

IDC MarketScape: Worldwide Hotel Point-of-Sale Software 2024 Vendor Assessment

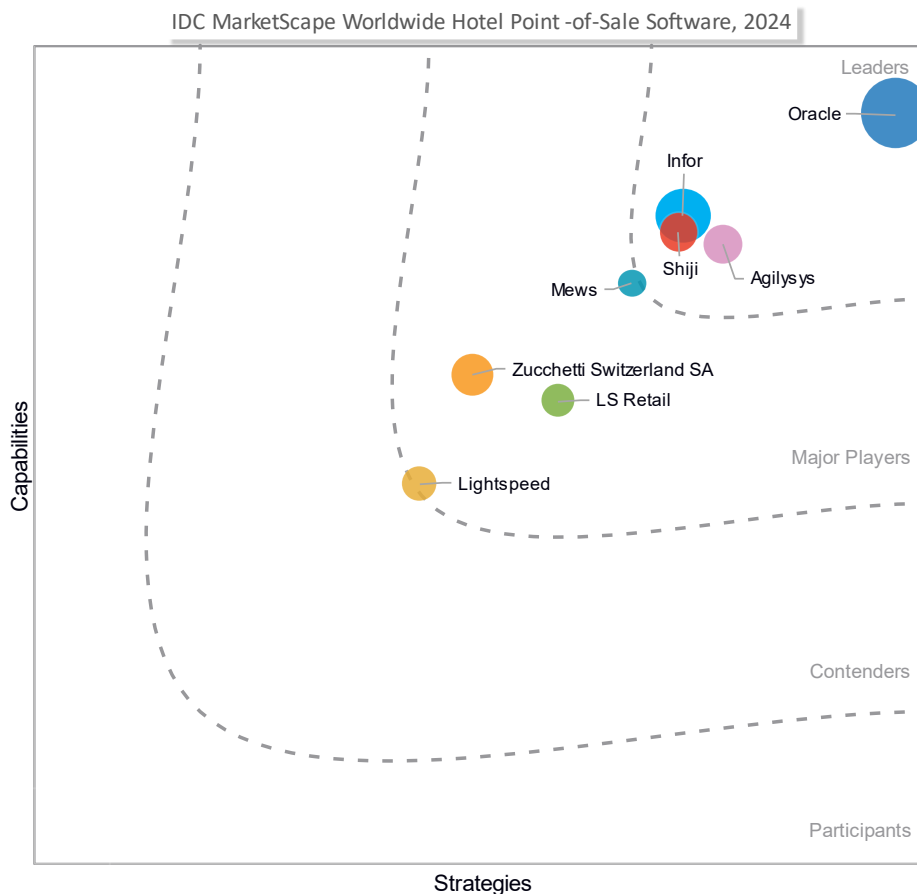
Dorothy Creamer

THIS EXCERPT FEATURES ORACLE AS A LEADER

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Hotel Point-of-Sale Software Vendor Assessment



Source: IDC, 2024

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Hotel Point-of-Sale Software 2024 Vendor Assessment (Doc # US52048024).

IDC OPINION

For hotels, the point of sale (POS) can sometimes seem nebulous, but it's everywhere. It's at the front desk; it's in the room; it's at the restaurant; it's at a pool cabana; it's in a retail or sundry shop in the lobby. With these potential opportunities for sales, it's a vital part of the enterprise technology infrastructure that should not be overlooked or an afterthought.

Hotels are keenly aware of removing friction from guest experiences while blending high-touch, personalized experiences with high-tech interactions. The digital mindset of modern guests makes having flexible POS software across property even more important. Guests expect seamlessness and with the rise of capabilities in other verticals — such as one-click ordering or order history recall — hotels must leverage omni-channel capabilities across guest touch points as well.

Blending digital and physical for hotels will require POS software to bridge the gap between guests and hotel services. The space between ordering and payment is rife with opportunity that hotels must leverage to drive profit, and this is best done with a robust point-of-sale solution.

Hotels will need modern point-of-sale solutions to support omni-channel initiatives across the property. This is becoming a competitive necessity as operators are looking to grow total property revenue. Many brands are recognizing that they will require more robust POS platforms to not only enable all the digital capabilities they desire but also to better manage the enterprise with insights from inventory and customer data systems.

