



# Tourism, Leisure & Hospitality Business Survey 2024

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# The night is darkest before dawn – but is there some light on the horizon?



Following a long run of challenges and customers struggling with the rising cost of living, the tourism sector in our region is understandably feeling a bit fatigued.

Our survey showed that within the sector, which is so valuable to the region—bringing over £10billion into the economy—there's a much-needed trigger to help boost optimism.

For all the years I've been working with the sector, and the challenges faced, I've potentially not seen as much negativity creeping into the feedback. You can appreciate the sentiment and the perception of “.. and what next”. However, the sector is strong. Investment has been maintained, although the setbacks have impacted its level in many cases. Therefore, maybe the mood when the survey was conducted (early in the year ahead of

the Easter break) is reflective of the fatigue caused by the energy sapping previous years. But the economic outlook is brightening, with inflation reducing and interest rates having topped out, so let's hope we've reached the darkest hour.

We know what a great and eclectic offering we have, and what great businesses we have. Now, it's all about finding the energy and belief to move forward. Of course, we can't predict what future challenges the sector may need to face, but we hope that, at last, we're seeing some light on the horizon. The survey results are not all negative, and they do contain some positivity.

As the world changes, so do the needs and habits of customers. People are fussier as their spare cash is in limited supply. As more people look for authenticity, sustainability and making fun memories, so their holiday time has to provide a return on their investment. It's important that businesses and their teams do more than simply offer a service; they need to guide their

customers to see the opportunity for lasting memories by crafting their journeys and engaging their emotions.

My belief remains that together we're stronger. Our DMOs (Destination Marketing Organisations) help highlight the wealth and eclectic mix of good things the area has to offer, and businesses working together to create campaigns add value beyond the reach of any one business. So, let's look to forge stronger partnerships and use our collective marketing power to highlight our region's assets and attract those looking to create their unique experiences.

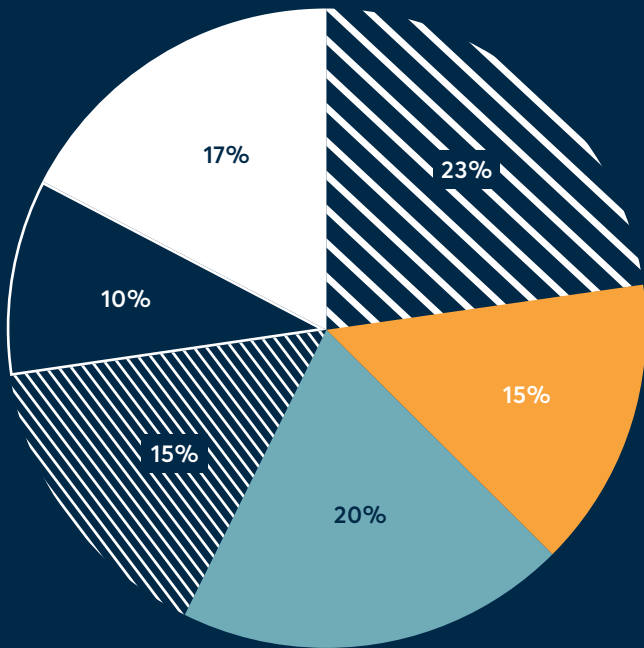
Tourism doesn't just happen, and the sector, for the value it brings to the economy, may feel overlooked and at times a little drained. However, let's hope that we've now past the darkest hour. Let's be positive! Let's be great! And let's remember that the night is always darkest just before the dawn!

*Chris Scargill, Tourism, Leisure & Hospitality Partner, Larking Gowen*

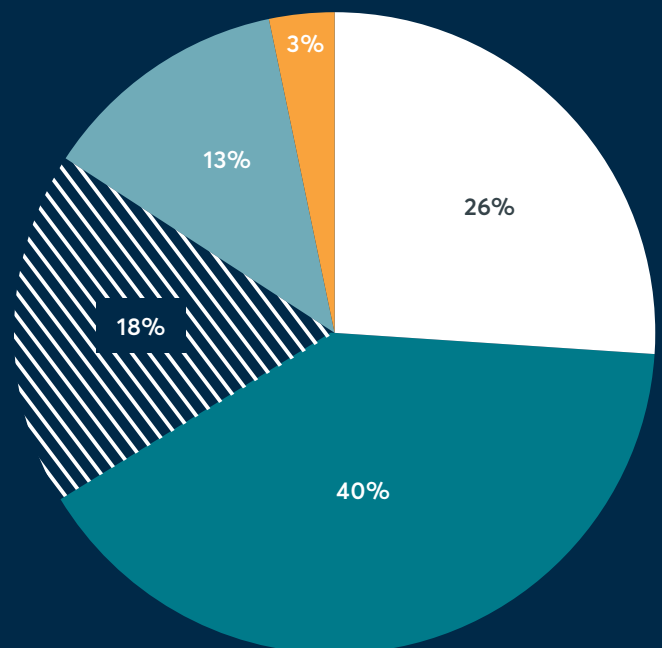
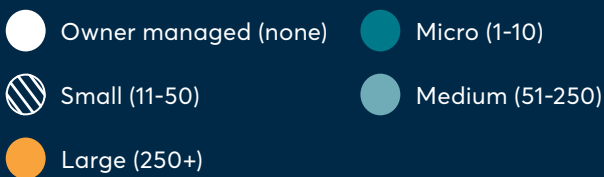
## Type of business participating in the survey:



Turnover figures 2023 for businesses participating in the survey:



Size of businesses participating in the survey (employee numbers):



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# Survey overview

So, with so much data to hand, where do you start? Well, as the saying goes turnover is vanity, profit sanity and cash is king.

We don't measure the cash, so looking at sanity, the survey this year indicated that in 2023, only 23% of businesses report an increase in their profits. But with the cost of living crisis, high interest rates and increasing energy costs, this may not be surprising. However, 50% say profits fell. On the profit front, there may be some good news as only one-in-three anticipate falling profits in 2024. Turnover was a challenge too. The survey saw 41% of businesses with an increase in turnover, while 34% saw their income fall. This compares against 60% who saw increases in 2022, while only 16% saw turnover fall—but that is not unexpected as 2021 was very much still in the grip of the pandemic and all that it brought to this sector. Underlying these results is the fact that

behaviours are changing, with some two out of three businesses noticing behavioural changes in their customer base. Feedback indicates these arose from a return to previous behaviours of later bookings, shorter stays and reduced secondary spend – all factors from before the pandemic. Lower customer footfall, buying capacity and buying cheaper products are all factors forced on our customers by the cost of living crisis. The results suggest 83% of businesses had seen a moderate or significant impact on customer spending habits, with many suggesting customer expectation was higher. Interestingly however, there was an even split over the prevalence of the keyboard warrior, with 51% saying that the modern digital world, which puts so much information in the

hands of the consumer, and makes it potentially easier to be challenging, had not made customer satisfaction harder to achieve.



As for the future, there remain concerns and it's interesting to see how these fears have changed, or not, over the year."



Marketing Organisation (DMO). These can successfully engage with the councils and also bring the synergistic value of a combined spend. However, only 46% of those surveyed said they were directly or indirectly engaged with their local DMO – although several who were engaged were involved in more than one. Of those working with their DMO, only 7% were less engaged than a year ago, while 42% were more engaged or much more engaged.

On top of all the other rising costs in 2023, the National Living Wage (NLW) increased again and has just had a further uplift. With 27% of employers not planning on giving pay rises to those outside the legislation and 30% offering rises of under 4%, only 3% planned to uplift wages at rates higher than the NLW adjustments. To accommodate the wage rises, 6 in 10 owners planned on raising prices while 2 in 5 accepted profits would have to be lower, while a similar number were making cuts. The impact could have longer term consequences as 18% planned delaying expansion while 10% felt that the business needed to contract (32% planned reducing head count in any event) with 1 in 10 suggested the business may have to close. Challenging times indeed. To help with managing costs, 26% of businesses had reduced their operating hours. Reasons given by them were higher energy costs (55%), staffing challenges (55%) and lack of customers (58%).

On the issues of challenges, the feedback on support for the sector sticks firmly in the category of 'remaining unimpressed'. This year, only 9% felt that central government provided enough support for the sector. This sits at a similar level to that of pre-pandemic, with a fair amount of commentary focusing on the old chestnut of wanting a VAT reduction. Local support was also found wanting with only 19% suggesting enough support was being given. However, when asked if the sector, due to the more recent challenges, needed support similar to that introduced during the pandemic, there was a strong view that support on that level could not continue (59%). An option for businesses is joining the collective voice of their local Destination

Only 1 in 8 businesses had made use of Visit England's Accessible and Inclusive Tourism Toolkit (launched in November 2023), albeit 71% said they had facilities for people with health conditions and life impairments while only 13% said that their premises/business was not suitable.

While similar numbers (60% compared to 59%) are worried about the general state of the economy, 45% are worried about the sustainability of their county's sector (up from 23% last year). Inflation worries 31% but that is down on last year where it stood at 37%. On government issues, 17% (up from 12%) fear the increasing costs of legislation while 27% now fear red tape (up from 16%). Away from financial concerns and maybe having

seen bigger issues at play, the weather worries 36% of businesses, which is up massively from last year's post-pandemic survey where the weather only worried 8% at that time. With the perceived ease of bank funding support now passed, finding funding worried 12% - up from 8%.

All however, does not appear lost. There is still resilience - with 59% making plans for site improvements and refurbishment while 11% plan on extending their premises. On new income generation, 12% are looking at diversifying from their traditional business activity while twice that (24%) plan on introducing better business organisational practices. Just over 1 in 3 have plans to improve customer and employee experiences, and 36% are planning additional investment in marketing and PR.

The investment seems to come from a slightly cautious base line. When we asked about confidence in the local tourism economy last year, some 55% of businesses gave a strong promoter score of 7 or 8 for 2023 while 65% marked 7 or 8 for 2024 and beyond. That confidence has now dropped with only 24% scoring a 7 or 8 for the 2024 year. That score however improved, albeit marginally to 32% for 2025 and beyond.



Are concerns that the flurry of punches that have been thrown at the sector will take time to recover from or may not yet be over."



# Quality accessibility is attracting the Purple Pound

Making attractions and holiday destinations more user-friendly for disabled visitors is an expected part of the tourism sector, and there's also a financial case for doing so.

We spoke to Anna Hamilton, of Watatunga Wildlife Reserve, and Adam Goymour, of ROARR!, to hear their thoughts.

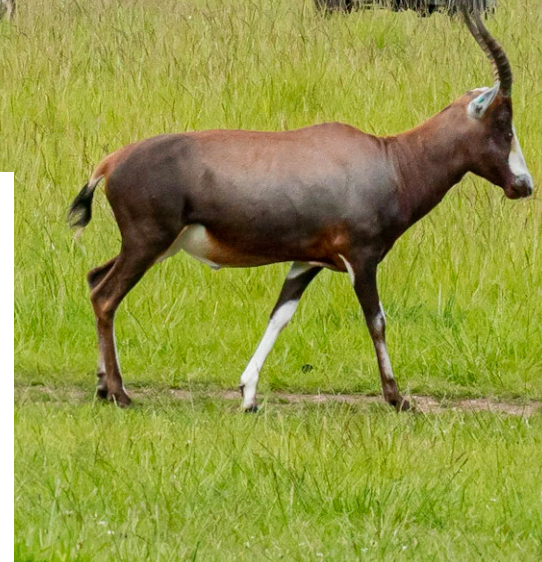
Accessibility is "at the heart of everything we do" says Anna Hamilton who, with her husband Ed Pope, co-founded the Watatunga Wildlife Reserve during lockdown in 2020. Visitors access the site, near King's Lynn in Norfolk, on self-drive buggies with a trailer facility for wheelchair users which can be towed by a guide. There are fully accessible facilities at the reception area with a changing area and a shower, and three self-catering safari lodges, one of which is wheelchair accessible with a long ramp to a bird hide that looks out over the reserve.

