



DIRECT TO DEALER:

B2B MARKETPLACES FOR TRADE-IN DEVICES ARE CUTTING OUT THE MIDDLEMAN

The explosion of cell phone buyback and trade-in programs have created an influx of secondhand devices available on the market. Historically, wireless retailers, manufacturers, or cell phone buyback companies have either sold these devices to wholesale dealers overseas, direct to U.S. consumers, or to one or two liquidators stateside.

Between the transparency, the profit margins and the direct access, eliminating the middleman and purchasing trade-in wireless inventory straight from the source is something all wireless dealers should consider.



The result is a new and level playing field for wireless dealers.

Over the past couple years however, a shift has taken place: as a compliment to their already existing programs, many companies – Gazelle and GameStop are two examples – are launching customized business-to-business online auction marketplaces that connect bulk quantities of trade-in devices directly to buyers; the result is a new and level playing field for wireless dealers, big and small, to obtain the inventory.

If you are a wireless retailer who purchases previously traded in devices from a third party liquidator or if you've been thinking about leveraging a buyback program to source inventory, there has never been a better opportunity for you to cut out the middleman and purchase directly from the source.

Given the number of retailers, manufacturers and cell phone buyback companies launching their own B2B liquidation and wholesale marketplaces specifically for traded-in devices, there has never been a better opportunity for wireless retailers to reap the benefits. Consider the benefits on the following page.

Benefits of Direct to Dealer

No price mark ups

In order for a liquidator to make money it needs to buy the merchandise low and sell it high. This can result in substantial price mark ups before you ever have access to the wireless inventory. By purchasing directly from the source you are buying from someone that wants to move the inventory as quickly as possible and simply get the fair market price buyers are willing to pay. In addition, when buying directly from the source the merchandise is shipped only once, from retailer to you (eliminating the retailer-to- liquidator shipment). Those are direct cost savings that no longer need to be recouped.

Tip: purchasing directly from the retailer's B2B online auction marketplace ensures a competitive and transparent auction platform so you'll never pay more than you want.

No product poaching

Oftentimes liquidators will comb through the inventory they purchase directly from retailers, pull out the best products for themselves, and then sell the rest to you. Those liquidators then sell those products at retail, capturing margin that would otherwise go to you. Bypassing the middleman means that you'll have fair access to non-pilfered bulk quantities of previously traded-in devices, across all condition codes.

Enjoy a direct relationship with the retailer

Cutting out the middleman will allow you to establish a direct relationship with the retailer or manufacturer, something that historically has been tough for small to mid-size wireless dealers.

Transparent negotiation (via an online auction platform)

Sourcing wireless product from a traditional liquidator can often mean hours of back and forth negotiation with no visibility into competing offers for the merchandise. Purchasing directly from the retailer or manufacturer's online B2B liquidation marketplace enables a level playing field and transparent platform for all buyers to compete for the inventory.

B-Stock Solutions powers the largest network of B2B liquidation marketplaces from Fortune 1000 retailers and manufacturers, including one of the nation's largest wireless carriers and the leading consumer electronics trade-in site. For more information or to begin sourcing trade-in wireless devices, consumer electronics and accessories please visit sourcing.bstockolutions.com.

If you are a wireless retailer and interested in selling traded in, returned or excess wireless devices and accessories, please visit bstockolutions.com or contact sales@bstockolutions.com. ©

