Marketplace Superheroes:
Module #3 – 4S Product Gauntlet - Shortlist

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Figuring Out Your Best Product

Now that you know how to go about creating your initial search list, let's look at the Shortlist Phase of the 4S Product Gauntlet. After you have made your list of products, you'll want to condense this list by applying another set of criteria for shortlist. To put it frankly, the majority of the products on Amazon are not good for this system.

A lot of the products on Amazon are far too competitive, and there are a lot of brand name products being sold on Amazon. Obviously, you aren't going to want to try and compete with a giant company like Black & Decker or anything like that. This is because there is something called 'brand equity', which you will learn more about further on in the training.

Many sellers will get involved with selling products that just aren't feasible or logical. This is a big pitfall for many people, so Robert and Stephen have developed certain criteria for their products, as you know, and they have even more requirements that products have to meet before they are moved from the 'Search' list into the Shortlist Phase. There are a number of different factors that you're going to score your products with to see if they meet the criteria for the shortlist, which you'll be learning about in this lesson.

You're also going to be using your Xcellerator software quite a bit as you go through this module. This is what you'll be using to score your products as a matter of fact. So, you don't

have to calculate anything or use spreadsheets. You're going to be able to go step by step using the software, and it will all be very easy for you.

This is the first time that you are going to have a league table at the end of a module, and you are going to bring that league table forward into the next module. The purpose of the league table is to ensure that you are making logical decisions. You see, when you score your products, you're going to get an overall score at the end. This is going to tell you if a product is logical or illogical to sell. If you stand a good chance of losing money with a product, for example, your business is going to fail before it even starts. So, it's important to make sure that you are scoring your products accurately, and you want to base your decisions on data, not a good feeling that you had or anything like that.

Also for the first time, you'll really be looking at the viability of your products. The search list is a big list, and although the products meet your criterion, that doesn't mean, necessarily, that they are viable for sale. That being understood, let's move on to learn how to create your shortlist.

The Shortlist Criteria
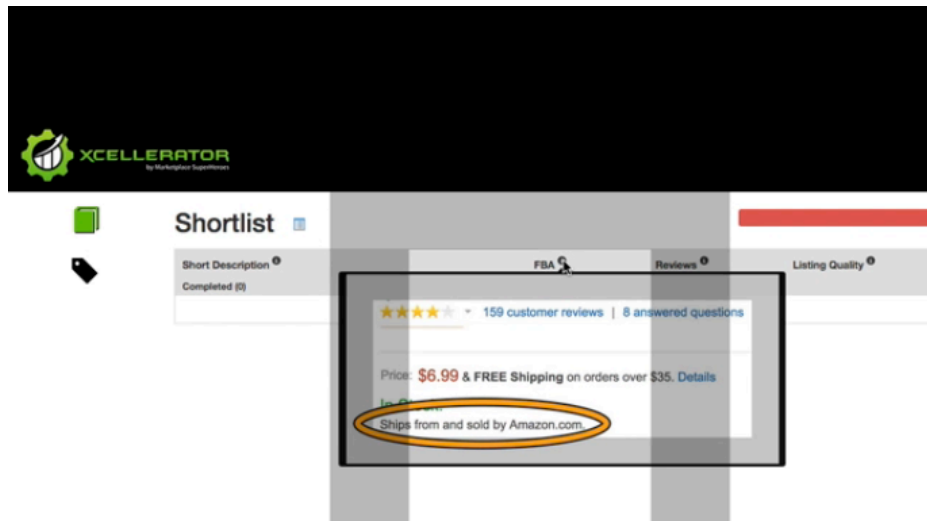
There are six different types of criteria, and you are going to learn how to analyze each one by one. Here are the six criteria you need to look for:

1. How Sold?

By whom and how is the item being sold on Amazon? You can find this information within a product's listing, under the price. This is demonstrated in the screenshot above.

2. Number of Reviews

You need to look at how many reviews a product has gotten. You'll find this bit of criteria right underneath the product's title.

3. Listing Quality

How is the quality of the product listing? Are there any ways that you can make yours better? You'll learn how to examine this further later on in the training. This involves evaluating the listing overall.

4. Optimum Sales Price

Determining the optimum sales price for an item is important. The price of a product can be found underneath the title of any product listing.

