

# How to select a POS and ERP system for your sporting goods business: 7 factors to look out for





When the time comes for retailers to update their enterprise resource planning (ERP) and point of sale (POS) systems, many are cautious. Overhauling your IT is a big step, and an **ERP and POS implementation impacts every aspect of the business**. Get it wrong, and you could end up caught in a costly and time intensive exercise, landed with a system that doesn't deliver all the functionality you need. But **get it right and you'll have a solid backbone to your operations, which will support you as you grow and diversify your business, and ultimately help you thrive**.

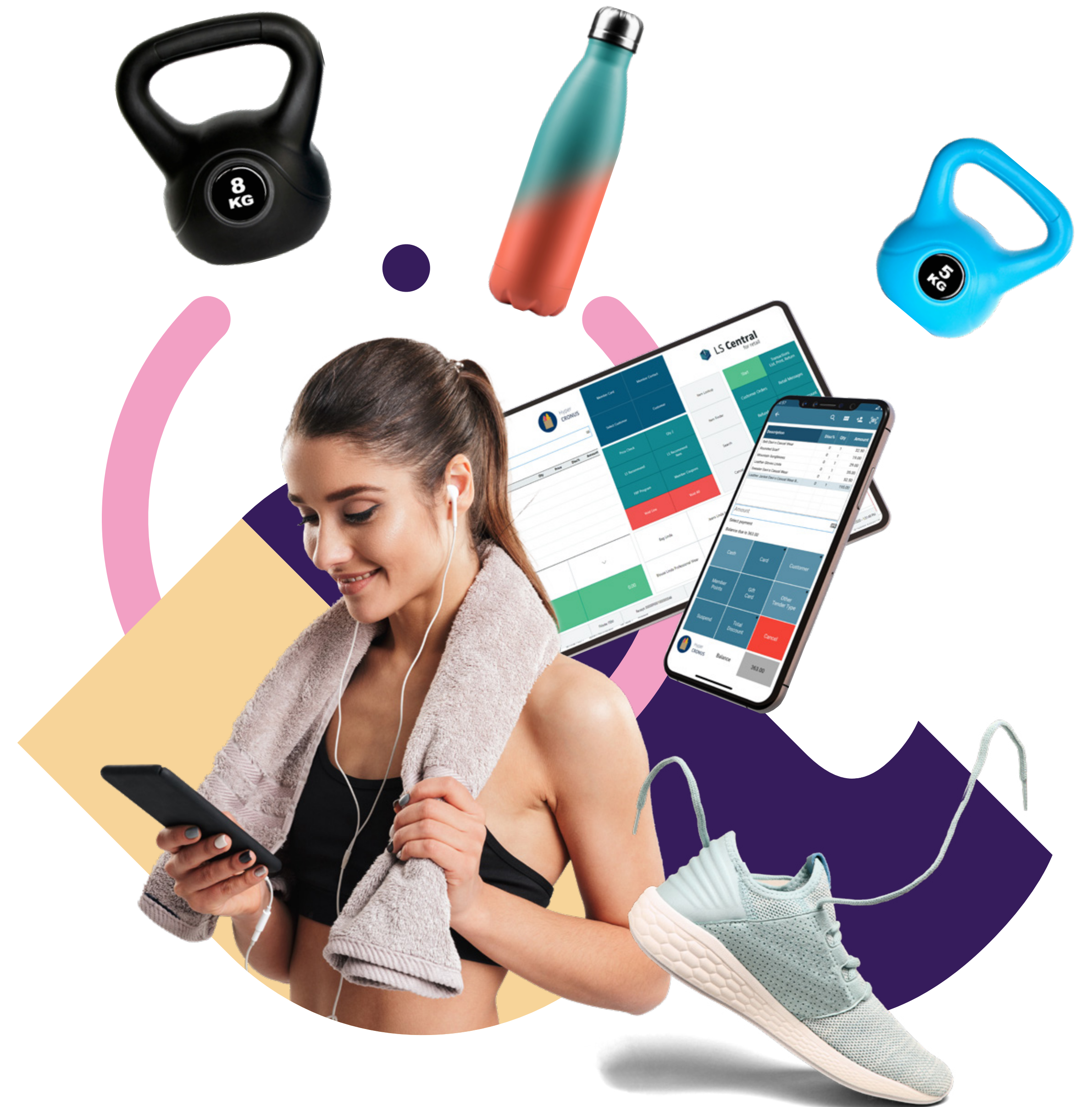
As technology continues to reshape consumer retail experiences, sporting goods retailers must now **think beyond the old, limited definition of "retail technology"** when looking for a new ERP and POS system. There are thousands of POS systems on the market, and all of them will enable you to do the basics – add items, import descriptions, create promotions, sell, and get end-of-day reports. But **the basics are not enough anymore**. The ideal software solution will help you deliver great customer experiences, optimize your products selection, easily add new services, and stay agile and ready for change.

