

The Source Report

What Really Sells and Where to Find It

October 2010

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Revealed Inside:

Why you should take an interest in what your partner is doing in the closet - it could help you make £165.55 - £331.10 a week – and that's just the start

Your EXCLUSIVE hot product recommendation

Add to your inventory and increase your sales

What you should be doing this month

Scam Watch – The Small Print

Product Sourcing Questions

Product Watch – What's hot right now?

WELCOME

Welcome to this issue of The Source Report.

As always, this month I've been on the lookout for hot products across a huge range of categories and niches as well as keeping a close eye on the four niches I covered in your original *Ultimate Product Sourcing Secrets manual*.

If a particular niche is hot whether it's in Health and Beauty, Sporting Goods, Consumer Electronics, Pet Supplies or any other category, I'll always pass this information on to you as quickly as I can so that you can take advantage and don't miss out!

On my sourcing travels this month I couldn't help but notice a recurring theme and inside you'll find that I've researched and sourced a hot product in a niche I haven't covered to date.

I used my '5 step system' which I've shown you exactly how to use to uncover hot niches and products in *Ultimate Product Sourcing Secrets*. A system that tells me exactly what buyers want right now!

Remember the 5 steps for success:

- Choose your niche
- Uncover your hot product
- Source your product
- Source a reliable supplier
- Sell your products for profit

Read on to find out what just what I have uncovered this month...

Why you should take an interest in what your partner is doing in the closet because it could help you make £165.55 - £331.10 a week.

And that's just the start...

Here is a simple fact; we'll always need clothes. And we'll always need footwear. So, clothes, shoes and accessories fit the criteria of a category or niche that solves a problem or a need.



Not in the same way that last month's teeth whitening product solves a problem of course, but never the less, you are still satisfying a need. For example "I need a new belt to go with the dress I purchased last week". Or, "I need to buy little Matilda a new coat as she has had a growing spurt since last winter." These are needs.

What's more, the clothes, shoes and accessories category is one that many people will impulse buy from. You know the story. You see something pretty, you want it and you want it now. Before you know it you've clicked Buy It Now and it's yours.

October is the perfect month to start selling within Clothes, Shoes and Accessories. It's a change of season, the weather is finally turning autumnal, and it's starting to get chilly. People are thinking about wrapping up, consigning their sandals to the back of the wardrobe until next year and beginning to root through their closets checking out last year's selection of Winter clothes.

Now I imagine that many people are like me when it comes to clothes. You open the wardrobe doors, have a quick look, turn your nose up and utter that immortal line: "I haven't got

anything to wear.' This is usually whilst your other half is stood behind you, mouth agog as it's blindingly obvious that you actually have a whole wardrobe crammed full of winter clothes.

This doesn't matter. You want something new and you are going to get it!

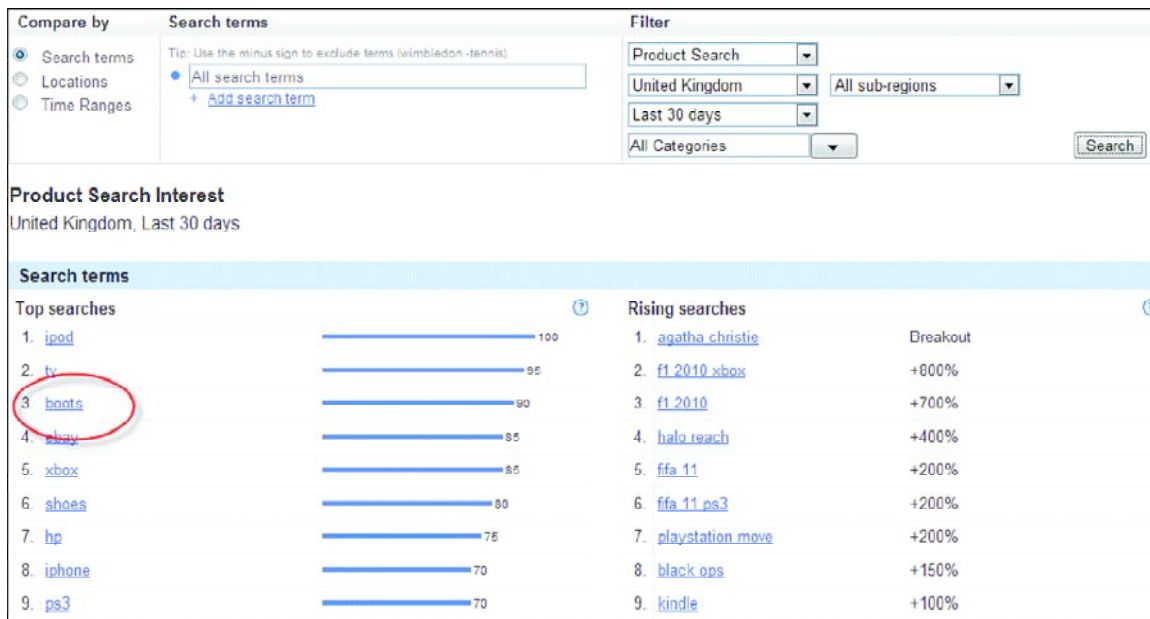
Don't worry, I'm not about to tell you to sort out your wardrobes and start selling your old random items of clothes online! I'm sure you already know how to do that.

