The Business Value of Mews Hospitality Cloud with Mews Payments

Dorothy Creamer
Senior Research Manager,
Hospitality and Travel Digital
Transformation Strategies

Aaron Press
Research Director, Worldwide
Payment Strategies

Ladislav Kinda
Consultant, Business Value Strategy
Practice, Custom Solutions

Table of Contents

CLICK ANY HEADING TO NAVIGATE DIRECTLY TO THAT PAGE.

Executive Summary

This white paper, sponsored by Mews and compiled by IDC, explores the business value of deploying Mews Hospitality Cloud — including its embedded payment platform, Mews Payments — within the hospitality industry. Through a combination of quantitative and qualitative research, including in-depth interviews with Mews customers, IDC has identified significant benefits for those hospitality organizations using the complete platform.

IDC spoke to organizations active in the hospitality market to research the business value (BV) of deploying Mews Hospitality Cloud with Mews Payments (Mews). This was accomplished with the assistance of IDC's BV methodology, combining quantitative and qualitative findings to create a holistic picture of the overall impact of Mews on the participating organizations.

Notably, the research revealed that Mews customers realize greater benefits to their business by using Mews Payments with Mews Hospitality Cloud. Mews Payments sits at the foundation of the Mews ecosystem and provides functionality that benefits guests and the business at multiple touch points. Mews Payments enables the interviewed customers to:

- **Increase the efficiency of various staff members** by automating a substantial amount of business processes.

- **Reduce revenue loss associated with guest no-shows,** enabled by Mews Payments features that ensure payment capture prior to guest arrival.

- **Increase revenue** with state-of-the-art upsell and cross-sell features, both during the reservation process and during guests' stays.

- **Avoid staff productivity loss** by delivering a stable system with a lower occurrence of unplanned downtime and improved latency.

- **Centralize all hospitality needs,** including reporting, reconciliation, reservations, and guest information, under one solution and contract.

IDC estimates that Mews Hospitality Cloud with Mews Payments enable the interviewed customers to realize benefits worth an average of $1.47M per year.

The findings underscore the strategic value of investing in a unified, modern technology solution like Mews Hospitality Cloud with Mews Payments embedded to maximize efficiency and capitalize on new revenue opportunities.

Business Value Highlights

- **290%** three-year ROI

- **7 months** payback on investment

- **44%** of business processes automated

- **24%** more efficient front-desk staff

- **$51,271** avoided annual no-show revenue loss

- **7.3%** ADR growth with Mews

- **35%** more time spent on customer care

- **31%** decrease in manual human error

- **$161,100** saving on annual booking engine fees

- **$310,144** additional annual net revenue from up-selling, cross-selling and rate configuration benefits

Situation Overview

The global hospitality industry has weathered several storms over the past few years, from a worldwide pandemic to geopolitical turmoil, impacting the travel and tourism markets in unprecedented ways. The challenging business environment forced many hospitality brands to rethink long-held business practices and develop strategies to drive business while rethinking the historically RevPAR-centric mindset. By the time hotel demand returned, traveler profiles had expanded due to shifts in guests' expectations and preferences, creating new traveler segments that demand new sales approaches. Unsurprisingly, 50% of hotels surveyed in July 2023 claimed that developing new revenue monetization opportunities was the top priority for digital innovation initiatives (source: IDC's *Global Retail Survey*, July 2023; hospitality n = 120).

In re-evaluating business methods, hospitality organizations have turned an eye to the existing technology stack, which is often rife with complex integrations in a legacy system. Hoteliers now seek innovation partners that can help solve the complexity of multiple integrated systems without overcomplicating the user experience for staff or guests. Solutions for hospitality clients must offer robust system integrations with open application programming interfaces (APIs) and verified technology partnerships that seamlessly add capabilities to enterprise systems. As one example, for most hotels, the property management system (PMS) remains the central nervous system of the hotel. In a key indicator of sentiment, IDC data reveals that ease of use was the number-one reason hotels were looking to upgrade or replace their PMS systems by 2024 (source: IDC's *Hospitality and Travel Survey*, August 2021; n = 240). The importance of UX for core hospitality systems is paramount, as many hotels continue to struggle to attract and retain talent. As demand for travel returns and fluctuates, hotels are keenly aware of the benefits of technology that is intuitive and cohesive in improving the front-desk experience for both staff and guests.

Hospitality organizations are also grappling with internal and external challenges in an increasingly complex business environment. According to IDC data, 42% of hotels are struggling with adapting to innovation while remaining secure and compliant with ever-changing regulations for both fiscal and data-related concerns. Internally, hotels recognize they need to embrace ways to automate operations and roughly one-third (32%) struggle with not having sufficient automation across the enterprise (source: IDC's *Global Retail Survey*, July 2023; hospitality n = 120). For hotels to tap into all revenue potential, their systems must be seamless and secure to enable frictionless guest and employee experiences. This is driving a re-evaluation of how staff workflows — from front of house to back of house — can and should be structured and function. Having the appropriate tools in place to receive and leverage guest information and payment data in real time will help ensure that guests are presented with contextualized offers that foster upsell opportunities across the entire guest journey and streamline check-in/out processes.

Mews Hospitality Cloud with Mews Payments

Mews entered the hospitality technology landscape as a modern operating system in a sea of legacy players and systems built internally by hotel chains. Over the years, the product has matured into its current state as Mews Hospitality Cloud, with an ecosystem of capabilities including Operations, Guest Experience, Open API, Marketplace, Multi-Property, POS, and Mews Payments. With its launch in 2012, Mews differentiated itself from legacy PMS providers as a cloud-native, serverless, multi-tenant software-as-a-service (SaaS) platform designed to enable properties to be completely mobile and innovate quickly with upgrades and installations that do not require downtime at the property. With Mews Payments, the platform automates hotel payments, reduces manual errors, and enhances security by using tokenization to prevent hotel employees from handling card payment details.

