

ERBID How's Business Survey

August 2024

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October 2024



Executive Summary

Compared to August 2023 businesses reported that:

August 2024 Visitor levels:

Increased 25% / Stayed the same 23% / Decreased 53%

Estimated actual change in visitors -12%

August 2024 Turnover levels:

Increased 27% / Stayed the same 14% / Decreased 59%

Estimated actual change in turnover -10%

September 2024 Outlook is:

Better than last year 15% / Same as last year 28% / Not as good as last year 57%

October 2024 Outlook is:

Better than last year 13% / Same as last year 10% / Not as good as last year 76%

November 2024 Outlook is:

Better than last year 12% / Same as last year 17% / Not as good as last year 71%

Optimism:

Optimism score is 4.78 out of a possible 10

August 2024 – Key results

The majority of all businesses experienced decreased visitors/customers (53%) and turnover (59%) compared with August 2023 with each representing decreases of -12% and -10% respectively compared with the same time last year and a broadly similar performance to the region overall.

57% of accommodation businesses anticipate decreased bookings for September compared with 2023 levels, whilst 76% said the same for October and 71% for November (compared with 2023 levels) at the time of writing this report, although there may be some variation in the actual proportions once the data is collected.

At 80%, businesses are currently most concerned about decreasing visitor numbers/booking levels (no change compared with last month), followed by the increase in the cost of living generally (69%, a decrease of -5% compared with last month), rising energy costs (65%, an increase of 7% compared with last month) and increases in other business costs e.g. food and other business supplies etc. (60%, an increase of 1% compared with last month).

At 4.78 out of 10.00, the optimism score decreased compared with 5.00 last month.

June – August 2024 – General performance

Whilst June saw the majority of businesses on the English Riviera continue to be negatively affected by the impacts of the Cryptosporidium outbreak in Brixham, July and August have shown some signs of gradual improvement as the proportions reporting decreased visitors and turnover have gradually decreased to between 53-59% (compared with 64-67% in June). However, the majority of businesses were still reporting decreases in both visitors and turnover compared with the same time last year throughout the main school holiday/peak period.

Looking ahead, the majority of businesses are once again anticipating decreased bookings for the shoulder months, although there may be some variation in the actual proportions once the data is collected.

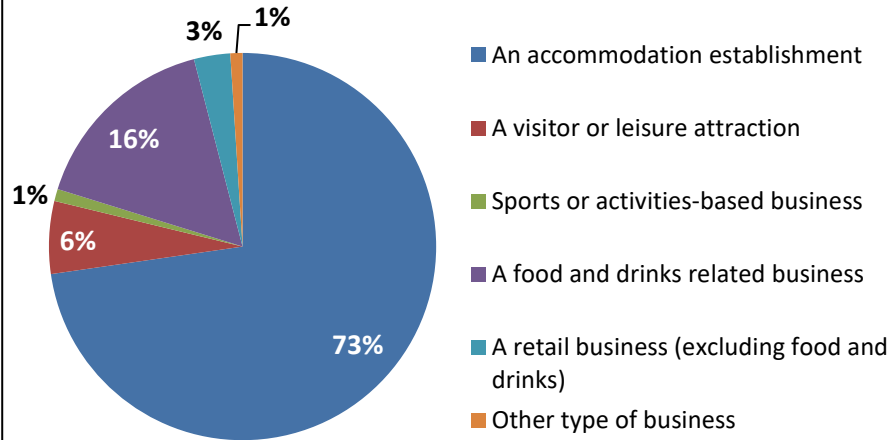
Many businesses continue to comment on the harbour re-development/road works in Torquay and the worsening homelessness situation in the Bay and the negative impact this is having on the guest experience with many of their guests saying that they will not be returning.

A handful of businesses have reported increased overseas visitors and an improved August performance compared with the same time last year.

A total of 99 businesses took part in the survey this month, representing a minimum sample of approximately 107 businesses when respondents representing multiple businesses, outlets or sites are also considered.

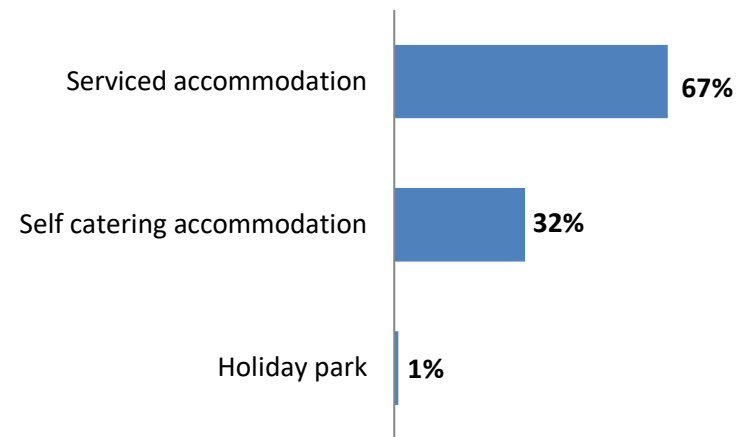
Sample profile, business location and status

