

# ERBID How's Business Survey

## May 2024

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July 2024



# Executive Summary

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## Compared to May 2023 businesses reported that:

### May 2024 Visitor levels:

Increased 10% / Stayed the same 16% / Decreased 74%

Estimated actual change in visitors -26%

### May 2024 Turnover levels:

Increased 11% / Stayed the same 15% / Decreased 74%

Estimated actual change in turnover -25%

### June 2024 Outlook is:

Better than last year 11% / Same as last year 20% / Not as good as last year 70%

### July 2024 Outlook is:

Better than last year 5% / Same as last year 18% / Not as good as last year 77%

### August 2024 Outlook is:

Better than last year 6% / Same as last year 19% / Not as good as last year 75%

### Optimism:

Optimism score is 4.53 out of a possible 10

## May 2024 – Key results

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74% of all businesses in each case experienced decreased visitors/customers and turnover compared with May 2023 resulting in decreases of -25% and -25% respectively compared with May 2023. On the 14<sup>th</sup> of May 2024 many media outlets, both regional and national reported on an outbreak of cryptosporidium in the Brixham area. The BBC reported: *Sixteen cases of a diarrhoea-type illness, called cryptosporidium, have been confirmed in Devon by the UK Health Security Agency. The agency said it was working with Torbay Council, South West Water (SWW), NHS Devon and the Environment Agency to investigate the confirmed cases, and about 70 further reported cases of diarrhoea and vomiting of residents in Brixham. It said cryptosporidiosis was "predominantly a waterborne disease" and infections can be caused by drinking contaminated water or swallowing it in swimming pools or streams.*

The majority of businesses anticipated decreased bookings for June (70%), July (77%) and August (75%) compared with 2023 levels at the time of writing this report, although these figures may change as we collect data for each of these months.

At 75%, businesses are currently most concerned about decreasing visitor numbers/booking levels (a decrease of -1% compared with last month), followed by the continuing Cryptosporidium outbreak (60%), the increase in the cost of living generally (59%, a decrease of -10% compared with last month), rising energy costs (51%, a decrease of -15% compared with last month) and other business costs e.g. food and other business supplies etc. (46%, compared with 62% last month).

At 4.53 out of 10.00, the optimism score increased compared with last month (4.34) but remained the second lowest score recorded over the last 12 months.

## March – May 2024 – General performance

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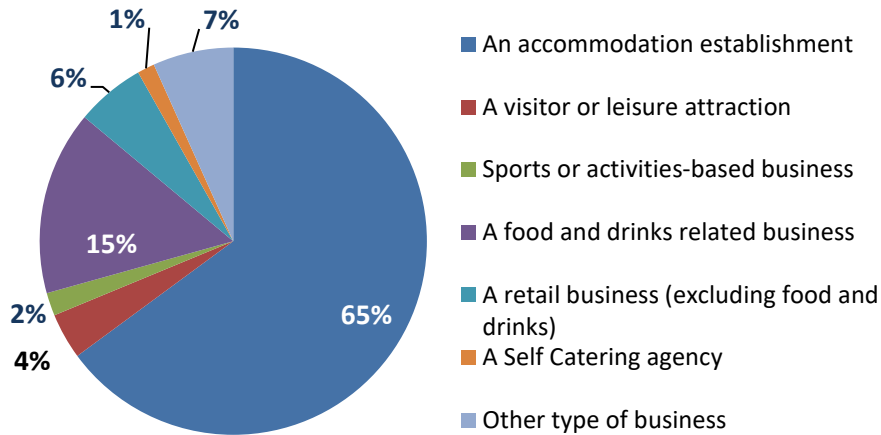
With little positive news to report, the March to May period has remained a challenging operational climate for the vast majority of tourism businesses with the poor, wet weather during the Easter school holiday period having a significant impact on performance levels along with the continuing challenging economic climate for most consumers. In addition, those businesses operating in Torbay have also had to deal with fall out of the Cryptosporidium outbreak in mid-May which has further impacted an already struggling industry.

Not surprisingly, the majority of businesses have commented on the negative impacts of the handling of the Cryptosporidium outbreak in Torbay and the likely long-term damage this will have on visitor numbers moving forward through the season. The difficulty for many is estimating not just those visitors who didn't come because they cancelled, but the many others who may have been likely to book but then chose to holiday somewhere else after the outbreak was reported in the national media.

A total of 209 businesses took part in the survey this month.

