What Is a Point of Sale (POS) System?

Operating a retail store calls for a range of administrative, management and marketing skills. From ensuring that there's enough inventory to putting together monthly sales reports, these skills are necessary for your store to run smoothly.

Having an efficient point of sale (POS) system can go a long way in making sure that all your operations are working in unison, and retailers that spend the time and resources to implement such a system before they need it will reap the benefits. In this article, we speak to two industry experts who'll share tips on what you must have in a POS and how to choose the best option for your retail store or restaurant.

What's the Point of a Point of Sale (POS) System?

A point of sale system, or POS, is the place where your customer makes a payment for products or services at your store. Simply put, every time a customer makes a purchase, they're completing a point of sale transaction.

The latest point of sale software goes beyond credit card processing to help retailers and restaurants incorporate mobile POS features and contactless payment options, ecommerce integration capabilities, and more.

At Software Advice, our advisors help small business software buyers find the right retail POS software everyday. We asked senior advisor Julia Morton, who helps POS software buyers, about the importance of a good point of sale system.

POS TERMINAL (SCANNER)

- A point-of-sale (POS) terminal is **a hardware system for processing card payments at retail locations.** Software to read magnetic strips of credit and debit cards is embedded in the hardware.

- A barcode reader, also called a price scanner or point-of-sale (POS) scanner, is **a hand-held or stationary input device used to capture and read information contained in a bar code .**