

Covid-19 – Online Business Survey

Prepared for: Great Yarmouth Tourism and
Business Improvement Area

Week 4: 10 April to 16 April

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 well as assessing the long-term economic impact.

Methodology

The results are based on a weekly 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 GYT BIA.

Outputs

A weekly report will be produced reflecting 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 economic impact assessment of the COVID-19 on the local economy in the context of the latest Cambridge Model results. This report includes responses from 20 March to 16 April, 2020. The report includes a breakdown of responses by week (week 1: 20 to 26 March, week 2: 27 March – 2 April, week 3: 3 April – 9 April and week 4: 10 April – 16 April). The sample size is 403 responses (163 responses in week 1; 81 responses in week 2; 71 responses in week 3 and 88 responses in week 4).

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).



Report for period between 3 April and 9 April 2020 - Key developments:

Wednesday 15 April

The eligibility cut-off date for the Coronavirus Job Retention Scheme (furlough scheme) has been extended from 28 February to 19 March. Employers are now able to claim for furloughed employees that were employed and on their PAYE payroll on or before 19 March 2020.

The Self-employment Income Support Scheme guidance has been updated to provide clarifications on some of the areas that were unclear.

Tuesday 14 April

OBR (Office for Budget Responsibility) Forecasts: Coronavirus lockdown to deliver large (but hopefully temporary) shock to the economy and public finances. The headline figures were shocking with the prospect of a 35% fall in GDP during Q2 and unemployment rising to 10%.

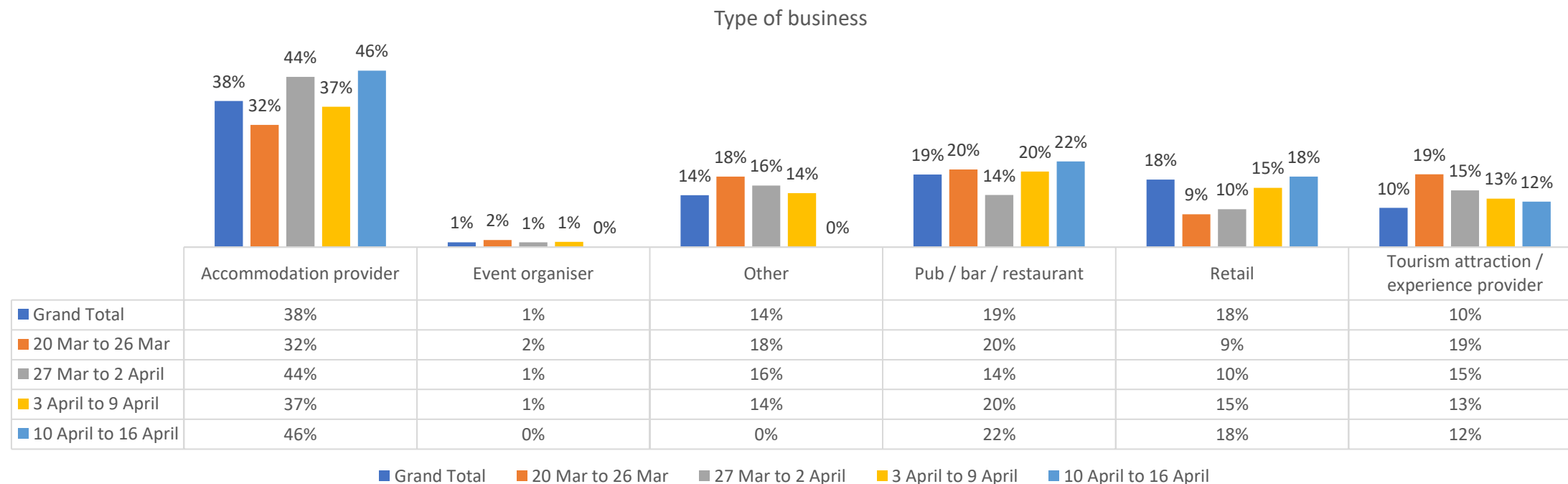
The modelled figures are based on three month lock-down period followed by 3 months of social distancing restrictions, which suggests that this could be the base scenario that the Government asked them consider. If this is correct then lock-down would end around mid-June and restrictions would end mid-Sept.



