The definitive guide to Wholesale



by Stacey Brazen

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Understanding The Wholesale Market: The Bigger Picture

After spending many years in Asia, I wasn't particularly shocked to discover that alongside North America and Western Europe, Asia Pacific is one of the three largest geographic markets by consumption in the retail and wholesale market.

Saying that, I was shocked to learn that as of 2017, Asia Pacific accounted for \$9.5 trillion of the overall market.

Crazy, right?

In this definitive guide to all things wholesale, you'll learn everything you need to know to help you navigate the wholesale market, so you can buy inventory quickly, easily, and safely.

Equally importantly, you'll discover what your legal obligations are as an ecommerce business owner - so you don't fall foul of the law, plus much, MUCH, more.

So let's get started.

In this chapter first we'll establish a clear <u>wholesale</u> definition and meaning, by examining the different types of wholesalers you'll run across as you develop your ecommerce business.

As you'll see, there are a wide variety of wholesalers out there. In order to make sure you get the best product at the best price, as quickly as possible, you need to have a thorough understanding of the wholesale marketplace in its entirety.

Next, we'll look at emerging trends within the wholesale market and ecommerce industry, such as the simplification in global shipping with the introduction of services like ePacket, and many other improvements that will see this industry continue to grow.

This is all good news if you're planning to launch or grow your ecommerce business any time soon. So let's get started.

Three Wholesale Market Trends to Pay Attention to

Before we dive into those marketplace trends, let's take a look at the differences of wholesale vs retail. They both operate a little bit differently.

Retailer vs Wholesaler Definition

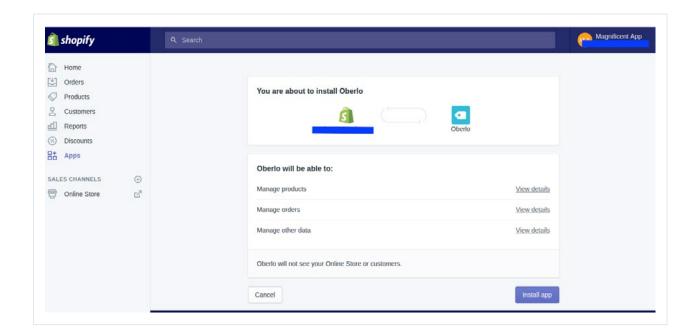
Wholesale Characteristics	Retail Characteristics
A wholesaler sells large quantities of products to retailers for a profit	A retailer sells products directly to their customers for a profit
You must have a licence to shop with a wholesaler	Anyone can shop with a retailer
There are minimum order quantities when buying from a wholesaler	You can buy any amount of product you want when buying from a retailer
Wholesalers operate a B2B (business to business) business model	Retail is a B2C (business to consumer) business model

Some brands operate a wholesale and retail arm of their business. This might even be something you want to consider as your business grows.

Let's examine a few ecommerce and wholesale market trends and how they might affect you.

Improved Automation

Business owners are demanding to work more effectively and efficiently, leading to great improvements in automation and tracking options. One reason myself and many others love Shopify is they have a wide range of apps that will help you streamline and optimise operations.



Up until a few years ago, wholesale business operations and logistics used to be done manually. If you found a wholesale supplier who had an API you could connect to - to help you streamline your orders, stock numbers, returns and pricing it would feel like you'd hit the jackpot.

In 2018, this type of automation is becoming somewhat mandatory. And developments in Al and machine learning will only see these processes become even more streamlined and predictive of your needs.

In the long run this will allow for improved planning, cheaper operational costs, and easier operations management.

Buyers Are Attending Fewer Trade Shows

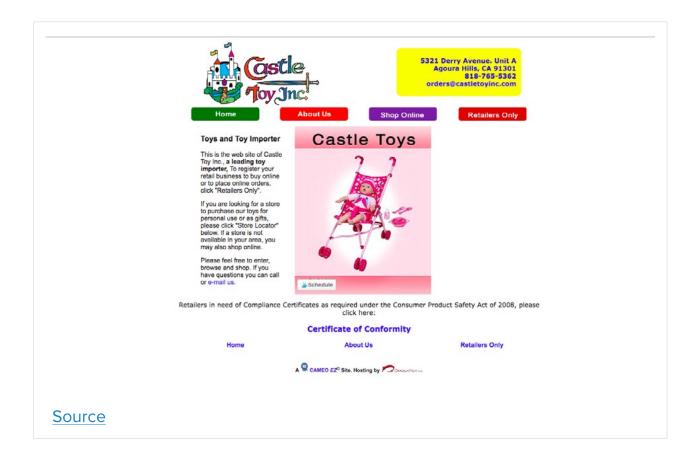


Back in the day, everyone knew you had to attend the popular wholesale trade shows if you wanted to get your hands on the best products.

At that point, even the big players in the wholesale marketplace had user-unfriendly and unattractive websites. The only way to *really* see what was on offer was to put your best walking shoes on and get to the trade show early.

While trade shows are still a crucial element of the wholesale marketplace, vendors no longer need to solely rely on them to find merchandise.

Yes, lots of crummy websites still exist in the wholesale marketplace. As you'll see below, this toy wholesaler doesn't exactly fill you with excitement and optimism. Luckily, if you do your research, it is possible to find many cool vendors from the comfort of your own home.



Change in Buyer Cycles

Wholesale buying is no longer a seasonal affair, with a mad rush at some times of the year and huge slumps at others.

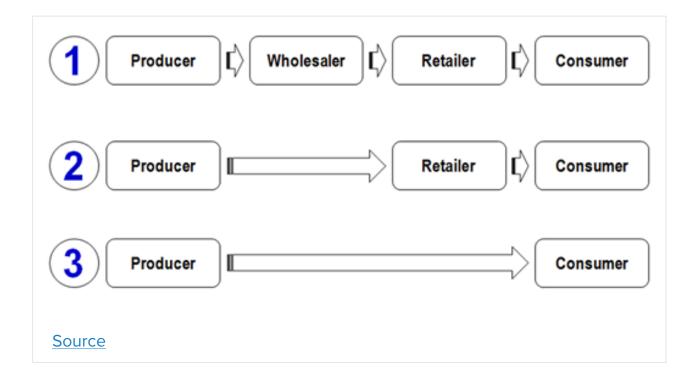
The way consumers buy has changed. This change in how we spend money has caused the rapid increase in ecommerce conversions that business owners are enjoying right now.

		Avg. Store Revenue (\$mil)	Rev. Growth	Profit Margin	Conversion Rate	Rev. from Amazon
	AUSTRALIA & NZ	\$1.3	50.8%	20.4%	2.61%	9.6%
ĺ	CANADA	\$1.0	50.7%	17.0%	2.16%	23.1%
	EUROPE	\$0.7	37.1%	20.6%	3.26%	14.9%
	UNITED STATES	\$2.6	34.5%	16.7%	2.64%	29.1%
	ALL OTHER	\$1.1	29.8%	17.6%	2.30%	11.3%

Traditional fashion buying cycles of spring/summer and fall/winter are now a thing of the past, and many retailers are opting to introduce new lines all year round. This creates the need for an expanding pool of new and innovative merchandise, so retailers can have something fresh to offer their customers.

Manufacturers and wholesalers in the wholesale market are responding to this demand by improving the quality and diversity of their product lines, and offering improved shipping options.

What is a Wholesale Manufacturer?



Let's look at the differences between a wholesaler, a distributor, and a manufacturer.

Manufacturers and producers are pretty much the top of the pyramid.

While they do work with wholesale-to-retail businesses, depending on what they sell and how much of it, they may only work with distributors and sales reps.

The reason for this is, many manufacturers are not equipped to manage the logistics of retail sales, and working with trusted distributors removes that responsibility. More on distributors in a moment.

Unless you're <u>developing a private label</u> brand or launching a new product line, you'll most likely work with retail or merchant wholesalers, rather than manufacturers.

What is a Wholesale Distributor?

The role of the wholesale distributor is often overlooked. Wholesale distributors are important because they make sure merchant wholesalers get access to the latest and best products for the best prices.

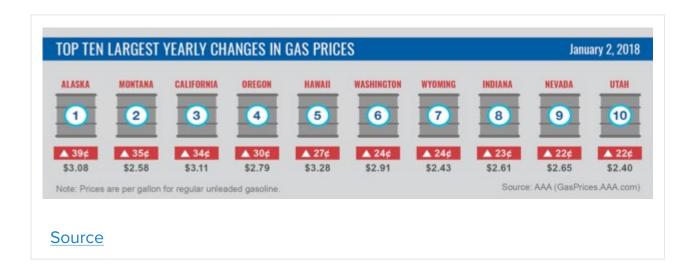
Without them it would be a lot trickier to get vital commodities and goods to the marketplace such as foodstuffs, furniture, and industrial supplies.

Sure, some manufacturers have a separate arm of the business which focuses purely on distribution. But most work with distribution centres to get their products to the right people. It's also not unusual for distributors to insist on an exclusivity agreement which puts limitations on the factories they partner with.

What Makes Distributors so Important?

Certified wholesale distributors manage shipments for the manufacturer of a product. With a warehouse and fulfillment team behind them, they ship bulk orders direct to the merchant wholesaler, and also direct to larger retailers.

Because wholesale distributors absorb the shipping costs of the manufacturer to the retailer - this means they're incredibly sensitive to things like changes in the cost of fuel and transportation costs.



Why?

The key to successful wholesale distribution is the ability to acquire high quality, high demand merchandise at low prices.

Then, resell this product in volume— adding a profitable markup.

Working with a network of sales reps, the wholesale distributor is the proverbial middleman as they are the vital link between manufacturers and retailers.



Expert Tip

If at all possible work directly with a certified wholesale distributor as this is where you'll get the absolute best wholesale prices.

What is a Retail Wholesaler?

The full service wholesaler offers an end-to-end service, selling any and everything from bed linen to wholesale party supplies. Wholesalers bulk purchase products directly from distributors, benefiting from better prices and payment terms as they repeatedly make high volume purchase orders.

These bulk purchase orders are then resold to <u>ecommerce</u> business owners with either a retail location or an online store, many have both. Up to about a decade ago, this was the most established type of wholesale, meaning your options where limited.

But with the growth of online shopping and social media, a new type of wholesaler has emerged: the merchant wholesaler. We'll look at how they work shortly.



Expert Tip

Don't assume that a wholesaler will give you a line of credit straight away. Pay upfront for a few months before requesting a line of credit.

What is a Limited Service Wholesaler?

Limited service wholesalers often buy overstock from other wholesalers or manufacturers. With only a couple of sales channels and limited inventory levels, the limited service wholesaler serves a specific sector of the market. Often those too small to work directly with larger more established wholesalers.

Limited service wholesalers are not in the position to offer transportation, financing, shipping, and other benefits offered by a full service retail wholesaler. They compete by offering their customers more flexibility around minimum order quantities. The traditional cash-and-carry store would also be classed as a limited wholesaler.

What are Broker and Agent Wholesalers?

A working definition of the difference between a wholesale broker and a wholesale agent, is that a broker works with you to secure one deal while a wholesale agent is a long-term business partner who helps you to repeatedly secure the best purchasing deals for your company across the board.

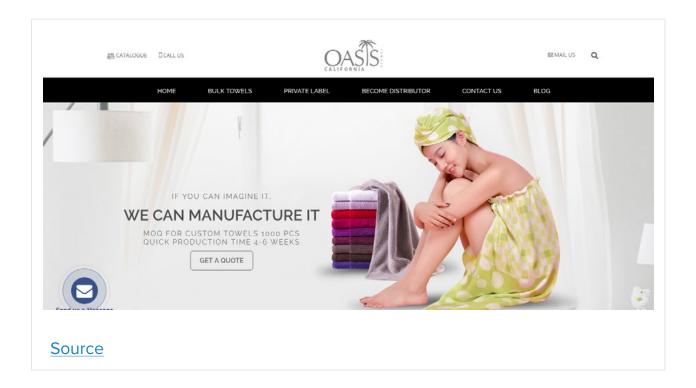


Taking responsibility for brokering the best deal on high quality products for the best price for their client, wholesale agents generally work with companies buying in very high volume.

Some industries where agents and brokers are commonplace are manufacturing, chemical, consumables and real estate. Agents make their money by taking a % cut on the overall deal.

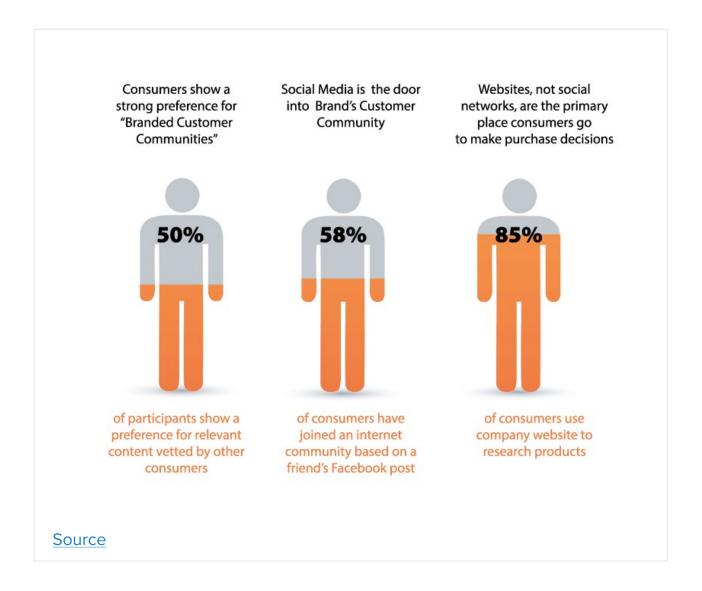
What are Specialized Wholesalers?

An example of a specialized wholesale supplier would be a vendor who only sells towels. They are knowledgeable experts in their space, and only want to be known for selling that one specific product.



As the ecommerce industry grows, I've noticed that consumers are growing in their expectation of brands and retailers. Business owners are adapting to this demand by improving their product offerings and seeking out niche specialists to work with.

With this in mind, I predict there's going to be a massive increase in demand for this type of specialist wholesaler.



The thing is, specialists in any industry tend to be more in demand than generalists. And this can mean they have stricter criterion for who they work with, and tend to be harder to engage than some other types of supplier.

What are Merchant Wholesalers?

The merchant wholesaler is currently the most common type of wholesale supplier, especially in the rapidly growing private label industry. If you're not careful, this type of wholesaler can also become your biggest competitor and an ever-present threat.

Let me explain.

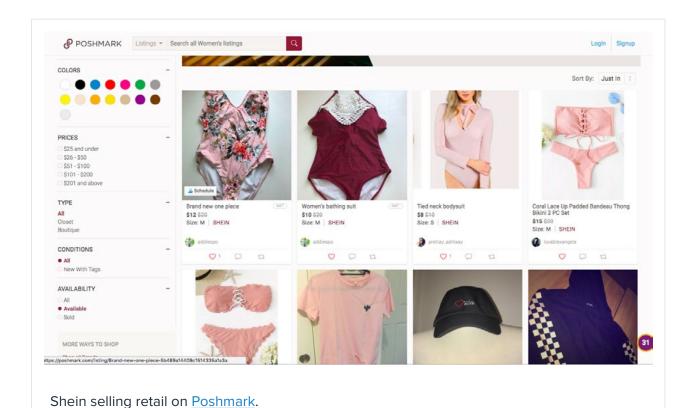
Merchant wholesalers purchase bulk inventory directory from the manufacturer or distributor, holding this inventory within their own warehouse. They differ from traditional retail wholesalers because they take advantage of all the different sales and marketing channels currently available.

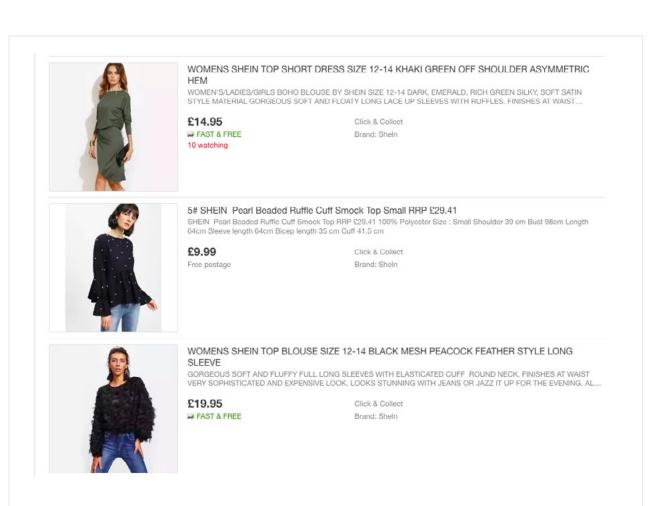


Let's take a look at one notorious merchant wholesaler example, Shein.

