



COVID-19 MEMBER INDICATOR SURVEY

SURVEY #4

JULY 22 - AUGUST 2, 2020

WHAT WE'RE SEEING



- Uncertainty and volatility continue to impact Squamish tourism businesses due to the COVID-19 pandemic, with 75% of tourism businesses experiencing a critical or severe downward shift in revenue.
- Businesses are uncertain about the future, which is impacting business continuity, financial and strategic planning, with almost 1 in 3 respondents unsure about the status of their business beyond summer 2020.
- Tourism businesses are also impacted by volatility in consumer demand and sentiment, with changing markets, preferences, and expectations, inconsistent customer volumes and having to adapt products/services to meet a largely domestic market/COVID-19 protocols.
- Almost two thirds (63%) of respondents indicated they have or are currently receiving government assistance, particularly the Canadian Emergency Wage Subsidy.
- Businesses acknowledge the appropriateness of the BC government's actions to date with 94% indicating the BC government is striking the right balance between public safety and restarting the economy, yet many acknowledge that the return of international visitors, gatherings of more than 50 people allowed and an increase in consumer confidence will need to occur for over half of them to operate at a profit.

METHODOLOGY



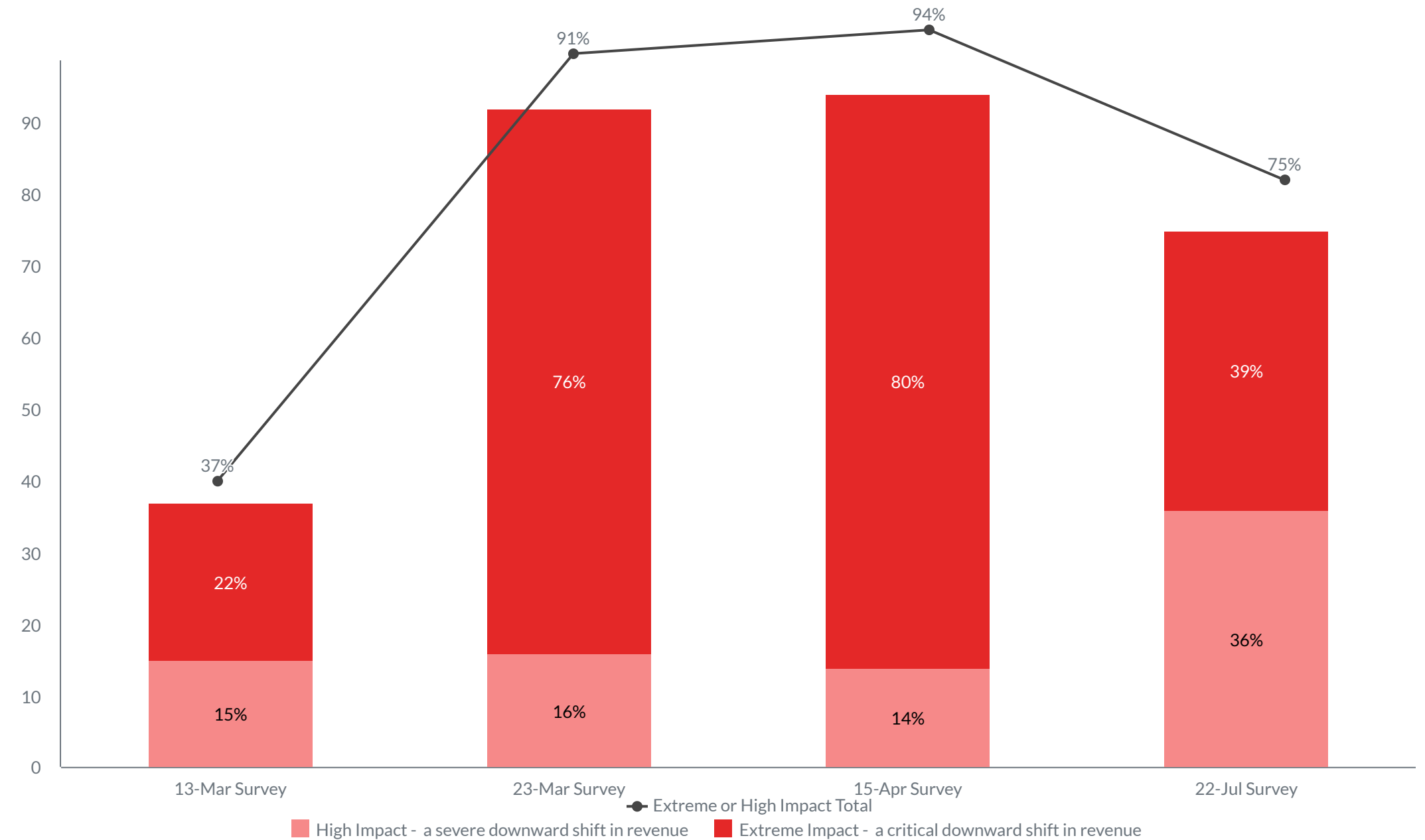
- On July 22, 2020 Tourism Squamish distributed a fourth COVID-19 Member Indicator Survey to over 150 recipients.
- Responses were collected between July 22 – August 6, 2020, a sample of 47 responses were collected or a 30% response rate.
- The survey closed on August 7, 2020.

