

The Comprehensive Guide to Amazon

9 Secrets to Success on the World's
Most Popular Marketplace



You're no doubt already familiar with the selling power of Amazon. The e-commerce giant captures as much as **50%** of online retail sales in the US, and is by far the **world's most visited** marketplace.

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But success for brands and retailers isn't guaranteed. In addition to being proactive and up-to-date with Amazon's evolving trends and requirements, you must also take steps to ensure your products and brand stay one step ahead of the constantly increasing number of sellers competing for consumer eyeballs and attention.

In this eBook, we'll share some of the most important strategies online retailers and manufacturing brands should employ on the ever-growing, ever-popular Amazon marketplace.

Mastering the Multichannel Growth Flywheel for Amazon

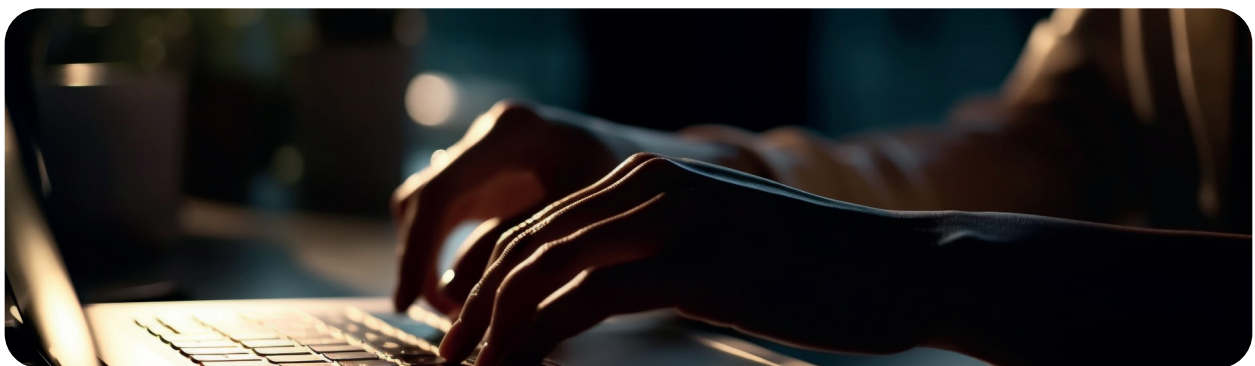
Simply listing your products on Amazon is not nearly enough.

From the moment people discover your products to the day they decide to keep (or return) your deliveries, there's a full flywheel of steps to master. As time becomes the new currency of e-commerce, and of Amazon in particular, you need to master each stage efficiently — and fast.

True success happens when you:

- **Connect** your products to consumers with error-free listings
- **Market** your products effectively to drive awareness and sales
- **Sell** your products by converting browsers into buyers at the moment it matters
- **Fulfill** your customer's expectations with fast, efficient delivery
- **Optimize** your Amazon strategies to constantly improve results

Ready to assess your readiness in these five key areas? Let's start at the top of this list...



Connect your products to consumers with error-free listings

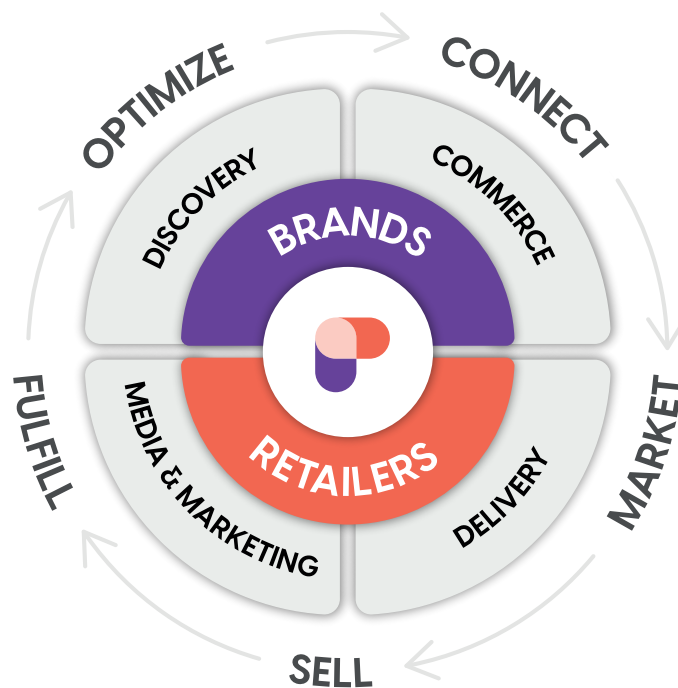
1. Choose the Best Amazon Model for Your Business

How do you want to sell on Amazon? When answering this question, keep in mind that Amazon is both a retailer and a marketplace. As a retailer, Amazon purchases inventory in bulk and resells it at a profit, via a wholesale model. As a marketplace, Amazon lets sellers list items on its site and takes a commission on sales.

