



**Higher School of Economics**

Bakirov Alen

Baiseitov Sanzhar

Kozhaakhmetova Aiya

Orazov Yerlan

**How digitalization has affected HoReCa industry in Kazakhstan**

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**Supervisor: Gimranov Azamat (MBA,LLM)**

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## **Abstract**

The following work analyzes the hospitality industry - HoReCa, operating as a segment of the service market. This sector conducts an active marketing policy in the development of digital services, around which marketing relationships with consumers are built. In many ways, today promotion in the HoReCa segment is being built taking into account the ongoing active digital development built on the Internet perception as a main marketing instrument defining the creation of loyalty programs and other important factors in attracting and retaining a client. In HoReCa, digital solutions have their own specifics, an attempt to consider which was made in the framework of this work with the identification of consumer attitudes towards digitalization through a survey.

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## **Introduction**

One of the most important tasks for modern society is the awareness and formation of the fourth industrial revolution, which will radically change the concept of work and life in general. The fourth industrial revolution, in contrast to the previous high speed and a large number of changes. There is no doubt that digitalization will not only radically change our lives in the nature of work, but also potentially affect economic growth.

The development of technologies such as the development of applications for booking accommodation, buying tickets, ordering a taxi and others has affected the employment of specialists who were previously involved in this. Such speed of development of digitalization raises concerns about the possibility of replacing people with technology in the market.

Currently, a lot of business projects and the economy in the country has suffered serious losses around the world. This is due to the well-known disease called COVID-19, indeed, because of this dangerous disease that arose in 2019, people suffered huge losses. This disease has a serious impact on the global economy and causes many businesses to suffer losses. The sectors most affected by losses and declines were tourism, airlines, restaurants, trade, imports and logistics, as well as offline entertainment (concerts, theaters, cinemas, circuses, etc.). Of course, this does not mean that other areas did not suffer at all, but it was these areas that suffered more.

Regarding our topic, namely HoReCa, this area suffered serious losses, but also managed to adapt to this situation. Hotels, restaurants and cafes were forced to close for some time. Nevertheless, this crisis has spurred this entire huge area of activity to take very decisive, but at the same time progressive steps. Some companies were not going to give up at a difficult time for them, and the coronavirus became a kind of engine for the progress in the use of digital technologies in most areas of activity. For example, a digital menu using a QR code, online table reservation, the introduction of touchpads into tables. Digitization has affected not only the provision of services and interaction with customers, but also the internal processes of the company, since during the pandemic, business owners needed to provide employees with a remote workplace and uninterrupted access to the database.

After the easing of quarantine measures, many business owners have revised the structure of the work of their employees and optimized costs. Automation of processes has had a positive impact on the reduction of payroll costs. Self-service stations were introduced, some tasks of employees were transferred to outsourcing. Food delivery became very popular, which subsequently completely changed the restaurant business. There were special aggregators for receiving applications, a walking delivery service by courier, robotic cars, a function of delivery

through taxi services. The priority audience for delivery services is millennials and generation Z, they are the ones who spend most of their budget on ordering ready-made food. But there are those who could not adapt or were afraid of the new and were forced to close, many companies from the HoReCa sector suffered huge losses because their reaction time to the situation in the world was slow. Those who quickly adapted to modern realities remained afloat. Many people have already got used to and adapted to the conditions in which the virus has put us, and in particular, many services have become online. The global transition from cash to bank cards is also a stage in the digitalization of the entire sector. If earlier payment in small coffee shops and supermarkets with a card was impossible, then today the situation has completely changed. Cashless payment is many times more convenient and safer for the client.

Since the modern world of technology takes up most of our lives, their development does not need such a problem as a virus, and so a small technical revolution takes place every year, new services appear that simplify human life. HoReCa is one of the fastest growing areas in this field because people are becoming spoiled with new technologies and want to apply them in all areas of their lives. The presence of the site, its visual component and ease of use has already become a mandatory criterion in HoReCa. Reality has shown that emergencies can be not only of a minor nature but also of a colossal nature, so behavioral skills and the ability to adapt will come to the fore. People will have to be prepared to compete with technology.

Today, the era of digitalization is developing rapidly, more and more companies are beginning to make some kind of contribution to digitalization. Covid-19 has given a particularly big boost to digitalization. In particular, it hit the HoReCa, but even here it brought convenience and profit. It has become easier for entrepreneurs to study the behavior model and conduct business in general. For example, the HoReCa sphere now easily studies the behavior model of consumers, their priorities, desires, goals and everything like that.

