

**Amazon & FBA | Changing Online Retail**

# **Understanding & Identifying Inefficient Markets**

**SCOE/Seattle**

**09/30/2012**

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# Information is POWER

WHY are Markets Inefficient?

- Know Your Markets
- Know Your Customers
- Know Your Products
- Recognize Changes

IDENTIFY Market Inefficiencies and PROFIT

MAXIMIZE Each Sale

# Complete Online Selling Strategy

The importance of having a complete, multi-channel, online selling strategy:

Reach different types of customers

Diversify

Build your business/brand

Create CONTEXT with your customers

# Know Your Markets

Why are markets inefficient?

Online vs. Traditional Retail

Understanding 'The Long Tail'

Online retail is still only 11% of total retail and Amazon is 30% of total online retail (both are growing FAST)

# Online Markets

Amazon

Amazon FBA

eBay

Your own site

Craigslist – sorta online 😊

# Know Your Customers

Experienced vs. Brand new

Customers with 'Amazon' expectations

Customers who love/hate Amazon

Customers who love/hate eBay

# Know Your Products

When you know the markets and you know the customers, you still need to know your products in order to offer them to your customers through the optimal channels.

# Recognize Changes

Understand the changes taking place in traditional retail.

Understand the changing level of expectation of the online customer.

What types products are people buying locally today that they will be buying online tomorrow?

What types of products will be purchased locally long term?



# Information is POWER

When YOU understand the markets, your customers, and you're your products, you can easily identify sellers who DO NOT.

Opportunities abound when you have more information and a better understanding of the markets, customers, and products than your competitors do.

# Identify and Capitalize

## TAKE ACTION and Maximize Each Sale

- Be BOLD
- Be INNOVATIVE
- Do what your competition IS NOT doing
- Take RISKS (calculated)
- Lead; don't follow
- Adapt and adopt EARLY
- Pay attention to trends

# Example – Electronic Hulk Hands

eBay Price:



 Click to view larger image

 Sell one like this

## Marvel 2008 Pair Incredible Hulk Green Smash Hands Fists Cloth Halloween EUC


 Like  Want  Own

Item **Used**  
condition:

Ended: Sep 26, 2012 16:13:15 PDT



Starting bid: **US \$4.99** [ 0 bids ]



### Seller information

[boshe1996](#) (924 )

100% Positive feedback

[Save this seller](#)

[See other items](#)

Shipping: **\$12.95** Economy Shipping | [See details](#)

Item location: **Lebanon, MO, United States**

Ships to: **United States**

Delivery: Estimated within 3-9 business days 

Payments: **PayPal** | [See details](#)

Returns: 14 days money back, buyer pays return shipping | [Read details](#)



### eBay Buyer Protection

Covers your purchase price plus original shipping.  
[Learn more](#)

# Example – Electronic Hulk Hands

Craigslist Price:

## Incredible Hulk Talking Hands - \$10 (Raynham)

Date: 2012-09-28, 11:32AM EDT

Reply to this post [9sjkq-3302312760@sale.craigslist.org](mailto:9sjkq-3302312760@sale.craigslist.org) [\[Errors when replying to ads?\]](#)

Smoke free home. Hands say phrases such as "Don't make me angry, you wont like me when I'm angry"



# Example – Electronic Hulk Hands

Amazon Price:



**Hulk Smash Hands**  
by [Hasbro](#)  
★★★★☆ (56 customer reviews) | Like (10)

Price: **\$224.99**

**Only 1 left in stock.**  
Ships from and sold by [media\\_gold](#).

**4 new** from \$159.99    **11 collectible** from \$39.99

**Save up to 20% on Select Dora the Explorer Toys from Fisher-Price**



For a limited time, save up to 20% on select [Dora the Explorer](#) dolls, trikes, and more from Fisher-Price. [Learn more](#)

Click for larger image and other views



[View and share related images](#)

**Amazon Best Sellers Rank:** #20,007 in Toys & Games ([See Top 100 in Toys & Games](#))

**Average Customer Review:** ★★★★★ (56 customer reviews)





**Discontinued by manufacturer:** Yes

# Example – Electronic Hulk Hands



# Example – Electronic Hulk Hands

SHHHHHH, Super Secret:

Re: Hulk Electronic Smash Hands - Do you have them laying around?  Inbox x   



nikki trombetti nikkidance87@gmail.com via craigslist.org

Jul 19 ☆



to j5xkt-31233743. ▾

**\*\* CRAIGSLIST ADVISORY --- AVOID SCAMS BY DEALING LOCALLY**  
**\*\* Avoid: wiring money, cross-border deals, work-at-home**  
**\*\* Beware: cashier checks, money orders, escrow, shipping**  
**\*\* More Info: <http://www.craigslist.org/about/scams>**

I have a pair of hulk gloves. I can drop off on saturday

# Example – Cars Dinoco Helicopter

## Craigslist Price:

### disney pixar dinoco helicopter with talking mater - \$15 (durham)

[miscategorized](#)

[prohibited](#)

[spam/overpost](#)

[best of craigslist](#)

Date: 2012-09-11, 10:09PM EDT

Reply to this post [xzr4z-3266006550@sale.craigslist.org](mailto:xzr4z-3266006550@sale.craigslist.org) [\[Errors when replying to ads?\]](#)

Recreate you favorite scenes from Disney-Pixars Cars with this 14-inch Dinoco Helicopter from Mattel that features spinning blades and sounds and phrases from Mater! The helicopter can store up to 3 vehicles and a Mater vehicle is included.

In great condition.





# Example – Cars Dinoco Helicopter

eBay Used Price:

## Disney Cars Talking Blue Dinoco Helicopter Carrier Sounds Mater Voice Large 14"

 Like  Want  Own

Item **Used**  
condition:


Ended: Sep 19, 2012 15:33:41 PDT

Winning bid: **US \$9.50** [ 1 bid ]

Shipping: **\$7.75** Economy Shipping | [See details](#)

Item location: **Washington Township, MI, United States**

Ships to: **United States**

Delivery: **Estimated within 4-13 business days** 

Payments: **PayPal** | [See details](#)

Returns: **14 days money back or item exchange, buyer pays return shipping** | [Read details](#)



### Seller information

**the4apples** (3994 )

99.6% Positive feedback

[Save this seller](#)

[See other items](#)



 [Click to view larger image](#)

 [Sell one like this](#)



### eBay Buyer Protection

Covers your purchase price plus original shipping.  
[Learn more](#)

# Example – Cars Dinoco Helicopter

eBay New Price:

FREE shipping

## Disney Movie Pixar CARS Big 15" King Dinoco Helicopter Talk with Mater

Like Want Own

Item **New**  
condition:

Ended: Aug 21, 2012 18:05:15 PDT

Winning bid: **US \$48.76** [ 6 bids ]

Shipping: **FREE** Economy Shipping | [See details](#)

Item location: **Davenport, Florida, United States**

Ships to: **Worldwide**

Delivery: **Estimated within 3-12 business days** ⓘ

Payments: **PayPal** | [See details](#)

Returns: **14 days money back, buyer pays return shipping** | [Read details](#)



### Seller information

**thenewelectronic** (206 ) **me**

99% Positive feedback

[Save this seller](#)

[See other items](#)

Visit store: **LBR Collection**

Mouse over image to zoom

[Sell one like this](#)



### eBay Buyer Protection

Covers your purchase price plus original shipping.

[Learn more](#)

# Example – Cars Dinoco Helicopter

Amazon Price:



## Disney Pixar Cars Dinoco Helicopter

by [Mattel](#)

★★★★☆  (17 customer reviews) |  Like (0)

Available from [these sellers](#).

[4 collectible](#) from \$45.99

### Hot New Toys for Fall



Shop a wide selection of [all-new toys](#) from top brands for kids of all ages. [Learn more](#)

# Example – Cars Dinoco Helicopter

## CamelCamelCamel NEW Price History:



# CREATE CONTEXT

Information is everywhere and information is free. If there is money to be made in a market, competition will come in.

Selling online is CHANGING and it is getting EASY. It is becoming a commodity where nothing is proprietary.

When selling online is a commodity, the last way that you will be able to differentiate yourself as a seller and CREATE CONTEXT with your customers is through INNOVATION.

Your PASSION, your HUSTLE, and your ability to INNOVATE in order to CREATE CONTEXT with your customers are the only long-term proprietary things about your business.

-Chris Green, SCOE 2012

**Thanks! Questions?**

**Come see Chris Green at the following SCOE session:**

**Online Selling is Changing Rapidly - Are You Prepared?**

**Monday, October 1**

**Washington Ballroom C**

**1:30 PM**