

Covid-19 – Online Tourism Business Survey

Prepared for: Great Yarmouth Tourism and
Business Improvement Area

Report 27: 30 November – 14 December

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 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 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. 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; 55 in week 26; 59 in week 28; 62 in week 30, 76 in week 32; 57 in week 33 and 58 in week 34.

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:

Tier 2 restrictions - Updated Guidance for Restaurants, Bars, Cafés and Pubs:

The Primary Government Guidance for Working Safely During Coronavirus has been updated for Restaurant, bar, café and pub operators to reflect recent changes in Government rules for these businesses. Namely:

- Hospitality venues like restaurants, bars and pubs must close, but can still provide takeaway and delivery services.
- Sale of alcohol is permitted via pre-order for collection or delivery services only.
- Anyone who can work from home, should do so.
- Clinically extremely vulnerable individuals should not attend work if they can't work from home for this period of restrictions.

Self-isolation period reduced from 14 to 10 days from 14 December

This change will apply in England, Scotland and Northern Ireland from 00:01am on Monday 14 December. It already applies in Wales. People who return from countries which are not on the travel corridor list should also self-isolate for 10 days instead of 14 days. People who test positive should continue to self-isolate for 10 days from onset of symptoms or 10 days from point of taking a positive test if asymptomatic.

Coronavirus Job Retention Scheme (CJRS) new deadlines for claims:

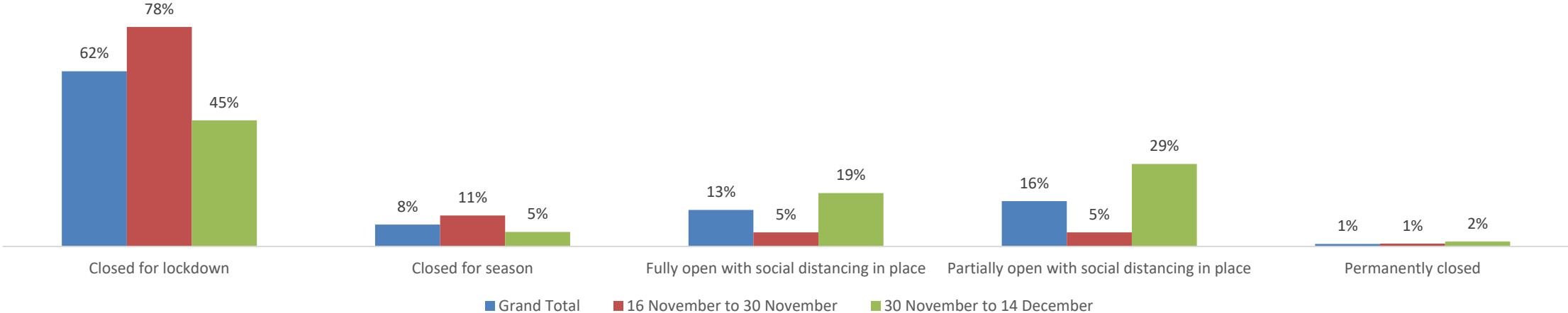
- 14 December 2020 - final date to submit claims for November 2020 by 11:59pm
- 14 January 2021 - final date to submit claims for December 2020 by 11:59pm
- 15 February 2021 - final date to submit claims for January 2021 by 11:59pm



Research Outputs – Business Profile

There has been a significant increase in the proportion of businesses that were partially open, with social distancing measures in place (29% up from 5% two weeks ago). Similarly, 19% were fully open, with social distancing measures in place. On the other hand, just under half of participants (45%) had to close down temporarily due to the new lockdown (down from 78% two weeks ago).

