

Great South West Tourism Partnership Coronavirus (COVID-19) Business Impact Survey - No. 3 June 2021 (covering 1st January to end of June 2021)

Final Report

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Headlines

This report contains a summary of the findings from third Great South West Tourism Partnership Coronavirus (COVID-19) Business Impact Survey undertaken by The South West Research Company Ltd. during July 2021 covering business performance between the 1st January and the end of June 2021. The survey builds upon the data collected during surveys 1 and 2 which covered business performance between January and end of July 2020 and 1st August and end of December 2020 undertaken during August 2020 and January 2021 respectively.

Key headline findings:

- **Economic Impact** - For January to June 2021 it is estimated that approx. £1.5 billion of anticipated tourism business turnover has been lost in the GSW region due to the Covid-19 pandemic. The average percentage change in turnover for the January to June 2021 period was -47%.
- **Economic Impact** - For the combined period of January 2020 to the end of June 2021, it's estimated that approx. £5.2 billion of tourism business turnover has been lost in the GSW region due to the Covid-19 pandemic. The average percentage change in turnover for the full combined period was -50%.
- **Supply Chain** - in addition, for the full period combined it is estimated that approx. £1.5bn of associated turnover has also been lost to the supply chain.
- **Overheads** - tourism businesses will still have had some overheads during this period. For the full combined period, if 75% of the supply chain spend did not occur the additional lost tourism spend in the GSW area would have been £1.1 billion, at 50% it would have been an additional £749 million lost or at 25% it would have been an additional loss of £375 million.
- **Operations** - 83% of businesses had been operating at 75% capacity or less during the January to June 2021 period. Just 8% of businesses had been operating at 76-100% capacity. 9% of businesses remained closed during this period.

Headlines

- **Survivability** - When asked when they currently anticipate is the furthest that their business will be able to survive until without further support, almost half of all businesses (47%) said they didn't know/were unsure; Half of all businesses currently anticipate that they will now be able to survive beyond the Summer of 2021; Only 4% of businesses felt they could only survive through until the Summer of 2021 (to 31st August 2021).
- **Recruitment** – Almost a third of all businesses were currently recruiting (26%) and the types of contracts with the most vacancies currently were full-time temporary/seasonal and part-time temporary/seasonable positions. Admin staff, cleaning/housekeeping staff, senior management roles, front of house/reception positions and beauty/gum/leisure positions currently have the most vacancies on average. A third of businesses (27%) have lost staff to other sectors.
- **Recruitment** - To try and resolve shortages, 54% of those businesses currently recruiting were now paying higher wages, 41% had reduced their capacity, services or hours of opening, 39% had hired unskilled staff and provided them with training, 25% were offering retention incentives and 22% were taking on apprentices.
- **Customers** - 73% of businesses have seen some change in their customer profile between re-opening in 2021, compared with a similar period during 2019 (including 49% who had seen it change a little and 24% who had seen it change a lot).
- **Customers** – Amongst those businesses who had seen a change in their customer profile, 79% had seen an increase of first-time visitors, 55% amongst customers from different parts of the UK and 77% of businesses had seen a decrease in overseas visitors (net change of -75%).
- **Business support** - The top 5 prioritises to help their business survive and grow over the next 12 months are: 54% would like to see the continuation of the business rates holiday to March 2022; 53% would like to see the 5% VAT reduction rate maintained until December 2022; 48% would like to see UK workers encouraged to enter the industry; 33% would like to see travel restrictions lifted and 28% would like to see the development of retraining programmes to support people from other sectors entering the tourism industry.

Sample summary

- **Investment** - 42% of businesses spent £10k or less on investment in their business during the winter of 2020/21, (a decrease of 13% compared with the usual proportion of businesses spending this amount 55%). In contrast, the proportion who anticipated investing £11k or more increased to 44% (compared with 35% usually investing this amount). 14% of business spent nothing/made no investment in their business during this period compared with 10% of businesses usually not investing anything.

Sample profile

- Total of 393 businesses responded to the survey although actual business representation will be larger due to a number of self-catering agencies responding. National tourism survey data, local areas survey data and Cambridge Model data from 2019 has been used to model the outputs in this report.
- 70% of businesses responding to the survey were accommodation providers, 9% were food and drink businesses and 8% were a visitor/leisure attraction. 3% in each case were a sports or activities-based business or a retail business and 1% in each case were a tourist information centre, a self-catering agency or an event organiser. 4% categorised themselves as on 'other' business type including a tour guide/company, theatre, a language school, a finance business and a transport business etc.
- 58% of the accommodation businesses were self catering operators and 31% serviced accommodation providers. 6% were a holiday park and 5% were a caravan/camping site. 1% were an 'other' type of accommodation.
- 37% of the visitor/leisure attraction businesses were predominantly based indoors, 32% in each case had a good mix of both indoor and outdoor attractions/entertainment/activities or were predominantly based outdoors.
- 52% of businesses responding to the survey were based in Devon including 22% in Torbay, 5% in Plymouth and 25% elsewhere in the county. 18% were based in Cornwall, 21% in Dorset, 8% in Somerset (excluding North Somerset) and 1% on the Isles of Scilly.

Sample profile by county

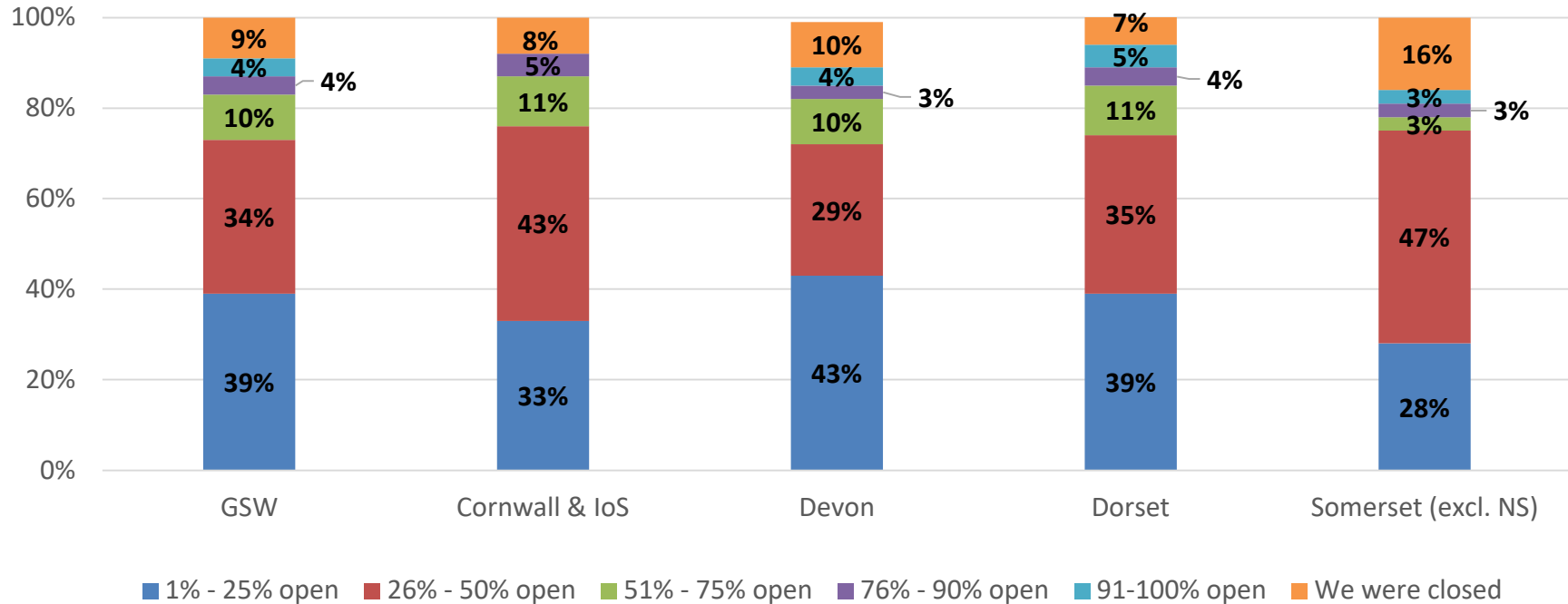
	GSW	Cornwall & loS	Devon	Dorset	Somerset
<u>Total sample size (% of total sample):</u>	393 (100%)	75 (19%)	203 (52%)	83 (21%)	32 (8%)
<u>Business type:</u>					
An accommodation establishment	70%	87%	72%	53%	66%
A visitor or leisure attraction	8%	5%	5%	18%	6%
Sports or activities-based business	3%	-	2%	5%	3%
A food and drinks related business - pub, restaurant, cafe, take-away	9%	-	13%	7%	6%
A retail business (excluding food and drinks)	3%	-	2%	7%	3%
A Tourist Information Centre	1%	3%	-	1%	-
A Self Catering agency	1%	4%	1%	0%	-%
Other type of business	1%	-	-	1%	6%
<u>Accommodation type:</u>					
Serviced accommodation	31%	6%	43%	29%	10%
Self catering accommodation	58%	82%	50%	41%	76%
Other accommodation type (incl. holiday parks, caravan/camping site and other accommodation types)	12%	13%	6%	30%	15%

