Online Tourism Business Survey
Winter Report

Prepared for: Visit East of England

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Prepared by:

destinationresearch
delivering results : measuring what matters

On behalf of:

VISIT EAST OF ENGLAND

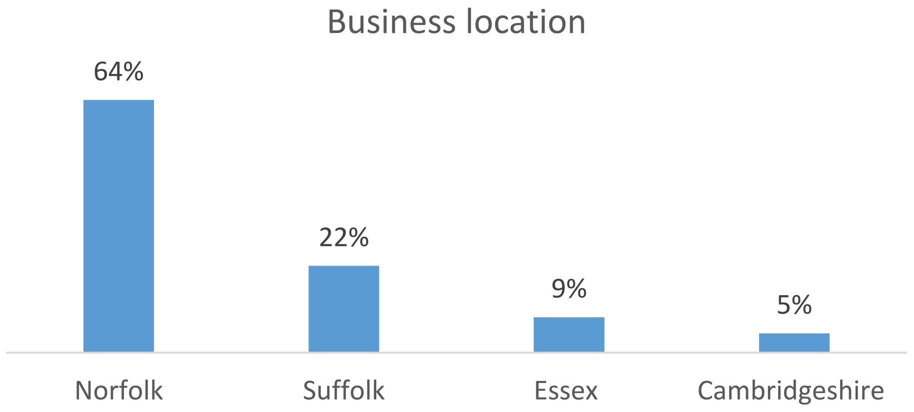
Contents

Introduction and Methodology and approach

The Visit East of England's Tourism Business Survey, supported by local Destination Marketing Organisations and local authorities, evaluates the ongoing impacts of Covid- 19 to tourism business in the East of England and covers a range of other themes, including recent and future performance, employment and skills, finance and business operations, sustainable tourism and consumer trends.

Methodology

The results are based on an online survey with businesses in the region. The majority of responses (86%) were from businesses located in Norfolk and Suffolk. The results are based on a 'have your say' online platform style survey, with businesses invited to fill in a structured online questionnaire. The survey was fully managed in-house by Destination Research. The results of the survey are being used and distributed by Visit East of England. This report is based on a sample of 211 responses.



Business Profile and overall impact of COVID-19

In this section:

Type of business

Size of business

Summer / autumn trading

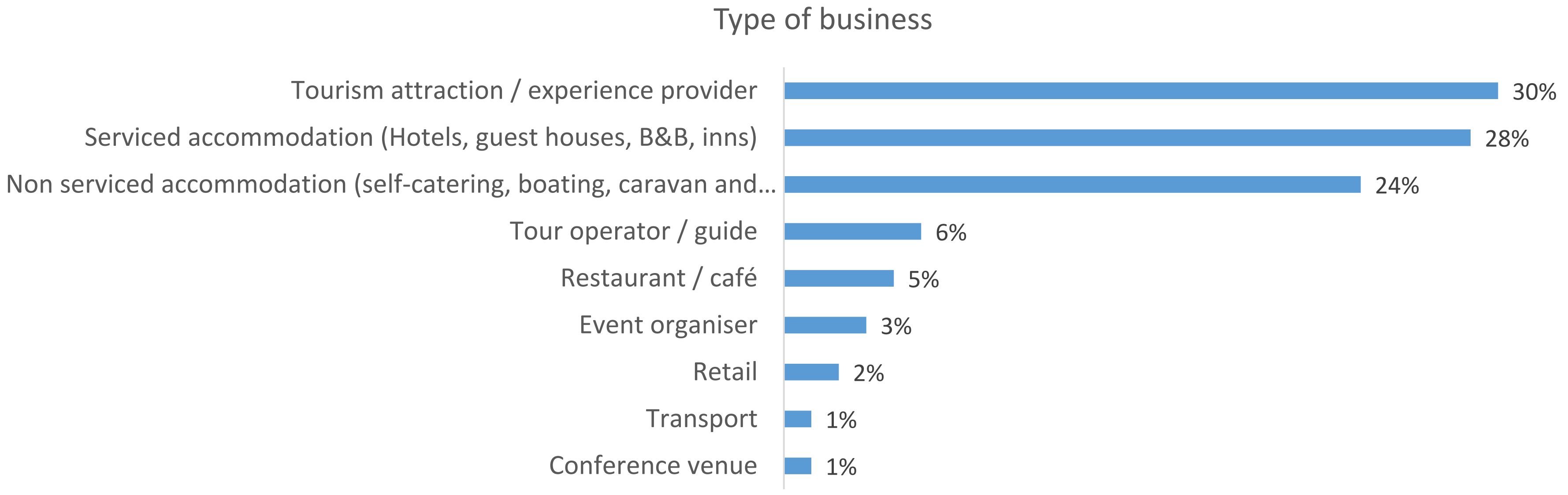
Annual business performance (2021 and 2022)

Business support

Levels of pre-bookings for 2022

Research Outputs – Business Profile and performance

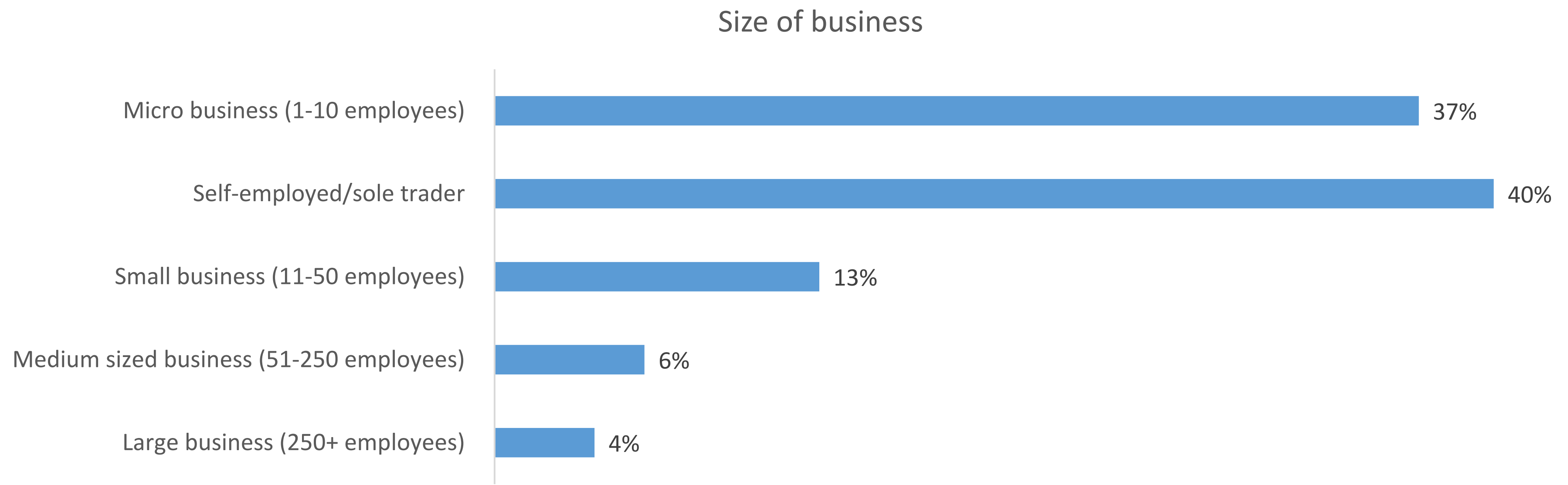
The largest groups of respondents were accommodation providers (non-serviced and serviced) and tourism attractions / experience providers. Combined, these three groups account for 82% of the total sample.



