

Beyond the Booking

Hospitality Tech Trends in 2024

How is technology shaping life and in restaurants, bars, and hotels and what solutions should businesses plan on using?



The digital revolution is already well under way (but there's still time to get ahead)

We are an industry in transition. Restaurants, bars, hotels, and event spaces are turning to technology to stand up to external pressures and drive more value from every service.

Hospitality businesses of all shapes and sizes have had to adapt over the past few years, to the pandemic, a credit crisis, and staff shortages to name but a few challenges. Plus, business pressures, like no-shows, that cost the industry over £12.6bn a year, remain a key concern.

While there have been external headwinds to face, many have recognised a need to change within their business in order to discover untapped customer value and more efficient operations - like restaurants transitioning from pen and paper to digital booking systems.

Hospitality technology has undoubtedly helped to progress that evolution, sometimes so rapidly you might call it a revolution. By the same token, the changing needs of hospitality venues have fostered a period of rapid advancement in technology's uses and capabilities.

During the pandemic, venues needed to adapt overnight to an entirely new landscape where contactless service and online orders became essential, as did the tools to facilitate them. In the current economic climate, the need to do more with less can be a matter of make or break for most businesses, which has seen a rise in demand for data analytics and integration.

Diners' demands and expectations have also changed, and will continue to evolve. As we've seen in previous Beyond the Booking reports as well as this one, a great experience comes down to more than cooking a great meal!

Every step from booking to payment, to communications with customers must be factored into a more personalised experience, with flexible menu options, bespoke offers, and of course, a seamless journey. Technology has already opened the gateway for that trajectory and it's where I expect we'll see the greatest advances in the coming year.

How is technology supporting your business currently? Importantly, how can it shape your strategy for 2024? We hope to help you answer those questions with the key findings from our latest study.

Colin Winning

Chief Executive Officer for ResDiary



In this guide...

In this report, we'll explain the latest trends in hospitality technology and tell the story of its gravitation towards the core of running a successful venue. We'll discuss what the most important systems are to operators and get feedback on them, with thoughts and opinions from almost 200 venue operators and nearly 600 diners from across the UK.

From the implementation and integration of EPOS and restaurant booking systems, to tackling staff challenges and keeping operational costs as low as possible, our report highlights how technology can help make your business more manageable and efficient. Most importantly, how can it help you drive more value from every booking.

Content

Hospitality technology in numbers	4	How is technology impacting on dining experience?	12
The current landscape for hospitality technology	5	<ul style="list-style-type: none">• A divide in diner opinions on tech use	13
<ul style="list-style-type: none">• How venues feel about their technology right now	7	<ul style="list-style-type: none">• What don't diners like about technology?	14
<ul style="list-style-type: none">• The power of combining technology systems	8	<ul style="list-style-type: none">• What are diners looking out for?	15
<ul style="list-style-type: none">• Reducing the pain and cost of no-shows	9	<ul style="list-style-type: none">• What can venues do with this information?	16
<ul style="list-style-type: none">• How much do venues spend on technology?	11	It's time to plan your tech strategy for 2024	17
		<ul style="list-style-type: none">• Whether to stick or twist with new technology?	18
		<ul style="list-style-type: none">• What's most important when choosing a new system or upgrading?	19
		<ul style="list-style-type: none">• Make the choice that fits your business	21

Hospitality technology in numbers



Nearly half (63%) of hospitality venues believe they already have the software solutions t (63%) of hospitality venues believe they already have the software solutions they need.hey need.

Interestingly, over a third (37%) of the venue operators we surveyed believed they may not have what they require - 20% know they don't have the systems they need and 17% aren't sure.



Almost a third (30%) classed themselves as early-adopters of tech, always on the lookout for the latest solutions.

These respondents said they would be keen to adopt and implement the newest tech as soon as it's available. Most respondents (57%) prefer to bide their time and allow others to test them out first.



Staff requirements were the catalyst for a third of venues to adopting new tech.

Customers at (28%), and competitors (20%) were the next most important factors in driving tech adoption. This proves that there can be multiple stakeholders in your decision to adopt a new system or replace an old one.



Budget was a primary concern for nearly half of venues when considering new tech.

It's natural for costs to be a chief concern for any business and this was the top reason given for hesitancy towards new tech. 40% said they lack the time to focus on it, while 35% said they were put off by the need to learn about a new or updated system.



Almost all venue operators believe reservation software is important.

