DELTIC NIGHT INDEX

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FOREWORD

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Our 10th quarterly Deltic Night Index examines how consumers feel about the leisure offering in their local towns and cities; perhaps fitting given our aim has always been to present a clear picture of the UK's late night sector, free of misconceptions and myths. And who better to share their views than UK consumers themselves?

Given the ongoing pressures facing the UK's retail and leisure industries, it is fantastic – and perhaps surprising – to see that so many Brits feel so positively about their local towns and cities, and the leisure offerings within them: at least half of respondents rate their daytime, evening and night time leisure activities as good or amazing.

If anything, it seems that consumers are looking for even more variety, with more than 30% (30.2%) saying their local area could be improved by adding more other leisure options, and 22.1% saying the same about casual dining outlets.

Furthermore, an encouraging 70% said they are proud of their local town or city, although as 4 in 10 (40.6%) rightly pointed out, improvements can still be made.

All of this comes together to demonstrate just how important it is that operators continue to work together with local governments and other stakeholders to enrich our towns and cities by providing a great round-the-clock offer for people to enjoy whatever their age and location.

HEADLINE FINDINGS

MARCH 2019

THE LATE NIGHT ECONOMY

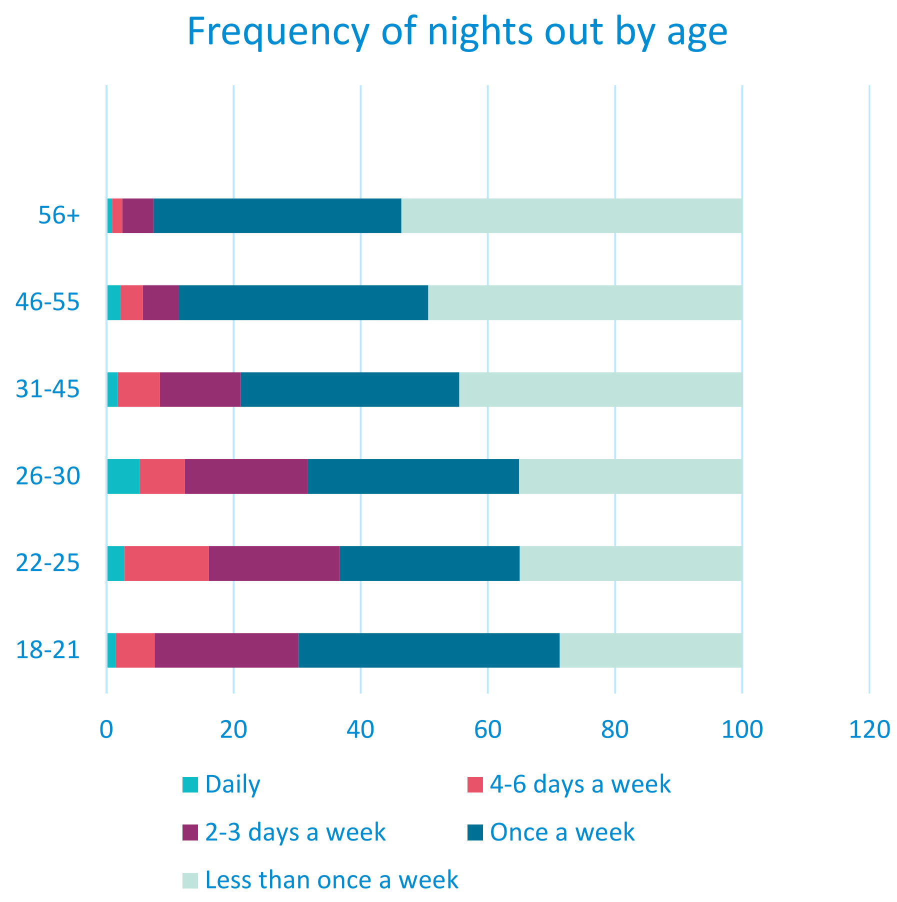
- Total average night out spend is £68.68, up 15.5% year on year (£59.49) and up 2.4% on last quarter (£67.05)
- Average pre-drinks spend for the quarter is £11.31, down 1.5% on last year but up 0.2% on last quarter
- Recommendations continue to be the most important factor people take into consideration when choosing where to go on a night out
- 58.1% of respondents go out at least once a week, an almost 5% rise on last quarter
- Seeing friends remains the main reason for going on nights out, with almost 70% (68.1%) stating this

