GO TECHNOLOGY

Insight by Zonal, Powered by CGA by NIQ

People vs Tech: what guests want in 2023

Consumers' latest attitudes to using technology within hospitality, and how venues can strike the right balance between digital solutions and personal interaction.

Zonal

CGA Powered by NIQ

GO Technology Report, July 2023

People and tech in hospitality: key numbers

55%

Of consumers think **a balance between technology and a human touch delivers the best hospitality experiences**

50%

Say **speed is a main reason tech enhances their experience**—the top factor

73%

Say **personal interaction is a main reason human contact enhances their experience**—the top factor

60%

Prefer to get **booking reminders via tech** (v 13% who prefer human contact)

41%

Of those **who eat out at least weekly** prefer to use technology in hospitality

£114

Average monthly spend on eating and drinking out among consumers who prefer technology (v £90 among those who prefer human contact)

50%

Of those who **prefer technology to human contact** are aged 18 to 34

56%

Think venues should not use robots for repetitive back-of-house tasks (v 18% who think they should)

Digital engagement and the personal touch

Technology has become firmly embedded in the hospitality experience. Nearly one in six **(16%)** consumers surveyed for this edition of GO Technology believe digital solutions enable and enhance the best visits, and just over half **(55%)** think the best solution lies in a balance of tech and human interaction.

This represents a major evolution in attitudes to tech—especially since COVID-19. GO Technology research from 2020 showed that **43%** of consumers had used apps or other solutions to order and pay in the months following hospitality's post-lockdown reopening—double the number who did so before the pandemic. The fact that **71%** now prefer to use technology either exclusively or in tandem with human interaction shows how many guests have continued their digital habits since the end of COVID restrictions.

Approaches to interactions via tech and human contact have become neatly split: between their tasks outside a restaurant or pub; and steps they take while inside (see box). For example, nearly half **(47%)** would prefer to make table bookings via technology, while even more want to be able to cancel bookings **(51%)** or get reminders without having to contact someone **(60%)**. Once they are through the doors, it's a different story, as nearly three in five consumers want to place food orders, settle bills and leave tips in person.

In practice, the division of preferences isn't quite so straightforward. Many people still want to complete pre-visit tasks offline, like general enquiries **(33%)** and booking tables **(25%)**. Likewise, a minority prefer to use technology to place orders or pay bills.

This highlights the importance of choice. Going too far in either direction—whether by withdrawing human interaction completely, or failing to offer enough alternative options—risks alienating sizeable proportions of potential guests. To keep both sets of consumers satisfied, the solution is to offer not just one or the other but both.

Four tasks consumers prefer to do with technology...

1. Being reminded about a booking **60%**
2. Cancelling a booking **51%**
3. Making a booking **47%**
4. Making a pre-visit enquiry **35%**

... And four tasks they prefer to do with a human

1= Placing a food order **59%**
1= Settling the bill **59%**
3= Placing a drinks order **58%**
3= Leaving a tip **58%**

The value of consumers who prefer tech

Understanding the breakdowns of consumers who prefer technology and human interaction is the first step towards meeting their needs, and this GO Technology research pinpoints their key demographics.

The key takeaway is that technophiles tend to be heavy spenders. They spend an average of £24 a month more on eating and drinking out than those who prefer human interaction, and their household income is £10,100 higher. On top of that, more than half **(53%)** live in city or town centres, where hospitality venues are more heavily concentrated and people eat out more often.

Of course, consumers who typically choose human contact over digital interaction are just as valuable, and operators need to carefully retain their loyalty. But this data shows the enormous value of technology users in hospitality, and makes a strong case for sustained investment in digital solutions that satisfy them.

Prefer technology

Eat out at least weekly	Average monthly spend	Household income	White-collar (ABC1s)	Male/female ratio	Live in city/ town centres
41%	£114	£52,000	68%	43:57	53%

Prefer human interaction

Eat out at least weekly	Average monthly spend	Household income	White-collar (ABC1s)	Male/female ratio	Live in city/ town centres
25%	£90	£42,100	50%	59:41	22%