The inclusion of Mews Payments rounds out the platform, providing hotels with a fully integrated PMS and food-and-beverage POS experience, which in turn enables them to provide a seamless experience to their guests. Mews Payments is a particularly effective tool for hotels looking to shift their focus from a 100% occupancy mindset to a 100% property utilization mindset. It also assists hotel operators in their quest to reduce the number of touch points employees must engage with when providing services to guests; by applying automation to payment processes, Mews Payments simplifies the processing, reporting, and reconciliation of payments — saving time for employees and improving the overall guest experience.

The Business Value of Mews Hospitality Cloud

Study Demographics

IDC conducted 11 in-depth interviews with Mews customers, representing organizations that manage an average of 6.4 hotels each, totaling 71 hotels. The interviews were designed to capture qualitative and quantitative data to provide a robust outlook of the business value gained with Mews.

IDC captured a broad sample of participating organizations. The data set contains organizations ranging from a single small hotel to an organization with a portfolio

of 15 properties. The breadth of the sample is further evident in the range of annual guests (18,350 to 800,000) and the number of rooms (40 to 2,105) for each organization interviewed. The data shown in Table 1 provides additional information about the interviewed organizations, specifically their payment methods, average occupancy, and revenue per day per room represented by the average daily rate (ADR). The organizations are active on three continents, with the majority based in Europe.

TABLE 1

Firmographics of Interviewed Organizations

Firmographics	Average	Median	Range
Number of guests per year	270,788	235,000	18,350–800,000
Number of hotels	6.4	9	1–15
Number of rooms	761	500	40–2,105
Average occupancy rate	67%	68%	48–80%
Average daily rate (ADR)	$175.6	$176.6	$78.8–273.2
Payment method used by guests — card overall	88.3%	92.5%	70.0–98.1%
Payment method used by guests — Mastercard/Visa	82.8%	79.9%	65.0–93.0%
Payment method used by guests — American Express	5.0%	3.0%	3.0–8.3%
Countries	Netherlands (3), Australia, Belgium, Denmark, Finland, France, Germany, Switzerland, U.S.		

Source: IDC, 2024 (n = 11)

Choice and Use of Mews

To establish a good framework for the research, IDC asked Mews customers to identify the reasons and motivations they had for choosing Mews. A common theme was that the hotels perceived their prior hospitality management systems as being outdated and saw a need for modernization with new features, including API connectivity. Another important reason for selecting Mews was that the organizations wanted to automate their processes and reduce errors associated with manual system inputs. Organizations also talked about wanting to improve the guest experience with Mews.

- **Streamlining and Automation:** "We needed a system to allow us to be automated and manage the hotel from a separate location. We vetted a few options at the time and ended up with Mews because of the integration, the ability to work with the kiosk, and the streamlined process for our unique property."

- **Modernization and API Connection:** "The prior system our organization used lacked modern functionality, like online check-in, or easy integration of other platforms such as channel managers and housekeeping systems. That was one of the main reasons we chose Mews — because of its strong API connection, the ability to connect almost any platform that you want."

- **System Innovation:** "The prior system we used looked very old, and it did not have a very good process for updates. There were no changes for many years, and it was not cloud based. It was a slow system and was very time consuming for our employees. Mews is cloud based, and that's a very good thing."

- **Customer Experience and Automation:** "Automation was a big reason — both on our side and on the customer journey side, as well. We wanted software to do more things. The APIs we were using before were non-existent. We couldn't plug in anything else. Mews has a lot more APIs, and those APIs are seamless. This was a big reason for switching. The modernization of the customer experience was important."

- **Error Reduction:** "We wanted to get rid of the errors in taking and posting payments. Dealing with errors was a lot of work for every shift. We have now removed that — at a cost. Mews is not cheap. But, in the long run, it is a good investment, as it removes all these errors and makes our operations easier. We now have fewer people worrying about adverse consequences."

Table 2 provides an overview of how the average interviewed organization uses Mews. Organizations reported using an average of 13.2 Mews Terminals and 4.8 Mews Kiosks. To account for the variance in number of properties, on a per-hotel basis, these averages were 2 Mews Terminals and 0.8 Mews Kiosks. On average, organizations reported that 88 of their staff were using Mews in some capacity, with 38 of them being front-desk staff members.

TABLE 2
Organizational Usage of Mews

Mews Usage Per Organization	Average	Median
Number of Mews Kiosks	4.8	3
Number of Mews Terminals	13.2	5
Number of total users	88.2	67.5
Number of front-desk employees	38	27.5
Number of customer care employees	18	1

Source: IDC, 2024 (n = 11)

Business Value and Quantified Benefits of Mews Payments with Mews Hospitality Cloud

IDC asked interviewees to identify the most significant benefits of Mews Payments for their organizations. These benefits largely mirror the initial stated goals organizations aimed to achieve with Mews. Mews customers told IDC that Mews Payments helps them achieve a consolidated and automated payment environment, where they do not have to rely on multiple payment providers and no longer have to input card data manually. Mews Payments has also enabled the organizations to achieve a significant decrease in error occurrence while processing payments and has helped accounting and finance teams with consolidation and other tasks. One organization stated that having a fully embedded payment platform within the property management system is the most important feature.

Based on interviews with Mews customers, IDC identified the following as the most consistent and significant benefits and areas of impact from using Mews Payments:

- **Payment Consolidation:** Using Mews Payments enables the study participants to reduce and unify the payment solutions and platforms on which they conduct their daily business.

