CIN7

How to Thrive as an Amazon Vendor

Introduction

When Amazon Vendor is Part of Your Business Strategy

Amazon is an opportunity for growth, not a magic bullet. It takes a great product and smart marketing for Amazon Sellers to turn it into a million-dollar sales channel[1]. When Sellers get those ingredients right, they don't just increase their revenue, they attract customers world-over, amplify their brand awareness and, commonly, find new opportunities to grow as an Amazon Vendor.

An invitation to join the Amazon Vendor program is a vote of confidence in your product and a chance to broaden or solidify your overall sales channel strategy.

Amazon only invites certain brands—sellers with fast-moving products, large brands with an established market presence—to become a vendor. They know your product consistently sells, and with additional marketing tools and the "Sold by Amazon" label, the Amazon Vendor program will increase the likelihood that customers will buy your products. As with any supplier-retailer relationships, you exchange a lower, wholesale price margin for higher sales volume and the added bonus of moving product out of your inventory quickly.

As an Amazon Vendor, you have the potential to increase sales volume. To thrive, however, you need to manage inventory and orders for Amazon Vendor efficiently and in concert with your overall sales channel strategy. Your business model can include any combination of wholesale and direct-to-consumer channels and inventory locations (brick-and-mortar stores, websites, warehouses and 3PLs, and multiple big box retail customers). You will need to hold stock in the right locations and streamline processes not just to get Amazon Vendor orders out on time, but to keep inventory flowing through all your channels.

This white paper will introduce you to Amazon Vendor and show you how Cin7's integrated, real-time order and inventory management software is key to thrive as an Amazon Vendor, whether you sell as a Vendor now, or intend to make Vendor part of your overall strategy in the near future.

Why Amazon's a Big Deal

Amazon generates over $200 billion in annual sales revenue, and close to 50% of all sales on Amazon marketplaces go to Amazon Vendors. On a peak day, customers will order more than 26 million items worldwide. With so many purchases being made, riding the Amazon wave can be a great way for you to achieve significant growth and increase your profitability.

Amazon Vendor Suits Many Business Models

Amazon Vendor gives you a channel for your products that Amazon needs, not for your full catalog. It's a guarantee, then, that Amazon Vendor will be a part of a broader channel/customer mix that depends on your business strategy. Brands following a variety of strategies and models become Amazon Vendors, including:

Amazon Sellers
Direct-to-consumer brands that continue to grow rapidly with Amazon Seller Central as a primary sales channel.

Wholesale Brands
Brands that supply retail chains but make a small percentage of their sales via Amazon Seller Central and eCommerce websites.

Niche Distributors
Brands with access to in-demand products that are in short supply in Amazon fulfillment centers.

Omnichannel Retailers
Companies that sell through a mix of branded retail locations, eCommerce, Amazon and retail trading partners and that focus on providing customers an omnichannel experience.

What it Takes to Be an Amazon Vendor

In fact, your primary function as an Amazon Vendor is to fulfill Amazon purchase orders accurately and on time. When Amazon send you an order, you will have a deadline to either ship it to an Amazon Fulfillment Center or, at times, dropship it directly to the customer using Amazon Direct Fulfillment.

Either way, an incorrect order quantity, a mislabeled carton, a delayed shipment and other mistakes can result in Amazon charging you a penalty, known as a chargeback, and can erode Amazon's trust in your brand.

How Amazon Vendors Manage Orders

The amount of time you spend managing orders can be an obstacle to prompt, accurate fulfillment. Amazon sends and receives order-related messages using EDI, an online standard governing how information flows between two points on the internet. For each order, you will have to send Amazon multiple EDI messages: acknowledgments, shipping notices, invoices and more. You can do that in Amazon

Vendor Central, but by itself, this web portal creates additional, redundant admin tasks to, for example, generate invoices in your accounting software, send pick requests to your 3PL, print carton labels in your warehouse, and more. The more you have to do to manage your Amazon Vendor orders, the more difficult it becomes to fulfill orders promptly and accurately. This is where Cin7 comes in.