This work will show that consumer behavior directly depends on the development of companies in the digital sphere. As mentioned earlier, in the age of technology and the Internet, it is possible to get everything without leaving home, and the consumer is provided with a number of opportunities in this regard. Clients of HoReCa can easily find out everything about the company, services, and most importantly, learn about the quality of these services and make a choice. Therefore, consumer choice is aimed at more technologically advanced and functional companies. For example, some hotels already have "smart mirrors" that combine many functions, such as a TV and a touch monitor, as well as the mirror itself. People may interact less with objects, such as washing, shaving and checking email at the same time. A lot of interactions have become digital: turn on the light, turn on the kettle and other appliances using voice commands or even

gestures. Well, in the most advanced countries, when booking a room, people are given the opportunity to visit these hotels without leaving their homes, using the so-called virtual tours using VR and AR technologies. Collecting the data of their guests allows them to personalize the offer based on the experience of previous guests (interests, temperature in the room, etc.) But there are companies in the HoReCa sector that do not consider it necessary to monitor competitors and improve, and this is the biggest mistake of companies, because constant development, the introduction of something new is the key to the consumer's heart..

### **Literature review**

HoReca is a popular topic for analysis among social and economic researchers. Nevertheless, there is small amount of works devoted to the discussion of importance of HoReCa's digitalization in terms of consumer behavior. Moreover, the development of HoReCa's segment in Kazakhstan is not covered by any domestic or foreign authors. In the following work, both primary and secondary sources will be used.

#### **Primary data**

According to the estimates of the Ministry of Trade and Integration of the Republic of Kazakhstan (stat.gov.kz, 2020), there is a huge potential for the development of the HoReCa sector in state.

Based on a study by McKinsey&Company (2021), which states that the consumer part of the population in the United States and most European countries, after the situation in the world, plans to continue using online platforms, this can be taken both as a problem and as a great opportunity and a path to development. In general, HoReCa suffered big losses. People have changed the behavior pattern in the sphere of consumer services. During the pandemic and the state of emergency, consumers began to approach purchases and services more consciously, all this led to a sudden increase in online sales, in particular food products, people began to visit catering places less often - restaurants, cafes, hotels.

Most of the operating enterprises in Kazakhstan, belonged to private business – 5, 5 thousand companies. Among them, almost 200 belonged to joint ventures with foreign participation, 2 enterprise - with the participation of the state. Another 600 enterprises are foreign, 10 are state-owned. It is noted that the least competitive players leave the market every day. In the post-pandemic era, some players are also expected to leave the market, not ready to survive in

conditions of limited activity and in the conditions of subsequent social distancing (Garant-horeca.kz, 2021).

An assessment of the state of the competitive environment in Kazakhstan at the beginning of 2020, conducted by the Analytical Center under the Business Information Center – Kapital.kz showed the predominance of a high level of competition in the activities of hotels and public catering enterprises (Freedom Finance, 2020). Given the fact that the main factor behind the increase in the number of competitors in the Kazakhstani market over the past three years remains the emergence of new companies with a sharp decrease in the rate of entry of new foreign ones, and the dominant way to increase competitiveness is marketing strategies.

Finprom.kz reports that by June of 2021 year, there were 8.4 thousand registered enterprises providing accommodation and catering services in Kazakhstan, which is 10% more than a year earlier. Among listed, 78.5% of enterprises are operating: 6.6 thousand companies, plus 12.6% per year (2021).

At the same time, Habar 24 (2022) reports that the restaurant business has not recovered from the pandemic; over the past year, many restaurant owners have accumulated millions of debts, reports. Over the past month, their expenses have increased, and they have to spend more on buying food. In just three weeks, the food cost of Kazakhstani catering increased from 35% to 45%. This indicator reflects the ratio of the cost of products and other costs, turnover and profit. The main reason for this growth is a sharp rise in the price of products.

According to a survey conducted by METRO in 2021 among representatives of the HoReCa segment, the turnover of the Catering business decreased by one third, and the everyday life of Hotels and Restaurants can be characterized as post-COVID survival. Restaurants and hotels were forced to partially dismiss their staff and revised the concept of work, taking into account the requirements for compliance with sanitary standards. According to the study, on average, to restart a business in the country after quarantine, all partners in the segment under discussion needed at least 5 million tenge (Metro annual report, 2021).

#### Secondary data

People who are not connected with the sphere of the service industry sometimes even do not know the real meaning if the HoReCa word. It should be described that HoReCa is an an abbreviation of three words: Hotel, Restaurant and Catering. (Ilies, 2018).

According to Madurga (2021), the example of many countries shows that more than two-thirds of HoReCa companies ceased operations due to the coronavirus (COVID-19) pandemic as

early as March 2020. It was predicted that only 20% of the operating HoReCa segment business renew their work after the pandemic crisis. Especially the crisis covered small companies without the additional investments, low level of experience and absence of the backup crisis action plan.

