Covid-19 – Online Tourism Business Survey

Prepared for: Great Yarmouth Tourism and Business Improvement Area

Week 8: 11 May to 18 May

Prepared by:

destinationresearch
delivering results : measuring what matters

On behalf of:

GREATER Yarmouth TOURISM & BUSINESS IMPROVEMENT AREA

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 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 GYTBIA.

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 11 April to 18 April, 2020. The report includes a breakdown of responses by week as well as an average of all responses to date. The sample size is 689 responses (163 responses in week 1; 81 responses in week 2, 71 responses in week 3, 88 responses in week 4; 88 responses in week 5; 95 responses in week 6; 103 responses in week 7 and 73 responses in week 8.

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 11 May and 18 May 2020 - Key developments:

Thursday 14 May

New guidance published for local authorities setting out details of the Small Business Grants Fund (SBGF) and Retail, Hospitality and Leisure Grant Fund (RHLGF).

Wednesday 13 May

The Self-Employment Income Support Scheme (SEISS) opens for applications - The scheme allows those who are self-employed to claim a taxable grant of 80% of their average monthly trading profits, paid out in a single instalment covering three months, and capped at £7,500 altogether.

Tuesday 12 May

Coronavirus Job Retention Scheme extended until October. Until the end of July there will be no changes; however, from August to October there will be more flexibility to enable people to return to work part-time.

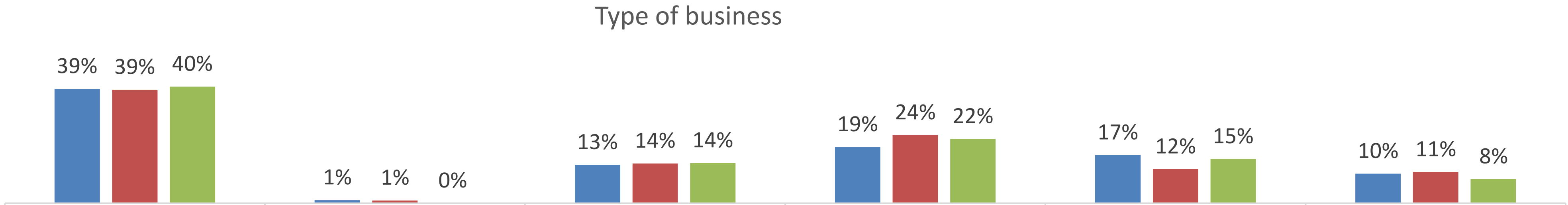
Monday 11 May

UK Government's COVID-19 recovery strategy - The document outlines a re-opening timetable with July 4 being the earliest date for the hospitality sector, including accommodations and attractions, to start opening their premises to customers.

Research Outputs – Business Profile

During week 8 there was a marginal increase in the number of accommodation providers taking part in the survey. The proportion of pubs / bars / restaurants decreased by two percentage points, whereas retail outlets increased by three points to 15%.

'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)



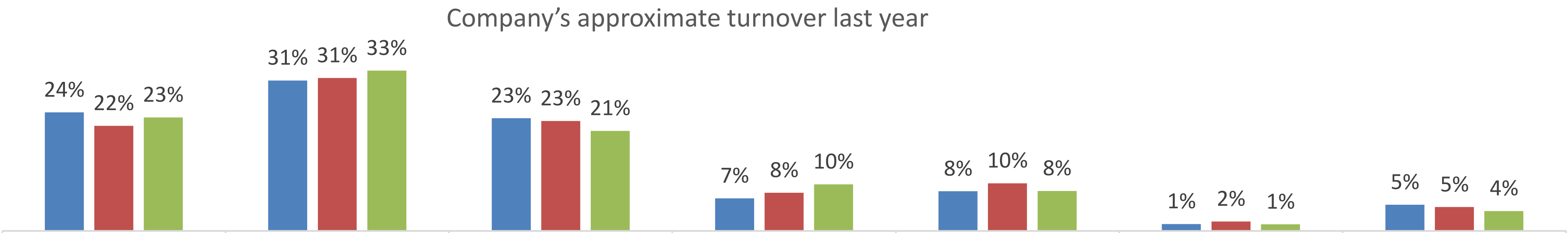
	Accommodation provider	Event organiser	Other	Pub / bar / restaurant	Retail	Tourism attraction / experience provider
Grand Total	39%	1%	13%	19%	17%	10%
1 May to 6 May	39%	1%	14%	24%	12%	11%
11 May 18 May	40%	0%	14%	22%	15%	8%

Grand Total   1 May to 6 May   11 May 18 May

Q: What type of business do you run?

