

The 2023 Australian Hotels and Resorts Guide

Discover / Plan / Experience



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for ambition



Introduction

What's the first thing you think of when you read the word *hospitality*? It's probably not financial technology.

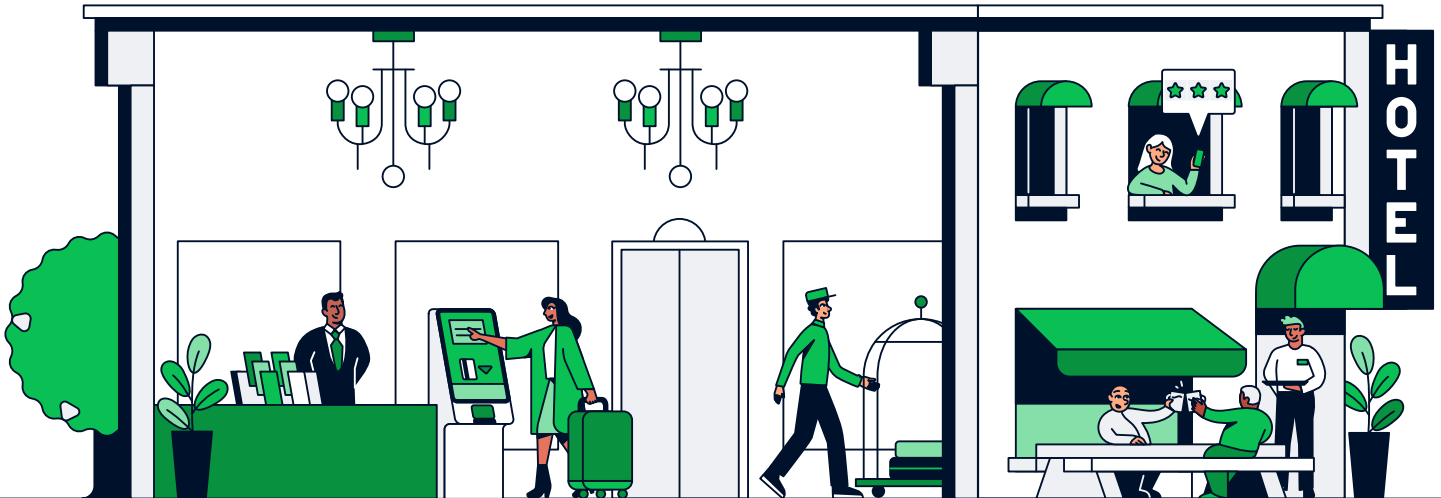
Yet financial technology, specifically payments, is a cornerstone of the hotels and resorts industry, both in Australia and around the world. It can make or break a guest's perception of your brand. It lets tourists buy tickets online to skip queues and make the most of their time. It allows guests to move without their wallets while easily paying for drinks, meals, and spa treatments at your hotel.

Payments can help you craft exceptional hospitality moments that will resonate with guests. They're essential to understanding what guests want. You can use them to recognise returning guests, offer them their preferred check-in and check-out options, and minimise errors in booking and billing.

When set up right, payments can unlock hidden long-term value for your business and give you insights to upgrade your guest experiences.

Whether you want to offer flexible payment options, secure online payments, or find operational agility, this guide makes sure you discover all that the payments world has to offer.

It's time to discover, plan, and experience better payment journeys for your business.



Chapter 1	A snapshot of hospitality payments
Chapter 2	Guests expect well-curated experiences
Chapter 3	Go the extra mile when securing payments
Chapter 4	How can a unified payments solution help your hotel?
Appendix	Checklist for hotel and resort payments

Methodology

This study includes business and consumer data from 26 countries, examined and compared on both global and local levels to ensure a holistic view complemented by regional nuances.

Opinium Research LLP polled 36,000 adults in Australia, Hong Kong, Japan, Malaysia, Singapore, India, UAE, UK, Ireland, Austria, Belgium, Denmark, France, Germany, Italy, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, Canada, USA, Brazil, and Mexico. Respondents were incentivised to participate.

Censuswide polled 1,151 hospitality and travel businesses in Hong Kong, Japan, Malaysia, Singapore, Australia, UAE, UK, India, Ireland, Belgium, Denmark, France, Germany, Italy, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Canada, USA, Brazil, and Mexico. Respondents were incentivised to participate.

