



SELLING POINT

As more customers opt for cashless modes of payments in F&B outlets, hoteliers are seeking point of sale solutions that offer them convenience, security, scalability and efficiency

BY BINDU GOPAL RAO

When was the last time you handed over your shopping to the checkout cashier at a retail outlet and saw the person whip out a calculator to total your purchase? Sounds outdated, doesn't it? That is because technology has made this process redundant with the introduction of systems like point of sales (POS).

And why just retail outlets? Today, most business, where payment transactions take place use POS systems. This includes hospitality establishments, most of who have successfully leveraged it to replace traditional and time-consuming processes. Moreover, after the demonetisation move, diners are increasingly using cashless modes of payment. So, if ever there was a time for F&B outlets to go for a POS system, in case they had not already invested in one, that time is now.

MAKING THE RIGHT CHOICE

Before selecting a POS, it is important to know the kind of operations it will be used for. "The requirement of a fine dining eatery is different from a casual deli, due to the retail sale component, or a QSR, be-



Anand Chatterjee, general manager, Planet Hollywood Beach Resort, Goa.

1. New age POS systems are being built for a mobile-first approach and integration into one app to optimise them for mobile devices.

cause of speed in serving customers. The next thing to know is its scalability - if you are planning a multi-location or multi-city expansion," pointed out Anurag Katriar, executive director of deGustibus Hospitality (which owns F&B concepts like Indigo, Indigo Deli, Tote on the Turf, Moveable Feast and Neel). "The reliability of the vendor and the technology platform used is also important to know. Look for the system's user-friendliness, data security features, the reports it generates and after-sale technology support."

"The POS should be scalable if you intend to expand and require low infrastructural investment at the store level, smooth running on heavy billing, be easy-to-use with basic training and have live sales figures, apart from a robust inventory module," added Ahmed Raza, IT head, Barbeque Nation Hospitality, which has around 60 restaurants across India.

What this underlines is that apart from aspects like reliability and scalability, interoperability should also be looked into while deciding on the system. The right POS system allows a F&B company to not only carry out sales transactions, but also handle various activities around that sale. This includes inventory

management, food costing and consumption, tracking customer preference, flexibility to handle different setups and keeping up with the latest market trends.

The POS hardware needs to be efficient, cost-effective and advanced in terms of technology with a dual-display and swift connectivity interface. "When it comes to the software, it should be user friendly, offer seamless interface with existing F&B applications like property management system (PMS) and back office software. It should also be equipped with analytics and advance reporting tools with flexibility to generate customised reports that can be accessed from anywhere. Most importantly, it has to adhere to the Payment Card Industry Data Security Standards (PCI DSS) requirements," advised Amber Jain, director-IT of Pullman & Novotel New Delhi Aerocity.

Anand Chatterjee, general manager at Planet Hollywood Beach Resort, Goa, agreed with him. "My POS software and hardware should not just be compatible with each other but also with other systems that we already have, like the PMS and backend ERP," which he said is the existing case in his property.

AN EYE ON SECURITY

Data theft or data breach is one of the biggest fears that guests have when it comes to using non-cash modes of payments. Hence, the POS should have security features that safeguard their data. Since data theft is definitely a risk in non-cash electronic transactions, audit trails are always built-in for every transaction in any good POS.

Again, while deploying these systems in a F&B outlet, right security practices must be followed by people on the floor to safeguard guests' data. This is achieved by training and sensitising everyone in the organisation. The other way to keep track is by looking out for any irregular activity on the system audit. On a practical note, CCTV coverage of the cashiering area works as an effective deterrent.

"We stop infiltration with a secured network by using firewalls and antivirus with blocking systems and monitoring malwares. For non-cash payment through credit cards, e-wallets etc, we ask guests to enter their confidential information themselves on the swipe machine. In case of wallet payments, they do the transaction from their own mobile devices, which reassures them that their data is secure," said Raza.

"A POS system running on a computer is vulnerable; hence, we have blocked all USB and data drive access. There is a strict authentication process for all associates to log into the system and audit logs are regularly maintained. Also reporting tools should be available to identify risk," added Malcolm Moniz, IS manager at Park Hyatt Goa Resort and Spa.



