

Top Hospitality Trends Impacting Restaurants and Bars in 2024



This guide will give you tips and tricks that will enable your business to implement strategies to improve your operational processes and drive profitability.

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Introduction

Improve profitability in 2024!

When it comes to running a successful bar or restaurant, efficiency is the key ingredient that can make or break the reputation of your business.

Behind the scenes, the seamless operation of a restaurant or bar is not simply a result of luck. It's a well-honed skill that requires careful management.

Much of that comes with keeping up with the latest trends that will give your business a competitive edge and allow you to navigate the challenges associated with the current market - such as inflation, high interest rates and the shortage of hospitality workers.

So, where do you start?

In this guide to the top hospitality trends impacting restaurants and bars in 2024, we look at some of the key challenges hospitality businesses will face over the coming year and the strategies they'll implement to grow and thrive.



We hope this guide helps your restaurant or bar to find new ways to increase profitability and improve operational efficiencies in 2024.

Trend 1

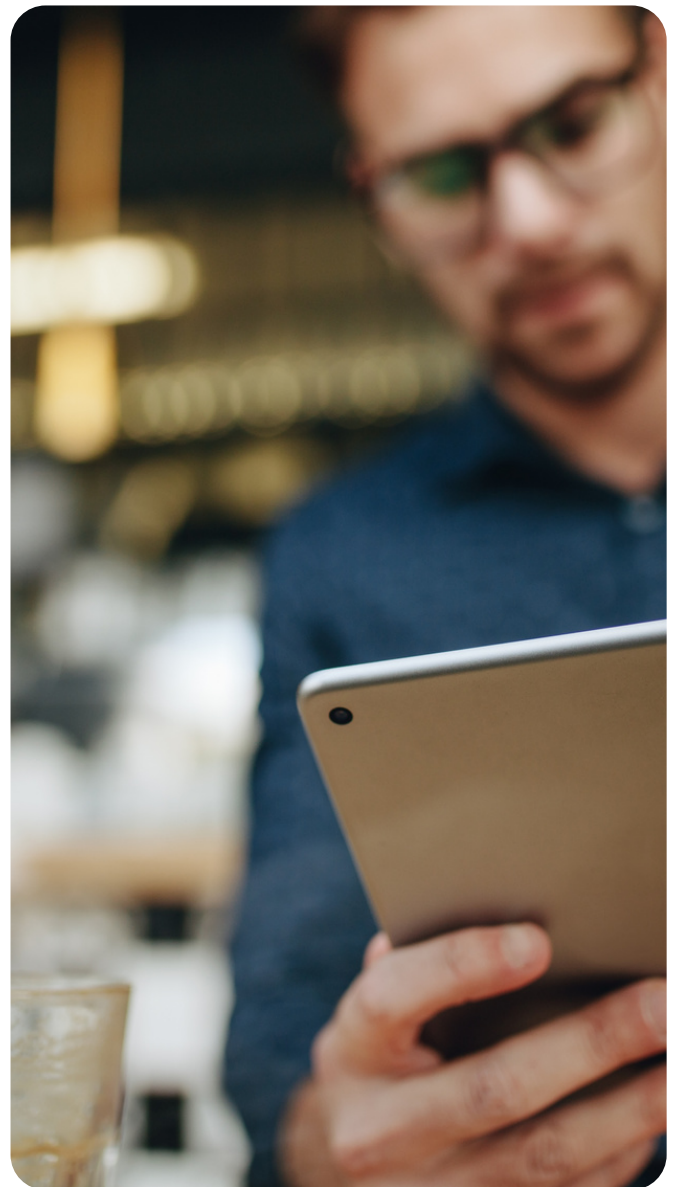
Automation is key to becoming efficient

Gone are the days of outdated manual processes holding back your restaurant's potential. As technology continues to evolve, automation tools have opened up a world of possibilities for streamlining your operations and maximizing profitability.

Most importantly, automation isn't about replacing employees. It's about augmenting your existing team so that they are more productive, effective and accurate - allowing your business to both improve profitability and, at the same time, enhance the quality of your overall offering to delight customers.

In fact, a recent survey by *Capgemini* found that 730 out of 1,000 surveyed companies affirm that automation can help boost customer satisfaction.

