Voice of the Restaurant Industry in Ireland

Explore new data, insights, and opportunities for restaurant growth.

2024

toast

FOREWORD

With rising guest expectations and operational challenges, Restaurants in Ireland are turning towards smarter restaurant tech

Today, consumers in Ireland are interested in dining experiences that feel like just that — experiences. While consumers are more selective about eating out, they're doubling down on restaurants that offer sustainably sourced meals and more value through loyalty programs and specials. Following industry-wide profitability challenges, we're seeing that the restaurants adopting smarter technology and more efficient operations are the ones feeling most optimistic about their growth.

Irish restaurants are rebuilding and prioritising listening to their customers, adapting to new expectations for digital experiences, and bringing on and retaining new employees. As consumers navigate shifting budgets, they're looking for restaurants and brands they can trust that they know will deliver on quality.

In our recent survey of Irish restaurateurs, 95% predict year over year growth in 2024 — things are looking optimistic in the year ahead — and they plan to prioritise **efficiency** to get there. Restaurant operators are streamlining their systems and bringing on new tech so they can spend more time doing what brings them joy — making and serving up delicious meals.

We hope that you find this report useful and inspiration, and we can't wait to see how you bring more unique cuisines to your community while growing your business.

Brett Lang
Regional Vice President of Sales,
United Kingdom and Ireland at Toast

Adaptability and innovation are leading the way in the restaurant industry

Restaurateurs have to be resilient to thrive. Over the last few years, restaurants that didn't revamp their digital presence had to face the choice — get on board, or lose out on customers. Now, amidst **labour shortages and reduced consumer spending**, the guest experience is a key differentiator. And those that are innovating and looking a few steps ahead are growing faster.

We recently surveyed 200+ restaurateurs across Ireland to learn more about what they're experiencing. Let's get into the data.
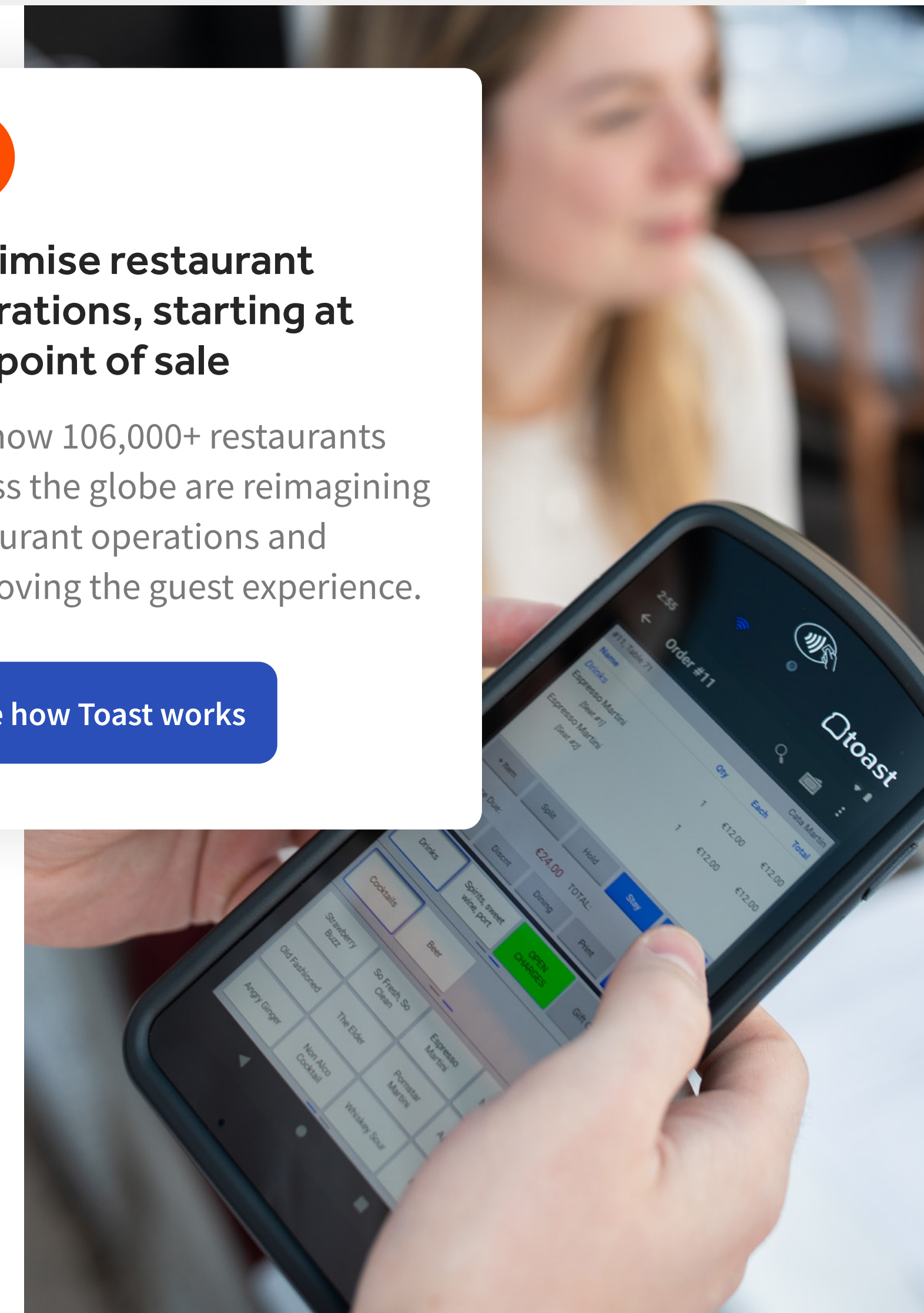
What's ahead