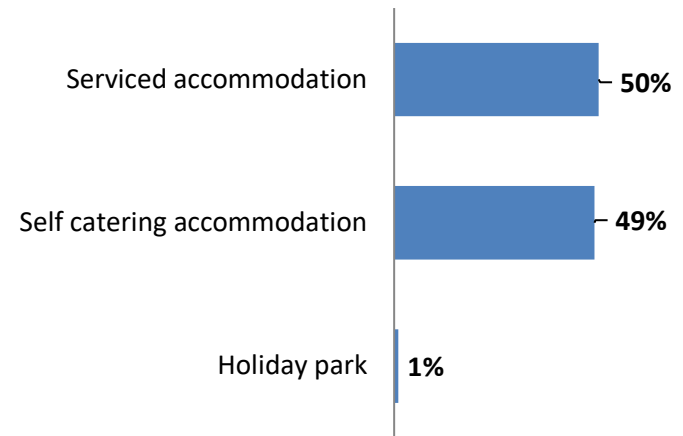
# Sample profile, business location and status

## BUSINESS TYPE



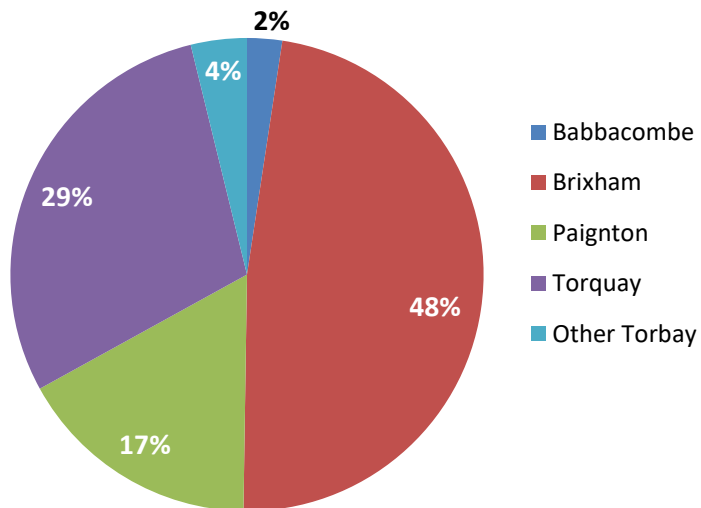
Base: 209

## ACCOMMODATION TYPE



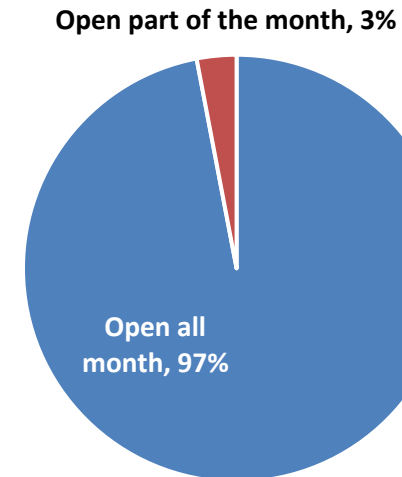
Base: 135

## BUSINESS LOCATION



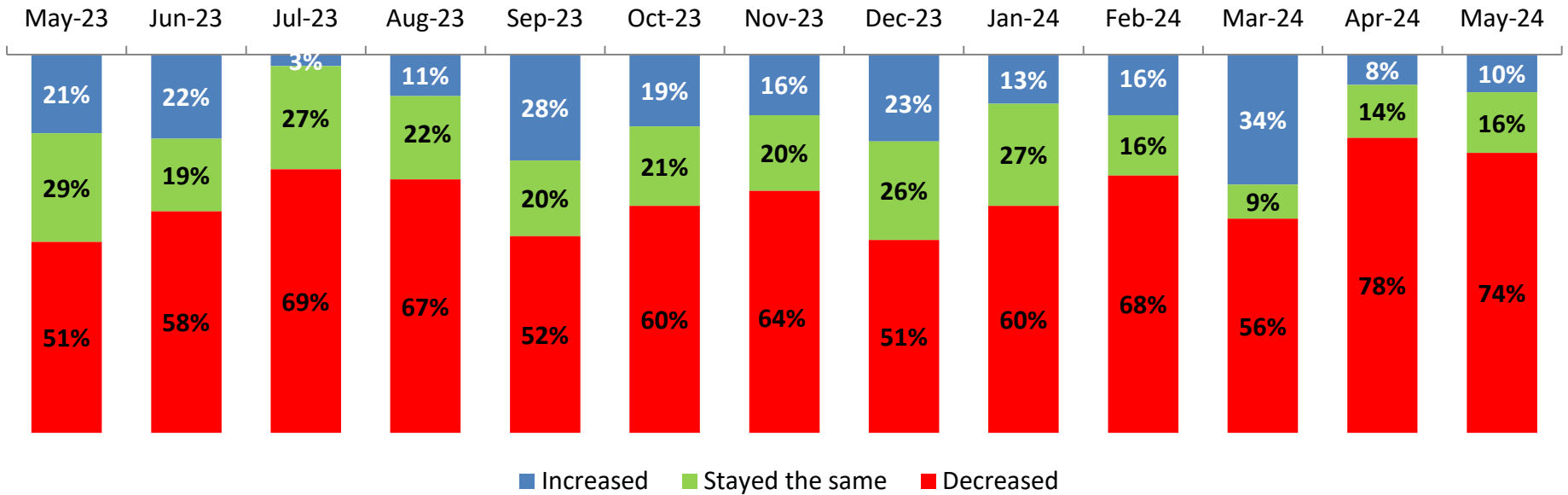
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## BUSINESS STATUS

