

Covid-19 – Online Tourism Business Survey

Prepared for: Great Yarmouth Tourism and
Business Improvement Area

February 2021

Prepared by:



On behalf of:



Introduction and Methodology and approach

This report evaluates the immediate and ongoing impacts of Covid- 19 to Tourism Business in Greater Yarmouth, as we as assessing the long-term economic impact.

Methodology

The results are based on a monthly online survey to businesses in the Greater Yarmouth area. It uses a structured questionnaire, adapting some questions and adding / removing other questions as the situation evolves. We are using a 'Have your say' online platform style survey, based on personalised email invitations to fill in a short online questionnaire. The survey allows to closely monitor the immediate impact of COVID - 19 on an ongoing basis. The survey is fully managed in-house by Destination Research using Typeform software package, which offers full online and mobile functionalities. The results of the survey are being used and distributed by GYTBI.

Outputs

The monthly report reflects on the very latest industry sentiment. This and subsequent reports will include a summary of immediate reactions, longer term recovery plan actions as well as general business performance. This February report is the second in the series and it's based on 78 responses. This and subsequent reports will include a breakdown of responses for the current and past months as well as an average of all responses for the year to date.

Outcomes

Ultimately, the research should allow Greater Yarmouth Tourism and Business Improvement Area (GYTBIA) to:

- Provide a forum for consistent and comprehensive analysis of the implications of the Coronavirus (COVID-19) pandemic on the local tourism industry.
- Act as the one-stop-shop communications channel for the local tourism industry in relation to Coronavirus (COVID-19).

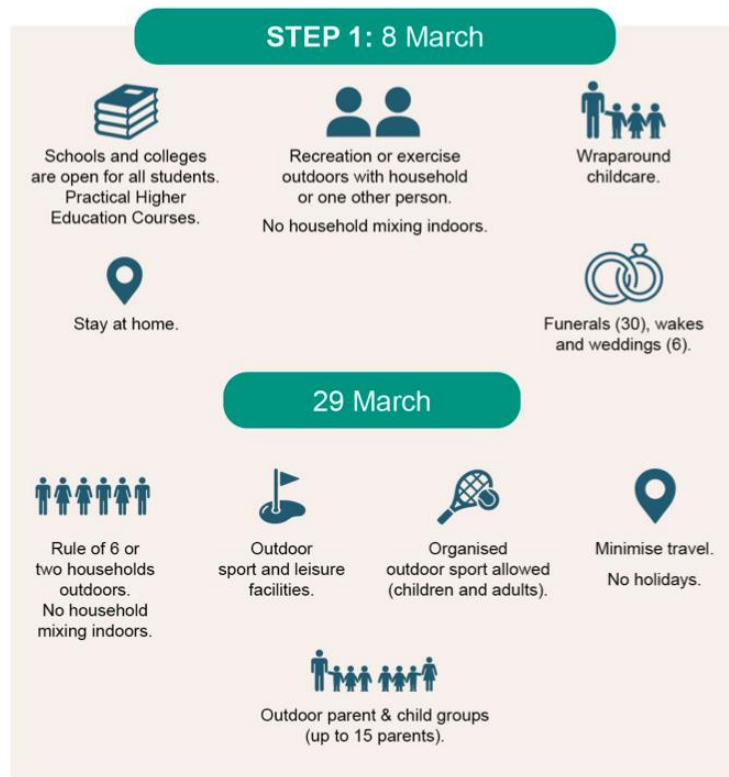


Key developments:

Easing lockdown restrictions (Part 1)

The Government made an announcement on the 22nd February setting out a four step roadmap for easing lockdown restrictions in England. The available details for the tourism and hospitality sectors are as follows:

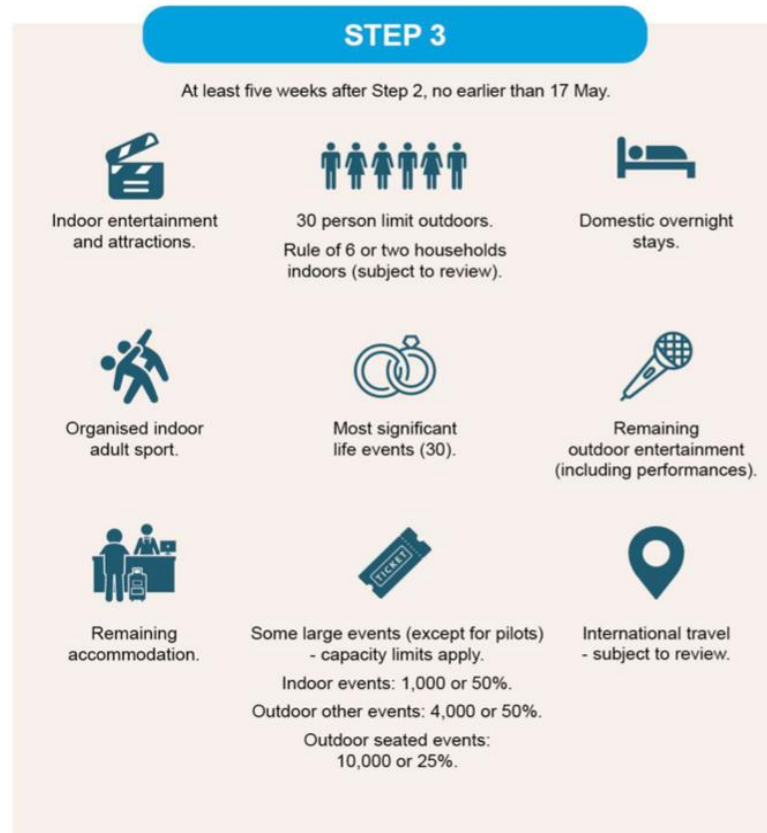
Step one - from 8 March and from 29 March and Step 2 - no earlier than 12th April.