Optimise restaurant operations, starting at the point of sale

See how 106,000+ restaurants across the globe are reimagining restaurant operations and improving the guest experience.
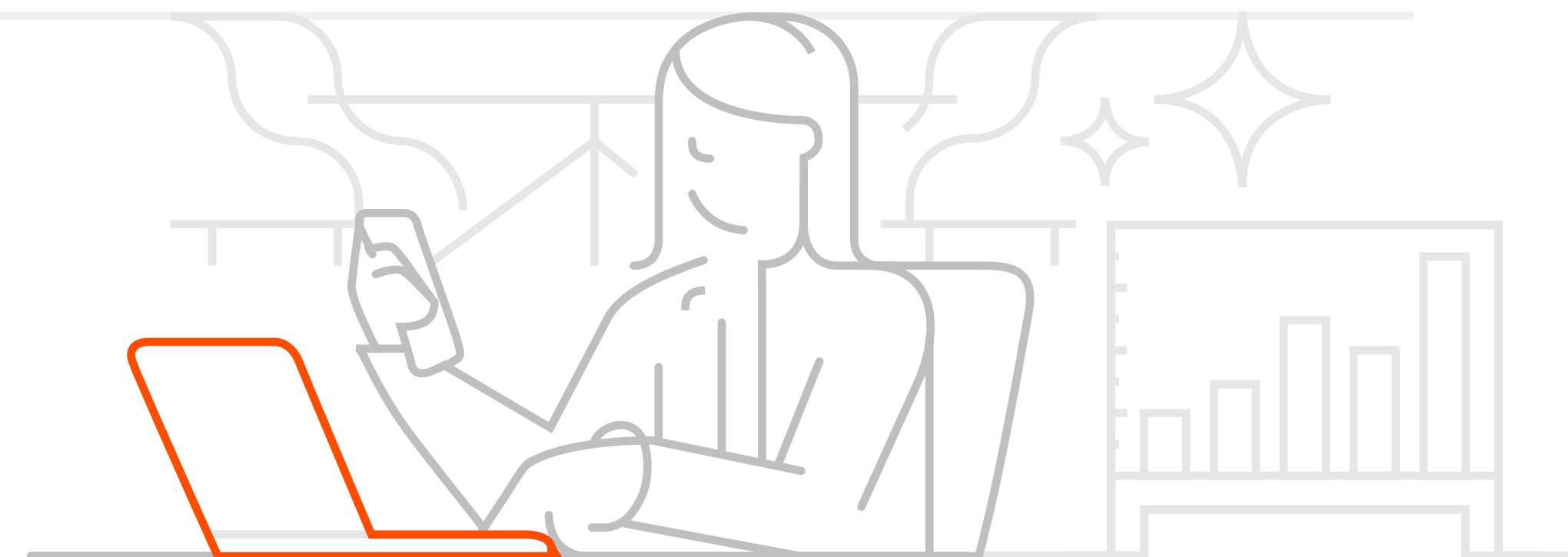
See how Toast works

