

FBA in the spot light

Haysom Lighting based in Poole in Dorset was founded some 10 years ago and has been selling their products online since 2005, initially via their own website. Anxious to build awareness, they drove traffic to their site with the help of ads placed with the two most popular search engine providers. Leaders in the supply of a truly wide array of lighting, shades, accessories, and mirrors for home and office as well as restaurants and hotels, Haysom Lighting has also been selling on Amazon since late 2008. Designs vary from traditional to contemporary to modern and in all sorts of shapes, sizes, and colours, thus catering for almost every possible taste.

Their choice to extend their online sales to Amazon was based, as founder and MD Sam Haysom explained, on the fact that "Amazon was the biggest online platform and had a good and well know reputation. This is something we wanted to be part of." A few months later Sam Haysom was approached by Amazon who presented him with details of the Fulfilment by Amazon (FBA) service and explained how FBA might help him grow his business while simultaneously cutting costs. After some careful consideration about how FBA could best fit into their existing framework, Haysom Lighting decided to give it a go and registered for the service in the spring of 2009.

Slowly but surely

As is often the case with a new venture, most people prefer to walk before they run and Haysom Lighting was no exception. However, it soon became clear to Sam that he had made the right decision to become an FBA seller as the positive results began to see the light of day. "Naturally we started off small," explained Sam, "but we improved things as we went along. Our sales on Amazon have grown to 40 percent, and we are happy with FBA, which has helped us to increase turnover by 15 percent." In addition, Sam also appreciated the savings he was able to make in cost and time. "We were able to cut cost as FBA deals with everything for us including customer returns, which are being handled just fine by Amazon. As a result we are able to save five hours per week, which gives us time to add even more products to our offering."



Good Tools to effectively manage a large stock

Given the fact that Haysom Lighting sells literally thousands of items, Sam Haysom has only praise for the tools he has at his disposal in his seller account and finds the automatic archiving function particularly useful when managing his FBA inventory. Another major advantage Sam identifies is that as he prefers not to hold a lot of stock, he can now replenish within a shorter



Haysom Lighting

Sam Haysom - founder of Haysom Lighting

Products

Lighting, shades, accessories and mirrors

History

2005 : Started selling online

2008 : Started selling on Amazon.co.uk

2009 : Registered for the Fulfilment by Amazon



Two of Haysom Lighting's employees.

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Sam Haysom



"Customers are more likely to order an item listed under FBA as they can get free next-day delivery under the Amazon Prime programme. FBA items get higher rankings on the category pages and Amazon is so easy to navigate, it is the preferred channel for an ever-growing number of shoppers."

Sam Haysom

timeframe, safe in the knowledge that once items are ordered via FBA they will be quickly received by the customer as they can qualify for next day delivery or standard delivery within 2 – 3 working days.

Sam is clear about what he sees as the strongest benefits of using Fulfilment by Amazon and how these have contributed to his own growing business. "Customers are more likely to order an item listed under FBA as they can get free next-day delivery under the Amazon Prime programme. FBA items get higher rankings on the category pages and Amazon is so easy to navigate, it is the preferred channel for an ever-growing number of shoppers." By higher rankings, Sam refers to the fact that listings under the FBA service include the FBA logo and Amazon association and FBA assumes £ 0 for Super Saver Delivery providing a price advantage on FBA items.

Sam Haysom is already thinking about his future expansion and has just signed up for the new FBA Export to EU feature with the goal of extending his business with Amazon to buyers from nine other EU countries that purchase his products on amazon.co.uk.

Examples of UK FBA fees August 2010



Blue Reading Light (Price: £ 4.99 - Weight: 100 g)		Fees
Order Handling		£ 0.25
Pick & Pack		£ 0.60
Weight Handling		£ 0.10
Fulfilment by Amazon Fees		£ 0.95



Ree 70CL Clear Clip on Light (Price: £ 9.99 - Weight: 998 g)		Fees
Order Handling		£ 0.25
Pick & Pack		£ 0.60
Weight Handling		£ 1.00
Fulfilment by Amazon Fees		£ 1.85



Energy Saving Desk Lamp (Price: £ 29.99 - Weight: 1.1 kg)		Fees
Order Handling		£ 0.25
Pick & Pack		£ 0.60
Weight Handling		£ 1.10
Fulfilment by Amazon Fees		£ 1.95

The fees include customer service and eventual returns. Fees are exclusive of VAT.