Level of operation

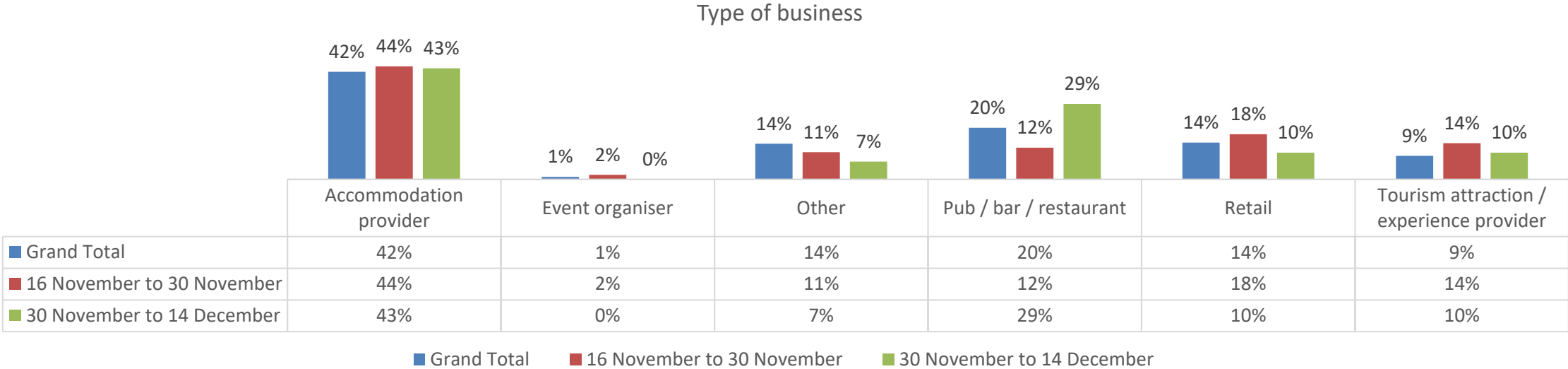


Q: What is the current status of your business? (58)



Research Outputs – Business Profile

The latest sample shows an increase in the proportion of pubs, bars and restaurants submitting responses (up to 29% from 12% reported in the previous report. Accommodation providers remain the biggest group, at 43% of the sample. Retail and tourist attractions account for 10% of the sample each.

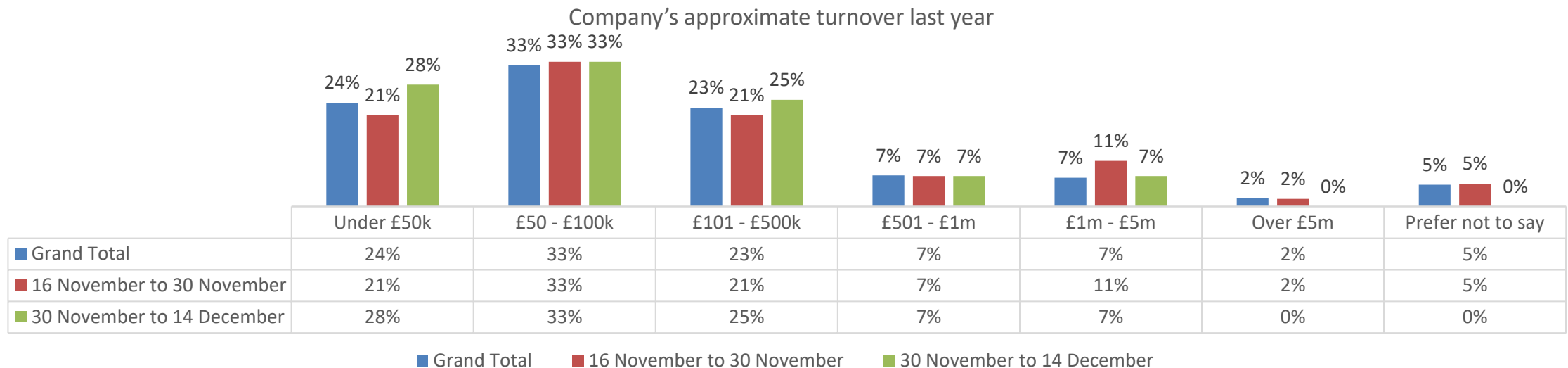


Q: What type of business do you run? (58)



Research Outputs – Business Profile

Businesses with turnover up to £100k accounted for just over half (51%) of the total sample of participants. There was a 7% increase in the proportion of businesses with turnovers under £50k, down to 21%. Those reporting turnovers of £1m to £5m accounted for 7%, down from 11% in the previous wave. Overall, 86% of all responses have been from SMEs (turnover up to £500k).

