**DISCUSSION TOPICS:**Launching Miss Makayla’s New e-Commerce Business

***Facilitator: Ms. Laura Jackson*** ***Author: Bonnie Winkler, Wink in Texas***

1. Who are you?
   1. What about you do you most want to project to your customers?
   2. What is your mission or top priorities for the business?
   3. Does the name of your business convey what you want to project about yourself or your mission?
   4. What color(s) come to mind when you think of what you want to project?
   5. Is your logo easily identifiable/recognizable and aligned with your business name or mission and your selected color(s)?
      1. I’m sure your graphic design camp will be very helpful in this area. There also are many online tools to help kickstart the process or enhance an in-process logo. If you have not explored the online design options, you might want to check out [Logo Maker | Create Your Free Logo | BrandCrowd](https://www.brandcrowd.com/logo-maker).
   6. Is your tagline brief, memorable, and aligned with your business name or mission?
   7. How can you differentiate yourself from competitors? What makes shopping with you uniquely pleasant?
2. Who are your customers & what do they most want?
   1. Is there a target demographic for your business?
   2. What is most important to that group of potential customers?
   3. Does your product meet the expectations of your target customers?
      1. If you have significant doubts, what can you change about what you are offering?
      2. If your friends represent your target customer base, what do they think about your product?
   4. How can you deliver what your target customers most want if it’s intangible?
3. Will you profit financially?
   1. What is the expected price tolerance of your customers?
   2. Define the profit margin you want to achieve on every sale.
      1. Poshmark customers want to negotiate a lower price and discounted shipping. Take both into account when you list the price of an item. Don’t mark up your product(s) too much, be reasonable and competitive, but include a small cushion for negotiating, as needed.
   3. Can you realize a profit at your price less your costs (e.g., product acquisition or creation, packaging supplies, shipping costs)?
   4. For how long can you carry the business at a loss before it’s no longer a viable entity for you?
      1. Calculate your per unit cost to include items like product acquisition or creation, custom branding pieces (if appropriate), start-up expenses (e.g., mannequin, clothing rack, light ring), packaging supplies, shipping costs, etc.
      2. Other than for tax purposes, when calculating the per unit cost during the launch phase do not include costs for your workspace or “warehouse”, your business-related transportation, your salary, office supplies (e.g., paper, stapler, scissors, pens, monthly phone and internet charges), depreciation of office equipment (e.g., printer, computer/laptop, smart phone with camera), etc.
         1. If you plan to file taxes, keep a spreadsheet from the very beginning with all the aforementioned costs, packaging supplies, shipping costs, and anything else that can be deducted. All those costs will be subtracted from your sales/profit to, hopefully, realize a loss on paper for up to three years. After three years of losses, the IRS no longer considers the business viable. (Please confirm with a CPA and discuss the path forward relative to income tax, sales tax, etc.)
4. Get the word out **if AND WHEN you plan to expand beyond Poshmark**
   1. Send a sample of your product to influencers or popular bloggers who represent your target demographic and tell your unique story via a carefully crafted one-page, single-sided flyer. Include photos! It’s not marketing, per se, it’s your story, what led you (a young lady of 11 years of age) to launch a business, not just any business but the product(s) you selected, and anything else that sets you apart from your contemporaries.
      1. If it isn’t feasible to send a sample of your product, send only the professional looking flyer.
      2. Use much of the flyer information in your Poshmark profile. People read them and they like photos.
   2. Send a sample of your product and/or the flyer to select local newspapers or community newsletters that are read by your target demographic or those who might gift your product to that customer. Ask for a feature interview.
   3. Create a concise, memorable, and attractive marketing piece and post it on Instagram, Facebook, and any other platform that your target customers frequent.
5. Brand everything!
   1. Typically, the launch phase cannot support the cost of custom boxes and tissue paper with your logo (and tagline), professionally printed cards and stickers, etc.
   2. You can more economically brand everything by purchasing blank stickers, folded notecards, postcards and whatever else you need, and printing on them your selected border, logo, tagline, text, etc.

