



NONPROFIT RETAIL MATTERS

- Creating a mission-driven store
- 4 P's of Marketing
- Legal concerns
- Resources

RETAIL CONNECTS THE MISSION OF YOUR INSTITUTION WITH VISITORS

- Connect experience to sales.
- Store is often the last impression of your institution.





4 P'S OF MARKETING

- Product
- Price
- Place
- Promotion

PRODUCT

- What is your story?
- Purchase items that educate, inspire and enhance your story.



PRODUCT DEVELOPMENT

- Be diligent obtaining rights for images.
- Don't cut corners representing your institution.





Connect products to events and locations within your institution. It takes planning!

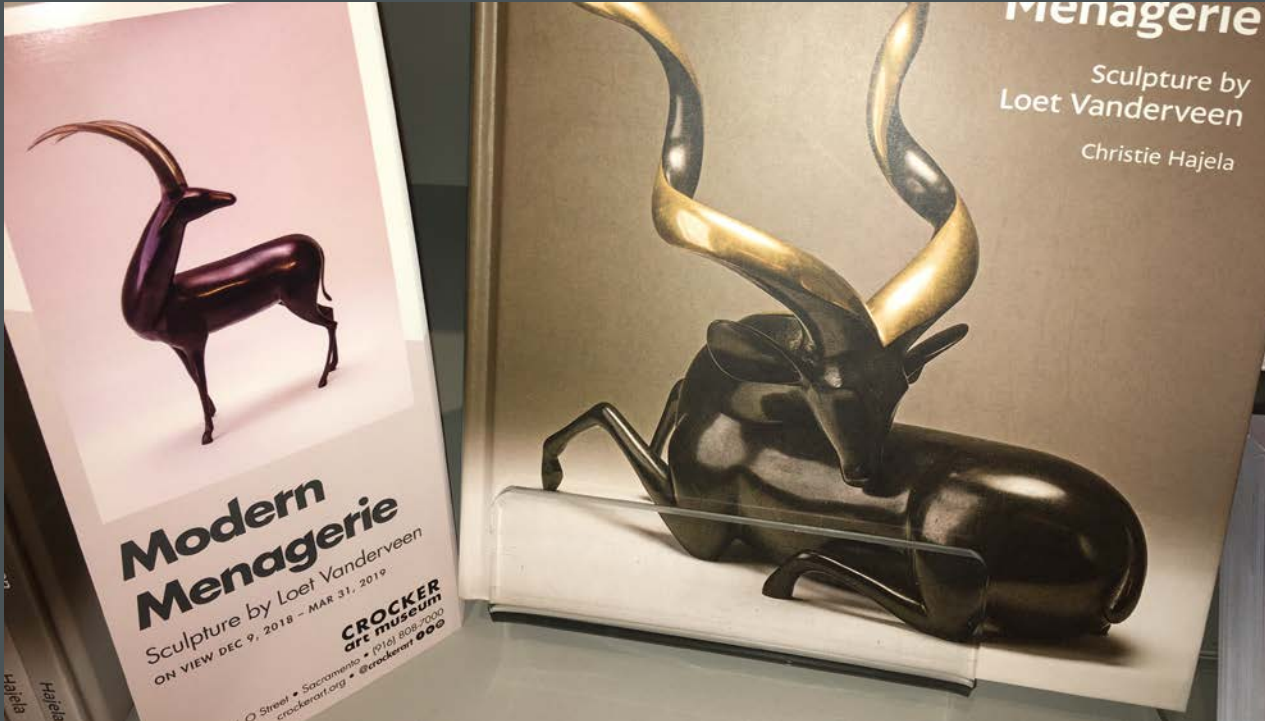


CROSS PROMOTE EVENTS AND PRODUCTS

Connect and Communicate
with other departments.



ADD SIGNAGE
FOR CLARITY
AND PURPOSE



PRICE
WHAT SHOULD I
CHARGE?

Base markup- 2.3-2.6

Some items have set markup

Items that are unique to your business
and can handle 2.7-3.0 markup

Factor in theft, stale inventory, broken
or outdated items.

