GO TECHNOLOGY

Insight by Zonal, Powered by CGA by NIQ

Identifying the Influencer: Reaching hospitality's decision makers

Identifying the consumers who impact other people's decisions and how pubs, bars and restaurants can engage them

Zonal

CGA Powered by NIQ

In partnership with

DATAHAWKS

GO Technology Report, May 2023

Influencers in hospitality: key numbers

61%

Of Britain's consumers are influenced by others about whether and where to go out **(39% solely influenced / 22% sometimes influenced)**

40%

Of influential consumers are **aged 55+**

£10

Extra monthly spend on eating and drinking out among influencers **(£98) than influenced consumers (£88)**

7.3

Average number of brands used by influential consumers in the last six months

56%

Of consumers **get recommendations about venues** from friends, families and colleagues

35%

Of consumers are influenced in their decision-making by **value for money**

57%

Of frequent visitors agree they will visit venues they trust more often this year **than they did in 2022.**

52%

Of consumers say their most **trusted opinions come from friends**

Definitions

'Influencers' in this report refers to consumers who say only they decide whether to go out and which venue to visit.

'Influenced' refers to consumers who say only other people decide whether they go out and which place to go to.

Who are the influencers?

Understanding the demographics of both influencers and the influenced, and how they behave when they eat and drink out, is the first step to turning them into brand champions. Here's what our GO Technology research tells us about this crucial cohort.

Influencers vs influenced

Consumers are evenly split between those who influence and those who are influenced. Nearly two in five **(39%)** decide whether and where to visit by themselves alone, and nearly the same number **(38%)** say their selections are only decided by other people. The rest **(22%)** are somewhere in the middle—sometimes influenced by others but sometimes deciding solo.

Gender and age

This influential group is split fairly evenly between men **(53%)** and women **(47%)**, but older people over-index. Two in five **(40%)** are aged 55 or above—double the number **(21%)** who are aged under 25—a reminder that it is not just young, digital-savvy adults who wield influence over others.

Spend and brand use

Around a third **(32%)** of all influencers drink out weekly—higher than the **27%** among consumers whose decisions are influenced by others—and they spend on average £10 a month more on eating and drinking out. Younger influencers aged 18 to 34 are even heavier users of hospitality: half **(49%)** eat out weekly, compared to **40%** of those aged 35 to 54 and only **29%** of those aged 55+. Influencers have used venues run by an average of **7.3** hospitality brands over the last six months, compared to 6.9 visited by others—and the number rises to **9.2** in the 18-to-34 group, which indicates that younger adults are particularly experimental in their venue choices.