Anna, who had been working as a teacher before joining Ed in setting up his new venture, said Watatunga was

strongly mission-focused from the outset.

"Both Ed and I have family members who are in wheelchairs, so accessibility is always part of how we think. Having said that, we're always learning and responding to the genuinely helpful feedback our visitors have provided. At the very start we put a trailer on site that had a specific wheelchair fastening, but then COVID arrived and we couldn't use it. Now everything on site, from the reception facilities to our trailers, is wheelchair accessible," she said.

"We were really proud to have things set up to allow us to welcome a work experience student who was a wheelchair user. He was able to go out and collaborate with peers on the reserve and it was exciting to be able to facilitate that.



"We've also welcomed work experience students and volunteers with autism to our team and feel the calm site can really be beneficial those with neurodiversity," she said. Making the business case for accessibility is important for Ed and Anna whenever they are invited to speak at business events.

"We have an accessible lodge that sleeps eight people and another equivalent property that comes with tennis court, large walled garden and a hot tub, that is priced more or less the same.





"Year on year, the accessible property sells better than the other, which we put down to the fact that there is a lack of accommodation plus activity for families who have one or more people with access needs. If we were going to build another lodge, we would do a four-person equivalent," she said.

Anna says she would like to see visitors make even more use of the reserve's disabled vehicle trailer. She acknowledges this may require a marketing campaign to build confidence amongst disabled visitors about the quality of experience that awaits.

"Visit England introduced us to Access Able. We're hoping that being part of that will help build visitor confidence."



For Adam Goymour, owner of ROARR!, accessibility and inclusivity are an integral part of the business.

Listening to guests' feedback and seeing what people are saying online is an important part of keeping abreast with new technologies and ideas, as well as accommodating guests' needs and taking into account all types of disabilities.

"It's something we want to offer and we also see the opportunities and value in doing it. We invest ourselves and have worked with the local council to get grants to create changing facilities which have been in place now for two years," he said.

Last year, the dinosaur-themed adventure park, in Lenwade, Norfolk, installed two new rides, one of which was fully accessible and the other, their Raptor Contraptor, has a seat which is specifically designed to cater for wheelchair users.

"There's the basic stuff, which is relatively low value to put in place, that I believe all attractions should be doing such as hiring strollers, wheelchairs, and headphones for children who might be sensitive to noise.



Adam Goymour

"We work with a local charity as well, with exclusive hires of our indoor play area after hours, on a monthly basis, to support them, so that those with additional needs can enjoy our facilities."

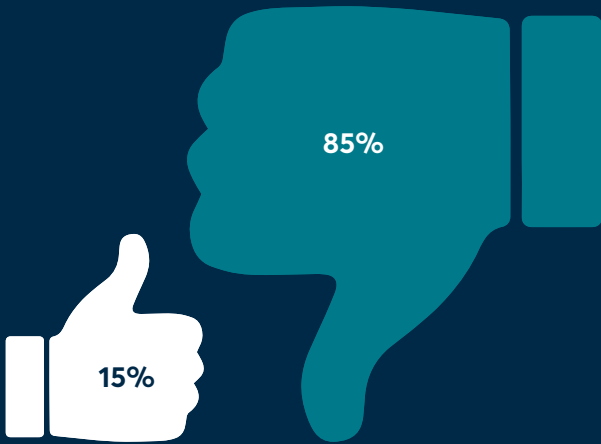
"We also have a quiet room, so those who want to, once they've had a sensory overload, can go there to get to where they need to be. We have fully accessible picnic benches so that wheelchair users can sit alongside others using the benches, and Makaton signs where our animals are, as well as team members who are trained in British sign language."

Adam said, "There are now a lot of seminars for business owners to show that there is value in the Purple Pound.

"That's a huge audience so, if you can tailor towards them, it means you're able to welcome more visitors. Why wouldn't you do it?"

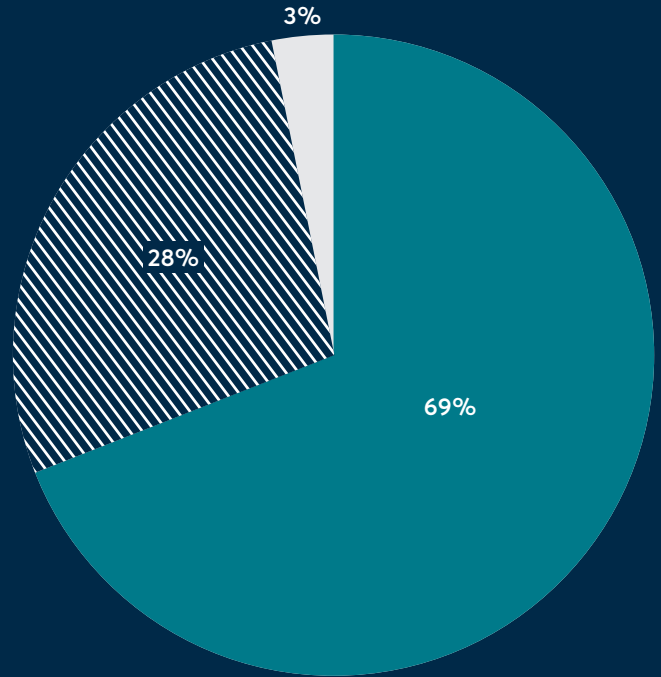
# Inclusivity

Does your website carry promotions specific to those with disabilities or impairments (physical or otherwise)?



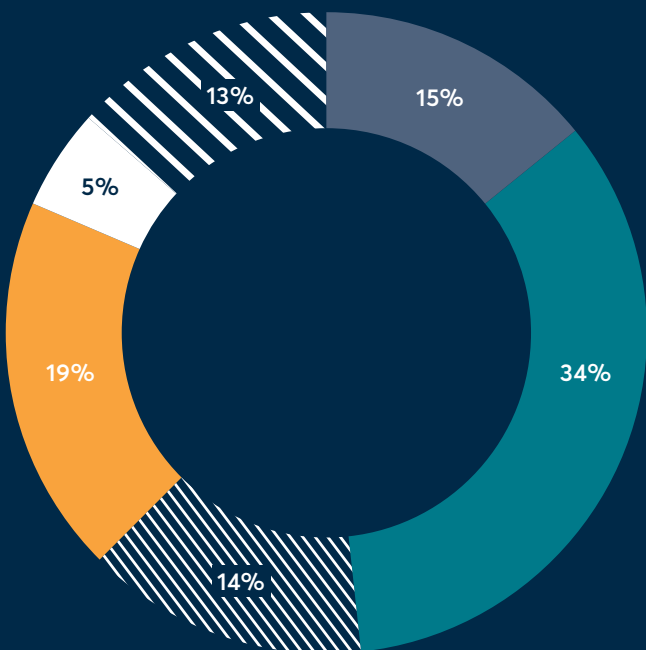
Does your business provide/have facilities suitable for people with health conditions or impairments?

● Yes    ● No    ● Not applicable



How suitable is your business-offering to the less able?

● Access all areas    ● Nearly all areas  
 ● Most areas    ● Some limited access  
 ● Minimal access    ● Premises/business not suitable



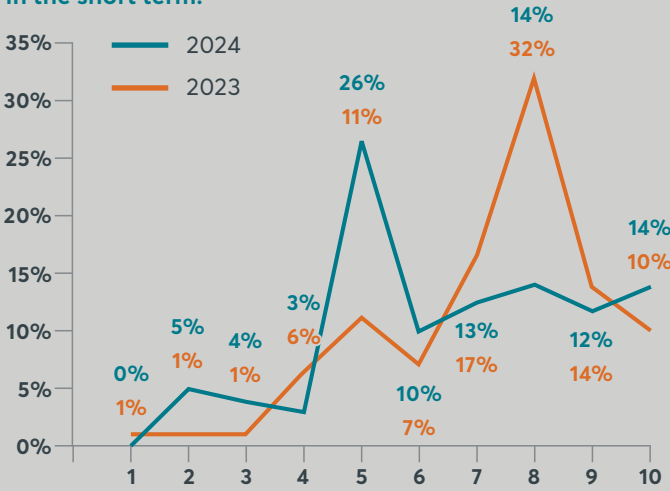
Have you made use of the Accessible and Inclusive Toolkit for Tourism Businesses in England (launched November 2023)?



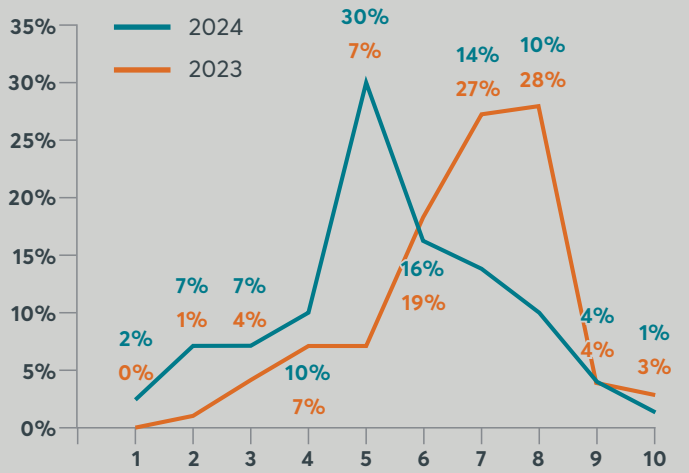


# Net promoter scores

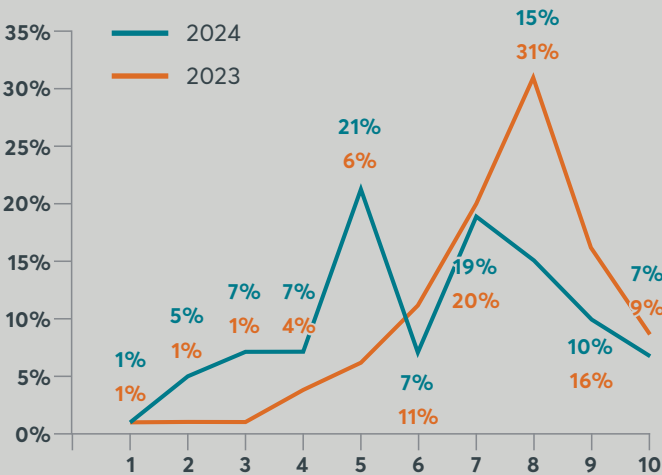
Net promoter scores (where 10 is extremely optimistic) – please relate how optimistic you are feeling about the readiness of your business to cope with challenges in the short term:



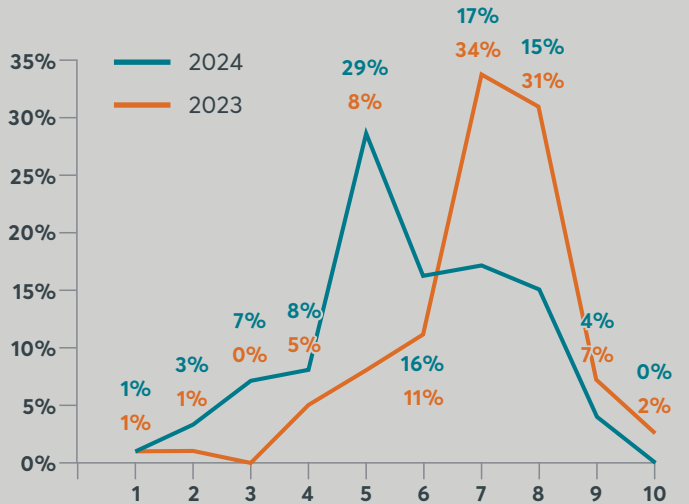
Rating out of 10, how strong do you think the local tourism economy is currently (asked in the last two surveys):