- **Payment Automation:** With Mews, staff members no longer need to manually input numbers on terminals. This, coupled with card pre-authorization, provides a substantial benefit in terms of staff efficiencies and minimizing the likelihood of input errors.

- **Error Reduction:** The elimination of manual approaches ensures that guest data is always correct and up to date.

Managers at the interviewed hotels spoke in greater depth about the above benefits:

- **Payment Consolidation:** "The most significant benefit is payment unification — basically, getting all the payments from one payment vendor. We had several before, which made consolidation a little bit harder."

- **Payment Automation:** "The benefit is automation — no more inputting numbers on payment terminals, taking pre-authorization in advance before guests arrive, or charging credit cards in advance. All these tasks were done manually before the implementation of Mews."

- **Error Reduction:** "Among the many benefits, not having any errors anymore is very significant. We used to have terminals for cards and had to input amounts and then go through the system to determine what the payment method was — a credit/debit card or other. A lot of mistakes happened this way. When we automated this process with Mews, the occurrence of errors fell to zero. And this saves time."

- **Direct Payment Facilitator:** "The payment system is directly connected to Mews. There's no need for a third-party payments provider. The payments are automated. This used to be done manually. It's all directly connected: When the guest pays, the payment is directly displayed on the terminal — no more VISA/Mastercard entry confusion, which always caused accounting headaches. The full integration of the PMS is most important."

- **In-House Payment Processing:** "We have this wonderful functionality of running payments as well as authorizations on credit cards automatically, so that really helps my night audit team to process costs themselves."

In addition to questions focused on Mews Payments, IDC asked organizations to talk about the benefits of Mews Hospitality Cloud in relation to their guest experience as a whole. Organizations spoke about achieving flexibility for the front desk and an overall increase in process efficiency. Organizations also praised the ease with which they can run and use the intuitive Mews platform, and the communication with Mews when it comes to platform updates. Organizations praised Mews' online check-out capabilities and API integration.

Based on the interviews, Mews customers consistently identified the following as tangible benefits of improved functionality with Mews:

- **Ease of Platform Management:** The overall platform is easy to use — easier than previously used systems — owing to its cloud-based nature.

- **Front-Desk Flexibility:** Mews frees up front-desk staff to focus more on customer care.

- **Online Functionalities and API Connectivity:** It ensures that hospitality organizations can "plug in" a plethora of third-party software, making Mews even more flexible and agile.

In addition to the above Mews benefits, the interviewed hospitality organizations commented as follows on the benefits of Mews Hospitality Cloud:

- **Ease of Platform Management:** "A big benefit is that it only takes one person to manage Mews. We only need IT help if there are any bigger issues. Mews is cloud based; nothing needs to be monitored onsite, which is huge. This translates into cost savings. Furthermore, the fact that rate mapping can be done from start to finish by our channel manager is incredibly timesaving."

- **Front-Desk Flexibility:** "The flexibility of Mews' wireless terminals has been a big plus because now we're not constrained to a desk. The front-desk staff can just walk around with an iPad or a tablet and check in guests and let them pay anywhere we want within the hotel."

- **Overall Process Efficiency:** "It enables efficiency for both staff and customers, improved communication with guests, and improved capabilities such as revenue management."

- **Communication with Mews:** "Mews is a very focused PMS supplier. If they do something, they try to do it well, instead of just trying things minimally. I'm a beta participant, and I love that Mews is so open to customers getting hands-on with what they are building. They ask me all the time what I think and whether things will work or not; they are very interested in our feedback on functionality and usability."

- **Online Functionalities and API Connectivity:** "With Mews, we also offer online check-out, which wasn't possible before. We still have a registration card required as it is Germany, but now you can do that in advance. Furthermore, with Mews, it's very easy to connect to third-party systems. The APIs are great, and you can connect to anything."

Business Enablement Benefits

The interviewed hotels reported the business enablement facilitated by Mews as a significant benefit. They talked about how Mews enables their guests to book upgrades seamlessly during the reservation process, as well as purchase additional services during their stay. They also praised the ease with which they can manage their rate configuration efforts with Mews, leading to the optimization of their booking revenue streams.

- **Guest Upgrades Efficiency:** "Mews gives us an option to upsell during the online check-in. Prior to Mews, we sent out an email with upgrade offers, but there was never an inventory or an automated system behind that, so it was always manual work. We would receive an email which we would then have to manually process in the PMS system. With Mews, once a guest selects an additional breakfast, bike rental, or bottle of wine in the room, it is automatically processed in the system, and there's no manual work at all. So that's really great."

- **In-Reservation Upgrades:** "With Mews, you can throw extras in the basket. When you reserve the room, you can also book some extras and create multiple stays or book different room types; it is more flexible than before."

- **Rate Configuration and Additional Revenue Enablement:** "It's huge. Before Mews, we had packages with fixed price components. For example, $200 for the room, $50 for dinner, $20 for breakfast. Sometimes the direct rates were lower. But sometimes they were higher, and that would cost us money. Thanks to Mews, we now have flexible pricing, which is a major business improvement. Now we are at $180 ADR. We went from $100 to $120 in the first year, and that was in 2020. Now it's 2024 and we are at $180."

- **Ease of Rate Configuration:** "Rate configuration can be done with three clicks of a button in Mews. This can be done through your phone. We usually update rates two or three times a day for our properties. We are operating in a volatile market with constantly moving prices. This process is at least 30% or more efficient for our organization."

