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Choosing Restaurant Technology
that Drives Profit for Your Business

Contents

Time for change?

Technology is always changing, and to stay at the forefront of the industry, restaurants must change with it.

While it can be nerve-wracking striving to keep up with modern restaurant technology, the main takeaway is that tech should be a benefit to you in the long run. It's not really about getting the newest and trendiest tech in the business just because it's new and trendy. It's about driving more efficiency for your staff and a better overall experience for your guests — ultimately building more profit opportunities for your business.

There's always going to be something new on the horizon, and no business can jump onto every tech trend as it presents itself. It's neither financially nor operationally feasible.

When you have identified a business need in your restaurant, that's when you need to research carefully and find the restaurant technology trend that has the best shot at solving your specific problems — but is not a distractor to your business in terms of customer experience. It really is about finding a balance.

First and foremost, you need to be true to your brand. If you have a brand where service is your differentiation, be certain any technology you choose is a reflection of your brand values. The quality of your food and service need to remain the main focus for your employees, not your technology.

Second, you have to understand the impact. Are your employees tech savvy? How much training will they need before they feel

comfortable using a new system? Is the system you're thinking about implementing going to cut down on labor hours in some way? Will that change trickle down to the customer experience?

While the bulk of technology options we'll be discussing in this book are not customer-facing, one key tenet is worth remembering: in any restaurant, you should never completely eliminate a face to face interaction with the customer. Even if a customer pays at a kiosk, make sure they get to see a smiling face when their food is brought out. Technology in restaurants can really help cut down on labor costs, but consumers come to a restaurant not just for food. They come to you for a customer service experience.

Ready to explore? In the following four chapters, we walk through four key restaurant technology systems that can make or break your profit — and what to look for when making a buying decision.

First up: finding a **point-of-sale (POS) system** that can improve operations in your front and back of house.

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Point-of-Sale

When it comes to technology in your restaurant, nothing directly impacts the experience of your customers themselves like your point-of-sale system. The system tech itself is a major investment, which often means restaurants hold on to their current restaurant POS system even when it's far out-of-date — and often even causing issues for staff and customers alike.

The good news is that technology innovations over the past 10 years have really revolutionized the restaurant POS system, and now is a very good time to update or completely upgrade yours.

Here are some things to ask yourself about your current system:

- Are your POS procedures, even routine ones, talking longer than they have in the past?

- Is it difficult to train new employees on your restaurant POS system because it's so complicated?

- Have customers had to wait longer after the meal because of your restaurant POS system?

- Do payment authorizations fail? Do legitimate payments get rejected completely?

- Are you spending extra time on troubleshooting the system in the middle of shifts?

- Is your system glitchy to changes in prices, menu items, and other data?

- Is it difficult to customize orders on the fly?

- Do you and your managers need to be physically at your restaurant in order to access the system?

> A modern POS system should bring a better flow not only to the payment process, but to the entire meal experience from start to finish.

Here are some features to look for in a potential new restaurant POS system:

Functionality

First and foremost, your restaurant POS system needs to be functional, both in the long run and on a day-to-day basis. Think about the people who will be using it — you, your managers, your staff, and depending on the style of your restaurant service, even your customers directly. The whole experience should be cohesive and uniform for both staff and customers.

Operations Streamlining

A modern POS system should bring a better flow not only to the payment process, but to the entire meal experience from start to finish. Modern restaurant POS systems give you solutions for managing operations (inventory, labor, and sales) from the same system.

Performance Reporting

Data is an important element to your work as an operator, and performance reporting through your restaurant POS system is going to be invaluable to you down the line. This is just one of many areas of competency a modern POS system will have that can break down manual tracking or redundant paperwork.

Flexible Customization

For many guests, being able to customize their orders (especially in the case of allergies and other dietary restrictions)

is a big part of getting great service in restaurants. Customization is a benefit to your bottom line through add-ons that boost checks, but it also can involve changes critically important to a customer's health. You want to make it as easy as possible for your servers to accommodate their tables' requests and to have it properly documented through the POS system.

Payment Capabilities

There are so many payment options on the market now, and it benefits your restaurant to offer your customers as many popular choices as possible. Mobile payments (like Android Pay and ApplePay) are becoming especially common among Millennial diners. It's a good idea to become familiar with and possibly implementing both hardware and software that will accommodate mobile payment options.