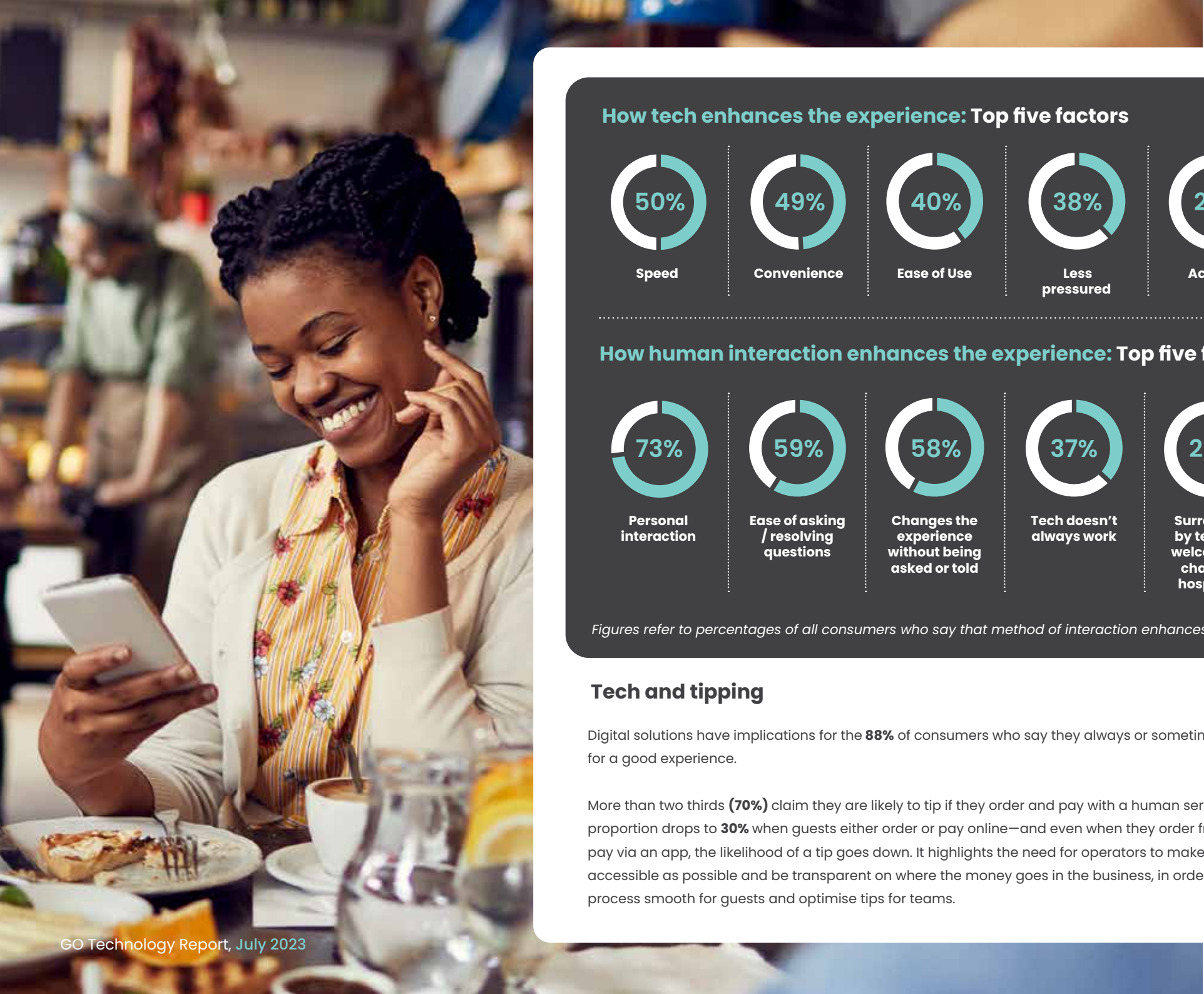
Why use tech?

We've seen how people use technology before and during visits—but why do these prefer each method? GO Technology research highlights the key factors and shows what operators need to do to optimise both.

When asked why tech enhances an experience over human interaction, two factors stand out: speed and convenience (see next page). With time at a premium for so many people, the minutes that tech can save on admin like bookings and paying bills add up to a lot of value. These are the benefits that are most commonly promoted alongside apps and other solutions, but the survey reveals some other important advantages, like accuracy and the way guests can control the pace of their experiences.

The reasons why face-to-face contact trumps technology are mostly obvious, and serve as an important reminder of the enduring value of human engagement. People value the personal interaction and sociable experiences that hospitality delivers, and appreciate the chance to step outside of their digital bubbles for a while. Good tech solutions don't seek to rival these human touchpoints—instead, they free up teams to make these touchpoints even better. For operators, the ultimate goal should be a blended solution that combines the best aspects of both technology and human service.

