

Member Briefing: Visit East of England Tourism Business Survey, 3 June 2020

Executive summary

This report outlines the results of the recent Visit East of England survey of tourism businesses in Norfolk and Suffolk. It received an excellent response rate of 776 responses (48% from Norfolk) and evaluated the immediate and longer term impacts of COVID-19 on to tourism businesses in the two counties. Key findings:

- 80% of businesses said their workforce had been affected, with 50% taking advantage of the government furlough scheme.
- Business survival rates are projected to be high if restrictions are lifted by the end of June, but if they remain until the end of the year, two in five businesses wouldn't survive. Restrictions need to be lifted before the school summer holidays and businesses would require a range of recovery times – from up to three months to over a year.
- Respondents stressed the importance of a flexible furlough scheme, going forward, as well as more assistance on VAT and business rates relief.
- There is a significant opportunity for Norfolk and Suffolk, to promote themselves as safe destinations – perhaps introducing a 'kite mark' for reassurance - attracting visitors away from 'honeypot' destinations like Cornwall and growing business outside of the traditional season.
- As with many sectors recovering from Covid-19, increased digitisation – eg increasing online bookings - would boost productivity.
- Creating more resilient supply lines between local businesses, as well as better communication and sharing of information, were also highlighted as areas for improvement.

Next Steps:

New Anglia LEP, Visit East of England (VEE, which represents the Norfolk and Suffolk tourism sectors) and local partners were already working together on a Tourism Action Plan and a potential bid for a Tourism Zone (see page 2). This existing partnership is therefore ideally placed to lead recovery plan development and inform future bids to Government/VisitBritain funds. They have therefore established a Covid-19 Visitor Economy Group to develop a recovery plan to rebuild the sector. Actions arising from this research, which will be addressed by the Group are:

- Develop a visitor economy recovery plan, in conjunction with sector partners, identifying short, medium and longer term actions. This should link to existing work on a potential bid for a Tourism Zone for Norfolk and Suffolk.
- Promote Norfolk and Suffolk as a safe tourism location (the [VEE website](#) links to re-opening advice for firms), with tangible reassurance such as signage and potentially a 'kite mark'.
- Work with Visit Britain on their domestic travel campaign.
- Develop the year-round visitor economy, to reduce reliance on the Easter - September period.

1. Research Findings

- Almost half of the companies took advantage of the furlough scheme, 80% of companies say their workforce has been affected.
- Some elements - self-catering, Broads boats and outdoor attractions and activities etc - can re-open quicker than, for example, hospitality.
- Generally, businesses need a recovery *to begin* before the school holidays to feel confident, whether they benefit immediately or not. It would be a problem for the majority of businesses if nothing changes until September onwards.
- If there is an easing of restrictions on self-catering, Broads cruisers, caravanning, this will give the sector some optimism they might yet get a summer season. However, if the relaxation leads to another lockdown, this would be extremely damaging for the sector.

- Business survival rate is envisaged as high if Coronavirus restrictions are removed by the end of June. However, two in five businesses are unlikely to survive if restrictions remain in place until the end of the year. If the recovery started straight away, about half of businesses would need up to 3 months to get back to normal levels of trading, with a quarter requiring between 6 and 12 months or longer.
- Going forward, while government intervention and packages are generally welcomed, more is needed, particularly on VAT and Business Rates relief. Just over a third are expected to survive if business rates are introduced in 12 months. However, over half are unsure about it.
- Only a very small proportion of businesses (4%) have been able to make an insurance claim.
- Flexible furloughing is required – workers need to be paid a proportion by the government pre- and post-lockdown; the former for prep work before opening, the latter to mitigate the impact of social distancing (reduced capacity meaning it might not be viable to re-open without government salary intervention).
- Safe Tourism is critical – both for visitors and residents. We need clear government guidelines on what is ‘Clean and Safe’. Can there be accreditation? A kitemark? The area should be marketed as a ‘safe destination’, not a ‘honeypot’, which people are likely to avoid and needs to compete in promotional terms with Cornwall, Yorkshire etc.

(In terms of general guidance on re-opening safely, VisitEngland’s advice is for businesses to go to their trade organisations (eg [ALVA](#)) or the Visit England Business Advice Hub, promoted via [VEE](#). VEE publishes daily the communications from the Tourism Industry Emergency Response group, including the [daily government briefing and latest advice](#).)

- Adaptability – need better digitisation of businesses and using technology to improve productivity; for example, online advance bookings, to manage footfall.
- Need less reliance on global online travel agents and to ‘look after ourselves’.
- The need for better communication, networking and sharing within the sector was also highlighted – a greater sense of ‘we’re in this together’. Also, creating better, resilient supply lines between local businesses.
- Develop year-round visitor economy to mitigate current reliance on Easter-September.

2. Next Steps

- Support VisitBritain’s call for an October half term bank holiday, to extend the season. Linked to this, further develop the year-round visitor economy.
- Visit Britain are also planning a domestic travel campaign that VEE hopes to get involved with, but will need support. Any activity by local Destination Marketing Organisations (DMOs) will be swamped by bigger budget promotion from Yorkshire, The Lakes, The Peak District, Cornwall etc, so there is a need for a collaborative push, ideally a Norfolk/Suffolk approach.

This would enable the two counties to take advantage of being a lesser-known destination, as people might look to avoid ‘hotspots’, such as Cornwall.

The ‘safe tourism’ message is critical and will evolve, as the situation changes. The ‘now’s not the time for tourism’ message is becoming ‘now’s the time to start planning to visit Norfolk’, with the lockdown easing in light of the go-ahead for unlimited travel to beaches and countryside. This will be supported by practical advice to both visitors and tourism businesses on staying safe.

- Produce a Recovery Plan that will feed into a potential bid for a Tourism Zone (TZ) for Norfolk and Suffolk. The [2019 Visitor Economy Sector Deal](#) sets out how government and industry will work in partnership to boost productivity and support destinations to enhance their visitor offer. It originally proposed 5 Tourism ‘Zones’ (the ambition behind TZs being to focus on addressing local market failures in the visitor economy and increase local productivity by enhancing tourism product, extending the tourism season and investing in skills).

VisitBritain are calling for this to be accelerated and expanded. The suggested size of the fund would be similar to the Discover England Fund (£40m). Tourism Zones will be chosen through a bidding process run by the British Tourist Authority.