This report found that booking systems, EPOS, and table management systems were among the most essential tools for businesses.



Nearly two-thirds of venues said their reliance on technology will increase in the next 12 months.

Almost half (46%) expect their budgets for technology to also increase during that time.

The current landscape for hospitality technology

Our data shows that most restaurants, bars and hotels already rely on technology to help run their businesses. This is good news, as the right systems can indeed help to exponentially improve your operations and build a more sustainable business.

When it comes to making sure they can provide the optimum service, 95% of respondents describe booking and reservation software as being important, while 77% believe it to be very important – the most important of all technologies, in fact.

Unsurprisingly given venues can't operate without it, an EPOS system was the next most vital of technologies, with 91% saying it was important (65% saying very important).

Which systems are currently very important to hospitality venues?

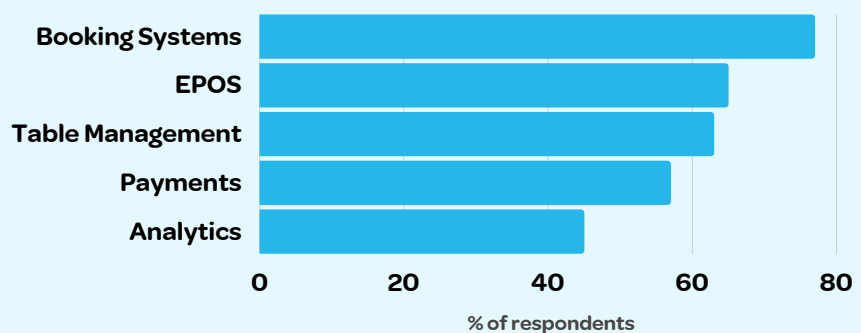
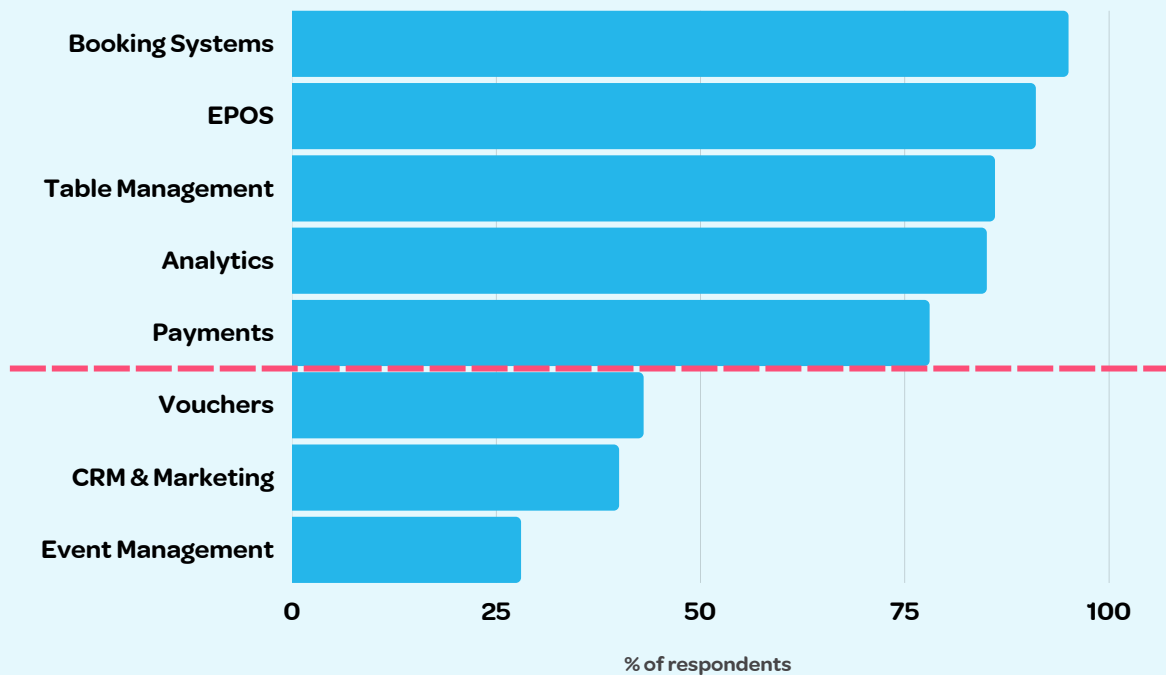


Table management was next up at 86% (63% very), payments at 78% (57% very), and analytics at 85% (45% very). The good news for ResDiary customers is that these essential functions can be covered by your booking system!