Sample profile by county

	GSW	Cornwall & IoS	Devon	Dorset	Somerset
<u>Type of business (visitor/leisure attractions only):</u>					
Predominantly/totally based indoors	37%	-	33%	47%	33%
Predominantly/totally based outdoors	32%	25%	33%	32%	33%
A good mix of both indoor and outdoor attractions/entertainment/activities	32%	75%	33%	21%	33%
<u>Rateable value band:</u>					
Under £15k	56%	59%	65%	37%	44%
£15 - 51k	20%	21%	17%	23%	28%
Over 51k	11%	7%	9%	19%	9%
Don't know	5%	7%	4%	6%	-
My business does not have a rateable value	7%	5%	4%	13%	16%
I would prefer not to answer this question	2%	1%	1%	1%	3%

Key results – Business capacity

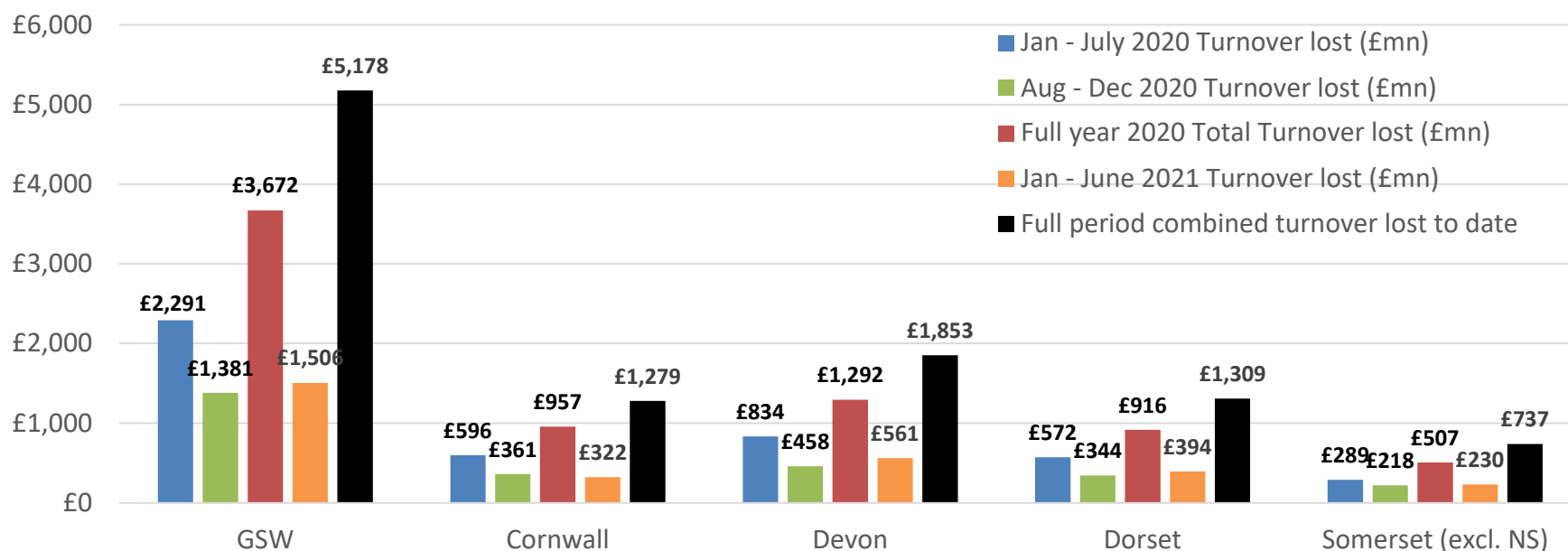
Business capacity between the
1st of January and the end of June 2021



- 83% of businesses had been operating at 75% capacity or less during the January to June 2021 period including 10% operating at 51-75% capacity, 34% at 26-50% capacity and 39% at 1-25% capacity. Just 8% of businesses had been operating at 76-100% capacity including 4% in each case at 76-90% capacity or 91-100% capacity. 9% of businesses had remained closed during this period.
- At 9%, Dorset saw the highest proportion of businesses operating at 76%+ capacity during the January to June 2021 period compared with 5% of Cornwall businesses, 6% of Somerset businesses and 7% of those based in Devon.

Key results – Economic impacts

GSW area tourism turnover lost due to Covid-19



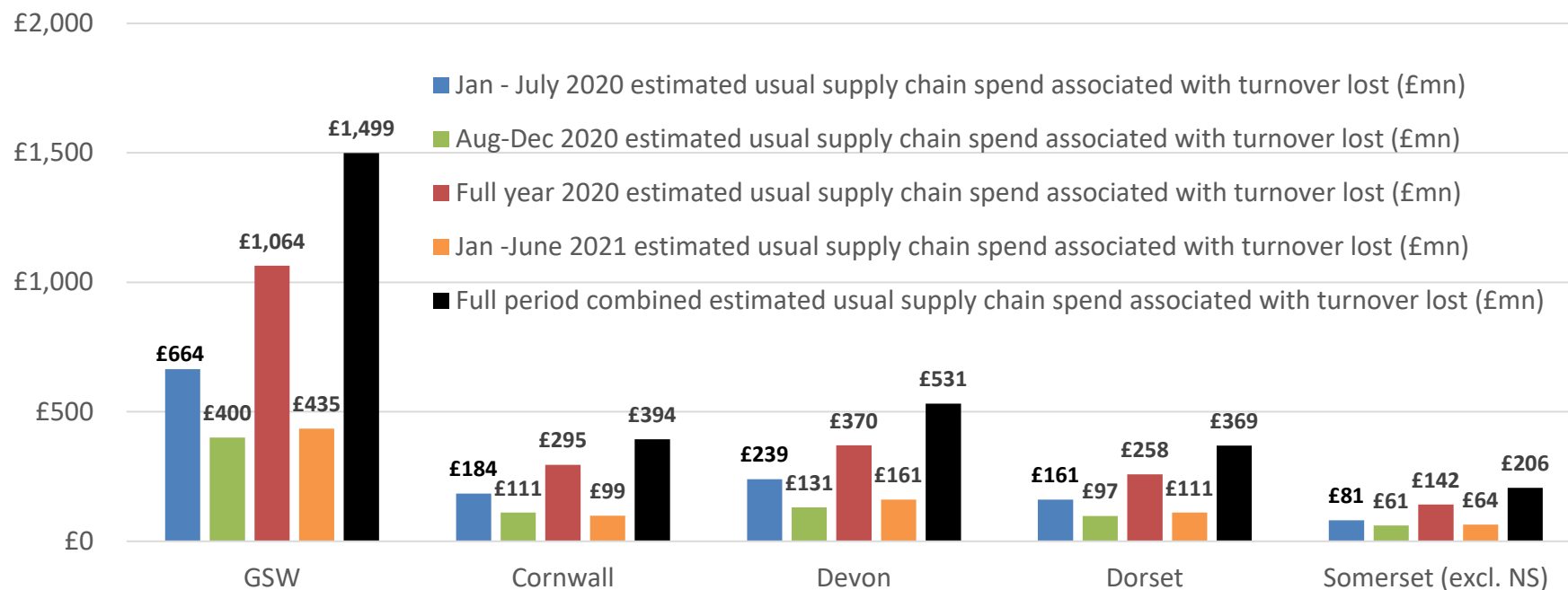
% Change in turnover	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Combined turnover lost to date	-50%	-45%	-52%	-51%	-56%
January to June 2021	-47%	-37%	-50%	-50%	-55%
Full year January to December 2020	-52%	-48%	-53%	-52%	-57%
August to December 2020	-46%	-41%	-47%	-43%	-57%
January to July 2020	-56%	-52%	-57%	-58%	-56%

