

Live music in hospitality

Benefits, opportunities
and how to win



GigRealm



Hospitality leaders on live music in hospitality and GigRealm

"With the market challenges and changes to consumer habits, it's vital that hospitality venues do all they can to increase their footfall and enhance their customer experience.

Diversifying your offer to cater for different consumers and occasions is key. GigRealm makes it easy for venues to book their own live music with zero hassle, helping the sector to flourish."

Emma McClarkin OBE, CEO, British Beer and Pub Association and Non-Exec Director, GigRealm.

"Customers are seeking experiences in their local pubs that can't be replicated at home.

Live music helps operators deliver a real point of difference to retain and attract new customers, which has never been more important in supporting pubs to thrive in every community. GigRealm provide a fantastic platform to make organising live music events effortless."

Steve Alton, CEO, BII

"Customers are coming out looking for a complete experience, particularly during the cost-of-living crisis. There is clear pent-up demand, and you can see a lot of appetite for going back to live entertainment venues, something which helps operators drive footfall and sales."

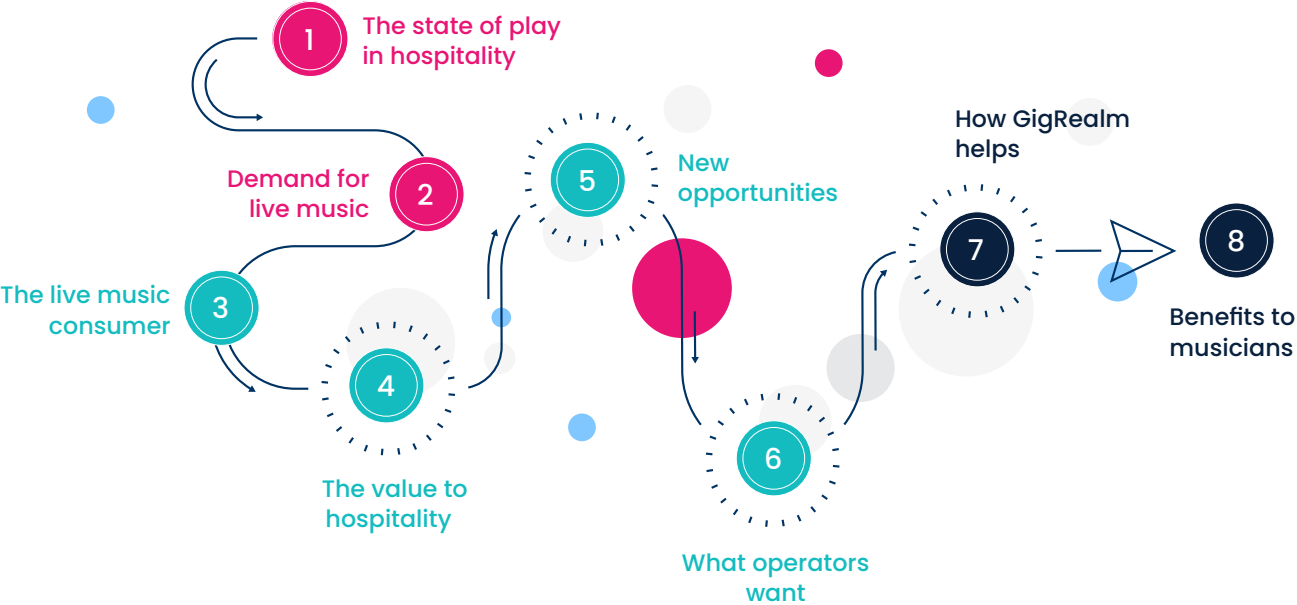
Kate Nicholls OBE, CEO, UKHospitality

"Whilst live music is certainly a fantastic way to engage with consumers, the struggle businesses face is how to go about activating such an offering. **Technology is the answer and not only allows businesses to organise live music with ease but streamlines the entire process, doing away with the middlemen and admin that drive up costs.**

GigRealm not only take care of venues through their technology but nurture the musicians you book, helping them to navigate live music whilst providing them with fair pay and a stable income. A fantastic value-add that helps keep acts coming back to our venues to perform, knowing both GigRealm and venues have their best interests in mind."