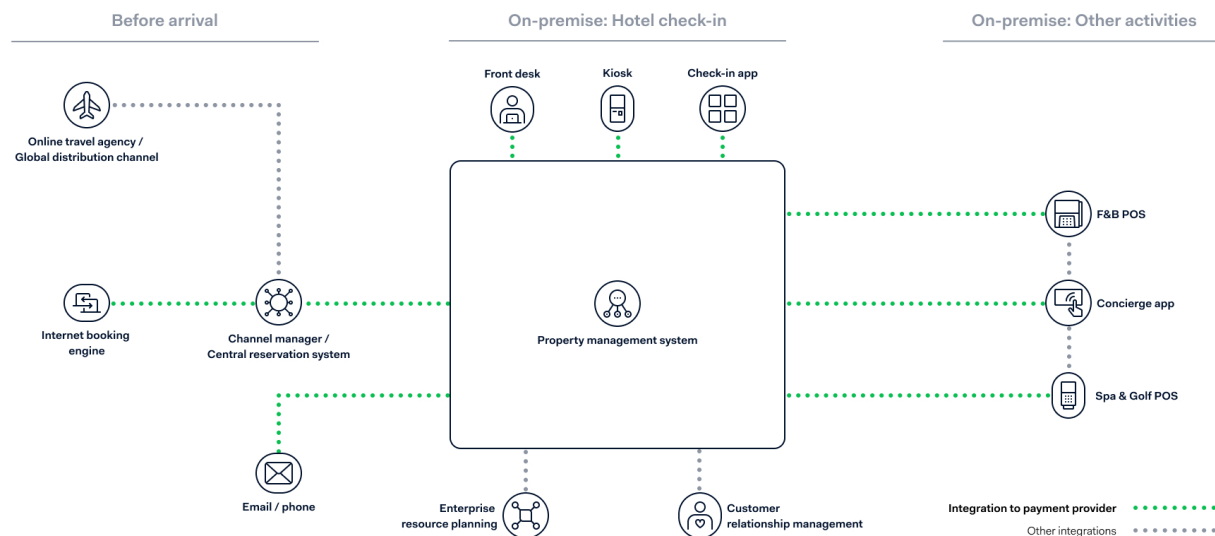
Fieldwork was conducted between February 6 and March 1, 2023.

Opinium and Censuswide campaigns are conducted in accordance with all ESOMAR principles and best practice.

A snapshot of hospitality payments

The hotel industry continues to be a complex and fragmented domain – as does its payments landscape. From Covid-19 lockdowns to looming recession and staff shortages, the industry has had to overcome a multitude of challenges in recent years.

In addition, newer industry players like third-party travel agencies and on-premise businesses like restaurants, spas, and gyms are influencing guest expectations, business models, and innovation in the space. With these changes have come a variety of new software and tools, including channel managers, property management systems, and central reservation systems – all combining to create a patchwork of backend and guest-facing operations.



In many parts of the world, the payments setup of hotels and resorts lacks consolidation. Businesses rely on multiple payment service providers for their transactions across different channels, markets, and brands.

This can have a multitude of ramifications from both an operational and guest experience perspective – for example, if a hotel triggers a refund from the property management system, the refund may be delayed or overlooked because there are multiple providers in the payment flow. Hotel chains may also need to invest in getting a comprehensive view of transactions across properties and train staff on working with multiple systems.

Our research indicates that the Australian market is considerably more mature when it comes to consolidating payments systems, making it crucial for those lagging behind to catch up with the competitive landscape. For those already investing in their payments systems, now is the time to look ahead and leverage that head start for further innovation.

13%

of hospitality businesses in Australia used different payment service providers for online and in-person transactions in 2022, compared to 21% globally.

5%

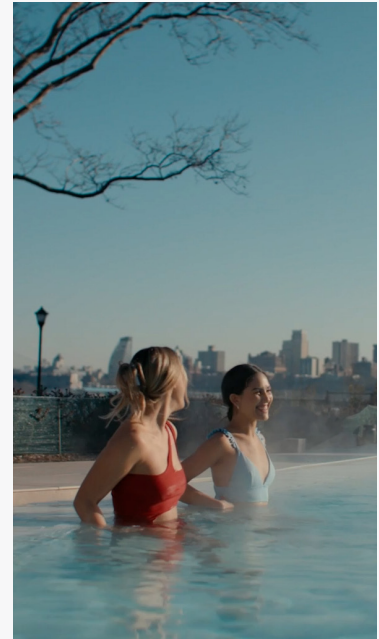
of hospitality businesses in Australia used different payment service providers for different countries in 2022, compared to 22% globally.



Why do payments matter for hotels?

It's not just about revenue, costs, and transactions. Payments are much more than that. And perhaps the most crucial reason to get your payments setup right boils down to guest experiences. Having it right from the beginning matters

A poorly planned setup brings higher costs, delays, and interruptions. Staff members perform resource-intensive tasks that are error-prone. There may be higher risks around data breaches and compliance with regulations like The Payment Card Industry Data Security Standard (PCI DSS). And scalability becomes a lot more complex when your system isn't prepared for global growth from the beginning.



A case in point: QC Terme

Can innovation in payments help your guests relax, unwind, and restore?

QC Terme's experience proved just that. The Italian hospitality chain worked with Adyen to offer seamless payment flows through tokenisation and near-field communication (NFC) technology.

The result: helping guests escape the hustle and bustle of daily life with immersive experiences and contactless payments that don't stand in the way of leisure.

[Delve into their story >](#)

Shiji

“We need to prioritise seamless guest experiences. Reducing payment friction is not merely a convenience — it’s a strategic move to deepen guest engagement. As we aim to boost conversion rates, we must use payments to make it an effortless part of the guest journey. Leveraging the latest technology to transform conventional transactions, we must ensure every interaction strengthens the brand’s promise.”