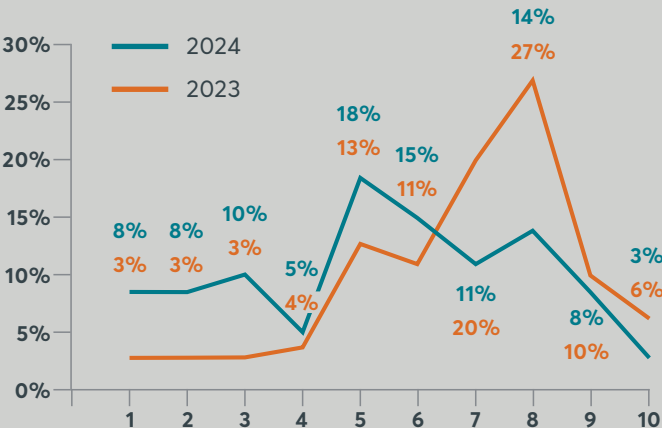
Please relate how optimistic you are feeling about the readiness of your business to cope with challenges in the longer term:



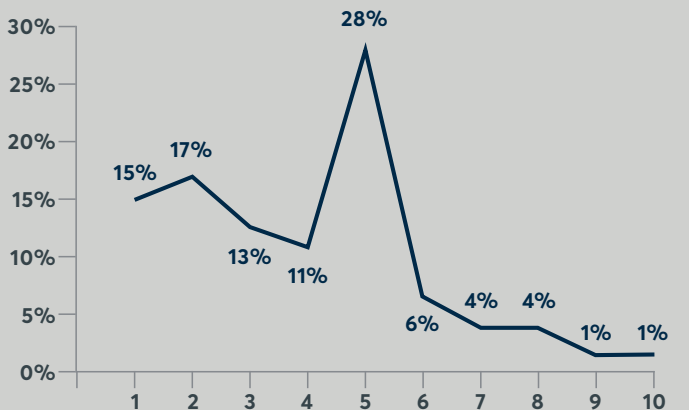
Rate your prediction of the strength of the local tourism economy out of 10 for the future (asked in the last two surveys):



How likely are you out of 10, to recommend a career in the sector to friends, family or colleagues?



Using the promoter score, do you think enough is being done to promote careers in the sector?





# Applewood Countryside Park

Applewood Countryside Park, in Banham, Norfolk, has all the advantages of location.

Applewood Countryside Park, in Banham, Norfolk has all the advantages of location. Set in beautiful countryside, it is also right on the doorstep of Banham Zoo and close to other attractions.

Kiera Goymour, General Manager and Director, says a key marketing strategy to counteract cost of living pressures is to add value to what is on offer.

"We look at creating partnerships with those attractions in our immediate locality. We're lucky to have Banham Zoo right on our doorstep, and that we can offer our guests a £5 discount there and at Africa Alive, as well as 20% off tickets to ROARR!, which is within the family business," she said.

The park also has a partnership with The English Distillery, ten minutes away at Roudham, where guests can get a discount on whisky tours, and Events at Mill House which offers wellbeing retreats and alpaca experiences. There are also discounts available at some of the local pubs.

"We want our customers to know, if they choose us, they are not just getting a pitch, or a glamping pod or

shepherd's cabin. They get much more as part of that, and hopefully it also makes their holiday spending money stretch a little bit further," said Kiera.

Events also form part of the value package at Applewood Countryside Park, not just in the season, but at other times of year when local people can be encouraged to the park.

"Our Easter Party event has been going since 2017 offering an Easter egg hunt, craft activities, face painters and food vans. This year we added a kids' bubble disco with party games, which was attended by over 80 children. There is also our Halloween Spooktacular which sold out, with 600 guests through the gates, when we opened it to external guests for the first time last year," said Kiera.

In the summer on Saturday mornings there is the Big Water Dodge, where guests are challenged to carry buckets of water, dodging obstacles along the route, with everybody involved getting wet.

"On selected days throughout bank holiday weekends and summer holidays, we have a series of food vans

that come and visit, which is really popular and means that guests don't have to leave the campsite, and can just relax."

"Our Canine Carnival event will also be returning again in June. It's a dog friendly weekend encouraging campers to bring their dogs on holiday and join in our fun dog show, raising money for Hearing Dogs for Deaf People. We really do have a full calendar of events this year!"





## Events and partnerships add value to the marketing mix

Street markets, outdoor events, pop-ups and collaboration with neighbouring businesses are all ways to increase footfall and raise awareness.

Cathy Frost had been running her gift shop, Loveone, in St Peters Street, Ipswich for just a few years, when the banking crisis of 2010 triggered recession throughout the UK.

After seeing the success of artisan markets in other parts of the country, she decided, with two friends, to set up one of their own as a response to the recession.

"I was the retailer, one of my friends was a graphic designer and the other was a teacher who made things, so together we made quite a good team. We did a small market in the town hall, and then we brought it out into St Peters Street," she said.

The team has changed, but the twice-yearly Saints Street Market (referencing St Peters and St Nicholas streets) has remained artisan-led and local.

"We curate it so that we try to only have local or regional traders. It's handmade and artisan. We try and avoid anything that's mass produced," she said.

From the start, there was buy-in from local businesses who saw the



advantages of bringing new customers into the street.

"Very early on, we recognized the value of The Saints brand and how important it is to the area. You are much better collectively from a marketing perspective, sharing a website and social media," she said.

A summer market is held in June and a Christmas market on the last weekend of November.

"Generally, most of the businesses will be open on market day, and it is definitely one of the best trading days for most of us. We did some footfall analysis two years ago and counted around 2,500 people over the course of the day," she said.

"What is really important is being more collaborative. We know we're much better as a community rather than just one business. We're holding our own as a street and have become a destination as well as a group of businesses," she said.

## Marketing & brand

### Social media brings flexibility to marketing

At Jimmy's Farm & Wildlife Park, Lauren Dodman, Communications and Marketing Manager, says her team try to cover multiple marketing avenues to make sure they reach every demographic.

"Social media is the biggest channel we use to push awareness and footfall, however we also book bus advertising and billboards, use onsite signage, email marketing and our app to push notifications to users," she said.



Social media is a fantastic tool as it's so quick and easy to get messages out.

Say we have an event coming up that may sell out in a few weeks, we can easily use social media to promote it and then edit the copy to say 'Sold Out' - compared to booking a billboard that doesn't have the same flexibility.

"Times have changed and visitors want a 'behind the scenes' look at the attraction they are visiting. By showing our friendly staff and work ethic on social media, we can appeal to the visitor with our personality and brand values.

"In the past year, we've worked with a company who track our ad spend on meta, from the person viewing the advert to them spending money on our website. We then get a report with conversion values, so we're able to substantiate our budget request by proving the return on investment," Lauren said.



# Brand and customer experience lead the way to success

Two Magpies Bakery is an easily recognisable business that has become a high street staple and one of the region's success stories.

We spoke to owner, Steve Magnall, about the attention to detail that drives its success.

From small beginnings, in Southwold on the Suffolk coast, 12 years ago, Two Magpies Bakery now has 10 outlets throughout the region and two production sites.

For owner Steve Magnall, the key to any business success is having a unique selling point which, for Two Magpies, is based around quality.

"We start with the best ingredients, sourced locally wherever possible. Lane Farm for sausage meat, Easters

in Norwich for fruit and veg, Steele Fine Foods for our butter. We either try to use local ingredients or the best ingredients we can get.

"We make everything by hand, every day. With a massive team back of house, we'll train up anyone who has an interest. We have pastry students from the college, who are coming to work for us twice a week, as well as our permanent staff. All these people are making fresh produce every day," he said.

"It's a really skilled team who care passionately about what they're doing. You may get a croissant that's

a slightly different shape, but they're all made by hand, and you know what you're getting is quality."

While the production side of the business is all about quality, attention to detail front of house is equally important.

"When you walk into a Magpies you immediately know where you are. The logos and colour schemes, the staff t-shirts, and the general warmth of the atmosphere. Then you also have the display.

"Staff are trained to dress the windows and counters, with displays popping up and the different colours coming through. People buy with their eyes at the end of the day, so it's all about visual branding."

The philosophy around customer experience is also important and a key part of staff training.

Staff are encouraged to meet and greet customers when they come in, and "smile if they can", so the welcome is warm but not forced.

"Sometimes we're rushed and under pressure. We have our coffee machines facing out so the staff are facing the customer and can make eye contact. Coffee takes two minutes to make so, if we've got 10 orders, it's going to be 20 minutes before you have your coffee. We've got to be able to manage that customer experience. The point is there'll be a wait. The customer is expecting that now, so part of that is engagement.

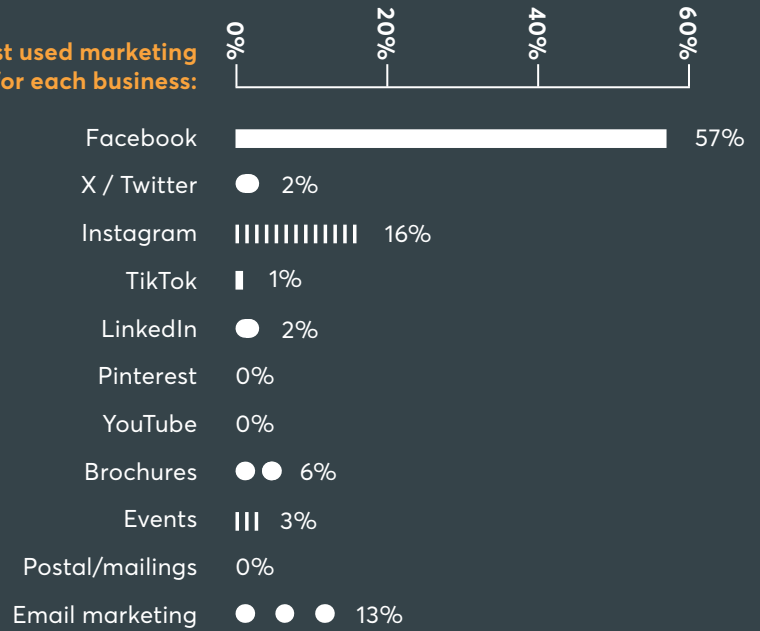
"I send a weekly email to all the staff on a Sunday and give them the trip adviser and google reviews, shout-outs and compliments, because it can be tough in hospitality. If we do get a complaint, we respond the same day. You can turn a negative into a positive depending on how you respond, and how quickly you respond.

"You'd be amazed that some of our customers go to more than one site, and there are some that go to all of our sites, which is good. We get continual feedback on brand, quality of product and customer service."

