

# 10 Things to Consider When Deciding on a POS System for Your Restaurant

Gone are the days when a simple cash register was enough for running a restaurant. As our purchasing habits rapidly change, the restaurant industry needs more **advanced technological solutions**.

A **POS, or point of sale system**, is a type of software that tracks all sales and facilitates transactions. Beyond this basic function, POS systems have evolved into sophisticated tools, **expanding their product suites**.

They aid restaurant owners in calculating costs, optimizing workflow, and predicting income.

Use a POS system to accept reservations, monitor inventory, integrate with delivery apps, and even calculate the profit margin of each menu item.

Features vary among companies. It raises the question of how to select the right software for **your type of venue**.

Certain features may be **a deal-breaker** for you. For instance, if online ordering through third-party apps like Uber Eats is a big part of your business, these apps should seamlessly integrate with your POS system.

Let's delve into the details and see what aspects to consider when choosing a POS solution.

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## 1. Is it built specifically for restaurants?

Some POS solutions are **built ground up** for the restaurant industry, while others have been adapted to fit restaurant requirements.

A reliable restaurant POS system not only **tracks sales** but also provides detailed reports on individual dishes, ingredient costs, and **estimates the net profit** generated by each menu item.

There's a lot to consider and include in a checklist when evaluating various options. First of all, make sure it's designed to **serve restaurant-specific demands**.

## 2. What type of restaurant business do you run?

Your choice should align with the type of venue you operate. Is it **a table service restaurant**, coffee shop, **food truck**, or maybe **a ghost kitchen**?

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It can be a quick-service pick-up, full-service dine-in, a single unit, or a chain. All of these factors play a role in determining the suitable POS solution.

For example, restaurants that take online orders need a POS system that can handle **online payments** and **protect their data**.

Matching the specific requirements of your business model is essential in selecting the ideal POS system.

### 3. Is it cloud technology?

On one side, there's the **traditional on-premise software**, still in use, which typically requires a skilled technician for on-site installation and regular updates.

One of the primary reasons for the shift towards **cloud-based technology** is the convenience it offers. With a cloud-based POS, you can access your data from anywhere, maintenance is simplified, and it comes with **feature-rich capabilities and robust reporting**.

Mobile POS systems use handheld devices for **tablesides ordering**. Restaurants that use this technology see business growth and improvements. Customers enjoy faster service and more payment options.

Adopting cloud technology relies on a stable internet connection. However, some POS systems **can work offline**, while others can't. Ask the sales representative if you will be covered in case the Internet suddenly cuts out.

### 4. Is hardware provided and what operating system do you need?

POS systems consist of **hardware and software**. Some POS companies offer **affordable hardware solutions**, while others leave you to take care of the tech components.

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Today, most POS terminals are designed to run on **iPads**. However, for a fully operational POS system, you'll also need **a suite of physical components**. These include WiFi routers, Ethernet cables, a cash drawer, payment processors, a station computer or tablet, a receipt printer, a barcode scanner, and POS terminals.

Your specific requirements (such as operating system) may vary depending on whether you already possess pre-existing hardware or you're starting from scratch. **The number of POS terminals** is a factor to consider when planning your hardware expenses.

## 5. How will inventory management and staff management improve your business?

A POS system is **the heart** of the restaurant operations. It keeps you updated on **the stock inventory of food ingredients**. This program sends alerts when supplies are running low or when certain ingredients are close to their expiry date.

Get a detailed overview of inventory and minimize shrinkage — the difference between recorded and actual inventory. POS system helps **reduce food waste**, one of the most common issues restaurants face.

Moreover, the POS system **facilitates labor management** by allowing staff to check in for shifts and optimizing their schedules more efficiently. Leverage past labor data to predict future needs, especially during peak seasons when you may hire additional staff. Managers will also gain clear insights into their **best-performing staff**.

## 6. How will table management ensure customer satisfaction?

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**Linking orders directly to the tables** where they're placed enhances the dining experience and reduces order errors and delays.

Furthermore, communication with the kitchen staff ensures **a more efficient workflow**, resulting in prompt preparation of orders.

This becomes crucial when you manage a dine-in restaurant, as the serving staff can become quite busy juggling orders, kitchen communication, and payments.

**Efficient communication between the kitchen and the front-of-house** staff allows greater focus on serving customers and upselling. All this leads to higher overall customer satisfaction with your service.

## 7. Do you need third-party integrations for online ordering?

Delivery services such as Uber Eats or DoorDash operate their own systems for accepting orders. Instead of **managing orders on separate tablets** and having your staff switch between various devices and programs, you can seamlessly **integrate everything with your POS**.

Consolidating reservations into a single channel prevents your staff from **being overwhelmed by manual tasks**. It's unnecessary work, and very prone to errors, but you can easily avoid it with POS.

The POS system will instantly register orders made through these apps. Gain clear insights into **how each app boosts your profits** and simplify accounting.

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## 8. How is payment processing integrated with POS?

The POS system integrates with **payment processors**, allowing you to accept both **card and contactless payments**.

Payment processors handle the fund transfer every time a guest pays a bill. In some cases, the POS company already **has a built-in processor** or **established partners** that you'll have to agree upon.

However, some companies let you **choose** your partner. In the current landscape, online payment processing is crucial, especially with in-house or third-party delivery models, curbside pickups, or the increasingly popular self-serving kiosks.

The POS system makes it simple for guests to **split payments or to redeem a gift card**.

Payment processors must be **EMV compliant**, ensuring secure transactions by supporting major credit cards such as **Mastercard, Visa, and American Express**.

## 9. What kinds of reporting will you have?

The POS system efficiently tracks all sales transactions, both on-site and through online orders. **Detailed sales reports** provide in-depth insights.

For instance, you can identify your **best-selling dishes** as well as the underperforming ones. This forms the foundation for **menu optimization**, which ultimately boosts profitability. Organize your menu by category, track the quantity sold, and calculate the percentage of daily sales contributed by each item.

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With access to sales data, you'll be able to **predict peak hours** during the day or week, facilitating efficient labor organization.

Advanced reports help you also understand who your customers are by looking at the order history and patterns in behavior so you can **encourage upsells**.

Track key performance indicators (KPIs) crucial to your business and leverage this information to make informed decisions. With the right POS solution, you can **monitor reports in real time from any device**, anywhere.

## 10. Is it possible and easy to implement loyalty programs?

Some customers will become devoted patrons, while others may visit your restaurant once and never come back. In between, there is a significant group of **undecided customers**, probably the majority, who gauge their options. To encourage them to come back, you'll need to **implement a strategy**.

One effective method for establishing **a loyalty program** involves a point system, where your customers collect points. Once they accumulate enough points, they can exchange them for a complimentary order.

By leveraging the customer data you collect, you can tailor loyalty programs to offer **personalized perks or promos**.