BUSINESS IMPACTS & CHALLENGES

Uncertainty and volatility continue to impact Squamish tourism businesses due to the COVID-19 pandemic, with 75% of tourism businesses experiencing a critical or severe downward shift in revenue

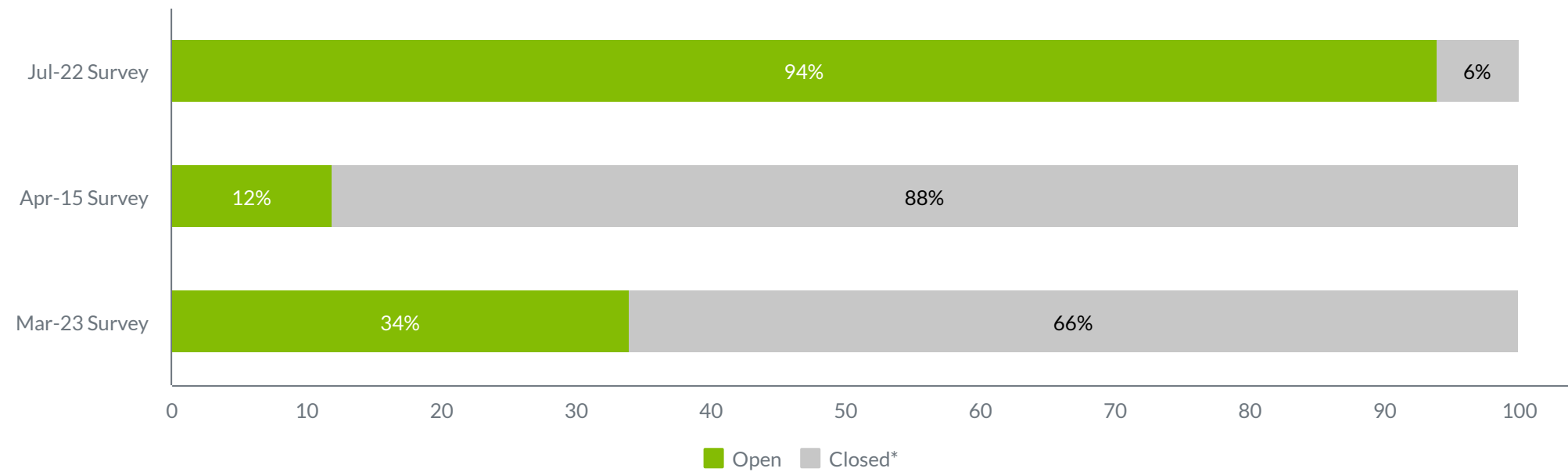
- While less businesses are experiencing a critical or severe downward shift in revenue than in April 2020 (-19 points), 98% of respondents are still being negatively impacted by the pandemic in some way.
- Only two percent of respondents indicated an increase in revenue.
- 23% of respondents are currently experiencing moderate or minimal impacts.
- When asked what the biggest challenge has been when facing the COVID-19 pandemic in an open text question, the most common themes included customer volumes – either a decrease, different customer types than previously or missing markets. The second theme was being unable to hold events and finally, uncertainty – financial and the prospect of future lock-downs.

