

Making a success of letting your holiday home in 2018

THE VIEW FROM SOUTH DEVON

A roundtable discussion

The Panel

Andrew Jones (AJ) is a director of Coast & Country Cottages, which markets around 400 self-catering holiday homes exclusively in South Devon.

Rachel Farley (RF) is a trained VisitEngland assessor, and conducts inspections and gradings for VisitEngland on behalf of Coast & Country Cottages.

Richard Bawden (RB) and his wife Carolyn have spent 16 successful seasons in holiday home letting. Albany House in Salcombe is a development of three elegant apartments with lovely views of the town and estuary, and each apartment comes with access to a large shared garden.

Sue Blatchford (SB) is the owner of Bridleway House, a spectacularly realised, ultra-contemporary detached house in Salcombe, which was built in 2017. Bridleway House received the highest VisitEngland score ever afforded to a Coast & Country Cottages holiday property.

Henrietta Thorne (HT) is an interior designer whose portfolio includes the hotels at South Sands and Gara Rock, as well as numerous self-catering holiday homes, including the magnificent Hillfield Farmhouse at Hillfield Village near Dartmouth.

The discussion, which took place in Salcombe on 15th August 2017, was chaired by **Ross Purdy (RP)** from the Coast & Country Cottages' marketing team.

1. Starting out in holiday letting

RP: Thank you to everyone for joining us today. Let's start with Andrew: in your experience, since you talk to prospective owners on a very regular basis, what are the most common motivations for, or routes into, holiday letting?

AJ: We've found that there are generally three types of owner. In terms of the enquiries I get and my conversations with potential clients, they usually fall into these three categories: there's the 'old school' family who've had a property in Salcombe, maybe for generations, or more often for five, ten or 15 years. They've not got involved in holiday letting, and probably not been interested in opening their doors to strangers, but eventually there becomes a necessity to open it up to the market. We have a good body of that type of client. At the other end of the spectrum, there is the commercial client, considering a holiday property investment purely on a returns basis. They're not planning to use it – or if they are, it would be only very occasionally – as they're primarily looking for a return on their investment. Now, that type of client is fewer and farther between than it was, say, 20 years ago. Why would that be? It's of course because property prices have somewhat taken off. If you're buying at today's prices in South Devon, particularly in Salcombe, you'll find the return on your investment will be pretty thin.

RB: Negative, I would say!

AJ: Salcombe is about 2-4% gross these days, which is hard to sell because there are all sorts of costs that could bring that down. So, back to the types of client: in between the two groups I've just mentioned, we have the majority – those looking for their place in the sun on the coast in the South West. They want to derive an income, own a place they can enjoy, get some use out of it for three or four weeks a year, and with a bit of luck they'll see some equity growth in the long term. It used to be that you could buy a place in Salcombe, and make 50% or even 100% back when you sold it after five years. That's certainly not the case anymore. So in summary, the majority of our clients are in that scenario. They're our bread and butter, so to speak. Sue, you're a commercial owner, you're not going to be using Bridleway, or will you stay there once in a while?

SB: We don't use it at all, and there's a very good reason for that: it's owned by a company and consequently we cannot use it.

AJ: You could pay us if you'd like to use it – that would be fine!

SB: Unfortunately, we couldn't even do that. There's the new ATED tax that's been imposed. The Annual Tax on Enveloped Dwellings means that if you own a property within a company, you can't really use it for personal use.

HT: So, business meetings only then?

SB: That's right, it would have to be business meetings only. In fact, we've come down here to South Devon and we're staying in a hotel.

AJ: Wow. So you're very much in the commercial bracket – there's got to be return, you've gone through an enormous refurbishment and you're very much hoping there'll be some equity growth after that.

SB: Absolutely. After all that effort and expenditure, yes. We've hopefully built a lovely home that we will be able to use in the distant future, but at this moment we're looking for a return.

AJ: Richard, initially, you were in that middle group. It was investment for the long term, you were using it x number of weeks in a year, and then that built up.

RB: Yes, we were unintentional holiday letters in a way, because we'd been coming down here since the '70s, when I was a university student at Exeter. Eventually, Carolyn [Bawden, Richard's wife] said, "Why don't we buy a property instead of renting every year?" We wanted to buy a flat and the one we saw was being rebuilt. We ended up buying that flat and the one underneath it, because the place came on the market at the same time. A year later, the garden flat came on the market too and we thought, "This is too good an opportunity to miss," so we trotted off to the Royal Bank of Scotland again. We ended up with the whole of Albany House, and then we got the whole garden and then the freehold. Since we've retired, we've kept flat 1 for ourselves, apart from high season when we usually disappear.

RP: Sue, since you have so many separate business interests, what was it that attracted you to holiday letting in particular?

SB: I suppose it's coming from hospitality. We have a bed and breakfast in Cheltenham. We did have two, and we've found it's quite difficult to convert them. Since a B&B is essentially a hotel, even getting planning permission is tricky. Basically, they don't like you converting hotels back into residential properties. Also, bed and breakfasts are struggling at the moment. I live in Bath and there are going to be 500 new bed spaces in Bath over the next two years.

