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Night Time Economy Market Monitor

August 2026

powered by CGA intelligence

At a glance: Five takeaways

1. Stability in outlet numbers. After a challenging few years, the number of venues operating in the late-night economy increased by **0.4%** between March and June 2026.

2. Rapid churn in late-night venues. Fewer than half (**48%**) of the late-night venues operating before COVID remain unchanged today, following rapid turnover from closures and new entrants.

3. Earlier spending. Consumers' steady shift towards going out earlier means licensed premises now generate more money between 12pm and 3pm, and 5pm to 7pm, than they do between 7pm and 10pm.

4. North v south variations. In outlet terms, the night time economy in parts of northern England including the North East, Lancashire, Yorkshire has been more resilient than London and Britain as a whole.

5. Grounds for optimism with the right support. A stable second quarter of 2026 suggests the late-night economy could soon turn a corner. Government investment, especially in October's Budget, will be vital to sustaining momentum.

-28.7%
Post-COVID decrease in late-night venues (March 2020 to June 2026)

Second-quarter update: The night time economy in mid-2026

After a very challenging six years since the start of the COVID-19 pandemic, the night time economy has shown welcome resilience lately.

In the three months to June, Britain's total number of licensed premises was almost exactly flat. Outlets in the late-night segment – including bars, clubs, casinos and similar venues operating after dark – outperformed this benchmark with quarter-on-quarter growth of **0.4%**.

This is in contrast to longer term patterns. Since March 2020, when COVID triggered a first wave of closures, the late-night market has shrunk by **28.7%** - equivalent to 12 net closures per month. This figure is double that of **14.4%** for hospitality as a whole.

Late-night bars, clubs and other venues were hit disproportionately hard by COVID restrictions and the sustained inflation in costs that has followed. Nevertheless, there are signs for very cautious optimism that they might be turning a corner.

-3.1%
Year-on-year decrease in late-night venues (June 2025 to June 2026)

Confidence is fuelled by the steady flow of new entrepreneurs into the sector. NIQ data shows Britain had a total of 4,695 bars at end-June, and 515 of them – around one in nine – had opened in the last year. This shows that while bars continue to close, many of them are swiftly reopened by another operator or in another guise.

Churn is a sign of how bars and other late-night venues are evolving in response to changing consumer habits and economic and social factors (see page 2). Demand is diversifying rather than disappearing, and while this has been difficult for some traditional operators, it opens up opportunities for others.

Trading conditions remain difficult. Slow consumer spending, high costs in labour, energy, taxes, food and drink and poor late-night infrastructure are all sapping profitability. However, second-quarter outlet growth and the arrival of a new Prime Minister provide grounds for hoping that better times lie ahead. The new government has already shown its intent to tackle the problems facing hospitality and consumers, and further measures – especially in October's Budget – would help to sustain the momentum. With the right policy framework and investment, the late-night economy could be at the heart of Britain's economic revival in the years ahead.

Britain's licensed premises at June 2026

	March 2020	June 2025	March 2026	June 2026	Post-COVID change: June 2026 v March 2020	YoY change: June 2026 v June 2025	QoQ change: June 2026 v March 2026
Late-night economy	3,026	2,228	2,151	2,159	-28.7%	-3.1%	+0.4%
Evening economy	17,405	15,993	15,995	16,025	-7.9%	+0.2%	+0.2%
Wider night time economy	102,446	88,493	88,159	88,114	-14.0%	-0.4%	-0.1%
Total hospitality sector	115,108	98,746	98,609	98,564	-14.4%	-0.2%	0.0%

The changing bar and club landscape

The contrasting fortunes of bars and nightclubs encapsulate the major changes in the late-night economy in recent years.

COVID had a very damaging effect on clubs, which were the first to close and last to reopen after lengthy restrictions. Their numbers are now down by **36.1%** from the pre-pandemic benchmark of March 2020 – equivalent to six net closures every month. This makes clubs the worst performer of any segment in the Night Time Economy Market Monitor in outlet terms.

