



POS Migration Guide



Planning, platform selection, and maximizing ROI

→ [Talk to sales about Shopify POS](#) | 1-844-230-0603



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The industry moves fast, and the last thing you need is for your POS system to slow you down — or worse, to actively impede your success.

If your POS isn't integrated with all platforms in your technology stack, it's causing more problems than it's solving. You understand the importance of a reliable and efficient POS. It's time to consider a change. However, transitioning a critical sales channel like point of sale is not a simple thing. Before you start, it is important that your team is aligned on the process, costs and requirements involved in making the switch. By taking the right steps and avoiding common migration pitfalls, you can ensure a smooth transition to a more effective POS system.

Although migrating POS systems presents challenges, the benefits are real, and often outweigh the costs. Lower total cost of ownership, streamlined omnichannel operations, increased sales, greater agility and speed to market, ongoing innovation, and reliability at scale are all prizes that wait at the end of the tunnel.

Let's get started.

Assemble your migration team

Transitioning to a new POS requires alignment with key stakeholders to ensure everyone understands their role in the process and what to expect. With your migration team in place, get buy-in on the process, timeline, resources needed, and define responsibilities among team members.

Depending on the degree and nature of their involvement, some of these stakeholders may become permanent members of your migration team; others may be brought in from time to time to provide information and support.

In all cases, you need to consult your key stakeholders when you are:

- Identifying pain points with your current POS platform and building the business case for a new one;
- Compiling a list of requirements for the new system and evaluating options with third-party vendors; and
- Making a final decision and planning the migration.

When building your migration plan, be prepared to answer these questions:

- What can't you do with the system we have now?
- How much does it cost to do what we do now?
- What currently costs you the most time?
- What could be automated to save time and resources?
- What is there about the current system that is costing us time and resources?
- How much is that costing us per month?
- How much is it likely to continue to cost us — both in terms of time and resources — if left to its own devices?
- How are all the above working against innovation, business growth, and positive customer experience?
- How can a new POS alleviate all of the above?

Get objective inputs from as many key stakeholders as possible. This will prepare the criteria the new POS must meet according to your organization's needs.

Requirements and evaluation criteria

Once you have alignment on your migration plan, the next step is to create a list of requirements it needs to meet. You'll also want to create standardized evaluation criteria for grading potential solutions partners. Think about your requirements as two sides of the same coin — existing problems you need to fix, and new functionality you'd like to add.

Identify existing issues

To start, specifically identify the shortcomings of your current platform. You already know that issues exist — now you need to know why they exist, and what will solve them.

To find out, start with a list of high-level questions about your current platform issues; then dig into the “why” behind those issues.

For example:

Has your POS system's integration with your commerce stack failed at critical moments? Why?

How often do you hear or say “we can't do that?” Why?

Are new features and apps regularly delayed due to in-house, agency, or platform constraints? If yes, why?

Do you have the freedom to launch new products, projects, and experiments? If not, why?

Are DIY patches and workarounds common? Why?

Does your operations team find themselves resolving issues to unblock retail teams? If yes, why?

By doing this, you begin to create a targeted list of areas in which your current platform falls short. In turn, that list helps generate the specific requirements your team will need from a new POS system.

Identify new functionality

Fixing issues is critical, but it's also just table stakes. After identifying your existing issues, it's time to look beyond current problems.

Think about your organization's goals and what functionality your POS platform would need to have in order for you to reach those goals.

Some examples of goals to focus on include:

- Increasing foot traffic and checkout volume
- Launching new brands or stores
- Entering new markets or expanding your presence in existing ones
- Reducing operating costs
- Creating omnichannel shopping experiences
- Unifying existing sales channels, or adding new ones

In other words, look beyond today's problems to tomorrow's possibilities.

Fill out an RFP template to drive discovery with solutions providers

Once you've collected a list of all your internal requirements for a new POS system, apply that list to a structured request for proposal (RFP) template. This will enable you to approach a range of POS providers with a comprehensive list of requirements and questions.