*Tip: Avery supplies many templates for their labels, or you can design your stickers and cards on several online services but be wary of those that do not allow download of your design and provide only professional printing of your design.*

* 1. To ensure your brand/logo is what customers first see upon receiving a package from you, I suggest not reusing boxes from online retailers. Those boxes have the retailer’s printed logo, tape, shipping labels, etc. Although it’s economical to repurpose those boxes, it does not provide a “clean” first impression to your customers.

*Tip: I purchase appropriately sized, lightweight shipping boxes from Uline.com. (Most are brown but some are white, which is preferred to highlight your logo sticker.) Order quantities can be as low as 10 boxes that are shipped for next-day delivery. Shipping costs are relatively high, so ensure your box size fits your product and, in the beginning, purchase enough for only one month.*

1. Make Opening your Package an Experience
   1. What do you want your customers to feel when they receive and open your package?
      1. Are you Target, effective & straightforward packaging from a trusted retailer, Neiman Marcus, unrivaled in luxe packaging, or somewhere in between?
   2. Until you’ve achieved consistency in your success via a healthy bottom line, find ways to economize, especially if you want to stive for a unique, personalized package.
      1. What is most important to you about your package that is worth the cost of incorporating your brand (e.g., logo and tagline)?

*Tip: I wanted to brand the outside of my package with a logo sticker and the inside of my box with tissue paper that depicted my logo and tagline. I use zazzle.com for the custom paper. It is not inexpensive, and the shipping costs are high, but it is the one area in which I chose to make my mark, literally. I use only two sheets per box (never more) so my logo is the first thing customers see when they open the package. Behind those two sheets, I place burgundy tissue paper, which is consistent with the color of my logo and is much more economical. For large boxes, my logo tissue paper serves as a “band” across the top of a sea of burgundy.*

* 1. Add something uniquely yours to the packaging

*For example, I wanted to engage more than just sight with my customers. I wanted each of my packages to also have the signature scent. Accordingly, I purchased Fresh Scents “Hello Gorgeous” Scent Packets from bedbathandbeyond.com for my packages since the colors worked well with my brand.*

*Other Fresh Scents Packets might be more appropriate for you (e.g., Hello Sunshine). There are three per package and retail for $5.99 to $6.99. They also are available on Amazon, typically in lots of six instead of three.*

*Some customers have placed them around their homes, in their dresser drawers or closets as air fresheners. They consider the scent packets a gift with their purchase … and everyone likes a gift with purchase!*

* 1. If you use tissue paper to package your product, it is much more economical to purchase tissue paper in bulk in your selected color(s) from Uline.com after you have a steady number of sales. (Until then, I purchased smaller quantities from Amazon: 96 15”x20” sheets for $9.98) The Uline tissue is of high quality and even the larger sizes are not folded. They are shipped flat, which makes a difference in the appearance of the interior of your packages.
     1. Uline is a bulk retailer, so you will receive a lot of tissue paper when ordering from them, typically 480 or 960 sheets for $35 to $38 (plus tax and shipping) depending upon size. Remember to select a size that fits well within your shipping box(es) or mailers. Because I ship garments in large boxes, I order 18”x24” tissue in white to place in garment folds, and 20”x30” in burgundy for lining my boxes.