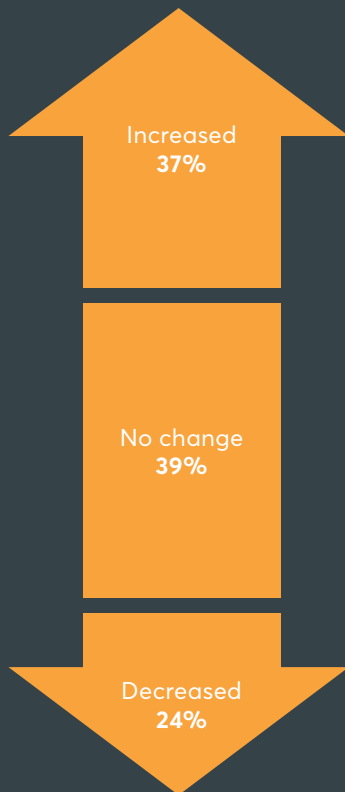


## Marketing & brand

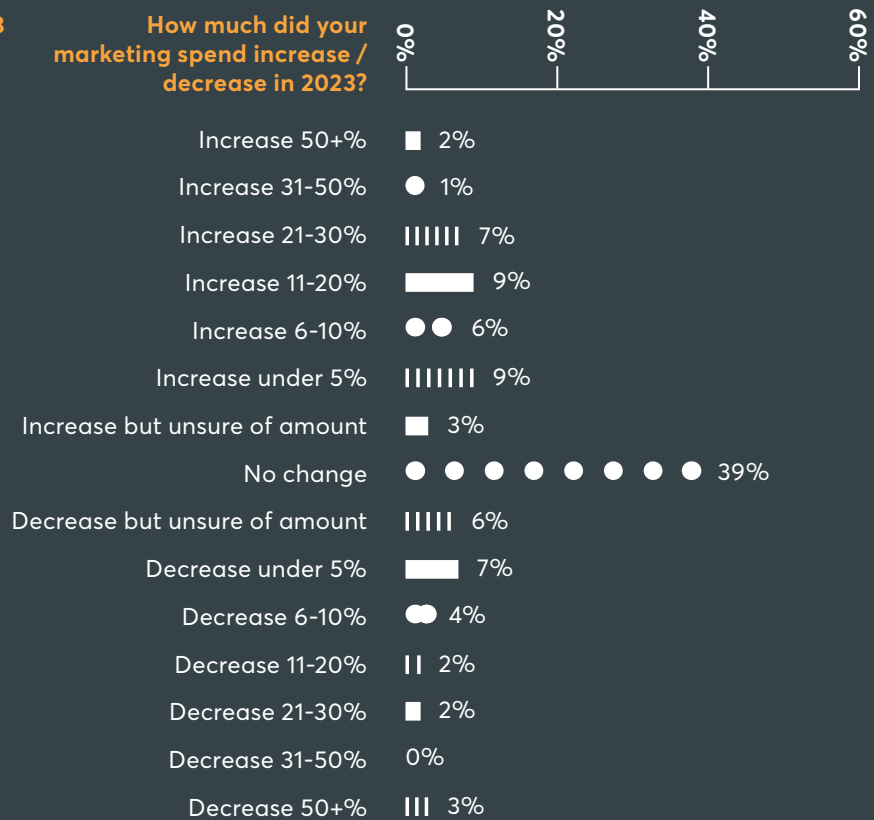
### Most used marketing tool for each business:



### Changes in marketing spend in 2023 compared to 2022:



### How much did your marketing spend increase / decrease in 2023?



# The great cash debate

There was a moment during lockdown when it looked as if the nation had gone almost cashless but, as the pandemic receded, the pounds and the pennies returned. The use of hard currency is undoubtedly in decline, but what do businesses in our region think the future holds for cash?

**Kiera Goymour, Applewood Countryside Park**



"I think it's important for an older demographic, who perhaps don't have Apple Pay or aren't confident doing bank transfers, or are worried about online payments because of fraud and scams. They're much more cautious.

"Being a new parent, I realize that actually having cash now and again can be quite handy for things like going to baby groups where it's £2 or £3 and you have to pay cash. Also, for younger children, being able to give them pocket money, to buy an ice cream for example, helps them learn life skills.

"With our table tennis, we ask for a £5 refundable deposit for the bat and balls. We can take that on a card, but we prefer it in cash so that we can just return it to the guest.

"You can't turn cash away, so I feel like it's part of the service we provide. As a business, we have to have those processes in place so that, no matter how people wish to pay, we can support that."

**Steve Magnall, Two Magpies Bakery**



"Cash is 10% of our take, which is a big number. The question is, would the consumer not come to our shop because they couldn't pay cash. There are perhaps 1% or 0.5% who may not.

"There is a massive grey economy out there and there are still businesses that only take cash, so we are going to review our position on this next year. We do have a silver pound that may come with cash and I don't want to alienate them.

"We have a loyalty programme with either an app or a stamp card, which are probably used 50/50. I do think going cashless is due, but I think the banks will take 10-15 years before they go cashless. Cash is painful, my team hate it, but I think it would be sensible to continue accepting cash payments in the long term."

**Cathy Frost, Loveone**



"We take all forms of payment apart from cheque, so I'm very happy to take cash. I don't have a minimum on my card machine either because I want people to leave my shop thinking they've had a nice experience, and not feeling bad because they didn't have a card or cash."

"My cash to card ratio is probably about 80-85% card, 15-20% cash. It fluctuates with more cash at Christmas. Maybe the reason for that is a response to the high cost of living, and people finding it easier to budget with hard cash.

"I would protect the use of cash because I think there's a place for it. It's a choice some people still want to have, not necessarily just an older demographic. We get older people coming in with cash, but we get a lot of kids with pocket money and I'd much rather see them coming in with a ten pound note than a loaded card, with no idea what's on it or the value of it."

**Anna Hamilton, Watatunga**



"We tried going cashless and encouraging card, and we still try to direct people to pay by card in the first instance. But we found that we were missing a lot of sales when we only offered card."

**Adam Goymour, ROARR!**



"There's been a noticeable downturn in the amount of cashing, however it's important to us to have all options available.

"You don't want to turn away your audience if you don't offer every option to pay. As a business, we have to monitor how people are paying us and what facilities they need to enjoy their day out with us. It's our job to serve that. It's going to be dictated by how people want to manage their money."

**Jimmy Doherty, Jimmy's Farm & Wildlife Park**



"Cash always has a place and we have no plans to go cashless. I can see there may be benefits for a business to go cashless but you run the risk of isolating an important group in the population – the older generation. In which I class myself!"



# Seizing opportunities behind economic challenges

Where some see difficulty, others see opportunity. We spoke to one business owner who saw the challenges of the economic climate as an opportunity to adapt and build a successful enterprise.

To the outside eye, the rise of the Rusty Krab Rum Shop & Bar in Kings Lynn looks to be the result of months of research and careful planning. But according to owners, Lisa and Joe Melton, it was born through a combination of passion, coincidence and sudden inspiration.

It all started when Lisa and Joe built a bar in their back garden during the COVID pandemic. One afternoon, on a whim, Joe decided to enter the Cuprinol Shed of the Year competition. He went on to win the category of 'lockdown new build' for the bar, which led to TV interviews with BBC and ITV news.

Joe always had a passion for rum and a large collection, and it was suggested to the couple that they use the publicity from their win to start a business.

"It was lockdown and people weren't able to go out, so we thought why not do some rum tasting kits for people to try at home? So, we picked four rums, and made 50 kits. Within two days we had sold them all," said Joe.

The next step was the idea to open a shop, and once they started applying for licences they thought a combination of shop and bar would be better.

Lisa said, "I thought, if we were paying all this money for all these licenses for a shop, we might as well be a bar as well. So, if the shop didn't work, we've got the bar to fall back on and vice versa."

It was almost by accident that the couple then launched their own rum. Lisa had taken Joe to a rum distillery as a Christmas treat.

"We came away from there with a bottle of rum that we had handcrafted as part of the tour, and when we got back to the hotel, Joe said he thought we could sell it. We ordered 36 bottles and sold out within two days, and a further 50 bottles which went within three days. We're now buying pallet loads of bottles every couple of months," said Lisa.

Great Taste Awards, more than 20 stockists, 160+ rums on offer, a



Lisa and Joe

presence in local markets, an online retail business and a successful shop and bar have all contributed to the Rusty Krab success story that has seen them win a West Norfolk Tourism award and be national runners up in the People's Choice Award for Best Bar in the UK.

"We found that we're being talked about in the industry and that's because we're doing something that is completely different from what anyone else has done," said Joe.

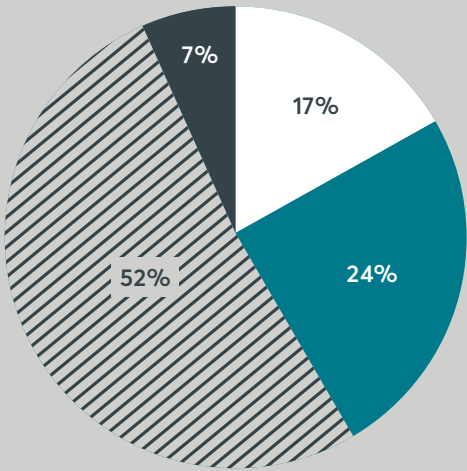
"We allow people to try the different rums we have on offer, talking to people, using our knowledge of the rums, giving them an experience we believe they should have.

"We can tell you about every single bottle, where it's made, who by, and the background stories behind them. We have a little saying, that we are opening people's eyes to the world of rum and that's basically what we're trying to do," said Lisa.

# DMO & government

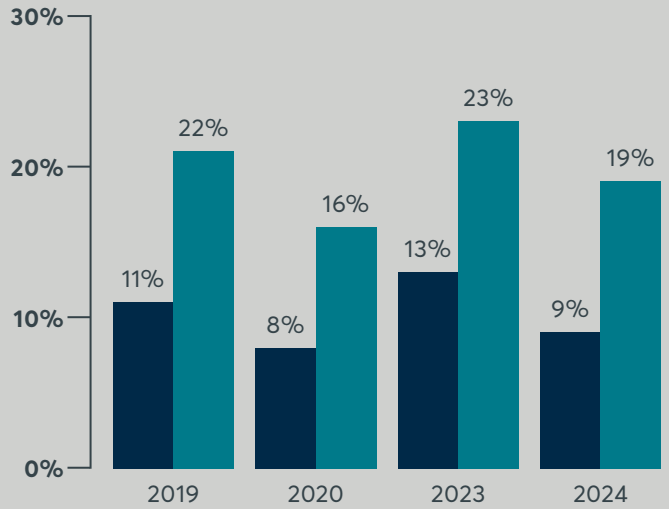
Compared with January 2023, are you currently more or less engaged with your local DMO?