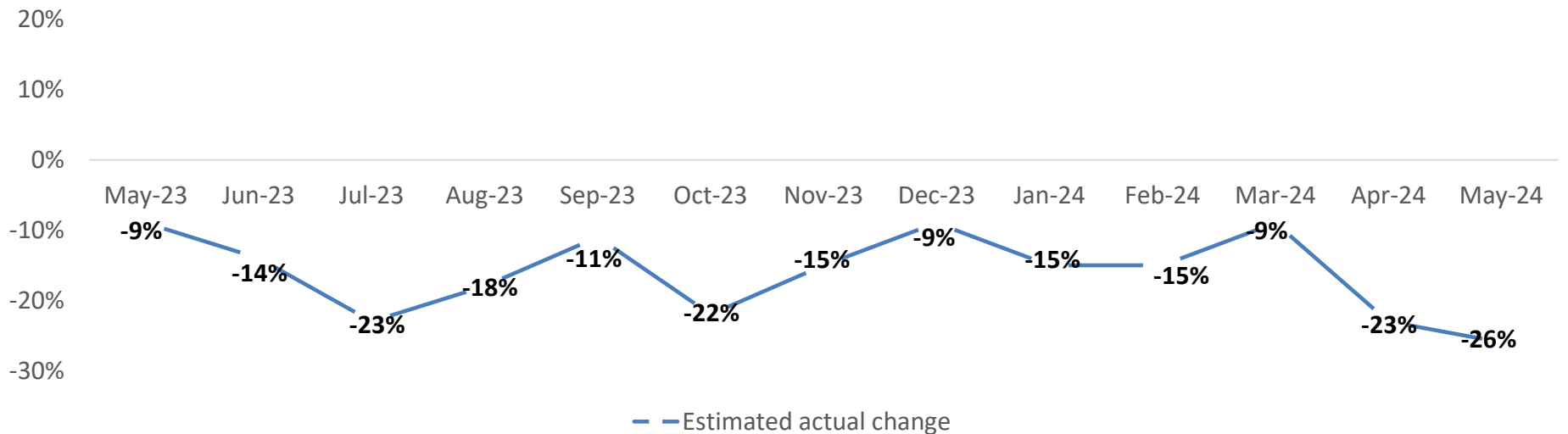


Base: 209

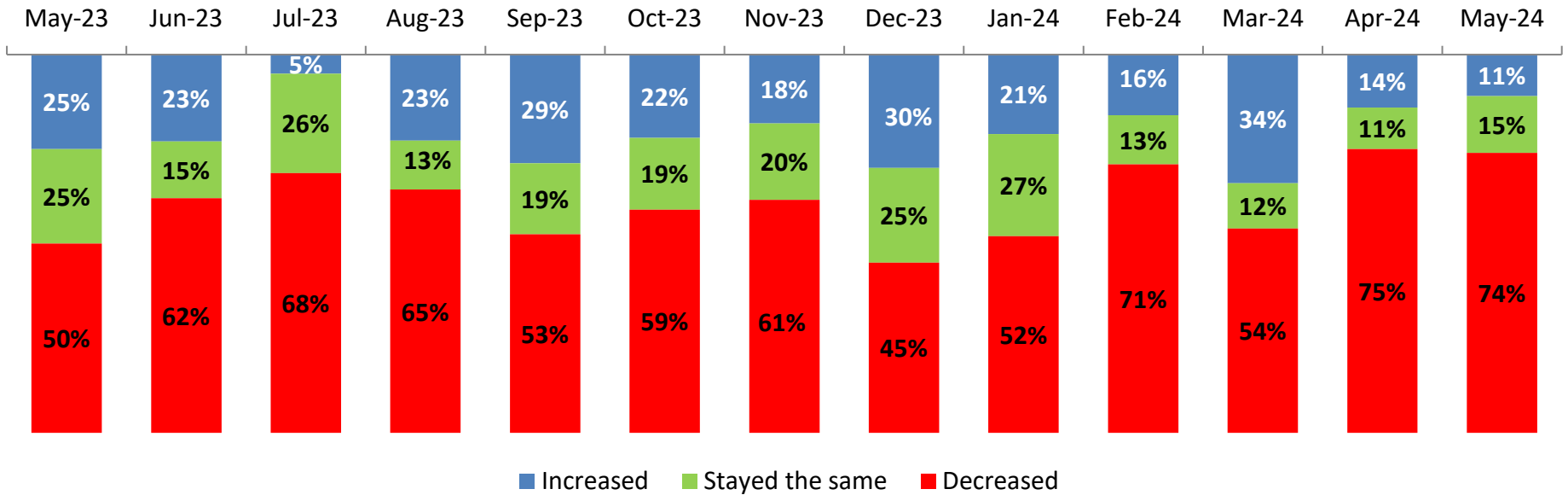
# Performance – Number of visitors compared to previous year



