

A relaxed look at how various of the UK's recreational service sectors, are performing

In this fifth of our new series Screen-Testing UK sectors, the focus is on Recreation. A detailed look that is at five areas of the UK that serve what can best be described as our leisurely needs, however differently we happen to see these fulfilled; watching others perform for us as we relax or being active in our non-work time.

The range of sectors covered extends from **hotels located in the UK & its other short-stay property (55)**, across to those UK-based venues that house **live performance art (90)**, or **art caught on camera (59)**. Also captured are the “performance” fortunes of venues where we watch others, or engage ourselves, in all forms of **sporting activity (93)**.

To be clear, each of these sectors covers a range of forms. Category 59 for instance captures those providing both cinematic (**Cineworld Group**), as well as TV viewing platforms (viz. **ITV**). It also extends to the production of content for these, and indeed the recording of music. This accepted sector 59 is refined enough that it offers an insight into discretionary consumption of services within the UK, as does of course the varied sports category carrying the SIC code 93 (**Hollywood Bowl plc, GYM Group**). For the purposes of completeness, a tear-sheet is provided covering the discretionary “habits” of the UK's households in relation that is to their retail buying of **non-food items (52 less 52.11)**. To those interested in the fortunes of businesses involved in preparing and serving **food and drink (56)**, that was covered in Take 1. As for which firms operate in each of the sectors, and listed on the FTSE or other major exchange, a mapping is available on request.

Also covered or rather captured in this short piece, are those UK businesses providing travel & tourism services (79), again, another highly consumer cyclical market. And at a time of heightened concern that a “consumer-led UK recession” looms large, surely data for any sectors offering early warnings, should be welcomed as warranting close attention?

As for the ONS figures themselves, this piece captures sector specific monthly data from 2010 through to November of “last year”. And though as such “historic”, the December tranche will soon be upon us, with coming months providing continuous updates in their turn. In relation to the data since 2010 it allows us to examine how each sector behaved through the varied “Crises” that have hit post the “’08 Crisis”. Behaved through seemingly interminable political and referendum shocks, and sterling's movements around these. Indeed, the respective chart 4s illustrate how costs responded over time to sharp moves in sterling and energy prices. For their parts the respective chart 5s present data on how wage inflation has moved within these sectors, the accompanying chart 6's doing to same for changes to employment.

For each of the five sectors covered, one tear-sheet is provided with the “covid lockdown” included, and one with the disruption caused by covid, redacted.

Those with a keen eye, will see the pricing spike of the 2012 Olympics for **category 93**, and so too in the data for SIC 55 the effect it had on London's hotel activity.

As for what one can conclude from the latest evidence emerging from these five “consumer cyclical” sectors, there is NO SINGLE ANSWER.

Whilst there was a shocking reversal in sector 90 (live performance entertainment), it has shown itself since 2010 to have the ability to bounce back strongly. It has indeed on average generated top line growth above the average of all UK service sectors (see the relevant charts 1 and 3). The same can be said of **travel agents & tour operators (79)** [**On the Beach, Hostelworld etc**].

What then of the **UK's hotel and other short-term accommodation services sector (55)**, [inclusive of **Whitbread, IHT and Accor**]? Well, over coming months, the data for this sector will provide an invaluable insight into how levels of inwards tourism to the UK are holding, and indeed whether our “staycationing” is as it were, here to stay.

UK Hotels and other short-term accommodation services (55)

Chart 1. Operating Sales, £

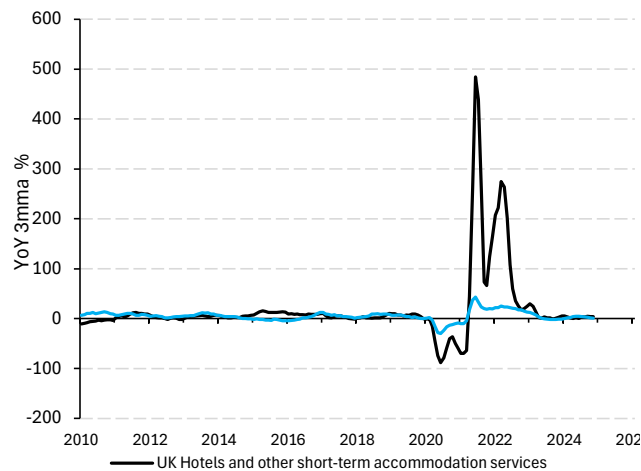
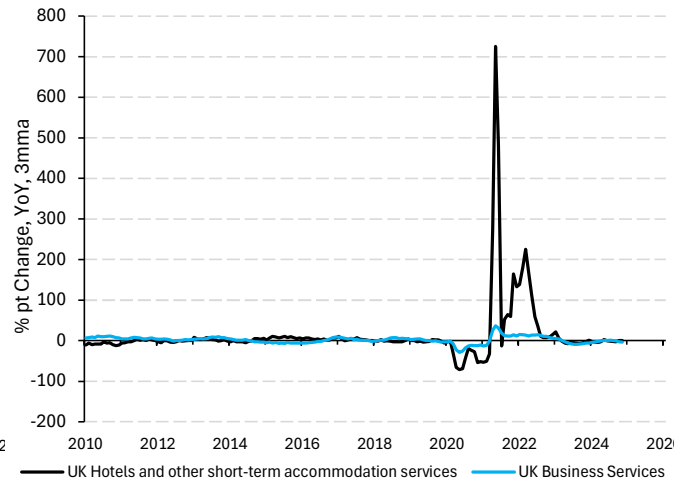


Chart 2. Operating Margin

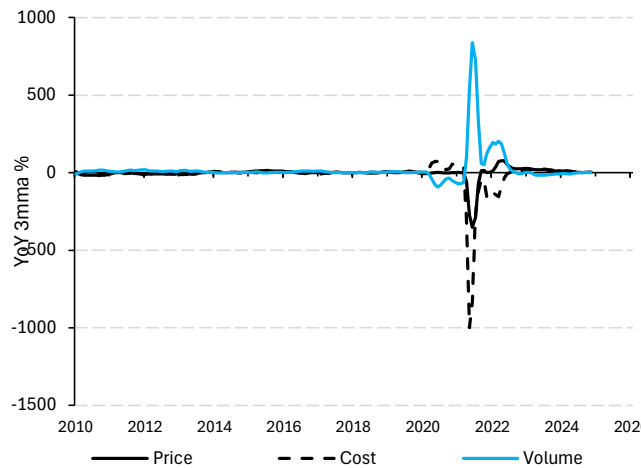


Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

UK Hotels and other short-term accommodation services 18.4 (0.3)
UK Business Services 5.2 (0.5)

UK Hotels and other short-term accommodation services 13.1 (0.2)
UK Business Services 1.9 (0.2)

Chart 3. Price, Cost & Volume



Price -2.2 (-0.1)
Cost -15.3 (-0.1)
Volume 20.6 (0.2)

Chart 4. Detailed price & cost dynamics

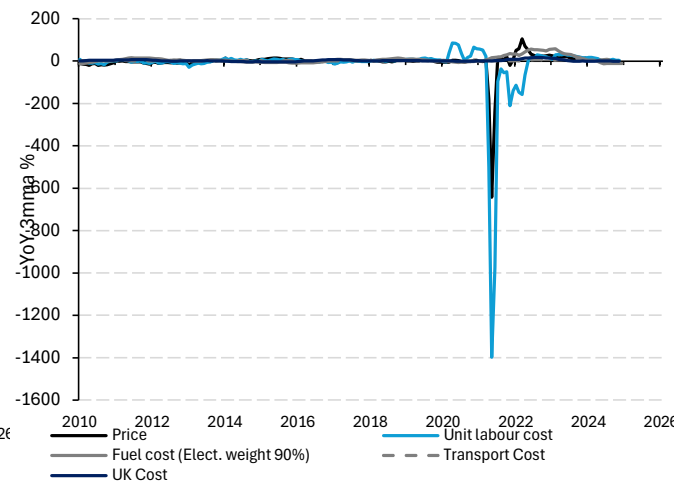
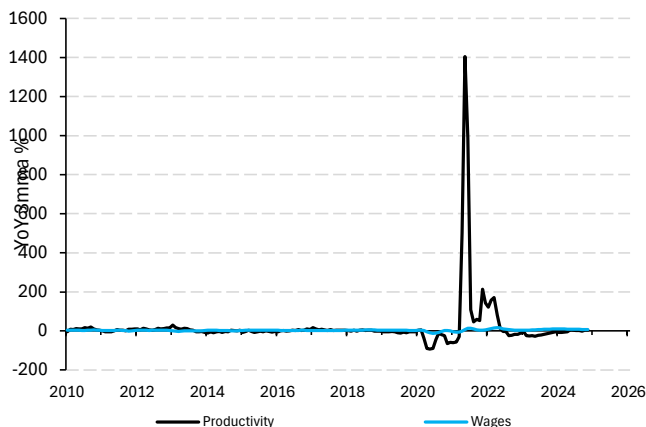
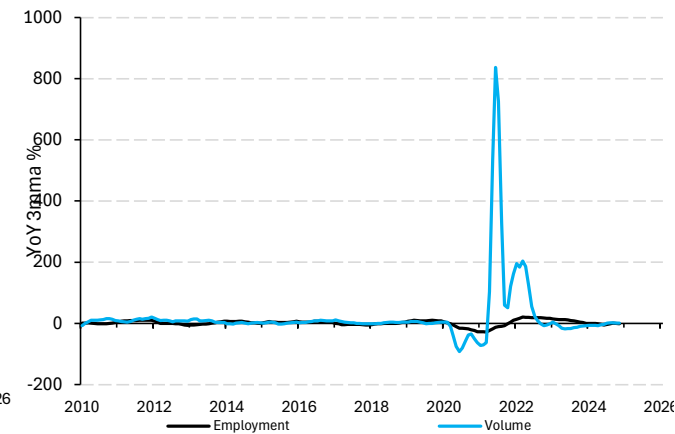


Chart 5. Labour Productivity vs Wages



Productivity 19.1 (0.1)
Wages 3.3 (0.8)

Chart 6. Employment vs Volume



Employment 2.2 (0.2)
Volume 20.6 (0.2)

* Inverse Coefficient of Variance = Mean / Standard Deviation

UK Hotels and other short-term accommodation services (55)

Chart 1. Operating Sales, £

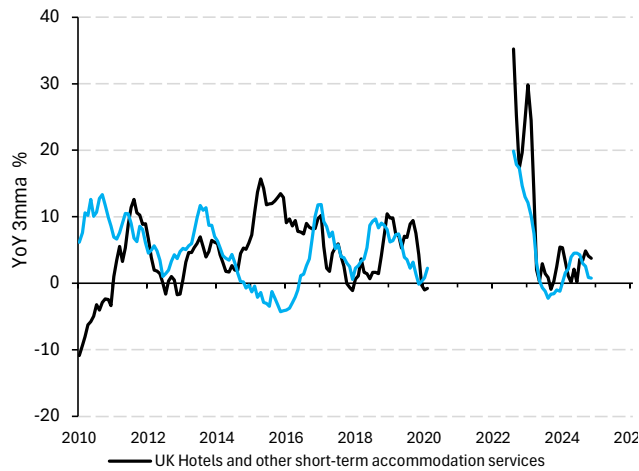
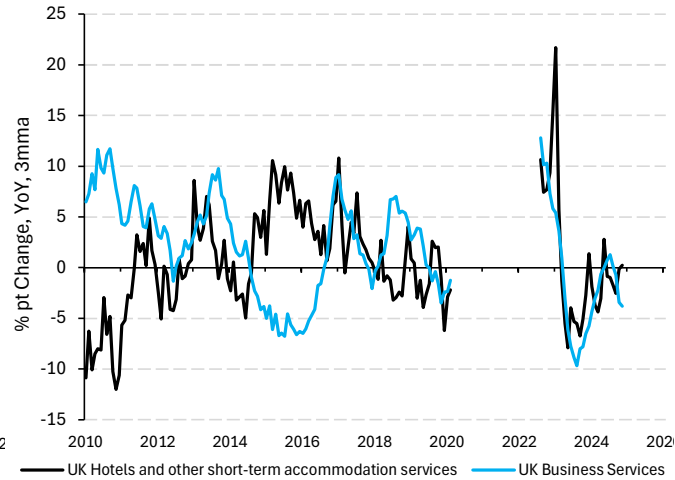


