ERBID How's Business Survey

September 2023

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November 2023

Executive Summary

Compared to September 2022 businesses reported that:

September 2023 Visitor levels:
Increased 28% / Stayed the same 20% / Decreased 52%
Estimated actual change in visitors -11%

September 2023 Turnover levels:
Increased 29% / Stayed the same 19% / Decreased 53%
Estimated actual change in turnover -14%

October 2023 Outlook is:
Better than 2022 18% / Same as 2022 23% / Not as good as 2022 60%

November 2023 Outlook is:
Better than 2022 12% / Same as 2022 26% / Not as good as 2022 62%

December 2023 Outlook is:
Better than 2022 9% / Same as 2022 31% / Not as good as 2022 60%

Optimism:
Optimism score is 5.46 out of a possible 10

September 2023 – Our comment

September saw 52% of all businesses experiencing decreased visitors/customers and 53% reporting decreased turnover compared with the same time during 2022, representing overall decreases of -11% and -14% in visitors/customers and turnover respectively.

60% or more of businesses anticipated decreased bookings for October (60%), November (62%) and December (60%) compared with 2022 levels, although this may change as we collect data for these months. Businesses continue to be most concerned about rising energy/fuel costs (74%), increases in the cost of living generally (72%) and decreasing visitor numbers/booking levels (66%).

This month's survey has a sample of 61 businesses.

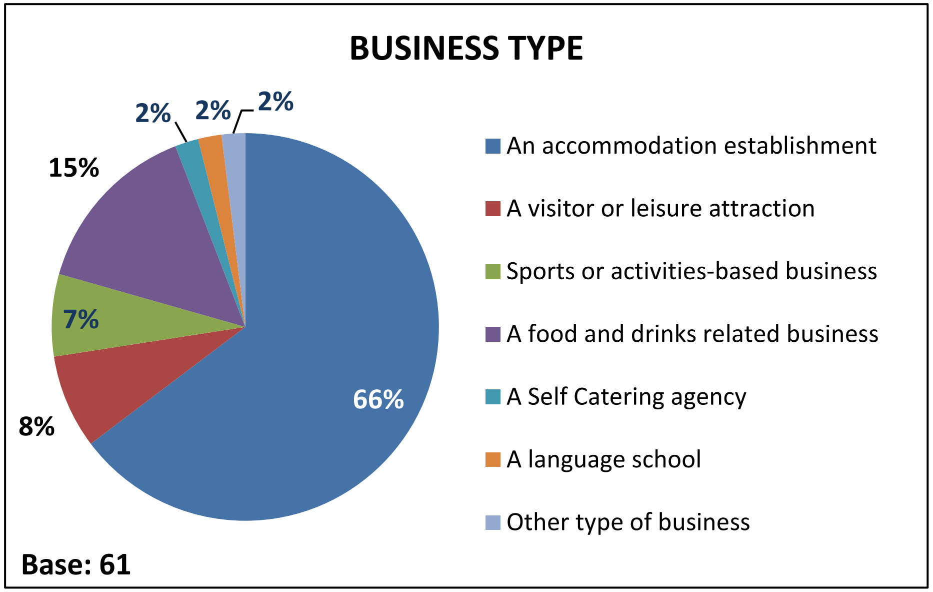
July to September 2023 general performance

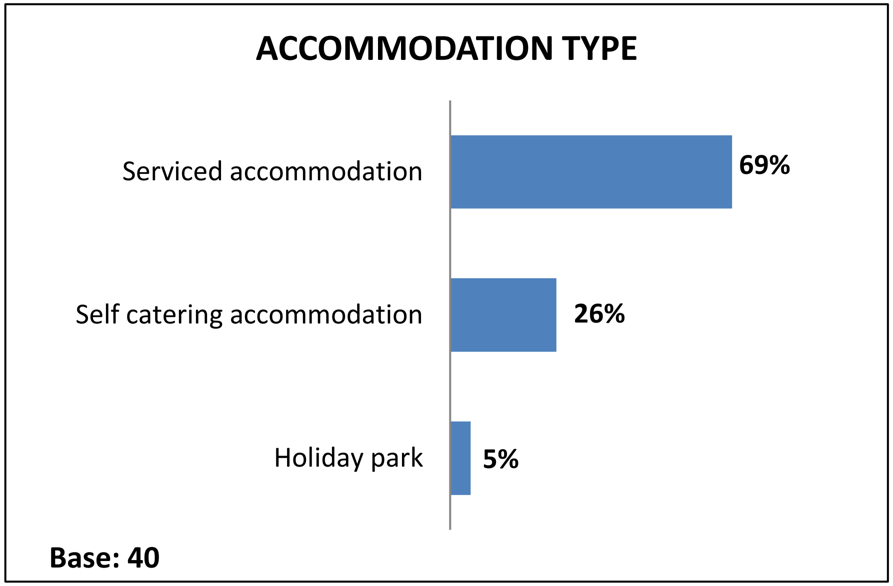
High pressure influenced the UK's weather for the first half of September (coinciding with when the schools went back), bringing fine, sunny, dry conditions and the most significant spell of warm weather since June and, as a result, September saw the highest proportions of businesses reporting level or increased visitors/customer and turnover over the three-month period (July-Sept), albeit the majority of businesses were still reporting decreases in both visitors/customer and turnover compared with September 2022 (52% and 53% respectively). For many businesses the warmer September weather resulted in bookings being very last-minute, making it increasingly difficult for them to plan their staffing and resources.

