

# THE MOVE TO THE OMNI-TERMINAL POS

EMBRACING THE  
VERSATILE DEVICE  
THAT DOES IT ALL



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RETAIL INFO SYSTEMS NEWS

The omichannel world continues to change the breadth of retailing, and stores must learn to adapt. As retailers explore how to implement evolving business concepts as a means to stay relevant in an always-on business environment, they must move beyond traditional point-of-sale (POS) systems toward the next-generation “omni-terminal.”

Rather than retailers calling the shots, omnichannel retailing is steered by the “21st Century shopper,” a technologically-savvy, hyper-connected consumer that continues to adopt digital devices to manage and gain control of their shopping experience from exploration through procurement.

More specifically, the ability to begin, end and augment their shopping experience in the digital domain is a customer expectation. And those brands that fail to offer this redefined, seamless experience are only putting themselves at a disadvantage, as summarized in “Achieving Profitability in an Omni-Channel Fulfillment Model,” a report from Retail Systems Research.

To stay relevant and drive loyalty among this tech-savvy customer base, brands must integrate similar solutions to improve customer service and forge what they hope will be long-lasting shopper relationships. By embracing digital customer-facing solutions, including web-based kiosks, digital signage, mobile apps, proprietary smartphones and tablets, retailers are crafting a seamless shopping experience — a process that promises consumers consistent, high-touch, personalized service regardless of the channel they visit.

Even with these emerging digital influences changing the traditional shopping experience, 90% of retail sales still happen at store-level, according to the “Omnichannel Shopping Preferences Study” from A.T. Kearney. Retailers must bring the omnichannel experience down to store-level — a practice that requires the support of a centralized database filled with enterprise-wide customer, product, pricing, promotion and inventory information. Armed with this information at store-level, associates can greater engage with shoppers and deliver a seamless shopping experience brand-wide.

# 90%

Of retail sales still happen at the store-level.

SOURCE: A.T. KEARNEY, “OMNICHANNEL SHOPPING PREFERENCES STUDY”



## THE “NEW” STORE EXPERIENCE

Many shoppers start their journey online, but finish with an in-store purchase. Some are buying in one store, and having merchandise shipped to another location. Others are buying online, but picking up orders in-store. Regardless of the path to purchase, retailers must provide a streamlined checkout experience when the shopper is ready to procure her desired order in-store.

It is no longer acceptable for consumers to wait in long check-out lines, or worse, hunt for a knowledgeable associate to ask a product availability question. The integration of digital solutions is forcing retailers to transition traditional POS functionality beyond merely checking out customers. Retailers are offering digital services via mobile devices; in-store kiosks; and store associates able to assist shoppers with their checkout needs, inventory questions, or order placement requirements.

Retailers must implement POS solutions that support this new retailing model. Systems need to deliver customer- and merchandise-specific information at a moment's notice, and act as the conduit supporting these increasingly critical one-one-one interactions. It is transitioning the POS beyond a cash register, and into an omni-terminal, or the hub of the seamless, customer-centric omnichannel shopping experience.

## RINGING OUT THE OLD (POS)

The POS has always had a significant role in the retail setting. While the earliest versions of POS were often “cigar boxes” or manual “hunt and peck” calculators acting as cash registers, it was the customer relationships cultivated by store owners that put revenues into the proverbial “cash drawer.” Modern-day POS systems are infinitely more sophisticated in their ability to identify a shopper as they check out, as well as support a single, chain-wide view of product information, customer profiles, transaction data and order management.

However, legacy-based, stationary systems that only service shoppers at one stage — or location — of the shopping experience are no longer relevant. Often devel-

# 6.9 YEARS

The average age of a traditional POS system.

SOURCE: EKN RESEARCH. “STATE OF THE INDUSTRY RESEARCH SERIES: 2015 RETAIL POINT-OF-SALE BLUEPRINT”



oped on legacy-based platforms, these systems run antiquated, even proprietary operating platforms that hinder future business opportunities and can't meet current consumer demand. Often featuring functionality delivered through cobbled and/or homegrown software, incapable of connecting and interacting with enterprise solutions within the evolving omnichannel marketplace.

It is clearly time for a change. And with the average age of traditional POS systems spanning approximately 6.9 years, according to "State of the Industry Research Series: 2015 Retail Point-of-Sale Blueprint," a report from EKN Research, the timing is ripe to explore new options.