The interviewed organizations reported that, on average, they were able to increase their revenue by 2.8% with Mews features, such as automated payments, which help them to facilitate reservation upgrades and additional purchases of services by guests during their stays. With the 15% margin assumption that IDC applies for revenue findings, the average organization can expect a benefit of $123,280 annually. These findings are presented in more detail in **Table 3**.

TABLE 3

Revenue Benefits of Increased Guest Upsell and Cross-Sell

Average Upsell and Cross-Sell Benefits	Average Annual Revenue Before Mews	Average Annual Revenue with Mews	Revenue Benefit	Percentage Benefit
Annual revenue	$29,656,978	$30,478,847	$821,869	2.8%
Assumed margin (15%)			$123,280	

Source: IDC, 2024 (n = 11)

With Mews, organizations reported the ability to perform rate configuration with much greater ease and flexibility. IDC was able to calculate that the improved process of rate configuration was responsible for a 4.3% increase in revenue annually, translating to a benefit of $186,864 with IDC's 15% margin assumption for revenue findings. More on this in **Table 4**.

TABLE 4

Rate Configuration Benefits

Rate Configuration Revenue Growth	Average Annual Revenue Before Mews	Average Annual Revenue with Mews	Revenue Benefit	Percentage Benefit
Annual revenue	$29,233,085	$30,478,847	$1,245,762	4.3%
Assumed margin (15%)			$186,864	

Source: IDC, 2024 (n = 11)

Figure 1 offers a visual presentation of the last two benefit findings from Table 3 and Table 4 (upsell and cross-sell benefits and rate configuration benefits), calculated to reflect the effect of the associated revenue growth on the average daily rate (ADR) per room. With Mews, the ADR for the average organization increased from $164 to $176, using the average number of guests and the

average revenue presented in the tables above to calculate this ADR benefit. This represents a 7.3% increase for the average organization. The effects of rate configuration benefits were responsible for the majority of the increase, but upsell and cross-sell benefits still accounted for an important portion of the overall ADR growth ($7.18 and $4.74, respectively).

FIGURE 1

ADR Benefit with Mews
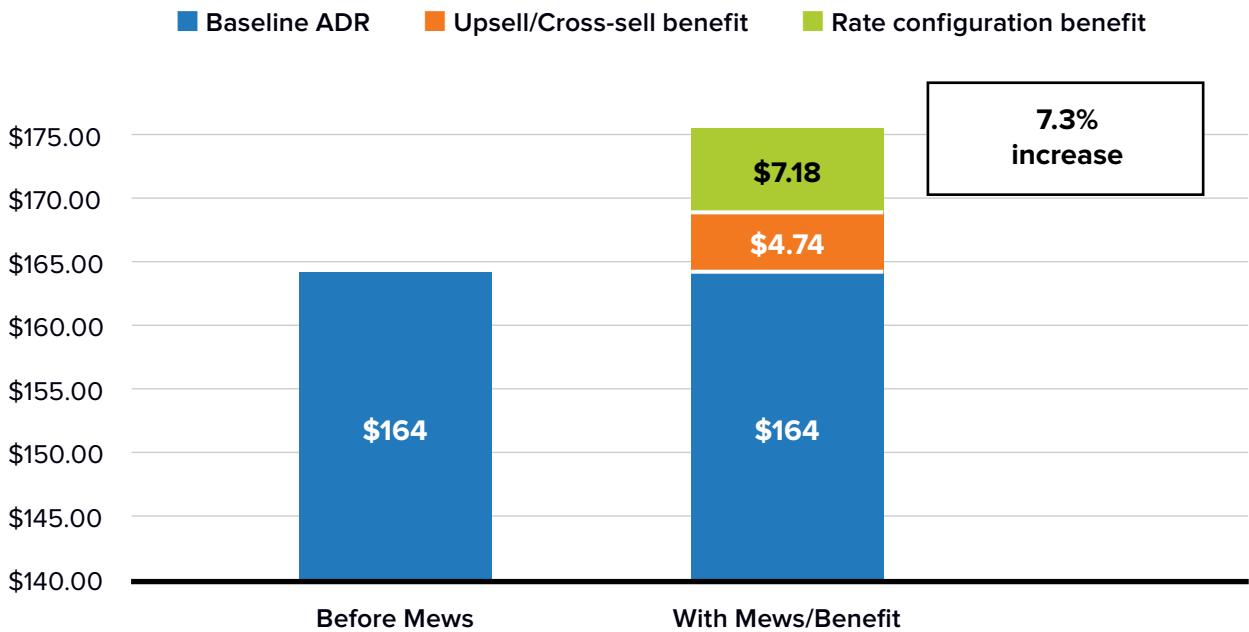
Source: IDC, 2024 (n = 11)

With pre-arrival card charges processed by Mews Payments, the interviewed organizations reported that, on average, their no-show revenue losses decreased by 34.1%. This translated to a revenue loss reduction of $51,271 annually for the average organization. Furthermore, with Mews, the average organization was able to avoid paying $161,100 in third-party booking engine fees annually. More about these findings in **Table 5**.

