

THE OVERVIEW

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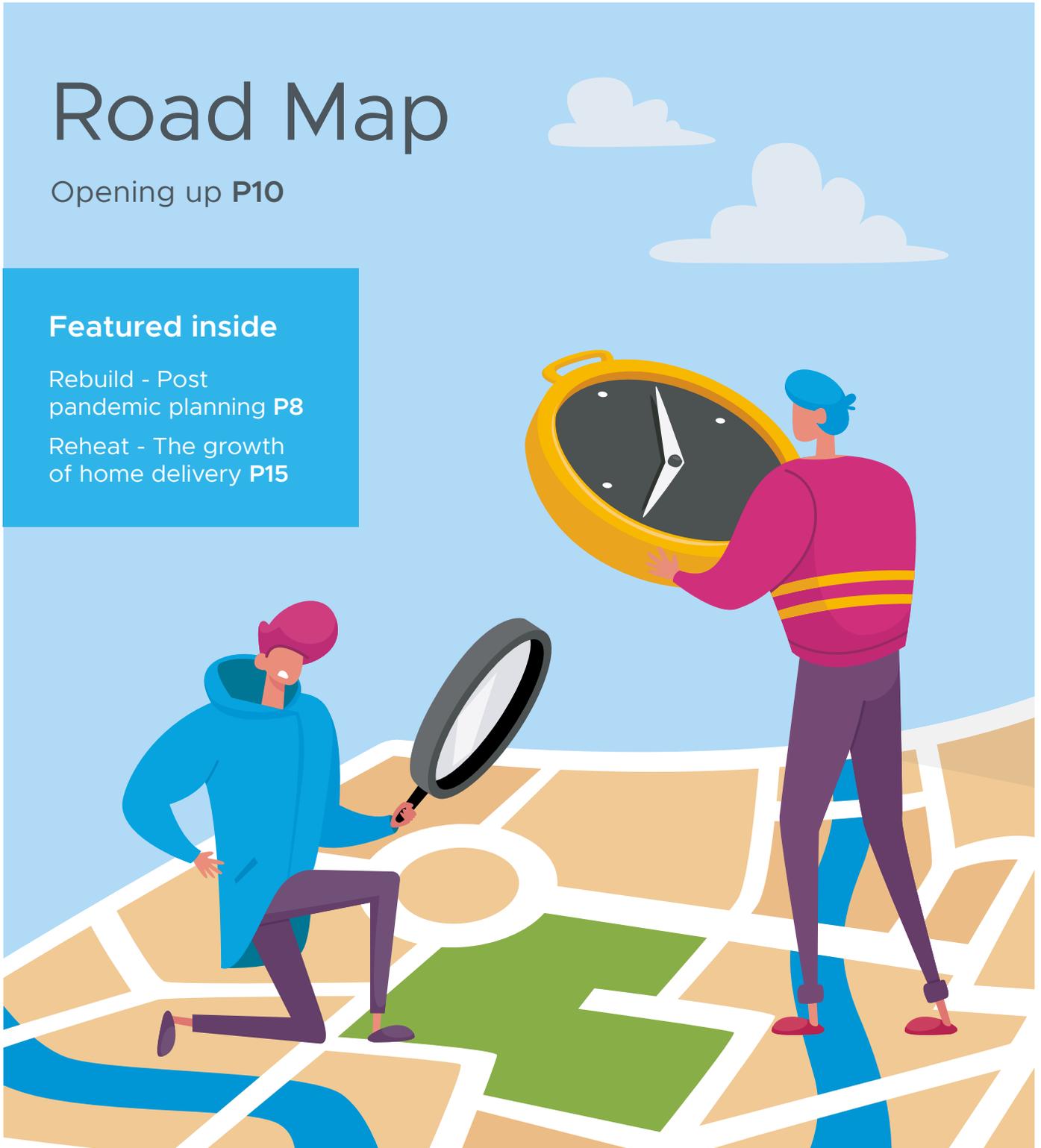
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Welcome to THE OVERVIEW

It's been a year and gah, there are some facial expressions to go with that. As one observer said to me: "I have veered between terror and boredom for 12 months". If anything else, it's not good for your mental health, as we hear from psychotherapist Daniel Fryer in this issue.

But now there's a roadmap and if anyone else comes with my map skills, you'll be hoping it's a Google Map and that the WiFi is good.

To have a chance at accessing this map, you'll need to keep fuel in the car of course and that's where the analogy will splutter to a close. The concern is that the UK government has a passing interest in the sector, but has no respect for those working within it. And by 'passing interest', this goes as far as 'MPs like eating out and staying in hotels'.

Last month saw the government launch a new £150m Community

Ownership Fund "to help ensure that communities across England, Scotland, Wales and Northern Ireland can support and continue benefiting from the local facilities, community assets and amenities most important to them".

An appreciation of the role that pubs, restaurants, hospitality play in the community, yes. But not of the people who put it there and the grinding hard work that it takes to set up a business. And this is the issue for the sector. Oh that hotel will always be there. That pub will always be there. That restaurant will always be there. But every closed venue is dreams and work shattered and wasted.

People are at the core of hospitality. There's just no hospitality without them. Something for the government to bear in mind as it thinks about raising a glass when all this is over.

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The Overview online

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Time for a seat at the table

HOSPA CEO Jane Pendlebury looks forward to the reopening of hospitality, but calls for better representation in government as the approach to the sector remains mixed.

The UK is witnessing a tentative re-opening now that we are at the end of March. Monday 29th saw the end of the Stay At Home rule in England and the fresh ability to meet up in private gardens. Frustratingly, this lifting of restrictions does not include hospitality's super clean and COVID safe premises until April 12th 'at the earliest'.

I am regularly amused and impressed by stories of pubs and restaurants creating spaces to allow customers to sit outdoors. Once again it shows the entrepreneurial spirit and determination to find ways to open up and generate some revenue. What was once a backyard used solely for storing bins and beer barrels has been cleaned up and tables installed. Outdoor eating and drinking opportunities have been created in car parks, fields, pavements and children's playgrounds. And why not? I have no doubt that the demand will be enormous, come 12th April.

Disappointing though, is the fact that self-contained accommodation is permitted to welcome guests whereas hotels have to wait another five weeks until 17th May 'at the earliest'. It's great news for serviced apartments and AirBnB, but why not hotels too? I do understand a lot of the decisions that our Government has made, but this only goes to highlight their lack of understanding of the diversity of the hospitality industry. If indoor sports and leisure facilities are able to open in April, albeit with restrictions, it makes no sense that hotels and restaurants cannot serve customers inside. A minister for hospitality would be able to clearly explain the vast differences between a busy pub and a



fine dining restaurant when it comes to social distancing and the propensity for the guests to behave differently as the evening progresses. All the hotels I have visited in the last year have, without exception, taken their hygiene levels to a whole new high, invested in all sorts of tech and made many operational alterations to minimise contact. So, it is all the more devastating that they cannot open for another six weeks. Once they do, most – especially coastal and rural resorts – should benefit from unusually high demand.

Thankfully, with the apparent success of our vaccine rollout, there really are lots of reasons to be optimistic. The HOSPA team are forging ahead with plans for HOSPACE 2021 on November 18th! Our members have encouraged us to ensure we plan ahead, making sure we maximise their networking opportunities. It now seems more important than ever to get together to discuss the bizarre experiences that the pandemic has forced us to experience! I am sure that the format of a lot of business meetings

will change as a result of how normal a video call has become, but I am equally convinced that most of us cannot wait to see our industry friends and peers in person, and to catch up in a relaxed state over a cup of coffee or a glass of wine.

And talking of wine, those couples who have postponed and re-arranged their weddings will have to wait until June before they can have more than 30 in the room.

You don't need me to tell you to make sure you are ready. However, there are still opportunities for some to shout about the changes that have been made to welcome guests safely. Please bring back those marketing and revenue teams to help guarantee your popularity with the wider British public and to take advantage of all those people desperate to leave their homes and experience some of our wonderful hospitality.

Jane Pendlebury

HOSPA CEO

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Maybe Covid isn't your biggest threat

Once upon a time when you could go to HOSPACE and have dinner, I was with Paul Roberts, CFO Village Hotels. I asked him what was the one risk that kept him awake at night? His answer “a fire in one of the hotels” The potential risk to guests, the damage to the hotel and the lost sales could be catastrophic.

As an industry we have to be careful not to become so focused on Covid we ignore all other risks. I recently got a call from a company that had purchased a 160-bed hotel and they had discovered the bedroom doors didn't meet fire regulations and would I have a look at the door locks. When I visited the hotel, I couldn't believe that not only the doors obviously didn't meet the UK fire regulations, but the locks were some foreign imports that didn't meet the UK regulations.