RB: Is that because of AirBnB?

SB: No, that's not AirBnB, that's just hotel spaces. We've got a brand-new hotel coming to Bath, for example, with 166 bed spaces. These hotels are coming up all over the country and squeezing out the B&Bs, so I wanted to stay in the hospitality market but expand into a new area. I'd prefer to have something I could later sell as a residential property. Basically, I wanted to buy a residential property that will provide capital growth eventually, and when you're buying something in Salcombe it has value. I must admit though that when we bought it we were hoping to use it. That's not worked out, but still, it's a lovely property and we like the idea of people using it. We like it both as a property and as a long-term investment, and it does cover its costs which is great.

RP: Richard, did you always have holiday letting in mind?

RB: Yes, for two reasons. Firstly, to cover the cost, and secondly, because we don't like leaving properties empty. We were both working then, so we wouldn't have been able to use it much at first. I'd much rather it be used, and it means there's a property checker coming in every Friday to make sure everything is OK.

RP: That's interesting, because a lot of new owners have the opposite concern – they worry about people coming in, seeing it as their own home and feeling understandably protective. Is that right, Andrew?

AJ: Yes, it's often a part of my early conversations with new clients. They have a fear of the nightmare tenant. Are they going to break this or trash that? I have a stock-ish answer which is the truth: most people are as good as gold. That is the truth as we see it. If we were dealing with thousands of problems every year, you would know about it. There's the odd bad apple of course, but they're very much in the minority. We've never not managed to turn a property around between 10 am and 3 pm for the next guest. This means they can't be doing anything too bad!

RB: I had that conversation with your predecessor, Andrew, and he said to me it's all about first impressions. When the punters come through the door, if they see something that's really well presented, their mindset will be: "We'd better look after this place." And that's proven to be absolutely right. I think we've only had one really messy week, and that was one of our friends!

SB: I can see that from the other side, because my parents own two properties and they will not even countenance the idea of letting them out. My mum has a list of relatives she will allow to stay and a list she won't. But I guarantee you, every time we go on holiday to one of those properties, we have to spend a large proportion of the time sorting out problems. Because you've got nobody who comes in regularly to sort them out. Therefore, if you want to have a holiday yourself, it's much better to let out the property and know you've got a team of people on hand, who know the local plumber and electrician, etc., and will be able to fix any problems that come up. So for me, it's a win-win.

HT: I deal with far more problems from people who only use their places themselves than with rented properties. If people see something nice, you're right Richard, they're more likely to be careful with it.

AJ: There's also the issue of security deposits. It does give a certain focus to the mind to know that there's an amount sitting there that might be eroded if you misbehave. A bit of everything helps, but whenever anyone does ask me about these fears, I tend to say: "Would you not look after a place on holiday?" or "Would you trash a place on holiday?" Because most people are pretty decent. They're not necessarily going to behave badly. Most people want to come back, and to leave on a good note. That's how we see it and what our experience tells us.

RP: Let's move onto the issue of holiday letting versus residential letting.

AJ: This is a difficult one in some ways, because if you've got a pure investment client, the returns are probably going to shake out slightly higher overall. The income might be more for holiday letting, but once you factor in costs such as housekeeping, agency fees, etc., that advantage gets eroded. What offsets that for most owners is that they want to use their property. You can't have a 12-month residential tenant and pop in for a holiday once a year. So it's difficult to argue on an investment basis, but that's not necessarily relevant.

RB: The holiday lettings period is much shorter of course, but the main reason we don't make any money is that the maintenance cost is phenomenal. You think, next year we might be able to get some cash out of the business, and then you realise you haven't had the outside of the house painted for 10 years. So all the cash goes out again. My overall message is: don't come into holiday letting as a way of making money and certainly not if you're looking for a 4% return. It's not the place to do it.

AJ: ... which, as a starting point, is generally what I say to anyone who comes into holiday letting. Because if that's what they're hoping for, they'll probably be disappointed. It's best to be upfront about that. I'm just about to put my third child through university, and if I had the money I'd have bought them all a house wherever they were studying, because I'd have quickly made my money back that way.

RP: Sue, did you weigh up the residential option?

SB: We did weigh it up, but we wanted to buy in Salcombe. You wouldn't choose to do a buy-to-let around here – not with that property [Bridleway House] at that price anyway. You'd buy several properties instead, but that's not what we wanted to do. It's also something we wanted to do as a family, and something we're giving to the children.

RP: When it comes to finding a property that will perform, is it straightforward to predict which will do well and which will need more help?

AJ: It's mostly straightforward in that there are three factors. The standard of accommodation I'd now put at number one. It's the main driver of enquiries. After that, it's the location. And finally, it's about the price, because you have to get the price right for the accommodation. If one of those factors isn't right, it may struggle to reach its market. If you get all three right, you have an excellent chance of getting the bookings. Where we struggle is where the price is too high, the standard is possibly slipping, or it's in a location that's always going to be cooler and a bit harder to sell.

