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POS - a clever, connected companion

Point of sale systems have evolved beyond simply processing transactions to supporting an omnichannel customer experience.

By Tess Bennett

“Retail’s omnichannel revolution has turned the traditional POS into a clever companion.”



Positioned at the heart of a store, the point of sale (POS) is now connected to vital operations as well as a key touch point between store associates and customers.

Vaughan Roswell, founder of cloud-based point-of-sale solution, Vend, says retail’s omnichannel revolution has turned the traditional POS into a clever companion.

“The point of sale is becoming the smart device that you need to have a store manager or a cashier using,” Roswell said. “Traditionally they would use the point of sale to ring up sales as the last step in the process of completing a sale. But now you have retailers starting to

move into this omnichannel space and the actual point of sale device is becoming the smart terminal that becomes this important lifeline for the staff in-store to understand what’s happening.”

In a retailer’s omnichannel arsenal a POS solution can provide a real time picture of inventory, payments, logistics options to enable functions such as click and collect and home delivery.

“It’s about enabling the retailer to complete the sale; reduce all the barriers [to purchase] and condense the time it takes to fulfil,” Roswell said.

Sales 101

POS now also plays a big role in customer relationship management as it can host customer profiles including past purchases and loyalty points.

Having this information on hand allows retailers to maximise their time with customers instore, says Roswell.

"You've seen this evolution with what has traditionally been referred to as the point of sale being the smart device that empowers the sales consultant to understand and better serve their customer," Roswell says.

Based on an understanding of who their customers are, retailers are able to offer premium one to one customer service.

"The really savvy retailers are the ones that are creating that personal relationship with their customer. They can take on the role of personal consultant," says Roswell.

For example, Australian skincare brand, Jurlique, recently deployed Vend POS as part of a new store design.

"In skincare a lot of our customer interaction is sitting down talking to the customer about their skin, their concerns and trialling product," said Ann Donohue, general manager at Jurlique Australia and New Zealand.

By removing traditional POS terminals and replacing them with mobile tablets, Jurlique aimed to remove the physical barriers between staff and customers.

The new technology required altering the protocols for customer interaction, with the advantage of being able to access to the customer's data and purchase history during a consultation.

"Being mobile on an iPad means we can now provide consultations, recommend treatments and sell products wherever our customer is most comfortable," Donohue said.

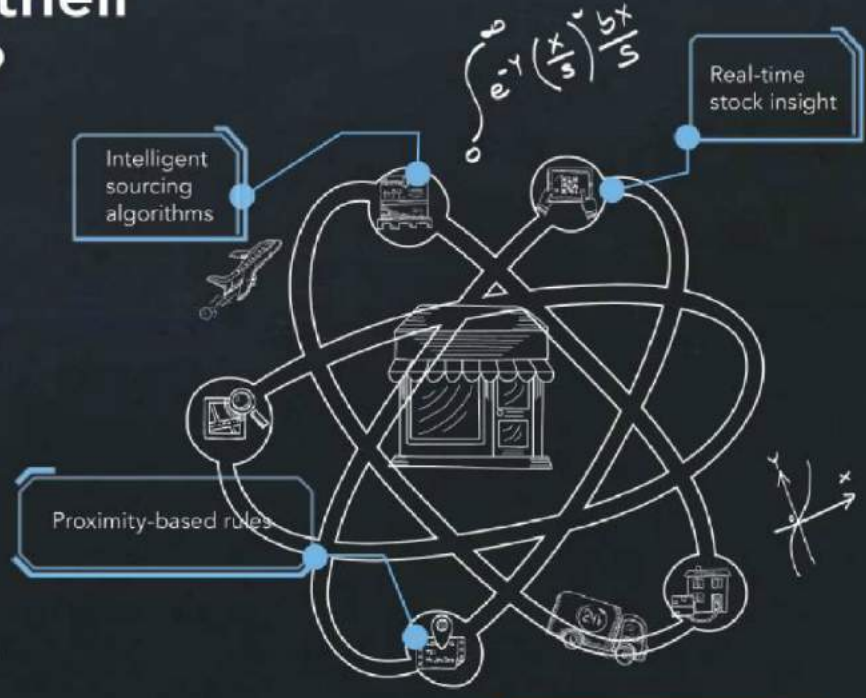
“ The challenge isn't in teaching staff to use the software, rather how it will become part of their sales spiel. ”



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It's not rocket science shopping

“New POS systems are becoming increasingly connected within the overall business system architecture.”

Mark McGreachen, CEO of AdvanceRetail Technology, said the adoption of mobile POS devices meant retailers have had to invest more in training store associates in sales basics.

“To leverage the technology they need to spend more money on training than they’ve done in the past,” McGreachen said.

The challenge isn’t in teaching staff to use the software, rather how it will become part of their sales spiel — the resurgence of sales 101 training.



“You look at a lot of retail staff out there, their modus operandi is standing behind a counter and waiting for the customers to come to them — they’re really order takers.”

“When you are mobile and on the floor and you don’t have a counter to hide behind, your job role is all about pro-actively and professionally selling to customers.”

Having to invest more in training staff to be comfortable closing a sale out on the floor should lead to better bottom-line results.