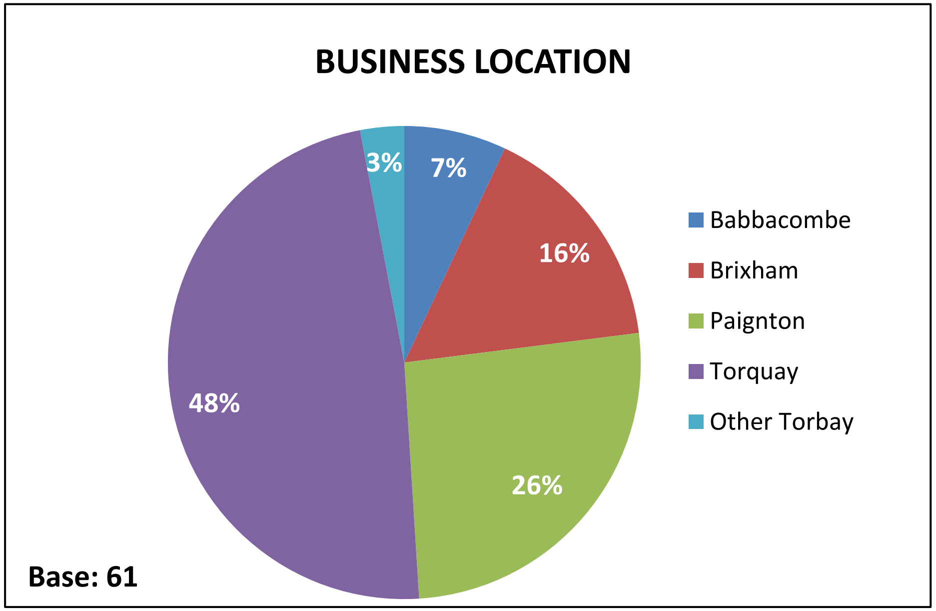
The cost of living crisis is clearly continuing to have a huge impact on bookings and cancellations, along with a large proportion of businesses continuing to report spiralling operating costs forcing many of them to close during the winter months this year for the first time.

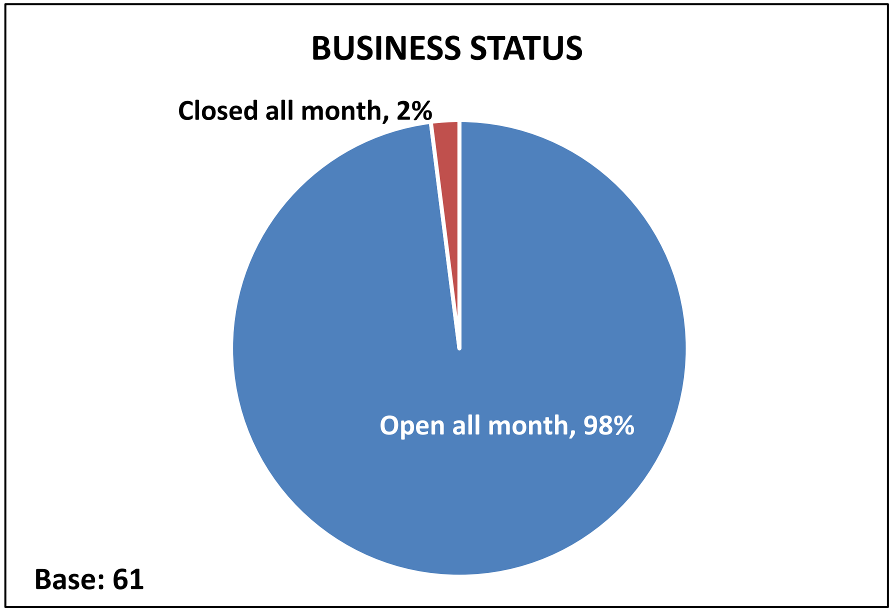
Our thanks go to all businesses that have taken part in the survey this month and to those organisations that have assisted us with the promotion of the survey. It's very much appreciated.