RP: That brings us neatly onto customer expectations and how to keep up with them. Richard, have you discovered any kind of rule of thumb as to how much time and effort should be put into upkeep?

RB: Yes, the answer is a hell of a lot! The investment is seemingly endless. If you want to maintain something at the top, you have to remember that, first of all, technology goes out of date very fast. I just found out you can get BT Infinity here in Salcombe, so suddenly you need new boxes and codes, etc. We spend at least two weeks in the spring down here, doing annual maintenance and spring cleaning, and at the end of that we know that there's always a long list of things we need to replace or upgrade.

RP: And I suppose there becomes a feedback loop: the more the standard of accommodation improves, particularly here in South Devon, the more customer expectations rise correspondingly, so everyone has to keep up.

RB: Yes, in fact when our builder and his wife came to see Flat 3 after we bought the garden flat, re-did it and added an extra storey, she said: “You can’t let this out, you’ll spoil the market for everybody else!” To an extent you’re right, when people stay somewhere nice, they think “This is what all holiday properties should be like.” But I think people generally have become more picky, and expect the same quality they have at home, if not better.

AJ: That’s the line I was going to use! If you take it back a generation or two, I’m reminded of some of my nightmare holidays as a kid coming to the South West. Back then, a self-catering holiday meant having a roof over your head and something in the corner approximating a bed. That was about as good as it got. Now, people expect the accommodation to be better than back home. It’s part of the experience, and that’s where it’s been going for the last 10 years.

SB: It’s also about the choices people make. Are they going to choose to stay in self-catering accommodation or a hotel? If it’s self-catering, the bedrooms need to be equivalent to a hotel. Everyone’s going to expect en-suite accommodation, televisions in the rooms, hairdryers and everything else you’d find in a hotel. Plus, they want what the extras that you don’t find in a hotel: a lovely lounge, more space and a kitchen... Good gracious, the kitchens! It used to be that people would come down and eat out, but now with all the cooking shows on TV, you need a garlic crusher, pestle and mortar, and all these things! The level of expectation is extraordinary. How much actual cooking people do I’m not sure! I’d be interested to see if any of the cake tins have been used.

RB: Well, we have had a comment: “We do like to bake cakes while we’re down here so it was lovely to see the tins!”

AJ: You can guarantee that if something isn’t in a kitchen, we will be asked for it. We’ve had people doing full roast dinners on the hottest day in August. You’ve got to expect to get that call if there’s something missing.

RP: Let’s step back briefly and think about the first steps to take after settling on holiday letting. What kind of research should owners (or would-be owners) do before starting out?

AJ: Well, research the best marketing options for that property. Whatever you do, without getting the bookings and receiving some rental return, it won’t work for anybody. You have to understand that there’s a marketing element, which could mean bringing in an agency or using some portal. I take a lot of calls and discuss with people where they should buy, the price points, how many people would be optimal for holiday accommodation, and whether a place should be pet-friendly, based on whether it’s on the coast or in a town and so on. So, I’d say researching the location is critical, even though a lot of that will depend on budget.

SB: That’s the first thing we did. We had a look at the different agencies, and one of the ways we judged the companies was to check their advice on things like fire safety. Coast & Country came up very well on that.

2. Preparing your holiday home

RP: VisitEngland (VE) offers an important trust-mark – something that holidaymakers look to as an at-a-glance way to understand the quality of accommodation. Rachel, please could you tell us a little about how it works?

RF: Because we know how customer expectations are always rising, at Coast and Country Cottages we set ourselves high standards in order to meet them. We decided that by becoming an accredited VE agency, and by having trained VE assessors, we could reassure our guests that they can book with confidence. As an assessor, you have to undergo a week's training with VisitEngland, learning how to follow their strict guidelines when it comes to awarding scores against objective national benchmarks. You also have to avoid making style judgements based on the assessor's own personal taste.

RP: And how about the VE grading system?

RF: Every property is graded to one of five levels, with the aim to add quality without taking away any of the character and style of holiday home. Seven key areas are looked at, and the five most critical are: the bedrooms, bathrooms, public areas, kitchens and overall cleanliness. In each area, the following are considered: the intrinsic quality of the furniture and furnishings; the condition of all items (are they still fit for purpose?); attention to detail (has evident care been taken to coordinate décor and soft furnishings and make the room welcoming?); cleanliness (which has paramount importance at all levels) and first impressions. A 'quality' score out of five is given for the decoration, flooring, furniture, furnishings and fittings, lighting, heating and ventilation, space comfort and ease of use in each room. We also look at the mattresses, bed bases, headboards and linen, the kitchen appliances, crockery, cutlery and glassware, kitchenware, pans and utensils. These scores are then totalled, giving an overall percentage score that will place you within a star rating band. However, in order to confirm a particular star rating, all of the scores within each of the five key areas must also fall within that band or higher.

RP: Sue, when you were designing Bridleway House, did you have VE criteria in mind?

