



Overview

Country or Region: United States

Industry: Retail

Customer Profile

Dragonfly Collections, a charming, high-end shop in Chicago's Lakeview area, sells exotic furnishings and decorative accessories from more than 40 countries to designers, decorators, and walk-in clientele.

Business Situation

QuickSell 2000 served the owner well and aided five years of expansion. But credit card transactions sometimes bogged, and it became clear that aging hardware and software should be updated.

Solution

Owner Amy Boone trusted Merchants Solutions to replace the old system with modern Microsoft® Point of Sale, new computers, a touch screen, and other modern retail peripherals.

Benefits

- Easy staff transition to similar screens
- Smooth data transfer from Microsoft Access 97
- Exact items sold shown in daily reports
- Precise monthly, quarterly, yearly reports
- Faster sales using touch screens, on-screen sales functions, and scanners

Gift and Furnishings Shop Gets Fast Lines, Tight Reports Yet Keeps Personal Touch

“Find a way to work a good retail management system into your opening budget.... Microsoft Point of Sale can automate and speed up nearly every customer-facing and back-office task.”

Amy Boone, Owner, Dragonfly Collections

Dragonfly Collections opened its doors in 1999 using a QuickSell 2000 retail system. Sales boomed and space doubled. But older hardware and software sometimes kept valuable customers waiting while staff rebooted the computer.

Dragonfly management trusted Merchants Solutions, a Microsoft® Certified Business Solutions Partner, to install Microsoft Point of Sale, other Microsoft productivity tools, and new hardware in the front of the store and in the back office.

Lines of customers now move even faster with “essentially 100 percent uptime” for credit card transactions. Owner Amy Boone sees daily reports detailing brands and designs sold. Customer purchase histories tell her who likes African, South American, or Asian furnishings. She suggests every new retailer should work a management system into their initial budget.



“I need all possible hours and minutes for the esthetic, marketing, and customer sides of my business. But if all your records aren’t accurate and up-to-date, pretty soon you don’t have a business!”

Amy Boone, Owner, Dragonfly Collections

Situation

Dragonfly Collections nestles north of Chicago’s Loop in the diverse and bustling Lakeview district. Its 2,200 square-foot showroom treats eyes and sensibilities to colorful and exotic furniture, accessories, wedding cabinets, trunks, rugs, pillows, textiles, fine candles, ceramics, and distinctive jewelry including antique brooches. Owner and professional stylist Amy Boone exemplifies the store motto—“Fusion decor for people with a well-traveled imagination”—in her merchandising of thousands of items from 40 countries including Morocco, India, Kenya, Thailand, Nepal, Myanmar, China, Peru, and Honduras.

“People really respond to the way we display our merchandise,” she says. “They see high-end, eclectic furniture displayed with textiles, Buddha statues, African artifacts, Moroccan lanterns, and candles as they’d look in the living room they’re planning. Dragonfly is a source of ideas as much as it is a store.”

Boone sells almost 25 percent of store merchandise to decorators and designers, who receive 20 percent discounts. Retail customers, from adventurous passersby, to well-known Hollywood personalities and members of famous political families—perhaps sent in by their designers—are always welcome and are buzzed in. “We have a guest registry where we capture names of visitors for database marketing, such as postcard mailings three or four times a year.”

Boone advises customers and often assembles impromptu merchandise combinations on the spot to resolve decorating dilemmas. “Once I know someone, I’ll show them our well kept 1,200-foot warehouse—maybe even our basement.” She may

consult in a customer’s home, sometimes charging for her expertise.

Boone and six staff keep the register busy Tuesday through Sunday thanks to devoted word-of-mouth fans and repeat customers. Cable television advertising, listings in upscale shopping guides, and Dragonfly’s frequent donations to local charity events have helped create broad awareness of the shop. Dragonfly has also been mentioned on national television, supplying decorative accessories for a famous talk show home makeover. These strategies helped Dragonfly double its space to include an upstairs gallery whose sweeping staircase once led to a high-fashion photography studio during the 1920s and 1930s.

Easy Retail Records Sped Growth

When Dragonfly opened in September 1999, its tracking of store inventory, tenders, receipts, customers, and purchasing came easier than for most first-time retailers. “We opened our doors using QuickSell 2000,” says Boone. QuickSell 2000 was the predecessor retail management system to Microsoft® Point of Sale.

Boone’s father, John Furr, a Chicago advertising executive, had tapped Merchants Solutions to install and configure QuickSell 2000. Furr says he was immediately comfortable with Merchants Solutions’ straightforward, helpful approach. Boone says the decision to automate early helped her focus on core strengths: innovative purchasing, creative merchandising, and deep customer involvement.

“Keeping my merchandise fresh, keeping it unique among all of Chicago’s shops, yet staying within the realm of what people natively like and are comfortable living with—and then displaying it smartly—is my constant mission,” says Boone. “I need all possible hours and minutes for the esthetic,

African artifacts include a pygmy hat of feathers and other authentic objects that add excitement to any home décor.



