



BAR OF THE FUTURE



2022
trend report

——— **hospitality ten years on**



STEVAN PREMUTICO, FOUNDER

FOREWORD

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,



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01 SMART VENUES = CONNECTED CONSUMERS

Our phones are smart, our homes are smart, but what about venues?

Smart venues will use data and technology to make decisions that improve the experience of dining out. But, not at the sacrifice of human interaction – it's why people go out after all. The next 10 years in hospitality will drive operators to rethink the entire journey of going out.

While smart technologies like digital menus and robot servers were primarily seen as tools for becoming more

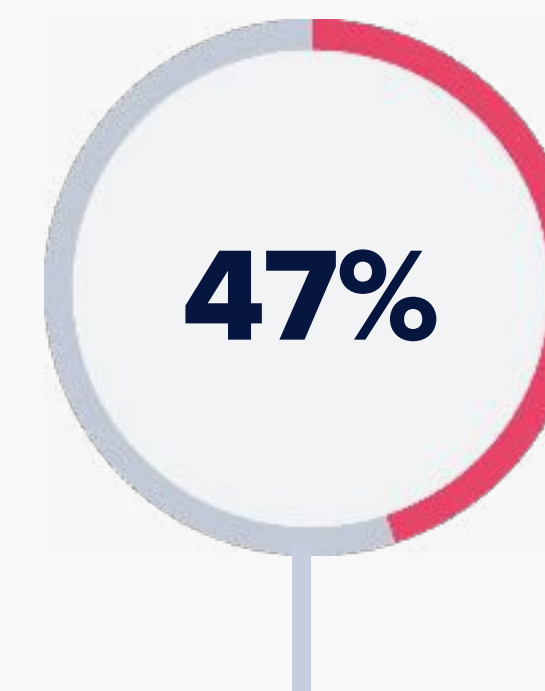
efficient, they are now grounding business decisions in data. QR codes provide footfall patterns to better predict service requirements, while digital menus offer guests a view tailored to their dietary requirements and preferences.

Imagine being able to prompt your guests to stay for another round of drinks if there's a surcharge on Ubers. Cheers to that!

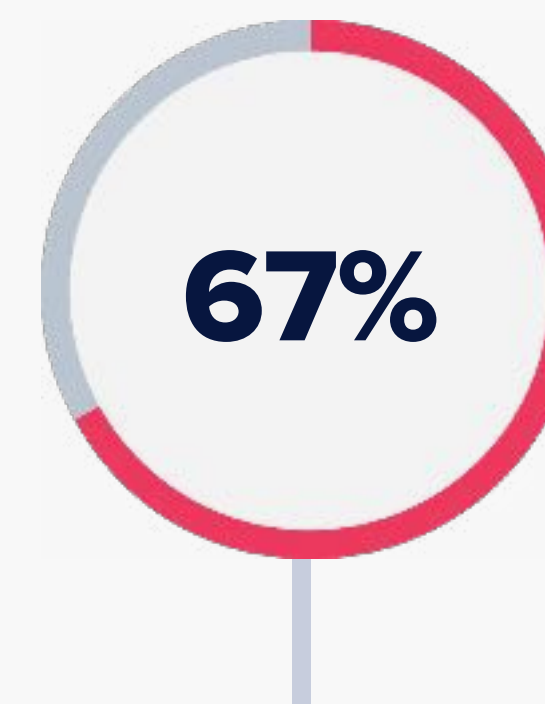
“

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.



02

MEET ME IN THE METAVERSE

Digital dining, virtual venues, and cyber catch ups.

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.

52%

of Millennials say being able to visit a venue in the metaverse first to see what it is like before visiting it in real life 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.