Year after year, one of the most important items purchased at this time and in this niche is the 'Winter Boot'. Sales of boots really start to take off right now as our less sturdy, less waterproof shoe collection is packed away until next spring (when we will take them out again, look at them and say 'I need some new shoes.') Do you see a pattern emerging here!

Seriously though, just to show you that this really does happen year in and year out, the graph below taken from Google Trends shows that for the last 2 years the 'boots' trend has started rising from late September / early October onwards, rising steadily and usually peaking around January or February. You can see the dip during the spring and summer months and the rise again as winter approaches with this trend set to repeat itself for 2010:



During the last 30 days 'boots' was the 3rd top product search overall in Google. That's the 3rd top search across all categories for the last 30 days in the United Kingdom as you can see below:



But 'boots' is a pretty large niche and this is a very general snapshot. After all there are men's boots, ladies boots, children's boots, wellington boots and so on. So how on earth can you compete with the many thousands of 'boot' sellers online?

Well, first of all you need to drill down further into the niche. I've already shown you that boots are popular and drilling down further I found that people are actively looking for 'Fur Boots', 'Sheepskin Boots' and 'Suede Boots' with searches for these three styles increasing by between 60% and 150% over the last 30 days. If you look to the left of the screenshot below you will see that 'Men's boots' appear at number 4, whilst 'women's boots' appear at number 7 so both men's and women's boots are popular right now.





Now we need to dig even further!

eBay Pulse confirms that 'boots' are a popular search term with the keyword appearing at number 4 in the general Clothes, Shoes & Accessories list.

eBay pulse Clothes, Shoes & Accessories >

Category: Clothes, Shoes & Accessories

Welcome to eBay Pulse, a daily snapshot of current trends, hot picks and cool stuff on eBay. [Learn more.](#)

POPULAR SEARCHES by number of searches

1. ugg
2. adidas
3. superdry
4. boots
5. nike
6. topshop
7. converse
8. ted baker
9. next
10. g star

LARGEST SHOPS

1. Snoopy and Marcie (snoopy_marcie (8182))
2. Elite Superstores (elitesuperstores (95978))
3. Miss Shoes (888wanrong (166258))
4. Personalised Consumables (mediaprints (6668))
5. The Superdry Store (superdrystore (71238))

And, further down the same eBay Pulse page you'll see that out of the 10 most watched items, there are 3 different lots of boots:

MOST WATCHED ITEMS by number of users watching

1. Women Casual FLAT Dress SLOUCH Suede BOOTS Shoes ALL Sz BEST Fashion Deal in eBay... COMBINE shipping available
2. Fashion @ Women Mid Calf Rubber Cowboy Rain Boot Shoes 12 Different Colors, Sz 6-11. WE OFFER COMBINE SHIPPING
3. KERA PUNK EMO Gothic Goth KNEE HIGH Canvas Sneaker Boot FAST EMS SHIPPING! ★ 6 BEST SELLING COLOR OPTIONS ★

Other items include: Sexy Red Sole Platform Pump Mary Jane Nude - Brand New, New Retro Aviator Fashion Vintage White Sunglasses F910, MENS ARMY CARGO CAMO COMBAT TROUSERS/PANTS FREE POSTAGE, ALL COLOURS Pashmina Scarf Wrap Shawl Stole, and K04 LADIES BLACK LONG SLEEVE WOMENS PLAIN BATWING TOP.

What's more, one of those most watched is for 'suede boots' which we know from the previous Google search is a hot item with searches increasing by 60% in the last 30 days.

Rising searches		
1. fur boots		+150%
2. girls boots		+130%
3. sheepskin boots		+130%
4. grey boots		+110%
5. military boots		+70%
6. suede boots	↔	+60%
7. winter boots		+60%
8. hiking boots		+50%
9. wedge boots		+50%
10. biker boots		+40%

Embed this table

So, if we take 'suede boots' as a sub-niche and we go back to the most watched items and click through to the suede boots seller's listing you can see that they are selling between 15 and 26 pairs of these suede boots EVERY DAY!

I can't fit the whole page of sales on here as there are so many but you can view it in full on this months accompanying DVD.