5. Isolated Product

An isolated product is one that doesn't have any add-ons or extras. If an item has a bonus, add-on, or is a part of the pack, it will say so in the product listing and sometimes even in the title.

6. Brand Equity

This is where you are going to determine the size of the current brand.

After you come up with all of these determinations, the program will calculate an overall shortlist score for you. This score is going to determine what products are viable or not. In other words, what products you move forward with is going to depend on what score they receive in this evaluation process.

Elements 1 & 2 of the Shortlist Criteria

Let's go into each of the shortlist criteria in more detail, starting with elements 1 and 2. Element #1 is "How is the Product Sold?" You need to figure out how the product is currently being sold. In other words, you want to know who is selling the product and what form of fulfillment they are using. There are three possibilities for this. It could be that the product is being sold by a merchant that is fulfilling the orders themselves, or the merchant could be selling the item and is using FBA to fulfill the orders. On the other hand, sometimes Amazon itself is the seller of the item. So, to put it plainly, the three possibilities are:

A. Merchant Sells & Fulfills

B. Merchant Sells & Uses FBA

C. Amazon Sells the Item

A merchant, as you probably already know, is a company or person that sells a product. When you sell products on Amazon, you are considered a merchant by Amazon. Another term for a merchant is a 'third-party seller'. This is essentially anyone who is selling on Amazon other than Amazon. As previously stated, you want to figure out which one of the three possibilities pertains to the particular item you have selected to research.

As far as you're concerned, the best possibility for you lies in finding an item that a merchant is selling and fulfilling themselves. Why is this important? Well, first and foremost, you're not

competing with Amazon. If you were to take on the product that you are currently looking at, you wouldn't have to compete with Amazon for sales, and you wouldn't have to compete with another seller that's got the advantage of using FBA either.

When you sell a product and use FBA to fulfill it, you're improving the customer's experience on Amazon. Customers often have trust in Amazon, and when you're using FBA, you're seen as being identical to Amazon in the eyes of many customers. This typically increases your conversion rates rapidly.

Also, since you are using FBA, customers can get Prime delivery on your item. That's because they pay a flat fee for their Prime membership, and this membership allows them to get free shipping on any item that Amazon fulfills. Getting access to these Prime customers can be huge for your business. This is also good for your customers because they are reaping the benefits of all of Amazon outstanding fulfillment services. Of course, Amazon wants this and so do your customers.

The first thing that you're going to want to do is have one tab with Amazon.com opened up in it and then another tab should be opened with the Xcellerator software. Go ahead and log into your account for the software. This will bring you to the 'Search' section where you left off the last time. Next, go to the option menu and choose the second section, which is the shortlist section. All of the items that you listed in your 'Search' section will now be listed in your 'Shortlist' area as being incomplete. You are now going to start scoring these items.

As you know, the first thing that you are going to do when considering an item is looking at how it's sold. If you remember, the first item that Robert listed was a barbeque grill brush. When you put in the AISN number initially, it creates a link. So, at this point, you can just click on the link to bring the item back up on Amazon in whatever country it's in. Robert looked at the grill brush, and he immediately noticed that it was being sold by Amazon. He then recorded this information in the Xcellerator software.

What you'll do is go back into the software, and under the second column, in the dropdown menu, you'll select 'Sold by Amazon'. The second element you're going to look at is the number or reviews. The number of reviews that an item has gotten can generally be correlated with the number of sales that it has gotten. Also, generally speaking, the more product reviews there are the longer an item has been selling well. If an item is selling in large volumes and has been on sale for a long period of time, it will be harder to compete with product than it would be to compete with an item that has fewer reviews and less history. The item will be scored, in this case, by whether it has:

A. < 5

B. 4-49

C. 50 – 499

D. 500+

The best possibility for you is 'a'. Why is that? The fewer reviews that a competing product has the better because that means you can easily move into the market with your own product. You'll find the number of reviews an item has gotten right underneath the title. The grill brush that Robert was using as a case study example had 468 reviews. Once he found that out, he went back into the software and entered the number into the third column. Again, there will be a dropdown menu and you can just select the number range that fits the product you just looked up.

