

These systems were at one time available piecemeal; a POS from this purveyor, a table management system from that, an inventory management system from yet another. Recently, however, there has been an explosion in the number of enterprise management systems available to the food and beverage industry. Companies like Averro have created systems that merge all aspects of restaurant management into one package, eliminating any compatibility concerns that come with buying IS components from multiple vendors. Further, using an enterprise system eliminates the need for multiple service and support contracts saving both unit time and money. The arrival of enterprise systems for restaurants is one of the most important developments of the last few years.

POS workstations fall into two categories: purpose-built specialized units (from either POS vendors such as MICROS and Squirrel, or general-purpose hardware vendors such as IBM, Sharp and NCR), and off the shelf PCs. The former take up less space, are ruggedized for restaurant use to withstand spillage and hot and humid environments, but often cost more. PC-based units can either be standard PCs with touch-screen displays, or thin-client devices that act like a PC but have no hard drive (i.e. no moving parts). These tend to be more reliable and a little cheaper, and are nowadays equipped with enough memory that they can continue to operate in stand-alone mode if the connection is lost. They also have the advantage that if a unit fails it can be quickly replaced with a spare that, on signing in to the server, immediately adopts the prior unit's settings, quickly restoring the operation.

Be aware that POS software providers generally do not cover hardware with their customer support and service contracts. Regardless of whether the decision is made to purchase hardware and peripherals from the POS provider or general-purpose hardware providers, it is generally a good idea to purchase a hardware service plan from the manufacturer of whatever hardware is used. The proximity of workstations and peripherals to heat and moisture will cause them far more problems than normal usage would under regular circumstances. Peripherals that are often configured with a POS workstation include cash drawers, pole-mounted displays for guest visibility, check printers and magnetic-stripe card readers for settlement.

RESERVATIONS AND TABLE MANAGEMENT SYSTEMS

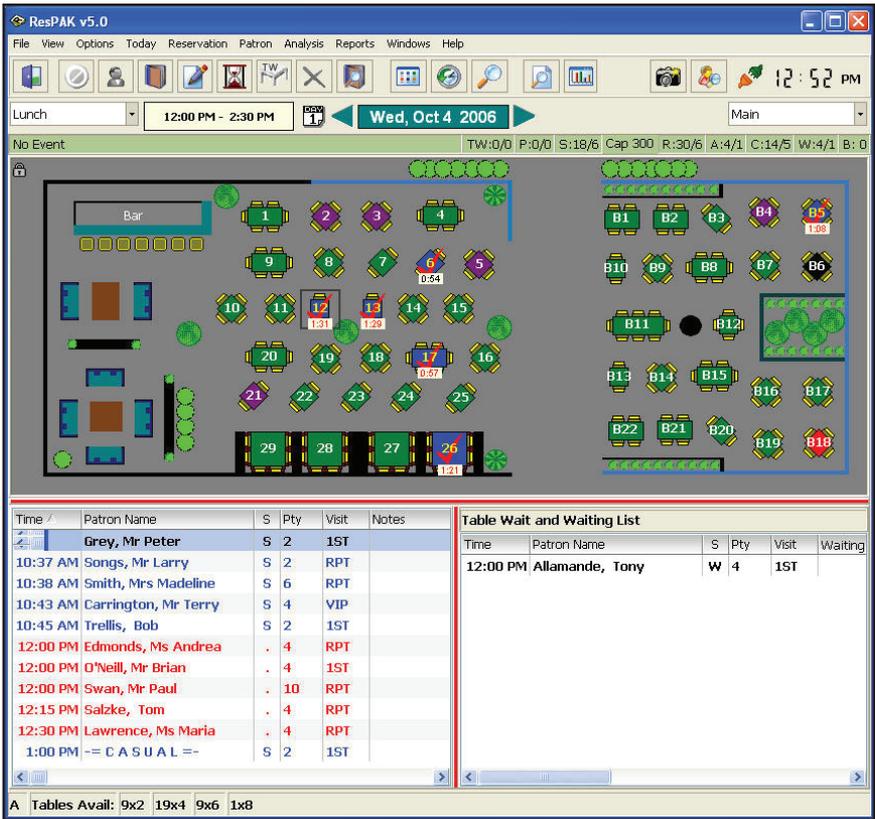
Reservation and table management systems have become far more than simply vehicles for knowing who is coming in or knowing which tables have been seated and which are vacant. Reservations systems have developed into databases which can be used to track the purchase habits and other important information about guests. When making reservations guests provide restaurateurs with pertinent personal information like telephone numbers and birthdays or anniversary dates. This information can not only

be used to recognize guests when they come in on special occasions, it can also be used to market them prior to those occasions.