Chart 2. Operating Margin

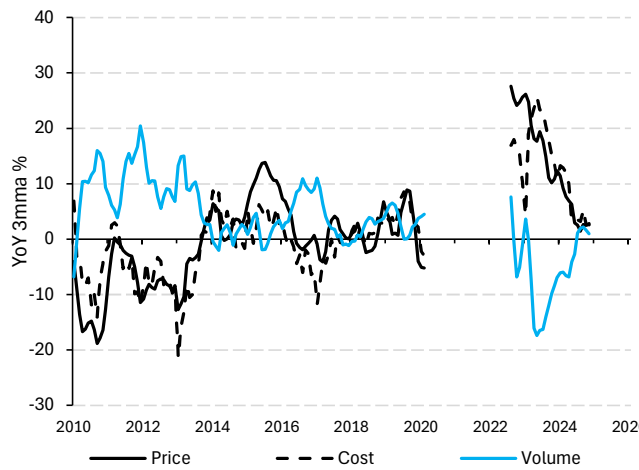


Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

UK Hotels and other short-term accommodation services 5.3 (0.8)
UK Business Services 4.8 (1.0)

UK Hotels and other short-term accommodation services 0.6 (0.1)
UK Business Services 1.7 (0.3)

Chart 3. Price, Cost & Volume



Price 1.7 (0.2)
Cost 1.1 (0.1)
Volume 3.5 (0.5)

Chart 4. Detailed price & cost dynamics

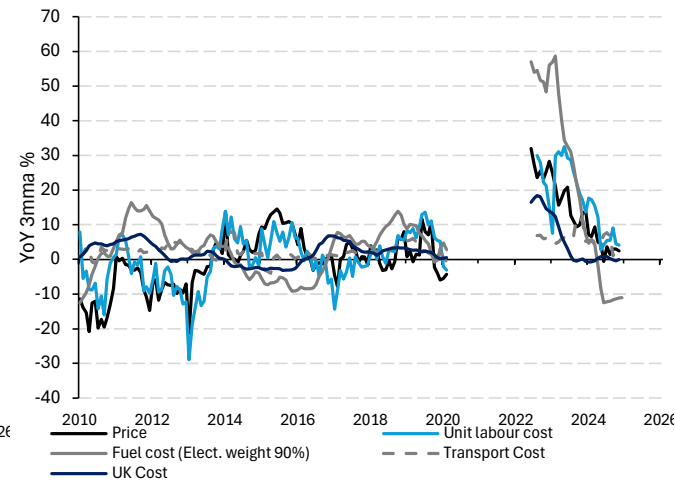
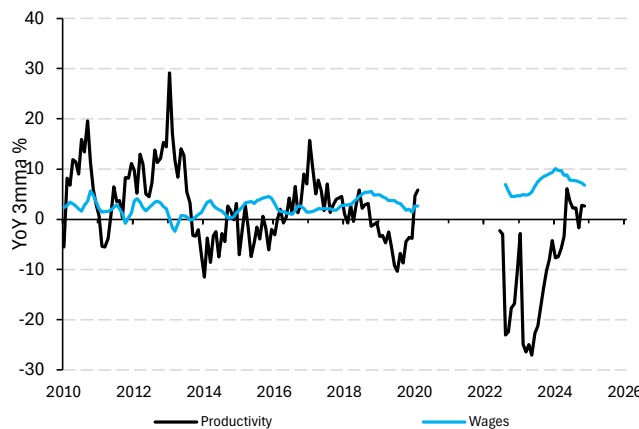
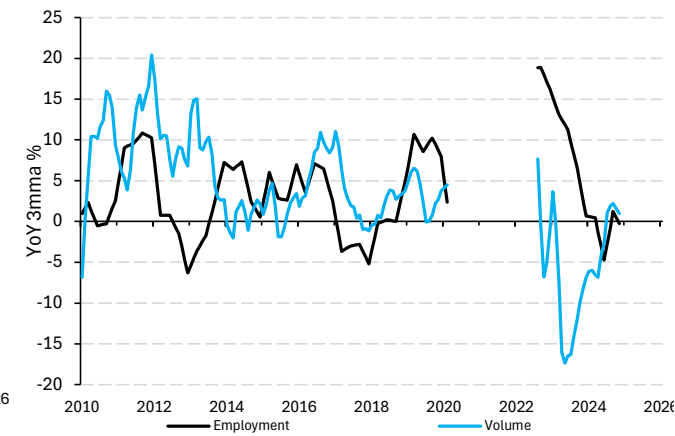


Chart 5. Labour Productivity vs Wages



Productivity 0.2 (0.0)
Wages 3.3 (1.4)

Chart 6. Employment vs Volume



Employment 3.7 (0.7)
Volume 3.5 (0.5)

* Inverse Coefficient of Variance = Mean / Standard Deviation

UK TV, film & sound production & presentation (59)

Chart 1. Operating Sales, £

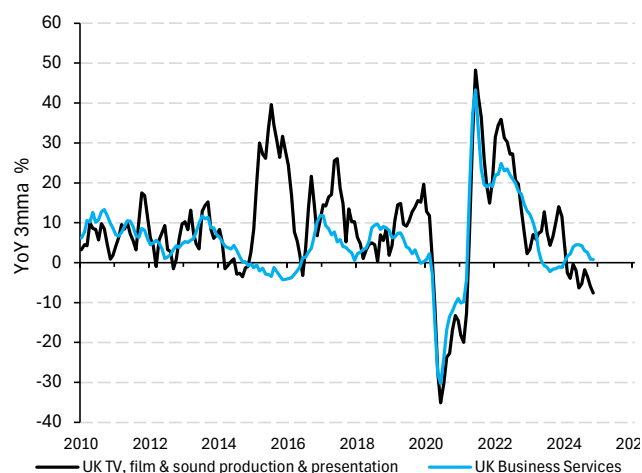
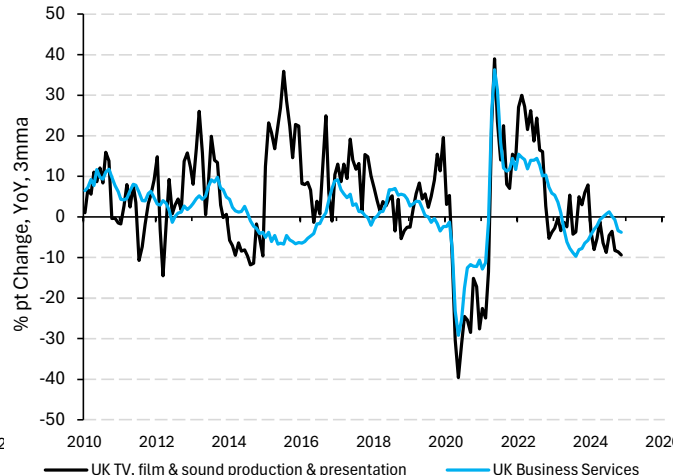


Chart 2. Operating Margin



Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

UK TV, film & sound production & presentation 8.8 (0.7)
UK Business Services 5.2 (0.5)

UK TV, film & sound production & presentation 4.5 (0.3)
UK Business Services 1.9 (0.2)

Chart 3. Price, Cost & Volume

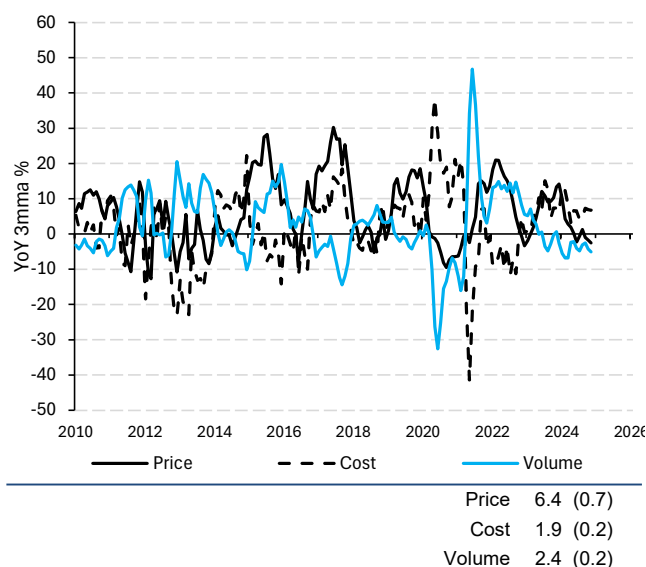


Chart 4. Detailed price & cost dynamics

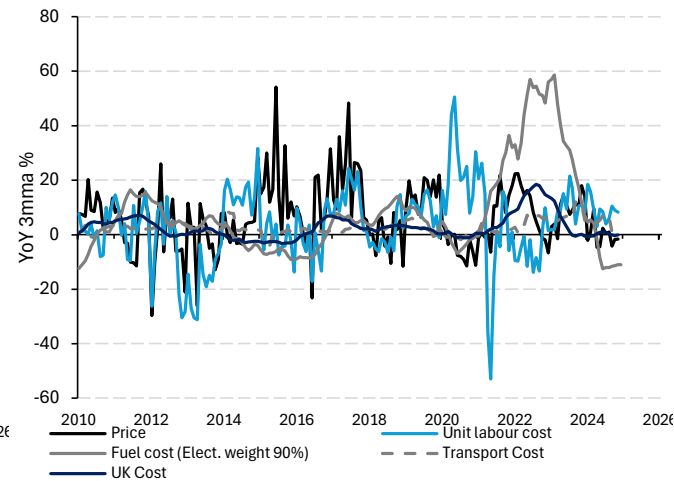


Chart 5. Labour Productivity vs Wages

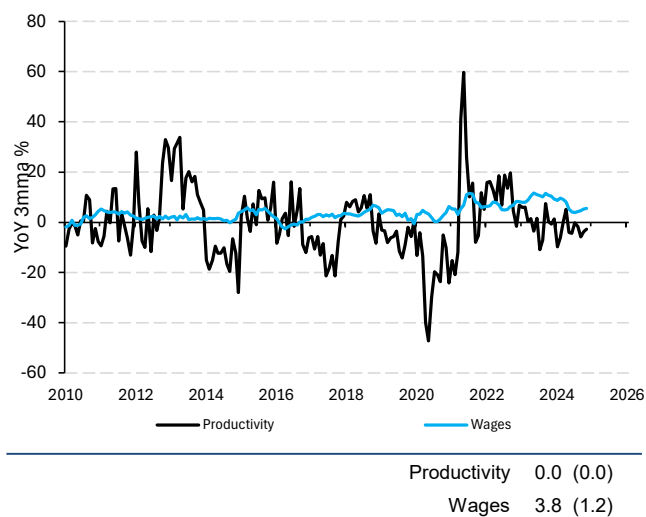
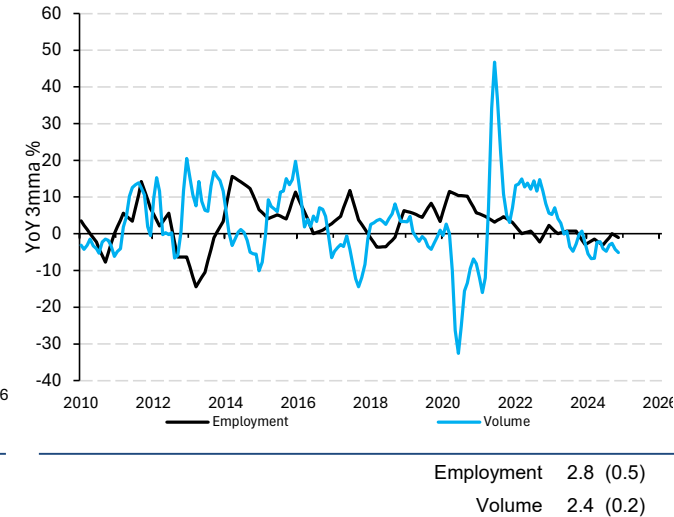


Chart 6. Employment vs Volume



* Inverse Coefficient of Variance = Mean / Standard Deviation

UK TV, film & sound production & presentation (59)

