Covid-19 – Online Tourism Business Survey

Prepared for: Great Yarmouth Tourism and Business Improvement Area

Report 23: 21 September to 5 October

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 continuous 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. The report includes a breakdown of responses by week as well as an average of all responses to date. The week sample size is as follows: 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, 73 responses in week 8; 96 in week 9, 76 in week 10, 74 in week 11, 76 in week 12, 60 in week 13, 57 in week 14, 57 in week 15, 39 in week 16 , 80 in week 18; 73 in week 20, 63 in week 22 ; 47 in week 24 and 55 in week 25. (Note that there was a two week break since the week 18 online survey).

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 21 September to 5 October - Key developments:

New restrictions

- Office workers who can work from home should do so.
- Pubs, bars and restaurants in England will be ordered to close by 10pm each night.
- The hospitality sector will be restricted to table service only.
- Face coverings must be worn in taxis and private hire vehicles, and by retail staff while at work.
- Customers in indoor hospitality will also have to wear face coverings - except while seated at a table to eat or drink.
- The exemptions to the rule of six will be reduced, banning indoor team sport - such as indoor five-a-side football matches.
- The planned return of spectators to sports venues will now not go ahead from October 1.
- Wedding ceremonies and receptions will be capped at 15 people from 28 September.

New financial incentives for winter months

New Job Support Scheme: To be eligible, an employee must work at least 33% of their normal hours. For the other two thirds of the hours, the Government will pay a third and the employer will pay a third, so in total, an employee will receive 77% of the full pay. The scheme will run from six months from 1st November. The scheme will be available to all businesses and all employees, regardless of whether they have been part of the CJRS in the past.

Self Employment Scheme: It will be extended on similar terms, covering 20 per cent of average monthly trading profits via a government grant.

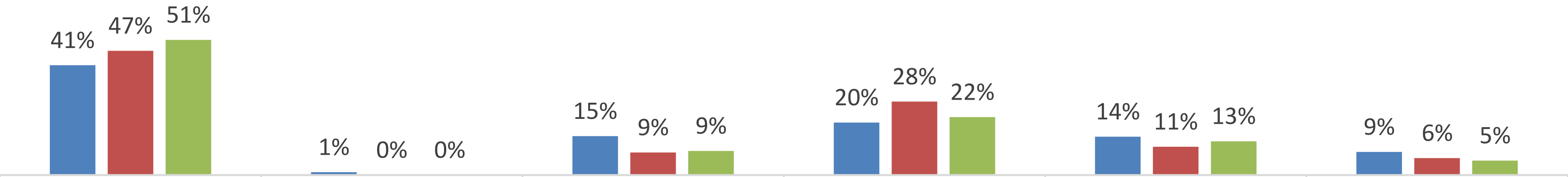
Coronavirus Business Interruption Loans: The application deadline for all coronavirus loan schemes – including the future fund - has been extended to 30 November Bounce back loans can be extended from 6 to 10 years under a Pay as You Grow scheme. Businesses also move to interest only payments or suspend payments if they are "in real trouble" for up to six months. A new successor loan scheme will be launched in January.

VAT: The reduction in VAT to 5% from accommodation, hospitality and attractions is being extended to the end of the financial year. Businesses who deferred their VAT will no longer have to pay a lump sum at the end of March next year. They will have the option of splitting it into smaller, interest free payments over the course of 11 months

Research Outputs – Business Profile

The latest sample shows an increase in the proportion of accommodation providers (up 4% on the last report to 51%) and a 6 percentage point decrease in the proportion of pubs / bar / restaurants. There were only small variations in the other types of tourism businesses taking part in the survey.

