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Liverpool City Region Growth Company

Consumer Confidence & Perceptions around the Impact of COVID-19

North West Research & Strategy are bringing you regular updates on the key points coming out of the COVID-19 pandemic through our weekly review of research and intelligence from the visitor economy sector. This week we have used the COVID-19 – Attitude Tracker from BVA BDRC & Alligator Digital which looks at UK consumer and business confidence, as well as VisitBritain's COVID-19 Consumer Sentiment Tracker. We hope these consumer and business insights help assist with your current business resilience and planning for recovery post-COVID-19. Don't forget, you can also get further information on Government support and sector specific advice on the Growth Platform website.

Some highlights from the COVID-19 – Attitude Tracker report include:

- As the UK's 7-day average case numbers begin to increase, fears of a second lockdown have also increased to a point where 4 in 10 consider it to be 'very likely'.
- This is reflected in the sharp increase of those who believe 'the worst is still to come' (51%, compared with 40% last week), along with a decrease in the proportion who think that 'the worst has passed' (12%, compared with 16% last week).
- Correspondingly, the proportion of adults who expect normality by the end of 2020 has dropped by 7% to 15% this week – the lowest figure recorded since tracking began.
- The proportion of British adults who fall into the three 'concerned' segments of the market ('COVID Cautious', 'COVID Impacted' and 'Anxious Appreciator Hermits') has increased for the second week in a row to 47% (compared with 43% last week). The proportion of 'Pragmatic Policy Supporters' has remained constant on 21%, whilst
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the proportion who fall into the 'Life Goes On' segment has dropped for a second week in a row to 32% (compared to 37% last week).

- For the second consecutive week, intention to visit a visitor attraction has decreased, with just 26% intending to do so by the end of August (compared with 34% last week) and 36% by the end of September (9% lower than last week). Lead times for visiting remain shortest for country parks or scenic areas, however, indoor play centres have overtaken theme parks, and now have the longest lead times.
- This week has seen an overall decrease in the proportion who intend to visit a zoo, an aquarium, a theme park a museum/gallery, a small historic house or an indoor play centre by the end of April 2021 or later, perhaps reflecting concerns about a second wave and the increased proportion who believe that 'the worst is still to come'.
- Intent to take a UK holiday by the end of September has dropped for the second week in a row this week, to 27% (compared with 35% last week). Intention has also dropped for the end of December and the end of April 2021 or later, once again reflecting concerns about a second wave.
- The proportion who intend to book hotel accommodation by the end of September has fallen to its lowest level yet of 16% (compared with 28% last week). With news changing each day, many may be choosing to book spontaneous last-minute trips rather than risk advance booking for a trip they are uncertain will go ahead.
- As people get used to wearing masks in shops, the decline in those intending to go shopping by the end of September has stabilised, dropping by only 2% this week to 55% (compared to a 7% decrease the week before).

- Once again, intention to visit a restaurant in August has increased sharply to 62% (compared to 52% last week), reflecting the impact of the 'Eat Out to Help Out' scheme.

Main points from VisitBritain's Consumer Sentiment tracker include:

- This week's 'appetite for risk' score stands at 2.58 out of 4, a marginal increase on last week's figure. 'Appetite for risk' for all activities has remained constant this week, with the exception of 'eating at a restaurant' which has decreased by 0.1.
- A continuation of negative publicity surrounding local lockdowns and retraction of some travel corridor exemptions from quarantine has had an impact on results. Over half of UK adults (51%) believe the worst is still to come, an 11% increase on the week before and the highest level so far since the survey began.
- Confidence in the ability to take a trip between October and December has slightly decreased by 4% this week, likely a reflection of the retraction of some travel corridor exemptions from quarantine. 50% are confident they will be able to take a trip from January 2021 onwards, a 1% decrease on last week.
- 'I have concerns about catching COVID-19' remains the leading reason respondents give for not being confident about travelling, both between June and September and from October onwards. This is then followed by 'restrictions on travel from government' and then 'it's not responsible to travel in this period' for both periods, which may be linked to fears over a second wave.
- In terms of where respondents plan on staying in the UK for an overnight trip between June and September, the North West now ranks 3rd out of 10 options for the fourth week in a row, with 12% stating it as their preferred destination. From October onwards, the North West ranks 4th out of 10.

- 22% indicate that a 'city or large town' would be their main type of destination for a trip July-September, ranking it 4th out of 5 options. However, from October onwards, 'city or large town' is the most popular option, with 31% stating it as their preferred destination type.

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