

What does this report tell us about business confidence in Oxfordshire?

- The large majority of businesses responding to the survey (84%) said their performance in 2022 was better than in 2021. When comparing 2022 to 2019, before the pandemic and the cost of living crisis however, only 48% said their 2022 performance was a little or much better.
- When asked about levels of pre-bookings for 2023, two in five businesses said bookings were as expected, with just over a third saying pre-bookings were either higher (30%) or much better than expected (6%).
- Two thirds of businesses are confident for 2023. 51% said they were somewhat confident and 13% felt very confident. A quarter were unsure and 11% somewhat pessimistic about the year ahead.

What challenges do Oxfordshire's business operators' face in 2023?

- Alongside rising costs of operating, 51% identified staff recruitment, retention and training as impacting on productivity (70% of respondents gave salary expectations as the biggest challenge); 29% needed to develop an all-year round business model, whilst 27% had an over-reliance on domestic visitors and 24% on international.
- More than half of businesses agreed that "Demand is very unpredictable, busy one day quiet the next" and consumer trends towards more flexible arrangements and very late bookings compounded all operational difficulties.

How are businesses responding to counter these challenges?

- 23% of businesses had introduced new operational practices. These included "shorter opening hours" (14%) and off-peak/mid-week closures (5%) and a continuation of new practices introduced during the pandemic inc pre-bookings, on-line sales and deliveries, investment in technology to allow for exhibitions, cashless transactions, improved communications to build relationships with customers to encourage repeat visits.
- 53% of businesses had increased prices by up to 10% and a further 16% increased costs by more. Just over a quarter of businesses (28%) decided to cut costs by delaying investment, building or maintenance work. Other measures included encouraging secondary spend, reducing staff and extending the season.

Which external interventions were requested to aid ongoing recovery?

- The most helpful intervention Government could offer would be a reduction of VAT charged on hospitality and tourism (67%) whilst 63% said that reducing VAT on energy costs would also help.
- Business rate relief (56%) and, as in previous years, a greater level of investment in destination marketing (51%) and sector specific grants (49%) were also seen as interventions helpful to local business.

Who responded to this survey?

- 44% of businesses were based in Oxford City, 22% in West Oxfordshire, 15% in Cherwell, 7% in the Vale of White Horse and 5% in South Oxfordshire. A further 7% were based outside of the county. 35% were experience providers (attractions, cultural venues etc); 26% serviced accommodation. SMEs accounted for 39% of respondents, mediums sized businesses 27% and micro businesses 24%.

Contact partnership@experienceoxfordshire.org for more information.