Kevin King — Chief Operating Officer, Shiji Group



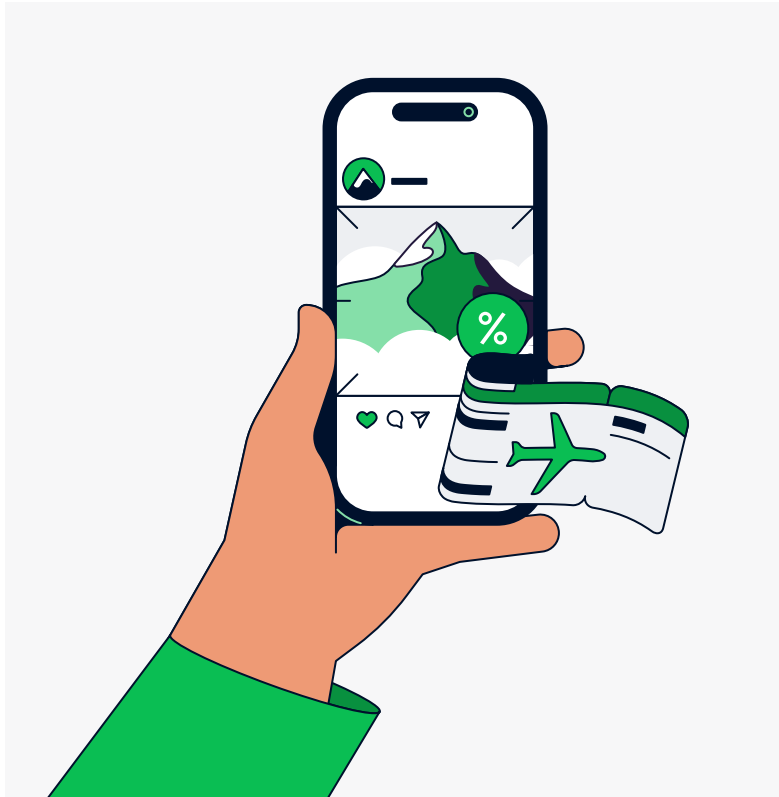
Guests expect well-curated experiences

Since 2022, the hospitality and tourism industries have been on their way to recovery. Yet they're still not quite back to their pre-pandemic levels. This is partly due to rising inflationary pressures on businesses and guests alike.

Post-pandemic guest expectations and behaviour are also getting more complicated. Leisure and business travel are picking up, with strong preferences for authentic and unique experiences that offer the best value for money.

This is catalysing the industry's critical self-reflection. More hotels are extending their offerings beyond mere accommodation services. And businesses are pressed into revising their pricing strategies as guests look for better deals.

In this shifting climate, payments are pivotal. Hotels and resorts need to factor in payments that are flexible, locally relevant, and personally resonating to meet guest expectations and streamline business operations.



A centralised system is key to omnichannel success

Today, the majority of hotel and resort reservations take place online, whether through third-party online travel agencies or a business's own website or app.

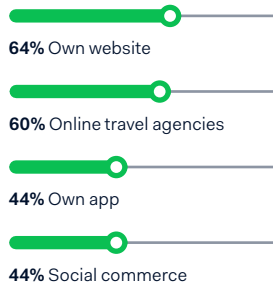
Guests pay for these reservations both online and in-person. In 2022, **75% of Australian guests and 72% of guests worldwide paid for their trips online**, from flights to accommodation to entertainment. This left **a sizable portion of guests (almost 1 in 3) who still paid in-person**, be it during hotel check-ins, for on-premise facilities, or at ticket counters.

Top booking and sales channels for hospitality businesses in 2022

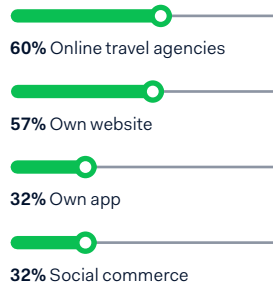
Worldwide



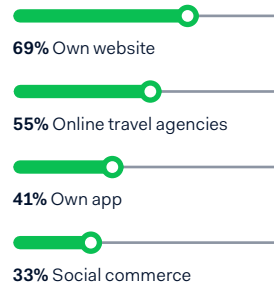
North America



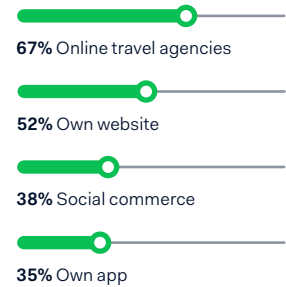
Europe



Latin America

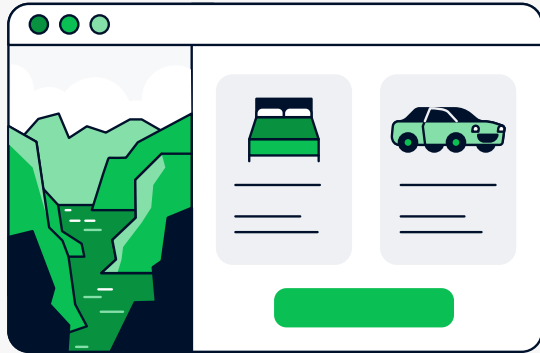


Asia-Pacific



That's why in 2022, **almost 2 in 5 hospitality businesses worldwide (39%), and 44% in Australia allowed guests to pay online and in person** according to their preferences. Yet for those still relying on fragmented backend systems, valuable cross-channel insights and opportunities are being missed.

An omnichannel approach solves this. It provides guests with flexibility in choosing how, when, and where they pay and delivers a connected experience across sales channels, boosting brand image and offering.



