

eBay and Drop shipping - Getting the Product to Your Customer

If you hope to own an eBay business, and make a full time living at it, you can easily make that dream come true - even if you don't have a product of your own to sell. eBay provides many people who want to quit their corporate nine-to-five jobs with a way to make a good living, without having to put up a lot of start up capital. This is made possible with the help of drop shippers. Drop shippers send merchandise to the customers of business owners. If you have an eBay business, you are a business owner. This will allow you to offer a wide variety of stock in your eBay store, without having the need to warehouse all of those products!

All you have to do is set up your auction, and sell the product. You then pass the customer's information on to the drop shipping company. The drop shipper does the rest, and they will even use your company information, as well as your company logo if you have provided it to them. When the product arrives at your customer's home, they will have no idea that your company didn't send it. The drop shipper will package, label, and ship the products that you sell, allowing you more time to set up even more auctions, for greater profits.

You must establish a relationship with several drop shipping companies in order to become successful. In the beginning, most companies will require you to pay for the items that your customers order before they are shipped. You need to fill orders in a timely manner, so you should pay for the items with a credit card for speedy service. Eventually, you will be able to have the drop shipper fill your orders, and then bill you for them later.

When you set up your eBay auctions, make sure that your reserve price is set higher than the price that the drop shipper will be charging you for the item. The idea, of course, is to earn a profit!

Depending on the item you are selling, a markup of about 10% should be about right, but you should do some research to see if the item is selling for a lower price in another eBay auction, or through other online sources.

By starting an eBay business using the drop shipping method, there is essentially no financial risk involved. The product will be sold before you pay the drop shipper for the item. This is one of the few businesses where you can actually turn a profit before you have expenditures!

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