Square | AMERICAN EXPRESS

Reclaim Your Time

Your guide to reducing admin work

2024

JUNE

95% of business owners tell us that they feel optimistic about the future success and growth of their business.

We want to harness this sentiment and help businesses turn this optimism into success.

Square aims to empower businesses to streamline their operations for happier customers, happier employees, and financial success. However, we recognise there are challenges that get in the way.

One of these challenges, experienced by a huge number of businesses, is the continuous and unrelenting burden of business administration. To understand how to streamline administrative tasks and boost efficiency, Square and American Express have conducted a programme of research aimed at both understanding the admin burden faced by food and drink businesses and uncovering solutions to help.

Square and American Express are committed to supporting hospitality businesses, and whilst this report does not have all the answers, it aims to offer inspiration from real business owners, and find new and creative ways to solve admin challenges.

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THE RESEARCH PROJECT

Strive Insight interviewed
food and drink business owners across the UK

METHODOLOGY

AI Powered Netnography
Using AI, we scraped current trends across the web

156 Survey Responses

6 In-Depth Interviews

INDUSTRY SAMPLE

79 Full-Service Restaurants
40 Quick-Service Restaurants
23 Café/ Coffee shops
13 Pubs/ Bars

Average annual revenue:
£250,000 - £5m

The research explored business owners' attitudes about the industry and the challenge they face running a hospitality business in 2024. The research also asked businesses to share their own solutions and ideas for solving those challenges, which this paper will share.

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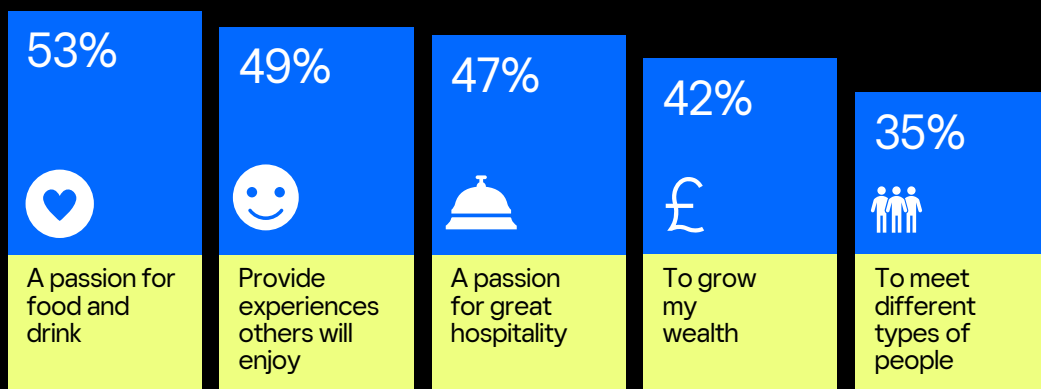# Hospitality businesses are optimistic about the future

Business owners told us they are motivated by a deep passion for food and drink. Coupled with this, they are in the business of making people happy. They want to provide excellent service and spend their time fostering moments of enjoyment and happiness in the lives of their customers.

"The buzz when it's busy is great, you can't beat it. Seeing people enjoy the food and sharing that with us is really rewarding."

Restaurant Owner, London

TOP 5 REASONS FOR SETTING UP A HOSPITALITY BUSINESS

Data: % of Hospitality Business Owners

| 53%	49%	47%	42%	35%
A passion for food and drink	Provide experiences others will enjoy	A passion for great hospitality	To grow my wealth	To meet different types of people

Source: Square X Amex Research, April 2024. Conducted with 156 UK food and drink business owners.

Hospitality business owners have experienced a multitude of pressures over the past few years, including the rising cost of materials, staff shortages and increasing rents and red tape.