Finding balance in Australian hospitality

Striking an equilibrium between a tech-forward and human-forward strategy is pivotal to meet the needs and expectations of your guests. A wholesale push toward automation can risk alienating some guests who value the human touch in their experiences. By connecting siloed omnichannel data systems with unified commerce solutions, your hotel can empower staff to leverage technology to enhance, not overshadow, the guest experience.

Among those surveyed, only 39% of Australian hospitality businesses currently have the tools to collect and analyse data across the business to help identify areas for improvement. Only 34% are using payments data to understand user behaviour and improve the guest experience. Yet only 29% of Aussie hospitality businesses are planning to connect their backend systems to guest-facing payment channels in the next year.

Why are omnichannel payments important?

Guests and travellers juggle an assortment of payments-related factors when planning their trips, from inflation to exchange rates and foreign transaction fees to local payment methods.

Some guests seek online reservations to avoid long queues while others prefer interacting with staff face-to-face. Guests who travel light might use their phones for reservations and payments on the spot.

Whatever the reasons, hospitality businesses are seeking to be inclusive of all customer groups and market dynamics. Omnichannel solutions allow for this. They unify customer-facing and backend systems, consolidating cross-channel payments data in one place. This requires working with a reliable and innovative financial technology platform that can handle all payment channels so businesses can offer guests a consistent experience.

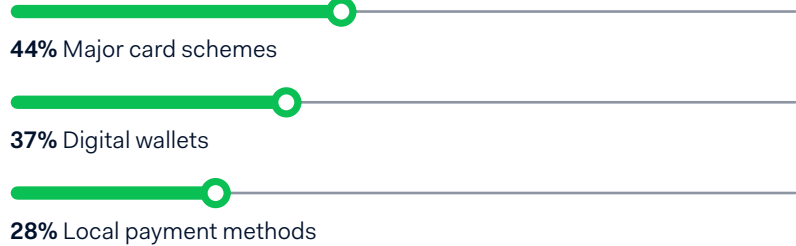
Local payments propel a global reach

In 2022, local payment methods were the third most popular option following major card schemes and digital wallets.

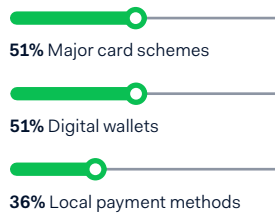
Local payment methods are payment methods popular in a particular region. For example, iDEAL is widespread in the Netherlands, PIX in Brazil, GrabPay in Singapore, and Alipay in China.

Top payment methods in hospitality in 2022

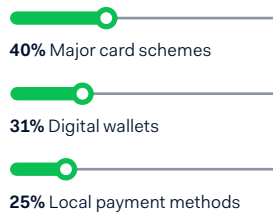
Worldwide



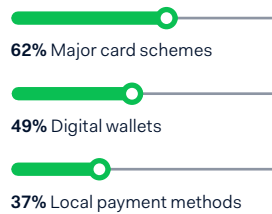
North America



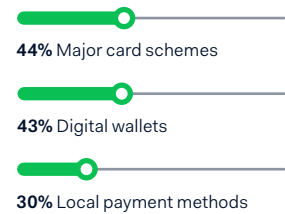
Europe



Latin America



Asia-Pacific



Top consumer payment methods in Australia in 2022 ^(a)

Share of number of payments, per cent

Cards	76%
Debit cards	51%
Credit & charge cards	26%
Cash	13%
Internet/phone banking ^(b)	3%
BPAY	2%
PayPal	2%
Other ^(c)	2%
Cheque	0.1%

(a) Excludes payments over \$9,999, transfers (payments to family and friends), transport cards and automatic payments. Totals may not sum to 100 due to rounding.

(b) Payments made using banks' internet or telephone facilities; does not include other payments made using the internet.

(c) 'Other' methods include prepaid, gift and welfare cards, bank cheques, money orders, BNPL and Cabcharge.

Source: [RBA calculations](#), based on data from Colmar Brunton, Ipsos and Roy Morgan Research.



There are many reasons why local payment methods are common in hospitality. Local payment options allow hospitality businesses to welcome every guest, making international tourists feel at home.

Guests also usually spend more if they can pay using methods they trust and are used to back home, improving conversion rates. In 2022, **55% of guests worldwide, and 62% in Australia said they would abandon their purchases or reservation whenever they couldn't pay how they wanted.**

Not only do local payment methods feed into building trust and loyalty in the hospitality business's brand, but they could come with lower transaction costs and improved margins.

And since the large online travel agencies already offer local payment methods, hotels and resorts risk losing volume if they don't have the relevant payment methods available.

In this sense, it's important to stay competitive by diversifying. As international tourism is quickly picking up due to the pent-up demand for travel after the pandemic, appealing to all kinds of local and international tourists is essential for business expansion.

Do you know which guests are spending more?

Global expansion has been high on the agenda of hospitality businesses in 2023. **38% of hospitality businesses worldwide have been targeting guests and tourists in markets where they don't operate through online interactions.** Another **27% have invested in setting up new branches overseas.**

The top target markets have been the US, Germany, France, UK, Canada, Australia, China, Japan, Spain, and Portugal.

Hospitality businesses want to attract guests from these markets for different reasons: higher spending, longer and/or frequent stays, and more usage of amenities.

