

2024

State of the Liquidation Industry Report

www.whslmarket.com

WHSL
Wholesale | Surplus | Liquidation

Executive Summary

Welcome to the dynamic world of liquidation reselling. If you're reading this report, you're part of a rapidly growing community of entrepreneurs turning retail returns, overstock, and surplus goods into real business opportunities.

This 2024 State of the Industry Report combines insights from 2024 performance with a forward-looking view of where the industry is heading. Through extensive surveys of resellers nationwide, we've captured what's working, what's challenging, and where the most promising opportunities lie for 2025 and beyond.

What We Learned from 2024

The liquidation industry continues to reward those who stay committed and continuously sharpen their skills. Most resellers start as complete beginners, but the learning curve is fast: within just a few years, nearly 80% of participants now consider themselves intermediate or advanced in their knowledge and operations. This is an industry where hustle meets high reward for those willing to learn, adapt, and grow.

Looking Ahead: 2025 and Beyond

As we move further into 2025, the trends indicate continued growth in online marketplaces, an increasing demand for value-driven shopping, and new technologies lowering the barrier to entry for new resellers. The opportunities are expanding, for both new entrants and seasoned professionals.

Our team noticed three big trends shaping the industry in 2025:

1. The Liquidation Treasure Hunt: Shoppers are increasingly drawn to the thrill of discovery in liquidation stores and online marketplaces. They love finding

unexpected deals and valuable items at a fraction of retail prices. This creates a gold rush opportunity for resellers who can provide this exciting shopping experience.

2. Diversified Sales Channels: Successful resellers use many different ways to sell their products. Online marketplaces, social media, retail stores, and bin stores all offer distinct advantages.

3. Trust and Transparency: In a crowded marketplace, trust is what makes customers choose one seller over another. Resellers who provide a great experience, clear information, and realistic expectations build loyal customer bases.

The liquidation industry faces some challenges, like supply chain issues, economic uncertainties (tariffs), and changing consumer preferences. But it also offers many opportunities. For resellers who want to succeed, this report provides practical strategies. These include starting small and focusing on a niche, reinvesting profits to grow, diversifying inventory sources, using technology to save time, and providing excellent customer service.

The liquidation industry's future looks bright. With the right approach, resellers can build profitable and sustainable businesses that meet the needs of today's consumers.



Summary Cont'd

About this Report

Welcome to the WHSL 2024 Trends Report: The State of Liquidation. This report was made for people who are new to reselling or who want to grow their reselling business. We worked hard to make this report easy to read and understand.

What This Report Is About

The liquidation industry is growing fast. More and more people are buying and selling liquidation goods. This report will help you understand what is happening in the industry right now and what might happen in the future.

We reviewed survey answers from many people who work in liquidation and conducted extensive research to obtain the latest information about the industry. This report combines all of that information to help you make smart choices for your business.

Why This Report Matters

If you are a reseller, this report will help you in many ways:

1. You will learn about new trends that could help your business grow
2. You will see what other resellers are doing and what works for them
3. You will find out about problems in the industry and how to solve them
4. You will discover ways to make more money and save time

Special Thanks To Our Partners



Table Of Contents

The Current State Of Liquidation	05
Demographics In The Liquidation Industry	08
Industry Insights	13
Challenges & Opportunities	16
Customer, Competitors, & Cost	19
Sales Channels	21
Products & Programs	23
Industry Trends	25
Actionable Strategies for New and Growing Resellers	30
Case Study: Stories From The Field	38
Conclusion	41



01

The Current State of Liquidation

The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Looking Back

The liquidation industry is changing in big ways. Online shopping continues to grow, which means more returns and overstock items need to be sold. This creates many opportunities for resellers to buy these items and sell them for a profit.

More people are also shopping at bin stores, looking for deals and getting good prices. Bin stores have become very popular for catering to this new trend of treasure hunting. Bin store businesses have been creating special events, social media content, and engaging spaces to accommodate this trend.

Technology is also making it easier to buy and sell liquidation goods. New apps and websites help resellers find inventory, set prices, and connect with customers. Resellers who use these tools have an advantage. New tech is also increasing competition and causing retailers to work more directly with the end buyer rather than relying on resellers. This is changing the liquidation landscape dramatically compared to years past.

E-commerce Growth Driving Liquidation

The continued growth of online shopping means more returns and overstock items. Major retailers like Amazon, Walmart, and Target need ways to handle these items efficiently. This creates a steady supply of products for the liquidation market.

According to [Shopify's Global Ecommerce Statistics](#), the global ecommerce market is expected to total \$4.8 trillion in 2025. [Prose Media](#) reports that total e-commerce revenue in the U.S. alone is expected to rise to \$1,381.74 billion in 2025. This massive growth in online shopping directly impacts the liquidation industry, as online purchases have a return rate of 20.8%, significantly higher than brick-and-mortar retail, according to the [National Retail Federation](#).

Supply Chain Challenges and Adaptations

Supply chains are still messy in 2025. Shipping delays, labor shortages, tariffs, and rising costs continue to affect product movement. Smart resellers are adapting by: (1) Diversifying their inventory sources, (2) Ordering earlier to avoid last-minute shortages, (3) Building relationships with reliable, flexible suppliers, (4) Focusing on products that are less affected by supply chain issues, (5) Watching tariff changes to avoid unexpected costs.

You don't need a global team to manage supply chain risk. Just staying proactive and building some backup options can keep you ahead. While large companies reported billions in losses due to supply issues like the \$184 billion cited by [J.S. Held's Global Risk Report](#), these disruptions trickle down. The difference is that small sellers feel the impact faster and have less room for error. So, the wiser you get with sourcing, the more resilient your business becomes.

Technology Adoption in Liquidation

Technology is changing how resellers find, buy, and sell products: (1) AI tools help identify the best products to buy and the correct prices to charge (2) Mobile apps make it easier to check prices and product information while sourcing (3) Automated listing tools save time when posting items for sale (4) Inventory management systems help track what's in stock and what's selling.

According to [eTurns](#), 2025 will see greater use of AI analytics and sensor technology within inventory management. [IBM's Global AI Adoption Index](#) shows that 1 in 4 companies (26%) are now using AI for real-time inventory management. [McKinsey's 2025 AI in the workplace report](#) indicates that employees are increasingly ready for AI adoption, with liquidation businesses leveraging these tools to optimize operations and reduce costs.

Future Growth Projections

The liquidation industry is expected to keep growing through 2027. Several factors are driving this growth: (1) Continued increase in online shopping and returns, (2) Growing consumer interest in value-oriented shopping, (3) Rising retail prices making liquidation goods more attractive, (4) New technologies making it easier to enter the industry.

Verified Market Research reports that the liquidation service market (which includes companies that manage, facilitate, or support the resale of excess, returned, or unsold inventory) size was valued at \$36 Billion in 2023 and is projected to reach \$79.05 Billion by 2031, with a CAGR of 9.5% from 2024-2031.

Cognitive Market Research confirms this growth trajectory in their 2025 Global Liquidation Service Market Report, highlighting the expanding opportunities in this sector.

What You Will Find in This Report

This report has several parts:

- **Survey Findings:** We will show you what we learned from asking many resellers about their businesses
- **Key Topics:** We will talk about three important areas that matter most to resellers today
- **Industry Trends:** We will explain what is changing in the industry and why it matters
- **Actionable Strategies:** We will give you ideas you can use right away to improve your business
- **Success Story:** We will share an examples of a reseller doing well

We hope this report helps you understand the liquidation industry better and gives you ideas to make your business more successful. Let's dive in and explore the exciting world of liquidation!



02

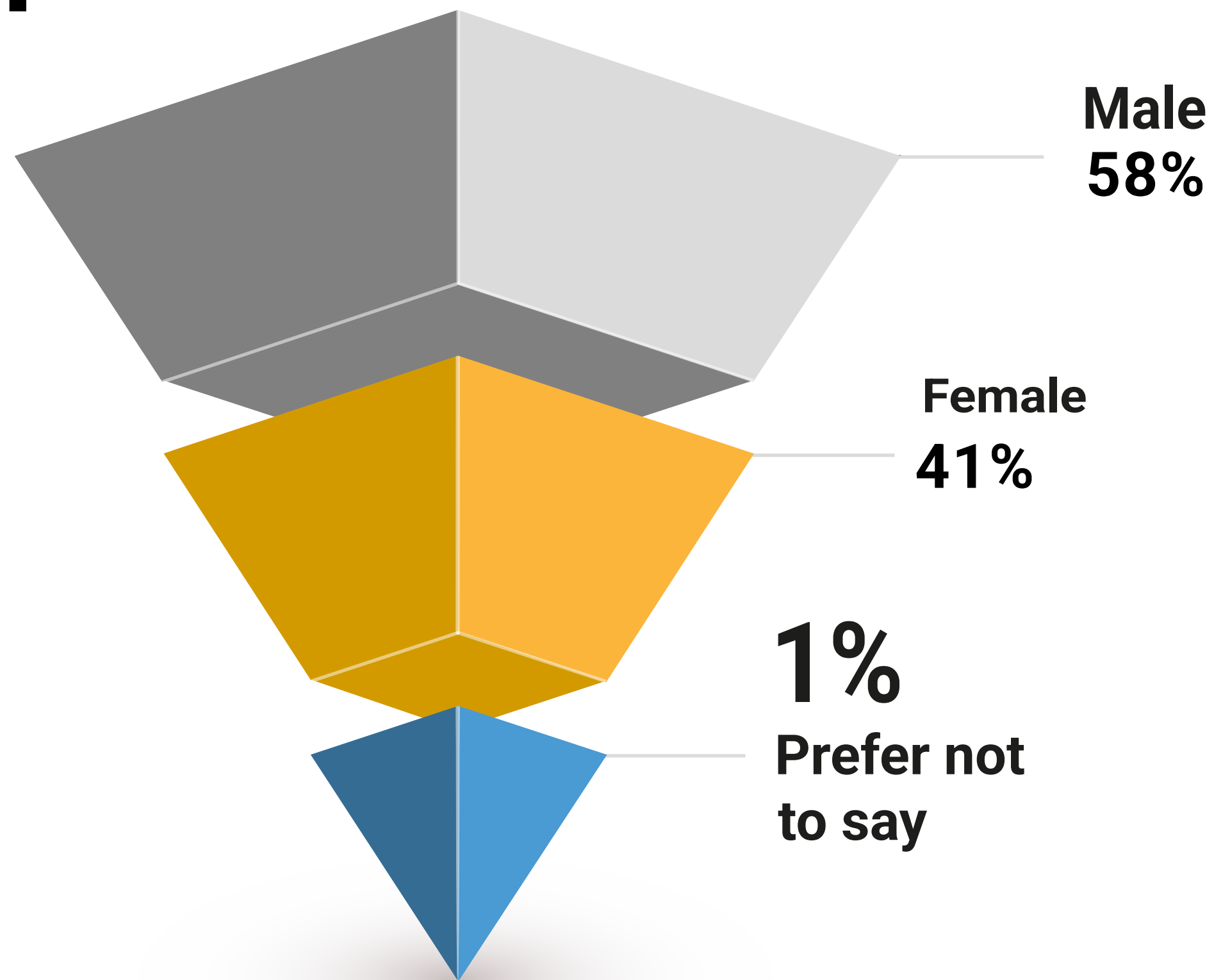
Demographics in the Liquidation Industry