Paul Pavli, Non-Exec Director, GigRealm

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About the report

This report is based on an exclusive Live Music in Hospitality Survey by CGA by NielsenIQ and GigRealm, conducted in the second half of 2022. It also draws on CGA's suite of On Premise measurement and research sources. For more details, visit www.cgastrategy.com.

CGA and GigRealm thank all those who provided interviews for the report: Chris Brewer, director of brand marketing at Mitchells & Butlers; Sarah Edmunds, senior operations manager at Punch Pubs; Leigh McClelland, landlord of The Saddle Inn in Chester; Marc Rawling, operations manager at Fuller's; and Ant Rubery, musician.



1. The state of play in hospitality

Britain's hospitality sector experienced a challenging 2022, and there are few signs of respite in 2023. The monthly Coffer CGA Business Tracker has shown that managed pub, bar and restaurant groups achieved modest single-digit year-on-year growth in sales throughout most of 2022—a solid recovery from the disruption of COVID-19. However, with inflation as measured by the Consumer Price Index just under **11%** in November, trading has been well below 2021's levels in real terms.

Hospitality has also faced severe cost pressures. Energy and food prices have soared, and pay is rising because of acute staff shortages. Many venues have been forced to shut, and the Hospitality Market Monitor from CGA and AlixPartners shows a net decline of 2,230 licensed premises in the third quarter of 2022—equivalent to one closure an hour.

The tightening squeeze on household costs will continue to threaten consumers' discretionary spending in 2023. The Live Music in Hospitality Survey shows nearly three quarters (**72%**) of consumers have been impacted by the rising cost of living. October's Business Confidence Survey from CGA and Fourt found that hospitality leaders expect an average drop of **10%** in spending because of the crisis in the next 12 months.

Against this difficult backdrop, pubs and bars need to be laser-focused on consumers' needs and new sales opportunities. With spending so tight, they must deliver good-value and memorable experiences that people can't get at home—like live music.

2,230



Net decrease in licensed premises between June and September 2022

-10%



Average drop in sales predicted by business leaders because of the cost-of-living crisis

10.7%



Inflation in November 2022, as measured by the Consumer Price Index

Hospitality leaders on... The cost of living crisis

"During a cost-of-living crisis, people need something to look forward to... it's very important as a release, and to socialise and enjoy music."

Leigh McClelland, The Saddle

"You can either drop your price or enhance your experience. There is going to be inevitable price inflation unfortunately, so live music is one of the experiential ways to justify that"

Chris Brewer, Mitchells & Butlers

2. Demand for live music

Live music has long been a staple of pubs and bars—but CGA and GigRealm’s new research reveals there is still plenty of untapped demand.

Three quarters (**76%**) of Britain’s consumers say they typically experience live music in a pub, bar or similar venue—as opposed to a larger dedicated concert or festival—at least once every six months. Even more (**78%**) say they are more likely to visit one of these venues if it offers live music.

Demand is often even higher at times when spending is tight, because live music increases consumers’ sense of value for money. Two thirds (**68%**) think it provides a great experience with family and friends on a low budget, and nearly half (**47%**) say they would be likely to continue visiting live music venues even if they were short on cash. This proves that many people prioritise music for whatever discretionary spend they have, and that it can attract people to pubs and bars when they otherwise wouldn’t visit.

Hospitality leaders on... The appeal of live music

“Post-COVID, we’ve really got back into live music. People aren’t content with just a simple DJ—they want a full experience.”

Sarah Edmunds, Punch Pubs

“Music is our fundamental draw.”

Leigh McClelland, Landlord at The Saddle, new Winner at the Best Pub for Entertainment at the British Pub Awards, and host 700+ musicians a year



78%



Of consumers are more likely to visit a pub, bar or similar venue if it offers live music

68%



Of consumers agree that live music provides a great experience in pubs and bars with family and friends **on a low budget**

47%



Of consumers are still likely to visit pubs, bars or similar venues for live music **if they are short on cash**

3. The live music consumer

Who are the people enjoying live music in pubs and bars? Research for this report reveals they tend to be younger and more highly engaged consumers—a crucial and lucrative target for hospitality operators and suppliers.

More than half (**55%**) of live music consumers typically visit pubs, bars and other licensed venues at least once a week—six percentage points more than the all-consumer average. More than half (**55%**) of these consumers are aged 18 to 44, compared to **48%** for the GB average.

