

Digital Marketplaces: How to Sell on Amazon, Walmart, and Alibaba.

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Contents

Executive Summary	4
1. Introduction	5
eCommerce and Digital Marketplace Categories	5
2. Definitions, Importance and Consideration	7
Why are Marketplaces Growing in Importance?	7
Why Should Marketplaces be Considered as Part of a Food and Drink Distribution Strategy?	8
Challenges of Marketplaces for Irish Food and Drink Brands	9
3. Getting Ready to List on Marketplaces	10
Research-focused Marketplace Search.....	11
Product-Specific Marketplace Search.....	12
Marketplace Product Listing Checklist	12
Marketplace Product Listing Readiness Requirements Table – Basic	13
Marketplace Product Listing Readiness Requirements Table – Growth	14
Understanding Competition on Marketplaces	17
The ‘Buy Box’	19
Seller Performance	19
4. Amazon	20
Understanding Amazon.....	20
Understanding Amazon’s eCommerce Strategy	21
Here’s How it Works:.....	21
Understanding Amazon’s Marketplace Strategy	21
Amazon 1P + 3P – The Difference Between First-Party and Third-Party Sellers	23
How do you obtain a “first-party” or 1P relationship with Amazon?	24
Understanding the importance of 3P Relationships with Amazon	24
What does the Importance of 3P to Amazon mean for Brands?	24
Advantages of 3P for Brands	24
Disadvantages of 3P for Brands	24
What Matters for Brands on the Amazon Marketplace	25
Amazon Listings - Practical Steps	25
Amazon Listing Step 1- Choose Amazon Selling Plan	25
Amazon Listing Step 2- Creating an Account on Amazon.....	26
Amazon Listing Step 3- Amazon Product Listing	27
Understanding Amazon Prime	29
What are the Prime Advantages?	30
Amazon Prime Now	30
How Brands can Qualify for the Amazon Prime Programme.....	31
Understanding an Amazon Product Page.....	32

Amazon Search: Organic Search and Paid Search.....	33
Amazon Organic Search	33
Amazon Search: Paid Advertising	34
SERP – Search Engine Results Page with Sponsored Product and Sponsored Brand Ads	35
SERP – Search Engine Results Page with Product Display Ad	36
Winning the ‘Buy Box’ on Amazon.....	37
Amazon Customer Support:.....	38
Amazon’s Customer Ownership and their Resulting Rights	39
Cost Details for Amazon	39
Amazon Logistics and Fulfilment	40
Amazon FBA	40
Amazon FBM	41
Selling Internationally on Amazon.....	42
Before you Start	43
Listing in International Marketplaces.....	43
VAT in International Marketplaces	43
Fulfilment in International Marketplaces	43
Customer Support and Returns in International Marketplaces	43
FBA Options for European Marketplaces	44
5. Walmart	45
Understanding Walmart	45
Becoming a Walmart Supplier	47
Before you Apply – Understand the Role of the Walmart Buyer.....	47
Before you Apply – Understand the Role of Walmart Brokers.....	48
Before you Apply – Collect this Information	48
Marketplace Listing Step 1- Complete Registration on Walmart	49
Marketplace Listing Step 2 – Complete your Partner Profile	51
Marketplace Listing Step 3 – Upload your products	52
Marketplace Listing Step 4 – Testing your Marketplace Listings.....	53
Marketplace Listing Step 5 – Publish your Marketplace listings	54
Walmart Plus Programme	54
International Suppliers to Walmart.....	54
Walmart Costs.....	54
Category-Specific Seller Commission Fees.....	55
Walmart Fulfilment Services (WFS) Costs.....	55
Advertising on Walmart	56
Advertising Placement on the Search Engine Results Page (SERP).....	56
Walmart Customer Support:.....	58
6. Alibaba.....	59
Understanding eCommerce in China	59
Understanding the Chinese Consumer	60

Understanding Alibaba.....	62
Tmall Global	63
Tmall Global Store	65
What Does a Tmall Store Look Like on the Tmall App?	65
Type of Stores on Tmall Global	65
Setting up a Store: Research and Commitment	66
Tmall Global: Partnerships and Distributors	66
How to Choose a Trade Partner for Tmall	67
Sample Marketing on Tmall Global.....	68
Costing Details for Tmall.....	68
Product Labelling and Returns.....	68
List of Documentation Required for a Tmall Global Account.....	69
Summary Steps to Get on Tmall.....	69
Tmall Overseas Fulfilment (TOF).....	70
Making a Commitment to China is Important.....	71
7. Driving Awareness, Search, Discoverability on the Digital Shelf.....	73
The 'Digital Shelf'	73
Platform Category	74
Product Title	74
Product Description.....	75
Search Terms.....	75
Product Features.....	76
Price	76
Product Delivery Time.....	76
Product Images	77
Marketplace Customer Reviews	79
Amazon and Customer	79
How to Obtain Marketplace Product Reviews.....	80
Answered Questions	80
Stock Available.....	80
Marketplace Brand Ownership and Registration	80
Brand-Owned Product Content.....	81
Product Attributes.....	82
Marketplace Brand Storefronts	82
Storefront Example – PowerBar.....	83
8. Alignment for Marketplace Success: Leadership and People.....	84
Marketplace Team Structures.....	84
9. Conclusion	86
Author Bios	88

Executive Summary

Digital Marketplaces are digital shopping malls where consumers can browse through thousands of products from many brands and in different categories. Digital Marketplaces are booming globally to become one of the most significant parts of global eCommerce. Two thirds of the global eCommerce transaction volume are concentrated within six players - and most are Digital Marketplaces.

- Digital Marketplaces offer a great opportunity for Irish Food and Drink brands, as they enable any size of brand to compete on a level playing field with the world's biggest brands. They also deliver great access to a wide base of customers and make it easier to enter international markets.
- Digital Marketplaces also offer Irish Brands a well-structured onboarding and integration process and bypass the need to meet a buyer. However, there are challenges in the form of a high expectation of customer service, fulfilment, and distribution requirements, as well as management and personnel capabilities.
- Competition in Digital Marketplaces is unique, as Marketplaces encourage competition among brands and freely allow other Sellers to offer your brand at an alternative price and delivery charge.
- Getting a listing on any Digital Marketplace means preparing and planning the right materials in advance. Knowing the right category, having the right sales copy, lots of imagery and the right calls to action are key to being found on a Digital Marketplace to educate the buyer.
- Digital Marketplaces have developed extensive logistics and fulfilment models that Irish Brands can benefit from. They can pick, pack, and ship the products directly to the consumer who purchased the product on your behalf. Alibaba will deliver direct to the consumer in China from London.
- Having a great product and well-laid out product page on the Marketplace is not enough to get the sale. Marketplaces have sophisticated algorithms to work out what product and price will be put in front of the customer - in the 'Buy Box'.
- A product search is the primary way that customers locate products on a Digital Marketplace. As a result, all Digital Marketplace have developed sophisticated advertising models as well as requiring specialist skills to optimise the content in product listings.
- Working with a Digital Marketplace means new skills and new levels of understanding are required for brands to drive awareness, search, and discoverability on a Digital Marketplace.
- Customer reviews and ratings are a key element of a Digital Marketplace success and a specific strategy must be put in place to operate on Marketplaces. Marketplaces use reviews to rank products, both the number of reviews, and their review scores. Good ratings and reviews lead to increased conversions and increased basket size.
- Irish Food and Drink brands cannot manage a Digital Marketplace channel in the same way as wholesale, retail or even a direct-to-consumer eCommerce channel. Participating in a Marketplace means creating a Digital Marketplace-specific strategy with specific people, leadership, and resource allocation.
- Digital Marketplaces will continue to grow and evolve and will be an ongoing part of any Irish Food and Drink brand who wishes to distribute internationally.

1. Introduction

Now, more than ever, Irish Food, Drink and Horticulture companies are looking to grow their business by developing and building on export opportunities through digital channels. This Digital Marketplace Intelligence Report has been developed as a direct response to an identified knowledge gap within this rapidly expanding area. The report is not seen as the definitive guide to the identified Marketplaces, but as an introduction to the key strategic considerations needed by suppliers looking to grow sales online.

This report is presented by the Bord Bia Think Digital Programme. Think Digital is a learning initiative developed, as a direct response to an identified skills and knowledge gap in the Irish Food and Drink sector. Companies can avail of a range of support including 1-1 strategic guidance, activation support, and a number of direct and tactical support guides.

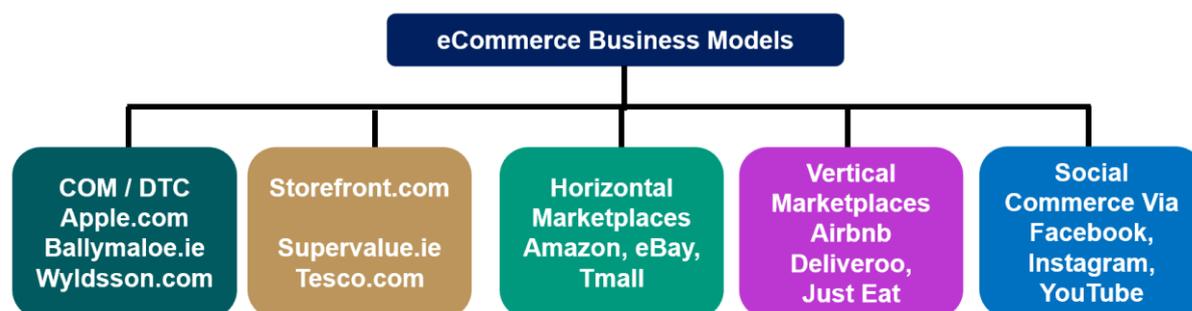
This report aims to help Irish Food, Drink, and Horticulture brands, create their Digital Marketplace proposition from scratch. No knowledge of Marketplaces is assumed, nor is an extensive knowledge of eCommerce or Digital Marketing assumed. The report is intended to be very practical with lots of checklists and tips that can be applied to maximise results.

The Digital Marketplaces addressed in the report are:

- Amazon – Amazon, Amazon Prime, Fresh and Wholefoods
- Alibaba
- Walmart

Digital Marketplaces are part of the wider category of eCommerce and there are many different business models. There are typically four eCommerce channels that brands can consider:

eCommerce and Digital Marketplace Categories



- **.COM** means selling direct to the customer from your website – an ‘online store. You own the customer experience end-to-end, including customer service, order processing and delivery. You stock and sell (almost exclusively) your own brands. These brands are typically available in physical retail outlets as well. Examples in Ireland include www.ballymaloe.ie and www.eatfiid.ie.
- **Direct to Consumer (DTC)** is a new variation on the .COM model. These are typically new brands created from scratch that pursue a single item retailing strategy. Like .COM, DTC brands control the product, proposition, packaging, brand message and digital merchandising. Examples include www.wylidsson.com. Many DTC brands eventually start distributing on Amazon.
- **Storefront.com** covers websites that sell products from a large number of brands. They are a one-stop shop using supply chain or scale advantages, for instance, www.supervalu.ie.

- **Horizontal Marketplaces.** Horizontal Marketplaces offer a large selection of products across many different categories. Amazon.com is the clearest example of a horizontal Marketplace, existing as a one-stop-shop for sellers to provide many categories. All transactions are processed by the Digital Marketplace operator but delivered and fulfilled by the participating sellers. Marketplaces such as Amazon are now offering branded online stores similar to .COM but within the Marketplace.
- **Vertical or Curated Marketplaces** focus on one particular market or industry, for example Food Services Marketplaces, such as Just Eat and Deliveroo. They can also be considered as Marketplaces as they connect local restaurants with consumers looking for delivered meals.
- **Social Commerce:** Social channels such as Facebook, Instagram & Pinterest are now creating the opportunity for getting products in front of potential customers, or for product discovery. Each of these social channels is actively putting together a comprehensive eCommerce capability.

Digital Marketplaces are booming globally to become one of the most significant parts of global eCommerce. The biggest Digital Marketplaces are colossal. With their scale, Digital Marketplaces like Amazon, eBay and Alibaba have become household names across the globe. The largest online retailer in the US is not Amazon, but the Amazon Marketplace.

Marketplaces such as Airbnb, Uber, Deliveroo and Just Eat have revolutionised industries such as travel and food. Etsy's Marketplace of handmade and vintage items turns over billions each month. New Marketplace categories are appearing every week catering for niche markets, yet they are still booming. For example, there are numerous Marketplaces for selling 'streetwear' and trainers in the US.

Marketplaces are now part of society's wider trends—entrepreneurship, global reach, the gig economy, and beyond. More than one million US SMEs are selling on Amazon and more than 30,000 sellers on the Amazon Marketplace turnover more than \$1m.

There are distinctions to be made withing Digital Marketplaces. Some Digital Marketplaces have effects that span the globe. For instance, Airbnb, is a single global network with buyers and sellers all over the world. However, most food and drink Marketplaces are focused on one country, or regionally focused in high population areas, due to the requirement of physical fulfilment to consumers.

One aspect of Marketplaces is that they are seen to have 'winner-take-all' dynamics. This means that a small number of companies come to dominate a particular market and capture the majority of available customers, whilst a few others have at best a modest share. In a winner-take-all market, the winners have tremendous power to dictate outcomes. Amazon is often portrayed as a 'winner-takes-all' example.

However, there is another dynamic in play with Amazon and the Amazon Marketplace: a small brand can compete with a large brand on a level-playing field. The Amazon Marketplace is a kind of 'democracy', where the brand size outside of the Amazon ecosystem does not matter.

Big brands often struggle to make the Amazon Marketplace work as a distribution platform because their existing marketing 'playbook' does not apply. There is no Amazon buyer who you can meet face-to-face and offer a special deal. Every brand follows the same process to get on the platform and has the same challenges to make it work. It is this 'democratic' aspect of the Amazon Marketplace that makes it very interesting for small Irish brands.

Regardless of the power of Amazon, and, indeed, in spite of Amazon, it has not stopped the world's major retailers considering Marketplaces as part of their strategy. Just as Amazon and Alibaba have moved into fresh food retailing stores with Wholefoods and Fresh Hippo respectively, some of the world's leading supermarkets are now launching or reviving their own Marketplace strategies, including Walmart (as discussed in this report), Kroger, Carrefour and Ahold Delhaize.

Digital Marketplaces are so ubiquitous that they are now just called '*Marketplaces*' and this is the naming convention used in this report.

2. Definitions, Importance and Consideration

Marketplaces are aggregators of products where the shopper can compare and buy goods from numerous suppliers online. Marketplaces are a sort of digital shopping centre or malls, where consumers can browse through thousands of products from many brands and in different categories.

Marketplaces demand with supply for which the Marketplace gets a 'cut' of the financial transaction for finding and matching supply and demand efficiently. Marketplaces generally do not own any stock and do not provide the product or brand directly. There are two kinds of Marketplaces:

- Vertical: platforms that specialise in only one kind of product category (e.g., food or fashion).
- Horizontal: platforms offering a full range of products from many categories.

Amazon, Walmart, and Alibaba are horizontal Marketplaces.

Why are Marketplaces Growing in Importance?

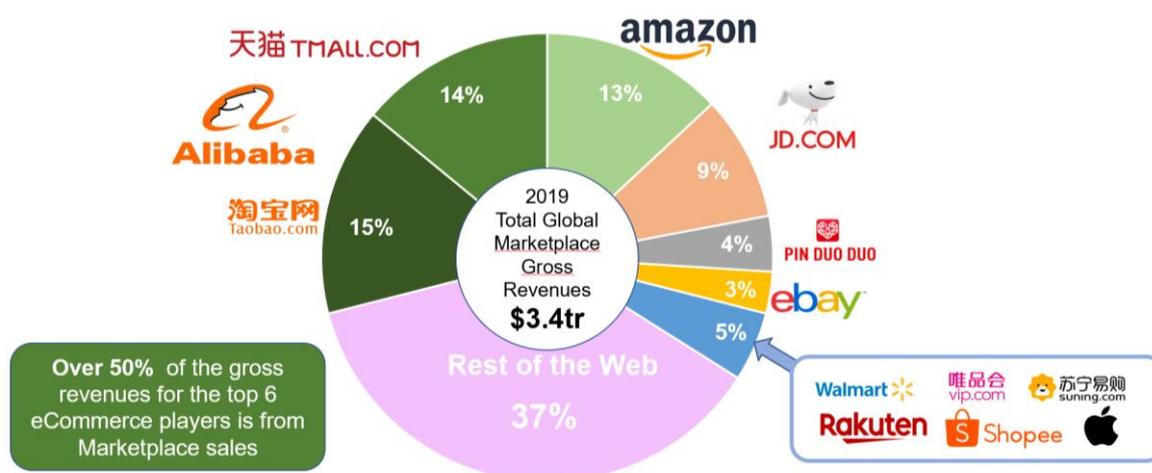
Irish Food and Drink brands need to meet consumers where and how they shop. Marketplaces are where consumers are now. The size and scale of Marketplaces mean that, from the consumer's perspective, the competition between brands increases the value because the brand must compete to win the sale based on price and other seller quality metrics.

Consumers like Marketplaces because they have a much wider selection of products than most retailers. While eCommerce saves consumers from a trip to a retail store, Marketplaces allow consumers to compare similar products from different brands all in one place, instead of having to go from site to site.

From an investor or retailer perspective, Marketplaces are great businesses for six reasons:

1. **Network Effects:** The more users a Marketplace has, the more the value increases according to the number of people using it. The ability to attract more brands, creates more selection in a Marketplace, driving more consumer engagement, which drives more sales for brands.
2. **Economies of Scale:** Once a Marketplace has a strong network effect, it is increasingly difficult to enter or replicate the Marketplace. As more consumers use the Marketplace, their engagement increases, which increases Marketplace volumes, which means more revenue for brands, which, in turn allows for faster and more efficient fulfilment of orders for consumers. The size and scale of Walmart as a retailer is small compared to the Amazon Marketplace, hence why Walmart are trying to replicate a Marketplace.
3. **Increasing Brand Awareness:** Because of network effects and economies of scale, this means even more brands and consumers. As scale increases, the network continues to grow, which increases brand awareness of the Marketplace, which means that the cost of consumer acquisition costs to visit the Marketplace also decreases.
4. **Cost Efficiency:** Marketplaces do not carry stock, which means they are cheaper to operate than other channels. Think of the cost of running lots of stores versus running a website.
5. **Scalability:** Not having any stock means a Marketplace can scale exponentially.
6. **Flexibility:** The lack of stores or stock, and a reliance on technology, means Marketplaces can change plans and tack very quickly.

Two thirds of the global eCommerce transaction volume are concentrated within the top 6 players – most are Marketplaces



Why Should Marketplaces be Considered as Part of a Food and Drink Distribution Strategy?

- 1. Access to Customers:** If a brand wants to be where its customers are, part of any distribution strategy must include expanding through Marketplaces.
- 2. Ease of Access to International Markets:** Marketplaces offer access to new international markets at a much lower cost than if a brand had to establish their own presence in new markets on their own. For markets like China, Marketplaces are the lion's share of eCommerce – not brand .COM websites.
- 3. Access to Fulfilment Services:** FBA (Fulfilment by Amazon) or Alibaba's warehouse management, international shipping and customs clearance service (offered by Cainiao) can lower the cost of warehousing fulfilment and delivery for an eCommerce store.
- 4. Product Discovery:** Shoppers search for products, not brands, which offer a better chance of newer brands to compete with more established brands. Marketplaces increase the probability of being found, even by those who are looking for a specific product, but do not know the brand.
- 5. Search Engine:** Some estimates suggest that Amazon has overtaken Google for product searches in the USA – with between 60% and 70% of product searches starting in the Amazon Search Box.
- 6. Compete and Win Against Big Brands:** The biggest brand does NOT always win on Marketplaces. This ease of access creates a highly competitive situation, but also allows Irish Food and Drink brands to use the same platform, tools, and techniques, as household brands.
- 7. Ease of Finding Product for Consumers:** In eCommerce, the term 'Discovery' is used to describe the process by which consumers find products. With Marketplaces, products are categorised correctly, so are easier for consumers to find. Features such as '*customers who viewed this item*' enable faster product research and improve the chances of discovery for smaller brands.
- 8. Better Customer Data:** Marketplaces are an effective way for brands to identify their most wanted products, study competitors' pricing, as well as getting direct feedback from consumers

through ratings and reviews. This can help reduce risks linked to the launch of new products – brands can validate demand for new products in new markets they are considering launching in.

9. **The ‘Halo’ Effect:** Consumers trust the Marketplace brand, so a new brand on the Marketplace gets the same imprimatur of trustworthiness.
10. **Ease of Use:** Marketplaces such as Amazon, Walmart and Alibaba have well-structured onboarding processes, and offer easy integrations from existing eCommerce platforms (for example, Shopify).
11. **Time to Market:** Brands can invest years to get a meeting with a retail buyer. On Amazon’s Marketplace, any brand can get on the virtual shelf with a monthly fee, some expertise and a couple of weeks of work.

From the customer’s perspective, the appeal of Marketplaces is clear: a shopper can compare similar products easily, expect a better price as brands compete for prominence on the product page and can check everything about a product.

Challenges of Marketplaces for Irish Food and Drink Brands

1. **Customer Service Expectations:** Marketplaces such as Amazon enforce a very high level of customer service expectation. This level of customer service may be higher than what a brand can provide. A brand can sell on its own website using whatever customer service policies it chooses, but Marketplace algorithms reward brands with higher customer service levels.
2. **Products not Brands:** Marketplaces are product - rather than brand-based, so a search by a user on a Marketplace will result in that particular product page, not a brand’s page, meaning that the brand no longer has control of product merchandising and differentiation.
3. **Personnel Capabilities:** New capabilities are required by brands, including an understanding of digital product merchandising, copywriting, product photos and a real understanding of what drives the Marketplace ‘digital shelf’.
4. **Fulfilment:** Marketplace shoppers expect a fast and convenient delivery from Marketplaces. This raises lots of question around order fulfilment, supply-chain capabilities, and capacity of the brand. Some Marketplaces offer fulfilment services. A new trend in the US, is to get the individual brands to deliver direct to the consumer once an order has been placed on the Marketplace.
5. **Management Mindset:** The mindset changes for senior management and operational capabilities required are totally different to selling through retailers. Packaging requirements, merchandising requirement and shipping requirement are totally different. For example, some Marketplaces will require brands to ship individual product directly to shoppers, not pallets to a warehouse.
6. **Costs and Fees:** Marketplace fees will have an impact on margins.
7. **Distribution of Irish Products to Overseas Customers:** Since Marketplaces are based in larger geographic markets such as U.K. Germany or France, Irish brands must consider the impact of transporting their products to customers in these markets. The costs to supply, local competition, delivery times and local regulations will all be issues. Products with limited shelf life that are suitable for supply to Irish retailers, may not be suitable to transport overseas as refrigeration during storage and transport is a significant challenge.

3. Getting Ready to List on Marketplaces

Whilst there are many differences between the Marketplace propositions offered by Amazon, Walmart and Alibaba, there are distinct similarities in the steps to get ready for any Marketplace.

This means that we have two things to consider:

- Listing elements that you need to get right before you list on any Marketplace.
- Listing elements appropriate to specific Marketplaces.

The latter is covered off in each individual section on Amazon, Walmart and Alibaba. The detailed operational costs for each Marketplace are also covered under each individual section.

In this section, we are going to focus on what you need to do first before listing on any Marketplace. This is a unique challenge because of the scale of Marketplaces such as Amazon mean they can manage an almost unlimited set of products. The downside of this is that large product ranges come with a disadvantage for the average user or shopper: how do they navigate around the site and how can they find what they want?

For the typical Irish Food and Drink brand wishing to launch on a Marketplace, there is a lot of preparation and planning to be done in advance. Why is this?

In other words, the very nature of how a customer shops on a Marketplace and how Marketplaces rely on algorithms requires a new set of plans and a different mindset.

Let's explain this visually: a potential shopper may arrive at a Marketplace site and write in a few different words in either Google or the search box of the Marketplace.

Here are four examples of what our potential shopper might research on Amazon:

- They may browse for a category but with no particular product in mind: 'nuts' or 'butter'.
- They may search
 - for a particular product: 'nut butter'.
 - for a particular brand: 'Pip and Nut'.
 - for a particular brand and its product: 'Pip and Nut Almond Butter'.
 - for a particular brand, product and size: 'Pip and Nut Almond Butter 250g'.
 - for a particular brand, product, type and size: 'Pip and Nut Smooth Almond Butter 250g'.

Each of these will result in a different page appearing on the potential customer's screen. The result could also differ by country, language as well as if the customer has bought that brand, product, and size before. You can see how the complexity increases – and this is where we are only talking about one particular product!