Again, there are a number of reservation systems available, offered by companies like Guestbridge and OpenTable, but the best are those that are integrated into the POS system. By opening a check as the guest is seated these systems, in conjunction with table management systems, allow servers to see the name of the guest and any other pertinent information before approaching the table. This allows restaurants to provide a much more personalized level of service than ever before.

Reservation systems can also help reduce bottlenecks by managing the number of reservations to be granted at a particular time while also helping hotels and multi-unit companies steer business to different venues should reservations not be available in a particular place. For instance, if a particular restaurant with multiple locations does not have a Mother's Day reservation available at one location, the reservation system will immediately inform the host that another location does have a reservation available, saving the guest the trouble of phoning around while eliminating the possibility that he/she might call some other company's restaurant.

Table management systems, when used properly, can allow restaurants to turn tables faster by making available up-to-the-minute table status information. In order to do this, the table management system must be integrated with the POS system and the reservation system (again, another good reason to use an enterprise system rather than buying systems piecemeal). By integrating the table management system with the POS, a host or maitre d' can see immediately on a video screen the status of each table; whether the entrée has been ordered or served, whether the check has been presented, etc.



A Typical Table Management Video Display (Courtesy of InfoGenesis)

The table management display screen shows a visual layout of the restaurant and should also provide management with the capability of showing when tables have been combined for large parties. Color coding or some other easily recognizable system should be used to display exactly the status of each table. By setting standard time intervals for each phase of the dining process the table management system can inform managers of potential problems (like entrée preparation taking too long) or provide accurate estimates of how long it will take that table to be vacated. This capability provides managers not only with better estimates of wait times for those with reservations, but also allows managers to accurately predict the maximum number of walk-in guests they will be able to accommodate and how long those walk-ins will have to wait.

Of course these capabilities only exist if the table management system is integrated with the POS, but if it is the table status updates will happen automatically. When the server enters a drink order the table status will

change. When the cooks use their display terminal to note that the appetizers have been served the table status will change, and so on. The only time any employee will be required to physically input any information is when the bus person resets the table. At that point the busser will have to use a work station to alert the host staff that the table is now available.

Even if they are not integrated with the POS system (and in this day and age there is no reason they should not be), the table management and reservation systems should be integrated with one another. Doing so will allow managers to maintain lists of both guests with reservations and those who have walked in. Some of the more casual dining establishments have made use of video wall displays that show walk-in guests where they are in line while also displaying their expected wait time. This has the effect of letting guests know they haven't been forgotten while keeping them from adding to the congestion around the hostess stand. Casual dining establishments have also made use of paging systems that utilize pagers to alert guests when their table is available. These alert systems, however, need not be integrated with the table management system.

GIFT CARDS AND LOYALTY PROGRAMS

Offering gift cards is an almost essential part of business these days. A plastic restaurant gift card (in form much like a credit card) will provide better tracking and control than traditional paper gift certificates. With a restaurant gift card system, you keep 100% of the sales because customers use the card until the given amount is depleted—no more giving away revenue in change. A restaurant gift card is a great way to communicate the restaurant's image, and they provide durability and convenience to customers. Generally, gift card services are contracted for from third-party service providers, with card balance information being stored on the server computer belonging to the card provider. It is very important that, whatever gift card service is chosen, the service can integrate with the POS payment system. As gift card balances run low, servers should encourage guests to "recharge" them, ensuring that the guests return. Management should offer guests incentives to add value to their cards. The revenue lost in promotions will be more than accounted for by having customers pay in advance for food, beverage, and services that they may not use for weeks.

More and more restaurants are offering customer loyalty programs today, either in conjunction with a gift card program or separately. The best loyalty administration systems will allow managers to track individual customer purchases and by obtaining the customer's personal information management can tie those purchases back to the individual customer. This capability allows managers to reward customers for their behaviors, either in terms of the frequency of their visits or for the number of dollars they spend.

It is necessary that management track all customer purchases. When the customer makes a purchase, the card should be swiped at the POS payment