- If you choose a first-party (1P) relationship, you'll sell products to Amazon via Vendor Central. Your brand is responsible for advertising, promotions, and shipping products to Amazon, while Amazon controls pricing and inventory.
- If you choose a third-party (3P) relationship, you'll sell products directly to consumers via Seller Central. You control advertising, pricing, inventory and any fulfillment or logistics. (Unless you choose FBA — more on that later).

Both models have their advantages and disadvantages, and it's up to you to decide which is right for your business (if Amazon gives you a choice).

All options are on the table, though, and some brands leverage a hybrid model of both arrangements in parallel. For example: You might opt to sell most of your products through Vendor Central, and use Seller Central to push end-of-life, lower-margin items.



2. Minimize Your Listing Errors

Once you've decided how to sell, the next step is to create error-free listings. Why? Because most consumers begin their buying journeys on Amazon. Whether you sell on a single Amazon marketplace or in multiple countries — as a vendor or a retailer — reaching those shoppers all starts with connecting your product data to Amazon and configuring it to meet Amazon's listing requirements.

The unique data structure of each marketplace can lead to listing errors, which is a common issue that all brands will need to address. Listing errors can cause products to appear incorrectly or prevent them from showing up at all. This leads to a poor consumer experience and loss of marketplace sales.

You can ensure your Amazon connections are error-free by taking steps to keep your product data clean, organized and in line with Amazon's standards.

When building your product titles, for example, you'll need to follow specific requirements. Each title:

- Must follow the recommended length of your product category characters
- Can't include promotional phrases like "great deal" or "while supplies last"
- Should not contain characters for decoration

Obviously, you should also avoid restricted products and categories when sending product data. And lastly, most categories require you to use a Global Trade Identification Number (GTIN), such as a UPC, ISBN or EAN as a product identifier when creating new product pages or matching to existing pages in the catalog.



Market your products effectively to drive awareness and sales

3. Maximize Your Visibility Through Advertising

If you really want to boost your visibility and increase sales, Amazon advertising is a must. According to a recent ChannelAdvisor survey, 51% of US consumers have purchased a product after seeing an ad for it on Amazon in the past 12 months.

But this is one marketplace where a simple manual campaign isn't likely to cut it. Successful sellers know to look beyond the basics of keyword selection to create a truly strong strategy — one that's virtually guaranteed to get your products in front of the right people at the right times.

Successful sellers tend to take advantage of multiple ad types, including:

- Sponsored Products, which can be used to promote individual listings. Keyword-driven Sponsored Products appear alongside organic search results, and are ideal when your goal is to get high-quality clicks from consumers who are actively seeking the products you sell.
- Sponsored Brands, which can be a great way to reach consumers who are browsing but don't yet know what they want to buy. These ads often appear on top of search results pages to make people more aware of different choices as they peruse categories and listings, but they can also appear in various places on the results page. Sponsored Brands also allows for a cost-per-click [video option](#), which is becoming very popular in some categories.
- Sponsored Display Ads, which can help you reach new audiences through display ads on specific product detail pages, the Amazon home page or across third-party apps and websites.

Having a mix of Amazon ads will help ensure your products are seen by different consumers at various stages — whether they're simply browsing or are ready to buy now. Relying on a dedicated specialist or agency partner can help ensure you'll know precisely when a promotion is performing well and warrants additional bids, or when it's time to reallocate your budget to new keywords.

Want to ensure you're getting the highest return possible on your Amazon Ad spend?

Rithum's digital marketing specialists are available to analyze your account for missed opportunities.

[Request Free Analysis](#)

Sell your products by converting browsers into buyers at the moment it matters

4. Optimize Your Search Terms and Listings

More than **90%** of US consumers turn to Amazon for product research, and nearly **60%** start with Amazon when shopping online — more than Walmart, Instagram, or even search engines like Google.

If you want them to discover your products, you'll need to optimize your listings for Amazon search results.