Maybe there was an assumption that a hotel that had been trading would have met the fire regulations, but I can't understand how the shortcomings weren't picked up as part of the purchase process.

Being responsible for a hotel, your primary concern should be that your guests enjoy a safe stay. Fire safety in hotels is delicate: You have to protect various areas with different environmental conditions (guest areas, kitchens, staff areas etc.) You need devices that quickly detect the first sign of fire and lead your guests safely out of the danger zone. At the same time, the fire protection system has to be highly reliable because nothing can be more annoying than a false alarm at 2.00am in the morning.

People are particularly vulnerable to the effects of smoke and toxic fire gases when they are asleep. Those doing so in hotel bedrooms are especially at risk, as they are probably not very familiar with the premises and associated escape routes. They may be tired after travelling for many hours, they may be deeply asleep having

gone to bed late or having consumed alcohol – all of which might leave them in a disorientated state when first awakened by the sound of a fire alarm.

From small B&Bs to large hotels, the main legal responsibilities are the same. Hotel owners and managers need to be aware of the Fire Safety Order (FSO); the current law in England and Wales. The FSO nominates one individual as the 'Responsible Person' for a building – generally deemed to be the owner, occupier or employer.

Quite often a hotel manager can be designated the Responsible Person without knowing it and without any fire safety knowledge or training. However, just because they are listed as the Responsible Person it doesn't mean they need to know everything about fire safety; someone else can be nominated to be a 'Competent Person' for the premises and receive training accordingly.

The 'Responsible Person' has a duty to fulfil the requirements of the FSO. Those requirements all stem from having a suitable and sufficient fire risk assessment. The hotel manager will need to prove that they have reduced fire risk as far as is reasonably practical and show that they have taken precautions to protect its guests and employees.

Employees need to be made fully aware of the hotel evacuation strategy in order to be able to put this into practice in the event of a fire alarm sounding. The better trained your staff are, the calmer they are likely to be in the event of a fire, which can help save lives.

All our Opendoor Electronic RFID

Locks pass a stringent fire safety test in a laboratory where a door with one of locks fitted is burnt to destruction. No matter who you use for your door locking system in your hotel make sure you have locks that have passed EN 1634-1:2014 - Fire resistance & smoke control for a minimum of 30/60 minutes. We also fit a fire Intumescent Fire Protection Kit around our locks, this is something you should also check with your lock supplier especially for new installations.

Fires are a hotelier's worst nightmare. They damage property, injure employees, put people out of business and take lives. If the worst should happen right now, how confident are you that your evacuation plan and fire safety equipment would perform? If you have any doubts you should take immediate action.



About the author

Andrew Evans is the Chief Executive Office of Keystep Solutions a leading supplier of doors access systems for hospitality. He has written several white papers on fire safety and door locking systems in the hospitality environment. He can be contacted by email at andrew.evans@keystep.co.uk if you would like any more information.

Meet the HOSPA Learners of the Year for 2020!

This month we catch up with one of our prize winners from 2020.

Lucas Genis, who is currently an Assistant Financial Controller at Hotel ME Ibiza (one of the Meliá Hotels International luxury brands), achieved the highest overall grade for Level 1 Introductory Financial Accounting which is the first part of the HOSPA programme of studies in Financial Management leading to Associate Certified Membership of HOSPA.

ME Ibiza is a sophisticated lifestyle beachside retreat at the heart of the Mediterranean's undisputed capital of international glamour. Nestled in a secluded bay with direct yacht access, this luxury hotel enjoys an almost private feel, perfect for those seeking both relaxation and play. With spacious bedrooms and deluxe suites showcasing a minimalist, Ibiza-inspired decor, each room features bright, simply designed furnishings with vibrant local touches, offering a truly indulgent experience for the contemporary traveller.

Lucas explains:

"After college, I undertook firstly a degree in International Tourism at the University of Valencia and afterwards a second degree in Business Administration which gave me a deeper understanding of Accounting. I got the chance to end my last year of studies with an International Business and Management programme at the Noordelijk Hoogeschool in The Netherlands.

Upon completing a long period of studies, I felt ready to start my path in the hospitality industry starting as a receptionist in my home town where I developed the customer care touch. Through working in the French Alps and the French Riviera I acquired the luxury

service approach, and the decisive step in my early career arrived when I moved to Melbourne (Australia) consolidating the management skills through a two-year experience as Assistant Manager in front office at one of the top Australian hotels.

Missing my roots, I returned to my home country Spain after a fulfilling experience abroad with a special interest to take part of the hotels' financial management. The leading Spanish hotel company Meliá Hotels International gave me the opportunity to join the financial department of the luxury hotel ME Ibiza and supported me with the smooth transition from my operational background to a more analytic one.

The course has provided me a deeper understanding of finance applied to hospitality business and is driving me to put in practice efficiently the acquired knowledge in my workplace.

My managers were supporting me throughout the course and shared my achievements with the team, giving me a rewarding recognition within the company.

I seek to contribute to the business transition to the new normal after this challenging year especially for the tourism industry and will continue delivering valuable finance performance to become an essential part of the business management."

Graduates from the HOSPA programme in Financial Management receive exemptions from the Chartered Institute of Management Accountants.

For more information about HOSPA Courses visit <https://www.hospa.org/professionaldevelopment>



The course has provided me a deeper understanding of finance applied to hospitality business and is driving me to put in practice efficiently the acquired knowledge in my workplace.

Basing decisions on data

Luxury hotel group, Hastings Hotels, prepares for the future with Sage Intacct and Percipient.

Business software consultancy, Percipient, share their recent implementation success with luxury Northern Ireland hotel group, Hastings Hotels.

Chris Stock, Managing Director, Percipient, says he is delighted with their latest Sage Intacct success story as it represents a real and positive step towards growth beyond the pandemic for hospitality.

“As the world looks towards life after COVID, we’re finding that hoteliers are looking to move towards the latest technology to help them navigate the road to recovery,” comments Chris.

“The investment being made in finance technology today is one that will allow you to reap the rewards for years to come. It’s a one-time investment in an industry where the increasing need is for cloud-based technology that is designed to scale with the business, as new opportunities present themselves now and the future.”

About Hastings Hotels

Hastings Hotels is the largest independent hotel group in Northern Ireland, with seven luxurious properties across the province. These include the five-star Culloden Estate and Spa, the world-famous Europa hotel, the four-star Stormont hotel and Northern Ireland’s largest new hotel, The Grand Central Hotel - all situated in Belfast. Outside the capital, the magnificent Slieve Donard Resort and Spa is situated adjacent to the famous Royal County Down Golf course, rated the best course in the world in 2016-2017.

The Group also owns the four-star Everglades Hotel in Derry-

Londonderry – Northern Ireland’s second city, and the historic Ballygally Castle set on the stunning Antrim coast at the gateway to the nine Glens of Antrim, a short drive from the Giant’s Causeway and world-famous Game of Thrones Tour.

Embracing a Digital Era

In early 2020, Hastings Hotels commenced plans for digital transformation across the group and identified a need for a new financials’ platform. Its existing platform involved several manual paper-based processes, which meant that a disproportionate amount of time was spent processing data, and the team felt these resources could be redistributed to much higher value activities.

Having undertaken an extensive review of the market, Hastings selected Sage Intacct based on its flexibility, ability to integrate with online banking, property management, procurement and HR/ Payroll systems, reporting and superior management insights. Its ability to scale to support Hastings’ business growth was also key to the decision.

“We operate a diverse portfolio for our customers – from city-based hotels to country retreats offering spas, world famous golf courses and scenery, therefore it’s important that we have a robust, scalable platform from which to manage our financials,” comments Peter Gibson, Financial Director, Hastings Hotels.

“We needed a solution which would provide the business with access to in-depth management information in a timely and user-friendly manner, to enable faster, more informed decision making within the business, something which is absolutely crucial in responding to the challenges we

face in the current environment. From the outset, Sage Intacct not only met all our core requirements, but it also fulfilled all of our ‘nice-to-haves’ which is rare in any tender process.”

“The solution’s cloud architecture was also very appealing from a cost, risk and scale perspective, with four automatic updates each year, rather than a need to factor in potentially painful projects to implement new versions which require dedicated resource and budget each time. In addition, the Sage eco-system, which allows customers to provide feedback and ideas for refinement and improvement, means that these updates typically include features which have been identified as value adds from those using the system.”

“Percipient demonstrated a good understanding of our business, and this, combined with the team’s extensive experience in the hospitality industry, meant that we had absolute confidence that they were the right consultancy for the project.”

While the timing presented some logistical challenges for both teams, most notably the need to deliver the project virtually, the hospitality industry’s pandemic-enforced downtime represented a great opportunity for Hastings. Allowing more resources to focus on the digital transformation project and ensuring that the right foundation was in place from which to embrace opportunities once the economy fully opens again.

