

A man with short brown hair and a light beard, wearing a light blue button-down shirt, is looking down at a laptop. He is sitting at a desk in what appears to be a warehouse or industrial setting, with metal shelving and blurred lights in the background.

Grow global:

Part 2: Building your marketplace business and making more money

How to sell more of your products and keep more of your profits by:

- Creating your own brand
- Boosting ratings and reviews
- Climbing the search results
- Keeping control of your stock
- Managing multi-marketplaces
- Expanding into new territories
- Managing FX
- Avoiding fraudsters
- ... and more

WORLDFIRST

Managing your marketplace business

Early days: building up your ratings and reviews

In a crowded marketplace (and all good marketplaces are crowded) price will be a key factor in the buying decisions of online shoppers; especially where competing sellers are offering identical products. But thankfully it's not their only consideration. How other customers rate you, your products, and your service is just as important.

Most marketplaces have some kind of seller rating to help their customers make an informed choice about who they should buy from:

AliExpress	'Top Brand' and % positive feedback
Amazon	Five-star rating
Cdiscount	Excellence pictograms displayed against sellers with at least five customer ratings in either Gold (average at least 4.5 stars) or Silver (average at least 4 stars)
Etsy	Five-star rating
Newegg	Five-egg rating
	and so on...



Boosting your seller rating

Your first priority is to build up your rating. Around 90% of buyers say they are influenced by the seller's rating when choosing who to buy from. As customers don't only look at the rating itself, but also at how many people have rated you, the road to getting an attractive score can feel like a long, slow slog.

So how do you build up positive product and seller ratings?

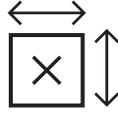
The answer is simple and obvious: sell great products and give great service.

Avoid the Negative

According to Amazon, the most common causes of negative feedback – and therefore the things to avoid at all costs – are:



Item out of stock



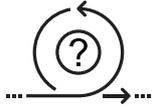
Wrong size or product



Late delivery



Poor product quality



Complicated returns process



Poor customer service



Product not as described

Solicitation

Before you start, check your marketplace's rules about soliciting feedback. On Amazon, for example you are allowed to encourage your customers to review you and your products via a message on the packing slip or order invoice. But you must do this 'in a neutral manner'. And on no account do anything to 'influence or inflate' ratings, feedback, and reviews. Get caught and you will quickly find your seller account suspended. Amazon's rules explicitly prohibit you from:

- X Paying for or offering incentives in exchange for providing or removing feedback or reviews
- X Asking customers to write only positive reviews
- X Asking customers to remove or change a review
- X Soliciting reviews only from customers who have had a positive experience
- X Reviewing your own products or a competitor's products



What to do if you have no seller rating

When you're starting out you may feel that you're in a Catch 22 situation – you have no customers because you have no seller rating, but you have no seller rating because you've had no customers. Here are some short-term strategies to get you started.

Focus on items sold by only a few sellers

It's easier to stand out when you have less competition, so look at selling products which few people offer, and which don't have many reviews. You're more likely to be selected as the seller. Then make it your ambition to become the seller with the most positive reviews for that product.

As the number of reviews builds up, so will your trustworthiness.

Once you've achieved this you can begin to look at breaking into selling products where there is more competition – your high seller rating will help differentiate you from the pack.

Your marketplace may help you generate early reviews...

For example, submit your products to Amazon's Early Reviewer Programme (for a price) and Amazon will incentivise customers to leave a review by rewarding them with an Amazon gift card. Amazon vendors (people supplying products for Amazon to sell) can take advantage of a similar programme called Vine.



Add value

Think about ways to add value to your products and your transactions. How can you entice customers through your product and delight the customers who do buy from you? If you have confidence in your product then a no-quibble lifetime guarantee, for example, could help you stand out. Or why not bundle in some thoughtful, low-cost extra item while keeping the product price the same as the competition is charging – a coaster for the mug to sit on, for example. If the marketplace rules permit it, throw a little 'surprise' gift in with the product as a bonus.

Also look at ways to add value to your brand as a seller. Tell a story about your products and how you choose or – in the lingo of the day – curate your product range. Where are you? Who are you? What do your customers say about you? Is your brand all over the internet? Instagram, Facebook, Twitter...

Compete on price

If you can afford to do so, you could choose to undercut the competition. Being the cheapest is a sure-fire way to attract customers. Give these early buyers great service, build up your reputation, and restore your margins once you've established yourself as a seller who can be trusted.

Automate your pricing

Third party services allow you to automate your prices to guarantee that you match or beat the lowest price offered by your competitors. Amazon has a built-in 'Match Low Price' feature which enables you to re-price against a wide range of criteria. For example, you can choose to make the price of your product always cheaper than the offer in the Buy Box. Or you could have your product match the lowest price of only those competitors whose feedback ratings are similar to or higher than yours.

It's worth exploring what else is available in terms of price matching. eBay, for example, is rolling out a 'Best Price Guarantee' on eBay deals which echoes the John Lewis Partnership's 'never knowingly undersold' pledge. If a customer buys an eBay deal or any other 'top product' on eBay, then finds it at a better price on another site (including Amazon) within 48 hours, eBay will pay the customer 110% of the difference. eBay takes the hit.