Key developments:

Easing lockdown restrictions (Part 2)

Step Three - no earlier than 17 May and Step Four - no earlier than 21 June



In Addition, there will be Four Reviews

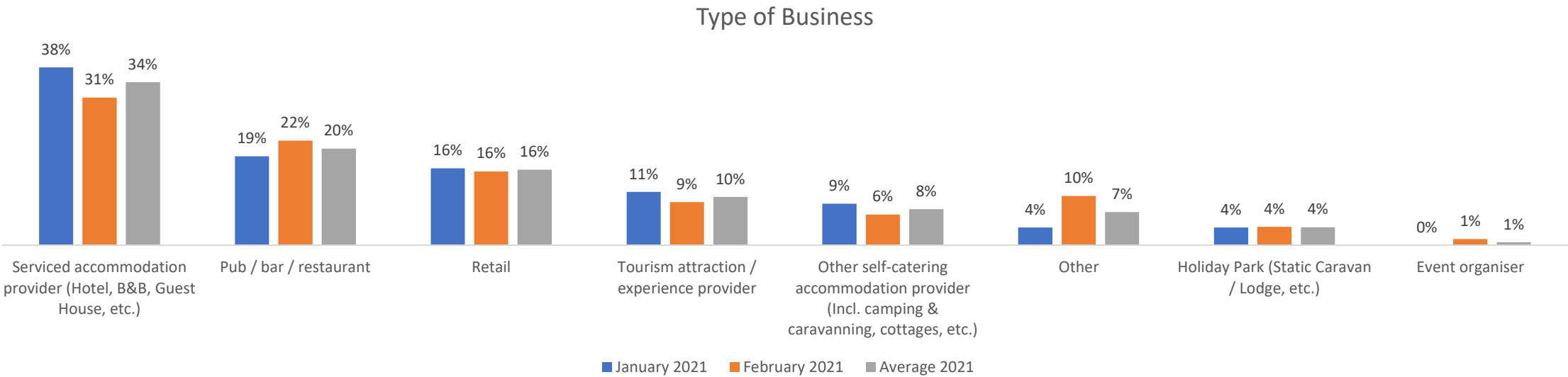
- Looking at whether having a vaccine or a negative test result can reduce restrictions on social contact.
- Piloting the impact of testing and reduced social distancing on events.
- Looking at how to facilitate more inbound and outbound travel - to report back by 12 April
- Review social distancing measures, such as the one-metre-plus rule, rules on face coverings and working from home – to report back by 21 June.



Research Outputs – Business Profile

About two in five (41%) respondents are accommodation providers. Of these, serviced accommodation businesses account for three in ten (31%). Non-service include campsites, cottages (6% combined) and holiday parks (4%).

This month there has been a slight increase in the proportion of pubs and restaurants (22%, up from 19%). The rest of the sample is made up of retail (16%), tourism attractions (9%) and 10 falling under the ‘other’ category.



