

Hospitality POS Systems Improve F&B Operations

By Steve Milano

No matter what your facility's food and beverage operations size, using a hospitality-specific point-of-sale (POS) system can help you increase revenues and decrease costs. Some POS systems even integrate with your court reservation software and customer databases to help you upsell food and drink to your customers when they visit.

What is a POS System?

"A POS is basically the point at which you pay for whatever it is you're ordering," explains Tim McLaughlin, co-founder of POS system GoTab. "In many cases, it includes the ordering process, which involves a person."

Your customers can pay using a POS system at their table, on the court via their phone, on their laptops from home before coming in, or with an employee server. Some POS systems can send text prompts to your customers after they make a reservation or while they're on the court alerting them to available specials or delivering a coupon.

Some companies offer a countertop device, a phone app customers use to input orders, a QR system or a computer that employees use to enter orders. The order not only gets recorded into the system's accounting documents, but also goes to the kitchen for cooks to fulfill orders. When their food is ready, you can notify customers who might be in the building after playing, are still on the court or who haven't arrived if it's a pickup order.

A POS system works with a kitchen display system, which is a screen in the kitchen that lets cooks see orders. The system can track inventory, letting a kitchen know when they have run out of a menu item, allowing servers to pull it from the system.

What Are POS System Benefits?

In addition to helping streamline the order process, POS systems reduce the



need for staff, help track menu performance, expedite kitchen orders and delivery to customers and help increase sales through email and text alerts about sales, specials and coupons.

With sales tracking, facilities can see their top-selling menu items and their least successful items. In addition to tracking menu items by sales volumes, operators can also track menu items by margin and gross profit.

"A product mix report will show things like your sales, profit by unit or profit by product," explains McLaughlin. "You can take that same report and analyze it by time of day, by day of week, or by staff member.

You can look at data from different dimensions and start understanding things like which items certain staff members sell more often. "Using this information, you can start coaching your team to push and recommend the right products for the business, as well as for the guests," says McLaughlin.

"On the financial side, GoTab helps with invoice processing. For example, when you're doing your food and beverage purchasing, we have a partner

app called Opsi that scans your invoices so you don't have to enter all of them manually. GoTab can then push them into QuickBooks or whatever accounting system you use so both your sales and revenue flows directly into your accounting software.

"We just rolled out what is effectively a P&L report on the manager dashboard. You can look at it on your phone and it shows real-time data of how much you sold during a service. We can merge in the labor costs with your scanned food invoices so you can understand how much you made on every burger you sold."

Stimulating Sales Without Staff

GoTab was originally built for the brew pub market, which in many ways is similar to a sports facility, says McLaughlin. "People aren't there just to eat, they're there to play darts, for example, and move around the facility a lot and they're not necessarily having full table service. So it's a very similar vibe to pickleball facilities because it's very casual.

"Pickleball is now our fastest growing

market – we’re adding two pickleball facilities a week. We have quite a few bowling alleys, a lot of gaming facilities and a lot of other entertainment venues. GoTab is good at dealing with sports facilities because people are moving, changing courts or walking around and then sitting at a different table. Our system handles all that very well.”

How do Kiosks Work?

A kiosk is a machine that lets customers order, get their receipt and track their food order to see when it’s ready. “A kiosk is basically an ordering option in lieu of having a cashier,” explains McLaughlin.

“Kiosks are popular with facilities for self-pour beverage walls because it’s a low-service option. It’s expensive to staff a bar or a lunch counter when you only have 10 people in your facility,” points out McLaughlin. “We partner with PourMyBev and iPourIt, for example, on a lot of their facility setups.”

Integrating with Member and Court Management Systems

Some POS systems can integrate with court management systems. “That’s a common question we get from pickleball and padel facility owners,” says McLaughlin. “When you have members and non-members, maybe you want your members to get a special discount or you want to track their points and redemptions when they order. All that is built into GoTab.