How to optimise your product listings

Not all listings are equal in the eyes of marketplace search engine and the difference lies in how well they are optimised. In this section we take a look at what's involved in increasing the chance of your listings appearing high up in the search results.

Choose your keywords carefully

Make keywords fields work for you. Although invisible to customers, they play a role in determining search results. Commercial tools are available to help you research them in depth, but with a little time and thought you can use them to improve performance. Follow the guidelines of the marketplace in terms of things like length (about 250 characters on Amazon, for example) and use of caps.

- Think of every synonym you can
- Include spelling variants (although misspellings, plurals, etc are often handled by the search engine and do this work for you)
- Check whether your marketplace search engine automatically translates into other languages
- Avoid subjective claims

A descriptive title

Titles should be clear and succinct but make sure you cover all the essentials, Amazon suggests a format of: **[Brand] + [Sub-Brand] + [Model Number] + [Size] + [Product Description] + [Defining Features]**.

As an example, 'Laura Ashley Sophia Collection 300-Thread-Count Pillow Cases (Blue, Queen, set of 2)' is a much better product title than 'Blue Pillow Cases' because it covers all of the most important characteristics of the product at a glance.

Choose the most relevant product categories

Be accurate, specific and granular.



Great images

Professional looking, attractive images help your product to leap off the page. Use as many images as you can to show your product from different angles and in use – never underestimate the imagination of potential customers.

Make the most of bullet points

Some marketplace listings feature bullet point options where you can highlight the most important features of your product. Use these to address all the criteria you think your customers might have in mind. Turbocharge them by including differentiators and unique selling points – anything to distinguish you from your competitors.

Example for a set of fold-away raincoat:

- Drawstring adjustable hood & adjustable cuffs
- Rainproof
- Breathable
- Folds away into its own pocket for supreme portability
- Available in khaki, yellow or green

It's OK to repeat important information from the title – bullet points are easier to read and more digestible, so feel free to highlight things that are going to be important to buyers such as dimensions, durability, number of pages, intended use, safety features and so on.

Other ways to climb the search results

Optimising your product listings is only half the battle. Other tools and techniques include:

- Use the **marketplace's advertising or sponsorship products** to buy your way to the top – for example, Cdiscount's Pole Position programme
- Have great seller and **product ratings**
- Have a product with a successful sales **track record**
- Offer **fast delivery**
- Use the marketplace's own **fulfilment service** such as Shipped-By-Newegg or Rakuten Super Logistics

Winning the coveted Buy Box

If the same product is on offer from more than one seller, the race is on to win the coveted Buy Box. Walmart, eBay, Amazon and a few other marketplaces all have this feature.

To use Amazon as an example: when a shopper looks at a product page, one seller (often Amazon!) is selected as the default seller. Click on main 'Add to Basket' button and that seller is who you'll be buying from. Alternative sellers are listed with their own much smaller, 'Add to Basket' buttons. 90% of purchases are through the Buy Box.

How can you increase your chances of winning the Buy Box? How does Amazon's algorithm decide who wins?

- **Use Fulfilment by Amazon (FBA).** Amazon considers its fulfilment and logistics service to be the best, and ascribes a higher score to FBA users. If you're not using FBA, your delivery standards (and your history of meeting them) need to be impeccable.
- **Have great seller feedback.** Amazon's algorithm takes seller ratings into account when allocating the Buy Box.
- Use **Amazon's Product Bundling tool** to create a bundle which no one else offers. Or create a bundle which is unique to you and list it as a new product in its own right (there are rules about this though).
- **Ensure that you have enough inventory** for Amazon to be confident you can supply your product in the event of a sales spike.

Buy Boxes on other sites Apply similar criteria.



Managing your stock: inventory control

Managing stock levels sounds easy enough but finding the right balance between having sufficient stock to fulfil your orders promptly and carrying too much can be tricky. Overstocking may sound like the better option, but (a) you're tying up your capital, (b) you have to store it all somewhere, and (c) if it becomes obsolete or falls out of fashion, you'll never shift it. And stock management can reach new heights of complexity if you are selling through several online channels and/or also selling offline.

Here are some ideas:



Use replenishment alerts:

Amazon, for example, lets you set up replenishment alerts and will send you an email when your product stock hits the threshold you specify. Make sure you factor in the necessary lead-time to acquire fresh inventory from your supplier.



Wait for the data:

Start by ordering the smallest viable quantities then monitor your sales to get an idea of how fast the product is selling and re-order accordingly.



