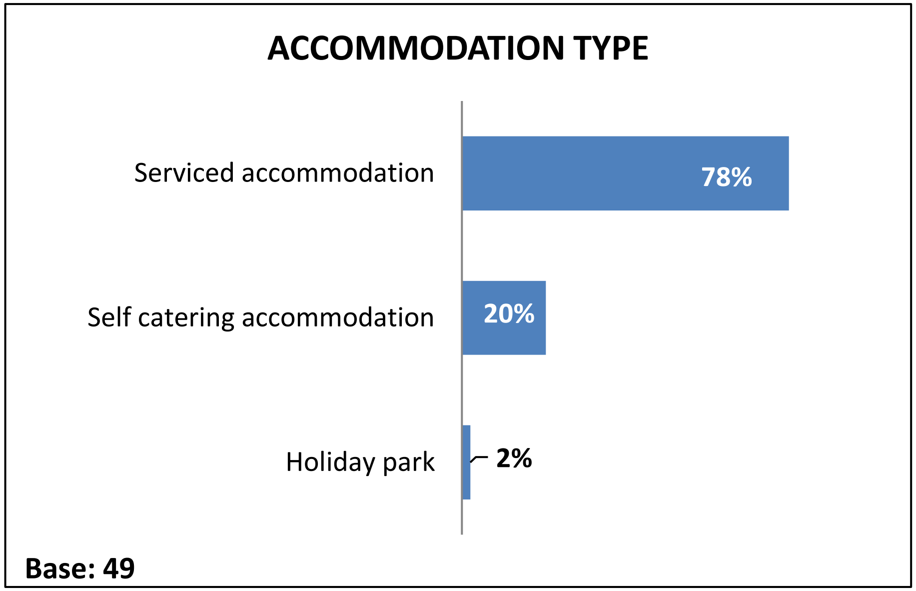
Looking ahead, confidence appears to wane further. Half of respondents expected June to perform worse than the same month in 2024, a figure that rises dramatically for July (71%) and the school summer holidays (74%). Optimism remains muted, with a score of just 4.82 out of 10, indicating subdued business sentiment and caution about the peak tourism period.

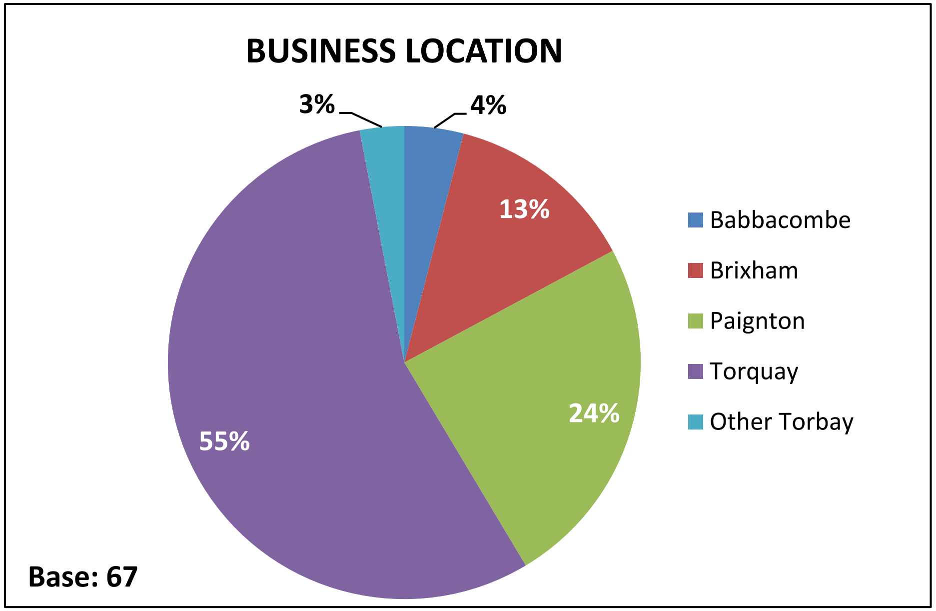
This data highlights the key challenges businesses are facing in 2025, with operational costs and demand-related concerns topping the list. The most prominent issues are the general rise in the cost of living and a decline in visitor numbers or booking levels—both cited by 69% of respondents. Closely following are increased costs for food and other supplies (63%), as well as rising energy and fuel costs (55%). These pressures are contributing to a fragile trading environment as businesses juggle higher expenses alongside weakening consumer demand.