How Cin7 Benefits Amazon Vendors

Cin7 is an inventory management and POS system that integrates every channel and location where you sell or hold stock. That includes real-time built-in EDI integration with Amazon Vendor along with many department stores, retail chains and supermarkets that require EDI. With real-time data and integrations with Amazon Vendor and your 3PL or warehouse, Cin7 lets you act on Amazon Vendor orders promptly and automate many of the steps it takes to process and ship an order helping you to fulfill every order accurately and promptly every time. Our EDI integration with Amazon Vendor supports standard messages including **orders, order responses, advanced shipping notices, invoices, routing requests** and **routing confirmations**.

Cin7 Amazon Vendor Benefits At-a-Glance

- ✓ Real-time data means on-time fulfillment

- ✓ Extreme automation means optimal efficiency

- ✓ EDI Dashboard simplifies order management

- ✓ Only one system needed to manage Amazon

- ✓ Deal with only one EDI provider

- ✓ Single-system management of all channels/locations

- ✓ Many built-in EDI integrations available

- ✓ Ship orders from warehouse, 3PL or store
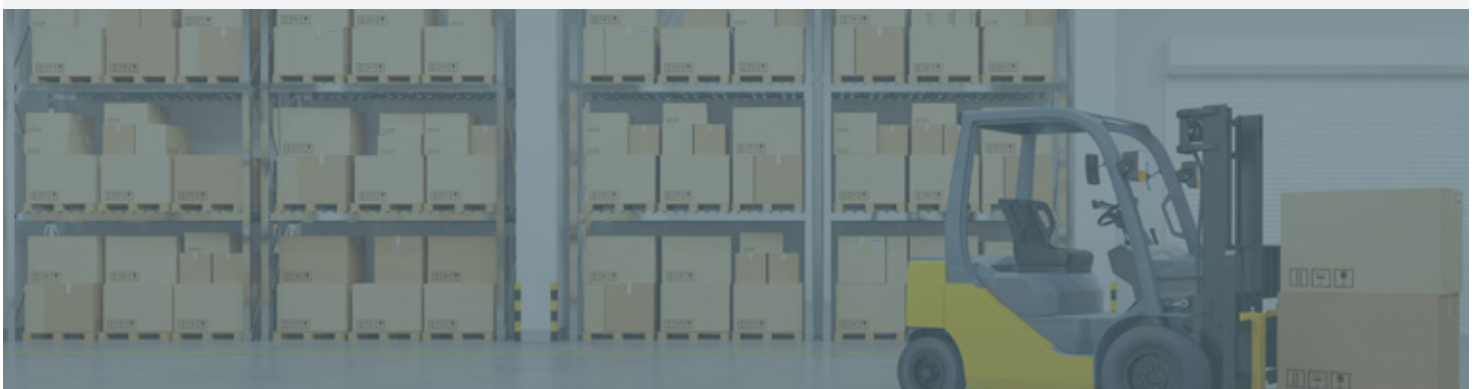
How Cin7 Streamlines Amazon Vendor Orders with Automation

Every Amazon Vendor order requires multiple steps to complete, from communicating with Amazon to getting the order shipped from your warehouse or 3PL. **Cin7 can automate many of the steps that make up this workflow and more, including:**

- ✔ Order downloads
- ✔ Order acknowledgments
- ✔ Pick requests to 3PLs
- ✔ Pick confirmations from 3PLs

- ✔ Multi-store order splitting
- ✔ Tracking/status updates[2]
- ✔ Advanced shipping notices[3]
- ✔ Invoicing

Cin7 Eliminates Overselling

With automated downloads, Cin7 instantly reduces your available stock and communicates that inventory data in real-time across all your sales channels and locations. That means that the products

Amazon Vendor expects to receive from you won't get sold to another customer before their order is fully completed.

