BAR OF THE FUTURE

hospitality ten years on
There is no better feeling than celebrating good times around the table with family, friends, and loved ones. Similarly, the story of me&u is the story of us; a community working together to build a brighter future for the hospitality industry.

Our love affair with hospitality was born out of the clinking of glasses, bowls of pasta shared together, and memories made across bar counters and restaurant tables. It's the essence of these lived moments that will forever remain at the core of the venues we love.

In the process of just trying to make it through over the past three years, our great industry has had time to reflect and realise the changes that needed to happen. Changes for the better.

Innovation is at the very heart of a return to any form of normalisation for our great industry and we're about to tackle our biggest challenge yet; revolutionising how business is done in a centuries old industry.

This report is a glimpse into the next decade and the trends that will redefine what it means to go out. We see a future where great technology and great humanity co-exist to elevate the overall experience together.

The venues that thrive won’t add technology for the sake of it, but to add value for their guests. Staff spend less time taking orders, the bottom line improves, and the customer experience is elevated.

Wherever your next beer is poured, we hope it brings you more extraordinary moments and beautiful memories to savour.

Cheers,

STEVAN PREMUTICO, FOUNDER
Smart venues = connected consumers
Our phones are smart, our homes are smart, but what about venues?

Meet me in the metaverse
Digital dining, virtual venues, and cyber catch ups.

More than a place for a beer
From ping pong to darts, has the bar evolved beyond the watering hole?

A night out to remember
Are we still just going out for the sake of it?

Who knew sobriety could be so sexy?
Will non-alcoholic beverages be the hot new drink on tap?

Waging the war on waste
Hospitality’s pathway to net positive.

Empty seats & dropout meets
Are we all flaky foodies?

Equal third place
Is the US’ ‘Third Place’ welcoming for all?

Fancy another byte?
Data and personalization will power the next generation of the bar.

That’s the spirit
Technology enables, not replaces.
Hospitality went through 10 years of evolution within two years of the pandemic in terms of technology adoption rates. It pushed businesses in the hospitality industry to turn to technology.”

Ira Vouk - Author, Hospitality 2.0

Of people prefer venues that give them the option of smart technology to make the ordering experience more efficient.

Of younger venue-goers (Gen-Z) expect that smart technology will be part of almost all venues in the near future.
While Americans are divided on the importance of the metaverse and VR in hospitality, brands are already experimenting with virtual experiences. Just over two in five (45%) agree that the idea of visiting a venue online in the metaverse or virtual reality appeals to them.

In the future we might see an increase in conceptual meta-events, and venues taking their diners (virtually) to the farm where their food came from - helping tell local sourcing stories. We could even be virtually meeting the people who crushed the grapes used in the wine we’re drinking.

With technology, there are new ways to create immersive experiences for diners that engage the senses in new ways.
MORE THAN A PLACE FOR A BEER
From ping pong to darts, has the bar evolved beyond the watering hole?

In 2032, bar goers can expect more on the menu – the modern venue will include activities such as mini golf and arcade games to base the night around. Drinking will no longer be the main attraction on a night out. Venue operators of the Bar of the Future will need to think beyond their food and beverage offering to elevate the customer experience.

The silver lining? More opportunities to maximise revenue and reap the benefits of increased occasions at new times of the day and week. Beyond being a place for a beer or two (or ten) on Saturday night, venues can expect more opportunities to entice people in.

Across the board, Americans agree that they prefer venues that have a creative or themed environment:

- 59% of Millennials
- 60% of Gen Z
- 41% of Gen X / Baby Boomers

66% of customers want venues which cater for the whole family, not just night time drinking.

The Bar of the Future will be a bar that can offer more and be more flexible. Bars are making themselves relevant and transforming during the day to appeal to different need states, occasions, or demographics.”

