A conceptual study of P.O.S. (Point of Sale) system, improving profitability of Food & Beverage Department in a Restaurant.

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Abstract

The adapting face of technology has played a fundamental role within the development of the hotel and Food and Beverage service industry. The document investigated the impact that technology has had on the hotel and Food and Beverage service industry. The information generation has produced a motion of technological applications, changing the way restaurants process and monitor transactions. One such application is a point-of-sale (POS) system. Handheld wireless POS systems are a transportable version of a POS system that is defined because of the time and place during which a transaction is formed. Point of sale computer systems includes Such a system of cashier and server ultimate typically handles food and beverage orders, transmission of orders to the kitchen and bar, guest bill settlement, timekeeping, and interactive charge posting to guest folios. POS information also can be imported to accounting and food cost/inventory software packages. A variation of reports is often created, including open check, cashier, voids/comps, sales analysis, menu mix, server sales summary, tips, labor cost, etc. Although POS systems are becoming reasonably priced, it is still recognized by many restaurant operators as a rather expensive proposition. Customers are the explanations restaurants are in business, and therefore the time saved by employing a handheld device is often wont to better serve the guests. While many claim that it can improve profitability.

Keywords- Food and Beverage, service industry, Technology, Point-of-sale (POS) system, Profitability.

Objective of the study-

- To study the modern methods of POS System.
- To analyze & give overview of how POS system enhances profitability of Food & Beverage Department.

Research Methodology-

The Research is undertaken using the secondary data comprising of books, newspaper article, journals, Hospitality trade & business magazines, blogs.

Some of the suggested strategies of implementing POS are smart order taking, managing billing operations, innovative Stock & inventory management, Analysis of Restaurant reports, conversion ratio from room to restaurant, In Room dining time, cover & session wise analysis, outlet level analysis, customer relationship management.

Introduction

Point of sale software gives business owners a convenient way of finding out customers and of recording sales. It can keep a record of the shop inventory, updating it when an order is processed. It can even print out receipts; perform credit card processing, track customers, etc. Point of sale software eases the flow at checkout terminals while recording all the data which will assist you to make better business decisions.

Point of sale software allows users to input via keyboard or mouse, and a few even have a touch screen interface. Point of sale software can even help with credit card processing. Credit cards are the chosen method of payment. People don't want to carry around cash for all their purchases. A credit card could be a convenient method of payment and if you do not have credit card processing; your business can lose a number of its competitiveness. It also can calculate tax on the item and change for the customer.

POS software is mostly easy to install and simple to use. You will need to be acquainted with how to update inventory and record a price modification for an item. Point of sale software usually provides a simple to use interface to try and do this. It can make the work of the cashier a lot easier by automating the routine tasks of the day.

There is a good type of point of sale software available. You can choose one that matches your budget and meets the requirements of your particular business. The software will fit requirements with the purpose of sale hardware. It will also have operating system requirements such as it might need a Windows or Cloud.

Point of sale software can quite pay money for itself over time by making checkout faster and doing all of your accounting for you. Point of sale software may be the right solution for food and beverage business and can provide you with tons of benefits.

(Fig.1 source: www.merchantmavrick.com)

1. Smart Order Taking

You will automate the order taking process at your hotel restaurant with the assistance of a sensible restaurant (POS) point of sale. This system will handle different application like menu preparation, seat allotting, order delivery, increase cart or selecting the product for the order, billing process, order closing, and final account assessment. This system will extremely simplify and speed up the complete order taking and delivery process.

You will provide the waiters or servers with a server's app and, Android Tablet or mobile that has a full menu display menu through which the waiters can accept and push the orders on to the kitchen. Order will be registered at Server and the information will be sent to the Kitchen by Kitchen printer or on Screen. Once the order is ready the same will be inform to the Waiter. More KOT from a similar table are often taken and therefore the same will be executed in the same way. During this way, a waiter can save his time preparing KOT and sending a person to the kitchen to explain KOT to the chef also as avoiding communication errors.

In the POS system if any food or beverage item is not available then we can remove or disappear that item from the menu list for temporary based. So in this method On the other hand, if the waiter knows, when the customer places the order, that an item is no longer available, he can inform the customer immediately. The customer could be

disappointed, but the disappointment would normally be minimal because the customer isn't led to believe, even for a brief time, that the item was available.

