

Boston-based sports bars are popular and in high-demand. But why? - by Dennis Serpone

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Domestic and international sports are the escape that our society craves.

With the ability to watch the soccer finals in Europe, rugby in Australia, golf at St. Andrews, the Pats winning the Super Bowl, the Bruins fighting their way to the Stanley Cup, and of course, the Red Sox frequently taunting 'the curse of the Bambino', sports of every ilk have become part of our DNA.

Much like other segments of the food/liquor industry, for the past year, there's been story after story lamenting the sales declines, the cannibalization of full-service buy fast casual, and the enormous staffing challenges that face all operators in the current economy.

Nationally, this decline has been particularly hard on sports-themed operators as we have seen several high profile bankruptcies and worse-than-market sales reporting from some of our biggest players. However, all sports, like all politics, is local. Where else in our fabulous country can you find four world-class championship teams in one city? It's almost like, "We won the championship last year, this year let's get the glory to the Red Sox this year." What does all this mean for the future of the "sports bar"...are you kidding me?

Selling liquor, next to selling coffee, is the second most profitable God-given product...a product that has been a part of our lives since the Jamestown Colony.

With the proliferation of these mammoth TVs in bars, with the advent of hundreds of draft beers, craft beers, and creative cocktails featured at these watering holes, sports bars are still the demand of profit -seeking restaurateurs. Heavy on the presentation of the sports-infused atmosphere and modulated with pub-style food, sports bars will always be in demand and will hold their value.

The sales performance of full-service restaurant and casual dining operators has been declining steadily for a while due to competition and home delivery. In general, that entire segment is

experiencing a shift in consumer tastes but it's hard to beat the camaraderie and excitement of watching sports in at social atmosphere.

Check out the activity at any of the Yard House Restaurant, King's Lanes, Tony C's, and The Fours to name a few.

Conversely, whether you have a CEO's claiming that discounting was a problem, too much competition diluting the market, or a new consumer class (Millennials) that haven't fully embraced sports beyond their college teams, everyone is scrambling for that evidence of sales growth and loyal customer participation.

That said, it's likely that the pervasion of available ways to consume games is also a factor either growing or diluting the attendance at sports bars. Folks that want to watch their favorite teams are no longer forced to a restaurant; they have their own HD device right in their pocket.

You would think that the pervasion of these huge flat screens at incredibly cheap prices would impact traffic. When you are competing with someone's living room, you can't beat them on price or convenience. However, dining out, being with others is a compelling reason to go to a sports bar. It's not just watching a game or two, it's about the social experience. Would the average guy go to Hooter's to watch a game...probably? It's a social experience.

Suffice to say, the times they are changing. With the advent of the sports bar that I've named above, the industry hasn't evolved much from its beginnings in the late-1980s to now. Menus are predominantly the same with a focus on wings, pizza, fried foods, and less than creative fare. No it's not meant to replace fine-dining...it's casual food, in a casual atmosphere.

While sports bars have evolved from their early beer offerings, many are still delivering our established favorites, the mix of national production beers with the enhanced offering of "craft beers and flavored spirits." The 'Millennials' as a group seem drawn to Sam Adams and Sierra Nevada as a compliment to watching sports at a sports bar. To pick a group that is augmenting the Gen X-ers and the Baby Boomers, Millennials are surely having an impact. The generation is basically the sweet spot for sports bar demographics, 20-39 year olds.

Millennials will likely set the tone for years to come as a base for sports bar attendees. Sports bars and pubs need to tailor their operation to satisfy them; ignored or not catered to and they'll likely see sales decline as Baby Boomers become older and live on fixed incomes, and Gen X-ers are busy raising families.

With all the channels for sports, it appears that sports bars are at the peak and should be, as a solid competitor for the discretionary spending of sports enthusiasts for years to come..

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