

StarTube: Monthly Business Report

EP02

What's Trending: Sell Higher with Local Prevalent Products

CONTENT

Abstract.....	3
1. Top Product Categories in E-Commerce.....	3
2. Analysis of Local Prevalent Products.....	6
2.1 US Market Analysis	6
2.2 Australia Market Analysis.....	12
3. Common Incoterms You Need to Know.....	17
3.1 Definition of Incoterms.....	17
3.2 Frequently Used Incoterms.....	18
3.3 The Transfer of Risk.....	19
4. How to Boost Business with Dropshipping.....	20
4.1 Benefits of Dropshipping.....	21
4.2 Dropshipping on Made-in-China.com.....	21
References.....	21

Abstract

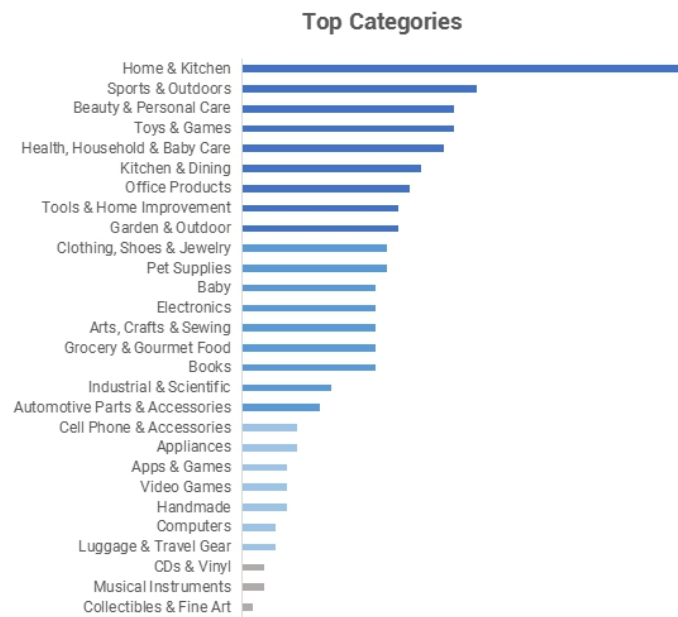
As the retailers, wholesalers, or manufacturers, they would like to know more about the customer behaviors. Made-in-China.com chose 4 trendy industries based on the statement and analyzed the local trending products in e-commerce. This report also contains the common International Commercial Terms as well as the dropshipping business.

1. Top Product Categories in E-Commerce

With all the tough situations changing around the world, the boom in the e-commerce market has been significant. Especially as the retailer, wholesaler, or manufacturer, they deeply would like to grab the business market all the time. Whether you're a brand new seller beginning your research or an experienced trader, it is always difficult to figure out which product category to focus on.

Take Amazon as an example, with 20+ categories to choose from, how to narrow down your research and find the best niche to focus on? Which product categories are more profitable for your business? We will choose some leading industries to deep into the research.

According to the *2021 State of the Amazon Seller Report*, these are the top categories, including the percentage of sellers who have products listed in them. [1]



(Table 1: Product Category Rank by Sellers)

**The sellers could select multiple categories.*

Are these categories the best choice in the competitive market? Let us jump into another table: The rank product category by **average profit margin**.

Rank	Product Category
NO.1	Computers
NO.2	Video Games
NO.3	Handmade
NO.4	Books
NO.5	Apps & Games
NO.6	CDs & Vinyl
NO.7	Home & Kitchen
NO.8	Pet Supplies
NO.9	Beauty & Personal Care
NO.10	Kitchen & Dining
NO.11	Luggage & Travel Gear
NO.12	Office Products
NO.13	Sports & Outdoors
NO.14	Health, Household & Baby Care
NO.15	Arts, Crafts, & Sewing
NO.16	Baby
NO.17	Tools & Home Improvement
NO.18	Toys & Games
NO.19	Garden & Outdoor
NO.20	Grocery & Gourmet Food
NO.21	Cell Phones & Accessories
NO.22	Automotive Parts & Accessories
NO.23	Industrial & Scientific
NO.24	Appliances
NO.25	Clothing, Shoes and Jewelry
NO.26	Electronics
NO.27	Musical Instruments
NO.28	Collectibles & Fine Art

(Table 2: Product Category Rank by Average Profit Margin)

Profitability is a critical consideration when selling on the e-commerce platform, but you are supposed to keep an open mind to find the true best opportunity.

- Some categories may be more profitable than others, but every category has profitable sub-categories within it.
- Less popular categories can be more profitable than popular categories. For example, Luggage & Travel Gear, ranking the 4th from the last on the Top Categories but is potential and more profitable.
- Home & Kitchen and Sports & Outdoors are among the Top Categories among sellers, but both have plenty of subcategories that are not profitable because of increased competition, price wars, and direct competition.