Q: What type of business do you run? (Sample: 211)

Research Outputs – Business Profile and performance

Micro businesses (between 1 and 10 employees), self employed and sole traders account for almost three quarters (77%) of all respondents.

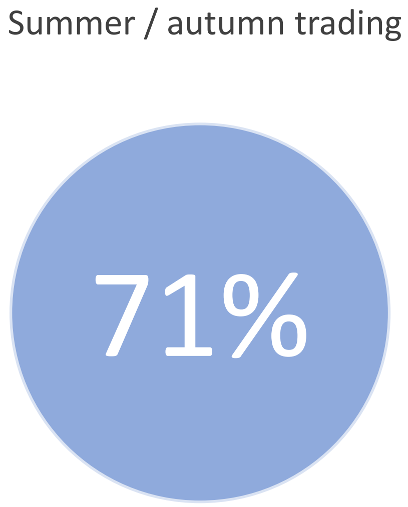


Q: Which of the following best describes your business? (Sample: 211)

Research Outputs – Business Profile and performance

Three in five (60%) said that trading results since summer 2021 were ‘better’ or ‘much better’ than expected. A further 23% said trading was ‘as expected’. However, 18% said trading results were worse than a expected (7% said it trading was ‘much worse than expected’).

On average, businesses that reopened since the summer and autumn, operated at 71% of their normal capacity.

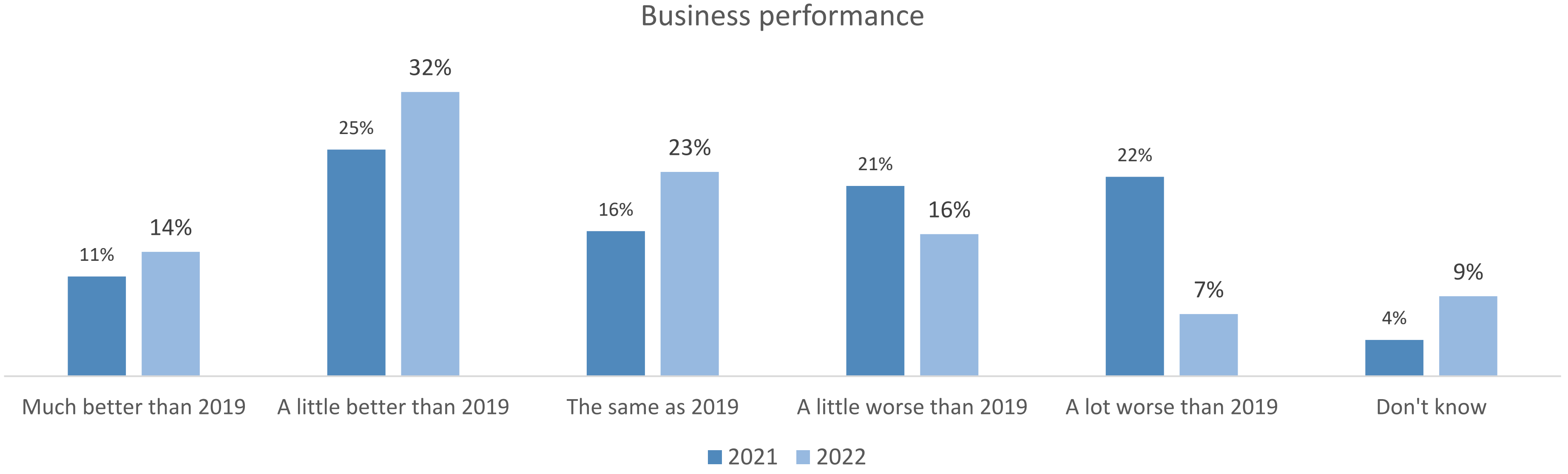


Q: Approximately what percentage of your usual capacity did you operate at over the summer/autumn? (Sample: 211)
Q: Would you say that your summer/autumn trading was…?

Research Outputs – Business Profile and performance

More than a third of respondents (36%) said that their business performance over 2021 was a little or much better that 2019. Sixteen percent estimated their performance to be at 2019 levels. Unfortunately, 43% said their performance over 2021 was a little (21%) or a lot worse (22%) than in 2019.

Turning to expectations for 2022, the outlook is more positive. Almost half (46%) believe 2022 will be better (32%) or much better (14%) than 2019. About a quarter (23%) expect to perform at the same level as 2019 and the same proportion (23%) expect to do ‘a little’ (16%) or a lot worse (7%) than 2019.



Q: Thinking now about 2021 as a whole, do you expect your business performance to be? (Sample: 211)
Q: Thinking now about 2022, what are your early predictions? Do you expect your business performance to be: (211)

Research Outputs – Business Profile and performance

Businesses were asked to specify the type of support that would help them rebuild or adapt following the Covid-19 crisis. The reduction of VAT to 5% was mentioned by many, as well as support with business rates and the availability and financial support such as grants.