There is also a trend towards the use of tools for creating vouchers (43% at present), CRM and marketing (used by 40%), and event management which is used by just over a quarter of venues (28%). This shows that venues are exploring other avenues and taking a more direct approach to attracting bookings and bringing in revenue through targeted campaigns and special offers.



Which systems are currently important to hospitality venues?



Above the dotted line

These systems are essential to everyday operations, hence why they're important to most businesses. Analytics is especially prevalent as this shows a shift towards more data-led thinking from venue operators.

Below the dotted line

These on the other hand could all be linked to marketing and sales, which shows how some venues are working proactively to grow their booking and revenue opportunities - and how more venues could do the same!

Take Action



Are you in front or behind the curve?

How does your current tech stack compare to these results?

Other venues are already benefitting from the functions and data they provide

Make a list of the ones you don't use and do some research into how you might benefit from them

How venues feel about their technology right now

We've seen that most hospitality businesses rely on technology to help with their day-to-day operations, most importantly where bookings, payments, and table management are concerned. Next, let's look at how they feel it is serving them.

Nearly half (43%) of hospitality venues believe they already have all the software solutions they need, over a third (37%) may not have what they require. Interestingly, 20% in the latter category know they definitely don't have what they need.

43% of hospitality venues believe they already have the software solutions they need, while 37% may not have what they require.



Overall it seems that hospitality venues are currently being well served and supported by their technology systems. As one respondent said, "Most technology helps to make operations more efficient."

More efficient operations means good news, especially for restaurant, bar, or hotel staff who should be spending as much time and focus as possible on what they're best at, providing an amazing customer experience. We'll highlight other key areas in which systems such as booking software, table management systems, CRMs, promotions, and deposit payment tools are being used to support venues shortly.

But a third of people feel unsure about whether their current set-up is providing the value they need, which is a sign that urgent assessment and future-proofing may be required. As we've suggested above, conduct an audit of all your current systems and ask:

Take Action



- 1. Are they helping your staff run a smooth and efficient service?**
- 2. Do they make it easy to gather and process information (such as bookings)?**
- 3. Do they work with other systems to create a better workflow?**
- 4. Are they working for your business or holding you back?**

The power of combining technology systems

We've seen that while most venues use essential systems, like a table booking system, a large proportion (50%) are utilising other tools to drive bookings and revenue. But what happens when you combine these tools together?

The role and importance of integration is growing; almost half (47%) of our respondents said it would be an important factor in determining their tech choices in the future. Not only can it create better workflows for your staff and customers, it can also be a catalyst for gathering, managing, and analysing vital data more easily.

Here are two great examples of hospitality businesses utilising the power of combined systems to boost their bookings and their productivity - not to mention nurturing their customer experience too.

ABOE, Bristol



The challenge

Attracting bookings to a new independent venue and increasing off-peak bookings to maximise revenue.

Systems used

A third-party booking platform for discounted bookings and ResDiary's booking system.

Results

A large chunk (around 17.5%) of ABOE's bookings still come through First Table and go straight into ResDiary. 92% of these are from new customers, which means almost every new booking is growing their customer database.

[Read the story](#)

DRG Group



The challenge

Transitioning to tech while scaling up (both in revenue and the number of sites), and managing bookings more efficiently.

Systems used

ResDiary and a CRM system

Results

50% of their bookings are currently made online across the group without any effort from their central booking team. They are also able to analyse trends and plan strategies for promotions well in advance - planning for the festive season as early as January, for example!

[Read the story](#)

Reducing the pain and cost of no-shows

One area that pretty much everyone can agree on is the peril and pain of dealing with nuisance no-shows. But it seems that is the case with diners as well as venues.

They will always be a hot talking point for hospitality businesses. Our [Beyond The Booking UK Hospitality Industry Report for 2023](#) found that in just the first two months of this year, 5% of confirmed bookings resulted in no-shows, costing the average restaurant £1,325 - at that rate they'd be losing almost £8,000 per year on average!

But it would appear the message is getting through to venue operators and the measures implemented are having a positive impact on diners.

Almost two-thirds (62%) of consumer respondents are happy to provide their details to secure a table booking.