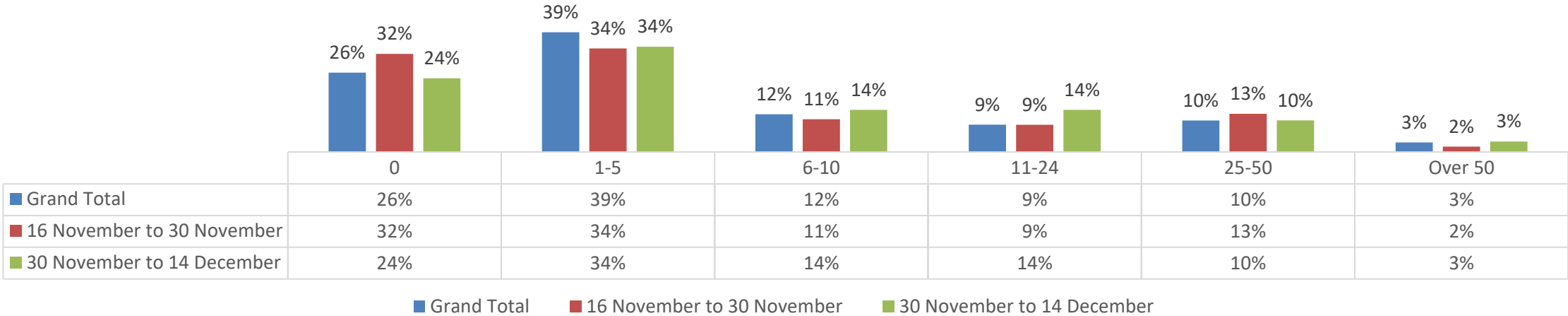


Q: What was your company's approximate turnover last year? (58)

Research Outputs – Staff and employment changes

There was a 6% decrease in the proportion of businesses that don't employ anyone, to 24%. The proportion of those employing between 1-5 people was unchanged at 34% and those employing between 6 and 10 people accounted for 14%, up from 11% in the previous wave. Medium and larger establishments showed some marginal changes – those employing 11-24 people accounted for 14% (up from 9% in the previous wave), the 25-50 group was down three percentage points to 10%, with 3% of the sample being businesses with over 50 employees.

Staff employed or expected to employ before Covid 19



Q: How many staff did you employ or expected to employ before the start of the Covid 19 crisis? (58)

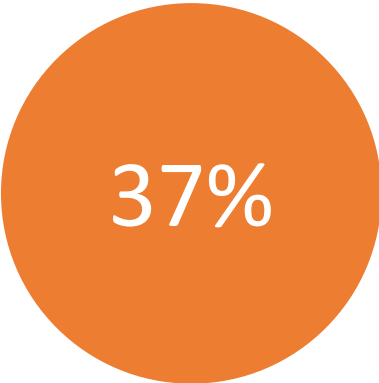


Research Outputs – Staff and employment changes

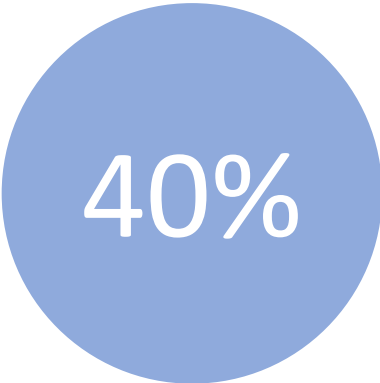
On average, businesses are operating at 37% of normal capacity. They are using 40% of their usual staff. Looking at accommodation providers only, the relevant percentages are 33% and 28% respectively.

All respondents

Percentage of usual capacity operating at.

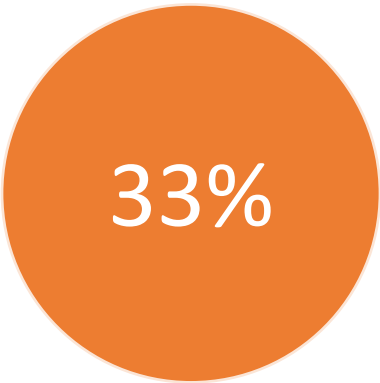


Percentage of usual staffing levels operating at.

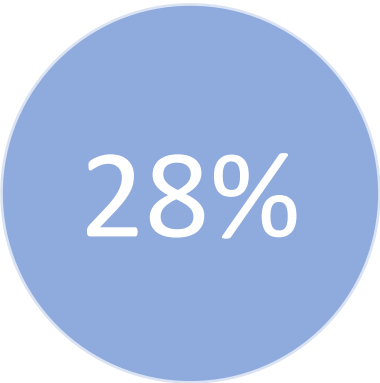


Accommodation providers only

Percentage of usual capacity operating at.



