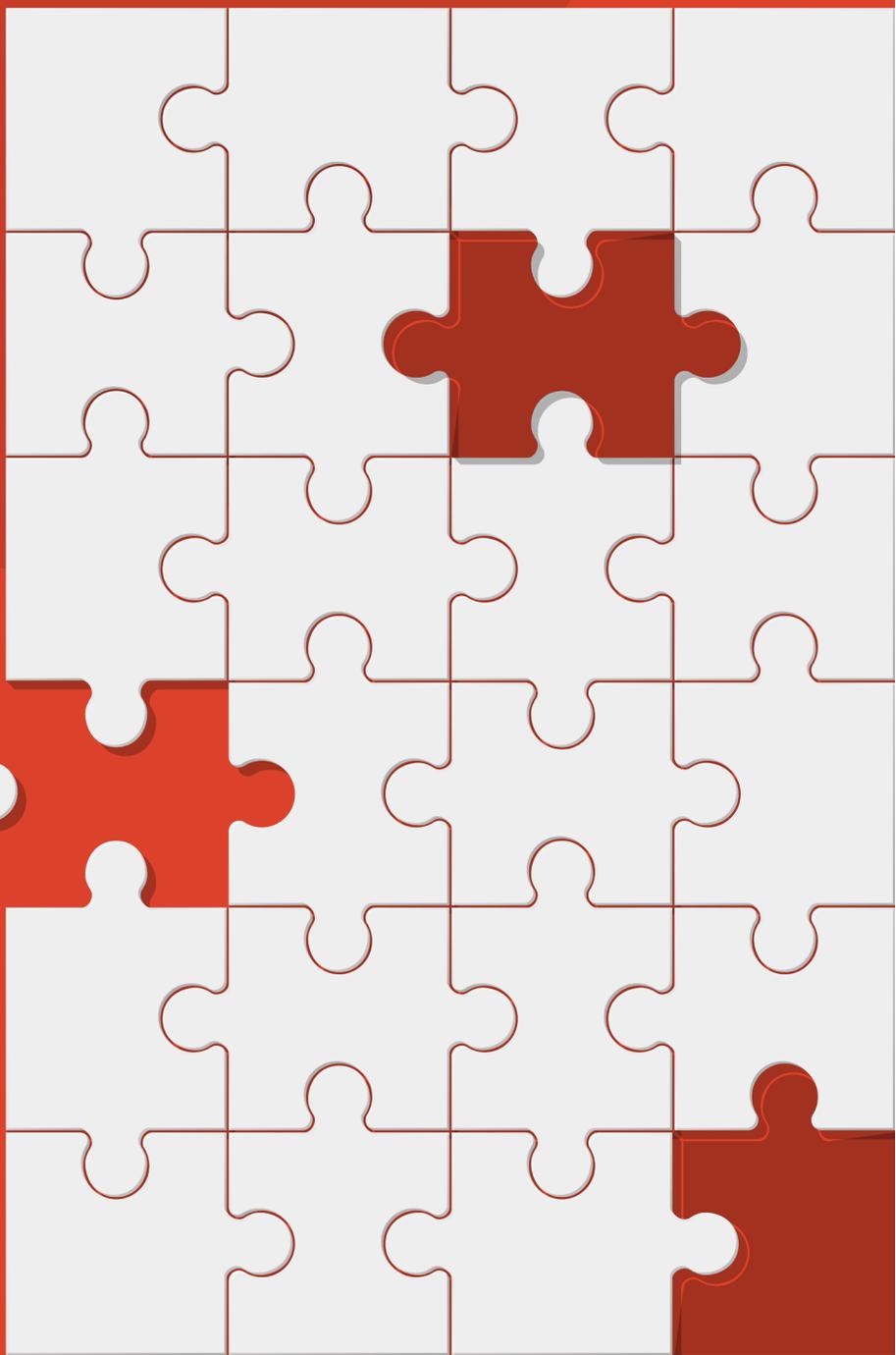
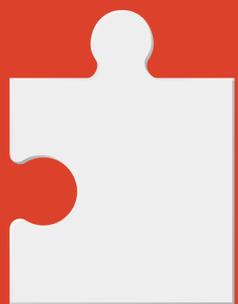
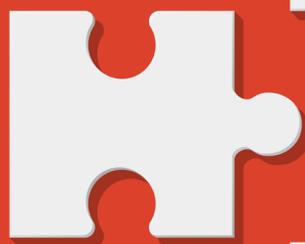
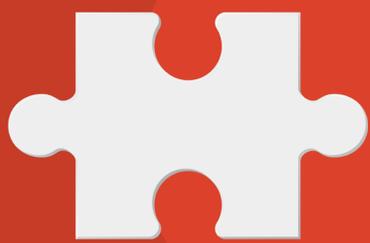


