ERBID How's Business Survey

September 2025

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November 2025

Sample and supporting information

This month's survey has a sample of 62 businesses, representing a minimum sample of approximately 68 businesses when respondents representing multiple businesses, outlets or sites 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 – September 2025

Compared to September 2024 businesses reported that:

September 2025 Visitor levels:

Increased 31% / Stayed the same 22% / Decreased 46%

Estimated actual change in visitors +1%

September 2025 Turnover levels:

Increased 30% / Stayed the same 26% / Decreased 44%

Estimated actual change in turnover +2%

October 2025 Outlook is:

Better than last year 28% / Same as last year 28% / Not as good as last year 44%

October half term 2025 Outlook is:

Better than last year 22% / Same as last year 33% / Not as good as last year 44%

November 2025 Outlook is:

Better than last year 4% / Same as last year 37% / Not as good as last year 59%

Optimism:

Optimism score is 5.30 out of a possible 10

September 2025 Key results

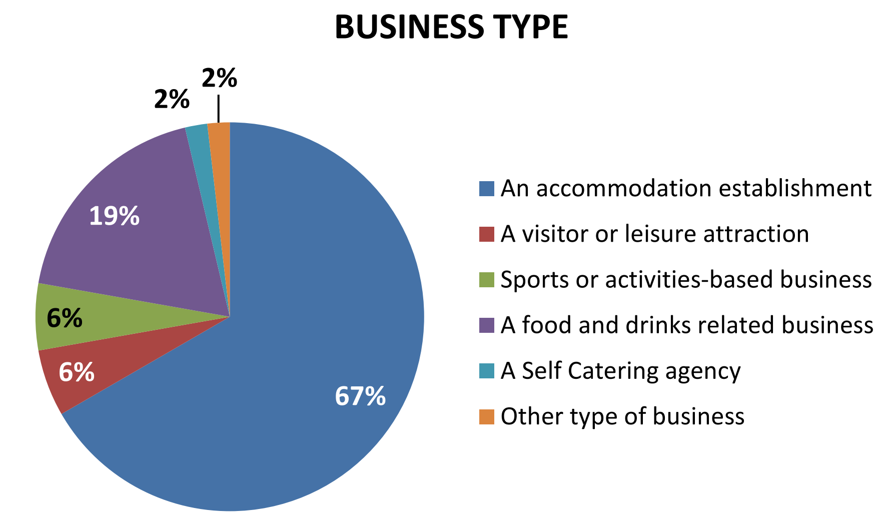
September 2025 saw positive increases in both visitors/customers (+1%) and turnover (+2%) compared with September 2024 with over half of businesses in each case reporting increased or level performance compared with the same time last year (53% and 56% for visitors/customers and turnover respectively). This is the third consecutive month that businesses have reported a +1% increase year on year in their visitors/customers and the first time in the last 12 months that businesses have reported a positive increase in their turnover compared with the same time last year (+2%).

Looking ahead, the outlook for October 2025 and the half term holiday are cautiously optimistic, with 56% and 55% of businesses respectively expecting their performance to be level or better than the previous year. Sentiment lowers slightly at present for the month of November with 59% of businesses anticipating a decrease rather than level or increased performance. The overall optimism score however, at 5.30 out of 10, has reached its highest level for the last 12-month period.

Despite widespread challenges, a few positive threads have emerged from this month's comments from businesses: some businesses saw a strong final week in September and encouraging signs for October to December bookings, suggesting pockets of resilience. The switch from Airbnb to Sykes was notably beneficial for several operators, with guests expressing enthusiasm for Torquay despite infrastructure concerns. High-quality service and local sourcing remain core strengths for many and there's a clear commitment to maintaining standards even under pressure. These glimpses of success and guest appreciation highlight the enduring value of independent accommodation providers, even as they navigate a tough and shifting landscape.

However, many of the comments reveal deep-rooted concerns about the long term viability of small tourism businesses in the area, driven by a mix of spiraling costs, plummeting demand outside peak season and aggressive price competition from larger, budget hotel chains. Many operators feel let down by the local council, citing broken promises, a lack of support on property and safety issues and potential rising levies that threaten to further damage their already fragile margins. Many feel that infrastructure neglect, anti-social behaviour and poor town centre conditions are deterring visitors, while short booking windows and price sensitivity make planning and profitability nearly impossible. For some, the situation has become untenable, prompting decisions to close or exit the sector entirely.

Sample profile, business location and status



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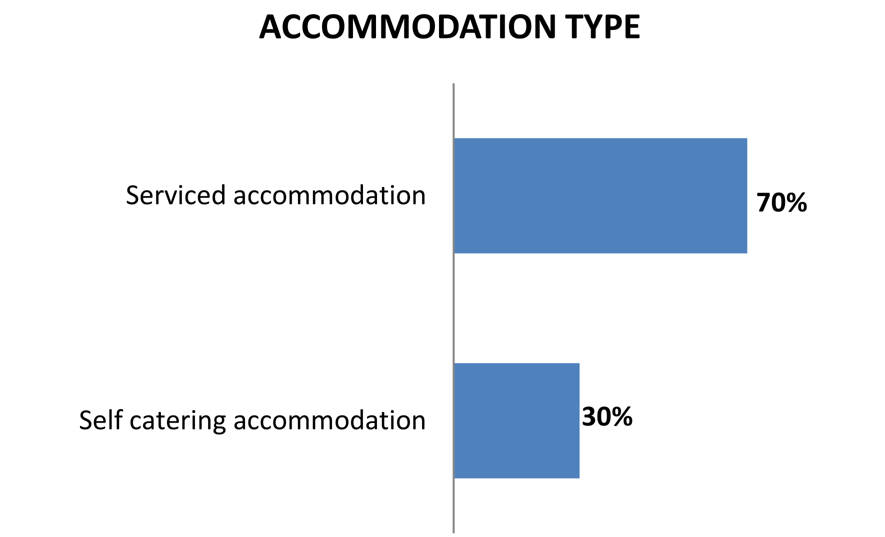