Chart 1. Operating Sales, £

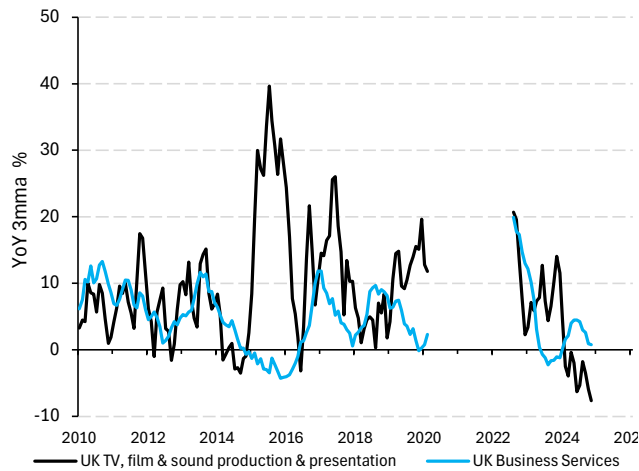
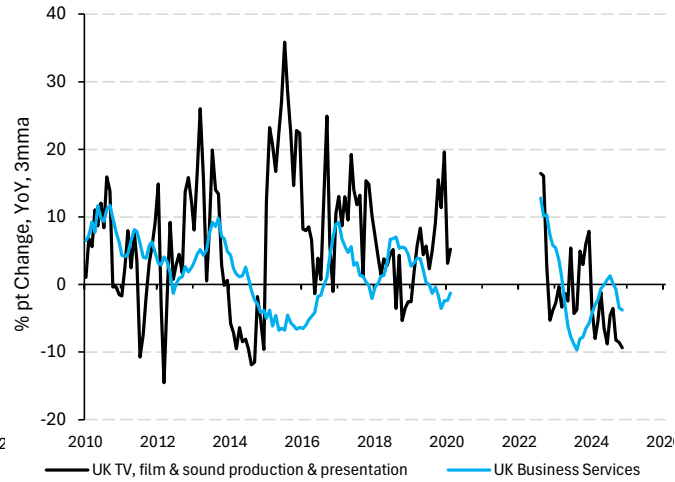


Chart 2. Operating Margin

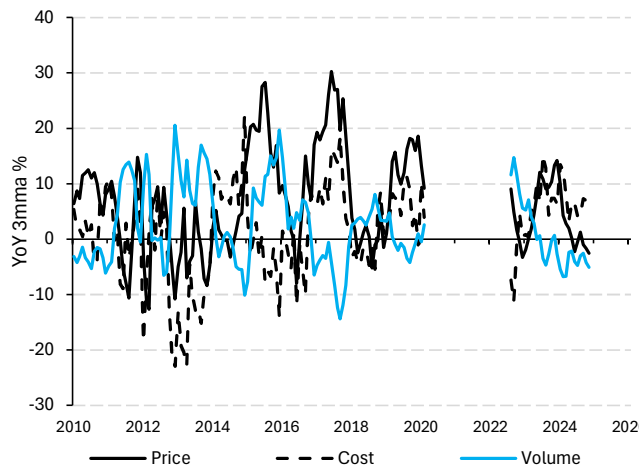


Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

UK TV, film & sound production & presentation 9.0 (1.0)
UK Business Services 4.8 (1.0)

UK TV, film & sound production & presentation 5.1 (0.5)
UK Business Services 1.7 (0.3)

Chart 3. Price, Cost & Volume



Price 6.7 (0.7)
Cost 1.6 (0.2)
Volume 2.3 (0.3)

Chart 4. Detailed price & cost dynamics

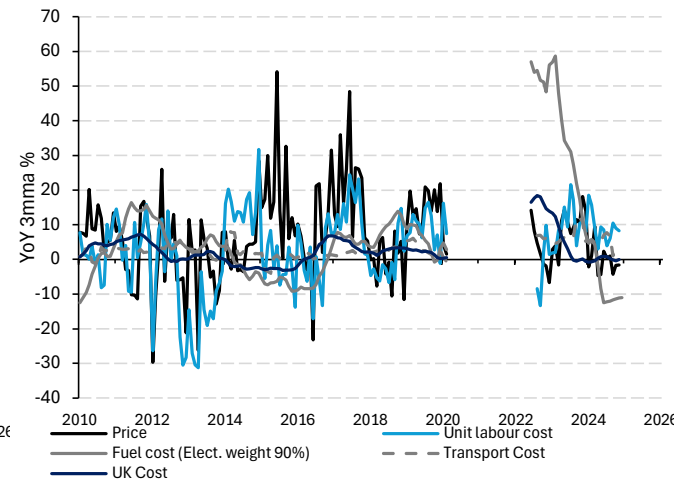
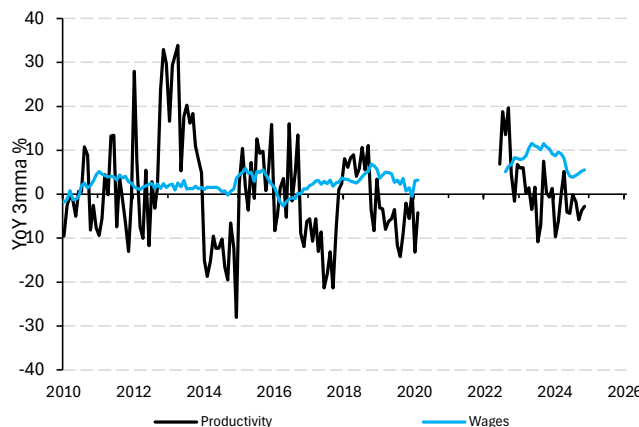
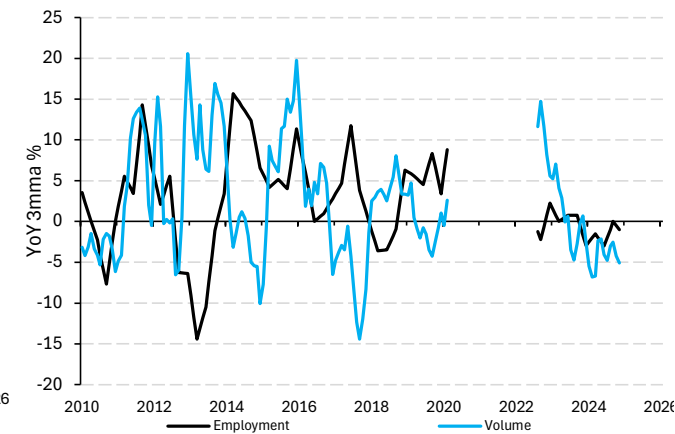


Chart 5. Labour Productivity vs Wages



Productivity 0.4 (0.0)
Wages 3.4 (1.2)

Chart 6. Employment vs Volume



Employment 2.3 (0.4)
Volume 2.3 (0.3)

* Inverse Coefficient of Variance = Mean / Standard Deviation

UK Travel agents & tour operators (79)

Chart 1. Operating Sales, £

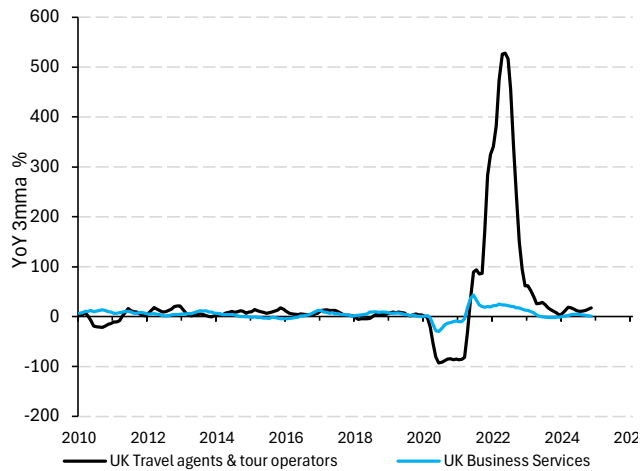
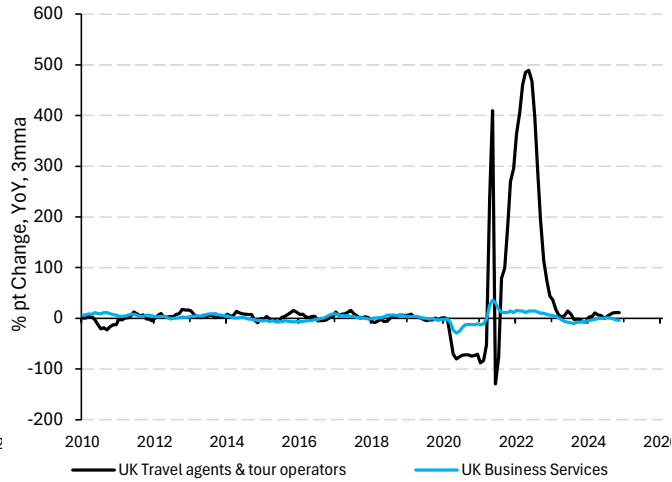


Chart 2. Operating Margin

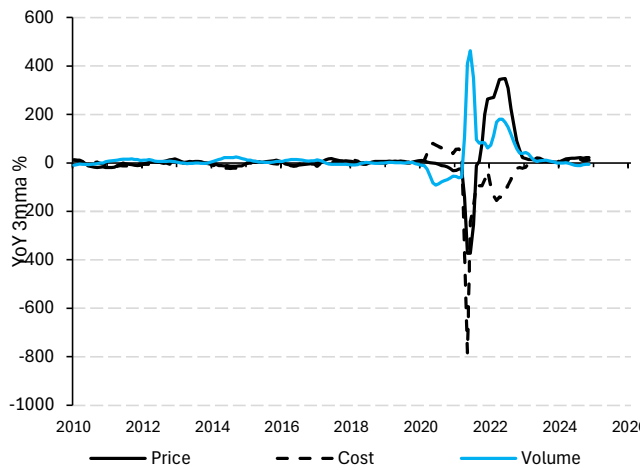


Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

UK Travel agents & tour operators 29.4 (0.3)
UK Business Services 5.2 (0.5)

UK Travel agents & tour operators 25.9 (0.3)
UK Business Services 1.9 (0.2)

Chart 3. Price, Cost & Volume



Price 13.0 (0.2)
Cost -12.9 (-0.2)
Volume 16.4 (0.3)

Chart 4. Detailed price & cost dynamics

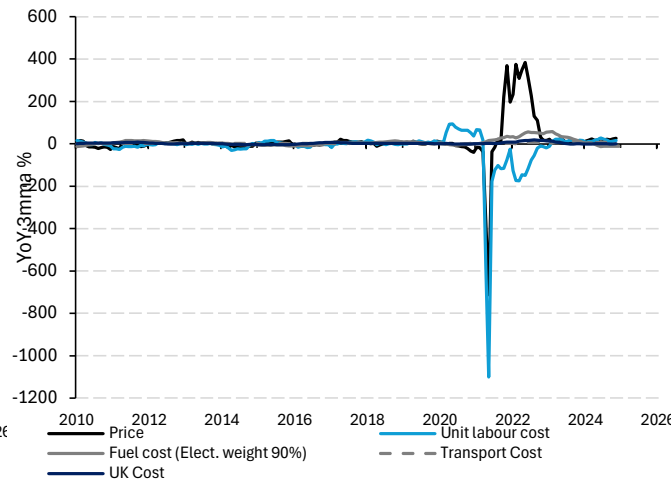
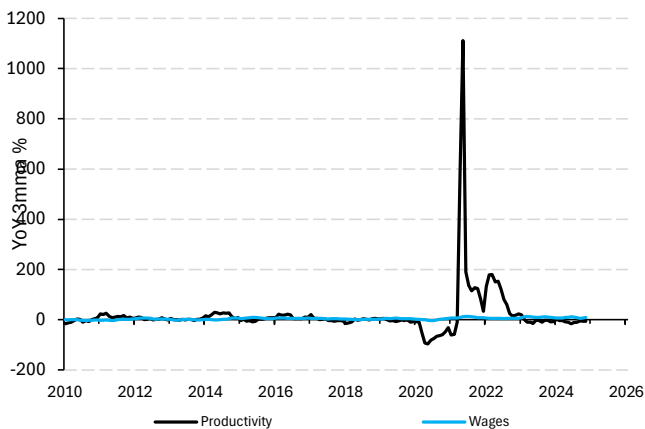
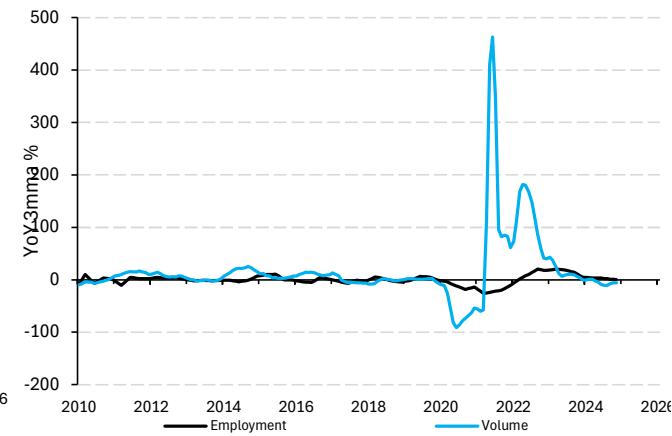


