



# FULFILMENT by **amazon**<sup>®</sup>

**Understanding how Fulfilment by Amazon (FBA) can help Shoe merchants grow their business and make Q4 2011 a resounding success**

[fba.amazon.co.uk](http://fba.amazon.co.uk)

Amazon Services Europe

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- ❑ What is Fulfilment by Amazon (FBA)?
- ❑ Why does Amazon offer FBA?
- ❑ Comparison & Benefits
- ❑ How it Works
- ❑ Pricing examples
- ❑ What are Merchants experiencing?
- ❑ How can FBA help increase sales and ensure the Christmas season is a resounding success
- ❑ FBA Summary
- ❑ Questions and How to Sign Up

# What is FBA?



Send your full or partial inventory directly to Amazon



Amazon will store and manage your inventory using a unique tracking system



Customers view and purchase your products



Amazon will pick and pack your orders



Amazon ships directly to your customers

## Why FBA and why now in Q4?



- ❑ FBA is a key strategy to differentiate the Amazon buying and selling experience from other ecommerce sites.
- ❑ With a jump of around 7 M unique visitors to Amazon in Q4 of 2010-2011, selling on Amazon this Q4 is set to be even bigger.
- ❑ FBA is about delivering a consistent and great customer experience regardless of who is selling the product. For example, this Q4 offer your customers gift-wrapped items with FBA at no extra cost.
- ❑ Sellers can offer the same customer experience, service and promotions that Amazon does with all the associated advantages.

# Comparison

## Example – Regular merchant detail page

Shop All Departments

Shoes & Accessories | Brands | Bestsellers | Women's Shoes | Men's Shoes | Children's Shoes | Athletic & Outdoor Shoes | Bags & Accessories | Special Offers | Outlet



### Converse Unisex Chuck Taylor All Star Core Hi Trainer

Converse

★★★★★ (79 customer reviews)  (101)

Price: **£36.99**

Size:

Colour: **Black**

**In stock.**  
Dispatched from and sold by [Cloggs](#).



Roll over image to zoom in

[See 1 customer image](#)

[Share your own customer images](#)

**£36.99** + FREE SHIPPING  
In stock. Sold by **Cloggs**  
Quantity:

or

[Sign in](#) to turn on 1-Click ordering.

**More Buying Choices**

Rip101   
£33.99 + £3.34 shipping

Parklife   
£34.99 + £4.38 shipping

Tower Boots   
£36.99 + £2.99 shipping

**15 new** from **£33.99**

Have one to sell?


[Share](#)

# Comparison


## Example – FBA on the detail page

Shop All Departments  Search

**Shoes & Accessories** Brands Bestsellers Women's Shoes Men's Shoes Children's Shoes Athletic & Outdoor Shoes Bags & Accessories Special Offers Outlet



Roll over image to zoom in



[See 1 customer image](#)  
[Share your own customer images](#)

### Converse Unisex Chuck Taylor All Star Core Hi Trainer

Converse

★★★★★  (79 customer reviews)  (101)

Price: **£40.00** & this item Delivered FREE in the UK, plus Free Returns [See details and conditions](#)

Size:

Colour: **Navy**

**In stock.**  
Sold by [Treat Your Feet](#) and **Fulfilled by Amazon**.

Only 4 left in stock--order soon.

**Want guaranteed delivery by Friday, September 16?** Order it in the next **7 hours and 8 minutes**, and choose **Express** delivery at checkout. [See Details](#)

Quantity:

or

[Sign in](#) to turn on 1-Click ordering.

or

Amazon Prime free trial required. Sign up when you check out. [Learn more](#)

#### More Buying Choices

Charles Clinkard   
£40.00 + £2.99 shipping

**2 new** from **£40.00**








Have one to sell?