49%

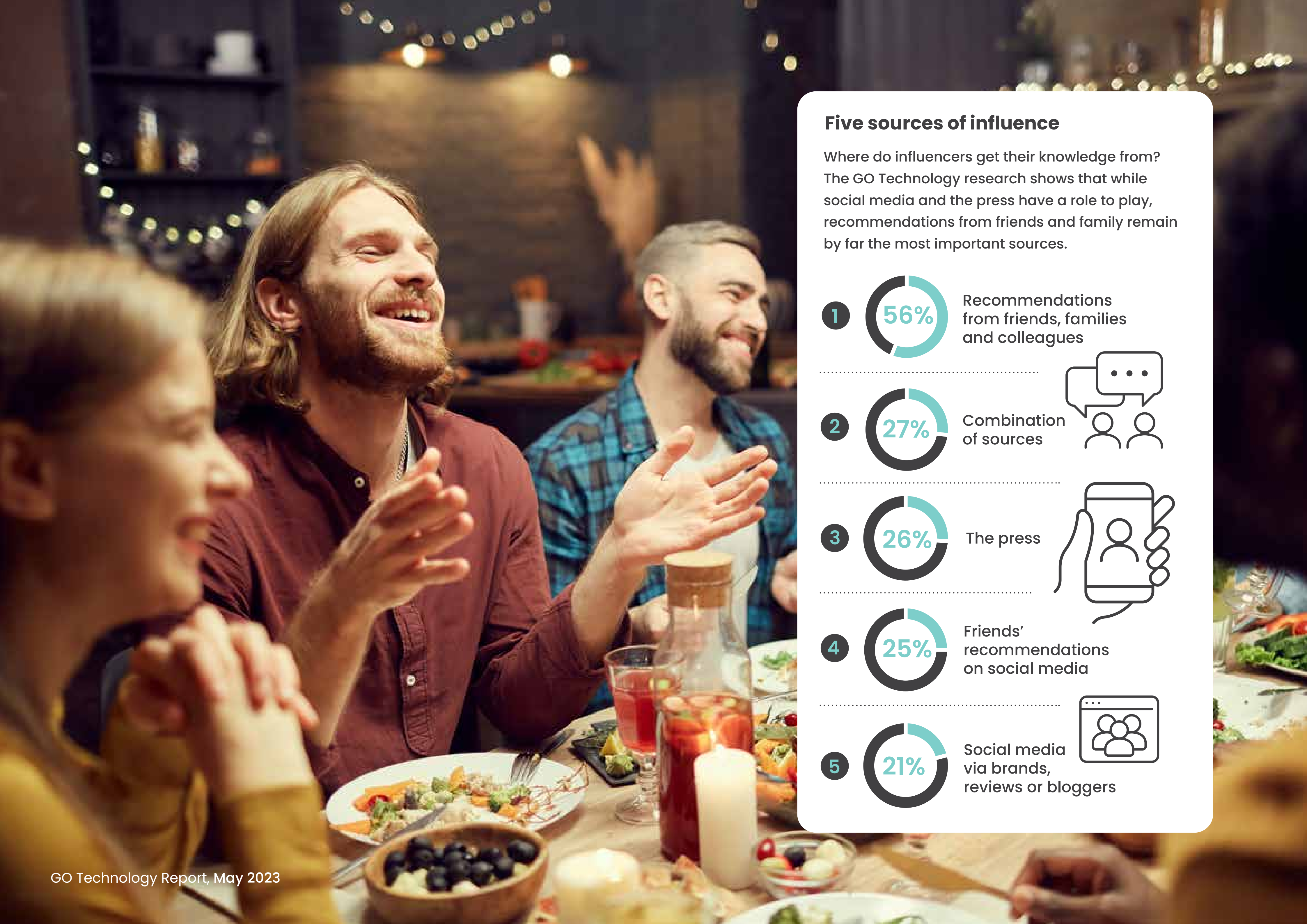
Of influencers aged 18 to 34 eat out at least weekly

9.2

Brands visited by influencers aged 18 to 34 in the last six months

Influencer pen portraits

18 to 34 year-olds	
White-collar (ABC1)	63%
Eat out weekly	49%
Average income	£39k
Average brands in repertoire	9.2
35 to 54 year-olds	
White-collar (ABC1)	80%
Eat out weekly	40%
Average income	£47k
Average brands in repertoire	8.6
55+ year-olds	
White-collar (ABC1)	32%
Eat out weekly	29%
Average income	£38k
Average brands in repertoire	5.1



Five sources of influence

Where do influencers get their knowledge from? The GO Technology research shows that while social media and the press have a role to play, recommendations from friends and family remain by far the most important sources.

1. 56% Recommendations from friends, families and colleagues
2. 27% Combination of sources
3. 26% The press
4. 25% Friends' recommendations on social media
5. 21% Social media via brands, reviews or bloggers

How to influence the influencers

The GO Technology research reveals the key influences behind consumers' decision-making and highlights the role of convenience and value as well as recommendations. Here are ten of the biggest factors. *Ranked by importance of factor for influencers.*

1. Proximity to home (48%)

Distance to travel remains the most important factor by some way. The widespread switch to working from home that has followed the pandemic has intensified the localism trend—though it matters significantly less to consumers' whose decisions are influenced by others. For operators, it points to the crucial role of location planning in success. Region-wise, London, Yorkshire and the West Midlands have the lowest scores on proximity as a driver, while Scotland, Wales and South West have the highest.