Chart 5. Labour Productivity vs Wages



Productivity 18.2 (0.2)
Wages 4.2 (1.1)

Chart 6. Employment vs Volume

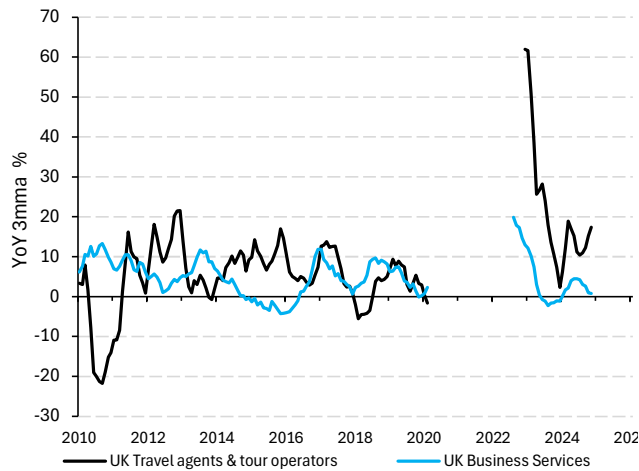


Employment 0.1 (0.0)
Volume 16.4 (0.3)

* Inverse Coefficient of Variance = Mean / Standard Deviation

UK Travel agents & tour operators (79)

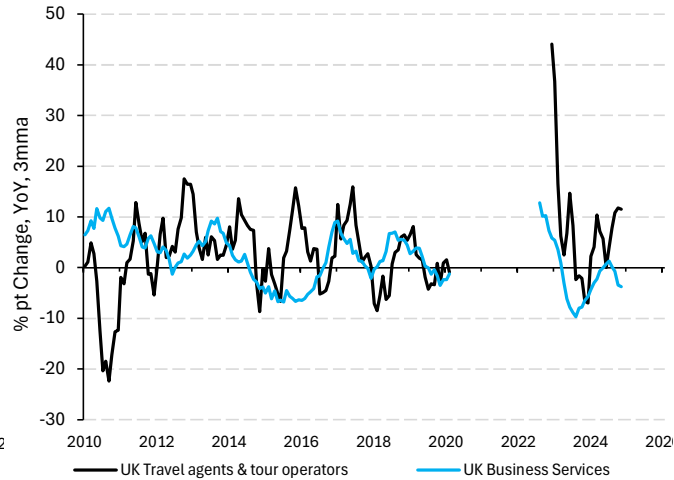
Chart 1. Operating Sales, £



Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

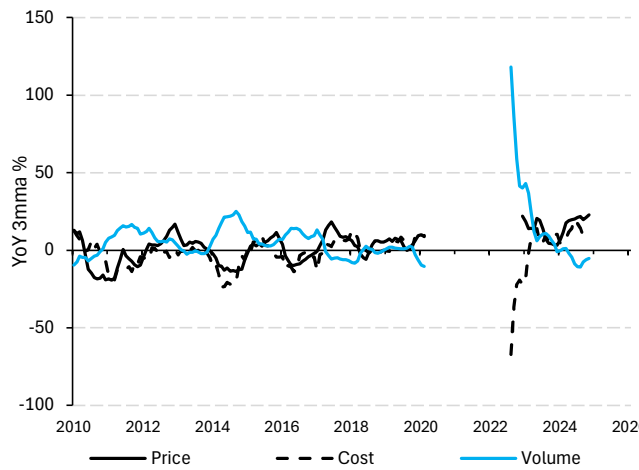
UK Travel agents & tour operators 7.6 (0.6)
UK Business Services 4.8 (1.0)

Chart 2. Operating Margin



UK Travel agents & tour operators 3.1 (0.4)
UK Business Services 1.7 (0.3)

Chart 3. Price, Cost & Volume



Price 2.6 (0.3)
Cost -1.5 (-0.1)
Volume 6.8 (0.4)

Chart 4. Detailed price & cost dynamics

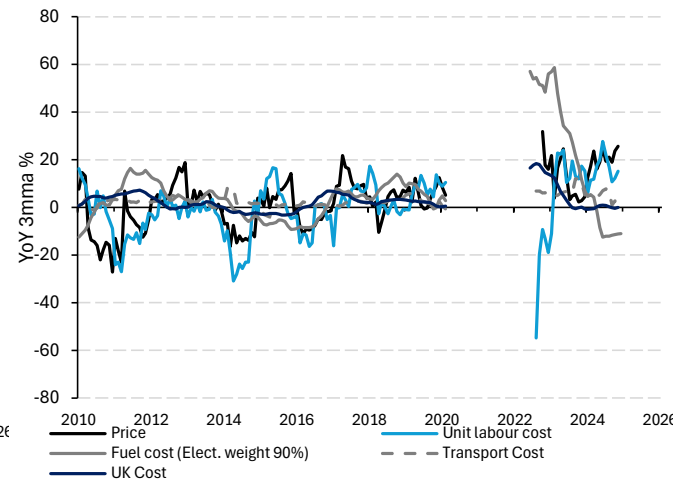
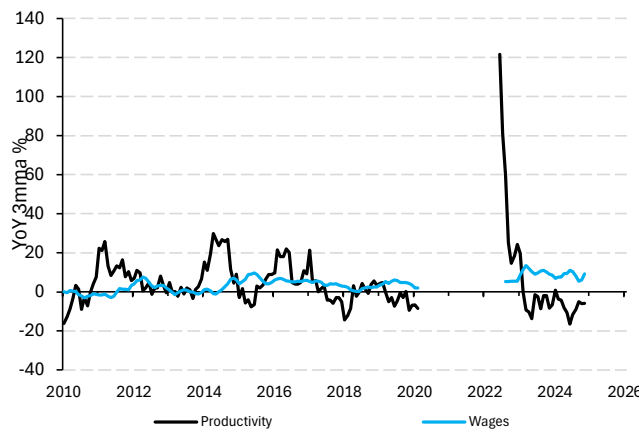
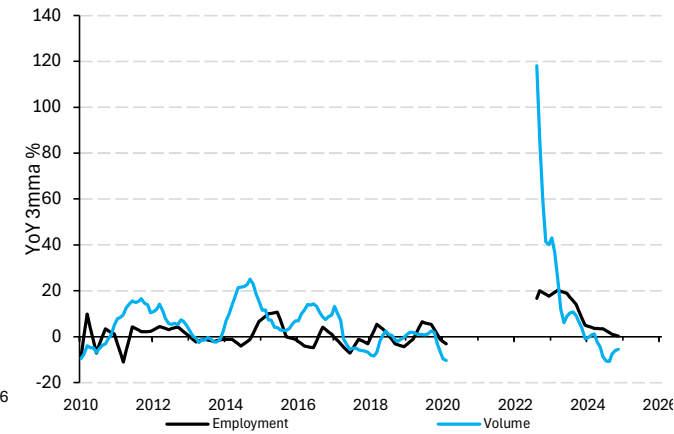


Chart 5. Labour Productivity vs Wages



Productivity 4.9 (0.3)
Wages 3.9 (1.1)

Chart 6. Employment vs Volume



Employment 2.4 (0.4)
Volume 6.8 (0.4)

UK Creative arts & entertainment services - theatres etc (90)

Chart 1. Operating Sales, £

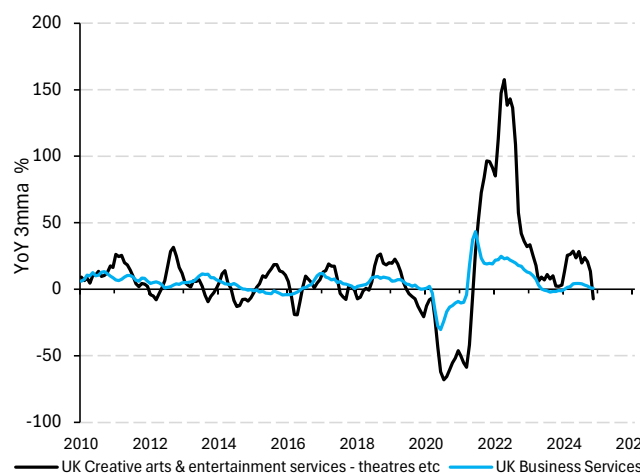
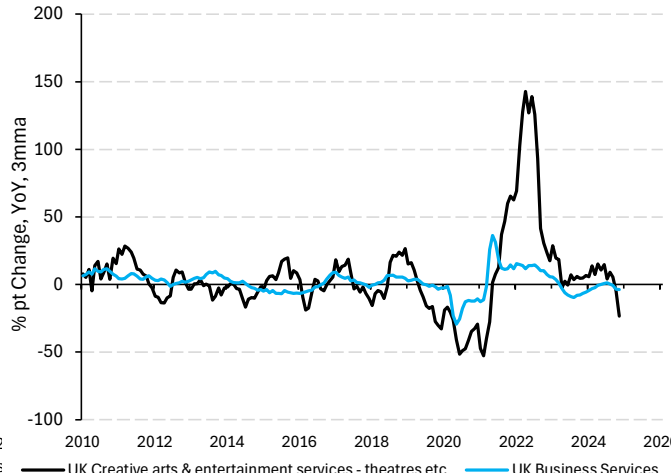


Chart 2. Operating Margin

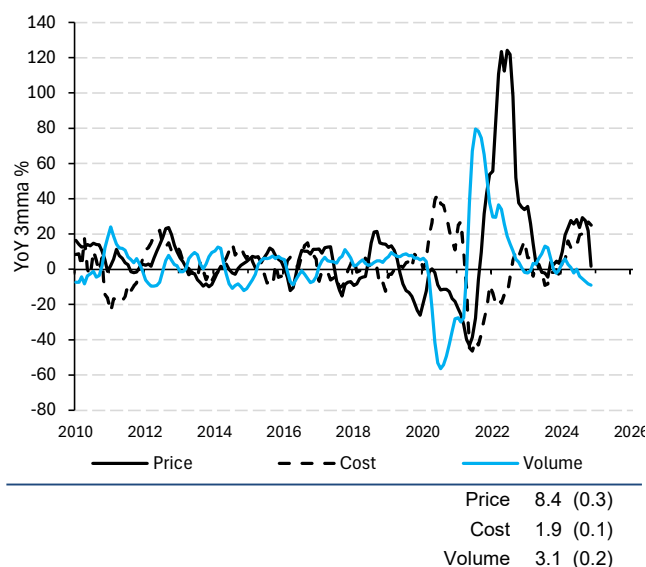


Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

UK Creative arts & entertainment services - theatres etc 11.6 (0.3)
UK Business Services 5.2 (0.5)

UK Creative arts & entertainment services - theatres etc 6.5 (0.2)
UK Business Services 1.9 (0.2)

Chart 3. Price, Cost & Volume



Price 8.4 (0.3)
Cost 1.9 (0.1)
Volume 3.1 (0.2)