We have identified seven key criteria to consider as you evaluate the options on the market, helping you select the right POS and ERP system for your business's present and future needs.

1. **Does it support seamless shopping experiences?**
2. **Can you offer personalization?**
3. **How strong are the stock management capabilities?**
4. **Does it help you manage your employees?**
5. **Does it deliver strong business intelligence and advanced analytics?**
6. **Will it support changing business needs?**
7. **Are you buying from a trustworthy vendor?**

# 1. Does it support seamless shopping experiences?

Many software solutions let you superficially deliver a uniform experience for the customer. But to deliver effective and engaging customer experiences across channels, you need technology that gives you a clear view of your data, total control, and real-time information on products, sales, and customers for all your online and physical stores. If your data sits in siloes, across separate databases, and your channels don't communicate with one another, sooner or later you'll find yourself unable to see and serve your customers.





## What you should look for:

- A system where **POS, eCommerce, and ERP communicate in real time**, enabling you to always see current information.
- **Inventory transparency** for customers, so they can see on the website if specific items are available before they order – or make the trip to the store.
- Clear view of **stock levels for all items at any POS**, and ability for employees to special order items for customers from other store locations or from the warehouse.
- **Unified shopping cart**, so customers can continue shopping and adding to their cart from several devices.
- Various **purchase and fulfilment options**, including
  - **click and collect** (also known as BOPIS; buy online, pick up in store)
  - home **delivery**
  - locker and curbside **pickup**
  - buy online and **return** in store, or directly to delivery driver.
- **Self-service** shopping, including
  - **Self-checkouts**
  - **ScanPayGo functionality and in-store product location functionality**

## Questions to ask:

- If a customer places an order online, will the local store it's being delivered from have all their chosen items in stock?
- When a customer with a click-and-collect order turns up in your store, will the items be available for them to take away there and then?
- How easy is it to return in store what was bought online, or in another store location?

## 2. Can you offer personalization?

Customers expect to be treated as individuals and want to be recognized as such. When personalization is done well, it can bring significant benefits to your business. A report by Boston Consulting Group found that when the shopping experience was highly personalized, customers were **110% more likely to add additional items** to their baskets and **40% more likely to spend more than they had planned**.

To gain a complete view of each customer, you must be able to identify them whether they are shopping online, on the app, or in person, and connect all the data points so they form a single picture. This involves bringing together multiple data sources into one database, to **obtain a unified view of consumers across transactions and channels, tied to your loyalty program** (if you offer one).





## What you should look for:

- **Loyalty programs** that you can design based on your (and your customers') needs and preferences, and which allow shoppers to collect and spend points and vouchers across shopping channels
- Ability to match **loyalty programs** with transaction data, so you can show customers relevant savings, as well as personalized coupons and other offers such as bonus points on certain items
- A **unified database** across shopping channels, so you can easily connect all of the customer's preferences, loyalty information and sales data, whether they shop in store, on social media, on the app or on the web shop
- Sophisticated **data analytics** functionality to spot trends in your customers' habits and deliver more relevant offers and recommendations
- Ability to reach out to your customers before, during and after they travel with **personalized messages** which are relevant to their habits and preferences.

## Questions to ask:

- How easy is it to send personalized offers to customers based on what they usually buy or on what day and hour they shop?
- Can I offer personalized product recommendations based on previous purchases?
- Can I easily send special offers, such as a discount code or free home delivery, to entice former customers to return?