The image shows two overlapping RFP questionnaire templates. The top template is titled "Headless commerce" and contains the following sections:

- Omnichannel**: Describe your platform capabilities to support a headless architecture. (Yes/No) If Yes, check which one applies: OOTB, Plug-in (no code), Custom development. Comments.
- What best-in-breed 3rd party applications are available to be leveraged as a part of headless architecture on your platform?** (Yes/No) If Yes, check which one applies: OOTB, Plug-in (no code), Custom development. Comments.
- What type of APIs are available to support headless commerce?** (Yes/No) If Yes, check which one applies: OOTB, Plug-in (no code), Custom development. Comments.

The bottom template is titled "Company overview" and contains the following sections:

- Your company name
- Primary contact name
- Primary contact number
- Primary contact address
- Primary email address
- Your company's platform name
- How long has your company been in business?
- Is your company public or privately held?
- Number of full-time employees
- Where is your headquarters located?
- Describe your company's solution, services and product offering.
- How does your solution distinguish itself from other e-commerce platform solutions?
- What is your solution standard business model. How does your company generate revenue? Please describe at high level.
- Please provide list of sample DTC client sites and list 3 references that are similar in revenue, technical requirements, and industry as Bonobos
- What is the total annual online revenue of paying clients?
- What are the primary industries represented by your current client base?

The RFP should include structured questions about the core functionality of a new POS system in the following macro categories:

 Omnichannel	 Inventory management	 Integrations	 Staff management	 Orders, checkout, and tax
 Discounts, loyalty, and customer management	 Hardware	 Platform pricing	 Analytics and reporting	 Service support and upgrades
 Privacy and security	 Implementation	 Shipping and fulfillment	 Staff Payments	

You should also list your requirements associated with migration support and ongoing success management:

What role does the platform provider need to play during migration?

What level of ongoing support and success management do you need?

What quantity of data do you need to migrate over?

Do you need the platform provider to manage data migration?

Do you have third party agencies or specialists that you're consulting as well?

What are the most complex areas of the migration project?

What, specifically, are you looking to improve from your existing platform?

Together, this list of RFP questions will give you both a clear inventory of must-have and nice-to-have features, along with context about your unique migration project.

Evaluate your options

Armed with your completed RFP template, you are now ready to begin evaluating your platform options. This goes beyond weighing one solution provider over another; you'll need to understand the subtle differences among the various offerings, and decide on the best solution for your brand.

Generally, there are two types of POS architectures:

On-premise.

Traditional software that runs on hardware and stores your data on a local server or computer. Internal teams or third-party development and engineering teams conduct all development and ongoing maintenance, so the company is responsible for the technical and security infrastructure. You usually pay a one-time fee to buy the license, which may or may not include support and upgrades.

Cloud-based.

Subscription-based POS software that's built and maintained by a third-party provider and stores your data on a remote server. As a customer, you essentially rent the software from the service provider, without the need to develop your own infrastructure. You can access the POS software using any device with an internet connection, and customize the POS software with a wide range of business tools. Shopify POS is an example of a cloud-based POS system.

Cloud-based solutions like Shopify POS are the most popular choice for growing and established brands. Shopify, in particular, helps reduce technical, operational, and maintenance complexity by shouldering that burden for our merchants.

Hardware and software are integrated, customizable, and mobile. This ensures that businesses can focus on brand development and the customer experience, rather than on laying the groundwork for a steady and scalable retail platform.