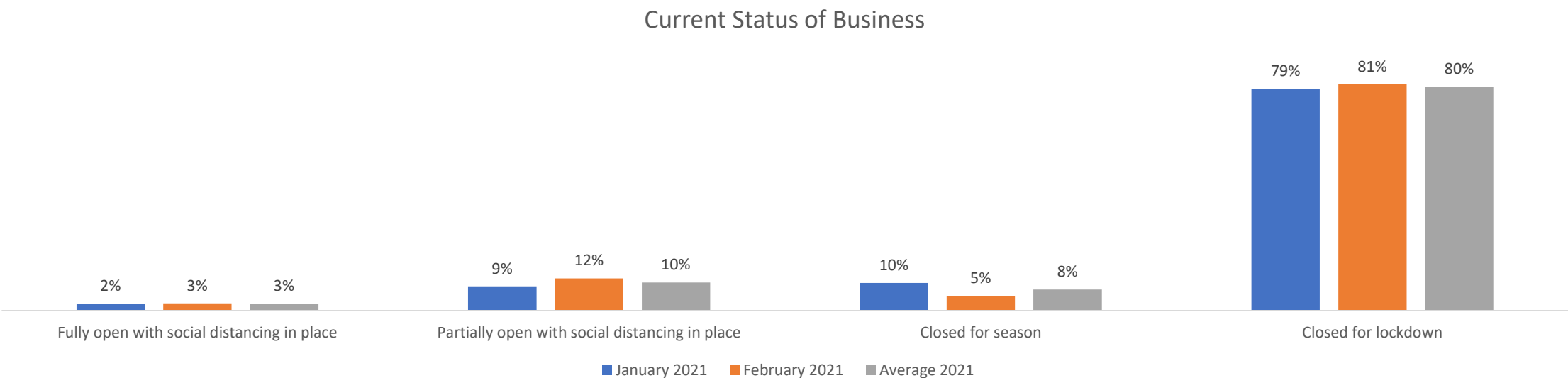
Q: What type of business do you run? (78)



Research Outputs – Current Status

Four out of five responds (81%) are currently closed due to lockdown restrictions. A further 5% are closed for the season.

A small proportion of respondents (15%) were open with social distancing measures in place. Of these, 12% were partially open and 3% were fully open.



Q: What is the current status of your business? (78)

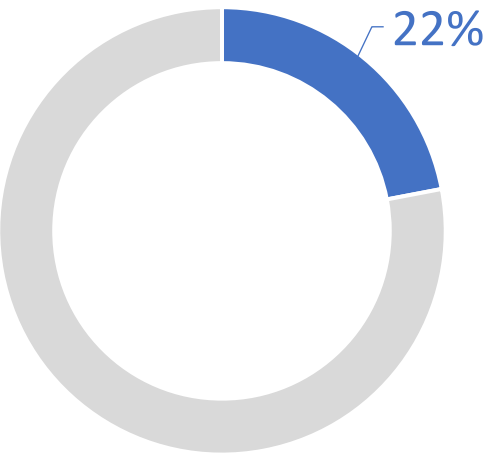


Research Outputs – Current Status

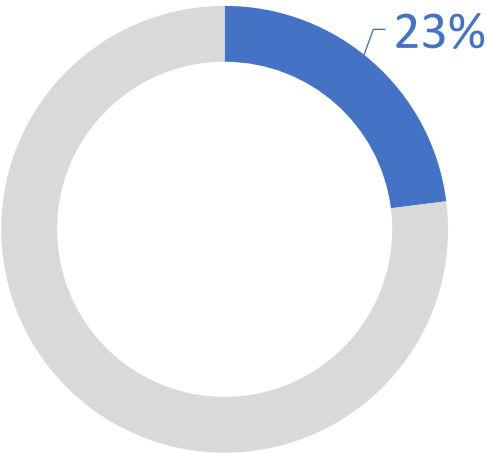
Those that remain open are operating at 22% of their usual capacity. As a result, their volume of trade during the week prior to completing the survey was just below a quarter (23%) compared to the level achieved the same week the previous year.

Current staff levels account for 29% of the usual staff levels employed before the start of the pandemic.

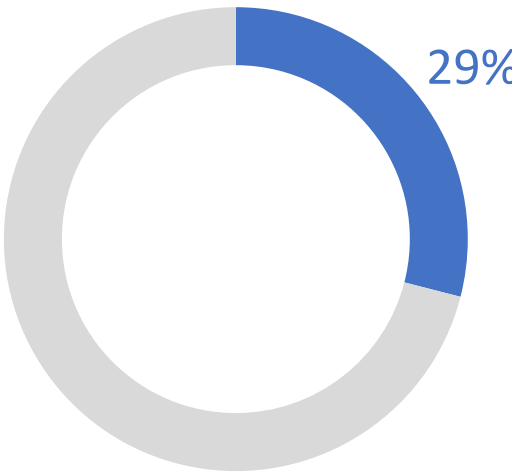
Percentage of usual capacity operating at