User ID	Variation	Price	Quantity	Date of Purchase
...p (0)	Main Color: Black US Size: 5.5	US \$19.99	1	27-Sep-10 09:18:57 BST
1...h (0)	Main Color: Brown US Size: 7	US \$22.99	1	27-Sep-10 09:16:09 BST
d...m (0)	Main Color: Black US Size: 11	US \$22.99	1	27-Sep-10 06:27:31 BST
b...s (5)	Main Color: Black US Size: 11	US \$22.99	1	27-Sep-10 06:23:18 BST
1...z (0)	Main Color: Black US Size: 9	US \$19.99	1	27-Sep-10 05:17:56 BST
a...j (2)	Main Color: Black US Size: 7.5	US \$19.99	1	27-Sep-10 04:42:44 BST
e...e (30)	Main Color: Black US Size: 11	US \$22.99	1	27-Sep-10 03:34:22 BST
x...x (0)	Main Color: Brown US Size: 10	US \$22.99	1	27-Sep-10 03:03:40 BST
i...g (160)	Main Color: Black US Size: 9	US \$19.99	1	27-Sep-10 02:44:01 BST
k...a (1)	Main Color: Black US Size: 8	US \$19.99	1	27-Sep-10 01:15:24 BST
o...z (1)	Main Color: Black Thigh High US Size: 9	US \$29.99	1	27-Sep-10 01:11:50 BST



FREE SHIPPING

Women Casual FLAT Dress SLOUCH Suede BOOTS Shoes
ALL Sz
 BEST Fashion Deal in eBay... COMBINE Shipping available

Item condition: **New without box**

Main Color: **- Select -**
 US Size: **- Select -**
 Quantity: More than 10 available

Price from: **US \$19.99**
 Approximately £12.64

Postage: **US \$15.00** USPS First Class Mail
 International see more services...
 Estimated delivery time varies for items dispatched from an international location.

Payments: **PayPal** | See details
 Returns: Returns accepted | Read details

Seller info
 (9462) ★
 98.7% Positive feedback

Contact seller
 Save this seller
 See other items
 Visit shop

Other item info
 Item number: ...
 Item location: **Fashion Shoes Wholesale**
 Price: **United States**
 Post to: **Worldwide**
 History: 4,774 sold

Share Print Report item



What's interesting though is that this seller is based in the USA. Now wouldn't you prefer to be buying your suede boots from a UK seller? I know I would and so probably would loads of other people.

So....as a UK seller, you could get into this market easily just by selling a similar product and dispatching super fast from the UK.

This is too good an opportunity to miss. I've shown you that boots are hot right now. You know that searches for suede boots are rising every day and you know that they sell well on eBay. This is a hot product!

Now, here's the best bit. I'll show you exactly:

✓ **Where you can get a similar item from**

✓ **How much it will cost you**



Then all you have to do is introduce your product to the public, using eBay, your own niche website, Amazon – you can even sell these off-line at a Car Boot Sale or from a Market Stall...

Product Source Information

The Product: Suede Slouch Boots (Numerous Styles available)

The Supplier: Direct2UFootwear

The Website: <http://www.wholesale-footwear.co.uk>

The Cost: 12 Pairs = £95.88 + VAT (£7.99 + VAT each)

Delivery: £8.95

Total Cost: £121.61 inc VAT & Delivery (Per Pair: £10.13)



*Drop ship service is available if you don't want to store stock

So, our USA seller is selling the suede boots at \$19.99 which is approximately £12.65 at today's exchange rate and the postage to the UK is \$29.00. That's a total of \$48.99 or £31.00 and the parcel will take between 6 and 15 business days to arrive! Granted it's coming from the USA but that's still quite a long time to wait for your new boots isn't it?

Let's say for example that you decide to sell these online at £17.99 and charge £3.99 for postage and packing. That's £21.98 and so you are still cheaper than the US seller plus you can deliver much quicker than the 6 – 15 days quoted...

Here's the math's:

Cost of stock including delivery (12 units): £10.13

PayPal Fee: £0.95

eBay Final Value Fee: £1.78

eBay Listing Fee: (Multiple Item Buy It Now) 40p

P&P Costs: £3.99

Total Costs: £17.25

Selling Price: £21.98

Profit: £4.73 per item sold

Sell 5 a day and you'll make £23.65 or £165.55 a week.

Sell 10 a day and you'll make £47.30 or £331.10 a week.

But that's only the start because you can then add to your inventory which I'll show you in just a moment...

Copy these Profit boosting tips



- ✓ Dispatch these boots to your customers in bubble wrap and in a lightweight self-seal mailing bag to keep your postage costs down. If you are worried about presentation, as these are ladies boots, why not use snazzy pink mailing bags rather than boring grey! <http://www.postpack.co.uk> has a huge range and lots of colours.

*Drop ship service is available if you don't want to store stock.