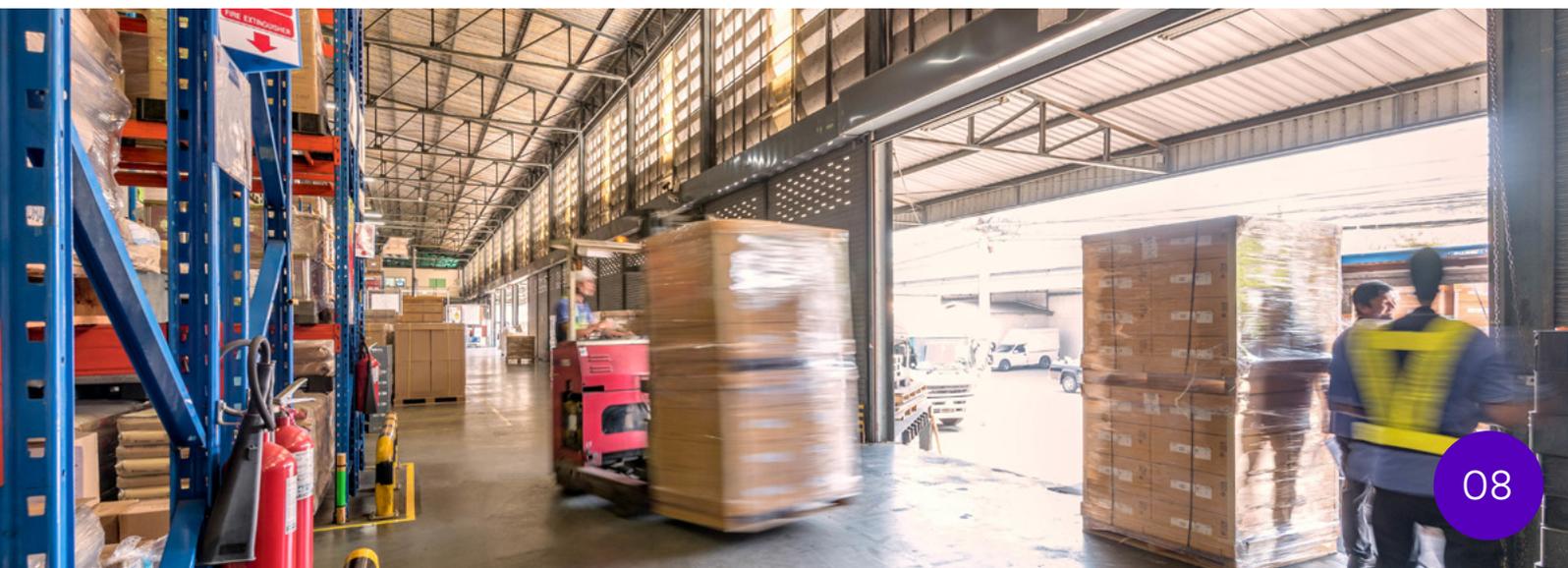
Over-stocking on fulfilment services

If you are using the marketplace's fulfilment service, be careful about overstocking. Fulfilment by Amazon (FBA), for example, will charge you for what it calls 'long-term storage fees' twice a year based on the size and quantity of the stock. You may end up discounting heavily just to cut your losses.



Think seasonally:

Obviously, if you're selling sun tan oil or Christmas decorations, you're dealing with seasonal products and this means very specific sales and stock patterns. But the same is also true of clothing, toys, and footwear, for example. Make sure you plan ahead so that you're carrying the right stock at the right time. And give yourself enough time to get new lines from your supplier and advertised for the start of a season.



Warning signs that say your product line needs refreshing

Getting your products online and selling them is just the beginning of your journey as a seller. From thereon in it's a constant process of using analytics and data to drive your sales strategy and modify your product offering to keep abreast of changes in consumer tastes and competitor activity. Here are a few signs that you might need to refresh your product lines:



Page views are plummeting, and sales are declining

If your sales are drying up, then you know you have a problem. But another good indicator of trouble on the horizon is when your items start being seen less frequently. Page views are a good measure of how interesting your products are to buyers – either in terms of whether they appear in a search at all, or whether they stand out in a list of search results. If you've got problems, it could be that you need to review your product information – e.g. better photos? – or that you need to revisit your optimisation strategies, or it could be a sign your products are just not what today's buyers are looking for.

Customers are complaining

This is the second most obvious warning sign. If your product is disappointing your customers, then you must act immediately. Turn your underwhelmed customer into an overwhelmed one as quickly as you can through good customer service and a willing refund. Then review the cause of the problem – are products turning up in poor condition because of the way they're packed? Are they not as you've advertised? Have you over-hyped them? Are they falling apart in use? Get to the bottom of things and rectify immediately.

Prices are falling

Lower prices are good news for customers, but they can also indicate that demand is slowing. Pronounced falls in the prices of identical or very similar products could be a strong sign that the market for that product has matured. In these circumstances, your first urge might be to abandon the product – or the entire category – and focus instead on a search for the 'next big thing' or less competitive categories. But sometimes a rebranded product or bundling a product with complementary yet differentiated products can help lift sales at the longer-tail end of the product's lifecycle, even if you're not the cheapest.

The multi-channel strategies of big brands

Here's food for thought: the lure and the power exerted by online marketplaces is so great that even the world's biggest brands are stepping down from their pedestals, rolling up their sleeves, and getting stuck in.

It's a reversal of the small seller's dream of starting out humbly in a marketplace to build their brand before graduating to their own website where they can more freely engage with their customers and mine the behind-the-scenes data about buyer behaviour.

Why do brands want to take part in the rough-and-tumble competition of marketplaces? Especially when one of the competitors may be the marketplace itself as is the case with Amazon. One reason is simply that it adds another sales channel to their business and that is rarely a terrible thing to have. Argos set up an eBay store to provide an outlet for excess stock, but rapidly developed it into a full-scale Argos online outlet.

