



You sell it – we ship it!

Sell on Amazon and let Fulfilment by Amazon create a better sales experience with fast, free shipping on eligible products.

- Access to millions of Amazon shoppers
- Amazon's advanced fulfilment network
- Trusted customer service and returns
- Multi-Channel Fulfilment
- Scalable to meet your growing business needs

Discover more: fba.amazon.co.uk

fba.amazon.fr

fba.amazon.de

Selling on Amazon - How it works



Upload your Inventory

With Selling on Amazon, it's easy to upload your inventory. Once you've registered use the Web-based tools, a free desktop software application, or text files to get up and running fast.

Customers view and purchase your products on Amazon.co.uk

Amazon.co.uk is a leading web site and is a stop for millions of online shoppers. By listing your products on Amazon.co.uk you reach millions of potential customers every day. Amazon.co.uk makes buying your products a snap. With features like 1-Click and a brand millions of consumers trust, we help customers make quick, easy, worry-free purchases.

You Ship Products to Customers

Amazon notifies you by email when an order has been placed. You simply pack and ship your item to the customer (Or you can sign up for Fulfilment by Amazon and let Amazon do the shipping for you).

Amazon Transfers Payments to You

Amazon deposits payment into your bank account every 14 days and sends an email notifying you that your payment has been sent.

Amazon's Technology Working For You!

With this innovative service, you send inventory directly to Amazon where it is stored and managed in a secure, modern facility. When orders are received, Amazon will professionally pick, pack and ship the product directly to your customers.

Amazon processes millions of orders a year and is consistently ranked among the top e-commerce companies in terms of trust and customer-satisfaction ratings. To maintain this unique combination, we have developed one of the most advanced online order processing and fulfilment operations in the world. From our advanced web-to-warehouse high-speed picking and sorting system to our complete shipping carrier integration, Amazon's technology results in your customers getting what they ordered, when they ordered it.

Whether you're considering just a few items and shipments a week or millions of products and orders per year, you can put Amazon's expertise and experience to work for your business with Fulfilment by Amazon.

Overview

With Fulfilment by Amazon, you send your inventory to one of Amazon's fulfilment centres, and when orders are received, we take care of packing your products and shipping them to your buyers. Your customers can combine your products with Amazon items and receive free Super Saver Delivery and other benefits supported directly from Amazon, such as customer service and returns.

How it works

1. You send your new or used products to Amazon's fulfilment centres.
2. Amazon catalogues and stores your products in our ready-to-ship inventory.
3. Amazon fulfils orders on your behalf—orders placed directly on Amazon or fulfilment requests you submit for sales not on Amazon.
4. Fulfilment by Amazon picks your products from inventory and packages them.
5. Amazon ships the products to your customers from its network of fulfilment centres.

Amazon deposits the net proceeds from sales and charges net fees for fulfilment to your account as part of your normal settlement cycle.



Quick Facts about Fulfilment by Amazon

- There are no long-term commitments with FBA.
- You own and control your FBA inventory at all times and can send more or request returns at any time.
- There are no minimum or maximum inventory or order requirements.
- Fulfilment fees are charged per order at the time of the sale.
- Storage fees are calculated daily for only the inventory you have in an Amazon fulfilment centre.
- You can combine Amazon fulfilment with your own order processing or let Amazon handle it for you.
- Inventory is stored and processed in our modern, secure facilities and is insured against loss or damage.



You Send Products to Amazon

You can send your products to Amazon by listing them, creating a shipment and sending them to Amazon's fulfilment centres. You have the option of using the Seller Central web application, bulk uploading flat file feeds and integrating your system with Amazon's APIs.

Seller Central Web Application

With Seller Central you begin by listing your products and converting them to "Fulfilled by Amazon." If you already have products listed on Amazon, you can easily convert them to Fulfilment by Amazon using the Seller Central web application. Seller Central's shipping workflow will walk you through the process of labelling your products and creating a shipment.

Flat File Feeds

If you choose to use a flat-file upload, you can enter your product information into an Excel spreadsheet using templates we provide. This method enables you to upload large volumes of inventory at once, and it eliminates the need to convert inventory from merchant fulfilled to Fulfilment by Amazon.

Amazon FWS

FWS enables registered merchants already using FBA to access Amazon's world class fulfilment capabilities through a simple web services interface. FWS helps merchants integrate FBA functionality into their own ERP or MIS system. There is no charge for using Amazon FWS; only fees for the underlying Fulfilment by Amazon services apply. There are two sets of APIs - Inbound and Outbound.

Label your Products

All products must be properly identified for inventory and fulfilment. This can be accomplished by two methods. The first option uses existing scannable labels (EAN or UPC) to identify your products. This option is available for unrestricted product categories. The second option involves printing labels from Seller Central or using Amazon FWS and affixing them to each unit. For example, if you are shipping 100 CDs to Amazon's fulfilment centre, you print 100 labels—one for each CD.

