

4 Ways To Evaluate Business Performance With Your Pos Reports

Whether you own a popular coffee shop or a busy hardware store, the robust features found in your point-of-sale (POS) system can teach you a great deal. Your POS system can be your partner and guide as you assess strengths and weaknesses, monitor inventory, and encourage your loyal customers to keep coming back. Here are four ways to evaluate the performance of your business using the data in your POS reports.

*Mark Miralles,
Merchant Services
Officer*

1. Top-Selling Items

In any business, you need a solution that helps cut costs and increase profitability. Your POS system generates sales reports that track top-selling items as well as items that don't yield much profit. It can also provide detailed analytics on profit margin.

With this information, you can develop a strategy to decrease the cost of underperforming items and potentially raise the price of your top-sellers. Items that are both popular and profitable are a natural fit to use for a promotion.

2. Inventory Management

No longer will you be at the mercy of your own memory when it comes to deciding what products you need to order and which ones you need to scrap. Your POS system is already seamlessly tracking this information.

Your POS system indicates trends in your inventory in real time, preventing product shortages or overages. It even allows you to input a threshold number that generates a "reorder" command once quantities of goods fall below it, preventing you from losing a sale because of low inventory.

3. Sales Activity by Date

An acute understanding of the ebb and flow of your sales activity will help you implement strategies to drive potential marketing and branding efforts. Your POS system generates reports that track the time of the day and year when you sell specific items allowing you to adjust inventory as needed.

If business slows to a crawl on Monday, it may be best to just stay closed. If business is booming on weekends, you can properly manage staffing levels by increasing the number of employees needed during that time. Heightened attention to customer service in combination with a marketing strategy creates a unique customer experience built to last.

4. Customer Relationship Management

Having a robust POS system will also help you identify your loyal customers, keep them interested in what you have to offer, and motivate them to return. Your POS can track who your best customers are in terms of purchase amounts and visits—a useful tool for marketing initiatives and promotions. With this information in hand, you can use a number of marketing strategies to connect with your valuable customers and reward their loyalty with promotions and discounts.

In addition, segmenting your customer base helps you target the right people at the right time and more effectively than the competition. If you have a mailing list, you can tailor your message for different customer personas. With POS reporting you can get detailed pictures of who your customers are, giving you a variety of ways to keep them coming back.

A Reliable Companion for Your Business

POS reports offer unique advantages for running your small business. The reports provide more than just improved record-keeping and accounting; they give you insights to make smarter and better decisions.

The reports described are just the tip of the iceberg of what a POS system can do for you. Our [Merchant Services](#) specialists are experts in identifying the right mix of solutions to help you streamline your [payables process](#) and evaluate performance with POS reports. To speak with one of our Merchant Services specialists, email them at merchantservices@plainscapital.com.