Based on this statement and the categories on Made-in-China.com, we will choose four potential industries to focus on - **Consumer Electronics / Bags, Cases & Boxes / Toys / Office Supplies.**

2. Analysis of Local Prevalent Products

The information below is collected from Amazon country websites, collected on April 1, 2021. (15:37UTC+8). The photo displayed of each top-selling product is a similar product found on Made-in-China.com.

2.1 US Market Analysis

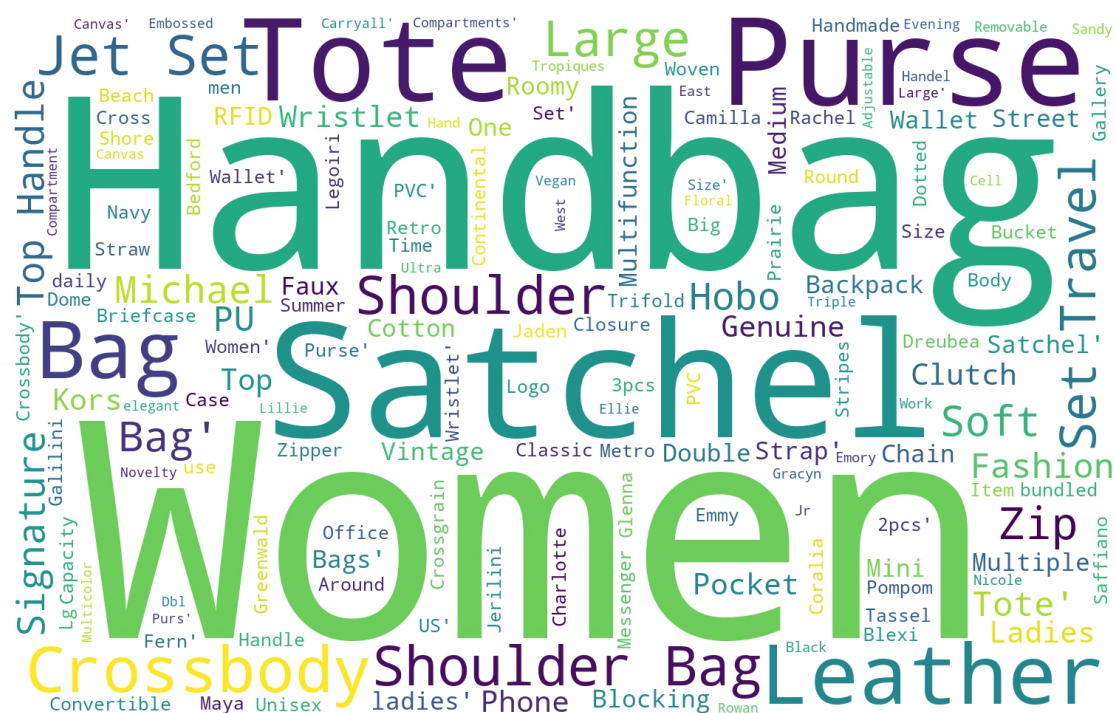
Bags, Cases & Boxes

Handbag business

Most trending brands: Michael Kors, COACH, Fossil, ALDO, Nautica

Features of best selling products: Large capital, practical, affordable

Prevalent product tags:



According to the brand tags, for handbags, “women”, “fashion”, and other types of bags are the most common keywords that customers searched.

Bags, Cases & Boxes

Luggage business

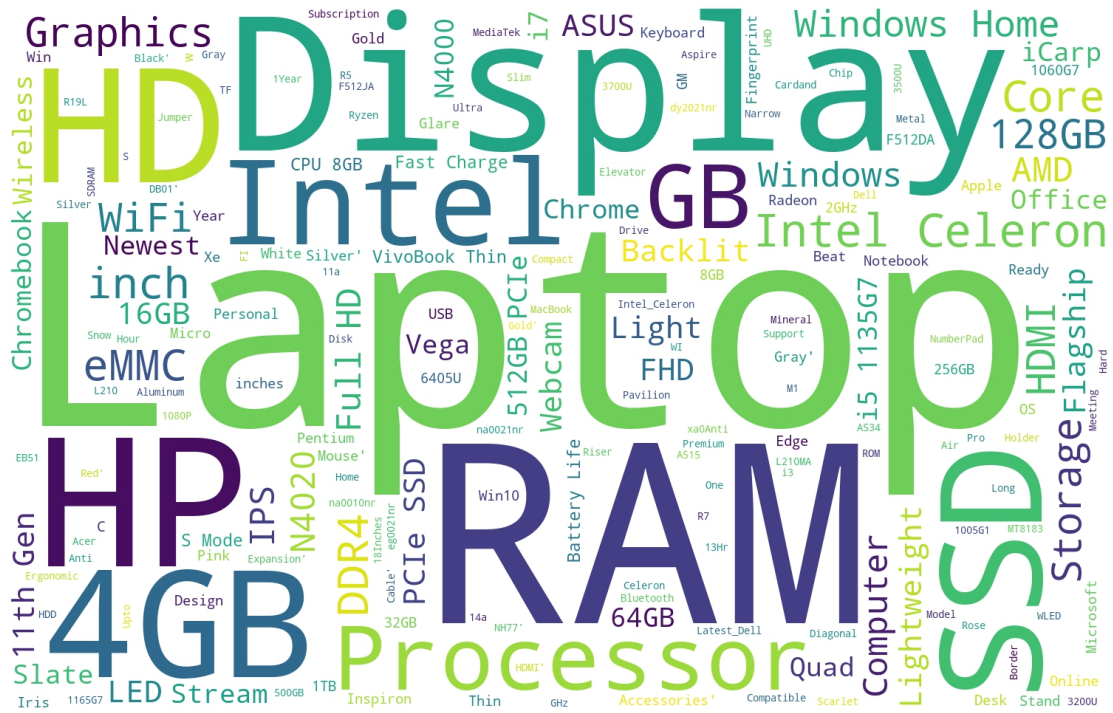
Features of best selling products: Local brands, expandable, stain-resistant