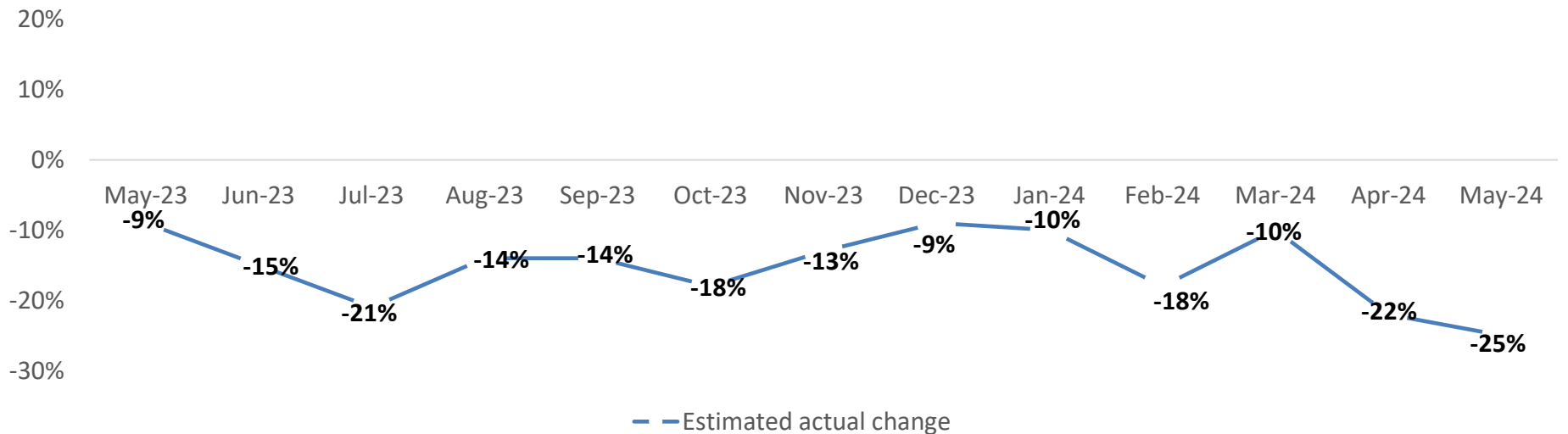
## ESTIMATED ACTUAL CHANGE IN VISITORS



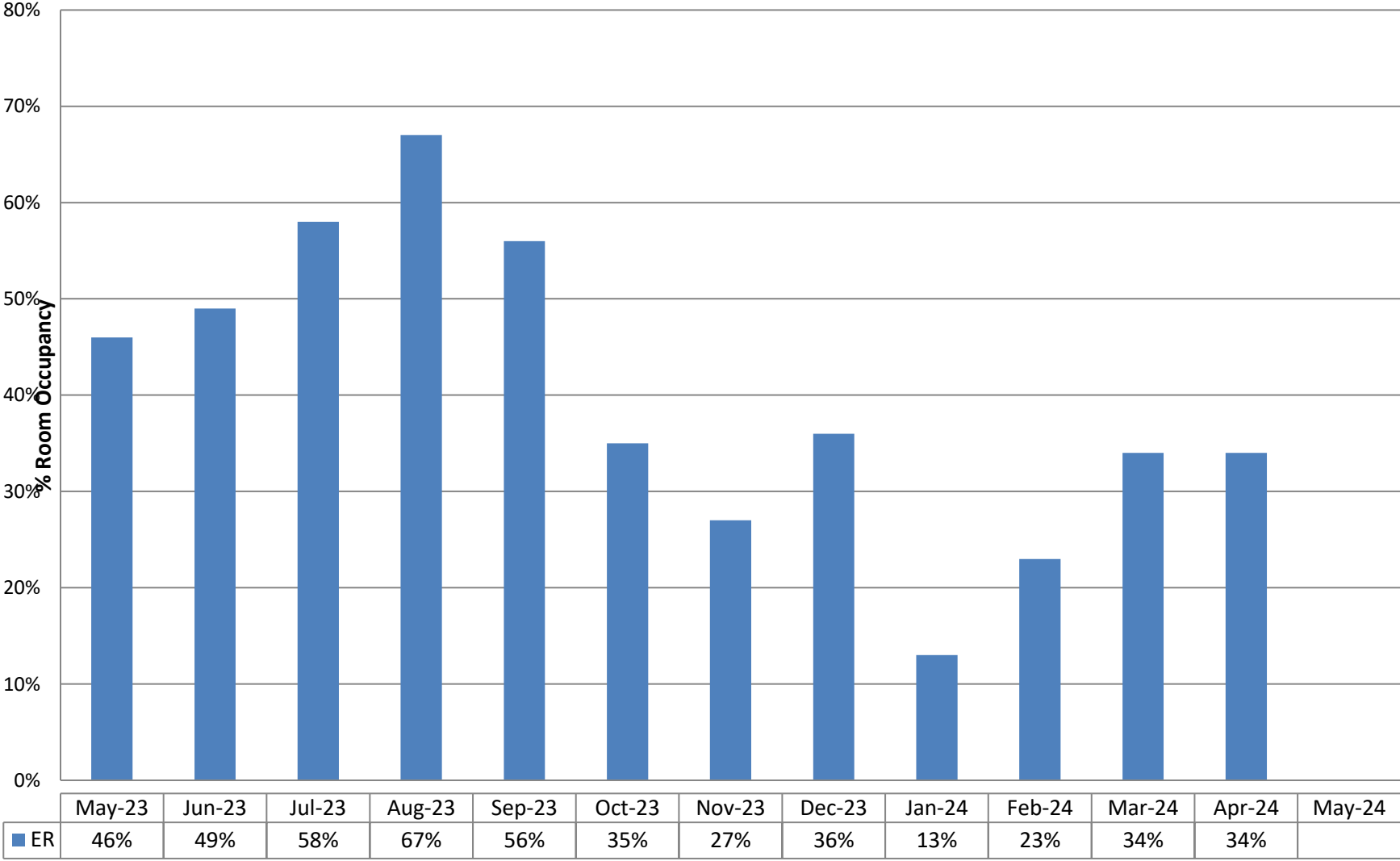
# Performance – Turnover compared to previous year



