

What is the Cloud, and Why Use It?



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By this point, you've probably heard about the cloud, and you may even be utilizing some of its services. From Netflix, to iCloud, to social media, cloud services are all around us. These services can transform a business is many ways. For example, not only can the cloud save you valuable time and labor costs, it can also keep software up to date, ensure investment and maintenance costs are kept to a minimum, and maintain fully functioning devices. This not only leads to an increase in profits and productivity, but also better protects your data. To comprehend how cloud services are capable of all of this is simply a matter of understanding what the cloud is, how it works, and how various types of cloud services differ.

What is the Cloud?

The cloud is a relatively new method of storing data via the Internet and has become increasingly popular since the turn of the millennium. Cloud services are extremely flexible and can be used for a variety of purposes and by a range of industries. Cloud storage differs from traditional storage because instead of saving your information to a local device, you are saving it to a remote server so it can be accessed and updated over the internet by other devices or computers. This challenges traditional storage where, for example, a saved document can only be accessed on the machine it is saved on. In regards to POS data, cloud storage means storing the information in a separate location from the store's business computer. This provides an assortment of advantages.





Ease of Management for Greater Business Performance

With cloud storage, you gain on-demand, remote control of business data from anywhere, anytime. You can run sales, labor, and inventory reports from home or while traveling. Important business decisions can be made no matter where you are, ensuring employees and managers in the store are not left hanging when a problem arises while you are away. In this way, you gain the ability to react to problems in a timely fashion, which allows you to manage your business more effectively. With the ability to access these reports from any location, you will always be able to optimize your labor scheduling and streamline your inventory, effectively reducing your overhead and minimizing shrinkage. Plus, with off-site storage as well as complete system backups, the Cloud will provide peace of mind that your historical sales and labor data is safe.



Cost Savings

Self-ordering solutions can bust lines and improve order accuracy, since customers can enter and check their own specifications. Ticket sizes also tend to increase with self-service, as upselling features are automatic.



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There are a few different approaches to adopting Cloud Solutions



Hosted Cloud Solution

A hosted cloud solution exists when all of the company's data is stored in the cloud. This adds a new level of mobility and reliability as all data is secured online, and won't be compromised should a hard drive or server fail or become damaged. Storing all data on the cloud makes it easier for systems to communicate with one another, and leads to seamless integrations.

For businesses that lack the upfront capital needed for a large investment, this type of solution is ideal. It's usually offered on a solution, or software-as-a-service (SaaS) model, which requires a low, predictably monthly cost and is much easier to budget for.

Frequent software upgrades and remote services are an added benefit to hosted cloud solutions, and active developers are always innovating additional solutions and third-party integrations to amplify the system.



Hybrid Cloud Solution

Hybrid cloud solutions allow you to manage multiple cloud services in a consolidated, coordinated manner. The major benefit of these solutions is that it helps keep data safe while avoiding downtime since the system is not fully-dependent on the internet to work. The POS mainly stores data on the cloud, but the POS software is kept local. Should an internet outage occur, operations can continue as usually by storing data locally, and then pushing it back up to the cloud once the connection is restored. That way, businesses can avoid downtime and data disruptions.





Service Models

Though cloud solutions have traditionally been sold in a SaaS (Software as a Service) model, they are not one in the same. In fact, the term "SaaS" is commonly misused to describe cloud solutions. SaaS, by definition, is a software licensing and delivery model in which software is licensed on a subscription basis and hosted centrally. An important thing to note here is SaaS involves the software, but not the hardware, service, support, training, etc. This is where Solution as a Service comes in.



Solution as a Service is like SaaS, but offers so much more.

In a solution-as-a-service model, the POS solution includes hardware, software, installation, training, support, etc. for a fixed monthly cost. Furthermore, the return on investment you gain by using this model is tremendous. For starters, traditional POS requires costly investments upfront and its value depreciates overtime, whereas subscription models are nothing more than continuous small investments made into the business. Think of this like purchasing a cell phone and accompanying service. You sign a contract to pay a monthly fee for using the services and in turn, the service provider bundles the mobile device with the service contract. This is a solution-as-a-service.

Additionally, this should be viewed as an opportunity to get into a partnership with your POS provider, not locked into a business agreement with a software company. Your POS provider should become an expert on your business. They will consult with you on your biggest business challenges to help alleviate them. They will work with you to create your database and install your POS system, and they will provide initial, as well as ongoing support. The value a local reseller adds to SaaS-based POS is paramount. You will have someone who can physically be on site for support, repairs, training, and more. This is something not all POS providers can do, so make sure you know where your provider is located, and how their service and support programs work.



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Conclusion

If you're looking for a solution that allows your business to be flexible and adapt to changing business climates, cloud services—both standard and hybrid-cloud services—are key. Hybrid cloud solutions are beneficial as they enable your business to run at full capacity, all day, every day, regardless of the internet connection, while standard cloud services offer superior reliability and flexibility. Both of these solutions types allow you to streamline your operations, manage your business, and achieve a healthy return on investment.

You have the ability to gain additional value and potentially lower your upfront costs by exploring cloud services delivered in a SaaS model. A relationship with a trusted POS provider who is an expert on your business has a greater long term return on investment than a POS provider who simply ships the system and leaves you to work out the details.

About NCC

NCC provides comprehensive software solutions designed for the retail and hospitality industries, in traditional and specialty environments. We have more than 40 years of experience installing more than 50,000 POS systems all over the world. We've partnered with top-of-the-line hardware manufacturers to provide POS services to specialty events such as the London and Rio Olympics and Paralympics, Roskilde Music Festival, the FIFA World Cup, and the Miami Open tennis tournament, as well as restaurants and shops of all sizes. Contact NCC to find out more about how our POS solutions can help your specialty retail business thrive.