Bars have fared much better. Britain now has **3.1%** more of them than it did before COVID, and numbers have risen **1.3%** in the last 12 months alone. It makes bars the only major channel to have grown in size in the last six years.

Beneath this solid performance lies a lot of churn in venue types. NIQ's data shows fewer than half (**48%**) of late-night venues that were operating before COVID in March 2020 remain unchanged today. More than a third (**38%**) have exited the market since then, with **14%** entering it.

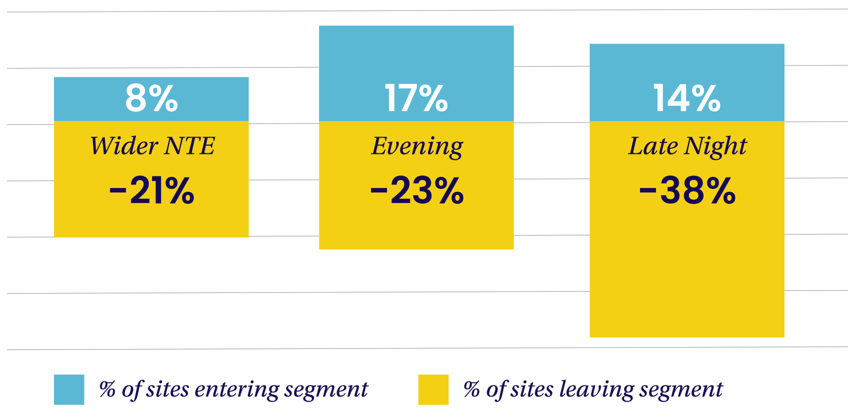
This is a far higher rate of turnover than in other parts of hospitality, reflecting how many of the shuttered late-night bars and clubs have been reinvented. For example, some clubs have reemerged as cocktail bars or craft bars, whose numbers are up by **39.9%** and **22.0%** respectively. Themed bars – like those offering competitive socialising or styled on Irish or Alpine venues – have meanwhile rocketed by **290.8%** since COVID.

Some segments may have peaked for now. Craft bars are down by **3.9%** year-on-year, for example, which suggests that demand has cooled. Nevertheless, the shifts demonstrate how the late-night market is being radically reshaped by consumers' new habits (see box).

Bars and clubs since COVID

	Sites at March 2020	Sites at June 2026	Post-COVID change: June 2026 v March 2020
Bar restaurants	3,663	3,322	-9.3%
Cocktail bars	689	964	+39.9%
Craft bars	641	782	+22.0%
Educational bars	793	604	-23.8%
Late-night bars	1,644	1,251	-23.9%
Themed bars	109	426	+290.8%
Wine bars	666	658	-1.2%
Nightclubs	1,240	792	-36.1%

Bars and clubs since COVID



Night time sales

NIQ's sales research highlights one of the most impactful changes to the night time economy of recent times: consumers' preferences for going out earlier.

A trend that accelerated during COVID, when late-night venues were shut for many months, has continued long afterwards. In the last 12 months alone, the share of sales generated after 7pm has dropped by **1.4** percentage points as consumers return home earlier. These sales have been picked up by early afternoon, late afternoon and early evening dayparts, which have each added **0.4** percentage points of share (see table).

This has led to a landmark shift in the last 12 months. The early evening period of 5pm to 7pm, and the early afternoon slot of 12pm to 3pm, have now both overtaken the late evening slot of 7pm to 10pm as the highest-earning parts of the day.

Shifts have been driven by people's changing approaches to their trips out. NIQ's recent High Tempo Report showed that well over a quarter (**28%**) of consumers now prefer to go out earlier for higher tempo visits. They are also demanding more variety, with three in five (**61%**) seeking new types of experiences when they go out.

Pressure on spending has been a big factor behind this dynamic. But it is also the result of problems with Britain's late-night infrastructure. Among those going out earlier, more than a quarter cite travel issues (**30%**) and safety factors (**27%**).