In tandem with a need to level up how the POS is being utilized, hotel operators are recognizing the value of unified commerce and enterprise platforms. Simultaneously, the fervor for automation and intelligence is reaching a fever pitch as hotel operators claim that a lack of data visibility is the top thing impeding the success of their organizations. According to IDC Retail Insights' 2024 *Global Retail Survey*, 52% of hotel operators say that they plan to invest in unified commerce/omni-channel strategies by

2026 as part of their commerce strategies and 35% say that they are prioritizing integrated, composable platform for operations encompassing POS and payments.

The need for enterprise visibility is coupled with continued labor challenges, resulting in a recognition that the only path to profitability for hotels will be to leverage intelligent systems that will help them to tap all corners of the property for profit and to be proactive rather than reactive. The POS is in a prime position at the nexus of guest orders and payment history to offer great insight and opportunity for hotels to find untapped revenue potential.

IDC MARKETScape VENDOR INCLUSION CRITERIA

To be included in this study, IDC Retail Insights stipulated that a vendor should meet the following criteria:

- Has an established reputation offering POS software solutions deployed in hotel environments within the hospitality industry
- Has yearly revenue greater than \$25 million
- Offers an enterprise-ready, global POS software solution offering advanced omni-channel point-of-sale functions and capabilities (The enterprise-ready hotel POS software solution should offer out-of-box capabilities and platform-like features and functionalities, this includes PMS integrations, in-room ordering, and KDS.)
- Must demonstrate the ability to offer and scale POS solutions globally with both deployment and support (To meet the criteria for inclusion, vendors must have hospitality POS clients in a minimum of two countries within any of the following regions: North America, South America, Asia/Pacific [AP], Europe, and the Middle East and Africa [MEA].)
- Demonstrates significant POS software results in the hospitality sector

This research evaluates POS solutions that are utilized in the broader IDC market definition of hospitality and travel, including franchised and individually owned hotels and motels (7011); cruise lines — water transportation of passengers (4489); casinos (70110301); vacation lodges, ski lodges, tourist camps/cottages, resorts, seasonal hotels, and inns (70110400); bed and breakfasts (70110401); hostels (70119901); and apartment hotels/homeshares (such as Airbnb, Vrbo) that fall under the real estate classification (6513).

The POS within hospitality environment will be utilized for F&B offerings onsite and therefore this IDC MarketScape is part of a series of vendor evaluations, also including POS software for QSR and fast casual restaurants and POS software for full-service restaurants.

ADVICE FOR TECHNOLOGY BUYERS

The IDC MarketScape research process includes vendor briefings and comprehensive RFI responses and customer reference calls, coupled with ongoing research. Armed with that data, IDC offers these insights and recommendations for full-service (table service) restaurant operators:

- **360-degree property.** Data visibility and access remains a key concern and stumbling block for hospitality. Having systems that talk to each other is paramount, and operators should not underestimate the value of having a point of sale that syncs with property and enterprise systems. It will not only unlock revenue potential but also improve guest experience with personalized interactions and increase employee satisfaction by removing the need to “swivel chair” between multiple systems.
- **Data a power.** Reporting and analytics can be overlooked by managers when reports are hard to access. Hotel operators at property and corporate levels should evaluate and prioritize the ease of getting reports and being able to customize data. Evaluate POS partners on the availability and access to complete enterprise data and the availability of open partnerships with data and analytics systems to leverage POS data.
- **Don’t underestimate UX.** Being able to quickly train staff is an often-undervalued ability. With high turnover and reduced staffing levels always a concern in hospitality environments, operators should evaluate potential POS partners on UX and intuitive interfaces to make training less time-consuming.
- **Real benefits of artificial intelligence.** While AI is still in its infancy in many POS solutions, hotels will benefit a great deal as this space matures. Operators should evaluate POS providers against current capabilities as well as their ability to deliver on road map promises. As AI matures, it will be important that POS providers are able to leverage the advanced capabilities that can be unlocked with intelligent systems.
- **Security first.** Hotels are always a high-security risk and name compliance and regulations as a top area of concern that they find challenging. Along with demands for greater access to data and mobility, security should never be absent from the conversation. Ensure that POS providers have a comprehensive security strategy and take all appropriate measures to ensure security and compliance across global and regional locations.
- **Flexibility a must.** POS software is not one size fits all, and hotel brands increasingly seek composable platforms that can mix and match features and sophistication levels. Hotels should consider how a POS can adapt to various scenarios to unlock cross-property revenue opportunities from taking drink orders poolside to having self-service sundry shops and pop-up retail or F&B outlets.

- **Payments evolve, so too must POS.** Modern POS solutions must be able to accept a variety of payment types or have a road map to enable acceptance of newer payment options. This is particularly important with global hotel chains that welcome guests from around the world who prefer different payment methods.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Oracle

Oracle is positioned in the Leaders category for this 2024 IDC MarketScape for worldwide hotel point-of-sale software.

