

The Dropshipping Guide

How dropshipping works, what it takes, and how to decide what to do next.

Dropshipping lets you sell products without buying stock first. You run the store and marketing, while your supplier stores and ships the products.

The model is simple to explain, but running it well takes more work. You need reliable suppliers and numbers that make sense. You also need a store customers can trust and a way to reach buyers.

This guide walks you through those decisions. Along the way you'll find three worksheets you can print and fill in, so you can judge the idea before you spend more money on it.

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Your next steps

Tip: [Want the version with screenshots and product examples? Read the full online guide.](#)

What is dropshipping?

Dropshipping is a business model where you don't keep the products you sell in stock. No warehouse, no spare room full of boxes.

Here's how a single order works:

1. A customer buys a product from your online store.
2. You forward the order to your supplier and pay the supplier's price.
3. The supplier packs the product and ships it straight to your customer.

What's left after you pay the supplier and your other business costs is your profit. Those costs can include shipping and payment fees. You may also pay for software and marketing. Returns and taxes can add more.

Pros	Cons
Lower upfront inventory cost. You normally pay for a product after a customer orders.	Less control. The supplier affects stock, packaging, and delivery speed.
Flexible catalog. You can test products without committing to large stock.	Margins can be thinner. You pay per unit instead of buying in bulk.
Less fulfillment work. The supplier stores, packs, and ships each order.	Supplier problems reach you. Your customer still expects you to solve the issue.

In short: you handle the storefront and customer relationship. Your supplier handles storage and shipping.

Good to know: Lower upfront inventory costs do not mean zero costs. Budget for your platform and domain, then for samples and apps. Marketing and other costs may apply too. [See our full startup-cost breakdown.](#)

KEEP READING ON THE SITE

- [What is dropshipping? How it works, explained](#)
- [The pros and cons of dropshipping](#)
- [Is dropshipping legal?](#)

How to start dropshipping: The 7-step roadmap

You do not need to commit to every step on day one. Use the roadmap to decide whether the next step is worth it:

- **Check the fit.** Set a test budget and the time you can realistically give the business. Decide what evidence would make you continue, change direction, or stop.
- **Choose a product worth testing.** Look for evidence of demand and a clear reason to buy. Check whether the margin and fulfillment setup can work.
- **Compare suppliers.** Check the exact product and ship-from location, then compare delivery time and sample quality. Review the return terms and order workflow.
- **Run the numbers and basic legal checks.** Estimate your full costs, then check the registration and tax requirements that apply to you. Review payment and import requirements too.
- **Build the store.** Pick a platform, set up payments and policies, and build product pages customers can understand and trust.
- **Choose one marketing route.** Match the channel to your product and audience. Make sure it also fits your available time and budget.
- **Review the test.** Put more into evidence that works. If the numbers keep missing your thresholds, fix the weak part or stop the test before you spend more.

The rest of this guide zooms in on the four practical building blocks: product and supplier, then store and marketing. The worksheets help you decide whether the numbers support another step.

KEEP READING ON THE SITE

- [How to start dropshipping: the full step-by-step guide](#)
- [The Dropshipping Checklist: 24 steps to start](#)

Choosing a product worth testing

A polished store cannot rescue a product nobody wants or a margin that never had room to work. This is the step worth slowing down on.

Look for these five things:

- **Evidence of demand or audience interest.** Look for signs that people already care about the problem, category, or product idea.
- **A clear reason to buy.** The product should solve a problem, satisfy a desire, or be easy to understand and demonstrate.
- **A workable margin.** Your selling price has to cover the product and fulfillment costs. It also needs room for payment, marketing, and return costs that apply to the order.
- **Fulfillment fit.** Check delivery speed and tracking. Review returns and whether the supplier can support the experience you promise.
- **Quality you can verify.** Use reviews as a clue, then order a sample before you rely on the product in paid marketing.

Take a pet shampoo brush with a built-in soap compartment. It solves a clear task and is easy to demonstrate. You can also compare the same type of product across several suppliers before deciding whether it is worth a test.

Red-flag check: A high score does not override a product-safety or intellectual-property problem. Legal or fulfillment problems also need to be resolved before you spend money testing the product.

How to research product ideas

Product research tools can surface marketplace activity, ad examples, and trend signals. They cannot prove that a product will work for your store.

Prices and features change often, so we keep the current comparison online in our [product research tools guide](#). If you are not sure which tool fits your workflow, use the [product research tool quiz](#).

