The Beginners Guide to Selling on Amazon

How we went from Zero to $1.2 Million in 12 Months.

John Barnes
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Introduction

Welcome to the Beginners Guide to Selling on Amazon!


By the end of June we had our first $100,000 month and by the end of January 2016 we had done $1,256,070.56 in sales.

Please note if this was audio, I would pause right now to let you take that number in.

Over $1.2 million in a little under 12 months with 95% of that coming from just 1 product selling for $14.95. (We dabbled with a couple of other products through the year)

Not bad for an initial investment of only $1300.

We’re not the only ones.

Some good friends of ours who are currently traveling around Thailand & Vietnam also started early 2015 and were able to pack up 4 jobs last year and create the lifestyle they dreamed about.
From 4 jobs, one by one down to no jobs. Nice!

Some more friends of ours who we worked with on this business last Summer are now in the Cayman Islands swimming with turtles and generally having an amazing time!
And there are lots and lots more fantastic success stories like these all over the web.

So is this a push button system, get rich quick, make money online?

**Absolutely 100% not.**

This is a business and deserves the respect starting any business should have.

This will take time. It will take investment and it will take work.

I’m not trying to dress this up for you or sell you a load of hype.

These guys didn’t just push a button and money happened. They worked their bums off and are now reaping the rewards.

So if you’re expecting a system that will make you money in your sleep while you do nothing, this ebook is not for you.

However, if you’re prepared to look at this as a business you can build, an asset you can grow (and potentially sell down the line) and are willing to put in the time, the effort and the investment (I’ll talk more about that in a bit), then read on my friend, as opportunity awaits!

http://jobarnesonline.com
What is Selling on Amazon?

So before we get started, let me explain - **What Do We Mean by Selling on Amazon?**

There are a few ways to sell on Amazon;

- You could become an Amazon Associate and sell product already listed on Amazon as an affiliate
- Perhaps you’re an author and would like to publish your book on Amazon
- You could become a kindle author
- You can sell things you already own in your house, simply open a seller account, list the items and then send them out when they’ve sold
- You could even go to shops and stores in the sales, buy products at rock bottom prices, store them in your garage, list them on Amazon and away you go.

However, I’m not talking about any of those strategies.

The specific strategy we’re focusing on here is selling **private labelled products under our own brand using Amazons FBA (Fulfillment by Amazon) service.**

So let’s explore those terms.

Private Labelling Means:

> “Private-label products or services are typically those manufactured or provided by one company for offer under another company's brand. Private-label goods and services are available in a wide range of industries from food to cosmetics to web hosting.”

Source - [en.wikipedia.org/wiki/Private_label](http://en.wikipedia.org/wiki/Private_label)

FBA means:

1. You send your product to Amazon
2. Amazon stores your product
3. Customers order your products
4. Amazon picks and packs your products
5. Amazon ships your product (and deals with returns etc)

For a more in depth guide about FBA specifically, see Amazon’s help page here - [http://www.amazon.com/gp/help/customer/display.html?nodeId=200229160](http://www.amazon.com/gp/help/customer/display.html?nodeId=200229160)
So the process in a nutshell is:

1. We choose a product we want to sell,
2. We source a manufacturer or supplier of the product,
3. We brand it with our own brand and then
4. We sell it on Amazon (or rather Amazon sells it for us).

Please note we are using only amazon.com to begin with. The US market is the largest market on Amazon so best to start your business where the customers are!

It doesn’t matter where you live in the world, you can still create your seller account on amazon.com and trade in the US alone.

Once you’ve got the hang of it and have a thriving business you can expand to any other Amazon marketplace or ecommerce platform of your choice!

So this guide is split into five sections to explain and make the process super simple for you;

1. Choosing a Product
2. Sourcing a Supplier
3. Branding the Product
4. Promotion / Selling on Amazon

But before we start, I just want to add that this is the most exciting business model that can be built and managed from anywhere in the world I’ve come across in years!

Add to that, this is a system anyone can follow. No matter where you live in the world, no matter your background, your circumstances, whether you currently have a job or are self employed, whether you’re 18 or you’re 80.