Other companies such as Boden and Clarks have used marketplaces as a relatively straightforward way of entering new territories and gauging reaction to their brands before making the expensive commitment to build a full clicks-and-bricks presence.

Brands such as Nike, Ikea, Timberland and Levi Strauss have all been trying out the Amazon store channel. They are attracted by the loyal audience of Prime buyers and the trouble-free delivery network. What they don't get, of course, is an element of control over the way they present their brand and the valuable data behind the buyers' online activity.



Growing your business

Let's assume you've got to grips with being a seller and your business is ticking over sufficiently well that you no longer need to spend 24/7 attending to it. How do you go about growing it? This section offers some ideas on planning the journey from small-online-shopkeeper to retailing-force-to-be-reckoned with.

Join other marketplaces

Different marketplaces have different audiences. Buyers often have a loyalty – or at least a preference – for a particular website. So, while there are many people out there buy on both Amazon and eBay, for example, most will be buying far more on one than the other. If you have a range of products you may find that some do well on one site while others leap into people's baskets on another. Some marketplaces may have a useful focus on a particular region or country – Cdiscount in France, Flipkart in India, Trade Me in New Zealand and so on. Others may specialise in particular product areas – La Redoute and Spartoo are fashion marketplaces while in the UK, the Game marketplace specialises on games, consoles, tech and toys.

Multi-channel selling software

The good news is that adding a second or third sales channel to your business doesn't have to mean doubling or tripling the effort. Multichannel services are available which let you use one interface to manage your shops on Amazon, Lazada, Jet, Rakuten and wherever else you have them.

These services can help you create and manage listings, control your inventory, and fulfil your orders through a single interface. As well as managing your product listings across a range of channels they can synchronise your inventory to stop you from overselling, reprice, manage your postage and shipping, and even provide you with cross-channel reporting to give you an overview of your business.

Avoiding single-channel dependency

Another reason for hooking up with other marketplaces is to ensure that not all of your commercial eggs are in one basket. Should you inadvertently (or advertently, come to that) fall foul of a platform's terms of business, you could find your account cancelled without warning. There are many tales of people finding themselves banned even though they haven't broken the rules – the result of a fake complaint by a malicious customer, for example. If you sell on one channel and that channel is cut off, there goes your business.

Same brand, different markets

Finding a bigger audience doesn't necessarily mean having to join another channel. When you sign up as an Amazon seller, for example, Amazon will assume you want to sell into Europe and - unless you opt out - sign you up for all five European marketplaces - UK, Germany, France, Italy, Spain.

But you can take this even further. Sign up to Amazon Global Selling and you can reach hundreds of millions of Amazon customers around the world. Go global and get access to 14 marketplaces around the world including the US, Canada, Japan, and India. Through Amazon's 175 fulfilment centres you'll be able to deliver your products to people in more than 180 countries.

The sheer scale of Amazon's operational footprint is breath-taking, and its audience is measured in billions.

By going global with Amazon, you can:

- Reach more potential customers and drive more sales
- Take advantage of Amazon's efficiencies of scale to launch your business into new markets at minimal cost and without having to make changes to your systems or infrastructure
- Take advantage of Amazon's Fulfilment by Amazon service to eliminate the logistical headaches of shipping overseas

Expanding your Amazon Seller business into new territories isn't completely without risk, but the possible rewards are certainly attractive. To help you think through some of the main issues, we've put together this short guide to help you decide whether to take the plunge:

Mind your languages

The most often cited objections to expanding into overseas sales are about creating listings and doing business in other languages. But international marketplaces go to great lengths to make life as easy as possible for non-polyglots. In the case of Amazon, for example:

- Seller Central Language Switcher helps you to manage all your operations in English (or your native language) meaning that you always have a familiar, consistent interface to work with.
- The European marketplaces account gives you access to five European Amazon marketplaces from one account. It means you can manage prices and promotions across the different markets easily from one place.
- The 'Build International Listings' feature automatically creates local language versions of product listings from your home site across the international sites. It will also adjust for foreign exchange movements and reflect any price changes you make in your home country. It's good but not perfect, so you may want to get the results checked by a translations agency or a friend or colleague who speaks the language.
- It's worth bearing in mind that Amazon demands that you offer local language customer support for every market in which you operate. Using Fulfilment by Amazon really comes into its own here, as it means Amazon takes care of the customer service on your behalf.

Stock management and fulfilment

You need to be prepared for the impact of selling internationally on your stock management controls, and for the complexities and costs of shipping (and returns). International deliveries are more expensive and can be more time consuming than domestic ones. However, you need to pay attention to the entire shipping process – including customs, payments, etc – so that the customer doesn't experience unnecessary delays or unexpected charges that may affect their experience – and your ratings.

The fulfilment services marketplaces offer can take much of the pain away. Amazon's pan-European FBA service, for example, allows you can ship stock to a UK warehouse from which Amazon will fulfil orders from all five EU marketplaces at local rates.



Local regulations and taxes

Every country has its own legal, tax and customs arrangements (even within the EU) covering the sale of products to consumers. Take time to investigate the local laws and regulations in all the markets that you are selling into – it is your responsibility to make sure you comply with them, not the marketplace's. Making sure you're on top of tax, customs, intellectual property rights, export duty and controls, marking - and labels, environment, health and safety, and product compliance will keep you busy.