Nevertheless, this is a temporary phenomenon, especially in terms of consumer demand and the popularity of the business among population in general. Yet, Ilies (2018) notes that post-covid crisis conditions in the world and the automation of processes make it necessary to increase the value of human cognitive and general skills. Reality has shown that emergencies can be not only of a minor nature but also of a colossal nature, so behavioral skills and the ability to adapt will come to the fore. People will have to be prepared to compete with technology. It is especially vital for the representatives of HoReCa sphere to remain a competitive participant able to create a complementary mechanism between external stressful contingencies and one's own financial and digital capabilities to overcome them.

Consumer behavior is also analyzed by authors and researchers. Bocharnikova describes the analysis of consumer behavior as an awareness of need by the consumer is the perceived discrepancy between the desired and actual level of satisfaction (2017). She notes that the sphere of catering in the first place should be attributed to the need for recreation / leisure. Despite the fact that, due to the current economic and social processes, the restaurant market is at a difficult stage of development, visiting restaurants and cafes still ranks third in the ranking of the most popular paid forms of recreation, slightly behind shopping and cinema (Ibid).

Tey and Hanis (2014) write that the rapid development of market relations and increased competition activate the relevance of studying consumer psychology and identifying the causes of certain consumer decisions. In a competitive economic process, entrepreneurs simply need to study the model of consumer behavior: the consumer makes a purchase, why he needs it, where he buys, what exactly he buys, and so on.

Irsa (2018) in his article gives an example of high growing popularity of the handy program called CRM, which can perform a little more functions than an application in a phone. The main goal of CRM is to build good relationships with customers and guests. A special program makes it possible to track people's preferences and the subsequent construction of an interesting offer for them. The main advantages of CRM, for example, in a cafe, are automatic order entry, preference monitoring and report generation. This program can automatically calculate the tastes and preferences of consumers or divide into segments. Also, one of the factors of digitalization is the Internet. People often surf the Internet and actively feed on information, while any social network or website begins to actively adapt to the model of consumer behavior. Another example of the



digital influence is the implementation of digital technologies at the reception of HoReCa places. Batsyna and Mordovchenkov (2020) describe "smart mirrors" that combine many functions, such as a TV and a touch monitor, as well as the mirror itself. People may interact less with objects, such as washing, shaving and checking email at the same time. A lot of interactions have become digital: turn on the light, turn on the kettle and other appliances using voice commands or even gestures. Well, in the most advanced countries, when booking a room, people are given the opportunity to visit these hotels without leaving their homes, using the so-called virtual tours using VR and AR technologies. Collecting the data of their guests allows them to personalize the offer based on the experience of previous guests (interests, temperature in the room, etc.) But there are companies in the HoReCa sector that do not consider it necessary to monitor competitors and improve, and this is the biggest mistake of companies, because constant development, the introduction of something new is the key to the consumer's heart..

Hubeni et al emphasize that search for information about the possibilities of meeting the need. Currently, social media is becoming one of the key marketing channels for promoting goods and services. According to their research, 39% of USA people look at restaurant websites before visiting them. Already after visiting catering establishments, about 16% of them surveyed share positive feedback about them on social media, and 12% talk about negative experiences, thus giving other Internet users additional food for thought (Hubeni, 2020).

Machala also analyzes the consumer behavior in terms of evaluation of alternatives. Based on qualitative and quantitative research, the author identified the following aspects. A significant part of the respondents, when making a decision to choose an institution, first of all pay attention to the cuisine, then to the amount of the average bill, and after that the location / convenience of the location. To a lesser extent, respondents pay attention to the original presentation, ongoing events and the interior of the institution (Machala, 2014).

It is also worth highlighting the brand of the institution separately. Cueto and Zarei write that for 60% of respondents, the restaurant brand is important. For them, a brand is a kind of quality marker that they trust. The main promise of the brand to its target audience is the desire to bring quality service not only to the catering industry, but also to many other aspects of the life of a modern city dweller (Cueto, 2014). Also, authors note that the booking services market is still young. Authors expect integration with technological solutions in the restaurant industry - these are electronic menus and other solutions. In the future, decision support systems will be developed in booking systems. They found that the majority of respondents (80%) call the restaurant directly and make reservations, the rest make reservations online or through reservation services (Cueto, 2014). Having visited this or that restaurant, the consumer can be satisfied or disappointed with

the choice made. Therefore, it is necessary to ensure 100% quality of food and drinks, write off expired products, train employees in a quality manner, immediately respond to guest complaints and communicate more with guests. To date, the loyalty of guests to the restaurant is the most important factor. According to Varhavitsh, loyalty implies interaction – a long-term relationship between the consumer and the company. However, it is almost impossible to track all factors in terms of product storage and its date expiring based on the human factors, that's why the modern technology should also be implemented (2019). Summarizing the above, we can say that the study of aspects of consumer behavior consists in its phased implementation, where an especially important role is given to the analysis and evaluation of consumer loyalty.

