KORONA POS
BY COMBASE

The ULTIMATE POS System
Buyer's Guide

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Intro

Choosing the right point of sale for your business is a critical decision because it can make all the difference in your quality of service, operation efficiency, and profitability. There are POS systems that can save you more time and money, and there are systems that can lose you business. We want you to know how to pick one that is tailor-made for your business and will set you up for long-term success. With thousands of options available today, it can be very challenging to get to your final decision. Let us help you with our POS system buyer's guide.

THE 3 CRITERIA MOST PEOPLE HAVE

When looking for the right POS system most businesses base their research on the following three criteria:

Features – Of course, you want to narrow your decision down to POS solutions that fit your needs. After all, an inexpensive solution is worthless if it does not work for your business. Business owners will want to think about the areas of their operation that need to be most efficient and specific features are necessary to make that happen.

Initial Investment – Whether you are switching POS systems or buying your first for a new business, there will be an initial investment. In many cases, this can include paying for setup, hardware, or legacy software license fees. This is where a point of sale software subscription attracts many business owners as it does not require a high upfront i nvestment.

Maintenance Cost – Most systems also have ongoing costs. With software as a service, this is usually the monthly or annual service fee. In addition, most POS solutions come with service and support contracts as well. And unfortunately, credit card processing fees are unavoidable. Less clear-cut costs are tasks that require your time. Inefficient design or manual labor such as data entry can quickly eat up your time, which is your most valuable resource.

6 TIPS FOR BUYING A POS SYSTEM

Before you start shopping for a point of sale, let's go through a few more things to keep in mind. Here are a few tips to help you as you research, shop, and narrow down your choices.

Identify Your Needs

▶ List what functions and services you will need. Think about past issues you have dealt with and how you can solve them in the future with a better system.

Choose Essential Features

▶ Examples include SaaS solutions and cloud-based service. Make sure to have the features you need to run your business smoothly.

Determine Your Budget

▶ Consider the number of locations you have, the types of products you sell, how many registers you need, your traffic, etc. Plan your budget beforehand.

Watch Out for Traps

▶ You can target specific interests of your customers who have a very high level of intent when scrolling through Pinterest.

QUESTIONS TO CONSIDER

1. What Type of POS Hardware is Best?
2. What POS Hardware Peripherals Do I Need?
3. Cloud-Based or Legacy System?
4. Software-as-a-Service or Buying Your Software License?
5. What Software Integrations Do You Need?
6. What Credit Card Processor Will You Use?
7. Do You Require Any Niche POS Features?
8. Do You Want Included Support? What About a Long-Term Contract?

1. What Type of POS Hardware Is Best?

A POS is no longer simply a cash register. The hardware is most often an actual computer or tablet that runs software through a browser or app. You can attach, either physically or remotely, any additional peripherals to the computer or tablet. These may include a scanner, printer, cash drawer, and credit card reader. Let's go through the main three options and the types of businesses that would benefit from them.

Desktop – These systems are best for businesses that have a clear checkout area with a cashwrap. Desktops are difficult to move and take up more space, so you want to be sure that they are well integrated into this area. Desktop POS systems, however, are powerful tools and can improve the experience for both your customers and your staff. For example, more advanced POS hardware has large touch screens with forward facing displays. You also often have the option of leasing or buying these outright.

Mobile – For a more mobile experience, getting a tablet or mPOS might be a better route. Tablets simply need a credit card reader attached and can complete transactions anywhere in the store. This solution is great for adding extra checkout options during your busiest times. It's also a great option for smaller retailers who have fewer daily transactions and less inventory. Mobile POS systems can be set up as stationary units as well, and have other hardware peripherals attached to them. This gives you more versatility with your checkout experience.

Combination – Many retailers would benefit from an all-in-one approach by combining the two different options. For your bigger, busier locations, desktops are a better option, but keeping tablets as well are great for smaller stores or pop-up shops.

2. What POS Hardware Peripherals Do I Need?

Though a complete point of sale setup isn't too extensive, there are a few additional items that every retailer must have.

Credit Card Reader – Retailers can't rely on cash and check only anymore. It's essential to accept credit cards. And if you do, you must also have a machine that is compatible with EMV chip payments. Federal law now states that any fraudulent swiped transaction must be compensated for by the retailer, not the issuing bank.

Contactless and Mobile Payments – You also should accept modern forms of payment, including contactless, or, tap-and-pay, and mobile payments. More and more consumers are using these safe forms of payment and expect that retailers accept them. Make the switch now before you're behind the curve.