Chart 4. Detailed price & cost dynamics

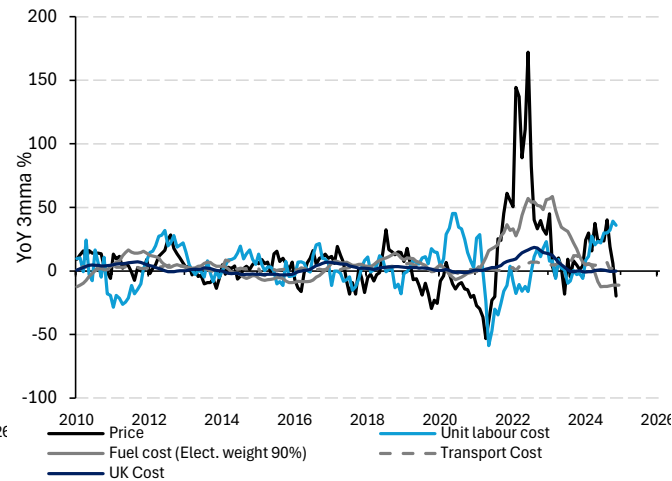
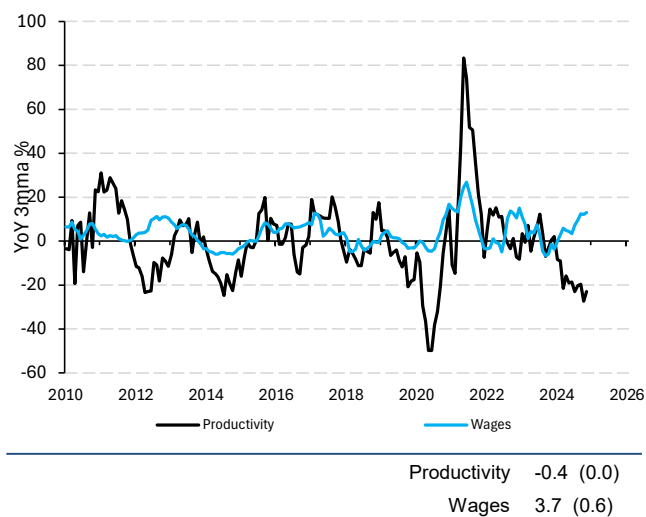
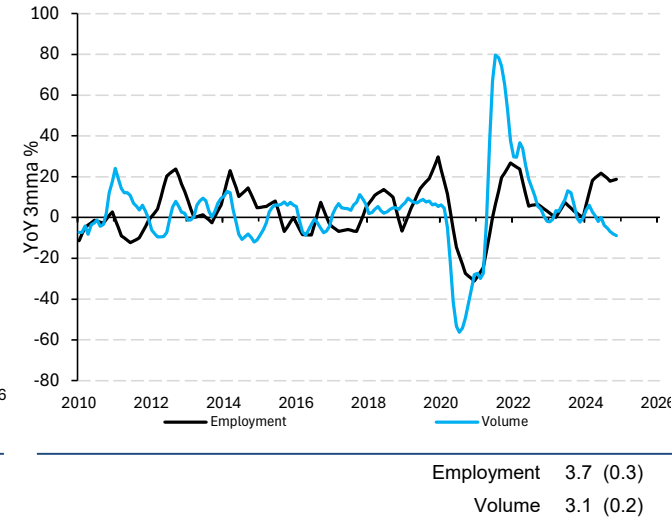


Chart 5. Labour Productivity vs Wages



Productivity -0.4 (0.0)
Wages 3.7 (0.6)

Chart 6. Employment vs Volume



Employment 3.7 (0.3)
Volume 3.1 (0.2)

* Inverse Coefficient of Variance = Mean / Standard Deviation

UK Creative arts & entertainment services - theatres etc (90)

Chart 1. Operating Sales, £

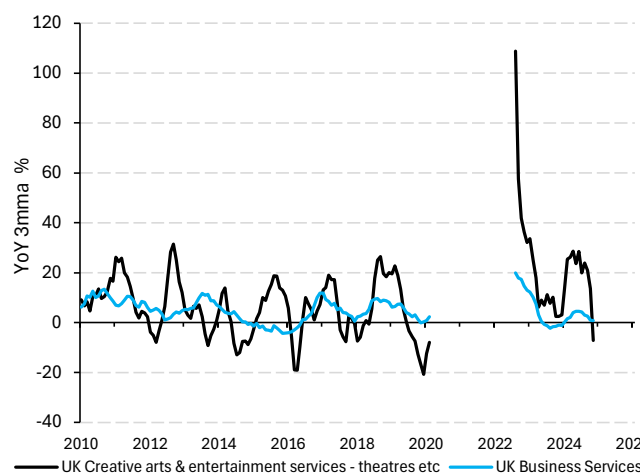
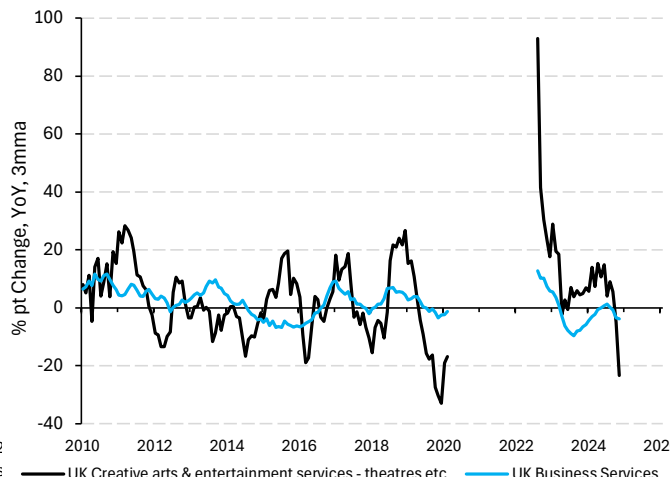


Chart 2. Operating Margin



Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

UK Creative arts & entertainment services - theatres etc 8.8 (0.6)
UK Business Services 4.8 (1.0)

UK Creative arts & entertainment services - theatres etc 3.9 (0.3)
UK Business Services 1.7 (0.3)

Chart 3. Price, Cost & Volume

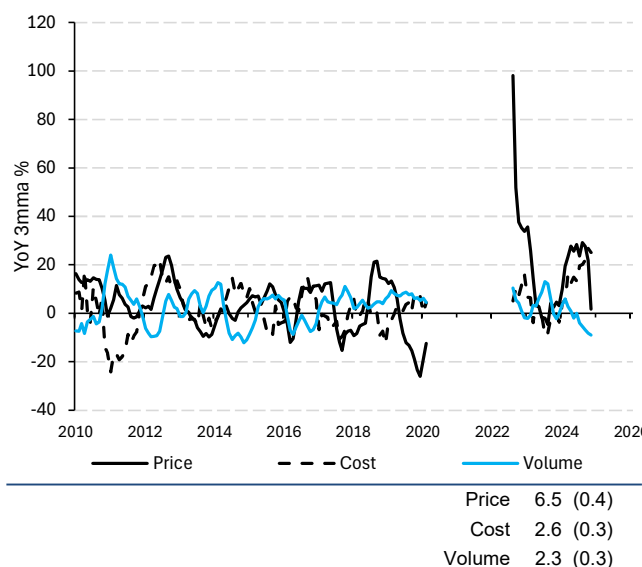


Chart 4. Detailed price & cost dynamics

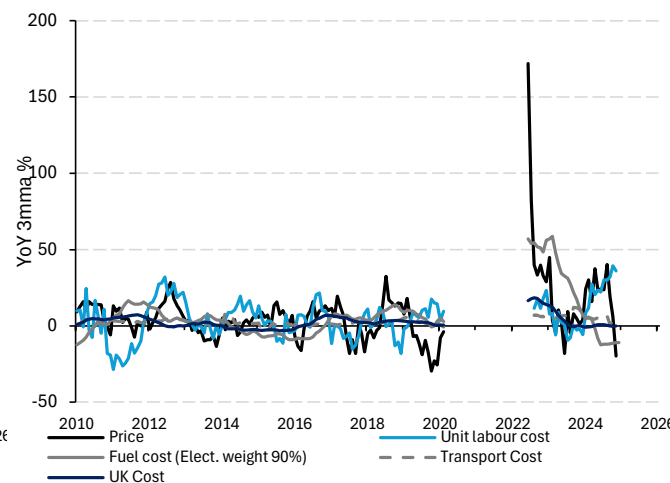


Chart 5. Labour Productivity vs Wages

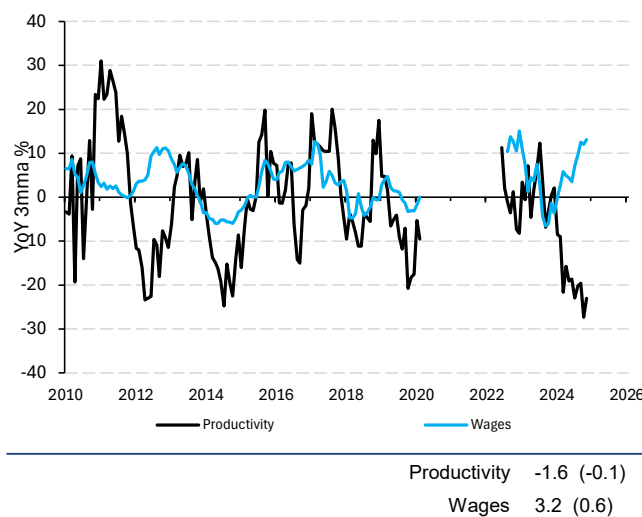
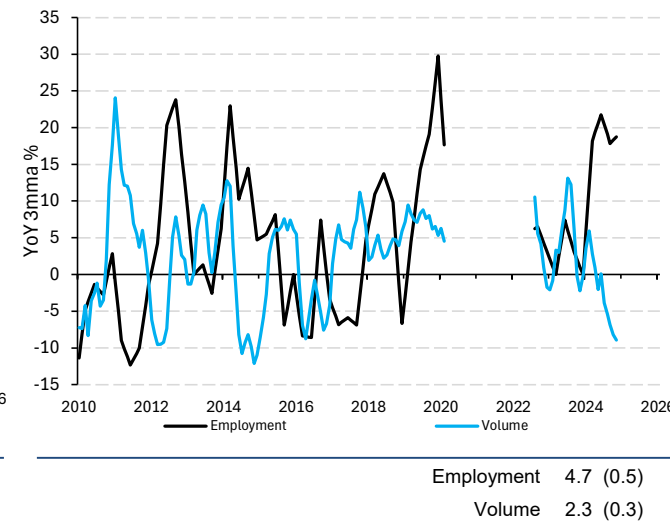


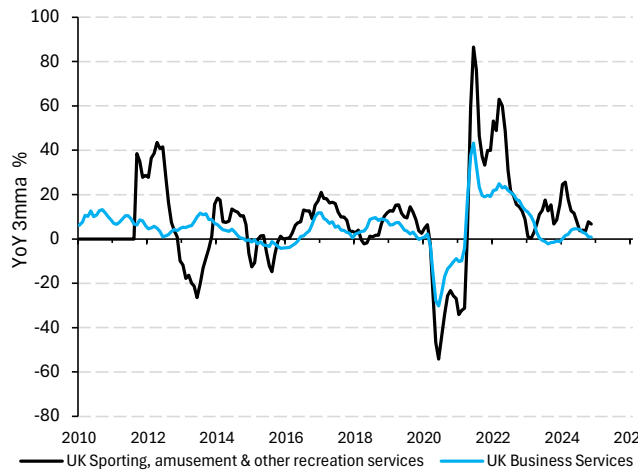
Chart 6. Employment vs Volume



* Inverse Coefficient of Variance = Mean / Standard Deviation

UK Sporting, amusement & other recreation services (93)

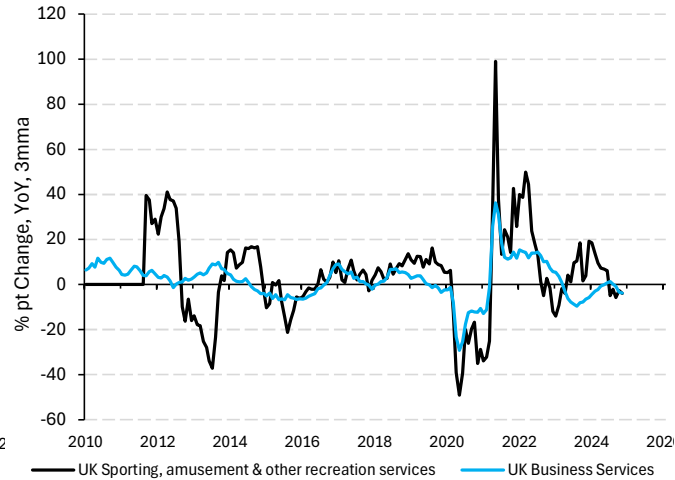
Chart 1. Operating Sales, £



Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

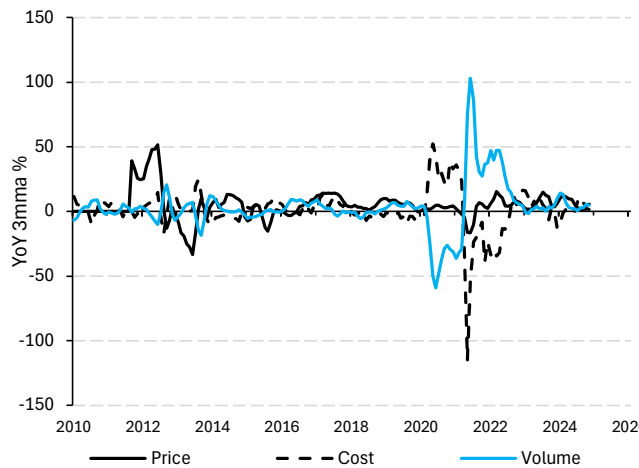
UK Sporting, amusement & other recreation services 8.8 (0.4)
UK Business Services 5.2 (0.5)

Chart 2. Operating Margin



UK Sporting, amusement & other recreation services 4.5 (0.2)
UK Business Services 1.9 (0.2)