Despite this, small-to-medium hospitality businesses continue to thrive. Business owners are optimistic about what the future holds for them, and for the industry as a whole.
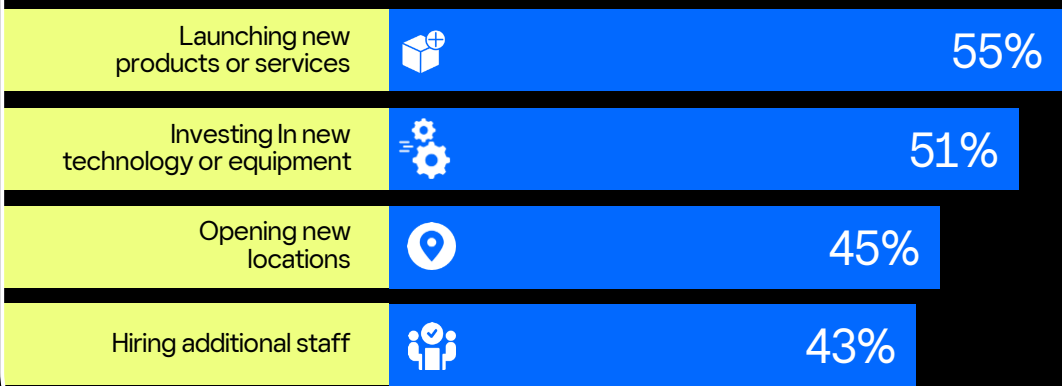
Our research found that:

74% of business owners expect their profitability to grow over the next 12 months.
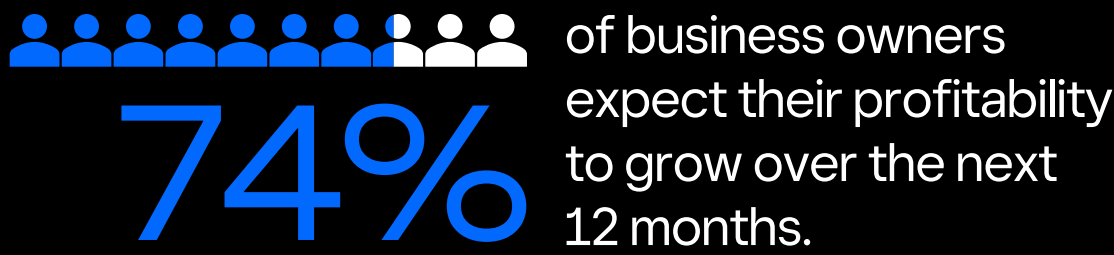
Linked to this, 68% of business owners plan to expand their business in the next 1 – 2 years. For many, this means launching new products and services and adding to the already rich and diverse landscape of hospitality experiences available to the general public.

TOP EXPANSION STRATEGIES

Data: % of Hospitality Business Owners Planning Expansion

Strategy	%
Launching new products or services	55%
Investing In new technology or equipment	51%
Opening new locations	45%
Hiring additional staff	43%

Source: Square X Amex Research, April 2024. Conducted with 156 UK food and drink business owners.
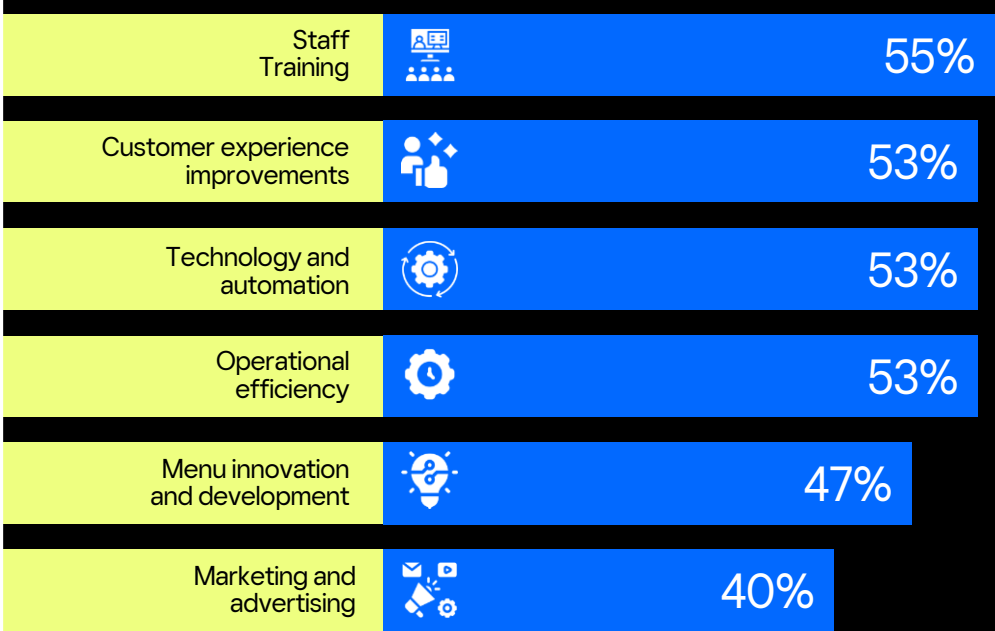
Increased revenues will drive business improvement. While customer experience improvement is a vital investment area, businesses are also committed to investing in staff training, technology and automation.

