



# STARS Newsletter

SOUTH TEXAS ASSOCIATION OF RESALE SHOPS  
VISIT US AT: [WWW.STARSRESALE.COM](http://WWW.STARSRESALE.COM)

April/May 2008

Volume 18, Number

## Mark Your Calendars



### **June 1, 2008**

Next mail out of the *STARS* Newsletter.

### **June 27-30, 2008**

NARTS Conference in Indianapolis, Indiana. Visit their website [www.narts.org](http://www.narts.org) for complete information.

### **OFFICIAL STARS DIRECTORY NEWS**

*STARS* will offer a newly-designed Directory. To help our members save money *STARS* will now publish the Directory once a year. Each store will be given as many of the 500 per store copies as they want and the rest will be given to Yolanda to be distributed with her PR efforts, which include mailing directories to visitors to our website, and drop offs to locations around Houston.

Jacke will be contacting *STARS* stores soon. Don't forget, your ad also provides other *STARS* with your information for referrals. Put the *STARS* Official Directory in your advertising budget for 2008!

## Marketing Tips for Tough Times

**The # 1 advice when sales slow and fewer customers are coming in the door:**

**Keep in touch with your loyal, regular customers.** Get creative in ways to let them know you value them as customers and appreciate their business. The biggest mistake you can make is to take them for granted and to fail to keep in touch.

**Don't have a list of your most faithful customers? Start one today.** Favorite ways to communicate is by email, or sending cards. Make phone calls on a slow day. I have increased my sales several hundred dollars some days from customers dropping everything and coming in after a phone call.

One *STAR* use to **have a special after hours event** every 4th Friday of the month for her loyal regular customers. She would ask some of her customers to model clothes (which they usually bought!), sometimes had a speaker on fashion or other women's issues, food and beverage, new merchandise, or a special sale. And she would give a percentage of the sales to a local charity—an incentive for volunteers of that charity to come and bring a friend.

A favorite reward for a loyal customer is to **offer a special discount on a purchase during their birthday month.** Remind them with a birthday card.

**And the easiest most obvious and cheapest way to reward your best customers?** "Thank you Linda for shopping with us today. I appreciate your business!" One lady turned around and said, "I know you do—that's why I shop here."

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## About *STARS*...

The *STARS* Newsletter is published bi-monthly 6 times a year for Feb/Mar, April/May, June/July, Aug/Sept, Oct/Nov and Dec/Jan and is mailed to *STARS* members, prospective members and other interested persons.

*STARS* was founded in 1991 to promote education, networking, mentoring and co-op advertising among member for-profit resale shops.

Membership in *STARS* is open to for-profit resale shops in South Texas. Membership dues are only \$50 per year. New members pay a mandatory one time listing fee of \$50 to be included on the *STARS* website, [www.starsresale.com](http://www.starsresale.com). A *STARS* member may link their shop website to their *STARS* listing at any time for a one-time fee of \$50. Contact *STARS* at 713-789-6456.

How to join *STARS*: Go on-line to the *STARS* website and click on "Membership." Follow the directions. You may pay the required initial fee of \$100 (\$150 in you wish to also link your website to your *STARS* listing) on-line with a credit card or if you prefer, download the membership form and mail a check to *STARS*, 1922 Fountain View, Houston, TX 77057

The bi-annual *STARS* Official Directory is distributed through-out Greater Houston and surrounding areas in March and September. A member is not required to participate but is encouraged to do so. For information about the Directory, please contact the Publisher, Jacke Shipwash at 1-409-771-6393.

*STARS* volunteer board members are: Yolanda Ramirez and Sandra Marin, Second Childhood on Fountainview, 713-789-6456.

*STARS* Newsletter Writer/Editor:

**Pat Swartley**

281-338-9360

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**Karen Frerking**

Advertising is accepted.

## Letter from the editor...

It is times like these that make me anxious for small businesses in the retail/resale industry. I remember a few years back when I was anxious about the price of gas going up to \$1.50 and the effect that would have on the cost of goods for the consumer, and ultimately my sales. It was my first step toward considering retirement. I envisioned that someday it would be double that price.

At that time my small business friends said to me, "lucky you—when money is tight the public will flock into the resale shops." Never in my 20 plus years in the business can I say that ever happened to my store. When money is tight the customer cuts back on spending, period. However, take some comfort in the fact that our state Comptroller, Susan Combs, said recently in the Houston Chronicle that Texas wouldn't get a recession. Other economists also agree that Texas is in a good position to weather a national recession. "If the nation gets the flu, we'll get a bad cold." Perhaps. We, however, have more people without health insurance than any other state and a couple of trips to the emergency room can wipe out a lot of disposable income.