BUSINESS TYPE



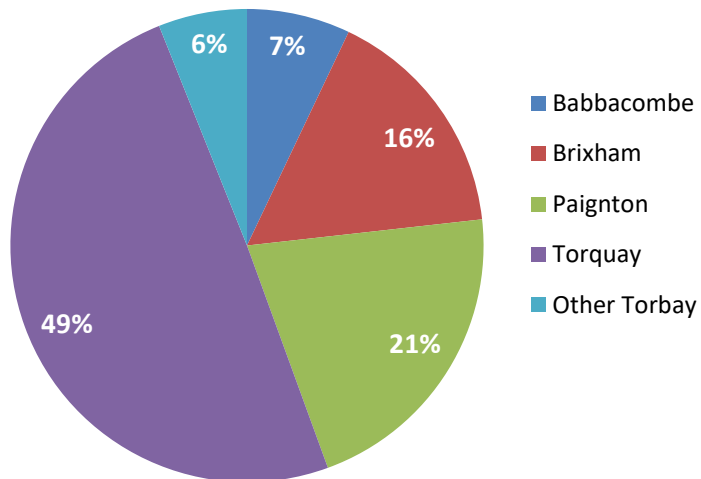
Base: 99

ACCOMMODATION TYPE



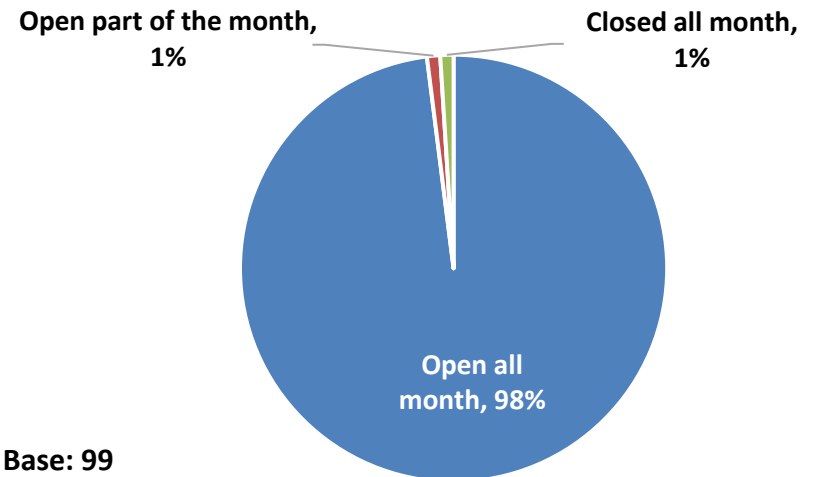
Base: 72

BUSINESS LOCATION



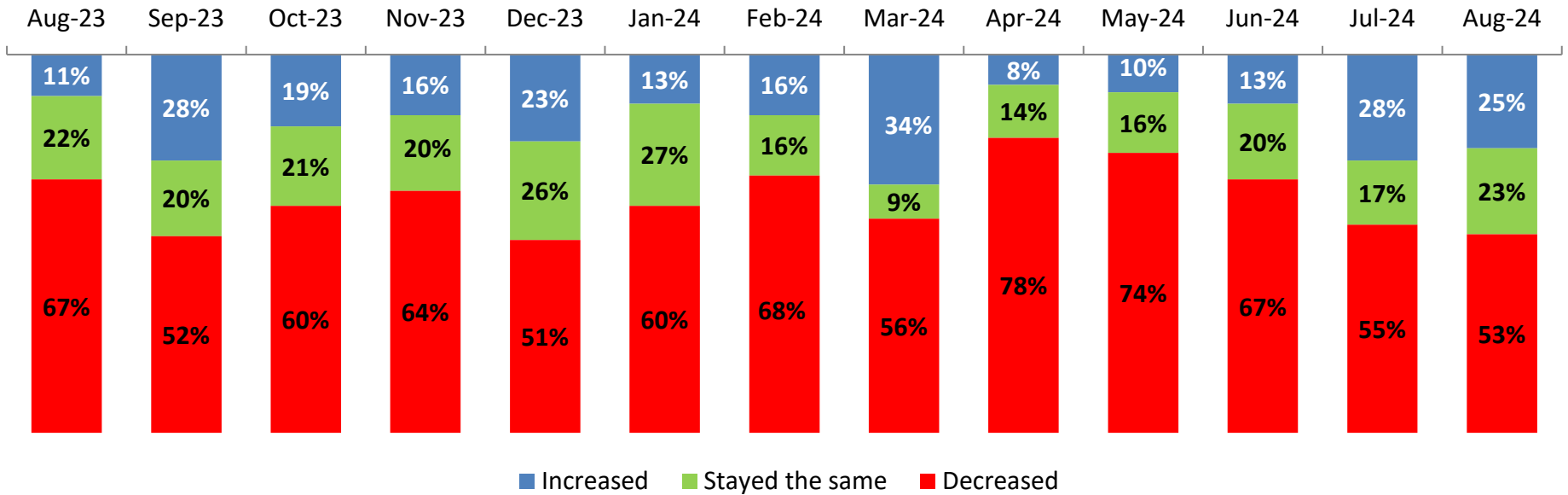
