Key headline findings from the Bournemouth, Christchurch and Poole and Visit Dorset Tourism Business Survey – Wave 1 (22nd – 29th April 2020)

1044 businesses completed the survey representing:

	BCP		Visit Dorset		Total	
Serviced accommodation (Hotels, guest houses, B&B)	29	18.2%	171	19.3%	200	19.2%
Non-serviced accommodation (self-catering, caravan and camping)	11	6.9%	188	21.2%	199	19.1%
Restaurant, cafe	24	15.1%	124	14.0%	148	14.2%
Visitor attraction or activity	31	19.5%	104	11.8%	135	12.9%
Retail	17	10.7%	112	12.7%	129	12.4%
Bar, public house, night club	14	8.8%	60	6.8%	74	7.1%
Events, meetings and conference venue	9	5.7%	23	2.6%	32	3.1%
Transport	7	4.4%	16	1.8%	23	2.2%
International Education	8	5.0%	1	0.1%	9	0.9%
Takeaway	1	0.6%	12	1.4%	13	1.2%
Arts		0.0%	5	0.6%	5	0.5%
Marketing and promotion	2	1.3%	15	1.7%	17	1.6%
Other (ALL)	6	3.8%	54	6.1%	60	5.7%
Grand Total	**159**		**885**		**1044**	

More businesses in Visit Dorset survey were self-employed or micro businesses than in the BCP area, however, across both areas more than 95% of respondents employed less than 250 employees

	BCP		Visit Dorset		Total	
Self-employed/sole trader	31	19.5%	352	39.8%	383	36.7%
Micro business (1-10 employees)	46	28.9%	323	36.5%	369	35.3%
Small business (11-50 employees)	52	32.7%	167	18.9%	219	21.0%
Medium sized business (51-250 employees)	22	13.8%	30	3.4%	52	5.0%
Large business (250+ employees)	7	4.4%	8	0.9%	15	1.4%
(blank)	1	0.6%	5	0.6%	6	0.6%
Grand Total	**159**		**885**		**1044**	

Nearly 9 out of 10 are independent (87.4%) owned in BCP area raising to 95% of businesses in the Visit Dorset area

Projected turnover pre-covid is very different between BCP and the Visit Dorset areas reflecting the different size of businesses between the two areas