The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Demographics in the Liquidation Business

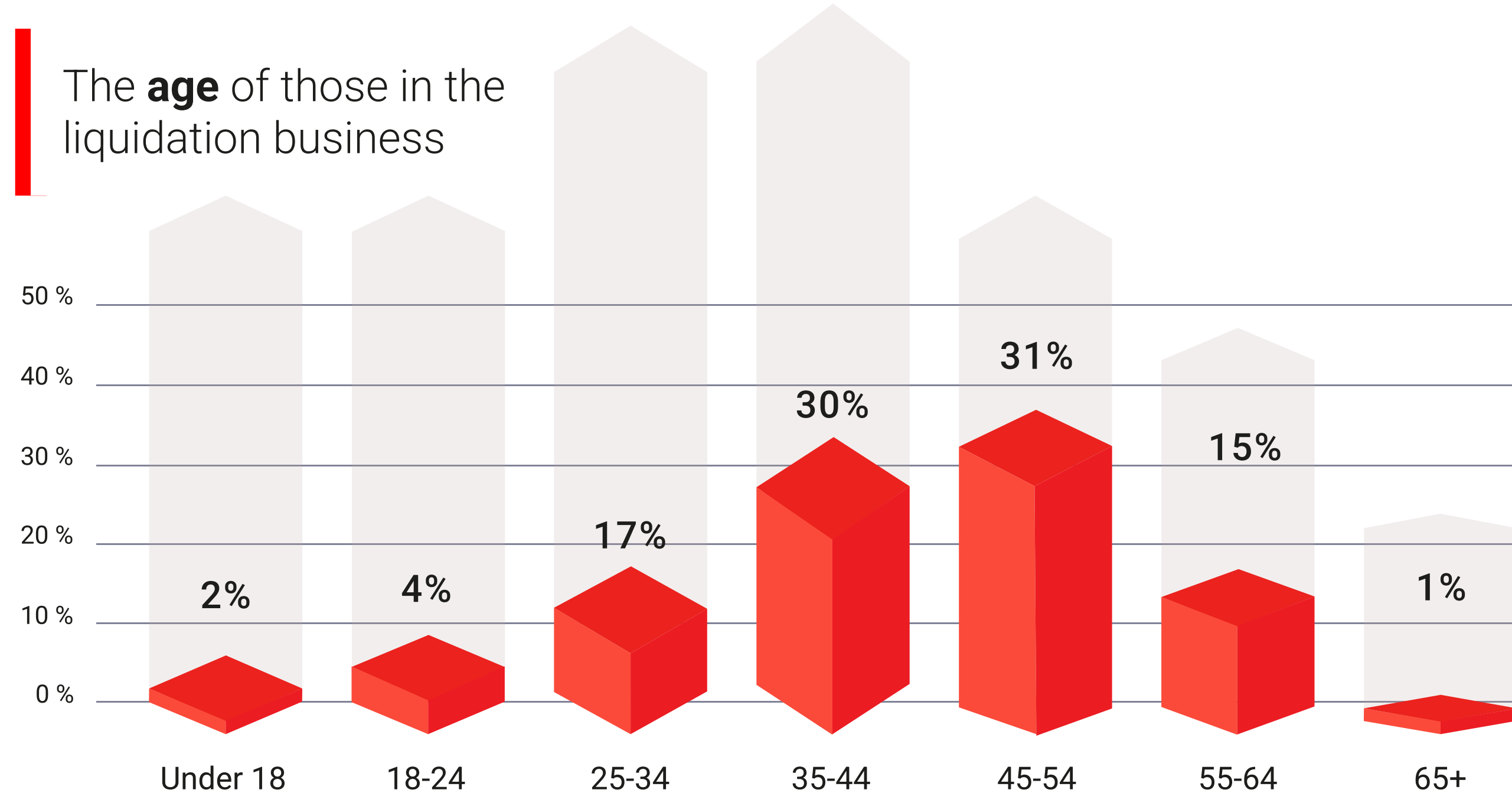
What **gender** do you identify as?



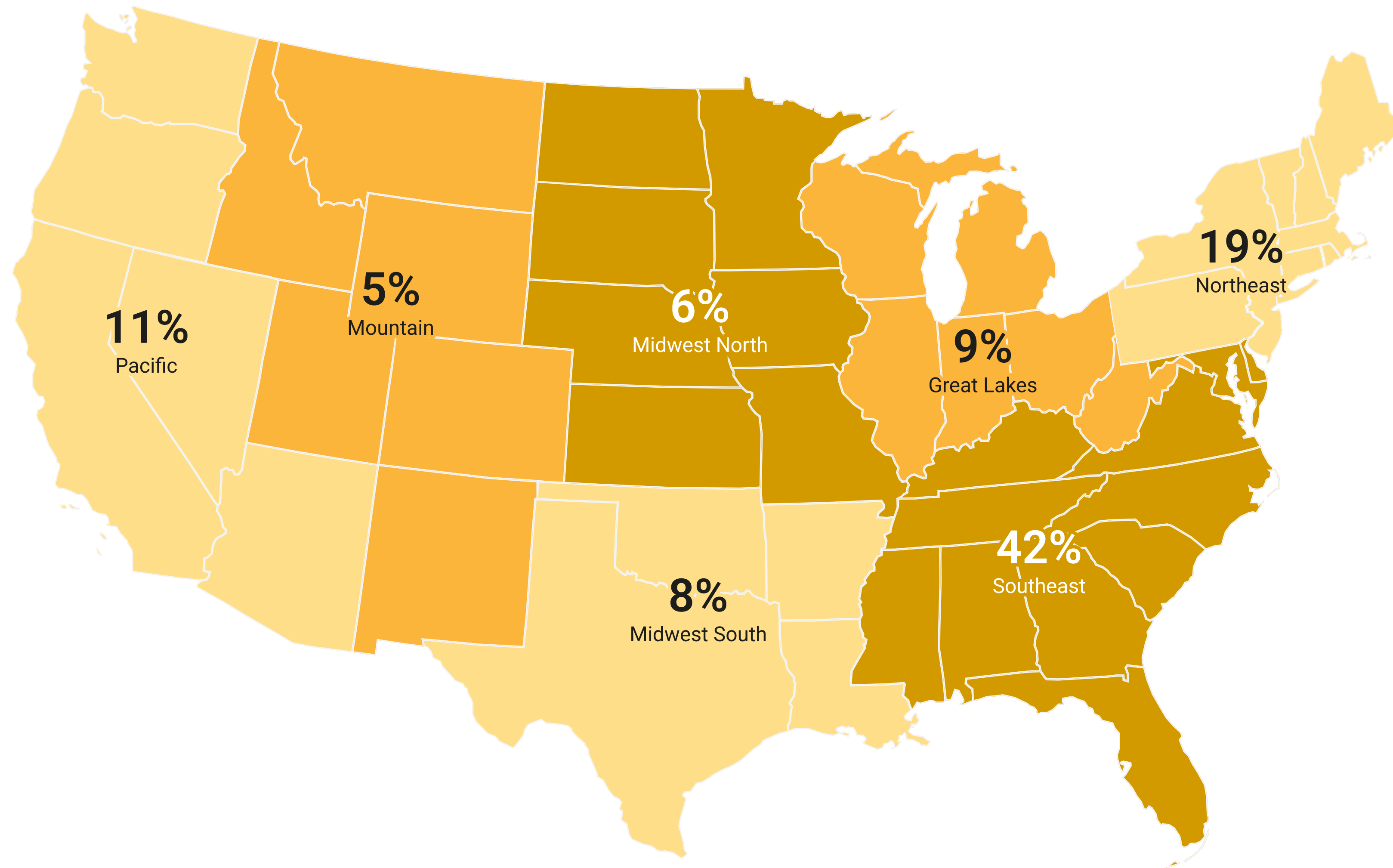
30% The majority of survey participants' highest level of education is a high school diploma