“If our old hardware broke, fixing it would be expensive and a bad investment. If it got a software glitch, finding consultants for old programs is hard. We could be down for days. Why jeopardize your business like that?”

Amy Boone, Owner, Dragonfly Collections

This arrangement displays an antique Tibetan cabinet, superb Coptic cross, colorful Zulu hat, and a Moroccan lantern.



marketing, and customer sides of my business. But if all your records aren't accurate and up-to-date, pretty soon you don't have a business! It's like an ensemble. You can't leave anything out; you can't overdo any of the parts.”

Vintage Hardware and Software

But QuickSell 2000 technology was several years old, and the early computer hardware and peripherals were showing their age. “Functionally, it worked well enough,” says Furr, “but we saw it falling behind the curve, technically. We didn't want to chance that a major technical shift might make conversion harder in the future.”

“If our old hardware broke,” says Boone, “fixing it would be expensive and a bad investment. If it got a software glitch, finding consultants for old programs is hard. We could be down for days. Why jeopardize your business like that?”

At one point, the keyboard of the highly integrated previous system malfunctioned, making QuickSell difficult to use. Function keys, which sped sales and product lookups, went down. Staff was frustrated and customers waited longer than was comfortable.

“When Merchants Solutions mentioned a Microsoft Point of Sale/Pioneer retail bundle with scanner and touch screen, we jumped at it.”

Solution

Reminiscent of Boone's eclectic arrangements, Dragonfly's Microsoft Point of Sale system comfortably integrates an opportunistic mix of proven retail-specific hardware: a Pioneer PC, Elo

TouchSystems screen, MagTek card swipe, Cherry keyboard, APC cash drawer, Symbol scanner, and Epson printer and pole display. “They work beautifully together,” observes Boone, “and they're a far neater and more businesslike look than we had before.”

To skirt laborious data reentry associated with system conversions, Merchants Solutions transferred the QuickSell database into Microsoft Point of Sale. “Merchants Solutions has been great with their support, seeing our needs, clarifying steps, and helping us get good use out of the new system,” Boone says. Dragonfly used existing network cabling and still uses a reliable printer from its QuickSell system.

Microsoft Point of Sale integrates credit card processing into new hardware and software, automatically reconciling Paymentech credit card sales into the day's receipts, saving both time and space. The new system installed smoothly and the cutting-edge retail technology went live in February 2005.

Today, new technology speeds sales and tracks perennial and one-of-a-kind inventory using a quick and intuitive touch screen that replaces keyboard function keys. Dragonfly says another positive is the ability to receive support from its partner and Microsoft.

But Boone protects the warmth and personal atmosphere of her business. Although label printing could be easily accomplished using Microsoft Point of Sale wizards and an inexpensive printer, she prefers and retains the charm of neatly handwritten labels that also describe the origins of each item.

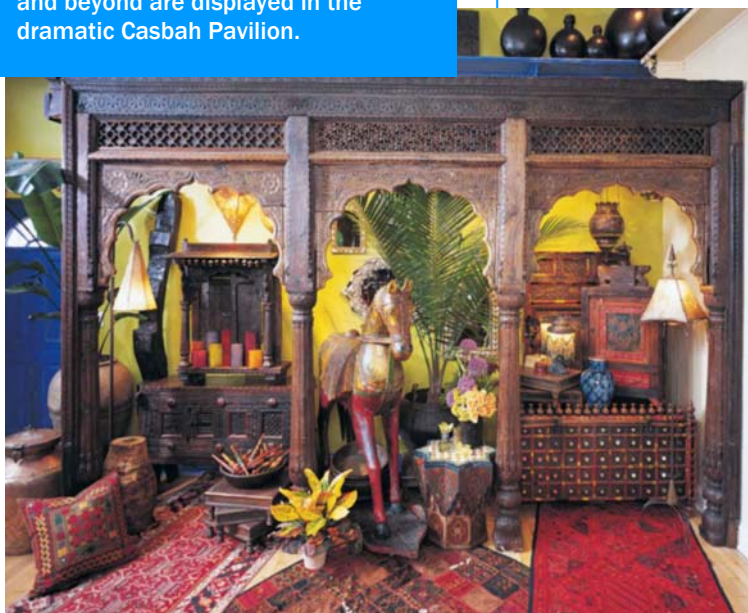
Benefits

“The advantages of Microsoft Point of Sale aren't well explained by adding up what each part saves you. They're in the whole system, every step of your day. It's a significant improvement over QuickSell 2000,” says

“Replacing our dial-up credit card line with integrated processing over a DSL line saves time on every sale and keeps customers happier.... We have essentially 100 percent uptime.”

Amy Boone, Owner, Dragonfly Collections

Unique accessories from India, Bali, and beyond are displayed in the dramatic Casbah Pavilion.