Research Outputs – Business Profile

Businesses with turnover up to £100k make up just over half of the sample (56% combined). A further 21% are businesses with turnover of between £101k and £500k. Larger businesses, with turnover over £500k account for the remaining 19%, similar to last week. Overall, just over three quarters of all responses have been from SMEs, a consistent trend sine the start of the survey 8 weeks ago.



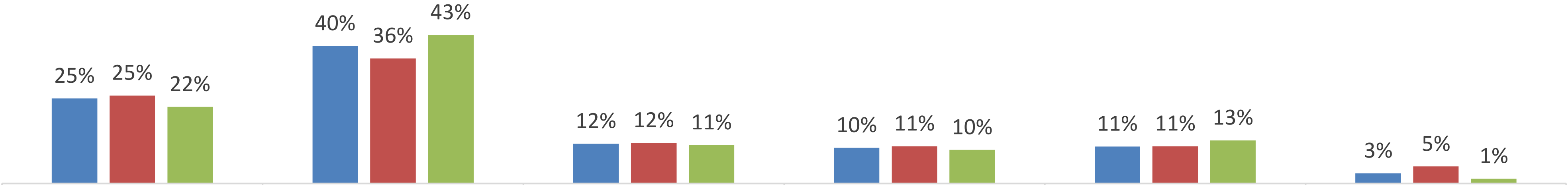
	Under £50k	£50 - £100k	£101 - £500k	£501 - £1m	£1m - £5m	Over £5m	Prefer not to say
Grand Total	24%	31%	23%	7%	8%	1%	5%
1 May to 6 May	22%	31%	23%	8%	10%	2%	5%
11 May 18 May	23%	33%	21%	10%	8%	1%	4%

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

Research Outputs – Staff and employment changes

This week there has been a seven point increase in the number of respondents employing between 1 and 5 members of staff (43% from 36% in week 7) with all the other groups showing marginal changes week-on-week, except for larger businesses (those employing over 50 staff), showing a 4pc drop to only 1% of the total sample.

Staff employed or expected to employ before Covid 19



	0	1-5	6-10	11-24	25-50	Over 50
Grand Total	25%	40%	12%	10%	11%	3%
1 May to 6 May	25%	36%	12%	11%	11%	5%
11 May 18 May	22%	43%	11%	10%	13%	1%

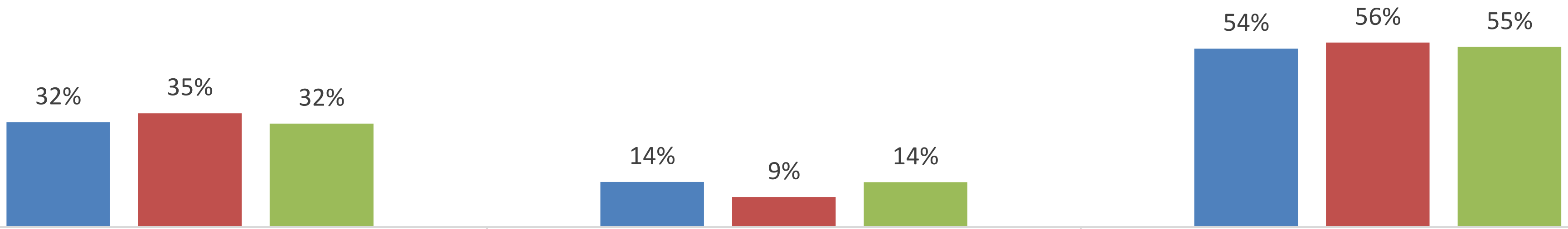
Grand Total 1 May to 6 May 11 May 18 May

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

There was little week-on-week variation in the proportion of businesses decreasing their staff numbers. This week there was a one point decrease since week 7 (55% form 56%). However, the proportion that are planning to do it soon has increased, with 14% saying they have not decreased their staff 'yet' (compared to 9% in week 7).