Deeper Insights for Informed Planning

Having gone live after a six-month deployment, Hastings is already seeing significant strategic benefits.

“We now have much improved visibility

of higher quality information,” Peter explains. “We can slice and dice the data, according to hotel, or department, and identify trends and anomalies across, say food and beverage, housekeeping, spa services or customer service. The availability of these insights on an intuitive dashboard means that minimal skills are needed, but that everyone has up to date information from which to perform their role to the best of their abilities.

“Our board meetings are much more productive as discussions and decisions are based on robust insights, taking subjectivity out of the equation, and instead defining clear options to improve performance. Similarly, our general managers across the group can access the dashboards daily to help deepen their understanding of a hotel’s status and performance at any given time.

“This ability to drill into such granularity ensures that data is more meaningful and relevant to employees across the organisation which ultimately

means better decision-making based on sharper insights.”

“Planning for the future can be a tricky at the best of times, never mind in the midst of a global pandemic, but through having a clear, accurate picture of our current position, and the ability to be agile and make decisions quickly, we are confident that we’re in the best place to plan effectively.”

“Operationally, we have taken an entire month off our close period. This speed is largely due to eliminating manual intervention, ensuring the process is not only more efficient but less error-prone.”

A Successful Partnership

“Percipient was hugely impressive throughout the project, demonstrating a thorough understanding of the hospitality industry and Hastings’ unique business model. Against a backdrop of remote working and the challenges brought about by COVID, the team was accessible,

responsive and an absolute pleasure to deal with at all times.”

“As we look to the next leg of our digital transformational journey, we are confident that we have the best foundation in place, supported by the best people, and that we can truly embrace whatever opportunities, and indeed challenges, our industry faces in the coming years.”

About the author

Written by Chris Stock, Managing Director, Percipient. Percipient is a business software consultancy specialising in cloud-based Enterprise Resource Planning (ERP) software, to help businesses transform the way they work. Bringing together over 16 years of experience with a wealth of industry knowledge, Percipient provides multi-dimensional business and financial management solutions that give its customers complete visibility of their performance whilst also ensuring full industry compliance.

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APPG looks to rebuild

The All-Party Parliamentary Group for Hospitality and Tourism has opened a written consultation as part of its new inquiry ‘After the Vaccine - Saving the UK’s Town and City Centres Post COVID-19.’

Over the last year, as a result of the pandemic, Britain has witnessed a hollowing out of city and town centres across the UK, accelerating trends that have been challenging high street businesses for years. Before the pandemic, town and city centres accounted for around 60% of the country’s economic output and more than half of the population. Due to restrictions on socialising, travelling and the ‘work from home’ order, central areas have become deserted and high streets shuttered over the course of the last year. Hospitality and tourism businesses have felt the brunt of this impact.

This APPG inquiry is taking a holistic review of the future of hospitality and tourism businesses in town and city centres across the UK. The consultation tackles a diverse range of issues including business operation, business taxation and how to rebuild these vital sectors in a green and sustainable way. The Group would welcome contributions from businesses, trade associations, DMOs, think-tanks and other relevant bodies to assist with the final report.

Oral evidence sessions began in March with significant engagement from Parliamentarians from across the political spectrum. The final report aims to set out the support that hospitality and tourism businesses in town and city centres need in the short term, along with a series of recommendations for Government on how to maximise the potential of these sectors by creating a positive trading environment.

Chair of the APPG, Steve Double MP said: “It is clear that a great deal of hard work is needed to rebuild the economy post-COVID. Rather than being an insurmountable challenge, it gives us an opportunity to rebuild a better, greener system that works for the country. The hospitality and tourism sectors have

felt the worst impacts of the pandemic, but in the long term, these sectors are well placed to drive the UK’s economic growth and recovery.

“As we did with our Pathways to Recovery report last year, the APPG for Hospitality and Tourism will be working with businesses from across both sectors to create another sector-endorsed blueprint for Government. We hope that all organisations with an interest in hospitality and tourism will submit written evidence. Our final report will produce wide-ranging recommendations on how to rebuild hospitality and tourism in town and cities when the vaccine rollout is completed.”

UKHospitality Chief Executive, Kate Nicholls, said: “The UK’s towns and cities have been hit hardest by the pandemic and rebuilding them will be essential for the nation’s economy. Prior to the pandemic, these areas accounted for a huge chunk of the UK’s total economic output, with hospitality and tourism businesses responsible for a significant portion of this. Restoring these sectors in towns and cities across the UK will be a long and intricate process, with

The UK’s towns and cities have been hit hardest by the pandemic and rebuilding them will be essential for the nation’s economy. Prior to the pandemic, these areas accounted for a huge chunk of the UK’s total economic output, with hospitality and tourism businesses responsible for a significant portion of this.

thousands of jobs dependent on getting it right. We welcome the APPGs focus on this vital topic and look forward to working with cross-party MPs to produce a blueprint for long-term recovery. We call on all sector businesses to engage in the consultation process.”

Last year saw the Hospitality and Tourism APPG call for a strategy to increase demand for off-peak tourism in coastal areas in the UK.

The report followed a survey which reported that 77% of those asked expected levels of insolvencies to start rising in Q2-Q3 2021.

The Coasts and Waters report showed that the impact of the crisis had been more pronounced on coastal and lakeside regions due to their reliance on tourism, which generated 50% of local employment in some areas. These regions were likely to bounce back from the current crisis more slowly than other parts of the country, with one-third of coastal communities yet to recover from the financial crash of 2008.

The APPG report stated that Government support for tourism and hospitality businesses, in particular the VAT cut and business rates holiday, had been critical in keeping businesses alive. Members called for an extension of the current VAT cut as well as a business rates holiday for the whole of 2021 to enable businesses to rebound next year.

Following an extensive consultation period and a series of oral evidence sessions, the group heard about the difficult road to recovery that coastal and lakeside areas would face after Covid-19, with many of the socio-economic issues that were frequently present in these areas being exacerbated by the pandemic.

In order to address the challenges post-pandemic, the APPG called on the government to take a number of specific steps, including revitalising the Tourism



Sector Deal to create an effective plan to boost coastal and lakeside communities; commit to a Coasts and Waters strategy as part of its levelling up strategy; and examine “innovative ways to increase demand for off peak tourism to these areas, including the introduction of social tourism vouchers for lower income families”.

Beyond the Covid crisis, the report also outlined deficiencies in infrastructure, particularly the lack of transport links and poor digital connectivity, and a risk of climate change as major concerns. There was also an urgent need to tackle seasonality which limited productivity, employment, investment and skills in coastal and lakeside communities. Representation of those areas in government was also an important area of focus for the inquiry, with the group recommending that there should be a new cabinet position created for a Coastal Communities Minister.

Double said: “This has been a comprehensive investigation into the challenges and opportunities being faced by tourism and hospitality businesses in coastal and lakeside communities.

The work this year has also thrown into sharp relief the devastating effect the ongoing Covid-19 crisis has had on these fantastic, yet precariously balanced regions. Without the further assistance that we have called for, many businesses and jobs in the hospitality and tourism sectors will not exist by Spring 2021. Without these vital industries, coastal and lakeside areas across the UK will be thrown into penury. The report gives us the best chance of understanding how these communities can be supported and encouraged to grow.”

Nicholls added: “Seaside and lakeside hospitality is some of the best the UK has to offer. Importantly, these businesses tend to account for a significant proportion of the revenue raised in their areas. They are vital attractions for visitors, important hubs for communities and crucial drivers of inward investment.

“They have not always had the support they need and deserve, though. They have had to battle through against lack of investment, fluctuating demand and changing tastes. If the Covid crisis has made anything clear, it is that hospitality and tourism businesses are

vital parts of communities and will be essential in rebuilding the economy next year and beyond. Coastal and lakeside communities need to be at the heart of plans to bounce back strongly.”

During a webinar hosted by HVS, AlixPartners, Bird & Bird and EP Magazine, Sharon Quinlan, head of corporate real estate with HSBC, said that her portfolio of hotel assets were mostly in London and city centres although it has been coastal resorts and holiday locations that had recovered more quickly. “It’s too early to say if this is a longer-term structural change. City centres also rely on tourism but I do think that this will come back,” she said. “However, there is now a much greater recognition that the planet has a limited life and overseas travel is part of that.”

HVS chairman Russell Kett questioned how Brexit would impact the sector and perhaps push some hotels further towards insolvency. While some panellists argued that the UK’s exit from the EU together with Covid intensified the need for more government support, others believed the impact of Brexit had been diluted by the pandemic.

