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Build Business with Layaway Programs

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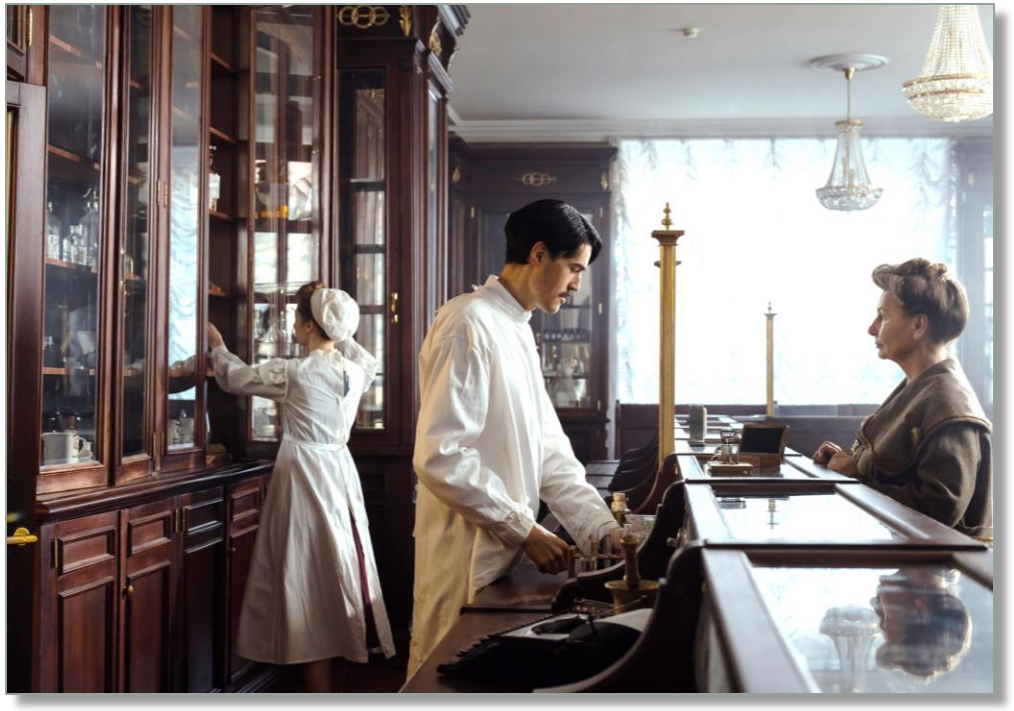
WHAT YOU'LL LEARN

- About layaway plans
- Create a layaway account
- Create a layaway order
- Receive a layaway payment
- View a layaway status
- Recall and complete a layaway transaction
- Create a layaway payment report
- Create a customer report for layaway orders

History of Layaways



- Layaway plans first appeared during the Great Depression when a lot of people didn't have enough cash to pay full price for large purchases.
- Retailers responded by allowing customers to make payments on these items and pick them up when payment was made in full.
- Layaway plans were popular up until the 1980s when credit card usage increased.

Layaway Plans Still Strong

- A 2018 study by eMarketer showed 31% of shoppers would not have made a purchase if a layaway plan were not available.
- Retailers such as Amazon, Best Buy, Big Lots, Burlington, Kmart and Sears all offer layaway plans.
- Layaway is not a loan or offer of credit. It is a purchase agreement that reserves an item which is paid for over a set period of time.

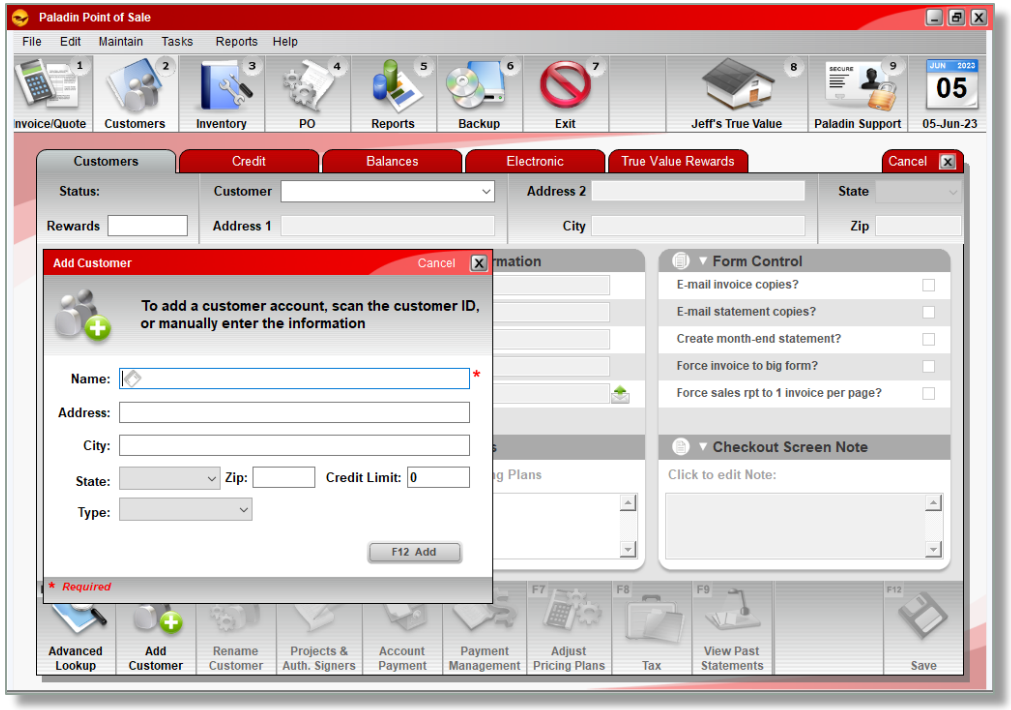
Advantages for customers

- 0% interest makes layaway a cheaper option than credit cards.
- Makes large purchases easier to make.
- Doesn’t show up on a customer’s credit report.
- Reserves a product and secures its availability which is good for high demand products.

Advantages for stores

- 0% interest provides a cheaper option for customers thereby increasing sales.
- Provides an excellent marketing tool.
- Layaway plan sales don’t show up on a customer’s credit report which allows stores to make sales to customers who might have a sketchy credit history.
- Creates a better shopping experience for customers by offering affordable payment options.