Chart 3. Price, Cost & Volume



Price 5.3 (0.4)
Cost 1.0 (0.1)
Volume 3.3 (0.2)

Chart 4. Detailed price & cost dynamics

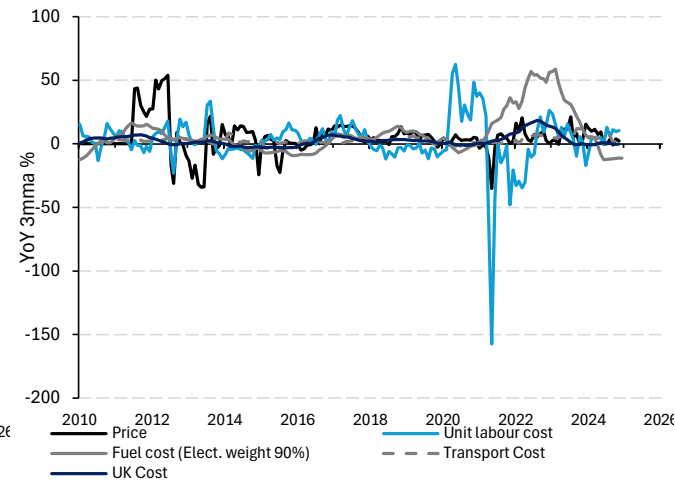
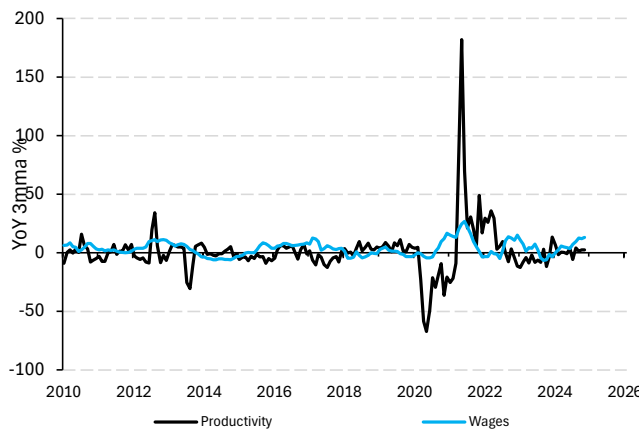
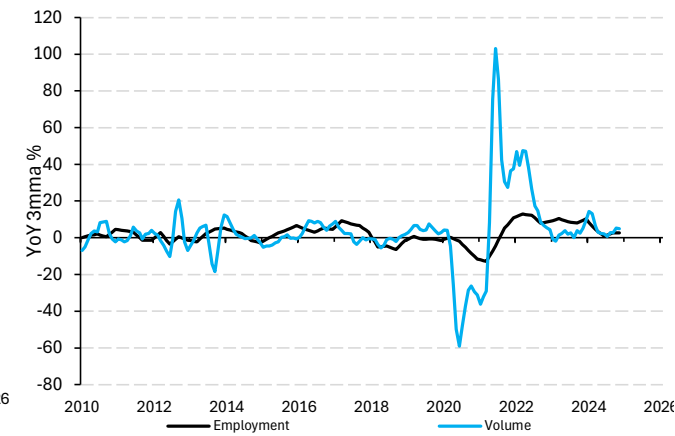


Chart 5. Labour Productivity vs Wages



Productivity 1.1 (0.1)
Wages 3.7 (0.6)

Chart 6. Employment vs Volume

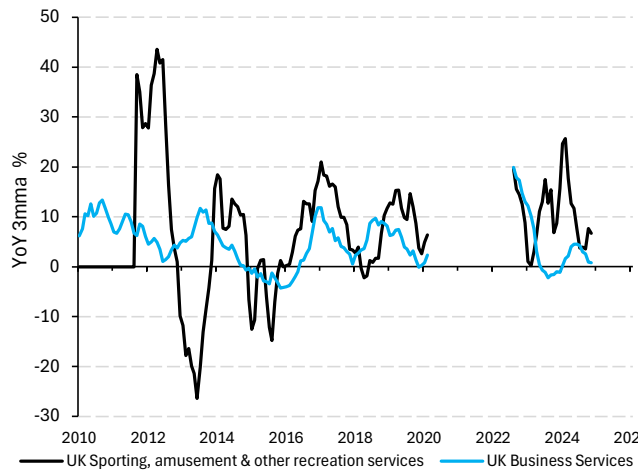


Employment 2.2 (0.4)
Volume 3.3 (0.2)

* Inverse Coefficient of Variance = Mean / Standard Deviation

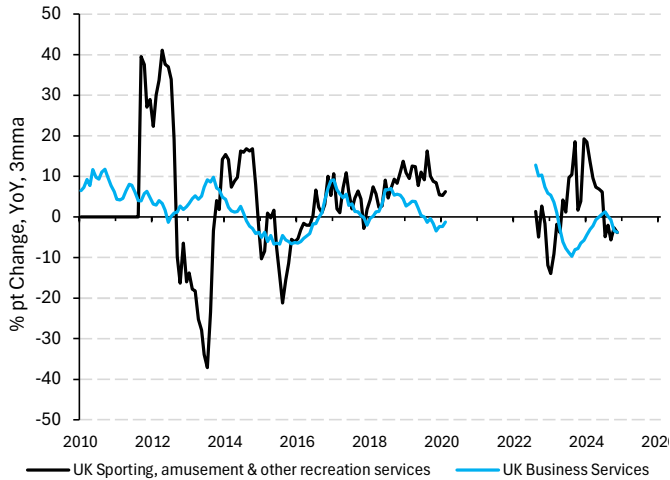
UK Sporting, amusement & other recreation services (93)

Chart 1. Operating Sales, £



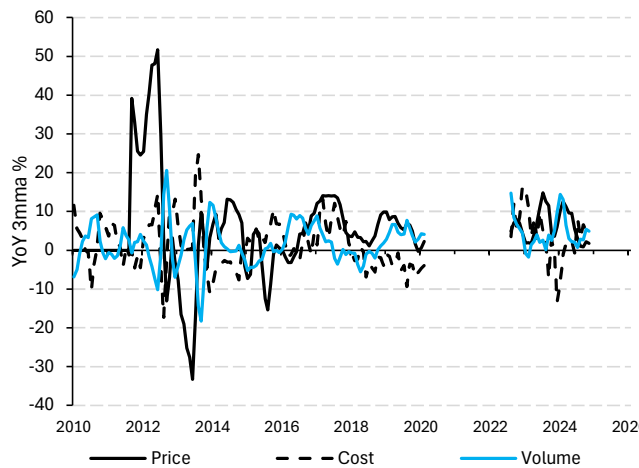
Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets
 UK Sporting, amusement & other recreation services 8.2 (0.6)
 UK Business Services 4.8 (1.0)

Chart 2. Operating Margin



UK Sporting, amusement & other recreation services 4.3 (0.3)
 UK Business Services 1.7 (0.3)

Chart 3. Price, Cost & Volume



Price 6.0 (0.5)
 Cost 1.8 (0.3)
 Volume 2.1 (0.4)

Chart 4. Detailed price & cost dynamics

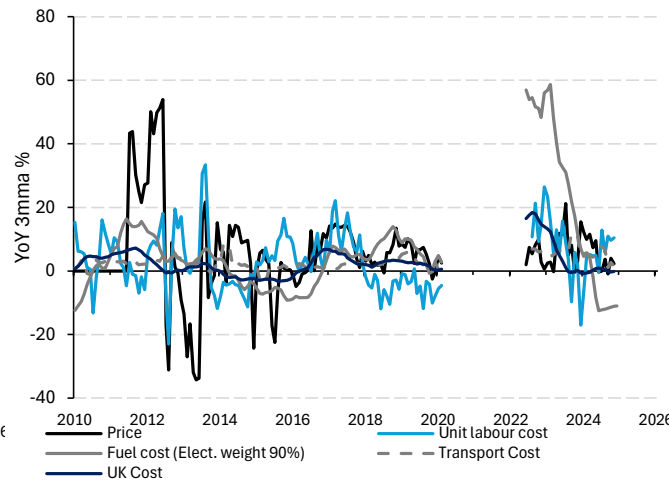
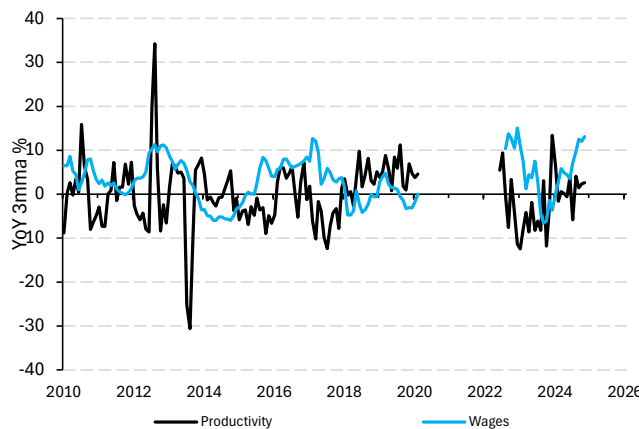
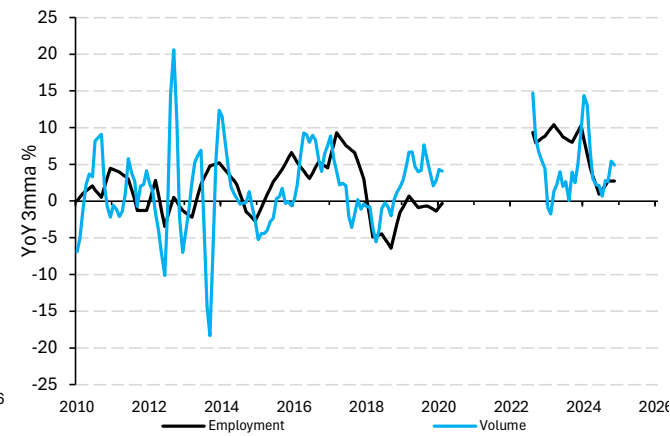


Chart 5. Labour Productivity vs Wages



Productivity -0.1 (0.0)
 Wages 3.2 (0.6)

Chart 6. Employment vs Volume



Employment 2.5 (0.6)
 Volume 2.1 (0.4)

UK based Retailers non-food (52 less 52.11, 52.6 & 52.7)

Chart 1. Operating sales, £

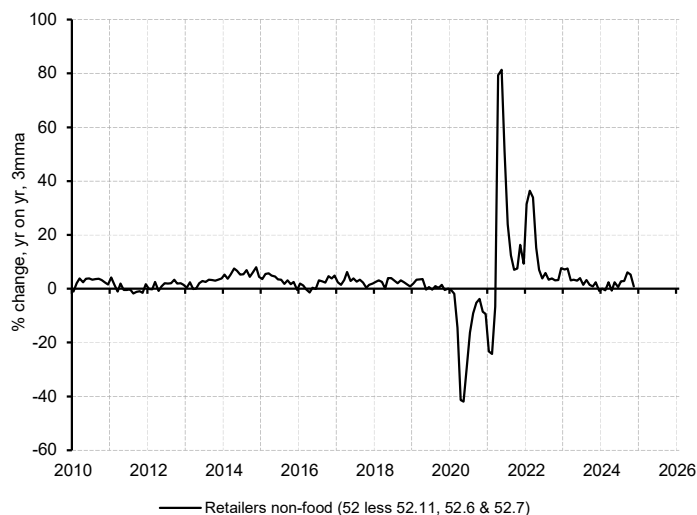
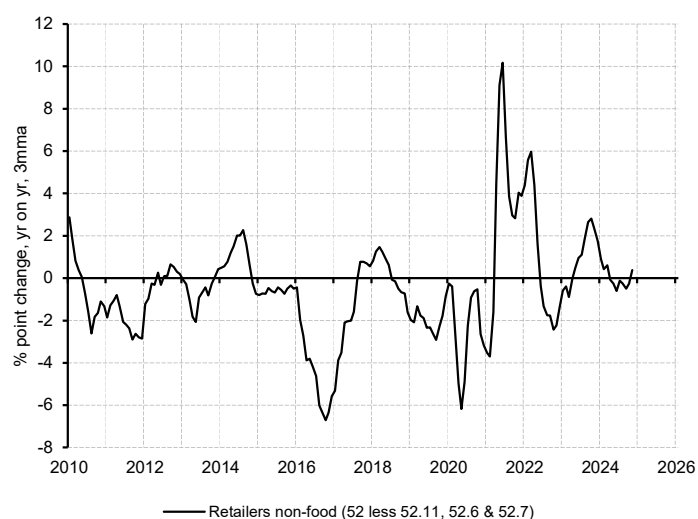