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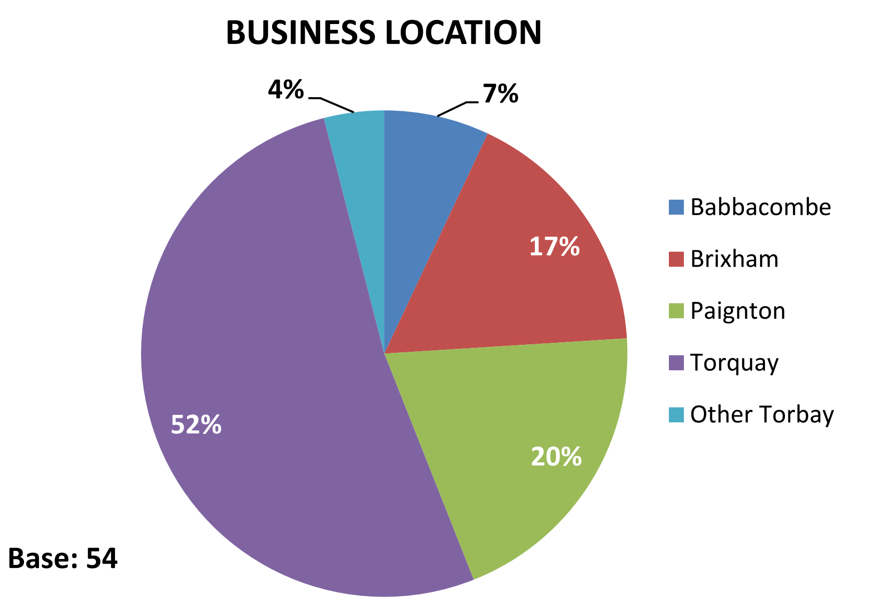

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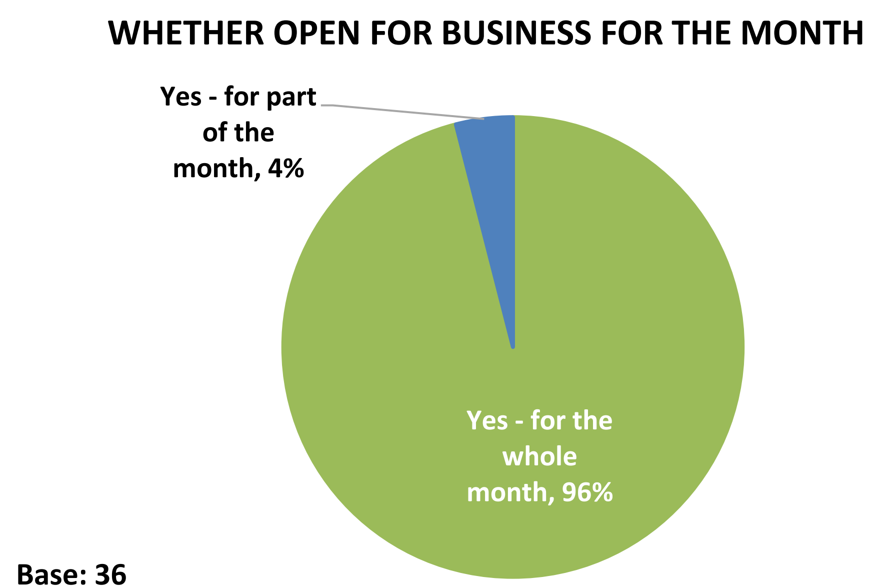

