

Guide to Retail

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Guide to Retail

The Guide to Retail was developed to support local artists and makers entering the marketplace. It will offer insights on how to prepare for the marketplace, guidelines on engaging with retailers, expectations retailers have, and responsibilities of being a supplier.

The Marketplace

Craft & Farmers Markets

A craft market is a fun and easy way to enter the market place and meet potential customers. There is typically a low entry fee, no barriers for entry, attracts shoppers, and all sales are 100% yours. Craft markets will have a variety of vendors and include both emerging and established artisans.

Wholesale

Wholesale is a business model where your products are sold by a retailer. You receive a percentage of the suggested retail price, called wholesale price. The wholesale percentages may be different for each retailer and may range from 50% to 75%. Once the wholesaler purchases your product, they own it and have full control over the retail price, the price the consumer pays.

Consignment

Consignment is a business model where your products are sold by a retailer. With consignment, the retailer, also referred to as a consignee, agrees to pay a seller, or consignor, for merchandise after the item sells. There may be a percentage of sales ranging from 50% to 90% and there may be a monthly fee.

Art Shows

Arts shows are more likely to be juried /curated, have a higher cost of entry, and attract art collectors. The show will be curated and have an opening reception when artist and collectors have an opportunity to meet one another.

Art Galleries

Art galleries function as a formal environment for artists to sell their work. Your art will be juried, you will receive a percentage of sale price, and the gallery will represent and promote your and your art. Galleries attract art collectors.

Preparing your Product Information Package

Artist Bio

The artist bio is meant to explain who you are as an artist which will give viewers an insight into your art, and motivation for creating. Suggestions on what to include are; how you got started, important accomplishments, and anything else that will give people an insight into who you are as an artist. It should be no longer than a paragraph.

Branding

Product branding gives your items an identity within the marketplace. Good branding can allow your specific products to stand out against what a competitor offers.

Consider the following when describing your work:

- What makes it special?
- How is it different from other products in the same medium?
- Do you have a unique story or perspective to offer?
- Do sales of your merchandise benefit others (ex. donations, support of social enterprises)?
- Is your product suitable for locals? Tourists? Both?
- What does your merchandise say about where you are from?
- Is it clearly identifiable as “made in Pictou County” or “Nova Scotian?”

Contact Information

Include address, phone number, email, and all social media links.

Pricing for Retail

Pricing for retail: Use etsy, online shops, and retailers to research retail prices on similar merchandise, consider work comparable in style, medium, experience level and geographic location.

Price Confidence

If you have priced your work fairly, have confidence, stand by your prices and be prepared to explain your pricing. You will be educating your customers on the value of your medium, techniques, education and vision.

Consistent Prices

Keep the same retail price in your studio, online shops, shows and galleries as in a retail shop. Having different prices in different locations negatively affects your reputation and can damage the reputation of your retailer.

Production Costs

Calculating the price for artwork starts with what it costs to produce the work; hours spent making the piece, hourly wage, the cost of your materials and overhead. Once you know the production costs and have researched market comparables, you are ready to consider profit margin.

Cost of Materials

Consider your materials carefully, if the customer does not perceive added value in the material your prices will look inflated. If investing in high quality material, ensure it noticeably increases the value of work, eg silk rather than polyester.

Pricing

Choose a price that makes sense for your credentials. Wages in art are like other professions, where education and experience are assets. Increase your wages annually to reflect experience.

Stock and Turnaround

If your product sells, the retailer will want more and fast! Retailers will ask upfront about your “turnaround time” to re-supply, a rule of thumb is to have on hand and ready to sell/ship product amounts equivalent to three times what your minimum ordering requirements are.

Ordering Volumes

Ordering is done on either dollars or quantity. There are two ordering minimums, one for a first or “opening”, and the second is any subsequent re-order. The opening is a larger amount than the re-order; that way you can provide as full a display of your merchandise as possible to the store to “introduce” customers to your work; it also allows the buyer to re-order products more frequently to fill shelves and meet customer demand.

