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**UK pubs and bars market to reach £23.6 billion in 2024 despite cost pressure and closures**

The UK pub and bar market is set to grow by +1.7% in 2024, reaching a value of £23.6 billion, according to the latest Lumina Intelligence [UK Pub and Bar Market Report 2024](https://store.lumina-intelligence.com/product/pbmr24/). Growth is lagging the total eating out market’s projected growth rate of +2.8%. Higher staff costs and poor weather are mitigating improvements in household finances and economic conditions, presenting a mixed performance outlook for the sector.

The report highlights a disparity within the market, with managed operators outperforming expectations. Managed pubs and bars are anticipated to see turnover growth of +2.4%, boosting their market value share to 51% from 25% of sites in 2024. The broader pub market faces notable challenges. The total sector is projected to experience the net closure of six pubs every week in 2024, an outlet decline rate of -0.8%, with the total number of sites expected to fall to 41,729. Key factors contributing to these closures include rising business rates, alcohol duty and staff costs, which are rendering many sites unviable.

Consumer behaviour is evolving, with core dinner and drink-only occasions driving pub visits in 2024. Quality-led experiences are in demand, as consumers choose pubs for weekend dinners and social gatherings, favouring independent and high-quality venues. Within the alcohol sector, there is a noticeable trend of consumers purchasing fewer drinks per visit but opting for more premium options, prioritising quality over quantity.

The frequency of pub visits is declining, down by -1.7% year-on-year, reflecting broader lifestyle changes and health trends, including reduced alcohol consumption. Leading operators are addressing these shifts by attracting younger visitors through innovative 'zoning' strategies. This approach involves utilising different areas of venues for various mission types, incorporating technology, and creating differentiated offers to enhance the customer experience.

Looking ahead, economic stability is expected to support a compound annual growth rate (CAGR) of +1.9% from 2024 to 2027, with the market value projected to reach £24.9 billion. Operators are likely to focus on growth levers including premium experiences, accommodation, and zoning to create versatile spaces catering to diverse occasions. The changing lifestyle patterns, including reduced commuting, are driving renewed attention towards suburban sites.

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The [Lumina Intelligence Pubs & Bars Market Report 2024](https://store.lumina-intelligence.com/product/pbmr24/) is a must-have review of the UK pub & bar market. Including market sizing and forecasts to 2027, up-to-date consumer behaviour insight and analysis of the current pub & bars competitive landscape, this report is a holistic source of intelligence on this channel for suppliers, operators, service providers and investors alike.

**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.

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.

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