LOCAL LEISURE AND ACTIVITIES

- A large number (45.0%) of respondents think their local city is good or amazing for cultural activities
- More than half of respondents are satisfied with the late night leisure offering in their local town or city
- Almost 60% (57.4%) of respondents think the typical evening activities in their local city are good or better, and more than a quarter (27.8%) think it's average
- Almost 70% of respondents are proud of their local town or city
- When asked how their local town/city could be improved, the most popular option cited by respondents was better transport links (34.6%)
- Other improvements which were popular amongst respondents include:
    - More drinking out options (14.0%)
    - More eating out options (22.1%)
- When asked how respondents would like their city to be in 2019, the most popular choices were 'more affordable', 'more family-oriented', 'greener', 'more innovative/ forward thinking' and 'more local'

HOW OFTEN DO WE GO OUT?

- 58.1% of respondents are going out at least once per week, flat on the year prior but 4.2% up compared to last quarter (53.9%)
- This rises almost a third of 18-21 year olds, with 71.3% enjoying a night out at least once a week
- On average, 22-25 year olds are most frequently going out compared to other age groups (1.77 days per week)
- Females are more likely to stay in than males, and 48.5% state they go out less than once a week (compared to 34.1% of males)

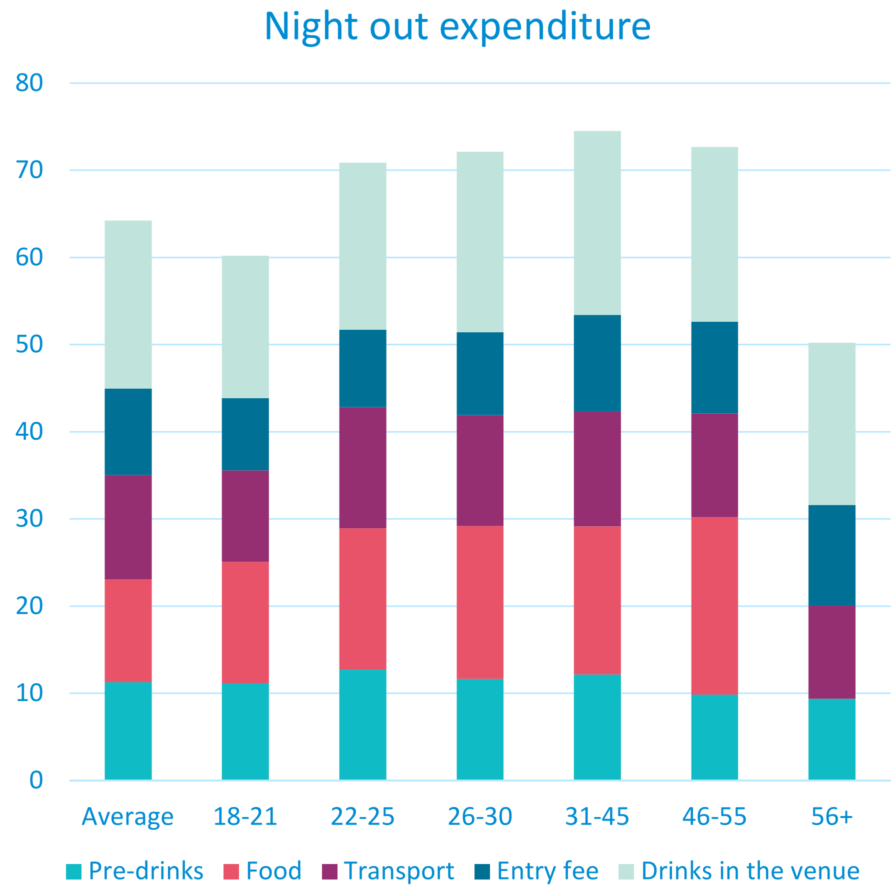


REGIONAL BREAKDOWN

- Londoners are most likely to have a night out, with 62.8% going out at least once a week
- Those living in Sheffield are least likely to have a night out, though half of people living there still go out at least once per week (50%)
- Brighton is home to the most hardcore 'party goers' and 5% of respondents are enjoying a night out on a daily basis

HOW MUCH DO WE SPEND?

