green PROFIT

8/27/2015

The Future is (Almost) Here

Jennifer Polanz

Did I get your attention? Great, because there's something critical coming up in October (next month!) that retailers need to be aware of. It's one of several technology trends coming down the pike that will impact garden retailers. Read on to see just what those trends are.

EMV Technology

It's short for Europay, MasterCard and Visa, and is a new type of card that carries a chip inside and requires a new type of reader for retailers to make transactions. They're being shipped out as you read this to replace the old style of credit card. Why would you invest in the new technology? Because starting October 1, those retailers who don't make the switch may be on the hook for any fraudulent activity that happens as a result of sliding a card in your store.

According to a recent poll of small businesses by Intuit, 42% of owners have not heard about the EMV liability shift deadline (which is October 1—you're now light years ahead of 42% of small business owners). Fifty-seven percent cited the cost of a new terminal or reader as the top reason keeping them from upgrading. However, think about the cost of being responsible for fraudulent charges from a customer's credit card and any potential lawsuits that could follow. Also, American Express and Discover are on board with the new EMV chip cards, and they, too, will transfer responsibility to other parties after October 1.

Mobile Pay

The hubbub with chips in credit cards is a great segue into the next tech trend, which is mobile payments. That's paying with stuff via your smartphone. Right now the big name here is Apple Pay, which rolled out last fall. It's becoming more familiar to consumers as adoption of iPhone 6 and 6 Plus (and Apple Watch) technology grows. It's simple—the customer uploads credit card data to their phone, then waves the phone in front of a reader at the store with their thumb on the Touch ID button.

There's a laundry list of popular retailers who already accept it (Whole Foods saw mobile payments grow 400% since Apple Pay came out). However, a recent survey showed only 13% of those who could use the technology actually did use it. Apple is coming up with new programs to encourage use, though, so the day when customers expect to pay with their phone may be coming. It never hurts to contact your point-of-sale rep to see if this is something you need to worry about sooner or later.

Off-site Servers

If you're still with me, don't jump ship just yet. I know this isn't the sexiest of topics, but it could have implications for your business. According to Sam Kirkland, National Acccounts Manager for Epicor, a major point-of-sale provider, more and more data servers are being moved offsite.

"It's becoming the standard, but it comes down to what is the cost to do it," he notes. "I don't have a piece of hardware in my office that needs to be fixed. It reduces the IT staff requirements in a business."

Other upsides include not having to worry about backups, updates or equipment breaking, Sam adds. The negatives are that many times people feel more secure with having the hardware physically in the business that stores the data needed to run it.

If you do move it off-site, there's typically a monthly charge, and retailers need to weigh the yearly outlay of what it would cost in the business versus outside. "As those numbers come close, the discussion needs to be had," he adds. "Is it time to take it offline?"

Thanks for sticking with me to the end. There's still one more topic that we couldn't fit in this story and that's apps. That's another story for another month, and it will be coming very soon, so stay tuned to these pages. **GP**