The **age** of those in the liquidation business



Demographics in the Liquidation Business

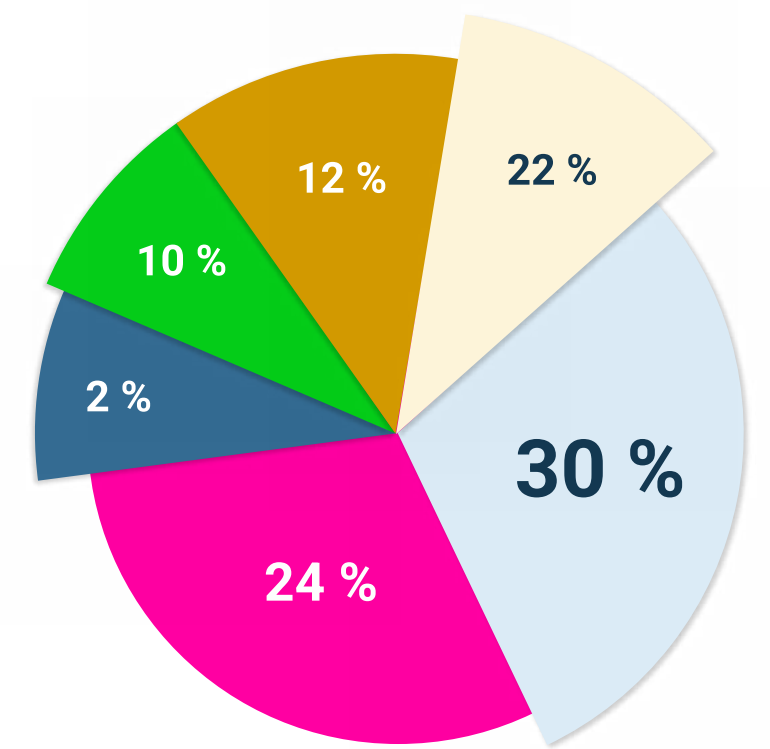


Location of
Participants



Starting
Out

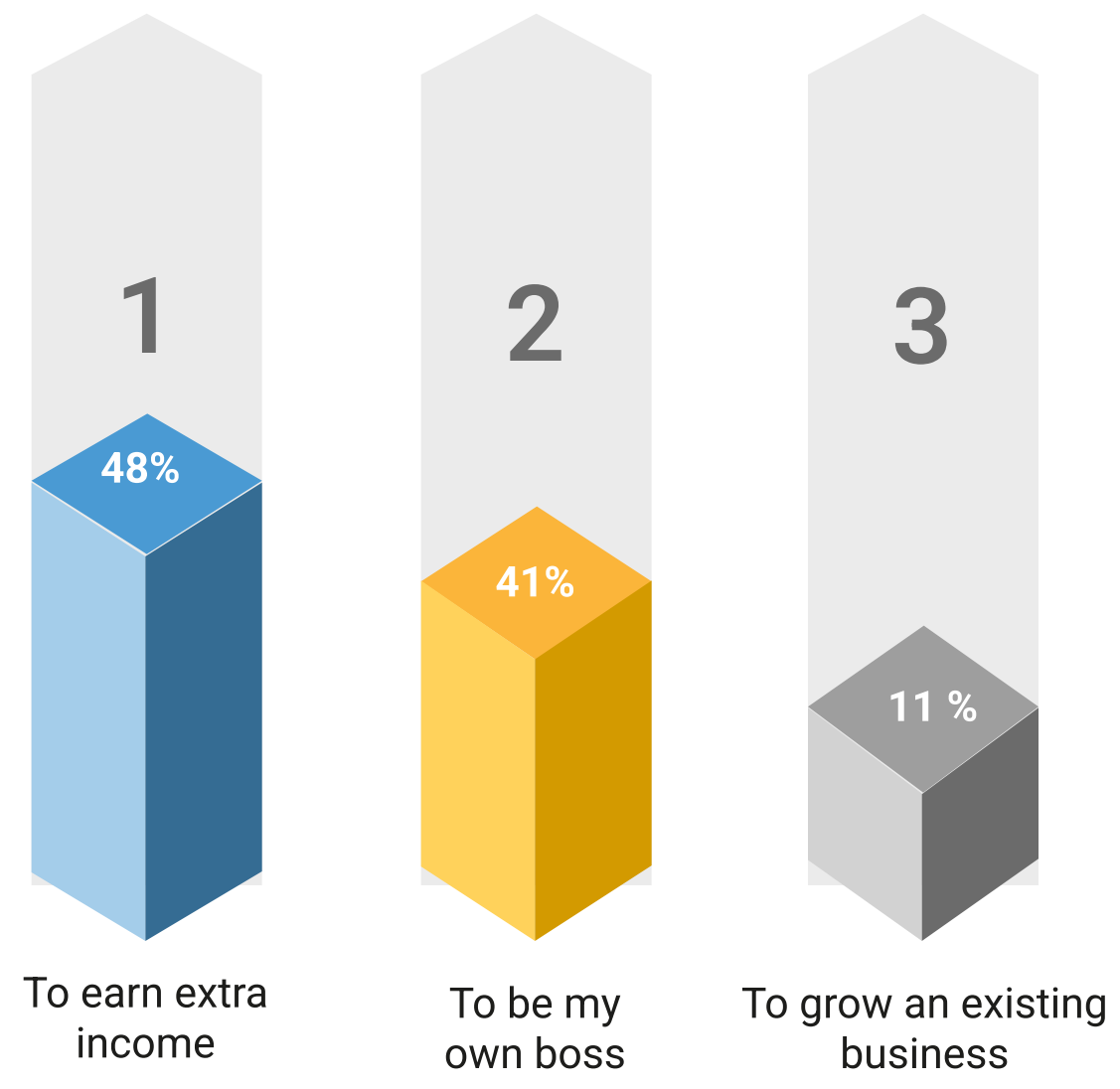
How long have you been active in **the liquidation business?**



■ 0 Less than a year
 ■ 1 year - 3 years
 ■ 3 years - 5 years
■ 5 years - 7 years
 ■ 7 years - 9 years
 ■ 10 years or over

Why did you get **started** in the **liquidation business?**

TOP 3 REASONS



62%

of participants accomplished the goals and/or objectives that they set for themselves when starting their business

93% of participants started out in their liquidation business with little to no prior experience.

When people first start in liquidation, almost all of them (93%) are beginners. But they learn quickly! Now, about 52% consider themselves at an intermediate level, and 26% say they are advanced. This shows that people can learn and improve their skills in this industry.

When starting out, 71% of participants worked by themselves in their business.

Starting
Out

Start-up capital to
operate their business

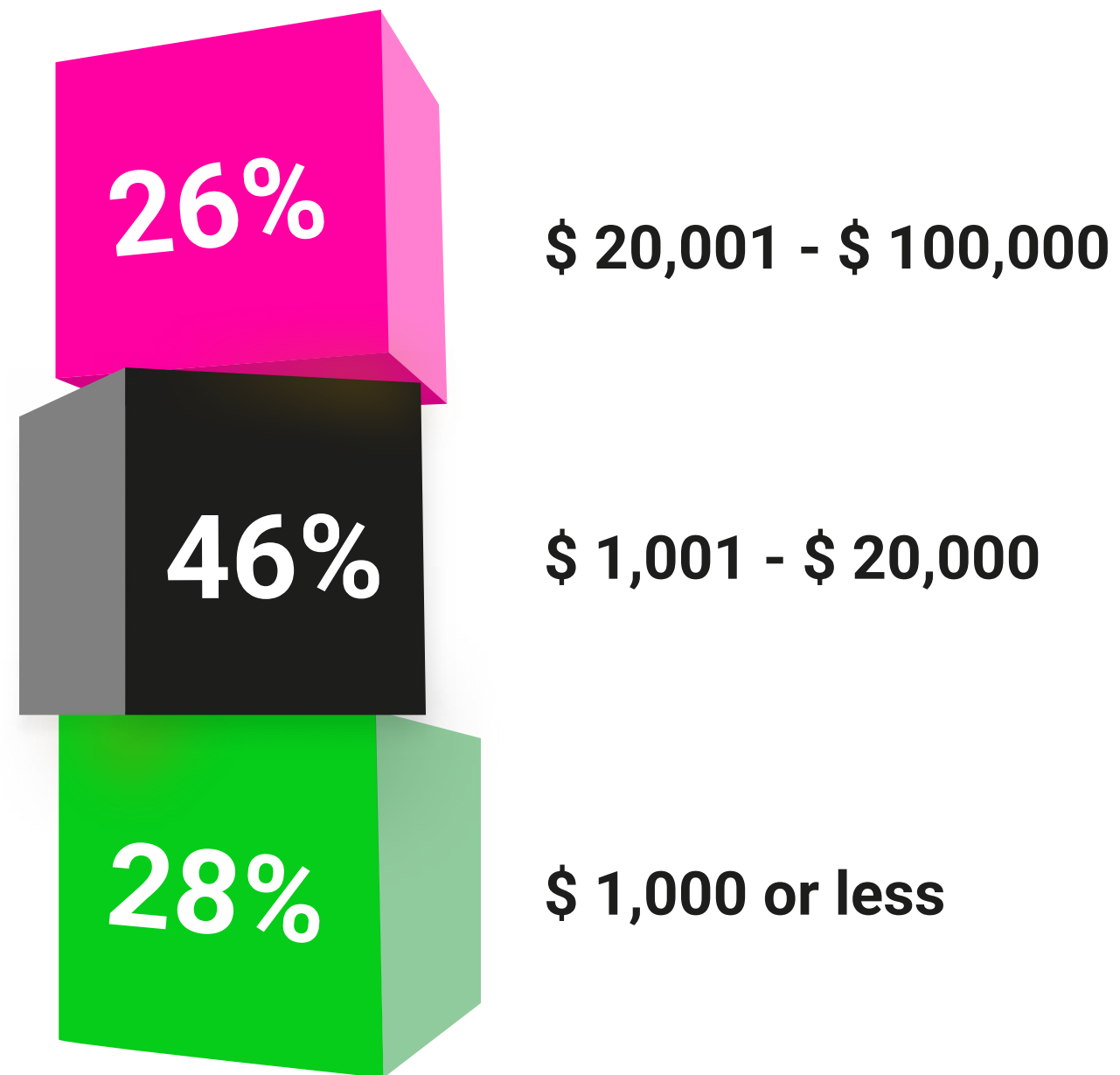


51%
51% of respondents say their biggest challenge in 2024 was managing an increase in cost of goods, yet 85% still expect their revenue to grow this year.



23% of survey participants turned a monthly profit between 6-12 months after starting.