When writing your product listings, put yourself in the minds of consumers. What are they looking for, and how are they going to search for it? Several best practices can help in identifying the ideal mix of keyword combinations:

- **Research.** Start by doing a search for a similar product to see what listings come up high in the rankings, and to find words you may not be using already.
- **Make your product titles descriptive.** Use only highly relevant, accurate keywords that help describe your brand, product name, key features, colors, sizes and quantity.
- **Don't focus on repeating title keywords in your description,** as Amazon already factors those into search results.
- **Only use terms that describe your specific product.** Amazon doesn't permit third-party brands or trademarks as search terms.
- **Use hidden keywords, where appropriate.** The optional hidden key field is an opportunity to use synonyms, acronyms, abbreviations and other alternatives that consumers may be using to find your products.

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of US consumers turn to Amazon for product research

If you're a registered brand on Amazon, [Amazon A+ Content](#) provides a fantastic opportunity to let you present your brand and your products the way you want.

Free and unlimited for both vendors and sellers, Amazon A+ Content is one of the most effective ways to increase traffic and sales — and to cross-promote your other products — by giving you the ability to display:

- High definition videos
- Enhanced images
- Comparison charts
- Robust FAQs

In addition to A+ Content, an [Amazon Store](#) can help you expand coverage across the marketplace and exercise more control over the consumer journey. It can be your ticket to higher rankings, more sales, bigger carts, and a better return on ad spend for your Sponsored Brand Campaigns.

5. Strive for the Buy Box

The Buy Box is located on a product's page — where a consumer starts the purchase process — and is highly visible. But with only one Buy Box available per item, you'll find yourself competing with a number of other retailers all trying to win it.

To win the Buy Box, you must meet Amazon's criteria in a number of areas. Although Amazon closely protects the exact formula for calculating the Buy Box, it takes into consideration:

- A competitive price
- A positive customer feedback metric
- Fast and efficient delivery
- Volume of inventory
- Low refund and return rates

Though it generally takes some time for a new seller to build up enough sales history to secure the Buy Box, focusing on these aspects is good for business regardless of the marketplace. They'll not only help increase your sales but also contribute to your consumers' overall satisfaction.

6. Keep Your Prices Competitive

When listing a product on Amazon, you'll often be competing against hundreds of other sellers offering the same item. One of the best ways to stand out from the crowd and stay ahead of the competition is to constantly offer competitive prices.

However, you still need to retain a sufficient rate of return — and use safeguards to ensure you don't inadvertently breach policies elsewhere by failing to lower your product prices across sales channels.

One way to manage the effectiveness of your repricing is through an automated repricer. The ideal solution will allow you to set parameters around pricing values while preventing the potential for undercutting retailer listings. To understand how to implement repricing tools on a practical level, it's first important to recognize the different types of repricers:

- A **marketplace repricer** helps sellers win sales at the highest possible price by continually monitoring the listing and evaluating the quality of the competition to arrive at the optimal price.
- A **velocity repricer** changes pricing to competitive levels across your various marketplaces based on the total quantity sold for products, allowing sellers to take action to move stale inventory or to maximize profit on fast-selling products.

Repricers help sellers win the Buy Box and best offer positions. They also increase competitiveness and visibility of your products among bargain-savvy consumers.

Overall, for brands, automated repricers prevent product erosion and help catch MAP pricing violations before they start a ripple effect. In addition, these tools provide maximum profits while also helping your business react to real-time demand and move product.

Fulfill your customer's expectations with fast, efficient delivery

7. Choose the Right Fulfillment Option

If there's one element of the growth flywheel you can't afford to get wrong, it's fulfillment.

Today's consumers expect shipping to be both free and fast, and are willing to walk away from brands that don't deliver both.

The solution lies in Amazon Prime.

Two options offer access to the golden shelves of Amazon Prime: Fulfillment by Amazon (FBA) and Seller Fulfilled Prime (SFP). While both allow you to sell on Amazon Prime, each includes a unique set of features.

- **Fulfillment by Amazon**, as the name suggests, means your orders are completely fulfilled by Amazon. You send a portion of your inventory to Amazon's fulfillment centers, where it's stored until a customer decides to buy it. Amazon then picks, packs and ships the items directly to consumers for you. FBA also manages customer support and returns, and keeps your inventory secure and insured against possible losses or damages.
- **With Seller Fulfilled Prime**, fulfillment is in your hands. Customers will purchase through Amazon Prime as usual, but your company ships the items directly with no intervention from Amazon. You use the Amazon Prime brand name and shipping rules, but it's up to you to pick, pack and ship to Prime members. Keep in mind that you're also responsible for returns, which are automatically authorized by Amazon.