Percentage of usual staffing levels operating at.

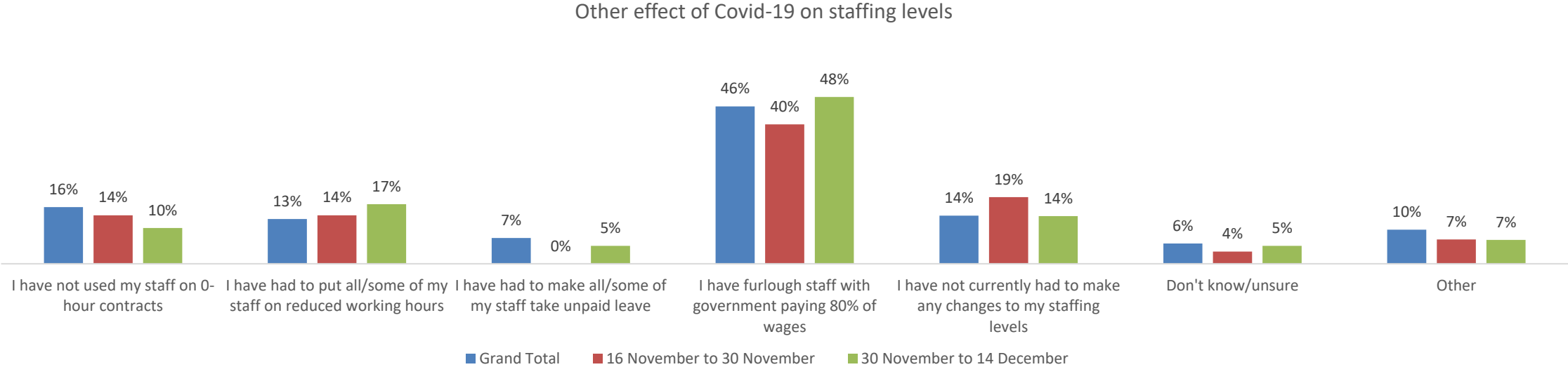


Q: If you have reopened, approximately what percentage of your usual capacity are you operating at? Q: Approximately what percentage of your usual staffing levels are you operating at? (58, 58)



Research Outputs – Staff and employment changes

There was an increase in the proportion of respondents saying they put staff on furlough, up to 48% from 40% two weeks ago. A further 17% had put some or all their staff on reduced working ours, (up from 14% two weeks ago). Those that had not made any changes to staff levels accounted for 14% of the sample, down from 19% in the previous wave.



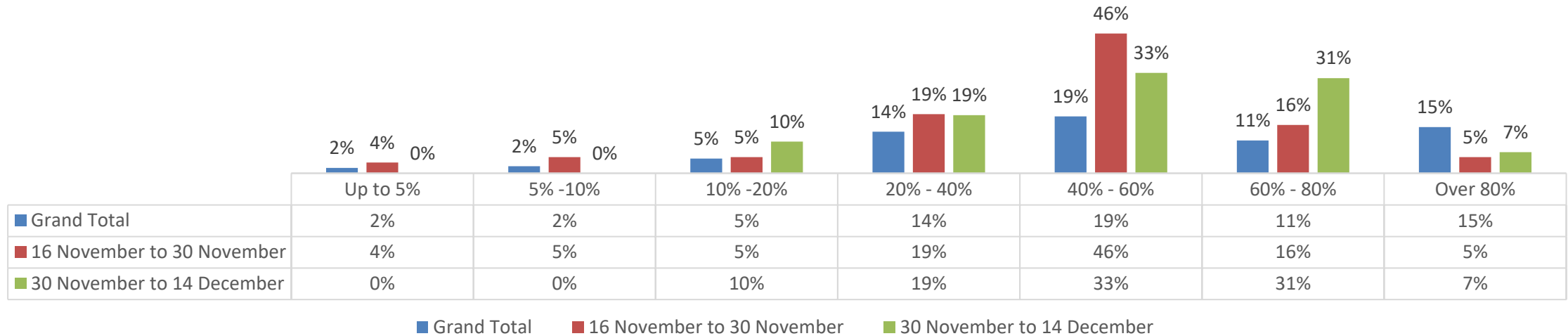
Q: What other effect has Covid-19 had on your staffing levels to date? (58)



Research Outputs – Impact on bookings and turnover

Overall, under a third (29%) of respondents have lost up to 40% of this year’s expected trade (down from 33% reported in the previous wave). A third (33%) reported losses of between 40% and 60% of their forecasted trade and a further 31% reported losses to date of over 60% of their usual trade.

