

# Amazon FBA Business Model Explained



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# Understanding the Business Model



## **Before you get too excited and start sending all your products to Amazon,**

you should first understand what the Amazon FBA business model is all about. Amazon FBA literally stands for Fulfilled by Amazon and it gives third-party vendors access to Amazon's facilities and services.

Launched in 2016, Amazon FBA is just one of the different business models that Amazon offers to its partner sellers. If you register to this program, you are taking advantage of Amazon's huge facilities, efficient cataloguing, advanced shipping, and customer service.

How cool is that?

Amazon gets half of its sales from third party vendors like you, and 66% of the top 10,000 Amazon vendors use FBA.

# How The Business Model Works



You send all your products, whether used or brand new, to one of Amazon's fulfillment centers. These are huge warehouses where they store all the products sent by sellers like you. These fulfillment centers are massive, the largest covers an area of 1,264,200 square feet and is located in Texas. The warehouses are run not only by employees but also by robots. As of 2018, they have 75 fulfillment centers across North America. Add to this the additional 25 sortation centers, where items are sorted to be delivered to different locations, and you get an idea how Amazon can handle such a huge undertaking.



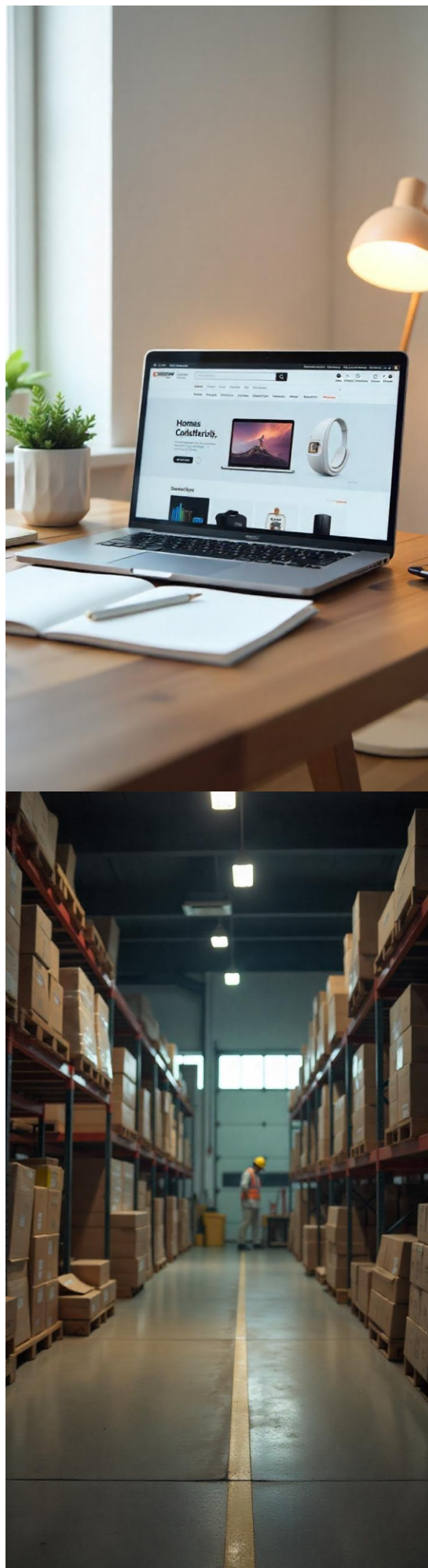
When your products reach one of these fulfillment centers, they will then be sorted and catalogued. You do not have to worry about your products getting lost or damaged in these huge warehouses because they are well taken care of by employees and robots, and everything is computerized. And on the off-chance (which means it is an extremely rare occurrence) that one of your products gets damaged while in the fulfillment centers, you can consider it sold because Amazon will pay for the full retail price of the item.

Now you just wait for someone to buy your item listed on the Amazon website. Amazon will handle the whole transaction when a customer buys your listed product on the website. The whole process is automated, which makes it a lot faster.

Since the items in the warehouse are assigned their unique inventory code, it is easier to find them among the hundreds of shelves lined up inside the huge warehouse. The item will be packaged and delivered to the buyer by Amazon on your behalf.

