

NEW MOBILE POS TOOLS
FOR BUSINESS SUCCESS

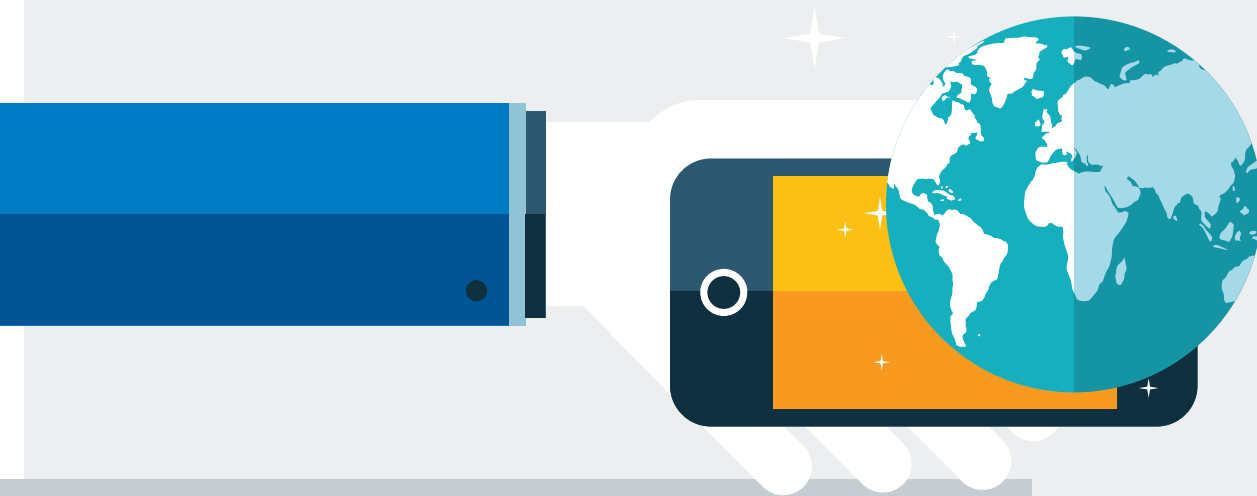
6 WAYS

A MOBILE
SOLUTION
CAN IMPROVE
BUSINESS
RESULTS



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INTRODUCTION: THE NEW MOBILE OPPORTUNITY

Small businesses today are faced with the challenge of raising brand awareness and winning consumer minds and dollars, while competing with larger counterparts. Although the idea of standing out in a crowded marketplace can seem daunting for a small-business owner, new technologies and solutions are helping them keep pace and succeed.

As small business owners strive to increase business and garner long-term loyalty, 64% said the greatest area for innovation is in customer service, according to the American Express OPEN *Small Business Monitor*. Whether they own a boutique, specialty store, beauty salon or landscaping business, small business owners recognize that technology plays a pivotal role in creating exemplary customer experiences.

Mobile devices have been spotlighted as a game-changing technology to help improve customer service strategies and ramp up the checkout experience, all while keeping customer data secure. New mobile POS solutions, especially tablet-based systems, are jam-packed with the features and functionality to help small merchants improve the customer experience.



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- American Express OPEN
Small Business Monitor



These systems offer the tools and business intelligence a retail business owner needs to succeed, within reasonable financial limits for the small merchant.

This report outlines the six key areas small merchants can focus on to bring their business to the next level using a mobile or tablet point-of-sale (POS) solution. Multiple scenarios to highlight various use cases are also included to illustrate the business-wide benefits of integrating mobility in stores.

Solutions targeted specifically to smaller retail businesses can provide tremendous value, including:

1. Creating a cloud-based, always-on business
2. Improving sales performance with business intelligence
3. Personalizing customer service and experiences
4. Connecting inventory data across locations and devices
5. Implementing scheduling tools that help drive employee and customer satisfaction
6. Future-proofing and scaling secure payments



CREATING A CLOUD-BASED, ALWAYS-ON BUSINESS

Today's technologically-savvy consumers access multiple touch points when researching local businesses, comparing products and prices, and completing purchases. They can look up a company, product or service on a search engine, skim through peer ratings and reviews, shop on mobile apps and even discover new brands via social media networks.

By 2016, this connected environment is expected to influence 44% of all retail sales, according to Forrester Research. Consumers are expecting businesses to offer them the information and resources they need to make the best possible decisions. But how can small businesses do this effectively when there are so many other day-to-day tasks that require immediate attention?