As you'll see they have no qualms in leveraging every sales channel available to them. They also operate under a number of different brand names, at least three that I've been able to find.

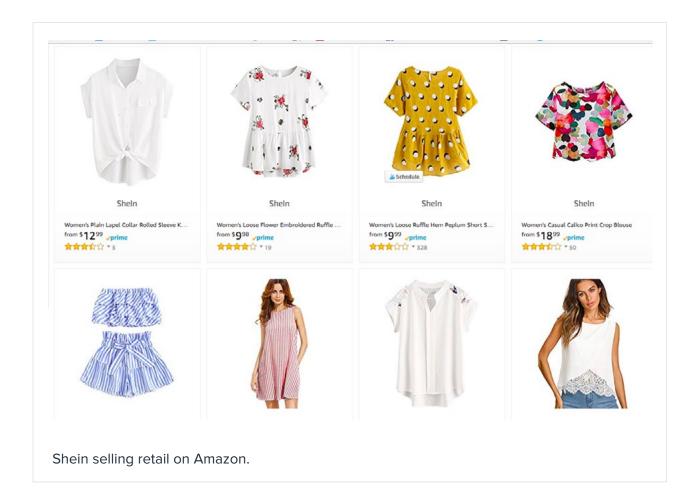
Shein selling retail on Ebay.



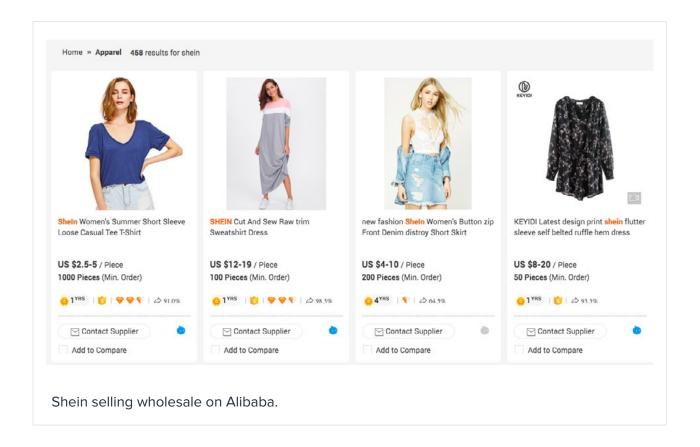




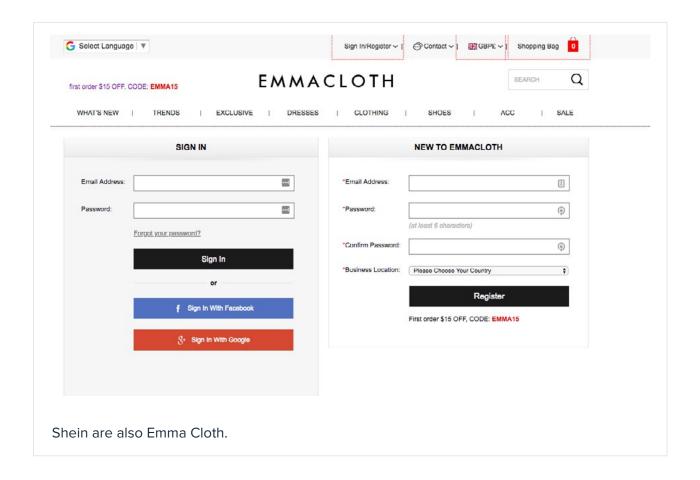
Shein selling retail on on their own B2C ecommerce store. They also have a US store.



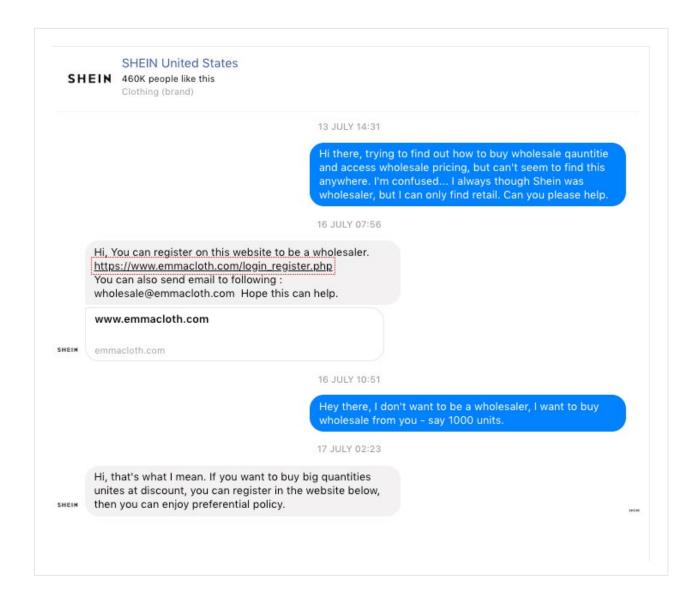
And here's where it gets really crazy and confusing. It would seem that there are 398 gold verified wholesalers on Alibaba all selling Shein.



They also operate under a number of different names, selling primarily the same products with tiny variations in price depending on which brand name they're operating under.



Just to confirm my suspicions and research were correct, I reached out to Shein regarding opening a wholesale account and was directed to create my wholesaler account over on a different website called Emma Cloth.



I see this happening all the time, so before you decide on a wholesale supplier make sure you know whether they're directly competing for the exact same customer that you are.



Expert Tip

Ask your wholesaler if they're retailing the same products on their own website or other channels like Amazon, Ebay, Poshmark, etc.

You need to be mindful of this even if you don't plan to use opensource sales channels like Amazon.

Customers often look at sites like Amazon and Ebay as a way of price shopping.

And if your supplier is selling the same dress as you on Ebay for \$25 cheaper, that's where many of your potential customers will end up buying it.

Where at all possible, you really want to avoid competing against your wholesale supplier. Because, unless you have deep advertising pockets and a strong sales funnel to increase your order value from each customer, they will price-cut you out of business.

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Related Content: <u>Pricing Strategy For Ecommerce - is your pricing right?</u>

2

Legal Requirements To Buy Wholesale Products



Disclaimer: This article is for informational purposes only, and doesn't constitute professional legal advice. Oberlo is not liable to you in any way for your use or reliance on this article.

Now that we've established a detailed wholesale definition - and you understand the different options available to you - let's talk about the legal side of the matter.

As a new ecommerce entrepreneur, it's easy to overlook these crucial legal steps and wind up in hot water, so let's get familiar with your legal, accounting, and tax responsibilities.

The Most Common Ecommerce Business Legal Requirements

When you're first getting started with your online store, working out how to set everything up in a legal and safe way can be confusing and overwhelming. Below you'll find a quick summary of the main requirements, what they mean, and why they matter.

Instead of getting into specifics, we'll look at the main legal requirements for starting your ecommerce business, alongside some insider tips.

- Company formation
- Business licence
- EIN number
- Sales ID tax number
- Reseller's permit
- Liability insurance

Depending on which country or state you reside in, there are some things you'll need to do to make your ecommerce business official, while others won't apply to you. Make sure you read the small print.

What Type of Ecommerce Business Set Up Do I Need?

This depends on how your business is structured and where you operate from.

Below you can checkout the four main types of business structure most commonly used by ecommerce business owners.



In my experience, when just starting out most new ecommerce business owners usually set up a Limited Liability Corporation, LLC.



Expert Tip

<u>The U.S. Small Business Administration</u> is a great source of useful information for entrepreneurs.

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Related Content: How To Open a Company In The US

What is a Sales Tax ID?

A taxpayer identification number, also known as a TIN, is an official number issued by your country of residence by the Internal Revenue Service. Your Social Security administration may also be able to issue your sales tax id.

If you're based in the U.S. or sell to the U.S., determining the state(s) you need to pay tax in can be tricky, as your liability is decided on where your main base of operations (your 'nexus') is run from.

And this can get even <u>trickier if you dropship</u>, or store and ship inventory from another state using a service like <u>fulfilment</u> service like FBA (<u>Fulfilment By Amazon</u>).

Sales taxes do differ from state to state, but you can find your states sales tax rate in this post.



Expert Tip

Don't forget that, in some states, you also need to collect sales tax on shipping and handling.

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Related Content: State and Federal Online Business Registration

What is a Business License?

Your business license is a permit which allows sole traders or companies to operate a business legally within a specific geographical jurisdiction.

If you're based in the U.S., check out this state-by-state guide to business permits.

9

Related Content: How To Register Your Business In The U.S.

What is a Reseller Permit?

	New Yo	State Department of Ta rk State and Lo ale Certi	ocal Sales and Use Tax		ST-120
Name of seller			Name of purchaser		
Street address			Street address		
City	State	ZIP code	City	State	ZIP code
Mark an <i>X</i> in the appropriate box: Temporary vendors must issue a sing To the purchaser: You may not use this certificate to p for resale, but use or consume the ta	gle-use certific urchase items angible person	s or services that nal property or se	rvices yourself in New York Sta	ite, you must report an	
directly to New York State. Any misu			n tax liabilities and substantial	penalty and interest.	
Purchaser information - p					

Depending on where you're located this permit may be referred to as a reseller's license, reseller's certificate, sales tax permit, or sales tax ID.

Your reseller permit allows you to bulk buy products for resale without paying additional sales tax. This permit is supplied by your state tax agency, and is the document most legitimate wholesalers will ask for before opening your wholesale account.



Expert Tip

Wholesalers are legally obliged to check whether you're able to collect sales tax, which is why a reputable wholesale business will insist on you having a resale licence.

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Related Content: How To Get A Resellers Permit

What is Limited Liability Insurance?

Liability insurance is a policy that covers any business or individual in the event you're sued for something such as personal injury or malpractice. Never fun.

As a general rule, if you're selling products to the public, it's a smart idea to invest in a general liability policy. This is ultimately a lot cheaper than paying out thousands if you get sued.

Think of it like buying travel insurance when travelling overseas. Nothing's likely to happen, but it's always good to have it in case you need it.

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Related Content: Finding The Best LLC insurance

What is a EIN Number?

An EIN, employer identification number, is a number given to you by the Internal Revenue Service. This number is used to identify taxpayers who need to file business tax returns. Your EIN is issued by the federal government not your state, and is used to file your business taxes.

9

Related Content: How to Get An EIN Number

What's a Licensing Agreement?

If you plan to sell trademarked products, then you need to get a license that will allow you to do so without infringing on intellectual property rights.

Seriously, selling trademarked merchandise without a <u>valid licensing agreement</u> is just asking for trouble. Don't do it.



Expert Tip

Check out your local Chamber Of Commerce, SBA, or S.C.O.R.E. office for information and guidance on how to contact the appropriate offices for your state and county.

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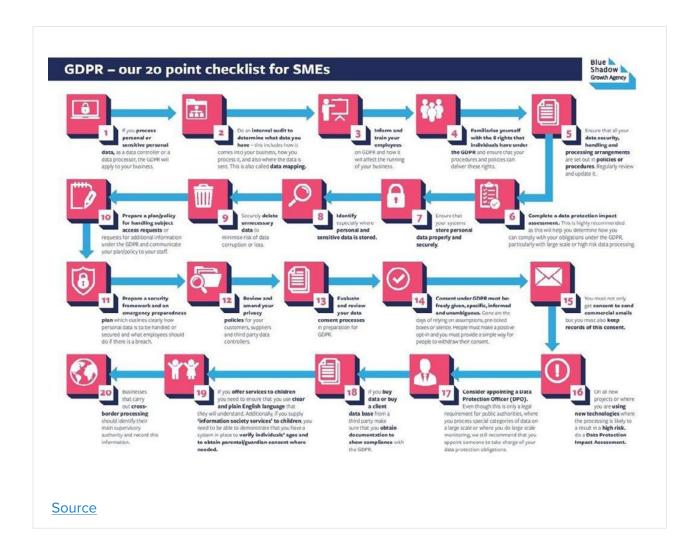
Related Content: How To Apply For licenses and Permits

What is GDPR and How Does it Affect Ecommerce Business Owners?

This is a new law sending shockwaves through the business world, especially as few people seem to really understand exactly how it works.



The General Data Protection Regulation is an EU law designed to protect the data and privacy of European citizens, and there are strong consequences for those who don't comply.



In this detailed guide we discuss <u>GDPR compliance for ecommerce shops</u>, and what you need to do as an ecommerce business owner.

3

How To Navigate The Wholesale Business Like A Pro

After over eight years of working in the wholesale industry in one form or another, it's fair to say I've learned a few tips, tricks, and ways of operating that will increase your likelihood of having a great experience.

Thinking of buying wholesale products. Working with drop shipping wholesalers, or dabbling in the infamous Chinese wholesale marketplace? Well, you don't want to miss these tips!

And make sure you read to the end of the chapter as I share what I fondly call The Ten Commandments Of The Wholesale Business. But first, let's go back to basics and get the foundations right: choosing the right wholesale products.

How to Select the Right Wholesale Products For Your Business

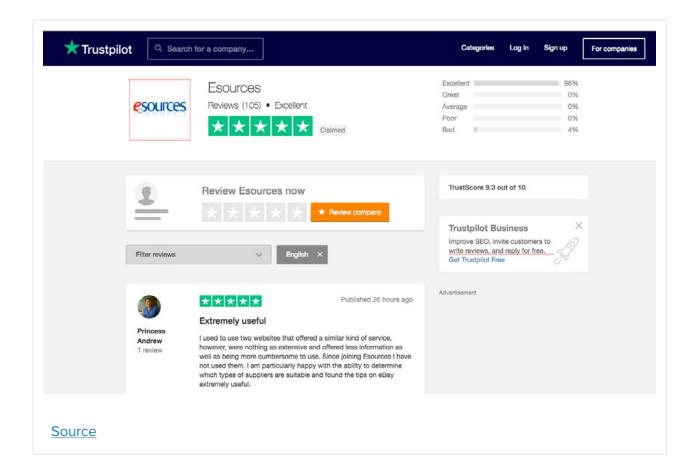
Now let me clarify, this part of the guide is not about <u>how to choose a niche</u>. What we're going to look at is, how you mine through the plethora of wholesale products in order to find the perfect merchandise for your online store once you've identified your niche.

Finding the best wholesale products is all about research, but in my experience it also helps to have a criterion you can use to filter all suppliers you find through.

1. Where are they based?

If you know you only want to work with a local wholesale business, then you can skip international wholesale suppliers straight off the bat.

2. What do the reviews say?



Many wholesale sites don't publish their reviews - especially if they're bad. That doesn't mean you can't still find the skinny on them though, you just need to know where to look.

Three Places to See Business Reviews

Better Business Bureau
Trust Pilot
E-Consumer

Sure, it's time consuming and boring - but I'm sure you can agree that an hour of detective work on the front end is worth a week of being down in the dumps because you were ripped off by a well-known scammy wholesale business.

You will also be surprised to hear that the proper factories are happy to provide samples so there is no reason to go to agents which is what you get on 'Ali' They may say they are the factory, they may say they have a big office and lots of staff but I am afraid to say in 99% of cases they are one person using the language and distance barriers as a way of doing a deal. They get run over business finished, their mum gets sick in Northern China business finished.

If you have an address or contact details then let me know and I may be able to help you but I would see as a lesson learned.

Best

James

Source



Expert Tip

It's worth remembering that if you're working with a Chinese wholesale business, you might struggle to find reviews for them online.

3. Do they have a MOQ (minimum order quantity)?

The wholesale business is built on working with customers who repeatedly buy in bulk. That's why wholesalers online and at trade shows have a minimum order quantity to help pre-qualify those most likely to be a good fit.

That doesn't mean that a high or out of range MOQ means you need to scrap working with them entirely. You do, however, need to be a bit more creative about how you approach them.

Here you'll find my top tips on how to negotiate with your wholesale suppliers.

4. Do they have original photos?

Truthfully, that's not always possible to tell - especially as you can't do a reverse image search on Instagram. Even so, I'd still take one or two of the products you find on their site and run them through a reverse Google image search, as you'll kill two birds with one stone.

Find out the following:

- **1.** Do the pictures belong to them?
- 2. Who else is selling what they sell?