On-premise POS Pros	On-premise POS Cons
Control over and direct access to POS code and hardware	Ongoing cumulative costs associated with infrastructure upkeep, employee salaries, and third-party assistance
Control over platform and network security	Lacks mobility and requires more physical space
The ability to make customized and granular optimizations	Migration can take upwards of six months, depending on complexity
	<p data-bbox="834 604 1317 667">Need to create all POS components and functionalities</p> <p data-bbox="834 722 1458 785">Required on-staff or contracted teams dedicated to development and maintenance</p> <p data-bbox="834 840 1357 871">All extended functionality needs to be built</p> <p data-bbox="834 926 1422 1020">All operations and stability rest on the team's shoulders, which opens companies to cascading points of failure</p> <p data-bbox="834 1075 1330 1106">Difficulty pivoting and scaling operations</p>
Cloud-based POS Pros	Cloud-based POS Cons
Faster store launches and migrations	Potential integration limitations with mission critical applications
Security and scalability	Potential limitations with app installations, limiting functionality expansion
Ongoing customer support	Variance in the user experience and stability across SaaS providers
Ease of use	Monolith platform lock-in with some platforms that hinders expansion and customization
Regular automatic updates to core functionality and infrastructure	Potential limitations when building omnichannel and headless customer experiences
Modular features and capabilities that can be added as you grow	

Shopify POS vs. other platforms (cheatsheet)

Benefits of Shopify POS

Accessible pricing

Plans start at just \$89 USD per store location, with unlimited registers

Better long term value

Lower total cost of ownership than other POS systems

Accept payments

Mix and match our award-winning POS hardware to create your ideal checkout experience. Accept every major payment type, offer installments, and get 99.99% platform uptime guaranteed.

Shipping and pickup

Give customers the option to pick up items in person or get them delivered.

Advanced reporting

Know how your business is doing across sales channels, store locations, and vendors with one intuitive dashboard.

Unparalleled scale and stability

Dedicated infrastructure that scales with your brand across the globe.

Extendable and customizable

Easily integrate Shopify POS with a wide range of your favorite business tools, or enlist the help of a dedicated developer and agency ecosystem to create custom solutions.

Unmatched pace of innovation

Regular new feature launches and performance improvements to drive growth at scale

Fast time to market

Depending on size and complexity, brands can migrate to Shopify POS in as little as three months.

Oversee inventory

Have a clear picture of your inventory across online and in store sales across up to 1,000 locations.

Unified commerce

Create a best-in-class experience whether your customers shop in person, online, or on social, and manage all your orders from one back office.

Reach customers

Easily capture customers' contact information and keep them coming back with powerful segmentation, email, and SMS marketing campaigns.

Centralized back office

Manage your orders, customers, products, marketing, and discounts across all sales channels from one place.

Safety and security

Fully PCI DSS compliant out of the box

Reliable support

Whether you need assistance switching from your current solution, want support getting started, or have questions about our platform, we're here to help.

Assess your TCO and ROI

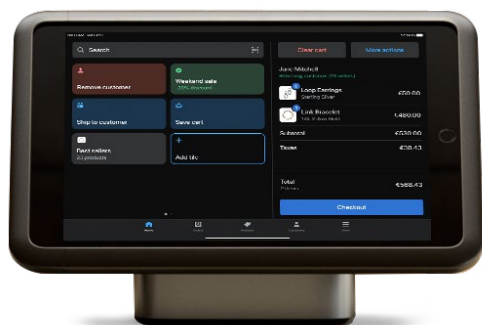
Once you've settled on the ideal POS architecture for your brand, the next step is to weigh the total cost of ownership (TCO) and return on investment (ROI) for the solutions providers you're considering.

Calculating TCO between different platforms is always tricky, as virtually all providers have different cost models and areas that require differing levels of investment.

Still, it's extremely important to understand the upfront costs of migration, platform fees, maintenance, and ongoing cost requirements. Performing a TCO assessment can help provide clarity.

Generally, a TCO assessment includes three key cost centers:

- Upfront costs
- Ongoing costs
- Hidden costs



Upfront costs

A new POS usually requires a significant pool of upfront resources, including the purchase of new hardware, and migration assistance from internal teams, an agency, or specialist personnel.

Typically, this includes:

POS terminals and peripherals

Project manager or owner from each external team

Internal team or external agency responsible for integrating systems and setting up workflows

Execution resources (usually internal) focused on areas like configuration and different levels of data importing

Internal or external testing resources (or combined)

Overarching project lead, project manager(s), product owner(s), and/or program manager(s)

Business analyst (very rarely needed beyond agency or internal resource, but very useful)

This list, of course, will vary depending on the scope and complexity of your migration project.