Just as consumers are demanding anytime, anywhere access to products and services, retailers are seeking more flexible, always-on solutions that empower them to make the best decisions and deliver optimal customer experiences. Case in point: Most small businesses have a website (82%) and many have added a mobile-optimized site (18%) to generate brand awareness, according to the *2013 Small Business Technology Survey* from the National Small Business Association.



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- National Small
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By adding a comprehensive tablet POS solution, business owners and employees can access inventory data, financial information, sales data, customer profiles and more via a cloud-based portal that supports back-office functions.

Some POS software includes scheduling functionality, internal instant messaging and integration with certain email providers, thus making the POS system a complete business management tool. Mobile and tablet POS solutions provide the merchant with the ability to access sales and business information via the cloud anywhere there's an Internet connection. Merchants also have the ability to perform sales, process payments and conduct certain business functions from either a tablet or smartphone without being confined to a brick-and-mortar location, thus creating a mobile-enabled business.



SMALL BUSINESS SCENARIO

IN BLOOM

Fred Davidson experienced exponential growth for his landscaping business, **In Bloom**, during 2013. The company grew from a three-person team (Davidson and his two sons) working from one truck, to 15 employees operating five trucks.

Despite this growth, Davidson still manages the daily operations of the business in his shop, communicating with clients,

making appointments, managing employees and, most importantly, calculating and analyzing sales.

With help from his handy tablet POS solution, Davidson can manage his entire business within a single platform, helping him make better decisions, faster. He also can access important client information through his personal smartphone or tablet while he's traveling to a work location.



IMPROVING SALES PERFORMANCE WITH BUSINESS INTELLIGENCE

Successful merchants keep a constant watch on their businesses across all stores and touch points. Whether a company has one or 10 locations, detailed sales information enables team members to understand which products, offers and marketing campaigns resonate with consumers, and which do not.

According to research from Aberdeen Group, 45% of organizations are investing in more powerful business intelligence solutions. Comprehensive mobile POS solutions offer real-time access to detailed data so business owners can constantly track performance, and make informed decisions quickly and efficiently.

Business owners benefit from mobile POS solutions that provide a powerful dashboard and offer a high-level overview of sales for the day, month or even year, so sales trends and opportunities do not fall off the radar. A dashboard that provides real-time data enables the store managers and business owners to have key performance information at their fingertips.



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of organizations are investing in more powerful business intelligence solutions.

- Aberdeen Group



Many small business owners use Intuit's QuickBooks® for accounting and finance management. So, a mobile point-of-sale solution that can export financial summaries into business applications like QuickBooks simplifies the accounting process, making pertinent financial data easily accessible. This also decreases the likelihood of human error if the data were to be entered manually.



SMALL BUSINESS SCENARIO

DOWN THE BLOCK SWEET SHOPPE

Down the Block Sweet Shoppe, a bakery in Brooklyn, New York, is booming. Although the company only has one location, consumers from neighboring areas flock to the shop to purchase their favorite goodies, such as cookies, pies, cakes and, of course, its famous cupcakes.

With a specialty in vegan, gluten-free and organic desserts, Down the Block Sweet Shoppe promises to offer delicious yet natural desserts. But because the owner, Francesca Sweet, has to purchase fresh and organic ingredients on a weekly basis, inventory sometimes can be expensive.

In an effort to create a comprehensive menu of desserts without breaking the bank, Sweet refers to daily sales information, comparing demand of day-to-day staples, such as chocolate chip cookies, and specials like gingerbread cupcakes.

Studying ebbs and flows in demand on a daily, weekly and even monthly basis, she has learned that almost half of her shop's staple products don't sell enough to turn a notable profit, while seasonal specials not only boost traffic, but improve the bottom line. As a result, Sweet removed the poorly performing products and instead is focusing on releasing more seasonal treats.



PERSONALIZING CUSTOMER SERVICE AND EXPERIENCES

Most small merchants are committed to customer service as the lifeblood of the business. In the retail space specifically, 86% of businesses say customer service is very important, while 64% believe efficient processing at the register and speed of service are just as crucial, according to research from Boston Retail Partners.

