How to Buy from Alibaba: the Official Guide 2020 – Alibaba Blog

https://seller.alibaba.com/businessblogs/px65f6s8-how-to-buy-and-source-from-

alibaba#:~:text=Alibaba.com%20is%20an%20online,millions%20and%20 millions%20of%20businesses.

Alibaba.com is a major player in the B2B eCommerce space. Buyers and suppliers around the world have used this platform to expand and scale their businesses.

What makes Alibaba.com so powerful is its offering of a wide range of features, tools, and services that are designed to streamline the B2B sourcing experience.

In this post, we will discuss everything you need to know about buying and sourcing from Alibaba.com. We will start by reviewing what Alibaba.com is and how it compares to AliExpress and Amazon. From there, we will discuss who uses Alibaba.com and why they choose this platform over other B2B marketplaces.

We will cover in detail how to buy from Alibaba.com, how to practice safe buying, and tips to get the most out of your sourcing experience.

Table of Contents

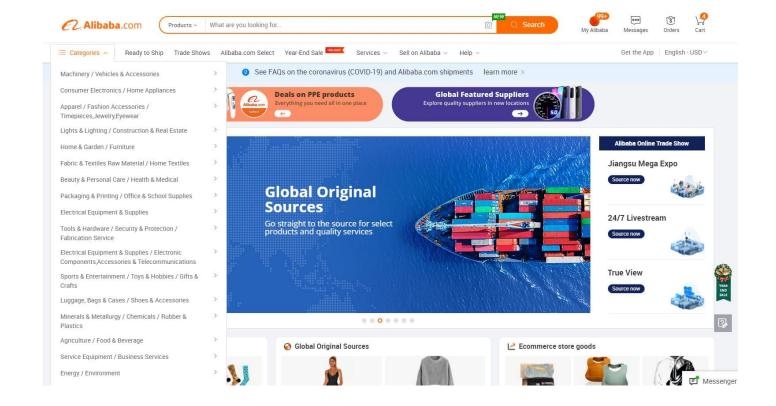
- What is Alibaba.com?
- Who uses Alibaba?
- Why buy from Alibaba
- How to buy from Alibaba in 6 steps
- 6 Tips for buyers on Alibaba
- Buying and selling on Alibaba

What is Alibaba.com?

Alibaba.com is an online B2B marketplace where buyers and sellers from around the world can connect and carry out transactions. It is a secure, trusted platform that is used by millions and millions of businesses.

Alibaba.com is part of the Alibaba Group and was founded by Jack Ma in 1999. This company is based in China but serves business in 190+ countries and regions and 40+ industries with over 5,900 different categories of product offerings.

The platform is equipped with many tools and features that are designed to streamline B2B buying and selling.



Alibaba vs. AliExpress

AliExpress is another eCommerce platform in the Alibaba Group, but unlike Alibaba.com, this market place is geared towards B2C transactions.

Since it is a B2C platform, AliExpress sellers list their products to sell to consumers. Products are priced at retail prices rather than wholesale prices. Even though its prices are relatively higher than Alibaba.com, AliExpress is known for its cheap items.

Read more: Alibaba.com vs AliExpress: what are the differences?

Alibaba vs. Amazon

Amazon is an American B2C eCommerce platform. The primary difference between Alibaba.com and Amazon is who the buyers are. Suppers on Alibaba.com are selling to businesses, whereas suppliers on Amazon are selling to consumers.

Amazon is very similar to AliExpress in the sense that they are both B2C marketplaces. Both platforms allow independent retailers to list their products. Amazon also has several brands of products of their own, such as Amazon Basics, Solimo, and Revly.

Amazon's products are generally priced a little higher, making it more on par with an online general store than a discount store.

Additionally, Amazon uses a subscription model where users can pay an annual fee for "Amazon Prime," which grants them free 2-day shipping on all "Prime" items. The subscription also gives users access to additional perks, like a library of music, TV shows, and movies.

Who uses Alibaba?

As we mentioned, Alibaba.com is a B2B platform. This means that most, if not all, of the buyers and sellers on Alibaba.com are businesses.

The typical suppliers are businesses that sell raw materials or manufactured goods. The typical buyers are

retailers, wholesalers, sourcing agents, and manufacturers who source products for resell or private label for their own businesses. Sometimes, manufacturers buy raw materials on Alibaba.com and also use Aliabab.com to sell their completed products.