Sample profile, business location and status

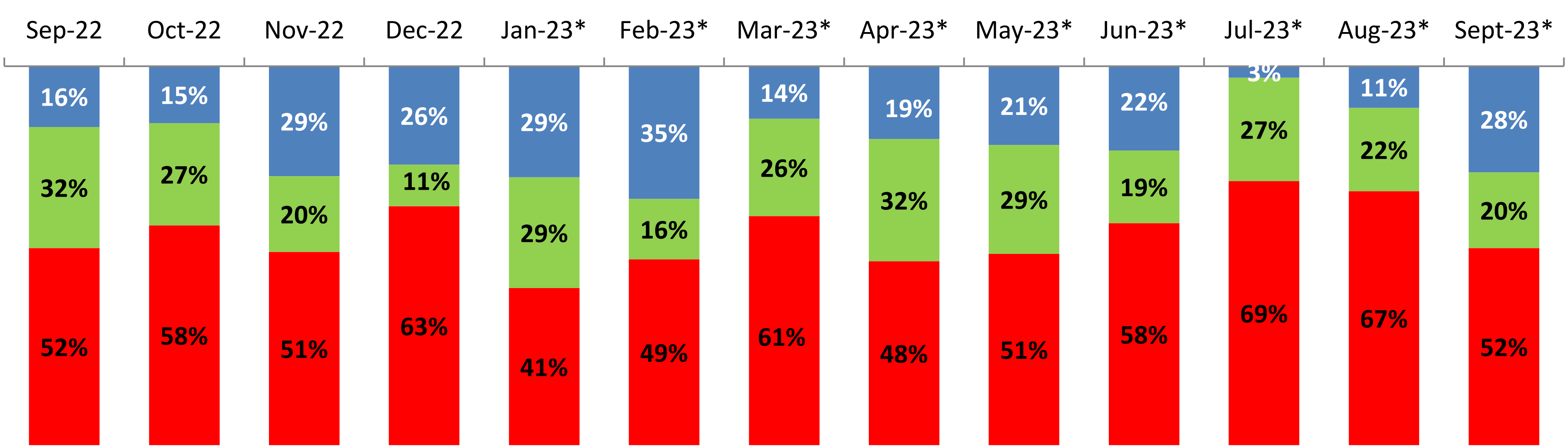




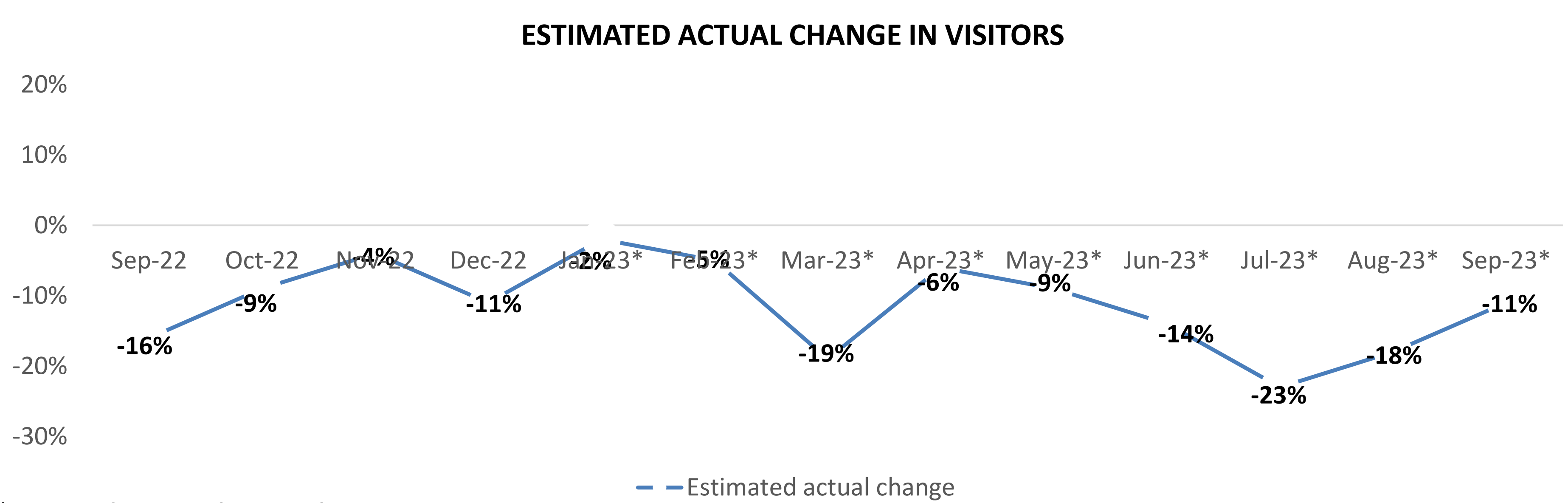




Performance – Number of visitors compared to 2019/2022*

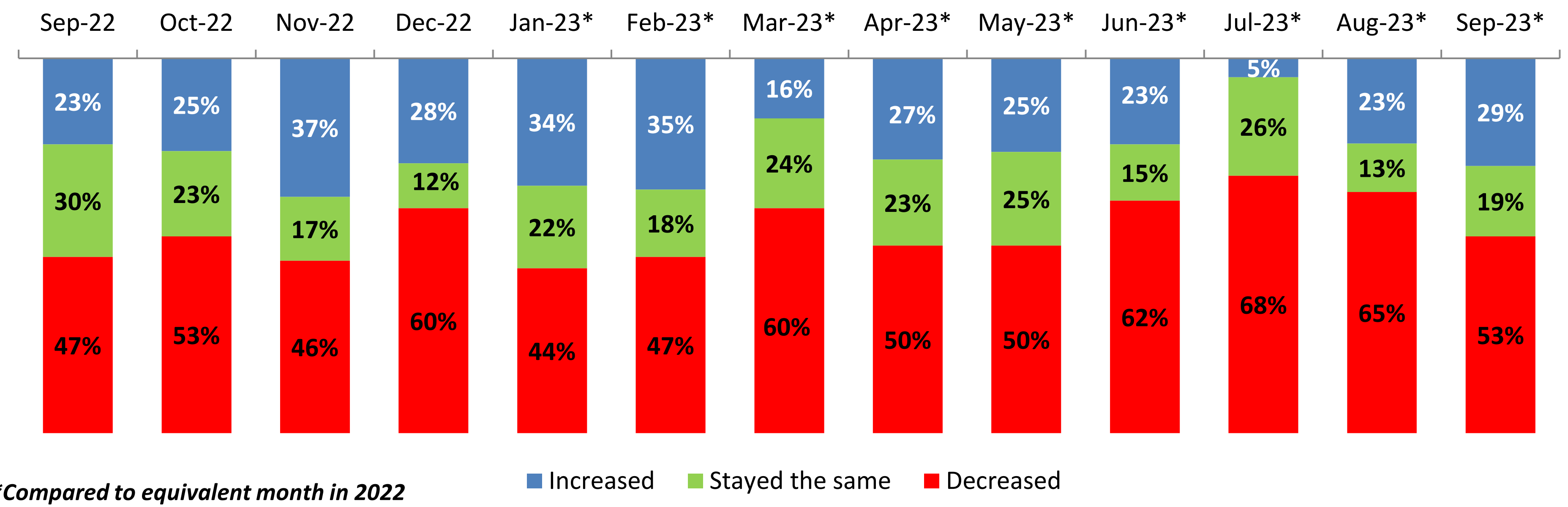


*Compared to equivalent month in 2022

