

PRODUCT RESEARCH



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Product Research

Given that your product is the heart and soul of your business, it's very important you research what kind of products will sell well on Amazon. Here are some tips that you need to know when it comes to choosing the right product for your business.

CRITERIA FOR SELECTING A GOOD PRODUCT

1. Good demand

You have probably learned this in basic economics. For your business to flourish, there should be a good demand for the products you are selling. You have to understand that demand sells. One of the reasons why a product is not selling is because there is no demand for it, meaning people do not want or need it. Another is that you have overestimated its demand, which led you to overprice the product. Or maybe you are simply selling your products to the wrong market. Having a high demand for your products will surely lead to high sales. If you already bought your products and you realized later on that the demand for them is quite low, you can still do something about it by artificially creating a demand.



One way to create an artificial demand is through exclusivity . Ever wonder why Apple products are highly sought-after even if they are extremely expensive? One reason is exclusivity. For one, they are expensive, which means only people with that kind of money can afford them. Second, Apple does not release products left and right, unlike its competitors. Third, they have their own tech centers, app stores, and so on. This makes the owners of Apple products feel exclusive.

You cannot simply increase the price of your products, or sell them to certain groups of people. You can instead use other techniques, such as selling “limited edition” items. Or, you can sell certain items at a limited time only. This makes potential buyers think that your products are scarce, that if they don’t buy one now, they might not have the chance to buy later. You can also offer incentives to first time buyers to increase demand.

2. Not too much competition

Finding a good product that has a high demand but does not have a lot of competitors is a dilemma that most sellers face. After all, if a product is in demand, a lot of business owners will surely want to sell them. Certain types of products such as clothing and shoes are already highly saturated by a lot of sellers.

You need to find a product that has a demand but does not have a lot of sellers that offer them. One such product is a niche product. There is probably a large group of people out there looking for certain types of products that typical businesses don’t sell. For example, clothing is an in demand product, but there is too much competition. But, if you really want to sell clothes, you should find ways to tweak your product a bit to make it unique and original that will sell to a certain group of people. For example, you can sell vintage-style swimsuits instead of the regular swimsuits. You can also sell kinky outfits for couples who love to do role play sex.



These are under the clothing category, but you are targeting a niche. Another popular niche clothing product is vegan or sustainable clothes. You will still have competition, but it won't be too high as compared to mainstream types of clothes like what H & M or Forever21 sells.

3. Not too seasonal

Seasonal products are those that are in demand during a particular season such as Easter, Christmas, Fourth of July, Halloween, etc. Seasonal products are highly profitable if you are selling them at the right time. When they are no longer in season, these products will sit in the Amazon shelves for months, collecting dust and accumulating storage fees. This is why you should avoid buying a lot of seasonal products for reselling, such as decors, costumes, or treats. Do not spend thousands of dollars on these items because they will surely sit for a long time in storage. You can still buy seasonal products but only a limited amount and you should also know when you should start buying them – timing is critical.

If you really want to sell seasonal products, maybe you can sell something that will cover different seasons. For example, fairy lights can be a great Christmas décor, but they are also used by a lot of people as regular room décor. You can also sell generic gift baskets that can be given as gifts on Mother's Day, Christmas, graduation, and so on.

4. Affordable retail price

You might think selling high-priced items is the best way to go if you want to earn a high profit, but you are wrong because it is still best to choose products that you can sell at an affordable retail price.

