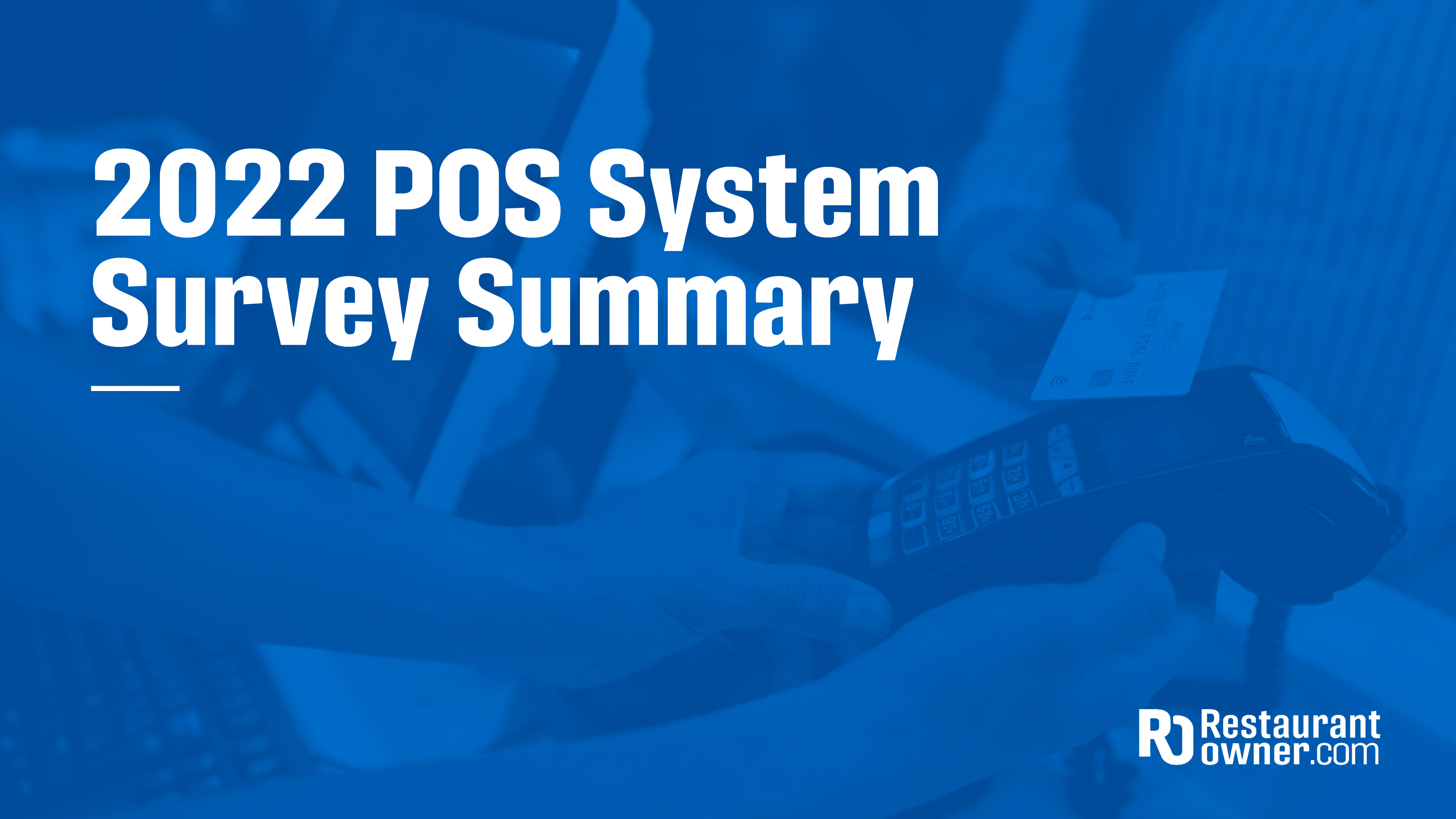
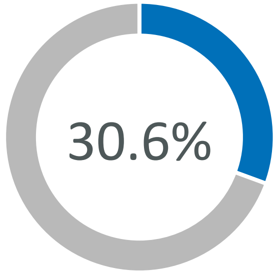
2022 POS System Survey Summary



RestaurantOwner.com

SURVEY HIGHLIGHTS



Almost a third of survey respondents use Toast as their POS system.

