



Tourism Business Monitor

Prepared for: Visit Great Yarmouth

May 2023

Prepared by:



On behalf of:



Introduction and Methodology and approach

The Greater Yarmouth Business Confidence Monitor is a short, quarterly survey of tourism businesses designed to understand opinions about recent business performance, the outlook for the immediate future, trading conditions and levels of confidence.

Methodology

The results are based on a quarterly online survey to businesses in the Greater Yarmouth area. It uses a structured questionnaire, adapting some questions and adding / removing other questions as the season 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 is fully managed in-house by Destination Research using SNAP software package, which offers full online and mobile functionalities. The results of the survey are being used and distributed by Visit Great Yarmouth.

Outputs

The 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 edition is based on a sample of 39 responses.

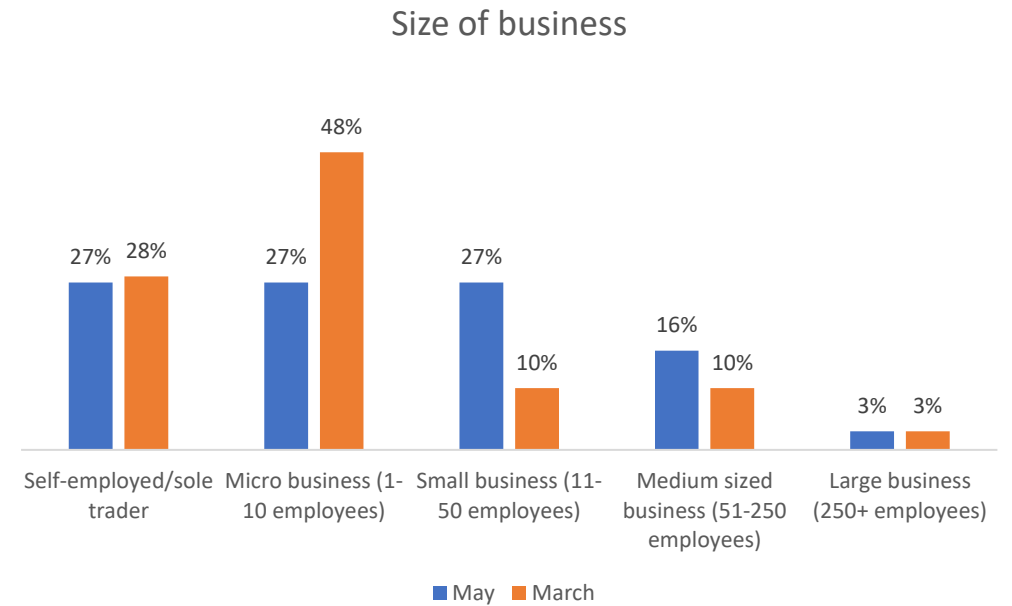
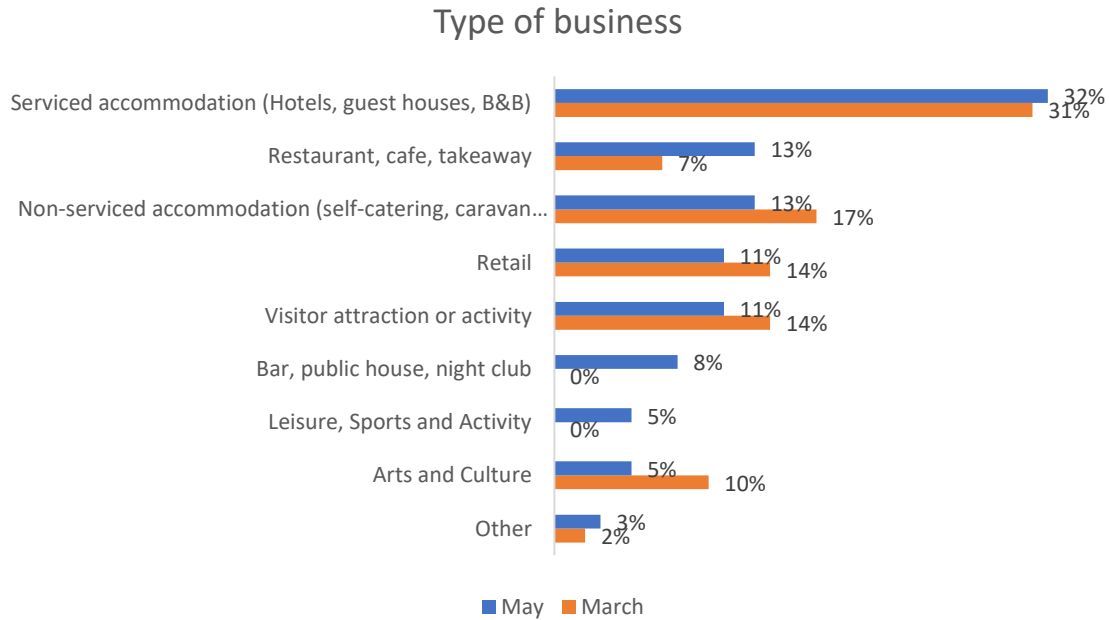