Shipping

If your retailer is in Pictou County, offer to hand deliver orders; otherwise, choose the less expensive and established option such as Canada Post.

Payments & Terms Policy

A retailer payment method may be direct deposit, credit card, or email transfer. A few things to know about terms:

- Payments may have terms described as due in 30 days, or “Net 30”
- If the store is part of a chain or government institution, you will need to fill out paperwork and provide banking information before you receive any monies
- Payment by credit card is far more common these days; it is both convenient for the store, and provides immediate payment to the vendor
- Square offers an affordable software to accept credit card payments on your device, if the added user fees are a problem, inquire if the store minds these amounts added to their bill; chances are they’d be happy to pay this for the convenience of using a credit card.

Example Product Information Sheet

Pictou County Pottery

Small scale pottery production studio making traditional functional pottery with Nova Scotia sourced clay located in Stellarton, Nova Scotia.

123 Ford Street Stellarton

Nova Scotia B2H 0R4

(902) 755-3248



PictouCountyPotter@gmail.com

Website: <https://pictoucountypotter.ca>

Facebook: <https://www.facebook.com/pictoucountypotter>

Instagram: <https://www.instagram.com/pictoucountypotter>

Product Catalog & Details

	<p>Wax Burner Two piece ceramic wax burner made with stoneware clay.</p> <p>Suggested Retail Price = xx.xx Wholesale @ x% = xx.xx Museum @ x% = xx.xx</p> <p>First Order: x units Follow Up Orders: x units Turn Around Time: x weeks</p>
	<p>Cigar Tray Ceramic cigar tray made by a combination of wheel thrown and handbuilding techniques, finished with terra sigillata and patina's.</p> <p>Suggested Retail Price = xx.xx Wholesale @ x% = xx.xx Museum @ x% = xx.xx</p> <p>First Order: x units Follow Up Orders: x units Turn Around Time: x weeks</p>

Turnaround & Ordering & Delivery

Pieces will be packaged for convenient storage and personally delivered.

Policies

If the piece is damaged or defective on arrival, I will gladly return or exchange it.

Payments & Terms

Credit card and e-transfer payments are accepted.

Pictou County Pottery Locations

Pictou County Pottery is currently sold online at pictoucountypottery.ca, The Little Craft Shop and the local Farmers Market.

Testimonials

I love my mugs, they are just like Grandpa used to use.

Mary Jane

My house smells divine thanks to your wax burners.

Thank you truly, your friend Michelle

Choosing your Retail Partner

Choose a shop in which your work will be most successful. It may be easier to build your reputation in a local, supportive, and friendly environment.

To find your retailer consider the following:

- Does your work fit into gift shops, art galleries, farmers markets, virtual marketplace/website
- What is the content and layout of these places both physically and as they and their stock are pictured online
- Does the business and its social media feeds fit with your brand
- What is their demographic?
- How diverse is their stock?
- The shop should carry other examples of your medium

The Retail Process

Initial Connection

Email or telephone to introduce yourself as a local artisan interested in becoming a vendor. Include a greeting, an introduction, social media site links, and why you feel your product is relevant to their shop, keep it light and brief. The introduction is followed up offering to email the buyer an information package with more details.

Information Package Email

If there is a positive response to your initial connection email, follow up with a suggested date/time for the meeting, and include your attached Product Information Package and ask if there is anything you should bring to the meeting.

Follow up with an email If you don't hear back from the buyer within a couple of weeks. If you are turned down, ask the buyer for feedback, most buyers are only too happy to offer advice.

NEVER DO A WALK-IN.

This puts the buyer on the spot and they may be extremely busy at the moment of your arrival.

Meeting With Your Retailer

Treat this meeting the same as a job interview; the basics: arrive on time, dress professionally and bring what was agreed upon. Do not arrive with all your work, and do not expect to leave your work there. There are still several steps before you are in contract.

Retail Contract

It is a benefit to everyone if you understand exactly what is expected of you and what you should expect in return from a shop. Ask as many questions as you need in order to feel comfortable with the arrangement.