### **Methodology**

The main aim of the following work is to investigate the consumer behavior trends in terms of digitalization. In order to obtain information about the general attitude of consumers towards HoReCa industry service in terms of level of development of technological advances the quantitative method is applied. The most popular method of collecting of information is a survey, specifically, the Non-Probability Sampling survey is used. The link for survey has been sent via social messengers: Whatsapp and Telegram to all available groups of authors, including groups of friends, classmates, dinner groups with a request to distribute the survey link further. The text with the link invited everyone to take a survey on trends in consumer attitudes in the HoReCa segment, regardless of age, gender and city of the respondent. The main advantage of the following method of collecting information is its convenience and ability to gather data in a short period of time. At the same time, the main limitation of the study is the relative homogeneity of participants, since when using the snowball sampling (acquaintances of acquaintances, etc.), this factor cannot be avoided. Also, the surveyed people are representatives relatively the same social groups due to the connection between the groups where the link was spread. The link for survey contained 8 questions containing general personal information (age, city etc) and the specific questions about the consumer behaviour of respondent and his attitude towards technological development in terms of service. The platform for survey was surveymonkey.com – a web tool for the creation of surveys especially among students. The total amount of respondents was 86 people. The research questions analysis was based on a five-point extent scale.

Extent scale looks as follows:

- Not at all -1,
- To a very slight extent-2,
- To a moderate extent-3,

- To a great extent- 4 and
- To the fullest extent -5.

The advantage of survey is that it clearly shows the general picture of a particular trend of the object under study, with all the necessary statistics with the possibility of further and deeper study. At the same time, the limitation of this type of research is a kind of limitation of the freedom of researchers due to the lack of more detailed information or an appropriate interpretation of the answers from the respondents. Also, there is no freedom to be able to "tune in" to the general flow of the survey, with the possibility of identifying even larger questions or topical issues that require the attention of researchers.

Another research method for this topic is content analysis. Two most popular places of each segment were analyzed in terms of guests' online comment on popular online platforms: booking.com, tripadvisor. The comments have been selected on the topic relation, specifically only comments concerning the digital service will be chosen. The choice of the places will also be based on the booking.com's rank of HoReCa places. It should be noted that the place was selected only in Almaty and Nur-Sultan cities, due to the online platform's limitation without the ability to search the most demanded place in Kazakhstan at once (only specific city can be selected).

### **Data collection (content analysis)**

#### **The Ritz-Carlton Almaty Hotel**

5-star hotel located in Almaty, at the foot of the Alatau mountains. The hotel's slogan is "Feel like a celebrity with great service." Almost all positive comments related to the beautiful view from the window and the convenient location of the hotel. However, among the negative reviews, it is mentioned that the main disadvantage of the hotel is the inconvenience of moving from one elevator to another elevator. More precisely, in order to get to the rooms or to the street, you need to move on different elevators, first to the 30th floor, there is a reception where you need to change the elevator and go to the rooms, which is very inconvenient. It is also noted that in the hotel with the highest class of service declared, there are no devices for the occasional use of their electronic devices.

#### **The Ritz-Carlton Astana Hotel**

The Ritz Carlton Astana is located in the Talan Towers complex, in the heart of the business center of Nur-Sultan, with panoramic city views. Many guests note high technology rooms. one of the authors writes (punctuation and style are preserved): *"You can regulate the heating on your own. The super-modern "stuffing" of the room: at first, the abundance of electronic panels and*

buttons on them scares a little)), but, having figured it out, you understand how convenient and thoughtful everything is." Some visitors note the convenience of the internal infrastructure, all things can be done in one place: accommodation, meetings, shopping.

Among the negative reviews, Internet users note poor Internet and the lack of Smart TV. One of the guests writes "*they messed up with the TV. For some reason, smart TV is turned off and there is only an extremely buggy and slow version of YouTube. Kamon guys, 21 years old, no one watches on-air channels*".

### **La Barca Fish&Wine Restaurant in Almaty**

Fish restaurant with a rich selection of chilled wild fish, seafood and wine. Many restaurant guests note the high quality of service and delicious food, however, no one mentions digital services. It should be noted that this restaurant is one of the most popular in the segment of expensive restaurants in the city. Among the negative reviews, many visitors noted inconvenient online booking. For example, the restaurant is open until 00:00, visitors booked a table online for 22:30, but when they arrived at the restaurant, they were denied with entry, referring to the late time and imminent closure. If the restaurant does not accept orders by a certain time, then they should adjust the online booking time so as not to mislead visitors.

