Sign up

**Fulfillment by Amazon** 

# Amazon FBA: Fulfillment services for your ecommerce business







## What is Fulfillment by Amazon?

Fulfillment by Amazon (FBA) is a program that lets you outsource order fulfillment to Amazon. It's part of a fully automated set services we call Supply Chain by Amazon. Sign up for FBA to send products to Amazon's global network of fulfillment centers and offer customers free, two-day shipping through Prime. When a customer makes a purchase, Amazon fulfillment specialists can pick, pack, and ship the order. We can also provide customer service and process returns for those orders.

Learn more about ecommerce fulfillment



#### **Spend less**

Shipping with FBA costs 30% less per unit than standard shipping options offered by major U.S. carriers and 70% less per unit than their premium options comparable to FBA.



#### **Increase sales**

Use FBA to deliver orders with the speed and reliability customers love. That can help you increase sales and repeat purchases.





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Our network includes hundreds of fulfillment centers worldwide and can help you reach customers around the globe.

Sign up



Instead of spending time processing orders, handling customer inquiries, and managing returns, use FBA to focus on developing products and delighting customers.



**New Seller Incentives** 

## Get shipping credits, free storage, and more

You've put everything into your business—so let's start your Amazon journey with confidence. All new Professional sellers can take advantage of the following:

- **◆ \$100 off** shipments into the Amazon fulfillment network using the Amazon Partnered Carrier program
- \$200 credit towards fulfillment costs when you use Amazon Global Logistics
- √ \$400 credit for inbound placement costs
- Free storage and customer returns with auto-enrollment in the FBA New Selection program

Learn more

#### **How FBA works**

Amazon FBA can help decrease fulfillment headaches as you scale your business.

#### Step Set up FBA

1

Create your Amazon selling account, and login to Seller Central to set up FBA. You can



#### Step Create product listings

Once you add products to the Amazon catalog, specify FBA inventory.

#### **Step Prepare products**

Prepare the products for safe and secure transportation to a fulfillment center, according to Amazon packing guidelines and shipping and routing requirements.

#### **Step Ship products to Amazon**

4 Create a shipping plan, print Amazon shipment ID labels, and send shipments to Amazon fulfillment centers. Learn more about sending inventory to Amazon.

Once Amazon receives products at the fulfillment center, the items are available for customers to buy. Visit Seller Central Help to learn about how to manage FBA orders.

Top 10 Amazon FBA training videos





As long as I have my tools and materials, I can depend on FBA to keep my income constant.





#### ② Did you know?

## Amazon Warehousing and Distribution (AWD) may lower your FBA costs

AWD is a low-cost bulk storage solution for your inventory that distributes to the Amazon store and other distribution channels.

Ship to AWD to get:

- Simple, pay-as-you-go pricing with no additional costs for the holiday season
- No separate charge for the FBA inbound placement service, which is covered by AWD pricing
- Auto-replenishment to maintain the right FBA inventory levels and avoid FBA capacity limits

Learn more about AWD

#### **FBA costs**

Costs for FBA depend on the products you sell and the exact services you use. Compare FBA to the cost of fulfilling customer orders yourself, then select the right fulfillment method for each product.

#### **FBA fulfillment costs**

The fulfillment cost per unit includes picking and packing your orders, shipping and handling, customer service, and product returns. Costs are based on the weights and dimensions of your product. Shipping weight is calculated based on the item's unit weight or dimensional weight.

Learn more about product size tiers

Learn how to determine your product's shipping weight

Non-apparel Apparel Low-Price FBA: Non-apparel Low-Price FBA: Apparel

Size tier

Small standard

2 oz or less

Sign up

4+ to 6 oz

6+ to 8 oz

8+ to 10 oz

10+ to 12 oz

12+ to 14 oz

14+ to 16 oz

Large standard 4 oz or less

4+ to 8 oz

8+ to 12 oz

12+ to 16 oz

1+ to 1.25 lb

1.25+ to 1.5 lb

1.5+ to 1.75 lb

1.75+ to 2 lb

2+ to 2.25 lb

2.25+ to 2.5 lb

2.5+ to 2.75 lb

2.75+ to 3 lb



Large bulky

0 to 50 lb

Extra-large 0 to

0 to 50 lb

50 lb

Extra-large 50+

50+ to 70 lb

to 70 lb

Extra-large 70+

70+ to 150 lb

to 150 lb

Extra-large 150+

150+ lb

lb

#### **FBA** storage costs

Inventory storage costs are charged monthly based on the daily average volume (measured in cubic feet) for the space your inventory occupies in Amazon fulfillment centers. The volume measurement is based on unit size when properly packaged and ready to ship.

#### Month

#### Through March 30, 2024

January - September

\$0.87 per cubic foot

October - December

\$2.40 per cubic foot

#### Starting April 1, 2024

January - September

\$0.78 per cubic foot

October - December

\$2.40 per cubic foot

Additional inventory storage costs apply to products classified as dangerous goods and for sellers who have a high volume of inventory





## You can use custom packaging to lower fulfillment costs

With Ships in Product Packaging, your FBA orders are delivered in your own custom packaging—without any Amazon-added material. This reduces your fulfillment costs and can help lower your carbon footprint.

Learn more about Shipping in Product Packaging

#### **Other FBA costs**

#### **Aged inventory**

Charged monthly for all items stored in a fulfillment center for more than 181 days. Maintaining sound inventory health can help you avoid this cost.