When it comes to finding wholesalers online and researching them, Google's reverse image tool is your friend. 9

Related Content: Fighting Stolen Content On Instagram

5. Are They a Merchant Wholesaler?

I'll keep this short and sweet.

You're never going to be able to compete with the wholesale business that you buy your inventory from, especially if you're a rookie. Check out the example I shared of merchant wholesaler Shein here.

I've learnt something already. I thought a distributor was a wholesaler. The undercutting I'm talking about, using one example, is not by a £1 but by £30 on a £70 item! I can't make a profit when they are selling at my cost price from them, before I even beginning adding my costs.

Source: Ecommerce forum.

With less experience, resources, and time at your disposal, you simply don't have what it takes to go up against your wholesale supplier in the battle for the ecommerce checkout, and win.

Possibly. But they do call themselves wholesalers on the website and letter head and then you find they have an Amazon presence, and an eBay shop, where they sell exactly the same products for you at £1 or more less than the RRP they tell you. So you're already at a disadvantage and they have control of the stock, so they can outsell you over time anyway.

Source: Ecommerce forum.

Once you've found a few wholesale vendors which meet your requirements, it's time to start drafting your initial outreach email and spreadsheet to organise all your data. More on that outreach email later, but first, let's look at the sort of information you need to capture within your wholesale business database.

- 1. Contact name
- 2. Website name and url
- 3. Company contact name
- 4. Links to products you like
- **5.** Date your first name contact and any notes
- 6. What day you will follow up

This adds another layer of work that some are reluctant to do. It's worth the effort to keep your information organized from the get-go, because it's important to establish relationships with your vendors.



Expert Tip

Download my wholesaler email outreach template and spreadsheet.

Okay, so once you've completed your research, I always find it helpful to do some some deeper due diligence, before diving into the email outreach phase. And there are five questions I always like to ask as I'm short listing vendors.

- 1. Cost and value for money do they offer a great product for a great price?
- 2. **Social responsibility** do they meet my ethical standards? (No child labour here, thanks!)
- **3. Customer service** does this wholesale business care about me as a customer?
- **4. Ease of transaction** is it easy for me to explain what I want and get it without too much friction, stress, or cost?
- **5. How confident do I feel?** Do I have enough information and security measures in place to feel confident in my supplier?



Now obviously, you won't be able to assess whether every wholesale business you find meet all these criteria until you've reached out to them. That said, it helps to know what to look for in advance.

Remember I said I was going to share ten tips? Here they are.

Wholesale Business Ten Commandments

I	Thou shalt not only look at the first page results. They're rarely the best.
Ш	Thou shalt not judge a book by its cover. Sometimes great wholesale products are to be found on rubbish websites.
III	Thou shalt be a savvy shopper. Window shop and compare prices, as you would with any other major purchase.
IV	Thou shalt do the math. Make sure you're aware of all fees, shipping, labels, packing fees etc - not just costs of goods.
V	Thou shalt ask the right questions. Have a list of everything you want to ask in advance.
VI	Thou shalt negotiate. Don't be a cheapskate, though, and if you're trying to push down the MOQ (minimum order) you may need to pay more.
VII	Thou shalt not waste people's time. Know what you want, and keep your emails short and concise and to the point.
VIII	Thou shalt adopt the 'three strikes and you're out' rule. Your wholesale vendor is a crucial part of your business. If they keep mucking up, cut 'em loose.
IX	Thou shalt always buy samples, especially if dropshipping, or ordering 10+ pieces.
X	Thou shalt broaden your horizons. Buying overseas can be daunting, but there are killer deals to be found so don't let that stop you.

Ready to move on to those email outreach tips? Great! Me too.

Related Content:

- How To Use Oberlo To Find Products To Sell
- How To Create A Product Validation Spreadsheet
- I Ordered Product Samples And This Is What I Got

How To Reach Out To Any Wholesale Business Like A Pro

When you're attending trade shows, you get the opportunity to meet the wholesale business owner or one of their employees in person.

But when you're trying to find the best products, and you're determined to find those wholesalers online, you can't afford to be sloppy with your email outreach.

Think about it.

It's the first interaction this business will have with you, so you really want to put your best foot forward and make a great impression.



Ryan Barr, WP Standard

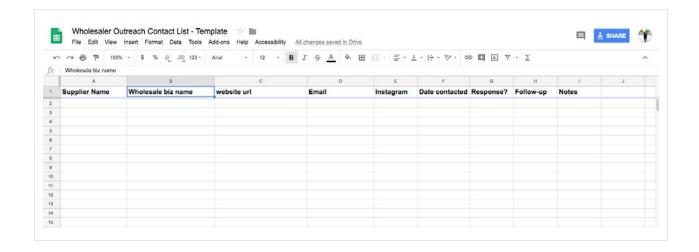
"Look for volume price breaks. Sure, get pricing first on their minimum order quantity, but expect to go big. What pricing could we get if we bought 1000 units? That way you're thinking about long term profitability."

As a fellow entrepreneur I always try and put myself in the other person's shoes when crafting my outreach email, as I know they're likely to be busy and with little time to waste.

Wholesale Supplier Email Outreach Dos and Don'ts

Successful email outreach is all about doing your research and having systems in place to organise the information you acquire.

Below you'll see a screenshot of the outreach template that I use, just click the link to get access to this spreadsheet and two email outreach templates you can steal.



Email Outreach Dos:

1. Do (where possible) Find a Contact Name Of The Person You're Emailing

"Dear Sharon" always comes across better than "Dear Sir/Madam"



Expert Tip

One of my favourite tools for finding named email contacts especially for US based business owners is Hunter.io.

If it's not possible to find a first name - simply start by introducing yourself first.

Example: "Hi, it's Stacey from (your company)".

2. Do Pay Attention To Your Email Subject Line - make sure your email subject line makes it clear this is a business inquiry

Avoid vague subject lines like: 'Hi', or 'inquiry', and opt for headlines with a bit more urgency.

Example: "Sales inquiry about item (list number)".

Sales teams are trained to look out for this type of email, so this level of specificity is likely to increase your email open rate.

3. Do Keep Your Emails Brief and Grammatically Correct

We all make typos.

No doubt you'll find a few in this ebook - but in your initial outreach email it really pays to try and come off as professional as possible.

When replying to you, many vendors will simply tell you to sign up on their website to create your vendor account. They may also remind you that you need your resellers permit.

But in this simple reply you've immediately learned two things:

- They require a permit a legit wholesale business usually does
- They don't totally suck when it comes to communication

4. Do Let Them Know You'll Follow Up

The average wholesale business receives obscene amounts of inquiry emails each day, which means the first hurdle you need to overcome is to get them to open your email. The next hurdle, is to get them to respond.

Sales team members are scanning emails quickly to see which inquiries seem genuine, and they also want to filter out tire kickers and time wasters. So letting them know you'll follow up in 2-4 days if you don't hear from them, demonstrates that you're serious.

Email Outreach Don'ts:

1. Don't Write Loooonnnnnng Rambling Emails

No one enjoys receiving emails that read like a chapter of War and Peace. Facts!

What's even less fun is a back and forth stream of one-line emails when one or two detailed emails would have done the trick. Be specific about what you want, but don't ramble.

2. Don't Approach Like a Rookie

It's not necessary to tell your wholesale supplier that you're just starting out, as the average wholesale business owner is unlikely to prioritise what might end up as just a \$100 sale.

Present yourself confidently and professionally from the very beginning, even when making initial sample purchases.

3. Don't Ask For a Discount With Your First Purchase

The goal at this point is really to establish your relationship with your wholesaler. Once your foot's through the door and you're making more frequent and larger purchases, *then* you can broach the topic of shipping discounts, lower prices, and split packs etc.

Okay, we've covered the dos and don'ts on how to do effective email outreach to your prefered wholesale business. But I need to drop a quick truth bomb: many wholesale suppliers won't reply the first time.

Yep. That's right!

You may reach out to 25 different wholesale businesses and only get a response from seven of them. That's why the follow-up email is so important, and if you've ever done sales you'll know exactly what I'm talking about.



Sales Follow-up Statistics

- ✓ 2% of sales are made on the first contact.

- √ 10% of sales are made on the fourth contact
- ✓ 80% of sales are made on the fifth to twelfth contact
- √ 48% of sales people never follow up with a prospect
- ✓ 25% of sales people make a second contact and stop
- √ 12% of sales people make more than three contacts

Infographic by www.sulata.net

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Schedule in a reminder to follow up with any vendor who doesn't reply within 3-4 days. This way, if they forget to get back to you, you'll make sure you don't slip through the cracks.

I use <u>Boomerang</u> to help me schedule follow up emails to people who don't respond.

If your carefully crafted outreach email and subsequent follow-up gets no response, but you still really want to work with this wholesale business, the next step is to pick up the phone.

In a day and age, where everything is done by email, nothing says 'I'm serious' like picking up the phone.

That's why I'll share a list of questions to ask any wholesale business you're interested in working with, as they help both parties work more efficiently.

9

Related Content: The Best Email Platforms For Ecommerce

11 Smart Questions To Ask Wholesale Suppliers

Below I've listed some questions that you should consider asking your wholesale vendor to ensure you have all the information you need to make a well informed buying decision.

- Where are your products made and manufactured?
- What are your delivery lead times?
- Do you have a minimum order quantity (MOQ)?
- How long have you been operational, and are you operational in Europe?
- Do you work with overseas vendors?
- Are your products available to the general buying public?
- Can I buy samples before making a purchase order?
- What quantities do your price breaks begin at?
- Do you have a return policy for wholesale orders?
- What are the delivery fees and shipping methods that you use?
- What happens if my shipment turns up late?



Expert Tip

You don't want to send an email asking all these questions. That would definitely overwhelm the wholesaler.

Many wholesalers online will already have some of the information above available to the public. So make sure you check their website thoroughly, as you don't want to ask questions they've already taken the time to answer.

9

Related Content: How To Check Out a Supplier Before Committing

Wholesale Shipping Costs and Shipping Carriers

There's no two ways about it: finding a credible wholesale business to work with is no easy feat. And once you've found wholesale vendors you like who are willing to work with you, the next challenge you face is deciding on how you will ship the wholesale products that you bought for the best price possible.

Shipping and courier costs vary depending on your location. In this section of the guide, we'll focus on some of the most popular wholesale shipping options available to you in North America, China, and the United Kingdom.

Let's start with the different types of shipping options.

1. Regular Post

If coming from China this usually will be China or Hong Kong post, and you can expect it to take 2-6 weeks to arrive. This is the cheapest option, but it's also the most time-consuming option.

There are some limited abilities to trace your package, but they are nowhere near as robust as with other methods. Although low cost, there are many risks associated with this type of post - and they are not always worth it.

The same applies for US regular post and UK regular post.

2. Express Courier

This is my preferred method, as it tends to be the best option for most people just starting out.

Yes, you will pay a little more, but when you're just getting your business off the ground wouldn't you rather spend more to have happy customers and less negative reviews?

Yeah, me too!



Couriers offer <u>faster delivery times</u> and better online tracking with many having the ability to get your product to your customer within 2-7 days, know matter where they are in the globe.

All this speed and security does comes with a higher postage cost though. That's life.



Expert Tip

Different couriers offer different rates and weight breaks so don't be afraid to shop around. And you can save time by setting your shipping accounts up in advance.

3. Air Freight

Some wholesale products are simply too big or going too far, and that's where air freight comes into its own for getting your wholesale products delivered safely.

When working directly with the airline, air freight costs can be significantly cheaper than working with a middle man or courier. However, with air freight, there are tighter restrictions and deadlines you'll need to adhere to.

Expect extra work when the goods arrive at your destination, as you alone are responsible for getting the paperwork correct to make sure your wholesale products clear customs.

This can be pretty overwhelming and challenging when you're just starting out.

4. Sea Freight

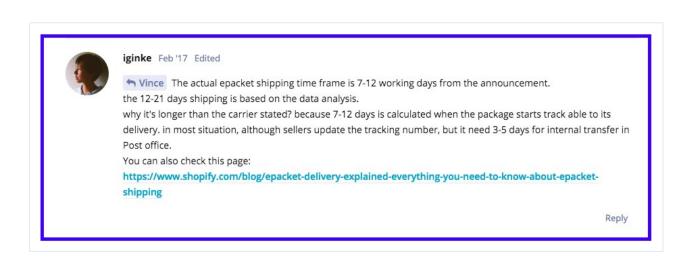
This is one of my favourite <u>shipping methods</u> when shipping personal products from overseas. But I've found it doesn't work that well when importing wholesale products - especially if you need your products to arrive in a timely manner.

Sea freight is a popular shipping method for many logistics companies and larger retailers, as they benefit from greater price breaks. But you need to remember products do take a significantly longer time to arrive, and if you're a small or new brand having the ability to move and respond quickly is vitally important.

That being said, if you have the time, sea freight is nearly always the best option price-wise.

Depending on where you're living, your sea freight wholesale product shipment can take anywhere between a week and two months, and you're responsible for making sure your shipment clears customs.

5. ePacket Shipping

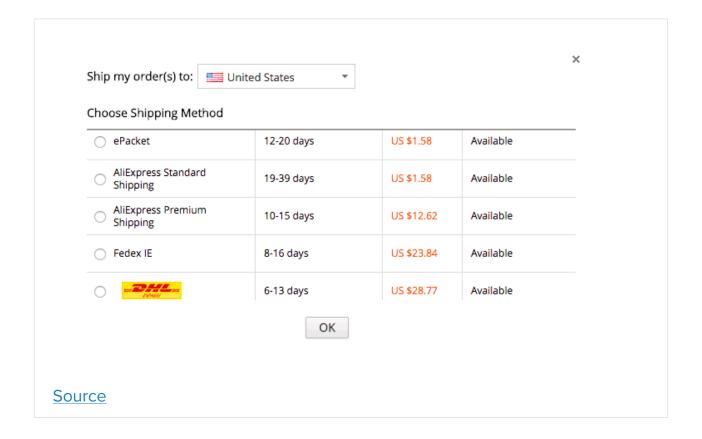


ePacket has become the shipping option of choice for ecommerce entrepreneurs, and you'll find this shipping option is used extensively by those dropshipping from wholesale vendors based in China.

<u>ePacket delivery</u> was created to offer a viable alternative to the high cost of courier companies and the high risk of using the regular post.



This service has weight and size restrictions and isn't perfect by any means, but it's a shipping option you don't want to overlook, especially in the early days.





Expert Tip

Don't forget you can only use ePacket to ship to your customers. Your wholesaler can't use it to send you a wholesale shipment.

Each of the above shipping options come with pros and cons. Sometimes, you need to use a combination of these shipping methods to help you stock your new online store with the type and amount of inventory needed to offer a fully fleshed-out shopping experience to your customer.



Kimberly Flores · a year ago

My biggest issue as the suppliers print out the ePacket label complete with thier prices on it! I've asked ahead of time to not do this.

How do I know? I've ordered a few of my own products and sure enough, there they are as well as bold Chinese branding.

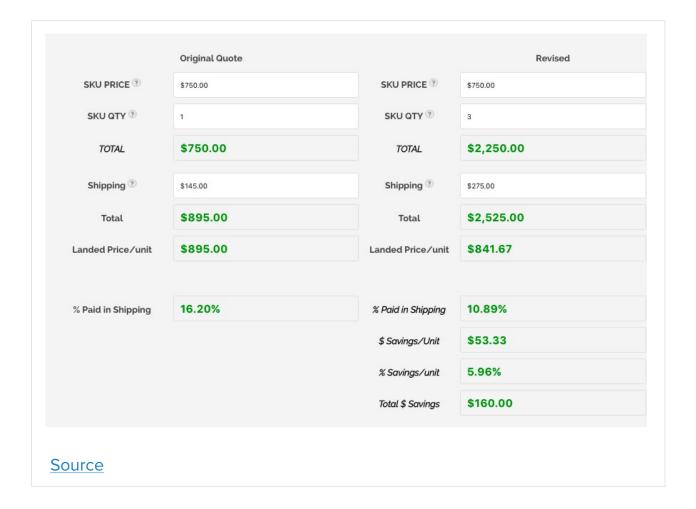
Now most orders are delivered less than 30 days. But one such item I ordered has been lost, and I think it happened here in the US.

I will continue to use ePacket but very choosy on my suppliers.