Research Outputs – Business Profile

During week 4 there was an increase in the number of accommodation providers, pubs / bars / restaurants and retail outlets taking part in the survey. The proportion of attractions decreased slightly. Overall, there was a slight increase in the number of other businesses participating in week 3 of this tracker survey.

‘Other’ businesses include laundry services, estate agents, barbers / hair dressers and other types of food provision (fish and chip shop, Ice-cream parlours and food takeaways)

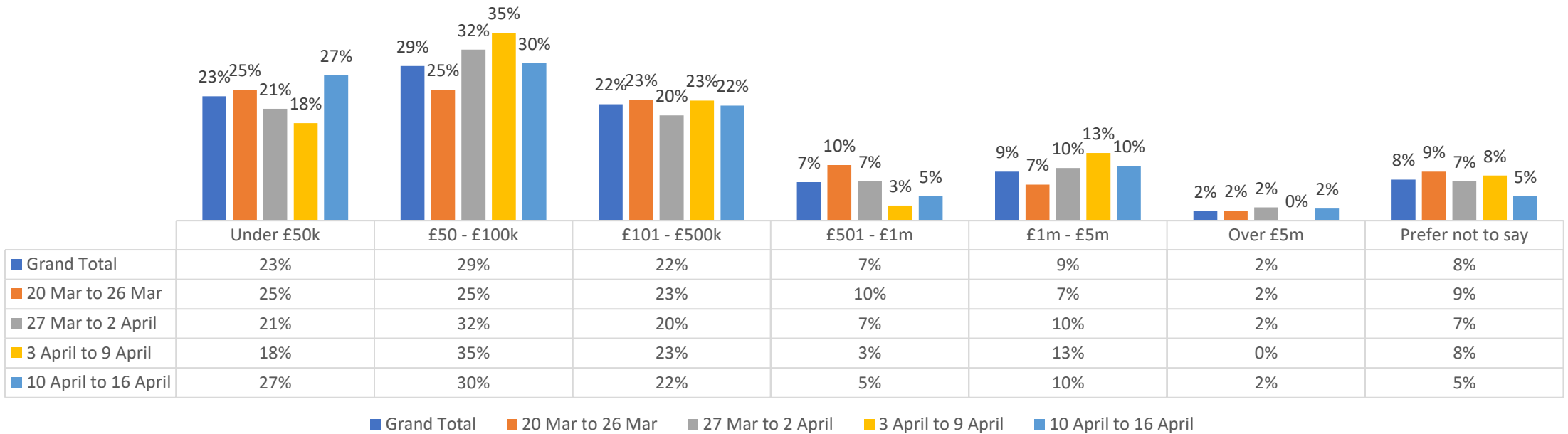


Q: *What type of business do you run?*

Research Outputs – Business Profile

There has been a drop in the proportion of respondents with turnovers ranging between £50k and £100k (after two weeks of increases). Conversely, the proportion of smaller business (under £50k turnover) has increased significantly from 18% in week 3 to 27% in week 4.