Percentage of trade lost to date

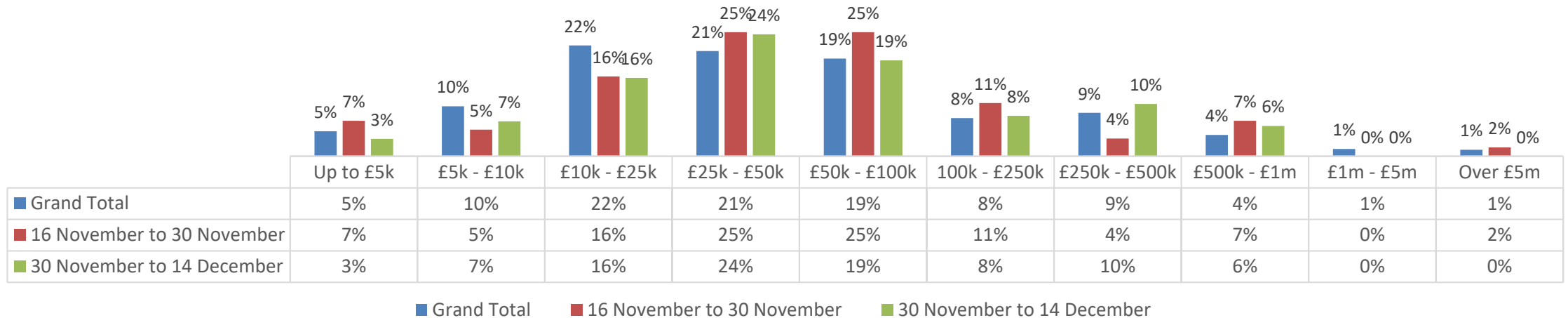


Q: If your trade has decreased what percentage of trade would you say you have lost this year? (57)

Research Outputs – Impact on bookings and turnover

In most cases, the lost trade identified in the previous chart amounts to up to £100k (69% of all respondents). A further 18% report losses of between £100k and £500k and 6% lost between £500k and £1m.

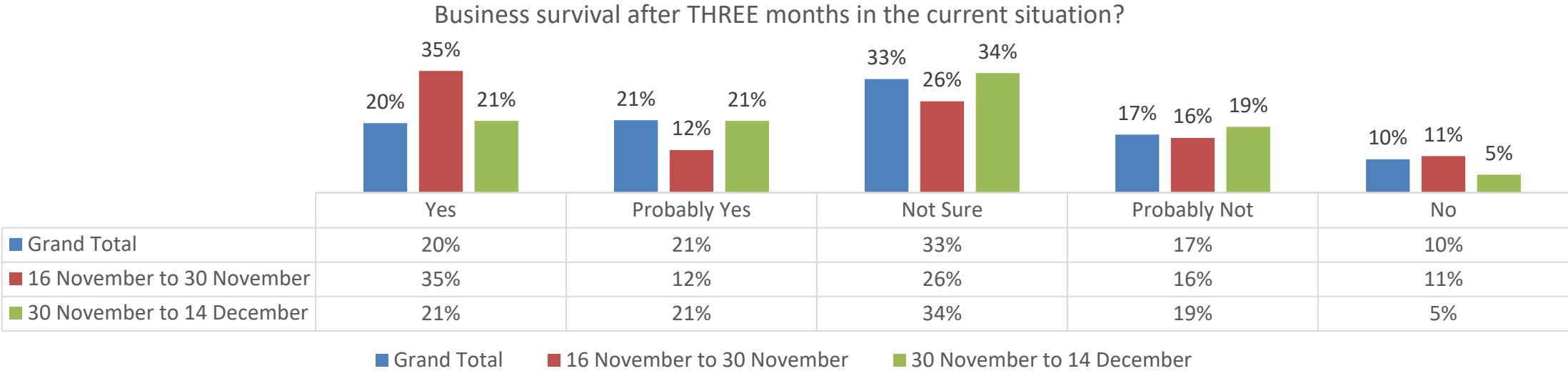
How much could this mean in terms of lost turnover?



