



EXPAND YOUR AUDIENCE THROUGH 3RD PARTY MARKETPLACES

Having your product listed on Amazon, Newegg, Rakuten (formerly Buy.com), and other popular online marketplaces is a sure-fire way to build direct product sales – and it's easier than you'd expect. In just a few short hours, you can launch your store on top 3rd-party websites and start accepting orders from millions of customers around the world. This article provides tips for selling via 3rd-party marketplaces and breaks down the various selling options available to you through the most widely-used channels.

Third-party marketplaces, such as Amazon, Newegg, and Rakuten (formerly Buy.com) are effective and merchant-friendly platforms for generating sales of consumer goods. Not only do they provide your product with extra exposure, but they also give shoppers a familiar and trusted buying experience that builds confidence and improves the conversion rate. With a bit of time and energy, you can have your product listed for sale on some of the most popular shopping websites in the world and in many cases, it's completely free to create the listing.

Many marketplaces offer two different options for selling your products – a merchant-fulfilled channel and a marketplace-fulfilled channel. Each selling method comes with its own benefits and downsides, along with its own unique fee structure. When you opt for the merchant-fulfilled channel, you are responsible for providing customer service and shipping orders when they are received. This option has reduced fees – most commonly a per-sale commission (generally 10 – 15%) that is occasionally paired with a monthly seller subscription fee. There are three main advantages to fulfilling your own orders – you can offer your products for sale immediately, the initial listing process is faster and easier, and the selling fees are dramatically lower.

With the marketplace-fulfilled selling channel, you ship units of your product in bulk to a warehouse operated by the marketplace and they handle the shipping as well as most of the customer service. To account for the extra services that they provide, the marketplace charges additional fees to process each order, including a pick fee, a pack fee, a shipping fee, and an increased per-sale commission. As an added perk, marketplace-fulfilled orders are eligible for promotions offered by the marketplace, such as the free 2-day shipping promotion for Amazon Prime subscribers. For many products, the benefits offered to customers through the marketplace-fulfilled channel will lead to an increase in sales as compared with the



same item fulfilled by the merchant, but it does so at an added cost.

Regardless of which selling method you choose, every marketplace has its own distinct set of specifications that are required in order to list a product. Most of the required information is easy to come by – a large, clear picture, the shipping weight and dimensions, a description, and material information. In some cases, you are also required to include a UPC or EAN in order to create your listing. If your product has been packaged for sale in a retail environment, then it has likely already been assigned a UPC or EAN. If neither code has been assigned to your product, then you can purchase one from an authorized reseller for a nominal fee.

In order to create a product listing, you must first sign up for a seller account. Some sites have an application process in which your information is reviewed prior to acceptance, while others allow you to sign up for an account instantaneously. Before you can sell any items, you have to update your account to include payment information (most commonly a bank account), tax documentation, customer service contact information and seller policies, and a billing credit card to fund any seller fees that are assessed. Once your account information is complete, you can begin listing your products for sale. Depending on how many individual products you need to list, you can either set them up one by one or download a template to perform a mass product upload.

After your product listings have been created, they will be live and available for sale within a matter of minutes. If you will be allowing the selected marketplace to fulfill your orders, your next step will be to prepare your product(s) for shipment to their warehouse. The process of preparing a shipment varies slightly from marketplace to marketplace, but generally includes the following steps: submitting shipment details (including the total quantity, number of cartons, and weight) within their system, labeling product packages and outer containers with barcodes, and arranging shipment pick-up with your selected carrier. If you are fulfilling the orders in-house, you simply need to wait for confirmation notices to arrive via email and ship the corresponding packages in a timely manner, providing tracking information when available to make for a better customer experience.

As with any e-commerce platform, it is important to provide a pleasant buying experience to all purchasers to help build your reputation and increase the likelihood of repeat business. Respond to inquiries quickly, politely, and thoroughly, process and ship orders expediently, invest in safe, secure packaging materials,



and offer a reasonable return policy that is stated clearly within your profile. Most marketplaces give consumers the opportunity to review both products and individual sellers, so it is worth going above and beyond while you develop your presence on each marketplace.

Getting your products listed across each of the popular marketplaces does take time, but the visibility and sales potential that will be gained from your efforts make it a worthy investment for nearly every product.

Dinsmore & Associates, Inc. is a single-source provider of product design and development, rapid prototyping, rapid manufacturing, 3D printing, and rapid tooling services. Located in southern California, we specialize in working with industrial design firms, manufacturers of original equipment, inventors, architects, start-up companies, investors, venture capitalists, and other people looking to give dimension to their ideas.