Decrease in staff numbers because of Covid 19



	No	Not yet	Yes
Grand Total	32%	14%	54%
1 May to 6 May	35%	9%	56%
11 May 18 May	32%	14%	55%

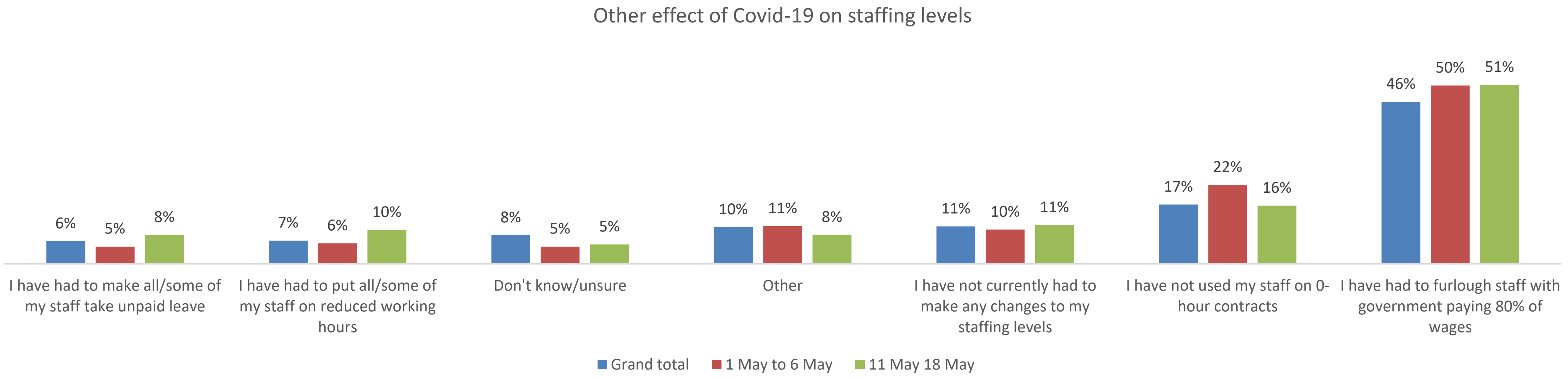
Grand Total   1 May to 6 May   11 May 18 May

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

Research Outputs – Staff and employment changes

Half (51%) said they had had to furlough staff with government paying 80% of wages, up from 46% since this question was asked three weeks ago. There was an decrease in the proportion that said they had not used their staff on 0-hour contracts (16% up from 22% in week 7).

Businesses that have not currently had to make any changes to their staffing levels remains relatively unchanged at 11%, one percentage point up on last week but in line with the overall average.

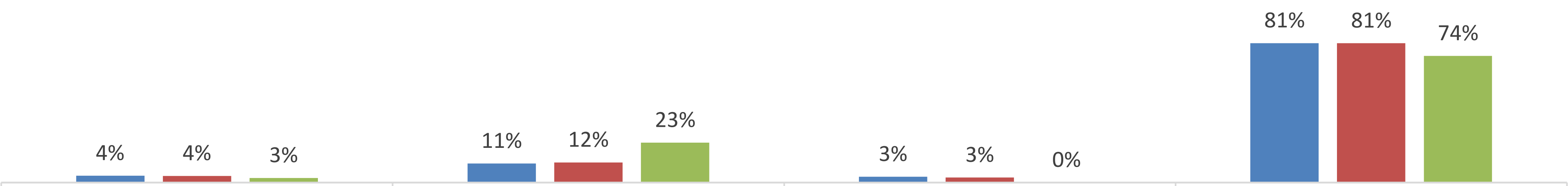


Q: What other effect has Covid-19 had on your staffing levels to date?

Research Outputs – Impact on bookings and turnover

The proportion of businesses that reported changes to existing bookings/sales because of Covid 19 was down six points since week 7 to 74%. Note that there's a significant increase in the proportion who deem the question not applicable to their business model. This may be due partly to the increase in the proportion of retailers making up the weekly sample.