Key results – Economic impacts

- 75% of businesses reported a decrease in their business turnover for the period January to June 2021 compared with the same period in 2019 (85% of businesses during the August to December 2020 period and 90% during the January to July 2020 period) including 65% of Cornwall businesses, 77% of Devon businesses, 75% of Dorset businesses and 90% of Somerset (excluding North Somerset) businesses.
- For the January to June 2021 period it is estimated that approx. £1.5 billion of anticipated tourism business turnover has been lost in the GSW region due to the Covid-19 pandemic (in addition to the £1.4 billion lost during the August to December 2020 period and the £2.3 billion lost during the January to July 2020 period).
- The average percentage change in turnover for the January to June 2021 period was -47% (-46% during the August to December 2020 period and -56% during the January to July 2020 period).
- A total of approx. £322 million of tourism business turnover has been lost in Cornwall during the January to June 2021 period (-37% change in turnover), £561 million in Devon (-50% change in turnover), £394 million in Dorset (-50% change in turnover) and £230 million in Somerset (-55% change in turnover).
- For the full combined period of January 2020 to the end of June 2021 it is estimated that approx. £5.2 billion of tourism business turnover has been lost in the GSW region due to the Covid-19 pandemic. The average percentage change in turnover for the full combined period was -50%.
- Approx. £1.3 billion of anticipated tourism business turnover has been lost in Cornwall during the full combined period (-45% change in turnover), £1.9 billion in Devon (-52% change in turnover), £1.3 billion in Dorset (-51% change in turnover) and £0.7 billion in Somerset (-56% change in turnover).

Key results – Economic impacts

GSW area estimated usual supply chain spend associated with turnover lost due to Covid-19



- In addition, for the full period combined it is estimated that approx. £1.5 billion would have been the usual amount of supply chain spend associated with the amount of turnover lost. Supply chain spend is the money spent by businesses in receipt of visitor expenditure on the purchase of local goods and services.
- Approx. £394 million of this supply chain spend would have occurred in Cornwall, £531 million in Devon, £369 million in Dorset and £206 million in Somerset.

Key results – Economic impacts

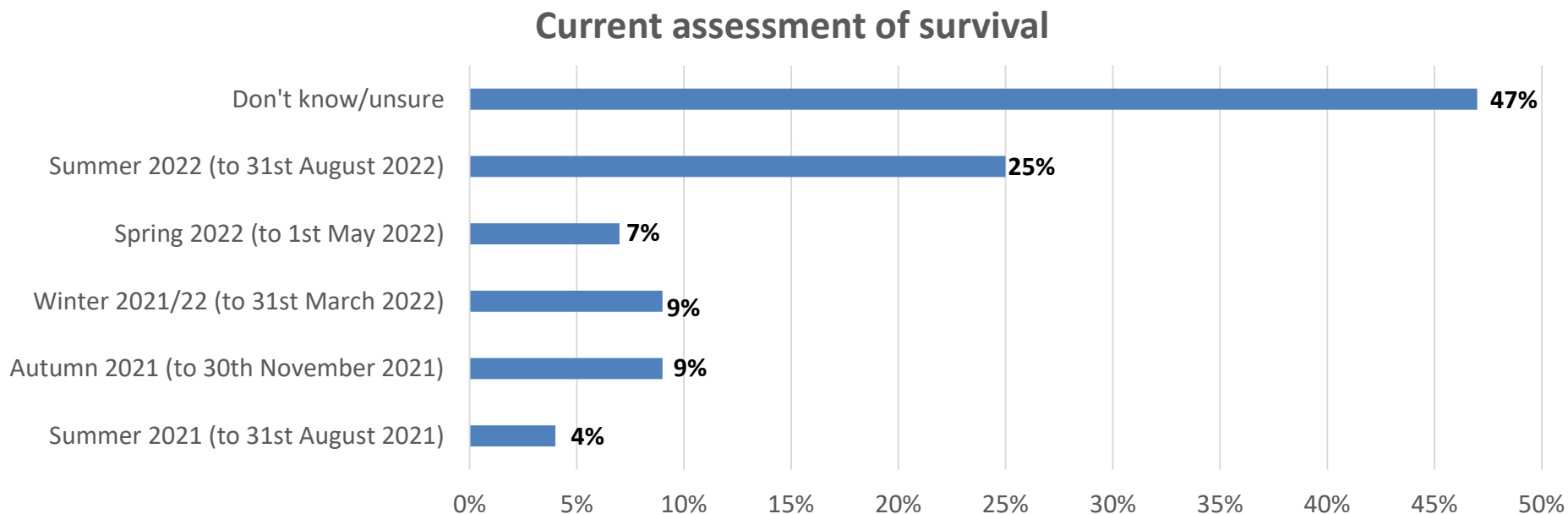
- However, tourism businesses will still have had some overheads during this period that they would still have had to cover. For the full combined period, if 75% of the supply chain spend did not occur the additional lost tourism spend in the GSW area would have been £1.1 billion, at 50% it would have been an additional £749 million lost or at 25% it would have been an additional loss of £375 million. The results by period of the year and county are shown in the table below and overleaf for scenarios of 75%, 50% and 25% of supply chain spend not occurring.

Full combined period January 2020 to June 2021	Estimated usual supply chain spend associated with turnover lost (£mn)	Scenario 1 – 75% did not occur	Scenario 2 – 50% did not occur	Scenario 3 – 25% did not occur
GSW	£1,499	£1,124	£749	£375
Cornwall & IoS	£394	£295	£197	£98
Devon	£531	£399	£266	£133
Dorset	£369	£276	£184	£92
Somerset	£206	£154	£103	£51

Key results – Economic impacts

January - July 2020	Estimated usual supply chain spend associated with turnover lost (£mn)	Scenario 1 – 75% did not occur	Scenario 2 – 50% did not occur	Scenario 3 – 25% did not occur
GSW	£664	£498	£332	£166
Cornwall & IoS	£183	£138	£92	£46
Devon	£239	£179	£120	£60
Dorset	£161	£121	£80	£40
Somerset	£81	£60	£40	£20
August – December 2020	Estimated usual supply chain spend associated with turnover lost (£mn)	Scenario 1 – 75% did not occur	Scenario 2 – 50% did not occur	Scenario 3 – 25% did not occur
GSW	£400	£300	£200	£100
Cornwall & IoS	£111	£83	£56	£28
Devon	£131	£98	£66	£33
Dorset	£97	£72	£48	£24
Somerset	£61	£46	£30	£15
January to June 2021	Estimated usual supply chain spend associated with turnover lost (£mn)	Scenario 1 – 75% did not occur	Scenario 2 – 50% did not occur	Scenario 3 – 25% did not occur
GSW	£435	£326	£217	£109
Cornwall & IoS	£99	£74	£50	£25
Devon	£161	£121	£80	£40
Dorset	£111	£83	£55	£28
Somerset	£64	£48	£32	£16

Key results – Business confidence



- When asked which period they currently anticipate is the furthest that their business will be able to survive until without further support, almost half of all businesses (47%) said they didn't know/were unsure.
- Half of all businesses currently anticipate that they will now be able to survive beyond the Summer of 2021 including 25% of businesses who said they should be able to survive until the Summer of 2022 (to August 31st 2022), 9% in each case who said until the Autumn of 2021 (to 30th November 2021) or until the Winter of 2021/22 (to 31st March 2022) and 7% who said they should be able to survive until the Spring of 2022 (to 31st March 2020).
- Only 4% of businesses felt they could only survive through until the Summer of 2021 (to 31st August 2021).
- 91% of businesses were confident to some degree in their assessment of how long they could survive. The results by county are shown overleaf.

