

Cash or



Richard Warren of OnSiteRx says the company's self-service kiosks fill prescription orders in less than 15 minutes.

Credit?

Point-of-sale technologies help companies improve customer service and simplify business practices.

By Wylie Wong

SELF-SERVICE COMPUTER KIOSKS are everywhere these days: at supermarkets to pay for groceries, at movie theaters to buy tickets, and at airports to check in for flights. Now the healthcare industry is getting on board by offering ATM-like machines that dispense prescription drugs.

OnSiteRx, a three-year-old startup in Grapevine, Texas, delivers pharmacy services to nursing homes, including drug-dispensing kiosks that carry 240 different medications in pill form. When nurses need to make their morning rounds, they walk up to the kiosk installed in their nursing home, punch in their request on a touchscreen monitor, and the machine dispenses packets of drugs for each resident in room-number order.

"It's like a giant vending machine," says Richard Warren, OnSiteRx's vice president and chief operating officer.

Retail stores and businesses are purchasing point-of-sale (POS) technologies to improve customer service and enrich the shopping experience. They are implementing new hardware, such as touchscreen POS computers, credit card signature pads and self-service kiosks, to accelerate transactions and reduce the amount of time customers wait in line. In the case of OnSiteRx, installing a drug-dispensing kiosk at each nursing home speeds the delivery of important medications to patients.

Today, about 30 percent of traditional retailers have installed self-service touchscreen kiosks at their stores and another 34 percent are planning to deploy them within the next two years, says Aberdeen Group analyst Sahir Anand.

Kiosks are popular among businesses, Anand says, because they don't occupy a lot of space, yet they generate revenue. Shoppers like them because many are inherently do-it-yourselfers, he says.

"People today are used to going through an online ordering payment system at their homes and offices, so when they go to a store environment, they think, 'Why should I wait to be served when I could do it myself?'"

Onsite Pharmacy Kiosks

OnSiteRx provides prescription ordering software and drug-dispensing kiosks to nursing homes, but it also owns and

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● POS devices make purchases quicker and easier for customers and for clerks, says Larry LaMunyon of McCoy's Building Supply.

operates the pharmacies that supply the facilities with prescription drugs. So far, the company has installed its technology in a dozen nursing homes and has plans to make the service available to correctional facilities.

The technology speeds up prescriptions and improves patient care, Warren says. Traditionally, nurses would fax in doctors' prescriptions to a pharmacy, and the pharmacy would send the medication by courier — a process that could take four or more hours. Now, with everything automated and with medication already available from the in-house pharmacy kiosk, patients can get their prescription approved and receive their medication within 15 minutes, Warren says.

At the heart of the kiosk, called the OnSiteRx Automatic Dispensing System, is a POS system that includes a HP rp5700 POS computer, a 17-inch Planar

Consumers are embracing self-service point-of-sale technology. Transactions at self-service kiosks reached **\$775 billion** in 2009 and are expected to grow to **\$1.6 trillion** by 2013.

SOURCE: IHL Group

TO THE POINT

IT administrators who have implemented point-of-sale technology at their businesses recommend the following best practices:

- **Test technology extensively.** Too little testing can create havoc and hard feelings among the staff and result in poor customer service. Test for every possibility, including customers who want to use two different credit cards for a transaction.
- **Keep spare technology on hand.** It can get pricey, but having spares will allow employees to keep serving customers if equipment fails.
- **Simplify the user interface of self-service kiosks to prevent user frustration and confusion.** Don't have more than four choices per page, and don't ask multiple questions on the same page. Colors are important, but some people are colorblind, so if they make an error, alert them with a red button, but also add an "X" symbol.
- **Be flexible with your schedule.** To prevent store disruptions, work after hours to install or upgrade POS technology.

LCD touchscreen monitor and a Zebra Technologies barcode scanner used by nurses to scan in and keep track of canisters of drugs that are delivered and placed inside the drug-dispensing machine, says Stewart Stephens, executive director of research and development for ProvideRx Pharmacy Network, an OnSiteRx partner.

The pharmacy kiosk improves patient safety because it reduces the chance of nurses dispensing the wrong medication. Each patient's medication is wrapped individually in plastic packets with their names, room numbers and prescriptions printed on them, Warren says. Gone are the days when nurses had to manually sort medication for each patient or spend time punching pills out of blister packs.

"The machine helps ensure that the right medication in the right dosage is given to the right patient at the right time," Warren says.

The technology also reduces waste and saves money. Traditionally, pharmacies provide nursing home residents with a 30-day supply of medication. But if doctors change their prescription before the 30 days are up, nursing homes are required by law to toss out the drugs.

OnSiteRx's pharmacy kiosk takes care of that problem because it dispenses the drugs on an as-needed basis, which prevents waste, Stephens says.

Inside the kiosk are 240 canisters, each filled with a different oral drug. The computer keeps track of all the medication that's dispensed, including billing information, and regularly uploads the data to back-end auditing software at OnSiteRx's headquarters, Stephens says. If a canister is running low, the kiosk's computer alerts

headquarters that it needs refills and the OnSiteRx pharmacy sends out a new canister filled with that specific drug, he says.

