

# ***THE SIDE HUSTLE SHOW***

**with Nick Loper**



## **Episode 341**

### **Wholesale Bundles on Amazon: How to Step up Your FBA Business and Profit Margins by Bundling Popular Products Together**

**(w/ Amy Feierman & Kristin Ostrander)**

<http://www.sidehustlenation.com/341>

Amy Feierman and Kristin Ostrander have both been selling online for over 10 years, but recently they have shifted their focus onto the specific strategy of wholesale bundles

-- think shampoo and conditioner, peanut butter and jelly -- and selling those under one listing.

These bundles make life easier for the 1-click ordering, free Prime shipping Amazon customer, and they make life better for you as a seller because you face less competition and can earn better profit margins.

Amy and Kristin have generated more than **\$2 million in sales in the last 12 months** selling bundles. They talked me through the steps they took to reach these numbers, from how they do product research, to how they source their inventory, set their price points, and generate sales with no marketing efforts.

### **What Are Bundles and How Did You Start Selling Them?**

Bundles are complementary products sold together to provide value and convenience to the customer. Things like shampoo and conditioner, peanut butter and jelly, and so on.

Amy said Amazon buyers, in general, are looking for fast and convenient purchases from the platform, so bundles are the perfect way to meet that need while increasing revenue and selling more items.

One of the first bundles Kristin listed on Amazon was a variety pack of granola bars. She was always buying large multi-packs from places like Costco for her family and noticing certain flavors were always left over.

This gave her the idea to sell those leftover bars on Amazon, so she put together different bundles of flavors not available elsewhere to help people who were looking for these types of multi-buys.

Another example was a retail arbitrage bundle she put together combining carrying cases with small Shopkins toys. Complimentary items and she was able to make more money per sale combining the two than she would have by listing them separately.

### **What Makes Bundles Attractive for Buyers and Sellers?**

From a buyer's perspective, bundles are giving the buyer added value, and if done right is solving a pain point or a problem that may exist without the bundle. Take the carry case and Shopkins toys for example, a carry case is perfect for keeping those small toys tidied away when not being used.

From a seller's perspective, there are fewer fees involved. The % taken from smaller ticket items are typically higher than with larger ticket items because there are some flat fees when selling on Amazon. Plus, you're able to sell more items within fewer transactions.

Kristin also said that bundles are not a volume game as a lot of single products tend to be on Amazon. It's a longer-term strategy, with fewer sales overall, but higher margins. They said they are typically making between **\$10-\$15 per bundle**.

### **What Does Your Research Process Look Like?**

First of all, Amy and Kristin both said they always recommend people start looking into products and niches they are familiar with and know a lot about. Everyone has access to the same data, so by tapping into your own knowledge bank and taking advantage of the experience you already have with a particular niche you can gain a competitive advantage.

Then you can start by looking at the search volume for keywords and products in your niche using [Merchant Words](#). You want to validate your idea by seeing decent search volume and demand for the products you're considering selling. This tool also shows you the top results on Amazon so you can start checking out the competition.

Merchant Words costs around \$30 per month. If you're just starting out and want a free alternative, Amy recommends typing keywords into Amazon and looking at the autofill suggestions that Amazon populates for you.

Kristin recommends checking out what's popular on other platforms like [Pinterest](#), [Etsy.com](#), and [Google Trends](#) to start your keyword research and start digging deeper when you find keywords that are trending or showing demand. She said she's found some great keywords on Pinterest, especially variations on keywords she would not otherwise have thought of.

### **What Criteria Are You Looking for to Validate a Product?**

"It's your basic supply and demand," Kristin said. When Kristin has keywords with search volume in the 3,000-6,000 range, she looks at the competition and asks herself the following questions:

- How many other competitors are there?
- How many other bundle ideas are there?
- How similar are existing bundles to what you want to sell?
- Is my variety pack going to stand out enough?

There's room for variety within bundles, but it's largely going to come down to a judgment call on what you want to bring to market and what's already selling.

The beauty of putting bundles together is that you have room to add something unique that no one else has in their bundle. There are always ways to make your bundle stand out from the crowd and capture a percentage of the sales by adding some extra value.

Once they have had products in the marketplace for a while, they expect to sell upwards of 30 units per month.

