

EPoS everywhere

EPoS used to be about little more than recording item level sales to produce mountains of largely unused data. Today it's different: it numbers drive buying plans, staff schedules and the entire supply chain, as Penelope Ody notes

You would be hard-pressed these days to find a High Street store without some sort of EPoS system. Even the smallest independent seems to have a suitable terminal capable of linking sales directly to financial applications or even a website. EPoS is mature, stable and – one would imagine – becoming something of a commodity. A typical replacement cycle for major retailers, according to Martec International, is slightly more than nine years. So what more is there to say about EPoS?

It would seem quite a lot, because not all of the applications out there appear to be as efficient as the business would wish. As Dan Juriansz, senior pre-sales consultant for MMS and store systems at JDA, discovered: "I was in a major High Street chain in Portsmouth recently and bought three shirts for the price of two as a special promotion – only the checkout operator had to ring in the three items and then give me a 100 per cent discount on one of them as the system couldn't handle the deal automatically. I was amazed. It had never really occurred to me to emphasise that our system can do this – I thought they all could," he says. So much for commodity.

A few years ago if you asked IT directors why they were upgrading their systems the answer usually had, as Juriansz suggests, something to do with the IT not keeping pace with business and marketing needs. Promotional attributes in a marketing-oriented retail world are just part of the story. Today's EPoS has to drive customer relationship tools, workforce management and business intelligence. For supply chains increasingly preoccupied with the notion of flowcasting it also is the key provider of metrics for demand planning and forecasting.

EPoS providers targeting larger retailers tend to fall into two camps. There are those offering a totally integrated enterprise suite of which EPoS is simply a small component, while others claim to be preoccupied solely with store systems and emphasise how easy it is to integrate their application to whatever happens to be at the back end. The usual enterprise vs best of breed argument. For smaller retailers, EPoS is also the key component for a total retail management

solution. Microsoft's RMS integrates with Office; Kudos' CounterPoint with Access Accounting while Sage financials also offers an integrated EPoS solution to those using its financial package.

The enterprise camp

In the enterprise camp is – of course – SAP, which acquired Triversity last year, and Oracle, which has now "Europeanised" the 360 Commerce store system it also bought last year, and is now actively looking for customers here. JDA, too, has enhanced its EPoS offering augmenting the established WINPOS with JDA-PoS – a Java-based application which similarly integrates with the rest of the back office and supply chain suites.

Best of breed

On the best of breed side are the likes of Torex – now fighting back after the financial débâcle of earlier this year. "PoS is key for retailers," says newly appointed president and



COO, Graeme Cooksley. "It's where we focus although we want to follow that back through the retail organisation to offer solutions for stock management, supply chain and human capital management."

The latest re-vamp of Torex's assorted offerings sees Retail-J as its global flagship EPoS products with Anker's Oscar system, now labelled Lucas-Oscar, categorised as a regional offering for the (mainly) German market. Cooksley maintains that both Retail-J and its DRS suite for smaller retailers will continue to be sold through partners and dealers, although he intends that bigger retail customers – such as Harrods which purchased Retail-J through Retail Business Solutions (now part of Sandersons) – would in future be "taken back in house." Harrods went live with Retail-J last summer as part of a major upgrade in its IT infrastructure which has included the introduction of services oriented architecture to simplify integration issues with its SAP suite.

Argility – a new name in the UK EPoS arena – is also, like Torex, opting for dealership sales and channel partners. The company is a spin off from UCS in South Africa, which initially developed the ActiveRetail 4 system, used here by Moss Bros and The Pier. ActiveRetail 4 is a comprehensive offering with the option of an integrated MMS system (Dolfin) or – since it is

.Net – easy links to other systems. It is currently being integrated to SAP for one customer and this will be available in future as a generic offering. Operations are headed by ex-UCS COO Lester Aderem with Andrew Blatherwick handling business in the UK. UCS gained a major share of the South African retail market with its leased format – the company adapted its applications to meet specific customer needs and only when the retailer was happy did they start paying a monthly fee to use the system. Although Argility will be taking a more conventional approach to sales, it also emphasises flexible development and the option to "de-feature" the suite to provide just what functionality is required. "This obviously reduces the complexity and code redundancy typically present in a package offering, so reducing the total cost of ownership over the life of the product as the retailer will only use and maintain the code they require," says Blatherwick.

Use of .Net along with XML and Java is certainly easing the integration issue. Itim has moved its Chameleon store system onto the .Net over the past two years with XML for integration. It has also added a raft of new attributes including real-time alerts for fraud prevention, e-learning tools to simplify staff training and browser-based dashboards for management reporting which run under Vista. "We have an integrated products strategy," says managing director, Simon Curtis. "Both our own products and those from other vendors – such as the Buyer's Toolbox suite from the USA for which we are sole UK distributors." While Chameleon includes a fully mobile EPoS solution, it is not an area where Curtis currently sees much interest. "The problem is hardware costs. A mobile EPoS till is around two and a half times the price of a conventional terminal so it is difficult to cost justify."

Although widespread use of mobile channels may still be some way in the future, other channels are an established reality. Launched four years ago, Cybertill has quickly established itself as a key player in the covering both store and online operations. The system runs as a hosted IP-based application – currently also available in partnership with Fujitsu on an SaaS (software as a service) basis. "Because we have a single database it makes cross-channel operations so much easier," says managing director, Ian Tomlinson. "It's possible, for example, to charge up a gift card online and then spend it in store or else take an order in-store for an item available at another branch and have it shipped direct to the customer – all from the till point."

An advantage of the hosted format is a single application version with upgrades or special developments instantly available to all users. Although Cybertill started life very much focused on SMEs, its latest customer – yet to be formally announced – is a 350-branch operation. Tomlinson maintains that Cybertill's single database structure is still relatively unusual in the multi-channel space with most retailers grappling with disparate systems to manage sales for each customer touchpoint. In the past, integration for EPoS may have focused on links to central systems, warehouses or back office. Today integration also embraces multiple channels and in future will certainly extend to customer devices such as cellphones and PDAs for payment or product search. Small wonder that vendors are looking to IP, XML and, indeed, SOA to manage these burgeoning links.