

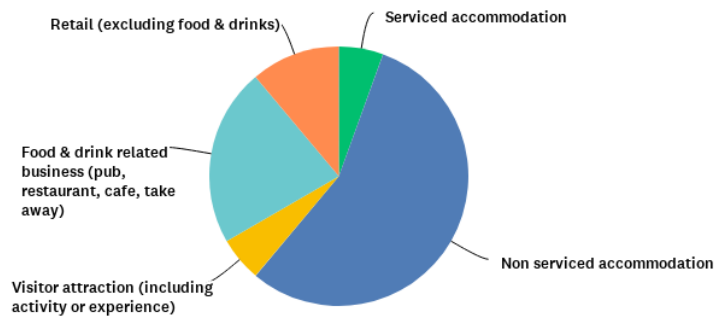


Business Confidence Survey 2024

Background

Visit Exmoor is the Destination Management Organisation (DMO) covering Exmoor National Park area plus, approximately 10 miles. The organisation has full members and associate members. The businesses represent a broad cross section of the visitor economy. The survey was conducted over a span of 7 weeks, starting from January 1st, 2024, and concluding on February 16th, 2024. Its objective was to collect insights into the confidence levels of businesses, reflecting on the preceding six months and projecting forward for the following six months. This has been a turbulent time for the UK hospitality industry recovering from the public health emergency of the pandemic, BREXIT and the turbulence of global conflict with all its associated implications. Distributed via various social media channels including the Visit Exmoor Members Closed Facebook Group, the Visit Exmoor LinkedIn page, and highlighted in two editions of the Visit Exmoor Business Update Newsletters, the survey garnered a total of 18 responses. Based on the data provided from the Business Confidence Survey, we can draw several insights and conclusions about the current state of business and outlook of businesses in the Somerset and Devon regions across various sectors including accommodation, visitor attractions and food and drink, retail. Below is an analysis of the data followed by conclusion.

Q1 Please describe your business sector (choose more than one where applicable)

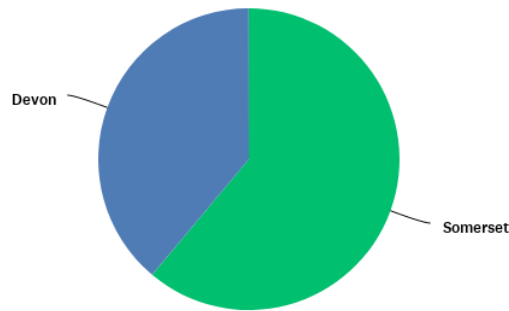


Serviced accommodation	5.56%
Non services accommodation	55.56%
Visitor attraction (including activity or experience)	5.56%
Food & Drink related businesses (pub, restaurant, café, take away)	22.22%
Retail (excluding food and drink)	11.11%
Event's organiser	0%
Other (please specify)	0%

Sectoral Diversity:

This diverse representation underscores the multifaceted nature of the visitor economy within the Exmoor region. No submissions from event organisers and 'other' not used.

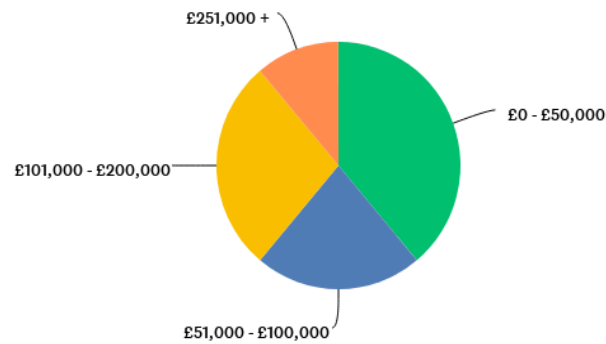
Q2 Please indicate your county



Somerset	61.11%
Devon	38.89%

The majority respondent represented Somerset businesses, aligning with a larger presence of represented businesses in this region compared to Devon. Geographically Exmoor landmass is made up of 2/3 Somerset & 1/3 Devon

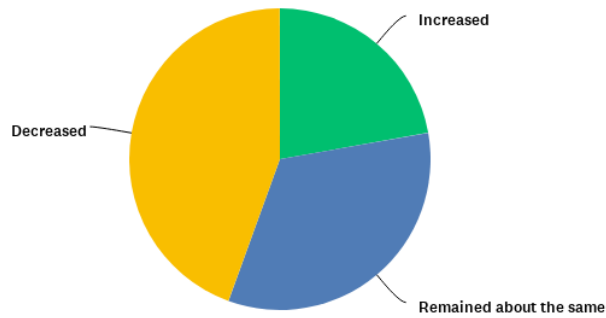
Q3 Please indicate your turnover (for statistics only)



£0 - £50,000	38.89%
£51,000 - £100,000	22.22%
£101,000 - £200,000	27.78%
£201,000 - £250,000	0%
£251,000 +	11.11%

Turnover distribution varies, with a notable percentage (38.89%) reporting turnovers between £0 to £50,000, suggesting a high mix of micro businesses.

