



# Finest Bazaar

CASE STUDY



# Summary



## Challenge

Funding larger stock purchases to accelerate growth



## Results

- ❖ £2.5 million annual turnover is just the tip of the iceberg
- ❖ PayPal Working Capital helps accelerate business growth
- ❖ Business now employs 5 staff with more planned soon



## Organisation

A fast-growing eBay business selling mobile phone accessories in the UK and internationally



## Solution

PayPal Working Capital enables Finest Bazaar to place larger orders with suppliers and to negotiate better prices

# Success comes faster for Finest Bazaar

Haider Ali has a drive to succeed. When he first launched Finest Bazaar he sold mobile phone accessories that he could buy easily from local warehouses, simply to build feedback and a transaction history on eBay.

“Because I didn’t have enough capital, I was going to the warehouse every single day,” he explains. “I had a full-time job to pay for everything, I had Finest Bazaar going on the side and, in my spare time, I was studying for an NVQ in plumbing because I wanted a back-up plan.”

After 6 months, Haider had established a good reputation and a history of positive feedback on eBay. He had also saved £1,000 to make his first direct purchase from China. As he says: “I just kept turning the money over and over and over.”

The business grew steadily as Haider juggled the many demands on his time. “I was grilling chicken at Nando’s. They said the only shift they could give me was the evening shift, but that suited me perfectly. I was too busy during the day but the Post Office closes at 5, so I couldn’t do anything after that.”





A year later: “It had got to the point where being away from *Finest Bazaar* was costing me money.” Haider gave up the full-time job to concentrate on his growing business.

“I moved my office from the small bedroom to the big bedroom and I filled the garage with stock,” he explains. “But, within 2 or 3 months I had filled the hall, the kitchen and the living room as well. I was sleeping under stock. Visitors would come to the door and I couldn’t let them in because there was just no room.”

*Finest Bazaar* moved to a warehouse unit close to the local Royal Mail depot – ideal for Haider’s strategy. “I want us to be the best at whatever we do,” he says. “We offer free delivery (even internationally), the best warranty, the best prices and fastest delivery.”

Being close to the Post Office means that *Finest Bazaar* is shipping orders the same day, right up to the last possible minute. Haider knew that to offer good quality products at the best price, and to continue growing the business, he needed to order greater quantities of stock. As he explains: “The more stock we have, the more we’ll sell. And, if we want to make more money, we have to hold more stock. Once you have your business framework right, it’s just about getting the capital; money makes money.”

However, Haider didn’t have enough capital to place larger orders or to command better discounts. He had previously approached his bank for a loan. “I asked for £20,000, but the bank said ‘You’re relatively new. You’re a baby company. We’re not convinced you can do what you say,’” Haider explains. He looked at other funding sources, too, but: “A lot of them want security, but I’m only 24 and I don’t own a house.” Haider had resigned himself to slower growth.

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# The solution

When Finest Bazaar launched on eBay in 2014, PayPal provided payment processing to the business from the beginning.

As a PayPal customer, Haider first learned about PayPal Working Capital from a banner ad when he logged into his account. "I just clicked it out of curiosity," he says. "I thought I'd click a few buttons, answer a few questions and maybe someone would call me back in a week. But the process is so quick and easy. In just a few minutes, I had £30,000 in my account. I was so, so surprised!"

PayPal Working Capital provides sellers with an advance against future PayPal payments. Repayments are taken automatically as an agreed percentage of each PayPal sale.