Found a few candidates? Score them on the product scorecard in Worksheet 1 before you commit to one.

KEEP READING ON THE SITE

- [What to check before choosing a dropshipping product](#)
- [How to find products to test](#)
- [How to choose what to dropship](#)
- [Dropshipping product ideas](#)

Choosing a supplier

The supplier affects far more than the product price. Stock and shipping are only part of it. Packaging, tracking, and returns also show up in your customer experience.

Local fulfillment vs. cross-border fulfillment

	Ships from near your customer	Ships from another country
Delivery	Often faster	Can take longer
Unit cost	Often higher	Can be lower at source
Returns	May be simpler	Can be more complicated
Good fit for	Stores where fast delivery or local returns matter	Tests where wider sourcing may justify extra complexity

Do not judge a supplier by its headquarters alone. Check where the exact product ships from and which shipping method it uses, then check processing time and where returns go.

What to compare

- **Total delivery time.** Add processing and shipping time together.
- **Sample quality.** Compare what arrives with the listing and your expectations.
- **Stock visibility.** Check how inventory changes reach your store.
- **Support.** A supplier should be reachable when an order goes wrong.
- **Returns and refunds.** Know the supplier terms before you write your own policy.
- **Order workflow.** Check how orders, tracking, and status updates move between both systems.

A third option: A [dropshipping agent](#) can help with sourcing, consolidation, and fulfillment. Pricing and minimums vary. Shipping and service vary too, so compare an agent just as carefully as any other supplier.

Whichever route you pick, choose a supplier who can support the promises your store makes.

KEEP READING ON THE SITE

- [Compare dropshipping suppliers](#)
- [US dropshipping suppliers](#)
- [Dropshipping suppliers in Europe](#)
- [Dropshipping suppliers in the UK](#)
- [How to choose a dropshipping supplier](#)

Building your store

Once the product, supplier, and numbers check out, you need a place where customers can buy.

Pick your platform

[Shopify](#) is a common starting point if you want a hosted platform with a large app ecosystem.

[WooCommerce](#) can fit better if you already use WordPress and want more control over the setup.

Compare them in our [ecommerce platform guide](#) or use the [ecommerce platform quiz](#).

The conversion essentials

A good-looking store is not enough. Check these before you launch:

- **Trust.** Use clear product information and sharp images. Add contact details and a visible return policy.
- **Speed.** Compress images and keep the app stack lean.
- **Mobile.** Test every important page and checkout step on a phone.
- **Clear actions.** Make the main 'Add to cart' action easy to find.
- **Benefits over feature lists.** Show what the product helps the customer do.
- **Easy checkout.** Remove unnecessary steps and test the full purchase flow.
- **Payment options.** Offer the methods your target customers expect.
- **Genuine reviews.** Use real customer feedback and make it clear where reviews come from.

Golden nugget: Place a test order yourself before launch. Or ask someone unfamiliar with the store to shop while you watch, then note every point where they hesitate.

Apps you may need

Start lean. Add an app when it solves a real problem, then keep an eye on cost and page speed. Watch for conflicts too:

- **Supplier and order sync.** Options include DSers, Syncee, and CJdropshipping depending on your supplier.
- **Email marketing.** Use it for welcome emails, cart reminders, and follow-up.
- **Reviews.** Collect and display genuine customer feedback.
- **Upsells.** Add only when the offer improves the order rather than distracting from it.

KEEP READING ON THE SITE

- [Shopify store mistakes to avoid](#)
- [How to improve your store's conversion rate](#)
- [Shopify apps for dropshipping beginners](#)

Marketing your store

Your store does not need every marketing channel. Pick one that fits the product and audience. Make sure it also fits the time and budget you have available:

Channel	Good for	What to expect
Paid social ads	Fast creative and offer feedback	You can learn quickly, but each test costs money
Organic social / video	Products that are easy to demonstrate	Low cash cost, but takes time and consistency
Creators / influencers	Borrowing a relevant audience	Results depend on audience fit and the creative
Email	Follow-up and repeat sales	Works after you have collected subscribers
SEO	Products or topics people actively search	Slow to build and requires ongoing content work

If cash is tight but you have time, an organic channel may fit better. If you have a testing budget and need faster feedback, paid traffic can make more sense. The product matters too: some are much easier to demonstrate visually than others.