Base: 99

BUSINESS STATUS

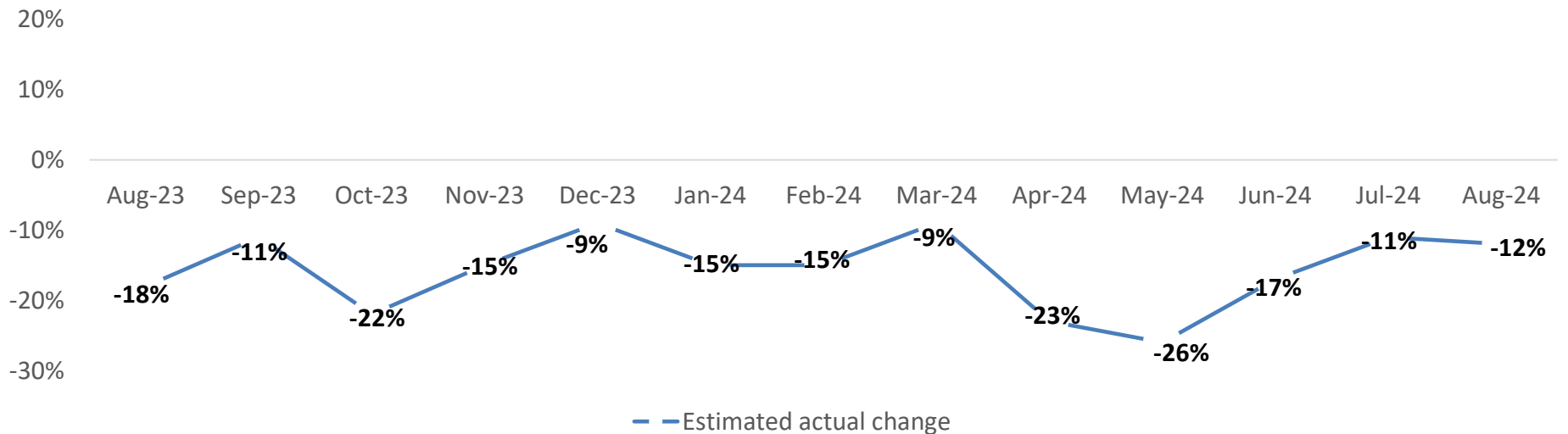


Base: 99

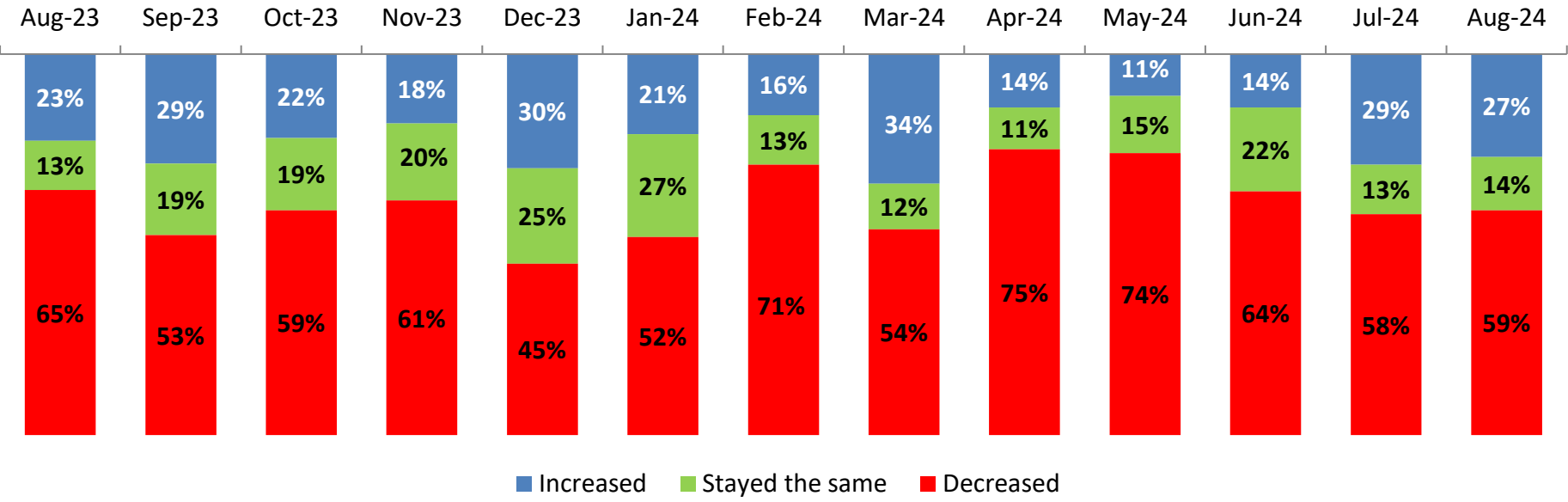
Performance – Number of visitors compared to previous year