### MAKING ROOM FOR THE NEW

Unlike traditional POS devices, the next-generation "omni-terminal" is a customer service portal, a hub that processes mission-critical information and accesses all solutions within the all-channel experience. The POS device of the future must collect customer data across all business channels in real-time. Also, it must incorporate business operations, including order management, inventory control, financial reporting, fulfillment, cash management, pricing and promotions, to provide users a single view of the shopper throughout every brand interaction — from discovery through purchase.

Unfortunately, many retailers struggle with how to integrate back-office technology across channels, and continue to operate disparate systems. When operating in silos even the simplest tasks become cumbersome, and overall, sales — and customer loyalty — is jeopardized.

Currently, 35% of retailers still support disparate technology between online, mobile and store operations, according to "Customer Desires vs. Retailer Capabilities:



# 30%

Of retailers are exploring mobile POS hardware options.

SOURCE: RIS NEWS, "THE 13TH ANNUAL STORE SYSTEMS STUDY 2016: RETAIL TECHNOLOGY SPEND TRENDS,"

Minding the Omnichannel Commerce Gap,” a report from Forrester Research. But the good news is that retailers do recognize that their legacy systems can’t carry them through the next wave of digital expansion. More importantly, CIOs are open to adopting systems and processes that can quickly deliver new seamless capabilities to meet the ever-growing demands of customers, as summarized in “Seamless Technology: Unleashing an Integrated Shopping Experience,” a report from Accenture.

As a result, retailers are on the hunt for a next-generation device that solves these issues, and seamlessly integrates functionality from both employee and shopper perspectives. Whether it is available on the sales floor, or put into the hands of a trained, knowledgeable brand ambassador, these devices should help shoppers make an educated purchase decision.

However, this can only be achieved through a consolidated, accurate real-time view of inventory, customer profiles, order status, and pricing and loyalty files — a capability only available through a reliable, integrated platform. Eager to trade rigid platforms in favor of more user-friendly solutions, nearly one-third of retailers are planning to make a new POS decision in the next 12 months, with 31% evaluating software options, according to “The 13th Annual Store Systems Study 2016: Retail Technology Spend Trends,” a report from *RIS News*.

Traditional, stationary POS stations are not only functionally obsolete, they are an inefficient footprint. Conversely, the POS of the future needs to be flexible and functionality-advanced. This requires a hybrid solution that can be used as a stationary device, a mobile device, even a self-service device for employee-assisted or customer-directed functionality.

A tool that has been regarded as “innovative” over the last 12 months, mobility is now becoming mission-critical as retailers strive for more versatility in their omnichannel transformation. Called the core solution in achieving customer intimacy, mobility is a core component of the omni-terminal. Armed with the flexibility of mobile, the footprint of this next-generation terminal takes on an entirely different footprint.

“Brands that fail to offer a redefined, seamless experience are only putting themselves at a disadvantage.”

SOURCE: RETAIL SYSTEMS RESEARCH,  
“ACHIEVING PROFITABILITY IN AN OMNI-  
CHANNEL FULFILLMENT MODEL”

Smaller form factors replace the bulk of stationary devices wasting precious store-level square-footage that can be transformed into additional selling space. Digital tablets that can be displayed on a countertop, mounted on a kiosk base or the wall, or put into the hands of store associates can be loaded with business-level apps that not only drive the customer experience, but also manage internal operations, including workforce and task management, replenishment and loss prevention. These new options are among the factors persuading 30% of brands to explore mobile POS hardware options, according to *RIS News'* "The 13th Annual Store Systems Study 2016: Retail Technology Spend Trends," report.

### CHANGING THE GAME

With these components in hand, the omni-terminal is ready to engage the customer throughout the store-level visit. Realizing most purchase decisions happen in the store aisle, or more specifically, right in front of displayed merchandise, retailers need to adopt a solution that can assist shoppers in making a purchase decision in real-time. This requires giving brand ambassadors customer information through assisted-selling software, integration to inventory management solutions, as well as the ability to check out shoppers and tender orders either at the cash wrap, in the aisle or right at the rack.

In addition to cultivating the sale from the minute the shopper enters the store till they walk out, the omni-terminal must be flexible enough to adopt to future functionality and solutions. The hardware must incorporate multimedia for delivery of customer-facing messages and directions, as well as accommodate mobile wallets supported by near-field communications (NFC) or radio frequency identification (RFID).

