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# Coastal Tourism Business Survey 2023 Wave 1 results

Survey live between 20 March – 25 April 2023

# NCTA Business Survey

2023 Wave 1 – Spring (survey was live between 20 March – 25 April 2023)

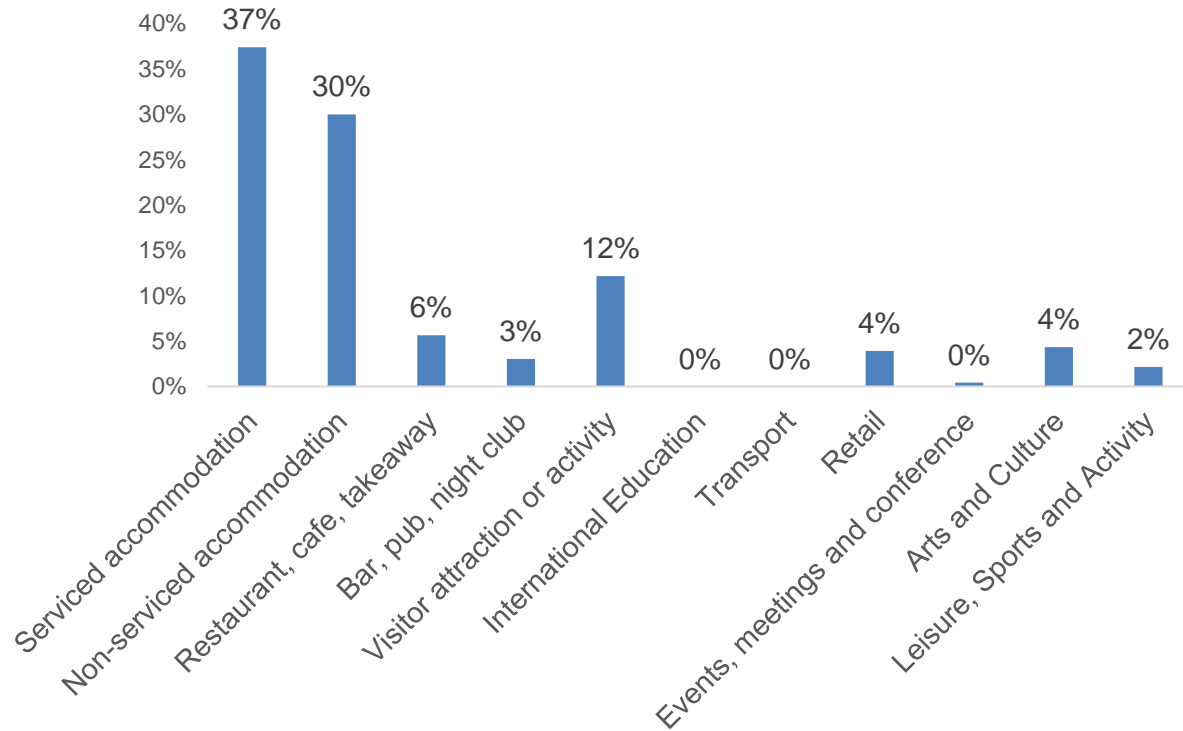
## Key headlines

- 2022 turnover was better than 2021 for 43% of businesses and worse for 22%
- **Confidence is mixed across the businesses 45% somewhat or very confident about the next six months versus 29% not confident.**
- **Forward bookings are again mixed with some businesses saying they are higher than the same point last year but many saying they are much lower. Long range bookings are significantly lower across all businesses.**
- Poor economic climate is the biggest external impact affecting businesses, followed by rising energy and fuel costs, increasing supplier costs, poor weather and the seasonality of the destination.
- **69% of businesses have increased prices and 29% of businesses are either closing for certain days of the week or changing opening hours to reduce costs.**
- Investment levels are down on previous years.
- Priority growth visitor markets are Walkers, Nature and Wildlife, Cyclists, Heritage and Arts / Culture
- **Domestic overnight visitors remain the key market, with a decrease in local residents and an increase in coach / group visitors.**

