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High dining prices scaring away non-residents from hotels

Article

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New research has revealed that high prices are scaring away diners from hotels, with almost 50% of customers choosing not to eat at a hotel as a non-resident as a result.



Almost 50% of customers think food prices at hotels are too expensive

The new figures from Guest Experience Management experts, HospitalityGEM,

showed that while 64% of those surveyed eat out more than five times a month, only 15% choose to visit a hotel they are not staying in for food more than once a month.

This highlights the need for hoteliers to up their game when it comes to tapping the non-resident market.

However, it is not awareness of hotels as a dining destination that is hampering customers; 77% would expect their hotel to accept walk-in diners at their restaurants, and only 7% would be put off if the restaurant was not visible from outside or easily accessible.

The survey found that customers' perception is that hotel food is expensive, with 49% citing this as the key reason for choosing not to dine at hotels.

Meanwhile, 37% of respondents said that they would choose to visit a hotel specifically for food if the establishment had a great reputation and 27% if it was a special occasion.

When it comes to dining times, the majority of people would visit a hotel for dinner (56%), while afternoon tea is also a popular choice, with 20% saying they are most likely to visit a hotel for this.

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Steven Pike, managing director of HospitalityGEM commented: "As the hospitality industry enjoys ever greater numbers of people choosing to dine out more frequently, it seems the hotel sector is missing out on attracting non-residents to its restaurants, with perceived price identified as the main reason. However, if a hotel leverages its strong reputation well our research demonstrates that this can attract customers and highlights the importance of promoting reputation and also generating positive word of mouth.

"Hotel marketing tends to focus on people coming into town to stay, for obvious reasons. But the local market can be used to either fill gaps at quiet times of day or to brand a hotel's dining offer as a standalone operation. It's also worth considering what you offer for special occasions and how this ties into the most popular day parts – whether that's a birthday afternoon tea or anniversary dinner. These can all create a memorable experience for the guest and will encourage them to recommend your venue to other people."

To read HospitalityGEM's blog on driving positive word of mouth for hotels, visit: <http://blog.hospitalitygem.com/2015/11/02/managing-a-hotels-reputation-with-word-of-mouth>