

Amazon Global Selling in the USA: Everything You Need to Know

Description

Amazon is the biggest e-commerce marketplace in the world and has opened its doors to sellers all over the globe. With an ever-growing base of buyers and a massive collection of products, Amazon could be your gateway to making huge profits online.

Approximately 43% of US online retail sales were made through Amazon last year, according to Slice Intelligence. Imagine the potential growth if you could access this market abroad? With Amazon global selling, you have a platform and a process to target an international audience and sell your products to them.



Let's first clear up what the Amazon Global Selling Program is?

The Amazon Global Selling Program helps you sell your products to international markets in easy, simple, and convenient ways. Over 35,000 Amazon sellers are already taking advantage of this program since the company launched it in 2015. In fact, 120 million Indian products are already listed on international marketplaces and doing well abroad, according to Amazon.

Currently, Amazon offers you a platform to sell across multiple international marketplaces (including the US, Canada, Singapore, UK, Europe, and others).

We will be covering the United States in this blog. Let's begin with it!

Here's how Amazon Global Selling works



(A) Operational Strategies

1) Create an account on sell.amazon.com

Register your seller account in the marketplace chosen by you, in this case, it's the USA. In order to set up a global seller account, you are required to use an international credit card.

Some of the mandatory requirements for registrations are: Business email address or Amazon customer account, Chargeable credit card, Government ID (identity verification protects sellers and customers), Tax information, Phone number, A bank account where Amazon can send you proceeds from your sales.

(i) Choose between Professional or Individual Account

You can choose between a professional or an individual plan. In the individual plan, membership is free, but there is an additional selling fee of USD \$0.99 per item, as well as referral fees and variable closing fees. On the other hand, the professional plan costs \$39.99 and saves you from paying the additional charges.

Note: Both plans are eligible for FBA.



As can be seen, the professional plan offers more features and is a better choice for those selling over 40 products per month.

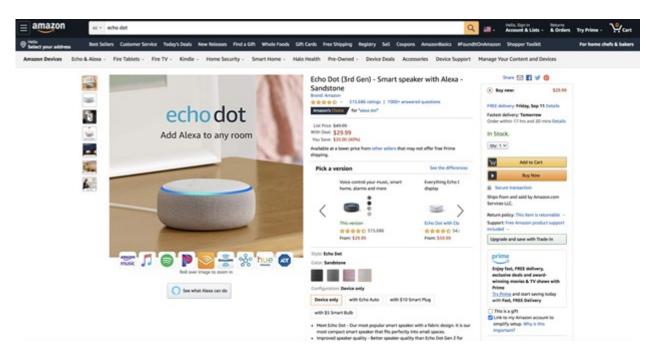
2) Prepare your Listing/ List Products

After being done with the documentation and registration process, you should then list your products on Amazon.

On a side note, you should also keep in mind that Amazon charges a referral fee for each item sold. The amount depends on the product category. Most referral fees are between 8% and 15%. Let's continue with the listing, now.

When listing, make sure to keep your listing brief and concise. If necessary, try to translate or use the country's slang to fit into the local language for better engagement. Product detail pages do not belong to a single seller. The product title, image, and details must be specific to the product itself, not to any individual product or seller promotions. Ensure that the product detail page outlines any additional items that are essential to the product's function.

An example of a good Product listing page here:



Some points on how to list your products-

- Make sure you have great product images. <u>Images</u> are the first thing that customers see, and it is an actual representation of your product and brand.
- Make your title compliant with Amazon guidelines and SEO friendly, because your title will tell customers all the important information about your product.
- Add product descriptions. The bullet points and descriptions are as important as photos and titles; they help convert those who are still on the fence after clicking.
- Take advantage of <u>A+ content/enhanced content</u> to showcase your brand and product's journey
 with attractive infographics. But to be eligible for this feature, you need to get your product
 registered through Amazon's brand registry.
- Don't include information on setting up your shipping rates, sale pricing, and promotions in Seller Central in your product listing details.
- You should not mention any keywords such as pesticides, germs, antibacterial, antifungal, or microbes in your listing of food items. This leads to product listing supression on Amazon. In addition, if your product requires such keywords to be added, you will need to submit a certification of your claim that is newly renewed.

3) Fulfill customer orders

There are two ways to fulfill orders to international customers: fulfillment on your own — Fulfilled by merchant (FBM) or Fulfillment By Amazon (FBA).

Shipping costs must be on your mind, right? Your shipping costs will vary based on whether you choose to use Fulfillment by Amazon (FBA).