Austin, Texas-based Oracle is a software, hardware, and services provider with POS clients across six continents. Oracle's global presence has consistently expanded with the Oracle Symphony all-in-one cloud platform being on 350,000 workstations across 180 countries, 155 fiscal countries, with 90% of languages covered globally — a particularly important factor for hospitality companies that have diverse clientele and staff. Out of Oracle's roughly 159,000 worldwide employees, the hospitality global business unit includes dedicated technology and business professionals focused on hospitality to serve hotel clients currently on Symphony POS.

Symphony Cloud POS is evolving with trends to meet the demands of hotel operators to amplify food and beverage as a revenue stream with seamless cross-channel capabilities and integration with OPERA Cloud. Oracle Payment Cloud Service — which initially started in Oracle Food and Beverage — has now expanded to hospitality for both the Symphony Cloud and OPERA Cloud. Oracle Cloud Payments operates as a payment facilitator for all services acting as gateway, processor, and acquiring bank. It provides operators with a simple approach to payments and enables analysis in a single portal, ultimately enabling easier reconciliation. In addition, refunds can happen directly from Oracle's Reporting and Analytics portal. Simple card present or card not present transaction fees result in a predictable payments solution so that operators know what they are paying for payments. Oracle Payments was initially only in F&B but recently became available in hospitality for both the POS and PMS. Currently, Oracle Payments is available in the United States and the United Kingdom, but the company is

eyeing greater global expansion. Acting as a payment facilitator, Oracle can provide guests a simple approach to payments and helps operators better understand reconciliation through a single portal.

Symphony bridges the needs of hotel POS by being able to support F&B options from table service models to grab-and-go self-service environments as well as options like room service or sun bed, poolside ordering. These capabilities enable hotels to easily fulfill guest requests while expanding opportunities to increase profits by extending service hours and improve the bottom line.

Symphony plus OPERA offers a robust number of touch points for hoteliers to interact efficiently with guests in a customizable way. The system offers the ability for hoteliers to have a multitude of itemizers for service charges and the ability to check to see if there are any disputes at the front desk and for emailing guest receipts from the display. OPERA and Symphony together bring a holistic and composable suite of solutions for hoteliers to deliver a better experience for staff and guests. Key for hoteliers is the visibility of guest information at POS including packages and the combination of enterprise loyalty and payments insights.

Strengths

- A particular strength of Oracle is its rapid deployment for customers and easy controls. A focus for Symphony's UI is that it is user-friendly and ensures order accuracy. Enabling front desk staff and servers to interact with guests through conversational ordering, Symphony makes it possible for staff to fluidly go in and out of orders while maintaining eye contact with guests.
- Oracle provides hospitality organizations with benefits of lessons learned and innovation from a broader range of industry use cases. The One Oracle mantra is helping hotels enjoy the benefits of a turnkey solution set that combines point-of-sale insights with other core property systems in a secure way while being ready to adopt newer technology such as biometric identification.
- Oracle is strongly positioned as a partner to enable integration with many industry-specific solutions. Oracle's Hospitality Integration Platform (OHIP) offers hospitality operators greater opportunity and ability to quickly access and experiment with the latest developments while having access to developers and support.

Challenges

- The company aspires to transmit the message that Oracle is a partner to grow with and not necessarily grow into, and that in one way or another, Oracle can

serve any hospitality need whether that be through Oracle products or OHIP integrations. The balance for Oracle will be finding the sweet spot of equally investing in APIs as well as purpose-built solutions shifting between integration partner and platform provider.

- Oracle needs to ensure hotels across segments understand the value of syncing F&B POS solutions with broader property systems to drive home the unified hospitality concept benefits for organizations of all sizes. To strategically address this, Oracle recently announced that its hospitality, F&B, and retail business units are under the same general manager — Alex Alt.

Consider Oracle When

Independent and global hotel franchises can uplevel efficiency and guest experiences by having Symphony as part of the hotel tech stack. Hotels that wish to improve visibility and omni-channel capabilities to drive revenue opportunities should consider Oracle Symphony.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

This IDC MarketScape evaluates the capabilities and strategies of leading and major providers of POS software for the hotel segment of the hospitality industry. The research evaluates the vendor's offerings with specific focus on the omni-channel offerings each vendor provides either directly or through partnerships.

