

A toolkit for Pub Accommodation Development

Why?

- Current low supply of pub accommodation
- Demand in urban and rural locations
- Tourism in the UK is booming - the time is right for the expansion of the pub accommodation offer.

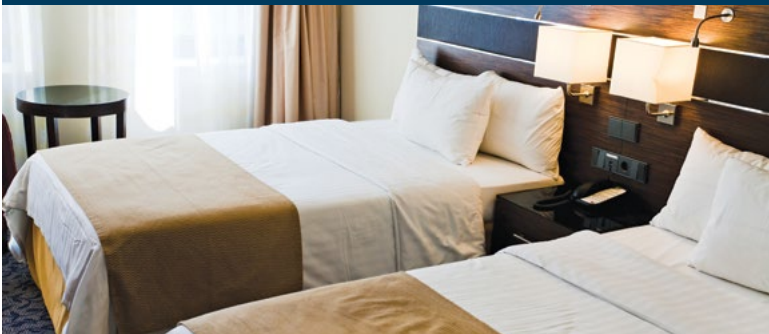


What?

- There are around 6,000 pubs in the UK providing over 50,000 bedrooms, turning over more than £800m. The majority have 5-10 bedrooms.
- There is a wide variation across the pub accommodation offer, from traditional to contemporary, economy to luxury, in both rural and urban settings.
- A quality offering is key

Demand:

- Huge investment is going into the county's attractions and leisure offer to drive leisure market growth
- Demand for visits to friends and relatives and for weddings will grow as the county's population expands
- Friends and relatives visiting University students, business visitors and the demand from contractors working in the area are all forecast to increase and therefore the demand for suitable accommodation will increase.



Target Markets

- Business visitors & contractors
- Short breaks/staycations
- Overseas visitors
- Visitors to friends and relatives

Benefits:

- Creating a third income stream alongside food and drink
- Opening the business up to new markets
- Increasing food and drink sales from staying visitors
- Creating a more balanced and sustainable business, not just in terms of income streams but also generating demand across the week and year
- Rooms provide a much higher profit margin as there are minimal additional operating costs
- Makes pub revenue more consistent
- Better utilisation of staff throughout the day

Opportunities

- Refurbishment and modernisation of current properties
- New build pubs
- Gastropubs with boutique bedrooms



Assessing the Potential

1. Property Potential – identify whether the property has the physical potential to offer bedroom accommodation for visitors
2. Market Potential – identify whether there is a potential market for pub bedrooms in the location
3. The Competition – be clear about what you are offering relative to competitors
4. Positioning the Accommodation Offer – identify a positioning and price
5. Planning Permission & Building Regulations – understand the planning process

Keys to Success

- Clearly define the target market and identify sources of business throughout the year
- Understand your competition
- Build strong relationships with local businesses to build reputation
- Satisfy your customers to secure high levels of repeat business
- Dedicate sufficient resource to marketing and develop a multi-stranded approach
- Make your product easy for customers to find and to book
- Quality product that is characterful and distinctive
- Pay attention to detail and add personal touches
- Actively manage your online review sites feedback positively
- Deliver a warm welcome, with a high degree of personal involvement from strongly developed customer care skills supported by training as needed
- When business planning ensure a sound understanding of occupancy and room rate projections, seasonality and the need for time for the business to build stable levels of trading.
- Sound business planning

Case study

The Impeccable Pig, Sedgefield

The Impeccable Pig officially opened in September 2018 and has since gone from strength to strength. The combination of a relaxing bar, brasserie-style restaurant and 10 luxury bedrooms has been the perfect combination for success. The bar and beer garden areas have developed the perfect atmosphere for get togethers. The bedrooms are set in a secluded courtyard, many guests exclaim that they cannot believe they are in Sedgefield. Each room is subtly themed with unique and quirky features which set them apart from competitors.

As a new venture, the team were conscious of the need to match requirements of a wide range of customers and therefore needed to find a balance between the pub, restaurant and accommodation offer. This has allowed the site to be multi-functional, hosting all manner of events from relaxed friendly get togethers and family reunion dinners to meet the requirements of a wide range of clients.

For more information:

- visitcountydurham.org/visitor-economy/investing-in-durhams-visitor-economy
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