Receipt Printers – Most retailers still have receipt printers, but they are less necessary now than they used to be. In efforts to cut down on paper waste, emailed or texted receipts are on the rise. This also allows retailers to continue the relationship with each customer even after they leave the store. An email or text could be easy reminders to go back to visit your business.
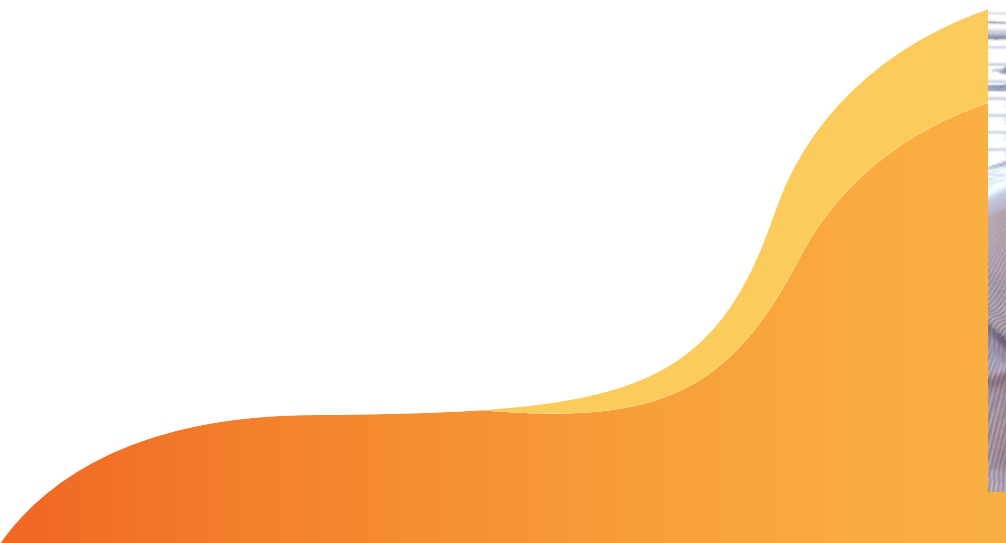
Scanners – Scanners are another non-essential piece of hardware, but one that many retailers would benefit from. Most importantly, scanners can make your inventory management system much smoother and accurate.

3. Cloud-Based or Legacy System?

For a long time, a legacy model was the only option retailers had. Legacy systems are all connected to a server on the premises of the store itself. Each POS and peripheral device is connected to this main server.

On the other hand, a cloud-based point of sale is connected through an external server hosted by the POS company. This means that you can have access from anywhere with an internet connection, allowing you to complete tasks and run your business remotely. Legacy models are also prone to complicated and expensive updates and disastrous internet outages.

There are very few legacy systems still on the market, but many businesses are preferring the benefits of a cloud POS system.

4. Software-as-a-Service or Buying Your Software License?

Cloud-based software also makes the software-as-a-service (SaaS) model more feasible. This means purchasing your POS as a subscription rather than owning the software license.

SaaS means that you pay a monthly fee which includes automatic updates to your software as they're released. Owning the software outright can be expensive, and any updates will quickly make the old version obsolete. Although some businesses would like to own their software license outright, in such a quickly changing industry it's advantageous to find a solution that will keep you with the best technology available at all times.

5. What Software Integrations Do You Need?

While your point of sale can perform an array of tasks for your store, you might also want to consider third-party software for some more advanced tools.

For example, many wineries use the advanced loyalty program, bLoyal; many businesses need POS software that integrates with accounting tools, such as Quickbooks; retail stores seeking an online presence need to have a POS system that integrates with an eCommerce platform.

There are countless business management apps for every type of retailer. Of course, most won't need more than a couple. But it's important to make a list of those that you'd like to use prior to committing to your POS solution.

Top POS Integrations for Businesses

Accounting software

eCommerce

Inventory management

Employee management

Payment gateways

Ticketing system

Loyalty program

Open API

CRM

6. What Credit Card Processor Will You Use?

Your credit card processing decision is quietly one of the most important. Credit card processing fees, though a small percentage of the overall sale, can be a huge amount at the end of each year. And one that offers 2.25% instead of 2.75% can save a retailer tens of thousands of dollars.

Remember that you can shop around for the best rates. Beware of POS companies that are also payment processors. These solutions will lock your business into higher rates, even though they may offer a free tablet or no monthly software licensing fees.