- Total consumer spend on a night out is up 2.4% from the last quarter at £68.68, a 15.5% increase from last year
- Entry fee (£12.02) was the biggest growth category year-on-year, spiking by a massive 42.7%, closely followed by Transport which was up 32.1% at £12.02
- Consumer preference as to where they buy (and consume) their drinks has changed in the past year, with Pre-drink spend declining 1.5% to £11.31 and Drinks in the venue spend increasing 10.3% to £19.25 (year-on-year change)
- Food spend is up 11.7% year-on-year at £16.20 (Feb 18: £14.51)



REGIONAL BREAKDOWN

- The cities with the highest average spend are:
  - Glasgow, £73.85 (up from £59.24 last year)
  - London, £72.66 (up from £62.31 last year)
  - Belfast, £70.78 (up from £64.94 last year)
  - Cardiff, £70.27 (up from £60.93 last year)
- The cities with the lowest average spend are:
  - Liverpool, £61.09 (up from £52.49 last year)
  - Bristol, £63.67 (up from £54.38 last year)
  - Plymouth, £63.75 (up from £52.04 last year)
  - Brighton, £63.98 (up from 59.93 last year)

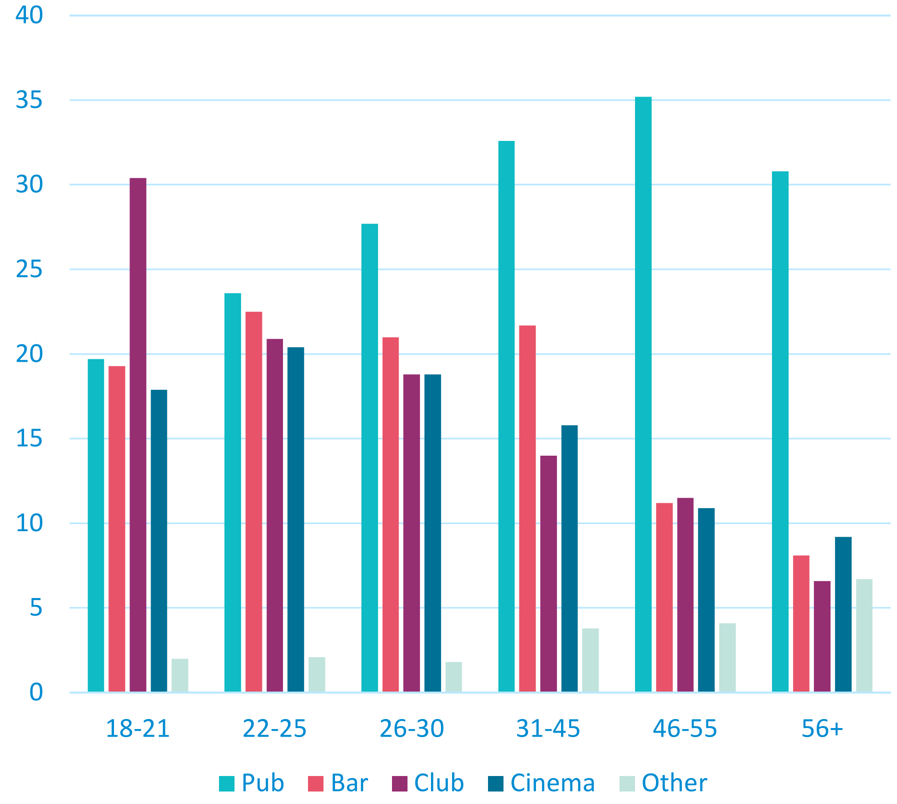
WHERE ARE WE GOING?

- The pub remains the most popular late night activity, with 28.9% of respondents spending most of their money here each month (27.5% last quarter)
- Nearly a third (30.4%) of 18-21 year olds spend the most money in a club, rising to almost half of 18-21 year old respondents when also including bar spend (49.7% spending most in a bar or club)
- The number of respondents spending most of their money at clubs and bars are up from the last quarter at 16.2% and 16.6% respectively (14.5% and 14.3% respectively, last quarter)
- In general females (16.4%) prefer to spend their money on the cinema compared to their male counterparts (12.6%)

REGIONAL BREAKDOWN

- In the following cities, the majority of people said they spent more money on clubs & bars than on any other late night leisure activity:
  - Bristol (39.8%)
  - Manchester (38.6%)
  - Cardiff (36.5%)
  - Glasgow (35.5%)
  - Birmingham (34.7%)
  - London (34.5%)
  - Leeds (32.6%)
  - Belfast (31.8%)
  - Nottingham (31.2%)