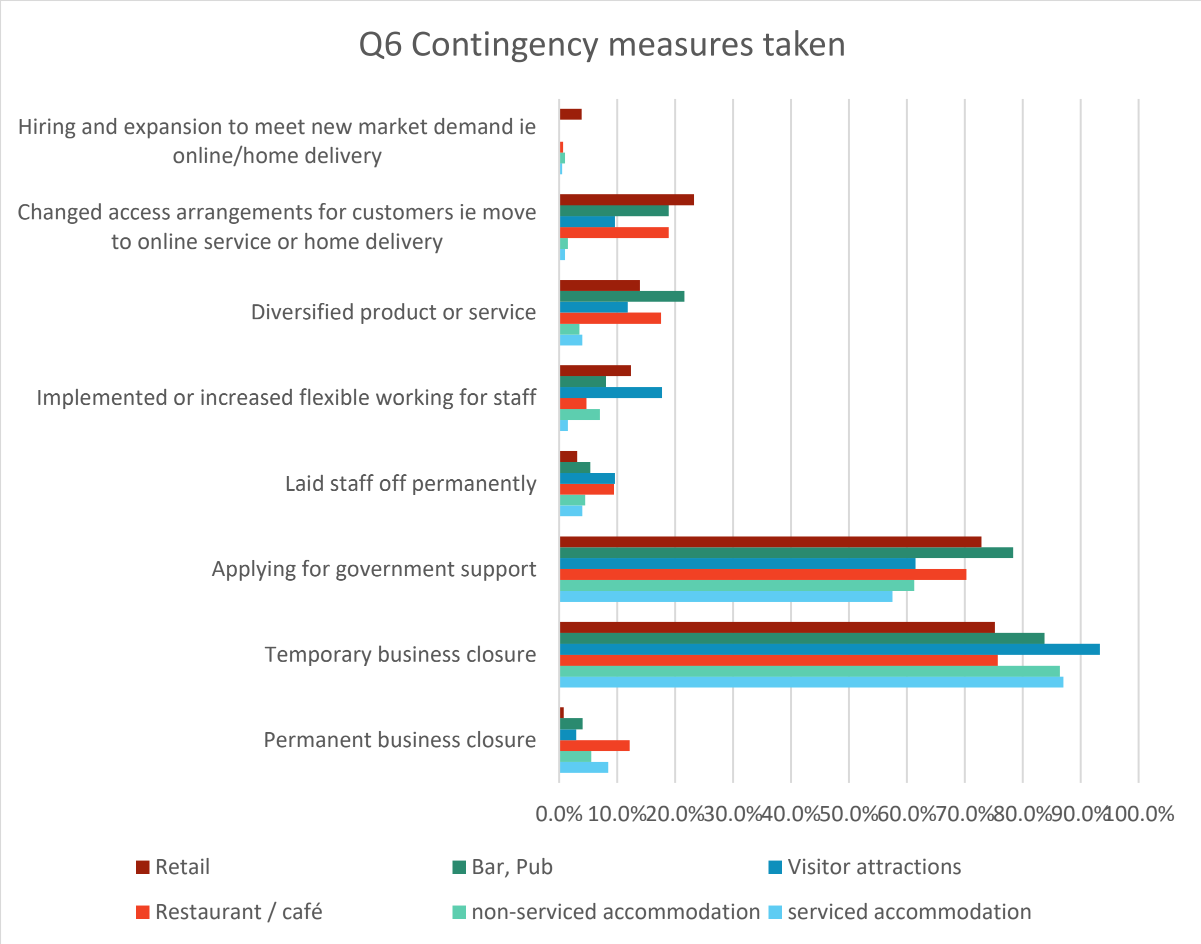
Turnover pre-COVID 19	**BCP**		**Visit Dorset**		**Total**	
Under £50,000	15	9.4%	272	30.7%	287	27.5%
£50,000 - £100,000	25	15.7%	194	21.9%	219	21.0%
£101,000 - £250,000	21	13.2%	145	16.4%	166	15.9%
£251,000 - £500,000	21	13.2%	93	10.5%	114	10.9%
£501,000 - £1,000,000	25	15.7%	73	8.2%	98	9.4%
£1,000,001 - £5,000,000	38	23.9%	68	7.7%	106	10.2%
Over £5m	6	3.8%	11	1.2%	17	1.6%
Don't know/prefer not to say	8	5.0%	29	3.3%	37	3.5%
Grand Total	**159**		**885**		**1044**	

Key findings

Measures taken during COVID-19 – over 80% of businesses across both areas have chosen temporary business closure (rising to almost all among accommodation, Night Time Economy, and Attractions and half of international education) and 63% of all businesses are applying for government support.

Two serviced accommodation businesses have permanently closed in the BCP area and there have been 58 permanent closures in the Visit Dorset area across accommodation, restaurants, attractions and pubs.

Between 10-12% of businesses across both areas have chosen to implement flexible working, changes to product, moved to online or delivery. 61 businesses have permanently laid off staff.



	BCP		Visit Dorset		Total	
Permanent business closure	2	1.3%	58	6.6%	60	5.7%
Temporary business closure	131	82.4%	709	80.1%	840	80.5%
Applying for government support	95	59.7%	563	63.6%	658	63.0%
Laid staff off permanently	12	7.5%	49	5.5%	61	5.8%
Implemented or increased flexible working for staff	20	12.6%	73	8.2%	93	8.9%
Diversified product or service	20	12.6%	91	10.3%	111	10.6%
Changed access arrangements for customers ie move to online service or home delivery	20	12.6%	91	10.3%	111	10.6%
Hiring and expansion to meet new market demand ie online/home delivery	3	1.9%	7	0.8%	10	1.0%
Grand Total	**159**		**885**		**1044**	

Government support accessed

Reflecting the different nature of businesses in Bournemouth, Christchurch and Poole – the Job Retention Scheme and Business Rate relief has been accessed by more than half and rising to almost all Night Time Economy, three quarters of serviced accommodation, attractions and retail and two thirds of restaurants and transport. For 43% of businesses, this support has made a significant difference to survival.

