

A Study On Introduction to Reselling Business

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Abstract- In the present digital era, business activities have changed significantly due to the rapid growth of technology and internet usage. Traditional business models that required heavy investment, physical stores, and large inventories are gradually being replaced by flexible and low-cost business models. One of the most popular modern business models is the reselling business. Reselling refers to the process of purchasing goods from suppliers or wholesalers and selling them to customers at a profit. The reseller acts as a middleman between the supplier and the customer. With the growth of social media and e-commerce platforms, reselling has become easier and more accessible for people from different backgrounds. Applications such as Instagram, WhatsApp, and Facebook help resellers promote products and communicate with customers. Platforms like Meesho and GlowRoad further simplify the process by offering product catalogs and delivery support. The reselling business is highly popular because it requires low investment and offers flexible working opportunities. Individuals can work from home, choose their own products, and manage their business according to their convenience. It also encourages entrepreneurship by helping people develop skills such as marketing, communication, and customer service. However, the business also faces challenges such as high competition and dependency on suppliers for product quality and delivery. Overall, reselling business has emerged as an important source of income and self-employment in the modern economy.

Keywords: Reselling Business, E-commerce, Entrepreneurship, Social Media, Dropshipping, Low Investment, Online Marketing, Customer Service.

I. INTRODUCTION

In the present digital era, the concept of business has undergone a significant transformation due to the rapid advancement of technology and the widespread use of the internet. Traditional business models that required large investments, physical stores, and complex supply chains are gradually being replaced by simpler and more flexible models. One such emerging and popular business model is the reselling business. Reselling business refers to the process of purchasing goods from manufacturers, wholesalers, or suppliers and selling them to customers at a higher price in order to earn a profit. In this model, the reseller acts as a middleman between the supplier and the customer. Unlike traditional retail businesses, reselling does not always require the reseller to maintain stock or invest heavily in infrastructure. With the introduction of online platforms and digital tools, reselling has become more accessible, efficient, and profitable for individuals from various backgrounds. This study aims to provide a detailed understanding of the

reselling business, its importance, working process, and its role in modern entrepreneurship.

Growth and Advantages of Reselling Business

The growth of reselling business is closely linked with the rise of e-commerce and social media platforms. Today, applications such as Instagram, WhatsApp, and Facebook have become powerful tools for marketing and selling products. Individuals can easily create business profiles, showcase products, communicate with customers, and receive orders through these platforms. In addition to social media, dedicated reselling platforms like Meesho, GlowRoad, and Shop101 have further simplified the process by providing product catalogs, pricing information, and delivery support. These platforms have made it possible for anyone with a smartphone and internet connection to start a reselling business without prior experience.

One of the major reasons for the popularity of reselling business is its low investment requirement. Traditional businesses often involve high costs related to rent, inventory, staffing, and maintenance. In contrast, reselling can be started with minimal or

even zero investment, especially when using dropshipping methods. In dropshipping, the reseller does not need to purchase or store products in advance. Instead, when a customer places an order, the reseller forwards it to the supplier, who then ships the product directly to the customer. This significantly reduces financial risk and makes the business more attractive to students, homemakers, and part-time workers. Another important feature of the reselling business is its flexibility. Resellers have the freedom to choose their working hours, product categories, and target markets. This flexibility allows individuals to manage their business alongside their studies or other jobs. It also enables them to experiment with different products and strategies to identify what works best in the market. Moreover, reselling business can be operated from home, eliminating the need for a physical store and reducing operational expenses.

Role and Challenges of Reselling Business

The reselling business also plays a crucial role in promoting entrepreneurship among young people. It provides an opportunity for individuals to develop essential business skills such as marketing, communication, customer service, and financial management. By engaging in reselling activities, individuals gain practical experience and confidence, which can help them in pursuing larger business ventures in the future. In this way, reselling acts as a stepping stone towards full-scale entrepreneurship. Despite its numerous advantages, the reselling business also faces certain challenges. One of the major challenges is intense competition. Since the entry barriers are low, many individuals are entering the market, which increases competition and reduces profit margins. To succeed in such an environment, resellers must differentiate themselves by offering unique products, competitive pricing, and excellent customer service. Another challenge is dependency on suppliers. The quality of products, delivery time, and packaging are controlled by the supplier, and any issues in these areas can affect customer satisfaction and the reputation of the reseller.

II. REVIEW OF LITERATURE

1. Kotler Philip (2023) Kotler Philip stated that the rapid growth of e-commerce and digital platforms has created wider opportunities for reselling businesses across the world. The study explained that online marketplaces and social media applications help small resellers reach customers easily without maintaining physical stores. The author also highlighted that customer trust, reviews, and ratings play an important role in influencing online purchase decisions and improving reseller credibility.

2. Chaffey Dave (2022) Chaffey Dave observed that low investment and flexible working conditions are the major reasons for the increasing popularity of reselling businesses. The study pointed out that students, homemakers, and part-time workers prefer reselling because it allows them to earn income with minimal financial risk. The research also emphasized that social media marketing through Instagram and Facebook attracts more customers through visual content such as images and videos.

3. Armstrong Gary (2021) According to Armstrong Gary, dropshipping and reselling models reduce the burden of inventory management and storage costs. The study explained that resellers can directly connect customers with suppliers, making the business process easier and more efficient. However, the author identified supplier dependency as a major challenge because delays in delivery and poor product quality can negatively affect customer satisfaction and business reputation.

