Startup helps small retailers get local inventory data online at POS

One of the keys to competing with Amazon and e-commerce is getting local product inventory data in front of consumers. Google Local Inventory Ads are one solution, predominantly for larger brands with product feeds. But most small retailers are not in a position to set up a real-time product feed.

Inventory scanned at POS. Enter Irish startup Pointy. The company has created a simple way to get local store inventory online and then showcase that inventory in organic search results or paid-search. The company offers a low-cost hardware device that attaches to a point-of-sale barcode scanner. It's compatible with Square and multiple other POS systems.

Once installed, it captures every product sold in the store and creates a digital record of those products that can be showcased in multiple places online. It also creates Pointy local inventory pages for each store and product, which are optimized and can rank for specific product searches.

Local product inventory pages optimized for search

Pointy co-founder Mark Cummins told me this works especially effectively for long-tail queries. He said that the company has seen strong uptake across the U.S. and has significant penetration among small retailers and 7 percent penetration in the toy store category in particular.

Algorithms predict what's in stock. The question arises: if Pointy is scanning items when they're being sold and leaving the store, how does the company know what's currently in stock? That seems like a problem. Cummins said that machine learning algorithms help determine what remains in the store, in part by measuring product purchase frequency.

The company also helps small retailers set up PLAs and local

inventory ads, using the Pointy inventory data.

A long history of (mostly) failed attempts. There have been many efforts over the years to help consumers find local inventory online. Many of these efforts took the form of consumer portals or search engines, such as Milo, which was sold to eBay in 2010 for $75 million or Krillion, which was sold to Local.com or StepUp, which was sold to Intuit for $60 million – to name only a few.

More recently Lastmile Retail has worked with larger retailers to help improve SEO rankings for product search. Its methodology is different from Pointy's but the strategy and outcomes are similar. And many large retailers are increasingly digitizing store inventory for real-time availability and to support of buy-online-pick-up-in-store.

Why you should care. Getting real-time store inventory online in front of consumers will help direct more shoppers to local stores, whether large or independent retailers. Many people prefer to shop locally than online. However, they often don't know where to find a particular item and they believe that Amazon will carry the product, which it typically does.

Amazon and other e-commerce sites also generally outrank small retail stores for product queries, because these smaller retailers don't have a way to optimize for most product searches. Pointy appears to have solved this long-standing problem.

About The Author

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