

5 AMAZON FBA **MISTAKES** **YOU MUST AVOID**



Introduction

Amazon FBA is a brilliant service for small businesses and entrepreneurs that want to start selling large numbers of products direct to customers. This service makes things so easy, that you can set up your successful business without ever laying eyes on the product!

But that's also the issue. In many ways, Amazon FBA makes setting up your business *too* easy. Which means it's easy to make mistakes, and to come unstuck. Here are 5 big ones to avoid.

1. Not Reading the Requirements

Did you know that Amazon requires for your products to be packaged on arrival? That they need to have a barcode already attached?

Do you know what products can't be accepted by Amazon, or require them to first assess them for suitability?

No?

In that case, you haven't done your due diligence as an Amazon FBA reseller! These are crucial requirements and there are no ifs and buts – if your product doesn't meet Amazon's requirements, then it will be sent back, and you'll have wasted a lot of money.

Make sure to comb through this section of the site thoroughly, and then check with the manufacturers that you are working with to ensure that they're capable of meeting those criteria. Will they be able to place your products in some kind of packaging for instance? (More on this later.)

There are also a few things you will need to do yourself – such as purchasing a barcode. All of this is detailed in full in the full ebook, so make sure that you read carefully and don't skip any critical steps.

You also need to make sure you are fully aware of all the fees that Amazon charges, its terms with regards to storage, the pros and cons of different types of membership account, and more. This will help you to better calculate the precise profit you can make from selling a particular product at a particular price, and it will help you to make savvier decisions.

2. Forgetting Returns

One of the biggest mistakes that you can make as a reseller business, an Amazon FBA business, or ANY business selling products, is not to realize the potential cost of returns.

You might have spent ages calculating your profits for each unit. Maybe you looked at the cost per unit you'd be paying the manufacturer, the cost of freight forwarding, the cost of carriers...

But you forgot that *sometimes* people ask for refunds. And when they do that, you will often also need to fund delivery of the refunded item. This can be expensive.

Refunds can be an even bigger issue depending on the niche/industry that you are in. Fashion companies selling clothes will deal with returns more than most for example, seeing as many people will order clothes, find they don't fit, and then return them. This has actually put *many* a reseller out of business.

Your job then is not only to take this into account when calculating your potential profits, but also to think about ways *around* the issue. Which items of clothing get fewer returns? How can you make it as clear as possible what your items look like when worn? And what is your returns policy?

3. Dealing with Unhappy Customers the Wrong Way

One of the biggest mistakes that sellers make, is to act unprofessional when dealing with unhappy customers. As we start to operate on a bigger scale, it's easy to forget that our customers are people, and to forget to make sure that *each* of them is having the best experience possible.

And when someone complains? We often ignore it, or just
But that one unhappy customer can do a lot of damage. That's one unhappy customer who won't be buying from you again...

...one unhappy customer who can write such a scathing review that people start choosing your competitors' products over yours... even when they cost more!

...one disgruntled customer who can spread the word and quickly grow to become a thousand people boycotting your service. It's forgetting these little problems, rather than not having an end-game in mind that often leads to the big problems that eventually cripple the business' operations. a business.

So that disgruntled customer, what can you do about that? First of all, make sure you pay attention to your inbox and look for complaints. If your company is big you should consider setting up a 'complaints department' that can deal with these on your behalf and be around twenty-four seven to deal with enquiries and complaints (but don't make the procedure too difficult).

Also ensure you still deal with issues personally and make it your duty to ensure that all dissatisfied customers are duly compensated for any wasted time or money on their part. This might mean sending them something for free or discounting their money - and an apology never goes a miss. This way, once your customer has been dealt with, they won't start spreading the bad word about your company and may even think more highly of you than they did before the incident. Mistakes are only natural in any business - how you deal with them is what will define you in your customers' and clients' eyes.

That's not all you should do though once you've identified an unhappy customer, and if they're unhappy then chances are it's for a reason. Find out what they're unhappy about - they may well be unhappy that it didn't arrive on time, or arrived damaged. Perhaps it got lost in the post? Either way it's your responsibility, and if you don't deal with the source of the problem it will only lead to more incidences in the future - attack every problem at its route. So, file this issue and look for more occurrences, look through any previous complaints - they are the best kind of market research and completely free (make sure you never delete them).

Don't see this complaint as a nuisance, but rather as free feedback and market research that you can use to improve your business and avoid issues in future!