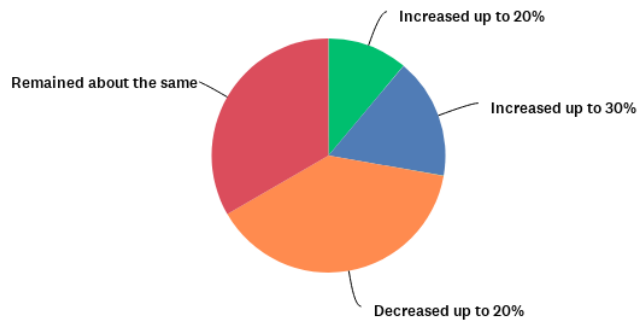
Q4 Thinking back from January 2023, has your business turnover in comparison to 2019



Increased	22.22%
Remained about the same	33.33%
Decreased	44.44%

Over the past year, 44.44% of businesses experienced a decrease in turnover compared to 2019, reflecting the economic challenges faced during this period. Conversely, 22.22% reported an increase, showcasing resilience and adaptability among some businesses.

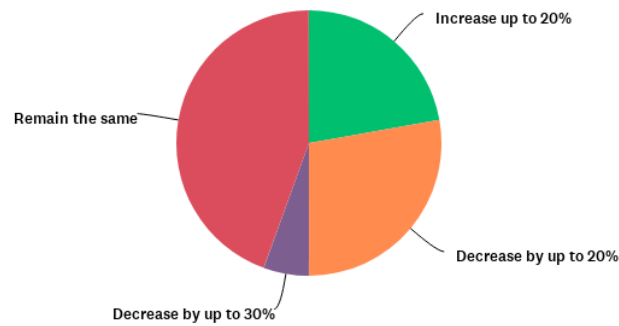
Q5 Please indicate the level of increase/decrease.



Increased up to 20%	11.11%
Increased up to 30%	16.67%
Increased up to 40%	0%
Increased up to 50% plus	0%
Decreased up to 20%	38.89%
Decreased up to 30%	0%
Decreased up to 40%	0%
Decreased up to 50% plus	0%
Remained about the same	33.33%

The largest response of 'decreased up to 20%' is representative of the data emerging from the greater South West.

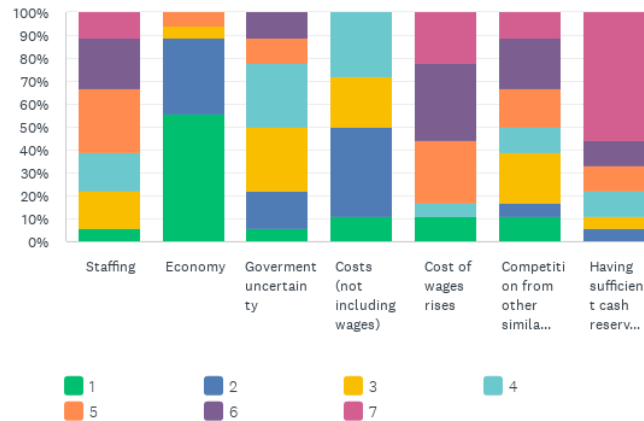
Q6 Looking forward to next trading year 2024 do you predict your turnover to:



Increase up to 20%	22.22%
Increase up to 30%	0%
Increase up to 40%	0%
Increased up to 50% plus	0%
Decrease up to 20%	27.78%
Decrease up to 30%	5.56%
Decrease up to 40%	0%
Decrease up to 50% plus	0%
Remain about the same	44.44%

Looking ahead to 2024, 33.34% predict a decrease in turnover, while 22.22% expect an increase, indicating cautious optimism tempered by ongoing uncertainties.