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On average, restaurants spent nearly $9,300 to acquire their POS system.

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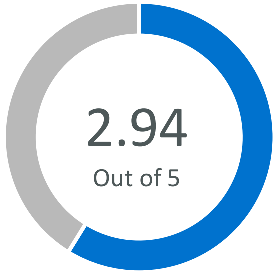

Respondents are dissatisfied with the in-person support they receive from POS providers.

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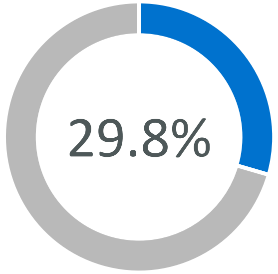

Almost 30% of the fast casual restaurants in our survey plan to switch their POS provider.

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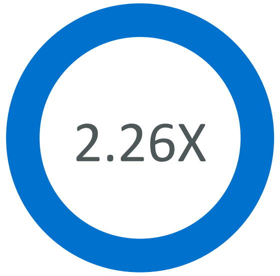

The proportion of restaurants using handhelds has more than doubled since 2017.

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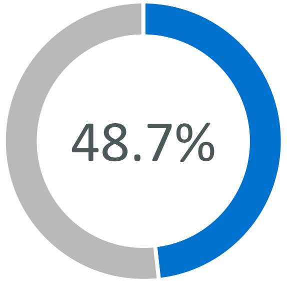

Just under half of restaurants say they are locked into their POS system's credit card processor.

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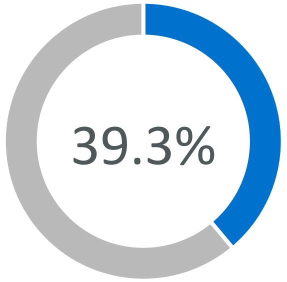

About 40% of respondents would like their POS system to offer menu & recipe costing.

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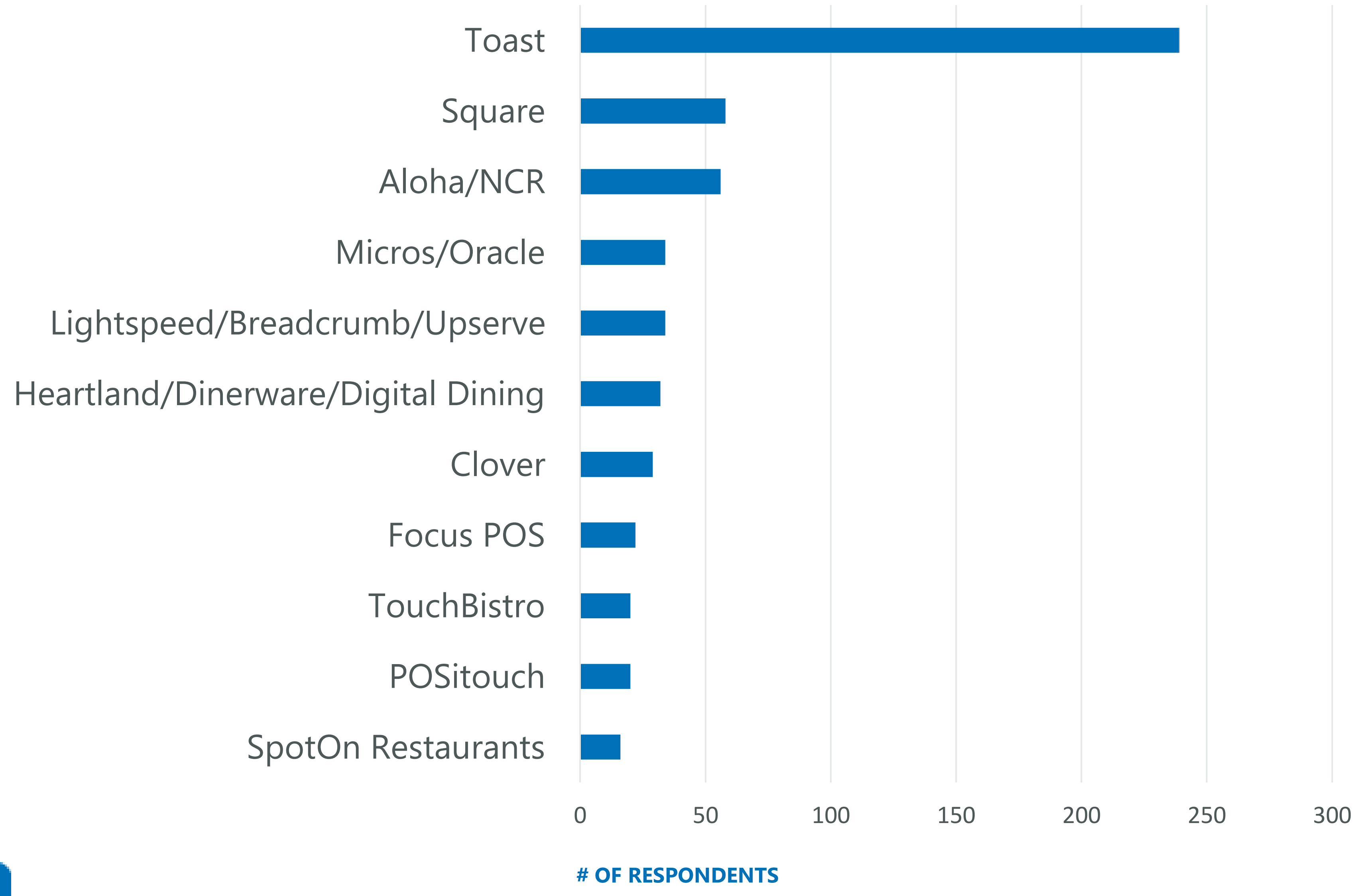
POS SYSTEM CHOICE

