

Industry News

Industry insight



Haysmacintyre has released the findings of its 2016 UK hospitality index, in association with Propel. Data includes the following*:

- **Brexit**

At 47%, a surprisingly large number (given the amount negative press) of respondents stated they felt neutral about Brexit, while the same percentage felt negative. Just 6% noted positive feelings about the impending exit from Europe.

Upon exploring these findings, haysmacintyre thought those less concerned with Brexit were considering the short-term impact, which, given the effect of the weak pound on tourism and rise of the staycation, could be viewed as positive. Some respondents even said the downturn might allow them to pick up good sites as other operators begin to struggle.

In the longer term, there are likely to be issues for the hospitality sector, particularly with the movement of labour.

- **National Living Wage**

Views here were fairly balanced: 58% of respondents said the NLW has had a material effect on their business, while 42% agreed it has had no effect. Many said the key challenge is not implementing the NLW but maintaining the wage differential higher up the pay scale.

Encouragingly, on average 96% of service charges were passed on to employees, showing an inclusive and fair industry.

- **Technology**

New technology has completely disrupted the hospitality sector and the face of the industry is constantly changing - a third of respondents (32%) are now using delivery service, rising to 64% for central London operators.

The market is dominated by Deliveroo, although 11% of the 32% do use multiple delivery providers and the haysmacintyre team expect UberEats to enjoy fast growth.

Only 16% of hospitality businesses are using payment apps and no single operator has emerged to dominate the market as yet.

* Data was gathered from major players in the industry, typically multi-site owners

BBPA responds to government review of gaming machines

The British Beer & Pub Association (BBPA) has responded to the Government's review of gaming machines and social responsibility measures, and has called on the Government to ensure that 'Category C' amusement machines (typical pub fruit machines) in pubs remain attractive to customers, so that they continue to form a vital revenue stream for Britain's pubs.

In a detailed response, the BBPA is calling for an increase in the maximum stake in pub amusement machines from £1 to £2, and a maximum prize of £150, up from £100. These changes, the BBPA argues, will help ensure that pubs can match the level of machine entertainment increasingly demanded by customers.

The BBPA is also calling on the Government to explore options for allowing the use of contactless payment for amusement machines, along with a review to simplify an overly restrictive and complicated web of technical standards around machines.

