7 Secrets for Successful Selling on Amazon

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John Bryan has worked with the eBay and Amazon marketplaces for more than 10 years. He has been a member of the ChannelAdvisor team since 2009. He and his team work with the majority of ChannelAdvisor’s enterprise-level clients — building their inventory, and order and fulfillment integrations within the ChannelAdvisor platform while also providing strategy for their eBay, Amazon, Rakuten.com Shopping, Sears and Newegg campaigns.
Leading SaaS Platform
for E-commerce Channels

**FOUNDED IN**
2001
as a Spin-Out of Yahoo!
Over 600 Employees Worldwide

**OVER**
2,400
Retail and Manufacturing Customers

**$4.4B**
in GMV

Main E-commerce Channels Supported:
SEARCH
COMPARISON SHOPPING
MARKETPLACES

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Powering Top Names At Home & Abroad
The ChannelAdvisor Platform

Channels

- Marketplaces
  - ebay
  - Rakuten.com
  - Amazon.com
  - Walmart
  - & More

- Comparison Shopping
  - eBay
  - PriceGrabber.com
  - Google
  - & More

- Search
  - Google
  - Bing
  - Yahoo!

- Emerging Markets
  - New Marketplaces
  - FlexFeeds
  - & More

Customer

Retailers and Manufacturers

ChannelAdvisor’s Partner Ecosystem
- Storefronts
- Fulfillment
- Finance Systems
- 70+ Partners

Automation, Expansion, Optimization
Agenda

1. Enhance Your Content
2. Optimize Your Keywords
3. Win the Buy Box
4. Leverage Fulfillment by Amazon
5. Sell Internationally
6. Utilize Promotions
7. Keep Up With Customer Metrics
Polling Question

Do you currently sell products on Amazon?

- Yes
- No, plan to start within next 6 months.
- No, plan to start this year.
- No, no plans to sell on Amazon at this time.
Why Amazon Matters

215 million active accounts around the world

Outpacing the growth rate of overall e-commerce by 2X

$61 B+ in global net sales in 2012

International opportunities (Multi-Channel FBA, Unified EU Accounts)

2 million sellers and expanding marketplace programs and categories

Sources: Forrester, Amazon Public Data and Internet Retailer
A solid Amazon transaction starts with Quality Product Data.

**Product Details**
- **Item Weight:** 2.5 pounds
- **Shipping Weight:** 2.5 pounds (View shipping rates and policies)
- **ASIN:** B0074WF642
- **Average Customer Review:** ★★★★★ (2 customer reviews)

**Product Description**
Vokey Design Spin Milled wedges are unique wedges that provide a truly discernible performance option - increased spin. By working with Tour players to create wedges that performed under the most challenging major championship conditions, Bob Vokey has developed a precisely machined, tight tolerance groove that provides the player with increased spin on both full and partial wedge shots. With 30% more groove volume than a conventional wedge, Vokeys provide more consistent and higher spin, particularly from grassy lies and wet conditions.

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Enhance Your Content: Images

- Accurately represent the product
- Main Images – white background, no watermarks or text
- 1000px or larger (height or width) to enable Zoom feature
- At least 500px on longest side
- JPEG preferred
- Additional views help sell the product
- Check your category requirements
Enhance Your Content: Titles

- One of the most important data items on any Marketplace
- Components of your Title are used in Amazon search engine
- Clothing/Shoes have their own requirements
- Parent Title = 80 characters maximum
- Build your Title with other data points
- Amazon Catalog with Poor Titles? Let them know!

Suggested Title Naming Convention:
[Brand] + [department/(and Special Size, if applicable)] + [product name]
• Best Buying Experience = all options are on one listing
• Research variation theme availability for your category
  • Size, Color, Item Package Quantity
• Use Variation data that are Amazon Valid Values
  • Blue, not Dark Blue
• Make sure child items are unique
  • Men’s T-shirt, Blue XL
  • Men’s T-shirt, Blue Large
  • Men’s T-shirt, Blue Medium
Be sure to describe your product in depth.

- **Bullet Points**
  - Brief, descriptive text
  - Up to 5 bullet points
  - Appear beside images

- **Description**
  - No special characters allowed
  - Must be true description of product

- **Category-Specific Attributes**
  - Required/highly recommended fields depending on category
ChannelAdvisor utilizes templates to populate required and recommended fields.

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</tbody>
</table>
Keywords are the primary method buyers use to find your products on Amazon. Using the most relevant keywords will help in getting in front of buyers.