Q: Approximately how much could this mean in terms of lost turnover? (57)

Research Outputs – Business Survival

Just over two in five (42%) have a positive outlook on their likelihood of surviving the next three months, down from 47% in the previous report. Just over a third (34%) are still not sure and 24% don't expect to survive longer than three months.

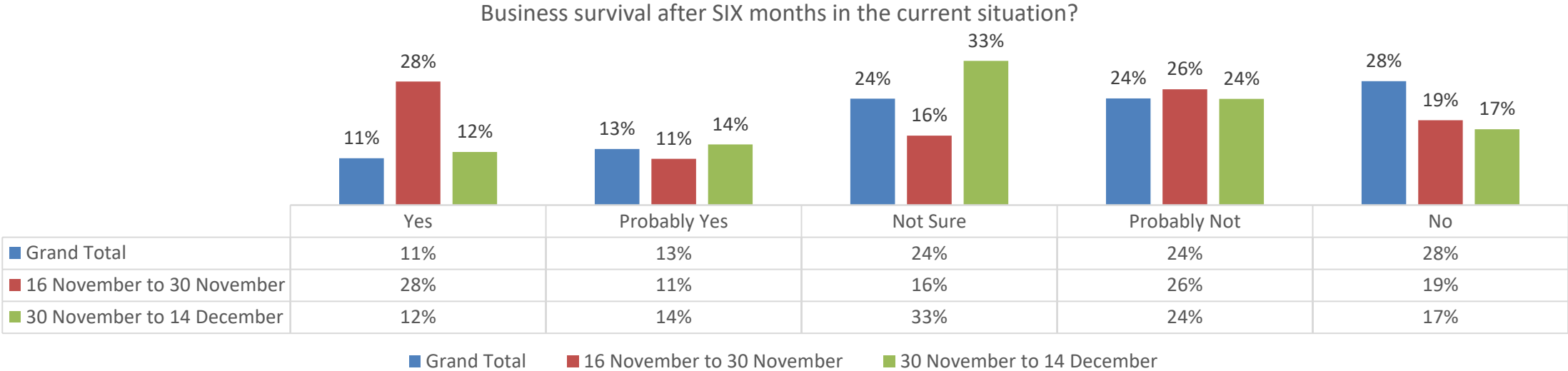


Q: Would your business survive for three months in the current situation? (57)



Research Outputs – Business Survival

Just over a quarter (26%) are confident they will survive for six months in the current situation (down from 39%). Those ‘not sure’ about their survival after six months account for 33% of the sample. Importantly, two in five (41%) think they probably won’t survive after six months (down from 45% reported two weeks ago).



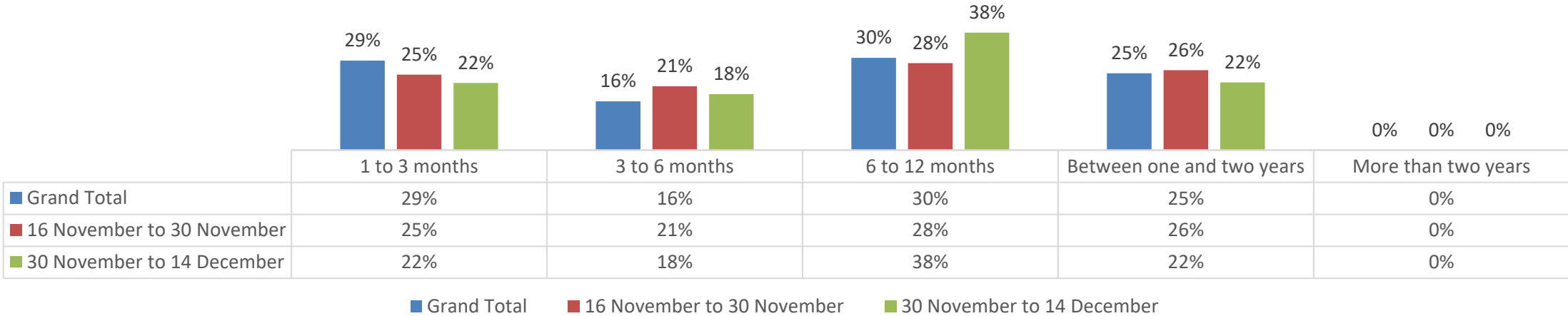
Q: Would your business survive for six months in the current situation? (58)



Research Outputs – Business Recovery

Should trading restrictions linked to Covid-19 end today, the majority of businesses (38%) would expect to need between six months and a year to recover. Those expecting to need up to 6 months account for 40% and those expecting to need at least a year account for 22%.

