

## Three Benefits of a Cloud-Based Integrated POS Solution

Merchants can benefit from increased flexibility, information management and security by tapping into the cloud.

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As technology leads to more robust and flexible point-of-sale systems, merchants face hard choices in selecting the best solution for their business.

Traditional systems require on-site servers, proprietary hardware in some cases and expensive licensing and support fees. Today, cloud-based systems offer more flexibility with lower installation and ongoing costs that allow retailers to improve the customer-service experience as well as the bottom line.

With an integrated solution, a retailer connects the POS to other enterprise systems to allow for real-time data reporting and management. An integrated POS system can feed payments, fulfillment, inventory and purchasing systems as well as provide detailed management reporting and monitoring. An integrated system also can support multiple sales channels so that an in-store sales associate can access the same information that may be available from a website or call center. Say, for example, a customer comes into the store looking to purchase an item that the website indicates is available in the store. If the website is incorrect, the customer leaves frustrated and with a negative attitude. But if the systems are integrated, the customer is able to purchase what he wants with a minimum of hassle, and is more likely to come back.

### Benefits of cloud-based systems

Cloud computing is a technology that uses the Internet and central remote servers to maintain data and applications.

Advantages include:

- More efficient computing
- Centralized storage, memory, processing and bandwidth
- Enhanced security

In a restaurant setting, an integrated POS can help servers and kitchen staff stay informed about the availability of menu items, and deliver a positive experience for the diner.

Typically, a cloud-based system allows for greater flexibility, improved information management and greater data security. This white paper explores these core benefits of a cloud-based integrated POS system to help merchants select the right solution for their business.

### Flexibility

A cloud-based system offers maximum flexibility for a variety of POS environments with the ability to communicate with all locations at once. It's helpful to keep in mind that a cloud-based system is not necessarily the same thing as a Web-based system. A Web-based system uses a browser interface to access the POS.

However, a cloud-based system may operate on client-side hardware while using Internet infrastructure to move data back and forth with a remote server. In this case, the application is a downloadable, self-contained program that operates like any other piece of software, according to Bob Vergidis, president of Cincinnati-based cloud POS provider DevStudios, makers of leapfrogpos.com.

Vergidis said that leapfrogpos.com is a centrally hosted, Internet-enabled POS solution, not a Web-based application.

"Web-based solutions tend to be slow and have issues when dealing in high-volume environments," he said. "Leapfrogpos.com blends the speed of software with the flexibility and security of a cloud-based solution."

A flexible solution also integrates multiple sales channels. For instance, leapfrogpos.com offers mobile payments acceptance functionality that works on many popular handheld devices.

Traditional POS suppliers see the benefits of a cloud-based solution. Global technology company NCR Inc., based in Duluth, Ga., launched a cloud-based POS software solution, which will be used on touch-screen POS and Apple mobile devices such as the iPhone, iPod Touch and iPad.

Type of system	How it works
<b>Cloud-based</b>	Operates on client-side hardware; uses Internet infrastructure to move data back and forth with a remote server; can integrate multiple sales channels; is scalable
<b>Web-based</b>	Uses a browser interface to access the POS; can be slow and have trouble in high-volume environments

It can be used in a variety of retail settings, although NCR designed it to meet the needs of an increasingly sophisticated segment of the market, according to Christian Nahas, vice president of specialty retail, NCR Retail.

"It was created specifically for entrepreneurial brick-and-mortar retailers and product and service providers without a traditional storefront," he said.

In addition to the regular features, the software supports options such as an integrated barcode scanner and a magnetic stripe reader with end-to-end encryption, which also can be used on Apple devices.

Vergidis said leapfrogpos.com can scale



*A flexible solution integrates multiple sales channels, such as handheld devices and the traditional register.*

from a single location to a nationwide chain, and it can accommodate multiple franchises or brand concepts under one system.

### Information management

An integrated POS system should enable various parts of the enterprise to share a common base of information throughout the entire value chain.

For example, leapfrogpos.com offers modules that allow the system to communicate with legacy applications via the API, as well as other applications, such as inventory, payments, forecasting, payroll and supply chain. This integration can extend across sales channels, including online, call centers and physical locations.

The goal is to have everyone in the enterprise using the same set of real-time data to support business decisions and activities.

“Central management of all shared resources allows for common business rules enforced system-wide,” Vergidis said.

NCR’s software platform combines a traditional POS with increasingly crucial customer management aspects. The merchant can access his data and configure his systems in the cloud. He can also track customer history and, accordingly, launch e-marketing campaigns to his customers, Nahas said.

### Security

The notion of the “cloud” may raise questions about data security, but in fact a cloud solution can provide a greater level of security than a locally-hosted solution. Data stored in the cloud or remote servers enjoys

**“Central management of all shared resources allows for common business rules enforced system wide.”**

— Bob Vergidis, president, DevStudios

a high level of security, such as virus protection, data backup and multiple copies to ensure uptime in case of hardware failure.

For instance, leapfrogpos.com uses high-grade 128bit SSL encryption as well as data partitioning to ensure the data is as secure as possible.

San Jose, Calif.-based MerchantOS, a cloud-based POS, stores data in a secure cloud hosted in multiple data centers with real-time backups. Redundant servers host the MerchantOS point-of-sale application and all related services. That way, if the primary server fails, the backup system can instantly take over, ensuring revenue flow and a positive customer experience.

As retailers and other merchants look for new POS solutions, an integrated, cloud-based solution offers many benefits that impact the bottom line as well as customer relationships.

**About the sponsor:** DevStudios America Inc., based in Cincinnati, specializes in fully integrated, cloud-based point-of-sale solutions for restaurants and retail. Its hosted leapfrogpos.com solution is available on a scalable subscription basis and includes fully managed in-store point of sale plus an extensive suite of add-ons that include online ordering, call center, inventory management, supply chain integration, enterprise reporting, business intelligence and more. The company was founded in 2003.