This signals a strong desire to not only improve the customer experience but also to improve business performance, making running a hospitality business less time consuming and more enjoyable for business owners and managers.

As the industry moves forward and businesses find new ways to become efficient and increasingly profitable, business owners stand to benefit, not just in their bank accounts, but also by finding more time to spend on the parts of the business they love – producing great food and drink and outstanding experiences for their customers.

WHERE BUSINESSES AIM TO FOCUS THEIR INVESTMENT OVER THE NEXT YEAR

Data: % of Hospitality Business Owners looking to Invest in their business over the next 12 months

Staff Training	55%
Customer experience improvements	53%
Technology and automation	53%
Operational efficiency	53%
Menu innovation and development	47%
Marketing and advertising	40%

But admin gets in the way

Business owners told us that the biggest barrier to investing in and improving their business, is time. **88% of business owners say that admin takes away the time they could be spending on improving their business.** The day to day running of the business gets in the way of improvement and expansion plans and as many in the industry will be familiar, has a negative impact on work life balance.
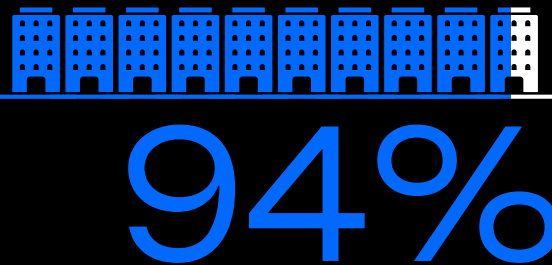
94%
of hospitality businesses wish there was a way to streamline administrative tasks

Source: Square X Amex Research, April 2024. Conducted with 156 UK food and drink business owners.

Drawing on the experience and advice shared with us by business owners, this paper looks at **three ways** that hospitality business owners can reduce the amount of time spent on administrative tasks. It aims to show you how and where you can save time and build efficiencies, ultimately giving you time back in the day to focus on doing what you love.
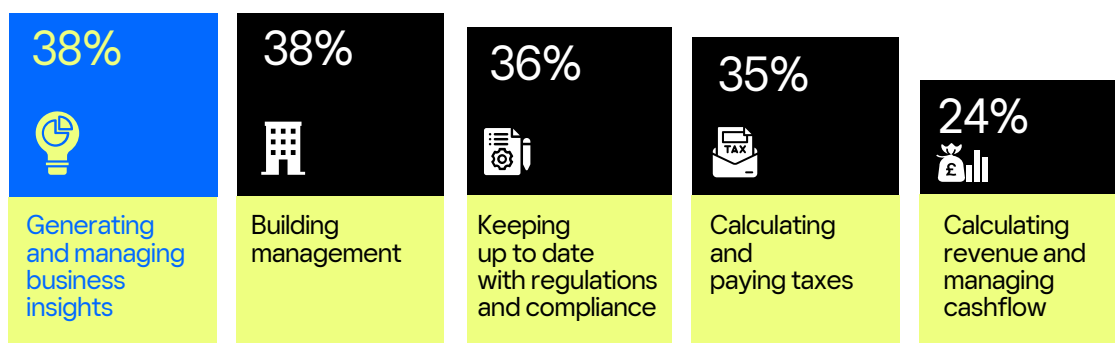
1.
Get insights at the touch of a button

Business improvement relies on making the right decisions on when and where to invest in your business. Insight-driven decision making enables business owners to make better choices across a range of functions, including menu planning, staff management and inventory. Despite this, many businesses experience challenges accessing and gathering insight to inform decision making – it remains one of the top admin challenges experienced by hospitality business owners in 2024.

TOP ADMIN CHALLENGES

Data: % of Hospitality Business Owners

38%	38%	36%	35%	24%
Generating and managing business insights	Building management	Keeping up to date with regulations and compliance	Calculating and paying taxes	Calculating revenue and managing cashflow

Source: Square X Amex Research, April 2024. Conducted with 156 UK food and drink business owners.