22 ^ V - Reply - Share >

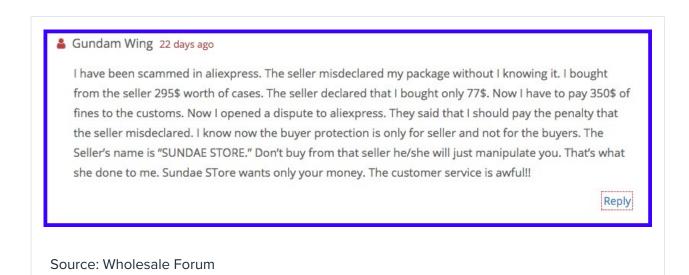
Source

It's also <u>important to remember</u> that your shipping costs are a crucial part of working out your <u>full cost</u> of goods.



While you want to keep these as low as possible, you don't want to sacrifice offering a great product and a speedy service to your customers for the sake of a few dollars.

It's also important that you realise many wholesalers themselves don't have the correct wholesale licenses, as they're not directly set up to export to foreign customers.



This is especially true in China. At one point, wholesalers there didn't have a high demand from overseas customers, and many never bothered to get the right export license.

Should You Manage Your Wholesale Shipping Yourself Or Use An Agent?

This depends on:

- Where you're located in relation to where your product is
- How much time you have to dedicate to sorting out paperwork and customs declarations

Using a wholesale shipping agent is going to save you a lot of time, stress, and oftentimes money. But on the flipside they are another expense which can end up stressing an already stretched budget.

The reason many retailers end up letting the wholesale supplier handle their shipping is because on the surface, it seems more simple, seamless and cost effective.

But in truth, if you isolate <u>international shipping</u> costs alone, you'll often find working with the wholesaler's shipper is more expensive than working with an independent agent or doing it yourself.

The wholesale business is like any other, and extra convenience does generally come at an additional cost, even if you don't realise it.

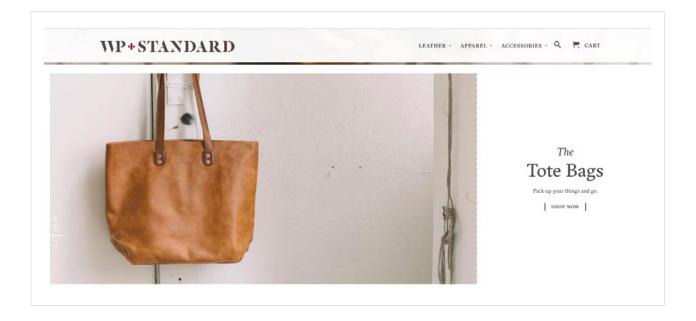
Related Content:

- Courier Shipping Advice From China To The USA
- 10 Shipping Tips To Make Your Life Easier
- How To Minimize Your Shipping Costs

How to Make Payments to Your Wholesale Supplier Safely

Sending large amounts of money over the internet can be even more nervewracking than writing a big check in-person.

But once you've found the right product, the right wholesale supplier and you're ready to transact, well you need to know how to do that as safely and cheaply as possible. This is especially true when buying from China or other Southeast Asian countries.





Ryan Barr, WP Standard

"Establish good terms up front. Knowing if they want net 30 or net 60, etc. will have dramatic implications for your cash flow."

How to Purchase Samples and Large Orders Safely

Where possible, use a service like PayPal over a wire transfer.

With PayPal you still have some recourse to your funds if something goes wrong, whereas with a wire transfer, consider it a sunk cost. Your money's gone.

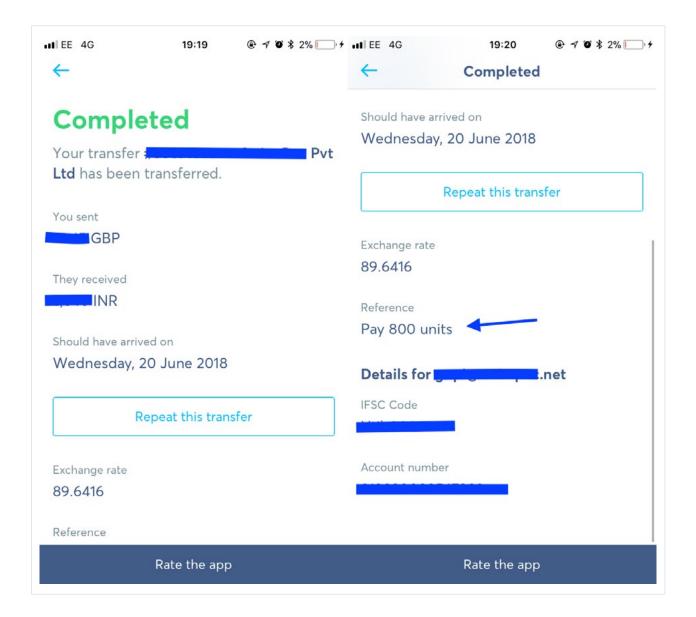
Most wholesale suppliers won't tell you that they offer the option of paying by PayPal because wire transfer is their preferred method of payment. So if it's not offered as a payment option, then don't forget to ask.



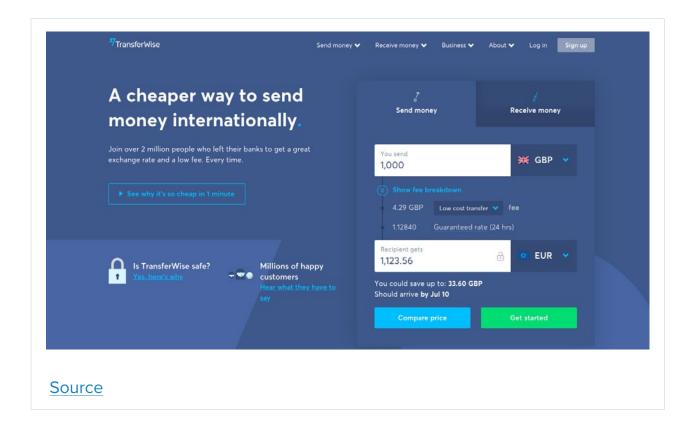
Expert Tip

Make at least one sample order by wire transfer, as it's good to have the experience the process involved in authorising an international wire transfer.

I work with a lot of wholesalers overseas, and my personal favourite service for doing international money transfers now is TransferWise.



They also offer a fair conversion rate, charge minimal fees, and payments are completed within just a few days.



UK retailer?

Stay safe by looking for wholesale suppliers with TradePass certification.

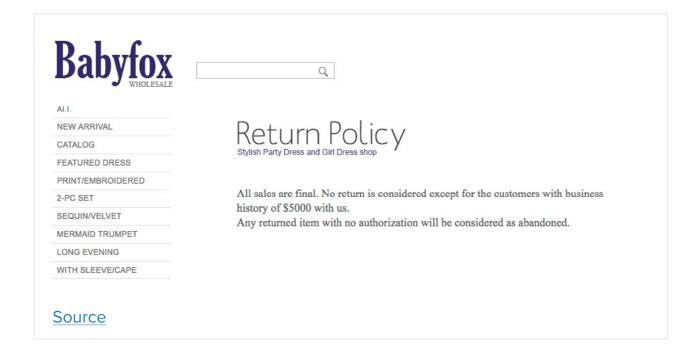
It's totally normal to be concerned about the legitimacy of the supplier information found on some of the many wholesale directories - especially those who regularly get poor reviews.

One thing I like about the UK-based wholesale directory, Esource.co.uk, is their TradePass certification. Wholesale suppliers are only given this verification stamp after going through an authentication and verification process.



Read Your Contract and Make Sure You Understand it

Legitimate wholesale suppliers will have clear terms and conditions included within their account setup paperwork. Overcome your natural inclination to ignore them

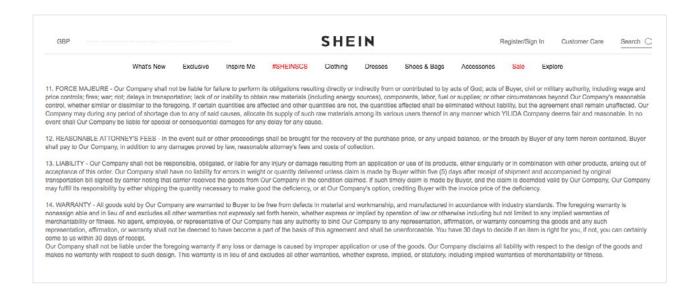


There are a few fairly standard clauses which are in many wholesaler agreements, so let's briefly review a few of them now.

Loss, Shipping, Transfer of Title

Get familiar with terms like FOB - Free on Board/Freight on board', as wholesalers will frequently include them in their contractual terms and other formal communication.

The location and city listed will be the destination to which the wholesaler has agreed to pay shipping to. Shipping clauses may also cover your wholesale supplier to ship your order to you in parts.



Payment, Payment Terms, Pricing

Pretty self explanatory, this section will contain details about your payment, agreed payments terms, and which methods of payment are acceptable.

This section may also include information about discounts for early payments, and fees for late payments.

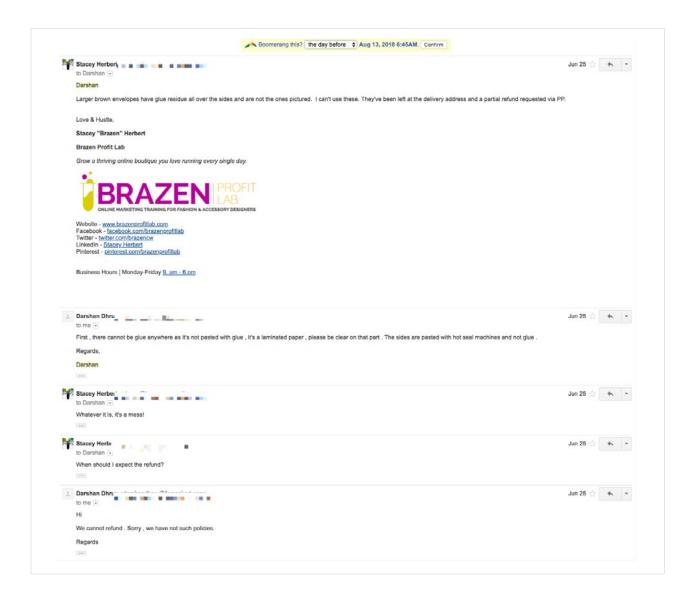
I always double-check this section to make sure it correlates with what we've already agreed either verbally or by email, and you should too.

Warranty

Suppliers usually offer a guarantee that your product will be delivered as described, or will being replaced or repaired should that not be the case. There will be processes and procedures to follow, but that's to be expected.

That being said, just because a company has a refund policy doesn't mean they have integrity and will honour it.

I found this out (again) with a recent wholesale purchase of shipping envelopes from a new vendor I was trying out. Check out this email thread between me and this supplier as I try to get a refund on a shipment of 300 items.



As you can see the wholesale supplier was telling me there was no recourse for a refund as 'we have no such policies'. The strange thing is, their website says something quite different.

Cancellation Policy

Before dispatch -100% refund less any payment refund charges if any.

Post dispatch -no refund.

Complaints

- . Quality -if found to be different than description will be replaced . Return freight of lot will be borne by us and new will be sent at our cost too.
- Damaged in transit -do not accept the goods . If very urgent then pls mention same on the courier slip/transporter LR before accepting the same.
- Please intimate the quantity of damaged pcs with proof by attaching pictures by email and we will refund your money/credit your account /replace the defective goods.
- If the customer cancels any order before order dispatch, then the money would be refunded. In case the shipment has been dispatched, then refund would be given, but Customers will be responsible for shipping charges against canceled orders.
- In case of damage, kindly do not accept.
- In case of manufacturing defect, goods will be replaced/refunded as per need.

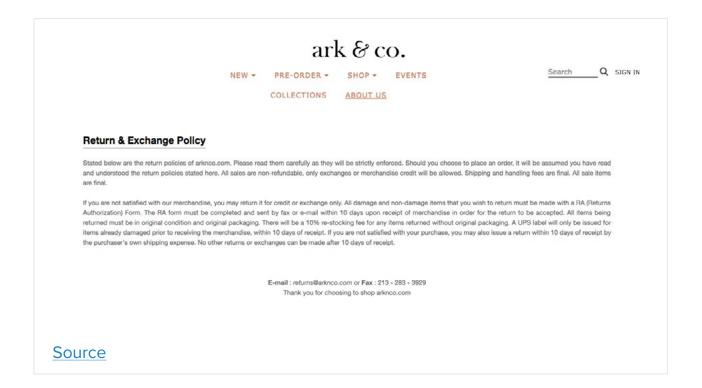
Source: wholesale supplier's website

In this case, although I won my Paypal dispute, in order to process my refund Paypal told me to ship the faulty product back to India- despite the wholesale company having a policy around faulty products.

Here's the thing though, weighing in at over 12 kg and too large for me to carry alone, it would have cost me more than the value of the merchandise to bare the return shipping cost myself. Ultimately, I had to cut my losses and charge it to the game.

Inspection and Rejection

This is the part of the contract that explains the timeframe you have to reject the merchandise delivered, and how to contract the supplier to discuss the shipment. When a supplier accepts a rejection you may be sent a RMA (return merchandise authorisation) reference.



Force Majeure

The first time I saw this in a contract I had no clue what it meant. I've since learned it relieves both parties of any liability or obligation in the event of circumstances outside of your control - think war, riot, flooding, or an 'act of God'.

Local Governing Law

Depending on where your wholesaler is based, they may be operating under a different set of laws than you.

In this section of the contract, your wholesaler will lay out its local law and legal responsibilities as they are applicable to your contract. This is include how fees will be paid by the losing party, should any litigation arise.

This clause should protect both parties, but the truth is it's much harder to pursue any claim when you're located in another country to your debtor. I'm still chasing up \$16k owed to me by a US-based customer, since 2014.

(76	mit Account Resolution 3) 712-3700								
00001	TE 06/01/18 Account Activ	rity Report			Date	s: 01/01/80 -	05/31/18		PAGE
Your Account Nu Sts Dsk	mber Account Name	Account	Assigned	i	Assigned	Collected	i Adjust	ted	
SOCIAL ACT C03		0000340910					1		
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Expert Tip

This is not an exhaustible list, and you should definitely take the time to review any contractual terms sent to you before you sign.

4

How Do Dropshipping Wholesalers Work?

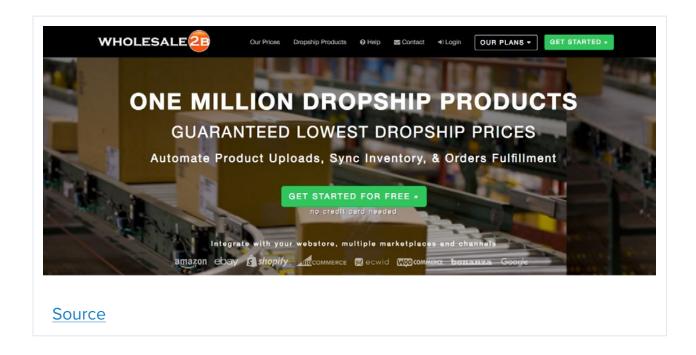
<u>Dropshipping</u> essentially means instead of buying inventory you display products– which are housed in a dropshipping wholesalers warehouse – on your own website.

When the sale is made, you purchase the product from the wholesaler who packs and ships the product directly to your customer. As the retailer, your profit is made from the markup you put on the product. It's that simple - at least most of the time.

The main advantage of dropshipping for entrepreneurs – especially if they're new to ecommerce – is that you don't need to carry any inventory. This significantly reduces both the upfront costs and risk involved with starting your new business.

But, as you can expect, there are some pros and cons to this particular ecommerce business model, so let's examine them further.

Pros and Cons Of Working With Dropshipping Wholesalers



While a great entry point to the ecommerce industry, dropshipping is not a business model to enter into lightly, as the reality is, you'll be in near-constant contact with your dropshipping wholesaler.

And working with the wrong supplier can cause you a world of transatlantic problems that you end up trying to solve while making no money. No bueno.

3 Main Pros of Working with Dropshipping Wholesalers

- It costs very little to get started. This means it's good for experimenting with ecommerce until you find a profitable niche
- 2. There are quick and easy expansion opportunities. You can focus on marketing and let your dropshipping wholesaler focus on logistics
- **3.** It's easy to change niche or market if your idea or marketing campaign fails to take off.



Saying that, dropshipping is not without its drawbacks. It's important to consider these disadvantages, especially if your long-term vision is to build a brand that evolves into a household name.