Bumps in the roadmap

Hugh Osmond, founder of Punch Taverns, and Sacha Lord, the night-time economy adviser for Greater Manchester, have threatened the UK government with legal action over its plans to reopen hospitality venues.

The pair have accused the government of a lack of evidence for delaying reopening of hospitality industry for five weeks after “non-essential” retail. The government passed the 17 April deadline set by the pair to reply.

Lord said: “They have failed to introduce any new evidence as to why indoor hospitality cannot open the same day as non essential retail. We’ll now be working through the night to take our case to the High Court for a Judicial Review.”

Osmond added: “After Sacha’s success in challenging the ludicrous Scotch egg proposals, our objective is to ensure that, when taking momentous and unprecedented actions affecting millions of its citizens, the government must base its decisions on evidence not prejudice, and can be held to account if it does not.

“I believe we can show that discrimination and unsubstantiated beliefs, rather than facts, science and evidence, lie at the heart of much of the government’s approach to hospitality, and these wrongs need to be righted.

“This legal case will give a fighting chance to over three million people who work in hospitality, to the tens of thousands of businesses, suppliers, landlords and contractors – large and small – forced into bankruptcy, and to millions of our loyal customers who have been deprived of the human social interaction they experience in our premises.

“We won’t ever be able to repair our health, recover our social lives or rebuild our economy if we allow our government to lock us up and shut down the economy on the basis of such flawed logic, little justification or evidence.”

UKHospitality CEO, Kate Nicholls, commented: “The swift vaccine rollout and its impact on case numbers is extremely positive. It gives us hope that the government will be able to deliver on its commitment to make this the last ever

lockdown and, most importantly, to remove all social distancing restrictions for good on 21 June. While any restrictions remain in place, our pubs and restaurants can only break even and the viability of thousands remains at risk – we lost over 12,000 in the last year alone.

“That is why we urge the government to review the roadmap and look to remove or reduce restrictions on trading – table service, online or takeaway only, no standing outdoors – at the earliest possible opportunity. It may also be possible to allow some limited indoor operations to resume at an earlier date. While we understand the need for caution, we would urge the Government to review the roadmap again and make decisions based on data, not dates.”

Under the roadmap, self-contained holiday accommodation restricted to single households/support bubbles will reopen no earlier than 12 April.

At the same time, outdoor areas at hospitality venues (cafes, restaurants, bars, pubs, social clubs, including in member’s clubs) can reopen, including for takeaway alcohol. These venues may allow customers to use toilets located inside. At any premises serving alcohol, customers will be required to order, be served and eat/drink while seated.

Indoor areas of hospitality venues will reopen no earlier than 17 May. As outdoors, table service will be required. Remaining holiday accommodation can also reopen.

Nicholls said: “The sector is obviously devastated that its reopening will be so far away. From the start of November, the sector will have been closed for nearly 200 days, with just a couple of weeks of heavily restricted trading in December. A major package of financial support is imperative if hospitality is to survive.

“The Prime Minister says that the reopening schedule is driven by data, yet all the data points to hospitality being relatively safe and linked to only

a tiny number of cases. Vaccinations and the fall in infection rates has de-risked our reopening even further. Over the past year, the government has repeatedly miscalculated the risks posed by hospitality.

“This delay in reopening will make the job of survival all the more difficult for businesses only just clinging onto existence. It is much more than just an inconvenience for many employers in our sector, it is another delay that they cannot afford and, for too many, will not be able to survive.

“When we can open, our businesses are going to be facing severe restrictions. Only 40% of hospitality businesses have an outdoor area and, in some cases, this is little more than a table and a couple of chairs. Outdoor only opening initially just does not work for huge numbers of businesses. Enforcing table service, plus the rule of six and a maximum of two households will see businesses trading below sustainable levels – though it is a relief to see the back of the curfew and substantial meals.

“The job for the government now is to make sure that our sector survives this further period of closure intact. According to the latest Government data nearly two-thirds of hospitality businesses will run out of cash before May, before they are allowed to re-open.

“In the immediate term, we need a generous compensation package that

The Prime Minister says that the reopening schedule is driven by data, yet all the data points to hospitality being relatively safe and linked to only a tiny number of cases.

goes beyond what was offered in January if we expect businesses to survive, with a commitment to eliminate new costs that are due to hit, such as HMRC tax bills and loan repayments. We must also have an extension of the rent moratorium, with loan repayments and HMRC debt delayed in order to give businesses some breathing room from the ruinous mountain of debt that has built up for too many. Asking businesses to start paying this money back when they are not even open could be terminal for many.”

On nightclubs: “The night-time economy has been left in limbo once again. While hope is now in sight, nightclub venues will have been closed for 15 months. There is a real risk of losing these businesses forever if the government doesn’t step in to make sure they survive. The loss of our nightclubs would be a huge cultural blow as well as a significant economic one.”

On hotels: “Hotels have been housing key workers, NHS staff and vulnerable people through the peaks of the pandemic. They have been helping quarantine arrivals to the UK and they have been operating successfully and securely. They already have their tried and tested systems in place to keep guests and staff safe. Pushing back the reopening of hotels to late May makes little sense.”

On international travel: “It is extremely welcome to see a specific review into international travel and how that can return. This will be critical to the recovery of the hospitality sector and we look forward to contributing to this review.”

The Budget saw Chancellor Rishi Sunak extend the Coronavirus Job Retention Scheme for a further five months from May until the end of September 2021.

Employees will continue to receive 80% of their current salary for hours not worked. There will be no employer contributions beyond National Insurance contributions and pensions required in April, May and June.

From July, the government will introduce an employer contribution towards the cost of unworked hours of 10% in July, 20% in August and 20% in September, as the economy reopens.

From 6 April 2021 the Recovery Loan Scheme will provide lenders with a guarantee of 80% on eligible loans between £25,000 and £10m to give them confidence in continuing to provide finance to UK businesses. The scheme will

be open to all businesses, including those who have already received support under the existing COVID-19 guaranteed loan schemes.

Restart Grants – The government will provide ‘Restart Grants’ in England of up to £6,000 per premises for non-essential retail businesses and up to £18,000 per premises for hospitality, accommodation, leisure, personal care and gym businesses, giving them the cash certainty they need to plan ahead and safely relaunch trading over the coming months.

The government is also providing all local authorities in England with an additional £425m of discretionary business grant funding, on top of the £1.6 billion already allocated.

The government will extend the temporary reduced rate of 5% VAT for goods and services supplied by the tourism and hospitality sector until 30 September 2021. To help businesses manage the transition back to the standard 20% rate, a 12.5% rate will apply for the subsequent six months until 31 March 2022.

VAT Deferral New Payment Scheme – Any business that took advantage of the original VAT deferral on VAT returns from 20 March through to the end of June 2020 can now opt to use the VAT Deferral New Payment Scheme to pay that deferred VAT in up to 11 equal payments from March 2021, rather than one larger payment due by 31 March 2021, as originally announced.

The government will continue to provide eligible retail, hospitality and leisure properties in England with 100% business rates relief from 1 April 2021 to 30 June 2021. This will be followed by 66% business rates relief for the period from 1 July 2021 to 31 March 2022, capped at £2m per business for properties that were required to be closed on 5 January 2021, or £105,000 per business for other eligible properties. When combined with Small Business Rates Relief, this means 750,000 retail, hospitality and leisure properties in England will pay no business rates for three months from 1 April 2021, with the vast majority of eligible businesses receiving 75% relief across the year.

The government will legislate to ensure that the business rates relief repayments that have been made by certain businesses are deductible for corporation tax and income tax purposes. This will ensure that these businesses are no worse off from a tax perspective than if they had paid

the business rates in the first place. This will apply for repayments made to the devolved administrations as well as to those made in relation to England.

The government will create a new £150m Community Ownership Fund to help ensure that communities across the UK can continue to benefit from the local facilities and amenities that are most important to them.

From the summer, community groups will be able to bid for up to £250,000 matched funding to help them to buy local assets to run as community-owned businesses. In exceptional cases up to £1m of matched funding will be available to help establish a community-owned sports club or buy a sports ground at risk of loss from the community.

This will help ensure that important parts of the social fabric – like pubs, sports clubs, theatres and post office buildings – can continue to play a central role in towns and villages across the UK.

Chris Galvin, who co-owns the Galvin Brothers restaurant group, warned that while the Budget offered some good news, the fallout of Brexit means staffing will continue to be an issue. “We are pleased that the furlough will be extended to help protect jobs through until September, this flexibility will hopefully prevent more loss of jobs, and the VAT and rate extension was a must to give us any chance of recovery.

“But many people forget two important things. The first is that through no fault of ours, we have been prevented from working and earning a living and for the best part of seven months we have lost trade. The second is how Brexit has slipped off the front page unnoticed and besides the issues of supply which will start in April, from June 30 it will be almost impossible to recruit from outside the UK, because the government considers hospitality unskilled.