SB: Yes, I did have VE in mind because I have been through it before. Well, we were AA, but VE and AA were almost identical. So I did know what the ratings were. I had the book and knew what I needed to do, based on earlier experiences. We once had a VE inspector crawl on the floor and sniff it! She said it was the only way she could make sure it was a wool carpet. They had this idea that wool carpets were best. My carpets weren't wool. Mine were scrubbable with bleach.

AJ: Is sniffing carpets something you do, Rachel?

RF: No... but I do sometimes kneel on the floor to have a look at the thread. That way I can see if it's an 80/20 mix.

HT: Is that something that they actually ask for? Because, as you say, being able to bleach your carpet in a holiday home is so much more practical. They don't perhaps look quite as nice I suppose.

RF: Some non-wool carpets are very good quality, because they've got a 10-year guarantee. So that's the route a lot of people go down.

HT: Most people do want wool carpets because they've got that coastal look, but actually they're not practical.

SB: No, they're not.

RF: They get wet, they get stained and the carpet gets ruined completely. A good carpet has to stand the test of time, and the underlay needs to be replaced every time the carpet is.

RP: Henrietta, do you have VE in mind when you design a holiday home?

HT: It's something I've been more recently asked to consider. I'm working on a couple of properties in Dartmouth at the moment, and have been asked to think about the criteria. Before that, as it's quite new, it's not been something I've been asked to do. It's a funny one for me. To take fire safety as an example, the legislation has changed recently so you don't need to have all your fire safety kit on show, which is nice because you can put it in a cupboard. Previously you could put in a beautiful new kitchen and then have to put a big fire blanket on display on the wall. So it's always a challenge. But back to VE, it's something that I've had to think more and more about, particularly as I've done more properties for Coast & Country Cottages. The challenge is trying to find nice ways to do it, such as with the carpets, finding a balance. Child gates are another one I struggle with.

RP: Since you're not getting any VE points for the subjective style of the property, I suppose there's a trade off?

HT: Yes, that's the main thing. You want it to look nice when you come in, but you need it to be practical and easy to maintain. This is very difficult from my perspective because there are a lot of fabrics out there that aren't particularly hard-wearing or practical. With, say, sofas, it's hard to get loose covers these days, and you have to think, "What if someone spills a glass of red wine over this?" You've got to have it re-covered or dry-cleaned, and it's even more difficult if someone doesn't tell you straight away. There are so many things to think about. You can't cover all of it. For a lot of people, it's their second home and somewhere they love to visit, and they want to make it their own, with their bits and pieces. I work with a huge variation in budgets, but a lot of people do have a higher budget and want to make their place look nice. It's a very hard balance, finding solutions that are practical and look good. Hopefully most of the time we achieve it.

RP: Richard, are you wearing VE goggles when you approach your properties?

RB: Well, we'd finished the bulk of our work before VE descended upon Salcombe. We had a few run-ins with the VE inspector who came down the first few times. We sent her back to get dispensation on one or two things. Now we know what's required so, when there are any changes, we do have VE in mind.

RP: How about you, Andrew, when you first see a property?

AJ: Usually when I enter a property I've got two hats on. Firstly, I'm thinking commercially as an agent: "Is this going to succeed? What are we going to charge? What will be the revenue for the owner and for us?" But I'm also thinking from a VE perspective, "What is the standard overall? Is it good enough? Do we need to give advice or prod them to get things done?" That's less the case than a few years ago, because most people are pretty savvy. They usually have some idea of the standard required, with 'Changing Rooms' and 100 other DIY programmes on TV these days. So, basically, there are those two strands: commercially – how will it do? – and secondly, will it hit the right VE band? Really, I've thought almost since we started the business that four star is where we should aim as a minimum standard. That's the route we've gone down for the past eight to ten years, and it's based primarily on the market. When we bring the odd three-star property on, unless it's sitting on an A1 view or has something special about it, it's likely to struggle.

SB: But when it comes to the levels, it can be quite quirky. You could have an absolutely fantastic property, but because its bathroom is small – it simply can't fit a bigger one in the space – VE can be very penalising, even on spectacular properties.

RB: Yes, and the other way round. We've been discussing this with friends of ours. They've stayed with us and rented lots of other holiday homes. They've been into properties rated four star around Salcombe that have zero style and they think, "I don't understand how Albany House can be four star and these can be four star too." But they are, because they tick the boxes, they've got the cutlery etc., but the quality of equipment isn't there. I'm not decrying it, but it's pretty much a blunt instrument in our view.

RF: Also, percentage-wise, there's a big difference between 75% and 85%, so there's a broad range within a single VE band.

RB: Yes, and I think the roles that Rachel and Henrietta have are polarised. Henrietta has to make sure a property has everything it should have, and then Rachel has no option but to say, "OK it's a four star."

RF: Yes, I just look at the objective quality. It might be working out the level of decoration, placing it between four star and five star, such as the wallpaper – is it Sanderson or B&Q wallpaper for example?

