



# Market Report

A Snapshot of your Marketing Sector

## Pubs and Clubs

This pack has been designed to provide information on setting up a business in the **Pubs and Clubs** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website ([www.bgateway.com/businessplan](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **August 2025**.

## What do I need to know about the Pubs and Clubs market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Over the five years **through 2024-25**, the nightclub industry's revenue is expected to fall at a compound annual rate of 14.2% **to £764.4 million**, including a 5.1% drop in 2024-25, and **falling further at a CAGR of 0.2% over the five years through 2029-30 to £756.5 million**. Focusing on wellness and facing cost-of-living pressures, consumers have cut back on pricey social activities like clubbing, which often involve drinking, to the detriment of industry revenue. (IBISWorld, *Nightclubs in the UK*, September 2024).
- ◆ The UK's **pubs, bars, and coffee shop industry is expected to generate £14.9 billion in revenue in 2025**, with a slight decrease of 0.8% from the previous year. Looking ahead, the market is projected to grow modestly, with a revenue CAGR of 0.4% from 2025 to 2030, **reaching about £15.25 billion by 2030**. The industry in the UK is forecast to have an **average operating margin of 44.6% in 2025**. This ranks 1st in Europe and outperforms the European average of 8.0%, by 36.6%. (IBISWorld, *Pubs, Bars & Coffee shops in the UK*, June 2025).
- ◆ **Consumer spend in the UK Night-time Economy was £136.5bn in 2022, up from £95.7bn in 2021**, showing a strong post-Covid desire to socialise. In 2022, £117bn was spent in England, **£10.3bn in Scotland**, £5.9bn in Wales, and £3.3bn in Northern Ireland within the NTE. The UK Night-time Cultural Economy was worth **£33.3bn in 2022**, up from £23.8bn in 2021, but down from £37.2bn in 2019, indicating a **36% reduction** in absolute terms. (Night Time Industries Association, [Night Time Economy Report 2024](#)).
- ◆ The UK pubs and bars market is estimated to be worth **£29.5 billion in 2024**, reflecting a 5% year-on-year increase. Looking ahead to **2025, the market is forecast to grow further, reaching approximately £31.2 billion, which represents a 5.8% annual increase**. This growth is expected despite ongoing challenges such as pub closures and economic uncertainties, with the sector demonstrating resilience and adaptability to changing consumer preferences and external pressures. (Mintel, *Pubs and Bars - UK*, December 2024).
- ◆ The number of Brits **drinking more than 14 units a week has halved since 2021, from 8.3m to 4.7million**. Declining alcohol consumption—driven by Gen Z's health-conscious values—is shifting demand towards low-and-no options. Poor visibility of alcohol-free choices costs the sector £800 million annually Just Drinks, reports, yet successful execution could add 109 million pub visits. (IBISWorld, *Pubs & Bars in the UK*, April 2025).
- ◆ The national organisation for this industry is the [Scottish Beer and Pub Association](#). Other industry bodies include the [Scottish Licensed Trade Association](#), the [Night Time Industries Association](#), the [British Beer and Pub Association](#), [Scotland Food and Drink](#), [UK Hospitality](#) and the [Campaign for Real Ale \(CAMRA\)](#).

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## Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email [info@bgateway.com](mailto:info@bgateway.com).

- ◆ **IBISWorld – Pubs, Bars & Coffee Shops in the UK (June 2025).** UK Hospitality's January 2025 CGA Monitor reports that in the year through December 2024, the total number of pubs fell by 0.9%, with gastropubs facing the highest closure rate at 3.2%. Drinks venues like bars and coffee shops that have remained agile and cater to evolving consumer trends are more resilient and have expanded their numbers. The CGA Night Time Economy Market Monitor from February 2025 reveals that themed bars (up 24.4%), cocktail bars (up 17.4%) and craft bars (up 14.3%) expanded in 2024, highlighting the growing demand for competitive socialising and interactive experiences.
- ◆ **Mintel – Pubs and Bars - UK (December 2024).** In 2023, the UK was home to just 45,350 pubs, a significant decrease from the 60,800 recorded in 2000, according to The British Beer and Pub Association (BBPA). Ending business rates relief in April 2025 poses a threat of widespread pub closures due to quadrupled rates bills. This change could severely impact small publicans already dealing with tight profit margins. Meanwhile, Scottish Government increasing the minimum unit price of alcohol could lead to market shifts in pubs and bars, potentially decreasing alcohol consumption and influencing sales strategies.
- ◆ **Statista - Pubs, bars, and clubs: spending growth in the UK 2020-2024 (June 2025).** Spending in pubs, bars, and clubs in the United Kingdom increased in most months of 2024 when compared to the previous year, with October the only month when no increase in spending occurred. This indicated that spending levels had stabilized since being adversely impacted in 2020 and 2021.

There are also a number of online resources you may find helpful:

- ◆ **Insider.co.uk** – September 2024, [More than a third of Scotland's nightclubs closed in last four years](#): The number of nightclubs in Scotland has fallen 34% in the last four years, from 125 venues to 83. The latest statistics from CGA Neilson have shown that between June 2020 and June 2024, the UK lost 480 nightclubs, averaging 10 closures per month.
- ◆ **DRAM.** This website has news updates on Scottish hospitality in addition to interviews with those working industry.
- ◆ **[Scottish Licensed Trade News.](#)** This website has news and features on the hospitality industry across Scotland.
- ◆ **[Night Time Industries Association.](#)** This organisation aims to promote an understanding of the benefits that the Night-Time Industry brings to the UK and beyond. The website includes information on their campaigns, state of the industry reports and other relevant research.

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## How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#), [Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**



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## What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please contact us on [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**.

## Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.



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## How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

### Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

### Funding

[Practical information](#) on finance and funding for starting and growing your business

### Insurance

[Business insurance guide](#)

### Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

### Pricing

Business Companion [Pricing & payment guide](#).

**Please note:** the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

### Promotion

[BG guides to Marketing](#)

### Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

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