Rishi Kargal, head of sales and marketing at Jata Hotels & Resorts



Anand Kuriar, executive director, deGambon Hospitality



Amber Jain, director of IT, Pullman & Novotel New Delhi Aerocity



Mahesh Pillai, information security manager, Grand Hyatt Mumbai

2. Hotels have adapted to digitalisation by introducing digital payments in their POS through third-party vendors.



ALL SET TO GO MOBILE

New age POS systems are being built for a mobile-first approach and optimised for mobile devices. Thirupati Gasiganti, IT manager at Novotel Hyderabad Airport, stated, "Access to the POS systems is restricted to few team members. Any new user has to undergo PCI DSS certification and a POS handling training under the supervision of a department trainer. Our internal data and system management process are well guarded by tracking every entry to arrest any malpractice. Additionally, we have different access rights as per the team member's authentication level to ensure complete data security for guests and the hotel."

Again, choose solutions that have user interface, which are simple to use and easy to navigate. These are available as cloud solutions integrated with managed database services. "Mobile POS solutions are end-to-end encrypted. In fact, most devices talk to each other through near field communication (NFC), Wi-Fi or through a visual quick response (QR) code, so intervention is minimal. From a merchant's perspective, this is a very secure system," said Chatterjee.

Jeybalaji S, information systems manager at Lee-la Palace Bengaluru noted, "We ensure that access rights are well-defined and structured in the application for various user levels. Authorised users are given the rights to access necessary information to perform their duties. This access is under tight security control and only authorised users have data access, which ensures that there is no misuse of guest data."



THE DEMONETISATION EFFECT

Given the transactional changes witnessed due to the demonetisation move over the past few months, hoteliers have adapted to it by introducing digital payments to their POS through third-party avenues. "Going forward, we need to look at POS systems that can handle conversion of different e-wallets. So if you have PayU and I have Paytm, I can use Paytm to transfer money to your PayU account," explained Chatterjee.

Naturally, with constantly evolving functionalities it is important to choose customisable tech services than an off-the-shelf option. "We are upgrading our technology and our primary objective is to take as many services online and manage it centrally while providing convenience, transparency and safety to our end users, namely the front line staff and guests," said Rohit Katyal, head of sales and marketing at Justa Hotels and Resorts.

"We evaluated quite a few service providers and our teams did the due diligence for safety and ease of access to make such payments. Where the amounts are small, these options can be used to make payments. However, for larger payments exceeding certain limits, our customers can choose to pay using our online facility. As it is still in the initial stages, we are evaluating scalability since our partner banks are also enhancing their portfolio of product services to include digital payments," Katyal added.

THE RIGHT REPORTS

A key factor of a POS system is the ability to have robust reporting tools inbuilt into the system to streamline real-time enterprise management from anywhere. Most hotels and restaurants have a central server at

the corporate office where all masters are controlled. F&B outlets usually do not have the right to amend the masters.

"We are currently operating in three cities without any problems with the Shawman POS. It has sufficient reporting and analytical tools which can also be customised to one's requirement. We may, however, use a different platform for our new brand as the operating style there will be significantly different," said Katriar.

It should be borne in mind that reporting systems via POS may not always be cost-effective in case of low transaction volumes. "Some of the features and capabilities that we look out for in an ideal system, which are presently not in our POS solution, include the option to customise daily routine report required by our finance and controls department. Also, it would be ideal to incorporate user-customisable reporting tool in the POS application and report scheduler option to automatically email the daily reports upon completion of night audits. We also need an integrated business intelligence tool to facilitate restaurant managers, F&B sales and marketing team to capture different trends and conceive strategies that can accelerate," said Jain.

It is equally essential that the POS system has several inbuilt protection walls and is password protected. "We ensure our reports are timely generated and have a data log of several months in case we need to check old information. We definitely cannot have limited functionality where data is erased every few weeks. It is essential that the POS generates daily, weekly, monthly and quarterly reports. We need specific breakdowns revealed like food costs, item consumption and stock opening and closing that our current POS supports," opined Syesha Kapoor, associate director of Silver Beach Entertainment and Hospitality.

Maresh Pillai, information security manager of Grand Hyatt Mumbai said that the hotel currently does not have a real-time tool to identify suspicious transactions. XBR is a tool that needs to be incorporated. "We try to operate systems that are highly robust and can help with growing business needs. Our current system covers all the outlets while having the capability to add more outlets, if required in the future. We will be upgrading to Oracle enterprise POS solution soon," he added.

The writing is on the wall - to stay ahead of the game, players in the hospitality industry have to leverage the technological advantages that POS systems offer. It will result in faster service, higher efficiency and greater turnaround, leading to happier customers, the cornerstone of any successful business. ■



Jyotsaj S, information systems manager, Leela Palace, Bangalore.



Nikoleen Mehta, IS manager, Park Hyatt Goa Resort and Spa.



Syesha Kapoor, associate director, Silver Beach Entertainment and Hospitality.

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