DROPSHIPPING 101

LOW BUDGET STARTUP – 200$

- Minimum amount recommended is $200 + a credit card
- $29 for Shopify plan, $14 for domain name, free apps or free trials. Leaves you with ~$150 for promos. Main expense is marketing.
- Credit card is necessary to have cash flow for fulfilling orders
- With less than $1000, you can't afford Facebook ads (unless you know exactly what you are doing)
- Can start with cost-effective IG influencer posts instead
- With IG influencer pages, you can negotiate, and your posts can go viral if you are clever with your marketing
- High risk but high reward
- Not all posts do well but some get crazy ROI
- Good learning experience, and can start building up capital

Example ($200+) strategy

- This is how I started Beauty Charcoal in 2017 with less than $500 in the bank

- Found a cheap product that solves a problem and was starting to trend

- Ran simple page influencer promotions, multiple went viral with 5X+ ROAS, some failed

- Provided an amazing learning experience and helped build up capital

Pros & Cons – IG Influencers

- Pros: Low barrier to entry, potential for high returns , good learning experience, can use data for FB ads later on

- Cons: Competitive, inconsistent, less scaling potential

High Budget ($1000-$2000+)

- If you have $2000 saved up, you can go straight into Facebook Ads instead
- You must be willing to lose some of that money testing and learning, especially if you have no prior experience

Pros & Cons – Facebook Ads

- Pros: More consistent than influencers, more scaling potential, better for long term growth
- Cons: Expensive & difficult to master, steep learning curve, requires a lot more testing

Watch Videos Online and learn about Dropshipping

There are many successful dropshippers who can tell you about the whole process.

I'll leave a link to their youtube channel below :
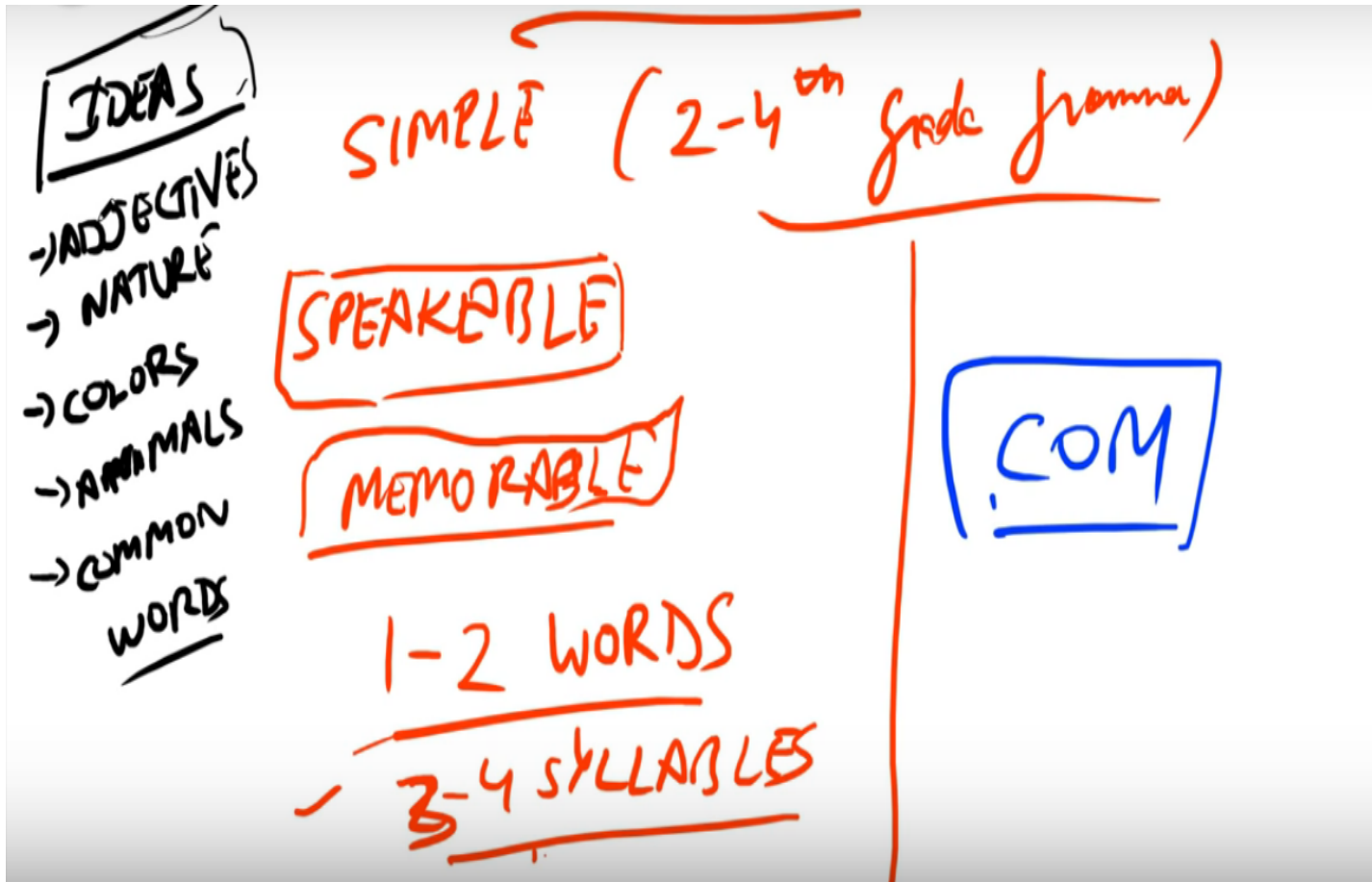
- Ritoban - Bizathon 3 Challenge

https://www.youtube.com/playlist?list=PLKmKkEoJtB-C4dugQTfjn13Y1aL1dcu76

- Rory Ganon – 7 days challenge

https://www.youtube.com/playlist?list=PLAFuoLPovtp9IYgST-ahaR1iPGH9t1IwH

- King Comm

https://www.youtube.com/channel/UCaE25qvnw6nxbkoeBigWmJQ

Step1: Choosing the store name as a brand

These are the things to be used when you choose your store name as a brand. Think about your store as a brand and think of a name accordingly.