But speedy service alone doesn't drive long-term customer loyalty. Today's empowered consumers are also seeking highly relevant and personalized brand experiences, whether they're shopping at a big-box retailer or a small boutique. Of all the potential "personalization" scenarios, research from the Economist Intelligence Unit confirms that consumers appreciate product recommendations the most (28%).

Small businesses can deliver on the new personalization imperative by creating detailed profiles on customers and adding photos, notes and past purchase information, all of which can be stored on the mobile POS solution. Associates and store managers can also look up customers on social networks such as Facebook, and scan their profile to learn more about their



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- Economist Intelligence Unit



tastes and interests. Key points can be filed in the notes section of customer profiles. With this information available at their fingertips, employees can recommend products that align with personal preferences that are stored in the customer database of the mobile POS, leading to greater cross-sell and upsell opportunities.

Merchants can leverage customer data available within the POS system to create offers, discounts and marketing messages that align with the unique wants and needs of customers. More consumers are craving this type of service. In fact, a survey from the e-tailing group concluded that 40% of consumer respondents bought more frequently from retailers that comprehensively personalized the shopping experience across channels.



SMALL BUSINESS SCENARIO

THE JEWELRY DESTINATION

Today's deal-savvy shoppers may leave some owners fearing for the well-being of their businesses, but not Liz Diamond, owner of jewelry boutique **The Jewelry Destination**. In fact, the small retailer has been applauded for its stellar service, and in turn has garnered a hefty base of loyal customers.

When customers first enter The Jewelry Destination store, they are greeted by a stylist who uses a tablet to record their personal information and take their picture. The stylist then takes detailed notes about the customer, the type of jewelry she is looking for

and why. As customers share more about the products they are seeking, stylists are empowered to make recommendations and suggest other pieces that may complement a specific piece.

Once customers make a final decision, the product and sales information is stored in the profile, so Diamond can send a thank-you email following the transaction. Each note is customized to include detailed information about the customer's visit and the product, and can even include a special offer or coupon for her next visit.



CONNECTING INVENTORY DATA ACROSS LOCATIONS AND DEVICES

Shoppers today are researching products and completing purchases across a variety of commerce channels such as online and mobile devices.

Most retailers today believe inventory (80%) and customer order visibility across all channels (73%) is a top priority for their business, according to Retail Systems Research. However, only 11% say product information is fully synchronized across all purchasing channels.

A unified mobile POS platform can provide merchants with this synchronization, enabling employees to track and access inventory data in real time. Doing so will help ensure that the most relevant products are available on the floor at the right store location and right time.

From a management perspective, access to detailed sales data across locations enables business owners to understand which products or services are most popular, and then revise their offerings based on consumer trends and demands.

MOST
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- Retail Systems Research





SMALL BUSINESS SCENARIO

STYLE ME!

Style Me!, a boutique that sells vintage-inspired clothing, recently opened its third location. Although the business is still relatively small, the two additional stores are making inventory management more complicated.

The owners of the chain, Mary Jane Smith and Isabelle Merryweather, want to ensure that the managers of each store have

enough of the most in-demand products and styles. Moreover, the co-owners want to make sure they're investing in the right products and brands. By referring to their mobile POS platform, they can access store-level and chain-wide sales and alter inventory assortment based on local trends and preferences.



IMPLEMENTING SCHEDULING TOOLS THAT HELP DRIVE EMPLOYEE AND CUSTOMER SATISFACTION

Service-oriented small businesses often rely on face-to-face interactions and appointment scheduling to drive sales and long-term loyalty.

For example, merchants such as hair salons, landscapers and boutiques can tap cutting-edge tablet POS solutions to access comprehensive tools that allow employees to schedule appointments, check consumers in and out, and track the overall flow of business throughout the day, week or even year.

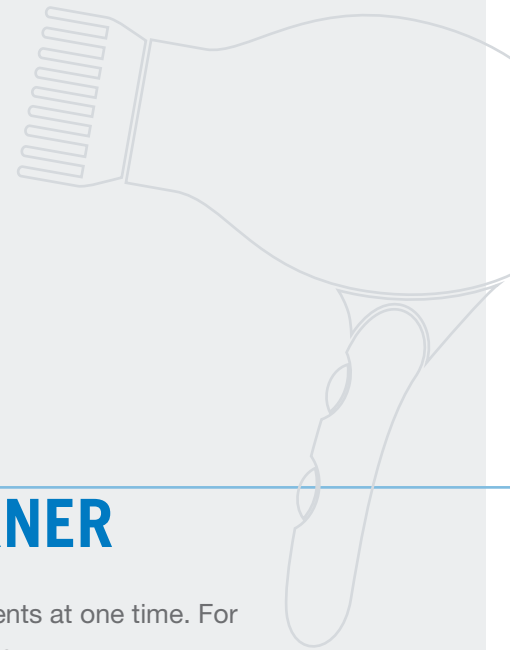
Additionally, customers can schedule recurring or multiple appointments, which creates a more positive view of the business. This detailed view of customer appointments also helps managers schedule staff efficiently and provide optimal service to customers.



