

A Guide to Ecommerce on Amazon

How It Works

Choosing the market:

You start your foray into Amazon ecommerce by selecting who it is you're going to serve. Make sure it's a market you're knowledgable in, that you're passionate about. You want a space in which you can show authority.

Choosing the product:

Then ask, is there something you know the market really wants or needs? Or is there something they require in their lifestyle journey that you can improve and sell as a similar, better item?

Consider the following:

Do the math.

After buying and importing the product, paying Amazon for storage, and shipping the item, will you be profitable? Work out the costs and a reasonable price point.

Are people searching for it?

One thing to consider when choosing a product is whether people are searching for it or for something very similar. In cases where the product, or a similar product, is in demand, there's the chance to hijack traffic. This does not mean you should give up on more unique items, though. You may just need to invest more in the brand or in building knowledge about it, in a way that you still come up profitable. (One cheap way of creating awareness is Facebook video view ads.)

Size and storage:

Consider the weight of a prospective product and how big it is in its packaging. Amazon fees for storage and shipping will depend on these factors and will affect your math.

Is it demonstrable?

Can you demonstrate the product in a visual story video on Instagram, Facebook or YouTube? Done right, a visual story video can take your product from unknown to must-have in the space of a minute. A useful formula for such videos is:

Problem - What is the problem?

Aggravate - Make them (really) feel it.

Solution - There is an answer!

Prove - "We've helped X people with this."

Call to action - "Get yours today."

Sourcing the product:

You can buy products from a manufacturer, or you can manufacture products yourself by working with a local who creates them, giving you maximum control over the quality. You might, for example, find manufacturers on sites such as Alibaba.com who produce something similar to what you want and ask if they can tweak it to your specifications and send you a sample. The process from sampling to approval might take a couple of weeks.



Note: Sometimes a product needs to meet certain safety standards, about which you can consult a lawyer. If there is a safety standard, you can get your product(s) tested and obtain a certificate if it passes / they pass.

Branding:

Of course, you'll need to have your own brand - a brand name, trademark, logo, etc., and ask to have the product white labeled. This means you can place your sticker on it and build your brand so that it is searchable on Google or Amazon.

You'll also need package design, perhaps insert design, and get a barcode to identify your product uniquely.

Putting it on Amazon:

- 1. When your product's ready, you create a listing in Seller Central in Amazon. This will include a headline, images, perhaps a video, descriptions, bullets and the like.
- 2. You will then tell Amazon that you want to bring in products. You will need to specify the number of pieces, their size, weight, etc. This will be put into an inbound order.
- 3. Amazon will give you stickers, which you will pass on to a freight forwarder that will bring your items in from wherever you've sourced them. They may get them through customs and so forth, till they reach Amazon.
- 4. Once received by Amazon, the items will be checked aganst your order and marked as available, from which then you can go through the process of getting people to your product. This can be done through channels like email, a Facebook Fan page, or ads on Facebook or Amazon.

The three-pronged approach to ecommerce longevity:

Future-proofing your ecom business can be approached like a three-legged stool.

One leg is a media property, an authority site, perhaps a big authority blog. Via that site, you provide valuable content, attract traffic, and build an email list. This is what you would consider a long-term asset.

The second leg, once you've got your physical products, is an ecommerce store, which might be built on Shopify or some such platform. There you sell your physical products and at the same time build a list, to which you can sell more of your products. This is your medium to long-term asset.

The third leg is Amazon.com, where you can sell your products, but Amazon keeps the customer and their info. There's no guarantee you'll be able to resell to people, but what you're after mainly is the cash flow. This can be termed your short-term asset.

With the lists built by your authority site and your ecommerce store, you can seed people from one "prong" to the other, or from one list to the other. Other assets you might use to send people to your ecommerce store or to Amazon include ManyChat and Facebook fan pages. With the authority site, however, you have the security of owning the property and being in complete control of your content.



Some key tips:

Work on your brand.

The physical product market is very commoditized, so to stand out you need to communicate through your branding, building a brand that people know, like and trust, finding a way to create value and a differentiator.

Be human.

When describing your physical products on Amazon, a good practice is to say what you love about it, i.e., its durability, its lightness, whatever. This adds a human touch and emotion that differentiates you from the competition, especially if there are several of you selling the same item.

Play the long game.

Take a long-term approach to your marketing. Seek to build a human relationship with your customer that will last over time.

Be (slightly) paranoid.

Avoid complacency about your ecommerce business. Think always of the future, how you can adapt, how you can improve, how you can outlive possible downturns in the industry. This will take you beyond the competition who only think of the present moment.

Keep moving forward.

The upfront effort and possible setbacks of running an ecom business can be daunting, and a reason many people quit. However, if you address problems head-on and keep getting up, the rewards can be amazing.

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