Late night leisure activity respondents spend the most money on each month, by age

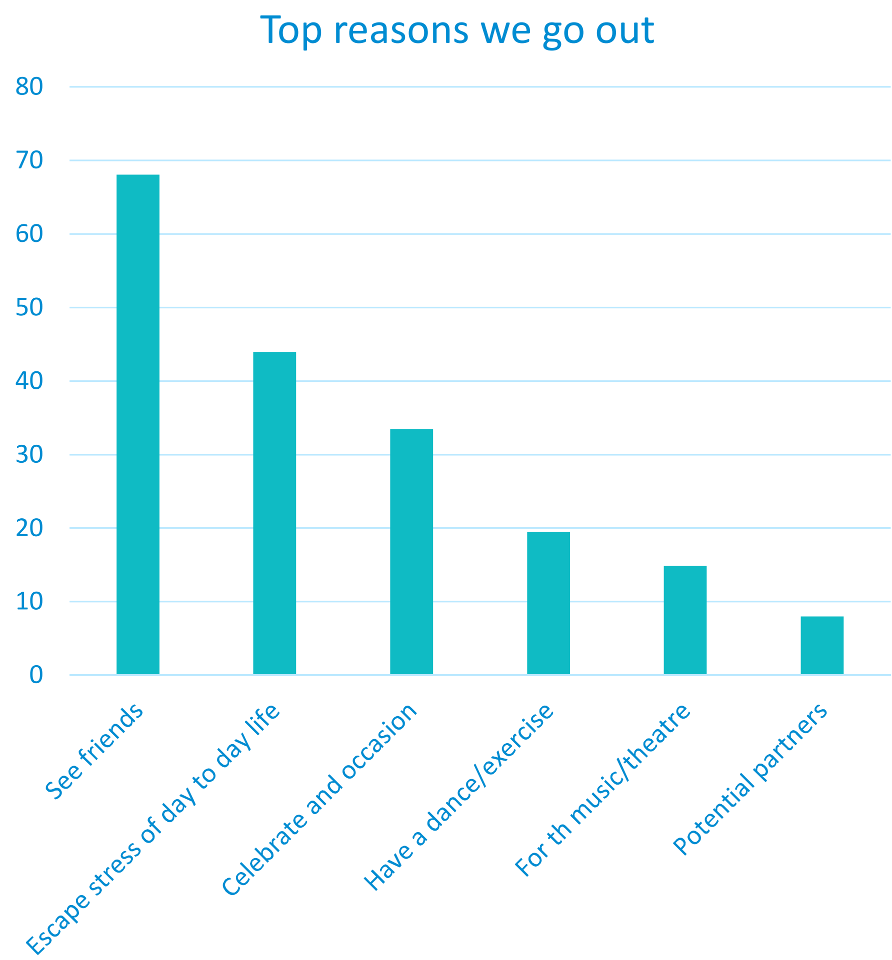


WHY DO WE GO OUT?

- Seeing friends remains the top reason we go on a night out (68.1%), down slightly on last quarter (69.9%) but up compared to last year (63.8%)
- A higher number of females (17.6%) are going on a night out for a dance or to exercise than males (11.6%)
- On the other hand more males (10.9%) are going on a night out in order to meet potential partners than females (5.6%), however in total this has increased to 8.0% of all respondents from 7.1% last year
- 22-25 year old are the most likely to be on a night out celebrating an occasion (40.6%), and the contrast between males and females is stark at 27.3% and 38.7% respectively

REGIONAL BREAKDOWN

- Those in Plymouth are most likely to go out in order to see friends (82.8%) while those in Belfast are least likely (61.8%)
- Over half (51.7%) of Glaswegians are going out to escape the stress of day to day life
- You're most likely to find a Liverpudlian out celebrating an occasion, with 45.6% on a night out for this reason
- The highest number of respondents out looking to meet potential partners are Mancunians (12.4%) while the lowest number are those from Newcastle (3.5%)