## ESTIMATED ACTUAL CHANGE IN TURNOVER



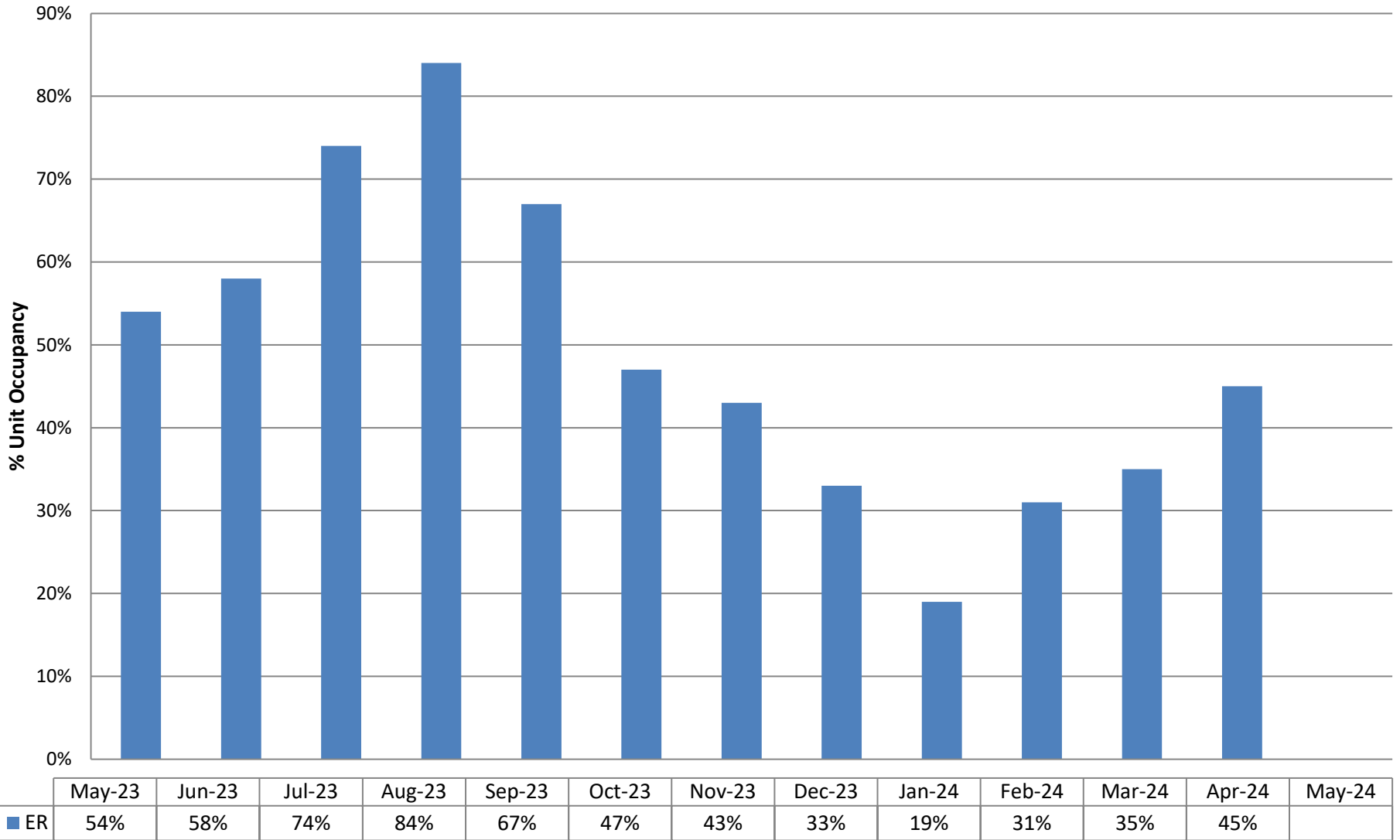
# Performance – Serviced Room Occupancy



**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.**



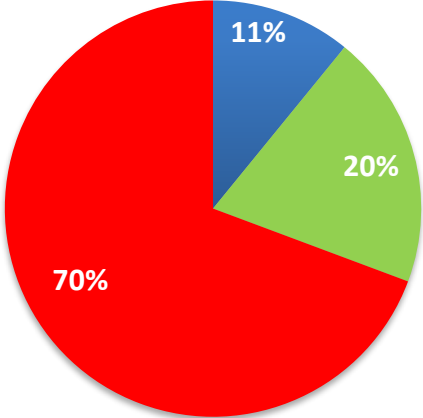
# Performance – Self Catering Unit Occupancy



