



Easy Weddings Submission

Legislative Council Economy & Infrastructure Committee

Impact of COVID on Victoria's Tourism and Events Sectors

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1. Introduction

1.1 About Easy Weddings

Since 2000, Easy Weddings has grown to be the largest Australian wedding directory, online resource and app used by approximately 85% of Australian couples to plan their wedding.

We represent more than 5,600 wedding businesses nationally from a variety of industries such as:

- Venues
- Caterers
- Celebrants
- Photographers
- Videographers
- Hair & Makeup Artists
- Musicians
- Cars
- Florists
- Cake Makers

Within Victoria we work with 1,400 small and medium sized businesses, the vast majority of which are sole traders.

1.2 About Our Submission

Easy Weddings is pleased to present this submission to the Legislative Council Economy & Infrastructure Committee.

Since the pandemic broke, we have conducted 5 national surveys and, more recently, a Victorian survey, to ascertain the impact COVID has had on couples planning a wedding and our clients servicing them.

We draw on these survey results to provide recommendations for the Committee to understand the wedding industry's important part in the events and tourism sector and to support these businesses through the recovery.

2. Our Recommendations

In this submission, we propose 5 recommendations that would help restore the wedding industry to its critical role in the Victorian economy:

1. A guarantee that if future snap lockdowns occur, non-venue wedding businesses will be reimbursed to the rate of \$1,000 per ineligible trading day; and venues to the rate of \$3,000.
2. Future snap lockdowns to exclude Saturdays so that the majority of planned weddings can still go ahead and stabilise couples' confidence.
3. Reopen the Business Support Fund to affected wedding businesses and ensure sole traders and home-based businesses are included.
4. Offer additional relief from government payments such as registration fees for celebrants and wedding car owners.

3. Victoria's Wedding Industry and COVID-19

In a normal year, Australia's wedding industry (excluding travel) contributes approximately \$4.3 billion annually and 146,000 jobs to the economy. There are around 54,000 wedding businesses nationwide.

In Victoria, this equates to about \$1.1 billion and 36,000 jobs from 13,000 wedding businesses.

60% of businesses focus on weddings as their core income, and 75% are sole traders.

In 2020, the Australian wedding industry suffered a 70% loss in revenue and an estimated 4,000 businesses closed. 60% of wedding businesses were on JobKeeper.

The state of Victoria was the hardest hit in terms of COVID cases and the subsequent lockdowns and restrictions placed on weddings. While many parts of the country including Western Australia, South Australia and Queensland were opening up weddings as early as April 2020, Victorians were only able to hold 10-person weddings from late November, 2020.

During 2020, some couples reported postponing their wedding as many as four times, while others decided to hold off planning altogether until they could be sure that:

- A) Their day wouldn't be cancelled completely last-minute
- B) Significant interstate family members and guests could be confident of attending
- C) Dancing would be permitted
- D) Masks would not be mandatory
- E) They could take a honeymoon

"The experience of having moved their wedding several times (many up to 4) has made brides anxious and despondent. They want full refund guarantees to book anything now. Many aren't excited about their upcoming dates for fear of last-minute cancellations. It's very distressing for our clients and many have been burned financially already."

- Victorian Hair & Makeup Artist

4. Support for Victorian Wedding Businesses Through the Recovery

4.1 Snap Lockdown Guarantee

The start of 2021 saw Victorian couples' confidence increase and forward booking activity return to near pre-pandemic levels.

The snap lockdown on 12/2/21, however, saw approximately 500 Victorian weddings completely cancelled over the Valentine's Day weekend. With the average wedding comprising 14 individual suppliers, this resulted in the loss of 7,000 client jobs and a hit to the industry of approximately \$17.5m.

The flow-on effect was an immediate dip in planning activity to the rate of -25% as future couples' confidence that their plans will actually come to fruition took a dive.

“Until buyers have the confidence that there won’t be any snap shut downs, they won’t be prepared to make plans for weddings and travel.”

- Victorian Car Business

“The financial support for the last lockdown was insignificant, not just for lost revenue at that time but uncertainty over future wedding bookings.”