ANYONE can do this with a small amount of up front investment (between $1000 - $3000 depending on the product you pick) and the tenacity and determination to follow the system, do the work and make it happen!

So without further ado, let’s walk through this exciting business model!
Step One - Choosing a Product

Amazon sells over 200 million products to the US audience alone, so as I’m sure you can imagine there’s no shortage of opportunity!

Sourcing a product is all about opportunity. It’s about finding products that are popular and in demand, but which aren’t being marketed very well allowing us as superior marketers (obviously) to get in there and swipe all the sales!

The best place to start looking for potential product ideas is on the Amazon Best Sellers List - http://www.amazon.com/Best-Sellers/zgbs

The Amazon Best Sellers List shows you the current top 100 best selling products on Amazon category by category.

Simply click on the categories on the left to see the top best sellers in each category.

![Amazon Best Sellers](http://jobarnesonline.com)
The ideal scenario is to find popular products that are selling well, but that clearly don’t have too much competition.

However, the MOST IMPORTANT ELEMENT is the DEMAND!

Don’t let competition worry you as with this system you can out market most other products on Amazon as long as there is demand!

I explain how to assess demand in more details below.

Guidelines for Sourcing

There are 3 main criteria you’re looking for products to meet when sourcing potential products to sell. These are;

1. The product needs to be priced between $15 - $50 to ensure we can make a profit from selling it.

2. The product ideally needs to be under 2lbs in weight to keep shipping costs down.
3. The **Best Seller Rank**, (found in each individual product listing by scrolling down to Product Details) is your key to assessing the demand of a product. Initially when going through the bestsellers as long as you find products with BSR's of around **1500** or below you’re heading in the right direction, but we’ll go into more details in the next section as this really is the most important part of product selection.

Assessing the Demand of a Product

Please note, this section can seem a little tricky, so I have made a short accompanying video if you’d prefer to watch over my shoulder as I explain the process.

You can see the video publicly here - **How to Source Profitable Products on Amazon**

The demand of a product is assessed by looking at it’s Best Seller Rank (BSR). Each and every product on Amazon has a BSR and can be found by scrolling down to the ‘Product Details’ section of the individual product listing.

The BSR of a product determines how many sales they’re making and updates on an hourly basis.

The lower the BSR number (i.e, the closer to 1), the more sales a product is making. The higher the BSR number (i.e, furthest away from 1), the less sales a product is making.

Therefore the goal when searching for a potential product to sell is to check how much demand there is for that product by seeing how many similar products all have nice low BSR’s for their main category on Page 1 of the Amazon search results.
As a rough guide if you find plenty of products on page 1, say 5 or more with BSR’s under 1500 that’s a sign that product has potential.

I say rough guide because it is category dependant, so in a more popular category like Home & Kitchen, you could determine demand by finding 5 or more products under 2000 BSR, but with a less popular category like Arts & Crafts, you would be looking for products with BSR’s under 500 on page 1.

But this is getting into the real nitty gritty which is difficult to cover in great detail in an overview PDF!

So let’s run through the process of searching for a product with great demand and it should all become clearer.

Please check out my free video if you would prefer to watch me explain this process over my shoulder - [How to Source Profitable Products on Amazon](http://jobarnesonline.com)

### Let’s Make This Process Super Easy

Now you can totally do this manually.

Once you have found a product that meets the sourcing criteria in the ‘Guidelines for Sourcing’ section, using the main product keywords type those into the Amazon search bar and select ‘All Departments’

What pops up is Amazon’s own Page 1 search results for that keyword on Amazon. If you now click on each product and scroll down to the product details, you’ll see their respective BSR’s.
You’ll need to do this for each product on Page 1 and make a note of each BSR on a spreadsheet or notepad so you can see how many meet the required BSR range on page 1.

It’s doable but laborious.

There is a free chrome extension that makes the job a bit easier as it shows you the BSR right there on page 1 without having to click on each product, so you can just scroll through the BSR’s to see how many meet the range.

You can add it from here - **DS Amazon Quick View**

But by far the easiest way to access and assess the information is to use a piece of software called **Junglescout**.

You simply add Junglescout to your browser bar and click it when on your page 1 search results for your main keyword.

