

The ultimate guide to driving sales and loyalty for home and garden businesses

S shopify

Last modified: April 2024

Ś

Shopping for home and garden products can start by scrolling online at home on your couch—and end in a retailer's showroom sitting on your *next* couch.

This business sector is no stranger to the increasingly omnichannel expectations of today's shoppers.

More and more home and garden retailers are expanding their ecommerce operations, and shoppers are eager to take advantage of these options. As many as <u>20% of global consumers</u> bought home and garden products online on a monthly basis in 2023. But brick-and-mortar commerce isn't going anywhere. No matter how lifelike a digital product rendering might be, online storefronts can't replicate laying down on a mattress or admiring a Monstera plant in person. The challenge is delivering a smooth and memorable experience wherever a customer shops.

For home and garden businesses that manage multiple retail locations alongside an online storefront, unifying those channels is easier said than done. That's where a <u>point-of-sale (POS) system</u> creates a through line. The right POS system connects the dots—for both a business and its customers—between digital browsing, in-person showroom shopping, and shipping orders to home. On the flip side, the *wrong* POS system can cost home and garden retailers sustainable sales and customer loyalty.

In this guide, we'll highlight software and hardware features to prioritize when considering a POS system for a home and garden business.



Industry challenges and POS solutions

Home and garden businesses face unique challenges when it comes to omnichannel selling:

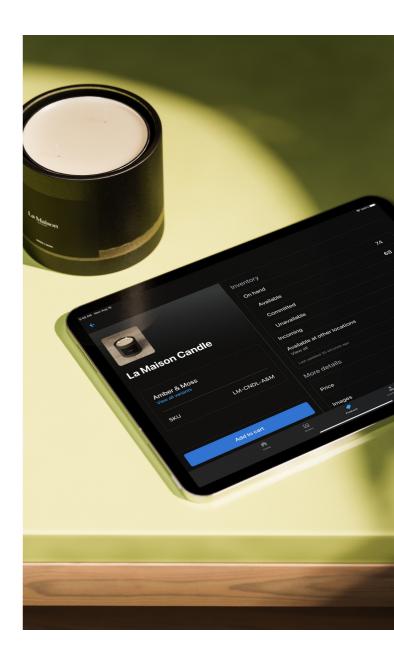
- **Cumbersome inventory:** Many products are heavy or fragile, difficult to pick up, ship, or move around a showroom.
- Seasonality: Garden products are highly seasonal and often have short shelf lives.
- Low customer affinity: Many consumers buy home and garden goods infrequently or on specific occasions, such as after a move or home renovation.
- **Staff inefficiencies:** Even the best retail staff can have their talents hampered by tech that doesn't suit their needs.

These complexities can cause operational headaches for businesses and undue friction for customers. To put these pain points into context, consider a typical omnichannel journey to buy a new mattress:

A consumer starts their buying journey by browsing several brands' websites, including a store where they bought bed linens last month. They review a variety of options on the website first, then in the consideration phase, they may visit a nearby retail location to try them out. After finding their favorite option in a store showroom, they ask a staff member about placing an order for shipping. But at the counter, the staff member confirms it's not in stock in the back, and they can't verify whether the mattress is in stock online or at another retail location. The store also doesn't have any of the customer's information from their last purchase, so they can't follow up later without needing to log it all again. Frustrated, the customer gives up. The store loses a sale and the customer leaves with a bad taste in their mouth.

Every step of this experience can be improved with a POS system built for the specific needs of home and garden businesses.

Here's how Shopify POS helps retailers turn these pain points into tactics that acquire, retain, and satisfy more customers to ultimately drive revenue and reduce costs.



Managing inventory across storefronts and showrooms

Challenges

Manual inventory management

Retailers with several retail locations and some form of online order fulfillment know that managing inventory across channels can be painstakingly manual. Without a unified view of inventory on the floor in retail showrooms, staff can't tell what's stocked where, or they have to leave customers waiting while they check the back of the store.

For larger items, it's not always possible (or sensible) to display every style or color in a showroom, but customers still want to know about all the options available through <u>endless</u> <u>aisle</u>. Home and garden retailers also need an accurate view of inventory to offer a variety of fulfillment options, which we'll cover in the next section.

Seasonal items

Retailers that sell garden inventory know that plants especially are highly seasonal, and some are perishable. That makes <u>forecasting demand</u> for upcoming seasons especially important. But that's hard to do without extensive historical data and analytics systems in place.

How the right POS system helps

The right POS system automatically optimizes stock levels and syncs inventory across channels, whether that's in a storefront, a warehouse, or a separate fulfillment center. It gives businesses better demand forecasting and low stock reports, and empowers staff from the back office to the sales floor to understand inventory in real time.