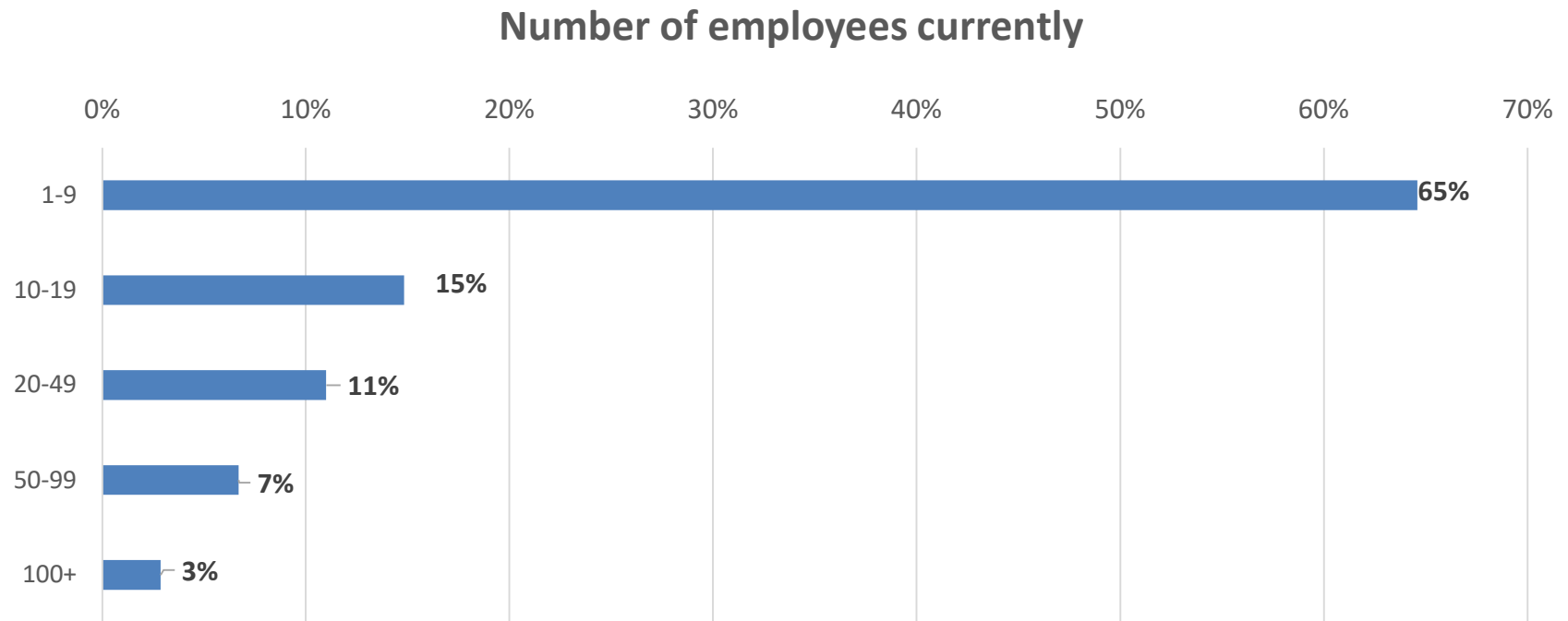
Key results – Business confidence by county

Which of the following periods do you currently anticipate is the furthest that your business will be able to survive to without further support?	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Summer 2021 (to 31st August 2021)	4%	1%	2%	6%	13%
Autumn 2021 (to 30th November 2021)	9%	5%	8%	10%	19%
Winter 2021/22 (to 31st March 2022)	9%	5%	12%	6%	6%
Spring 2022 (to 1st May 2022)	7%	7%	8%	7%	0%
Summer 2022 (to 31st August 2022)	25%	32%	24%	23%	16%
Don't know/unsure	47%	49%	45%	48%	47%
How confident are you in your assessment of surviving to that period?	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Not very confident	7%	8%	5%	9%	12%
Fairly confident	32%	32%	32%	28%	35%
Confident	27%	32%	30%	19%	24%
Very confident	32%	29%	30%	42%	29%
Don't know	2%	0%	4%	2%	0%

- The largest proportion of businesses across all areas said they didn't know/were unsure how long their business could survive without further support. 49% of Cornwall businesses, 52% of Devon businesses, 46% of Dorset businesses and 41% of Somerset businesses currently anticipate that they will be able to survive beyond Summer 2021 (September 2021 onwards). 32% of Cornwall businesses, 24% of Devon businesses, 23% of Dorset businesses and 16% of Somerset anticipate they will be able to survive until Summer 2022 (to 31st August 2022).
- 93% of Cornwall businesses, 92% of Devon businesses, 89% of Dorset businesses and 88% of Somerset businesses said they were confident to some degree in their assessment of how long they could survive.

Key results – Employment impacts

- 47% of businesses responding to the survey didn't have any staff. The current number of employees for those businesses with staff is shown in the chart below.



- 65% of businesses with staff currently have between 1-9 employees, 15% have between 10-19, 11% have between 20-49 and 7% have between 50-99 employees.
- Just 3% of businesses with staff currently had 100 or more employees.
- The results by county are shown overleaf.

Key results – Employment impacts by county

- The proportion of employees by category for those businesses with staff are shown in the table below.
- There was little variation in the results by county.

	GSW	Cornwall & IoS	Devon	Dorset	Somerset
I don't have any staff	47%	57%	48%	33%	50%
<i>Results for those businesses with staff only: How many employees do you currently have?</i>					
1-9 employees	65%	72%	64%	57%	81%
10-19 employees	15%	9%	17%	18%	0%
20-49 employees	11%	13%	11%	11%	6%
50-99 employees	7%	3%	6%	13%	0%
100+ employees	3%	3%	2%	2%	13%
<i>Percentage of total staff per business falling into the categories below at the current time:</i>					
Percentage who have returned to work on full hours	82%	96%	83%	80%	58%
Percentage who have returned to work on Flexi Furlough	11%	3%	12%	13%	16%
Percentage who are still on furlough	3%	-	2%	1%	22%
Percentage who are unable to work - due to ill health	-	-	-	1%	-
Percentage who are unable to work - due to other commitment/s	1%	1%	1%	1%	-
Percentage not expected to return to work	2%	-	2%	3%	1%
Percentage overseas - who are able/willing to return to work	-	-	-	-	1%
Percentage overseas - who are unable/unwilling to return to work	-	-	1%	1%	1%

Key results – Employment impacts by county

- When asked how their staffing levels had changed compared to pre-Covid-19 levels, the largest proportion of all businesses (64%) said they had stayed the same and this was consistently the highest proportion across all the counties.
- 22% of businesses said their staffing levels had decreased to some degree and 13% said they had increased. The net percentage change in staffing levels was -9% compared with pre-Covid-19 levels. Cornwall was the only county to experience a net increase (but only of +1%) in staffing levels compared with pre-Covid-19 levels.
- The results by county are shown in the table below.

How have your staffing levels changed compared to pre-Covid 19 levels?	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Decreased by 81% or more	3%	1%	3%	1%	6%
Decreased by 61-80%	1%	1%	1%	1%	3%
Decreased by 41-60%	4%	1%	5%	4%	9%
Decreased by 21-40%	6%	1%	5%	12%	3%
Decreased by 11-20%	5%	7%	1%	8%	9%
Decreased by up to 10%	3%	4%	2%	6%	3%
Stayed the same	64%	69%	67%	58%	53%
Increased by up to 10%	4%	7%	4%	2%	3%
Increased by 11-20%	4%	3%	4%	4%	3%
Increased by 21-40%	2%	3%	3%	-	-
Increased by 41-60%	2%	3%	2%	2%	-
Increased by 61-80%	-	-	-	-	-
Increased by 81% or more	1%	-	1%	1%	6%
Net % change	-9%	+1%	-3%	-23%	-21%

Key results – Employment impacts by county

- When asked why their employee numbers are less than pre-Covid 19 levels, the largest percentage of businesses (27%) said that their former employees had moved to another job in another industry including 25% of Cornwall businesses, 30% of Devon businesses, 26% of Dorset businesses and 25% of Somerset businesses.
- The results by county are shown in the table below.

