Making the right EPoS selection

Introduction
This guide is intended to offer hospitality providers an overview of the Electronic Point of Sale (EPoS).

EPoS technology and software not only helps those trading to run their business through faster, simpler transactions, it also enables better service levels – helping to increase profitability. Additionally, secure cloud hosting supports security and GDPR compliance.

In today’s competitive trading environment, EPoS has fast become an essential business aid. From those who run a single point of sale hospitality business, to more complex multi-site national operations, it’s now a crucial investment for both individuals and companies.

What exactly is EPoS?
The point of sale, or point of purchase, is the time and place where a retail transaction is completed.

Today’s EPoS systems are the evolution of the traditional cash register. There are two key elements to an EPoS solution:

- **The hardware** - This includes: the till, cash drawer and other add-ons; such as integrated card machines.
- **The software** - The point of sale software is loaded onto the till, providing useful ‘back office’ functionality, for example: real time sales and stock analysis.

The combination of hardware and software on the EPoS are jointly required to complete a transaction between the hospitality provider and the customer.

In addition to the basic function of taking payments, EPoS systems can provide extra functionality. These functions range from reporting tools, to inventory management and even loyalty programmes – all of which are incredibly useful for businesses to improve their efficiency, reduce waste and increase profits. However, the fundamental role of an EPoS system is to increase operational efficiency.

Why is EPoS an important element of today’s hospitality business?
Overall business performance is measured by profit levels. However, this measure alone doesn’t provide guidance on how well a business did in relation to what was planned for, or how well it performed for its customers.

It isn’t uncommon to hear of hospitality businesses being so busy with service that managing more than a Z read, or tally of sales at the end of the trading day, can be a tall order.

An EPoS system can provide so much information at the click of a button, which includes:

- Finance Management, traceability and reducing fraud
- People Management
- Stock & Wastage Control
- Loyalty
- An overview on sales trends (which products are selling, by the day/hour).

All of which should scale with the hospitality business.

Finance Management
Today, being able to quickly see your cash position and sales performance is essential for business survival and success. Running daily, weekly and monthly reports electronically can help build awareness of sales trends and make tracking of data easy and accessible for businesses of all sizes.

With an EPoS system it is possible to achieve rapid, accurate and smooth service, even during the busiest trading times. The software ensures that the pricing structure is consistent, therefore reducing the likelihood of customers being overcharged or undercharged. With more secure and manageable service the risk of losing profit through human error is reduced.
When selecting an EpoS solution, it is important to find a system that can provide:

- **Real-time reporting** – outlining sales generated to the very second. These can also be provided on a daily, weekly or monthly basis.
- **Key performance indicators** – demonstrating how effectively (or not) a hospitality business is performing against its key objectives.
- **Stock and accounts reports** – providing guidance on stock levels.
- **Promotions** – enabling the hospitality provider to offer promotions and incentives to their customers, for example, during peak trading periods such as Christmas.

### People Management

It is well-known that a transient workforce is a fact of life in the hospitality sector. An effective EPoS solution will help to ease the task of people management.

It can provide the facts and figures needed for the hospitality provider to see exactly what activity has taken place, including overall sales performance and results. On a day-to-day basis, unique logins can be monitored. This allows the tracking of sales and wastage per operator (or worker) – helping the hospitality provider to recognise their most reliable team members, as well as spot any potentially fraudulent activity. A login report can also support the management of time-keeping.

EPoS systems also provide staff with the tools they need to make good business decisions on a daily basis. With easy tracking, and more data available, employees can be provided with useful figures and information- leading to an engaged workforce and a reduction in staff attrition.

Stress and everyday high-pressure conditions in the hospitality industry are common. Recent news and government initiatives are pushing businesses to consider ways of reducing stress and improving the mental health of their employees. Transferring the responsibility of tracking data, through an efficient EPoS system can help to reduce stress for both employers, and their workforce.

Hospitality providers can also use the EPoS tool to help manage areas such as staff training requirements and absences (holidays/sickness).

### Stock and Wastage Control

Research from WRAP estimates that the cost of food waste in the UK hospitality and food service (HaFS) sector will exceed £3 billion in 2018, with 45% of this being wasted during food preparation.

An EPoS solution can save valuable time and money by helping hospitality providers to quickly review stock levels and easily identify areas that need attention. Those keen to manage wastage levels should look out for an EPoS system that can calculate how many ingredients are going to waste. Using software with this tool will help save money (and future wastage) by monitoring the data and adjusting what is being made in-line with demand and the hospitality provider’s values.

### Product information

Responsible hospitality providers should keep their customers informed of product information with ease. This is fast becoming an essential part of hospitality service for businesses of all sizes. Customers now often expect their questions regarding the calorific content, provenance, and ingredients within their food to be answered quickly with ease and accuracy.

By using EPoS software, when a customer requests such information, it is possible to see the relevant information printed on their receipt. Equally, the information can be accessed by staff; providing a handy reminder for recipes such as for cocktails.

### Loyalty

Understanding more about customers’ preferences and buying habits helps businesses to more accurately plan their marketing strategy, offer discounts, and run loyalty programmes or specific highly-targeted promotions.

Additionally, EPoS systems now are available with an accounts feature. This makes it possible to identify someone with a photograph or card, and therefore provide a cashless / cardless service. Customers can have a secure “on account” facility with a pre-agreed credit limit. By simply ordering what they want and settling their account at a future point in time, hospitality providers save both themselves, and their customers, the time and stress of multiple transactions. Automatic receipts are issued against additional sales on account. These receipts offer clear details of purchases made, total balance, and credit limit.
EPoS also provides functionality around membership levels – helping clubs to create loyalty programmes specific to their membership.

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**EPoS and Payments Integration**

2017 was the year of convergence and systems integration. This is the year we saw a number of payment providers looking into EPoS, and vice versa. Hospitality providers are always looking to create the best in class when it comes to the technology they provide, with a focus on customer retention, and having the ability to do this without complicating the software base, enabling speed, efficiency and intuition is key.

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**The Cloud**

Having the software hosted in the Cloud means the provider can access all their trading information, in real-time, from anywhere, and from any device. Imagine a scenario when you have a number of pop-up units at an event or a venue where one pop-up is trading more heavily in a particular item – by monitoring the sales and trends providers can quickly respond to a stock need; and maximise sales at that location.

Cloud hosting also offers a number of other benefits, such as automatic software updates with new or enhanced functionality. New tills in new locations can also be added – quickly. This is particularly useful in the summer months where hospitality providers may want to make use of outdoor space for events, weddings or other celebrations.

Cloud security is important, particularly in being GDPR compliant. With that in mind, it is imperative to look for providers who have a GDPR compliant privacy statement.

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**The Future of EPoS**

A core technology that has developed in recent years is self service, along with this emerging technology we are seeing more examples of order and collect with new mobile apps continuing to launch to market. We expect to see more third-party service integration, such as payment options, customer loyalty and customer focused apps. Anything that helps merchants to predict customer behaviour and up their game to provide the best in customer service will be in the spotlight.

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