Ashdale Business Consulting Ltd

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Ashdale Insights

INSIDE THIS ISSUE:

Economic Headlines	2
Retail Headlines	2
Consumer Headlines	2
Drinks Update - Cider	3
Casual Dining Update	3
Weather Summaries	3
Dates For Your Diary	4

Nothing More Constant Than Change

This month we look at how often operators should change their menus.

As you would expect there is no simple answer to when or how often a pub or restaurant should change its menu. In some cases the driver for change could location, it could be the types of customers you attract or would like to attract and of course whether you have a particular image or theme you are trying to project. A venue which prides its self on selling fresh ingredients will always have more licence to change than one which is built around more traditional comfort foods.

As with anything there are extremes at both ends of the spectrum. National pub chains that operate standard menus across 100's of pubs, with printed menus, are unlikely to amend their main offerings more than once or twice a year. In contrast independently run pubs and restaurants, especially those with a strong kitchen set-up, will often change their menus on a monthly or even weekly basis.

Changing your menu on a more frequent basis helps keep things fresh for regular customers as well as having the advantage of being able to tailor your menu around things which are in season, which should in turn help to keep costs down.

But just to change your menu for the sake of it can be more damaging than not changing it at all. The key for operators and chefs alike is to be very clear on what is driving you to make changes. Only by knowing this are you sure that you are making the right changes at the right time.

When I talk and listen to chefs about changing their menus one of the first things which immediately stands out is how time consuming the whole process can be, especially if it's not something which they are used to doing.

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

www.ashdale-consulting.com

or

Casual Dining Magazine

www.casualdiningmagazine.co.uk

there was a slowdown in consumer-focused industries, such as retail sales and accommodation

Economic Headlines

These headlines are from our Economic Bulletin.

CPI for April 2017 was +2.7% up from +2.3% in March, its highest level since September 2013, in part driven by higher air fares as a result of the later date of Easter vs. 2016.

Latest figures from the ONS show that unemployment fell to 4.6%, the lowest level since 1975, with wage growth at +2.4%.

The second estimate for GDP for Q1 2017 was +0.2%, as there was a slowdown in consumer-focused industries, such as retail sales and accommodation.

CPI	+2.7%
RPI	+3.5%

UNEMPLOYMENT	+4.6%
PAY	+2.4%

Q1 GDP	+0.2%
TRADE BALANCE	(£10.15BN)
SERVICES	+£26.34BN

Aldi and Lidl together grew at their fastest rate since January 2015

Retail Headlines

These headlines are from our Retail Bulletin.

Retail sales rose +4.0% in April 2017 vs. April 2016, as warmer weather helped retail sales to rise higher than expected and store price inflation reduced to +3.1%.

Average store prices continued to rise across all sectors this month with Fuel Stores prices increasing by +11.1% vs. this time last year.

Latest 12 week figures saw the Grocery Market grow by +3.8%, together the 'big 4' grew by +1.6%, as Aldi and Lidl together grew at their fastest rate since January 2015.

RETAIL VOLUMES	+4.0%
RETAIL VALUES	+7.1%
INTERNET SALES	+19.0%

GROCERY MARKET	+3.8%
GROCERY INFLATION	+2.9%
Aldi	+19.8%

when will the squeeze in living standards hit home?

Consumer Spending Headlines

These headlines are from our Consumer Spending Bulletin.

Average family spending power was down £1 a week in April at £197 as rising prices are putting pressure on family spending.

The estimated average mortgage debt in March was £120,230, meaning the average annual interest paid would be £3,138 per household (based on a rate of 2.61%).

GfK's UK Consumer Confidence Index was (5) in May up +1 compared to April, begging the question when will the squeeze in living standards hit home?

DISCRETIONARY	£197

HOUSEHOLD DEBT	£56,632
EXC MORTGAGES	£7,311

Overall Confidence	(7)
LY Personal Finances	+1
NY Personal Finances	+2

Cider Update

Latest data from the HMRC shows that cider returns for Q1 2017 were up +8.4% versus Q1 the previous year.