Tourism Business Monitor – Research Results

Research Outputs – Business profile

Serviced accommodation providers, including hotels, guest houses and bed & breakfast made up the largest group of respondents (32% of the sample, slightly up from the previous survey). Restaurants, cafes and takeaways accounted for 13% (up from 7%). Non-service accommodation providers, including self catering and caravan and camping sites, also accounted for 13% (down from 17%).

Self-employed and sole traders, micro businesses (1-10 employees) and small businesses each accounted for 27% of the sample. This is a change from the previous edition of this survey, when micro businesses (1-10 employees) made up 48% of the sample.

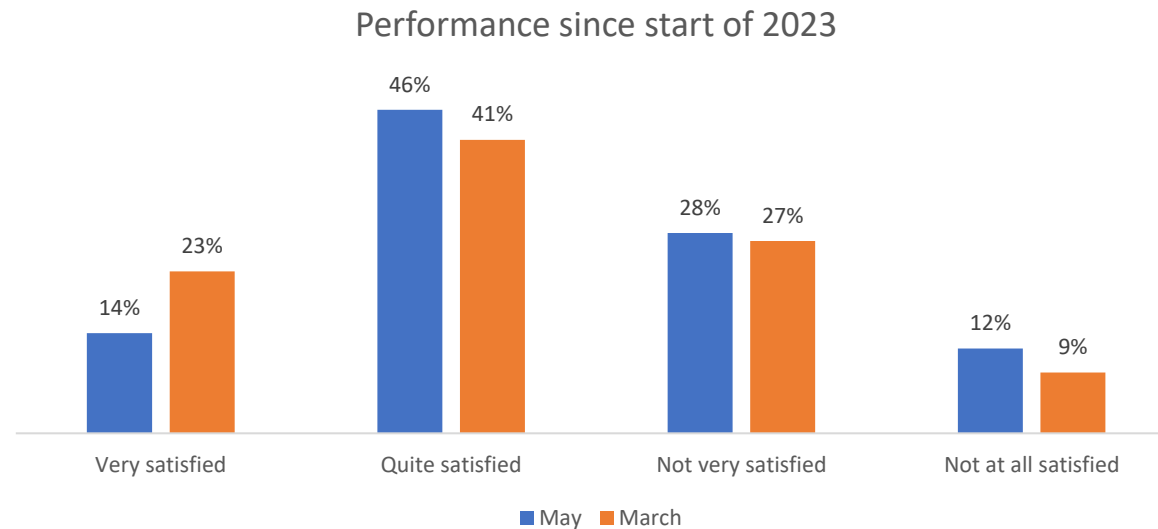


Q: Which Tourism and Hospitality sector does your main business principally operate in? (39) Q: And which of the following best describes your business? (39)



Research Outputs – Recent performance

The fact that three in five (60%) respondents were somewhat (46%) or extremely satisfied (14%) with their company's performance from the beginning of 2023 until the present is positive. However, these results are slightly down on the previous survey, when 64% were somewhat (41%) or extremely satisfied (23%) with their performance.



Q: How satisfied have you been with the performance of your business during the period from the start of 2023 until now? (39)

