

The Top Reasons Why POS Systems Fail

And What You Can Do to Fix Them



A Guide for the Restaurant Industry



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Introduction

It was 1980 and Gene Mosher's electronic cash register had disastrously failed. For years he doled out sandwiches, soups, and fresh-squeezed lemonade at the The Old Canal Cafe, first in Virginia and then in New York, to hungry clientele on their short lunch breaks.

The world didn't know it yet, but it was this broken cash register in downtown Syracuse, where his drive to keep time-conscious customers happy while keeping his business running smoothly, led him to a restaurant revolution. He quit serving food and figured out how to better serve the food industry instead by creating the ViewTouch POS, the world's first graphical touch screen point of sale computer for restaurants. Built with a personal computer from Atari (the same company that brought us the beloved Pac-Man), Mosher's technological breakthrough introduced a streamlined process into restaurants across the U.S. and Canada. By the time customers sat down after paying for their orders, their food was ready.

Knowing first hand the demands of running a restaurant, he laid down the pioneering foundations of the modern POS system, complete with widgets and a touch screen interface. And keeping up with changing demands today has meant that restaurants have been adopting new tech and adapting to the needs of the industry once again. Tablets have helped restaurants run their operations efficiently for years, but they're no longer just an option. They're an essential part of the

industry workflow. More than eight in 10 restaurant operators agree that the use of technology in a restaurant provides a competitive advantage, and many plan to continue investing in technology.¹

But the tablet POS systems of today have brought with them a new set of challenges, too. Internet outages, tablets that aren't charged efficiently or at all, staff that aren't trained on new systems - all of these hindrances mean lost time and money for anyone involved in the fast-paced business of serving customers. In fact, insufficient battery life of POS systems is a barrier to handling high transaction volumes as well as being able to complete a full workday in the retail industry.²

To succeed, restaurants need to be agile and stay one step ahead with solutions to streamline their process. The trade off is priceless: a seamless working relationship for the front and back of house, reduced employee frustration, and ultimately more money in the digital cash register instead of on the table.

While the tech restaurants use has evolved since Mosher began tinkering with this invention, the end goal hasn't: providing excellent services to customers while making sure business is booming. This whitepaper will explore disruptions that can impact the efficiency of your POS system and how staying on top of them is vital for success in today's increasingly digitally connected and powered reality.



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The POS System Landscape in the Restaurant Industry

Perhaps no industry understands the positive impact technology has had on efficiency like the restaurant industry. With high failure rates and low margins to contend with, 95% of restaurants agree that restaurant technology improves business.³ This tech is no longer used just for transactions, but has become **essential to every single process of a restaurant's ecosystem**, from improving customer service to inventory management and analytics that can be used when making future business decisions.

Traditional Legacy POS systems, where data is stored on an internal network on on-site devices, have given way to the proliferation of cloud-based POS systems like iPads, where the software runs on an Internet connection and data isn't stored exclusively on one device.

Reports have shown that **60% of restaurant operators cite cloud capabilities as the most important feature** they were interested in for a restaurant upgrade.⁴ With their ability to increase speed and mobility, an overwhelming number of organizations are currently in the research or pilot phase of an iPad management program.⁵

This has only been accelerated by the global COVID-19 pandemic, where **cloud-based systems have been a lifeline to the battered food industry** navigating a new reality. Recent data shows that the POS systems market is expected to grow by \$10 billion from 2020 to 2024, thanks to new opportunities created by the pandemic.⁶

This new standard isn't just here, it's here to stay, and that means you need to get to know the ins and outs of your POS system. This will not only ensure optimal efficiency, but protect your investment when complications arise.



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» Usage Issues Mean Lost Time