Once the item is delivered to the customer, Amazon will follow up to ensure that there are no problems with the shipment and that the customer is satisfied with the order. Amazon also handles customer service for FBA items, and also returns and refunds, with your assistance of course.

So what are your responsibilities as a seller? You still have something to do, right? Of course, you do. Amazon FBA just shoulders half of the work so that you can focus your attention and efforts on other things that are also important when managing an e-commerce business.



# AS AN FBA SELLER, YOU STILL HAVE TO:

## 1. DETERMINE THE PRODUCTS THAT YOU WANT TO SELL

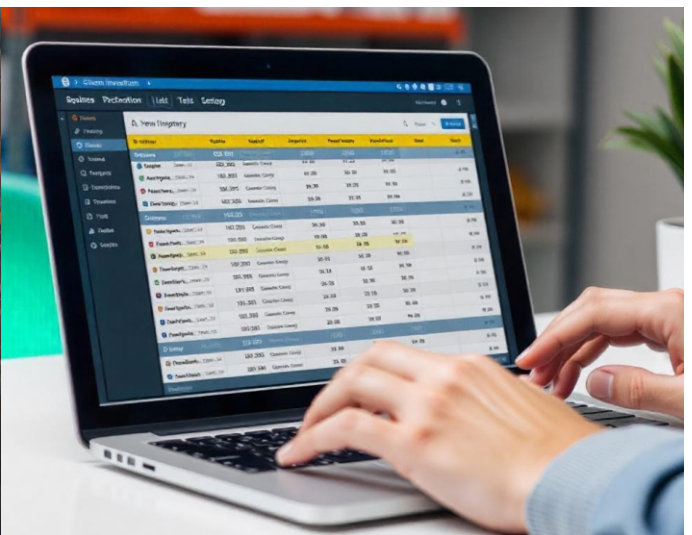
Amazon will not help you choose what products you want to sell, and they also will not source your products for you. You still have to do your research on what products sell well, and where you can source them. You also have to know how much the products are going for online and in physical stores so that you can have a rough estimate on how much profit you will be getting.

One important tip to remember is to sell fast-moving items because you have to pay for their storage in the fulfillment center.

## 2. MONITOR YOUR INVENTORY LEVELS.

It is your responsibility as a seller to check if you still have enough products to sell that are in storage. Since these items are in the fulfillment centers, it is easy to lose track of how much you still have because you cannot see them in person, unlike when you keep your stocks in your own place.

Although Amazon will let you know if your inventory is running low, it is still up to you to be proactive and ensure that you have enough products to sell.



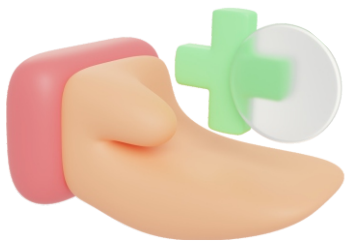
### 3. MARKET AND PROMOTE YOUR PRODUCTS.

This does not mean you have to pay expensive TV or print ads. Maybe that's how it was many years ago. Online advertising is different. It is a lot less expensive and you need to use the right techniques more than money.

If you are a re-seller of brand name products that are already highly-ranked, you may no longer need to do this step because the big corporations already have their own million-dollar ads and billboards. But if you are selling your own custom products or private label products, then you have to do this step and make sure that people can see your products.

Remember that Amazon has millions of products listed online, which makes marketing an essential step if you want people to find your items for sale.





## WHAT ARE THE BENEFITS OF AMAZON FBA?

**Based on what you have read so far**, you probably get an idea about the kinds of benefits that you will get if you decide to sell your own private label products using Amazon FBA. But to give you a clearer view of the different benefits of Amazon FBA that can help you decide if it is something that you want to try, continue reading the next points.

### 1. Efficient logistics, cheaper shipping rates, and faster delivery time

If you are selling a few products, it is easier to handle everything on your own and in your own house. You do not really need to rent a place for storage or to hire people. But if you are thinking of starting an e-commerce business as a main source of income, and you are going to sell a lot of products, then you need a more efficient way to handle and ship all your items on time. And hiring professionals to do all these things for you may be expensive. With Amazon, you are taking advantage of their expertise and experience with shipping and logistics. After all, they are the biggest e-commerce website in the world right now, and being efficient goes with the territory.