What most liquidators **wish**
they knew before starting



 How to source the best products	 The dishonesty in the industry	 Managing growth
 How many ups and downs the industry would have	 3rd Party marketplace restrictions	 Inventory and logistics costs

03

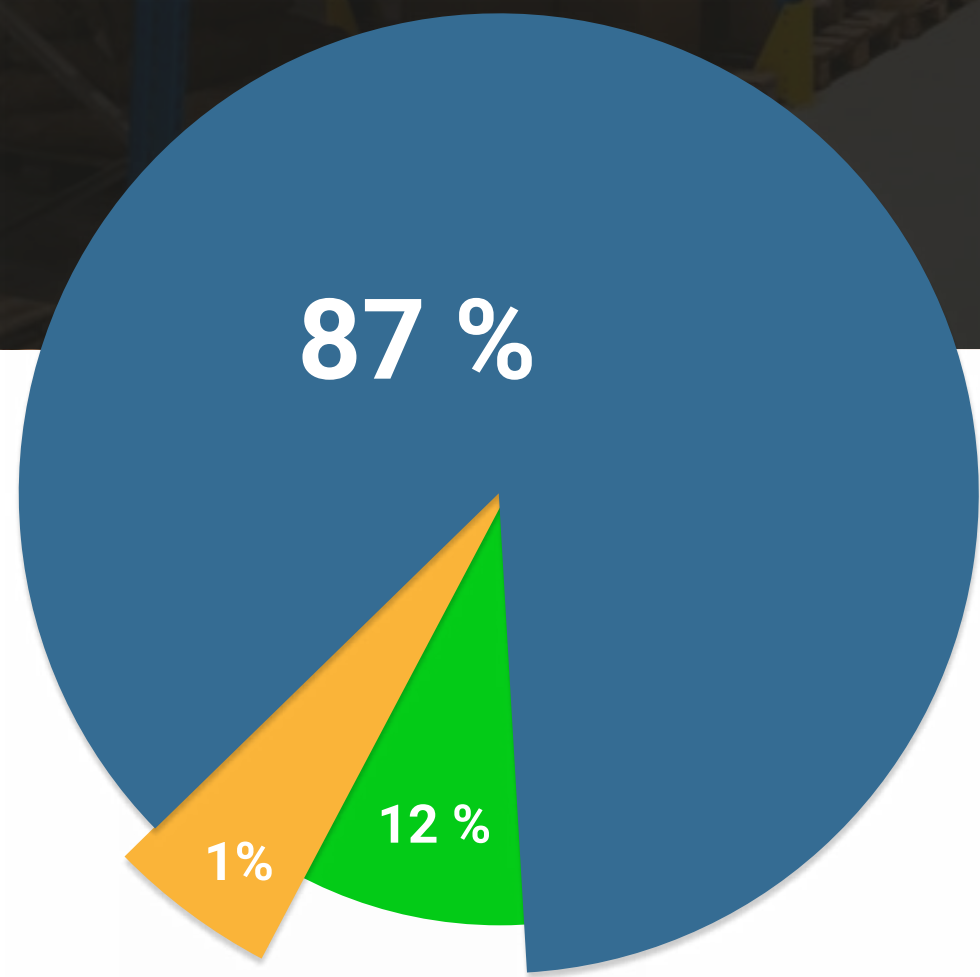
Industry Insights

The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Insights on the Industry

The survey participants' number one goal as "successful liquidators" is to make a passable income.






87% of participants are actively selling in the industry



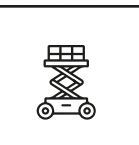
12% are looking to get started

1% are no longer selling

The majority of participants felt that the **top factors that make a liquidator successful** are:

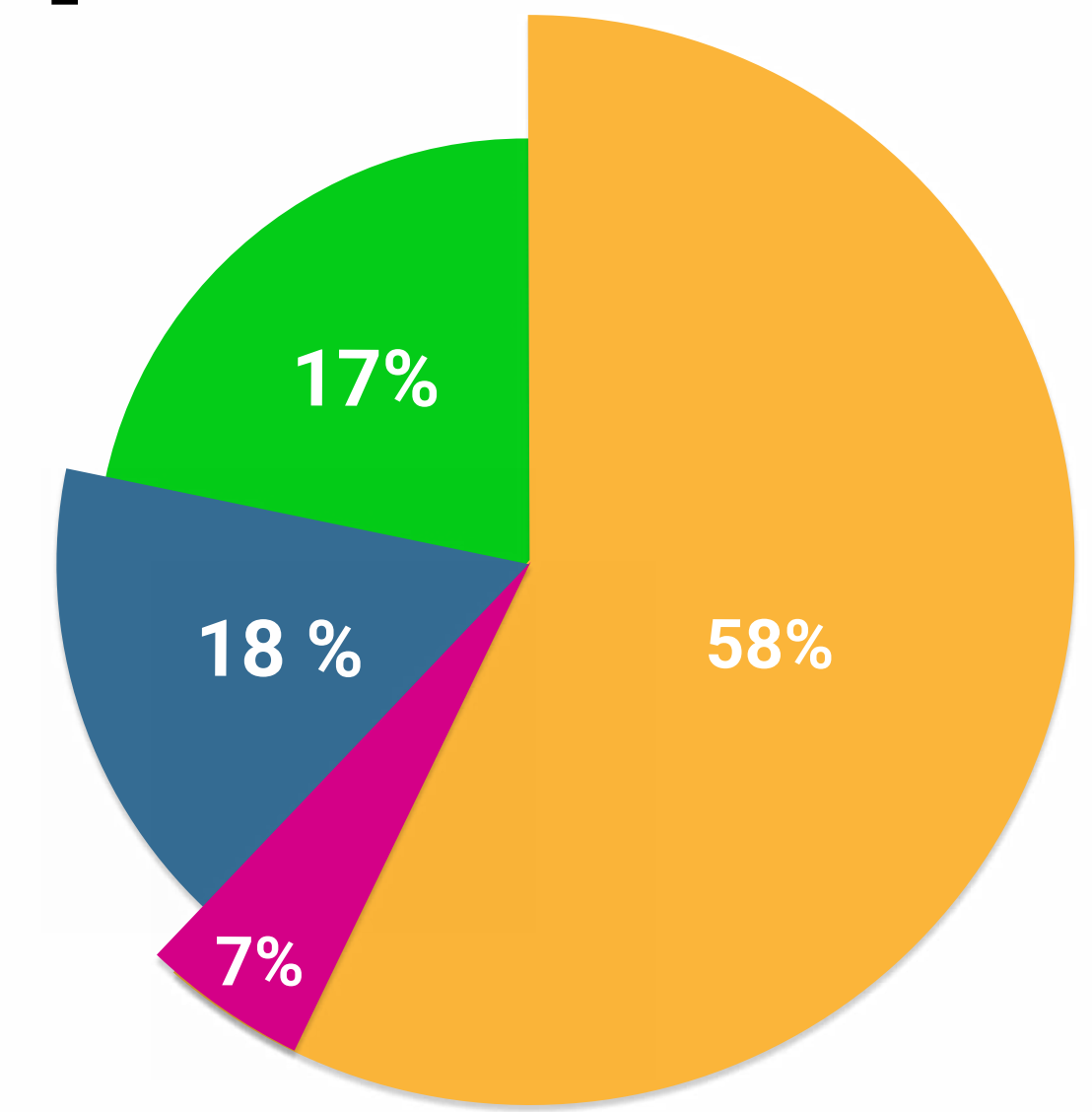
-  Quick Turnover and Moving Merchandise Fast
-  Consistent Profitability and Customer Growth
-  Building Repeat Customer Relationships

The **top three tasks** liquidators spent a significant amount of time on:

-  Sourcing Products
-  Marketing Products
-  Managing Finances

71% of participants began with just themselves

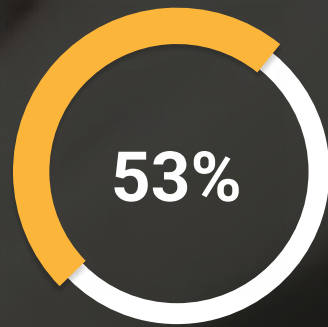
Did your team grow in 2024?



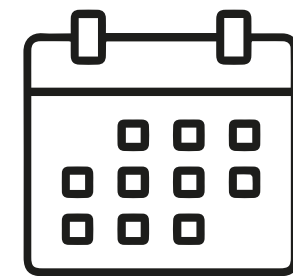
Hired 1-2 full time employees

hired contractors

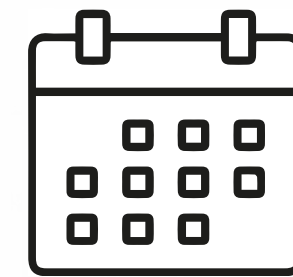
No



53% sell the majority of their merchandise through online marketplaces



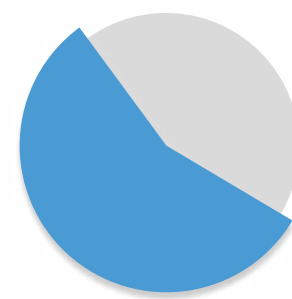
The majority of participants said that October, November, and December were their busiest months of the year



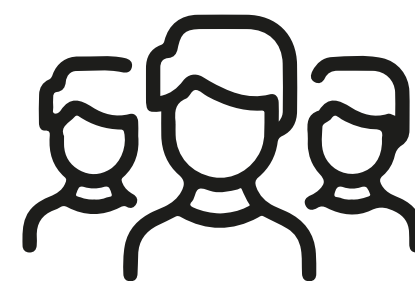
Participants in our 2024 survey said their 3 slowest months were January, February, and July



33% said their margins increased in 2024, while 38% stated no change was made



73% of those surveyed said they source their inventory through liquidation



34% of participants said their team currently consists of only themselves



47% of participants said that their total revenue was below \$250k



43% of participants spend over 40 hours a week in their liquidation business, currently. 35% of participants said they spent over 40 hours a week in their liquidation business when first starting out



04

Challenges & Opportunities

The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Challenges & Opportunities

Top 3 Challenges for 2024

1. Dependable Suppliers
2. Increase in the Cost of Merchandise
3. Freight Cost

Expected Challenges for 2025

1. Cost Increases (merchandise, freight, sourcing)
2. Economic Downturn / Decreased Sales
3. Sourcing / Inventory Quality Problems

Challenges & Opportunities

Opportunities participants experienced in the liquidation business in 2024

"I opened a retail store in 2024"

"I expanded my warehouse space in the coming year"

"I worked towards buying better products"

"I grew my customer base"

"My goal for 2024 was to gain access to better inventory"

Expected opportunities for 2025

"Return to normalcy in pricing and lower fuel prices"

"Our biggest opportunity is online auctions and the use of Whatnot"

"Joining vendor markets and doing more live selling on social media"

"Growing our space to accommodate more merchandise"

"Finding new suppliers"

"Diverse eCommerce business"