Also, take a little time to learn about credit card processing. There are ways to find lower rates and save a significant amount of money.

THE FEES OF CREDIT CARD PROCESSING

✓ INTERCHANGE

▸ Determined by the card networks

▸ Bulk of each processing fee

▸ Evaluated based on risk

▸ Non-negotiable with processor

▸ Can be lowered by business practices

▸ Majority of fee goes to issuing bank

✓ ASSESSMENT/NETWORK

▸ Go to the card network associated with customer credit or debit card

▸ Major card networks are VISA, MasterCard, Discover, and American Express

▸ Small fraction of total processing fee

▸ Non-negotiable with processor

▸ Fees cover their role in setting interchange rates

✓ PROCESSOR

▸ Fees directly to the processor

▸ Covers their role in facilitating the transaction

▸ Also pays for PCI compliance and security guarantees

▸ Negotiable with your processor

▸ Often bundled with other fees to hide the costs

✓ ADDITIONAL

▸ Some processors charge additional fees

▸ Negotiable with your processor

▸ Can usually be avoided

▸ Common avoidable add-ons include support, batch, cancellation, and minimum fees

▸ Others may be hardware rental, chargebacks, and online payment gateways

7. Do You Require Any Niche POS Features?

Much like your needs for any software integration, ask about niche POS features that are specific to your industry when shopping for a new solution. A great point of sale should be able to offer industry-specific tools that benefit your business.

To give you an idea, here are a few that KORONA POS offers:

Order Automation – For businesses like coffee shops and bakeries, frequent, standard orders are common. Our software includes tools that automate these orders. The orders can also be completed directly through your point of sale.

Short-Stock Notifications – For many retailers, but especially liquor stores, KORONA POS has a short-stock widget. This tool is on your dashboard and notifies you whenever there is a product low in stock. Again, any ordering can be done directly through the widget.

Retail Analytics – A business with thousands of products, like convenience stores and gift shops, benefits from ABC retail analysis. This feature grades the performance and value of each of your products allowing you to better order and price each item.

Versatile Verticals – Wineries, amusement parks, and museums need a POS solution that is versatile enough to service multiple verticals. For example, a winery might offer ticketed tours, have a gift shop, a quick-service restaurant, and host large events. An all-in-one POS system is needed to cover each aspect of the business.

More Features You Might Look Into:

Inventory Database and Counting

Detailed Product Reports

Store Promotions and Sales

Stock Transfers Between Stores

Employee Reporting

User Accounts and Varying Levels of Access

Customer Database and Order History

Returns, Store Credit, and Refunds

Split or Multiple Payments

Sleek or Mobile Registers

Overall Ease of Integration

Franchise and Multi-Location

8. Do You Want Included Support? What About a Long-Term Contract?

It's important to prioritize the POS business itself in addition to the hardware and software. With a more advanced point of sale, you're bound to have questions. Support isn't always fixing problems, it's also about helping retailers use their point of sale most productively.

Look for a system that comes with included POS customer support. Many POS companies charge extra for this. Also, ask that it's 24/7. You need a solution that is there to help any time that you need it.

Lastly, watch out for lengthy contracts. Signing a contract with a POS company or credit card processor can have some disadvantages and may limit your options in the long term.

PRICING

Software Subscriptions
(Estimated Cost: $50-$200/month)

Prices for a cloud-based POS solution subscription vary widely. Most **start between $50 and $200 per month** with various additional fees and offers attached. **KORONA's base monthly price is $59 per terminal.** This includes an unlimited number of users, unlimited product listings, and access from any compatible device. Our cloud-based point of sale system software is built to make data storage and access even easier.

Software subscriptions give users more scalability and flexibility. It also allows for your POS solution to be cloud-based, providing remote data storage that can be located from any device or location. This ensures more secure data, unlimited space, unfettered access, and real-time reporting.

One-Time Purchase / Software License Fee
(Estimated Cost: up to $50,000)

Some customers looking for a new point of sale are hoping to find a one-time purchase of their software. Unfortunately, such purchases do not come with support included and any updates to the software require an additional fee or a completely new purchase. Our SaaS is month to month and includes free updates and upgrades each month.

Long-Term Contracts and Cancellation Fees
(Estimated Cost: Varies Significantly, From $1,000+)

Some point of sale pricing includes long-term contracts, many of which come with **pricing changes** along the way. Others also charge you a cancellation penalty. Whichever POS solution you are thinking about, make sure that you avoid **early termination fees** and **payment processing contracts.** You should be able to cancel at any time, free of charge. KORONA POS is confident in our product and ethical in our approach. We have no desire to rope anyone into cumbersome contracts.