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



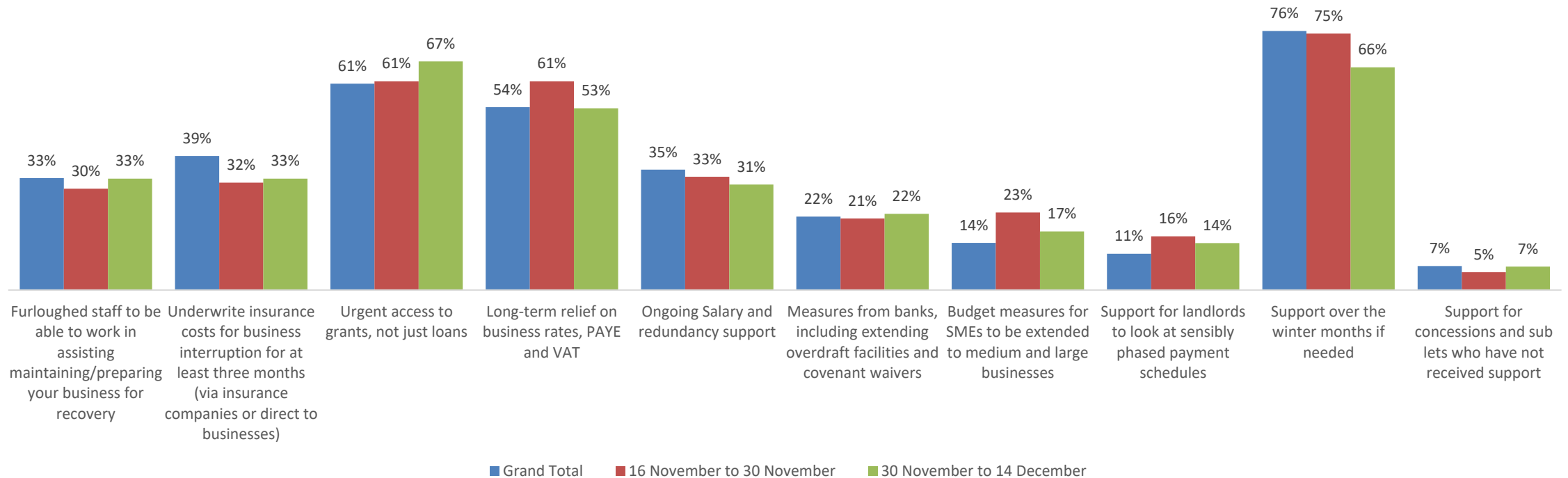
Q: If Covid 19 and all trading restrictions were to end today, how long would you estimate it would take for your company to get back to business as usual? (56)



Research Outputs – Business Support

A large proportion of businesses (66%) continue to say they will need support from government over the winter months. One key effects of the current lockdown (as reported in the previous wave) was an increase in the proportion of businesses requesting urgent access to grants, not just loans (67%, up from 61% reported in the last update). Furthermore, the results show that over half (51%) are still requesting long term relief on business rates, PAYE and VAT (61% up from 56%).

Support from Government going forward

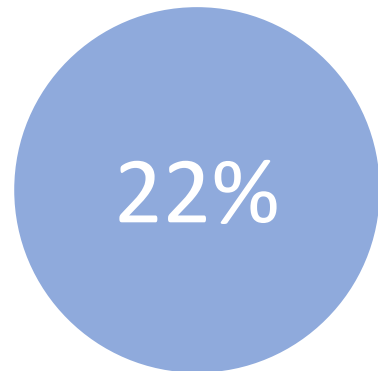


Q: What support from Government would be crucial for your business going forward? (57)

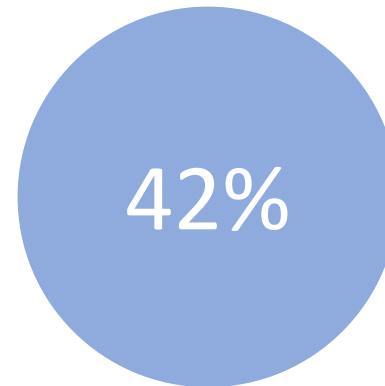
Research Outputs – Further opinions

Respondents are currently operating at 22% of their normal capacity for this time of the year, down from 42% from two weeks ago.