For example, according to [Eurostat](#), German and French tourists were the top spenders in Europe in 2021, accounting for more than half of the tourism expenditure of all EU residents.

Corporate travel also brings in substantial and regular business. Business tourism has been gaining momentum since the latter half of 2022, especially in markets pushing for a return to office, such as Asia and Europe. Whether travelling for sales meetings, client work, or connecting with global colleagues at events, more travellers are taking the opportunity to blend business travel with leisure (“bleisure” travel, also called workcations and flexcations). And they're often willing to pay more for these blended trips.

Redefining guest experiences with payments

Australian luxury chains need to innovate in payments to streamline the guest journey and provide a more sophisticated experience. Traditional payment processes often involve time-consuming, dated check-outs, paper receipts, and manual transactions. Hotels can leverage financial technology platforms to simplify and elevate these touchpoints.

- 34% of Australian hospitality businesses have mobile POS solutions on-premise so their staff can serve guests more flexibly.
- 11% of Australian hospitality businesses let guests use self-service or self-check-out via kiosks or on-premise apps.
- 13% of Australian hospitality businesses can automatically store and update payment details if a card is lost or expired via network tokenisation.

Despite these figures, just 26% of Australian hospitality businesses said they are investing in technologies to improve the payment flow and guest experience, including adding new payment methods and offering self-help kiosks.





“The fragmented market in the payment space makes it very hard for hotels to streamline their operations as they expand their global portfolios. More hotels also offer local payment methods, including buy now pay later options, to make guests feel welcome wherever they travel. The key to managing all these payment processes is to unify payments across all distribution channels in different markets.”

Tanya Pratt — VP Strategy and Product Management, Oracle Hospitality

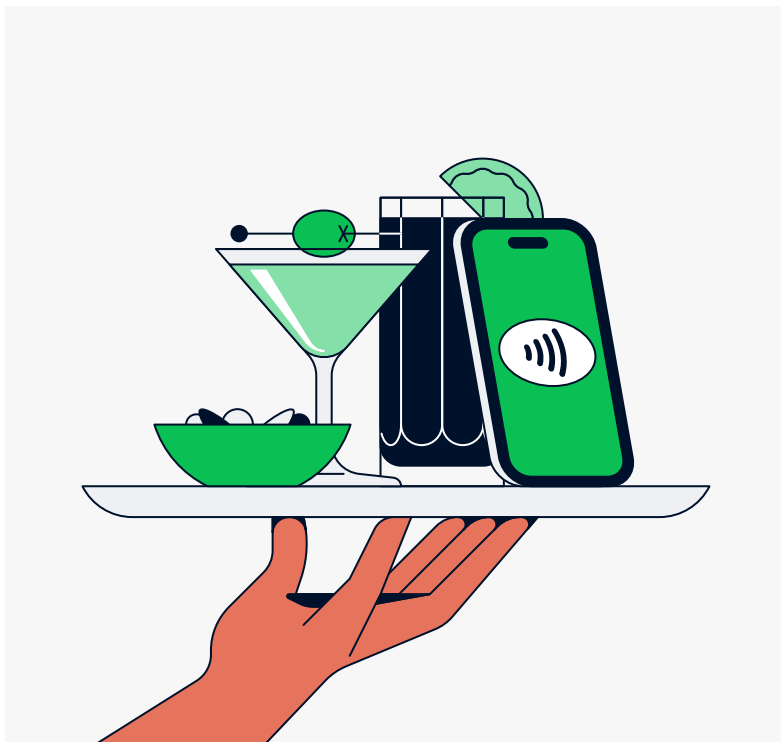


The experience economy is here to stay

More businesses are transforming their models. They're no longer simply product- and/or service-driven – they're focusing on offering experiences instead. And this is true of the hospitality industry, which is increasingly embracing the [experience economy](#) trend around the world.

Today's guests and tourists are increasingly looking for experiences to live rather than merely places to spend the night in. This is evident in the data: In 2022, **62% of hospitality businesses worldwide, and 53% in Australia, increased conversion rates by offering personalised experiences** to their guests. And **almost 2 out of 3 hotels worldwide (65%), and 47% in Australia projected that they will eventually evolve into “experience centres”** where guests can better engage with their brand and get more for their money.

Payments can help hospitality businesses get there in two ways: data for personalisation and streamlined operations.



Payments data improves personalised experiences

In 2023, **53% of hospitality businesses worldwide, and 45% in Australia, faced roadblocks when trying to understand guest needs and behaviour** to offer better personalisation.

But guest preferences don't have to remain unclear. Hospitality businesses can use real time payments data to learn about their guests. This includes where they come from, how often they visit, how long they stay, and how much they spend. Businesses can also understand which food choices and activities their guests prefer.

Businesses can then use these insights to personalise the experiences they offer and improve loyalty programs. For example, a hotel can customise welcome baskets based on data from a guest's previous stays. It can also recognise repeat guests and their preferred room types and add-ons (like in-room extras, spa treatments, airport pickups, and tourist attractions) to offer exclusive discounts.

Global hotel chains can also optimise their multi-channel marketing strategies to generate and capture more demand and



revenue. They can segment their guests more accurately (e.g., leisure vs. business travellers, group rates vs. corporate-negotiated rates, walk-ins vs. booking through travel agencies) and enhance their targeting campaigns and pricing strategies. This allows them to better tailor experiences to their guests' preferences, needs, and expectations.