Here's how two different types of research could appear to a potential customer:

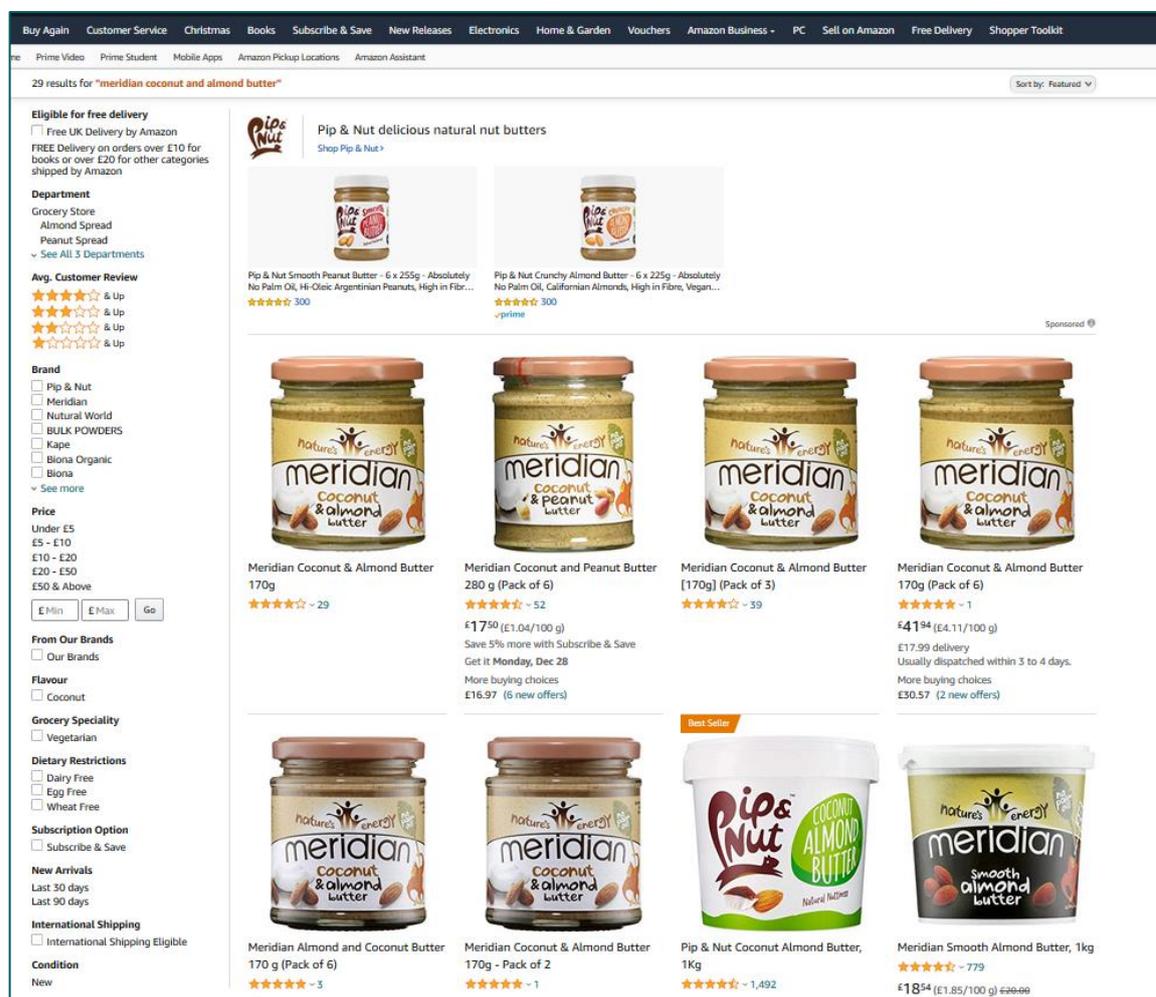
Research-focused Marketplace Search

If you do an Amazon search for “nut butter with coconut”, here is what appears:

The screenshot shows an Amazon search results page for "nut butter with coconut". The page features a navigation bar at the top with categories like "Buy Again", "Customer Service", "Christmas", "Books", "Subscribe & Save", "New Releases", "Electronics", "Home & Garden", "Vouchers", "Amazon Business", "PC", "Sell on Amazon", "Free Delivery", and "Shopper Toolkit". Below the navigation bar, there are links for "Prime Video", "Prime Student", "Mobile Apps", "Amazon Pickup Locations", and "Amazon Assistant". The search results are displayed in a grid format, with a sidebar on the left containing filters for "Eligible for free delivery", "Department", "Avg. Customer Review", "Brand", "Price", "Deals", "From Our Brands", "Flavour", "Grocery Speciality", and "Dietary Restrictions". The main content area shows several product listings, including "Pip & Nut delicious natural nut butters", "Deliciously Ella - Hazelnut Nut Butter Balls", "Pip & Nut Coconut Almond Butter", "Pip & Nut Coconut Almond Butter Squeeze Packs", "Pip and Nut Coconut Almond Butter", "Meridian Coconut & Almond Butter", "BULK POWDERS Coconut Peanut Butter", and "Meridian Coconut and Peanut Butter". Each listing includes a product image, title, price, and customer rating.

Product-Specific Marketplace Search

If you do an Amazon search for “Meridian coconut and almond butter”, here is what appears:



Marketplace Product Listing Checklist

Marketplaces have a very basic set of minimum requirements to list a product, but to convince customers to buy your products, you need a further set of product data, and a more advanced set of data, content and expertise to use the platform optimally.

The development of the Marketplace platforms and the competition between them has led to an ever-growing set of product data that can be used on each platform and must be understood and, in many cases, prepared in advance. We can separate Marketplace requirements into two groups:

- Basic Readiness Requirements – to get started on platform.
- Growth Listing Requirements – to make sales and be competitive.

Each of the Marketplace readiness requirements is summarised below in terms of concepts that must be understood and the content that will need to be readied in advance. These are followed by diagrams showing how they appear on the product listing pages of Marketplaces.

Marketplace Product Listing Readiness Requirements Table – Basic

Level	Product Listing Element	Quick description
Basic	Platform Category	In which category does the customer expect to find the product?
Basic	Product Title	Product Title is the actual words displayed on the page when a customer has searched for a product.
Basic	Main Product Image	The primary product image on the product listing used to choose product from a list of options returned by a customer search.
Basic	Additional product images	Additional product images used to describe product and showing the product in use to the customer.
Basic	Customer Reviews + Answered Questions	Reviews of the product by customers with a score (1-5 stars) and review commentary. Questions on the product from customers, answered by the brand or brand resellers.
Basic	Sellers offering this product	A list of Amazon sellers offering this product for sale. Sellers can include the brand owner, resellers, discounters, arbitrage agents.
Basic	Product Features	A list of five bullet points explaining the key features of this product.
Basic	Product Offer: Price	A price offer made by the seller who won the 'Buy Box' (see Buy Box section below).
Basic	Offer Delivery date	A delivery date offer made by the seller or brand.
Basic	Stock available of this item	The available stock (on Amazon) of this product, by the seller who won the 'Buy Box'.
Basic	GS1 Barcode	Product specific barcode that needs to match Marketplace variation and will be validated by Marketplace at listing entry.
Basic	Search Terms	Marketplace users find products by entering search terms into the search bar, e.g., "Protein powders". Brands decide the likely search terms for their products and add them to the listing, so that the algorithm knows when to display their products.
Basic	Product Specific Handling Time	Handling time before the product is ready to ship.
Basic	Product Dimensions, Weight, Volume	Information for shopper about the size, weight. volume.
Basic	Audience	Indication to Marketplace which audience / customer segments are interested in the product, for example, demographics (age, income, education, family)
Basic	Shipping Dimensions and, weight, volume	Used to provide information for shoppers about the shipping size, weight of the shipped package arriving to the shopper.

Basic	Invitation to sell this product on Amazon	Sellers registered on the platform can make an offer to sell this product. Amazon may ask for purchase invoices to prove ownership.
Basic	Product Specific Backorder fields	Allow shoppers to order with a future delivery date as stock not available now.
Basic	MOQ	Minimum order quantity.
Basic	Tax	Product Specific Tax Code.
Basic	Product attributes category-specific)	Used to provide comparison fields so that the shopper can compare products of the same type.
R Basic	Getting paid	Understanding the flow of and timing of payments from the consumer vary by each Marketplace. China has its own payment specifics.
Basic	Storage, Pick + Pack, and Delivery to Consumer	Each Marketplace has its own proposition for getting the product to the end customer, often using its own unique terminology, unlike other industries. Marketplaces also offer to do the complete fulfilment for brands in a turnkey service. See '1P' and '3P' description on page 24.

Marketplace Product Listing Readiness Requirements Table – Growth

Growth	Brand Storefronts	Marketplaces such as Amazon now offer the capability to deliver a branded storefront similar to a .COM eCommerce website – but within the Marketplace. This uses all the tools and techniques within the Marketplace to drive customer traffic and convert them into sales.
Growth	Frequently Bought together	An Amazon specific requirement from Amazon's catalogue using a recommendation engine and Artificial Intelligence (AI) to upsell and cross-sell using the concept of <i>'previous customers have purchased X'</i> with the current product listing.
Advanced	Variation Design	Variation descriptions suitable for the product e.g., flavour or size.
Advanced	Brand Registration elements	Product Brand as registered by brand owner on Marketplace. Brand registration means brand protection, preventing non-authorized agents from representing as your brand. Note, if a brand does not register on Amazon, resellers can claim brand name on Amazon.

Now that we have seen the full Product Listing Readiness Requirements, let's deconstruct where they are and how they appear on an Amazon Product Listing. This screenshot below highlights (from left, in red):

- Product images in thumbnail format – hovering over each photo enlarges it.
- Main product image.
- Product title and pack size ('PowerBar Low Sugar Chocolate Brownie Flavour') 'Pack of 30').
- Brand Storefront link (Visit the 'PowerBar Low Sugar Chocolate Brownie Flavour') with ratings.
- Offering competing products – in this case, a similar Amazon own brand product.
- Product details ('Flavour - Chocolate Brownie').
- Call to action section – 'Add to Basket' 'Buy Now' with delivery date and price.

PowerBar Low Sugar Chocolate Brownie Flavour ProteinPlus Bars - Pack of 30

Buying for work? Discover Amazon Business, for business-exclusive pricing, downloadable VAT invoices and more. [Create a FREE account](#)

Visit the Power Bar Store
 ★★★★★ 2,305 ratings
 Amazon's Choice for "power bar low sugar chocolate brownie"

Price: **£27.75** (€26.43 / kg) & **FREE Delivery**. Delivery Details
 Voucher: 25% Subscribe & Save coupon
 Coupon available for the Subscribe & Save purchase option only. Voucher valid until Wednesday, 31 March 2021 or while stocks last. Details

Get £5 extra when you top up £80. *Terms and conditions apply. Learn more

Amazon Delivered Returns Policy Secure transaction

Note: This item is eligible for **FREE click and collect** without a minimum order. Details
 New (2) from **£27.75 + FREE Shipping**

Flavour: **Chocolate Brownie**

Chocolate Brownie £27.75 (€26.43 / kg)	Chocolate Espresso £29.75 (€28.55 / kg)
Vanilla £32.14 (€30.61 / kg)	

Similar item to consider
 Amazon Brand - Amfit Nutrition Low Sugar Protein Bar (19.8gr protein - 0.9gr sugar) - Chocolate Mint - 12-pack (12 x 60g)
 £20.39
 ★★★★★ (9150)

Flavour Chocolate Brownie
Ingredients: MILK proteins (calcium CASEINATE, whey protein isolate), bulking agent (polydextrose), humectants (sorbitols, glycerol), MILK chocolate with sweetener (1...
[See more](#)

Brand Power Bar
Allergen information Contains: Almonds, Eggs, Hazelnuts, Cashews, Gluten
Item 28 x 15.5 x 6.5 centimetres
Dimensions L x W x H
Item 1.05 Kilograms
Weight
Additional item information Ohne Konservierungsstoffe* Ohne Farbstoffzusatz* Kohlenhydratarm* Fettarm* Vegetarisch

About this item

- Provides premium protein directly after exercise
- Pleasantly light tasting with low sugar content
- Free from collagen protein, colours and aspartame
- 30% premium protein supports muscle growth and maintenance
- Just 8.6g carbohydrates and 0.9g sugar per 35g bar and less than 110 kcal per 35g bar
- 30% premium protein supports muscle growth and maintenance
- Just 8.6g carbohydrates and 0.9g sugar per 35g bar and less than 110 kcal per 35g bar

One-time purchase: **£27.75**
 & **FREE Delivery**. Delivery Details
 Arrives: **Thursday, Jan 14**
 Details
 Fastest delivery: **Monday, Jan 11**
 Order within 15 hrs 20 mins
 Details

In stock.
 Quantity: 1

Add to Basket
Buy Now

Secure transaction
 Dispatched from and sold by Amazon.
 Yes, I want a free trial with **FREE Premium Delivery** on this order. [amazon prime](#)
 Add a gift receipt
 Deliver to Colin - Newtownabbey BT36 4PE
Subscribe & Save: Save 5%
 £26.36 (€25.10 / kg)
 First delivery on 14 Jan
 Dispatches from: Amazon
 Sold by: Amazon

Add to List

New (2) from **£27.75 + FREE Shipping**

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Have one to sell?
[Sell on Amazon](#)

Save 10%
PROTEIN 12g of protein
KIND 12g of plant-based protein
 KIND® High Protein Bars, Healthy Gluten Free & Low Calorie Snacks, Crunchy...
£21.91 ~~£24.34~~ [prime](#)
 Subscribe & Save
 Sponsored

This final screenshot highlights important information about the product and how it should be used. A more detailed product description is provided, along with a section from the manufacturer or brand owner. The “From the Manufacturer” section is populated only by brands who have registered their trademarks with Amazon.

Important information

Ingredients:

MILK proteins (calcium CASEINATE, whey protein isolate), bulking agent (polydextrose), humectants (sorbitols, glycerol), MILK chocolate with sweetener (18%) [sweetener (maltitols), cocoa BUTTER, whole MILK powder, cocoa mass, BUTTERfat, emulsifier (SOY lecithin), natural flavouring], fat-reduced cocoa powder (5%), SOY protein, rapeseed oil, flavourings, emulsifier (SOY lecithin).

Directions:

Consume 1 bar after sport. As part of a varied and balanced diet and a healthy lifestyle.

Product description

Flavour: Chocolate Brownie

Product Description

Product Description Premium quality protein is an essential "building block" for muscle building and maintenance. You want to supply your body with a good portion of protein and put emphasis on a healthy diet without too much sugar. PROTEIN PLUS LOW SUGAR bars provide you with premium protein directly after exercise and during the day. Pleasantly light tasting and just 1,2 g sugar per 35 g bar! Ingredients MILK proteins (calcium CASEINATE, whey protein isolate), bulking agent (polydextrose), humectants (sorbitols, glycerol), MILK chocolate with sweetener (18%) [sweetener (maltitols), cocoa BUTTER, whole MILK powder, cocoa mass, BUTTERfat, emulsifier (SOY lecithin), natural flavouring], fat-reduced cocoa powder (5%), SOY protein, rapeseed oil, flavourings, emulsifier (SOY lecithin). See all Product description

Ingredients

MILK proteins (calcium CASEINATE, whey protein isolate), bulking agent (polydextrose), humectants (sorbitols, glycerol), MILK chocolate with sweetener (18%) [sweetener (maltitols), cocoa BUTTER, whole MILK powder, cocoa mass, BUTTERfat, emulsifier (SOY lecithin), natural flavouring], fat-reduced cocoa powder (5%), SOY protein, rapeseed oil, flavourings, emulsifier (SOY lecithin).

See more

From the manufacturer



THE TASTE OF SPORT.



PROTEIN PLUS LOW SUGAR

Muscle growth and muscle maintenance require the necessary component: Protein. Not only after training but also in between, give your body a portion of high-quality protein. It's delicious and easy to consume with the Protein Plus Low Sugar in a compact snack format. As the name indicates, it's high in protein, up to 11 grams per bar and low in sugars with not more than 1.6 grams per bar.



- High quality protein
- Low in sugars
- Suitable for vegetarians and free of aspartame
- Perfect for in between or after sport



THE TASTE OF SPORT

For the love of sport. For over 30 years. PowerBar's expertise in sports nutrition builds on more than 30 years of experience. Since 1986, we have been developing products by athletes for athletes. By using only best tasting high quality ingredients, we supply everybody who loves sport with just the right fuel at just the right time. Whether you're a high performer or an amateur sports enthusiast.

Why is there so much detail on the page? As customers cannot physically try on the product or ask questions to a salesperson, the product page has to do the 'heavy lifting'. The product page must educate shoppers by having a lot of information, in text and visual format, so that shoppers can make a quick decision on whether this product is what they are looking for.

Understanding Competition on Marketplaces

Marketplaces encourage competition among brands this provides a better deal for the shopper through increased competition. While brand owners can register their brand on a Marketplace, and exert control over the product listing content, the Marketplace freely allows other sellers to offer the goods at an alternative price and delivery charge.

This is a particularly important concept to understand because Marketplaces are one of the few retail environments where the non-brand owner will get 'equal billing' and even beat the brand owner – as noted in the point above about Marketplaces being 'democratic'.

Many brands are amazed to find that their products are already being sold by others – and that there is nothing they can do about it and there is nobody to complain or appeal to.

Who are these people or companies who could be selling your brand? A 'Seller' or, more specifically, a 'Third Party Seller'. The label 'Seller' – also called 'Merchant' has a very distinctive meaning in the world of Marketplaces. It could mean:

- A distributor of your brand or products.
- An importer of your brand or products.
- An existing customer - either retail or wholesale of your brand who chooses to list on Amazon.
- A person operating from their bedroom who is practising retail 'arbitrage' - buying your product in a market where it sells at a low price and selling it elsewhere at a higher price.
- And, finally, in Marketplace parlance, you, as the brand owner, are also a 'Seller'.

In the case of Amazon or Alibaba, since there is no limit to the number of sellers who can use the Amazon platform. If your product is already well-known or widely distributed, you will find you are competing with other sellers for your own product. This is particularly common in China if you have shown some success with your products.

So, how does this appear to the potential shopper who is looking to buy your product? How are these 'Sellers' competing with your brand?

Let's see this all-in action with a specific product, in this case Gold Standard Whey on Amazon – which is offered by multiple sellers.

To understand the example, it is important to note what is going on 'behind the scenes':

- Each seller offers Gold Standard Whey (or your product!) at the price that they choose.
- The Amazon algorithm looks at what handling and delivery times each Seller has committed to for Gold Standard Whey.
- The Amazon algorithm considers all Sellers and creates the "best" offer to offer to the shopper.
- The formula for the "best" offer is not disclosed by Amazon and may not be the cheapest offer.
- When a shopper chooses "Add to Basket" or "Buy Now" they are choosing to buy from the seller displayed.
- Shoppers are frequently not aware of which Seller is making the sale; it could be the brand owner, reseller, distributor, or Amazon itself.
- If a customer is not satisfied with the offer price or expected delivery date range, they can choose from a list of alternative sellers, and their price and expected delivery date offers.

In the first red box, in the middle column below you can observe that Amazon is the product for £44.99 and free delivery.

In the second red box below it, you can see that they are offering *NINE* sellers of Gold Standard Whey.

In the third box on the top right, you can see that the £44.99 offer appears as a *'one-time purchase'* that arrives on Jan 14. This offer considered the "best" by the Amazon algorithm and displayed to the customer in this case, is the Gold Standard Whey sold by Amazon itself.

In the fourth box on the bottom right, you can see a synopsis of the other nine sellers of the product on Amazon - all at different price points to the offer that was put in front of the shopper on the top right.

Amazon has a label for this process of how the final offer appears to the shopper: *'winning the Buy Box'*.

The 'Buy Box' is the box on a product detail page shown where the shopper can begin the purchasing process by adding items to their shopping carts. When more than one seller offers the same product, they are said to 'compete for the Buy Box' for that product.

The 'Buy Box'

The concept of the 'Buy Box' is covered under the Amazon and Walmart sections in detail. However, in terms of getting ready and making the decision to be part of a Marketplace, it is important to understand that just having a great product and well-laid out product page on the Marketplace is not enough to get the sale.



As noted, Marketplaces want many products to have more than one seller. Walmart and Amazon want to help its customers choose the seller who is most likely to provide the best customer experience. The Marketplaces do NOT automatically award the 'Buy Box' to the brand owner, but to the highest ranked seller for this product.

This is unlike any other retailing environment. You may be the brand owner, but find you are 'beaten' to the sale by an unheard of 'backstreet' operator who sells your product.

Each Marketplace has a proprietary system to rank sellers, which includes measuring the performance of all platform sellers and using this performance ranking to decide what they will put in front of the customer – and get the sale.

The winner of the "Buy Box" on Amazon is labelled as the 'race that is re-run every time an Amazon customer runs a search', because the Marketplace algorithm re-calculates the highest ranked seller on an ever-changing set of criteria.

Seller performance is continuously re-calculated as the seller lists, sells, delivers, and customers review their experience. The winner of the 'Buy Box' can change many times during the day, and sellers can increase their chances of winning the Buy Box by making a better offer and/or using a lower price than the competition.

Seller Performance

The Seller (i.e., a brand that wishes to distribute on Amazon, Walmart or Alibaba) must understand that each Marketplace monitors seller performance using a growing set of metrics created by every customer interaction. Seller metrics allow Marketplaces to promote sellers who most closely meet the Marketplace's own standards for dealing with customers. Seller performance is automatically monitored and each customer interaction such as order defect rate, return rates, customer service dissatisfaction rates, customer ratings and reviews.

If a seller provides a bad customer experience, Marketplaces suspend their access. Suspensions occur frequently, and the reinstatement of suspended accounts is not straightforward so resources should be dedicated to understanding, monitoring, and maintaining the high standards that the Marketplace enforces.

4. Amazon

Understanding Amazon

Amazon's overall business encompasses what appears to be many different types of businesses in one entity. It is extremely diversified and has grown far beyond its original model of selling books. It is no longer valid to talk about 'Amazon' – you have to be more specific than that, given its size and shape. Amazon's revenue is split into seven key segments: online stores, physical stores, Amazon Web Services (AWS), subscriptions, third-party seller services and "other."

- Online stores – direct eCommerce product sales, including groceries sold on a transactional basis as a digital storefront on Amazon.com, Amazon.co.uk, Amazon.de etc.
- Marketplace – a subset of the online stores – but integrated into Amazon.com, Amazon.co.uk, Amazon.de etc. is the Amazon Marketplace.
- Physical stores - Amazon's bookstores, Go stores and Whole Foods locations.
- Subscription service - Amazon Prime membership, Audible, Kindle, Prime Video and Music.
- Third-party services - like shipping, fulfilment, and other third-party seller services.
- AWS - Amazon's cloud computing platform offering software and storage.
- Other - includes Amazon advertising services, affiliate credit cards.
- Amazon is best thought of as an ecosystem – visualised approximately to scale as follows:



Only 50-55% of Amazon's revenue is direct eCommerce business. 30% of revenue is Amazon AWS cloud computing and 'Third-party seller services' - Amazon Marketplace. Amazon's advertising business has \$5bn+ revenues and is growing exponentially. Prime Membership is the largest loyalty programme in the world. With respect to 'physical stores', most of these are Whole Foods.

Since third-party sellers started on Amazon in 1999, they've grown to account for 58% of Amazon sales. Third-party sales on Amazon are growing at 52% a year (compared to 25% for sales by Amazon of products they buy and resell as Amazon).

Amazon is expanding its delivery footprint with a fleet of Boeing 767-300 aeroplanes. Indeed, you could argue that Amazon is not a retailer, but an operator of logistics, warehousing, retail, and cloud-computing infrastructure.

Understanding Amazon's eCommerce Strategy

Amazon CEO, Jeff Bezos first introduced the "Virtuous Cycle" in 2001 to explain how to create a positive 'Flywheel' effect for the company.



Here's How it Works:

- Customer experience is key, and all Amazon employees have this as their number one principle.
- Excellent customer experience drives traffic to the Amazon website'
- Sellers and brands are attracted to put their products on Amazon.com.
- This creates a greater selection of products for customers.
- At the same time, the increased sales on Amazon.com, allows Amazon to lower their cost structure and reduce prices.
- Lower prices improve the customer experience which increases the traffic on Amazon.com.

Once the 'Flywheel' starts to take effect, each part of the Amazon Flywheel starts to increase, and it take on a life of its own. Traffic increases leading to more sales, leading to lower prices, etc. All of this results in the accelerated growth experienced by Amazon.com.

Understanding Amazon's Marketplace Strategy

Amazon allows brand owners, distributors, or other sellers, to list products on its website and ship them through its warehouses. It charges them a fee for this, and it reports the fee as revenue. Amazon does not treat the value of the actual purchases as its own revenue, nor does Amazon set the price, or choose

the selection for the Amazon Marketplace. Amazon fees are discussed in the section “Cost Details for Amazon”.

Amazon pioneered the Marketplace model, and they have been imitated by many other Marketplaces. This has resulted in the other Marketplaces imitating the features that were retained by Amazon and made the task of listing on multiple Marketplaces easier for brands.

Despite the desire to follow Amazon’s lead, their competitors are different types of organisations and have created a solution that suits their internal structures. Walmart, for instance, has retained the buyer-driven aspect of listing - Walmart is organised primarily as a buyer-led organisation, and Walmart buyers approve every brand listing on the Walmart.com Marketplace.

Amazon follows a market-driven model, where the brand can list on the platform once it has provided the proof and identifications required (by Amazon) to sell. There are many gatekeepers on Amazon, which validate identity, ownership of products, attributes of food products such as “organic”, but no buyers in the Walmart sense.

As mentioned earlier, the Amazon Marketplace is a kind of ‘democracy’ where a small brand can compete with a large brand on a level-playing field. Since Amazon users search by product and not by brand, the platform does not prioritise bigger brands automatically. Given that Amazon allows others to sell your products (sometimes lots of resellers) they all competing to sell the same exact product on the Amazon Marketplace. This competition has the effect (intended by Amazon) of driving down the retail price on your product.

Amazon uses confusing acronyms that can be tricky to understand for brands used to selling through a retail channel. Amazon also uses the words ‘seller’ and ‘merchant’ interchangeably with the word ‘supplier’ or ‘vendor’ or even ‘brand’ depending on the context.

The first concepts to understand are ‘1P’ and ‘3P’:

- 1P – or 1st party seller - means that Amazon buys stock wholesale from brand owners, then sells the product on Amazon.com. This is a familiar process for any Irish Food and Drink brand. Amazon sends you a purchase order, and you ship your stock to Amazon who sell the product like any retailer.
- 3P - or 3rd party seller - this can be a dedicated retailer, as is often the case, or it can be the brand itself, if the brand chooses to sell their products.

Another way to put this is **1P is selling to Amazon** and **3P is selling on Amazon**.

It is imperative that brands understand this concept – as the nomenclature ‘1P’ and ‘3P’ are used by many Marketplaces. Think ‘1P’ is the label given by Marketplaces to the exact distribution set-up that most brands already have - selling through retail. ‘1P’ is the original Amazon eCommerce model. Confusion can arise because the Amazon lists all products – whether ‘1P’ and ‘3P’ together on their website – and consumers can only tell the difference by looking for the ‘sold by Amazon’ wording. The equivalent would be a supermarket putting products from other supermarkets on its shelves.

One potential point of confusion is that the fact that Amazon (and Alibaba) let you set up a branded online WITHIN their Marketplace. However, you must be the registered trademark owner for the brand, as opposed to a seller who is choosing to sell your brand (see page 92 for full details on branded storefronts).