The research also highlights the importance of good execution. More than a third of consumers **(37%)** say they prefer human interaction because tech doesn't always work, while smaller but significant numbers find it hard to use or don't trust it. To maintain their levels of use and attract new adopters, operators have to deliver on the promises of their digital solutions on speed and convenience, and reassure hesitant consumers that they are secure and easy to use.



How tech enhances the experience: Top five factors

Speed

Convenience

Ease of Use

Less pressured

Accuracy

How human interaction enhances the experience: Top five factors

Personal interaction

Ease of asking / resolving questions

Changes the experience without being asked or told

Tech doesn't always work

Surrounded by tech and welcome the change in hospitality

Figures refer to percentages of all consumers who say that method of interaction enhances their experience.

Tech and tipping

Digital solutions have implications for the **88%** of consumers who say they always or sometimes leaves a tip for a good experience.

More than two thirds **(70%)** claim they are likely to tip if they order and pay with a human server. However, the proportion drops to **30%** when guests either order or pay online—and even when they order from a human but pay via an app, the likelihood of a tip goes down. It highlights the need for operators to make digital tipping as accessible as possible and be transparent on where the money goes in the business, in order to make the process smooth for guests and optimise tips for teams.

Tech and the future

There is a striking contrast in attitudes to technology by age—and it suggests the use of digital solutions is likely to increase substantially in the years to come.

Of those who prefer tech in their hospitality experience, half **(50%)** are aged 18 to 34, while just **3%** are in the 65+ bracket. Well over half **(58%)** of this older cohort think human interaction is the most critical factor in hospitality experiences, compared to only **10%** of those aged 18 to 24.

Users of venues that are popular among younger demographics also over-index for positive impressions of tech. A third **(32%)** of late-night venues and a fifth **(22%)** of fast food restaurant guests think tech enables the best visits. It is in channels like this where the fastest digital innovation is likely to be seen.

These figures reinforce the need for flexibility in approaches to stages like ordering and payment. Older guests are unlikely to fully embrace digital options in tasks like these, but younger ones are clearly less attached to personal service and will expect a tech option as a matter of course. Catering for both cohorts will remain crucial.

Robots: Passing fad or here to stay?

There has been plenty of media coverage of robots in restaurants, but our GO Technology research suggests that mainstream adoption is still some way off.

Fewer than a fifth **(18%)** of consumers think venues should use robots behind the scenes to handle repetitive tasks like flipping burgers or prepping vegetables—far lower than the **56%** who think they should not. This may reflect a distrust of robots, a perception that the quality of food or drink that hasn't had a chef's input may be lower, and an awareness that automation can diminish people's work or replace their jobs completely.

However, as with technology in general, younger adults are more open to the idea. A third **(32%)** of 18 to 24 year-olds think venues should make use of robots at back-of-house—four times the proportion among those aged 65+ **(8%)**. As these young tech adopters grow older and new, tech-aware generations arrive, acceptance of robots in hospitality will only grow.

The view from CGA

"This research emphasises the enduring appeal of the personal experiences that hospitality delivers so well. But while many consumers still enjoy human interaction from the start to finish of their journey through a restaurant or pub, it is clear that many people now want the option to use digital solutions at every step—and the number will only grow.

Wherever technology is deployed, choice and flexibility are key. It can be a superb enabler for hospitality for guests and operators alike, giving consumers the speed and convenience they want and freeing up teams to focus on what they do best. In such a competitive and challenging market, brands that make the smartest use of tech, without compromising human elements, have a crucial advantage."

Karl Chessell, CGA Director - hospitality operators and food, EMEA

The view from Zonal

"The role of technology in hospitality is clearly growing—in a post-pandemic market, not only are customers used to seeing technology in-venue, but a lot of customers expect it to be present. And there are clear benefits of technology—streamlining the customer journey and providing them with the means to shape their experience in-venue however they wish.

"However, we cannot afford to underestimate the importance of human connection. Hospitality is a sector that is brilliant because of its people, and it is important that technology enhances that by working in the background, doing the heavy lifting and alleviating staff pressure so they can focus on delivering exceptional service to their guests."

Olivia FitzGerald, Chief Sales and Marketing Officer, Zonal

About the report

This report is based on figures from Zonal and CGA's exclusive GO Technology survey of 5,000 nationally representative British consumers in May 2023.

For more information about the research, please contact info@zonal.co.uk