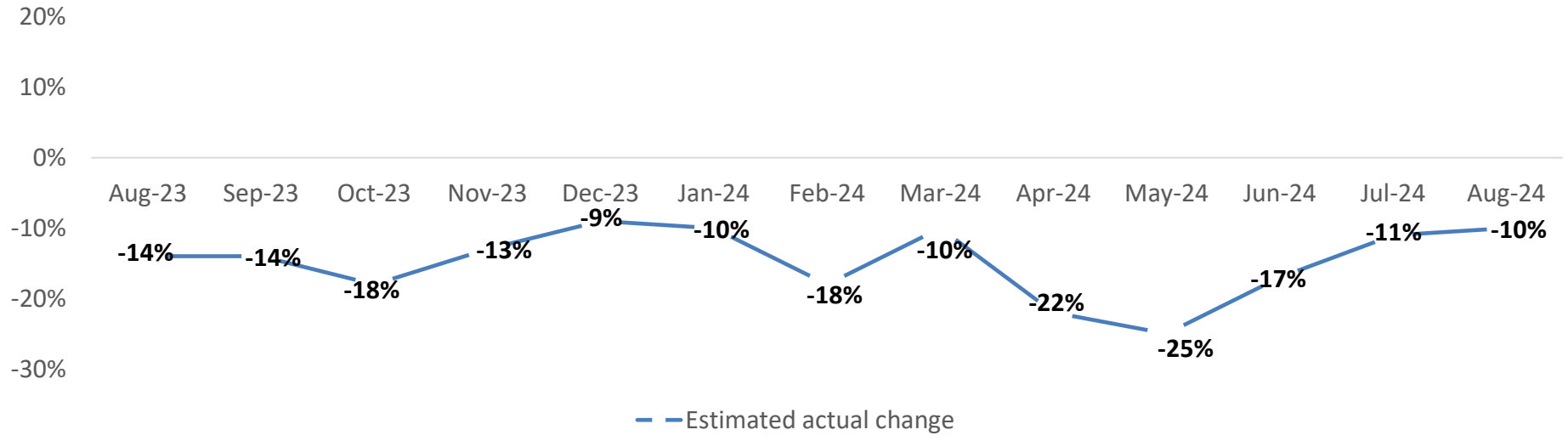
ESTIMATED ACTUAL CHANGE IN VISITORS



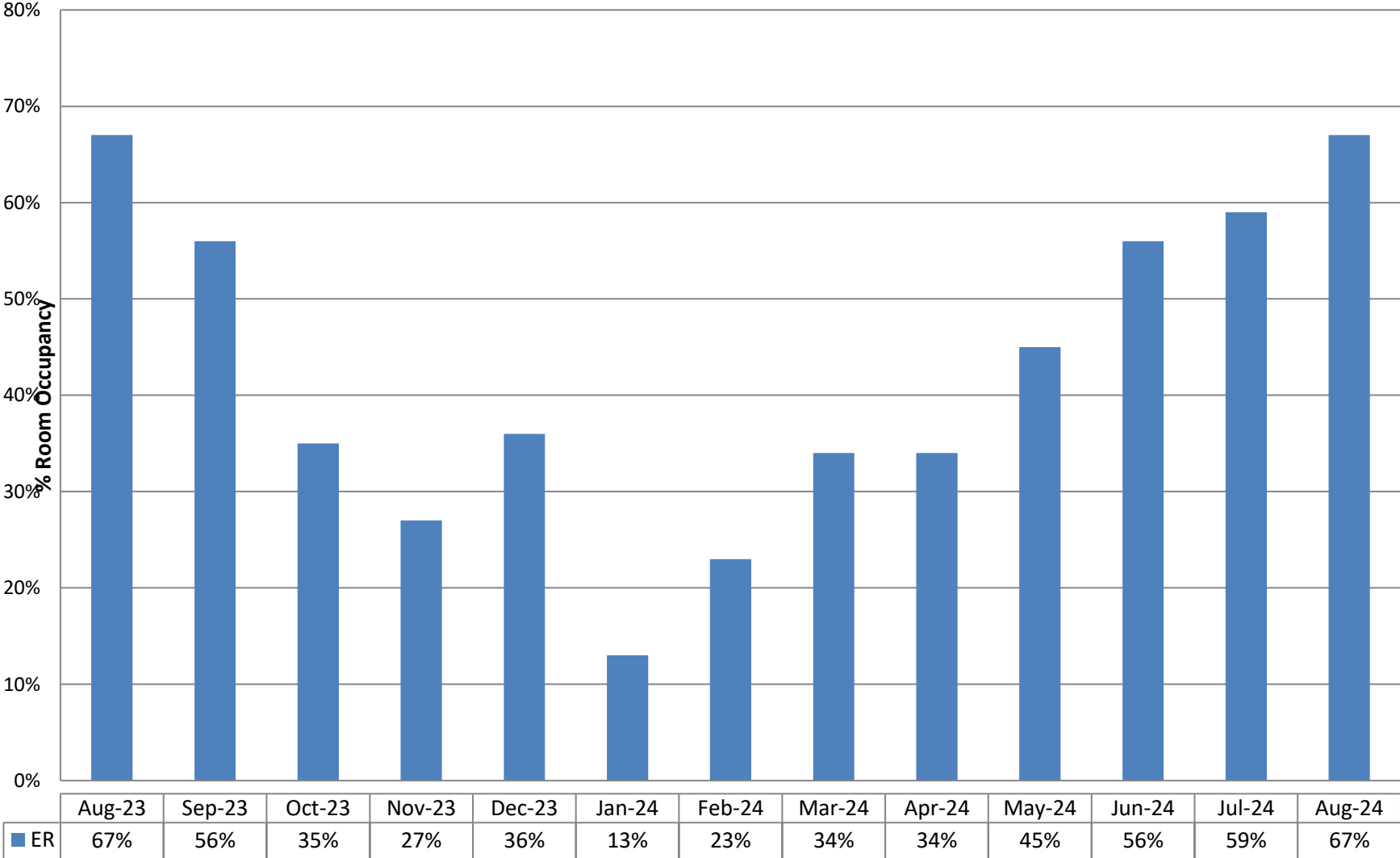
Performance – Turnover compared to previous year