[illegible]

Consumer Electronics

Most trending brands: Acer, Asus, HP, Apple

Prevalent product tags:



For laptop, people always care most about the storage and settings, such as “GB”, “RAM”, and “Display”.

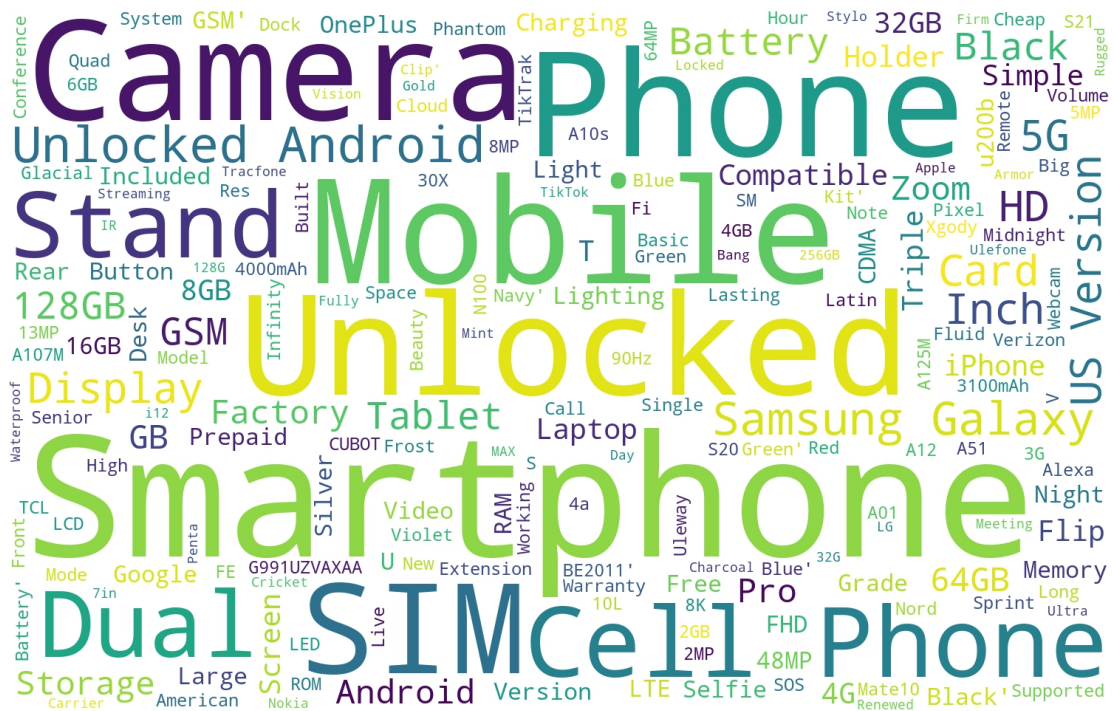
Consumer Electronics

Mobile phone business

Most trending brands: Apple, Google, Samsung

Features of best selling products: Smartphone, power-saving, high pixel

Prevalent product tags:



Customers on the US Amazon usually prefer the iPhone because of the local brand, also with the popularity of short videos, large capacity has become one of the biggest demands of mobile phones.

