

Growing your Business on Amazon

Coen de Heus, Amazon



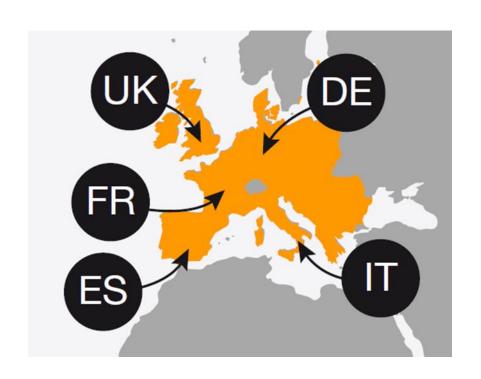
Amazon Marketplaces



*As of March 2015 Source: Amazon Investor Relations

Amazon EU Marketplaces

By expanding across Europe, your products will become visible to more than **100 million visitors** each month.





^{*} Source: December 2015, ComScore

Areas to think about

- Access to Prime
 - Small and Light
 - Seller Fulfilled
 - Pan-European FBA
- Accelerating Sales
 - Sponsored Products
 - Lightning Deals





Access to Prime





Seller Fulfilled Prime

Seller Fulfilled Prime

Enables sellers to offer the Prime badge on products, whilst fulfilling them from their own warehouse.

Sellers must demonstrate their ability to meet the Prime bar for customer experience in terms of dispatch, delivery and customer service and returns.

This Prime service gives sellers access to Amazon's world class logistics.









Pick, pack and ship your orders same day.



Amazon Logistics collects and delivers orders next day to customers

Comparison of Prime Programs for Sellers

'One Size Does Not Always Fit All'

- Sellers have a variety of Prime services available to them
- Leverage Prime to suit your business
- Take decisions on Prime by ASIN, not for the overall business
- 3 New Programmes in 2016:
 - Pan-Europe FBA
 - FBA Small and Light
 - Seller Fulfilled Prime

	Fulfilment by Amazon	Seller Fulfilled Prime		
Inventory Storage	Amazon FC	Seller's Warehouse		
Processing Orders, Pick and Pack	Amazon	Seller		
Shipping Labels	-	Seller (AMZL)		
Prime Marketing	Yes	Yes		
Inbound to Amazon FC	Seller's carrier or Amazon Partner Carrier	-		
Returns	Back to Amazon FC	Back to Seller		
Customer Support	Amazon	Amazon		
European Expansion enabled	Yes	No		
Ideal Products	 Fast moving High demand Predictable demand Eligible to be sold across Europe 	 Perishables Fragile Personalised and Seasonal Slower moving lines Items with unpredictable demand Items with variations 		

The Current Status of SFP

What is the current status of the program?

- Q4 of 2015: SFP pilot to gauge seller interest and ability to meet the Prime bar
- Q2 2016: Limited launch where we invited some mid sized and large sellers to join on a first come first serve basis
 - Program has been over-subscribed and we have closed registrations for 2016
- Q1 2017: Full launch for sellers of all sizes (will be on first come first serve basis)

What should I do next / when can I launch?

- Onboarding has closed for 2016 due to being close to peak -> Get ready for 2017
- Given the high demand for the program we suggest getting ready technically and reaching out to Amazon (seller-fulfilled-prime-eu@amazon.com) to register interest
- We will contact you with further details



