

Clover Dining Battle Card: Toast



Toast is a cloud-based POS company focused exclusively on restaurants. Founded in 2012, this startup has grown rapidly through significant VC funding and aggressive marketing. Toast offers proprietary hardware and software and includes payment process as part of their POS package. Toast's systems operates on Android. The backend can be managed on any device (mobile, desktop, etc.) in real-time. Hardware offering includes a receipt printer, cash drawer, kitchen display screen, and EMV/Magstripe card reader. Recently, Toast launched a campaign on their website showcasing direct comparisons to other POS companies, including Clover. These comparisons, which include testimonials from former Clover users who have switched to Toast, are not completely accurate and short-sell many of Clover's capabilities and benefits. Toast is more costly than Clover, with systems designed to service more complex restaurants. Thus, they are over built for a large segment of the market providing an opportunity for Clover, which is simple and intuitive enough for the first time restaurant and can also scale as the restaurant grows.

Toast Strengths

- Solely focused on the restaurant vertical; services all segments. Single location to enterprise.
- Ability to re-open checks (e.g.; if customer requests to edit check, it can easily be done)
- Online ordering and delivery integration w/ Grubhub (and DoorDash shortly)
- Tax-inclusive options
- Native employee scheduling
- Integration with major third-parties (e.g., Grubhub, Paytronix, OLO) for \$25/month/location
- Advanced Reporting
 - Restaurant-specific reports (item-/customer-/employee-level reports)
 - Ingredient-level inventory costing
 - Reason codes for comps and voids
- Positioned well for merchants with complex needs:
 - Extensive coursing functions
 - Auto-Gratuuity (i.e., automatically add gratuity to parties above a certain size.
 - Native kitchen display support and restaurant-grade hardware
 - Advanced menu management (sub-categories, sub modifiers, and switch between menus
 - Ability to alert servers when order is up
 - Combo meal support (applying discounts automatically); Supports multiple menus

Toast Weaknesses

- Expensive (processing, SaaS fees, and setup fees); \$25/month/location integration fee
- Installation fees, even for self-install
- Order taking is cumbersome; handheld requires more taps than Dining, and no receipt printer so entire transaction is not tableside for guests wanting a paper receipt.
- Only basic access controls (limited controls for employee tasks, no fingerprint/photo login)
- Offline-mode does not support full feature set (no fingerprint/photo login)
- Does not accept Apple Pay®
- No app marketplace – only select integrations
- Startup with a limited footprint; significant dollars invested in making themselves look “big”
- Lacks Multi-language support (however, supports “Alternative Name” for inventory items)
- Average/sub-par hardware
 - Lacks support for PIN debit
 - Handheld does not support printing or NFC payments
 - Lack of barcode scanner (for easier inventory management, and selling retail products)
 - Does not support LTE on handhelds (only Wi-Fi) lack of redundant connectivity.