



COVID-19 (CORONAVIRUS) IMPACT SURVEY

MAY 2020

MARKET AND STREET TRADERS

About the business

- 32,000 market and street traders in the UK
- 70% are sole traders – it is slightly more likely for traders who sell essential goods to be a limited company or in a business partnership.
- VAT registration is low – 43% of traders who sell essential goods are registered for VAT; this falls to 18% for traders who sell non-essential goods.
- 80% of all market traders are not liable for business rates on the stall or unit that they operate from.
- Essential goods traders mainly work from outdoor markets (60%), followed by indoor markets (41%) and events (35%). Non-essential goods traders prefer indoor markets (53%) to outdoor markets (46%).
- Goods sold are diverse. Essential goods traders mainly sell foods (77%) and household goods (11%). Non-essential goods traders sell speciality products (26%); arts, crafts, and gifts (18%) and clothing (11%).
- Employment in the sector is low. Essential goods traders are more likely to employ staff – 31% employ at least one person full-time. 84% of non-essential goods traders do not employ full-time staff.
- Over 50% of market traders have been in business more than 11 years. Around 33% are new to markets and have been in business less than five years.
- For all market traders, turnover has been gradually increasing since 2017. Traders who sell essential goods are more likely to have higher turnover than non-essential goods traders.
 - Around 40% of traders who sell essential goods turn over more than £50k a year, compared to 30% of non-essential goods traders.
 - Around 40% of traders who sell non-essential goods turn over less than £25k a year, compared to 30% of essential goods traders.

Eligibility for financial support

- Over 50% of market traders are not eligible for financial support for their business, including the Small Business Rate Relief Grant; the Retail, Hospitality, and Leisure Grant Fund; the Coronavirus Business Interruption Loan Scheme, and deferring VAT payments.
- Over 50% of market traders are not eligible for self-employed financial support, including the Self-Employed Income Support Scheme, Universal Credit, and delaying the self-assessment tax bill. Only 31% expect to make a successful claim for SEISS and 16% for UC.
- Only 20% expect to furlough their staff using the Coronavirus Job Retention Scheme.
- In terms of the value of financial support from the government expected by market traders, one third expect to receive nothing, one third expect to receive less than £5k, and one third expect to receive £10k or more.

Impact of COVID-19 on the business

- Since lockdown, most markets in the UK closed – even for traders selling essential goods. 65% of these traders were forced to close by the market or licensing authority. A third of markets remained open.
- 57% of market traders received a waiver on their rents with no expectation to pay back. 13% of market traders have been given a ‘payment holiday’ but charges continue to accrue and are expected to be paid back.
- 30% of market or licensing authorities continue to charge rent/fees as normal, including to essential goods traders who are self-isolating and non-essential goods traders who are unable to trade by law.
- Lockdown has caused market traders to change their business models. 25% have introduced a delivery service, 20% created social media accounts, and 10% launched a website.
- Turnover has been severely affected. Non-essential goods traders have been hit much harder than essential goods traders. 70% of market traders are down – most around £20k or less.
- Forecasts for turnover for April 2020 to March 2021 are depressed. 16% of traders who sell non-essential goods expect to close their businesses. 8% of traders who sell essential goods expect to close.
- Around 50% of market traders are confident in the longevity of their businesses – essential goods traders more than non-essential goods traders.
- Around 66% of market traders do not have a business plan, of those who do – most are planning only two years ahead.
- Around 66% of market traders expect to trade on the same or more markets over the next financial year. Most expect to invest in their business at the same level or more.

EVENTS TRADERS

About the business

- 71% are sole traders; 29% are a limited company or in a business partnership and are likely to have two or more business partners or directors.
- 74% of events traders are not registered for VAT and 89% are not liable for businesses rates on any non-domestic property.
- Unsurprisingly, the main sales channel for events traders are events (97%). More events traders sell online (28%) compared to market traders. 23% trade on outdoor markets.
- Most events traders sell non-essential goods, such as: Speciality (21%); arts, crafts, and gifts (16%); clothing (10%); jewellery and watches (8%); and vintage (5%).
- 51% of events traders travel all over the UK to sell at events.
- Employment provided by events traders is very low. 25% of event traders provide part-time employment to one or more people and 13% provide full-time employment.
- Events traders are well-established. 64% have been in business more than 11 years. 19% have been trading less than five years.
- For all events traders, turnover has been gradually increasing since 2017. Nearly 50% of events traders turn over less than £25k a year. Over 33% turn over more than £50k a year.

Eligibility for financial support

- Over 50% of events traders are not eligible for financial support for their business, including the Small Business Rate Relief Grant; the Retail, Hospitality, and Leisure Grant Fund; the Coronavirus Business Interruption Loan Scheme, and deferring VAT payments.
- Over 50% of events traders are not eligible for self-employed financial support, including the Self-Employed Income Support Scheme, Universal Credit, and delaying the self-assessment tax bill. 32% expect to make a successful claim for SEISS and 12% for UC.
- Only 14% expect to furlough their staff using the Coronavirus Job Retention Scheme.
- In terms of the value of financial support from the government expected by events traders, 45% expect to receive nothing, 33% expect to receive less than £5k, and 12% expect to receive £10k or more.

Impact of COVID-19 on the business

- Traders book in advance to trade at events. 57% paid less than £1k to trade events this year, but 13% paid more than £5k to guarantee a space to trade.

- 96% of events traders have had events cancelled. 49% have had ten events or less cancelled. 24% have had more than 20 events cancelled.
 - 48% of events traders have not received any money back due to events being cancelled. 36% have seen less than £1k returned to them.
 - 82% of events traders have had events postponed. 59% have ten events or less postponed. 11% have had more than 20 events postponed.
 - 78% report that less than £1k has been kept by the organiser. 5% report that more than £5k has been kept. Partial refunds may have taken place.
 - 68% did not have event cancellation insurance. Nobody has made a successful claim on any insurance policy for event cancellation.
 - Lockdown has caused events traders to change their business models. 19% have created social media accounts, 9% launched a website, and 8% introduced a delivery service.
 - Turnover has been severely affected. 78% of events traders claim to be down with more than 50% down over £20k and 21% down more than £20k.
 - Forecasts for turnover for April 2020 to March 2021 are depressed. Only 14% expect to turn over more than £50k. 16% of events traders expect to close the business.
 - 59% of events traders are confident in the longevity of their business but most do not have a business plan, of those that do – they are only planning two years ahead.
 - Over the next financial year, 66% of events traders expect to trade at events less and 58% expect to invest in the business at the same level or more.
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Data collection

- Thursday, 23 April to Friday, 8 May 2020
- Market and street traders (essential goods), market and street traders (non-essential goods), events traders (essential and non-essential goods)

Response

- Market and street traders, essential goods – 264
- Market and street traders, non-essential goods – 522
- Events traders, essential and non-essential goods – 314
- Total response – 1,100

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