

Frequently Asked Questions about Retail POS Systems

Should I choose a retail software package that was designed specifically for my industry?

Answer: Not necessarily. While there are many industry-specific software packages available, many of them don't offer all of the features available in a general retail software package. Often times, a general retail software package can do everything that industry-specific software can do, plus a whole lot more. Ask yourself what features you need now and in the future. Do you want a customer loyalty program? Do you need faster credit card authorizations over the Internet? Make sure that you don't lock yourself into industry-specific retail software that can't handle all of your needs.

How much does a retail POS system cost?

Answer: Like buying a car, it just depends on what you want. What features do you need? How fast do you want it to go? Should you purchase an extended warranty? The more features you want, the more your retail POS system will cost. A single-user software license can cost between \$1,200 and \$2,500. Do you need new POS terminals? Add \$3,000 to \$4,000 per workstation. What about new scanners, cash drawers, and printers? Add another \$900 for each workstation. Extended warranties can add \$200 per year, but are worth it if your workstation ever goes down. A top-of-the-line extended warranty will cost even more, but may be worth it if it's one that offers same-day delivery for a brand new, fully-configured workstation.

Before you buy any retail point of sale system, do the research. Choosing the wrong retail POS system can cost you thousands.

There are so many different retail POS systems out there. How will I know how to choose the right one?

Answer: First and foremost, take the time to understand the specific needs of your store. Establish your total technology budget. If necessary, break it down into the things you need this year and things that can wait until next year. Find reputable technology companies with years of expertise in the retail industry. Ask for references and call them. Many customers are happy to talk about their business challenges.

Consider all factors, such as retail software, technical support, service after the sale, point of sale hardware, and integration with accounting packages or other business software you use. Learn more about how to choose the right retail POS system for your business.

Should I buy the point of sale hardware or the retail software first?

Answer: The single biggest mistake retailers make when choosing a new retail POS system is buying the point of sale hardware before the retail software. The retail software you choose to run your retail business may not be compatible with your new point of sale hardware. Not all scanners, weight scales, or card readers will work with all retail software packages. Buying both the point of sale hardware and the retail software from the same vendor can reduce or eliminate compatibility issues and can often reduce your overall technology costs.

Check out the [retail POS hardware basics](#) for more information on point of sale hardware.

How will a retail POS system help me make more money?

Answer: A retail POS system can help you increase your profits in many ways. Quicker, more reliable checkouts mean less manpower is needed. Sales reports allow you to maximize your inventory levels and control costs. Built-in loyalty programs encourage higher ticket averages and repeat business from your customers. Integrated ecommerce services generate additional revenue from Internet sales.

Talk to your technology consultant about other ways a retail POS system can help increase your bottom line.

How can a retail POS system help me run my business more efficiently?

Answer: A good retail POS system increases your efficiency by eliminating unnecessary work. Instead of using separate systems for your retail, mail order, ecommerce, and wholesale divisions, choose one retail software package that can manage your entire business. Choose a retail POS system that increases your speed of service with faster ticket entry, on-the-fly data entry, and data-driven lookups.

Make sure that the retail software you choose can automate all of your process-oriented tasks, such as physical count, purchasing, label printing, and customer loyalty.

I have a lot of volunteers and elderly that work at my store. Isn't it too complicated to teach them how to work a computerized retail POS system?

Answer: Learning the basics of a retail POS system is just as easy as learning to use a cash register, and if someone makes a mistake, it's much easier to correct that mistake on a point of sale system—plus you'll have a detailed transaction record of the mistake.

Many of today's user-friendly retail POS systems feature touchscreen technology. Your cashiers can use their fingertips or a mouse to touch the large, color-coded buttons to process sales. Any concerns you have about training seasonal employees or volunteers will be relieved when you see how easy touchscreen interface is.

Is there a major convention for retail software providers? I want a live demo of a point of sale system.

Answer: There are thousands of retail industry trade shows across the country every year. There are trade shows for general retail as well as for specific retail industries. Find retail trade shows in your area that plan to have at least one technology vendor demonstrating retail software and/or point of sale hardware.

Additionally, most technology vendors will be happy to give you a free demo of their retail point of sale system at your request.

I already have an electronic cash register, why should I spend the money for a retail POS system?

Answer: While an electronic cash register is a suitable way to track money, installing a retail POS system will simplify your life as well as your customers'. With a retail point of sale system, you'll streamline operations, increase checkout times, make more money, increase efficiency, keep better inventory records, and have the most robust reporting capabilities right at your fingertips. The right retail point of sale system will pay for itself over and over again with its functionality.

Is my store too small to benefit from a retail POS system?