1. Make it Personal – Do the Unexpected and Go the Extra Mile
   1. When photographing an item to be listed for sale, ensure that product looks its best for the photo. (You will see more than your fair share of straight-from-the -dryer, wrinkled t-shirts and other crumpled items on Poshmark.) For garments with wrinkles, use your Grandmother’s steamer on the garment prior to photographing it. The photograph is what potential buyers see first. Make sure it’s a good one!
   2. If you receive an order online, send a message to the buyer after you’ve packaged and addressed the box so they have acknowledgement from you and know when to expect delivery.
   3. Always include a Thank You note in your packages. I use an Avery notecard, with my logo, tagline, and standard Thank You for Your Purchase text on the front, and a personalized note on the back.
   4. If you become aware of a personal situation, family crisis or celebratory event through your online dialogue with a buyer, send a follow-up message (online or via snail mail) a few weeks later to inquire about status and to convey your concern, thoughts, prayers, congratulations, or whatever is most appropriate. (Your grandmother is unparalleled when it comes to this!)
   5. Keep a record of your buyers including the date, what was purchased, their address, and anything extra you included in the package, even the Fresh Scents if you elect to use them. You then have the information at your fingertips for follow-up notes, holiday greetings, etc.
      1. Instead of retail holiday cards, consider using your blank Avery perforated cardstock so you can include your logo and tagline. Remember, Brand Everything!
2. Consistency & FAIR PRICING win repeat customers
   1. Once you’ve established a Poshmark listing format you feel is descriptive, informative, but also concise, stick with it! Your customers will learn precisely where to look for the information that is of the greatest interest to them.
      1. Always include measurements. Because Poshmark buyers cannot return items simply because they don’t fit or they don’t like the size, savvy buyers will do all they can to ensure fit prior to purchasing.
   2. When establishing the price for the listing, search Poshmark for the same item. For how much is it listed and whether it’s in the same condition as yours? Especially in the beginning, undercut the competition by just a dollar or two so you have the most economical listing for the same item.
   3. Wondering what photos to include in your listings? Look at online retail sites you admire. What types of photos and angles do they use? Also spend hours looking at other Poshmark closets. You can do better! Adapt the Best of the Best for your use and make note of what irks you about other listings. Always do the former. Never do the latter.
   4. When you’re satisfied with your packaging, be consistent. Repeat buyers should anticipate the exact same experience each time they purchase from you. Consistency also lends itself to efficiency. Packaging will seem to take forever at first, but you will find ways to streamline the process without sacrificing quality which decreases the time you have to invest in packaging.
3. Flip the Script: Own your Mistakes & Provide Restitution Many Times Over
   1. Warren Buffet claims “It takes 20 years to build a reputation and five minutes to ruin it.” Even though you haven’t yet been on the planet for 20 years, Makayla, you get the gist. We all make mistakes, more so in the beginning when we’re identifying Best Practices for our new business. When you make a mistake, offer more than a refund. Ask the client what you can do, in addition to a refund, to make things right.

*A picture containing accessory, necklet

Description automatically generatedFor example, I packed one of my early Poshmark sales, a chunky necklace, in a box that was too shallow for the accessory. Several charms broke off while in transit to the buyer. She insisted she did not want a refund; however, I was more insistent that I could not leave things as they were.*

*The client finally admitted she was pining for a garment in my closet and asked if I would sell it to her at a discount. At a retail cost of $325, it was the most expensive item in my closet: a fully sequined pink knit top by a well-known Plus Size designer.*

*I sold the tunic to the client for the cost of discounted shipping, $6. Beyond that, I gifted her two pairs of matching slacks from my home closet and ordered earrings and bracelets to complement the pink sequin top for delivery directly to her, gift wrapped by the retailer.*

*The client wore the ensemble to her son’s wedding, now interacts with me every week, and shops from my Poshmark closet at least once each month. You see, I “flipped the script” so what she remembers is not the mistake I made, but everything positive about her first transaction with me, instead. In going above and beyond, I cultivated a repeat customer, which is what we all most want in our new businesses.*

1. PoshMark is not the only fish in the sea
   1. There’s nothing to say you cannot post an item on multiple sites. In fact, it likely will increase sales or the timeliness of each sale.
   2. You’ve already taken the photographs, so consider also listing items on sites other than Poshmark (e.g., eBay, Mercari, Kidizen (specializes in children’s clothes), and even ThredUP, who will buy clothes from you and resell them at a higher price).

In closing, Makayla, everything in this Discussion Guide is meant to spark in-depth conversations, not dictate the “right” way to do things. You will find your “right way” as you develop your brand and grow your business. I have no doubt you will meet your every benchmark and be as successful as you dream to be! Only two principles are sacrosanct to me:   
Brand Everything & Protect Your Brand!

Best of luck to you in your new adventurous endeavor.  
If you invest the time and effort, the rewards will be plentiful.