

FloristWare



Point-Of-Sale Research Worksheet

This worksheet has been designed to ensure you get the information you need to properly evaluate and compare POS systems.

Shopping for a POS system is tough!

There are so many different systems and variations of those systems it's hard to even keep them all straight.

Because the process of researching and comparing systems is so demanding some of the most important questions are often never even asked. Other important questions never even occur to the florist.

Here is a great example. Let's say you buy a system and use it to aggressively collect valuable marketing information from your customers - after all, that's one of the reasons you bought a POS system.

After a few years you have an impressive database of customers, reminders, etc. You're using this information to market to them through phone calls, e-mails, postcards, etc.

Now you decide you want to switch POS systems and, of course, you want to take the data you have collected and put it into your new system. Will your existing system let you?

You may be surprised by the answer. There are some systems that won't let you export your data so you can move it to a new system.

This is something you need to know before you make a decision! Unfortunately it is also a question that most florists never think to ask.

To avoid these pitfalls and help you make an informed decision we have prepared this worksheet. We encourage you to get solid answers to every single one of the questions before you make a decision. We have already entered the answers for FloristWare.

Yes - it will be a lot of work. This is however one of the most important decisions you will ever make concerning your business and you should not make it lightly. If you have any doubts we will put you in touch with countless florists who were saddled with expensive systems they hate using because they didn't answer the right questions.

What up-front costs are involved with the POS system?

You need to get the total cost of getting a system up and running. This will include the software itself, the hardware (if included), the installation (if required), the initial training, etc.

Do not leave any potential cost “to be determined”. The expenses involved with having an installer and/or trainer come to your store and stay for a week or more can be very high. Make sure you know exactly what costs will be involved.

You should do this early in your discussions with the rep. There is a common practice in which the sales rep starts with a low number and then starts mentioning more and more fees as talks move along and they see you getting closer to making a commitment.

FloristWare: **There are no up-front costs directly associated with FloristWare. You may need to purchase some hardware but we'll help make sure that you get the best deal possible.**

What are the training costs with the POS system?

There are two types of training. Initial training takes place after the system is installed and you are in the process of “going live”. This figure should be included in the start-up costs on the previous page but be sure you get specific details. There have been reports of sales reps quoting one price for initial training but not disclosing that it only included (for example) two employees. To train more employees during the initial training period added significantly to the cost.

Follow-up training takes place later and that is what we are concerned with here. If you hire a new employee will they need to be trained? If so, what is the cost? Will additional training be required after any upgrades? If so, what is the projected cost?

FloristWare: **None. FloristWare was designed so that no training is required - that means no training costs. We're happy to help you over the phone at any time but even that is rarely required.**

What are the ongoing costs of the POS system?

Most systems involve some ongoing costs. These may be monthly and/or annual in nature. There may also be transaction fees.

Sometimes florists are not even aware of these charges until after they sign the contract and get their first statement. More commonly these fees are not disclosed until late in the sale process. For example you may see only the up-front figure mentioned until you are about to sign the contract - at which time you notice extra monthly or yearly charges specified.

There is no point wasting time - get all of the costs nailed down right away. Tell your rep that you want to be made aware of all costs associated with using the system right from the start. These charges generally fall under (but are not limited to) any of the following categories:

- Support
- Access Fees
- Usage Fees
- Upgrades
- Maintenance Fees
- Sending Fees

FloristWare: *The only cost with FloristWare is the ongoing cost of the subscription. This one fee covers everything.*

What are the expected upgrade costs of the POS system?

Let's start by explaining the difference between software updates and upgrades.

Updates make small changes to a system - usually to fix minor problems that have surfaced after the system was released. These should always be free - there will always be little problems that come up and the software provider is expected to fix them. Don't let anyone tell you they are doing you a favor by providing free updates - that is their responsibility.

An upgrade is something very different. An upgrade improves software by, for example, adding new features, making it faster or easier to use, etc.

Whether you pay for updates depends on your agreements with the vendor. Sometimes upgrades are free as long as you maintain your subscription or continue to pay some type of support fee. Other times you may have to pay a substantial amount - it would not be uncommon to have to pay as much as 60% of the original purchase price to purchase a major upgrade.

FloristWare: None. There are no upgrade costs with FloristWare. Your subscription assures you that you will always have the most current version.

What future development is planned for the POS system?

This is an important question all on its own but it is also linked to the upgrade question above.

First and most importantly you want to make sure that a system is undergoing continued development. To be sure you should ask for details (in writing) of the development taking place, new features being implemented, release dates, etc. You need to be absolutely clear that this development relates to the system you are purchasing.

