How to Avoid the Top 20 Mistakes Made When Opening A Bookstore

American Booksellers Association

1. Pick the perfect name.

Think about your "why" for your bookstore name. Be clear on how your store's name will be pronounced and spelled, and consider how often your staff and your customers will be repeating and spelling the store's name. Avoid names that can easily be confused with a competitor or a bookstore-adjacent company.

2. Pick an ideal location.

When choosing a brick-and-mortar store location, prioritize sunlight, windows, parking, foot traffic, and ground floor spaces. When choosing a pop-up location, prioritize foot traffic, synergy, and the terms of the agreement for the space.

3. Choose the right amount of space.

Don't lease or buy a space you can't afford to fill. Empty space or shelves don't make a great impression. If you do start with a larger space than you need in the hopes of growing into it, find creative ways to block off empty space with partitions or rent out space to a pop-up partner.

4. Hire a real estate lawyer...

(or a general counsel should be able to help you too) to review your lease or agreement before you sign. This is some of the best money you'll spend for your business.

5. Open a separate business bank account and business credit cards.

Using personal accounts and cards for your business will make you personally liable if the business fails.

6. Double-check your account paperwork.

When setting up vendor and publisher accounts, double-check the details and make sure that the accounts are set up for no sales tax.

7. Learn to love your numbers.

Being financially literate and vigilant will be critical to the success of your business. Create a cash flow projection and budget and adjust as necessary to keep your business on track. Don't know where to start? Find a free mentor through your local SCORE chapter, check in with your local Small Business Development Center for free business advice, or watch/listen to these ABA education sessions:

- Plotting Profit: A Budget Workshop for Bookstores
- Prioritizing Cash Flow: 10 Areas to Review for Improved Cash Flow and Profitability
- Understanding Cost of Goods For the Mathematically Anxious
- Measure What Matters: 5 KPIs for Turbulent Times

8. ABACUS.

And be sure and participate in ABA's annual financial benchmarking survey, ABACUS. Participants receive an annual report that will help you assess how your business is doing and identify areas for improvement.

9. Prepare for emergencies.

Watch ABA's Emergency Preparedness Video and take steps to safeguard your business and support your staff. Hire a lawyer or financial advisor to review your insurance policy.

10. Carry non-book merchandise.

According to ABACUS, the most profitable indies sell a significant amount of non-book items to improve their margins and increase their dollars per transaction, two key performance indicators (KPIs) for booksellers. Non-book items may include puzzles, games, toys, stuffed animals, chocolate, bookmarks, store merchandise, jewelry, coffee, and more.

11. Sign up.

Learn about Bookshop.org to participate in its pool distribution, set up your store affiliate page, or sell e-books. Sign up with Libro.fm to sell audio books.

12. Draft policies.

Every bookstore needs a return policy, a code of conduct, a curation policy, a consignment policy, store values, and a mission statement. You'll be surprised how often you will use these as North Stars for your business, your staff, and/or your customers.

13. Answer the phone.

When you consider that publishers, authors, and customers may all be calling, answering your phone seems like an easy and important business practice. If you don't have time to answer, be sure and return calls when you do have time.

14. Draft procedures.

Even if you're starting small, document basic procedures (opening/closing, returns, ordering, cash handling). If you're a solo operator, these documents will help you stay on top of things and be consistent, and they may even allow someone to cover for you in a pinch. If you have staff, these documents will help with training and turnover. (You can find some valuable procedure resources in ABA's Resource Library on BookWeb.org.)

15. Post your business hours.

Publicly post your business hours on your website and Google/Apple Maps and commit to keeping these consistent hours. Emergencies happen, especially if you're a solo operator or have a small staff, but consistency is key in building and maintaining a customer base. If you're frequently "closing early" or closing on specific days because of low traffic or sales, adjust your hours. It's always better to be open when customers expect you to be closed than to be closed when customers expect you to be open! When your hours do change, update them online immediately.

16. Communicate.

If you run into challenges, ask for help. Call ABA or your regional association for assistance. Talk to publishers about a payment plan. Reach out to fellow booksellers for support and guidance. This industry is known for its generosity in helping one another.

17. Report your sales.

From the beginning of your business you can get on the publishers' radars and make your sales count by reporting your sales through ABA. ABA reports your sales to BookScan, a service that tracks all the sales of print books in the United States, regional bestseller lists, the national indie bestseller lists, and several national media outlets. The ABA's indie bestseller list is weighted: your #1 title that you sold 5 copies of is weighted the same as a large store's #1 title that they sold hundreds of copies of. This means every sale really counts!

18. Network.

Stay engaged with the wider bookseller community by subscribing and reading industry newsletters like *Bookselling This Week* and *Shelf Awareness*; attending industry events/trade shows like your regional association's spring, summer, or fall show, and/or ABA's Winter Institute and Children's Institute; and connecting to other booksellers in your city or community. In Spring 2026, ABA is also launching a new online forum for booksellers!

19. Be online.

Your customers may love the analog opportunity your physical bookstore, mobile bookstore, or pop-up represents, but they also love to engage with you online. Create a website and post regularly on social media.

20. Join.

Last but not least, join the American Booksellers Association (ABA) and your regional bookseller trade association! These organizations can help you with every aspect of your business. The opportunities, discounts, and benefits they offer far offset the cost of dues. If you're not sure what's available, contact them. They'd be happy to help. And stay engaged. Read the newsletters, log into your account, and network with fellow members in order to take full advantage of membership benefits and avoid missing out.

Bookseller Resources

Recommended books:

- *The Mathematics of Bookselling*
- *The Accounting Game: Basic Accounting Fresh from the Lemonade Stand*

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Regional Associations

California Independent Booksellers
Great Lakes Independent Booksellers
Midwest Independent Booksellers
Mountains and Plains Independent Booksellers
New Atlantic Independent Booksellers
New England Independent Booksellers
Pacific Northwest Independent Booksellers
Southern Independent Booksellers