mPOS Solutions

Multiple considerations, approaches to offering an mobile point of sale solution to your merchants

A mobile point of sale solution is extremely important for merchants who sell goods online and in-person. Think of a local artisan who designs hand-made wooden boxes. He has an Etsy Storefront, where he sells his goods. But an opportunity came up to sell his boxes at the craft fair. How can he run transactions? See his sales data? Settle to his bank account?

By using a mobile point of sale (mPOS) solution, the local artisan can accomplish all of these things. The solution, which performs the function of a cash register or electronic point of sale terminal, can take many forms. mPOS can be a smartphone, a tablet, or a dedicated wireless device. As face-to-face commerce still comprises 92% of all sales, having a go-to solution for in-person commerce is crucial.

Here at WePay, we think there are several important things to keep in mind when selecting (or developing) an mPOS solution for your merchants.

- **Merchant Experience:** Will it be easy for merchants to adopt and use the mPOS device? What functionalities do your merchants require? Will these functionalities be available from the start, or do they need to be developed?
- **Required Resources:** Is your company willing to design and manufacture your own hardware?
- **Business Strategy:** How will your organization handle payment operations? What is your go-to-market strategy with your new mPOS solution?
- **Potential Revenue:** Would it help your business to monetize card-present payments? What rate will you charge? How will you capture this revenue?

The answers to these questions will vary based on the stage your company is in (startup, expansion, maturity) and your industry. Your company's unique resources and requirements must be considered as well.

Once you have determined the answers to these questions, you are better equipped for deciding how to implement an mPOS solution. There are three implementation types available to your business:

- **Build:** Your company builds its mPOS hardware, and develops a mobile app in-house. In order to move forward with this option, your business will need to collaborate with a third party payments processor as well. Think: Shopify, powered by Stripe.
- **Refer:** Your merchants use a third party's hardware and mobile app to process payments. This is the most "plug and play" option available. Think: mPOS solutions offered by Square and PayPal.
- **White Label:** Your merchants use third party hardware *under your brand*, and you develop a mobile app in-house. The payments processor will be under your brand as well. Think: Freshbooks, Infusionsoft.

After working with 1,000+ businesses, we believe that the last option - white labeling - is generally best for platform companies. The benefits of white labeling are listed below:

- Payments are fully integrated into your mobile app and software
- Better merchant experience; platforms only need to access one system to gain a holistic view of their business
- No third party branding; you control the merchant and payer experience
- Ability to monetize payments
- Moderate level of platform effort and resources required

Additionally, there is more information on mPOS solutions in this webinar and in this blog post.

If you'd like to talk to us about our mPOS solution, email sales@wepay.com or visit wepay.com.