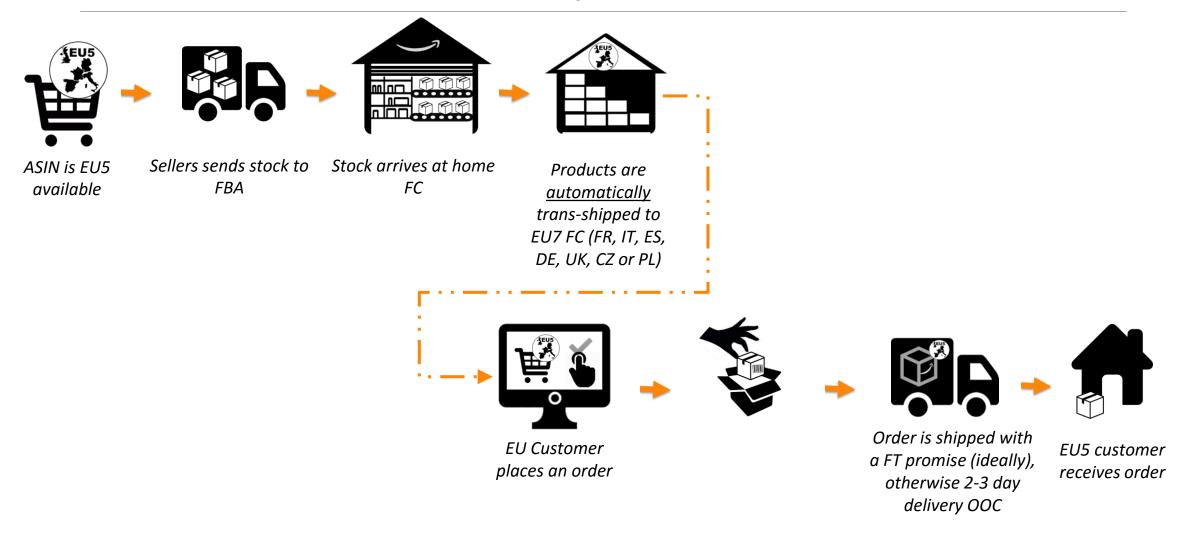
Pan-European FBA

What is Pan-European FBA?



Pan-European FBA enables you to **sell across Europe**by helping you **place inventory closer to your customers** in Europe, and **fulfilling and delivering orders fast at lower costs**. Selling with Pan-European
FBA makes your products eligible for **Prime** and **visible to millions of customers** across Amazon's
European marketplaces.

How does Pan-European FBA work?



Pan-European FBA

- Ship to a domestic fulfilment centre and allow Amazon to place it throughout Europe based on demand.
- Fast delivery in all 5 European marketplaces
- Export across Europe with a single seller account & one inventory pool
- Pay local fulfilment fees in any of Amazon's European marketplace.
- Amazon takes care of customer service in the local language and handles returns



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Reach millions of Prime customers

With Pan-European FBA, you can sell your products in all five Amazon European marketplaces with Prime eligibility.



Take the guesswork out of managing stock

Send stock to your local European fulfilment centre or to the European fulfilment centre of your choice. Amazon will allocate it based on anticipated demand at no additional cost to you.



Experience low fulfilment costs

Amazon distributes your products across Europe at no additional cost. Pay the local fulfilment fee for the marketplace where the order is placed.





Rely on Amazon's trusted, 24/7 support

Amazon provides customer support in the local languages of the five European Amazon Marketplaces, facilitating customer enquiries, returns and refunds for you.



Provide fast, reliable deliveries

With your products stored close to customers, you can trust Amazon to quickly fulfil and deliver orders to customers.

Pan-European FBA Fee Comparison

Standard parcel 500g Fulfilment Fees	Sale on amazon.de	Sale on amazon.fr	Sale on amazon.it	Sale on amazon.es
Fulfilment Fee for EFN (fulfiling amazon.de, amazon.fr, amazon.it, amazon.es orders from UK inventory pool)	€ 3.66	€ 3.66	€ 3.66	€ 3.66
Pan-European FBA Fulfilment Fee (regardless where the product is shipped from)	€ 2.41	€ 2.74	€ 3.18	€ 2.28
Cost Savings per item with Pan-European FBA	€ 1.25	€ 0.92	€ 0.48	€ 1.38

What does a Pan-European FBA offer look like?



amPen Hybrid Stylus (Silver) for iPad Air, iPad 2, iPad Mini, iPhone 4s, iPhone 5/5s/5c, Nexus 5, Nexus 7, Galaxy S4/S5, HTC One (Interchangeable Hybrid Tip Feature) by amPen * 32 customer reviews VPrime Only 2 left in stock. Want it tomorrow, 5 Feb.? Order it within 8 hrs 45 mins and choose Express Delivery at checkout. Details Sold by TechMatte UK and Fulfilled by Amazon. Gift-wrap available. to: This item is eligible for click and collect. Details 1 used from £6.30 Size Name: Hybrid 3-in-1 Hybrid Hybrid Colour Name: Silver