TABLE 5

Booking Engine Savings and No-Show Revenue Loss Reduction with Mews

Booking and No-Show Savings Benefits	Before Mews	With Mews	Savings Benefit	Percentage Benefit
No-show revenue loss reduction	$150,567	$99,296	$51,271	34.1%
Booking engine savings		$161,100	$161,100	

Source: IDC, 2024 (n = 11)

Staff Efficiency Benefits with Mews

The study participants highlighted staff efficiency benefits — which relate in large part to the automation of payments with Mews Payments as well as other efficiencies driven by the Mews Hospitality Cloud — as another major area of value from their use of Mews. IDC was able to calculate an increase in efficiency for three distinct staff groups: front-desk staff, IT staff, and finance and accounting staff. In the interviews, organizations talked about Mews enabling their staff to spend significantly more time interacting with guests and improving their customer experience — a theme echoed throughout the interviews. The Mews feature cited most often as being responsible for increasing efficiency for staff was the automation of various processes. These processes related to repetitive tasks in the area of payments and other administrative tasks tied to guest experience. Mews Payments served as an underlying driver of efficiency in this area. The interviewed hospitality organizations talked in greater detail about the following aspects:

- **Administrative Tasks Automation:** "For each guest, they're saving at least five minutes a day on administration, which gives them more time to spend on customer experience. The automation is so important. All the repetitive tasks are now done by Mews, and this frees our employees to talk to and help our guests."

- **Administrative Tasks Automation:** "They're absolutely 40–50% more efficient because of all the administration that is done beforehand."

- **Front-Desk Staff Flexibility:** "We were able to move the reception, so the front office can stand there with their iPad, and they have 50% more time to chat with the guests than before."

- **Improved Guest Experience:** "I would say they have at least 30–40% more time for the guests now, especially when guests checking in online only takes 30 seconds, and you only need to provide them with a key. And, in some of our hotels, we even automated that process and now have digital keys, so you don't have to provide the guests with anything. You can fully focus on welcoming them and providing them with information about the hotel or the surrounding area and really focusing on the guest experience instead of all the administration that a front-desk attendant needs to do."

- **Improved Guest Experience:** "It allowed the front-desk staff to focus more on the guests and not on the administrative work. This process has been smooth and allows them free time to talk to guests and ask them about their day or about their stay. And that's what we are all aiming for, taking time to talk to our guests and not look at our screen and try to solve manual tasks. On a typical check-in, we easily save two or three minutes. On a check-out, it's at least five minutes per guest."

- **Accounting Reconciliation Benefit:** "Mews makes accounting much more efficient for this team. Reconciliation is very easy now. It is much easier to track payments and reconcile. An example of a faster process now is that the payment identifier means the front-desk staff do not have to check manual references, look at a physical receipt and verify against what was typed in, and determine whether the payment has arrived."

IDC was able to calculate that the average organization has achieved a 24% efficiency increase for their front-desk staff. The use of Mews is responsible for a benefit of 12.1 FTEs of equivalent workloads for the average organization, with process automation and other Mews features being the main driving forces behind this improvement. Front-desk staff can now be more guest oriented rather than payment and process oriented.
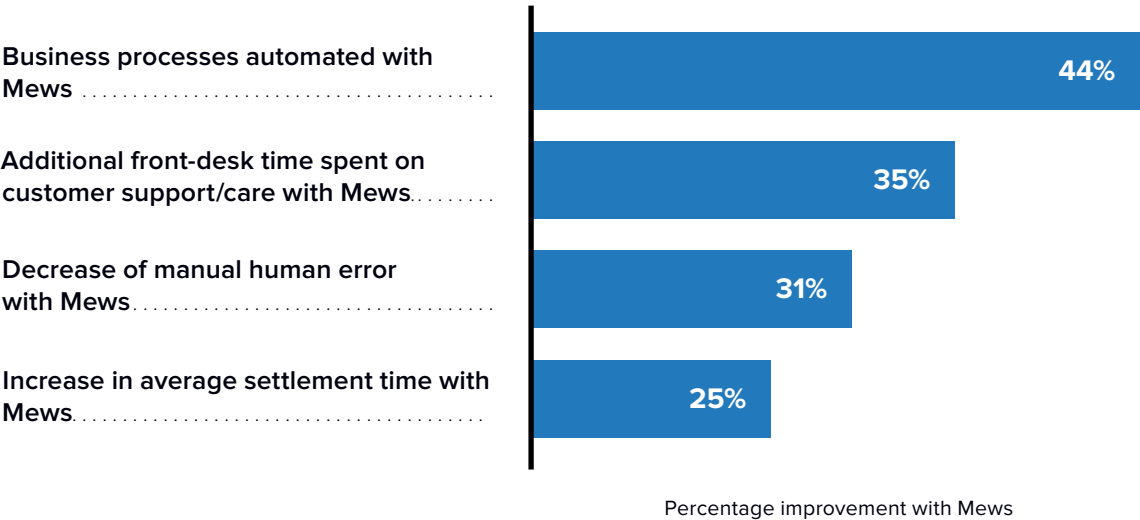
TABLE 6

Front-Desk Staff Efficiency Benefits

Front-Desk Staff Efficiency	Before Mews	With Mews	Savings Benefit	Percentage Benefit
FTEs required for equivalent work	49.7	37.6	12.1	24.3%
Value of staff time required for equivalent work	$2,809,719	$2,126,287	$683,431	24.3%

Source: IDC, 2024 (n = 11)

With Mews, the interviewed organizations reported automating 44% of their business processes on average, thus enabling their front-desk staff to spend 35% more time on customer support and customer care. The average organization has achieved a 31% decrease in manual human error, as well as an average settlement time decrease of 25%. These findings are presented in **Figure 2**.

FIGURE 2

Front-Desk Staff KPIs

Business processes automated with Mews **44%**

Additional front-desk time spent on customer support/care with Mews. **35%**

Decrease of manual human error with Mews. **31%**

Increase in average settlement time with Mews. **25%**

Percentage improvement with Mews

Source: IDC, 2024 (n = 11)

IT staff responsible for managing and supporting the interviewed organizations' hospitality management systems saw a significant increase in efficiency with Mews. The efficiency increase for the average organization was 58%, which translated to 1.5 FTEs of equivalent workloads and a benefit of $150,893 annually with IDC's $100,000 annual salary assumption for IT team members. This efficiency increase was driven by a lesser need for IT personnel to continually manage Mews environments in comparison to the organizations' previous solutions. The interviewed organizations also saw a decrease in the occurrence of errors and an increase in system stability. For details, see **Table 7**.

