



How To Start A Vendor Booth

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Opening a flea market vendor booth can be a rewarding full-time business or a nice part-time source of extra income. For the successful operator, the benefits can be great and the risk low.

The startup costs associated with opening a flea market booth are low as are the monthly overhead expenses and, for those who love shopping, acquiring inventory to sell can be fun.

Starting your own flea market business is pretty much common sense but, as with any business endeavor, it is best to have a well thought out plan. Here are several important preliminary steps you should make.

1. Choosing the right flea market
2. Deciding what to sell
3. Setting up – equipment
4. Merchandizing
5. Accounting
6. Legal requirements
7. Tax issues
8. Optimizing your time

Choosing the Right Flea market

Visit flea markets where you would consider selling and check out the customers and the vibe you get from walking around observing. Make sure the items you want to sell are allowed and that there is not too much competition unless you are selling once-of-a-kind items such as antiques. Talk to vendors to see if they are happy and doing well.

Outdoor or Indoor

The term flea market is derived from the French *marché aux puces*, which translates as "market of the fleas". The original flea markets were collections of vendor booths in an open-air setting. Today's flea markets may take place in temporary or fixed locations and be indoors, outdoors, or both. Today, flea markets offer both new and used goods.

Outdoor Markets

Outdoor flea markets will have lower rents but may have restricted hours and no security or fire alarm systems. Rarely will security camera be present. The mix of vendors is usually very eclectic and dominated by crafts, used merchandise, artisans, odd lots, closeouts and remainders.

Many outdoor markets draw large weekend traffic, and many cater to busloads of shoppers on tours.

Perhaps, the biggest drawback of outdoor markets is the security of inventory and the difficulty of keeping everything free from dust and grime. Outdoor booths require removal of inventory every night or locking it away in a secure locker.

Outdoor flea markets rarely enjoy loyal frequent repeat visitors making it impossible to build your brand.

Indoor Markets

Indoor markets are popping up in repurposed strip centers located in commercial districts on heavily trafficked main roads affording visibility of 30,000 cars per day and up in many places.

Rent will be higher in an indoor market, but it is well worth it when considering the number of inclement weather days that can totally shut down visitor traffic to an outdoor market - not to mention the discomfort of sitting all day in hot and humid or cold and damp conditions.

Choosing an indoor location can be particularly rewarding.

- Lousy weather may actually boost traffic whereas an outdoor booth without climate control will certainly increase the number of slow days – particularly on all important weekends.
- Dwell time is greater in a climate-controlled environment, which is important during the dog days of the summer as well as pollen season.
- Days and hours are the same as retail stores in the area. That means shoppers have more chances to buy your stuff.
- Inventory maintenance is easier indoors with no dust from the wind.
- Managing theft is far easier indoors.
- You can use the flea market physical address to open a Google listing, which will literally get you on the map.

Flea Market Operator

The operator of your flea market can have significant positive or negative impact on your business. Many are real estate investors “parking” land that they hope to develop in the future. This is especially true of outdoor markets that started in out of the main stream locations on what once was cheap land. As nearby towns grow nearer and land prices rise, these investors sell or redevelop. You may find your business out-of-business replaced by condos!

Things to Check

1. Does the facility have good visibility from the road?
2. Does it have good signage?
3. Does the market have a website with a directory of vendors?
4. Does the market have social media and do they post regularly.
Facebook - Twitter - Instagram – YouTube
5. Do they do any other form of advertising?
6. Is the facility clean and well-maintained?
7. Is the facility listed in flea market directories and did they claim their free listing if available?
 - a. <https://fleamarketzone.com/>
8. Do they help you with collecting sales taxes?

Sourcing Your Merchandise

Estate, Garage or Tag Sales

Many flea market vendors acquire their merchandise at estate and tag sales. This requires effort and can often times conflict with your store hours so plan carefully. Most operators don't open before 10:00 AM. So go early before your open to get the best selection. Estate sales get picked over early.

eBay

Explore eBay auctions for items that you feel will resonate with your shoppers.