- I'm much more engaged
- I'm more engaged
- I have the same level of engagement
- I'm much less engaged



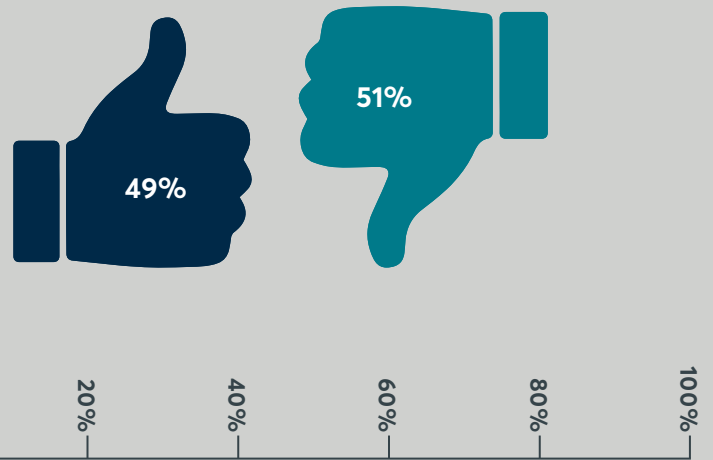
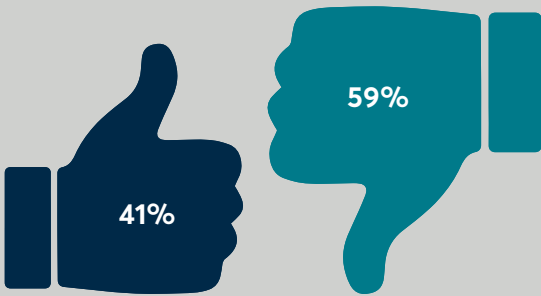
I feel that central/local government provides enough support (not just financial) to the tourism, leisure and hospitality sector in our county:

- Central
- Local

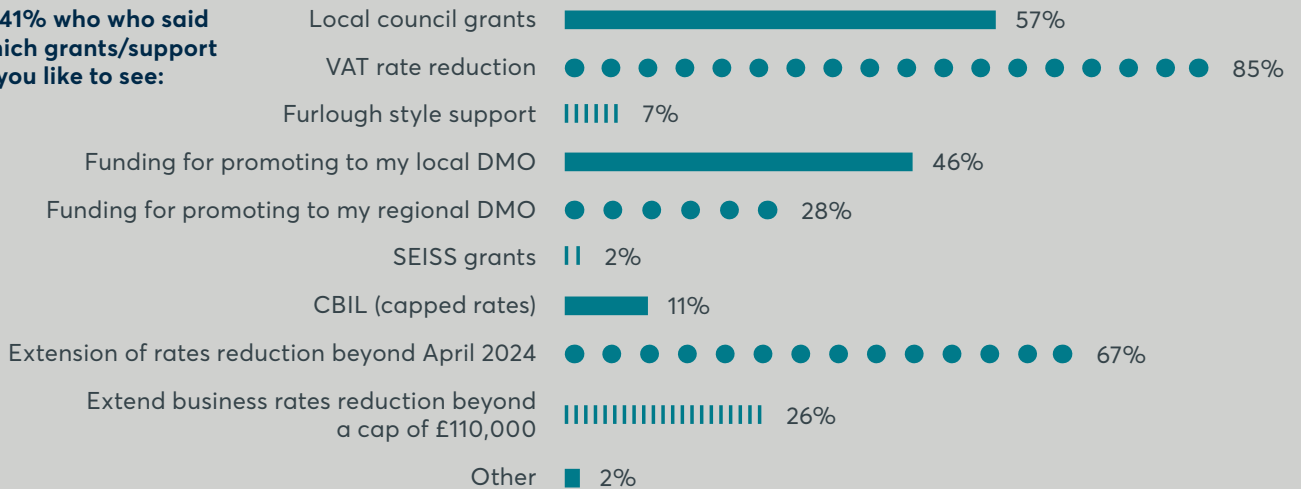


In today's modern digital world, where online reviews are becoming more popular, do you feel that customer satisfaction is getting harder to achieve?

Do you think, in light of the challenges currently faced by the sector, that further 'covid style' government support schemes are needed?



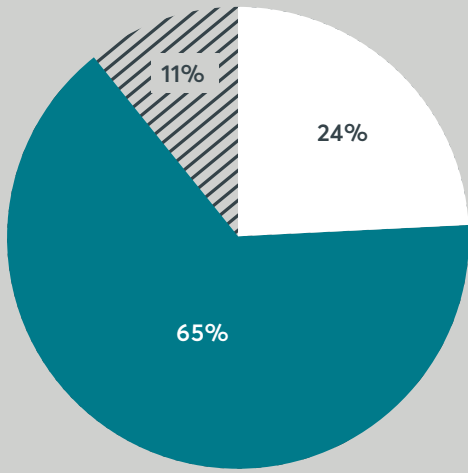
Of the 41% who who said yes, which grants/support would you like to see:



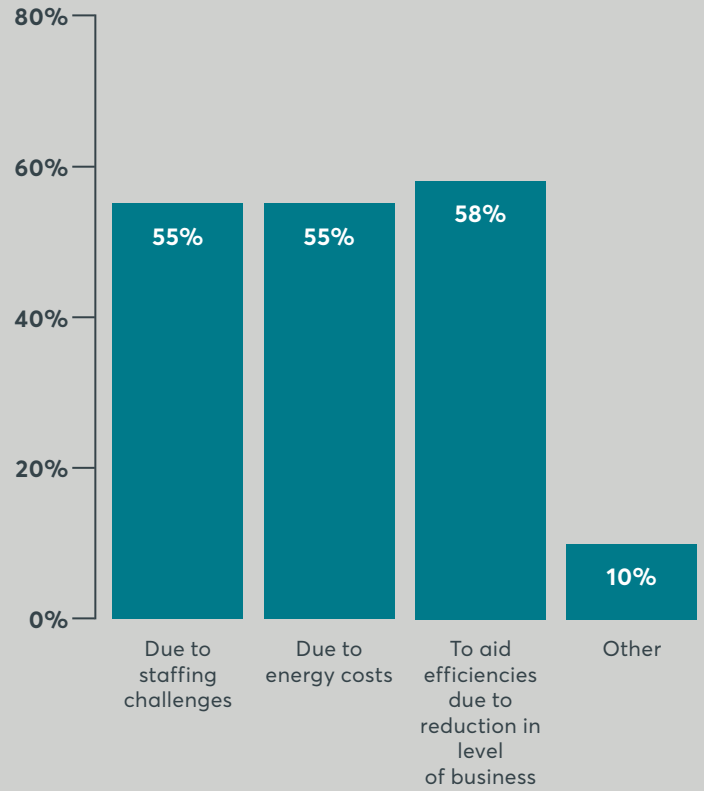


A number of businesses reduced their operating hours or operating days in 2023. Did you reduce your operations?

Yes
  No
  This doesn't apply to my business

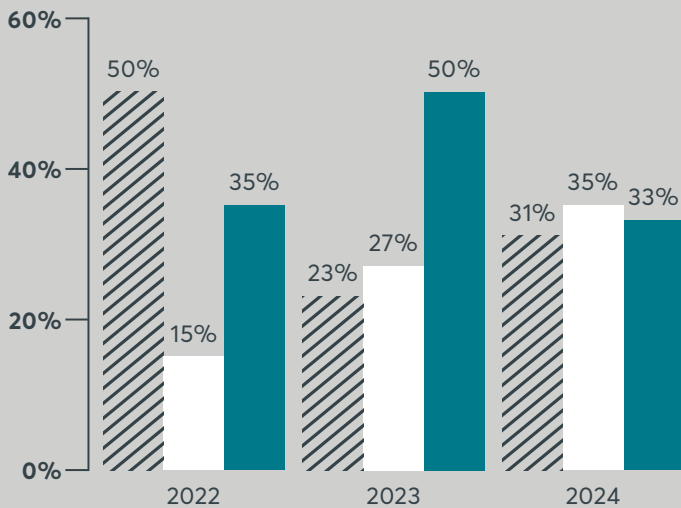


If yes, explain why you reduced your operating hours or opening days in 2023:



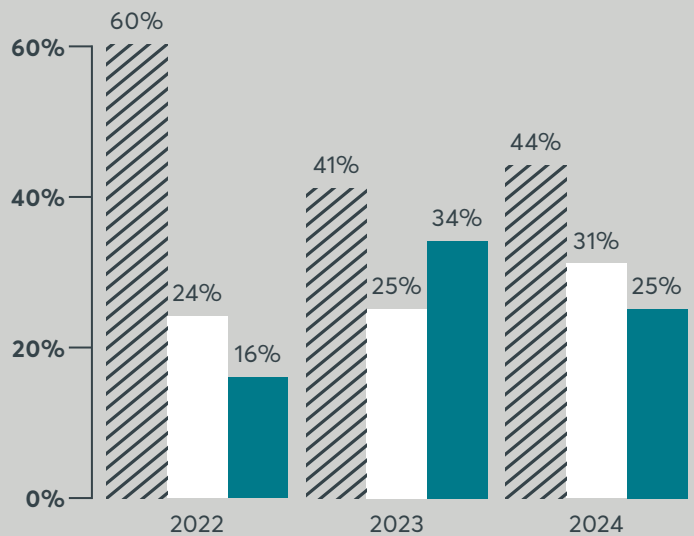
Profit performance, actuals and forecast:

Increased
  No change
  Decreased



Turnover performance, actuals and forecast:

Increased
  No change
  Decreased





# Sustainability needs better planning support to go the extra mile

The owner of award-winning Deepdale Camping, in North Norfolk, has said the planning system is holding back green development in business and needs reform.

Jason Borthwick says red tape in the local planning process has hindered efforts to install photovoltaic (PV) panels and a water recycling system at his site in Burnham Deepdale.

Sustainability has always been an important part of the mix at Deepdale, which won the AA Small Campsite of the Year 2023/2024 and took second place at the East of England Tourism Awards for Camping, Glamping and Holiday Park of the Year.

"It impacts all our decision-making: where we get our cleaning products, the kit we use on campsite, what sort of washing machines we buy. We've

been keen to make Deepdale green since it was built around 40 years ago. We started with solar thermal panels and have continued from there," Jason said.

"However, now we've hit a bit of a roadblock. Our bugbear at the moment is that the planning system doesn't help in any shape or form to green up.

"We've been wanting to put solar PV panels on the campsite for a significantly long time and we just cannot get the planning department to talk to us properly about it. They have no policy on it at all, so basically

red tape is preventing us from being greener than we currently are, which is heartbreaking," he said.

He says that, because there is no general planning policy on PV panels, each case has to be heard on its own merits – which significantly slows down the process.

The business experienced similar problems when trying to install a rainwater-recycling system for its showers. They were told to wait for central government regulations on the systems, which never came.

Jason says he would like to see more electricity locally generated through solar panels, small scale wind turbines and air source heat pumps.

"The planning system has needed reform for decades and is now having a hugely negative impact. You can't get a grant unless you have planning permission, but because of the length of time it takes to get permission, you miss out on the grant. Business is becoming less green because of this," he said.

How much does sustainability influence customer behaviour?

"It isn't the driving force for most people on their first booking, but very definitely has an influence on their return visits. Once they've been to Deepdale and seen the way we encourage nature on the site, our green technologies, the way we manage electricity, the recycling facilities, sustainability is one of the many reasons they come back to us," said Jason.



# The cost of going green

Steve Magnall, of Two Magpies Bakery, said the business is now close to getting B Corp certification, to meet standards of social and environmental performance.

He says that the many forms of recycling open to businesses come as standard now, but taking the extra step towards sustainability can be costly.