**Moreover**, when shipping items, you have to consider different rules and regulations. Different factors affect shipping fees such as the weight and size of the product, the kind of product you are going to ship, and so on. You also need to research about international shipping (in case you decide to make your products available to international buyers), areas served by the courier, prohibited and restricted commodities, insurance, and so many things. If you use Amazon FBA, you do not have to worry because Amazon will take care of these things for you.



**Third party sellers** like yourself and online shoppers both benefit from this because the entire shipping process is a lot faster. After all, your items are already in their warehouses and they have partnerships with big courier companies because they ship thousands, if not millions, of items worldwide. Amazon also has fulfillment centers all over the world, which allows them to deliver customer orders within just a couple of days. This is because when a customer buys a product from you, they do not necessarily get the exact item that you sent to Amazon. Amazon sort like products together, so if a customer buys a specific item, say, a Mickey Mouse t-shirt, and you live in the United States and your buyer lives in Canada, they will search for a similar item in the fulfillment center closest to the buyer, which shortens the delivery period and also makes shipping fee a lot cheaper.

**Shipping** is also generally cheaper if you let Amazon handle it for you because, as I mentioned, they have partnerships with big shipping companies





**And** they can get discounts because they ship a lot of items (i.e. economy of scale). And to attract higher sales, Amazon passes on this incentive to the sellers and buyers. You, as a seller, can get reduced shipping costs when sending your products to one of their fulfillment centers. And FBA products are often eligible for free shipping, especially to buyers who are Amazon Prime members. It boosts Amazon's sales, attracts more buyers for you, and saves customers on shipping costs. It is a win-win-win type of situation for all parties involved.

## 2. More free time for you

**Managing** an e-commerce business can be time-consuming especially if you handle everything by yourself – from sourcing products to sell, taking pictures, storing, packaging, pricing, shipping, and handling customer service. If you leverage the Amazon FBA business model, you are freeing up a lot of your time that you can use to concentrate on more important things such as choosing products for your online store, sourcing the products, and taking great photos. And the more time you spend on these things, the higher quality of products and the better photos you will have in your online store. And besides, these are the fun parts of selling products online.

**Shopping** for things to resell or making them yourself is what makes people do online selling. A lot of sellers also enjoy photography so taking pictures of their products is just like a hobby for most of them.

**The boring part** of managing an e-commerce business are the shipping and logistics, and also handling returns and customer complaints. And thankfully, this can all be taken care of by Amazon through FBA.

**You can** use your free time to research on what products to sell, how to improve your products, how to promote your products, the current prices of similar products on the market, and how to scale up your business. You can also focus on taking great pictures of your items for sale. Remember that in online selling, pictures paint a thousand words, and it is sometimes what makes or breaks a sale. If your picture does not look good, some people will question the quality of your product and will not buy them, no matter how great your product actually is.

**Aside** from spending your free time doing things to grow your business, you can also use it for doing personal stuff, such as travelling, spending time with your loved ones, learning a new hobby, and so on. It gives you the perfect balance between your business and your personal life. Some people even continue working their regular full-time job while managing their e-commerce business.

### 3. Huge storage space

You can live in a tiny house and still sell huge products without the need for a large storage space if you are using Amazon FBA because all of your stuff will be stored in their humongous fulfillment centers.

**Not,** having enough storage space at home sometimes stops a lot of people from selling big items or keeping a large inventory. Your house or even a rented commercial space can only hold a limited amount of stuff.

**You do not have to worry** about boxes and packages cluttered in your living room or bedroom because Amazon takes care of all this. Having boxes and packages that you need to step over inside your house can be hazardous and can cause accidents. You do not want this to happen at all. And renting your own warehouse can be costly, especially if you are just starting because apart from the monthly rent, you have to pay for utilities such as electricity, internet connection, and even water in some instances.

**Another good thing** about sending your stuff to Amazon is that there is no minimum inventory required. Heck, you can even send just one product if you really do not have any storage at all in your house. Amazon also gives an incentive to sellers whose products move fast, meaning they don't stay for a long time in the storage facility. You can get unlimited storage if your items sell like hotcakes, so to speak.