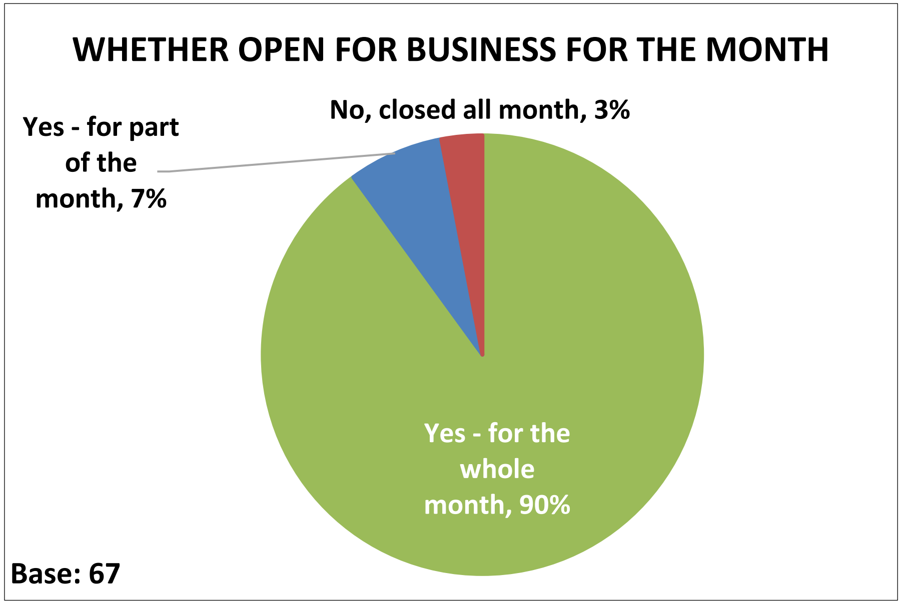
The comments provided by business this month reflect a tourism sector under significant strain, marked by rising operational costs, last-minute booking patterns and heightened competition from larger hotels and alternative accommodations like Airbnb. While a handful of businesses reported strong performance, often linked to specific events, packages or periods of good weather, many others described fragile trading conditions. Concerns about anti-social behaviour, parking charges and regulatory barriers also surfaced and many businesses are worried about the future, especially smaller guesthouses and B&Bs. While some are managing to adapt, many are struggling to stay open due to rising costs and fewer bookings. There's concern that without meaningful support or a strong summer season, more businesses could be forced to close.