RB: But then Henrietta could come in and say, "Well that's maybe good-quality wallpaper, but who on earth put that up?"

RF: That's true. Henrietta can take an overall view, whereas I have to dissect everything.

AJ: Our main criticism of VE is that they, along with AA and the others, haven't quite kept up with the market. I mean, who stays in a one star property? You can still get them though, and I'm not sure if they even need running water?

RF: They don't have to be self-contained.

AJ: Right. Anyway, our biggest criticism is that there's a very small window between high four star and five star. Either it needs to be tougher to get five star, or there should be more differentiation.

HT: When you take on a new property, do you give the owners a sheet that says what they need to aim for?

AJ: Yes, in the guide there's a suggested inventory that's based on four star. We try to balance it though. We don't want to beat everyone over the head with a VE stick. We want it to be a badge of honour and to give reassurance. I saw a stat this morning that said 75% of customers use these trust-marks as part of their decision-making. So it is important, but I think we shouldn't get too hung up on it. It's like every system. It could be improved, but it's independent and gives people confidence when booking through an agent.

RP: Moving onto customer expectations and trends, let's talk a little more about aesthetics and themes. Andrew, have you noticed anything regarding interiors that can easily boost a property's performance?

AJ: There's a lot of good styling around at the moment, including everything that Henrietta, Richard and Sue have been involved with. I don't think any one theme has necessarily come to the fore. Coordination is key – people just want to see evidence of a clear thought process, that an owner has stepped back and thought "I'm going to style this in a particular way," ideally at one time but not necessarily. They want to see that the owner has put some consideration into the customer and what they're looking for. There was one period when everything went very bland and neutral...

HT: Lots of beige.

AJ: ...lots of beige, beige on the floor, beige walls. It worked up to a point for a while, but I think that's a bit passé.

RB: Your biggest challenge, if I may, with a new property owner is that some people have an eye for design and some people don't. If you're with an owner that doesn't, then you need to persuade them to talk to someone like Henrietta. Otherwise they're not going to get it right.

AJ: I have a good recent example of this. I recently went to see a property worth over a million pounds in Salcombe. It was a new build in an A1 location. And it was a right old mishmash of furniture within a brand-new box. The conversation can become very awkward in these cases. You don't want to tell someone whose just spend a great deal of money, "You've shot yourself in the foot by the way you've furnished this place."

SB: There are some very strange trends though. When you walk into a restaurant and every chair's different – with this industrial chic, you've really got to get it right or it looks like a junk shop. In fact, some of them do look like junk shops!

AJ: Yes, it can be a challenge to get right.

RP: Henrietta, if you were faced with a client with little obvious flair for design, what would you tell them?

HT: It's difficult if it's a holiday home, because you want it to be your own if you're going to use it, but you need it to be generic to a certain extent because you want other people to like it. It's harder when you're doing bits and pieces rather than a full refurbishment, because combining old and new is very difficult. But the main thing is being practical in terms of storage and dealing with things like wetsuits. I go into some homes and there's nothing practical there, so you walk in through the front door and there are wellies, coats and so on. Wet rooms and storage space are great, so if you've got the chance to put that in, that's what I always suggest. People will say, "That wardrobe is ridiculous in size; I'll never use it," but I guarantee when I go back there that it will be full. It's also good to have somewhere outside you can wash things down. If you don't have that, then the inside starts looking like a mess. Whether it's the owner using it or people renting it, it doesn't feel very nice when you walk in and you've got wet stuff and wellies in the hallways.

RB: I think the other thing I wanted to mention is lighting. As Henrietta will know, if you're designing from scratch, lighting is so important and you can do so much with it. It's something that a lot of people don't realise. On the point about owner's homes, I think one of the most important messages to give an owner is this: "This is not your personal home. You are running a business." If you want to run a business, you have to understand what your market wants. You have to realise that people are expecting a certain quality, based on VE and design and practicality and all the rest. Once that's been taken care of, by all means make it your home and put in personal touches, but you fundamentally have to realise that you're running a business and you've got to supply what the market is looking for.

AJ: ... which could be slightly different from what you or an owner would choose personally.

RB: Yes, it probably will be. Just to back up Henrietta's point, I did get some feedback from friends who've stayed in a lot of places and they said practicality is number one. Number two is having no hand-me-downs. You get a lot of owners saying, "If we buy this property we can get rid of this or that item of furniture from our flat in London." That's a problem.

HT: Definitely.

AJ: So, no cast offs.

RB: No cast-offs and don't scrimp. Another thing is: don't fill it with too many personal nick-nacks. I had an interesting debate yesterday: do you want to go into a holiday home and see pictures of another family? Some do, but I don't personally, and I think lots of people like to think of a holiday property as their home for the week. And they don't want to be reminded generally that you're invading someone else's home.

SB: Sometimes you feel like you're tiptoeing around grandma's house, and you really don't want that.

RB: Absolutely not.

AJ: I've had conversations with owners about removing wedding photos from the bedside table. The key is finding the balance between something too clinical and something that's homely, hopefully without being overly personalised.

