Randy White: The Rise of Bartainment



Image: Getty

There has been a massive decline in the number of destination bars. One in seven U.S. neighborhood bars closed between 2004 and 2014. There are now 7,000 fewer bars and counting. In 2004, there were 23 bars for every 10,000 adults. In 2014 it had reduced to 18 bars per 10,000, a one-quarter reduction.

Bars per 10,000 Adults 21+ 2004-2014



Bars are losing their customers for a number of reasons. One is you no longer have to go to a bar to meet new people. We can now swipe through Tinder and other dating apps to vet potential suitors before meeting in person in some safe public place. Another is the rise of a stay-at-home culture, or what is being called home-tainment, skipping going out to drink and staying in to drink instead. A recent survey from yPulse found that almost 3 in 4 (73%) of 18-33 year olds said they would rather stay in on the weekends than go out at night. Think about it, why wouldn't they with all the technology that makes it possible to do everything at home? Today, from the comfort of our lounge chairs, we have access to videogames, online streaming on large HD televisions, social media, restaurant food delivery...just about anything you want. So not only do we have drinking and entertainment options at home, but with social media and apps, we can stay home and still socialize with friends and family who are at other locations. Not quite the same as face-toface socialization, but it is a growing alternative. And soon the screen-based socialization will get even better with virtual reality meet-ups.

Consumers are spending less and less money every year on alcohol at restaurants and bars in their local communities. Since 2006, average household spending on away-from-home alcohol has declined by one-quarter (-26%).



Average away-from-home household spending on alcohol

(not on trips, in 2015\$)

When adults, especially Millennial-minded consumers (it isn't limited to just the Millennial age group) do go out, they want more of an experience than a bar alone can provide. They are seeking much higher quality experiences, ones that are highly social and that are also share-worthy on social media so they can gain social capita.

When they go out to drink, they are looking for bars that feature more than just alcohol, ones that have interactive games that enhance their social experiences. Today, it's all about having a great social experience that is facilitated by not only drinking, but also by interactive social game options.

Today, tech-enabled home-tainment is a new, growing and powerful competitor. To remain competitive, bars need to raise the quality of all aspects of the visit experience, which includes facilitating the social experience with interactive social games (what we call bar-tainment) if they want to continue to attract the fast-evolving 21st Century consumer.

Randy White is the CEO of the White Hutchinson Leisure & Learning Group, a multi-disciplinary firm that specializes in feasibility, concept development, design and consulting for leisure and entertainment venues. Over the past 28 years the company has worked for over 500 clients and won 16 firstplace design awards. Randy will be presenting "<u>Growing Your Business with</u> <u>Bar-tainment</u>" at the <u>2017 Nightclub & Bar Show</u>.