

# Advanced **Product Research**



General tips and **3 proven methods** for becoming a successful seller on Amazon...

by Garlic Press Seller

## Table of Contents

General Product Research Tips.....	3
How to Distinguish Good Products From Bad.....	3
How to Determine Your Profit Margins.....	4
How to Estimate Your Competition.....	6
Complex Goods and How Best to Avoid Them.....	9
My Top 3 Product Research Techniques.....	10
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## Foreword

Right now, you might find yourself struggling. That's because starting out with FBA really isn't as easy as some people would lead you to believe. But take it from me: once you've launched even 1 successful product, the most difficult part is over. At that point it's just a matter of expanding. Adding more variations, different colours. Before you know it you've got a successful brand on your hands and you're building a business. But how do you get there?

I think product research is the most important step in the whole FBA process. It doesn't matter how good your product, marketing or launch process is. If you picked the wrong product, you will fail. That's why I spend at least 1 month doing product research every once in a while, with the goal of finding one or more niches for when I'm ready to start manufacturing. All this research has taught me lot of valuable skills over the years. And I'm ready to share this knowledge with you.

Lastly, I want to THANK YOU for getting this guide and trusting me to be your teacher. If you have any feedback or questions, please be sure to leave a comment on [my website](#).

Now then... **let's dive into it!**

# GENERAL PRODUCT RESEARCH TIPS

## How to distinguish good products from bad

I will just quickly recap what defines a good product. If you are familiar with my Basic Product Research guide, you probably already know most of this. If so, don't hesitate to skip right to the next part.

### Our product requirements:

- Price: + \$15 ✓
- Profit Margin: + \$5 ✓
- Revenue: at least \$3,000 per month ✓

### Bad product characteristics:

- Patented goods ✗
- Over-saturated / too much competition ✗
- Complex goods (electronics) ✗

Don't waste your time on products with bad characteristics. As soon as I see that a product is difficult to manufacture (something you can usually tell right away) I will skip it. No point in spending time checking to see if it has a high enough profit margin.

### Tip: keep emotion out of it

It is very easy to let your emotions take over when doing product research. Just because you might not be the target audience for a product, doesn't mean that there aren't potential buyers out there.

# How to determine your profit margins

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**PRICE - SHIPPING COST - PRODUCTION COST - AMAZON FEE =**

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**PROFIT**

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## Price

This is pretty easy. I usually pick a competitor who has a similar product to what I want to manufacture and place my price \$1 below his offer. So if a competitor was selling for \$12,99, I would put my price on \$11,99.

## Shipping Cost

I use 2 methods to check the shipping cost. A very rough estimate when I am in the beginning stages of my product research. And an exact method when I am almost about the pull the trigger on a product.

## Rough Shipping Cost

Product fits in my hand: \$0,50

Product fits in shoebox: \$1,00

Bigger than a shoebox - But not oversize: \$2,00

This is just a quick estimate I use based on my own experience. Of course this only gives a very rough idea, as the actual shipping cost is based on a lot more factors (Port you are shipping from, exact sizes, time of year, etc.). But this will at least get me started.

## Exact Shipping Cost

Ask your (potential) supplier for the following info:

- Port they will ship your products from.
- Cubic meters (CBM) of shipment.
- Weight of shipment.

With this information, I can contact a freight forwarder and get an exact quote on how much the shipping cost will be.

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PRICE - SHIPPING COST - **PRODUCTION COST** - **AMAZON FEE** =

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**PROFIT**

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### Production cost

Let's take a look at our suppliers @ Alibaba.com. When we browse Alibaba, we usually see 2 prices. You can see this in the example here:



Wishome New Amazon  
New Smart Kitcthen Tool  
Manual Garlic Press

US\$1,15-US\$1,30 / piece  
100 pieces (min order)

This supplier will sell this product between \$1,15 - \$1,30. This depends on the quantity you are willing to order. If you are looking to start small with 100 units you are most likely going to pay \$1,30 for each. But the higher you are willing to go with that number, the better the price will be.

### Amazon Fee

For this, we use the Amazon FBA Fee Calculator. We simply input a similar product that looks like ours and it will output how much you will be paying in Amazon fees.

» <https://sellercentral.amazon.com/hz/fba/profitabilitycalculator/index>

We can also input all other costs here and directly check our profit margin.

# How to estimate your competition

Estimating the competition in a niche is something that will come with experience. After a while, you know exactly what to look for when appraising a market for saturation.

I like to approach it from a customer's point of view. When I am shopping for a product I tend to look at 3 major points: **Price**, **Reviews** and **Listing Quality**. So I will use these same 3 points when I am doing my product research. My goal here is to be able to beat the competition on these exact points.

Signs of a saturated market:

## Doing a Second Page Check

When I'm looking for a new product, my goal is for it to reach page #1 on listings. That's why I always analyse my competitors (those I have to outrank) listed on page #2. If I find that there's a lot of strong competitors there, the product is most likely **over-saturated**. And that means: it's not worth our time.