05

Customers, Competitors, & Cost

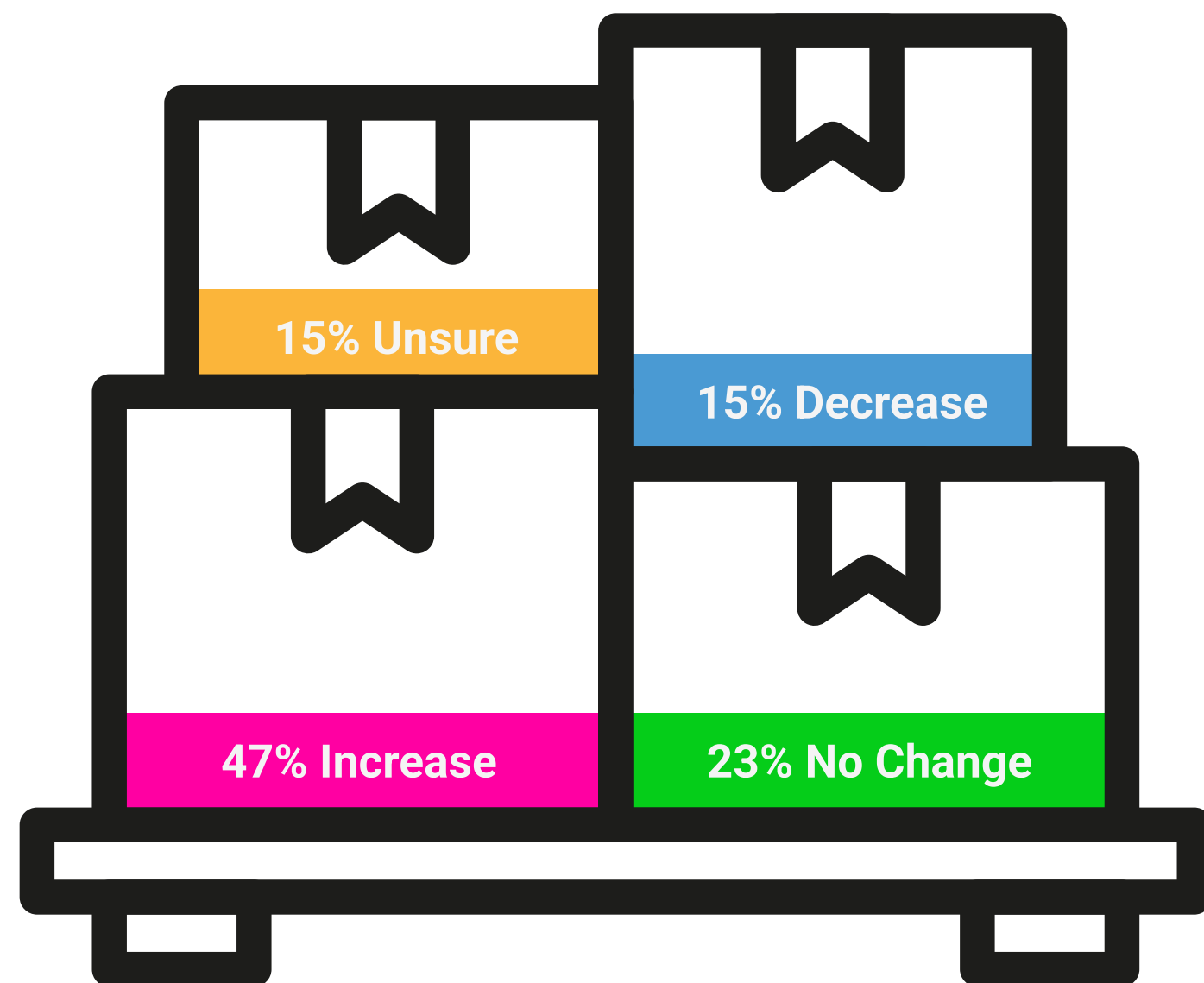
The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Customers, Competitors & Costs



A change in customers
from **2023 vs 2024**



53%

53% of those who participated in the survey said that the number of new competitors entering the liquidation industry has increased in 2024

70% of participants experienced an increase in load costs in 2024 compared to 2023.

49% found it harder to find merchandise in 2024 than in previous years, compared to 18% who said it was easier. 26% saw no change, while 7% were unsure of any change between 2023-2024

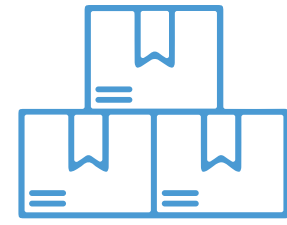
06

Sales Channels

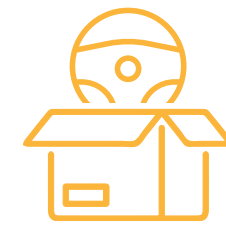
The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Sales Channels



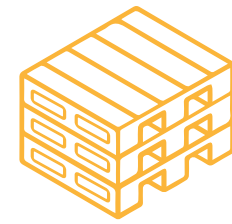
32% of respondents sell the majority of their merchandise (80%+) through Online Marketplaces



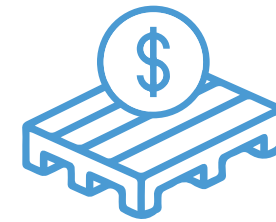
8% use their Company Website as their main sales platform



20% use Social Media groups (public or private) as their primary sales channel



19% rely on Retail Stores to sell their merchandise



10% of participants primarily sell through a Bin Store



The top three sales channels are Online Marketplaces (32%), Social Media Groups (20%), and Retail Stores (19%)



The average number of truckloads sold by participants a week is between 1 and 4



11% cited Other methods, including auctions, vendor markets, and direct referrals



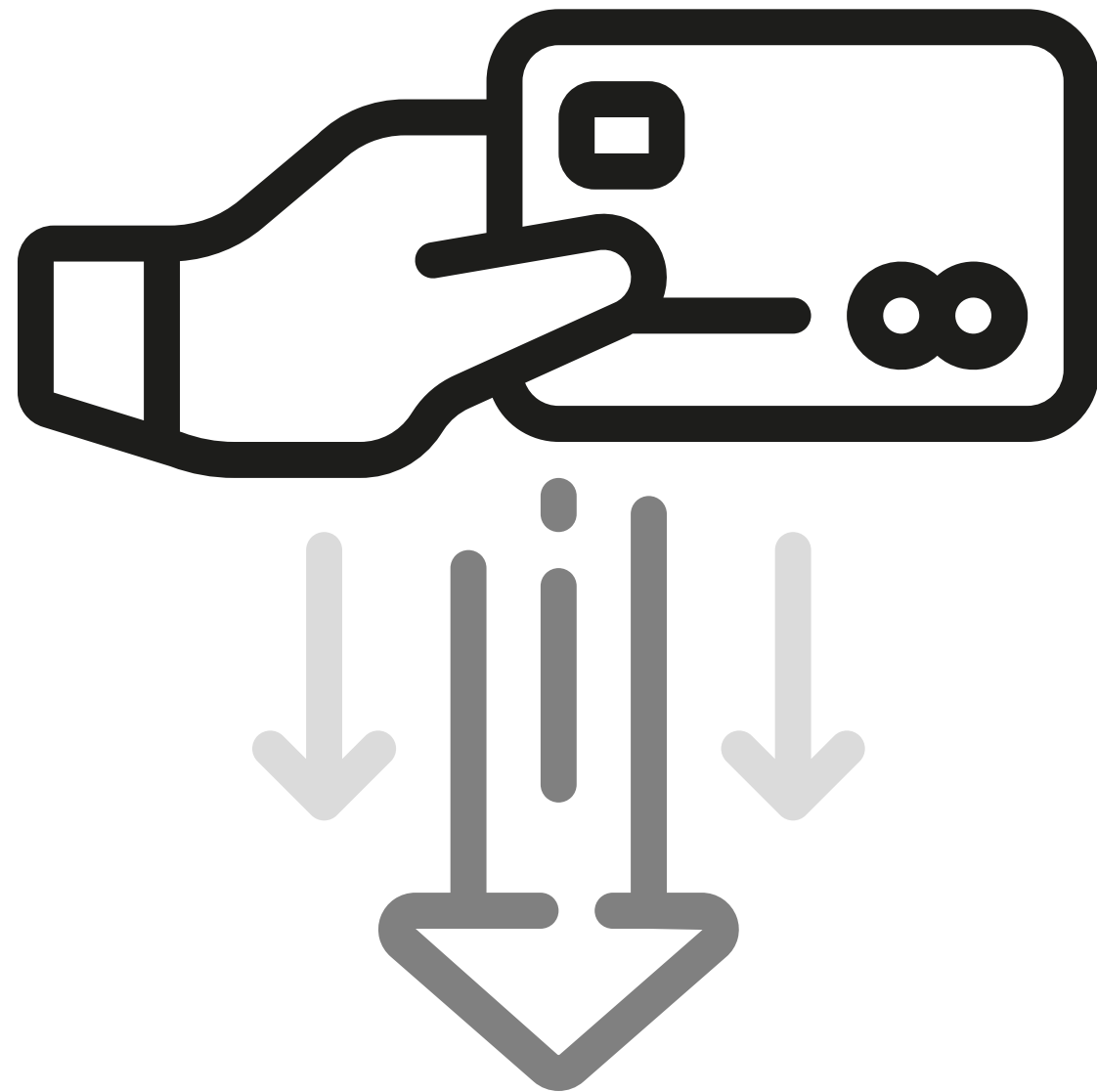
07

Products & Programs

The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Products & Programs

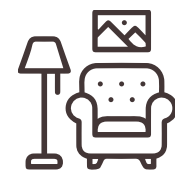


The majority of survey participants (71%) stated they are not seeing any supply shortages