Imagine seamlessly synchronized systems, precise inventory control, and streamlined workflows that create a symphony of efficiency. Here are some key technologies that can help your business automate important processes.



POS System Integration

By connecting your POS system with other tools such as inventory management, kitchen display systems, and customer relationship management (CRM) software, you can achieve real-time synchronization and seamless communication between different departments.

Inventory Management System

Managing inventory is a constant challenge for restaurant managers. An inventory management system automates this process by tracking stock levels, generating purchase orders, and providing real-time inventory insights. These systems can also set up automatic alerts when stock levels are low or when items are nearing their expiration dates.

Sculpture Introduces Predictive Ordering

Sculpture Hospitality is excited to announce our new automated ordering feature, IntelliOrder, that allows restaurants and bars to make purchase orders directly through the Sculpture platform. With this innovative feature, restaurant and bar managers will no longer need to switch to another system or rely on tracking orders in their email inbox.

NEW



5 Benefits of Automation

1

Enhanced Efficiency and Productivity:

By automating manual processes, you can eliminate time-consuming tasks and free up your staff's valuable time.

2

Reduced Errors and Improved

Accuracy: Manual processes are prone to human errors, which can lead to costly mistakes in a restaurant or bar setting. Automation tools help minimize errors by eliminating the need for manual data entry.

3

Cost Savings:

Controlling costs and optimizing inventory are critical aspects of restaurant management. By automating inventory tracking, you can gain real-time visibility into stock levels, ingredient usage, and trends - helping you to save money and improve profitability.

4

Streamlined Customer Experience:

Automation tools contribute to a streamlined customer experience by optimizing various touchpoints for your customer - leading to repeat business and positive word-of-mouth referrals.

5

Data-Driven Decision Making:

Automation tools provide valuable insights and analytics into sales data, customer preferences, and operational trends that empower restaurant managers to make data-driven decisions.

Online Reservation Systems

Managing reservations can be a time-consuming task, especially during peak hours. An online reservation system allows your customers to book tables conveniently, while also automating the reservation process for your staff. These systems can send automated confirmations, reminders, and even manage waitlists.



Kitchen Display System

A kitchen display system can integrate with your POS system and update orders automatically, ensuring that chefs receive accurate and up-to-date information. With a kitchen display system, you can streamline the order preparation process, minimize errors, and expedite food delivery, leading to happier customers and improved kitchen efficiency.



Employee Scheduling Software

Creating employee schedules manually can be a tedious and error-prone process. Employee scheduling software automates this task by considering factors such as staff availability, shift preferences, and labor laws. These tools also allow employees to request time off, swap shifts, and communicate their availability directly within the system.





Trend 2

Keeping track of inventory is mission critical

As a restaurant owner or manager, keeping track of inventory is critical to running a successful business.

Without proper inventory management, you may end up over-ordering food, which can lead to product waste, or under-ordering, which can result in unhappy customers and a shortage of menu items.

The restaurant and bar of old were loaded with products that were never used in recipes and never sold. Businesses can no longer afford to do this if they are to survive the inflation, labor shortage and rising prices the entire industry is facing in 2024.

When inventory is left unused on your shelves, it's eating into the profitability of your business. You essentially have liquid cash sitting there that cannot be used or sold.

Carrying the right amount of inventory is critical

The problem with **understocking**:

The main problem with understocking is that you risk not having a product when a customer orders. This could lead to missed sales, reduced customer satisfaction and poor reviews. It also means you may be missing out on cost efficiencies gained by meeting minimum orders, and puts you at risk of not being able to restock if there is ever a shortage.

The problem with **overstocking**:

When you overstock your inventory you are tying up capital that could be used for other money-making opportunities or investments. In addition, it increases storage costs associated with keeping the inventory on site. Not only that but if you order too much stock and that product stops being popular, you will be forced to either sell at a lower price or throw it out - wasting profit margins.

That's why we expect restaurants and bars to put renewed importance on inventory management this year. In fact, many will start to see inventory as a precious investment in the profitability of their business.

Successful inventory starts with visibility and control

Restaurant and bar inventory is your company's biggest asset. Everything your team does, from their pour habits, how they maintain stocked goods to how much they serve on a plate, will impact how profitable your business is.