The botton ine is that buyers come to Alibaba.com to purchase goods or materials both cheaply and in bulk that they will ultimately resell for a profit.



Why buy from Alibaba?

There are several reasons why buyers use Alibaba.com. Let's take a look at a few of the most common reasons why users choose Alibaba.com over other B2B eCommerce marketplace.

The platform is trustworthy

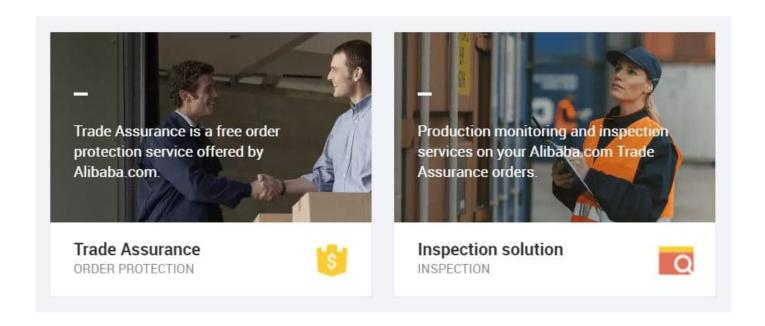
The main reason is that it is generally a trusted platform. People can be skeptical to spend money online, especially when it is the tune of thousands or tens of thousands of dollars.

Several factors make Alibaba.com trustworthy. The first is the secure payment portal. Transactions are backed by a number of guarantees on Alibaba.com, but having access to a secure payment portal is attractive to buyers and sellers alike. This way, buyers don't have to worry about their credit card numbers and other sensitive information being compromised.

Additionally, Alibaba.com offers a program called Trade Assurance, which ensures that buyers receive their shipments on time. It also guarantees that the quality of the products matches what was promised by the seller. Alibaba.com also offers Product Inspection Services, which is another measure that is used to ensure quality.

Buyers can shop on Alibaba.com with confidence that they will get what they pay for every time, and if they

don't, they can count on Alibaba.com to go to bat for them until the dispute is resolved.



It's easy to use



The Alibaba.com platform is very easy to navigate, and the buying process is much more straightforward than it is when you place an order on a paper form or over the phone.

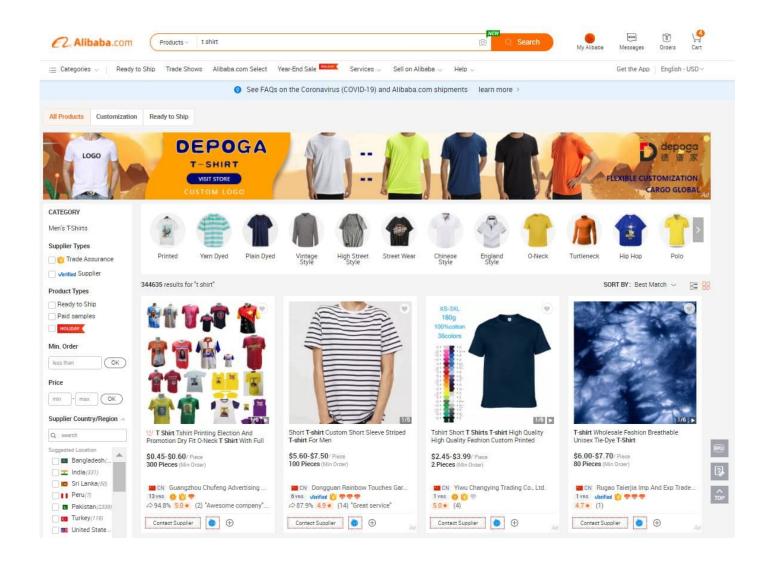
Buyers can choose to order ready to ship products, which is as simple as adding tems to a cart, entering your payment information and placing your order.

Alternatively, you can ressage sellers directly to negotiate prices or customize your products. Obviously, there are a few more steps involved here, but it is still very straightforward.

Millions of products to choose from

Alibaba.com has millions of sellers, which means there are also millions of products to choose from. This wide variety of products to choose from gives buyers the flexibil to choose the seller and items that best suit them.

For example, if you search "t shirt" you will get nearly 180,000 results for that item alone. You can filter your results based on several different criteria.

