

Wholesaling and Dropshipping – Two Specialized Fields

Starting an online wholesale business may not be a very easy task. The difficulty lies in the range of unsolicited and unwanted information about wholesale business that clutters the web. Therefore, those who are interested in starting an online wholesale business need to go to a reliable source to gather the preliminary information about how to go about it.

Most of the advice that you will find online will misinform you regarding a lot of things. It will uselessly try to make the whole process difficult. For example, one of the most common misinformation that circulates online is that one needs a tax ID or a re-selling license to start an online wholesale business. There are some companies and individual distributors that do indeed ask for a tax ID to supply the wholesaler with goods to sell. On the other hand there are also companies and distributors who have no such pre requisite. Therefore, having a license or tax ID from the Secretary of State Office is not absolutely essential. You can still conduct your wholesale business without one.

Dropshipping is not very different from any other business that you may want to start. For example, when you want to set up a store in your city, you would do a market research first, find out about your competitors, etc. In case of setting up an online dropshipping business you must do the same. Not only do you have competition in terms of the billions of websites that are engaged in the same activities, but also that the online business as a concept is evolving very fast. You may find that your line of work has become obsolete soon after you have started working on it, if you have not done adequate research.

The following are some of the things you must find out:

- whether there is demand for your product
- nature of competition you might face
- whether your product will be easily sold
- an up to date information about the current market scenario for that product

Selling is not very difficult thanks to sites like eBay which also has an auction selling option. The problem arises in delivering and shipping the goods. Many stores lack far behind when it comes to fulfilling mail order deliveries on time. They lose precious time, clients and revenue because they do not have an efficient fulfillment system in place.

Here is where the difference lies between a wholesale business and a dropshipping business. Wholesalers are those who maintain stocks of goods and try to effect sales through advertising and marketing. These online wholesale companies need a fulfillment agency to take over the job of delivering their goods. Since fulfillment of an order is a taxing job all by itself, there are some agencies involved only in this kind of job. These are the dropshipping firms.

The advantages of such firms are that they do not need to worry about how to increase the sales of the products that they will be delivering. They do not have to maintain stocks either, nor worry about marketing. Therefore, these firms are free of such risks.

About the Author

William King is the director of [Wholesale Pages Designer Clothing Wholesalers](#), [Wholesale Suppliers](#), [Dropshippers Directory](#), and Dubai Property & UAE Property & Dubai Real Estate Portal . He has 18 years of experience in the marketing and trading industries and has been helping retailers and startups with their product sourcing, promotion, marketing and supply chain requirements.

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