% of Respondents Experiencing an Extreme or High Impact (critical or severe downward shift in revenue) | Mar - July 2020



Question: How would you rate the impact the COVID-19 pandemic has had on your business to date?

CURRENT BUSINESS STATUS



Question: Is your business currently open?

**Excluding normal seasonal closures*

59% Attracting customers/revenue

46% Adapting products/services to meet safety standards

36% Having enough operating cash for other expenses e.g. rent/wages

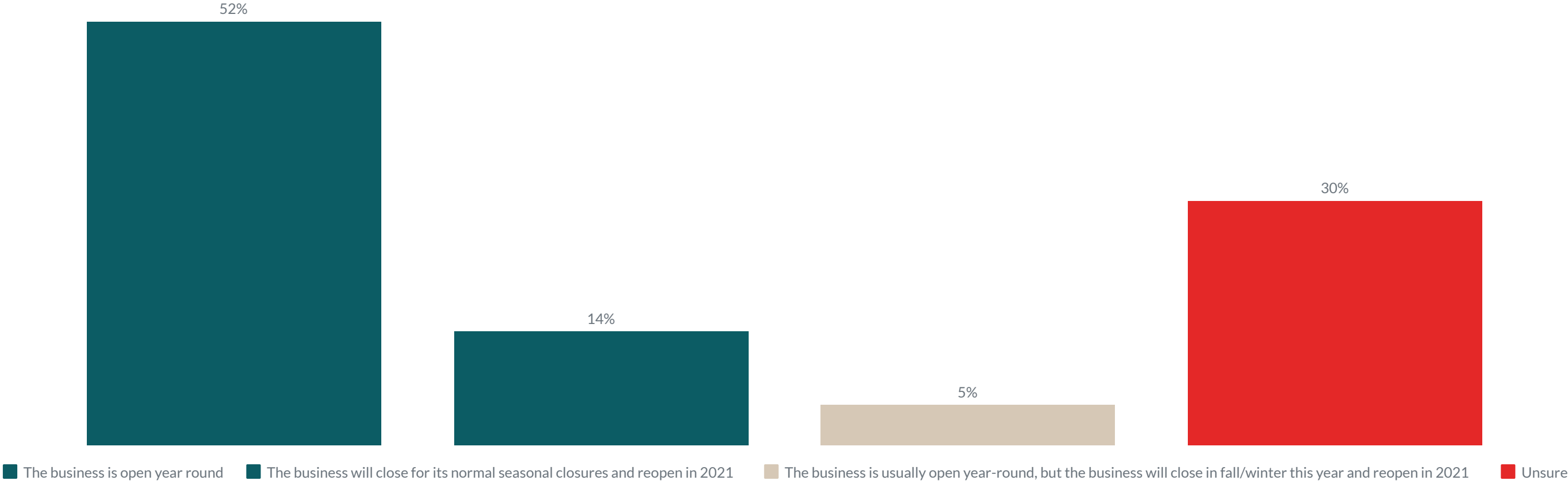
Question: What are some key challenges your business has faced reopening or operating for summer 2020? Select all that apply

The majority (94%) of businesses are now open, a stark contrast to the April 15, 2020 survey where 88% of respondents' businesses were closed

- Currently six percent of businesses are temporarily closed – reasons for temporary closure include government restrictions regarding gatherings of over 50 people.
- No respondents recorded permanent closure of their business to date.
- Of those open, over a quarter (27%) didn't close at all since March 2020, while just under three quarters (73%) have reopened after closing due to the COVID-19 lock down.

FUTURE BUSINESS STATUS

- Of the businesses open, when asked about the status of the business beyond summer 2020, over half (52%) will be open year round, 14% indicated their business will close for its normal seasonal closures, another five percent are usually open year round but will close after summer this year and reopen in 2021, however almost 1 in 3 respondents are unsure of the status of their business beyond summer 2020.