Office Supplies

Notebook business

Features of best selling products:

Lined Journal Notebook

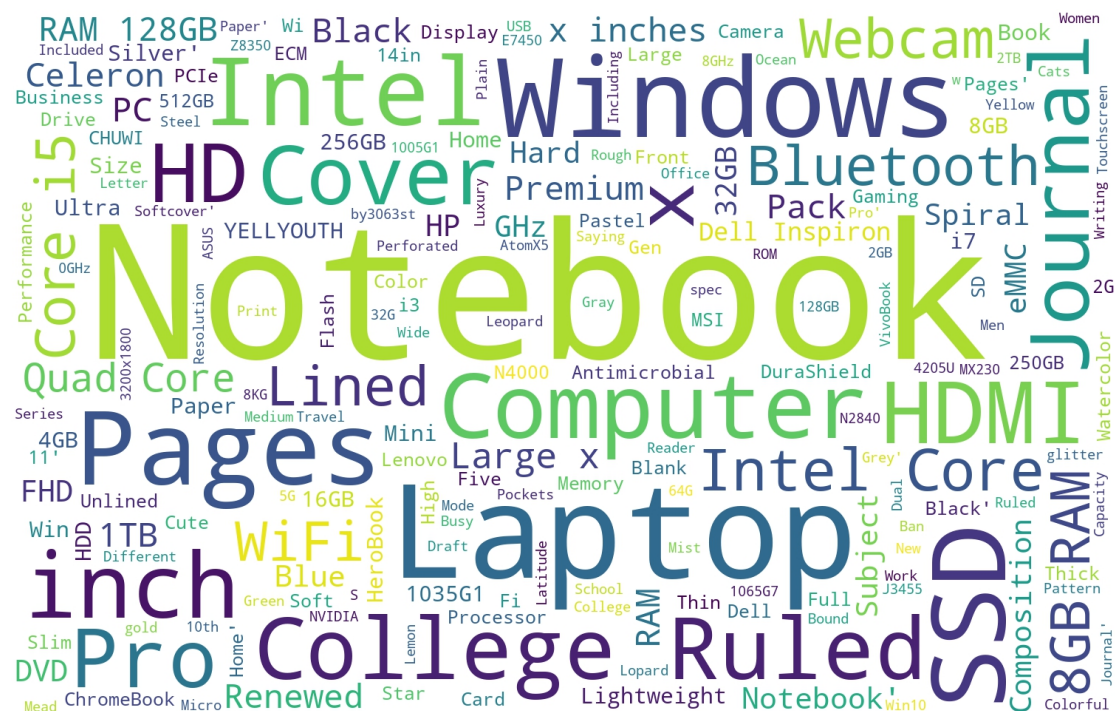
Perforated Pages

Medium (5.7" x 8.3") - Soft Cover Notebooks

Mead Spiral Notebook

Different Colors

Prevalent product tags:



Office Supplies

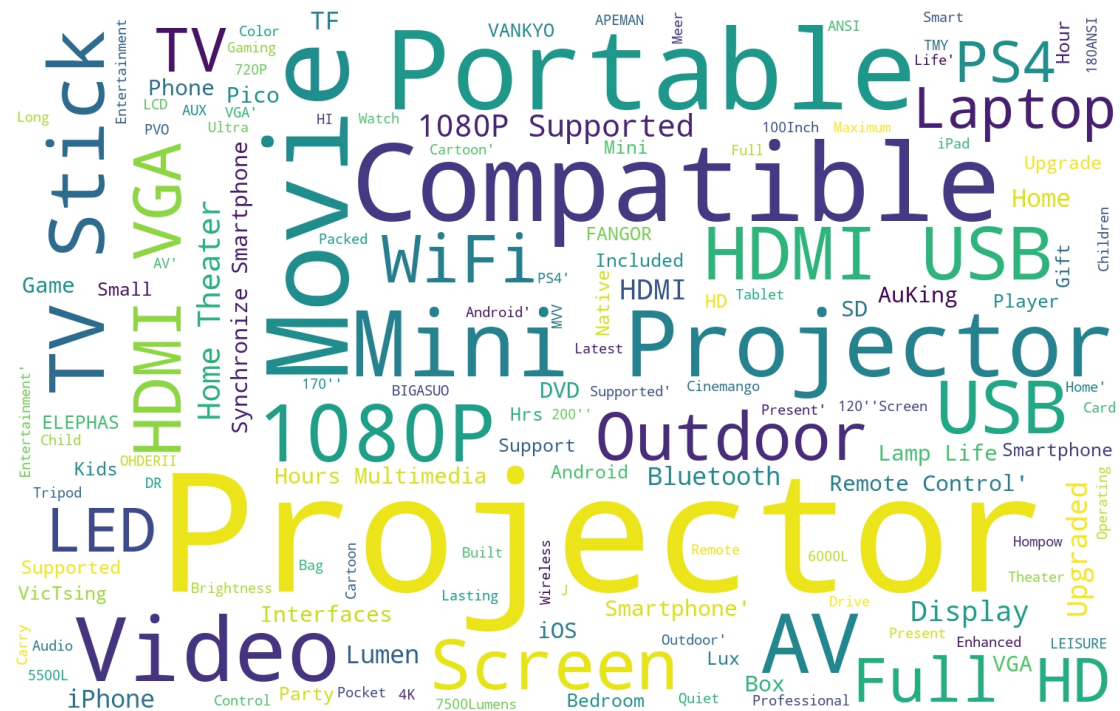
Projector business

Features of best-selling products:

Based on the first page search results for “Projectors” on Amazon.com (US), the features of the most popular products include: "VANKYO LEISURE 3 Mini Projector, 1080P and 170" Display Supported, Portable Movie Projector with 40,000 Hrs LED Lamp Life, Compatible with TV Stick, PS4, HDMI, VGA, TF, AV and USB"; 'DR. J Professional HI-04 Mini Projector Outdoor Movie Projector with 100Inch Projector Screen, 1080P Supported Compatible with TV Stick, Video Games, HDMI, USB, TF, VGA .AUX. AV.

Prevalent product tags:

The most common product tags are ('led', 2), ('1080p', 2), ('tv', 2), ('hdmi', 2), ('wifi', 2).



Toys

Toys for kids business

Features of best selling products:

Castle Play Tent With Glow In The Dark Stars, Conveniently Folds In To A Carrying Case

Aqua Magic Doodle Mat 40 X 32 Inches

Educational Toys Gifts

Easy Score Basketball Set, Blue

Make Up Kit with Stylish Bag

Prevalent product tags:



Toys

Video games toys business

Features of best selling products:

Tablet, 7" Display, 16 GB, Blue Kid-Proof Case

Laugh & Learn Game & Learn Controller, Multicolor

16 Bit Handheld Games

HD Classic Retro Video Games

Indoor Holiday Fun

Outdoor Yard Game

Prevalent product tags:



2.2 Australia Market Analysis

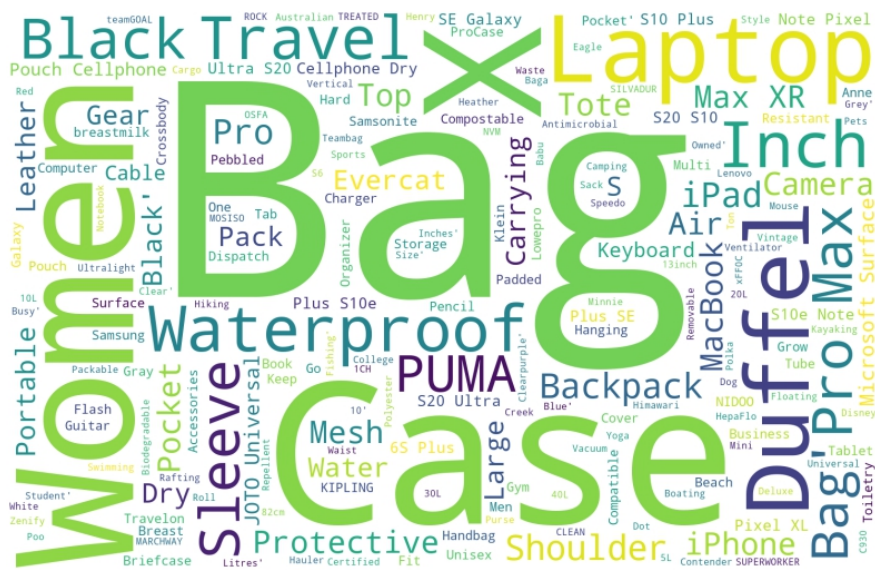
Bags, Cases & Boxes

Handbag business

Most trending brands: Kate Spade New York, Michael Kors, The Sak, Coach, NEWHEY

Features of best selling products: According to our observation, the features show as followed: large volume, attractive colour, well-known brand

Prevalent product tags:



If you would like to make a considerable revenue, please take an eye on tags:

bag\case\women.

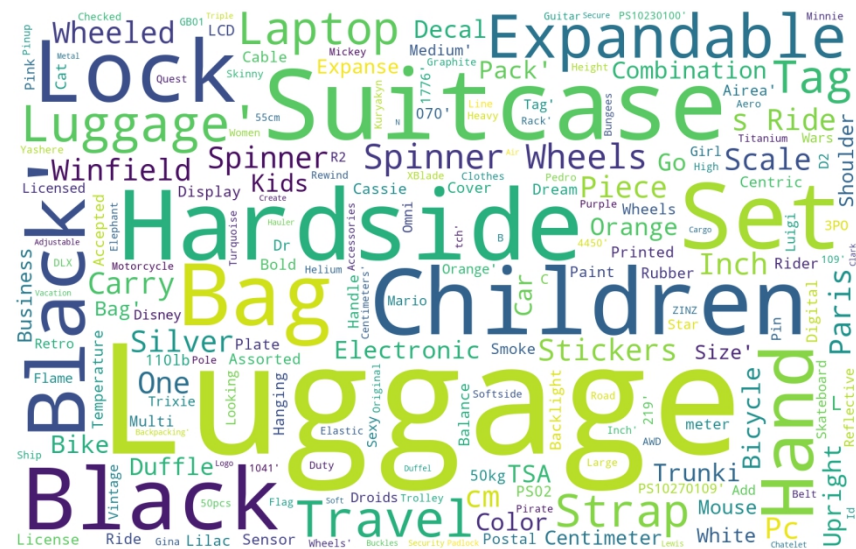
Bags, Cases & Boxes

Luggage business

Most trending brands: Samsonite, Trunki, Eagle Creek, American Tourister, Delsey

Features of best selling products: The best selling luggage always own the features like:Wearable, Inexpensive,beautiful appearance

