



SMALL BUSINESS OWNERS UNPREPARED FOR PEAKS AND TROUGHS IN SEASONAL DEMAND

- Fewer than four in ten (37%) owners of small seasonal businesses surveyed use their time during quieter periods to plan ahead
- 31% plan for peak seasons up to three months in advance while 16% don't plan at all
- Almost one in four (23%) small business owners have not planned for a quieter financial period

Fewer than four in ten (37%) small business owners use their time during quieter periods to plan ahead for the peaks in seasonal business, according to new research from Lloyds Bank.

The data comes as many owners of seasonal businesses, such as those in the tourism industry, set their focus to the imminent drive in demand that will come with Christmas. Positively, 53% of those surveyed make use of off-peak seasons to catch up on business admin they didn't do during in busier periods, 51% carry out more business maintenance and 47% opt to take more holidays during this time. Only 20% use their quieter months to top up on professional development for themselves and their staff and more than one in ten (12%) admit to doing nothing in particular during business downtime.

Of those who do plan ahead for the next peak season, 37% plan up to three months in advance while 32% continually plan for peak periods, yet 16% don't plan at all. Significantly, almost a quarter (23%) of small business owners surveyed admit to not having a business plan in place to ensure their finances will see them through a quieter financial period, while a further 13% admit to not having planned their finances well.

With fluctuations in business demand come fluctuations in staff requirements and the challenges associated with temporary or short term employment arrangements. With a range of options open to business owners, the research found that almost than 1 in 7 (15%) seasonal business owners admit to lacking confidence that they get their staffing levels right during peak seasons, while 1 in 10 are unsure of their staffing arrangements during off-peak seasons.

Jo Harris, Managing Director of Business Banking for Lloyds Bank, said: "Naturally, businesses will experience fluctuations in demand throughout the year. Some, though, will experience more predictable seasonality associated with the industry in which they operate, such as in tourism, events or childcare. What's important is that business owners recognise where these peaks and troughs will occur and prepare for them appropriately. Quieter periods could be used to plan ahead to maximise business success, for example. Equally, businesses should prepare themselves financially for such peaks and troughs to ensure they have adequate cash flow to cover quieter times."

Top tips for seasonal business owners

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1. **Manage your cash flow.** If your business is affected by the seasons your income might not be consistent throughout the year. Remember that if your suppliers are affected by the seasons this might have a knock on effect for you too. It's really important to plan ahead and make sure you have the cash you need – both for your business and for yourself – to see you through the busy and quieter periods
2. **Be prepared.** Plan ahead and don't let the new season creep up on you. Review the season past and consider how you might do things differently in the season ahead. Do you need to plan a marketing or social media campaign to keep in touch with your customers, for example? You might also choose to explore ways to your business less seasonal - can you diversify and sell different products at different times of the year? Do you have skills or premises that you can put to use outside of peak season?
3. **Use your downtime wisely.** Do you need to take some time to develop skills in a particular area? Are you on top of your admin tasks? Do you need to spend some time researching and exploring a new idea for your business? Time and resource are precious, so use any free time that you have efficiently and effectively.
4. **Manage the impact of seasonality for your staff.** Done well, this should be mutually beneficial. Be clear about what the requirements are of your staff and stay up to date with regulation around short or fixed term contracts to understand what the best options are for you.
5. **Most importantly, take some time for yourself!** Owning and running a business is no easy task, so once you've got everything taken care of be sure to take some time for yourself to relax and rejuvenate ahead of the next peak in business!

-Ends-

Notes for editors

- All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1287 adults. Fieldwork was undertaken between 21st - 30th August 2017. The survey was carried out online. Lloyds Bank provides comprehensive expert financial services to businesses of all sizes, from start-ups and small businesses to mid-sized businesses and multinational corporations. We support almost one million small British businesses and start-ups including clubs, charities and societies with less than £1m turnover.
- Lloyds Banking Group is committed to helping businesses of all types and sizes, giving them the funding and support they need to grow at home and abroad. We have set out our pledges in our [Helping Britain Prosper Plan](#).
- In 2017, Lloyds Banking Group pledged to help 100,000 start-up businesses get off the ground, support 5,000 first time exporters; grow lending to small businesses; and support small firms for their next phase of growth.
- In 2016 the Bank helped more than 100,000 start-ups get off the ground as part of its commitment to supporting British enterprise.
- Since the start of 2011, we have grown our lending to SMEs by 29% net, while the market has contracted by 12%.
- View the latest supporting businesses factsheet [here](#).

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