

Get paid to make gift baskets!

FabJob Guide to
**Become a
Gift Basket
Business Owner**



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1. Introduction

Are you the type of person who's just brimming with creative ideas? Are you always looking for another reason to celebrate? Are you known among your friends and family for giving the perfect card or gift, or for taking the time to craft a gift package by hand rather than buying something boring or cliché?

If you are interested in taking these skills and making money with them, this FabJob guide is for you! Welcome to the fun and satisfying world of running your own gift basket business. In this guide you'll learn how to start and run a successful business from your home, making beautiful gift baskets that you sell to well-wishers in your city or town, or even across the country.

1.1 A Career in the Gift Basket Business

Imagine a large box, covered in cellophane, and topped with a big bow arriving at your desk at work, or the front door of your home. Inside it's stuffed with goodies, maybe decadent chocolate, imported olives, exotic fruit, or a piece of jewelry, your favorite DVD, or tickets to a show.

Receiving a gift basket immediately brightens your mood, makes you feel special, or rewards you for an important moment in your life.

Gift baskets are so versatile that they make a great gift for anyone for just about any occasion. They express sentiment when words fail us. They are a more personalized and tasteful substitute for balloons, and are longer-lasting and more practical than flowers. Although Christmas, Valentine's Day and Mother's Day are very popular times for the gift basket business, people give gift baskets for all sorts of reasons, and not just at holidays, but all year long. They also enjoy the advantage of being an appropriate gesture of expression in the corporate world (a great market to target).

1.1.1 The Market for Gift Baskets

According to one government source, "Creating gift baskets for customers looking for that 'perfect gift' is one of the fastest-growing types of businesses in North America." A survey conducted by gift basket industry consultants Sweet Survival found that the gift market business topped \$3.3 billion in sales in 2008. Even when cash is tight, busy, time-strapped people are turning on to convenience, regardless of the cost. Businesses that help people save time are flourishing — the common expression these days is that "time is the new money."

There are some really big gift basket companies out there, but there is also a significant market of smaller, independent custom basket-makers too. The independents can work from home or a nearby warehouse space, although some choose to set up a retail shop as well. There are even some online "gift basket companies" that don't make gift baskets at all — they sell baskets via their website, but partner with a fulfillment service that makes and ships the gift baskets for them instead.

In recent years, selling gift baskets to corporate clients has become big business for gift basket business owners. 66% of gift basket business owners report that over half of their overall business comes from corporate clients. According to an annual survey by *Gift Basket Review* magazine, the average price of a corporate gift basket is about \$62, while the average price of a non-corporate basket is closer to \$48. Corporate clients also tend to place large (\$1,000 or more) orders and/or repeat orders, and help keep business flowing at non-holiday times of the year.

Like many other industries, in the last decade the Internet has inspired groundbreaking changes in the way gift basket companies do business. Online selling is now a major component of marketing strategies, and companies can receive orders from and ship baskets to anywhere in North America. The rising cost of gas has turned some of the focus back to local markets, though.

According to *Gift Basket Review's* survey, the dominant trend in the market is increasing personalization of the contents of the basket, and even the basket and ribbon. Customers are becoming aware of the difference between handmade baskets, and what you can find down the street at Wal-Mart... which is great news for up-and-coming custom basket makers like you!

1.1.2 Benefits of this Career

Getting out of the “rat race” and working from home making beautiful gifts has so many perks. No doubt you have your own reasons why starting a gift basket business is right for you right now. Here are some of the benefits you’ll enjoy in this career.

Creative, Fun, and Rewarding Work

Like an artist or musician, you will have an outlet to create beautiful things every day. Imagine the fun of browsing unique, adorable or gourmet items, and then buying the best ones for your baskets. Your creative side will be satisfied once you can finally make all your great gift ideas a reality. And people who buy from you will be able to express their strongest feelings — love, sympathy, or gratitude — with your beautiful baskets as a symbol of how they feel.

“The most satisfying aspect of my work is when customers call to tell me how much they liked the gift basket, and to thank me for going out of my way to deliver it on time,” says gift basket business owner Michelle Larsen.

Work from Home

Most gift basket businesses start up from a home base — either a sewing room, a basement, a garage, or something similar, since you’ll need some room to store supplies and spread out while you are working.

Working from home lets you maximize the time you spend with your family, and may even allow you to keep young children at home with you. You can skip the daily commute, and work at times that are convenient to you. There are also tax benefits from working from home, including deducting your rent or mortgage and utilities.

