

Operators order another round of handheld POS, wireless peripherals

By Alan J. Liddle

The trial and deployment of handheld, wireless point-of-sale systems continue to grow in foodservice, chain executives and independents reported. But some operators said they are choosing to leave their POS terminals stationary while making mobile selected key peripherals, such as credit card readers, or limiting, at least initially, wireless POS functionality.

Nation's Restaurant News on April 11 reported on the use or tests of handheld POS by several foodservice companies looking to improve guest service or labor management. Among other recent examples of similar deployments: the use of handheld terminals running Digital Dining's POS application by the Harbour Ridge Yacht & Country Club in Palm City, Fla.; full-service Renegade Barbecue Co. in Hollywood, Fla.; and Comedy Works, a Denver nightclub that also recently added Epson's Mobilink wireless and belt-mountable POS printers.

Also now utilizing wireless, handheld POS terminals is 64-unit la Madeleine, the Dallas-based bakery, cafe and bistro chain, which relies on Micros Systems Inc. software.

"They allow us to get orders to the kitchen faster, and drinks get to the table faster," Renegade Barbecue general manager Terence Clemmons said of the advantages gained from using handheld POS terminals with Digital Dining software by MenuSoft Systems Corp. of Springfield, Va. He said the devices also permit servers to hover closer to guests in the 150-seat dining room and provide better service on the 60-seat patio.

Owned by executive chef Cleve Baker, Renegade Barbecue Co. was designed to stand out as an "upscale" barbecue restaurant. In that atmosphere guests are not put off by the use of the handheld terminals, but rather they are "impressed by it," Clemmons reported, adding "One of the things we stress during training is that servers should not lose eye contact with the guests" while using the devices.

Food and beverage employees at Harbour Ridge began using handheld POS in January when the club's dining operations reopened in a massive tent after a hurricane severely damaged the clubhouse. With extensive repairs of the clubhouse needed, management decided to bite the bullet and do a major rehab, which means that the tent will be used for dining and other social functions until January 2006, club information technology specialist Randy Solis indicated.

Solis said the club's members and their guests are "fascinated" by the handheld POS terminals and impressed by the increased speed of service from better order flow to the kitchen and by a greater amount of attention from servers who no longer must trek back and forth to fixed terminals. Table turns that once averaged 45 minutes to an hour now run 25 minutes to 30 minutes, he said.

According to Solis, the ease of use and portability of the handheld terminals mean that they get used for all club functions, from patio lunches to cocktail parties, and that has resulted in a 1.5-percent improvement in margins because of reduced shrinkage and better inventory controls.

"I wish we hadn't waited for the hurricane to start using them," Solis quipped.

Despite the increasingly favorable economics and emerging operations and service strategies tied to handheld POS systems, not all operators who might want mobility in their order-entry processes are ready to enlist handheld terminals. For example, the nation's leading casual-dining chain, Applebee's International Inc. of Overland Park, Kan., in recent months has deployed only a wireless credit card payment module,

Right: Applebee's International sees the MobileScape handheld — a wireless, cellular-based, credit-card terminal — as a key ingredient to the casual dining chain's growing Carside To Go takeout program.

MobileScape, at about 190 company and 200 franchised restaurants, in support of its growing Carside To Go takeout program.

"Our driver is, 'Does [new technology] improve the guest experience?'" Applebee's chief information officer Mike Czinege explained. Referring to handheld POS terminals that are integrated fully with restaurant systems and "do everything," he added that for now, "We're not convinced that is the answer."

Use of MobileScape, which Commercial LP markets, has "proved to save critical time in our payment process by enabling our Carside To Go [servers] to handle credit card payments at the vehicle, eliminating the need to leave the guest's side for an unnecessary trip back into the restaurant," Czinege said.

Czinege added that Applebee's management expects to complete the rollout of MobileScape terminals to the chain's more than 400 company-operated restaurants by summer's end, and he noted that the system's nearly 1,300 franchisees will add them "at their own rate."

"We're really pleased with the franchisee community's adoption rate so far," he remarked.

Applebee's guests swipe their own payment cards on the wireless terminal's built-in stripe reader. Those customers have the ability to add a tip before totaling the transaction and using a stylus to record their signature. A built-in thermal printer generates a receipt on the spot.

Czinege said guest and server response to the at-car credit card terminals has been "extremely positive." Servers, he said, like being able to "focus on improving the guest experience." Customers, he continued, have provided feedback indicating that they appreciate the accelerated settlement process, "the security" of "not losing sight" of their credit card and "the privacy" the terminal affords in tipping.



Left: Better management of order flow to the bar and kitchen as well as faster delivery to customers' tables are among the benefits Renegade Barbecue Co. credit to the Digital Dining-powered handheld POS terminal, left.

Below: Adding belt-mounted, wireless Epson Mobilink printers to handheld POS terminals at Denver's Comedy Works nightclub has boosted server efficiency and guest satisfaction, management reported.



Carside To Go sales are the fastest-growing segment of Applebee's business, according to Laurie Ellison, the chain's executive director of communications. The company has reported that as a percentage of total sales mix, Carside To Go has grown from 4.5 percent in the first quarter of 2002 to 10 percent in the first quarter of 2005.

Commercial sources said MobileScape-processed credit transactions are encrypted for security and transmitted in real time across the cellular Sprint Nationwide PCS network. Reports of those transactions are available to Applebee's immediately through the secure MobileScape Manager website, they added.

In situations in which cellular service temporarily is unavailable, transactions are stored in the MobileScape terminal for automatic forwarding at a later time, Eric Gensheimer of Houston-based Commercial explained. Using MobileScape, he said, credit authorization often is received in four to six seconds, but he acknowledged that the company is conservative in its advertised claims, stating that authorization typically occurs within 10 seconds.

MobileScape is not integrated fully into Applebee's proprietary POS system but rather operates "adjacent" to it, Czinege said. He indicated that Applebee's chose to forgo full integration in the name of faster deployment, though it later may opt to link the two systems more fully, depending on its ongoing analysis of how to get the most bang for the buck from the technology. Czinege stressed that the link between the wireless credit card terminal and in-restaurant POS system features "a mechanism to ensure accuracy of payment and that the entire financial stream is 100-percent accurate."

California Pizza Kitchen Inc. of Los Angeles, another casual-dining chain, is among the foodservice operations making a measured move into the world of handheld POS. Having recently completed a rollout of Aloha by Radiant Systems POS software, CPK is about to embark on tests of handheld terminals. However, it will limit their functionality, at least initially, to table-side check settlement, according to chief information officer Charles Gray.

"I would say CPK is at the formative stages with wireless," Gray said. The upscale pizza chain, which operates 148 full-service restaurants and franchises or licenses 30 more to others, "will be looking at wireless payment-taking first," starting in the third and fourth quarters.

Small, wireless printers are relatively new to foodservice and a logical technological add-on for some users of handheld POS terminals. Such printers can eliminate yet another step in the order-taking, processing and settlement chain, namely, the walk by servers to a fixed-printer station.

"We have a very short window of time to serve customers and capture revenue," explained Wende Curtis, owner of Denver's Comedy Works club. "Since we installed the Epson mobile printers, our waitstaff is more readily available [to guests], and that has absolutely increased sales."

Curtis said the printers' 10-hour battery lives mean that none goes dead during Comedy Works' three-show, eight-hour, Saturday night business cycle.