

IDC MarketScape: Worldwide Point-Of-Sale Software in the Full-Service Restaurant Sector 2024-2025

Vendor Assessment

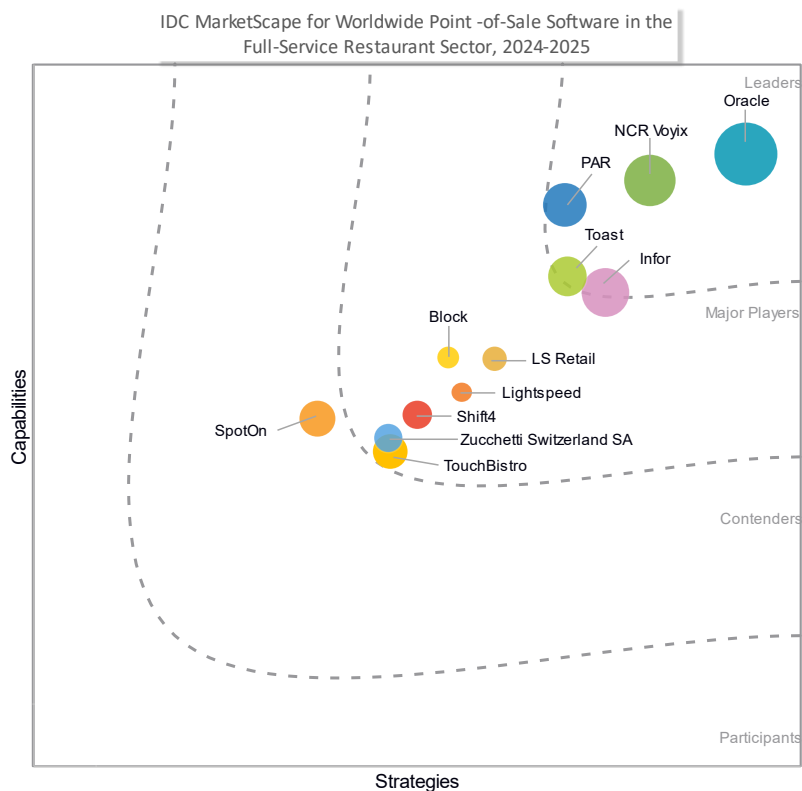
Dorothy Creamer

THIS EXCERPT FEATURES ORACLE AS A LEADER

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Point-of-Sale Software in the Full-Service Restaurant Sector Vendor Assessment



Source: IDC, 2024

See the Appendix for detailed methodology, market definition, and scoring criteria.

ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Point-Of-Sale Software in the Full-Service Restaurant Sector 2024-2025 Vendor Assessment (Doc # US50608323).

IDC OPINION

Full-service restaurants, also referred to as table service restaurants (TSRs), are in a unique position with the increase of digital dining. While their QSR and fast casual counterparts might arguably be shifting more to removing human interaction, TSRs by nature will always include a human server who must have the intelligence and capabilities of technology solutions to keep up with diners' expectations — regardless of whether the restaurant is a fine dining or a casual family-style establishment.

Point-of-sale (POS) software addresses this blend of digital and physical in restaurants by providing the best link between diners and the business. The space between ordering and payment is rife with opportunities that restaurants must leverage to drive profit, which a robust point-of-sale solution can best address.

Enterprise full-service restaurants continue to prioritize omni-channel ordering and payment capabilities on premises at the tableside in addition to in-app, online, and via third parties. Many brands recognize that they will require more robust POS platforms to enable all the digital capabilities they need and better manage the enterprise with insights from inventory and customer data systems.

As operators seek point-of-sale software that is part of an enterprise platform, the demand for automation and intelligence is increasing. Because of the need for enterprise visibility and ongoing labor challenges, restaurants' only path to profitability will be to leverage intelligent systems to help them become proactive instead of reactive. This includes removing the cognitive load from restaurant operations, which can hamstring managers, with considerations such as effortlessly changing daypart pricing to support happy hours while recognizing when guests are ordering at the bar versus at the table. POS software, with its prime position at the nexus of ordering and payment, offers significant opportunities for restaurants that realize it can do more than just ring up a check.

IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

To be part of this study, IDC Retail Insights stipulated that a vendor meet the following criteria:

- The vendor must have an established reputation, offering POS software solutions that full-service restaurants have deployed.
- The vendor must have an annual revenue of more than \$25 million.
- The vendor should offer an enterprise-ready, global POS software solution with advanced omni-channel point-of-sale functions and capabilities. The enterprise-ready solution for full-service restaurants should offer platform-like capabilities with out-of-the-box features (including online and tableside ordering, mobile options, KDS, and delivery options/integrations).
- The vendor must demonstrate the ability to scale POS solutions globally with both deployment and support and have restaurant clients in more than one country in the following regions: North America; South America; Asia/Pacific; Europe; and the Middle East and Africa (MEA).
- The vendor must demonstrate significant POS software results in the full-service restaurant (table service) sector.
- The vendor must demonstrate the ability to support multi-unit full-service restaurants.