In addition to these personnel resources, initial costs might also include:

- Data migration
- Analytics setup
- Software and hardware configuration
- Integrations setup
- Down time while migrating platforms
- Set up time (counting inventory, printing new barcode labels, and so on)

Each of the above resources and project requirements, of course, comes with its own costs. Some can be covered with internal staffing at the company, while others will require outsourcing to an agency or individual specialists.

In all cases, it's important to account for personnel and project costs at the start of the migration planning process.

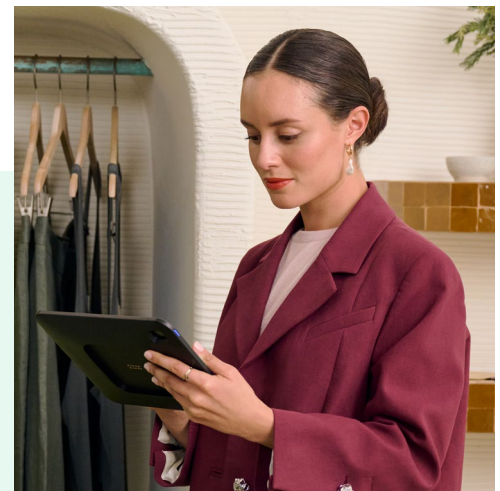
Ongoing costs

Once you've collected a list of all your internal requirements for a new POS system, apply that list to a structured request for proposal (RFP) template. This will enable you to approach a range of POS providers with a comprehensive list of requirements and questions.

Typically, this includes:

- Software license fees
- Integrations licensing
- Consulting and management needs

You should also consider the timeline required to complete the migration in your TCO assessment, as this will have an impact on upfront cost and delayed revenue from the new platform. Shopify POS, for example, takes as little as three months to replatform, while others can take upwards or six months.



Hidden costs

Once migration is completed, there is a range of sometimes hidden costs associated with maintaining a POS system. These costs vary significantly depending on the platform that you chose.



Typically, hidden costs can include:

Annual platform licensing costs

Additional and/or ongoing app licenses

Support costs

Staff training, especially in high turnover environments

Maintenance and operational costs, whether managed by internal teams or through a service provider

POS downtime during the migration, and any associated loss of sales

Workflow customizations

Team operations

Payment fees (often a percentage of sales)

Back office enhancements

Integration updates and enhancements, especially for brands that use APIs to connect platforms from different providers

A note about Shopify POS

Shopify POS removes entire cost structures from the lists above. Software for inventory management, order management, and customer insights is included with your plan. Our [Shopify Expert network](#) helps you partner with seasoned pros to support even the most complex migrations with little downtime or disruptions to your operations. Hosting and infrastructure, security patches and upgrades are all included in the monthly fees, which are lower than the competition.

And because Shopify POS is a true cloud-based, software-as-a-service (SaaS) platform, you'll always be up to date and equipped with the latest features: either install updates automatically or test them in a sandboxed environment before deploying across all your store locations. Apps, APIs, and developer tools give you unprecedented customization — from the UI to the back office — so your POS will work exactly how you want it to. You'll have the features you need, and best of all: you won't outgrow it. Shopify POS will support your business as it scales and your needs change.

Additional TCO considerations

Of course, calculating the total cost (and benefit) of switching to a new POS system doesn't just involve tallying up expenses. There also needs to be a comparison between what you are currently spending, what you would spend and, most importantly, what the revenue upside would be from your new POS system.

Here are some additional TCO considerations to help:

Cost comparisons over three years — new vs. existing tech stack

Time savings and monetary saving for the wider business

Any net benefits like better integration, customer experience improvements, internationalization, conversion and sales improvements, platform uptime, and so on

Any of forms of de-risking the business

Any potential security or compliance benefits (i.e. avoiding fines)

In some cases, the surface level TCO of a new POS system may be higher than your existing tech stack. But, when you tally up the drag your existing platform places on your business, and the potential upside of a new platform, you may find that the investment is a no-brainer.