PLACE

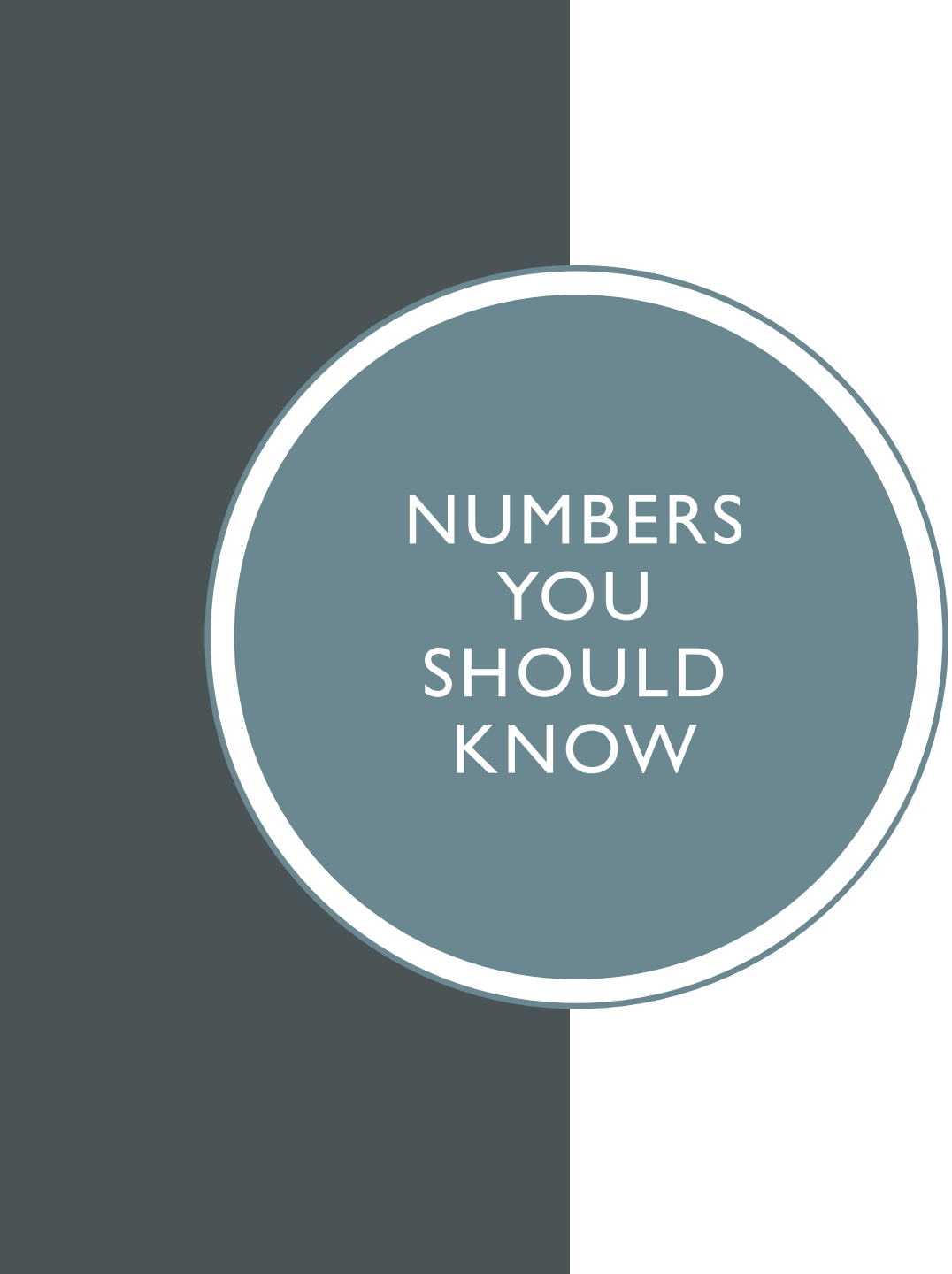
- Merchandising vs display
- Add educational component





PROMOTION

- Story Selling- educate your staff
- Signage
- Social Media
- Outreach to other institutions that might purchase your unique publications or products for resale.



NUMBERS YOU SHOULD KNOW

- What are your daily, weekly, monthly and annual sales.
- Cost of Goods.
- UPT- Units per Transaction – how many items per sale (Transaction/items sold).
- Profit Margin – Retail minus cost divided by retail will give you percentage.
- Book example $\$55 - \$30 / \$55 = 45\%$ margin
- Track specific items purchased for event, exhibit or program. This will inform future purchases.
- Start comparing numbers to get realistic snapshot.

HOW ARE YOU
CONNECTING
TO
CUSTOMER?