Company's approximate turnover last year

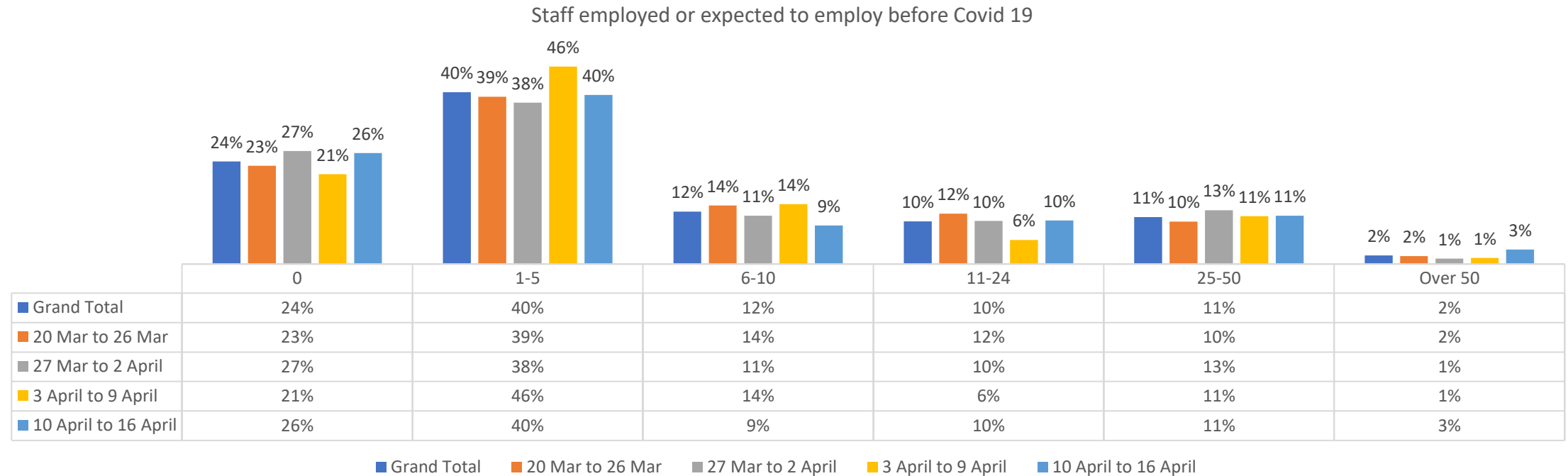


Q: What was your company's approximate turnover last year?

Research Outputs – Staff and employment changes

During week 3 there has been a decrease in the proportion of businesses employing between 1 and 5 members of staff (40% from 46% in week 3) and those employing between 6 and 10 staff (9% down from 14% in week 3).

There have been increases in the proportion of businesses that did not employ anyone before the start of the Covid 19 crisis (26% up from 21% in week 3) and those employing between 11 and 24 staff (610% up from 6% in week 3).



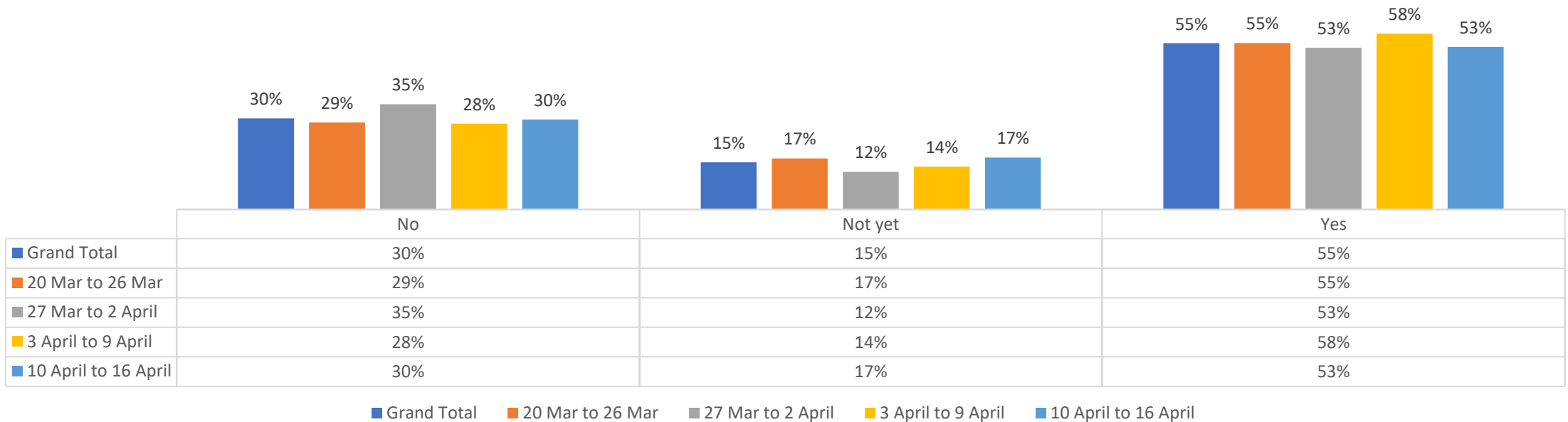
Q: How many staff did you employ or expected to employ before the start of the Covid 19 crisis?