Amazon 1P + 3P – The Difference Between First-Party and Third-Party Sellers

	Fulfilled by Merchant (FBM)	Fulfilled by Amazon (FBA)	Vendor
Selling Platform	Seller Central, also known as Marketplace seller or 3 rd party (3P)		Vendor Central, also known as 1 st party (1P)
Selling Model	Direct to consumer via Amazon's Platform and infrastructure		Wholesale Purchase Orders to Amazon
Order Fulfilment	Merchant handles inventory warehousing, order fulfilment, and customer returns	Amazon handles inventory warehousing, order fulfilment, and customer returns	Amazon handles inventory warehousing, order fulfilment, and customer returns
Prime Eligible?	No, but potential to enrol in Seller Fulfilled Prime	Yes	Yes
Pricing	Amazon charges a 15% referral fee on sales in most categories. Seller covers cost of order fulfilment	15% referral fee, plus FBA fulfilment fees.	Wholesale pricing. Can also include additional co-op chargebacks, and other fees

With '1P' or '1st party selling' - also called Vendor Central, brands sell directly to Amazon in a traditional wholesale relationship. Amazon buys products in bulk via a purchase order, and the product is shipped to Amazon. Fulfilment is not relevant here, other than sending products to Amazon in bulk. Products sold via 1P will have a **“ships from and sold by Amazon.com”** line on its product detail page.

Brands selling 1st party sellers use the Amazon Vendor Central portal, to check in on the status of POs, find out product information, and gain insights on Amazon merchandising, payment, and reporting. Amazon have additional fees for advertising, chargebacks, and other items which average between 15-25% of wholesale revenue, (depending on the category).

Selling direct to Amazon as a 1st party seller has the usual benefits of selling through a retail channel:

- Receive bulk POs from Amazon regularly depending on sales.
- Amazon's merchandising optimises the product detail pages for the brand.
- Credibility as a brand by being sold directly by Amazon.
- Pay a flat fee for participation, instead of individual Marketplace selling fees, such as for fulfilment.
- Less hands-on – Amazon does the work.

Likewise, the disadvantages are similar:

- Amazon dictates pricing for 1st party seller brands: an algorithm automatically adjusts pricing.
- Wholesale price margins.
- Chargebacks from Amazon if stock levels fall, and orders are not fulfilled on time.
- Dependency on Amazon for selection in the first place, and to maintain your brand presence.

How do you obtain a “first-party” or 1P relationship with Amazon?

The difference to many other brand-retailer relationships here is that Amazon only invite brands to be 1p. Amazon buyers invite certain brands to engage in a “first-party” or 1P relationship, where they feel the brand can fill categories where they have insufficient listings, or the brand is well-known or famous enough for Amazon to have a direct relationship. Potential brands could be selling on Amazon as third-party or have existing online sales through direct-to-consumer platforms. It is not possible to contact Amazon buyers directly to open a conversation or pitch your brand products.

With 3P - or the 3rd party seller model, the brand sells their product directly to consumers via the Amazon Marketplace. This model for selling on Amazon is also known as Seller Central. In this model, a supplier sets up Amazon, lists its products, and sells “through” Amazon as a Marketplace ‘merchant’. These suppliers (called ‘sellers’ or ‘merchants’) can be brands of various sizes, from kitchen-table start-ups to big household brand names. Amazon’s portal for 3P is also called ‘Seller Central’.

Understanding the importance of 3P Relationships with Amazon

On Amazon, 3rd party sellers were a small part to begin with but are now in the majority. 3rd Party seller volumes surpassed Amazon volumes on the Amazon Marketplace in the last few years. To compete with Amazon selling products directly, many 3P sellers have expanded or enhanced their services to make a 3P partnership more enticing than selling direct via Amazon.

Why have 3rd party sellers grown so much? The answer is at the heart of why Marketplaces are taking off around the world.

Amazon favours 3P growth over 1P, even though they operate their own direct eCommerce business (AKA 1st party) business. Having other sellers on the Amazon Marketplace means Amazon avoids the cost and risk of holding stock, increases the range offered, while earning profits from commissions and marketing. Amazon wants its future growth from third party Marketplace business – i.e., from 3rd party sellers.

What does the Importance of 3P to Amazon mean for Brands?

A 3P - or 3rd party seller model, means the seller - or brand owner – has (in the case of Irish Food and Drink) control over product selection, online merchandising, pricing, and stock. The brand owners can choose to handle fulfilment directly to the customer, called Fulfilled by Merchant (or FBM - see below).

The other choice for all sellers or brand owners, is to use Fulfilled by Amazon (FBA – see below). In this case, Amazon warehouses stock on the seller’s behalf, and handles picking, packing, shipping, returns, and customer service. The vendor receives the full retail price on sales made on the Marketplace, less Amazon’s fees, and a commission. Fees are discussed in the section “Cost Details on Amazon”.

Advantages of 3P for Brands

The 3P - or 3rd party seller model means the brand can control retail prices – including changing prices dynamically against competitors. 3P also means control over your brand information, list of SKUs, stock levels, product information, and level of brand presence.

In other words, the brand is responsible and in control of copy, images, listings, promotions, product launches and product promotions. Of course, the brand receives the full retail price for the product less Amazon commissions and other fees – which can be more profitable than 1P.

Disadvantages of 3P for Brands

The disadvantages of 3P are not surprising: it requires a lot more resourcing than selling through a retail channel, regardless of whether you use an FBA or FBM fulfilment model to the consumer. You will need expertise to create product listing, content creation, promotions and on-page optimisation, as well as running advertising.

Amazon charge monthly subscription Marketplace fees, category-specific referral fees and fulfilment fees. Finally, sellers using 3P must focus on reviews and the ratings they receive, and really deliver on brand reputation management online.

The end consumer buying products on Amazon are typically unaware exactly who is selling the product or brand on Amazon, even though they trust Amazon (as a platform). The end consumer may not be able to tell if the seller of the product is Amazon ('1P') or a 3rd party seller ('3P') or a reseller who bought the product on the grey market. This allows unknown brands to gain credibility by listing on the Amazon platform.

All sellers and brands are measured according to performance metrics, which further reinforces their credibility on Amazon, as brands who do not "measure up" to Amazon standards, will slip down the rankings, becoming less visible in the ranking race, and eventually disappear (through suspension).

What Matters for Brands on the Amazon Marketplace

The real understanding for Irish Food and Drink brands on Amazon is that the Amazon 3P - or 3rd party seller model - means that brands can access customers with no gatekeepers in terms of buyer.

A willingness to take the time to learn how to use Amazon and its features and functionality, as well as developing an understanding of the algorithm and how it affects the 'Buy Box' will prosper on Amazon.

Amazon Listings - Practical Steps

In this section, we discuss the steps required to operate on the Amazon platform. Each step must be followed in order and may be subject to proofs by Amazon teams who validate the seller's identity and their entitlement to list specific products on Amazon.

Seller identity is validated to confirm a brand or seller is a valid business entity. Product ownership proofs are required to confirm that the seller actually "owns" the products. Food and drink products are subject to extra checks to meet Amazon regulations and country-specific regulations to sell food products online.

Amazon Listing Step 1- Choose Amazon Selling Plan

How to register

With two selling plans (they're called Individual and Professional, but you can think of them as standard and premium), Amazon offers you the flexibility to sell one item or sell thousands. Before you begin registration, decide which plan is a better fit for your business.

The Individual plan costs \$0.99 per sale, while sellers using the Professional plan pay \$39.99 per month, no matter how many items they sell. If you sell more than 40 items a month, the Professional option makes a lot of sense. Whichever plan you select, don't worry about making the wrong choice—you can change plans at any time.

Plans	Individual	Professional
This plan might be right for you if...	<ul style="list-style-type: none"> You sell fewer than 40 items a month You don't need advanced selling tools or programs You're still deciding what to sell 	<ul style="list-style-type: none"> You sell more than 40 items a month You want access to APIs and more selling reports You want to sell with programs like Launchpad or Handmade

Amazon allows individuals and businesses to sell on its platform. Individuals should choose the individual plan; brands should choose the professional plan. The professional plan enables access to features that a brand needs to operate on the platform, such as excel uploads and reporting. Sellers on Individual plans will not win the Buy Box, they are listed under additional sellers of the product.

The professional plan subscription fee is £24 + VAT per month.

Amazon Listing Step 2- Creating an Account on Amazon

Amazon require a set of company and individual documentation proofs, before you can start selling your products on Amazon. This process allows Amazon to be sure of the brand identity and representation, so Amazon can buy from legitimate sellers. Amazon's primary responsibility is to its customers and is designed to protect them, rather than you as the seller and brand owner.

Create an Amazon seller account

You can use your customer account to start selling, or you can create a new Amazon seller account with your business email. Before you sign up, make sure you're ready with the following:

- Business email address or Amazon customer account
- Chargeable credit card
- Government ID (identity verification protects sellers and customers)
- Tax information
- Phone number
- A bank account where Amazon can send you proceeds from your sales

[Create your Amazon seller account →](#)



The application process seems straightforward but can be laborious and require additional proofs and explanation to seller account setup team. If there are inconsistencies between company documents and banking documents, for instance in company/trading names or addresses, delays will result.

An individual is selected to represent the company ('seller') on Amazon, and they must also provide identification proofs along with a company letter of representation.

Amazon Identification Checklist

1. Basic information giving the details of the company.
2. Company Certificate of Incorporation + imprinted with company stamp.
3. Company bank statement and charge method for subscription payments e.g., credit card.
4. VAT number.
5. Postal address returns address.
6. Default shipping address.
7. Location of establishment information.
8. A separate debit/credit card for use with Amazon Advertising.
9. Personal identification for the individual operating the Amazon account e.g., passport.
10. Personal proof of address – as in the personal home address, not personal.
11. A letter of representation proving that you are representing the brand.
12. Proof of trademark if you are registering the brand.

Allocate more than hour or so to complete the online application. Approval times vary from 24 hours days to 4 weeks if you are missing the correct paperwork.

Amazon Listing Step 3- Amazon Product Listing

Once the account has been approved, you are ready to upload your products on Amazon. You start with creating a new listing by choosing the category. Amazon has certain categories that are “gated” which include food and drink (see below) which means that certain categories require Amazon’s approval for sale.

Before setting up your listing, you will need a digital catalogue ready to enter into the Amazon catalogue template. Starting with an Excel based catalogue is good enough. All the basic product information is needed - images, product description, product photos, price and barcode.

With the information from the catalogue, Amazon will create a product page using product details such as title, description, and variations, such as size and colour. Each product sold on Amazon must be classified, so that it can be found by Amazon customers. This allows the Amazon customer to find what they are looking for and allows products to be listed with competitors’ products, just as Amazon customers would expect to find.

Choose the most appropriate category based on your closest competitors and what makes sense. Amazon will not accept your nominated category if product details indicate it should belong in another category. Amazon may consider that a brand has nominated an incorrect category and suspend the listing unless the brand can prove otherwise.

Categories are nested and have multiple levels. For instance, the category:

- ‘Grocery’ contains ‘Fresh and Chilled’.
- “Fresh and Chilled” contains - ‘Fish and Seafood’, ‘Fresh Prepared Pies’, ‘Quiches and Sausage Rolls’, ‘Dairy, Cheese and Eggs’, ‘Meat Poultry and Game’ and ‘Chilled Drinks’.
- ‘Dairy, Cheese and Eggs’ in turn contain ‘Cheeses’, ‘Butter and Spreads’, and so on.

One point to note with gated categories such as food: listing on Amazon can be somewhat of a lottery. For example, if the product label does not match Amazon’s expectations in terms of brand identification, product barcodes and brand addresses, the product will not be approved for listing – EVEN if you are already listed with other major retailers.

Having a listing in Tesco is no guarantee of an approval for listing on Amazon. The number of template fields is dependent on each category. The fields can be filled either manually or via bulk upload with spreadsheets OR via API¹ direct from your stock system.

Once you add and upload the approved stock, this is the final stage of the set up and - in theory – you are ready to start selling, once you get the notification from Amazon, with the public product link that the customer can see.

In practice, there is a lot more to be done to build and grow your Amazon Marketplace sales – see the sections below on Amazon Advertising, the ‘Buy Box’, Listing Discoverability and Listing Desirability.

Amazon Food and Drink Specific Requirements

Amazon classifies Food and Drink as “gated” categories. This means that the category requires Amazon’s approval for sale. Amazon might require performance checks, additional fees, and other qualification for certain products and categories. The categories are gated to protect both customers and brands. Amazon sellers must request approval to sell in food and drink categories and provide proofs as to what each Marketplace requires, to prove that the seller is adhering to the regulations.

API is the acronym for Application Programming Interface, which is a software intermediary that allows two applications to talk to each other.

Food and Drink products are gated categories because the Amazon Marketplaces must apply tighter controls than for than other categories. As usual, food needs to be correctly packaged, labelled and delivered, as well as complying with all applicable regulations.

Details of specific requirements from Amazon on Food and Drink Brands

? FAQ: What are restricted product categories?

It's important that customers are able to shop with confidence on Amazon, which is why some product categories (like certain grocery or automotive products) are known as "restricted product categories." Amazon might require performance checks, additional fees, and other qualifications in order for you to sell certain brands or list items within restricted categories. You'll be able to request approval from within Seller Central.

Apply to list new products in categories that require approval

To add a new product to Amazon's catalogue in one of the categories with restrictions listed below, follow the link to the application and submit the required information related to your product.

Note: Additional listing limitations may apply for certain products, at either the ASIN, brand, or the sub-category level. When you attempt to list products with additional requirements, **Listing limitations apply** will be available next to the product.

Product category	Submit application
Beer, Wine, and Spirits	Request approval
Grocery & Gourmet Food	Request approval
Jewellery	Request approval
Music, DVD	Request approval

There can be significant differences between food regulations applied in the USA versus European markets. However, the regulations for the sale of food online are outside the scope of this report. The report assumes brands understands the applicable regulations and applies them.

Sub-categories, for example goods labelled as "organic", are subject to additional proofs such as certifications by industry bodies. Alcohol products have additional requirements, such as age-checking by delivery partners, and proof of payment of duties applying in your local country.

Amazon Product Barcodes

Online sellers now need to include a product identifier on their listings for trading on any online Marketplace. These usually take the form of an EAN (European Article Number) – for Europe, or UPC (Universal Product Code) for North America.

EAN or UPC barcodes are affixed on each unit of product that Amazon fulfilment centres scan to receive, store, pick, and pack your product and track its journey.

In most cases, products must have a Global Trade Item Number (GTIN), such as a UPC, an ISBN, or an EAN. Amazon uses these product IDs to identify the exact item you're selling. If your product matches an existing Amazon listing, you won't need to provide a product ID, as it already exists.

Barcodes are a key field when creating new listings on Amazon, as the seller prefix is assigned to sellers and is currently validated by the Amazon platform against the legal entity on the Amazon account. Barcodes are licensed with the international organisation GS1. A GS1 barcode contains 3 elements

which combined form the actual GS1 code. The 3 elements are the GS1 company prefix, the item reference, and a check digit.



Having these EAN and UPC barcodes has allowed Amazon to build a product catalogue where multiple sellers are linked with one page when selling that particular product. This, in turn, has created the so-called “Buy Box” situation (see below), where Amazon allows only one seller to have the buy or add to cart button.

Amazon has formed a partnership with the GS1 organisation worldwide. Currently Amazon only validates the GS1 company prefix – this is validation at seller level, not at product level. Soon, Amazon will validate listings at the product level, comparing key fields from the Amazon listing to your GS1ie.org product level fields.

Task	Ensure
Contact GS1ie.org	Work with GS1ie.org to ensure your product structure is correctly coded in the GS1 system
Barcode	Barcodes should be correctly assigned to your products
Product	Consider product structure, multipacks, variations, bundle
Amazon	Add correct GS1 codes when creating Amazon listings

Understanding Amazon Prime

Amazon’s Prime programme is a subscription service that allows customers to get free delivery for their (eligible) purchases on the platform. For Irish Food and Drink brands, understanding the impact of Amazon Prime, and choosing whether to become eligible for the programme is a key decision.

Amazon Prime gives Amazon users access to services that would otherwise be unavailable, or cost extra, to a non-Prime Amazon customer. Prime members get:

- Unlimited Delivery perks (on Prime eligible items).
- Free 2- day shipping in US, 3 days in Ireland.
- Free same-day delivery shipping in certain urban areas.
- Ability to filter search results using Prime-eligible flag.
- Several additional bonuses including Prime Video.
- Access to prime member-only platform deals.

Amazon Prime costs \$119 in the US and £79 in the UK per year. 20% of Prime members shop a few times a week, 7% shop daily. Amazon Prime members spend 4-6x more than non-prime members per year. Prime now exceeds 150 million members globally and is the largest loyalty programme in the world. Amazon runs an annual shopping event, Prime Day, sales revenues have grown to over \$10bn for this single shopping event.

Prime Now is a specific proposition for Prime members located in certain urban areas in the US, UK, Italy, Spain, Germany, Singapore, France and Japan, to get products delivered to them within one hour for a fee of \$7.99, or within two hours for no additional fee.

What are the Prime Advantages?



Amazon Prime Now

Listing in Prime as an Irish Food and Drink brand has benefits and cost implications (the extra fees discussed later in this section) which must be understood before taking the decision. The end consumer benefits are very clear in terms of speed and the overall bundle.

For Irish Food and Drink brands, becoming part of the Amazon Prime programme means:

- Prime badges on your product listing and increased visibility and higher ranking for your products.
- Prime filters on customer searches dramatically reduces competition from non-Prime sellers.
- Prime products sell more, leading to better search ranking, new customers, more customer reviews, leading to more sales.
- Prime promotes the Subscribe and Save programme – prompting repeat purchases and increasing customer lifetime value.

Amazon encourages customers to choose Prime products as they get more benefit from their programme subscription. Amazon also encourages more sellers to become “Prime-eligible” to be seen by more customers.

How Brands can Qualify for the Amazon Prime Programme

Amazon qualifies a brand as “Prime-Eligible” if they are using the Fulfilled by Amazon (FBA) for product warehousing and delivery (see below for more details on FBA). Even if your brand starts selling through Prime, you’ll need to develop a strong seller reputation and feedback, to qualify for Prime Shipping.

Amazon have employed several, sometimes subtle, indicators to Marketplace customers, steering them towards Prime listings, and away from brands who are not Prime eligible.

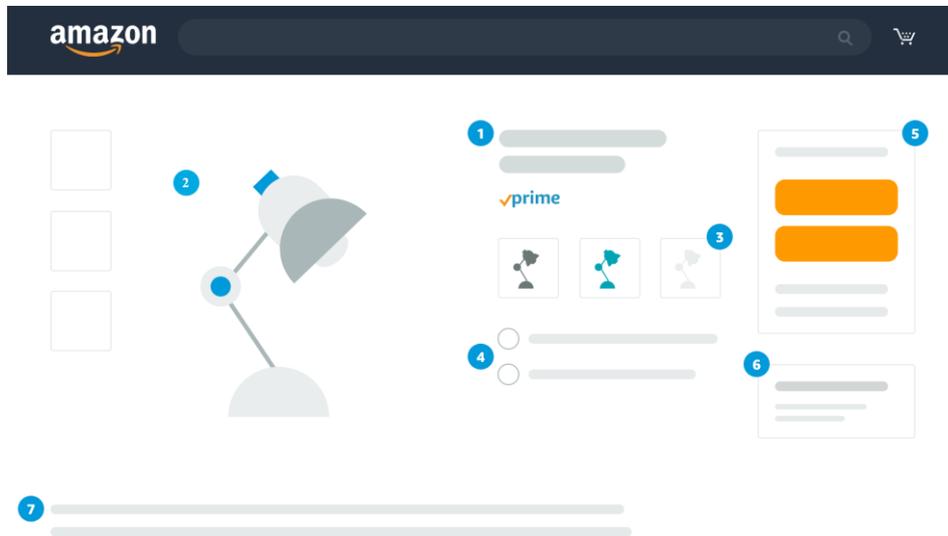
The following table summarises the Prime programme listing features, the benefits if brands are in Prime programme, and the challenges if your brand is not “Prime”.

Prime Programme Impact on Brands		
Prime Advantage	Benefits to Prime Brands or Sellers	Challenges to Non-Prime Sellers
Higher ranking in Amazon	Ranking higher in Amazon means more customers will consider a product	How can you compete against other brands who are Prime eligible?
Free Shipping to consumers	Prime eligibility means free, fast shipping, removing this as a consideration for the customer	Delivery times must match FBA standards e.g., Free 2-day delivery within UK
Prime eligible products filtered in front of consumer	Reduces the number of competing products and brands, to those also using FBA	Prime members will not choose your product unless there is no other choice
Prime ‘badge’ on product listing in search results	Prime ‘badge’ reminds Prime members of free delivery with (specific) expected delivery date in most cases	Delivery dates are not displayed in the consumer search results, requiring the Amazon customer to click through into the product listing, to understand the exact delivery date.

As Amazon continue to promote their Prime membership, increase the value for Prime customers, and steer customers towards Prime eligible products, it is difficult to construct an argument **NOT** to take advantage of this by becoming Prime eligible.

Understanding an Amazon Product Page

The layout of an Amazon page can be confusing. Here is a typical layout to understand all the key elements:



A product detail page is where customers view a product sold on Amazon. Amazon use this visual to explain the layout of all their product pages:

1. Title 200 characters maximum.
2. Images – photos from multiple angles.
3. Product or brand variations - different colours, scents, or sizes.
4. Bullet points - short, descriptive sentences highlighting key features and benefits.
5. Featured offer ("Buy Box") - customers can add to their cart or "Buy Now".
6. Other offers- the same product sold by multiple sellers offering a different price, shipping options, etc.
7. Description – product descriptions with keywords to improve the chances of finding your listing.

As you will see, the layout of the product pages means that Irish Food and Drink brands will have to think about what will best help customers to find your products, discover answers to their questions, and make a purchasing decision. The ideal is making your product listing concise, accurate, and easy to understand – and easy to find when a shopper searches for them.

Amazon Search: Organic Search and Paid Search

Like any retail store, Amazon is a competitive platform with many sellers offering similar products. A potential customer's purchase pathway on Amazon begins with the keyword search. Although Amazon.com is an eCommerce Marketplace it is also used as a search engine. As noted elsewhere, up to 70% of product searches among US consumers start on Amazon – more than Google.

In many cases buyers use Amazon to compare prices and find products they are interested in purchasing. Alexa devices use Amazon data to answer voice search queries related to products.

When Amazon shoppers come to the site, they have what is called 'intent' - a demand for a product they want to purchase and in order to find that product, they come up with a phrase, or what they call that product and put that term in Amazon search bar.



Not all customers call the same product the same thing. For example, one customer might search "Irish Butter", while another customer might search "Kerrygold" (brand search) and still another might search for "grass-fed butter" (category search).

Each of these potential customers are inherently searching for a similar product, however the search results page may display different product results. One interesting aspect of estimating the demand for your product or brand is to take all the search terms that a customer might search to find and purchase your product. The total number of searches would be the entire market of potential customers on Amazon for your product.

Amazon Organic Search

Once the customer inputs that search term and hits enter, Amazon's algorithm displays a page of the most likely results for that search term or 'keyword'. Amazon's search engine is known as A9. A9 – like Google Search has frequent and unpredictable updates that are a common point of frustration for many sellers.

The returned Amazon search page is called a search engine results page (SERP). It sorts and displays products that are associated with that keyword. The entries on the SERP consist of both organic or 'natural' product listings and product ad placements.

What differentiates A9 from Google Search is that Amazon is a buying platform, because, for the most part, when shoppers are on Amazon, they are much closer to a point of purchase than other search engines. In turn, Amazon continually make changes to test what makes shoppers buy more frequently. However, A9 operates on a very simple keyword search method without taking into account how closely a product matches the query, compared to Google Search.

Amazon are quite specific about organic search. From the Amazon website:

- "Customers must be able to find your products before they can buy your products. Search is the primary way that customers use to locate products on Amazon.
- Customers search by entering keywords, which are matched against the information (title, description etc.) you provide for a product.
- Factors such as degree of text match, price, availability, selection, and sales history help determine where your product appears in a customer's search results.
- By providing relevant and complete information for your product, you can increase your product's visibility and sales. Below are some general guidelines to improve your product listings.

- You must know in advance what keywords Amazon customers are using to search for their products, so they can construct a product listing to be included in that list, or “indexed.” Amazon provides a very simple-to-use interface where you can populate all the data relevant to your product upon application. Once you know what to put in these fields, it makes it very easy to implement any changes.
- Use descriptive, informative content to optimise the product title to include relevant product information. Amazon gives you 1,000 characters to describe your key product features. You’ll want to make sure the title reads naturally yet contains all of the essential elements of the product along with target keywords. Your title should contain elements such as:
 - Brand name.
 - Product line.
 - Material or key feature.
 - Product type.
 - Colour.
 - Size
 - Packaging/Quantity.
- The challenge with a brand-new listing is you don’t have any product data to lean on, so it’s important to see what’s currently working for your competitors and replicate that. Try to pick a competitor in the top three spots with the most reviews. This is generally an indication they’ve been selling longer, which will provide more data.
- Ensure you use your brand name in your Amazon product listings, as well your seller name if that is different.
- Use bullet points as they are easier to read: the length of Amazon bullet points varies from category to category. Around 200 characters will give you enough room to define features and incorporate key phrases into the bullets. Currently, Amazon is only ranking the first 1,000 characters of the bullets.
- Use high-resolution product photos that show the product from different angles. Amazon will allow you nine product images, including a lead image. Amazon has minimum product image sizes, but brands tend to use higher quality images.
- Product ingredients should be included in your product listing, so that the products will be discoverable for these search terms.
- Reviews factor heavily into the rank in the search results – so focus heavily on capturing ratings and reviews, as noted in the ‘Getting Ready for Your Listing Section.

Amazon Search: Paid Advertising

Amazon has developed an immensely powerful advertising model that is not unlike the Google AdWords or Facebook Advertising propositions. The company’s advertising revenue has grown from almost nothing a few years ago, to over \$10 billion in late 2020.

