☐ Fall under Amazon's standard product size, which is a

product that fits inside of a shoe box and under 20

pounds.

## **Product name:**

Must haves:	
High demand. To evaluate whether a product has considerable demand, make sure:  ☐ The top 10 products are selling an average of at least 3,000 units combined per month.	<b>Sales price.</b> Below \$20, the profit margins for a product may be too slim, and above \$70 is getting out of impulsive purchase range, plus consumers may be unwilling to spend higher amounts on a brand they don't recognize.
Sales are evenly distributed. To evaluate whether or not a niche is not dominated by one or two brands, make sure:  The sales for the top 10 products are evenly distributed.	Look for a product that sells in the \$20-\$70 price range.  Marketability. Think about how you will build a brand around this product. Look at what other brands do and determine how
Profitability. Generally, we consider the "3x rule" at a minimum to help determine profitability — assume that each product's sale is broken up into ⅓ for fees, ⅓ in landed costs, and ⅓ profit.  ☐ Calculate all of your costs, including product costs, shipping costs, and Amazon fees.  ☐ Use Jungle Scout's FBA Calculator to determine potential profit.	you can improve your branding and listing.  I can build a unique brand around this product.  Uniqueness. Don't sell the same exact product as all the other competitors without doing anything to improve the product. This will make it difficult to stand out and earn sales  The product has room for improvement and differentiation
High search volume. To see how often people are searching for a product, look for at least 3-5 main keywords that have high search volume:  Bach exact keyword match search volume of at least 8,000  Each broad keyword match search volume of at least 15,000	<ul> <li>Low seasonality. Seasonal products can still be good investments but when you are first starting out, it is better to sell a product that has low seasonality.</li> <li>Search for evergreen products that consistently sell all year long.</li> <li>Check seasonality with Jungle Scout's Product Tracker and Opportunity Finder tools.</li> </ul>
Not a patented product. Avoid trademark, copyright, or patent Issues at all costs. Patents have to do with the design and/or functionality of the product and trademark identifies a word, phrase, symbol, design, or a combination of these things that identifies goods or services. To avoid any legal issues before investing in your product:  Conduct a thorough patent and trademark search on USPTO.gov (United States Patent and Trademark Office).	Avoid potential restrictions and/or liability. Some categories and products also require certifications to sell on Amazon, such as children's products for ages 12 and under. This does not mean avoid these products or categories but be sure you know how to get approved to sell if necessary.  Before investing in a product, be sure to research any potential roadblocks on Amazon such as product or category restrictions.
Nice to haves:	
Low to medium competition on Amazon. The top 10 products have an average of less than 500 reviews. In today's world of selling on Amazon, this is hard to come by, but not impossible. Most good niches will have at least 1 or 2 products with thousands of reviews, so that shouldn't deter you  The top 10 products have less than 500 reviews.	<b>Easy to source.</b> When you are new to sourcing products and selling on Amazon, you may want to avoid products with a lot of moving parts that may require more investment and may be more difficult to find a manufacturer for your product. Not a deal breaker if you have a more intricate product, as it may result in lesser competition.
<ul> <li>The top to products have less than 500 reviews.</li> <li>3-5 products in the niche do 300 sales per month but have less than 100 reviews.</li> </ul>	The product has little to no moving parts that are easily breakable. (Think of a drone with foldable wings, propellers, and gimbals.)
<b>Small and lightweight.</b> The heavier and bigger the product, the more it will cost you in FBA fees. Look at Amazon's product size tiers and the fees for each tier and search for products that:	<b>Low advertising CPC.</b> When you first launch a new product on Amazon, you'll likely need to run Amazon PPC advertising campaigns to get your product in front of customers.

☐ Use Jungle Scout's <u>Keyword Scout</u> tool and try to find a

broad match keywords.

product that has a low cost per click keywords (CPC). It

will show you the estimated cost per click for exact and

# Products we do not recommend selling if you are new

# High competition

When you are first starting out on Amazon, it may be tempting to want to sell one of the most popular Best Sellers on Amazon. Avoid these products as they typically have thousands of reviews and a loyal customer base. It is very difficult to compete with these types of products unless you have a large starting budget

#### **→** High seasonality

Products that only sell during certain holidays or times of the year are harder for new sellers as you need to be an expert in product sourcing and inventory management. You only have a short window to be successful with seasonal products.

## **③** Grocery items, supplements, health products

While all three are great, profitable categories, for a new seller, you may run into liability issues as these are the types of products that people ingest or use on their skin. Do lots of research on the rules and regulations for products in these categories before investing and selling.

#### Clothing, shoes, or handbags

These categories are heavily saturated with competition, especially well-known brands. Also, consumers tend to shop for clothing brands that they know of — unless you can create a "dupe" of a popular brand without violating copyright or patent laws. Again, do proper research before selling in these categories.

#### 

Products that can easily break such as glass or electronics typically should not be one of the first products you sell on Amazon. There can be issues with shipping the product and electronics may have unforeseen problems, resulting in a high return rate.

#### Trending products

Trends come and go, and you need to time trends just right in order to capitalize on them. Think of fidget spinners. If you got in at the right time, you made lots of money. But many sellers of this product were stuck with hundreds or thousands of units of inventory that they couldn't sell because the trend only lasted so long.