“In London, most of the hospitality industry employs over 80% of their staff from Europe, so now, from June, if we want to employ from outside our borders we must become sponsors at great cost, and then only employ those with a degree or similar earning a minimum of £25,600. This applies not only to us in hospitality but to nursing, cleaners, builders and the whole underbelly of London that keeps it running.”

The sector is looking to reopen - but there will be bumps even after it does.

Technology, hospitality and the way forward

It is just amazing to see how organisations have reinvented themselves under such sudden and challenging conditions over the last year.

Hotels have adapted - offering guest rooms as day office spaces to present alternatives to a home office, providing rooms for healthcare workers to help them cut down on their commute times to work and keep their families safe, and also the hotel restaurants have had to reinvent themselves with takeaway services to the community. Additionally during this time hotel organisations have made great use of their slow time to explore and invest in new technology and a move to the cloud.

Examples like this are what adaptability and resilience looks like as the landscape changes to present barriers to success, but also new opportunities to achieve it. With that understood, what are some other lessons that have been applied by industry leaders over the last year? Let's explore what we've learned, what it means for

the near future of the industry, and why we should be hopeful.

Expecting, embracing, and embodying change

Guest expectations have changed and will change again. This is enabled by investment in emerging technology, with greater emphasis on hygienic environments, cloud technology to standardise operations, and contactless experiences empowered by mobile solutions such as check in/out, room service, restaurant reservations, and others, all of these focused on guests' own devices.

Successful hotels can cater to all of these needs and continue to adapt to changing needs as they embrace the right technology. Change can be scary. But organisations who embrace change like this will be more successful. The good news is - many already are.

Personalisation is still important – and evolving!

Modern guests are growing used to relying on their personal devices to manage their own experiences. But personalisation that we've talked about for many years by now will take on other forms beyond exploring mobile usage and creating apps for individual consumption.

Hospitality organisations have realised that personalisation is also about managing data better and turning that data into intelligence to provide services that appeal to unique individuals. It's about using business intelligence to strengthen the relationship between brand and guest.

Maximising the value of every brand property

We've touched on the idea of rethinking spaces, adapting them to serve new needs, and to create and nurture new revenue streams. This goes for every square meter of the property, indoor and outdoor, to serve a wider spectrum of uses, and services.

This goes hand in hand with a greater focus on business intelligence, underscoring the importance of integration between event management software, property management systems, reservations platforms, and revenue management solutions. The possibilities to be found there are very exciting.

Being aware and investing in data security

We're in a time of transition when businesses are engaging in innovative thinking led by business data. Meanwhile,



cybercriminals are also keen to turn that same data into money-making enterprises – by stealing it to the tune of billions of dollars in breach cost.

The hospitality industry is a prime target due to the rich databases that organisations have built over the years. Ensuring that data remains secure is top priority. With that awareness in place, and with 24/7/365 support from the right partners, hotel brands are less likely to be caught out.

Incorporating machine learning and AI

Dynamic AI is not about replacing human expertise with algorithms. It's about helping those experts to better apply their efforts to strategy and decision-making without the busywork of manual data analysis, updates, and reporting. It opens the possibilities for more focused work.

With self-learning algorithms,

businesses can automate the process of correlating market segments with client data—creating deep insights into competitive pricing and guest behavior. This empowers teams and creates more informed decisions as markets continue to be volatile.

Keeping people and systems connected with intention

Further investments in technology to keep staff connected while also making sure that they remain safe, healthy, motivated, and productive will always be important. This isn't just about current needs. It's about how present conditions are likely to shape the future.

The best way to ensure this is by intentionally investing in a whole and integrated cloud-based technology platform to improve visibility and communications between teams in all locations to help standardise processes,

workflows, and services. This ranges from housekeeping, to incident management, maintenance, food services, and other key operational areas.

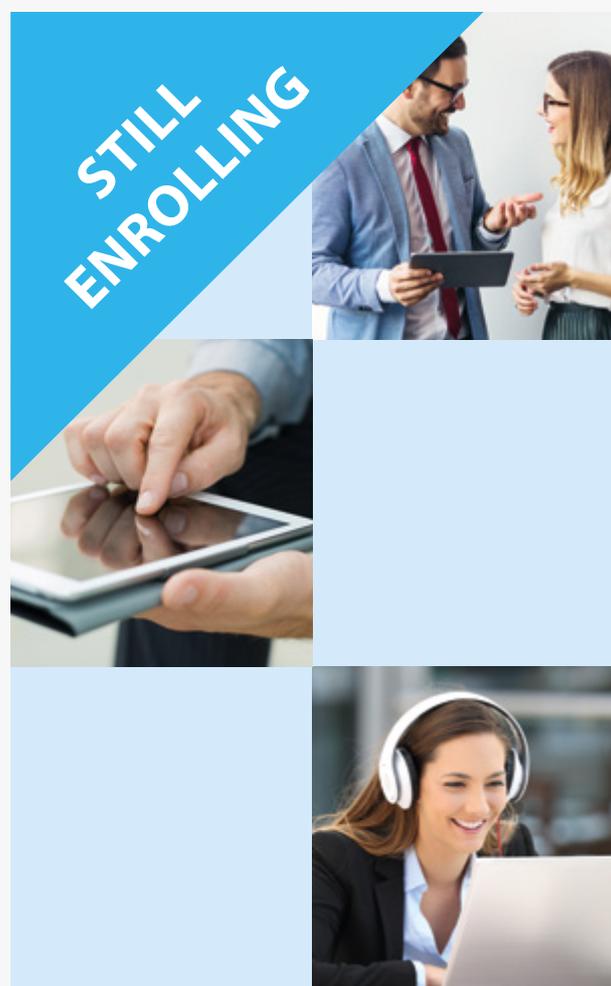
A source of optimism

Things will continue to change. That's certain. But we have reasons to be optimistic, having learned important lessons, and now having a framework for success available to usher in a new and prosperous era.

Cloud technology via SaaS that allows hospitality organisations to stay focused on the right things as led by their own data is already available. The basis for success is already in place – good news, indeed.

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Engineer your water cooler on the road to reopening

Employees in the hotel sector who have been homeworking, furloughed and swivelling between opening and closing for a year, were advised to “engineer a water cooler moment” by bestselling author and psychotherapist Daniel Fryer.

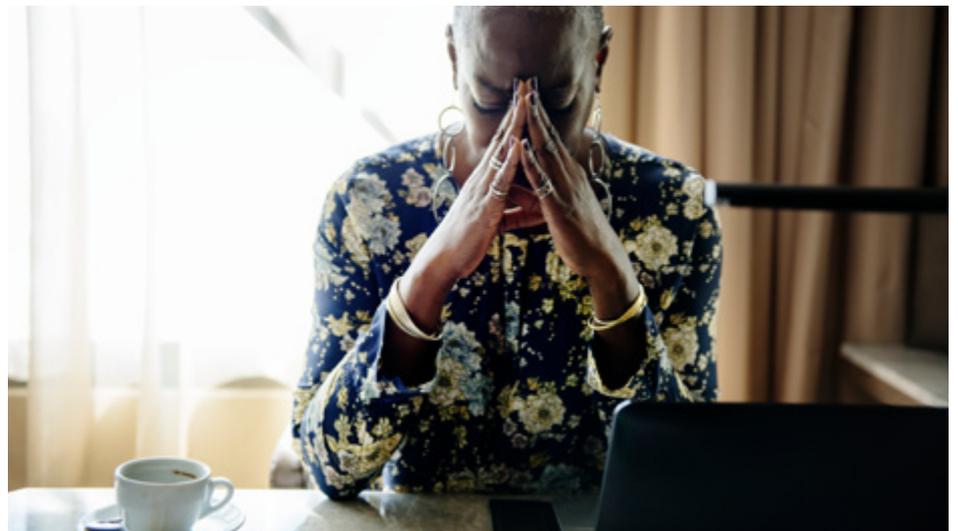
Speaking to over 1,000 people during The Fatigued Employee webinar, hosted by workplace mental health organisation This Can Happen, Fryer encouraged creating a more familiar work environment. One way to overcome the fatigue created by the past year. He said: “We’re constantly pumped in red alert mode and we’re at the end of our tether.”

Fryer advised the hotel sector to support employees’ mental health to help them deal with stresses and anxiety and help them deliver the service they pride themselves on when travel restarts.

Employees in the hotel sector have been particularly vulnerable to burnout during the pandemic, with the sector subject to constantly-changing restrictions and the risk of unemployment. Fryer advised employers: “Please lower your expectations of your staff, just for a small while.”