Chart 2. Operating margin



Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

Non-food Retailers 3.1 (0.3)

Non-food Retailers -0.5 (-0.2)

Chart 3. Price, cost & volume

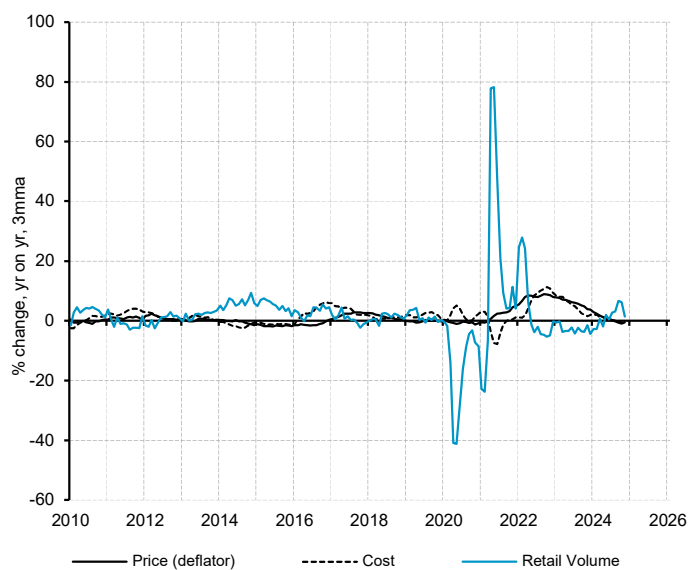
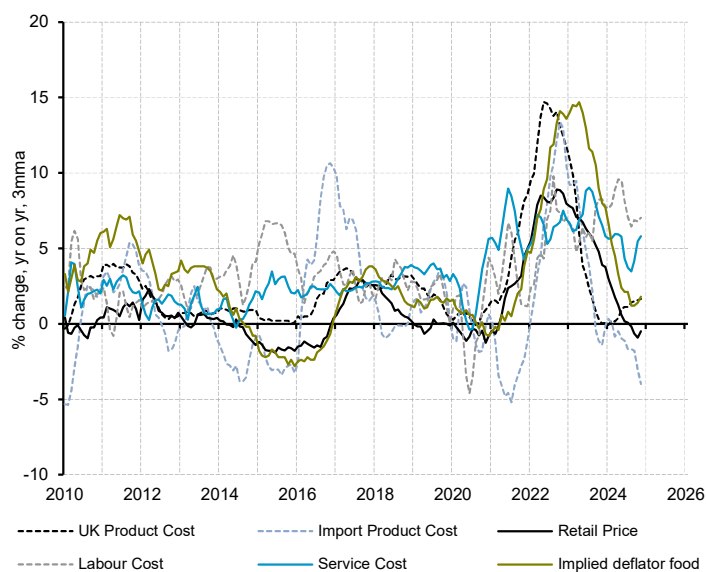


Chart 4. Detailed price & cost dynamics



Price 1.2 (0.5)
Cost 1.7 (0.6)
Volume 1.9 (0.2)

Weights: Home material cost 10.0%, Imported Material cost 50.0%,
Transport cost 6.0%, Labour cost 10.0%, Bought-in cost 8.0%

* Inverse Coefficient of Variance = Mean / Standard Deviation

UK based Retailers non-food (52 less 52.11, 52.6 & 52.7)

Chart 1. Operating sales, £

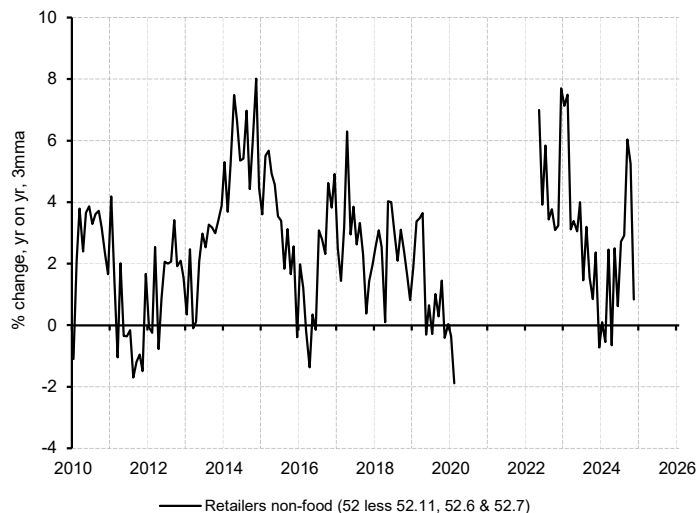
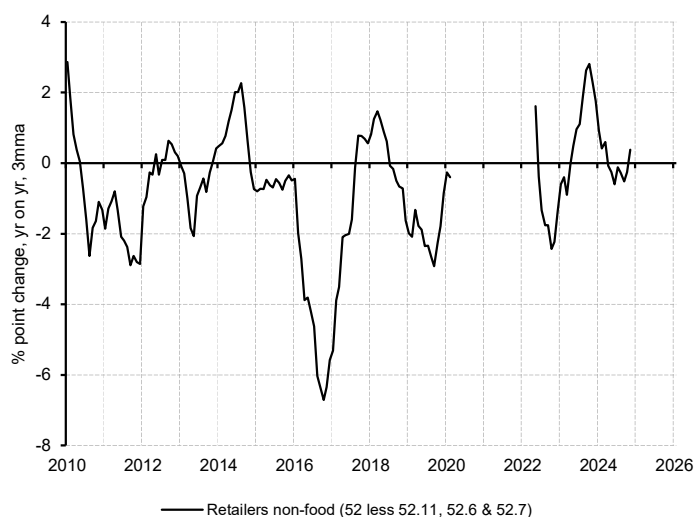


Chart 2. Operating margin



Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets
Non-food Retailers 2.5 (1.2)

Non-food Retailers -0.8 (-0.4)

Chart 3. Price, cost & volume

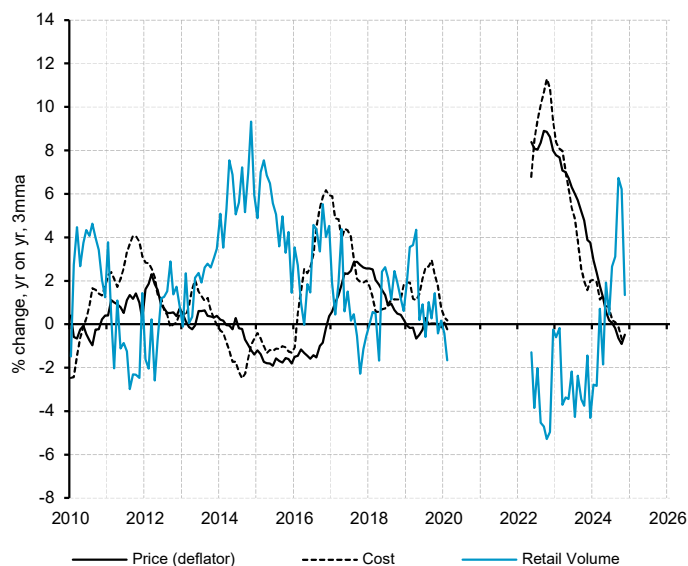
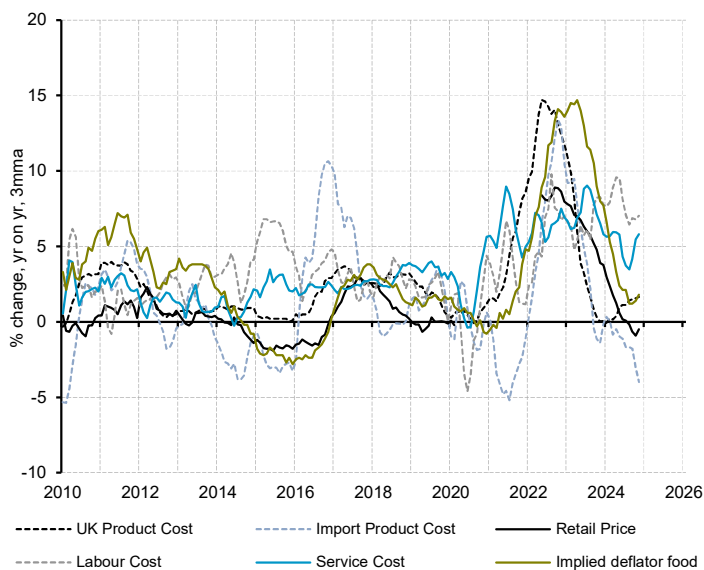


Chart 4. Detailed price & cost dynamics



Price 1.1 (0.4)
Cost 1.9 (0.7)
Volume 1.4 (0.5)

Weights: Home material cost 10.0%, Imported Material cost 50.0%,
Transport cost 6.0%, Labour cost 10.0%, Bought-in cost 8.0%

* Inverse Coefficient of Variance = Mean / Standard Deviation

UK Business Services (45-96)

Chart 1. Operating Sales, £

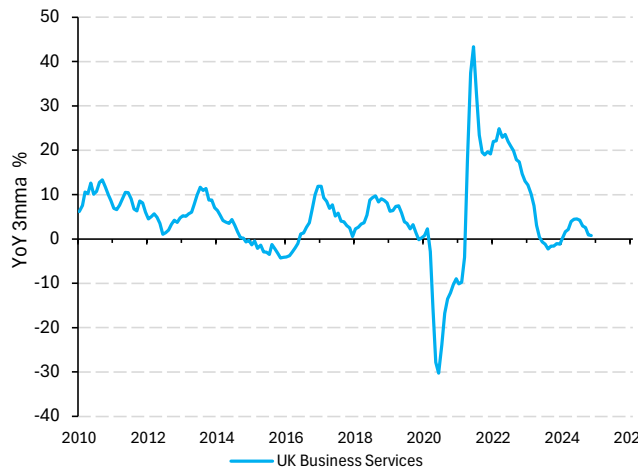
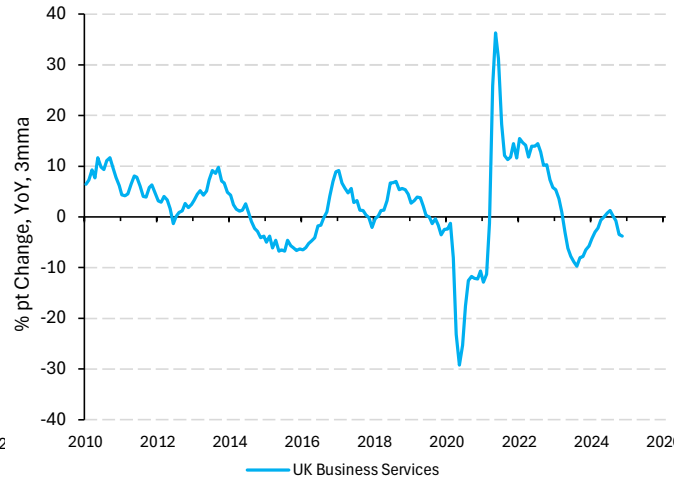


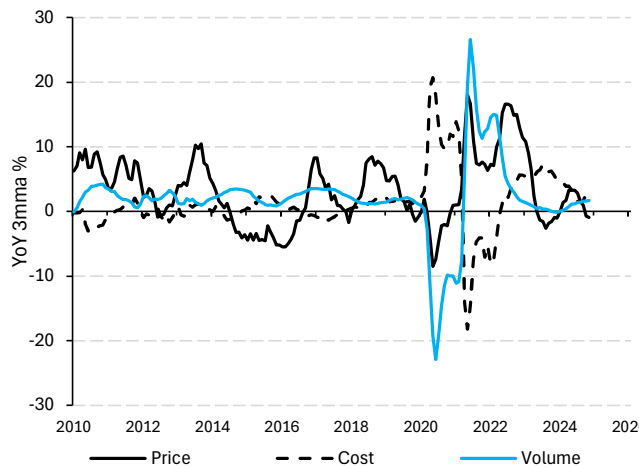
Chart 2. Operating Margin



Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets
UK Business Services 5.2 (0.5)

UK Business Services 1.9 (0.2)

Chart 3. Price, Cost & Volume



Price 3.2 (0.6)
Cost 1.3 (0.3)
Volume 1.9 (0.3)