Key features to consider

- Demand forecasting tools that help home and garden retailers prepare for seasonal spikes or limited supply chain availability
- Accurate inventory analysis that's accessible on all connected devices so that retail staff understand inventory status
- Synced inventory across ecommerce and in-store retail to make a variety of order fulfillment options possible

40% less time spent reconciling inventory*

값

The Shopify POS advantage

Businesses that use Shopify POS can find real-time inventory data across more than 1,000 store locations and warehouses. And more importantly, they save valuable time otherwise spent manually digging for inventory information. Customers who have switched to Shopify POS reported 40% less time spent reconciling inventory. That means more time for what matters: helping customers, driving sales, and growing the business.

Order fulfillment for products big and small

Challenges

Meeting customer expectations for order fulfillment

In the home and garden space, customers expect a variety of delivery and pickup options, no matter how bulky or fragile the product is. But many businesses struggle to connect disparate fulfillment processes to meet these expectations.

Some customers prefer to have in-store purchases shipped to their home, while others prefer to order online and pick up in store to avoid the risk of damage during delivery. Retailers risk losing sales if they can't cater to these diverse preferences.

These expectations present a challenge in picking a POS system that can unify order fulfillment for any item, no matter where it's stocked or how a customer wants to receive it.

How the right POS system helps

A strong POS system for home and garden can simplify order fulfillment so retailers can offer the option that's best for each customer. Businesses can offer fulfillment services like <u>buy online, pick up in store (BOPIS</u>), buy in store and ship to home, or save a customer's cart and email it to them to buy online later—all in the same system.

Key features to consider

- Omnichannel fulfillment options like BOPIS, shipping to home, and send cart to buy online to meet customers' varied fulfillment preferences
- A centralized view of inventory across fulfillment centers to make in-store order fulfillment easy for staff members
 - **Scalability** as businesses expand into new retail locations or launch new product lines

The Shopify POS advantage

Home and garden retailers with multiple retail locations and online storefronts can use Shopify POS to convert every kind of shopper, wherever they start their buying journey. A unified back office allows retailers to stay nimble as they scale their business, open new retail locations, and introduce new products and fulfillment options.

Creating a standout and seamless in-store experience

Challenges

Disjointed payment process

The in-store experience is integral to the home and garden industry. Customers will never stop coming into stores to touch, feel, and see items up close, even if they start their search by browsing online or end their search by buying online.

But a positive experience browsing a showroom can quickly sour when it comes time to pay. Heavy and fragile items can't easily be moved up to the register, and a customer might have to walk all the way to a separate part of the store to pay. Plus, stores don't always accept all common payment options, which might deter large groups of customers.

Lack of flexible payment options

For more expensive items, retailers can miss the opportunity to finalize sales without flexible payment options like <u>buy now and pay later</u> for in-store retail. Paying in installments has gained popularity in recent years, with <u>60% of US</u> <u>shoppers</u> using some form of split-payment plan in the past year.

How the right POS system helps

A POS system that combines payment software with easy-to-use hardware, such as a handheld device or tablet, allows staff to finalize the sale right on the showroom floor. Mobile POS and barcode scanners allow businesses to set up immersive displays and showrooms where customers can check out items in person but order different styles or colors online.

The right POS system also gives customers more payment flexibility. One option is buy now and pay later, an attractive payment method that lets customers break big-ticket purchases into smaller payments. Another helpful feature is a draft order, which allows retailers to send an invoice for in-store customers to pay later with a secure checkout link. With draft orders, customers can complete important tasks like consulting a partner or taking measurements before committing to the purchase.

60%

of US shoppers have used some form of split-payment plan in the past year



Creating a standout and seamless in-store experience (cont.)

Key features to consider

Secure payment processing software packaged in ready-to-use hardware for a smooth payment process



Integrations with popular payment methods to satisfy customers' payment preferences

Consolidated information about orders, inventory, and customer profiles for better customer relationship management

Braft order functionality for enhanced payment flexibility

Shopify POS gives retailers the power to convert more customers with a simple and friction-free checkout experience. Customers who have switched to Shopify POS reported a 40% increase in store conversion rate and a 200% faster store checkout.

40% increase in store conversion rate*

200% faster store checkout*



The Shopify POS advantage

Shopify POS' mobile payment processing hardware, POS Go, lets customers instantly check out with popular payment methods and tap to pay-even on the showroom floor. Businesses can also use the Shopify POS Terminal Countertop Kit for a streamlined and transparent checkout at the register, with itemized receipts sent straight to a customer's email and opt-in options for marketing communications.