3 Main Cons of Working with Dropshipping Wholesalers

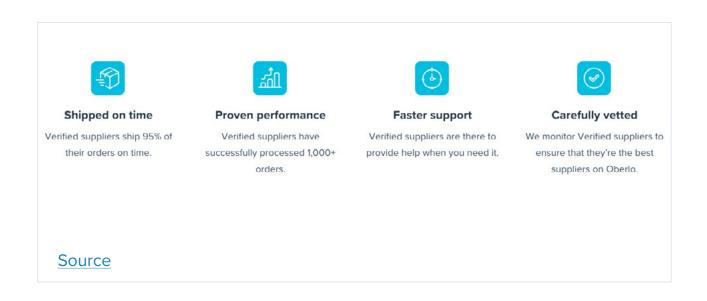
 You can't offer a branded experience in your packaging without paying significantly more.



Source

- 2. You'll have slower shipping times, which means you'll have to deal with a lot of <u>customer service questions</u>.
- **3.** Since you have no idea what's being shipped to the customer, you can't be sure of the quality.

That's why Oberlo has a strict list of criteria that we use to vet all wholesale suppliers available via our app.



How to Find Dropshipping Wholesalers Using Advanced Google Search

Okay, now that you understand the advantages and disadvantages of dropshipping, you're probably wondering how you find and connect with the best dropshipping wholesalers quickly and easily.

Good question!

Ordinarily, you'd just head to Google and start searching.
Unfortunately, this approach is often time-consuming and rarely successful.

All types of wholesale suppliers, including dropshipping wholesalers, are often notoriously difficult to find online as they do a pretty shabby job of marketing themselves.

Worse still, even when you do stumble across a vendor you're often met with an outdated, slow website which doesn't create the best first impression.



Expert Tip

Don't be put off by first impressions, reach out via email and ask to see more samples of what they offer first. That's why I want you to check out one of the best videos I've found on how to do advanced search on Google.



It doesn't matter whether you're looking for a new dropshipping wholesaler or a wedding cake baker - if you take advantage of these modifiers, you'll find it a lot more effective to find what you're looking for.

Command	Description	Syntax	Rules	
AND	Requires both char strings on webpage	james AND smith	Uppercase AND	
OR	Requires either (or both) char string on webpage	james OR smith	Uppercase OR	
	Requires all the char's in that order	"james smith"		
-	(NOT) Exclude pages with these char's	-new york	No space after oper	
٠	Find webpages with Google's list of "synonyms"	~genealogy	No space after oper	
*	Finds strings with any word betw two terms	"james * smith"	Requires quotes	
+	Preempts stemming	tom hill +died	+ same as "died"	
numrange	Defines start & end point of a numeric range	17821804	No spaces, two dots	
AROUND()	Limits # words found between 2 search terms	faith AROUND(2) baker	Uppercase	
site:	Search or exclude specific site	-site:www.census.ca		
filetype:	Limit search to a specific filetype	anna day filetype:pdf	ext: is exactly same	
intext:	Limit search to Keywords in body of webpage	intext:"tom hill" essex		
intitle:	Limit search to Keywords only in webpage title	intitle: "dufresne family"		
related:	Returns sites related to a target site	related:www.smith.org	(also try similar:)	

Source

But, even if you become a master at scouring through Google, you might not end up striking gold.

See, as the ecommerce industry has continued to explode, lots of shady dropshipping wholesalers - who are much more internet savvy - have flooded the wholesale marketplace.

It's worth noting that these are often the wholesale suppliers you'll come across first. This is why it pays to have some understanding of the difference between fake and legit vendors, as it's often very hard to tell the difference.

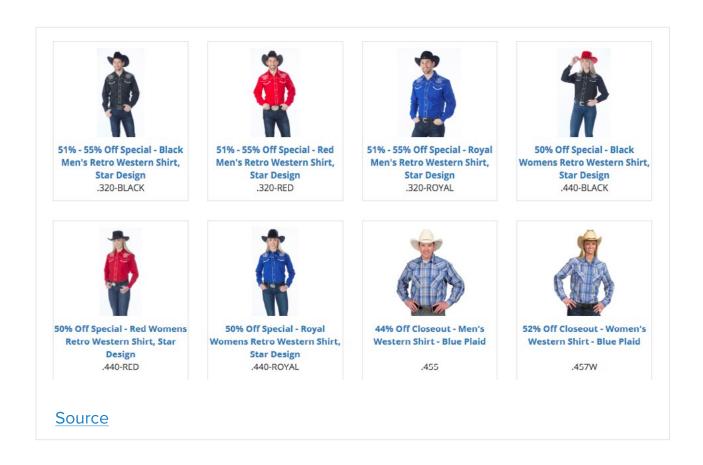
Look out for the following tell-tale signs, which are a dead giveaway.

How to Spot a Shady Dropshipping Wholesaler Quickly



They retail to the general public

Most wholesale companies hide their wholesale prices from you until you open a wholesale account. In order to do this, you need to supply them with your resellers licence. That doesn't mean you won't find the occasional legit company willing to do business with you without one, but be mindful as this is rare.





They charge you ongoing and/or hidden fees

Trustworthy dropshipping wholesalers don't tax their customers a further monthly fee for the privilege of securing their business. Avoid any vendor that tries to charge you any ongoing or repeat fees, as they're likely to be shady.

That is, unless they're a <u>wholesale supplier directory</u> - which is different from a wholesale supplier.

Wholesale supplier directories give you access to a large range of vendors categorized by product type and market.

The wholesale suppliers listed are usually vetted in advance to make sure they are the real deal. This means you can feel a little more assured that you're finding highquality vendors.

Even if you use a wholesale supplier directory, research vendors before you commit to working with them.



Expert Tip

Please note that many of these directories do charge a joining fee.

Sometimes that's a one-time thing, other times, you may be expected to pay a small monthly fee to retain access.

Annoying, I agree!

But once you've nailed your supply chain you can cancel this subscription and draw back that monthly expense into your business.



Here's something to bear in mind though: there are some fees attached to working with your dropshipping wholesaler that you need to be mindful of throughout the process.

These small costs add up and push up the individual cost of goods price (COG). And, if you want to stay on top of your <u>bookkeeping</u> and remain profitable, you need to have a clear understanding of these numbers.



Individual order fees

It's normal for dropshippers to include a *per-order* flat rate for each transaction. This can range from \$2 to \$10 depending on the size, weight, and location of the item being shipped.

I know this can be alarming at first, but if you plan to go the dropshipping route you need to be aware that this is an standard industry fee. This way, you can factor it in when you're working out the profitability of your new online store.

Then there's the hurdle which trips up even the best intentioned new online store owner: the infamous and dreaded MOQ (minimum order quantity).



MOQ - Minimum Order Quantity

As mentioned in <u>Chapter 3</u>, this is a order size guideline that many legit wholesale suppliers will have in place to deter those who don't plan to spend enough to be a valuable or long-term customer.

Sad, but nonetheless true.

Remember though, this is just a guideline and it can be negotiated if approached smartly.

If a dropshipper still refuses to deal with you, another way to get around it is to suggest that you pre-pay an agreed sum, which they can then apply to your current and future orders.

Not only does this allow you to meet their MOQ requests - without buying a bulk order. But equally importantly, it helps you build some credibility and goodwill with this wholesale business as they will see that while you might be small, you have a big vision.



Expert Tip

One way I get wholesale suppliers to be flexible with MOQ is by posing as a buying agent - not the business owner - and asking to make a small sample purchase.

Can Dropshipping Be Profitable?

In a word, yes!

But the reality is that it takes a considerable amount of research, luck, and work in order to make a dropshipping business a success. That shouldn't put you off, though.

10 WAYS TO MAKE DROPSHIPPING PROFITABLE

- 1. Consider less saturated non-US markets
- 2. Sell through as many channels as you can
- 3. Make you you have quality control systems in place to avoid too many chargebacks
- 4.Don't limit your supply chain, always have a plan b vendor
- 5. Have a live chat app so you can answer questions and concerns in real time

- 6. Know your numbers for everything
- 7. Buy your bestsellers wholesale as soon as possible
- 8. Check products with large volume orders and good reviews on Amazon and Ebay
- 9. Focus on offering great customer support
- 10. Make sure you're clear about sizes & shipping costs and delivery times

www.brazenprofitlab.com

You also need to factor in what your budget will be for marketing and promoting your products. I've found that many newer store owners tend to overlook or underestimate this cost.

Yes, you can start your <u>dropshipping business</u> without a large upfront investment

- but you still need to invest in your online store if you want to turn it into a thriving business.



This article shares some costs you need to consider before you decide whether dropshipping is the right business model for you.



Ryan Barr, WP Standard

"We all start with the resources we have so don't fret if you can't come begin exactly how you'd like. It's a process."

Working With Dropshipping Wholesalers

Keep it simple

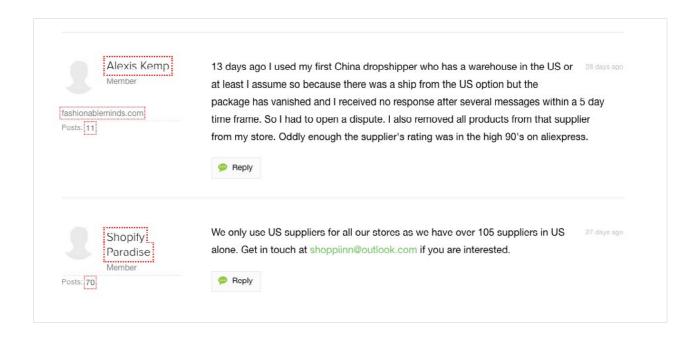
Stay away from structured, complicated products. Think about the processes that need to go into creating the item, as the more pieces that need to be assembled the more room there is for error. This advice applies to everything from to clothes to electronics. Buy basics.

Choose durable, light products

Shipping costs vary depending on where the item is coming from and going to. I like light but sturdy items, as they are cheaper to send and can often be cheaper to replace.

Ask if they have different logistic centers

Some of the larger wholesalers have warehouses in different locations. Make sure you know what locations they have, and if they use the closest warehouse to ship to your customers. This helps keep your shipping costs down.



Monitor what's selling and what's not

Just like space in a warehouse and brick-and-mortar store is valuable, so is space on your online store. People want to find what they like quickly and easily, so get rid of items that are just not selling as quickly as possible.

Keep your supply chain diverse

Sadly, it's possible to lose your biggest supplier overnight. This isn't a problem if it's a product that's not selling, but when the supplier of your bestseller goes up in smoke, you have a problem. Always have a plan A, B and C.

You can also apply many of the other tips found in other chapters of this guide and modify them to suit your personal situation.

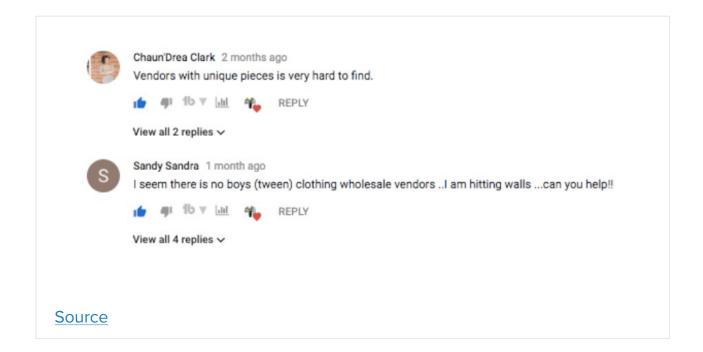


Related Content: YouTube Ads For Beginners

If you use the advanced Google search tips and still come up empty handed, then it's time to delve even deeper. I'm going to share some alternative ways that you can find and buy wholesale clothing both online and in-person. 5

How To Find and Buy Wholesale Clothing

As an ecommerce expert and business coach who primarily works with new and emerging brands in the fashion and lifestyle space, I regularly receive emails and comments from people who struggle to find great wholesale clothes.



They struggle to find wholesale clothes for three main reasons:

- 1. Outreach and getting the wholesale supplier to respond
- 2. Buying samples and being disappointed with the quality
- 3. International sizes not matching up with US or UK sizing

As someone who's experienced all of the above, I know they're speaking facts. And while there are a ton of wholesale directories that you can sign up to, that doesn't mean you've struck gold. And it's important to remember that people can have a diverse range of experiences all working with the same wholesale clothing vendor, so do your research.

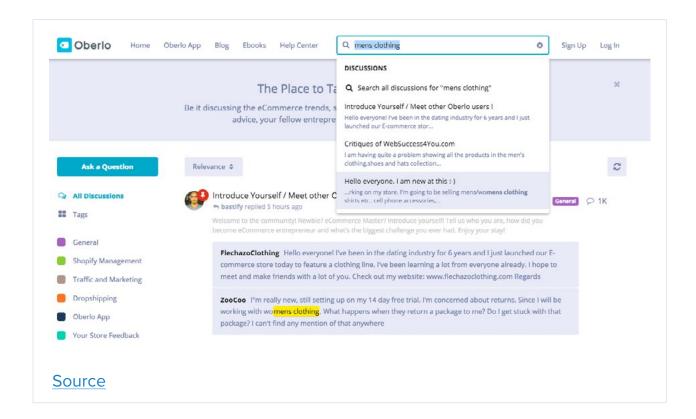
Exercise your own discernment, and don't forget to do small test purchases for vendors you're skeptical about.

Let's answer some of the questions I get when it comes to buying wholesale clothing online and in-person.

How To Use Forums and Facebook Groups To Find Wholesalers

When it comes to using forums to find wholesalers online, I like to start with the search function, because most questions have already been asked.

Using the search function means you can find those questions which contain a keyword, and this will pull up any threads that contain that keyword.



Next, I like to read the comments. This is where you'll find people sharing helpful suggestions.



Expert Tip

Don't be surprised to discover hordes of wholesale suppliers and agents lurking in forums. Sometimes it's obvious who they are, but oftentimes it's not - which is how they like it.

If you find a comment which feels and reads a bit like a press statement or an ad, then it's likely to be from an agent.

When in doubt, feel free to ask - especially if it's a fresh comment or thread.

Now, be warned this type of information mining can be slow and time consuming - especially when you factor in any due diligence you may want to do on the companies you find. But I like to type in the name of the wholesaler, scanning any results for words like 'review', 'complaint', 'avoid', 'scam'.

Here are a few ecommerce forums worth checking out:

- Ecommerce Fuel
- Digital Point
- Reddit Ecommerce Forum
- Ask Oberlo
- Big Commerce forum
- Shopify Forum

But here's where it gets tricky and your discernment needs to come into play.



I have been scammed in aliexpress. The seller misdeclared my package without I knowing it. I bought from the seller 295\$ worth of cases. The seller declared that I bought only 77\$. Now I have to pay 350\$ of fines to the customs. Now I opened a dispute to aliexpress. They said that I should pay the penalty that the seller misdeclared. I know now the buyer protection is only for seller and not for the buyers. The Seller's name is "SUNDAE STORE." Don't buy from that seller he/she will just manipulate you. That's what she done to me. Sundae STore wants only your money. The customer service is awful!!

Reply

Source: Ecommerce Forum

There are some wholesalers who will fraudulently post bad reviews of their competitors to steal their potential customers. So you need to balance out what you read with a little common sense, and possibly check more than one source.

9

Related Content: Wholesale Clothing Vendors - how to find the best one

Benefits of Wholesale Clothing Trade Shows

Next, we're going to dive into trade shows and how you can position yourself to find the best wholesale clothing suppliers and get your hands on emerging trends before everyone else.

But first, let's look at a few other perks to attending wholesale trade shows.



<u>Dale Majors</u>, Weave Commerce

"Where possible, spend time with your suppliers. I can't count how many deals I've found being face-to face with suppliers at trades shows and industry events."

1. Industry Expert Seminars

Run by ecommerce industry experts, you can attend seminars on everything from inventory projection to social media strategy. Not only do you get the chance to find great wholesale clothing, but you get tips on how to sell them from those who have been in your situation.

2. In-person Meetings

A fashion trade show is overflowing with some of the best wholesale clothing suppliers, and it can be easy to get overwhelmed by everything going on and lose focus.

I can't highlight the importance of building solid relationships with your vendors, and trade shows present a great opportunity to schedule a time to speak with them in person.

3. Negotiation Opportunities

It's much easier to negotiate in person as you're able to make eye contact and read body language. If your vendors are not local to you then trade shows are the best opportunity for you to meet and negotiate a better deal in person.