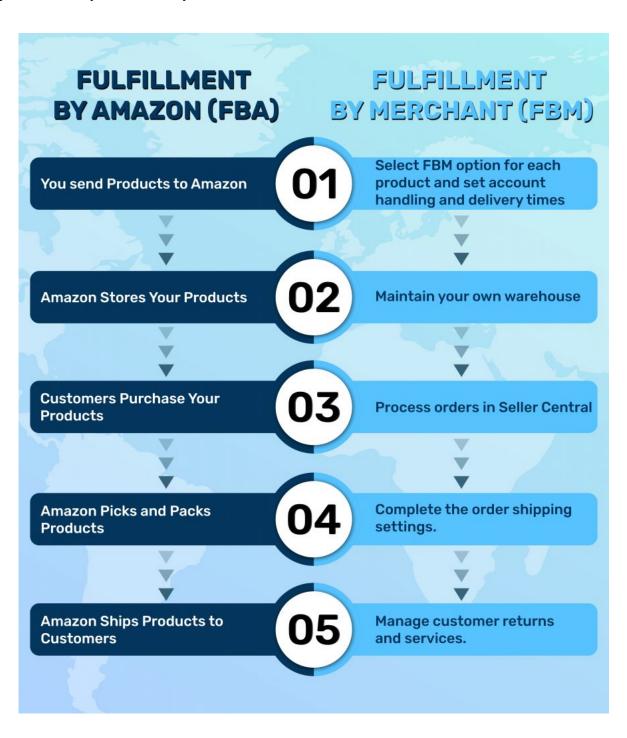
Find the Detailed FBA shipping info here: https://sell.amazon.com/pricing#fulfillment-fees

If you choose to fulfill orders yourself, you will need to use a carrier that ships internationally. It's also

your responsibility to avoid customs delays, additional taxes, and duties for your customers. You should also provide tracking information and ensure the customer is happy with the shipping process.

Amazon FBA lets you import your products and store them in a local fulfillment center in the country you're selling in. FBA allows you to improve your competitiveness in the marketplace by speeding up the delivery time.

With Paxcom, you can simplify your <u>order fulfillment process</u> and gain insight into the most profitable ways to handle your inventory.



4) Receive Payments

Everyone is finicky when it comes to receiving payments, especially if you are selling outside of your region. Fret not, Amazon makes it easy for you, and you can get paid in the following ways:

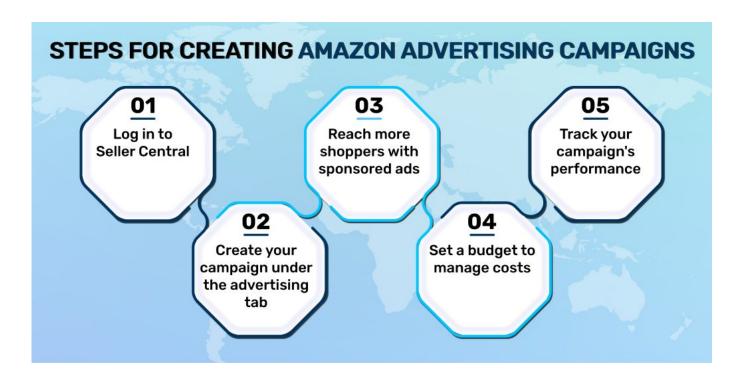
- When a customer makes a purchase and deliveries are completed, Amazon collects its fees then transfers them back to your account. You get paid in your own currency.
- Have a bank account in the market where you are selling (you might need to set up a local company for this)
- ACCS (Amazon's international payment solution)- Amazon Currency Converter for Sellers is an
 optional service that allows Amazon sellers to receive the net proceeds of their earnings into their
 local bank account if that account is located in a different country or region from the marketplace
 where they are selling.
- The third-party currency conversion service will cost 1% of the transaction.