After all, knowing guests and building rapport with them are the first steps of engagement.

Payments can make room for more customer-centricity

Payments technology can remove manual work and streamline operations for hospitality businesses. Innovations like paperless invoices and smooth integrations with key partners (like hotels, booking engines, payment service providers, and property management systems) can reduce the time spent by staff on manual tasks like entering guest details.

This reduces human error and frees up more time for employees to focus on guests and their needs. It improves operational efficiency, cutting down delays and slow responses to guest requests.

Payments technology also caters to different guest groups. For example, online and self-check-ins save business guests' time on arrival. They can get to their rooms faster to rest or work, avoiding queues at the front desk. This gives the staff more time to focus on welcoming guests who actually want the personal touch.



“When hotel employees are equipped with robust guest profiles and real-time systems, they can confidently spot ‘hospitality moments’ perfect for creating memorable, personalised experiences and understand when adding ‘something extra’ will benefit both guests and the property. Equipping employees with technology that delivers guest insights is a first step in empowering autonomous decisions that benefit guests while also ensuring financial and loyalty returns for the property.”

Frank Pitsikalis — Vice President, Product Strategy (Hotels), Agilysys



Go the extra mile when securing payments

Guest privacy and security are of utmost importance in the hospitality industry. The fragmented nature of the hospitality value chain doesn't make it any easier. It presents numerous touchpoints where fraud and data leaks can take place.

That's why in 2022, **over a third of hospitality businesses worldwide (37%) and 26% in Australia experienced increased payment fraud attempts. This left 42% of Aussie hospitality businesses reporting significant costs** from fraud and chargebacks.

Payment security threats in hospitality take many forms, from cloud hacking, to data breaches on mobile apps, to cyberattacks on third-party service providers. In all these cases, hackers often steal the guest's card information and make unauthorised transactions.

Because of these concerns, there are heightened security standards and regulations that businesses must keep up with. The most famous of these are the PCI Data Security Standard, which affects payments made using major card schemes, and the revised Payment Services Directive (PSD2), which governs payment systems in the European Union and mandates strong customer authentication (SCA) for online payments.

Hospitality brands are constantly searching for effective ways to keep their business and guests safe, remain compliant with relevant regulations, and minimise losses and fines. Robust security and compliance systems must tackle all stages in the payments data lifecycle, from collection and transfer to processing, storage, and disposal. And they must factor in regular staff training and investments to stay up-to-date with best practices in data security.





A case in point: Oetker Collection

Luxury hospitality is all about crafting masterpiece guest experiences that are secure.

That's why Oetker Collection strives to go the extra mile for their guests.

They partnered with Adyen to tap into innovative solutions that keep their guests safe and relaxed. They use tokenisation to secure payments. Guests can buy drinks or book spa treatments without presenting their cards or signing bills.

[Explore their journey >](#)

Notable best practices for keeping hospitality payments secure

Two-factor authentication

Requiring more than just the basic information from guests (like their username and password) during login gives an added layer of security. In this setup, guests use another device, like their phones or tablets, to receive a verification code or a one-time password to verify their identities and stop unauthorised access.

3D secure authentication

This authentication method for online payments allows the hospitality business, the card network, and the financial institution (such as the bank) to share the guest's information and authenticate the transaction via a 3DS protocol. This way, it prevents unauthorised users from charging the guest's card and in turn minimises chargebacks for the business.

End-to-end encryption

Encryption stops third parties from accessing the guest's data. At the start of a payment, the guest's card details are converted into an indecipherable code that is then securely transmitted for processing online payments. They're only decrypted upon reaching the guest's bank for approval. This prevents anyone in the middle from getting the data.

Tokenisation

Tokenisation has been gaining ground as an efficient payment security solution. Instead of storing a guest's raw data in the system, tokenisation converts it into a string of randomised numbers that can be safely stored and shared with the different players in the hospitality value chain. This way, even if a hacker gets the tokens, they are unusable.