Why are your employee numbers less than pre-Covid 19 levels? <i>Percentage of former employees that fall into each of the categories below:</i>	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Percentage made redundant	16%	6%	15%	21%	8%
Percentage moved to another job in tourism & hospitality	10%	3%	19%	7%	-
Percentage moved to another job in another industry	27%	25%	30%	26%	25%
Percentage left without a job to go to	4%	6%	4%	4%	-
Percentage left the country	5%	-	4%	8%	1%
Percentage left to start up own business	1%	-	3%	-	-
Percentage don't know	11%	23%	5%	5%	50%
Percentage other	26%	38%	19%	28%	16%

Key results – Feedback on why employee numbers are less than pre-Covid (sample of businesses)

- 22% of businesses said their staffing levels had decreased to some degree compared with pre-Covid levels. A selection of comments from businesses are shown below.

Some regular seasonal staff have not returned. We have found it impossible to recruit our normal summer staff. Young people (and their parents) do not regard a job in tourism as a proper career.

Cannot replace staff that didn't come back from furlough.

Left to find alternative employment when I was closed.

We could do the work ourselves because of the reduction in business.

Business closed over year couldn't afford to keep them.

Less staff needed due to drop in footfall and turnover.

We have re-employed less seasonal staff this year, as without international visitors we expect our turnover to be less than 50% of pre-pandemic levels until at least 2022.

Changed my business model - only open weekday lunchtimes in school holidays now - need less staff.

People have left to pursue work in a more reliable area.

Key results – Employment impacts by county

- For all businesses, the average percentage of employees who had left the country was 5%.
- Those businesses that had employees that had left the country were asked why are they unwilling/unable to return. 41% of all businesses said they didn't wish to return to the UK, 32% said they had not returned due to travel restrictions and 9% had not returned due to having to quarantine.
- The results by county are shown in the table below.
- Please note that the results should be interpreted with caution due to the small sample size (22 businesses had employees who had left the country).

If you have any employees who have left the country, why are they unwilling/unable to return?	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Travel restrictions	32%	100%	-	27%	50%
Quarantine	9%	-	25%	9%	-
Unresolved Settled Status issue	5%	-	-	-	17%
Ill health	5%	-	-	-	17%
Feel that the UK is unsafe	5%	-	-	9%	-
Don't wish to return to the UK	41%	-	75%	45%	17%
Other	5%	-	-	9%	-

Key results – Feedback on resolving staff shortages (sample of businesses)

- A selection of comments from businesses who were trying to resolve any staff shortages are shown below.

Filling shortages ourselves
(us/owners)

Networking.

Asking current staff to contact
friends.

Using Indeed.

Going to bring them across when
my seasonal business finishes.

Volunteers.

Advertising.

Offering more hours to current
staff.

Kickstart Scheme.

Key results – Employment impacts by county

- 26% of all businesses were currently recruiting.
- In order to try and resolve any shortages in staff they were experiencing, 54% of those businesses currently recruiting were paying higher wages, 41% had reduced their capacity, services or hours of opening and 39% had hired unskilled staff and provided them with training.

Are you currently recruiting?	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Yes	26%	16%	23%	43%	28%
No	74%	84%	77%	57%	72%
What are you doing to try and resolve any staff shortages?	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Reducing capacity, services or hours of opening	41%	25%	43%	42%	56%
Paying higher wages	54%	67%	62%	47%	22%
Introducing benefits packages	12%	8%	13%	14%	-
Offering retention incentives – e.g. bonus, refer a friend	25%	17%	23%	28%	33%
Hiring unskilled staff and providing training	39%	33%	36%	44%	44%
Taking on apprentices	22%	17%	21%	28%	11%
Forging links with educational institutions	16%	8%	19%	17%	11%
Working with job centres	15%	8%	21%	14%	-
Not Applicable - we have all the staff we need	4%	8%	4%	3%	-
Other	13%	25%	9%	17%	11%

Key results – Employment impacts by county

- The average number of vacancies by type of contract and position are shown in the table below.
- The types of contracts with the most vacancies currently are full-time temporary/seasonal and part-time temporary/seasonable positions.
- Admin staff, cleaning/housekeeping staff, senior management roles, front of house/reception positions and beauty/gym/leisure positions currently have the most vacancies on average.

How many vacancies do you currently have in the following categories? Ave. no. of vacancies	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Full-time permanent	4.02	12.67	3.50	3.21	4.25
Full-time temporary/seasonal	6.09	14.33	4.60	4.68	11.67
Part-time permanent	2.82	2.50	2.67	3.00	3.20
Part-time temporary/seasonal	5.54	6.83	6.23	3.21	7.50
Senior management	2.86	1.00	2.67	4.00	3.00
Operational management	2.47	10.00	2.40	1.45	4.50
Chefs	1.84	3.50	1.80	1.50	2.50
Kitchen porters	1.91	0.00	2.08	1.50	2.50
Admin staff	3.85	2.00	1.40	8.50	2.33
Cleaning/housekeeping	3.03	3.05	2.86	3.35	2.60
Front of house/reception	2.78	2.67	2.53	3.05	2.00
IT	0.00	0.00	0.00	0.00	0.00
Finance	1.50	1.00	1.00	2.00	2.00
Marketing	2.00	0.00	1.00	2.67	2.00
Beauty/gym/leisure	2.75	2.00	3.00	1.40	6.00
Grounds/maintenance	1.43	3.25	1.00	1.20	1.67
Customer Services	2.71	2.67	2.25	3.00	3.00
Other	2.50	0.00	2.60	10.71	2.00

Key results – Feedback on taking on additional staff (sample of businesses)

- 81% of all businesses had not taken on any additional staff during 2021 to assist with the government’s reopening guidelines and requirements for social distancing. 19% of all businesses said they have taken on additional staff and a selection of comments from these businesses are shown below.

Have you taken on any additional staff during 2021 to assist with the government's reopening guidelines and requirements for social distancing?	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Yes	19%	16%	22%	16%	19%
No	81%	84%	78%	84%	81%

We have increased the frequency of cleans, taken check-in outside and reduced the amount of multi-tasking each person does where this moves them between different teams. So far this has mostly been covered by longer hours worked by existing staff.

Increased housekeeping staff as daily room cleaning taking 25% more time to complete by check-in time.

Additional cleaning staff to assist with additional requirements for COVID regulations.