Voice of the Restaurant Industry in Ireland

Irish restaurants are investing in tech & expecting to grow in 2024

1

Restaurateurs are optimistic about business performance.

95% of restaurateurs in Ireland predict year over year growth & 51% feel they're "very likely" to expand their business this year.

2

Restaurant operators want to run more efficiently & add more tech to the mix.

1 in 4 Irish restaurant operators have a goal to use tech to better run their business this year. The fastest-growing tech is recruiting software, BI or reporting tools, and mobile payments or ordering.

3

The biggest challenges are managing business finances and employee schedules.

The top challenges Irish restaurants have to overcome this year are handling business finances and staff scheduling.

4

Quality restaurant tech is nearly as important as talented staff to meet customer expectations.

Restaurateurs in Ireland report that they're spending about the same amount on technology (10%) as they are on labour costs (15%) to meet and exceed customer demands.

The Irish restaurant scene looks bright (& shiny)

The majority of Irish restaurateurs are feeling hopeful about their businesses in the year ahead — 95% predict year over year growth and over 50% report that they're "very likely" to open a new location or restaurant concept. For restaurateurs, productivity, profitability, and employee retention are top of mind. They're keeping a close eye on finances as they try to attract new customers and deliver on top-notch customer experiences more sustainably.

51%

of restaurant operators in Ireland report that they're "very likely to expand their business in the next 12 months".

23%

Irish restaurateurs' have a priority in 2024 to start using tech to better run their business.

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Irish restaurateurs want to maximise revenue and retain employees

For restaurateurs, employee retention, profitability, and increasing revenue from existing locations are top of mind. They're keeping a close eye on operations and looking to speed up turn times and adopt new tech while delivering on top-notch customer experiences more sustainably.

What are your restaurant business goals for the next year?

■	Increase existing location revenue
■	Improve employee retention
■	Improve employee productivity
■	Increase guest turn times
■	Open up new locations
■	Start using new tech to better run my business

- 29% Increase existing location revenue
- 27% Improve employee retention
- 26% Improve employee productivity
- 26% Increase guest turn times
- 24% Open up new locations
- 23% Start using new tech to better run my business

What are your biggest restaurant challenges?

■	Managing business finances
■	Employee scheduling
■	Managing third-party food delivery
■	Health and safety regulations
■	Increasing turn time efficiency
■	Employee payroll

- 19% Managing business finances
- 18% Employee scheduling
- 17% Managing third-party food delivery
- 17% Health and safety regulations
- 16% Increasing turn time efficiency
- 16% Employee payroll

How different types of restaurants are approaching growth in 2024

Across the board, restaurants are eager to adopt new technologies, particularly those that improve customer sentiment. **Irish consumers find that dining out has grown more expensive** than they can afford on a regular basis, and when they do eat out, they expect top-notch experiences.

There's a massive opportunity to provide five-star digital and in-person dining experiences to bring customers back and build loyal relationships. Here are some of the top challenges different types of restaurants are facing and how they're prioritising business investments.

Quick service restaurants (QSRs)

The top challenges for QSRs are related to staffing, employee scheduling, and driving repeat guest visits. This year, they're focusing on increasing guest turn time efficiency, expanding the ways they serve guests, and growing their community involvement.

