

Idea analysis paper essay example

[Business](#), [Company](#)



The type of business that is easy and profitable today is that of importing goods. This type of business is made easier when the concerned party opens an importing agency to facilitate the business. Jones agency deals with imports. They import various types of goods into the country since they already have an established market in their home country. They have put one person from the company, a freight worker, in charge of handling shipments. The freight worker ensures all the goods ordered have been delivered. The Jones' have also created strong relationships and solid contact with the manufacturers abroad.

The Jones' are able to run their business since the majority of manufacturers abroad do not distribute goods outside their country. Therefore, they take advantage of the manufacturers who are limited in scope and abilities and they offer to distribute the manufacturer's goods at a small cost of around ten to twenty percent. This is what is referred to as agent's commission. The Jones undertakes no risk since their work is to distribute the manufacturer's products and then get a commission for that. The market is usually unlimited, and there are thousands of manufacturers of domestic goods seeking distribution to foreign markets.

Jones have been strategic since they deal with products that are fast moving e. g. Sporting goods, clocks, electronic games, radios, house wares, garments, tools. These goods have a high consumer demand and thereby selling all the goods given to them by the manufacturer. The Jones makes a lot of profit since they take advantage of the two markets. In foreign markets, there are a lot of suppliers who compete for the same market; hence the supply exceeds the demand, consequently, lowering the prices of

the products. In the domestic market, products like computers and mobile phones have high demand with corresponding low supply which increases their prices.

The advantage of this business is that the Jones undertakes no risk at all since they sell the manufacturer's goods and not their own. In this way, they are not afraid to sell any goods since the cost of production does not fall on them. Recently, they managed to convince fifty companies located abroad, to trust them to sell their products. Today they are selling goods belonging to the fifty companies and getting an average of ten to twenty percent as commission. The recent records show they made a turnover of \$1000000. Therefore, in one month they were able to make \$200000 (20% of \$1000000) as commission. This type of return is very promising and very motivating.

There is no doubt whatsoever that the Jones will continue making high profits with no risk attached to them. The agency business is guaranteed to continue into the long run as long as many manufacturers are entering into the market. The Jones' are hopeful that more companies will contract their expertise and in this way they will increase their revenues. The governments of both domestic and the foreign countries are planning to abolish the tariffs and taxes imposed. This will be very advantageous to the Jones as they will be importing goods duty free. The reduction in cost will boost the strength of the agency, henceforth; it will import more without fear of any bureaucratic regulations.

In conclusion, venturing into the business of importing is very profitable and risk free. All that is required is hard work, reliable manufacturers who deal

with quality products, fewer taxes and tariffs, a large domestic market and proper contacts abroad. There is no doubt that this type of business is very promising; therefore, anyone can try it out because the start-up capital required is very little.

Works Cited

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