TABLE 7

IT Staff Efficiency Benefits

IT Staff Efficiency	Before Mews	With Mews	Savings Benefit	Percentage Benefit
FTEs required for equivalent work	2.6	1.1	1.5	58%
Value of staff time required for equivalent work	$260,893	$110,000	$150,893	58%

Source: IDC, 2024 (n = 11)

The interviewed organizations also reported an increase in efficiency for their finance and accounting teams, with Mews helping these teams accomplish reconciliation and other tasks more efficiently. IDC was able to calculate that the average organization saw a 0.33 FTE efficiency increase benefit in equivalent workloads, translating to $22,944 annually with IDC's $70,000 annual salary assumption. These findings are presented in detail in **Table 8**.

TABLE 8

Finance and Accounting Staff Efficiency Benefits

Finance and Accounting Staff Efficiency	Before Mews	With Mews	Efficiency Benefits	Percentage Benefit
FTEs required for equivalent work	7.0	6.7	0.3	5%
Value of staff time required for equivalent work	$493,500	$470,556	$22,944	5%

Source: IDC, 2024 (n = 11)

The data in Figure 3 presents a visualization of the overall staff efficiency increase across the three researched staff teams. Overall, the average organization saw a 23% increase in efficiency across front-desk, finance and accounting, and IT staff. In absolute terms, front-desk staff accounted for the majority of this efficiency improvement.

FIGURE 3

Overall Staff Efficiency Benefits with Mews
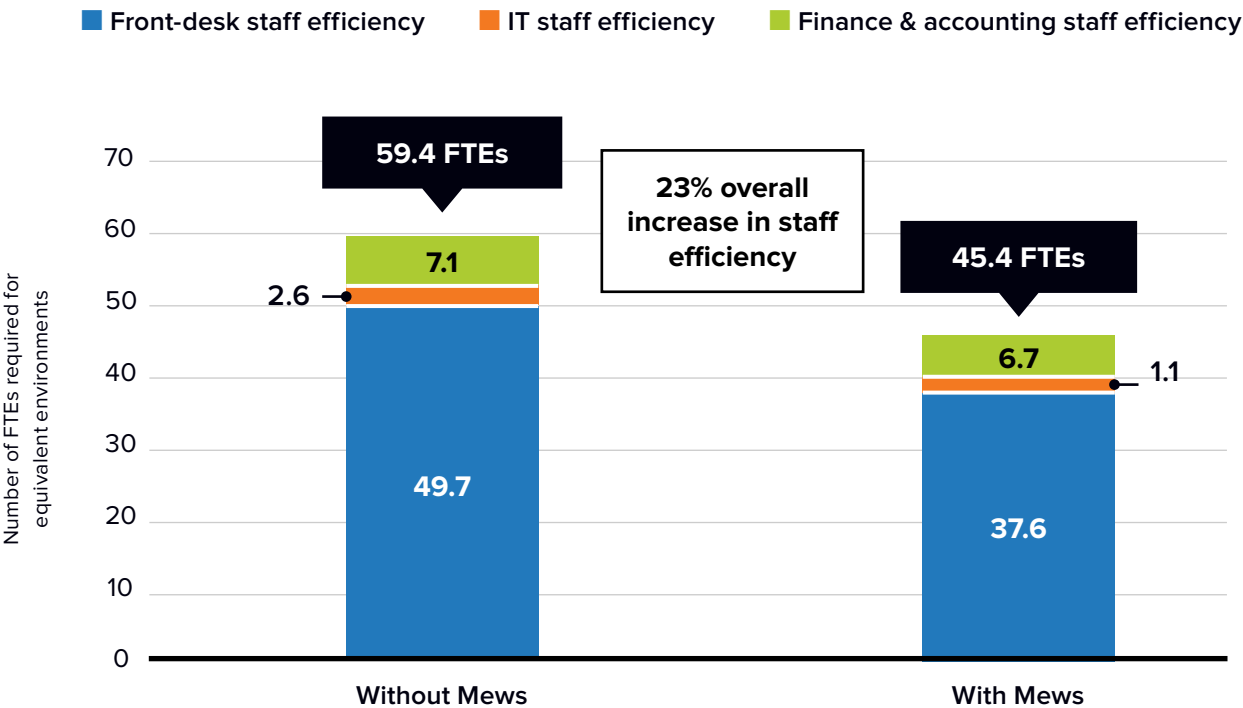
Source: IDC, 2024 (n = 11)

System Stability and the Benefits of Mews Features

Throughout the interviews, Mews customers discussed the features and capabilities they found especially helpful. One organization told IDC about a significant decrease in guest no-shows due to its improved ability to take payment upfront with Mews Payments. Other organizations spoke about their hospitality systems being more responsive, as evidenced by improvements in latency and stability and a reduction in unplanned downtime. Organizations also praised the speed and ease of training new employees to work with Mews compared with their previous systems. One organization highlighted the way online check-outs help housekeeping staff to work more efficiently.

- **Reduced No-Show Losses:** "We used to get one or two no-shows per day. Now with Mews we get approximately one per week. That's a 90% decrease. This is because Mews allows us to take pre-payments before the guests get here."

- **Improved System Latency:** "The system is faster because it is web based, and it doesn't run on a server. You just depend on the internet speed that you have at the hotels, and you don't need to constantly monitor the speed and the reliability of your servers. That improved at least 25–30%. You can really tell the difference."