**Best Practices:**

1. Become the Customer – How would they search?
2. Experiment
3. Use single keywords instead of phrases
4. Can have up to 5 terms per product
5. Avoid keywords that are in the Title
6. Don’t list third party-brands or trademarks – avoid suspension
Don’t Forget! Review other categories to expand where products appear in Amazon’s browse structure

- Used for
- Target Audience
- Subject Content
Secret 3: Win the Buy Box

More than 75% of non-media sales comes via the Buy Box.*

*Source: http://www.ecommercebytes.com/cab/abu/y213/m02/abu0329/s02
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Win the Buy Box: Criteria

1. A competitive price (Consider a Product Repricer)
2. Fast and efficient delivery (Offer free shipping)
3. Volume of inventory
4. Positive customer feedback metric
5. Low refund and return rates

Remember! The Buy Box status is always in flux!
Win the Buy Box: Repricing

- Repricer used as a Buy Box strategy
- Rules engine designed to automate competitive repricing
- Minimally decrease margin to increase sales
- Price up to keep in step with competitors
- Bonus: Utilize to make sure you aren’t mismatched
Secret 4: Leverage Fulfillment by Amazon

Fulfillment by Amazon (FBA) – Sell More without Worrying about Storage Space

- You ship it to Amazon in bulk
- Inventory stored at an Amazon Fulfillment Center
- Amazon handles picking, packing & shipping
- Amazon handles customer service
Leverage Fulfillment by Amazon: Benefits

Benefits to Sellers:

- Extend reach to Prime Members and Super Saver Shipping Offers
- Get Amazon’s customer service
- FBA Product Eligible to win the Buy Box at Higher Price
- Increase Profit Margins with a Lower Total Fulfillment Cost
- Access to last-minute holiday shoppers
- Easily access international customers
- Multi-Channel FBA (fulfill for own site, eBay, etc.)
Secret 5: Sell Internationally

- Amazon’s Global Marketplaces
- Amazon Global Selling
- Amazon FBA Export

According to a 2013 study by Nielsen and PayPal, cross-border online shopping will be worth $307 billion by 2018, with 130 million cross-border online shoppers around the world.*

Do you currently sell internationally?

- Yes
- No, plan to start within next 6 months.
- No, plan to start this year.
- No, no plans to start selling internationally at this time.
Sell Internationally: Global Marketplaces

Amazon Canada

- 16th-highest trafficked website in Canada
- Multiple categories
- Offers Amazon Prime
- Can self-fulfill or use Fulfillment by Amazon

Europe

- UK, France, Germany, Spain, Italy
- Over 164 million active customers in 2013
- 30% of total Amazon units were sold by 3rd party sellers
- Amazon.co.uk receives about 20M unique visitors monthly. Amazon.de has 24M and Amazon.fr has 13M.
Selling Internationally: Amazon FBA Export

- Products listed on Amazon.com and products held in FBA
- Eligible product listings are available to international customers
- No extra fees outside of your FBA fees

Amazon Global
International shipping made easy

Ship Internationally  Simplify Customs  Track Door to Door

Amazon Global offers an enhanced shopping experience for customers shipping to international destinations. Whether you’re shipping to your own address or sending gifts, we provide hassle-free international shipping.
Secret 6: Utilize Promotions

Do you run promotions on your website? Don’t Forget Amazon!
Utilize Promotions: Types of Promotions

1. **Free Shipping**
   - Great for last-minute holiday shoppers (discount your expedited options)
   - *Example:* Spend $150 or more, Get Free 2-Day Shipping

2. **Money Off:** Percentage or Dollar Discount
   - *Example:* Spend $50, get $5 off

3. **Buy One, Get One:** One or more items free or at a discount; based on a qualifying purchase
   - *Example:* Buy 2, Get 1 Free

4. **External Benefits:** Discount or benefit on a future purchase
   - *Example:* Spend $50, get a $10 gift card to use toward your next purchase.
Utilize Promotions: Best Practices

The best strategy is to discount price directly on your product feed but there are promotional opportunities available:

- Can be scheduled
- Promo code options
- Limit to specific products
Secret 7: Keep Up With Customer Metrics

- Amazon’s trademark is customer service
- Play by the rules!
- Improved reputation = increased sales
Keep Up With Customer Metrics

Check your Seller Performance daily

- Order Defect Rate: < 1%
- Pre-Fulfillment Cancel Rate: < 2.5%
- Late Ship Rate: < 4%

How shipping is handled is key

- Ship on time and include tracking
- Provide accurate lead time to shipping
Three Factors of Order Defect Rate:

1. Negative Customer Feedback – address swiftly
2. A-to-z Guarantee Claims - returns
3. Service Chargebacks

79% of consumers trust online reviews as much as personal recommendations.*

Amazon is tracking your response time to customers!

<table>
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<tr>
<th>Response times under 24 hours</th>
<th>7 days (May 7, 2013 to May 14, 2013)</th>
<th>30 days (Apr 14, 2013 to May 14, 2013)</th>
<th>90 days (Feb 13, 2013 to May 14, 2013)</th>
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<td>100% (31)</td>
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<td>4 hours 9 minutes</td>
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</tr>
</tbody>
</table>

You have 0 messages that you have not responded to in the past 7 days.

Have a 24/7 customer service plan in place.

Orders with messages responded to within 24 hours receive 50% less negative feedback.*

*Source: Seller Central
Customer Metrics: Measure Everything!

ChannelAdvisor’s Amazon 360 Dashboard
Questions?

Contact Us:
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- Email: info@channeladvisor.com
- Blog: blog.channeladvisor.com
- Twitter: @ChannelAdvisor