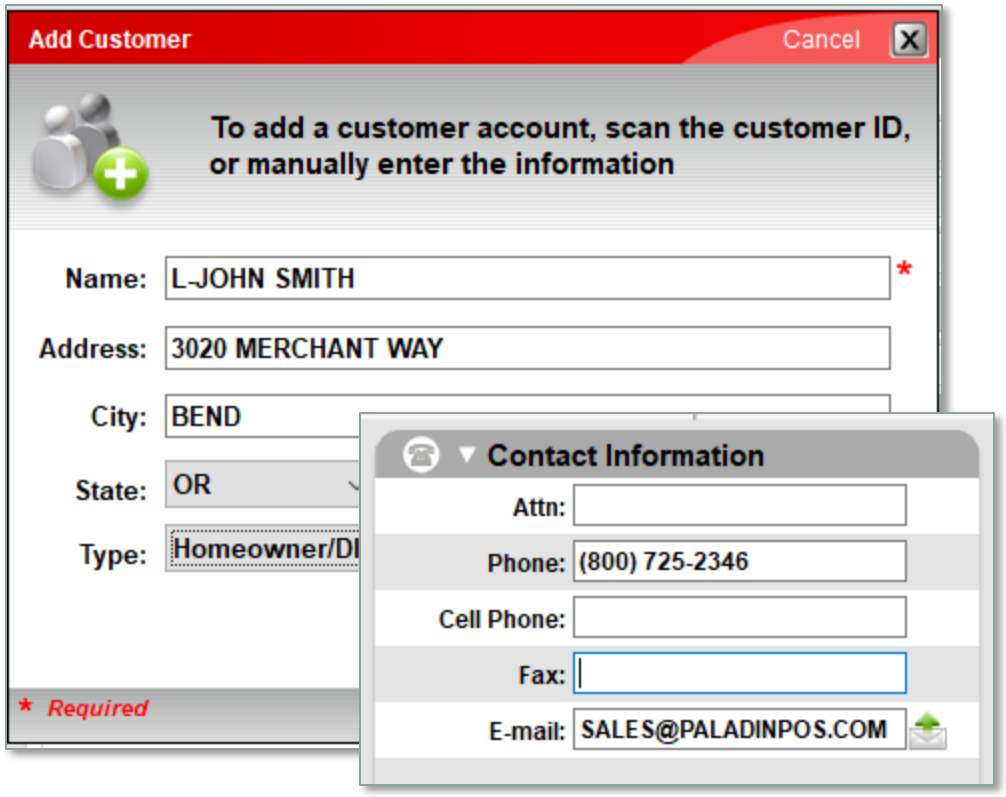
Creating a layaway account



When creating a layaway account in Paladin, it is recommended that you create a separate layaway account for each customer.

1. In Paladin, on the top ribbon, select the **Customers** module.
2. On the bottom ribbon of the module, select **F2 Add Customer**.
3. In the **Add Customer** window, fill out their contact information.

Creating a layaway account (cont'd)

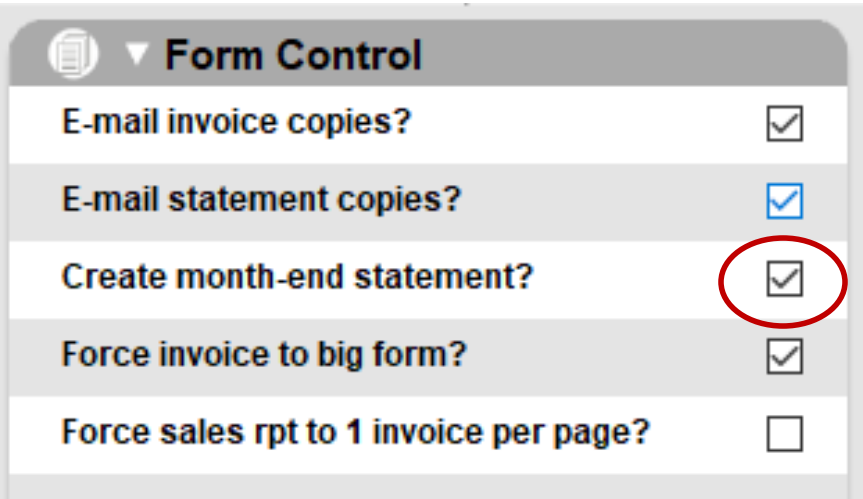


If you have a 2D barcode scanner barcode scanner you can scan the back of a driver's license, which will auto-fill the address information.

4. To identify it as a layaway customer, in the **Name** field, be sure to include the word **LAYAWAY** or the letter **L-** (L dash) before your customer's name. (examples: LAYAWAY-JOHN SMITH or L-JOHN SMITH)
5. Click **F12 Add**.

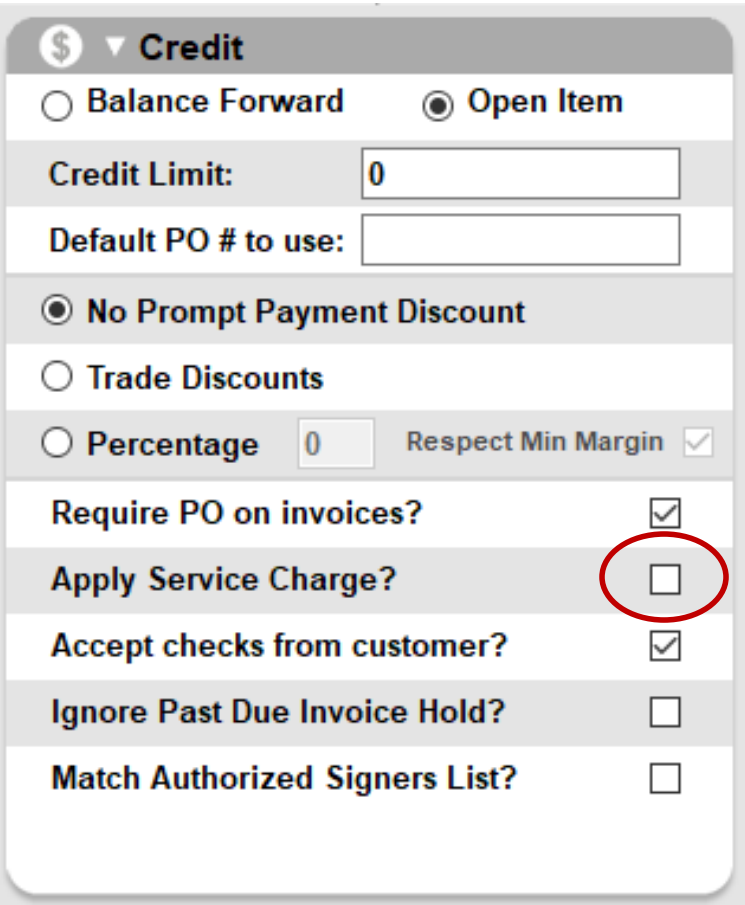
Tip: You'll want to collect and record their phone & email as well.

Creating a layaway account (cont'd)



6. In the **Customer** tab > **Form Control** pane, depending on if you want layaway customers to receive statements, either check or uncheck **Create month-end statement?**

