

Ashdale Quarterly Newsletter

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No such thing as a free meal!

This quarter we ask what do operators need to consider when running promotions?

It doesn't matter which country you live in most of you will be familiar with a store or a company which seems to continually be running promotions. In the UK for example I challenge anyone to find someone who has bought a sofa or suite from a well know furniture retailer at full price?

And that of course is one of the problems about running promotions. If you run them all the time they stop being promotions and become part of your everyday pricing. Customers then become conditioned to only buying when prices are at these lower levels. However if you use promotions or special offers wisely they can be a great way to encourage new customers to your venue or provide existing customer to try something new. They can also be used to get people through the door



when things are very quiet.

As always one-size will never fit all. That said there are some clear do's and don'ts when it comes to running a promotion in a restaurant, bar or other similar outlets. Without wanting to sound too negative I thought it would be worth mentioning a few things which you should never do or at least think twice about before running them. We can then move onto some more positive ways to market your business.

Demotions

You would think it would go without saying but number one on this list is

don't break the law. Or perhaps it might be better to say don't do anything illegal. Customers love free things and special offers but be careful that your activity doesn't promote excessive drinking or similar anti-social behaviour. When advertising your promotions you also have to make sure you don't use inappropriate images or slogans. If in doubt consult an industry expert or a local licensing officer.

To read this in full and previous articles go to Ashdale Articles

www.ashdale-consulting.com

The great weather over the summer continued to benefit sales through Supermarkets & Convenience Stores

This is the first time Cider has been in decline on a MAT basis since August 2017

The Wine market has slowed considerably in recent months and is now in decline

Beer Update

Latest data from the British Beer & Pub Association shows that beer sales in Q3 2018 were up +4.4% on the same quarter a year ago. The growth was driven by sales through Supermarkets & Convenience Stores although sales through Pubs, Bars & Restaurants also grew slightly.

Sales through Pubs, Bars & Restaurants in the UK in Q3 were up +0.9%. This compares to a decline of (1.0%) in Q2 this year and a decline of (3.6%) in Q3 in 2017.

Sales through Supermarkets & Convenience Stores in the UK in Q3 were up +7.6% compared to the same quarter last year.

This compares to an increase of +7.7% in Q2 and a decline of (0.2%) in Q3 in 2017.

Total sales on a MAT basis are up +2.0%.

Source: BBPA October 2018



Cider Update

Latest data from HMRC shows that cider returns in Q3 2018 were down (14.9%) on the same quarter a year ago.

The quarter started off poorly as returns in July were down (8.6%) on July last year.

This worsened in August as returns were down (15.2%) vs. August 2017.

The quarter ended quite poorly as the returns for September were down (21.2%) compared to September last year.

A result of this has been that Cider returns on a MAT basis have fallen sharply and are now in decline at (5.3%).

This is the first time Cider has been in decline on a

MAT basis since August 2017.

This signals a return to the sort of declines seen pre-2017.

Source: HMRC November 2018



Wine Update

Latest data from the HMRC shows that still wine returns for September 2018 were down (7.7%) versus September the previous year.

This combined with July up +0.3% and August up +1.4% meant that Q3 was down (2.0%) vs. 2017.

This means that the current MAT is down

(0.3%) vs. this time last year.

Sales of sparkling wines in September were down (1.8%).

Combined with a decline in July of (4.5%) and growth of +3.1% in August meant Q3 finished down (1.1%) vs. 2017.

This means that the current MAT is in decline

of (0.2%).

The Wine market has slowed considerably in recent months and is now in decline.

Source: HMRC November 2018



Pubs & Bars Update

Cocktail bar operator Be At One has launched its own Bartending Academy, an accredited programme that sees every trainee leave with a professional certificate. The move will see Be At One become an accredited training company with Highfield Qualifications. Pub group operator

Young's is on a quest to understand its customers' behaviour better, while enhancing their digital journey by utilising guest data provided by a Wi-Fi platform. To achieve this, Young's has contracted Wireless Social to install its Wi-Fi platform across 200 venues – including Smiths of Smithfield and The Naturalist – which

will allow the group to segment its customer base and determine individual preferences, and inform its ongoing marketing strategy for more direct targeting.



“As we look to improve the guest experience across all of our venues, it’s extremely important that we have an in-depth understanding of who they are.”
Young’s Marketing Director

Casual Dining Update

The government has announced that it will be recruiting for a food and drink disability champion to help tackle the issues disabled people face as consumers. The new role will look to raise awareness of the need to improve access, customer service and staff training to ensure that operators understand the needs of

disabled consumers. The Restaurant Group (TRG) has been given the go ahead to acquire the entire issued share capital of Mabel Topco Limited, which owns Wagamama, by its shareholders after a general meeting held on Wednesday 28th November.

A new survey by Planday has revealed that

spontaneity, robots and vegans are the three key drivers predicted to shape the restaurant sector of tomorrow, according to millennials.



Shareholders voted 60.43% for the acquisition of Wagamama, compared to 39.57% against.

Supermarket Update

Latest 12 week figures saw the Grocery Market grow by +2.6%. Grocery inflation is +1.8% for the 12 week period ending 4th November 2018.

Sales at Asda have increased +2.6% meaning the retailer has now been in continual growth since April 2017.

Sales fell by (1.0%) at

Waitrose, marking the first decline by the retailer since February 2009.

Aldi again enjoyed significant growth in the period, closely followed by Lidl who again performed well. As shoppers made an additional 14 million trips to Aldi and Lidl compared to last year.

Tesco has now opened its first Jack's in Chatteris, Cambridgeshire, the new discount chain format.

Source: Kantar World Panel



Jack’s stores will sell 2,600 products vs. 35,000 carried by a Tesco supermarket, with 1,800 branded as “Jack’s”

Helping clients...

**Sell More
Charge More
Lower Costs**

Dates and Events for Your Diary

General

January

1st New Year's Day
2nd New Year Holiday (Scot)
25th Burns Night

February

5th Chinese New Year (Pig)
14th Valentine's Day

March

1st St David's Day
5th Shrove Tuesday
17th St Patrick's Day
29th Brexit
31st Mother's Day
31st Clocks Go Back

Licensed Trade

January

17th Restaurant Marketing Awards
30th National Breakfast Awards

February

5th-6th Pub 19
20th National Burger Awards
21st-23rd Craft Beer Rising
27th-28th Casual Dining Show

March

13th-14th Beer X (SIBA)

Sports

January

14th-27th Tennis Open (Aus)

February

3rd Super Bowl (USA)
24th League Cup Final (Lnd)

March

17th Grand Prix (Aus)
31st Grand Prix (Bahrain)

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About Ashdale Business Consulting

I help my clients **sell more, charge more** and **lower costs**.

Having been a client myself I understand you always have **more things which need doing** than you ever have time for. Sometimes you also need **additional skills or experience** to complement those already in your organisation.

Sound familiar?

That's where help. I provide an independent flexible resource to draw from on just those occasions. I work across a range of different industry sectors providing **analysis, insight** and **strategic thinking**, however I specialise in helping the UK alcohol and hospitality sector.

Clients range from **individual outlets** and **microbrewers** through to **regional/national brewers**, as well as **global drinks companies** and **trade organisations**.

For more information go to my website:

www.ashdale-consulting.com