Sample profile, business location and status

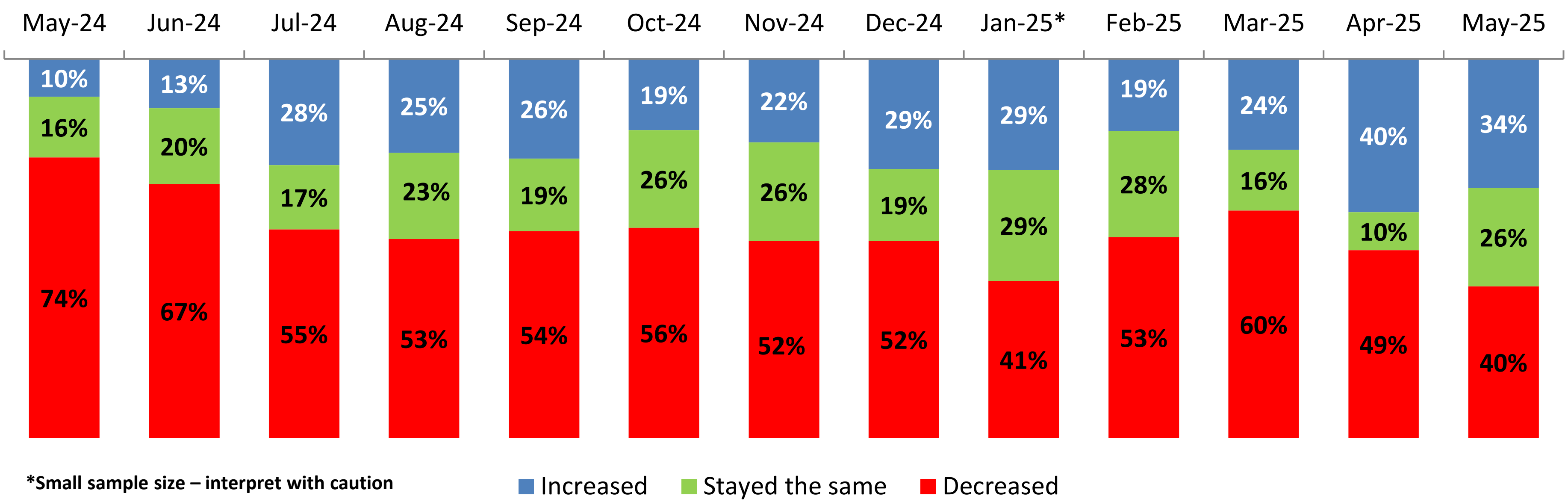




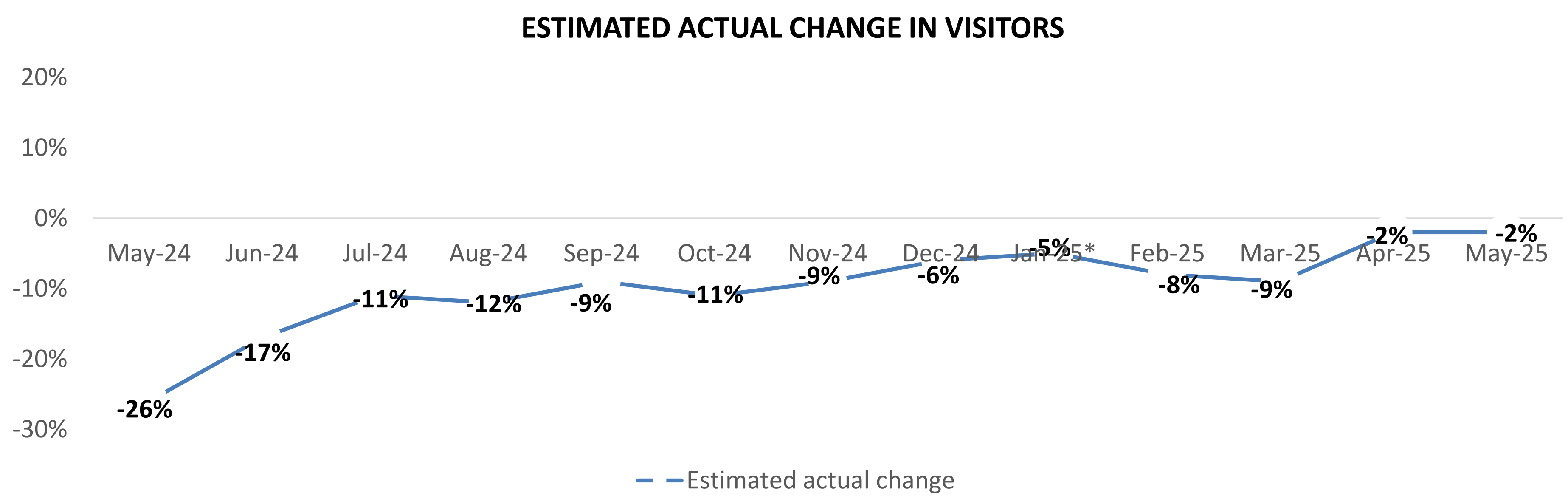




Performance – Number of visitors compared to previous year

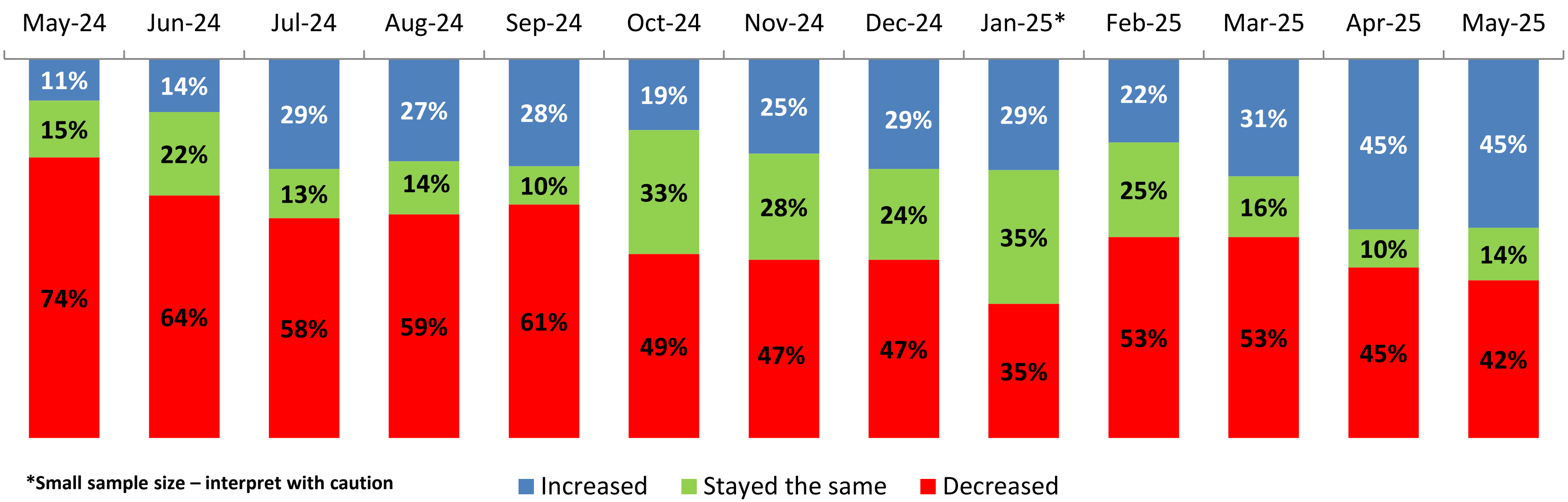