Prevalent product tags:



Luggage has the vital tags: Luggage, Hardside, Children.

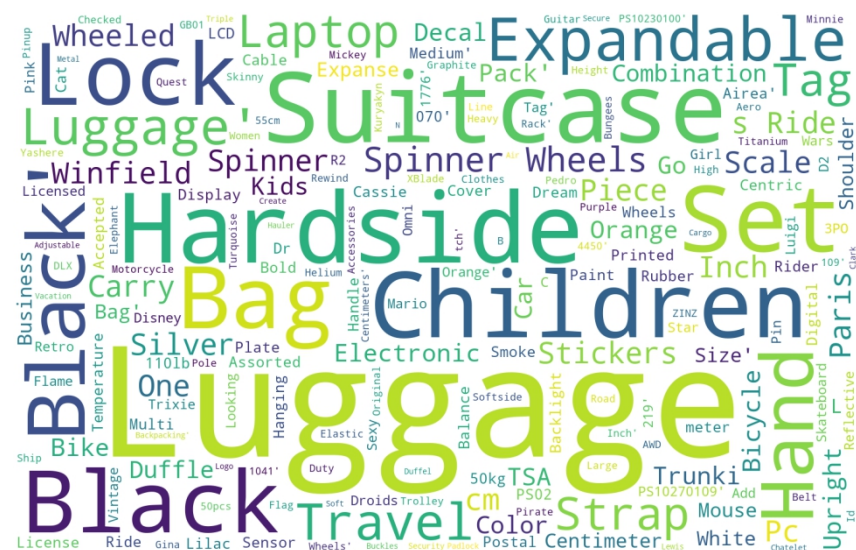
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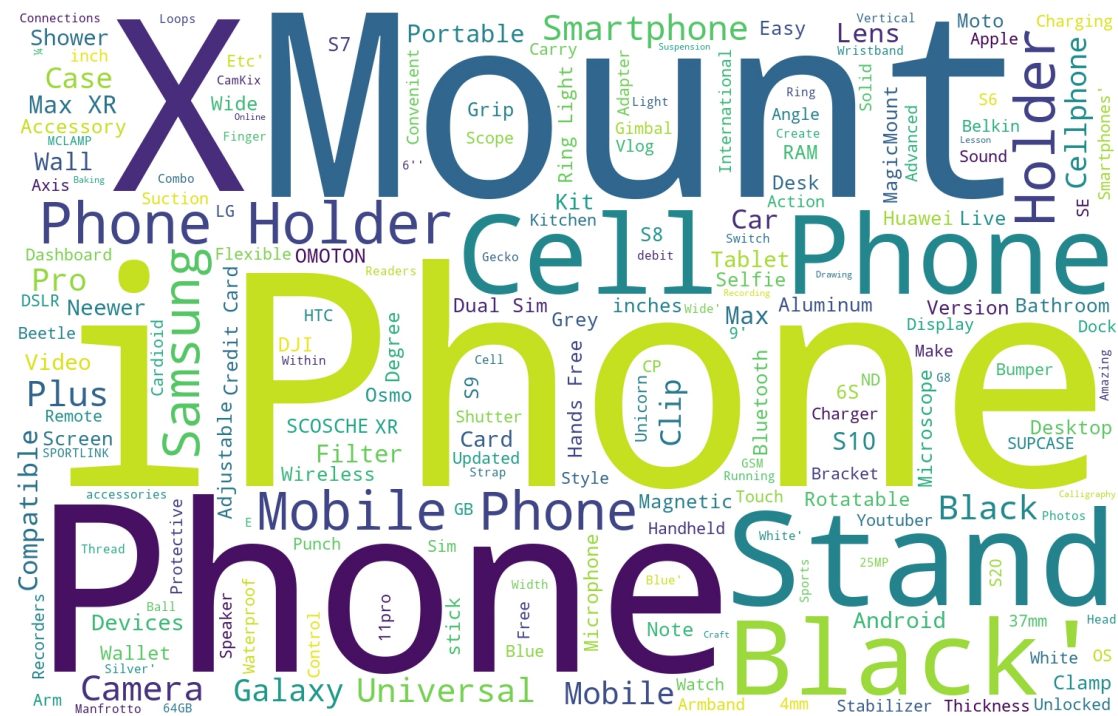
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Consumer Electronics

Mobile phone business

Features of best selling products: The mobile phone takes the 'portable, cost-effective, high-configuration' as the features

Prevalent product tags:



The indispensable tags will be iphone, Phone, Mount.