For the Visit Dorset area, the uptake of the self-employed support is higher (23%), and generally the uptake of the Job Retention Scheme is significantly lower, but this is particularly seen in the percentage of serviced and non-serviced accommodation using the scheme in the Visit Dorset survey, which is significantly lower than the BCP survey results (26% vs 68%).

Across Visit Dorset businesses, 48% said the government support had made a significant difference to survival. Although 20% of businesses have applied for government support and are still waiting for a decision.

	BCP		Visit Dorset		Total	
Small Business Rate Relief (SBRR) and Rural Rate Relief (RRR)	81	50.9%	434	49.0%	515	49.3%
Small Business Grants	73	45.9%	482	54.5%	555	53.2%
Coronavirus Job Retention Scheme	108	67.9%	391	44.2%	499	47.8%
Self-Employed Income Support Scheme (SEISS)	23	14.5%	203	22.9%	226	21.6%
Coronavirus Business Interruption Loan Scheme (CBILS)	45	28.3%	140	15.8%	185	17.7%
Statutory Sick Pay (SSP)	14	8.8%	29	3.3%	43	4.1%
Time to Pay (TTP)	16	10.1%	106	12.0%	122	11.7%
Grand Total	**159**		**885**		**1044**	

ADDITIONAL SUPPORT NEEDED from government – Common themes from the comments include:

- **Extending support** into the post lockdown period as businesses open up. Accommodation, attractions and international education sectors especially would like to see a phased continuing of furlough to enable staff to return gradually as business picks up or else will risk redundancies. Businesses that don't think they can implement social distancing will need ongoing support to survive.
- Requests for **current support to be changed** for companies above the £51k rateable threshold and make it fairer for businesses who have one rateable value for multiple businesses e.g. campsite and shop where value is combined and for others its separate. Calls for additional or extended grant funding, beyond the £10k currently on offer, particularly if the lock down extends a further month
- Requests for VAT, rent, rates reductions and support for ongoing utility costs. Some calls for these reductions to continue for extended period post lock-down, particularly if the key summer season is lost. Council tax freezes for smaller B&Bs who don't pay rents.
- Visit Dorset self-employed respondees wanted more support for those with fluctuating incomes and more advice for sole traders, as well as suppliers asking for schemes to be extended into supply chain.

- Visit Dorset businesses classed as agricultural but really agri-tourism not covered by current schemes
- An appeal from businesses particularly in the restaurant and attractions sector for access to government support denied currently as landlord pays the rates not the business. Also, greater support from landlords with rent while businesses are closed.
- Bars, pubs and night clubs sector as well as attractions and education sector highlighted issues around Directors or company owners unable to access support for themselves as they are paid through company dividends rather than salary and cannot access the furlough scheme.
- The diversity of the attractions sector raised a number of specific challenges ranging from providing for on going animal welfare, allowing furloughed staff to volunteer to public health England guidance for cycle hire businesses
- A call for faster turnaround and access to existing grant and other support, reflecting challenges around cash flow, especially highlighted by retail sector
- Transport sector raised a call for ongoing revenue support as well as business rate holiday
- Lots of insurance issues where businesses believe they have pandemic or government shut down cover and insurance not paying out.

- **Future opportunities** - A call from sectors such as non-serviced accommodation and retail to address market inequalities post lock down e.g.: a tax on internet businesses and unfair competition from Airbnb. As well as seize new opportunities, such as supporting businesses who reduce the carbon footprint permanently as result of covid-19.
- Retail call for a change to taxation system from one based on business rates to profits based.
- Small business recovery campaign – encourage people to buy local
- Visit Dorset businesses request for digital training to help recovery

- **Information** - A call for a phased exit strategy from the Government and as much notice as possible on when and how business will be permitted to open