Product compatibility

From the number of pins on an electrical plug to shoe sizes* to chlorinated chicken... The fit or legality of a product in one country may not travel well. Double-check that what you're selling is appropriate to, and compatible with, the market you're selling into.

* Did you know that Japanese shoe sizes are based on the length of the foot in centimetres, making a UK size 9 a 27.5 in Tokyo?



Sales taxes

The biggest headache involved in cross-border trade may not be language, shipping, or even returns, but tax. Whether it's value-added tax (VAT), goods and services tax (GST), consumption tax, sales tax, or merværdiafgift (in Denmark) – most of the world's countries have a mechanism for fining consumers who buy things.

It's one of the least harmonised elements of international trade. **In Hungary VAT is a whopping 27%; in Iraq, Guernsey, Hong Kong and Qatar it's 0%. In Canada – well, it depends if you're in the Yukon (5%) or Nova Scotia (15%),** for example.

And while it's the consumer that's being nobbled, it's your duty as the person selling it to collect it and pay it.

Even if you are in the EU and selling goods to other EU countries, you may have to register for Value Added Tax (VAT) in each of the countries you're selling into. Generally, you will only have to register for VAT (and therefore charge and pay it) if you pass a 'distance selling threshold' in that country. This is generally in the tens of thousands of euros.

We won't get bogged down in the detail here but, suffice to say, it's your responsibility as the seller to ensure that you are VAT-compliant, not the marketplace's. Of course, it's in the interests of marketplaces to take as much friction out of the process as they can, so help is often at hand. Even so, their advice typically ends with the suggestion that you 'consult your tax advisor'. Consult your tax advisor.

Working in multiple currencies

Selling in different territories means dealing with different currencies which can put you at the mercy of fluctuations in exchange rates. The solution may not be as complex as you expect. Amazon, for example, has tools that will take some of the strain off you. Its Build International Listing feature can automatically price your products on international sites based on the price you set in your home market and adjust for currency fluctuations in the market as they occur.

Pricing is just one thing to consider when managing multiple currencies. Costs and margins are affected too. If you start selling on Amazon.de, for example, then your customers will pay for your products in euros and euros will be credited to your Amazon account. Amazon will move your euros back to a designated GBP bank account every two weeks but will take a conversion fee and give you its default EUR GBP exchange rate. What this means is that you could lose between 2-3% of your euro balance in fees and charges and, when you're operating with thin margins, it all matters.

Managing FX fluctuations

Selling overseas introduces an extra layer of complexity to your business in the form of exchange rates and currency transfers. Currencies fluctuate all the time, and exchange rate movements pose serious potential threats. Of course, an exchange rate movement in your favour can improve your margins, but a move in the opposite could devastate them – or even leave you with a loss. Finding the right time to repatriate sales generated overseas back to your home bank account and currency is crucial. WorldFirst's World Account platform (see panel) is uniquely setup to help international online marketplace sellers manage their overseas sales and maximise their margins.

International bank accounts

If you've ever tried to open an international bank account, it was probably an experience you wouldn't want to repeat in a hurry. It can be a slow, time-consuming and frustrating process and yet, to operate in some markets, an international currency account is also mandatory.

With World Account from WorldFirst (see next page) you can open a wide range of international currency accounts almost instantly, allowing you to do business like a local, only globally.



WorldFirst's **World Account**

Collect and manage funds locally from international marketplaces and keep more of your marketplace profits.

- Free overseas currency accounts in up to 10 different currencies
- Pay out locally or globally in over 180 currencies
- No transfer or collection limits
- Competitive FX rates, no hidden fees

[Find out more](#)



Boosting the visibility of your products

Using marketplace pay-per-click advertising

Not happy with where your product appears in the marketplace's search results? Don't worry, everything's for sale. Give your products a boost by paying a bit of money and buying more prominence. Flipkart offers Flipkart ads, Cdiscount has Cdiscount Ads and Sponsored Products, and so on. Amazon's options include:

- **Sponsored Products** are ads for individual product listings on Amazon. These appear on search results pages and product detail pages, helping make your product more visible and driving sales. The price is dictated by the market in the marketplace. Like the familiar pay-per-click systems of Google Ads (formerly Google AdWords), Amazon's Sponsored Products involves keywords and auctions. You bid against other sellers for particular keywords and the seller with the highest bid appears highest in Amazon's search results.
- **Sponsored Brands:** Showcase your brand and product portfolio. Featuring your brand logo, a custom headline, and up to 3 of your products, these ads appear in search results.

Subscribe and Save – Offer discounts on regular purchases

If you're selling consumable products that people will need to replace on a regular basis – coffee, nutritional supplements, tampons – Subscribe and Save is a way of encouraging customers to commit to buying the same product from you on a regular basis. In return, you give them a cheaper deal and free shipping.

To participate in the Subscribe and Save scheme, you must have had a Fulfilment by Amazon account for at least three months. It must be 'in good standing' and you must have a feedback rating of 4.7 or higher.

For some Sellers, the promise of recurring business is worth offering a discount of between 5% and 15%, but for others it erodes their margins by an unacceptable amount. Do your maths carefully before committing. For more information about Subscribe and Save, see Amazon's information about Subscribe and Save.

