WELCOME

ROTP is a brand-new research study designed to understand the future behaviours and attitudes of pub customers when lockdown measures are eased. Defining the ‘new normal’ for pub experiences in the UK.

This exclusive research has been conducted by KAM Media, in association with the BII and with support from Toggle, Punch Pubs, Greene King, Admiral Taverns, Fuller’s, Hawthorn, Star pubs and bars and Frederic Robinson. Our collective aim is to provide valuable information and insight to help operators and brands prepare for the ‘new normal’ as the UK exits lockdown.

The research is based upon 1,113 interviews with UK adults (+18) who visited pubs at least once every 6 weeks, prior to lockdown. Nationally representative of the UK. Research conducted in May 2020.
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Summary statement
1. The impact of Covid-19 on future footfall to pubs
How will footfall to pubs be impacted once they re-open when the lockdown is lifted?

UK pub goers visited pubs on average 1.6 times per week prior to lockdown

They say they will visit pubs on average 1.4 times per week when they re-open

An overall decline in pub visits of 12%

This equates to a predicted loss of approximately **393 million pub visits**, by regular pub goers, to UK pubs per year, as a result of the Covid-19 pandemic*.

*Total visits by UK pub goers to the pub per year pre lockdown (Avg. UK visits pub visits per annum pre lockdown * no. of UK adults who visit the pub at least once every 6 weeks) - (Avg. UK pubs visits per annum post lockdown * no. of UK adults who visit the pub at least once every 6 weeks)

Source: KAM Media 'Return of the Pub' Report, June 2020
1 in 3 ‘18 to 34-year-olds’ are actively looking to visit pubs MORE after lockdown than they did before

Although we are predicting a total decline in pub-going footfall of 12%, 1 in 3 18 to 34-year-olds are claiming that they will be visiting pubs more, post lockdown, compared to their pre-lockdown behaviour. In fact, their visit frequency is predicted to increase from 1.5 times per week, pre-lockdown, to 1.9 times per week post-lockdown.

Below is an infographic released by KAM Media on 20th April 2020, which shows the predicted post-lockdown landscape from hospitality business owners. Whilst their predictions are accurate in so much as we will see a decline in total footfall, there are reasons to be optimistic as, although pub goers may well visit less, the extent of that decline may not be as severe as first feared.
The impact on footfall will be felt more in town/city centre pubs than village/rural pubs

<table>
<thead>
<tr>
<th>Predicted weekly visit frequency change in village/local pubs</th>
<th>Predicted weekly visit frequency change in town/city centre pubs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2 times pre lockdown v 1.3 times per week post</td>
<td>1.7 times pre lockdown v 1.5 times per week post</td>
</tr>
</tbody>
</table>

Cities are likely to feel the impact of the decline in visits most sharply. This will be in part due to a general lower footfall across city and town centres; either because potential customers are not going into the office or because the busier locations don’t appeal. Home working will also be having a significant impact to pubs located in busy commercial areas.

Village/rural pubs are also more likely to have gardens, which, as we know, are being touted as one suggested way that pubs can reopen and still have physical distancing in place.

Source: KAM Media 'Return of the Pub' Report, June 2020
The impact on footfall will be felt more on food-led visits than drink-only occasions.

Predicted weekly visit frequency change in drink-only occasions

- 1.7 times pre lockdown v 1.7 times per week post

Predicted weekly visit frequency change in food-led occasions

- 1.4 times pre lockdown v 1.2 times per week post

Food-led occasions will see a decline in frequency, whereas drink-led occasions are predicted to remain relatively stable post-lockdown.

Food preparation and serving, naturally, leave more room for contact and human interaction. There is also a viable alternative, in home delivery, which offers a similar, if not the same, level of experience. This may be driving this particular consumer behaviour, certainly in the short term. Pubs with a heavy food-led offer may need to consider simplified solutions in order to ease customer’s initial fears.

Source: KAM Media 'Return of the Pub' Report, June 2020
What are the reasons that pub-goers give as to why they plan to visit the pub less than they used to when they re-open?

Q. Why will you visit less than you did previously?

* Source: Centre of Economic Business Research

The average household will have 17% less disposable income coming out of this pandemic* - this is reflected in the fact that nearly half of consumers are looking to save money. Pubs need to focus on providing fantastic VALUE (not just low prices) to get people coming through the doors. We need to focus on re-assurance, building trust and then 'temptation' to get people out of their homes again. Don't rely on price discounts, it'll always be cheaper to drink at home, it needs to be experience-led.