Crucially, live music consumers are closely attuned to pubs and bars. Two thirds (**67%**) of them typically watch it in pubs, and **41%** do so in bars. These are both significantly higher figures than those visiting large concert venues (**31%**), festivals (**25%**), stadiums (**22%**) and nightclubs (**16%**). While all these venues are important, pubs and bars are clearly at the heart of the live music ecosystem. This is partly because they offer such great value for money: nearly two thirds (**63%**) of consumers agree they get better value here than from larger events like festivals.

To capture as many consumers as possible, venues need to ensure that live music events are accessible, inclusive and safe for all. They need to look beyond the financial benefits too, because live music can establish excellent community links and generate valuable word of mouth—both of which will pay off in commercial terms in due course.

55%



Of live music consumers visit hospitality venues at least weekly

58%



Of live music consumers **feel safer visiting hospitality venues to watch live music** than bigger venues like concerts/festivals

Hospitality leaders on... Reaching consumers

“Live music really helps widen our demographics and types of consumers, bringing in people who otherwise wouldn’t be here. Many semi-regulars already come midweek for food, so live music is a reason to come a second time”

Marc Rawling, Fuller’s

4. The value to hospitality

CGA's research consistently points to the value of atmosphere in good guest experiences—and live music is one of the best ways to deliver it. Half **(50%)** of those responding to the Live Music in Hospitality Survey say the atmosphere it creates is an important reason for their visit. The up-close-and-personal aspects of pub and bar music enhances the atmosphere too: a quarter **(25%)** say these venues provide an opportunity to interact with others.

When people enjoy the atmosphere, they tend to spend more. Nearly three quarters **(73%)** say they are likely to stay in a venue longer if there is live music. The vast majority **(76%)** of these are likely to buy more drinks when they do so, and well over half **(52%)** will buy more food.

Many consumers see watching live music in hospitality as an opportunity to treat themselves too, with one in three **(35%)** likely to either buy a more premium drink than they typically would, or to try a whole new drink category altogether.

As well as attracting fans, pubs and bars that host live music can diversify the demographics of their guests and visits. Two in five **(40%)** of all consumers are likely to visit venues that show live music for a greater variety of occasions, like sociable get-togethers with friends, special occasions and treats—all of which tend to generate sizeable spending over the bar.



50%



Of consumers enjoy live music in pubs and bars because of the **atmosphere it creates**

73%



Of consumers are **likely to stay in a venue longer** if there is live music

76%



Of these consumers are **likely to buy more drinks**

Hospitality leaders on... The value of live music

"The music is all about atmosphere improvement. In a high street business, you want to bump up the energy as the night progresses. It helps to have a high energy DJ or band to help transition into the later night, helping keep people interested until 2am"

Chris Brewer, Mitchells & Butlers

"Music helps capture customers throughout the evening... and people stay later for it."

Leigh McClelland, The Saddle

5. New opportunities

There are some exciting opportunities in 2023 for pubs and bars to capitalise on the latent consumer demand for live music experiences.

They include scope for more live music during the week. Half (**50%**) of consumers say they would like to see more events in mid-week, rather than waiting for the weekend. This could be a good way to attract new guests on quieter days of the week, because more than a quarter (**27%**) of those who don't yet visit for live music say they would attend if their local venues offered it.

A second opportunity lies in the leverage of sport. More than four in five (**85%**) consumers find the idea of combining live sport with live music appealing. Three in five (**59%**) say that if venues offered both sport and music, they would visit for both. It's a powerful combination of experiences with similar drivers—like atmosphere, suitability for groups of friends and value for money—and can encourage guests to stay in pubs and bars longer and spend more money.



27%



Of consumers who don't currently watch live music in pubs and bars would attend if their local venues offered it

93%



Of 18-34 year-olds find the idea of **combining live sport and live music appealing**

89%



Of women consumers find the idea of combining live sport and live music appealing, compared to **81%** of men

Hospitality leaders on... Midweek and sport-linked live music

"Music is a fame point for certain businesses... **There's likely to be more of it going forward.**"

Chris Brewer, Mitchells & Butlers

"**In some of our suburban sites we have music to follow sport. This way you can hold onto consumers** and stop them moving out of your site into town."