**Moreover,** Amazon fulfillment centers have the right kind of storage for certain products. For instance, if you are selling leather bags or shoes, you do not want to store them in your basement where the high humidity and temperature can cause damage to your products.

## 4. Amazon's good reputation

**It is not hard** to believe that Amazon is the leading online selling platform because it is reliable, and a lot of buyers and sellers trust its business platform. If you use Amazon FBA, you are also benefiting from Amazon's strong reputation. They have already established their brand name and collaborating with them will do your business a lot of good. For people who are just starting to sell online, selling products through Amazon will bring them higher sales than selling their products through their own website.

**Although there** is nothing wrong with having your own website, it poses a bigger risk for individual sellers than if they bring their business to a well-known selling platform that already has an established reputation, such as Amazon. And it is even better if you use Amazon FBA because buyers would know that a large company is handling certain aspects of your business for you.

**As you establish** your own brand and reputation, you can maybe then focus solely on selling on your very own website. But for now, Amazon is the easiest way to get higher sales. In fact, even established companies and sellers still use Amazon as an online selling platform because they know that they will get a higher reach since millions of people are now using Amazon.

## 5. Handles customer service and returns

**This is another one** of the less attractive features of having your own business—handling customer service and returns.

**Before** buying a product, some customers already have a lot of question. And this is handled by people who work at Amazon. They have customer service centers that provide support 24/7 through phone calls, emails, and chat. If they have more questions or even complaints upon receiving the item, Amazon will also take care of it for you. This is a really great benefit, especially for people who love the whole mechanics of selling online, but not the part where you have to talk to the customer.

**In fact**, a lot of people prefer online selling over the traditional form of selling where you have to talk to the person face to face because they are not comfortable at this kind of set up. This is why having someone else do this for you is a great help. Moreover, Amazon customer service representatives are trained to handle different concerns and complaints. They can handle even the most irate customers because that's what they are trained to do.

**Another thing** that they handle for you is returns. Handling returns can be a hassle because you not only have to deal with upset customers but also the logistics and administrative aspect of having the product returned to you and the payment returned to the customer. They also have to do inspection to check if the item is really damaged before shipping it to the customer or not. All of this is handled by Amazon. Of course, there is a corresponding fee but it is worth the small amount that you have to pay for the work and trouble that they take off your plate.



## WHAT ARE THE DISADVANTAGES OF AMAZON FBA?

Just like with all kinds of business models, Amazon FBA also has disadvantages, although it is already an incredible online selling platform. After all, no business model is perfect. You also need to understand the different disadvantages of Amazon FBA before you decide to use it in your e-commerce business.

# FBA



# 1. Amazon FBA costs money

**Not everything in life is free**, and if you expect to get top notch service and expertise, then you should be willing to pay the price. This is also true if you decide to use Amazon FBA. You have to pay for the storage of your products. The longer your products stay in their fulfillment centers, the more you have to pay. This is why it is important to ensure that your products sell quickly. Do not let them stay in Amazon storage for more than six months .

**Be prepared** to pay sky-high storage fees if your inventory sits for a long time. Because of this, you have to take this into consideration. Will you still make a profit even after all the storage fees that you paid for that particular item? Although you can sell large items, you have to make sure that they will move fast because this can cost you a lot in terms of storage. It is also not ideal to store cheap items where you only get a small profit in Amazon fulfillment centers because you might end up paying more for the storage than the actual product itself.

# 2. Monitoring inventory can be challenging

**Although** you can always ask Amazon about your inventory, it is still more difficult to track your inventory if you do not see them in person. It is hard to determine what products you still have, what's been sitting in storage for months, what you need to re-order, when you need to buy more, and so on. If your inventory is in plain sight, you will be able to know right away which ones are selling and which ones are not.

**This makes it** even more challenging during the holiday season, when people buy a lot of their gifts for their loved ones online and orders come in by the thousands.

### 3. Co-mingling can be tricky

**Amazon sorts** similar items together in their fulfillment centers for efficiency. For example, Amazon will group all Adidas Stan Smith sneakers from different sellers together. This means that a person who clicked your listing and purchased the item does not necessarily mean that he will be getting the sneakers that you sent, although he will still get his Stan Smiths. You have the option to take advantage of this feature if you want to.