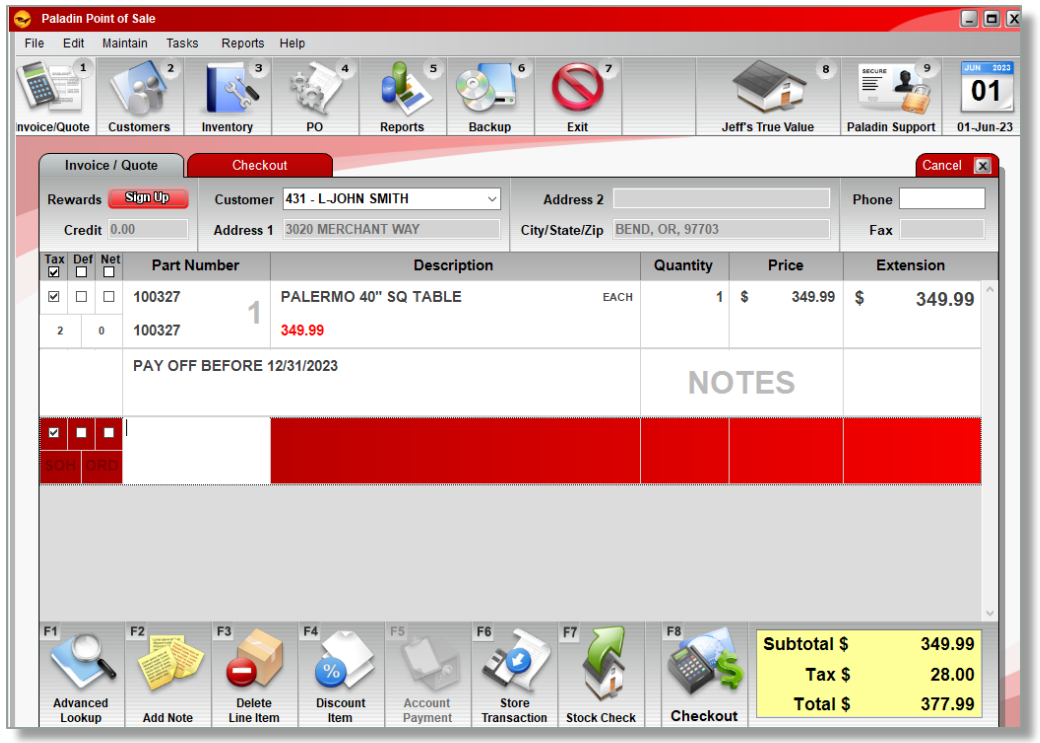
Creating a layaway account (cont'd)



7. Select the **Credit** tab.
8. In the Credit pane, uncheck **Apply Service Charge?** (Layaways don't need this, but by default it is selected when creating a new customer account).
9. Click **F12 Save**.

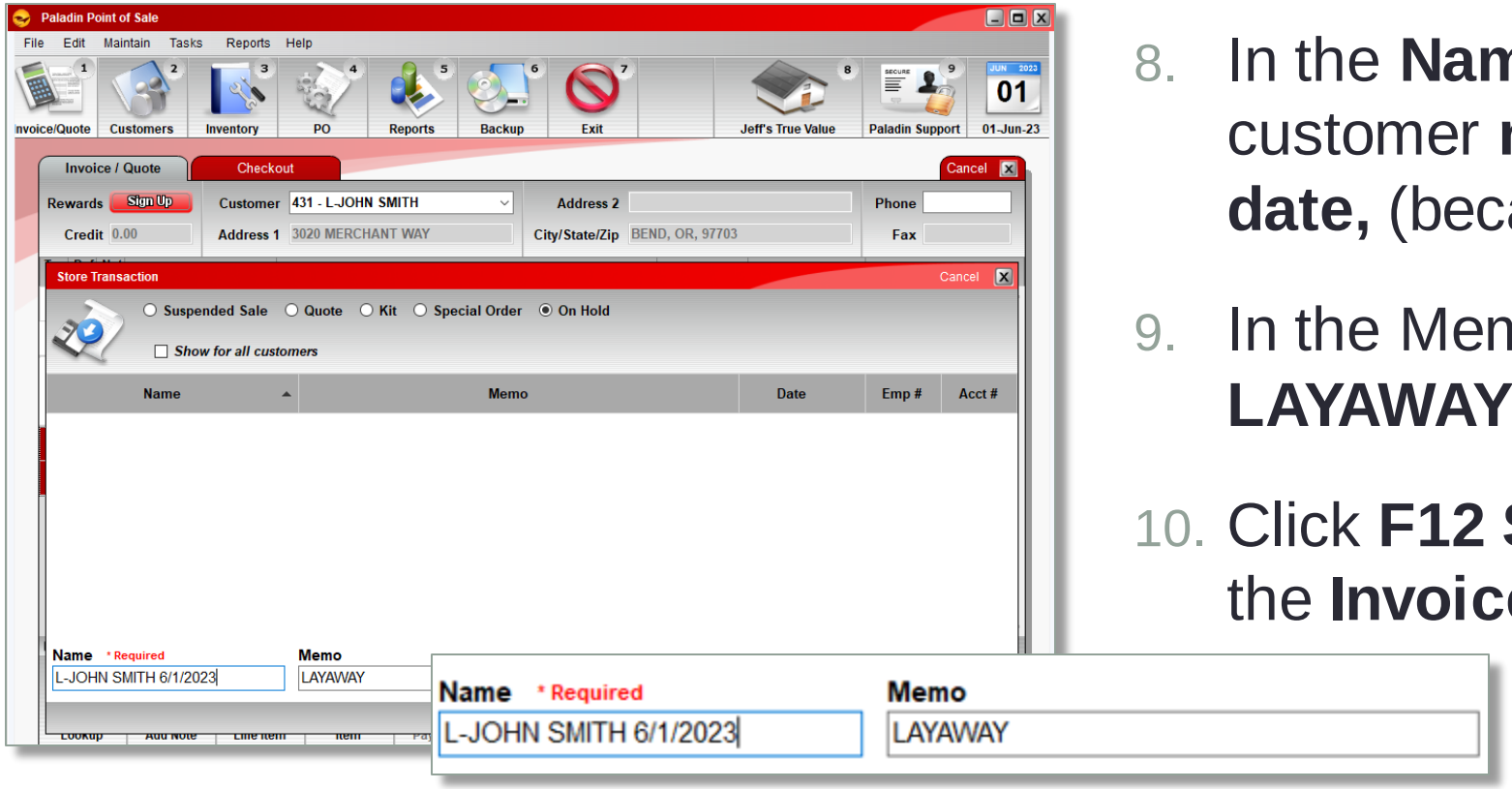
Now that a layaway account is created, depending on if you want layaway customers to receive statements (see step 6 on the previous slide), you'll be able to send a monthly statement as a reminder to your layaway customer(s).

Creating a layaway order



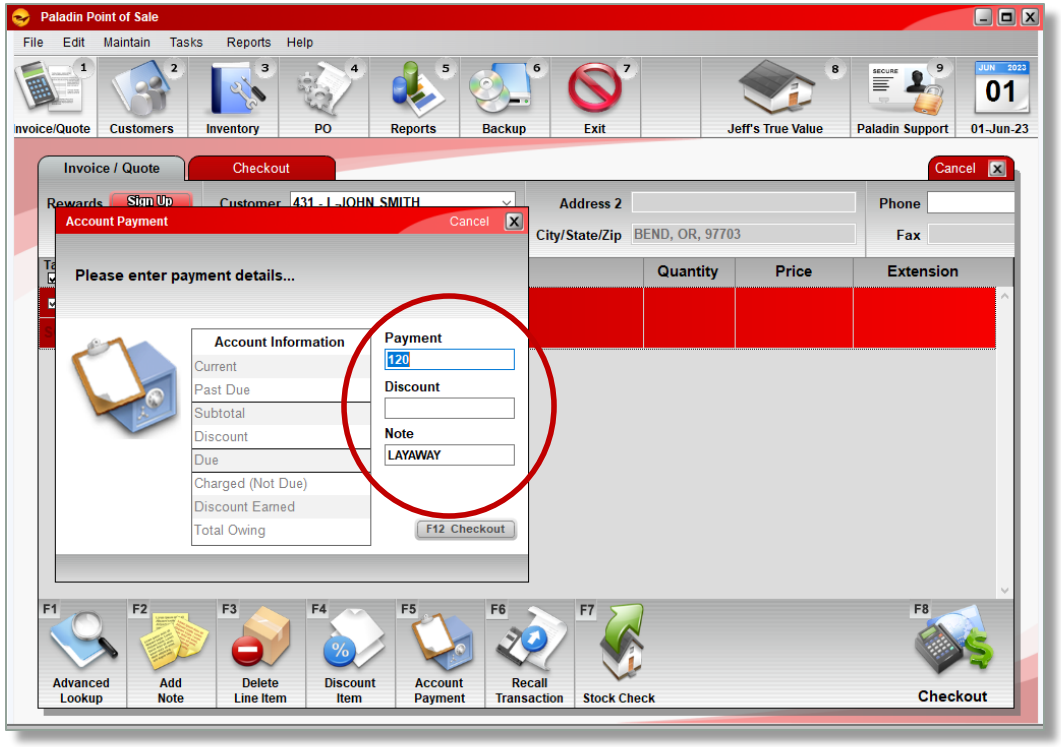
1. In Paladin, on the top ribbon, select the **Invoice/Quote** module.
2. In the **Invoice/Quote** tab, in the **Customer** list, select the layaway customer.
3. Scan the item or enter the part number in the **Part number** box and press **Enter**.
4. Enter a quantity in the **Quantity** box if more than 1 and press **Enter**.
5. As an option, enter a **Note** describing any special conditions of the layaway terms.
6. On the bottom ribbon, click **Store Transaction**.

