

A person wearing a VR headset is shown in profile, interacting with a digital interface. The background is a teal gradient with a faint grid pattern. The word "Zonal" is prominently displayed in the center in a large, white, sans-serif font.

Zonal

From Artificial Intelligence to the Metaverse
EMBRACING THE FUTURE OF HOSPITALITY TECH



Through our research this year we have surveyed thousands of UK adults. From that research, along with our own expertise and R&D, we've been able to look at on how we expect hospitality tech to evolve.

The following slides cover a range of different topics, including:

- The teenage take on hospitality and technology
- The future of payment
- The future of booking
- The importance of personalisation in the guest journey
- How to use data to benefit your business
- What's next?



- 69% of teenagers think that tech has a positive impact on society. The good news is young people have a very positive attitude to technology. They are very open to innovation and can see a clear role for hospitality tech and still very much value the traditional elements of hospitality – the face-to-face socialising and personal service.
- The future of hospitality tech then, won't be about robot waiters and automated services but about how tech can act in the background to deliver the hospitality experiences our future customers will want.

THE FUTURE OF PAYMENT

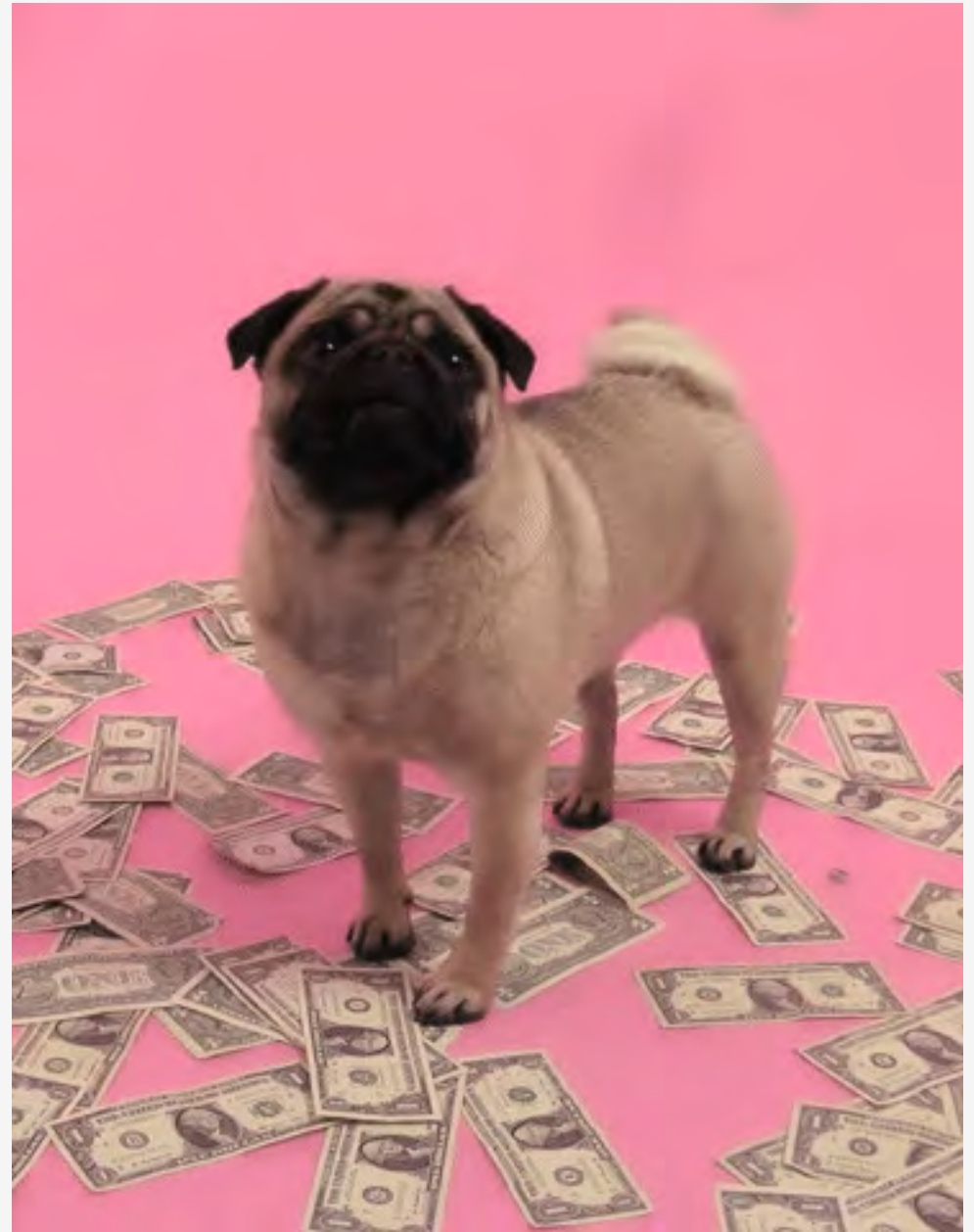
- One of the elements of the customer journey we looked into was payment – we wanted to know how young people felt about payment methods other than cash and where this might lead us in the future.



