



7 Essential Systems for your Amazon Business



Introduction

While e-commerce businesses come in all different shapes and sizes, there are 7 essential systems that every business needs to be successful.

Because whilst a business may start out without systems (aka winging it), things will come unstuck as it grows. Success requires strategic thinking. Your strategies and the systems that sit behind the strategy will elevate your business above all the others.

Implementing these systems will give you control and visibility over every operational aspect of your Amazon business. They will guide priorities, create predictability, generate accountability, and provide a way to measure success. Make your business more streamlined, more productive, and ultimately, more profitable.

So here they are - 7 Systems that are essential to scaling your Amazon business!



1 Product Sourcing

This is the system of finding good quality products to sell on Amazon, from trusted and reputable suppliers at good prices - then pricing and listing them ready for sale. Your product sourcing system will factor in product rankings, gated brands, durability, dimensions, shipping costs, profit margins, keyword search volume, and supply reliability. Great sourcing = great sales!



2 Replens and KPI Management

Being a reliable stockist of fast-selling units will increase your seller ranking and boost your cash-flow. Implement procedures for identifying which and how much stock to order and; when. Focus on increasing sell-through and in-stock rates whilst reducing excess, unfulfillable, and stranded inventory percentages.

3 Inventory Management

Tracking your inventory from the supplier to prep centre to point of sale and reducing losses is a crucial aspect of protecting your profits. Monitor and manage FBA returns, removal orders, and reimbursements. Implement procedures to get compensated for losses and damages from Amazon warehouses, distributors, suppliers, couriers, and shipments. All of which can wipe profits with one event.



4 Account Health Management

To sell on Amazon, you must adhere to their code of conduct, performance targets, and policies on Customer Service Performance, Policy Compliance, and Delivery Performance. You will need operational procedures to ensure these are met.



Customer complaints due to product inauthenticity, expiration dates or negative experiences may lead to the suspension of your account. And any one of an Order Defect Rate over 1%, Invoice defect rate over 5%, and Late dispatch rate over 4% will also lead to suppressed sales.

5 Financial Management

Whether you sell as a side-hustle or full-time gig, you are required to report and backup your income numbers. Good financial management includes procedures for recording purchases, operational expenses, updating product prices (COGs) and VAT rates, invoice saving, and bank and supplier statement reconciliations. Know your numbers!



6 Cashflow Management

A special mention as this is part of financials but very important. Create a process to track your funds and purchasing power. Limit wayward expenses, reduce runaway losses, and ensure funds are set aside for credit payments, salaries, and taxation bills. Foster a mindset for control and clarity with your monthly numbers.



7 Advertising / PPC Management

Pay-per-click advertising amplifies your sales by highlighting your products to customers who have searched for key words in your listings. Once you have set up the campaigns set up regular systems to continually fine-tune and optimise your campaigns for higher sales and more efficient spending of your advertising budget.



Use the 7 systems as your checklist to identify if you have a functioning system in each area that gives you a satisfactory and predictable result. Well done if you can answer yes to all 7!

If on the other hand, you see gaps in your systems infrastructure, it's time to work on your needs first. Work out what is the outcome that you want, then figure out the process to implement to get you that result.

And take action!

ABOUT US

Scaling your ecommerce business is about growing your revenues significantly which controlling the time spent in the business as well as the costs and expenses incurred.

We can help with that!

OUR SERVICES

SYSTEMISATION

We'll assess your current business and assist with the creation of standard operating procedures for your teams.



TRAINING

Join our online courses, webinars for training on how to scale your business successfully.

COACHING

We'll come alongside you and provide the training, support, and encouragement to grow your business.