***Small sample size – interpret with caution**

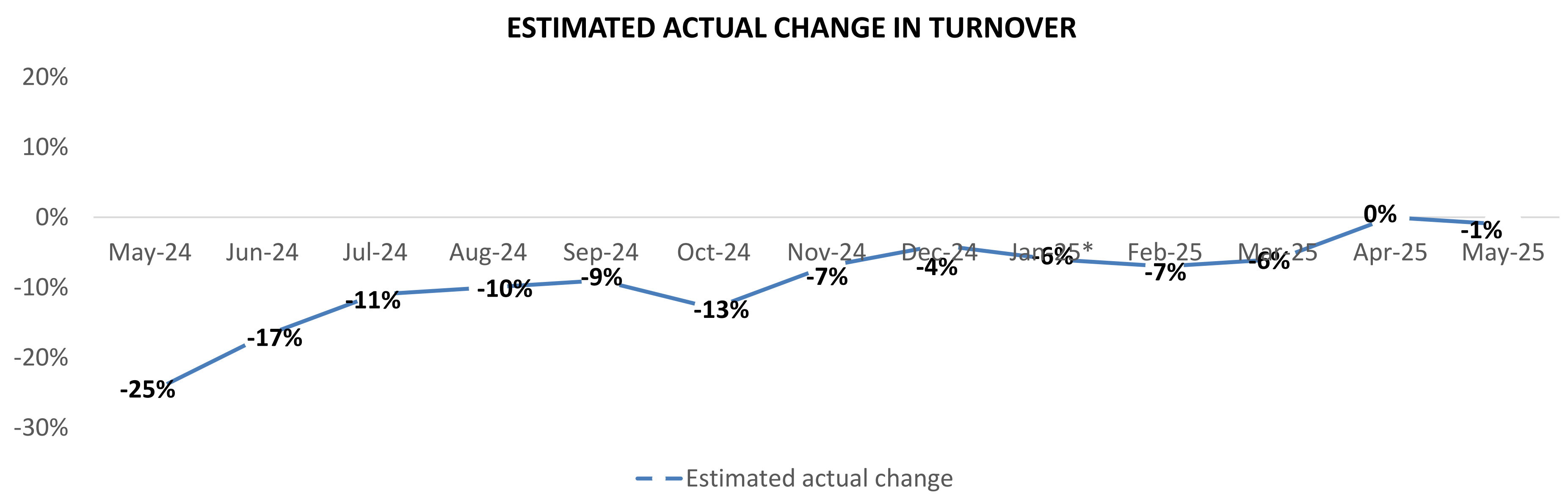


***Small sample size – interpret with caution**

Performance – Turnover compared to previous year

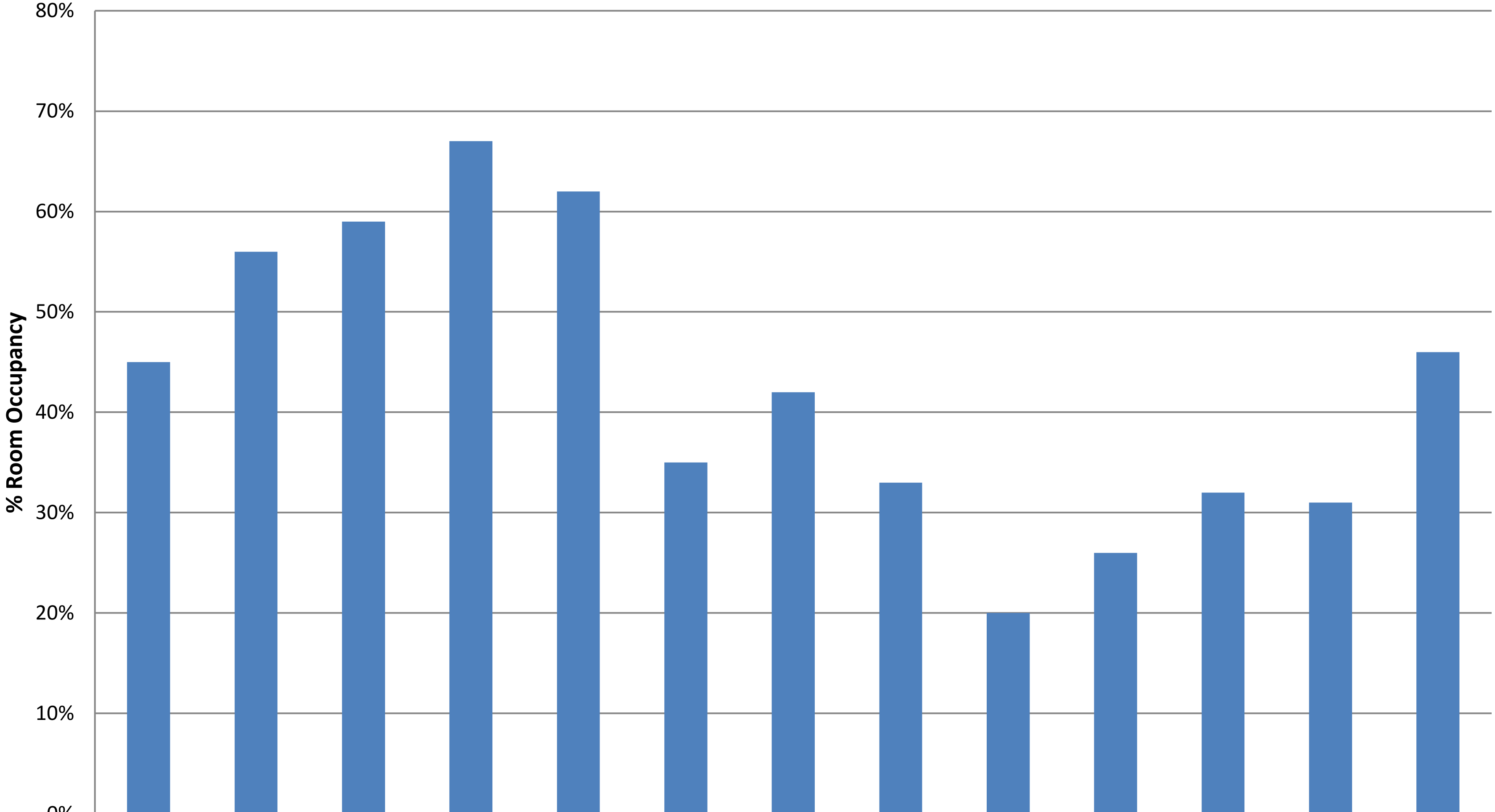


*Small sample size – interpret with caution