Full service restaurants (FSRs)

FSRs struggle most with managing business finances, health and safety regulations, employee payroll, and inventory management. They plan to prioritise increasing existing location revenue, improving employee retention, and using new tech for business operations.

Pubs or bars

Pubs and bars are having trouble managing invoicing and accounts payable, conducting cost of goods sold (COGS) and profitability analyses, and increasing guest turn time efficiency. Top goals for pubs and bars are increasing existing location revenue and generating more guest demand.

Irish consumers are more selective when they dine out & want to see value

Irish consumers are cutting back on spending — and when they choose to dine out, they want to see value in the experience. They're also looking for better deals and affordable food choices, as well as more sustainable businesses. For restaurant operators, these consumer shifts towards supporting sustainable operations open up chances to improve menu planning, portion control, inventory management, and staff training to build loyalty with existing customers and serve new audiences looking for alternative options.

86%

of Irish consumers feel that eating out is becoming too expensive to afford regularly.

Boda Bia

64%

of Irish consumers choose to purchase sustainably produced items sometimes or often.

Deloitte Ireland

70%+

of Irish consumers report they'd pay at least 5% more for locally or sustainably produced food.

PwC Ireland

2 in 5

Irish consumers look for higher value dining options when eating out.

CGA

A seamless customer experience is possible at any budget with the right tools

When you visit a restaurant as a customer, you notice the tiny details. When looking for areas to elevate the customer experience, take care in choosing everything, from the chairs, to the music, to the food, to the menu, to the follow-up message to make your customers feel taken care of while only investing in elements that influence business. Use restaurant data to guide improvements based on menu analytics, customer feedback, and inventory trends.

Impress your restaurant guests at every moment with a tailor-made restaurant business plan →

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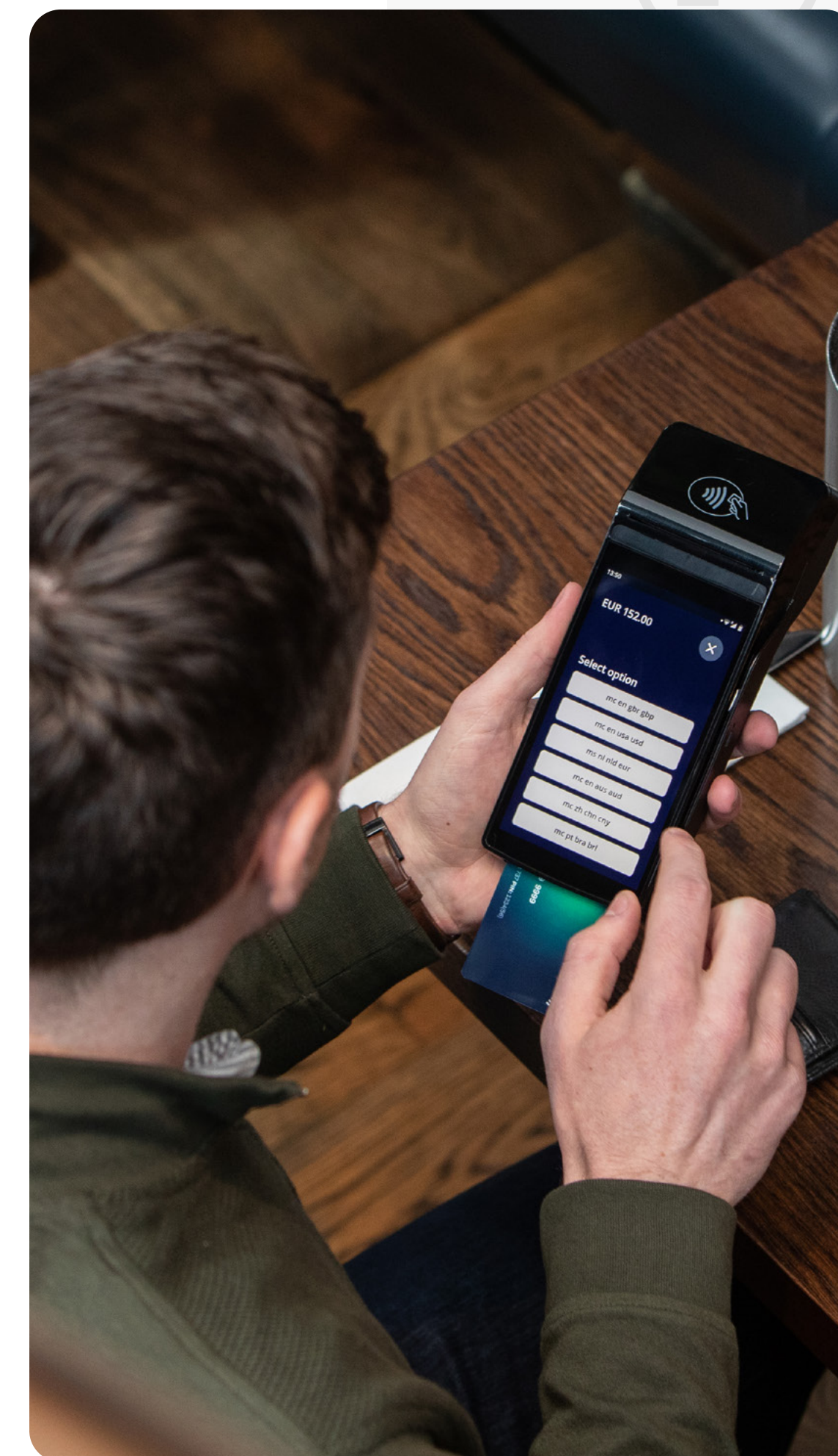# Irish restaurants are online, but looking to integrate their digital systems