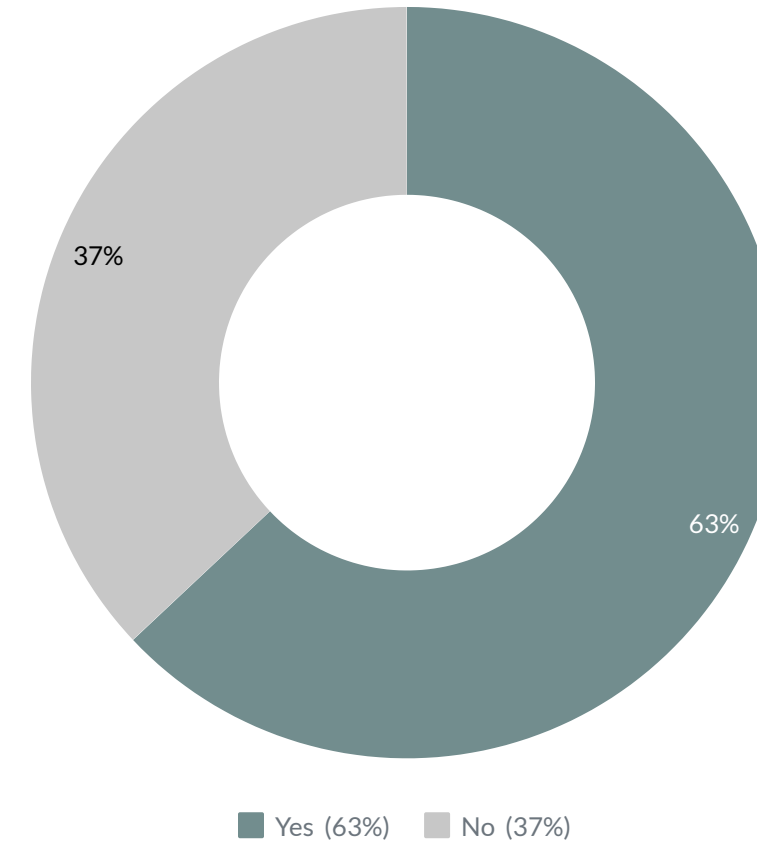


Question: What will be the status of your business beyond summer 2020?

BUSINESS ASSISTANCE

Tourism businesses in Squamish remain reliant on government assistance for operation of their business – the wage subsidy is essential for almost two thirds of respondents

- Almost two-thirds of respondents (63%) have or are currently accessing some form of business assistance.
- The most useful form of assistance to date has been the Canada Emergency Wage Subsidy (CEWS) (65%), followed by the Canada Emergency Business Account (CEBA) (54%), and Canada Emergency Response Benefit (CERB) (31%).
- There is some concern about the criteria for CEWS and CERB changing in the fall or if there will be an extension beyond December 2020.
- Over half (56%) of businesses are not operating at a profit since the introduction of Phase 3 of BC's Restart Plan.