Elements 3 & 4 of the Shortlist Criteria

The third element of the shortlist criteria is the 'Competitor Listing Quality'. The first two elements of the criteria were relatively easy to find, but this next element will require some simple calculation on your part. This next element will require some simple calculation on your part. Don't worry, this isn't complicated, but you will have to form your own opinion on the quality of your competitor's listing.

While you're evaluating your competitor's listing, you need to question whether or not the elements of a page that convert browsers into buyers are present. The more of them that are missing, the better it is for you. Just having these elements present isn't enough, however. You need to assess how strong these elements are. In other words, are they really good enough to turn a browser to a buyer? For instance, one thing that you would want to look at is the images in the listing. Are there several different ones, and do they draw you in and make you want to stick around the page.

If all the elements needed for turning browsers into buyers are present, but the quality of them is poor, it's recommended that you disregard the element as though it wasn't even there. Let's say that one of the images is blurry or that you can't zoom into it, or maybe there's only one. In that case, you would say that the image element is not even present because the quality was so poor. You could easily get better-quality images that would help you to differentiate your product from your competitors. The same could be said for any one of the missing elements.
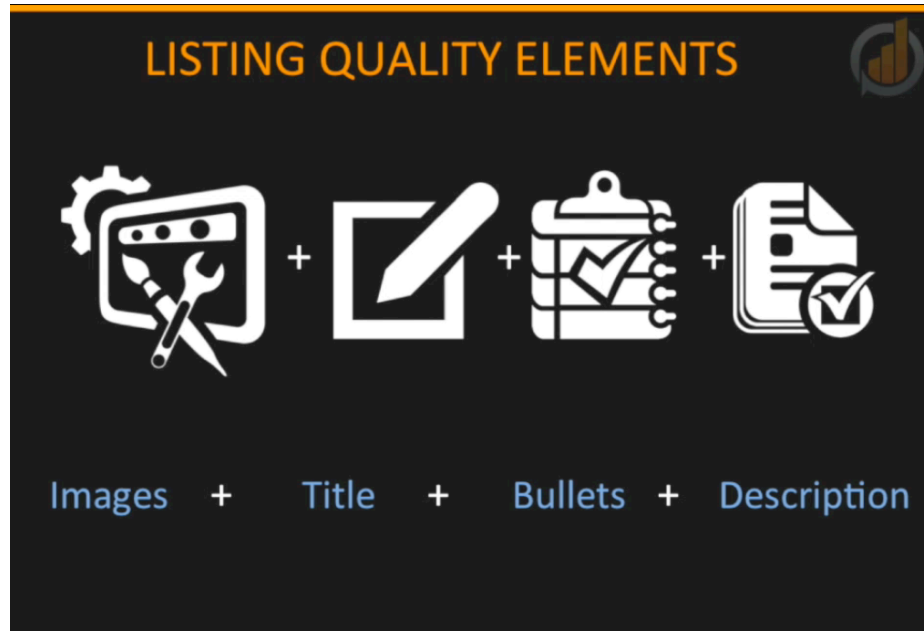
So, what are the elements that you need to rank? You'll want to look at a listing's images, product title, bullet points, and description. How good should they be? Here are the details you'll want to look for:

1. Images – These should be zoomable with a clean white background. They should also be detailed, and there should be more than one.

2. Title – The title the seller is using for their product should be keyword rich, yet easily read.

3. Bullet points – In a good listing, the seller will have five different bullet points that talk about the main product features with some detail.

4. Description – The description of a listing should be rich with benefits that sell the product's features.

After looking over all of these elements, how do you actually go about ranking these? You simply go through the listing and look to see if these elements are present or not. Remember, if one of these elements is not up to par, you would consider it as though that element isn't present. For example, if the description is not rich in benefits, but everything else is good, then you would give this a score of 'Good'. Here is the scale you will want to use for this:

4 Present = Perfect

3 Present = Good

2 Present = Average

1 Present = Poor

The less elements a listing contains, the easier it is going to be for you to compete with that listing, even without the tactics you are going to be taught for creating your own listings later on. As a case study example, Robert looked at the barbeque brush again. This particular listing only had one picture, so would qualify as a missing element. When it came to the bullet points, these were done reasonably well, but not all five were present. Therefore, this would be considered a missing element as well.