The restaurant POS market is highly fragmented. Our respondents identified 106 different POS systems currently in use in their operations.

Here are the top brands from our survey:



	2017 Survey	**2022 Survey**
Toast	1.14%	**30.60%**
Square	1.96%	**7.40%**
Other POS System	23.63%	**7.20%**
Aloha/NCR	16.10%	**7.10%**
Micros/Oracle	13.80%	**4.40%**
Heartland/Dinerware/Digital Dining	6.54%	**4.10%**
Clover	3.80%	**3.70%**
Focus POS	1.87%	**2.80%**
POSitouch	3.10%	**2.60%**
TouchBistro	1.06%	**2.60%**
Lightspeed/Breadcrumb/Upserve	1.87%	**2.20%**
SpotOn Restaurants	--	**2.10%**

In our 2017 survey, 41 restaurants said they didn't use a POS system at all. That number has now dropped to 3.

5 **Respondents said they created their own POS systems**

SYSTEM CONFIGURATION

Handheld terminals are becoming more popular. In 2017, only 27% of restaurants said they used handheld POS terminals.
Today 61% report that they use one or more handhelds.

	AVERAGE NUMBER OF TERMINALS	AVERAGE NUMBER OF HANDHELDS
Fast Casual	3.3	1.6
Quick-Service	2.1	1.3
Table service – family or casual	4.1	3.2
Table service – fine dining	4.0	2.3
Takeout/Delivery only	2.2	1.0
Tavern or Bar	3.0	1.8

	MUST BE ONLINE TO USE **Cloud Only**	CAN USE ONLINE OR OFFLINE **Hybrid**	LOCAL AREA NETWORK **Legacy**
Top Brands	41.1%	47.4%	11.5%
All Brands	46.6%	42.7%	15.7%

55.2% of table service restaurants have no handheld devices at all.

Those restaurants that have moved to handhelds tend to embrace them, averaging one handheld device for every 30 seats.

43.9 **Average number of dining seats per POS terminal in table service restaurants**

SYSTEM CONFIGURATION

Upfront costs are coming down…

In 2022, our respondents spent an average of $53.09 per seat to get started with their POS systems. In our 2017 survey, that average was more than twice as high.