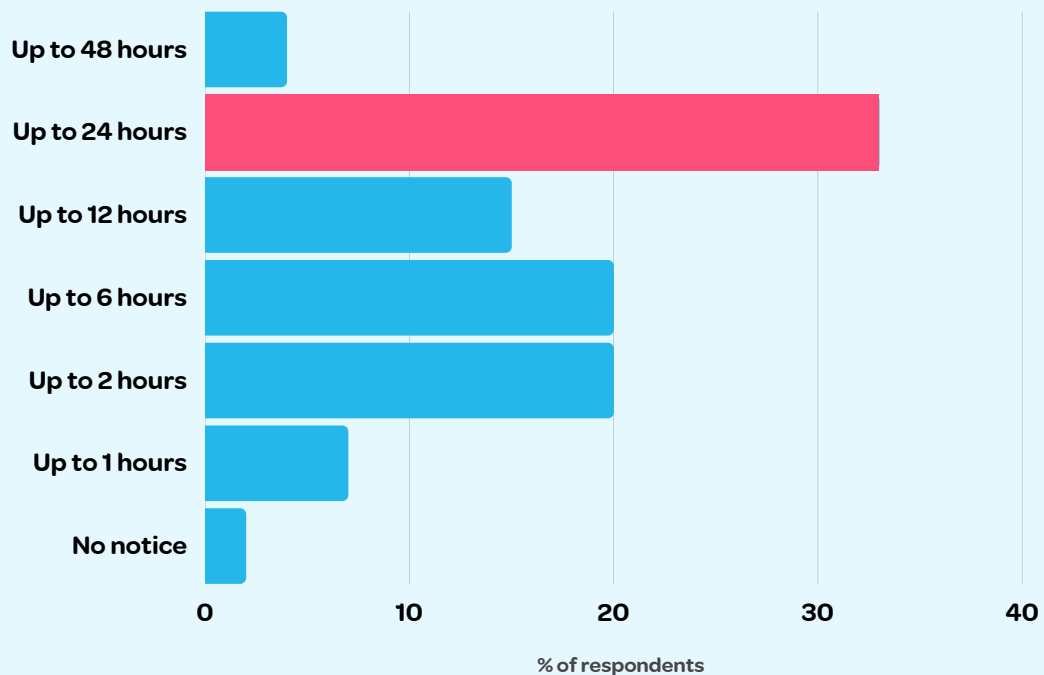
There is widespread appreciation among diners of the requirement for card details when making a reservation online – significantly, almost two-thirds (62%) of consumer respondents are happy to provide their details. One of the top reasons given was to help combat the impact of no-shows, and an acceptance that it's just a part of making a reservation nowadays, much like finding a menu online and deciding what you'll have before you go.

It could be argued that the rise of online bookings (ResDiary alone processed 75 million in 2022 compared to 64 million in 2021) and the utilisation of technology to automate the deposit process has helped to foster this change in attitude from diners - with booking reminders and easier cancellations now readily available.

While the safety of payment details remains a concern for many diners (47%) it's worth noting that ResDiary allows you to securely store credit card details, apply no-show charges, accept a deposit, or take full payment up-front via Stripe.

[Find out more about how restaurants are trying to reduce no-shows](#)

What's the minimum amount of notice that diners think it is fair to provide to avoid losing a deposit?



The pink line

As you can see the majority of customers (33%) believe that up to 24 hours is a fair window for cancelling without losing a deposit, as the majority think less than 12 hours notice is fair.

Below the pink line

However, there is still a significant of people who believe that a shorter window of less than 12 hours is acceptable - which wouldn't give venues much time to re-sell their table.

Take Action



Get clear on deposits and cancellations

A cancellation policy is essential for managing deposits and no-show diners

Set your rules for cancellations and make them clear to users whenever and wherever they book

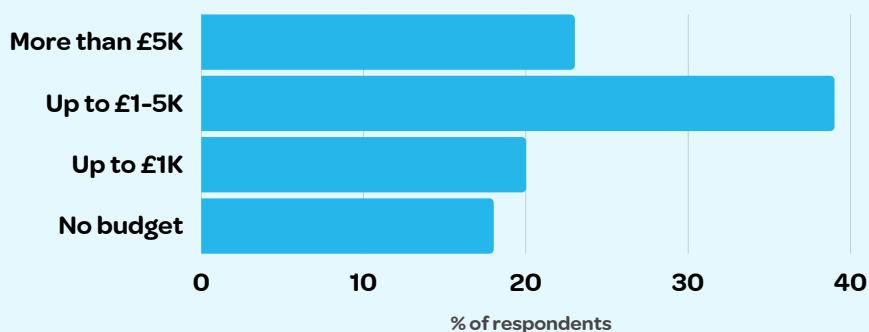
Utilise tools like ResDiary to handle cancellations and deposit payments for you

How much do venues spend on technology?