Boosting your performance as a seller

Tips on improving your performance

Competitor and pricing research

Price isn't the sole reason a shopper chooses to buy from you rather than your competitor, but it almost is. Make sure that you keep abreast of what your competitors are charging and make conscious decisions about whether to keep in step or not. Better still automate. There are plenty of tools available and some marketplaces have them built in.

Ratings, reviews, and feedback

We don't apologise for bringing this up again. Focusing on customer satisfaction must be fundamental to everything you do as an seller.

Customer satisfaction is life and death to your business. Although the vast majority of shoppers use customer reviews as part of their decision-making, only around 5% of buyers go on to provide feedback – and they are more likely to give feedback if they've got something negative to say. But if you consistently exceed your customers' expectations you can expect to see your metaphorical stock rise accordingly.



20 tips for making your way up the search results

Three-quarters of customers never get further than the first page of the search results. Two-thirds of all clicks are made on the first three items in the list.

There's no sale without a click so how can you get your products working their way up those search results to make all those potential buyers into your customers?

The golden rule is to think like the online marketplaces and what they want to achieve which is to give customers a good experience by:

1. **Showcasing the most relevant and reliable products...**
2. **... from the most reputable sellers ...**
3. **... at the most competitive price ...**
4. **... while maximising their own revenues**

Keep these four factors in mind and you won't go far wrong. Here are 20 ways to go about it. All are proven to have the power to influence the position of products in search results:

- 1 Always obey the rules set by the marketplace so ...
- 2 **... read the rules laid out by your marketplace before you do anything else**
- 3 Provide quality goods and a quality service – you want to minimise you order defect rate (ODR)
- 4 **Provide quality goods and a quality service – you do not want customers complaining to Amazon**
- 5 Provide quality goods and a quality service – focus on generating good reviews and lots of them...
- 6 **... then focus on getting more good reviews**
- 7 Use high quality images
- 8 **Set your price to be competitive**
- 9 Choose and use relevant keywords in your title
- 10 **Choose and use relevant keywords in your description**

- 11 Choose and use relevant keywords in your keyword fields
- 12 **Choose and use relevant keywords everywhere (you get the idea)**
- 13 Make all the information you provide accurate, truthful and relevant
- 14 **Avoid 'new', 'available now' and other things that are only temporarily true**
- 15 Avoid gushing adjectives, subjective claims and other things you cannot prove to be true
- 16 **Process orders quickly**
- 17 Offer a rapid delivery service and honour your delivery promises
- 18 **Use the marketplace's own fulfilment service – you'll find using Fulfilment by Amazon will boost your ranking no end, for example**
- 19 Buy your way to the top – use the marketplace sponsorship and advertising options – especially when you need to build up sales and generate feedback
- 20 **... read the rules laid out by your marketplace before you do anything else**



Security and fraud

If there's one thing growing as fast as online retailing, it's online fraud. You need to be alert and understand the tricks unscrupulous buyers use to defraud unwary sellers. But marketplaces can also view their sellers with a similar degree of suspicion. If alarm bells begin to go off, their response can be swift and devastating to your business. In this section we focus on Amazon which is often viewed as especially twitchy and uncompromising.



Keep your marketplace reassured

With hundreds of thousands of marketplace sellers on its books, Amazon is constantly fighting attempts to misuse its systems and its brand. So, it's not surprising that the sensitivity dial on Amazon's fraud detection antenna is turned right up to 11.

Generally, this is good news, but you must be ultra-cautious about setting off alarm bells by inadvertently stumbling over one of its tripwires. For example, one way to get into trouble with Amazon is to try to set up a second seller account. This can result in instant suspension.

Here's another scenario: Business is booming, and you move to a bigger office/warehouse. That's great news. Now all you have to do is let your suppliers, customers and service providers know your new address. So, you log into your Amazon Seller Central account, click to edit your address details, enter your new trading address and voilà! Or not. Paranoid about hacked Seller accounts, Amazon may suspend all of your listings while it reviews the change. This can last for hours or even days during which your sales add up to zero.

Amazon's response to these kinds of changes can seem disproportionate, even draconian. But it's their response to a period of very serious account fraud: some sellers had found their hard-earned sales proceeds siphoned off to a bank account they did not own. Their login or contact details had been gradually changed, so that any Amazon notifications regarding updated bank account details never reached them.

Use your account manager

Contact your account manager (if you have one) via your Amazon Seller Central-registered phone number or email address before making any changes. Notify them that you intend to change details on your seller account such as your company name, address, contact details, bank information etc. It may not stop your listings being suspended altogether, but it gives you a better chance of someone at Amazon reviewing the notes on your account and concluding that it's a genuine change and not the action of a rogue hacker.

Get your house in order before you make any changes.

File this under 'common sense' but make sure you have supporting documentation to hand before you make changes to your Amazon Seller Central account. Although you may feel you are simply being proactive by updating your Seller Central account with your new address before the change is official, or amending your bank information before you've received proof of bank account ownership, such as a bank statement for example, in reality you'll end up spending longer offline waiting to obtain such documents to provide to Amazon.