# NCTA Business Survey – 2023 wave 1

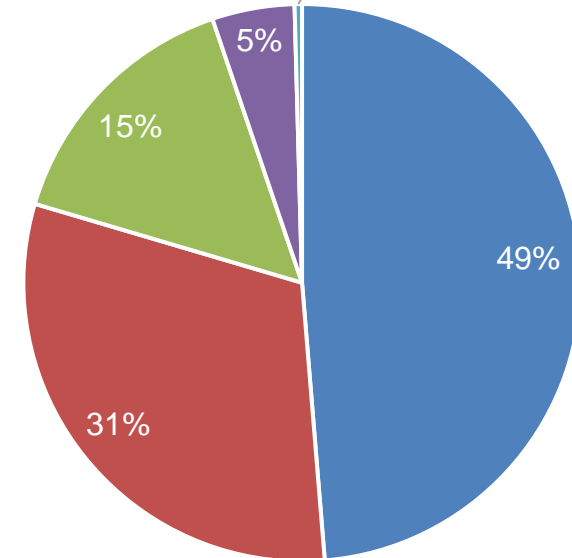
## About respondents

Main business function



Size of business

- Self-employed/sole trader
- Small business (11-50 employees)
- Large business (250+ employees)
- Micro business (1-10 employees)
- Medium sized business (51-250 employees)



**51% employ staff. 98% of businesses are independently owned**

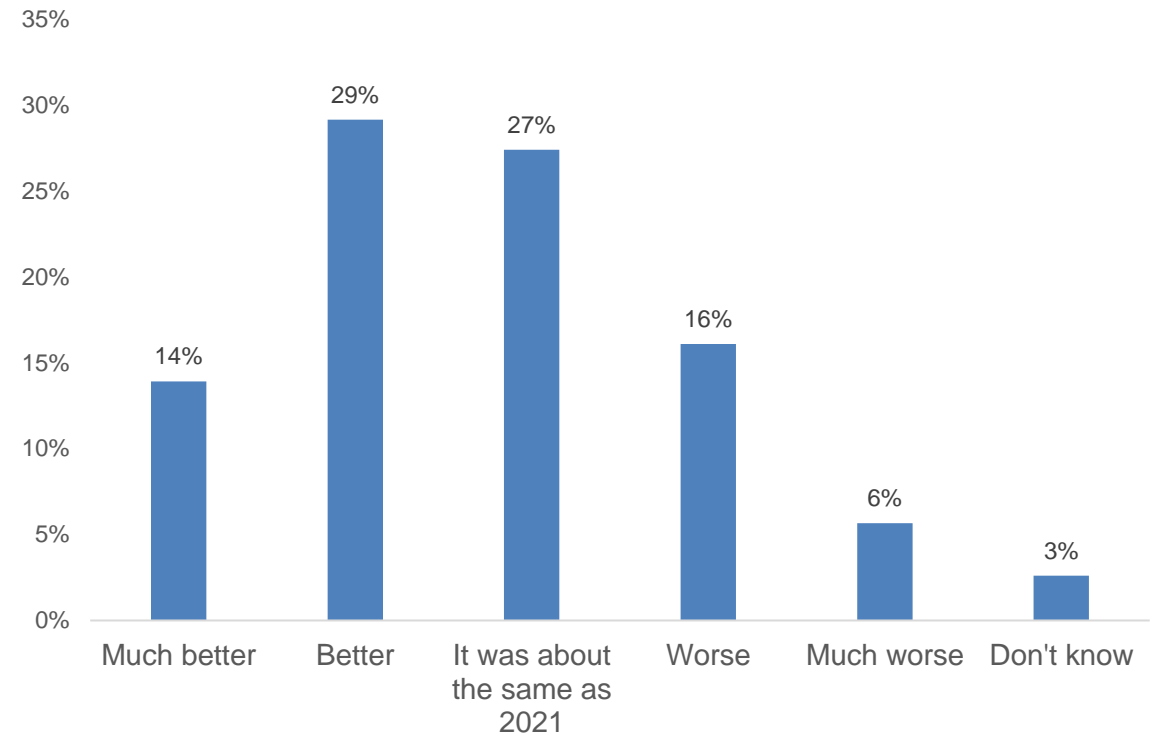
# NCTA Business Survey

## Wave 1 spring 2023

43% of businesses said that turnover in 2022 was better than 2021, 22% said that it was worse

Those stating 2022 was worse than 2021 were predominantly accommodation businesses and cited increasing supplier costs as more significant to their business than other respondents

Reflecting on your turnover in 2022 compared to 2021, how did your overall turnover position compare?