Updated software

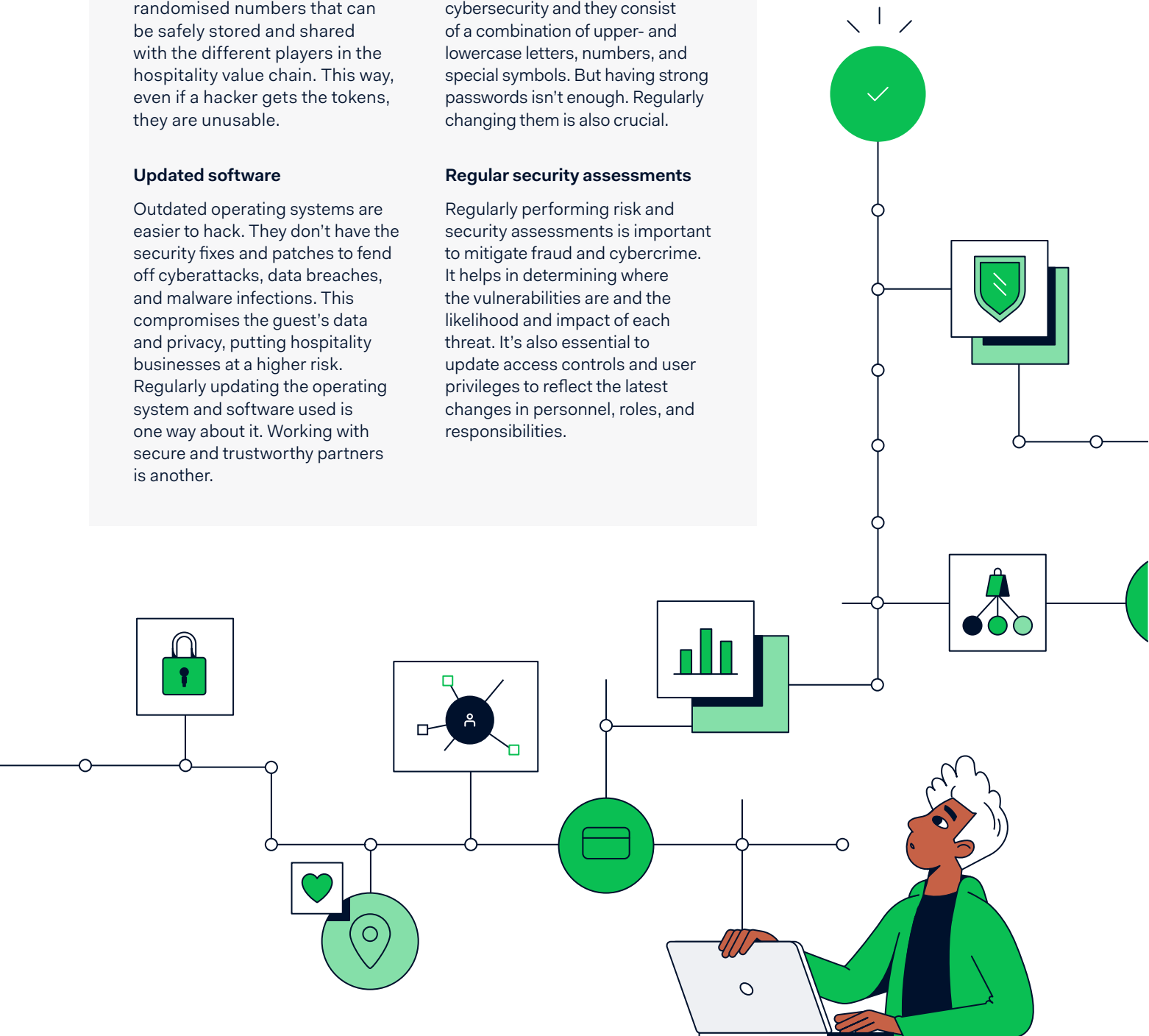
Outdated operating systems are easier to hack. They don't have the security fixes and patches to fend off cyberattacks, data breaches, and malware infections. This compromises the guest's data and privacy, putting hospitality businesses at a higher risk. Regularly updating the operating system and software used is one way about it. Working with secure and trustworthy partners is another.

Strong password policies

Requiring strong passwords for payment processing, guest registrations, and employee accounts protects against unauthorised access. More complex passwords are better for cybersecurity and they consist of a combination of upper- and lowercase letters, numbers, and special symbols. But having strong passwords isn't enough. Regularly changing them is also crucial.

Regular security assessments

Regularly performing risk and security assessments is important to mitigate fraud and cybercrime. It helps in determining where the vulnerabilities are and the likelihood and impact of each threat. It's also essential to update access controls and user privileges to reflect the latest changes in personnel, roles, and responsibilities.



infor

“Hospitality is about creating memorable experiences, but without PCI security, we risk turning those memories into nightmares. Protecting guest data is at the heart of genuine hospitality. At Infor, our goal is to ensure we maintain a high level of security on credit card payments by partnering with companies like Adyen for their tokenisation solutions and credit card payment integrations.”