Data Security

The last few years have seen major changes to how data security is handled through credit card transactions. Credit cards are finally transitioning to EMV in the United States because EMV (that little silver chip on the new cards) offers a different level of protection against credit card fraud. Any POS system upgrades you invest in should include an EMV chip reader.

Easy Training Options

Looking at the functionality included in a potential POS system, can you envision your employees picking up the system quickly? How will you train new employees on this down the line? How new user friendly is it? Is there online support provided by the manufacturer or formal training included in the price? When looking at POS systems, look at what training is available either online, in person, or both to get staff up to speed and using the system as quickly and effectively as possible.

Mobility

While not a good fit for every restaurant, the rise of tablet technology means your POS system can go mobile. Many customers appreciate the peace of mind from completing a payment at the table and keeping their credit card in their possession at all times.

As you're planning your POS upgrade, researching online will be key. Look for testimonials from independent parties who have tried the systems you're looking at. Checking out a good range of points of view will help you make good decisions on the investment. While one single business owner saying a restaurant POS system was hard to learn might not be a deal breaker, if a lot of testimonials consistently have the same complaint, that could be a sign you should look somewhere else.

And it's always better to see the systems for yourself. If you have the opportunity to go to trade shows like the National Restaurant Association show, you have the chance to see and possibly have hands-on experience with lots of different restaurant POS system options. Write down questions before you go — that way, you'll be able to make the most out of your time talking to the company reps there to sell you on their system.

If you can't make it to trade shows, you can still use your experiences as a consumer! Next time you go out to eat, keep an eye out for that restaurant's POS system. Is it a newer style? Was it easy to use as a customer? Did the restaurant staff seem comfortable using it? Also ask the manager how it works for them. You can use that dining experience to hone in on the POS system style you want for your own restaurant.

In our next chapter, we walk through what to look for in a reliable **reservation system**.

Features to look for in a potential new restaurant POS system:

1. Functionality
2. Operation Streamlining
3. Performance Reporting
4. Flexible Customization
5. Payment Capabilities
6. Data Security
7. Easy Training Options
8. Mobility

Reservations

The typical restaurant guest has transformed over the last 20 years, from a conservative individual looking to have an enjoyable meal to a demanding and sophisticated foodie seeking a delightful and challenging dining experience. With the rise in expectations of patrons, improving revenues and profitability for food and beverage chains and restaurants is turning out to be a distinct challenge.

As a result, the restaurant industry is facing a critical challenge relating to customer loyalty and acquisition. It has become increasingly difficult to maintain customer loyalty, attract new customers, and delight connoisseurs, owing to a flood of new food and beverage brands that are entering the landscape every day.

Thankfully, technology is assisting these struggling businesses to improve customer service and increase revenues for long-term business sustainability.

Online reservation solutions are helping restaurants improve revenues and delight customers more than ever before. Before deciding on the tool to help manage your reservations, consider the ways in which it can help your day-to-day operations.

Customer Satisfaction

Online reservation, both internal and third-party services, can help a restaurant to increase their reach, manage guest flow, and at the same time, help customers get hassle-free services at the click of a button.

What does that add up to? Your customers will already have a positive experience and feel happy, even before they sit down at your table.

Essentially, your online reservation tool is a one-stop convenience for patrons looking to book a table online while receiving service support. A restaurant can better interact with a customer, understand their preferences, and provide convenient services that prompt the patron to recommend the restaurant to friends and family. This ensures a regular stream of customers, improving revenues in the long run.

Increased Traffic in Slow Times

Online reservation portals that assist patrons in booking tables through live chat help a restaurant increase traffic during slow business hours, like early evening. Live chat assistance is now frequently sought out by modern consumers and a live-chat powered online reservation solution helps with self-service reservations, forgoing the need to call a restaurant to confirm.

A live chat online reservation tool asks the user basic questions about the number of people looking to dine, whether there are any special preferences, and if there are requirements that need to be met. A consumer can easily reply to them just as easily as answering a text message, and can be assured that their restaurant booking has been confirmed.

At one end, it offers convenience to connoisseurs; while at the other, it helps restaurants streamline their operations and fully leverage its operational capacity to host guests at a time when walk-ins are slow for various reasons.

