

START & RUN AN ADULT BOUTIQUE

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Part I

STARTING *YOUR BUSINESS*
AND SETTLING IN



1

THINGS TO CONSIDER BEFORE YOU BEGIN



The decision to start and run your own business is a big one. You must consider many things before you spend the money on setting up a store. Owning an adult boutique is not everyone's cup of tea even if it does sound like a lot of fun. This chapter discusses the first things you will need to consider to find out if starting and running an adult boutique is the right choice for you.

1. Do You Have the Motivation?

Do you have the motivational drive to accomplish your goals, as difficult as they may be? In the heat of the moment you may say "yes" quickly. However, it is very common for small-business owners to discontinue

their business because they are burnt out from all the work, or to have their business flounder because they do not put as much time and effort into it as they need to. If you are a smart and hard worker, you will find a way to make your business prosper, but without motivation, your business may never become a reality, much less profitable.

Working long hours, especially when the work becomes difficult, takes a lot of dedication. It also takes a lot of determination to perform your duties well. Before deciding to own your own business, it is imperative to ask yourself what kind of worker you are, realistically, in your everyday life — because you are most likely not going to change your work habits once you decide to own your own business. If you are

not a self-motivator and rarely ever take the initiative to get things done, you will be in trouble. No one is going to be there to make sure that you do all the things you need to do, never mind ensure that you do them correctly! Unless you are someone who lives by a mantra of getting things done and getting them done right, your dream of owning a profitable business may become the nightmare of owning an unsuccessful business, or it may never become more than just a dream.

Praise from an authority figure must not be your motivator because there will be no boss to give you any praise. A lot of your everyday duties, besides making the store look nice, will be behind the scenes of your store; for example, negotiating with your vendors for better prices or fixing a plumbing problem. Since your customers do not see this type of work being done, they will not be complimenting you for a job well done. Knowing that you have done a good job must be satisfaction in itself, which may be difficult to remember when you are working long hours.

Operating and overseeing your own business is like having two jobs, except that you are not sure when you are going to get paid for them, and you will not receive recognition for a lot of the work you do. You will have to wait patiently for any monetary rewards, because often a new business takes time to become profitable — sometimes six months to one year, or longer. However, if you work diligently you may start to see profit, and you may receive praise from your customers, which can be extremely rewarding.

2. Can You Manage Criticism?

Another question to ask yourself is whether or not you will be able to handle criticism and possible harassment from people with a negative opinion of adult boutiques. Even the oldest and most modest adult boutiques have received negative feedback from some people. Many times this negative feedback is minuscule compared to the positive feedback. However, it can be difficult to cope with and some people handle it better than others. You will most likely be able to mitigate the amount of complaints you receive by carefully choosing the type of image your store portrays as well as its location.

When I first opened my adult boutique, I had several people complaining to the police department or writing in to the local newspaper that my store was too risqué to be located in Vacaville. When I discussed their complaints with them, they were usually the same people that complained about stores such as Victoria's Secret, Frederick's of Hollywood, or Spencer's. This made me realize that their complaints were not actually against my store, but were complaints against stores that sold items they did not want other people to buy. These complainers did not want to allow others the ability to choose for themselves what they wanted to buy because of their own beliefs. Fortunately, when the complainers spoke to people other than me, the only thing they accomplished was to give me free advertising by letting other people know about my store. Besides the word-of-mouth exposure, some of these complainers even became customers once they realized that they could

not stop other people from shopping at my store!

3. Will You Do the Research?

Several factors helped me keep my head above water and produce profits sooner than other stores. I kept my current job as I researched the market, wrote my business plan, got all the paperwork in order, talked with business advisers, and found my location. I had already received my Masters in Business, but if I had not, I would have taken some classes in business at a community college or some other place while I was working.

There are also sources such as the Small Business Council of America (SBCA), Canada Business, local business offices, the Chamber of Commerce, and other business resources that you could get assistance from. A good library, bookstore, or Internet site will also have some excellent information about whatever part of the business that you do not fully understand. Receiving industry newsletters will also help you to learn about your specific industry.

Getting involved with local business associations will keep you informed with local business politics in your community. In doing so, you will also be able to have your say in any changes to regulations or laws that may occur in your area, and you can try to proactively shape the local business politics into something better for your store. Associations such as the Chamber of Commerce are also great resources for information on where to get help with a business concern or for general information you may

need to start your business. Becoming involved with business associations will also help you to network with other entrepreneurs at functions.

The next step I took before opening my business was advertising and participating in community events. This allowed my future customers to anticipate my store opening.

One of the biggest decisions I made was when to open the store, as I had to figure out what would be most beneficial. I decided that the best time would be a month before the Christmas holiday season, which is when people generally spend more money. I planned to open the store on November 30, which was centered around a tree lighting festival in the downtown area. The planning of this opening was crucial because thousands of people were in the area that evening, which provided the business with many customers and free advertising.

Try to open your business during a season when customers are more likely to spend money. The biggest season by far for an adult boutique that sells retail clothing is the month of October (for Halloween). December is the next biggest season because of Christmas, followed by Valentine's Day in February. June and July are also big seasons because of weddings and anniversaries.

Researching the best time to open your business will help give you a projected date for opening it, which will allow you to set a time line for when you will need to get all of your preparation work done. Without having a time line to accomplish your goals, it is easy to procrastinate and either open the doors a lot later than projected or never at all.

4. Are You Prepared Financially?

Being prepared financially usually makes work easier and allows a business owner to do the job better. This is especially true when preparing to start your business, as the process can be extremely stressful both mentally and financially. The following are some tips on how to alleviate these stresses.

First of all, if you are not cash-rich, keep your current job until you absolutely cannot work both jobs anymore. By doing this, you can start envisioning your business and getting a taste of what you are getting yourself into before you bite off more than you can chew. Keeping your current job will also help pay your bills, and you will hopefully save some money to help you through the months when your store is open but you are not yet making a profit. Budgeting for your personal bills when you open the store is just as important as budgeting for the bills that you will need to pay for the business.

It is difficult to know how much extra money you will need to have saved to start your business and keep it running, as you will not know exactly how much you'll be earning in profit. A general rule of thumb is to have enough cash to pay your business and personal bills for at least three to six months. It took several months for my business to start making a marginal profit, but

it is common for a non-chain retail business to take up to six months to a year to break into the profit zone, depending on the type of store it is and how the start-up is executed. Even if you are buying an existing business with an established clientele, you cannot be 100 percent sure of how much you will be making, so it is always wise to have a little more savings than you think you will need to pull through any difficult times.

The old mantra that it takes money to make money still remains true in the retail industry. Therefore, it is better to have more money than you need to start your business, rather than not enough money. When money starts flowing out of your checkbook like water, it becomes natural for some people to want to halt this flow. For example, some business owners may decide to stop advertising or to not order as much inventory, which may lead to lower sales and ultimately harm profits. Therefore, if you have already dedicated yourself and are taking the risk of owning a business, you will need to have the stamina to make sure that you are constantly making the correct choices for your business, even when you begin to feel nervous about spending.

A business is like any other living entity; it needs constant care and attention in order to make sure that it is continuously doing well.