On the other hand, some providers may be willing to provide extreme price reductions and bring down their total cost of ownership in an attempt to win new business. While this may look appealing on the surface, it often comes at the expense of performance.

In many cases, providers that are willing to charge less to win new business are actually selling low-value, high margin products that require price compromises to remain competitive. Naturally, this isn't an ideal fit for companies looking for a scalable, stable, and extensible POS system that can grow with their business.

Understanding the ROI impact of a new POS system can be complicated, owing to the variety of variables at play. To help, here is a list of key data inputs to help guide your thinking about ROI and the potential impact of a new platform.

Conversion inputs

- Monthly average checkouts
- Retail sales as a % of total revenue
- Sales per square foot
- % increase in retail checkouts from the new POS system
- % increase in total retail revenue

Average order value inputs

- # of current customers
- % of repeat customers
- Customer lifetime value
- Average order value
- % increase in average order value probable from a new platform
- % increase in store-sourced customer data capture

Retail operations productivity inputs

- # of users
- Average salary
- % of time spent on manual work
- % reduction in manual work from a new platform

IT productivity inputs

- # of IT users
- Average salary
- % of time on manual work
- % reduction in manual work from a new platform

Investment inputs

- Annual offline GMV
- Annual offline GMV growth rate
- Platform fees
- One-time implementation fee
- Estimated implementation timeline
- Estimated ongoing partner costs
- Weighted average cost of capital (WACC)

Accounting for each of the data inputs above in your ROI calculation will help you to form an objective picture of potential uptick (or downside) from a new POS system. Combined with TCO, this calculation will create a complete picture of potential investment versus potential impact.

Build a case for Shopify POS

After you've gone through the platform evaluation and TCO assessment process and landed on Shopify POS as your provider of choice, the final step is to build a business case to get a CAPEX spend signed off. To help with this process, here are some key selling points associated with Shopify POS.

Out-of-the-box omnichannel selling and fulfillment

Modern customers want the flexibility to shop however they want. Whether a customer shops online, in-store, on social, or using a mix of channels, the experience feels cohesive and convenient.

While many POS systems support flexible order fulfillment options like store pickup and home delivery, these services can create a messy experience for staff and customers when the integration between systems isn't reliable. Problems can range from minor frustrations, like duplicate customer profiles, to bigger issues, like inaccurate inventory availability presented to customers online, which can result in overselling and having to manually issue refunds.

Shopify POS was built from the ground up to offer seamless multi channel shopping experiences to customers and streamline workflows for staff. Shopify's ecommerce platform and POS system are built on the same commerce kernel, so capabilities like store pickup work seamlessly, and you never have to manually reconcile order, sales, inventory, and customer data.



Robust network of apps and partners

Having a robust community of platform partners and dedicated developer agencies can help accelerate your success and extend your POS system's capabilities beyond what's available natively. It also helps brands innovate within their budgets and remain agile around new features.

The [Shopify App Store](#) and [Shopify Experts](#) gives you access to a vast network of extendable apps, partners, and developer support. With so many feature-rich and constantly improving technology partners, Shopify POS makes it far quicker and easier to achieve new functionality.

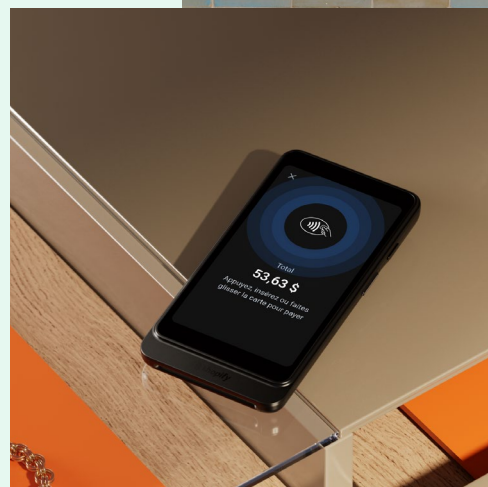
The apps and technology partners are also typically open for further customization via [components and APIs](#), integrations with other third parties, or building bespoke workflows using [POS UI extensions](#) — and the SaaS infrastructure also means they're always improving.