Label your Shipment

Whether you're sending in one unit or 1,000, we can accommodate your shipment. Using the Seller Central shipping workflow, flat-file feeds and Amazon FWS, you can enter tracking information for small parcel deliveries and use Amazon's partner carriers to take advantage of our deeply discounted shipping account. If you're sending in high-volume shipments, provide your less-than-truckload (LTL) or full truckload (FTL) information and schedule a delivery. Once your shipment is ready to go, you simply print out packing slips and labels and hand off your shipment to your carrier.

Track your Shipment

While in transit to the fulfilment centre, you can track your shipment through your carrier. In addition, you can monitor the status of your shipment online through Seller Central's Shipping Queue. When the shipment is delivered to our dock, the status changes to "Checked in" while the inventory is scanned into inventory. When scanning is complete the status changes to "Closed" and your inventory will list in the Inventory Amazon Fulfills view.

Multi-Channel Fulfilment

Merchants can submit requests to Amazon to fulfil orders that originate anywhere other than on Amazon.co.uk, basically on their own website or another third-party platform. These orders are fulfilled directly from a merchant's inventory in Amazon's fulfilment centre with an option for standard or express delivery. Merchants can preview delivery estimates before they submit a fulfilment request for a Multi-Channel Fulfilment order, so they can decide what makes best business sense. With Multi-Channel Fulfilment, sellers only pay as they go with no monthly subscription fee.



Amazon Stores Products

All fulfilment centres in the Amazon fulfilment network are secure modern facilities with highly automated pick, pack and ship processes to facilitate the safe and timely processing of merchant orders. Features include the 24-hour security, fully automated wireless and computer-networked order tracking, and high-value secure cage storage.

You can manage your FBA inventory online. When you register for FBA, you have a customized view of the Manage Inventory feature containing three main pages:

The All Inventory View allows you to search for existing inventory or add a product and offers advanced features for classifying your products.

View and manage your Amazon-fulfilled listings, and initiate inventory shipments to Amazon.

View and manage your shipments to Amazon.

When your shipment arrives, the package label is scanned, the inventory unpacked, and all item labels are scanned. The dimensions and weight are recorded and the units are placed in storage. The Shipping Queue will indicate that the shipment is "Closed." Processing inventory can be completed in less than 72 hours from the time it arrives.

When your inventory arrives in Amazon's fulfilment centre, each unit is scanned and measured. At the end of each day, a combined total of your entire inventory in the fulfilment network is recorded. At the end of the month, an average of the daily amounts is used for billing purposes.

You have complete control over your inventory. You can request the return of your inventory at any time. We will only charge you for the Multi-Channel Fulfilment Pick & Pack fee outlined under Amazon Picks & Packs Products on page 4. We will stop charging for storage as soon as your inventory leaves Amazon's fulfilment centre.



Once your products are listed through Fulfilment by Amazon, your customers will be able to take advantage of offers such as Super Saver Delivery, Prime shipping eligibility, world class Amazon customer service, and One Day Shipping with Fast Track Messaging. When customers see "Fulfilment by Amazon" beneath your product listings, they know their orders will be fulfilled in a secure and timely manner.



When your products are purchased through FBA, we process them using the same pick, pack and ship system used for all Amazon orders. Amazon processes millions of orders for millions of customers with accuracy and efficiency. You have the option to use Amazon Fulfilment or Multi-Channel Fulfilment.

Your products are purchased, packaged and ready for delivery. FBA ships your products to your customer using the shipping method selected by your customer. Your products can be combined with other items purchased through Amazon and be discounted using Super Saver Delivery or Prime discounts. If you're fulfilling orders from Amazon, we'll provide customer service and process returns. If you're using Multi-Channel Fulfilment, you can work directly with your customers.



You can request more information or sign up by going to www.fba.Amazon.co.uk. Click 'Contact Us' and an FBA representative will get in touch with you to answer any questions you may have.

Economic Comics Boosts Sales with FBA

'FBA has likely been the best business decision we made in 2009— Sales are up and growing our business further is a very achievable goal.'

Economic Comics was created in October 2006 to supply comic books to fans at the very best prices in the UK without compromising on quality or customer service. Based in Surrey, this online retailer, which also specializes in graphic novels, trading cards, and related products, is comprised of a team of three. Passionate about the environment and reusing or recycling over 95 percent of their packaging, Economic Comics started out with its own online store at www.economic-comics.co.uk and selling on other third-party platforms. A decision three years later to put a large part of its listings on Amazon.co.uk and to test Fulfilment by Amazon considerably changed the landscape of this small but dynamic company and enabled it to take its business to the next level.

Simon Mott, the co-founder of Economic Comics, with his business partner and wife Clare, had been a customer of Amazon himself for 10 years and had always been impressed by what he referred to as 'the Amazon household name, trusted brand, wide product range, fast delivery and customer service.' So in February 2009 it was a logical step to sell his products on Amazon since these same traits were the foundation for his own growing business.

Economic Comics finds FBA Economical

It was by chance that Economic Comics stumbled upon Fulfilment by Amazon. Simon Mott elaborates, 'In September 2009, we noticed a competitor using FBA and decided to investigate the service. We quickly found details and were very impressed. We had to read the PDF on the fee structure a couple of times to believe it. Amazon was running a promotion to try out the service and it was basically a no brainer to give it a go.'