Increased advertising and marketing are seen as critical actions in order to attract domestic and overseas visitors as well as promoting year-round visits. Looking ahead, many businesses plan to continue to encourage pre-booking, restrict capacity and continue with most of the sanitizing measures introduced at the start of the pandemic (hand gel, screening, masks, extra cleaning, etc.).

- Permanent reduction of VAT to 5%
- More advertising and marketing
- Grants and financial support to help cover for fixed costs
- Reduction / abolition of business rates
- Help with recruitment and skills in hospitality

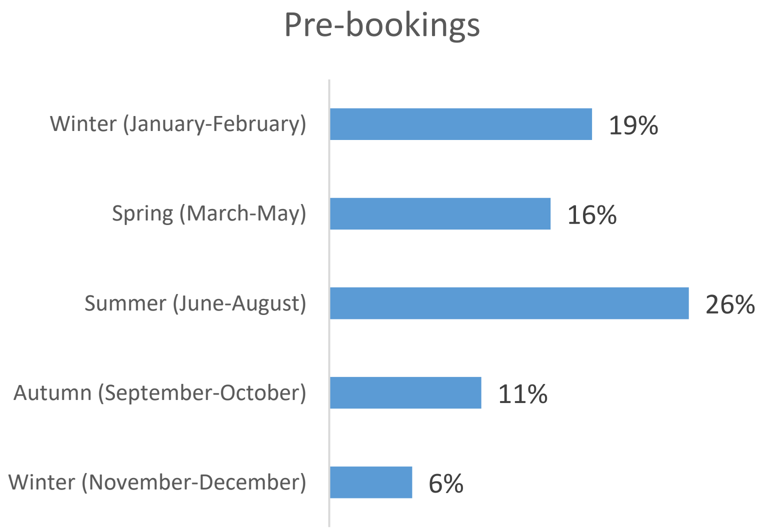
- Encourage pre-booking (useful to control capacity)
- Sanitizing (hand gel, screening, masks, extra cleaning)
- Reduced number of guest indoors / reduced availability
- Online booking

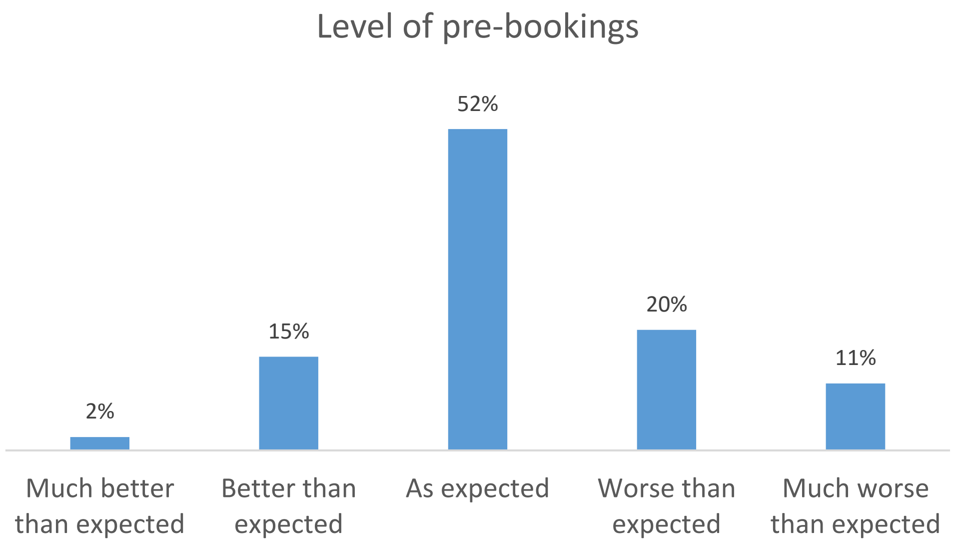
Q: Is there any specific support your organisation could benefit from to help you rebuild or adapt following the Covid-19 crisis? (211)
Q: Were there any significant changes to your business operation that you will continue with? (Sample: 211)

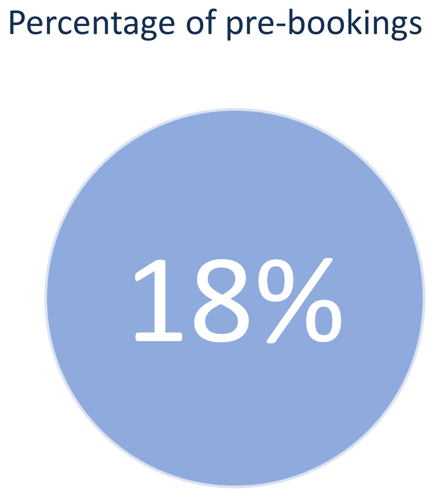
Research Outputs – Accommodation bookings

The average level of pre-bookings for accommodation providers was 18%. For about half of respondents (52%) the level of pre-bookings was as expected for the time of the year. For 17% of respondents, their levels of pre-bookings were better (15%) or much better (2%) than expected, three in ten (31%) said levels of pre-bookings were worse (20%) or much worse (11%) than expected.

As you would expect, a higher proportion of 2022 pre-bookings are for the summer months. Overall, booking for the fist months, up to June are relatively high, compared with the autumn and going into 2023.







Q: As an accommodation provider, what percentage of pre-bookings do you have for next year? (Sample: 61)
Q: Would you say that the level of pre-bookings is ...: (Sample: 61)
Q: what periods are your pre-books for (as a percentage), (Sample: 61)

Staff and employment changes – Key findings

In this section:

Reasons that make your vacancies hard-to-fill

Actions taken to overcome the difficulties with hard-to-fill vacancies

Patterns with hard to fill vacancies

Skills difficult to obtain from applicants

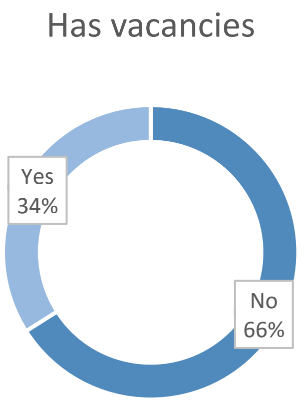
Most common personal attributes sought from candidates

