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A grayscale background image of a bearded man in a retail setting, looking down at a counter. On the counter is a modern point-of-sale (POS) system with a tablet screen and a payment terminal. The background is blurred, showing shelves with various items.

EXPLORING NEXT-GENERATION POINT OF SALE SOLUTIONS IN RETAIL

A [point of sale \(POS\)](#) system efficiently manages business transactions between a customer and a seller, often involving the exchange of money for a good or service. With recent innovations, traditional POS systems involving clunky cash registers designed for cash payments have become increasingly unpopular.

Businesses are moving on to the next generation of point of sale solutions in retail, which can do much more than just facilitate transactions. These [new and improved POS systems](#) can streamline the shopping experience, facilitate a wide variety of [payment types](#), increase available inventory through omnichannel selling, create data-based solutions, and more. As POS systems continue to evolve, countless benefits are available to retailers, grocers, and convenience stores that will improve both the overall customer and business experience.

The need for speed and convenience, in addition to [retail industry trends](#), are the driving forces behind the innovation in producing the next-generation POS systems. Innovative solutions, such as the ones below, introduce the future of POS systems and demonstrate how companies are meeting the needs of their customers.

Grocery and Convenience Stores

Contactless POS for Touch-Free Transactions

As the development of RFID cards, Apple Pay, Google Pay, and other contactless payment methods continue, businesses will need to adopt, utilize, and improve upon the technology to [enhance the customer experience](#). Following the pandemic, the demand for touch-free POS software boomed as shoppers were looking for safe ways to shop. Post-pandemic, the trend has continued as customers realized the convenience and increased safety of only having to pull out their phones when paying.

Businesses and technology companies alike are realizing the growing want for a safer and more seamless experience at the point of sale. This nuance has introduced groundbreaking and innovative upgrades to the checkout experience. In fact, Amazon has developed a system that allows shoppers to pay with only the palm of their hands. Shoppers can connect their card with their palm in their Amazon account and then simply scan their palm at checkout for a quick, safe, and easy process. This biometric technology is called [Amazon One](#), and the company plans to integrate it at checkout in all Whole Foods stores by the end of the year.



Additionally, Amazon has developed a POS system that is integrated with the customer's shopping cart called [Dash Cart](#). This new system allows customers to sign into their account on the shopping cart via QR Code. Next, the customer uses the cart's scanner to purchase items and places them in their cart. The cart has a built-in scale to assist with produce purchasing and identifying if an item was placed in the cart without being scanned. When the customer is done shopping, they simply walk out of the store using a designated dash cart lane. By leaving the store, Amazon knows the shopper's dash cart is done shopping and charges the customer through their Amazon account. These innovative [POS systems](#) are boosting convenience and avoiding hassle for shoppers, making their in-person shopping experience quick, safe, and easy.

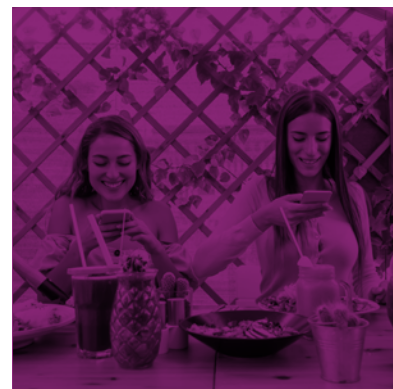
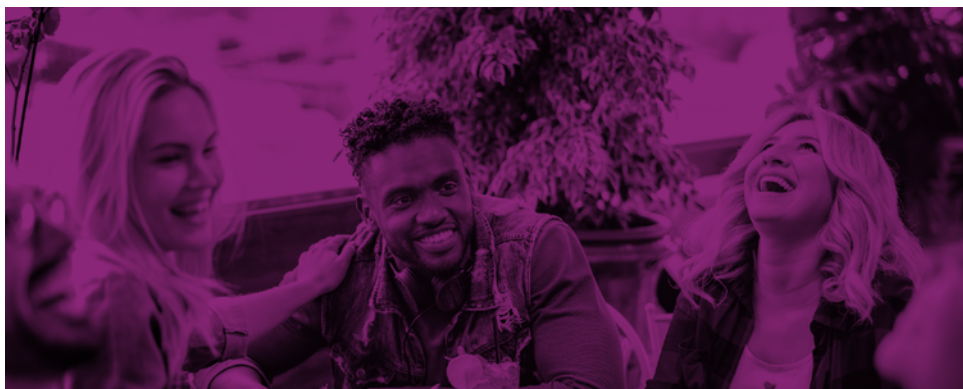
Restaurants and Hospitality