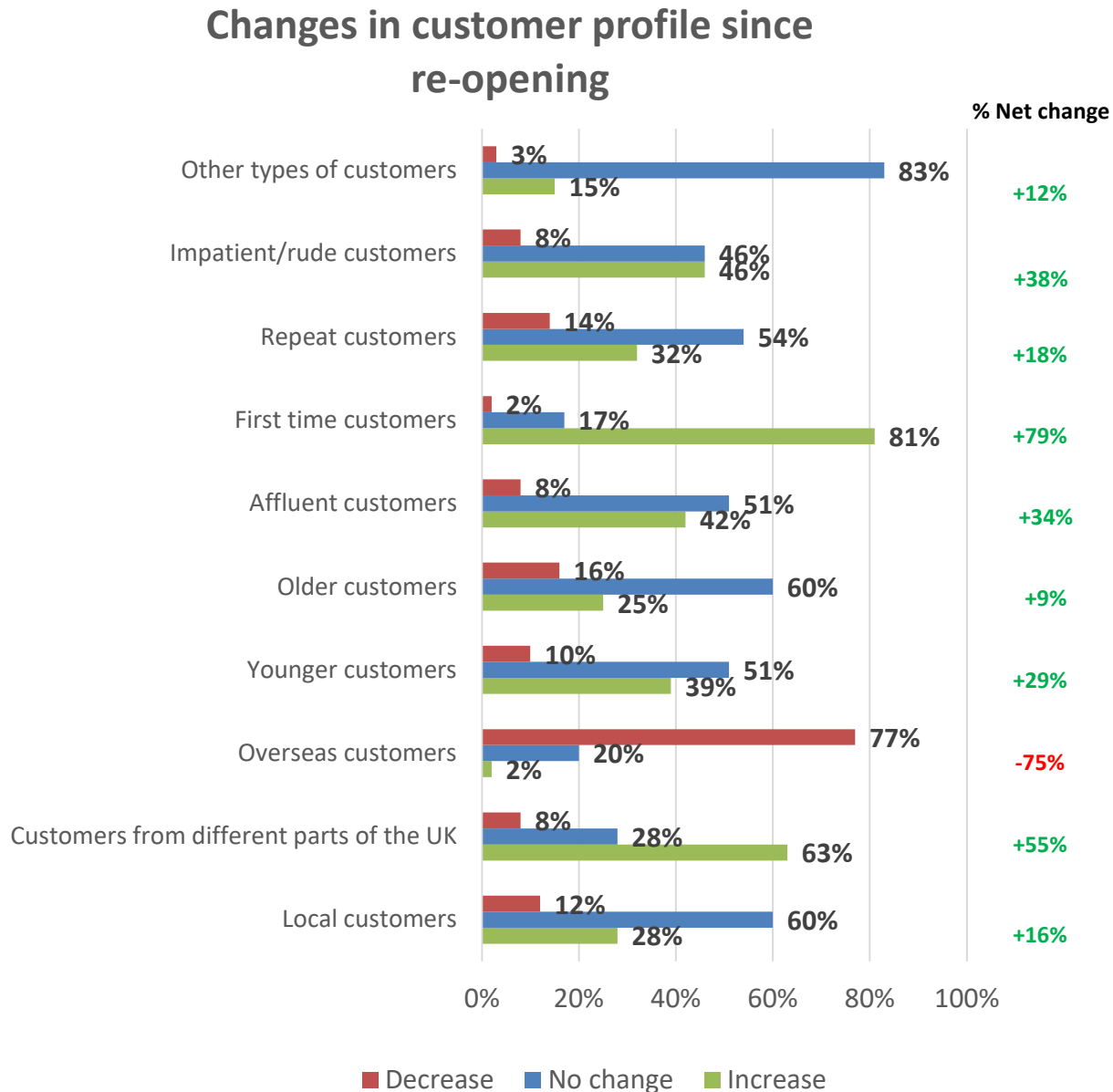
I have taken on agency housekeepers to deal with the increase of hours the changeovers take. Where 1 housekeeper could have done 3 apartments I now require 2. My changeover costs have increased by 100%.

Extra cleaning staff for COVID related changeovers.

Took on additional casual staff to help with cleaning.

Extra part time staff recruited to assist front of house during weekends. Kickstart scheme also joined although no successful candidate yet.

Key results – Changes in customer profile



- 73% of businesses said they had seen some change in their customer profile between re-opening in 2021 compared with a similar period during 2019 including 49% who had seen it change a little and 24% who had seen it change a lot. 26% of businesses had not seen any change in the profile since re-opening.
- 77% of businesses (who had seen a change) had seen a decrease in overseas visitors (net change of -75%). There were no other net change decreases calculated for any other customer categories.
- The highest net change increases since re-opening were reported amongst first time visitors (net change of +79%) and amongst customers from different parts of the UK (net change of +55%).
- The results by county are shown overleaf.

Key results – Changes in customer profile by county

- The changes in customer profile by county are shown in the table below.

	Cornwall & IoS			Devon			Dorset			Somerset		
	Increase	No change	Decrease	Increase	No change	Decrease	Increase	No change	Decrease	Increase	No change	Decrease
Local customers	26%	65%	9%	20%	67%	13%	42%	44%	14%	48%	48%	5%
Customers from different parts of the UK	70%	28%	2%	63%	28%	10%	67%	25%	8%	38%	43%	19%
Overseas customers	-	18%	82%	2%	24%	74%	5%	14%	81%	5%	24%	71%
Younger customers	42%	56%	2%	35%	52%	12%	48%	41%	11%	33%	52%	14%
Older customers	25%	68%	7%	27%	55%	18%	20%	64%	16%	24%	57%	19%
Affluent customers	39%	53%	9%	41%	49%	10%	44%	52%	5%	43%	52%	5%
First time customers	91%	9%	-	78%	19%	3%	86%	13%	2%	62%	33%	5%
Repeat customers	33%	56%	11%	33%	50%	17%	30%	59%	11%	29%	62%	10%
Impatient/rude customers	53%	46%	2%	42%	50%	7%	52%	38%	11%	43%	43%	14%
Other types of customers	23%	74%	4%	13%	85%	2%	11%	84%	5%	14%	86%	-

Key results – Feedback on changes in customer profile (sample of businesses)

- 73% of businesses said they had seen some change in their customer profile between re-opening compared with a similar period during 2019. A selection of comments from businesses who had done so are shown below.

This is from a DMO perspective and what our 600 + members are telling us. Numerous first-time visitors, especially millennials and Gen Z. Plus an increase in families who would normally be in Spain, Portugal and Greece.

Entitled customers.

Nobody from abroad because of Covid restrictions and self isolation.

Customers are travelling further to get to us.

We have to deal with very rude people at times.

Historically many of our visitors have been overseas tourists. This group has/is simply not present.

British guests who treat stays as if in Europe e.g. asking if tap water is drinkable, leaving keys at reception when going out for the day.

Further afield/North area.

First timers to the area. People who would previously have camped.