While widespread use of software and technology means more and more data is available these days, it is often unstructured and lives across a range of documents, programmes and locations, making it difficult and time consuming to leverage.

Our research found that more and more businesses are moving away from manually crunching data to uncover business insights and instead, are turning to technology to do hard work for them.

Reviews are a key source of insight for hospitality businesses. Many are now utilising tools that can analyse large numbers of reviews to identify trends in customer feedback. Reporting and analytics tools are also used to draw insights from data such as menu item popularity across time and date combinations throughout the year.

"If you know what your most popular dishes are, you can prep better. The kitchen can be more efficient and there is less waste"

Restaurant Owner, London

TOP TECH TOOLS USED BY FOOD AND DRINK MERCHANTS:

01 Tools that analyse customer reviews to enhance service to better appeal to customers

02 Reporting and analytics tools to provide insights to help grow your business

03 Tools to analyse capacity trends to maximise staff efficiency

04 Insight tools to identify and prioritise popular dishes

Source: Square X Amex Research, 2024. Conducted with 156 UK food and drink business owners.

92% of business owners surveyed said using reporting and analytics tools to provide insights has had a positive effect on their business

Business owners tell us the key benefits of harnessing data and insights in real time are:

1.

DELIVERING FOR YOUR CUSTOMERS

Understanding the needs and wants of customers is essential to attracting both new and repeat customers. Aggregating reviews, and identifying the most popular dishes on the menu highlight what customers really love about your experience. This is invaluable feedback as you refine your offering moving forward.

- **100%** agree that analysing customer reviews to enhance service has had a positive impact on their business.
- **94%** of food and drink businesses agree that insight tools to identify and prioritise popular dishes has had a positive impact on their business.

2.

UNDERSTANDING YOUR FINANCIAL HEALTH

Insight tools can illuminate where hidden and extra costs lie, and where savings could be made. Live sales and menu reports identify *when* you are most profitable, and *what* is most profitable – best selling items (and importantly, which items are not selling). Analysis on your busiest hours can help identify labour needs and costs down to the hour.

"Conducting regular analysis to understand your business's financial health…will help you make informed decisions and take proactive measures to mitigate rising expenses."

Restaurant Owner, Leeds

2. Automate tasks that eat up your time

Running a great hospitality business relies on balancing the production of great food and drink with a multitude of other tasks that keeps the business going. But admin time is time spent away from the core function of providing great hospitality. 88% of hospitality business owners agree that business admin takes away the time they could be spending on connecting with customers.

Besides generating insight, business owners experience several other admin-related challenges. Businesses tell us their top challenges include building management, keeping up to date with compliance and tax calculations and payments.

However, our research found that businesses who are using tech and software to automate time-intensive tasks are saving hours of admin time.

On average, food and drink businesses use:

