

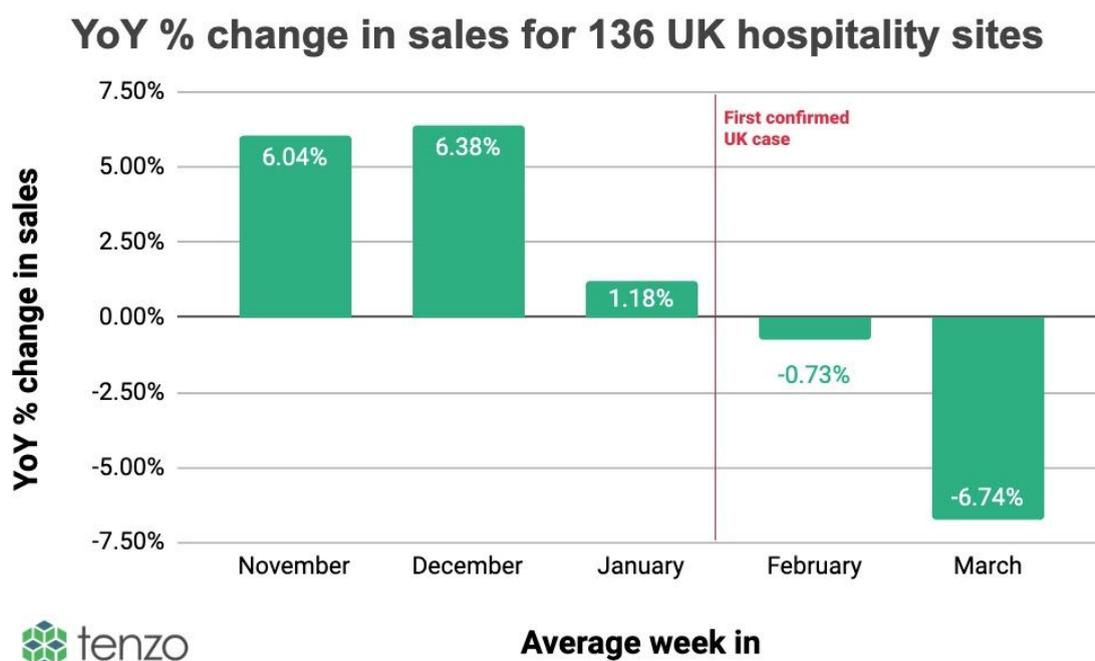
# Covid-19 starts to bite: virus reverses growth trend for high-performing UK hospitality business

12 March 2020, London

Analysis of 136 typically high-performing food and beverage businesses shows that coronavirus is having a strong negative impact on sales for even the strongest UK hospitality business.

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 businesses, including multi-site and single-site quick service, fine dining, and casual dining restaurants, pubs, and cafes, are all users of the Tenzo platform. 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, and then much further to -6.74% in the first week of March. The sample includes a majority of sites in and around London.





For the average business outlet in the sample, this meant a year-on-year reduction in sales in the 1st week of March of £1,883.

Compared to Tenzo's AI sales prediction, which uses machine learning to analyse past sales, growth trends, weather forecasts, and holidays, the impact looks even worse, with sales down on average 11.29% in the first week of March, compared to what Tenzo's AI would expect the businesses to take in the same period.

Cafes are being far more affected than restaurants, with a 16% year-on-year decrease in sales in the first week of March, compared to a 6.39% reduction for restaurants. Results for pubs are so far inconsistent.

A smaller analysis also showed that the reductions in sales have in part been compensated for by an increase in delivery orders, with some businesses seeing an increase of up to 25% in delivery sales.

Tenzo will be 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](mailto:dara@gotenzo.com) with any questions or for further comment.