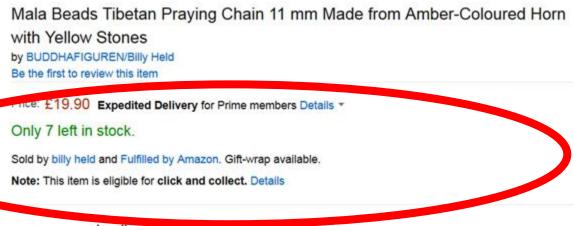


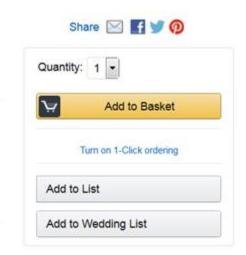
- Ultra-sensitive using the latest technology, this stylus is as responsive as your fingertips
- Compatibility compatible with all touch screen devices, including iPad and iPhone
- Conveniently designed in pen form; perfect for carrying around when you're on-the-go
- Protection durable, soft tip protects your screen from scratches

Product Not Offered Through Pan-European FBA









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Jewellery

Up to 70% off in jewellery See more

VAT Requirements

- Enrolment into the Pan-European FBA programme will trigger additional VAT obligations in EU7.
 - UK, Germany, France, Italy, Spain, Poland and Czech Republic
- You will be responsible for the collection and payment of your taxes, as well as the filing of all relevant returns and VAT invoicing.
- While we are committed to helping sellers, we do not provide tax advice or compliance services.
 - We are partnering with Avalara, a 3rd party tax advisor, in this matter
 - We are happy to refer you to Avalara
 - Promotional prices available to Amazon Pan-European FBA sellers

What Our Sellers Are Saying



"2015 is the commencement of Ugreen brand in the European market. Thanks to Amazon team and this programme which enabled us to rapidly expand our business to all 5 European marketplaces and we are seeing fast growth and developments that far exceeded our expectations."



"Pan-Europe FBA is a great programme and it definitely has helped us expand our business, especially from a financial perspective. Sellers send their inventory to one Amazon fulfilment center and save money on trans-shipping product throughout Europe. We are confident that Amazon will help us reach higher audience numbers as we expand into European marketplaces."

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In Summary

- Expand product reach across Europe by cross-listing FBA selection on the EU5
- Increase sales by expanding FBA selection with a fast track promise when possible
- Simplified inventory management across Europe
- Fast delivery at a low cost only the local FBA fee, regardless of where the product is stored
- Trusted Customer service and returns handled by Amazon in local languages



Ensure you have an Amazon European seller account

Use a single account to create and manage FBA offers on Amazon European marketplaces.



Confirm which products are eligible

Use the Pan-European FBA inventory management page to check the eligibility status of your products and review them for local compliance.



Enrol products in Pan-European FBA

Enable Pan-European FBA in Seller Central. You only need to do this once and you can start enrolling your products.



Create missing offers or ASINs

Before enrolling a product, it must have an active FBA offer in each Amazon European marketplace.



Ship it and utilise Amazon's demand data

Send stock to your local European fulfilment centre or to the European fulfilment centre of your choice. Amazon will allocate it based on anticipated demand at no additional cost to you.



Watch it sell

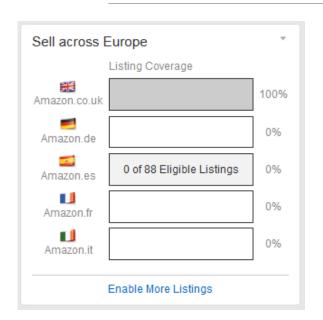
Focus on growing your business while selling from one stock pool with no additional cross-border fulfilment fees.