A CASHLESS FUTURE?

**1/4 of 18- to 24-year-olds
hardly ever use cash in
pubs or restaurants**

- One of the big takeaways for operators is young people aren't using much cash - so, how are they paying?





46%

of 18- to 24-year-olds
use digital wallets
frequently



23%

of 18- to 24-year-olds
use wearables



28%

of 18- to 24-year-olds
use payment apps

- Digital wallets and wearables are increasingly popular
- We can reasonably expect more widespread use of such tech as this demographic grows up – alongside even more innovative payment technology.

FUTURE TECHNOLOGY



21%

of 18-24-year-olds find
'pay with your face'
tech appealing



18%

of 18-24-year-olds find
'just walk out' tech
appealing



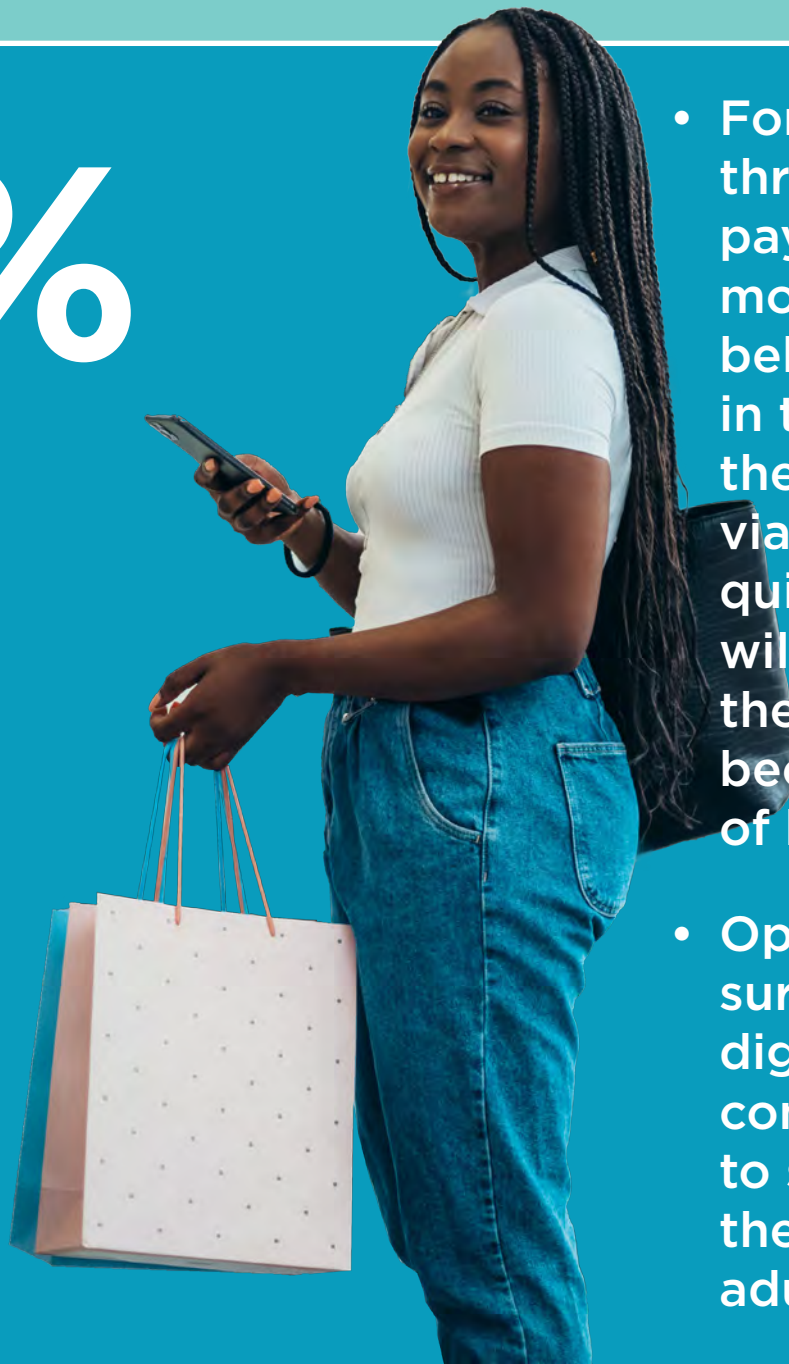
17%

of 18-24-year-olds find
using microchips under
their skin appealing

- Younger age groups also find the idea of slightly more unusual ways of paying more appealing, including 'pay with your face', 'just walk out' and microchips.

57%