Research Outputs – Staff and employment changes

The proportion of businesses decreasing their staff numbers has gone down five points to 53% since week 3. The proportion that are planning to do it soon has increased, with 17% saying they have not decreased their staff ‘yet’ (compared to 14% in week 3).

Those that have decreased their staff numbers have lost an average of 73% of their workforce (up from 63% in week 3).

Decrease in staff numbers because of Covid 19

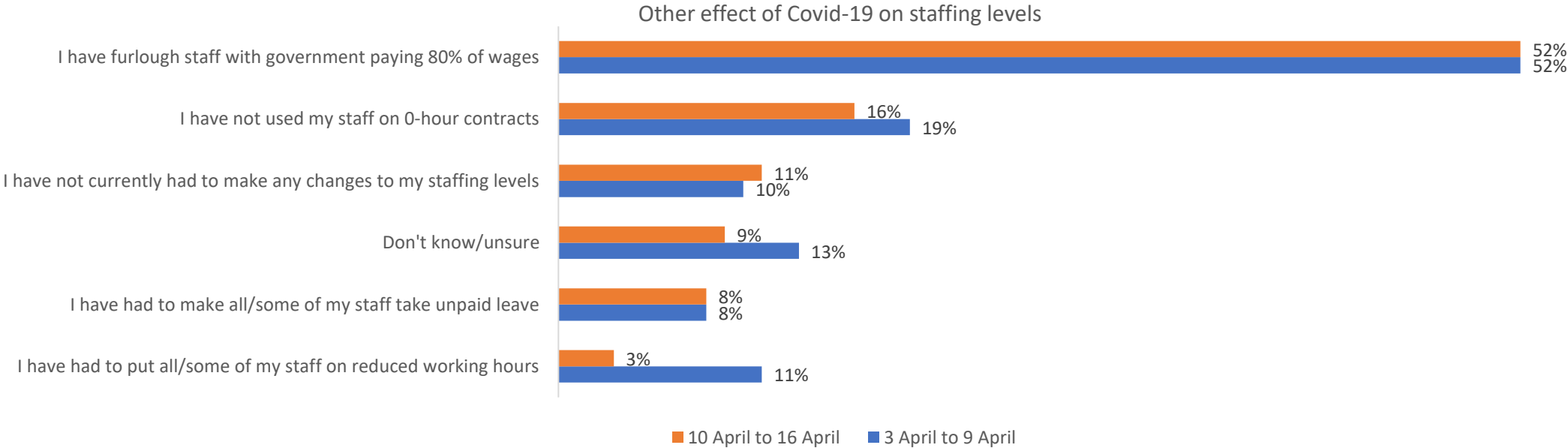


Q: Have you had to decrease you staff because of Covid 19?

Research Outputs – Staff and employment changes

We introduced a new questions in wave 3 of this tracker survey which continued into week 4. We attempt to ascertain what other effect has Covid-19 had on staffing levels to date. Just over half of businesses (52%) have furloughed staff with government paying 80% of wages (changed since last week). About one in six (16%) said they have not used their staff on 0-hour contracts. There’s been a drop in the proportion of businesses that had to put all/some of my staff on reduced working hours (3% down from 11% in week 3).

Six out of ten businesses (61%) are using own cash resources to finance the furloughing of their staff. A quarter (27%) have received Government grants and a further 7% have applied but not received the money yet. A small minority (5%) have applied for bank loans.