THE POINT OF SALE

PUZZLE

Identifying and Removing Hidden
Fees and Inefficiencies



Introduction

Efficiency and cost-saving are key for businesses. The point of sale system and payment processing are two areas where inefficiency and extra costs tend to happen. However, these are also two areas that can be complex and confusing, creating a puzzle for the business owner. Both a point of sale system and payment acceptance are key to success, but understanding how they work together and how to minimize cost and inefficiency are the topic of this short eBook. We'll discuss five hidden costs and how business owners can make better decisions in these areas.



Section 1: Software & Hardware Fees

Point of Sale upgrades can eat into your business's budget considerably. Whether you're dealing with software or hardware, the old practice of paying large sums for system improvements isn't relevant anymore.

Now most top-notch point of sale (POS) systems rely on the cloud, which means you can say goodbye to pricey updates. If you're using an old-fashioned POS system, be cautious of suppliers trying to push high-priced software upgrades from \$500 to \$1,000, or even more. Such pricing practices should make you suspicious.

The time has come to investigate the available modern solutions which replace these unwarranted upgrade expenses. By exploring, you'll find a wide range of alternative POS options.

These systems don't burden you with overwhelming hardware costs, and even provide flexible payment plans. Before you splurge on replacing old equipment, spend some time exploring the latest offerings.

The range of choices and potential savings might impress you.



In our current tech-savvy age, businesses can cut costs and complications by choosing cloud-centric POS platforms. It's time to move past expensive updates that come with minimal improvements. **Investing in a new POS solution is the way forward.** Such systems not only enhance your business processes; they also prove to be economical in the long haul. When there's a sea of budget-friendly options, why settle for the mediocre?



Section 2: Price Increases on Payment Processing

Carefully following payment processing charges is essential, especially when your point of sale (POS) system and payment processing are tightly integrated. Though this pairing can simplify matters, it's not a cue to ignore your processing expenses. Tech firms often realize that business owners might neglect these fees due to the smooth integration with their POS system. **Sadly, some firms exploit this oversight and sneak in periodic price hikes.**

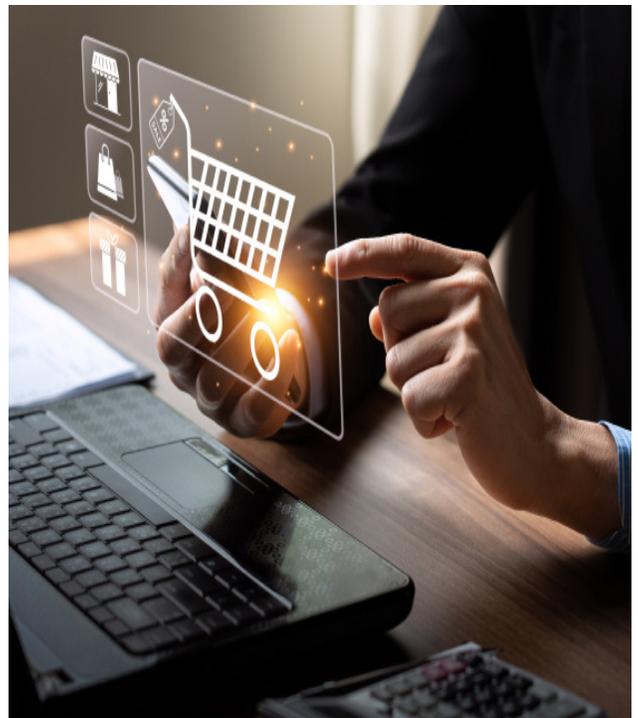


If you've used a system for an extended period, reevaluate by employing the handy metric known as the effective rate. To find this, divide the total processing charges by the entire amount processed. **For example:**

- If you processed payments totaling \$100,000 through cards (Visa, Mastercard, Discover, and American Express) last month,
- If you paid \$4,000 in processing fees,
- Then your effective rate stands at 4%.

This rate can differ across companies. If it's higher than 2.5% for your business, it might be time to consider other options.

