

POS Technology Advancements – How does it impact LP?

Bill Warrick &
Shannon Stilwell

Disclaimer – the following information is based on awareness of various technology. The presenters may not have had direct interaction with or expert knowledge of the technology. The information is for generating ideas for the EBR Group discussion.

Many Companies are going to having some type of Kiosk available in the Stores that connects directly to their E-Commerce Website.

- **Pros**

- Product available to customer that is not physically in the store
- Sales that may have been lost to another store or if customer forgets about making the purchase later from home
- Gift Card or House Card Balance Inquiries

- **Cons**

- Immediate access for associates or fraudsters to process orders to be direct shipped to anyone & even to their home
- Less visibility to customer or providing customer service
- Merchandise Credits, Gift Card & Credit Card fraud opportunities
- Accepting Online Returns in Store – if POS/E-Commerce not connected – Multiple Returns on the same Receipt
- Opportunity to indicated that you paid for it already

Many Grocery and mass marketers are using Self-Check Outs to better service their customers by having 4 registers per cashier that the customer processes the transactions with little to no involvement of the cashier.

- **Pros:**

- Less payroll & waiting time for customer
- More registers available for customer
- More fraud prevention tools – Video, Weight & Credit Card

- **Cons:**

- Price or Ticket swapping
- EAS Removal for Clothing
- Less Cashier Awareness of product being purchased

Wireless devices that processes sales transactions that the cashier can take any where in store.

Examples – Symbol, I-Touch & I-Pad

- **Pros:**

- Customer can be assisted any where within the store which can provide better customer service
- Line busting for Holiday or busiest Hours
- Dedicated to particular type transactions – Gift Card sales, Instant Credit and price verifications/checks or even exchanges
- Cashier not forced to be behind a register, they can be any where and assist with monitoring high risk areas in the store

- **Cons:**

- Little to no video depending on where the transaction was processed
- Suspended transactions never finished and customer leaves with product thinking the cashier assisted them
- Pass-off or Sweet-hearting opportunities – discounted, line voids or never scanned product
- Tender Limitations – Credit Card & Gift Cards typically no Debit Cards due to pin requirements
- Wireless Communication – spotty reception and risk for data/network hacking

Mobile Device is your next Debit/Credit Cards, the technology allows for Mobile Device holders to call vending machines to purchase variety of things and be direct billed to the account. Visa is already partnering with banks/merchants to determine what it takes and the requirements.

- **Pros:**
 - Mobile Device Holder doesn't have to carry extra cards around.
 - Vending Machines don't require cash only
 - Pin Based like Debit Card? Less Chargebacks?
- **Cons:**
 - Less Customer Interaction for up selling
 - Returns, how handled?
 - Claims of stolen phone, takeover use or misuse?

Companies are starting to provide electronic receipts that are sent directly to the customer's email or MMS. Allows the customer to have store send their receipt electronically and print off when needed.

- **Pros:**

- Less non-receipted Returns?
- Less receipt paper needed for registers

- **Cons:**

- Multiple copies of the same receipt can be generated
- Receipt information can be sent to anyone's email address and shared – Associate or External
- Possibilities of duplication of receipt format for fake receipts?

Mobile device (SMS/MMS) and Email capabilities also for quick distribution promotional or kickback coupons. Companies are looking at sending customers promotional coupons based on the customer's location in mall trying to get the customer into their stores.

- **Pros:**

- Traffic driver which may increase sales
- Loyalty to Brand/Company

- **Cons:**

- Margin impact on sales due to promotions
- Increase expectations of getting promotions
- Sharing/forwarding of communication of the promotion

Companies are working with vendors to sell virtual gift cards online that allows the holder print off the gifted amount. Social websites posting that a customer received the virtual gift card.

- **Pros:**

- Customer has easier access to Gift funds to a Company
- Customer Loyalty
- Marketing for such as Social websites – John Doe received a virtual card from the XYZ Company for his Birthday

- **Cons:**

- Purchase of 3rd Party Gift Cards – Amex, MasterCard, Visa or other Merchants – potential for fraud
- Easy email distribution and multiple print outs
- Customer Service & Loss Prevention – who used the card vs. who does it belong to?
- Chargeback concerns?

What else?



Question & Answer