UNCOVERING THE
CLOUD POS
TIPPING POINT FOR
RESTAURANTS

THE BREAKING POINT PHENOMENON

Too often, we wait until things are broken to fix them – for example, your health, your house, your computer. The same phenomenon is often observed in restaurant environments – we may wait until business-critical systems, like our restaurant POS, reach a breaking point before issues are addressed.

This guide will give you the tools you need to address the "health" of your restaurant POS system before it reaches that breaking point. You'll use the worksheets provided to uncover when the optimal cloud POS tipping point is for your restaurant – the point at which it's more beneficial to move to a cloud POS system than to remain with your legacy system.

WHY PUT IT OFF?

With so much on your mind as a restaurant owner, wondering about a POS system that seems to be doing fine is the last thing you think about. But if these systems are so critical to the efficiency of our restaurant's operations, why do we put off looking into challenges before they become a persistent problem? When you're running a successful restaurant enterprise, every second counts and every ounce of your attention is likely already accounted for by day-to-day operations and strategic planning. It's easy, then, to keep putting off a large scale conversation around making a change to such a vital restaurant system, especially if the feeling is that it's not "broken," so why fix it?

REASONS FOR PUTTING IT OFF

No Time
- For feedback from staff
- For system audits
- To document & investigate problems

No Buy-in
- Senior decision makers prioritize other things
- Want to see an increase in sales before approving expense

No Awareness
- Of what could go wrong without an upgrade or what issues to look for
- Of what customers need & competitors are doing

No Budget
- CapEx from previous POS still being amortized
- Want to get the most out of current POS

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THE BYSTANDER EFFECT

Unfortunately, the reasons above often lead to a lack of open conversation about how the POS system is serving the needs of its various users - from staff, to management, to customers Employees may be encouraged not to complain about issues they're experiencing and use workarounds, which could, of course, lead to lower productivity and a higher frequency of errors.

There may also be a lack of accountability when it comes to monitoring the efficiency of your current POS system. Whose responsibility is it to speak up when things are not as they should be? Does it fall to IT, Sales, Service, Management? Open POS users are so busy doing their jobs that they assume that someone else will report an issue, and so they may never bring it up themselves. This is known as the Bystander Effect. The fact is that the POS system is one of the few business-critical systems that is used by many different user groups, and it is up to management to create a culture of feedback, concern, and accountability. The POS is everyone's responsibility because it impacts the restaurant's end goals.

IS IT THE RIGHT TIME TO SWITCH TO CLOUD?

The optimal time to switch your POS is before it reaches a critical stage, but not too early or you won't have gotten a good return on your investment. This is the tipping point.

Imagine your POS system is the rope that ties your restaurant operations to your business objectives, such as customer experience and retention. When the rope has some slack or is pulled taut, there is stability, but when the rope starts to carry more than it can handle and becomes strained, and potential issues become apparent, this is the optimal time to consider alternate options. When the rope starts to fray, it's already too late - your employees are getting frustrated and demotivated, you're starting to lose customers, and your business objectives, such as customer experience and revenue are now being negatively impacted.

RESTAURANT OPERATIONS

EARLY — The Stability Point

OPTIMAL — The Tipping Point

— The Breaking Point

LATE — The Point of No Return

BUSINESS OBJECTIVES

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EARLY

Your system is still serving the needs of your restaurant chain. Moving to a new system won't significantly impact the business anyway, because it is accomplishing what you need it to for the time being. When the majority of your POS functions fall into this category, you're at the Stability Point: your POS is effective at tying your day-to-day operations to your business objectives.

OPTIMAL

When you see signs that your legacy system may not continue to perform in a way that you need, it is the optimal time to move toward a new cloud POS system. This could occur when you have new needs from expanding your business that your current system simply cannot accommodate. It could also stem from the beginnings of noticeable decreases in efficiency in hardware and software. When the majority of your POS functions fall into this category, you've reached the Tipping Point: it would be more beneficial for your current and future business initiatives to move to a new POS system with more functionality. Deciding to investigate Cloud POS options at this stage will give you the advantage of time to do your research and adequately assess your business needs.

LATE

When the issues with your current system are already negatively impacting your business goals, you are forced to act quickly and may not have adequate time to carefully consider your options. When too many of your POS functions fall into this category, you've reached the Breaking Point: you need an immediate upgrade or fix to your POS or your metrics like customer engagement and retention will keep declining, especially in this social media-connected world, where restaurant ratings that patrons rely on can turn ugly overnight.