The success of online advertising depends on how close a user is to buying something. That is part of why search engine ads are so effective. Amazon Advertising is particularly effective as the advertiser has shown intent, as well as the fact that Amazon Advertising is cheaper than Google or Facebook, because Amazon has a vested interest in driving more sales. The company now collects a commission of between 6% and 20% on every product sold through the site, but it will also get paid for running the advertisement.

Just like Google search results, the organic (not paid) results percentage of the total results page is decreasing, with an increase in the amount of ad placements.

Amazon offers three advertising solutions, and all of them are accessible through Seller Central.

1. **Sponsored Products:** These are ads for individual product listings on Amazon, so they help drive product visibility (and product sales). They appear on search results pages and product detail pages.
2. **Sponsored Brands:** These showcase your brand and product portfolio. They're search-result ads that feature your brand logo, a custom headline, and up to three of your products.
3. **Product Display Ads** These allow brands to display their products on competitor listings. Amazon enables these ad types with the view to provide more choice to the seller, although it is a significant revenue generator for the company.

SERP – Search Engine Results Page with Sponsored Product and Sponsored Brand Ads

1-48 of 107 results for "Irish butter" Sort by: Featured

Eligible for free delivery
 Free UK Delivery by Amazon
 FREE Delivery on orders over £10 for books or over £20 for other categories shipped by Amazon

Department
 Grocery Store
 Butter
 Hampers & Gourmet Gifts
 Shortbread Biscuits
 Peanut Spread
 Chocolate Boxes & Gifts
 Whisky
 Chocolate Biscuits
[See All 6 Departments](#)

Avg. Customer Review
★★★★★ & Up
★★★★☆ & Up
★★★☆☆ & Up
★★☆☆☆ & Up

Brand
 Lurpak
 MORRISONS
 Country Life
 ANCHOR
 Fushi
 Happy Butter
 President
[See more](#)

Price
 Under £5
 £5 - £10
 £10 - £20
 £20 - £50
 £50 & Above

Deals
 Today's Deals

From Our Brands
 Our Brands

Butter Attribute
 Salted
 Unsalted

Dairy Speciality
 Dairy Free
 Fair Trade
 Fat Free
 Free Range
 Gluten Free
 Halal
 High in Protein
[See more](#)

Grocery Premium Range

Luxurious Truffle Cheese and Butter
 Shop TruffelHunter >




TruffelHunter Black & White Truffle Butter Set
★★★★★ 70

TruffelHunter White Truffle (Tuber Borchii) Butter (100g) - Gourmet Dairy Food Cooking - Vegetari...
★★★★★ 21

Sponsored

Sponsored
 (40 Pack) Lakeland Dairies Pure Irish Butter Unsalted 250g
 ★★★★★ - 1



Best Seller



Kerrygold Traditional Irish Butter Short Bread 1x180g
 ★★★★★ - 4
 £7.89 (€43.85/kg)
 Get it Tuesday, Jan 12
 FREE Delivery on your first order shipped by Amazon
 Only 5 left in stock.

Best Seller



Heinz Baked Beans Tomato Sauce, 415g (Pack of 4)
 ★★★★★ - 1,262
 £2.50 (€1.51/kg) £6-00
 Save 5% more with Subscribe & Save
 Get it Tomorrow, Jan 11
 FREE Delivery on your first order shipped by Amazon

Best Seller



Fushi Organic Ghee 230g - Organic Certified | English Ghee | Vegetarian, Clarified Pure Ayurveda Grass Fed Butter | Ghee Butter from Free Ran...
 ★★★★★ - 390
 £8.50 (€5.70/100 g) £9-00
 Save 10% more with Subscribe & Save
 Get it Tomorrow, Jan 11
 FREE Delivery on your first order shipped by Amazon

Best Seller



BAILEYS Original Irish Cream Liqueur, 1 Litre

Best Seller



Pride Pure Butter Ghee, 1-Pack (1 x 500 g)

Best Seller



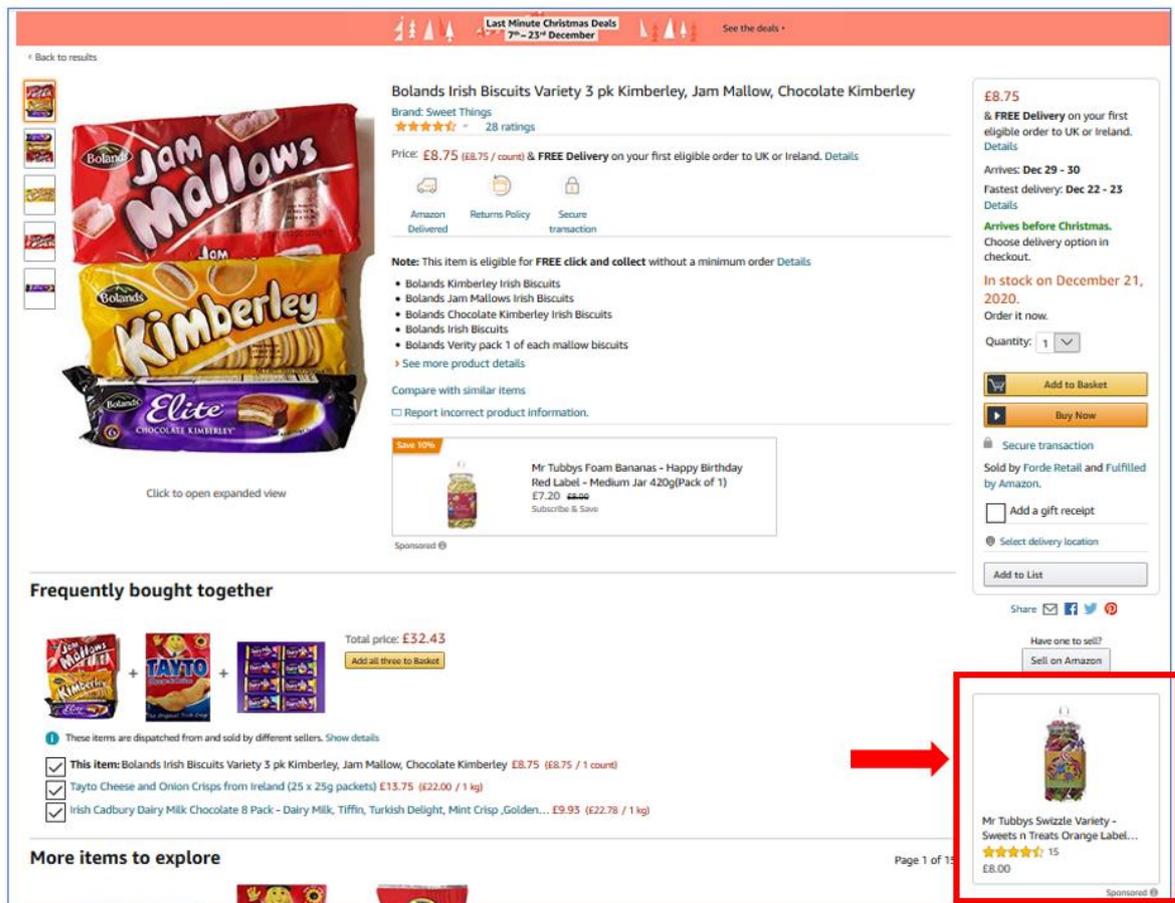
M&M's Peanut Chocolate Party Bulk Bag, 1kg

Best Seller



Quaker Porridge Rolled Oats 1kg, Pack of 10

SERP – Search Engine Results Page with Product Display Ad



If a customer searching on Amazon clicks the brand ad, a cost-per-click charge is added to the brand advertising account. Amazon has an extensive set of advertising reports that show impressions, clicks, and return on ad spend metrics.

Amazon advertising reports also let you know the customer search terms that resulted in sales, enabling you to improve your product listing by adding these search terms to your product listings, or manually targeting these search terms using specific campaigns.

In all but the least competitive markets, Irish Food and Drink brands, will need to factor advertising costs into their Amazon budgets. Each time the search term query is carried out, Amazon looks at the bidders for the search term, and decides the most appropriate set of ads to be displayed on the SERP, and their position on the page.

The primary goal of Amazon Advertising campaigns is to drive customer traffic to your product listing, or storefront, and to increase brand awareness or make sales. The big bonus is that sales made as a result of advertising campaigns, improve the ranking of your listings in organic positions, as Amazon is reassured that your products are valuable to its customers.

Winning the 'Buy Box' on Amazon

If the Amazon Search Engine Results Page (SERP - see last section) is the first level of competition between different products and sellers, the 'Buy Box' is the second level of competition, where brands compete against each other, which reduces the price and increases the level of service on Amazon.

The 'Buy Box' is an important concept on Marketplaces – but particularly on Amazon. The Buy Box is the "Add to Cart or Buy Now with 1-Click" option which is the most convenient way for customers to purchase the product.

As more than one seller can sell the same item, all sellers compete with other sellers and the brand owner (if listed), who may also be making offers on the same product. The Amazon 'Buy Box' algorithm starts by analysing each offer made by all the sellers of the product. It then evaluates each offer, based on seller history, price and other variables. Amazon rewards the 'Buy Box' to what it deems as the best buying options for its customers.

Even if you own the brand, Amazon can (and will) still display other sellers selling your brand, so it is very important Irish Food and Drink brands understand the concept.

The Amazon Buy Box



The Buy Box is the box on a product detail page where customers can begin the purchasing process by adding items to their shopping carts. If several sellers offer the same product, they are typically eligible to compete for the Buy Box for that product.

The Buy Box algorithm depends on multiple factors, which Amazon doesn't reveal. There is no guarantee you will have the Buy Box on any listing, even if you were the one who created it and there are no other sellers competing with you.

Note that sellers compete for a share of the Buy Box, and so different sellers can occupy the Buy Box at different times of the day.

The factors to 'win the Buy Box' from Amazon are not publicised, but the following points are main factors:

These include the seller's overall price, shipping, fulfilment method, handling time, delivery time and options, reviews and rating metrics.

In more detail:

- If Amazon.com is directly selling the product, they will win the Buy Box most of the time. Prime Eligibility – a brand that is Prime Eligible will win the Buy Box over anyone who is not Prime Eligible.
- The lowest priced seller with the lower price will win the Buy Box (if their ratings are high).
- The seller with the highest seller rating will win the Buy Box (if the price is competitive).
- The seller must have excellent seller metrics to be Buy Box-eligible.
- The seller must have a professional seller account.
- The seller's products must have available stock in Amazon Seller Central.
- The seller should consider use the Fulfilment by Amazon (FBA) service (see below). FBA sellers may win the Buy Box even with higher prices than you.

Amazon removes the Buy Box on products that are offered at a lower price on the eCommerce brand's own website (what Amazon call 1-P). Instead of 'Add to cart' or 'Buy Now', Amazon will present the 'See All Buying Options' button.

Amazon Customer Support:

While the scope of this section is brands providing support to the Amazon end customer, it is useful to summarise the customer's rights when purchasing on Amazon, as it affects the brand's responsibilities when selling on the Marketplace. Customer support requirements from Brand to a Marketplace customer vary, depending on the Marketplace services that the brand uses, such as Fulfilled by Amazon (FBA).

Amazon provide customer support to the end customer including respecting statutory rights AND Amazon's own returns policy. You will note that these are tougher than normal statutory rights in some respects.

Table of Statutory Rights and Amazon's Returns Policy		
	Statutory Rights	Amazon Returns Policy (as set out by product category below)
Return period	14 days	30 days
Refund of costs of sending the item back to Amazon if defective, damaged, or incorrect item?	Yes	Yes
Refund of costs of sending the item back to Amazon if cancellation?	No	No
Refund of original delivery costs if defective?	Yes	Yes
Refund of original delivery costs if cancelled?	Yes, cheapest method	Yes, cheapest method

All customer service responses must be provided (electronically) in local Marketplace languages, where the primary audience is assumed to be not English- speaking. Brands can contact the customer through the Amazon platform messaging service to confirm order details or make additional delivery-related requests.

Amazon expects the brand to apply the tracking number to the Amazon order, and measures this as part of the seller metrics, but if this does not happen the brand should be ready to respond to tracking requests.

Amazon's Customer Ownership and their Resulting Rights

Amazon own the customers that purchase a brand's products, and in order to protect future purchases, Amazon prohibits the re-direction of Marketplace customers to a brand website, where a sale could take place. Communications outside the messaging platform are prohibited according to the Amazon terms and conditions.

Cost Details for Amazon

Amazon costs include platform membership costs, seller commission fees per category and advertising fees. At the Registration Process, you have to choose a seller plan. With two seller plans, Amazon offers you the flexibility to sell one product or thousands. Sales commissions are category dependent and amount to between 5% and 15%.

You can sell on Amazon with a basic account; however, this is strictly for private sellers only. Professional membership costs as noted above £25 + VAT per month - include advanced listing and role-based access for a team.

Seller commission fees are itemised by product category and average between 5 and 15%. In the grocery and gourmet category products up to £10 selling price are charged at 8.16%, and over £10 at 10%. This fee is charged at time of sale and the remainder is credited to the seller account on the Amazon platform.

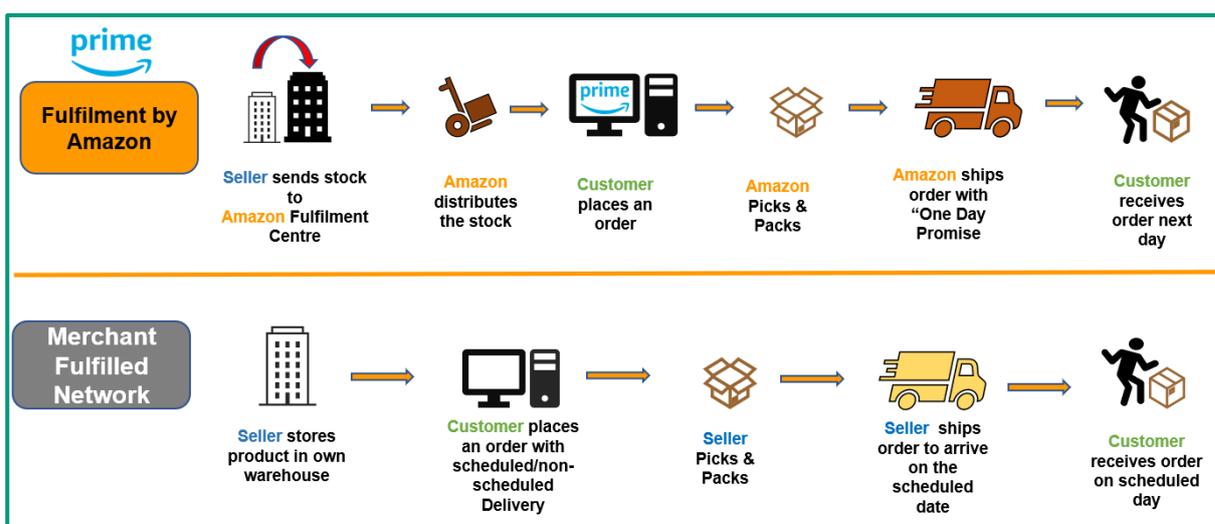
Seller fees are held for 14 days to allow for customer pressing the wrong button or changing their mind. Additional platform fees, e.g., for FBA, and refunds are deducted from the account, and the amount due to the seller is transferred to the bank account setup in Amazon.

Membership Cost Summary	
BASIC – Sell a little	Professional – Sell a lot
Fewer than 35 items per month	More than 35 items per month
Pay only when you sell something	Best value for volume sales
£0.75 (per item sold) - no monthly subscription fee	£25 (excl. VAT) monthly subscription fees*

Amazon Logistics and Fulfilment

Amazon fulfilment costs depend on which fulfilment model you choose to use. Amazon offers two fulfilment processes:

- **'FBA'** means Fulfilled by Amazon: the seller lists their products and brands on Amazon, but Amazon ships it. The seller sends the product in pallets to Amazon's fulfilment centres for Amazon to pick, pack, and ship the products directly to the Amazon consumer who purchased the product.
- **'FBM'** means Fulfilled by Merchant: the seller lists their products and brands on Amazon but handles all warehousing and customer fulfilment.



Amazon FBA

With Amazon FBA, Amazon take care of everything, from storing products for any length of time to picking them for orders and delivering directly to customers. Some of the benefits include:

- FBA is eligible for Prime (see above) meaning more revenues.
- FBA makes it easier to compete for the 'Buy Box'.
- Zero requirement for warehousing, picking, and packing, negotiating with delivery companies. Customer service and returns are handled by Amazon.
- FBA can be used to ship internationally and for non-Amazon orders.

FBA comes at a cost, as you will have to pay fees to cover fulfilment (the cost that covers picking, packing, shipping, packaging and processing returns) and monthly storage. This can be an issue if you sell big, heavy or slow-moving items.

Fulfilment fees are charged per unit, based on the product type, dimensions and weight. They vary depending on the country in which the brand is selling. Additional cross-border fulfilment fees apply, where a customer has a delivery address outside the Amazon market in which the product is sold.

As an example, a UK brand shipping to an Amazon.co.uk customer with a UK delivery address pays a local fulfilment fee, but the same UK brand shipping to an Amazon.co.uk customer with an Irish delivery address pays a European fulfilment network fee. For more details please also see the section “Selling internationally on Amazon”. FBA storage fees are charged by Amazon to store the brand’s product stock, until it is purchased by a customer.

FBA removal or disposal fees are charged by Amazon if you wish to remove brand stock from the Amazon network. If product lines are withdrawn from sale, they must be removed from the Amazon warehouse system, and this fee covers Amazon’s effort in that process.

Amazon has created an FBA calculator, and downloadable rate cards on its website².

Amazon FBM

With Amazon FBM, the seller or product owner is responsible for the entire fulfilment process including storage, warehousing, pick and pack and delivery to the end consumer. In this case, the brand owner finds their own warehousing, packing and fulfilment options. The brand may own warehousing, packing and fulfilment capability themselves or could choose a company to warehouse and manage distribution cheaper than Amazon. Some of the benefits include:

- Control over stock storage and the fulfilment process.
- Lower fees to Amazon because you are in charge of everything.
- If your product is selling on more eCommerce channels, or retail outlets, than just Amazon, being in charge of fulfilment makes it much easier to stock items and keep track of stock.
- Packaging is up to you – so you can control the customer experience.

There are downsides to FBM:

- Your products will not be Prime-eligible.
- Competing for the ‘Buy Box’ is more difficult.
- Shipping and delivery costs are always contentious with consumers and it can be hard to beat Amazon’s Prime proposition (see Amazon Prime above).
- Amazon buyers are spoilt by buyers being turned off by longer delivery times.

In terms of total sellers on Amazon, here is the latest breakdown between the usage of each mode:

- FBA only: 66%.
- FBA and FBM: 29%.
- FBM only: 6%.

For sellers already registered on Amazon, there is a calculator allowing you to compare Fulfilled by Merchant (FBM) and Fulfilled by Amazon (FBA). The calculator uses the size and weight of the Amazon product to calculate its own FBA costs, and the brand must enter their own FBM shipping costs for comparison. As part of viability exercise for a Marketplace, choose an existing product in the same category of equivalent size and weight.

² For an up-to-date FBA rate card, visit <https://services.amazon.co.uk/services/fulfilment-by-amazon/pricing.html>

Amazon Channel and Fulfilment Costs Summary			
	Fulfilled by Merchant (FBM)	Fulfilled by Amazon (FBA)	Vendor
Selling Platform	Seller Central, also known as Marketplace seller or 3rd party (3P)		Amazon as a wholesale customer. Also called Vendor Central & 1st party (1P)
Selling Model	Direct to consumer via Amazon’s Marketplace Platform and infrastructure		Wholesale relationship with Amazon
Order Fulfilment	Brand handles stock warehousing, order fulfilment, and customer returns	Amazon handles stock warehousing, order fulfilment, and customer returns	Amazon handles stock warehousing, order fulfilment, and customer returns
Prime Eligible?	No	Yes	Yes
Pricing	Amazon charges a 15% referral fee on sales in most categories. Brand covers cost of order fulfilment	15% referral fee, plus FBA fulfilment fees	Wholesale prices to Amazon. Can also include additional co-op chargebacks, and other fees

Selling Internationally on Amazon

One of the benefits of listing on Amazon is the ability to list on its international Marketplaces (countries). This means Irish Food and Drink brands can get access to international markets without having to persuade an overseas buyer / retailer to list your brand.

Amazon’s international Marketplaces can also be used to test your products with overseas consumers in advance of other overseas channels. Sales in an Amazon international Marketplace can be used a proof of demand to local retailers and distributors.

Amazon’s European Marketplaces are UK, France, Germany, Italy, Spain, Netherlands and more recently, Sweden. Customers in each of these Marketplaces use the local Amazon site, which is set up to offer the Amazon catalogue in the local language and to charge the correct local VAT taxes. Some Amazon sites e.g., Netherlands enable you to order in a non-native language e.g., English which could be useful to those Irish Food and Drink brands wishing to.

Americas
Europe ✓
Asia-Pacific
Middle East and North Africa

You are selling in United Kingdom, Germany, France, Italy, Spain, Netherlands, Sweden


UK


Germany


France


Italy


Spain


Netherlands


Sweden

Next steps

To create new listings for unique items, use the [Add a Product](#) page.

To comply with your European VAT obligations, [review and complete your Tax settings](#).

Listing on an international Marketplace allows you to target not only that country's customers, but also the customers in surrounding countries. Listing in Germany will also result in orders from Austria, Czech Republic and so on.

Before you Start

You must understand local Marketplace trading requirements, along with Amazon's requirements for that Marketplace. As usual, you must understand Amazon need to meet EU regulations on seller identification and VAT compliance requirements and eligibility of their products for listing in each Marketplace.

You need to decide how they wish to be paid for each Marketplace, agree to list products in the local language and decide how to fulfil shopper orders. Sending products to international Marketplaces requires consideration of import/export obligations, whether using third-party or Amazon's fulfilment methods.

Listing in International Marketplaces

Each Amazon Marketplace can be accessed from the same Seller central account, and distinct updates can be made in each Marketplace/country. Amazon's platform provides features to list products and manage orders in each Marketplace.

Amazon incentivises brands to list on its European Marketplaces by automatically listing the products you list in the "other" European Marketplaces. In fact, if you list a product on Amazon UK by default, Amazon automatically creates the listing in the other Marketplaces. If you do not want to list outside Amazon UK, you need to disable the listings created automatically.

Amazon provides a tool to build international listings easily, including translating the listings for you; this should be reviewed for correctness by a local language expert. Listing copy and product descriptions can also be localised in each market.

VAT in International Marketplaces

Before you consider listing in international Marketplaces, consideration needs to be given to how the EU applies VAT to online orders. Amazon also provides a VAT Services feature, which guides you through the VAT registration process to receive your VAT numbers and automate your VAT submissions. There is a VAT filing charge of €400 per country for this service.

Fulfilment in International Marketplaces

Consideration needs to be given to fulfilment methods chosen, especially if fulfilling by merchant, shipping goods directly to shoppers. Sellers in overseas Marketplaces are obliged by Amazon to provide quick delivery and a great customer experience, which implies supporting customer questions and delivery updates in local languages. The seller must also provide a method for shoppers to return goods.

Customer Support and Returns in International Marketplaces

To list in a non-UK Marketplace, Amazon requires you to provide customer support in the local language of that Marketplace, responding to shopper questions on the products you are listing, and updates on shopper orders.

If a brand chooses Fulfilled by Merchant (FBM) fulfilment method, they are obliged to provide a local return address or promise to offer shoppers free shipment for returns. Using the FBM method to send products to shoppers means you must also decide delivery charges and configure them in Amazon so the shopper understands what they will pay for delivery to their front door. Brands using FBM often include delivery charges in their selling price to avoid delivery charges preventing a sale.

When using Fulfilled by Amazon (FBA), Amazon takes care of returns using their local infrastructure network. Depending on which Marketplaces a brand wants to use, Amazon provides a number of different options within FBA.

FBA Options for European Marketplaces

As Amazon added international Marketplaces, it also expanded its delivery infrastructure in those countries, and expanded the fulfilment services it offers to support brands who want to sell across Europe.

There are two FBA offers; the European Fulfilment Network (EFN) and Pan-European FBA.

Amazon provide guidance on Preparing for Brexit that covers the different scenarios and informs the sellers how to service both UK and European customers, along with the new obligations.

	European Fulfilment Network (EFN)	Pan-European (FBA)
Allows you to	Send your stock to just a single Marketplace distribution centre (except UK) and accept & fulfil orders from any European Marketplace	When you send your stock to just a single Marketplace distribution centre (the closest - UK) Amazon distributes it to meet expected demand across Europe
Prime Eligibility	Your products are not Prime eligible	Your products will be Prime eligible
Inventory Management	Amazon stores products locally only, ready for local delivery (or to dispatch to other countries)	Amazon distributes and stores your products across Europe, in the countries you enabled for placement
Delivery Promise	Direct to consumer via Amazon's Marketplace Platform and infrastructure	Extremely fast in all the countries enabled for storage
VAT	A VAT number is required for the country where the goods are stored. Other countries may require a VAT number after a sales threshold is reached	A VAT number is required for each country where goods are stored
Brexit Impact	It is no longer possible to send stock to a UK fulfilment centre and fulfil international orders	Sellers wishing to sell in UK and Europe need to have stock in UK AND one of the European Marketplaces

5. Walmart

Understanding Walmart

Walmart is known as the largest bricks-and-mortar retailer in the world. However, it has also been making significant progress with its eCommerce proposition, investing heavily in the acquisition of jet.com and hiring staff. Growth in the Walmart Marketplace outpaced the overall Walmart business during the pandemic.

Walmart.com now has well over 100m visitors per month. Walmart also launched a partnership this year with Shopify, the eCommerce software platform, to focus on SMEs whose product range complements Walmart. Walmart is launching a new subscription programme called Walmart Plus which mimics Amazon Prime, Amazon's loyalty programme.