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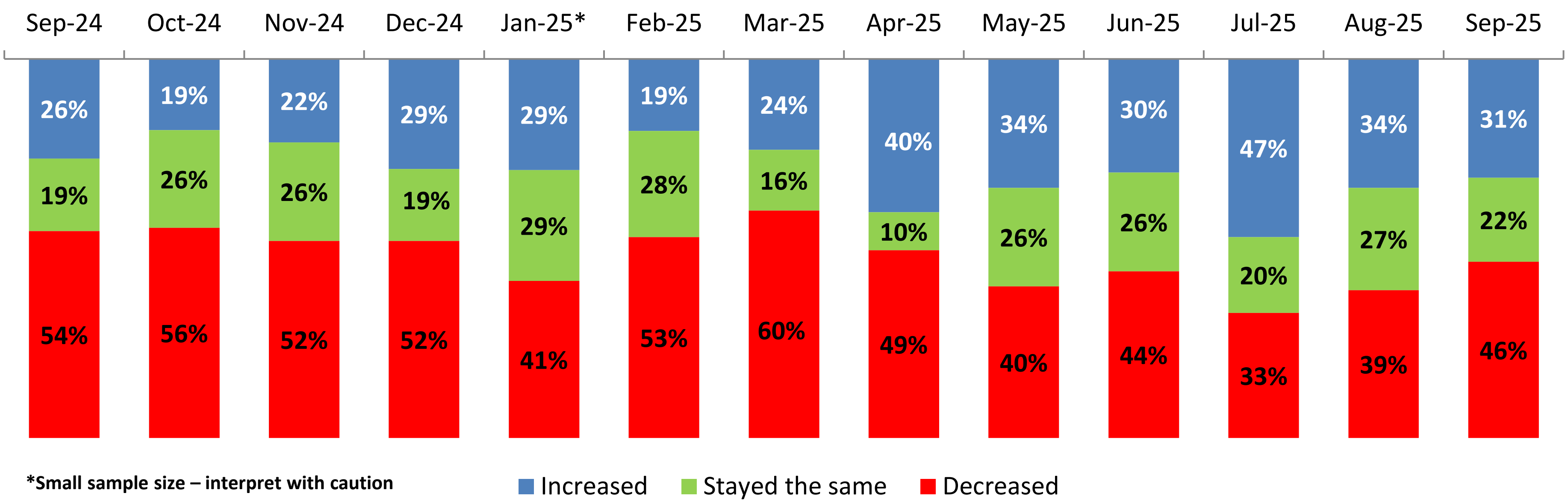
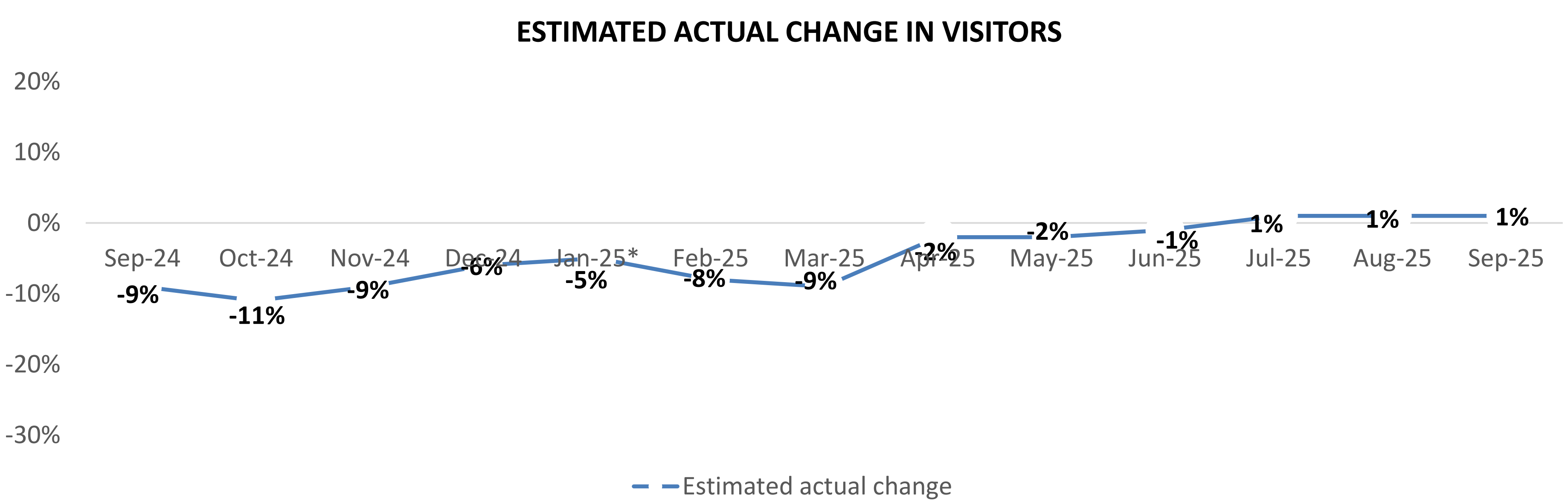
Performance – Number of visitors compared to previous year