Although one of the top challenges restaurants are facing is managing third-party delivery, nearly half of restaurants already have an integration between their POS and third-party services — this is much lower than Canada, where 67% of restaurants are integrated, and the UK, where 59% are. There's a huge opportunity to stand out and get ahead in this space. More than a third of restaurants connect the two systems using middleware or a separate tablet, which could be causing operational bottlenecks and customer delays.

Additionally, the number one pain point related to restaurants' POS is managing outages and continuing operations while using offline mode. Other top POS challenges include interpreting data into useful insights for decision making, running employee payroll, hardware durability, and managing and leveraging guest data, suggesting that more businesses may turn to more integrated online ordering, operations, payment, and marketing systems.

14%

40%

46%
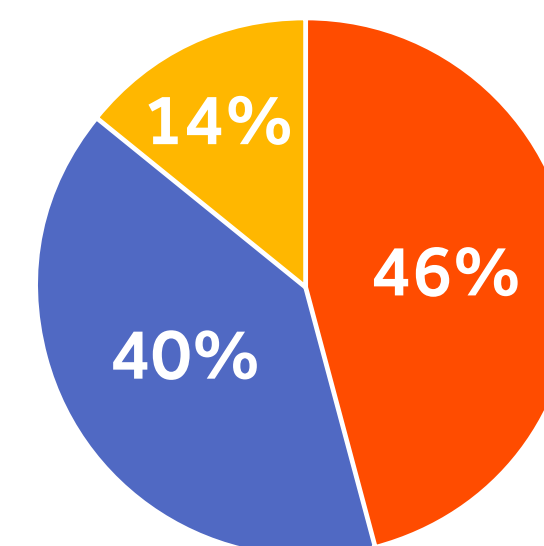
How restaurant operators process third-party orders

■ A direct integration between third-party delivery services and the POS

■ A middleware solution that allows third-party orders to flow into the POS

■ A separate tablet for third-party delivery orders with manual entry into the POS

On the in-service side, 76% of restaurants only use their handheld devices for either orders or payments, not both — this is a huge opportunity for businesses to improve their turn times and increase customer satisfaction. For operations, the most widely adopted tools are recruiting software and mobile payment systems, and many operators have expressed interest in connected **employee management systems**. Looking ahead, operators hope to bring on third-party online ordering, digital menus, gift card software, reservation and waitlist tools, and marketing software in the near future.

