Night Time Economy Market Monitor

August 2025

Welcome to the third edition of the *Night Time Economy Market Monitor.*

The Monitor was launched by the **Night Time Industries Association** and **CGA by NIQ** to take a quarterly temperature check of the evening and late-night economies. After a challenging first half of 2025 for hospitality operators, it tracks steady venue closures in some late-night channels, but impressive resilience in others. Above all, it highlights how the late-night landscape is morphing at speed.

It remains to be seen whether the general downward trend in venues - as seen in AlixPartners and CGA's Hospitality Market Monitor - continues into the second half of 2025. The new round of labour costs from April is clearly impacting the viability of some businesses, especially when put alongside stubbornly high inflation and hesitant consumer spending. But the late-night sector remains pivotal to the country's economic, social and cultural lives, and with increased support from consumers and government alike we can be cautiously optimistic about the longer term future.

The night time economy in Q2

The second quarter of 2025 was tough for hospitality, and our latest data shows venues in the late-night economy contracted by **1.7%** in just three months—equivalent to three net closures a week.

Some of these failures are the cumulative effect of a variety of challenges since the post-COVID reopening of hospitality. High inflation, patchy consumer confidence and changing lifestyle trends have all taken their toll on late-night operators. But it's no coincidence that the recent acceleration in closures, after a resilient 2024, follows increases in minimum pay levels and National Insurance contributions from April. These have been the final straw for some businesses.

It's a slightly brighter picture in the wider evening economy, which includes various types of bars, pubs and other venues as well as late-night sites (see the Definitions section at the end of this report). Numbers here dropped by **0.5%** in the three months to end-June, but they have increased by **3.2%** year-on-year. While the late-night sector is now

-1.7%
Net decline in late-night venues, March 2025 to June 2025

-0.5%
Net growth in evening-economy venues, March 2025 to June 2025

-0.1%
Net decline in total hospitality sites, March 2025 to June 2025

26.4% smaller than it was before COVID in March 2020, the evening economy has contracted by only **8.1%**. For comparison, the Hospitality Market Monitor shows the sector as a whole—including all licensed premises in Britain—down **14.2%**.

This shows how the challenges of the last few years have disproportionately affected the country's late-night market. They have caused widespread job losses and damaged many local communities (see page 3). Nevertheless, there are some encouraging signs of growth in some segments of the market (see page 2), and any upswing in consumer confidence will hopefully translate into a better second half of the year.

Britain's licensed premises at June 2025

	March 2020	June 2024	March 2025	June 2025	Change, June 2025 v Mar 2020	Change, June 2025 v June 2024	Change, June 2025 v Mar 2025
Late-night economy	3,026	2,230	2,266	2,228	-26.4%	-0.1%	-1.7%
Evening economy	17,405	15,491	16,069	15,993	-8.1%	+3.2%	-0.5%
Wider night time economy	102,446	88,723	88,509	88,493	-13.6%	-0.3%	0.0%
Total hospitality sector	115,108	99,207	98,866	98,746	-14.2%	-0.5%	-0.1%

Bars: Themed and craft up, cocktails and wine down

Britain's number of bars dropped by 0.9% in the latest quarter of 2025, but there have been some positive pockets of growth.

They include eye-catching growth for themed bars, which increased in number by **5.6%** in the second quarter of 2025, and by **21.4%** over the last 12 months. This performance reflects consumers' appetite for experience-led nights out, often based around competitive socialising or other interactive concepts they can enjoy in groups of friends or family.

Other hotspots include craft bars, which have risen by **1.7%** and **12.7%** in the last three and 12 months respectively. This may be a result of consumers seeking new and different drinks options—especially in beer.

Growth for themed and craft bars in the second quarter contrasts with other segments like cocktail bars (down **1.9%**) and wine bars (down **1.1%**). CGA by NIQ's trading data shows spirits and wine have struggled for year-on-year sales growth in 2025, as some consumers trim their spending or migrate to options like beer that are perceived to offer better value for money.