(B) Promotional Strategies

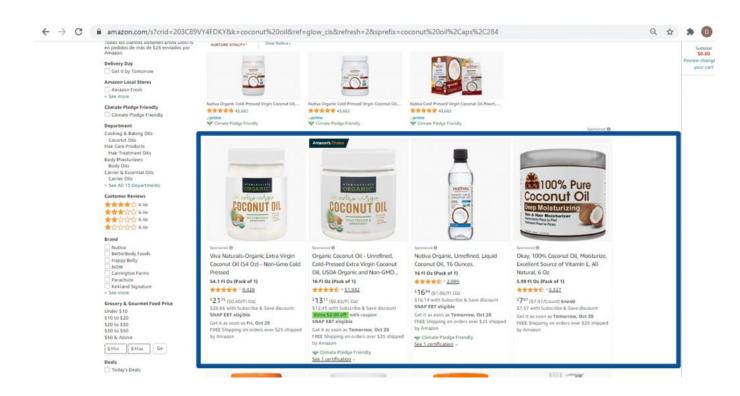
Besides scaling your business internationally, we are all well aware of the Amazon advertising- DSP and sponsored ads and the benefits sellers get from them. Like you would run campaigns on your home Amazon marketplace, you should partake in the same. Amazon advertising console works on a Pay per click (PPC) model. Run advertising campaigns to increase brand awareness and reach, ultimately leading to increased sales. Make sure your brand is registered on the platform before you begin advertising.

Types of Amazon Advertising

1) Sponsored Ads

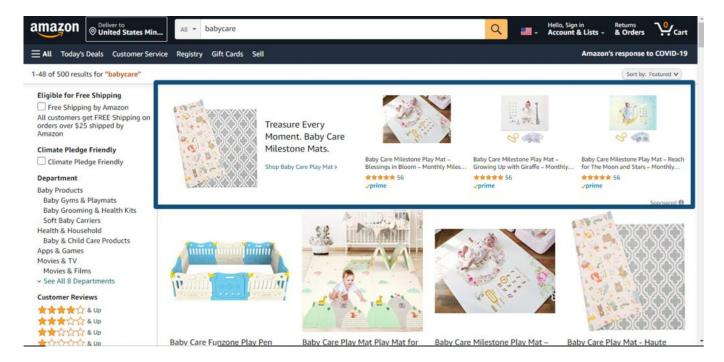


(a) Sponsored Products



Sponsored Products are ads for individual product listings on Amazon. These are keyword or product targeted ads that look very similar to organic search results and link to the product detail page. In terms of content, Sponsored Product ads are created automatically based on the advertised product listing, and are only indirectly customizable. They appear within shopping results pages and on product detail pages.

(b) Sponsored Brands



Sponsored Brands showcase your brand and product portfolio. Featuring your brand logo, a custom headline, and a selection of your products, these ads appear in shopping results pages, helping drive sales and product visibility.

(c) Sponsored Display Ads



Amazon sponsored display ads are product ads displayed to customers when they browse the product listing page. These help to increase brand awareness and drive sales of your products.

Sponsored Display Ads follow both the Cost Per Click (CPM) and Cost per thousand viewable impressions (vCPM) model.

For instance, when a customer searches for a camera and lands on the product with a buying or reviewing decision, your ad appears over the page, which helps in remarketing, allowing you to engage with them while looking for a similar product.

Amazon reports that over two-thirds (64%) of shoppers make a single purchase using more than one retail outlet. Sponsored Display ads keep your product top of mind, even if the customer navigates away from your product detail page.

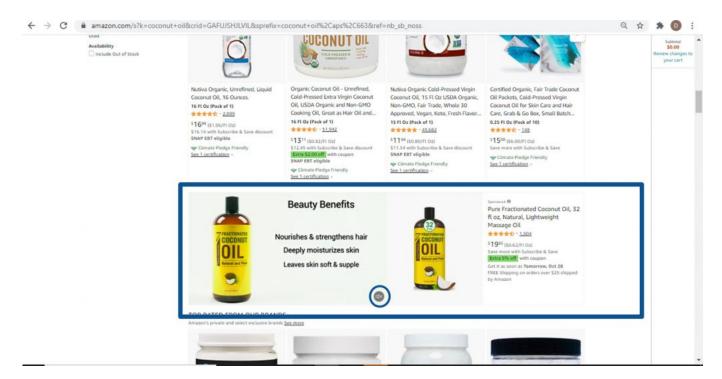
Display Ads placement:

- Product Detail Pages on Desktop and Mobile
- Customer Review Pages
- Top of the Offer Listing Pages
- Others

Sponsored Display Ads offer three types of targeting options: product targeting, views remarketing, and audience interests-

- Product Targeting: This allows you to reach customers who are looking at similar items. This can be done by placing ads on competitors' listings.
- Views Remarketing: With this, sellers can retarget previous visitors to their listings. These adswill
 be shown to people who have looked at your product's detail page or similar products and
 categories.
- Audience Interest Targeting: This targeting option enables you to introduce your products to a new audience who shows an interest in your products to increase awareness.