### **How Are You Sourcing Your Inventory?**

Amy and Kristin suggest getting started by attending trade shows. They've put together a resource at [mommyincome.com/100](http://mommyincome.com/100) that will help you find 100 wholesale tradeshow by noon, so no excuses for not being able to find plenty of trade shows.

You don't have to attend the shows in person. Once you've found a show you can look through the list of vendors and find some selling products you're interested in, then simply reach out by email or phone and ask for their price list.

A few tips Amy and Kristin shared for newbie's is not to be afraid to ask questions of the vendors. Sometimes there will be restrictions on selling on Amazon due to company policy, so you need to be aware of anything like that. Otherwise, for the most part vendors are going to be happy to sell to you as that's how they make their money.

If you're new to Amazon you should be aware that you're probably going to need to get ungated in the categories you want to sell in. This means providing a wholesale invoice to prove you're buying your stock lawfully and in quantities greater than for your own consumption.

### **How Many Products Make a Good Bundle?**

For Amy and Kristin, they like to put together bundles with 4-6 items in. They found this to be the sweet spot because the more items in a bundle the more chance there is of having to wait on backorders for individual items or any other problems that hold up the whole bundle.

They have a prep center now, but when they started out Amy and Kristin were operating a production line in their homes. This meant sorting shipments coming in from multiple vendors, packaging up the bundles by hand, printing the Amazon labels, and shipping the goods out. So, even one less item in a bundle can make a huge difference to the time investment and potential problems.

### **How Are You Creating Listings on Amazon?**

"You're bringing a brand new product to the marketplace," Kristin said, so you need to create your own listings for your bundles.

You should be able to source photos from the manufacturer, but you will probably need to do some editing to them. You'll need to put some time into writing good sales copy, making sure you capture all the keywords so shoot for organic sales.

Amy and Kristin use VAs to help with listings now they've grown their business. But it's definitely something you can do yourself, and you can go in and edit it whenever you want if you see room for improvement.

### **What Price Point Do You Aim For?**

The minimum retail price they work to is \$19.99 and they've priced bundles as high as \$110. They aim for a 75% margin, which is pretty high but reflects the time and effort that goes into making these bundles over just a buy and resell chain that would typically happen with a single item.

### **What Are You Doing to Market Your Bundles?**

This is where the hard work and diligent research really pays off. Amy and Kristin say they are always confident their bundles are going to sell based on the data and research they do putting them together.

They have a formula that's working well. So there is no need to run ads or spend any money on marketing, they get most of their sales through organic search within Amazon.

### **Any Flops or Products That Didn't Work Out?**

As with any business, there's a learning curve and you're going to have to take some losses along the way. Amy's first wholesale purchase was actually a complete flop, she spent \$500 on a product -- some decorative items to jazz up headphones -- and sold zero dollar's worth.

"It's painful, but I learned a whole lot from that process," Amy told me.

Kristin also recalls a couple of costly mistakes along the way. One such mistake was including some crackers in a bundle that were too near the end of their sell-by-date for Amazon's selling policy. This put a bust on the bundle before it hit the shelves.

Another good thing about bundles is that you can split the bundles up if it isn't selling and repurpose the items. They've had to do that more than once before and salvaged the items individually by putting them into a different bundle.

### **What's Next?**

For Amy, she's content to work on her Amazon business 1 day a week so she has time to enjoy the other things that are important to her, like spending time with her family and pursuing her hobbies. But she's not slowing down on Amazon bundles and is always looking for new opportunities.

Kristin also works 1 day a week on her Amazon business and is pursuing other interests. Her first book was released in June of this year; [\*Dream Big Step Small\*](#), and she's planning on spending more time traveling and teaching more people how to sell on Amazon in live workshops.

There is a Mommy Income Facebook group if you're interested to learn more and interact with other Amazon bundle sellers, you can find that at [MommyIncome.com/joinus](https://mommyincome.com/joinus). You'll be prompted for a code word to be let it, just use - Side Hustle Nation. (You don't have to be a mom to join!)

**Amy's #1 Tip for Side Hustle Nation:**

*"If there's somebody doing what you want to do, reach out for a conversation."*

**Kristin's #1 Tip for Side Hustle Nation:**

*"Commitment and consistency. Decide and commit."*

**More Info:**

- <https://www.sidehustlenation.com/341>
- <https://mommyincome.com/>

Until next time!

-Nick