Craig's List

Make it a practice to scroll through local Craig's List listings.

Local Artisans

Local crafters can often be a good source of interesting merchandise. Try asking them to offer few of their items on consignment or simply ask to buy a few items at a discount.

Self-Storage Auctions

While it is certainly possible to occasionally acquire some interesting merchandise at self-storage auctions, you need to be knowledgeable as to what is value and what isn't. Also beware that there are many scams in self-storage auctions. For example, a box marked "baseball cards" tucked away in a unit but clearly visible that is really empty!

The more successful you become you'll have to replenish your inventory regularly. You want your merchandise to be cheap but you also want the condition to be good. One source to accomplish both is through liquidation vendors where you can purchase merchandise at low prices to generate good margins for you.

Stock Liquidators

The liquidation industry offers bulk access to top name brands at drastically low pricing. Liquidation merchandise is an umbrella term for several categories of consumer items including customer returned items, shelf pulled (discontinued) items, and retail overstocked items.

STOCK LIQUIDATORS



Setting Up – Equipment

Once you have signed a rental agreement and been assigned a space you will need some basic equipment.

- Phone
- Pens
- Boxes and bags
- Cash Box - lockable
- Computer and Internet access (Wi-Fi usually provided by the market)
- Moving equipment
- Vehicle
- Display tables, counters

Merchandizing

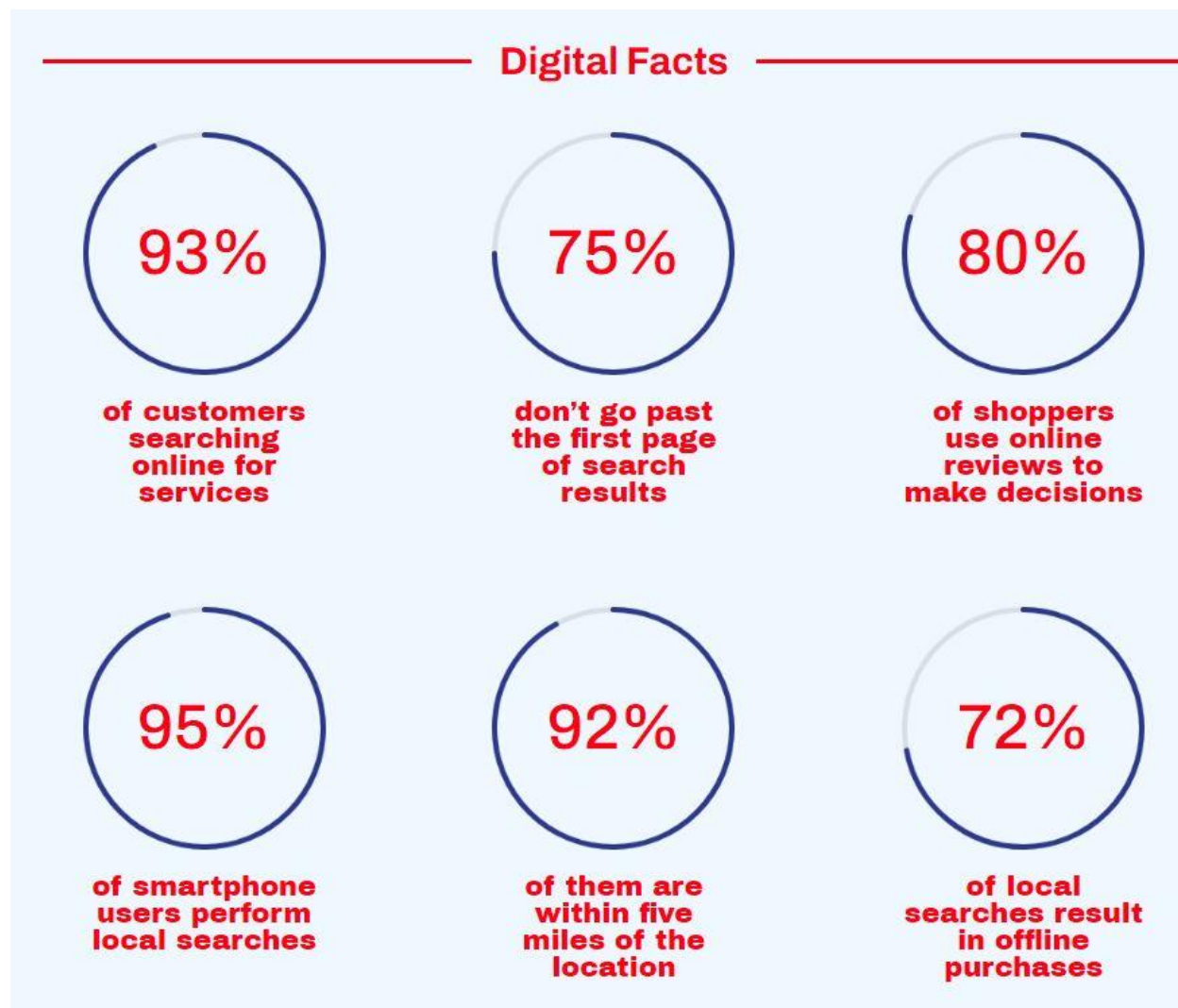
Here are some simple tips for merchandizing your booth.

