

Goodbye cinema...

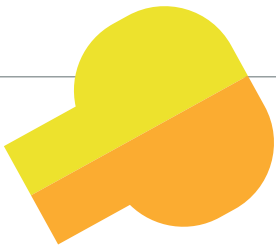
...hello hospitality & catering

Mark Trompeteler questions the extent the exhibition industry is moving away from being part of the traditional film industry towards being part of the hospitality business



ONCE YOU HAVE SIPPED your Martini in Tinseltown's oldest restaurant – the Musso & Frank Grill on Hollywood Boulevard – take a look at the wall at the back. Hung up there you will see a 1926 menu extolling the virtue of crossing the road to Grauman's Egyptian Cinema to watch a film. It's point to reflect on – as a relatively older cinemagoer I can still remember

from childhood elegant cinema tea rooms and restaurants that existed in the 1950s in grand cinemas built back in the 1930s. Cinemagoing, drinking and dining have been closely associated since the beginning of the movies. There was a period when cinemas were converting to multi-screen



venues that eating and drinking took a less important role but today it seems, more than ever, that cinemas and hospitality and catering are inextricably linked.

The foresight of Daniel Broch

Ten years ago I met and interviewed Daniel Broch, then CEO of Everyman. Daniel originally bought a run-down, slightly exclusive but failing “art house” site, the Everyman Cinema Hampstead. He turned it into a profitable non-exclusive boutique cinema that provided a new experience in an affluent part of London. In 2009, the Everyman Group consisted of eight cinemas with 13 screens. Several of his statements to me at the time remain in my memory: “I have a background in property, but foremost I think of Everyman as a hospitality company”; “It is basically for people who want to go out, in the easiest way possible, have a nice time and go home. That is the base requirement that at a day-to-day trade level we deal with”; and “What we try and do is put all the component parts together to give an experience that the customers can connect with and see value in. That is what we do as a company”

Today’s Everyman

A decade on and under a new CEO, Crispin Lilly, the Everyman Group has 22 cinemas and 69 screens, and is a publicly listed company. The formula of refurbishing city centre venues, reducing the amount of seats and replacing them with fewer luxury versions, adding much-improved drinks, snacks and dining, has led to higher occupancy and takings. The brand is about luxury, hospitality and catering and giving patrons the feel of a high-end experience: a central value of the hospitality industry.

Going to an Everyman is not inexpensive. At Hampstead, a standard ticket costs £16.90 with the signature Everyman armchairs and sofas costing £19.90 each. This is the base expenditure per person. Add drinks and food on top, and you can see why the luxury and hospitality approach is attractive to exhibitors. The “Financial Times” reported in April that Everyman was charging more than double the average entry price across the UK last year, according to data from the UK Cinema Association. The article went on to state: “Despite the expense, Everyman’s audiences have swelled. They climbed almost a third in 2017 alone, from just shy of 1.7m in 2016 to more than 2.2m. That represented a slowdown from the previous year, when Everyman boasted annual admissions growth of 40 per cent. The

Airline Cinema?

Cinemas have adopted strategies employed by the airline industry to maximise income in a given space. By stratifying the classes of seating and comfort, and increasingly by pricing dynamically according to demand, cinemas can maximise income. The different levels of hospitality and catering provision are fast-becoming an integral part of the offering.

The changed nature of modern cinemas is underlined by a “This is not a cinema” short visual promo screened recently in Vue Cinema’s auditoria to promote event cinema screenings. Cinemas

now can be venues: a racetrack, a concert hall, a theatre, a boxing ring... and a restaurant.

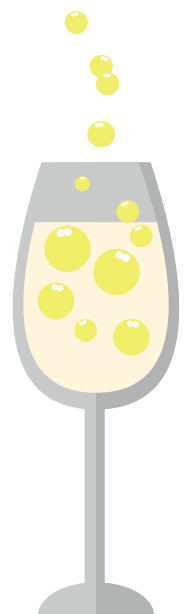
No-one in exhibition is unaware of the imperative to maximise the food and beverage spend. This is ironic given that new-build venues take into account locations not only high footfall and transport availability, but also the immediate proximity of actual or proposed catering and drinks establishments. Independent cinemas such as Zeffirelli’s, Everyman and Curzon’s focus on luxury have collectively bolstered the move towards better on-site hospitality and catering.

company reported a compound annual growth rate in its revenues of 37 per cent between 2013 and 2016, earning it a spot in this year’s FT 1000 list.” The Financial Times feature quoted Everyman’s CEO as stating; “First and foremost, we are about doing cinema really, really well, and about getting people to fall in love with our venues, Value for money is important. Value for time is actually even more important.”