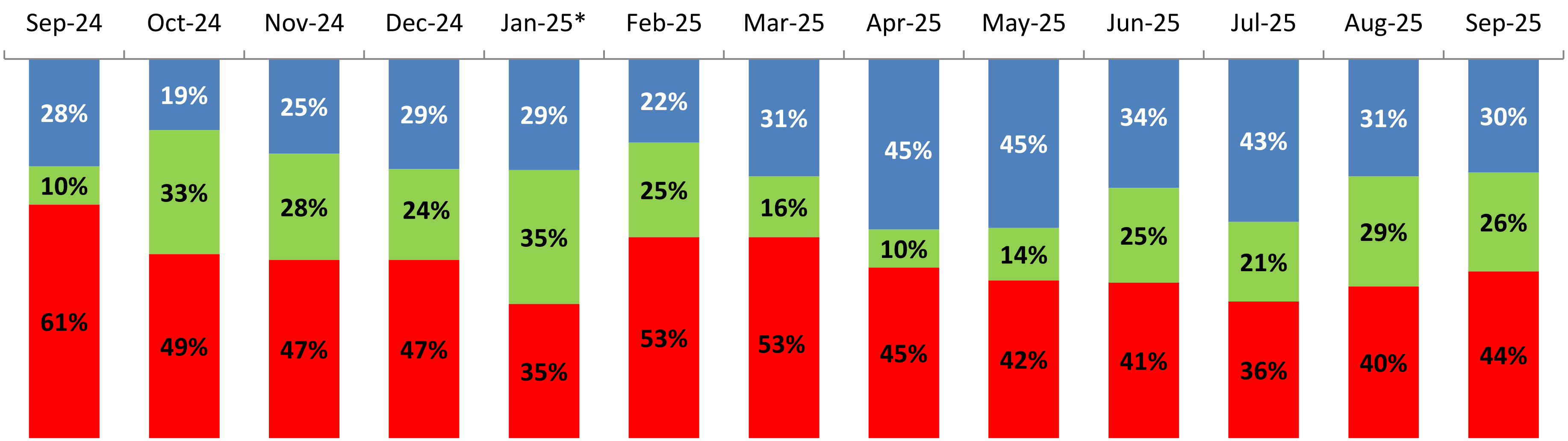


***Small sample size – interpret with caution**

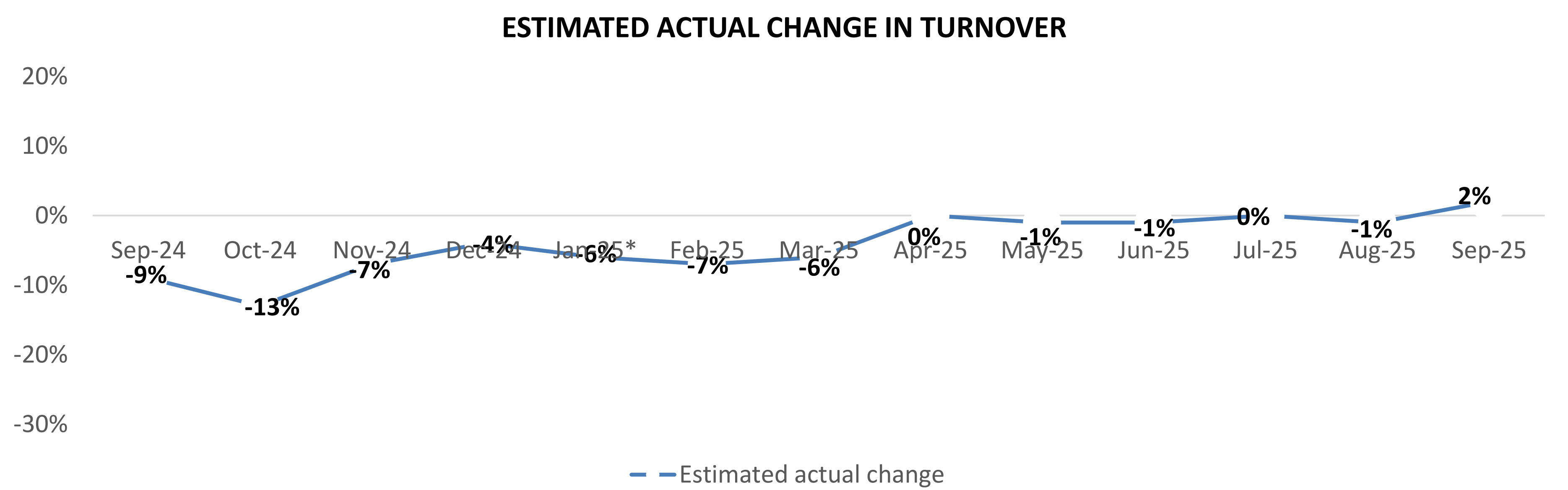


***Small sample size – interpret with caution**

Performance – Turnover compared to previous year