“One of the most unique things in GoTab is our ability to integrate with membership systems,” says McLaughlin. “If you’re a member-driven club giving membership benefits and tracking member redemptions of those benefits, GoTab will help you understand what your food & beverage consumption by different members is.

“So, if you offer members 10% off of food Monday through Thursday because you want to incentivize customers to come on those nights, then when a

member signs in or uses their credit card, the system recognizes them and automatically says, ‘Bill gets his 10% discount because he’s a member.’

More than Just F&B

While pickleball and padel facilities often use POS systems for their food and beverage operations, they can also use POS systems for pro shop sales, membership signups, league play, tournament registrations and court reservations. “We have more than 200 integrations including with most of the major pickleball systems like CourtReserve,” says McLaughlin.

Whether you have a small or large food and beverage operation or pro shop or want to improve your membership and programming sales, adding a POS system can help you better understand where your profits are coming from and what you can do to adjust your retailing methods for optimal profits. ■



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Two Facility Owners Takes on Pickleball F&B Models

As more and more pickleball and padel facilities open across the U.S. and around the world, many are still struggling to figure out the right way to integrate food and beverage into their business models.

Some are adding full-service restaurants they own, while other lease space to restaurateurs. Some have vending machines while some have grab-and-go boxes. Some have full bars while others have pour walls. And some have snack bars with limited hours.

Facility spoke with two pickleball facility operators about what food and beverage models work for their venues. **Josh Carpenter, founder and CEO of 23 Kitchens**, is not certain pickleball players alone can support a facility restaurant. **David Hack, founder and CEO of Crush Yard** (pictured on our cover), believes the “eatertainment” model offers the biggest chance of success for pickleball facility operators.

23 Kitchens

The name 23 Kitchens refers to the 22 pickleball kitchens on this facility’s 11 pickleball courts, plus the one, full-service, casual dining kitchen on site.

“I wanted to build more than just a pickleball club,” explains Carpenter, a dentist by profession, not a restaurateur. “I wanted a community hangout spot. I wanted to be the backyard for our community and in my backyard we have lots of food and lots of beverages.

“Our goal is to be more of an event center rather than just a pickleball club, and so we wanted a full kitchen to be able to support our dream of being that big kind of gathering place for not only the community, but for the large government offices in the Olympia (state capitol of Washington) area here.”

“Our restaurant can seat about 75 downstairs, then we have a rooftop bar that serves 30, and then our rooftop deck seats probably another a 100. “We have 14 PourMyBev taps. We only serve beers from local breweries. We try to keep it hyper-local just because we have so many brew-



Crush Yard

eries up here and we’re trying to be the backyard for our community, so why not feature breweries that are in our backyard?”

Pickleball Alone Can’t Pay the Bills

Carpenter didn’t believe pickleball would be able to pay all of the facility’s bills, due to the fact that free, local pickleball courts keep the club’s bookings to about 50% capacity during good weather. In the winter, the club loses five courts, decreasing revenue even more, but pushes indoor bookings to 90% capacity.

Carpenter does not think a pickleball facility could sustain a restaurant if it only served members. “I think a snack bar would be sufficient, like a bowling alley type situation, with nachos and other snacks.

“We’re trying to build that culture of people playing and then hanging out and having a beer afterwards and maybe a few small bites or something. We’ve tried a lot of different things to get our members to hang out, but in the past two, I would say maybe 20% of members actually eat and drink here, with the majority of our food and beverage business coming from the public and corporate events.

“We’ve tried members only specials and a number of different things, but they haven’t worked, and it could be they’ve eaten here once a week for the last year and now they’re sick of it. It’s hard keeping the menu fresh all the time for people who are here every day.

“We have live music all summer long on the weekends. We’ve done open mics.



23 Kitchens

We also have a cornhole club that runs cornhole leagues, and every single one of those guys eat and drink. The cornhole guys will drink a thousand dollars' worth of beer before 10:00 p.m. We really like the corn hole guys!"

