

Savvy Sellers and Bargain Hunters

Basic Guide to Yard Sales and Consignment Shops

Jennifer Hunter, Family Financial Management



Are you trying to reduce clutter in your house? Have you recently cleaned out a closet, basement, attic, or garage? If so, it might be a good time to consider selling your gently used but unneeded items at a yard sale or consignment shop. Are you trying to outfit the family for back-to-school? Are you considering redecorating a room in your home? Do you need to furnish a college apartment? If so, you might be able to save substantially by checking out local yard sales and consignment shops. To be a successful seller or bargain hunter, use the following tips to maximize profits and savings.

Yard Sales

Hosting a yard sale is a great way to eliminate unused items from your household while also earning extra cash. Yard sale shopping is a great way to find items you need at bargain prices.

Hosting

If you host a yard sale:

- Plan well in advance. Preparing for a yard sale takes time. Start by organizing the items that you want to include in the yard sale in one location.
- Sort items into similar groups (household goods, children's clothing, women's clothing, shoes, toys, baby items, etc.).
- Consider your location. Will buyers be able to easily access your sale? If your location is not ideal, talk with a friend or family member about hosting a joint or multi-family sale at their location.
- Price all items before the sale. Attend yard sales in your area to get ideas about how to price your items. In determining a price, consider what you will be willing to pay for a similar type item at a yard sale. Be certain to consider condition (new, like-new, good used, or used) in pricing the item. Be realistic with yourself; realize that even though you may have sentimental attachment to an item that does not make it worth more to customers. You can use masking tape or small stickers for pricing. You might consider a pricing strategy that allows you to make price signs instead of using stickers, such as "All books \$.50 each" or "All clothes \$1.00 each." Remember buyers like to negotiate prices, so be flexible.
- Some city ordinances require a yard sale permit or have restrictions about where and how early you can start advertising your sale. Check with your local government about any ordinances; this information is usually available on your local government website.

- Carefully consider time of day, week, and month. Yard sale shoppers tend to be early birds; start your sale by 8:00 A.M., but realize that people may be knocking on your door as early as 6:00 or 7:00, so be completely ready the night before. Friday and Saturdays are the most popular days of the week to host a yard sale. People tend to have more disposable income at the beginning of the month compared to the end of the month. The first Friday and Saturday of the month would be a good weekend to host a yard sale.
- Advertise! Spread the word through friends who may be interested in the type of items you have. Identify target customers. For example, if you have baby clothes and gear, take a flyer to a local mom's club or play group. Check with your local newspaper about classified ad rates and deadlines. If the price is not too high, a print classified ad is a great way to promote your sale. Use social media, such as Facebook, as well as free online classifieds such as Craigslist. Ask friends and family to share the information. Place signs in key locations such as major intersections and street corners that will help people find your sale.
- On the day of the sale, make certain you have help with the sale—perhaps a family member or friend.
- Have a dedicated cash box and never leave it unattended. Start the day off with plenty of change. Consider pricing items in \$.25 increments so that making change is easy.
- Plan your day. Check your local newspaper and websites for upcoming yard sales. Map out all of the yard sales you plan to visit the night before. Develop a logical order so that you are not driving back and forth across town. Online mapping tools such as MapQuest or Google Maps can help you choose the best route, which saves both time and gasoline.
- Take a list of items you are looking for to help you stay on track. Don't be tempted to buy items you do not need. Carry a tape measure and any measurements you may need with you.
- Negotiate! Don't be afraid to ask sellers to lower their price. Negotiating price is part of the fun of yard sale shopping. If there are several items you are interested in, ask the seller for bulk deal or price.
- Typically yard sales have a no return policy, so be certain of what you are buying. Check sizes, washing instructions, and condition of items. Check clothes carefully for stains, holes, broken zippers, missing buttons, etc.
- Carry cash, preferably in small bills. Some yard sales may accept checks, but there are no guarantees. Carry with you only the amount of cash you are willing to spend for the day so that you will not be tempted to overspend. Large bills, especially early in the day, may be difficult for a seller to break if you are only buying a few dollars worth of items.
- Ask a friend or family member to join you while yard sale shopping. Shopping is more fun with a partner, and they can provide an extra set of eyes to search for the items on your list and to help double check condition.

Attending

If you are searching for yard sale bargains:

- Start early. The statement “the early bird gets the worm” is definitely true at a yard sale. Professional yard sale shoppers will be out early looking for great deals. Remember, a yard sale will often open up before the advertised start time. Starting early will give you the greatest pick of merchandise; this is especially important if you are shopping for specific items. However, sellers are less likely to negotiate prices early in the sale. If you see an item you like but cannot reach an agreement on price, stop back later when the seller might be more motivated to reduce the price or negotiate.

Consignment, Thrift, and Resale Shops

Clothing is one of the largest spending temptations. The desire to look your best for a special occasion or at work or school is natural; however, there are many ways to maintain a stylish and up-to-date wardrobe while being conscious of your monthly budget. Instead of packing your old clothes in the attic and heading to the mall to buy new, consider selling your unwanted items and dressing up your wardrobe at a local consignment shop.