*Small sample size – interpret with caution



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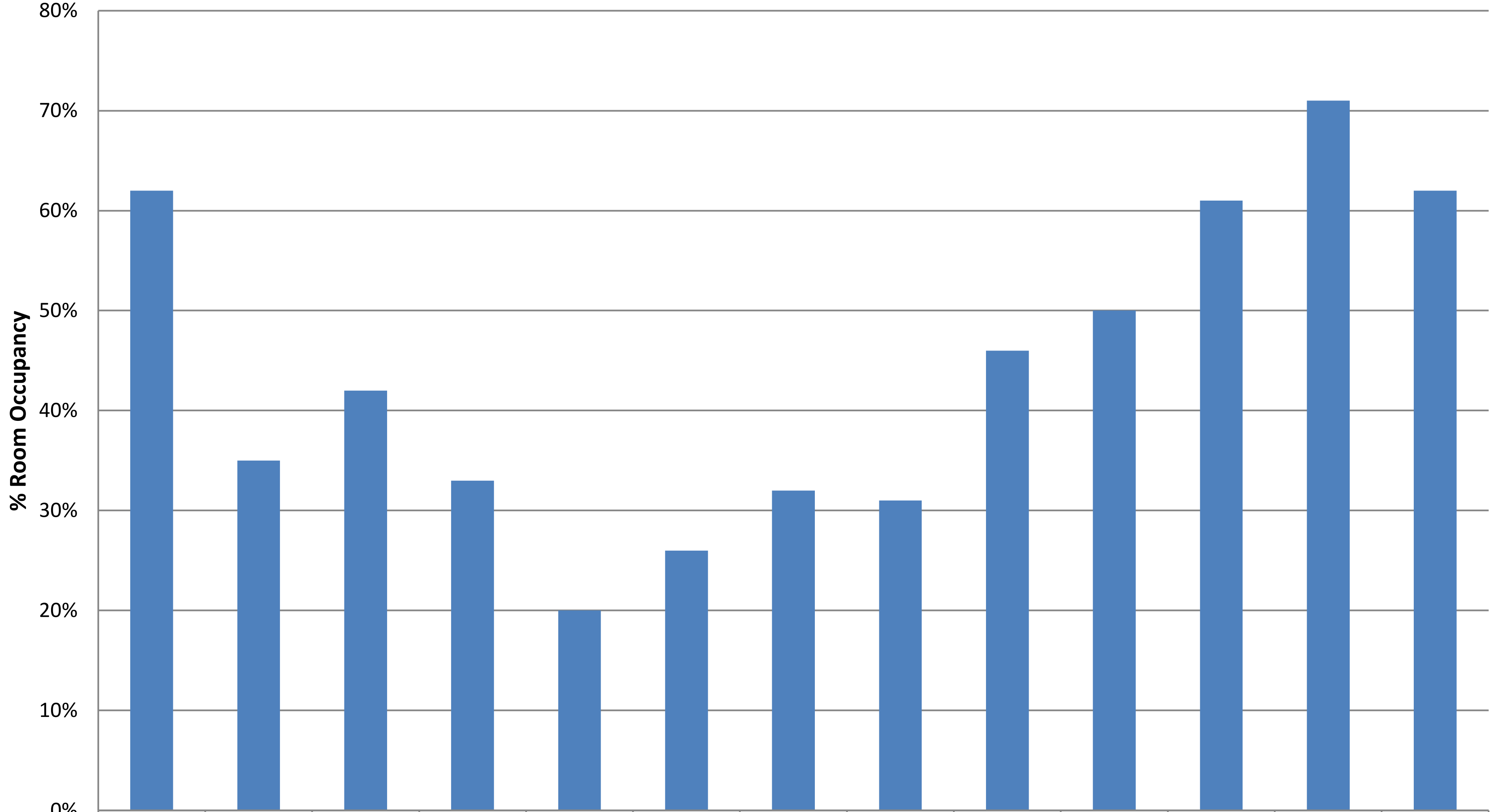
Performance – Serviced Room Occupancy