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



Previous report



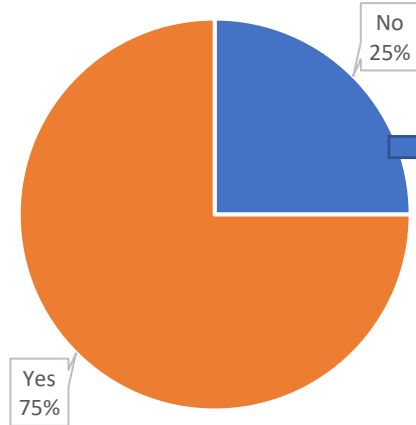
Q: What was your percentage of trade last week compared to the same week last year? (55)

Research Outputs – Further opinions - Online Travel Agents

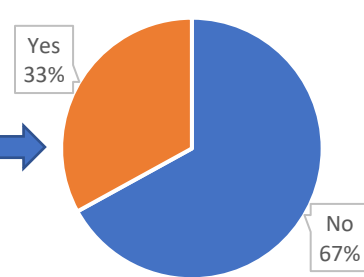
A new set of questions introduced for this wave of the survey looks into the usage of online travel agents (OTAs). Three quarters of respondents (75%) said they use OTAs. Of those who don't currently use OTAs, 33% said they had recently stopped using them. On average, businesses are being charged 16% on commission by OTAs.

Exactly half of respondents (50%) said they would be interested in using an online Travel agent (TXGB) developed by Visit Britain, with commission rates at around 7.5%.

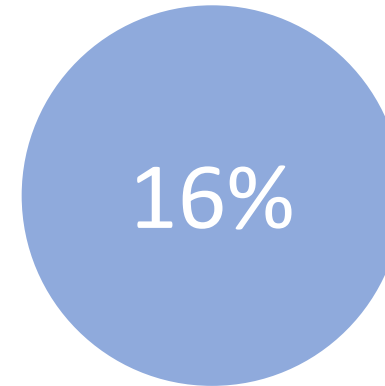
Do you use an online travel agent?



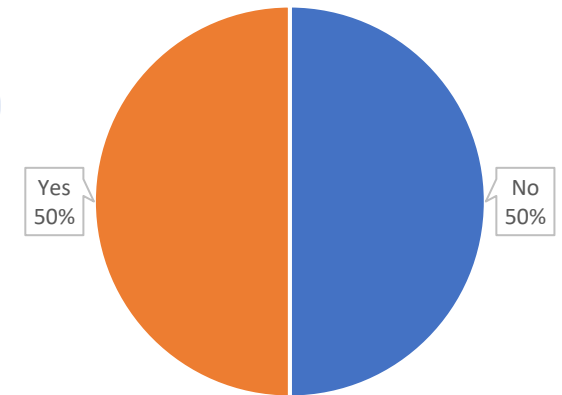
Recently stopped using OTA



Commissions being charge by OTA



Interest in Travel agent (TXGB)



Q: Do you use an on line travel agent? (25) – Q: Have you recently stopped using an Online travel agent, focusing on direct booking s only? (6) Q: What % commissions do they charge you? (17) – Q: Would you be interested in using an online Travel agent (TXGB) developed by Visit Britain which we would endorse, with commission rates at around 7.5%? (24)

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:

- In the short term, businesses are reporting that the new tier two rules are making trading conditions very challenging, with December expected to be a poor month in terms of trade.
- Longer terms, businesses are still requiring financial support is still a major issue for many - Insurance, rent and related costs mean business viability is at risk.
- Planning for 2021 is very challenging due to ongoing uncertainty about lifting Tier 2 restrictions and the potential for a further lockdown.
- Marketing to reassure potential guests.
- Reduced OTA fees (*possibly influenced by the additional questions about OTAs introduced this week*).



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? (25 excluding 'no', 'd/k', n/a, etc.)



Produced by:



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Main contact:

Asa Morrison
Great Yarmouth Tourism &
Business Improvement Area

asa@gyta.com
www.gyta.com

Research & methodology contact:

Sergi Jarques
Director
Destination Research Ltd

info@destinationresearch.co.uk
www.destinationresearch.co.uk