Creating a layaway order (cont'd)



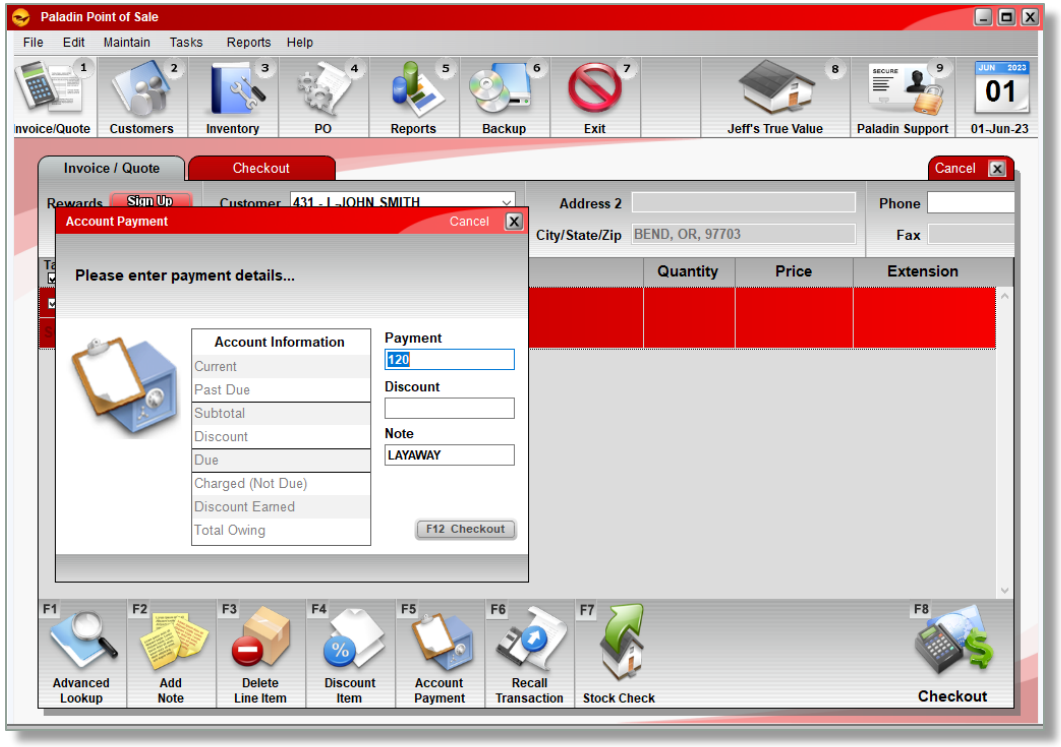
7. In the **Store Transaction** window, select **On Hold**.
8. In the **Name** box, enter a layaway customer **name** followed by the **current date,** (because Name must be unique).
9. In the Memo box enter the term **LAYAWAY**.
10. Click **F12 Store**, and then cancel out of the **Invoice/Quote** module.

Receiving a layaway payment



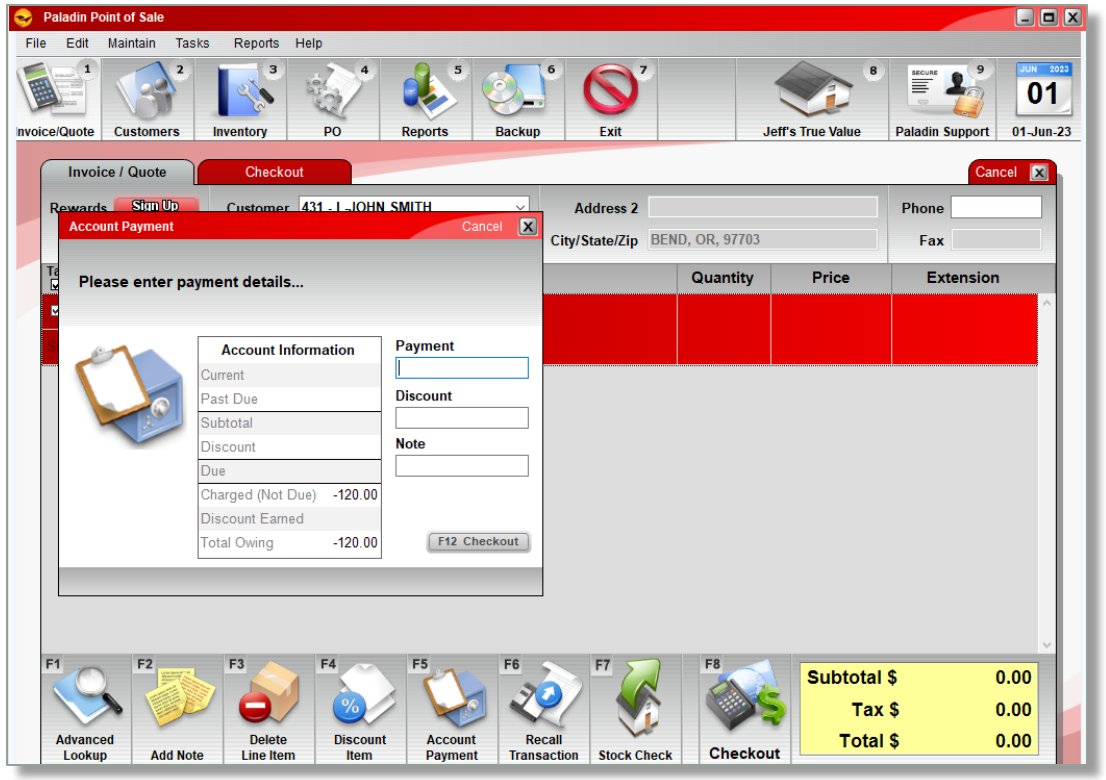
1. In Paladin, on the top ribbon, select the **Invoice/Quote** module.
2. In the **Customer** list, select the layaway customer.
3. On the bottom ribbon, click **F5 Account Payment**.
4. In the **Account Payment** window, enter the payment amount in the **Payment** box.
5. In the **Note** box, enter the term **LAYAWAY**.