David Purcell — Vice President, Product Management, Infor



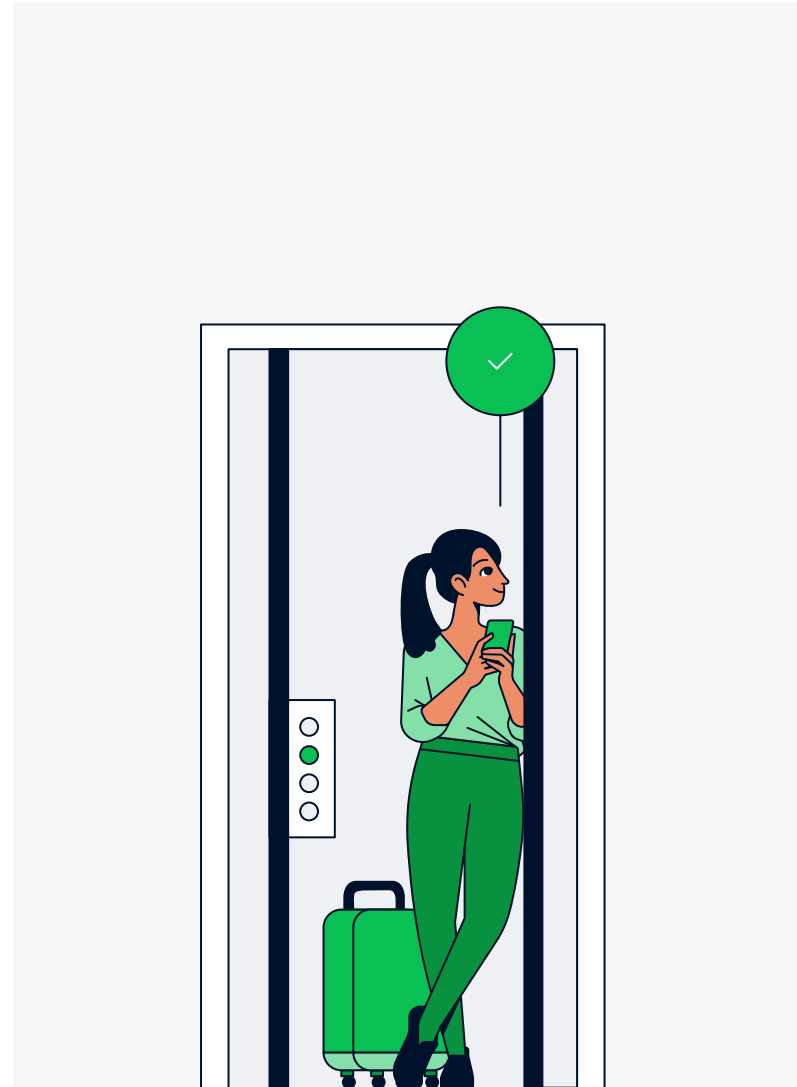
How can a unified payments solution help your hotel?

Flexible payment options, all in one place

A single platform with global coverage offers guests flexible, sophisticated payment options at all stages of their journeys, from pre-arrival to post-stay. Combining online and in-person payments, a unified solution guarantees consistent experiences across all touchpoints, strengthening your branding and increasing revenue opportunities.

And working with a single solution that offers local payment methods and dynamic currency conversion for international guests helps you avoid the hassle of different local providers for each market.

Having all these options in one place streamlines omnichannel payments processing and consolidates reporting and reconciliation, saving time and resources.



Cost efficiency and operational agility

Working with a single platform means managing only one payment service provider contract. This saves on processing fees and the additional costs for integrations, maintenance, and chargebacks.

Choosing the right payment partner also means less integration hassle as you configure with one payments solution. And it unlocks payments technology that can help you automate workflows, reducing manual work and human error. This is critical in light of the industry's labour shortages.

Data-driven personalisation

Connecting online and in-person payments allows you to consolidate data and build a well-rounded view of your guests and their preferences. You can understand where your guests are coming from, how often they visit, where they spend their money, and how they like to pay.

You can then deduce insights to identify areas of improvement and build informed marketing and sales strategies to increase guest retention and lifetime value.

Reliable security

Security breaches aren't only bad for the business and its customers but also a brand's reputation.

Avoid over-relying on a stand-alone security solution because each one has its shortcomings. Instead, build a well-integrated security strategy that is suited to your business needs. The first step is to carefully choose a payments partner you can trust and who can help you balance compliance and risk management, on the one hand, with revenue growth, on the other.



Checklist for hotel and resort payments

Omnichannel payment options

- Do you offer multiple payment methods and channels (e.g., card schemes, local payment methods, mobile POS payments, and online payments)?
- Do you offer the same payment methods on-premise and online?
- Do you accept prepayments and automatically link them to your property management system when taking direct bookings?
- Can you capture payments for no-shows and late cancellations?
- Do you offer multiple check-in options for guests (e.g., check-in before arrival, mobile check-in, self-check-in kiosks, and front desk)?
- Do you offer dynamic currency conversions to international guests?

Data-driven personalisation

- Do you have a consolidated view of the payments made across all channels and locations?
- Can you recognise your guests' buying patterns?
- Can you identify repeat guests?
- Can you recognise your guests by country, age, preferences, purpose of stay (e.g., leisure, business, bleisure), and so on?
- Do you use payments data to customise your loyalty programs and offer targeted promotions?

Use this checklist to evaluate your current payments framework and identify any gaps. The more checkboxes you're able to tick, the better positioned you are to utilise payments as a strategic business tool to help drive growth.

If you have any questions, don't hesitate to contact our payment experts [here](#).

Security and compliance

- Do you automatically and securely capture guest information from POS terminals and call centres?
- Do you avoid processing mail and telephone order (MOTO) transactions via manual key entry?
- Do you steer clear of collecting credit card information?
- Do you send secure payment links to guests that don't reveal card data?
- Do you work with PCI-compliant partners, whether on-premise or external (e.g., property management systems, booking engines, and channel managers)?
- Do you work with a payment service provider that offers PCI-compliant processing?
- Do you securely store payment information for subsequent authorised transactions (card-on-file transactions)?
- Do you use any solutions for data security, like tokenisation or encryption?
- Is your guest wifi network secure and separate from your hotel's internal network?
- Do you have strong password policies and regular security assessments?
- Do you constantly update your operating system?

Reporting and reconciliation

- Can you predict your settlements for all the different payment methods you offer?
- Do you perform payment reconciliation and does it match your sales revenue to your bank settlements?
- Do you understand your average revenue across payment channels for better pricing strategies?

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