

GETTING STARTED

China Sourcing 101 — Everything a First-Time Importer Needs to Know

No jargon, no fluff. A plain-English guide to understanding
the sourcing landscape before you spend a dollar.

You Don't Need to Be an Expert to Start

If you've ever typed "how to import from China" into Google, you've probably been buried in articles about incoterms, letters of credit, and 20-step factory audits. It's overwhelming — and most of it is written for people who already know the basics.

This guide is different. It's written for someone at the very beginning: you have a product idea, you know China probably makes it cheaper, and you want to understand the landscape without wading through trade journals. By the time you finish reading, you'll know exactly what the next 5 guides cover — and which ones matter for your situation.

Why Source from China in the First Place?

The simple answer: China is still where most consumer goods get made, and that's not changing overnight. But the real question is whether *your* product belongs there:

China Excels At	Consider Other Markets For
Electronics & accessories	Very large / heavy items (shipping kills margins)
Textiles, apparel, bags	Highly regulated goods (medical devices, food)
Plastic & metal products	Ultra-fast turnaround (< 2 weeks — try local)
Custom packaging & print	Products with very small MOQ (< 50 units)
Home & kitchen goods	IP-sensitive designs without patent protection
Toys, gifts, promotional items	Labor-intensive handmade goods (try Vietnam, India)

Three Numbers That Matter

- **30–70% cost savings** vs. domestic manufacturing for most consumer goods — but the range depends entirely on your product category.
- **15–45 days typical production lead time** — plan your inventory around this.
- **20–45 days shipping** by sea (the default for most orders). Air freight cuts this to 5–10 days but costs 3–8× more.

Key Insight

The biggest cost mistake beginners make isn't the unit price — it's ignoring total landed cost. A \$3 product can easily become \$8 after freight, duties, inspection, and local delivery. Our ROI guide (Guide 05) breaks this down with real numbers.

Decode the Lingo: Terms You'll See Everywhere

Chinese suppliers and sourcing agents use a handful of terms on every quote. If you don't understand these, you can't compare offers:

Term	What It Means	Who Pays What
FOB (Free on Board)	Supplier gets goods to a Chinese port. You handle everything after.	You pay freight + insurance + customs
CIF (Cost, Insurance, Freight)	Supplier arranges shipping to your destination port. You handle customs.	Supplier pays freight (built into price)
DDP (Delivered Duty Paid)	All-inclusive to your door. Taxes, duties, everything included.	Supplier handles everything — most expensive, least hassle
MOQ (Minimum Order Quantity)	The smallest number of units a factory will produce per order.	Often negotiable — especially for first orders
OEM (Original Equipment Manufacturer)	Factory makes <i>your</i> design with <i>your</i> brand. You own the IP.	Requires specs, often higher MOQ
ODM (Original Design Manufacturer)	Factory sells you their existing design, rebranded with your logo.	Faster, cheaper — but you don't own the design
QC (Quality Control)	Inspection of goods before shipping. Can be in-line or pre-shipment.	~\$200–400 per inspection. Worth every cent.
EXW (Ex Works)	You pick up goods at the factory gate. Everything else is on you.	Cheapest unit price — highest logistics burden

Rule of Thumb

If you're ordering under \$5,000, ask for DDP. The convenience is worth the premium. Over \$20,000, FOB + your own freight forwarder almost always saves money. Guide 03 walks through the math.

The Sourcing Workflow: From Idea to Your Warehouse

Every import order follows the same 8-step path:

1

Define Your Product Specs

Materials, dimensions, colors, packaging, certifications needed. The more specific, the more accurate your quotes.

2

Find Suppliers

Alibaba, Global Sources, trade shows (Canton Fair), or a sourcing agent. Guide 01 covers how to pick an agent.

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3 Request Quotes (RFQ)

Send the same spec sheet to 3–5 suppliers. Compare response quality, not just price.

4 Order Samples

Never skip this step. A sample costs \$50–200 and reveals more about quality than 50 emails.

5 Negotiate & Place Order

Agree on price, MOQ, payment terms, timeline, and QC checkpoints. Get everything in writing.

6 Quality Control Inspection

Hire a third-party inspector or use your agent's QC. Fixing problems at the factory is 10× cheaper.

7 Arrange Shipping

Sea freight (cheap, slow), air freight (fast, expensive), or rail. Freight forwarder handles docs and customs.

8 Receive & Inspect

Check a random sample on arrival. Document issues immediately. A good supplier relationship means they'll fix problems.

5 Mistakes First-Time Importers Make

1. **Chasing the lowest price.** The cheapest quote usually hides something — thinner materials, skipped QC, or bait-and-switch.
2. **Skipping the sample step.** "The photos look fine" is not a quality check. Order samples from every serious candidate.
3. **Paying 100% upfront.** Standard terms are 30% deposit, 70% before shipment. If a supplier demands full payment upfront, walk away.
4. **Ignoring landed cost.** Freight, customs duties, inspection, warehousing, and delivery add 25–70% to the factory price.
5. **Treating China as a monolith.** Not all regions make the same products. Guangdong = electronics. Zhejiang = textiles. Fujian = stone & ceramics.

Which Guide Should You Read Next?

01

Finding an Agent

If you want someone to handle sourcing for you

02

Vetting Factories

If you already have supplier candidates

03

Cost Breakdown

If you're comparing agent vs. direct costs

04

2026 Trends

If you want to understand the market direction

05

ROI Calculator

If you need hard numbers to justify the investment

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Recommended Reading Order

Start here (Guide 00) → Guide 01 (find help or go alone?) → Guide 02 (vet suppliers) → Guide 03 (understand costs) → Guide 05 (do the math) → Guide 04 (see the bigger picture).

Ready to Place Your First Order?

Download all 5 guides in our Sourcing Basics toolkit — free, no catch. Each one is 5–7 pages of actionable checklists, real numbers, and zero filler.