## Returns processing

Charged on orders when Amazon provides a customer with free return shipping.

#### Removal, disposal, and liquidation orders

You can have Amazon return, dispose of, or liquidate your inventory in a fulfillment center for a per-item charge.

#### **FBA Inbound placement service**

Placing inventory closer to customers in multiple fulfillment centers across the country is critical to delivering products faster and at a lower cost. The cost for the FBA inbound placement service for standard and large bulky sized products reflects the cost of distributing inventory to fulfillment centers close to customers. When you create a shipping plan, you'll see a cost estimate for each available inbound placement option (Premium or Discounted Service). You'll be charged for the FBA inbound placement service 45 days after your shipment is received based on inbound location and quantities received. Go to FBA Inbound placement service for more information.

Learn more about inventory placement service on Seller Central Help



## Estimate your FBA costs

You can use our **Revenue Calculator** to compare estimates for FBA and your own fulfillment method.

- Search the Amazon catalog for a product or define one using dimensions, weight, category, price, and shipping charges.
- Review and adjust inputs for Amazon Fulfillment and Your fulfillment to calculate—and recalculate fees, costs, and revenue.

Compare fulfillment options with the Amazon revenue calculator



#### **Product examples**

#### **Product**

**T-shirt** Large standard size (Apparel,

12+ to 16 oz)

Baby Small oversize

Cot

Monitor Large oversize

Based on a dimensional weight of 47.59 lb, which is greater than the unit weight.

### **FBA** inventory management



### shipments, and remove inventory from Amazon fulfillment centers.

Learn more about inventory management

### **Inventory Performance Dashboard**

Manage excess inventory

Track inventory age

Fix stranded inventory

Restock inventory

#### Inventory Performance Dashboard

Your Inventory Performance Dashboard displays your Inventory Performance Index (IPI) score, along with key influencing factors. Be sure to check your IPI score regularly—a low score could lead to overage costs and limit your ability to send more inventory.

Learn more about protecting your brand

#### Manage excess inventory

Optimize your inventory levels by knowing when to mark down or remove your products. Monitor detailed information about storage costs, opportunities to drive sales, and suggestions to help improve returns on your inventory.

Video 5:30

What is FBA's Manage Excess Inventory?

Learn how to manage excess inventory.

Video 2:38

What is FBA's Excess Inventory Percentage?

Learn about Influencing Factor: Excess Inventory Percentage

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#### Track inventory age

Improve sell-through rates and avoid additional costs for aged inventory. Use Inventory Age tools to understand how much inventory you're holding, and see how long it's been in fulfillment centers.

Video 3:38

#### What is FBA Sell-Through Rate?

Learn about Influencing Factor: FBA Sell-Through rate

#### Fix stranded inventory

Keep your listings active by including necessary pricing and condition information and resolving errors. If your inventory is in fulfillment centers without an associated active listing, it's not available for purchase.

Video 1:52

## What is FBA's Stranded Inventory Percentage?

Learn about Influencing Factor: Stranded Inventory Percentage

#### **Restock inventory**

Maintaining your FBA inventory at the right level is key to offering fast delivery to Prime customers. Amazon's free tools on Seller Central can help you:

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- Reduce out-of-stocks
- · Protect your sales rank
- · Minimize excess inventory

The tools offer recommendations based on your sales history, demand forecast and seasonality, and your inputs to help you determine how much inventory to send and when to send it. They are free to use, and directly integrated into Seller Central's shipment creation workflow.

Download the Amazon FBA restock guide

Video 2:14

## What is the FBA Restock Tool?

Learn how to use the restock tool to manage your inventory.

Video 3:31

## What is FBA In-Stock Rate?

Learn about Influencing Factor: In-stock rate

## Save time and help grow your business with

most advanced fulfillment networks in the world. With FBA, you store products in Amazon's fulfillment centers, and we pick, pack, ship, and provide customer service for these products. FBA can help you scale your ecommerce business and reach more customers.

**Download the FBA Getting Started Guide** 



Blog 6 min read

## Still not sure if FBA is right for you?

We'll walk you through cost, sales volume, and other considerations for choosing FBA.

Read 5 factors to consider

### **FAQ: Amazon FBA**

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How does Amazon FBA work?	27			
How to sell using Amazon FBA?				



low much does FBA cost per item?
Vhat is an FBA seller?
iow can i become an Amazon FBA seller?
Vhat to sell with Amazon FBA?
Vhat is "fulfillment"?

## Grow your business with Fulfillment by Amazon

Already selling on Amazon?

Get started

New to Amazon?

Sign up

\$39.99 a month + selling fees

English

**United States** 

Feedback

Sell with	Selling	Amazon for	Resources	Tools	
Amazon	Programs	Brands	Selling Partner	Login to your	
Sell online	Fulfillment by	Online store	Blog	seller account	
How to sell on	Amazon	builder	Seller University	Amazon Seller	
Amazon	Amazon	Amazon Brand	Seller Central	Арр	
How much	Advertising	Registry	Help	Seller Central	
does it cost?	Global selling	Brand	Accelerate Seller	Selling Partner	
Product ideas	Amazon	management	Event	Appstore	
What is	Business	Product reviews	Seller FAQs	Find products to	
dropshipping	Black Business	Customer	More ways to	sell	
Sell books	Accelerator	Behavior	make money	Revenue	

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