How to choose the right point of sale software for your gift shop

By Mark Fletcher, CEO, Tower Systems

Selecting the right software for any small business is a daunting task. In this article, Mark Fletcher provides some advice designed to guide gift shop owners to the right decision on POS software for their business.

Choosing the right computer software for your Gift Shop is easy if you follow some simple steps:

- Be sure of what *your* business needs;

- Understand the financial value of this to *your* business;

- Focus on the business outcomes important to *you*, stay in control.

The emphasis is deliberate as this process is about *YOU* and *YOUR* business.

It is easy for professional software sales people to confuse you. For some, it is a key weapon in their armory. Confusion can be avoided is you stick to the three simple steps. Some sales people need to be reminded that this is your choice and that you will choose the system which is right for your business.

While I could write thousands of words on how to go about determining your needs and preparing an appropriate specification document, the reality for many small business Gift Shops is that this is not appropriate. Instead, I recommend a single sheet of paper approach. It's easy and achievable by business people of all skill sets.

So, take out a sheet of paper rule a line down the middle. On the left hand side, note down the requirements of a computer system which you consider will be unique to your business. What is it you do which you feel no other Gift Shop would require? Do you have unique suppliers? Are your gift products packaged in an unusual way? Do you operate off a non standard markup policy?

Most good Point of Sale systems have common functionality in the traditional areas of selling, printing receipts, handling customer accounts, managing discounting and reporting on sales. It is in the 'fringe' where you will find differences and these often are differences

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in businesses as well. By 'fringe' I mean gift shop specific facilities. This is where software created especially for your category of retail business should shine.

In creating this list of functions and facilities which are unique to your business consider these questions:

- Do you have specific suppliers you need to place electronic orders with and receive electronic invoices from? Electronic orders and invoices can save considerable time by eliminating paperwork, mistakes and manual pricing.

- Do you create gift packages which include more than one item? If so, do you want to be able to make-up and un-do these packages as needed?

- How do you handle Lay Bys? Is your approach common or specific to your type of business?

- Are there business decisions which you need to make which are unique to your business of at least your type of business?

- Do you have a loyalty program and if so are the rules and processes unique to your business?

- How do you sell your product? Do you sell by weight or some unusual method?

- Do you have a need to compare the performance of multiple suppliers in a specific department?

- How do you market to existing customers and would you want your software to help with this?

- Do you have multiple retailer outlets? If so, do you want to be able to see stock available in each outlet from all outlet? Also, do you want to be able to transfer stock between the outlets?

- Do you want to be able to sell electronic product such as gift vouchers?

Next to each of your requirements be sure to note the amount of time you spend with current systems and processes. This could be the amount of time you save by purchasing another system.

There are many other business specific questions and requirements you could consider. The list above is provided to stimulate your thoughts about the specific needs you have in your Gift Shop.

It may be that your needs are not covered in any existing system. This is when you need to decide on whether the cost of NOT having access to these needs being covered is worth the considerable saving of going with an off the shelf system.

On the right hand side of the paper, note down what is important to you in the software company from which you purchase your Gift Shop software. These points ought to be the must haves without which you will knock out a business. For what it's worth and based on many years serving small businesses, here are my suggestions for this list:

- **They own the software.** That is, you are purchasing from the company which develops the software. There is nothing worse than buying through an agent who does not have easy direct access to the software developers.

- **They have Gift shop customers who are happy.**

- **The software is regularly updated.** That these updates are based on the needs of business owners like you and not some computer programmer who does not understand your business.

- **The software is yours to keep.** Once you purchase the software you do not have to pay further licencing fees to use the software. Some systems are licenced annually – meaning you MUST pay a fee to keen the software active.

- **Easy support access.** 24/7 software support is available. Online as well as telephone support is available.

- **User meetings.** Make sure there are opportunities for you to meet with other users and representatives from the company. These are excellent learning opportunities which help you unlock the real value of your software.

- **Training.** The system is provided with on site training by the company itself. Too many software companies nowadays contract training out and this provides an opportunity for them to point the finger if there are later support issues.

- **Enhancement suggestions.** Make sure that the software company has a mechanism for you making your enhancement suggestions known to them. This demonstrates that your opinions really do matter.

Once you have this sheet of paper you are almost ready to start looking at software systems.

Take some time to get together copies of all the key documents you use. You will need to compare these with what any POS system you consider offers. This includes receipts, orders, reports and especially any spreadsheets you work on to manage the business.

You are almost ready to look at possible systems but first, compare the websites of the companies you are considering. Be sure to assess the ease of navigation of the websites, the professionalism and speed. These are all indicators of the software the companies sell.

The gift business is a fashion related business. You want to deal with suppliers who share an understanding of the need to be fashionable. This is why I suggest you look at their website. If it is out of date or unfashionable then the software is likely to be the same.

A software company which cannot create and maintain an up to date fashionable website cannot be expected to do any better with the software they would have you purchase form them.

Once you have completed your comparison of websites and are clear in the top contenders, you are ready to arrange face to face demonstrations. Book these for your Gift Shop so that the sales people can see your business first hand. If they offer you a demonstration copy of the software say no as this is a lazy way to sell, leaving you to do all the work.

Set a time limit for the demonstration and always remain in control. This purchase is about you and NOT about them. Some will use all manner of awful tactics to try and get you to buy their systems. Remaining in control will help you resist this and lead you to buying the best POS software for your Gift Shop.

If, after the first demonstration, you cannot decide between, say, two systems. Invite them back to demonstrate again at the same time so that you really can compare apples with apples. Many software companies will reject this, preferring to deal one on one with you.

When you feel ready to make a decision, ask for three reference sites. Call them. But understand that you will only be given good reference sites so ask these folk if they know anyone else using the software.

If you have time, visit the offices of the software company – there is nothing like seeing how they operate internally to assess whether you want to do business with them. Is it a happy and professional workplace? Do the employees seem stressed? Do the people you would have most to do with seem to want your business?

The ultimate choice you will make is about the people more than the software. This is why I recommend taking your time and assessing the various people you will rely on to make the software work for your business.

While this focus on the actual software company may seem like a lot of work, the reality is that this is a long term business relationship. The more effort you put into the courting phase the more likely the relationship will survive and your Gift Shop will thrive.

Good luck. If you are well prepared you won't need luck.

About Tower Systems
Tower Systems began in 1981 in Melbourne Australia. Since its formation, the business has focused solely on the needs of small business retailers. Today, the company serves in excess of 2,000 small business retailers in Australia, New Zealand, FIJI and several Asian countries. Tower Systems has offices in Melbourne, Sydney, Brisbane, Adelaide, Perth and Auckland. Tower Systems is a proud supporter of the Smith Family, the Lighthouse Foundation, and the Choir of Hard Knocks.