The channel struggling most in 2025 has been late-night bars, where numbers dipped **3.1%** in the second quarter—equivalent to three net closures per week. It is partly a consequence of operators switching some of their conventional bars to themed versions, and partly of consumers' desire to eat and drink out earlier than they did before COVID.

However, it's worth noting that the bar sector as a whole has been one of hospitality's strongest performers in the last five years, and it is now only **3.3%** smaller than at the pre-COVID benchmark of March 2020. Consumers clearly remain keen to drink out when they can afford it and when the offer is right, but their new habits mean the late-night landscape is changing all the time.

Bars and clubs at June 2025: Selected segments

	Sites at June 2024	Sites at March 2025	Sites at June 2025	Change in sites, June 2025 v June 2024	Change in sites, June 2025 v March 2025
Bar restaurants	3,272	3,338	3,286	+0.4%	-1.6%
Cocktail bars	866	950	932	+7.6%	-1.9%
Craft bars	722	808	814	+12.7%	+0.7%
Educational bars	628	628	628	0.0%	0.0%
Late-night bars	1,319	1,320	1,279	-3.0%	-3.1%
Nightclubs	787	826	823	+4.6%	-0.4%
Themed bars	280	322	340	+21.4%	+5.6%
Wine bars	634	661	654	+3.2%	-1.1%

Managed groups in growth while indies drop

The last edition of the **Night Time Economy Market Monitor** highlighted how small and independent operators have been hit harder than most by the many challenges of the last five years. That trend c ontinued in the second quarter of 2024, with negative numbers for independent and tenanted venues in the night-time economy and modest growth for managed groups (see table).

It's an even starker gap on a five-year measure, with the indie side now **16.2%** smaller than it was before COVID-19, while managed venues have shrunk only **3.1%**. This points to the vulnerability of smaller businesses—especially since the extra layer of labour costs from April, which added to an already heavy burden. It also suggests consolidation among bigger groups, who are better shielded from costs and are ready to snap up independently run venues when opportunities arise.

	Sites at March 2025	Sites at June 2025	Change in sites, June 2025 v March 2025
Independent	52,840	52,824	-0.2%
Managed	19,769	19,832	+0.3%
Tenanted	15,900	15,842	-3.7%

The big gig effect

Blockbuster gigs by major-league artists are high-profile contributors to the night time landscape. Taylor Swift's 15 shows in stadia across Britain generated nearly £1bn of consumer spending last year, according to estimates from Barclays—a contribution so large that it coined its own term of 'Swiftonomics'.

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This year's equivalent has been the reunion of Oasis for huge gigs in various UK cities. They will generate millions for the band, organisers and in-venue food and drink operators. But how much do they benefit external hospitality venues like pubs, bars and clubs? Research for the Night Time Economy Market Monitor reveals the impact of the first wave of shows in places including Oasis' home city of Manchester.

This city has struggled for growth in drinks sales growth over the last year, with total weekend drinks sales down by **2%** on the previous 12 months. But Oasis' opening weekend in Manchester powered a **13%** uplift against the same weekend in 2024.

Weekend drinks sales usually peak around 6pm, but early dayparts were the biggest beneficiaries while Oasis were in town. Hourly sales share peaked around 4pm (see graph)—around the same time as the gates at Heaton Park opened—and more than half of the day's sales were generated by 5pm. This came at the expense of later periods, where sales share dropped because so many people were at the venue.