Answer: More than likely, you can't afford *not* to have a retail point of sale system. Today's retail POS systems come in all sizes and are designed to fit businesses of any size—from single location mom-and-pop shops to the mega-chains with thousands of locations. Do your research, distinguish your wants from your needs, and talk to some technology vendors. You'll find that there is a retail POS system out there that meets your needs—and your budget.

I've seen retail software with hundreds of reporting options. Why do I need so many reports?

Answer: The extensive reporting capabilities built into better retail software packages offer business owners and managers an in-depth look at their businesses. With a few clicks of a mouse, you can drill down into multiple layers of your report or create boardroom quality graphs and charts.

While you may not need every single report available in a particular retail software package, you do want to choose the retail software package with the most flexibility. Retail software that integrates with the industry-leading Crystal Reports® engine offer the most customization capabilities. If you want to be able to customize the built-in reports or create your own reports from scratch, make sure that the retail software you choose can handle it.

What type of database should I choose?

Answer: Any retail software package with inventory management and reporting features will have some underlying database. This database is where all of your items, customers, and sales history are stored. The underlying databases differ among various software manufacturers.

The key to choosing the right database lies in its format. You want to choose a broadly-understood data format that offers compatibility with third-party software applications. With the right data format, you can view your data just about any way you want to. For example, retail software based on Microsoft SQL may offer compatibility with Crystal Reports® or Microsoft® Excel. Compatibility with third-party applications gives you unlimited reporting and analysis options.

Be sure choose a database architecture that ensures data integrity, so you know your data will always be accurate and reliable.

Why is scalability important in retail software?

Answer: A scalable retail software package will grow with you as your business grows. Choose a retail point of sale system that can readily accommodate additional users, additional workstations, and additional stores. When considering your future growth, keep in mind features you may one day need, such as multi-currency support or support for multiple tax rates across different regions. If history is a concern, make sure that the retail software you choose can store years and years of data.

What is PCI DSS and why is it so important?

Answer: PCI DSS, or Payment Card Industry Data Security Standards, is a strict set of standards designed to protect the cardholder's data from credit card fraud and misuse. The **PCI Security Standards Council** is an organization dedicated to the development and implementation of security standards for protecting credit card data. PCI Data Security Standards are developed and implemented by a collaborative effort from American Express, Discover Financial Services, JCB, MasterCard Worldwide, and Visa International.

If your retail software isn't compliant with PCI DSS, you may be subject to hefty fines. It's critical that you choose PCI-compliant retail software that will protect your customers' credit card information as well as your business.

How important are backups?

Answer: Backups are critical. They protect your valuable business information from the unforeseen. Disasters—from hurricanes and floods to system failure or theft—can strike anyone, anytime, anywhere. Choose a retail POS system with easy-to-perform backup procedures. Keep a running log of your backups and make sure that someone is responsible for the backups. It's also important to store your backups off site.

If my server goes down, can the clerks continue ringing up sales?

Answer: If you want your clerks to be able to process sales without a server, choose retail software with lane redundancy or an offline mode. When point of sale workstations are 'offline' (i.e., not connected to the server), clerks can continue ringing up sales. When the connection to the server is reestablished, data from the local workstation is synchronized or replicated with the data on the server.

Offline POS systems can also work well for sidewalk sales, portable kiosks, and scheduled network outages.

Do I need a software subscription service?

Answer: Yes. When you purchase new retail software, you get the latest software release that's available on the date you purchase it. As new features are added to the retail software in subsequent releases, only those users with active subscription services will receive those updates. And no matter how good the retail software is, it may have a few bugs in it all.

Your subscription service will provide you with product updates, new features, and bug fixes for as long as your subscription service is active. Subscription services also encourage software companies to continue to invest resources in improving their retail software.

I want a web store. Should I use a separate system for my ecommerce store?

Answer: No. You should choose retail software with integrated ecommerce features. With an integrated system, you can use one retail software package to manage both your web store and your brick-and-mortar stores. An integrated ecommerce solution eliminates the extra effort and expense of maintaining inventory in multiple systems. If ecommerce is important to your business.

How do I choose a vendor?

Answer: Talk to more than one technology vendor. Just talking to vendors doesn't cost a thing, and you'll learn a lot about retail software and point of sale systems in the process. Don't just consider the retail POS systems available from each vendor. You also need to consider the vendor's location, areas of expertise, and number of years in business. Does the vendor offer extended support hours if you need them? If you have stores in multiple regions, can your vendor support all of your stores? Make sure that the vendor you choose can grow with you as your business grows.

Most importantly, choose a company you trust. The company you choose will be responsible for keeping your retail point of sale system running for the next 5-7 years.

Should I buy or lease a retail POS system?

Answer: Whether you buy or lease a retail point of sale system depends on your budget. Many technology vendors today offer flexible leasing options for retail POS systems, including 100% financing. By leasing the retail software and/or the point of sale hardware, you can reduce the initial start-up costs associated with a new retail point of sale system.