Typically a resale shop buys your clothes up front. You take in the items you want to sell, the shop selects the items they want, and they pay you immediately. A consignment shop pays you a percentage of the selling price of your item only after it has sold.

Becoming a Consigner

The following steps will help you find the store that suits your needs for selling.

- Know the difference between resale and consignment shops. Typically a resale shop buys your clothes up front. You take in the items you want to sell, the shop selects the items they want, and they pay you immediately. A consignment shop pays you a percentage of the selling price of your item only after it has sold. You will usually earn more by becoming a consigner as opposed to selling at resale shops, but you do have to wait longer for your money. Both resale and consignment shops typically offer a seller's premium, meaning they will pay you more if you are willing to accept store credit instead of cash. If you know you will be shopping at the store in the future, store credit will earn you the most money.
- Visit your local resale and consignment shops. Find a store with items similar to the ones you want to sell. Secondhand shops will often target specific clientele, so instead of a shop offering all types of clothing for all age groups, a shop may sell only children's clothing or only women's professional wear. Finding the store or stores that have clothes that are similar in both style and brand to the items you have will help you earn the most money. Many stores also accept accessories such as jewelry, purses, belts, scarves, and shoes. Other stores may accept home furnishings or children's toys as well.
- Once you have identified the stores that match your style, find out the consigner policies. Different stores will have different policies. Some stores will only accept specific name brand items or items that were purchased within the last two years. Usually items must be in new, like new, or gently worn condition. Items should be free of stains and holes and freshly laundered. Some stores require you to bring items on hangers; others like to hang the items themselves. Some stores only accept seasonal clothing during specific periods; other stores accept all seasons year round. Knowing a store's policy ahead of time will save you time and effort. Stores will reject items that do not fit their policies.
- Ask key questions of the store, including:
 - » How can I access my account?
 - » When and how do I get paid?
 - » What happens if my clothing does not sell?
 - » When do you mark items down?



Most consignment stores will provide you with a consigner number that you can use to check your account by either calling the store or accessing the information online. If a store offers the option, an online account is a great way to check your inventory, monitor which items have sold, and view your balance.

- Prepare your items prior to taking them to the store. If you are consigning clothes, obviously you want someone else to be attracted to and purchase your items. Therefore, carefully review each piece of clothing; check the garment for stains, missing buttons, broken zippers, pet hair, smells, etc. Also, most stores will not press your clothing for you; therefore, iron your clothing beforehand.

Becoming a Bargain Hunter

Resale, consignment, and thrift shopping can be a way to find like-new clothing for bargain prices. Typically secondhand shops price items 25 to 75 percent off of new retail cost. A dress that may cost \$100 new might be priced at \$25 in a consignment shop. During end of season sales, prices may be discounted even more. Remember:

- Explore the secondhand shops in your area. Find the stores that offer items with brands, styles, and sizes that fit your taste and needs. Sign up for store mailers and like social media pages to get updates about sales or special items that come into the store. Ask if the store has a frequent shopper card.
- Be a picky shopper. At resale and consignment shops normally the store employees have looked over the items prior to accepting them, but you definitely need to double check. Look for stains, tears, missing buttons, broken zippers, holes in the pockets, etc. Also, check the sizing carefully; items that have been washed and dried may have shrunk, so make certain the clothes you are buying will fit.
- Thrift stores are different from resale and consignment stores. Items are donated to a thrift store. A thrift store will usually accept all items regardless of condition. Goodwill is an example of a nationwide thrift store. Prices may be even lower at thrift stores as compared to resale and consignment shops, but as a shopper you must be extra careful when checking garments for problems.
- Know the store's policies for returns. The majority of consignment stores will have a no-return policy. If the store does accept returns, expect a narrow window of time, such as 24 hours. A store credits the consigner's account when an item sells; therefore, it is difficult to manage returns. Resale shops are more likely to accept returns but again, it will be only for a short period of time, normally no longer than five to seven days. Thrift stores usually do not allow returns.

- To ensure that you are getting the highest quality merchandise at the best savings, check the brands of clothing. Different stores will have different pricing policies. Some stores may price all like items the same price. For example, all short-sleeve, knee-length dresses may be priced at \$10 regardless of brand. If you find a designer brand dress that you like for \$10 that might be a great deal; however, if it is a discount store chain dress you may be paying close to full retail price for the item.

Buying and selling at consignment shops can be a fun way to earn extra cash and save money on items that you need. Yard sales and consignment shops can be a great way to eliminate clutter from your house and a source of bargains. Whether you are shopping or buying, remember to be patient. It takes time and effort to properly prepare your items for sale. On the flip side, if you are looking for that perfect dress or pair of shoes for an event, you will need to plan ahead and check back often.

References

NARTS: The Association of Resale Professionals. How to Prepare Your Items for Resale. Retrieved June 2013 from <http://www.narts.org/i4a/pages/index.cfm?pageid=3312>.

NARTS: The Association of Resale Professionals. How to Shop Resale. Retrieved June 2013 from <http://www.narts.org/i4a/pages/index.cfm?pageid=3311>.