

# Choosing Point of Sale software for your gift or homewares retail business

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By Mark Fletcher, Founder, 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. This is based on experience with the marketplace over several years.*

## **A gift shop needs specialist POS software if the business is to reach its full potential.**

While MYOB and similar Point of Sale software will help sell items and keep financial records, MYOB does not provide crucial facilities to deliver gift shop customer friendly customer service. It is less likely to connect with gift shop customers.

Software developed specifically for gift shops is more suited to gift shops.

Choosing the right point of sale software for your Gift Shop or for your homewares business is easy if you follow some simple steps:

- be sure, absolutely sure, of what your business needs;
- understand the value of these needs to your business;
- remain focused on the business outcomes important to you.

It is easy for software sales people to confuse you along the way. While they should not do this, it happens. This can be avoided if you stick to some 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.

The more work you do on your needs before you begin the more likely you will find that you make a choice which serves your needs for many years.

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

– this quickly guides you to what is important. 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 in businesses as well.

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

- How do you handle Lay Bys? Is your approach common?
- Do you have a loyalty program and if so are the rules and processes unique?
- How do you sell your product? Do you sell by weight or some unusual method?
- Do you have specific suppliers you need to place electronic orders with?
- Do you have a need to compare the performance of multiple suppliers in a specific department?
- Do you want your software to help with marketing to customers?
- Do you offer discounts based on volume sold in a purchase?
- Do you run catalogues or other time based offers?
- Do you link back to MYOB for business accounting?

Next to each of your requirements be sure to note the amount of time you spend with current processes. This could be the amount of time you save by purchasing the right point of sale system for your gift shop or homewares business.

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 what is important in the software company from which you purchase your Gift Shop software. 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 and homewares business customers who are happy.**
- **The software is regularly updated.** By regularly, I'd suggest that at least two or three times a year is important.
- **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 keep the software active.
- **Easy support access.** Make sure that genuine 24/7 software 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.

Compare the **websites** of the companies you are considering. Check out the ease of navigation of the websites, the professionalism and speed.

Arrange a **personal demonstration** at your 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 them. Some will use all manner of tactics to try and get you to buy from them.

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.

Ask for **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.

**Visit the offices of the software company** – see how they operate internally to assess whether you want to do business with them. Is it a happy and professional workplace? 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're well prepared you won't need luck.

#### **About Tower Systems**

Since its formation in 1981, Tower Systems has been focused 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, Perth and Auckland. Tower Systems is a proud supporter of Make A Wish.

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