Survival and recovery

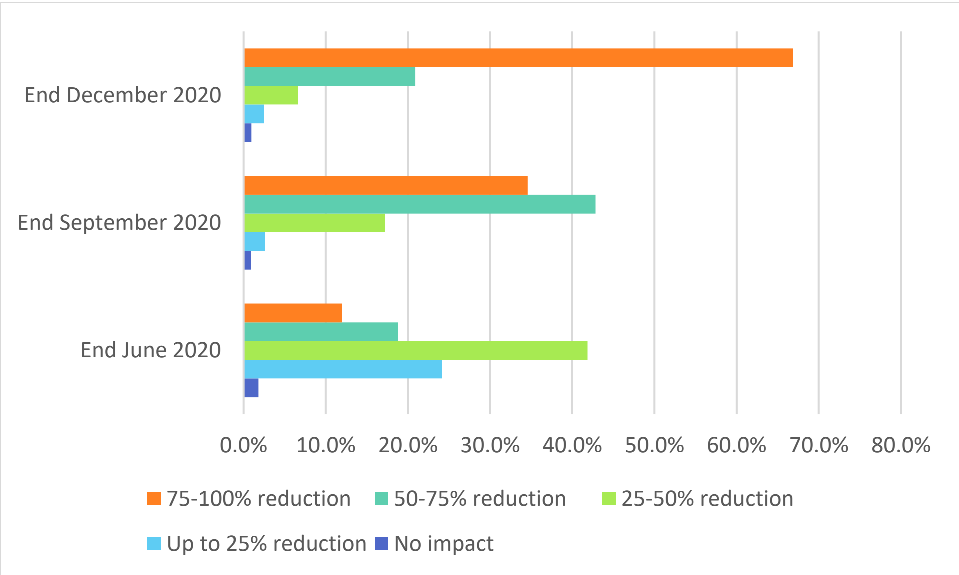
The longer the situation continues the higher the chances that businesses will not be able to survive 79% are likely or highly likely to survive if lockdown restrictions are end in June 2020, this drops to 44% if restrictions continue until September and down to 26% if measures are still in place in December 2020.

- Transport and Bars are most unsure of their position even in the short term
- Mid term (September) attractions and non-serviced accommodation in the Visit Dorset area are more optimistic than the BCP area, whereas more than half (52%) of serviced accommodation in the BCP area think they can still survive compared to 40% in the Visit Dorset area.
- Long-term more than half restaurants, Night Time Economy, International Education, Events and transport, and over a third of attractions DON'T think they can survive

Businesses in the BCP area are more likely to return with lower staffing levels, the chances of this increase with time and are more common in hotels in the BCP area.

The negative impact on projected turnover increases with time and is similar across both areas:

	No impact	Up to 25% reduction	25-50% reduction	50-75% reduction	75%+	(blank)
End of June 2020	1.8%	24.1%	41.9%	18.8%	12.0%	1.4%
End of September 2020	0.9%	2.6%	17.2%	42.8%	34.6%	1.9%
End of December 2020	1.0%	2.5%	6.6%	20.9%	66.9%	2.2%



How long before a business returns to profitability was similar across both areas – table below shows both areas

- End in June - 54% say will take more than 6 month, 23% more than year
- End in September – 83% say will take more than 6mths, 51% more than year
- End in December – 90% more than 6mths, 71% more than year

	Less than 3 months	3-6 months	up to year	up to 2 years	more than 2 years
End of June 2020	17.9%	25.9%	31.9%	18.8%	3.7%
End of September 2020	3.8%	9.4%	32.6%	37.7%	13.1%
End of December 2020	3.0%	3.8%	19.4%	39.9%	30.6%

Accommodation and attractions take longest to return to profit… followed by most other sectors.