It immediately shows you all the main stats for all the products on that page and you can sort the BSR’s in order, very quickly and easily determining demand.
You can find out more about jungle scout here - Junglescout

Now I know this part sounds a little complex, which is why I made a short video to go with it which you can view publicly on YouTube here - How to Source Profitable Products on Amazon

Assessing the Competition

So now we’ve determined the popularity of our potential product, we need to see how much competition there is.

Don’t get too caught up in this.

While lower competition is better, 90% of marketers on Amazon won’t put the effort required into their product and by following a few steps repetitively every day you should be able to out market most products.

You’re ideally looking for as many products on page 1 as possible that have reviews under 1000, even under 500 if possible.
But don’t be put off by higher reviews. We’ve found in our experience it makes little difference to our sales.
Step Two - Sourcing a Supplier

Now we have some products in mind it’s time to find relevant manufacturing companies who can offer the products as private label.

In other words they make the product, we buy it from them at wholesale prices and brand it with our own brand.

You need to start by looking for a manufacturing company who supplies the products you’re looking for.

You can simply go to google and type in “(product name) - private label”.

To keep things simple however, you can also just go straight to a site called Alibaba

Alibaba specialises in global wholesale trading with most of it’s manufacturing companies based in China, but also some in India and across South East Asia.

Once on the Alibaba website simply type in the keyword of your product and do a search for supplier.

Make sure you check the box - ‘Gold Supplier’, to only look at suppliers who have been pre-qualified and here begins your search.

At this stage it’s important to ignore the number next to (Min. Order) as that will be negotiated as will the price.

http://jobarnesonline.com
However the price per piece or unit will at least give you a rough idea of how much it’s going to cost to buy this product at wholesale, so you can decide whether a product is likely to be profitable or not.

If you like what you see and want to start a conversation with a supplier, you just hit the ‘Contact Supplier’ button and begin your negotiations!

Some Negotiation Tips

Here’s the thing with sourcing suppliers and negotiating prices and terms etc. The more you sound like you know what you’re doing and the more you know about your product the better deals you will get.

That’s not to say there aren’t amazing suppliers out there who will hold your hand and help you through it step by step. My first supplier was like that and we’ve had several students who have reported the same.

But remember, the people you will talk with, will most likely be sales people trying to sell their products to you in amongst the hundreds of suppliers selling the same things.

It’s their job to try and sell you their product and it’s their job to sell you as many of their product as possible.

So you need to go into negotiations with your eyes wide open.

1. Research your products until you know every feature. This is super easy by simply going through the relevant product reviews on Amazon. Read through them including the bad reviews so you can also see where some of the product challenges are. This way you’ll have solid product knowledge which will help when discussing the product with the suppliers (and when promoting the products on Amazon).

2. Don’t go straight in with your price and quantity demands on the first email. Strike up a conversation. Explain that you’re the buying arm of a large company looking to expand into this particular product range and you’re on the look out for some great suppliers to work with to help you bring this product to market.

3. Always be courteous and calm. If you’re sourcing overseas, please remember there are massive cultural differences between us and a country such as China, not to mention language barriers, so treat everyone you talk to with the utmost respect and understand that they may not have understood your request entirely, so be as clear and descriptive as possible when requesting information.

4. Golden Rule - EVERYTHING IS NEGOTIABLE. Do not accept their first price. Use email, skype or even the phone to enter into friendly but firm negotiations until you reach a deal you and they are happy with. Remember you are the customer, they are the seller.

5. Get as much as you can in writing. There are no contracts and little come back if everything goes wrong, so it’s down to you to do as much due diligence on
the company as possible and ensure all your negotiations are in written form, plus the resulting deal itemised out on a purchase invoice supplied by them prior to shipping.

6. Regards paying for the stock expect to pay 30% up front and then 70% prior to shipping. Make sure photographs are taken of your goods before leaving the warehouse and pay using paypal or a credit card so that you can reclaim your monies should the stock not arrive for any reason.

7. Relax and know that if you have followed the steps above it is likely to go fairly smoothly. Things going wrong like stock going walkabouts or suppliers letting you down can happen but are much more unlikely if you strike up a relationship, get to know your supplier and do your due diligence.
Step Three - Branding Your Product

So let’s have a quick chat about branding.

