Promotion Tool #1 – Purchases

Purpose

The purpose of this lesson is to look at what we consider the most important promotion tool in your Promotion tool chest – purchases.

Purchases and the Importance of Ranking

First thing to note – Amazon.com is a "buyer" website. Purchases in Amazon are equivalent to links in Google. Trying to get your website ranked in Google is function of links, content, etc. In Amazon, trying to get your product ranked is a function of a few factors also, so the Google metaphor works well to describe what happens in Amazon.

Remember, though, Amazon is a huge website, but at its core is an ecommerce website. All ecommerce websites are coded with similar logic, e.g. if something is getting a lot of purchases they are going to want to promote that product because they realize a lot of other people will want to buy it.

The Google Metaphor

Getting ranked in Google is a function of getting a whole bunch of other websites to link back to your website. There are a few other things as well but arguably this is the most important.

Getting ranked in Amazon is similar. However, in place of "a whole bunch of websites" you have a whole bunch of customers. In place of "your website" you have your product. In place of "links" you have Amazon customers making purchases, reviews, likes, tags and that sort of thing. In other words, to affect your product's ranking in Amazon, you need a bunch of customers to purchase, review, like and tag your product, all of which contribute to your product getting a higher ranking.

As mentioned, the most important factor in getting your website ranked well in Google is links. On Amazon, the #1 factor in getting your product ranked well is purchases. There are other ranking factors which will be discussed in later lessons but purchases are definitely #1 and therefore your whole goal should be to drive purchases.

The Shopping Cart Platform

Think of how any shopping cart platform works. If products are already being purchased, people must like something about it and so the shopping cart algorithm figures those products to be featured more prominently so more people will buy them.

Examples:

In this section you will see a sample of shopping cart platforms that are available outside of Amazon and 1 or 2 of the sites that use those platforms. The purpose for doing this is to demonstrate how understanding purchasing affects how accessible you make top-selling products:

- Big Commerce – this is a very good and simple hosted shopping cart platform.
    - Shop AKIRA – when you select a category, you are able to sort by "Best Selling". What this indicates is that products that are selling the best will automatically filter towards the top. The ones that are at the top will get purchased even more.
- Magento – another popular shopping cart platform that runs a number of big name stores.
    - SmileyCookie – this site shows the best sellers right on the home page, demonstrating the 'easy access' principle.
    - Easton – like SmileyCookie, this site shows best sellers right on the home page. An added feature is the use of the popular social phrase "Trending Now", which is netspeak for "what's popular".

The common thread between these various examples is that each demonstrates an awareness of something Amazon clearly has an awareness of as well – if a product is selling well, there must be something good about it and so if they want to maximize their profits and revenue, they would do well to feature those products and make them easily accessible.

This is illustrated well on Amazon. Visit any category and you should be able to see "New and Bestselling" as the default "Sort by" option (found near the upper right corner of the page). This features the best-selling products for that category and makes them easily accessible.

Note: Just because you add a new product to Amazon doesn't mean it is going to come to the top. Amazon is heavily weighted toward best-selling products because it wants to maximize its profits and revenue and knows the best way to do that is to feature the best products that people are *already* buying.

Amazon Best Sellers Rank

Now that you have seen a few examples and hopefully understand how important it is to get purchases and how being a best-seller will lead to even more purchases, this next part will discuss a factor that is unique to Amazon – the "Amazon Best Sellers Rank".

Here are some details related to this unique factor:

- **It is a measure of your listing's sales relative to other products.** Different rankings are assigned to different categories and while it may not always be obvious what your ranking number means in terms of daily or monthly purchases, you can get an idea of what it means relative to other products.
- **These rankings are updated hourly.** This means you can see rankings jump around quite a bit. Just adding a new product and receiving only a couple of purchases will most likely result in a low ranking. However, 1 or 2 purchases more could result in a huge jump up the list. In perspective, though, these big jumps don't really mean much as a lot of products may not get purchased on Amazon which can account for these "extreme" fluctuations. However, this is how Amazon runs its business and so it is perfectly fine, when you don't have to carry any inventory, to have multiple products only getting a small number of purchases a month.
- **The velocity of purchases matters.** If you have a product that received a large number of purchases a few years ago but hasn't been purchased recently and there is no increase in purchases, chances are this product is not going to rank very well. On the other hand, if someone releases a hot new product (e.g. book), Amazon is going to want that to be filtered to the top of the list because it wants to be seen as offering the best new products.
- **Total lifetime Amazon.com purchases matters.** This relates to the fact that if your product gets a large number of purchases in a short period of time, it will definitely weigh heavily in how well that product ranks. However, this is comparing it to a product with thousands of purchases during its total Amazon.com lifetime. Such a product isn't necessarily going to be ranked lower than your product which has only sold a few times in a very short period.
- **Need consistency to maintain.** If you don't continue to maintain your purchases level, whatever ranking your product may achieve is likely to drop off.

A great example of these factors at work is the wallet listings that were shown in the video to illustrate this point. From the time of creation of this lesson's accompanying video to the creation of this PDF, the ranking of the wallet that was shown on the video has dropped after being overtaken on the "New and Bestselling" list by 2 other wallets (it originally was first on the list). However, this wallet is still doing very well (being on the best sellers list is proof of that) despite dropping 2 places.

The wallet in question is the "Calvin Klein Men's Leather Trifold" wallet. The following is taken from the product's listing page:

Average Customer Review: ★★★★☆ ☑ (8 customer reviews)
Amazon Best Sellers Rank: #2,176 in Clothing (See Top 100 in Clothing)
   #23 in Clothing > Men > Accessories > **Wallets**

As you can see, it dropped over 1000 positions in overall ranking and 2 positions in category ranking. However, as stated, this wallet is still doing quite well, being #3 on the "New and Bestselling" list.

The Compounding Effect

The one thing to keep in mind is the '*compounding effect*'. We've been sort of touching on this throughout this lesson. It's the situation where…

> …more purchases = better rankings = more purchases = …

Like in the wallet example, having had #1 position has allowed that wallet to remain on the best seller's list even though it has dropped a couple of positions. The fact that it remains on this list indicates it is still getting enough purchases to maintain a high-ranking position.

Conclusion: Big Idea #1

So to conclude this lesson, here is big idea #1 – "Priming the Pump". What this means is:

- You want to get as many purchases as possible in a short period of time.
- Then you are going to let your new rankings in categories and keywords do the work.

If you can get a lot of purchases in a relatively short period of time and sustain some of those purchasing levels over a period of time, then your rankings will rise up. After this happens, categories and keywords will basically be doing the work for you as people will be able to more easily find your product via categories and keywords. Once your product is ranking well in Amazon, it is automatically going to get purchased more, reviewed more and receive more likes, tags, etc. because of its rankings for categories and keywords. This happens because now when people are browsing through Amazon's categories or searching on Amazon.com using keywords, they will see your product (because of its new rankings), buy it, and some will review/like/tag it. This is why products at the top have the tendency to stay at the top (although not all will stay there).