…but monthly costs are going up.

Because more POS vendors are offering their systems by subscription, average monthly costs have more than doubled since our 2017 survey.

$9,289

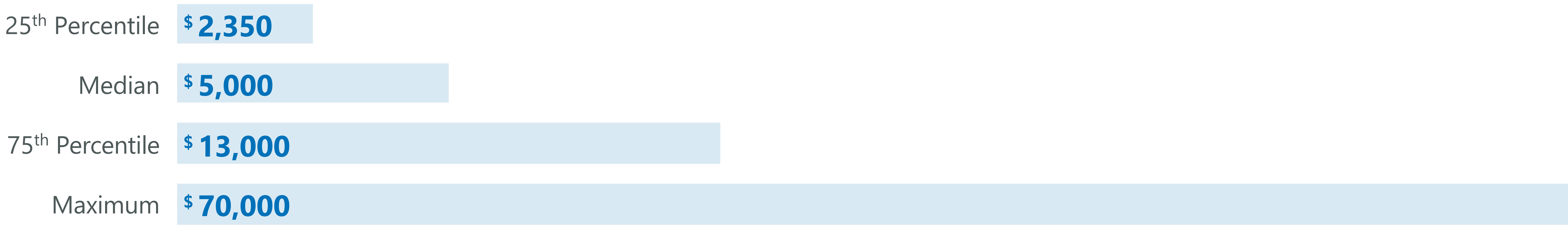
AVERAGE UPFRONT COST

In 2017, it was $13,344

$379.10

AVERAGE MONTHLY COST

In 2017, it was $138.33



CONTRACTUAL OBLIGATIONS

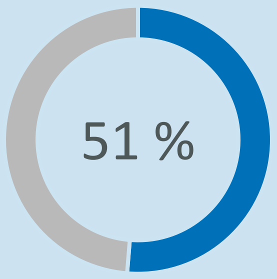
The majority of restaurateurs in our survey believe they can change their POS provider at any time.

Can switch provider at any time	470	68.5%
Locked in for 1 year	29	4.2%
Locked in for 2 years	47	6.9%
Locked in for 3 years	69	10.1%
Locked in for 4 years	2	0.3%
Locked in for 5 years+	13	1.9%

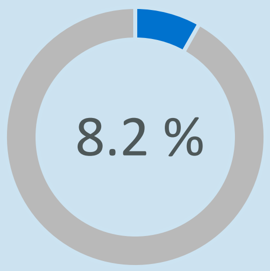
Length of Contract

	1 YEAR OR LESS	2 YEARS	3 YEARS	4 YEARS	5 YEARS OR MORE
Top POS Brands	30.0%	25.3%	16.2%	9.9%	18.7%
All POS Brands	23.7%	18.7%	12.6%	9.2%	35.7%
Table Service	23.4%	17.9%	16.6%	10.4%	31.7%
Counter Service	31.6%	24.8%	12.2%	12.5%	18.8%

"[The] credit card processing fees are too high. [We] would like to be able to use our own processor."



Percentage of restaurants with contracts that allow them to use any credit card processor they wish