### 3. How strong are the stock management capabilities?

Sporting goods retailers need powerful inventory capabilities and a clear, real-time view of stock. You need to meet quickly changing consumer demand while keeping your stores filled with a complex inventory. To have the right stock at hand and **optimize purchasing** you also need to be able to understand what consumers are buying now, and **foresee what they will want in the future**. With thousands of SKUs and a huge variety of products to juggle, you need powerful **intelligent analytics and forecasting tools**, which interrogate data to identify trends and patterns and help you determine which products to order and how to distribute them. Until a few years ago business analytics used to be considered an expensive extra, which only huge corporations could afford – but that's not the case anymore. And as the industry continues to navigate supply chain disruptions, it will be critical for retailers to have software that helps spot trends, predict demand, and adjust quickly.





## What you should look for:

- A centralized database which enables your employees to **see stock status in real time**, and track what is available, what is in transit, and what has (or hasn't) been ordered
- A **centralized view of sales** which allows you to track how products are selling across stores and online, see where there are stock shortages, and move products from one location to another if needed
- Ability to manage a large and extremely **varied mix of products** with different selling criteria
- Visibility over your whole retail chain and tools to **balance stock across stores** based on which locations lack certain items and which have a surplus
- **Automated replenishment** for specific items to prevent possible out of stocks and minimize replenishment effort and costs
- Tools to maximize shelf space and **determine the best product mix** per location and period of the year
- Ability to forecast the exact quantities to order for stores and warehouses, taking into account multiple sales history trends including seasonality, holidays, and annual events
- Ability to set **different types of replenishment rules** for different kinds of items, for example fast-moving products, non-recurring ones, and slow movers.

## Questions to ask:

- Can I set system alerts if some items are selling too fast, or not fast enough?
- Can I offer automatic discounts at the register for product bundles?
- Can I accept returns in any store for items bought online, and easily track all sales?
- Will I be able to see and manage the inventory across all my stores and channels using just one software system?



## 4. Does it help you manage your employees?

The average **staff turnover rate in retail remains high** compared to other industries, hovering around 60% according to the National Retail Federation. It's a problem that leads to endless cycles of sourcing, hiring, onboarding, and training, draining store management time and resources and costing your business.

A modern POS system can deliver the capabilities **to plan employee schedules and track employee costs and performance**. It can also give you the insights you need to optimize your use of employees, help decrease staff turnover, and help you pin-point top-performing people to reward. This recognition can really pay off. A study by SurveyMonkey found that 63% of employees recognized at work are very unlikely to seek a new job.





## What you should look for:

- Ability to **schedule shifts, estimate staff costs, and compare estimates** against your budget, so you can ensure your business is always operating profitably.
- Automations that help you **decide how many employees to schedule**, taking into account busy and quiet periods where you may need more or fewer staff.
- **Automated tracking** of worked hours and staff commissions, where applicable.
- **Permission settings at the POS.** By only allowing specific roles perform actions like returns or special discounts you can reduce the risk of fraudulent activity.
- **Loss prevention** modules that warn of suspicious activity at the POS.
- **Communication tools** to simplify the exchange of information among employees, for example to speed up requests for days off or shift changes.