Changes to existing bookings/sales because of Covid 19



	No	Not applicable	Too early to tell	Yes
Grand Total	4%	11%	3%	81%
1 May to 6 May	4%	12%	3%	81%
11 May 18 May	3%	23%	0%	74%

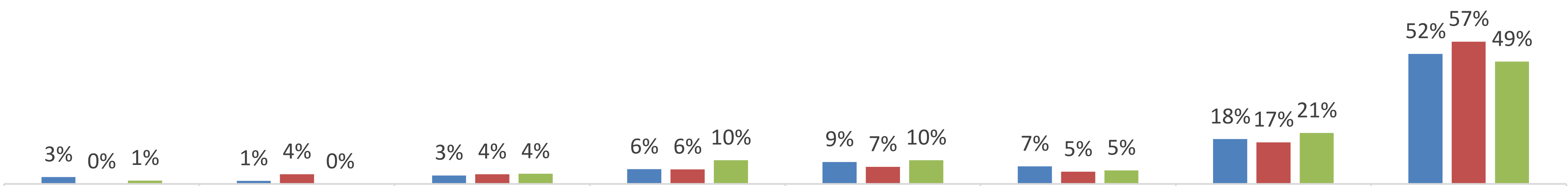
Grand Total 1 May to 6 May 11 May 18 May

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. Just under half of businesses are reporting closures (49% this week compared 57% in week 7). It should be taken into account that the UK Government forced accommodation providers and other tourism and leisure related businesses to temporarily close their doors. The continued 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 tracker survey anymore.

Percentage of trade lost to date



	Up to 5%	5% -10%	10% -20%	20% - 40%	40% - 60%	60% - 80%	Over 80%	We have closed
Grand Total	3%	1%	3%	6%	9%	7%	18%	52%
1 May to 6 May	0%	4%	4%	6%	7%	5%	17%	57%
11 May 18 May	1%	0%	4%	10%	10%	5%	21%	49%

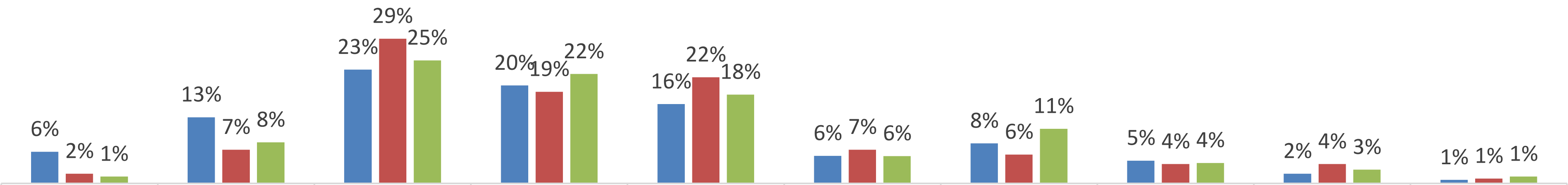
Grand Total 1 May to 6 May 11 May 18 May

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

Looking at the differences between this week's results and 8-week period we notice a significant decrease in the proportion of businesses reporting losses up to £10k, from 19% for the 8-week period to only 8% this week. Conversely, the bracket £10k to £100k in lost turnover accounts for 59% for the 8-week period but 65% this week. This would demonstrate that businesses are suffering increased losses, probably due to ongoing fixed costs not covered in the Government aid schemes.

How much could this mean in terms of lost turnover?



	Up to £5k	£5k - £10k	£10k - £25k	£25k - £50k	£50k - £100k	100k - £250k	£250k - £500k	£500k - £1m	£1m - £5m	Over £5m
Grand Total	6%	13%	23%	20%	16%	6%	8%	5%	2%	1%
1 May to 6 May	2%	7%	29%	19%	22%	7%	6%	4%	4%	1%
11 May 18 May	1%	8%	25%	22%	18%	6%	11%	4%	3%	1%