Hardware Options
(Estimated Cost: $1,000-$4,000)

Hardware prices vary even more. Several companies require the use of their own hardware, others give each customer the option. Be careful of free hardware offers; many of these come with long-term subscriptions to high credit card processing fees or hiked SaaS subscription prices down the road.

KORONA POS offers hardware for sale or leasing options, but our software is compatible with most current hardware options. Whether you purchase hardware from us or have your own, the monthly subscription fees will remain unchanged and you'll never be bound by a contract.

More rudimentary POS hardware options will **cost $400-$1000**, while advanced systems can run **as high as $4,000.** High volume **receipt printers generally range from $150-$300** and **credit card machines from $100-200**. Whatever option is best for you, watch out for any hidden fees or subscriptions that may come with it down the road.

GENERAL POS HARDWARE PRICING GUIDE

$1200-$4,000 — DESKTOP POS SYSTEM

$300-$1,200 — MPOS TABLETS

$100-$300 — RECEIPT PRINTERS AND BASIC CREDIT CARD MACHINES

$50-OR MORE — CASH DRAWERS

$20-$1,000 — BARCODE SCANNERS

Credit card processing fees can easily be the most costly aspect of your point of sale solution. Average processing rates generally range from **1.5% to 3.5% per transaction** (a HUGE difference if your business has significant sales). Some also require a flat **$0.10 to $0.25 fee** for each transaction, decimating profits for smaller purchases. Interchange rates can also be an added blow to your fees with each transaction.

Certain POS companies require that their customers use their credit card processor, making statements such as "this allows us to offer unique POS features and functionality." However, this is how they make up costs (plus a lot more) for offering free or heavily discounted hardware.

KORONA POS does not offer an internal credit card processor and will never take a cent off of any sale from our users. We leave the decision up to you and are compatible with whichever processor you choose to go with.

Average processing fee businesses pay per transaction:

1.5% to 3.5%

Processing Fees for **$500,000** in Annual Sales

Processing Rate / Processing Fee in Dollars
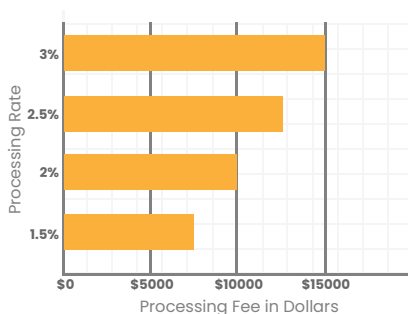
Lowering your rate can save you thousands of dollars. In this example, each **0.5%** rate difference equals to **$2,500!**

Installation and Training Fees
(Estimated Cost: $2,000-$5,000)
(Free with KORONA POS Subscription)

Many points of sale solutions charge a fee for terminal installation and any training that comes with it. These can often cost thousands of dollars. Some however can offer it for free and included in their monthly software subscription. For example, installation and training are included in KORONA's flat monthly subscription. Plus, our software is intuitive and easy to use. We'll be there to help with any questions you have along the way or teach you about the useful features in your POS system.

Customer Support Hours
(Estimated Cost: $100/hr)
(Free with KORONA POS Subscription)

Like installation, many companies charge per hour of customer support. Some others charge for after-hours calls or only offer a limited amount of support hours per month. At KORONA POS, we believe that support should be included in your monthly subscription. Moreover, there shouldn't be a cap on the amount of support we provide. That's why we're here 24/7 by phone, chat, or email for whatever issue you need to be resolved.

Final Tip:

The price of your POS can vary on a vast number of factors. More niche software options will raise your price, state of the art hardware will as well. Make sure that the solution you go with is as straightforward as possible. Be wary of hidden fees, promises of low or no upfront costs, confusing contracts, and limited credit card processor options.

A True All-In-One POS System

KORONA POS offers intuitive and powerful POS software to help businesses grow:

- ▶ **Integrates with a multitude of hardware options**

- ▶ **Offers robust inventory management**

- ▶ **Provides actionable reports and data**

- ▶ **Gives you the choice of credit card processor**

- ▶ **Requires no contract**

- ▶ **Integrates with important additional software**

- ▶ **Provides 24/7 support at no additional cost**

- ▶ **Comes with no hidden fees**