Source: KAM Media 'Return of the Pub' Report, June 2020
Will pub goers be spending less time in the pub when they DO decide to visit?

Q. Do you think you will spend as much or less time inside pubs per visit (if and when you do visit again) as you used to do before the lockdown?

1 in 3 pub-goers will be cutting the amount of time they spend in the pub when they return. However, 1 in 6 claim they will spend MORE time in pubs, and this is considerably higher within the 18-34 year old bracket. In total the net impact is a predicted decline in dwell time (16% saying they will spend more time v 35% saying they will spend less time). Therefore, it’s not just footfall that will be impacted but the amount of time that customers are willing to be ‘exposed’ when visiting pubs in the immediate future.

Source: KAM Media ‘Return of the Pub’ Report, June 2020
Will pub goers be spending less money in the pub when they do decide to visit?

There is predicted to be a net-decline in pub spend when they reopen post lockdown. Therefore, although the majority of customers say that their spend will remain the same, we predict we’ll see a reduction in per head spend per visit when pubs reopen. This coincides with the net reduction in time spent in the pub, so therefore the change in consumer behaviour is likely to lead to pub goers cutting their usual visits down in order to minimise the potential ‘risks’ and therefore spend per head is likely to reduce as a direct result.

Q. Do you think you will spend more or less money per visit, if and when you do visit the pub again, on the following as you used to do before the lockdown, on food / on drink?

<table>
<thead>
<tr>
<th></th>
<th>Drink</th>
<th>Food</th>
</tr>
</thead>
<tbody>
<tr>
<td>More</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>The same amount</td>
<td>53%</td>
<td>56%</td>
</tr>
<tr>
<td>Less</td>
<td>30%</td>
<td>26%</td>
</tr>
</tbody>
</table>

Source: KAM Media 'Return of the Pub' Report, June 2020
2. The importance of the Great British pub
Which factors are most likely to influence customer choice of pub, post-lockdown?

<table>
<thead>
<tr>
<th>Factor</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Being a pub that I have been to before</td>
<td>47%</td>
</tr>
<tr>
<td>Pubs that have beer gardens/outdoor spaces</td>
<td>45%</td>
</tr>
<tr>
<td>A pub which has clear social distancing in place</td>
<td>37%</td>
</tr>
<tr>
<td>A pub which has a strict and well communicated hygiene policy</td>
<td>36%</td>
</tr>
<tr>
<td>Pubs that serve food</td>
<td>34%</td>
</tr>
<tr>
<td>Pub that is THE CLOSEST one to where I live</td>
<td>29%</td>
</tr>
<tr>
<td>Pub that is ONE OF THE CLOSEST to where I live</td>
<td>27%</td>
</tr>
<tr>
<td>Larger sized pubs (i.e. with more space inside)</td>
<td>23%</td>
</tr>
<tr>
<td>A pub where I know the staff are friendly/helpful</td>
<td>23%</td>
</tr>
<tr>
<td>A pub which has policy for removing people showing symptoms</td>
<td>17%</td>
</tr>
<tr>
<td>A pub where all staff are wearing PPE</td>
<td>10%</td>
</tr>
</tbody>
</table>

Trust and familiarity will be key factors in where pub-goers choose to go, when pubs reopen post-lockdown. PPE doesn’t appear to be AS important as ‘space’. Pub customers want to feel comfortable but without necessarily seeing too many overt signs of ‘safety measures’ that take them out of the moment– they want to ultimately feel like they are back in the pub that they know and love. Trialing new places might also be off the agenda for a little while. Marketing should focus on re-engaging with past customers first. Getting their visits back up to normal levels is the primary aim, and secondary is attracting new customers.

Source: KAM Media ‘Return of the Pub’ Report, June 2020
Has the importance of pubs to customers changed as a result of the lockdown?

Q. Has the importance of pubs gone up, down or stayed the same since the lockdown measures were implemented TO YOU PERSONALLY and TO YOUR COMMUNITY?

Source: KAM Media 'Return of the Pub' Report, June 2020

The importance of pubs to 18-34 year olds has gone up (NET)

↑ 4%

The importance of pubs to 55+ year olds has gone down (NET)

↓ 15%

As we’ve seen in the visit frequency changes, it does appear that the younger age groups have been missing pubs more than older generations. 34% of 18 to 34-year-olds say that the importance of pubs to them has increased, compared to 30% who said it had decreased. Comparatively, 18% of 55+ year-olds claimed that the importance of pubs had gone up, to them, with 33% saying it had gone down. It seems the older generation may need a little more convincing that their regular pub visit was/is an important part of their lives.
3. Customer views on safety/protective measures
How safe will pub-goers feel when they initially return to pubs after lockdown has lifted?

