

NCR's Foremost acquisition reinforces importance of digital payment solutions in hospitality industry

Article

The news: Acquirer and payment technology firm **NCR** bought Minnesota-based restaurant point-of-sale (POS) company **Foremost Business Systems** in an undisclosed deal, per a press release.

What they do: NCR provides a wide array of hardware and software payment solutions, including self-service kiosks, POS terminals, and payment processing services, and Foremost offers solutions like POS hardware and fraud protection. NCR will integrate Foremost's solutions into its business to expand its restaurant POS offerings and broaden its presence in the hospitality industry.

Why it's worth watching: Restaurant owners are seeking out digital solutions to keep customers tied in.

The coronavirus pandemic torpedoed in-person dining and **ravaged** restaurant sales. But the COVID-19 vaccine and the **emergence** of digital restaurant solutions like contactless ordering and payments have helped restaurant owners bring customers back in and recover losses from earlier in the pandemic. In the week ending June 21, 2021, **the number of seated US diners grew 3% compared with 2019**—though that figure has since dipped slightly because of the delta variant, **per** OpenTable.

Going forward, digital restaurant solutions like those offered by NCR and Foremost will be key to driving future success: A PYMNTS and Paytronix **survey** found that **digital wallet acceptance (33.9%), in-store contactless card acceptance (33.7%), and self-service kiosks at restaurants (28%)** were among the top features restaurant managers believe will drive long-term success.

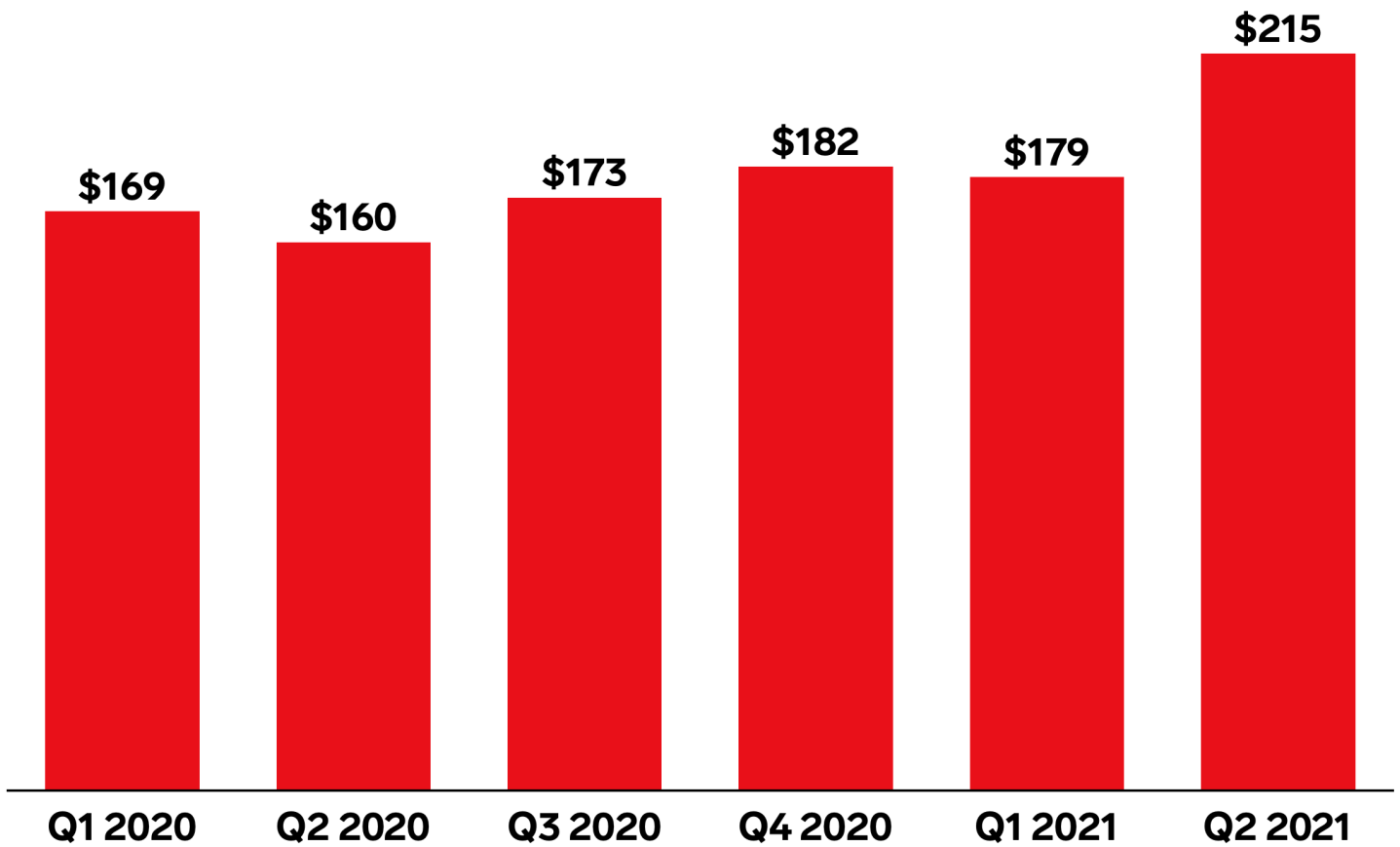
The big takeaway: Bundling Foremost's solutions with NCR's existing restaurant offerings, like its Aloha POS terminals, can help NCR attract more restaurant partners and **boost its hospitality revenues, which jumped 34% year over year (YoY) in Q2.**

The bigger picture: NCR recently snagged two other companies to help build its three core business lines—banking, retail, and hospitality.

Earlier this month, the company acquired **Libertyx**—which lets customers buy digital currencies through a network of ATMs, retailers, and kiosks—to enable cryptocurrency payment solutions for its partners, giving it a foothold in the **emerging space**. And NCR **bought** nonbank ATM operator **Cardtronics** in January to build out its ATM as a service offering and grow its banking revenues. Combined, these acquisitions can help broaden NCR's reach and make it a one-stop-shop for all payment solutions, regardless of the industry.

NCR Hospitality Revenues

millions



Source: NCR, 2021

Methodology: This data is from NCR's quarterly earnings releases.

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