**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

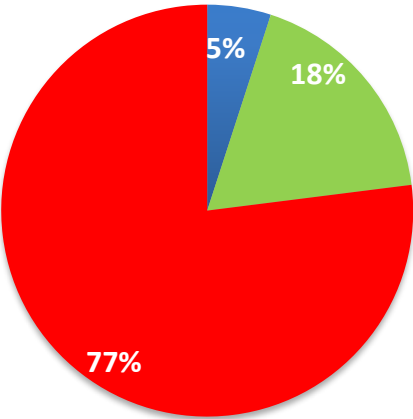
JUNE 2024



■ Better than last year      ■ Same as last year  
■ Not as good as last year

Base: 138

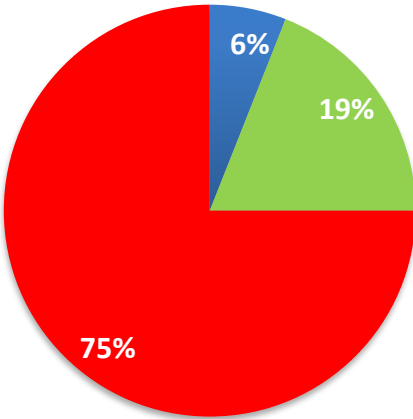
JULY 2024



■ Better than last year      ■ Same as last year  
■ Not as good as last year

Base: 136

AUGUST 2024

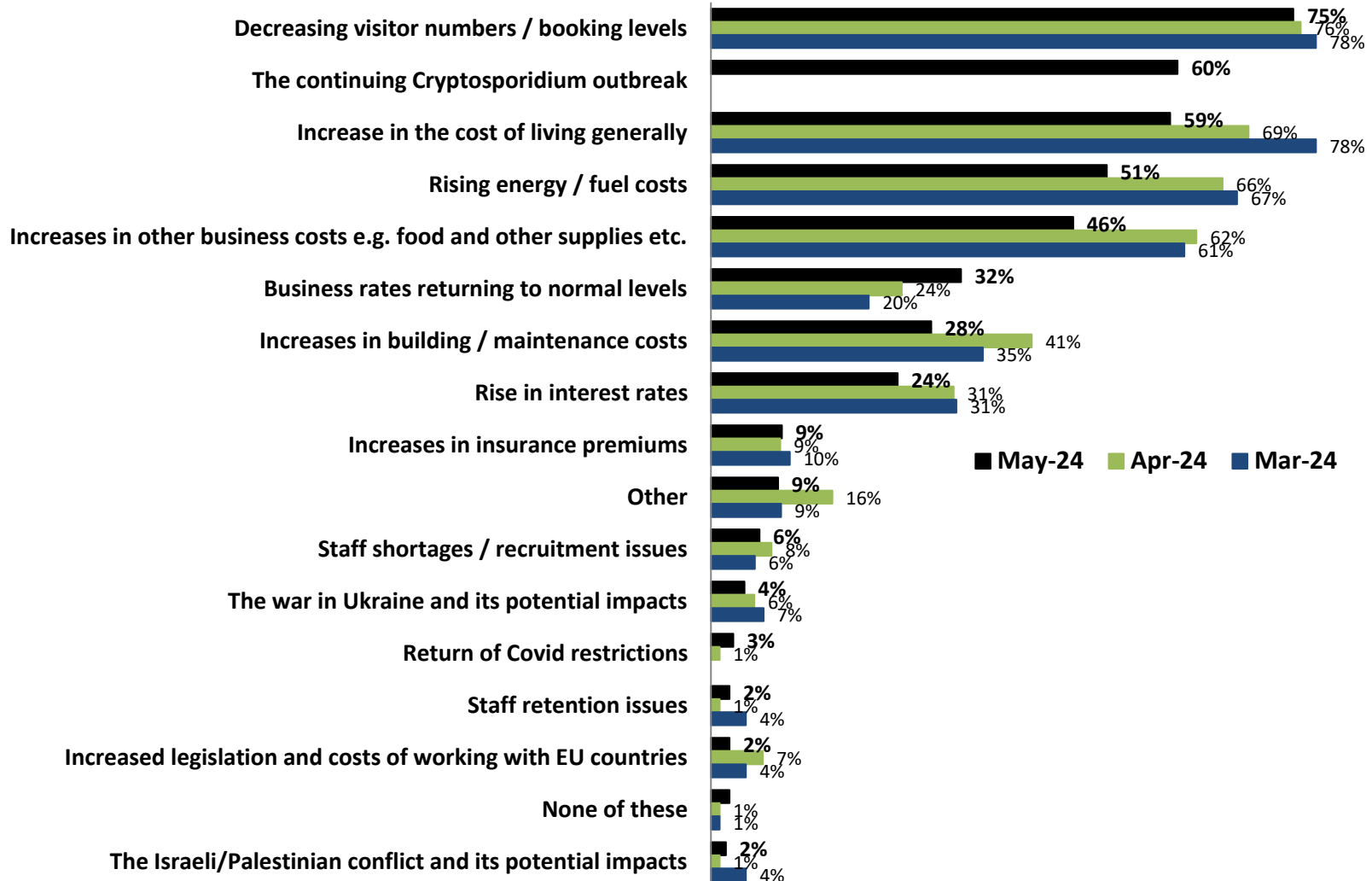


■ Better than last year      ■ Same as last year  
■ Not as good as last year

Base: 132

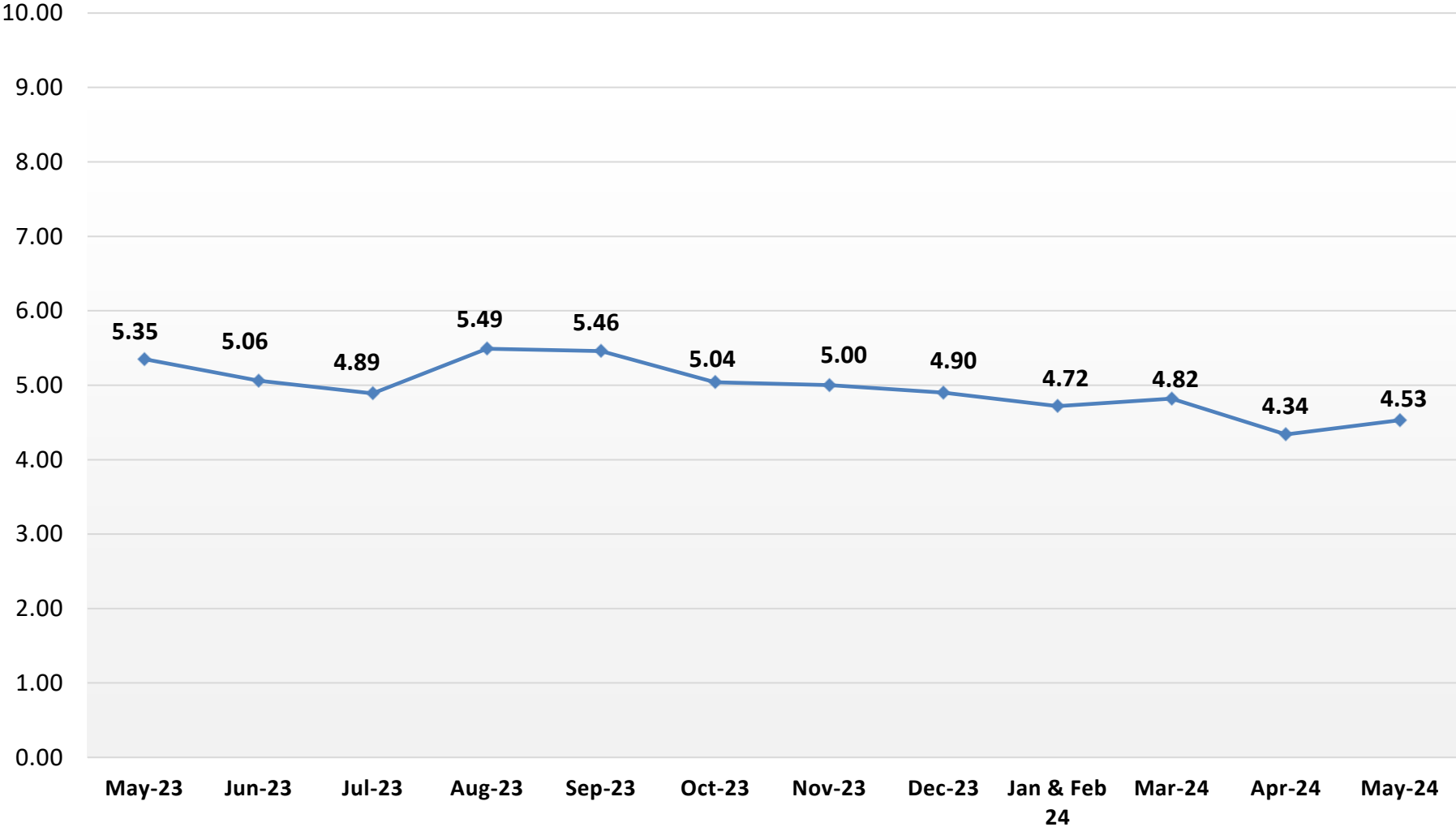
# Top 5 business concerns (pre-defined list)

## 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

With regard to the water problem, it's impossible to quantify. We are Torquay based and have had guests mention it and some ask if water is OK. What you can't measure is who DIDN'T book because of what was / is still going on. For sure it must be putting some people off visiting/staying in the area but you'll never know how many.

Most years are impossible to compare anyway. Saying we have marginally more guests and a lot more income versus 2023, when 2023 is such a low base to measure from anyway is not a ringing endorsement. Higher turnover paired with much higher expenditure equals a continually dwindling bottom-line. We know tourism businesses / BID businesses are struggling and going bust. So far we have just staved off failing but will need a massive summer to stand any chance of winter survival.