Receiving a layaway payment (cont'd)



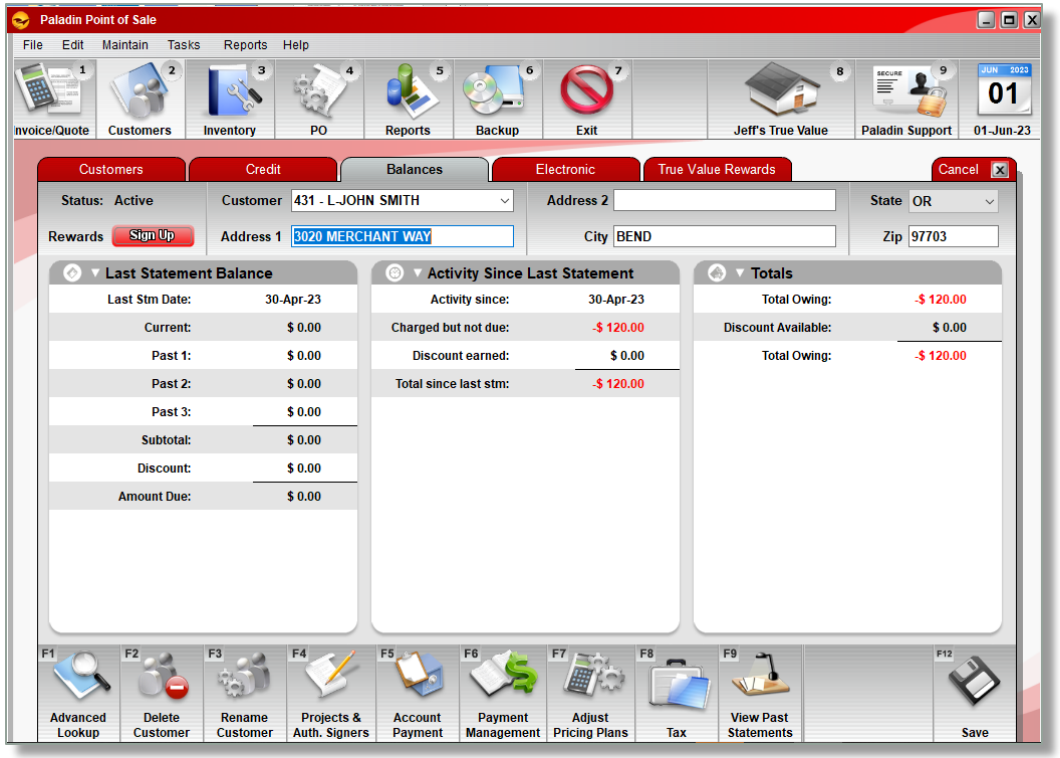
6. Click **F12 Checkout**.
7. On the bottom ribbon, select the method of payment, and then press **Enter**.
8. In the **Transaction Complete** window, you can print the customer receipt with the payment amount.
9. Cancel out of the **Invoice/Quote** module.

Viewing a layaway status option #1



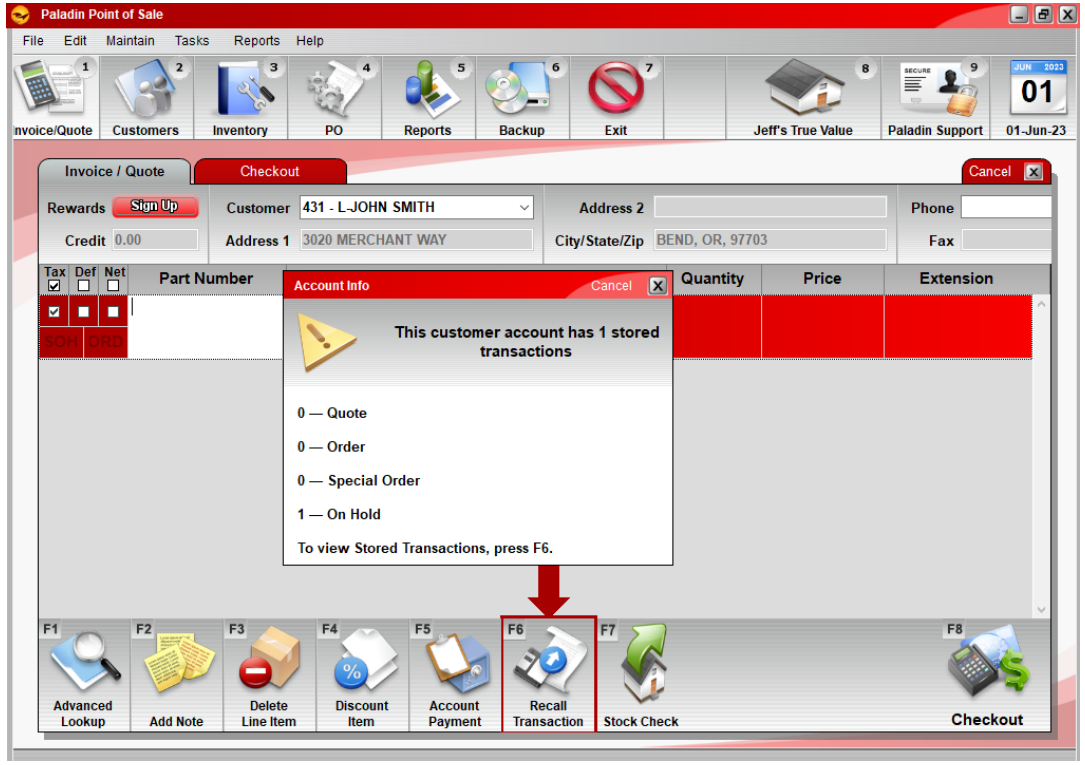
1. In Paladin, on the top ribbon, select the **Invoice/Quote** module.
2. In the **Customer** list, select the layaway customer. You may search for “L-” or “LAYAWAY-” under **F1 Advanced Lookup**.
3. On the bottom ribbon, click **F5 Account Payment**.
4. In the **Account Payment** window, the layaway amount will appear as a negative amount in the **Charged (Not Due)** box.
5. Click **Cancel**, to exit out of the **Invoice/Quote** module.

