

Craft courses – turning a hobby into a business

By Fiona Davies, WiRE (Women in Rural Enterprise)

BUSINESS GUIDE

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The UK craft scene is booming. TV shows, magazines and bloggers are enticing more and more people to ‘have a go’. According to research measuring the economic impact of thousands of small craft businesses in the UK, craft skills contribute £3.4 billion to the economy* - there has never been a better time to share your skills, and turn your own hobby into a successful business by offering craft courses.

Starting a new business is always challenging and hard work, especially if you are squeezing it into your spare time. As a home based and part-time entrepreneur you’ll need to get used to wearing a lot of hats, shifting from one role to the next seamlessly, one minute an accountant or salesperson the next, your day job. Balancing your time is the key to success. Be disciplined and make simple rules to ensure the two aren’t always intertwined, for example:

- Stop multi-tasking. Complete one job before you move onto the next. It sounds so logical but leaving things part done means you can’t properly ‘tick it off’ and can’t give 100% to the next job
- Admit that you can’t or don’t have time to do everything. Do what you can do easily and comfortably then outsource the rest to people you trust and like
- Don’t let your technology manage you. Check your email in the morning for one role and in the afternoon for the other, nothing is so urgent that it can’t wait a few hours
- Social media shouldn’t be a chore, use a management app (Hootsuite.com) for scheduling and don’t Tweet/Facebook/Pinterest about one role while you are doing the other
- Don’t tie yourself to a desk, embrace Cloud Technology to access your information anywhere, such as [Google Docs](#), [Evernote](#), and for project and time management [Trello.com](#)
- Turn everything and everybody off for half an hour each day, all businesses need thinking time to create and refresh and they are better for it
- Say no more often, even to customers
- Learn to love selling and don’t feel you have to become a different person to do it. Remember your passion for your hobby and share naturally with potential customers – they will buy your enthusiasm



Consideration when thinking of turning your hobby into a business:

- Not sure what the product will be, every hobby can be a business - anything can be taught
- Hobbies have skilled and talented people plus materials and tools. You can mend, make, sell or source as your business
- Research, plan and find out as much as possible about your hobby as an industry, this time not as a consumer
- Focus on quality, both of the idea and the product – when you sell it, it has to be perfect, every time. Be hyper-critical of yourself and ask others to be honest



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Once you have mastered balancing your many roles, you should consider the practicalities of running craft courses from your own premises. Getting the structure and legalities wrong can be expensive and can have a big impact on the customer experience. Here are some things you might want to think about:

- Are there rules and regulations around change of use for the outdoor garden buildings and will business rates apply – check with your local council
- Understand insurance requirements - as a minimum you will need public liability insurance, your local insurance broker will be able to talk you through what else is required
- Look at the environment. Where will your customers park, how will your neighbours feel about additional traffic, noise, parking etc.
- If you are using an outside space, it may be glorious in the summer but soggy grass, spiders and cold trips inside to the ladies in the winter will soon make for dissatisfied customers. Think about how you can address potential negatives such as changing venues, providing brollies, extra heating, home-made soup etc.
- Can you guarantee enough numbers at each session? If you don't fill the classes will it still be financially viable? How will people feel if you have to cancel? Low numbers could be a positive as it may allow for personal, cosy, one to one tuition

Next consider your customers and the experience. Make sure you look at your competition carefully. If there isn't any you might want to question why, is there the demand?

- Have a clear and consistent calendar of events for customers to pick and choose dates and topics and ideally book online; this makes planning easier and means you have upfront payment which helps cashflow and reduces cancellations
- Make sure you have an easy to navigate, up to date and search engine optimised website featuring lots of testimonials. Your website will be the first impression many people have – make it stand out
- Feature your products wherever you can, in shops, galleries and particularly on your website. Take lots of professional looking product pictures, try using Picmonkey.com to add quirky comments and graphics
- Think about how many people you could realistically teach in one session, bearing mind that they will need varying levels of help. You want customers to feel supported but additional help will eat into your profits
- If you are providing a package which includes all the materials and equipment resulting in a finished product, try to account for personal taste. A simple Q&A in advance shows that you care and means customers make something they actually want



*“Research released by RBS in January 2014** claimed that 1 in 5 adults are ‘hidden entrepreneurs.’”*



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You will probably be most comfortable when it comes to getting the message out to potential customers, after all it is your passion and not so long ago you were a customer. Think hard about what customers want and how you can tap into new markets.

- Look at social media tools that suit your business and are appropriate for your customers. The visual platforms such as Pinterest and Instagram are perfect with 100million and 400 million users respectively they are a cost-effective way to get your message across to a mass audience
- You are the brand so make sure you are always wearing or carrying something you have created, your next client could be standing next to you in the Post Office. Also make sure you have plenty of lovely business cards to hand out
- Offer different packages to suit the widest range of customers; how about weekend breaks using local accommodation and restaurants. Offer different themed sessions – holiday celebrations such as Christmas and Easter, but also look at current trends
- Build a support network of local businesses, word of mouth is the best way to attract new customers. Especially make friends with your suppliers – referring customers both ways will bring more business to both parties
- Be creative about your marketing, think about where your customers might be and take your products there – you will easily sell places on your courses on the back of your own creations

Hobby businesses in general

A hobby is typically a spare-time activity pursued for pleasure or recreation. Turning your hobby into a business changes things. What was your relaxation and enjoyment suddenly requires:

- Financial investment
- Business planning
- Customers and sales
- A consistent level of products and service

Many people turn their hobbies into successful businesses, securing a good income and a more fulfilling way of life but before you take the leap, be very sure that you can maintain your enthusiasm and passion for your hobby.

“The UK craft scene is booming, with research suggesting that craft skills contribute £3.4 billion to the economy.”



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Research released by RBS in January 2014** claimed that 1 in 5 adults are 'hidden entrepreneurs', people running a small business in their spare time distinct from their paid work, 38% of which reported that they earned extra money from their hobby.

HMRC defines this as 'second income' and as such should be declared as part of your tax return. They define 'second incomes' as people who are employed and are paid wages through PAYE for their main job, but who earn extra money from activities such as:

- Consultancy or other services such as public speaking or providing training
- Organising parties and events or providing entertainment
- Activities such as taxi driving, hairdressing, providing fitness training or landscape gardening
- Making and selling craft items
- Buying and selling goods, for example regular market stalls, boot sales etc

Author information

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WiRE (Women in Rural Enterprise)

www.wireuk.org



WiRE is a business support network based at Harper Adams University in Shropshire. Offering nationwide support for new and established businesses, the WiRE business package delivers supportive peer group networking through the 50 volunteer led local groups plus online benefits including marketing, business resources and PR opportunities. WiRE also lobbies at a national and local level to influence policy and raise the profile of women in business.

*Source <http://www.ukhandknitting.com>

** Source **<http://www.rbs.com/news/2014/01/a-fifth-of-adults-are-hidden-entrepreneurs-rbs-survey.html>