Share

# Comparison

## Example - FBA on the offer listing page

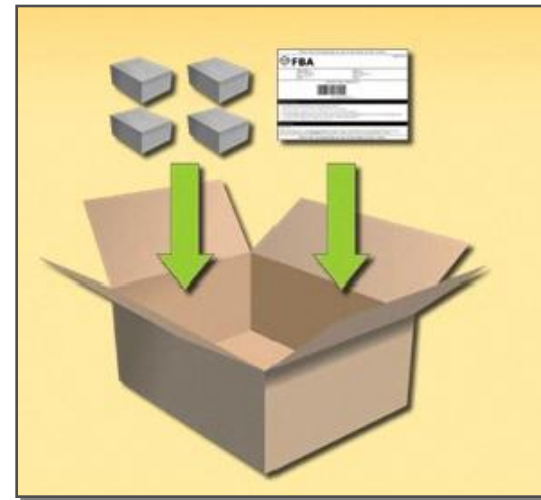
**New** 1-14 of 14 offers

Price + Delivery	Condition	Seller Information	Buying Options
<b>£33.99</b> & this item Delivered <b>FREE</b> in the UK with Super Saver Delivery. <a href="#">See details and conditions</a>	<b>New</b>	Seller: <b>Treat Your Feet</b> <b>FULFILLED BY AMAZON</b> Seller Rating: ★★★★★ <b>98% positive</b> over the past 12 months. (131 total ratings) In stock. Want guaranteed delivery by 1pm Friday, September 16? Order it in the next <b>6 hours and 58 minutes</b> , and choose <b>Express Delivery</b> at checkout. <a href="#">See details.</a> <a href="#">Domestic delivery rates</a> and <a href="#">return policy</a> .	 or <a href="#">Sign in</a> to turn on 1-Click ordering.
<b>£33.99</b> + £0.00 delivery	<b>New</b>	 Seller Rating: ★★★★★ <b>94% positive</b> over the past 12 months. (7,015 total ratings) In stock. Dispatched from United Kingdom. Expedited delivery available. <a href="#">International &amp; domestic delivery rates</a> and <a href="#">return policy</a> .	 or <a href="#">Sign in</a> to turn on 1-Click ordering.
<b>£34.99</b> + £0.00 delivery	<b>New</b>	 Seller Rating: ★★★★★ <b>94% positive</b> over the past 12 months. (9,676 total ratings) In stock. Dispatched from United Kingdom. Expedited delivery available. <a href="#">Domestic delivery rates</a> and <a href="#">return policy</a> .	 or <a href="#">Sign in</a> to turn on 1-Click ordering.
<b>£31.99</b> + £3.40 delivery	<b>New</b>	 Seller Rating: ★★★★★ <b>95% positive</b> over the past 12 months. (3,683 total ratings) In stock. Dispatched from United Kingdom. Expedited delivery available. <a href="#">International &amp; domestic delivery rates</a> and <a href="#">return policy</a> .	 or <a href="#">Sign in</a> to turn on 1-Click ordering.

## How FBA Works

### General Requirements and Getting Started

- ❑ Requires a Selling on Amazon account
- ❑ Merchants match or create products in the Amazon catalogue
- ❑ Merchants prepare product for shipment to Amazon's fulfilment centre
- ❑ Each item should be in consumer-ready packaging with scannable barcode, or apply your own FBA labels (printable through Seller Central)



# How FBA Works



## General Requirements and Getting Started

- ❑ Create FBA shipments within Seller Central. Supports New or Used (if permitted in that category).
- ❑ System decides which fulfilment centre depending on size of shipment and product type to ensure most efficient receive time
- ❑ Inventory may be removed by merchant at any time

amazon services europe  
seller central

HOME | MESSAGES | HELP | LOGOUT

INVENTORY | ORDERS | REPORTS | SETTINGS

Manage Inventory | Add a Product | Upload Inventory File | Inventory Reports | Manage Promotions

All Inventory View | Inventory Amazon Fulfills | Shipping Queue

### Amazon-Fulfilled Inventory

Use this page to view inventory for products that Amazon is fulfilling on your behalf. The drop-down menu lets you ship inventory to Amazon or convert Amazon-fulfilled listings to Merchant-fulfilled. (When you convert your offer to Merchant-fulfilled, you can request any inventory still in the fulfilment centre from Amazon.) [Learn more](#)

**Shipping internationally** Enabled

FBA can now export your FBA products to other European countries. [Learn more](#)  
[Disable FBA Export for EU](#)

Quick Search | Advanced Search

Enter Title, Merchant SKU, ASIN or FNSKU  
E.g.: "harry potter", "harry", "B000122SP", "your-merchant-sku" **Search**