Impact on bookings – By sector

Almost all sectors (except retail) have seen significant decreases in bookings to date, with little variation by area

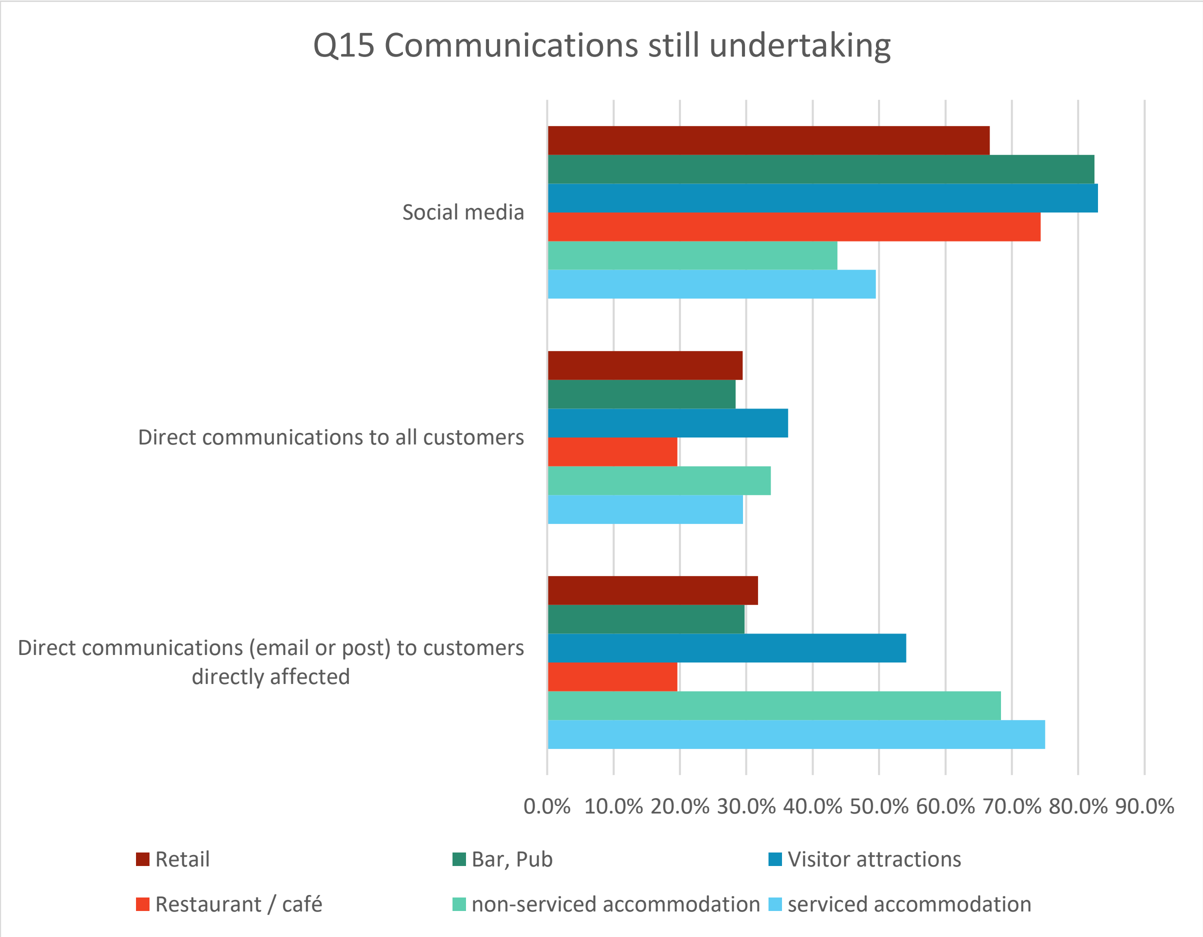
	Increased	**No change**	**Decreased up to 25%**	**Decreased 25-50%**	**Decreased 50-75%**	**Decreased 75-100%**
Serviced accommodation			**1.0%**	**0.5%**	**10.0%**	**88.5%**
BCP					17.2%	82.8%
Visit Dorset			1.2%	0.6%	8.8%	89.5%
Non-serviced accommodation		**0.5%**	**3.0%**	**3.5%**	**2.5%**	**89.4%**
BCP				9.1%		90.9%
Visit Dorset		0.5%	3.2%	3.2%	2.7%	89.4%
Restaurant, cafe	**0.7%**	**4.1%**	**2.0%**	**2.7%**	**3.4%**	**78.4%**
BCP					8.3%	87.5%
Visit Dorset	0.8%	4.8%	2.4%	3.2%	2.4%	76.6%
Bar, pub, night club		**6.8%**		**1.4%**	**5.4%**	**82.4%**
BCP		7.1%				85.7%
Visit Dorset		6.7%		1.7%	6.7%	81.7%
Visitor attraction or activity		**1.5%**	**3.0%**	**4.4%**	**3.7%**	**80.7%**
BCP				3.2%	3.2%	90.3%
Visit Dorset		1.9%	3.8%	4.8%	3.8%	77.9%
International Education		**11.1%**				**77.8%**
BCP		12.5%				75.0%
Visit Dorset						100.0%
Transport		**4.3%**		**4.3%**	**4.3%**	**87.0%**
BCP					14.3%	85.7%
Visit Dorset		6.3%		6.3%	0.0%	87.5%
Retail	**2.3%**	**12.4%**	**2.3%**	**5.4%**	**4.7%**	**42.6%**
BCP				5.9%	5.9%	29.4%
Visit Dorset	2.7%	14.3%	2.7%	5.4%	4.5%	44.6%
Events, meetings & venues			**3.1%**	**3.1%**	**9.4%**	**78.1%**
BCP						88.9%
Visit Dorset			4.3%	4.3%	13.0%	73.9%

