

The perfect mix

SA's consumers look for quality in the hospitality scene



Abhi Sehgal

- South African consumers place significant importance on exceptional service and value
- 47% of South Africans say value matters more now but quality, not low prices, defines it
- 61% are willing to pay more for high-quality drinks, especially in the spirit category

New research from CGA by NIQ has revealed that South African consumers place significant importance on exceptional service and value when choosing where to dine and drink. The findings, drawn from the On-Premise User Survey (OPUS), conducted amongst hundreds of South Africans, explores consumer behaviours, preferences, and trends in South Africa's pubs, bars, and restaurants.

Based on its findings, CGA by NIQ's Client Solutions Manager EMEA Abhi Sehgal says ...

“Consumers in South Africa's On-Premise sector are becoming more discerning, with value and quality serving as critical decision-making factors. While there are encouraging signs that spending will increase in 2025, it's clear that perceptions of value extend beyond price alone.”



Consumers consider good customer service their top priority when visiting pubs, bars, and restaurants. The findings underscore the necessity for venues to focus on delivering not just products, but experiences that exceed expectations.

“High standards in service, quality offerings, and brand reputation are all essential to ensuring consumers feel they've had a memorable and worthwhile experience.”

Key Insights into consumer preferences

In line with this, the survey highlights that 70% of consumers consider good customer service their top priority when visiting pubs, bars, and restaurants. This factor outpaces even the quality

of food (68%) and value for money (60%), which rank as the second and third most important considerations.

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The emphasis on value has also grown in importance, with nearly half (47%) of respondents stating that value influences their drink choices more now than it did a year ago.

However, value doesn't equate to low prices for many South African consumers; instead, it's about receiving quality commensurate with the cost. "Our research revealed that 44% of respondents reported that quality is more important to them today, reflecting a nuanced consumer mindset that balances cost and excellence," says Sehgal.

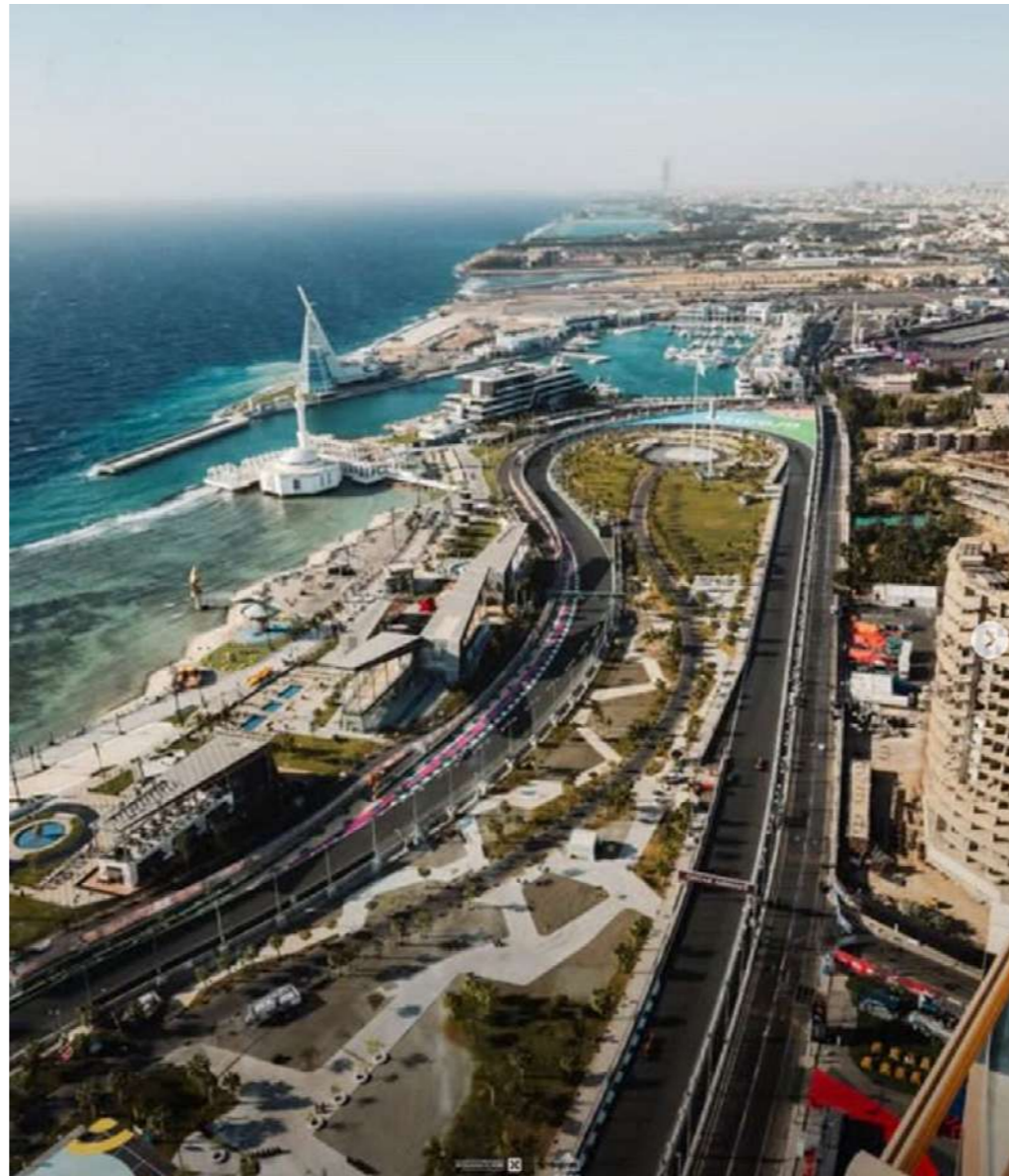
He adds, "Sixty one percent of surveyed consumers indicated a willingness to spend more for higher-quality drinks, pointing to ongoing opportunities for premiumisation in the market. This trend extends across key categories like spirits, where premium options continue to capture consumer interest."

Kate Townsend, Unsplash



Service as a driver of loyalty and premium choices

It's therefore clear that superior service fosters loyalty and encourages consumers to trade up to premium products, particularly in high-energy venues like bars and nightclubs. Innovative experiences – such as table-side drink preparation or theatrical presentations – enhance perceived



The spectacular Jeddah Corniche Circuit in Saudi Arabia. <https://saudiarabiangp.com>

value, especially among younger consumers who respond to engaging, memorable interactions.

In addition, South African consumers seek brands and venues that offer more than just transactions. A strong reputation and exceptional service turn visitors into loyal patrons. Tailored experiences, especially in celebratory settings, attract customers willing to splurge, while knowledgeable staff add value by recommending quality options.

Sehgal comments, "Consumers are willing to pay more when they perceive value in the experience."

Venues must balance affordability with premium offerings, catering to both cost-conscious and indulgent customers. In a shifting economic landscape, those that seamlessly blend value, quality, and memorable experiences will stand out.

A market with growing potential

Looking ahead to 2025, there are positive indications of increased consumer confidence and spending in the On-Premise sector. "For South Africa's pubs, bars, and restaurants, the OPUS research insights are a reminder of the critical role that both service and quality play in shaping consumer loyalty. By delivering experiences that priority\see value and leave a lasting impression, venues can position themselves to thrive in a competitive market," concludes Sehgal. **SR**



Architects' rendering of a premium lifestyle project – the Artyzen, in Singapore. www.artyzen.com