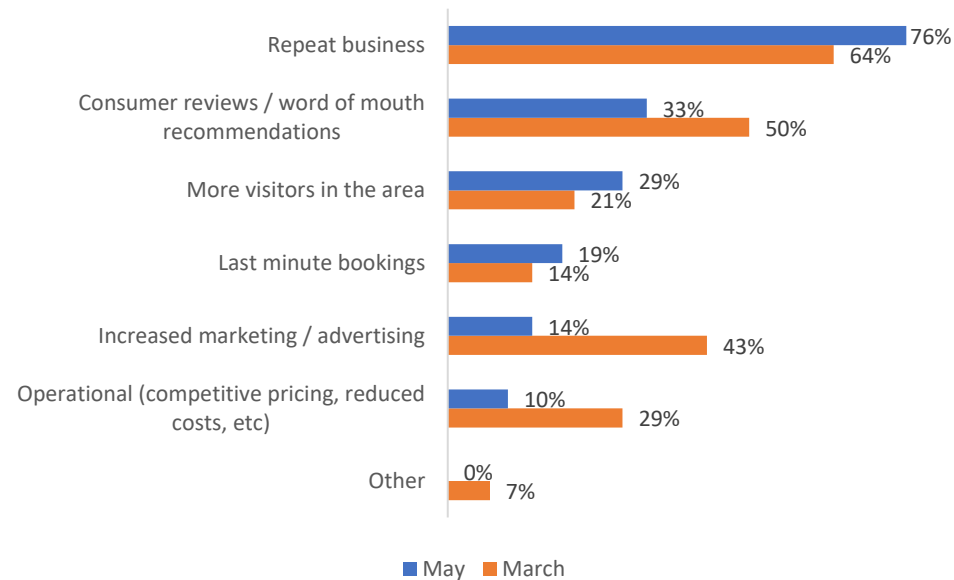


Research Outputs – Factors influencing performance

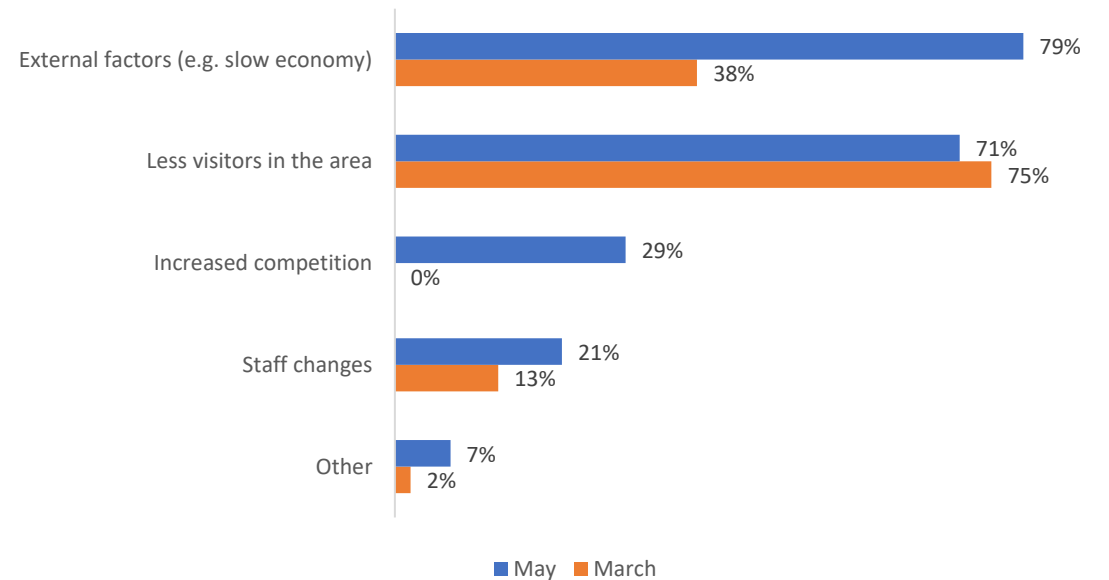
Repeat business (76% up from 64% in March), consumer reviews (identified by a third of respondents but down from 50% in March), and more visitors in the area were the top factors influencing good performance.

Almost eight in ten (79%) of those who are dissatisfied with their current performance mention external factors, such as the slow economy (up from 38% in March). The reduced visitor numbers continues to be a major issue, highlighted by 71% of respondents (slightly down on 75% in the March edition of the survey).

Factors influencing recent performance (positive)



Factors influencing recent performance (negative)



Q: What factors have influenced the recent performance of your business? (25/22)