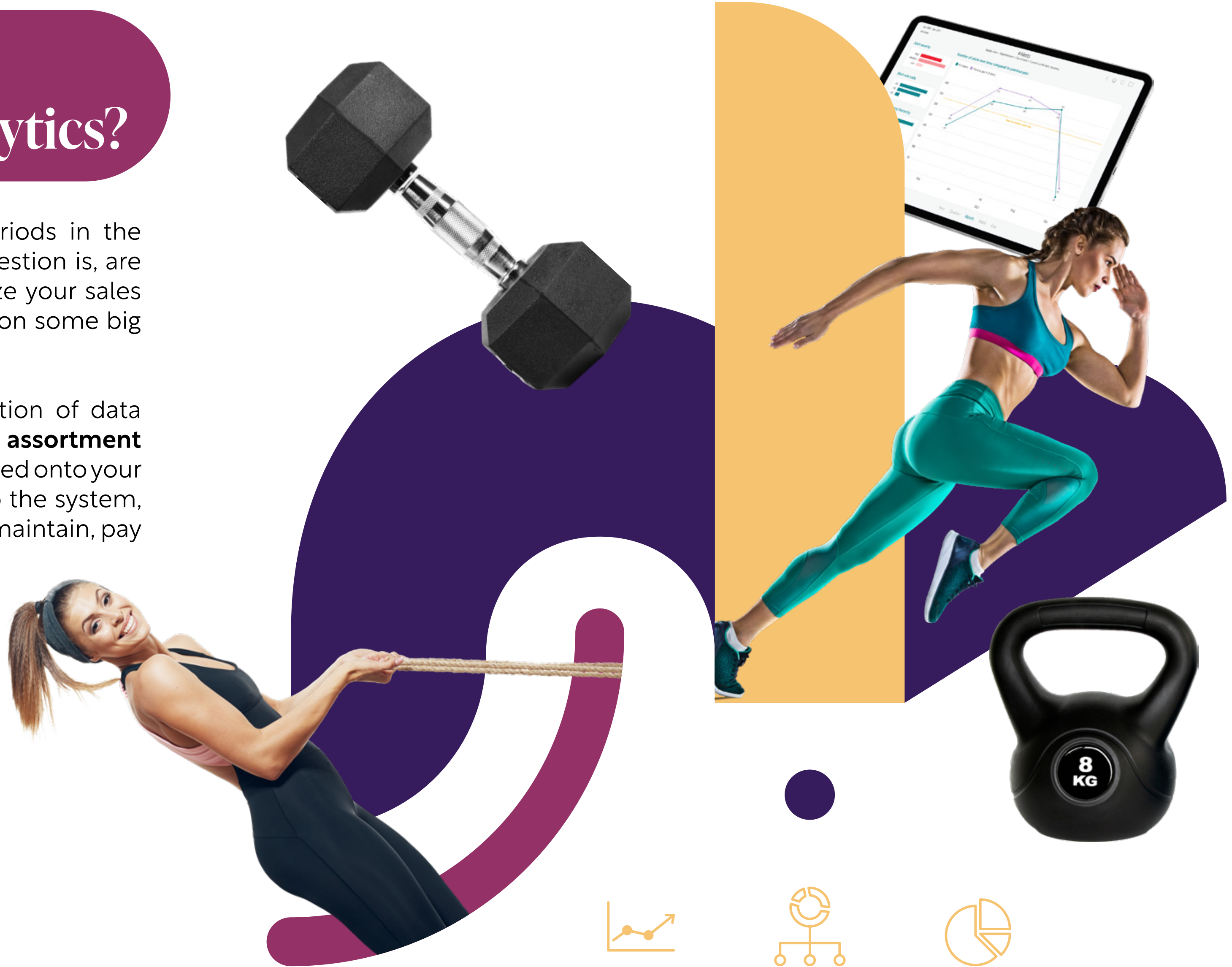
## Questions to ask:

- How easy is it for employees to clock in and out?
- Can I plan shifts and share them easily with employees?
- Does the system help my store managers keep track of employee costs and stay within budget?

# 5. Does it deliver strong business intelligence and advanced analytics?

Holidays, back to school, summer heatwaves – certain periods in the year have a huge impact on retail sales performance. The question is, are you properly prepared for them? Without the tools to analyze your sales data and make **accurate forecasts**, you could be missing out on some big opportunities, especially during busy trading periods.

Retailers stand to gain significant benefits from the adoption of data analytics, particularly for **pricing, mass promotion, and assortment optimization**. Although these intelligent capabilities can be added onto your retail management system, it pays off to have them built into the system, rather than as a separate software solution that you'll have to maintain, pay for, and keep up to date.





## What you should look for:

- **Clear information**, and the ability to create personalized views and reports. You should be able to analyze your data and interact with it without needing a data analyst
- **Data visualizations and dashboards**, so you can see at a glance what products and locations are driving revenue, and where you should act
- **Real-time insights and reports** that can be accessed by your employees whenever they need the information, wherever they are
- Ability to **track and compare productivity** per time period, employee, store and area
- Insights that help you **adjust your pricing** for specific items and item groups so you can grow sales and margins
- **Artificial intelligence**-powered tools to identify patterns and trends you wouldn't have spotted
- **Predictive analytics** that draw from internal data (like historical sales) and external factors (like holidays, weather, or events) to help you forecast demand and plan purchasing.

## Questions to ask:

- Can I build customized reports and dashboards for different job roles?
- Can I track multiple locations in one dashboard, and spot issues quickly?
- Can I set alerts for specific events – for example, if a promotion is underperforming in some locations?