To truly maximize profits and get your entire team on board with inventory management, it's critical to gain visibility and control over your inventory. If you are using more inventory than you're selling, then your profit margins are getting slimmer. Knowing how much you are using and where it's being used is the only way to mitigate that waste.

There are a few key ways to track inventory:



Spreadsheets: Spreadsheets are a simple and cost-effective way to keep track of inventory in a restaurant or bar. The advantages of using spreadsheets include their ease of use, low cost, and the ability to create custom formulas and macros to automate tasks. With that being said, spreadsheets can also be time-consuming and prone to errors due to the manual nature of using them.



Inventory Management Software: Inventory management software is specifically designed for the needs of restaurants and bars, providing many benefits over spreadsheets. This software automates many of the calculations you need to gain insights into your inventory and profit margins.



Other Technology: Other technologies, such as barcode scanning systems, allow restaurants and bars to better record their inventory levels. There are several methods and technologies to help your restaurant keep track of its inventory. The method that is best for your restaurant will depend on several factors, including the size of your restaurant, the amount of inventory you manage, and your budget.

Connecting your inventory management system with your point of sale (POS) system for detailed reports gives a new level of data that enhances profitability further.

The use of KPIs and metrics, period automatic replenishment (PAR level), food cost and wastage, will give restaurants and bars the insights into inventory levels required that help ensure they are maximizing their profit margins.

Trend 3

Invest in expert experienced support and staff retention

The hospitality industry has been hit hard with staffing shortages in recent years, and this will no doubt continue into 2024. This challenge has left businesses struggling to find the time and resources needed to improve profitability and streamline processes.

Despite the importance of investing in technology, restaurants and bars also need to invest in expert and experienced support, as well as staff retention efforts, to help them optimize and streamline their processes and keep hold of talented workers.

Focus on Staff Retention

As a restaurant or bar manager, your staff are your most valuable asset. Employees who are satisfied, motivated, and committed can help create a positive work environment, provide excellent customer service, and increase the restaurant's profitability.

To retain your restaurant employees, take these proactive measures:



Build a positive work environment:

To do this, you need to foster an atmosphere of respect, collaboration, and open communication. You also want to make sure that your restaurant is a safe, clean, and welcoming place to work, and provide your staff with the necessary tools and resources to do their jobs effectively.



Offer competitive compensation:

Ensure that you pay your staff at least the minimum wage, if not more, and offer benefits such as health insurance, retirement plans, and paid time off where possible. You can also consider offering incentives, such as bonuses or profit-sharing to further incentivize your employees to perform well.



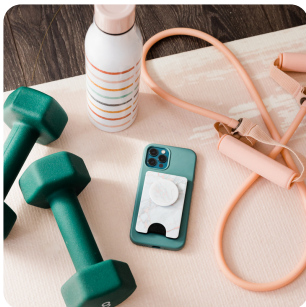
Provide growth opportunities:

Employees who see a future for themselves at your restaurant are more likely to stay long-term. Provide opportunities for growth and development, such as promotions, training programs, and cross-training, to show your staff that you are invested in their development.



Recognize and reward hard work:

Provide incentives for exceptional performance, such as employee of the month awards, gift cards, or other incentives. Publicly recognize staff who go above and beyond, and encourage peer-to-peer recognition.



Ensure a healthy work-life balance:

Over the years, a healthy work-life balance has become critical to employee well-being and retention. Ensure that your staff has reasonable working hours and sufficient time off and encourage taking breaks.

At Sculpture Hospitality, we stand out in the industry. Not only have we developed an innovative inventory management system for restaurants and bars, but we have a team of local industry experts around the world to help you implement and operate successfully.

Our team of experts make sure your inventory technology is set up to empower your growth! We offer experienced and skilled guidance to ensure that your business is implementing seamless, accurate and profitable inventory solutions, freeing up time and resources for your restaurant or bar to focus on what matters - delighting customers.

Trends 4

Tips to help your business reduce food waste

As a restaurant owner or manager, keeping track of inventory is critical to running a successful business. Without proper inventory management, you may end up over-ordering food, which can lead to product waste.