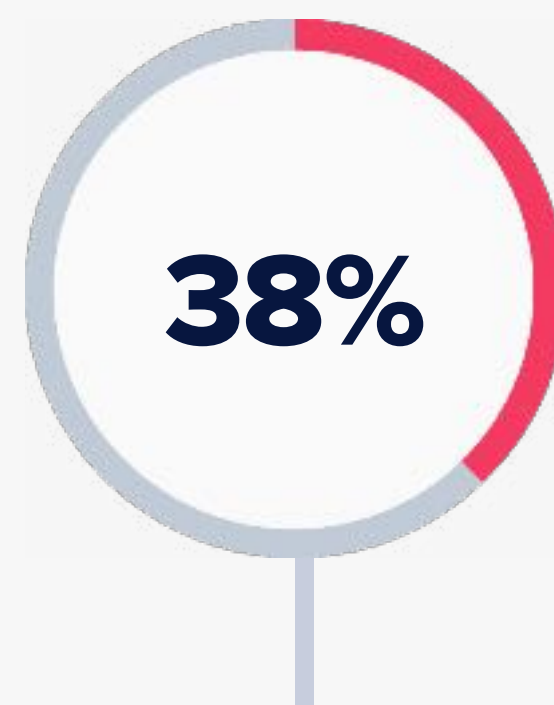
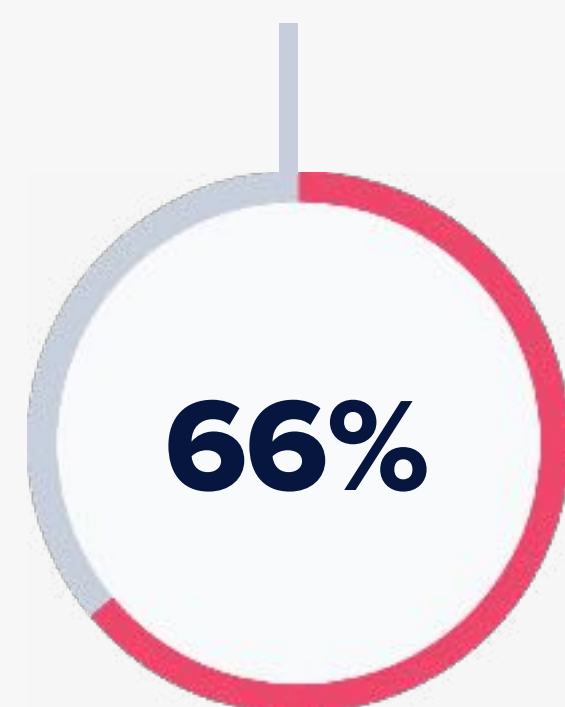
MORE THAN A PLACE FOR A BEER

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.

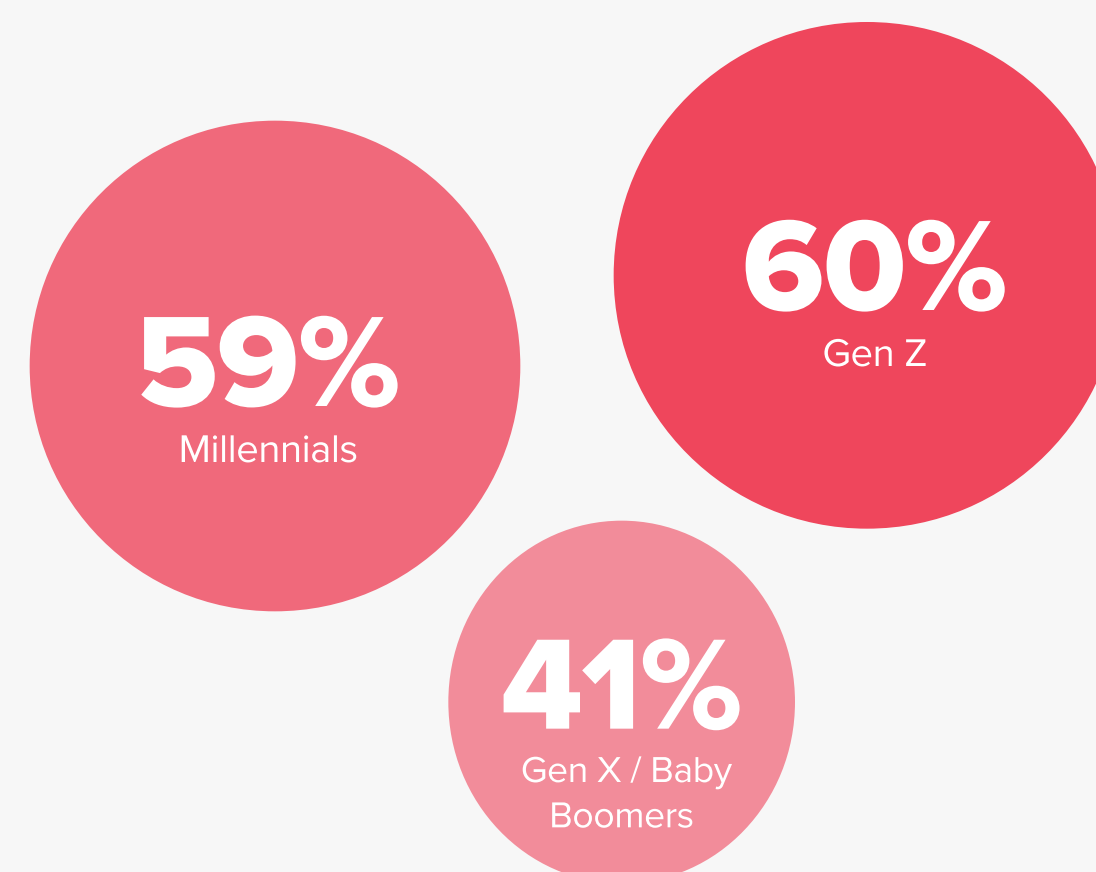
The silver lining? More opportunities to maximise revenue and reap the benefits of increased occasions at new times of the day and week. Beyond being a place for a beer or two (or ten) on Saturday night, venues can expect more opportunities to entice people in.

