

Are Your Prices Too High or Too Low?

This is always the big question!

If you are not selling enough, perhaps your prices are too high or you are not presenting the items that people currently want. (Could be both!) If you are selling out, your items could be priced too low, especially if your income is not meeting expectations.

The best pricing strategy is quite simple: maximize your profits while ensuring customer satisfaction. (Yeah, it's that simple!)

Pricing right, though, is always tough for resale items. Below are some strategies to consider when pricing your stock.

Many dealers use the 3X rule: the sale price of an object should be set at 3x the cost of acquiring and restoring/fixing/cleaning an object.

Here is an example: a wooden end table cost you \$10 at a garage sale and you have to put in another \$10 to clean and restain it for a total of \$20. $\$20 \times 3 = \60 . Would you be able to sell this nice little end table that needs a bit of TLC for \$60? *(The table below is not the table in the story FYI—just an example of a very nice end table.)*



Here's what else to consider beyond the cost and time you put into sourcing, your booth costs, and materials to sell items (such as tags):

- Condition—What is the condition: Mint or needs care
- Seasonal—can you sell this item now or have to wait until Fall or the Holiday season? Do you have room to store it till then?
- Supply and Demand—is it unique or does every second booth have something similar?
- Competition—Are other dealers selling this item cheaper in-store or online?



According to the ***Vintage Booth Pro*** website, here are the five rules of pricing:

1. Understand your market and your buyers—how much they can afford, what do they like or are looking for, what's their age and gender?
2. Know your goal? Do you want to sell items quickly or are you there for the long haul?
3. Research! Focus on value—not cost. Research every object online in several places and whether the item is fairly common in other antique malls or shops and Early Owego.
4. Keep up your research on Trends and Competition—study other dealers' booths and know how they are pricing items so you can plan accordingly.
5. Test, monitor, adjust—if something is not selling, then lower the price...it just entails rewriting the tag. Or you could take it out of the booth for a while and bring it back later when you feel it's time again—maybe then

you'll have different objects to surround it, which might make it more attractive to a buyer.

In the June edition of Dealer Notes, we'll discuss pricing psychology. If you have your own ideas about pricing, give us a hollar at communications@earlyowego.com. Otherwise, have a great time curating and selling at Early Owego!