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SOFTWARE



5 Grocery Technology Solutions You Need to Compete



It's Time to Rethink Your IT Strategy

Before 2020, grocery store operations were generally the same as they had been for years. However, pressures from labor shortages, supply chain disruptions, rising prices, and evolving consumer behaviors in the last few years drove the need for changes in operations and grocery technology. Consumers, who have embraced online and digital engagement expect instant access to information, autonomy, and personalized experiences in-store. Furthermore, operational efficiency has become crucial to profitability in an era of inflation and [increasing competition](#) from eCommerce businesses and stores expanding to include grocery sales.

According to [research from technology solutions distributor BlueStar](#), grocers have changed their priorities. They are focusing on customer engagement, customer preference data analysis, inventory management, and loss prevention. BlueStar's research also shows that grocers plan to achieve these goals through grocery technology implementation and modernization.

To keep up with the competition, you need to research your options and create a technology roadmap that allows you to improve efficiency and customer experiences today and adapt as the industry changes. The following five technologies should be a part of that plan.





1. Cloud

The first grocery store technology upgrade that competitive grocers need to make is transitioning from on-premises systems to the cloud. [Cloud solutions](#) replace expensive and complex grocery store technology with secure, anytime access via a web browser to your data and software. Grocers leveraging cloud solutions pay a budget-friendly monthly or annual fee instead of purchasing software and SQL database licenses. Additionally, cloud solutions minimize IT hardware required onsite and the IT resources and time to maintain it. Also, the cloud solution provider, not your IT team, handles software updates and secures and monitors the platform to keep your data and your business safe.

Cloud simplifies your IT environment in additional ways. If you manage multiple stores, it allows you to synchronize data between your enterprise system and each store. Cloud systems are also redundant for always-on availability. In addition, you'll gain new capabilities by moving forward with the cloud that will help you operate more competitively. For example, data sharing across your entire organization gives omnichannel grocers real-time inventory visibility. This insight enables better demand, forecasting, and purchasing decisions and allows you to provide accurate inventory information on your website and with delivery partners.



Grocery eCommerce is set to grow in the U.S. from \$257 billion in 2024 to

\$422 billion

by 2028, these capabilities will rise as competitive differentiators in the grocery space.

[Source: Statista](#)

2. Mobile Solutions

Operators committed to enhancing customer experiences and increasing operational efficiency will complement traditional grocery store technology with [mobile point of sale \(POS\)](#) and [mobile office](#) solutions.

Hardware-agnostic, browser-based mobile POS software, allows your team to bring the power of your grocery technology to the store floor. Using your choice of mobile device, your employees can accept payments outside, allowing you to set up a sidewalk sale or produce stand. You can also use mobile POS to quickly set up an extra lane during peak times for line busting. Mobile POS solutions make inventory checks and replenishment processes more efficient, eliminating paper and enabling real-time data sharing. They also increase eCommerce fulfillment efficiency, whether your team is picking orders from store shelves, dark stores, or a fulfillment center.

Additionally, mobile devices running browser-based grocery software allow managers to access and update the system wherever they work in the store, at any of a chain's locations, or remotely. With a mobile office solution managers can perform any task they can complete from a stationary terminal. You create purchase orders, manage direct store delivery, update items and pricing, and print labels – wherever you're working.

3. All-in-One Software

When you're evaluating grocery technology, narrow your search to all-in-one software solutions with an architecture that prevents grocers from having to become IT companies. Attempting to equip your business with the functionality it needs by piecemealing a system together with different solutions requires the time and expense of interface development. It also requires an investment in resources to ensure that updates to individual parts of the system don't negatively impact the whole. An all-in-one system also eliminates the problem of restrictions by the "lowest common denominator." When you build your system from disparate solutions, the component that does the least will limit your entire IT ecosystem. For example, if you choose a simplistic inventory management solution, it may make advanced functionality of other parts of your grocery store technology unusable.

The smarter strategy is to choose a fully integrated grocery technology platform that includes POS, loyalty, self-service, self-checkout, eCommerce, back office, and the other features you need. A comprehensive system ensures optimal shopper experiences, regardless of how they engage, which can lead to growing customer loyalty. It also streamlines workflows in the front end and back office, saving time and labor costs. Furthermore, you can easily build a data repository from all processes and customer engagements that you can use to personalize experiences and enhance operations.



4. APIs

Although you'll have all the features and functions necessary to run your store or enterprise with an all-in-one grocery technology platform, you'll still need to connect with external services for optimal operations. APIs allow you to access third-party services and solutions, like payment processing, your online ordering and delivery partners' platforms, management software for your pharmacy, or cooperative loyalty programs with fuel retailers.

With your POS system as the command center, you can use APIs for a clean interface with third-party systems. You can also leverage API's backward compatibility to connect to legacy systems that you continue to rely on to run your business. This ensures that changes to your partners' systems will have minimal impact on your operations. With an all-in-one POS system and the opportunity to connect with third-parties via API, you have the freedom to create grocery store technology that allows you to optimize retail performance, your way.

5. Supply Chain Management

One of grocers' biggest challenges to overcome to maintain competitiveness is [supply chain management](#). It's table stakes to have the right products on the right shelves to sell at the right time. You'll benefit from software that uses analytics to suggest the quantities to order so you don't run out of in-demand items while still controlling inventory costs and minimizing the need to discount expiring products. You will also see ROI from grocery technology that gives you visibility into vendor histories so you can ensure you always get quality foods and grocery items at the best prices.

Also, look for a system that automatically verifies shipments against invoices, streamlines item maintenance, and gives you visibility into where to display items for maximum sales. You'll also see significant benefits from a system that automatically provides you with current cost information and the ability to easily update shelf tags to ensure you make margin on every sale.



What's on the Horizon?

Any grocery technology implementation today needs to be flexible enough to accommodate new customer demands and tech advancements. [BlueStar](#) research found that grocers predict these emerging technologies will impact the industry:

- Artificial intelligence (AI) and machine learning for analytics, fraud prevention and hyper-personalized service
- Robotics for inventory management
- Blockchain for food traceability
- Augmented reality or virtual reality for product recognition and immersive shopping experiences

You may not be ready to implement these technologies now, but ensure you choose grocery technology that allows you to leverage them to maintain your competitiveness in the future.

Meet Customer Expectations for a Modern Grocery Shopping Experience

The industry is advancing with grocery store technology to deliver the experiences omnichannel and digital-first consumers demand while operating most efficiently and profitably as possible.

Learn more about all-in-one, cloud grocery technology that enables API connection with third-party services, advanced supply chain management, and easy mobile solution implementation. LOC has developed modular, hardware-agnostic ThriVersA to allow grocers to optimize their operations with no limitations. Our team, with three decades of experience enhancing operations with cutting-edge grocery technology, is ready to [discuss your operations](#) and your vision.

About LOC

For more than 30 years, LOC Software has been at the forefront of retail technology. LOC's all-in-one solution gives high-volume, independent merchants the tools to optimize retail performance. Its flagship modular software suite, ThriVersA, includes point of sale, back office, host, eCommerce, self-service, loyalty, and more, giving retailers the freedom to design the solution that supports their unique processes and workflows.



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