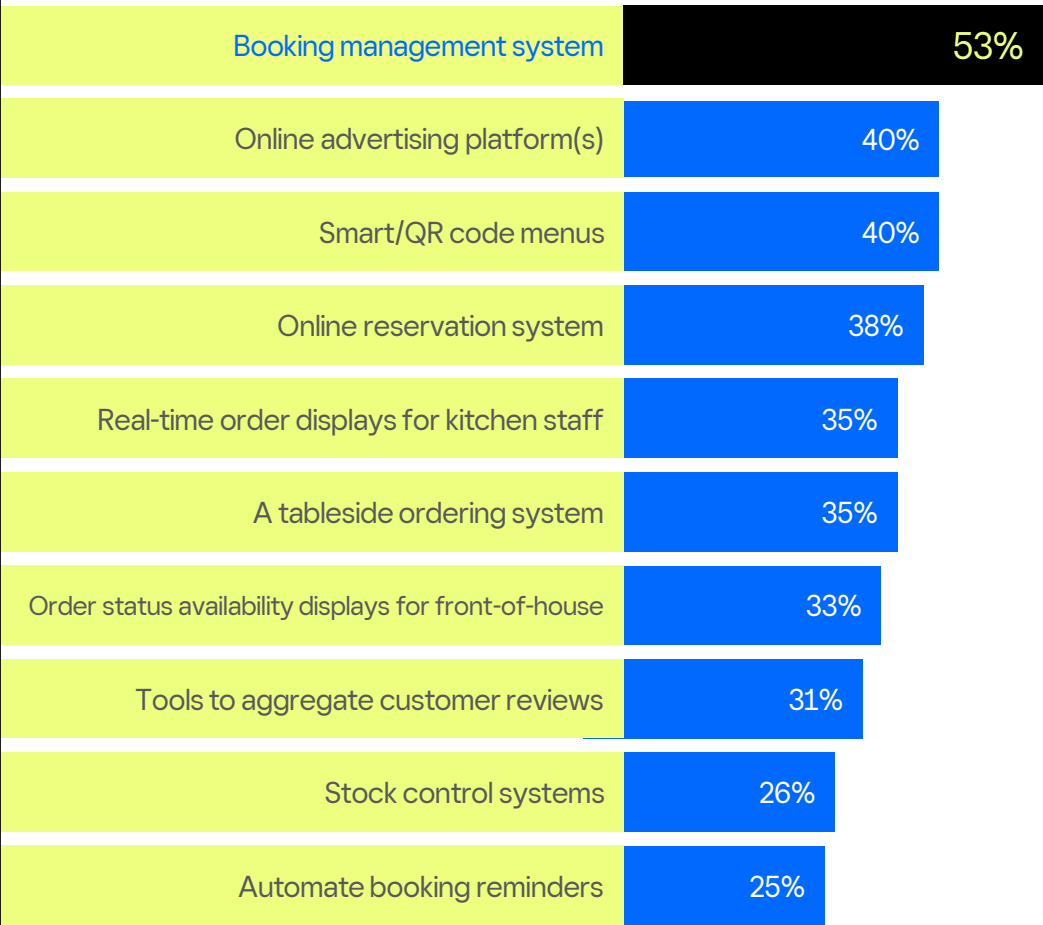**4** **automation tools** to help them run their business.

Automation is being used across a number of areas of hospitality businesses. Some examples we encountered in our research include using online booking management systems to manage bookings more efficiently, tools to provide real-time order displays for kitchen staff and order status availability displays for front-of-house staff to maximise customer service efficiency.

"I'd suggest utilising accounting software or tools to streamline administrative tasks and automate processes wherever possible"

Restaurant Owner, London

TOP AUTOMATION TOOLS USED

Data: % of Hospitality Business Owners Using Tools to Help Run Their Business

Tool	%
Booking management system	53%
Online advertising platform(s)	40%
Smart/QR code menus	40%
Online reservation system	38%
Real-time order displays for kitchen staff	35%
A tableside ordering system	35%
Order status availability displays for front-of-house	33%
Tools to aggregate customer reviews	31%
Stock control systems	26%
Automate booking reminders	25%

Businesses using software and tech solutions to drive automation experienced clear time savings across a range of tasks.

Those using automated systems to **streamline communication** (e.g. real time order displays) spend **an hour less per week on staff admin.**

Businesses who **automate stock management save 2 hours per week** compared to those who do this manually.

"Good tools can make all the difference. Your business's inventory, sales, and payroll demands should be met by accounting software."

Restaurant Owner, Scotland

"Using helpful software for your work will save you even more time."

Restaurant Owner, Manchester

The more automation that is implemented across admin tasks, the more time you'll save each day, week and month. This is time that could be spent in other areas, whether it be growth and expansion plans, investing in business improvement or spending more time with your customers, friends and family.

THE IMPACT OF USING AUTOMATED TOOLS

Data: % Claim Automation Tools have had a Somewhat/ Very Positive Impact on Their Business

94% say a booking system has positively impacted efficiency

92% say order status displays for front-of-house staff minimise delays

91% praise real-time order displays for driving kitchen efficiency

Automation means you can save time and run your business more efficiently, but it's also important to ensure the customer experience is as smooth as possible. In particular, ordering and payments can be set up in a way that makes the process as easy as possible for both staff and customers.

Ensuring your customers know when and how they can pay is key to offering a seamless payments experience, especially if customers can purchase through their preferred method. Displaying your payment methods with clear signage makes it clear to customers what they can expect from your business.

THE IMPACT OF ACCEPTING AMERICAN EXPRESS

88% of American Express Cardmembers say American Express is their payment method of choice all purchases.[2]

68% of American Express Cardmembers report they are more likely to shop at a merchant with clear signage indicating Amex acceptance.[2]

Offering customers their payment method of choice makes the payment process easier for staff and customers – customers never need to be turned away.

