

# **The Five-Minute Guide to Starting an Amazon FBA Business**

**- SPECIAL REPORT -**

Amazon FBA stands for “Fulfillment By Amazon.”

This is a service provided by Amazon that will handle the storage and delivery of inventory that you are selling through the site. That means that you can work as a reseller – buying products from Alibaba wholesale and then selling them for more – without ever needing to deal with logistics, storage, packaging, or other complications.

In other words, it means you can start selling *real* products and making *real* money, without needing a huge amount of investment capital, a physical premise, or anything else that might hold you back.

Now *anyone* can sell amazing products.  
Here’s how you do it, in just 5 minutes.

## **Recommendation: Design Your Own Product and Sell**

In order to sell through Amazon FBA, there is a simple process. First, you will need to find the product that you want to sell. As mentioned, you can do this through Alibaba, which you can think of as “Amazon for the sellers.” Search, and you’ll find endless items listed with per unit prices and minimum orders. That means you can buy 50 dumbbells and sell them on at double the price (this is called keystone pricing).

However, I actually recommend making one more change to this process: speaking with the manufacturer about making at least one small change or tweak to what you’re selling. By doing this, you can make a product that is *unique* and that will not be in direct competition with others.

To make this work, search for OEMs – Original Electronics Manufacturers – when you conduct your search. So, don't search "fitness tracker" but rather "fitness tracker OEM." You also want to make sure the business offers "white label" services. That means they're happy to leave their branding out of the equation, and to let you stamp yours on the product instead. This helps you to grow, and further set yourself apart.

Next, you need to set up your Amazon seller account, and then select that you want Amazon to handle your fulfillment. You'll then be taken to a page where you can answer questions about the size and weight, and where your product will be coming from.

You'll need to get a label containing an internal barcode that you can pass to the carrier (or ask Amazon to attach for a fee). You also need a regular barcode for your items. Any item listed on Amazon MUST have an individual and unique barcode.

You'll also need to arrange delivery to Amazon's warehouses. That means finding a freight forwarder to take your items from the warehouse (which is likely based in China) to the carrier, which will then take the product to Amazon's warehouses.

Once you've done all that, your items will be ready to start selling!

# Creating the “Must Have Factor”

So, you have a product that you think could genuinely make a big splash and hopefully earn you some money in the process. This is a great situation to be in and of course one that shouldn't be squandered: great ideas don't come along every day and selling a product is an incredibly fulfilling journey that anyone you should take advantage of.

But just because you have a great idea that doesn't necessarily mean it's going to sell. Often the things that people buy are not the best ideas or even the best made items, rather they are the items that have been cleverly marketed and that have a certain 'must have' quality that gives them the edge over other products. Here we will take a look at where that 'X-Factor' comes from and at how you can make your item the thing that everyone is talking about...

## An Example

In case you don't know what, I mean by this 'must have factor' let's take a look at a perfect example: Apple products. Now technically Apple products are inferior to their competition in many ways. Apple devices such as the iPad are sorely underpowered compared to many Android counterparts, and they lack the plethora of features you can get from other manufacturers too. Want a waterproof iPad? Or an iPhone with a headphone jack? Well... tough.

And yet Apple products sell like mad *and* make Apple a lot of money thanks to their particularly high profit margins. How do they do it? By making their items *desirable*. Apple's first stroke of marketing genius came with their white headphones that made their iPod product stand out from the crowd, but from there they only cemented their 'luxury' status by releasing products with a

better build quality than the competition that felt weighty and well made. They stripped down their OS to create the illusion of butter-like performance, and they created entirely white stores that offered customers a bespoke experience rather than the struggle normally associated with shopping. Then there's the packaging, the clever marketing... all of it makes Apple products into something more than the sum of its parts and that's what you want to emulate with your item.

## Lessons Learned

So, looking at Apple, what can we learn? Well first of all, we can see clearly the importance of branding and packaging. Spending a little more on your packaging and outsourcing the branding of your item will help to give you something that catches the eye in a good way and that makes people feel they *have* to own it.

Selling chocolates? Then put them in a black box with a red ribbon and suddenly you can charge a whole lot more for them. As an Amazon FBA reseller, this means you are going to need to involve another third party – a packaging contractor – in order to handle this detail. Amazon will handle the parcel or envelope, but if you want a shiny box *inside*, then you need to provide that. It's a bit of extra admin, but it is VERY much worth it.