Odeon Gallery and Lounge

The boutique cinema share of the UK box office is tiny compared to the bigger chains. Despite the niche aspect of Everyman and those like it, their luxury approach is reflected in developments elsewhere. Odeon recently has been offering a “Gallery” class of experience based around an improved catering model. Its impressive “Lounge” class is currently available only at Whiteleys, Bayswater, London, and is strictly for over-18s only.

Odeon “Gallery” has been available at Cardiff, Greenwich, Liverpool One, Metrocentre, Milton Keynes, and Norwich. For an upgraded ticket price customers enjoy extra-wide seats, added leg room, unlimited popcorn, nachos and soft drinks and, of course, a prime viewing position in an exclusive area of the auditorium. “Gallery” ticket holders can also enjoy a drink in the private bar before the film (some Odeons allow you to take alcohol into the screen with you). The “Gallery” is also usually only open to over 18s.





The Odeon "Lounge" concept is advertised as "Fine Food and Film" in the most exclusive and luxurious of settings. It combines a private bar area serving food and drinks, with a small, intimate screen where you can order food delivered straight to your seat. Customers can choose to eat in the bar or in the auditorium – discreetly delivered to your seat, whether during the trailers or halfway through the film. Waiting staff are on call throughout at the press of a button on the armrest – more airline cinema. Each table has a layer of soundproof material to ensure minimal noise is made as food is delivered. Every detail has been considered; even the plates are black to minimise distractions.

"The Odeon 'Lounge' concept is sold as 'Fine Food and Film' in the most exclusive and luxurious setting"

Are you sitting comfortably? The Everyman chain has led the charge in making cinemas luxurious

house an IMAX complete with the newly launched recliners.

Following a three-month refurbishment, Odeon Putney re-opened as Odeon "Luxe" Putney in December, complete with 333 recliners across all three upgraded screens. The cinema features a new Oscar's Bar serving alcoholic drinks, in addition to a re-vamped on-site Costa coffee bar.

The "Luxe" developments are not exclusively focused on London. Birmingham's Broadway Plaza has become the Midlands' first (and the UK's largest) fully reclining Odeon "Luxe" cinema. Complete with 1,264 brand-new seats across 12 screens, it has an iSense screen with 4K projection. Susan Harrison, general manager at the site stated "The experience we now offer guests, with handmade recliners,

Odeon Luxe

Based on their experience with "Gallery" and "Lounge", Odeon is rolling out its "Luxe" brand, too. December 2017 saw the launch of London's first fully reclining Odeon Luxe cinemas with Odeon Putney, Odeon Panton Street and Odeon Swiss Cottage in London all featuring luxury recliners with retractable tables and Dolby 7.1 surround sound throughout the auditoria. Odeon Panton Street was re-launched as Odeon Luxe Haymarket and the New Year saw Odeon Luxe Swiss Cottage become London's first Odeon to

triple the legroom and a new range of food and drink options, means our cinema is going to be at the forefront of entertainment for years to come."

The lifestyle choice

One would expect a listings magazine such as "Time Out" to include surveys on the six or 10 best cinemas in a city to go to for a meal, a drink and a movie, which it does. You realise however the significance of hospitality and catering to cinema venues when lifestyle-focused bibles such as "Vogue" start to include such features in their magazine. When that happens, you know the luxury experience has well and truly arrived!

In the next issue Mark flips the subject on its head to explore how hospitality and catering businesses are installing cinemas to offer an experience in competition with cinemas. **CT**

2.2m

Everyman's audiences climbed almost a third in 2017, from just shy of 1.7m in 2016 to more than 2.2m last year.



333

Number of recliners Odeon Luxe Putney has installed across all three of its upgraded screens