For sure, challenging economic times are ahead. Even our most successful *STARS* stores have felt a pinch, and some of them more than a pinch. Attendance at the NARTS conferences has steadily grown over the years. A big reason is the reputation they have earned for putting on outstanding conferences, and the fact that more storeowners are anxious about the economic impact on their businesses and are seeking expert advice from industry leaders. And there is much to learn from informal networking groups as well.

Some years I had to borrow money to attend conference and it was well worth it. My employees use to hate to see me come back from conference because it meant they would have to learn new ways of doing some things. Going to Conference was the highlight of my year and I have missed only 4 or 5 in all the years I was in business.

In this issue I have tried to offer ideas to help you through the coming year. I welcome comments and information about how you are doing. Contact me through my email: [pswartley@yahoo.com](mailto:pswartley@yahoo.com) or by phone: 281-338-9360.

Remember, no matter how worried you may be about business stay focused on what you want to achieve and present a confident face to your employees and customers.

*Pat Swartley*



**“We Cannot Direct the Wind, But We can Adjust Our Sails”**

by Pat Swartley

quote: Kate Holmes.

As I travel around visiting *STARS* stores and talking to our members I find that those owners more accepting of change seem to have more optimism about the future. Most owners have had to make adjustments in their expectations for their business but they haven't let that fact defeat them.

Those that embrace change and new challenges have the best chance of succeeding in business. The most likely to succeed are the ones who truly love the resale business and want to stay with it. They will be more willing to re-invent their store if necessary or look for more creative ways to generate income. **Stores that have stayed in business for a long time are the ones who have cultivated their loyal customer list, and are the most willing to take risks to develop a larger customer base.**

**What some of our *STARS* are doing:**

One *STAR* has had good success selling on the Internet and has decided to do a lot more of it in the future to bring her sales up, and she knows what sells best on the Internet. **What is your top selling item?** Can you get more of it? Would on-line sales be a good choice for you?

SouthEast *STARS* are joining together for a banner ad in their Chronicle Zone 6. It takes someone willing to do the leg work, however, as the Chronicle in this zone no longer makes calls, proofs ads or collects the money as they once did for *STARS*. **Banner ads remain the cheapest, most effective advertising in the print media.**

I received a coupon to use on my next visit from one store giving me a reason to return. It is for 15% off any purchase over \$25.00. I can spend \$25 easily in that store and I will be back. If the coupon was for a \$50 purchase it would have been a less effective incentive to return to this particular store. If it had been for 10% I would take longer to come back, if at all. Make sure your coupon offers are a real incentive to be used. **What do you do to encourage repeat business?**

This store is a children's resale shop. As I have 7 grandchildren, it is one of my favorite spots to shop when I get my Social Security check. Don't forget the senior market! What can you do to attract the grannies? **Although children's resale shops should especially target the senior market, others shops should not forget this prime market.** Offer Senior Day where on a certain day of the week Seniors 55 or 65 and up get a discount of say, 15%. (Remember, a 10% discount is not an exciting offer). Or let seniors have a discount any day of the week. Those stores would get my business first.

It has been said a million times in the *STARS* newsletter, but whenever a store looks neat and organized it makes a very big statement that the owner cares about her business and her customers and that fact alone will help draw customers and keep them coming back.

One of my favorite *STARS* store to shop is Perfectly Good Gently Used Etc in League City and one of the reasons is because this store is so crammed with good stuff, yet is a marvel of neatness and organization! Toby, the owner, closes Sunday through Tues so she can restock and re-organize. Her merchandize includes brand new high quality linens and bed sets for deeply discounted prices, new pot sets and other kitchenware, plus antiques and other unique items. She buys some selected merchandise out-right also.

Her ad is in the *STARS* Directory or log on to the *STARS* website for more information. Phone: 281-554-8513. Address: 403 N. Iowa Street, League City 77573.



## **Retail...Resale...Ebay!!! Love It or Leave It!**

In the April/May 2007 issue of S.T.A.R.S. Newsletter Second Childhood owner Yolanda Ramirez wrote an article 'Make eBay Work For You'. Some of the eBay statistics are mind-boggling:

- \$59 Billion gross merchandise volume for 2007 representing a year-over-year growth rate of 21%....46% from U.S. business and 54% international business
- eBay users worldwide trade more than \$2,039 worth of goods on the site every second (a year ago Yolanda reported \$1,640 every second)

My customers tell me they get online and shop once the family is asleep or they go online during their lunch break at the office. When adding eBay to my business I also added an 'eBay Listing' link on my website so it is easily accessible to my customers.

Okay folks.....who said eBay was going to be easy. Believe me.....it's more work than I care to share.....it wears me out just thinking about it.....that's why I don't do it.....my eBay gals do it for me. I have 3 outside eBay sellers and 1 in-house seller to compensate for the loss of traffic in my store. The outside sellers are paid a percentage (and that can vary from 30% - 50% of the selling price). The in-house eBay employee is paid by the hour. The outside sellers generally sell expired items. The items listed on eBay are available on the sales floor (with some exceptions) and sometimes buyers come to the store to get the merchandise they want to buy.