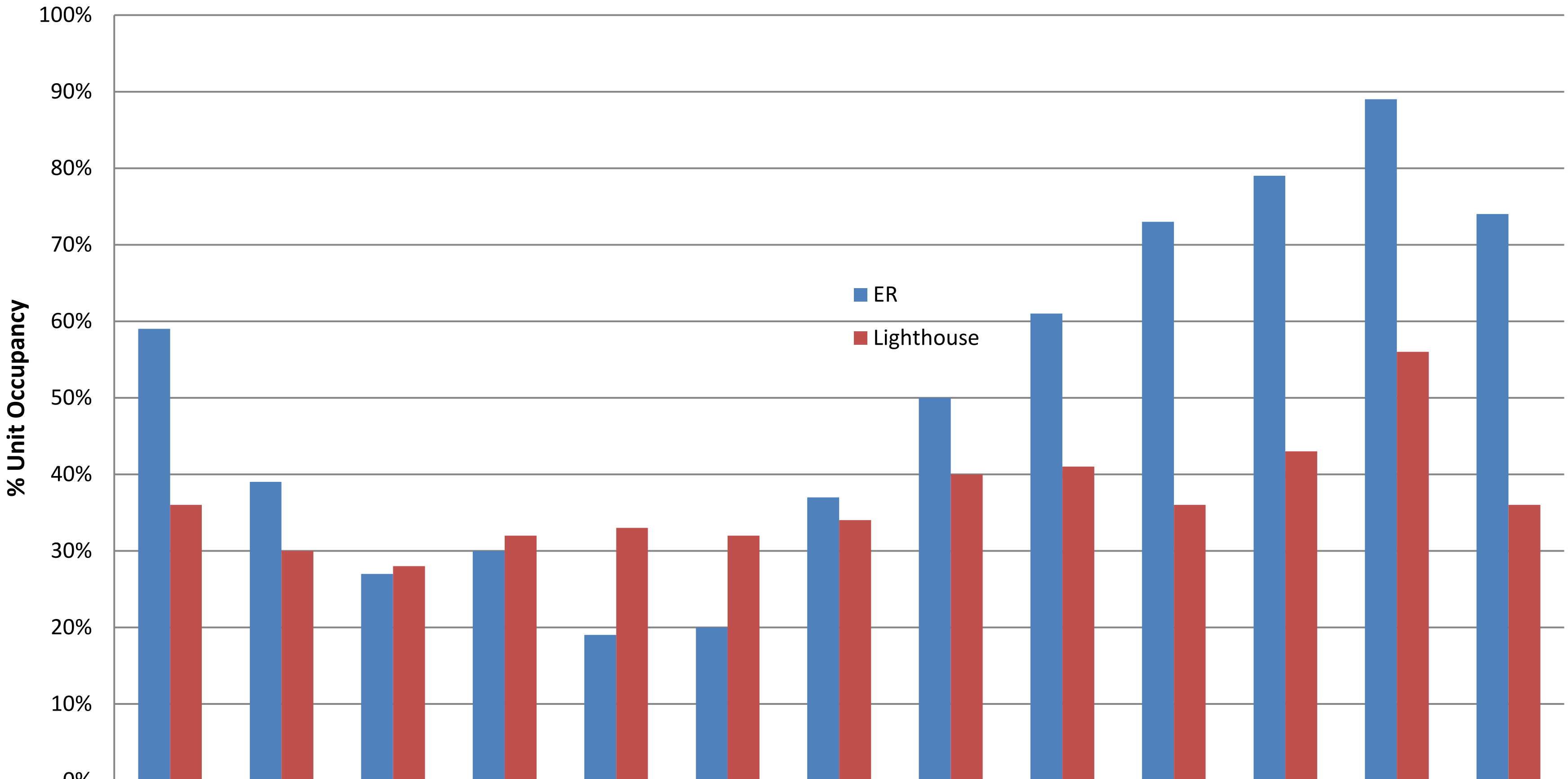


	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25*	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
ER	62%	35%	42%	33%	20%	26%	32%	31%	46%	50%	61%	71%	62%

***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



	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25*	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
ER	59%	39%	27%	30%	19%	20%	37%	50%	61%	73%	79%	89%	74%
Lighthouse	36%	30%	28%	32%	33%	32%	34%	40%	41%	36%	43%	56%	36%

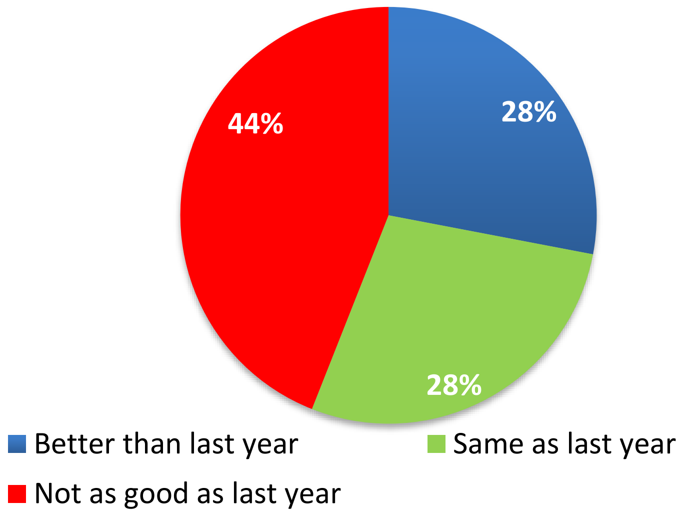
***Small sample size – interpret with caution**

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

OCTOBER 2025



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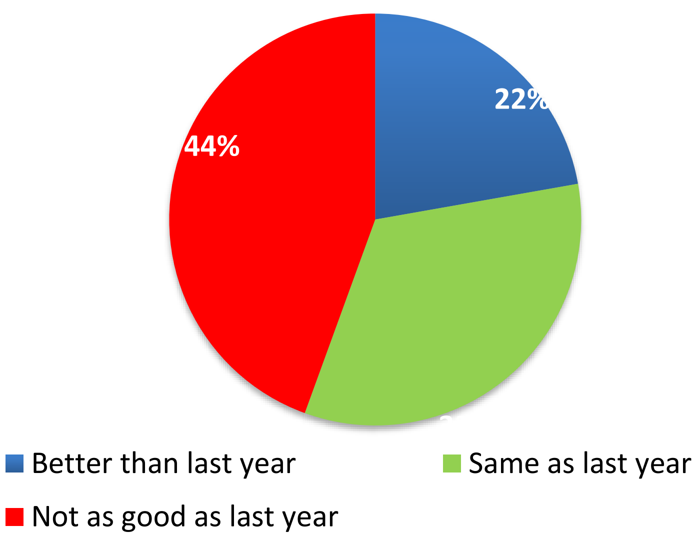
OCTOBER HALF TERM 2025



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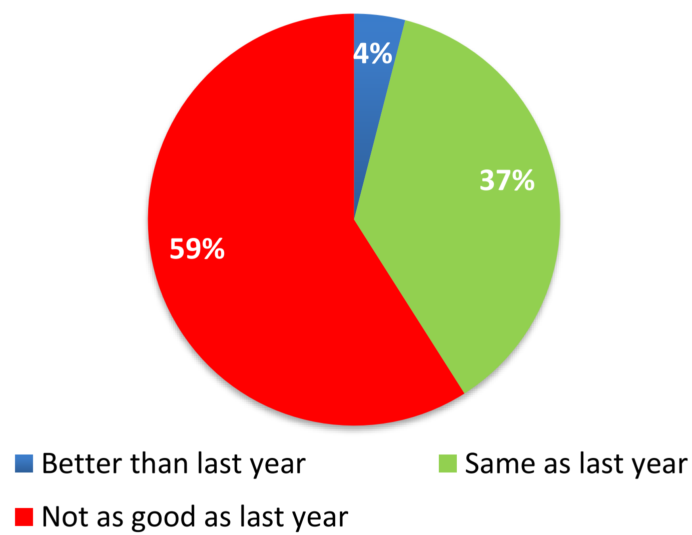
NOVEMBER 2025