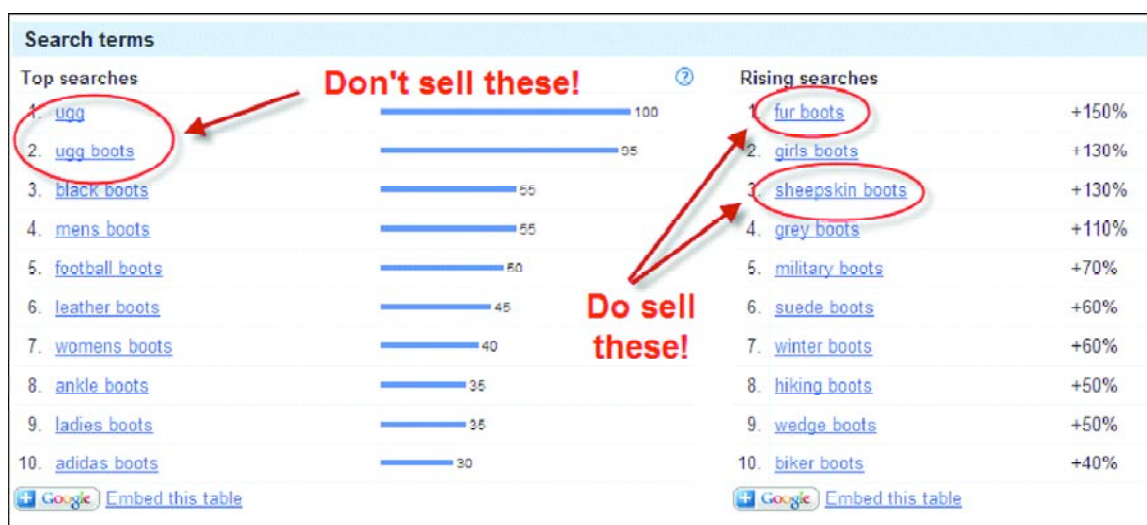
- ✓ Solve a problem or need with your product and watch your sales rise.
- ✓ Impulse buyers are prolific in the Clothes, Shoes and Accessories niche so take advantage of this by putting what they want in front of them now.
- ✓ If a product is hot on eBay it's likely to be hot online and offline in general. Always use eBay Pulse as part of your research to drill down further and ensure you go deep into a sub-niche to ratchet up your sales.
- ✓ Can you go one better than your competition? Remember that 'similar but better' really works. If you can beat the competition on delivery times and postage costs that's a great start.
- ✓ If you want less competition, sell boots on Amazon rather than eBay. There are fewer listings and higher prices which means more profit for you.

Even more ways to profit with this cross-sell idea

The great thing about this is that you can diversify within the sub-niche. There are hundreds of different types of boots available so start small, just with one style and then research other hot styles and add them to your inventory style by style.

You have probably noticed that the top search when I drilled down into boots was UGG or UGG boots over the last 30 days. Well, if you want to sell UGGs then please don't – not unless you know that you have the absolute genuine article which you won't find on ANY Chinese websites and are unlikely to find in the UK.


I've found a similar alternative unbranded product that you can sell that is similar to the UGG boot and fits both the 'fur boots' and 'sheepskin boots' rising searches.




Google Trends shows a 150% rise in searches in the last 30 days for fur boots and a 130% rise in searches for sheepskin boots. You can catch both of these trends with these from the same supplier as before <http://www.wholesale-footwear.co.uk> starting at just £4.50 per pair:


Snug Boots

Displaying 1 to 5 (of 5 products) Result Pages: 1




24.00
Ladies Snug1 Boots LIMITED STOCK BUY NOW (12 pairs)
4.50ea + vat
GBP54.00


 [buy now](#)




Size	UK 3	UK 4	UK 5	UK 6	UK 7	UK 8	UK 9	UK 10	UK 11
Quantity	10	10	10	10	10	10	10	10	10
Price	£4.50	£4.50	£4.50	£4.50	£4.50	£4.50	£4.50	£4.50	£4.50


38.00
Ladies Snug14 Boots **SOLD OUT** (12 pairs)
6.99ea + vat
GBP83.88

 [buy now](#)





24.00
Ladies Snug16 Ankle Snug Boots £4.99ea + vat (12 pairs)
GBP59.88

 [buy now](#)




24.00
Ladies Snug1L Boots (12 pairs)
4.99 ea + vat
GBP59.88

 [buy now](#)



18.48
Snug9 Ladies knitted boots WAS6.99/Now4.99
~~GBP83.88~~ **GBP59.88**

 [buy now](#)

This fantastic wholesale supplier, whom I have contacted personally this week, also offers a drop ship service. It is totally free to sign up – there are no monthly fees or joining fees and they have a good selection of styles for you to choose from.

If you decide to use the drop ship service you will need to visit the following website and follow the drop shipping link to sign up as trade. It's a simple form and this supplier has assured me that eBay sellers are very welcome!

Go here and then click on the Drop shipping section:
<http://www.direct-2u.co.uk>

As an example, if you were to use the drop shipping service for a pair of ladies 'Snug Boots' (as shown in the top left of the above screenshot) you will pay £11.42 all in. That's £7.92 for the item and £3.50 for postage and packaging to your customer.

Prices are slightly higher this way as you would expect compared to the wholesale prices BUT if you are limited on

storage space this is ideal. Simply adjust your selling prices accordingly.

So, for wholesale go to:

<http://www.wholesale-footwear.co.uk>

and for drop shipping go to:

<http://www.direct-2u.co.uk>

These websites are both owned by the same company and are based in the UK.