Key factors when selecting candidates

Qualifications sought from candidates

Research Outputs – Employment and Skills

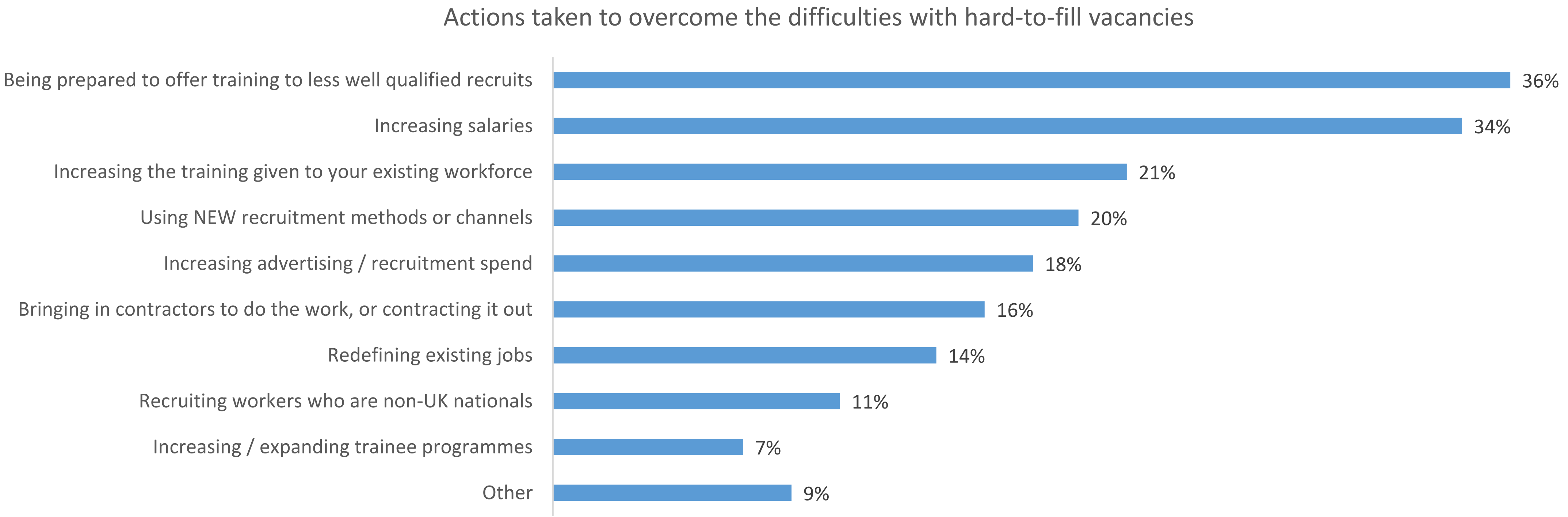
A third of respondents (34%) said they had vacancies at the time of completing the survey. Two in five respondents (42%) believe that one of the key reasons that make their vacancies hard-to-fill is that not enough people are interested in doing the type of job advertised. Three in five felt there's often a low number of applicants with the required attitude, motivation or personality. There are also factors relating to locations (remote location/poor public transport) and type of work available (seasonal work).



Q: Do you currently have any vacancies? (Sample 211); Q:Many businesses have been experiencing labour shortages. In your view, what are the reasons that make your vacancies hard-to-fill? (Sample: 211)

Research Outputs – Employment and Skills

There are some measures currently being implemented to overcome the difficulties that businesses are having finding candidates for hard-to-fill vacancies. At the top of the list are a willingness to offer training to less well qualified recruits (36%) and increasing salaries to attract a better calibre of candidates (34%).



Q: What, if anything, is your business doing to overcome the difficulties that you are having finding candidates to fill these hard-to-fill vacancies? (Sample: 211)

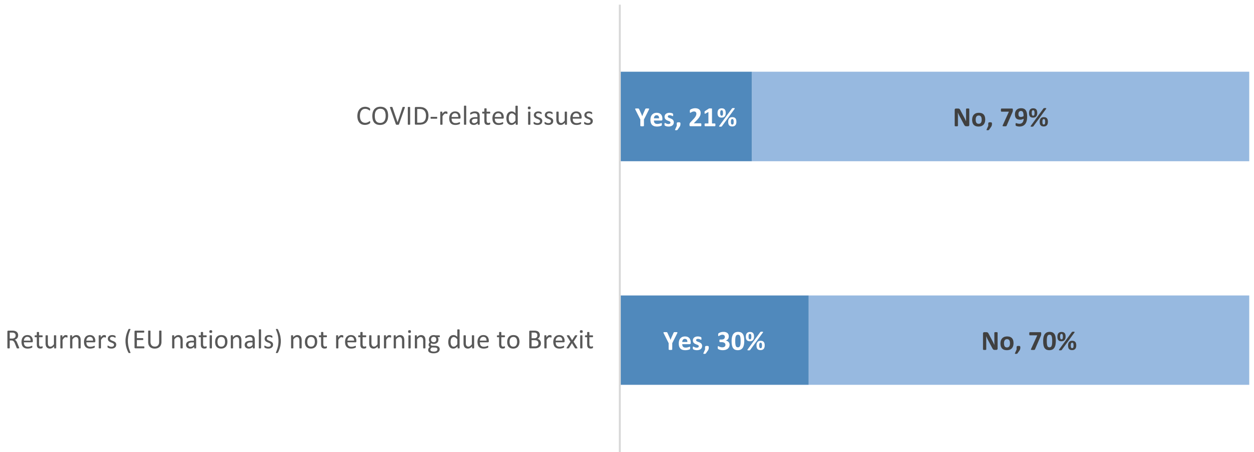
Research Outputs – Employment and Skills

Businesses believe that placing an advertisement is the most effective recruitment method. Failing that, internal candidates are the second choice for recruiters. The Department for work / Job Centre would be a third alternative and lastly, recruiters would turn to recruitment agencies to seek their services.

One in five businesses believe that COVID-related issues have increased the difficulty in filling hard to fill vacancies. For 30% of respondents, EU nationals not returning to the UK due to Brexit has had the same negative effect.