If your sales rep can't produce this information there is a very good chance that development on the system has ceased. You are looking at purchasing a "dead" system. It may work but it is essentially obsolete, and you will have to replace it in the relatively near future.

This leads to what can really be considered a scam, Sometimes a POS software provider will take a dead system (one that they are no longer developing) and aggressively market it to florists. Severely discounted pricing, etc. They also promise there will be no upgrade fees.

There are no upgrade fees because there will be no upgrades! They sell these systems at discount prices because they know the you will have to replace them within two years. Forget about upgrades - you are now talking about purchasing an entirely new system!

If there is ongoing development you will have different questions. You will want to know when the next major release is scheduled and what the cost will be. You wouldn't want to buy a \$25K system in January if you knew that you would have to buy a \$15K upgrade in March.

FloristWare: Development is ongoing. There are no plans to discontinue FloristWare and introduce another system in its place.

Will I lose any rebate revenue in this deal?

This is very important and complicated question that comes up if you are buying a system from a wire service. Here is the simplest possible example:

A wire service offers you a free system, but you will have to give up your rebates.

If you wire out just a few orders a day your “free” system may actually be costing you more than \$500 per month when you consider the rebate income you will be losing.

FloristWare: No. Since FloristWare is not tied to any wire service this doesn't really apply.

Will I have to use a certain Merchant Service Provider to process my credit card sales?

Most systems out there will force you to process your credit card transactions through a certain merchant service provider.

If this is the case with the system that you are looking at then you need to take a long hard look at the discount rates and how they relate to the fees you are paying now or, more importantly, the fees you could be paying now. If the rates you will have to pay are more than the lowest possible rates you could be paying then you will have to factor this in as part of the cost of the system.

FloristWare: No! FloristWare will work with almost any merchant service provider.

Can I take my data if I switch to another POS system?

This relates to the example we used in the introduction to this worksheet.

One of the main reasons florists adopt a POS system is because they want to collect valuable marketing information - customer contact information, event reminders, etc. This data will be stored in your POS system.

No matter what your POS sales rep tells you, no matter how much you love the system you are looking at, you absolutely have to assume that at some point you are going to want to get that data out of the system.

There are lots of possible reasons. You might want to switch to a different system. You might be getting out of the business and want to sell your customer list to another florist. You might want to trade lists with a local gift store. There are countless reasons why you might want to export your data.

So, you need to be sure that you can get it out, and get it out in a usable format. A set of mailing labels or printed list of customers is not enough. You need to get it out in a digital format that you can then work with or import into another system.

Make sure the system you are looking at allows you to do this. Get the policy in writing from the rep. It's that important.

FloristWare: Yes! We want you to use FloristWare because you like using it. If you ever decide to make a change we will help you extract your data in a format that you should be able to import into your new system.

Who has access to the marketing information that I collect?

As we mentioned you are going to use your POS system to collect a lot of valuable marketing information like customer names, phone numbers, and e-mail addresses.

Some florists firmly believe that their systems are sharing this data against their will. They believe that the POS vendor is taking customer information from the florist's database and using it to market to the florists customers.

The example you hear most often concerns a florist who uses their system to send marketing e-mails to their customers. Some believe that a month or so later those same customers start getting e-mails from the POS vendor encouraging the customer to buy flowers from their website.

There is absolutely no proof that this happens. It seems like a pretty serious breach of trust and, in all honesty it's hard to believe that it really happens.

There is however no harm in asking. Simply ask your sales rep to clarify (in writing) their policy on this issue.

FloristWare: Only you! The way that FloristWare is designed we could not access that information even if we wanted to. That information is yours and yours alone.

Is the system tied to a wire service?

Many of the POS systems available are developed, supported and sold by the major wire services. Is the POS system you are looking at one of these?

If so, what wire service is it associated with? And do you want to remain a member of that wire service? Using a POS system from a wire service will only strengthen your connection to that wire service. You should not choose a wire service POS system unless you are happy with that wire service and plan to remain a member for a long time.

FloristWare: No! FloristWare is not tied to any single wire service. We try very hard to work with every single wire service available, and to provide the best possible compatibility based on the access that they give (or don't give) to the FloristWare system.

How does the POS system work with my wire services?

This is an incredibly complicated question!

Pretty much any system can claim to work with any wire service. It is the degree to which the two are compatible, and the degree to which a POS system can save you time, energy and money when dealing with a particular service.

Because it is so complicated the best approach is to ask the sales rep to show you exactly how their POS system works with the wire services you use. You should also listen to the rep - they may offer compelling reasons to switch wire services.

FloristWare: Like we said this is complicated! Tell us what services you work with and we'll walk you through the process of sending/receiving wire orders to and from that service.

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