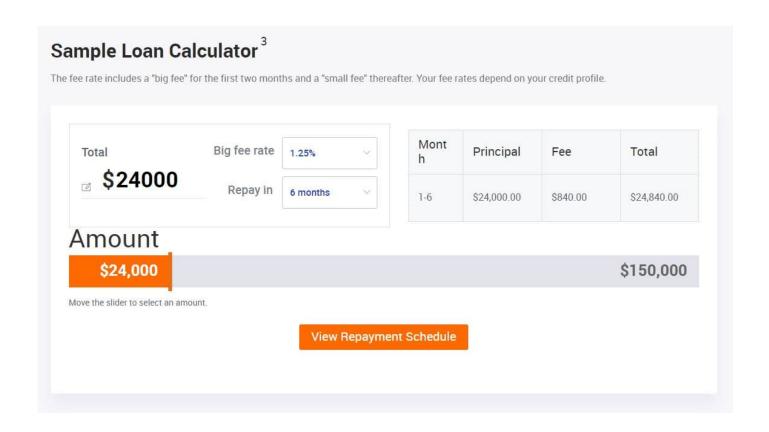


Pay Later options

Sometimes, startups need a little assistant to get going. Alibaba.com has Pay Later options so that buyers can purchase inventory to gothe ball rolling even if they don't have the budget.

This helps retailers avoid calling on the help of investors or other financing options which can get a bit more complicated.

Pay Later is backed by Kabbage Funding and offers lines of credit from \$500 to \$150k with 6-month financing. Interest rates start at 3.5%.



Tools for global sourcing

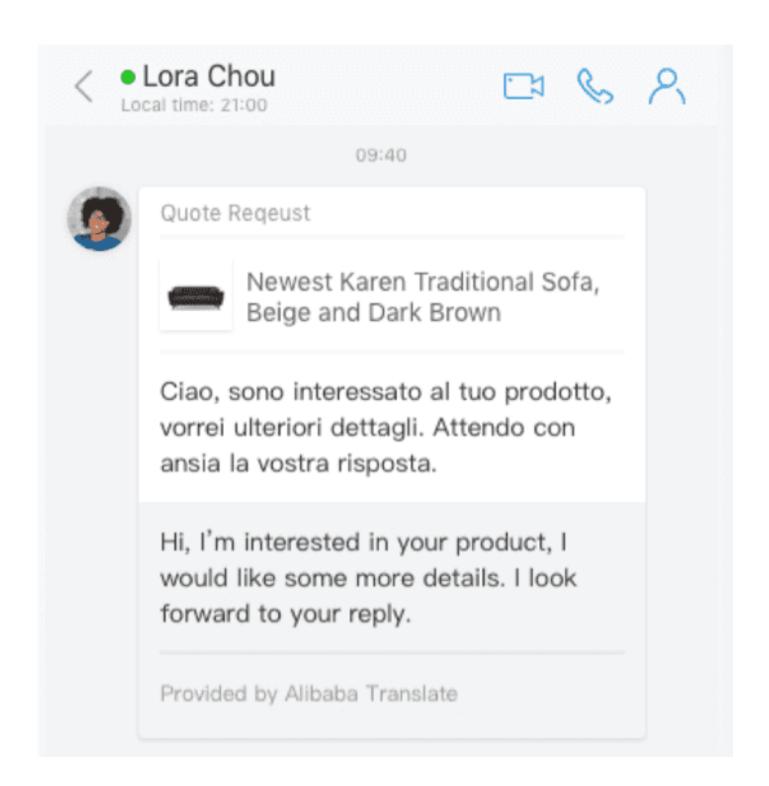
The very nature of Alibaba.copis useful for businesses who are ready to go glob<mark>al, a</mark>nd the platform has special

tools for buyers and sellers who want to do business across borders.

The most valuable tool for global expansion is the automatic translation of storefronts and private messages. The platform currently supports 16 languages, which helps knock out the issue of language barriers.

This means that you could send a message to a seller in Italy and your message will automatically be translated to Italian. When they message you back, the text will automatically be translated to your prefored language, whether it be English, Mandarin, Italian, French, etc.

Currency conversions work the same way. You can see listings in your preferred currency, so you don't have to manually calculate the conversions.



How to buy from Alibaba in 6 steps

Buying on Alibaba.com is a little different than buying from an online B2C store, like Amazon or AliExpress. The process is designed to be both efficient and customizable. Buying on Alibaba.com is very straightforward and streamlined, but some steps have alternative approaches that give users a little leeway to shape their buying experiences.