- **Reduction of Unplanned Downtime:** "Unplanned downtime improved with Mews. When downtime occurs, we automatically receive notices that Mews is aware of it, working on it, monitoring it, and remediating it. It occurs once a month at most; before, I remember for the previous system it was once a week."

- **Fast System Learning Curve:** "Ease of use and a really user-friendly environment. We often give the example of a new starter at the reception. Before Mews, they needed at least a month or two to learn how to use the PMS system. Now, in two or three weeks, they are able to work with the PMS autonomously."

- **Online Check-In and Check-Out Benefits:** "Housekeepers have access to Mews on their phones. They can check whether guests have checked out already, which really helps. Checking in and checking out are very fast thanks to the payment system. Online check-out is really nice for our guests. They can pay online now. They just leave their key in their room and walk out. About 10 out of 40 rooms use online check-out now."

IDC also asked Mews customers to speak about their experience related to system stability and performance. From their answers, IDC calculated the benefits of the decrease in unplanned downtime. With an average of 88 FTEs working with Mews, the improvements in system stability and performance are responsible for a productivity loss reduction of $197,604 annually (2.82 FTE of equivalent productivity). This is based on reducing the frequency of outages by 75% and resolving outages that do occur 37% faster with Mews. In addition, the study participants reported average latency improvements of 22%, which helps to drive further productivity gains, as their employees can take advantage of faster and more seamless access to
Mews functionalities.

TABLE 9

Reduction in Unplanned Downtime-Related Productivity Loss with Mews

Reduction in Unplanned Downtime-Related Productivity Loss with Mews	Before Mews	With Mews	Benefit
Number of incidents annually	61.0	17.1	43.9
Average hours loss per incident	1.0	0.7	0.3
Value of lost productivity per user per year due to unplanned downtime and/or performance	$2,271	$434	$1,837
FTEs working with Mews per organization on average		88.1	$161,971
Productivity loss avoidance with system latency improvement		22%	$197,604

Source: IDC, 2024 (n = 11)

ROI Summary

Considering the above-presented benefits and the investment costs provided by the interviewed organizations, IDC was able to calculate a three-year ROI for the implementation of Mews. The average organization saw a ROI of 290% with a seven-month payback period. This result, nearing a 4:1 ratio of benefits to costs, suggests a robust and diverse value proposition. The results in Table 10 are also presented on a normalized per-room basis, where the average organization can expect a three-year sum of per-room discounted benefits of $4,603 coupled with a $1,179 per-room investment.

TABLE 10

Three-Year ROI Analysis

Three-Year ROI Analysis	Per Organization	Per Room
Discounted benefits	$3,501,100	$4,603
Discounted investment	$896,800	$1,179
Net present value (NPV)	$2,604,300	$3,424
ROI	290%	290%
Payback (months)	7	7
Discount factor	12%	12%

Source: IDC, 2024 (n = 11)

Challenges/Opportunities

IDC research indicates that hotels focus on increasing revenue streams and driving efficiency. This is consistent across a variety of hotel segments and offers an opportunity for technology partners to differentiate how their solutions assist brands in achieving these goals. Mews has a well-established reputation for helping brands identify ways to drive revenue beyond the room. Historically, Mews has had a greater presence among smaller brands but has demonstrated success and growth in larger organizations — notably, with Strawberry Hotels, formerly Nordic Choice, a chain of 230 properties in the Nordics.

Mews Hospitality Cloud is well positioned to address hotel chains' persistent challenges across segments while also delivering on overall business objectives. The vendor should continue to lean into its well-established reputation in the boutique and midmarket segments, while highlighting its successes in the enterprise space, showcasing how it enables such hotels to meet their business goals. Mews' ability to scale worldwide will be key for enterprise brands that have a global presence and those that wish to enter new countries with a technology partner that is able to address security and compliance regulations across regions.

The ROI of Mews Hospitality Cloud with Mews Payments is realized in the generation of revenue and creation of frictionless experiences for both guests and employees. Identifying appropriate KPIs to align with those business objectives will allow hoteliers to easily see the value and benefits of the platform. Hoteliers continue to identify getting buy-in for technology across the organization as a top challenge. Using customer examples to show how Mews has contributed to the bottom line and addressed operational concerns will help secure support for the technology across the enterprise and ensure proper utilization.

With an emphasis on helping businesses grow revenue and provide a frictionless guest experience, Mews has an opportunity to continue to expand its presence in the hospitality space. Mews offers a holistic solution that arms hotel employees with tools to reduce complexity across their business, especially at the front desk, by streamlining efforts around upselling, driving customer lifetime value, and improving overall guest experience. To ensure brands understand the value proposition of the Mews ecosystem, operators will need to see the benefits of the sum of the parts. IDC recommends that Mews continues to help its customers grow in key business areas (i.e., efficiency, revenue, and guest experience) and across the guest journey by identifying relevant KPIs for their businesses. By focusing on specific use cases and areas that the platform can deliver on KPIs, Mews will further develop its standing as an innovation partner that can scale appropriately for enterprise needs.

Conclusion

Global hospitality industry players face numerous challenges, including driving innovation in more of their activities — without compromising on security or regulatory compliance — and making continual improvements in delivering seamless and secure guest and employee experiences. This IDC study assesses the value for a group of hospitality organizations of using Mews Payments with the Mews Hospitality Cloud, which is a multitenant serverless cloud-native SaaS platform that automates payments activities and focuses on ensuring a high-quality guest experience.