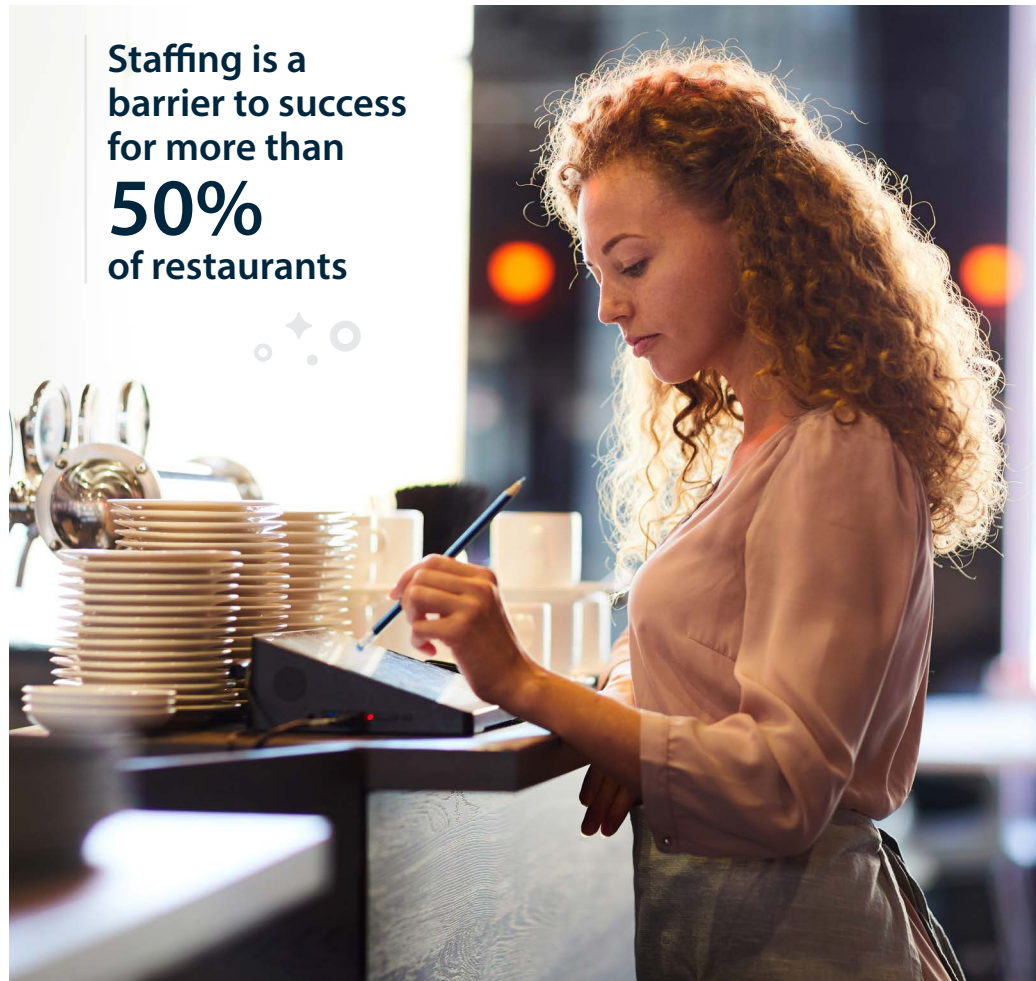
Staffing challenges in the restaurant world are nothing new, it's just the nature of a business that is constantly in flux. Over half of restaurant operators name staffing as a barrier to success. But restaurateurs who reach the holy grail of not just hiring, but retaining staff are often faced with another dilemma: training them properly. **35% of operators even cite training staff as a top challenge.**⁷

For staff today, being successfully trained means more than just understanding the menu, serving food, or mastering the art of hosting. It also means absorbing the ins and outs of your business's POS system. Thoroughly familiarizing staff with the system is essential for taking full advantage of this game-changing technology.

This includes making sure your staff know how to update software, understand detailed features, and are able to access data and analytics that can impact business decisions as well as improve relationships with customers. Do they know how to track inventory? Or process more complicated payments like gift cards? Are they aware of ways to minimize digital security risks?

Developing a well-rounded set of best practices that you and your team can stick to will lower the chance for errors, speed up your restaurant's flow, and empower employees who can fully integrate these acquired skills into their careers.

Staffing is a
barrier to success
for more than
50%
of restaurants



» Spotty Internet Creates a Sales Slump

Just about every process in a restaurant requires connectivity, so it's no surprise that slow or spotty internet can eat up profit and seriously hurt your business. Research from Gartner⁸ shows that the average cost to a business experiencing an unexpected outage is a whopping \$5,600 per minute. But wait, there's more bad news: surveys⁹ show that Americans carry cash with them less than half the time when they're out, and even when they've got the dollar dollar bills y'all, 76% keep less than \$50 on hand.

This increasing shift in consumer behavior from a real wallet to a digital one means keeping your WiFi in peak performance at all times is crucial for the health of your business. Network outages also lead to poor experiences for customers, and that means potential negative views and reviews about your restaurant's reputation.

One of the most important ways to ensure you're minimizing the impact of an outage is to choose the right POS software, specifically systems like iOS, which allow you to operate offline until your system

kicks back up again. Even with limited functionality, offline mode allows you to serve customers instead of turning them away, take credit card payments, and print receipts, saving and queuing the information when internet access is restored.