24%

51%

25%
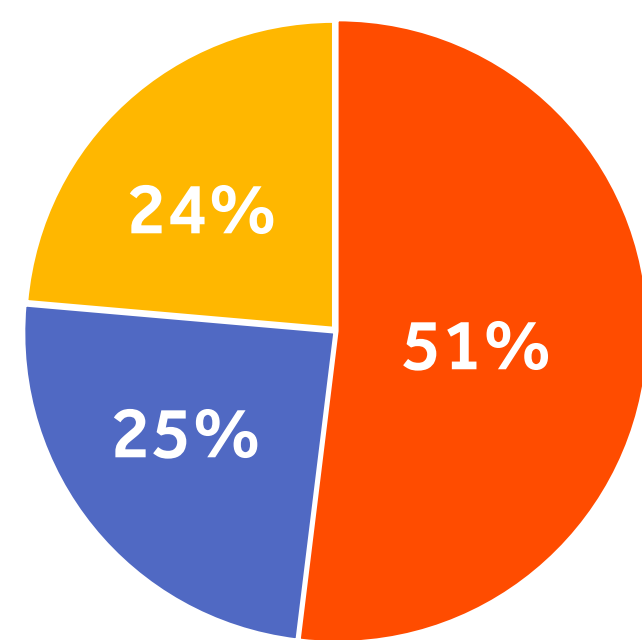
How do you use handheld devices at your restaurant?

- For payments only
- For orders and payments
- For orders only

What's in a restaurant tech stack?

The most widely adopted restaurant technology software and applications in Ireland