Description Tips For 'Boots'



- ✓ Describe 'Brown boots' as 'Chestnut Brown boots'. Chestnut is the name of a style of UGGs but you can use it to describe the colour 'brown' therefore legitimately using it as a keyword in your title and indirectly picking up the UGG boot searches!
- ✓ Do not use the words 'UGG' or 'UGG Style' or 'Like UGGs' in your title. This is keyword spamming and won't do you any favours.

What you should be doing this month...

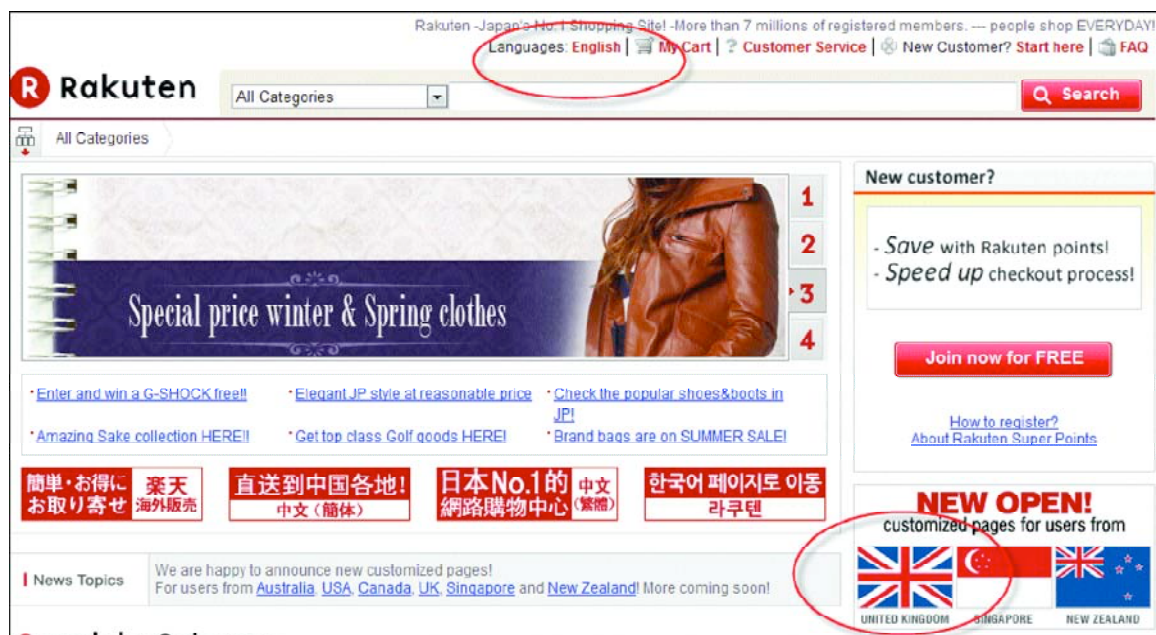
1. Turning Japanese!

On my product sourcing travels this month I found a website that is more like a 'shopping mall'. It's called Rakuten Ichiba and the main site is here: <http://en.rakuten.co.jp> It is actually the biggest online shopping mall operator in Japan with over 50 million registered users!

The company was founded in February 1997 and by June 2004 it was the second ranking site in Japan, as measured by unique audience, with only Yahoo receiving more monthly visits – not bad! Within this amazing online shopping mall are 22,000 shops and approximately 25 million items are listed for purchase so you might find yourself spending some time on the site!

When you reach the main page there is the option to choose 'English' and on the right hand side you can click on the Union Jack Flag to get customized English pages or you can go directly to the UK site using this link:

<http://global.rakuten.com/uk>



Rakuten's site for UK buyers is powered by Google Translate so all the product descriptions appear in English and even though you'll still see prices in Japanese Yen, the Sterling equivalent is displayed too. You can use a currency converter such as <http://www.xe.com/ucc> to double check the prices if you wish. Currently, 100 Japanese Yen is about 75p.

It's like the Amazon of Japan and they are making every effort to attract business from Europe. The website is still in its early stages and is quite confusing to find your way around at the moment, but keep an eye on it as it's a good place to go if you are looking to import really unique or genuinely Japanese goods for a niche market. There are some wholesale deals to be had – mostly in the jewellery category, but it's interesting to note that according to Mr. Mikitani, the CEO of Rakuten, his aim is to allow sellers to build personal relationships with buyers, instead of merely listing items for sale which means that private wholesale deals could be on the cards....

Watch this space!

2. Turning this product sourcing opportunity into a unique business...

With Christmas fast approaching as I mentioned in last months Source Report now is the time to take a serious look at this idea which ties in perfectly with the 'Christmas Gifts' market.

Many people have huge problems finding the perfect unique gift for friends and family and quirky, personalised products are a great way for people to show thoughtfulness to others and the chance to give something a little bit different this year. So with this in mind, here's a brilliant product sourcing opportunity for you to consider.

