

Priming the Pump

Purpose

The purpose of this lesson is to teach you how to get a massive amount of purchases in a short period of time by "*Priming the Pump*".

Review

The first thing to do is review some of the important points from previous lessons. If you haven't already done so, you want to stop right here and go back through the first lesson on purchases (it's the lesson entitled "*Promotion Tool #1 – Purchases*").

Here are some of the important points worth reviewing:

- The #1 ranking factor on Amazon is purchases. Although Amazon.com is such a huge site, at its core it is no more than a shopping cart, an ecommerce store. One core feature of ecommerce stores is that products are sorted by best sellers. They do this because they realize that if a product is already being purchased quite a bit, there is something about that product that people like and promoting it on a best sellers list helps get even more people to purchase it, thus increasing revenue and profits.
- Velocity matters. If you are able to get a bunch of purchases in a short period of time, that is going to be better and more valuable than doing it over an extended period of time because part of the ranking factor is how many purchases have occurred over a recent period of time.
- Need consistency to maintain rankings. As a follow-up to the previous point, if you are
 able to get a whole bunch of purchases in a short period of time, this will certainly help
 your rankings, but if you are able to extend getting purchases for a longer time, even if
 not quite as many as in the beginning, then you are going to maintain your rankings a lot
 longer.

Remember: rankings are STICKY!

This means if you are able to get a whole bunch of purchases, your rankings will rise up. As a result of your rankings rising up, Amazon will begin to take care of some of the 'ranking' work for you. This means that if you boosted your product's rankings and it's ranking well for certain categories or keywords, people who are continuously looking at those categories and keywords are going to find your product and buy it just because it's at the top of the rankings.

This is why we say once a product rises to the top it tends to stay at the top because the very things that got it there (purchases, reviews, etc.) happen automatically as a result of being at the top.



"Priming the Pump" Strategies

Strategy #1 – Temporary Low-Ball

What is involved with this strategy is you temporarily offer your product at a lower price than what you would normally sell it for. You may even do this at a loss. You will do this for a short period of time – a few days, a few weeks, or whatever it takes.

The reason to do this is because you want to gain a lot of purchases in a short period of time to help increase your product's ranking. Once it ranks high enough, you can then increase the price again. Now that the product is in the top rankings as a result of all of those purchases and other promotional steps you took, the "rankings are sticky" principle can take over.

A great example of this can be seen on Amazon.com. Do a keyword search on the keyword "metal detector". If you scroll down the results page and note the price of each detector, you'll see a general pattern emerge – the lower you go down the list the more expensive the detectors get.

The reason this occurs is because Amazon has established itself as a low-cost provider of products and in its own "buy box" (covered in an earlier lesson – "Drop-Shipping – Winning the Buy Box") it rewards people who offer lower prices. So if you are able to offer your product at a lower price, even for a very similar product, that alone can help boost your rankings. Then once you capture the top ranking, you can comfortably increase your price to improve your profit margin.

Strategy #2 – Other Amazon Promotion Methods

This strategy will not be covered in this lesson as the details of it are covered in lessons throughout this module, however it is worth mentioning here as part of the list of strategies you can employ to help improve your rankings.

As the strategy title indicates, there are other promotion methods within Amazon that can be applied. For example, you will learn how to use Amazon linking, likes, tags and even images to help "prime the pump" for massive purchases in a short period of time. Some of these tactics you may employ only temporarily (e.g. switching out an image) because once you reach the top ranking positions, you're able to do just about whatever you want and still maintain your ranking. Remember, rankings are sticky.

Book Selling Concept – An Example:

A great example of a promotion method using Amazon is the "book selling concept". Basically, nobody really sells their own books anymore. If an author has a website, they are likely going to

link to their Amazon listing as a means of promoting and selling their book. The reason they do this is because they are "priming the pump", even if they don't realize it.

What they do realize is that if they are able to get more and more purchases on Amazon, then they stand a better chance at higher profits than if they simply used their own website to sell their books.

Of course, this will likely mean selling their books at a lower price because, as already mentioned, Amazon has built its reputation on offering low prices on products. It will also mean them selling at a lower profit margin than on their own site because selling on Amazon is not free - you do need to pay Amazon a certain percentage.

However, the compounding effect of selling on Amazon is far better than the higher profit margin on fewer sales on their own website. Consider that there are millions of people shopping on Amazon that are not shopping on your website. If an author can sell his/her book on Amazon in such a way as to get it ranked well, the compounding effect (more purchases = more reviews = more purchases =...) will not only take over the work of keeping their book ranked well, but it will also result in higher profits.

Strategy #3 - Multiple Accounts Acting on Your Behalf

This strategy was covered a bit in a previous lesson but it is a huge strategy and arguably the most important, so it is worth mentioning it here.

A. "Power of the Crowd":

One of the things about this strategy is determining where multiple accounts can come from. To answer, some of these accounts can be from customers, vendors, colleagues, friends, etc. In order to be able to purchase anything on Amazon, you have to first create a buyer's account. You'll probably find that just about everyone you know has purchased at least 1 item on Amazon and therefore each of these has an Amazon buyer account.

So in this strategy, you're going to use the "power of the crowd" to help boost the ranking of your product, either by purchasing it for themselves or at least writing a review on it.