This is even more critical now, as rising costs and inflation are making restaurant inventory increasingly more expensive. In fact, according to *Restaurants Canada*, half of restaurants and food service companies in 2023 reported operating at a loss or just breaking even as food costs continue to grow.

Here are some tips to help your business reduce food waste in 2024:

An Inventory Management System Will Save You Time



Inventory management software can help streamline the process of tracking inventory and save you time, allowing you to accurately and easily prevent food waste within your restaurants or bar.

One of the main benefits of using inventory management software is that it allows you to automate the process of tracking your inventory. With inventory software, you can easily keep track of your inventory levels in real-time, so you always know exactly what you have on hand.

Sculpture Hospitality's food inventory platform makes recording, accessing and analyzing this data easy for restaurant managers. With inventory data at your fingertips, you can see exactly where your business is wasting food and implement methods that mitigate that waste moving forward.



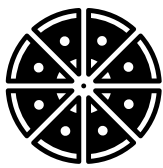
Conduct Regular Inventory Checks

Regularly auditing your inventory will give you a clear understanding of what you have on hand, what is nearing expiration, and what needs to be used. This ensures that you rotate stock efficiently, and minimizes the chances of food spoiling because it was forgotten or overlooked.



Menu Flexibility

Consider introducing daily specials or rotating menus that utilize ingredients you have in abundance. This not only reduces waste but also introduces variety to your patrons, keeping them curious and excited about your offerings.



Train Staff on Portion Control

A significant amount of waste can result from oversized portions that diners can not finish. Regularly train your staff on correct portion sizes and use standardized measuring tools to ensure consistency.



Foster Unique Supplier Relationships

Build strong relationships with your suppliers. If they are aware of your efforts to reduce waste, they may offer more flexible ordering options, allowing you to order smaller quantities or more frequent deliveries, ensuring freshness.



Donate Excess Food

If you have surplus food that can not be used in time but is still fresh, consider donating it to local shelters or food banks. It is a win-win, as you're reducing waste and supporting the community.

Trend 5

Misconception About Inventory & POS Systems

In the bustling world of restaurant and bar operations, the terms inventory management systems and point of sale (POS) systems frequently come up. While both are integral to the smooth functioning of these businesses, there is a common misconception that these two systems are in competition with each other.

This could not be further from the truth, and many restaurants and bar managers within the next year will start to realize this.



They Have a Distinct Purpose...

Inventory Management Systems:

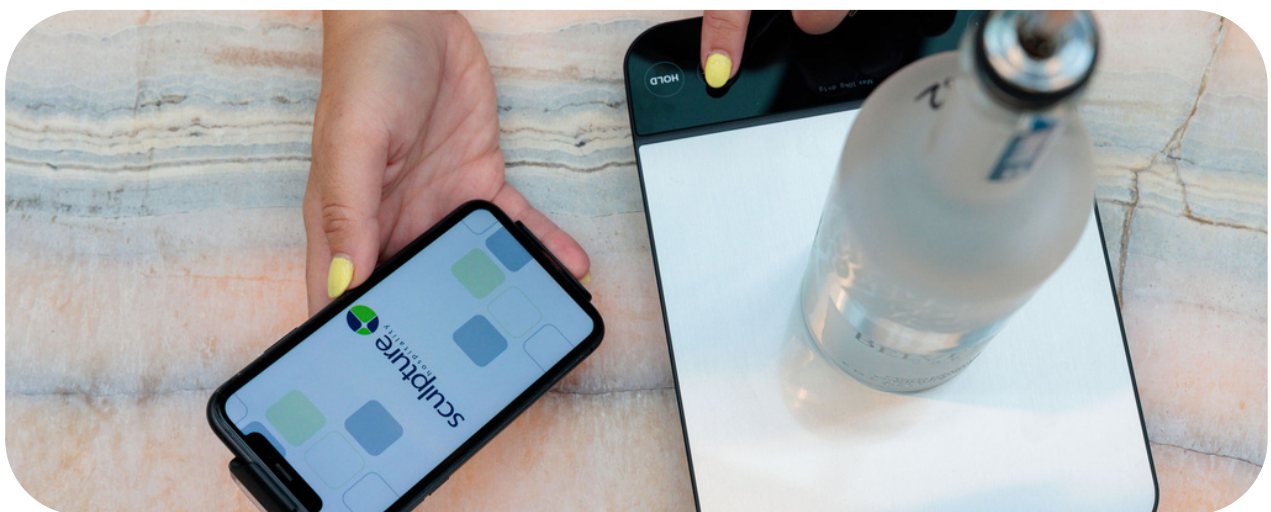
These are designed to monitor, manage, and optimize the stock levels of food, beverages, and other consumables. By analyzing consumption patterns, predicting future demand, and facilitating stock rotation, they ensure that businesses neither overstock nor run short.

