

Juke Slot Solves Minimum Wage Increase Effect on Restaurant Industry

Restaurant Owners Bet on Technology After Minimum Wage Increase

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Birmingham, AL (Globe Newswire)

Millions of American restaurant workers earning the minimum wage will receive pay raises in 2017 – not necessarily because of their on-the-job performance.

Several states and municipalities across the country have passed legislation that will force owners and operators to hike hourly wages from the nationally required \$7.25 so that those positions keep pace with the cost of living and become more fiscally viable as career options. Juke Slot a tech company based in Birmingham, Alabama has a valuable solution.

New York, for instance, is incrementally boosting pay, eventually going to \$15 an hour in the next few years. Washington, D.C., and California will reach that mark in 2020 and 2023, respectively.

A [new report](#) from the National Employment Law Project, a worker-advocacy organization, estimates that nearly 17 million Americans have gotten raises under the various minimum-wage increases. Collectively, those workers have seen their annual pay rise by close to \$60 billion.

The mandates put many entrepreneurs – mostly smaller, independent operators – at a fork in their operational futures: chew into already thin profit margins to cover the higher salaries or find ways to trim staff to account for the added cost without damaging the customer experience.

“Unfortunately, we can’t sit idle,” said Tony Russo, who owns Bella Napoli, which offers Italian cuisine and pizza at two locations in New York City. “While increasing sales can offset the minimum wage increase, sales fluctuate. The minimum wage is a fixed cost that will only go up over time.”

It’s not only smaller, independently-owned eateries that will feel the financial pinch. Major chains are in the minimum wage crosshairs as well. What many of those

restaurants small and large that employ some of the lowest earners are doing collectively is turning to technology for help.

Already using automated systems at the point of sale and to run equipment in the kitchen, some restaurants will rely more heavily on technology to boost efficiency and, in some cases, fill positions once filled by workers those restaurants no longer can afford.

McDonald's soon will unveil touchscreen self-service kiosks at its restaurants nationwide. The company, reports the website [Business Insider](#), will use employees who once managed cash registers to monitor a customer's choices at an iPad-style kiosk.

Panera Bread and Wendy's also are bringing kiosks into the fold. Wendy's officials said recently that the technology could save significantly on labor costs.

Technology firms like Juke Slot, which is supplying solutions to restaurants including Bella Napoli, forecast a broad negative impact for eateries that don't develop a strategy now on how to cope with rising labor expenses. The company predicts restaurants will end up raising menu prices, trimming staffs and, ultimately, threatening to damage the customer experience.

www.jukeslotsselfservice.com

Industry experts anticipate that a large number of restaurants will turn to automation as a solution.

"Restaurants will be left with no choice in order to provide adequate customer service," said Grace Vasa, chief executive officer of Juke Slot. "Increasing the cost per employee puts restaurant owners in a position to make tough decisions."

The solution at a glance

Kiosks act like virtual servers, functioning in similar fashion.

The Juke Slot unit, for instance, is a tabletop kiosk that looks more like a handheld gaming system than a multifaceted kiosk. Measuring a mere 9 inches by 7 inches, the device weighs less than 2 pounds. It features a 7-inch high-resolution touchscreen display and comes in a multitude of colors.

Its Android-based software is customizable, meaning restaurateurs can tailor the interface to their needs. For example, a restaurant not only can display its full menu on the screen, but also can allow customers to modify meals to their liking.

The device's versatility positions it as a key solution in how business is conducted effectively and efficiently in a host of applications.

At high-traffic times, kiosks can be used to allow customers to order and pay on demand, creating shorter line waits.

At other fast casual eateries, the units allow diners sitting at tables to place their orders through the device, which connects wirelessly to the restaurant's main point-of-sale system and kitchen displays, sending their request directly to the cooks. That enables employees to spend more time assisting customers and less time running orders.

Roly Poly currently use Juke Slot's tabletop kiosks at its Hoover, Ala., location and plans to add more stations in the coming months. Because customers can use the machine to place and pay for their orders, the solution has enabled the restaurant to move one of its seven workers from the front counter to the kitchen, where additional help was needed and the production process has sped up.

Though Alabama has no immediate plans to increase the minimum wage, owner Matt Macke said the kiosks serve as a potential buoy against potential future increases.

"When you're talking about putting the minimum wage to \$15 ... a 300 percent increase is completely unfathomable," Macke said. "I understand it in bigger cities. But the cost of living isn't that high here, so there is no need for it."

"You have to look at cutting costs where you can," Russo said. "This is the most logical way to do it."

Customers taking charge of the ordering process through kiosks, restaurant owners say, also minimizes errors, as diners clearly see what they're requesting. The device is built to function as a portable point-of-sale system, allowing customers to use the machine from the start of their visit to the finish. Customers can make secure electronic payments – by swiping their card, keying in their card's numbers and even scanning their smart phone – and receive a printed receipt.

The devices also become a necessary revenue generator. Businesses can use the display to promote specials or new products to help drive additional sales. Macke eventually plans to incorporate coupons customers can receive electronically to keep them coming back.

Owners like Macke see kiosks, even though many are coming online in the face of a financial challenge, as the wave of the future for the restaurant industry.

“Fast food, dine-in and carry out – any restaurant – within the next five years will look at switching to this,” he said. “Labor is expensive, and this is the easiest way to control those costs.”