SB: You don't want to feel that you're in someone else's home – that's the bottom line.

RB: For me, the key point is that it's a business. If you want it to succeed as a holiday letting business, take your personal stuff away. When you move out at the end of August, it needs to be ready for a guest.

HT: The other key thing is that you want something you don't have at home. Whether it's more or less expensive, you want people to think, "Wow, this is lovely!" as it has nice, quirky things, and there are loads of things you can do on a range of budgets.

RP: How about places designed with strong overarching themes, such as some holiday homes in the area with a nautical look, for example?

AJ: In other words, properties which have been interior-designed to within an inch of their lives?

RP: Yes. Can these – let's call them 'Marmite properties' – be successful?

AJ: I think it's all about how well it's done, rather than the extent of the interior designing. Sometimes the market will react by saying, "It's too much", even though it could win an award or look great in photos, because it's over the top.

HT: You want to feel comfortable in a holiday home. You don't want to walk in and feel like you can't sit on the sofa. You don't want to feel like you can't use it.

SB: And if it's so stuffed full of things, the upkeep can become a nightmare.

AJ: We come back to practicality here too. A property could be beautifully designed but have regular-sized beds. Lots of people think, "Well, I have a King-sized bed at home. What I actually want is a super-King-sized bed. This bed looks a bit too cosy." No matter how well designed it is, there are always practical considerations.

RP: Henrietta, are you ever asked to deliver an overarching theme in this way?

HT: No, not really. Of course, everyone has their likes and dislikes and my job is to try to deliver that, while perhaps doing my best to nudge a client to remind them it can't be too much of just what they want, especially if they'd like to rent it out. There was a period down here up until a few years ago when everything went very kitsch and 'seaside' until it became a bit too much. But in the past two years things have pulled in the other direction, quite minimal, which is even more common than the New England / Cape Cod looks.

RP: I'd assumed an important consideration when styling a property is that some styles can date quickly, but from our discussion it seems that things need to be replaced fairly regularly anyway, perhaps before the chance for them to look old-fashioned has even arisen?

HT: That depends on the quality of what you put in, which is another important thing. Put cheaper stuff in and it won't last. You're better off spending a bit more money at the beginning – of course that's budget-dependent – because it will last.

AJ: Richard, how long ago was your last refurbishment of Flat 1 [Albany House]?

RB: We did it in 2009. Last year we redid Flat 3's kitchen, which was after 10 years.

AJ: Because at the time you did put that extra quality in, Flat 1 hasn't dated and holds up very well. Now it's just a case of maintaining that standard, and it's probably got another 10 years in it. That does suggest that if you get those decisions right, it will last.

RB: Actually, the kitchen wasn't very expensive in our case, but it is stylish and it still looks fantastic.

RP: What did you enjoy most about preparing your holiday home? Let's start with Sue.

SB: The whole thing was fantastic! I had a budget and I could buy absolutely everything. When do you have the opportunity to buy everything for an entire house? Well, of course Henrietta does it all the time, but I don't usually. I have things in my kitchen that have been there for 30 years, which I've never replaced because I don't need to. But buying everything new, finding a theme, thinking about how the guests would use it – it was a lovely, fun experience.

HT: It's nice that you said that, because I hear from a lot of clients that the thought of buying everything new scares them. They just can't manage to think how to get everything needed.

SB: It is a different world nowadays, because you can have a spreadsheet, sit in front of the TV and find all sorts of quirky stuff on the net. You'll only get the really quirky stuff online these days and it's so much cheaper. It's brilliant.

RB: Carolyn [Bawden] always starts months ahead when we're thinking of buying a property. She gets a mood board going, tears pages out of magazines when she sees a nice design, and gets a colour scheme sorted out. The design side is fantastic – really enjoyable for us – whereas as Henrietta says, some people would be scared stiff.

HT: Yes, they find it very overwhelming.

RB: And they're the people who should get in touch with designers like Henrietta, who can help them out. The other thing we really enjoyed was working with our builder, carpenter and the team. I have to say Simon Gibbens is fantastic, as is our architect Andrew Reed. They enjoyed the design that we came up with and they started joining in, and the end product was quite different from what we'd envisaged. It was fantastic working with a good team of people.

HT: I enjoy a lot of what I do. Normally, the best thing is making someone else's vision – with a bit of direction – come to life. And the best way is to work with a client from beginning to end. I normally end up unpacking houses and even putting clothes away. It means you see the whole thing through. Also, as Richard said, working with local tradesmen is great. I've just started working with a great local company that makes beautiful oak furniture, so that's something I enjoy too.

RP: How about simpler ways to make a good impression? Welcome packs, for example?

RB: We provide flowers, toiletries in each bedroom, soap dispensers, washing up liquid, dishwasher tablets, scourers, spongy cloths, rubbish bags, kitchen roll, salt and pepper, and, as of this Friday, at least three loo rolls per bathroom. The worst thing when you come down to a holiday home is having to head straight out to buy loo roll for the week. People think, "Why should I have to do that when I'm spending all this money?"