Q. How safe will you feel initially when going back to pubs after the lockdown has lifted, if all the protection measures have been implemented?

With all the media talk of Corona virus being most dangerous for the elderly, it's no surprise that the older generation are going to feel less safe overall when it comes to returning to the pub after lockdown. There's no real significant difference by gender or region, which suggest that age is the driving factor for safety fears. The research shows a real spread in confidence, which suggests that pub-goers are currently divided in terms of how safe they believe pub will be when they re-open.

49% of pub customers will feel at least 'somewhat' safe when they return to pubs. 33% will feel 'a little' safe and 18% will feel 'not at all' safe.

Source: KAM Media 'Return of the Pub' Report, June 2020
How do these protective measures rank in importance for pub goers ‘post-lockdown’?

Q. For each of these Covid-19 prevention measures, do you believe they are a MUST HAVE / NICE TO HAVE / NOT NECESSARY in pubs when they re-open?

Source: KAM Media 'Return of the Pub' Report, June 2020
Which protective measures will have the most negative impact on the pub going experience?

- Max number of people in the pub: 32%
- Protective masks and gloves for staff: 27%
- Booking time slots to be in the pub for in advance: 24%
- Flow systems for moving around the pub: 22%
- Protective screens between tables: 22%
- Protective screen on the bar between staff and customers: 22%
- Less seating and tables (spaced appropriately apart): 15%
- A member of staff supervising the door/toilets: 15%
- Contactless payment only: 14%
- Contactless ordering and payment: 13%
- Single-use menus: 11%
- Communication regarding safety measures in and outside of the pub: 11%
- Communication regarding safety measures online: 9%
- Hand sanitiser stations in the main pub area / entrance & exits: 9%
- Regular service cleaning (tables, chairs, bar, etc.): 8%

Paradoxically the action that will make them feel the safest, will also take the most away from the overall pub-going experience. With 2 in 3 pub goers saying that limiting the number of customers in a pub would be a ‘must have’ safety precaution measure, yet 1 in 3 of them also claiming that this would be the one measure that will have the most negative impact on their experience. It will be a real challenge for pubs to find a balance for customers to ensure they retain the experience and atmosphere that makes pubs what they are, whilst ensuring they also feel safe. Outdoor space will certainly become a highly valuable commodity and should be maximised. Pubs with outside space should be looking at what they can do to ‘weather-proof’ it. Those without any should be looking to see if they can extend their footprint- is there car park space that can be sacrificed for example?

Q. For the same list of potential Covid-19 prevention measures which, if any, will have a negative impact on your pub going experience? (select all that apply)

Source: KAM Media 'Return of the Pub' Report, June 2020
4. Impact of Covid-19 on pub-going occasions
What occasions did pub goers typically visit the pub for prior to lockdown?

Q. Which of the following occasions / purposes did you regularly use pubs for before lockdown? (Select all that apply)

<table>
<thead>
<tr>
<th>Occasion</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meeting friends</td>
<td>63%</td>
</tr>
<tr>
<td>Dining</td>
<td>50%</td>
</tr>
<tr>
<td>Celebrations</td>
<td>42%</td>
</tr>
<tr>
<td>“Lazy’ weekend days</td>
<td>31%</td>
</tr>
<tr>
<td>After work drinks</td>
<td>26%</td>
</tr>
<tr>
<td>Watching live sports</td>
<td>23%</td>
</tr>
<tr>
<td>Live music</td>
<td>22%</td>
</tr>
<tr>
<td>Events such as quizzes</td>
<td>18%</td>
</tr>
<tr>
<td>Daily routine / to get out of the house</td>
<td>18%</td>
</tr>
<tr>
<td>Dating</td>
<td>12%</td>
</tr>
<tr>
<td>Business meetings</td>
<td>7%</td>
</tr>
<tr>
<td>Remote working</td>
<td>5%</td>
</tr>
</tbody>
</table>

Source: KAM Media 'Return of the Pub' Report, June 2020
Which occasions are going to be most impacted when pubs reopen after lockdown?

Although still a relatively small base, remote working and business meetings was predicted to be a strong growth area for pubs. However, with the proliferation of video conferencing and people getting used to working at home, it appears that there is going to be the sharpest decline in these occasions when pubs re-open. Live sports is another occasion that will be impacted. Pubs must consider what customers are looking for from these occasions in order to entice them back.

