Sell on Amazon

A Guide to Amazon's Marketplace, Seller Central, and Fulfillment by Amazon Programs

Steve Weber

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Plug Your Book! Online Book Marketing for Authors, Book Publicity through Social Networking

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http://spaceware.com

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http://www.myblogutopia.com.

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Introduction

If you're in business to sell consumer goods—or you want to be—you should be on Amazon.com. More than 90 million consumers regularly shop at Amazon, and the number grows daily. As its business has blossomed, Amazon has made it easy for third-party sellers-individuals, large businesses, and mom-and-pop stores—to grab a piece of the action. If you already have a Web or brick-and-mortar store, you can probably boost your volume and profits by showing your wares on Amazon, the world's biggest store.

This book explains the myriad ways that you can profit by partnering with Amazon. Perhaps eBay is more famous for online selling, but today Amazon is the most popular online marketplace, having passed eBay in buyer traffic during the 2007/2008 holiday buying season.

Amazon also ranks among the highest-rated online retailers in customer satisfaction, price, and selection. By selling on Amazon and playing by its rules, you can leverage the Amazon brand name and prime Internet real estate from day one.

Selling on Amazon is big business. Third-party merchants like you and me sell 26 percent of the items sold on Amazon. And that's just fine with Amazon, because its merchants pay commissions on each sale. In return, sellers are rewarded with a steady stream of paying customers, without the traditional risks of retailing. With an Amazon business, you don't need to put up cash for advertising, insurance, employees, retail showrooms, or any of the other major costs of traditional retailing.

Unlike many other large shopping sites, Amazon doesn't charge sellers any fees until your goods have been bought and paid for. And perhaps most importantly, Internet fraud is exceedingly rare at Amazon,

in contrast to many Web shopping venues. Amazon screens your customers for you, collects the payments, and sends the proceeds to your bank account.

If you don't want to deal with online buyers yourself, Amazon will handle it all for you. For some extra fees, Amazon will ship your items to customers and handle all customer service, e-mails, and product returns. All you need to do is ship your goods to an Amazon warehouse. (For more information, see the section in this book on "Outsource your Fulfillment.")

Discovering Amazon

Little more than a decade after its founding as an online bookstore, Amazon has evolved into an amazingly effective tool for all sorts of businesses, big and small:

- The existing brick-and-mortar retailer who wants to get additional exposure for his or her products online.
- The startup entrepreneur who wants to start a business selling products from home.
- Anyone with access to new or used consumer items—ranging from books, movies, and electronic gadgets to games or practically anything else—who wants to convert those items into cash quickly and easily.
- Manufacturers or distributors who want additional exposure for their products on the Internet.
- Publishers, liquidators, and others who want to move overstock and "long tail" merchandise. If there's a buyer for your item somewhere in the world, they can find you on Amazon.
- The artisan or inventor who wants to get broader exposure for his or her wares.

If you have something to sell, get it on Amazon, and you'll sell more of it—on Amazon and everywhere else. Amazon's personalized product recommendations can generate sales for you not only on Amazon's Web site, but in local brick-and-mortar stores, too. Millions of shoppers make

their buying decisions on Amazon because of the quick, easy access to product information and unbiased consumer reviews, then drive to a local store to pick up an item immediately.

Rest assured, you don't need your own Web site or any special computer expertise to sell on Amazon. If you're comfortable using e-mail, you've got all the skills you need to get started selling on Amazon.

What if you've already got a Web site on which you're selling products, or you're planning one? Read on, and discover how to use Amazon to funnel new and repeat customers to your business.

Get started on Amazon

Amazon Marketplace is a sales platform available to businesses or individuals who sell new, refurbished and collectible products. The offers from these merchants get prominent placement on Amazon's product detail pages, right alongside Amazon's own listins.

For example, when you view Amazon's retail price for an item, nearby you'll see a link such as 36 used & new from \$18.99. Clicking the link brings you to the offer listing page for Amazon's Marketplace sellers. All you need to do to start selling is click the vellow **Sell Yours** Here button. Then you can provide banking details so Amazon can transmit the money from your sales, and you'll choose your business name, also known as a "seller nickname."

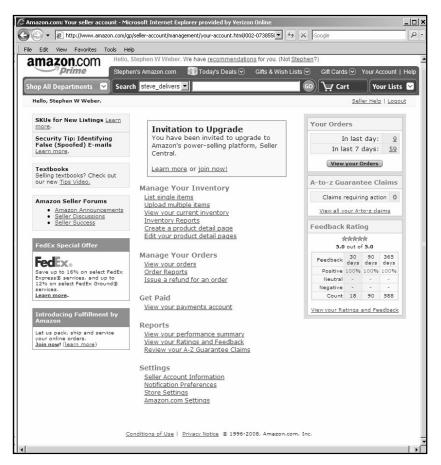
Once you're participating as a seller, you can monitor all your activities at your **Seller Account** page:

http://www.amazon.com/seller-account

See the four degrees of Amazon

Amazon has four levels of seller programs:

An individual selling account. Anyone with a regular Amazon consumer account can click the Sell Yours Here button on an Amazon product page to offer a used, new or collectible item for sale. There are no listing fees, but Amazon collects a 15 percent commission on each sale plus additional miscellaneous fees.