Research Outputs – Business forecast

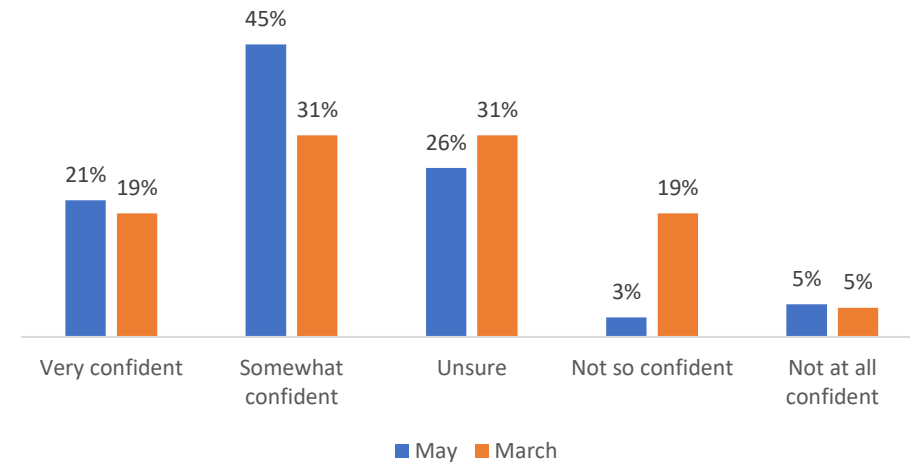
Just over half of respondents reported that prospective bookings for the following six months are at the level they would typically anticipate. A third (33%) said booking levels were down for this time of the year.

Two thirds were either somewhat confident (45%) or very confident (21%) about their business trading over the next few months. Just over a quarter (26%) were unsure and only 8% were not so confident. These results are more positive than those reported in the March edition.

May 2023	Up	The same	Down
Volume of Bookings	14%	53%	33%
Value of Bookings	24%	45%	31%

March 2023	Up	The same	Down
Volume of Bookings	29%	41%	30%
Value of Bookings	34%	45%	21%

Confidence trading over the next few months

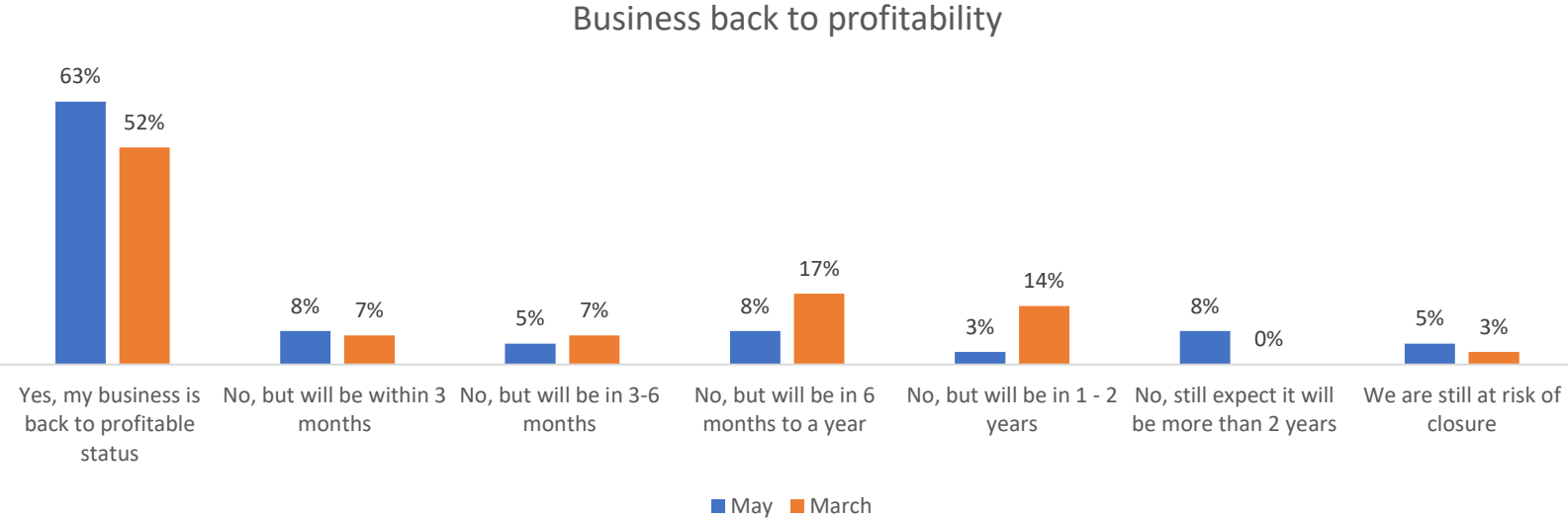


Q: How do your future bookings for the next six months compare to what you would normally expect at this time of year? (25) Q: How confident do you feel about your business trading over the next few months? (35)



Research Outputs – Business recovery

Just under two thirds (63%) reported their business is once again profitable. One in five (21%) anticipate returning to profitable trading in the following six months. This would imply that a successful summer season should lead to the return of profitable trading conditions for the large majority of businesses.