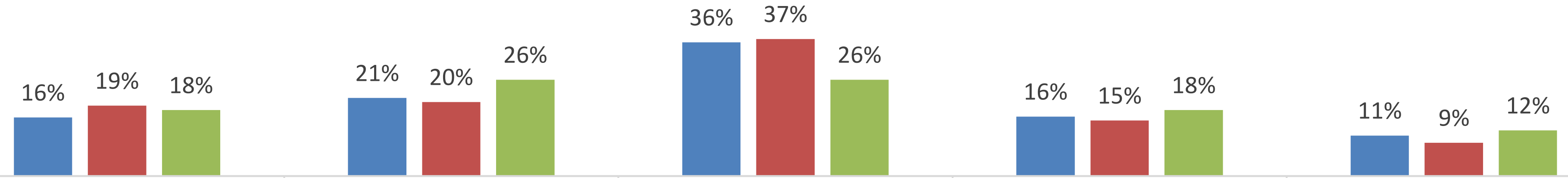
Grand Total · 1 May to 6 May · 11 May 18 May

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

Research Outputs – Business Survival

Businesses are showing more clarity as to whether they think they will still be in business three months from now. Results are polarised, with 44% having a positive outlook and 40% not expecting to survive longer than three months. Only a quarter (26%) were not sure.

Business survival after THREE months in the current situation?



	Yes	Probably yes	Not sure	Probably not	No
Grand Total	16%	21%	36%	16%	11%
1 May to 6 May	19%	20%	37%	15%	9%
11 May 18 May	18%	26%	26%	18%	12%

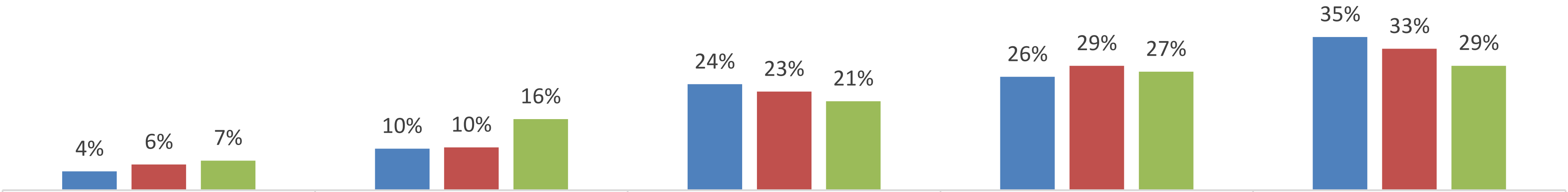
Grand Total 1 May to 6 May 11 May 18 May

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

Research Outputs – Business Survival

Similarly, those uncertain about their survival after six months account for only 21% of the sample. About a quarter (23%) are confident they will survive for six month in the current situation but over half (56%) think they probably won't survive – below the 61% average for the eight-week period.

Business survival after SIX months in the current situation?



	Yes	Probably yes	Not sure	Probably not	No
Grand Total	4%	10%	24%	26%	35%
1 May to 6 May	6%	10%	23%	29%	33%
11 May 18 May	7%	16%	21%	27%	29%

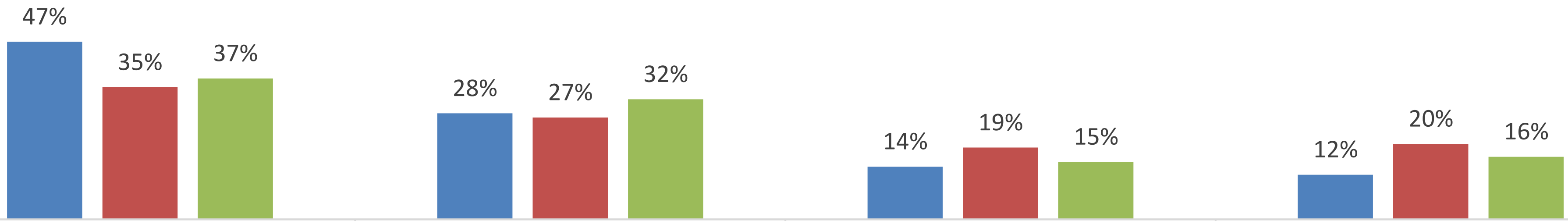
Grand Total 1 May to 6 May 11 May 18 May

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

Research Outputs – Business Recovery

This weeks results build on the marked change in the perception as to how long it will take to get back to business as usual. Over two thirds (69%) believe that if Covid 19 were to end today, it would take them up to six months to get back to business as usual. However, 15% expect recovery to take up to 12 months and a further 16% believe it will take more than 12 months to fully recover.