David Cunningham - Campaign Director, Long Live the Local, Britain's Beer Alliance
With the death of FOMO comes the rise of JOMO – the joy of missing out, a feeling more and more Americans have embraced as their behaviour around a night out has changed. People are less willing to stand in long lines or wait for a drink in sweaty, crowded bars. Many have started to pre-plan or research their nights out to avoid the disappointment of unmet expectations. People are starting and ending their nights earlier, and the Bar of the Future will need to meet these changing behaviours. This includes more efficient order and pay processes, making key information available online (like your menu), and adjusting opening times. Smart technology will play an important role in this process, providing important data on how customers are behaving.

Nearly 8 in ten (83%) Americans say their behaviour on a night out has changed in recent years.

- 41% are put off by long lines or crowds
- 40% prefer going to a single bar or restaurant rather than moving around
- 36% prefer to spend more of their nights out as quality time with friends or family
- 35% are more likely to pre-plan and research their night in detail before they go out
- 33% start their nights out earlier and/or end them earlier

"I've become more considered in how I use my social time, and the night out has to be much better for it to be worth going. I need to guarantee that I'm going to have space. I need to make sure that I'm going to have good conversation.”

David Cunningham - Campaign Director, Long Live the Local, Britain’s Beer Alliance

A NIGHT OUT TO REMEMBER

Are we still just going out for the sake of it?
WHO KNEW SOBRIETY COULD BE SO SEXY?

Will non-alcoholic beverages be the hot new drink on tap?

While many across the US found a new passion for making margaritas on the couch in 2020, research suggests there is increased mindfulness about about drinking occasions.

Research findings suggest a new movement of ‘sober curious’ drinkers could be emerging with 21% considering reducing their alcohol consumption in future and 22% saying they could see themselves giving up alcohol altogether in future. But the beloved beloved boozy brunch or dinner is far from extinction. Mindful and sober curious drinkers will continue to venture out, seeking non-boozy alternatives while they’re socialising.

Enterprising venues can appeal to this new breed of customer by making sure they’ve got a range of tantalising alcohol-free options available on tap.

One in three Americans say they’re happy to visit completely alcohol-free venues, and a similar number expect all bars to have a good range of alcohol-free beverage options.
Restaurant goers are more environmentally conscious than ever before. While consumers are taking the charge to reduce waste and live eco-consciously, they’re also beginning to place more pressure on businesses to be more aware of their own waste. Bars and restaurants need to be seen to tackle the difficult problem of waste, and virtual menus are an easy win to start the journey. Apps are working to help connect people to leftover food, venues are embracing smaller menus to manage inventory, and partnerships with food waste organizations are becoming widespread.

"I’d love to see the sector get to a sustainable model in every sense. For the environment and it’s people - mentally and physically."

Michael Rodrigues - 24-Hour Economy Commissioner, NSW Government
Customers are demanding more from their favourite bars and restaurants. But are they holding up their side of the bargain? Two in five (39%) Americans we asked were likely to cancel a booking last minute due to a change of plan, including preferring to stay home. In worse news, 21% of Americans admitted to ‘Hospitality Ghosting’, that they had been a no-show at a booking without letting the place know.

Whilst we might flake on seats, we won’t on staff, with 70% of those surveyed wanting career progression paths and professional development opportunities within the industry. Experts and the public agree that the Bar of the Future will have a much stronger focus on ensuring employees are happy and fulfilled with exciting, long-term career prospects. Because Americans know that happy staff make happy hour, well, happier.

84% of Americans feel venues that look after their staff well provide better experiences.

80% showed their softer sides and moral stances, preferring to visit venues where they know all staff are treated well.

"I think that the medium-term focus for the sector will be the ability to attract and retain talent. Building systems that are suitable to a modern workforce, a future workforce.”

Michael Rodrigues - 24-Hour Economy Commissioner, NSW Government
Much has been said about the role hospitality venues play across the US. They act as a midway point between home and work, fulfilling the role of the ‘third place’ where Americans can gather, socialise, and make new connections.

Whether acting as a space for a community meeting centre, to a hub for parents to meet up with friends, to offering a working space away from home, customers are expecting venues to adapt to their varying needs as often as their needs are changing. Americans aren’t looking for just any old third place. They’re passionate about being inclusive of and meeting people from all walks of life.