If you have WorldFirst's Amazon-compatible currency account, we can provide you with a same-day bank account ownership document upon request. This allows you to supply the necessary documents in a timely manner and make things a bit more straightforward for Amazon's verification team. Just make sure that all of the contact details that your bank account ownership document displays match up with your seller account details before you submit anything.

Choose your timing carefully.

If you do have to update your Amazon seller account details, think about the implications of your listings disappearing for 24 hours. If it's just before a potentially busy period, consider delaying. If you change account details during or just before the weekend, the likelihood of having your changes reviewed and approved within 24 hours diminishes.

Make changes from somewhere familiar to Amazon.

IP addresses and geolocation data can also trigger an investigation by Amazon, so always think about where you're logging in and on what device. If a fellow Amazon seller offers to let you borrow their phone or laptop for you to check your Amazon account's sales performance, it could well be bad news for you both as Amazon might assume that your accounts are related based on IP and/or device details and suspend both of you.

Beware of the buyer - scams you should know about

Don't have nightmares. Most buyers are genuine and you can expect most transactions to be drama-free. But there are rotten apples out there ranging from amateur chancers to full-time criminals who will exploit any opportunity they can. Sadly, Amazon no longer allows Amazon Sellers to rate buyers so there's little you can do in the way of judging whether or not your new customer is a good bet or a bad egg. Here are some of the most common scams:

Order not received:

The buyer claims the order never arrived and obtains a refund or a replacement. This can be difficult or impossible to refute depending on the shipping method you've used. Prevention is better than cure.

For high value items, consider using a tracked parcel delivery service with proof of delivery. This may not be cost-effective for lower ticket products and passing such a shipping cost on to the customer is likely to chip away at your competitiveness. When you've been in business for a while and can look at the data, carry out a careful cost/benefit analysis based on your suspected fraud rate for different items. Then decide which is the least of the three evils: live with occasional fraud, take the hit of higher postage costs, or reduce your competitiveness. Of course, even proof of delivery can be denied by a determined fraudster.

Wardrobing and other returns abuse:

Marketplaces may hold you to a very strict and generous (from the buyer's perspective) returns policy. Some unscrupulous customers will take advantage of this. A common scam involves buying an expensive outfit, wearing it once to a wedding or a party, and then returning it on the grounds that the item is 'not as described'. In fashion retailing, this is known as 'wardrobing'. There's not much you can do to fight it. It's your word against theirs. Another scam involves buying a new item and returning a completely different, faulty one. Again, there's not much you can do. But if you're selling products with serial numbers it's worth recording them against each order.



Emails

Emails and other out-of-system approaches: Look out for buyers trying to circumvent the marketplace's processes by contacting you directly by email to make a change to an order – and especially to the shipping address. Sometimes, the order they refer to in the email is itself fictitious. Always politely route such queries back into the Amazon system. If you have good reason to suspect fraud, then do report it to Amazon but keep your expectations low. At the end of the day, you're probably just going to have to accept that losses due to fraud is just one more item to add to your costs when putting together your business plan.

Protecting your account - phishing

The most important anti-fraud measure is keeping your marketplace account secure. You've been on the internet long enough to know the drill – unique, complex passwords, making sure you don't let a browser save your password when using someone else's computer etc, etc.

As a marketplace seller your account is deeply attractive to criminals so be on the look-out for phishing emails trying to trick you into using your login credentials on a fake Amazon site, for example.



What you do in the privacy of your own label...

In Part 1 of this guide we introduced the idea of creating your very own brand through 'private labelling'.

The idea is simple - find a product you like, get the manufacturer to stick your logo on it (or on the box), then sell it. Exclusively.

Exclusivity is the key attraction here. No matter how similar – or identical – your product is to the ones your competitors are selling, you are not competing directly with them. On Amazon, one huge benefit of having your own brand is that you get to own the coveted Buy Box.

If you're selling the same product as other people, you're competing with them for Amazon's Buy Box – the 'Add to cart' button on a product listing. If you're selling your own unique brand, you automatically get the Buy Box because you're the only person selling it.

Private label ranges don't have to be niche. Private label products have been a familiar part of the UK supermarket shopping experience for decades with most supermarket chains having their own range (or ranges) of 'own brand' products. It's estimated that 40% of grocery sales in the UK are private label.

Five Steps to a successful private label product

1

Look for something that's not already widely available or familiar. Keep your eyes open in small, specialist shops - online and in shops - for products you like that the big retailers picked up on.

2

Then check out the online marketplaces for similar products. If the sales are respectable but there aren't many sellers and product reviews are thin on the ground, you may have an opportunity on your hands.

3

Find a manufacturer through [Alibaba.com](https://www.alibaba.com) or [Easy Imex](https://www.easyimex.com), for example. Check out the price and the viability. Although 'off the shelf' is going to be cheaper, don't be afraid to look into customisation - especially if it's going to make your product better or more appealing in some way.

4

If you haven't already done so, you want to **think about your brand** - the design the wording, the logo, and so on.

5

Now that you've got your own brand it's especially important that you **spend time on great photography** and copywriting to sell your product to the buyers.