Finally for this section, costs are of course a concern for all businesses and will continue to be in the next year. In fact, almost half (49%) said it was a concern about technology specifically. But what impact are budgets having on how venues adopt technology?

Overall, more than a third of operators (39%) spent up to £5,000 over the last year on hospitality tech solutions, with almost a quarter (23%) spending more.

What did venues spend on tech in the last year?



As you might expect, the size of your operation had an impact on budgets and spend. Almost half (45%) of respondents from independent venues spent up to £5,000 on tech. While – perhaps not surprisingly – groups made up the largest proportion (36%) of operators who spent more than £5,000 – just 16% of independents were in the bracket for that amount.

At the other end of the scale, there wasn't a huge difference between respondents from independents and groups who had no budget (8% and 9% respectively), and those that had less than £1,000 (31% and 27%).

How does your budget compare and importantly, are there currently any costs in efficient operations or commission fees that could be reduced in 2024?

Almost half (46%) of venues are expecting their tech budgets to increase over the next 12 months.



How is technology impacting on dining experience?

We've seen what hospitality venues think of their technology usage, now let's flip over to find out how customers feel about it's impact on their experience when dining out.

Almost two-thirds (60%) say technology will impact the dining experience more in the future, and the outcome will be positive. For context, positive predictions included things like technology "usually making everything quicker and easier" and "it being the way forward and part of everyday life".

Conversely, 31% agree it will impact it more but suspect the outcome will be negative. We'll address some of those concerns shortly. But first, we'll take a closer look at how customers are interacting with hospitality tech as part of their journey from booking to payment.



93%

Most diners booked online in the last 12 months and 81% said it was easier



75%

Three-quarters said it made it easier to cancel or edit their booking



88%

Almost 9/10 prefer to book directly on a restaurant's website



65%

Almost two-thirds use third party platforms like Google and Dish Cult



55%

More than half have used their phone to order food from the table



60%

Almost two-thirds agree it has made it easier to pay for their meal

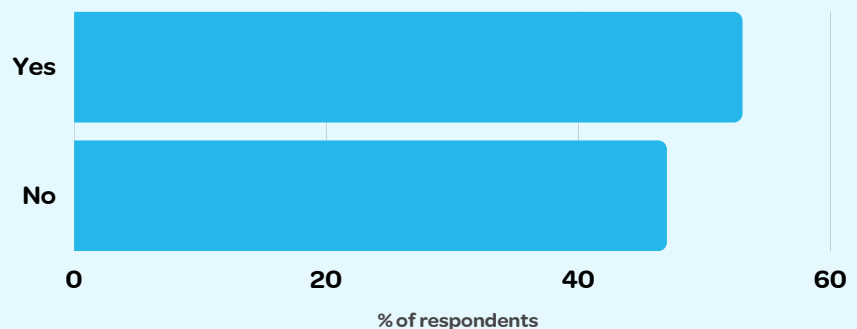
A divide in diner opinions on tech use

It would be simplistic and foolhardy to come to conclusions based on the overall findings from our diner survey, as there were some interesting divisions in opinion among different demographics - especially where age is concerned.

When they were asked if restaurants should focus more on ways to use technology, there was a fairly equal division of opinions; 53% said focus more and 47% said they should focus less.

However, if we look at the generational split, 67% of those in the 25-34 age group said it should be used more, and 55% of over-55s say it should be used less.

Should restaurants focus on more ways to use technology?



Another good illustration of this demographic divide occurs in preferred payment methods too. We mentioned that just over half of respondents (55%) have used their phone to order food from the table, and over a third (37%) of people that have used a digital wallet to pay for their meal - only 10% prefer to use cash.

That figure changes from 69% for 25-34-year-olds to 45% for those aged 55 and over. But when we break that down into age ranges, it swings to 65% for 25-34-year-olds and drops to 29% for those aged 55 and over.

Why demographics matter

As you see, there are vast differences among customers opinions on the acceptance of technology as part of their dining experience. Most restaurants will maybe conclude that this data suggests they need to be more flexible in the service they provide using technology - giving customers plenty of options in how they can order and pay.

One thing's for sure; knowing your customer base will be important to your strategy - your booking system and CRM data can help here. If your restaurant attracts more diners of a certain age, it may be wise to tailor your service (and use of tech) to suit their needs.