1. Recruiting software

2. Mobile payments or ordering

3. Business intelligence (BI) or reporting
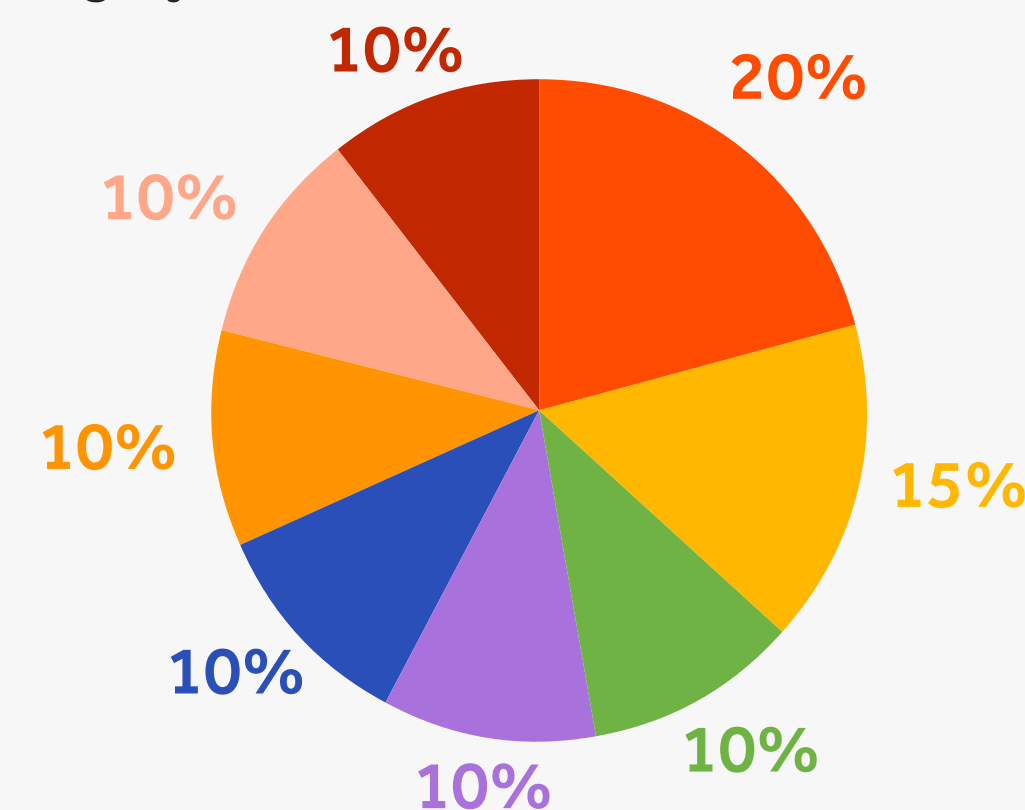
4. Payroll software

5. Accounting software

As restaurants rebuild after years of uncertainty, they're investing strategically

Restaurants have slim profit margins, so many are rebuilding their flow of customers and trying to maximise revenue — without increasing spend. **70% of Irish restaurants' reported that their profitability declined** in 2023. And today, they plan to allocate 10% of their budget on restaurant technology, 15% on labour, and 10% on occupancy costs, showing the sheer power of technology and importance for discoverability and sales. Technology has infiltrated every element of restaurant operations and smart restaurant tools, many of which run on artificial intelligence (AI), are helping identify opportunities for cost savings, like food waste or staffing inefficiencies.

Restaurant Sales Allocation by Category

- Food costs
- Labour costs
- Profit
- Occupancy costs (rent, utilities)
- Taxes
- Other (bookkeeping, marketing)
- Restaurant technology
- Payment processing fees

What does the future hold for the restaurant industry in Ireland?

Nearly all of the Irish restaurateurs surveyed – 95% – believe their sales will grow year over year, which is up from 72% in 2022. They plan to try new technology like third-party online ordering, digital menus, and gift card software to improve guest experiences and bring in more revenue. In the year ahead, we predict a guest experience renaissance that starts with integrated restaurant systems and gets better with every new data point and automated tool.

87%
of Irish restaurateurs believe they'll be open in 12 months, despite a jump in closures in the industry.

95%
of Irish restaurant operators expect their restaurant sales to grow year over year.

90%
of Irish restaurateurs expect to increase their investment in tech to better serve customers this year.

Want a peek at the restaurant of the future?

BANG got on track to boost earnings by 12.5% with Toast's all-in-one restaurant management platform.

Toast has changed our end of day and back office management really significantly. It's simplified all the procedures for the administrative staff at night and is probably eliminating five to seven hours a week in terms of that work.

BANG
restaurant & wine bar

**Joe Barrett,
Owner of BANG**

Streamline service & drive revenue with all-in-one restaurant operations

Transform the way you deliver service and give staff more time to spend with guests using a smart restaurant operations suite.

Simplify the payment process

Offer seamless payments for guests & staff, integrate POS and payment tools, and automate payment reconciliation.

Improve front and back of house communication

Increase efficiency with a digital kitchen display system (KDS) and productivity metrics.

Integrate your restaurant tools

Bring reservations, inventory, labour management, ordering & delivery, loyalty, and more into one system.

Take orders more efficiently

Use the Toast all-in-one handheld POS devices to speed up guest ordering and checkout, and turn tables more quickly.

Keep tabs on business performance

Access real-time restaurant specific reports across sales, labour, & product mix across one location or many.

Get tech help 24/7/365

Work with our team of restaurant experts from onsite installation and training to ongoing support.

Get a demo

To help better understand the restaurant industry, Toast conducted a blind survey of 212 restaurant decision-makers operating 25 or fewer locations in Ireland from September 14, 2023 to October 6, 2023. Respondents include a mix of both full-service and quick-service restaurants. Respondents were not made aware that Toast was fielding the study. Panel providers granted incentives to restaurant respondents for participation. Using a standard margin of error calculation, at a confidence interval of 95%, the margin of error on average is +/- 7%.

Report created in collaboration with CXD Studio.
www.cxd.studio | hello@cxd.studio