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SMALL BUSINESS SCENARIO

CATE'S CUTTING CORNER

Cate's Cutting Corner is an in-demand salon in the San Diego area. In addition to offering standard salon services such as haircutting and styling blowouts and coloring, the salon is branching out, offering manicures, pedicures and even massages. The salon also is testing facials as a new service.

To ensure that customers have a luxurious, stress-free experience, Cate's Cutting Corner employees can easily schedule and manage appointments through the tablet POS system. Employees also are equipped to schedule recurring

appointments at one time. For example, if a customer gets highlights every three months, she can easily schedule appointments for the entire year.

Access to daily schedules, coupled with detailed sales data, allows the salon manager and owner to collaborate, discuss results and change their list of services accordingly. The manager can refer to sales and appointment information to schedule hair stylists efficiently and ensure that the right employees are on the schedule when they're needed.



FUTURE-PROOFING AND SCALING SECURE PAYMENTS

Payment is the necessary last step in the browsing and buying journey that needs to be seamless and enjoyable for consumers. When investigating new solutions, merchants should look for partners that offer a “future-proof” option — opening the doors for implementations of contactless (payment transaction made without the card touching the payment terminal), mobile payments and chip-and-PIN card to support EMV capabilities down the road.

EMV developed by Europay, MasterCard and Visa created worldwide specifications for acceptance of secure payment transactions with chip-based cards. In October 2015, Visa, MasterCard, American Express and Discover will impose a liability shift for U.S. and cross-border counterfeit card-present transactions. Following the shift, either the issuer or merchant not supporting EMV will assume liability for counterfeit card transactions. Issuers include banks, credit unions and any other financial institution providing credit or debit cards.

As more companies issue EMV cards, retailers may be motivated to make the switch. To date, as many as 15 million EMV-enabled cards are currently in use in the U.S., according to estimates from the Smart Card Alliance.



BY 2017

the worldwide mobile payment industry is expected to be worth \$721 billion with more than 450 million users.

- Gartner



Small businesses are also feeling the heat in the great mobile payments race. The worldwide mobile payment industry is expected to be worth \$721 billion with more than 450 million users by 2017, according to Gartner. With 14% of consumers indicating that they would *prefer* to pay with a mobile wallet than a credit card, as noted by Deloitte, it is only a matter of time before mobile payment acceptance becomes a necessity for all businesses.

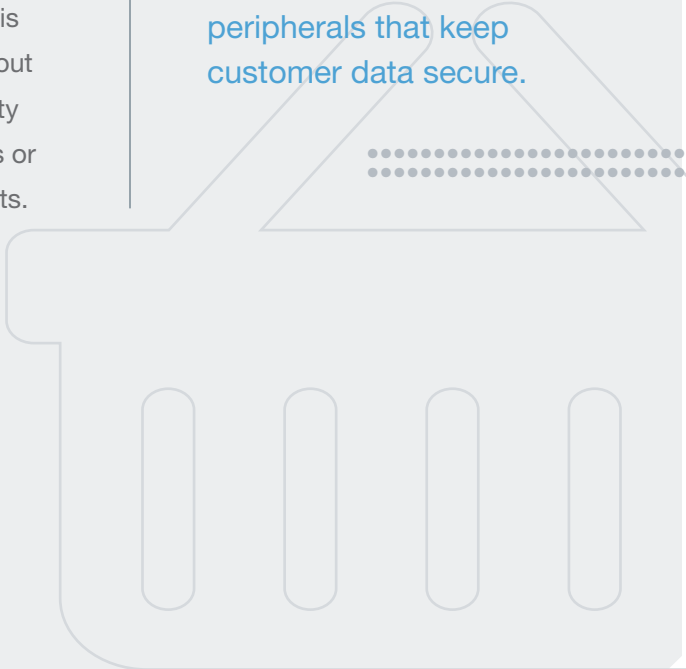
Keeping customer data safe and secure is paramount to generating trust and garnering long-term loyalty. Secure mobile POS systems — featuring extra layers of protection provided by an integrated device — can encrypt and tokenize all transactions. Merchants, in turn, no longer need to store vulnerable customer data in the store’s POS system.