On average, the **Top 3 Best-Selling** categories were



General Merchandise



Furniture & Home Decor



Consumer Electronics

On average, the **Top 3 Worst-Selling** categories were



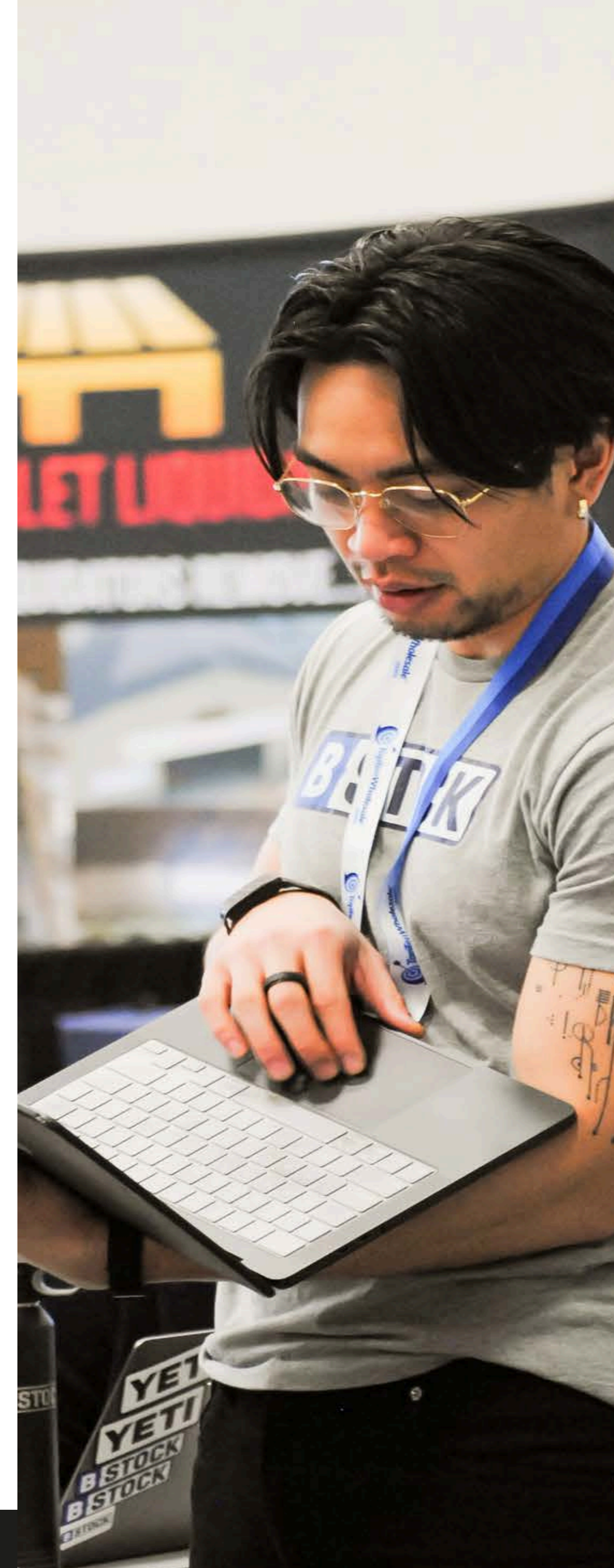
Apparel & Accessories



Toys



Health and Beauty Products



08

Industry Trends

The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Trend #1

The Liquidation Treasure Hunt

How Consumers Are Changing

Shoppers today think differently than they did a few years ago. They're becoming savvy deal-seekers who enjoy the hunt almost as much as the purchase itself. Many people now prefer liquidation outlets because they combine entertainment with practical value. This isn't just a slight trend - it's becoming a gold rush that is changing how people shop.

Why the Treasure Hunt Experience Matters Now

More and more shoppers are looking for the thrill of discovery. They love finding unexpected deals and getting more value for their money. This is excellent news for the liquidation industry! When you create an exciting shopping experience with the potential for amazing finds, customers keep coming back for more.

The Psychology Behind the Treasure Hunt Appeal

The treasure hunt experience taps into powerful psychological drivers that keep customers engaged and coming back. The unpredictability creates a dopamine response similar to what happens in gaming - customers experience a genuine thrill when they discover a valuable item. This "variable reward" mechanism is the same principle that makes slot machines so addictive. For liquidation shoppers, each bin, box, or pallet represents a potential jackpot, creating an emotional experience that goes far beyond typical retail shopping.

Research from [Psychology Today](#) shows that dopamine is released in anticipation of a reward, not just when receiving it. Even more interesting, studies reveal that unpredictable rewards (exactly what liquidation shopping offers) trigger twice as much dopamine release as predictable ones.

According to [Medium](#), "Adding rare items fuels dopamine release, intensifying the thrill of collecting. The excitement of the hunt keeps dopamine levels high, making the search rewarding."

Real-World Success Stories

The treasure hunt appeal is also driving the success of retail liquidation stores. As reported by [CNBC](#), some bin stores have customers lining up, sometimes even camping overnight to get first pick after weekly drop-offs of liquidation pallets. These stores create excitement by having shoppers dig through bins of returns in search of trending items they can either use or flip for a profit.

Creating Community Around the Hunt

The most successful liquidation businesses aren't just selling products - they're building communities of treasure hunters who share their experiences. Resellers are creating Facebook groups where customers can post their best finds, hosting in-store contests for the "find of the week," and encouraging shoppers to share their discoveries on social media with branded hashtags.

This community-building approach transforms one-time bargain hunters into brand ambassadors who promote your business through word-of-mouth and social sharing. Some resellers report that up to 40% of their new customers come directly from referrals by existing treasure hunters who want to share the experience with friends and family. By fostering this sense of community, you create a sustainable business model that's less vulnerable to price competition.

Benefits for Resellers

This focus on treasure hunting creates significant opportunities for resellers. You can: (1) Attract customers who love the excitement of finding great deals, (2) Create buzz around your inventory "drops" or new merchandise arrivals, (3) Build a loyal following of repeat customers who enjoy the shopping experience, (4) Charge fair prices while still making good profits.

Diversified Sales Channels

The Multi-Channel Advantage

Gone are the days when resellers could rely on just one way to sell their products. Today's successful resellers use many different sales channels, which helps them reach more customers and sell more products.

According to [LinkedIn's 2025 Reselling Trends report](#), "In 2025, businesses are no longer relying on one single sales channel to move their inventory. From forming strategic B2B partnerships to adopting direct-to-consumer (DTC) models, companies are exploring a multitude of ways to engage with their customers."

Integrated Inventory Management

One of the biggest challenges of selling across multiple channels is inventory management. [Leafio's 2025 guide](#) explains that omnichannel inventory management is a strategic approach that seamlessly integrates and optimizes inventory across various sales channels.

Online Marketplace Growth

Online marketplaces like eBay, Amazon, and Facebook Marketplace continue to grow. These platforms make it easy to reach millions of potential customers. Each marketplace has its benefits and challenges, so many resellers use several of them at once.

The [Verified Market Research report](#) shows that the liquidation service market (which includes companies that manage, facilitate, or support the resale of excess, returned, or unsold inventory) was valued at \$36 billion in 2023 and is projected to reach \$79.05 billion by 2031, with a CAGR of 9.5% from 2024 to 2031. This growth is largely driven by the expansion of online marketplaces that connect liquidation inventory with eager buyers.

Social Media Selling Boom

Social media has become a powerful way to sell liquidation goods. Platforms like Whatnot, Instagram, TikTok, and Facebook groups let resellers connect directly with interested buyers. Live selling events are especially popular, with some resellers making thousands of dollars in a single live session.

Retail and Bin Store Opportunities

Physical stores are still important in the liquidation world. Bin stores, where customers dig through bins of products at set prices, are growing in popularity. Many shoppers enjoy the "treasure hunt" experience of finding great deals. Some resellers are opening small retail spaces or partnering with existing stores to sell their items.

According to [RetailWire](#), "It's likely bin stores will keep growing. They offer a unique, treasure-hunt shopping experience, and social media hype fuels their popularity." But here's the part that doesn't get talked about enough. Popularity doesn't equal profitability.



Trend #2

Diversified Sales Channels cont'd

Running a bin store is tough. Many open, but few stay open. Margins are thin, overhead is real (rent, staffing, and constant restocking), inventory quality varies, and demand can be unpredictable. Some resellers are making it work by using small pop-ups or partnering with existing stores to limit risk. But anyone going all-in on a bin model needs to go in with eyes wide open.

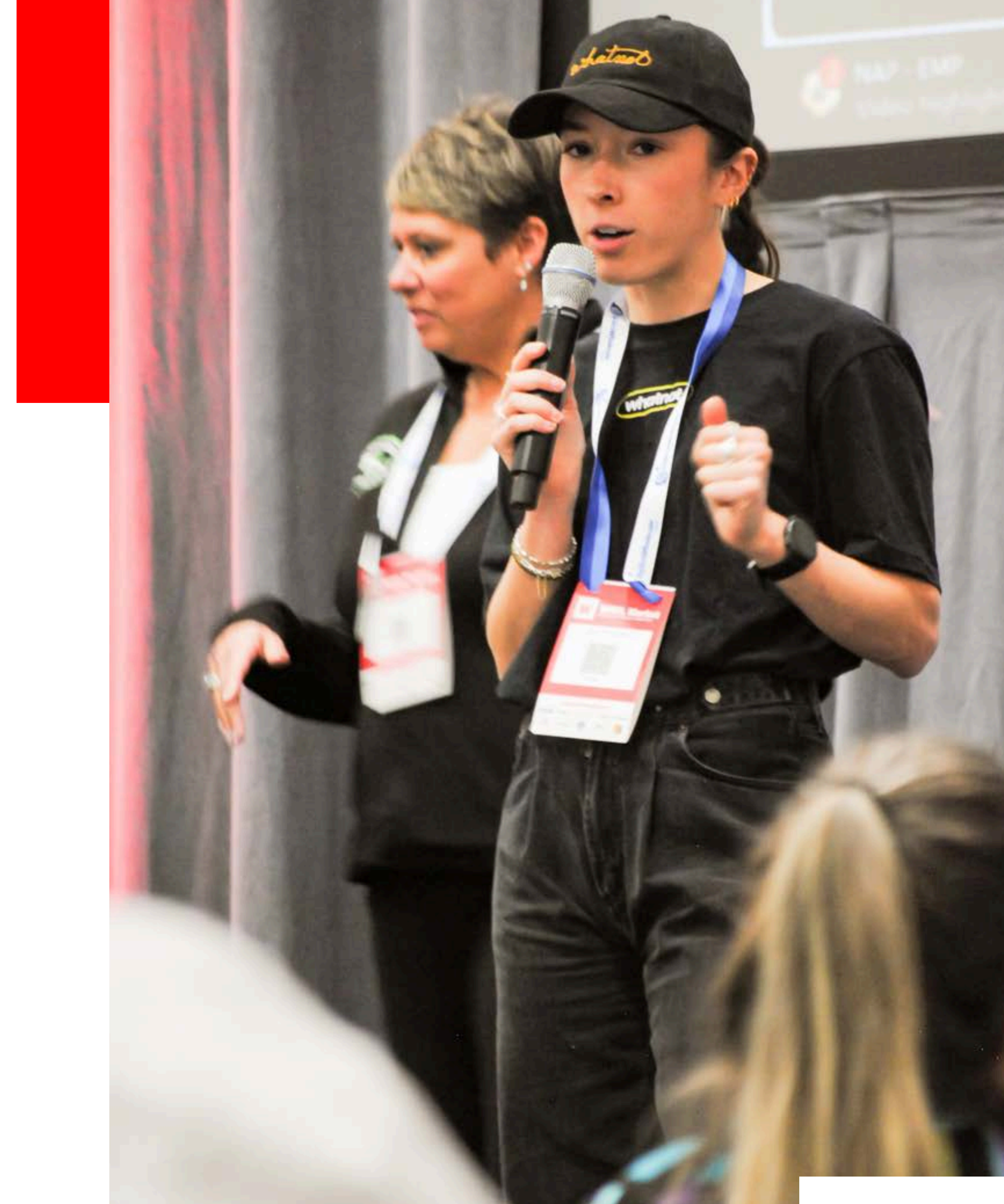
Direct-to-Consumer Models

More resellers are building their own websites and customer lists. This gives them more control and helps them keep more of their profits. Email marketing and text message alerts help these resellers stay connected with their best customers.