4. Schiffman Leon (2020) Schiffman Leon highlighted that customer satisfaction in reselling businesses mainly depends on timely delivery, product quality, and effective communication. The research found that positive customer experiences increase repeat purchases and customer loyalty. The study also concluded that resellers who provide quick responses and reliable services are more successful in competitive online markets.

III. STATEMENT OF THE PROBLEM

In the modern digital economy, the reselling business has emerged as an easy and accessible way for individuals to start earning income with minimal investment. Despite its growing popularity, the reselling business faces several challenges that affect its efficiency, sustainability, and long-term success. Many individuals enter this field without proper knowledge, planning, or understanding of market conditions, which leads to various operational and financial issues. One of the major problems in the reselling business is the high level of competition. Since the entry barriers are very low, a large number of people are involved in reselling, especially through online platforms and social media. This intense competition often results in price wars, reduced profit margins, and difficulty in attracting and retaining customers. As a result, many resellers struggle to maintain consistent income.

Scope Of The Study

The present study focuses on providing a comprehensive understanding of the reselling business and its growing importance in the modern digital economy. The scope of this study is limited to analyzing the basic concepts, features, and working process of reselling, especially in the context of online platforms and social media. It aims to explore how individuals, particularly students and small entrepreneurs, use reselling as a source of income with minimal investment. This study covers the various aspects of reselling business, including types of reselling, methods such as dropshipping, and the role of digital platforms in facilitating business operations. It also examines the advantages and challenges faced by resellers, such as low investment requirements, flexibility, high competition, and dependency on suppliers. The study highlights how reselling business can be started and managed effectively using available online tools and applications.

OBJECTIVES

1. To understand the concept and meaning of reselling business.
2. To study the working process of reselling business.

3. To identify the different types of reselling business.
4. To analyze the role of digital platforms in reselling business.
5. To examine the advantages of reselling business.

IV. RESEARCH METHODOLOGY

1. Research Design

The study is based on a descriptive research design, as it describes the nature, features, and working of the reselling business.

2. Type of Data

The study uses both:

- Primary Data – Collected directly from respondents through questionnaires.
- Secondary Data – Collected from books, websites, articles, and online sources.

3. Data Collection Methods

- Survey method through questionnaire
- Online sources such as websites and articles
- Reference from books and journals

V. RESULTS AND DISCUSSION

This section presents the analysis and interpretation of data collected from respondents regarding the reselling business. The data has been analyzed using percentage method and is presented in tabular form for better understanding.

Table 1: Awareness about Reselling Business

PARTICULARS	NO.OF.RESPONDENTS	PERCENTAGE
AWARE	40	80%
NOT AWARE	10	20%
TOTAL	50	100%

Discussion:

The above table shows that 80% of respondents are aware of the reselling business, while 20% are not aware. This indicates that reselling business has gained significant popularity among people. Discussion: The above table shows that 80% of respondents are aware of the reselling business,

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VI. DISCUSSION ON FACTORS AFFECTING RESELLING BUSINESS

1. Investment Level

Low investment is one of the major factors that attract individuals to start a reselling business. Since it requires minimal capital, more people are willing to enter this field.

2. Digital Platforms

The availability and use of social media and reselling apps play a crucial role in business growth. Platforms help in product promotion, customer interaction, and order management.

VII. LIMITATIONS OF THE STUDY

The present study on the reselling business is subject to certain limitations that may affect the overall findings and conclusions. Firstly, the study is based on a limited sample size of 50 respondents, which may not accurately represent the entire population of resellers. Secondly, the time available for conducting the study was short, restricting detailed data collection and in-depth analysis.

The study is also geographically limited, as it focuses only on a specific area, and therefore the results may not be applicable to other regions. In addition, the data collected from respondents is based on their personal opinions and perceptions, which may involve bias or inaccuracies. Another limitation is the limited availability of secondary data specifically related to reselling business, making it difficult to compare findings with previous research.

The study also does not include detailed financial analysis, which restricts a deeper understanding of profitability. Furthermore, the reselling business is highly dynamic and influenced by rapidly changing market trends, which may affect the relevance of the results over time. Lastly, the study mainly focuses on online reselling, which depends on technology and internet access, thereby excluding those who are not

digitally connected. Despite these limitations, the study provides useful insights into the basic concepts and functioning of the reselling business.

Suggestions

1. Resellers should focus on selecting high-quality and high-demand products to attract more customers.
2. Proper market research should be conducted before choosing products and pricing strategies.
3. Building customer trust is essential by providing accurate product details and ensuring transparency.

VIII. CONCLUSION

In conclusion, the reselling business has emerged as a simple, flexible, and low-investment business model in the modern digital era. It provides a valuable opportunity for individuals, especially students and small entrepreneurs, to earn income and gain practical business experience without the need for large capital. The study highlights that the growth of digital platforms and social media has played a significant role in the expansion of reselling activities, making it easier to start and manage the business. Although the reselling business offers several advantages such as flexibility, ease of operation, and low risk, it also faces challenges like high competition, supplier dependency, and the need to build customer trust. By adopting effective marketing strategies, selecting the right products, and maintaining good customer relationships, resellers can overcome these challenges and achieve success. Overall, the reselling business has strong potential for future growth and serves as a stepping stone for individuals who aspire to become successful entrepreneurs.

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