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## Is Your POS a POS?

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Every single article about tech could start the same way: What is the vision for your business? What are your goals? Which tools do you need to help you get there? How are your current tools holding you back?

Never make a point of sale (POS), web or martech (marketing tech) decision without being clear about how you're going to use the new tool. Swapping tech solutions is too expensive to do for the heck of it.

In the middle of the 2023 spring rush, garden centers (and other retail establishments) learned that Quickbooks was discontinuing their POS product. So right in the middle of absolute chaos, understaffed, often tech-challenged companies had to make new choices and new plans. The point of disconnection: October 3, 2023. JUST at the point when most places in our industry would have time to breathe and actually evaluate their choices. They weren't switching for the heck of it, but they might as well have been for all of the notice they got.

That happens with SaaS (software as a service) tools. They can disappear at any point. Comforting, right?

"But wait!" you might think, "Isn't a POS system hardware? I mean, I have registers!" POS systems do have hardware components, but virtually every type of tech that helps our businesses also involves software—much of it cloud-based at this point. This type of tech also connects with other pieces of software. You could have a POS that's separate from your inventory system that's separate from your email marketing system.

For true efficiency and growth, these systems must be able to connect in a way other than downloading and uploading spreadsheets. We'll get to that. Let's walk through the essential questions to ask when making a decision.

### **Avoid Getting Stuck in a Dead End**

After the Quickbooks fiasco, that's a genuine concern. You can never really know when a company is about to discontinue a service or go out of business. You also don't want to get stuck with a system that isn't flexible and can't grow with your business.

Here's the intro of the Quickbooks announcement about the POS discontinuation:

"We introduced QuickBooks Desktop Point of Sale over 20 years ago to help retailers manage their stores. We're proud to have supported you. The Point of Sale platform we build the software on is unique. It needs a lot of maintenance and it's hard to create new features.

We've made the difficult decision to discontinue QuickBooks Desktop Point of Sale 19.0 as of October 3, 2023."

Here are some questions to consider:

- When was the last update for the POS you're considering?
- How expensive is it to request customizations? Are there options for customizations? Or is it a completely closed system?
- Does the POS system have native integrations (built into the system) with other common business software, such as MailChimp or Klaviyo, with popular bookkeeping services and standard e-commerce websites? If not, can middleware (a third-party connector) be used? If not, you're looking at a LOT of expensive programming to make all of your software work together or living with inefficiencies for years and years.
- Has the POS provider invested in mobile technology and mobile solutions? That's the future. If they haven't, it's not a good sign.
- Is the POS used in a variety of industries or was it created to serve a specific niche market? General POS systems are often more stable, more technologically advanced, and the operating costs and risks are spread out among more customers. They often have much bigger support teams, making it easier to get help.
- How many people help with tech support? If there's ONE person or one or two coders/individuals who manage the system, you're in danger if something happens to them.
- Who are their other customers? How many do they have? What's the average length of the contract?
- Is there a public roadmap for future development? This would indicate an intention to continue building and evolving.

## Perks of General POS Systems

Our industry loves an industry-specific solution. I get it. There's less onboarding in that case. A less-expensive initiation. However, many industry-specific solutions have the issues listed above. One of our hort industry POS systems cannot onboard anyone new until 2026. That is not sustainable. Larger systems also have the benefit of data visibility from tens of thousands or hundreds of thousands of other businesses and can pass along that knowledge to their customers.

Larger, general POS systems are also more likely to have built integrations with common SaaS tools (such as MailChimp), so you won't have to pay for customizations or API setups. If your POS integrates seamlessly with your website, your inventory system (or, like Shopify, for example, has associated apps and programs that will allow you to start using an inventory system) and your email marketing program, you'll recoup any higher investment of time and effort to get the new system configured on the back end when it counts. That's because you'll be able to make more money by leveraging email tools, mobile POS tools and real-time inventory numbers.

## Second Registers and the POS Switch Convo

The origin of this segment of the column was actually a note from Sam Kirkland of Epicor to Jen Polanz. He mentioned that it would be a good idea to talk about when someone might consider adding a second register in their store.

On the phone he said, "Typically, a business should add a second register at between \$750K and \$1M in annual sales. However, in our industry, at that amount of annual revenue, a retail store really needs four registers for 12 Saturdays and one or two the rest of the time."

I spoke with Amanda Thomsen, owner of Aster Gardens and (SHAMELESS PLUG) my podcast partner for "Open and Awkward: Shop Talk with Katie and Amanda" about the two-register situation. I have no idea what her annual revenue is, but I've been to her shop and, due to its layout, and the fact that there's an outdoor part, if it gets busy, regardless of revenue, in order to take care of her customers, I would have thought she would have needed a

second one.

Indeed, she does that. She uses Square as her POS and is super happy with it. “They’re very supportive of me and always help answer questions. I also get to beta test new features.”

During busy times, she’ll set up a second register in the back, “complete with bags, tissue paper and all the little touches at the main register.” Sometimes it gets more use than others, but it’s available if she needs it.

If you’re going to think about a second or third register, you’re going to need to think about mobile registers. If your current POS system won’t let you easily add mobile checkout, you’ll need to think about switching.

## Mobile Checkout

Amanda’s actual second and third registers are phones. “People are less weirded out about it than they used to be,” she said.

That’s because mobile checkout is almost ubiquitous. “If I’m going to pull someone out of line to check them out, I tell them what I’m doing and ask them two questions: Are you paying with a card? Do you need a printed receipt? They are thrilled to get the extra service.”

Sam spoke extensively about the benefits of mobile, beyond getting customers out the door faster, and reminded me all the box stores equip staff with mobile devices containing product info and allow access to the Internet. The devices are much cheaper now, too.

“When you can walk with a customer over to an additional location to help them find what they’re looking for or check inventory on the go or access data for recommended upsells, you’ll have bigger tickets and provide better service.”

You can’t go mobile if your POS won’t let you, though.

## How to Know When to Switch

The million dollar question, right? Circling back to the opening paragraph: When your current system is limiting your ability to reach your goals, it’s time to take a look.

The caveat to this is that you need to understand what your specific goals are. Do you want to go mobile? Increase margins? Increase average ticket value? Grow your customer base? Increase repeat visits during the season?

To increase ticket size, you might need to be mobile. To increase repeat visits, you’ll need a POS that connects with your email or SMS software so that you can send more targeted messages to your customers. To increase margins, you might need a POS with a connection to your inventory system and mobile capabilities so that you can do frequent cycle counts, and then leverage the data.

## How to Switch POS Systems

I can’t actually explain how to know when to switch and then how to switch in the same article. It’s too involved. Look for September’s column where I’ll go deeper into various POS options, the way they relate to martech (marketing tech—remember that phrase, I’ll be using it more), and implementation considerations. Sam reminded me that the biggest issue with switching systems is change management. “If the person that signs your paycheck says ‘MAKE IT WORK’, people will make it work, but that’s not the best situation for most businesses.”

### Considerations for switching

Before switching POS systems, think about these questions:

- What’s in your martech stack? Email marketing (such as Constant Contact), social media scheduling, e-

commerce website, graphic design tool (such as Canva)

- What other SaaS tools do you use to run your business? Inventory system? Current POS? Delivery route service?
- Which SaaS tools connect with others and which are isolated? What are the pain points within the group of tools?
- What are your growth goals for 2025? **GP**