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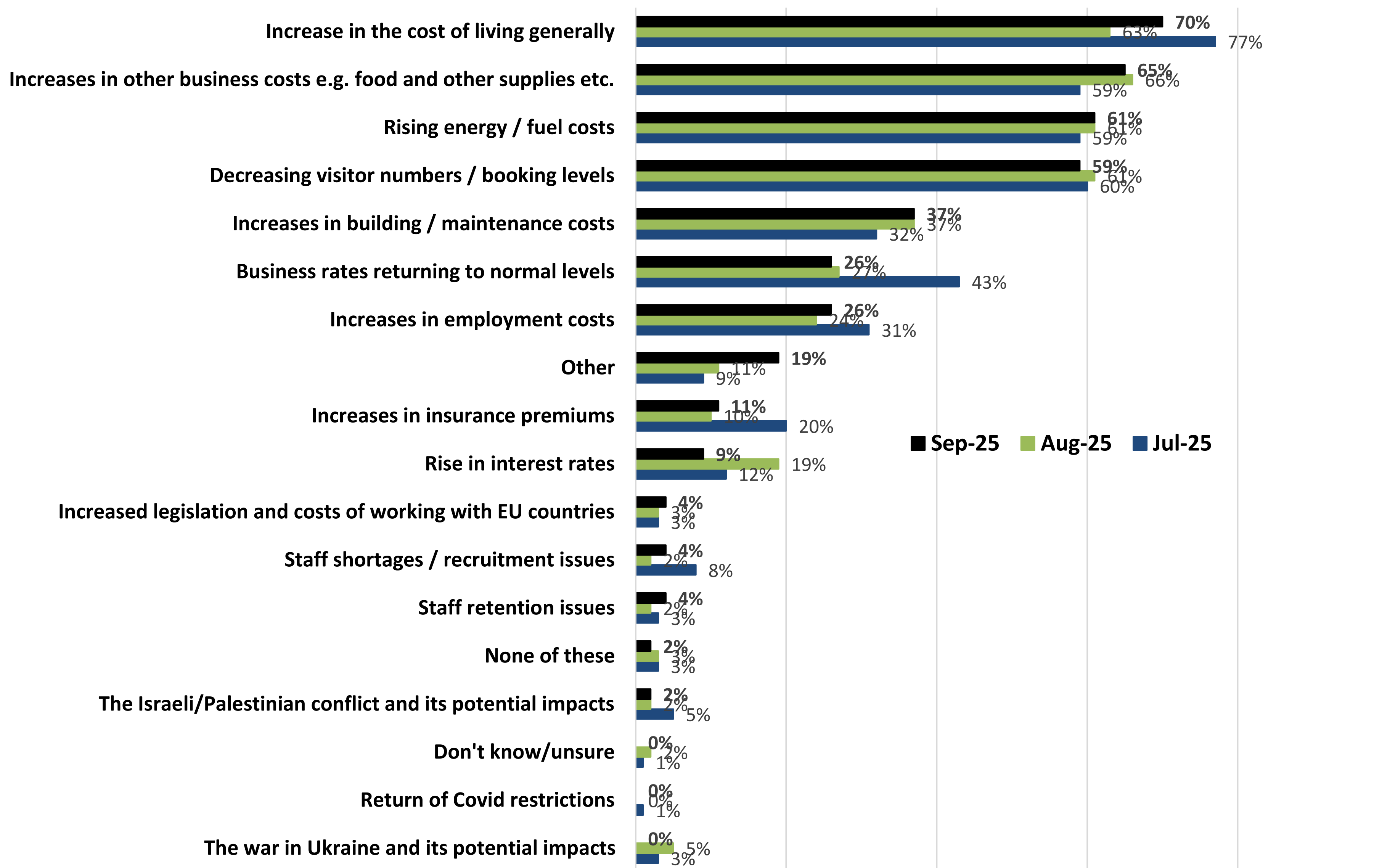
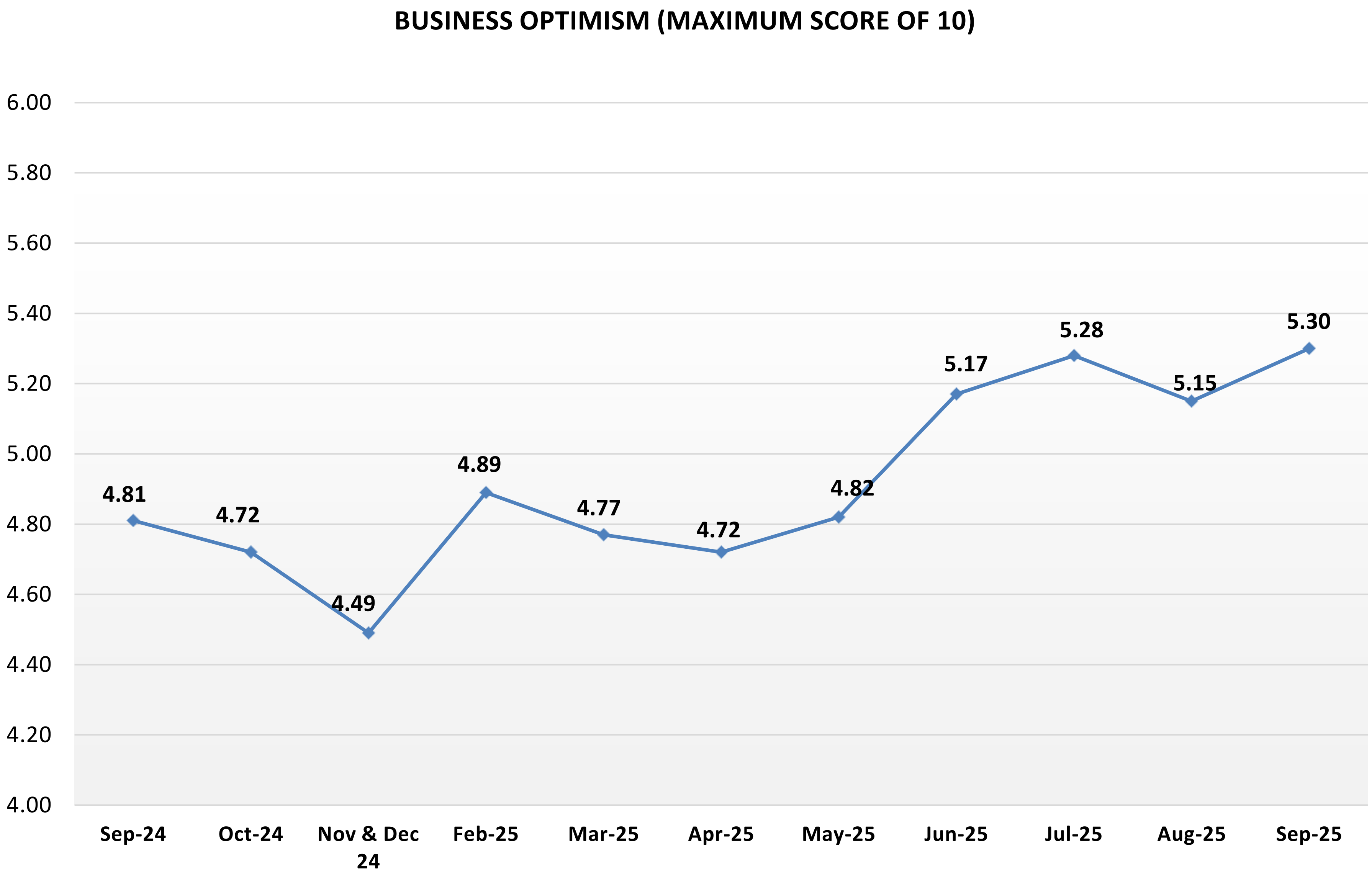
Top 5 business concerns (pre-defined list)

