THE ABC'S OF POS FOR RETAIL BUSINESS OWNERS

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In the dynamic SMB retail world, it can be frustrating to figure out what Point of Sale system is going to be best for your business. There are so many options and even the basics can sound more like acronym bingo than a checklist of features and benefits that you can find your way through. It is, however, a critical decision. Your POS is key to streamlining your operations, supporting a strong customer experience, and supporting your sales. It can also be a major component to your inventory management and customer throughput. Never fear. I'm here to walk you through the ABC's of a POS system so that you can peruse your options and make a decision you feel confident about.

All the POS Basics

At its core, a POS system is a combination of hardware and software designed to facilitate business transactions at the point of sale—like, where the customer is standing. It goes beyond the capabilities of traditional cash registers by integrating sales, inventory management, and customer relationship management (CRM) into one (hopefully!) seamless operation.

1 Efficiency

Automates sales processes, reducing checkout times and improving the customer experience.

2 Accuracy

Minimizes human errors in pricing, transactions, and inventory management.

3 Insights

Provides valuable data analytics on sales trends, inventory levels, and customer preferences, enabling informed business decisions.

4 Inventory Management

Keeps real-time track of stock levels, automates reorder points, and helps manage supply chains more effectively.

5 Customer Management

Helps build customer profiles, track purchase history, and tailor marketing efforts to enhance loyalty and repeat business.

An important filter to look through when deciding what POS system is right for you is your growth plan. The problem is that most POS platforms are built to support a small number of stores (1-5) or a large footprint (1,000 – 10,000). Because most don't support the *path* to growth, ensure that the choice you select now doesn't box you into an expensive corner later. Here are some considerations.

Transparent

You are going to want a solution that supports Mobility, but also real-time inventory across all locations—and with no delay. With this model, you will be able to support any customer associate to the power of your entire chain to fulfill expectations in real time. You will also ensure that you can 'carry it anywhere' and have access to real-time data, by store or channel, permanent or pop up location.

Iterative

The retail industry is never done...is it continually innovating and iterating to support evolving customer needs, business models, and other platforms-and so should your POS solution. Your new POS needs to be up to par with modern features/benefits, but also in active, evergreen development mode. Many retailers invest in what seems to be tried and true today, but it can't migrate. Don't make this mistake-your software should be growing at least at the pace you are.

Omnichannel

Your POS/OMS system must be able to integrate easily with other critical systems like ecomm, ERP, loyalty, and WMS (warehouse management system), if it applies. It must be able to handle customers and order fulfillment across multiple channels with one system of record.

Modular + Scalable

2020 taught us the hard way that you must expect the unexpected...and your POS needs to scale up and down in features and functions without a hitch when you need to pivot. So don't get locked in.

Stable & Redundant

Networks, software platforms, and the internet can fail without warning at any time. Ensure that your new solution keeps the registers up regardless. This happens when you have a solid contingency built into your software and your store network environment. Redundancy and data backup are key.





Barriers of a POS System

Any new technology brings with it some barriers. I implore you to flip the perspectivethey are necessary investments to get the most out of your business!

The big barriers to changing POS solutions

Training

- Upfront costs
- Time and complexity for data migration

The Most important facts to consider

- Omnichannel capabilities
- What and how it can support your customer experience
- Inventory and order management
- Real time business intelligence at your associates fingertips as well as your own

Choosing the Right POS Solution

When selecting a POS system for your retail store, you will want to assess your specific needs based on your business size, industry, and operational complexity. If you have multiple locations, you will also want to ensure that everything is standardized for ease of management. Every retail business has its unique needs however. So, here are more things to think about to refine your requirements.



Business Needs

What key features do you need your POS to accomplish? Do you need a simple system for processing transactions or a comprehensive one with inventory management and customer insights?



Ease of Use

Look for a userfriendly interface that minimizes training time and maximizes productivity. Your staff should be able to learn the system very quickly and use it efficiently, and with confidence



Integration Capabilities

Ensure the POS system can integrate with other software tools that you already use such as accounting software, ecommerce platforms, and loyalty program solutions.