ESTIMATED ACTUAL CHANGE IN TURNOVER

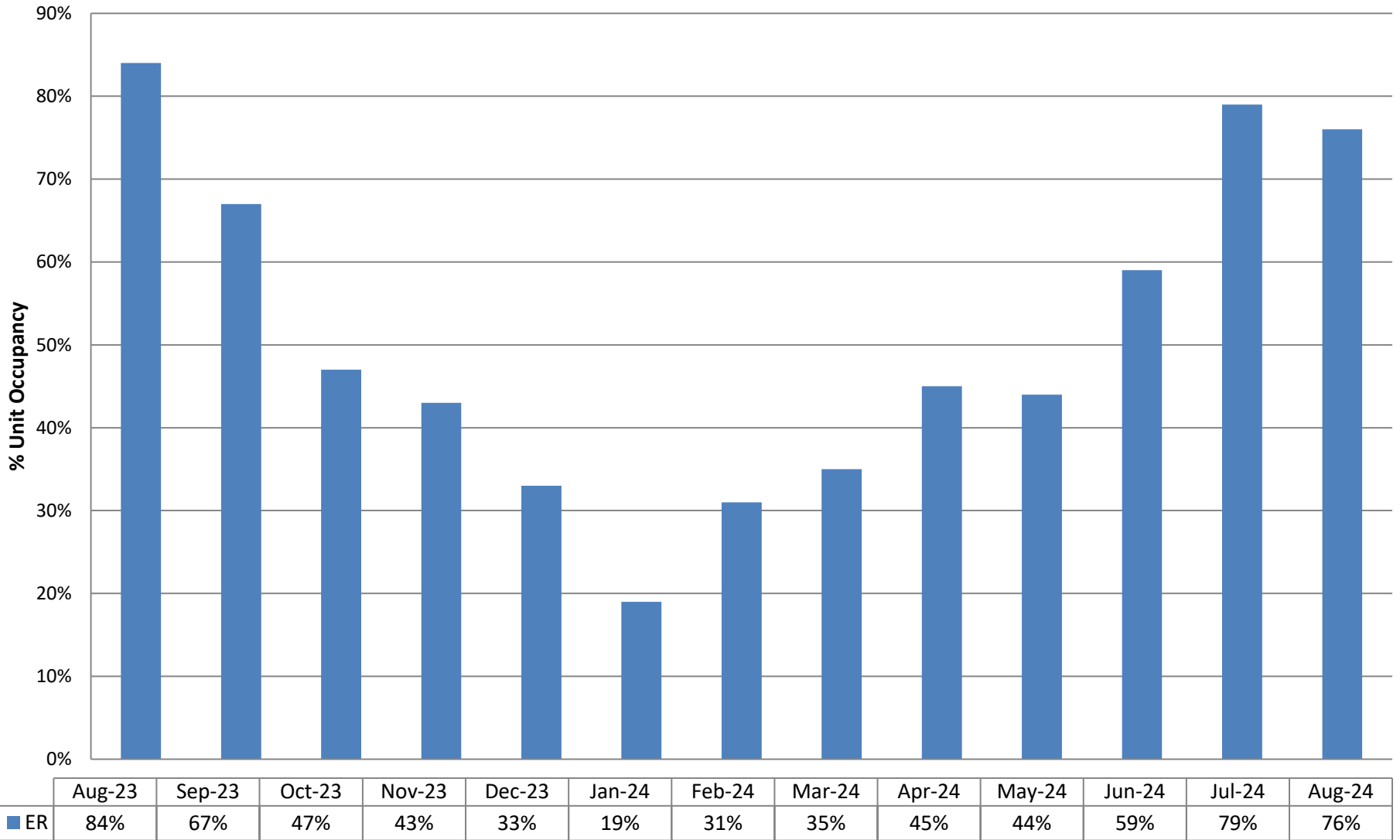


Performance – Serviced Room Occupancy



It should be noted that the figures provided represent the occupancy rates for those responding to this survey and the results are not weighted to represent regional and county accommodation stocks.

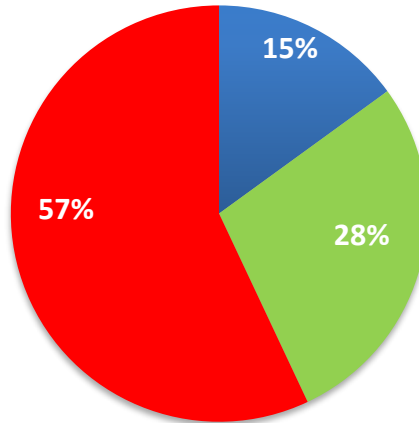
Performance – Self Catering Unit Occupancy



It should be noted that the figures provided represent the occupancy rates for those responding to this survey and the results are not weighted to represent regional and county accommodation stocks.

