# Impact of the Smoking Ban (The)

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Smoking Ban: British business feels the heat
Just over six months on from the introduction of the smoking ban, latest research from MINTEL finds that the ban can claim some success amongst smokers. But the likes of British bingo and the good old drinking man's pub could now be seriously under threat.

MINTEL's exclusive consumer research shows that as far as the governmentâ€™s plans to reduce smoking rates are concerned, the ban has things moving in the right direction. Indeed, one in three (33%) regular smokers now smoke less when they are out. But despite this, one in five (22%) smokers feel that the ban has disrupted their socialising and 16%, or some 2 million adults, say that they are now actually going out less.

"The attitudes of smokers to the ban are not as negative as they could have been. But the fact that even a small percentage are going out less now will prove critical to some venues. Those that are being worst hit are bingo halls and the smaller independent, more traditional pubs because their customers are amongst those who are most likely to smoke," comments Helena Spicer, senior leisure analyst at MINTEL.

Stubbing out the bingo industry?
In the hospitality trade - pubs, nightclubs, casinos, betting shops and bingo halls - it is British bingo that is suffering the most at the hands of the ban. MINTEL estimates that between 2007 and 2008 alone the bingo market will decline by some 12% to be worth less than Â£2.5 billion. This is in sharp contrast to the 24% increase seen between 2004 and 2005, the industry's most recent growth peak.

What is more, over the next year admissions are set to drop 8% as many bingo players choose to stay at home instead. As a result, the Bingo Association further predicts that around 200 bingo halls are likely to close in the near future, with small local ones set to be worst hit.

"The smoking ban has meant that many players simply stay away from bingo halls, or if they do go, they head out during the intervals for a quick cigarette. As the intervals were a time when many bingo halls subsidised earnings by selling refreshments, this trend has left a huge dent in takings," explains Helena Spicer. "As well as the smoking ban, the Gambling Act of 2005 includes licensing changes that have had a drastic affect on the market. If the industry doesn't come up with new ideas, British bingo could soon be a thing of the past."

Last orders
Drinking pubs are also set to be badly hit, especially if they have no outdoor space. Their most regular customers are likely to feel alienated and for them the pub experience will have changed forever. But the pub industry as a whole will be boosted by the ban's positive impact on more up market pubs, on those serving food and on those with an outdoor space, as smokers and non-smokers alike will flock to these establishments.

"For those pubs that it hasnâ€™t sounded the death knell for, the smoking ban has forced them to re-evaluate their business. Although this was painful at first, in the long run it has prompted positive moves for those that could survive the initial onslaught. It has undoubtedly fuelled profitable trends such as the blurring of the lines between a pub and a coffee shop," comments Helena Spicer.

Casinos and nightclubs will not feel the pinch too much as the Gambling Act and rising admission prices respectively will compensate for any losses.

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