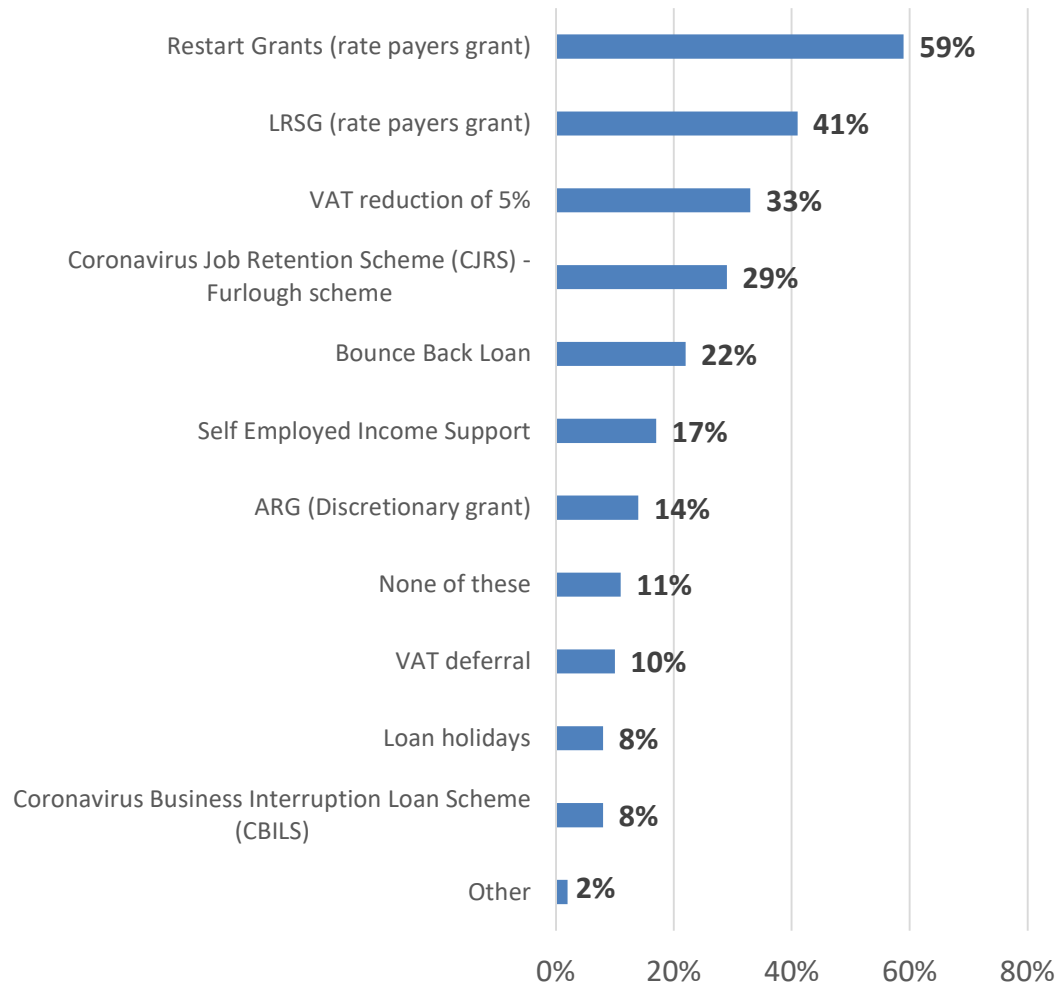
Key results – Investment levels

- Businesses were asked to indicate how much they usually invest in their business over the winter period and how much they actually did invest over the winter period in 2020/21.
- As the results in the table below illustrate, 42% of businesses spent £10k or less on investment in their business during the winter of 2020/21, a decrease of 13% compared with the usual proportion of businesses spending this amount (55%). However in contrast, the proportion who anticipated investing £11k or more increased to 44% compared with 35% usually investing this amount. 14% of business spent nothing/made no investment in their business during this period compared with 10% of businesses usually not investing anything.

Investment levels	All businesses		Cornwall & IoS		Devon		Dorset		Somerset	
	Usual	Actual	Usual	Actual	Usual	Actual	Usual	Actual	Usual	Actual
Zero/no investment	10%	14%	5%	11%	11%	14%	10%	17%	13%	20%
£10k or less	55%	42%	63%	52%	54%	41%	46%	36%	63%	48%
£11 to 25k	16%	22%	14%	23%	18%	23%	18%	19%	7%	20%
£26 to 50k	7%	11%	11%	11%	5%	10%	8%	15%	7%	4%
£51 to 75k	3%	3%	3%	2%	3%	3%	3%	4%	3%	4%
£76 to 100k	3%	2%	2%	2%	3%	2%	7%	4%	-	-
£101 to 150k	1%	1%	-	-	-	1%	3%	-	3%	-
£151 to 200k	1%	1%	2%	-	2%	1%	1%	1%	-	-
£201 to 250k	1%	1%	-	-	1%	1%	1%	-	-	4%
£251 to 300k	1%	1%	-	-	1%	1%	1%	1%	-	-
£301 to 350k	-	-	-	-	-	1%	-	-	-	-
£351 to 400k	-	-	-	-	-	1%	-	-	-	-
£401 to 450k	-	-	-	-	1%	1%	-	-	-	-
£451 to 500k	-	-	-	-	-	1%	-	-	-	-
£500k +	2%	2%	2%	2%	2%	2%	1%	3%	3%	-

Key results – Business support

Business support schemes accessed between January and end of June 2021



- 11% of business had not accessed any of the business support schemes listed.
- 59% had accessed a Restart Grant (rate payers grant) between January and the end of June 2021. 41% had accessed a LRSO (rate payers grant), 33% had accessed the VAT reduction of 5% and 29% the Coronavirus Job Retention Scheme (CJRS) - Furlough scheme. 22% had taken out a Bounce Back Loan and 17% had accessed Self Employed Income Support.
- 14% had accessed an ARG (discretionary grant), 10% had deferred a VAT payment and 8% in each case had taken a loan holiday and/or accessed the Coronavirus Business Interruption Loan Scheme (CBILS).
- The results by county are shown in the table overleaf.

Key results – Business support by county

- A Restart Grant (rate payers grant), LRSO (rate payers grant), Coronavirus Job Retention Scheme (CJRS) - Furlough scheme and VAT reduction of 5% were the most common business support schemes accessed across all the counties.

	Cornwall & IoS	Devon	Dorset	Somerset
Restart Grants (rate payers grant)	56%	66%	45%	63%
LRSO (rate payers grant)	41%	44%	35%	31%
ARG (Discretionary grant)	12%	13%	17%	13%
Self Employed Income Support	12%	21%	13%	16%
Bounce Back Loan	15%	25%	24%	16%
Coronavirus Job Retention Scheme (CJRS) - Furlough scheme	19%	29%	41%	22%
Coronavirus Business Interruption Loan Scheme (CBILS)	8%	8%	10%	3%
VAT deferral	4%	11%	14%	3%
VAT reduction of 5%	35%	32%	39%	22%
Loan holidays	3%	8%	10%	9%
None of these	11%	10%	14%	16%
Other	5%	0%	1%	0%

Key results – Business schemes

- 64% of businesses had accessed the Visit England 'We're Good to Go' scheme in preparation for Covid-secure reopening, 21% had accessed the AA 'Covid Confidence' and 10% the Quality in Tourism 'Safe, Clean and Legal'.
- The results by county are shown in the table below.

Have you accessed any of the following schemes in preparation for Covid-secure reopening?	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Visit England 'We're Good to Go'	64%	59%	67%	65%	59%
AA 'Covid Confidence'	21%	20%	25%	13%	22%
Quality in Tourism 'Safe, Clean and Legal'	10%	16%	8%	7%	13%
None of these	31%	36%	29%	29%	38%

Key results – Business information & support by county

- Businesses were asked where they accessed information and support for their business since lockdown 1. The results by county are shown in the table below.

	Cornwall & IoS	Devon	Dorset	Somerset
Local Authority	57%	59%	58%	47%
Visit Cornwall	63%	2%	-	-
Visit Devon	-	26%	-	-
Visit Dorset	-	-	46%	-
Visit Exeter	-	6%	-	-
Visit Somerset	-	-	-	34%
Destination Plymouth	-	5%	-	-
English Riviera BID Company	-	30%	-	-
Visit Exmoor	-	1%	-	22%
BCP Council Tourism	-	-	8%	-
The Professional Association of Self-Caterers (PASC)	68%	28%	14%	47%
South West Tourism Alliance (SWTA)	24%	17%	16%	13%
B&B Association	-	9%	5%	3%
UK Hospitality	15%	15%	12%	13%
British Holiday & Home Parks Association (BHHPA)	9%	4%	14%	9%
Visit England/Visit Britain	32%	32%	33%	25%
LEP/Growth Hubs	8%	5%	8%	6%
I didn't access any information/support for my business during lockdown	1%	5%	12%	9%
Other	15%	9%	11%	13%