Selling on both Walmart.com and Amazon can expand a brand's reach and increase visibility and recognition. Brands can leverage learnings from Amazon and apply them to their Walmart strategy to maximize success. When you join Walmart Marketplace, you'll be selling your products next to the wide assortment sold by Walmart and other Marketplace sellers.

Growing their Marketplace is a strategic priority for Walmart. Nevertheless, the reality is that despite its fast growth and investments, it is still much smaller than Amazon. Amazon accounts for close to 50% of all eCommerce in the US, and, as noted elsewhere in the report, close to 70% of all product searches according to some research. According to eMarketer, Amazon will have eCommerce revenues of close to \$310bn in 2020, Walmart will be second with around \$45bn and eBay third with almost €39bn. The next big food and drink eCommerce brands in the US are Kroger with \$11bn in eCommerce and Costco with \$11bn.

During 2020, Walmart merged its online and store product buying teams to try and make eCommerce a profitable business line. Combining the two groups allows synchronisation of pricing between the stores and online. Due to their size Walmart have specific buying teams across the Walmart categories – down to the most detailed level.

Despite being available less than a year, Walmart Marketplace listings are the fastest growing part of the Walmart online business. In autumn of 2020, Walmart introduced Walmart Fulfilment Services, (WFS) its response to Amazon Fulfilled by Amazon program (FBA), which offers 2-day shipping to 100% of the USA. Suppliers using WFS also gain higher search ranking position and Buy Box prominence.

One point to note for Irish Food and Drink brands, WFS requires that products are shipped from a US location.

Walmart sets up business for online suppliers for its Marketplace in three ways:

- **Standard business listing (referred by Walmart as Owned Business Listing):** the standard buyer / retailer relationship between Walmart and a supplier. Suppliers receive purchase orders (POs) from Walmart to stock Walmart distribution centres. When a consumer purchases your brand on the Marketplace, they see Walmart listed as the seller and Walmart takes care of listing optimisation, advertising, pricing, and other Marketplace aspects. You are only responsible for supplying the product. Walmart manages Marketplace customer ordering and shipping to the customer's front door. With this model, Walmart negotiates a wholesale price with the supplier, and has complete control over the retail prices it charges and the quantities they want to order from each supplier.
- **Drop Ship Vendor (DSV):** The suppliers keep products in their warehouses and list them on the Walmart Marketplace. You sell under Walmart's name and listing rules, at wholesale

prices. When a consumer purchases your brand on the Marketplace, the seller ships it directly to the consumer with a Walmart packing slip. Walmart will never physically handle these items.

Walmart can also request that a seller ship a particular order to a Walmart retail location when a buyer chooses the “pick up in store” option. A big difference here between DSV and Amazon is that Walmart covers the cost of shipping the package for DSV, so there is no shipping expense for Drop Ship Vendors. Walmart controls retail prices and cost of shipping orders through US carrier agreements.

- **Walmart.com Marketplace Listing:** In this model, the supplier retains control over every aspect of their business, stock, pricing, and shipping. Walmart designates a category percentage charged to the suppliers selling, which varies based on the category and products. When a consumer purchases your brand on the Marketplace, they see your brand listed as the seller and you are responsible for listing optimisation, advertising, setting your price and fulfilling orders.

Comparison between DSV and Walmart.com Marketplace Listing

Drop Ship Vendor (DSV) Pros

- The DSV model is attractive for suppliers as your products are listed on Walmart.com as “Sold by Walmart,” which helps your product’s credibility.
- Products are eligible for “Free Shipping” and Walmart covers all shipping charges to the consumer.
- DSV products are eligible for “Ship to Store,” where consumers who have ordered online can pick up their products from their local Walmart.
- As a DSV seller, your product takes priority against brands who are not DSV and is more likely to get the ‘Buy Box’ (see elsewhere in this report for information on ‘Buy Box’ in the context of Amazon).
- DSV sellers get access to Walmart’s marketing features to boost sales.

Drop Ship Vendor (DSV) Cons

- To become a DSV seller, your company needs to pass various verification steps and have a proven track record of both customer service and product quality products.
- Walmart controls your product listing content and retail pricing and minimum margins.
- Products are selling at wholesale prices in the hope of higher order volumes.

Walmart.com Marketplace Listing Pros

- Control of retail pricing can provide better margins.
- Control and responsibility for managing the brand experience from listings, pricing, returns, customer service.
- Access to an ever-growing list of advertising options on the Walmart platform.

Walmart.com Marketplace Listing Cons

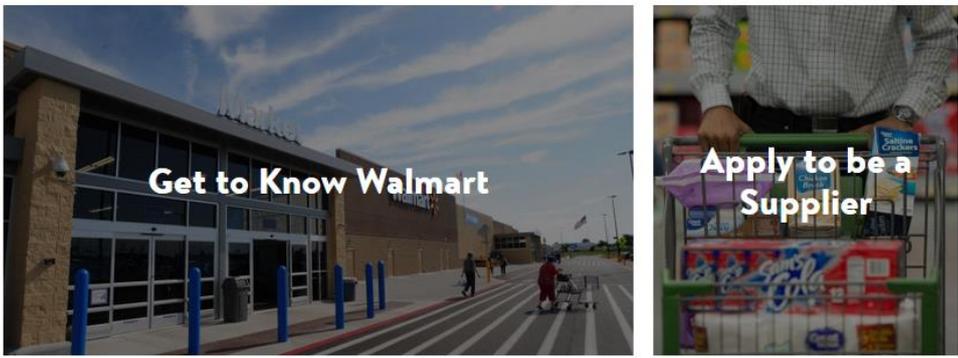
- Walmart expect brands to price match to other sellers of your brand to drive sales
- Resource investment in terms of staff and costs to operate on the platform.
- Individual consumer purchases mean lower order quantities.
- Free shipping must be provided in competitive categories.

It is important to note that Walmart is still building out its Marketplace proposition, whereas the DSV proposition has been around for a few years. Given the Walmart propositions available, the Marketplace option is more attractive to Irish Food and Drink brands as it gives much more control over every aspect of your product, stock, pricing and shipping.

Becoming a Walmart Supplier

Becoming a Supplier

Our suppliers help us meet the needs of hundreds of millions of customers each week with responsibly produced products and services. Want to join the thousands of other businesses around the world that proudly call themselves Walmart suppliers? Take a look below to learn more about us, and what it takes to become a supplier partner.



Before you Apply – Understand the Role of the Walmart Buyer

The role of the Walmart buyer is the key difference between Walmart versus Amazon or Alibaba. Despite the application for the Walmart Marketplace being online, the Walmart Buyers make decisions on whether to approve your product for the Walmart Marketplace, just as they do for the Walmart store network.

Walmart Buyers are reputed to favour suppliers that will commit to exclusive supply arrangements, but also require examination of how well the product is doing in local markets, such as Marketplace sales or Nielsen data to support a case for approval. Suppliers should bear in mind Walmart's entry level price point when considering whether to apply.

Walmart Buyers use the Marketplace as a test and learn exercise to test whether the supplier's products are popular with the Walmart Seller. If a supplier can succeed with a Marketplace listing, it can then be considered for Walmart bricks and mortar stores and Sam's club.

Before you Apply – Understand the Role of Walmart Brokers

Applying as an international seller on Walmart.com can be challenging, with a complicated set of documentation requirements, and limited public knowledge on how to convince a Walmart Buyer to consider your application.

Unlike European retailers, Walmart Buyers meet with brokers who they already have relationship with – not the suppliers. The supplier must meet the broker NOT the buyer.

A US-based broker which has relationships with the Walmart Buyer can play a key role in this introduction and approval process, especially for international suppliers. Brokers act as an extension of the supplier's team, reviewing the supplier's products and processes, and advising them how to meet Walmart's requirements. Brokers are often ex-Walmart employees and can meet the Walmart Buyers face to face.

This fundamental difference with Walmart's approach Amazon more 'democratic' approach must be factored into any decision for Irish Food and Drink brands when considering a listing on the Walmart Marketplace.

Before you Apply – Collect this Information

The following table lists the additional supplier information required to apply to sell. Walmart suggest that suppliers collect this information before starting the application process.

Walmart Supplier Application Checklist

Required Fields	Direct Import Suppliers (Non-US Suppliers Shipping to the US)
Supplier's Legal Name	Company Legal Name must match the name on your W-8 or W-9 Tax Form and accredited Business Registration Certificate
Administrator Contact Details	Company representative authorised to enter into a legal agreement with Walmart
DUNS Number	If you do not have a D&B / DUNS number, you can get one by emailing wmvendors@dnb.com
Corporate Address	The legal address as listed on the Business Registration Document
Legal Entity	Describes the corporate structure (Corporation, Sole Proprietorship, etc.)
Tax ID Information - W-9 or W-8 form	Tax Number: Federal Taxpayer Identification Number or Social Security Number W-8 Tax Form as well as W-9 Tax Form
Business Registration Certificate	Business Registration Document accredited by a party of your local government; must be in English and notarised
Company Contact	Name, email address, phone for CEO, CFO, Accounts Payable, Sales Representative, Insurance Contact, Compliance Officer
Banking Information	Bank Name, Bank Country, Bank Contact Details, and details for Letter of Credit Note: Bank information is only required if Letter of Credit is selected as the payment method. If Open Account is selected, bank information is optional
Supplier Inclusion Status	Suppliers with a Non-US corporate address must be prepared to indicate whether your company is diverse-owned based on gender. For more

	information, visit: https://corporate.walmart.com/suppliers/supplier-inclusion
Product Information	Product name, brand, cost, description, photo, and category To save time, it is recommended that suppliers add only one product during profile creation and return to add additional items after the agreement is complete
Insurance	Insurance carrier information, certificate expiration date, and insurance certificate: You must provide insurance documentation within 30 days of becoming a Walmart supplier
Additional Addresses	When accepting an agreement with select Return Terms, you will be prompted to provide a US Returns Address for products being returned - no international facilities are permitted
Product Chemical Information	When accepting an agreement for appropriate departments / categories pertaining to chemicals, you will be prompted to indicate if your products contain chemicals
Brand Information	Provide Brand Owner, Brand Family, Brand Name
Global Location Number (GLN)	If you do not already have a GLN, you can obtain one by creating an account with GS1. Visit https://www.gs1.org/ for information
Complete Product Safety & Compliance testing	Products must pass all General Testing Programme, Product Safety & Compliance Programme, and Quality Programmes
Food Safety	Food Suppliers are required to complete all required tasks associated with the Global Food Safety Initiative, Third-Party Food Safety Audits, Label Claim Certifications etc.
Transportation	Set up lead times, schedule deliveries, set up ship points, and confirm shipments

Marketplace Listing Step 1- Complete Registration on Walmart

Despite the application for the Walmart Marketplace being online, Walmart retail buyers make decisions on whether to approve suppliers and products for the Walmart Marketplace, just as they do for the Walmart retail network.

To apply to Walmart, you apply to become a seller and provide standard business information. Suppliers can make an online application to sell on the Walmart Marketplace by completing the application form at this link.

- The process to complete the online application should take 15-30 minutes.
- Approval times vary from 2 days to 2 weeks.

To complete a successful application, suppliers are requested to have the following application requirements ready:

- US Business Tax ID (SSN not accepted).
- W9 or W8 and EIN Verification Letter from the Department of Treasury that verifies that your US business address or place of physical operations.
- U.S. business address.
- Planned integration method for your product catalogue, such as bulk upload, API, or a solution provider.
- Primary product categories, catalogue size and relation information, (e.g., total SKUs you will be selling on Walmart with verified UPC (universal product code) information and used vs. refurbished etc.).

The supplier application to sell on the Walmart Marketplace is received by the Walmart Buyer, who considers and conditionally approves the application.

Walmart Registration Steps

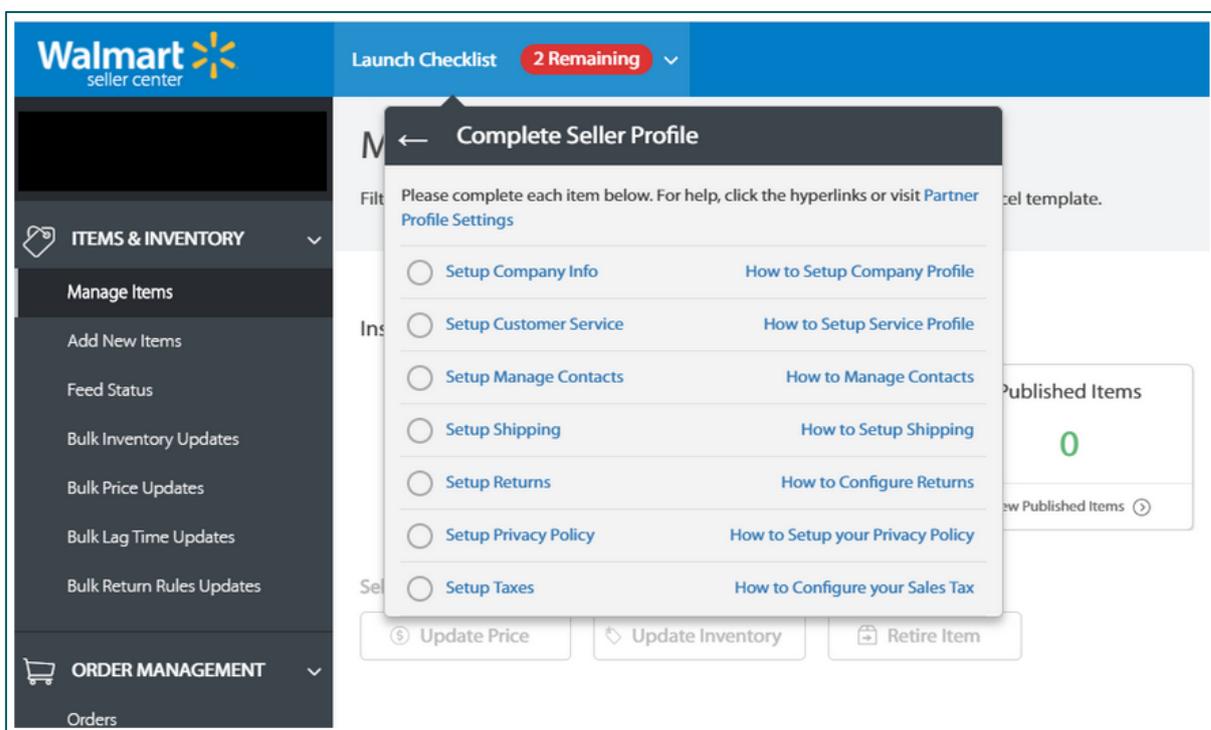
The current steps to complete the Walmart registration can be found on the Walmart Seller Help page ³ - you will need to have the following at hand:

- Account creation
- Walmart Retailer Agreement
- Company Registration
- Tax Forms
- Payment Info
- Shipping Information.

³ <https://sellerhelp.walmart.com/seller/s/guide?article=000008219>

Marketplace Listing Step 2 – Complete your Partner Profile

Walmart require a complete profile so that the brand can sell on the Marketplace. The profile contains standard business information to support Marketplace operations.



Walmart have a 'Launch Checklist' on their website. You will need to go to Settings in Walmart Seller Centre and complete your Partner Profile⁴. A Partner Profile is a representation of your company to customers shopping on Walmart.com and consists of your company name, description, logo, company policies, tax information and more.

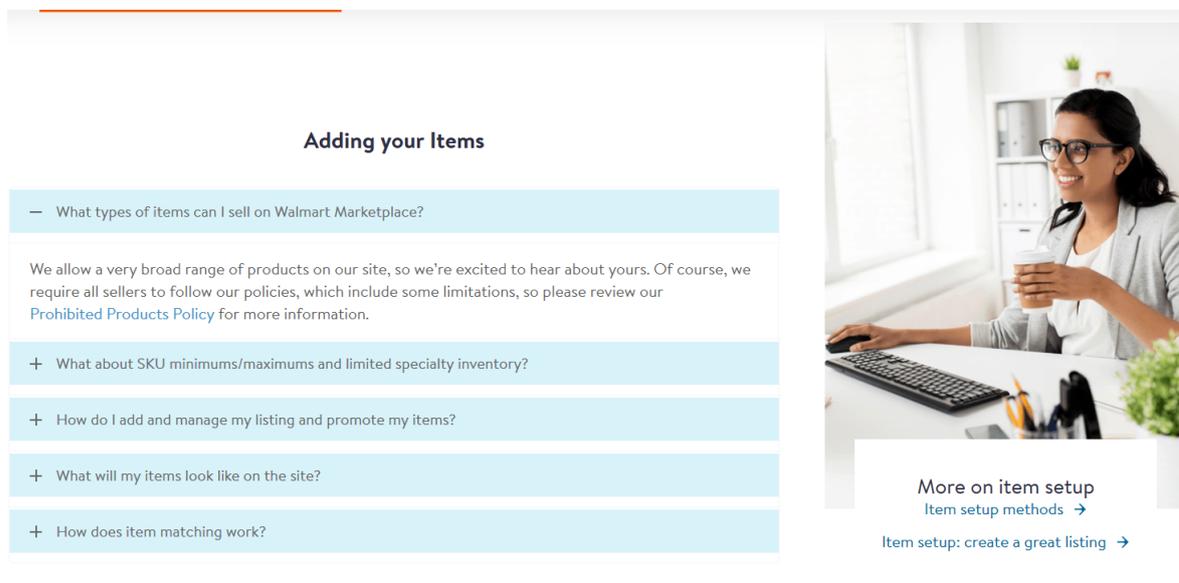
The Partner Profile section of the General Settings menu provides access to the following pages:

- Company Info
- Customer Service
- Manage Contacts (NEW!)
- Shipping
- Returns
- Privacy Policy
- Tax Information

⁴ <https://sellerhelp.walmart.com/seller/s/guide?article=000006412>

Marketplace Listing Step 3 – Upload your products

To upload your products, you will need a digital catalogue ready to enter the Walmart catalogue template. Starting with an Excel based catalogue is good enough. All the basic product information is needed - images, product description, product photos, price and barcode.



Adding your Items

– What types of items can I sell on Walmart Marketplace?

We allow a very broad range of products on our site, so we're excited to hear about yours. Of course, we require all sellers to follow our policies, which include some limitations, so please review our [Prohibited Products Policy](#) for more information.

+ What about SKU minimums/maximums and limited specialty inventory?

+ How do I add and manage my listing and promote my items?

+ What will my items look like on the site?

+ How does item matching work?

More on item setup
Item setup methods →
Item setup: create a great listing →

As part of operating the Walmart Marketplace account, the supplier will need to create new product listings, update product listings, update stock levels, and make pricing changes.

Depending on supplier technical capability, each supplier needs to decide which “integration method” they are going to use to update Marketplace listings. The supplier can either:

- Upload changes one-at-a-time.
- Bulk upload changes using excel template files.
- Via API direct from your stock system.

When deciding which Walmart method to use, take these three factors into account:

1. Limited catalogue sizes for first-time sellers are best suited to the single upload method; these products are uploaded through the Walmart supplier seller central account.
2. Suppliers with a large catalogue but limited technical knowledge can use Excel templates to manage Walmart listings.
3. API Integration methods are suitable for suppliers with technical expertise, a large catalogue and those who have decided to invest in synchronising with the Walmart platform for efficiency.

Where a supplier is looking for API connectivity, a list of approved solution providers can be engaged to connect the required feeds from a supplier's stock system to Walmart Marketplace. The current steps to support uploading of products to Walmart can be found on the Walmart Seller Centre - including the choosing of your integration method.⁵

⁵ <https://sellerhelp.walmart.com/seller/s/guide?article=000006445>

Marketplace Listing Step 4 – Testing your Marketplace Listings

Walmart recommend that the supplier tests their Marketplace listings before confirming they are ready to be viewed by customers. This testing also validates any automatic integration methods chosen with the Marketplace platform. Testing includes previewing listings and test order scenarios.

Preview Feature of Marketplace Listing

<input type="checkbox"/>	Status	Item Details	Price	Units	Actions	
<input type="checkbox"/>	Stage	Momenta Art-C Stencil and Clear Stamp, Butterfly and Birds SKU: NOT287439-B01DC0MOTO	Preview Item ↗	\$13.99	0	Publish Item ⓘ
<input type="checkbox"/>	Stage	Spellbinders Shapeabilities Dies, Renaissance Tags 2 SKU: NOT285645-B01ELLBRXM	Preview Item ↗	\$20.99	0	Publish Item ⓘ

Preview Product Example from Walmart Help

Nature's Way Beet Root 500 mg, 100 Vegetarian Capsules-3 Pack

Write a review

\$27.10

Free shipping

Arrives by Tuesday, Apr 2

Or get it by **Thu, Mar 28** with faster shipping [Options](#)

Qty: 1 [▼](#) [Add to Cart](#)

Pickup not available

Sold & shipped by [Test Seller 1](#) [Return policy](#)

[Add to List](#) [Add to Registry](#)

Marketplace Listing Step 5 – Publish your Marketplace listings

Once the listings have been tested, they are ready to be published. Walmart recommend that the supplier tests their published Marketplace listings and order scenarios. The recommended scenarios are

- order creation
- order cancellation
- order adjustment
- order shipment.

Walmart Plus Programme

The Walmart Plus programme was introduced in 2020, as a response to Amazon's Prime programme. Walmart Plus is a subscription service, which offers fast delivery to customers buying products that qualify for the Walmart Plus programme. Free delivery is offered to customers with an order total of \$35 or more. Walmart Prime allows returns in stores, and fuel discounts. It costs \$98 a year, or \$12.95 a month, for unlimited shipping and other bonuses such as discounted fuel.

Sellers are encouraged to apply for Walmart Fulfilment Services (WFS) and if they are approved, it is thought they receive a ranking benefit when Walmart customers run a search on the Marketplace.

Since Amazon has had so much success with Amazon Prime, there is little doubt Walmart Plus will attempt to follow this growth. Comparing to Amazon's Prime program for a moment; the number of Prime members grew from 99.7 million in 2017 to 150 million in 2020. That would lead to estimated revenues of \$17.8bn in subscription fees alone, not to mention the increase in sales commissions that Prime membership is known to generate. Prime customers spend almost five times as much per year than non-Prime customers.

Whether Walmart Plus can trigger the same membership growth with its current offer remains to be seen, but Amazon's experience with the Prime programme means it will be making every effort to try to emulate the successful Amazon programme.

International Suppliers to Walmart

The challenge for Irish Suppliers is to get in touch and be considered seriously by a US buyer. While the Walmart platform encourages international suppliers, the products have no off-platform marketing to support success on Walmart.

For Irish Supplier applications, products that you intend to supply to Walmart can be shipped from the U.S. as products shipped from Ireland will clearly have a longer lead time, and this will affect your potential for buyer approval with Walmart.

However, there are a network of storage and transportation agents that can help your supplier ship to the US, storing your product locally to meet Walmart Fulfilment Services (WFS) requirements, and shorten lead times from the customer's perspective. The partnership with US storage agencies to satisfy US domestic "ship from" location requirements is a priority.

Walmart Costs

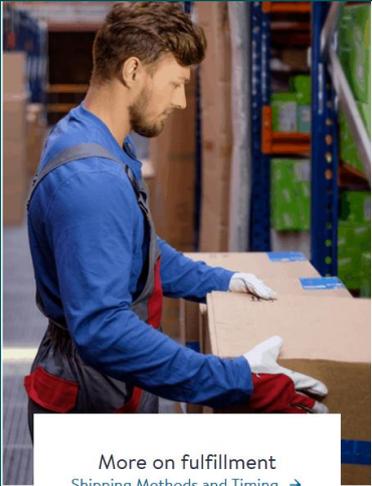
The Walmart Marketplace includes seller commission fees per category, advertising fees and fulfilment network fees. Use of the Walmart fulfilment network, Walmart Fulfilment Services (WFS), is subject to an application process.

Category-Specific Seller Commission Fees

Seller commission fees are itemised by product category and average between 8 and 15%. In the grocery and gourmet food category, products are charged at 15%. Walmart pay deposits to a brand's US bank account every 14 days, orders become eligible for payment 14 days after the order has shipped.

New Walmart brands are subject to a payment hold before the payment cycle starts, allowing Walmart some insurance if your products do not meet the Marketplace standards. The initial payment hold period is 70 days after first order is shipped and total sales exceeds \$2500.⁶

Walmart Fulfillment Services (WFS) Costs



More on fulfillment
[Shipping Methods and Timing](#) →
[Customer Care Requirements](#) →

Fulfilling Orders

- + How do I check for and process orders?
- + What are the shipping requirements?
- + What about returns and customer service?
- Does Walmart offer fulfillment for Marketplace sellers?

Walmart Fulfillment Services (WFS) is a program that allows sellers to store their inventory at Walmart fulfillment centers. When a customer places an order on [Walmart.com](#), WFS picks, packs and ships the item(s) to the customer on a seller's behalf, WFS also handles all customer support and returns for these orders. Products fulfilled by Walmart qualify for [TwoDay delivery](#) and [Free & Easy Returns](#) programs.

- + Can Marketplace sellers display "free TwoDay delivery" tags on their items?

WFS fees are paid by the seller to Walmart, in return for storage and transportation of the brand's products from the single centralised Walmart distribution centre to the customer's delivery address. In contrast to Amazon, which may require stocking of more than one distribution centre, Walmart is at an earlier stage of development, with a single centralised location. This location is in Kentucky, which provides coverage to all of mainland USA. The fees are based on weight and package size.

Fulfillment fees are charged per unit, based on the package dimensions and weight. Maximum product dimensions and weight apply and can be viewed from the Walmart Marketplace Seller account.

WFS storage fees are charged by Walmart to store the brand's product stock, until it is purchased by a customer. Walmart charge storage fees tiered by the amount of time a product remains in the Walmart distribution centre (unsold). Walmart charges long term storage fees to encourage better forecasting and stocking from the brands.

The Walmart Fulfillment Service has relatively low take-up with suppliers. Suppliers will only use WFS if it enables more sales revenue than the WFS costs. The low take-up is an indication that there are not enough suppliers making sufficient sales on Walmart to justify using the service.