Economic Comics were amazed by the speed with which they saw the first results and delighted that their decision to join FBA paid off so quickly. Simon explained 'In the first week alone we approximately doubled our sales. We also sold a number of items that had been sitting on our shelves

for months. We were able to win on price and customers were able to combine our items as part of any Super Saver Delivery or Prime order.'

According to Economic Comics, the business benefits of FBA are numerous and include the ability to achieve a marked increase in sales, a rationalization of costs, and substantial expansion of their product portfolio.

'FBA has enabled us to sell a higher volume of existing products in addition to new lines at a very cost effective price,' enthused Simon.



Simon Mott, co founder and owner with co founder and wife Clare

Products

Graphic novels, trading cards and related products

History

October 2006— Founded company and started selling online.

February 2009 —Started selling on Amazon.co.uk

September 2009— Signed up for the FBA Programme

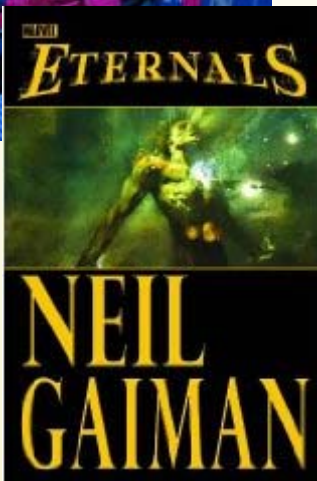
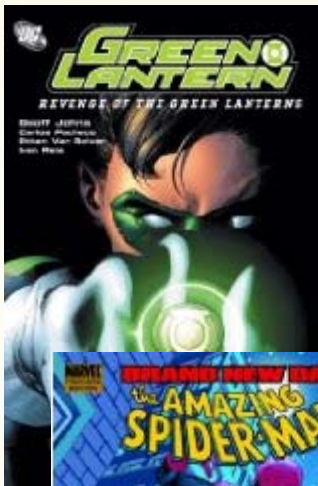
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Simon Mott



'The number of products FBA delivers on our behalf means we currently save one working day a week. This saving increases every time we expand our product range and send new lines to Amazon. We're now selling a lot of bulkier toys that are too large for us to store in large quantities'

Simon Mott



FBA Saves Time

Time savings have also proven to be of great value and instrumental in propelling Economic Comics' business forward into a positive and growing spiral. 'The number of products FBA delivers on our behalf means we currently save one working day a week. This saving increases every time we expand our product range and send new lines to Amazon. We're now selling a lot of bulkier toys that are too large for us to store in large quantities.' Economic Comics states it is selling 100 percent more of the same lines on Amazon than they are on their own website and on other sites combined.



Lessons Learned

Simon points out a key lesson he quickly acquired following his adoption of FBA, one which most successful businesses will quickly identify with and second.

'Stock control is unbelievably important. Try not to overstock—this is the fastest way for a business to go bust. Cash flow is the most important aspect of your business, and if you're not keeping it under control, you won't have one for very long!'

Asked what he likes most about FBA, something which noticeably facilitates the day to day running of his business Simon replies without hesitation, 'Pick & Pack! This means we can sell products without having to do any of the hard work, such as retrieving the product, packaging it, calculating the price of stamps, and handing them over to the post office—it's a great time saver and an incredibly good value for the money too.'

Praise for the support from Amazon's logistic infrastructure is easily forthcoming too, something which Simon rates as 'excellent.' 'All our consignments to the Amazon fulfilment centre have been received and made available for sale in less than 24 hours. It takes us approximately two to three hours a month to send a delivery to Amazon—this saves us approximately two working days (picking, packaging, customer support e-mails, and so on)—not only is this valuable time saved, but it also highly profitable when compared to the equivalent costs of labour!'

Economic Comics happily summed up their positive experience in one succinct sentence, confident in the belief they made a wise choice that is now clearly bearing fruit. 'FBA has likely been the best business decision we made in 2009—our sales are up, and the infrastructure Amazon has implemented with FBA means that growing our business further is an achievable goal.'

DST on the Line with FBA

DST is a telecommunications specialist supplying home and business telephones to the UK market. Established in 1999 and registered as a Ltd company in 2002, DST has more than 10 years of trading under its belt and a wealth of knowledge. A small company of currently 10 employees, DST is based in the Northwest of England but provides products nationwide.

DST began trading online via a well known third-party platform, quickly developing its own website to cope with the demand for orders. For a while, DST had a corner of the market all to itself and 'saw unprecedented growth over the first few years of trading,' explains Dave Solomon, the founder and owner of DST. 'Since the arrival of competition in our field, it has been necessary to broaden our selling channels, and Amazon provided the perfect opportunity to do this.'

Amazon's customer focus was a deciding factor

DST's decision to start selling on Amazon was rooted in the latter's solid and growing reputation as a reliable online platform that attached the utmost importance to the customer experience, something DST was easily able to embrace as values they attributed to their own expanding business.