Percentage of trade last week compared to the same week last year



Percentage of usual staffing levels operating at

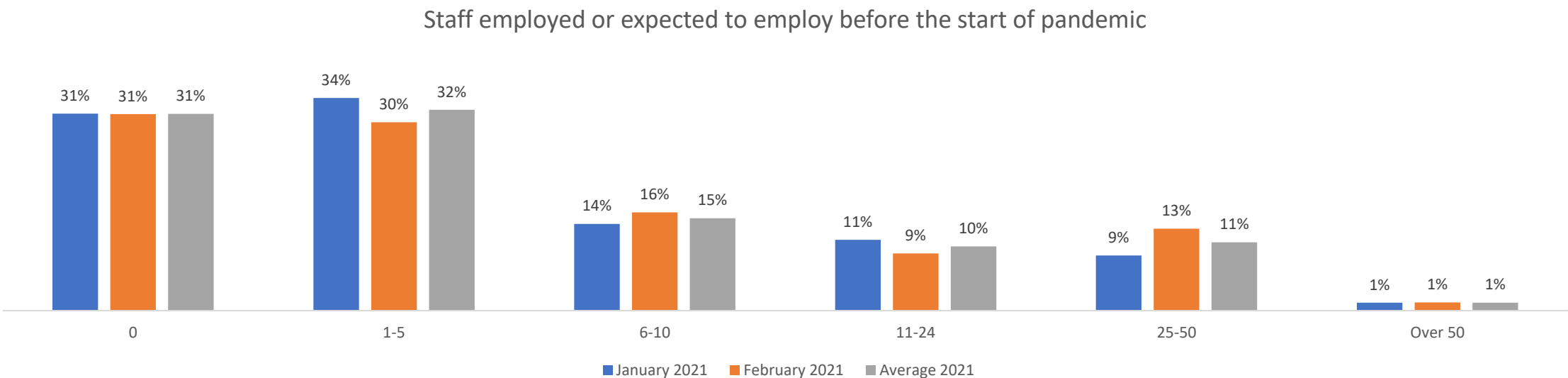


Q: If you are open, approximately what percentage of your usual capacity are you operating at? (78)
Q: What was your percentage of trade last week compared to the same week last year? (78)
Q: Approximately what percentage of your usual staffing levels are you operating at? (78)



Research Outputs – Staff and employment changes

Almost two thirds of businesses taking part in the survey were small or micro businesses. Three in ten (31%) don't employ any staff other than the business owners. Three in ten (30%) employ between 1 and 5 members of staff. Businesses with 6 to 10 employees account for 16%, followed by the 25-50 (13%), the 11-24 group (9%), and larger businesses, with over 50 employees (1%).



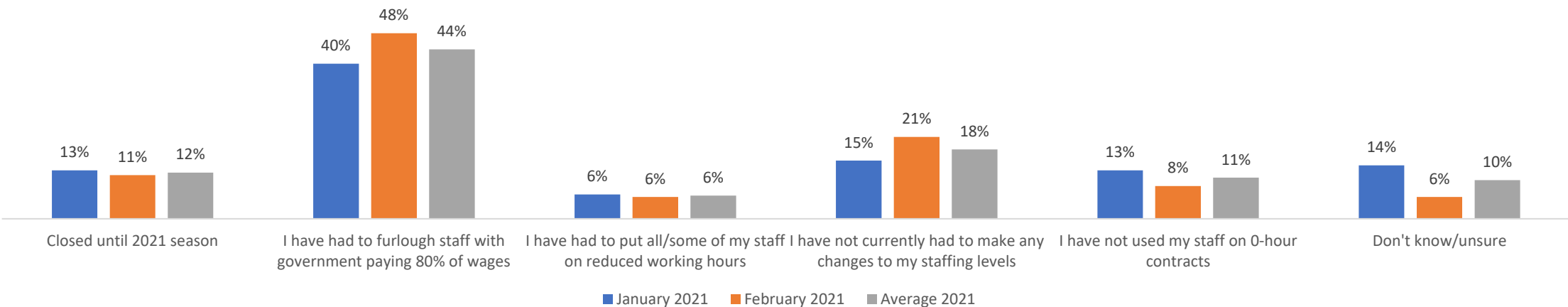
Q: How many staff did you employ or expected to employ before the start of the pandemic? (77)

Research Outputs – Staff and employment changes

The most significant effect of the pandemic was having to furlough staff with government paying 80% of wages, affecting 48% of respondents. Furthermore, 8% had not used their staff on 0-hour contracts and 6% had to put some or all of their staff on reduced working hours.

Two in five (21%), didn't have to make any changes to their staff and a further 6% were unsure or unable to answer.

Effect of Covid-19 on staffing levels to date



Q: What other effect has Covid-19 had on your staffing levels to date? (77)