### **Selfie Restaurant & Bar in Nur-Sultan**

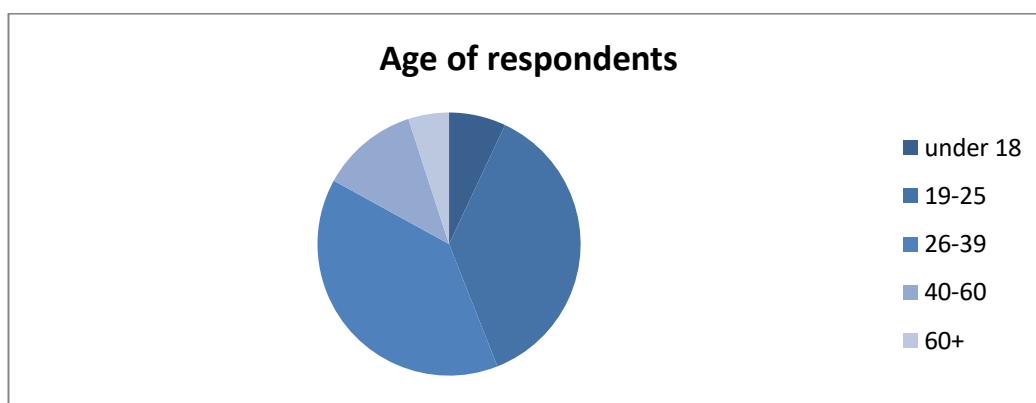
Panoramic restaurant of modern author's cuisine. A branch of the Moscow Selfie, recognized as one of the 100 best restaurants in the world by The World's Best Restaurants. The flagship project of the Ritz Carlton Astana. It is noteworthy that in one of the most popular and expensive restaurants in the city there is no service / website with the online booking function. Moreover, many guests note that due to telephone booking (i.e. not through an automated system but through a manager), booking errors often occur, since the human factor cannot be avoided. For example, a person has booked a specific date through one manager with a specific table for an important date for the guest. However, upon arriving at the restaurant, it turns out that a particular table was given to other visitors, as the manager forgot to indicate a specific table when booking. Another major shortcoming in digitalization is the lack of an online prepayment system. When ordering a banquet (booking for a large number of people), the restaurant necessarily requires prepayment, but the restaurant does not provide a convenient Internet prepayment system, for prepayment you need to come to the restaurant in person, which can also be regarded as the absence of a digital service.

## Results of the survey

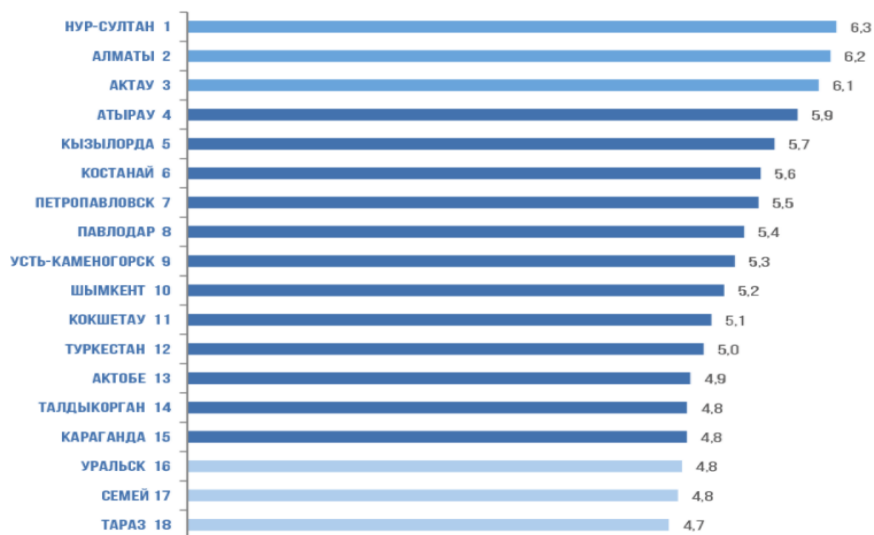
*The following diagrams were constructed based on data gathered from 86 respondents.*

### 1. General personal information about the respondents

At the beginning of the survey, the respondents were asked their age and city of living in order to make a comprehensive statistical analysis of consumer behavioral trends taking into account the listed above factors. According to the results, a greater percentage of survey participants are representatives of 26-39 (39%) and 19-25 (37%) years old. The smallest number of respondents are people older 60 years old, their percentage is 5% and young people whose age is under 18 – 7%. Participation number of people from 40 to 60 years old makes up 12%.