Outlook – Based upon forward booking levels

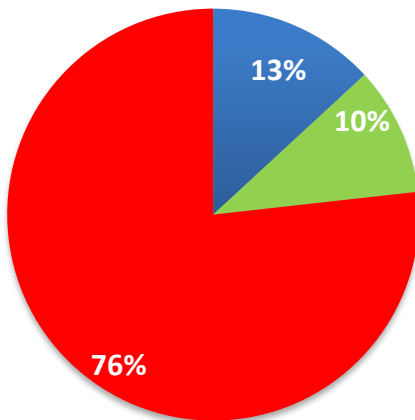
SEPTEMBER 2024



■ Better than last year ■ Same as last year
■ Not as good as last year

Base: 72

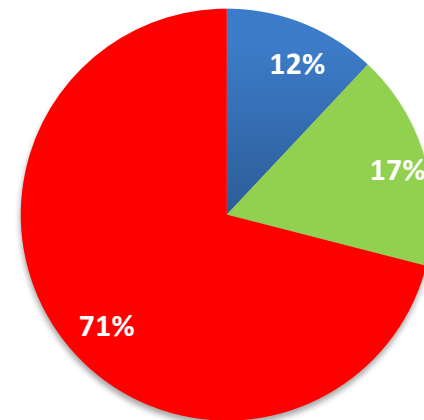
OCTOBER 2024



■ Better than last year ■ Same as last year
■ Not as good as last year

Base: 67

NOVEMBER 2024

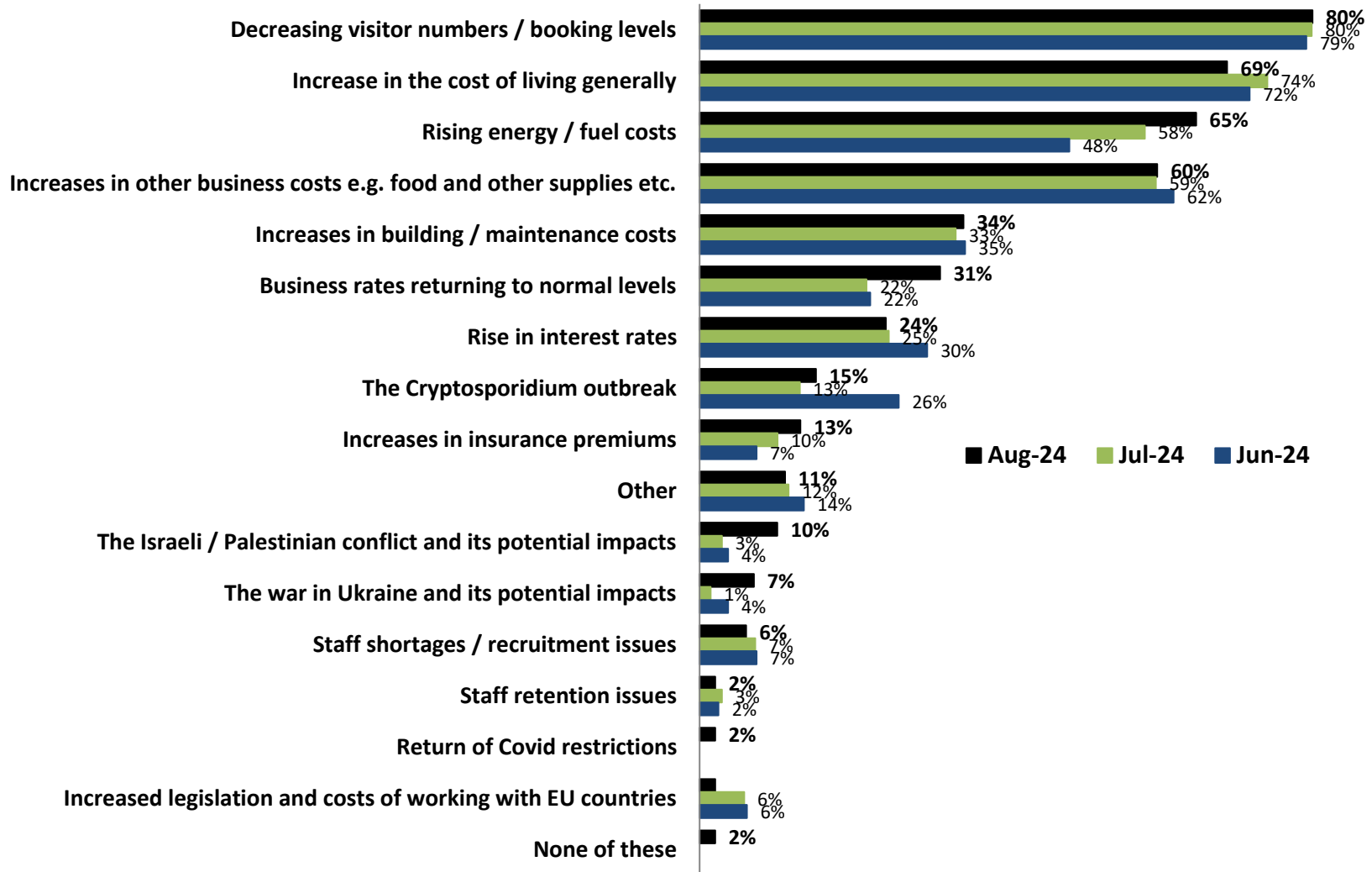


■ Better than last year ■ Same as last year
■ Not as good as last year

Base: 58

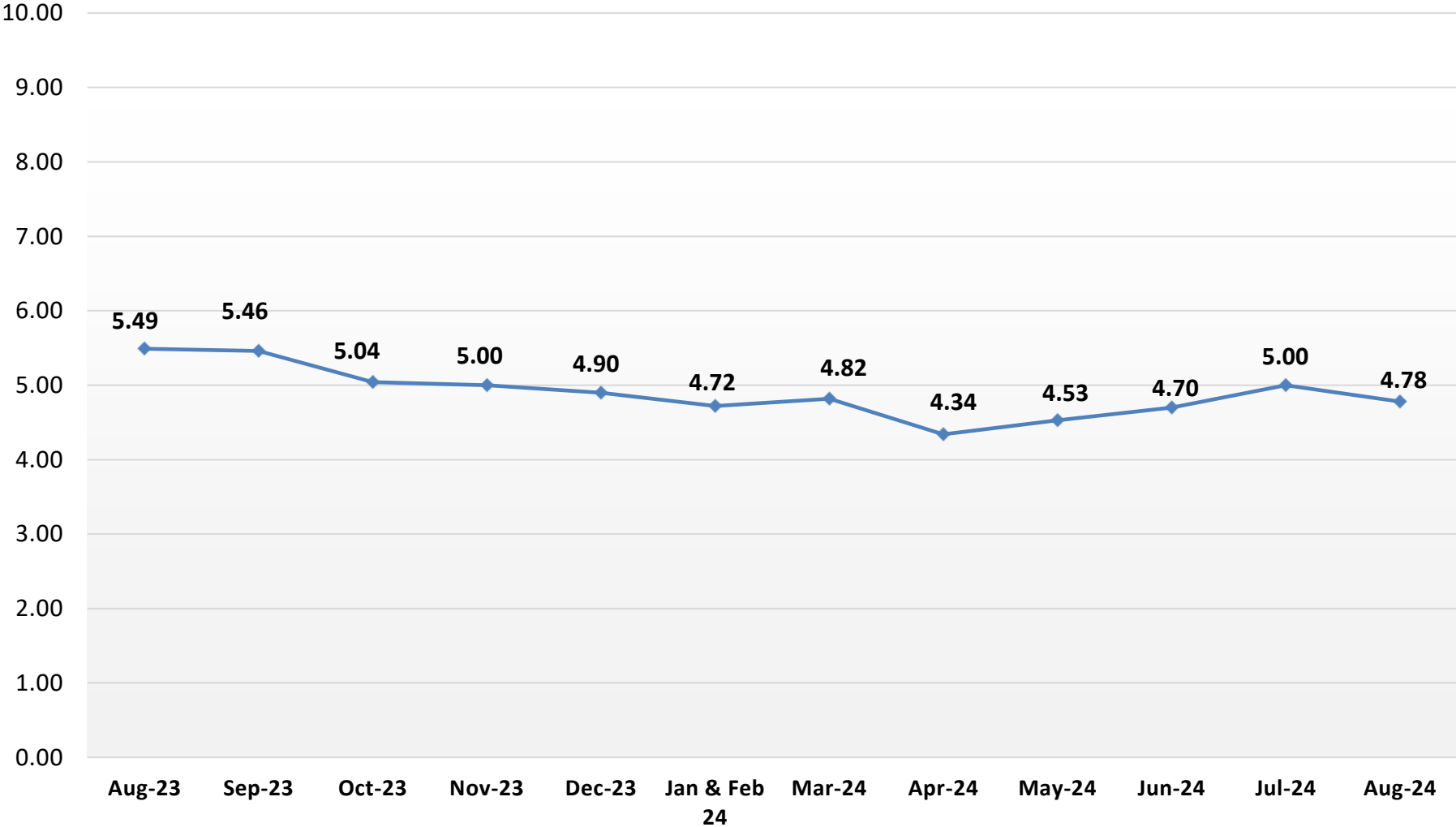
Top 5 business concerns (pre-defined list)

TOP 5 MOST CONCERNING FACTORS FOR BUSINESSES IN THE COMING MONTHS



Business optimism

BUSINESS OPTIMISM (MAXIMUM SCORE OF 10)



Key results – Sample of other comments on impacts

Torquay is a dreadful mess. I doubt we will have any returners next year. The Harbour re-development and the neglect of the Pavilion have been a big mistake.

Bad year! Everything against us including the council!!

Overseas guests took up the shortfall from the British market. Average room rate was lowered to remain competitive which has had a direct impact on the bottom line. There seems to be a lot of pessimism in the Bay when we really need to look at some of the wonderful areas that surround us and promote these to our guests, Torquay Harbour will be great when it's finished.

