

# BUSINESS Strategies MAGAZINE

## Entertaining Business

### Local Restaurateur Improves Guest Service by Embracing Technology

**M**odern technology makes the unlikely possible. When The Distillery opened in 1980, restaurateur Peter Psyllos did not feel comfortable veering far from his business, which meant that vacations were few and far between.

Then, in 2000, when Psyllos opened his first Pellegrino's Deli Café, he recognized that it would be impossible to be in two restaurants at the same time. To remedy this, he invested in a closed circuit television system (CCTV), a technology that would allow him to monitor activity in both restaurants from his office, or remotely via computer. The system, which now monitors two Pellegrino's Deli Cafes as well as The Distillery, includes 16 cameras connected with a fiber-optic network. Four of the cameras have zoom features, allowing Psyllos to pan in on the smallest of details. He can also track deliveries, view transactions, and check on guests in the front of the house.

"We embrace technology; we see it as a tool," says Psyllos. "Through CCTV, we are able to monitor all of our service areas. It lets us know that customers are being taken care of properly," he says. The system also adds an extra layer of security. "It is a deterrent for staff that is not performing up to capacity, and it allows us to monitor our parking lots," he explains.

Another tool Psyllos uses in his restaurants is a point-of-sale system, or POS, the most widely used technology in the restaurant industry. The most basic POS system allows a restaurant server to input an order into a computer terminal, records the order



Point-of-sale systems have become increasingly sophisticated, with enhancers such as signboards that talk to customers and devices that emit aromas via laser beams. With the rapid development of new applications, it is sometimes difficult for the business owner to separate the functional from the frivolous.

in the kitchen before it is served, and controls the expedition of food out of the kitchen. More advanced features allow operators to use the stored real-time data to manage menus, labor, and inventory.

POS technology is so powerful, in fact, that some industry experts cite it as being the most influential factor in increasing efficiency and improving the bottom line.

"Prior to the point of sale system, cash was king," explains Clark Wolf, a New York-based food and restaurant consultant. "Since it was not an entirely reported

income industry, that meant showing profit wasn't that important. Technology completely reinvented the restaurant business," he says.

For the restaurateur, the benefits of a POS system are numerous, says Wolf. "It means you can find out who's eating at your restaurant in another city, and that competitive ordering can be done without ever picking up the phone."

It also means that restaurant owners like Psyllos don't need to constantly monitor the cash register, allowing them to take time away from work for a much-needed vacation.

POS systems have become increasingly sophisticated, with enhancers such as signboards that talk to customers and devices that emit aromas via laser beams. With the rapid development of new applications, it is sometime difficult for the business owner to separate the functional from the frivolous.

What the consumer wants is a pleasant dining experience, not a high-tech assault, Wolf asserts. "The customer only really cares about a waiter bringing their food. They don't want food coming off the conveyor belt. They come into a restaurant for real live people. The technology needs to be invisible."

Psyllo's POS system, manufactured by POSitouch has inventory, staffing and scheduling, and time and attendance functions. He can monitor guest preferences, and set the system to select the lowest item bid from a manifest of vendor submissions. The system interfaces with the restaurants' CCTV system, recording items ordered with video.

One POS enhancement that Wolf says is underutilized is hand-held ordering systems, a technology that has been at work in European restaurants for a number of years. "They are an untapped resource," he says. Handheld POS terminals allow servers to input customer orders and print bills right at the table.

Psyllos is looking into handheld systems for his restaurants. "If a customer asks, 'How do you make that salmon?' the server can give a description of the item right then and there using the information on the handheld," he says.

Wolf and Psyllos both have advice for the business owner considering investing in a new technology.

The rule of thumb, says Wolf, is that the margin

of savings has to be larger than the cost. "Any technology that has a solid history of helping restaurants increase profits and efficiency is worth investigating," he says.

Psyllos has a similar philosophy. "We look for technology that allows us to be more efficient, to take care of our customers better, and to operate with a profit," he says. In order to select that technology, do your homework, he recommends. "An owner should first



educate themselves about what they want based on their needs."

Next up on Psyllos's high-tech agenda: self-service kiosks for his Pellegrino's stores, where customers can input their order at a kiosk, pay with cash or a credit card, and pick up their food at a designated area. **BSM**