Let's take a look at the 6 steps for buying from Alibaba.com.

1. Create an account

First up, is creating a free Alibaba.com account. You'll be prompted to add some information which usually includes:

- Country/region
- Trade role
- · Full name
- Email address
- · Company name
- Telephone number

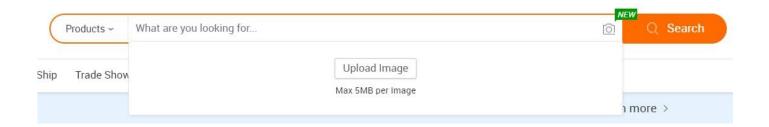
At this stage, you'll also be prompted to create a password.

As for the trade role, you will either select "Buyer" or "Both." Only select "Both" if you plan on buying and selling on Alibaba.com.

2. Search and find products

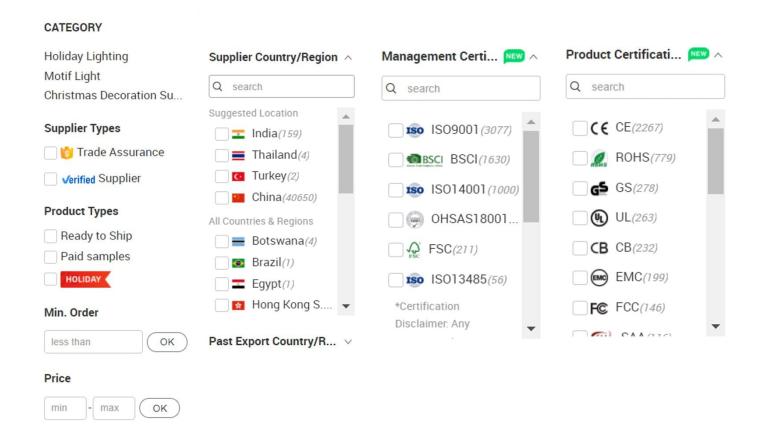
Next, it is time to search for products. There are two ways that buyers can find items to order on Alibaba.com: search and browse the general marketplace or post a Request for Quotation (RFQ).

Browsing the marketplace is easy because it works just like any other search engine. You input a search inquiry and browse the results. You can also "Upload Image" to more effectively perform searches with product images that you are looking for.

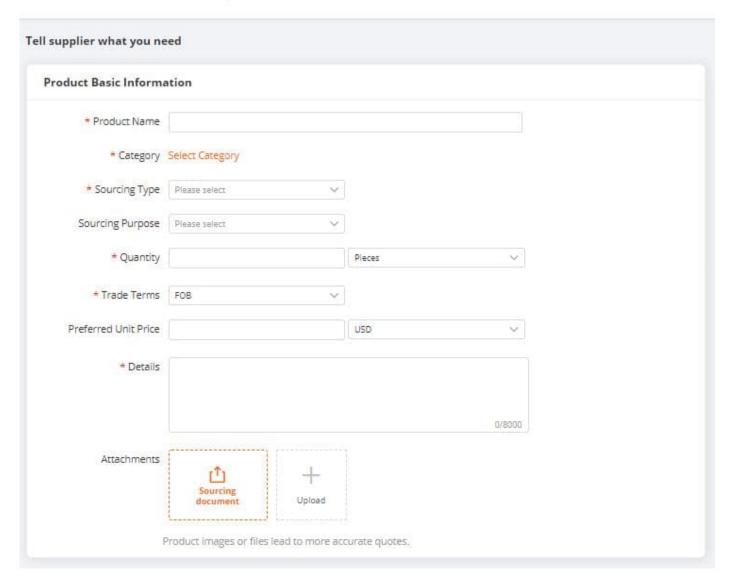


Results can be filtered and sorted by a variety of different criteria, including:

- Supplier type
- Product type
- Minimum order quantity (MQO)
- Supplier country/region
- Certifications
- Features



This helps buyers narrow down products to meet their needs. If you cannot find the perfect product with the right buying conditions, you can post a Request for Quotation in the RFQ market and suppliers can actually reach out to you if they can fulfill your desired order.



Either way, it's easy to find the best products for your business on Alibaba.com.

3. Compare sellers

There are millions of sellers on Alibaba.com, but some sellers have certain qualifications or certifications that set them apart from the rest. These three main identifiers are "Gold supplier," "Verified supplier" and "Trade Assurance supplier."