When choosing the name, see if the domain (.com) is available or else pick another name.

A few sites to help you out to get ideas for your store name.

https://leandomainsearch.com/

https://www.shopify.in/tools/business-name-generator

You can also check out the top shopify stores and combine their names
https://wemakewebsites.com/blog/best-shopify-stores-for-ecommerce-inspiration

Buying your store domain

- After you've decided your store name, now you have to host your domain

- You can go to these sites to check for the domain

https://www.namecheap.com/

https://in.godaddy.com/

- After you have bought your domain, make a google account on your store name.

- If you have bought the domain from an external site rather than from shopify, you have to connect existing domain
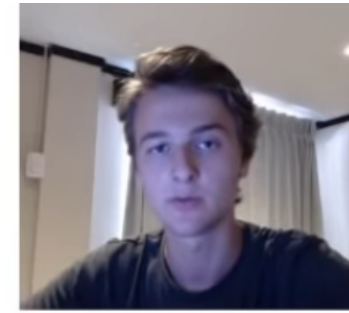
See how:

https://youtu.be/oJET7nUHQ5U?list=PLKmKkEoJtB-C4dugQTfjn13Y1aL1dcu76&t=2394

Make your new shopify store

- Start your trial with your store name and google email address

https://www.shopify.in/

- Fill up the details
- Pick up a theme and publish the theme

#1. Finding a Product to Sell

- Starting from scratch, you won't have enough budget to test a lot of products

- Need to find a **proven product** and **model competitors**

- Browse Instagram, if you see an ad for the same product 3+ times it must be working (explore page... check on different accounts)

Gabriel St German- https://youtu.be/tzjSFsNjBlc?t=138

Product Research

- Products with a mass appeal, wide target market

- Products that solves a problem or provides value to customers

- Don't worry too much about "saturation", only means there's a lot of demand

- Must be proven to sell. You want to find a dropshipping ad that was posted recently and has a lot of views/comments

- 4 Strategies:
  Strategy #1 – EcomHunt
  Strategy #2 – Facebook Search + Spying on Ads
  Strategy #3 – Browse AliExpress
  Strategy #4 – Ask Dropshipping Suppliers for Hot Products

FREE RESOURCE

- https://docs.google.com/document/d/11I0lnQxYsX7qvPI58uaWDXNgq-QHJrBNgjZvFnnigcY/edit

- Chris Record TV
- Watch these videos

http://chrisrecord.smartmember.com/5shopifytips

Facebook Ad Scaling Strategy

- Requirements for scaling
- Creative Scaling
- Horizontal Scaling
- Vertical Scaling
- When to scale

Before Scaling

- You want to be VERY profitable before scaling, because (in most cases) the higher your budgets, the higher your cost per purchase.

  - If you are barely profitable or breaking even, don't attempt to scale

    (2.5+ ROAS- Return on Ad Spent = profitable)

- You need good customer service and fulfillment systems in place so you don't get chargebacks – which will put you out of business.

  - I know it's exciting to have a winner, but you don't sacrifice a 6 figure product by scaling too quickly.

- MOST IMPORTANTLY: Make sure to have enough cash or credit to be able to fulfill orders while scaling

- SO – Good systems to fulfill orders so no chargebacks, very profitable.

CREATIVE SCALING

- Creative scaling is how you get more than 6+ months of consistent income from 1 product

- Simply duplicate your 10-20 best adsets to a new campaign at 5$ a day, and change I thing about the ad to find more winning creatives

- 1 campaign = 1 new ad
  - You only want to change 1 thing
    - Ad copy
    - Video
    - Thumbnail

- When you find a new creative that is profitable, begin horizontal and vertical scaling

HORIZONTAL SCALING (Micro-testing)

- This is what you want to do BEFORE increasing budgets.

  - There are multiple ways to scale horizontally

- Horizontal scaling1: Duplicate adsets with a sale, leave the budget the same, and target the specific age, range, gender, or platform(IG, FB) that got the sale.

  - It's important to ONLY change one metric at a time

- HS2: Duplicate adsets and change the interest to something that Facebook suggests

- HS3: Duplicate a profitable adset multiple times to reach different segments of the audience

VERTICAL SCALING

- Vertical scaling comes down to duplicating adsets and increasing the budget
  - I suggest duplicating adsets that have 2+ sales and 2+ ROAS, to double budget
  - If an adset has 2+ sales and 4+ ROAS, triple the 5-10x budget

- If an adset spends more than 10$ without a sale, kill it
  - Even if its 5$, 20$, 50$ or 100$ a day

WHEN TO SCALE

- Start Horizontally scaling 2-3 days of being profitable on a new product

- Start Vertically scaling after 5-7 days of being profitable
  - Vertically scale adsets that have 2+ sales at a 3+ROAS

- Start Creative scaling after 1-2 weeks of profits
  - I typically test to find 1 new creative every week