What diners don't like about tech

Despite the growing prevalence of technology as part of the dining experience, there were some concerns about its impact that our customer survey respondents largely agreed on.

Almost two-thirds (64%) believe human-to-human interaction is becoming diminished by technology, to the detriment of the whole experience. Indeed more than half (53%) worry that technology could start to replace people.

What could this mean for your business? While we're probably a long way off robot waiters being widely used just yet, this does prove how important the personal touch is to your customers. With that in mind, while you may not be investing in replacing your staff with technology, you should find solutions that reduce distractions and unnecessary admin for them. This will enable them to spend more time with their customers and focus on providing that great service.

More than half (53%) of diners worry that technology could start to replace people.



Almost half (45%) of diners worry about the security and privacy of their data. When you consider just how much customer data you process and store, it's important to keep their security, and importantly, their trust, front-of-mind.

With that being said, there is a willingness from diners to hand over their information; 60% said they received or opted in to receive digital marketing from their favourite venues or sharing card details to secure a table booking, as we've already mentioned.

This proves that venues must ensure they're adopting secure solutions from reliable and trustworthy providers, especially where GDPR and payment data are concerned. They must also be transparent with diners in how their data is used and managed.

You can rely on trusted systems like ResDiary to help store and process your customer data because we are fully compliant with GDPR and our payment partner, Stripe, is PCI compliant.

What are diners looking out for, and how can tech help?

Finally for this section, let's explore what diners said they'd expect to see or would at least like to see when they visit their favourite venues or try somewhere new. These may be important in shaping your strategy for 2024.

We found some interesting opinions on what diners wanted more of or what they want to add to their experience. But perhaps more what's more fascinating is the disparity between their opinions and what venue operators thought, as you'll see in the key highlights below.



50%

Half of diners like being able to purchase digital restaurant vouchers as gifts for others



66%

Two-thirds of venues said they didn't think takeaway ordering was important to them



73%

73% said they'd like to be able to earn loyalty points when they're dining out



42%

While less than half of venues use solutions for creating and selling vouchers currently



66%

Yet 66% of diners want to be able to do just that! The figure rises to 85% for the 25-34 age group



43%

While less than half of venues agree they need some sort of loyalty scheme to succeed

58% of venues agree that order at table is not important.



Yet 46% of diners aged 25-34 say they like being able to order via a mobile phone

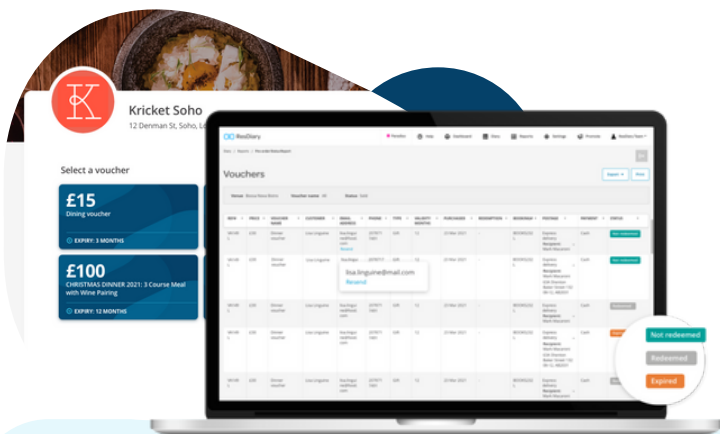


What can venues do with this information?

You only need to look at the discrepancies above to see where the opportunities are for your business to gain an edge over your competitors just by giving your customers what they want.

- Gift vouchers could be a great way to add value and attract new customers to your venue - everyone knows that diners are likely to spend more on drinks and extras when they're meal has already been paid for. Could you make better use of vouchers to boost your revenue?
- Online orders appear to have stuck around in diners' minds since the pandemic, but many venues seem to have forgotten them. Could you be missing out on vital revenue in not offering this as an option? It's worth noting as well that 50% of all diners don't just want to see a takeaway option - they expect it!
- Lastly, when we look at customer loyalty, there is obvious demand from diners to be rewarded for revisiting their favourite restaurants, bars, and hotels regularly. Three-quarters (73%) said they'd like to be able to earn loyalty points when dining out. That figure rises to 83% for the 25-34 age group.

Remember, long-term relationships and loyalty are key to customer value, so give them a reason to come back and be delighted by your service again and again.



Take Action



Could vouchers be a quick win?

