# MULTIVENDOR RESTAURANT POS

OPPORTUNITIES AND OBSTACLES





## **Multivendor Restaurant POS**

### Opportunities and Obstacles

It's not uncommon today to find restaurant chains using a mix of POS systems as varied as their menus: old and new, open source and proprietary, cloud and on-premise. There are a lot of reasons for this. Systems age at different times and are replaced by new solutions from new vendors. That replacement sometimes takes place at an individual restaurant, which then ripples across a franchise group or across a region. Existing POS systems might be left in place following a merger. Whatever the reason, restaurant chains of all sizes, as often as not, serve themselves a fresh Garden Medley of POS.

These diverse, heterogeneous IT environments can deliver good value. They can lower capital expenditures, broaden choices, streamline workflows and more. Over the years, Posera has been part of many successful multivendor, multisystem—multi-everything—environments. We've loaded our data into enterprise systems, we've connected directly into global loyalty and marketing programs, we've integrated with inventory systems—and more. We've seen multivendor POS deliver excellent results.

But we've also seen that heterogeneous POS is not right for every organization. Successful multivendor POS environments require a specific kind of corporate IT organization. They require strategies, skills and resources devoted to maintaining diverse IT: not just with POS either, but with every element of their data infrastructure. Time, people and budget are devoted to managing the different solutions, developing and maintaining ways to integrate the diverse POS data into enterprise business systems, watching over the strength and security of networks, and more.

# UNSURE ABOUT MAKING A CHANGE?

Even if a single-vendor POS solution is best for you, moving from a multivendor to a single-vendor environment can seem like too big a challenge—and maybe too expensive. Talk with Maitre'D. Our system migration program makes the process simple and trouble-free. We'll work with you through every phase: planning, data transfer, implementation and training—and we'll provide great ongoing support. All at an investment you'll find both very affordable and very quick to deliver returns.

### When Multivendor POS Works

Companies that succeed with multivendor POS environments share some characteristics.

#### Sophisticated IT Superstructure

A corporate-level superstructure of software and systems exists to gather, integrate and drive action from multivendor POS data.

#### Global Reporting

The data generated by the POS is fed into that larger, often enterprise-level, system for analysis and reporting.

#### Integration Expertise

Data integration organizations exist within the enterprise to ensure that all data gathered from all sources—from supply chain to advertising programs to POS—are integrated.

#### Budgeted Support and Support Services

That expertise—whether it's in-house or outsourced—is a line item in the operational expenditures budget

#### · Corporate Marketing

Marketing programs are designed, developed, launched and monitored at the corporate level, using tools and systems outside of any individual POS.

# When Single Vendor POS Works

When this kind of overarching IT oversight of POS is missing, single vendor solutions deliver the strongest value. Where IT organizations are lean, eliminating the significant overhead of data and network integration that multivendor POS environments require saves both time and money. Having a single point of accountability—with no finger pointing available—simplifies ongoing maintenance and administration. Reports can be customized and delivered in a variety of formats without having to proliferate those changes across every POS. Marketing programs can be deployed globally and customized locally. And risk management—security, compliance and others—becomes centralized, predictable and reliable.

# **Questions to Ask**

Is a diverse POS environment the right choice for you? Let's look at a few of the things to consider when answering that question.

#### **Feature Mismatch**

**Ask yourself:** Do I need to implement POS best practices enterprise wide?

POS delivers better ways of managing, organizing and executing day-to-day operations. Some POS functionality has strategic impact on the business—for example, matching Caller ID to a rewards program opens new Marketing opportunities. With a diverse POS environment, you can't implement those best practices or take advantage of new technologies across the entire business—only at those restaurants that use the specific POS. This limited "distribution of innovation" means that any value—time saved, errors reduced, manual steps eliminated—gained from POS features have severely limited strategic impact.

#### **Analysis and Reporting**

**Ask yourself:** Where does the reporting take place?

Strategically, POS is all about the data-for analysis and reporting-that drives business decisions.

Multivendor POS works well for companies that integrate POS data sources into their enterprise business intelligence system for reporting.

When the POS is itself the point of analysis and reporting—when its data and templates directly drive strategic decision making—diverse POS systems means additional work and greater risk of error. The result is usually data that must be massaged and manipulated—often by hand—in order to become globally meaningful to the business

Report distribution can be just as clumsy and uncertain. Delivery methods are limited, and not always completely secure: email is only part of a complete solution. Once the report is distributed, version management—making sure everyone is analyzing the same data from the same report—is always a nagging issue.