Targeted Marketing Can Expand Customer Reach

Most of 23 Kitchens marketing efforts have been social media campaigns and a weekly newsletter sent to more than 10,000 people, with mailers producing little success, says Carpenter. Making donations of court packages, along with a platter of food, has been one of the club's most successful methods of spreading the word to new communities.

One thing 23 Kitchens plans to implement in the future to increase F&B sales is more integration of its CourtReserve membership reservation software with PourMyBev and Patch. "Our membership is \$100, and we have 300 members, but we've had over 10,000 people come through the club and put their name into Court reserve.

"When we first opened, my partner said he absolutely didn't want to a fryer in the kitchen to keep the menu healthier, but that was just not what people wanted. So, about six months in, I went and bought a fryer."

Even though 23 Kitchens has been open for more than two years, Carpenter says the business is still in too early a stage to make any conclusions about the viability of food and beverage at a pickleball facility.

"I think that in the long run, the restaurant

will outperform pickleball, but it's going to take more time to grow than pickleball. It just depends on what you want to build.

Crush Yard

David Hack is all in on food and beverage, and believes it's the only way for many pickleball facilities to survive.

"A purely club-based model will have a really tough time making any kind of profit, let alone any kind of earn back on the buildout cost. So entertainment to me is the way to go all day long.

"The more I'm talking to facility owners, they're saying the same thing. We need to be a community hangout. We can't just be play pickleball and go, it needs to have cornhole and darts and whatever. And you need a place to get something quick to eat or sit down for dinner.

"Our average time on site is two hours. We're elevated family fun center with pickleball as the core draw. Younger generations prefer to be in an immersive experience versus a traditional restaurant and bar setting.

"So when you walk into a Crush Yard right now, you can do throw darts, you can do ping pong, you can do cornhole, you can obviously do pickleball, you could play PS Five, you can do arcade games, and now we're about to add simulators, so they'll be able to do golfing. We're competing with share of the wallet with Topgolf, Dave and Busters, Chuck E. Cheese.

"We have large parties and a lot of these baseball teams and cheerleading teams and they just come in by the bucket load. They have never heard of the Crush Yard brand and usually find us

via Resy or OpenTable or SevenRooms because they're looking for a place where they can bring a big group of folks. It drives the kitchen bananas, because all of a sudden you have 40 people ordering, but that is a huge win."

Food Quality is Key

While Hack points out that consumers primarily want chicken and burgers and salads, he says food and beverage operators need to serve high-quality versions of those if they want customers to stay around after playing and to want to come back again next time.

"Entertainment facilities always have gotten into significant trouble by sacrificing food quality. If you do, you massively minimize your repeat visits, right? The average person goes to a Top Golf 1.8 times a year? People go to a Crush Yard 1.8 times a month. And the key to that is food quality. So that's why I wanted a seasoned executive chef.

"We use a higher class of meat, so the burger quality is much more significant. We serve a higher-end organic chicken and we make the breading on site and fry those. We make all our own dipping sauces and use our own seasoning in the breading – everything you can think of to elevate the food.

"Not using plates - that was a mistake we made. If you put things in paper, then it's just automatically looked down on from a consumer perspective. Not having real silverware, real plates, real bowls, was something we had to change.

As far as drinks, "People are all over these CBD-infused products now, so beer and wine might be down, but your canned CBD products are way up. The 30 and under crowd love them and are moving further and further away from alcohol. These kids are really into pot, and so those CBD-infused products do extremely well.

Entertainment is the Bottom Line

"With the club-based model, there's no community, there's no socialization. When a husband and wife get broken up based on your DUPR rating – you can't even play with your spouse in half of these clubs.

"We continue to see massive growth moving forward year-over-year-growth, quarter over quarter. A third pickleball-related revenue, a third F & B and a third events. We're about 65% beverage, 35% food. Everything for us is up, but the idea to me is you have to have optionality." ■

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