



## 10 Tips for Sourcing Inventory in the Secondary Market

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***Liquidation.com Offers Business Buyers Smart Ideas for Capturing Market Share During this Year's \$83.6 Billion Back-to-School, Back-to-College Shopping Season***

WASHINGTON--(BUSINESS WIRE)--Aug. 2, 2017-- [Liquidity Services](#) (NASDAQ: LQDT), a global solution provider in the reverse supply chain with the world's largest marketplace for business surplus, is pleased to provide ten tips for sourcing back-to-school inventory in the secondary market from [Liquidation.com](#), a leading e-commerce marketplace where professional buyers purchase bulk lots of returned retail merchandise for their resale channels.

### 1. Know What Works for You

Source quality merchandise your customers will be looking for like clothing, electronics, shoes and school supplies. Start with categories you're familiar with, personally like, or have already been successful for you. Know what items sell well and keep at it.

### 2. Know Your Competition

Check out the competition and what they're selling. Be realistic about buyer demand and don't be afraid to get creative if everyone's selling one particularly hot item. Consider selling the accessories instead or package a small accessory with the primary item – a nice freebie that can help set you apart from your competition and ultimately increase sales price.

### 3. Learn from the Past

Check historical prices for each item, as well as bulk lots, then develop a purchasing strategy for sourcing. Think about how much you can resell each item for and benchmark price as you get started so you can adjust, as needed, to make sure you turn a profit.

### 4. Understand What You Are Purchasing

Online marketplaces are a terrific way to purchase items for your inventory. Before you buy, find out as much as you can about each product. Look for detailed descriptions, digital images, shipping dimensions, condition, technical information, and other item specific details. Also, search out the terms and conditions for each sale and make sure you understand thoroughly.

### 5. Set Your Profit Goal

Set your resale price for each item then estimate how much profit you'd like to make on each sale. Once you know this, you then can determine how much you are willing to pay for the inventory you source.

### 6. Determine the Right Quantity

Purchase the right quantity for your needs. Larger lots typically have a lower cost per item, but you don't want to purchase more than you can sell. When sourcing your inventory, look for a vendor that offers some flexibility in package size and SKU mix. This will get you as close as possible to purchasing the right quantity of product in the right categories.

### 7. Avoid Impulse Purchases

Do you really need that "great deal?" Probably not if it doesn't fit into your pre-defined product mix. Once you define your strategic plan, stick to it. Straying will cost you both time and money.

### 8. Calculate Shipping Costs

Find ways to eliminate or reduce your shipping costs. When sourcing inventory, look for vendors with warehouses or distribution centers nearby and opt for onsite pickup. If that's not an option, see if they provide discounts on regional shipping or have negotiated rates with major carriers. Always obtain an estimate before purchase and factor that into purchase price. The less you spend on shipping, the more you can spend on merchandise.

### 9. Create Additional Value

When possible, look to create additional value for each item. A little extra cleaning, testing or refurbishment – especially for electronics and dorm room gadgets – can sometimes get you closer to retail value in secondary marketplaces like eBay.

### 10. Select the Right Vendor

Look for a vendor that has ongoing relationships with top retailers and manufacturers. Ones that do will have a consistent

flow of inventory that mirrors the U.S. retail supply chain. Check out the availability of email alerts, search tools, account information and transaction settlement. Robust functionality is key to making the sales process simple and easy.

"This year, according to the National Retail Federation (NRF), consumers are expected to spend more than \$83 billion on back-to-school and back-to-college essentials," said Jim Rallo, president of Liquidity Services' Retail Supply Chain Group. "This traditional buying time offers resellers a terrific opportunity to capture new customers and increase sales by sourcing the top-quality, name-brand merchandise students want most. These tips from [Liquidation.com](http://Liquidation.com) offer great ways for savvy business buyers to make sure they source the right inventory, at the right price, and are able to resell it for an amount that generates a profit."

To bid on top-quality merchandise for back-to-school and back-to-college sales, visit [Liquidation.com](http://Liquidation.com), an e-commerce marketplace where professional buyers can purchase commercial surplus inventory and government surplus assets in an online environment. Bulk lots are sold by the truckload, pallet, or small package, and conditions range from new in a box to customer returns and used. The wide variety of product categories includes apparel, computers, electronics, housewares, industrial equipment and vehicles.

To place bids on these items, or participate in any auction on a Liquidity Services marketplace, please [register](#).

### **About Liquidity Services**

Liquidity Services (NASDAQ: LQDT) employs innovative e-commerce marketplace solutions to manage, value and sell inventory and equipment for business and government clients. The company operates a network of leading e-commerce marketplaces that enable buyers and sellers to transact in an efficient, automated environment offering over 500 product categories. Our superior service, unmatched scale and ability to deliver results enable us to forge trusted, long-term relationships with over 10,000 clients worldwide. With nearly \$7 billion in completed transactions, and 3 million buyers in almost 200 countries and territories, we are the proven leader in delivering smart commerce solutions. Visit us at [LiquidityServices.com](http://LiquidityServices.com).

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