of 13- to 17-year-olds don't think they'll use cash to pay for things in shops and restaurants in the future



- For the next generation coming through (13 to 17 year olds), paying with cash is an even more alien concept, with most believing there'll be no role for it in their lives when older. We can therefore assume that paying via tech solutions that seem quite futuristic to us even now will be a basic expectation of these customers when they soon become frequent users of hospitality.
- Operators need to be making sure they are offering a range of digital payment options, not just contactless, now and in order to stay abreast of innovation in the sector as these teens reach adulthood.

THE FUTURE OF BOOKING

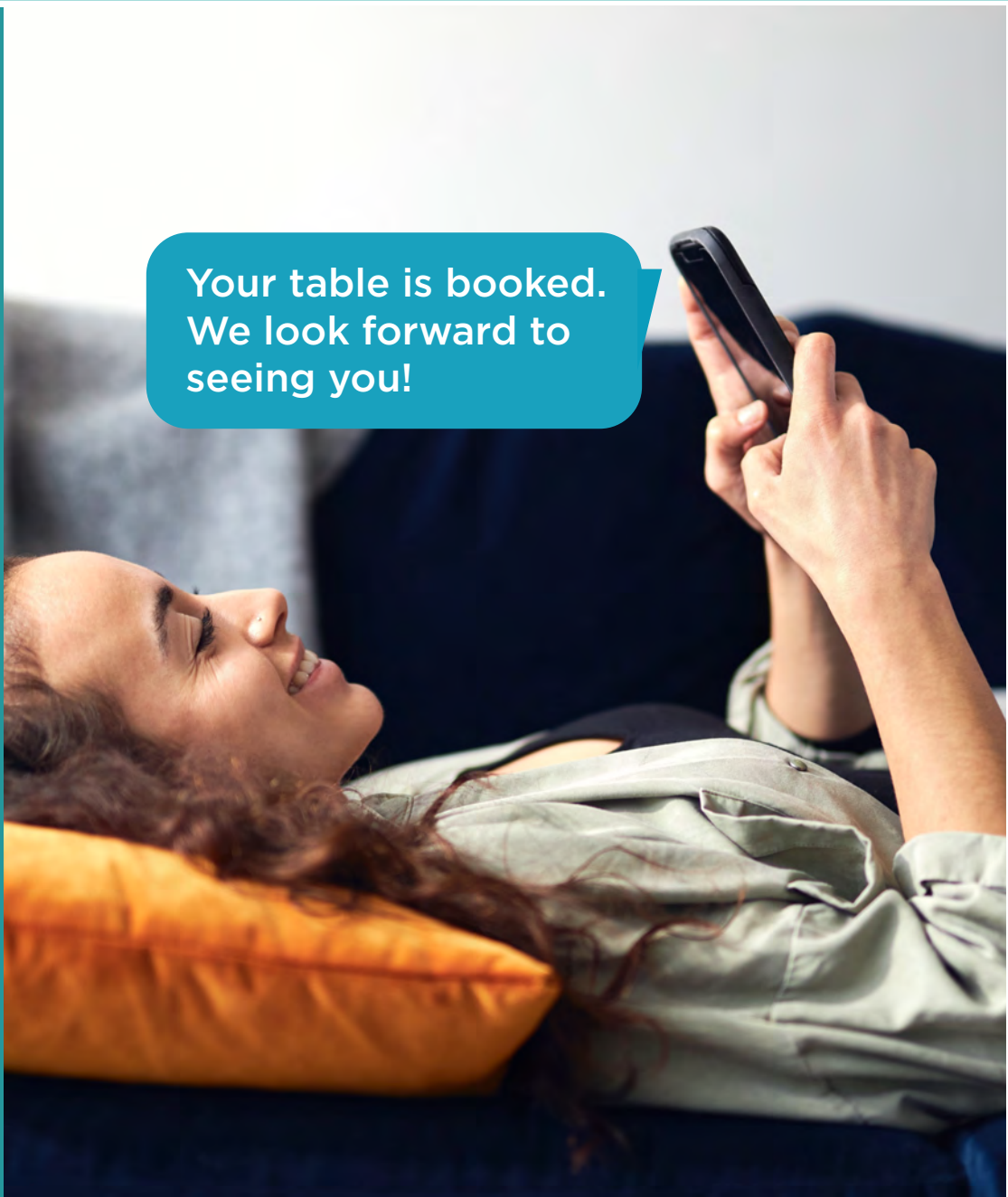
- Another trend that we looked at was the how people might book in the future.
- One of the big takeaways is that while online and digital bookings are where many are concentrating their efforts now, social media is very likely to be the next big booking channel.