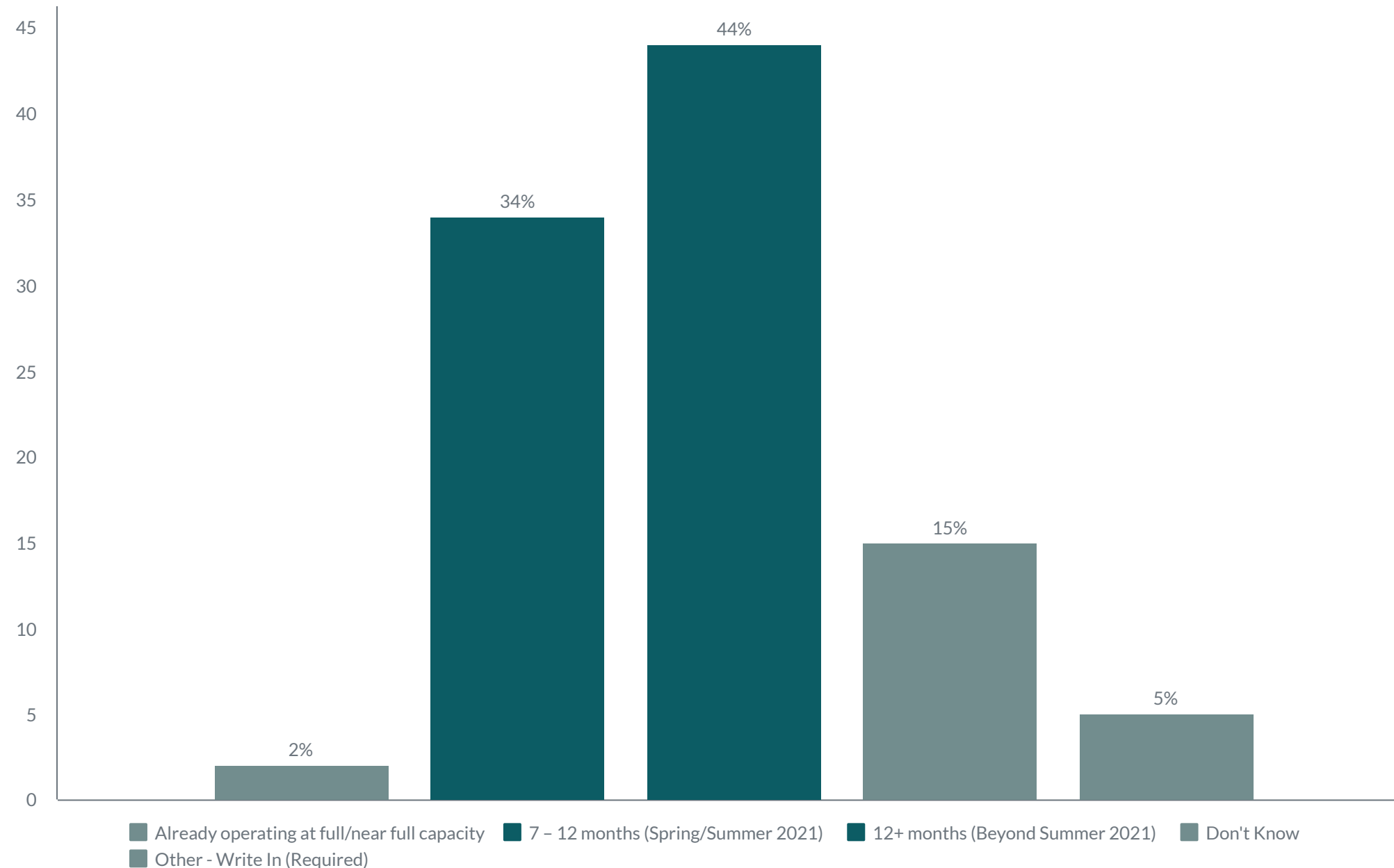


Question: Now thinking about business assistance, is your business currently accessing or has accessed any form of assistance (government or otherwise) due to COVID-19?

- 1 Allow groups of 50 or more
- 2 Access to international markets, particularly USA
- 3 Increase in consumer confidence

Question: What would your business require/what needs to change for it to be able to operate profitably?

BC RESTART PLAN



Question: Looking ahead, how long do you think it will reasonably take for your business to return to pre-COVID levels?

While many businesses are still not operating at pre-COVID levels and understand that recovery is going to be ongoing beyond 2021, the majority acknowledge the government currently has a good balance in regards to public safety and the economy

- Over two thirds (78%) of respondents indicated it will take summer 2021 and beyond (12+ months) for their business to reach pre-COVID levels.
- Despite COVID-19 critical impacts to businesses, the majority (90%) recorded that the BC government is striking a balance between public safety and restarting the economy. No respondents indicated the BC government's measures are too strict and should be relaxed further.

DISTRICT OF SQUAMISH - PATIO/SIDEWALK PERMIT PROGRAM

When asked about the District of Squamish's temporary patio/sidewalk sale permits, it was applicable to 43% of respondents. Of those who it was applicable to, a quarter had applied for a permit

- Open text feedback about the program was generally positive, with the majority saying it was a great idea, added a positive vibe and is appreciated. The only negative comments referenced the pace of some applications and balancing demand with parking.