Activity

The majority of businesses are still doing social media and other communications activity although there is a great variation in some sectors and areas – 92% of restaurants as well as Pubs in the BCP area are still undertaking social media compared to 71% and 80% respectively in the Visit Dorset area.

Attractions are the most consistent sector with 82% in the Visit Dorset area and 87% in the BCP area still undertaking social media. Accommodation (serviced and non-serviced) are the least engaged on social media in both areas.

Direct communications (email or post) to customers directly affected	51.4%
Direct communications to all customers	31.9%
Social media	64.4%

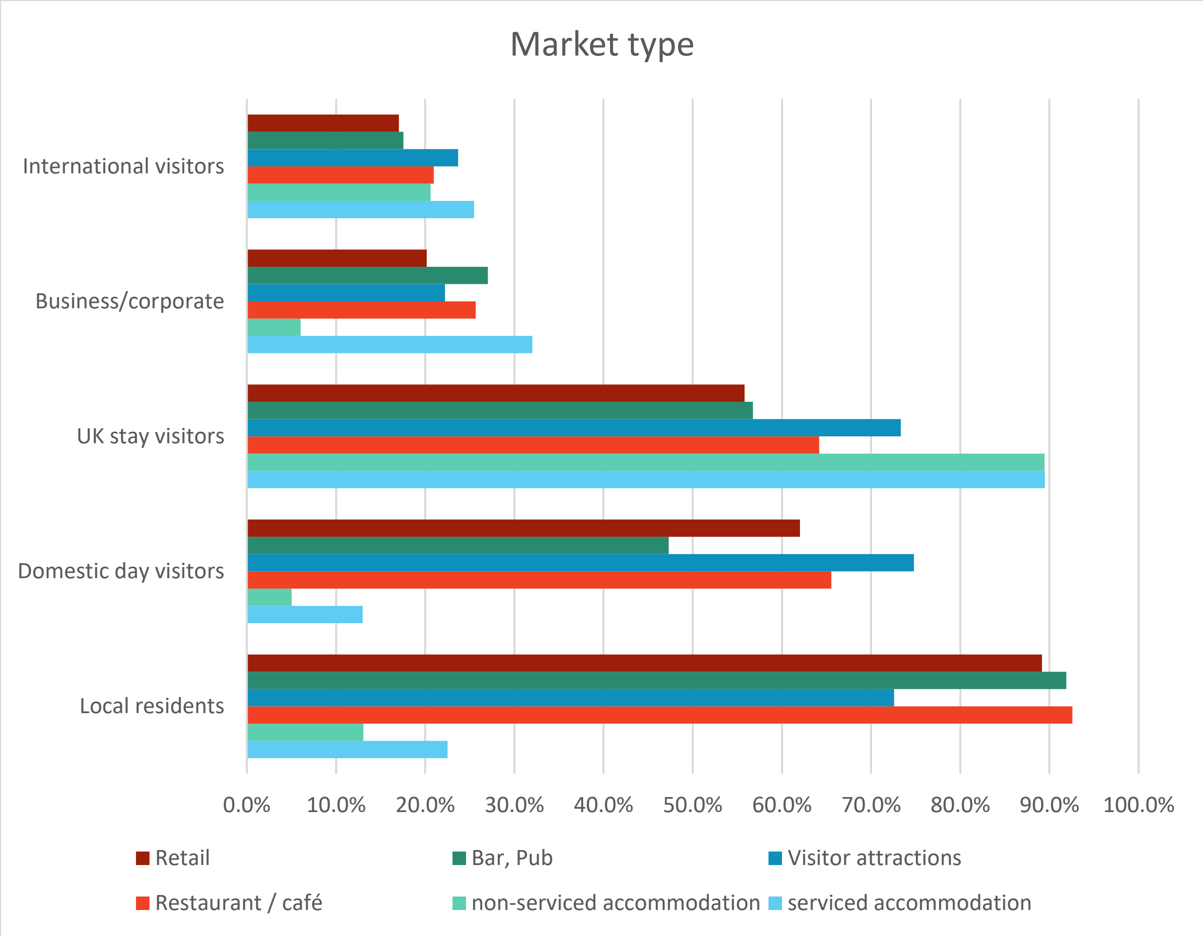


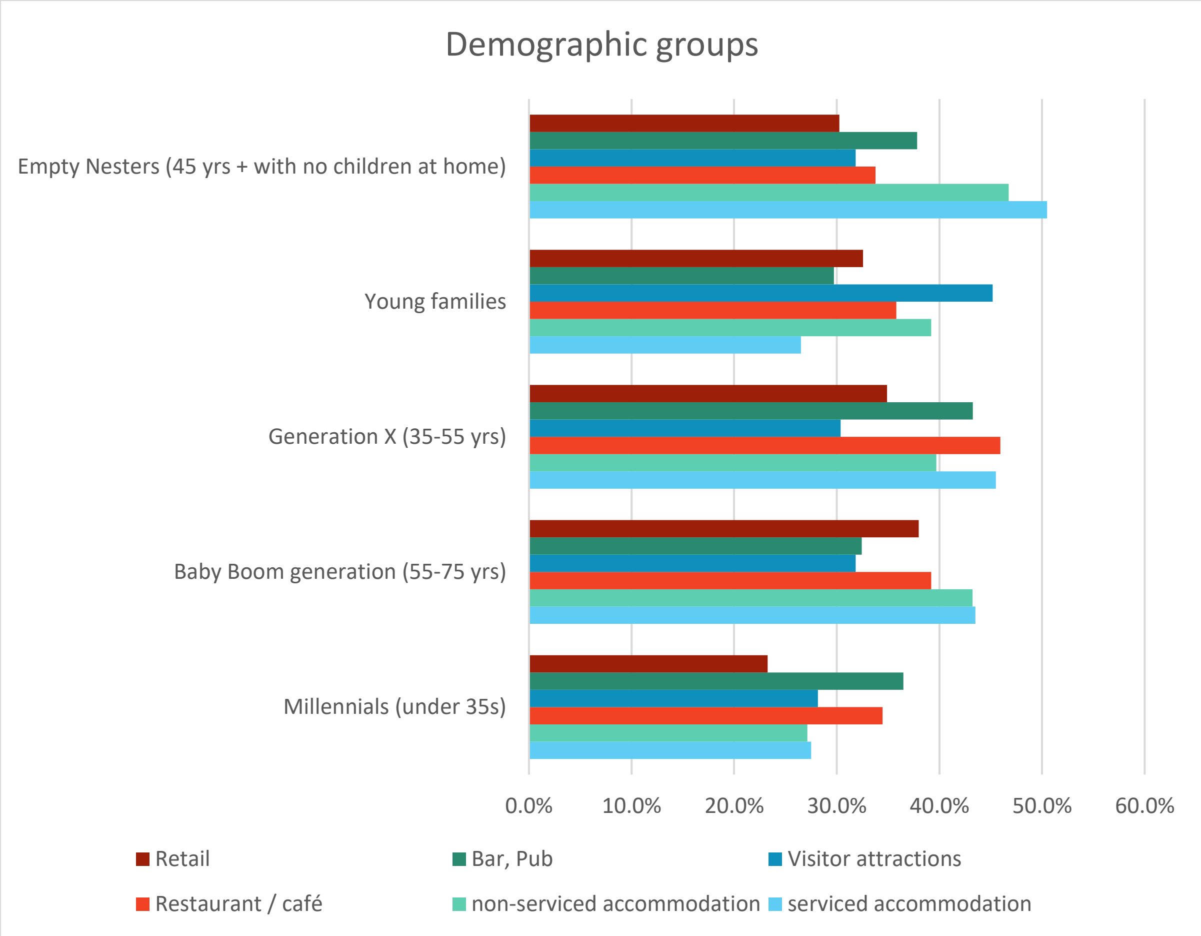
The Domestic market is seen as a key market for recovery either as day visitors or overnight visitors and local residents (all businesses). There is a broad range of interest across the demographic sectors.