- Victorian Wedding Venue

“The Victorian government gave a \$2k grant last time, which didn’t cover the jobs cancelled last minute. \$10k was the minimum our industry should’ve gotten.”

- Victorian Caterer

Recommendation 1: A guarantee that if future snap lockdowns occur, non-venue wedding businesses will be reimbursed to the rate of \$1,000 per ineligible trading day; and venues to the rate of \$3,000.

Recommendation 2: Future snap lockdowns to exclude Saturdays so that the majority of planned weddings can still go ahead and stabilise couples’ confidence.

4.2 Financial Assistance for Cash Flow and Debt

Given that the venue is the first supplier booked in the wedding buying cycle, and this happens on average 11 months prior to the day, money flowing into Victorian suppliers will be hampered until at least November 2021, if not early 2022.

Whilst our booking data at November 2020 estimated there would be a strong recovery in weddings in 2021 (by 127% on 2020 numbers), in Victoria, we see a different picture: Victorian wedding businesses estimate they will still be -2% behind on 2019 weddings this year. Due to snap lockdowns and border closures, and now, uncertainty around the vaccine rollout, this gap points towards a much slower recovery period than everyone anticipated.

Further to this, due to capacity limits both in venues and private premises, 2021 weddings are smaller (the average guest list has dropped by 10% nationally) which means businesses that rely on a head count for income (venues, caterers, bomboniere, wedding hire and invitations in particular) are experiencing even further obstacles in their recovery to pre-pandemic incomes.

Our most recent survey revealed that 85% of Victorian wedding businesses are still experiencing financial hardship even now that restrictions on weddings have largely been lifted.

32% cite lack of bookings due to market sentiment.

36% cite cash flow and debt.

16% cite hiring and people issues.

16% cite a variety of "Other" reasons; the common one being fulfilling last year's postponed weddings and not having dates available for new bookings.

"Cash flow is a huge issue as whilst some overheads reduced, about 75% of operational overheads remained the same."

- Victorian Celebrant

"Weddings are back, but capacity is limited. So weddings are smaller, so spend is less."

- Victorian Wedding Venue

"I am busy now, but most of the weddings are ones that were postponed last year and were paid in full 12 months ago."

- Victorian Celebrant

"Couples are not yet back to pre-pandemic activity and are really financially averse. I am almost being harassed into lower pricing."

- Victorian Celebrant

*"There are still only so many days available - I am part wedding; part newborn.
How am I meant to take double the weddings in the same amount of days?"*

- Victorian Photographer

*"Couples are rebooking postponed weddings meaning
a limit on the number of new weddings."*

- Victorian Celebrant

"I'm having to give couples refunds who have changed to dates that I am already booked."

- Victorian Celebrant

4.3 Inclusive Support Package

The Australian wedding industry comprises largely of small and medium sized businesses, 75% of which are sole traders and 77% of whom operate from a home office.

Many suppliers reported being ineligible for government assistance during 2020 because they didn't employ anyone else besides themselves and they didn't operate from commercial premises.

*"Sole traders and independent businesses that don't have a lease or shops should also
be considered in a financial support plan. We were totally overlooked in this area."*

- Victorian Hair & Makeup Artist

*"Holding a second "permanent" should not mean you have to miss out whilst many other
businesses get tens of thousands of dollars and basically force your business under as they can
expand using the government's money (taxpayers' money - my money that is given to other
businesses whilst my family suffers). An even playing field - FAIR!"*

- Victorian Wedding Photographer

"Financial help would be great. As a makeup artist and hairstylist I didn't work almost a whole year. It was traumatic for our family with 5 kids."

- Victorian Hair & Makeup Artist

Recommendation 3: Reopen the Business Support Fund to affected wedding businesses and ensure sole traders and home-based businesses are included.

Recommendation 4: Offer additional relief from government payments such as registration fees for celebrants or wedding car owners.

Conclusion

Wedding industry businesses are passionate, hardworking, adaptable and vital contributors to the Victorian economy across a variety of sectors. They want to get back to doing what they love. With support such as the measures outlined, the wedding industry can bounce back quickly and thrive well into the future.