Q: Is your business back to profitable trading or how long do you estimate it will take to return your business to a profitable trading position? (38)



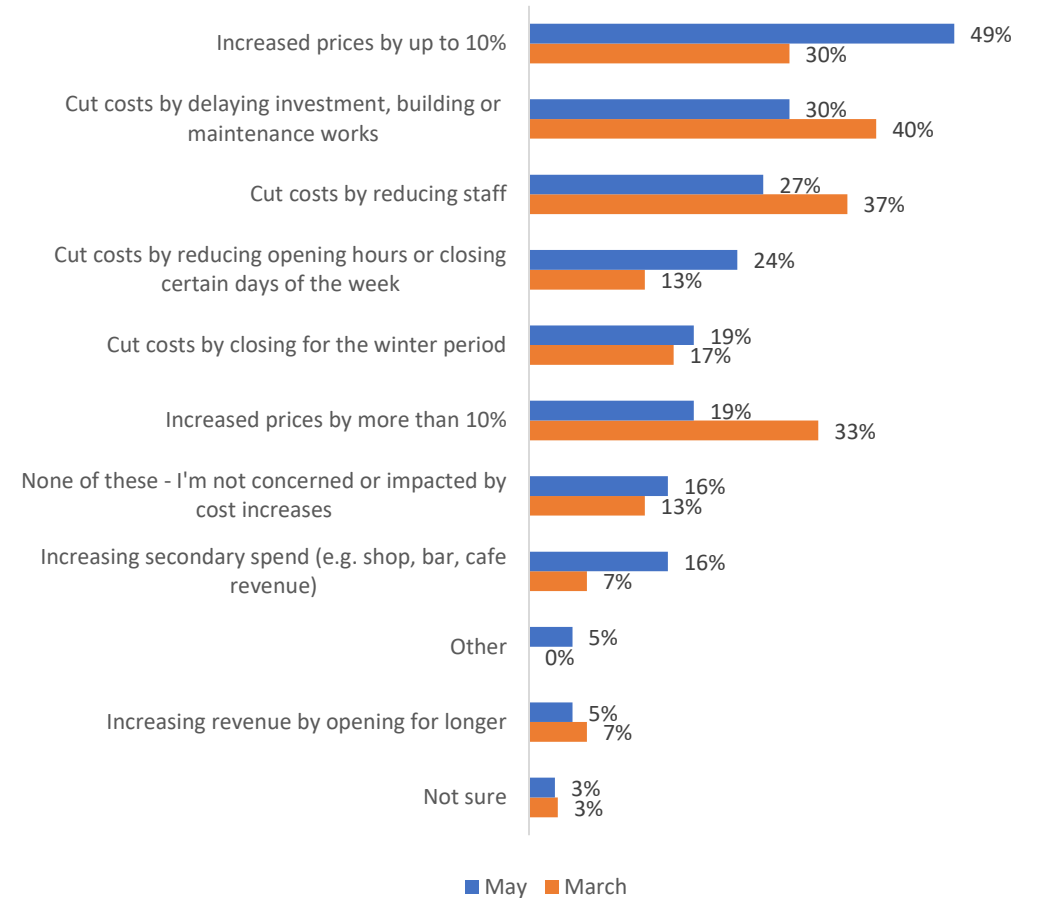
Research Outputs – Business operations

About half (49%) raised prices by up to 10%, and another 19% raised prices by more than 10%. Prices continue to go up but at a lower rate than reported in the March edition of the survey.

Three in ten (30%) businesses opted to defer investment, construction, or maintenance projects in order to cut costs. Reducing staff as a way to save on costs was a measure taken by 27% of respondents.

Businesses also tried to boost revenue by reducing opening hours or closing certain days of the week (24%) and closing for the winter period (19%).

Response to increasing costs



Q: How is your business responding to increasing costs? (38)



Research Outputs – Business operations

Increase costs continue to be the key external factor affecting business trading. For example, three quarters (74%) identified increasing energy and fuel costs as a key factor, with under two thirds (63%) mentioning increasing supplier costs, while 47% blamed increased staffing costs.

Two thirds (68%) said that the poor UK economic climate, with less money in consumer's pockets was to blame for current business performance.

The destination's seasonality in particular, but also extra challenges with suppliers - such as delays, a shortage of supplies, and unreliability – and the VAT threshold were also important factors affecting business performance.

