



DROP SHIPPING MADE EASY

What is Drop Shipping?

Drop shipping can be a very effective and simple way to get involved in ecommerce. Many established online merchants are now turning to drop shipping as a method for minimizing stock on hand, decreasing overall shipping costs.

Drop shipping allows web site owners to send single/low quantity unit orders gathered on their web sites to manufacturers, or major warehouses, who in turn "drop ship" the items directly to the customers..

What are the Advantages of Drop Shipping?

- Because a warehousing company can buy in huge volumes, they will also be able to offer you the best prices on products and shipping, which will return a greater profit to you.
- There's no capital investment and no need to invest in inventory.
- Using drop shipping allows you great flexibility in terms of product range - promote a dozen items or promote a thousand!
- Instead of worrying about inventory and delivery, you get to focus on listening to the market and discovering the products your visitors you want.

What Do I Need to Know to Select a Drop Shipper?

Many companies will have an interest in teaming up with you in a drop shipping arrangement as it's an easy way for them to generate extra revenue, but there's a number of points to consider and things to look out for:

Pricing Points

Don't accept that the first drop shipper you come across unless they are willing to provide you a "Best Price Guarantee."

Drop Ship Fees and Charges

Some companies will have a handling fee over and above freight costs - it's important to know all the costs involved so you can calculate your profit margins accurately.

Shipping

Are they using small private shipping companies or UPS? Will they ship internationally? You'll want to be sure that their shipping methods will ensure your clients receive their orders in one piece.

Also, keep in mind that you may need a specific type of shopping cart in order to handle drop shipping. Many shopping carts only allow for one "ship from" zip code in the configuration for freight calculations. If you are dealing with a number of drop-shippers you may have dozens of point-of-origin zip codes - and this can be a real headache if freight is based on distance.

Accounts

Will the drop shipping company automatically debit your credit card on each order you submit, or can you get monthly payment terms? When you are starting out with a company, they are unlikely to offer credit, but it's good to check if this will be possible once you've established credibility.

Support, Returns, and Refunds

The last thing you'll want is to be caught up in a nasty situation where you have a number of returns - and have to cover the bill. Ask the drop shipping company about their return policy, what kind of support they'll offer you for their products and about any guarantees associated with their products - and get it in writing.

Credibility

How long has the company been around for? Do they respond to your requests for information rapidly and professionally? Young companies have the habit of going belly up quickly, or growing too rapidly and as a consequence basic good customer service suffers.

How Do I Get Started in Drop Shipping?

It's fairly simple:

- Set up a web site that includes a Shopping Cart and credit card processing facilities, or setup an eBay or other auction account.
- Find suppliers of products you wish to sell that incorporate drop shipping as a business method.
- Open an account with them.
- Gather content and images relating to the products you've chosen, incorporate them on your site and shopping cart.
- Collect the order and payment from your site.
- Provide the supplier with the customer details.
- The supplier then bills you at the special price you have agreed upon; fulfills the order and sends it to your client - in most cases with labels referring to your business/web site instead of the company.

To Your Drop Shipping Success!