As Dave Solomon puts it, 'The growth of Amazon was noticed by all those selling online. With its strong online presence and reputable service it had proved itself to be a worthwhile partner and someone with whom we would happily associate our business. DST has a very strong customer focus, and we believe that this is well matched by Amazon's customer focus; therefore, we were not deflecting away from our beliefs. We recognized the possibility to grow our business and brand through the Amazon platform, which was fast becoming a must-visit site for online shoppers.'

In 2008, not long after the introduction of Fulfilment by Amazon in the UK, DST started to test the programme. In April 2009, Amazon made an improvement to the feedback system that separated the buying and fulfilment experiences, with Amazon taking responsibility for the latter. This meant that a seller's feedback score would not be negatively influenced if there was an issue with delivery. As Dave emphasized, 'This was perhaps a small but extremely significant change, which meant we had the confidence to use FBA, safe in the knowledge that any mistakes would not reflect on our own score.'

Growth in sales and valuable saving in time to bring more products to market

With a full commitment to the FBA programme, DST was able to see the business benefits kick in and the start of a noticeable upward trend in their sales as a result.

'Amazon currently contributes almost 50 percent of our sales volume with FBA slowly growing to increase this figure. Year on year, our Amazon



Dave Solomon
Founder and Managing Director

Products

Home and business phones

History

1999: Company founded

2003: Started selling on Amazon

2008: Signed up for Fulfilment by Amazon



'Amazon currently contributes almost 50 percent of our sales volume with FBA slowly growing to increase this figure. Year on year, our Amazon sales are significantly higher, and we will beat last year's total sales figure within the first nine months of this financial year.'

Dave Solomon

'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



sales are significantly higher, and we will beat last year's total sales figure within the first nine months of this financial year,' explains Dave with satisfaction.

DST attributes their growth to a couple of important factors including the time they are able to save and subsequently devote to expanding their product portfolio and turnover, and the customer trust in Amazon that serves as an additional lever to drive up revenue. '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.'

FBA as a marketing tool

Dave Solomon compliments the positive marketing aspects and associated benefits of the FBA programme and stresses the importance of system integration to effectively manage inventory and guarantee prompt time to market and customer satisfaction.

'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. We found integrating the Amazon orders into the CMS (content management system) of our website was crucial in the turnaround time for orders and to ensure that our stock is always up to date and customers get the best possible service. FBA allows us to get maximum exposure for our products to test the true market potential.'

The results tend to speak for themselves. DST has seen on average a 40 percent increase in business for products supplied through FBA compared to when they have been supplied directly. They are confident with FBA as 'a market growing tool.' As Dave points out, 'DST has one of the best feedback reputations in our sector and we attribute our reputation partly to FBA being so efficient and buyer friendly.'

Time savings and inventory management

Time savings are another important factor as Dave Solomon explains and quantifies from his own experience. 'We know that every order fulfilled by us takes on average seven minutes to complete from receipt. Therefore, for every order fulfilled by FBA, our staff is freed up to work on other projects.'

Receive times in the fulfilment centre and timelines for getting products online for sale are also closely monitored by DST. 'The guide line is 48 hours, and on the whole most shipments are booked in and available well before this time. We are more than happy with the time frame!'

Balancing the pros and the cons of the FBA programme, Dave Solomon reflects and concludes, 'On the whole we find Amazon and FBA to be an extremely worthwhile sales channel and one that we will continue to develop over future years.'

Babys-Und-Kids trusts FBA

There is at least one thing Babys-Und-Kids has in common with the large community of children at whom its products are targeted: both are growing fast. As far as Babys-Und-Kids is concerned, this growth—and its international expansion—is a direct result of using Fulfilment by Amazon (FBA).

Promoting a feel-good factor among babies, infants, and parents...

The main focus of the product range is on baby equipment and bed accessories—many of them designed and manufactured on the premises—as well as carriers, toys, and clothing. The people at Babys-Und-Kids set great store by the high quality and eco-compatibility of the items on offer. Environmental friendliness and sustainability are an important priority at Babys-Und-Kids with regard not only to bought-in merchandise but also to proprietary collections, such as baby quilts or sleepsuits made entirely from natural materials.

The head office of Babys-Und-Kids, which accommodates the Purchasing and Production departments in addition to a retail outlet, is located in Herrenberg, South-West Germany. The company has operated its own web store ever since its establishment in 2005. 2009 proved to be a year of fundamental decisions that will shape Babys-Und-Kids' future—with the extension of online sales to Amazon.de in January only the beginning. The Amazon involvement and the launch last May of a limited liability UK branch in Halesowen, not far from Birmingham, were key factors in the firm's expansion and globalization strategy, of which participation in the FBA program is just one element.

... not forgetting the merchants themselves

All Amazon sales are processed through the British company, with Babys-Und-Kids products marketed via the Amazon platforms in the UK, Germany, and France. Approximately 500 different items are listed on Amazon.de with around 100 each on Amazon.co.uk and Amazon.fr.