Jerry Macey, Commonwealth Bank’s national manager retail, SME clients are becoming more savvy



and embracing the new breed of POS systems as well as emerging cloud based POS solutions.

For example, CommBank’s POS device, Albert, was launched in March 2015 and more than 37,000 of the devices have been installed around Australia.

“The appeal of these solutions is that they provide merchants with a low-cost point of entry, removing the need for expensive capital investment as would be the case with traditional (Windows-based) POS vendors,” Macey said. “Cloud-based POS offerings also provide a richer experience for merchants as they are able to use the POS on various pieces of hardware.”

Many retailers that have adopted mobile POS solutions have done so as a method to reduce queues.

“This ease of adaptability provides for a mobile experience where merchants can engage with consumers and conduct the transaction away from the traditional counter,” said Macey. “This has significant benefit particularly when queue busting.”

Form factors

More often than not, empowering sales consultants with all the necessary information means they’ll be using a tablet or mobile device. However, as POS solutions continue to evolve they could become invisible.

“The winning form-factor is no form factor at all,” says Vend’s Vaughan Rowsell. “Being totally invisible so that the sales consultant can provide that experience to the customer.”

“At the moment they are using an iPad, walking around a store with a customer helping them out and they’ve got the iPad with them.”

Inditex,

parent company of Zara, is putting the point of sale into customers’ hands, announcing recently its shoppers will be able to pay for purchases made in any of the group’s stores in Spain via an app. Available in September, this new customer offering will be made available within the online apps of all eight of Inditex’s retail brands (Zara, Pull&Bear, Massimo Dutti, Bershka, Stradivarius, Oysho, Zara Home and Uterqüe), as well as via a new Inditex app, InWallet. Process involves scanning an item instore, processing the payment and emailing an electronic receipt to the customer.

Developed in house by Inditex, the service aims to significantly simplify the purchase and returns process.

Earlier this year, Capgemini, Adobe and start-up, Twyst, unveiled a connected shopping bag which understands exactly which products are inside it, eliminating the need to scan individual items at the checkout.

Inspired by an e-commerce shopping cart, the connected bag uses RFID tags on products to collect data in a physical store. Once integrated with marketing and analytics tools, the platform will have knowledge of previous purchases, wishlists, loyalty and available inventory to provide a relevant offers to the shopper in real time.

The connected bag concept is part of a broader movement to bring the personalisation and convenience of online shopping into the physical store.





Connecting stores and online

When investing in a POS solution, retailers should look beyond the traditional features of a POS, argues Matt Neale, chief technology officer at eStar. For example, functionality that enables customers to order online instore.

“New POS systems are becoming increasingly connected within the overall business system architecture, and retailers who continue to use systems that have limited or no capability for integrating to other systems are going to find themselves increasingly struggling to adapt fast enough to evolving customer purchasing journeys,” Neale says.

Connecting the e-commerce store and physical store can give bricks and mortar retailers a competitive advantage by accessing a larger inventory of products.

“Instore information for the

instore team through kiosks is an increasing trend, as this links consumers through to the digital store. Also through consumers own devices, and this is starting to take away from the traditional POS,” says Neale.

“There are also significant benefits from the identification of consumers instore through their devices as this can measure in store traffic and visitor flow, and an increased amount of information on customer journey and experience.”

Christopher Krywulak, president & CEO of IQmetrix, says more and more retailers and brands are connecting their online and offline operations into one platform to gain a unified view of their operations.

“Retailers want to have a 360-degree visibility into inventory, pricing, and customer transactions across all channels,” Krywulak says.

“Having one view of the customer also allows retailers to get a full picture of their customer’s path to purchase. The ability to quickly access this data through the POS will empower sales associates to recognise your best customers, know their preferences, and be able to personalise service to them.”

Krywulak, who is based in the US, has observed the continued adoption of a mobile POS devices in the store to shorten transaction time and deliver the 1:1 retailing experience.

“The adoption of mobile POS is also rising,” Krywulak says. “Most retailers, especially enterprise, use mPOS as an add-on a solution instead of a pure mobile POS option.”

“We also see more and more e-commerce brands using mPOS for their store-on-wheels campaigns or pop-up stores.”



Upgrading your POS

Christopher Krywulak, president & CEO of IQmetrix, outlines what retailers should consider when updating their POS.

Besides the functionalities you need to have for your particular business, and your budget, there are a few other things you should add into your criteria.

For instance, how will this new POS fit into your current ecosystem and plug into your infrastructure? If most

of your systems are running on an open platform, it will be easy to plug in a new POS solution and ensure the data can be synced up across channels. However, if you have a legacy system, getting a non-modern POS without an open API can make your life (or IT team’s life) a nightmare. It will require time and a lot of money to integrate the legacy system and new POS to make them work well together. Having a POS with open APIs will allow you to scale and add new innovative technology easier and faster, helping you respond quickly to

changing customer shopping habits.

Finally, you have to think about what type of experience or shopping flow you want to deliver. Your POS should do more than just transact payments and keep customers’ records. A modern POS has vast many capabilities to help your brand stand out from the competition. It can provide choices with endless aisle capability, enable sales staff to deliver VIP experiences with a single view of customer on a clientele app, or deliver an extremely convenient experience with mobile payment.