Žan Nekrep,
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7 MISTAKES

made by inexperienced salespeople

that will prevent you from making a profi

when selling products on

amazon

Author

Žan Nekrep, MSc in Business

He has 15 years of business experience and has completed at least 100 projects. Initially, his projects were unsuccessful, but he subsequently gained a great deal of knowledge and discovered tactics and strategies that work. In recent years, he has focused on selling products

on Amazon in the US.



The team consists of experts, ranging from inspectors to

1 Are you using the wrong knowledge and tools when researching a product

If everyone uses the same tools, this usually means you can expect the same or similar results. Unfortunately, most new sellers on Amazon fail to achieve the goals they have set for themselves. It's the same in any business.

We do not recommend using the Jungle Scout Product Database tool for product research. From my own experience, I can tell you that it simply doesn't work, as everyone was doing the same thing and competition in the market has increased significantly.

As a result, it was more cost-effective for us to destroy the product than to continue selling it.

You need to find products in a different way, one that fewer sellers use.

We search for products by typing, say, "ba" into the Amazon search bar, and then checking all the keywords Amazon recommends based on the string entered. We then continue with "baby a" and so on, and check all these recommended words as well.

The best tool for checking
products on Amazon is AMZScout PRO.

The Helium10 Chrome extension, Viral Launch Chrome extension and JS Chrome extension are also good options.

Avoid the Egrow tool, as it is very inaccurate.

Tools we recommend:

AMZScout PRO: The best product research tool ($287 one-off payment).

For more information, click HERE.



Jungle Scout Chrome extension: A product research tool ($97 or $197 per year). For more information, click HERE.

Jungle Scout Estimator: Tells us what the sales are in a specific category for a given BSR rank (free).

For more information, click HERE.

Jungle Scout Keyword Scout: To see how much each click costs for a specific keyword and what the search volume is ($39/month).

For more information, click HERE.

Helium10: Excellent for keyword research, checking rankings and quickly reviewing competitors' reviews.

For more information, click HERE.

Indexcheck: A tool for checking keyword indexing.

For more information, click HERE.

2 Not sure what Amazon FBA offers and how it works

Products on Amazon are ranked primarily based on how many sales a seller makes for that keyword relative to the competition.

In addition, other criteria are important; one of these is conversion, i.e. the number of clicks required to make a sale (e.g. one sale per 10 clicks means a 10% conversion rate).

The product with the highest sales volume, which Amazon considers most relevant to the search query, will appear at the top of the first page, as Amazon naturally wants to show people the most relevant product for the search query.
This is the product that customers are most likely to buy.



Be aware of products that are prohibited from sale and those that are patented. Some sellers on Amazon do sell prohibited products, but this is very risky, as Amazon may remove your listing.

How can you avoid this? Before you decide to order stock of a new product, create a listing for it, enter the details accurately, set up a shipping plan, and wait two weeks. During this time, Amazon will likely notify you if the product is prohibited from sale.

It is also very important to keep up with the latest news. Things change quickly, and if you don't follow the news, you may soon encounter additional, unknown costs. Many sellers are unaware that they must pay duties and tariffs, which can amount to more than 30% of the purchase price of the stock.

We know quite a few customers from Slovenia who gave up on setting up a business on Amazon because they didn't know how to provide a bank statement. You need a court-certified bank statement. We were only able to obtain a telephone code via the Telekom network.
This alone scared many people off, so they never even started the business, even though Slovenia is on the list of approved countries for doing business with Amazon. You can see this HERE.

Sometimes Amazon's own support team provides incorrect information; they initially told us that Slovenia wasn't on the list, even though this is obviously not true.

3 You are not taking the right product selection criteria into account

First and foremost, you must, of course, avoid selling dangerous, illegal, patented or prohibited products on Amazon, or obtain the necessary certification.

We always advise our Amazon sellers to consider how they could further improve a particular product, increase its usability and thereby enhance its value in the eyes of potential customers. Put yourself in the customer's shoes and think about how you could fulfil their wishes.

When selecting products, consider the following criteria:

- The number of reviews, which should be as low as possible for all competitors.
- Search volume for relevant keywords for the product you wish to sell.