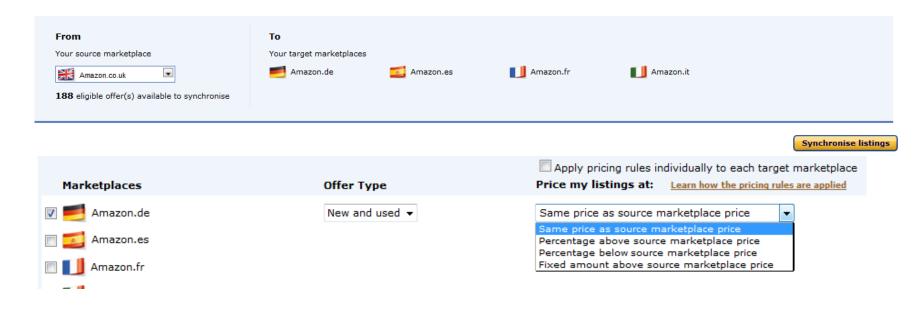
Sell across Europe

Few things to note before you get started:

- New Seller accounts are EU5 enabled
- Leverage Amazon tools to:
 - Manage/synchronize offers (Build International Listings)
 - Create offers (Expand Offers Internationally)
 - Translate Your Products
 - Find external providers (translations, compliance, customer service, returns etc.)

Build International Listings (BIL)

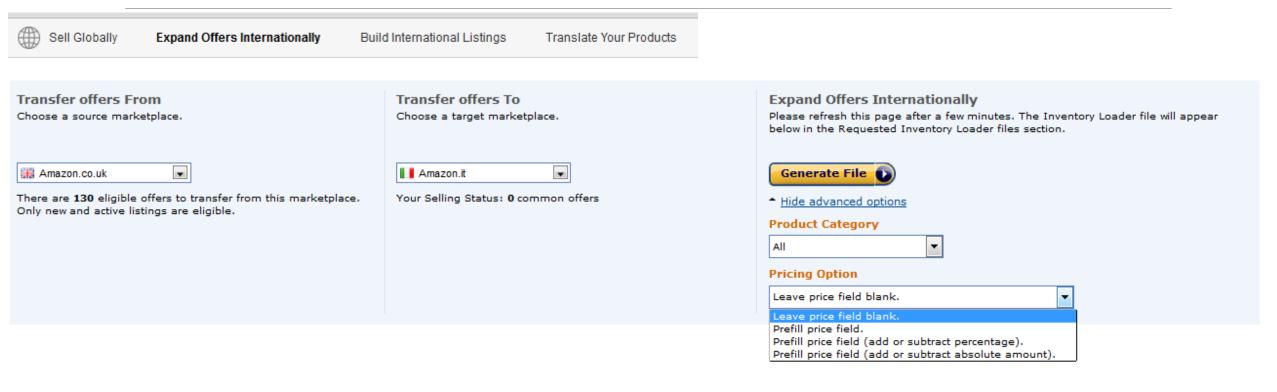




- ✓ Easiest most automated way to reach the EU5
- ✓ Automated localisation of ASIN attributes
- ✓ Can exclude SKUs or ASINs reactively
- ✓ Target marketplace pricing is dynamic

<u>Payments</u> – sellers may choose to receive funds in £s from sales in another currency. In this case we use the exchange rate of the day the transfer to your bank account is initiated. Using Reports – Payments you will be able to see the exchange rate applied to a disbursement. The FX rate is updated daily.

Expand Offers Internationally (EOI)



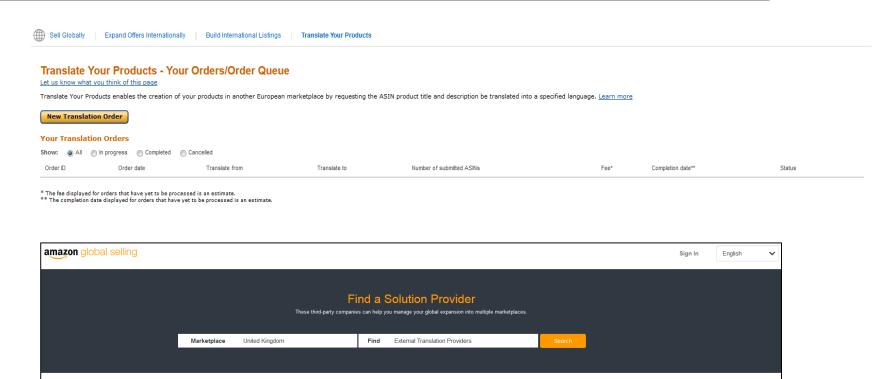
- ✓ Most targeted way to expand selection
- ✓ Allows ASIN-level price setting
- ✓ Seller prepares translations prior to the expansion

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How can I translate my products?