SB: At Bridleway House, we provide toiletries and all the rest, plus a hamper. But there is nothing worse than arriving at a holiday home and there being no washing up liquid. Toilet rolls too!

AJ: And we make sure as part of our service that there is a minimum standard delivered, but we want to improve that further, since people who come down here on holiday will have a certain expectation of us. Consistency is the most important consideration, from an agency perspective.

RP: And it comes back to what you've all been saying about taking care of practicalities, and the customer experience being well thought through.

AJ: Yes, and there are times – not mentioning any names! – when it is like herding cats. When you have around 400 different clients, our challenge is to get them all on the same page. It's about getting everyone onboard with the philosophy that it's the customer we should be looking after most of all. They're the ones who are paying.

RB: I mean, partly why we did this is because I got fed up with coming down and finding the dog end of a pack of dishwasher tabs, or half an inch of own-brand washing-up liquid – things that people wouldn't have at home. We are promoting a brand and a certain standard, so at points in the season I get in an industrial load of products – salt and pepper, scourers, dishwasher tabs and Fairy Liquid and it's done.

SB: The other thing I do is provide a pack of instructions. It's quite possible that nobody has ever looked at any of my instructions, but I put in a massive effort – it's really quite a job – to make sure you've got instruction manuals for everything...

SB: ... because with technology, if you're not used to our televisions, they're actually quite complicated so I've got these lovely laminated instructions. It is annoying when you go somewhere and you've got no idea how to turn the television on!

RB: Especially when there are three or four other boxes to decipher!

SB: Exactly.

3. Policies and pricing

.....

RP: Should all holiday homes permit dogs?

AJ: We don't say that as such, but we do present an argument. The argument is that in about one in three holidays in the UK, people bring a dog with them. There's a growing market of people not going abroad because they have a dog. Many of these people want a high-standard property, and don't want to leave their dog behind, so there's a good argument for going dog-friendly. On the other side, for whatever reason, some owners don't want to do it. They might not like dogs or they don't want the threat of hairs or smells or mess and so on. The key is finding a balance, because we know that a pet-friendly property will generally get more bookings and have a longer season than a non-pet-friendly property. It's horses for courses – if I can mix horses and dogs– but if people are prepared to take a bit more of a risk then it's an option. I always use the line that we don't get any more problems with dogs than with people, and that is the truth. About a quarter of our properties accept a dog, and if you go to two dogs it becomes one in ten, so you have a big market being squeezed into a relatively small supply.

HT: At a hotel I worked on, we had five dog-friendly rooms to start with. Even if they were smaller, they always let.

AJ: Particularly with our stretches of the South West Coast Path, which are a joyous experience for us dog-owners, we're a big draw for holidaymakers with dogs. That's a large part of why they come here.

RP: Sue, what do you think about accepting dogs?

SB: I have a problem here: I would have dogs tomorrow but my husband is so anti I can't possibly persuade him!

AJ: To be fair, there's probably no need from a marketing or sales perspective for you to accept dogs at Bridleway House.

SB: That's right, although I was wondering about looking at how your dog-friendly properties were doing in September and October. Because I was thinking about accepting dogs out of season. I believe dogs aren't allowed on the beaches here during the summer though?

AJ: Some are dog-friendly all the time, like North Sands and East Portlemouth, but others have some restrictions. But I think you might find that September-October is a market that has more dogs. Maybe half the clients we have in the spring or autumn will involve a dog. It's an important part of the mix, but it's not essential in all cases to have dogs.

SB: We'd certainly prefer not to have dogs but I would have a look at it, as to whether it would increase the length of the season.

AJ: For some rural properties, it would certainly increase the length of the season way beyond 25 weeks if they were to accept a dog. We know this because there are other properties within walking distance of them that do accept dogs. They get another ten weeks of bookings every year. But some owners are adamant they don't want to, and of course that's their choice.

HT: I've had this conversation many times, and I think the main concern in people's heads is the sofa. If the dog goes up on the sofa at home, it will do so on holiday. So maybe the solution is as simple as a cover that goes on the sofa. There are quite a few things that people have started to make, which can help with this. People are quite conscientious about it, if you've got the stuff there for them to use.

SB: My sister-in-law's dog was left in a kitchen and chewed all the skirting boards. We don't have skirting boards at Bridleway House – well, we have ceramic skirting boards which would be a challenge for any dog!

AJ: That is the issue – there's always that potential disaster scenario, but you can have one bad apple in any barrel and, as I've said, we don't have a higher proportion of problems with dogs than with people.

HT: You have to weight it up. How many extra weeks do you get? You could have one week when it goes wrong and you have the cost of that, but if you have more bookings, it could still work out better, and you have the deposit to cover it, hopefully.

AJ: Yes, get another five bookings in a year, then there's more in the pot to deal with it. Anyway, I always present these arguments to clients. To some I say: "You're only going to succeed if you're pet-friendly," and to others I'd say "You may never need to go down this route."