53%

**of 18- to 24-year-olds
have used social media
to book a table in a pub
or a restaurant**

- It's not just young people who are using social media to book either - of all adult consumers (18 to 65+), we found that a third were already using social media to book tables and a further 38% would consider doing so. This is a huge opportunity.

A woman with long dark hair is lying down on a couch, smiling and looking at her smartphone. She is wearing a light-colored button-down shirt. The background is a blurred indoor setting.

Your table is booked.
We look forward to
seeing you!

A photograph of a man with dark, curly hair, smiling broadly while holding a smartphone. He is wearing a dark jacket. The background is dark and out of focus, showing bokeh lights from what appears to be an indoor event or party. The overall image has a teal border.

80%

**of all UK adults
are on at least
one social
media platform**

- We would say it is therefore vital that operators integrate booking and ordering tech into their social media platforms now, in order to cater for today's and tomorrow's customers.

72%

of 18- to 24-year-olds
now own a virtual
assistant

- And it's not going to stop with social media either. The likes of Alexa and Google Assistants are showing all the signs of being the next way to book with 47% virtual assistant owners using their device for research including searching for a venue and making a booking.





36%

of teens are interested
in Virtual Reality



68%

of teens have used
voice search



21%

of teens are interested
in Augmented Reality

- The next generation of hospitality guests are growing up with virtual assistants in their homes and will therefore be comfortable using such tech as they grow into adulthood and start engaging with hospitality brands.
- They are also very interested in newer tech such as VR and AR, as we can see from these figures.





“When you are doing stock ordering there is always one item you forget. If, during the shift, you throw away your last bottle of vodka, you could add that to an Alexa shopping list immediately as opposed to waiting to the end of your shift.”

Young hospitality worker (18-25)

- Young hospitality workers are also able to spot the opportunities for this kind of technology in the industry.

PERSONALISATION NATION

- One of the other areas we looked into this year was the consumer desire for a more personalised hospitality journey.





- Just 9% of 18- to 24-year-olds told us they had no interest in any form of personalised experiences whatsoever from the hospitality brands they visit.

What young people want from personalisation:

- Discounts and deals that are perfect for me
- Highlight items that are suitable for my allergy
- Update me on the progress of my order
- Personalised menus



- What does personalisation mean for young people when they think of their hospitality experience?
- These are the top four things they are looking for, which is pretty much in step with all age groups. In fact the only difference between the old and the young was the desire for personalised menus: 22% of 18- to 24-year-olds want to be presented with their favourite dishes and drinks but just 13% of 55- to 64-year-olds wanted this, dropping to 7% of the over 65s.