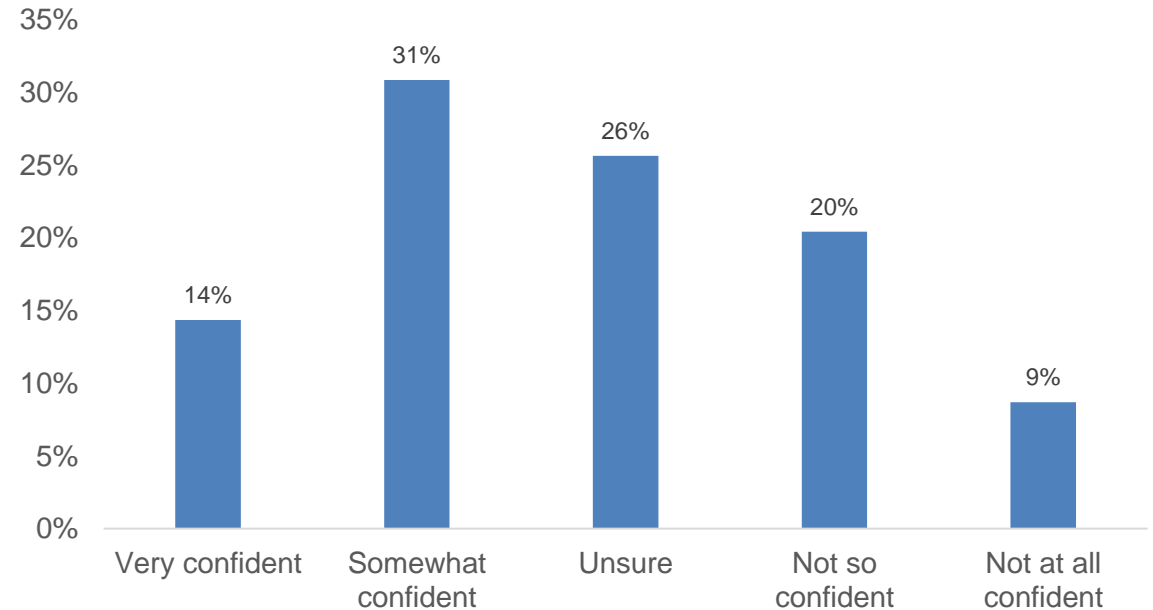
# NCTA Business Survey

Wave 1 spring 2023

45% of businesses are somewhat or very confident about the next 6 months trading compared to 29% not confident

Confidence is higher among bigger businesses and those reporting a higher level of forward bookings

How confident do you feel about your business trading over the next 6 months?