The impact of outbreak is horrendous. SWW have been negligent and are not providing info- they are affecting visitor numbers as the negative press is still about. It is a shambles!!

The real damage was caused by inaccurate reporting, especially using the term the South West instead of pinpointing the outbreak accurately. I feel that the BBC did more damage to business than anyone else.

It should never have happened and those that allowed it to escalate should be held financially accountable.

With more hotels chains coming into the bay and offering rooms at reduced rates makes it extremely difficult for small b and bs to compete. Unlikely to be able to continue and there will be less and less small independent B&B/guest houses on offer.

Had many phone calls regarding the outbreak. OTA's were also estimating a 20% decrease in demand for the Bay when it was reported on the media.

The damage sustained in Brixham and more widely to the whole of the area must not be underestimated. The issue here is not just the immediate impact, but the ongoing impact to future trade and bookings for which are seeing a reduction and no faith or trust in booking into a town so widely advertised as unsafe. Why would you holiday in an area which has basically been advertised 'could make you sick' when there are so many other options on the Devon, Dorset or Cornish Coast.

The damage sustained in Brixham and more widely to the whole of the area must not be underestimated. The issue here is not just the immediate impact, but the ongoing impact to future trade and the reduction in passing trade and day visitors in addition to local visits.

Whilst we didn't see any cancellations, I do feel that some of the last minute bookings that would have come did not as a direct result of the negative press about Cryptosporidium.

An immense loss of passing trade and normal footfall for May continues into June - with a maximum loss of around 60% of trade, reducing to around 20% still lost in June and still with no outcome of Clean, Clear, Safe Water. The impact to Brixham is ongoing and the future impact due to detrimental advertising clear.

Apart from cancellations We don't know how many people are not booking due to the Brixham water outbreak. They would prefer the area to be all clear before booking and may go somewhere else until then.

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