1) Translate your products (TYP)

2) External service providers



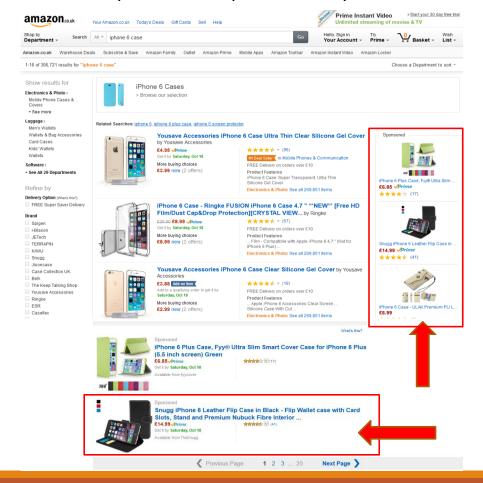


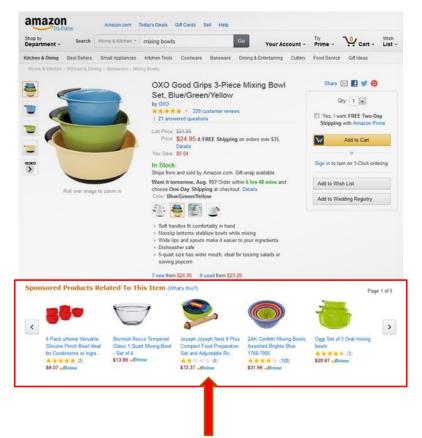
Merchandising Opportunities

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What are Sponsored Products?

 Amazon Sponsored Products is a pay-per-click advertising solution that enables Amazon Sellers to promote the products they sell on Amazon with keyword-targeted ads.





What does success look like?



In 2015, sellers worldwide using Sponsored Products grew more than 100 percent.

Sellers worldwide garnered more than \$1.5 billion in sales through Sponsored Products listings.

"In the one and a half years since Empire Case began using Sponsored Products, its Amazon sales increased 100 percent. During the same period, the company's overall revenue jumped 66 percent, from about \$6 million to \$10 million annually"

- Empire Case (Amazon Seller)

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How does it work?

How it works:



1. Select your products and choose your keywords (or use Amazon's suggested keywords through Automatic Targeting)



2. Decide how much you want to spend on your campaigns

3. Pay only when your ad is clicked

» Out of Country Promotion:



Activate Sponsored Products in at least 2 new locales and get €25 free click credit in those locales *plus* an additional €25/£20 in the locale you first used SPs for every new locale you launch in

Lightning Deals: 3 Types of Deals

Deal of the Day

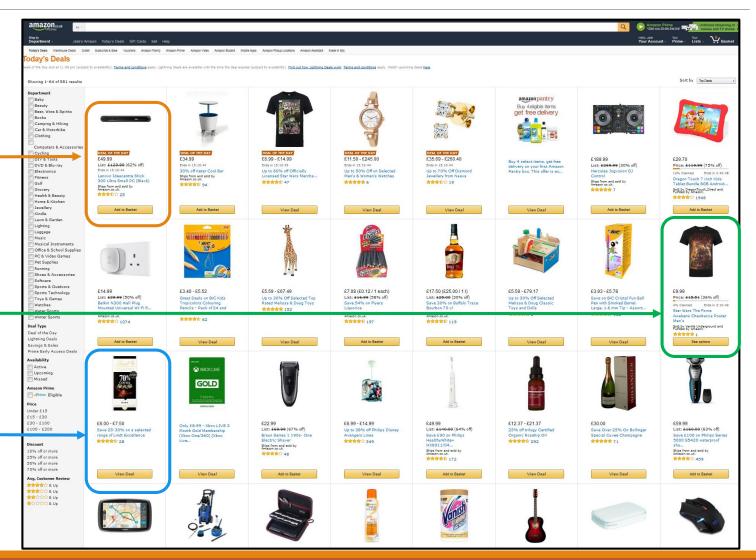
24 Hours
Minimum 25% Discount
Minimum 4 Star
Reviews
Highest Quality Deals