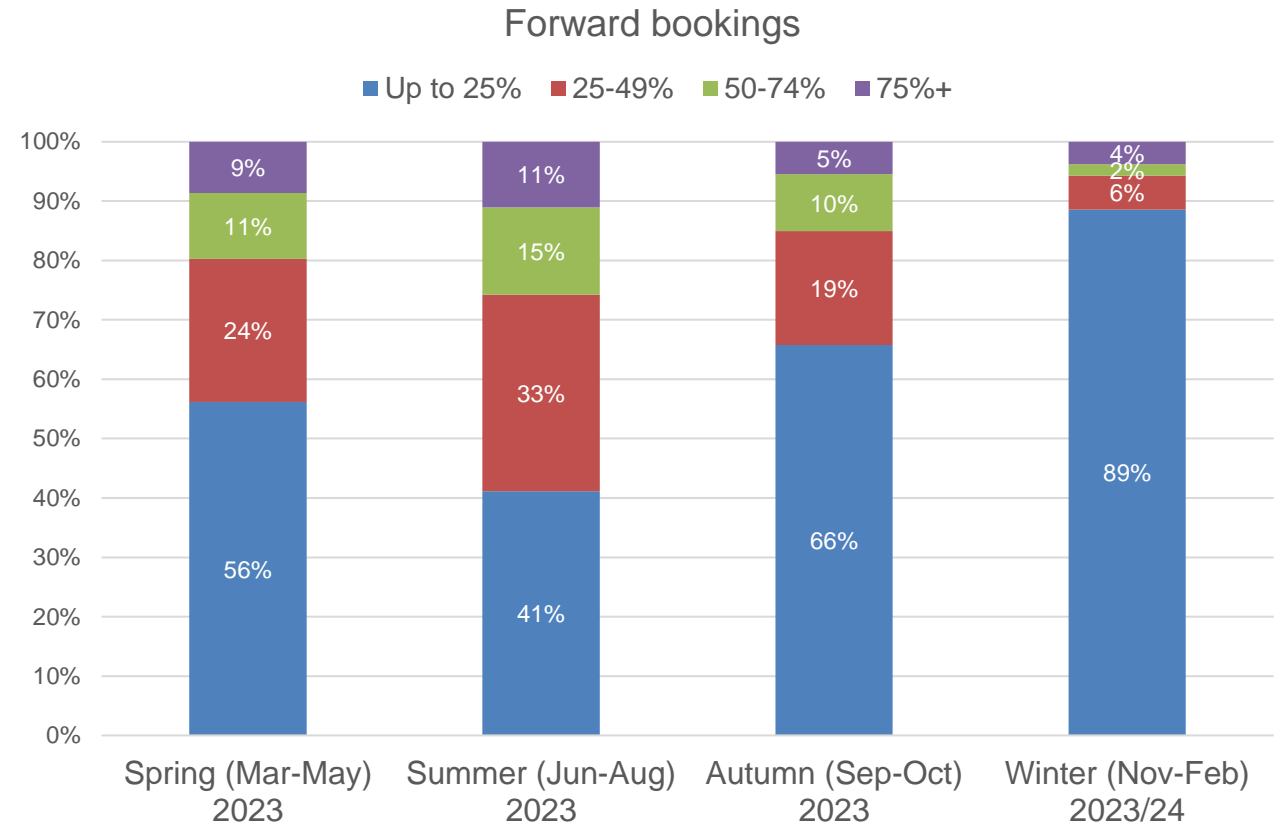
# NCTA Business Survey

## Wave 1 spring 2023

Forward bookings are more of a mixed picture compared to the same position in 2022

The number of businesses reporting more than 75% forward booking levels for the summer and autumn period is higher than 2022

But the number of businesses reporting lower than 25% bookings for the summer and autumn is also higher than 2022



# NCTA Business Survey

Wave 1 spring 2023

The top external factors influencing on businesses on the coast remains consistent over the last few waves of the business survey

In response to the challenges facing businesses:

- 70% of businesses are increasing their prices
- 34% are delaying investment
- 17% are reducing staffing and associated costs
- 29% are closing for more of the year or certain days

Top external factors affecting the business	
Poor UK economic climate / less money in consumer's pockets	85%
Increasing energy and fuel costs	70%
Increasing supplier costs	58%
Poor / unpredictable weather	43%
Seasonality of the destination	41%

# NCTA Business Survey

Wave 1 spring 2023

Investment levels are down on 2022 with 34% of businesses saying they do not plan any significant investment in their business in 2023.

41% say they will invest up to £10,000

5% plan investment of over £100,000

*Note: Investment is described as upgrading facilities, expansion, new openings, business transformation rather than day to day operational costs*

Investment levels for 2023	
Zero / no investment	34%
Up to £10,000	41%
£10,000-£24,999	9%
£25,000-£49,999	7%
£50,000-£74,999	4%
£100,000-£149,999	1%
£150,000-£199,999	0%
£200,000-£249,999	1%
£250,000+	2%



# NCTA Business Survey

## Wave 1 spring 2023

### Business support:

Two-thirds of businesses would like further support with their increasing energy costs

A consistent half of businesses would like to see a reduction in VAT for hospitality and tourism

A third would appreciate greater investment in destination marketing

### Staffing:

Of those businesses that require staff:

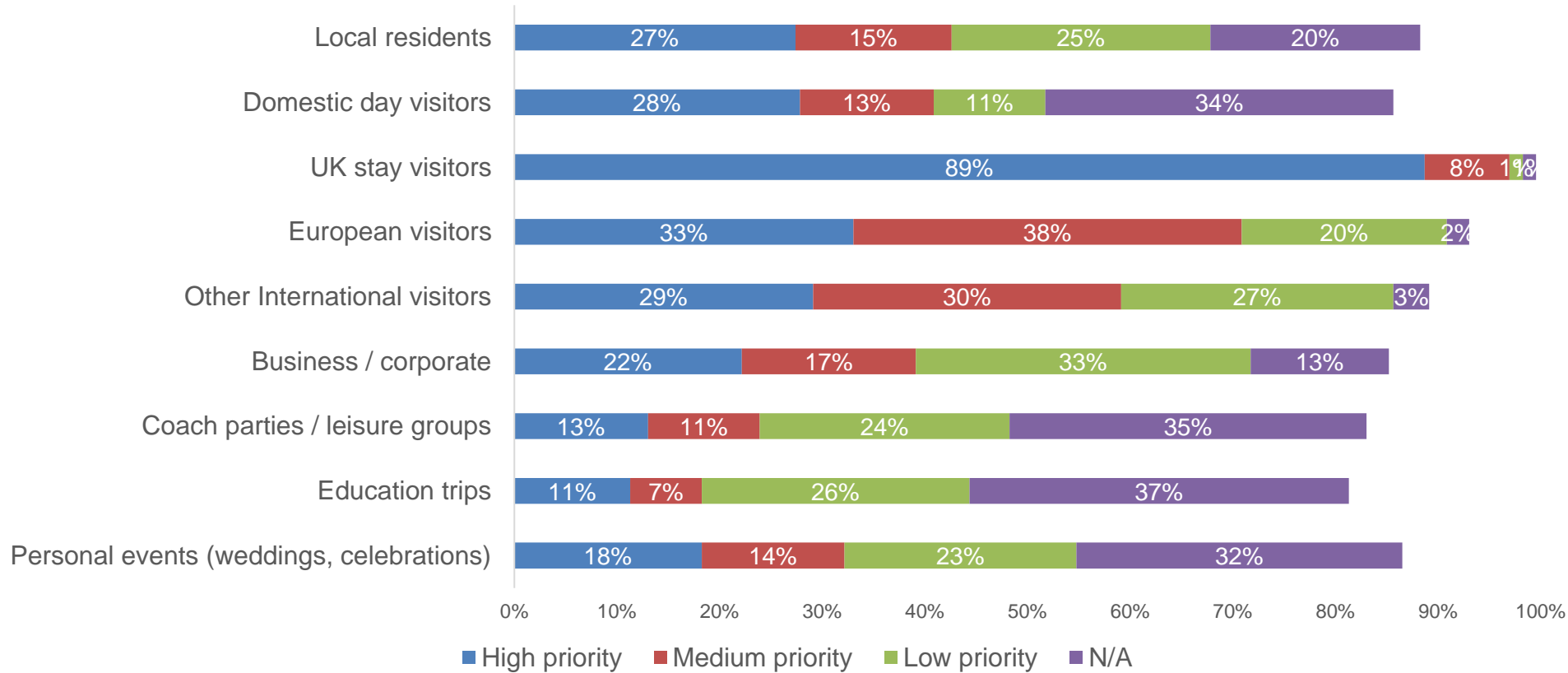
- 41% of businesses are not currently recruiting staff
- 15% no issues with recruitment
- 29% are struggling with issues with recruitment – the key areas of concern are recruiting and retaining cleaning and maintenance staff (48%) and chefs and kitchen staff (39%)

### Which of the following interventions would you most like to see to help your business?

Support for energy costs	68%
Reduce VAT on hospitality and tourism	49%
Business rates relief	40%
Greater investment in destination marketing	33%
Increase VAT threshold	26%

# NCTA Business Survey

## Key markets for 2023



UK overnight visitors are the key priority for all businesses

Coach and leisure groups interest is significantly higher than the same point in 2022 as are education groups

Local residents are a lower priority than the same point in 2022

# NCTA Business Survey

## Growth markets for 2023

Coastal businesses are interested in attracting and creating new products for the following key growth markets in 2023

Walkers	65%
Nature and wildlife	56%
Cyclists	55%
Heritage	43%
Arts and Culture	35%
Activities and watersports	28%
Eco, green or sustainable	28%
Business (MICE)	22%
Accessible	18%
Wellness and spa	12%
Other (please specify)	7%