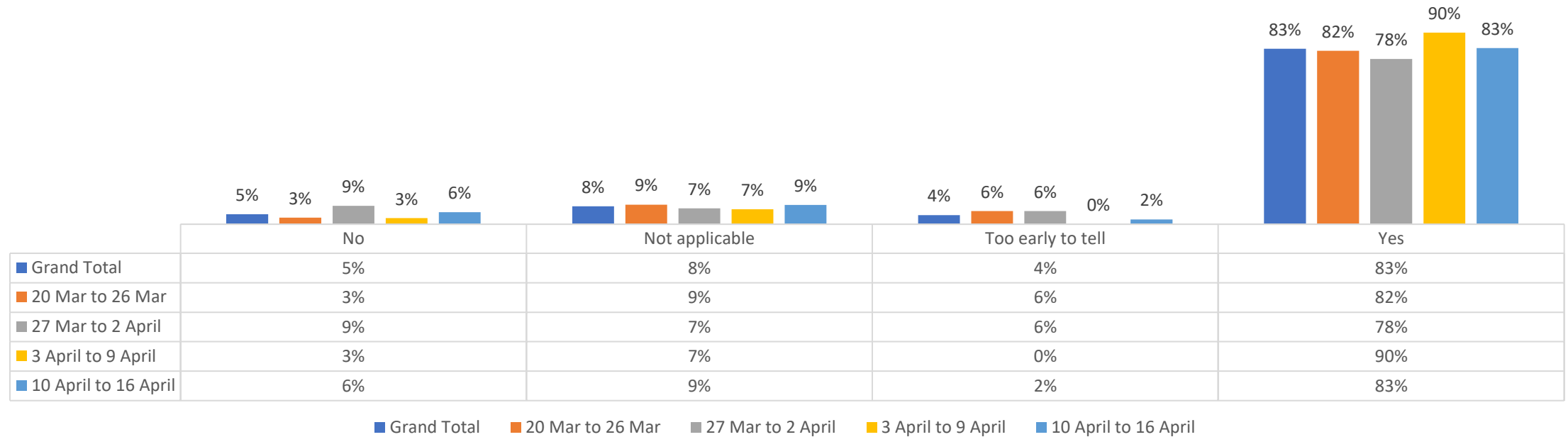
Q: What other effect has Covid-19 had on your staffing levels to date?



Research Outputs – Impact on bookings and turnover

There has been an decrease in the proportion of respondents that report changes to existing bookings/sales because of Covid 19 such as changes to dates or other details but not outright cancellations of bookings. The results show that this proportion reached 83% in week 4, down from 83% in week 3.

Changes to existing bookings/sales because of Covid 19

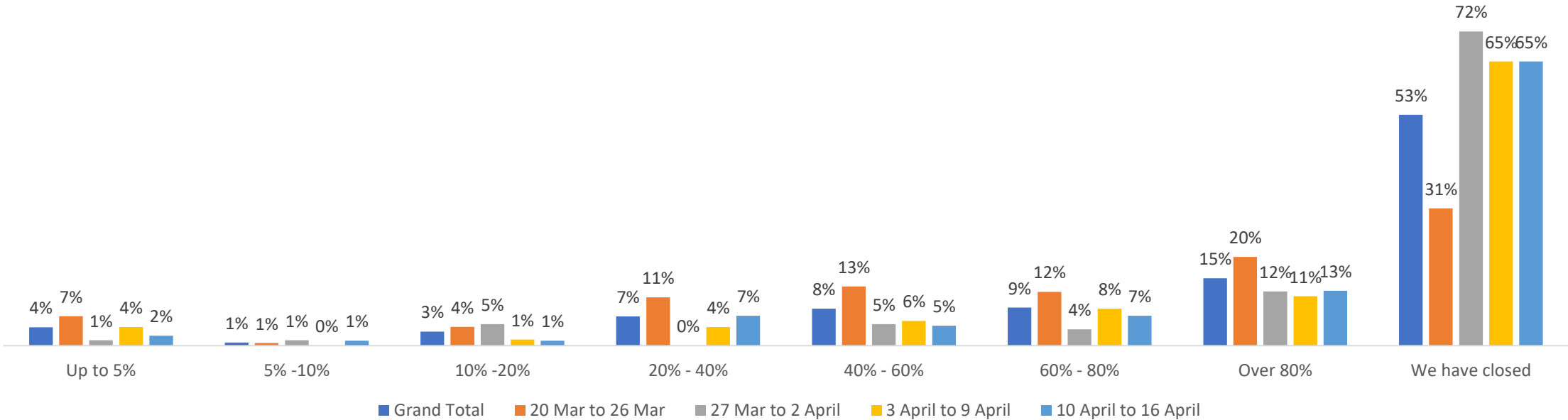


*Q: Have there been any changes to existing bookings/sales because of Covid 19?
Changes to dates or other details but not outright cancellations of bookings*

Research Outputs – Impact on bookings and turnover

Covid-19 is having significant impacts on the local tourism industry. Two thirds of businesses are reporting closures (65% this week, unchanged since week 3 and down from 72% in week 2). It should be taken into account that the Government forced accommodation providers and other tourism and leisure related businesses to temporarily close their doors. The drop in the proportion of businesses that report closures may be influenced by the fact that some businesses have been closed for a number of weeks now and may have decided not to take part in the survey.