Point of Sale Systems:

A POS system is the heartbeat of sales transactions. It manages orders, processes payments, and records sales data. Whether a customer is paying by cash, card, or a digital wallet, the POS system ensures smooth transaction flow.

While an inventory management system focuses on what is in stock, and a POS emphasizes what is sold, these systems are most powerful when they work in tandem. The inventory management system that you invest in should be able to integrate with your restaurant's POS system, and vice versa.

By integrating both systems and fine-tuning their functionalities so they are designed for the specific needs of your restaurant, you will be able to automate the complicated back-end processes of finding hidden costs and wasted money, as well as identify areas where you can improve business profitability.



Trend 6



AI Growth Impacts the Hospitality Industry

In recent years, the hospitality industry has been undergoing a significant transformation thanks to the rise of artificial intelligence (AI) and related technologies.

AI allows machines to perform tasks that typically require human-like intelligence, such as visual perception, speech recognition, decision-making, and language translation. Computers do this by using a number of methods to learn from data, recognize patterns, and make predictions or decisions based on that data.

AI has a wide range of applications in various fields, including healthcare, finance, manufacturing, transportation, entertainment, and of course, restaurants. Here are five ways artificial intelligence is impacting the restaurant industry:

1

Menu Optimization

By analyzing customer preferences and sales data, artificial intelligence can help restaurants identify which menu items are popular and which ones aren't. This information can then be used to update menus to include more popular dishes and remove less popular ones. Additionally, AI can suggest menu changes based on seasonal or regional trends.

2

Personalized Menu Recommendations

If you offer online ordering or digital menus, artificial intelligence can analyze customer data to make personalized menu recommendations. This technology can help restaurants offer targeted menu items to customers based on their preferences, order history, and dietary restrictions.

3**Enhanced Customer Service**

AI-powered chatbots and virtual assistants are becoming increasingly common in the restaurant industry. These technologies allow customers to order food, make reservations, and ask questions through messaging apps or voice assistants - improving the overall customer experience and allowing staff to focus on more complex tasks.

4**Predictive Maintenance**

Artificial intelligence can also be used to monitor restaurant and bar equipment and predict when maintenance is needed. By collecting data on equipment usage and performance, AI can detect anomalies and predict when parts are likely to fail - helping businesses avoid costly breakdowns and reduce downtime.

5**Food Safety Monitoring**

By analyzing data from sensors and cameras, AI can detect potential food safety hazards, such as temperature variations or cross-contamination. This can help restaurants detect and address food safety issues in real-time, reducing the risk of foodborne illness outbreaks.



Trend 7

Adapting to Unpredictable Weather

Running a restaurant is no easy feat, and when the weather becomes an unpredictable player in the game, the challenges only multiply.

This challenge will only increase in the coming years, as extreme weather events continue to rise. In fact, there has been a “staggering rise” in the number of extreme weather events over the past 20 years, driven largely by rising global temperatures and other climatic changes, according to a report from the *United Nations*.

From 2000 to 2019, there were 7,348 major natural disasters around the world. By comparison, the previous 20-year period - 1980-1999 - had 4,212 natural disasters.

So, what can restaurants and bars do to successfully manage their business amid unpredictable weather conditions? Here are a few tips that can help turn challenges into opportunities - ensuring guests are warmly welcomed, regardless of what Mother Nature has in store.



Embrace Versatility:

Smart restaurateurs recognize that weather patterns can fluctuate without warning. They design their establishments with this in mind, offering both indoor and outdoor seating options. During fair weather, patrons can enjoy the sunshine on a charming patio. On inclement days, a cozy interior welcomes them, ensuring the dining experience remains comfortable and enjoyable.