He added: “We have been coping with a crisis for a year. People are clinically and chronically fatigued. People are approaching burnout or are burning out. Be kind, be understanding, be supportive. Put supportive measures in place. Don’t expect everybody to hit every target and deadline. Don’t expect them to adapt immediately to new initiatives. In fact, save any new initiatives until the crisis has abated.

“Remember that your staff are experiencing the same stresses and strains that your guests are experiencing. As you train your staff to be more mindful of your



guests, be more mindful of your staff.”

Recent weeks have seen hotel companies act to support employees’ physical health. Accor has said that it plans to pay for all of its employees to be vaccinated by late summer, Deutsche Hospitality has instigated free rapid testing for all its front-line staff and Marriott International has created the Vaccination Care Programme, which will provide a financial award to US and Canadian associates who get vaccinated.

The hotel has led industry with these initiatives, but, as hotels start to, hopefully, reopen, employees will also need mental health support.

Fryer said: “Hotel employees, from front of house to the board room, have been under tremendous pressure in the past year. The sector is used to giving that

bit more and to giving part of themselves with it. The hospitality sector thrives on service, on being hospitable. But people can’t give that extra when they have been wrung out, it’s time to think of mental health alongside the physical.”

Remember that your staff are experiencing the same stresses and strains that your guests are experiencing. As you train your staff to be more mindful of your guests, be more mindful of your staff.

Sales of delivery and takeaways triple

Sales of deliveries and takeaways from the UK's leading hospitality groups have more than tripled over the last 12 months, an exclusive new Tracker service from CGA reveals.

The Hospitality at Home Tracker indicates that the combined value of delivery and takeaway in February 2021 was 317% more than in the same month in 2020. The volume of orders was 19.6 million—well over double the total of 9.1 million in February 2020. With the value of sales growing significantly faster than volume, it demonstrates a big uplift in average spend.

CGA's Tracker provides monthly reports on the value and volume of sales with year-on-year comparisons. It will also set out splits between delivery and takeaway sales, and between food and drink revenue.

Once the current lockdown is lifted, the Tracker will reveal the balance

between eat-in, delivery and takeaway sales. It complements CGA's Coffey Peach Business Tracker, which has monitored total sales across more than 10,000 sites of leading restaurant and pub groups since 2009.

For operators, the Hospitality at Home Tracker creates a valuable benchmarking tool to monitor the success of at-home offers against the market, and participants receive additional, in-depth data in return for their contributions. More than 20 of the UK's best known managed restaurant, pub and bar groups have become founding partners on the Tracker. Any businesses with an interest in joining the cohort are invited to contact CGA now.

Karl Chessell, CGA's business unit director - hospitality operators and food,

EMEA, said: "Deliveries, takeaways and at-home meal kits have been a lifeline for hospitality in an immensely challenging market, and our new Hospitality at Home Tracker will provide the best insights yet into their sales. Delivery and takeaway was already a fast-growing trend before 2020, but we are seeing more and more consumers embracing it and the movement is very likely to continue, albeit without the ferocity of the past 12 months.

"The tracker will offer crucial analysis of consumers' spending patterns and help businesses spot new opportunities, areas for improvement and action points. We're grateful to the partners who have helped to establish the Tracker, and warmly welcome anyone who would like to join them."

For operators, the Hospitality at Home Tracker creates a valuable benchmarking tool to monitor the success of at-home offers against the market, and participants receive additional, in-depth data in return for their contributions. More than 20 of the UK's best known managed restaurant, pub and bar groups have become founding partners on the Tracker.



The countdown to reopening is on...

As the Hospitality reopening dates draw closer, Amadeus took a look at flight and forward-looking Demand360® hotel data to see what impact this is having on bookings across the UK, Ireland and beyond.

Domestic booking behaviour

For many, a staycation within the UK or Ireland is expected to be the case in the coming months. Currently, 80% of bookings are coming from within the UK, and in Ireland, 42% from within (followed by 33% from the U.S.). When we take a look at lead times in the UK, ongoing uncertainty about whether we can travel is reflected in this data. Throughout the majority of the pandemic, lead times changed to shorten within one week. Today, 39% of bookings in the UK are made 91 days or more in advance. Of the bookings made, just over half (52%) are for high end, luxury properties. In Ireland, the number of 91+ day bookings increases to 54%.

The data also tells us that 44% of bookings in the UK, and 41% in Ireland are currently Discount. Discount bookings refer to net rate promotions sold via online travel agencies, packages or promotional rates. Whilst this strategy might be favourable in the current climate

in order to make your hotel stand out from the competition, keep an eye on your pricing as we move forward. If potential guests come to expect discounts or reduced rates, it will be harder to recover this in the long-term.

Similarly, we can also see that there has been an increase in the number of bookings being made via Online Travel Agencies, with 38% coming from this channel in the UK, followed by 24% made on both Brand.com and Direct respectively. The increase in OTA bookings is important if we also consider the portion of bookings made via Discount. Whilst maintaining a strong channel mix is key to drive bookings, in order to reduce the impact on your bottom line, make sure that you are thinking about strategies which drive business via Direct, a more profitable channel. For instance, rather than discounting prices on this channel, look to maintain rate parity and offer ancillary services such as free parking or wine on arrival.

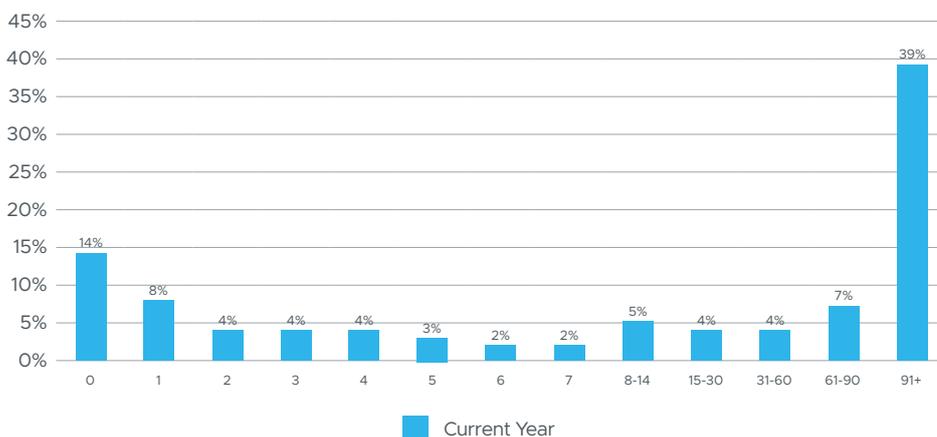
Finally, with rumours continuing to suggest travel corridors between the UK and countries such as Spain and Greece, we looked at current occupancy for the months of June to September. The booking trend is similar in these markets, with the exception of Greece, with occupancy still around low double digits.

Summer booking trends

Last month, we also took a look at how bookings were performing in the summer months. Across the UK & Ireland, there's been some movement between February and March, with occupancy sitting at around 10% between June and August. However, we know that pent up demand is out there, and our search data from our partner, Google, confirms that throughout February there was an increase in searches from within the UK. This suggests that many travellers continue to play the waiting game. For Hotels, one way to incentivise bookings already might be to focus on flexible cancellation policies in case their plans change.

Finally, with rumours continuing to suggest travel corridors between the UK and countries such as Spain and Greece, we looked at current occupancy for

Current Lead Times (UK)



Amadeus' Demand360® data as of March 14, 2021

the months of June to September. The booking trend is similar in these markets, with the exception of Greece, with occupancy still around low double digits.

As a hotelier, the next few weeks will be critical in looking at how booking behaviour changes in line with further reopening announcements. Be prepared for a possible boom in bookings and make sure your channel and promotions allow for potential bookers to easily discover your hotel, whilst maximising revenue for you.

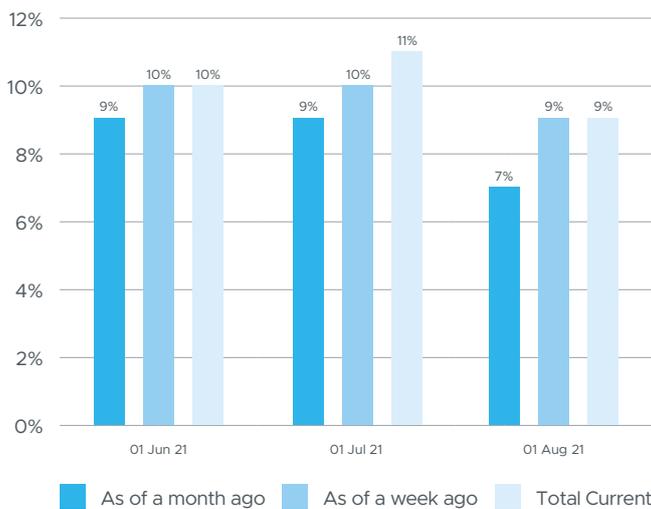
How can Amadeus help during reopening?