40% of businesses who accept American Express say they feel positive telling customers that American Express is accepted.[1]
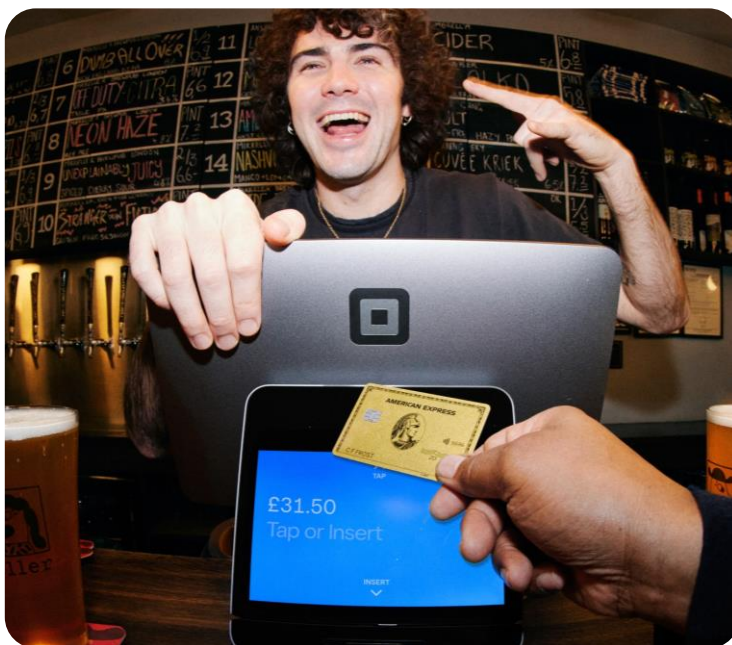
3.

Reduce HR admin by focusing on retention

While speaking to business owners about the challenges they face, one thing becomes clear: finding and keeping great staff is hard.

87%

of business owners agree that staff management issues are some of the most stressful issues when it comes to running a hospitality business.
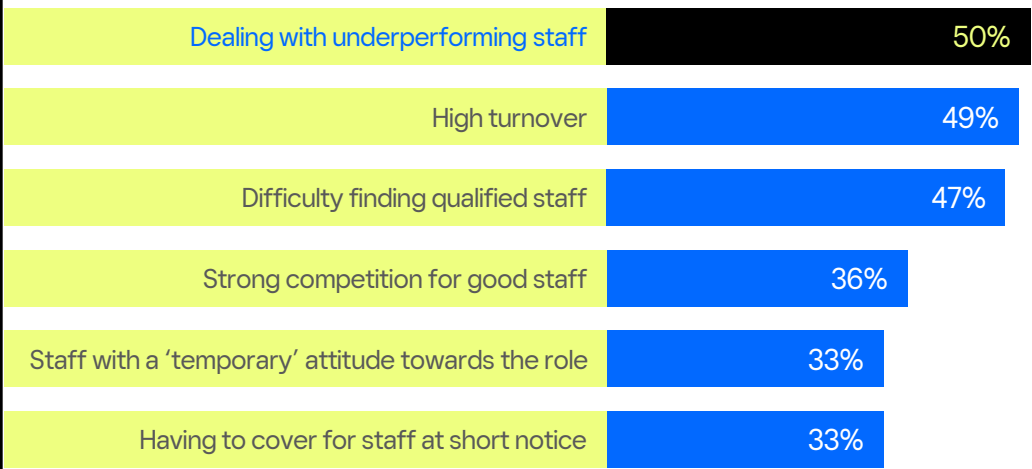
Hospitality business owners are passionate about delivering exceptional customer experiences, but finding employees who mirror that level of passion and commitment can be difficult. The top staff-related challenges typically encountered are underperforming employees, high turnover rates, and difficulty hiring qualified personnel.

"There's a lot of competition for our staff to look elsewhere, so we try and improve staff retention by offering a small employee benefits package."

Restaurant Owner, Manchester

TOP STAFF RELATED CHALLENGES

Data: % of Hospitality Business Owners

Challenge	%
Dealing with underperforming staff	50%
High turnover	49%
Difficulty finding qualified staff	47%
Strong competition for good staff	36%
Staff with a 'temporary' attitude towards the role	33%
Having to cover for staff at short notice	33%

Source: Square X Amex Research, April 2024. Conducted with 156 UK food and drink business owners.

Unsurprisingly, managing these issues consumes a significant amount of time.