Type of business



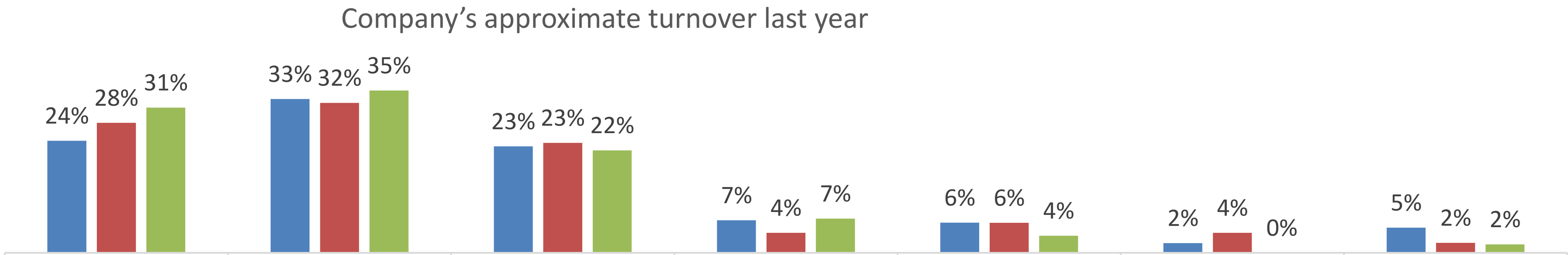
	Accommodation provider	Event organiser	Other	Pub / bar / restaurant	Retail	Tourism attraction / experience provider
Grand Total	41%	1%	15%	20%	14%	9%
7 September to 21 September	47%	0%	9%	28%	11%	6%
21 September to 5 October	51%	0%	9%	22%	13%	5%

Grand Total · 7 September to 21 September · 21 September to 5 October

Q: What type of business do you run? (55)

Research Outputs – Business Profile

Businesses with turnover up to £100k account for three in five businesses (66%). In particular, we saw a 3% increase in the proportion of businesses with turnovers under £50k and a further 3% rise in businesses with turnovers between £50k and £100k. Overall, 88% of all responses have been from SMEs (turnover up to £500k).

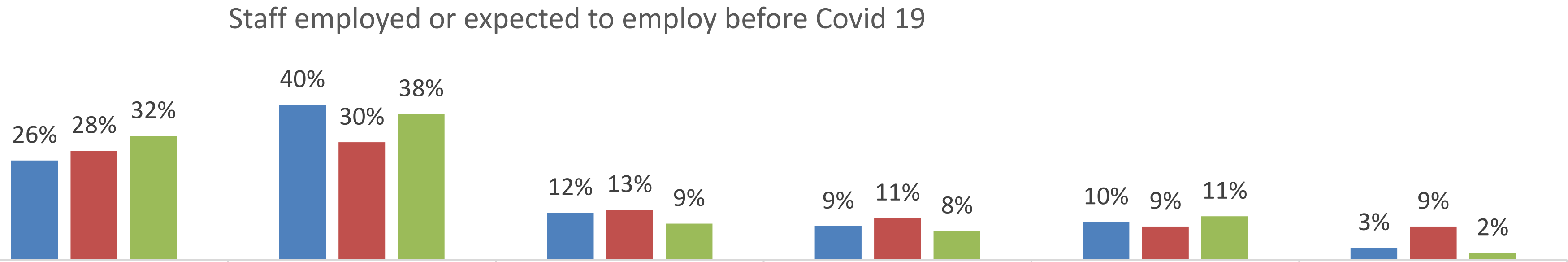


	Under £50k	£50 - £100k	£101 - £500k	£501 - £1m	£1m - £5m	Over £5m	Prefer not to say
Grand Total	24%	33%	23%	7%	6%	2%	5%
7 September to 21 September	28%	32%	23%	4%	6%	4%	2%
21 September to 5 October	31%	35%	22%	7%	4%	0%	2%

Q: What was your company's approximate turnover last year? (55)

Research Outputs – Staff and employment changes

There was a 4pc increase in the proportion of businesses that don't employ anyone – up to 32%. There was an 8% increase in the 1-5 categories (38% up from 30% in the previous repot).



