

NEIGHBORHOOD BAR GROWTH GUIDE

A practical, evidence-grounded guide to building a bar people want to revisit; not a collection of gimmicks.

The central idea: sustainable bar growth comes from improving the guest experience, creating reasons to return, using underutilized capacity intelligently, and adding revenue streams that fit the bar's identity. The goal is not simply to sell the maximum amount of alcohol in one visit.

▲ SEC. 01

START WITH HOSPITALITY

Published research supports the idea that personal service behavior matters. In restaurant settings, personal aspects of employee service have shown stronger effects on customer satisfaction than purely functional aspects. [R2]

Question-asking research also found that people who ask more questions, especially follow-up questions, are better liked, in part because they are perceived as more responsive. A later independent audit correction reported that the substantive conclusions remained valid. [R1][RIC]

- Acknowledge guests quickly.
- Open a conversation instead of immediately reducing the interaction to an order.
- Ask one useful follow-up question when it feels natural.
- Make recommendations based on preference; not on which item is most expensive.

▲ SEC. 02

BUILD REGULARS, NOT TRANSACTIONS

More recent hospitality research has linked attentive service, feedback seeking, prompt service, two-way communication, and service effort with customer experience and loyalty. [R7]

STRANGER → GUEST → RETURNING GUEST → RECOGNIZED GUEST → REGULAR → ADVOCATE

▲ SEC. 03

USE THE FOUR REVENUE ENGINES

CORE HOSPITALITY

Better recommendations, better pacing, premium discovery, responsible service, recognition.

EXPERIENCES

Recurring activities, special events, leagues, creative nights, ticketed or sponsored programming.

SPACE & COMMUNITY

Private events, local partnerships, sponsorships, food-neighbor coordination, collaborations.

RETAIL

Merchandise, limited drops, local art/maker programs, glassware, giftable experiences.

▲ SEC. 04

MAKE THE BAR MORE ITSELF

Research on hospitality servicescapes shows that both the physical environment and the social environment affect customer perceptions, employee-customer interaction, and behavioral intentions. [R3][R4]

- A tiki bar should not program like a biker bar.

- A neighborhood dive does not need to imitate a luxury cocktail lounge.
- Invest in ideas the owners actually enjoy operating.
- Ask: does this idea make the bar more itself?

▲ SEC. 05

TEST BEFORE YOU SCALE

A useful management discipline is hypothesis-driven experimentation: test assumptions, gather customer feedback, revise, and scale only after evidence appears. [M2]

- Start a merch design with a small run.
- Test an event long enough to understand repeat behavior.
- Track direct revenue and catalytic revenue.
- Keep, modify, kill, or scale based on results; not enthusiasm alone.

▲ SEC. 06

WHAT LEADING BARS ILLUSTRATE

Overstory used a deliberately minimal menu to encourage bartender conversation. Jewel of the South describes hospitality around greetings, conversation, anticipation, and helping strangers feel at home. Superbueno pairs strong cultural identity with intentional lighting and an unintimidating atmosphere. Kumiko has been recognized for subtle, intentional care and community-building. [c1][c2][c3][c4]

Do not copy the tactic; copy the principle. The lesson is not "use a tiny menu" or "change the lights at 9 PM." The lesson is that the most celebrated operators design the guest experience intentionally and consistently around a clear identity.

▲ SOURCES

EVIDENCE & SOURCES

● RESEARCH EVIDENCE

peer-reviewed study

○ **MANAGEMENT FRAMEWORK**

established management literature

■ **LEADING-BAR CASE**

documented operator practice, not a controlled experiment

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- R1** ● **RESEARCH** Huang, Yeomans, Brooks, Minson & Gino (2017). "It Doesn't Hurt to Ask: Question-Asking Increases Liking." *Journal of Personality and Social Psychology*, 113(3), 430–452. 2025 correction issued; see RIC. **Source**
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- RIC** ● **RESEARCH** APA correction (2025): independent audit reported the paper's substantive hypothesis-test results and conclusions remained unchanged. **Source**
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- R2** ● **RESEARCH** "The impact of personal and functional aspects of restaurant employee service behaviour on customer satisfaction." *International Journal of Hospitality Management*, 66 (2017), 46–53. **Source**
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- R3** ● **RESEARCH** "The restaurant social servicescape: Establishing a nomological framework." *International Journal of Hospitality Management*, 74 (2018), 13–21. **Source**
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- R4** ● **RESEARCH** Kaminakis et al. "Hospitality servicescape effects on customer-employee interactions: A multilevel study." *Tourism Management*, 72 (2019), 130–144. **Source**
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- R7** ● **RESEARCH** Sattavorn & Khasasin (2026). "Impact of Japanese hospitality; Omotenashi; on customers' experiences and their loyalty to restaurants." *International Journal of Hospitality Management*, 133, 104523. **Source**
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- M2** ○ **FRAMEWORK** Blank, S. (2013). "Why the Lean Start-Up Changes Everything." *Harvard Business Review*, May 2013. **Source**
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- C1** ■ **CASE** Overstory, New York. North America's 50 Best Bars: Michter's Art of Hospitality Award 2022. Used a deliberately minimal menu to encourage bartender conversation. **Source**
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- C2** ■ **CASE** Jewel of the South, New Orleans. North America's 50 Best Bars: Michter's Art of Hospitality Award 2024. **Source**
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- C3** ■ **CASE** Superbueno, New York. Ranked No. 2, North America's 50 Best Bars 2024. **Source**
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- C4** ■ **CASE** Kumiko, Chicago. Michter's Art of Hospitality Award 2026; Best Bar in Midwest USA 2026. **Source**
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Interpretation note: hospitality and restaurant studies are used as evidence for general service and environment principles. They should not be read as guarantees of a specific

sales lift in a particular bar. Leading-bar examples illustrate execution patterns consistent with those principles.

Part of The Happy Thesis Co.'s free Bar Owner Resource Library. **Get in touch** if you'd like help putting any of this into practice.