Optimal cloud-based, mobile POS solutions can synch with payment peripherals that keep customer data secure and can evolve as payment shifts to include EMV, contactless and mobile wallet acceptance. Companies can create their own comprehensive solutions by adding the components that are best for them — whether they want to add a printer, cash drawer, barcode scanner or PIN pad to their mobile or tablet POS devices.

Mobile POS solutions can also easily scale with the business, so stores and devices can be added as a company grows. This provides businesses with more flexibility as they test and roll out mobile POS to other locations. Businesses also have the ability to add complementary peripherals based on consumer trends or demands, allowing companies to future-proof their investments.

OPTIMAL

cloud-based, mobile POS solutions can synch with payment peripherals that keep customer data secure.





SMALL BUSINESS SCENARIO

PETE'S CIGARS

Pete Wilson, owner of **Pete's Cigars**, recently invested in a tablet POS solution and has already seen incredible benefits. Two tablets are stationed at the point of sale, but employees have the flexibility to move about the store with the devices if needed.

In addition to speeding checkout times, Pete's Cigars employees have also been able to improve the overall customer experience by making more relevant product recommendations based on customer likes, dislikes and even questions about the qualities of the perfect cigar.

Because Wilson noticed that more consumers were using their smartphones while browsing in the store, he decided to create a

mobile loyalty program to make the shopping experience more fun and rewarding. Members of the program can scan their mobile loyalty card every time they make a purchase to collect points. When customers reach 500 points, they receive a 50% discount on their next purchase.

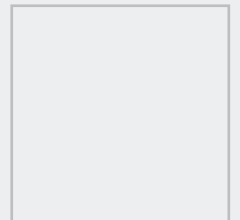
Because Wilson's tablet POS system is equipped with the optimum peripherals, he was able to roll out the mobile loyalty program quickly and seamlessly. Now, the retailer also has the ability to use different payment offerings, including mobile payment apps, digital wallets and smart cards. Whether a customer decides to buy with a credit card, debit card, mobile phone or chip, Pete's Cigars has it covered!

CHOOSING A POS PROVIDER: TOP 10 QUESTIONS TO ASK

The retail industry is flooded with a variety of payment solutions and applications designed to create more satisfying and convenient customer experiences. So many, in fact, that merchants may find it difficult to decide on a payment partner that will best fulfill their goals in a timely and cost-efficient manner.

Following is a list of 10 key questions you should ask payment solution providers during the research and consideration process:

1. We don't have a full-time IT staff. How easy is the system to set up?
2. What do we have to do to get it up and running?
3. Will your solution be able to keep customer data secure, as well as keep pace with new security standards?
4. Do you provide customer support and training along with the solution?
5. Are solution upgrades included with the installation?
6. Can I continue with my existing credit card processor?
7. Do I have to implement all of the solution's functionality, or can I turn certain functionality on and off?
8. Can we continue to use QuickBooks for financial summaries?
9. How long does it take to set up?
10. What kind of return on investment can I expect?





CONCLUSION

Cutting-edge mobile POS solutions are equipped with the tools, features and capabilities businesses of all sizes require to ramp up business results.

Of all the potential benefits, retailers surveyed by Boston Retail Partners found the following abilities most important: driving in-store traffic (56%), increasing conversions (52%), enhancing the brand (44%) and improving customer service (36%).

Merchants of all shapes and sizes are embracing the benefits of mobile solutions. In fact, 40% of small businesses are now using some form of mobile POS, according to the *Local Commerce Monitor* from BIA/Kelsey.

Using comprehensive mobile POS solutions, small-business owners have access to everything they need to succeed. They can track and manage inventory, analyze detailed sales data, and create comprehensive customer profiles to improve customer service, increase sales and conversions, and enhance the overall brand experience.



56%
of retailers believe
driving in-store traffic
is a top priority.

- Boston Retail Partners