Streamlined Operations

Online reservation systems also help restaurants streamline their operations. As online reservation tools confirm restaurant walk-ins and dining patrons in advance, this helps restaurant owners in deciding about the volume of food to be prepared, seating arrangements, presentation, and more — in advance. Also, it helps to take care of special demands made by customers in a more efficient way that will make them love the restaurant for its excellent service standards.

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Reduced Acquisition Costs

Online reservation tools help a restaurant bring in new customers, as people keep looking towards digital solutions for everyday tasks. When they find an online table reservation application, they are

naturally more inclined to act than calling a restaurant for one. This improves customer acquisition rates while reducing associated costs in the long run.

As maintaining an online portal is easier and more cost-effective than managing a dedicated team to handle table reservation calls, such solutions help a restaurant cut costs, while ensuring impeccable customer support to patrons at all times, around the clock.

Customer Loyalty

An online reservation system helps restaurants avoid wasting the time and effort that would otherwise be spent attending phone calls for table bookings and reservations. It can even be configured to take automatic advance bookings for the next day, or any other day, and send booking confirmations through SMS or email, automatically.

This reduces operational hassles and improves the customer experience. When a customer feels empowered, well-informed, and in control of the situation, he naturally feels like coming back to the place again and again. This improves the customer loyalty quotient and makes restaurant operations much more sustainable and profitable, long term.

Technology Integration

When deciding on the right one for you, look for how the technology will integrate with your actual floorplan and existing computer systems, as well. Can you input your restaurant's precise dimensions, table shapes and sizes, and map out areas assigned to each server? Is there a template to start from, and is it easy to use with drag-and-drop options for small edits? Is it PDF or Microsoft Works-compatible and will it allow you to scan in drawn floorplans?

Online reservation systems are a boon for struggling food and beverage chains and restaurants in the modern era. They help smaller players offer extensive and helpful customer support on par with the standards of established chains, at a minuscule cost.

By empowering restaurants to cater to the dynamic needs of patrons, online reservation systems are actually helping them to increase dine-in clientele and, thus, improve their revenues in the long run. Also, such solutions enable them to stay relevant in the fast-growing digital landscape and make their mark online with minimal investment.

Before you can ensure the best customer service with each seating, you need to ensure that each shift is managed appropriately. Enter: **employee scheduling.**

Employee Scheduling

The digital age has brought with it big improvements for restaurant employee scheduling.

Labor is one of the largest costs on your profit and loss statement, and inefficient scheduling will affect your bottom line both in day-to-day costs and employee turnover. With traditional restaurant scheduling, it takes a lot of time to complete each week's shifts (especially for a big restaurant with lots of staff) and there is a lot of potential for mistakes.

One miscommunication in an awkward or broken restaurant scheduling system can leave an incomplete staff for a given shift scrambling due to either no-shows or overscheduling. Employees need structure when it comes to company processes such as scheduling, including requesting time off

ahead of time and calling into management for emergencies when they cannot fulfill their scheduled shift.

If your scheduling system doesn't allow for a clear sense of structure, it's possible that even the most diligent employees won't be able to get a clear answer for when they're scheduled. And they could end up feeling like they're being punished for a system that doesn't function properly. It's a morale killer and you risk ultimately losing employee trust and enthusiasm for the job if it happens constantly.

By upgrading your employee schedule program, you can make the entire restaurant scheduling process efficient and clear for everyone involved. Here are some key features to look for when shopping for your new system:

Clear and Intuitive Organization

Look for restaurant scheduling programs with easy organization. Your managers should be able to quickly scan over the calendar and see what roles need to be filled for any given shift. Many of these programs also allow employees to cross out days they can't work, which will be very helpful when trying to assign people to shifts. And the less time it takes for managers to set up scheduling, the more time they have to manage their other tasks throughout the restaurant.

More Flexibility

One of the revelations that comes with acquiring a modern scheduling software is the option for employees to easily switch shifts for themselves where appropriate. It helps your managers avoid having to manually put in substitutes themselves, which is time-consuming and easy to botch. Having an employee-accessible system creates more accountability for your staff in regard to managing their time, while also getting schedules changed more efficiently.

That said, you still need to make sure the program can set up rules to make sure shifts are properly balanced. For example, you don't want your most hectic shifts of the week filled only with newer employees. So look for software that also allows you to set employee levels so you know there's always a good balance between seasoned staff and newbies.