This evaluation is part of a series of POS Software vendor evaluations that include POS Software for QSR and Fast Casual Restaurants and Hotel POS Software.

ADVICE FOR TECHNOLOGY BUYERS

The IDC MarketScape research process includes vendor briefings and comprehensive RFI responses; customer reference calls; and ongoing research. Based on this data, IDC offers these insights and recommendations for full-service (table service) restaurant operators:

- **Leading with data:** Data visibility remains a key concern and stumbling block for full-service operators. Managers often overlook reporting and analytics when reports are difficult to access. Restaurant operators should evaluate and prioritize the ease of acquiring and customizing reports. Operators should evaluate POS partners based on the availability and access to complete enterprise data and the availability of open partnerships with data and analytics systems to leverage POS data.
- **Ease of use:** The ability to quickly train staff is often undervalued. With high turnover and reduced staffing levels a persistent concern in hospitality

environments, operators should evaluate potential POS partners on UX and intuitive interfaces to reduce training time.

- **Real benefits of artificial intelligence:** Although AI is still in its infancy in many POS solutions, full-service restaurants will benefit greatly as this space matures. Operators should evaluate POS providers against their current capabilities and their ability to deliver on road map promises. As AI matures, POS providers must be able to leverage the advanced capabilities that intelligent systems unlock.
- **Security first:** As more restaurants demand increased access to data and mobility, security should remain part of the conversation. Operators must make sure that POS providers have a comprehensive security strategy and take all appropriate measures to ensure security and compliance across global and regional locations.
- **Flexibility is a must:** POS software is not a one-size-fits-all solution, and restaurant brands increasingly seek composable platforms that can mix and match features and sophistication levels.
- **POS evolving with payments:** Modern POS solutions must be able to accept various payment types or have a road map to enable acceptance of new payment options.

VENDOR SUMMARY PROFILES

This section briefly explains the key observations IDC used to position vendors in the IDC MarketScape. While IDC evaluated every vendor against each of the criteria outlined in the Appendix, the description here summarizes each vendor's strengths and opportunities.

Oracle

Oracle is positioned in the Leaders category for this 2024 IDC MarketScape for the worldwide point-of-sale software in the full-service restaurant sector.

Oracle offers the same core features and functionalities in its Symphony POS for full-service restaurants as it does for QSR/fast casual and hotel environments. However, the vendor recognizes both the nuances of physical table service and online to drive off-premises business. Oracle reports that it has 295,000 POS clients accounting for 8.9 billion transactions annually. Out of the total restaurant business, although the global enterprise full-service segment represents a smaller slice of the pie than QSR/fast casual from a global TAM perspective, Oracle maintains a large cohort of worldwide enterprise casual and fine dining table service brands.

Oracle continues to adapt Symphony to address the pressing issues full-service restaurants face to drive business and efficiencies. The Symphony POS product's key elements include enhancing loyalty member acquisition at the point of service (e.g., tableside) to drive customer lifetime value and increase repeat visits and enabling industry-specific back-office tooling from Oracle for inventory and workforce management. Symphony can also simplify payment processing and data visibility across systems. Oracle's hardware and mobile form factor solutions address full-service restaurants' need for consumer-grade mobility products to enhance guest and staff experiences.

Oracle has a well-established global presence, and its Symphony commerce platform can adapt to the needs of enterprise full-service clients seeking worldwide expansion. The all-in-one cloud platform is live in 180 countries and 155 fiscal countries, covering 90% of languages globally. To address restaurant client demands for an open platform, a connected enterprise, consumer-grade staff experiences, and consolidated operations, Oracle has launched Transaction Services Gen 2; Business Intelligence API; Content and Configuration API; Oracle Payments; Frontline Manager; Channel Management; Mobile Order and Guest Pay, JavaScript Extensibility, and People Manager.

Oracle continues to enhance its POS capabilities to address full-service restaurants' increased off-premises business and online sales, especially since the COVID-19 pandemic. Oracle Channel Reporting provides restaurateurs with the insights necessary to effectively understand and manage multichannel operations and make better decisions about channel investments. Future investments include core products with embedded Oracle OCI AI services to improve pricing decisions, order timing/throttling, and related kitchen management functions.

Strengths

- Oracle Symphony offers advanced software features and capabilities with a robust and modern technology architecture that enables easy installment and server onboarding. Oracle has a deep commitment to innovation and its restaurant customers. The vendor has a long history of serving restaurants since the Micros acquisition, and the lessons it has learned have shaped Symphony as a future-ready platform built specifically for the needs of the restaurant industry.
- A benefit of being part of the Oracle family is its deep global reach. Because Symphony is live in 180 countries, it is an excellent choice for enterprise full-service restaurants seeking a solution with a wide global footprint and local support and expertise.
- As full-service restaurants continue to mature as digital businesses, Oracle Symphony's MACH architecture is well-positioned to bridge the gap between full-

service online and physical personas to help drive revenue and efficient workflows.

