THE HARDWARE Connection™

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STRENGTHENING THE TWO-STEP CHANNEL

This Retailer is
Not Afraid of the
BIG BAD BOX

The Hardware Life Cartoon

Yes, We're OPEN

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How to Handle Dead Inventory

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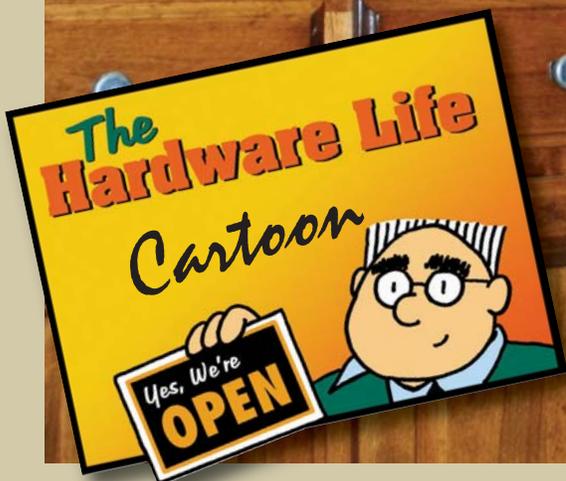
Is Your POS System an 8-Track Tape Player or an iPod?

By Fred Fischer

In this fast-moving world of ours one thing we can count on is every six months new, faster computers are introduced. Computers get smaller in size, monitors get bigger and printers print faster. And generally the overall cost of ownership of computers is less with a lot more processing power.

Recently one of my customers called to discuss one of her point-of-sale (POS) terminals. It was locking up every day or two. The question was "What or how should we get it fixed?" She stated, "It was only a couple of years old—should it be doing this?" After a brief discussion, checking purchase records revealed the computer was almost six years old. It can be tough to even find parts for six-year-old computers and many times you pay a premium for those parts.

Is your POS system an 8-track tape player or an iPod? The technology we have today allows us to work faster and smarter. Managing your inventory is what it is all about and it takes a computer system and labor to manage that inventory. Is your current computer technology allowing you to work smart and fast?

Sony recently announced they are discontinuing making floppy drives after almost 30 years. Hard drives as we know them today with mechanical parts and spinning platters, their days are numbered. The new trend in "hard" drives is SSD Drives, which are solid state and are currently available in up to 512GB size with performance that is out of this world.

Most computer hard drives spin at 5,400 RPM or 7,200 RPM. High-performance drives rotate up to 15,000 RPM. The faster a drive spins, the faster it can read and write data. The new SSD Drives are 200 times faster than the high-performance drives. A little pricy today, but give them a year or two and they will be the same price as today's

mechanical hard drives. The hard drives you are using today are going down the same road as the floppy drive, only a lot faster.

Prices have dropped significantly over the last five years on much of the equipment used in the point-of-sale industry. Touch-screen monitors cost half the price today versus five years ago. All-in-One computers (used at point of sale with the computer built into the back of the touch-screen monitor) are a good value. No computers under the checkout counter to get filled with dirt and then fail. Touch screen is faster to complete sales and collect your customer's money.

Digital signature capture at time of sale can eliminate filing invoices. The invoice is stored electronically on your computer. Today's POS systems can e-mail a PDF copy of the invoice to the customer at the time of sale or at the end of the month. If a customer needs an invoice copy, simply look up the invoice on your computer, push a button, and it is e-mailed or faxed to the customer. The nice part is they pay to print the invoice and you have no postage and little labor cost.

To install a good wireless network today is a fourth of the cost or less than it was five years ago. Small handheld devices allow you to take all the data in your computer to the shelf location where the merchandise is located. The prices of wireless handheld units have dropped significantly. You can change prices, confirm inventory count, change point and quantities, all in the palm of your hand, and the inventory data is updated instantly. A wireless printer lets you print bin tags at the same time with a printer on your hip.

That same handheld can be used to do ordering, scan in and receive your orders, used for line busting (pre-checkout customers while they wait in line at your checkout) to speed up your checkout at busy times. Or it can be used in your lawn and garden area in the spring to put transactions on hold for your customers.

With the increased processing power of today's computers, point-of-sale software companies offer many features that were only dreams a few years back. You can now run software on your POS system that includes your own gift card program and programs that can re-calculate points and quantities weekly based on past sales history and weeks of supply. There is software to streamline managing price updates using price-shopping services that gets integrated into the price changes. You can link pictures of your customers to their names so your employees know who they are really charging the items to, item pictures linked to the item in your inventory file, and the list goes on.

A big part of the success of the independent hardware and lumber retailer has always been customer service. Are you providing your staff with the proper tools to allow them to provide that service and be successful? Are you providing yourself with the tools and information on a daily basis to make good business decisions?

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