

Open your own craft store!

FabJob Guide to
**Become a
Craft Store
Owner**



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1. Introduction

"Craft store owners help people have fun and create lasting memories."

— Bill Gardner, editor, *Craftrends Magazine*

Congratulations on taking the first step towards starting up your own craft store. It's not only a chance to connect with the crafting community in your area, but it's a chance to get into a fast growing retail trend that has as much growth potential as your customers have creative ideas. You're about to spend your days surrounded by beautiful materials, inspiring projects and creative, artistic people.

Most people who are interested in the idea of owning a craft store have certain things in common, so we think we might already know a little bit about you. Are you artistic and creative? Do you have a flair for working with your hands, and creating lovely things from a range of materials? Do you love colors, textures and beautiful scents? Are you always making something for someone, or finding ways to use what you have to make something for your home? Do you enjoy the special

thrill of helping someone create a perfect gift? If so, you probably already spend a lot of time in craft stores, and you know what you like and don't like about them.

Perhaps you find yourself unconsciously thinking about crafting. Do you see a plain sweater, and think how much better it would look with a few appliqués or beads? Have you looked at jewelry or scarves in stores and thought "I know how they made that!"? When it's time to decorate for holidays or a party, do you whip out your box of craft supplies and start looking for projects you can make? If so, you'll probably be a natural success in a retail craft store environment, where you'll help people find items that match their abilities, project ideas and tastes.

Chances are you've spent a bit of time shopping in craft supply stores and you might possibly have worked in one or two. While it can be fun and rewarding to work in someone else's shop, nothing quite compares to the satisfaction of running your own business, or taking credit for your own ideas and flashes of brilliant customer service.

This chapter lays the foundation for the rest of the guide. It explains the difference between a craft supplies store and a craft store, as well as the various types of stores successful craft store owners run. It also covers the benefits of this exciting career choice and outlines the steps needed to get started.

1.1 A Growth Industry

"A craft business is great to get into because more and more people are looking for things to do that are close to home. Many are now taking "staycations" and want fun ways to spend their time and money."

— Karen Haskett, owner, The Wool Basket

As North American consumers turn to a more home-focused lifestyle, they are rediscovering a love of creating, using, and buying handmade goods. From quilting to knitting, to beading, to scrapbooking and beyond, people are finding crafting to be not just a relaxing, rewarding pastime, but a way of making money — whether it's pocket money or a comfortable living — by selling them. Offering supplies to this growing

market sector is a way to tap into an industry that is worth more than one billion dollars each year.

A craft supplies store offers the materials necessary for crafters to make the crafts, projects and artistic statements that are meaningful to them. Whether they knit sweaters for their grandchildren, or create funky jewelry for their classmates, whether they scrapbook as a way of keeping treasured memories or they enjoy quilting cozy blankets for loved ones, they are participating in crafting. The crafts they make can be sold, of course, and can be found at craft stores or artisans' galleries—retail stores that offer the finished products created by crafters. But sweater, scrapbook, stained glass or sewing project, it all starts with the craft supplies store, and that's where our focus will be for this book.

1.1.1 The Market for Craft Supplies

According to statistics published by Etsy.com, the world's leading online retailer of handcrafted items, crafters sold over \$7 million worth of goods in just one month, July, 2008. And in that month alone, 87,000 crafters joined the Etsy network. Each of these crafters needed to get their materials from a craft supplier of some sort. This cottage industry alone points to a growth in a demand for craft supplies, but there is also additional consumer demand from individual crafters.

1.1.2 Spending on Craft Supplies

According to the International Art Materials Trade Association (NAMTA), an organization that tracks data and provides resources for retailers selling arts and crafts, sales by art materials retailers in 2006 were worth \$1.162 billion in the United States alone. The growth rate for early 2007 was 3.4 percent, and the numbers appeared to be steadily increasing over previous years.

According to a 2001 report by the Craft Organization Directors Association (CODA), the American craft industry (that's crafters alone) produced \$14 billion in annual sales. This number has continued to increase as growing numbers of people make crafting a hobby or a source of income. In fact, by 2006, that number had reached nearly \$31 billion according to the Craft and Hobby Association.

More recently, the *Chicago Tribune* recently reported on the growing interest in arts and crafts, stating that:

Sales of coloring and art supplies grew about 7 percent in 2015 and now make up a \$1.14 billion market, according to market research firm The NPD Group, which attributed the growth to art and craft paper, paint and painting supplies...Online handmade goods marketplace Etsy reported a 19.4 percent year-over-year increase in active sellers in the third quarter of 2015, for a total of 1.5 million worldwide, along with a 25 percent increase in active buyers. According to a 2014 survey of U.S. Etsy sellers, 76 percent considered their shop on the website a business, and 30 percent considered it their primary occupation, the company said.