Cin7 for Amazon Vendors using 3PLs or Warehouses

It bears emphasizing that Cin7 makes preparing and shipping orders more efficient whether you have orders dispatched from a 3PL or you manage your own warehouse. Cin7 makes streamlines your Amazon Vendor order management and fulfillment, no matter how you store and dispatch your orders, with specific features and functionality that include:

- ✔ Built-in warehouse management
- ✔ ShipStation integration for streamlined shipments from your warehouse and order tracking
- ✔ Cartonization options to manage packing

- ✔ SSCC label printing based on Amazon Vendor orders
- ✔ Integrations with 70+ global, regional and specialist 3PLs

Additionally, the EDI Dashboard (see *How Cin7 Makes EDI Transparent, Simpler to Manage* below for details) factors-in how you dispatch orders (ie, using a 3PL or your own warehouse) tracking and displaying orders with the level of detail you need for timely, accurate order fulfillment.
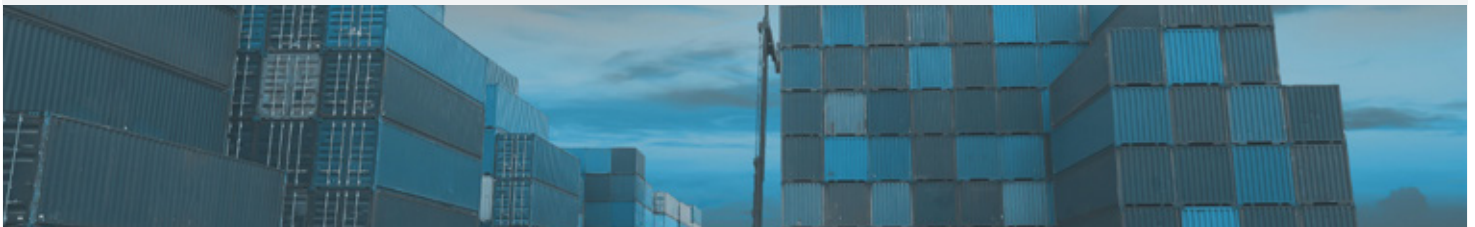
How Cin7 Works with Direct Fulfillment

Amazon runs a tight supply chain. When Amazon can't fulfill a particular order from its distribution centers, it will find a brand that can. This is why Amazon frequently directs Amazon Vendors (and other brands) to dropship products directly to customers through Amazon Direct Fulfillment. **Cin7 can automate** many of the steps that make up Direct Fulfillment workflow requirements, including:

- ✔ Real-time inventory feed
- ✔ Order downloads
- ✔ Order acknowledgments
- ✔ Pick requests to 3PLs

- ✔ Pick confirmations from 3PLs
- ✔ Tracking/status updates
- ✔ Advanced shipping notices
- ✔ Invoicing

How Cin7 Makes EDI Transparent, Simpler to Manage

It takes many steps to complete an EDI order. An Amazon Vendor order, for example, can go through 14 different "workflow states" before completion. That makes managing EDI orders tricky, especially when selling at volume.

Cin7's **EDI Dashboard** shows you all your open EDI orders in every workflow state. It provides a guided experience so you know exactly what to do at every step to complete your order and highlights exceptions that require action. Combined with Cin7's integration and automation, the EDI Dashboard gives you peace of mind to fulfill every order on time.

Additionally, the EDI Dashboard lets you manage your Amazon Vendor orders along with all your department store, retail chain or supermarket orders in one interface.

Finally, Cin7 gives you a single view of your inventory and the ability to communicate inventory data to all your channels, in real-time, to prevent overselling, replenish stock in time, optimize inventory and increase sales by maintaining consistent stock availability.