The quarter started off badly as returns in January were down (5.6%) on January last year.

In contrast returns in February were up +20.2% vs. February 2016.

The quarter also saw a strong finished as returns in March 2017 were up +9.4% vs. March last year.

Although two-thirds of all volume continues to come through off trade channels vs. the on trade, the picture is almost completely the opposite when it comes to value.

This reflects the fact that the average price per litre in Pubs & Clubs is over £6.00 vs. about £1.90 in Supermarkets and Convenience Stores.

Source: HMRC 31st May 2017

cider returns for Q1 2017 were up +8.4% versus Q1 the previous year

Casual Dining Update

The Botanist in Sheffield, South Yorkshire, has been named as the best pub in the UK, having secured the top accolade at last night's National Pub & Bar Awards.

The venue, which was praised for its great food, interesting drinks and flawless service, was also one of 12 pubs to be announced as the best in their region.

The winners were heralded at the second annual National Pub & Bar Awards, which was once again held at BAFTA, London, on 23 May. Celebrating and championing the UK pub and bar industry, the theatre-style event was hosted by the BBC's Nigel Barden.

A list of all the regional winners can be found at www.pubandbar.com

Keep an eye out on how to get involved in next year's event

"To come to London and get this award is pretty special for us," says Matt Bamber, operations director at New World Trading Company, which owns The Botanist brand

Weather Summaries

For more months and years then simply go to:

www.ashdale-consulting.com

APRIL

WARM DRY

Temp = +0.6
Rain = 48
Sun = 109

- Started warm & dry, becoming colder at the end of the month
- Cloudy but average rainfall & the 10th driest April since 2010

MAY

WARM

Temp = +1.7
Rain = 83
Sun = 115

- Quite mixed, some rain & showers but also dry & sunny
- Sunshine above average and 10th sunniest May since 1929

the first 11 days of May saw easterly winds which brought plenty of dry sunny weather

Ashdale Business Consulting Ltd
6 Lichfield Street
Burton-on-Trent
Staffordshire
DE14 3RD

Phone
07967 197533
E-mail
chris@ashdale-consulting.com
Twitter
@Ashdale2012

Analysis
Insight
Strategy

About Ashdale Business Consulting

Ashdale Business Consulting is an independent consultancy providing analysis, insight and strategy across the UK alcohol and hospitality industry. Specialist areas include Strategic & Marketing Analysis, Scenario Planning & Forecasting, Category Management and Profit & Value Chain Modelling. We also deliver training across a range of business and marketing activities, all of which help to improve an organisations ability to make more profitable decisions.

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 our website:

www.ashdale-consulting.com

For more information about our FREE and chargeable eLearning training go to:

www.http://ashdale-academy.teachable.com

Dates and Events for Your Diary

General

June
8th General Election
18th Father's Day
21st Summer Solstice
21st – 25th Glastonbury

July
4th Independence Day (US)
12th Bank Holiday (N.Ire)
14th Bastille Day (France)

Licensed Trade

June
10th World Gin Day
15th Beer Day
15th - 18th SIBA Brewers in the Community

July
14th – 16th B'ham Cocktails
22nd National Pub Fortnight

Sports

June
3rd Epsom Derby
3rd Champions League Final
10th Scotland v England
20th – 24th Royal Ascot

July
1st – 23rd Tour de France
3rd – 16th Wimbledon
9th British Grand Prix
20th – 23rd British Golf Open

Ashdale Training Dates

Marketing

June
No Open Workshops
eLearning Courses Available

July
No open workshops
eLearning Courses Available

Licensed Trade

June
No Open Workshops
eLearning Courses Available

July
No Open Workshops
eLearning Courses Available

BoT = Burton-on-Trent
Sheff = Sheffield