


# Chapter 6

## Uses and Abuses of Point-of-Sale Machines: Effects on Company Image and Marketing

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### ABSTRACT

*Point-of-sale (POS) systems are becoming increasingly common as both an important aspect of the transactional infrastructure and a marketing tool that exemplifies the company's brand and philosophy. As such a visible aspect of a company, their functionality and security influence consumer trust and brand perception. A Transaction Trust Disruption Framework is therefore proposed to connect POS risk events, such as data breaches and availability to consumer perception, which directly relates to customer loyalty and company reputation. This framework will help marketing executives understand how technical safeguards can support marketing in building and preserving customer trust, particularly when responsibility is not clearly defined or third-party providers contribute to failure. This interdisciplinary approach integrates technical responsibilities and transparent crisis communication as elements of brand protection and marketing, rather than treating POS risk as an isolated technological issue.*

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## INTRODUCTION

The Point-Of-Sale machine (POS) is encountered everywhere, from grocery stores and convenience markets, to hospitals, feed stores, big box stores, small family-owned businesses, and online shopping carts. Along with the convenience of no longer needing cash in one's wallet comes accessibility, data privacy, and financial safety issues. The increasing awareness of consumers related to these issues also shapes their perceptions of trust and brand competence. Thus, the performance and integrity of POS systems cannot be a responsibility relegated to the tech team but must be an integral part of the marketing team's brand strategy.

Originally, the adoption of electronic and POS technologies was solely a decision of convenience, allowing organizations to streamline transactions while efficiently collecting customer data for later analysis. As the adoption became more prolific, issues related to security breaches, payment fraud, system outages and accessibility issues ceased to be mere disruptions but came to be seen as direct violation of consumer expectations, leading to severe reputational consequences, including negative views related to brand image, weakened customer loyalty, and changes in purchasing behaviors.

Previous studies have emphasized the technical vulnerabilities and operational benefits related to POS system adoption. However, most of this body of work relegates the marketing consequences to secondary considerations, even though empirical research has demonstrated that perceived security and transparency are critical to shaping customer trust and long-term brand equity. There is a strong need for interdisciplinary studies that consider the cybersecurity aspects in terms of their integration and effect on marketing strategies, rather than in isolation.

A brief history and explanation of how these systems work is followed by an exploration into the manifold problems that can occur, including how known issues can impact a company's reputation and marketing strategies. Recommendations are offered for businesses and individuals alike to limit the impact of identity theft and data breaches on corporate identity and reputation.

Considering POS systems as a critical aspect of an overall marketing experience, rather than limiting them to the technical infrastructure clarifies the importance of the influence of transactional technologies on brand value and consumer trust. POS systems are discussed through the convergence of transactional security and brand development. Technical risks are analyzed through a marketing lens considering consumer trust and perceived reliability and how these influence consumer response and brand reputation. This interdisciplinary foundation connects cybersecurity concerns to marketing strategy by treating POS governance as an integral part of brand protection.

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