How does Fulfilment by Amazon (FBA) fit into this picture? Extremely well, as Reinhilde Joachim explains: "We opted for FBA because Amazon's testimonials confirmed that by participating in the FBA program, a lot of merchants have succeeded in significantly increasing their sales. Of course, in addition to the

Babys-Und-Kids

Reinhilde Joachim, Owner and Managing Director

Products

Baby equipment, bed accessories, toys, clothing for babies and infants

Milestones

- 2005:** Company established, Internet sales launched through its own web store
- 2009: January**—Sales launch on Amazon.de
- 2009: March**—FBA involvement kicks off in Germany
- 2009: August**—Sales launch on Amazon.fr and Amazon.co.uk

"We opted for FBA because Amazon's testimonials confirmed that by participating in the FBA program, a lot of merchants have succeeded in significantly increasing their sales. Of course, in addition to the growth opportunities, we were also attracted by the flexibility FBA offers in terms of warehouse and shipping capacities. As a relatively small company with limited space and human resources, this versatility is an enormous advantage for us."

Reinhilde Joachim





"Based on our experience to date, FBA is synonymous with lower costs, higher sales, and a greatly reduced workload."

Reinhilde Joachim

growth opportunities, we were also attracted by the flexibility FBA offers in terms of warehouse and shipping capacities. As a relatively small company with limited space and human resources, this versatility is an enormous advantage for us."

Babys-Und-Kids took the plunge with Fulfilment by Amazon in Germany in March 2009. Reinhilde Joachim generally chooses comparatively fast-moving items for this purpose, where the handling fees incurred are particularly low—applicable to roughly one third of her Amazon range. "There are certain product groups where the benefits of FBA are quite simply unbeatable," she asserts. "We started off with baby carriers then gradually added more and more items to our FBA portfolio while keeping a close watch on the sales curve." The sales leapt by an average of 30 percent for the products in question.

FBA boosts sales and eases the burden

Reinhilde attributes this upward trend in FBA business above all to the in-stock and shipping status label "Shipped by Amazon.de": "This predicate alone suffices to build client confidence and generate additional orders. After all, Amazon has a reputation for fast and reliable delivery. That's the most important criterion for our customers—along with the merchant rating." The fact that her FBA products qualify for the Amazon Prime program is obviously another crucial sales driver.

When prompted to describe the preparation and shipment of FBA stocks to the Amazon fulfilment centre, Reinhilde can scarcely contain her enthusiasm about the problem-free procedure. "Of course, aspects like customer service and handling of returned parcels, which are taken care of by Amazon under the FBA agreement, also help reduce our workload," Joachim adds. "If a buyer wishes to return an item, he either gets in touch with Amazon's customer service or contacts the online Returns Centre. Returns are processed as soon as they arrive at the Amazon Fulfilment Centre. The great thing for us is that we are shielded from all of this and free to concentrate on our day-to-day work. Interestingly, the highest return rates are for the baby carriers in the fulfilment program. The reason behind this is that they are a product that basically requires a certain amount of explanation. Returns on the toys side, by contrast, are very rare."

Good prospects with Multi-Channel Fulfilment

The Multi-Channel Fulfilment option also offered by FBA has already been approved by the Babys-Und-Kids manager as compatible with her business model. "We intend to open a new web store of our own a few months from now that will provide a platform for our complete product range," Joachim continues. "The idea is to have not only FBA products but also any other items sold via the web store shipped by Amazon. This is precisely what Amazon's Multi-Channel Fulfilment is all about."

"Based on our experience to date, FBA is synonymous with lower costs, higher sales, and a greatly reduced workload," Reinhilde Joachim provides as way of a first interim assessment. "In fact, we are only just embarking on this exciting journey. At present, no more than about 10 percent of our store portfolio is listed with Amazon. We need to take it step by step owing to our company structure. However, we are also considering extending our range to include so-called baby hardware, such as technical equipment, bottle warmers, etc. This kind of product is just made for FBA."

Undisguised growth

If you're selling items such as fancy dress costumes and fairy outfits, then surely you should be entitled to expect assistance at the wave of a magic wand, or at the very least some kind of solution that will make your life easier? Élise Phelippeau could almost believe that Amazon has been her company's fairy godmother!

Created by Élise Phelippeau and her husband in October 2007, Un Monde Ludique specialises in selling fancy dress outfits. Based at the couple's home in Luton, in the United Kingdom, the company operates exclusively via the Internet.

In the beginning, it sold goods to customers located mainly in France, via Amazon and other websites, and then delivered directly from the UK using postal services. Élise explains, "The postage rates were quite good. However, the main problem was the lack of traceability, and delivery times that could vary from three days to three weeks. I could never be sure that products would arrive on time. We had to make numerous refunds and take back a lot of goods. Our customers were posting some critical comments about us on Amazon and our satisfaction rating was low."

To improve her deliveries, the young entrepreneur initially experimented with a solution involving an intermediate company. "It cost us almost 5 € per package and it was time-consuming, since we had to fill out the shipping notes by hand. It wasn't even completely reliable."

A Day Late is Too Late

Shipping goods between the United Kingdom and France was therefore the company's weakest link.