App Options

Part of allowing your staff more control is getting a cloud-based, restaurant scheduling program that includes a phone/tablet app. Not only can your staff switch shifts from their phones anywhere at any time, but they can also be reminded of when they have shifts coming up and will get notifications for when they're put in the schedule. Your employees can see the updated schedule immediately, and that's important for making sure everyone is on the same page. It's also advantageous for employees to be able to double check the work schedule no matter where they are — potentially lowering your restaurant's accidental no-shows.

Note that while mobile apps are very popular, the program you chose should also be available via computer browser as a backup for phones that get lost or stolen (and for any employees who don't have smartphones).

Better Communication

Another popular feature you should watch out for in a restaurant scheduling program is in-program messaging. Having all scheduling communication happen in one place can help avoid misunderstandings or missed messages. And if there's a weather emergency that leads to a cancelled shift or closing, you can easily message all employees affected so they don't try to travel to work in dangerous weather conditions.

Analytic Reporting

For businesses of all shapes and sizes, data is important. Restaurateurs especially need to analyze the numbers behind their company and be able to make smart decisions based off of that data. That includes data about employee scheduling over large periods of time.

When choosing a new employee scheduling system, look for one that includes easy to read analytic reporting. You can then compare the scheduling to your sales data and start forecasting your labor needs and manage your labor costs more efficiently and accurately.

Training Options

It's always better to run through a new system with your staff to ensure everyone understands it, even if the program seems simple to you. This is especially true for restaurants with older employees or those who might not otherwise pick up new technology as quickly. Look for scheduling systems that offer comprehensive training sessions, including hands-on simulations for those who work better jumping into a program.

Once you've picked your program, take time to learn the ins and outs yourself. Next, have a team meeting where you help everyone go through the system. Let your employees ask questions, too. It's about making sure everyone is on the same page and understands their role in keeping the scheduling process running smoothly.

Next up: keeping your product scheduled as efficiently as your staff. And that means a smart **inventory management system.**

Inventory

Restaurant inventory management is one of the trickier elements of running a kitchen, simply because there are so many ways that small mistakes can affect your bottom line.

If your manager under-orders, you risk having to "86" menu items during your busiest shifts, which can leave your restaurant guests with a bad impression of your service and menu. If your manager over-orders, you risk that extra product spoiling before it can be used.

That's money being tossed away

Your inventory needs to make sense for your menu and your restaurant's regular intake. And keeping track of your inventory can be complicated further by bad employee behavior like sloppy prep waste, theft, and not sticking to FIFO (first in, first out). Part of restaurant inventory management is being familiar enough with what your standard inventory should look like that managers can spot when things are missing — and get to the bottom of the problem right away.

When it comes down to it, you can't just rely on guesswork to manage your inventory. That can only lead to mistakes, miscommunication, and hidden problems going unaddressed. Unfortunately, a lot of traditional inventory management systems still leave managers in the dark.

If your management team is still using a clipboard and spreadsheet to track inventory, they're not taking advantage of the new, more efficient inventory

management technology on the market. Even inventory management software from 10 years ago doesn't have many of the new features today's products offer to make your business run more smoothly.

Yes, there's upfront investment involved with upgrading your old inventory process, but the massive difference it could make for your operations' efficiency can't be ignored.

Inventory Control

The main purpose of restaurant inventory management technology is to help you run your regular inventory control. You want a program to keep track of everything from your various suppliers and prices — and food inventory itself. Real-time tracking will help you avoid having to manually update a spreadsheet every time something changes.

Recipe Costing Tools

Some modern restaurant inventory management tools come with recipe costing. They take the supplier product prices you've already entered into the system, calculate food cost for any given item on your menu, and then help you price the plate competitively. If you've struggled balancing your menu prices in the past, this could be huge for your bottom line.

Vendor Management

Part of upgrading to new tech is about streamlining the ins and outs of your kitchen, and that includes improving your vendor relationships. Many of the inventory

programs on the market allow vendor invoice uploads, vendor price auditing, and the option to create automatic vendor orders when the program notices that certain ingredients are low.

Reporting

As with other management systems, another benefit of modern restaurant inventory management systems is the wealth of data that comes with using it. Being able to look at and analyze inventory reports should give you a better understanding of what you're buying and how you should adjust your ordering (and menu choices) for the future.

