

High dining prices scaring away non-residents from hotels

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New research has revealed that nearly 50% of customers think food prices at hotels are too expensive, stopping them from dining at these locations as a non-resident.

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 identifies a considerable potential market for those hotels keen to up their food sales amongst non-residents. However, it is not awareness of hotels as a dining destination that is hampering customers, as a huge 77% would expect their hotel to accept walk in diners at their restaurants, and only seven per cent would be put off if the restaurant was not visible from outside or easily accessible.

The HospitalityGEM survey found the perception that hotel food is expensive is the key reason that stops individuals dining at hotels, with 49% citing this. However, it is clear that customers consider the dishes available at hotels appealing, as only four per cent chose a lack of variety on the menu as a reason why they avoid these sites, and only 14% said it was because of poor quality food.

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. This demonstrates that managing reputation and word of mouth is key for driving more traffic to hotel restaurants.

When it comes to dining times, the majority of people would visit a hotel for dinner (56%), while afternoon is also a popular choice, with 20% saying they are most likely to visit a hotel for this. This is a particularly popular choice between 18-30 year olds, with 42% of those who chose this meal in this age range.

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."