- Gold suppliers are paid members on the Alibaba.com platform that have been verified as businesses with industrial or commercial capabilities.
- Verified suppliers are businesses whose company profile, management system, production capabilities, and process controls havebeen assessed, certified, and/or inspected by third party institutions.
- Trade Assurance suppliers are suppliers that accept payments directly through Alibaba.com's payment portal, enabling Alibaba.com order protection.



Gold Supplier





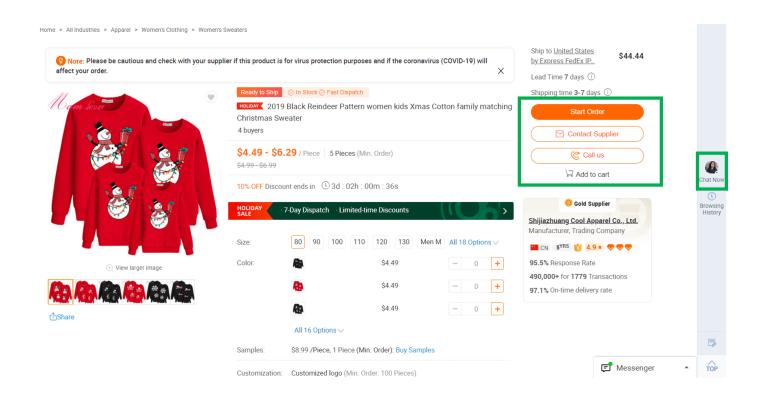
Trade Assurance Supplier

It is a good idea to take a look at each supplier's verified reviews to see what sort of experiences past clients have had with them. If you have any questions for the suppliers about their operations or other information that you

cannot find on heir profile, you can message them privately to ask.

4. Negotiate deals or buy right away

Once you choose a supplier and a product, you can either negotiate the deal or buy right away. In order to buy right away he product must be labeled as "Ready to Ship" and shows a "Start Order" button on the product detail page.



Again, to do this, you will message the seller privately. Professionally address them and clearly state what you

have to propose. There may be some back and forth, but with the right approach, you should be able to work out a deal that makes sense for all parties involved.

5. Place your order

Once you've worked out the details of our deal, it is time to place an order. Although you can take the transaction off of Alibaba.com, we suggest not doing so. Once the transaction leaves our platform, it is no longer eligible for Trade Assurance, which protects both the buyer and the seller.

If you place the order on Alibaba.com, you will keep **communicatio** on the platform and you'll pay through our secure payment portal. The accepted payment methods include:

- Credit cards
- Debit cards
- Online bank payment (eChecking)
- Wire transfer (T/T)
- Western Union

Alternatively, you can use "Toy Later," which gives buyers 6 months to pay for their order with a 3.5% minimum interest rate.

6. Receive your goods

The final step of the buying process is to receive your goods. When it comes to cross-border shipping and logistics, buyers can use Alibaba.com Freight for a reliable and transparent experience. It provides ocean freight, air freight, and air express thir parcels from mainly China to worldwide.

If you pay through Alibaba.com, our Trade Assurance program will see this process through. Shipping times vary by seller, so this will be worked out on a case-by-case basis.

Once you receive your order, you can leave your seller a review and decide whether or not you'll use them to source your products again in the future.

6 Tips for buyers on Alibaba

We've mentioned that Alibaba.com is full of useful features and resources. However, all of these are much more useful when you know how to use them to your advantage.

Here are a few tips that will help you optimize your buying experience on Alibaba.com.

1. Complete your profile

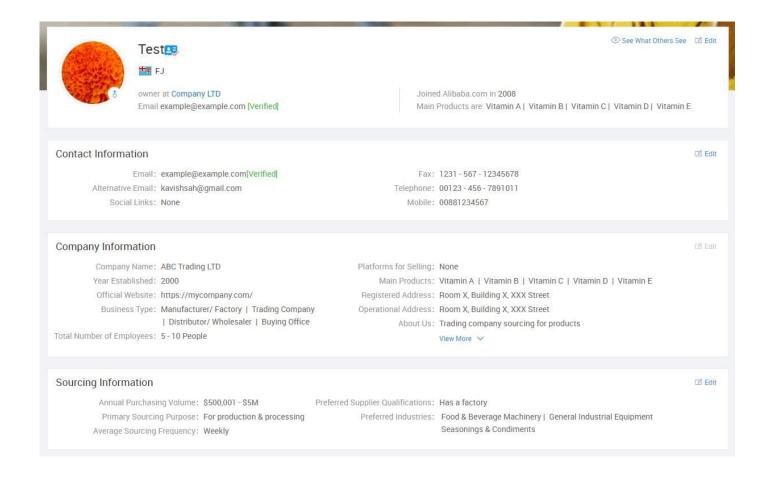
Sellers do not have to accept every order or even entertain every offer. They want to know that they are

working with a legitimate and serious buyer who will hold up their side of the deal.