Hardware Requirements

What hardware do you need to keep you POS running smoothly? This can include tablets, desktop computers, barcode scanners, receipt printers, and cash drawers.



Cost



Support and



Internal Adoption



The Outcome?

The cost structure, including upfront hardware costs, software subscription fees, system migration, process review, training and any additional charges for updates, support, or additional features. Training Vol

Choose a vendor that offers reliable customer support and training resources to help you maximize the benefits of your POS system, both On the initial on the initial installation and training but also with on-going support. You are going to want an easy and modern interface and workflow and the reason is simple-the easier your POS is to train people on and use, the quicker your associates will adopt it

Happy
 employees

- Lower cost of training
- Better
 experience and
 throughput for your
 shoppers
- All customer
 and product info
 available in real
 time



Data-based Upsides

Successfully implementing a POS system involves careful planning and training. Start by setting clear business objectives, such as improving checkout speed or gaining better inventory control. Remember, business processes and goals drive the technology solution...not the other way around. Then, train your staff thoroughly on how to use the system, emphasizing the benefits it brings to their daily tasks and overall business efficiency.

Do not underscore the critical importance of the data capabilities of your new POS system. Spend the time digging into this and ensure that you see what your solution can do via a demo with real data and make 100% sure that what you're seeing is in real-time. Also, lean in on the following:

Reporting

You will need access to all your data, options for visualization of it and integration capabilities to more advanced business intelligence platforms, if desired. Also, the data needs to be comprehensive and detailed enough that, through analysis, it can quickly produce strategic, actionable business intelligence. Many of the options out there have limited capabilities, with canned reports that are either not useful or not supported. So, ensure you know what you are looking for and ask for it!

Security/Privacy

Ensure that all credit card transactions are protected, but your customer data as well. Also, get the details on how it supports both local and federal privacy guidelines such as GDPR, CCPA and any other mandates that are sure to show up in the future.

Migration Security/Privacy

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What will it take to migrate your current data to the new system? Are there additional costs or complexities involved? Make sure to find out.

Empowering Your Inventory Through POS

Many cloud-based mobile POS options out there for mid-tier retail do not have strong inventory control options, but it's critical for profit.

The MOST important imperative? Make sure your new solution can easily integrate with 3rd party apps that may not be necessary now, but could be later-and you don't want to replace your POS again to manage it! Things to think about are:

Warehouse Management

Order Management

Customer Loyalty

Points/Rewards

Ecommerce

Mobile POS

 Marketing platforms such as email, SMS, chat, social media (just remember to make it bi-directional)

Ask if your system has a stock ledger so that you can go back and reproduce inventory levels at any point in time and also see which user made changes, and at what time.

Future Proof

Get a system that utilizes current user interfaces that present real time data (at your fingertips) and allows you to customize the views you want to see for your business. It must be able to integrate via APIs with all platforms, allowing it to expand its reach and achieve unification of data across all platforms. Finally, choose a company that continues to improve their software and release new features and improvements on a consistent basis. If the software company is not keeping up with the times neither, will you–so make sure you ask what's in their development roadmap!

Get Going!

THIS is the biggest mistake retailers make! They may explore, they may demo, they may even pilot, and then they don't take the leap. Make the move! The longer you wait, the more behind you get.

Here's the golden rule: if the system you choose and the reason you choose it isn't going to affect your bottom line by a significant percentage of sales, either by growing sales or saving through efficiencies, then don't buy it. Don't change! However, if you go through the process we've described in this article, a new system will certainly achieve both revenue growth and savings through efficiency and intelligence. From what we've seen, you may very well recoup your investment then fold!

All Point Retail, with decades of in the trenches experience with all genres of POS solutions, is happy to share this 'quick reference' checklist. Driven by the many mistakes and "I didn't think of that" snafus we've both witnessed and come in to clean up, use this to ensure that your next POS solution is both bulletproofed and future proofed.



Have more questions?

All Point is software and hardware agnostic, making us ideal people to share a perspective.

If you need a third-party opinion, we're happy to help. Just contact us at marketing@allpointretail.com.