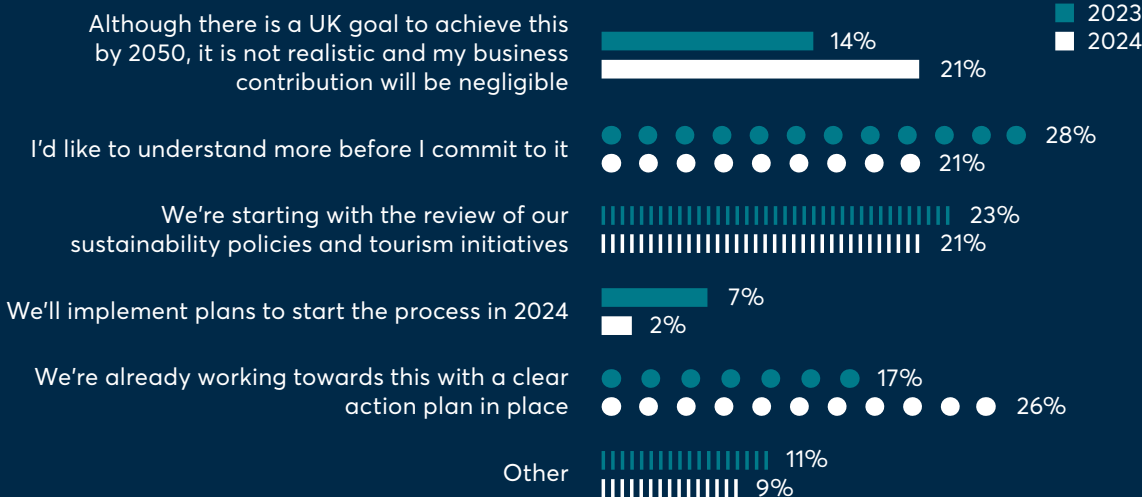
"We are doing our bit, and I am quite happy – but we could probably be doing more. At our plant in Walpole,

we use a lot of electricity, with heat from the ovens going out into the environment. I'd like to put in an extractor that could heat our water, but the cost of doing that is massive.

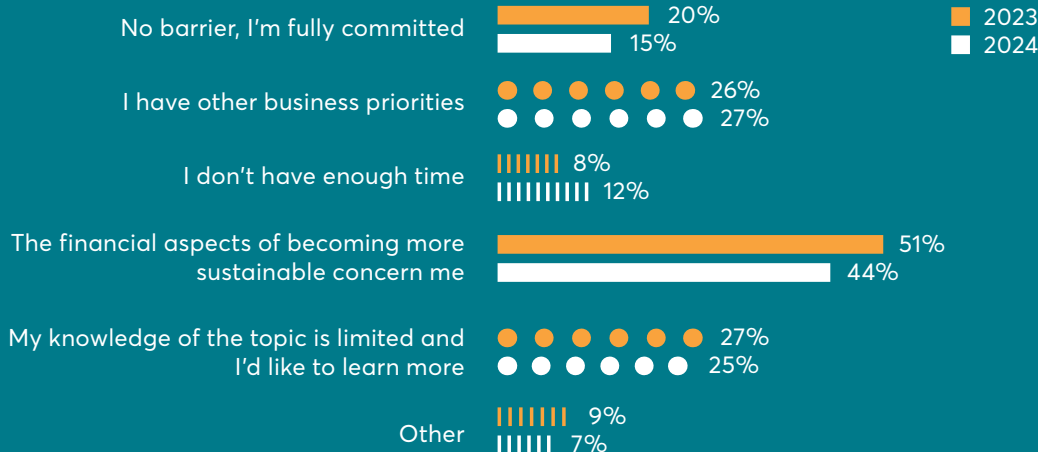
"The Government will fund us the differential costs of what is considered green, but we have to put the initial cost up front which they won't do. It doesn't stack up for smaller firms to do this, so in that sense we could be more energy efficient, but we can't afford it."



## The business challenge of achieving net zero by 2050 is huge. What is your approach towards achieving this?



## What are the barriers to becoming more sustainable that are applicable to you?



# The cost of living crisis

With rising prices and less money to spend, the cost of living crisis has had an impact across the tourism sector. We spoke to businesses in our region about how the current financial climate is affecting them.

## Doug Muttitt, Swiss Campings

"The cost of living crisis has been challenging across all sectors, whether it's the national living wage or energy prices. These two elements touch pretty much every business in the country. Like all other businesses, we've seen significant increases in our staffing costs, and more than double our energy costs and we are quite high users of energy.

"Vehicle costs and leasing costs have also gone up quite dramatically, again because of the supply chain. Because of Brexit and COVID, spares and parts are still quite challenging to source, either because they are expensive, or you just can't get them. As a result, we do put a lot of planning into what we do and have stuff on the shelf ready instead of waiting for orders to come through, and that's true of our linen supplies as well as our spare parts.

"Interest rates have gone up and, because we are a well-invested business, we do have some debt.

"Across the board our cost base has been going up and, as a result, we've had to pass some of those costs on. The impact of the cost of living crisis on our customers' customers, where everyone has less money in their pockets, will lead to uncertainty over what the summer will look like, with the weather as a factor too."



## Anna Hamilton, Watatunga

"Since mid 2023 we've offered our trailer tours at a lower price point. It's priced per person and means we now have an option that allows people to come in smaller groups.

"Because we're fairly new, and our brand awareness is rising all the time, we haven't seen a huge dip. We were lucky in lockdown. We were an outdoor activity and we were new – as a result, we got a lot of press coverage.

"One of the things we've noticed is a lot more last-minute booking. People want to make the most of their day trip, they don't want to sacrifice it to a rainy day anymore."



## Adam Goymour, ROARR!

"One of the main things is that people are not visiting three or four attractions, they're visiting once and not returning as many times as they used to because they're looking after their money.



"They are looking at free activities to manage their budget. We understand that we're not a cheap day out, that's not what we do, but what we do offer is huge value for money. Everything is included in the price, so all our attractions are included, no extras, which makes it easier for people to budget.

"When the weather is good, people are spending, when the weather was poor, like this Easter, they didn't spend. People are living month to month, working out how much discretionary spend they have.

"The expectation to provide quality continues to grow, especially when people have less money. They're seeking and expecting a lot more when they do go out. You have to make sure that everything is on point.

"Since COVID, there's been increased competition with a lot of other businesses diversifying their income and we've had to do the same. You can't rely just on your day visits. The events are integral to the attractions' successes now. You've really got to look at that and other ways you can bring in money.

"We provide a fun day out and provide family memories in a setting where people can feel safe and enjoy themselves."

## Cathy Frost, Loveone

"It's been a challenge. The last few Christmases have been OK, but they're very late to kick in. People are watching what they're spending. They're waiting for bargains and so I think people wait to see how much money they have left.



"We're seeing, increasingly, a trend around payday. I could draw a graph of the peak and then it tails off. By the end of the month, it can get very quiet down the street.

"People who are coming in aren't spending so much. They're buying one item where before they might have bought two or three.

"My response has been to find products that are more competitively priced. I've had to let some of my high-end products go and brought in products with a more competitive price point.

"I've noticed there are a lot more market operators now, as if the high street is going into pop-ups and events. That might be a response to the cost of living crisis as well."

**Joe and Lisa Melton, Rusty Krab**



While many businesses are feeling the economic bite, others are finding that customers are still coming out to spend.

"Maybe it's because we're a relatively new business, but there doesn't seem to be a pattern. We noticed February, March and April weren't busy compared to last year, but January was actually busier than December," says Rusty Krab owner, Joe Melton.

"Some weekends we've been so busy we've been turning customers away. The biggest thing we've found for our business is that there's no rhyme or reason to any particular weekend.

"It can be a quiet night or weekend, then mid-month we can be turning customers away as we're so busy and just don't have the capacity."

**Jimmy Doherty, Jimmy's Farm**



"It has affected the sector as, sadly, disposable income has reduced for so many people. The important thing is we offer value for money and a price point for everyone. Our gardens are open for free for people to sit and enjoy the surroundings and we host free Christmas and Spring Fayres, but then we offer special dining events and VIP days at a higher price point, as well.

"Our annual membership package is great value for money and gives people the opportunity to spread the spend. As an adult, if you visit four times in the year you've saved yourself money and the discounts you get at other attractions mean you can enjoy even more days out. That partnership scheme with other attractions is something we're really proud of as it bolsters our local tourism community."

**Steve Magnall, Two Magpies Bakery**



"I don't think the market's dead at all. A lot of people are still going out at the weekend. The occasion is changing, but the reality is they're still spending. They want an experience that is a good experience, and people are happy to spend a little more for this.

"The question is, am I going to go out to a mediocre café, and drink mediocre coffee or am I going to have a great coffee?"

**Kiera Goymour, Applewood Countryside Park**

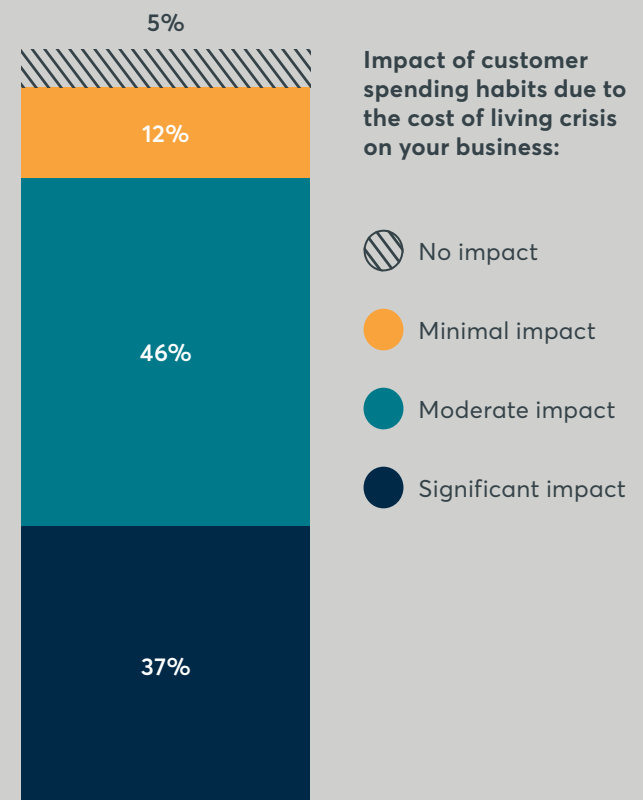


"Holiday staycations are really about what people can afford at the moment. What we offer can be quite an affordable option. We've got everything from non-electric camping pitches right through to luxury shepherd's cabins with en-suite bathrooms.

"With the cost of international travel creeping up, I think people have enjoyed discovering what's on their doorstep and really appreciate it.

"During COVID I think everybody was surprised by what the UK has to offer, and I think in Norfolk we're especially lucky. We've got beautiful coastlines and amazing attractions. Here at Applewood Countryside Park, we've worked really closely with these attractions to offer our guests added value so they can really take advantage of what's on our doorstep.

"I think added value is important. We have a range of family-friendly events, an onsite playground, undercover games, modern showers with underfloor heating, so no matter what the weather, people can still enjoy their holiday."





Jimmy Doherty,  
owner of Jimmy's  
Farm & Wildlife Park



# Government support needed to stimulate sector investment

"Investment in tourism and leisure would benefit from direct government support and more recognition of the sector's importance to the local and national economy," says the owner of one of the region's most high profile attractions.

Jimmy Doherty, owner of Jimmy's Farm & Wildlife Park, near Ipswich, said government benefits, such as the VAT cut during lockdown, would allow businesses greater scope to reinvest.

Jimmy said, "The VAT cut we saw during lockdown was amazing as we were able to use that financial saving to grow our attraction. Investment in the sector is important – giving businesses like our own benefits that allow us to reinvest would be hugely helpful.

"Money is tight. There is an appetite for investment but a lot of it depends on the willingness of government to

put their money where their mouth is, in seeing the importance of tourism to the economy."

Lauren Dodman, Communications and Marketing Manager, said "There had been significant investment in the business over the past few years, the biggest being The Lost Lands of the Tundra, home to Europe's largest polar bear reserve.

"We did this, not for the visitors, but because the polar bears we were rescuing needed a home, and animal welfare and conservation is at the core of our business. This is reflected in the design of the reserve as it maximises space for the animals, over viewing points for the visitor.