It is common for shops to accept a selection of your product rather than everything you are offering. Know which products the shop wants, in which quantities.

Once you understand and agree with the terms, sign the contract and take with you a full copy of the contract with the shop manager's signature for your records.

Invoice

Prepare an invoice following the terms of your contract; list product, number of items, suggested retail price, wholesale price and totals. Space for your signature and the manager's signature.

Example Spreadsheet Invoice

Your Name		Phone Number	Email Address		
Invoice To:	The Retailer				
Date Issued:	The date of delivery				
#	Product Description	Quantity	Suggested Retail Price	Wholesale Price @ .65% per unit	Total Cost
1	Tall Tumblers	1	30.00	19.50	19.50
2	Mugs	10	45.00	29.25	292.50
3	Plates	5	75.00	48.75	243.75
4	Planters	3	55.00	35.75	107.25
Sub Total		19			663.00
GST					99.45
Total Invoice					762.45
Retail Manager Signature		_____			
Pictou County Pottery Signature		_____			

Managing Stock

Product Delivery

Make an appointment to deliver your work. Deliver your work appropriately packaged. If you are leaving your work in a reusable container, plan to pick it up within a reasonable time frame. Make sure that staff signs a copy of your invoice to confirm delivery – this is your proof that the shop is now responsible for your product.

Restocking

After three months you should refresh your product. This is an excellent chance to check in and see where your stock is at and what feedback the shop has for you.

Call or email the manager and ask the following:

- What work needs to be restocked, if any?
- Is there a product that is getting more interest than others? This can be a design, a type of object, a colour, a price-point, etc.
- What has the overall response been to your work?
- Does any work need to be picked up?
- Would any other of your products be of interest now that the manager has a feel for your work?

Inventory

With each payment, request a list of items sold. Record your drop offs, returns, and sales in an ongoing spreadsheet – monthly or quarterly, as your volume requires. Annual inventory can be done in many ways, but the crucial factor is to update your records throughout the year.

Keep track of the following for each of your stockists:

- Item name
- quantity delivered to the shop
- quantity returned from the shop
- quantity sold in the shop
- total remaining stock in the shop

With up-to-date inventory data, you can make good restocking decisions, you don't want to tie up too much of your work at a shop so you need to be aware of which products work in which shop. Over time you will be able to see sales trends that will help you make production choices. Your annual inventory will be much simpler, and accurate.

Example Inventory Sheet

Item #	Product Description	Produced	Delivered to Retailer	Returned from Retailer	Studio Inventory	Sold	Retailer Inventory	Suggested Retail Price	Wholesale Price @ 65%	Sales	Studio Inventory Value	Retail Inventory Value
1	Tall Tumblers	50	50	0	0	50	0	30.00	19.50	975.00	0.00	0.00
2	Mugs	50	20	10	40	5	5	45.00	29.25	146.25	1,170.00	146.25
3	Plates	50	10	5	45	5	0	75.00	48.75	243.75	2,193.75	0.00
4	Planters	50	40	10	20	10	20	55.00	35.75	357.50	715.00	715.00

New Products

Let your retailers know when you have something new to offer (new colour, pattern, form, etc.) Be prepared for positive feedback as well as constructive criticism. It is in your best interest to know exactly what the customer reaction is to your work. Remember that staff interact with both customers and your product all day long and have the best sense of what the response is to your work.

Promotions

Once in partnership with your retailer, you are promoting both your work and your retailer. Ensure the retailer is aware of and approves messaging that involves them. Update your website and social media sites to spread the word where to find your work. Be sure to tag and connect with their shop. An updated online presence will also help retailers you haven't reached out to find you!

Special Thanks

Special Thanks to Michael Mills from the Museum of Industry, Stellarton, NS for sharing his 'Steps to Becoming a Retailer for 'Creative Pictou County Artisans' document which was used as a primary resource for this Guide to Retail.

Thank you Andrea St.Clair from the Designer Craft Shop, Craft Nova Scotia, for sharing her 'Stocking a Shop - A Guide' document which was also used as a primary resource for Guide to Retail.

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