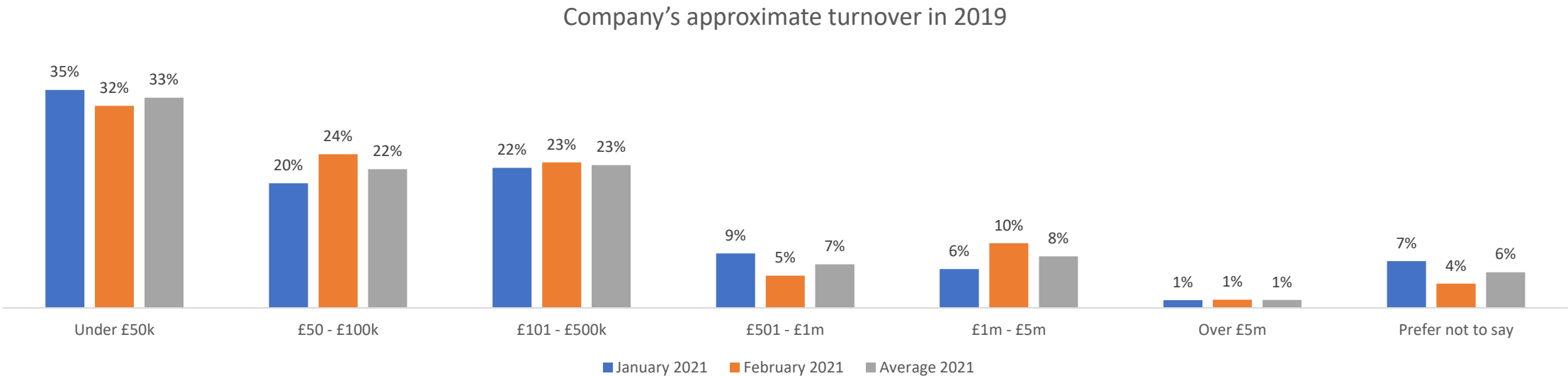


Research Outputs – Impact on business turnover

As mentioned earlier, a significant proportion of businesses taking part in the survey were smaller businesses and this is reflected on the turnover figures for 2019. Just under a third (32%) achieved a turnover of under £50k, a further 24% made between £50k and £100k and 23% achieved a turnover of between £101k and £500k.

The remaining 16% include larger turnovers (5% achieved between half a million and a million pounds, 10% between one and five million and 1% over £5 million.

Note that 4% of respondents preferred not to disclose their performance information.



Q: What was your company's approximate turnover 2019? (78)

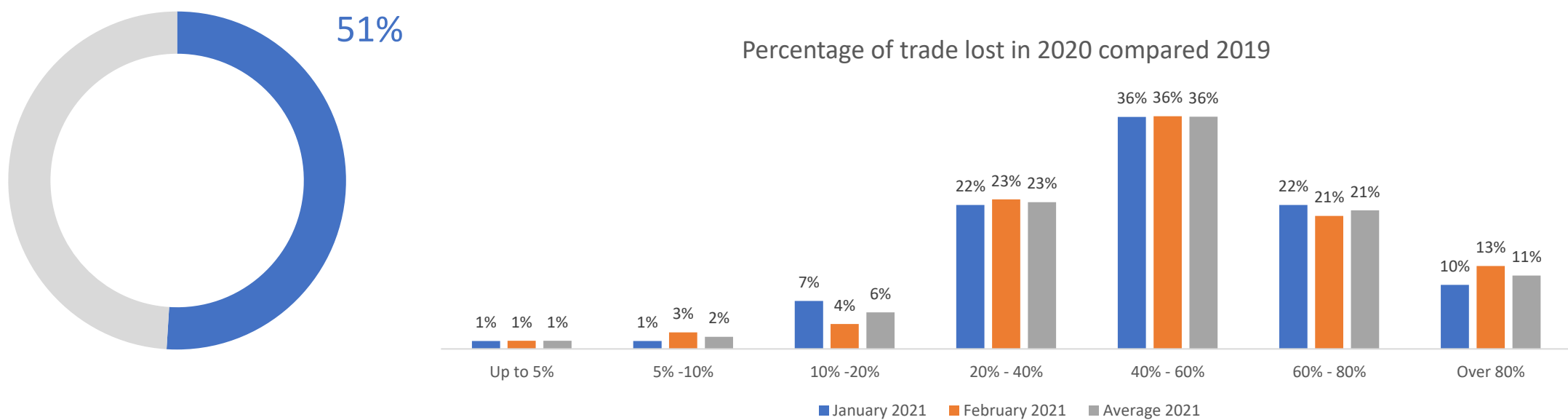


Research Outputs – Impact on business turnover

About a third of respondents lost up to 40% of their 2020 turnover, compared to 2019. Of these, 23% lost between 20% and 40%, with the rest losing less than 20%.

Just over a third (36%) lost between 40% and 60% of turnover, with 21% losing up to 80% and 13% suffering losses of more than 80% in trade, compared to 2019.