Un Monde Ludique sells costumes for children and adults, from Halloween disguises to fairy costumes and masks. People purchase this type of product for a specific event, such as a fancy dress party or a birthday. If the goods do not arrive on time, they are of no use and the customer is entitled to request a refund. Adherence to delivery times is therefore vital for Un Monde Ludique.

"We couldn't guarantee precise shipping times from the UK," explains Élise. "To make matters worse, we have had a series of postal strikes over the last few months."



Gradually, she began to consider the possibility of storing inventory in France. However, her initial research proved disappointing. In most cases, the service providers she contacted were only interested in storing large quantities and didn't handle returns. "It would have ended up costing even more than shipping from the UK," she says. "I was looking, to put it simply, for a solution that required very little of my time and that would help to cut costs."

Un Monde Ludique



Élise Phelippeau, founder

Products

Fancy dress costumes and fairy outfits

History

2007: Company was founded

2007: Started selling on Amazon

2009: Signed up for the FBA Programme

"I recorded a 40 percent increase in sales in October 2009 compared with the same period last year."

Élise Phelippeau

"I was pleasantly surprised by the short timeframe between the arrival of our products in Amazon's fulfilment centre and their appearing for sale online. In general everything happened the same day. Before, I had to pack the boxes at home then queue at the post office. Today I just need to click on my screen and furthermore I can do everything while holding my baby in my arms."

Élise Phelippeau



Cost Savings and Time Gains

In the end, Fulfilment by Amazon was the obvious choice, thanks to the wide range of benefits that Élise now recognises. The fact that her products are stored in France means that they are delivered to French customers far quicker. Amazon's good image and reliable reputation encourages customers to trust the quoted lead times, and this is boosting her sales. Another benefit has been Amazon's free delivery on orders over 20 euros, which has allowed Un Monde Ludique to increase its margins without any adverse effect on its customers. "I have been able to increase the prices of all the products I used to invoice at between 15 euros and 19.99 euros plus shipping, but the final price to my end customers is still the same."

Just a few weeks after signing up for the Fulfilment by Amazon programme, the growth in Un Monde Ludique's sales is clearly measurable. "I recorded a 40 percent increase in sales in October 2009 compared with the same period last year." Lower costs, streamlined operation, and greater responsiveness—Élise is full of praise about her partnership with Fulfilment by Amazon. She identified a further benefit at Halloween, further proof of the reliability of the service: since Amazon is one of the few service providers to offer a next-day service (Express delivery), more customers placed orders at the last minute.

Peace of Mind

Reassured by her positive experience in France, the young executive has now set her sights on Germany, still in cooperation with Amazon. In the United Kingdom, she plans to launch her own website soon, alongside her presence on Amazon.co.uk.

In the end, she feels the main benefit is peace of mind. There are no more packages to prepare, late deliveries to process, or refunds to manage. Thanks to Fulfilment by Amazon, Élise is safe in the knowledge that her customers will receive their deliveries on time. In the event of any error along the line, it's not her fault. It's up to Amazon to resolve it.

"I can now offer a better quality service. Before, I used to tell my customers that they would receive their goods in five to seven days, but sometimes that didn't happen. There was no tracking facility, so I didn't know what the problem was and had no way of resolving it. The customer can now see that his or her order has been dispatched and knows when it will arrive. Since I signed up for Fulfilment by Amazon, I have never had to take anything back. With Amazon, everything's clear and precise."

Élise is even beginning to dream. "My ideal scenario would be managing my business from my BlackBerry while relaxing on a beach in Mallorca. I would just need to send my stock to Amazon and they would take care of everything else."

On a more serious note, in the future she plans to completely stop shipments from her home and entrust all her stock and orders to Amazon. "It's all so easy to manage now!"

FBA infrastructure for a flourishing business

What have cordless phones got to do with shredders? Quite a lot – at least for Michael Hönle, Managing Director of Mundo del Arte GmbH (also known as WimaxShop). Both these product groups are reliable sources of turnover – though not the only ones – in the retail company’s portfolio. Other landline and mobile telephone types, radio systems, telephone accessories, batteries (both ordinary and rechargeable), prefabricated network and HDMI cables, adapter plugs, laminators and binders, all the necessary consumables, and much more besides are similarly important revenue generators. One could go on almost indefinitely: “Basically, we sell anything that is sellable and that is an attractive proposition for us,” says Hönle, who is also the firm’s proprietor. His range currently comprises around 1500 items, but he cherishes ambitions on an altogether different scale: “We want to increase our assortment to 20,000 products – in the shortest possible time.” Hönle, who has been a self-employed merchant since 1985, hopes to realize this lofty goal with only a minimum of investment in personnel. Fulfilment by Amazon (FBA) forms the backbone of his expansion strategy by taking care of warehousing, shipping and logistics.

Today, Mundo del Arte, established in 2004, markets its product portfolio exclusively online. The retail outlet that used to be operated in parallel had to be closed down owing to a lack of profitability. In addition to its own web shop, which goes under the name of WimaxShop, Mundo del Arte also sells on Amazon.de as well as on various other online platforms. The company recently moved to larger office and warehouse premises in its home town of Amberg (Eastern Bavaria). “We could theoretically have managed without,” Michael Hönle explains, “because at the start of 2009 we joined FBA. However, we now benefit from a more spacious transit store.”