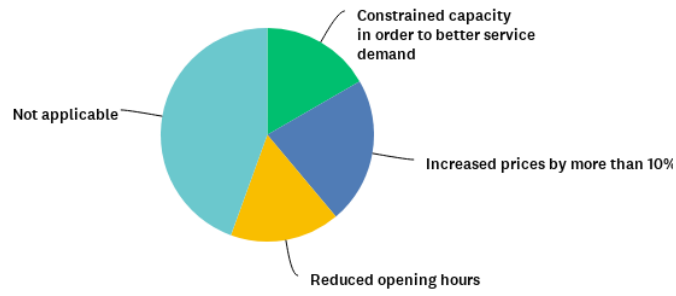
Q7 What is the biggest barrier to your business growth going forward, please rank in order



	1	2	3	4	5	6	7	Total	Score
Staffing	5.56%	0%	16.67%	16.67%	27.78%	22.22%	11.11%	18	3.28
Economy	55.56%	33.33%	5.56%	0%	5.56%	0%	0%	18	6.33
Government uncertainty	5.56%	16.67%	27.78%	27.78%	11.11%	11.11%	0%	18	4.44
Costs (not including wages)	11.11%	38.89%	22.22%	27.78%	0%	0%	0%	18	5.33
Cost of wage rises	11.11%	0%	0%	5.56%	27.27%	33.33%	22.22%	18	2.72
Competition from other similar providers	11.11%	5.56%	22.22%	11.11%	16.67%	22.22%	11.11%	18	3.72
Having sufficient cash reserves to survive	0%	5.56%	5.56%	11.11%	11.11%	11.11%	55.56%	18	2.17

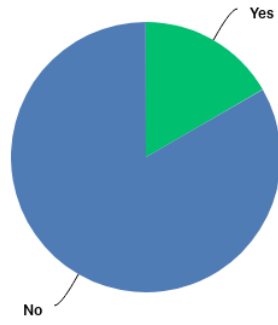
It's evident that the economy plays a central role in the concerns of the visitor economy. As the most critical concern, it indicates that businesses are heavily influenced by external economic factors. Additionally, the need for sufficient cash reserves suggests that businesses are seeking financial security amidst economic uncertainties, which is indicative of a unpredictable economic climate. The concern for costs (excluding wages) points to the operational expenses that businesses within the industry face, which can also be tied back to the economic conditions and their effects on overall business operations. Lastly, competition from similar providers is a concern that may tie back to economic stability and consumer demand. Overall, this data suggests that economic factors, such as stability, competition, and cost, are key drivers shaping the concerns of businesses in the accommodation and hospitality industry.

Q8 Over the past season have you? (tick all that are relevant)



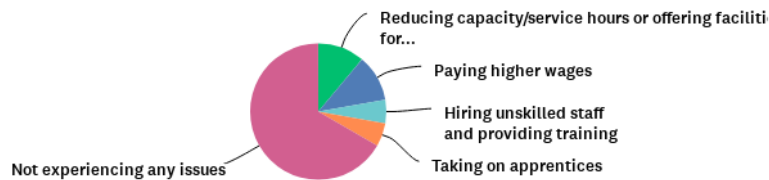
Constrained capacity in order to better serve demand	16.67%
Increased prices by more than 10%	22.22%
Reduced opening hours	16.67%
Not applicable	44.44%

Q9 Are you expecting to recruit over the next six months?



Yes	16.67%
No	83.33%

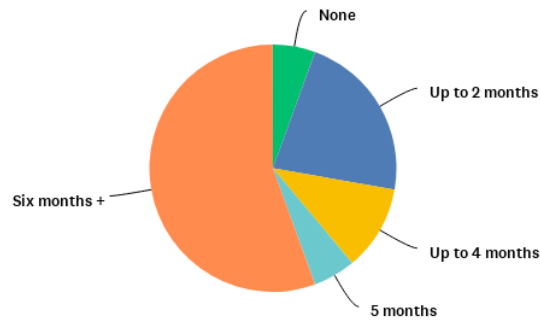
Q10 Are you/have you, over the past 12 months experienced recruitment issues? If so how have you responded to this?



Reduced capacity/service hours or offering facilities for residents only	11.11%
Paying higher wages	11.11%
Offering staff benefits package	0%
Hiring unskilled staff and providing training	5.56%
Taking on apprentices	5.56%
Forging links with educational establishments	0%
Not experiencing any issues	66.67%

The results suggests that 66.67% of respondents are not experiencing any issues in their business recruitment operations. However, 11.11% of respondents reported reduced capacity or service hours, and another 11.11% mentioned that they are paying higher wages. Meanwhile, 5.56% of respondents are hiring unskilled staff and providing training, and another 5.56% are taking on apprentices. None of the respondents mentioned offering a staff benefits package or forging links with educational establishments to address these issues.

