

Posted On: 12/10/2008

Payment Processing Update

Nicole Marie Richardson

Convenience and efficiency are the name of the game when it comes to transaction processing technology. In that regard, new product releases are focusing on wireless and contactless payment technologies in the hopes of meeting the demands of restaurant owners and operators. "In today's environment people are less likely to spend money and when they do they want to feel secure," says Vone Phandouangsy, operator of Thai Basil in Lake Oswego, Oregon (www.thaibasilcuisine.com). "With wireless credit card readers, I like the idea that customers can pay at the table and their card never leaves their sight. I also don't have the burden of the responsibility of someone stealing the customer's card or their credit information." Credit card industry experts estimate that 67 percent of all credit card fraud takes place in restaurants, ranking identity theft as the most insidious threat to customers.



Phandouangsy launched Ingenico's (www.ingenico.com) Pay@Table portable payment solution that accepts credit, PIN-based debit, signature debit and gift cards right at the table. This new version, released in Spring 2008, increases the range of Bluetooth communications to more than 600 feet, thus providing a huge service range. Utilizing Bluetooth, Phandouangsy does not need to worry about password administration for network devices such as in a WiFi installation. Phandouangsy purchased the technology and rolled it out to her one location in April 2008. Training was easy and the product is fast and intuitive. "Customers are my first priority and if it makes them happy then I'm happy," she says.

Wireless payment

Phandouangsy is not alone. Many restaurateurs are turning to these types of wireless or contactless payment devices, credit card readers, PIN pads and readers, as is evident by the variety of vendors that are now offering this type of technology.

SoftTouch (www.softtouchpos.com), for example, recently launched DineBlast Mobile that allows restaurant patrons to self-pay from their table using their own mobile communication device, such as an iPhone, BlackBerry, Palm, PocketPC, etc. When guests are ready to self-pay, they turn on their mobile device, which will connect to the in-store WiFi network and prompt them to a screen where they can select their check, add a tip and enter their credit card information. Guests can also create an account, which will store their credit card information for future use, so they don't have to enter it the next time they visit. A designated printer provides the hardcopy receipt that the customer can sign on his way out of the facility. All transmissions are encrypted and PCI-compliant.

Michael Courtney, operator of Roosters in Margate, Florida, (www.roosterswings.com) recently installed DineBlast. He points out that unlike conventional pay-at-the-table devices, he only had to purchase a single DineBlast unit that connects to his existing POS system, saving him thousands of dollars in equipment costs.

Likewise, Menusoft Systems (www.digitaldining.com) recently launched new Digital Dining software that runs on a Motorola (www.motorola.com) wireless network. With Digital Dining Handheld POS, not only does the customer's credit card never leave their sight, but the server can also take orders at the table. For example, drink orders can be instantly sent and delivered while the server is taking the entree orders. The Digital Dining handheld also notifies the server when a dish has been sold out, suggests an alternate item, and displays recipes to ensure no undesirable ingredients are ordered.

Rivers Restaurant in Redding, California, (www.riversrestaurant.net) chose the Digital Dining solution, including the Handheld Symbol MC50 with connecting credit card swipes. Cal DeMercurio, Rivers' managing partner and executive chef, says the restaurant has used the technology since its opening in May 2008. "With more than 30 years in the business and many restaurants under my belt, the efficiency and capabilities [of] this new technology far surpass old school methods," says DeMercurio, who also notes that it will pay for itself in the very near future due to both labor reduction (servers can handle larger work sections and more guests) and overall performance in guest satisfaction (i.e. accuracy of food ordering simplification and expedition of food delivery).

Contactless payment

For the same reasons that wireless payment solutions are popular in the family and fast casual segments (efficiency and convenience), contactless payment solutions are also gaining popularity in theme parks, coffee shops, quick-service restaurants, and other environments where large numbers of guests are served on a daily basis.

VeriFone Holdings (www.verifone.com) introduced a contactless version of its popular PINpad 1000SE in November at CARTES & IDentification 2008 (the world's most prominent trade show for smartcard equipment and technologies). The technology is based on a SingleCI (Single Contactless Interface) unified programming interface with development tools that allow clients to leverage existing and future contactless investments. The contactless PINpad 1000SE combines two payment peripherals into one space-saving device: PIN entry and contactless payment. The device also supports non-payment applications, such as MiFare, and will be commercially available in the first half of 2009.

This follows the August 2008 launch of First Data's (www.firstdata.com) Go-Tag Solution, a contactless form factor that links to particular payment types such as gift or credit cards. The form factor is tapped at a contactless reader for payment and the amount is deducted from a

prepaid account. It is available in various forms, including employee badges, wristbands, and pins or stickers that can be attached to personal items such as mobile phones, eliminating the need to carry cash or credit cards.

Sodexo (www.sodexousa.com), a food and facilities management services provider, piloted the GO-Tag technology in First Data's Denver, CO and Hagerstown, MD cafeterias, where more than 1,000 First Data employees participated in the trial on an opt-in basis. First Data and Sodexo found that frequency of visits and the average purchase amount increased, resulting in an overall net positive effect for Sodexo. In comparison to pre-pilot average expenditures per employee, the pilot average was 10.2 percent higher.

"Our new SoGo Cash Card program is off to a promising start," says Bill Mitchell, senior director of brand management for Sodexo Corporate Services. "Feedback from pilot locations indicates that users are finding the program very relevant, benefiting from the added convenience and ease-of-use it provides for their on-site spending needs, and using the program for all facets of our multi-purpose card strategy: personal spending, reward and recognition, employee-to-employee gifting, and special use," he explains.

Given the success of the First Data pilot, Sodexo plans to roll pilots out to other locations outside of First Data in the coming months.

[MEDIA KIT](#) | [EDITORIAL CALENDAR](#) | [PRIVACY STATEMENT](#) | [TERMS & CONDITIONS](#) | [CONTACT US](#)
All materials on this site Copyright 2009 Edgell Communications. All rights reserved.