The present innovation provides a system and method for get the better of the above-described problem. The innovation provides an automatic ordering system that provides waiters, waitresses, and bartenders more or less immediate updated knowledge about the State of the restaurant menu.

The innovation has the further object of enhancing the efficiency of operation of a restaurant or bar, by automatically providing each Staff person with an updated version of a menu. The innovation has the further object of enhancing the efficiency of operation of a restaurant or bar, by automatically providing each Staff person with information about the quantity remaining of one or more menu items. The innovation has the further object of increasing the Satisfaction of customers of a restaurant or bar, by providing instantaneous menu information to waiters and waitresses, through hand-held wireless units used to take orders.

The most preferable food and beverage items by customers are automatically displayed on the screen, so we can understand the customer demand. According to this we can push the flavored items to customers and prepared mise-en-plan in the kitchen. as well as we can understand which are food and beverage items are not selling, so we can improve the food quality or remove these items from the menu with new items. You can further increase customer entertain by allowing the guests to put their orders themselves with the assistance of Tablet Ordering.

2. Managing the Billing Operations

Software not only simplifies the whole order taking process but it automates prepared the bill also. While we take the order and send it to the kitchen on that time orders are automatically saved on that particular table. When a customer asks for the bill we need to just click on the table no. and all served items are displayed on the screen we can check one more time and submit to print the bill. A collect the printed bill from the printer. In this way, customers do not get over or less charge.

We can send the bill to a customer by the SMS system also you need just a customer mobile no and you can send a text message to the customer. Customers will get full detail bill the same as in this method you can make cost control by saving paper money. One hard copy of the bill will cost 60 to 75 paisa to you besides sending a message to a customer will cost only 10 to 15 paisa and this modern way customers also like.

The hotel restaurant POS not only simplifies the entire order taking operation at the hotel restaurant, but it also automates the details of assigning bills directly to rooms through (Transfer to Rooms) TTR. All orders placed by the resident guests at any of the food and beverage outlets at your hotel are automatically assigned to the guests' total bill, which would have otherwise be done manually in this way one can prepare the accurate bill and save the time also.

3. Stock and Inventory Management

Proper stock and inventory management are critical for keeping the food costs under control. Smart hotel restaurant POS software provides with the Stock Management feature permits to keep track of the daily stock consumption with the help of the Stock Reports. It also enables to line re-order levels for individual stock items that can send the real-time alerts whenever a specific stock item is close to being lower. This way, one can order for more stock in time, and also prevent the chance of over-ordering or under-ordering.

Apart from this, POS help to analyze & identify which of the items are being the most consumed and which and which are not. This data to make changes in the menu and also helps to streamline Stock Ordering procedure correctly.

4. Analyzing the Hotel Restaurant Reports

Restaurants in hotels typically generate a lot of revenue. However, one can turn a restaurant into a money-maker by analyzing the precise areas of improvement. Strong reporting and analytics can assist in elevating hotel restaurant to greater heights.

Here is how one ought to take advantage of the reports from a hotel- restaurant POS software to increase the revenues.

- **Conversion Ratio from Room to Restaurant**

The Conversion Ratio is a very important metric to investigate because it gives the information about what percentage of Checked-in guests are dining at the restaurant. This enables you to investigate if most of the traffic is coming due to checked-in guests or walk-in customers, and helps to create strategies to extend the footfall in the restaurant.

- **In-room Dining service (IRD) Time**

Some checked in guest's calls for in-room dining facilities. Being able to supply this facility fast will help to raise a restaurant's reputation. One can keep a check on the time taken from accepting the order to delivering it to the room with the assistance of the hotel restaurant POS system.

- **Cover and Session Wise and Analysis**

A smart hotel restaurant POS software gives the details of the average Cover in the restaurant which gives the exact number of tables used during the day and the total bill per cover. According to this, one can calculate the APC (average per cover). Using this data, a hotel / restaurant owner can start up-selling and marketing strategies to grow the average per table. Plus, the hotel restaurant POS will also give session-wise analysis that tells which of the time of the day – breakfast, lunch, or dinner is generating maximum sales.