*Small sample size – interpret with caution

Performance – Serviced Room Occupancy

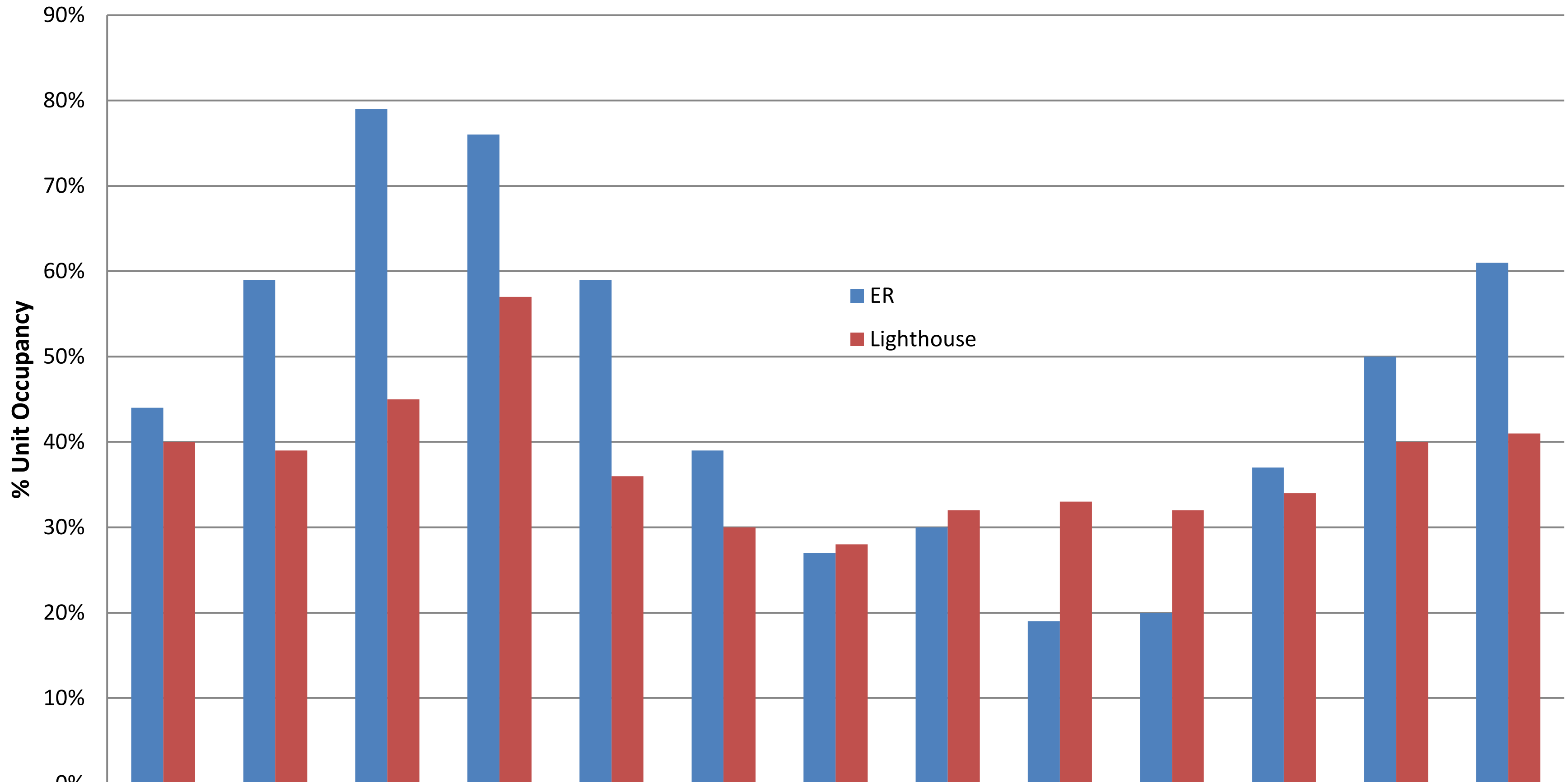


	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25*	Feb-25	Mar-25	Apr-25	May-25
ER	45%	56%	59%	67%	62%	35%	42%	33%	20%	26%	32%	31%	46%