Method	Ranking
Advertisement	1st
Internal candidates	2nd
Department for work / Job Centre	3rd
Recruitment agencies	4th
Other	5th

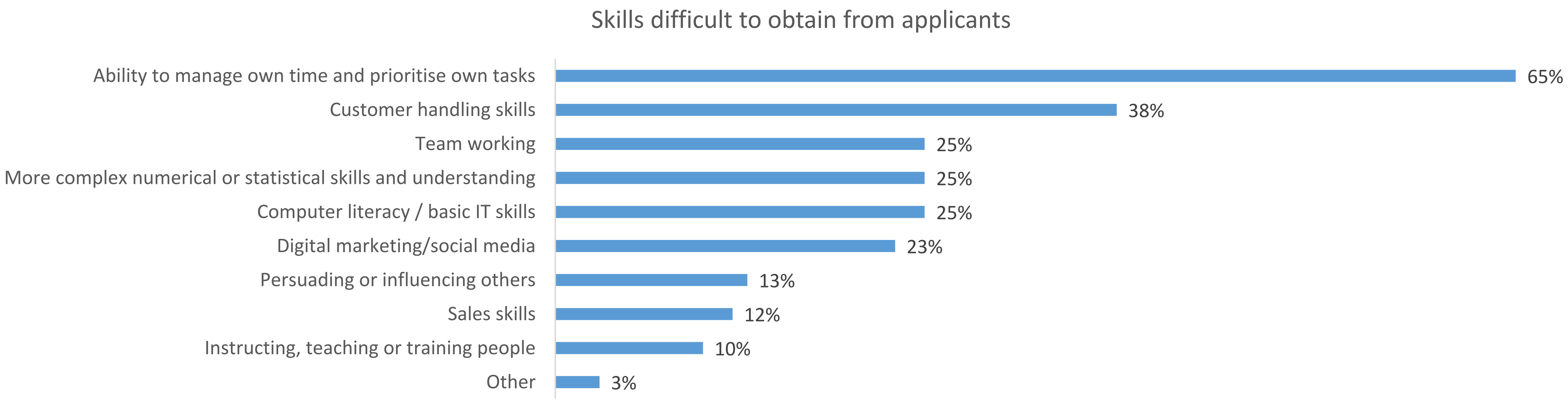
Patterns with hard to fill vacancies



Q: Which are the most successful recruitment methods? (Sample: 189)
Q: Have we noticed any of the following patterns with hard to fill vacancies? (Sample: 197)

Research Outputs – Employment and Skills

Two thirds of respondents (65%) said that one of the problems with new recruits is their inability to manage own time and prioritise own tasks. Two in five (38%) mentioned customer handling skills (38%) and a quarter (25%) highlighted other limitations, such as team working, more complex numerical or statistical skills and understanding and computer literacy / basic IT skills.



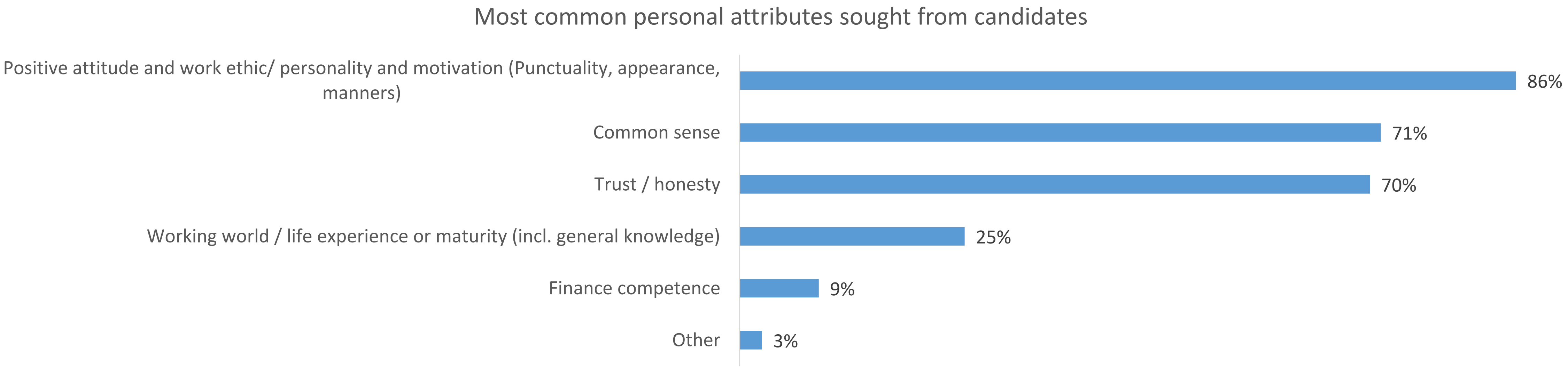
Q: Have you found any of the following skills difficult to obtain from applicants? (Sample: 166)

Research Outputs – Employment and Skills

Attitude and motivation are the most important factors when selecting candidates, followed by skills and work experience. Qualifications are the least important factor when selecting candidates.

In terms of chief personal attributes, a positive attitude, work ethic and personality and having the right motivation are the key attributes the majority of recruiters (86%) seek from candidates. Common sense and trust / honestly are also important criteria for seven out of ten respondents.

Key factors	Ranking
Attitude and motivation	1st
Skills	2nd
Work experience	3rd
Qualifications	4th



Q: What would you say are the most common personal attributes that you are seeking from candidates? (Sample: 191)
Q: In ranking order, which of the following factors are the most important factors when selecting candidates? (Sample: 166)

Research Outputs – Employment and Skills

Customer Service (principles of customer service) are by far the most sought after qualification, selected by 78% of respondents. About half of businesses (52%) require workforce skills (problem solving, effective communication).