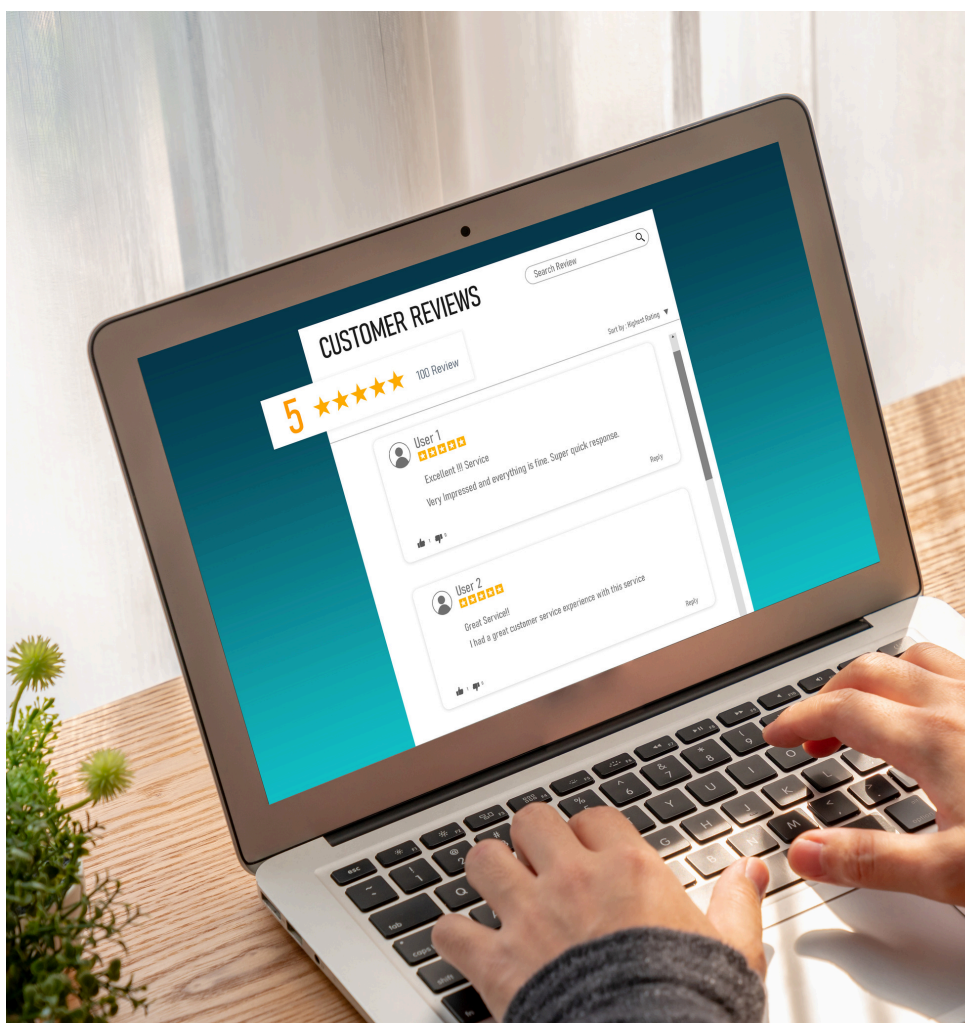


For example, if you decide to sell private labeled watches that have Swarovski crystals on them, this will cost you a lot of capital, which means that you have to sell them at an even higher price if you want to earn a profit.

People may not be willing to spend hundreds of dollars on a brand that they have not heard of. This is why you should sell affordable products as you are establishing your brand. Moreover, expensive items can sit for a long time in storage because people are generally more cautious when it comes to buying more expensive items. If you sell them products that will only cost them a few dollars, they will not even think twice, and just simply click the buy now button even if they don't really need it and without researching about it.

5. Fewer reviews

You might think that selling a product with a lot of reviews is a great idea because it means that a lot of people are buying them. Although this can be true, it also means that the market is highly saturated because there is already a lot of sellers selling the same product. A product with fewer reviews means that it does not have a lot of sellers yet. It is still an untapped market that has a lot of potential.



6. Room for improvement

Selling a perfect product may not be a great idea because it means that nothing else can be done with it. It is already the final and ultimate version of that product. No more improvement can be made, which means that the price remains the same. Although there is no such thing as a perfect product (after all, nothing is perfect in this world), there are still products that give you very little room for improvement.

The design or structure of the product is not something that you can tweak to modify. This is not a good kind of product to sell, especially for private label sellers because you cannot add any value to it to make it your own. You should choose a product that gives you a lot of wiggle room, a product that gives you enough space for creativity. In one of the examples given before, selling canvas bags is a good idea because it allows you to customize different designs and prints.

7. Not in gated categories

There are certain types of products that require sellers to get Amazon's permission before they can start selling them on the website. There is an approval process that sellers need to go through if they want to sell products under the gated category, which is why this is not a good product to sell on Amazon, especially for startups. Amazon has to "gate" certain items to protect their reputation, especially since the number of third-party sellers have increased dramatically over the last few years.

This is Amazon's way of protecting their reputation. They do not want to have counterfeit or low quality products being sold on their website. Some examples of gated categories are fine jewelry, DVDs, watches, grocery items and gourmet food, fine arts, collectibles, and automotive. During the holiday season, Amazon also gates toys and games.



8. Not likely to attract litigations

You should also choose products that are not likely to get you sued. First, you need to know the kinds of products that attract litigations. Some examples are food, vitamins, cosmetics, and anything that you put inside your body or apply on your skin or hair. If you want to avoid litigations, you better choose products that are not applied on the body, eaten, taken orally, or inserted inside the body.



Choose something easy and safe, such as canvas bags, pens, clothes, notebooks, blankets, and so on. There are thousands of products to choose from that are not likely to attract litigations. These types of products are for sellers or brands that are already established, such as Kylie Cosmetics or Hershey's. These are large corporations that have a team of lawyers handling these litigations. You, on the other hand, are a one-man team who is just starting and cannot afford (yet) to hire your own business lawyer.