Office Supplies

Notebook business

Features of best selling products:

Erased, Reusable Wirebound Notebook

Eco-Friendly Notebook with 1 Pilot Frixion Pen & 1 Microfiber Cloth

Deep Space Gray Cover

Hard Cover/Fine PU Leather, Inner Pocket

Magnetic Buckle Closure

Prevalent product tags:



Office Supplies

Projector business

Features of best selling products:

16:9 HD Foldable Anti-Crease Portable Projector

Movies Screen for Home Theater

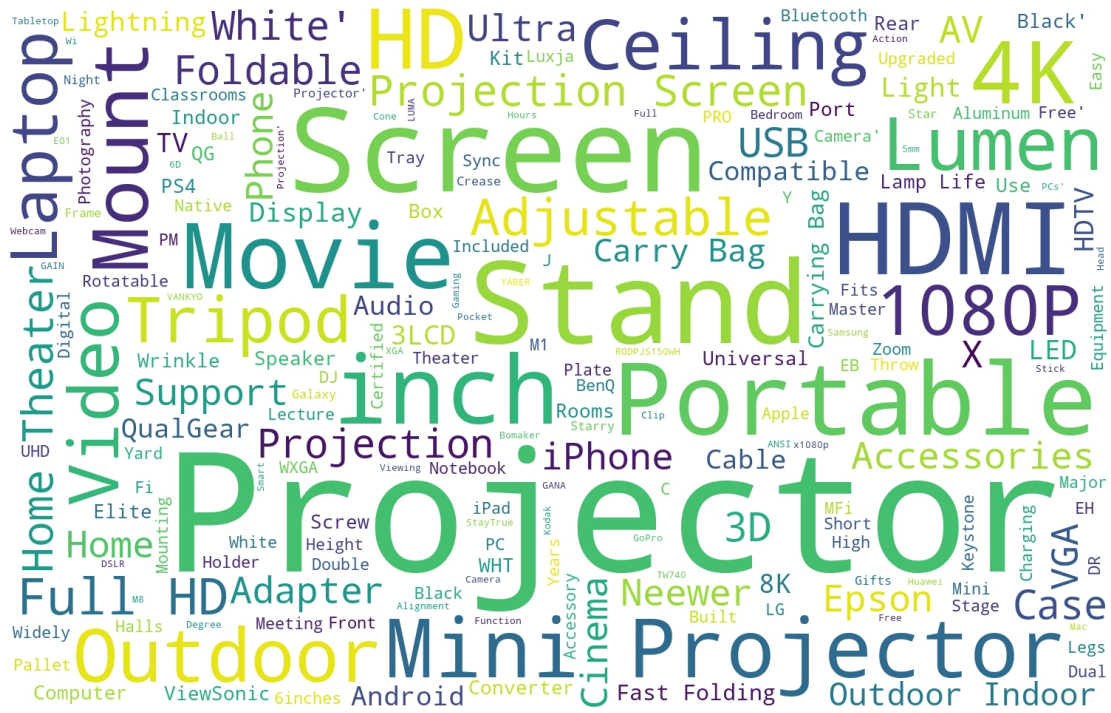
Universal Adjustable White Ceiling Projector

Full-Set Bag for Home Theater

16:9, 8K 4K Ultra HD 3D

Foldable Wrinkle-Free

Prevalent product tags:



Toys

Toys for kids business

Features of best selling products: Educational, National Geographic, practical

Prevalent product tags:



Parents are concerned about the functions of toys as well as Christmas gift.

A series of three-letter trade terms related to common contractual sales practices, the Incoterms rules are intended primarily to clearly communicate the tasks, costs, and risks associated with the global or international transportation and delivery of goods.

Incoterms inform sales contracts defining respective obligations, costs, and risks involved in the delivery of goods from the seller to the buyer, but they do not themselves conclude a contract, determine the price payable, currency or credit terms, govern contract law, or define where title to goods transfers. [2]

3.2 Frequently Used Incoterms

The latest version of Incoterms initiated by ICC includes 11 terms in total, the new version took effect on January 1, 2020. Among these terms, the most used are FOB, CFR, and CIF terms (RULES FOR SEA AND INLAND WATERWAY TRANSPORT). The following will briefly introduce the definitions of these three terms and their risk transfers.

3.2 Frequently Used Incoterms

3.2.1 FOB - Free on Board (named port of shipment)

Under FOB terms the seller bears all costs and risks up to the point the goods are loaded onboard the vessel. The seller's responsibility does not end at that point unless the goods are "appropriated to the contract" that is, they are "clearly set aside or otherwise identified as the contract goods".