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### Price

Obviously, I want to spend as little as possible. So as a consumer I will always check out the lower priced products first.

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### Reviews

I want a high-quality product, so I want to make sure that the product has a high rating and a ton of reviews to back that rating up.

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### Listing

I also want to know as much about the product as possible. So I am looking for listings with loads of pictures and a very detailed description. For example, if a listing is not even stating the size of a product, I will quickly move to a listing that does.

# EXAMPLE : HIGH COMPETITION PRODUCT



## BalanceFrom GoYoga All Purpose High Density Non-Slip Exercise Yoga Mat with Carrying Strap

by BalanceFrom  
★★★★☆ 4,396 ratings | 60 answered questions

Price: **\$12.99** + No Import Fees Deposit & \$18.02 Shipping to Netherlands [Details](#)

Size: **1/4"**

Color: **Black**



- 68" long 24" wide ensures comfort. With high density eco friendly material, the 1/4" thick premium mat comfortably cushions spine, hips, knees and elbows on hard floors while keeps you balanced
- With double sided non-slip surfaces, BalanceFrom all-purpose premium exercise yoga mat comes with an excellent slip resistant advantage to prevent injuries
- Exceptional resilience allow you to keep your balance during any exercise style. Moisture resistant technology makes the mat to be easily washed with soap and water
- Easy strapping and light weight feature are added to this mat for easy Transport and storage. BalanceFrom all-purpose exercise yoga mat is manufactured and sold exclusively by Amazon store
- A free yoga mat strap is included. All genuine BalanceFrom products are covered by a 100% BalanceFrom satisfaction guarantee and 2-year BalanceFrom Warranty-Material:PVC

New (1) from \$12.99

**Price** - \$12,99. After checking my products cost & FBA fee's I found out there is *no way* I can undercut his price.

**Reviews** - 4,300. It will realistically take me years to get this many reviews.

**Listing Quality** - He has a lot of photo's, even includes a video, and the text is very descriptive.

## Conclusion

This is a very competitive niche! We can't beat his offer on price, reviews or create a better listing. So if I stumbled upon this niche during my product research, this would be all the signs I needed to quickly move on to the next one.

# EXAMPLE : LOW COMPETITION PRODUCT



1 x 3 Tier Galvanized Round Metal Stand Outdoor Indoor Serveware

by Generic

★★★★☆ 25 ratings | 6 answered questions

Price: \$39.99 + \$40.73 Shipping & Import Fees Deposit to Netherlands [Details](#)

**Note:** Available at a lower price from [other sellers](#) that may not offer free Prime shipping.

- Indoor/Outdoor Serving Tray
- Dimensions: Base Diameter: 12 1/2" Height: 18 3/4"

[Compare with similar items](#)

[New \(12\) from \\$37.49](#)

**Price** - After checking the cost, I found out that I can price this product at \$39,99 and still make a decent profit. So I can easily undercut him on listing price.

**Reviews** - His total amount of reviews comes down to 25, which we can *easily* surpass. However the biggest weakness here is his 3.5-star rating. If we can offer a better product with a 4.5-star rating or higher, we can steal a lot of his customers.

**Listing Quality** - Absolutely terrible. It's just 1 picture and 2 lines of text.

## Conclusion

So after reviewing this example I determined that this is not a competitive niche. I would be able to beat this offer on price, quickly match and even surpass the amount of ratings, and I would make sure to get some nice photographs and write a detailed description.

# Complex goods and how best to avoid them

We want to minimize the chances that our product will fail. Obviously, our product can fail if we are not making any sales. But that's not our only risk; when entering a niche, it's crucial that you are able to deliver a high-quality product

Here's an example of my own: I once found a great niche for an inflatable product. But the quality of the inflatable product I sourced ended up being very poor. Lots of customers complained that the product deflated after only a couple of uses. The negative reviews started coming in, bringing the star-rating to sub 4-stars. A death sentence for most products.

This example illustrates why we always focus on manufacturing a high-quality product. If we lack the experience and/or resources to do so, the product just isn't for us.

Remember: There are *a lot* of things that can go wrong when you manufacture a product in China. **So we want to keep it as simple as possible.** Ideally, we want a product that is made out of only 1 component.

## What we're trying to avoid: a list of 'bad' products

- Electronics
- Glass, Ceramic, Inflatable
- Complex (many components)
- Clothing
- Watches
- Consumables

Finding the perfect niche . . .

# My top 3 product research techniques

## TECHNIQUE 1:

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**Good job!** You have reached the end of this sample version for my Advanced Product Research Guide!

But your journey only just got started: get the FULL VERSION, which includes my **3 proven product research methods**, and get right back to filling your brain with knowledge!

[Click here to keep going!](#)