Listings last updated on: 5 October 2010 22:38:55 BDT

All Items (1 to 50 of 82 Items) Page 1 2 Next

Apply to 3 Selected Item(s): **Go**

<input type="checkbox"/>	Merchant SKU	Title	Condition	Price	Inbound	Fulfillable	Unfulfillable	Reserved	Unit Volume (cubic feet)
<input checked="" type="checkbox"/>	03-KUV2-ZWQE	Peugeot 309 Service and Repair Manuals	New	£3.95	0	1	0	0	0.04
<input checked="" type="checkbox"/>	16-4XVU-ZLZW	DRAPER 1/8in DRAPS7859	New	£1.65	0	1	0	0	0
<input checked="" type="checkbox"/>	1A-VGEC-J7YY	Citroen 1.7 and 1.9 Diesel Engine Owner's Workshop Manual (Haynes Owners Workshop Manuals)	New	£3.95	0	1	0	0	0.03
<input checked="" type="checkbox"/>	26-NAG1-FPD2	Draper 20546 E10 TX-Star Socket 3/8-inch Drive	New	£1.65	0	1	0	0	0
<input type="checkbox"/>	2H-1N77-217M	Peugeot 405 Diesel Service and Repair Manual (Haynes Service and Repair Manuals)	New	£4.95	0	1	0	0	0.04

# Shoes related info

## ☐ Shoes

### ☐ FBA stickers required

☐ Applied either by merchant or

☐ Amazon can also sticker (chargeable service)

# How FBA Works

## Excluded Products

### ❑ Hazardous Materials

- ❑ No regulated hazardous materials
- ❑ Includes aerosols and items under pressure



### ❑ Perishables

- ❑ No climate control capability in FCs
- ❑ No expiration / lot control



### ❑ Special Handling

- ❑ No items heavier than 30 kgs
- ❑ No items requiring special handling or delivery (e.g. fridge freezers, etc)



# How FBA Works



## Key Points

- ❑ Merchant decides which products Amazon fulfils; either entire inventory or any portion of inventory
- ❑ Merchant sends products to Amazon.co.uk's fulfilment centre (FC)
- ❑ Amazon stores Merchant's inventory in its FCs along with other merchandise
- ❑ Merchant always owns the inventory and will be the Seller of Record when items sell through Amazon, their own website or other channels
- ❑ Merchant remains responsible for listing, images, description and pricing
- ❑ Merchant has real-time access to inventory information and reporting

## Benefits



## FBA – Competitive Advantage

- ❑ FBA items qualify for the same shipping options as Amazon.co.uk:
  - ❑ Super Saver Delivery, First Class, Express and Evening Delivery (London and Birmingham)
  - ❑ Eligible for Amazon Prime
  - ❑ and can be combined in the same box as Amazon orders!
- ❑ FBA assumes £0.00 delivery cost to the customer providing a price advantage
- ❑ Listings include the FBA logo and Amazon association
- ❑ Gift wrap option is available on FBA orders
- ❑ Amazon handles customer service and returns
- ❑ Negative feedback related to fulfilment will be removed

**Result.** Competitive advantage helps increase buyer trust and drive sales.

## Benefits



### Benefits many FBA merchants are harnessing today

- ❑ Increased Sales
- ❑ Significant time savings and reduced costs
- ❑ More time to concentrate on sourcing and making other important strategic decisions
- ❑ Ability to scale at peak periods and manage a staged growth

### Multi-Channel Fulfilment

Merchants can also fulfil orders placed on other sales channels – including their own website and other 3<sup>rd</sup> party sites deciding which fulfilment channel makes best business sense.



# FBA Export in the EU

- ❑ FBA products listed on Amazon.co.uk can now be purchased by customers outside of the UK
- ❑ Extend your market reach to cover 26 countries in Europe and millions of potential new customers at currently no extra cost
- ❑ Let Amazon take care of customer returns and provide top class customer service.
- ❑ To get started, simply add FBA Export to your FBA account



# New – European Fulfilment Network



- ❑ Ship goods into the UK FBA Fulfilment Centre
- ❑ List your items on Amazon Germany, France and Italy
- ❑ Amazon will fulfil orders placed on those other websites as well as dealing with returns and customer service.
- ❑ Your account is already configured you just have to list your items!