of customers expect venues to be able to adapt to different needs across the day or week.



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

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



“

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

A NIGHT OUT TO REMEMBER

Are we still just going out for the sake of it?

“

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.”

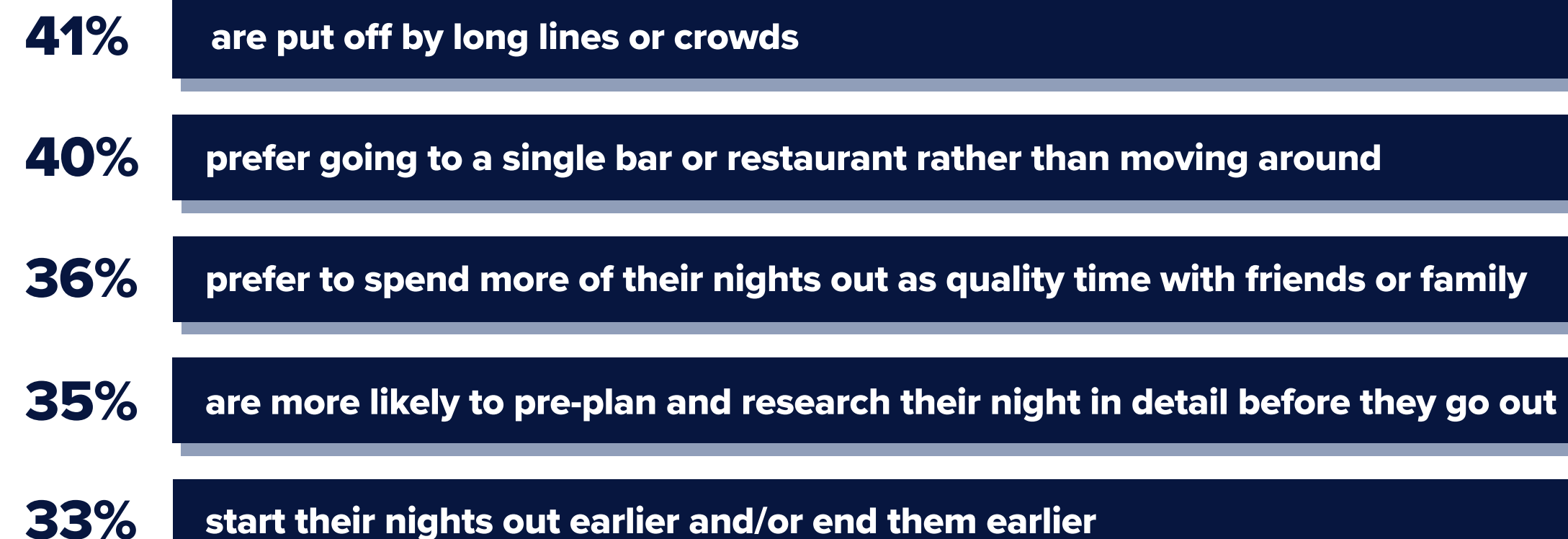
David Cunningham - Campaign Director,
Long Live the Local, Britain's Beer Alliance

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.



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.



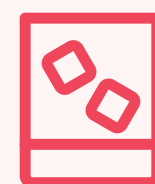
21% of customers expect to be drinking less alcohol in five years' time.



22% of customers can see themselves giving up alcohol altogether in the future.



35% of customers are happy to visit bars and restaurants that are completely alcohol-free.



33% of customers expect bars and restaurants to offer a good range of alcohol-free beverage options.

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.