## 6. Will it support changing business needs?

Every retailer needs future-proof technology that will support them as they **grow their enterprise, diversify their offer, and adapt to new business needs.**

While you may already have plans to **open new locations**, you can't always predict accurately how quickly you'll grow. And even if you aren't planning to **expand to different countries** yet, that time might come. Then, you'll be happy you selected a software solution that makes it easy to open new stores, perhaps in countries with different regulations, currencies, or languages.

Similarly, you may not already offer services outside your core offering, but in the future you may decide to offer services like ski repairs, equipment rentals, or you may organize fly fishing trips, boating safety courses, or yoga classes. Several sporting and outdoors goods retailers are seeing the benefits from diversifying their brand with **additional services**. Studies have shown that retailers that invest in getting shoppers to linger in store, for example by having a food service area or special events, see a **sales increase of 20% to 40%.**

While you can add extra software solutions to manage your food production, table service, events, bookings, and so on, that's not the best solution. If you already run non-retail services, or plan to do so, it pays off to find an ERP and POS system that can **support different industry requirements out of the box.**





## What you should look for:

- A **scalable software solution**, which allows you to open new stores easily
- An **international software system**, which can support different regulations and requirements, and is available in **multiple languages and currencies**
- Industry-specific functionality **beyond retail**. If you plan to open a smoothie bar, you should be able to easily add necessary capabilities such as menu management, food planning and ingredients tracking
- Ability to **offer services and experiences**. Check if you can easily add ticketing (if you wish to offer classes or organized trips), reservations (for example to book personal advisory services) and rentals (for example to rent out space, or items)
- Ability to manage **all customer and business data from events, services, and sales from retail and food service within one platform**. You should be able to get a complete overview of all your business at once: track loyalty, plan promotions, and understand consumption patterns across all business areas.

## Questions to ask:

- What other languages and currencies does the system support?
- In how many countries is the software being used in today?
- What extra industry functionality is available out of the box?
- Can I track different revenue streams, for example from retail sales, coffee shop sales, and event tickets, in the same overview?

# 7. Are you buying from a trustworthy vendor?

This is a decision you don't want to rush into. It pays off to **take the time to get the vendor and technology selection process right**. Most vendors will tell you that they can satisfy all your business requirements, but it's worth checking if there is substance behind their words. Clearly define what functionality your business needs and pin vendors down on specifically what it would take to deliver those critical business functions in terms of cost, time, complexity, and training.





## What you should look for:

- **Reputation and history.** Choose a trustworthy vendor – someone who is well regarded in the industry, and who won't disappear overnight.
- **A solid foundation.** What is their technology stack built on? Your ERP is at the heart of your business – **you want technology that is known and reliable.**
- Compliance with **recognized standards and quality frameworks.** This demonstrates that they adhere to industry best practices and are taking the necessary steps to provide the highest quality service.
- **Strong industry-specific expertise.** Look at their customer cases, and make sure they are backed by an experienced team that truly understands the challenges and requirements your business faces.
- **Capacity.** Does the vendor have the capabilities and partner network required to meet your local and international business requirements?
- **A clear product vision.** Check what new functionality they intend to add to the product and how they will continue to innovate to keep your business up to date with the latest technology developments.

## Questions to ask:

- What support services are on offer?
- What is the five-year plan for this software?
- Can I speak to one of your sporting goods customers?



# Making a successful decision for the future

Selecting a POS and ERP system that supports your current and future needs will help you build resilience and agility into your retail business. At the same time, the software solution you choose will significantly impact your business for the next 5-10 years – so this is not a decision to be taken lightly.

As you evaluate different options and tick the boxes, keep in mind the seven factors outlined in this paper. Use the list of items to look for as a guide to select a retail business software system that enhances your business results, supporting the business you are and helping you become the business you want to be.

## Ultimately, the ideal retail solution should help you

- Break down the siloes between your business processes, departments and channels
- Connect and consolidate all your business operations
- Organize, analyze and transform all data into meaningful insights
- Deliver a seamless shopping experience that allows customers to start, stop, continue and complete their shopping journey via whichever channels they choose.

As the industry continues to evolve and customers demand more speed and convenience, it pays to have a modern retail platform as the beating heart of your business, supporting you every step of the way.



# Stop before you decide

Are you lost in a jungle of retail solutions that all claim to do everything you need?

Stop now.

We are experts in retail software, and support many sporting goods retailers. We'll be happy to help you understand what you actually need, and help you find a solution that solves your challenges.

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