

## Retailers are losing money and sales on traditionally-created POS

Retail store staff are spending 10 times longer to organise and display point of sale (POS) than Head Office is allocating, therefore masking the true cost of running campaigns and promotions, and that's not taking into account the knock-on effect of lost sales as less time is being spent on customer-facing tasks, says Pierhouse, the software experts for in-store customer marketing, whose solutions include net tickIT.

"In a climate where Retailers are looking to cut costs in all areas, it is surprising that not only is 40-70% of all POS material still being wasted, but associated labour costs for back office tasks are much higher than budget," says Geoff Clifton, business development director, Pierhouse. "On average the time spent sorting, correcting, making and trying to order missing POS can be as high as between 20 and 35 man hours a week, yet Retailers are allocating just 3-4 hours under the banner of 'sorting'. The problem is exacerbated by the fact that staff from several departments often have to get involved to help answer questions such as: what goes where? what's missing? what needs replacing?"

"By printing POS in-store in display order and moving to an automated system for creating signage - print, ESEL or digital - Retailers can save a minimum of 5 hours a week and considerably reduce labour costs."

Somerfield, for instance, has benefitted from a 50% saving in labour that is equivalent to more than half a million pounds per annum, giving an ROI of less than four months.

"Retailers have been wasting tens of thousands of pounds a year creating and transporting point of sale that is not required. This cost may have been something that could have been absorbed or even overlooked when trading times were better, but not in today's climate when every penny counts," adds Clifton. "In addition, to remain competitive, Retailers need to be able to amend prices and create new promotions in minutes, not days or weeks; automating the creation and distribution of POS provides the flexibility, along with the compliance."

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