

Comprehensive Management

InvenTrak offers merchants the tools and know-how to better track their business

By Bryan Ochalla

To be a successful merchant, it isn't enough to know your market. You have to know how to manage your finances, inventory, and business relationships, too. That's not always possible for small- and medium-sized merchants, according to Kevin Colaco, founder and CEO of InvenTrak in Concord, California.

"A lot of the people running small- and medium-sized merchants are technicians," says the industry veteran, who previously founded Paynet Transaction Systems and Camelot Financial. "Most of them started out operating in a space and then moved to starting a business in that space."

As a result, they become experts in running the business. "If they sell clothing, their expertise is in understanding fashion and understanding what their consumers want when it comes to fashion," Colaco says. "Their expertise is not in the complex tasks of financial management or inventory management"—or of developing technology-based business solutions.

Financial and inventory management is InvenTrak's specialty, however. While preparing to re-enter the payment space a few years ago, Colaco and Eric Kirk, InvenTrak's director of marketing and sales, saw an opportunity to help small- and medium-sized retailers "handle all of their complex tasks efficiently and effectively, allowing them to focus on their products and their customers."

Management Tools

InvenTrak is a Web-based retail management application that

helps merchants manage their businesses via inventory management, customer-relationship management, and labor management tools; enterprise reporting; and PosiTrak, the company's POS software application.

The product is backed by a secure and remotely accessible administrative server. It receives and processes information from the POS application in real time.

"InvenTrak changes the way that retailers look at and deal with their inventory, their employees, and their customers," says Colaco. "[It] allows merchants to track which products are in stock, what quantities are available, and more. And because our application is Web-based, they can access their data anytime, anyplace.

"They can take a look at what they've sold in the last 10 days and then make sure they have 15 days, worth of product available at all times," he adds. Customers can generate reports of what they need to order and—if their vendors support it—generate purchase orders and submit them directly to those vendors.

"It eliminates a lot of paperwork and a lot of the manual and physical tasks merchants used to have to do to determine their inventory levels," Colaco explains. "A lot of times, they don't know they're out of something until someone wants to buy it and it isn't in stock. InvenTrak allows them to have that information at their fingertips at all times."

The product also allows merchants to better track customer relationships. "Imagine a retailer wants to look at its relationship with two customers. Customer A spends \$8,000 with the merchant, and customer B spends \$6,000," Colaco explains. "Typical scenarios would suggest customer A is the more valuable customer, because he spent more money. Our system, though, gives merchants the ability to look deeper into that relationship. Maybe it allows them to see that, yes, customer A spent \$8,000, but the merchant only made \$2,000 in revenue from that transaction. Customer B, on the other hand, spent \$6,000, but the merchant made \$4,000 in revenue from that transaction."

User Support

But the tools that allow merchants to track that kind of information are just one piece of the puzzle. "They have to know how to use those tools, too," Colaco adds. That's accomplished in part by the company's blog, which is regularly updated by economist Donna Tang.

"Small- and medium-sized merchants can look to our blog for information about how to use various features of InvenTrak," Colaco explains. "It's kind of like buying a cell phone that has 80 features—but you only understand and use three of them. The other 77 features don't mean anything to you unless someone tells you what they do and how to use them.

"We're approaching this from both sides," he adds. "We've created solutions for merchants, but we've also created a mechanism that allows us to show them the best way to utilize those solutions." **TT**

Bryan Ochalla is a contributing writer for Transaction Trends. Reach him at bochalla@yahoo.com.

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