Very worrying and stressful, being hammered by the council, VOA, energy companies and general bureaucracy and red tape. Everything is a mess in my opinion and no one cares about us trying to run a business and survive!!!

August was slightly improved and 2024 is slightly improved overall, but against a very low base from 2023. We still do not have enough quality events, or publicity of them, to bring people in outside of the key holiday periods. Add in constant building work/roadworks with little signs of real improvement, worsening homelessness/begging taking over the derelict town centres and prospects are pretty poor. Might survive the winter as long as no unforeseen financial shocks but have had to restructure business/personal finance to get this far. No hope of selling with interest rates so high. In general, tourism in the Bay is in a pretty low spot.

August was a fraction ahead of last year but as we had to accommodate much shorter stays our costs for labour, laundry etc. mean that we actually made much less money. The centre of Torquay is a major embarrassment and I pray our guests don't venture that way too much. Long standing guests remark about how shocked they are about the rapid decline in the area over the last three years particularly. As with the country generally no-one seems willing to grasp the nettles and sort out the problems they just fritter around making themselves look busy but achieving little. Even before the budget, the self catering sector is under massive assault from many Government departments and HMRC has already decided on tax changes which will see massive tax hikes. The budget can only make this even worse. Meanwhile those in charge have their noses in the trough accepting tens of thousands of pounds of freebies. I weep for our country.

September is usually at least as good as August once the kids go back to school but September so far is a third down on last year which is disappointing despite the weather picking up. Are people waiting to see how they will be hit in the budget?

Basically this season has been for us very poor, without an increase in August and Septembers booking this season has been diabolical. We will struggle to survive the winter months. Two different set of guests went home early because they did not feel comfortable in Torquay. One couple used to live here and could not believe the decline in the town and said that they will not come back, the others said they did not feel safe and there is nothing much left in Torquay. Our guest house is on the market we have had enough, we don't enjoy doing it any more - too much stress.

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