- Sales distribution or market depth (the more sellers with good sales, the easier it is to get in and get your share of the pie).
- The age of competitors' listings. The more older listings there are, the more new listings indicate market saturation.
- The price of competing products and their consistency (a drop in competitors' prices usually indicates a saturated niche).
- What are the possibilities for product improvement: quality, functionality, bundling, design.
- Relative cost per click compared to the product's selling price in the advertising itself (PPC).
- What is the sales trend for the product and is it a seasonal product?
- Check the ROI (return on investment), which represents the return on your investment.
- Make sure there are no major sellers or big brands.

- Types of sellers, because if they are AMZ sellers, they should be avoided.
- What are the fees and how do they change (we monitor these for all our clients).
- Analyse the competition and thoroughly check at least the top 15 competitors once you've decided on a specific product.

We review all these criteria and a whole host of others for our clients, and help them choose the right product.



Without the right product, you won't succeed on Amazon.

4 You choose the wrong manufacturer for your product

On Alibaba, which is mostly used to find manufacturers, there are many intermediaries, and among them are, of course, those who will produce poor-quality products for you.

Check whether the company is a trading company (an intermediary between you and the manufacturer, which also receives a commission) or the manufacturer itself.



We also recommend using an inspector to check your products and your manufacturer before dispatch.

If the products are poor quality, you will face significant problems.

WARNING!

Agree with the manufacturer in advance that they will not pack the products before the inspector arrives.

If you do not do this, the inspector may be able to inspect fewer products, or you will have to pay them more for their extra time.

If the manufacturer sends you a poor sample and says that the production will be better, it won't be. Do not choose such manufacturers, despite the low price.

There is also Alibaba China, where you can check more realistic product prices.

There are also a number of other websites where you can find a manufacturer, e.g. via Thomasnet, where you can find an American manufacturer.

5 Incorrect calculation of commissions and business costs

We recommend that you check and find out exactly what costs and commissions you will be paying when selling on Amazon (these are also subject to change).

Types of fees when selling products on Amazon:



The Professional plan costs $39.99.

Start with this plan straight away, but once you begin selling, contact Amazon Seller Support to request a refund for the past months when you weren't selling anything.



The Individual plan costs $0.99 per item sold, with a monthly fee of $0.



The Amazon referral fee is a commission you pay to Amazon on every sale. It is usually 15% of the product's selling price, with a minimum of $0.30.



You pay the Amazon fulfilment fee to Amazon so that they can dispatch the product to the customer's address upon purchase.



You pay the Amazon inventory fee every month based on the volume of stock you hold in Amazon's warehouses.



You pay the Amazon long-term storage fee once stock has been in an Amazon warehouse for more than 12 months, based on volume (cubic feet).



You pay the Amazon inventory exceeded limit storage fee of $10 per cubic foot if you exceed the permitted quantity in Amazon warehouses.



You pay the High Volume Listing Fee if you have more than 100,000 ASIN listings.

In addition, there are other costs involved in selling on Amazon, such as purchasing stock, duties, shipping costs, listing preparation, setting up a business, trademarks and programmes, and Chrome extensions.

6 Don’t focus on quality and added value and set your price too low

If you plan to sell the same product on Amazon as your competitors, you will find it very difficult to succeed.

Your competitor already has credibility and customer reviews, and everyone will prefer to buy their product. Your competitor also has better terms with suppliers, so lowering your price won’t help you either.

When choosing your product, your priority should not be a low price, but the quality of the product itself. A poor-quality product will lead to a lower selling price and poor customer reviews, which in the long run means poorer sales of the product.

We advise our clients to aim for the highest quality product.

Don’t be cheap! Stand out from the competition and give your product some added value.

Include a product insert or your business card with your product.

Include your company details and website address, and you can also ask them for an honest review (you must not ask for a positive review).

EXAMPLE

‘Could you please leave us a product review? It helps our small business immensely, and also helps other customers

make more informed decisions. Thank you!