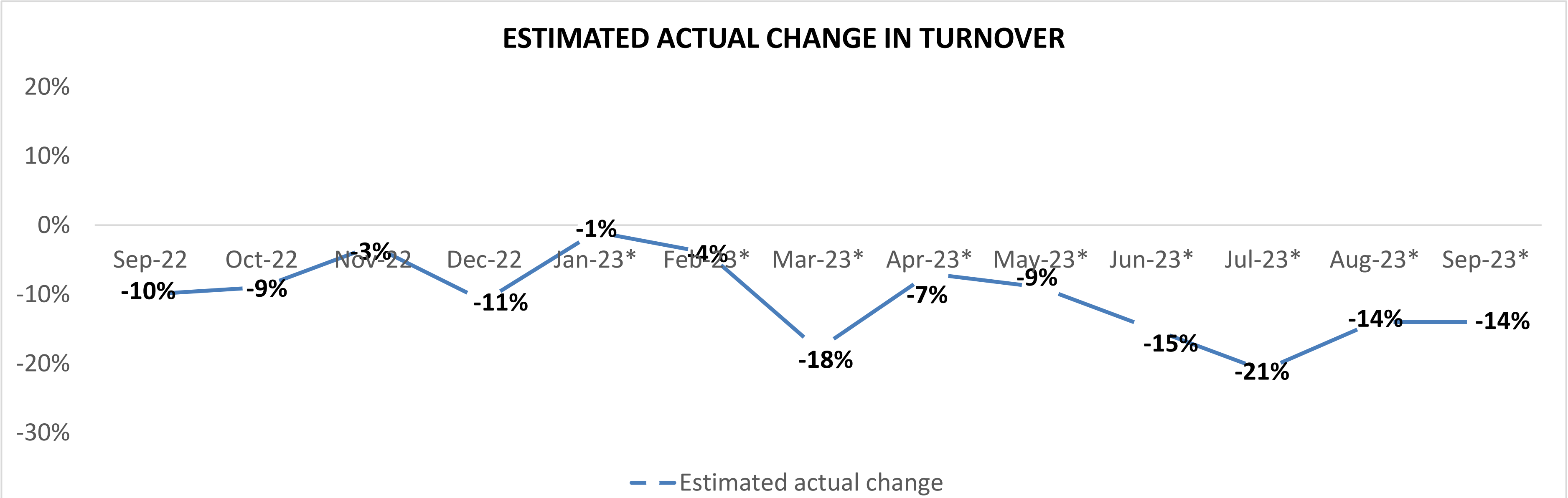


*Compared to equivalent month in 2022

Performance – Turnover compared to 2019/22*

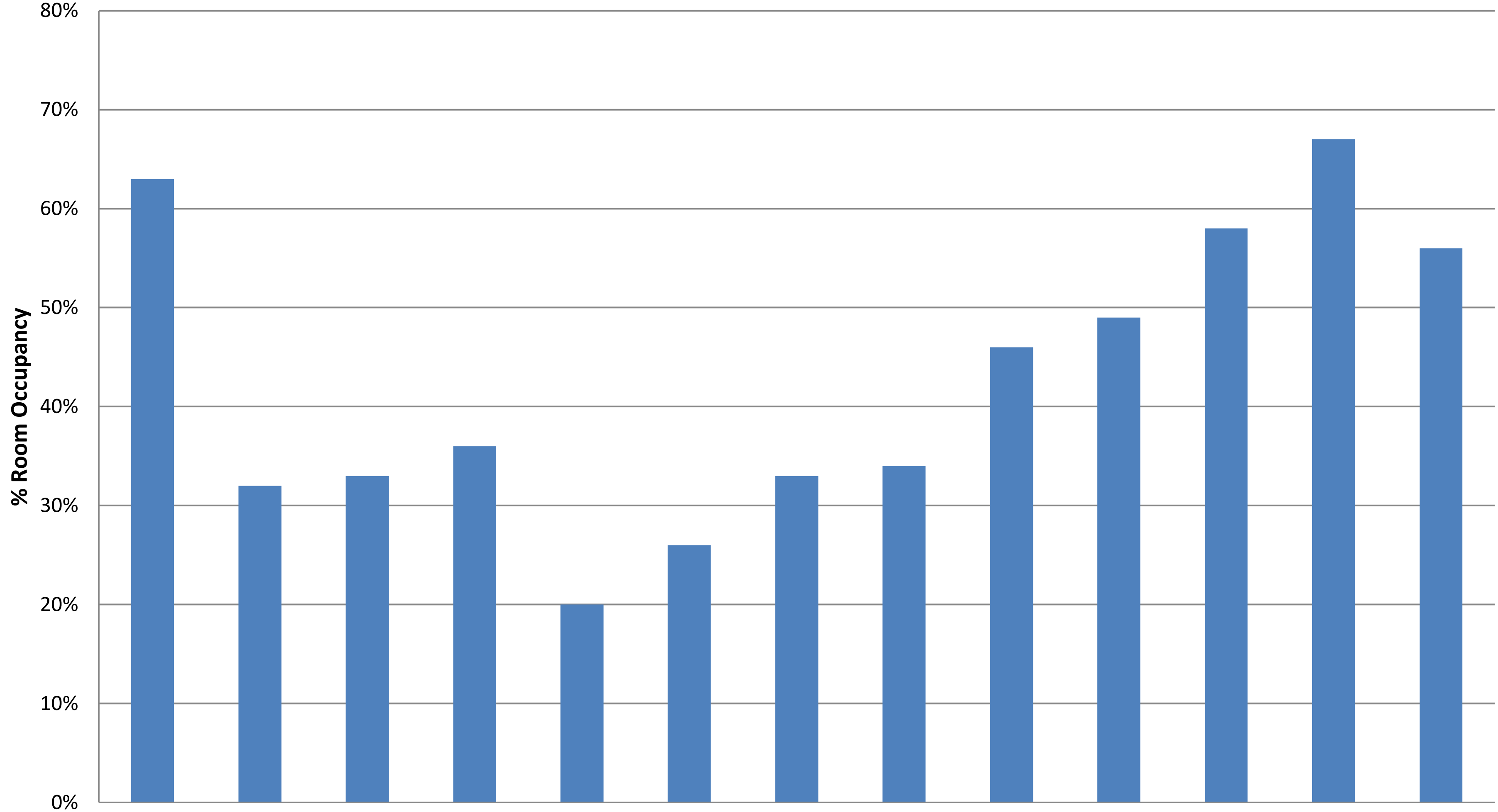


Compared to equivalent month in 2022



Compared to equivalent month in 2022