» Dead Devices Decrease Customer Satisfaction

Having devices that can operate in offline mode is one thing, but when internet outages are caused by electrical power issues, poorly charged devices can die, interrupting the workflow across your entire operation and leading to profit and productivity loss.

A study from Oracle Hospitality underlines the need for efficient charging.¹⁰ Survey respondents expect the battery life of their mobile devices to last 12 hours, around the same time as a typical hospitality shift. However the study concludes that **very few mobile devices can provide such extended battery life**, especially under the continuous use the industry demands.

With 73% of diners reporting that restaurant technology improves their guest experience, your ready-to-use devices must be, well, ready to use.

And a centralized and secure charging system can help that guest experience by arming employees with fully charged tablets, improving communication between front-of-house and back-of-house and customers.

Employees will always know where to find a charged device, and by matching them to a specific device using a number system, they can take ownership of plugging in the devices that lead to productive shifts and well-deserved tips.

» Misplaced Devices and Borrowed Cables Slow Down Staff and Profit

Restaurant managers increasingly have to deal with the stress of walking away from vital day-to-day activities to replace lost or stolen tablets and cables.

This costs the business both time and money, and some restaurateurs even cite this as a challenge when it comes to using POS systems, calling it “Tablet Hell.”

Team members unplug or borrow power cords to charge their phones or take it home, leading to a POS system slow down. “So now you have an uncharged or missing tablet, which honestly happens more

and more and more,” says one source from a Tacit Corporation whitepaper on digital capabilities in the restaurant industry.¹¹

A dedicated pre-wired charging station with locked down cables can eliminate the woes that come with replacing valuable property.

You’ll never have to look for a missing tablet or deal with disappearing cables. Locking capabilities can also reduce the number of lost or stolen devices - ultimately positively affecting your bottom line.

» Disorganized Devices Can Be Costly

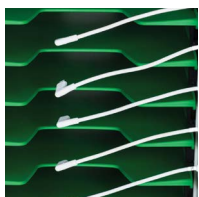
Anyone who’s worked back of house in a restaurant knows how hectic it can get. It’s where all the magic happens that keeps your customers coming back for more, but also a perfect environment for chaos.

Adding a tablet POS system into a mix that already includes the kitchen, pantry, refrigerators, break room and offices has the potential to significantly add to the

chaos. **Tangled cables can create a mess that slows down staff in more ways than one.** Latest figures from the Bureau of Labor Statistics point to falls, trips, and slips as the biggest reason for workplace injuries for service workers in the leisure and hospitality industry.¹² Plus, kitchen spillages can impair or damage cables, leading to constant replacement with costs adding up over time.

Just like staff, loose wires need management, too. Neatly organizing cords and cables, and keeping them tidy is imperative to a smooth workday and an even safer workplace. Making sure your cords are the right length can also cut down on messes and mishaps.

Powering Up Your POS System with LocknCharge



Above all else, teamwork is the key to achieving success in the often unpredictable restaurant industry. The LocknCharge Putnam Charging Station is like a dedicated team member you didn't exactly hire but who is always going to be around to keep things running smoothly no matter how hectic it gets.

It's compact and comes equipped with 8 or 16 pre-wired MFi-approved lightning cables that would otherwise cost up to \$20 each if purchased separately. These cables stay in the station and can't be removed easily. This means a **\$780 annual savings** by eliminating just one lost or damaged cable per week.

The Putnam has streamlined an already speedy workflow and saved the cost of replacing cables for Monica and Craig Daniel's franchised fast-food restaurant in Madison, Wisconsin, **increasing their service from 100 cars an hour in the drive through to 140.**¹³



Benefits of having the Putnam Charging Station on your side include:



Secure Lightning Cables



External Charging Status Display



No Tangled Cords



Integrated Combination Lock



Easy Setup & Wall Mountable



Robust Warranty

Based on LocknCharge data tracking, **our customers' average ROI is 12-18 months.** Choosing the right charging station is important. Small differences between manufacturers and products could make a huge impact on your technology rollout and your ability to manage devices long term. Making the right charging station part of your team makes all the difference.

[Request a Quote](#)



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¹³ Small Tech Solution Helps Speed Up Growth for Fast Food Restaurant (LocknCharge, 2019)
Please see www.lockncharge.com/lockncharge-product-warranty for complete warranty details.



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