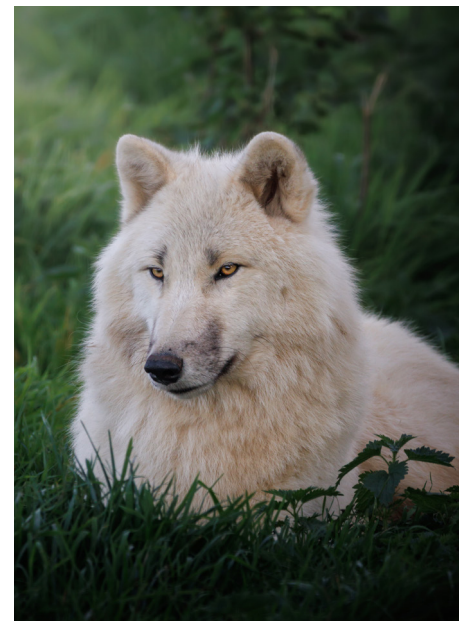
"We are fortunate that the story of the construction and rescue struck a chord with the general public and, as a result, we have seen an increase in visitor numbers," he said.

The enclosure, which has been built into the existing landscape, has woodland and natural springs and incorporates other tundra species including reindeer, arctic wolves and arctic foxes.

Jimmy added,



The attraction you are building must always be rooted in authenticity. That's what has driven our investment over the years."



## Using investment to create a streamlined business model

The business model for Two Magpies Bakery is for investment to create efficiencies which drive margins and improve profitability.

Steve Magnall, owner of Two Magpies Bakery, explained how the model emerged.

"When COVID happened, the world had collapsed. We thought it was a good time to get some good high street properties, so we opened two sites on the back of COVID."

The business has continued to expand over its 12 years, with two production facilities and 10 sites in the region.

"It's about incremental growth for us. The reason we moved to our new facility at Walpole was to have enough production to get to 15 or 16 sites. We currently make around 5p in the pound and we need to get that to 10p."

Investment is also part of the philosophy around staffing where 80% of employees at the group are salaried. Although summer months are busier, Two Magpies retains permanent staff throughout the year, taking a loss during the winter months and recouping this between March and May.

"I don't lay off staff over winter, because then you've got to recruit more, and you've got to train them all up to get the customer experience right. That doesn't make sense for us."

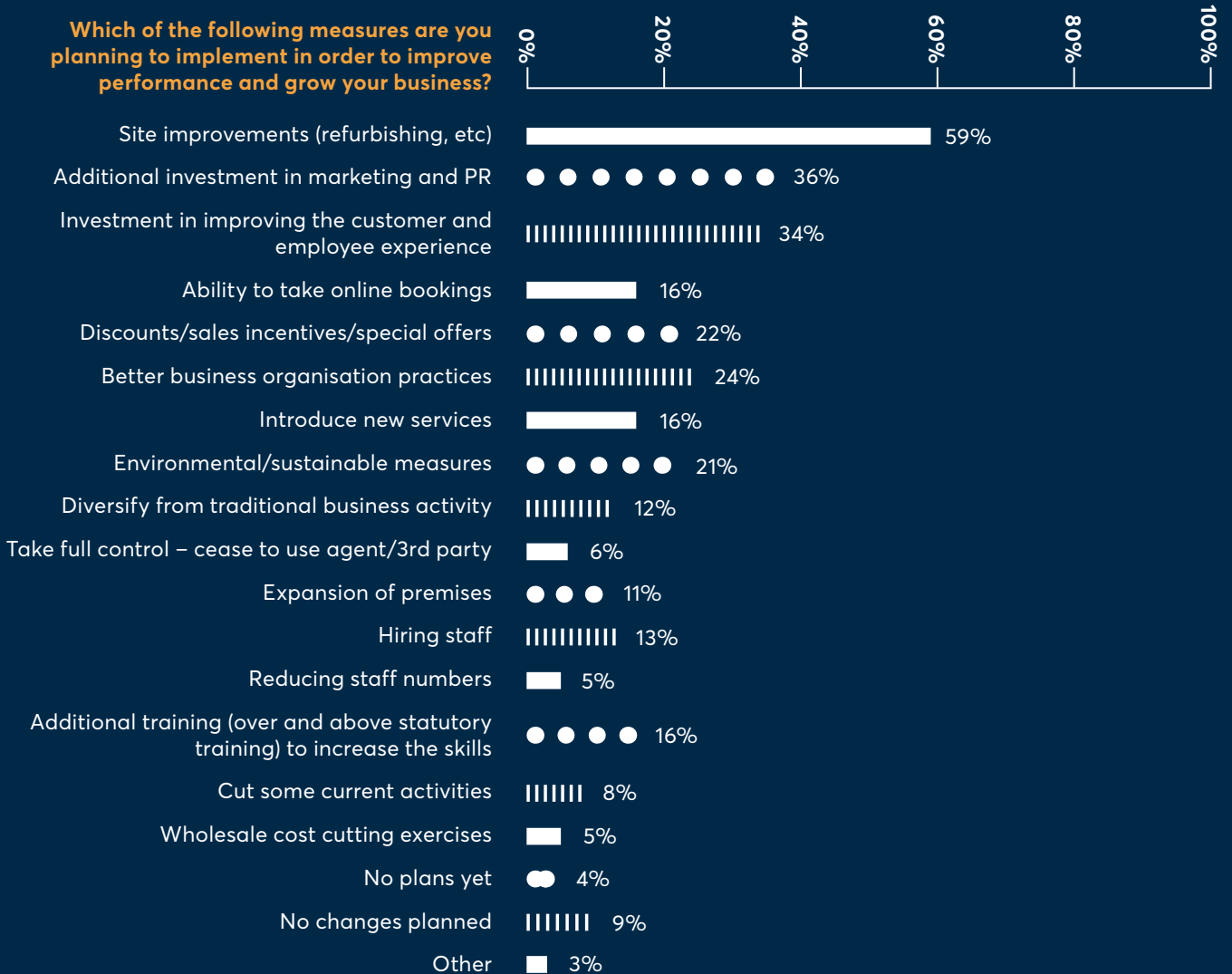


Steve Magnall

"We measure economics on a daily basis, with a weekly ops and finance meeting, so we're on top of our ops and finance quite well. We can see trends as they happen."

"It's about holding your nerve as well. If you underinvest all the time, eventually what happens is that the brand looks tired, the kit gets more inefficient, the staff get demoralised and that reflects on your customer service."

### Which of the following measures are you planning to implement in order to improve performance and grow your business?





# A learning curve as firms adapt to staffing challenges

With COVID, Brexit and the cost of living crisis, economic uncertainty has become the new normal. Doug Muttitt, of Swiss Camplings, describes the impact of recent financial upheavals on staffing in the industry.

As a leading supplier of laundry to hospitality firms in the region, Swiss Camplings has been vulnerable to the economic challenges faced by the sector, with staffing being a particular concern over the last few years.

COVID, although mitigated by the furlough scheme, has had a lasting impact on staffing in the sector. The seasonal nature of the industry, with higher demands for staff in the summer months, created particular difficulties.

"Whereas in the past it was relatively straightforward to find staff, whether on short-term contracts or agency workers, the combination of COVID and Brexit certainly made that far more challenging," said Doug.

"Two years ago, we really struggled with recruitment, particularly at our Papworth site, for our summer months. We generally bring on another 15-20 people at each site (Papworth and Great Yarmouth) but, when we looked to do that in 2022, we simply couldn't get the staff," he said.

The business was having to bring in

agency staff from quite a distance at a premium, and that had a knock-on effect not only on profitability, but quality control as well. The agency was unable to provide the same people every day, so new staff had to be trained up all the time.

"We had to learn from this, because we realised we couldn't have another year like that. There was significant investment in our staff through 2022 and 2023, with a combination of a review of our benefits packages, and a real push on engagement.

"We do value what our staff think and we had several staff surveys, spent time out on the floor, and out with the drivers, asking what they wanted, and what they valued. We had to deliver on that promise.

"We've enhanced our benefits quite significantly to make sure that we're engaging far more, whether it's with employee events, an employee forum, or whether it's having a quarterly newsletter, or a Facebook page. By explaining to staff what we're doing, hopefully they have a better understanding of the whats, the hows and the whys.

"As a result, we're now coming out the other side and we're finding it easier to bring in the staff we want and to retain them. Whether this is a new normal or not, who knows?"

## Swiss Camplings celebrating 20 years together

Prior to their merger in 2004, the association between two of the region's biggest laundry firms went back many years.

Both Swiss and Camplings had been long-standing family firms. The Camplings site in Great Yarmouth is more than 100 years old, and Swiss, based in Papworth Everard, Cambridgeshire, had been around for nearly a century.

Although separate concerns, the two firms had been able to work together supporting one another because their summer seasons peaked at different times.

When Camplings Managing Director, Peter Kerrison retired in 2004, it was deemed that the time was right for a merger.

"It was a natural fit for the two businesses to merge. We have a common line of business service, which is to bring good quality linen delivered in full and on time, and a similar ethos around our staff and customers," said Swiss Camplings MD, Doug Muttitt.

"We're now 20 years in, and both businesses have enjoyed steady growth and good investment. Both have relatively new sites, Yarmouth having opened in 2016 and Papworth in 2020, a couple of months before COVID."

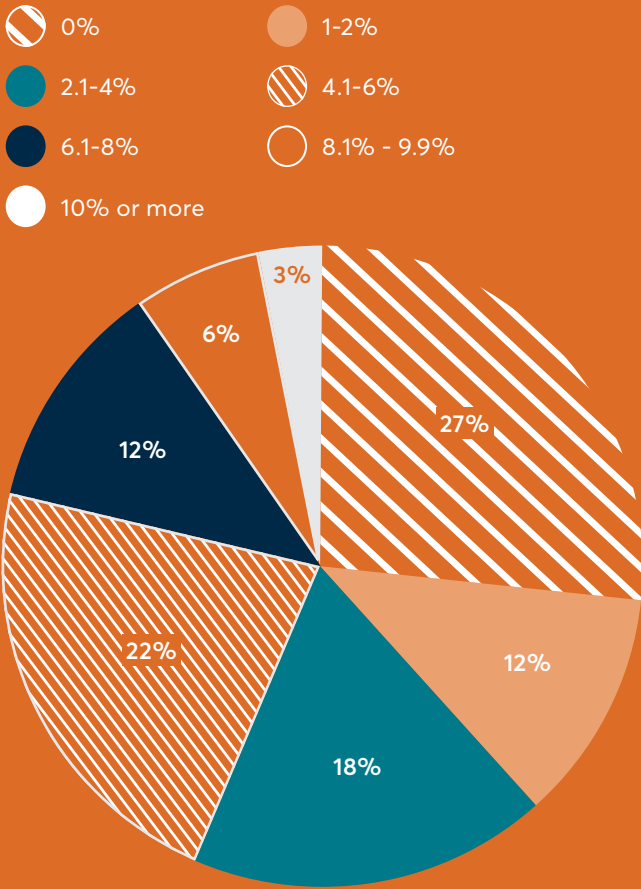
The anniversary is being marked with a newsletter looking back at the history of the business.

"We have a lot of staff who've been with us throughout that period, and we're going to crown the anniversary with a celebratory event at the end of June," said Doug.

