



THE NH HOSPITALITY INDUSTRY

WHO IS NHLRA?

- Founded in 1919
- Statewide Industry Association – 501(c)6
- 1300 members across New Hampshire
- Diverse membership –
 - From B&B's to the Mount Washington Hotel and Resort.
 - From your local pizza shop to fine dining restaurants.
 - We also include in our membership brewers, campgrounds, ski resorts and other tourist attractions.
- NHLRA Education Foundation – 501(c)3
 - Education and workforce development
 - NH Hospitality Employee Relief Fund

WHAT DO WE DO?

- Voice of the industry
- Advocacy and compliance
- State and Federal elected leaders
- Group buying programs
- Marketing and promotion –
 - NH Flavors
 - Rally for NH Restaurants



INDUSTRY CHALLENGES

THE GOOD NEWS

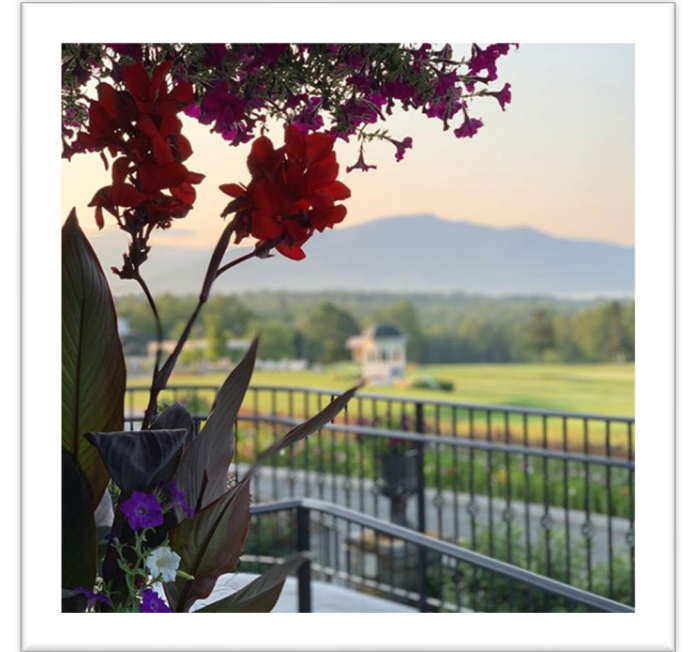


- Leisure demand has returned and in some cases is stronger than 2019
- The businesses that have survived have good fundamentals and are (hopefully) more resilient
- Government and Municipal support has been a critical factor for survival

INDUSTRY CHALLENGES

THE NOT SO GOOD NEWS

- Staffing – the worker shortage is worse than critical
- Supply Chain
- Costs are up across the board
- Customers – confrontational with front line staff
- Business Travel – only a small percentage has returned and is not expected to recover until 2023-24





COVID-19 UPDATE

Restaurants are still feeling an **ECONOMIC IMPACT**

Restaurant Industry Impact Survey • September 2021

To assess the impact of the pandemic the National Restaurant Association Research Group conducted a survey of 4,000 restaurant operators nationwide Sept. 7-15, 2021.



Delta variant
dampened
indoor dining at
49%
of restaurants
in the State



44% of local operators
think it will be
12+ months
until business normalizes
→ **19%** think it never will



**Costs
are up**

93% paying more for food
74% paying higher occupancy costs
85% have higher labor costs



91%

of local restaurants
are **understaffed**



53%

of local restaurants'
Aug. 2021 sales were
weaker than Aug. 2019



79%

Profitability is down

have **smaller
margins**

For more information & resources, visit www.NHLRA.com

NOT ALL BUSINESSES IMPACTED EQUALLY

- Restaurant Sector – casual and fine dining have been hit hardest. QSR has been doing well. Seeing a shift in business model
- Lodging sector – independent and smaller properties hit hardest. National flags are faring better. Business travel has cratered
- Events/Function sector – larger venues hit hardest. Business events and meetings down significantly. Weddings and leisure events are up
- Breweries – have done fine, off-premise sales have been strong
- Campgrounds – have never been busier
- Tourist attractions – busy over the summer but weather didn't help



INDUSTRY ADAPTATIONS

- Industry wide the more successful hospitality businesses have focused on employee benefits, culture and lifestyle.
- Restaurants – mobile and on-line ordering. Take-out & delivery/curbside pick-up. Marketing safety measures.
- Lodging – contactless check-in, limited housekeeping, limited room service (if at all)
- Events/Functions – smaller groups, fewer people at a table, limited congregating
- Attractions – no ticket lines – prepaid in advance only. Limited capacities in some cases



WHAT DOES THE FUTURE HOLD?



- Culture – lifestyle and benefits will likely have to change for most
- Restaurants – Will need to adopt automation, a split in service model – shift to limited service model/fine dining,
- Lodging – limited housekeeping/room service/amenities here to stay. Independents will need to adopt technologies,
- Events/Functions – smaller events, business events limited,

HOW CAN MUNICIPALITIES HELP?

- Resist implementing restrictions on businesses – flexibility is most important
- Continue to support expanded outdoor dining
- Partner with industry to communicate safety measures in support of consumer confidence
- Grants to independent and small businesses to adopt technologies/automation
- Grants in support of HVAC upgrades – mitigation technologies
- Affordable housing policies in support of workforce – zoning, planning






THANK YOU

Q & A

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