Expert Tip

Tradeshow are your opportunity to be a bit more aggressive when negotiating prices with your wholesale clothing vendor.

4. Press Exposure

Not only will you find wholesale clothing vendors at trade shows, but you'll also find members of relevant press and magazine editors frequent these shows to get ahead of the curve.

That's why I recommend joining the seminars.

Network, take cards, and don't forget to bring your own. If you can get on the radar and get your business card into the right hands, there's the opportunity to create a great connection and score some free press.

5. Meet Potential Collaborators

Wholesale clothing trade shows are full of new entrepreneurs just like you. And while it's tempting to focus your networking efforts on vendors, big brands and <u>influencers</u> (yep! they attend trade shows too) I actually find some of the best networking to be done among new entrepreneurs.

Look for people who have brands that are aligned (but not the same as) yours and connect with them in person. On returning home think about how you can partner with these people - then follow up.

6. Meet (and Get Ahead of) The Competition

Don't forget, trade shows are filled with your competitors all looking to snag some wholesale clothes to thrill their customers.

This makes wholesale shows a great place to see what your competitors are buying. This information can either be used to tip you in the right direction to go. Or, you can even use it to help you know what *not* to pick as you don't want to have the same thing as everyone else.



Expert Tip

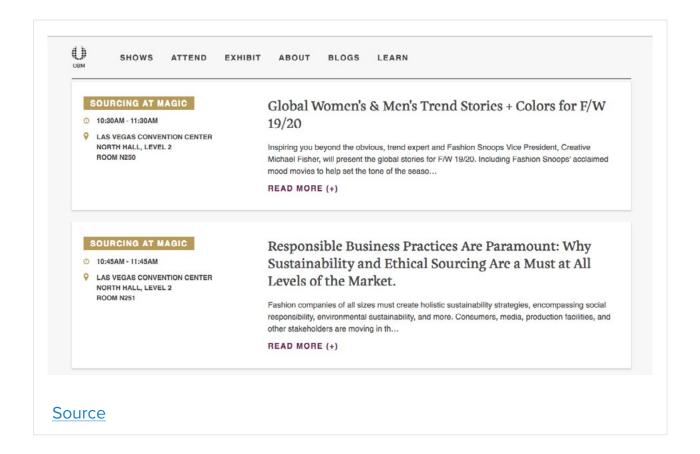
Bring a notebook, charger bank, business cards and a few pens.

Now that we've discussed the additional bonuses of attending trade shows, I want to share some tips on how you can get the most out of your day.

10 Trade Show Attendance Tips

1. Check out the daily schedule

There's a lot going on at trade shows, so it pays to do your research and plan your day in advance.



2. Wear flat shoes. Just trust me. WEAR FLATS

In fact, when it comes to what you wear I suggest that you keep it smart, casual and comfy. You'll cover a lot of foot miles during a trade show and you'll enjoy it more if you're wearing comfortable clothing.

3. Don't photograph vendors' booths without permission.

When you discover a new wholesale clothing vendor you love, it can be tempting to start snapping away at their merchandise.

Don't! It's a surefire way to get off to a rough start with your new business contact.

4. Research the vendors and speakers you're interested in.

Before a job interview, you should research the hiring company. In much the same way, you should research the vendors and speakers who'll be in attendance at the trade show. This way you can make sure you prioritise seeing the best ones.

5. Bring your artwork or logo on a drive if you want custom pieces.

If you're looking for blanks or to have your design printed on something, bring the files along with you as many wholesale clothing suppliers have the ability to mockup your product right in front of you.

6. Be careful who you give your business card to.

It can be tempting to start handing out your new shiny business cards like tic tacs. But unless you want your email and phone flooded with unsolicited sales calls for weeks after, then only give your details to vendors you really want to build a relationship with.

7. Create a few conversation starters.

If you're a bit of an introvert, attending something like a trade show can be daunting. So go ahead and jot down a few quick conversation starters you can use if you get shy. Here are some lines I use all the time:

- 1. Which of the seminars/speakers are you most looking forward to?
- 2. What's been your favourite vendor so far?
- 3. Is this your first year here, and are there any other shows you think I should visit?

8. Bring your reseller's permit with you.

Don't forget to bring your permits with you as some trade shows will ask to see them before they admit you. Likewise, some vendors may ask to see them before they allow you to place an order.

9. Plan your social media strategy.

Even though the focus is of course to find your next powerhouse wholesale clothing vendor, trade shows are a great place to create behind-the-scenes content that you can share with your audience. Make sure you bring a battery pack for your phone or camera.



10. Set a budget and stick to it.

I can't speak for you, but when I get in spending mode I can go crazy. This is especially true when I'm in an environment where everyone is spending. Before you go to the trade show set a budget that you will spend, and try to stay within it. That is, unless you see that killer product that you know you can definitely sell.

B

Related Content: Finding The Best Wholesalers For Summer Stock

How to Buy From Liquidation and Overstock Suppliers

While this is definitely a fantastic way to find quality wholesale clothing at bargain basement prices, I don't really recommend this approach when you're just starting out.

In my experience, buying from liquidation and other type of closeout suppliers tends to work best when you have a few 'ecommerce road miles' under your belt.

Finding accurate information on liquidated stock can be a lengthy process though, and it can also be time sensitive if you're looking for certain type of stock in a certain season.

To make matters even more complicated, the large majority of liquidation wholesalers don't have their own websites so finding these types of wholesalers online is not always the easiest task.

So how do you got about snagging some great liquidation bargains, without getting snagged up in a messy and expensive situation?

Well the good news is, it's entirely possible if you know what you're doing. But before we look at that, let's take a deeper look at what liquidated stock is.

What Exactly is 'Liquidated' Stock?

Many brands and department stores buy or manufacture masses of stock. They don't always get their trending or inventory forecasts correct, which means each season they're left with thousands of units of unsold or slow selling product taking up space in their warehouse.

This stock is not making them money. In fact, it's actually costing them money to house.



Expert Tip

When buying liquidated or overstock, you need to consider that the original retailer couldn't sell them - even with steep discounts. So make sure you know how you plan to sell them.

To shift this stock in large quantities as quickly as possible, the stock is palletized and sold off at slashed prices. Quite often, the knowledge of these direct liquidation sales are limited to those buyers with the capital and resources to buy big.

Many of these businesses then break down the pallets and make smaller bundles, before reselling this wholesale clothing to other store owners. While others are purchasing these items for their own brick and mortar or online business, or to flip on other ecommerce sales channels like Ebay, Amazon or Poshmark.

Liquidation sales are also one of the few places you can go to buy high fashion wholesale clothing for a tiny fraction of the price. But it's important to realise that these bundles will also contain returns, quality seconds, and sometimes even refurbished items.

Stores like Walmart regularly liquidate pallets of customer returns.

The items that go into these pallets are cherry-picked to contain the best of the worst—but you need to take into consideration that these bundles are sold with a *no refund* policy. Buyer beware.

There are some industries where buying liquidated stock can actually be a very risky and time-intensive option, such as electronics.

9

Related Content: 2018 List of Best wholesale Liquidation

Companies

Liquidation Industry Terms You Need to Be Aware of

Just like in any industry, there's some terminology that it helps to know if you want to navigate your way through quickly and like a pro. Below you'll find the most commonly used industry terms that will help you understand the liquidation wholesale industry.

Black Lining

This is where the brand will have any liquidation reseller strike through their brand label to make it clear that this item was not bought directly from them. This doesn't necessarily mean the item is damaged in any other way. You may also see a label in the item which says 'second'.

Past Season Transfers (PSTs)

These are also called seasonal shelf pulls. They're rarely sold directly to retailers like yourself, but rather to large businesses who then resell these items in wholesale bundles again.

Retail stores are seasonal in their inventory buying, but this means previous inventory needs to shifted. PST are the best quality of inventory pulled from shelves, though they do occasionally contain items that have some damage from repeat handling.

First Quality

These are the best quality items which tend to be free from any defects of manufacturing issues.

Customer Returns

This is pretty self explanatory. If you're looking for wholesale clothing that you can sell at a solid markup, then you need to be mindful that lots of pallets you buy from liquidation sales can and do contain customer returns.

Irregulars

Irregulars are also called factory seconds. This merchandise tends to be in great condition but have a small defect which means it's not quite perfect. Shading, needle lines, wonky stitching - this is the type of flaw you'll find in irregulars.



How to Buy Liquidated Wholesale Clothing

Have a game plan

Although these types of wholesale clothing businesses fly a little under the radar, that doesn't mean there's any shortage of them. That's why you need to have a game plan. Some questions you may want to answer, are:

- 1. How and where will I store these items? This issue is very important, but often overlooked.
- 2. Exactly what types of product am I interested in? Which suppliers specialise in this?
- 3. Are people currently buying the products I have in mind?
- 4. How will I cover the costs of my purchase?
- 5. Which marketplaces will I sell my products through?

Before I go any further, I want to elaborate on something as it's a really important point.

These types of suppliers tend to attract very internet-savvy, experienced retailers. This means they're well-versed on the right channels to sell through, and have already established their presence on the most popular platforms.

And if you're thinking that working with this type of wholesale clothing supplier is your way to get out of getting the correct permits, don't be fooled - it's not. You still need to have the right paperwork in place before the large majority of liquidation wholesalers will agree to work with you. We covered what you need in this section of the wholesale guide.

Decide your budget in advance

Liquidated products are often sold in pallets or lots. So unlike other types of wholesale businesses, where it's possible to negotiate MOQ. When buying closeout or liquidated stock it's important to remember you're purchasing a large number of items, and what you see is what you get.

Research the liquidation suppliers

If you're going to bid on a lot of wholesale clothing for your online store, you want to make sure that you know as much about the liquidation vendor as possible.

Make sure you research for reviews from others who have used these suppliers before.

One way to do this is to join some of the many Facebook groups and online forums where the conversation is fast, engaging, and up to date.



Source

In this article you'll <u>see reviews for several</u> of the most popular wholesale liquidation companies.

How To Buy Safely and Quickly From Wholesale Directories

Wholesale directories can be a quick and efficient way to shorten your supplier search. But with so many directories out there, it can be hard to know which ones are legit and worth the investment.

Here are a few questions to ask yourself before you sign up for a wholesale directory:

- What's the fee to join? Is it a one-time payment or monthly commitment?
- Can I communicate easily with the suppliers in the directory?
- What's the average MOQ of the suppliers within the directory? Do they work with the little guy?
- What's the word on the street about the directory? What do people think about the suppliers within it? Make sure to check the reviews.

If there's a vendor you're considering but not sure of, try and jump on the phone with them.

When it comes to making payment to your chosen vendor, you can find some great tips about <u>making payments safely here</u>. The bottom line is you do need to do your due diligence, even with vendors you find in directories.

9

Related Content: How To Combat Cross Border Currency
Fluctuations

How To Buy Any And Everything From Wholesalers Online

In this section of the guide, we'll look at how you can skill up and increase your success when buying products from wholesalers online and in person.

Here are the industries we'll look at:

- Wholesale women's clothing and wholesale dresses
- Men's wholesale clothing
- Wholesale baby clothes
- Wholesale t-shirts
- Wholesale jewelry
- Wholesale name-brand clothing

Now, before we dive into each of these industries, let's talk about how to negotiate like a boss.

First, we'll look at some best practices if you're working with US or UK wholesale businesses. Then, I'll give you some insider tips on how to establish a great relationship and strike a great deal with Chinese and South East Asian wholesalers.

Related Content:

- A Look Inside The Mind of a Successful Entrepreneur
- 20 Fatal Online Business Mistakes (and how to avoid them)

Negotiating With European or North American Wholesale Vendors

Some of the tips I'm about to share below can really be applied when dealing with any type of vendor in any country. That being said, I want to highlight some tips for negotiating with European or North American Wholesale suppliers specifically.



Bradley Day, Helm Boots

"First thing, make sure that you're entering into a partnership, not a transactional relationship. The days are gone where the relationship consists of accounts buying and brands selling. Make sure you've got a partner on the other side of the table that's going to help you introduce people and showcase your brand in a way that's consistent with your brand values."

Gaining the Upper Hand

When negotiating with powerful suppliers, you have four basic strategies to choose from. In general, it's best to pick the least-risky option that's feasible for your organization. Consider each strategy in order of ascending risk and ask yourself the two questions below. Only if you answer no to both should you consider a riskier course of action.

LOW LEVEL OF RISK

► HIGH LEVEL OF RISK

Bring new value to the supplier

- Can we help the supplier enter new markets or industries?
- Can we help it reduce its business risk?

Change how we buy

- Can we gain leverage by consolidating orders or by bundling or unbundling product or service packages?
- Do we really need everything we're buying?

Create a new supplier

- Are there potential entrants in adjacent markets?
- Can we vertically integrate to become our own supplier?

Play hardb<u>all</u>

- Can we afford to withhold or cancel orders?
- Do we have grounds for litigation?

SOURCE PETROS PARANIKAS, GRACE PUMA WHITEFORD, BOB TEVELSON, AND DAN BELZ FROM "HOW TO NEGOTIATE WITH POWERFUL SUPPLIERS," JULY-AUGUST 2015

© HBR.ORG

Source

- Do your research understand the marketplace and who the key players are
- 2. Initiate the relationship respectfully treat others how you want to be treated
- 3. Come prepared and be ready to ask the right questions
- 4. Be clear about your goals and growth plan
- 5. Try and make it a win-win situation be a pleasure to work with



Expert Tip

How much of a discount you get is based on factors like how hot the item is, the wholesaler's cost, and how many you're buying.

Negotiating With Chinese and Asian Wholesale Vendors

Doing business in the China wholesale market, especially if you're strictly working with wholesalers online, is a skill and an art form all in itself. In fact, there seems to be an unspoken yet non-negotiable process that in place - especially when doing large orders in person.

Whether you plan to travel to China and visit your wholesale vendor in person, or not, it's always a good idea to have an overview of the sort of cultural and business differences that can impact the business relationship.

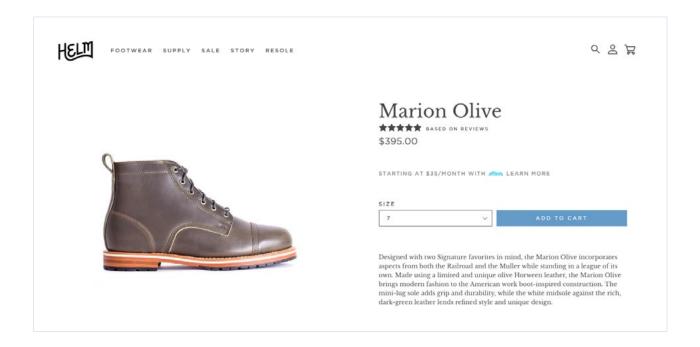
Emotional intelligence

Silence or delay is a tactic often used in Chinese negotiations. This can either mean you're being unreasonable, and they don't have the energy to go back and forth with you. Or, what you're asking for they don't have or can't do.



Bradley Day, Helm Boots

"Be honest in transparent with what you're trying to accomplish with the partnership and don't think about it in regards to winning and losing. In turn, most likely the buyer/ account will operate in the same good faith and everyone accomplishes what they want, a healthy partnership that makes everyone more money. In addition, don't be too short sided in the things that you ask for."



You'll find 'I can't' isn't a phrase Chinese wholesale suppliers like to use. Even if the truth is that they can't.

Ego and bragging

Vendors want to know they're engaging with a legit business with a growth plan who will go on to become a valuable customer. This is especially true for wholesalers online who may never meet you in person. Be confident, but humble.

The Chinese are not necessarily concerned with your big achievements. They are, however, interested in who you've done business with or have connections with, as the business culture is very much about your personal relationships.

Patience and rapport

It's easy to get frustrated with the pace of transactions when buying products from global suppliers who you only interact with digitally.

Their way of doing things and thinking can often be different to what you're used to.

And there's a much higher emphasis on how people feel about you personally.

Don't forget or be afraid to follow up. But, equally importantly, don't let your irritation at the time you have to wait, show. It won't actually help or change anything, and I've discovered this the hard way.