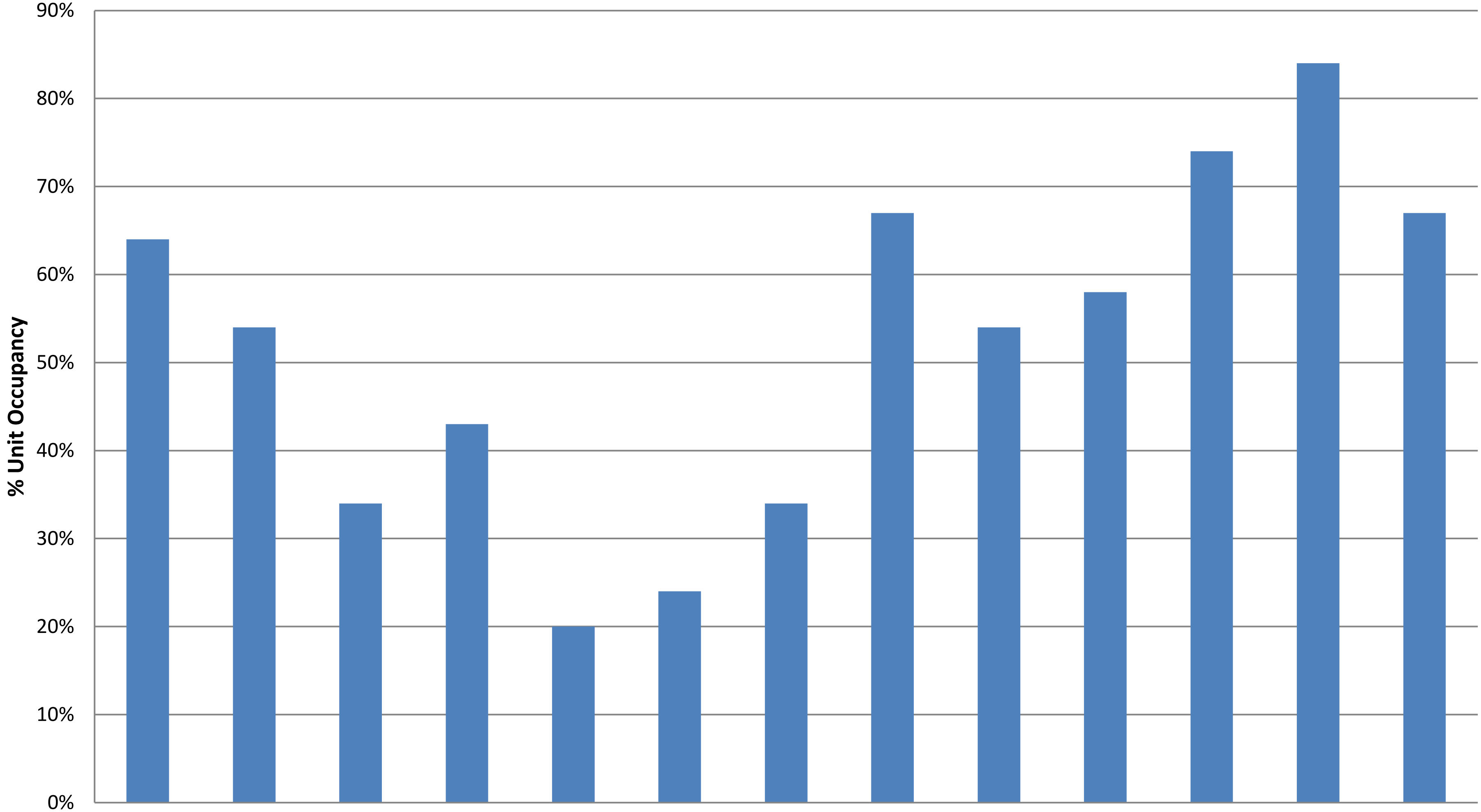
Performance – Serviced Room Occupancy



	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
ER	63%	32%	33%	36%	20%	26%	33%	34%	46%	49%	58%	67%	56%

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

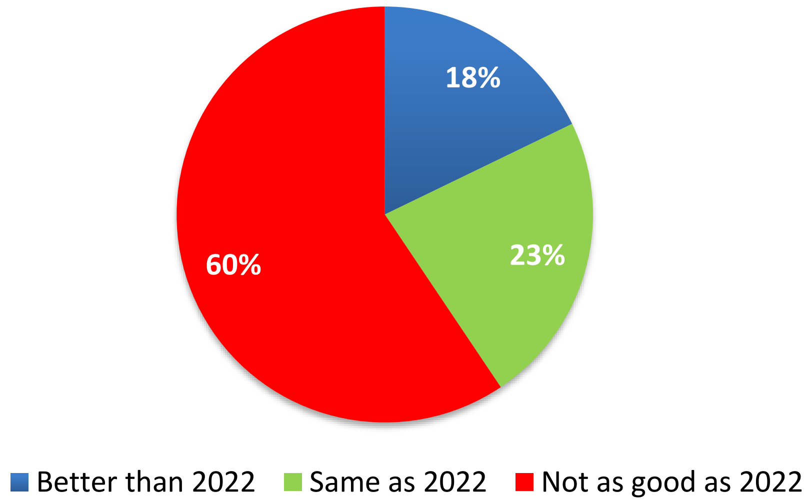


