

SO YOU WANT TO RUN A MARKET STALL BUSINESS

Westfield, Stocklands, Harvey Norman, Penrith Markets & Fairfield Markets all have something in common. They are an organisation of Entrepreneurs gathering groups of independent retailers together under one roof. Most of the departments inside of Gerry Harvey's wonderful organization are independent businesses. Frank Lowy's Westfield Plazas are a gathering of businesses as separate shops department stores and mass merchants the likes of Woolworths and Coles. These large companies in future will be called 'Majors'.

Fairfield Council & The Penrith Paceway play host to two Western Sydney Markets a collection of people retailing their wares and services to the public. As retailers they in no way by description differ from the mammoth organisations the majors.

I have been in the field of management, marketing and sales for many years. Heading up large companies in many diverse fields. I have also written many books, courses and articles on sales management and marketing. One thing must be emphasized here and that is that there is NO difference between the principles operating in these various organisations. To make a market stall work and earn money you must apply basic retail and marketing principles, read on...

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To sell items of services in a market it must fit into one of two categories.

1. A service line or common commodity or
2. A unique interesting stimulating product or service.

By unique it is meant that it must stand out of the ordinary. Examples are Hand crafted goods, foodstuffs, art, Computer based services, Home services, basically not the sort of thing one would find easily in any of the majors.

Item one the 'Service Lines are those everyday goods that one can find in the majors. But you must offer something different that is perhaps also unique. This could be a personal service, knowledge, competitiveness or other angle rather than just being there. The unique items and the service lines both compliment each other. Overall the most important thing is,

'that we all must provide a reason for the public to visit us, buy from us and come back for more.'

Now for a little more detail under these headings.

1. Where are these Markets ?
2. How do I contact them ?
3. How do they operate and details with pricing ?
4. What will I require regarding Equipment ?
5. What are Insurances and Government/Council Regulations ?

6. What research should I do ?
7. Basic Marketing and Sales advice.

Where are these Markets ?

There are Markets all over Australia holding weekly events on individual days of the week and both days of the weekend. Others are Bi weekly or monthly.

The best source for overall detail is the Market & Stalls Magazine or web site to be found here, www.marketsandfairs.com.au and of course our web site at, www.marketstallholdersaustralia.com

Venues are varied, car parks, parkland, school playgrounds, scout and other halls, roadways and showgrounds as with Penrith & Fairfield Markets. Most will be in the open so please refer to our equipment section for cover guides.

How do I contact them ?

Again a lot of information is available on the web sites above, however it is best to contact the names and numbers of the authorities given to check the latest details.

How do they operate and details with pricing ?

Trading hours are varied there are morning markets, daytime, some evening and night markets. An example is to start trading at say 8am and go through until 4pm.

The setting up has to be considered for it involves a lot of time, some of it doing nothing but waiting. Most markets operate on two levels, Casual Stall Holders and Permanent Stall Holders. The latter mentioned are usually afforded a few benefits mainly that of a permanent position or site and a reduced rental price. Having a permanent spot is if you are wanting to be a full time trader the ideal situation for the following reasons.

- You do not need to que waiting for an available site and sometimes miss out. You might be in a different spot each market so clients find it hard to find you.
- You can go straight to your area and set up ready to trade. You can plan your layout to suit the same area. Things like power and cover can be chosen each session. You have a steady address for clients to find you.
- Site rentals cost a little less and other benefits might apply.

Typically if a market starts at 8pm you should allow at least 90 minutes to set up. This does not allow for waiting for allocation of the site. So be ready for some very early morning starts. The other end of the day also demands consideration, yes you have to dismantle and pack away your stall for the next time. This also can involve several hours. So if you arrive at the market at 6am you might well drive out at 6pm. This is a 12 hour day not counting travelling.

Typically one can expect a daily site rental of about \$50 and table hire of about \$5. Other costs might be for power etc. Do not forget your other hidden costs like travel expenses, insurances, food, printing and ticketing etc.

What will I require regarding Equipment ?

The only thing you can expect on a market site is the bare minimum. An area of concrete, bitumen, grass or packed soil. The size is typically about 3 x 3 metres some larger and different dimensions. Again casual traders can expect different shapes each session. So you have to provide all that fits into this area and transport it to the site. A list of basics might be,

1. Tables the new moulded folding are great, see Bunnings or Officeworks. Some make do with some trestles or saw horses and boards or doors. The normal size of a folding table (legs up, some fold in half) is 1.6 – 1.8 meters.
2. Table coverings
3. Cover. Umbrellas or Gazebos are common. They provide badly needed shade. Make sure you are shaded as sunburn is painful and dangerous. Also beware of the wind. The writer has seen a 3 x 3 gazebo take off and go straight up to 100 meters in seconds. Do not think that in high winds you can hold it down you cannot. You take it down or Anchor it. Remember your umbrella can injure or kill. If you know your site shape and dimension set it up in the garden or driveway at home for fit and test.
4. Seating a fold up chair with a back not a stool is a blessing.
5. Power cables and adaptors.
6. Trolleys or carts to move your gear to site.
7. Boxes to pack it.
8. Pens, card and other stationery.
9. Insect killer oh yes a godsend in summer. Warm clothing in Winter.
10. Change for the obvious transactions including payment of site rentals.
11. Your legal requirements like, Stallholders Insurance copy,
12. Last but not least plenty of Water in a cooler for summer months. Food for the day as buying on site, though one loves to support fellow stallholders, can be expensive.