A small team ...

Everyone in the six-strong Mundo del Arte team has a clearly defined job profile. Two people are assigned to sales, two to shipping, and two to product testing. The latter relates to certain B stock that is bought up by the company, tested, and restored to a saleable condition.

Michael Hönle did not take much persuading before enlisting for the FBA programme. The offer from Amazon came at exactly the right time because he was already looking for a powerful and sustainable solution that would enable him to outsource all warehousing and customer shipping activities. The catalyst was a situation that is only too familiar to many small retail firms. “We were forever having problems with our staffing capacities. The company is simply too small to be able to compensate for absenteeism due to illness, for instance. The packages containing the orders have to be sent out daily regardless,” is how Hönle describes this traditional dilemma. “Fulfilment by Amazon got us out of this predicament. After all, the name Amazon is itself practically synonymous with fast and reliable shipments.” As an experienced merchant, he was conscious of the need to investigate possible alternatives prior to opting for Fulfilment by Amazon. However, it was soon clear that none of the rival programmes could match FBA’s very low shipping costs and organisational advantages with respect to the fulfilment process.



Michael Hönle,
Managing Director

Products

Other landline and mobile telephone types, radio systems, telephone accessories, batteries, prefabricated network and HDMI cables, adapter plugs, laminators and binders

Milestones

2004 – Company established, Internet sales launched through its own web store

2009 – Started using FBA



“We were forever having problems with our staffing capacities. The packages containing the orders have to be sent out daily regardless. After all, the name Amazon is itself practically synonymous with fast and reliable shipments.”

Michael Hönle



Staff members



Michael Hönle, Managing Director

"FBA is ideal for our needs because it saves us a lot of time that can be better expended on market research, generating and purchasing new products, extending our range etc. Let's face it, these are vital prerequisites of future growth – on all channels."

Michael Hönle

... joins the big league thanks to FBA

It goes without saying that Michael Hönle greatly appreciates the sales driving effects of FBA on the items he lists on Amazon.de – such as the fact that the products qualify for free shipping, the Amazon Prime programme, or the overnight express delivery option that is especially popular during the runup to Christmas. On the other hand, he tends to view all of these aspects merely as side-effects that are "nice to have".

The benefits of the logistical infrastructure that Amazon provides through FBA are far more important in his eyes. The virtually unlimited warehouse and shipping capacities, leading to unparalleled flexibility, make excellent business sense in the light of Hönle's expansion plans and his conception of an optimized workflow. "We no longer have a warehouse in the classic sense of the word. The goods arrive on our premises and are then labelled and shipped to the Amazon Fulfilment Center as quickly as possible – mainly on pallets using a forwarding agent, or by parcel delivery if the consignment is particularly urgent. FBA is ideal for our needs because it saves us a lot of time that can be better expended on market research, generating and purchasing new products, extending our range etc. Let's face it, these are vital prerequisites of future growth – on all channels." The next step was only logical...

Multi-Channel Fulfilment – just made for Mundo del Arte

Mundo del Arte serves the market using various sales channels, and so the Multi-Channel Fulfilment service introduced by Amazon in Germany in the fall of 2009 was more than welcome. Since then, the company has also resorted to this service to ship orders it receives via third-party vendor platforms or its own web shop. Not only does this reduce the workload for order picking, packing and shipping, it also relieves the burden in other ways. Amazon additionally attends to all customer inquiries regarding purchases or deliveries – as well as handling of any returned parcels – for orders placed on Amazon.de and fulfilled using FBA. Michael Hönle estimates that in his present business set up he would need to employ an extra person simply to deal with these tasks – not to mention the shipping costs for returned parcels that are conveniently borne by Amazon.

Without a doubt, the new possibility of exporting FBA items from Germany to Austria also fits perfectly into the merchant's concept. Under this service, Amazon ships products ordered by Austrian customers on Amazon.de direct to an address in their home country. Mundo del Arte profits from the higher sales potential for the FBA items listed on Amazon.de as well as the ability to offer clients across the border some of the typical Amazon benefits, like returns, that are normally reserved for the domestic market.

On course for new growth

When asked to sum up the overall importance of Fulfilment by Amazon for his business model, Michael Hönle only pauses to think for a moment. When he does reply, he can hardly contain his enthusiasm: "For me, as a merchant, it's a kind of elixir – the best thing ever invented. It's helped me free the necessary resources to concentrate on the essentials. I think it's brilliant – and the same applies to Multi-Channel Fulfilment." His excitement is well founded. Since joining FBA – admittedly only one factor, but a very significant one – his sales have multiplied twelve-fold. He is convinced there is still more money waiting to be made – and if his instinct is correct, a great deal more.