2. Value for money (35%)

As the cost-of-living crisis grows, price will become an even bigger prompt to purchase. But it's important to note that this doesn't necessarily mean cheap —just good value for whatever money people spend.

3. Favourite food / drinks (26%)

Rising costs for consumers also make familiarity a bigger factor. When visits and spend are limited, people want to get food and drink they know they will like.

4. Recommendations (24%)

One in five consumers consider recommendations from family, friends and others before selecting their venue. Trust has an important role in these tip-offs

5.= Transport accessibility of venue (22%)

Closely linked to proximity, this factor points to the value of making it easy to find a venue and reach it via public transport. Accessibility and location both matter much more to older consumers than younger ones.

5.= Food / drink / venue look enticing / unique (22%)

While some consumers value familiarity, others are looking for new and appealing venues. Menus, ambience and presentation all influence decisions.

7. Trust / loyalty to a venue (19%)

This emphasises the reluctance of some consumers to take a risk on venues they can't be sure they'll like. Well over half **(57%)** of frequent visitors agree they will visit venues they trust more often this year than they did in 2022.

8. Venue opening times (17%)

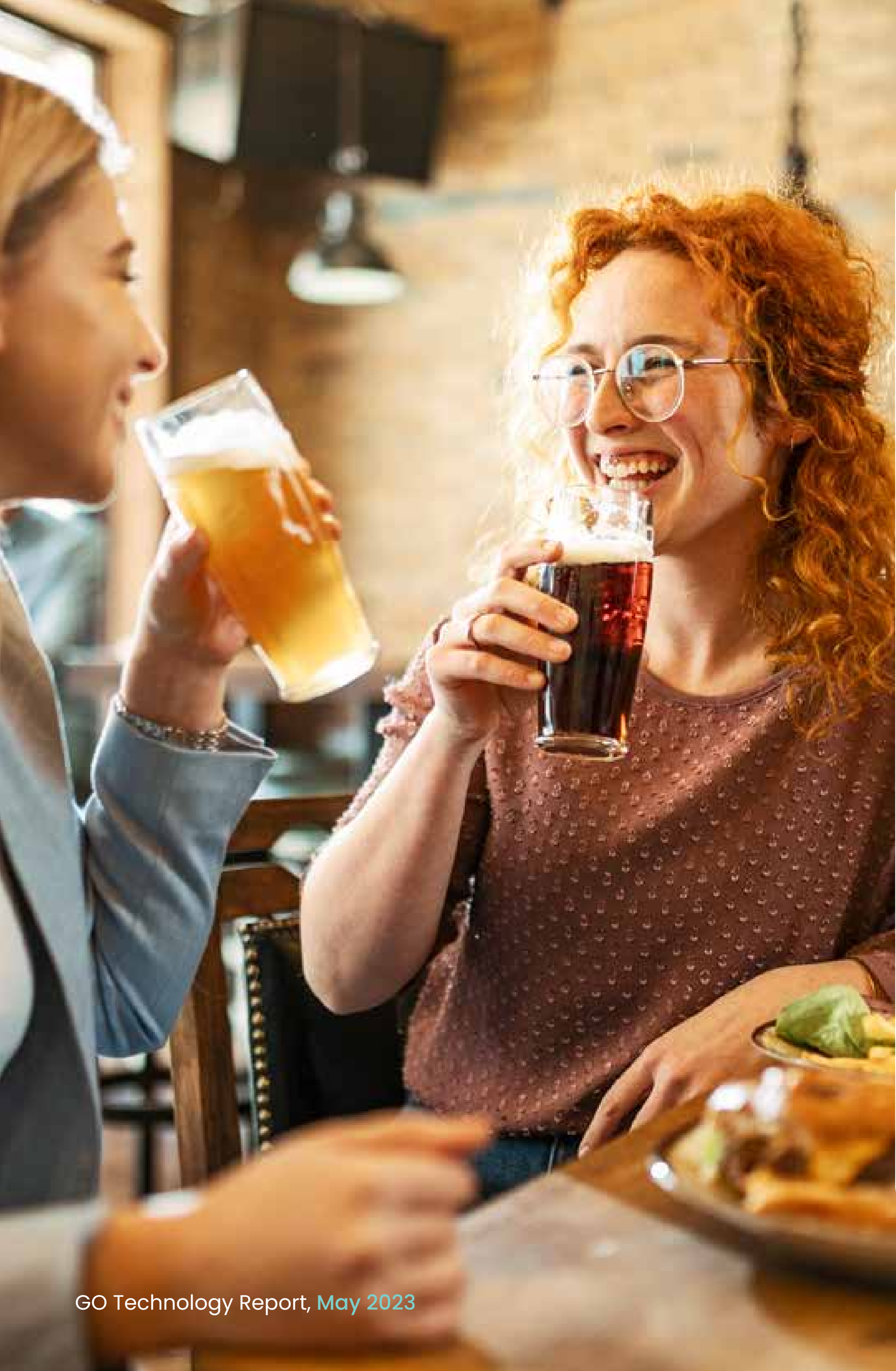
The dayparts of occasions have become more spread out since the start of the pandemic, making opening times a more important consideration.