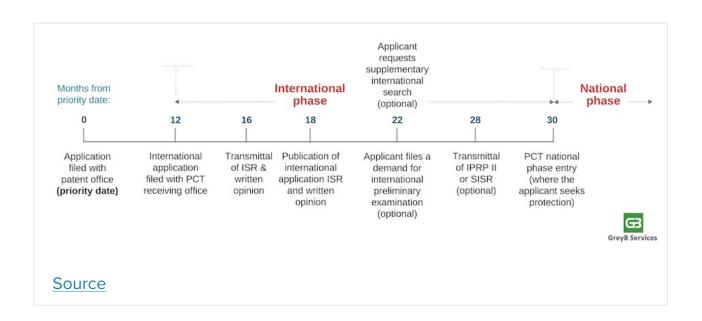
If you hit a wall when working with wholesalers online, I've found the best way to speed things up is to jump on the phone, repeatedly throughout the day, if need be.

How To Find and Shortlist Chinese Wholesale Suppliers

Consider working with a Chinese translator.

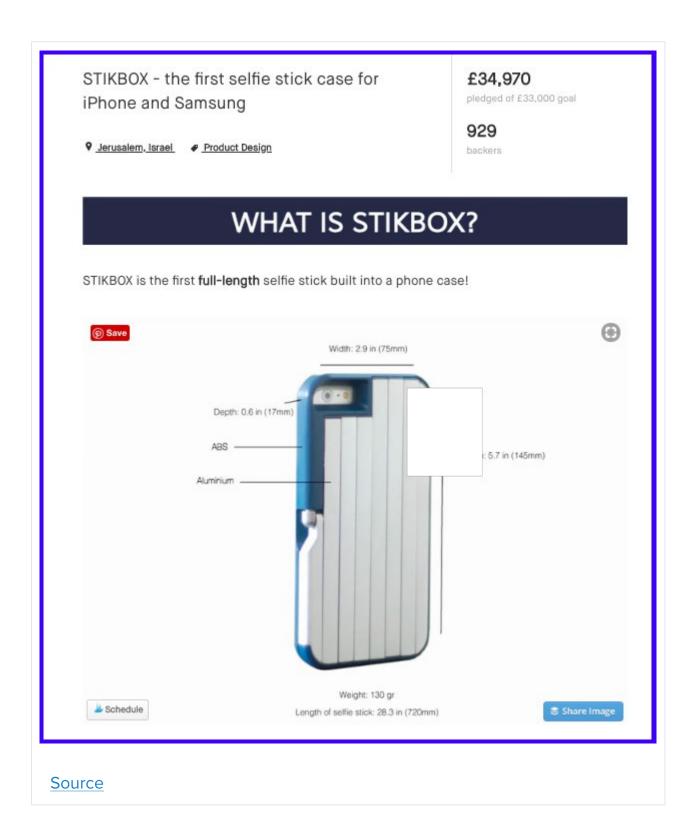
Negotiations in a completely different language than the one you speak make it all the more likely you won't walk away with a great deal. You can hire translators by the hour, and I'm of the opinion they're a sound investment.

Make sure you <u>register your patent</u> in China BEFORE you approach factories.



Even so, that doesn't guarantee your intellectual property is safe, as some inventors quickly discover. Check out what happened to the founder of <u>Stikbox</u> after using the <u>crowdfunding platform</u> Kickstarter, to raise £34k+ to fund manufacturing of his new innovative invention.





PATENTS

The Stikbox m product is the subject of patents pending, among which are the following:

U.S. Patent Application Nos. 14/741485, 62/163415 Chinese Patent Application No. 201510361736.6 Chinese Utility Model Application No. 201520448908.9 and additional patents pending.

TRADEMARKS

"Stikbox" and the Stikbox logo are trademarks of Stikbox



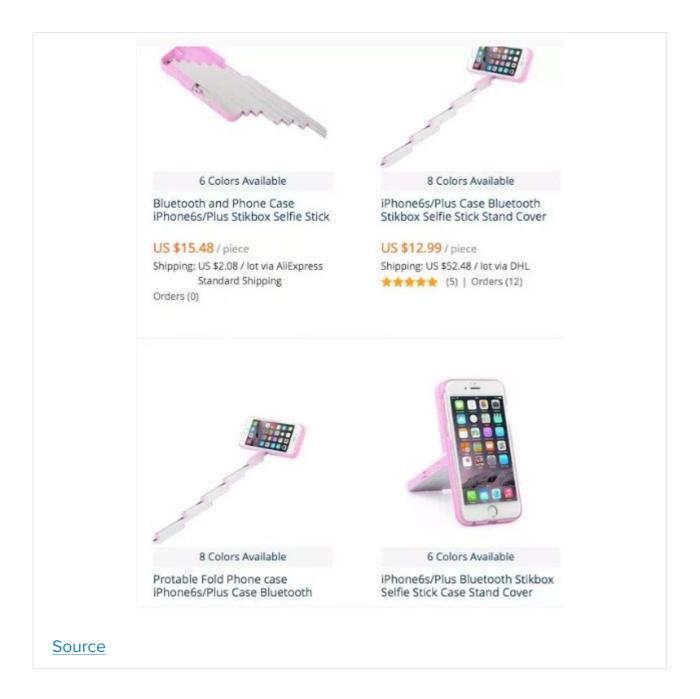


CES 2016 BOOTH NO: 81356

Source

Within weeks, he found wholesalers online selling his new product on Alibaba at a fraction of the price. This was despite having the correct patents pending.

In fact, some of the copycats hadn't even bothered to change the name. The backers of the project were miffed that not only did they have to wait, they also paid twice as much.



Make your introductory email clear and concise.

Click the link to see my recommendations on how to craft the perfect outreach email to your wholesale supplier.

Do a 'digital' factory check.

Make sure to clarify the warehouse address, check license numbers, email address etc. Research and verify as much as you can. It's even possible to hire a consultant to do a ground and quality assurance check before your order ships.

Follow up after two or three days.

In my experience, I've found that companies who respond quickly when it's time to process your wholesale order, then snail-like when it's time to resolve an issue, are problematic.

This type of company shouldn't be kept as a business partner for longer than necessary.

Ask upfront whether they manufacture the project, or whether they're the wholesalers of the product.

There's a whole segment of middlemen who take advantage of a global marketplace and language barriers to stand in the gap and negotiate your deal. They are not wholesalers or manufacturers; they're simply intermediary.

The reality is, they rarely if ever get the best deal for you, but only for themselves.

Speak with someone on the phone.

I mentioned earlier that getting angry and frustrated rarely changes anything when working with the China wholesale market, and definitely not when negotiating with Indian wholesalers.

What I have found to work is, getting on the phone and charming them into doing what needs to be done.

Don't act too desperate to get the cheapest deal.

Negotiating with wholesale vendors in Asia is a bit of a dance. They expect you to negotiate, but there is an unspoken rule on how low you can go. Going too low indicates both a lack of respect and an ignorance about their business. They don't appreciate it.

When you're negotiating with wholesalers online you don't have the benefit of eye contact or body language, so your written communication is how they will decide whether to work with you or not.

Expect to wait at times.

If you're working with Chinese wholesalers or dropshippers, you really need to be aware of local and national holidays, and expect delays around those times. Make sure you're ahead of ordering your inventory needs during holiday periods.

In my experience it can actually become a pain trying to get hold of Chinese wholesalers online during these times.

Always have a plan B and C.

Wholesale suppliers can be in your life and working with your business for decades. And they can come and go in an instant.

That being said, it's really important that you have other supply options sourced out, especially for your best selling products. Things can and will go wrong, so prepare for it.

Ask to review the logistics paperwork.

I'd advise you to do this before before your shipment is sent. You'll find it's much easier to avoid and solve problems with your order before delivery, than it is after, as I demonstrate here.

Look after your suppliers.

Good, honest, reliable suppliers are not always the easiest to come by, so once you've found those vendors invest a little time and money in nurturing that relationship.

This is especially true for wholesalers whom you never get the chance to meet in person.

Chinese New Year gifts and Christmas cards make you standout as most retailers don't bother - especially not the smaller ones.

Renegotiate - but not too soon!

As I mentioned earlier in this guide there's an expectation from many wholesale businesses that you will negotiate. In my experience that process tends to go a lot more smoothly once I've made a few larger purchases successfully.

Always order samples. Always. No exceptions. Ever.

Remember what I said about never selling your customers anything you'd be unhappy to purchase yourself? If you're dropshipping, always purchase samples.

And before you break out the credit card and buy 100 dresses which don't fit and are see-through across the bust, make sure you order a sample.



Expert Tip

Ask your wholesale vendor what their best performing products are in terms of sales and repeat orders - it might actually surprise you what's hot.

Related Content:

- How To Import Products From China
- Chinese Negotiating Tips For Small Business Owners
- Top Tips For Negotiating With Chinese Factories

Buying Wholesale Women's Clothing

In this section I'm excited to share some of my top tips for finding high quality boutique wholesale clothing, both online and in person.

Let's start with dresses, as finding a <u>reliable fashion wholesale supplier</u> can be hit or miss, and that's mainly down to one or two things.

- 1. The sizing, as products normally run smaller
- 2. The quality, as the fabric and finish might be cheaper than expected

You may not experience these issues as much when buying wholesale dresses from US or European vendors, as they have similar sizing.

But when you buy dresses from suppliers in China or other Asian countries, then it's totally normal for sizes to run small. This is why, even though wholesale dress samples are expensive, it's really important that you suck up the cost and order them.

In the long run, this is an investment as once you place your order of wholesale dresses from your vendor, it's pretty much 'sold as seen' and getting a refund can be a nightmare. There are a few hoops you'll need to jump through as I detailed here.

And don't forget, if you send your customer inferior products from your wholesale supplier, you'll also be dealing with tons of returns and refunds – not fun at all.

I go by the mindset that I hould **never sell someone a product I wouldn't be happy to buy myself**. You should too.



Expert Tip

Don't forget to wash the dress sample to see how well it handles laundering.

Related Content: Chinese Clothing Size Charts

Buying Mens Wholesale Clothing

I've found when it comes to buying mens wholesale clothing, you have to be even *clearer* about your niche than you do with womenswear.

Yes, we're in the digital age and ecommerce is one of the fast growing industries - with no signs of slowing down. But from my research, I've also found that the majority of men tend to shop a little differently to women - both online and inperson.

And depending on the age of man you're targeting, they may not even be that familiar with buying clothes online. So how do you curate a cool collection of men's fashion for your online store?

Get clear about what type of man you're dressing

- 1. How old is he? What does he do for a living? Where does he buy his clothes now?
- 2. Does he like investment pieces, or low cost, high turn around fashion?

Before you go out and spend a large amount of money on inventory, make sure you know what type of man it's for.



Source

Can you access the quality of men's wholesale clothing your ideal man wants?

As we covered in other parts of this guide, the quality of men's wholesale clothing can be questionable. This is especially when working with the Chinese marketplace to source low cost fashion.

As a woman, I personally have found it's much easier for me to get away with a poorly fitted item made from sub-par fabric than it is for a man. Hair, accessories, makeup, all help to pull the look together. While for men, each piece stands out and is noticed.

I have a hunch that this makes the average male shopper a little less pricesensitive, as they tend to value quality over quantity.



So when you're buying mens wholesale clothing online, make sure you order samples before you place your first large order. This will help you avoid investing in sub-par clothing and ending up with a garage full of poor quality men's clothing that you can't even give away.

Ask questions about sizing - and measure samples

Depending on where you plan to order your men's wholesale clothing from, you may need to factor in some sizing discrepancies. Some of the better wholesalers are very upfront about how their sizing differs from traditional US or UK sizing.

These types of wholesalers want to keep you as a customer, and reduce answering the same question and dealing with endless returns and complaints.

Others won't say a thing! So, it really is down to you to make sure you're buying clothing that fits the men you plan to sell to.



Expert Tip

If you're buying trousers don't forget to check seams, zips, buttons. These are normally the areas which fall apart first.

Related Content:

- How Men Shop For Fashion Online
- Analysis of Online Shopping Habits For Men and Women

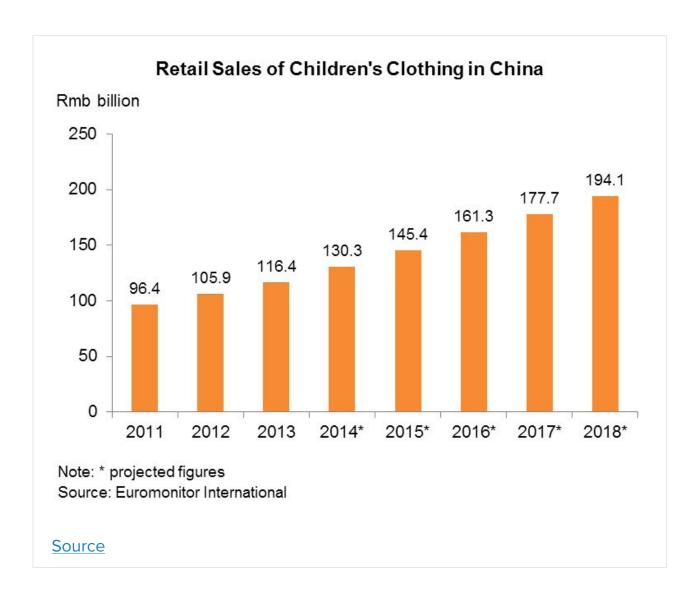
Buying Wholesale Baby Clothes

When it comes to buying <u>wholesale baby clothes</u>, new and established retailers are naturally more concerned about the quality of the product. This is especially true if they contain things that come off like buttons, zips, pom-poms, sequins etc, as this may make the item unsafe.

My best advice for buying wholesale baby clothes, is to be really hyper vigilant when it comes to doing your due diligence. And always make sure you have the right liability insurance in place.

If you're not sure what questions to ask your wholesale baby clothing suppliers, I cover 13 smart questions to ask <u>here</u>.

There's something unique about the baby clothing industry. It's one of the few industries that hasn't been affected by changes in the global economy. In fact, it's one of the most lucrative segments of the apparel industry. This might explain why so many new online retailers are attracted to this space.



So, when looking for credible suppliers of wholesale baby clothes you really must remove your seller hat, and put yourself into the mindset of the buyer - the parent.

How to buy wholesale baby clothing

Things to consider and factor in:

- What's the fabric like? Is it soft and suitable to go up against a babies skin? Children are naturally more sensitive to rough or chemically treated fabrics, so make sure you select products that are made safely.
- What type of dye is being used? Some cheaper dyes are quite toxic and can cause reactions in young children.
- Is there some give/stretch in the fabric? Small children tend to spend
 a lot of time in rompers, but as any mother knows they can go to bed
 one size, and wake up another.
- What time in a child's life are you catering to? A newborn needs slightly different things than an 8-year-old kid. Who is your ideal baby customer?
- What are others saying about this supplier? When it comes to children, people tend to be very vocal about their dissatisfaction - so check out those customer review forums I mentioned here.



Expert Tip

Pure cotton is the preferred fabric of choice for children, especially those under three years old. The final tip I have to help you successfully buy wholesale baby clothing is to carefully consider any text on the item.

If a company like H&M with their team of buyers and lawyers can make an error which becomes a viral nightmare, then so can you.



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Related Content: Luxury Kids Clothes Trend

Buying Wholesale T-shirts

There are a couple of different ways and places you can buy wholesale <u>T-shirts</u> either for resell, or as blanks for your own designs. But just like with women's wholesale dresses, this can be hit and miss as all t-shirts are not created equal.

And let's be honest, selling poorly cut t-shirts made out of low quality fabric is a sure fire way to tank your t-shirt line - fast!

Where to buy wholesale t-shirts online and what to look out for

Wholesale T-shirt marts

Many cities have local wholesale t-shirt marts which function almost like liquidation closeout sales, but they are a lot more accessible to the little guy.

Printing shops

Many t-shirt printing shops have great relationships with t-shirt wholesalers that you maybe able to benefit from. Some will offer to connect you, but if they don't then don't be afraid to ask.

Specialist T-shirt wholesalers

There are vendors who sell t-shirts nothing more and nothing less. They have a large range of sizes, colours, fabrics, cuts and brands.

What's the reputation of the t-shirt blank brand you're buying?

- American Apparel
- Gildan
- Fruit of the Loom
- Bella Canvas

A good way to find out which t-shirt brands are high quality, is to <u>check which</u> <u>brands</u> print on demand (POD) companies are using.