	CREATED DATE ▼	COMPANY	CUSTOMER PO	# STORES	START DATE	CANCEL DATE	PURCHASE ORDER (850)	ORDER RESPONSE (855)	DISPATCH	ASN (856)	INVOICE (810)
	Mar 07	Amazon Vendor Demo	Send-to-3PL	1	Mar 09	Mar 14	Acknowledged	Acknowledged	Waiting to be sent to 3PL	Future Action	Future Action
	Mar 06	Amazon Vendor Demo	Send-Response	1	Mar 09	Mar 14	Acknowledged	Select Action	Future Action	Future Action	Future Action
	Mar 05	Amazon Dropship Demo	3PL-Confirmation	1	Mar 09	Mar 11	Acknowledged	Select Action	Future Action	Future Action	Future Action
	Mar 04	Amazon Dropship Demo	Shipstation-Workflow	1	Mar 08	Mar 14	Acknowledged	Select Action	Future Action	Future Action	Future Action
	Mar 01	Nordstrom Demo	Manual-Dispatch	232	Mar 02	Mar 04	Acknowledged	Not Applicable	Urgent Action Required	Urgent Action Required	Future Action
	Feb 28	Amazon Dropship Demo	Send-Invoice	1	Mar 02	Mar 04	Acknowledged	Acknowledged	3PL Confirmed	Acknowledged	Action Required

The Benefits of Built-in EDI

Cin7 is the only inventory management solution that provides real-time, Native EDI integration with Amazon Vendor. Other solutions require you to use one or more third-party providers to integrate with Amazon Vendor, such as SPS Commerce for EDI and CartRover for 3PL integration. Such additional, intervening solutions can delay order transmission by up to 60 seconds. This is a significant delay for brands selling at high volume across multiple channels and can result in overselling, missed shipping windows and, ultimately, chargebacks. Cin7 tests, implements and supports its EDI integrations in-house to deliver true real-time data which lets you:

- ✔ Hit shipping windows
- ✔ Avoid order errors
- ✔ Promptly Alert Amazon of order changes

- ✔ Reduce cost and complexity
- ✔ Get support from a single vendor
- ✔ Gain unlimited EDI functionality

Optimizing the Omnichannel Customer Experience

Cin7 allows you to achieve your omnichannel vision by ensuring information freely flows from one channel/location to the next to deliver a consistent experience for your clients no matter how they engage with you.

The combination of Cin7 and your accounting system provides an Omnichannel ERP solution that will deliver excellent omnichannel experiences for your customers. Cin7's Omnichannel ERP functionality includes click-and-collect, ship from store, customer loyalty and much more.

The Benefits of an All-in-One Amazon Solution

Cin7 is the only inventory management solution with built-in integration to all four of Amazon's core channels and services: Amazon Vendor, Amazon Seller, Fulfillment by Amazon (FBA) and Amazon Direct Fulfillment. As with Amazon Vendor and Direct Fulfillment, Cin7 automates many of the workflows Amazon Sellers require to fulfill orders, whether they ship orders from their own warehouse, a 3PL or FBA. Many Amazon Sellers evolve over time to become Amazon Vendors, and as an all-in-one Amazon solution Cin7 gives such brands an inventory management system that lets them scale as they grow and add Amazon Vendor to their channel mix.

Conclusion

Cin7: The #1 Omnichannel ERP for Amazon Vendors

Real-time data, transparent EDI, channel and location integration, and automated processes make Cin7 a great solution for Amazon Vendors no matter what their business model looks like.

Cin7 reduces your admin and increases your efficiency giving you a single management system whether you sell mostly to big retailers using EDI, through a mix of direct-to-consumer and wholesale channels, or through a complex mix of physical, online, B2B and B2C channels. This flexibility, visibility and control gives you more than just the operational efficiency to thrive as an Amazon Vendor. With features like click-and-collect and cross-channel customer loyalty programs, Cin7 can be your Omnichannel ERP.

1. https://www.recode.net/2018/5/23/17380088/amazon-sellers-survey-third-party-marketplace-walmart-ebay
2. Using Cin7's built-in warehouse management software with integration to shipping software such as ShipStation.
3. Previous steps in a workflow are necessary to trigger certain automation in Cin7.