(d) Sponsored Brand Video Ads



Sponsored Brands Video ads are a type of Sponsored Brand ad that is only available to Brand Registry sellers. Sponsored Brands Video ads normally appear halfway down the first page of Amazon search results. Video ads take up most of the page, unlike typical Sponsored Product ads, which look like organic search results.

A brand's video appears next to a product's thumbnail in these ads, including its main image, title, reviews, price, and shipping information.

2) Demand Side Platform (DSP)



On Amazon devices

Source: Bobsled Marketing

Amazon DSP allows brands to buy display, video, and audio ads programmatically across Amazon's vast media network.

Using the Amazon DSP, advertisers can access first-party data from Amazon. All searches, views, clicks, purchases, and reviews on Amazon are tracked. Amazon's data tracking extends to their websites and apps (more on that below) as well as consumer devices like Fire TV and Amazon Echo.

The Amazon DSP uses first-party customer data for retargeting consumers based on demographics, location, interests, categories previously browsed, previous product views, previous purchases, and more.

Different types of DSP Ads: Static ads, dynamic ads, video ads, over-the-top (OTT) ads.

DSP placement:

- Product Detail Pages on Desktop and Mobile
- Customer Review Pages
- Top of the Offer Listing Pages

3) Attract Customers with Promotional Banners and More!

The type of eCommerce marketing plan you select depends on your brand and how it is perceived. Are you a global brand, or do you want to enter new markets with an individualized message? Whether your goal is to develop a distinct global brand or create targeted localized campaigns, ensure that the marketing strategies align with your product's competitive advantage.

Depending on your target audience and region, you need to invest in marketing activities, whether that

is using AMS, influencer marketing, or banner ads.

Also, for Amazon Global selling, you can leverage Americans' shopping craze on the cultural, festive season and offer deals and discounts on Black Friday, Thanksgiving, Christmas.

Here is an example-

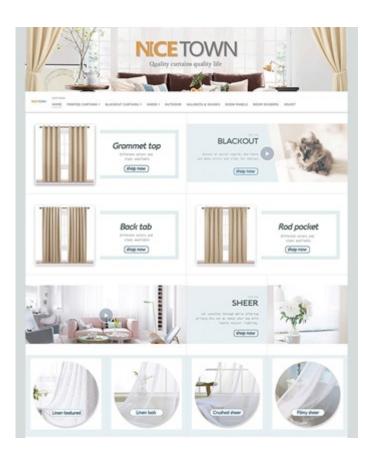


Source: Bloomberg

Amazon offers different marketplace-specific promotional tools that you can take advantage of to get the first sales in. These include Free Delivery, Money Off Promotions, 1-click Purchases, or Amazon Points that can be redeemed when buying other products from the same marketplace.

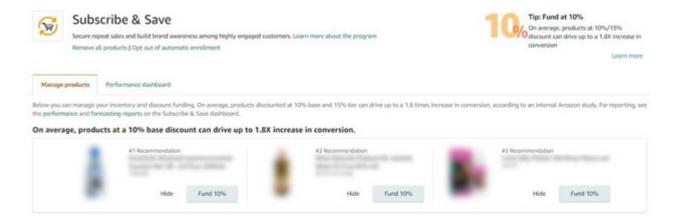
4) Amazon Store

Stores are custom multipage shopping destinations on Amazon for individual brands that let you showcase your brand story and product offering. They require no website experience to use, and it's free. For more detailed information, read our guide on Amazon Store.



5) Enroll in Subscribe & Save feature

Amazon Subscribe & Save allows FBA sellers the ability to offer discounted products in exchange for a long-term commitment from customers. This has substantially boosted sales and customer loyalty for many brands.



The Subscribe & Save feature allows Amazon customers to receive regular shipments of products they frequently use. Subscribers will receive discounts and possibly free delivery on their Subscribe & Save orders, as determined by the individual merchants. Buyers can save 5% to 15% on the selling price by scheduling repeat delivery of their favorite items with Subscribe and Save.

It's Time to Go Global!



Amazon Global Selling allows you to focus on your products and sales. Now that you understand Amazon Global Selling and how you can get your products in front of consumers across the world. With Black Friday and Christmas just around the corner, reap the full benefits of the event season and allow Paxcom to help you succeed. It's time to get started!

While some aspects of preparing your Amazon account to sell globally require patience and research, our experts are well equipped to guide you through the process, so you don't have to worry about the marketplaces' complexities. We offer complete go-to-market support for the desired growth in the new potential markets, covering every aspect of the process, from acquiring the license for the region you want to sell to, to identifying the right partners in the market, to promoting and selling your product.

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