9. Food and drink offers (15%)

While not as important as consistent everyday value, promotions and offers are still an important part of the marketing mix. They can be particularly effective among younger adults, as **20%** of 18 to 34 year olds view offers as an important factor when choosing where to visit.

10. Online reviews (10%)

Despite the rise of platforms like TripAdvisor, online reviews are still a far less important influence than convenience, value, recommendations and trust. However, they matter much more to younger consumers: **15%** of 18 to 34 year-olds say they are an important factor, compared to **6%** of those in the 55+ age group.



The trust factor

Trust is a big issue in recommendations. This research shows consumers trust their friends much more than family members like parents, siblings, children under 17 and, least of all, grandparents. It indicates the role of shared values and tastes in building trust—things people are more likely to have with self-selected friends.

Tellingly, consumers trust review sites more than family groups. Social media influencers remain less important for now—perhaps because consumers are sceptical that their opinions may be paid-for rather than genuine—though they matter more to younger adults. Another interesting point is the very low influence of children in parents' decision-making: just **2%** of those aged under 17 have a direct say in which venue to visit.

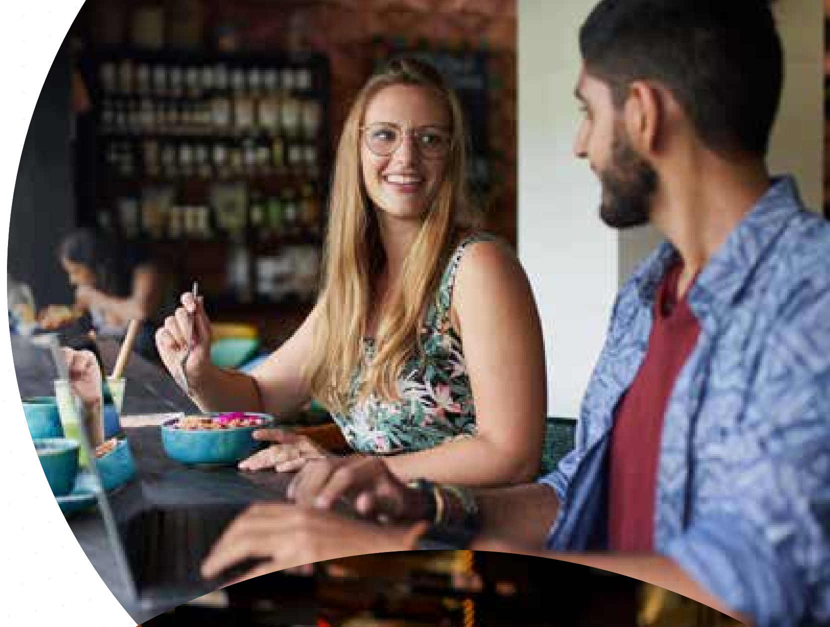
1. **Friends**
2. Review sites
3. Parents
4. Siblings
5. Work colleagues
6. Children
7. Influencers
8. Grandparents