Building customer loyalty in a low-affinity vertical

Challenges

Fostering brand loyalty

It's difficult for home and garden businesses to create lasting relationships with customers when many only shop in peak moments, such as after a move or home renovation. And once they've made that purchase, they might not have a reason to revisit a store for some time after. After delivering a great purchase experience, retailers need to incorporate loyalty programs and provide a personalized touch to <u>encourage repeat business</u>.

Harnessing customer data

Trouble building lasting relationships with customers often comes down to incomplete data. Without an instantly accessible picture of a customer's purchase history and preferences across channels, it's difficult to make recommendations and offer relevant loyalty discounts. It's even harder to understand what else a shopper might be interested in buying, and then send a personalized, welltimed followup after the visit to encourage them to return.

How the right POS system helps

A data-backed POS system helps home and garden businesses build robust customer profiles that fuel more effective discounts and loyalty programs.

Interior designers are keystone customers in the home and garden industry. They present a loyalty opportunity for retailers with a POS system that helps nurture the relationship. Designers who work in the industry often receive trade discounts and loyalty programs through their employer that incentivizes them to visit a certain retailer, but it's up to the retailer to capture their interests and preferences to add a personal touch. A POS system can make recording and acting on those preferences a whole lot easier.

Key features to consider

- Email capture tools staff can use with in-store customers to initiate marketing campaigns and personalized discounts
- Integrated clienteling and customer profiles to empower live recommendations and loyalty offerings
 - Integrations with third-party loyalty apps for expanded customer relationship management tools

☆

The Shopify POS advantage

With Shopify POS, businesses have access to key customer metrics like purchase history, lifetime spend, and other preferences. These metrics make it easy to offer tailored loyalty offerings, discounts, and other perks, especially for designers and decorators. Shopify POS users can also choose from a wide range of third-party solutions to better manage customer relationships in the <u>Shopify App Store</u>.

Maintaining staff efficiency

Challenges

Empowering and rewarding sales staff

Sales staff can make or break a customer's in-store shopping experience. With all the consideration that goes into a large home purchase, shoppers expect premium, thoughtful service-especially if they visit the store. That's doubly true for frequent shoppers like design professionals.

But even the most stellar retail employee's service can be inhibited by the wrong technology. Rather than focus on helping a customer, they might have to spend time troubleshooting an outdated POS device, ask colleagues about the inventory status of an item, or keep customers waiting because the store is understaffed during peak periods.

Plus, retailers don't always have a solid understanding of how staff are performing if sales data isn't tied to individual performers. This prevents retailers from rewarding and celebrating staff achievements.

Onboarding staff quickly

Crucially, new staff members can't succeed when the tools they use make onboarding difficult. Slower onboarding means more difficulty scaling and opening new locations and staffing up during peak seasons.

How the right POS system helps

A POS system with built-in staff management tools helps home and garden retailers manage staff more effectively. Store managers can track performance with clear sales data to reward high-performing team members and guickly onboard new staff with intuitive hardware.

Home and garden inventory isn't the easiest to move around a storefront or fetch from a back room. Nimble POS devices give staff members access to all the inventory and fulfillment information right at their fingertips so that they can focus on serving customers and closing sales right on the floor.

Key features to consider

Staff controls and manager approvals all in one unified POS for easier onboarding and supervision

- The ability to attribute sales to specific staff members so retailers can track commissions and celebrate high performance



Staff PINs on hardware for strong security

90% reduction in staff onboarding time*

The Shopify POS advantage

With Shopify POS, home and garden businesses can streamline in-store staff management, efficiently train new employees, celebrate high performers, and staff up or down depending on demand. That can translate into major time savings: customers who have switched to Shopify POS reported 90% reduction in staff onboarding time.



The takeaway

In an industry hyper-focused on expanding omnichannel offerings, a home and garden retailer's POS system can have a major impact on the health of their business.

Despite the challenges associated with a product catalog that's often full of large, fragile, big-ticket items, a strong POS system can streamline sales and unlock growth opportunities. And ultimately, brick-and-mortar stores can become a retailer's foundation for future growth. Shopify POS customers enjoy higher in-store conversion rates, faster checkout times, and valuable time saved—time better spent driving sales than wrestling with technology that's holding them back.

Not to be overlooked is how much businesses can use their data to learn, improve, and scale their successes. When asked about their data practices with Shopify POS, **70% of customers agreed that their business has better insights into its data**.

With Shopify POS, home and garden retailers can embrace the omnichannel future of the industry and deliver exceptional, connected experiences that keep customers coming back.

Ready to take your home and garden business to the next level?