1. Plan your space for the type of merchandise you are selling. For example, smaller, breakable or valuable items vulnerable to shoplifting are best placed in display cases. (Display cases can often be found at store closing liquidation sales.)
2. Fragile items should be kept in the back of table away from meddling hands.
3. Clothing racks are great for display allowing for easy price tagging as well.
4. Make sure your booth and products are clean and organized.
5. Constantly rotate best selling items to the front, if possible.

Marketing Your Booth

While most booth operators rely on the flea market operator to market the location, you should take advantage of the slow times at your booth to do some simple digital marketing – it's easier than you may think.

Take a look at these digital facts:



1-Page Website

One of the new trends on the internet are single page websites. With the popularity of landing pages tied to social media and Google Ads, single page sites have cropped up as an alternative.

Setting Up a 1-page website is inexpensive and easy to maintain. Create your own brand (learn about branding [here.](#))

Click logo for some examples from Carolina Online Marketing.



Social Media

Facebook

Facebook is your free access to a huge audience of potential shoppers.

Here's how to get a Facebook account for your business.

Once you have an account post often and try boosting a few posts for \$10.

Take advantage of Facebook's free online store. You don't have to post your whole inventory. Just post new arrivals and best sellers.

Google My Business

Google is pushing local search and a Google My Business can be your best friend. You can create a free listing using the flea market physical address.

Legal Requirements

Business Licenses

Horry County requires every business to have a business license. However, if you have a business license form [Myrtle Beach](#) or [North Myrtle Beach](#) you do not need one from the county.

Sales Taxes - [Here is a link to the SC Department of Revenue FAQ page for sales tax](#)

By having a physical presence in Myrtle Beach or North Myrtle Beach, you have a South Carolina nexus. Nexus is simply a sufficient connection (an activity, transaction, property, etc.) between South Carolina and a taxpayer which allows the state to impose its taxing jurisdiction.

You are selling taxable goods and services to South Carolina residents therefore your buyers are required to pay South Carolina Sales Taxes.

The table below lists the tax rates for each city.

Jurisdiction	State Tax	County Tax	City Tax	Special Tax	Combined
Myrtle Beach	6.0%	0%	1%	2%	9%
North Myrtle Beach	6.0%	0%	0%	2%	8%

Many vendors simply include the sales tax in their price tags and pay the taxes.

Sales Taxes

Register for a sales tax ID number.