Technology for Channel Management

New tools are making it easier to manage multiple sales channels. Inventory management systems can track what you have and where it's listed. Pricing tools help set the correct prices across different platforms. Shipping software makes it faster to get products to customers.

According to **LinkedIn's report on omnichannel strategies**, "Adopting the right tools is essential for implementing an omnichannel approach. These include CRM systems, marketing automation platforms, and integrated inventory management solutions." The report notes that businesses using these integrated tools report a 30% increase in efficiency and a 25% reduction in operational costs.



Building Trust and Transparency

Why Trust Matters More Than Ever

In a crowded marketplace, trust is what makes customers choose one seller over another. Buyers want to know precisely what they're getting and that the seller is honest. Resellers who build trust can charge higher prices and get more repeat customers.

According to [LinkedIn's 2025 Reselling Trends report](#), "As the reselling space becomes more competitive, transparency and trust will be key differentiators. Consumers expect clarity about product origins, pricing, and shipping practices, and they are more likely to stay loyal to resellers who are upfront and open."

Building a Trusted Liquidation Brand

Creating a recognizable and trusted brand is becoming essential in the liquidation industry. According to [Social Champ's 2025 report on brand trust](#), 81% of consumers say they need to trust a brand before making a purchase, and 71% will stop buying from a brand if trust is broken.

[Chesamel's 2025 Marketing Resolutions](#) recommends developing clear guidelines around brand transparency to show what information your team should share and how to communicate it. For liquidation resellers, this means being upfront about:

- The condition and origin of products
- Your inspection and testing processes
- Your pricing structure and policies
- Your return and customer service policies

Consistent branding across all channels reinforces trust. Your logo, color scheme, messaging, and customer service approach should be recognizable whether customers find you on eBay, in your physical store, or through social media. This consistency signals professionalism and reliability.

Clear Product Information

Successful resellers provide detailed and honest information about their products. They: (1) Take clear photos from multiple angles, (2) Describe any flaws or damage, (3) Explain whether items are new, open box, or used, (3) Include brand names and model numbers when possible.

Setting Realistic Expectations

It's important to be honest about what customers are buying. Some resellers create videos showing exactly how they inspect and grade items, and others explain their return policies clearly. When customers know what to expect, they're less likely to be disappointed.

Technology for Enhanced Transparency

New tools are helping resellers be more transparent. Some use apps that verify product authenticity, others use QR codes that show a product's history, and video platforms let resellers show products in detail before customers buy.

Leveraging Social Proof for Brand Building

According to [Ogilvy's 2025 Social Trends report](#), brands will embrace a social-first paradigm shift with new rules of engagement in 2025. For liquidation resellers, this means actively collecting and showcasing customer testimonials, reviews, and user-generated content.

[Forbes](#) emphasizes that "strategic communication builds trust, clarity, and momentum." Encouraging customers to share their positive experiences on social media, review platforms, and your website creates powerful social proof that builds credibility with potential new customers.

Consider implementing a formal review collection process, featuring customer success stories, and creating a community where customers can share their experiences with your products. This user-generated content not only builds trust but also provides valuable marketing material that resonates with new prospects.

09

Actionable Strategies for New and Growing Resellers

The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Getting Started in Liquidation

Start Small and Learn

You don't need a huge bankroll to start in this industry. About 20% of successful resellers began with \$1,000 or less. What matters more than cash is discipline, strategy, and patience.

The temptation is real. Many new sellers want to go from pallets to truckloads as fast as possible. But the liquidation business is extremely asset-heavy, and growing too fast without the proper foundation can crush you. A recent article on the BuyLow Warehouse site breaks this down: [How to Avoid Overextending Your Business](#).

It covers why growing too quickly can backfire, especially if you lack enough capital, warehouse space, a team to process inventory, the right equipment, a strong supplier and customer network, and so much more.

Most new resellers don't have these assets in place yet, and that's okay. Start small. Focus on learning what sells and building repeatable systems. Don't just copy what you see others doing. Bin stores and large warehouse operations look exciting online, but what you're not seeing is the complexity, the capital, and the years of hard lessons behind them.

If you're serious about building a long-term business, grow at a pace that matches your resources. The ones who last in this industry are the ones who scale with intention, not just ambition.

Choose Your Niche

While some resellers sell many different types of products, beginners often do better by focusing on a specific category. Electronics and home goods are popular choices (each chosen by 45% of resellers), but you might find less competition in other areas. Pick something you know about or are interested in learning about, and that you have consistent access to.

Research Before You Buy

Before purchasing liquidation lots, look at completed sales on marketplaces to see what items actually sell for, calculate all your costs (product, shipping, fees, storage, etc.), check the return policy and reputation of the liquidation source, and understand the condition of the items (new, customer returns, damaged, etc.). For more tips on protecting yourself and avoiding common scams, check out the BuyLow Warehouse guide on [How To Avoid Being Scammed in Wholesale Liquidation](#).

Start with Smaller Lots

Instead of buying a full truckload right away, consider starting with smaller lots or pallets. This lets you learn the process with less risk. As you gain experience, you can move up to larger purchases if they make sense for your business.



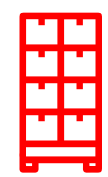
Let's Talk

Scaling Your Reselling Business



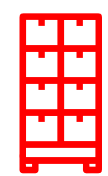
Reinvest Your Profits

Most successful resellers invest a portion of their earnings back into the business. This helps them buy more inventory, improve their equipment, or hire help. About 84% of resellers become profitable within their first year, giving them money to reinvest.



Add Sales Channels Gradually

Start selling on one platform that you're comfortable with. Once you've mastered it, add another channel. About 53% of resellers use online marketplaces, 36% use social media, and 31% have retail stores. Each new channel can bring different customers and increase your sales.



Build Systems and Processes

As your business grows, create standard ways to: (1) Source inventory, (2) Test and grade products, (3) Take photos, (4) Write descriptions, (5) Price items, (6) Pack and ship orders, (7) Handle customer questions. Good systems save time and help maintain quality as you grow.



Consider Adding Team Members

While 35% of resellers still work alone, 65% have added team members as they've grown. You might start with part-time help or family members during busy times. Later, you could hire employees for specific tasks like photography, listing, or shipping.

Inventory Sourcing Best Practices

Diversify Your Sources

Don't rely on just one supplier for your inventory. About 78% of resellers use liquidation sources, but many also use closeouts (31%), direct retailer purchases (25%), and online arbitrage (20%). Having multiple sources protects you if one becomes unavailable or raises prices.

Build Relationships with Suppliers

Regular buyers often get better deals and first access to new inventory. Introduce yourself to suppliers, pay promptly, and be professional in all your interactions. Some suppliers will call you about special deals if they know what you're looking for.

Calculate All Costs Before Buying

Before purchasing inventory, calculate the cost of goods, shipping to your location, storage costs, prep and repair expenses, selling fees, shipping to customers, potential returns, and average damage rate. This helps you know the actual cost and set prices that ensure a profit.

Focus on Inventory Turnover

It's usually better to sell items quickly at a reasonable profit than to wait a long time for a higher price. Fast-selling inventory improves your cash flow and reduces storage costs.

About 60% of resellers said sourcing products takes up a significant amount of their time, so making good use of that inventory is essential.



Pricing and Profit Margin Strategies

Know Your Numbers

Successful resellers track their costs and profits carefully. For each item or lot, record: (1) What you paid, (2) Additional costs (shipping, fees, etc.), (3) Selling price - Profit margin. This information helps you make better buying decisions in the future.

Price Based on Value, Not Just Cost

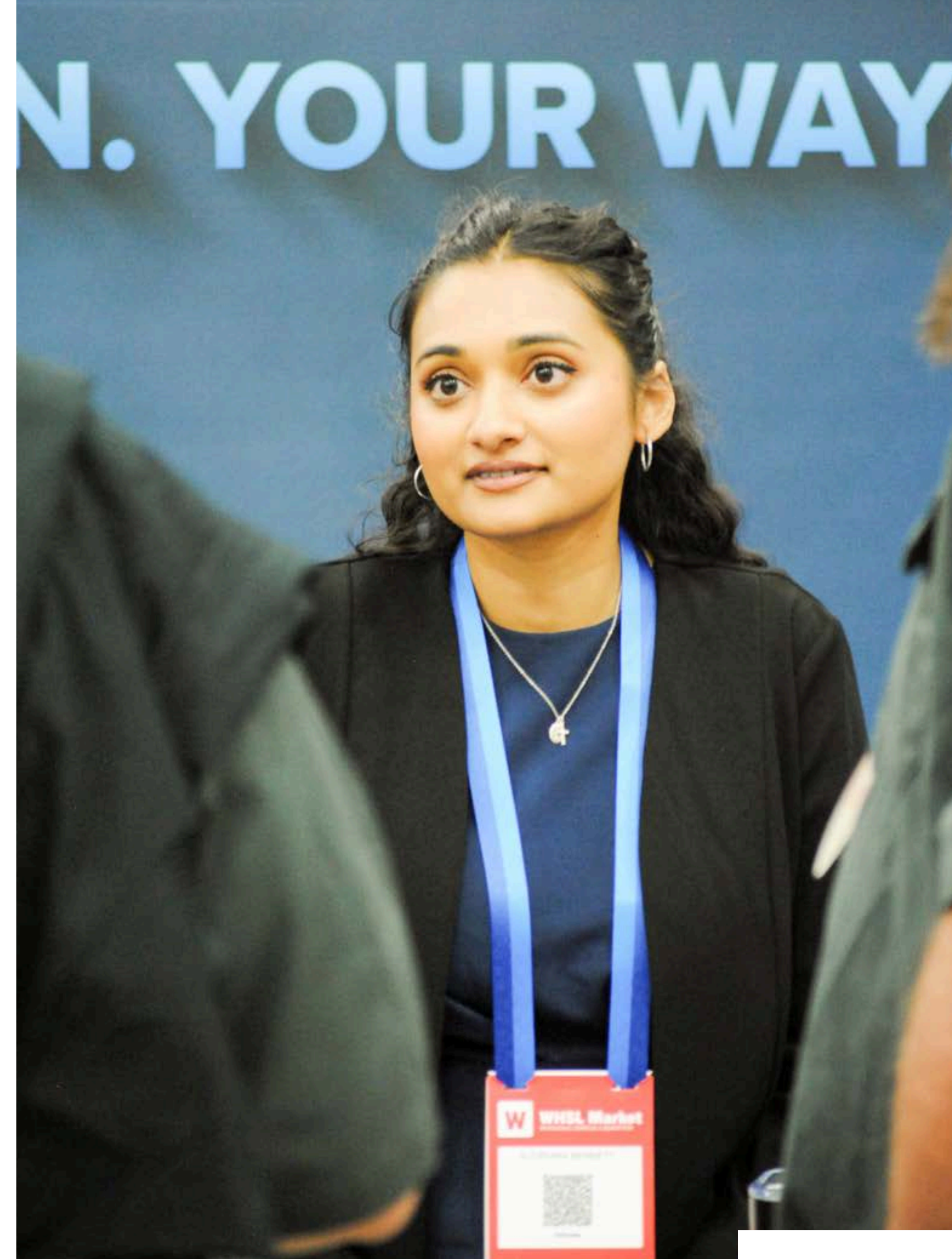
Instead of using a fixed markup on all items, consider what each item is worth to buyers. Some products might sell quickly with a smaller margin, while others justify a higher price because they're in demand or hard to find.