	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
ER	64%	54%	34%	43%	20%	24%	34%	67%	54%	58%	74%	84%	67%

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.

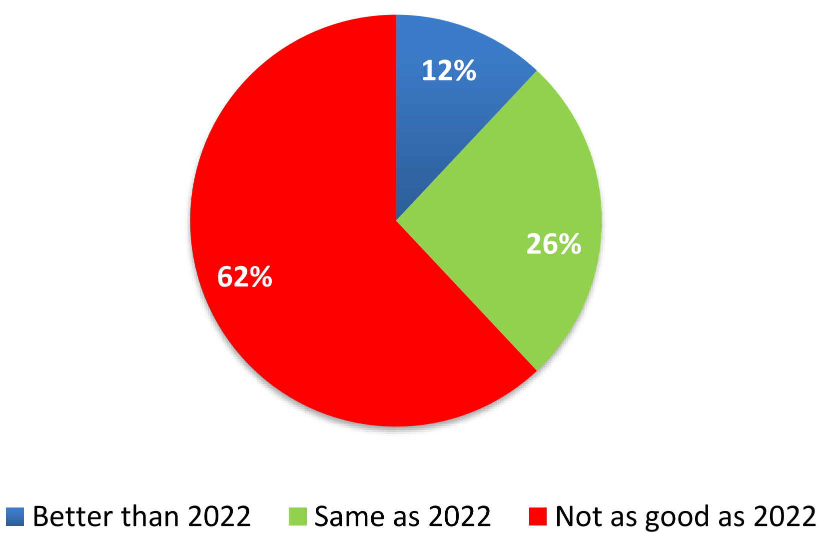
Outlook – Based upon forward booking levels