Variance

Any restaurant inventory management system you purchase should make it easier to compare where you expect your inventory to be (based on your recipes and the number of items sold) versus what your inventory actually is. From there, you can investigate what issues in the kitchen are

causing the difference in numbers, whether it's over-portioning, theft, prep waste, or cooking mistakes that lead to do-overs. Ultimately, keeping on top of these variances will improve your processes in the kitchen and save you money.

Menu Engineering

Keep an eye out for any programs that let you chart out your menu items. This can help you figure out your stars (high profit, high popularity), puzzles (high profit, low popularity), plow horses (low profit, high popularity), and dogs (low profit, low popularity).

Easy Training Demos

Training will be important for any inventory program you choose. After all, your current managers need to be properly trained for the new system upon installation, but also anticipate the need to train staff you promote to manager later. As great as it is to have lots of helpful features to work with

in the software, it's also crucial for there to be a comfortable learning curve so your managers can effectively use those features.

Device Compatibility

With the rise of tablets and smartphones, any restaurant tech you purchase today should be able to move with you, wherever you're working in the kitchen. Modern inventory management systems should be able to sync up with your office's computer and every mobile device your managers use professionally.

Users should be able to stand in the walk-in (or talk to the vendor at their truck) with their phone or tablet and go over the inventory easily — and automatically sync up with all devices to make sure nothing gets missed.

Need an app for that?

Many restaurant owners are creating their own restaurant business apps to aid their customers in ordering. But consider this: is developing your own app worth it? There are dozens, if not hundreds, of phone and tablet-based apps already out there. How you get this technology to work specifically for your business is the trick.

And even if they aren't designed specifically for restaurants, there are many apps in the market at least applicable to the food industry — and most are available for little to no cost.

It's important to know what new tech tricks are out on the market that can help you better do your job. However, it's just as important to be careful when picking the technology you invest in for your life as

an owner or manager, including choosing restaurant business apps.

Here are four ways restaurant business apps might be just what you need to drive up efficiency — and ultimately profits.

Juggling Social Media

Social media has certainly become an important element to restaurant marketing over the last decade. Apps like **Hootsuite** and **Sprout** allow you to manage various social media accounts from just one platform, while managing the amount of time you put into the effort. You can schedule tweets and posts ahead of time, review social media analytics, and cross-post easily, giving you time back to handle other pressing business needs.

Checking Off Your To-do List

One challenge restaurant managers and owners face is tackling their various to-do items. **Wunderlist** is a planning app that offers various ways to organize your tasks and goals. If you have multiple managers or team leaders at your restaurant, you can also get a synced version of Wunderlist for your whole team — you can assign roles, set deadlines, and send messages to your team all through the app.

Scanning Business Documents

Do you have tons of documents and files from your many years in business? You know you need to upload them onto your computer for safe keeping, and apps like **Scannable** and **TurboScan** could be what you need. They offer easy ways to upload clear, high-quality scans of your most important information right onto your computer. Scannable is made by the same people behind the note-taking app Evernote, which allows for connecting the two apps.

Curating Industry Research

You want to keep up with the news surrounding the food industry as well as the current events of the world. But it's tough when there's just so much news out there -- it can be information overload! You run a business and can't let yourself get distracted to the point of running behind on your tasks, right?

Feedly is a way to curate and moderate the news and information you get on any given day. It allows you to see only the stuff you want to see and pull up any interesting news piece right in one place. You can also use it to set up keyword alerts about your own restaurant — if anyone is writing about your business online, Feedly will let you know.

While all of these apps are inherently useful, keep in mind that some of them might fit with your situation better than others. You want to streamline your workflow, not get cluttered by technology. Don't ever feel like you have to jump on the new hot tech trend if you can't actually imagine it being a benefit to you as a restaurateur.

That being said, if you find apps or other technology that fit your needs to a T, don't be afraid to dive in and use them. The right tech investment could be a game changer for your business.

"**Rewards Network gives me the best of both worlds, through marketing and funding, It's the money I need to make the changes necessary to keep employees and clients happy. And it's much easier to work with capital at your side, as opposed to working from behind.**"

— *Dean Scanlon, Owner*
Revolution American Bistro, Cranston, RI
Rewards Network client since 2001

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