On average, businesses taking part in the survey saw a 51% loss in trade during 2020 compared 2019



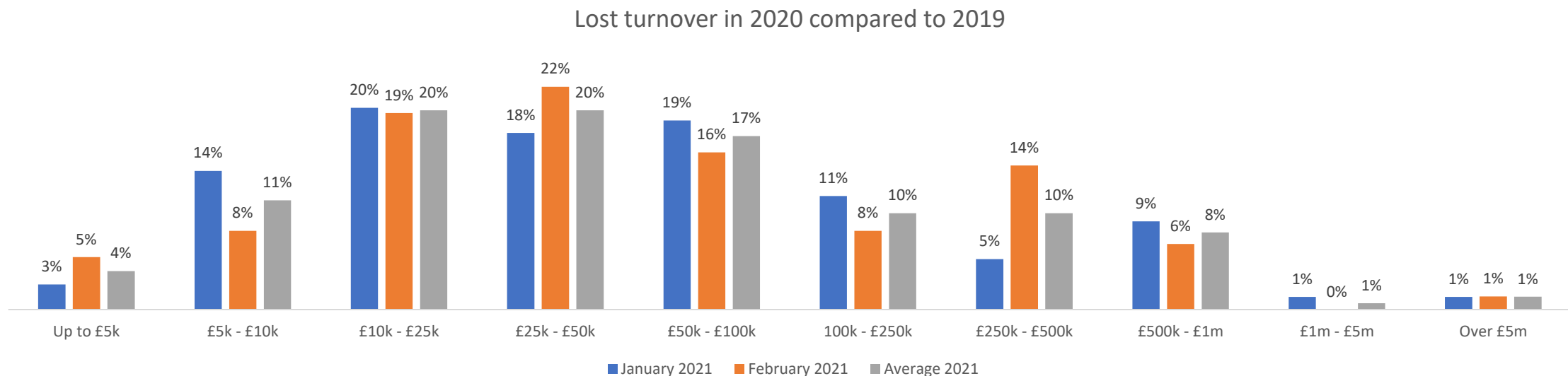
Q: If your trade has decreased what percentage of trade would you say you have lost in 2020 compared 2019? (77)



Research Outputs – Impact on business turnover

In most cases (70%), the loss of turnover in 2020 compared to 2019 was up to £100k. Of these, 32% lost up to £25k, perhaps reflecting on the proportion of smaller businesses taking part in the survey.

A further 22% report losses of between £100k and £500k and 7% lost over £500k.

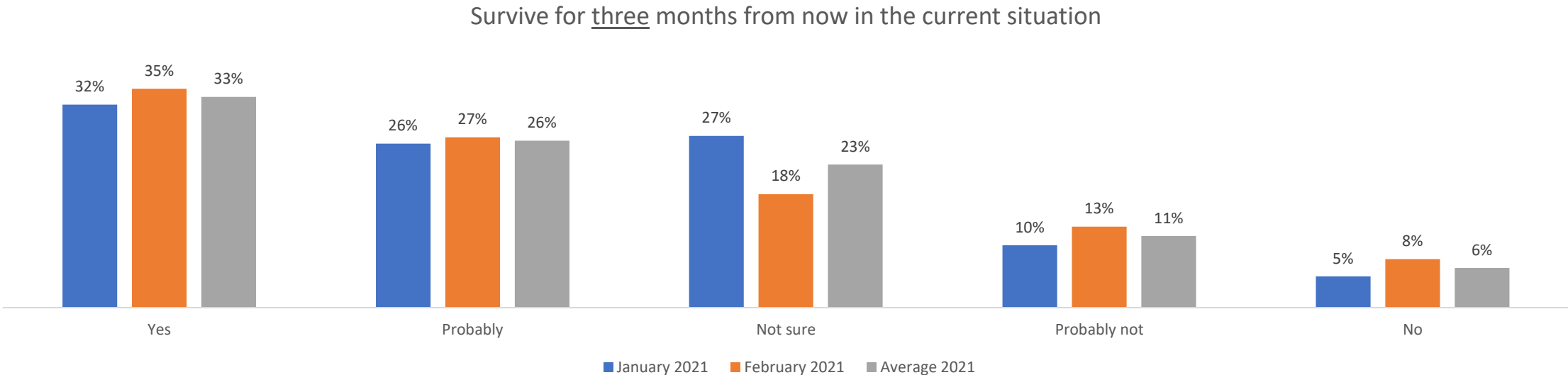


Q: Approximately how much could this mean in terms of lost turnover in 2020 compared to 2019? (77)



Research Outputs – Business Survival

Just over three in five businesses (62%) have a positive outlook on their likelihood or surviving the next three months. A further 18% are still not sure and 21% don't expect to survive longer than three months.