***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



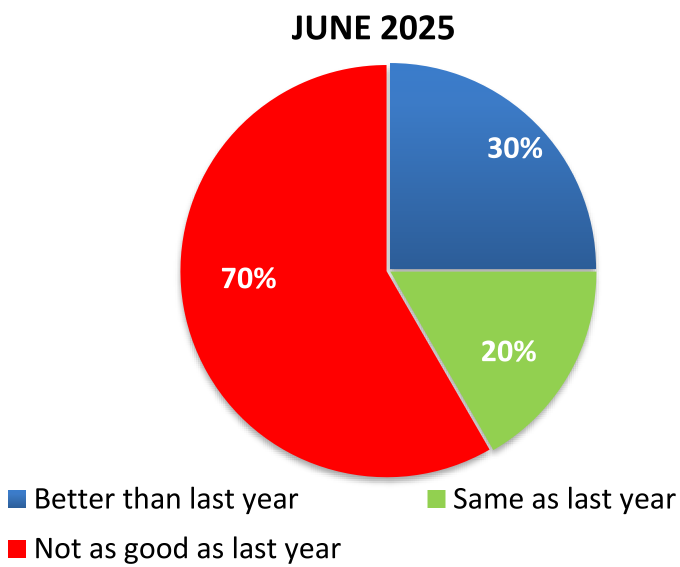
	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25*	Feb-25	Mar-25	Apr-25	May-25
ER	44%	59%	79%	76%	59%	39%	27%	30%	19%	20%	37%	50%	61%
Lighthouse	40%	39%	45%	57%	36%	30%	28%	32%	33%	32%	34%	40%	41%

***Small sample size – interpret with caution**

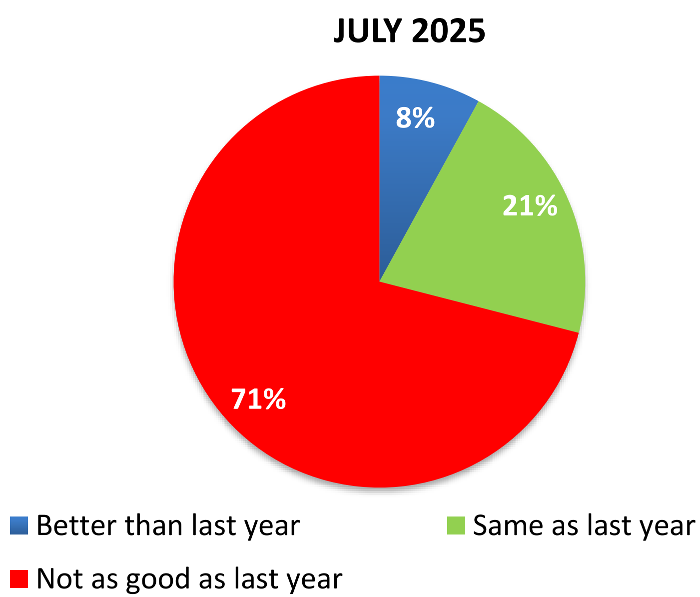
It should be noted that the HB figures provided represent the occupancy rates for those self catering businesses responding to this survey and the results are not weighted to represent regional accommodation stocks.

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

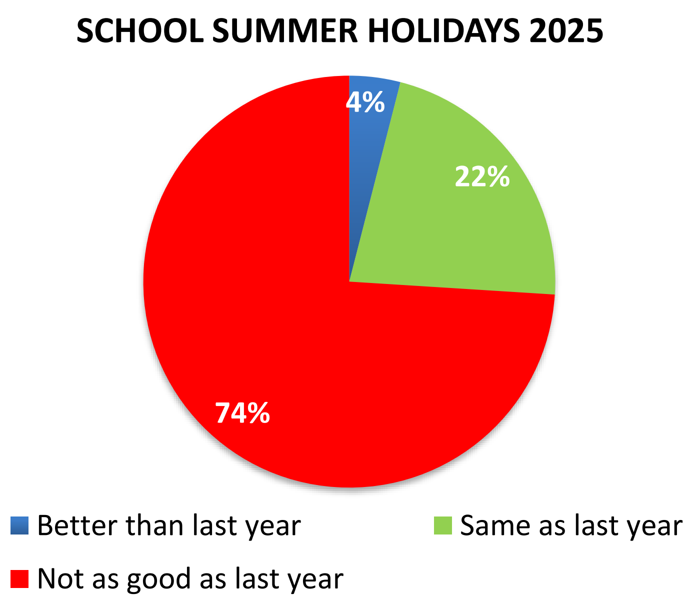
Outlook – Based upon forward booking levels



