HOW TO CHOOSE
THE RIGHT POS
FOR YOUR BUSINESS

RICS
software

WHAT IS A POS?

A point of sale (POS) is the system a retail business uses to process transactions. Years ago, this might have referred to a cash register, or even a good ol' fashioned pen and paper. Current state, POS systems should do so much more. A modern POS should be one part of a retail technology strategy, including inventory management and customer relationship management components.

There are countless POS options on the market with a wide variety of features. Sifting through the options and figuring out what affects your business's success can be an overwhelming process. When you don't know what to look for, it's nearly impossible to make a smart decision on the technology that houses one of your organization's most important assets: your data.

LUCKILY, WE'VE DONE SOME OF THE WORK FOR YOU.

(Thinking about changing systems is painful enough, right?) Use the following steps as a purchasing guide to determine what to look for in a POS system.

1. KNOW WHAT YOUR POS SHOULD ACCOMPLISH

The first thing you should know: there is no "right" solution for all retail organizations. Different businesses have different needs, so your technology should reflect those variations. All POS options on the market perform the task of processing transactions; if they didn't, their companies would have a pretty difficult time marketing them as point of sale systems. So, it falls to you to look beyond the transactions and delve into the POS capabilities.

A SUCCESSFUL POS NEEDS TO DO THREE THINGS:

1. **DRIVE SALES**

2. **ENCOURAGE CUSTOMER VISITS**

3. **COLLECT ACCURATE DATA FOR INVENTORY AND REPORTING NEEDS**

These three factors combine to make your job as a retailer easier. No longer does "point of sale" refer to a cash register and barcode scanner. It is the main entry point for precious sales and customer data, which you use to generate reports and make decisions that affect your business's growth. In short, your investment in your POS is an investment in the future success of your business.

2. ANALYZE THE CURRENT STATE OF YOUR BUSINESS

Consider your business's current processes. How do you manage your inventory? How do you monitor which customers could use a little push to get back into your store? How do you make buying decisions? (Hint: "I just kind of go with my gut feeling and hope for the best" is not the answer you want to be giving.) Data is the key to optimizing your business decisions. You want to be sure you're collecting it and using it to your advantage. If you're doing this already, awesome. If you're not, then you're in the right place.

CONSIDER THE FOLLOWING FACTORS:

CURRENT SYSTEMS: What's already in place? Is it mandatory for your POS to integrate with these systems?

CURRENT STAFF: Will the new POS be easy to use? How long will it take to train your employees?

CURRENT STORE: Are you only a brick and mortar store? Or are you exploring ecommerce solutions and in need of a POS system that can support online sales?

3. DEFINE YOUR RETAIL TECHNOLOGY NEEDS

There are two main ways to purchase your retail software: monthly subscription and installation. Both are pretty straightforward: with the first option, you pay a monthly usage fee, and with the second, you pay for the rights to the software up front. If you're a tech whiz and spend your weekends coding and maintaining your own homegrown software, you can probably tackle Option 2. Doesn't sound like you? Then you may be better off sticking with the monthly model.

IF YOU GO WITH THE MONTHLY SUBSCRIPTION, THERE ARE A FEW THINGS TO LOOK FOR:

SUPPORT SHOULDN'T COST EXTRA. You're paying to use the software, right? With that comes updates and assistance if something goes wrong.

IT SHOULD BE EASY TO ADD NEW STORES. One of the benefits of a monthly subscription is flexibility, so your technology grows alongside your business.

YOUR SOFTWARE PROVIDER SHOULD CONSISTENTLY UPDATE THE PRODUCT. You gain advanced capabilities, features, and bug fixes, while still paying the initial price. This way, the return on your investment stays positive.

4. SET A REASONABLE BUDGET FOR YOUR BUSINESS GOALS

What can you afford, really? You're not doing your business any favors if you're crippled by your operational costs, including technology. That said, it's important to go about the buying process the right way: don't sacrifice long-term profits for a short-term price cut.

If your data is the electronic memory of your organization, which guides future decision making, you need a healthy "brain" to securely house and organize this information. "Smarter" retail software guarantees more accurate reporting, which guarantees better decisions and higher profits. If you're running a lifestyle business with no desire to grow your sales or expand your business, you might not need the most robust system on the market, so choose one that suits your needs. If you want to increase your profits, however, that extra investment in a high quality POS system might be worth your while.

Retail technology can be an overwhelming investment without an immediate payout, so paying thousands and thousands of dollars up front may not be practical. Remember that monthly subscription plan? Try that option if you'd rather balance cash flow and manage your data with a little bit of help when you need it.

5. EMBRACE TECHNOLOGY AS A KEY PART OF YOUR BUSINESS STRATEGY

You have 24 hours in your day. How do you want to spend them? If you want to spend your time driving sales, marketing and encouraging customers to visit your store, you'll want a cloud-based solution. Cloud-based software enables you to access your data anytime, anywhere, whether you're in your store's location or sitting on your couch in the comfort of your home.

Choose a POS system that crunches the numbers for you so you can make the most educated decisions for your business.

ABOUT RICS SOFTWARE

At RICS, we empower retailers to better manage their businesses.
Our clients trust us with creating strategy, process, and technology
to improve operational performance and increase profits.

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