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IDENTIFY THE GAP

At Givex, we'd suggest identifying potential gaps before they become an issue and addressing them before they impact your customer and your bottom line. This guide will help you conduct a GAP analysis on your current legacy POS system to help you decide if it's the right time to make a change.

What Can Cloud POS Do For Restaurants?

Enterprises in the restaurant or hospitality industries experience different challenges from retail enterprises, so it's crucial to have a point of sale system that caters to those specific needs and your business goals. As your restaurant expands to larger sites and multiple locations, your business goals expand as well, and you should be monitoring your POS system to make sure it can keep up. You don't want your growth to be limited by outdated technology. More than an order-taking tool, contemporary POS systems impact every aspect of your customer loyalty initiatives. You could call it the engine behind your customer's experience.

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IMPACTS BUSINESS OBJECTIVES

Think about it. From the moment a patron enters your restaurant, they are immediately confronted with all sorts of touch points that could impact their experience, starting with how long they have to wait to be seated. All of these touch points directly impact your business objectives.

Through these touch points, your key business objectives can be aided by your cloud POS:

Drive New Business
Enhance customer experience, tableside ordering, lower wait times

Improve Efficiency
Staff management, table management, intuitive user flow

Reduce Cost
Automate manual processes (menu updates, system upgrades, avoid lost info, errors, repairs

Retain Patrons
Built-in loyalty and rewards programs, customer promos & surveys

Enhance Competitiveness
Enhance brand image with sleek design, insights guide strategy

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MAP OUT YOUR BUSINESS GOALS

Objectives Check

One of the first steps in uncovering whether your POS system is meeting the needs of your business is to first understand what those business needs and objectives are. What is your vision or 1, 3, 5 year plan for your restaurant? This worksheet will encourage you to summarize your main business objectives over a given time period, so you can ensure that your POS is actually helping you and not hindering you.

How to Use this Worksheet

This worksheet should not be completed in isolation; it should be used as a tool to encourage conversation among key business decisionmakers such as franchise owners, and C-level management.

Use any relevant financial or business planning documents that you already have, but distill your objectives into a few, easy-to-understand phrases, so that you can easily share these objectives with staff from any user group.

Set a timeframe for these objectives that make sense. Your POS system should be able to support your initiatives over time, not just in the short term.

In addition to being time-bound, your objectives should be phrased with the rest of the SMART criteria in mind. See worksheet below.

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RESTAURANT SMART GOALS					
CATEGORY	SPECIFIC	MEASURABLE	ATTAINABLE	REALISTIC	TIME-BOUND
Expanison					
Retention					
New Business					
Sales					
Customer Experience					
Productivity					
Other					

ASSESS YOUR CURRENT POS STATE

Urgency Check

This worksheet will give you a sense of how urgently you need to address certain issues within your current POS system or restaurant environment.

How to Use this Worksheet

This worksheet should not be completed in isolation; it should be used as a tool to encourage conversation among the key POS user groups.

1. Start off by asking your users the main question in each section in this worksheet and engage in a discussion. Further the discussion with additional questions provided below.

2. Decide on a rating on a scale of 1 to 3 for each question:

      1 - your current POS system is fulfilling this role, so it wouldn't make sense to switch to a new POS for this purpose

      2 - starting to see signs of strain on the system in this regard

      3 - system cannot provide this functionality & it's impacting business objectives

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3. Add up all rating values and divide by 8, for your Total Urgency Score. As a result, come to a joint decision on a rating (Early, Optimal, Late) for your current POS system. If the majority of ratings fall in the "Optimal" category, you've likely reached your Tipping Point for moving to a cloud solution.

4. Summarize your description of your legacy POS's "Current State", based on your discussions and ratings. What is it ineffective and effective at doing?

"Why should I include all users in this discussion?"

At Givex, we've found that the most successful point of sale implementations come as a result of a collaborative team effort between all impacted users. Learning and adoption curves decline, motivation to adhere to processes, and overall user satisfaction increases when they are made to be part of the decision in the first place.