Growth with Growth Products

Buying and selling seeds hardly sounds like the most exciting business niche. However, when these seeds grow into something like the white fig, the Australian firewheel tree, or the purple pitcher plant—species you are unlikely to stumble across in the average corner shop or garden centre—it is easier to understand the fascination. The sale of rare seeds from far-off countries and continents is at the core of Tropica's activities—ever since the company was first established back in 1997. With its range of exotic seeds and seed-growing equipment, Tropica targets not only hardened amateur and professional botanists but also a broad mass market. Tropica's presence on Amazon and its use of Fulfilment by Amazon (FBA) are therefore only logical.



According to Managing Director Frank Laue, longstanding contacts with specialist growers and botanical gardens, a worldwide purchasing network, and a keen instinct for unconventional packaging forms and unusual product ideas are just a few of the numerous success factors in this specialist field. Tropica products are not dispatched in traditional seed packets, for instance, but on attractive postcards, in special theme collections, or as complete motif packs like the 'Green Hell of the Amazon,' including a miniature greenhouse. All in all, the assortment comprises around 250 items.

Tropica resides in Münster, a medium-sized town in Germany's Westphalia region. Its three proprietors and six salaried employees take care of all levels of trade: direct selling at all kinds of events, business with resellers, and online retail. The company has been selling on Amazon.de since April 2009. Laue, a qualified business administrator, explains what lay behind the decision to join Amazon by citing his own experience as a consumer: 'I'm a committed Amazon buyer myself, and I spent a while watching the platform from our business perspective. There are several key arguments in Amazon's favour. To begin with, its entire order processing concept is unique in the German online retail sector. It also enjoys a reputation for respectability as well as fast and reliable deliveries. This baseline security is a feature you won't encounter anywhere else on the web. Last but not least, Amazon has evolved into one of the Internet's biggest marketplaces, making it a huge source of potential custom for us.'



TROPICA[®]

Frank Laue, Managing Director of Tropica GmbH & Co. KG, Münster / Germany

Products

Exotic plant seeds and seed-growing equipment

History

1997 – Company established

1999 – Internet sales launched through own web store

2009 – April: Sales launch on Amazon.de



Frank Laue, Managing Director of Tropica GmbH & Co. KG

'There are several key arguments in Amazon's favour. To begin with, its entire order processing concept is unique in the German online retail sector. It also enjoys a reputation for respectability as well as fast and reliable deliveries. This baseline security is a feature you won't encounter anywhere else on the web. Last but not least, Amazon has evolved into one of the Internet's biggest marketplaces, making it a huge source of potential custom for us.'

Frank Laue

'The underlying idea is that customers will order a batch of Tropica articles at once to benefit from the advantages generated by FBA products—such as their relevance for Amazon Prime. The more we succeed in accommodating several items in one order, the more attractive that order becomes for us.'

Frank Laue



FBA as a sales promotion instrument

Laue's motivation for participating in Fulfilment by Amazon was likewise linked to personal expectations: 'When I search for a product on Amazon, I always look out for the green line in the product description that tells me the deadline for Express orders. I'm no different from any other customer—I want to receive my goods as quickly as possible. The free delivery option is another powerful incentive. We can offer all of this now since we registered for the FBA programme.'

Yet is FBA really worthwhile for this exotic seed merchant in view of the fact that most of the some 200 articles Tropica offers on Amazon.de are priced between 3.50 and just short of 5 euros? 'The charges for FBA obviously have an impact on individual products, but we as the manufacturer can live with this because we compensate for several levels of trade. The underlying idea is that customers will order a batch of Tropica articles at once to benefit from the advantages generated by FBA products—such as their relevance for Amazon Prime. The more we succeed in accommodating several items in one order, the more attractive that order becomes for us.'

Sales growth with no extra workload

Tropica's owner goes on to describe how he and his partners view their Amazon involvement as a form of collaboration with a major reseller to whom they supply in bulk and who in return attends to all other tasks, namely the retail function as well as packaging and shipping. Things like customer service and handling of returned parcels, which are taken care of under the Fulfilment by Amazon agreement, also play a part.

In the meantime, the organization of goods logistics and shipments to the Amazon fulfilment centre are absolutely routine. Laue keeps a constant eye on stocks and makes sure they are replenished before the system churns out a warning about low stock levels. As soon as he has enough articles to fill a pallet, they are sent on their way.

The burning question, of course, is whether Fulfilment by Amazon has actually helped Tropica achieve its stated targets.

New fertile ground in the UK and France thanks to FBA

'Once you start to understand the FBA philosophy, it's clear that FBA is a wonderful multiplier,' says Frank Laue, alluding to his company's entry into the UK (early October 2009) and French (pre-Christmas 2009) markets. 'We had already translated almost our entire portfolio into English and French, so that we had relatively little hesitation when the issue of international expansion first arose. Aside from the transport costs, it makes no difference to the bottom line whether we dispatch our pallets to a fulfilment centre in this country or abroad. As things stand today, the English Amazon platform is particularly interesting because we are the first to be represented there in our product segment.'



Amazon Services Europe
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www.amazon.co.uk
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www.amazon.de

For further details about our sales programmes please visit:

Selling on Amazon:

www.fba.amazon.co.uk/promerchant

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