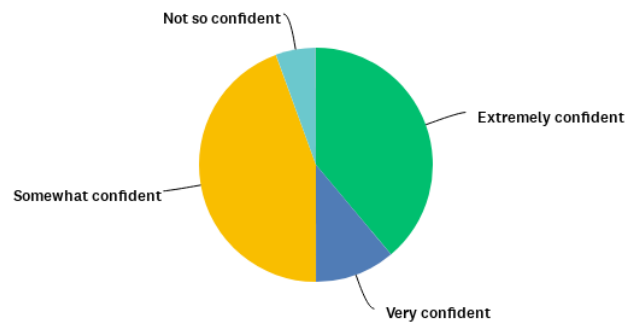
Q11 How many months cash reserves do you have? (for statistical information)



None	5.56%
Up to 2 months	22.22%
Up to 4 months	11.11%
5 months	5.56%
6 months+	55.56%

Based on the data, it can be summarized that 55.56% of the respondents' businesses have cash reserves to last for six months or longer, 22.22% have reserves to last up to two months, and 11.11% have reserves to last up to four months. Only 5.56% of the respondents indicated that their businesses have no cash reserves.

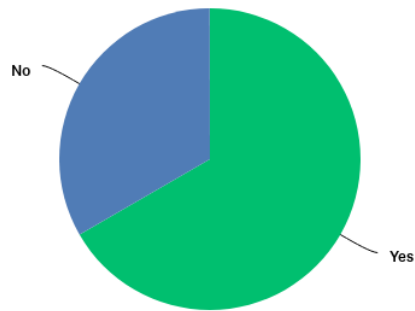
Q12 How confident are you about your business surviving over the next 12 months



Extremely confident	38.89%
Very confident	11.11%
Somewhat confident	44.44%
Not so confident	5.56%
Not at all confident	0%

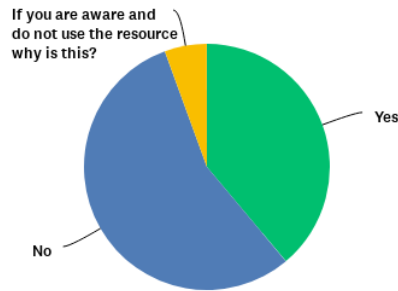
The data highlights the fragility of the survival of business over the next 12 months.

Q15 Are you planning to invest in your business in the next 12 months



Yes	66.67%
No	33.33%

Q17 Are you aware of the Visit Exmoor Business Advice Hub?



Yes	38.89%
No	55.56%
If you are aware of this service and do not use the resource, why is this?	5.56%

Suggestions for Improvement:

- Businesses emphasise the importance of marketing the region to attract more visitors, highlighting the role of tourism in driving economic growth and supporting local businesses.
- Supporting businesses in enhancing their offerings, through initiatives like training programs, financial assistance, and regulatory support, can enhance competitiveness and sustainability.
- Addressing regulatory issues, such as planning regulations and compliance requirements, is crucial to maintaining high standards and fostering a thriving business environment.

Conclusion:

The data provides valuable insights into the challenges and opportunities facing businesses in Somerset and Devon. While economic uncertainties and operational costs present barriers, there is an optimism regarding future investment and business survival. To foster growth and resilience, collaboration is essential by investing in high level marketing and infrastructure of the area, Somerset and Devon has the opportunity to position themselves for sustainable economic growth in the visitor economy in what is predicted to be an increasingly competitive world for the visitor spend.

Addendum

Q13 Taking into consideration that Visit Exmoor is a small organisation with limited human and financial resources, how can we better serve the needs of our members?

- Increase national advertising to promote accommodation availability on and around Exmoor.
- Increase marketing efforts to attract more visitors to the area while maintaining the quality of service.
- Provide support for businesses seeking to enhance their offerings through planning application assistance.
- Offer relevant online training for local businesses.
- Explore new markets and increase diversity in visitor demographics.
- Encourage businesses to retain their accommodations instead of converting them for other uses.
- Enhance visibility and activity in North Devon.
- Advertise the area to a wider audience.
- Offer free memberships to new or micro-sized businesses.
- Increase publicity and facilitate connections within the community.
- Utilise social media platforms for promotional purposes.
- Provide more statistical information on accommodation costs and visitor profiles to help set realistic prices.
- Lobby the government to restore the VAT threshold to previous levels to avoid potential tax issues.
- Consider reducing the cost of membership to support local businesses.

Using a single word please tell us your biggest business issue

- Costs
- Support
- Cost of operation
- More people to enjoy Exmoor
- Footfall
- Weather
- VAT threshold
- Visibility
- Planning
- Weather
- VAT
- Weather
- Costs
- Wages
- Recession
- Airbnb
- Bookings