Growing your business  
internationally has  
never been easier  
with Amazon's European Fulfilment Network (EFN)

▶ [Learn more](#)



## Pricing

### Flexible Pricing

- ❑ No setup fee
- ❑ Merchant pays inbound shipping to Amazon
- ❑ Merchants pay storage fees for items in inventory
  - ❑ Charged monthly, based on daily average
  - ❑ Based on cubic feet of actual inventory
  - ❑ Pay only for what you consume!
- ❑ Merchants pay fulfilment fees for each item fulfilled by Amazon
  - ❑ When order is placed, merchants pay a fulfilment fee determined by the number of items and the weight of the shipment

# Pricing

## UK FBA Fees – Storage, Picking and Packing



### Inventory Storage

This fee is assessed to every unit for as long as it's in an Amazon centre.

#### Monthly Storage (per cubic foot)

January thru September	£ 0.30 / cubic foot <sup>1</sup> per month
October thru December	£ 0.40 / cubic foot <sup>1</sup> per month

### Amazon.co.uk Fulfilment<sup>2</sup>

Use this table if the order was placed through Amazon.co.uk

The total fee to process a fulfilment order =  
Order Handling + Pick & Pack + Weight Handling.

#### A Order Handling

	MEDIA	NON-MEDIA	OVERSIZE
Per Order <sup>3</sup>	£ 0.00	£ 0.25	£ 0.00

#### B Pick & Pack

	MEDIA	NON-MEDIA	OVERSIZE
Per Unit	£ 0.15	£ 0.60	£ 2.30

#### C Weight Handling

	MEDIA	NON-MEDIA	OVERSIZE
<b>Envelope:</b> 300g Maximum Fits within a 300 x 200 x 20mm envelope	£ 0.05 per 100g		N/A
<b>Box:</b> Up to 2kg	£ 0.10 per 100g		
<b>Box:</b> More than 2kg	£ 2.00 + £ 0.02 per 100g above the first 2kg		

## UK FBA Fees – Multi-Channel Fulfilment

Multi-Channel Fulfilment <sup>5</sup>			
<p>Use this table if the order was placed anywhere other than Amazon.co.uk</p> <p>The total fee to process a fulfilment order = Pick &amp; Pack + Weight Handling.</p>			
D Pick & Pack			
	MEDIA	NON-MEDIA	OVERSIZE
Per Unit	£ 0.85	£ 1.35	£ 4.05
E Weight Handling			
STANDARD			
<b>Envelope:</b> 300g Maximum Fits within a 300 x 200 x 20mm envelope	£ 0.34 + £ 0.13 per 100g		
<b>Box:</b> Up to 2.2kg	£ 1.00 + £ 0.15 per 100g		
<b>Box:</b> 2.2kg - 30kg	£ 4.30 + £ 0.02 per 100g above the first 2.2kg		
EXPEDITED			
<b>Envelope</b>	N/A		
<b>Box:</b> Up to 1.5kg	£ 4.00 + £ 0.15 per 100g		
<b>Box:</b> 1.5kg - 30kg	£ 6.25 + £ 0.40 per kg above the first 1.5kg		

# New – Zero Fee Fulfilment

## Zero Fee Fulfilment

Zero Order Handling. Zero Pick & Pack. Zero Weight Handling.



New to Selling on Amazon?

[Register for FBA Today](#)

Already Selling on Amazon?

[Add FBA to your Account\\*](#)

\*Seller Central sign in required



With **Zero Fee Fulfilment**, standard-size items<sup>1</sup> selling at £ 300 or more will have no fulfilment fees<sup>2</sup> for orders sold on Amazon.co.uk.

This is an addition to the following features that are standard with most items with Fulfilment by Amazon:

- Products eligible for FREE Super Saver Delivery & Amazon Prime
- Amazon's Trusted Customer Service and Returns

Learn more about [Fulfilment by Amazon](#).

The example on the right shows costs involved with a standard shipment of a camera sold on Amazon.co.uk and fulfilled by Amazon. The Order Handling, Pick & Pack, and Weight Handling fees are waived for items sold on Amazon.co.uk since the item is standard size and more than £ 300.

1. Standard-sized items fit within a space measuring 45 cm x 34 cm x 26 cm and weigh less than 12 kg including unit packaging.
2. Fulfilment fees include Order Handling, Pick & Pack, and Weight Handling fees. Selling on Amazon fees, storage fees and other applicable fees still apply.

