



APG CASH DRAWER®



MOBILE-FIRST APPROACH:
Not Just for Small Shops Anymore

The COVID-19 pandemic caused a sudden 8.5% decline in adoption of mobile POS systems, but implementation will accelerate in the next four years. By 2025, the mPOS installed base will grow by 20%, according to an [IHL Group](#) projection.

Retailers are investing in mPOS solutions to differentiate themselves from competitors, and for ease of checkout, data security and integration with digital platforms. "Mobile POS technology enhances in-store sales teams' ability to provide a seamless, personalized shopping experience with tablet-based access to inventory lookups, customer profile information, and checkout functionality from anywhere in the store," said Chris Fair, a product manager for POSIM software, in a [blog](#).

Retailers increasingly are taking a mobile-first approach by linking web and cloud-based solutions to fixed hardware, such as cash drawers and printers. IHL predicts nearly half of retailers (45%) will deploy mPOS solutions this year, and another 21% in 2022.

Pre-pandemic, mPOS adoption was largely limited to Tier III retailers (small and boutique shops) who leveraged their ease of use, flexibility and lower costs compared to traditional POS systems. Going forward, according to IHL, adoption will widen as large retailers invest in the technology.

"Historically, Tier III retailers lead all other retailers in terms of their adoption of mobile POS by a wide margin. The 2020 pandemic started a sea-change, however, as Tier I retailers were the only ones that actually grew their installed base for the year," IHL says in the June 2021 report, [mPOS in the New World](#).

Large retailers had to quickly pivot during the pandemic to accommodate new practices such as BOPIS (buy online, pick up in store), ship from store, and curbside pickup. "In some cases, these retailers deployed whatever technology was available rather than what they had planned, which means that as much as 25% of the 2020 shipments will become 'one-hit wonders' and will be replaced as soon as is feasible."

Growth in Small Shops and Restaurants

Going forward, small and specialty shops are expected to continue investing in mobile solutions. The cost, flexibility, and usability reasons for deploying mPOS haven't changed; if anything, they make it easier for new retailers to get up and running.

Retailers also are looking at mPOS solutions to leverage data for personalized customer experiences. POSIM's Fair encourages retailers to leverage POS to capture data such as purchase history, preferences and birthdays and apply that data to digital and marketing experiences. "When a shopping experience is personalized for the customer, they are **110 % more likely to purchase additional items**," he wrote.

According to IHL, restaurants are also interested in mPOS, although their adoption of the technology is slower than that of retail stores. As consumers start returning to their favorite restaurants following pandemic restrictions, some establish-



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ments – especially in tourist areas – are having trouble getting back to pre-pandemic levels.

Staffing has been an issue because of workforce shortages. This has led to problems with impatient patrons, who sometimes show their aggressions on restaurant staff. In a recent notorious case, a Cape Cod, MA, restaurant [closed for a half day](#) as a result of abuse from customers.

As restaurants try to ramp up, IHL suggests mPOS “may be a go-to technology to help in this scenario.” Quick-serve restaurants such as Chick fil-A and Del Taco have been using mPOS for line busting, and some sit-down restaurants are using ordering tablets to great effect, IHL says. “Bottom line, in spite of forecasts, we would not be surprised in the least if 2021 actual shipments to restaurants far outstripped all other segments,” IHL says.

Mobile-first Strategy

mPOS isn't likely to entirely displace fixed POS solutions. Instead, retailers are implementing mobile-first solutions combined with counter POS systems and fixed components so they can effectively accommodate traditional in-store service





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