Percentage of trade lost to date



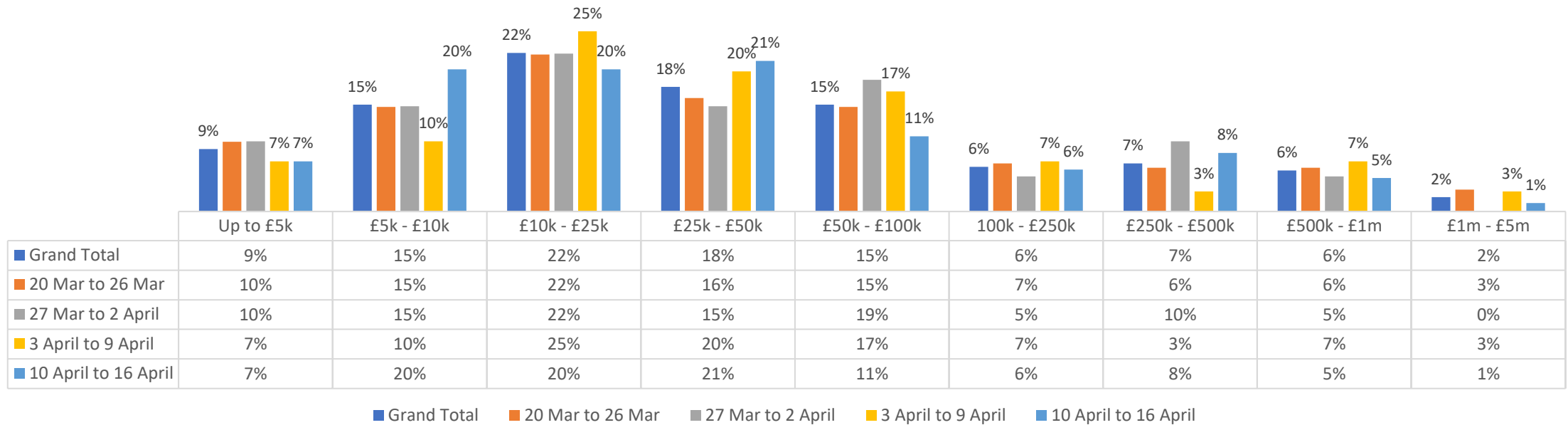
Q: If your trade has decreased what percentage of trade would you say you have lost to date?



Research Outputs – Impact on bookings and turnover

The proportion of participants reporting losses of up to £25k has increased to 47% from 42% in week 3. In particular, those with turnovers between £5k and £10k have doubled from 10% of the sample in week 3 to 20% in week 4.

How much could this mean in terms of lost turnover?