Amazon Basics

It's not surprising that online marketplaces want their own slice of the private label action and even less surprising that this movement was led by Amazon. Launched in 2009, its AmazonBasics proposition features 'everyday items' from charging cables to photo frames to steel lattice firebeds and 'all at a value', as they curiously phrase it.

Amazon's access to its own marketplace data means it can make very informed and up-to-the-minute decisions about what products to add to their range. It can be good for consumers, but a challenge to sellers who can find themselves suddenly in direct competition with AmazonBasics, making it hard to get their product in front of potential customers.

The best advice to sellers faced with competition from Amazon itself is often to 'refresh' their product range: get out of categories where they're in competition with AmazonBasics and focus on products elsewhere. Jettison the everyday and focus on the unique, the higher end market, and products which can be clearly differentiated from the usual offerings in some way.



Go Global case studies

Selling on international marketplaces such as Amazon offers an easy way to take your business global. To demonstrate how, we present a few case studies from some online sellers who have successfully – and dramatically – broken into international marketplaces.



How to increase sales by 3,200 percent: Pertamina

If you want proof of how easy it can be to go global, Pertamina is a great example. A company predominantly selling clothing alongside pet and household goods, its sales were entirely within the UK. Until 2010, they'd never sent a single parcel outside the UK.

Despite this, Amazon made direct contact with Pertamina's director, Ravi Karia, to suggest expanding into their German marketplace. Ravi admits he was surprised but soon agreed. "I was intrigued so I just said 'yes, we'll do it'. When I started to look more deeply, the opportunity seemed exciting and I wanted to see if we could do it."

Expanding into Germany took Pertamina's turnover to almost half a million pounds. Excited by the possibilities of further expansion, Ravi took the company into France in 2011, America in 2012, and Japan and Italy in 2013.

But he did not even stop there. In 2014, Spain, Canada and Australia were added, with New Zealand following closely behind in 2015 and Brazil in 2016. India, China and Mexico followed and today Pertamina has a turnover of £16 million – an increase of 3,200% - and sells to 13 countries.



How has Pertemba managed to successfully sell internationally?

Ravi attributes Pertemba success to a number of factors:

Department of International Trade

The government's Department for International Trade (DIT) provided valuable access to resources, connections and advice, says Ravi.

Native Translators

In order to break the language barrier, Pertemba hires native translators to provide customer service and translations in each country. The personal touch enabled them to communicate effectively with buyers and quickly remedy any problems that arose.

VAT Registrations

By registering for VAT in five different countries, Pertemba can increase their level of sales in these marketplaces. If you don't hold a VAT registration in a country, you will need to make sure that you don't exceed the sales threshold determined in the VAT regulations.

Local Marketplaces

Several countries already have an online marketplace that is so secure that even Amazon won't tempt buyers away. In order to attract local customers, Pertemba tapped into several local marketplaces to secure audiences they wouldn't otherwise have reached.

How marketplace fulfilment can take the hassle out of overseas sales: Norwood Trading

The bigger marketplaces offer fulfilment services such as Fulfilment by Amazon (FBA). These not only streamline the shipping process, but can help sellers to go global with the minimum of fuss. It certainly worked for Norwood Trading.

Norwood Trading is a Top-Rated Amazon seller whose product lines include luggage and clothing from Turtle Mat, Luzzur, Wood Bridge and other brands. They are a Top 10,000 Amazon.co.uk seller and at the time of writing are ranked 7,992nd overall (this is very good!).

Expanding into Amazon's European marketplaces through Germany, France, Italy and Spain into Norwood Trading's biggest markets. By using FBA, Kevin Carey, Norwood Trading's director, was able to break into these marketplaces without incurring any of the hefty costs that would have been involved had they shipped the products themselves.

Although Kevin's biggest concern when he first considered expanding internationally was the language barrier, he soon realised that the biggest risk to his profit margins was VAT. As a result, Carey is careful to limit sales on Amazon's European marketplaces in order to avoid falling foul of EU VAT regulations.

Europe, America, Australasia: Motorcycle Parts UK aimed global from day one

Not all businesses wait to make the decision to go global. Motorcycle Parts UK, headed by director James Aspinall, has been selling internationally since it began in 2009.

Initially selling on eBay, the company soon expanded to sell on Amazon and now holds listings on seven eBay sites, four Amazon sites and on Cdiscount in France.

“Our biggest expansion has been made possible by two factors – firstly using Amazon FBA to increase sales in Germany, France and Italy and also by getting involved with a translation company on both eBay and Amazon to translate all our listings,” says James.

By using FBA to break into Germany, France and Italy, Motorcycle Parts UK now counts these marketplaces as its biggest markets alongside America and Australia and sells across Europe, North America, Asia and Australasia.





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It's free to open a World Account.

Apply today



What next?

If we've done our job you're now bristling with excitement at the prospect of your journey as a marketplace seller. And so, you should be. Who knows where it might take you?

But whilst there is almost limitless opportunity to create something special, there are no shortage of common mistakes too which, if avoided, can save you lots of time, money and effort. The best advice is to ask questions and seek advice wherever you can. You'll find that there are lots of forums, groups and even businesses out there who can offer invaluable support. Use them. And that includes WorldFirst. Use us.

Our team of international trade experts are always on hand to help you set up as an international marketplace seller and support you on your global journey. We're here to help.

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