There are two brand names you’ll need for Amazon.

1. Your seller name. This is your overall brand name which every product you sell on Amazon will fall under.

2. Your product brand name. For each and every product you list on Amazon you can have a separate brand. So if you sell something in kitchen you can have a kitchen style brand name, if you sell a toy you can have a brand name for that and so on.

The product brand name is far more important than the seller name. For the seller name just come up with something that makes sense to you, maybe your name or your street name or even a place you’ve visited. It really doesn’t matter as you can change this at anytime. Although it must be unique to Amazon.

Here’s what Amazon guidelines are for creating your seller name:

“Your seller display name is displayed with your listings and on your Seller Profile. Sellers are generally allowed to be as descriptive or fanciful as they like when creating their display names. There are a few constraints, however.”
• Each seller must provide a unique display name
• Display names cannot include the word "amazon," other Amazon trademarks or domain names.
• You must have all necessary rights to your display name.
• In addition to letters and numbers, you may use "-" and "_" but no other special characters.
• Display names cannot be offensive or include profanity.

For readability, we suggest that you use a short display name with less than 20 characters.”

The product brand name is worth that bit of extra time thinking about.

We have found that our ranking and sales have increased since adding our brand name to the front of the headline of our product.

Also a strong brand will help you to stand out from the crowd.

Now when I say a bit of extra time, please remember a brand name and design can also be changed at a later stage so don’t get hung up on this. But take some time to consider who your market is and how your brand can resonate with them.

Here’s some resources to help you conjure up something amazing;

http://www.marketingtechnews.net/news/2013/may/17/11-tips-for-creating-great-brand-names/
http://www.hongkiat.com/blog/better-brand-name-tips/

Also have a look at other products on Amazon for inspiration. See how other sellers have branded their products for ideas of what to do and in many cases what not to do! :)

So once you have your brand name its time to create a design for your product.

You have a couple of options.

Option 1 - You can brand the actual product either by actually printing on the product itself or maybe with stickers.

Option 2 - Or you can leave the product as is and simply brand the packaging it comes in.
Either way, there will most likely be a cost from the manufacturer point of view for plating up the machinery required to print the branding.

So when negotiating you need to find out what that cost will be.

Plus you will have to get the brand designed, which you can obviously do yourself if you’re the creative type or simply head over to www.fiverr.com and get someone on there to do it for you.

Either way it’s a super simple process. Just ask the manufacturer to send you photos of sample packages and the dimensions of the packaging and then design to their specifications.

They’ll give you all the information you need. Then send your design to them to print on your product / packaging.

**NB: Time Saving Tip**

For your first product, it’s not as important to get the brand spot on. You just want to get a product up and selling on Amazon so you can learn the process then you can improve on it later.

So if you want to just get going and not spend too much time here, go with the boxing the supplier gives you, choose a random brand name, see how it sells and then spend the time creating a brand and design for your next run.
Step Four - Selling on Amazon

Okie Dokie.

So we now have our product, it’s been branded and is now winging it’s way to the Amazon warehouses.

**NB.** For your first product you’ll use an express courier like DHL or UPS and your supplier will help you with that.

So what do we do when it gets there?

Here is our 5 Step Launch Plan to really getting your product going with a BANG!

1. **Optimise Your Listing** - Ensure there are keywords in your headline and your bullet points and that you have 5 attractive and enticing images and a solid product description.

   The key here is ‘keywords’. Remember Amazon is a search engine and is getting more sophisticated as such every day.

   To out market and out rank your competitors you need to ensure that when people are searching for your product or products yours comes up top of the list.

   There are many ways to do this, but one of the biggies is the amount of unique keywords you use in your listing via the headline and bullet points and in the backend when you list your product on Amazon. (You’re given the opportunity to add lots of relevant keywords in the backend of Amazon).

   ![Example 1 - Product Listing Needs Work](http://jobarnesonline.com)
2. **Focus on getting reviews.** This is an ongoing process throughout the life of your products on Amazon, but in the first few weeks this is something you need to be focused on night and day. Finding reviewers for your products will boost sales, help with keywords and of course give your product credibility.