The personalized Seller Account page for Amazon-registered users: http://www.amazon.com/seller-account

- **Pro-Merchant subscribers.** For \$39.99, Amazon provides volume listing and inventory-management tools, and waives the 99-cent per-item fee charged on sales to individual accounts. For sellers who regularly sell more than 40 items per month, the Pro-Merchant subscription is a great deal because it reduces selling costs and allows you to further automate your business.
- Fulfillment by Amazon. Instead of selling and shipping items to buyers directly, sellers ship their items to Amazon's warehouse.

For extra fees, Amazon stores the merchandise, handles customer service, and ships the items to the buyer. A big advantage of this program is that your listings qualify for Amazon's various free shipping offers. Buyers of regular Pro-Merchant listings must pay at least a few dollars for shipping—for example, \$3.99 for books and \$2.98 for CDs and DVDs.

Merchants@ Program. This is a higher level of Pro-Merchant status, sometimes referred to as Gold- and Platinum-level sellers. Participating sellers, often large-volume vendors with access to wholesale prices, get extra visibility on Amazon's site. If you're already a Pro-Merchant with a good track record of sales and customer service, you'll probably get an invitation to this program. To apply, visit this contact form and indicate what category of merchandise you're interested in selling:

http://www.amazonservices.com/contactus

List an item on Marketplace

There are virtually no barriers to listing an item for sale on Amazon Marketplace. If you already have an Amazon consumer account, you can use that account to list items for sale.

To list an item, simply search for the Amazon page for the product you're offering, and click the link **Sell Yours Here.** Amazon's Web site will prompt you for the additional information required for selling privileges.

To search for products, look for the search box at the top of any Amazon page. Search for the item using the product name, title or ISBN or UPC. These are the digits above the barcode on a retail page, and stand for International Standard Book Number or Universal Product Code.

You can also list items from your Seller Account page by clicking the link Sell single items.



Beware of restricted products

In addition to preventing the sale of illegal products, Amazon also restricts the sale of certain high-value goods. Sellers of these expensive items must be pre-approved by Amazon, including:

- Computers
- Cell phones (without service) and wireless accessories

Also, sales of certain top-selling items are restricted to pre-approved merchants in these store categories:

- Computer and video games
- Electronics

Software

Amazon classifies computer games as a subcategory of its Software store, and restricts computer game sales to pre-approved sellers.

Also, Amazon usually restricts the entry of new merchants into its Toys category in the weeks leading up to the holiday buying season. And some stores are simply closed to third-party sellers, including:

- Jewelry
- Watches
- Apparel
- Shoes

Describe your item's condition

Amazon's Web site shows a drop-down menu of condition classifications depending on what type of merchandise you're selling. Here you indicate the item's condition and add comments further describing the item. For example, if you were selling a used DVD, you might classify its condition as "Good" and add the comments: "Has rental-store sticker and light scratches."

Designating condition and your description. Take pains to describe items accurately, and disclose all defects. Err on the side of caution. Accuracy in descriptions boosts buyer satisfaction, your repeat business, and your feedback ratings from customers.

Rate your items' condition

You can sell items in any of four condition categories on Amazon: New, Used, Collectible, and for certain types of products, Refurbished. It's important to accurately grade your items because your customer satisfaction and reputation depend on it.

Amazon has fairly precise guidelines for rating new or used products on Amazon:

New: A brand-new, unused, unopened product in its original packaging and with all original packaging materials included. The original manufacturer's warranty, if any, should still apply, with details of the warranty included in your condition comments.

- **Like New:** An apparently untouched product, in perfect condition. The original plastic wrap may be missing, but the original packaging is intact and pristine, and instructions are included. There are absolutely no signs of wear. Suitable for presenting as a gift.
- Very Good: A well-preserved item that has seen limited use but remains in excellent condition. The item is complete, unmarked, and undamaged, but may show some limited signs of wear. The product works perfectly.
- **Good:** The product shows wear from consistent use, but remains in good condition. The item may be marked or have identifying information on it, and show other signs of previous use. The product works perfectly.
- **Refurbished:** The product was professionally restored to working order. This usually means the item was cleaned, inspected and repaired according to manufacturer specifications. The original packaging might not be included. A manufacturer's warranty—or a warranty of the company that refurbished it—should apply and be explained in the condition comments.
- **Acceptable:** The product is fairly worn, but it continues to work perfectly. The signs of wear can include scratches, dents, and other aesthetic problems. The product may be marked or have identifying information on it, and may show other signs of previous use.
- Unacceptable: Products that do not work perfectly in every regard are unacceptable, and thus ineligible for selling on Amazon. Items that are damaged in ways that render them difficult to use are likewise unacceptable. Items for which essential accompanying material is missing are unacceptable. Products that require repair or service are unacceptable.

For more detailed guidelines for books, music, videos, electronics, cameras, and other Amazon product lines, consult this Amazon guide:

http://www.amazon.com/gp/help/customer/display.html?no deId=1161242

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