Boone, “primarily in its more robust reporting.”

“We use Microsoft POS for all our periodic reports on merchandise, receipts, fast and slow sellers, and reports on taxable and nontaxable sales. It’s very comprehensive and presents business facts the way I want to see them. If I’m talking to specific vendors tomorrow, instead of running a report on all candles or jewelry sold, as I used to, now I can run one just on Vance Kitira, Votivo, Seda France candles, or Liz Palacios jewelry, to see which designs to reorder.”

“My most useful management tool is detailed sales reports. They tell me we sold, say, 30 pillows, but maybe only two African items. That alerts me to order pillows and hold off on Africana till we lower stock levels.”

Where Credit Is Due

“When the old credit card modem line went down,” says Boone, “which it might do in the middle of a holiday rush or any other time, we had to reboot the computer while we wrote credit card data manually. No one was happy

about that, and it opened the door to potential errors.

“Replacing our dial-up credit card line with integrated processing over a DSL line saves time on every sale and keeps customers happier because it doesn’t drop calls or go down. We have essentially 100 percent uptime.”

An Easy Sale

The learning curve was fast because Boone and her

associates found the new point-of-sale (POS) screens intuitive and very similar to the QuickSell screens they had learned previously.

Staff use the Transactions on Hold feature so shoppers can bring items to the register and leave them, then continue shopping. Associates can switch back and forth among several transactions on hold, adding to each one as customers bring new items. Then final checkouts can take just seconds.

Merchants Solutions customized touchable on-screen POS buttons. Each one delivers in a few seconds what could be a minutes-long search or delay without Microsoft Point of Sale: items by number, items by description, designer discounts, add item comments, return with receipt, cancel sale, and find a transaction. Staff can also omit sales tax for designers.

“You never have to touch the store calculator again,” says Boone.

After the Math

“During the transaction,” explains Boone, “every item is instantly subtracted from inventory. You never transfer notes from a Post-it to a tablet to a sales slip or purchase order. You don’t even hand-copy columns from one computer program to another. It’s all done for you.

“Then, like a bonus, all your customers are in your database. You’re not reentering them the second, third, and fourth times they buy from you. Every record, new or old, is clearly stated, so if a designer says he didn’t get his usual discount, you can see his purchases seconds after you know who’s calling.”

Starting Out Smart

Boone empathizes with retailers who work without Microsoft Point of Sale. “Doing inventory must be really hard. Who keeps

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: www.microsoft.com

For more information about Merchants Solutions products and services, call (800) 486-3214 or visit the Web site at: www.merchants-solutions.com

For more information about Dragonfly Collections products and services, call (773) 871-2139 or visit the Web site at: www.dragonflycollections.com

stock levels current? And how many hundreds of hours did that take all year? What if records aren't current? You'd have no way to know what sold and what's old. When I do inventory, I know right away if there's a discrepancy between actual on-hand and what should be here. And I know my amounts received and sold are accurate."

So Boone suggests no retail shop should open without a reliable and easy-to-learn retail management system. "Find a way to work a good retail management system into your opening budget along with inventory, rent, and staff. Microsoft Point of Sale can automate and speed up nearly every customer-facing and back-office task."

Microsoft Point of Sale

With unsurpassed ease of use, affordability, and reliability, Microsoft Point of Sale helps small, independent retailers level the playing field in today's competitive retail environment. Microsoft Point of Sale provides a comprehensive, easy-to-use, retail system to track sales, inventory, and customer information. Designed to resolve the problems of electronic cash registers, Microsoft Point of Sale saves time and money, automating stores at an affordable price. Microsoft Point of Sale works with Microsoft Office and other financial software to streamline store operations and record keeping. Retailers can use Microsoft Point of Sale out of the box with existing PCs and peripherals, or they can purchase complete hardware/software bundles from leading Microsoft technology providers.

For more information about Microsoft Point of Sale, go to: www.microsoft.com/pos

Software and Services

- Microsoft Windows® XP Professional
- Microsoft Office XP Small Business Edition
- Solutions
 - Microsoft Point of Sale

Hardware

- Pioneer POS retail-specific computer
- PC4 tower PC
- Elo TouchSystems 15" LCD touch-screen
- Acer 17" LCD monitor
- MagTek magnetic stripe reader
- Cherry keyboard
- Epson DM-D110 pole display
- APG MultiPRO 320 cash drawer
- Symbol LS 2208 handheld scanner
- VeriFone 1000SE PINpad
- Epson TM-T88III thermal receipt printer
- NETGEAR DSL router

Partner

- Merchants Solutions

© 2005 Microsoft Corporation. All rights reserved.

This case study is for informational purposes only. MICROSOFT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS SUMMARY.

Microsoft and Windows are either registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries. All other trademarks are property of their respective owners.

Document published May 2005

Microsoft®