On average business owners are spending 13 hours a week on staff related administrative tasks. 23 hours are spent on training staff

Source: Square X Amex Research, April 2024. Conducted with 156 UK food and drink business owners.

To increase staff retention and spend less time finding and training new employees, business owners in our survey emphasised the importance of staff training and development.

A team that believes in their development and progression in hospitality will stay with you longer and feel empowered to add value to your business.
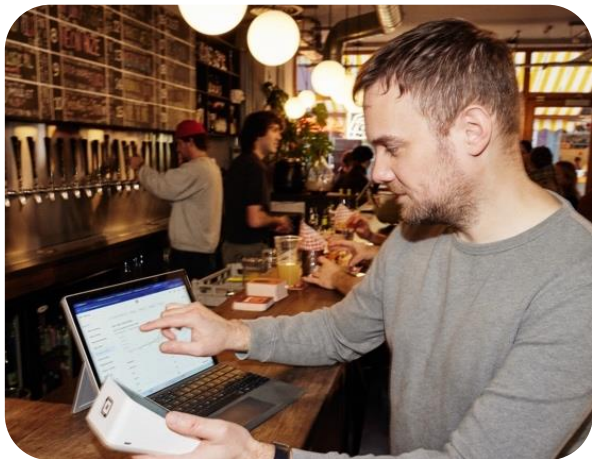
"Be fair, treat them as people and individuals and try to support them, everyone wants to do well."
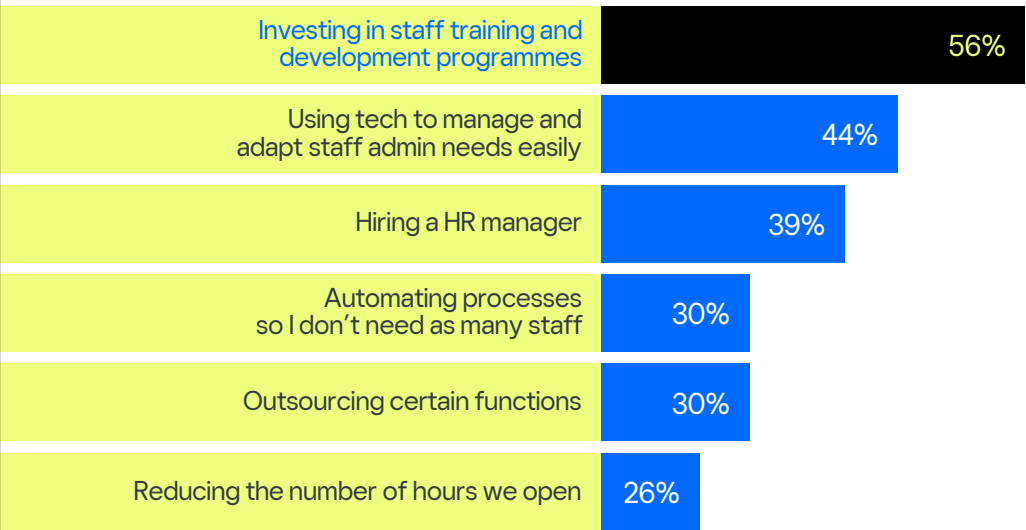
Restaurant Owner, Manchester

"Make continuous training and development a priority to empower employees and also improve output."

Restaurant Owner, Brighton

TOP SOLUTIONS FOR MINIMISING STAFF RELATED ADMIN

Data: % of Hospitality Business Owners

Solution	%
Investing in staff training and development programmes	56%
Using tech to manage and adapt staff admin needs easily	44%
Hiring a HR manager	39%
Automating processes so I don't need as many staff	30%
Outsourcing certain functions	30%
Reducing the number of hours we open	26%

Ultimately, investing in staff and supporting their journey in the hospitality industry pays dividends.

Businesses who actively invest in staff training and development found their staff stay for **5 months longer** on average
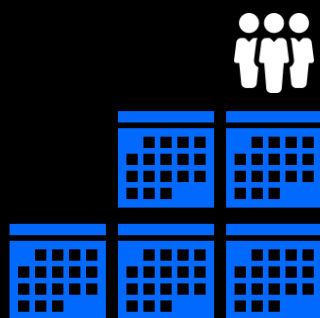
Longer staff tenure means less time spent finding and training new team members and reduced recruitment costs. This time can be diverted into other tasks such as improving business processes and ensuring staff are spending their time on more meaningful and intrinsically enjoyable work

"To strengthen the team and lower turnover, I'd suggest funding employee training and development initiatives."