57%
Of frequent visitors agree they will visit venues they trust more often this year than they did in 2022

48%
Of consumers cite location as important in venue choice—the top factor

Ranked by most trusted opinion when choosing which venue to visit; all consumers.

Building trust and winning share:
Five takeaways



1. Highlight value

As food, energy, labour and other costs rise, holding down menu prices isn't easy. But with consumers' spending squeezed too, it will become ever more important to show guests they are getting good value for their hard earned cash.

2. Show reliability and trust

With money short, young adults and parents in particular want to know what they'll get when they eat and drink out. Emphasising dependability and consistency builds trust and makes people more likely to revisit.

3. Focus on older consumers

While much of marketing targets younger adults, it can be easy to neglect older consumers, who account for a greater percentage of influencers. Understanding their priorities can pay off, especially as older adults tend to have more money to spend.

4. Emphasise values

Consumers are more likely to trust a venue and stay loyal if brands mirror the values of them and their friends. A focus on wellbeing, good sustainability and ethical practices can all influence socially responsible consumers.

5. Build word of mouth

Word of mouth is the holy grail for brands, and it's hard to build. But since from friends count for so much, building a buzz among social groups is hugely powerful. As well as marketing, delivering on the fundamentals of hospitality—value, quality and service—is the best way to create it.

The view from CGA

"With spending so tight and competition so intense, it's more important than ever to understand the influences behind visits to pubs, bars and restaurants. Our research highlights how the cost-of-living crisis has sharpened people's focus on price and made convenience and familiarity more important. These factors all play to the advantage of managed pub and restaurants groups, who tend to offer better value, accessibility and trust than independents.

But with influential consumers now so demanding, brands need to deliver dependably great experiences. While digital avenues like social media, review sites and Instagrammers are increasingly important, our research makes clear that old-fashioned recommendations among friends are still the king of influences—and consistency is the best way to earn them."

Karl Chessell, CGA Director - hospitality operators and food, EMEA

The view from Zonal

"With the cost-of-living crisis squeezing consumers' spending habits, it's vital that operators have a good understanding of the key drivers influencing customers' decisions when it comes to eating and drinking out.

The research clearly indicates the demand amongst consumers for good value as well as the importance of building trust with a brand to ensure they are always getting value for money. We know that holding down prices on menus isn't easy in the current climate, but operators who can capitalise on these influences and influencers, demonstrate good value, and deliver a consistent guest experience time after time, will ultimately gain that important advantage in an increasingly competitive market."

Olivia FitzGerald, Chief Sales and Marketing Officer, Zonal

The view from DataHawks

This new research report reinforces how vital the concept of personalisation in marketing has become and gives clear steer as to the key mindsets and motivations behind what influences the decision to visit.

In this era of personalisation, the brands who don't get to know their key customer groups in intimate detail, particularly the ones who represent the most value and opportunity to them, and then leverage that insight to drive targeted communication and brand evolution - will lose them to the brands who do.

Victoria Searl, Founder, DataHawks

About the report

This report is based on figures from Zonal and CGA's exclusive GO Technology survey of 5,000 nationally representative British consumers in February 2023.

For more information about the research, please contact info@zonal.co.uk