81%

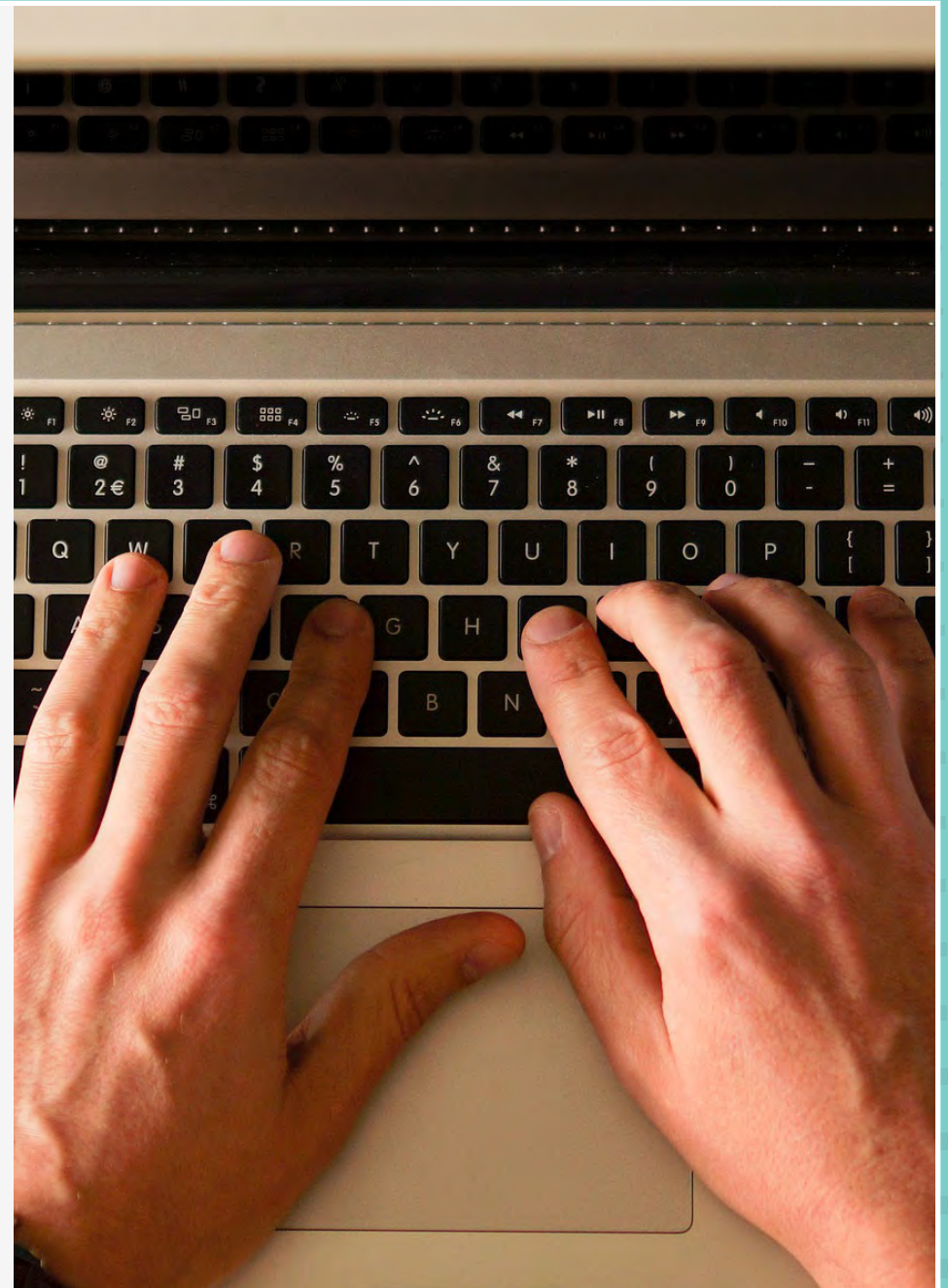
of 18- to 24-year-olds agreed or strongly agreed that they would be happy to share information with venues as long as that data wasn't being shared with anyone else



- In order to receive a more personalised experience, however, consumers will need to share their data.
- Younger people are more willing to share their data in exchange for a personalised experience than older people as long as they are confident their info isn't being shared with anyone else and if it's in exchange for a more personalised experience, so operators looking to collect data need to be clear about what customers will get in return.