	0	1-5	6-10	11-24	25-50	Over 50
Grand Total	26%	40%	12%	9%	10%	3%
7 September to 21 September	28%	30%	13%	11%	9%	9%
21 September to 5 October	32%	38%	9%	8%	11%	2%

Grand Total · 7 September to 21 September · 21 September to 5 October

Q: How many staff did you employ or expected to employ before the start of the Covid 19 crisis? (54)

Research Outputs – Staff and employment changes

On average, businesses are operating at 60% of normal capacity. They are necessitating 73% of their usual staff. Note that for accommodation providers only, the percentages are very similar at 60% and 74% respectively. This is probably use in part to the fact that there has been an increase in the proportion of accommodation providers taking pat in this edition of the survey.

All respondents

Percentage of usual capacity operating at.

60%

Percentage of usual staffing levels expected to be reopening at.

73%

Accommodation providers only

Percentage of usual capacity operating at.

60%

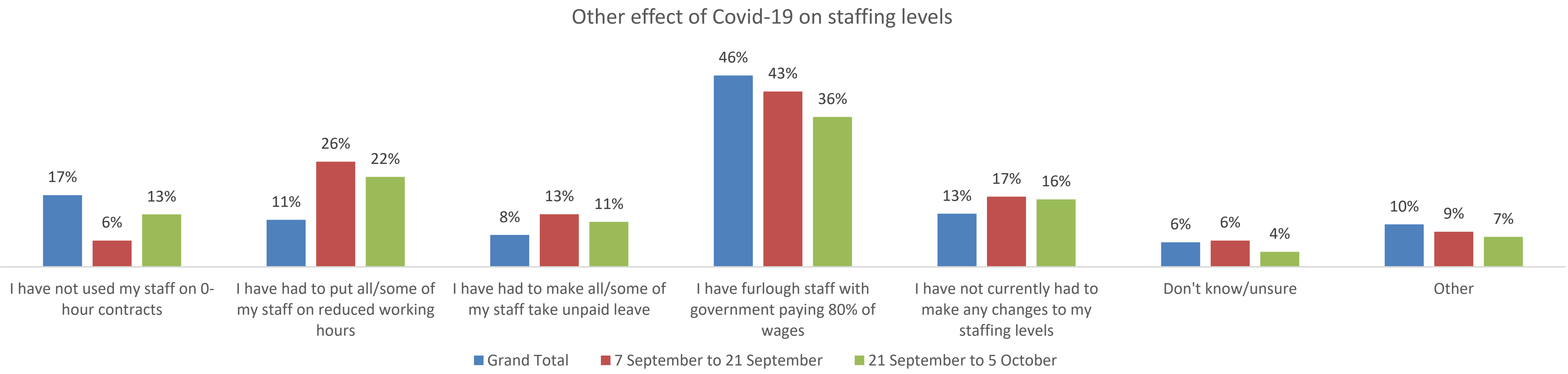
Percentage of usual staffing levels operating at.

74%

Q: If you have reopened, approximately what percentage of your usual capacity are you operating at? Q: Approximately what percentage of your usual staffing levels are you operating at? (54, 54)

Research Outputs – Staff and employment changes

There was a marked increase in the proportion of businesses that had not used their staff of 0-hour contracts, up to 13%. There was a drop in the proportion of respondents that are still took advantage of the staff retention scheme and furloughed (some of) their staff (36%, down from 43%). There was also a 4% drop in the proportion of respondents that had to put some or all of their staff on reduced working hours.

