

Pub Visiting - UK - May 2017

Report Price: £1995.00 | \$2583.33 | €2370.86

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“Continuing to grow sales will be particularly important to pub operators in order just to stand still in terms of profits, given increased operating costs in 2017. Household budgets are likely to be squeezed by rising inflation, impacting discretionary spending in pubs. This will make it difficult for pubs to increase sales and maintain profitability without raising prices in some areas.”
– **Richard Caines, Senior Food & Drink Analyst**

This report looks at the following areas:

- **Increasing costs mean pubs need to find ways to grow sales just to stand still on profits**
- **Flexible use of space and zoning needed to maximise appeal of pubs**
- **Digital technology has an important role to play in driving pub visits**

The total value of the UK pub market is estimated to have increased in 2016, with sales benefitting from strong consumer confidence and the strength of demand for meals out of home on the back of rising real incomes.

In 2017 the pubs market looks set to come under pressure from rising costs for pub operators, as well as rising inflation putting a squeeze on household budgets. Less money will therefore be available for discretionary spending by consumers on food and drink in pubs, but operators may still be forced to raise prices to cover rising costs.

These factors present a big challenge for pubs in terms of growing sales to protect profits, making it ever more important for individual pubs to be better than their competitors in offering what pub visitors are looking for. This includes high quality food, attractive prices and/or special offers, and great customer service.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Table of Contents

Overview

What you need to know

Covered in this Report

Executive Summary

The market

Pubs benefit from strength of eating out market

Figure 1: Forecast for total UK pub industry revenues, 2011-21

Consumers opting for quality over quantity in alcoholic drinks

Figure 2: Forecast for UK pub industry revenues of alcoholic drinks, 2011-21

Pub meals benefit from move towards more food-led venues

Pubs need to grow sales in the face of rising costs

Brexit uncertainty and rising costs

Consumers cutting back on alcohol

Companies and brands

Managed pubs boosting pub sales

Enterprise Inns becomes Ei Group

Greene King concentrating on conversions to five growth brands

Weatherspoon rolls out new ordering phone app

Mitchells and Butlers accelerates capital investment

Punch backs takeover bid by Heineken and Patron Capital

The consumer

More than nine in ten Brits go to pubs/bars

Figure 3: Frequency of visiting pubs/bars/nightclubs to eat and drink in, March 2017

Three in ten adults cutting back on pub visits

Weekends the most popular time for visiting

Figure 4: Reasons for going to pubs/bars, March 2017

High quality food most important to pub choice

Figure 5: Factors most likely to influence choice of pub/bar, March 2017

Strong demand for quiet areas in pubs

Figure 6: Attitudes towards pubs/bars, March 2017

What we think

Issues and Insights

Increasing costs mean pubs need to find ways to grow sales just to stand still on profits

The facts

The implications

Flexible use of space and zoning needed to maximise appeal of pubs

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The facts
The implications
Digital technology has an important role to play in driving pub visits
The facts
The implications

The Market – What You Need to Know

Pubs benefit from strength of eating out market
Consumers opting for quality over quantity in alcoholic drinks
Pub meals benefit from move towards more food-led venues
Pubs need to grow sales in face of rising costs
Managed pubs boosting total pub sales
Brexit uncertainty but consumer confidence holding up so far
Rising costs on the cards for pub operators in 2017
Soft drinks levy coming in 2018
Consumers cutting back on alcohol
Pubs have less appeal to ageing population

Market Size and Forecast

Pub sector benefits from strength of eating out market
Figure 7: UK pub industry market size and forecast, 2011-21
Consumers opting for quality over quantity in alcoholic drinks
Figure 8: Estimated UK pub industry turnover, by segment, 2012-16
Pub meals account for nearly a third of pub sales
Stronger sales of soft drinks through pubs/bars
Increasing costs mean pubs need to grow sales to stand still
Figure 9: Forecast for total UK pub industry revenues, 2011-21
Figure 10: Forecast for UK pub industry revenues of alcoholic drinks, 2011-21
Forecast methodology

Segment Performance

Managed pubs boosting total pub sales
Figure 11: Turnover of selected leading pub operators in the UK, 2011/12-2015/16
Move away from tenanted and leased pubs
Free houses also an important part of the market

Market Drivers

Brexit uncertainty for pubs sector
Confidence holding up but income squeeze on the way
Figure 12: Trends in how respondents would describe their financial situation, February 2009-February 2017
Rising costs on the cards for pub operators in 2017
National Living Wage and National Minimum Wage