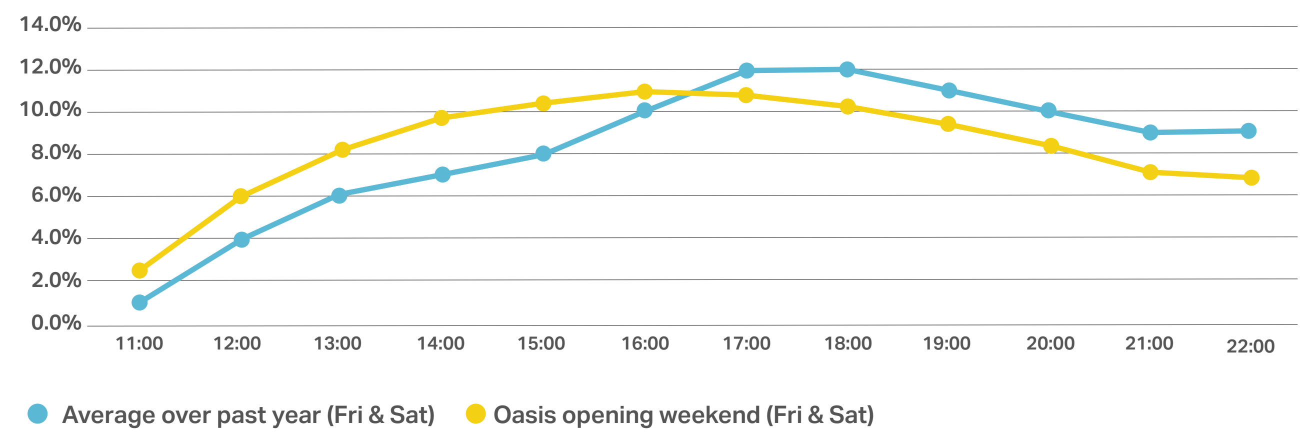
One of the most intriguing consequences of the gigs has been the halo effect on Manchester's suburbs and surrounding towns. Here, there was total drinks sales growth of **31%** over Oasis' opening weekend—nearly triple the growth in Manchester itself. This suggests surrounding towns have been providing attractive alternative destinations for consumers on days of gigs.

Trends in Cardiff, where Oasis kicked off their tour, were even better. Drinks sales on concert days here were **75%** higher than on equivalent dates in 2024, and there were big spikes during the afternoons and night time, as ticket-holders left the Principality Stadium and carried on drinking.

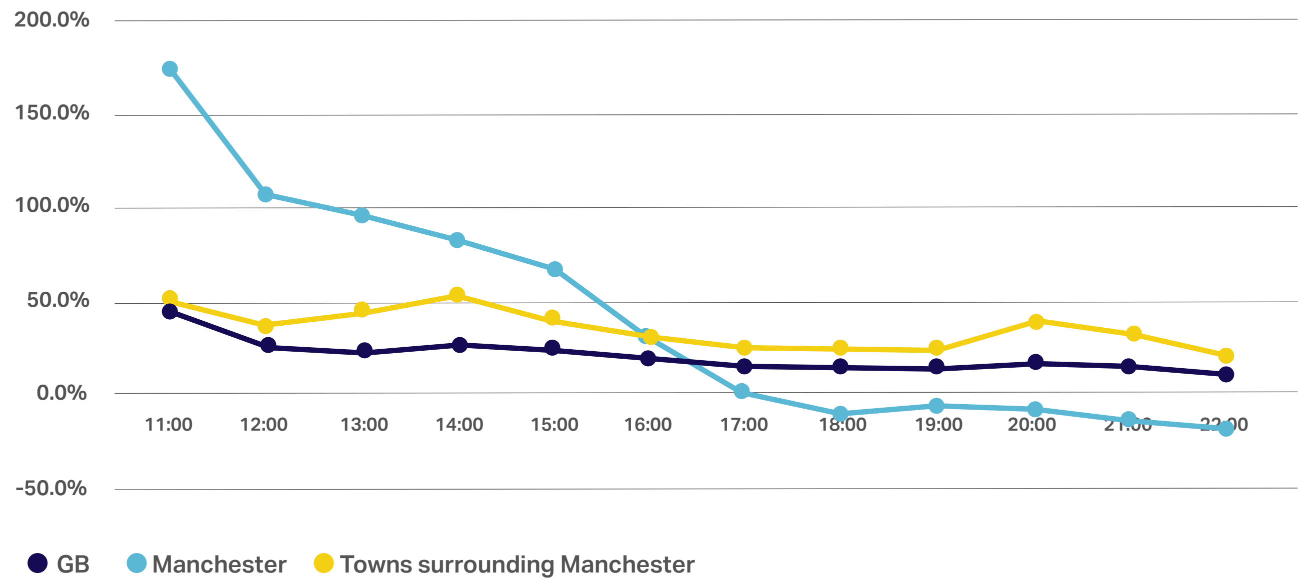
Not all the effects of big gigs are positive. Some consumers have been put off visiting Manchester and Cardiff over gig weekends because they expected venues to be busy. In fact, Manchester was outperformed by the rest of Britain for rate of sales uplift over Oasis' opening weekend—partly because warm weather brought so many people out to eat and drink around the country.

