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EXPERT COMMENT: More than 11,000 pubs closed since 2001 – but breweries could revive local watering holes

Ignazio Cabras, Professor of Entrepreneurship and Regional Economic Development at Northumbria University, discusses the impact of boarded up pubs and the impact on rural village life.

The number of pubs in the UK has fallen by 22% over the past two decades: from around 50,000 in 2008, to 39,000 in 2018. But the losses aren't spread evenly. One in four independently owned pubs has shut up shop, while the number of boozers owned by large chains such as JD Wetherspoon has stayed almost steady, dipping from 6,000 to 5,800 over 20 years.

These figures from the Office for National statistics (ONS) confirm the trends regularly reported by organisations such as the Campaign for Real Ale and the British Beer and Pubs Association (BBPA).

There are various reasons behind the closures: increasing real costs and business rates – particularly for independent pubs – a shift toward healthier and more sober lifestyles among young people, cheaper alcohol prices from off-licences and supermarkets and the growth of home entertainment have all dulled the appeal of going to the pub.

Measures to keep pubs alive have not had much much impact over the years. Between 2013 and 2015, a cumulative tax cut of 3p per pint reportedly reduced beer duty by 14%, compared to 2012. But according to the BBPA, beer duty rose by 42% between 2008 and 2012, and 5,000 pubs closed in that same period. The beer duty freeze and business rates relief for small shops announced in the government's recent budget could be too little, too late to help independent pubs.

Country versus city

The closures have hit urban pubs harder than pubs serving rural areas and villages, with 26% of city pubs shutting their doors for good between 2001 and 2018, compared with about 21% of rural pubs. In fact, employment in rural pubs has gone up almost 24%, while employment in urban pubs declined by just over 2%. Around 10,000 pub jobs vanished in major cities across England and Wales, while pubs serving smaller cities and towns created 3,750 more jobs since 2001.

In response to these difficult times, many pubs in the UK have changed their business strategies, and now go far beyond serving beer to try to attract more customers and see off competition from European-style cafes, which also sell alcohol into the night. For example, there are growing numbers of “themed” bars and pubs cropping up in cities and towns, which sell drinks while offering a unique activity, environment or atmosphere: from sport bars equipped with big screens to broadcast games, to fantasy-inspired bars designed to offer unique experiences to customers. An example is ABQ, the Breaking Bad-themed bar in London.

Tougher competition in urban areas has led many small pubs to close down, while larger pubs are becoming more common. The urban pubs that survived since 2001 are likely to have increased in size, attracted investments from large chains and gradually absorbed the custom from pubs that have closed. In this sense, there are still opportunities available for pub owners in smaller towns to grow their businesses.

In rural areas, many pubs have started focusing on serving good food alongside booze, becoming gastro-pubs. Some have even ended up competing with top-rated restaurants: 14 pubs across the UK were awarded the Michelin star in 2018. This has brought about a shift in the clientele rural pubs seek to attract, as they invest in kitchen staff and facilities to target tourists and people from out of town, in order to remain profitable.

Places for people

It's highly likely this change in strategy has affected the social life of rural communities and villages, which was once supported by these pubs. My own research has found that, particularly in rural and remote areas, pubs are seen by local residents as essential places to meet and talk. When these businesses close or change their business strategies, local people's opportunities to socialise vanish with them.

It's not all bleak for the UK beer and pubs industry, though. The decline of pubs since early 2000s has been offset by a significant increase in the number of UK breweries. There are now more than 2,000 breweries operating in the country – up 64% since 2012. My own calculations, based on data from the Society of Independent Breweries (SIBA), reveal a steady growth in the number of pubs owned or leased by breweries – up 25% and 19% respectively, from 2014 to 2017.

Often, breweries acquire pubs dismissed by large companies, and rebrand them to sell their own beers. What's more, one in three breweries surveyed by SIBA in 2017 had a functioning tap bar operating on the site of the brewery itself. Like local pubs, these places are slowly becoming part of the fabric of local communities, providing a place for customers to meet and enjoy their beer.

This article was originally published on The Conversation. You can read it [here](#)

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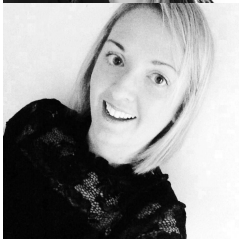


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