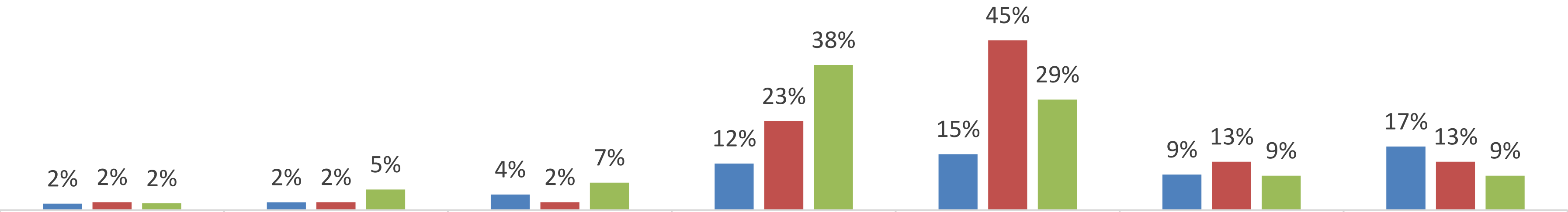


Q: What other effect has Covid-19 had on your staffing levels to date? (55)

Research Outputs – Impact on bookings and turnover

Overall, just over half (52%) of respondents have lost over 40% of this year's expected trade, with the majority (38%) reporting losses of between 20% and 40% of their trade forecasts. Whilst these results appear more positive than those reported for the period between 7 and 21 September, it should be remembered that they don't take account of business closure (either temporary or permanent).

Percentage of trade lost to date



	Up to 5%	5% -10%	10% -20%	20% - 40%	40% - 60%	60% - 80%	Over 80%
Grand Total	2%	2%	4%	12%	15%	9%	17%
7 September to 21 September	2%	2%	2%	23%	45%	13%	13%
21 September to 5 October	2%	5%	7%	38%	29%	9%	9%

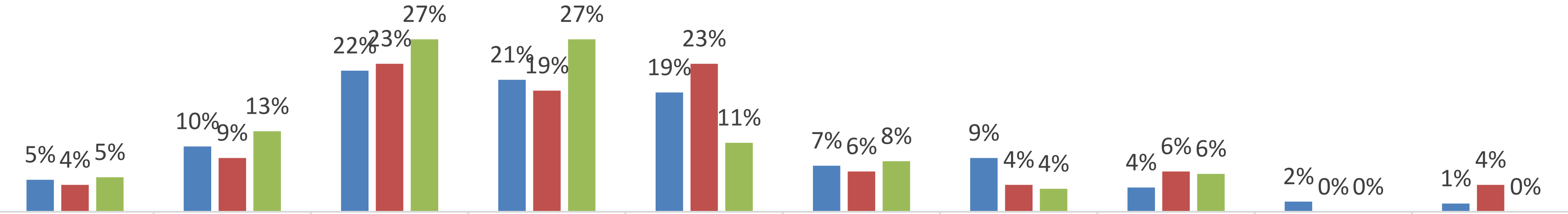
Grand Total | 7 September to 21 September | 21 September to 5 October

Q: If your trade has decreased what percentage of trade would you say you have lost this year? (54)

Research Outputs – Impact on bookings and turnover

In most cases, the lost trade identified in the previous chart amounts to between £10k and £50k, which combined account for 72% of all respondents. A further 23% report losses of between £50k and £500k.

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	5%	10%	22%	21%	19%	7%	9%	4%	2%	1%
7 September to 21 September	4%	9%	23%	19%	23%	6%	4%	6%	0%	4%
21 September to 5 October	5%	13%	27%	27%	11%	8%	4%	6%	0%	0%

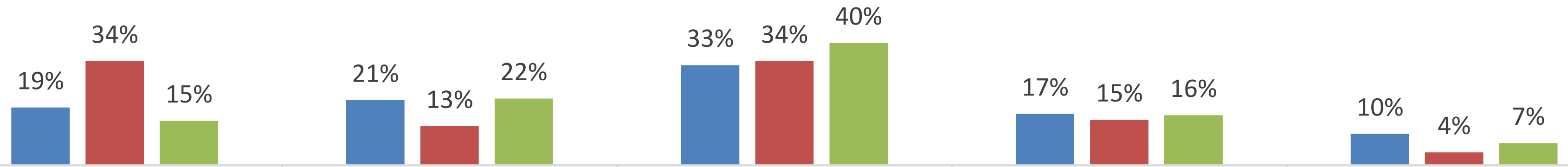
Grand Total   7 September to 21 September   21 September to 5 October

Q: Approximately how much could this mean in terms of lost turnover? (55)

Research Outputs – Business Survival

With the winter months approaching, almost two in five (37%) have a positive outlook on their likelihood or surviving the next three months, down from 47% in the previous report. Two in five (40%) are still not sure and 23% don't expect to survive longer than three months.