- **Outlet Level Analysis**

There could also be multiple Food and Beverage outlets in a hotel, like a coffee shop, restaurant, bar, etc. It is essential to simply analyze the sales performance of every outlet and keep track of which of them are performing well and sort out which are not. The restaurant POS will provide a summary of the sales made in real-time also for a specific time for every outlet.

5. Customer Relationship Management

Restaurant POS customer relationship management (CRM) helps you segregate your customer base and identify the residents who are eating at your restaurant and also the walk-in guests. supported their stay duration, you will be able to then run smart SMS and email campaigns to attract them to dine at your Food & beverage outlets. Similarly, you'll also send promotional SMS and email push to your walk-in guests and offer them discounts and special offers to returning to your hotel restaurant. A smart hotel restaurant software smooth and continuously manages the day-to-day activities and also helps you better the customer experience. From the time a guest enters your restaurant until the time they leave, a hotel restaurant software POS will make the experience unforgettable for them.

6. Banquet Management in Hotels

Banqueting is usually looked upon because of the game-changer within the F&B industry thanks to its high-profit margin. Banquets are typically located inside a hotel, but they will also flourish as standalone banquet halls. It brings in significant revenue for the hotels, which may go up to about 55% of its total revenue. Hence there's a requirement for correct Banquet Management Software to streamline operations and generate profits.

Banqueting management software helps you to manage everything from deciding on the menu to taking bookings for the entire month. It also makes a well-prepared calendar for the whole month with details of every event. This results in a decrease in the dependency on labor for doing the same tasks with the introduction of this technology. Some of the life-changing advantages that any good banqueting software will provide to its owners, is the comprehensive report for each event. These reports help you to correctly analyze how your banquets are doing in the market and whether or not your customers want to come back here. It is very easy to make a reservation by using the software while making a reservation, you can also add specific details about the theme and decorations along with

mentioning other information just like the date and time of the event, number of individuals, menu and therefore the customer details. The usage of a banqueting automation software not only plans a menu for every event in your banquet but also estimates the per-person cost automatically. This helps you to figure around a budget and obtain things done smoothly. It is both inconvenient and impossible for you to be in more than one of your banquets at the same time. You need a stand-alone technology to integrate information of all your banquets in one single place from where you can manage all your outlets. While taking up a new event booking in a banquet, you can't expect your staff to look through manual records to check whether the requested date is free or not. An automated system that streamlines your work by maintaining an event calendar will help. The software can help to calculate your everyday profit to possess its depth sales analysis and management. These detailed reports include the time, guest list, menus, payments and theme for every event. Using a banqueting software keeps all of this data secure and up to date. These reports help to collect a treasure of data, which can be used in the time for analysis of growth.

Eliminating theft in a Restaurant-

As a restaurant owner, controlling or eliminating theft is possibly a priority of yours. If you don't have the proper system in place, theft is often a drag. In the restaurant industry, margins are incredibly tight so there's no room for error or theft. There are three major areas of theft I want to talk about and they all can be monitored and managed. The three major areas of restaurant theft are 1. Cash, 2. Inventory, 3. Bookkeeper theft. Fortunately, by having the proper system in place also as using your POS system properly, you'll be able to eliminate or a minimum of minimizing theft.

Conclusion & findings

Point of sale systems has reporting features that allow you to stay an in depth eye on sales, profits, and expenses like Cost of products Sold. POS reports give you in real-time, and formatted with easy-to-read information. With cloud POS reporting, you'll be able to access reports even once you are at home or traveling. No matter where you are, you'll always have the information you need to make data-driven business decisions.

Your POS system will also allow you to monitor Key Performance Indicators such as average customer sales, stock turnover, and sell-through rate. This visibility into your business performance will assist you identify prosperous areas of your business and others that will need improvement. Either way, this insight will assist you in making the required adjustments to assist you maintain profitability and competitiveness.

A point of sale system helps make more efficient the accounting process. Old-fashioned cash registers force accountants to sort through many receipts, but with a POS system, you'll print reports and, in many cases, import data directly together with your accounting software.

POS systems provide your customers with more detailed receipts instead of just a mistake of paper with the date and also the amount of the sale.

POS solutions can lower the price of doing business while increasing productivity, improving your bottom line. A point of sale system will end in a quick return on investment.

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