Creating an ad that works

On a busy feed, the creative has to earn attention fast. Keep the message focused on the product and the person you want to reach:

- **Sharp visuals.** Show the product clearly and in use.
- **A strong hook.** Give the viewer a reason to keep watching or reading.
- **A clear reason to buy.** Explain the benefit or difference without piling on claims.
- **One call to action.** Tell the shopper what the next step is.
- **Plain language.** Use the words your target customer would actually use.

Above all, write for your [target audience](#). A generic message is easy to ignore, but a specific one gives the right shopper a reason to pay attention.

KEEP READING ON THE SITE

- [Marketing for dropshipping: strategies and how to choose](#)
- [A beginner's guide to Facebook Ads](#)
- [A beginner's guide to email marketing](#)
- [SEO for dropshipping stores](#)
- [Copywriting for dropshipping](#)

Five mistakes to avoid

Most weak tests fail for ordinary reasons. These are five mistakes worth checking before you put more money into a store.

1. Treating it like a get-rich-quick scheme

Dropshipping still involves research and supplier checks. It also comes with customer service, testing, and financial risk. Treat each product as a business test, not a shortcut.

Learn more: [Dropshipping is a real business, not a get-rich-quick scheme](#)

2. Rushing the product choice

The first interesting product you see is not automatically worth testing. Score the idea, check the supplier, and run the numbers before you spend on traffic.

Learn more: [How to choose what to dropship](#)

3. Pricing from a random markup

A markup can look healthy until shipping and payment fees land on the order. Returns and acquisition costs can shrink it further. Price from the full cost picture.

Learn more: [Dropshipping pricing strategy](#)

4. Ignoring customer service

The customer bought from your store, so delays and wrong items still land with you. Keep buyers updated and make it easy to get help.

Learn more: [Customer service for dropshipping stores](#)

5. Scaling before the numbers work

A few sales do not prove a product is ready to scale. Watch the margin and acquisition cost. Track the refund rate and delivery problems too. If the test keeps missing your thresholds, fix the weak part or stop.

Learn more: [Check your dropshipping profit margin](#)

A good test can give you a reason to continue, or it can show you what needs to change. Both outcomes are useful when they stop you from spending blindly.

KEEP READING ON THE SITE

- [More common dropshipping mistakes and how to avoid them](#)

WORKSHEET 1

Product scorecard

Score each product from 1 (weak) to 5 (strong). A product does not need a perfect 25, but a weak margin or fulfillment score is a reason to slow down.

	Product A	Product B	Product C
Product name			
Evidence of demand / audience interest			
Clear reason to buy			
Margin after variable costs			
Supplier + sample confidence			
Shipping + returns fit			
Total (out of 25)			

Red flag? Product safety or intellectual-property problems can rule out an idea. So can legal restrictions or unreliable fulfillment, regardless of the score.

WORKSHEET 2

Supplier comparison

Compare the same product at two or three suppliers. The cheapest product price is not automatically the lowest total cost.

	Supplier A	Supplier B	Supplier C
Supplier name			
Ships from			
Product cost			
Shipping cost			
Duties / tariffs / other landed cost			
Total wait (processing + shipping)			
Inventory / order workflow			
Sample ordered and OK?			
Return policy			
Replies within (hours)			

Quick profit check

Fill this in before you spend on a test. Use careful estimates at first, then replace them with real data. If you are not using paid ads, set the ad-cost line to zero.

Per order	Amount
Selling price (include any shipping you charge)	
Minus product cost	
Minus shipping cost	
Minus duties / tariffs / other landed costs you absorb	
Minus payment fees	
Minus platform and app costs (estimate per order)	
Minus marketing cost per sale	
Minus refunds and returns (estimate per order)	
= Estimated profit per order	

Margin = estimated profit per order ÷ selling price × 100

Is the profit line too thin? Revisit the price and supplier, then check fulfillment and acquisition cost before you scale. [See our dropshipping profit-margin guide.](#)

Your next steps

- [Read the full online guide with screenshots and product examples.](#)
- [Work through the 24-step Dropshipping Checklist.](#)
- Score three product ideas on Worksheet 1.
- Compare two suppliers on Worksheet 2. Order a sample if you decide the idea is worth testing.
- Run your strongest candidate through the profit check on Worksheet 3.

Decision rule: Use the numbers to decide what happens next. If the margin or supplier does not hold up, change the plan. The same goes if demand is weak: stop the test before you spend more.

Questions along the way? Let us know in the comments on the [full online guide](#).