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Apprenticeship Levy
 Revaluation of business rates
 Alcohol excise duties increase by RPI inflation
 Rising inflation puts further pressure on pubs
 New Pubs Code for tied leased and tenancy agreements
 Lords call for licensing committees and late-night levies to be scrapped
 Soft drinks levy coming in 2018
 New alcohol guidelines and cutting back on alcohol
 Pubs have less appeal to ageing population
 Figure 13: Trends in the age structure of the UK population, 2011-21

Companies and Brands – What You Need to Know

Shift towards more managed pubs
 Enterprise Inns becomes Ei Group
 Greene King converting pubs to growth brands
 Weatherspoon rolls out new ordering phone app
 Mitchells and Butlers accelerates capital investment
 Punch backs takeover bid by Heineken and Patron Capital

Selected Leading Companies

Market overview
 Figure 14: Selected leading pub operators in the UK, by outlet numbers, 2012-16

Ei Group Plc (formerly Enterprise Inns)
 Financial performance
 Figure 15: Key financial data for Enterprise Inns Plc, 2012-16
 Figure 16: Enterprise Inns Plc turnover, by segment, 2012-16

Selected recent activity and innovation
 Greene King Plc
 Financial performance
 Figure 17: Key financial data for Greene King Plc, 2012-16*
 Figure 18: Greene King Plc revenue, by segment, 2012-16*
 Figure 19: Segmental information for Greene King and Spirit Pub Company, 2016

Selected recent activity and innovation
 JD Wetherspoon Plc
 Financial performance
 Figure 20: Key financial data for JD Wetherspoon Plc, 2012-16

Selected recent activity and innovation
 Mitchells & Butlers Plc
 Financial performance
 Figure 21: Key financial data for Mitchells & Butlers Plc, 2012-16

Selected recent activity and innovation

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Punch Taverns

Financial performance

Figure 22: Key financial data for Punch Taverns Plc, 2012-16

Figure 23: Punch Taverns Plc revenue, by segment, 2012-16

Selected recent activity and innovation

The Consumer – What You Need to Know

More than nine in ten Brits visit pubs/bars

Majority of people visit pubs to eat infrequently

Three in ten adults cutting back on pub visits

Weekends the most popular time for visiting

Entertainment can also help generate footfall

High quality food most important

Customer service can make a difference

Strong demand for quiet areas in pubs

Digital and social media important communication tools

Frequency of Visiting Pubs/Bars

More than nine in ten Brits go to pubs/bars

Figure 24: Visiting pubs/bars to eat or drink in, by time of day, March 2017

Majority of people only visit pubs/bars to eat infrequently

Younger age groups are core pub diners

Over-55s visit more during the day

Figure 25: Frequency of visiting pubs/bars/nightclubs to eat and drink in, March 2017

More frequent drinking in pubs shows younger, male bias

Figure 26: Drink-led visits to pubs/bars more than once a month during the day and in the evening, by gender and age, March 2017

Changes to Pub Visiting and Average Spend per Visit

Three in ten adults cutting back on pub visits

Figure 27: Changes in frequency of visiting pubs/bars compared to 12 months ago, March 2017

18-24s and top income households most likely to have upped visits

Spending per visit shows less change

18-24s most likely to have upped pub/bar spend

Figure 28: Changes in average spending per pub visit compared to 12 months ago, March 2017

Reasons for Visiting Pubs/Bars

Weekends are the most popular time for visiting

Figure 29: Reasons for going to pubs/bars, March 2017

Pubs' role as social space endures

Meals and special occasions a bigger reason for women to visit pubs

Entertainment can help generate footfall on quieter days

New menus and promotions can help trigger visits

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Factors Influencing Choice of Pub/Bar

High quality food most important

Figure 30: Factors most likely to influence choice of pub/bar, March 2017

Price matters to more than half

Friendly and quick service can make a difference

Outdoor facilities add to the appeal of pubs

Drinks offer less important than food menu

Attitudes towards Pubs/Bars

Strong demand for quiet areas in pubs

Figure 31: Attitudes towards pubs/bars, March 2017

Table service can improve the pub experience

Digital and social media are important communication tools

Many patrons research pubs before visiting

More than a quarter like to follow pubs on social media

Figure 32: Attitudes towards pubs/bars' online presence and social media, by age, March 2017

More than a third interested in calorie counts on drinks menus

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

Appendix – Market Size and Forecasts

Figure 33: UK pub industry revenue, by segment, 2011-21

Figure 34: Best- and worst-case forecasts for the UK pub market, 2016-21

Figure 35: Best- and worst-case forecasts for UK pub industry revenues of alcoholic drinks, 2016-21

Figure 36: Forecast for UK pub industry catering (meals) revenues, 2011-21

Figure 37: Forecast for UK pub industry soft drinks revenues, 2011-21

Figure 38: Forecast for UK pub industry revenues of other items*, 2011-21

Forecast methodology

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