RP: Moving onto another issue where there are disagreements, let's talk about short breaks. Sue, do you accept short breaks at Bridleway House?

SB: Yes, I do. What I would say – and Coast & Country are very clever about this – is that I wouldn't take one if it would affect us getting a full week. But there are times of the year when a full week is unlikely, so you're better off taking that revenue than no revenue. As I've said, I think that properties are not very good when left empty. Consequently, if it's a choice between having a few people in over the winter, so that the place gets checked over, the heating gets turned on and so on, and having it empty, to me it makes perfect sense to choose the former. There is a market trend to consider too, which is that people are taking shorter holidays. In fact, at our B&B, we're finding that people are taking longer holidays, which is fantastic for us. We're getting loads of three-day breaks that we weren't getting before. Obviously this will apply to self-catering holidays too.

AJ: Absolutely, the stats suggest that short breaks are on the rise and that full week holidays are in slight decline. The short break market has gone up by about 13% or 14% in the past five years. The reason is that younger people take more holidays and for less time than our generation. That's contributed to the growth in B&Bs and AirBnB – there are now two million AirBnB properties in the world. It swamps the rest of the market, so that should be telling us something, that the market is changing. On the other hand, for properties priced more modestly, the service charges for a short break are the same for a week, yet the owner is only getting three quarters of the revenue, leaving a smaller margin after cost. We tend to promote short breaks out of season as a better-than-nothing option, but I think we need to be more crafty in the long term. Many years ago, Center Parcs started a Friday-Monday/Monday-Friday model, offering three-day, four-day and seven-day options. It's not quite the same market, but if we were able to take two bookings in a week, we'd have 50% more revenue for us and our clients, so it works for us and could be beneficial for everyone. I don't think we're there yet, and it could be ten years before it comes to fruition. We've been talking about starting a few experiments for August.

SB: The trouble is, August is a big gamble.

AJ: Yes, it is, and we're probably not there yet. Plus, there's the infrastructure issue: we'd need to be able to clean a property twice in one week. In my view, it's going to happen, and it's just a question of when.

SB: What proportion of your owners are accepting short breaks out of season?

AJ: About half, I would say, or perhaps a slight majority. I always present it as an option for mid-to-low season, depending on the property. One advantage is that it's a great business builder. You might not make much from a September short break, but you could have a return customer in August for a week or a fortnight.

RP: Presumably that's not to say that one couldn't be refused when there was still a chance of a full week?

AJ: Right, and we changed our policy about a year ago to stop ourselves slightly shooting ourselves in the foot, for example allowing a short break in September for a holiday the following June. Selling a short break too long in advance isn't particularly sensible.

RP: One of the reasons we in the marketing team were so happy that you could be involved with our panel is that you and Richard are both very proactive on the marketing front. Albany House and Bridleway House both have attractive websites, and Sue you've been blogging too...

SB: I have written blogs for the website, but our social media isn't quite where we'd want it to be. My daughter told me off when I was going to post something on Instagram and she said, "Mum you can't post something from February now!" So, consequently, we're taking lots of photos now to put out on social media. I have to say I understand it's necessary and it's a very good thing to do, but it will take a while before it motivates people of my age group to actually make bookings. But if younger people are taking short breaks, it's very important to get it out there [on social media].

RP: Andrew, do you encourage owners to set up their own social channels and websites?

AJ: I don't discourage it, but most aren't interested. They say, "Well isn't that your job? You're the experts, so get on with it!" But we must have 30 or 40 owners with websites and Instagram, and it all helps. We don't want to be competing with our owners of course, but if we're pulling in the same direction, getting the widest audience possible, then by all means go ahead. Some people, I'm not sure why, don't like dealing with agents and want to deal with an owner directly, but the owner might want the comfort of the agency relationship and support, and it can work very well.

SB: Everything on our website simply pushes people your way. We just add to the marketing that's coming out from Coast & Country Cottages.

AJ: The more involvement the better, but most owners don't want to invest the time or money, or as I said, believe it's our job.

RP: And it can backfire, as a clunky or out-of-date website can be worse than not having one. Or if an owner is Tweeting or Instagramming without things being proofed, it can reflect badly on the property.

AJ: Yes, that can be a problem too.

RP: Perhaps a final word on what the ideal relationship should be between an owner and agency?

AJ: The best scenario is to be on the same page, where there's a strong relationship, with flexibility and communication going both ways. The worst thing we can have on file is a note to say we need to check with the owner before accepting a booking. These days, customers want instant results. If people don't get a response within 30 seconds, they'll move on. The most important thing is: "Do you trust us to make the right decisions on your behalf? Do you trust that we've been at this a long time, and that we're not going to sell a week at your property for a silly price." In our view, that's more important than dual promotion or dual marketing.

RP: Thank you very much to Henrietta, Richard, Sue, Andrew and Rachel for sharing these insights into holiday home ownership. We're sure many potential and current holiday home owners, not just in South Devon but everywhere, will find your comments very helpful.