Chart 4. Detailed price & cost dynamics

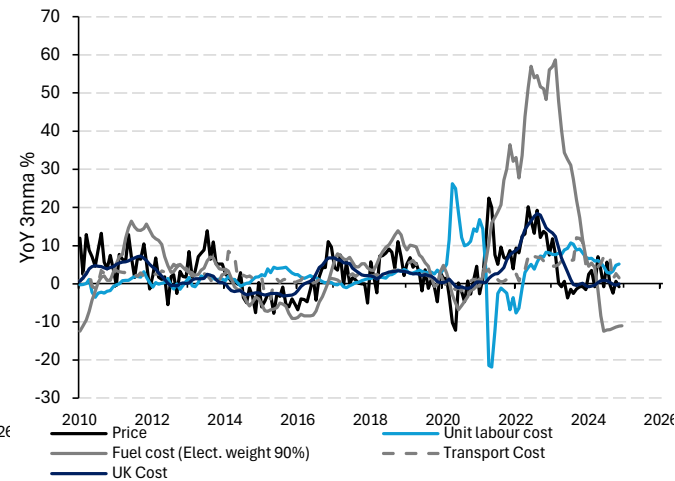
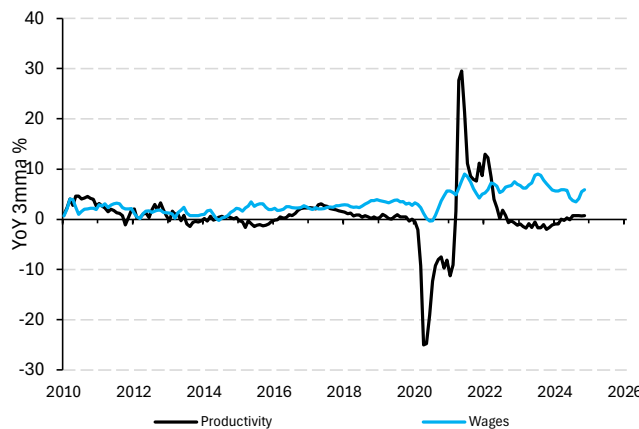
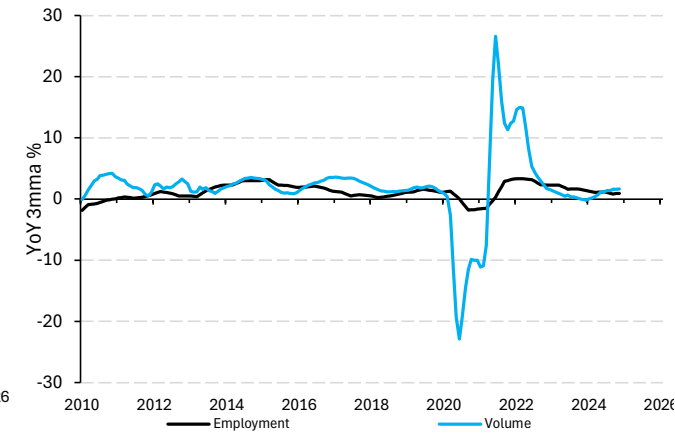


Chart 5. Labour Productivity vs Wages



Productivity 0.7 (0.1)
Wages 3.3 (1.5)

Chart 6. Employment vs Volume



Employment 1.2 (1.0)
Volume 1.9 (0.3)

* Inverse Coefficient of Variance = Mean / Standard Deviation

UK Business Services (45-96)

Chart 1. Operating Sales, £

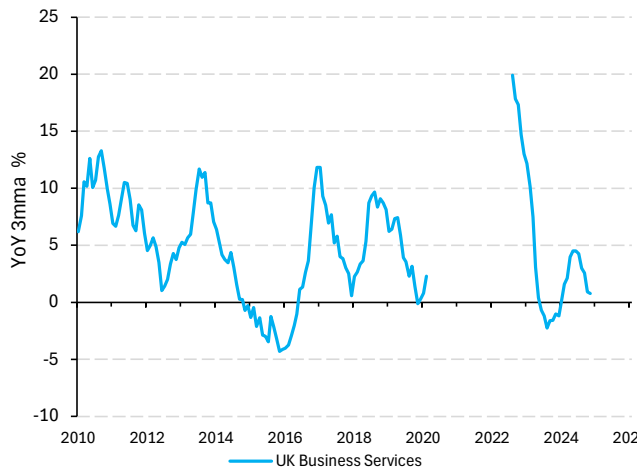
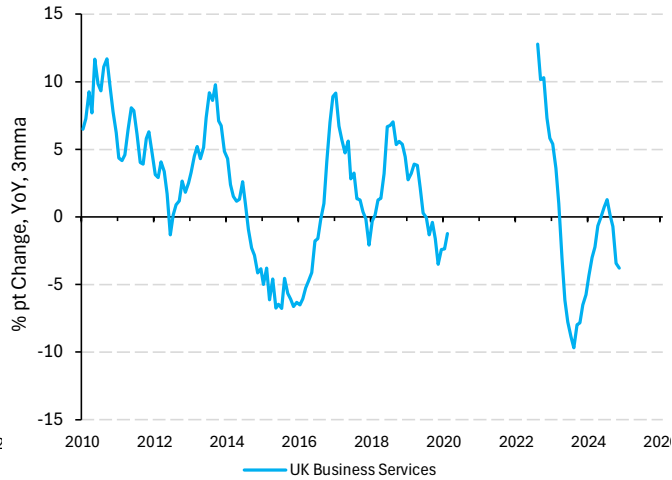


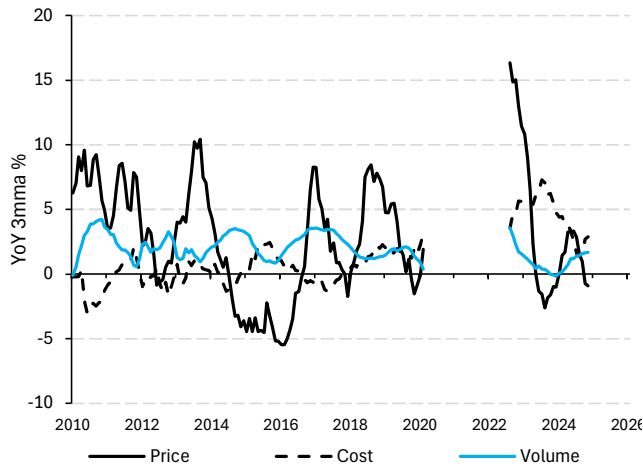
Chart 2. Operating Margin



Annual Growth Averages (%) and Inverse Coefficient of variance* in brackets

UK Business Services 4.8 (1.0)

Chart 3. Price, Cost & Volume



Price 2.8 (0.6)
Cost 1.1 (0.5)
Volume 2.0 (1.9)

UK Business Services 1.7 (0.3)

Chart 4. Detailed price & cost dynamics

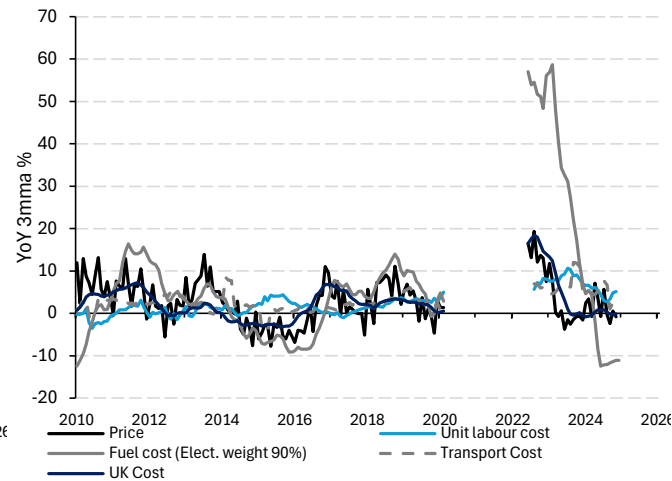
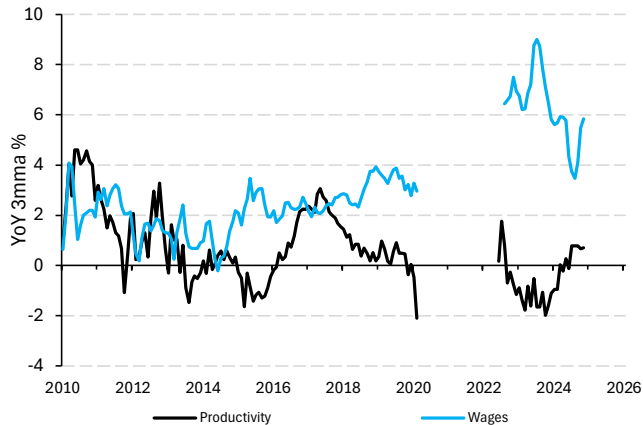
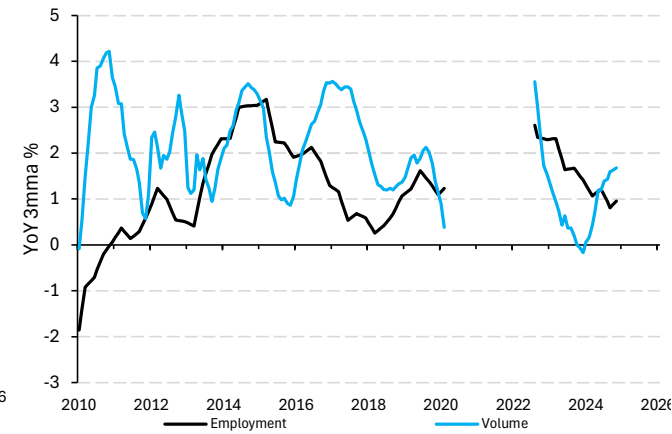


Chart 5. Labour Productivity vs Wages



Productivity 0.7 (0.5)
Wages 3.0 (1.6)

Chart 6. Employment vs Volume



Employment 1.3 (1.3)
Volume 2.0 (1.9)

* Inverse Coefficient of Variance = Mean / Standard Deviation

List of UK Business Service sectors	SIC	Companies
UK Wholesale & retail trade & repair, all vehicles	45	Bunzl, Essentra, Ferguson Enterprises, Latham, Macfarlane, NWF, Roebuck Food
UK Wholesale trade services, except vehicles	46	Bunzl, Essentra, Ferguson Enterprises, Latham, Macfarlane, NWF, Roebuck Food
UK Land transport, trains & buses - people & freight	49.3-5	FirstGroup, Trainline
UK Warehousing & support services for transportation	52	Diploma, Restore
UK Postal & courier services	53	Smiths News
UK Hotels and other short-term accommodation services	55	Accor, IHT, Whitbread (Premier Inn)
UK Food & beverage serving sectors	56	Compass
UK Publishing services - newspapers, periodicals & computer games	58	De la Rue, DMGT, AutoTrader, Bloomsbury
UK TV, film & sound production & presentation	59	CineWorld, ITV, STV
UK Telecoms services	61	Maintel, TalkTalk
UK Software developers	62	CPP, ComputerCenter, PCI-Pal, Petards, RWS, Software Circle, Tribal
UK Providers of data processing & hosting services	63	1Spatial, Experian, Journeo , Vianet
UK Real estate activities on a fee or contract basis	68.3	International Workplace , LSL Property Services, Mitie Group, Savills, Foxtons, Rightmove, Winkworths, MAB
UK Legal services	69.1	Gately, Keystone Law, DWF, Knights Group, the Ince Group, Begbies Traynor
UK Accountants, auditors & tax consultants	69.2	Begbies Traynor
UK Architects & civil engineers	71	Diales, Hargreaves Services, Intertek, Kier Group , Mears Group, Northern Bear, Renew Holdings, Ricardo
UK Scientific R&D	72	Science Group
UK Advertising & market research services	73	YouGov, WPP, M&C Saachi
UK Real estate, graphic & fashion design & photography	74	Christie Group, Record, Powerhouse Energy, DCC
UK Veterinary activities	75	Pets At Home, CVS Group
UK Rental & leasing services, non real estate	77	Johnson Service, SZigup
UK Recruitment services	78	Norman Broadbent, Page Group, Robert Walters, RTC, Staffline Group, Sthree, Hays
UK Travel agents & tour operators	79	Hostel-World, OnTheBeach Group
UK Security & investigation services	80	Croma, Synetics, Westminster
UK Office admin & business support - including call centres	82	Capita, IWG
UK Human health services	86	Spire Healthcare
UK Creative arts & entertainment services - theatres etc	90	
UK Library, archive, museum & other cultural services	91	
UK Sporting, amusement & other recreation services	93	GYM Group, Hollywood Bowl
UK Repair services of computers, personal & household goods	95	

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