Viewing a layaway status option #2



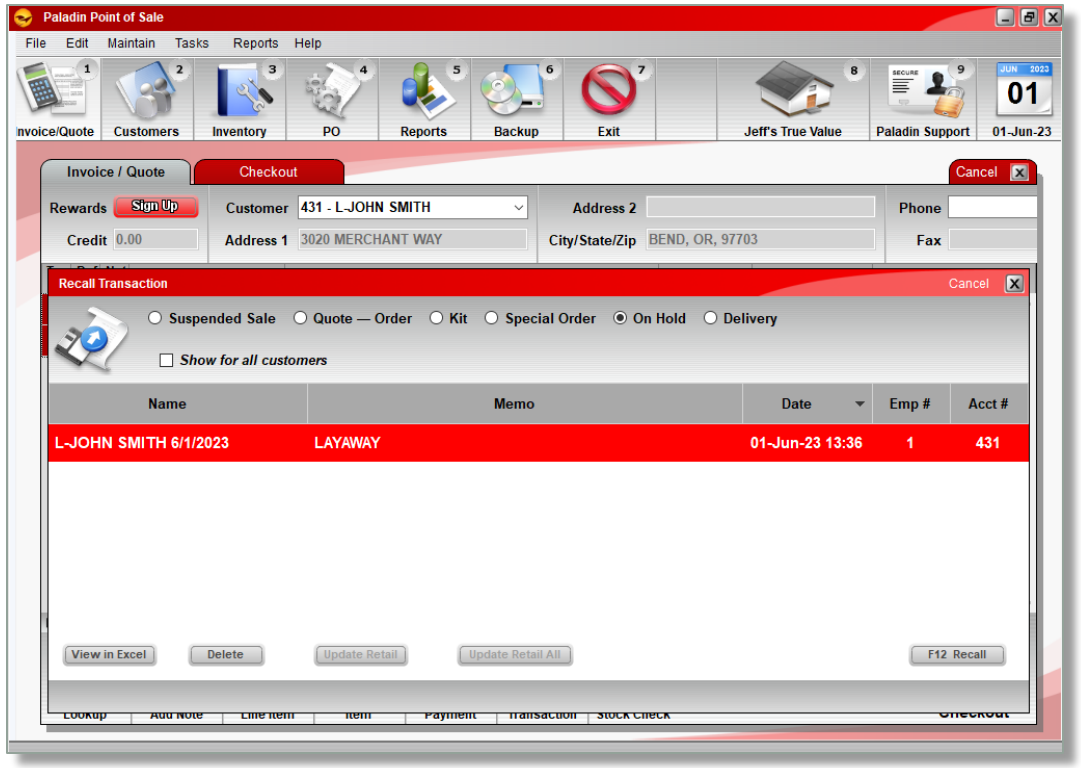
1. In Paladin, on the top ribbon, select the **Customer** module.
2. In the **Customer** list, select the layaway customer.
3. Select the **Balances** tab.
4. The credit amount in **red** is the amount paid to date on the layaway item.
5. Click **Cancel**, to exit out of the **Customer** module.

Recall and complete a layaway transaction



1. On the top ribbon, select the **Invoice/Quote** module.
2. In the **Customer** list, select the customer.
3. If configured, the **Stored Transactions** window opens and points to **F6 Recall Transaction**.
4. Press **F6 Recall Transaction**.

Recall and complete a layaway transaction (cont'd)

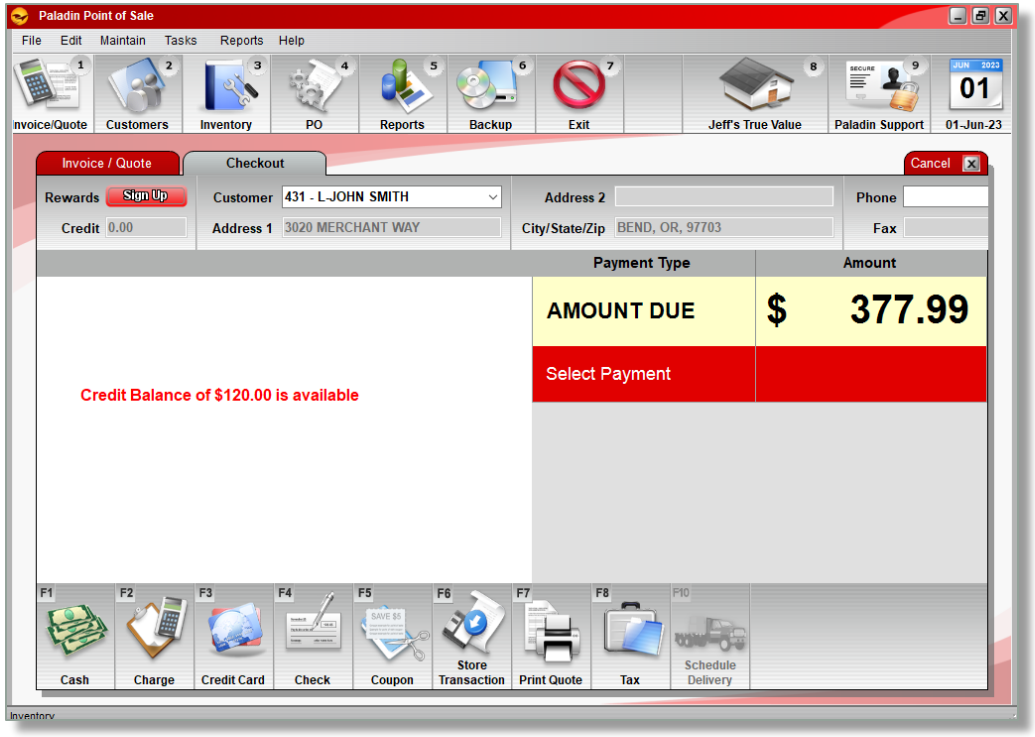


5. In the **Recall Transaction** window, highlight the transaction, and press **F12 Recall**.

6. Press **Enter**.

7. In the **Invoice/Quote** window, Press **F8 Checkout.**

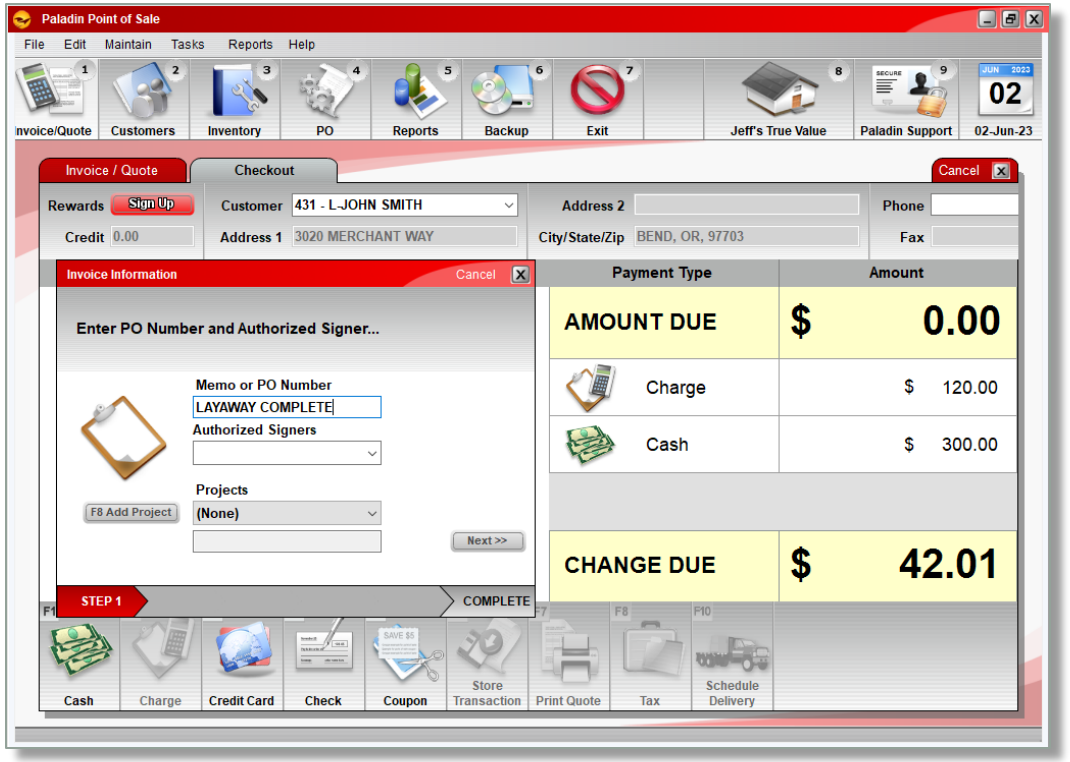
Recall and complete a layaway transaction (cont'd)



8. Select the **Charge** payment option and press **Return**. This action will use the available credit for the layaway item.