What specific type of qualifications do you normally look for in candidates?	Percentage
Customer Service (principles of customer service)	78%
Workforce Skills (Problem Solving, Effective Communication)	52%
Supervisory Skills (those in positions of responsibility)	28%
Food Hygiene for Supervisors	22%
Wellbeing (looking after the wellbeing of staff)	20%
Sales and Marketing (Digital Marketing, PR, Sales & Business Development)	17%
Sustainability (reducing waste and improving its image)	11%
Financial Competence (profit and loss; profit margins, overheads)	4%
BIIAB Licensees course (British Institute of Innkeeping)	0%
Other	4%

Q: What specific type of qualifications do you normally look for in candidates? (Sample: 163)

Finance and business operations – Key findings

In this section…

Reduction in VAT - Taken opportunity to offset own costs

Reduction in VAT - Passed on the benefit to customers

Financial reserves to last the Winter

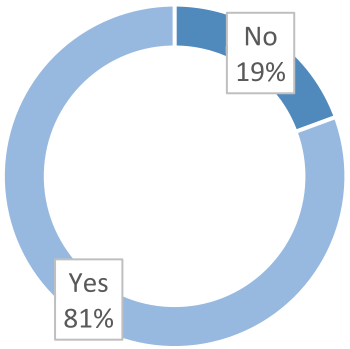
Online bookings and customers allowed in without a booking

Research Outputs – Finance and business operations

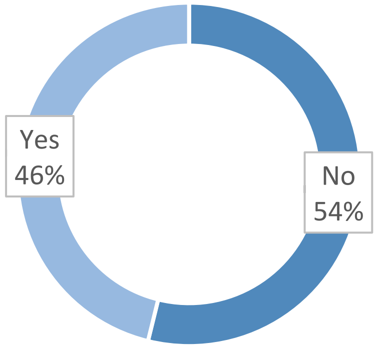
Eight out of ten businesses (81%) said they have built enough reserves to get through the winter, even with the government financial support ending and loans needing repaying.

With the reduction in VAT, just under half (46%) were able to offset their own costs. Three in ten said they were able to pass on the benefit originating from the reduction in VAT to customers.

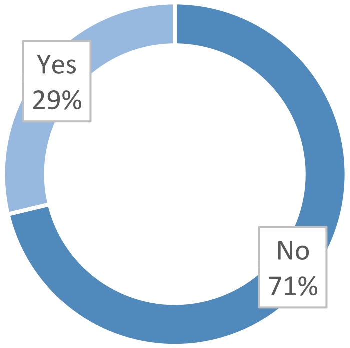
Enough reserves to last the winter



Taken opportunity to offset own costs



Passed on the benefit to customers

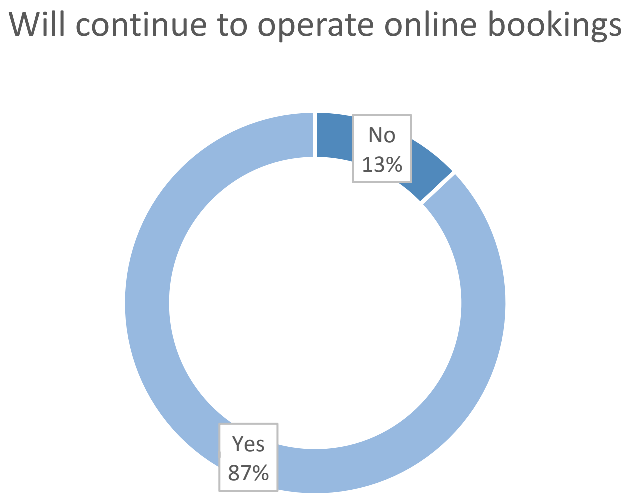


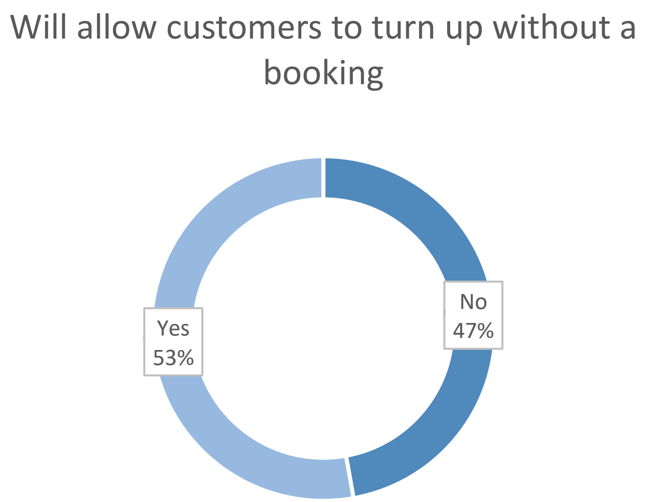
Q: With government financial support ending and loans needing repaying, have you built enough reserves to get through the Winter? Q: With the reduction in VAT, have you passed on the benefit to customers? Q: With the reduction in VAT, have you taken the opportunity to offset your own costs? (Sample: 160)

Research Outputs – Finance and business operations

The impact of COVID on business performance over the past months resulted in a number of operational changes. Some of these changes will remain in place in the future, beyond the end of the pandemic. For example, some respondents have reduced or streamlined their operation as well as monitoring pending and implementing cost efficiencies. The other key change is a move from traditional / printed marketing practices to online options.

The vast majority of respondents (87%) who operated online bookings during Covid said they would continue with this practice. Despite that, more than half (53%) will still allow customers to turn up without a booking.





Q: If you have operated online bookings during Covid, will you continue with that practice? (Sample: 145)
Q: Will you allow customers to turn up without booking? (Sample: 140)
Q: Bearing in mind performance and lessons learned from Covid, are you considering changes to your business? (Sample: 81)

Sustainable Tourism - Key findings

In this section:

Sustainability and East of England

Importance of sustainability to business operations

Activities currently being implemented

Awareness of Green Tourism Business Scheme Certification

Importance of sustainability and the Green Tourism Award

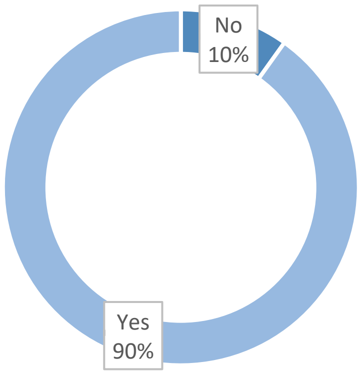
Accessibility for all

Research Outputs – Sustainable Tourism

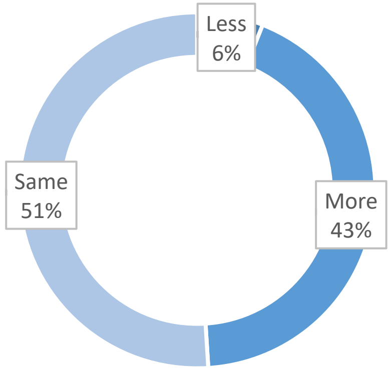
The vast majority of businesses (90%) believe the East of England should seek to be one of the most sustainable destinations in the country. Turning to their own businesses, more than two in five (43%) agree with the statement that sustainability is becoming more important to their business operation and 51% believe that sustainability is as important now as it was before the start of the pandemic. A minority (6%) said it has actually become less important in light of Covid.

