### **Jungle Scout**

How to Sell on Amazon | Chapter 1

# Should You Sell on Amazon FBA?



# Chapter 1 Should You Sell on Amazon FBA?

Selling products online is a great way to start or grow a business and make money. And if you're going to sell anywhere, it should be on Amazon.

### The Amazon Marketplace

- The Amazon market is massive, and it's growing more than ever as people shift to shopping online for almost any type of product. Amazon was responsible for 50% of U.S. <u>ecommerce spending</u> in 2021.
- 55% of U.S. <u>consumers say</u> that if they were only able to buy products from a single store, it would be Amazon, and some 200 million consumers are Amazon Prime members.
- And despite economic disruptions from a global pandemic, inflation, and other challenges in 2022, Amazon is not only surviving — it's thriving. Among total <u>consumers</u>, 57% are making purchases on Amazon every week.

A key reason Amazon is so successful is the success of FBA and third-party selling. In fact, more than half of Amazon's \$470 billion revenue was fueled by its third-party sellers in 2021. You can be one of them!

80% of Amazon sellers say they wish they had started selling on Amazon sooner!

### How Much Money Amazon Sellers Make

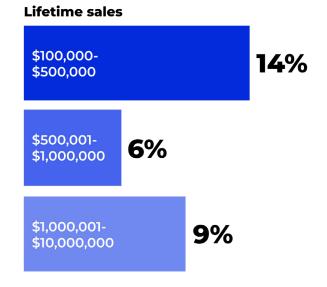
Many <u>Amazon sellers</u> say they sell on Amazon for the freedom the income provides. They're looking for a new job or to "be their own boss." Many are looking for extra money to support their kids, pay off debt, or even travel the world. Selling on Amazon allows you to achieve your goals.

#### Average monthly sales:

Two-thirds of Amazon sellers make at least \$1,000 per month in sales, and 22% make \$10,000 per month! Further, some super-sellers make upwards of \$250,000 each month in sales — amounting to \$3 million in annual sales!

A strong 40% of new Amazon sellers reach total sales of more than \$50,000 within just a few years!

So how much of these sales do sellers get to take home?



#### Average profits:

Among all small businesses, typically about 40% are profitable. Among Amazon sellers, however, the vast majority (nearly 90%) are profitable, and 63% are profitable within their first year selling.

New Amazon sellers are earning an average of \$30,000 per year in profits!

Amazon sellers also see comparatively high profit margins: 68% sellers see profit margins above 10%, and — better still — half of *those* sellers see profit margins above 20%.

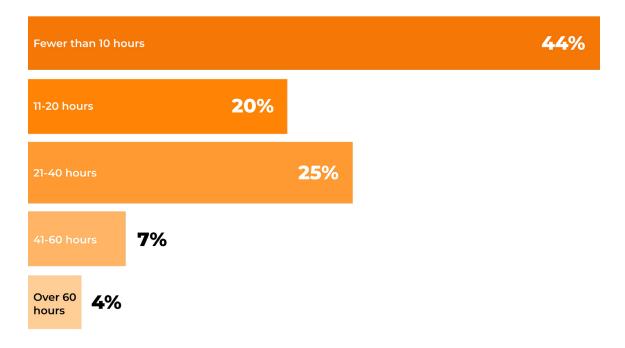
See an in-depth account of how much Amazon sellers earn.

### What You Need to Sell on Amazon: Time & Money

Before you get started selling on Amazon, it is important to note that you have to be willing to put some time and effort. If you do, you can be enormously successful!

The majority of Amazon sellers say that selling on Amazon takes some effort and is not a "get-rich-quick" tactic. Amazon sellers share that the primary factors that contribute to their success are having the time to commit to their business and having the necessary tools and information to help them.

#### How much time do you need to spend on your Amazon business per week?

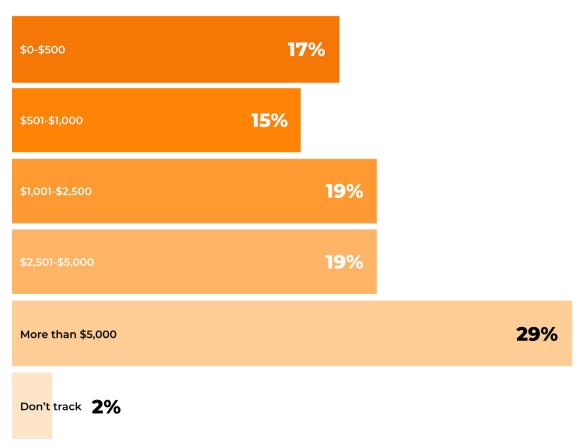


Amazon sellers say:

Most Amazon sellers spend fewer than 20 hours per week managing their Amazon businesses, though this can vary depending on the size of your business, the tools you have, and other factors.

#### How much money do you need to get started?

Amazon sellers say:



Depending on whether you have a product to sell already, start-up costs for selling on Amazon can vary. In fact, you can make as large an investment as you want or you can start selling on Amazon practically for free.

Learn more about how much it costs to sell on Amazon here.

# Let's get you started on Amazon FBA!

Amazon FBA changed my life, and I hope it can help you change yours, too. Whether you're looking for financial freedom, a 4-hour work week, to expand your brand, or to create something that's your own, we want to help you succeed.

At Jungle Scout, we provide tools that are powerful but easy to use, the most accurate data, and the best possible support to help you at every step of your journey.

Don't forget to check out our **Resources Page** (bookmark it now!) and follow Jungle Scout on social media to see more tips and info that the team and I continue to share to keep you on top of your Amazon game.

And as always, if you have any questions, don't hesitate to reach out: gmercer@junglescout.com.



<u>Greg Mercer</u> Founder & CEO of Jungle Scout 8-figure Amazon seller



## **About Jungle Scout**

Jungle Scout is the leading all-in-one platform for selling on Amazon. Founded in 2015 as the first Amazon product research tool, today Jungle Scout features a full suite of best-in-class business management solutions and powerful market intelligence resources to help entrepreneurs and brands manage their Amazon businesses.

Explore all of Jungle Scout's included capabilities:



Get started with Jungle Scout today!