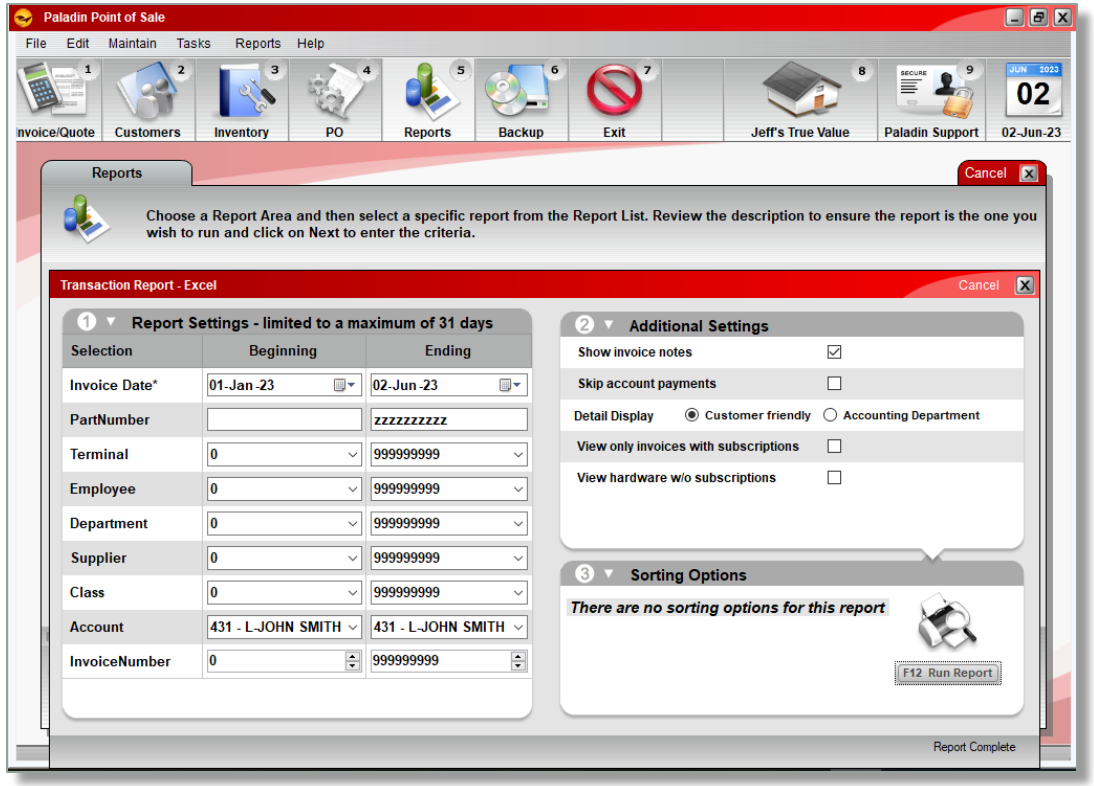
9. If there is any balance due above the credit amount, select the payment type and finalize the payment.

Recall and complete a layaway transaction (cont'd)



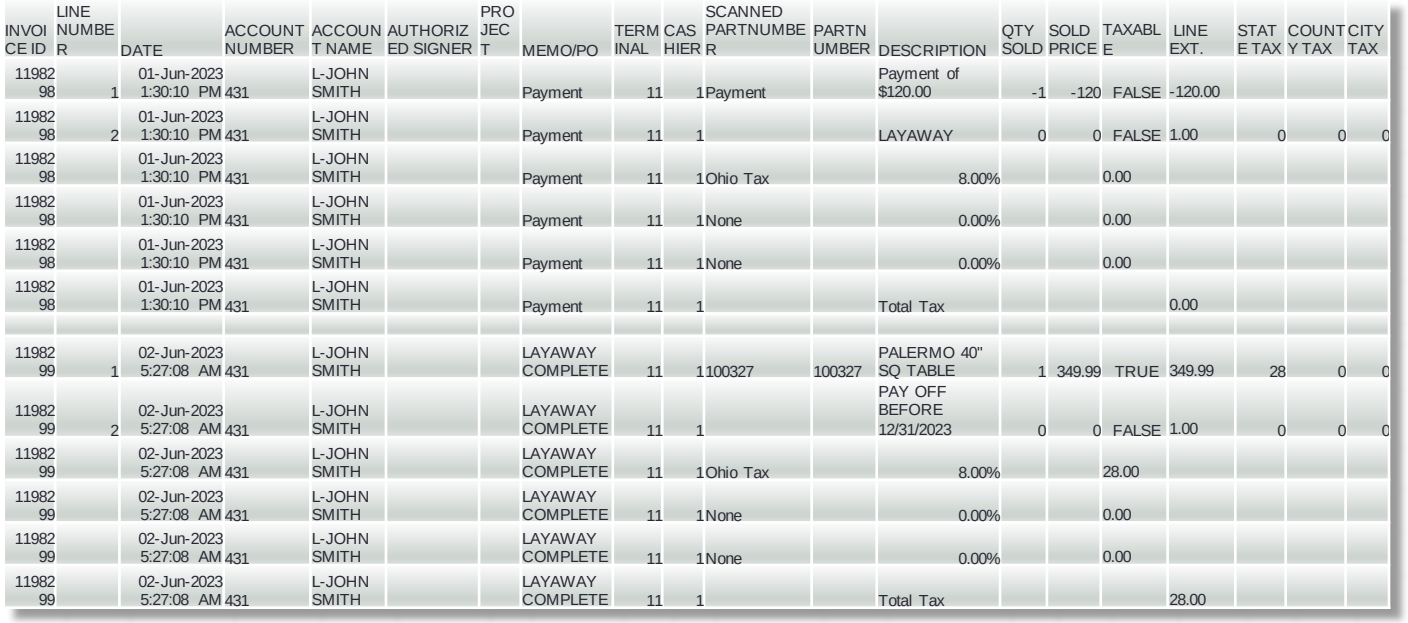
10. In the PO/Memo field, enter the term **LAYAWAY COMPLETE**
11. In the **Signature Capture** window, have the customer sign or click **Next** and follow the prompts to bypass the signature.
12. When the transaction is completed, if configured, a receipt will print.
13. Press **Cancel** to exit out of the **Invoice/Quote** module.

Create a payment report for layaway orders per customer



1. On the top ribbon, select the **Reports** module.
2. In the **Report Area** pane, select **Sales Analysis > What I Need to Know**.
3. In the **Report List** pane, click **Transaction Report - Excel**.
4. In the **Choose Report** pane, click **F12 Next**.
5. In the Report Settings pane, select the **Date Range** and **Account Name**.