The kiosks are secured several ways. Nurses must log in with user names and passwords. The kiosks are also housed in locked rooms with IP-based surveillance cameras equipped with motion sensors, Stephens says. IT administrators remotely troubleshoot the kiosks by using the surveillance cameras to look into the system.

A Traditional Approach

McCoy's Building Supply, a family-owned supplier of lumber, building supplies, and farm and ranch equipment, takes a more traditional approach to POS technology. The company, based in San Marcos, Texas, runs 85 stores in five states. It recently began upgrading its POS technology because its 12-year-old equipment started to fail and required repairs.

"It's time for new equipment," says Larry LaMunyon, McCoy's manager of network and client services. "Our point-of-sale system — and uptime — is critical."

McCoy's uses a thin-client POS system, so all transactions are centrally processed on the company's proprietary POS software at headquarters. The company is equipping each checkout stand with the latest technology to speed transactions for both customers and store clerks.

The new POS system includes Wyse Technology V90L thin clients, APG cash drawers, Symbol Technologies barcode scanners and 19-inch flat-panel monitors that are replacing 15-inch CRT monitors.

LaMunyon is also installing new Ingenico i6780 electronic payment and signature capture pads, allowing McCoy's

customers for the first time to swipe their debit and credit cards themselves and sign their signatures electronically. Previously, with the older technology, employees swiped the cards, waited for receipts to print out and then had customers sign the receipts.

"It's faster and easier for the customer. If they want to use a debit card, they just push a few buttons on the signature capture pad," he says. "It's no longer the responsibility of our staff to hold the card and return it to the customer."

McCoy's is also installing a new hybrid Epson receipt printer and check reader. For the first time, sales clerks can automatically scan checks and send them electronically to the bank, which saves McCoy's from having to pay transaction fees if they deliver the checks by hand, LaMunyon says.

The company, which has Wi-Fi installed at each store, has also purchased wireless scanners that allow employees to scan items on shelves and track inventory. Employees are also equipped with mobile Zebra Technologies printers that print new barcode labels if prices change, he says.

McCoy's began its POS upgrade 18 months ago and retrofits two to three stores a month. So far, the company has upgraded 35 of its 85 stores.

The company's software developers are also building a new graphical interface to replace the POS software's text-based interface. When it's up and running, it will provide employees with a more user-friendly interface, which will quicken transactions, LaMunyon says. Instead of typing on the keyboard, they can point and click a mouse to complete transactions.

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Fingerprint Biometrics

Elsewhere, Juiceblendz International, a smoothie and juice bar franchise with



What do you consider the biggest benefit of having a point-of-sale system?

54% Better record keeping/inventorying

SOURCE: CDW poll of 41 BizTech readers

ALEXANDER ALEMAN

16 locations, uses fingerprint biometrics technology to track its employees.

The South Florida company standardizes on a touchscreen Posiflex JIVA POS computer with a fingerprint reader attached. Executives use the biometrics technology as a foolproof way to track employee hours. Previously, with time clocks, if workers were running late, they could call other co-workers, give them their codes and have the co-workers clock them in, says Juiceblendz Executive Vice President Nick Boariu.

"Labor is one of the most expensive costs in retail," he explains. "And with biometrics you know whether people were on their shift."

Employees swipe the fingerprint scanner to log in and make transactions. This allows management to give more rights to specific employees.

For example, store managers can offer larger discounts or issue refunds. But a regular employee won't have those rights, he says.

Blending Technologies

While startup businesses have a clean slate when it comes to choosing the latest POS technologies, older businesses sometimes face the challenge of being locked into software and hardware decisions that were made decades ago. That's the situation facing IT Manager Kreig Merrell of Ridley's Family Markets, but he's pursuing a new technology strategy aimed at helping his company save money.

Ridley's is an Idaho-based grocery chain with 16 stores in four states. It relies on proprietary POS software that is certified to run on only one vendor's expensive proprietary POS computer. The company previously upgraded its POS computer at nine of its stores, so it could run the Windows

version of its POS software and meet new credit card security regulations, such as encrypting transactions.

Merrell needs to upgrade the seven remaining stores, which are running a DOS-based version of the software. Some stores have 20-year-old POS equipment, but upgrading each store costs \$60,000. To save money, Merrell is considering HP POS computers, which cost almost one-third of what its current POS computer vendor charges.



IP cameras remotely monitor the OnSiteRx drug-dispensing kiosks at nursing homes, say Stewart Stephens and Richard Warren.

"Our biggest challenge is keeping the technology up to date while keeping costs down. We're looking for more affordable options," he says.

Merrell has purchased two HP rp3000 POS computers to test the technology. And if his pilot is successful, he can upgrade the company's remaining stores at a fraction of the cost. "They have to run reliably — 18 hours a day — and we hope to get 10 years of life out of them," he says. [BT]