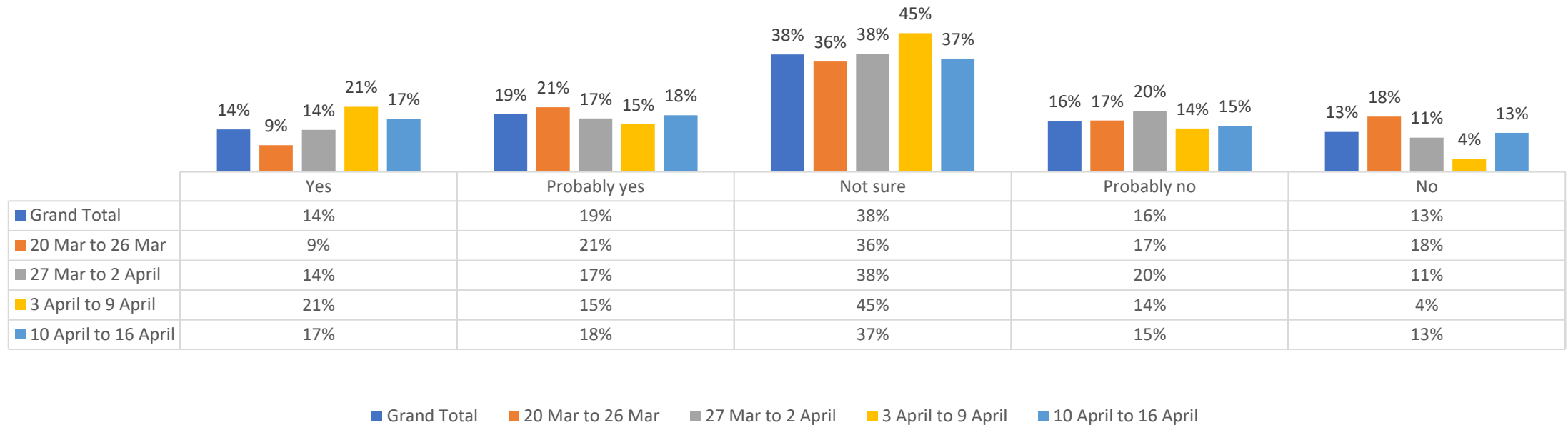


Q: Approximately how much could this mean in terms of lost turnover?

Research Outputs – Business Survival

There has been little change in those who believe their business will survive the next three months (35% say yes or probably yes, compared to 36% in week 3). Levels of uncertainty are down (37% up from 45% in week 3). The proportion of those that said 'No' has increased from 4% in week 3. This could be interpreted to mean that the financial support announced by the Government is helping businesses stay afloat some may be experiencing difficulty accessing grant money.

Business survival after THREE months in the current situation?

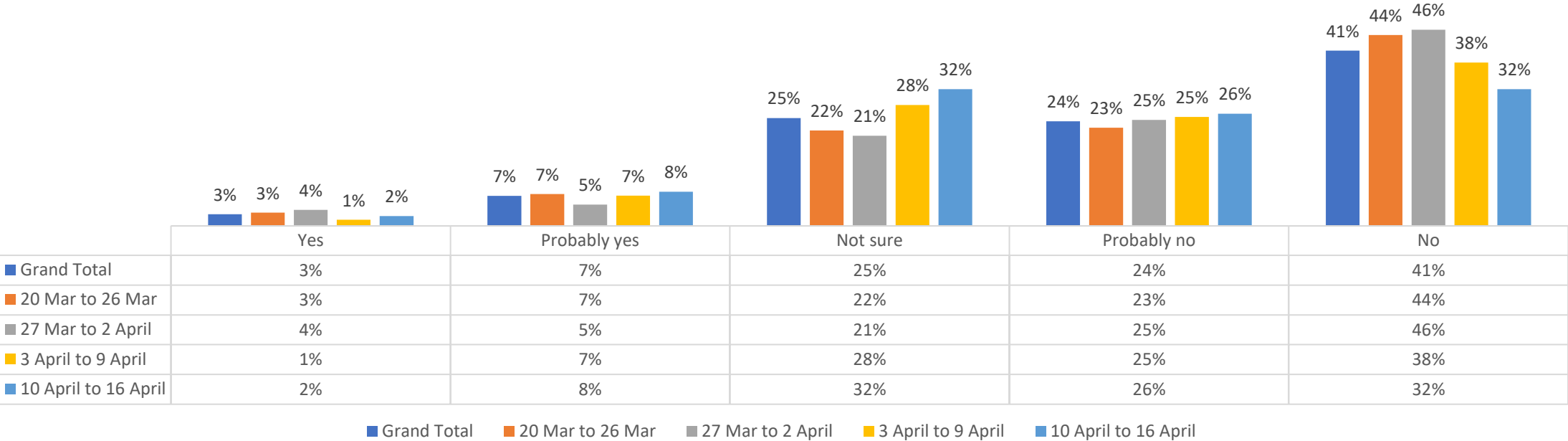


Q: *Would your business survive for three months in the current situation?*

Research Outputs – Business Survival

There’s a continued decrease in the proportion predicting that their business probably won’t survive for SIX months in the current situation (58% said ‘no’ or ‘probably not’ in week 4, compared to 63% in week 3, 71% in week 2 and 67% in week 1). These results could imply that assuming businesses can solve some immediate cash flow problems, the Government support may be helping with longer term business survival.