The research firm ResearchMOZ reported in 2014 that 62.5 million US consumers made arts and crafts in 2012. And the Association for Creative Industries (AFCI; formerly CHA, the Craft and Hobby Association) states in their '2016 Creative Products Size of the Industry Study' press release that they estimate the current creative products industry at \$43 billion, and reports:

The crafts with the highest level of household participation in the past 12 months are:

- Painting and drawing (41.0 million)
- Edible arts (39.7 million)
- Kids crafts (37.0 million)
- Paper crafts (36.5 million)
- Sewing and fabric (32.2 million)

Other key findings include:

- 63% of U.S. households participated in at least one creative activity in the past 12 months
- 65.5 million households indicated they participated in a creative activity in the past month
- 60% females/40% males make up the overall participation in most crafts

Meanwhile, Mintel reports in an April 2016 press release that:

45 percent of older Millennials (age 30-39) sold an art/craft project they made through an online shop in the past year compared to 18 percent of consumers overall. In addition to sharing and selling arts and crafts online, nearly three in five (55 percent) older Millennials use online videos to learn an art/craft skill or technique compared to one third (33 percent) of Americans overall. Two in five (39 percent) Americans use YouTube, while one third browse Pinterest (33 percent) or conduct online searches (31 percent) for crafting inspiration. While 41 percent of consumers make gifts by hand for someone else, rising to 58 percent of older Millennials, only three in 10 (27 percent) Americans consider themselves DIY-ers.

The craft retail sector has a dual and complementary customer base, because consumers support the craft industry as both shoppers and as crafters. Consumer interest in hand-made items has increased greatly in recent years, as a result, the need for supplies to create these hand-made items has also grown. And as growing numbers of shoppers learn to create crafts for themselves, the demand for more and different craft supplies continues to rise.

Finally, the International Art Materials Trade Association points to increased funding for schools and a growing number of children of public school age as another indicator that bodes well for the craft supply and art materials industry.

1.2 Owning a Craft Store Business

1.2.1 Products

Craft supply stores sell a variety of supplies, tools and equipment to help crafters do their creative work. They may specialize in the materials needed for a particular type of craft, such as scrapbooking or knitting, or may offer a wide range of materials that appeals to crafters of all sorts.

The general categories of materials sold at craft supply stores include:

- *Art Crafts:* These include paint, paintbrushes, pencils and other materials used for drawing and painting on canvas, fabric, glass and other materials, plus the equipment and materials needed to frame these crafts.
- *Beading:* These include beads, findings, needles, bead looms and other beading equipment.
- *Clay Crafts:* This includes both natural and artificial clay, plus pottery wheels, sculpting tools, kilns, glazes and other supplies needed for creating three-dimensional crafts.
- *Floral Crafts:* These include artificial and dried flowers, plus the containers and supplies needed to arrange flowers in displays.
- *General Crafts:* These include adhesives, ribbons, embellishments, foam, forms, plastics, plus supplies for candlemaking, soapmaking, candy and sugarcraft making, cake decorating, and leathercrafting. This category also includes prepackaged craft kits marketed to children and beginners.
- *Metal Crafts:* These include equipment and tools for silversmiths, metal clay work, metal cutting, jewelry and other metal work.
- *Paper Crafts:* Paper, cutters, embossers and other supplies for making paper crafts, scrapbooks, gift cards and other paper crafts.
- *Glass Crafts:* Stained glass and the equipment needed to create stained glass, beads and other glass objects. Includes torches, glass cutters, soldering equipment and mosaic equipment.
- *Wood Crafts:* Tools and equipment needed to create frames, baskets, wooden ornaments, wooden toys and other crafts made of wood.
- *Yarn and Needlecrafts:* Includes wool, yarn, fabric, felt, and equipment needed for knitting, crocheting, felting, sewing and quilting, as well as needlepoint, lacemaking and other needle crafts.

If you have specific expertise in one or more of these areas, you may choose to devote your store entirely to the type of craft you know most

about. Or, you may prefer to fill a market niche you've identified. In areas where there are few craft stores, or where it's a long trip to the nearest big box craft supplies store, offering your customers plenty of craft basics along with one or two core specialties may help you bring in additional business.

1.2.2 Services

Craft stores, in addition to offering supplies for crafters, can also offer services to help them display their crafts, such as framing, or classes where they can learn about new techniques or new materials.

