

Three ways your cash register is taking money out of your pocket

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There are tangible costs—both in terms of the bottom line and missed opportunity to continue running your restaurant without leveraging new technology, particularly as your customers' expectations regarding quality of service continue to grow.

Here are some real-life examples of how you're selling yourself short with your cash register, and how you can use a POS system to drive restaurant sales and transform your operations.

1 You have very limited insight into how your restaurant is performing

Operational insight

Food costs are one of the largest expenses you'll face in operating your restaurant ... and they aren't expected to come down anytime soon. A critical element in your margin is walking the fine line between having too much inventory on hand, or risking running out of your most profitable items. Your cash register doesn't provide great insight into comparing your sales with historical trends to drive more informed ordering decisions.

Today's POS systems give operators the ability to make important decisions immediately, rather than after the fact, hours or days later. How? Through real-time operational data, cloud-based insight and new mobile applications. You won't find this functionality within the electronic cash register. How could getting this important operational data delivered to you, in real-time, positively impact your ability to run a more profitable business?

Menu items

How well do you know your restaurant's menu performance—the high-cost food items that aren't selling, and the low-cost items that are flying off the menu? Your underperformers seem to keep dragging you down, while you just can't seem to get enough of the high-quality,

high-margin food items to shine in your restaurant. You might have a rough idea of which menu items are the most appealing to your customers and most profitable for you, but are you getting the most value out of this information? Is there an easy way in which you can capture this data, and be able to act on it? If you're using an electronic cash register, it's highly doubtful.

Prior to implementing new technology to more efficiently manage its operations, Erik's DeliCafe locations were using a simple cash register and hand-written checks to process orders.

"We were basically running on the honor system and trying to make food purchasing and menu decisions without any real analysis," says Tony Bendana, senior vice president and COO of Erik's DeliCafé.

2 You have difficulty protecting the profits that you do make

Preventing employee theft

Do you know if your employees are stealing from you? It's not a pleasant thought, but industry statistics show that there's a good chance someone in your restaurant may be taking from the till.

In fact, the National Restaurant Association has estimated that 75% of a restaurant's inventory shortages are due to theft, which can equal up to 4% of its annual sales.

Solving the problem isn't as simple as installing a security camera above the cash register; there are many ways your staff can take cash from the drawer using comps, voids or other scams that might appear perfectly legitimate at a glance. Solutions exist that can monitor your transactions and notify you when suspicious activity is detected; however, you won't receive that level of sophisticated intelligence with your cash register.

Managing your labor

With the advent of new health care regulations, it is critical for operators to keep a keen eye on the hours their employees are working. Unfortunately, your cash register probably does not have the capability to monitor the hours your staff has worked and alert you when certain pre-defined thresholds are reached.

Keeping labor costs down while effectively serving your customers is a tricky balance. Scheduling too many employees working at the same time can hurt your profits, while under-scheduling can lead to unhappy and unsatisfied guests. In addition, how effective are you at managing early clock-ins and late clock-outs? Just ten minutes a day can add up, especially when faced with potential overtime.

Managing your employees' schedules while making sure your customers receive the service they expect can be a labor-intensive process on your part; it doesn't have to be.

3 You are missing sales opportunities

No way to identify your best customers and what they order

You may see familiar faces frequenting your restaurant—and may even know their “usual” order. However, there are probably many more customers who are frequent guests that you don’t even know about. How often do they visit? What do they eat? How can you capture this information and turn it into actionable data that can assist you in better promoting your menu items and targeting the right people? Without the right systems in place to assist you, it can be pretty difficult.

No way to easily engage customers

Are you having difficulty creating repeat business? You’re not alone. According to the National Restaurant Association, seven out of ten full service operators say that their customer’s loyalty is more difficult to maintain than it was two years ago; there are several reasons why this is taking place. The total brand experience is growing ever-more important to customers.

Social media has enabled guests to quickly search online and post reviews, as well as see which restaurants their friends and family are recommending. And loyalty can be difficult to build today, as the economy has forced consumers to

make decisions based on price and value. Integrated loyalty programs, enhanced cross-selling capabilities and a means to capture valuable guest feedback are the tools operators need to address the demands of today’s customer.

Unfortunately, your cash register only provides the ability to transact a purchase – and if customers aren’t coming through the door, your cash register won’t be doing much of that, either.

“I knew from the moment I took over the operations at Lady M that we needed a POS that was data-driven,” says Ken Romaniszyn, President of Lady M Confections.

How can you know you’re making the right choices unless you have data that’s backing you up? We needed insight into what was selling and what wasn’t. We were able to easily get that from NCR Aloha’s POS system. Today, we know how we’re performing up to the minute, and we make the appropriate changes as needed. It’s what’s helping fuel our growth.”

And there's even more

Your cash register is taking money from you in other ways as well. Some of these may include pricing, taxing and addition errors; money spent on renting standalone credit card terminals; sales lost from a lack of control on beverages; and other costs associated with a lack of operational control or insight.

But how much is inefficiency in your restaurant costing you? How much are you losing each day by not having a system in place that enables you to better manage your staff and serve your customers quickly and effortlessly? In today's highly-competitive environment, you need

to operate more efficiently and effectively engage your customers better than your competitor – and you should ask yourself if a cash register is providing you those capabilities.

You'll probably find that your cash register is not only robbing you of profits you could be realizing today, but tomorrow as well.



A world of possibilities

NCR offers a wide range of restaurant POS solutions to help you stop your profits going down the drain, including our industry-leading NCR Aloha POS System and NCR POS as a Service solution, where you gain virtually all of the benefits of our Aloha POS system, in an economical and convenient monthly subscription.

To learn more, contact NCR at 1-877-794-7237 to schedule a POS demo today.



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