Top 5 ways 18- to 24-year-olds are happy to share their data:

- Online via website or app ahead of their visit
 - Online via website or app while in venue
 - Online while making a booking
 - In person in-venue
 - Via a booking confirmation
-
- Operators will also need to be careful about when and where they harvest this data. We can see here where the richest opportunities can be found.



Information 18- to 24-year-olds are happy to share:



Favourite drinks



Birthday

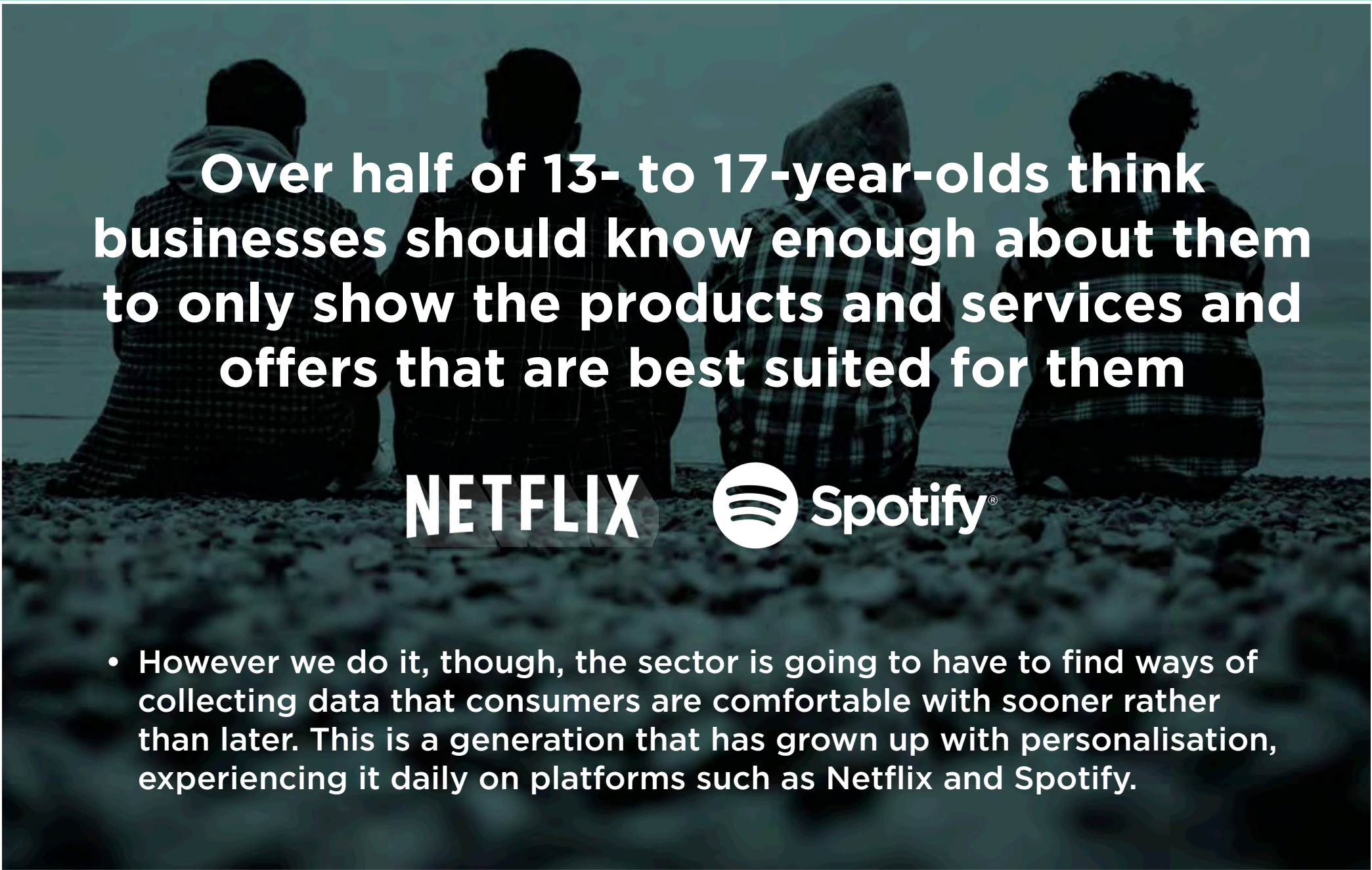


Age



Gender

- Asking for more generic information is more likely to prove fruitful, as we can see. What younger consumers are not happy to share is more personal information such as a home address or social media handle – just 8% and 12% respectively are willing to share those.



Over half of 13- to 17-year-olds think businesses should know enough about them to only show the products and services and offers that are best suited for them

NETFLIX



- However we do it, though, the sector is going to have to find ways of collecting data that consumers are comfortable with sooner rather than later. This is a generation that has grown up with personalisation, experiencing it daily on platforms such as Netflix and Spotify.

BETTER DATA, BETTER BUSINESS

- We believe that better data means a better business.





- The digitalisation of the guest journey has been happening over the past decade, and accelerated during the pandemic. Now more than ever, data in hospitality venues is being gathered. We're now at a point where the hospitality industry needs to take this data and use it.



- Zonal has integrated with a range of partners to enhance the customer journey – through this integration, operators can gain a wealth of data which they can use to better understand their customers and provide them with hyper-personalised experiences.

SO WHY IS THIS EXCITING?