Nevertheless, the early signs are that the Oasis tour will be a big net gain for the night time economy. But impacts are going to vary, depending on factors like the weather, location of shows and rival events, and this can make it difficult for operators to plan staffing and promotions. It's also worth noting that big gigs like this are only possible if the grass roots of the live music scene are protected. Support for smaller venues and up-and-coming bands is essential.

Average Manchester hourly sales share, on Fridays and Saturdays



Year-on-year, rate of sale uplift. Oasis opening Manchester weekend (Fri and Sat)



The night time deserts

COVID, the cost-of-living crisis, high inflation and a shortage of government support have taken their toll on the night time economy right across Britain. However, their impacts are felt most keenly in 'night time deserts'—the towns and cities where closures have r educed consumers' after-dark options to a very few venues, and in some cases none at all.

Night Time Economy Market Monitor data reveals that around a quarter (**26%**) of the British towns and cities that had at least one nightclub in 2020 no longer do so. Many of these clubs folded during the long period of enforced closures or in their aftermath, and a steady decline has continued through the last few years.

Some of these nightclubs have reemerged in other guises, like themed bars (see page 2). But in some cases, club closures have also been a full stop for the wider night-time economy. Nearly one in six (**16%**) towns and cities that had late-night economy venues in 2020 no longer have any. Hardest hit of all are the **2%** of towns that have lost all their venues operating in the wider evening economy since 2020.

Each of these closures represents a damaging business failure, job losses and reduced choice for local residents. However, in a significant number of cases they have also deprived communities of any choice at all. 'Night time deserts' aren't just missing out on economic benefits—they're losing the social cohesion and cultural contributions that are found across the night time economy.

Back in 2022, Culture Secretary Lisa Nandy MP said on Times Radio that she wanted to champion British nightlife and leverage venues' ability to level up communities, generate jobs and promote aspects of culture like live music. "Every town has lost a nightclub that they feel very strongly about, and that was part of our history and our heritage," she said, using her constituency of Wigan as an example. Night time venues can undoubtedly help to revive towns and cities and promote wellbeing—but three years on, they are not yet getting the government support they need to power this regeneration.

The view from NTIA

"The latest edition of the Night Time Economy Market Monitor provides a sobering yet essential reflection on the ongoing fragility of the UK's night time economy. The **1.7%** contraction in late-night venues between March and June 2025—amounting to three net closures per week—should sound alarm bells for policymakers and local authorities alike. These closures represent far more than lost revenue: they are the disappearance of cultural institutions, vital community spaces and key components of local economic ecosystems.

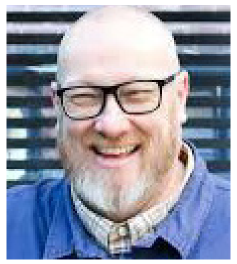
Particularly concerning is the emergence of 'night time deserts'. The fact that over **25%** of towns and cities that once had a nightclub now have none, and that **16%** have lost their entire late-night offering, reveals the depth of this crisis. These gaps in provision are not just economic—they affect social cohesion, wellbeing and young people's access to safe, managed spaces for expression and connection.

At the same time, there are promising signs. Growth in themed and craft bars shows that the sector is evolving to meet changing consumer demands. The success of the Oasis reunion tour, with double-digit increases in drinks sales in Manchester and Cardiff and a strong halo effect in surrounding areas, proves the cultural and economic power of live music. These moments highlight the potential of the night time economy to drive both footfall and spend far beyond traditional venue boundaries.

