



HARBORTOUCH

VARs Boost Stickiness By Integrating Product And Service Offerings

Tailor technology packages for individual customer needs.

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In the retail and hospitality verticals, where both POS hardware and software are threatening to become bargain-priced commodities, many VARs are seeking greater "stickiness" by creating an integrated stack of technology and service offerings tailored for individual customers' business requirements.

These VARs' menus have expanded from break-fix maintenance and training to include payment processing, payroll, customer loyalty programs, mobile POS, inventory management, business reporting, and analytics. Many are delivered via the cloud and use as-a-service models and creative financing to overcome traditional hurdles, moving beyond simply making hardware sales with thin margins toward producing recurring revenue streams.

"Point of sale is our wedge into the door," says Scott Spitzburg, owner and president of Restaurant Software Solutions, West Orange, NJ. "Once we're in, we try to sell complementary services such as electronic menus, online ordering, and tablet systems. For several customers, we've expanded our existing base by installing tablet systems on top of already installed legacy terminal-based POS systems."

POS technology can get a VAR in the door, but VARs also need to make the economics work for all parties involved. Within the art of the deal, having a wide range of options available is itself becoming a point of differentiation.

"For our customers, obtaining the funding they need for technology is their No. 1 challenge," says Jim Stewart, president of Munster, IN-based Advanced Data Systems. "There are no more 'cookie-cutter' transactions; we have to constantly think outside the box. I recently did three funding deals and one was a traditional lease arrangement, one was done through a credit card processor, and one was a self-funded SaaS-style program."

For Ted Kramer, a co-owner and VP of sales at POS of Michigan, Swartz Creek, MI, business growth is tied to diversification. "We're a POS and a credit card processing

company; we like residual income coming from both streams,” he says. “We also have maintenance contracts with many of the POS systems we sell, as well as third-party integration that contributes residual income, such as loyalty rewards and accounting programs.” The ability to offer programs that bundle products, credit card processing, and training for a low monthly payment, such as those from Harbortouch, is a benefit for Kramer.

Another “sticky” offering is technology that provides small business owners with a more accurate window into their operations. “You can’t grow unless you can measure yourself,” says Brian Harrison, owner of POS Touch Solutions, Mt. Vernon, NY. “Today’s POS systems make so much information available to you: if you sell hamburgers, you can see how many you sold in the last 2 hours, the last 2 days, or the last two months. This gives them the ability to know how well or how badly they’re doing; in this way, the POS system will help keep them competitive.”

For VARs seeking growth – which means VARs looking to thrive and survive – flexibility, diversity, and customer service are more essential than ever before. Goals need to shift from what can be made from an individual deal toward how each interaction contributes to the overall “stickiness” of a VAR’s long-term relationship with its customers.

About Harbortouch

Harbortouch is a leading national provider of touch screen point of sale (POS) systems and payment processing services. As pioneers of the “as-a-service” model, Harbortouch offers an unprecedented “free” POS program that allows the company’s sales partners to offer a full-featured POS system with no up-front costs. The company recently launched its Certified Harbortouch Reseller Program, which enables resellers to take a more hands-on approach to their deals in order to take advantage of higher residual splits, additional revenue opportunities, and faster turnaround times on new orders. For more information about Harbortouch, visit www.htresellers.com or www.harbortouch.com.



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