

Title:

How to Start a Beverage Distribution Business

Word Count:

735

Summary:

How to brake into the Beverage Industry Business and start your own wholesale distribution beverage company. Learn how much money you can make and what you need to get started.

Keywords:

Wholesale, beverage industry, beverage distribution, wholesale beverages, wholesale soda, soda distribution, soda distributor, beverage distributor, energy drink, energy drinks, new sodas, jones soda, wholesale distribution, small business, home busi

Article Body:

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Combine Wholesale Distribution with the Beverage Industry and you get one of the most profitable and fun businesses in the world.

This article will give you an introduction into this great business, how you can start and how much money you can make on each case of beverage sold. Is beverage distribution for you? Find out right now.

Beverage distribution is one of the easiest and most profitable businesses I've seen.

I like it because you don't need a lot of customers to make a lot of money. You can easily make an extra \$5,000 with a few customers.

You will see why beverage is one of the best businesses in the world. I started in beverage while I had my tool and novelty distribution business. I was looking for new products, products that I did not need to exchange so often and that I could sell over and over again to the same customers. This last part was key.

You see, when I was selling tools I figured that I could sell up to 1,000 tools per day or more but every customer was unique. In other words, if you buy a

hammer at a store on Monday chances are you will not go on Tuesday and buy another Hammer. Even if it only costs \$1.98!

Don't get me wrong, the "tool distribution business" is a wonderful business and I still love it. I was just looking for another type of product to add to my current items.

I figured out that in order to sell the same product over and over again it would have to be a food product. So I started going to trade shows and looking at chocolate, potato chips, candy, and other products. I even looked at name brands like Hershey's. The problem was that I could not buy directly from the manufacturers and the profit margins were super low, about 12%. I was used to up to 70% profit margins.

Finally I ran into a beverage manufacturer of an Energy Drink. They were just starting with their product and it was easier to become a distributor.

Now let me tell you a bit about Energy Drinks. Energy Drinks are the new Super Profitable products. Everybody makes money, the manufacturer, the distributor and the retailer. You see, Energy Drinks sell for \$1.99 to \$2.40 at the stores for 8 to 16 ounces. This is incredible if you consider that you can buy a soda that's the same size for \$0.50 to \$0.75. Even a 20 ounce soda runs you about \$1.25.

Distributors love the product because they make about \$8 per every case they sell compared with about \$2 to \$4 for their other products.

Let's get back to the Beverage Business. The great part of this business is that if you have only one customer going into the store buying your product you sell at least 1 case of that product per month.

You see; if you sell a soda someone can buy a soda every day, compared to a hammer, where people don't buy a hammer every day. So you need fewer customers because you sell more per day.

For example: Let's say you have only 100 stores that you service yourself and sell 3 different beverages. You sell one Energy Drink and 2 Sodas. You make \$8 from every case of the Energy Drink and \$3 from every case of soda.

If you sell only 1 case of the Energy Drink per week per store and 3 cases of each soda you'll make about \$600 profit from the sodas per week and another \$800 profit per week from the Energy Drink. That's \$5,600 profit per month with only 100 stores and only 3 different products. It's very easy to ramp up to 5 or

even 8 products. This is why I love the beverage business.

Now let me tell you a bit more about Energy Drinks. They are the category that is growing the fastest of any other drink. It grows up to 70% per year in the US compared with 2% growth for soda. Companies are still growing from 100% to 300% per year every single year. The best part is that there is no end in sight.

Not only that, the Energy Drink Business is incredibly fun. You get advertising and promotion from companies, you get to do club and store promotions, get t-shirts, hats, gifts, extra commissions and free product from the Energy Drink companies. You also get free racks, coolers, sometimes even refrigerators.