06

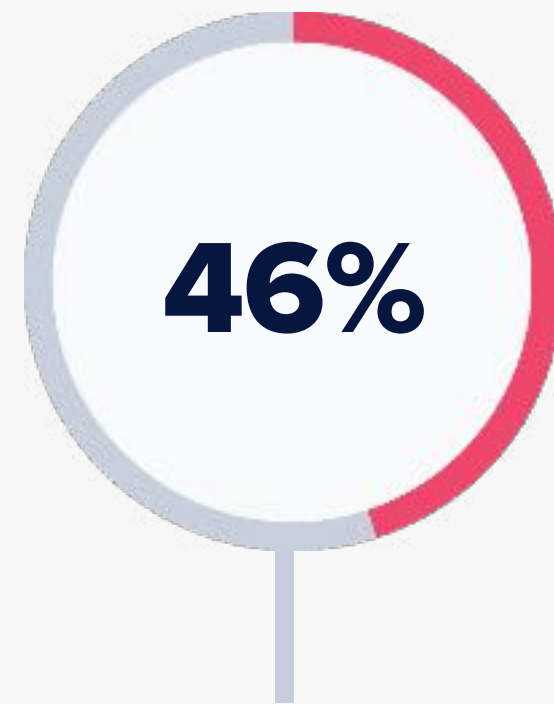
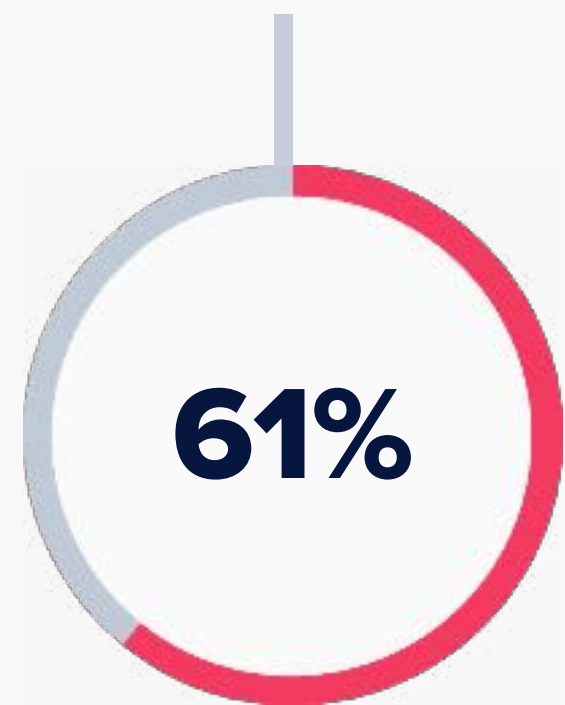
WAGING THE WAR ON WASTE

Hospitality's pathway to net positive.

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.

of customers think that venues produce a worrying amount of waste from paper menus and other disposable items and should take action to reduce it.



are likely to support venues that have a sustainability focus (e.g. investing in solar panels, green energy, low emissions, tree planting or re-wilding programs).

“
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

07

EMPTY SEATS & DROPOUT MEETS

Are we all flaky foodies?

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

“

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)

08

EQUAL THIRD PLACE

Is the US' 'Third Place' welcoming for all?

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.



of customers agree they will only attend venues that support diversity and inclusion.

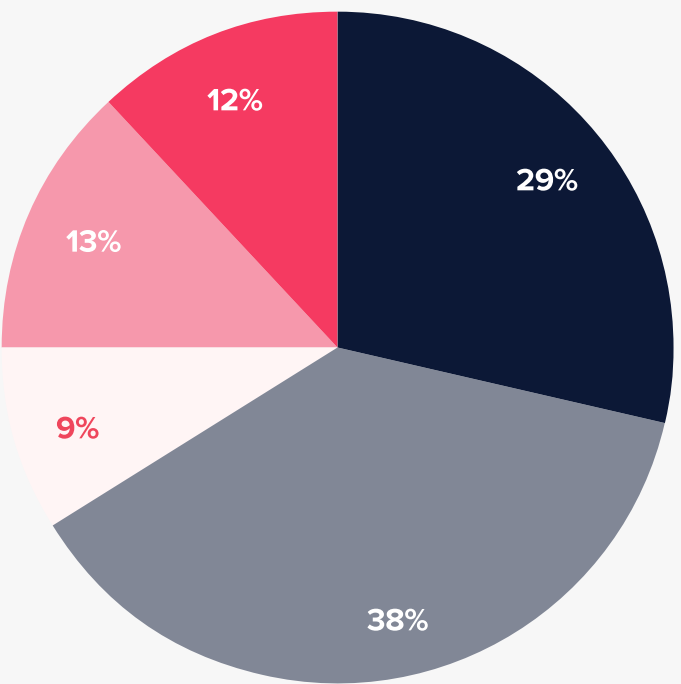
of customers agree that all venues should be accessible and welcoming for those with physical or mental disabilities.