Fulfilled by Amazon


The customer pays	
Price + Delivery	£ 300
Fulfilment Costs	
Order Handling	<b>Zero</b>
Pick & Pack	<b>Zero</b>
Weight Handling	<b>Zero</b>
Other Costs	
Customer service	Included
Eventual customer returns	Included

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# FBA Fee Examples

		FBA Fees
	<b>Converse Unisex Chuck Taylor All Star Core Ox</b> (Price: £37.99, Weight: 789 grams)	
	Order Handling	£ 0.25
	Pick + Pack	£ 0.60
	Weight Handling	£ 0.80
<b>Fulfilment by Amazon Fees</b>		<b>£1.65</b>
	<b>Hunter Unisex Original Tall Colours Wellington Boot</b> (Price : £ 68.00, Weight : 2 kg)	
	Order Handling	£ 0.00
	Pick + Pack	£ 2.30
	Weight Handling	£ 2.00
<b>Fulfilment by Amazon Fees</b>		<b>£ 4.30</b>

Prices shown are exclusive of VAT

## What Are Merchants Experiencing?

### Gamesbuyer – Scaling for strong growth

- ❑ In 1999 ran a traditional brick and mortar store
- ❑ Started selling on Amazon.co.uk in 2003.
- ❑ Since first selling online, Gamesbuyer has experienced 95% uninterrupted growth, primarily online through Amazon.co.uk, its own website, and other marketing channels.
- ❑ Joined FBA in 2008 to manage warehousing of growing inventory

*"Amazon is our strongest channel with more than 69 percent of our business and the largest growth in the last year."*

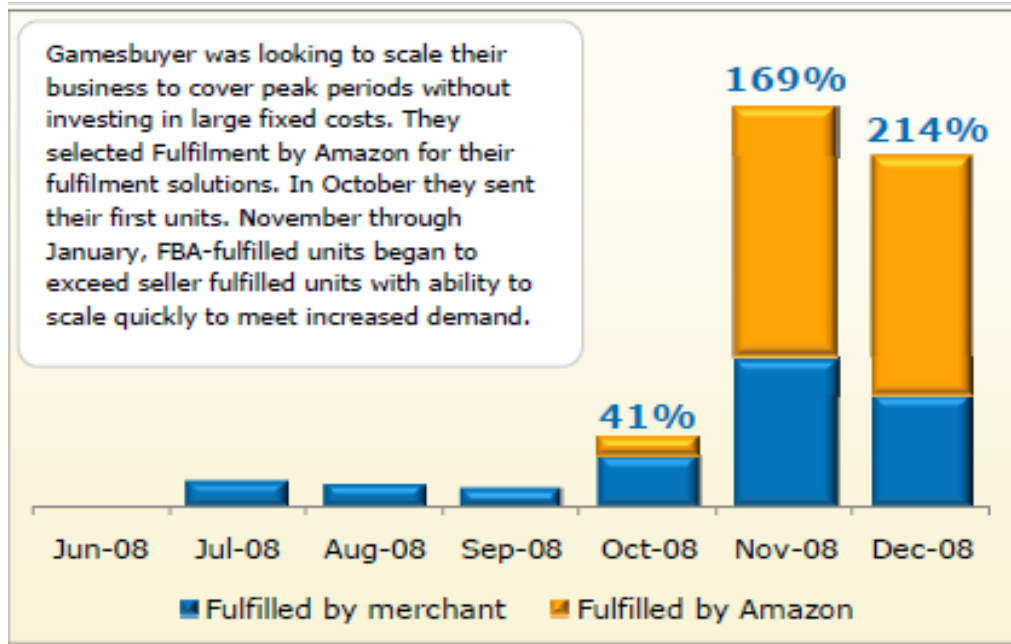
*Mark Senior  
Founder & Owner*

**gamesbuyer.co.uk**



# What Are Merchants Experiencing?

## Gamesbuyer



*"We didn't anticipate the customer service element of FBA. We put a low tariff on it until we saw how quickly FBA customer service handled issues with our Amazon orders at peak periods. Customer service was a big advantage to us during our huge growth in December!"*