In order to show suppliers that you're representing a real business and you're not trying to scam anybody, we suggest adding as much information to your profile as possible.

Add a profile picture and all of the appropriate contact information. Use a professional email address for your business rather than a free generic address like Gmail. Fill in as much as you can about your business, when it was founded, how many employees you have, and any figures you have related to sourcing.

The more accurate information you provide, the better your profile appears to suppliers. To edit your profile, you simply log into your Alibaba.com account and go to My Alibaba workbench and click on "My profile".



2. Search more efficiently

The marketplace on Alibaba.com is a search engine, so how you frame your search inquiries will determine what sort of results you're shown.

Let's go back to the example of t-shirts. If you're looking for a specific color and style, specific those in your search inquiry. A search for "t shirt" will yield different results than "gray men's t shirt."

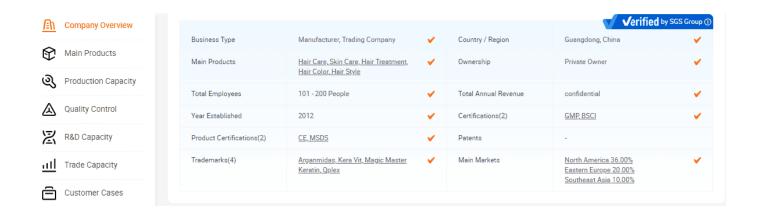
As you explore the options, you may want to use some more specific search inquiries and some that are less specific, and also try image search. Some sellers do not totally optimize their listings, so your results will vary.

Another way to narrow down your search results is with the filters along the left-hand side of the page. This lets you narrow down your options by criteria specific to the seller, the product, or both.

3. Assess sellers

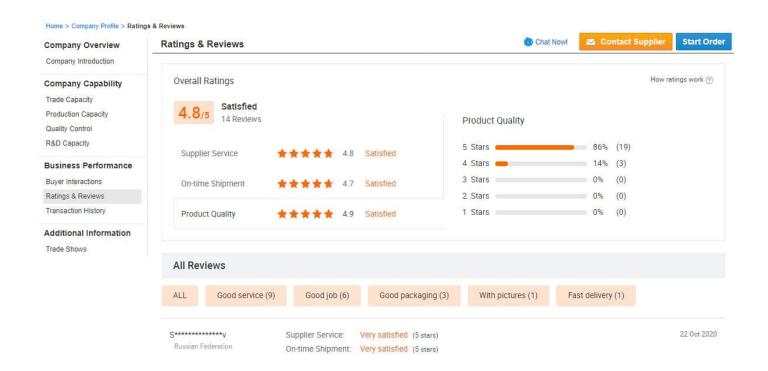
One of the most important parts of sourcing on Alibaba.com is knowing who you're buying from. You want to make sure that they are reliable and trustworthy.

Checking for the Gold Supplier, Verified Supplier, and Trade Assurance Supplier qualifications is a good place to start. From there, check out the supplier's profile on a supplier's storefront. Their profile lets you know what type of company it is, where they sell to primarily, whether they offer OEM or ODM services, whether dropshipping is provided, how long they've been selling, their total annual revenue and accepted currencies.



Many profiles also feature user reviews. Reviews are one of the most important aspects on a supplier's profile

because it shows you past transactions have gone and whether or not past users have had positive experiences with them.



Have conversations with sellers to learn more about their products and their production processes. Ask as many questions as you need to feel comfortable with buying from them.

4. Write effective inquiries

Now you've collected a shortlist of supplier that you want to reach out to negotiate a deal or a customization needs. It is important for you to write effective, clear, and detailed inquiries to make sure you get what you need.

We recommend including the following information about what you want to source:

- Product description and specifications
- Packaging
- Quantity
- · Photos if any
- Other critical points like safety, branding, etc.

The more information you include, the more likely you are to attract a seller that can meet your needs.