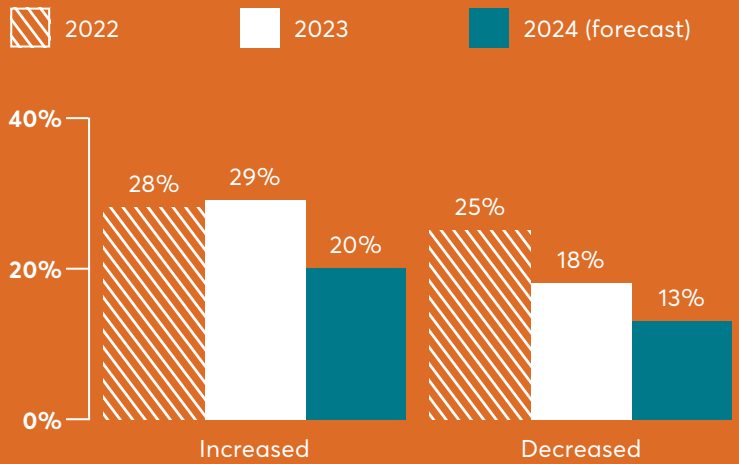
Innovation is key for the firm and former MD, Richard Turvill, has recently moved to a role as strategic development director. He will focus on potential future investments in terms of equipment, and sustainable investments such as heat recovery projects and solar panels, as well as acquisitions, news sites and new customers.



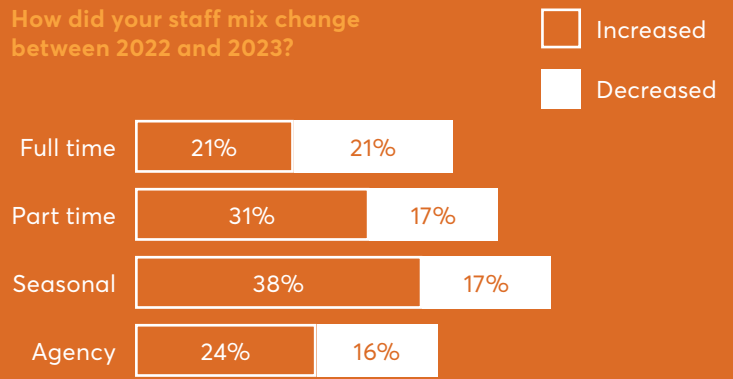
Based on the National Living Wage (NLW) increase in April 24, what pay rise are you planning on giving, as an average?



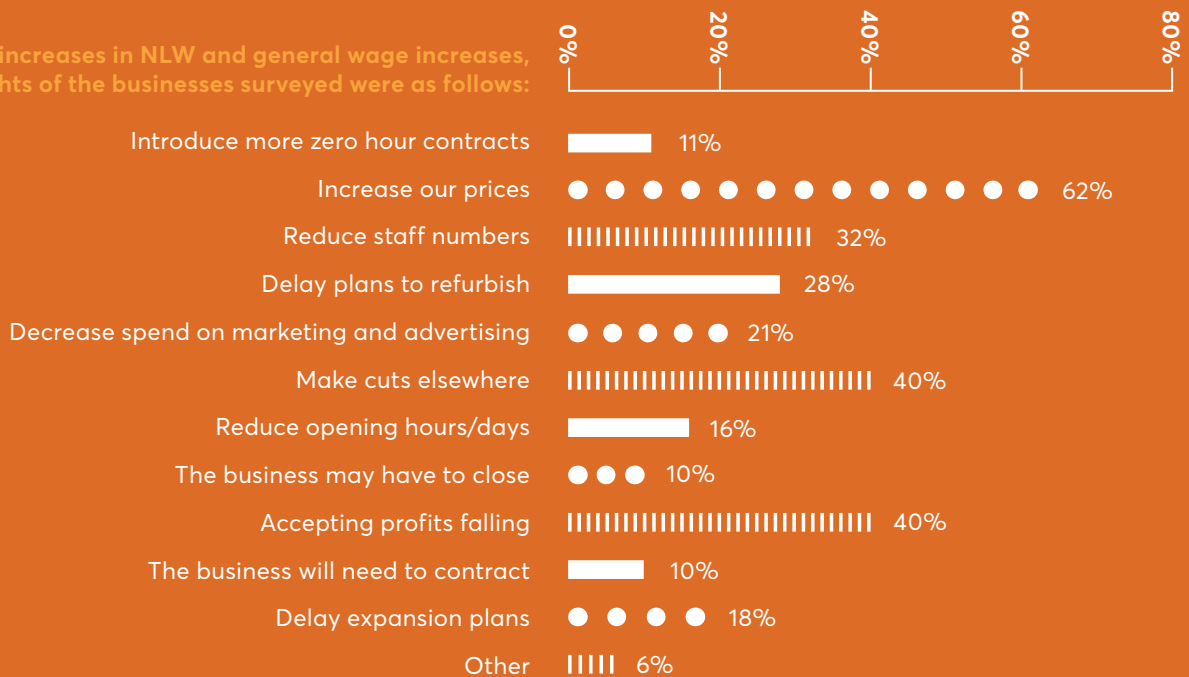
How have/will your staff numbers change?



How did your staff mix change between 2022 and 2023?

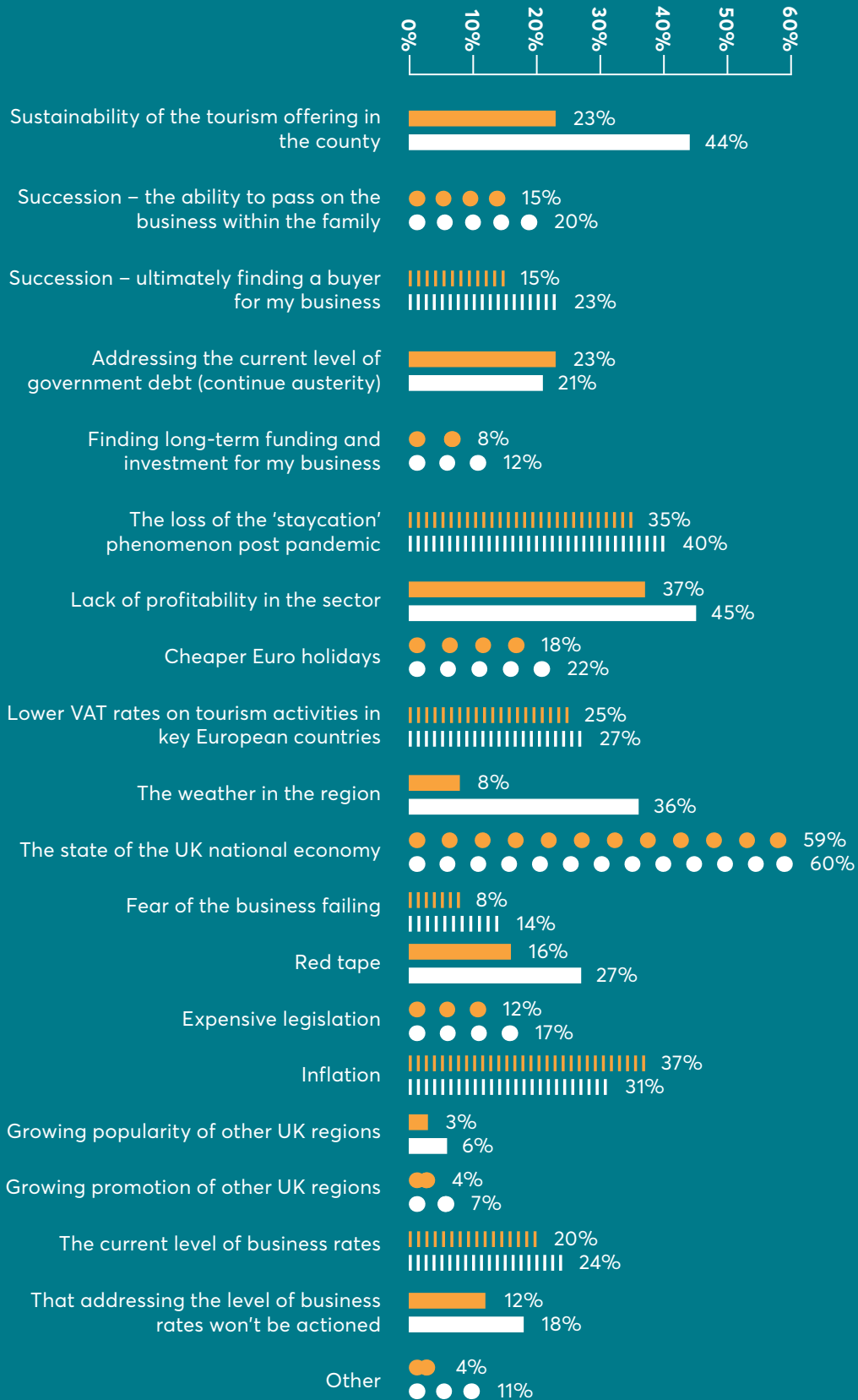


Considering increases in NLW and general wage increases, the thoughts of the businesses surveyed were as follows:



## Which key aspects worry you most about the future?

2023  
2024





# Final words

Recently honoured with an award for his Outstanding Contribution to Tourism, Dr Andy Wood, OBE DL, has always been a passionate advocate for the visitor economy.

Ahead of him leaving the post of Adnams CEO, he shares his reflections on the sector.

I often feel I'm living proof of the adage – when you do what you enjoy every day, it doesn't feel at all like work.

Having been CEO at Adnams for 14 years, I'm not only fortunate to have led an East Anglian-born business with such great brand presence, such incredible people and such tenacious ambition, but I've sat in the very heart of a dynamic industry which delivers billions to the economy.

Far from being a mere 'Cinderella sector', we're an ecosystem of fleet-of-foot enterprises which collectively deliver so much – from good jobs to social mobility and inward investment. Since joining the VisitEngland advisory panel, and subsequently becoming Chair of Visit East of England in 2019, I've witnessed such passionate entrepreneurial drive within our visitor economy – of the like even a pandemic couldn't crush.

Yes, we've had an exceptionally challenging few years, and yes, I envisage there'll continue to be pressures aplenty, but with central Government support (of whatever colour), our sector can be one of the big drivers of economic recovery.

For me, much of the positivity I feel about our outlook in 2024 and beyond, lies in our unwavering commitment to the LVEP (Local Visitor Economy Partnerships) vision. I believe Norfolk and Suffolk together, can provide a tourism economic powerhouse.

Success is in partnership, but also in recognition of the subtle shifts in what our customers expect of us. We'll need to stay ever conscious of their desire for unique and authentic experiences, for safety, for the ability to use the latest tech, and yet to immerse in the natural world and to serve their own wellbeing through recreation and vacation.

If we're mindful of who we serve, and we seek to collaborate, and to push forward with a central mission, while always knowing our worth – our sector has a great future.

# Thank you...

The tourism, leisure and hospitality sector has been rocked by many challenges over the last few years. While there are signs that things may be getting back to normal (or is it the 'new' normal?), we recognise that some businesses who have fought through those tough times, may yet fail. The adage that, in the pandemic, the sector was 'hit first, hit hardest and hit longest' seems to be right, and many businesses are still feeling the effects. Many though remain strong, resilient and are investing for tomorrow.

The efforts of local DMOs, working closely with regional brands and in conjunction with Visit East of England, have helped many in the sector during this tough period.

Therefore, I offer no apology for calling for these organisations to be given your support in return, to allow them to operate for the benefit of the areas they represent.

I would like to thank the businesses who gave up their time to take part in the survey, which has again been well supported.

I hope you've enjoyed reading through the valuable content from those businesses who have generously shared their stories and insights within these pages. Their contribution is invaluable. If you have stories that could benefit others, please reach out and we can look to share those in the future.



A massive thank you to our commercial partners Adnams, Swiss Camplings, and Jimmy's Farm.

Finally, if you'd like even more insight from us into the sector, the businesses, the career journeys and the sharing of tips and successes in the sector from some great guests, then do look out for our podcast series Tourism Business Chat.

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