

What is FBA and how can it benefit your business?

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FULFILLMENT BY AMAZON | BENEFITS OF FBA



A big challenge with operating an online business is aspects of logistics, warehousing, maintaining inventory levels and fulfilling orders. 😎

For businesses that are looking to efficiently manage logistics and fulfillment, outsourcing these services to an experienced and professional service provider is the solution. Fulfillment by Amazon (FBA) is an outsourced solution that allows Amazon Marketplace sellers to use Amazon's extensive fulfillment network and services.

FBA allows Amazon sellers to hold inventory in their fulfillment centers worldwide while providing services such as warehousing, order fulfillment, return and refund management and customer service. However, before using the FBA service, there are certain steps that need to be taken with the process of managing your inventory that is to be sent to Amazon FBA.



This begins with the initial stage of product fulfillment conversion for variations listed online to be converted from merchant fulfilled products to become FBA fulfilled products. Once the product is converted to be a Fulfilled by Amazon listing, an Amazon specific barcode needs to be generated for the variations in compliance with Amazon's labeling requirements. Each unit will have to be individually barcoded with either the Amazon barcode or a manufacturer barcode, an online shipment has to be created in Amazon's back end system and the stock is to be packaged in to a maximum 20 KG box limit as Amazon's strict guidelines for shipping products into their fulfillment warehouses. By outsourcing the logistics and fulfillment to Amazon through the use of their FBA program, businesses are able to focus on developing and scaling their core business. Here are the different ways using FBA can benefit your online business. It is key to remember that working with a [FBA shipment management](#) company can help your business take massive strides in the right direction.

Prime Eligible & Faster Shipping

Using the FBA services comes at a price, however it automatically qualifies sellers for Prime eligibility making your products much more appealing to end consumers. Prime membership offers incredible perks for its members including free 2-day shipping, free returns, exclusive shopping deals and many more.

As an FBA seller, you are able to offer all the shipping options that Amazon has to offer. Most importantly, you also gain access to Amazon's shipping and distribution network. Delivery speed and price are the two most important factors that influences a customer's purchase decision. With FBA, sellers are able to offer next-day, two-day or standard 3-5 day delivery options for their customers. As the products are stored in Amazon's distribution centers, orders are processed and shipped much quicker.

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Being prime eligible makes your product listings attractive and can ultimately positively influence a customer's purchase decision which will lead to more sales and revenue. Online retailers using this program are also listed higher in the buy box than retailers who are not using FBA which means that Amazon is also more likely to rank you higher organically in the search results. This boost in ranking leads to increased visibility and higher sales.

Customer Service & Return Management

Using FBA can ensure a higher percentage of order fulfillment accuracy and on-time deliveries, which in turn lowers customer's dissatisfaction rates. Amazon will also provide end consumers with customer support via phone and email, attending to any inbound

inquiries related to fulfillment, delivery, returns and refunds. This allows you to focus on managing your day to day operations and growing your business, instead of being consumed with answering questions from customers.

With the use of FBA, customers are also able to return your products through Amazon's Online Returns Center allowing them easy access to return products without hassle. Returns management can get complicated when selling through multiple sales channels however the advantage of using FBA is that returns can be sent back and processed through FBA even if the product was not sold via Amazon's platform.

Not only does Amazon manage the entire returns process, but with use of FBA, Amazon also inspects items returned to your inventory for defects and manages refunds and exchanges. With fast delivery options, easy returns process and a professional and trust worthy customer service from Amazon, customers can enjoy a more enhanced experience shopping your online store.

Multi-Channel Fulfillment

Omnichannel retailing is an important strategy in order to scale your business. This leads to the ability to target a wider customer base and increase sales opportunities. Handling fulfillment across different sales channel can get overwhelming and expensive.

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A big advantage to using Fulfillment by Amazon is the ability and flexibility to sell on other eCommerce marketplaces and your own e-commerce retail website using the inventory you have sent in Amazon's FBA centers. You are able to fulfill your orders using your inventory in Amazon while FBA handles the order fulfillment and returns for your multi-channel orders.

Using FBA to handle all your order fulfillment and inventory manages ensures a seamless process for you and a better overall experience for the consumer.

While every business has different needs and requirements when it comes to order fulfillment and warehousing, Amazon FBA is often the ideal choice for sellers as it offers them the ability to leverage Amazon's established processes, experts providing the services and also Amazon's brand name that everyone trusts. 😊

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