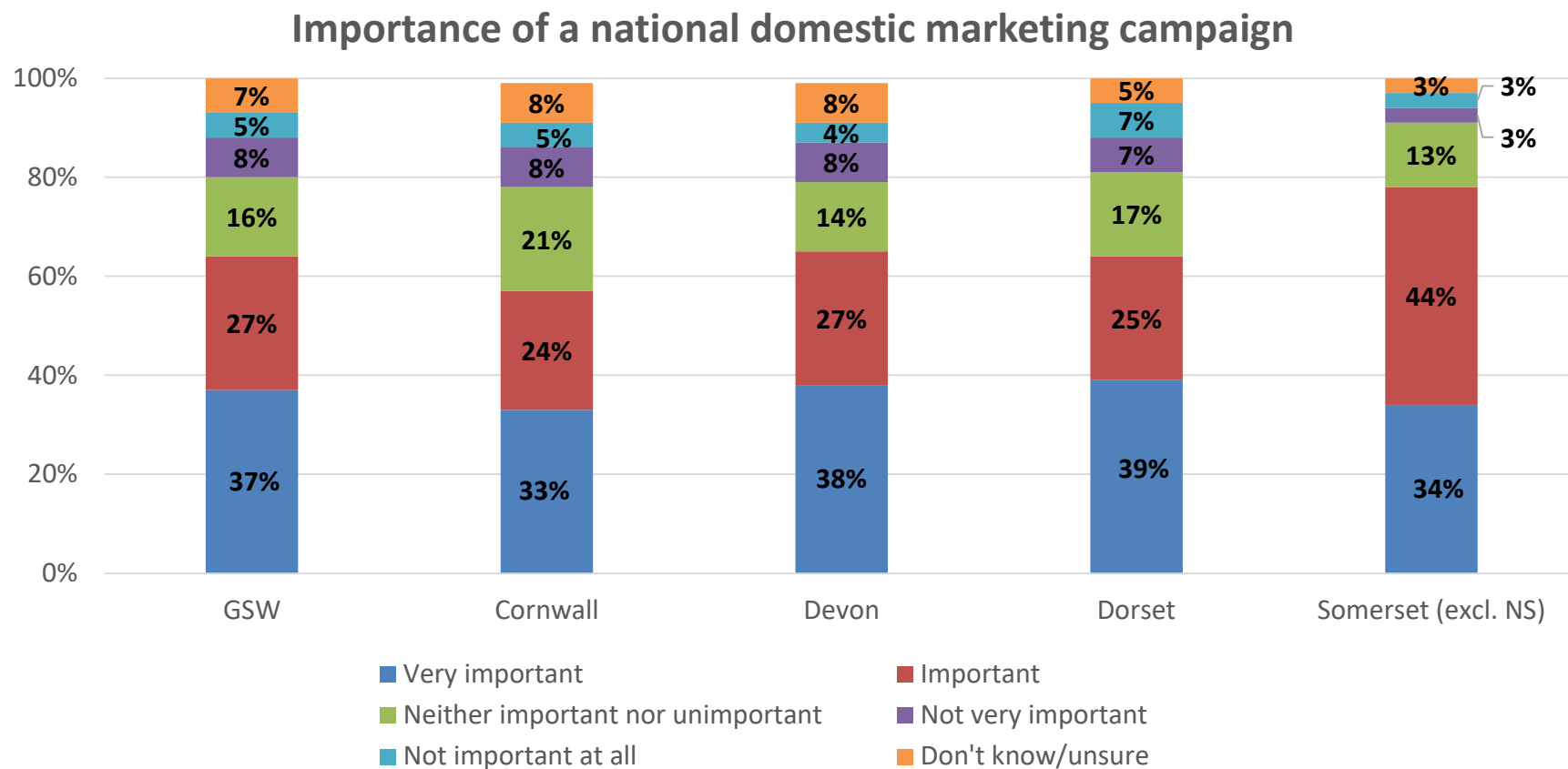
Key results – Top 5 priorities for survival & growth by county

- When asked to select their top 5 priorities (from a predefined list) which they would like to see become available to help their business survive and grow over the next 12 months the results were as follows:
 - Priority 1: Continue business rates holiday to March 2022 (54%).
 - Priority 2: Maintain the 5% VAT reduction rate to December 2022 (53%).
 - Priority 3: Encourage UK workers to enter the industry (48%).
 - Priority 4: Lift travel restrictions (33%).
 - Priority 5: Develop retraining programmes to support people from other sectors entering the tourism industry (28%).
- The results by county are shown in the table overleaf.

Key results – Top 5 priorities for survival & growth by county

	GSW	Cornwall & IoS	Devon	Dorset	Somerset
Continue business rates holiday to March 2022	54%	59%	56%	43%	56%
Maintain the 5% VAT reduction rate to December 2022	53%	54%	52%	61%	37%
Encourage UK workers to enter the industry	48%	45%	45%	55%	48%
Lift travel restrictions	33%	37%	31%	34%	33%
Develop retraining programmes to support people from other sectors entering the tourism industry	28%	25%	28%	32%	30%
Introduce a new discretionary grant for those who haven't benefited from any previous support	25%	21%	24%	22%	44%
Introduce a scheme for low skilled workers to enter the UK	24%	20%	22%	32%	22%
Support EU nationals in the UK gaining Settled Status	22%	25%	22%	18%	22%
Extend Bounce Back Loans re-payment terms	19%	14%	20%	21%	22%
Hold tourism job fairs	16%	13%	15%	17%	26%
Incentivise the movement of workers around the UK	12%	11%	12%	14%	7%
Other (please tell us any other ideas you have)	12%	21%	10%	9%	7%
Introduce a Youth Mobility Scheme with the EU	10%	11%	9%	8%	15%
Extend CIBIL re-payment terms	6%	6%	6%	9%	7%

Key results – National domestic marketing campaign



- When asked how important a national domestic marketing campaign is to their business success, 64% of businesses said it is 'very important' (37%) or 'important' (27%) to the success of their business.
- 57% of Cornwall businesses and 78% of Somerset businesses said it is 'very important' or 'important' to the success of their business compared with 65% of Devon businesses and 64% of Dorset businesses.
- 13% of Cornwall businesses, 12% of Devon businesses and 14% of Dorset businesses said it is 'not very important' or 'not important at all' to the success of their business compared with 6% of Somerset businesses.

Key results – Feedback on future survival and recovery (sample of businesses)

- Businesses were asked to provide any further comments about any further support they need to enable their business survival and future recovery or of any other issues they would like their DMO to raise which will form the GSWTP's lobbying to Government for future sector support. A sample of responses is provided below and overleaf.

We need chefs! There are none in England willing to work in catering any longer for a good wage. They are demanding silly money. We also need front of house staff - hospitality is not perceived as a career in the UK - rather shameful when considering it is a major financial cash generator into the economy.

Have been very happy with all existing support and it kept us going - business has really picked up this year since 12th April so am feeling confident going forward.

Constantly banging the drum for government help with the recruitment crisis and even more so with the school holidays only being a few short weeks away. Business rates need to be extended beyond the 30th June as businesses are still unable to trade at profit with current restrictions in place. This could change on July 19th but suspect not.

Lifting travel restrictions into the UK. We rely heavily on European visitors. If the 'door' is only open one way - for UK travellers to other countries - this will not help UK businesses who rely on visitors from abroad.

VAT is totally at the heart of recovery for this sector. Would like to see this maintained at 5% for accommodation (since our 2021 market looks to be wholly domestic), with not more than 12% for (non alcoholic) food & beverages, offering the kind of support for this sector found in most EU countries.

Insist that furloughed staff return to work on their original hours. Give pension / national insurance relief to employers who have not yet reopened.

Raising the profile of tourism careers is going to be essential.

Key results – Feedback on future survival and recovery (sample of businesses)

The Track and Trace system and Self-Isolation rules must either be dropped or significantly amended to bring them in line with the release of restrictions on July 19th. If they are not changed, we face a potentially chaotic summer with staff being messaged by the T&T system and having to isolate and leaving us potentially unable to operate. We are in the business of giving people great experiences and everyone needs to get away and have a holiday, but right now that experience could well be severely impaired by us having to reduce our service offering or worse, having to close.

I have been fortunate to claim the full grants and will be able to survive as long as there are no more lockdowns.

Staffing, staffing and staffing!!!

When Wembley can seat 60,000 and we can only allow 6-8 visitors something is badly wrong with government thinking.
Just let us trade!

A campaign to welcome guests from Europe (once restrictions are lifted) would be very welcome. Many of our European friends are steering well clear of the UK post-Brexit, and who could blame them!

Re-open all the permanently closed tourist information centers.

Further grants toward investing in marketing and technology.
Further free specialised marketing training.

1. Research into the recruitment issue for hospitality looking at a wide range of issues which impact on the sector - seasonality, accommodation, wages, skills and, of course, how to change the perception that it is not a 'proper' job.

2. Continue to assist with the consultation and support of the current DMO review and the potential outcome and financial support.

3. Accommodation registration scheme.

4. Support for the prevention of over tourism and in doing so support for professional tourism businesses

VAT on holiday accommodation should be kept at 5%.

Great South West Coronavirus (COVID-19) Business Impact Survey – No. 3 June 2021 (covering 1st January to end of June 2021)

The South West Research Company Ltd

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