# Coronavirus hospitality crisis: data shows the devastating effect coronavirus outbreak is having on the hospitality industry, and how it's getting worse.

17 March 2020, London

Analysis of UK food and beverage businesses shows that the coronavirus outbreak is having a devastating impact on sales, with the latest data showing that on Sunday 15th March, the average business saw a **44% decrease in sales** compared with last year.
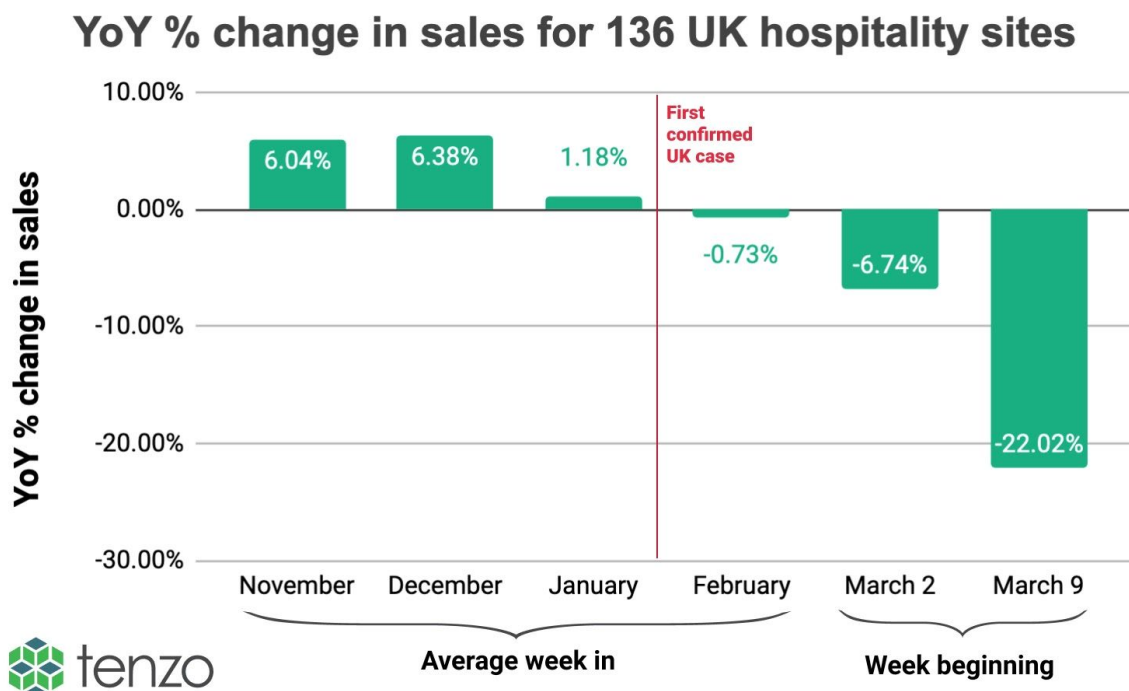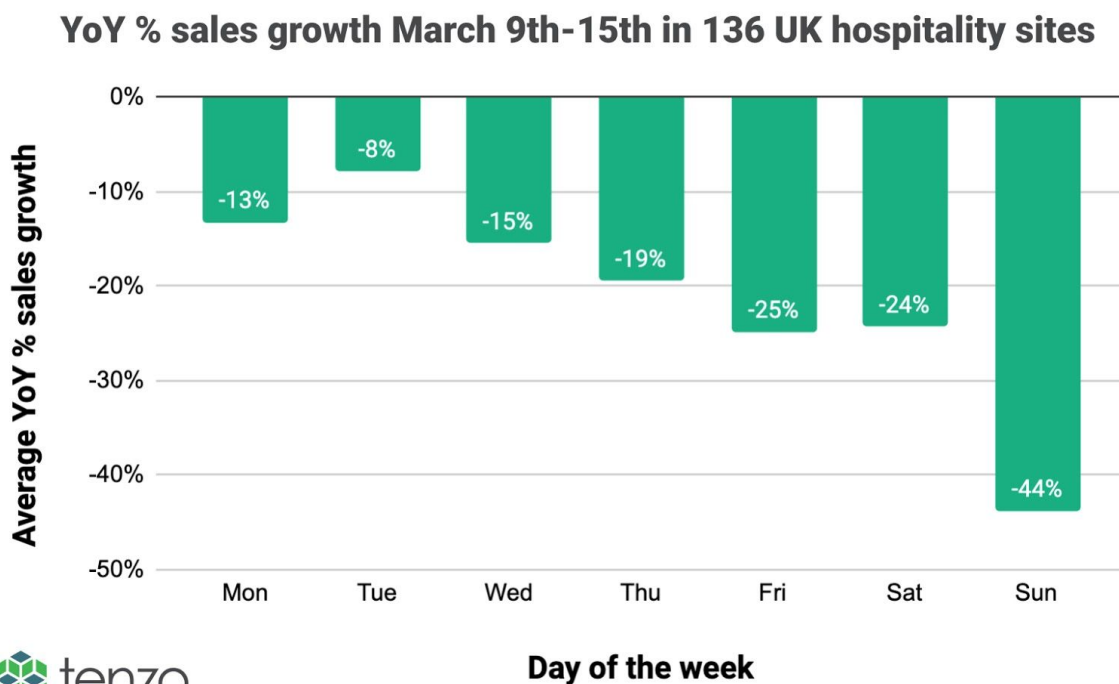

The analysis was performed by Tenzo, a restaurant business intelligence and forecasting platform used by some of the fastest-growing hospitality businesses in the UK. The sample includes 136 multi-site and single-site quick service, fine dining, and casual dining restaurants, pubs, and cafes. They had recorded on average year-on-year sales growth of 6.04% for an average week in November, 6.38% in December, and 1.18% in January.