Stay Updated With Weather Forecasts:

Knowledge is power. Keeping a close eye on weather forecasts is vital to plan accordingly. Armed with accurate information, managers can adjust staffing levels, stock inventory, and even modify the menu to suit the weather conditions.



Leverage Technology:

Implementing online reservations, digital menus, and delivery services can be a game-changer during challenging weather scenarios. Guests appreciate the convenience of placing orders from the comfort of their homes, especially during heavy rains or snowstorms.



Safety First:

During severe weather conditions, it is essential to take necessary precautions to ensure the well-being of both guests and employees. Slip-resistant mats can prevent accidents on wet floors, and proper ventilation systems can keep the indoor environment comfortable during heat waves. Proper training and protocols for emergencies are equally crucial.



Community engagement:

Engaging with local residents and businesses can help create a support network during challenging times. When a disaster does strike, be ready to support the community with promotions and services that help alleviate stress and remind people that everything will be okay.



Be Adaptable and Positive:

Weather patterns may be beyond our control, but how we respond to them is entirely up to us. Embrace changes with a can-do spirit, and turn challenges into opportunities for growth and improvement. Customers appreciate a restaurant that remains steady and optimistic, no matter the weather outside.



Trend 8

Stand-out with Exceptional Customer Experience

A majority of diners report diminishing guest experience because of labor shortages at restaurants, according to a recent consumer survey from *HungerRush*.

The survey found that friction points are increasing in the dining experience with longer wait times to receive food (33 percent), diminished customer experience due to overstressed staff (32 percent), and longer wait times just to place an order (17 percent) being among the top three pain points.

This, combined with inflation and the fact that diners are eating out less frequently due to tighter budgets, means restaurants and bars are fighting for customers. However, instead of viewing this as a challenge, it should be seen as an opportunity.

Restaurants which now focus on the customer experience have a chance to delight their customers and reimagine their offerings. This could be implementing initiatives that prioritize personalization, using technology to augment and enhance staff roles, and putting additional emphasis on customer service.

By putting additional emphasis on delighting customers, restaurants and bars have a real opportunity to reverse the decline in customer experience and set new industry standards that put their business a step ahead of the competition.



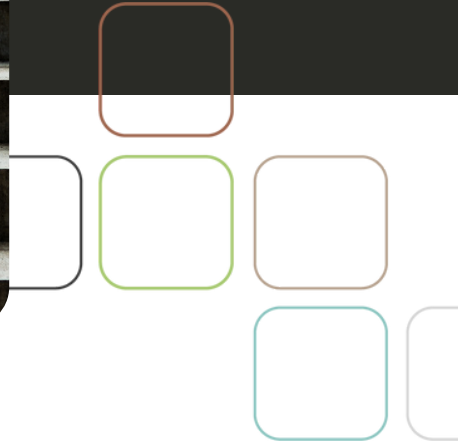
Conclusion

In the ever-evolving landscape of the restaurant industry, standing out and thriving requires more than just offering great food. It demands a relentless pursuit of excellence, a commitment to continuous improvement, and an unwavering dedication to delivering exceptional experiences for customers.

Keeping up with today's trends will help you achieve just that.

By staying up to date with modern technologies, implementing innovative strategies and focusing on inventory as a profit driver, your restaurant or bar will be able to refine every aspect of your business to improve customer satisfaction, employ happy staff members and, most importantly, drive up profitability.





Contact Sculpture Hospitality

Founded in 1987, Sculpture Hospitality stands at the forefront of pioneering advanced solutions for bar and restaurant inventory management. Their extensive array of services boasts an intuitive restaurant inventory management platform and analytics, backed by a team of seasoned industry professionals. The local experts at Sculpture exemplify unwavering commitment, guiding clients through every facet of the inventory management process, and offering adept in-person and virtual comprehensive support.

With a worldwide reach that spans over 300 accomplished franchisees, Sculpture Hospitality continues to be dedicated to delivering expert inventory management solutions to businesses in the dynamic and ever-evolving hospitality sector. To learn more, visit Sculpture Hospitality at:

SCULPTURE HOSPITALITY

Corporate Office
601-505 Consumers Road
Toronto, ON Canada, M2J 4V8
sculpturehospitality.com