Also important is standing out and being different. People want what no-one else has as that makes them feel privileged and special, but they also want what *everyone else* has which is a little bit of a contradiction. Give people something familiar then, but with that extra 'twist' that makes it stand out visually and you will be onto a winner.

Another great example are the Vibram Five Finger shoes - these shoes with separate toes cause people to stop in the street and ask questions and that in turn provides all the marketing that Vibram need to do.

That's why we recommend speaking with wholesalers about tweaking their products to make them unique to you.

Finally, think about build quality and about that extra 'sheen' that you can give your products. When you next think about cutting corners by choosing a cheap plastic over your solid chrome, think again and ask yourself what that could do to your item's sex appeal.

## Marketing

So now you have an item that is packaged beautifully, that's made of high-quality materials and that does something unique to set it apart. Already people will want to be seen with it, so put that at the forefront of your marketing and make sure that people know that your item is the hottest one on the market.

Finally, consider using a few extra tricks. Make a higher asking price but then have your item constantly discounted so people think they are getting better value. Make your stock limited for the first run so that people want what they can't have, and perhaps even consider making an even more 'premium' version of your product to satisfy the die-hards.

Think about the way you talk about your products. Again, Apple is a great example of this: take a look at any presentation by Steve Jobs or Tim Cooke, and look at the way that they express themselves and describe the tech. They use words that really help the viewer to imagine holding the product. Words like sleek, streamlined, premium, luxurious, powerful.

All these terms make us picture something that we can't actually hold for ourselves – and make it sound amazing.

One more trick? Consider making a *video ad* for your product, and consider using the ad to demonstrate the value proposition – the thing that makes your item speak to buyers. Try to evoke an emotional response, and you'll be surprised how ravenous people can be for your items!

## **The Difficult Second Product**

It's a great feeling having a bonafide hit and being able to make a living from an idea you've had or a hobby you've always loved and it's this moment of achievement that entrepreneurs around the world are motivated by and aiming towards.

But for most of us one big hit doesn't cut it. After you've had that initial success, you'll eventually reach a saturation point where your idea stops making money and then you'll have to follow it up with something new. Now's the chance to expand your business, to prove that you're no 'one hit wonder' or one trick pony, but as with a second album or even a second child, it can often be difficult getting lightning to strike twice...

That doesn't mean it's impossible though, it just means you need to be smart about the next logical step for your business and approach the process in the right way.

# Guidelines for Choosing Your Next Move

The first guide that's wise to follow when you set out to create/source your next great product, is to stay roughly within your original niche or industry. If you've had a huge hit with a fitness accessory for instance, then it makes sense that your next creation should be based around fitness (and quite possibly also an accessory). This makes the most sense because it means you'll have a built-in audience and marketing option. If you collected a mailing list when selling your last product for example you can let those people know and there's a good chance, you'll get some repeat business.

Likewise, if you release a product that's in the same niche as your last product, it means that you'll be able to put to practice any lessons that you learned when creating the last one. This means it will probably be even better because you have the advantage of experience and hindsight – rather than going into something new completely blind again. Your second product is also when you can start to build your brand and reputation and if you show consistency between your products then it will help you to gain followers and interest (as opposed to just being 'all over the place').



## Build Upon and Diversify

That said though, you don't want to too closely emulate your last hit either, as that way you won't give your previous customers any incentive to want to purchase your new product. You might risk looking like you don't have any other talents, and you won't be attracting any new business. A little diversification and branching out will help you to extend your reach which will help to make your business more resilient and stable in the long run.

So, for instance if your last hit was a skipping rope that did something unique, your next one *should* be to do with fitness, but it *shouldn't* probably be a skipping rope. Apply the same technology to a dumbbell or to a shoe and you'll be showing consistency while also doing something fresh enough to keep people interested in your brand.

## **Dreaming Bigger**

At this point you should be feeling extremely proud and excited: you are now an entrepreneur AND an inventor.

But don't let it stop there. There is much more you can do to grow your business further. For example, why not build a bigger brand with your own blog and start selling through your own ecommerce store as well?

Why not try and get some of your products into high-street stores?

Anything is possible, and the web makes it all easier than ever before.