Create a payment report for all layaway orders (cont'd)



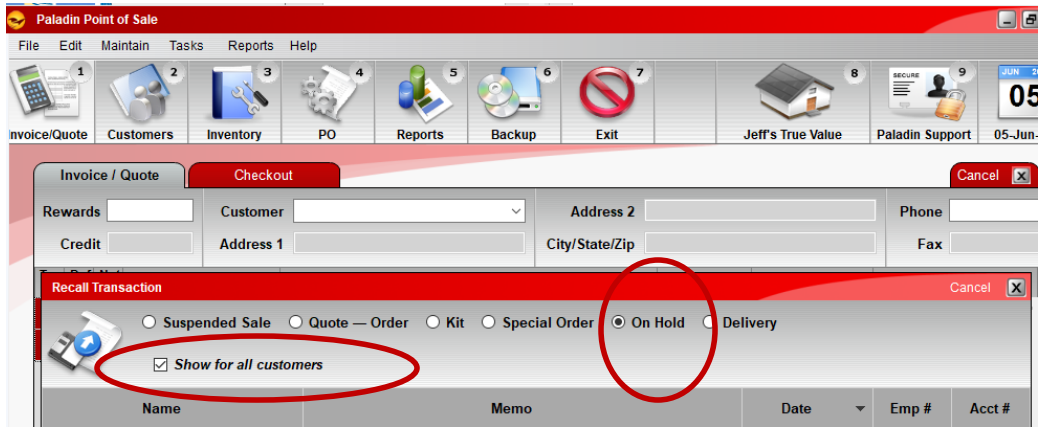
INVOICE ID	LINE NUMBER	DATE	ACCOUNT NUMBER	ACCOUNT NAME	AUTHORIZED SIGNER	PROJECT	MEMO/PO	TERMINAL	CASHIER	SCANNED PARTNUMBER	PARTNUMBER	DESCRIPTION	QTY SOLD	SOLD PRICE	TAXABLE	LINE EXT.	STATE TAX	COUNTY TAX	CITY TAX
1198298	1	01-Jun-2023 1:30:10 PM	431	L-JOHN SMITH			Payment	11	1	Payment		Payment of $120.00	-1	-120	FALSE	-120.00			
1198298	2	01-Jun-2023 1:30:10 PM	431	L-JOHN SMITH			Payment	11	1			LAYAWAY	0	0	FALSE	1.00	0	0	0
1198298		01-Jun-2023 1:30:10 PM	431	L-JOHN SMITH			Payment	11	1	Ohio Tax		8.00%			0.00				
1198298		01-Jun-2023 1:30:10 PM	431	L-JOHN SMITH			Payment	11	1	None		0.00%			0.00				
1198298		01-Jun-2023 1:30:10 PM	431	L-JOHN SMITH			Payment	11	1	None		0.00%			0.00				
1198298		01-Jun-2023 1:30:10 PM	431	L-JOHN SMITH			Payment	11	1			Total Tax				0.00			
1198299	1	02-Jun-2023 5:27:08 AM	431	L-JOHN SMITH			LAYAWAY COMPLETE	11	1	100327	100327	PALERMO 40" SQ TABLE	1	349.99	TRUE	349.99	28	0	0
1198299	2	02-Jun-2023 5:27:08 AM	431	L-JOHN SMITH			LAYAWAY COMPLETE	11	1			PAY OFF BEFORE 12/31/2023	0	0	FALSE	1.00	0	0	0
1198299		02-Jun-2023 5:27:08 AM	431	L-JOHN SMITH			LAYAWAY COMPLETE	11	1	Ohio Tax		8.00%			28.00				
1198299		02-Jun-2023 5:27:08 AM	431	L-JOHN SMITH			LAYAWAY COMPLETE	11	1	None		0.00%			0.00				
1198299		02-Jun-2023 5:27:08 AM	431	L-JOHN SMITH			LAYAWAY COMPLETE	11	1	None		0.00%			0.00				
1198299		02-Jun-2023 5:27:08 AM	431	L-JOHN SMITH			LAYAWAY COMPLETE	11	1			Total Tax				28.00			

6. In the **Additional Settings** pane, select the **Show Invoice Notes** checkbox.

7. Click **F12 Run Report**.

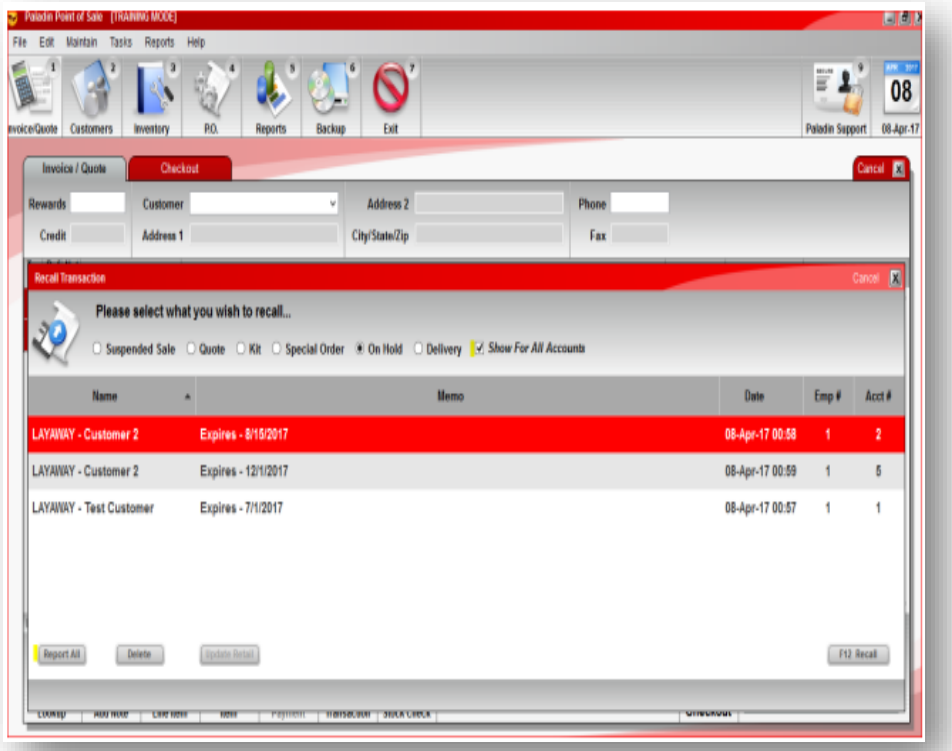
A Microsoft Excel document containing the details of the layaway for the specific customer and timeframe will open.

Create the customer report for layaway orders



1. On the top ribbon, select the **Invoice/Quote** module.
2. On the bottom ribbon, click **F6 Recall Transaction**.
3. In the **Recall Transaction** window, select **On Hold**.
4. Check **Show** for all customers.

Create the customer report for layaway orders (cont'd)



5. Click the **Name** column to search for the stored layaway items in ascending or descending order.
6. Click **View in Excel**.
7. An Excel icon will appear on the bottom task bar of your computer. Click the **Excel icon** to view the report.

Learn More

To learn more, see the following resources in our Help Portal

- Layaway Orders

A recording of this webinar will be available at portal.paladinpos.com/webinars.

Next Webinar:

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9am PT

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