Amadeus Demand360® data comes directly from a hotel's Property Management System (PMS) or Data Warehouse. This means that this data is not predictive, but an accurate reflection of what is happening in your market, and – best of all – you can view up to 365 days in the past or future. By using any of our Business Intelligence solutions, it becomes easier to create smarter strategies to

improve all areas of your business.

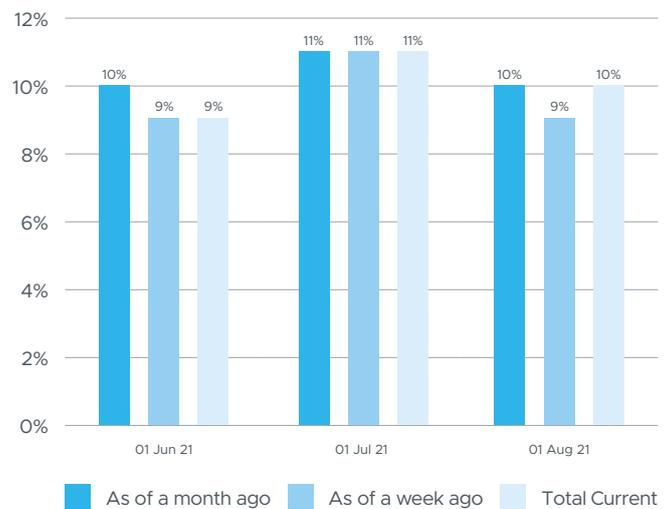
Aside from this, Amadeus has a range of solutions that can help to maximise your success during reopening. This includes Media solutions to drive more visibility to your hotel, Service Optimization software to simplify hotel operations and abide with COVID-19 hygiene protocols and Sales and Events Management tools to easily plan and manage group business. Find out more about any of our solutions at: <https://www.amadeus-hospitality.com/uk/amadeus-hospitality-solutions-overview/>

UK Occupancy Pick Up



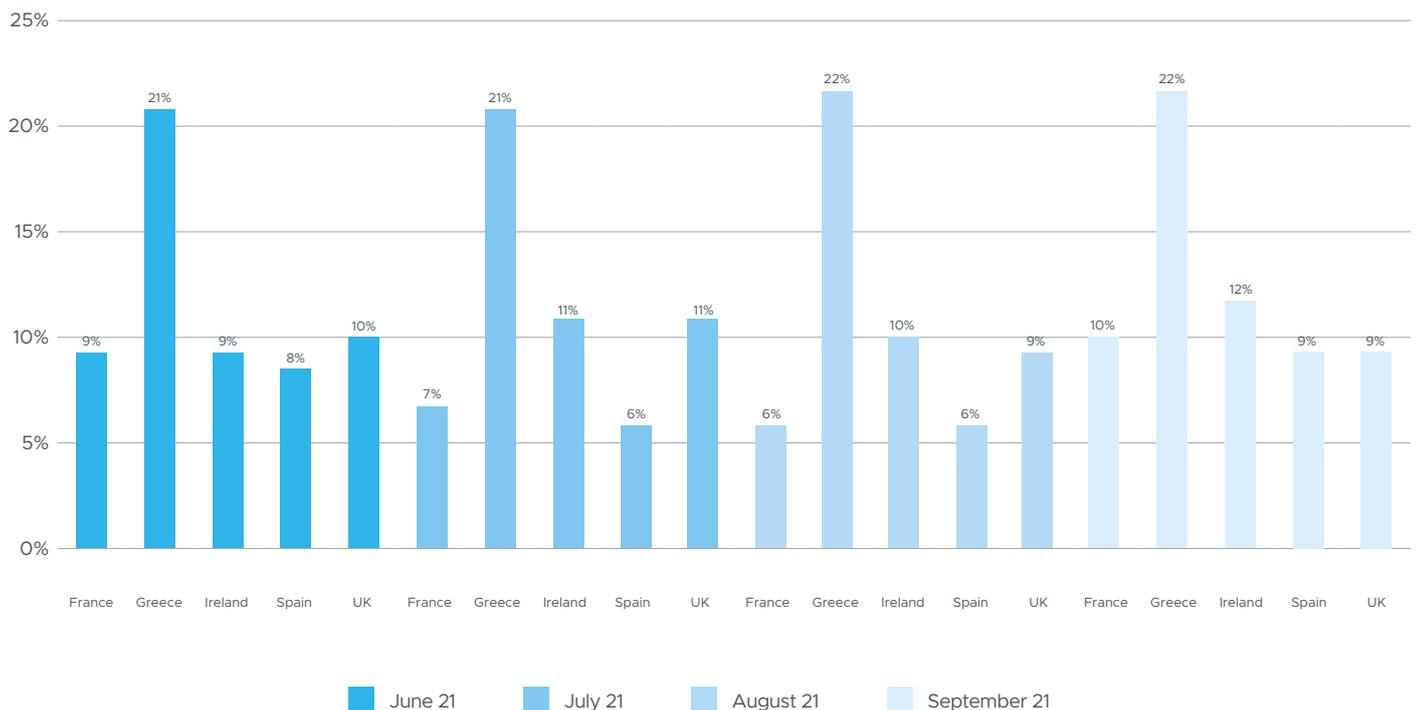
Amadeus' Demand360® data as of March 14, 2021

Ireland Occupancy Pick Up



Amadeus' Demand360® data as of March 14, 2021

Total Current Occupancy (June - July 2021)



Amadeus' Demand360® data as of March 14, 2021

How Village Hotels increased bookings by 26,000+ in 1 month with Amadeus

VILLAGE
HOTELS

How?

Village Hotels, with 31 properties across the UK, was looking to boost occupancy after the impact of COVID-19 and wanted to use their new loyalty programme and strong ancillary revenue streams to do so.

They opted for the Amadeus Integrated Booking Suite to make this a reality. This solution integrates the capabilities of web, CRM, and booking engine to better acquire, convert, and retain guests.

In order to drive bookings and build brand loyalty, Village Hotels launched the Booking Revolution membership programme – powered by Amadeus' Guest Management Solution (GMS). This included special members-only rates, which were communicated to their database from the GMS, and could then be booked via the iHotelier Booking Engine.

The result?

In just one month, Village Hotels increased:

- » Bookings by 26,000
- » Brand.com revenue by £ 1.1M
- » The number of new members by 114,000

The Amadeus Integrated Booking Suite delivers value at every step of the customer journey. The industry's only end-to-end eCommerce solutions makes it easier to personalize guest communication and interaction and increase revenue for your business.

Pent-up demand to benefit sector

With the UK's pubs, bars, restaurants and cafes set to reopen in mid-April for outdoor service, and reports that pubs have been deluged with beer garden bookings, new consumer research reveals that over a third (39 per cent) of people are intending to eat and drink out more often when the lockdown restrictions are lifted, compared to before the pandemic.

The figure rises to two-thirds (66 per cent) amongst 18-24-year-olds and 55 per cent amongst 25-34-year-olds.

This pent-up demand to visit hospitality venues is strongest in the North East region, with 55 per cent of residents intending to eat and drink out more frequently, followed by Yorkshire (45 per cent) and London (44 per cent).

The findings are drawn from a new consumer loyalty insights report by hospitality CRM provider Airship.co.uk and hospitality gift card platform Toggle, in collaboration with academics from Sheffield Hallam University.

Drawing on research amongst 2,000 UK adults, the report identifies and explores the very latest attitudes towards hospitality and the valuable post-Covid opportunities for operators looking to leverage customer loyalty when the sector reopens.

Alternative revenue streams for hospitality businesses emerged throughout 2020 however two-fifths (41 per cent) of people have said that they are unlikely to continue to subscribe to at-home experiences after Covid-19.

Gift cards have also provided an opportunity for operators to generate presold revenue whilst the doors have been closed, with the family-run Devonshire Arms in Middle Handley, Derbyshire, generating over £60,000 in gift card sales during the November lockdown alone.

The data also reveals that almost a third (30 per cent) of people are now more inclined to join a loyalty scheme with a hospitality operator compared to

before the pandemic. This rises to 52 per cent amongst 18-24-year-olds. 47 per cent of respondents indicated they would be interested in joining a loyalty scheme with their local pub.

For operators concerned about the financial impact of chasing loyalty, the values at which customers would be willing to visit a hospitality venue are relatively moderate. A third (33 per cent) said that the minimum free cash value that would incentivise them to visit a hospitality venue to redeem an offer was only £5.00, followed by £2.50 (18 per cent).