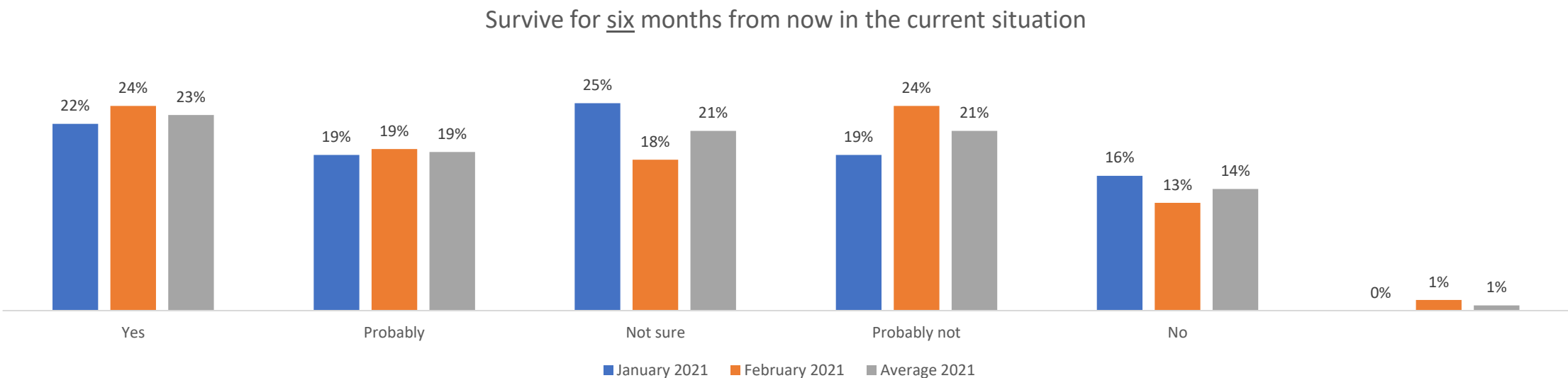


Q: Would your business survive for **three months** from now in the current situation? (78)



Research Outputs – Business Survival

Just over two in five (43%) are confident they will survive for six months in the current situation. Those ‘not sure’ about their survival after six months account for 18% of the sample. Importantly, over a third (37%) think they probably won’t survive after six months.

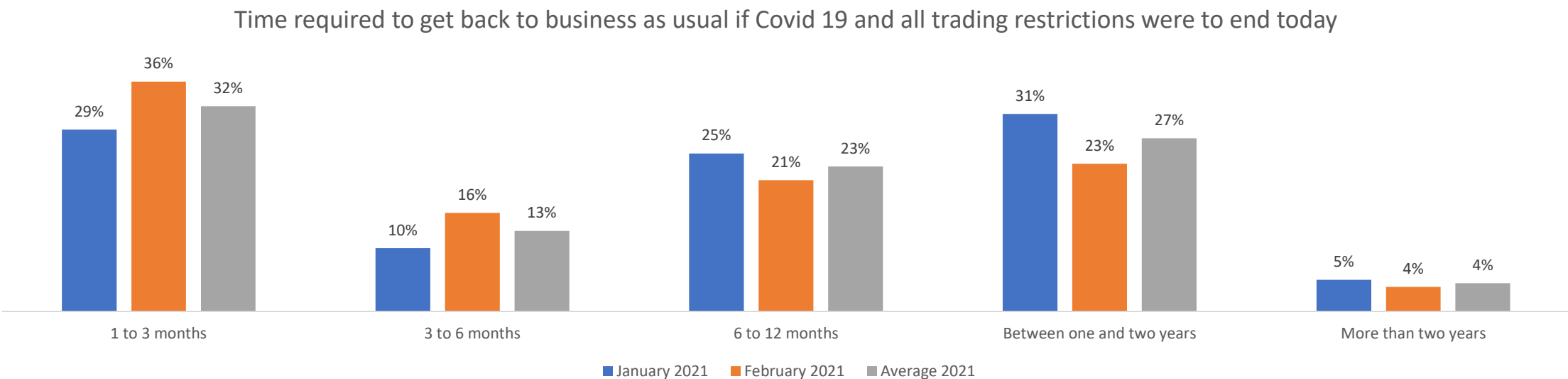


Q: Would your business survive for **six months** from now in the current situation? (78)



Research Outputs – Business Recovery

Should trading restrictions linked to Covid-19 end today, just over half of respondents (51%) are expecting to need up to 6 months (with 36% needing only up to 3 months). Two in five (21%) estimate that all trading restrictions were to end today, it would take their company between 6 months and a year to get back to business as usual. Finally, Just under a quarter (23%) would expect to need between one and two years or in some cases even longer (4%) to recover.