Reporting impacts compliance as well—a critical element for restaurants that handle credit card data, and one that's tightly interwoven with the POS itself. With diversity of reporting comes diversity of compliance

risks. As new regulations—security, environmental and others—emerge, ensuring that every POS delivers the right information in the right way at the right time can be labor- and time-intensive, and costly if not done correctly.

With a single vendor solution, data from every location is analyzed in standardized reports without having to create adapters, map data fields, or engage in any additional IT work.

#### Costs

**Ask yourself:** What's the real cost of diverse POS?

Multiple POS solutions each carry recurring maintenance costs. Companies where multivendor solutions work well absorb all the costs of maintaining multiple POS solutions into their integration organization.

Companies without that organization have to absorb those costs themselves. Consider some of those costs for any single POS:

#### 1. The Cost of Care

Maintenance-new releases and version upgrades-has to be performed and support licenses must be paid for.

#### 2. The Cost of Crisis

Fires must be fought. As a system ages more of those fires flare up, and there are fewer and fewer firefighters that know how to put them out.

#### 3. The Cost of Competency

Any POS requires people that understand it—on the floor, in the backoffice and under the hood. That includes not just staff and resource costs, but the cost of training as well.

#### 4. The Cost of Compliance

Each POS must be continually upgraded and updated to ensure that it correctly complies with all corporate and regulatory governance: a mistake here can be costly.

No POS eliminates these costs. Single-vendor POS eliminates multiplying these costs by the number of POS systems you use.

#### **Integration**

**Ask yourself:** Who brings everything together?

The list of external business decision systems with which POS integrates is broad: check processing systems, loyalty programs, supply chain and inventory systems, online reservations systems, ERP, property management, and more.

Companies that succeed at integrating multivendor POS into their data network possess an expertise deep and broad, encompassing networking, security, databases, versioning, load balancing—not to mention the administration and operation of each solution. And remember: they're not just integrating POS, but rather a range of data from a range of systems—which might include merchandise, online charitable contributions, loyalty programs, HR and more.

Without that broader level of integration, multiple POS solutions become a technological tangle. And the consequences of poor integration can be harsh. A mistake in updating one of the POS export templates can create inaccurate reports. A data breach from a mistake securing the network can be far more devastating.

A single-vendor POS eliminates these integration risks and traumas. POS data from across the business is integrated automatically. A single data stream is all that's needed to integrate POS with other data. A single security solution protects every restaurant from data and identity theft, malice and accident.

#### **Marketing Programs**

**Ask yourself:** Who handles Marketing?

If lean IT is the trend, lean Marketing is the rule. The single strongest imperative to Marketing success is leverage. Campaigns that work must be shared, data gathered must be merged and analyzed, offers adjusted to region or location, and every dollar spent stretched as wide as possible.

Marketing programs driven at the corporate level work well in a heterogeneous landscape, controlled by external Marketing systems. Campaigns originate at one source and all data from those campaigns is sent to that same source for analysis.

Where that's not the case—where the POS is critical to running and measuring Marketing programs—multivendor environments impede rather than impel success. This is true whether the restaurant runs marketing from the local POS, or deploys sophisticated localization methods from a centralized POS. In both cases, POS-based Marketing can't reach easily beyond the POS that runs it. It can't be automatically shared: if it's successful it has to be recreated—once each for each POS. Data aggregation, where there is no automated collection point, becomes yet another manual process, time-consuming and error prone. And any decisions made are only actionable at locations running that POS.

#### **Support**

**Ask yourself:** Who do you call when you need help?

Multivendor POS support requires not only an understanding of each POS, but an understanding of the integrated network and systems in which they operate. That kind of support has to be delivered at the corporate, internal level if it's to be effective. Where this level of knowledge is an existing corporate asset, a multivendor POS environment works well.

Otherwise, the result is fingers pointed in every direction, which often spells ineffective solutions. A single vendor solution eliminates the need to integrate POS, and to maintain technical support services for that integration. And it focuses responsibility on one vendor: should an issue arise, you won't have to dance the "trouble ticket tango."

#### Making the Right Choice

The decision to maintain a heterogeneous POS solution, or standardize on a single one, is driven, in the end, by one factor. Does your company have the resources, budget and expertise to manage, integrate and maintain a diverse POS environment? For those companies—where POS is just one more element of strategic IT integration—the answer is a likely yes. For the rest, the answer is not as clear cut. Here, it can often turn out that, after a careful analysis, standardization not diversity is the better investment.

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For more than 20 years and for over 20,000 customers, Maitre'D by Posera has been part of both diverse and standardized environments. We've integrated seamlessly into larger infrastructures and we've created smart system migration plans for companies wanting to standardize. We'd like to help you analyze your current and future POS landscape, help you determine whether a diverse or a standardized environment is right for you, and show you how Posera will fit right in.

