

Drop shipping scams and how to avoid them

Drop shipping should be easy, right? It follows a simple rationale – it leaves you the role of the salesman, while the wholesaler ships the products out to the customer. It should be an efficient and straightforward process. You find a product that can be sold, and then you market it through your website and leave the logistics to a third party. Your excellent selling skills are used and all you need to do is find a willing drop shipper. But that's not necessarily going to be the easiest task. When you start looking for information on drop shippers, you'll find plenty of websites offering supposedly comprehensive lists of drop shippers and you may feel the job will be easy. Someone in the list has to suit your needs, right? Again, not necessarily. There are plenty of scams out there and you'd better beware.

Sellers who have done extensive research on drop shipping find that the most common scams are:

- Sham lists – It's unbelievable but there are lists full of completely false information out there that businesses spend three or four digit amounts purchasing, only to find that these lists have been created on purpose to scam sellers.
- Cheap, outdated lists – You will come across a number of cheap deals that seem too good to be true. Well, they are. These directories will generally contain out of date information and the creators of the list are trying to make the last few dollars on them.
- Middlemen – There are a number of agents and intermediaries that pretend to be drop shippers and make a commission that you are not aware of. This will eat into your profit margin. Since you do not know that you can get this product cheaper from a genuine drop shipper, you are being scammed out of your money.
- The 'full suite' of services – Some businesses will offer you a complete suite of drop shipping services, from stocking, to shipping and packing, but you will pay heavily for this service. They will often charge a large fixed fee that will leave no profit margin for you. Basically, the service provider will be the one making all the money that you earn.
- Drop shipper's fee – You should never be asked to pay a drop shipper for the shipping service provided. A legitimate drop shipper will be happy to sell more of his product and will charge you the appropriate amount to cover his expenses in the price of the product. This is a scam many unethical drop shippers use to make money off new business owners.
- No refund policy – Some unethical drop shippers will refuse to give refunds on returned products, even after promising initially to do so. This scam is hard to see coming, unless you make sure to run a thorough check on your drop shipper.
- Fake email support – You will be surprised to find how many drop shippers provide fake email addresses to businesses that depend on their services so that they cannot be contacted with problems or queries.
- Links that don't work or lead to sites that ask for money – Some lists will have links that won't work when you click on them. Others will lead to websites that ask for money to continue to the page or information that you need. This scam often comes in combination with sham lists and out of date ones.

Creating a business that is based on drop shipping requires smart, careful and planned work on the seller's part. Be sure that you avoid one of the above scams and make sure you find reliable directories and drop shippers.

About the Author

William King is the director of [UK Wholesalers & Drop Shipping Suppliers Directory](#), [Wholesale Suppliers & Drop Shippers Trade Directory](#), [Dropshippers & Wholesale Drop Shipping Directory](#). He has 18 years of experience in the marketing and trading industries and has been helping retailers and startups with their product sourcing, promotion, marketing and supply chain requirements.

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