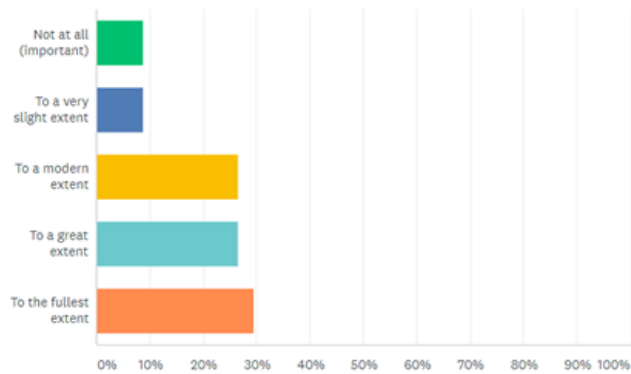


2. In addition to age, participants were asked to indicate their city of residence. As it was described in the Methodology section, one of the limitations of the study is the relative homogeneity of the participants, which was clearly indicated in the city of respondents' living. The largest number of participants live in the capital and former capital of the country – 6,3% in Nur-Sultan, 6,2% in Almaty. The smallest number of participants are representatives of the cities – Taraz 4,7%, Semey 4,8% and Uralsk 4,8%.



### 3. Visiting restaurants and hotels

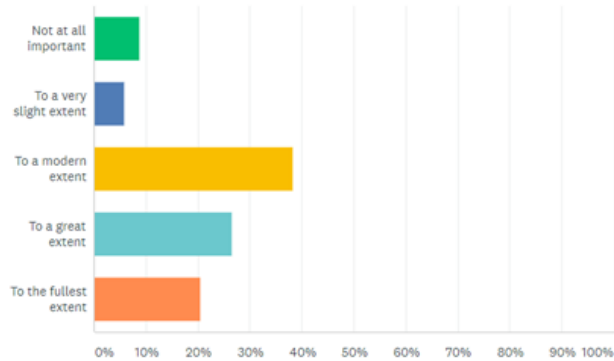
Survey showed that HoReCa segment is popular among respondents. 26% and 29% answered that they to a great and to the fullest extent visit restaurants and hotels. As Igor Bukharov, President of the Federation of Restaurateurs and Hoteliers of Russia, writes that in general it must be understood that the food market outside the home is, in principle, extremely mobile. It very much depends both on consumers who prefers this or that institution, and on the competencies and skills of those people who work in this market. He thinks that the despite the external economic and pandemic situations the internal market of restaurants is relatively the same. He admits that after coronavirus isolation a lot of restaurants are closing. But the same time a large number of restaurants are opening. There are many different reasons for this, and to say that most of them are due to the economic and pandemic crisis is impossible. A lot of factors in the collapse of the restaurant business are associated with things "eternal", internal, and not at all "external". He stresses the insufficient competencies that people have, about the incompleteness of knowledge, unwillingness to work, lack of internal motivation, absence of digital services etc (Retail & Loyalty, 2020).



ВАРИАНТЫ ОТВЕТА	ОТВЕТЫ
▼ Not at all (important)	8,82 %
▼ To a very slight extent	8,82 %
▼ To a modern extent	26,47 %
▼ To a great extent	26,47 %
▼ To the fullest extent	29,41 %

#### 4. Variety of digital services

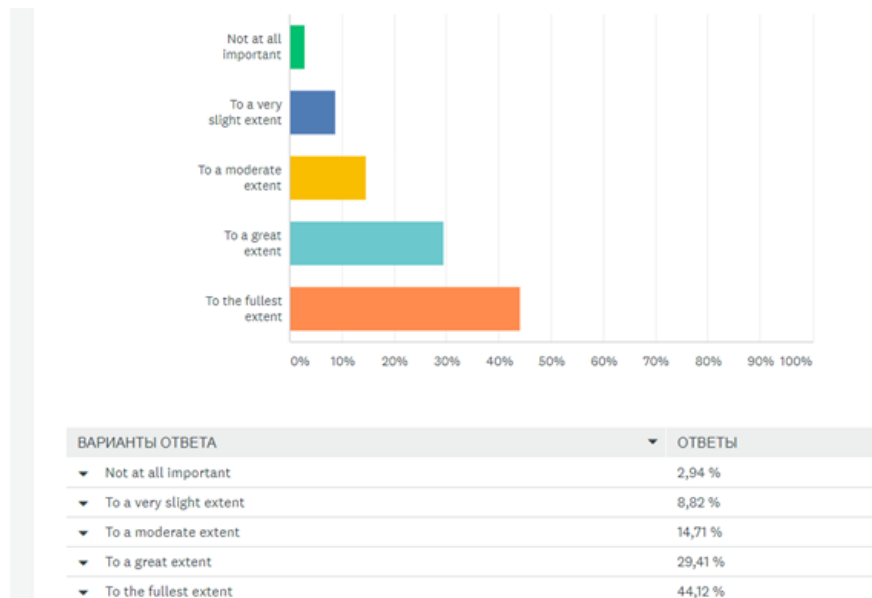
People answered that it is important for them the presence of variety of digital services in both restaurants and hotels. Only 9% out of 86 respondents answered that it is not a principal factor. For the hospitality industry, it is important to provide maximum comfort to guests: not only tasty food, but also to make their leisure time pleasant, and most importantly, familiar.