We’ve seen an evolution in the bar space...play areas, bistros, and family friendly areas. There’s very much an active shift towards venues having a very broad offering.”

Sean Morrissey - Deputy CEO & Chief Legal Counsel, AHA NSW (Australia)
**FANCY ANOTHER BYTE?**

Data and personalization will power the next generation of the bar.

Monogrammed purses, custom suits, and build your own poke bowls – there’s no denying that customers are demanding one-of-a-kind products and experiences. The next era of hospitality will use data, AI, and technology to facilitate this. With the rise of hyper personalised venues comes the need to tailor the experience to every unique visitor. Will we soon be able to control the music at our own table? Turn down the lights? Will venues provide private spaces where the experience is completely unique to each group? Venue feng shui is shifting and reflective of our changing expectations of going out.

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**Audiences are now used to choice and control. Welcome to generation ‘on-demand’. The mistake for venues would be to settle for a rebuilding mindset, when a reforging one is needed. This is an opportunity to think differently.”**

Michael Rodrigues - 24-Hour Economy Commissioner, NSW Government

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**Bar of the Future | hospitality ten years on**
THAT’S THE SPIRIT

Technology enables, not replaces.

In an industry that’s experienced significant change in the last three years, the one constant that we know will exist in 2032 will be the people. While we can’t predict what will happen in the next decade or what technologies will emerge, we see a future of full hearts, venues and appetites – and our industry and its people are shaping it. For centuries, the bar has been the beating heart of communities. While technology is evolving how we navigate venues, genuine interactions and human connections cannot be replaced by artificial intelligence.

It’s very important not to lose what the heart of the bar is... the people. Technology becomes an enabler. It doesn’t become a replacement.”

David Cunningham - Campaign Director, Long Live the Local, Britain’s Beer Alliance

8 in 10
agree that while technology can be useful, they feel venues are all about people and human interactions.

36% of people prefer to spend more of their nights out as quality time with family and close friends.

Technology enables faster bookings online, but doesn’t replace the toast to a job well done.

Technology enables a personalized menu, but doesn’t replace the moment the food arrives.

Technology enables more ways to pay, but doesn’t replace the memories at the table.
So, you’ve read the trends, taken copious amounts of notes, and perhaps even enjoyed a few (non-alcoholic) beers – where to now?

We’re on the precipice of a digital renaissance and the next decade will bring a new generation of leaders to the fore that will foster the passion we have today to help hospitality be smarter, recover, and become more sustainable.

When we think of phrases like “digital transformation” and “technological innovation”, it can conjure up feelings that are equal parts excitement and trepidation. There is more to do than we could ever hope to achieve in a single day or week. The good news is that we’re going to get there – the future is just around the corner.

To realise this future, hospitality owners and operators need to keep learning. Keep looking at what your competitors are doing, keep looking at other industries for inspiration, and keep striving to understand how to be the best on the planet at what you do.

For venues, bars, restaurants, and clubs around the world, we have to acknowledge that our customer has changed. What took 30 years to evolve previously, will now only take three.

Owners and operators of the Bar of the Future will put their customers at the heart of all their decisions.

The key to success will be in listening and solving for your customers’ pain points and challenges rather than for what they say they need. It’s why we built cars rather than making horses run faster after all.

The future’s looking brighter than ever. Let’s write it together.

KATRINA BARRY, GLOBAL CEO
ABOUT THE NUMBERS...

EXPERTS
Our team has crunched the numbers, endured a few technical issues over Zoom, and shared a few beers to analyse the emerging trends that’ll help the hospitality industry prepare for the Bar of the Future in 2032.

INTERVIEWS
From bartenders to association partners, and venue owners to hospitality futurists, we spoke to a number of our clever mates in hospitality across the globe to get their insights on what’s driving the Bar of the Future.

SURVEYS
An online panel was conducted through YouGov between 17 and 27 June 2022. The research consisted of nationally representative samples from Australia (1,276), UK (2,300) and US (2,296) residents aged 18 to 65.