Be Your Own Boss

No more taking orders from anyone else — other than your many customers, of course! When you run your own business, you make the decisions. You can choose to specialize in gift baskets for baby showers, healthy organic food, bath and beauty, get-well baskets, new homeowner baskets... whatever you most enjoy.

As your own boss, you decide your policies, your prices, and when you're going to take those well-deserved days off. "Even though having a business takes dedication, I would not trade it for anything," says Michelle Larsen, who started Creative Gift Baskets in 2001.

Unlimited Earning Potential

The market for gift baskets is booming right now, and you've got unlimited potential to grow. You can start this business part time if you want, investing your earnings back into inventory and growth. Or with more time and money you can make a big splash, and move towards growth more quickly. Once your business flourishes, you can move into a warehouse, with employees making and shipping baskets all day. Or you can rent a retail location down at the mall, and really see your sales take off. In time your business could open up more locations, or establish franchises across the country.

Start Right Now

One of the best things about starting a gift basket business is how quick and easy it is to get started. You don't need a diploma or certificate, or any expensive equipment. You build on the skills you already have, and add your unique touch to stand out from the competition. Of course you can spend much more, but with an investment of \$500 or less you can buy the supplies, equipment and materials you need to be in business. From there it's just a matter of time before you find yourself where you want to be — in a fun, creative career making and selling gift baskets.

A Typical Day

While you are probably drawn to the idea of a gift basket business because you have a knack for crafts and presentation, there will be more to your day than tying bows and curling ribbon. For example, you'll shop for or place orders for the items that will go into your baskets, either from a wholesaler's catalog, or a retail vendor. You'll also take the time to arrange delivery of your baskets, either by hand, by courier, or shipping via UPS or a similar service.

Part of creating your baskets will be keeping their style modern and attractive: for this you'll turn to exploring magazines, newspapers, websites and other media to keep up with the latest trends in gifting. You'll keep up by observing what's in style, and you may also travel to gift shows to see the newest products for the season.

It's good if you're a "people person," since a big part of your day will be interacting with them. In addition to the calls for orders that come in, you will be keeping in touch with past clients to see what they might need, and talking to suppliers about your orders. And you'll be calling to arrange meetings with potential mega-order corporate clients, such as business owners, human resource directors, and sales managers.

For a creative person like you, marketing a gift basket business can be a lot of fun. You get to try to think like your customers, and then come up with strategies to motivate them to buy... and buy more. This guide dedicates all of Chapter 6 to helping you with marketing your gift basket business in a variety of ways, so you'll be both inspired and knowledgeable.

And yes, even fun and creative work has a business side. Expect to spend some of your day generating sales reports, receiving and tracking inventory, balancing your business banking account, printing and sending invoices, and filing tax forms. Don't panic if this is not your thing — this guide offers advice and resources to help with all aspects of running your gift basket business.

1.2 Inside This Guide

The *FabJob Guide to Become a Gift Basket Business Owner* is designed to help you launch your new gift basket business from home, by providing up-to-date information, how-to guidelines, helpful hints on finding clients, and general advice on starting up. It will teach you how to take your natural talents of craft-making and smart shopping, and turn them into a real way to make money.

Following this brief introduction, Chapter 2 (*Creating Gift Baskets*) introduces you to basket styles and occasions, and teaches the basics of design principles such as color and balance. You'll get detailed instructions with ten steps to make gift baskets, and read up on some specific techniques and project ideas to enhance your gift-making style and skill.

Chapter 3 (*Getting Ready for Your Career*) talks about the skills you'll need, and gives you tools and resources to develop them. Informal learning on your own as well as training and associations are covered here, including learning you can do from home.

Chapter 4 (*Starting Your Gift Basket Business*) gets you ready to become an entrepreneur by walking you through choosing a business type, franchising, choosing a niche, writing a business plan, estimating your start-up costs, and getting started with little or no money. The chapter also covers setting up work and storage spaces at home, and legal matters like registration, food-handling permits, and other business licenses.

Chapter 5 (*Running Your Gift Basket Business*) details the day-to-day operational decisions and strategies you'll use to set your prices, find the vendors you need, order supplies, arrange shipping or hand-delivery, and invoice or get paid. You'll get additional information on taking orders, setting your policies, and handling big orders and busy times.

Chapter 6 (*Getting Clients*) discusses the all-important topic of finding and retaining clients for your gift basket business. You'll read about creating marketing tools like your portfolio and website, paying for advertising (and why some advertising doesn't work), and ideas for low- or no-cost promotion for your business. The chapter concludes