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WORKSHEET URGENCY CHECK

KEY SUBJECTS	DISCUSSION QUESTIONS	EARLY	OPTIMAL	LATE
Security & PCI Compliance	- ARE YOUR POS EQUIPMENT AND SERVICES SECURE? - IS YOUR CURRENT VENDOR PCI COMPLIANT? - HAVE YOU CONSIDERED SWITCHING YOUR POS OR PAYMENT TERMINALS TO AVOID SECURITY RISKS LIKE DATA HACKING OR FRAUD? - CAN YOUR POS COMMUNICATE WITH EMV ENABLED PAYMENT TERMINALS TO PREVENT DOUBLE ENTRY BY THE OPERATOR?	1	2	3
Enterprise Visibility & Cloud Based	- ENTERPRISE-LEVEL REPORTING? - ACCESS CONSOLIDATED DATA ACROSS MULTIPLE LOCATIONS FROM ANYWHERE IN REAL-TIME? - ALLOW EASY CHANGES TO OPTIONS AFTER SET-UP (E.G. ITEM CHANGES, SCHEDULING) - CREATE PROMOS AND DISCOUNTS THROUGH A BACK-END PORTAL & PUSH OUT INSTANT UPDATES TO ALL FRONT-END DEVICES? - IF THE INTERNET GOES DOWN, ARE YOU STILL ABLE TO PROCESS ORDERS AS NORMAL?	1	2	3
Innovation/ Support Growth	- IS YOUR POS VENDOR CONSTANTLY ADDING NEW FEATURES AND ENHANCEMENTS TO ENSURE YOU MAINTAIN YOUR COMPETITIVE ADVANTAGE? - IS YOUR POS SCALABLE TO SUPPORT YOUR GROWING BUSINESS?	1	2	3
Embedded Marketing Tools & Analytics	- CONTAIN CUSTOM FEATURES TO AID IN UP SELLING? - INTEGRATE WITH EMBEDDED MARKETING TOOLS - GIFT-CARDS, LOYALTY REWARDS, MOBILE WALLET? - ALLOW FOR FUNCTIONALITY FOR COUPONS FOR PERCENTAGE OR DOLLAR DISCOUNT? - PROVIDE ANALYTICAL DATA WHICH TIES LABOR, SALES AND PERFORMANCE METRICS? GRAPHICAL REPORT AND DASHBOARD?	1	2	3
Industry specific Features (QSR & Full Service Rest.)	- CONFIGURABLE SCREEN-MODES FOR STREAMLINED ORDER FLOW? - AUTOMATIC PRICING CHANGES FOR SPECIFIC LOCATIONS AT A GIVEN PERIOD OF TIME (DAY OF THE WEEK, TIME OF THE DAY)? - SPLIT BILLS EVENLY? ALLOW FOR SEATS TO PAY FOR SPECIFIC ITEMS? OR SPLIT ITEMS ACROSS SEATS? - ALLOW FOR TABLE TRANSFERS; BILL PICK UP IN ANOTHER SECTION BY ANOTHER SERVER? - MULTIPLE LANGUAGE SUPPORT - BACK AND FRONT END? - HAVE A "TRAINING MODE" WHICH ALLOWS USERS ON SITE TO PLAY WITH THE SYSTEM DURING LIVE OPERATIONS, WITHOUT IMPACTING ANY SALES DATA?	1	2	3
Pricing	- RESTRICTIVE PRICING STRUCTURE WITH HIGH START-UP COSTS AND COSTLY ONGOING FEES? - IS IT EXPENSIVE AND TIME CONSUMING TO UPGRADE?	1	2	3
Support	ACCESS TO A 24/7 SERVICE LINE OR SUPPORT?	1	2	3
URGENCY SCORE AVERAGE				

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CRITICAL FUNCTIONS- DESIRED POS

Impact Check

This worksheet will give you a sense of how important certain POS functionalities are to your enterprise restaurant goals and what your ideal desired POS state is. One of the biggest mistakes many restaurant owners make is that they underbuy the functionality and features in their POS system because they don't understand how it can impact their business objectives. Complete this worksheet to figure out which POS functionality is important for your restaurant's goals, so you know what to prioritize when you start your POS search.

How to Use this Worksheet

This worksheet should not be completed in isolation; it should be used as a tool to encourage conversation among the key POS user groups.

1. As you start the discussion with your user groups, review the business goals you've written down above, ensuring everyone's comprehension, especially of how they can contribute.

2. Ask each person to rate how important each function listed below is to these business goals on a scale of 1 to 5 (1 being "Not relevant" and 5 being "Mission-critical").

3. This can be done through a discussion or in the form of a survey. If a survey format is used, only include respondents that are qualified to respond.

4. Add up all rating values and divide by 8, for your Total Impact Score. As a result, come to a joint decision on how important a switch in POS could be to your overall business objectives.

5. Describe what your POS "Desired State" is based on your discussions and ratings. What features will you need now and in the future?