You can create and manage vouchers directly in ResDiary

Then you can use an integrated CRM to promote them to your customer base

Track voucher activity and sales in ResDiary and plan for your next voucher campaign!

It's time to plan your tech strategy for 2024!

Technology is firmly planted in the everyday running of hospitality businesses nowadays and it's shifting ever closer to the heart of their strategy and operations.

As your needs and the functionalities of hospitality systems are ever-changing, it's a good idea to audit your current set up, assess your systems, and strategise at least every 12 months - or when your business undergoes major changes.

In this final section, we'll provide helpful tips to help you choose the most important systems that may be missing from your current stack or needing updating - perhaps you're even missing one of those essential systems like EPOS or restaurant booking software.

We now know that other venues are already planning to spend more on tech in 2024 and be more reliant on it. So, we'll also share some interesting findings on what they're are looking for in new solutions, as well as where they go to find information on the best tools.

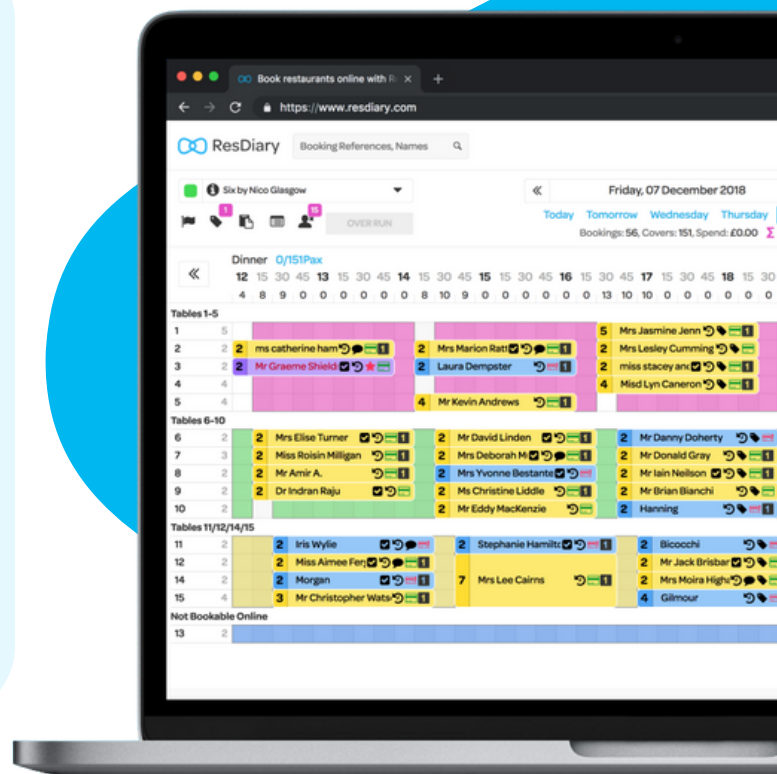
Motivators for choosing technology

Nearly two-thirds (60%) of hospitality venue operators said their reliance on software solutions will increase in the next 12 months.

Respondents cited the most important factors when choosing new solutions were:

- ease of use
- reliability
- the ability to integrate with other solutions

These are things you are likely to consider when planning your own changes.

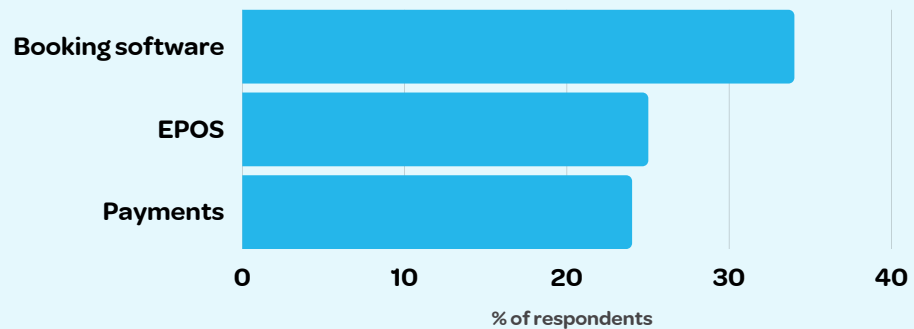


Stick or twist: Some venues are looking to leap ahead with tech while others wait and see

Almost a third (30%) of venue operators indicated they would fall into the bracket of someone who's always on the lookout for the latest advances in tech - you might even call them 'early birds'.