9. Not too fragile

If you are a very patient person and money is not an issue, go ahead and sell products that easily break such as eyeglasses, ceramic mugs, plates, light bulbs, and so on. Selling these products can lead to a lot of returns because they get damaged easily, either during transit or while in storage. No matter how the product gets broken, you still have to process the return and refund or exchange and this is a lot to handle, especially if you are processing multiple return transactions. Just imagine if all of your products are easily breakable.

You will probably spend more time and money processing returns than selling the product itself.

FIVE BEST SELLING CATEGORIES ON AMAZON

Since you are planning to sell on Amazon, you should also know the best-selling categories on the website. This will give you an idea about the kinds of products that you can sell that will give you the highest sales volume and profits.

1. Books

It all started when Jeff Bezos, the founder of Amazon, started selling books online. This is why books are one of the top selling categories on Amazon. Books are Amazon's very first product category. We are not talking about digital books here. We are talking about the traditional kind made of paper and ink. You might think, are there still people reading physical books? Aren't there e-books that they can easily download on their Kindle and iPad? Yes, there are still a lot of readers who prefer paper books over e-books. This is why this is still a huge market. Moreover, books have a large profit margin.



You can buy books wholesale for just one dollar, give or take a few cents. And you know how much one paper book costs. You can mark up your book items at 1000% of the original price.

Selling books on Amazon may not be something that you can consider as your major source of income, but it is definitely one of the most stable categories on Amazon that has a huge market, and will definitely give you a solid income regularly.

2. Workout clothes

These days, a lot of people enjoy doing physical activities – going to the gym, running, yoga, and so on. This makes exercise clothing one of the highest selling categories on Amazon. People want to be comfortable and at the same time look good while doing their favorite workout, especially since they take a picture of themselves wearing their exercise gear and post it on social media. In fact, the popularity of exercising and working out gave birth to a fashion trend called athleisure.

You will now see a lot of people wearing workout clothes not only in the gym or while exercising, but also

but also when going to the grocery or even to parties. You see them wearing sports bra with leggings and running shoes everywhere. And despite the increasing number of people who buy second hand clothes, a lot of them still prefer brand new workout clothes. Nobody wants to wear a pair of used leggings or sports bra. It is a huge market right now, and you should definitely take advantage of that.

The only downside is that it is hard to find a manufacturer that can make high quality athleisure clothes. Low quality workout clothes are not comfortable to wear, and comfort is one of the things that you should look out for when it comes to buying workout clothes.



You should also be aware of the characteristics of the workout clothes that you should be selling. There are clothes that absorb sweat or pull sweat away from the body. You also have to pick workout clothes for different physical activities and seasons.

3. Electronic items and accessories

For Amazon FBA sellers, electronic items might be difficult to sell because people would generally buy electronics from a well-established and known brand. What you can do instead is to just find electronic accessories to sell. You can sell a wide variety of accessories for different electronics—phone cases, laptop sleeves, laptop bags, phone pouches, power banks, memory cards, screen protectors, and so on. You can easily find a manufacturer for these. All you need to do is to find one that offers the best deal. There are a lot of different electronic devices that come out every few months and you can be sure that people will buy accessories for these.

However, having new devices come out every month is a double-edged sword. It is a positive thing for sellers because it means more things and varieties to sell for them. It is also a negative thing because devices get replaced fast, which means that you might still have some accessories for a device that is already obsolete. The key here is to monitor trends and do not buy too many items for one particular device.



4. Baby items

Baby items are always in demand because humans always procreate. And babies need a lot of stuff. In fact, they need more stuff than adults. Their stuff also get replaced fast because babies grow and develop fast, unlike an adult who can own and wear the same clothes for ten years. One advantage of selling baby items is that they are usually small and lightweight, unless of course you are selling baby furniture. They are also inexpensive, which can give you a huge profit margin. However, you should avoid selling baby items that can get you sued such as baby food or feeding supplies. Just stick with regular items like clothing, toys, blankets, and so on.



5. Clothing, shoes, and jewelry

These are always in demand anywhere you go. People always buy clothes, shoes, and jewelry. Workout clothes have a separate category because it has its own huge market. However, there is still a lot of people who buy regular clothes, and also shoes and jewelry. Clothing, shoes, and jewelry have always had a huge market whether it is online or in physical stores.

You can also buy them in bulk for dirt-cheap because there are already a lot of manufacturers to choose from. They are also easy to ship because of their small size. You can never go wrong selling them. The only drawback is that because they are a popular category, you will have a lot of competition. This is why you need to add something to your products that will make them stand out from the rest. Maybe you can focus on selling only one type of clothes, such as sleepwear or lingerie. For shoes, maybe you can sell foldable flat shoes that they can easily store in their bags. For jewelry pieces, you can sell vintage-inspired jewelry that are quite popular these days.

These are the things that you need to consider when it comes to selling products on Amazon FBA. Once you find the product that you want to sell after careful research, you can now proceed to finding a reliable manufacturer or supplier who can make these products for you or sell them to you wholesale.