4. Getting Packaging Wrong

You might be wondering what packaging has to do with an Amazon FBA business. After all, isn't the whole *appeal* of FBA that you don't *need* to handle packaging? Isn't this what Amazon is doing for you?

Well yes, but only to an extent.

You see, there are actually two types of packaging for your items: the envelope or parcel that they will go in – which Amazon handles – and the box or bag that they will be inside *within* that outer packaging.

And actually, that latter option can be just as important if not more so. This is your ONE chance to really make an impression as a brand, to make your product stand out from countless similar ones. Moreover, it is going to further help your product to stay in one piece during the various legs of its journey.

When you work with a manufacturer, they will usually offer to provide very basic packing in the form of a plain box or a transparent bag. If you wish to provide better packaging, then you can do so by using a third-party packaging contractor. We recommend that you do this!

Moreover, consider some of these mistakes that can occur with this other aspect of packaging.

Mistake 1: Packing too Loosely

Packing too loosely is what happens when you have a large box or package with a relatively small item hiding inside. The issue here is that it's all too easy for that item to roll or slide around inside which can cause it to bash against the walls of the packaging and generally to take a beating. If you want to keep your item safer then you need to pad it or find another way to hold it in place. If Amazon adds great packaging around a box that is too loose, it won't prevent your item being damaged!

Mistake 2: Packing too Tightly

You might not think that packing *too* tightly could be a problem, but in fact it's just as able to cause issues as packing too loosely. This is because packing tightly can place pressure on the item inside and thus make spindly parts more likely to snap. At the same time, packing tightly will mean that the item is effectively nearer to the surface so that it can be easily bashed. If your item isn't simply square or round then leave some space around the extremities and add padding around them.

Mistake 3: Using Tough Packaging

This isn't going to be a problem in ninety percent of cases, but for some people who have particularly delicate items it's worth remembering that the packaging should be *less* durable than the item itself. This is a mistake people will make when using zip ties to hold things in place, or when using stickers on cotton etc. Make sure your item will actually come *out* when it gets to where it needs to be!

Mistake 4: Making the Packaging too Soft

Just as bad is having packaging that's too soft. This is a particularly big problem with boxes that are easily degradable in water – they can all too easily get essentially dissolved by rain leaving your items vulnerable. If your item isn't waterproof then make sure your packaging *is*!

Mistake 5: Not Marking the Bottom

All packaging that is breakable and has an obvious 'right side up' should have that right side up marked on the top. This way carriers won't accidentally stand them upside down and cause damage. Remember that when it is being stored in Amazon's warehouses, it won't have any packaging to prevent it from getting damaged other than yours – so provide information. This will also mean your product is more futureproof, in case you ever want to sell it through retailers or similar.

Mistake 6: Not Making it Stunning

You can't overstate this: providing stunning packaging for your products makes a HUGE difference to the experience. Not only that, but it helps your items to look massively more appealing in photos and marketing materials. It's a hassle to be involving yet *another* party before your items get to your customers, but it also doesn't cost that much. And seeing as it makes SUCH a massive difference to customer satisfaction and desirability... it is more than worth it.

5. Not Trying the Product

It seems so simple, and yet it is a mistake made by COUNTLESS Amazon FBA businesses. Because you have the option to send your products direct to Amazon's warehouses, you may well be tempted to find something that sounds great and have it sent straight there – without ever testing it.

This is *of course* a mistake, as it may mean that you miss important details, or that the item you pick isn't high quality.

This in turn can result in unhappy customers, lots of returns, and large amounts of inventory sitting around in Amazon's warehouses – which will eventually cost you money.

Even if you designed the product yourself, it's crucial to get a prototype sent to your home before ordering a lot of items. This way you can identify design flaws and issues which could even be dangerous in the worst-case scenarios! It's easy to assume everything is fine, but even the biggest companies make mistakes.

If you remember one thing from this list then, let it be this: make sure that you get a product sent to your home to test FIRST. If you designed the product, this might be a prototype.

If you make sure to avoid these five pitfalls, then you will be ahead of a huge percentage of the competition and you'll stand a great chance of having a highly successful Amazon FBA company.

But if you *really* want to ensure you know all there is to know, then make sure that you read the full ebook *Amazon FBA Success*. This book guides you through every single step of the process and provides countless useful insights, tools, and tips to help you create a simple business that prints cash!