

## POS Systems:

Beverage Media has built integration to the following POS systems to varying degrees. The codes with each vendor correspond with the integration points noted below:

AIM	1 4 5
ATLANTIC SYSTEMS, INC. (ASI - SPIRITS 2000)	1 2 3 4 5
CAM DATA	1
COMCASH	4 5
COMPUTER PERFECT	3 4 5
CREATIVE INFORMATION SYSTEM	1 4
INNOVATIVE COMPUTER SOLUTIONS (ICS - VISION)	1 2 3 4 5
KBA SPIRITS (KEN BUCH)	3
LSTAR	4
MAGSTAR	1 2 3 4 5
MERCHANT SOFTWARE -LiquorPOS	1 3 4
MICROBIZ	1
MICROSOFT RETAIL MANAGEMENT SYSTEM (RMS)	1 3 4 5
PERVASIVE	1
POS ANYWHERE	1 2
POS-IM	1
QUICKBOOKS	1 2
RCS	4
SMART LIQUICK	1 4
TIGER POS	3 4
WINE SOFT	1

- 1 WEBSITE INVENTORY UPDATES
- 2 WEB ORDER IMPORTING
- 3 PRICE FILE INTEGRATION
- 4 EORDERS SALES HISTORY
- 5 EORDERS PURCHASE ORDERS

For information about any of these POS companies, please call 212-695-7480, ext 231

### LEARN ABOUT SELLING WINE ONLINE

See how a store uses the BMG eCommerce system to maintain and promote products on a website. For more information visit: [bevnetwork.com/retailweb](http://bevnetwork.com/retailweb)

## TALKIN TECH by Ian Griffith

# Does it Exist and is it Priced Too Low?

Ever since it launched as a bookseller in 1995, Amazon.com has been relentless in its quest to squeeze efficiencies from the fulfillment of online orders. One way they do this is to have distributors drop ship specific orders directly to consumers, working from a selection of inventory that Amazon does not keep in stock. As a result, Amazon is able to turn their inventory fast enough that they collect from their customers before they need to pay suppliers.

This business model has been tried with varying degrees of success in the wine business. There are a number of wine websites that include products listed by their distributors such as Wine.com. While the complexity of wine is definitely one of its attributes, this complexity has the potential to generate data errors at every tier of the trade.

## Managing Virtual Inventory

In April, Dorothy J. Gaiter and John Brecher of the *Wall Street Journal* published a critique of online wine stores and with it a rebuke against “phantom inventory”. They write: “When we order online now... at least some of the wines ordered are not available”. Their speculation is that much of this problem stems from wine that “might be at a warehouse somewhere or possibly at a distributor.”

Most online retailers are typically unable to manage the constant updating of distributor items as they come in and out of stock and as prices change. Poorly maintained distributor updates can lead to cancelled orders online and frustrated customers. Beverage Media Group has built sophisticated tools to manage these updates automatically for what is commonly referred to as “virtual inventory”. While the listings in the book are updated once a month, many distributors provide daily updates to Beverage Media Group about what they have available for sale that day.

Many distributors provide daily updates to Beverage Media about what they have available for sale that day. This enables retailers to utilize a ‘Virtual Inventory’ to attract new customers online.

## Who Benefits?

Just as retailers are using virtual inventory to attract new customers, wineries benefit from new retailer customers who are fulfilling orders placed by consumers and could be interested in making deeper commitments once they have seen the product sell online.

Retailers who sell virtual inventory will always want to take advantage of their lower cost structure to attract new customers with aggressive prices. However, these stores can’t expect to benefit from deeper deals on a wine and this is where a store that takes a position will have a lower cost. Virtual inventory sales are usually based on frontline bottle costs as the store tries to avoid the scenario where they must purchase a case to sell a bottle.

Of course, this model only works if consumers are satisfied with the service from virtual inventory. The millions of dollars in virtual inventory we have seen suggests that they are. Also, the breadth of items sold as virtual inventory hints that consumers genuinely appreciate the access to product that was tied up in the wholesale tier and may not have been widely available online.

To learn more about how the Beverage Media can help with a website for you store, contact Ian Griffith at (212) 571-3232, or visit [www.bevnetwork.com/retailweb](http://www.bevnetwork.com/retailweb).