Don't let unnoticed price hikes erode your profit. Proactively manage your payment costs by staying alert and considering other competitive solutions. By being proactive, you safeguard your earnings and ensure your business stays on solid financial ground.



Section 3: Up-charges for Apps and Features

As mentioned earlier, modern systems typically bill monthly for software, which covers updates. This approach is certainly more favorable. However, be vigilant to know what you're paying for. **Often, these systems will have added costs for apps or features that might not be essential for your operations.**

To avoid paying for redundant apps and extras, it's essential to check your expenses routinely. Examine the monthly charges closely, and determine if you're genuinely receiving value for the amount you're spending. Are there apps or features on your bill that you seldom or never use? **By reviewing at regular intervals, you can fine-tune your expenses and ensure you're obtaining a beneficial arrangement.**

"...be vigilant to know what you're paying for."

The move towards a software-as-a-service (SaaS) format in recent times means that monthly charges are now standard for the latest POS platforms. This structure does provide adaptability and ongoing upgrades, but monitoring these costs is crucial if you avoid unexpected hits.



Section 4: Training Time and Turn Over

While thinking through hidden costs related to the point of sale system, you may have overlooked employee training and opportunity cost.

Regarding employee training, let's examine how your point of sale system might be heavier on the pocket than you realized.

When using an older legacy system, consider the hours dedicated to training staff. What does this commitment mean for your operations? Compare the instruction needed for the POS system. The allure of contemporary POS systems is their straightforward user interfaces.

Much like handling a smartphone, the steep learning curve that existed with older systems is gone, ensuring easy training.



For perspective, a brief two-minute tutorial is all the training needed for young teenagers to maneuver their cell phones better than their parents within a few days. This level of simplicity should be mirrored in your POS system. Although some functionalities might need detailed guidance, your new employees should learn the core functionality with ease and without extensive one-on-one training.

If you find yourself and your veteran team members spending hours training new team members on the point of sale, that's a sign you should consider newer solutions. Seek POS platforms that emphasize ease and instinctive designs. **By slashing training times, you not only boost productivity, but also elevate staff morale.**

Always bear in mind that streamlined employee onboarding plays a pivotal role in your business's efficiency and profitability. Watch for POS solutions emphasizing ease of use, facilitating swift integrations, and reducing training time investment. Transitioning to a new system can liberate essential resources and foster a more upbeat atmosphere for your crew.

Section 5: Opportunity Cost

This last topic of opportunity cost is especially intriguing, especially when engaging with business owners. **What we choose NOT to do always costs us more than what we choose TO do.**

Opportunity cost is fundamentally the idea that choosing one course of action means sidelining another potentially lucrative alternative. So, ask yourself:

- How much energy and focus is your present point of sale (POS) system drawing from you?
- Are you bogged down by manual tasks that could be efficiently executed by a new POS system?

Let's examine a few situations.

- **Do you spend hours on manual inventory management?**
- **Are you physically tallying items, resorting to traditional methods, to identify re-order needs?**

This situation epitomizes opportunity cost. Rather than dedicating time to such activities, envision reallocating that time into areas like marketing strategies, refining staff training, bolstering business expansion, and crafting stellar customer interactions. By adopting a POS tool with superior inventory control, you can fine-tune your workflow and tap into unforeseen possibilities.

- **Are your choices made in the absence of pertinent data?**
- **Are you familiar with your busiest operational windows?**
- **Can you identify your most loyal customers?**
- **Can you pinpoint customers for tailor-made offers or incentives, based on their purchase history?**
- **Do you discern periods when a well-timed email or SMS outreach might impact revenues?**
- **Do certain products remain overlooked in storage, or are certain items consistently ignored on your menu?**

Each instance underscores the significance of opportunity cost.

To truly amplify your enterprise's strengths, it's essential to enlist a POS solution adept at not only collating data, but transforming that data into strategic direction. **By harnessing accurate data, you're positioned to enact enlightened choices, elevate business efficiency, and recognize once obscured opportunities.**

Remember, opportunity cost is like missing something better you could have done. How does your current POS system help your goals? Consider switching to a system that's easier to use and gives you helpful information. By realizing what you might miss, you can make better choices and help your business do its best.

Conclusion

Hopefully this short eBook has you thinking more about your current point of sale system and what it should be doing for you. Perhaps you identified an area of increased cost. **Now is the time to talk to experts about your specific situation to explore what is available!**