**However,** this can be scary for some because not all sellers are reliable and trustworthy. Some even send damaged or counterfeit products, and if you are unlucky and the buyer got that damaged or counterfeit item that another seller has sent, then you will be the one getting the negative feedback. Some legitimate sellers were even banned from selling on Amazon because of this, although this is a rare case.

### 4. Amazon controls about half of your business

**When** partnering with Amazon via FBA, you are giving up a lot of control over your business. For example, you cannot choose the kind of packaging that you want for your items and you cannot also add a personal touch such a short thank you note or some customized stickers and freebies into the package because Amazon handles all the packaging and shipping.



**You** cannot tell them to use a silvery packaging paper or use eco-friendly packaging. They do things their way, which is of course more efficient but does not have the personal touch that you would want your buyers to experience when they buy items from your online shop.

## 5. Product prep can be difficult

**You need to follow** certain guidelines when sending out your inventory to Amazon. It can be time consuming and tedious, especially for beginners but you will soon get the hang of it after doing it several times. For example, there are different rules to follow for sending multiples of the same products in one package, single products, single products with different parts, and so on. You also have to use the right kind of bag for your items. There are also special instructions for sending adult products, e.g. using a wrap or a black, opaque poly bag. There are so many things to consider when prepping, packaging, and labeling your products to be sent out to Amazon that there is a separate chapter only for this topic, which you will see later on.

# PRIVATE LABEL BUSINESS MODEL AND OTHER WAYS OF SELLING ON AMAZON

**This book** is all about selling private label products through Amazon FBA. There are different ways to sell on Amazon, and one of them is by selling private label items.

## 1. Private label

**As the name implies,** private label means you choose a specific-

**product to sell** under your own private label or brand via Amazon FBA. If you are a private label seller, you decide on which product you want to sell, for instance clothes. You source them from a supplier, usually from China, and make them your own private label or brand. A third-party supplier under a contract manufactures the items.

**To find products** that you can sell under your own private label, you need to do a lot of research and studying, especially involving the market and what sells profitably and what doesn't. You are also responsible for contacting the suppliers or manufacturers. This is something that you cannot delegate to Amazon. You even have the option to have all the products shipped directly to Amazon by the third-party supplier, which means that all you need to do is to sit behind your laptop and manage your whole business.

**With private label,** you are not hindered by not having enough resources or skills to create the product that you want to sell because you can find a supplier who will do all of these for you. For example, if you want to sell clothes under your own logo or label, you do not really need to be a seamstress or buy all the materials needed for making clothes because all you need to do is to find someone who can do this for you. You can order them in bulk and have the products shipped to Amazon either directly by the manufacturer or by you.

## 2. Retail arbitrage

**This is another way** to sell products on Amazon. You search for low-priced branded products online or in retail stores, and resell them on Amazon at a marked up price.

**Retail arbitrage sellers** often go to the clearance racks of giant retail corporations such as Target, Walmart, and Home Depot for their inventory.

**For example**, there is a sale on school supplies in Target and you are able to purchase a pack of 12 ballpoint pens for a discounted price of \$3. You buy them and resell them on Amazon for \$8, which is a little lower than their regular price of \$12. You still earn a profit even if you sell it at a significantly lower price compared to the regular price. You also have the choice to sell it at the regular price of \$12 if you want, especially if you know that these pens are highly sought after.

**Private label sellers**, on the other hand, only source their products from one manufacturer. The products are also sold under their own brand name while retail arbitrage sellers keep the brand name of their products, unless they want to be sued for intellectual property theft. Retail arbitrage is what a lot of people do when they sell online, especially those who are just part-time sellers who do not have a huge budget to buy things in bulk and establish their own brand name.

### 3. Wholesale

**Buying wholesale** from manufacturers and selling them as is on Amazon at a higher price is another way of selling on Amazon. You cannot sell the products under your own name or add value to the products because you are selling products under an established brand name.

**For example**, you can buy wholesale Sony mobile phone cases directly from Sony and sell them as Sony mobile phone cases. You cannot rename the brand and change it to your own private label or you will be sued.

