

DIGITISATION IN THE INDUSTRY

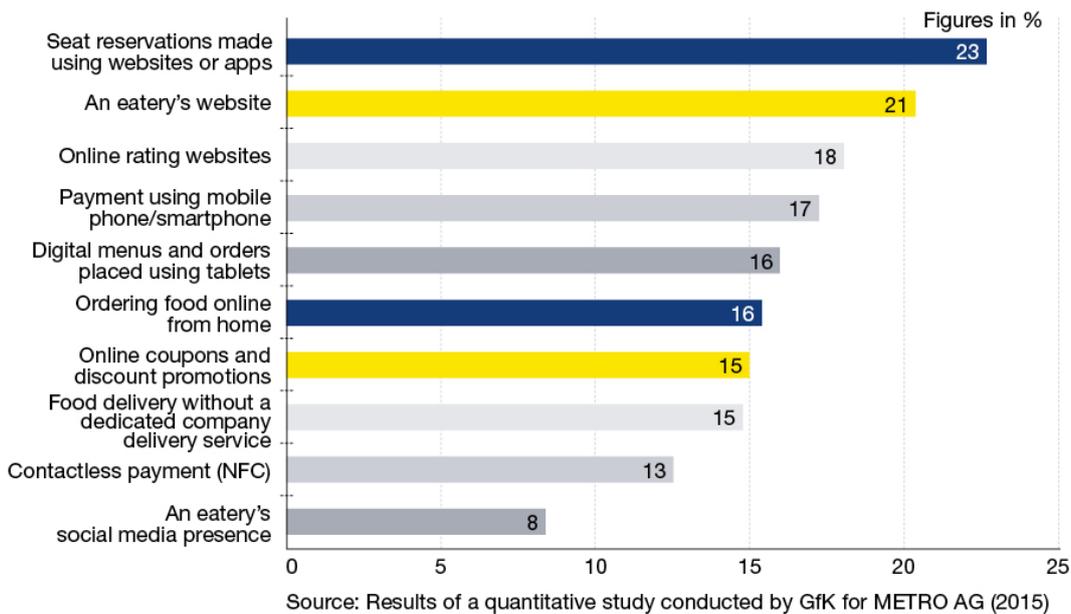
More service, please

For restaurateurs and hoteliers, cultivating an image on the net is becoming an increasingly important part of doing business. For the majority, this means maintaining elaborate websites and social media profiles. What their guests want most, however, is more service – for example, being able to make reservations and pay by browser or smartphone. This is the case above all for the younger generation.

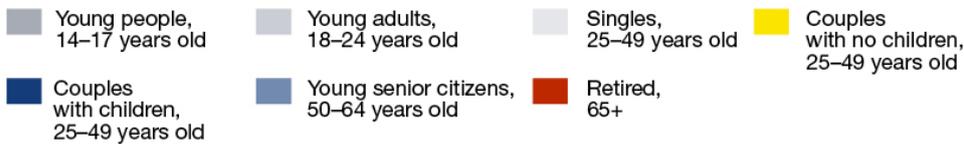
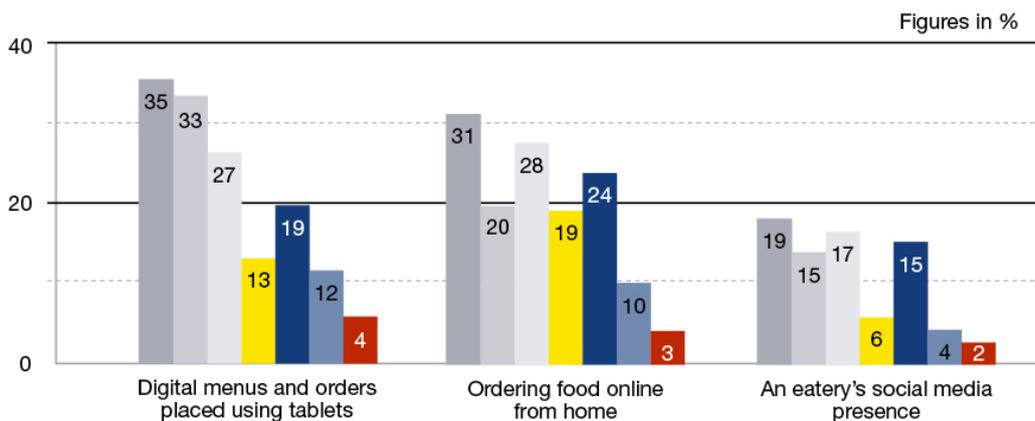
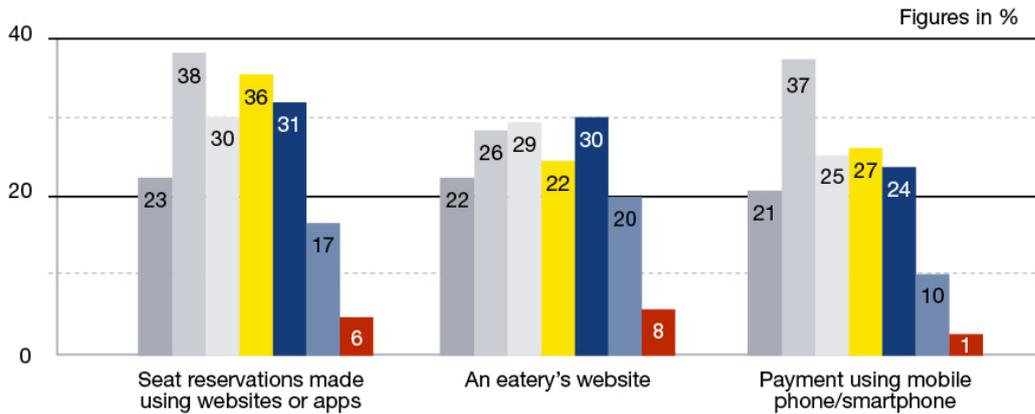
Digital natives are most demanding