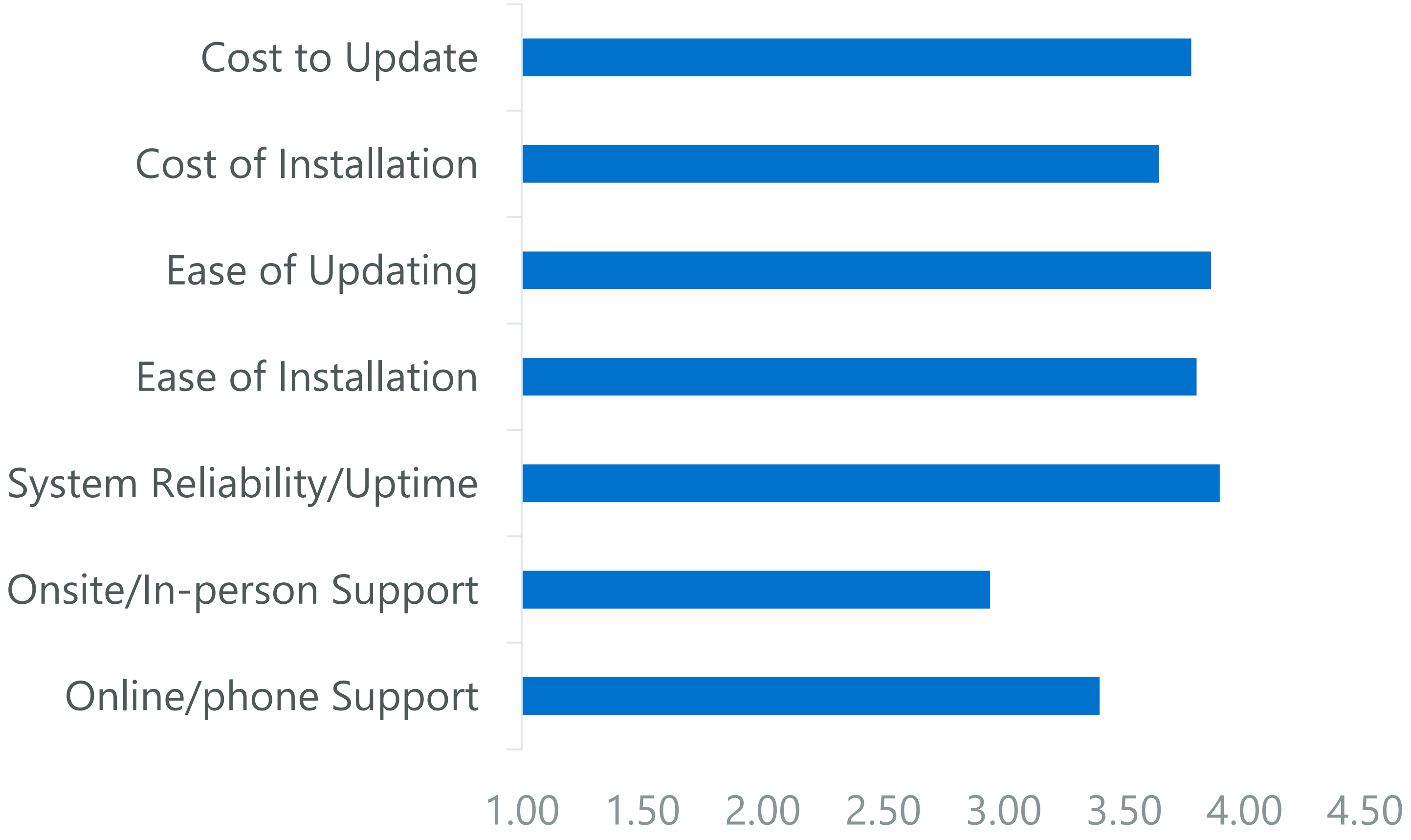


Percentage of respondents that did not know the length of their contract with their POS provider

USER SATISFACTION

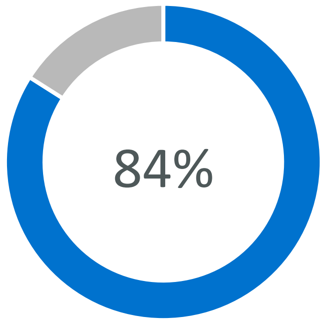
Restaurateurs are unhappy with the support they receive from POS providers.

Using a scale of 5=very satisfied to 1=very dissatisfied, our respondents told us their thoughts on:



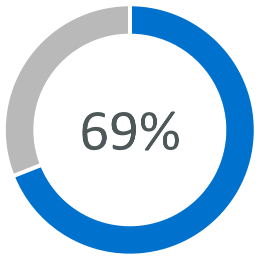
2017

Satisfaction* with support received from POS providers



2022

Satisfaction* with support received from POS providers

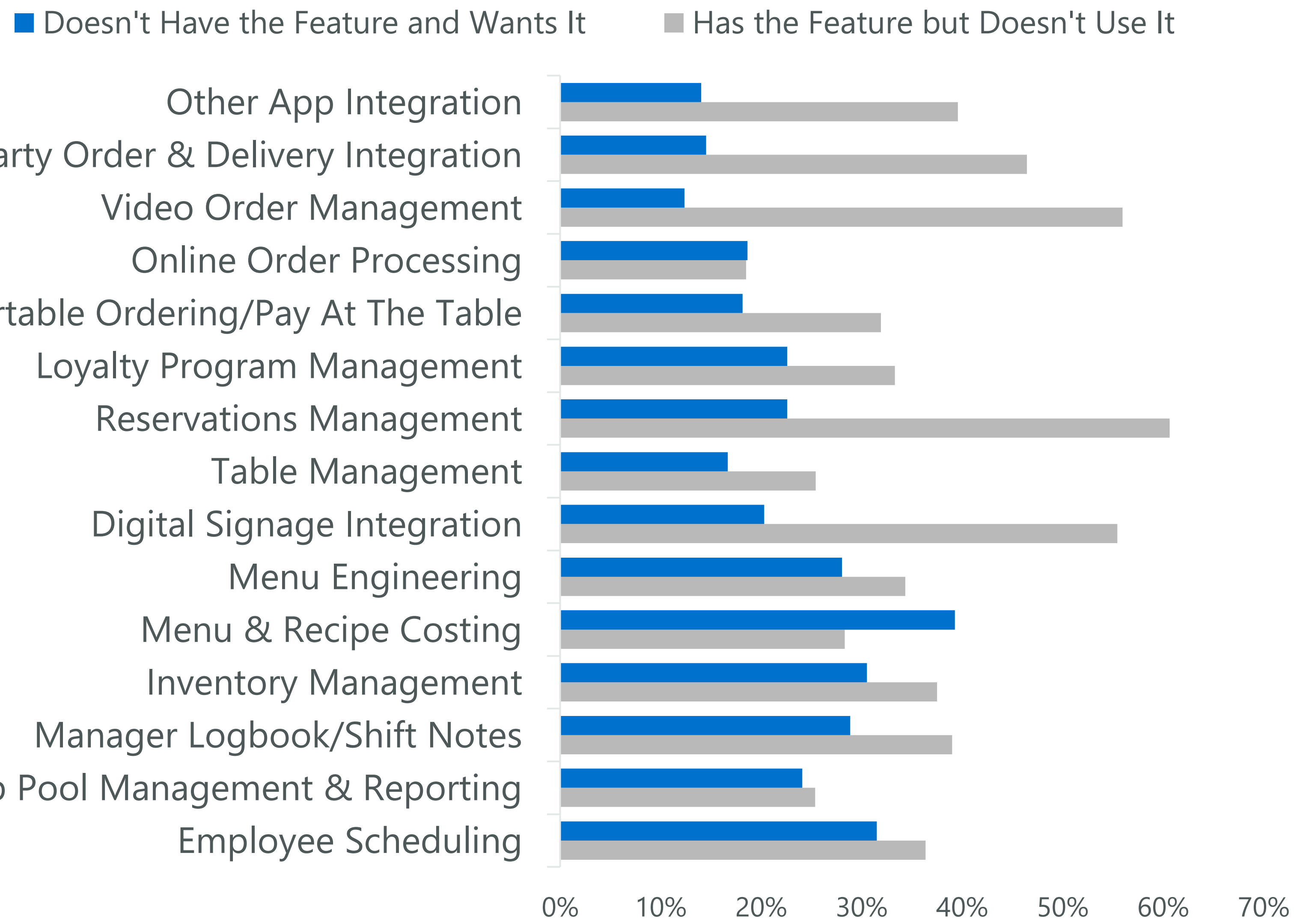


***"The biggest disappointment has been the level of service.
If there is anything wrong, it is hard to find anybody willing to help."***

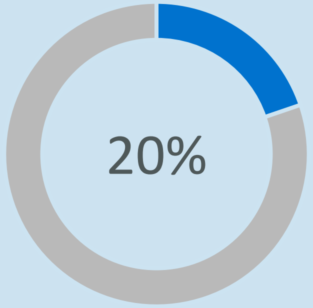
* Respondents who rated their level of satisfaction as "neutral" to "very satisfied"

SYSTEM FEATURES

Additional system features are nice-to-haves as long as they are easy to use. Many respondents commented that some of the back office features available with their POS systems were too hard to work with.



