

London, 28th November 2019

Fashion chains invest in new POS software to modernise the customer experience

Leading industry research shows that vendor changes by softgoods retailers account for a substantial share of new POS software deployments

POS software is a key part of apparel firms' unified commerce strategy

Global POS Software 2019, the latest study by strategic research and consulting firm RBR, shows that there were more than 300,000 new POS software deployments in the year to June 2019. Most were store-driven, with new points of sale created either in existing or additional stores, but around a third was a result of retailers installing a different supplier's software.

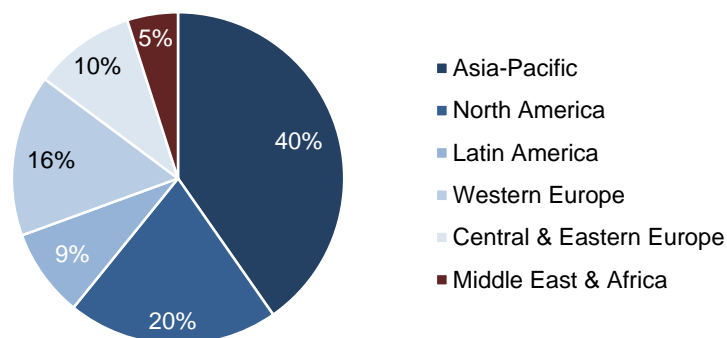
Fashion retail represented the highest proportion of new POS deployments, with store-based retailers investing in new platforms, often from a new vendor, as part of a wider unified commerce strategy. In the USA, apparel chains Buckle, Jo-Ann Stores and Skechers have all introduced solutions from a different vendor since June 2018.

The complexity of POS and related middleware in grocery retail makes moving to another vendor less straightforward, although Germany's EDEKA, which is made up of independent co-operatives, has rolled out new software across its various banners in recent years. Other significant projects include the implementation of a new solution at 24,000 post offices belonging to India Post.

Store network growth in Asia boosts new POS deployments

Store network expansion continued apace across many parts of the world, boosting new POS software installations. According to RBR's research, Asia accounted for 40% of new POS deployments globally, with convenience store chains in both China and Japan opening new stores. Major international fast food firms are increasing their presence in the region too, with KFC and McDonald's expanding their networks strongly.

New POS Software Installations by Region, 2018-2019



Source: *Global POS Software 2019* (RBR)

In North America, a range of companies opened new outlets, including discounters Target and Dollar General, coffee chain Starbucks and QSR brand Taco Bell, while other high-profile retailers, such as Gymboree and ShopKo, shuttered stores or even folded altogether.

Supplier competition fierce in a highly fragmented market

RBR's study shows that POS software solutions are provided by a wide range of suppliers, in a highly competitive market, with no vendor accounting for more than 9% of new deployments in the year to June 2019.

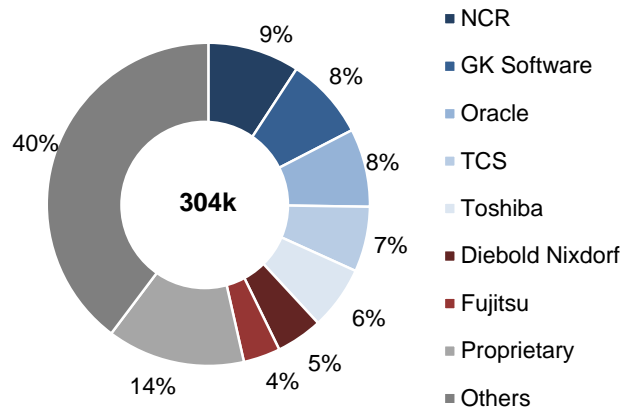
NCR has the largest share, with 9% of new POS installations, rolling out software mainly in North America, including at a major QSR chain. GK Software is in second place, owing to large-scale grocery projects in Europe, including Pyaterochka in Russia.



PRESS RELEASE

Oracle leads the general merchandise segment globally, with a number of new customers in the softgoods sector, while Tata Consultancy Services' (TCS) strong presence is owing to a major project at India Post. Other vendors, such as Toshiba and Diebold Nixdorf, are growing with their largest customers, many of which expanded their store networks or installed additional self-service devices in the past year. Other leading international suppliers include Fujitsu, NEC, Aptos and PCMS.

Vendor Shares of Global New POS Software Installations, 2018-2019



Source: Global POS Software 2019 (RBR)

Store-based retailers will change POS supplier as part of unified commerce strategy

RBR forecasts 1.6 million new POS software installations between 2019 and 2024, on top of upgrades from legacy solutions. Around 60% of these will be as a result of store network expansion, mainly in Asia, but significant numbers of retailers will install software from a different supplier during this period, too.

Alan Burt, who led the research for RBR, commented: “Retailers are looking for the right POS solution as part of a wider unified commerce strategy; seamless integration with loyalty initiatives and inventory information will allow store personnel to provide a more personalised, richer experience to the customer”.

Notes to editors

These figures and insights are based on RBR's study *Global POS Software 2019*. This in-depth international study of this dynamic market analyses around 1,800 projects by more than 90 vendors. For more information about this report or to discuss the findings in more detail please email Alan Burt (alan.burt@rbrlondon.com) or call +44 20 8831 7322.

RBR is a strategic research and consulting firm with three decades of experience in banking and retail automation, cards and payments. It assists its clients by providing independent advice and intelligence through published reports, consulting, newsletters and events.

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