*Mark Senior*

"I am moving from the standard fixed cost and fixed space of a warehouse to having a business that is fluid in all its form. With the flexibility of FBA, I can now buy inventory at a time during the year that it is discounted compared to other times of the year. I can shrink or grow my inventory at any time, flexing up and down during on and off peak seasonality. Amazon is our favourite channel and Fulfilment by Amazon has enabled us to continue to meet our increase in sales. We plan to continue the strong relationship". Mark Senior – April 2009

## What Are Merchants Experiencing?

DST (UK) Ltd – Growth in sales and valuable time savings to bring more products to market



*'We have found that by using Amazon we have been able to reach customers who might not have visited our website directly. Amazon is such a well-known brand that many people will not buy online without first checking out the pricing etc. on Amazon.'*

*Dave Solomon*

- ❑ Products – home and business telephones
- ❑ History
  - ❑ 1999 Company founded
  - ❑ 2003 started selling on Amazon
  - ❑ 2008 signed up for Fulfilment by Amazon
  - ❑ DST sees on average a 40% increase in business for products supplied via FBA compared to when supplied directly.

**"FBA allows us to send some of our best selling items to Amazon meaning that we can focus our attentions on launching new products and developing our business while a large percentage of order handling is managed by FBA. We also believe that customers seeing items fulfilled by Amazon as opposed to a seller gives them more confidence. This drives sales up, and the option of Super Saver Delivery gives the customer more options for delivery, again producing higher sales traffic."**

**Dave Solomon, Founder and Managing Director DST UK Ltd**

# Good timing and planning can make Q4 2011 a success



Ship your inventory to Amazon early to take advantage of the peak shopping days. With FBA:

- ❑ Your customers can request different delivery options for faster delivery, opt for Free Super Saver Delivery or benefit from Amazon Prime
- ❑ Many online gift shoppers combine purchases and FBA items can be shipped together with those from Amazon
- ❑ Amazon can offer gift wrap including personalised gift messages

**Result : Increased customer confidence = a competitive advantage which can lead to a lift in sales**

# Top Shoe Brands for FBA



Adidas
Nike
Puma
Ecco
Lacoste
Reebok
Footjoy
Superdry
Karen Millen
Reiss
UGG
FitFlop
Moshulu
G-Star

# Tips for FBA Sellers



- ❑ You can ensure you don't run out of stock by using Amazon's replenishment alerts.
- ❑ Your listings can remain active even when you are on holiday so your business keeps turning (e.g. between Christmas and New Year)
- ❑ Amazon takes care of customer service and returns on your behalf
- ❑ You have the flexibility to scale your business at the busiest time of year without having to take on extra staff or work non-stop

**Result : Time and cost savings, peace of mind and optimisation of your turnover**

# FBA Summary



FBA items stand out on key Amazon.co.uk pages with logos and text that emphasize Fulfilment by Amazon, and drive incremental sales.



Buyers know that FBA items will be delivered on time. Get the benefit of building your brand while adding the credibility of association with the Amazon brand.



Super Saver Delivery and Prime shipping; buyers can combine their Amazon and FBA items in a single cost-saving shipment.



FBA items qualify for return and customer service direct from Amazon for items that are purchased on Amazon.co.uk further increasing buyer trust and satisfaction.



FBA can fulfil orders for all your sales channels lowering your cost of investing in fixed capital and leveraging our technology to scale your business effectively.

# Save up to £ 1500 when you sign up for FBA Take advantage of our Q4 2011 Promo Rebate

FULFILMENT  
by **amazon**<sup>®</sup>


You sell it. We ship it.



New to Selling on Amazon?

Register for FBA Today 

Already Selling on Amazon?

Add FBA to your Account \* 

\*Seller Central sign in required

Register now  
for Fulfilment  
by Amazon

Save up to  
**£1,500**

Up to  
**£1,500**  
rebate

Sign Up Now

Visit our website on  
<http://services.amazon.co.uk> for more  
details

# Next Steps



## ❑ New FBA merchants

- ❑ Contact the Business Development team for assistance in getting started: [Bizdev-uk@amazon.co.uk](mailto:Bizdev-uk@amazon.co.uk)
- ❑ Please type “Webinar questions – (and your company name)” in header
- ❑ We will help you to register for FBA, choose your products and create your first shipment

Wishing you a prosperous  
Q4 2011!

The FBA Team