B. Creating a 'Buyer' Army:

Another source of Amazon accounts is you. It is possible to create your own "army" of Amazon buyers. The way you can go about doing that is to purchase a number of Amazon gift cards and either yourself or others can use those cards to create a buyer's account (all that is needed is an email address), purchase your product and mark the product as shipped even though it probably isn't going out. This increases the number of



purchases for your product and results in increased ranking. If you're in a low category or keyword niche, you will rise up in rankings fairly quick using this method and it doesn't require anyone else to do it.

Tips for Creating Buyer Accounts:

There are some things to consider when creating your own buyer accounts. The following list provides some tips on how to go about it:

- Use an Amazon gift card there are a few details associated with this tip:
 - Avoid using personal/business credit cards, especially ones associated with your seller account. This prevents Amazon from connecting your seller account to these multiple buyer accounts. Also, it allows you to get others to create the buyer accounts with the gift cards without giving out potentially sensitive personal information, such as personal or business credit card numbers.
 - Avoid associating these buyer accounts with your seller account. Amazon so far has not indicated any problems with this tactic but by keeping your seller account disconnected from these buyer accounts, you prevent any problems against your seller account should Amazon take action against this approach.
 - Use low-ball pricing strategy while using this gift card tactic. Purchasing your own product with these Amazon gift cards is a necessary marketing cost for making this tactic work, so the lower the price on that product, the less money you are giving away to Amazon. For example, if you purchase a \$10 product with a 15% royalty to Amazon, you end up giving Amazon \$1.50 on every purchase. Therefore, reducing your price while purchasing your own product is a good way to reduce that marketing cost.
 - Avoid getting refunds on the product you purchase. As already mentioned, you can look at these purchases as marketing costs. You don't want to waste the value of those purchases by having refunds applied to the orders. Refunds have a negative impact on rankings, so products with lots of purchases (completed orders) and no refunds will get higher rankings faster and maintain rankings longer than those with refunds.
 - TIP: keep a spreadsheet of logins and purchases made. This allows you to keep track of which accounts made what purchases. All you need for buying accounts is an email address so the information you keep is minimal.
- Use different internet connections (for IP addresses) IP addresses can be (and probably already are) tracked by Amazon, so if you were to create multiple buyer accounts from the same IP address, Amazon may get suspicious and take action against you. Now, this has already been tested and it doesn't appear that Amazon really cares, but in order to avoid any possible negative response from Amazon (if they start to care or start tracking this stuff), it is best to create these multiple buyer accounts with different internet connections. This will also give the whole thing a more natural look

which helps avoid drawing any negative attention from Amazon should this become an issue for them.

Ways to get or use different internet connections are:

- Use your phone
- Use USB modems
- o **Go to different locations** (library, coffee shop, etc.)
- Use different computers (friend's computer, etc.)
 - TIP: if using the same computer, try using CCleaner to clear out cookies placed on your computer by Amazon. You want to do this before logging into each Amazon account, whether buyer or seller.
- Keep a spreadsheet of logins and purchases made. This allows you to keep track of
 which accounts made what purchases and make them easily accessible for future use.
 All you need for buying accounts is an email address so the information you keep is
 minimal.
- Outsource the work. Sites like <u>Elance.com</u> and <u>Odesk.com</u> can be used to find
 outsourcers who can do all this work for you. For as low as \$3-4 an hour, you can give
 them the Amazon gift card codes and the product you want purchased and they can
 create the buyer accounts and do the purchases for you. Then once completed, they
 can send you the buyer account information to put in your tracking spreadsheet.
- Make it look natural. As mentioned, Amazon doesn't seem too concerned at this point with using tactics like this. However, it is still advisable to make every effort to make this whole thing look natural. For example, you can use those buyer accounts to write reviews on other products or even to purchase other cheap products now and again. Otherwise, it can appear suspicious that a bunch of accounts were created to purchase the same product and then nothing else happens with those accounts.

Note: this information relates to the creation of multiple buyer accounts. Different details apply if what you are trying to do is create multiple seller accounts and some will be covered in a later lesson.

C. "Power of Traffic":

Another great way to promote your products is through the power of traffic. Here are some ways to drive outside traffic to your Amazon products:

- Website if you have a website, you can promote your product directly on your website with links to the Amazon listing.
- SEO this will be covered in a later lesson.
- JV Partners you can use JV partners with big email lists particularly if you can provide them with some value for promoting your products. This can work especially well if you



- have a Kindle book that is part of the KDP Select program as you can provide this as a value item which they in turn can offer as a value item to those on their mailing list.
- Email drops you can use a site like <u>lists.nextmark.com</u> to buy an email that can be sent on someone else's mailing list. This could result in additional purchases and/or reviews of your product which will boost your rankings. Remember the compounding effect all of these options lead to and will take advantage of this effect.
- Videos creating a promotional video with some information and a link to your Amazon product listing can be an effective means of driving traffic.
- Facebook, Twitter, etc. if you have followers, friends, whatever on any of these social interaction sites, you can leverage that to drive traffic to your Amazon product listing.

Conclusion

Now that you have gone through several lessons, and perhaps particularly after this lesson, you may be getting the big idea that all of this can or does mean the "death" of the small online store.

It is not an unreasonable idea. Even if you do manage to get purchases through your own online store or on another smaller online store, chances are you have to fight hard for every purchase. While there is some competition on Amazon, it is the largest online store in the world, so there is a lot of value in becoming a market leader there.

Amazon is a great platform to brand yourself or your products because as you or your products grow in popularity, your individual products can rise in the rankings. So to conclude, driving every bit of traffic you can to Amazon, using the strategies outlined in this training, is a great way to focus on compounding and "priming the pump".