Dan Brookman, CEO at Airship.co.uk and Toggle, said: "Of all the industries that have been affected by Covid-19, the hospitality sector has been one of the hardest hit. Some operators have been able to diversify and pivot to maintain a basic level of trade, yet the vast majority have been forced to close their doors. Beyond the financial impact, valuable relationships with even the most loyal of customers have, in most, cases been put on hold. It is therefore heartening to find from our report that the public is not only interested in returning to hospitality in greater frequency than before the pandemic; there is also a significant appetite for joining loyalty schemes with

their local hospitality venues."

James Ellerby, hospitality academic at Sheffield Hallam University, said: "Living under lockdown has forced changes in the way people live and new habits have been formed over the last year. However, the findings of this report highlight how customers are keen to return to eating and drinking within hospitality businesses, once restrictions are eased. This gives operators a great opportunity to regain much-needed customer patronage and secure their loyalty.

"Operators that actively drive customer loyalty will gain a competitive advantage in the coming months. A carefully considered loyalty programme, aligned to customer values, is an ideal foundation upon which to establish this competitiveness. Those who effectively build emotional bonds, commitment and trust with their customers will reap the benefits of a market eager to reconnect with hospitality...and will no doubt come back stronger."

The hospitality insight report is part of Airship.co.uk and Toggle's #ComeBackStrong campaign, which aims to educate and inspire hospitality professionals whilst the sector is shuttered. In addition to providing free insight and masterclass training sessions, operators can benefit from free access to Airship.co.uk, a powerful customer data management and broadcast platform that drives revenue through intelligent customer journeys; and Toggle, an intuitive gift card SaaS which integrates with existing platforms to enable operators to easily sell gift cards, products and experiences directly to customers.

Of all the industries that have been affected by Covid-19, the hospitality sector has been one of the hardest hit.

Over 7,500 of Britain's licensed premises lost due to COVID

Britain has 7,592 fewer licensed premises than it did before the COVID-19 pandemic hit, according to a new report to be published by analysts CGA and advisory firm AlixPartners.

The March edition of the Market Recovery Monitor, published as the UK marks 12 months since its first lockdown, sets out the full devastating impact of the pandemic and lockdowns on hospitality, including a rapid acceleration in closures since the start of 2021. Britain's total licensed premises fell by 2,713 over January and February—equivalent to 46 closures a day, or one every 31 minutes. In total, Britain had 107,516 sites at the end of February 2021, down by 7,592 or 6.6% from 115,108 in March 2020.

The Market Recovery Monitor reveals how independent businesses have borne the brunt of closures. A total of 5,112 have been lost since March 2020, including 1,971 in January and February alone. This reflects the vulnerability of small and family-run businesses by comparison to well-invested restaurant and pub groups, which have recorded 1,229 closures—fewer than a quarter of the independent sector's number.

Karl Chessell, CGA's business unit director for hospitality operators and food, EMEA, said: "While hospitality finally has a roadmap out of lockdown, these figures show that dozens more businesses are being pushed to collapse every day. Losing Christmas sales had a shattering impact on many entrepreneurial restaurants, pubs and bars, who add so much colour to our high streets and enrich communities up and down Britain. Hospitality is a vibrant sector that can help to kickstart the UK's economic recovery this summer, but in the meantime support



is desperately needed to avoid thousands more business failures."

Graeme Smith, AlixPartners' managing director, said: "These figures show what a truly devastating 12 months it has been for the hospitality sector. All segments of the market have been impacted, but the dynamic independent sector has borne the brunt of closures. The pandemic has reshaped the market for many years to come and unfortunately there are likely to be further casualties before businesses

are permitted to trade without restrictions this summer. With many businesses unable to trade before 17 May, further support is needed for the industry, which is creaking at the seams."

The March edition of the Market Recovery Monitor from CGA and AlixPartners, published next week, will have in-depth analysis of closure trends and a look ahead to the reopening of hospitality, including the scope for licensed premises to trade outdoors from 12 April.

Consumers happy to head out

With less than a month to go before hospitality starts to resume trading, CGA's new Consumer Countdown to Reopening Series research shows a widespread determination to get back to restaurants, pubs and bars, even if it means sitting outside.

The series of four reports draws on CGA's latest consumer research and a special additional survey to uncover consumers' attitudes and help businesses plan for outdoor reopening in England from 12 April.

The first report, available now, finds that three in four (76%) consumers are likely to visit a venue with outdoor seating within a month of reopening. A third (33%) plan to get back within a week, and 12% intend to return on the first day they can.

That leaves a quarter (24%) of consumers who aren't likely to return until at least 17 May, when venues can trade inside again. This group are put off in equal measure by not wanting to sit outside (40%) and a desire to avoid crowds (39%)—though the majority plan to return either when indoor seating is available (21%) or when eating and drinking out feels normal again (59%). By June, four in five (81%) consumers in England say they are likely to be back in the market.

However, a significant number (41%) of those not returning before mid-May say they don't plan to visit venues for a long time yet. It is a reminder that venues still have a job to do to reassure guests about safety, even if consumers have become more confident about going out in light of the COVID-19 vaccine programme. Managing bookings and walk-ins and keeping up hygiene and distancing protocols will all be important if venues are to persuade these cautious consumers back.

The success of outside openings may well depend on the weather from mid-April, and the use that operators

can make of their outdoor space. RISE, CGA's outlet and location targeting tool, can help identify outside trading opportunities, and suggests around two in five sites in England have some outdoor space that could host guests.

It's very encouraging to see that so many consumers are keen to get back to hospitality, and willing to sit outside so they can do so," says Rachel Weller, CGA's head of consumer research and marketing.

"Businesses that can meet the needs of these outdoor eaters and drinkers should get a useful kickstart to sales

ahead of fuller reopening in May. Just as importantly, these five weeks provide an excellent chance to reassure all consumers that it is safe to eat and drink out again."

The Consumer Countdown to Reopening data reveals very similar patterns of consumer sentiment in Scotland, where hospitality operators have a provisional reopening date of 26 April, two weeks after England. There are frustrations about Scotland's delay, with a quarter (24%) of consumers there thinking the approach eases restrictions too slowly, compared to 16% in England.



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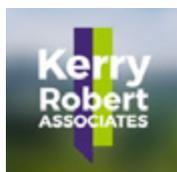
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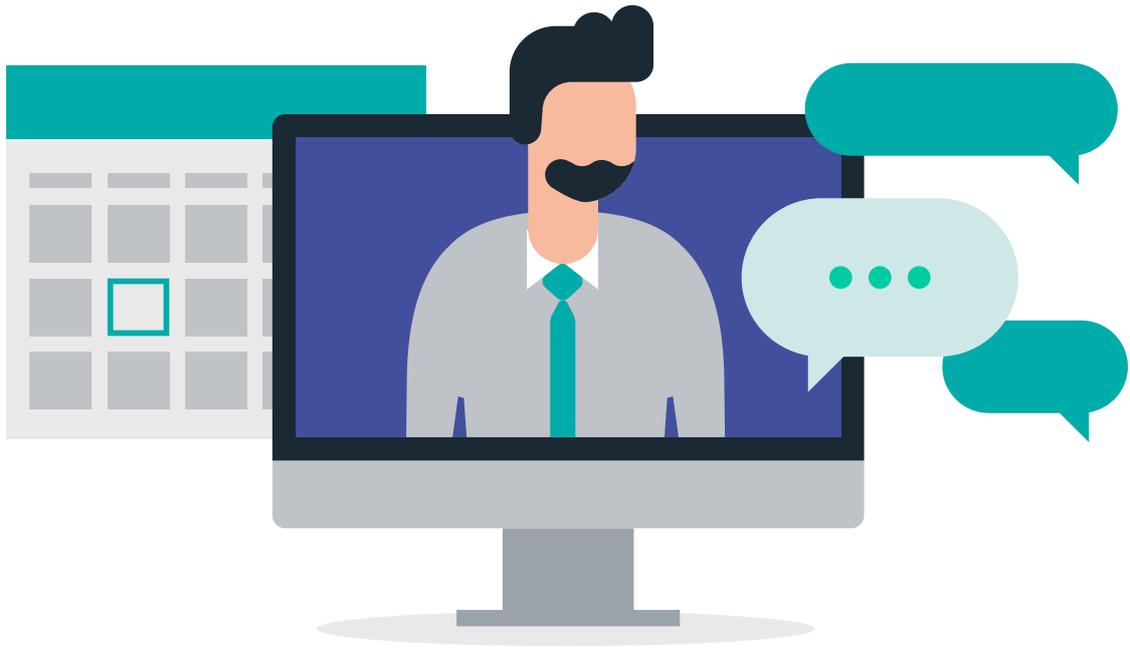


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