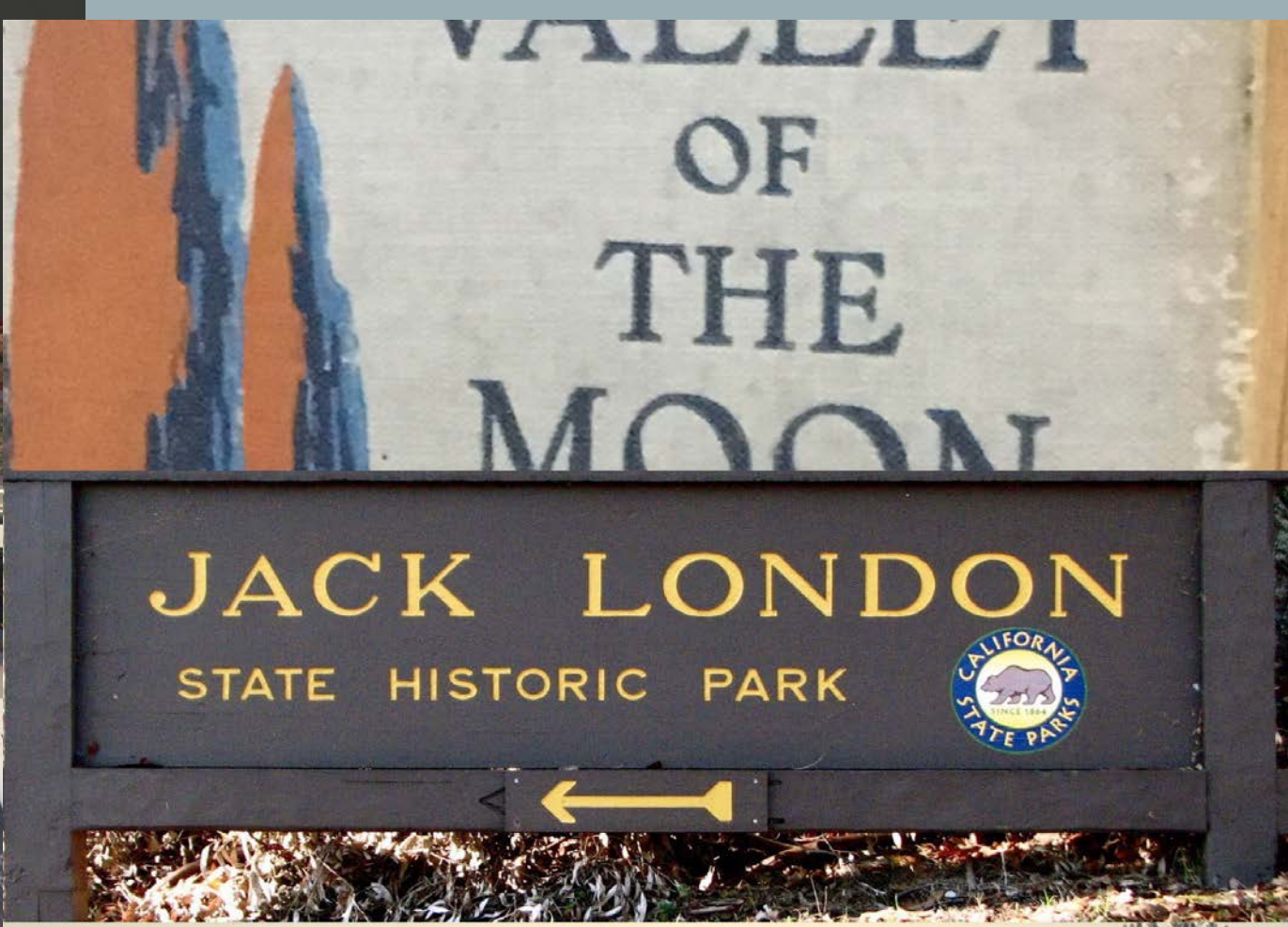
LEGAL –UBIT
UNRELATED BUSINESS
INCOME TAX

A nonprofit, tax-exempt organization is not taxed on income that comes from an activity that is substantially related to the charitable, educational, or other purpose that is the basis for the organization's tax-exemption.



Images from the
Crocker collection

CROCKER
art museum



CAN YOU EXPLAIN HOW
YOUR ITEMS CONNECT TO
YOUR MISSION?

SALES TAX

- Check State Sales Tax and County Sales tax.
- Have it updated in POS system
- CA sales tax is 7.25%.
- County tax adds to CA.
- Check with IRS for payment schedule.



MSA MUSEUM STORE ASSOCIATION

MSA'S MISSION

The MSA community advances the nonprofit retail industry and the professionals engaged in it through advocacy, education, and collaboration.



- Your store is central to extending the visitors experience beyond the front doors.
- You have the dual mission to be profitable and act as a brand ambassador for the institution.
- When visitors choose to spend their time at your museum, zoo, botanic garden, library or other institution they have an expectation of quality .
- MSA is a community of non-profit retailers who all have the same goal – to be successful.

<https://www.museumstoreassociation.org/>

SHOPTALK

- Welcome to ShopTalk!
- ShopTalk groups are the best way to network with your peers! Ask questions, join a group, see what's happening in your local area.
- [ShopTalk](#) | [Museum Shops Over 500k](#) | [Science Museums](#) | [MSA Vendors](#) | [City Stores](#) | [Historic Sites](#) | [Retail Pro Users](#) | [TAM Users](#) | [Food Service Managers](#) | [Performing Arts/Theater](#)

SHOP MUSEUM STORE SUNDAY:

Museums foster ongoing appreciation and knowledge of art, nature, culture, science, and history. When you purchase a gift from the museum store, you help to sustain the museum's service to their community and the public. Be a patron on Museum Store Sunday and every day throughout the year.

More than 1,200 Museum Stores representing all 50 states, 15 countries and four continents worldwide will be offering special events and promotions on Museum Store Sunday - December 1, 2019. Find a participating museum store near you and join our mailing list for the latest Museum Store Sunday news.



12.01.19

THANK YOU
PPESETTI@SVMA.ORG