Encouragingly, we've recently seen a shift in Government narrative, one that recognises the value of culture, entertainment, and the night time sector. There is renewed discussion around modernising outdated regulatory frameworks and, crucially, the long-overdue reform of the business rates system. This must be prioritised. The current model penalises high street and late-night operators unfairly and remains a major barrier to recovery and growth.

The gap between independent and managed operators is widening, and unless action is taken, we risk losing the diversity and creativity that independent venues bring to our towns and cities.

The night time economy remains a cornerstone of the UK's cultural identity, employment landscape and social infrastructure. With decisive reform and sustained support, it can continue to evolve and thrive. Now is the time for meaningful policy action to ensure its survival and long-term success"



Michael Kill, CEO
Night Time Industries Association

NTIA | NIGHT TIME INDUSTRIES ASSOCIATION

Views from the industry

"This report underscores the urgent need for targeted support to protect our night time economy, especially in the face of rising costs and ongoing venue closures. The resilience of themed and craft-led concepts shows the sector's capacity for innovation, but the continuing decline in independent operators and emergence of 'night time deserts' is deeply worrying. Without decisive action from government and policy makers, we risk losing not just businesses, but the cultural heart of our towns and cities."

Sacha Lord, NTIA Chair

"While this report offers glimmers of hope—thanks to the agility of businesses and innovation in nightlife, such as the rise of specialist bars, new socialising models, and the positive ripple effects of major cultural events like the Oasis tour—these benefits are not evenly distributed. Communities with a diverse night time offer show greater resilience and are better equipped to withstand economic pressures. In contrast, towns and cities with limited night time ecosystems are experiencing a stark erosion of local venues. This decline has serious implications for placemaking, local economies, public safety, social cohesion and community identity. Targeted investment and strategic economic development are urgently needed to revitalise the UK's gathering places. Nightclubs and late-night venues, often the first to show signs of strain, are also the most inventive in fostering spaces of belonging. With increased support and place-based strategies, there is genuine potential for a renewed vibrancy after dark."

Carly Heath, Night Time Economy Advisor
Bristol City Council

"Large-scale concert tours have a profound positive impact on the UK's economy, boosting local revenue and increasing footfall across hospitality and tourism sectors. However, these events can also unintentionally divert consumer spending from grassroot music venues, many of which operate on a knife edge. These small, independent spaces are critical incubators of emerging talent, often laying the foundation for artists who go on to perform on arena stages. To protect the UK's cultural pipeline, we must rebalance the system and ensure small businesses have the financial support to build resilience, survive, thrive and nurture the stars of tomorrow."

Nick Morgan, CEO
We Group

About our report

Data in this report is sourced from CGA by NIQ's Outlet Index, the leading database of licensed premises in Britain, with furtherinsight from CGA's range of consumer, business leader and sales measurement solutions. To learn more, visit www.cgastrategy.com or email Reuben Pullan, senior insight consultant, at **reuben.pullan@nielseniq.com**.

Definitions

'Late-night economy sites' includes venues in the Outlet Index that explicitly operate at late-night hours. They include late-night bars, nightclubs and casinos.

'Evening-economy sites' are defined as venues that are focused on evening operations and entertainment. In addition to the above venues, they include arenas, ballrooms, bar restaurants, bingo halls, cocktail bars, craft bars, educational bars, theatres, themed bars, themed pubs, unthemed high street pubs and wine bars.

'Wider night time economy sites' provide the broadest view of the industry. In addition to the above, they include food-led and activity-led venues that operate in the evening as well as daytime, like restaurants, local sports clubs, social clubs, cinemas, snooker clubs, street markets, bowling alleys, hotels, casual dining restaurants, community pubs, branded food pubs and unbranded food pubs.

'Total market' includes all licensed premises in Great Britain.

The Night Time Industries Association is the voice of the night time community in the UK. For more about the NTIA and membership, visit **www.ntia.co.uk**

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