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



	1 to 3 months	3 to 6 months	6 to 12 months	More than 12 months
Grand Total	47%	28%	14%	12%
1 May to 6 May	35%	27%	19%	20%
11 May 18 May	37%	32%	15%	16%

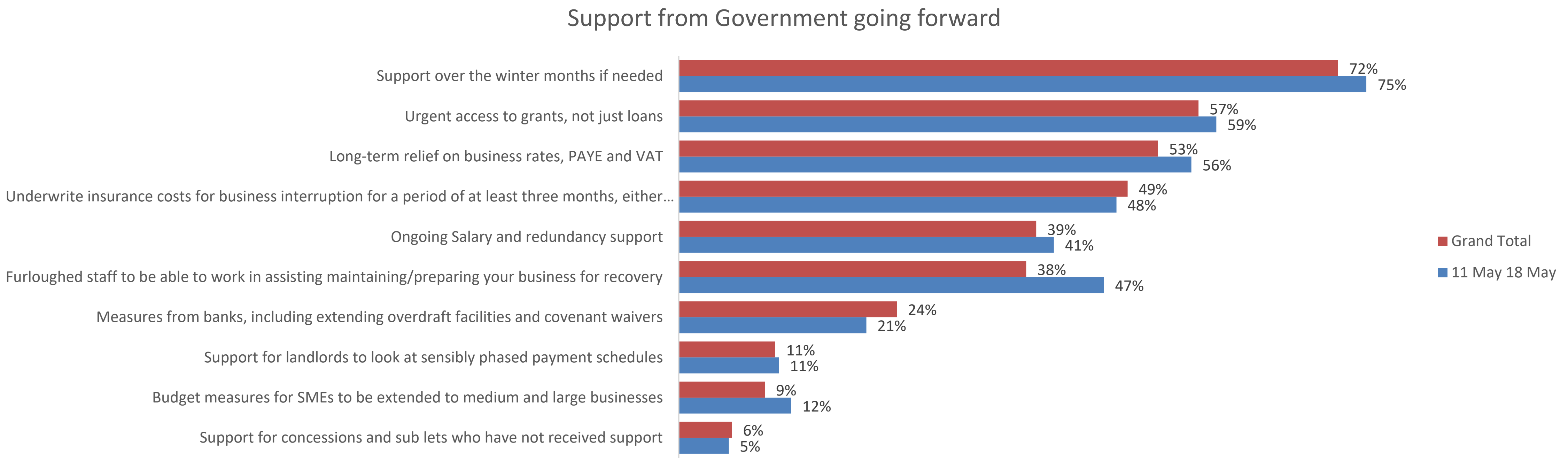
Grand Total 1 May to 6 May 11 May 18 May

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 – Business Support

Following on from the previous chart, increasing numbers of businesses (75%) are starting to think about needing support from government over the winter months. There was also a marginal increase of two percentage points in the proportion needing urgent access to grants, not just loans (59% from the 57% overall average) .

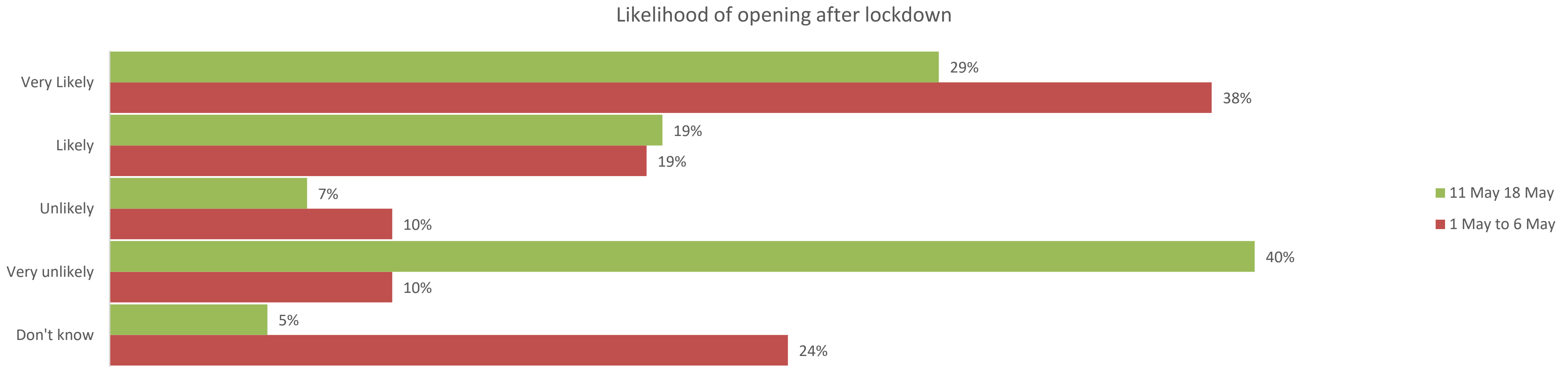
The other significant change is the continued increase in the proportion asking for more flexibility with furloughed staff by allowing them to work in assisting with business recovery tasks, up to a record 47% in week 8.