⁶ Walmart Selling category fees are here: <https://sellerhelp.walmart.com/s/guide?article=000006011>

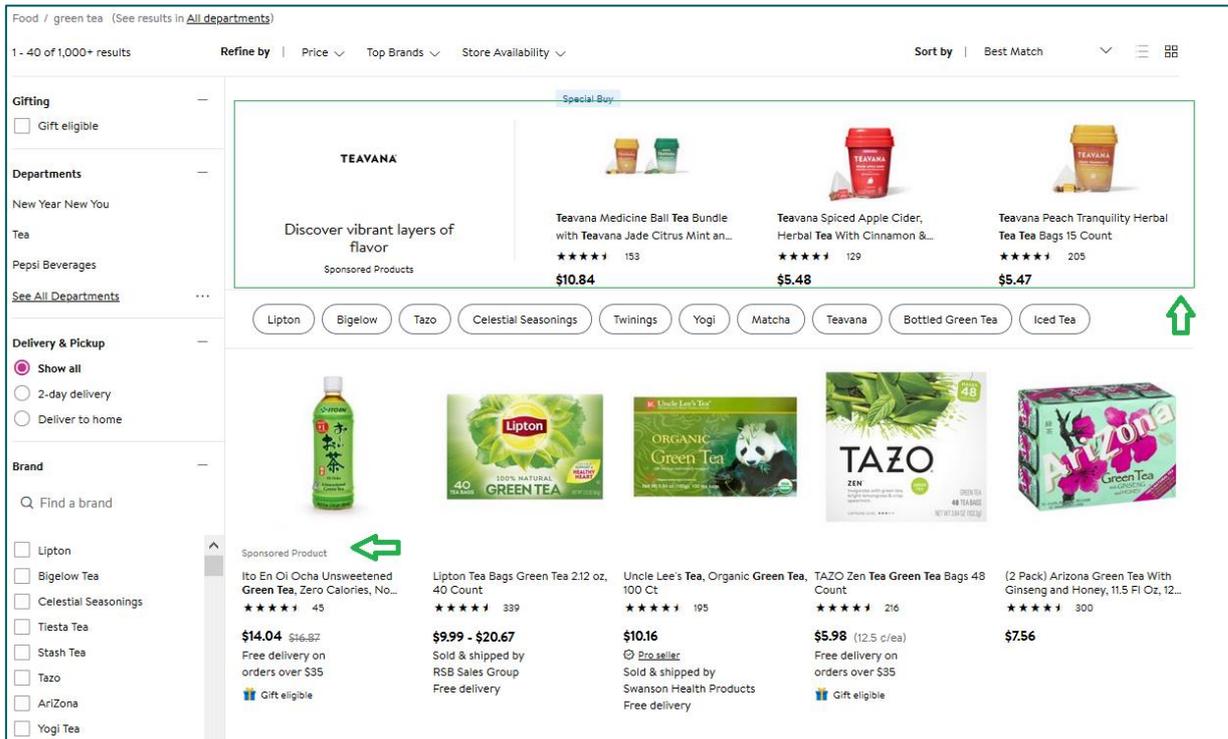
Advertising on Walmart

Listing a product on Walmart is just a preliminary stage - the main task at hand begins afterward in making these products visible to the target market.

As it such a huge platform with an enormous amount of merchandise listed, it is really challenging to outrank competitors on the Walmart search engine results page.

When a buyer is searching for a product on Walmart.com, the customer uses a search bar to enter the products they are looking for, and Walmart’s algorithm displays a page of the most likely results.

Advertising Placement on the Search Engine Results Page (SERP)



Walmart’s search results are somewhat similar to Amazon and are generally based on the most searched keywords by customers. The entries on the SERP are determined by the ranking given to them by the Walmart algorithm. The algorithm is re-calculated every time a customer types a search term. The entries on the SERP consist of organic product listings and product ad placements.

Just like with Amazon Search Discoverability (see Amazon section), a Walmart Seller must also aim to provide precise and concise product description which is both user-friendly and search optimised. Brands must highlight the key features and present them in bullet points to make it easy to scan and understand.

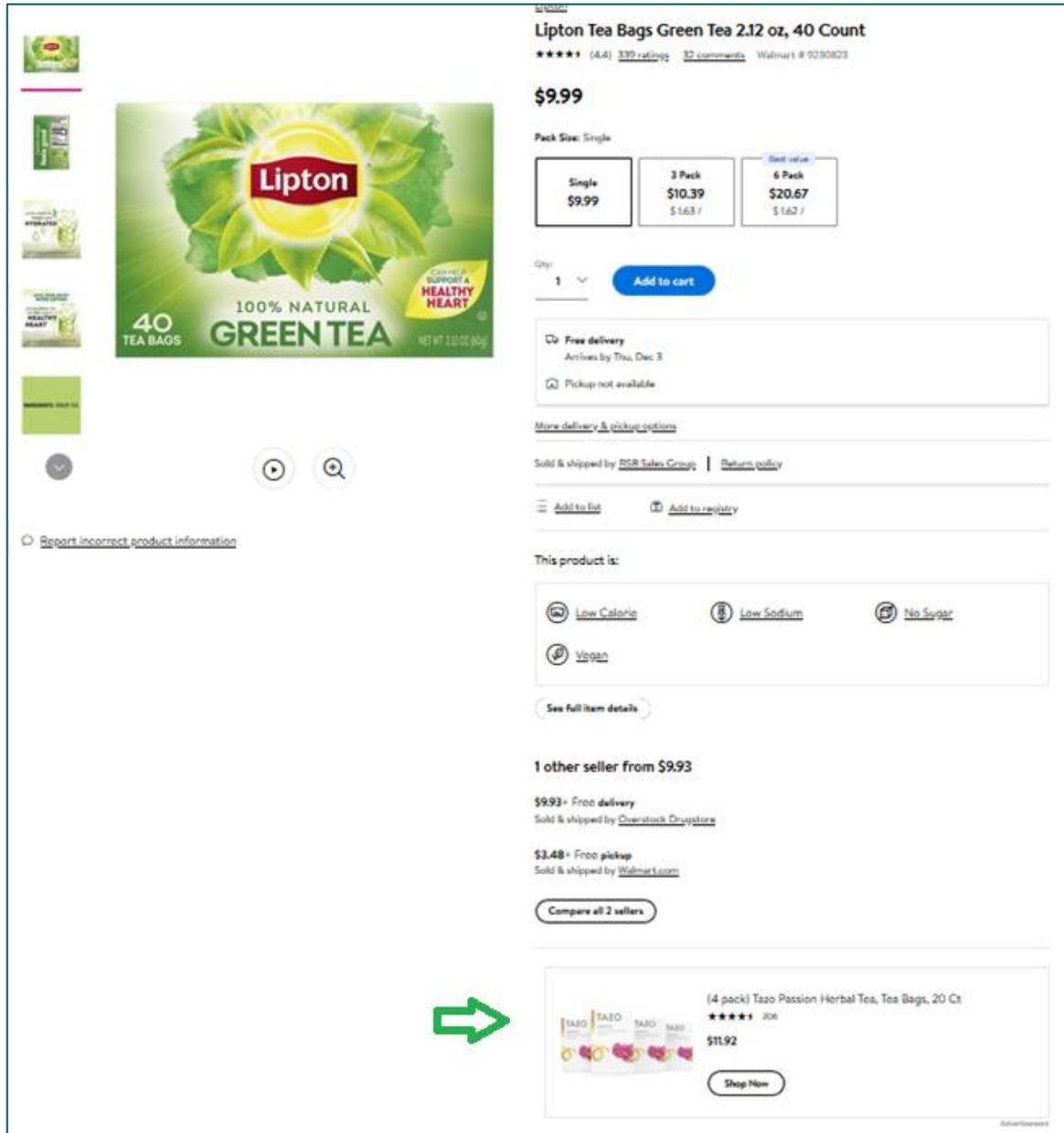
Walmart’s Marketplace has also introduced an advertising proposition to present their products to customers. Their product pages and search engine result pages contain advertisement placements available to brands.

Brands need to apply to the Walmart Advertising platform – called the Walmart Media Group, including product information and advertising budgets to be approved as shown below: (www.walmartmedia.com/contact).

Walmart provides advertising placements to allow brands to stand out in the search results and give brands an opportunity to re-direct customers to their listings, instead of choosing from the search results.

These ads can be of various types, known as sponsored product ads, or sponsored brand ads.

Advertising Placement on the Product Page



When customers click one of the brand’s advertisements, a cost-per-click charge is added to the brand advertising account. Organic ranking is also increased when a customer clicks on your advertisement, and a brand should include advertising in its strategy for Walmart.com.

Ad performance can be reviewed in the Walmart Advertising Portal, checking audience targeting and ad performance. Walmart’s advertisement platform is a self-serve portal that allows suppliers to easily purchase advertisements and track their performance.

Walmart enables advertisements to provide more choice to the seller, although it is a significant revenue generator for the company. Like Google, the organic (not paid) results percentage of the total results page is decreasing, with an increase in the amount of advertisements.

In all but the least competitive markets, you need to factor advertising costs into your Walmart budgets. Each time the search term query is carried out, Walmart looks at the bidders for the search term, and decides the most appropriate set of ads to be displayed on the SERP, and their position on the page.

Walmart Customer Support:

Walmart customers can ask questions to a Marketplace Seller either before purchase, pre-transaction communications, or after purchase, post-transaction communications. Sellers are prohibited from re-directing customers to their own website or sending marketing materials or messages.

Walmart Sellers use the Marketplace to communicate with customers, and a 48-hour reply to customer questions is required by the Marketplace platform.

Walmart Marketplace requires sellers to enter tracking numbers at shipment confirmation time. Walmart automatically provides tracking links for a pre-defined set of popular carriers, once the carrier reference is entered.

Customers can return goods through customer service, the Marketplace website, or in a Walmart store. Refunds must be issued within 48 hours, otherwise Walmart will automatically issue a refund from your seller account. Returns can be disputed through the seller central platform, and the Marketplace creates a set of policies also cover disputes with suppliers⁷.

The Walmart Marketplace clearly details their Returns and Refund policies for both consumers and suppliers.⁸

⁷ Returns Dispute Policies <https://sellerhelp.walmart.com/s/guide?article=000009068>

⁸ Returns and Refund Policies <https://sellerhelp.walmart.com/seller/s/guide?article=000007176>

6. Alibaba

Understanding eCommerce in China

The Chinese market offers tremendous opportunities for food and drink brands looking to export markets for growth. The enormous Chinese market, the sophistication of its eCommerce capabilities, the appetite for new products and a strong post-COVID-19 recovery means that China appears an attractive option.

To understand eCommerce in China, the first thing is to forget is how eCommerce is carried out in the rest of the world. The vast majority of web activity in China happens through proprietary applications run by Tencent, Alibaba and Baidu. Tencent, through its WeChat app, and Alibaba, dominate digital life in China, creating an effective digital duopoly. In the West, we talk about the influence of the big internet giants such as Google, Amazon and Facebook. Google and Twitter, Facebook and Instagram, are not available in China and Amazon has closed its website to sales in China.

Alibaba is known globally for its B2B e-Commerce platform Alibaba.com, as well as retail websites AliExpress, Taobao, and Tmall. Alibaba's online payments system, Alipay, controls about half of China's online payment market. Combine eBay, Stripe, PayPal, Amazon, Tesco, Amazon AWS and FedEx, to understand the scale of Alibaba's brand portfolio in an Irish context.

Alibaba's rival Tencent (meaning 'soaring information' in Chinese), owns WeChat, which has one billion users. WeChat is Facebook, Twitter, Spotify, Apple Pay, WhatsApp, PayPal, YouTube – as well as gaming and reading, rolled up into one super app. It is regarded as the 'operating system' of China – and also has its own built in payment service – WeChat.

Tencent and Alibaba own the interface to the consumer across multiple touch points and the data that comes, as a result of that. The dominance of Tencent/WeChat and Alibaba on the Chinese landscape as channels mean that marketing for food and drink brands is unlike what we see in the rest of the world:

- **Mobile phones** are the dominant form of internet access and 80% of all online shopping – and this was before the pandemic. Consumers are on their mobile phones much more than other countries. They visit the same apps multiple times a day to look for products and also to share products with friends and to watch content.
- **eCommerce everywhere:** Mobile is not only a medium of communication, and brands are not just purveyors of products and services, but partners helping consumers with daily living. Most Chinese companies build their advertising and marketing, social communication, shopping, purchasing, and payment programmes around mobile.
- **Online retail sales in China are greater than the rest of the world combined.** However just three companies make up 89% of the total Chinese eCommerce market. The biggest difference between eCommerce in the Europe and in China, is that in Europe, consumers go to that brand or retailer's own website. In China, the consumer goes to Taobao or Tmall to try and find the products there, including global brands like Burberry or Dyson.
- **Alibaba** (the owner of Taobao and Tmall), alongside JD.com and Pinduoduo, dominate eCommerce in China. Their market share of eCommerce sales in China is:
 - Tmall - 50%
 - JD.com - 26.5%
 - Pinduoduo - 13%.

All of these channels are viable options for Irish brands. This report focuses on Alibaba – and in particular, Tmall, and how it could work for Irish brands. Nevertheless, the information is relevant and applicable to JD.com and Pinduoduo - with some nuances for each platform.

- **The channel is the message:** Brands in China allocate marketing budgets to channels, platforms, or influencers. This, in turn, generates a need for immediacy and 'in-the-moment' customer service and real-time content.
- **The blurring of eCommerce and retail lines:** Alibaba has extended its offering into a highly sophisticated chain of fresh food grocery stores called Fresh Hippo and created a concept called 'New Retail'. This is a business model that aims to combine the best of both online and offline shopping experiences. The entire customer journey is redesigned to converge the digital and offline experience.
- **The fusion of eCommerce and livestreaming,** known as 'live commerce', is a huge and growing trend in Chinese eCommerce. It centres around influencers, known in China as key opinion leaders (KOLs), broadcasting live to millions of viewers, and showcasing products, trying them on and describing them.
- **Livestream shopping is a live shopping event** – think QVC or the Home Shopping Channel. Livestreaming centres around a brand with a celebrity or influencer demonstrating a product and answers questions from a digital audience in real-time. Viewers are able to immediately purchase the item from an embedded link online. Livestreaming hosts sell a clothing, cosmetics, electronics and food. Alibaba first launched Taobao Live in 2016, now Tmall, JD.com and Pinduoduo are all offering 'live commerce'
- **Special discounts are often offered as part of the livestream** - live commerce broadcasts have been known to shift record amounts of product in just a few hours. There is even a rural livestream program that allows farmers to directly engage consumers face-to-face, allowing them to sell their quality produce at better profit margins. In 2019, there were more than 150,000 agriculture-related livestreams, which drew over 400 million viewers on Alibaba's Taobao.

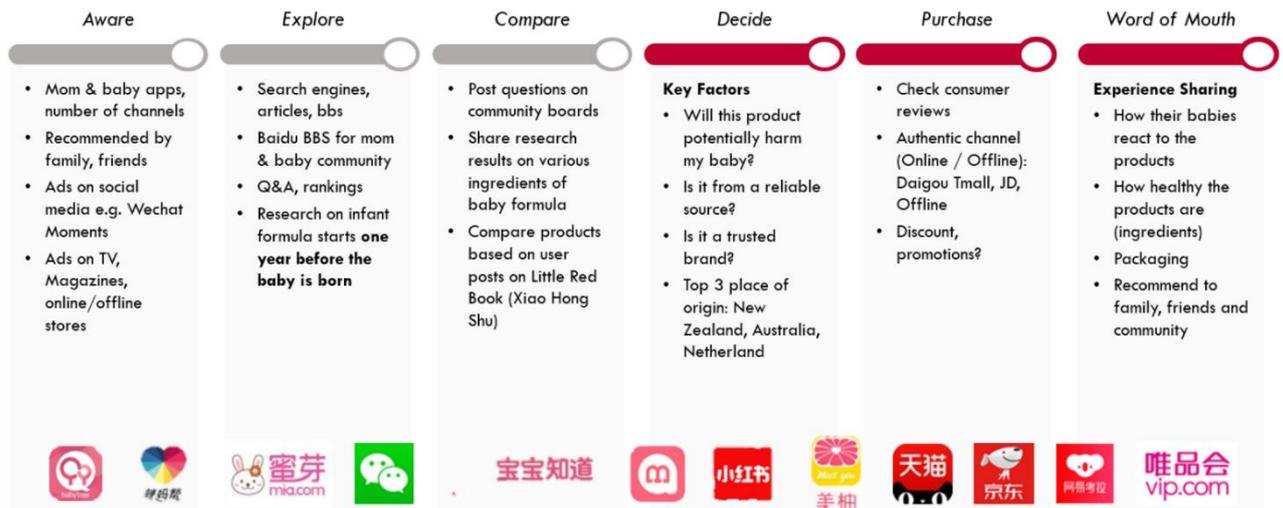
Understanding the Chinese Consumer

The size and wealth of China's middle class presents broadening opportunities for niche brands which serve particular consumer segments. The pandemic accelerated trends in evidence before, namely eating healthier and putting more emphasis on health and wellness, just like many other parts of the world, as well as escalating the already high rate of digitisation.

A recent McKinsey survey showed more than 70% of Chinese respondents will continue to spend more time and money adopting healthy, fast, nutritious, and safe food items after the crisis. The Chinese government also has an initiative called Healthy China 2030 to encourage the nation to become healthier.

The Chinese consumer is very demanding and has a very high expectation of customer service. The norm for consumers when shopping online domestically is a free gift, same day delivery, dealing directly with brands or factories, receiving everything they want with top notch customer service, all the way through checkout and delivery.

For an example of how demanding a Chinese consumer is, look at how a customer buys infant milk formula on Alibaba’s B2C Marketplace, Tmall (see below for more information on Tmall):



Months before purchasing, the expectant mother will go through in-depth research, comparisons, asking friends and family, spending up to 12 months before they finally decide which infant formula brand to buy. An infant formula vendor would have optimised for multiple platforms before the consumer makes the purchase on Tmall.

Even with Tmall, the potential infant milk formula purchaser can use and experience the combined functionality of 10+ applications on their phone in every purchase. Each Tmall store has functionality similar to a combination of Amazon, eBay, YouTube, Pinterest, Facebook Twitter, Instagram, TikTok, Groupon, WhatsApp, Apple Pay as well as the QVC / Home Shopping Channel.

Brand assets must include lots of photos and extensive product descriptions. Brand owners have to manage their online store like a real high street store, including having real human beings ready to interact live with customers within 1-3 seconds 24/7.

Sample Tmall Global Store: New Zealand⁹



A dedicated New Zealand flagship store on Tmall made up of the country’s most reputable and food and beverage brands.

⁹ <https://www.alizila.com/new-zealand-food-consortium-opens-flagship-store-on-tmall/>

The potential consumer can talk to other consumers who have also bought this product via an embedded button called “Ask Everyone” which is a place where consumers who bought from the merchant leave their feedback. They may also engage with ‘livestreaming’ videos.

On top of that, brands must prove that their product is authentic due to forgeries and food quality issues in China. As a result, brand owners must show videos of their incorporation and other paperwork as well as videos of the factory, the staff and the product being made.

As noted, the customer shopping experience is driven by a ‘store’ on an eCommerce Marketplace, not direct brand websites. As a result, if a brand does not commit to making its store on the Marketplace work, the consumer is “a very simple swipe away from another choice”.

What makes the experience different to the West, is the level of competition: the minute a brand is worth having, is when another store will target your traffic using digital marketing to capture traffic for similar or lookalike brands.

Understanding Alibaba

Alibaba is the world's largest retailer and eCommerce company. The company has the largest B2B Marketplace (Alibaba.com), Consumer-to-Consumer Marketplace (Taobao), and Business to Consumer Marketplace (Tmall), in the world, as well as Alipay (digital payments and banking), a media business and cloud computing business as shown below:



Alibaba also hosts 11:11, called Singles' Day, the world's biggest shopping day with billions in revenues in just one day. Cainiao is the logistics arm of Alibaba Group and operates in tandem with other arms.



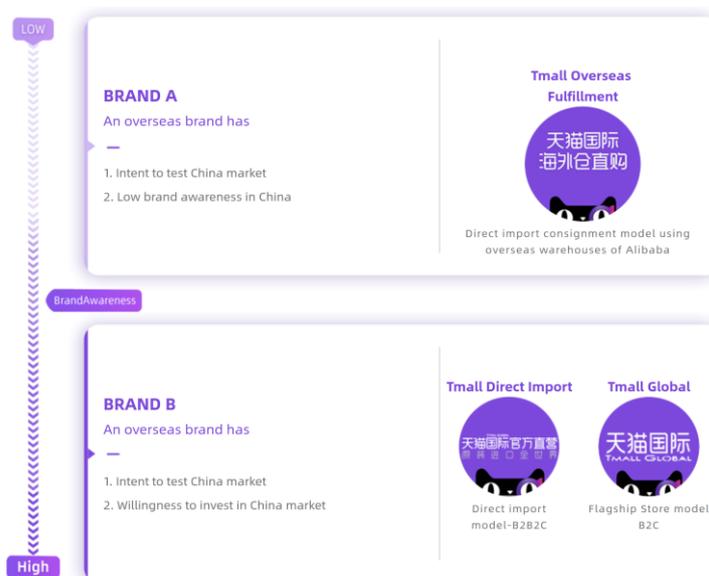
This is the full range of eCommerce Marketplaces that Alibaba offer. Lazada is the largest eCommerce operator in Southeast Asia based on average monthly web visits – the rest are purely in China. Alibaba Group has deliberately created a one-stop solution that no other internet company, not Google, not Facebook, nor Amazon, currently offer to brands.

Tmall Global

Tmall Global is China's largest cross-border B2C online Marketplace and allows brands without operations in China, to build virtual storefronts and ship products into China from their home countries. As noted, Tmall is not the only option - JD.com and Pinduoduo are also options for B2C Marketplaces in China. All goods sold on Tmall Global are originally produced and sold overseas, then imported legally into China. To understand Tmall, think of it as platform or online mall, with the following unique attributes:

- Tmall.com is for domestic brands and Tmall Global for international brands.
- Launched in 2014, Tmall Global (www.Tmall.hk) is Alibaba's dedicated channel to Chinese consumers that are in search of international branded products.
- Tmall Global is the sub-platform of Tmall as a whole
- Brands build and operate their own store within the online mall.
- Customers find products through a mix of paid marketing, site search and recommendations (not dissimilar to what we are used to with western platforms such as Amazon).
- Customers purchase products which are then sent directly to their home or office.
- Over 90% of Tmall sales are via mobile
- There are more than 26,000 brands from 84 countries and regions across 5300 categories on Tmall Global. Big food brands and SMEs alike compete through Tmall Global and sell directly in China. Local Chinese consumers will access Tmall Global through the Tmall and Taobao mobile apps.
- Tmall Global operates cross-border-eCommerce, and Tmall stores cannot sell fresh products (e.g., meat and seafood).
- Tmall have different options for what they call 'merchants' (what Amazon call 'sellers') as follows:

Options for International Merchants



In 2019, Tmall Global announced it would be importing \$200 billion worth of international goods into China over the next five years and help businesses of all sizes enter the China market. Tmall have launched a Tmall English language website to explain the different models that can be used to enter China before even speaking to Tmall Global. You can complete a questionnaire which describes your products and offerings and then within 72 hours, successful candidates are then contacted by Tmall Global to discuss onboarding.

Companies with existing Chinese in-country business operations should work directly with Tmall.com. Companies who do not have operations in China are eligible for Tmall Global.

Tmall offers three propositions to brands who wish to enter the Chinese market:

1. **Tmall Global (also called B2C cross-border):** Tmall Global Flagship Store (TMG) – the most popular method for entering China. The brand manages their own flagship store on Tmall Global through hiring a Tmall Partner (TP) to operate and market the store.
2. **Tmall Overseas Fulfilment (TOF):** a retail model for brands who wish to test the China market. TOF uses overseas warehouses for direct fulfilment to consumers ensuring low stock, logistics and storage costs for suppliers.
3. **Tmall Direct Import (TDI):** Similar to Amazon 1-P, and most brand-retail relationships. A Tmall Team purchases directly from the brands or supplier. The products are sold on the direct import store on Tmall Global – this is typically for well-known international brands and is not for brands who are just testing the waters in the Chinese market. Tmall invite the brands to be part of TDI.

Tmall Global and Tmall Overseas Fulfilment enables an international brand to sell as they do in their home country. They use their own legal entity, bank account, trademarks, packaging, and labelling.

	Tmall Direct Import (TDI)	Tmall Global (TMG)	Tmall Overseas Fulfilment (TOF)
Business Model	‘B2B2C’ TDI Team purchasers from brands/suppliers. The products are sold on the direct import store on Tmall Global	‘B2C cross-border’ The brand manages their own flagship store on the Tmall Global through the help of a Tmall Partner.	B2C Brands that are willing to test the China market can use Alibaba’s overseas warehouses to sell through the TOF store on Tmall
Payment	In local currency of merchant entity	In local currency of merchant entity	In local currency of merchant entity
Sales & Marketing Management	TDI category team	Brand / Tmall Partner (3 rd party selling partner)	TOF operations team
Customer Data Ownership	With TDI	With brand	With brand and TMG

Chinese consumers buying on Tmall Global can use Alipay, or other methods used on the domestic consumer platform, Taobao, to buy goods on Tmall Global. Meanwhile, brands or merchants receive payment in their local currency directly in their home country bank accounts.

Tmall Global Store

Operating a Tmall.com storefront is much like operating your own B2C website, offering autonomy and choice from design to operations to fulfilment and logistics. With Tmall Global, brands can:

- Carry out Tmall and external marketing in China using a Marketplace with high customer trust.
- Build, maintain, and engage with a Chinese customer base through a dedicated Tmall CRM system.
- Use a consignment model where the brand will get paid when the products are sold.

What Does a Tmall Store Look Like on the Tmall App?



Typical Tmall Categories: Each Category has a Category Manager

Skincare	Cosmetics	Beauty Tools	Baby care	Clothes
Supplements	Beverages	Baby Food	Baby Clothes	Toys
Watches	Jewellery	Appliances	Kitchen Gear	Food

Type of Stores on Tmall Global

- **Flagship Store:** only brands with a trademark can open flagship stores. This is the most common model, and it is very well established. The owner of the store must be the formal representative of the brand, or hold exclusive authorisation documents for setting up a Tmall flagship store.
- **Speciality Store:** merchants with brand authorisation documents giving them distribution rights to sell products in the Greater China region, are eligible to open this store format.