Sarah Edmunds, Punch Pubs



6. What operators want

There are several things that can help pubs and bars to unlock opportunities in live music. One is access to musicians and other talent via third party platforms such as GigRealm, which can make it much quicker and easier to book the right acts at the right price. "When a manager is looking for acts, they don't necessarily have knowledge of how much bands should cost or how to put on and promote an event. A third party system allows us to quantify the acts, rate them and share that across our business," says Marc Rawling of Fuller's.

"We've had communication issues going via agents, with bands given the wrong information or expecting more money etc. It'd be great to simplify that," says Leigh McClelland of The Saddle.

A second potential improvement lies in payments. Central platforms for this can avoid the time and hassle of negotiating fees and payment methods on a case-by-case basis. "Payments were our biggest issue as they were with cash—but that can expose businesses to tax and fraud

liability," adds Chris Brewer of Mitchells & Butlers. "Payments can be a nightmare. I can 100% see the benefit of a centralised system with lists of artists and support with payments," says Leigh McClelland.

Leaders on... Finding and paying acts

"I can 100% see the benefit of a centralised system with lists of artists"

Leigh McClelland, The Saddle

"Many years ago it would have been cash to pay bands, but that exposes businesses to liability."

Chris Brewer, Mitchells & Butlers

"Payments was the biggest issue, with tax and fraud liability."

Chris Brewer, Mitchells & Butlers



7. How GigRealm helps

GigRealm provides an online solution that instantly connects venues to professional and reliable artists across the UK. Giving the ability to quickly organise and promote live music events that attract customers, increasing footfall and driving up wet sales.

Through technology, discover new talent with ease. No more trawling social media, having to rely on recommendations or using agents who charge eyewatering commission. Access the very best the music industry has to offer, direct from your own dashboard. From local bands to national DJs, there is something for everyone.

Our technology also removes the admin headaches involved in organising, promoting and running live events. Not only can venues find and book talent but each booking comes with auto-generated contracts and invoices removing the headaches that surround paying musicians. Larger operators also benefit from having full access to manage their overall entertainment budgets and monitor what their venues are spending to help maximise ROI.

It doesn't stop there. Our solutions also give venues the ability to promote the events they do, to attract customers and not just rely on passing trade, whilst also allowing the acts they book to also promote to their fans and audiences.

No matter where in the sector your business is or the size, GigRealm has a solution that will make live music easy.



Catering to all – managed, leased & tenanted, and independents



Online solution that's easy to use



Find, book and pay with ease



Full control and oversight of budgets & ROI



Remove liability by having autogenerated contracts and invoices



Advertise and promote direct to customers through access to musicians fan data



Enhance overall offering



Drive footfall and sales



8. Benefit to Musicians

'I've been gigging for about eight years—acoustically at first, but also with bands and DJs—so I know the pub and bar scene well. I used to visit pubs and arrange bookings myself, but more recently I've used GigRealm and it's simplified the process in lots of ways.

The platform makes **contracts** much easier. Agreements are simple and clear, and they give both the venue and the artist confidence that everyone is committed to putting on a good event. It helps with **logistics** too: in the past I've had issues with venues not providing the equipment that was promised, but now I know I'll get what I need.

When I was arranging everything myself, **payment** could be tricky. I'd spend a lot of time chasing up money that was owed to me, but it's much quicker and smoother now I use GigRealm. It's also shown me **new pubs and venues** that I wouldn't have known existed, so I can now connect to a much wider audience. I can get more bookings through the week too, because since the end of lockdown there's been more demand on midweek days like Thursday at some of the venues I've found.'

Ant Rubery is a London-based singer, songwriter and producer. Visit [instagram.com/ant_rubery](https://www.instagram.com/ant_rubery)

About GigRealm

GigRealm was founded in 2016 by Tom Brady and Reuben Narey to protect and enhance two vital industries in the UK: live music and hospitality.

The platform exists in order to bring the two industries closer together and provide all the tools needed to put on live music with ease. It does this while protecting musicians, ensuring they are paid and gain the experience and exposure they deserve. Also working with hospitality to provide venues with an alternative way to protect and enhance their businesses, to drive footfall and sales while diversifying their offering.

GigRealm is endorsed and supported by the hospitality and music industries, with both Emma McClarkin OBE and Paul Pavli from hospitality sitting on their board alongside Alison Wenham OBE, founder of the Association of Music.

For more information, please visit gigrealm.com