Emma is allergic to peanuts



Simon likes to sit at this table every time

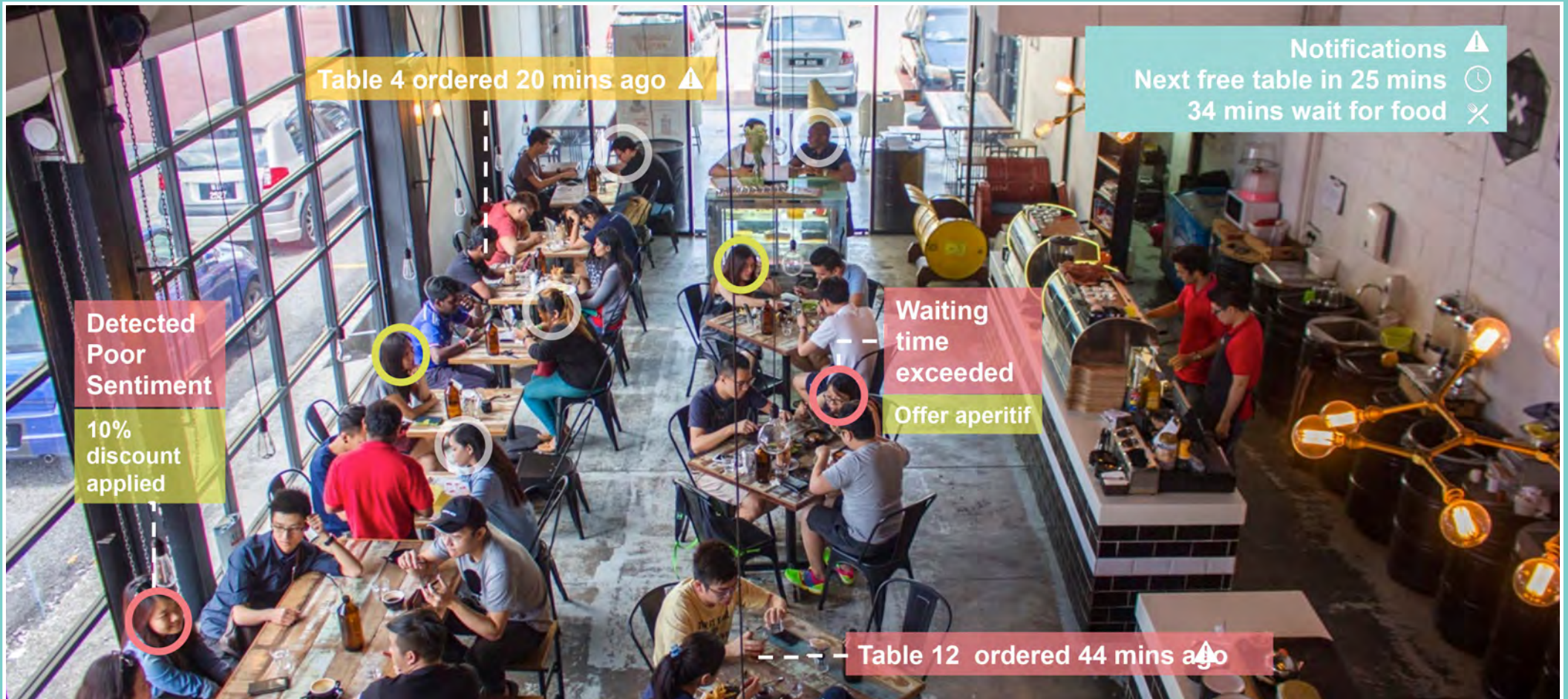


Jenny has been here 3 times this month and always chooses steak

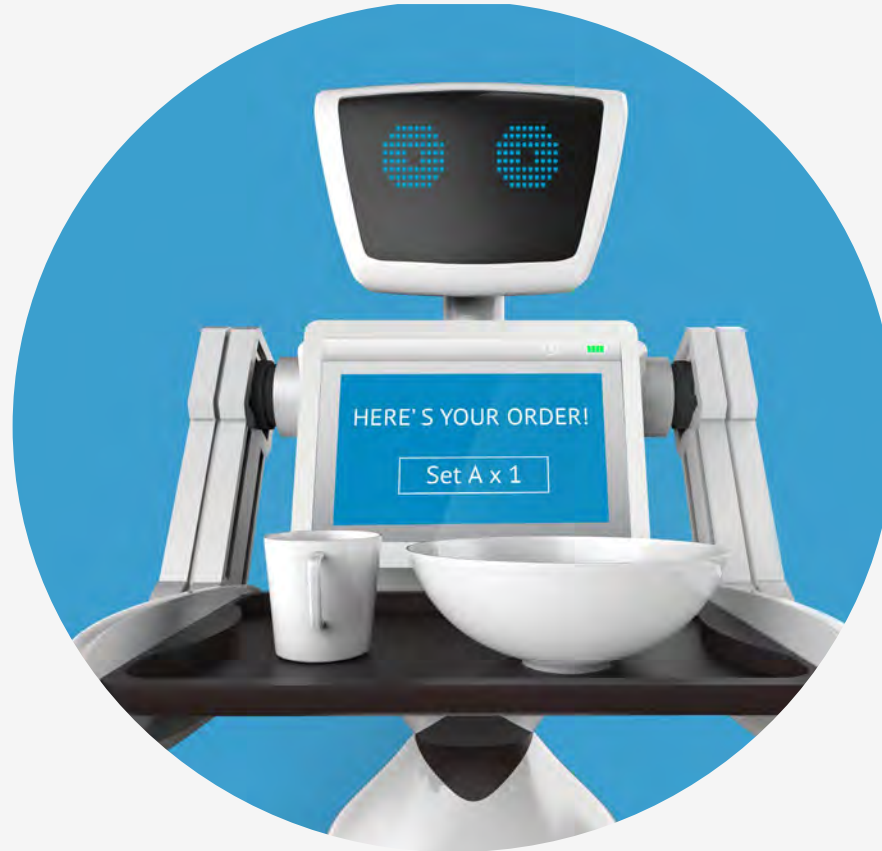


It's taken too long for Pablo to get served

- This is exciting because data can be used to surprise and delight customers.
- Technology will play a part in not only analysing the data presented, but presenting the data to the people who need it, when they need it.



- This is a vision of future hospitality but one that's not so far from being a reality.
- It is about surfacing the right data at the right time either in the venue or with the customer in advance and using this information to enable teams to deliver seamless customer journeys and experiences that delight.



- It's important to remember though that the future of hospitality tech won't be about robot waiters and automated services but about how tech can act in the background in the hands of operators and staff and in the hands of consumers to deliver incredible face-to-face experiences in-venue.

Zonal

To read further research, visit
zonal.co.uk/research

or get in touch at
zonal.co.uk