FBA and SFP offer different [advantages and disadvantages](#), so it's important to vet the two options carefully against your business needs and goals.

Optimize your Amazon strategies to constantly improve results

8. Improve Your Customer Metrics

A positive customer satisfaction rating is essential for not only retaining existing customers but also securing new ones. Why? Because most consumers look at reviews before making a purchase and trust those online reviews as much as personal recommendations.

For this reason, it's not just what your customers are saying, but how you respond to their reviews that matters. This is because sometimes, if a customer had a bad experience with, say, shipping, their review may be more about that specific experience than about the product itself. Working to resolve those issues can go a long way in gaining loyalty and trust.

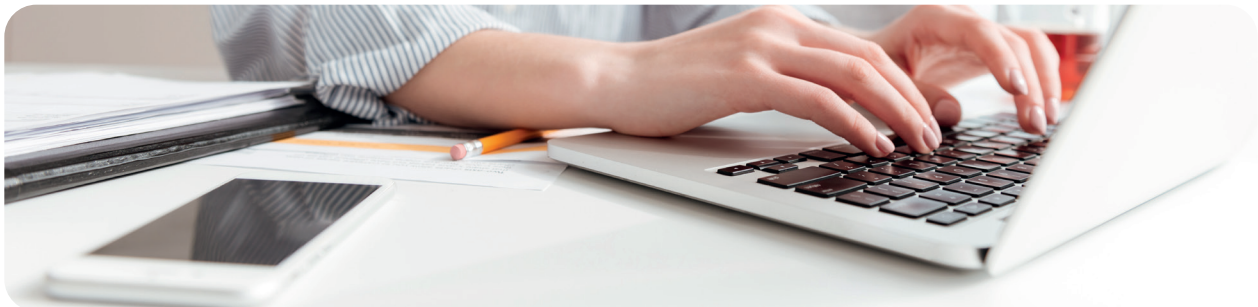
Amazon provides a wealth of information on how your brand is doing with respect to customer satisfaction. It's important to watch a number of performance metrics, including:

- **Order Defect Rate (ODR)**, which measures the percentage of orders that receive negative feedback
- **Return Dissatisfaction Rate (RDR)**, which measures customer satisfaction with how returns are processed
- **Late Shipment Rate**, which measures the percentage of seller-fulfilled orders confirmed after the expected ship date

Remember, your reputation on Amazon is extremely important. Customers listen to other customers, and that affects your bottom line. Keep a close eye on your metrics and make sure you're dealing with requests quickly and efficiently.

Need a hands-off approach?

Let our [Managed Services](#) team guide the day-to-day details across both your inventory management and retail media strategies. We'll work with you to customize an action plan for growth — whether that means maximizing your presence on Amazon or choosing a new mix of additional marketplaces for expansion. And thanks to our longstanding relationships with Amazon, you'll be first to know about new opportunities as they emerge.



9. Reach More Consumers by Going Global

Around the world, people are turning to Amazon to meet all kinds of shopping needs. And Amazon has expanded to meet the demand of both consumers and brands. The marketplace giant now operates in [13 different countries](#), with sites dedicated to shoppers in the US and UK as well as Australia, Canada, China, France, Germany, India, Italy, Japan, Mexico, and Spain. Prime memberships are available over 20 countries and products can be shipped to more than 100.

In other words...

Selling internationally could significantly increase your consumer base and sales.

To start, [Amazon Global Selling](#) opens your Amazon product listings to international consumers who are already shopping on Amazon. This program is a great way to test the waters of cross-border trade, and will provide the insights you need to understand where people are most likely to buy your products. You can then use that knowledge to determine if expanding to another marketplace in the same location would be cost-effective. And since you're selling through Amazon, you won't need to translate or localize your listings for other regions.

Signing up for the [Amazon FBA Export](#) program is also a great idea if you're considering selling internationally. This program lets international consumers buy your products for fulfillment through Amazon's many centers around the world. It works just like FBA does for domestic orders and can save you valuable time as well as the hassle of shipping abroad.

What's Next? Stay Ahead with Rithum

As a driving force behind the global e-commerce landscape at large, Amazon sets the stage for successful online selling. But the days of simply listing on this marketplace giant are long gone. Staying up to date on the latest trends, requirements and best practices will remain crucial as you continue to learn which marketing, selling and fulfillment techniques work best for your customers on Amazon.

Keep your finger on the pulse of e-commerce with breaking news, tips and best practices from the industry experts.

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