OCTOBER 2023



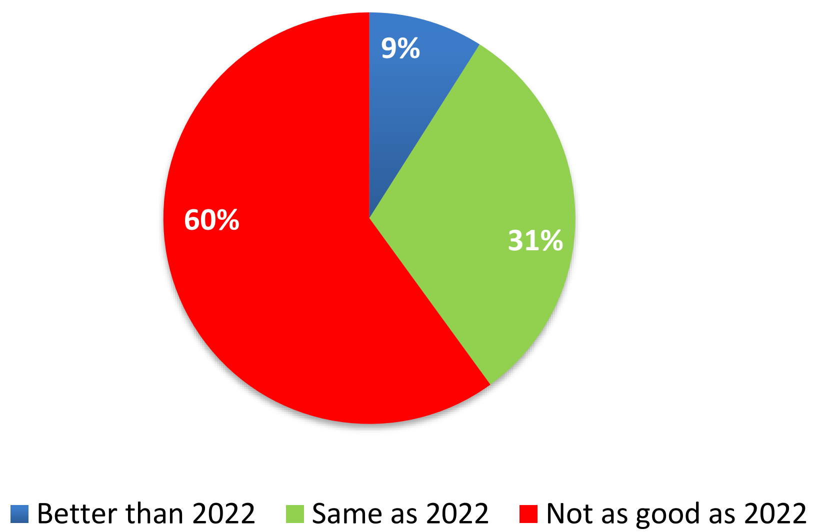
Base: 40

NOVEMBER 2023



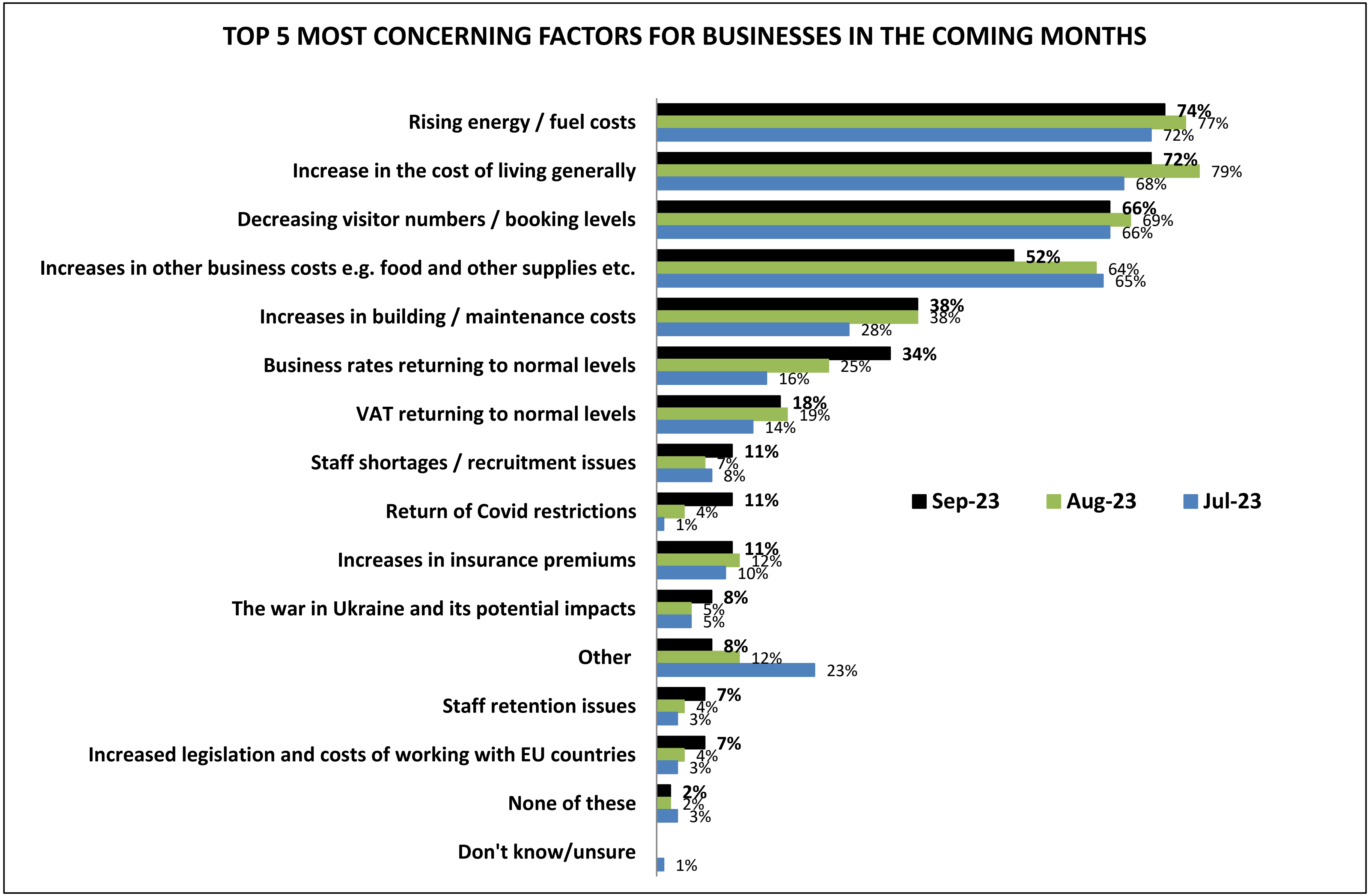
Base: 34

DECEMBER 2023

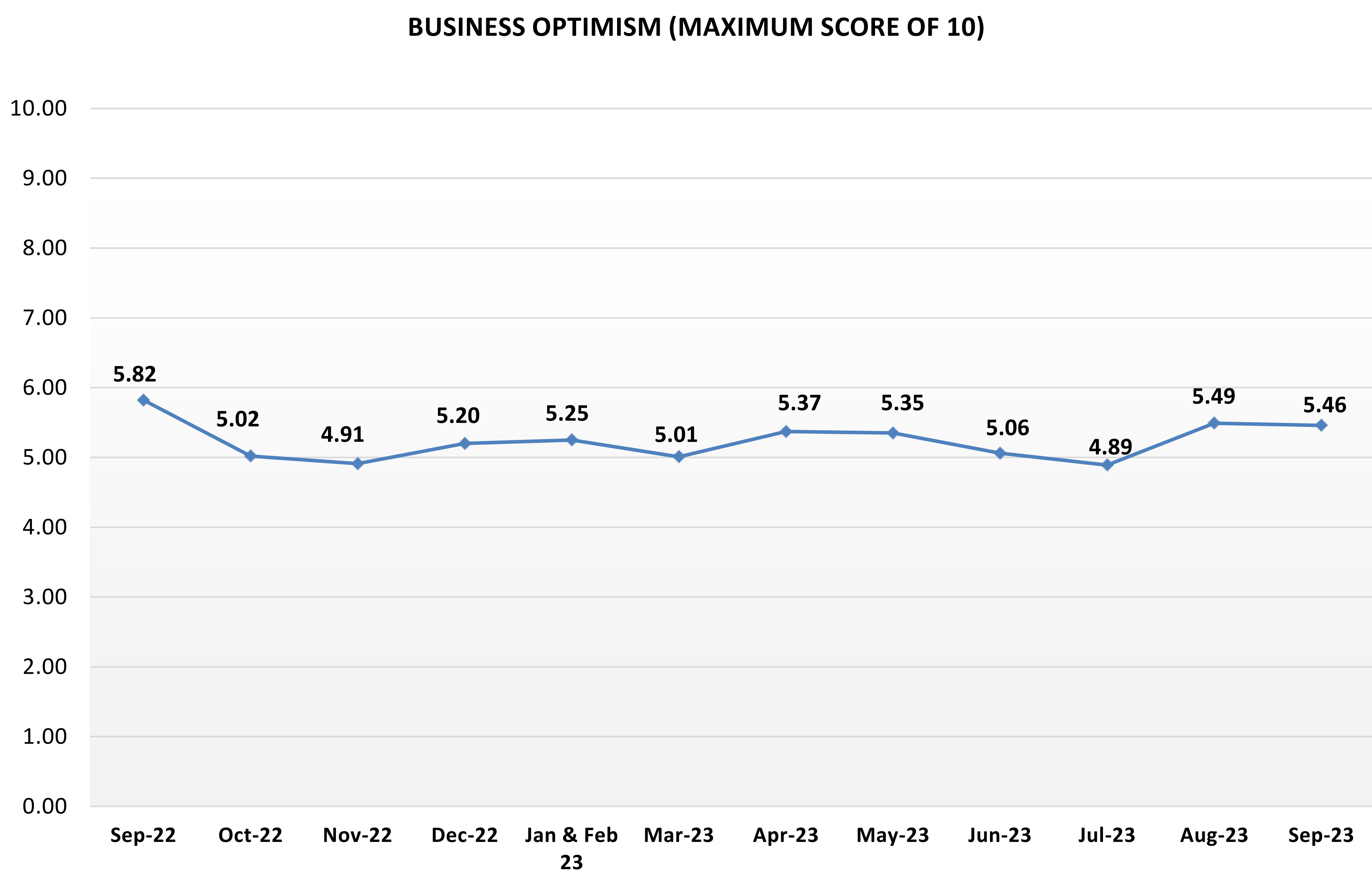


Base: 35

Top 5 business concerns (pre-defined list)



Business optimism



Key results – Sample of other comments on impacts

Overall, we are on par with 2022 in terms of revenue. I think one of the main issues is that the whole bay needs to be a 12 monthly destination without all the restaurants closing until Wednesday, so guests have nowhere to go. VAT threshold is another issue as this means all businesses who cannot warrant going over the VAT threshold have to almost mothball their businesses as there is no benefit to going past it without just giving any extra money earned in VAT.

We do our best, it's not financially necessary for us to increase by much and we close for most of December to March because we don't want to work too hard. However, 2023 has not been good but this is a sign of the times and rubbish government.

The whole area needs to be kept clean and tidy.

The whole season has been terrible, I have now had to get another job as well as the B&B.

Significantly down due to road layout in Torbay road. We need the parking back not just a couple of spaces! The road needs to be open from the sea to the station all the way.

I am not sure whether additional government 11 million funding will help businesses but overall Torquay hotel/accommodation business will definitely suffer this winter and probably next season as well. Mainly high energy prices, living costs, and Torquay as it is with lots of drug smokers, and homeless people not becoming attractive. Each year is worse and worse as we have been operating and closely watching it for 9 years.

Revenue this tax year is in line with last year overall.

Mortgage rates so high.

We continue to work very hard on driving out bookings.
Sadly, the state of central Torquay - we definitely feel doesn't help repeat bookings.
Torquay town pavilion looks shabby as does a lot of Torquay.

We are on an incredibly high fixed energy rate for the next few years and this, along with the rise in general living costs, has taken its toll on our business. This is only our second year in hospitality, and we have had to reevaluate our business model. Many of our guests booked room-only this year and the majority either skipped breakfast or brought food with them. We have now stopped our breakfast service and work on a room-only basis; one of us has returned to full-time work to keep us afloat whilst the other focuses on running the business.

Victoria Car Park not helping business with boy racer nights on a Wednesday and Saturday night. Cars wheel spinning and backfiring of exhausts. Had to apologise to guests numerous times. Police do nothing!! Guests saying town run down and homeless everywhere! Not great at all.

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