Along with new payment option support comes a new level of security. Compliance with the Payment Card Industry Data Security Standard (PCI DSS) is a must to ensure next-generation POS devices and supporting networks meet the standards created to optimize the security of credit, debit and evolving digital payment transactions. By instituting PCI DSS and related compliance monitoring and reporting, next-generation POS devices are on pace to become the most secure front-end devices in the retail's history.



35%

Of retailers still support disparate technology between online, mobile and store operations.

SOURCE: FORRESTER RESEARCH, "CUSTOMER DESIRES VS. RETAILER CAPABILITIES: MINDING THE OMNICHANNEL COMMERCE GAP"

# Do-It-All Devices

As the race to adopt an “omni-terminal” heats up, retailers are in search of a solution that is reliable, durable and scalable. Posiflex can help retailers achieve their goals.

A company that has been in the POS business since 1984, Posiflex understands the challenges of the retail environment, and how these are shaping a new set of goals. With an eye on remaining transparent and software agnostic, the company’s XT Series features a multi-function terminal base with numerous power options, including a powered USB to directly connect a printer, an 8-port USB hub for multiple peripherals, a battery backup, a second hard drive for redundancy, and an internal power adapter for a clutter-free POS station.

Being software agnostic, the XT terminals also seamlessly integrate with virtually any POS software, a feature that enables mission-critical EMV and mobile payments compatibility, and future-proofs devices to coincide with payment technology changes. Further, the series features dust-resistant terminals and digital touch screens, making it adaptable for the store or the warehouse.

As payment technology evolves, so must attention to security. The reliability, durability and scalability of the XT series with biometrics and transparent EMV gives users a system that can evolve with customer needs, as well as secure all sensitive information and still achieve the highest level of customer service.

## Meeting the Needs of the Evolving Retail Landscape

With new retail formats and service models entering the marketplace, retail brands are in search of versatile, yet cost-effective hardware platforms. Posiflex’s hybrid mobile and fixed terminals marry low-cost point of entry with high-value performance.

The small form factor of the Posiflex MT series offers an 8-inch Windows 8.1 tablet that can be mounted on a store wall, added to a kiosk, utilized as a 2D bar code reader, or placed into a docking station to become a fully functioning POS fixed terminal with an integrated printer.



Meanwhile, TX Series acts as a mini-PC POS device. No larger than a home WiFi router, the device replaces a standard PC — the ideal configuration for a confined counter or wall-mounted digital display.

Finally, the HS Series are stationary, yet fully-integrated small form factor terminals featuring a 10-inch monitor, a magnetic stripe reader (MSR), and printer — the perfect option where counter space is at a premium, such as in convenience stores, or small retail locations.

Between the ability to provide rugged, yet streamlined and versatile hardware solutions, retailers can bridge the gap between associates and consumers using mobile POS however it suits their environment.

- ① MT4008 hybrid tablet transforms into a compact POS terminal
- ② HS Series compact terminal with printer
- ③ TX Series commercial grade mini-PC
- ④ XT Series retail ready touch screen terminals

## CONCLUSION

As the omnichannel business model continues to change the retailing game, retailers need next-generation business tools to expertly and seamlessly service the shopper. It is a transition that is making legacy-based POS solutions — and processes — obsolete.

With an eye on customer engagement and flexibility, retailers are exploring how to adopt next-generation POS devices, comprised of smaller footprints, digital touch screens, mobile functionality and higher levels of security. With more brands making the move to these versatile, higher-functioning omni-terminal devices, they are supporting the evolving omnichannel shopper as well as helping her make an informed, secure purchase decision at the store-level.

## ABOUT POSIFLEX

Since 1989 Posiflex has provided globally retail hardened POS terminals. Terminals, tablets and POS peripherals are designed, manufactured and engineered in Posiflex's two ISO certified facilities. Rigerous pre and post manufacturing third party quality testing assures maximum uptime. You are up 24/7, so should your POS.

The logo for Posiflex, featuring the word "POSIFLEX" in a bold, italicized, sans-serif font. A horizontal line is positioned below the letters "POSIFLEX", and a diagonal line crosses through the bottom right corner of the letters "X" and "F". A small "TM" trademark symbol is located to the upper right of the word.

**POSIFLEX**<sup>TM</sup>

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