Next, Robert scrolled down and noticed that this listing was missing a description, or at least one that was of any relevance. Robert gave this listing an average rating of two. He went back into the software, and in the fourth column, he clicked on the dropdown menu and selected a listing quality of 'Medium'.

For the fourth element of the criteria, you are going to determine whether or not the product you are researching is priced optimally. An optimal price for a product to sell for is between $7 and $30 because this is the perfect price range for impulse buys, and it's cost effective enough for customers to buy now as opposed to going straight to the store. They are happy to go ahead and lock in their price and check out.
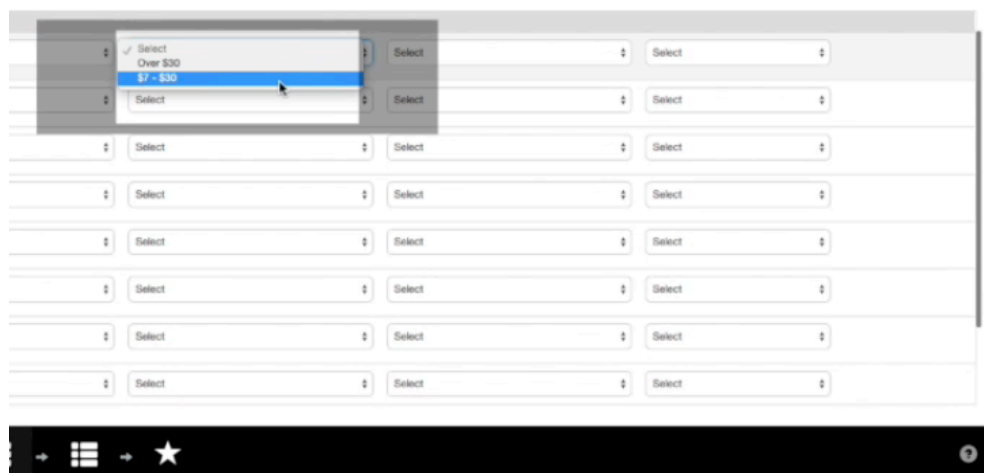
It's best to stay somewhere in the middle of this price range. If an item costs more than $30, there's too much though and potential 'buyer's remorse'. A better conversion comes from having fewer buying barriers. If the product that you are researching costs less than $7, be sure to disregard it because it shouldn't be on your list.

Remember that your objective is to find in-demand products and use Amazon's traffic to flip them as fast as possible. Middle price points will help you to achieve this. If you price your products too low, you'll more than likely have to order a lot and sell a lot to make an adequate

amount of profit. Of course, if the price is too high, you won't make as many sales and it will cost a lot of money to initially bring in your order.

When you check the price of an item, you will need to enter your findings into the Xcellerator software. This will go into the fifth column within the shortlist interface. The screenshot above shows that you are going to select the price range by clicking on the dropdown menu. If it's within the required price range, select the $7-$30 option, and if it's over $30, select the option that specifies that.

Elements 5 & 6 of the Shortlist Criteria

It's time to look at the final two elements of the shortlist criteria. The fifth element you will evaluate is whether or not the product you are researching is an isolated product. So, what is an isolated product? It is a product that is sold as a single unit without any 'extras'. A good example of an isolated product would be a pool rake.

It's a good thing to find an isolated product because this presents a big opportunity for you to add extras of your own. For instance, instead of selling a single light bulb at one time, you might create a pack of them. You should always be looking for ways that you can take an isolated product and modify it with your own add-ons and bonuses. Of course, all of this helps to improve the buyer's experience on Amazon.

Just like all of the other elements, you are going to record this in the Xcellerator software. You can designate this by clicking on the dropdown menu in the sixth column. This dropdown menu has only two options, obviously. They are 'isolated' on 'non isolated'. You'll choose the one that is appropriate for the item you're researching and then you'll move on to look at the final element, which is 'Brand Equity'.