Source: KAM Media ‘Return of the Pub’ Report, June 2020

Q. Are there any of these occasions or purposes, which you think you will use pubs for less after they re-open from lockdown? (select all that apply) - Cut by only those who use pubs for these occasions
Q. As a result of Covid-19, will you be vacationing in the UK more, less or the same amount as you would have done before the pandemic?

With 1 in 3 pub-goers likely to choose a UK based holiday over going abroad, there will be a knock-on opportunity for pubs to increase footfall and revenue over the busy holiday seasons. Especially for those pubs with an accommodation offering. Unsurprisingly, travellers will prefer pub accommodation in a more rural setting as the need for space and nature prevails but there’s an interestingly significant difference between coastal and countryside, perhaps led by time of year.
Will accommodation bookings in pubs be impacted by those looking to vacation in the UK?

It will be key for any venue to ensure that guests feel reassured that their safety will be prioritised in their advertising without using it as a tactic, people stay in pubs for the comfort and hospitality, not to feel clinical. Interestingly, there is a propensity to spend more on holiday in the UK than abroad, clearly a positive sign for UK hospitality and therefore the focus should be on creating value for the right price rather than being inexpensive.

Q. Will you be looking to book accommodation in pubs more, less or the same amount after lockdown has been lifted?
Q. Are you likely to spend more or less (or the same) on vacationing in the UK as you would do if you were going abroad?
(Data shown is for those respondents saying they will vacation in the UK more as a result of Covid-19)

Source: KAM Media 'Return of the Pub' Report, June 2020
6. Customer view on pub pricing in the immediate future
Are pub customers expecting price increases when they return to pubs after lockdown?

Q. Do you think that the prices will increase, decrease or stay broadly similar in pubs once they re-open, compared to how they were before the lockdown was implemented?

Most pub-goers across the whole of the UK, are expecting price increases in pubs when they reopen post lockdown. Pub-goers are aware of the challenges that pubs have been through and will have their own financial issues too, so will be empathetic towards price increases that may be inevitable due to the situation and the additional costs that operators will face in order to keep people safe (additional staff, PPE, new tech, etc.). However, pubs must still place their focus on offering value.

Source: KAM Media 'Return of the Pub' Report, June 2020
Pub customers are expecting price increases after lockdown, but do they think these increases are acceptable?

Q. Do you think it’s acceptable for prices in pubs to increase…?

It will be encouraging for publicans to see that a large proportion of pub customers are understanding of any potential immediate price increases. However, where we have 50% who believe price increases to be acceptable we also have 50% who believe that they are not. It also won’t be long until the period of grace from customers will slowly fade. Pubs need to double down on marketing and events in order to dial up the experience factor and ‘added value’ to customers in order to counterbalance price increases and continue to offer the level of ‘value-add’ that will get people out of their homes and into the pubs.

% of customers who believe that it’s ‘acceptable’ for pubs to increase their prices for the following periods of time…

- 50%...for the next 1 month after they re-open
- 44%...for the next 3 months after they re-open
- 34%...for the next 6 months after they re-open
- 25%...indefinitely

Source: KAM Media 'Return of the Pub' Report, June 2020
7. The new role for delivery
Have pub customers been using delivery services from pubs during the lockdown period?

42% of pub goers either have used, or are interesting in using, their local pubs for delivery.

Home delivery could be one of the biggest opportunities to have arisen during this crisis for pubs. Necessity is the mother of invention, and the lockdown has potentially fact-tracked home delivery services by as much as 2 years if plans that KAM have seen are anything to go by! It’s now a viable option to over 4 in 10 pub goers across the UK.

Q. Have you used home delivery from a pub since the lockdown measures began?

Source: KAM Media 'Return of the Pub' Report, June 2020
A recent report published by KAM Media on 1\textsuperscript{st} June, shows the desire from convenience shoppers to see more collaboration between local grocery stores and local pubs...

Source: KAM Media ‘Forging a New Future’ Report, June 2020
Do pubs need to deliver through 3rd parties, such as Deliveroo, in order to appeal to customers?

Q. Would you be more or less likely to get home delivery from a pub if it was through a tie-in with an app such as Uber Eats or Deliveroo?

Clearly there is an in-built consumer trust in established delivery brands, such as Deliveroo and Uber Eats, with 1 in 4 pub goers saying they will be more likely to get home delivery from a convenience store if it was through a tie-in with apps such as these. This rises to nearly 1 in 2 for 18-34 year olds. Therefore it would be fair to assume that a branded approach may be the most effective (if not the most profitable) way for pubs to at least start their journey onto a digital delivery platform and a relatively risk-free way to test and refine the concept before contemplating rolling out a bespoke service.