When it comes to digitising their business, companies focus first and foremost on having an online presence: 84 per cent of the company founders surveyed have their own website, while 47 per cent are represented on rating websites and six out of ten company founders are active in social networks. However, the entrepreneurs' offerings do not always match up with their guests' expectations. Only a fifth of the population actually wants to use the websites of catering establishments and hotels or rating websites if they are available everywhere. And not even one in ten would interact with businesses via social networks.

User preferences for digital services in the food service and hotel industry (public opinion)



**User preferences for digital services in the food service and hotel industry
(public opinion by age groups)**



Source: Results of a quantitative study conducted by GfK for METRO AG (2015)

Rather, consumers want to make reservations online or on mobile devices via an app (23 per cent). Three in ten businesses have recognised this need and already offer a corresponding service. Almost one in five of the people surveyed would like to be able to use their smartphone to pay for meals or rooms – yet barely 8 per cent of hotels and restaurants provide this option. 16 per cent would also use services such as digital menus and the ability to order meals on a tablet. However, such services are available in just 10 per cent of the surveyed companies.

It comes as little surprise that the generation of 14- to 24-year-olds, which has grown up with digital technologies, is significantly more receptive and discriminating with regard to the new offerings than is the overall population – in some cases, showing approval ratings that are twice as high as the average. Nonetheless, differences between young people (14 to 17 years old) and young adults (18 to 24 years) can be seen in specific cases. Young people rate experience tools in particular as interesting, including digital menus or placing orders on a tablet (35 per cent). Young adults would above all make use of the ability to make reservations online (38 per cent) and pay by smartphone (37 per cent).

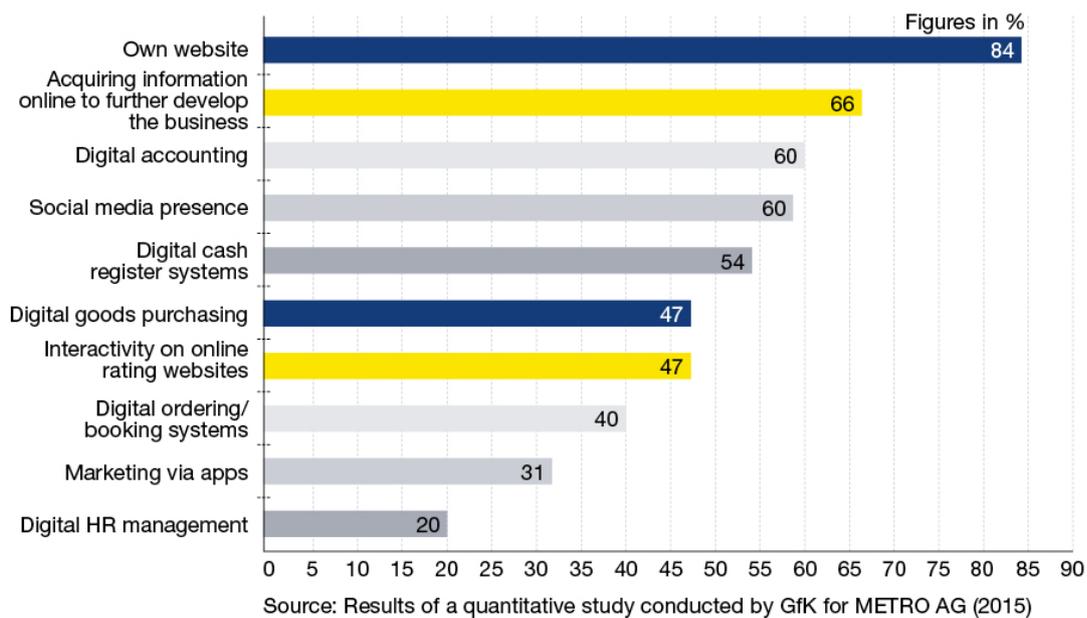
In online ordering as well, there is a conspicuous gap between customers' wishes and reality: 16 per cent of customers would find this service attractive – but not many would also be willing to pay a premium for this. But just one in ten restaurateurs and hotel owners offers online ordering or partners with a delivery service.