TOP 5 MOST CONCERNING FACTORS FOR BUSINESSES IN THE COMING MONTHS



Business optimism



Key results – Sample of other comments on impacts

Fed up repeating - less visitors because people are struggling, those that do come are spending less, usually back in their room with a sandwich by 6.30pm very few going out every evening. Spiraling costs, food, staffing, interest rates, materials, energy, insurance. Less income + increased expenditure means another winter with no heating on - IF we survive the bills.

We cannot compete with the new influx of large hotels in the bay when they cut prices back to the 2020 level to keep their occupancy rates!

Too many battles to fight. Employment costs, high overheads. Day visitors only. Big hotels/buying efficiencies - low booking tariffs which attract very competitive pricing which we are not able to match and now the unsightly sea defence works.

Guests are booking very short-term making it difficult to plan. We have lowered our prices for 2025 vs 2024 notwithstanding our costs are up and still we can't attract more visits.

We had a poor September purely due to the weather.

I think more investment should be made in Paignton. It is not all about Torquay!

Business in the area is facing significant challenges and the outlook for the near future is worrying. Many local businesses are closing or looking to sell, while incidents of anti-social behaviour are on the rise. The area is surrounded by dilapidated buildings that are unappealing, deter potential guests and attract unwanted visitors such as thieves and intruders. Guest expectations are also shifting with many unwilling to pay sustainable rates for winter stays; to operate viably, we would need to charge around £70 per night, yet budget options like Travelodge are attracting guests at £30 per night. In light of the current environment and long-term sustainability concerns, we are planning to close permanently and are currently exploring alternative options.

We changed from Airbnb to Sykes. It has made a huge difference. Sykes customers are very positive about Torquay but appalled by the state of some of the town centre access roads. Our clients are generally older and some roads, in particular Madrepore and Braddons Hill Road West, are a complete disgrace and unsafe, particularly for those with mobility scooters and mobility issues. The council completely ignore this fact.

September revenue was down 20% on last year (and even more on the year before that). Poor weather at the start of the month didn't help but it did rather feel as if someone flicked a switch on the 31 August and all interest in Torquay ceased overnight. We did get a few people for the Agatha Christie festival but, overall, the picture is the same as we found in the Spring - very weak demand outside of the main summer season.

September turned out to be broadly similar to 2024 in terms of bednights and revenue, however it seemed to be generated from the middle two weeks, with the first and last week being particularly quiet. October looks to be the slowest we have ever experienced, even with the mild weather, bookings are just not forthcoming, despite special offers and lowering the rates for the winter. It is nigh on impossible to make a living from running a bed & breakfast just now; we have absorbed all the additional cost increases for food, utilities and services such as laundry and maintenance etc. We buy local, use premium quality products and are a high quality/exceptional serviced accommodation provider. However, with Torbay Council's mistaken belief that all B&Bs are somehow second rate and chain hotels (that ironically do none of these things) are the way forward, it does feel like we are losing the battle and the war and heading for extinction.

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