

Replenishable Wholesale Products

Here, we will be discussing the different types of wholesale product opportunities, but in this video and throughout the entire course we will be focusing on one type specifically. Replenishable Wholesale Products.

We believe replenishable wholesale products are the foundation to creating a successful, predictable and sustainable wholesale business. About 90% of our own sales come from these types of products, so we have a lot of experience with the subject, and it is what we will be teaching you how to utilize in building your own wholesale business.

So what are replenishable wholesale products?

They are products that are available for purchase from a vendor that you will be able to consistently reorder...or "replenish" as you sell through your inventory.

So for clarity, the term replenishable just refers to your ability to reorder the product from the vendor. It has nothing to do with what kind of product it is specifically such as reusable products. We will sell any kind of profitable item from consumables, to clothing, to toys.

Major benefits of Replenishable Wholesale products:

So let's look at the major benefit of Replenishable wholesale products.

They are the most predictable type of wholesale product. Once you negotiate on a price with the vendor you can easily chart out your profit margin and sales estimates. Other types of wholesale product opportunities, which will be discussed later in the video, are slightly less predictable and have more volatility.

Important Replenishable Wholesale Product tip-

Now let's go over an extremely important tip for selling replenishable whole products.

If the product you are selling is a good product and your intention is to keep selling said product, do not ever let it go out of stock. Being Out of stock on a profitable product is just throwing away money. You need to be planning accordingly to make sure there are no lapses in your inventory.

When you start to get a very good daily sales estimate it becomes easier to schedule new orders of a product. We typically like to purchase a month supply of a product at the very minimum so that we can easily maintain a healthy stock. Often times we will purchase 3 months of product or more as many vendors have price breaks available at certain quantities ordered. Keep in mind that we do not ship in the entirety of our ordered product to Amazon at once when we make larger orders. We will send in roughly a month's quantity and store the rest at our warehouse. This is to avoid Amazon storage fees with FBA.

Products that you ship to Amazon have a 30 day grace period where you are not charged any inventory fees upon arrival to a fulfillment center. If you sell those products within 30 days you are never charged a storage fee. You want to always be calculating how much of a product you are selling in a given month and staggering your shipments in to Amazon based on that volume to avoid those storage fees.

When you first start engaging in wholesale opportunities you may not have the available capital to make large orders where you need to worry a lot about the 30 day grace period, but as your business grows it will become an invaluable tool in avoiding unnecessary costs.

Other Types of Wholesale Product opportunities:

As I discussed, this course focuses primarily on Replenishable Wholesale products, but I did want to present to you the other kinds of opportunities.

You have Closeouts, which are products that are no longer in print or have become discontinued.

Liquidation opportunities, which is excess product sold at a significantly reduced price, often temporarily.

and then we have promotions, which is when a product will be available for a short period of time, but may not be available to be re-ordered or replenished, or, when a product is sold at a steep discount, but only for a short period of time.

You can see that all of these types are similar in that they are much harder to predict and plan for than replenishable whole product opportunities. While we are not completely attest to taking advantages of opportunities like this, it isn't what we base our business on.

End Goal with Wholesale Product Opportunities-

The goal is to find a consistent base of products that you can sell over and over again for a long period of time, at which point it almost becomes a passive source of income and you can focus on growing your business larger and larger.