	BCP	Visit Dorset	Total
Local residents	66.7%	53.7%	55.7%
Domestic day visitors	39.6%	38.6%	38.8%
UK stay visitors	58.5%	71.5%	69.5%
Business/corporate	37.1%	21.8%	24.1%
International visitors	23.3%	21.1%	21.5%
Millennials (under 35s)	32.7%	27.3%	28.2%
Baby Boom generation (55-75 yrs)	30.2%	38.5%	37.3%
Generation X (35-55 yrs)	37.1%	38.4%	38.2%
Young families	38.4%	31.5%	32.6%
Empty Nesters (45 yrs + with no children at home)	30.2%	38.2%	37.0%
Coach parties/travel trade operators	15.7%	13.2%	13.6%
Special interest/niche groups	19.5%	24.2%	23.5%

There are a few notable differences between approaches in different sectors and areas

- Serviced accommodation in the BCP area are more likely to target millennials (41%) and young families (38%) than their equivalent in the Visit Dorset area (25% millennials and 25% young families)
- Non-serviced accommodation in the BCP area are very focussed on 55+ age categories compared to the Visit Dorset area where broader mix is being adopted
- Visitor attractions in the BCP area more likely to target young families (61%) compared to Visit Dorset attractions at 40%
- Bars, Pubs and Nightclubs in the BCP area are seeking a much younger age mix than bars and pubs in the Visit Dorset area.
- Retail in the Visit Dorset area are still expecting to rely on coaches 21% compared to only 6% in the BCP area


Market type
International visitors
Business/corporate
UK stay visitors
Domestic day visitors
Local residents
0.0%
10.0%
20.0%
30.0%
40.0%
50.0%
60.0%
70.0%
80.0%
90.0%
100.0%
Retail
Bar, Pub
Visitor attractions
Restaurant / café
non-serviced accommodation
serviced accommodation



53% of BCP area businesses and 45% of Visit Dorset area businesses are planning to rethink their product or marketing strategy to aid business recovery – broadly speaking changes being considered include pricing, changes to opening hours, social distancing considerations, switching marketing to local and domestic. Other sector specific changes include:

- Accommodation (especially serviced) looking at distancing, operating models, hygiene, delivering breakfasts to rooms – generally quite practical changes. Some serviced accommodation considering switching to non-serviced.
- Restaurants focused on menus and prices and how to deliver the service with social distancing measures in place – order via phone app, more outdoor seating. Some considering adding takeaway option
- Attractions focused on marketing, ticketing and emphasis of who targeting – some considering pre-booked entry only
- Events focused on date changes, value and pricing
- International Education – online courses

New markets and move to more digital:

- Some businesses across the Visit Dorset area mentioned creating wellness breaks, eco-friendly products, focusing on civil servants and greater online content – either virtual tours, live feeds, moving events online and recognising the importance of digital activity going forward.