3. **Start investing small amounts on Amazon Sponsored Ads asap.** Simply choose the automatic option inside of Amazon, so you’re not setting any keywords or bidding for clicks etc straight away. Just set a daily budget and let Amazon do the work for you. Please note you’ll find it difficult to spend even $25 a day, but your listing will start to get seen.

   You’ll also gather some invaluable keyword data from your campaigns as they will show you which keywords your product is being found and converting under. So as you grow and start to run more manual campaigns etc, you can utilise that data and target specific keywords and also ensure those keywords are prominent in your product listing.

4. **Start a press release campaign.** Simply go to fiverr.com and find someone to write and submit 3 - 4 press releases for you on the week of your launch. You can make several press release announcements including; a) the launch of your product, b) the launch offer price, c) free shipping for prime members, d) something topical about your product, e) a reviewers comment etc.

   Don’t stop there though. Continue to run press releases perhaps once a week or once every two weeks throughout the life of your product. The goal here is to be found and any traffic that comes from a google search, via any medium (but in this case a press release) and results in a purchase is going to give you strong rating credentials.

5. **Look for bloggers or you tubers** with large followings to review your product and post about it or make videos about it. Ensure they link back to your...
product on Amazon and even give them a discount or special offer just for their customers for a limited time.

All of the above will boost views, conversions and sales in the first few days and ongoing which will ensure your ranking falls from the high hundreds of thousands into the low thousands or even hundreds at which point what I call the ‘Amazon Stream’ will kick in and you’ll start to get organic sales from Amazons own mix of marketing they do on our behalf!

Please note the key to out marketing your competition on Amazon is to do something **EVERY SINGLE DAY**.

If I could give you the main secret to our success, it’s that we have consistently found reviewers, ran ads and increased our web presence **every single day** without fail.

Clearly this is just a taste of what you could do to market your product but it’s more than enough to get you started with flying colours!
Summary / Stats

So I hope that this document has given you an idea of how the whole thing works.

As I said in Chapter One this is a very exciting opportunity for anyone who wants it.

But rather than just giving you empty statements and theory about how this could work, here are some stats for you;

Our Amazon Sales Stats February 2015

![February Sales Stats]

Our Amazon Sales Stats March 2015

![March Sales Stats]
### Our Amazon Sales Stats April 2015

**Date**
- Custom
- 04/01/2015 - 04/30/2015

**Sales snapshot** taken at May 6, 2015 4:50:34 AM PDT
- Total order items: 1,743
- Units ordered: 1,845
- Ordered product sales: $24,601.30
- Avg. units/order item: 1.06
- Avg. sales/order item: $14.11

### Our Amazon Sales Stats May 2015

**Date**
- Custom
- 05/01/2015 - 05/31/2015

**Sales snapshot** taken at May 26, 2016 5:39:17 PM PDT
- Total order items: 3,072
- Units ordered: 3,201
- Ordered product sales: $50,198.20
- Avg. units/order item: 1.04
- Avg. sales/order item: $16.34

### Our Amazon Sales Stats June 2015

**Date**
- Custom
- 06/01/2015 - 06/30/2015

**Sales snapshot** taken at May 26, 2016 5:39:17 PM PDT
- Total order items: 5,545
- Units ordered: 5,823
- Ordered product sales: $102,126.85
- Avg. units/order item: 1.05
- Avg. sales/order item: $18.42
### Our Amazon Sales Stats Feb 2015 - Jan 2016

**Feb 2015 - Jan 2016**

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**Sales snapshot** taken at May 26, 2016 5:39:17 PM PDT

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<td>1.04</td>
<td>$15.40</td>
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</tbody>
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[http://jobarnesonline.com](http://jobarnesonline.com)
The Power of Amazon in Pictures!

3 Times More Product Searches than Google
Thanks so much for reading! I hope by now you can see the sheer power and potential in selling products on Amazon.

So don’t wait, get your Amazon business off the ground today!

Stay in touch and let us know how you’re getting on and if you have any questions or feedback please don’t hesitate to contact us over on the blog: http://jobarnesonline.com

In the meantime, “Stop Thinking & Start Doing!”

Jo :)

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