Many businesses said they are already implementing sustainability measures and would find it difficult to do more (e.g. limitation due to older buildings). Some of the key reasons preventing businesses from becoming more sustainable include the lack of knowledge as well as financial contains due to the high costs of implementing some of the measures and the lack of finance and Government incentives.

Should the East of England seek to be one of the most sustainable destinations in the country?



In light of Covid, has sustainability become more or less important to your business?



- Already implementing sustainability measures
- Lack of knowledge
- High costs, lack of finance and Government incentives

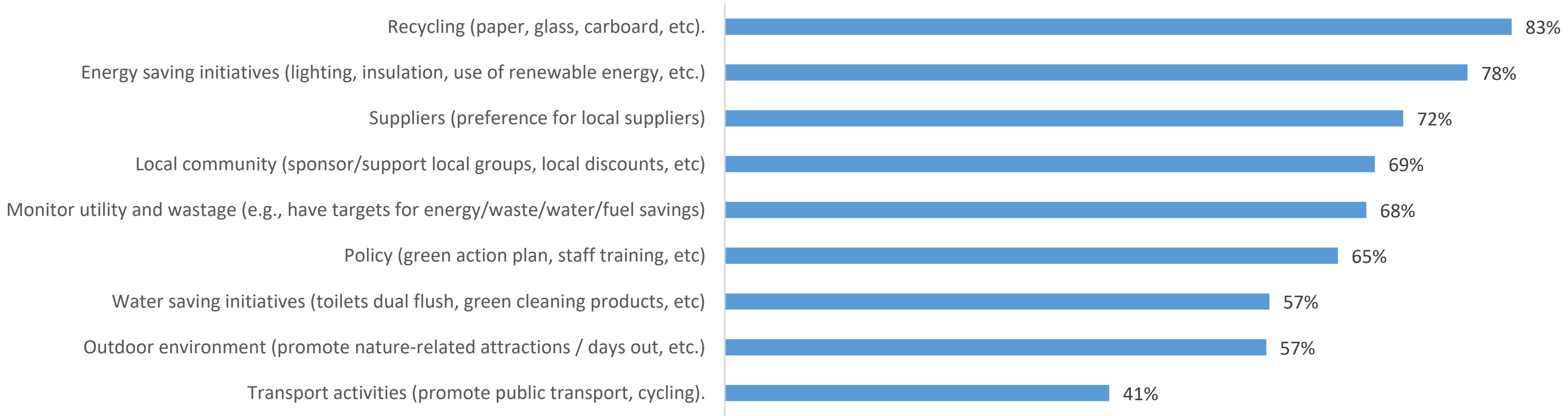
Q: In light of Covid, has sustainability become more or less important to your business? (Sample: 211)
Q: Should the East of England seek to be one of the most sustainable destinations in the country? (Sample: 211)
Q: What is preventing your business from becoming more sustainable? (Sample: 211)

Research Outputs – Sustainable Tourism

The results of the survey identified a high volume of sustainability measures already being implemented. Recycling and energy saving activities are the most popular activities (implemented by 83% and 78% of all businesses). Almost three quarters of business (72%) give local suppliers preferential treatment and 69% support local communities and groups.

Conversely, water saving initiatives, outdoor environment measures and transport initiatives are currently receive the least attention from businesses.

Activities currently being implemented

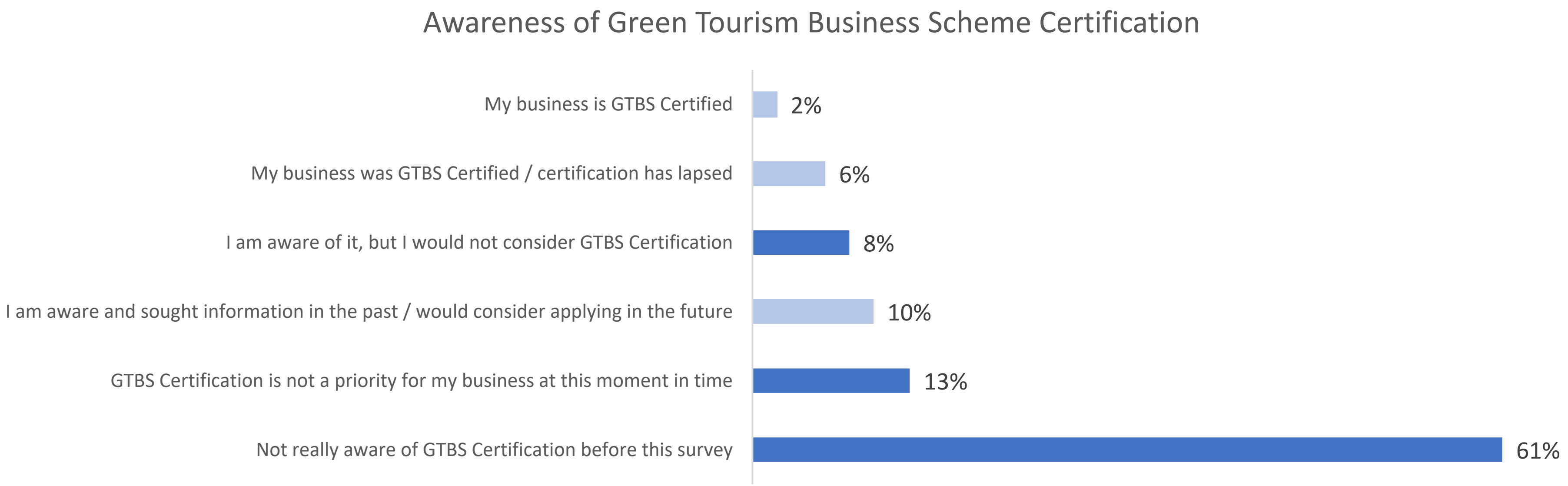


Q: In ranking order, which of the following activities are you currently implementing? (Sample: 211)

Research Outputs – Sustainable Tourism

The results of the survey show that three out of five businesses (61%) are not really aware of the Green Tourism Business Scheme. A further 21% said that GTBS Certification is not a priority for their business at this moment in time, even when they are aware of the scheme (8%).