But there's a fine line between gaining a competitive edge with tech or making a costly error in your choice or the implementation of new systems. That's probably why more than half (57%) prefer to bide their time before signing up for any new systems. When that figure is broken down, over a third (39%) only adopt new tech once it's clear there is significant general support from industry peers.

Solutions upgraded or introduced in the past 12 months



Of course, being part of this cautious group can come with its own pitfalls, especially when caution becomes complacency - just ask the 20% who know they don't have the systems they need and see what happens if things stay that way.

With that in mind, below are some helpful hints to help you stay on the right path in addressing your tech needs and even gaining an edge over your hesitant competitors, all while applying just the right amount of caution to protect your interests in the short term and the long term.



What are the most important things to consider when choosing a new system, or updating an old one?

Consider these key questions on technology for your venue, whether it's about your current system that might need upgrading or a new solution you're considering.



Does it move the needle?

Everything in business must deliver ROI, whether it's a new member of staff, piece of kitchen equipment, or software. We found among our group of more cautious venues, that a third (34%) believe new technology won't make a tangible difference to their operations.

With software, it should be fairly easy to calculate what the ROI is, based on analytics within the platform and the cost of your subscription. If you're introducing a brand new system it can be trickier. But you can try determining how much revenue you're potentially losing or missing out on without it, and set that as a benchmark for what the new system should aim to recoup.

47% of venue operators will choose a system based on its ability to integrate with other systems.



Is it workable?

Ease of use is the most important factor for those looking to choose a new solution, with just over half (54%) of respondents placing this at the top of their list, just ahead of reliability (53%). Hospitality technology by its nature is meant to be designed to make life easier for you and your staff – as well as your diners!

That's why it's also worth considering whether it has the ability to integrate with other solutions, which almost half (47%) said this was important. We've talked about the power of combining your systems to create smoother workflows and share vital data, and this is why many customers chose us.

[Check out ResDiary's 60+ integrations](#)



Is it trustworthy?

Trust counts for a lot in our industry, as we often need to rely on others to help us. That's why responsive customer support (44%) and ease of implementation (35%) both scored highly as important factors when choosing a new system. Interestingly, clear, transparent pricing was ranked highly by more than a third of respondents (35%). Take EPOS and restaurant booking systems as examples, where commission fees can go under the radar at first but can quickly rack up when you're busy.

52% of venues ask colleagues and industry peers about recommendations and advice on new technology.



Who needs it most?

The requirements of staff were most important in driving our respondents to research new solutions (33%), followed by customers (28%), and a fifth (20%) said it was their competitors.

This proves that there can be multiple stakeholders in your decision to adopt a new system or even replace an existing one with something that's more up to date. While keeping an eye on the competition is certainly a good idea, the results show it's important to consider the needs of those who are closest to your business matter most in keeping it alive, that's your staff and customers!



Who to ask for advice?

We've learned that it's okay to ask around when researching new solutions. Our data shows venue operators are most likely to consult colleagues (52%), peers (49%) and online user reviews / testimonials (46%), with a quarter (24%) of respondents saying the view of peers was most important to them.



Make the choice that fits your business

That concludes our latest report into hospitality technology to help you plan your strategy for 2024.

While there may be a lot of different data to digest in this report, the conclusions for hospitality venue operators are clear. Technology is already having a major impact on the every day running of restaurants, bars, and hotels. Most venues, nearly two-thirds (60%), also said their reliance on software solutions will increase in the next 12 months, as will their budgets for technology.

Venues are driving to do more with less and release their staff from the burdens from unnecessary admin, so they can focus on delivering an amazing and more personalised experience to their customers.

Speaking of customers, there are obvious differences in opinion among different demographics on tech that you must consider when introducing new ideas that could affect their experience - younger diners (aged 25-34) are more open to things like ordering and paying at the table, for example.

Some venue operators may be surprised to see diners opinions and expectations on takeaway meals, gift vouchers, and loyalty schemes. But these are all areas where you can gain an edge over your hesitant competitors if you act in the best interests of your diners.

Conduct an audit of your technology systems today to figure out where the gaps are and where gains could be made with a new or updated solution.



We're ready to help grow your business

Speak to our team to find out more about ResDiary or [book a demo today!](#)

Thank you

We hope you've taken away some useful tips on choosing and implementing the best solutions into your hospitality business. Naturally, we would love to chat further about your needs to find out how ResDiary can help you should you have any questions at all. We'd also like to thank everyone who took part in this important survey.