IDC's industry taxonomy recognizes five sectors within the hospitality, dining, and travel vertical: travel, lodging and event management, food and beverage, recreation, and entertainment. Within this framework, the lodging sector is defined as organizations that provide temporary accommodation for customers. Within lodging there are subsectors including:

- **Hotel.** The subsector consists of establishments that provide paid lodging on a short-term basis. The facilities provided range from the modest quality mattress in a small room to large suites. Hotel operations vary in size, function, and cost. The Marriott, Hilton, and The Ritz-Carlton are among the few top hotel partners classified in this subsector.
- **Resort.** The subsector is a self-contained commercial establishment that endeavors to provide most of a vacationer's wants, such as food, drink, lodging, sports, entertainment, and shopping on the premises. The term *resort* may be used for a hotel property that provides an array of amenities typically including entertainment and recreational activities. Anantara Kihavah Maldives Villas and Four Seasons Resorts are two of the major players in this subsector.
- **Casino.** A casino is a facility that houses and accommodates certain types of gambling activities. MGM Grand Las Vegas and Foxwoods Resort Casino are among the largest casinos in the world.
- **Motel.** The subsector is designed for motorists and usually has a parking area for motor vehicles and fall into the economy financial sector of lodging. Often

distinguished by rooms having exterior entries, motels are also often individually owned as there are a few motel chains in existence. Major hotel chains such as Motel 6 are part of larger hospitality groups (such as G6 Hospitality) that extend into other lodging segments. Caribbean Motel and Chateau Bleu Motel are motel companies classified in the subsector.

- **Homeshare.** This refers to a privately owned residence that is offered for short- or long-term rental on aggregator sites. Distribution platforms for homeshares include Airbnb, Vrbo, and Yonder.
- **Service apartment.** This is a fully furnished apartment available for a short-term or long-term stay, providing hotel-like amenities. The facilities provided are similar to those of a traditional hotel, but service apartments provide more space, convenience, and privacy. SACO apartments and Serviced Apartments Worldwide are a few of the companies that run this subsector.

LEARN MORE

Related Research

- *IDC Retail Insights' Global Retail Survey, 2024: Findings and Implications* (IDC #US51558623, November 2024)
- *IDC TechBrief: AI for Smart Signage in Hospitality and Travel* (IDC #US49228723, September 2024)
- *The Efficiency Era: Stadiums Showcase AWS Just Walk Out Tech Going Beyond Retail and Delivering Business Goals* (IDC #US52554424, September 2024)
- *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2024: Experiential Hospitality, Dining, and Travel* (IDC #US52102324, August 2024)
- *How Are Hospitality and Travel Brands Investing in GenAI?* (IDC #US52467024, July 2024)
- *IDC PlanScape: Hyper-Personalized Loyalty in Hospitality and Travel* (IDC #US47249121, June 2024)
- *Generative AI Use Case Taxonomy, 2024: The Hospitality, Travel, and Dining Industry* (IDC #US52323724, June 2024)
- *IDC PeerScape: Practices to Improve Workforce Experience with Unified Platform Strategies in Hospitality and Travel* (IDC #US52077024, May 2024)
- *AI Everywhere, All at Once: Three Lessons for Hospitality and Travel from NRF 2024* (IDC #US51945124, March 2024)
- *Future of Foodservice: NRF 2024 Tech Trends Pave the Way for Specialized Speed of Service* (IDC #US51883824, March 2024)

- *IDC Survey: Hospitality and Dining Digital Strategies, Trends, and Investments* (IDC #US50799024, March 2024)

Synopsis

This IDC study examines the key strategies and capabilities that point-of-sale (POS) software vendors are offering in solutions for the hotel industry. The research evaluates and examines the strength of vendors as omni-channel partners from front desk to retail and F&B outlets, as well as capabilities in integration and partnerships, reporting, customer engagement, delivery flexibility, and scalability.

This research uses a comprehensive set of criteria to evaluate POS software vendors that are offering solutions to hotels. With the heightened demands from guests and increased market competition from nimble competitors, hotels must evaluate POS partners on what capabilities they can quickly roll out and iterate to sustain and grow business in the years ahead as digital demands and market pressures increase.

“The hotel POS often is overlooked but there is untapped potential in systems that can streamline operations and offer greater data and insight to hotel operations,” says Dorothy Creamer, senior research manager, Hospitality and Travel Digital Strategies, IDC. “POS software increasingly must check all the boxes on features and functionalities that have always been necessary while evolving to offer greater omni-channel capabilities and have embedded intelligence to drive profitability — this is keenly felt as hotels seek to derive revenue from all corners of the property.”

ABOUT IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

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