

SELLER SUCCESS STORIES

### In conversation with PurrPalazzo

#### Find out about selling on Amazon.com



PurrPalazzo is an experienced Amazon seller based in Gräfelfing. They have been selling several brands on Amazon.de since 2019 and decided to expand to the USA in 2023.



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#### -Jakob Ruckhaber

Co-Founder & CEO



# Tell us a little bit about your business and the start of your Amazon journey in Germany:

My E-commerce journey began in 2019 in Germany when a close friend introduced me to the incredible potential of Amazon. From the outset, I was captivated by the opportunities Amazon presented. Also, its global setup and the ease of expanding your products to a global audience. I started by researching and scouting suppliers who could help me turn my vision into reality. In 2024, I not only built successful brands of my own on Amazon but also helped numerous other brands establish themselves on this platform. My passion for e-commerce, combined with a strategic approach to product sourcing and brand development, has been the cornerstone of my success.

## What inspired you to expand to the United States with Amazon?

From the very beginning, I was driven by a vision to think big and scale fast. The United States, being the largest and most dynamic e-commerce market, was a natural next step in my expansion strategy. Launching in multiple marketplaces simultaneously was always part of my plan, and the US market presented an unparalleled opportunity to introduce unique, high-quality products to a discerning audience. The competitive nature of the US market was not just a challenge but a chance to prove our capabilities and unlock significant growth. Expanding to the US was about tapping into a market that values innovation and authenticity, allowing us to further solidify our brand's presence globally.

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### How does your company setup in the US look like?

It was very simple. We run everything through our German GmbH.

## How did you manage the Tax setup? Did you seek third-party support?

Managing taxes and the implications it may apply for VAT in Germany required a meticulous approach. With the help of our tax consultant Marcel Lange (Mannheim, Germany) we easily overcame the complexities of international tax. Their expertise ensured that we set up everything correctly and managed our tax obligations efficiently. This third-party support has been invaluable in navigating the US tax landscape.



## How did you navigate US market requirements and regulations?

Navigating US market requirements involved thorough research and compliance checks. We worked closely with legal experts to ensure that our products meet all US regulations, from safety standards to labeling requirements. This proactive approach has helped us avoid potential pitfalls and ensured a smooth market entry.

## What tools or software do you use to create and manage listings in the US store?

We use a combination of tools to manage our listings, including Helium 10 and Jungle Scout for keyword research and listing optimization. For managing content, we rely on tools like Canva for design and Amazon's A+ Content Manager to create visually appealing and informative product pages. For our numbers, we use Sellerboard.

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## How do you manage the translations and quality of content? Any tools?

To ensure high-quality translations, we use professional translation services rather than relying solely on automated tools. For quality control, we employ native speakers to review the content, ensuring that it resonates well with the local audience and accurately reflects the brand's message.

## How does your supply-chain / inbound logistics setup look like?

Our supply chain is designed for efficiency and scalability. We use a mix of direct shipments to the Amazon Warehouses and third-party logistics (3PL) providers to manage our inventory. We use FR. MEYER'S SOHN (Logistics Shipping Company), their representative Elvin has been great to work with. We use Riversource Logistics as our warehousing partner. This hybrid approach allows us to balance costs while ensuring timely replenishment and distribution across the US

## Are you using Amazon Warehouse Distributions (AWD) or a third-party logistics (3PL) provider to replenish in the US?

We only use 3PL providers.



#### How do you manage international returns?

As we do FBA in the US market, there are no returns that go outside of the US. For example, if somebody wants to return our toilet paper holder, they send it back to Amazon US. They manage the return, assess it, and process it. All returns are managed by Amazon and nothing goes back to us. It is very convenient.

## What is your advertising and brand strategy? What are the key tools you rely on?

Our advertising strategy is heavily focused on targeted PPC campaigns using Amazon's advertising platform. Here it is important to utilize everything that Amazon offers in a balanced way, meaning Sponsored Product, Sponsored Brand and Sponsored Display campaigns. We also leverage google to bring outside traffic onto our Amazon listings to rank better organically. We have a team which manages our advertising campaigns manually. We do not rely on tools.

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### Do you see a significant difference between European and American customers?

Yes, there are notable differences. American customers tend to value fast shipping and are highly responsive to promotions and discounts. They also expect a high level of customer service and clear communication. Understanding these preferences has been key to our success in the US market.

#### How do you decide what selection to offer in the US?

Our selection process is data-driven. We analyze market trends, customer feedback, and competitor offerings to determine which products will resonate with the US audience. We also consider factors like seasonality and regional preferences when curating our product lineup.

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## How long did it take to become profitable? Can you share any key learnings?

It took us around 6 months to reach profitability in the US market. One key learning was the importance of patience and persistence—scaling in a new market takes time. Additionally, investing in quality content, customer service, and advertising early on paid off in the long run.



## Where do you see your US Amazon business in the next 12 months?

In the next 12 months, I see our US businesses growing significantly, with plans to expand our product offerings and further strengthen our brand presence. We aim to hit the yearly 8-figure revenue mark, leveraging our experience and the momentum we've built so far.

# What are your final words and advice for Selling Partners starting the US expansion?

For those looking to expand to the US, my advice is to do thorough market research and understand the unique aspects of the American consumer base. Invest in quality listings, robust logistics, and be ready to adapt quickly to market changes. Patience and persistence are key—success won't come overnight, but with the right strategy, it's definitely achievable.



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