What are Insurances and Government/Council Regulations ?

You should be aware of these requirements. Most Market managements require that you have a public liability cover before you trade. This will basically cost you about \$2-300 for about 10 million cover. It is a very good idea to be covered.

Any electrical items are sometimes required to have an electrical inspection certificate of safety testing. This includes all appliances, extension cords, adaptors etc.

You are what is known as a small business, this means that profits on earnings are subject to income tax. Speak to your accountant.

If you trade under your own name you do not need to register as a business. If you trade under another name like 'Jane's Jams and Preservatives', or 'Peter's Perfect Picture Framing', you must register the name with The Department of Fairtrading. A certificate and business number will be issued for a nominal fee.

You do not legally need an ABN it only makes dealing with the ATO easier.

If your turnover is under (at the moment) \$75.000 you do not need to register, pay and complete Business Activity Statements and charge GST.

Also check that goods are legally able to be sold ie second hand goods, Licensed, like livestock and not illegal copies or counterfeit. Check your local area.

What research should I do ?

Right, now we need to start facing some facts. Selling at Markets is not an easy task. It takes hard work, dedication, tenacity, enthusiasm and most important a product that will Sell and make enough profit for you.

A very good basic idea is that if you are not making enough to earn a living or what you really want after 6 weeks pack it in.

So how can I research this ? Not only is your product unique but is there demand ? Ask the questions of family and friends. Pose the question of price how much is a reasonable price both to pay and to sell in sufficient quantity.

If it is a service line that one can get anywhere how many other stalls have it. Are you competitive and still leaving enough profit. There are at times too many computer ink stalls. If 100 ink cartridges are to be sold at a profit of \$2 that is a profit for the whole market of \$200 less expenses. Not bad, but if there are 10 stalls then that is \$20 potential spread each. Not good. The same goes for Belts, Toothbrushes, Bags and other items. Computer accessories abound and the margins are not great.

Your position in the market is also important, next to smelly toilets, ease of setting up, good traffic flow are worthy of study. So too is the market itself. How long has it been running. What promoting and advertising does it do. Visit the market between say 11am and 2pm and look at the traffic. Talk to existing stallholders. Many markets come and go. Both Fairfield Markets and Penrith markets are over 30 years old. Remember not all potential customers visit markets many folk never do.

Why do I as a successful marketer choose this medium. Because I personally reach a lot of potential clients for a very low dollar outlay. Yes I do lose some clients because of credibility.

Basic Marketing and Sales advice.

The above section on research forms an important part of Marketing. What is marketing. Simple the actions applied to the method of successfully selling a product or service. This covers the procurement, sales, delivery and after sales follow up. There are many hundreds of books on the subject, far too much to cover here.

If you are selling something from the marketing point of view, think the following.

Can I get it, is it in consistent sufficient supply, can it be sold, can I sell it, can it be sold here, will sales grow, will it continue to sell, is there enough profit ?. If all of these questions are answered positively then you perhaps have a viable product or service.

Selling

No matter what your item or service is you must sell it. If you are enthusiastic about something you tell people. This is selling we all do it. You must sell your product. What it does and what it means to your customer. Not just what its function is, but the benefits of the product. Sell the sizzle, flavour and smell of the sausage not what it is. build and practice the sales storey.

At the same time you must sell yourself, you must create the impression of believability and credibility. Be tidy and professional even though we operate from markets. Believe in yourself. Remember markets have been around since ancient times. Long before shops and shopping centres.

In selling follow the basic rule of what is known as the 'AIDA' principle
Standing for Attention, Interest, Desire and Action.
Your Stall, Your Product and Yourself must follow this Plan.

Get the Customers ATTENTION and you must get it within very few seconds.
Your Stall must get them to at least look at you. Movement colour anything to get them to look. Then hold their Attention and create INTEREST. Start them thinking about what you have. Make them want to ask questions. Do not answer to many questions with printed information. This will force them into conversation with you. In doing this you build interest in you. You are part of your product.
Then you must create DESIRE that is simply you have to get them to want the product. And most important want it now, not next week or sometime soon but NOW. This involves simple incentives like free gifts discounts etc. Something tangible not the same old tired Today only signs. Remember discounts are a reward for favours given. What is your customer willing to do to earn the discount or reward. If you are sufficiently ready to buy my product I will offer you this deal. But only if you say you will buy now. Then make the offer. Remember the most common statement you will hear at a market from a prospective customer is will you be here next week. This most of the time is an easy put off. Only when you have got your customer sufficiently interested in your item and have built a desire for it do you go to price and ACTION. The last most important is to ask for the sale. You cannot move to this stage unless the others are covered. It is no use offering a special discount on an item if the person you are speaking to just does not have a need for it. If they ask for a discount then say if I give you a discount (not mentioned what it is) will you buy from me TODAY ? if the answer is no then no point is offering the discount. They are *not sold*...

So you must follow this simple plan. Sell yourself and your what's it. Believe in what you do. And if you have a product that is saleable and needed you will do well. We look forward to seeing you at our markets.

Terry Bailey
Owner
Just Moments in Time
www.justmomentsintime.com.au