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

Research Outputs – Business after lockdown

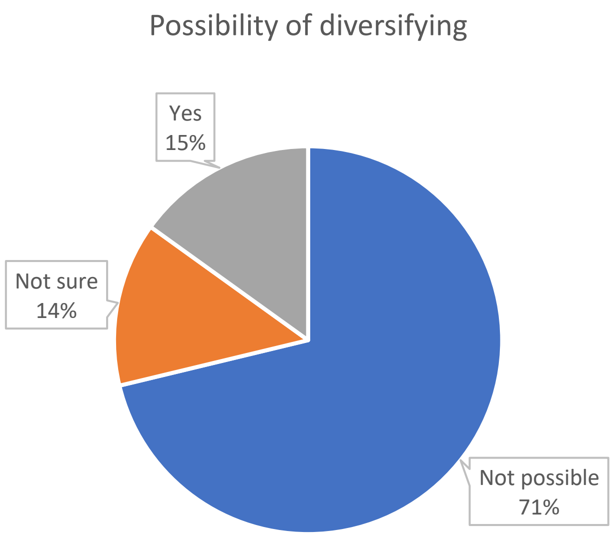
Most businesses have now made up their mind as to whether they will open their business, if the Government removes the lockdown, but keeps social distancing and safety measures still in place. Overall, the results are polarised. Just under half (48%) are likely or very likely, down from 57% last week. Similarly, 47% are unlikely or very unlikely to open their business, if the Government removes the lockdown, but keeps social distancing and safety measures still in place. Only 5% still don't know, compared to a quarter of respondents choosing this option last week.



Q: How likely are you to open your business, if the Government removes the lockdown, but keeps social distancing and safety measures still in place. Q: Please could you explain the reasons as to why you would or would not open?

Research Outputs – Further opinions

Seven in ten respondents believe it would not be possible for them to diversify and a further 14% weren't sure that would be possible for their business. Only 15% said diversifying their offer was an option and some are considering their options, such as offering takeaway food at least in the short term.



Q: Is it possible for your business to diversify to create trade this year?

Research Outputs – Further opinions

At the end of the survey businesses were asked if they had any other comments they would like to raise. This week the survey asked businesses to specify about major challenges short term and long term. A summary of comments / key themes is below:

Short-term continued support:
We are going to need another grant to keep us solvent.
We feel short term that this summer season will not happen, which will have a big knock on effect for the longer term whether or we will survive until then

Need for clarity over recent announcements and ease of lock down:
It seems as though the recent proclamations from central government are somewhat confused. Have to await clarification going forward to establish a coherent strategy.
Customer confidence in safety generally - Detailed guidance to provide Covid-19 secure checklist when we are allowed to open

With a re-opening date of 1st July at the earliest, we are very concerned about how we're going to survive the winter. Whilst many customers have rebooked for next year, new bookings for later in the year are not coming in as people are worried the lockdown will continue beyond July and they don't want to risk their money. Many customers don't want to come away at all if all the tourist attractions/restaurants etc are closed.

Winter survival:
Financial help to maintain and help get business back to what it was.
Help for small businesses with the rates of pay for employees (I.e. national wage too high).

Q: Do you have any other comments you would like to raise? We are particularly interested in your major challenges short term and longer term?

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