Income Taxes

Obtain a Federal Employee Tax Identification Number (EIN)

Regardless of your type of organization you will need to obtain an EIN number in order to open a bank account in the business name. You can do this for free at the IRS [online](#) by answering a few simple questions. You **do not need to use a paid service**, which will ask you exactly the same questions as the IRS will. Make sure if you choose to receive your EIN online that you save the EIN letter as the IRS will not send you a copy. Print it out and put it in safe place and save it on your computer as well.

If you are the sole owner of the business or you created an LLC or S corporation with the state, the company is considered by the IRS as a disregarded entity, and you will simply put the business results on your own 1040 using a Schedule C.

[Download Schedule C pdf](#)

[Download Instructions For Schedule C pdf](#)

Legal Organization

This is a step that many small business owners ignore – to their peril. There are two primary reason to create a legal business entity for your vendor booth.

1. Limited Liability - if you do not register with the state as a corporation or limited liability company (LLC) you are considered a sole proprietor and you are personally liable for everything your business does. All of your personal assets are subject to an adverse judgment. In other words, if you are sued and lose everything you own can be seized by the court unless you file for bankruptcy and even then there are limitations to the protection the bankruptcy statutes provide. Corporations and LLC's provide limited liability – only the assets are subject to forfeiture.
2. Tax Deductions – You are less likely to be audited for certain deductions if you follow proper corporate governance procedures such as:
 - a. Maintaining a separate bank account for the business and do not comingle funds¹.
 - b. Open a debit or credit card in the business name (usually attached to the business checking account).
 - c. Use a separate email for your business.
 - d. If you open a PayPal account use your business email.
 - e. Pay for business items (inventory, rent etc.) with business checks or credit/debit card.
 - f. Filing annual reports with the state (quite simple in South Carolina)

Accounting

Software

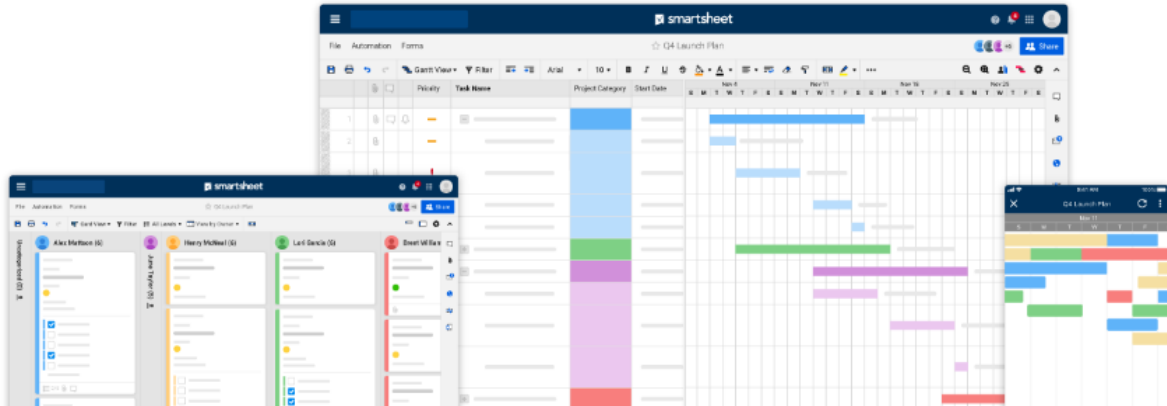
Every business needs to keep records of sales, purchases, returns, refunds, expenses, inventory, sales taxes and payroll. Depending on level of the activity accounting software or possibly spreadsheets will be required. Fortunately, popular software is relatively inexpensive and easy to learn.



¹ Pay for business items from the business account and personal items from your personal accounts. Do not deposit sales receipts in your personal account.

Spreadsheets

Growing in popularity for small businesses is the use of premade smart spreadsheet templates.



Free 1-Hour Consultation

Just contact us for a tour of our facilities and one full hour of free consultation with our management.

Nothing in this primer is to be construed as legal advice. It is always best to consult with an attorney to answer any questions about legal matters.