Digitisation in the industry

Companies use digital services not only to boost their public image, but also for internal processes such as accounting (60 per cent) or for their cash register systems (54 per cent). Four in ten businesses additionally organise their orders and reservations digitally, while one in five entrepreneurs uses the new technical capabilities for HR management.

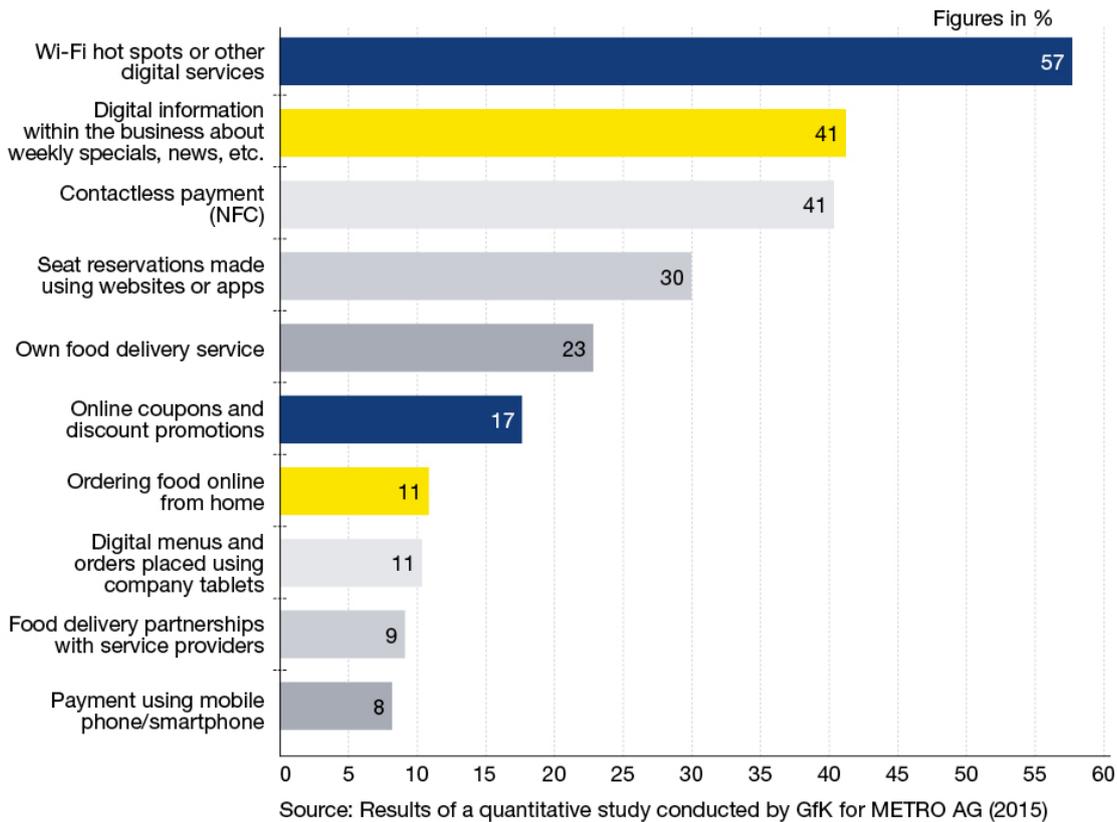
There is a general correlation between company size and digitisation: in all aspects, establishments with more than 100 seats or rooms demonstrate a significantly higher degree of digitisation than do small-scale operations. And businesses run by men are slightly more advanced in the area of digitisation than those headed by women.

What digital technologies do you use in your business? (entrepreneurs' perspective)



What digital technologies do you offer your guests?

(entrepreneurs' perspective)



Digital cultivation of the company image

Irrespective of company size and management structures, entrepreneurs hope above all to excite more people with their digital offerings – specifically, to increase public awareness of their business (63 per cent), to improve their image (42 per cent) and to achieve greater customer footfall (39 per cent). Internal benefits play a subordinate role. 60 per cent of business owners see the ability to provide information as the greatest benefit for their customers. Just a quarter of companies perceive increasing digitisation as a burden. When asked about the main obstacles, companies particularly mention a lack of time to devote to digital matters (59 per cent), data security (47 per cent) and high costs (43 per cent). A fifth of those surveyed also consider the lack of relevant digital services to be a problem.

What do you think are the benefits of and obstacles to digitalising your business?

(entrepreneurs' perspective)

