



*Matthew Clark*

# **Industry bulletin**

6th July 2020

# Welcome to our weekly bulletin

**For the first time in more than three months, beer has been flowing again in the UK's bars, pubs and restaurants. Despite fears from some sections, initial reports suggest the weekend went off in a largely safe and orderly manner.**

The successful reopening of venues in England will be a boost to Scottish venues as they reopen outdoor spaces this week and Welsh venues ahead of next Monday. Footfall across the UK has been rising, and with news of fresh support for arts venues, confidence is growing. There is still a long way to go, however, new data from UKHospitality suggests that £73bn in sales will be lost across the sector in 2020, with many businesses unable to breakeven before the year is out. With almost half of venues having confidence in collecting track and trace data, industry bodies this week published new guidance to help businesses support the scheme. With our own survey data suggesting half of consumers will have visited the trade before summer is out<sup>8</sup>, getting track and trace right will be important in keeping customers returning.

## The week in numbers



**106**

Days since venues across the UK went into lockdown.



**19.7**

Percentage increase in footfall across England as pubs/bars reopened.<sup>1</sup>



**£73bn**

Amount of sales lost across the sector during 2020.<sup>2</sup>



**7**

Days until outdoor spaces can open in Wales, a week after Scottish venues.



**51**

Percentage of operators who believe collecting contact details is viable.<sup>3</sup>



**105**

Amount of minutes guests in Scotland will be allowed to spend at their table.

# Headlines

## High Street footfall surges as hospitality venues reopen

Early data from research firm Springboard has found that footfall across England was 19.7% higher on Saturday compared to the previous week, with a sharp rise after 5 o'clock.



## £210 million spent over England's reopening weekend

Industry research has predicted spending in hospitality venues in England is likely to hit £210m across the reopening weekend. The research predicts that 6.5 million pub trips will have been made over the weekend.



## Support package announced for music and arts venues

A £1.57bn support package has been announced by government to help protect UK theatres, cinemas and music venues from closure. The scheme is formed of grants and loans administered by industry bodies.



## Trade bodies clarify reopening rules for operators and councils

UKHospitality, the British Beer & Pub Association (BBPA) and the British Institute of Innkeeping (BII) have produced updated FAQ guidance to help operators understand the government's reopening guidelines.



## One million hospitality staff back in work during July

With six in ten outlets opening in some form before the end of July, a new survey by UKHospitality has found that 960,000 staff are expected to return to work from furlough with another 720,000 returning by September.



## Scotland reopens beer gardens and outdoor cafes

Scottish operators are now able to reopen beer gardens and outdoor dining areas for the first time in 15 weeks. Pubs and restaurants should be able to welcome customers indoors from 15 July.



# In Focus: Rise of Takeaway

Consumers look set to spend more time at home...

**28%**

have planned a virtual gathering through a video app during lockdown. Of those that did, **42%** plan to do this more frequently once lockdown has lifted. <sup>4</sup>

**88%**

of consumers commuted to work pre-COVID, of these, **62%** are planning to work from home more going forward. <sup>4</sup>

**44%**

of hospitality business leaders expect "Increased frequency of delivery" amongst consumers post-lockdown. **54%** are prioritising delivery as a revenue stream in the second half of 2020. <sup>5</sup>

**53%**

of consumers ordering delivery are either first time users or ordering more often than they did previously. <sup>4</sup>

**49%**

of on-trade venues will continue offering takeaway/delivery post-lockdown. <sup>6</sup>



This should result in a long-term increase in home deliveries...

of those who ordered delivery for the first time or more often than usual:

**61%** would continue ordering from restaurants  
**70%** would continue ordering from takeaways  
**37%** are likely to order delivery from pubs and bars<sup>4</sup>



Drinks are underserved by delivery, is this about to change...

**33%**

of consumers like the idea of having alcoholic drinks delivered directly from bars and restaurants. For those who were drinking weekly pre-lockdown this figure jumps to over half. <sup>7</sup>

# How is the on-trade changing?

## Consumers are retuning to the on-trade with caution

---

**53%** of consumers will visit the on-trade over the next few months, with **41%** set to drink or dine out during July. <sup>8</sup>

**15%** of consumers will wait until social distancing is lifted before heading out. <sup>8</sup>

**13%** say that how often they now visit the trade depends on how safe they feel. <sup>8</sup>

**68%** say that feeling safe in a hospitality venue is more important than having a “normal” hospitality experience. <sup>9</sup>

## Space has become increasingly important to consumers

---

**44%** of consumers say that they will avoid crowded places. <sup>8</sup>

**30%** of consumers say that they would only want to sit outside. <sup>8</sup>

**67%** of business leaders predict that consumers will have a reluctance to visit busy city and town centres post-lockdown. <sup>10</sup>

## Consumers have heightened consciousness on hygiene

---

On average, consumers expect a thorough cleaning of a venue to take place every **28 minutes**. <sup>11</sup>

Fewer consumers are interested in drinking wine and softs poured in a glass, with some shifting to single serve bottles and cans instead. <sup>8</sup>

## The digital revolution is accelerating

---

**51%** of operators are prioritising introducing an ordering app in the second half of 2020, **41%** are prioritising a click and collect solution. <sup>10</sup>

**14%** of operators are looking to develop their ecommerce sales post lockdown, with **6%** introducing online cooking-alongs or cocktail masterclasses. <sup>10</sup>

**6%** of consumers have attempted to recreate drinks that they would usually only purchase in pubs, bars and restaurants. <sup>12</sup>

**However**, 1 in 5 consumers can't wait to get back to the trade to order serves that are either not possible in my home or simply not the same. <sup>8</sup>

# Sources

---

1. Springboard
  2. UKHospitality
  3. HIM/MCA Insight
  4. CGA BrandTrack April 2020 –COVID-19
  5. CGA Business confidence Survey Q2
  6. Matthew Clark Customer Survey – Re-Opening
  7. CGA Covid-19 Weekly survey 29.03.2020
  8. POURTRAITS consumer survey June 2020; 285
  9. UKH Consumer Survey – Undertaken by CGA
  10. CGA Business Confidence Q2 2020
  11. CGA BrandTrack June 2020 – COVID-19
  12. CGA Snap poll survey
- 



Matthew Clark