<http://www.artsnow.com> is an online marketplace that allows you to create and sell a huge range of unique designs across a massive array of products.

What this means is that you can create a totally unique product and then sell it on eBay, Amazon, your own website or anywhere else for that matter and totally eliminate any competition!

Let's say that you have researched recent sales of netbook cases, you have seen that they are selling well but they are all boring plain old black or white ones. You take a look on eBay and see that the ones with the colourful designs or pictures on are selling really well BUT the only sellers that have these fancy ones are all based in Hong Kong or China and they take between 10 and 20 business days to ship the product to the buyers.

Two things – firstly I don't know many people who like to wait that long for their goods to arrive and secondly you could create a design for a similar product yourself and have it delivered to your customer in at least half the time.

Here's how you can turn this into a brilliant opportunity using the netbook case as an example:

Go to <http://www.artsnow.com> and take a look at their products – you'll find several styles of netbook cases on the site.

Click on 'Design Your Own' on the toolbar

Click on the product you have chosen

Click 'Create It'

Upload your design from your computer – as long as the design, photo or image is yours there are no copyright issues. Remember you will need to have a unique design uploaded to your computer to do this. Either create a design yourself or upload a photograph you have taken of something abstract or similar.

Here's an example using some penguins:

Custom Netbook Case (Small)
Price:\$9.99



[View Larger Image](#)

Design Your Product



[Remove this image](#)

Image Height: 5.12 inches
Horizontal Offset: 0%
Vertical Offset: 0%
Rotate: 0

Ideal image size in pixels (W * H):
Front(Center) : 1500 x 1200 or Higher

[Review and Order](#) [Save To Finish Later](#)
[Publish & Earn\\$\\$\\$](#)

Then 'Review and Order' or 'Save to Finish Later' and you are done!

Think of all the unique designs you can create on a huge variety of products – and no one will ever be selling exactly the same thing which means you can price your products as you like. If someone really wants the unique product that YOU have created then they will pay YOUR price.

You can place an order at ArtSnow as and when your buyers order or purchase a larger batch of stock of your own designs and store them yourself. Or you can simply use their drop ship service (you must have a PayPal account to use this service). All you need to do is to list your unique netbook case on eBay or your website. You sell your product to a customer, send your order through to ArtSnow and they will create the product and ship it for you!

They will produce and ship within 24-48 hours and deliver within 4-6 business days which is still quicker than the other rather tardy Hong Kong sellers on eBay selling similar products. Remember, you must keep your customers updated and make them aware of delivery times. If you keep in touch with people they generally don't mind a small delay as long as they know when to expect delivery of their goods.

Taking this a step further, you can open a store with ArtSnow and actually sell your products directly. Simply become a member (free) and store all your product designs in your own store. You can create and sell anything from clothes to men's gifts to electronics accessories, mouse mats, mugs – in fact there are over 200 products to choose from that they will personalize for you and you can sell.

There is a 30 day trial available on their drop ship programme right now. Don't be put off that they are based in Hong Kong either. They guarantee a good service and have a refund or re-ship policy if things go awry.

Something a little different for you to have a think about especially if you are creative!

**** Scam Watch ****

Why it's better to spend a little time reading now than regretting later...

Recently I received an email offering me a free watch. Well it wasn't quite free, it was \$1.00 plus the delivery charge. Sounds good? Of course it sounds good – too good to be true I thought!

Having many years of experience of the internet and the scams that appear on a daily basis I thought I'd check this 'offer' out in a bit more detail and what I discovered was quite shocking. Now I'm not going to name and shame here because that's not the point of this, I just want to use this as an example so that you are aware of what to look out for.

First I looked at the website connected to the deal and noted that the same offer was displayed on the home page along with a button telling me to 'claim your free watch now' which sent me through to a payment form where I should fill in my details and pay my \$1.00 plus shipping costs. After this my card would be debited and my watch would be sent to my address. How simple is that and it all looks completely genuine.

However, scrolling down the page I clicked on the Terms and Conditions link and was met with a never ending page of small print. And this is when I was enlightened further.

Buried in what amounted to about 25 long paragraphs of text was this:

"The trial offer is designed to display the quality and effectiveness of XXXXX Watch. This gives you the opportunity to try this remarkable program risk free for only \$1 plus shipping

and handling so you can come to a decision for yourself if this is the right product for you.

When you place your order today with www.XXXXXXX.com, you will automatically become a part of our customer club in which you will receive a watch from our collection to try for 14 days.

Please note, the 14 day trial period includes shipping and transit time. If you order the product today, 9/23/2010, you will need to cancel by 10/7/2010 to avoid being charged. Your credit card will be billed between \$1.99 and \$4.99 depending on the options selected for the shipping of your 14 day trial shipment.

If you are satisfied with XXXXX Watch and wish to continue to receive a new watch from our collection on a monthly basis, you need do nothing else. Upon the expiration of the trial period, your credit card will be billed the members only price of \$88.99 for the full cost of the watch that you ordered. On approximately the forty-fifth day following the date you first ordered XXXXX Watch and every thirty days thereafter, we will send you another watch from our collection, and the credit card you provided to us will be automatically billed \$88.99 for this new product.