"Back office setup is antiquated and time consuming. You need to be a software engineer just to add mushrooms to a burger."

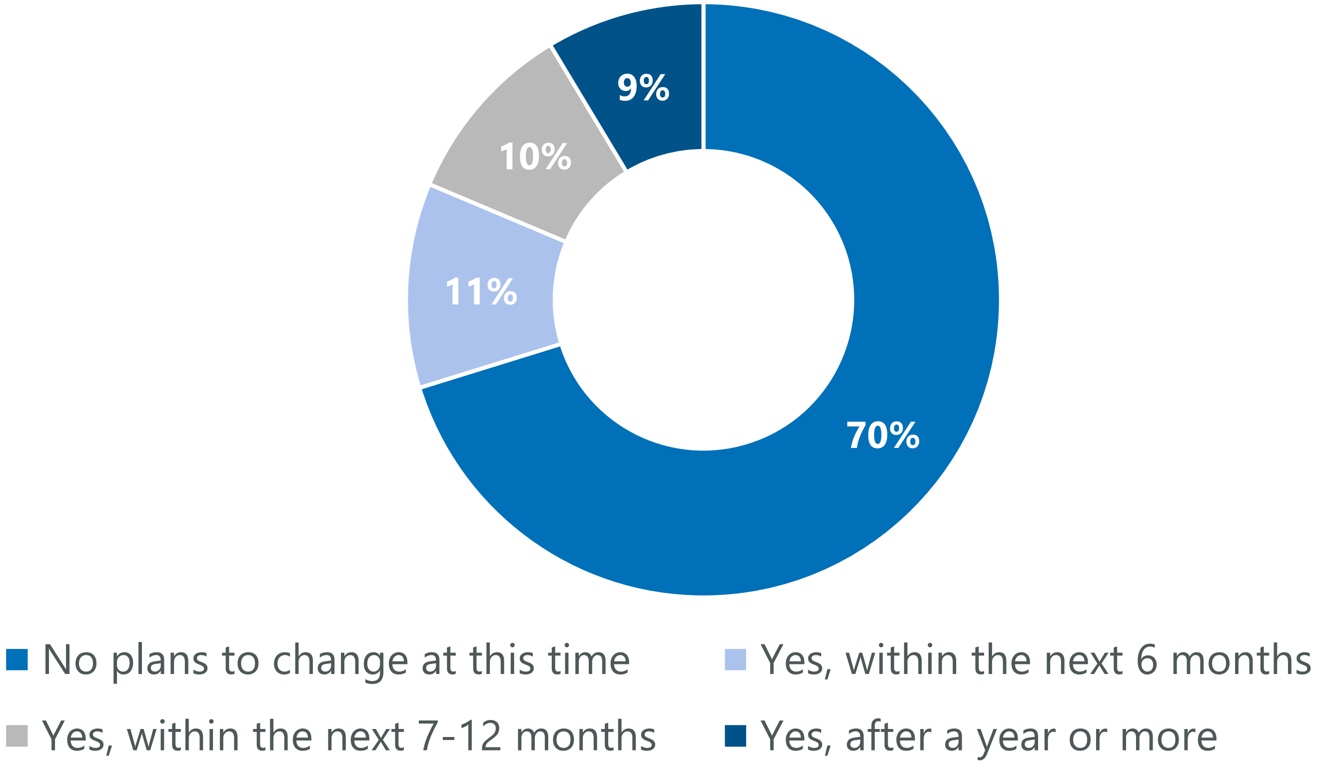


Proportion of respondents who are unhappy with their POS reporting functions

The top POS brands earned higher feature satisfaction scores overall.

FUTURE PLANS

About 30% of respondents plan to change their POS provider. Over a third of those who plan to make a change hope to do so in the next six months.

