

## How NFPs Can Profit by Reaching out to Resale Peers

by Kate Holmes, web host at [TGTbT.com](http://TGTbT.com) and [HowToConsign.com](http://HowToConsign.com) and author of [\*Too Good to be Threw The Complete Operations Manual for Resale & Consignment Shops\*](#)

In my decade-plus of volunteering at my local not-for-profit shop after



selling my for-profit shop, and over five or six states' worth of resale consulting, I've evaluated many NFP operations. From modest endeavors to

multi-million-dollar operations, they share many stumbling blocks. The biggest? If there's one thing NFP stores have in common, it's that both store staff and board members are not always focused on the fact that they are operating, first and foremost, a retail operation to raise money for their charity. Maximizing the shop's mission, that the shop must make money for the charity, is crucial to continuing success. After all, a retail location and its overhead and operations cost is never cheap. If a thrift shop can't pay its way and add significantly to the coffers of its sponsoring charity, is it doing its job?

One way that NFPs can raise more money faster and with less effort, while investing more effort and goodwill than dollars, is by developing a professional give-and-take relationship with all their resale peers, whether FPs or other NFPs.

***F**or some reason, my for-profit shop always needed more full slips than it received. Strange, but that's retail! I regularly went out to hunt for this merchandise to fill the gap. Where? To thrift shops, naturally. I bought every one I could find. I didn't even quibble about the prices. I just wanted to have what my customers asked for. Yet when I asked several NFP store managers if they could set these aside for me, call me and I'd be right in to buy them all, the idea was declined by. Why? They "wouldn't remember." They were "too busy."*

### **Maximize your mission #1:**

Develop, and use, a want list specifically for your resale shopkeeper customers. Make a point of finding out what they need. You are building yourself a list of ready-made customers for specific items. If you could sell most of the full slips you receive

at full price to one customer instantly, freeing up rack space for other items and filling the till, why wouldn't you? If you knew to alert the used book dealer when various volumes were left on your stoop, wouldn't your shop provide more income to its parent organization? Or if you can pass on, oh say, toasters, which your retail customers don't value, to the neighboring town's NFP that can sell toasters all day long, isn't that a win-win?

Thrift shops can raise more money faster and with less effort by developing a professional give-and-take relationship with their resale peers.

***A**t a NFP I was consulting with, the manager mentioned that she couldn't sell a woman's tank top for more than \$1, no matter the brand, style, or quality. Yet she was resistant to the direct offer a neighbor FP shopkeeper to consign the more valuable tanks for them, which would have made the NFP four to six times the money. Why? "Then our customers wouldn't get the bargains."*

### **Maximize your mission #2:**

Decide what the purpose of your NFP shop is, and how to balance supplying the material needs of low-income families with the need to raise monetary funds. Find that fine line between offering the community inexpensive goods, and making the dollars that pay for the services your charity offers

the community. The balance between the two is yours to make; the focus will help you determine ways to better your mission.

NFP thrift shops are not always focused on the fact that they are operating, first and foremost, a **retail** operation to raise money for their charity.

***B**etty was a vintage retail specialist and re-creator of old clothes long before such styles became mainstream. Yet one day, when she came into my FP shop to look at some vintage furs I'd put aside for her consideration, she was fuming. "I tried to help that thrift shop down the road with some great vintage fashions they were pricing way too low. Missoni for \$4! I even suggested they make a vintage rack within their shop so they could get better prices on better stuff. They didn't want to hear it, so I just bought them all at prices way too low. Now I feel like I should send a donation check to their charity, because that store manager couldn't take advice. I feel like I took advantage of the situation but I tried to help!"*

### **Maximize your mission #3:**

Accept help from others. *Ask* for it. Cultivate a two-way relationship where you are comfortable calling a shopkeeper whose expertise you could request because you have steered some business her way or helped him find a shelf unit he needed for his store. For-profit shopkeepers might have the solution to a merchandising, inventory,

or operational situation you face. Other NFPs may have just what you need on an emergency or ongoing basis. Most shopkeepers are delighted to help a worthy charity with knowledge, time and even their sweat equity once they feel a connection with the charity or with the thrift shop. Ask for help in return for the hand you have extended to them.