Also, ask the right questions to help you determine if the supplier is a good fit for you:

- Price per order volume
- Certifications such as FDA, CE/Europe, or China Standards
- Availability
- Ship origin
- Shipping terms and cost

5. Negotiate with confidence

As we mentioned, you can negotiate with sellers. In order to be successful in negotiations and work out a deal that works with your business's needs, you must go m with professionalism, confidence, and resonable asks.

If units are listed at \$10 apiece, don't go in with an offer of \$2, or the seller will dismiss you as a non prious buyer.

An offer of \$7 or \$8 may be more reasonable, especially if you're ordering 1000 units.

Keep in mind that a seller may not accept your first offer, so there may be a bit of back and forth. At the end of the day, you need to make sure that the price you sett on makes sense for your business.

6. Order samples

Many suppliers have minimum order quantities (MOQs) set in place so that buyers don't try to take advantage of wholesale rates on small quantity orders.

However, suppliers understand that you may want to see the product for yourself before you buy thousands of units. Ask sellers about samples. Oftentimes, they will sell you a sample of the product you want to buy at the retail price.

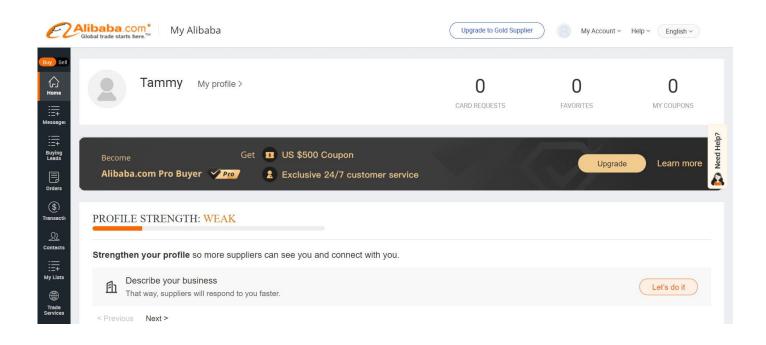
It is especially important to order samples if the supplier is doing any customizations or private labeling on your products, like adding your logo or other special designs.

Having the physical product in hand can help you determine if it is the right option for your business and whether or not you want to invest in a wholesale quantity of units.

Buying and selling on Alibaba

Many Alibaba.com users are both buyers and sellers. It is common for sellers to buy raw materials from other sellers in order to produce their goods. By start selling on Alibaba.com and becoming a Gold Supplier, you can easily tap into the existing buyer demand on this e-marketplace and grow your business and sales in a cost-effective way.

Using Alibaba.com for both buying and selling is both easy and helpful, as a buyer, since it keeps these major business operations in one place your My Alibaba workbench.



Case Study: MGS Accessories – sourcing, selling, and everything in between on Alibaba.com

Rashee Gupta used Alibaba.com to find trustworthy manufacturers and source materials for her product line:

MGS Accessories vegan and cruelty-free makeup line based in San Francisco, California.

After the initial success with her brand, family tragolies in 2019 made Rashee want to step away from the business. She knew she had more to offer and decided to push through. Rashee started selling on Alibaba.com as a last resort.

Since January 2020, Rashee's busines urned around. There has been a major focus on eye makeup due to mask-wearing during the COVID-19 pandemic, and Rashee has seen a surge in eye shadow, false eyelashes, and eyeliner sales and has been getting more than 100 inquiries every week. Alibaba.com now accounts for 50% of Rashee's sales and the majority of her supplies.

Stoting off as a buyer on Alibaba.com helped Rashee become a better seller — she knew how to win her customers' trust and could anticipate all of their questions. Selling on Alibaba.com helped expand MGS Accessories' wholesale and private label business both internationally and domestically.

"MGS Accessories was in the red before we joined Alibaba.com. Sales were very slow. Now, we have the opposite problem. We're so busy we can't keep up!"



Find out more about Rashee's inspiring story here.

Final thoughts

Buying on Alibaba.com is fairly simple when all is said and done. As long as you keep your communications and transaction on the platform, there is no risk involved thanks to our Trade Assurance program.

If you are ready to sign up as a buyer, seller, or both, you can create a free Alibaba.com account today.

With Alibaba.com, buying and selling across borders has never been easier.

Learn more about why Alibaba.com is built for

businesses that are interested in global sourcing, global selling, and both.