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**UK pub market to decline -61% in 2020, with innovation and a bounce-back of consumer demand to drive recovery**

According to Lumina Intelligence’s new UK Pub Market Report 2020, the UK pub market is set to somewhat recover in 2021 following a catastrophic 2020, with innovation, creativity and a bounce-back of consumer demand the driving force behind this.

**2020 a catastrophic year for the pub market**

In 2020, the UK pub market is set to be worth £9bn, with the impact of coronavirus set to wipe 61% or £14bn off the market value. The main reasons for consumers not visiting pubs are:

1. To avoid busy places (23%)
2. To reduce discretionary spend (14%)
3. It is cheaper to drink at home (12%).

In the interim, the challenge for pubs is to reassure consumers around the safety measures that are in place. Only 11% of consumers say that they absolutely don’t feel comfortable going to a pub, so there is an opportunity to entice the remaining 9 in 10 consumers. When asked which safety measures they would like pubs to continue to implement for the foreseeable future, the top consumer answers were:

1. Socially distanced seating (16%)
2. Hand sanitizing stations (15%)
3. A one-way system through the pub (11%)
4. Contactless payment only (11%).

**Pub market to bounce-back and recover £9bn in lost revenue in 2021**

Despite the challenges of 2020, renewed confidence following the announcement of a potential vaccine becoming available in early 2021 sees the market forecast to somewhat bounce-back next year. The report predicts **that the UK pub market will grow 104% in 2021, reclaiming over £9bn of the value lost due to the coronavirus this year.**

This growth will be driven by a bounce-back in consumer confidence, but also the innovation and creativity from operators that has been evidenced since the pandemic began. Despite considerable unfavourable variables, creative operators are expanding and weather proofing outdoor space, introducing delivery services and tapping into digital solutions. Elevating customer experience will encourage consumers out over the coming months and be critical in market recovery, with the report highlighting:

1. **Demand for takeaway will continue post-lockdown**
   1. 16% of consumers have purchased takeaway beer and 76% would continue to do so if the service remains in place.
   2. 14% of consumers have ordered cocktails to takeaway and 80% would continue to do so if the service remains post-lockdown.
2. **Outdoor spaces to receive significant investment**
   1. 45% of pub operators highlighted outdoor space as the area that they will invest most in over the next year – this is up from 18% in 2019.
   2. Introducing sheltered, heated and well-lit attractive outside spaces is an opportunity for operators to entice consumers, boosting confidence with virus transmission limited in fresh air.
3. **Technology adoption will boost customer insight**
   1. Good value (32%) and fast service (10%) are amongst the leading consumer needs for selecting a pub restaurant venue in 2020.
   2. Digital solutions can help with efficiency and data collection to offer more targeted promotions and ensure service is seamless and timely.

**Sarah Coleman, Insight & Communications Director at Lumina Intelligence says**, “Coronavirus has had a profound impact on the UK pub market, with over half of its value set to be wiped off in 2020. However, we have seen creativity and innovation in abundance across the market, as operators tackle the challenges head on. The rapid adoption of digital solutions, the creative use of outdoor spaces and the additional focus on customer experience have highlighted the resilience of a sector that continues to face the full force of government restrictions. It is this resilience and innovation that will see the sector recover £9bn worth of lost value in 2021.”

For more information on the Lumina Intelligence UK Pub Market Report 2020, [please click here](https://www.lumina-intelligence.com/pub-reports/pub-market-report-2020/#1602772646837-6a2db2af-e2c1).

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**Report methodology**

The research, from Lumina Intelligence’s exclusive UK Pub Market Report 2020 Update, was conducted using data from Lumina Intelligence’s Eating Out Panel, Channel Pulse, Operator Data Index, Menu Tracker and a bespoke survey with pub operators.

* Eating Out Panel – tracks the behaviour of 6,000 nationally-representative consumers each month, building up to a sample of 72,000 every year, across all eating out channels and day parts.
* Channel Pulse – Lumina Intelligence’s weekly measure of shopper and consumer behaviour across all UK food and drink channels – consisting of 1,000 interviews per week.
* Operator Data Index - provides comprehensive data on leading UK convenience operators, including rankings, outlet numbers and estimated sales.
* Menu Tracker – a database of over half a million menu items from over 150 eating out brands
* Bespoke survey - The findings from a detailed bespoke operator survey of 100+ pub operators

**About Lumina Intelligence**

Lumina Intelligence inspires the global food and drink sector with deep, actionable insights powered by the world’s best analytics technology. Our products and services are used by the major brands and organisations in these fast moving and growing markets to support business planning, strategic marketing and new product development.

With offices in London, Chicago, Montpellier, and Singapore, and local on the ground analysts across our businesses, you can trust our market knowledge. We are committed to providing all our customers with up to date accurate information to support critical decision making.

Combining the expertise and experience of HIM, MCA Insight and Lumina Intelligence, we are the experts in market and consumer insight across the food & drink and nutrition markets.

<https://www.lumina-intelligence.com/>