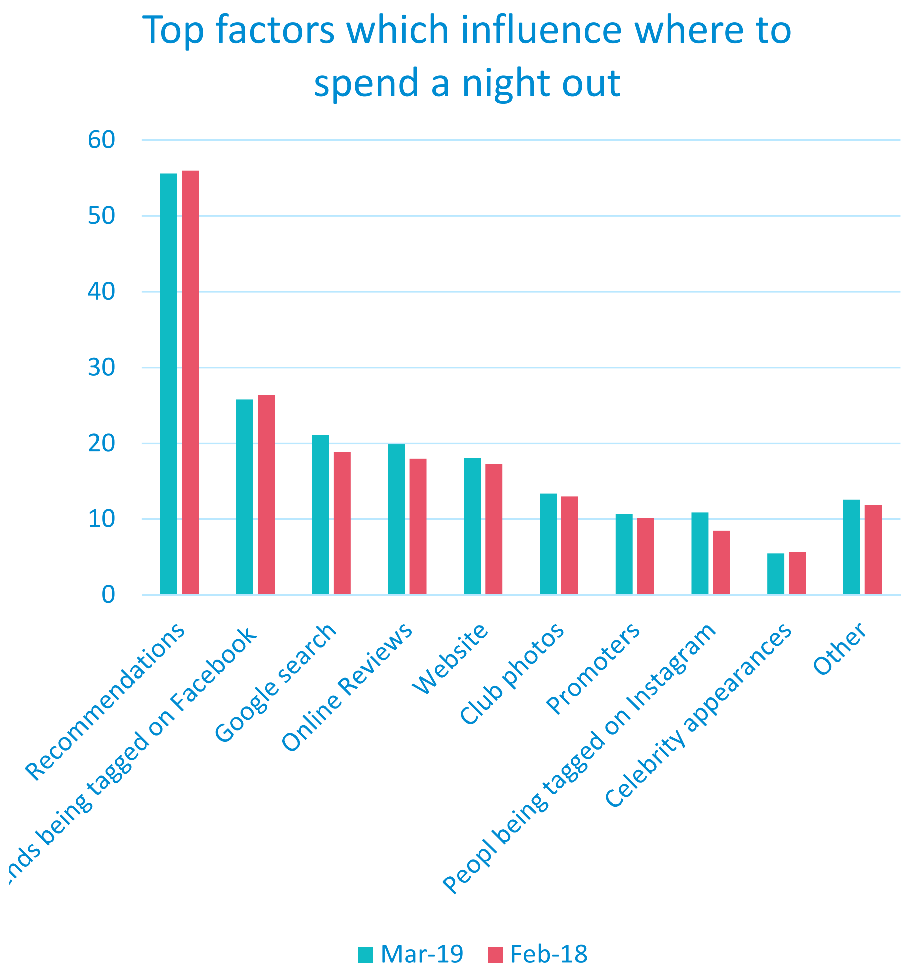


HOW DO WE PLAN IT?

- The most influential reason for respondent choice on where to go out to remains to be from Recommendations (55.6%)
- Club photos are becoming a more influential marketing tool, with 13.4% of respondents referring to the imagery when choosing where to go out to compared to 12.3% last quarter
- Females decisions on where to go out to are more driven by their friends being tagged on Facebook than their male counterparts (28.5% and 22.6% respectively)
- 18-25 year olds are most influenced by recommendations (57.7%) and Facebook tags (27.9%)

REGIONAL BREAKDOWN

- Recommendations are most important in Southampton (70.5%) and least important in Newcastle (49.1%)
- Only 5.5% of respondents in Belfast search on Google for their night out location
- Those living in Southampton (8%) are most likely to go to a venue for a celebrity appearance, followed closely by respondents in Cardiff (7.6%) and London (7.5%)
- Liverpudlians are most likely to refer to the imagery when choosing a venue, with 20.3% of these respondents using club photos to make their decision



