CASE STUDY FOR DROPSHIPPING

BRIEF INTRODUCTION

Drop shipping and fulfilment services can make it much more accessible for someone to start an eCommerce or e-retail business. It involves facilitating the sale and delivery of goods to a customer, either directly from a supplier or via a fulfilment service. It's often cheap to get going and therefore poses less risk to the drop shipper, and with the right product and marketing, it can be easily scaled to create more revenue.

Drop shipping is an e-retail term where someone facilitates the selling and delivery of an online product without physically handling the goods. Drop shippers will communicate with third party suppliers and make orders on behalf of a customer who has ordered through them. Drop shippers will charge a price higher than their supplier offers and takes the difference as revenue. The process can vary depending on the drop shipper and the size of their business, but here's a rough guideline as to what happens:

1. A customer orders a product from someone who is drop shipping.
2. The drop shipper will then place an order with their supplier and get the item delivered directly to their customer who placed the order.
3. The supplier will ship the order to the customer but never deal with them directly.

Drop shipping can be an excellent way for someone to start with eCommerce as they do not need to manage and purchase large amounts of stock to get started.

CLIENT REQUIREMENTS

We received an account where client was well interested to set up an account over ecommerce platform but didn't own any products, he was wishing to get products through the drop shippers. He was promisingly looking over to get benefits by making sales through not having the products restored in his own warehouse or he won't be direct contact with buyer. As Buyer will be on his store to purchase a product, he will click same over on drop shipper website and give them addresses of buyer who came on his store afterwards the tracking details he (Client) will be getting he would be mentioning the same to buyer.

CHALLENGES & STRATEGY

While working over this account we faced some sort of challenges and some strategy we need to mold upon some strategy to work upon the correct track.

1. **Setting up an account over any Ecommerce Platform** - Firstly we set up an account over any ecommerce platform to start up the things over.

2. **Product Research** - We did kind of search for some products over various platform for ecommerce with specific categories in order to finalize the product we did some market search about top selling products and the categories where we don't require any approval from ecommerce platform products like (having batteries, COVID -19 Products, Electronics Items, grocery etc.). After the research our next step is to find out the drop shippers who would be able to send the products in menial time period.

3. **Drop-Shipper Research** – The mainstream step of this account would be holding this step, as it includes to finding and contacting the drop shippers across the globe. In order to finalize the drop shippers, we kept in mind for few things like –

    I.   Less shipping times.
    II.   Minimum Shipping Cost
    III.   Our Finalize product must be over there
    IV.   The Cost price of Product must be budget able so after adding the extra cost of shipment and Ecommerce Fees our Selling Price must be in Competitive with others.

Then we wrote down the final list of drop shippers with their contact email and phone number, then we send a mail to all the drop shippers asking about the deep details of products UPC/EAN numbers raw images and final price that would be costing including VAT and Shipping Charges.

4. **Taking Daily Follow-Ups** – We did a daily follow up mail with drop shippers to finalize the product details and shipping cost.

5. **Making the RAW list and Profit Margin Sheet** – We list down all the products over a sheet with adding Cost Price, Shipping Price and Ecommerce Fees with VAT.

6. **Listing the Products** – After finalizing the product and drop shipper we did make up the listing of products on e-commerce platform with adding the final Selling Price as per client.

7. **Testing the Service** – The Most and important part of our Drop shipping account is to test the service given by our finalized drop shipper. We did a dummy order by visiting on our store and placing the order and track down the shipping days and shipping service given by drop shippers.

8. **Agreeing the Drop shippers to use our own Template for shipping** – We requested some drop shippers to use our own template for shipping the products which we are making orders as it would help us to regain the customer value and brand value.
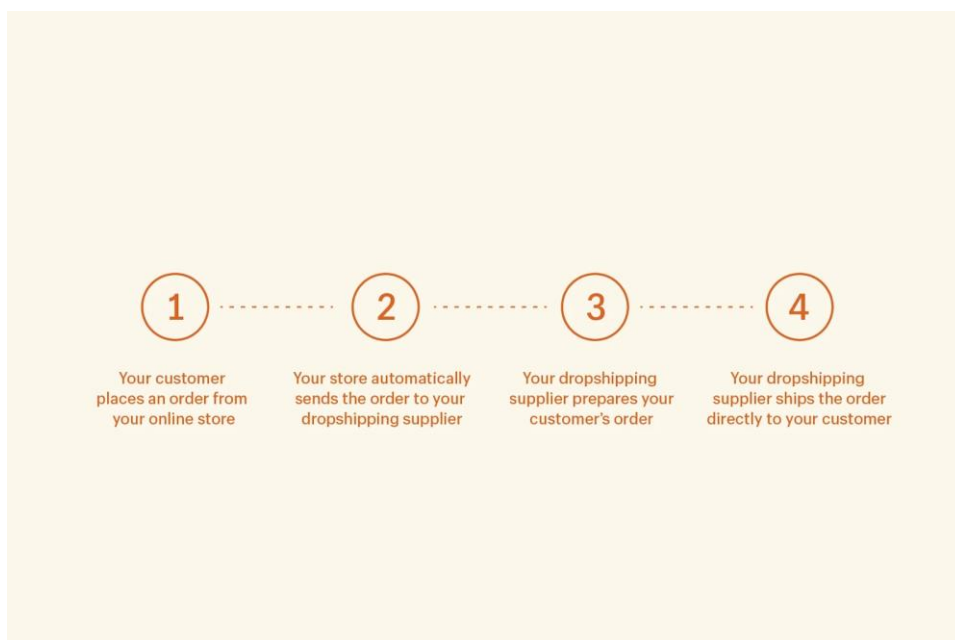
ADVANTAGE OF USING DROP SHIPPING SERVICES

Drop shipping and fulfilment services can be a fantastic option for anyone considering ecommerce. You do not have to use a fulfilment service straight away, and trialing your idea by drop shipping can help you decide whether to invest in wholesale stock to sell.

1. It offers a low-cost option for starting your ecommerce business.
2. You can start with a small amount of stock and level of fulfilment service before expanding.
3. You spend less time on the management and mailing of deliveries, and instead, you can focus your time on marketing and building your business.
4. Some fulfilment services offer you access to SKU software, helping you to improve the efficiency of your business.
5. You do not need a physical location to store products which can otherwise be costly and demanding to manage

Discuss your Projects with Experts

To find out detailed version on how thing work over , contact our experts through mail info@tech2globe.com or Skype **info.tech2globe** or visit our website http://www.tech2globe.com/