So, what's brand equity anyway? This is a measurement of the trust, awareness, and loyalty people have to a brand. The more well-know a brand is, the harder it will be to compete with the products in that brand. Big brands are better known to customers, and therefore, they are able to command a higher price. Simply put, customers trust big brands. You shouldn't be
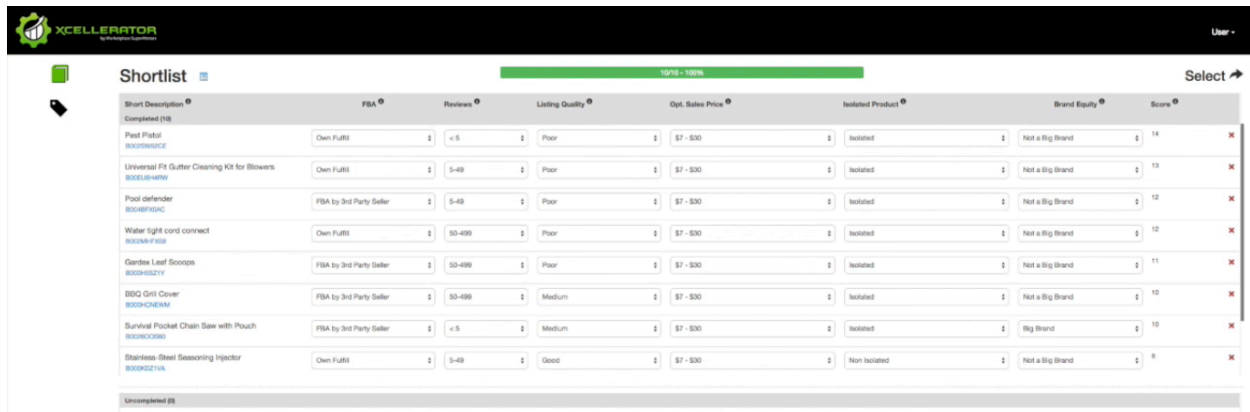
scared of big brands, necessarily, but you should avoid going head to head with them. If you do, you may be forced to sell your product for far less and possibly at profit. You might find your product to make a good lower-cost alternative if you're competing directly with a big brand.

It's actually pretty easy to determine if a product is a 'big brand' product. First of all, if there are a large number of listings for a specific brand on Amazon, like more than 50, you can pretty well infer that it's a pretty big brand. If they are selling internationally, you would also consider them a big brand. Also, if an item is being sold in a larger scale location, such as a super/hyper market, you should consider it a big brand. Once you have decided whether or not the product is one that belongs to a bigger brand, you will record this in the last column of the 'Shortlist' interface.

In the case study, Robert found that the brand for the barbeque brush was Weber, which is a big brand name. So, he went to the 'Shortlist' interface and marked it as such. Now that all of his six criteria are filled in for the barbeque brush, the product will automatically move from 'uncompleted' to 'completed'. It will now be listed at the top of the interface with a score. Robert's grill brush ended up having a score of '7', by the way. You will need to go through each of the items just like this in order to build your shortlist.

When to Stop Researching a Product

Now, let's look at when and how to eradicate products. By now, you should have completed the shortlist for each and every product on your search list. Keep in mind that you need to continue to add products into your 'Search' pipeline, and then in turn doing the work for the Shortlist Phase. Furthermore, understand that the data that has been presented was meant to serve as an example.

The software will sorting your research results by the shortlist scores, located on the right-hand side of the interface. The highest, or most logical, scores will be listed to the top, and it will continue to list down through the plausible but least logical results. You can scroll down to see the results for the least logical items. You'll probably have a lot of results at this point.

Items with a score of less than 10 should be deleted. You can click on the red 'X', located to the far right, to delete them. These items will be difficult to make an impression on the market with, and therefore, they have no further purpose. When you click on the red 'X' in row with an item you want to delete, a window will appear, double-checking your decision. Just take another look at the score, and if it's less than '10', go ahead and confirm. Take note that once you delete an item, you would have to reenter it to have it listed again. Once an item is eradicated, you can move on to the next and so on until you are only left with those that have an acceptable score.

You can also see a screenshot of your shortlist league table by clicking on the report button, which is located at the top-left, next to the word 'Shortlist'. This will give you a complete list, and you can scroll down this list when you have a good number of items within the list. Once you finish, you can simply close the list, and you'll be returned back to the 'Shortlist' interface. After you have completed the Shortlist Phase, you'll be moved into the 'Select' interface. You can then continue through the Select Phase.