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WORKSHEET IMPACT CHECK

FUNCTION	NOT RELEVANT				MISSION CRITICAL
Security & PCI compliance	1	2	3	4	5
Enterprise visibility & Cloud based	1	2	3	4	5
Innovation/ Support growth	1	2	3	4	5
Embedded marketing tools & Analytics	1	2	3	4	5
Industry specific features	1	2	3	4	5
Pricing	1	2	3	4	5
Support	1	2	3	4	5
Allows for flexibility of an expanding restaurant environment	1	2	3	4	5
IMPACT SCORE					

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GAP Check

This worksheet will help quantify the decision-making criteria on whether it's time to switch your POS or whether keeping your current system as is or upgrading it will fulfill your needs instead. In this exercise, you will consider the current state of your legacy POS system and the desired state you described above, in order to uncover if your current system can fill this gap or if you need to consider another alternative.

How to Use this Worksheet

This worksheet should not be completed in isolation; it should be used as a tool to encourage conversation among the key POS user groups.

1. To fill in the weighting column, add your Urgency Rating for each question to your Impact Rating from the worksheets above.

2. Consider each of the 8 decision-making criteria below – which of the 3 alternative options fulfill this criterion? Rate each out of 10 (0 being "Does not fulfill this criterion", 5 being "Somewhat fulfills this criterion" and 10 being "Completely fulfills this criterion").

3. Total up the scores for each POS option: Multiply each weight by the rating out of 10. Then add up all the scores for that POS option. The option with the highest score is more likely to fill your POS gap in terms of functionality, urgency, and relevance to your current and business objectives.

4. Summarize your findings above, by describing the GAP between your current POS state and your Desired POS state and which one of these options can fill that gap.

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WORKSHEET GAP CHECK

FUNCTION	WEIGHING (URGENCY + IMPACT)	KEEP LEGACY	UPDATE LEGACY	NEW CLOUD POS
Security & PCI compliance				
Enterprise visibility & Cloud based				
Innovation/ Support growth				
Embedded marketing tools & Analytics				
Industry specific features				
Pricing				
Support				
Allows for flexibility of an expanding restaurant environment				
IMPACT SCORE				

WHAT'S NEXT?

Depending on the results of your decision-making matrix above, you have landed on an option that makes the most amount of business sense for you

LEGACY OPTION

You have not yet reached the tipping point. Your legacy system is serving your business objectives adequately, and will continue to support your goals in the near future.

What to do now: Keep your current POS system, but keep actively monitoring its efficiency over time, so that you may catch any issues before you reach that breaking point.

UPGRADE LEGACY OPTION

You have not reached the tipping point. While your legacy system may not be performing optimally, you have uncovered that this can be corrected by upgrading some of your software or hardware.

What to do now: Upgrade the software or hardware of your current POS to correct current performance issues, but ask questions about how long these upgrades will last before you will expect to have to replace parts or perform another upgrade.

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CLOUD POS OPTION

You have reached the tipping point. While your legacy system may or may not be causing major issues to your bottom line, it's clear that it may not fulfill all the desired needs of your restaurant in the near future. A POS upgrade will likely not resolve these issues either.

What to do now: Now that you have an idea of what your business objectives are and what you need in a POS system, it's time to start evaluating your options.

1. Learn More About Cloud POS

> Delve deeper into how a cloud POS can future-proof your business.

2. Ask Questions

> It's a big investment, so don't hold back. Get answers to all your POS questions by talking to a technical POS expert who can walk you through the ins and outs of what you need to know and what to expect.

3. Get a Consult

> Get a professional's opinion on how a new POS may best help you achieve your business goals.

GROWING PAINS?

NOT WITH GIVEX POS

As restaurants expand into multi-location enterprises, they encounter new challenges such as managing and synching data securely from different sources, access to customer information across different restaurant locations, and integrated loyalty programs. At the end of the day, the POS system that is supporting your business should be able to support all aspects of your expanding restaurant needs.

Questions? We're here to help.

Solving enterprise issues before you even know they're there.

Givex POS: Your End-to-end Restaurant Management Solution

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More About Givex

Givex is a global cloud-based operations management solution designed to streamline business efficiencies and generate valuable and actionable customer data. Since its founding in 1999, Givex has provided operational intelligence across a wide of variety of industries, from restaurant and retail to hospitality and the service sector, offering a fully integrated suite of customizable products, including gift cards, loyalty, point-of-sale (POS) system, tableside ordering and analytics. Givex's Uptix™ ticketing solution transforms traditional sports or event tickets into a mobile interactive platform, providing event managers with new insights into their customer base and the ability to elevate the fan experience. With more than 16 billion transactions conducted across more than 55 countries, Givex is at the forefront of how brands will compete for customers now and in the future. For more information about Givex please visit www.givex.com.

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CUSTOMIZABLE TOOLS FOR CUSTOMER ENGAGEMENT

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