However, after the first UK case of the Covid-19 coronavirus was confirmed on 31 January, sales growth was reversed, dropping to -0.73% in February, then to -6.74% in the first week of March. Last week, as the response to the outbreak intensified, sales dropped drastically to -22% year-on-year.

The sample includes a majority of sites in and around London.

Even more worryingly, sales continued to drop throughout the week, as shown in the following graph.

YoY % sales growth March 9th-15th in 136 UK hospitality sites

Average YoY % sales growth

Day	Value
Mon	-13%
Tue	-8%
Wed	-15%
Thu	-19%
Fri	-25%
Sat	-24%
Sun	-44%

Day of the week

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The sites in our sample lost more sales as the week went on, with sales on Sunday a shocking 44% down on last year.

For the average business outlet in the sample, this meant a year-on-year reduction in sales in the 2nd week of March of £5,736.

"This situation is unprecedented for the hospitality industry", said co-founder and CEO Christian Mouysset, "We have published today a guide that can help restaurants take measures to mitigate the effect of COVID-19, but clearly in light of what Boris announced last night, the situation is going to get worse and the government, landlords, local councils, and suppliers are going to have to do a lot more to help businesses to survive."

Cafes are the worst affected, followed by restaurants, with sales down 26% and 23% respectively. Pubs seem to be much less affected, with a drop of only 6%. However, this

advantage may now have been lost following the government's advice last night that people avoid pubs. *Note: the pubs in this sample are mainly country inns which focus on food.*

Year-on-year sales by sector - 2nd week of March
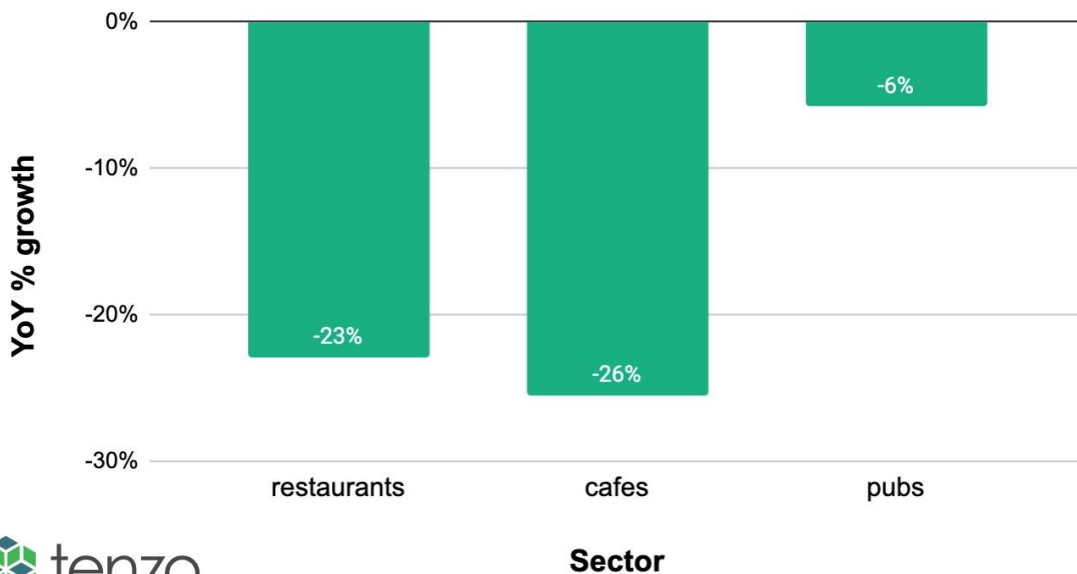
A smaller analysis also showed that the reductions in sales have in part been compensated for by an increase in delivery orders, with businesses offering delivery seeing a 10% increase in orders on average.

Tenzo will continue monitoring the situation, diving deeper into the data, and providing updates on industry sales impact every week. Please respond to this email if you would like to receive these updates.

Contact Dara Javan at dara@gotenzo.com with any questions or for further comment.

Notes to Editor

About Tenzo
Founded in 2016, Tenzo are on a mission to revolutionise the way restaurants and retailers use their data.

We want to be in the pocket of every decision-maker in every restaurant and store on the globe, giving actionable insights to the right person, at the right time, and on the right device.

Through our insights and forecasts, we aim to help every brick-and-mortar business become less wasteful, reducing the impact that humanity is having on the planet, and creating more efficient businesses that grow faster.

Tenzo, named after the title of the head chef at Buddhist monasteries, was co-founded by Christian Mouysset and Adam Taylor, who met while studying computer science at Cambridge.

Christian, as a restaurant entrepreneur himself, experienced first hand the problem of lack of access to data at the right time to make meaningful business decisions across his Hummus Bros chain.

Adam led big data and growth tech work for McKinsey in Silicon Valley. Adam cut his development teeth at Marmalade, a mobile gaming studio, where he led development teams on classic titles such as Final Fantasy and Tony Hawk's Pro Skater.

For more information, visit gotenzo.com