

Miniatures Marketplace - September 2001

LETTER FROM A RETAILER

By Barbara Schuckman

Miniatures BY BARB

I recently received a letter from a retailer who wrote that we met at trade shows, she read my articles and attended my seminars. She had many questions about running her business. I am not comfortable giving specific advice on running a business. The letter arrived just before I was leaving for the MIAA Trade Show in Columbus, Ohio. At the show I lead the Retailer Forum. After considering her questions I decided to read the letter (leaving out identifying information) at the forum. This made for a very lively and interesting exchange of ideas among the many retailers present

The letter writer wrote, "The business" she bought several years ago, "has been in operation for 20 years. So customers expect a certain level of stock, a level I can't support. I've rearranged a number of times. I have made a decision to carry only two brands of wallpaper instead of the previous five lines and I am considering not carrying some lines of miniatures at all. There is still a good amount of very dated stock and having tried a couple of ways to 'unload' it; success was mixed. I need the cash for fresher stock."

The suggestions from the shop owners at the Retailer Forum on moving old stock were varied. Many proposed marking the stock down to cost and getting rid of it. Others suggested planning a workshop incorporating the items you would like to move out of the shop. Another suggestion was to use the items as a gift for a certain amount of purchases made on a certain day. One shop owner explained that the purpose of her "garage sale" was to sell slow moving merchandise. The items she would like to sell are marked down as an enticement for customers to attend the sale, become comfortable with the shop and make other purchases.

The letter went on to ask, "The biggest question I have is how does one make changes without compromising the existing customer base? Or, do I focus on creating a new base of customers while supporting as best I can the existing customers. On this question most of the retailers attending the forum were in agreement. They felt the shop owner was trying to be all things to all people. She first needs to make a business plan and decide who her niche customer is. Then make plans to fill the needs of this customer and plan how to attract new customers to this group. The point was made that it was very important to attend trade shows and meet the manufacturers and become acquainted with their lines. This will enable you to know where to special order the items to meet your customers needs.

She then wrote that she would like to "spend more time in the workshop" and "my love leans toward more handcrafted". Again the forum was in agreement. This shop owner needs to focus on what part of our industry she wants to be in. To run a retail shop takes a great deal of time and energy. To create and produce dollhouses or miniature accessories also takes time and energy. To do both well is a monumental task. Again, it was agreed that she needed to find her target market and attempt to satisfy their needs.

"The other focus I would like to have in my shop is instructional classes," she writes. The

retailers attending the forum agreed that her goals were vast and she would certainly need help. On this subject she wrote, "Several customers have expressed interest in coming to 'help me out'. The first time I took one up on her offer, I thought she'd have a coronary and I realize it is ultimately up to me. People shouldn't offer what they can't give, eh?" On the subject of help most agreed that hiring employees and training them how you would like them to work in your business is the only way to give you the time to do the things you need to do for your shop.

The importance of a business plan came up over and over again. The need to focus on your target market is a key factor. There are many sources with templates for a business plan. There is computer software available. You fill in the blanks. There are simplified books in your local bookstore, library and on line. Many business associations have sample business plans. It does not have to be an intimidating task. Find an outline and start. Even if you don't write it out you will start thinking and planning and that's the idea. Writing a business plan is a great idea for a future article and seminar. I will work on it.

I am sure the suggestions made at the Retailer Forum will be of help to the letter writer and other shop owners. I look forward to hearing from you. Barbara Schuckman, 7 Aron Court, Bethpage, NY 11714,
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