ВАРИАНТЫ ОТВЕТА	ОТВЕТЫ
▼ Not at all important	8,82 %
▼ To a very slight extent	5,88 %
▼ To a modern extent	38,24 %
▼ To a great extent	26,47 %
▼ To the fullest extent	20,59 %

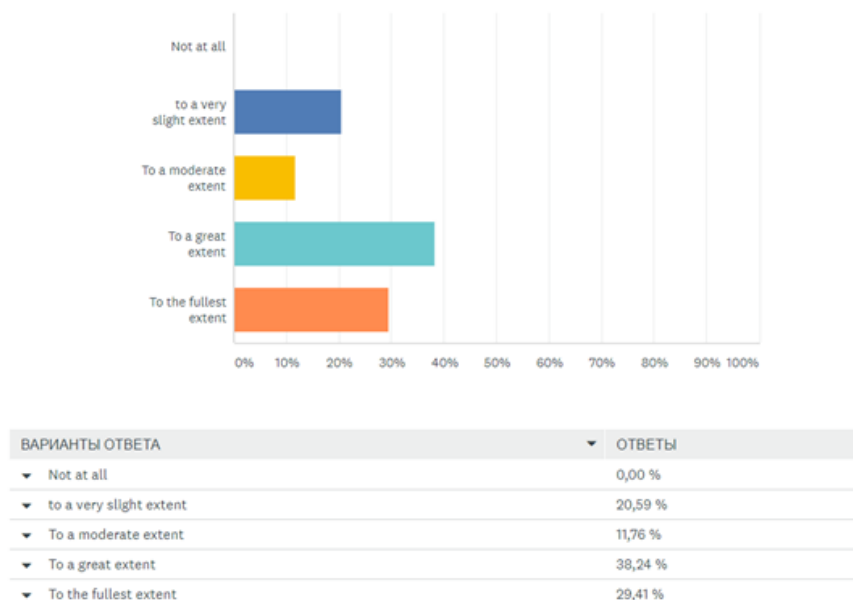
#### 5. Importance of the degree of digital technology's development

Among people for whom the presence of technological amenities is important, have been asked to what extent the degree of technological and digital development of place to visit influences on their choice. 44% of respondents answered that this factor influences their preference to the fullest extent.



#### 6. Good service quality, absence of technological amenities

The question concerned the certain companies of HoReCa segment adhering to the traditional set of values. For example, a small family restaurant with an excellent kitchen, high service but with a complete absence of technological implementations (online booking, delivery service etc.). The respondents were asked to what extent the factor of the presence/absence of modern digital innovations plays a vital role in people's attendance of HoReCa's places. 38% of people answered that it is important to a great extent and 38% and for 29% to the fullest extent.

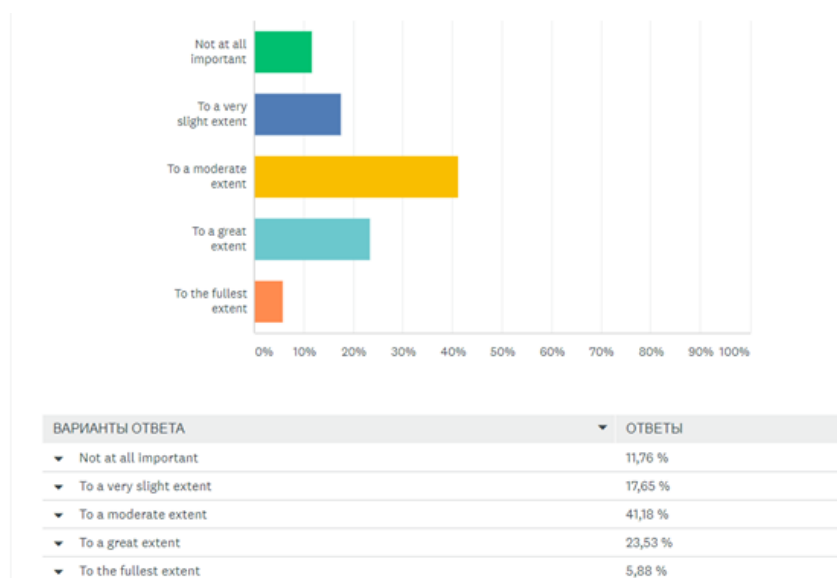


#### 7. Recommendations by friends/family member

The question has been included in order to analyze the modern reality in terms of humankind's dependence on the technological conveniences. For example, the previous question showed that people's preference to visit or not a certain place are to the great and