Self-Service and Mobile Order

Following the labor shortage and the COVID pandemic, the demand for workers at fast food restaurants, grocery and convenience stores, and retailers was at an all-time high. With people looking for higher wages and quality employment, cashier positions for many businesses were becoming expensive or just going unfilled.

Although we have seen companies like McDonalds using kiosks for some time, self-service has become the new normal for many companies. [Self-service POS systems](#) allow customers a quick and easy checkout experience, while businesses can avoid the costs of hiring a cashier. Self-checkout may not be as popular with the older generation, but 85% of [Gen Z shoppers opt for self-checkouts](#) when available.

Mobile ordering has also become increasingly popular. In fact, shoppers report the ability to [order online encourages them to spend more](#). Mobile ordering can provide a safe, seamless, and simple transaction for shoppers while boosting sales. Apps that facilitate these transactions also typically include loyalty programs, which allow consumers to rack up points for rewards. With these toolsets, customers can engage with POS programs they prefer, creating convenient shopping experiences.





Retail

Cloud-based POS systems

Cloud-based POS systems are one of the newer ways that businesses are keeping up with their customers' needs. These systems differ from traditional POS systems because they allow for payment to be processed through the Internet instead of on local servers. Additionally, through cloud technology, organizations can access information about inventory, transactions, total sales and returns, and other business needs while not being on premises of any specific store. With a cloud-based POS system, businesses can use more portable technology to access information.

For smaller businesses, retailers, boutiques, and mom-and-pop shops, getting access to information from a tablet or phone is an easier way to help customers. Cloud-based reporting provides more holistic business insight and can also provide reports by region, state, or country. As the benefits of cloud-based POS systems grow, so will their popularity. It's expected that 29% of retailers are planning to [move to cloud-based systems by 2024](#).

Untraditional Paths and Payment

As social media becomes more prevalent in customer purchasing decisions, utilizing non-linear and untraditional paths to purchasing is key. Social media platforms, such as Facebook, Instagram, and TikTok, are all integrating shopping with scrolling. Shoppers can now view content and purchase items without having to leave the current platform, causing a surge in online sales. This is especially true with the [rise of influencers](#), as businesses can create quick and simple paths to purchase items that [influencers recommend and wear](#). In fact, social commerce sales are predicted to increase from [\\$26 billion to \\$144 billion by 2027](#).

New in-store POS systems that are omnichannel capable will be able to take advantage of the buy online, pick up in store (BOPIS) feature. This POS strategy can make brands more visible and accessible by creating outlets for customers to purchase directly from their brand more conveniently. Additionally, retailers can improve their POS strategy and meet the wants of their customers through accepting untraditional methods of payment. For some shoppers, purchasing items through payment plans like Afterpay and Klarna better fits with their budgeting goals. As such, investing in a POS system that offers Buy Now, Pay Later plans as a form of payment can boost sales as shoppers can pay with their most preferred and convenient method.

Future of POS Systems in Retail

POS systems are continuing to upgrade as customers demand safety, speed, and convenience. Businesses need to invest in technology that allows their POS systems to be more than a simple transaction generator, but instead, a system that prioritizes data privacy and safety as well as meets customers' needs for speed and convenience. A new generation of [POS systems that facilitate simplicity](#) in purchasing will be the future for online and brick-and-mortar retailers.

For further guidance on next-generation POS systems or [retail technology strategies](#), reach out to our [retail team](#) today.

ABOUT CLARKSTON CONSULTING

Businesses across the retail industry partner with Clarkston Consulting to enhance strategic decision-making, improve operational efficiencies, implement new technologies, and promote business growth and market diversification. Leveraging deep functional and industry expertise, our people discover, design, and deliver solutions that fit your business, your goals, and your future. At Clarkston, your purpose is our purpose.

For more information about how we can help your company, [please contact us](#).