Business survival after THREE months in the current situation?



	Yes	Probably Yes	Not Sure	Probably Not	No
Grand Total	19%	21%	33%	17%	10%
7 September to 21 September	34%	13%	34%	15%	4%
21 September to 5 October	15%	22%	40%	16%	7%

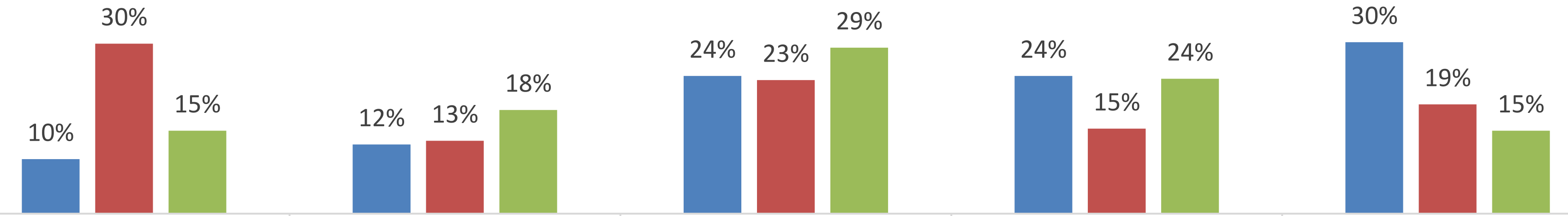
■ Grand Total ■ 7 September to 21 September ■ 21 September to 5 October

Q: Would your business survive for three months in the current situation? (55)

Research Outputs – Business Survival

Those 'not sure' about their survival after six months account for 29% of the sample and 33% are confident they will survive for six month in the current situation. Almost two in five (39%) think they probably won't survive after six months. These results are less optimistic than those reported two weeks ago.

Business survival after SIX months in the current situation?



	Yes	Probably Yes	Not Sure	Probably Not	No
Grand Total	10%	12%	24%	24%	30%
7 September to 21 September	30%	13%	23%	15%	19%
21 September to 5 October	15%	18%	29%	24%	15%

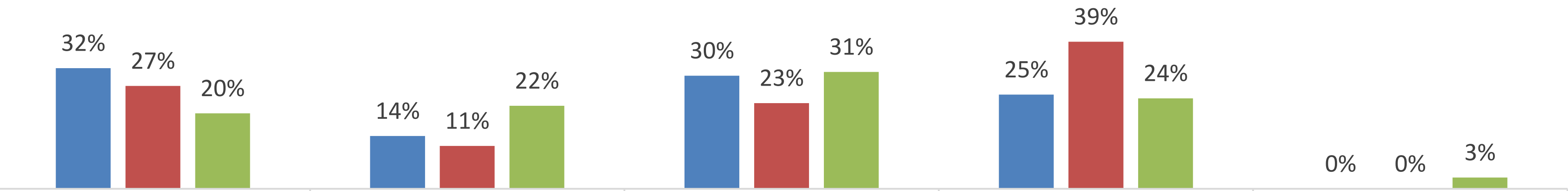
Grand Total 7 September to 21 September 21 September to 5 October

Q: Would your business survive for six months in the current situation? (55)

Research Outputs – Business Recovery

Should trading restrictions linked to Covid-19 end today, the majority of businesses (31%) would expect to need between six and twelve months to get back to business as usual and a under a quarter (24%) are likely to need between one and to years, a slightly more positive outlook compared to the last report. Two in five (20%) believe it would only take them between 1 and 3 months and a further 22% would expect to need between 3 and 6 months.