## The results

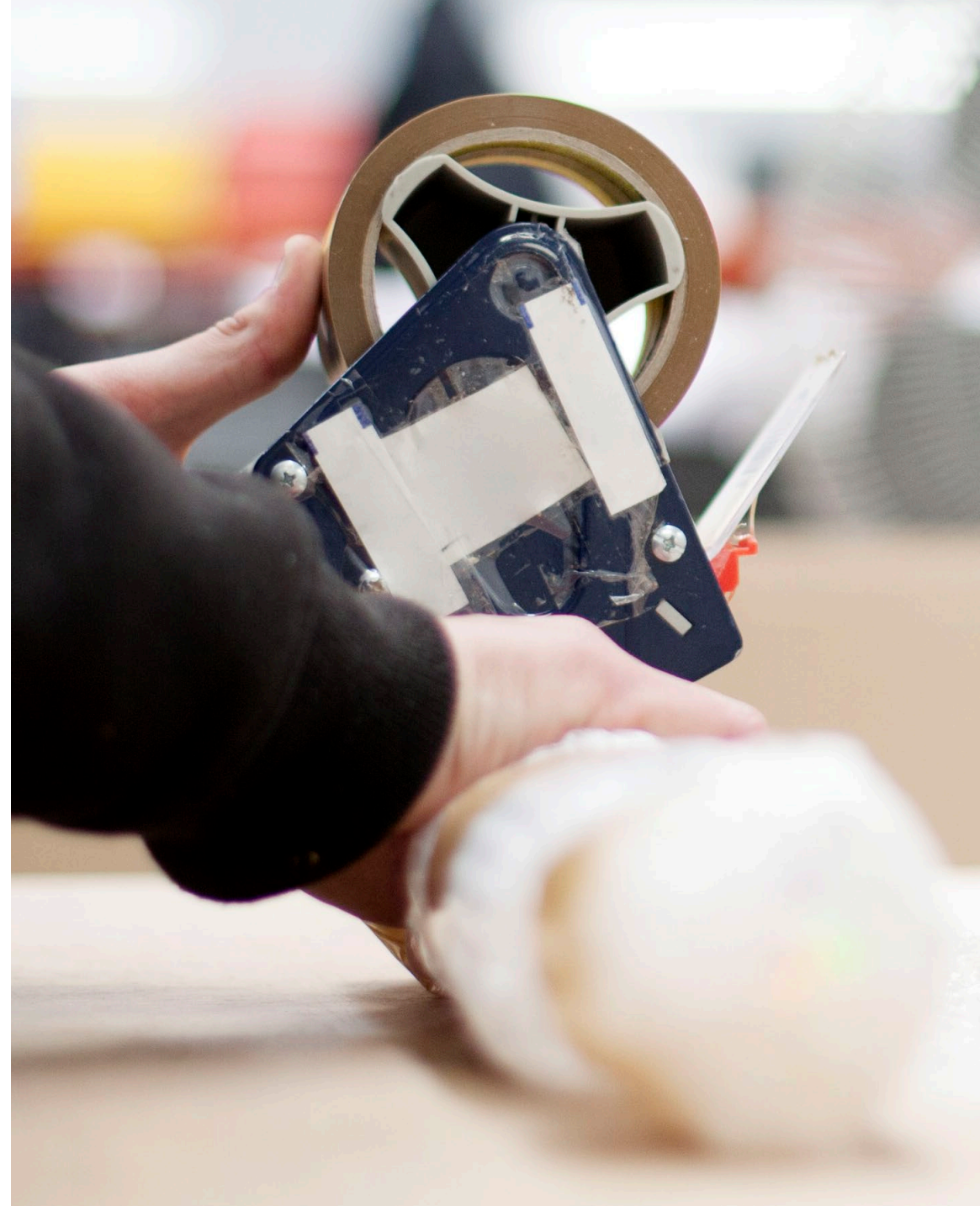
“With £30,000 of additional stock, our turnover started to grow faster. The advance was repaid in 45 days,” says Haider.

“And, as soon as it was paid off, I applied again because what that money did for us at that time was absolutely amazing.”

Finest Bazaar has used PayPal Working Capital 6 times since that initial advance. As the business has grown, Haider has been able to call on larger advances, each time to fund larger orders and to negotiate better pricing. The largest so far has been for £60,000.

“PayPal Working Capital has worked a treat for us,” Haider says. “I could never have imagined the business would grow this quickly. When we first moved into the warehouse, I thought we would be alright for about 2 years. Obviously, I didn't know we were going to have access to the sort of capital that PayPal makes available to businesses.”

Today, Finest Bazaar has an annual turnover of £2.5 million, split 60/40 between UK and international sales. The firm employs 5 staff with another 2 planned for the next couple of months. It has just moved from its first warehouse to a neighbouring unit which is 5 times larger.





The business now uses Linnworks software in place of spreadsheets to manage its inventory and it has registered its presence on all the main social networks. “With the turnover we have, we’re just touching the tip of the iceberg,” Haider says. There is more growth to come.

“We haven’t maximised eBay, yet,” he explains. “We’ve only localised about 5 per cent of our listings for international markets. That’s the first job. Then we want to grow our other sales channels. Once you have the stock, you may as well open it to as many customers as possible – providing you don’t drop your standards.”

Haider is also working on building Finest Bazaar’s own identity. A website is on the cards and the firm will soon be selling its own branded goods.

“I always knew I was onto a winner,” Haider says, “but PayPal Working Capital has made it achievable far more quickly. Without it, we wouldn’t be where we are today. PayPal Working Capital has helped accelerate our success.”

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