As far as items to list...you have to constantly check what is and what isn't selling on eBay. Great items to list: Chanel, Gucci, Fendi, Louis Vuitton, Ed Hardy (the hottest label in LA), Burberry, Dior, Chloe, Donna Karan, Pucci, Mark Jacobs, YSL, Versace, Manolo Blahnik, Louboutin and what not to list... Ann Taylor, Talbots, Express, The Limited, Gap, furs, formal gowns, wedding dresses, Ralph Lauren, BeBe, and Equestrian. The most important thing is to be in touch with the current designer labels.....check out the magazines, go shop the Galleria.

There are some highs and lows to eBay and you must think of eBay like the stock market.....there are times to sell and then there are times not to sell. My eBay gals as well as myself do a lot of research before we list clothing/handbags which can be time consuming. When entering the world of eBay the first most important thing is to find someone who "LOVES" doing eBay.

The world of resale is changing and for those pioneers in our industry this hasn't been easy. What I have had to do is 'recreate the wheel' in my sales and marketing strategies to include eBay not only as a tool for my business but as a service to my customers.

I welcome questions, or perhaps you would like to consign your expired items with us! Phone: 713-387-2525 or email: [debbiedamon@sbcglobal.net](mailto:debbiedamon@sbcglobal.net) Be sure to check out our website: [www.bdazzledresaleboutique.com](http://www.bdazzledresaleboutique.com)

*Debbie Damon*  
(OWNER OF B'DAZZLED RIVER OAKS)



## News around the Galaxy



**Something to think about:** One *STAR* member, when told her rent would be increased upon renewal, told the landlord the rent increase would make it difficult for her to replace the badly needed new carpet and air conditioner. The landlord will replace these items for her. Motto: It never hurts to ask, especially when the rent is going to be raised!

It is a common practice for some resale shops to take unclaimed, expired consignment merchandise to other resale shops across town, or even to another town, to consign. It is also common for such stores to include in their consignment contract the words: **“Unclaimed consignment merchandise shall become the property of the store.”** If your contract reads, “unclaimed consignment merchandise will be donated to charity” then you are obligated to do that.

**Buying merchandise out-right and pricing it at least 4 times or more of the purchase price can provide extra income.** Usually a storeowner will simply take advantage of an opportunity to buy-outright when it presents itself. The trick is to only buy those items that are truly new or like new and a pretty sure bet to sell. If you advertise buying out-right be prepared for people bringing in junk and getting mad because you turn it down. But come to think about it—we deal with that issue accepting consignment merchandise as well!

**Some stores are very good at purchasing new items to sell that brings them a good profit.** Such items are usually jewelry, purses or accessories. Other popular items have been cute tee shirts, candles, or simple home décor items. One store found a source of nice fake flower arrangements that sell well.

**Several *STARS* members sell on-line** and have said it makes a big difference in their profit margin. The trick is to find out what sells well on the Web and to find someone to do it for you that really knows how to work the system. Learn how to choose that person by reading Debbie Damon’s article.

**Several *STARS* have become established with retail boutiques** that will give them end of season merchandise for consignment. Sometimes a new contract or specific arrangements are established for such merchandise. You may decide to agree on the initial price when the items are put on the floor and how or when mark downs will be made. Perhaps such goods will be given an extended consignment period. Generally it is best to avoid buying such merchandise out-right.

## Learn How to Handle Stress

All signs point to a potentially stressful year for small businesses. How can you relieve stress? These tips come from Peggy Morrow, small business speaker, author and training consultant. Visit her website [www.peggymorrow.com](http://www.peggymorrow.com). Peggy says, “If you want to be successful, you must learn how to handle stress.” She recommends the following coping skills:

1. **Use breathing techniques.** Stress causes shallow breathing which inhibits your ability to think clearly. Sit quietly and take a few moments to breathe deeply.
2. **Choose to rest, relax and rejuvenate your body every day.** Also, spend some time for a little exercise—one of the best stress relievers.
3. **Get enough sleep.** Do you stay up late working on business related tasks?
4. **Take breaks,** often as necessary, especially when you feel tense over any issue. Research shows that after each break you will have a sharp retention and productivity spike.
5. **Get a life!** Business owners who take days off for short vacations, or family or community volunteer activities reduce stress considerably.

***LOOK INSIDE FOR THE LATEST  
S.T.A.R.S. DIRECTORY INFORMATION***



***S.T.A.R.S. Newsletter  
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**A PUBLICATION OF THE SOUTH TEXAS ASSOCIATION OF RESALE SHOPS  
Since 1991**