'It is greatly appreciated and has helped us'

'Nice to see this happening as many businesses have requested a variance for outdoor/sidewalk patio previously which add a positive vibe to the downtown area.'

'Great program. Should continue post covid.'

'Great idea!'

Question: Do you have any feedback about the program?

PRODUCT/SERVICES CHANGES

'Reduced capacity, changed product design, increased pricing to reduce demand and increase exclusivity.'

'Change in food & beverage operation to seated dining. Increased online sales.'

'We have relaxed all our cancellation fees and have had to discount even during peak season.'

'Addition of product types and more social media promotion. Added free local delivery.'

'We have made our events virtual, and reduced the number of events.'

Question: What alterations, if any, has your business made to the products/services it offers? For example, new product/service, virtual, increased/started online sales, price changes etc.

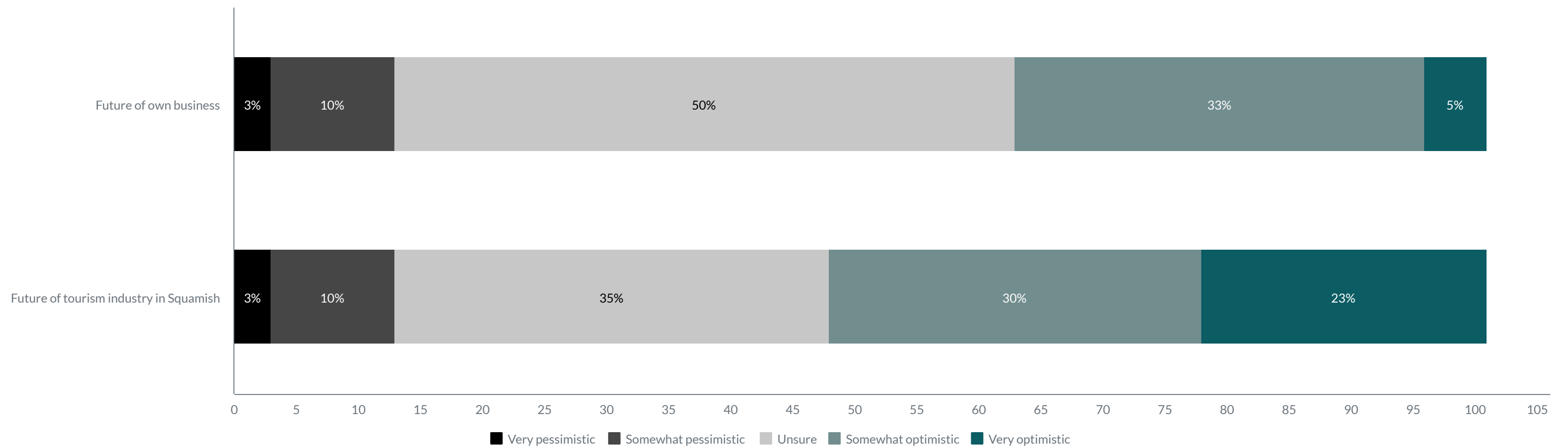
The majority of respondents have made changes to their product/services due to COVID-19

- Key changes include:
 - Price adjustments – most of those being a reduction in pricing, citing appealing to a local/BC market,
 - Shifting to online sales or a hybrid of online, physical location and click and collect,
 - Product changes - customisation and appealing to the current local market and virtual programming including events, meetings and online tutorials.

INDUSTRY SENTIMENT

Respondents were more optimistic about the future of the tourism industry in Squamish than their own business.

- Half of respondents (50%) felt unsure about the future of their business, another 38% were somewhat or very optimistic about the future of their business.
- Over half of respondents (53%) were somewhat or very optimistic about the future of the tourism industry in Squamish.
- 13% of respondents were somewhat or very pessimistic about their business and the future of the tourism industry in Squamish.



Question: When thinking about the future of the tourism industry in Squamish, how do you feel? and When thinking about the future of your own business in Squamish, how do you feel?

QUESTIONS?

For further information on this study,
please contact **courtney@tourismsquamish.com**