

THE WHOLESALE FORMULA

Module 1 – Replenishable Wholesale Products

In this video, we are going to go over the cornerstone of our business. Our entire business model focuses on finding replenishable opportunities, and we want to adequately describe what replenishable is, as well as why we believe it is without a doubt the absolute best model on Amazon.

We believe that replenishable wholesale products are the foundation to building a continuously growing business. Currently, all of our sales are derived from these types of product opportunities, so we have a ton of experience with the subject. Throughout the remainder of this course, you will be focusing on this concept. Let's get started.

So, What Are Replenishable Wholesale Products?

These are products that are available for purchase from a brand owner that you will be able to consistently re-order, or "replenish" as you sell through your inventory.

Just to be perfectly clear here, the term replenishable has NO bearing on what type of products you carry. The concept simply means that you can consistently replenish your stock to sell through additional cycles of product.

The reason this is the foundation of our business, and why we have consistently grown our business year over year, is that we are building on an existing portfolio of products. As we add accounts, that adds to our sales rather than replacing lost sales. Our business is entirely focused on this. We eschew other opportunities like closeouts, because while profitable, they are short lived, then you have to find the next one. They just aren't reliable.

Rather than chasing products, this model allows you to grow with ease. This is why we are able to invest so much on the front end of acquiring profitable wholesale accounts. While harder than finding a single one-off item, the account generally pays dividends for years to come. We aren't looking to consistently replace income, rather we are always for consistent supply to add to our existing income.

What Types of Products Are Replenishable?

As we alluded to earlier in this video replenishable products are not defined by product type, but rather their ability to be re-ordered over and over again. That being said, products from all categories can be replenishable.

While most people think of replenishable products as something like "cheese" or a similar consumable

product that you would buy when you went to the grocery store. This couldn't be further from the truth. While most consumables are replenishable, replenishables don't have to be consumables.

Instead, replenishable products simply have sustainable supply and demand. This means there is always a constant consumer need for the product and there's a brand owner that can fulfill that need.

As you will learn throughout this course, ALL types of products have sustained demand and predictably sell. It doesn't matter what category they are from, or what their use is.

Garbage cans can be replenishable. If there is sustained demand, and you can source the product on a regular basis, congratulations, you have found your first replenishable product.

As we will teach you, products of all types have predictable sales patterns. This allows us to look for replenishable opportunities everywhere.

The most important rule when it comes to replenishable wholesale products is this: Do not run out of stock. This rule is extremely important and was the number one cause of lost income for us.

If you have a product, and it is selling well, you have to maintain stock on the product. Being out of stock on profitable selling products is like throwing money away. You need to plan accordingly, work with your vendors, and place consistent re-orders.

While running out of stock doesn't necessarily penalize you directly, it does lead to lost sales (and is a factor for buy box rotation). In terms of the importance with the buy box, the effect is minimal and may only equate to 1-5%, but in high volume wholesale EVERY point matters.

We stress this now because we want you to be as successful as possible, and make as much money as possible. We will cover re-orders and forecasting later on in the course, but we feel it's important that you know this now. Consistently good practices here can literally be the difference in hundreds of thousands of dollars in revenue across a year.

Building your business with replenishable wholesale products is an incredible way to scale and grow your business. It affords you the ability to constantly be looking forward for the next major opportunity. Rather than spending time trying to find the next deal to replace the income we lost from selling through our remaining stock, we are able to proactively grow our business.

Remember, don't restrict yourself to the thoughts that replenishable means consumable. ANYTHING with a predictable sell through, and the ability to purchase time after time is replenishable. Take advantage of these opportunities and grow your product base to increase sales and profits.