PLEASE NOTE: Upon cancellation of your trial membership, you will need to return the product within 14 days of receiving your cancellation notification."

I found this absolutely shocking. So, your free watch is actually not free, it's a trial. If you don't want to keep it you must return it within 14 days otherwise you will be charged for the balance of the cost of the watch which is \$89. What's more, if you don't cancel really quickly you will be sent another watch the following month and again be charged another \$89. And the month after that and so on. Remember that this company has your credit card details. And why on earth would anyone want a new watch for every month for anyway!

Now, as this information is on the Terms and Conditions page this in effect is not a scam because the information is there you just have to look for it. Crafty.

And this brings me to my point. Terms and Conditions are there to be read. If you don't read the small print you could find yourself out of pocket and the victim of some very underhand marketing practices. This applies to all offers and any websites including wholesale suppliers.

It's very easy to be sucked in by the look and price of a good product and in your haste to order you overlook the other important factors such as a returns policy for faulty goods, lead times, shipping costs and other extra charges that are not mentioned on a primary page. It's easy for unscrupulous companies to hide things in the Terms and Conditions so always look for that link when you reach a website and read through. It might be a lot to read and it might be time consuming but it's better to read it now rather than later when it's too late.

There are some wholesale directories around that require a payment to join. Not all of these are scams, however be careful with those that offer you what they call a reduced cost trial, for example £20 for one months access to their database. That sounds ok doesn't it - £20 won't break the bank and you can get loads of information from the database in a month can't you?

So you pay your £20 through PayPal or your credit card and get instant access. But then what happens? You haven't read the terms and conditions so you don't realize that unless YOU cancel your 'subscription' before your 30 days are up, you will be charged a second amount AUTOMATICALLY for access for another month and you have actually authorized this when you paid for the trial period....and so it goes on. This information will almost certainly be in the terms and conditions but you just didn't read it. So unfortunately this is perfectly legal.



Lesson: Always spend time reading the Terms and Conditions before signing up for a 'trial' or ordering goods online. Important information may be buried in the small print and is easy to miss.

Your Product Sourcing Questions Answered

Q: How do I calculate customs charges on goods that I import?

A: It's always been a bit hit and miss with the calculation of the various administration charges, import taxes and VAT when you are importing products from abroad. But to be able to calculate your potential profits correctly it is very important that you do work out any extra costs involved before you place an order.

Charges vary depending on the type and quantity of a product and until very recently there has been no specific online tool to help with this. Recently I discovered that Bundle Tech have developed a Duty and VAT Calculator, which will enable you to quickly and easily check your potential tax liability on a huge range of products before committing to purchases from abroad.

In simple terms import duty is calculated as a percentage of the customs value of the goods.

The customs value is made up of:

1. The price paid for the goods (sales tax included)
2. The insurance cost
3. The shipping cost

VAT is calculated as a percentage of the customs value plus the duty paid.

So, if you want to easily calculate the potential costs of importing your goods there are two options available and they are both free to use. The first is a brand new tool, still in Beta Testing Mode but fully usable and is great if you are looking at importing from an eBay.com (USA) seller – The duty calculator will work out any charges here:
<http://ebay.dutycalculator.com/ebaydutycalculator>

Alternatively, if you are importing from anywhere else and

want to calculate your import duty and VAT go here:

<http://dutycalculator.com>

This system is bang up to date and all the duty and VAT rates have been carefully researched and selected by professional customs duty experts to make sure that they tally with the rates published in the UK Customs Integrated Tariff or equivalent journals throughout the EU.

So you can be pretty confident that the rates generated by the calculator accurately reflect the amount of duty and VAT legally due on the products you want to import. You can try it out and see how simple it is to use.

Q: How can I be sure that the products I order from China will be good quality?

A: I'm sure you've looked at the labels on goods that you have purchased for your own personal use and noticed that the common factor is the 'Made In China' label on the back whether it's a well known branded product, a little known brand or even an unbranded product. In fact China is the worlds leading exporter.

It's worth noting that approximately 50% of the world's cameras, 30% of the world's TV's, 20% of the world's fridges, 25% of the world's washing machines and 37% of the world's hard disk drives all come from China! Not to mention furniture, toys and so on.

* Source BBC News / Far Eastern Economic Review

Hugely well known brands such as Philips, Motorola and many luxury goods brands all get their products produced in China and there is absolutely nothing wrong with the quality of these products as you know. So, there is really no difference between these huge brands manufacturing their goods in China and you importing products that you wish to sell from China as long as you put some quality control in place.

You should always check the quality of a product before you place a large order whether you are importing or sourcing a

product from your own country. Wholesalers and manufacturers will certainly not have a problem with sending you some samples and if they do have a problem with this then ask yourself why...

