

DOWN BUT NOT OUT: DODGING THE OUTAGE BULLET

In a sector where success is measured by the service we provide and revenue we make, downtime isn't an option.

By **Pronto Software Retail Product Manager Les Bruzzaniti.**

Two million dollars in 30 minutes! That's a conservative estimate* of what supermarket chain Woolworths lost when its point-of-sale systems went down for half an hour in April of this year. An IT system update went wrong, causing a countrywide outage and shoppers were turned away in droves.

Along with lost revenue associated with an outage, there's also loss of reputation to consider. In the Woolworths case, customers were annoyed and likely took their business across the road to a competitor. Irritated and inconvenienced customers took to social media to vent their frustrations when they couldn't complete their shop, further exacerbating the reputational impact of an outage and downtime.

You don't need to be a retailer on the scale of Woolworths to suffer from an outage. Various scenarios can take a retailer's system offline, including a power failure, natural disaster or even just someone pulling the wrong cable at the wrong time. Of course, it could also be something more malevolent triggering a disruption, such as hackers or a disgruntled employee.

Though proactive steps can be taken to minimise outages, it is not possible to eliminate them. Instead the focus for retailers needs to be about minimising the time to recovery and ensuring business continuance.

BOOST YOUR BOUNCE-BACK

Given the cost of lost sales and data to retailers, the first step is to create a plan to get your business operating as quickly as possible. Retailer IKEA struggled with an outage of its UK website, which led to problems for two weeks with its online ordering and stock checker, much to the outrage of customers.

Many retailers, especially growing businesses, lack the resources to manage a complete in-house disaster recovery solution. Disaster recovery as a service (DRaaS) can help you achieve peace of mind without the cost of having to maintain an in-house disaster recovery environment and team.

Additionally with DRaaS, your critical business applications, such as your e-commerce solution, are backed up at incremental restoration periods. This means that if you experience an outage, you can go back in time to a recovery point.



Businesses can then get these applications back up and running faster, maintaining business continuity and minimising the costs of downtime.

A further benefit of DRaaS is that it lets you test your disaster recovery at any time. This means you can simulate a disaster and recovery at any moment so you are ready to respond quickly in the event that something does happen to your IT infrastructure later.

An outage is bad enough in normal trade conditions but during seasonal or other peak selling periods it can be more painful. Having a plan that helps you recover can ensure your business thrives.

PUNCH IT IN AND CHECK IT OUT

Another step retailers can take is to have a robust POS infrastructure installed that is capable of completing transactions even if the power or the internet goes down for any reason.

In the Woolworths example, its IT infrastructure collapsed, taking the POS system with it. The stores were paralysed. A modern POS system doesn't have to behave in this way. With an up-to-date POS that uses smartphones, tablets or even traditional registers, when an outage occurs, sales staff can continue processing transactions and even offer promotions until the back-end system is restored.

The benefits of such a system are obvious. Customers won't even notice that there's a system outage and the business can continue trading as if nothing has happened. As well as this perception of 'business as usual', a retailer's bottom line will also be protected as sales will continue uninterrupted.

Businesses can also keep their transactions flowing in such circumstances by being agile and adaptive in an outage. If your website is down then your customers may decide to come in-store, and retailers can even potentially keep customers happy by opening a new pop-up store. Being proactive ensures you give your customers a viable option to complete their transaction, rather than watching as your customers click away to a competitor.

In a sector where success is measured by the service we provide and revenue we make, downtime isn't an option and your business should never be held hostage to this insidious threat. The reality is that while we can't eliminate outages completely, we can absolutely control how it impacts the business, with simple tools such as DRaaS and a modern POS system. **rw**

*Estimate based on annual food revenue turnover of \$37 billion in Australia, as reported in Woolworths' Annual Report 2018.

About Les Bruzzaniti

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About Pronto Software

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