- Oracle has an unrivaled security posture. With the heft of the broader Oracle ecosystem, Symphony benefits from the same robust security protocols and rigorous testing, offering great value and comfort to restaurant operators.

Challenges

- An influx of nimble, cloud-based POS providers has entered the restaurant space, focusing on specific segments and/or geographies, with some offering lower price points that can be attractive to lower-tier restaurants. Oracle may not be able to offer flexible pricing for small and midrange businesses and will need to continue educating potential clients about implementation costs, explaining that because Symphony is highly configurable and built for enterprise operators, it requires an upfront investment that simpler, out-of-the-box solutions do not.
- As Oracle has a wide range of restaurant clients of various sizes in various segments, IT support must be more customizable. The vendor can consider basing support services on specific organizations' size and maturity to ensure streamlined call times and that technicians have the appropriate skills.

Consider Oracle When

Full-service restaurants should consider Oracle's Symphony POS if they want to simplify their technology stacks and enjoy the features and flexibility of headless commerce with reliable security.

APPENDIX

Reading an IDC MarketScape Graph

For this analysis, IDC divided potential key success measures into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well the vendor aligns with customer needs. In this category, IDC analysts evaluate the vendor and its product's current capabilities and how well the vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. This category focuses on high-level decisions and underlying assumptions about offerings; customer

segments; and vendors' business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents each vendor's market share within the specific market segment under assessment.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgments about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores and, ultimately, vendor positions on the IDC MarketScape on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences to provide an accurate, consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

This IDC MarketScape evaluates the capabilities and strategies of significant POS software providers in the hospitality industry's full-service (table service) restaurant segment. The research evaluates vendor offerings, focusing on the omni-channel solutions each vendor provides directly or through partnerships.

IDC's industry taxonomy recognizes five sectors in the hospitality, dining, and travel vertical: travel, lodging and event management, food and beverage, recreation, and entertainment. The food and beverages sector has six recognized subsectors: TSRs, QSRs, catering services, cafés, food courts, and pubs.

Table service restaurants, also classified as full-service restaurants, are establishments that serve food and drinks. They vary greatly in appearance and offerings that include a wide variety of cuisines and service models. Table service involves servers serving food to guests at their table. Chili's and Applebee's belong to this subsector.

Related Research

- *IDC TechBrief: AI for Smart Signage in Hospitality and Travel* (IDC #US49228723, September 2024)
- *The Efficiency Era: Stadiums Showcase AWS Just Walk Out Tech Going Beyond Retail and Delivering Business Goals* (IDC #US52554424, September 2024)
- *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2024: Experiential Hospitality, Dining, and Travel* (IDC #US52102324, August 2024)
- *How Are Hospitality and Travel Brands Investing in GenAI?* (IDC #US52467024, July 2024)
- *IDC PlanScape: Hyper-Personalized Loyalty in Hospitality and Travel* (IDC #US47249121, June 2024)
- *Generative AI Use Case Taxonomy, 2024: The Hospitality, Travel, and Dining Industry* (IDC #US52323724, June 2024)
- *IDC PeerScape: Practices to Improve Workforce Experience with Unified Platform Strategies in Hospitality and Travel* (IDC #US52077024, May 2024)
- *AI Everywhere, All at Once: Three Lessons for Hospitality and Travel from NRF 2024* (IDC #US51945124, March 2024)
- *Future of Foodservice: NRF 2024 Tech Trends Pave the Way for Specialized Speed of Service* (IDC #US51883824, March 2024)
- *IDC Survey: Hospitality and Dining Digital Strategies, Trends, and Investments* (IDC #US50799024, March 2024)

Synopsis

This IDC study examines the key strategies and capabilities that POS software vendors offer in solutions for the full-service restaurant segment. The research evaluates and examines the strength of vendors as omni-channel platform providers with offerings to deliver reporting, customer engagement, delivery flexibility, and scalability.

This research uses a comprehensive set of criteria to evaluate POS software vendors offering solutions to hotels. With increased demands from guests and increased market competition from nimble competitors, full-service restaurants must evaluate POS partners based on the capabilities they can quickly roll out and iterate to sustain and grow business in the years ahead as digital demands and market pressures grow.

“Table service restaurants have unique needs, as the service model must seamlessly blend human and digital interactions,” says Dorothy Creamer, senior research manager, Hospitality and Travel Digital Strategies, IDC. “In full-service restaurants, the point-of-sale must be able to effortlessly transition from server-led interaction to kitchen display systems to guest-facing ordering and payment options. POS software increasingly must check all the boxes on features and functionalities that have always been necessary while evolving to offer greater omni-channel capabilities and have embedded intelligence to drive profitability — this is keenly felt as full-service restaurants increasingly must drive revenue from both on-site and off-premises.”

ABOUT IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

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