Hospitality operators have responded by flexing their offers and extending hours. Many venues that previously only opened after dark are now busy during afternoons and early evenings too. But while the broadening of sales is welcome, the night time economy clearly needs a fresh stimulus. Investment in public transport and security would go a long way towards alleviating people's concerns, and the sector will be hoping it is forthcoming from the new Prime Minister and Cabinet.

Total On-Premise sales by daypart

Source: NIQ Trading Index

Daypart	Sales share	Year-on-year change in share
Morning (10am to 12pm)	2.8%	+0.1 pp
Early afternoon (12pm to 3pm)	24.5%	+0.4 pp
Late afternoon (3pm to 5pm)	15.5%	+0.4 pp
Early evening (5pm to 7pm)	25.1%	+0.4 pp
Late evening (7pm to 10pm)	24.4%	-0.8pp
Late night (after 10pm)	6.7%	-0.6pp

The night time economy by region

The health of Britain's night time economy varies from place to place, and NIQ's data shows how north-south splits have emerged since COVID.

In the North East of England, the number of venues operating in the night time economy has dropped by **10.5%** since March 2020 – a notably better figure than the **14.0%** across Britain. Lancashire (**down 12.8%**), Scotland (**down 13.2%**) and Yorkshire (**down 13.4%**) have also outperformed the country as a whole.

Further south, some parts of the country have found it harder to recover their pre-COVID vibrancy. Outlets in Greater London's night time economy have shrunk by **15.5%** in six years, while the East and Wales are down by **14.4%** and **17.9%**.

City-level figures reinforce this trend. Key northern cities like Liverpool and Newcastle are very close to pre-COVID levels, with their outlet numbers down only **5.5%**. Other hubs including Leeds, Edinburgh, Glasgow, Sheffield, Nottingham, Hull and Manchester have all performed better than the Britain-wide average.

While some variations are small, lessons can be learned from them. There has been sustained public investment in the night time life of some cities in northern Britain, reflecting its huge value to local areas. Similar approaches elsewhere could also reap rewards for the financial, cultural and social economies of cities and regions.

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The view from the NTIA

This quarter provides genuine grounds for cautious optimism, but stability should not be confused with recovery. The 0.4% increase in late-night venues between March and June is an important indication that, after six extraordinarily difficult years, parts of our sector are beginning to find their feet. Entrepreneurs are investing, businesses are adapting and consumer demand is evolving. But the late-night economy remains 28.7% smaller than it was in March 2020, and operators continue to contend with significant pressures across labour, energy, taxation and operating costs.

What matters most at this moment is confidence – particularly in the government's intent. Ahead of the October Budget, businesses need to believe that government understands both the economic and cultural value of the night time economy and is prepared to create the conditions in which it can grow. The signals sent now, and the decisions made in October, will shape investment, employment and business confidence for the next six months.
That timing could not be more important. We are approaching the Golden Quarter, one of the most commercially significant periods for hospitality and the night time economy. It should provide businesses with an opportunity to rebuild revenues and resilience, but operators need certainty and confidence to invest in people, programming and their venues.

The sector has demonstrated extraordinary resilience, but it cannot continually absorb rising costs and uncertainty. We need a clear direction of travel from government, followed by meaningful action in the Budget on taxation and the cost of doing business, alongside investment in transport, safety and late-night infrastructure.

October therefore represents much more than another fiscal event. It is an opportunity for government to demonstrate its intent and rebuild confidence across the sector. Get that right, and the Golden Quarter can become the beginning of sustained recovery into 2027. Get it wrong, and fragile confidence could quickly disappear.

Michael Kill, CEO - Night Time Industries Association

About our report

The Night Time Economy Market Monitor was launched by the **Night Time Industries Association** and **NIQ, powered by CGA intelligence**, to take a quarterly temperature check of the evening and late-night economies. Data is sourced from NIQ's Outlet Index, the leading database of licensed premises in Britain, with further insight from NIQ's range of consumer, business leader and sales measurement solutions.
To learn more, visit www.niq.com or email Reuben Pullan, senior insight consultant in the hospitality operators and food team, at reuben.pullan@nielseniq.com.

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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.

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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**