External factors affecting business	May	March
Increasing energy and fuel costs	74%	86%
Poor UK economic climate / less money in consumer's pockets	68%	61%
Increasing supplier costs	63%	64%
Increased staffing costs	47%	36%
Seasonality of the destination	47%	21%
Other supplier issues (delays, lack of stock, unreliability)	39%	29%
VAT threshold	37%	32%
Poor / unpredictable weather	16%	14%
Attracting and retaining customers	16%	29%
Competition from other parts of the UK	13%	14%
Lack of applicants to fill staff vacancies	13%	11%
Competition from other local businesses	13%	7%
Competition from overseas holidays	11%	11%
Cost and availability of finance	8%	18%
Planning (Regulations and compliance)	8%	4%
Staff absence / staff health	8%	7%
High staff turnover	5%	7%
Lack of training and business support	5%	0%
None of these	3%	4%
Other	3%	4%



Q: Which of the following external factors, if any, are affecting your business (38)

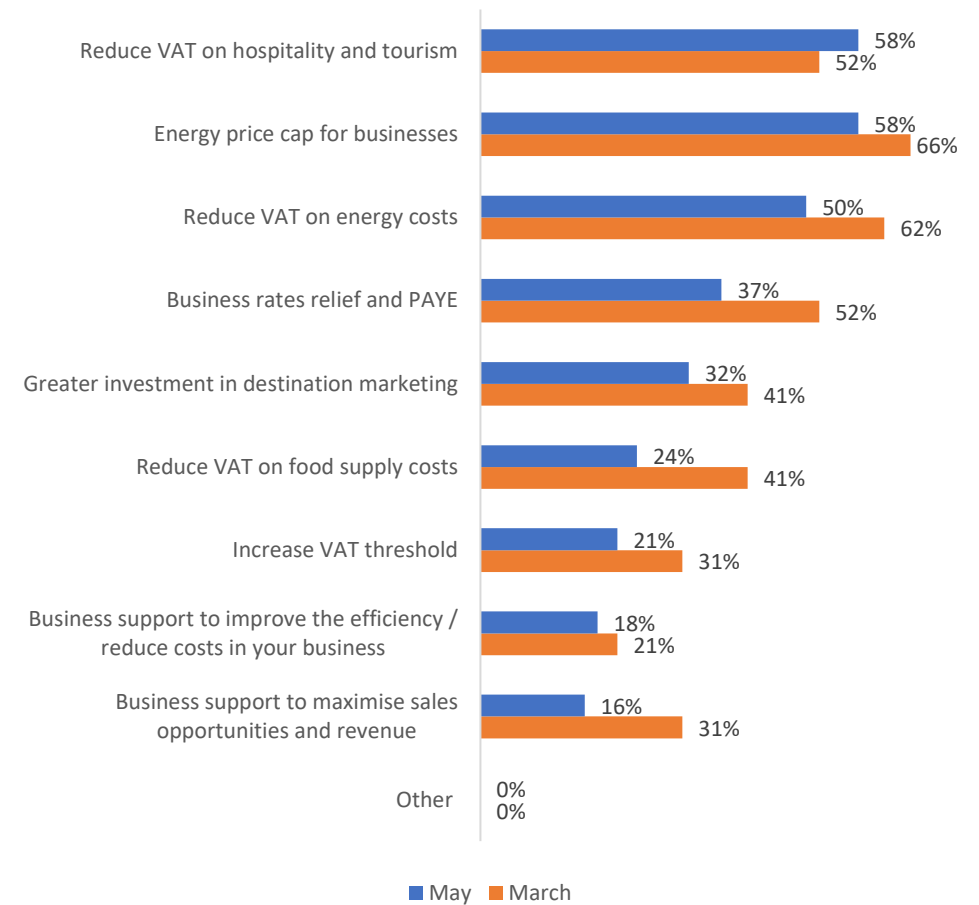


Research Outputs – Business operations

The ideal government interventions would be an energy cap for enterprises, and the VAT reductions on hospitality and tourism (58% each).

Half (50%) indicated that lowering the VAT on energy expenditures would also be beneficial (down from 62% in the March edition).

Interventions



Q: And which of the following interventions would you most like to see to help your business? (38)





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Produced by:



destinationresearch
delivering results : measuring what matters

Main contact:

Asa Morrison
Great Yarmouth Tourism &
Business Improvement Area / Visit
Great Yarmouth

asa@gyta.com
www.gyta.com

Research & methodology contact:

Sergi Jarques
Director
Destination Research Ltd

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