Women's Fine Jersey Tee
By LAT Apparel - 3616
From \$13.96 - Fifth Sun



Women's Scoop Neck Tee By LAT Apparel · 3504 From \$17.09 - Fifth Sun 5 sizes · 4 colors



Women's Tri-Blend Dolman

By Next Level - 6760

From \$12.67 \cdot 2 print providers available

Up to 4 sizes - Up to 11 colors



Men's Fitted Short Sleeve Tee
By Gildan - 64000
From \$7.28 \cdot 2 print providers available
Up to 6 sizes - Up to 16 colors



Triblend Short Sleeve Tee
By Bella+Canvas · 8413
From \$13.63 · DJ
5 sizes · 21 colors



Men's Heather Dri-Fit Tee By Sport-Tek - ST360 From \$13.43 · MyLocker 8 sizes · 12 colors

Source

As they are sending out items direct to the customers, they benefit from massive pricing breaks due to the amount of wholesale t-shirts they're buying.

They don't want to deal with their customer (you) sending back returns and demanding refunds, so they tend to gravitate towards better quality brands by default.

What's the color and style selection?

Is your brand all about bold primary colors, or muted, chic nudes? Does your wholesale T-shirt supplier have a range of colors and styles that fit your brand and your audience?

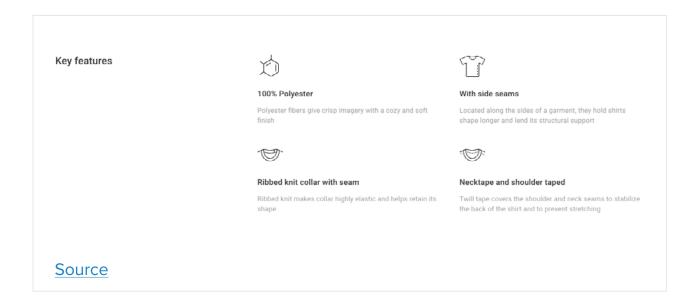
How accurate is their sizing?

I used to work with one brand (I won't name 'em) and found that their women's T-shirts where always better quality than their men's, especially when it came to accurate sizing.

Size guide	All measurements in the table refer to garment sizes.						
	IMPERIAL	METRIC					
		xs	s	м	ι	XI.	2XL
	Width, in	17	18	20	23	25	26
	Length , in	28	29	30	31	32	33
	Sleeve length, in	9	9	9	9	10	10

Look for the sizing charts that each brand offers to make sure you're picking the right size for your audience.

What are the key features of the t-shirt style?



Is it a v-neck, no seam, ribbed collar?

All t-shirts are not created equal, and different styles are popular and hot at different times. Also, when looking at T-shirts online it's not always clear to see the main characteristics in the picture. That's why you need to get the product in your hands.

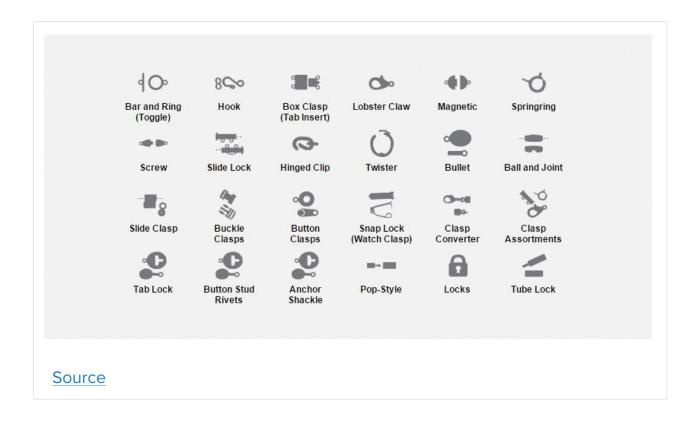
Related Content:

- The Most Popular Print On Demand Apps Revealed
- Style On Demand: How Print Companies Changed The Side Hustle

Buying Wholesale Jewelry and Jewelry-Making Supplies

Buying wholesale jewelry and wholesale jewelry supplies is something I have a lot of experience in, especially overseas.

Most of my buying was done in person from smaller stores who sell retail supplies to the hobby jewelry maker and wholesale to the retailer. The wholesale jewelry suppliers that I use also do sampling and assembly, they are truly a one-stop-shop.



But whether buying pre-made jewelry pieces or wholesale jewelry supplies, there are a few best practices that will help you get quality products at a reasonable price.

You'll still need to factor in minimum order quantities when buying wholesale jewelry. Interestingly, I've found these to be a bit less than when it comes to wholesale fashion.



Hi, Sherry — Please look up above where I wrote a big long answer re wholesale. You will need to apply to the CRA for a number, but first read this to see if you qualify:

http://www.cra-arc.gc.ca/bn/

As I said above, you are still going to run into minimums anyway, even with a tax number. It's not a magic sesame where you can walk in somewhere and buy \$10 worth of findings and pay wholesale. My minimums with various vendors are anywhere from \$150 to \$250 before any discounts take effect.

Source



Expert Tip

Partner with other jewelry designers to buy basics like findings, filling pieces, wire, clasps – together. Unlike fashion, you're all creating different things with your wholesale jewelry supplies, so there's no conflict of interest.

Gold, silver, gold plated - what's your jewelry made of? Have you tested it?

Buying precious materials, especially gold or stones needs to be done with a level of caution and research. There's a big difference between solid gold, rose gold, and gold plated. But if you're not careful and don't know what to look for, it's very easy to get sold fake gold.

Gold jewelry will nearly always carry a hallmark and if it doesn't, say with large gold hoop earrings, your wholesaler should be able to prove authenticity.





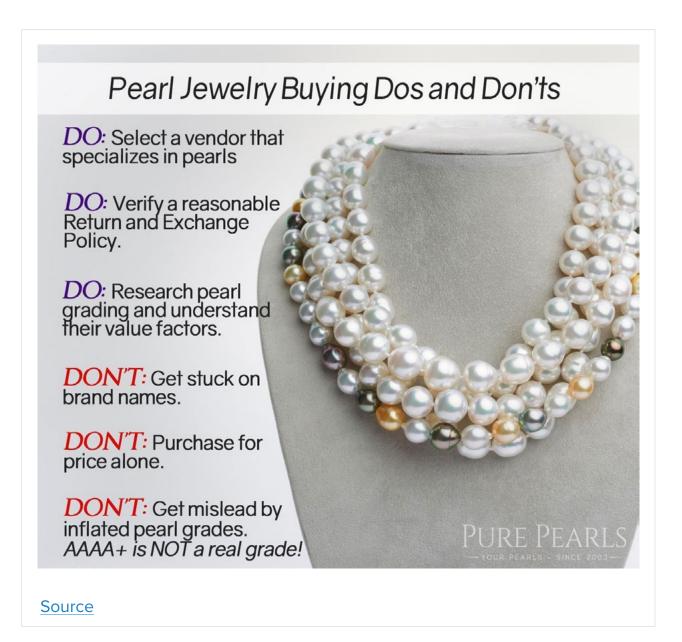
The same advice applies to buying wholesale silver. I've purchased lots of silver jewelry from Turkey, and from my experience you really need to stress test everything.

Why?

Well, I've had many styles break on me, from delicate necklaces to thick chunky rings. That's not to say there aren't some fabulous silver jewelry vendors out there. You just need to be prepared to search for them.

You also need to be on the lookout for wholesale suppliers who will happily sell you gold plated jewelry when you thought you were buying real solid gold. What you're really getting is a cheaper material, like copper, dipped in gold plating.

Pearls and gemstones: buyer beware!



Derived from shellfish, authentic pearls are classic accessories which will always have an audience of buyers. That being said, with so many fake pearls and pearl jewelry on the market it's very easy to get duped if you don't know what you're looking for.



The same applies for gemstones. Amber, jasper sapphire, ruby, all desirable stones which while not cheap, won't break the bank.

The problem is, these types of gemstones are pretty easy to manufacture and imitate, and there are many unscrupulous jewelry suppliers who have no qualms in selling you fakes.

I've fallen foul of this more than once buying gemstones and other wholesale jewelry supplies from Jaipur in India.

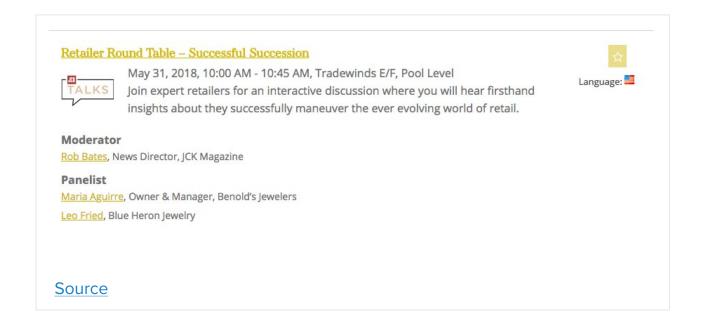


Expert Tip

Hardware suppliers can be a great place to buy wire, pliers, and other craft suppliers in large quantities.

Buy wholesale jewelry at trade shows

We covered some of the best tips for attending wholesale trade shows here, and the best thing is, these same tips apply for attending trade shows within the jewelry industry. And just like attending trade shows for wholesale clothing, you can still take advantage of lots of additional benefits from being there in-person, like the expert roundtables.



Related Content:

- How To Tell If Gold Is Real
- Top 12 jewelry trade shows in 2018
- 12 jewelry blogs and resources you need to know abou

Buying Wholesale Name Brand Clothing

Truthfully, I don't recommend starting your ecommerce journey by buying and reselling wholesale name brand clothing straight off the bat. This is one particular area of ecommerce that can be tricky.

But if you're going to buy wholesale name brand clothing, then you need to know what to look for and what to avoid.

1. If it seems too good/cheap to be true, then it probably is!

High-end designers have a retail price that they sell for in their store, and when you buy their wholesale products there can be some rules around what they allow you to resell for to ensure the brand isn't cheapened.

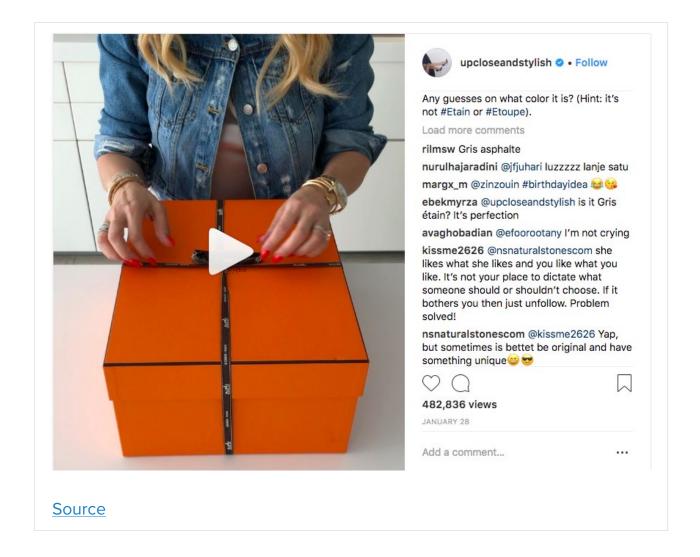
So if you find a wholesaler selling current season designer items for less than 50% of retail, then this is a red flag.

2. How much product are you able to buy at once?

Part of the cache of designer clothing is about the exclusivity. This is why they place limits on how many pieces people can buy retail, and have long waiting lists for really popular items.

If you're able to buy huge quantities of designer items from your suppliers, this may be an indication that the products are coming from a non-legitimate source.

And trust me when I tell you that some of these factories producing fakes do just as good a job as those producing the original.



3. How respectable is the source?

Scoring a distribution deal with a luxury label is pretty tough, but also very lucrative. So you'll find that those who have the proper contracts are not going to risk that in order to sell you 50 pairs of designer jeans.

Check the paperwork.

You want to make sure they can prove the originality of their products, and that they are authorised to wholesale to you. While you can get access to certain designers like Calvin Klein at wholesale prices - especially at liquidation. It's not as easy to access designers like Chanel and Balmain, and with good reason.

In my opinion the quickest and safest way to get quality and authentic wholesale name brand clothing is from using a verified overstock or closeout wholesale vendor.

How Much Wholesale Clothing Inventory Should I Buy?

I can't speak for you, but this has been one the toughest challenges for me. You want to make sure that you're buying enough wholesale products that you're able to meet the demands of your customers. But at the same time, you don't want to have so much inventory on board that your supply far outstrips your demand.

Paul Strachan, Founder of Wholesale Frog

"Many times I have seen new sellers spending their entire budget on a first order only to be left unable to restock the hot sellers quickly enough, this is particularly important when selling on platforms such as Amazon where listings are hidden, and can lose their rankings when out of stock."

With that in mind, answering this question is like asking how long is a piece of string. Yeah, totally not helpful, I get it. That's why I want to share with you a few guidelines I use when buying inventory for a brand new line.

It's important to mention that this is a very tentative approach designed to help me test my idea in the marketplace at the lowest cost with the least risk. And it's not the same approach I would recommend when scaling your business.



Expert Tip

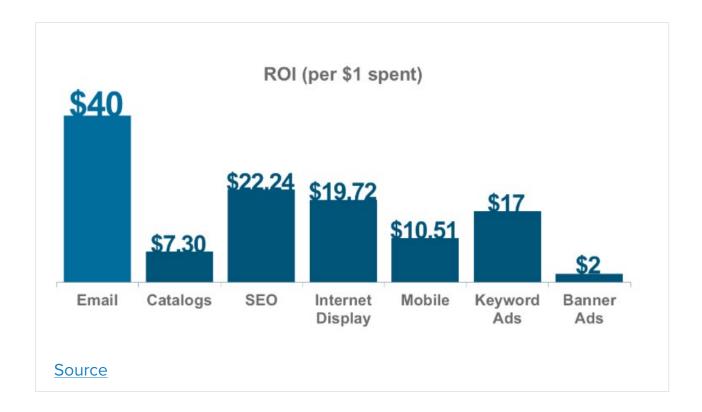
Make sure you're prepared if/when the floodgates open! Once you find a product that is super popular, it's important to make sure you have a mechanism in place to deal with the demand.

This type of supply chain management is a very different state of affairs, than getting your hands on a sample or pilot purchase to see whether you're able to sell it for a profit, or not.

So what questions do you need to ask yourself?

1. Do I already have an audience of people to sell this product to?

Depending on when you're open for business, or just starting out you need to consider whether or not you have an audience to launch and promote these products to once you've purchased them.



There are different places to build your audience and your influence, personally, I prefer to build my email list over every other platform.



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Related Content: How To Create Your Email Subscriber List

2. Do I have the space/resources to hold on to this stock?

It's very easy to lose your mind and starting buying up the joint as soon as your wholesaler account is approved. But you need to hold your horses and consider where all of these products are going to be stored once the delivery driver leaves.

I still have stock under my bed from failed business ventures where I pulled the purchasing trigger a bit too quickly.

3. Does the supplier have a minimum quantity order?

Do I need to meet the wholesale suppliers MOQ before I can make a purchase order, or am I able to buy small samples purchases?

4. How quickly can I place a repeat order?

If you're based in Florida and your shipment is coming from LA, it's easy to take it for granted you can get your order quickly, and sometimes you can. But you also need to be aware of something called order lead time.

This is how long it takes for the wholesaler to actually make the product or buy from their manufacturer, or pack and ship your items.

As you can see there are a whole bunch of variables that can influence when your purchase order arrives, so make sure you're clear with your supplier about your specific situation.

5. How much inventory - new and old - do I currently have on board?

If this is your very first purchase of wholesale products, you won't have this worry.

But if you've been in business for a while or made a few ropey purchases, then you need to have a plan.

6. What are the seasonal peaks in my business?

Are there seasonal peaks or high demand for products at certain times of year? Will you have enough stock to cover that peak?

7. Do I have the cash flow?

When working with a number of different wholesalers online, it's easy lose track of exactly how much you're spending. Make sure you check your cash flow situation. Do you have the funds to pay for your shipment, and then promote it?

8. Do I Have the Time To Shoot/List These Items In My Store?

Once your wholesale package arrives, you'll need to shoot the items, optimise your images and write your <u>product descriptions</u>.

You don't want items on your website without quality product descriptions and meta tags. Make sure you have the time to create optimised descriptions, or have the ability to hire people to help you.

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Related Content: How To Buy High Quality Boutique Wholesale Clothing

So that's it folks! I know I know, this guide leaves no stone unturned and it's a hell of a read.

Our goal was to make sure that new and aspiring store owners have a clear understanding of the wholesale market, and to highlight what you need to do to find and buy the right inventory for you, quickly and effectively.

Let us know if we succeeded down in the comments.