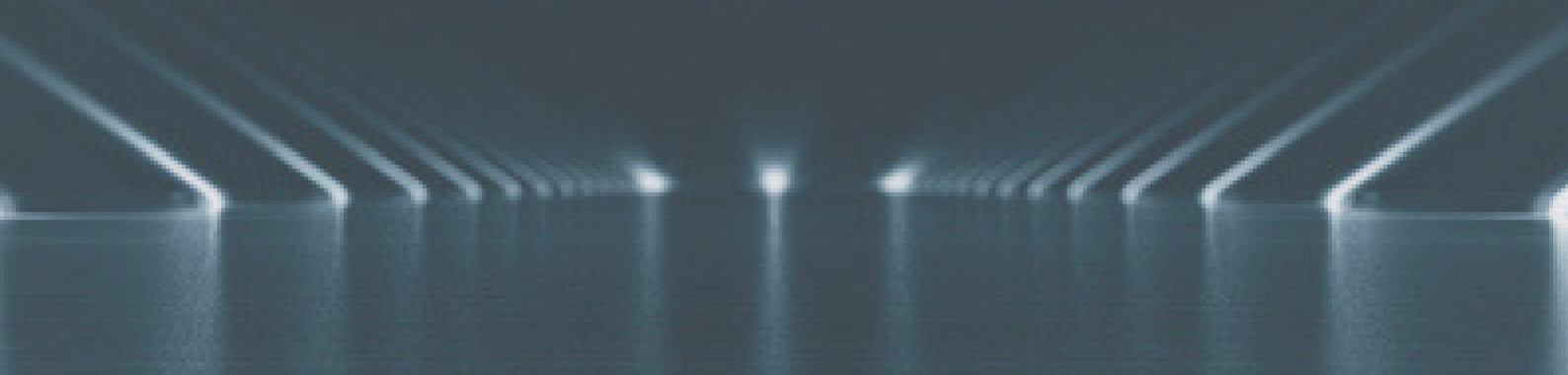
Sign in to Amazon.com Hover over
Account & Lists

Under Your Account, click Your Orders

Find this order and click Write a Product Review Be honest

This is just the basics; we recommend putting in a bit more effort. It is officially forbidden to include links to sites outside of Amazon, but Amazon rarely checks for this.

Don’t forget about attractive packaging design either.



7 You don’t understand the concepts and aren’t optimising product shipping

Most sellers struggle even with distinguishing between the basic concepts explained below.

Basic concepts:

- EXW means that the manufacturer is only responsible for manufacturing the products; you must take care of everything else yourself.
- FOB means that the manufacturer handles the shipment to the port/airport in China; you or a freight forwarder are responsible for the rest of the distribution.
- DDP means that the manufacturer handles the entire shipment to Amazon, including tariffs and duties.
- DDU means that the manufacturer handles the entire shipment to Amazon, excluding tariffs and duties.

We recommend that you opt for FOB and arrange the remainder of the shipment via the website

Freightos or Flexport.



To ship products from China to the US, you can use two types of shipping – by air or by sea.

To get an approximate price, you'll need the dimensions of the boxes, their quantity and weight.

There will be many other pitfalls waiting for you later on. When advertising products, we advise our clients to start once they have a few customer reviews, which we help them obtain.

It is also very important to follow all the rules. One simple rule is that the packaging must state 'Made in China'; otherwise, your stock may be held up at customs and sent back to the manufacturer.

When planning, you must also take into account the production time for your product, etc.

When doing business on Amazon, it is essential to understand how the whole process works, which is why we offer our clients personalised advice to ensure their business is successful.



We will also provide you with the contact details of our business partners, who are crucial to the successful launch of your business.

From an inspector in China who will save you money straight away by calling suppliers directly and checking product quality on the ground...



... to one of the world's best product description writers from the UK, who writes for top sellers.



Our exceptional team also includes a designer and photographer from Slovenia, who will edit your photos and adapt them for Amazon for a small fee.

We also constantly monitor all the latest trends and save you a lot of unnecessary costs right from the start, such as commissions, which less experienced sellers often don’t understand.

You can save as much as the cost of our consultancy in just a few months through commission savings alone.

In addition to personal consultancy, we also provide all clients with our guide, which is 300 pages long and written in Slovenian. We update this regularly.

You can agree with us on a fixed fee or a partial fixed fee + the remainder based on profit.

Contact us to arrange an introductory meeting, where we will present our business results on Amazon!



zan@zannekrep.si

040 242 248

PLEASE NOTE!

We only accept 10 clients per year.