You won't usually get samples for free but often you need only pay a reduced cost plus the shipping charges. This is a sensible precaution and is worth doing because this way you can check the quality and look over the product before going ahead.

Use your common sense too. Remember that branded and designer goods are very likely to be poor copies rather than the genuine article. But generic, un-branded goods such as MP3 Players and so on will usually be of good quality. Finally, remember that it's not always a good idea to go for the cheapest wholesale price as what you save on cost may mean poorer quality.

Q: How do I find a drop shipping website that stocks the products I want to sell?

A: The concept of drop shipping isn't actually a new thing and believe it or not was originally not really 'internet' related at all. It's been around for as long as there has been a retailer and a manufacturer relationship, however when you think of drop shipping, most people conjure up an image of a single website containing specific niche products that can be ordered online and sent to their customers. For example, let's take the Pet Supplies niche. Although there are so called 'pet supplies' drop shippers out there – a quick Google search returns hundreds of results – most are not real drop shippers. They are simply middlemen. That is, you order from them and then they order the product from the real drop shipper. All this does is guarantees that you are not getting the best price.

Many people are of the belief that they must find – on the internet – a website that specifically drop ships for example 'sports goods' or 'digital cameras' or dog leads' but this is not the case.

The absolute best way of securing a good drop ship deal for a particular product is to first locate a wholesaler (or manufacturer) and ask them if they will drop ship for you! There are loads of wholesalers who will do this, they simply don't advertise the fact – so ask, and you might get. Make arrangements with a REPUTABLE wholesale supplier who will give you genuine wholesale prices and marketing tools, including attractive product images and descriptions that you can use.

So, just as an example, instead of searching for 'pet supplies + drop shipper', search for 'diamante dog lead + manufacturer + wholesale'. Once you have located the supplier, approach them about drop shipping for you.

When you find a supplier that is willing to do this, keep the following things in mind:

You're still going to pay a slightly higher wholesale price for a single item to be delivered to your customer than if you buy a wholesale lot.

Because you pay a slightly higher price, it's a little tougher to compete in your product market and your profits will be slightly less.

Always combine a drop shipping service with buying at wholesale and dispatching goods yourself. Don't rely purely on drop shipping.

Just remember that in order to make the most profit you need to cut out the middleman!

Keep Your Eye on These Hot Products

Niche: Consumer Electronics

Product: Digital Voice Recorder

Online searches for Voice Recorders have increased 110% over the last 30 days. These are consistent top sellers online and on eBay especially. eBay's 'most watched' shows one digital voice recorder in the top ten.

Niche: Computing

Product: Computer Speakers

A 70% increase in searches for computer speakers shows that these are currently in demand. Although top searches include Sony and Bose brands, unbranded and little known brands such as Lupu are enjoying a good run too.

Niche: Clothes, Shoes & Accessories

Product: Beanie Hats

Men's Beanie hats are enjoying a surge right now with a 90% increase in searches compared to last month. The cooler weather and the fact that John James from Big Brother was never without an oversized baggy one a la David Beckham (even when it was sunny) might also have something to do with this rising trend!

Niche: Consumer Electronics

Product: Bubble Making Machine

Strange but true! Bubble machines are all the rage right now with searches rising 120% over the last 30 days. Tap in to the Halloween and Christmas party buyers markets and you will do well.

Niche: Baby

Product: Changing Bags

These are hot right now with an increase in searches by 50%. If you want to sell these on eBay go for a mid range price and stock several colours so that you cater for all tastes on a

multiple item Buy It Now listing.

Niche: Health and Beauty

Product: Beard Trimmer

Men are just as concerned about their appearance these days as the ladies! In the last 30 days online searches for beard trimmers have increased by 70%.

Niche: Sporting Goods

Product: Ski Goggles

No riding searches as yet for ski goggles, but worth mentioning to keep a close eye on this one because searches are on the up. Get in now and catch the rush...

Niche: Jewellery and Watches

Product: Watches

The keywords 'watch' and 'watches' both appear in the top ten shopping searches on Google in the last 30 days at number 7 and number 10. Early Christmas presents perhaps or just 'time' for a change?

Niche: Home and Garden

Product: Airsprung Mattress

This one is a difficult product to package and post! Never the less searches have risen by 200% recently so airsprung mattresses are definitely in demand. If this niche interests you, find a good drop shipper and profits can be yours as many will avoid this niche giving you less competition!

Niche: Collectables

Product: Bottle Opener

With a 300% increase in searches in the last 30 days, this product is on the up but not for just any bottle opener. Pub style bottle openers that are wall mounted and catch the bottle tops are all the rage! Maybe a party essential too.

Finally...

This month the keyword 'Christmas' made its first appearance in the top searches across 'lifestyle'. This is a good indication that consumers are already starting to look ahead even though there's still over 2 months to go. If you have Christmas stock now is a good time to catch the early birds.

Thanks for reading this months Source Report. You've now got some great hot products and ideas and I look forward to meeting you back here next month.

Until then, as always I wish you the very best of success,



Amanda O'Brien