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



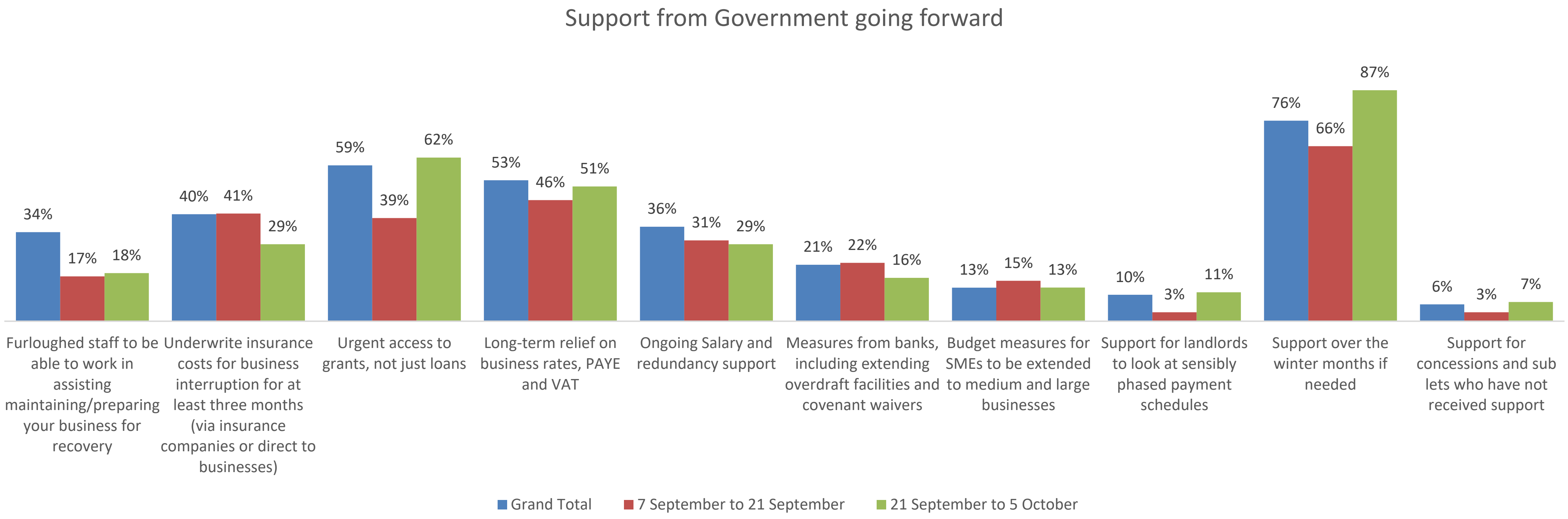
	1 to 3 months	3 to 6 months	6 to 12 months	Between one and two years	More than two years
Grand Total	32%	14%	30%	25%	0%
7 September to 21 September	27%	11%	23%	39%	0%
21 September to 5 October	20%	22%	31%	24%	3%

Grand Total   7 September to 21 September   21 September to 5 October

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? (55)

Research Outputs – Business Support

The large majority (87%) are saying they will need support from government over the winter months. The urgent access to grants, not just loans and the long term relief on business rates, PAYE and VAT still important to businesses (62% and 51% respectively).



Q: What support from Government would be crucial for your business going forward? (53)

Research Outputs – Further opinions

Respondents are currently operating at just over half (56%) of their normal capacity for this time of the year. This is below the 64% achieved two weeks ago.

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

56%

Previous report

64%

Q: What was your percentage of trade last week compared to the same week last year? (54)

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 summarised below:

- More guidance – Some of the new rules are still vague.
- A grant that is based on annual turnover rather than profit
- A number of businesses mentioned Government support to survive the winter months to reach Easter next year
- Help from council regarding rent relief
- Concerns about the suitability of the new job protection scheme for the industry
- Some businesses have decided to close over winter due to some people not respecting the rules and putting others at risk.

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? (22 excluding ‘no’, ‘d/k’, n/a, etc.)

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