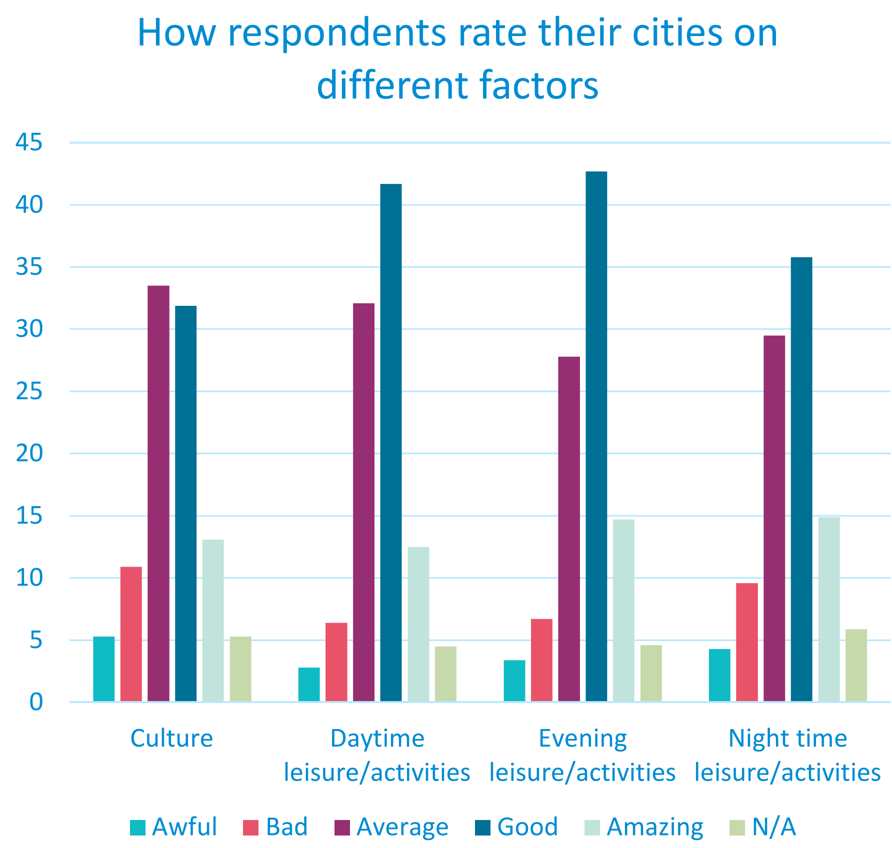
DELTIC GROUP

SPECIAL FOCUS

HOW IMPORTANT IS A GOOD LOCAL LEISURE AND ACTIVITY OFFERING

HOW DO WE RATE OUR CITIES?

- Almost 70% of respondents are proud of their local town or city
  - More than 40% (40.6%) of these are proud but feel like improvements could be made
  - Women are prouder than men of their local town/city (70.7% vs 67.3% of men)
  - 18-21 year olds are prouder of their local town/city than other age demographics with 73.2% stating so
- 45.0% of respondents think their local city is good or amazing for cultural activities, while 33.5% rate it as average
- More than half of respondents (50.7%) rate the night time leisure in their city good or amazing
  - The 18-21 age group are driving this, with 57.5% agreeing
- 67.6% of respondents either agree or strongly agree that there are enough casual dining outlets in their town or city, while 68.2% either agree or strongly agree that their local casual dining offering is good
- 18-21 year olds are the most content with their local daytime and night-time leisure offering, with 60.4% and 63.8% either agreeing or strongly agreeing that there are enough outlets in the area and that the offering is good, respectively
- Exactly two thirds (66.6%) of respondents are happy with the provision of early morning and mid-morning (6:00am-12:00pm) leisure options available in their local city, including breakfast restaurants, food on the go options, bowling alleys, swimming pools etc.
- More than 70% (70.3%) are happy with the provision of leisure options available between noon and 6pm, including lunch restaurants, hairdressers, beauty salons and cafés
- More than half of respondents are happy with the leisure options available in their local town or city between 11pm and 6am, including pubs, bars, clubs and late night licensed venues



HOW CAN MY CITY BE IMPROVED?

- The most popular suggested improvement are better transport links, with 34.6% agreeing this would improve their local town or city. This rises to 35.8% of 18-21 year olds and, interestingly, climbs to 38.3% and 37.0% of 46-55 year olds and 56+ year olds, respectively
- The next top suggested improvements respondents would like to see in their local towns/cities are more other leisure (30.2%), more eating out options (22.1%) and a higher concentration of leisure options (16.1%)
- While only 9.5% of respondents highlight more spread out drinking options as an improvement they'd like to see, 14.0% want to see more drinking out options in general
- For those aged 22-25, 26-30 and 31-45, an increase in other leisure options is the most important improvement they'd like to see

I WOULD LIKE GOING OUT IN MY CITY TO BE…

- 42.5% of respondents feel their local town/city is too expensive and would like going out to be more affordable, and is the most popular option. This rises to 49.5% of 18-21 year olds, and even 43.4% of 46-55 year olds
- The second most popular option was 'more family-oriented', with more than a fifth of people choosing it (22.2%)
    - Women also drove this (24.0%) compared to 20.1% of men
- Other factors that respondents would like their local town/city to be are greener (19.1%), more innovative/ forward thinking (18.7%) and more local (16.4%) were also popular choices