Café Owner, Nottingham

Square

Saving Time with Square

This report has looked at how hospitality business owners are using insight, automation and staff training to cut down on admin time. At Square, our mission is to empower business owners to better manage their businesses. There are a multitude of benefits, in particular timing savings, to be gained from using Square's suite of payment and restaurant management products.

Square's POS system is specifically designed to automate time-consuming tasks that pull you away from what matters most. Our customers report significant time saving benefits.

On average, businesses using Square tell us they save

8-12 hours
on admin tasks
per week *

*Square Testimonials - current sellers

Square

Square was originally established to give every business owner an easier way to take card payments. We've built many more tools since, including ones that support the anti-admin sentiment of businesses participating in our research.

Get insights at the touch of a button

Square for Restaurants helps restaurant owners make informed decisions about their menu, opening hours and staffing needs.

Live Sales

Knowing your busiest hours helps you optimise opening times and plan staffing needs.

Menu Reports

Optimise your menu with reporting that tracks what's selling by item, category or even variation. This helps reduce waste and eliminate high inventory costs that aren't selling, optimising your margins.

Labour vs Sales Reports

Compare your hourly labour costs with your net sales and see when your business is most profitable.

'It [Square dashboard] gives you great intel into your business. You can easily see what items are selling best and that helps me plan future menus"

**Wholesome Junkies, Current Square Customer.
Based in Manchester**

⬚ Square

Automate tasks that eat up your time

Improve workflows between front and back-of-house, take and fulfil orders from multiple sources, and ultimately deliver a better service to your customers.

Square Kitchen Display System

The kitchen and front of house are always in sync via the Square Kitchen Display System. Item counts update automatically so servers are always aware of item availability and can advise guests about their meal choices upfront

Close of day report

Say goodbye to hours of manual data entry and run your close of day report in minutes. This includes a full rundown of your key numbers: gross and net sales, payment methods and category and item sales.

The automation aspect of close of day reports prevents till discrepancies and eliminates the need for manual reconciliation.

Integration across partners

Use Square apps to integrate all elements of your business, including accounting, marketing, inventory management and takeout and delivery

Square

Reduce HR admin by focusing on retention

Square Staff helps you manage your team easily. From onboarding team members, managing access to point of sale, tracking their time and keeping everyone in sync.

Square Shifts takes the admin out of people management

Square Shifts links directly with your POS and Dashboard to help you with everything from scheduling and shift management to time tracking, cost reporting and payroll prep. Your team can use the app to request time off and swap shifts.

Training your staff takes minutes

Square is so easy and intuitive to use, your staff will be proficient at using your POS in no time. Square gives your staff confidence to focus on delivering better experiences for customers.

Reduce any friction between staff & customers

With access to real time information, all front of house staff have visibility into what is out of stock, and any menu changes.

"Square's tools are so simple. It gives our staff the confidence to look after customers."

**Honey & Co, Current Square Customer.
Based in London**

This report has been brought to you by Square and American Express

Square helps more businesses accept payments from American Express Cardmembers. When you accept payments with Square, you are charged the same flat rate for American Express, Mastercard and Visa.

In our research, 92% of American Express enabled Merchants felt that accepting Amex payments meant their business appealed to a wider range of cohorts including high-spending customers, corporate spenders and tourists. American Express enabled Merchants are also better placed to cater to Millennial and Gen Z consumers who represent 60% of new Cardmembers globally.

American Express enabled Merchants feel that a key benefit of accepting Amex is being able to say yes to more customers and feel they're universally meeting their customer needs.

To let your customers know that you welcome American Express as well as other major Card providers, click here to redeem free signage and marketing.

For more information about how Square can help you power your business contact our sales team via our website here:

92%

of American Express-enabled Merchants felt that accepting American Express meant their business appealed to a wider range of customers

Study Information

Data used in the Reclaim Your Time Report was collected by Strive Insight. Strive surveyed 156 UK hospitality business owners and conducted 6 in-depth qualitative interviews between 20 March and 6 May 2024. To qualify for the survey businesses had to be payments decisions makers running or managing a UK hospitality business with an average annual revenue between £250,000 - £5m.