### Action steps for NFPs to maximize their mission:

\* Develop a partnership with your local FPs. Set up consignment accounts in their shops so you have a place to sell your better goods at prices higher than you can get in your own store. These accounts can be supplied and monitored by a Resale Liaison, a volunteer job that might be gladly filled by an astute volunteer or team.

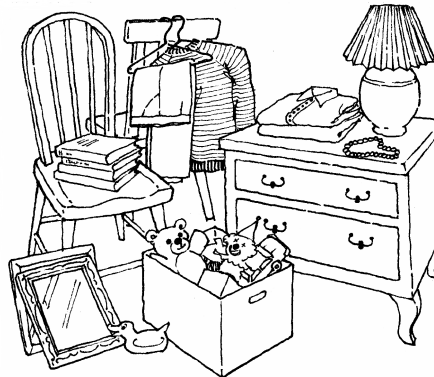
\* Watch for goods that you can turn into cash quickly by making a phone call or sending an email to a shopkeeper who will gladly pay top buck. From furnishings and props to merchandise for resale, a Resale Liaison who knows and works with your FP neighbors can act, in effect, as their finder. Selling these goods fast frees up your shop floor space as well as building your daily totals.

\* Ask for help in return. Is your crew of employees and volunteers stressed out with the monthly parking lot sale you hold?

Chances are good that your “partner” resalers will be happy to help out since you have extended a hand to them. Whether with man hours, loans of equipment or simply letting their clientele know about your sale, a valued peer will help your store thrive as you have helped hers or his.

Run your shop like the full-fledged professional member of the retail community you are.

\* Offer your actual help, too. Maybe you’re an expert on a merchandise category and another shop, FP or NFP, is not. Let them know you’re happy to evaluate. Invite all local resale shops to a modest evening get-together in your shop so they can see what you carry. This builds their confidence in recommending you to their customers.



\* Donate onwards to fellow NFPs: it’s great to sell those hundreds of movie tapes you received from the defunct video store, but maybe a few dozen of the duplicates could help out a

resale peer, clearing some of your storage space at the same time. Maybe you could swap for some items they have too much of!

\* Help fellow NFPs internationally by contributing helpful ideas to the NARTS forums (membership required; <http://www.narts.org> ). Monitor and

contribute to the open-to-all Too Good to be Threw Sharing discussion board at <http://TGtbT.com>. Share resources and tips. Get a discussion going. Gain recognition in the industry. Paying it forward is not only a moral good, it can be good for business as well.

\* If your charity's board will not allot funds to participate in resale group marketing opportunities, or if your Manager's Discretionary Fund won't stretch to accommodate membership in a local association, at least have available to shoppers a take-away list of other resale venues in your area. Remember, the dollars your customers save shopping resale when you cannot fulfill their immediate needs comes back to you two-fold: there's more money in their budgets to buy what they can

from you, and they appreciate the customer service they've received from your sales staff.

All of these points boil down to one statement: **Don't operate in a vacuum.** Your charity's operational staff members work with social workers, spiritual leaders and service providers to increase the value of the dollars raised. So should you, as store manager and volunteers, reach out to develop working relationships with other resalers, whether their business is structured as a for-profit or not-for-profit, to build your NFP's profits. Run your shop like the full-fledged professional member of the retail community you are.

If you like this Product for the Professional Resaler, you might also find these web sites useful:

TOO GOOD  
TO BE  
THREW  
PRODUCTS FOR THE PROFESSIONAL RESALER



HowToConsign  
Turning your Cluttered Closets into Cash .com

TheReSaleGURU.com  
ReCycling at its most ReCReational

AuntieKate The Blog

Where Kate Holmes, Industry Icon, gets to hector, lecture, and browbeat the good shopkeepers of Resale-dom

<http://TGtbT.com> <http://HowToConsign.com>

<http://AuntieKate.wordpress.com> <http://TheResaleGuru.com>