

HOW DO I RECORD SALES?

BEST METHODS TO TRACK FARMERS MARKET ACTIVITY

TRACKING SALES: WHY & HOW TO DO IT

Having a record of sales by item at each market empowers you to make critical business decisions. By tracking sales and fees as well as calculating the profit of your business, you'll be better informed when planning for next year's markets.

BOOKKEEPING TIPS & TRICKS



“BY KEEPING RECORDS, WE CAN TRACK FARM PROFITABILITY, DETERMINE NECESSARY CHANGES TO PRODUCTION, AND EVALUATE FINANCIAL PERFORMANCE.”

- BECKY HUANG, NORTH IOWA BERRIES



Compare Market to Market

Take time to compare your sales from each market so that you can decide which markets are the best for your operation. This will also help you adjust what you sell, where and when. For example: If at the previous week's market you sold twice as much apple butter as apple sauce, then you know to bring that much more apple butter.

Review Year to Year

You can use past years' records to not only get an overall perspective of success, but also to compare specific market dates from year to year—this June vs last June, a rainy market vs a rainy market. For example: If a holiday market stood out as one where three products were especially desirable, you can plan accordingly.



SALES TRACKING METHODS & BEST PRACTICES FOR BOOKKEEPING

FACTORS TO CONSIDER

VENDOR EXPERIENCE	METHODS	COST	ABILITY TO TRACK			
			Time Item Purchased	Products Sold	Payment Method	Year to Year Changes
BEGINNER	(1) Before/After	Low	Limited	Limited	Limited	Limited
	(2) Tally Method	Low	Limited	Limited	Limited	Limited
INTERMEDIATE	(3) Apps	Medium	Moderate	Moderate	Moderate	Moderate
	(4) Point of Sale Apps or Hardware	High	Moderate	Detailed	Detailed	Detailed
EXPERT	(5) Accounting Software	High	Detailed	Detailed	Detailed	Detailed

There are many ways to record sales at the farmers market, some more complicated than others. The method you choose will depend on how busy the market is, how much you enjoy chit-chatting with customers, and the number of products you are selling. Pick a system that you feel comfortable with and WILL use! You don't need to keep track of every detail and it doesn't hurt to start small.

1) Before/After:

Before loading up your products to go to the market, get an accurate count of each item. When you return from the market, count how many you have left and subtract that from your beginning total to find how much you sold.

Pros: Quick and easy; nothing needs to be done at the market.

Cons: You're not tracking *how* purchases were made (cash, check, food assistance, credit card, or token). This may be an issue for tracking food assistance spent at your stand that must be recorded for the government or token record keeping that may be required by the market. Plus, you're missing out on tracking busy vs slow times.

2) Tally Method:

Bring a pen and pad of lined paper to the market with each item you're selling written out on its own line. After every sale, draw a tally mark on the lines of each item you sold.

Pros: Low cost and easy to teach to employees.

Cons: It takes time, especially if you have many different items. You'll sometimes forget to tally a sale if you get busy or distracted. Plus, you'll still need to enter this information onto your computer software later to track sales over time.

4) Point of Sale Apps or Hardware:

POS (Point of Sale) products like Square, Intuit GoPayments, PayAnywhere, Paypal Here, and Shopify can help make the record-keeping process more efficient for you. When you sign up for the software, the company will send you a card-reader that plugs into your phone and allows you to accept credit/debit cards.

Pros: Allows you to take credit/debit payments and saves time spent in front of a computer moving over sales records.

Cons: While the hardware that plugs into your device is usually free, the provider charges a fee for each transaction. (Fee varies.)

3) Apps:

A number of smartphone and tablet applications have been developed to make your farmers market record keeping easier. These apps work like a cash register—a customer selects items they want to purchase, you tap each item in the app, and the app adds up the total and records each sale. You can then upload sales directly to your computer record-keeping software (see #5).

Pros: Apps are time-efficient; there's no need to manually enter data into a computer later.

Cons: Using an app requires some tech-savviness. Keep in mind that you may also have to pay a fee for each app.



5) Accounting Software:

Now, what to do with all your sales data? Just like with the mobile card-reading apps, technology has brought us plenty of affordable (if not free) software options that outdo Microsoft Excel when it comes to tracking sales records. Quickbooks, Xero, FreshBooks, and Wave are all options.

Pros: Unlike Excel, these programs can create invoices, track cash-flow, provide payroll assistance, and much more.

Cons: Some tech-savviness is required, but there are free online tutorials that will teach you how to use the software.