This approach allows brands to achieve a high percentage of their requirements at a low monthly cost, rather than investing time and budget into building something bespoke that's costly to manage and improve as your needs change.

Faster time to launch

Migration timelines for POS systems will vary depending on the complexity of your business: the volume of data, number of integrations, number of store locations, and the amount of hardware to set up. With Shopify, you get access to flexible migration support options that help you get up and running faster while keeping operational disruptions to a minimum.

If you choose to handle the migration in-house, you may qualify for up to 120 days of complimentary launch consultant support with Shopify. If you want to hire an external agency to handle the migration from solution setup to rollout, [Shopify's Partner agencies](#) can get you up and running in half the time (or less). It's a high-value solution that allows for rapid integration with the rest of your tech stack and tools. Most complex businesses migrate to Shopify POS in fewer than three months.



Greater reliability and scalability

Scalability and stability are two critical components of any POS system, especially for brands poised for rapid growth or international expansion.

Shopify POS has been stress-tested by some of the world's leading retail brands and is proven to scale in a number of different ways, such as with short-term and long-term increases in concurrent users and transactions.

This scalability is also evident as more complexity is introduced into the business and as the remit of the business is broadened (e.g. new markets or sales channels). Other POS systems can also scale, but with a lot more inputs and investment, as well as internal capacity.

Shopify's reliability and scalability speaks for itself.

\$650B+

total sales so far from
millions of Shopify businesses

1.0M+

SKUs from our biggest customers

175

countries and 21 languages to sell in

300M

global shoppers in Shopify stores

10,978

peak checkouts per second across Shopify

Continuous platform improvement

Shopify POS is continuously launching new features and functionalities to incrementally improve the scale, stability, performance, and customer experience of the platform for merchants and shoppers. With an army of 4500+ engineers and \$1.3 billion in dedicated R&D spend in 2022, the speed at which new, high-quality features can be introduced to Shopify POS is unmatched.

In 2023, Shopify rolled out several new features and functionalities for POS exclusively, including:

- POS Go hardware
- Shop Pay Installments
- POS UI extensions
- Support for 1,000+ locations
- Advanced staff management tools
- Granular inventory states
- Proximity-based store pickup

Ease of use

Lastly, Shopify POS' ease of use is a frequently cited strength compared to the closest competitors. Merchants regularly comment on the intuitiveness of its UI and award-winning integrated mobile terminal, [POS Go](#), which makes day-to-day usage more efficient for store teams. The Shopify team is constantly testing improvements to our POS system's usability and functionality to make the UI incrementally better over time.



About Shopify



From opening record-breaking pop-ups to operating hundreds of stores around the world, Shopify POS provides brands with unmatched scalability, reliability, and flexibility. It's built from the ground up to offer seamless multichannel shopping experiences to customers and streamline workflows for staff.

Shopify POS also powers some of the world's most innovative businesses, from high-volume, multi-store brands to Fortune 500 brands, like Crate and Barrel, Glossier, Forever 21, Stüssy, and STUDS.

Brands trust Shopify POS to run their retail operations because of its award-winning modular hardware, reliable payment processing, extensible software, and intuitive customizability. Get key tooling out of the box, install integrated apps to extend its capabilities, and connect Shopify POS to your existing software with our developer tools and APIs for centralized orders, inventory, customer insights, and reporting.

We innovate at a pace no other commerce platform can match. Twice a year, we publish a product showcase of everything we've built in [Editions](#). We're committed to building for the future so you're always ready for what's next. Commerce moves fast, but we move faster.

Talk to our team today to learn how Shopify POS can elevate your store experience and streamline operations — whether you have one store or 1,000.