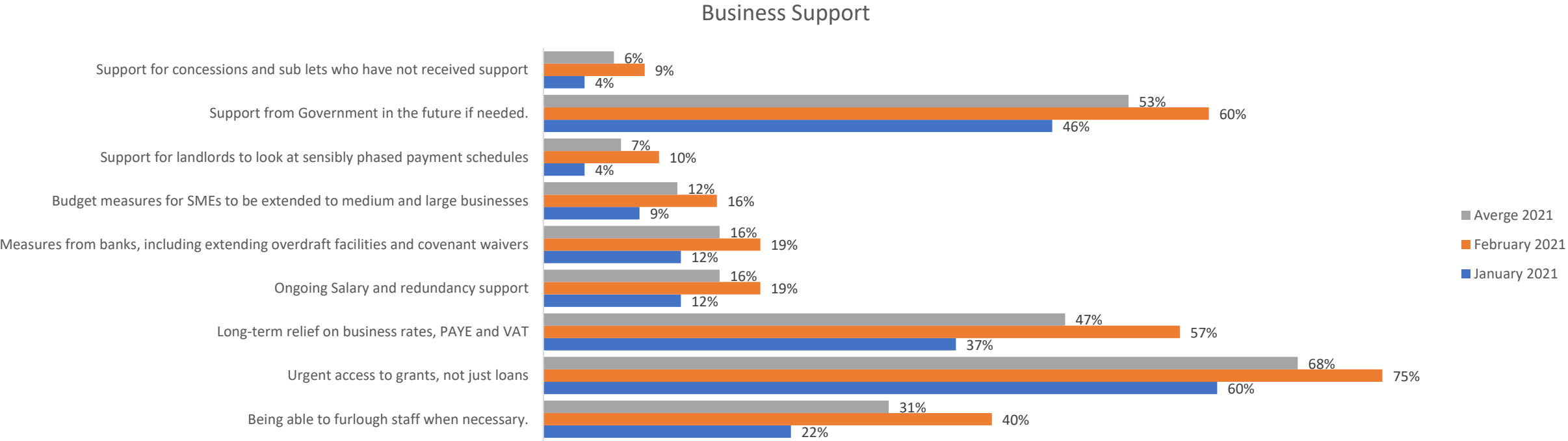
Q: If Covid 19 and all trading restrictions were to end today, how long would you estimate it would take for your company to get back to business as usual? (77)



Research Outputs – Business Support

Three quarters of respondents (75%) are requesting urgent access to grants, not just loans, and three in five (60%) say they will welcome support from government in the future, if needed. Those requesting long term relief on business rates, PAYE and VAT account for 57% of respondents and three in five (40%) would like to be able to furlough staff when necessary.

Note that there were some differences in opinion following the Government’s publication on the 22nd February of the four step roadmap for easing restrictions. The changes in opinion are shown overleaf.



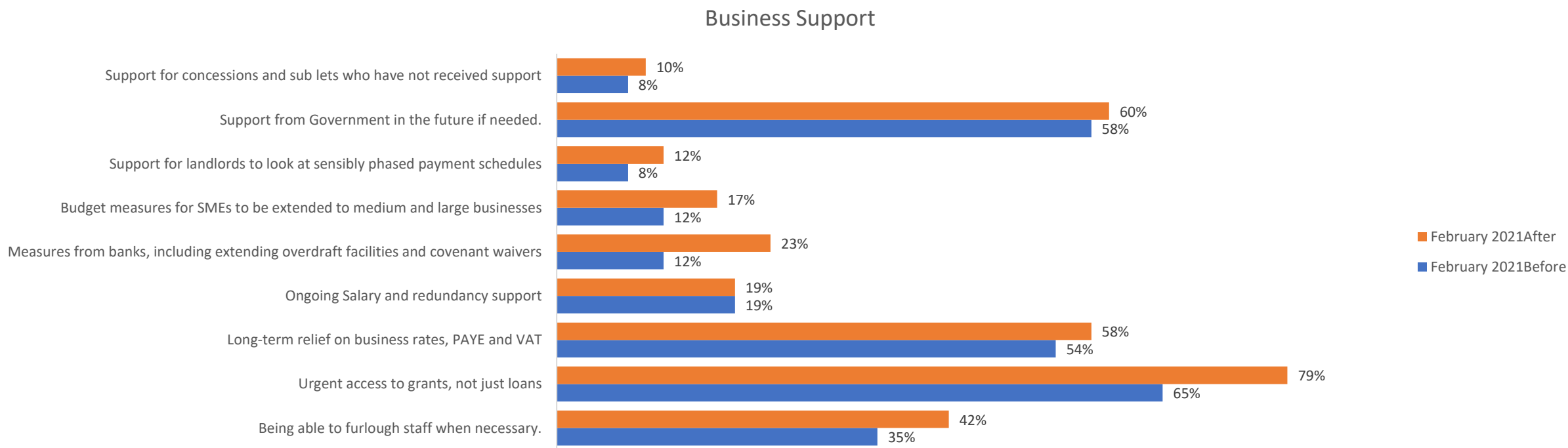
Q: What support from Government would be crucial for your business going forward? (78)



Research Outputs – Business Support

The main outcome of the Government’s announcement was one of clarity and a way forward and, as a consequence there was a perceived reduction in the amount of support that will be needed over the coming months. In particular, there was a 14% drop in the proportion of businesses requesting urgent access to grants, not just loans (79% before the announcement and 65% afterwards).

Also significant was the drop relating to the request for measure from banks (overdraft extensions and covenant wavers), from 23% to 12% following the Government announcement.



Q: What support from Government would be crucial for your business going forward? (78)





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