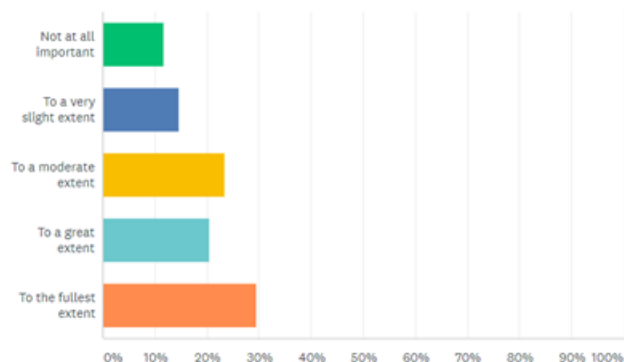


fullest extent dependent on the place's digital development. At the same time, the results of current question showed that the extension of influence of close friends or family member's recommendation is much lesser than the presence of technological development. 11% answers that they do not consider personal recommendations as a reliable source for visit. Only 5% answered that they rely on someone's advice to the fullest extent.



8. Presence of loyalty program (bonus cards, discounts, additional privileges etc).

For 29% of respondents the presence of loyalty program and other additional digital bonus programs is a decisive factor in people's attendance of particular HoReCa' place. Bonus programs play an important role. First of all, it creates a connection between the client and a place it offers. Client understands that with a certain amount of accumulated points, he will be able to afford something additionally. The HoReCa segment business realize that when a choice arises for guest from two places, he chooses exactly that which offers some special loyalty program with the opportunity to save extra money and get extra service.



ВАРИАНТЫ ОТВЕТА	ОТВЕТЫ
▼ Not at all important	11,76 %
▼ To a very slight extent	14,71 %
▼ To a moderate extent	23,53 %
▼ To a great extent	20,59 %
▼ To the fullest extent	29,41 %

## Conclusion

The relevance of the work is due to the crisis in the HoReCa market, where companies are forced to pay more and more attention to consumer behavior patterns and take into account the factors affecting consumer demand, and only by taking into account innovative approaches to managing consumer loyalty, enterprises will be able to maintain competitiveness. The purpose of the work was to analyze consumers and justify strategic decisions on the formation of a mechanism for managing consumer loyalty. The study of consumer behavior is one of the central tasks of

marketing research, after which we get the most complete picture of the purchase decision. Consider the behavior of consumers at the stages of making a decision to visit a restaurant.

The results of the conducted survey among the Kazakhstani population showed that digital marketing plays a key role for the customers' choice in the modern HoReCa segment services. For example, when choosing between two good places to visit, the guest will choose the one that offers additional loyalty services: accumulative points system, extra services for permanent premises, etc. Also, the content analysis of the popular hotels' feedbacks of the guests, there are a lot of negative reviews concerning the digital technologies services, such as absence of smart tv, bad internet or even the inconvenient location of the elevators. Digital marketing is developing and should develop more and more. Because it is an integral part of development in general. Not all areas have fully entered the era of digitalization. This requires stable development and the discovery of new technologies that will keep up with the times.

Sophisticated digital service helps both consumers and entrepreneurs to save time. Digital services are developing and should constant develop. Due to the fact it is an integral part of development in general all places of HoReCa segment should not ignore the improvement and development of technologies in terms of providing quality service. Not all areas have fully entered the era of digitalization. This requires stable development and the discovery of new technologies that will keep up with the times.

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## Appendix A

Hello, we are HSE graduates, students of KazGUU University, we are working on a graduate research project on the impact of digital technologies on the hotel and Restaurant industry, we ask you to take this small survey. Thank you!

1. Hello, how old are you?

- 18 and younger
- 19-25
- 26-39
- 40-60
- over 60

2. Please specify your city of residence:

- Nur-Sultan
- Almaty
- Aktau
- Atyrau
- Kyzylorda
- Kostanay
- Petropavlovsk
- Ust-Kamenogorsk
- Shymkent
- Kokshetau
- Turkestan
- Aktobe
- Taldykorgan
- Karaganda
- Uralsk
- Families
- Taraz

3. How often do you use the services of hotels and restaurants?

- very often

- often

- 50/50

- rarely

- very rarely

4. How important is it for you to have a variety of digital services in hotels and restaurants?

- Extremely important

- Important

- 50/50

- Rather not important

- Absolutely not important

5. How important is the level of technological development of the hotel or restaurant you visit for you?

- Extremely important

- Important

- 50/50

- Rather not important

- Absolutely not important

6. How important is digital convenience for you (online booking, online ordering, etc.) offered in a hotel or restaurant, despite the high quality of service and dishes?

- Extremely important

- Important

- 50/50

- Rather not important

- Absolutely not important

7. How much do you trust personal recommendations (from friends, relatives) in choosing to visit a particular hotel / restaurant?

- Extremely important

- Important

- 50/50

- Rather not important

- Absolutely not important

8. How important is it for you to have a customer loyalty program (bonus programs, savings cards, etc.) in your chosen restaurant / hotel?

- Extremely important

- Important

- 50/50

- Rather not important

- Absolutely not important