



H G E M

CONSUMER REPORT

JULY 2023



PAYMENT PREFERENCES

INSIGHTS FROM YOUR CUSTOMERS

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INTRODUCTION

HGEM wanted to find out the status quo of payments in the industry, and the consumer survey we built set out to understand mainly how well the industry is doing - are people generally happy with how payments are taken, are they done in good pace, or are there still some pain points that irritate your customers and take away from the overall enjoyment?

Alternative payment options like web or app-based solutions, digital kiosks, etc. have really taken off thanks to the pandemic, but is it time to take stock of what your customers preferences really are?

In the following pages, we reveal whether customers find payment technology in hospitality to enhance their experiences or rather hinder them.

And, of course, there is detailed demographic analysis, to help you pinpoint exactly how your target market feels.

We surveyed 305 consumers from a wide variety of ages and backgrounds.



ABOUT HGEM

HGEM works closely with hospitality companies to drive business growth through attracting new customers and retaining existing ones, whilst helping increase sales.

CORE PRODUCTS:

Mystery Guest Audits
Guest Feedback Sites
Review Management
Product Ratings

HOW LONG IS ACCEPTABLE TO WAIT FOR THE BILL?

It's far less than you'd think. According to the survey results, **9 out of 10** consumers (88%) expect the bill within 5 minutes of asking, and about a quarter of those want it in 2 minutes!

There is a small minority of customers that are more patient: **1 in 10** respondents are happy to wait up to 10 minutes for the bill, and only **1%** are happy to wait for up to 15 minutes.

Men appear to be more impatient with the bill than women: **91%** expect their bill in 5 minutes, and within that group, **18%** expect it in 2 minutes.

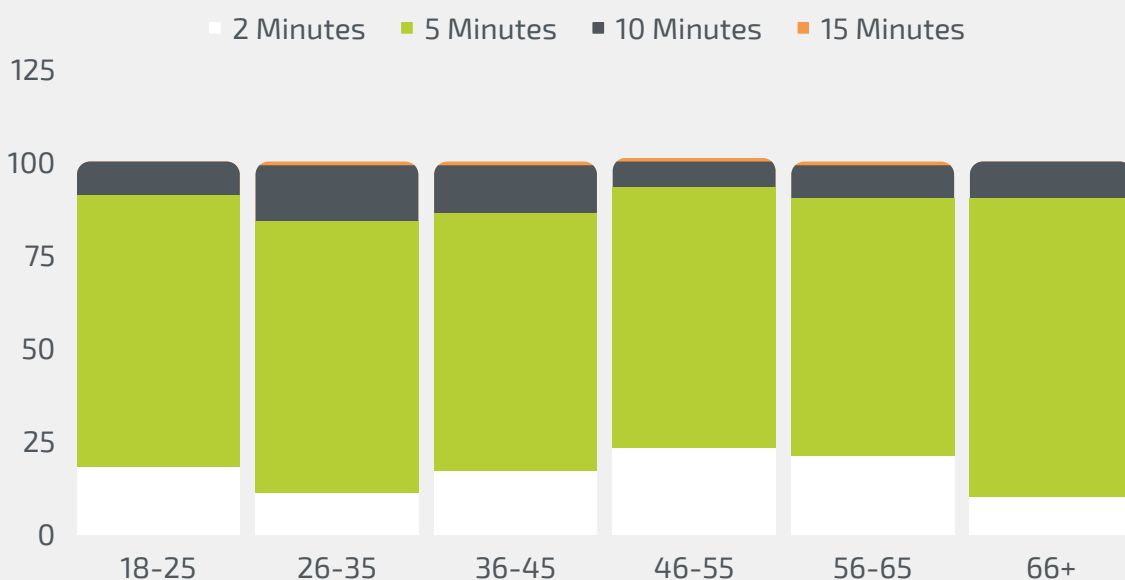
Meanwhile, **86%** of women would like their bill in 5 minutes and **a fifth** within this group expect it in 2 minutes.

From an age perspective, no discernible pattern emerges, but the most impatient age groups are: 46-55-year-olds: **92%** of respondents expect the bill within 5 minutes, and 18-25-year-olds: **91%** expect the bill in 5 minutes.



How long do people wait for the bill at your venues? This could be a quick win to improve customer satisfaction, if the current average is more than 10 minutes.

Find out with mystery guest audits to assess operational processes.



RESULTS BY AGE

HOW WELL IS HOSPITALITY HANDLING PAYMENTS?