This study, based on detailed interviews with hotels currently using Mews, highlights the significant benefits of using Mews Payments with Mews Hospitality Cloud. IDC's research shows that these Mews customers understand the intrinsic synergetic value achieved by using Mews Payments with Mews Hospitality Cloud — a synergy that enhances the value of each part of the platform and of the platform as a whole. The key benefits consistently identified across the interviewed hotels include staff efficiencies through automation, reduced revenue loss from guest no-shows, higher revenue through successful upsell and cross-sell activities, and higher staff productivity from having a more stable operational platform. Driven by these benefits, IDC's analysis shows that the interviewed Mews customers will realize a 290% three-year ROI with a seven-month payback period, which underscores the operational, business, and strategic value they derive from their use of Mews Payments with Mews Hospitality Cloud.

Appendix 1

Methodology

IDC's standard Business Value/ROI methodology was utilized for this project. This methodology is based on gathering data from organizations currently using Mews to support and drive their hospitality environments. Based on interviews with organizations using Mews, IDC performed a three-step process to calculate the ROI and payback period:

1. **Gathered quantitative benefit information during the interviews** using a before-and-after assessment of the impact of using Mews. In this study, the benefits included staff efficiency, business enablement, and unplanned downtime reduction.

2. **Created a complete investment (three-year total cost analysis) profile based on the interviews.** Investments go beyond the initial and annual costs of using Mews and can include additional costs related to migrations, planning, consulting, and staff or user training.

3. **Calculated the ROI and payback period.** IDC conducted a depreciated cash flow analysis of the benefits and investments for the organizations' use of Mews over a three-year period. ROI is the ratio of the net present value (NPV) and the discounted investment. The payback period is the point at which cumulative benefits equal the initial investment.

IDC bases the payback period and ROI calculations on a number of assumptions, which are summarized as follows:

- Time values are multiplied by burdened salary (salary + 28% for benefits and overhead) to quantify efficiency and manager productivity savings. For the purposes of this analysis, based on the geographic locations of the interviewed organizations, IDC has used assumptions of an average fully loaded salary of $100,000 per year for IT staff members, $56,500 per year for front-desk staff members, and $70,000 per year for other non-IT staff members. IDC assumes that employees work 1,880 hours per year (47 weeks x 40 hours).

- The NPV of the three-year savings is calculated by subtracting the amount that would have been realized by investing the original sum in an instrument yielding a 12% return to allow for the missed opportunity cost. This accounts for both the assumed cost of money and the assumed rate of return.

- Because IT solutions require a deployment period, the full benefits of the solution are not available during deployment. To capture this reality, IDC prorates the benefits on a monthly basis and then subtracts the deployment time from the first-year savings.

- IDC assumes a margin of 15% for revenue gains to calculate net revenue gains, which reflects the fact that many factors can influence an organization's ability to win new revenue.

Appendix 2

Quantified Benefits of Using Mews

TABLE 11

Quantified Calculations

Category of Value	Average Quantitative Benefit	Calculated Average Annual Value*
Average no-show benefit with Mews	Reported $51,271 reduction in no-show revenue loss with Mews	$47,782
Front-desk staff efficiency	24.3% more efficient, 12.1 FTE gain, $56,482 salary per year	$636,920
Average guest upsell/cross-sell benefits on arrival and in-stay	Calculated $123,280 in additional revenue annually	$114,890
Unplanned downtime loss of productivity benefits	2.82 FTE of equivalent productivity in unplanned downtime avoidance, with equivalent $70,000 salary assumption	$184,156
IT staff efficiency	58% more efficient, 1.5 FTE gain, $100,000 salary per year	$140,624
Finance and accounting staff efficiency	5% more efficient, 0.3 FTE gain, $100,000 salary per year	$21,383
Rate configuration revenue growth	$1,245,762 on average per organization, $186,864 with 15% margin assumption applied	$174,147
Direct booking engine savings	$161,100 saved annually by guest direct booking supported by Mews	$150,136
Total annual benefits using Mews	$1.47M per organization	

Source: IDC, 2024 (n = 11)

*Factoring in 2.4 months' deployment time in the first year

About the IDC Analysts

Dorothy Creamer
Senior Research Manager, Hospitality and Travel Digital Transformation Strategies

Dorothy Creamer is Senior Research Manager for IDC Research, Hospitality, and Travel Digital Transformation Strategies, providing research and advisory services for hotels, casinos, restaurants, and travel organizations. Dorothy's research focuses on how these business segments are transforming and leveraging technology to increase efficiencies, deliver operational benefits, and identify new revenue streams. Her research reports on effective digital strategies to empower both guests and employees and provides analysis of areas of opportunity in a fast-evolving and highly competitive segment.

More About Dorothy Creamer

Aaron Press
Research Director, Worldwide Payment Strategies

Aaron Press is Research Director for IDC Insights, with responsibility for the Worldwide Payments practice. Aaron's core research coverage includes bank, corporate, and merchant challenges around the evolution of payment networks, systems, and technology, fraud and security risks, and legal and regulatory issues.

More About Aaron Press

Ladislav Kinda
Consultant, Business Value Strategy Practice, Custom Solutions

Ladislav Kinda is a Consultant in the IDC Business Value Strategy Practice team. Ladislav conducts customized business value research and consulting projects for clients across various technology domains. His primary focus is assessing the ROI from their adoption of enterprise technologies. Ladislav's research delves into how organizations leverage digital technology solutions and initiatives to enhance efficiency and drive business growth.

More About Ladislav Kinda

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.).

IDC Custom Solutions

This publication was produced by IDC Custom Solutions. As a premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets, IDC's Custom Solutions group helps clients plan, market, sell, and succeed in the global marketplace. We create actionable market intelligence and influential content marketing programs that yield measurable results.

IDC