Base: 50

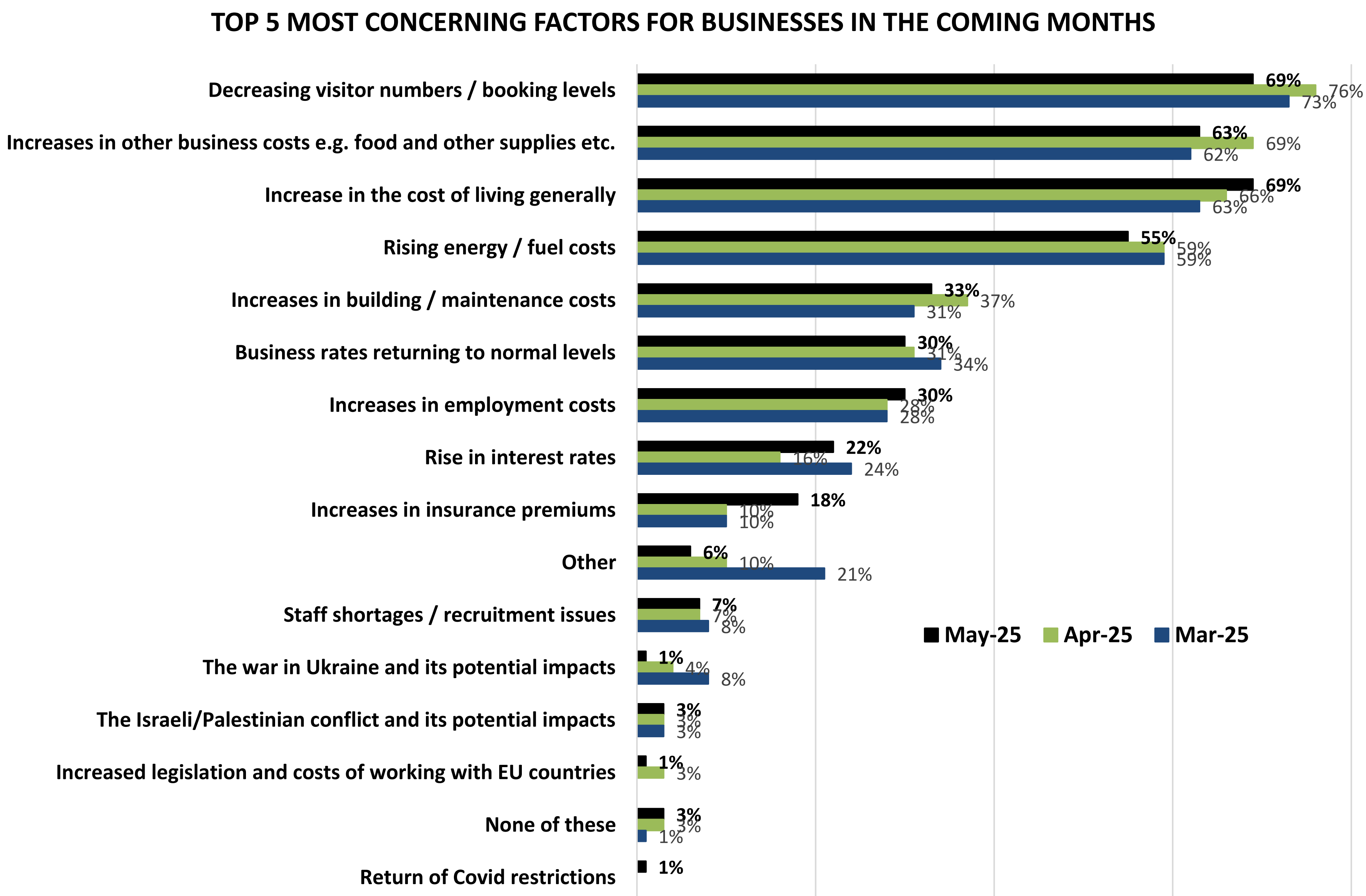


Base: 48

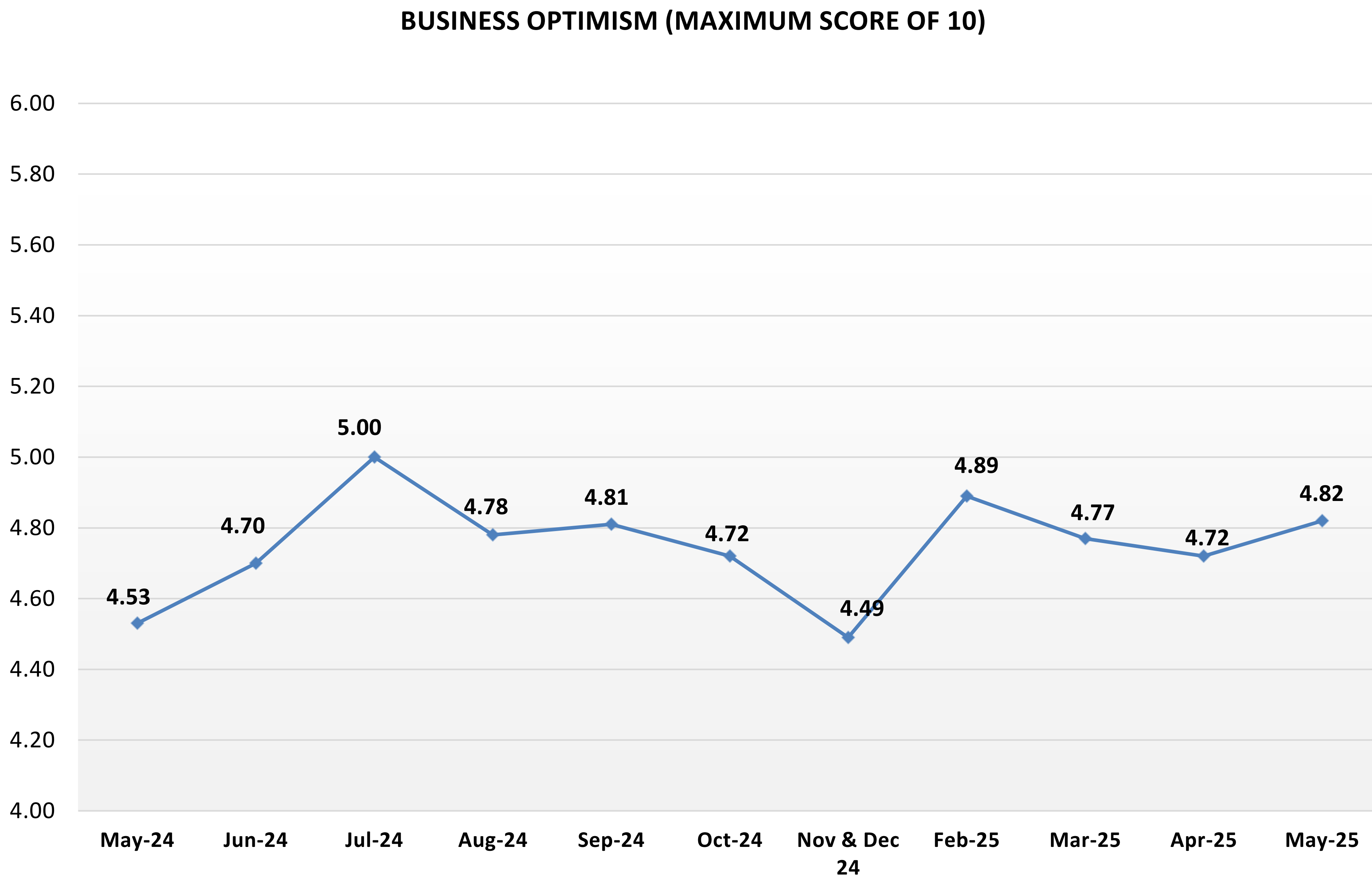


Base: 46

Top 5 business concerns (pre-defined list)



Business optimism



Key results – Sample of other comments on impacts

May and June have been a blessed relief from the gloom of the first four months of the year and both months have been good.

The season to date has been fantastic and we are cumulatively slightly ahead of our ambitious targets for the year. The next 3 months are critical though!

Hoping the couples advert makes a difference to forward bookings for the summer.

We really feel that the advertising campaigns are successful and resulting in increased visitor numbers – it is our job to convert them to sales.

It has been a very odd season... April unexpectedly poor, June looking like May. Very last-minute bookings.

Still optimistic about the next quarter.

The only thing that makes me feel more optimistic is that at some point in May it was as if suddenly the bookings were switched on. This means I am happy with how July is looking (we are adult-only so no impact from kids) and August, whilst still low, always seems to be a last-minute rush of bookings.

Our advanced bookings for July and August are down 30%.

Our business performed well in May, partly due to the very good weather, but more so because of our dinner, bed and breakfast package which proved to be very popular this month.

Trade was running a little up, but half-term let us down—month ended slightly down.

We're all living on borrowed time... pubs and cafés disappearing... without a real boost this summer we may not survive the winter.

Cautiously optimistic. We need projects like the Pavilion restoration to go ahead. Something done with the Living Coasts site and make more of the Agatha Christie connection. The Agatha Festival could become bigger—the market is International. Also, please keep the Ferris Wheel attraction. It looks great and is another income generator. The Bay Music Festival has also generated a lot of bookings for us.

Cost of living has hit leisure harder than COVID... expecting a major recession... can't afford to hire... disappointed at the possibility of losing our business due to rising costs and lack of trade.

May was abysmal, not even the warm weather brought people to Torbay. Small guest house will be a thing of the past in Torbay in 5 years time. Airbnb's are taking over.

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