Lightning Deals

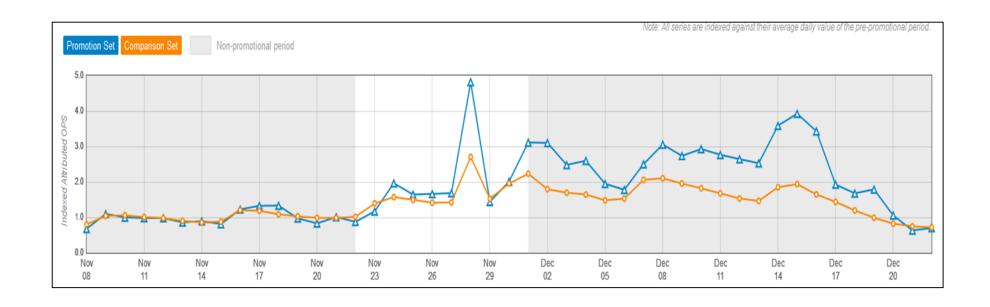
4 Hours Minimum 15% Discount Minimum 3 Star Reviews

Best Deals

1-2 Weeks Minimum 15% Discount Minimum 3 Star Reviews



Why should I discount my products?

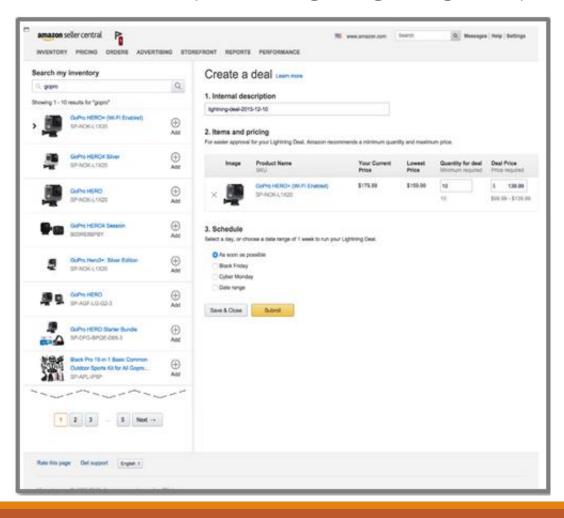


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The "halo effect" on ASINs included in lightning deals during key events will see a surge in sales after the deal run date (at full price).

How Can I Participate in Lightning Deals?

Seller Central (Advertising -> Lightning Deals)







Managing Your EU5 Account

Managing your EU5 account

- Creating EU Listings
- Build International Listings (BIL)
- Expand Offer Internationally (EOI)
- Translations

How do I create my EU listings?

The ASIN already exists in the EU locales:

- Build International Listings Tool (BIL)
- Expand Offers Internationally (EOI)

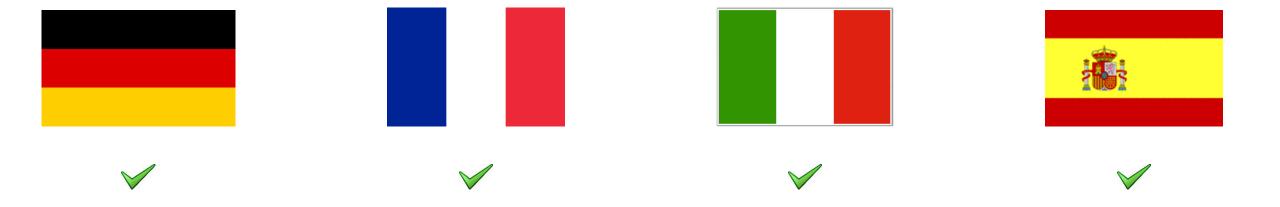


The ASIN doesn't exist in the other EU locales:

- Localisation tool
- Translate your products (TYP)
- Third party provider

How do I create my EU listings?

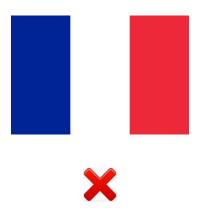
The ASIN exists in the target locales.....



Translations

The ASIN does not exist in the target locales.....













All my products are now ready to go......









Thank you!

From the Amazon Merchant Services team