Logistics for Tmall Global are handled by Tmall cross-border shipping specialists (see below) from Hong Kong and processed via a bonded warehouse within China (such as Shanghai) from a free-trade zone. These allow delivery to Chinese consumers within 5-8 working days.

Setting up a Store: Research and Commitment

The process of setting up a Tmall store can take 4-8 weeks, but there are many steps before that. The starting points are to research the opportunity and decide on whether to commit to China:

- Research the market for your product category in China through Bord Bia and through Chinese partners (see below about Trade Partners).
- If there is an opportunity for your products, understand that you will need to commit to a China strategy. Ensure your organisation buys into doing business in China and commits the necessary resources to succeed in the market. China requires significant resources internally, whether to supply forecasts, work out product localisation, make marketing investments or senior level engagement with the market.
- For an Irish brand to succeed in China, it will have to adapt in terms of speed. Speed means being reactive to local market demands as opportunities arise quickly and decisions need to be made quickly, sticking with timelines.
- At the outset, a strong relationship with the Tmall Category Managers, who will be assigned to your brand by Tmall, must be built to get advice and support. This will be essential in terms of new product launches, marketing, live stream opportunities, understanding data and tapping into events and educational resources that Alibaba provide as well.

Tmall Global: Partnerships and Distributors

Before attempting to do anything in China, all foreign brands have to work out who their local partners will be to work with them on Tmall. The best way to do this is to use an authorised third-party Trade Partner, so called 'TPs'. A local, Chinese TP acts as the eCommerce team for the brand in China. The brand is responsible for the products, branding and marketing strategy, whilst it outsources daily operations of the storefront to the TP. Trade Partners operate with a fixed fee and commission. Amounts will vary.

Another option is for an Irish brand to find and sell via a reliable distributor in China. This works on a normal distributor style relationship, with the distributor buying the product from the brand and selling end to end to the consumer on Tmall operations. As it is PO and invoice based, usually focusing on 20-30 SKUs – the payment would be different from working with a TP. Using a TP, the brand would get paid from the consumer rather than from the distributor.

In both cases, the partner will provide:

- Order fulfilment and execution & Chinese customer service: TPs will have order and logistics systems that are integrated into Chinese eCommerce platforms and customer service representatives to responding to customers.
- Translations and localisation of brand content and product listings.
- Shipping & customs clearance, warehousing, and logistics management.
- Forecasting, introduction and testing new items.
- Digital Marketing Campaigns including campaign planning, media buying, promotions,
- Tmall Store Design and day-to-day operations.

Tmall Partners will also help register your trademarks in China. This means:

- Conducting “trademark search” on the China Trademark Office database.
- Checking if there are any prior trademark applications/ registrations identical or similar to your brand name. Agents can help you address issues around conflict of trademarks or trademark squatting.
- Selecting pertinent classes of goods to pre-emptively avoid trademark squatting by other parties so that you can maintain and monitor your IP rights e.g. trademark renewal reminders & invalidations against the trademark.

How to Choose a Trade Partner for Tmall

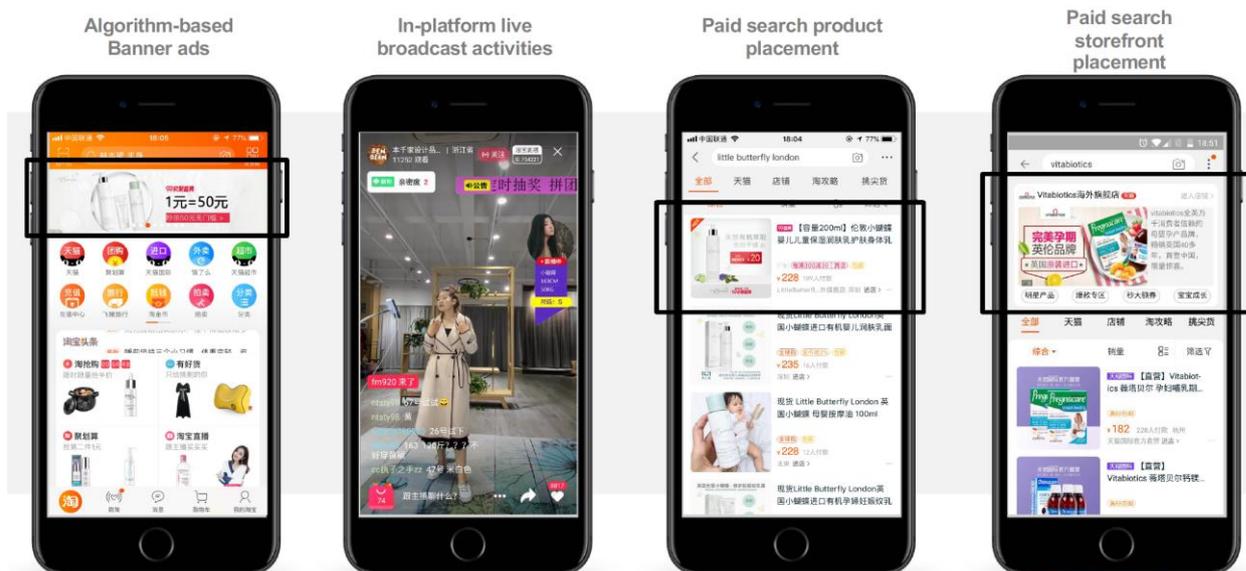
There are numerous Trade Partners operating out of Hong Kong, Shanghai and Shenzhen. You can find a TP through the TP trade bodies, for instance, the Asian General Chamber of New Retail in Hong Kong.

The chart below shows the key steps in the process to partner with a TP:



- Selection: deciding which Trade Partner (TP) to use based on industry experience, region and services provided.
- Operational Model: contact TP, discuss and decide on the co-operation model, discuss fees.
- Work to contract; assess key points of contract, start collating all documents required for trade in China. If the TP will work with the brand on registration and setting up the Alipay account, these steps are done at this stage as well as payment to Tmall Global of the \$25,000 security deposit.
- TP execution: the TP should start preparing the operation plan, deciding on marketing, store design, promotion campaign operations: product management, campaign execution, logistics and warehouse storage.
- TP Ongoing Operations: brand/merchant quality based on customer reviews and overall feedback from customers.

Sample Marketing on Tmall Global



Costing Details for Tmall¹⁰

- **Upfront Deposit:** before you can open a Tmall store, you need to pay a US\$25,000 security deposit. The money will be refunded if you decide to close the store. Tmall may also deduct from the security deposit, to compensate customers.
- **Annual Fee:** Tmall charges a fixed yearly fee, based on the product category. Most categories cost \$5,000 to \$10,000 per year. If you want to sell in multiple categories, you pay for the category with the highest fee.
- **Tmall commission:** In addition to the yearly fee, Tmall also charges a commission based on the order value which normally varies between 3 to 6%.
- **Alipay service fee:** Alipay is the payment processor for Tmall and charge a 1% service fee.

Note, Irish Food and Drink brands starting out on Tmall global would be classified as 'cross-border eCommerce' as opposed to domestic eCommerce.

A tax rate of 9.1% would also be applied as part of the retail price, whereas products sold on Tmall in China would have local taxes already applied at importation.

Product Labelling and Returns

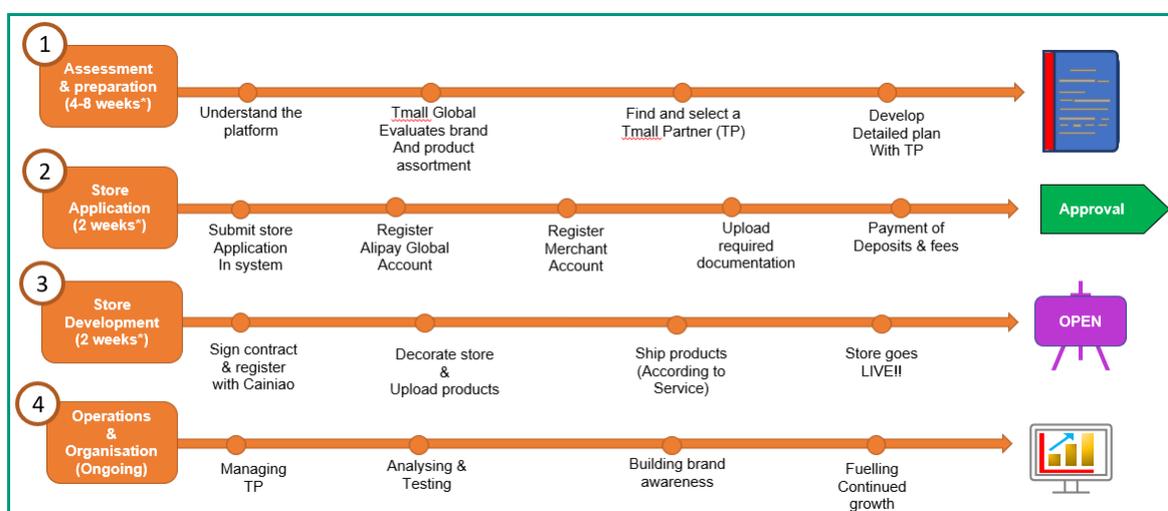
All products must carry a certificate of origin and pass Chinese custom clearance. Products must carry a label with product information in Chinese, such as product description, international metric measurements and Ali Wang Wang customer service messaging information. Delivery to the consumer should be completed within 72 hours (see below for Logistics in China). A tracking delivery system is also required.

¹⁰ For full details of fees, please consult https://rule.Tmall.hk/rule/rule_detail.htm?spm=0.0.0.0.48zsWn&id=8942&tag=sel
10 Chinese RMB or Yuan is about €1.25; 30,000 RMB or Yuan is about €3800

List of Documentation Required for a Tmall Global Account

- A ‘merchant’ basic information form giving the details of the company.
- A Brand & Product category form giving the details of the company.
- A valid business licence – copies required. Copy of your government-issued identification document from Ireland.
- A verified Alipay cross-border escrow settlement account.
- Copy of bank statement, to confirm merchant bank account is the same as that linked to the associated Alipay account. Company name and account number listed on bank statement should match the account number linked to the Alipay account.
- Copy of the designated contact person’s government-issued identification document from Ireland.
- Proof of trademark / service mark registration in the country of business incorporation. The merchant’s Tmall Global overseas flagship store name will correspond to this registered trademark / service mark.
- If the merchant has obtained exclusive authorisation from a brand owner to use their brand to set up a flagship store on Tmall Global, the merchant must show the licensing agreement.
- Completed and signed Tmall Global service agreement.

Summary Steps to Get on Tmall



Tmall Overseas Fulfilment (TOF)

Tmall Overseas Fulfilment (TOF) is a new initiative launched in 2019 to provide international brands and sellers another way to take a first step toward selling to China before making a more full-fledged market entry using Trade Partners. Tmall sees TOF as the low-cost, low-risk way for brands to enter China. They provide a portal with tools that streamline the process to join Tmall Global.¹¹

The TOF model is the newest model for Tmall. Instead of having to work with a Trade Partner (TP) or organise getting product to the bonded warehouse, Tmall handles shipment to China and delivery to end-consumers. Tmall will also offer assistance during the onboarding process and advise how to optimise their operations after they establish a presence on the platform.

TOF offers guaranteed access to Chinese consumers using a consignment solution. It uses the Alibaba logistics network infrastructure called Cainiao. With the geographical and language challenges of delivering goods in China, using TOF is a realistic choice for Irish Food and Drink brands, as Cainiao deliver tens of millions of packages every day across China.

Cainiao have built logistics hubs in Frankfurt, Paris, Amsterdam, and London that you deliver to and Cainiao get your goods from Europe to China and deliver to the end customer. TOF also has locations in Hong Kong, US, South Korea, and Japan offering similar propositions to local brands in those markets.

TOF enables brands to drop ship orders to UK/ EU warehouses, try a small number of products to try out and fine tune their products and propositions. Note, the products in the warehouse are bonded – so the product is still owned by the Irish company.

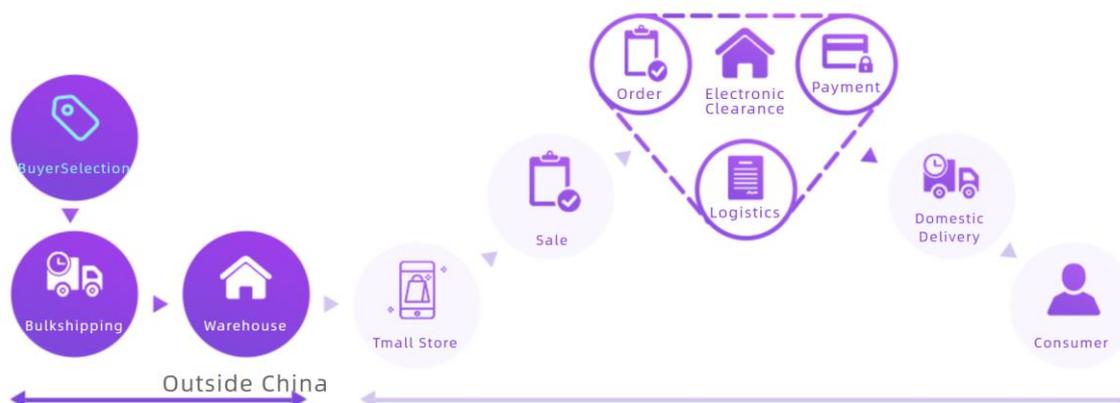
You can optimise the product assortment once up and running and also facilitate easy return/exchange of inventory from London or whatever Cainiao logistics hub you work with. You can get paid on a monthly or weekly basis, depending on the number of orders processed in Euros.

Tmall Overseas Fulfilment (TOF) Logistics Network



¹¹ <https://merchant.tmall.hk/tof?spm=a2231.12934562.4945559371.3>

Here is the 'flow' mapped out for Tmall Overseas Fulfilment (TOF) - the 'seller' in this case means the Irish Food and Drink brand.



There are a couple of real benefits for Irish Food and Drink brands with TOF:

1. The buyer team at Tmall Global assist you to select the best-selling items.
2. Tmall Global is responsible for branding and marketing on and off the platform.
3. Tmall Global will sell the products on its online store and handle deliveries to end consumers.
4. Tmall TOF enables you to test and learn without having to set up a company in China or have local bank accounts.
5. The bonded warehouse means duty is not paid until product is sold, and the brand is exempt from paying duty – the customer pays this.
6. TOF enables API Integration for product catalogues into many order management systems.

Note that planning to suit shipping and lead time is incredibly important. Given the potential length of time to get products to a warehouse and ultimately delivered to a customer – at the same time as operating in a very fast-moving and changing consumer environment, means planning is everything.

Making a Commitment to China is Important

- A commitment must be made to the long term. Success in China requires investment and patience, as it will take time to grow and find which SKUs work. Starting out, brands will have to build a 'hero product' first, to ensure that consumers understand the product and build credibility. It will not be possible to launch 100 SKUs all at once and expect them all to be a success.
- A second reason to commit to China is that if you move from TOF to Tmall Global and then onto Tmall itself to really tap into the opportunity by investing locally on the ground in China there are long term benefits.
- The process of getting your feet on the ground in China takes a long time – at least three years. You would be choosing to go to 'domestic eCommerce' with Tmall, as opposed to 'cross-border eCommerce with Tmall. Ultimately, having a Chinese entity and operating locally means that distribution costs will be lower, and you will have the opportunity to get into offline retail.

- Part of the reason to commit long-term to China is realising that the way of marketing products in China is somewhat different to the rest of the world. Knowledge of WeChat, Tmall and Baidu is required, and an understanding of Chinese mobile user experience. Google, Facebook, and Twitter do not exist in China, and email is not a useful channel for sales.
- The fusion of eCommerce and livestreaming - known as 'live commerce' - is the biggest driver of results online. Influencers, known in China as key opinion leaders (KOLs) are the centrepiece of eCommerce selling in China. Brands will need to build relationships with KOLs and get used to the fact that broadcasting live to mobile viewers and showcasing products is an integral part of doing business in China.
- The objective for Year 1 will be to develop the brand, get engagement with end consumer, work out what works in terms of marketing, SKUs and pricing and develop relationships. In other words, not to make money. In Year 2, bargaining power will have increased as you will have a track record. You will understand the importance of speed and how to deal with major events like 11:11, livestreaming and 'influencers' (called KOLs in China – key opinion leaders).

7. Driving Awareness, Search, Discoverability on the Digital Shelf

This section covers the 'digital shelf' on Marketplaces - the detail of how the consumer can find the individual Irish Food and Drink brand on each Marketplace. The notion of 'digital shelf' has resulted in a new set of practices for product choice, ranges, product data and how they are displayed on Marketplaces.

The job of the product page on a Marketplace is to convey as much information as possible, as the customer's buying decision is made on this page. The product page layout, product page design, and features, are the centrepiece of the Marketplace experience for a consumer. It is where potential consumers make up their mind on whether they want to purchase the featured product.

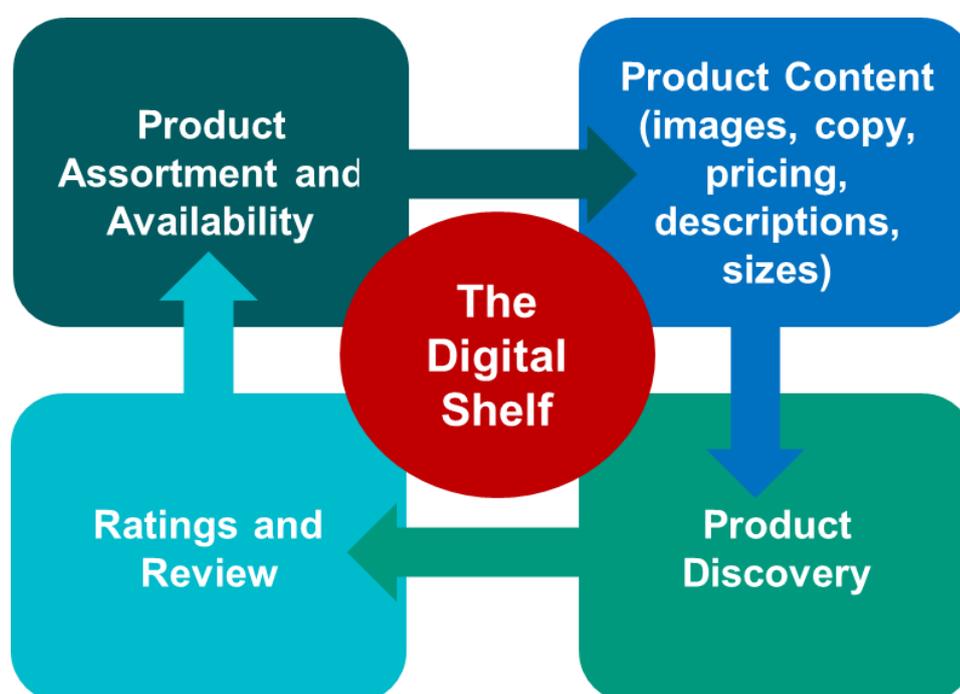
All brands have creative control for their Marketplace content pages and can present deep product information, seasonally relevant content, or go deeper on with video and/or a description. Almost all of the concepts are applicable to other Marketplaces – even if they are written in Chinese for Tmall Global.

The 'Digital Shelf'

There are two 'shelves' in retail. The first can be found in the retail store and is where the product is most often evaluated and ultimately purchased. The second shelf is the 'digital shelf' - the precise place, moment or opportunity, where the consumer can consider, interact with and buy your products online.

Just as shelf management in retail stores has its own set of best practices, so has the *digital shelf*. The digital shelf for Marketplaces requires an understanding of the role of product discovery, visibility, merchandising and assortment as well as customer reviews and ratings.

The Digital Shelf 'Map'



As a user is browsing through a website, they are discovering products, engaging with product content and product assortment, and checking ratings and reviews. This is all being done digitally, whereas these actions used to be done in person in front of a real shelf in a real store.

The problem of too much choice on a page leads to consumer confusion – and, in many cases, no choices made at all. This is why driving awareness, search and discoverability on Marketplaces is so important. The challenge for brands on Marketplaces is learning the rules of the digital shelf and applying them.

This notion of the digital shelf provides a framework for best practices around product choice, search and merchandising for Marketplaces.

Platform Category

Categorisation is important because Marketplace customers expect to find your products listed with similar products of the same type. Incorrect categorisation can lead to confusion, one of the key situations that Amazon wants to avoid. Your brand's products need to be grouped as a customer would expect. This means understanding each Marketplace category structure in advance and making sure this is correct.

Product Title

Product title should contain enough information so that the site user can identify the product and confirm if it is the correct product to view. Since products are primarily viewed after a search, the title needs to differentiate the product from its closest competitors and highlight features that relate to likely customer searches.

This of course is category-specific, as customers searching for food products have different concerns than those searching for white goods. A product title often includes other markers such as multipack volumes and sizes e.g., 12cm or 64g. Variation identifiers such as flavour are common, even if the listing allows selection of multiple flavour combinations. The most common flavour should be part of the product listing, to satisfy the most customer searches.

Marketplaces have terms and conditions associated with product titles; for instance, it is prohibited to include the word “best” or “quality” in product titles, as the Marketplace uses its own features to indicate quality such as top seller or best seller.

The process of creating your listing so that it appeals to your ideal customer and helps the Marketplace understand exactly what your product is called keyword research. Keyword research allows brands to understand what searches customers use when searching for products.

A product or brand may have many potential features that it wants to emphasize, and keyword research can be used to rank these features based on how many Marketplace customers are searching for them

This research should be completed before finalising product titles. A simple process for keyword research is as follows:

- Look for products that complement or are in a similar category your product
- Type into the Amazon search bar and look at the keyword suggestions
- Use a keyword research tool specifically for Amazon, for example, helium10 & jungle scout.
- Use keyword research tool for search engines, for example, Moz, Google Keyword Tool as part of the research process as well.

Product Description

Product descriptions should be clear and straightforward, using natural language with the sentences and paragraphs written so that they are naturally scannable for key phrases, such as the search term a customer is likely to use. The product description should include the product title, and then expanding on a product description is the opportunity to explain a product's value proposition to your customers.

Product descriptions are larger than product titles. A structure is required though, as a forest of text does nothing to aid customer understanding. Product descriptions can be used to answer potential customer questions, and to allow them to choose the correct product from the Marketplace catalogue.

Search Terms

As noted elsewhere in the report, consumers find products using the search capability on the Marketplace. Search terms are how you target your buyers; they are the keywords that shoppers use to find your products.

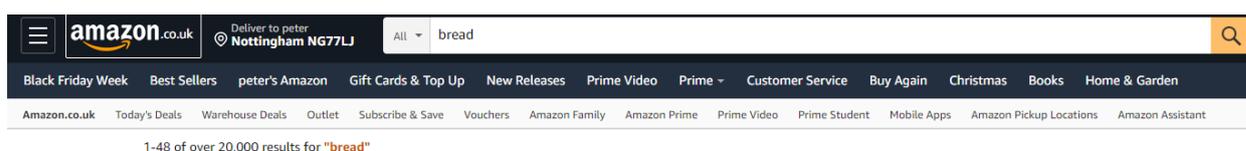
These search terms that you add to the product configuration when setting up the Marketplace listing, help the Marketplace understand what this product is, and which customer it appeals to. The Marketplace use the product title, description, features and "search terms" to match against the customer search.

Keyword Research (using tools mentioned in the last section) should be used to find the search terms that ideal customers use when searching for products. Keywords can be singular, such as "bread" or multi-word phrases such as "gluten free bread". They can contain information to help the Marketplace algorithm narrow the results, such as variations including colour, size, or ingredients included for food products.

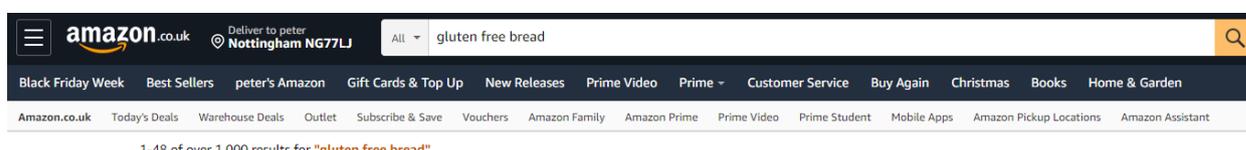
Search Terms have an impact on the number of results presented to the customer. Careful consideration needs to be put into the choice of search terms, as it impacts the number of competing sellers.

In this example using Amazon search box, the term "bread" returns 20,000 plus results, "gluten free bread" returns 1,000 plus results and "gluten free bread sauce mix" returns 94 plus results.

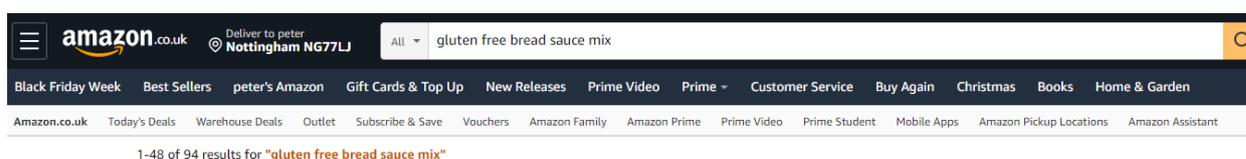
Bread



Gluten Free Bread



Gluten Free Bread Sauce Mix



The phrase 'Gluten Free Bread Mix' offers a much better chance of being found by a consumer than 'bread', and a gluten free bread mix brand should continuously optimise to be found by that search keyword (as opposed to 'gluten free bread' or just 'bread').

Searches such as 'Gluten Free Bread Mix' are called 'longtail search words'. These much more specific keyword phrases are great for brands (compared to 'fat-tail' keywords such as 'bread') as they are more likely to be used when potential customers are closer to making a decision about purchasing.

Given each of the Amazon, Walmart and Alibaba Marketplaces has its own advertising business built in the Marketplace, brands should advertise directly using longtail search words as these are a lot cheaper than the more generic, higher volume search terms such as 'bread' or 'bread mix'.