Source: KAM Media 'Return of the Pub' Report, June 2020

<table>
<thead>
<tr>
<th>Age Group</th>
<th>More likely</th>
<th>It makes no difference to me</th>
<th>Less likely</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-34</td>
<td>46%</td>
<td>38%</td>
<td>15%</td>
</tr>
<tr>
<td>35-54</td>
<td>28%</td>
<td>58%</td>
<td>15%</td>
</tr>
<tr>
<td>55+</td>
<td>8%</td>
<td>75%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Q. Would you be more or less likely to get home delivery from a pub if it was through a tie-in with an app such as Uber Eats or Deliveroo?
8.
The future digital solutions
What information do pub goers want to know about their local pub when they reopen?

Q. What information will you be looking for from your regular pub when they reopen, i.e. what would encourage you to follow/interact with them through social media, visit their website, etc.?

An online/digital presence is a critical element of any pub’s marketing mix. In the UK, around 67% of the population are now active social media users (cc 45 million). Interestingly, of these users, 87% are predominantly mobile-first. Put simply, if you run a business and you are NOT engaging with your customer through social media, or your business is not clearly AND easily visible/searchable online, then you may as well not even exist. Consumers are going to be more ‘information hungry’ than ever before as they remain ‘alert’ to the potential risks from Covid-19. Safety and social distancing measures, alongside potential busy times, will be almost basic information that customers will be looking for from their local pub—either through their website or through their social channels.

Source: KAM Media ‘Return of the Pub’ Report, June 2020

<table>
<thead>
<tr>
<th>Information Requested</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety measures</td>
<td>50%</td>
</tr>
<tr>
<td>Social distancing</td>
<td>50%</td>
</tr>
<tr>
<td>Busy times</td>
<td>37%</td>
</tr>
<tr>
<td>Basic information</td>
<td>37%</td>
</tr>
<tr>
<td>Cleaning schedules</td>
<td>29%</td>
</tr>
<tr>
<td>Promotions</td>
<td>25%</td>
</tr>
<tr>
<td>Recent activities</td>
<td>21%</td>
</tr>
<tr>
<td>Upcoming events</td>
<td>19%</td>
</tr>
<tr>
<td>Orders for delivery</td>
<td>18%</td>
</tr>
<tr>
<td>New products</td>
<td>17%</td>
</tr>
<tr>
<td>Customer interactions</td>
<td>15%</td>
</tr>
<tr>
<td>General updates</td>
<td>11%</td>
</tr>
</tbody>
</table>
What mobile apps would customers like to see in pubs as part of on-going safety measures?

Q. Would you like to see more of the following in your local pub? (select all that apply)

- An app that you could use to place your order at your table: 40%
- An app where you can pay with your phone at your table: 32%
- An app that you could use to pre-order food/drink before you arrived: 31%
- An app so that you could see the number of people in the pub at any one time: 27%
- An app that you could use to pre-pay before you arrived at the pub: 26%
- An app so that you could see the latest cleaning schedules: 18%
- None of the above: 31%

69% of pub-goers would like to see more digital solutions that will help to simplify and ease the processes involved with physical distancing within pubs. Clearly there are costs involved for smaller pubs to set up such activation, but there are many third-party app providers who have solutions to help pubs with challenges such as these.

Source: KAM Media 'Return of the Pub' Report, June 2020
9. Top takeaways
The Publican Checklist

8 top tips to help every pub when they re-open

1. Regular cleaning services, hand sanitising stations and limiting number of customers in each venue are the minimum requirements that pub customers have when you re-open.
2. Marketing should focus on re-engaging with past and loyal customers first and attracting new customers second.
3. If you offer a wide food menu you should consider simplified solutions in order to ease customers’ initial fears.
4. Pubs with outside space should be looking at what they can do to 'weather-proof' it. Those without any should be looking to see if they can extend their footprint.
5. Focus on customer experience and ‘added value’ in order to counterbalance any expected price increases.
6. Customer numbers will be down. Innovate to ensure that you remain in the ‘mix’ outside of the traditional pub visit (e.g. delivery and digital)
7. If you can do delivery, then do. Consider offering a variety of solutions in one, to maximise the spend per transaction as customers want to save time by getting all they need in one place.
8. Pubs are important to people and their communities – continue doing what you do best and support them!