


Amazon USA Weekly Update, April 28th, 2020

On March 17th, Amazon announced a focus on essential categories. What does this mean?

- Essential categories include: Medical, Science/Industrial, Food & Beverage, Health and Beauty (excluding Luxury Beauty), Pet, Baby and Household
- Amazon announced that they will more widely open up for nonessential items later this week though plan to monitor and limit inventory levels where they see fit. As such, you may see something like this in your Seller account:

SKU	Product Name	Supplier	Sales summary	Price	Days of Supply	Recommended replenishment qty	Recommended ship date	Action
	ASIN FNSKU		(last 30 days)		units (incl inbound)			
Limited restock								
	4000-DRY-FBA ASIN: B07Q7CZP1J2	Shampoo for Damaged Hair	unassigned	\$399.80 20 units	\$19.99	35 28 units	---	---
								Create shipping plan

- Amazon has hired 175,000 nationwide to meet the increased consumer demand they are experiencing.

What we have been seeing/April 28th update:

Operations:

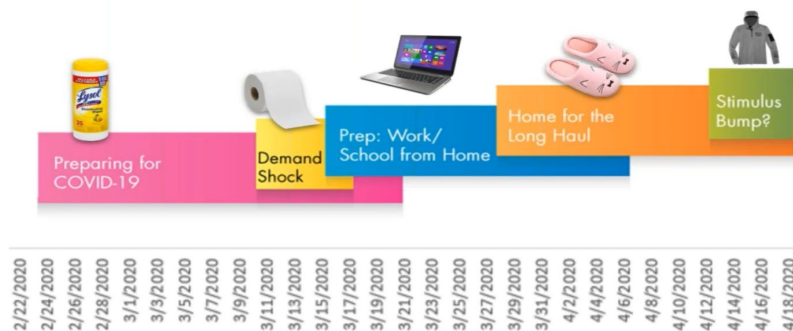
- **A worker walk-out** is planned for this Friday for workers at Amazon, Walmart, Target, Whole Foods, FedEx and others, seeking better health and safety standards as well as hazard pay while working during Covid-19 pandemic. There is no sense of how disruptive it will be or how long it will last but clearly reflects the growing concerns of frontline workers in the US.
- **Out of stocks on essentials** are still widespread and it is not uncommon to receive a message like the following (as I did this week): *There is an out of stock item for your upcoming Subscribe & Save auto-delivery.*
- **Account Suspension** for typical infractions of high order defect, high order cancellation, Seller out of stocks and high late shipment rates has been waived through at least May 15, an extension of the initial guidelines.
- **Removal orders** are still paused or delayed in Amazon fulfillment centers. You can continue to create removal orders, but removals have been deprioritized with no indication of when normal operations will resume.
- **Ship times to consumers** are relatively normal (1-2 days) on essentials, as long as the product is in-stock (I even received honey in one day!). Non-essentials continue to lag by 3-5 days.
- **Account Operations:** In the last two weeks we have seen more responsiveness in new account set-up, resolution of cases, Brand Registry approval and general availability of Amazon business development managers for Launchpad, account integration and advertising. If you have been waiting to set-up a new Seller account, this is a good time to do it.
- **International Account Set-up:** While account operations, as referenced above are resuming a level of normalcy, international brands have been Amazon's stringent focus for the last 18 months. It can sometimes take weeks to get an international account ungated or approved to sell in a specific category. I recommend getting started weeks in advance of actually launching your product. If your account gets set-up like a breeze and you are not yet ready to sell, it will simply be live until you are ready at the minimal cost of \$40/month.

Marketing:

- **Reminder: Amazon Deep Clean.** Unrelated to COVID-19 developments, Amazon is implementing a program in **mid-May** called “Deep Clean.” With this program, Amazon is reviewing all main product images, many of which have eroded in compliance in the last two years. If images contain any additional graphics, logos or unrelated items, then Amazon will suppress the listing unless they are able to find a compliant image that they then can rotate into the main image slot. Compliant images are professionally photographed (of only the product being sold) and must be on a solid white background with no shadows and no additional graphics of any kind. Below are some examples of images that do not comply with Amazon standards.



- **Marketing activities still suspended:** Programs that were expected to resume on April 5th - Coupons, Amazon Vine and Lightning deals and others - are suspended with no end in sight.
- **Prime Day** planned for August but no specific date has been announced yet.
- **As per the last few weeks, opportunities for smaller and newer brands continue:** Cost Per Click (CPC) in advertising has decreased and small brands continue to fill voids left by out-of-stocks. Additionally, there have been phases of purchasing that look like this, which provides opportunity for trying new products as “shelter-in-place” has been extended in many locations.



Source: Channel Advisor

That's all for now!

KIA ORA,

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