**It is a bit similar** to private label because you buy in bulk. The main difference is that you go to a manufacturer with the intention of buying their products in bulk and reselling these products while keeping the manufacturer's own brand. With private label selling, you go to a manufacturer and you agree upon a contract that includes buying their products in bulk that suits your business requirements, adding value to these products, and selling them under your own brand.

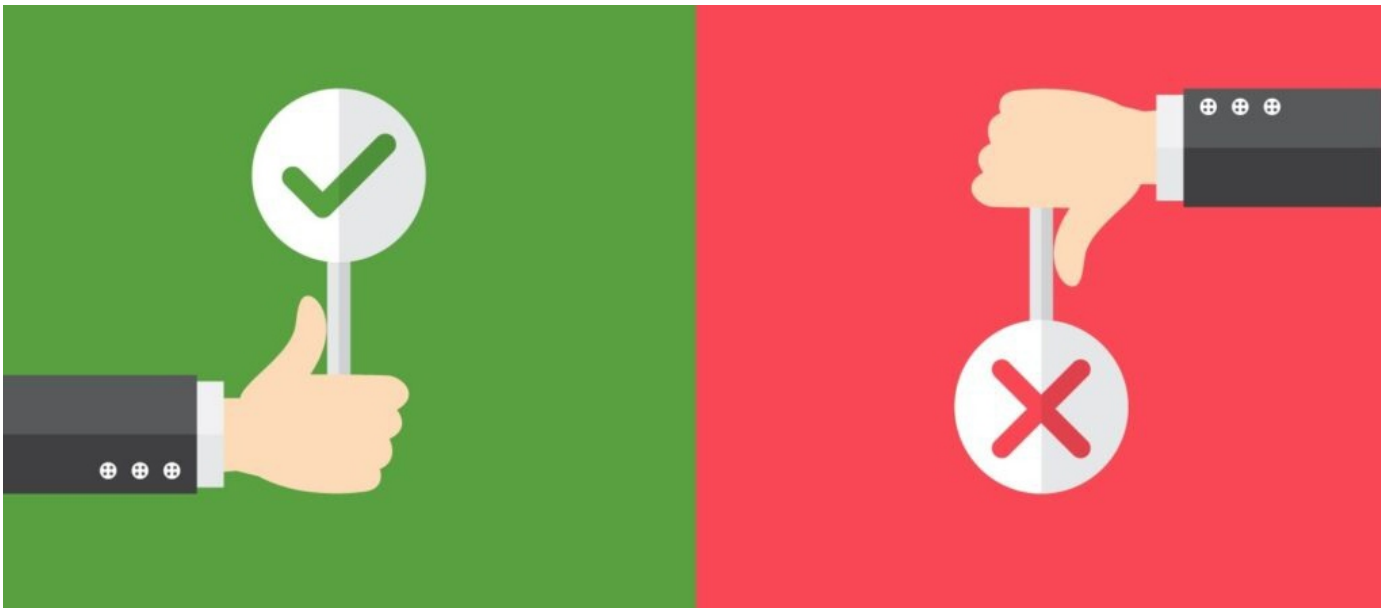
**Wholesale** buying and reselling is also kind of similar to retail arbitrage because manufacturers get to keep their own brand name. The main difference is that in wholesale, you source bulk products from one manufacturer, and in retail arbitrage, you source them from many different retailers.

## 4. Used book sales

**Selling used books** via Amazon is one of the easiest ways to start an online business that does not require a lot of capital. Financial risk is much lower when you sell used books. After all, you can just sell whatever you already have at home and you can easily buy used books for just a few dollars. Moreover, selling used books will also not get you as much complaints or returns from consumers as compared to selling other types of products unless you mistakenly sent the wrong book.

You can even use the money that you earn from selling used books to launch your own private label business.

## PROS AND CONS OF PRIVATE LABEL VS. OTHER WAYS OF SELLING ON AMAZON



### Private Label vs. Retail Arbitrage

**The drawback** of retail arbitrage is that you have to continuously search for items on sale at different places. With private label, you already have a contract with one supplier, unless you decide to change your supplier or add more products to sell, which makes sourcing a lot easier. Your shop will also have more variety in terms of type or brand if you do retail arbitrage whereas private label selling means fewer types of products and only one brand (your private brand) to sell.