FANCY ANOTHER BYTE?

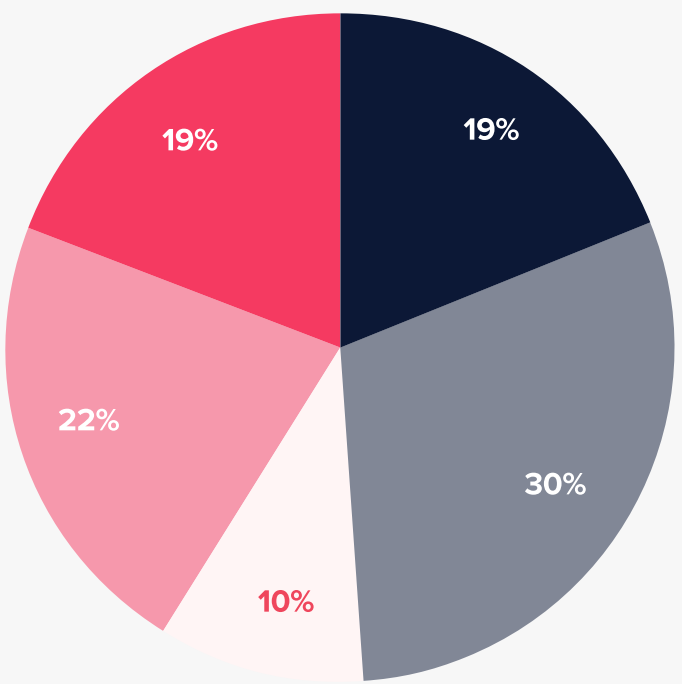
Data and personalization will power the next generation of the bar.

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

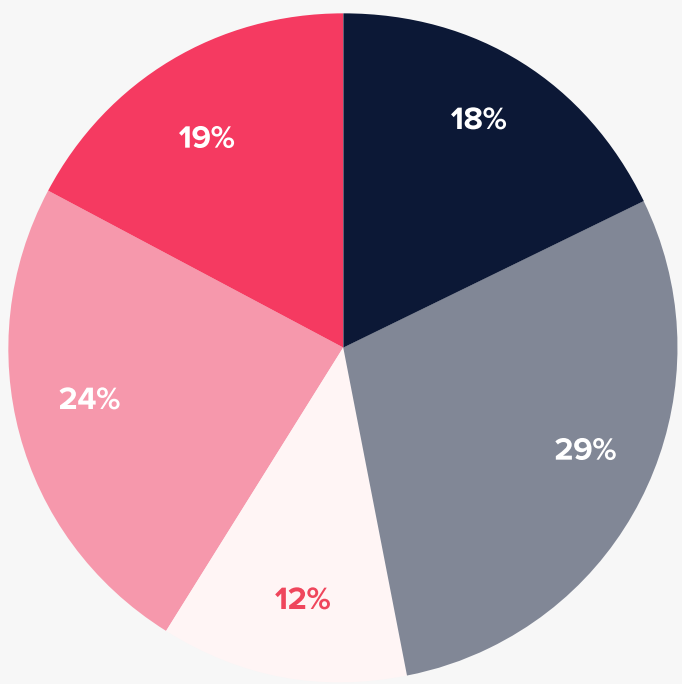
experience to every unique visitor. Will we soon be able to control the music at our own table? Turn down the lights? Will venues provide private spaces where the experience is completely unique to each group? Venue feng shui is shifting and reflective of our changing expectations of going out.



I would use a food service app which allowed me to split the bill easily with friends.



I would be more likely to visit venues that use technology to give me a personalized menu that is unique to my tastes, including tailored beverage recommendations.



I would be more likely to visit venues that use technology to offer tailored experiences such as personalized lighting and music.

● Strongly agree ● Somewhat agree ● Don't know ● Somewhat disagree ● Strongly disagree

09

“

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



“

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

10

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.

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.



KATRINA BARRY, GLOBAL CEO

CONCLUDING REMARKS

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.**

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 bar tenders 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.



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