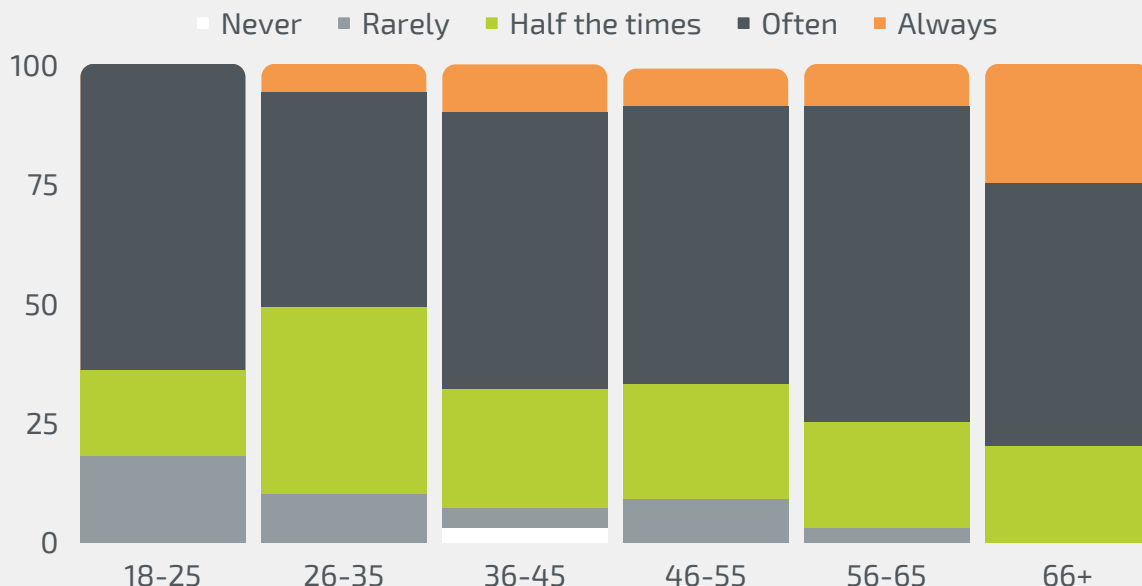
Nearly two-thirds (**65%**) of consumers are quite satisfied and think payments always or often get taken in good time. A quarter (**28%**) think hospitality gets it right about half the time. Good news for the industry - only **7%** of customers think hospitality venues rarely or never get payments done in the right time.

Gender analysis reveals that women are more polarised about their recent payment experiences.

9% of women, vs **4%** men think payments rarely or never get taken in good time. However, a larger percentage of women (**66%**) also think that payments always or often get taken in good time, vs men (**62%**).

The age group analysis speaks an interesting story: the youngest consumers (18-25) are the most dissatisfied with how long it takes to pay – **18%** think payments are rarely taken in good time, and this sentiment decreases with age, to **3%** amongst 56-65-year-olds and **0%** for the over-66's.

Could it be that the newer generations, with their 'everything now' attitude, will be less forgiving to delays? Consider whether that might be risk in the future for your business.



If it suits your service style, perhaps there is benefit in offering your customers an option for instant payment (e.g. via QR code / kiosk) in addition to traditional table service / pay at counter / bar, to improve customer experience.



DOES SLOW PAYMENT AFFECT EXPERIENCE?

Yes, and there is quite a bit of risk, because only **7%** of survey respondents said slow payment doesn't affect their enjoyment of the experience at all.

70%

of consumers say slow payment affects their overall enjoyment a little.

20%

of consumers say slow payment affects their overall enjoyment a lot.



Luckily, only a small percentage (**4%**) of people say that slow payments completely ruin the experience.

SERVICE CHARGE

Majority (**79%**) of consumers don't want this included in the bill. There isn't much difference between genders, men are slightly less bothered (**76%**) than women (**79%**).

From an age perspective, interestingly, the two youngest age groups are slightly less bothered than the rest: **73%** of 18-25 and **70%** of 26-35-year-olds don't want service charge included in the bill.

That percentage is a lot higher for all the older age groups, and in particular, for 36-45-year-olds: **86%** don't want service charge included.

BILL SPLITTING

Splitting the bill with more than 3 guests can be quite an awkward experience, if all parties calculate their share. Has technology improved on this front or is this still a pain point for customers?

59% say it has gotten better in the last few years, but **41%** say it's still awkward and could be improved upon.

Interestingly, youngest customers find it much less of a hassle than older ones. Only **27%** of 18-25-year-olds find bill splitting painful, however customers in the 26-35 age group find it the most awkward, with **46%** thinking this; closely followed by 36-45-year-olds with **44%**.



Fair tips are important for happy staff (and we know engaged staff lead to an improvement in customer loyalty), but you don't want to alienate your customers by forcing a service charge. Have you considered an independent tipping solution like TipJar or EasyTip?



DOES PAYMENT TECHNOLOGY ENHANCE THE EXPERIENCE?

45%

Feel neutral

38%

Say it takes away from the experience

17%

Say it enhances the experience

Our analysis also reveals opposing opinions between genders: women (42%) are far more likely to consider technology to hinder the experience over men (27%). 43% of women vs 52% men are neutral on the subject. 22% of men vs 15% of women think technology in hospitality enhances the experience.

From an age perspective, there is a clear trend between age and opinion. More young people tend to think technology enhances experience: starting with 25% of 26-35-year-olds, this number decreases steadily until it reaches the lowest peak of 5% amongst the 66+ age group.



It's clear that younger generations will want to have access to apps for payment, but it's also important not to forget about the 'golden years' generations who have most money to spend.

Hone in on your demographics to provide the right payment solutions to your customers, and provide options if you can.