However, 10% said they were aware of it, sought information in the past and would consider applying in the future. A further 8% either were GTBS Certified but the certification has lapsed (6%) or they are currently GTBS certified.

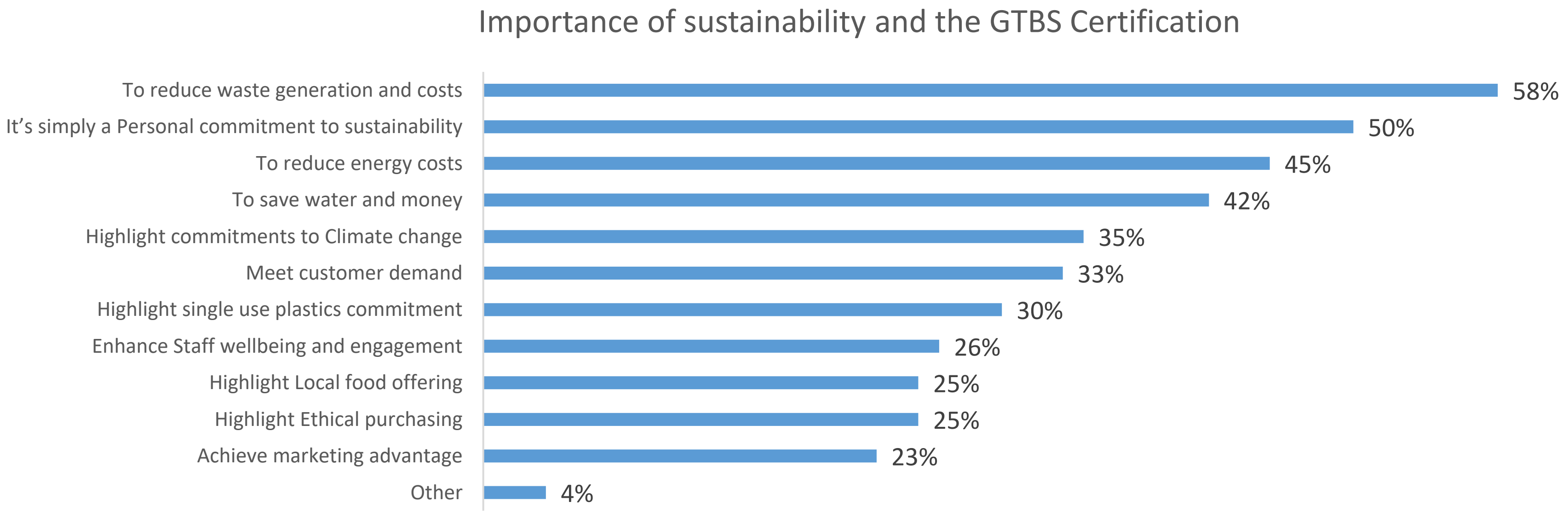


Q: In ranking order, which of the following activities are you currently implementing? (Sample: 211)

Research Outputs – Sustainable Tourism

Businesses believe that sustainability and the GTBS Certification are particularly important when it comes to reducing waste generation and costs (chosen by 58% of respondents). Half (50%) agree with the statement "It's simply a Personal commitment to sustainability. Only about a quarter believe sustainability is important for ethical or marketing reasons.

Grants and financial support (particularly when some businesses are struggling due to COVID) and more information about the GTBS Certification are the two key actions that would encourage businesses to consider joining the scheme in the future.



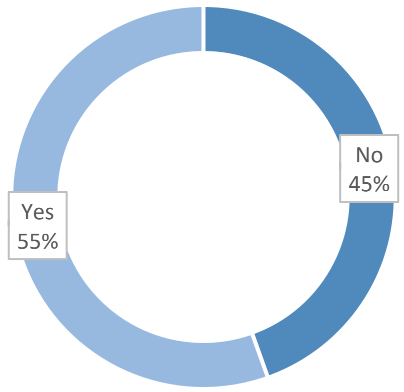
Q: Why is sustainability and the Green Tourism Award important to you? (Sample: 211)
Is there anything in particular that would encourage you to consider GTBS Certification in the future?

Research Outputs – Sustainable Tourism

Just over half (55%) of businesses implement an "Access for all" policy. Many of those without accessibility policies said their current premises would make it very costly to implement them (i.e. physical infrastructure and nature of the business and buildings).

There is also an implication that implementing some of the accessibility measures would involve a financial outlay that businesses are not able to absorb, particularly when many are still recovering from the financial impact of the pandemic.

Has accessibility for all



Q: Does your business have accessibility for all? (Sample: 211)
Q: If not, what is preventing your business from becoming more accessible? (Sample: 95)

Part VI – Consumers

In this section:

Visitor habits for 2022

How do we ensure tourists return to the region next year

Research Outputs – Consumers

Respondents believe that the top consumer trend for 2022 will be shorter breaks taken more often (known as micrations). Secondly, they expect people having their main holiday in the UK. Some expect to see people going abroad for their main holiday but having UK breaks. Finally, only a few expect people going abroad again instead of staycationing.

Visitor habits for 2022	Ranking
Shorter breaks, more often (micrations)	1st
People having their main holiday in the UK	2nd
People going abroad for their main holiday but having UK breaks	3rd
People going abroad again instead of staycationing	4th

When asked about how to ensure tourists return to the region, respondents gave a number of responses that have been grouped in themes:

- There is a need for smaller DMOs in the region to work together, in order to avoid what's perceived as duplicity of efforts. Many respondents mentioned the importance of putting trust behind brands. For example, advertise the uniqueness of East Anglia as a rival to the south west. Linked to this theme is a desire for a really strong and high quality marketing and comms strategy.
- Enhancing the costal and rural areas is seen as another key to success. Ensure that AONBs remain peaceful and beautiful! Do not spoil the rural environment with heavy traffic or unnecessary development (with several references to Sizewell C and Scottish Power installations).
- Finally, by way of peer-to-peer advice, there should be an emphasis on providing great visitor experience, entice visitors with offers and value for money and by being more competitive against other destinations.

Q: In ranking order, how important do you think the following visitor habits will be next year…?
Finally, how do we ensure tourists return to the region next year? (Sample: 199)

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