

# Sopraffino goes global

[Business](#)



The company started transacting business focused on selling gallery items, beautiful gifts, and furniture. After six months that the business has been in existence, the company declared a small amount of net income which is not enough to cover the company overhead expenses.

The company shifted sales product to dry floral, including soap, containers, cards, and lotions. Later on, Pam encountered some issues with global sourcing which was not expected to occur.

These are as follows: Due to the costs of transport, and available low-cost sources, today manufactures are located In another state where Pam has to wake up as early as 4: mama and drive two to three trips to purchase her products and transport them back to her site. The Issues of working sixteen hours a day and transporting goods two to three rounds as affect her family life.

That is, Pam was unable to balance her family life with work, thereby becomes jack of all trades master of none. In addition, another issue was that Pam failed to research the direct source of supply of the products she is interested in, thereby causing strain in her life transporting the products for the fried floral as well as other products. Wholesalers buy and sell products to retailer and final consumers. Therefore, a manufacturer sells their products through a number of wholesalers that sell them directly to company's owners, who turn around and sell them a number of end buyers.

When Pam eliminates the wholesalers, she enjoys higher percentage In the company bottom line. More so, wholesalers add to the cost of good distributed to the final consumer. Pam later found out that by ordering goods

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directly from manufacturer, eliminates the cost incurred from transport products from California. Wholesalers outlived their usefulness, meaning that, she will no longer need the assistance of wholesalers before her products are sold.

She arches directly from wholesalers and was able to cut off the extra percentage added by the middle men, which will eventually lead to an increase in the bottom line of the company. Nevertheless, Pam was able to save 40% by buying off shore, meaning that her company would take orders directly from the customer, but have the goods delivered directly to that customer from the manufacturer or place of purchase.

In other words, Pam received discount of 40% less than the actual cost of the items.

Manufacturer delivered goods to Pam's door step and immediately enjoys profit without unrealistic increase in sales. In conclusion, it is important to research the direct source of supply for your business; thereby company would be able to do away with the use of wholesalers. Nowadays, it is important to find out which companies manufacture a product you are interested in, ask the manufacturer directly how much they charge for a certain product, and find out the available price intention is to promote their products and do business in the future with the company when giving bulk prices.