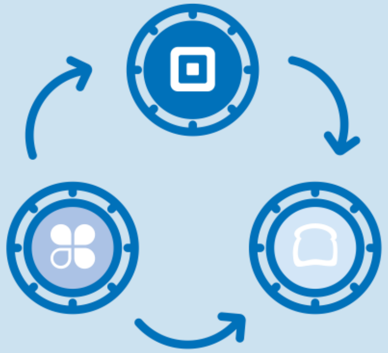


"The reports are meaningless. The labor tracking lacks. The credit card system portion of this goes down daily and needs to be reset. The phone support is terrible. You wait on hold for an hour just to speak with someone who is learning the system. I could go for days on explaining the inadequacies of this POS. I can't wait to switch again soon."

Most popular brands to switch to:

 # OF INTENDED SWITCHERS INDICATING THIS CHOICE

Toast	153
Square	38
Aloha/NCR	24
Clover	21
SpotOn Restaurants	11



Fast casual restaurants are more likely to have plans to switch than other kinds of operations.

RESPONDENT PROFILE

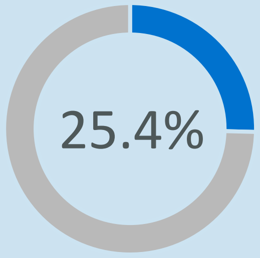
Respondents had lots to tell us about their experience with POS systems.

RESTAURANT TYPE	COUNT	% OF RESPONDENTS
Table service – family or casual	518	62.9%
Fast Casual (counter ordering, limited service)	133	16.2%
Table service – fine dining	79	9.6%
Quick-Service (counter and/or drive-thru service)	49	6.0%
Tavern or Bar (minimal or no food service)	17	2.1%
Takeout/Delivery only (no seating, ghost kitchen, etc.)	16	1.9%
Food Truck	7	0.9%
Multiple Types	2	0.2%
Personal Chef Service	1	0.1%
Not Yet Open	1	0.1%

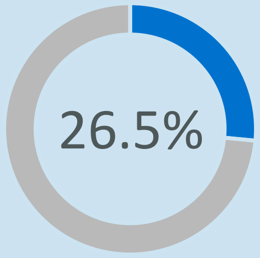
Table service restaurants in the survey had an average of 157 seats.

For counter service restaurants, the average size was 87.5 seats.

# of Responses to the 2022 POS Survey.
RestaurantOwner.com members are independent restaurateurs with an average of 2.2 operations each.



Proportion of survey respondents who provided comments about their POS systems.



Percentage of those comments that were positive.

Twenty different POS brands received only positive comments from survey takers.

About the Survey

As a service to its thousands of members worldwide as well as to the broader restaurant and supporting industries, RestaurantOwner.com periodically surveys independent restaurant owners regarding their POS systems, focusing on critical aspects including installation and operational costs, system and contract characteristics, and their satisfaction with POS features and support.

RestaurantOwner.com also conducts surveys of restaurant staffing costs, recruiting, startup budgets, technology and more. Visit the site for more information.

RestaurantOwner.com is a community of independent restaurant owners. With more than 69,000 members since 1998, RestaurantOwner.com serves a worldwide member base that operates in more than 160 countries. RestaurantOwner.com members represent a wide range of restaurant concepts of all sizes, with over 35% of members operating multiple locations.

SURVEY TEAM

Jim Laube

Chief Executive Officer & Founder

Prior to RO.com, Jim held various positions in the restaurant industry and was an advisor and CPA to independent restaurants throughout the U.S. Over the past 30 years Jim has also been a popular industry trainer for organizations such as the NRA, Walt Disney and Pizza Expo.

Stephani Robson PhD

Chief Research Analyst

Stephani was on the faculty of the School of Hotel Administration at Cornell University for 27 years, teaching courses in restaurant development and design. She remains the leading expert on the psychology of restaurants and helps operators of all types create highly effective layouts.

Joe Erickson

Chief Operations Officer & Partner

Joe's efforts focus primarily on developing easy-to-implement yet highly effective systems and processes to help members improve their restaurants' efficiency, product utilization and most importantly, deliver a more consistent guest experience.

WANT TO LEARN MORE?

Explore the full survey results at RestaurantOwner.com

Restaurant Owner.com