Therefore, the FOB contract requires a seller to deliver goods on board a vessel that is to be designated by the buyer in a manner customary at the particular port. In this case, the seller must also arrange for export clearance. On the other hand, the buyer pays the cost of marine freight transportation, bill of lading fees, insurance, unloading, and transportation cost from the arrival port to destination.

3.2.2 CFR – Cost and Freight (named port of destination)

The seller pays for the carriage of the goods up to the named port of destination. Risk transfers to buyer when the goods have been loaded onboard the ship in the country of Export. The shipper is responsible for origin costs including export clearance and freight costs for carriage to the named port. The shipper is not

responsible for delivery to the final destination from the port (generally the buyer's facilities), or for buying insurance.

3.2.3 CIF – Cost, Insurance & Freight (named port of destination)

The sellers in a CIF contract were entitled to payment of the price upon tender of the bill of lading and insurance policy. The purchasers' intent to wait for satisfactory delivery and inspection was overruled. CIF is broadly similar to the above CFR term, with the exception that the seller is required to obtain insurance for the goods while in transit. The policy should be in the same currency as the contract.

The seller must also turn over documents necessary, to obtain the goods from the carrier or to assert a claim against an insurer to the buyer. The documents include (as a minimum) the invoice, the insurance policy, and the bill of lading. These three documents represent the cost, insurance, and freight of CIF.

3.3 The Transfer of Risk

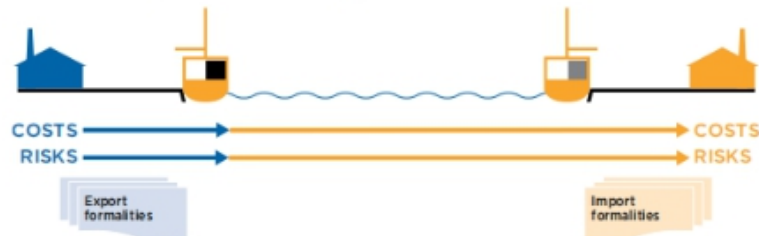
Incoterms® 2020
by the International
Chamber of Commerce (ICC)

TRANSPORT OBLIGATIONS,
COSTS AND RISKS

Blue indicates seller's Gold indicates buyer's Green indicates mixed or shared

FOB Free on Board

(Insert named port of loading) Incoterms® 2020



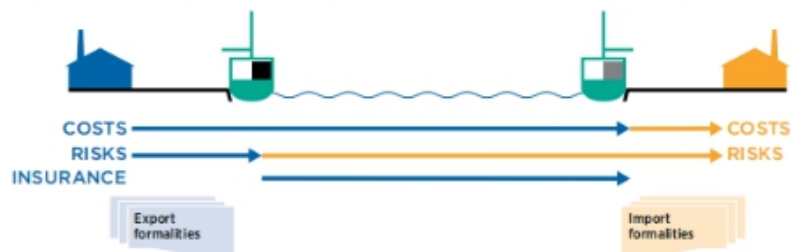
CFR Cost and Freight

(Insert named port of destination) Incoterms® 2020



CIF Cost, Insurance and Freight

(Insert named port of destination) Incoterms® 2020



(Incoterms® 2020) [3]

For more information about international commercial terms, please refer to the full version of Incoterms® 2020 published by the International Chamber of Commerce (ICC).

4. How to Boost Business with Dropshipping

Many retailers, wholesalers, and manufacturers will choose dropshipping for business because it is not only easy to run but also with higher profits.

4.1 Benefits of Dropshipping

Dropshipping is a retail fulfillment method where a store doesn't keep the products it sells in stock. Instead, when a store sells a product using the dropshipping model, it purchases the item from a third party and has it shipped directly to the customer. [4]

With dropshipping, you will get lower start-up costs, a wide selection of products, and there is no need to ship by yourself.

4.2 Dropshipping on Made-in-China.com

Recently, Made-in-China.com did research on the retailers, wholesalers, and manufacturers about the opinions on dropshipping. Based on the responses, nearly 70% of the people had their own online stores, also the third-party online stores (eg. Amazon). The industries include Consumer Electronics, Light Industry, Apparel, Machinery, Office & School Supplies, etc.

[Marketing Poster](#) is a new feature on Made-in-China.com which can fulfill their dropshipping needs much easier. It is a brand new tool with **zero cost** for users to attract more customers and business opportunities by easily creating and sharing a poster of your favorite products on social media to receive feedback on levels of customer interest.

Explore more>>><https://sourcing.made-in-china.com/marketing-poster.html>

References

[1] 2021 State of the Amazon Seller Report, Jungle Scout

[2] Incoterms, Wikipedia

[3] Incoterms® 2020, ICC Organization

[4] What Is Dropshipping | How Does Drop Shipping Work, Shopify