



What Is Your POS Really Costing You?

A side-by-side look at POS fees and smarter alternatives for restaurants

Locked-In POS? Here's What You're Overpaying

2.49%+

Toast's processing rate — and they just raised it again in March 2026

\$0

your ability to negotiate rates when you're locked to one processor

\$3K+

proprietary hardware that can't be reused if you switch systems

0.30%

difference between locked and negotiated rates — that's \$1,400+/yr at \$40K/mo

TOAST AT \$40K/MONTH CARD VOLUME

~\$15,900/yr

processing + software — with no leverage to negotiate

vs

PROCESSOR-AGNOSTIC POS + NEGOTIATED RATES

~\$12,800/yr

interchange-plus pricing + flexible software — you control the cost

At \$40K/month in card sales, switching to a negotiable processor can save \$250+/month — over \$3,000/year.

Compare Your Options

The biggest cost isn't software — it's payment processing. Systems that let you choose your own processor put you in control.

POS SYSTEM	SOFTWARE / MO.	PROCESSING RATE	CHOOSE PROCESSOR?	RESTAURANT + RETAIL?	EST. ANNUAL COST*
Toast	\$0 – \$90	2.49% + \$0.15	No	No	\$14,900 – \$15,900
Square	\$0 – \$60	2.6% + \$0.10	No	Limited	\$13,200 – \$14,000
SpotOn	\$0 – \$135	~2.4% + \$0.10	No	No	\$13,100 – \$14,700
Clover (via independent ISO)	\$0 – \$60	Negotiable	Yes	Limited	\$11,400 – \$12,700
KORONA POS + own processor	\$59 – \$89	Negotiable	Yes	Yes	\$11,500 – \$12,800

* Estimated annual cost based on \$40K/month in card sales, ~1,600 transactions. Negotiable rates assume interchange-plus pricing at ~2.05% effective rate. Actual costs vary by volume and processor.

Pizza Shop + Grocery Under One Roof?

What the restaurant side needs

- Menu modifiers (toppings, sizes, crust)
- Kitchen ticket printing / KDS
- Order types (dine-in, pickup, delivery)
- Tip management

What the grocery side needs

- Barcode scanning for packaged goods
- Weight-based pricing (deli, produce)
- SKU-level inventory tracking
- Case/unit quantity management

Why most POS systems fail here

Restaurant POS systems (Toast, SpotOn) don't handle barcodes, scales, or retail inventory. Retail POS systems don't handle kitchen tickets or modifiers. You need a system built for both — not two separate systems duct-taped together.

3 Moves to Cut Processing Costs

1

Switch to interchange-plus

Stop paying flat rates like 2.49%. Pay the actual wholesale card fee + a small markup. Typical savings: 0.3–0.5% per swipe.

2

Consider dual pricing

Post a cash price and a card price. Card-paying customers cover the fee. Your effective processing cost drops to near \$0.

3

Get competing quotes

Pull your last 3 months of statements and request quotes from 3–5 processors. Use combined volume from both locations for leverage.

What Switching Gets You

- ✓ Lower processing rates you control
- ✓ One system for pizza + grocery
- ✓ Freedom to switch processors
- ✓ Dual pricing option to cut fees to ~\$0
- ✓ No proprietary hardware lock-in
- ✓ Month-to-month, cancel anytime
- ✓ Unified reporting across both sides
- ✓ \$3,000+ in potential annual savings

Want help evaluating options?

I can help you pull your current statements, compare true costs, and find the right fit for both locations.

Tyler Cohoon

(248) 245-1383

cohoonconsulting.com



Sources: Published platform pricing, Toast.com, KoronaPOS.com, SpotOn.com, Square.com, Forbes Advisor, and Capterra (April 2026). Estimates based on \$40K/month card volume at ~1,600 transactions.