Classes for beginners, where they are able to learn a new skill or technique, are particularly useful for bringing in customers. Many of the tools of the crafters' trade are puzzling at first (who could be expected to know how to create a beautiful sweater with two sticks and some string?) and you can offer introductory classes for crafters to learn more. This will not only win you business, but it will create a loyal following of future customers who are grateful for the skills you have taught them.

Another service that some craft stores offer is a cropping room or area, where participants can work on scrapbooking, beading or other table-top projects, either with expert guidance from a craft store staff member, or in supportive peer groups or clubs that meet regularly on the store's premises.

1.2.3 Trends in Crafting

"Get the most influential magazines dealing with the subject. They usually forecast trends within a six-month period to a year. Get to know the leaders in the industry and watch what they do. Tweak what they are doing and make them your own ... maybe you will become one of the trend setters."

— Karen Leonardo, expert glass crafter

Crafting today has come a long way from the days when grannies knit afghans and baby booties, or children sprinkled glitter on homemade paper snowflakes. Today, crafting is as fast-paced as high fashion, as creative as fine art, and as popular as the Internet. Crafters learn their skills from television, websites, and increasingly, each other. As much

as it is a way to create handcrafted gifts, objects and functional pieces, crafting is a way of creating community.

Many crafters hold formal or informal gatherings in homes, coffee shops and craft supply stores. These get-togethers include knitting circles, “stitch-and-bitch” gatherings, crops (where a group of scrapbookers comes together to work on new scrapbook layouts) and beading parties. The participants in these groups develop their skills as much as they develop a social network. and in doing so, develop a hunger and need for more craft supplies. Further, many go home and blog about it, telling the world about what they’ve learned and made, or they go online to sell their hand crafted items on websites like Etsy.com. As a result of all this inter-connected activity, new trends continue to arise.

Emerging Trends in Crafting

Some specific emerging trends, as identified by expert crafter Margot Potter and others, include:

- *Mixed Media Crafting*: Includes crafting that combines fibers or metals with paper, jewelry making with untraditional materials, beading on fiber projects, and just about anything a crafter’s imagination can combine.
- *Digital Crafting*: More crafters are now using their computers to manipulate images that can then be used to decorate paper projects, jewelry, clothing and greeting cards.
- *Green Crafting*: With the trend towards handmade comes a trend towards earth-friendly recycling. This means crafters are using recyclable materials like metal cans, glass jars and even plastic bottles, as well as vintage cards, old bottle caps and even gum wrappers to create new and unique crafts.

Another, more general, trend is economic. As we’ve mentioned in section 1.1, the increasingly home-based lifestyles of North Americans have contributed to the growth of the craft industry in recent years. A general downturn in the economy magnifies that effect. That’s good news for craft store retailers. “The increased economic pressure is going to have a huge effect on the crafts market,” asserts Janet M. Perry, owner of Napa Needlepoint, in Napa California. “People will look for

crafts which have a big impact for little money and [will look for] ways to use what they have...So while an expensive hand-painted canvas might not sell, four skeins of yarn and instructions for making four Bargello ornaments from them will.”

1.3 Benefits of Being a Craft Store Owner

Owning your own craft store is an exciting career choice because you get to be surrounded by what you love. You’ll also be in a fun atmosphere and surrounded by people who are as passionate about crafting as you are. But that’s not all. There are more benefits, too, including financial rewards, the freedom to be your own boss, and the prestige of being an expert in your community.

Express Your Creativity

Working with craft supplies lets you access the creative side of your personality. From learning new skills and techniques to pass along to your customers, to having access to thousands of different craft materials, to meeting creative people every single day, you’ll be in a dynamic business that lets you put your creativity at the forefront. You’ll be surrounded by beautiful materials, bright colors, interesting textures and luscious scents. You’ll be able to use your creativity to set up in-store and window displays, and to market your products in the most visually appealing way. And the more creative you get, it seems, the more creative you’ll find yourself becoming as you discover new ways to integrate different materials and techniques into your own displays.

Fun Atmosphere

“Most consumers shopping in craft stores do so for enjoyment ... It’s usually a happy occasion ... Enjoy what you do, and encourage your team members to have fun while they work. The excitement is contagious and you want your customers to catch it!”

— Bill Gardner, editor, *Craftrends Magazine*

Crafting is fun, there’s no doubt about that. People who shop at your store are there to relax, get new creative ideas, and indulge themselves in their passions. They’re eager for new inspiration and new products. You’ll be able to have fun making a retail atmosphere where crafting

is celebrated and enjoyed, and you'll get to use all kinds of creative supplies to decorate and enhance your space.

