

Advancing point of sale

In the first of a series of features surrounding EPoS technology, **HFB** talks to the experts at technology specialist Emporio to find out more about its pros and cons.

In an age of constantly increasing competition, it's not only your product choice and customer service that needs to set you apart from the multiples.

Retail success also requires tight control over business processes and, according to EPoS specialists Emporio, it's becoming increasingly important to ensure that your systems are up to scratch.

This is where Microsoft Retail Management System, a type of Electronic Point of Sale (EPoS) system, can help as it is specifically tailored for use in health food stores.

What is it?

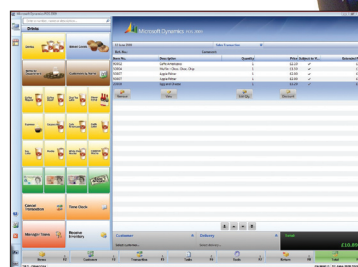
There are various types of EPoS systems used in different retail sectors, and all will act as a cash register while most will help in varying degrees with things such as stock take, best sellers, accounts or, with the system offered by Emporio, with your ordering too.

Systems used by the likes of the big four supermarkets will clearly not be what is suited to independent health food stores, but what exactly should you be looking for in a system for your business?

Martin Farrin, Managing Director at Emporio, which is the EPoS arm of CLF Distribution, explained: "We use a Microsoft-based system that we have then built other components into to make it relevant to the health food trade. This particular type, the Microsoft Retail Management System, has actually been designed for small- and medium-sized businesses and their needs, rather than for the likes of Tesco."

But why did Emporio choose Microsoft rather than developing its own unique system?

"It takes years to develop in house and to do it is very expensive. And there are no guarantees that you won't suffer with bugs," Martin explained. "It is far easier for us to build on the Microsoft software, and to have the back-up of such a major provider as Microsoft because their system is going to be one of the best out there.



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just won't get the most from it."

Martin believes it's important to have a system where retailers in this sector can really benefit, with one example being the purchase order transmission programme Emporio has developed.

He explained: "When a retailer has their installation, they use a handheld device and stock take all their products and just scan the barcode. They can also enter what their ideal quantity in stock would be. This will then create an electronic purchase order number in the system, and so when a sale is made, it will automatically generate the replenishment for the items they need."

The order can either be sent straight to CLF Distribution, or will go to the retailer's other preferred wholesaler electronically.

"In that respect, it is very carbon friendly as there's no need for paper or talking to someone, everything is electronic."

Pros and cons

The system is clearly proving beneficial to those retailers already using it, and there is a range of reasons why.

The headline benefits to the system can be seen in the management tasks it can assist with. This includes the automated re-ordering to your preferred supplier, which potentially saves vast amounts of staff hours spent manually ordering as well as holding excess stock.

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"Older and in-house systems may also have caused retailers some problems as a lot of them required you to input your own data and if you have a lot of lines that will take forever and you

of or weren't selling," Martin said. "The system is reordering when it needs to, rather than stock being just sat there."

The software also provides important sales information, which can help turn the focus on more profitable lines, as well as improve your demand forecasting. In addition, it will result in less time being spent on stock control and on each transaction.

As a further benefit, your system can be linked to your website, which provides customers buying online with up-to-date stock information.

"Instead of managing two sets of data you can have it integrated into your website, which means that if you have a web order, it will tell a customer straight away if it's in stock or not."

For Martin, one of the clear benefits is the range of information retailers can obtain from one system, whether that's regarding out of stocks, best-sellers, top-selling products, and how new products are moving. This can also help forecast future sales and growth.

But, there will be some cons to EPoS, and Martin pointed out the main drawback is around data.

"EPoS systems are only as good as the data contained within them and you only get out of the system what you put in. EPoS is a serious investment and while we help all the way there are challenges and tasks you need to do up front to ensure you get the system working how you need it to," Martin said.

This, he explained, means doing a stock take when you have received the system to obtain all product and supplier information you need. **hfb**

Next month

Look out for the next issue of **HFB** in which we will talk to a selection of retailers to find out how using EPoS in practice has actually worked.