



The Future of Point-of-Sale

Strategies to Meet Small Retailers' Evolving Needs

01 November 2016 By: Ian Benton, Jacob Jegher

With the October 2015 migration to the EMV chip card standard now a year in the rearview mirror, many small retailers are still struggling with deciding where to make point-of-sale upgrades to keep up with the rapid explosion in consumer payments choice, the convoluted and fragmented state of the acquiring and POS market, and the enormous investments made by large retailers that are revolutionizing how consumers shop and pay. This report examines the current state of POS usage and EMV compliance, adoption of various features like NFC, and the myriad of ways acquirers and their software and hardware partners are innovating to level the playing field for small retailers — especially in the areas of loyalty and rewards, operations, mobile payments, and POS lending.

Key questions discussed in this report:

- What is the current state of POS acceptance at physical stores for small retailers?
- How many have migrated to EMV? How many plan to adopt in the next 12 months?
- How many have adopted NFC? How many plan to adopt in the next 12 months?
- How many small businesses are exploring new payment acceptance technologies?
- What's new in payment acceptance technologies by providers such as Square and First Data/Clover?

Companies Mentioned: American Express, Apple, Bank of America, Chase, Chevron, Citi, Discover, ExxonMobil, First Data, Ikea, Intuit, Lightspeed, Malauzai, MasterCard, OmnyPay, Papa John's, PayPal, PNC, Shell, Square, Starbucks, Subway, Target, Texaco, Vend, Visa, Walmart, Wells Fargo, Whole Foods

The small business data in this report is based primarily on information collected in a random-sample panel consisting of 1,000 small and micro businesses in a February 2016 online survey. Javelin defines micro businesses as those with annual revenue between \$100,000 and \$1 million and small businesses as those with revenue between \$1 million and \$10 million.

The primary segment used for analysis in this report — “retailers” — is made up of small businesses that indicated being in the retail and hospitality industries.

The consumer data in this report is based primarily on information collected in a random-sample panel of 3,182 consumers in a July 2015 online survey.

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