**Going back** to our pen example, you might be able to find them again the next time they are on sale, but the discounted price may not be the same.

**It may be** higher (\$5 for 12 pens) or lower (\$1 for all 12!). Retail arbitrage depends a lot on chance (of stumbling upon great deals) while private label is all about careful planning. This is why selling private labeled products has a bigger potential to grow, but at the same time, the risks of losing a lot of money is also much higher, especially if you are selling a single type of product in your shop.

## Private Label vs. Wholesale

**Both** methods of selling get their products in bulk from one supplier, which means that sourcing is easy for both. And since both buy products in bulk, profit margins can easily be determined because they already have an idea about the base price of the products, and how much they go for in the market

**The main difference** between the two, as mentioned earlier, is the branding. When you buy wholesale from a manufacturer, you resell the products under the manufacturer's brand. When you do private label selling, you can add value to your product and sell them under your own brand. Private label selling gives you more control because you can do whatever you want with the products once you buy them from the manufacturer.

**Another difference** between wholesale and private label is that in wholesale, you have to find a manufacturer that is not already selling directly on Amazon. You see that a lot of these popular brands also have their own accounts on Amazon. And how can you compete with the manufacturer selling their products on the same online selling platform?

But if you really become successful in private label selling,

**you can** turn your online business into a multimillion company. Your name will be associated with your brand, which you created all on your own. Multimillionaires did not become rich by reselling products that they buy from existing brands. They created their own brands, and source the products somewhere else. Or better yet, you can create your own product. But that is another topic for another day.

## Private Label vs. Retail Arbitrage and Wholesale

**Basically,** you are building your own brand from scratch with private label selling, unlike wholesale and retail arbitrage. It involves a higher financial risk than the other two but the rewards are also much greater if your business becomes successful. With retail arbitrage and wholesale reselling, the products that you sell already have an established brand. You do not really need to launch or promote them because the manufacturers already have their own ads for their products on different media such as TV, radio, print, and online. All you need to do is to make sure that your shop is visible enough so that when the customers search for the products, they will see your online store on top. People already know the products and the brand that you are selling. With private selling, you have to do a launch to let people know about your brand and the kind of products that you sell. You also have to make sure that you promote your products by advertising and making your shop more visible online.

# WHO ARE THE STAKEHOLDERS IN THE PRIVATE LABEL BUSINESS MODEL?

**The three** main stakeholders in this kind of business model are the following: the business owner (you), the manufacturer, and Amazon. In between and under these categories, there are minor players that make up the whole business model and make things run more smoothly and efficiently. Let's discuss the major stakeholders first.

## 1. The business owner

**This refers to you**, the person who has the idea to start an online business selling niche products under his own brand. You are responsible for determining the products that you can sell through Amazon or even other channels. This means that you have to spend time doing research. There are already thousands of sellers of clothes. You can still sell clothes, but you need to find a niche where no one or very few has gone before. For example, you can sell funny hats instead of normal looking hats.

**Your products** need to stand out from the rest if you want people to notice and buy them. As the business owner, you are also responsible for finding the right manufacturer that can provide you with your orders in bulk. Again, research is your most powerful tool. It is also necessary that you have enough funds to make a bulk order from the manufacturer, pay Amazon fees, and cover miscellaneous expenses.

**Setting up** an Amazon account and registering for their Amazon FBA service is also your sole responsibility.



**Creating** your own brand (e.g. coming up with your brand name and logo), prepping the products, adding your listings, monitoring your inventory, tracking your shipment, filing your tax, and so on are just some additional responsibilities of the seller. You can also choose your own freight forwarder to have the products shipped out to Amazon.

## 2. The manufacturer

**Once** you have found the manufacturer that meets all your business requirements, you can now contact them and start doing business with them under a contract that both of you agreed upon. Your chosen supplier is responsible for manufacturing the items that you ordered—whether it is 1,000 units of funny hats or 500 pieces of planners. If you have your own design that you want to sell, you can contact a manufacturer who can make the products for you according to your own specifications. If you just have an idea but you have not created a design of your own, you can simply find a manufacturer through different channels such as Alibaba, which is basically like China's Amazon.