Product Features

The product page is where the customer makes their decision whether to purchase your product/ brand. Since the potential consumer cannot ask a salesperson, or easily ask the brand owner a question, the product page must explain the product, introduce the brand, educate on how the product can solve the customer's problem, and convince them this is the best possible solution to that problem. This is all quite a tall order!

Marketplace features should be expressed as benefits; with the feature followed by the benefit as listed:

- Reduced Sugar: '...so you can feel good about sweet treats.'
- Plant-based; with 9g of probiotic fibre to improve the health of your gut.
- Perfect for Snacking; one bag one person.

Price

Pricing on Marketplaces is a key element of the listing, as it is part of the calculation used by Marketplaces to rank the sellers making an offer to the customer. The Marketplace algorithm considers price, sometimes with additional factors such as suitability of the listing based on historical data, when deciding in which order to show the ranked products (from any seller). Since we know that many Marketplace customers make their choice from page 1 of the search results, sufficient emphasis needs to be placed on Marketplace pricing.

Marketplaces provide methods to adjust product prices such as discounts, deals (sometimes time-bound), discount bulk buying (subscribe and save).

Price is also important as a customer can filter the results of a search by price, allowing them to only select from products that meet an acceptable price range to the customer.

With any pricing decisions for Marketplaces, you may choose to offer multiple pricing tiers – no different to selling in retail. However, given that Marketplaces enable users to filter by price, if customers are only one price point or one price tier, this limited price point offering will, of course, reduce your chances of getting a sale.

Product Delivery Time

All Marketplace sellers must inform the platform of handling time and delivery time to allow the platform to rank your proposition with other sellers. While delivery times are in the control of the Marketplace if the brand is part of the Marketplace's fulfilment set-up (for instance, FBA with Amazon), if you are managing your own fulfilment and delivery, (labelled, as noted, FBM – fulfilled by merchant - by Amazon), make sure delivery time options and associated costs are clearly shown.

Irish sellers are defaulted to a longer transit time than domestic Marketplace Sellers, for instance in the UK. This is a definite disadvantage, so Marketplaces can allow international sellers to "qualify" to offer faster delivery times to compete with domestic Marketplace sellers. This qualification is based on continuously meeting delivery metrics of a high standard.

Product Images

Product images are probably the most important piece of a Marketplace listing. Product images help the customer identify the most suitable product from a list of options and tell the customer that they are on the right product page once the product is chosen.

Strong product images give customers information about a product faster than any written description – users rely on visual information. Consistent and high-quality imagery that perfectly describes your product or service is one of the best ways to engage your audience with your brand. Product images must make it clear what the product is, how it is used, preferably in the correct context. Good product imagery in context, help the user see themselves using the product.

The product images should be consistent in style. Each additional thumbnail offers a different view of the product being used, helping the buyer imagine what it's like to use it. The product is displayed in use by the target customer persona, so the customer can imagine themselves using the same product.

Product images are required in different dimensions, sizes, and file formats to suit Marketplace specific requirements.

- The image needs to clearly feature the product, up to a maximum percentage of the total picture area – but there should be white space around the image. Main images should have a pure white background to blend in with search and product detail pages.
- Images must be professional photographs of the actual product - graphics, illustrations, mock-ups or placeholders are not allowed.
- The image needs to be detailed enough to be display the visible product features.
- The image should be visible across devices and computer browsers.
- Images must match the product title.
- Images should be 1,600 pixels or larger on the longest side; this minimum size requirement enables the zoom function on the website. Zoom has been proven to enhance conversion.
- Files can be JPEG (.jpg), TIFF (.tif) or GIF (.gif) file formats, but JPEG is preferred.
- There is a recent trend to use product image renders – graphical re-working of real photos to remove light shine and reflections.
- Product image improvement and testing should be a recurring task in your Marketplace account management.

Here are the links to the specific Marketplace guidance on using and optimising imagery:

Alibaba -	https://activity.alibaba.com/ggs/Product_photo.html
Amazon - UK	https://sellercentral.amazon.co.uk/gp/help/external/G1881?language=en
Amazon – US	https://www.amazon.com/gp/help/customer/display.html?nodeId=202073580
Walmart - Canada	https://sellerhelp.walmart.com/s/guide?article=000007438&geo=Canada
Walmart - US	https://sellerhelp.walmart.com/s/guide?article=000009378&geo=US

Amazon’s Product Image Recommendations

Acceptable	Unacceptable
	
	

Mobile-Ready Hero Images



Product sales on the mobile version of a Marketplace (as opposed to a browser) continue to grow, but conventional photographs of products often fail to provide key information to consumers. A concept, known as ‘mobile ready hero images’, have been designed to make shopping for grocery products faster, by making it easier to quickly spot key information about a product, such as size, type or flavour.

For example, searching for ‘butter’ on Amazon or other Marketplaces will bring up hundreds of images, and most customers will scroll quickly through the list on their phone in order to find the particular item they want. However, based on product images alone, it can be difficult to quickly spot the differences between items, or whether an item contains one, three or ten packs or even their size.

Traditional pack photographs are not effective on mobile. ‘Mobile ready hero images’ are different from a standard pack shot photography, but still maintain the majority of the physical pack’s key elements of design, shape and colour and are therefore recognisable on a Digital Shelf. Specifically using mobile ready hero images has been shown to increase sales in excess of 20%. There are freely available templates to help brands create improved product images on the University of Cambridge website here: <http://eCommerce.inclusivedesigntoolkit.com/>

Marketplace Customer Reviews

Customer reviews and ratings are key elements of Marketplace success. In an online world where people are becoming sceptical about the truth of what they are reading, consumers see authentic feedback from real people as a mark of trust. Even though they are (in theory) not part of the listing on Marketplaces, understanding how to deserve, obtain and cultivate reviews is a key part of Marketplace selling.

Ratings and reviews are now a core part of a strategy for Marketplaces for these reasons:

- Consumers check out online ratings and reviews before making a purchase.
- Ratings and reviews are the most important sources of information in the consumer buying decision-making process – just like in the ‘real’ world, people trust personal recommendations.
- Customer reviews are known to be considered by Marketplace algorithms to decide how to rank a product in the search engine page results. Marketplaces place high value on shopper reviews.
- Ratings and reviews are displayed on Marketplace search engine results pages to help shoppers choose what product to view. Ratings and review filters (e.g., 4 stars and up, 3 stars and up) can be used for shoppers to narrow their search results.
- Ratings and reviews are created by customers on the platform and are scored using a range e.g. from 1-5. They are marked with “Verified Purchase” if the Marketplace knows that the customer leaving the review purchased the product. Unverified reviews can be added to products but are limited by the platform.
- Marketplaces use reviews to rank products, both the number of reviews, and their review scores.
- Ratings and reviews lead to increased conversions and increased basket size because they reduce any doubts customers might have about a product, and also help product selection.
- Examining reviews can lead to product development and improvement opportunities. The (virtual) anonymity of Amazon reviewers mean they tell the truth, from their perspective at least.
- Reviews can be a source of feedback for brand owners, allowing them to understand where customers are not satisfied and take steps to improve the product, or product listing.

Amazon and Customer

Customer reviews

Customer product reviews are an integral part of the shopping experience on Amazon, and they benefit both customers and sellers. Make sure you’re familiar with the right way and wrong way to get more product reviews and avoid policy violations.



How to Obtain Marketplace Product Reviews

The best place to start to get reviews is to put an email feedback sequence that communicates with customers who have your product through the buyer-seller messaging service function that is available on most Marketplaces:

- Marketplaces provide tools to send review request messages to customers.
- Marketplaces provide programmes for brands launching, so that they can generate a small starting set of reviews in exchange for free product.
- Marketplaces have strict terms and conditions about legitimate ways to generate reviews, and will heavily penalise sellers employing, or deemed to have employed illegal tactics to generate reviews.

Marketplace reviews have received some bad press as their origin and independence has been called into question. Rumours of competitors loading illegal reviews onto product listings to get the brand suspended abound. However, the platforms have the tools to catch with illegal activity.

Answered Questions

Marketplaces offer the opportunity for customers to ask questions that the listing does not satisfy. Customers can ask a question which is attached to the listing, brand owners or resellers can answer the questions. All questions should trigger a review of the listing. The brand can review whether they have explained the subject of the question completely.

Stock Available

Recording accurate stock is a pre-requisite for selling on Marketplaces. Out of stock situations result in lost sales, lost Buy Boxes (with lots of time to regain that position), and reduced placement in product search ranking.

Marketplace platforms record exact numeric stock of a brand's products to provide a better service to customers, and they show no mercy if a brand cannot fulfil promised orders. Apart from losing the sale, the Marketplace will penalise your ranking points and can suspend your brand's account.

If you are using platform fulfilment services, be aware of the transit time to the fulfilment centre, and delays in the fulfilment centre recording the stock and making it "live". Seasonal periods are known to add long delays to platform fulfilment service lead times.

Marketplace Brand Ownership and Registration

Brand Registration is strongly recommended for brand owners on Marketplaces, as it unlocks the use of a set of platform features that can be used to promote the brand, build brand awareness, and protect a brand. Registering your brand with the Marketplace is recommended because:

- Marketplace customers search for products, and not for brands; ownership introduces your brand to a new audience.
- Expansion to new Marketplaces can use the brand ownership features to explain your brand's background, create brand-owner specific content to tell the brand story that provides credibility
- Brand Ownership features such as brand assets and storefronts, can be used to differentiate your brand from the competition, and from resellers, who are not entitled to use them. Marketplace platforms provide brand-specific advertising opportunities and reporting.

Marketplace platforms provide brand protection and brand violations support. Brand Ownership is required by the Marketplace and this tends to be an active trademark registered with the local or regional bodies such as the Intellectual Property office of each market country or the EU Intellectual Property office (EUIPO).

Brand-Owned Product Content

This product content allows brands who are registered trademark owners to display additional content. In this example the brand allows the customer to engage with the Marketplace audience with the brand using brand assets that meet two objectives; remind existing customers of brand characteristics and introduce new customers to the brand.

Sample - Kinetica Brand Owned Content



Why choose Kinetica?

At Kinetica, we believe that every athlete has a 'why'. That driving force that lights the fire in your belly. The reason you push so hard. The reason you care so much. The reason you get back up.

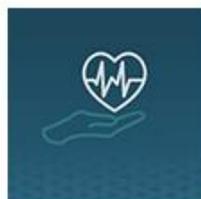
Every. Single. Time.

We're here to nourish your why with the nutrition it deserves. To match the honesty of your effort with the purity of our products. Think of us as the how to your why.

Why Kinetica Whey?

Don't just add protein, add the protein that's trusted by elite athletes the world over. With a delicious, smooth taste and unrivalled safety standards, Kinetica Whey protein is at the top of its game. Why not use it to get to the top of yours? Whether you're a weekend warrior or an Olympian, there are huge benefits to nourishing yourself like an elite.

#TeamKinetica Top Tip: Taking after training is key, but try it out at other times too for extra benefit. We love it added to milk for a tasty shake or as an ingredient in our pancakes or breakfast bars!



MULTIPLE HEALTH BENEFITS

Kinetica Whey protein is high in protein and suitable for every type of consumer, male or female, weekend warrior or Olympian, you name it. It contributes to the maintenance and growth of lean muscle mass, reduces muscle damage after intense training and can even reduce muscle wastage as you get older.



UNRIVALLED TASTE & TEXTURE

Kinetica Whey protein has smooth texture, mouth-watering aroma and consumer-preferred measurability for those that love to add protein to a shake or smoothie. It's also the perfect ingredient for batch-cook baking and comes in 5 delicious Flavours; Strawberry, Chocolate, Vanilla, Banana and Mint Chocolate.



SAFE TO CONSUME

Every batch of Kinetica Whey protein complies to the WADA exacting standards under the Informed Sport regime.



TOP QUALITY

Kinetica Whey protein delivers 22g-25g of grass-fed whey protein per 30g serving and is loaded with essential amino acids including Leucine, Isoleucine and Valine to help you get to the top of your game or hit the peak of your health.

Product Attributes

Adding product attributes, allows the customer to easily compare your products, to help them choose the product that best suits their current need. The example below demonstrates this in action:



	Kinetica Whey	Kinetica Oatgain	Kinetica Recovery	Kinetica 100% Creatine
Goal	Contributes to maintenance and growth of lean muscle mass	Repairs muscles and replenishes energy store	Repairs muscles, replenishes glycogen stores, added Vit C&E	Builds strength and helps to regenerate energy fast
When to use	Any time of day; essential for post-exercise recovery	Pre and Post high octane exercise	Post exercise	30 minutes pre-exercise or post-exercise for recovery
Nutritional Info	22g-23g of grass-fed whey protein per 30g serving	80g Carb: 48g Protein per 160g serving	41g Carb: 22g Protein Isolate per 75g serving	3.4g of creatine per scoop

Marketplace Brand Storefronts

Marketplaces such as Amazon are now offering branded online stores similar to .COM but within the Marketplace called 'storefronts'. They are a proposition from Amazon to allow brands to create a website within the Marketplace to tell the brand story, show the product in use, and display all the brand's Marketplace product catalogue in one place. Amazon recently started to provide additional data and features in Stores to improve functionality and customisation. Amazon also created Stores Insights which shows brands the exact amount of traffic and sales that their Amazon store is receiving.

According to Amazon, “stores allow you to showcase your brand and products in a multi-page, immersive shopping experience on Amazon”. Setting up an Amazon Store is straightforward, completely self-service, and free for any Amazon seller or vendor who is a brand owner. You must be able to prove you are the brand owner or trademark owner to Amazon which means you must be have registered with the Amazon brand registry.¹²

Marketplace storefronts are equivalent or an alternative to a brand-owned eCommerce website, and can be used to drive traffic to listings, increase your conversions, and build brand awareness. Stores are also useful to help brands:

- upsell and cross-sell related SKUs.
- with placement and grouping of complementary items together.
- increase the total shopping basket size.

Amazon makes it relatively easy to open an Amazon storefront because it uses pre-created designs and templates using dragging and dropping design elements to customise the store.

¹² See <https://advertising.amazon.com/en-gb/solutions/products/stores/> For full details on the process

One point to note about branded storefronts is that while the brand ‘owns’ the store on the platform, Amazon will propose additional products that are not necessarily sold by the same brand. In fact, they can be listed by any platform seller. Since the Amazon algorithm has chosen that these products are often purchased together, a brand should consider offering its own version of the proposed additions, and avoid the sale going to a different brand.

Storefront Example – PowerBar

The PowerBar Storefront allows the customer to select the correct products based on a real-life scenario - a 3-hour cycle race. Customers can understand how, and when, to use the brand’s products to support the customer’s needs.

Underneath the store below, the specific products from the graphic are displayed, and the customer can add them to the basket without leaving this page. In this example the brand has helped the customer understand their products better, and implied that this set of products can meet a popular customer need.

The Sport drop-down allows a different set of potential customers (running or gym trainers), to learn about how this brand’s products can support their activities, a half-marathon and a training session.

Finally, the other Taste menu options allow the customer to view products in various categories that will reflect other customer search terms, so customers can view, and shop, the entire product range.

The screenshot displays the PowerBar storefront for cycling. At the top, a banner shows two cyclists with the word 'CYCLING' in large yellow letters. Below this is a navigation bar with 'HOME', 'YOUR SPORT', 'NEW', 'ACTIVE & NATURAL', 'MUSCLE & SHAPE', and 'PERFORMANCE & ENDURANCE'. The main content area features a 'SPORTS NUTRITION STRATEGY FOR A 3-HOUR RACE (ex.)' timeline. The timeline is divided into 'START' (Within 1 hour before), 'RACE' (45 min, 1h 45 min, 2h 30 min), and 'FINISH' (Immediately afterwards). Red arrows point to specific product recommendations: '1 ENERGIZE bar + approx. 150-300ml fluid' at the start, '1/2 ENERGIZE bar' at 45 min, '4-6 POWERGEL SHOTS' at 1h 45 min, '1 POWERGEL ORIGINAL' at 2h 30 min, and '1-2 portions RECOVERY MAX' at the finish. A 'ISOACTIVE DRINK approx. 150ml every 15 min' is also recommended during the race. A product card for 'PowerBar Recovery Max Chocolate 1144g' is shown on the right, with a price of £25.46 and 86 reviews. At the bottom, another product card for 'PowerBar Energize Original Chocolate 25x55g' is visible.

8. Alignment for Marketplace Success: Leadership and People

Irish Food and Drink brands cannot manage a Marketplace channel in the same way as wholesale, retail or even a direct-to-consumer eCommerce channel.

Participating in a Marketplace means creating a Marketplace-specific strategy. Distributing on Marketplaces, like any distribution channel, means that brands must make cost-benefit trade-offs in terms of the costs of set-up, resources required, and the commitment needed to make Marketplace distribution work.

Building Marketplace capabilities around processes and tools all require a different type of skill base to that existing in most Irish Food and Drink businesses.

The choices and commitments before committing to taking part in a Marketplace include:

- Shifting company culture: Marketplaces, and in particular Chinese ones require a significant resource commitment of up to three years. Regardless of the country, all Marketplaces focus on speed – a pace that many Irish Food and Drink brands may not be familiar with.
- Senior level prioritisation of Marketplaces as an important distribution channel: Without an understanding of what Marketplaces are and their growing importance, nothing will happen.
- Margin and cost impact: listing on a Marketplace will create a different cost structure to current distribution channels due to different product packaging, fulfilment, warehousing, packing and delivery
- A mechanism to cope with constant changes: Marketplaces are very dynamic in terms of technology and propositions. New capabilities are being added to Marketplaces all the time. The Walmart Marketplace is seeing regular weekly and sometimes daily changes.
- Marketplace restrictions and delivery KPIs are onerous. Violations and suspensions for minor infractions happen all the time. Brands focused on selling through Marketplaces realise that there are barriers to success that are very strict, completely unlike any other channel.

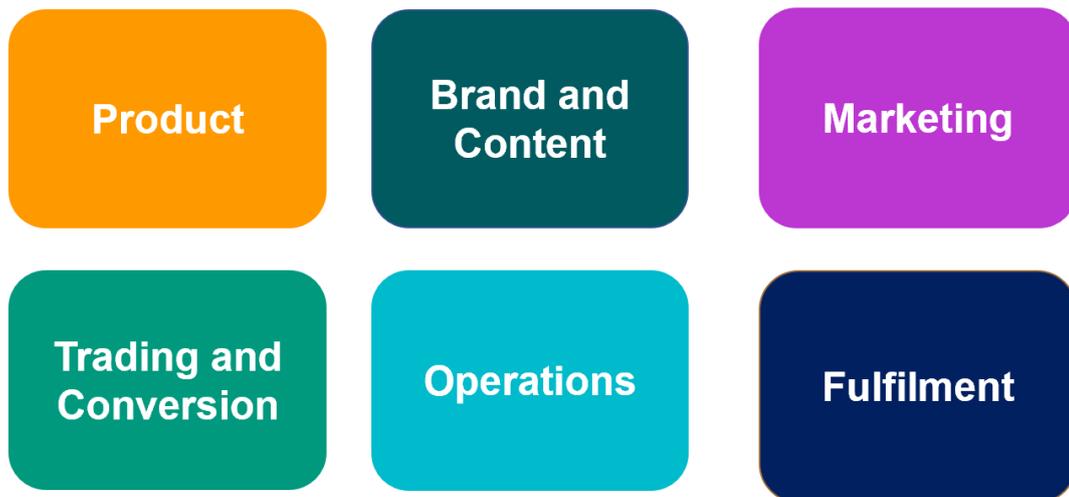
Marketplace Team Structures

There is a wide variety of team structures used for Marketplaces. People requirements, structures and roles change depending on the size and the type of business. The language of job titles varies widely.

The most straightforward way to structure a Marketplace team is to think in terms of the business drivers of a Marketplace:

- Product: Everything starts with product – creating a great product that customers want to have.
- Brand and content: Creating the communications and the content that will excite and captivate the target consumer.
- Marketing: Acquiring, converting and retaining customer in a Marketplace channel using advertising, content, visuals.

Marketplaces Business Drivers



- **Trading and conversion:** Taking the traffic to the product page on the Marketplace and using a combination of sourcing, pricing.
- **Operations:** Managing the fast response to adapt to changing customer needs and expectations of the Marketplace.
- **Fulfilment:** Making the right choices in terms of stock, picking and packing products, and shipping online orders to customers – delivering the promise to customers.

Ideally, each of these six drivers must have domain experts leading them. These are supported by the horizontal roles of finance, HR, technology.

Each of these pillars is measured through a variety of metrics, such as customer satisfaction scores, online review scores, brand scores such as top-of-mind and net promoter scores and customer acquisition cost.

Starting out, these can be done by one dedicated person as long as they know that they will be wearing many 'hats' and working across many disciplines that require deep focus and expertise.

9. Conclusion

Marketplaces continue to evolve apace. What is best practice in Marketplace strategy today might be wrong tomorrow because of an algorithm change. New trends, new technologies and new capabilities emerge daily.

Marketplaces have democratised both brand distribution and entrepreneurship. Instead of having to go through gatekeeper such as retail buyer, Marketplaces allow any seller to get online – even if they do not own the brand or the product. They can operate and distribute from almost anywhere in the world and deliver to the consumer's door using the incredible logistical capabilities on offer from Amazon, Walmart and Alibaba.

A budding Marketplace seller can use Google and Facebook advertising, Livestreaming with Influencers on Tmall as well as the advertising programmes on offer from Amazon, Walmart and Alibaba. Artificial intelligence is changing the face of Marketplace customer service, learning from every customer interaction to answer any consumer question perfectly.

So, how can any Marketplaces strategy be created in the face of such constant change?

One of the best starting points comes from the biggest Marketplace of them all, namely Amazon's CEO Jeff Bezos.

When asked by a reporter

“What do you think is going to change most in the next 10 years?”

Bezos' answer was:

“That's a good question, but a better question is: what's not going to change in the next 10 to 20 years?”

Bezos continued:

“When you have something that you know is true, even over the long term, you can afford to put a lot of energy into it.”

Bezos' view was that people's wish for lower prices and faster delivery would never change, hence Amazon's total focus on lowering prices and increase shipping speed.

In other words, the needs will remain constant but the forms in which they express themselves constantly change. We can bet on the underlying themes, while still not knowing how it will pan out.

With this in mind, here is a **Nine-Step Checklist** that Irish Food and Drink Brands can use to create a Marketplace plan:

1. **Strategy:** Does the brand have a specific strategy and plan to deliver against business objectives in the world of Marketplaces? Are there defined resources (including budget) required to execute?
2. **Customer Insight:** Who are the customers and what are their needs and expectations? What are the methods for understanding customers? How can we understand the customer journey and interaction on Marketplaces?
3. **Brand:** Why should anyone care or take notice of the brand on a Marketplace?
4. **Segmentation and Targeting:** What are the geographic, demographic, behavioural, psychographic customer segments? Can we create customer personas to continuously improve our proposition, content, visuals and seller metrics to win the 'Buy Box'?
5. **Customer Experience:** What is the customer journey before, during and after an interaction with the brand on the Marketplace? Can it be improved? Can the Marketplace experience in terms of content, reviews and visuals be continuously optimised?
6. **Distribution:** How will the customer get the product? How will the brand continuously reduce the cost of delivery, at the same time as improving speed of delivery?
7. **Promotion:** What is the mix of paid advertising and content that be used to promote the brand on the Marketplace? What is the allocated budget?
8. **Data and Measurement:** What data is needed to support the Marketplaces? How is performance measured and optimised to map to the Marketplace required standards?
9. **People:** Who will be responsible? What is the chain of command? How can we be agile? Who is responsible within the organisation for gauging and optimise performance?

Author Bios

This report was written by Colin Lewis and Aidan Duffy of DF5eCommerce.com. DF5eCommerce is an Irish agency specialising in helping brands sell on international marketplaces.

We help brands succeed on Amazon, Tmall and other marketplaces.

Amazon is changing retail. You simply can no longer sit on the side-lines. More product searches start on Amazon than Google. Amazon's advertising business. Amazon's eCommerce dominance is quickly expanding to advertising. Advertising is Amazon's fastest-growing business and is expected to surpass \$17 billion in 2021.

Tmall is now offering direct entry into China from Europe. The opportunity is huge. Online retail sales in China are greater than the rest of the world combined. Each Tmall store has functionality like a combination of Amazon, eBay, YouTube, Pinterest, Facebook Twitter, Instagram, TikTok, Groupon, WhatsApp, Apple Pay as well as the QVC / Home Shopping Channel.

Figuring out the Amazon and Tmall Marketplaces can be daunting. That's why people come to us for our unique expertise and experience.

We can help you figure out the right strategy, execute effectively, and drive meaningful results fast.

We can write titles, bullets and descriptions; we know the best imagery. We create A+ and enhanced content using best practices.

And we're fast, high quality and cost effective using a simple workflow process.

You can get more information at <https://df5ecommerce.com/marketplaces-foodanddrink/>

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Colin Lewis is a professional marketer with 25 years' experience working with blue chip brand in the UK, Australia, France, Switzerland, Australia, Japan, China and Ireland. He is an educator, coach and investor: he runs workshops and teaches over 100 hours a year in UK, Ireland, Spain and Dubai with clients including Unilever, Britvic, Oracle, Kingfisher, TK Maxx, Europcar, Bayer, Facebook. Colin ran his first eCommerce website – turning over \$100m - in 2006.

Colin is the Founder and Programmer, DMX Dublin, Ireland's largest marketing conference and is a Fellow of the Marketing Institute of Ireland. Colin is a columnist for the world's biggest marketing magazine, Marketing Week since 2015.

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Aidan Duffy has over 20 years of hands-on experience in the technology industry as a consultant, technologist and author. He helps Irish brands unlock the potential of online channels through own-brand eCommerce sites and marketplaces like Amazon.

Aidan is an expert on Amazon helping brands sell to international markets while shipping from Ireland. These brands profitably sell to 5 European Amazon markets: UK, Germany, France, Italy and Spain.

Expert Contacts interviewed for the Report

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