Business survival after SIX months in the current situation?



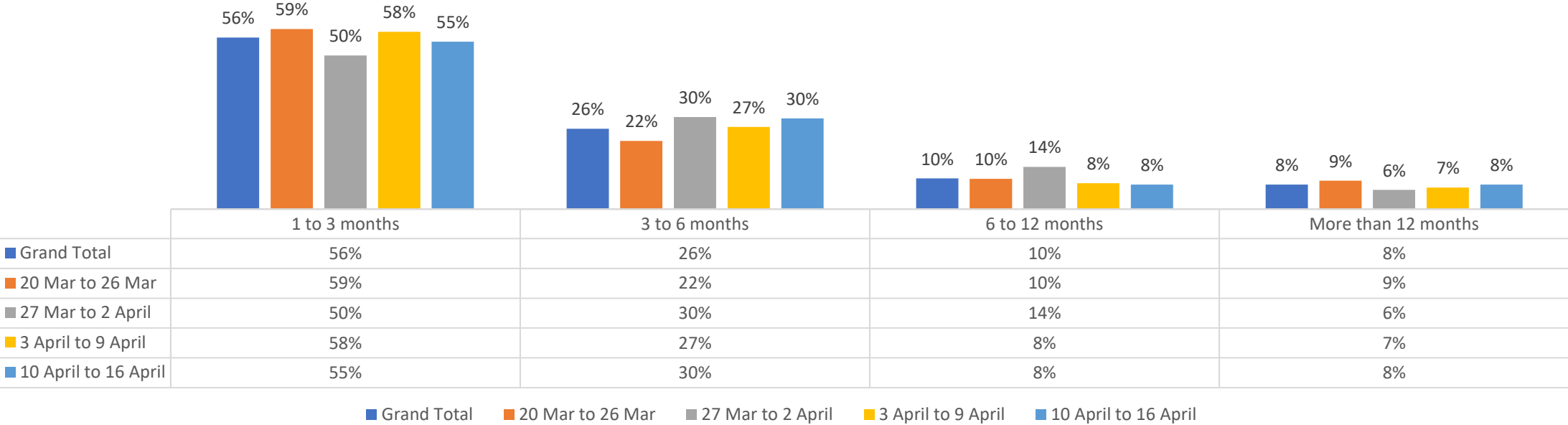
Q: Would your business survive for six months in the current situation?



Research Outputs – Business Recovery

If Covid 19 were to end today, over half (56%) estimate it would take them between 1 and 3 months to get back to business as usual. As you would expect, this is changing weekly. The results for week 4 would suggest that a growing number of businesses expect that the summer months would allow them to recoup losses and get back to business as usual relatively quickly.

If Covid 19 were to end today, how long before your get back to business as usual?



Q: Finally, If Covid 19 were to end today, how long would you estimate it would take for your company to get back to business as usual?

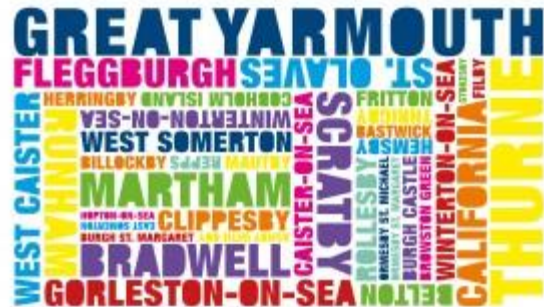


Research Outputs – Further opinions

At the end of the survey businesses were asked if they had any other comments they would like to raise. A summary of comments / key themes is below:

- Businesses are starting to say that in the current situation goes beyond July / August it would effectively mean most of the year's earnings lost. there's a growing concern that the Government aid will only cover a few months but the industry would effectively need to be supported until next Easter (2021).





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