Working with People

If you love sharing your skills and enthusiasm for the arts and crafts, working in a retail craft supply store will let you meet people who will be thankful for your help. Customers will return because they've learned new and valuable skills from you, and you'll develop ongoing relationships with repeat clients.

You can act as a mentor to beginning crafters, and enjoy the creative insights of more experienced ones. Kathy Cano-Murillo, author of *Crafty Chica's Guide to Artful Sewing: Fabu-Low-Sew Ideas for the Everyday Crafter* (Potter Craft), says that, for her, the best part of being a craft store owner is "inspiring people to create, even when they think they can't... presenting an idea that makes people go 'Ooohhh, cool!'"

You'll also work with staff members teaching them valuable new skills. For example, you will teach them about new products and materials available, as well as help them develop their own crafting. An another important aspect of working with your staff will be teaching them sales skills.

Be Your Own Boss

"The most satisfying aspect of my business is working for myself and doing what I love to do, which is to run a business and teach others my art."

— Karen Haskett, owner, The Wool Basket,
Loveland, Colorado

As the owner of an independent craft supply store, you're able to shape your business in the way you think is best. If you want to indulge your passion for scrapbooking, or knitting, or beading, you can do that in the context of building a retail business around those interests. You'll be able to base your business decisions on your own aesthetic tastes, and develop your product lines and classes in whatever direction you think is the most interesting and satisfying one for your company to take.

Financial Rewards

“Being self employed is the best thing I have ever done. I love being in control of my own financial destiny.”

— Anne-Marie Faiola, Bramble Berry, and
Otion–The Soap Bar, Bellingham, WA

Along with being your own boss and developing your business, running a retail craft store can have significant financial rewards. Mark-ups on many craft supply items can be as much as 500 percent and more, which is a great profit margin (as you’ll learn later in the guide).

If you’re in a market where there are no other specialty craft shops, you’ll become a destination business with a loyal following because of your exclusive merchandise. Even if you have competition, the market for crafting supplies is huge, so the financial rewards are still potentially high. In addition, you can market your products on the Internet, reaching a still wider audience.

Expert Prestige

Craft store owners become experts in how to best use those products to create fabulous projects and produce beautiful crafts. Your customers will depend on you to help them with their projects, and your ability to do so will give you the prestige of being an expert in your field. This can potentially lead to future prestige as well, as it opens the doors for you to be an expert guest on television and radio shows, to write books on your favorite crafts, or to develop an Internet presence and a following of crafters eager to learn what you can teach them.

“ The most rewarding thing for me are the emails I get from people who buy my books, read my blog and watch my videos and tell me that I have inspired them to take creative risks or to pursue their dreams. That’s why I do what I do every day.”

— Margot Potter, author, *The Impatient Reader*.

1.4 Inside This Guide

The FabJob Guide to Become a Craft Store Owner is organized to help take you step-by-step through the basics you will need to open and operate your own store. The chapters are organized as follows:

Chapter 2 (“*Getting Ready*”) explains how to learn the skills you will need as a craft store owner. You will also discover how to “earn while you learn” by selling crafts right away on the Internet, or by getting a job in the craft store industry. You’ll also find resources to help you learn more about the crafting industry, including magazines, books, websites and online discussion groups.

Chapter 3 (“*Starting Your Craft Supply Store*”) will help you decide what kind of craft supply store you should open. This chapter discusses different products you can sell, explores different crafting niches, and will help you decide whether to buy an existing store, or open a new store. It also explains what you need to get started, including your business plan, start-up financing, store name, and other important matters.

Chapter 4 (“*Setting Up Your Store*”) offers the information you need to actually set up your store. It gives advice on how to choose a location, get merchandise to sell from craft supply wholesalers and manufacturers, and arrange displays. You will also discover what equipment and supplies you will need and learn where to find them.

Chapter 5 (“*Store Operations*”) takes you into the day-to-day challenge of running your craft store once it’s open. It explains how to develop a procedures manual, and covers inventory management, financial management and pricing, marketing your business both in traditional media and online, and working with staff and customers.

Chapter 6 (“*Getting and Keeping Customers*”) is all about getting customers into your store and keeping them coming back. You will learn how to market your business to potential customers using various advertising and marketing tools and strategies. We’ll show you how to host a grand opening that will have the whole town buzzing about your new store. Once you get the customers into your store, you’ll need to know about how to give them excellent customer service. You’ll find these topics and more in this chapter.

By following the steps in this guide, you will be well on your way to living your dream — opening your own successful retail craft supplies store.

You have reached the end of the free sample of the *FabJob Guide to Become a Craft Store Owner*. To order and download the complete guide go to <https://fabjob.com/program/become-craft-store-owner/>.