**You** pay for the finished products, which means that the manufacturer is responsible for finding the materials required for making the products and paying for the workers who are going to make the products. All of these are accounted for when they quote you a price. Once the products are finished, the manufacturer has to find shipping company to have your orders delivered either to you or directly to Amazon. It's all up to you.

## 3. Amazon

**The third key** player in this whole business model is, of course, Amazon. Whether you decide to sell via FBA or FBM (stands for

fulfilled by merchant, meaning you just use Amazon as an online selling platform but you take care of the fulfillment aspect), you still need to use Amazon's services. Amazon's involvement begins when you decide to sell your products through their website. After registering, you need to send your items to their fulfillment centers. You can choose to ship using Amazon's partner shippers. With the FBA business model, Amazon has added responsibilities, such as storage of your goods, sorting, shipping to customers, and handling customer complaints and returns.

## 4. Shippers

**The shippers** are responsible for moving the products from the manufacturer to you as the seller or to Amazon's fulfillment center. They are also responsible for shipping the orders to the customer, and reverse shipping in case the customer wants to return or exchange the product. Basically, shipping the products to one of Amazon's fulfillment centers can be done by the manufacturer or by the seller. It can be a little tricky if your manufacturer is located overseas, like in China, because shipping can be more expensive, especially if you decide to do air freight.

**The better option** for international shipping is sea freight, especially if the items are big and heavy. It is cheaper but it takes much longer for the items to reach their destination. If you have the products with you, you also have the option to use traditional courier services such as FedEx or UPS via Amazon Partnered Carrier Program.

**And** when a customer buys the product, Amazon will deliver the order using their partner courier, mainly UPS, or FedEx and DHL in places that are not serviced by UPS.

## 5. Inspectors and prep services

**Prepping** your products to be shipped to Amazon can be challenging because Amazon has strict requirements. To make your life easier, you can simply hire inspectors and prep companies to do these things for you. These companies are responsible for inspecting the items to ensure that they are not damaged or counterfeit and that they adhere to Amazon's strict standards, packing of products, labeling, sorting, photography of products, and forwarding of shipment to Amazon fulfillment centers.

**This** is especially useful if you are buying from a manufacturer which is located overseas or far from where you live. The prepping company and inspector will ensure that the goods are in good condition and they are packaged, labeled, and sorted according to Amazon's requirements. This saves you a lot of time and trouble because goods that do not pass the standards of Amazon's warehouses will be sent back to the manufacturer or the seller, depending on where it came from. Some examples of these companies are FBAinspection, FBAshipuk, and McKenzie services, to name a few. These companies ensure that your products are perfect before they are shipped to Amazon.

**You** have the option not to hire the services of inspectors and prep companies but if you want to make sure that the whole process will go smoothly, it is best to work with these professionals. This is especially helpful for sellers who have to prepare a high volume of orders. As a seller, it is your responsibility to communicate with the manufacturer and prepping companies the schedule and timings of pickup or delivery.

## 6. Others

**Aside** from these, you might also want to hire someone who will create your brand logo. This is an important step that a lot of private label sellers take for granted, thinking they can just use any logo that they come up with. Your brand is important, and it is best to hire a professional graphic designer who can make your brand logo. If you have the talent to do these kinds of things, then go ahead and make your own logo. If not, and all you can do is create random shapes in Paint, then the best thing for you to do is hire a professional. You can hire plenty of good professionals from [Fiverr](#) or [Upwork](#). Searching the keyword "Logo Design" on [Fiverr](#) will bring up a list of freelancers, go through their portfolio and reviews and choose one that meets your taste and budget.

**Once** your company grows, you should also consider hiring a professional number cruncher a.k.a. an accountant. He will be responsible for balancing your business' books to check how much you are earning, and if you are earning in the first place. This is a must, especially if you are shelling out thousands of dollars to start this business. You also do not want to get in trouble by filing the wrong tax forms and returns. All of these can be done by your accountant.

**Pretty soon**, as your company continues to grow, you should also think about hiring your own lawyer, who can look over your contracts with manufacturers and suppliers, and also who can give you legal advice in case somebody decided to sue you for something. You might also need to hire your own staff or assistance who can do menial tasks for you so that you can focus on more important things. All of these are a must once your business becomes huge and you start earning hundreds of thousands of dollars.