Test Different Pricing Strategies

Try different approaches to see what works best for your business: (1) Starting high and gradually lowering prices, (2) Starting low to sell quickly, (3) Bundle pricing for related items, (4) Quantity discounts for multiple purchases, (5) Special sale events.

Monitor Competitors

Keep an eye on what similar sellers are charging, but don't automatically match the lowest price. Your excellent photos, detailed descriptions, and good customer service might justify higher prices.



Marketing and Customer Acquisition

Create a Consistent Brand

Even small resellers benefit from having a recognizable brand. This includes a memorable business name, a simple logo, consistent colors and style, and a clear message about what makes you different.

Use Social Media Effectively

About 36% of resellers use social media to sell their products. Beyond just posting items for sale: (1) Share behind-the-scenes content about your business, (2) Create educational posts about your products, (3) Show before-and-after photos of items you've cleaned or repaired, (4) Tell stories about interesting finds, (5) Engage with followers by responding to comments and messages.

Build an Email List

Collecting customer email addresses (with permission) lets you stay in touch and announce new inventory or special sales. Email marketing is free or low-cost and reaches people who have already shown interest in what you sell.

Provide Exceptional Customer Service

Happy customers often become repeat buyers and tell others about your business. Focus on: (1) Answering questions quickly, (2) Shipping promptly, (3) Packaging items securely, (4) Resolving problems fairly, (5) Following up after purchases.



Technology and Tools for Efficiency

Inventory Management Systems

As your inventory grows, consider using software to track what you have and where it's listed. This will save time and reduce errors. Options range from simple spreadsheets to specialized apps for resellers.

Listing Tools

Tools that help create and manage listings can save hours of work. Some allow you to list on multiple platforms from one interface, while others help with bulk listing or repricing.

Photography Equipment

Good photos are essential for online selling. Invest in: (1) A smartphone with a good camera or a digital camera, (2) A simple photo backdrop or lightbox, (3) Good lighting, (4) A tripod for steady shots.

Shipping Solutions

Efficient shipping saves time and money: (1) Compare rates from different carriers (2) Use shipping software to print labels and track packages (3) Stock appropriate boxes and packing materials (4) Consider offering free shipping and building the cost into your prices



Building a Sustainable Business Model

Focus on Long-Term Success

Instead of looking for quick profits, build a business that can last for years. About 60% of resellers said they haven't yet accomplished their liquidation goals, showing they're thinking about long-term growth.

Adapt to Market Changes

The liquidation industry changes constantly. Stay flexible and willing to: (1) Try new product categories, (2) Explore different sales channels, (3) Adjust your pricing strategy, (4) Learn new skills.

Take Care of Yourself

Running a reselling business takes time and energy. About 41% of established resellers work more than 40 hours per week. To avoid burnout: (1) Set regular business hours, (2) Take time off, (3) Delegate tasks when possible, (4) Connect with other resellers for support and advice.

Give Back to the Community

Many successful resellers find ways to support their communities: (1) Donate items that don't sell to local charities, (2) Offer discounts to teachers, first responders, or military personnel, (3) Mentor new resellers, (4) Participate in community events.

By using these strategies and adapting them to fit your specific situation, you can build a successful and rewarding reselling business. Remember that most resellers start small and learn as they go. With patience, persistence, and smart decisions, your business can grow and thrive in the exciting world of liquidation.



A man with a white beard, wearing blue overalls, is operating a yellow pallet jack in a warehouse. He is standing on the right side of the frame, looking towards the camera. The warehouse is filled with stacks of pallets wrapped in clear plastic. The lighting is dim, and the overall tone is industrial.

10

Case Study: Success Stories from the Field

The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

Matt Leavell - BuyLow Warehouse

Story:

Matt Leavell started out fishing all over the country in high level bass fishing tournaments and had plans of being an orthodontist. But deep down, he knew he wanted to be his own boss. He took a chance on buying small mystery boxes of items to sell online, and that small idea turned into something big.

He began buying truckloads of products, listing them on eBay, and working from home. At one point, his kitchen was the lunchroom, and his bathroom was a photo studio. He had 7 team members showing up to work each day out of his house. With hard work, Matt grew BuyLow Warehouse into a full business with a warehouse, team, and thousands of happy resellers.

Growth Strategy:

Matt grew his business by starting small and reinvesting what he earned. He tested ideas before going big. At first, he sold individual items, then pallets, and later full truckloads. He built his systems step by step and focused on keeping costs low while building a strong team and reliable supply chain. He also paid close attention to trends and what resellers needed so he could stay one step ahead.

Keys to Success:

One of Matt's biggest strengths is staying honest and focused. He takes time to learn from mistakes and treats customers like partners. He also doesn't rush. He believes in smart growth, saving money for hard times, and building trust with every load. His success comes from being consistent, solving problems, and always thinking long-term.

Lesson Learned:

Matt learned the hard way that growing too fast can be risky. He once bought too much inventory and got stuck with slow-selling products. This one mistake almost ended BuyLow. That taught him to never overextend and to always keep a "just-in-case" fund. Now he tells others to start small, grow carefully, and don't make big moves until your business is steady. That lesson helped him keep BuyLow strong, even during tough times.

[Read the full article](#) or [watch Matt share his journey in his own words.](#)

It's packed with real lessons, hard truths, and inspiration for anyone serious about growing in the liquidation space.



Common Themes from Resellers

While Matt's story is unique, he's just one of many resellers we've talked to over the years. We've heard from resellers nationwide who've built real businesses through liquidation. Each with their own style, struggles, and wins.

Even though their journeys are different, some common themes keep showing up:

- 1. Finding a Unique Angle:** Each successful reseller found a way to stand out, whether through specialized knowledge, a unique sales approach, or a strong brand message.
- 2. Starting Small and Growing Strategically:** None of these resellers began with huge investments or complicated operations. They started small, learned as they went, and expanded based on what worked.
- 3. Building Systems:** As they grew, these resellers created systems and processes that allowed them to handle more inventory and sales without becoming overwhelmed.
- 4. Focusing on Customer Experience:** Whether through warranties, storytelling, or convenient shopping options, these resellers found ways to create positive experiences for their customers.
- 5. Adapting to Changes:** Successful resellers stay flexible and adjust their strategies as the market changes. They try new approaches and learn from both successes and failures.

By learning from Matt's experiences and applying these common themes and lessons to your situation, you can find your path to success in the liquidation industry.



11

Conclusion

The State of the Liquidation Industry 2024

WHSL
Wholesale | Surplus | Liquidation

What We've Learned

Our survey and research have shown several important things about the liquidation industry today:

- 1. The industry welcomes everyone.** Resellers come from all backgrounds, ages, and education levels. Most start as beginners but quickly gain skills and experience.
- 2. There are many paths to success.** Some resellers focus on specific product types, while others sell a variety of items. Some work alone, while others build teams. Some sell online, some in stores, and many use multiple sales channels.
- 3. Waste reduction is becoming more important.** The liquidation industry plays a valuable role by helping unsold products find a second life, keeping inventory moving and reducing unnecessary waste.
- 4. Technology is making reselling easier.** New tools help resellers find inventory, manage their businesses, and connect with customers.
- 5. Trust and transparency matter more than ever.** In a crowded marketplace, resellers who are honest and reliable stand out and build loyal customer bases.



| Final Thoughts

Whether you're just starting out or working to scale your reselling business, success in liquidation is built on consistency, adaptability, and community. The most successful resellers understand that you don't need a massive investment to begin. Starting small allows you to focus on the fundamentals, learning what products sell, how to price competitively, and how to deliver excellent customer service.

As you gain experience, finding a niche can help differentiate your business. Specializing in product categories you're familiar with or passionate about not only builds confidence but also helps streamline sourcing and sales strategies.

Behind every thriving reseller operation is a strong foundation of systems. Establish consistent processes for sourcing inventory, listing products, managing orders, and providing customer support. These systems will save time and allow you to scale more efficiently.

Equally important is connecting with others in the reselling community. Whether through online groups, local meetups, or industry events, building relationships with fellow resellers and mentors provides valuable insights, support, and opportunities for collaboration.

Finally, the reselling landscape is always evolving. Staying flexible, willing to test new sales channels, explore different product categories, and adjust your strategies as the market shifts, is key to long-term growth.

In an industry driven by hustle and opportunity, those who keep learning, systemizing, and staying connected will continue to thrive.

Thank you for being part of the WHSL community. We're proud to support entrepreneurs like you who are transforming the reselling industry, one truckload at a time.

Wishing you all the best in your 2025 journey,
From all of us at **WHSL**



2024

State of the Liquidation Industry Report

www.whslmarket.com

WHSL
Wholesale | Surplus | Liquidation