

How to Win the Buy Box

Did you know that 82% of all Amazon sales happen through the Buy Box? Consequently, if you're not in the Buy Box, your chances of making a sale are pretty slim.

What is the Buy Box?

There are two types of sellers on Amazon, Amazon itself, and third-party sellers. For the majority of items, there will be a number of buying options for the buyer. When a buyer selects, 'Add to cart', the seller who has the Buy Box at that moment in time (the Buy Box winner rotates but more about that later), gets that all important sale.

Amazon's net revenue sales have grown steadily over the last ten years reaching \$88.99 billion in 2014. In 2015, this trend is forecast to continue with third-party sales expected to reach \$41 billion.

With an estimated 82% of Amazon sales, more for mobile sales, going to the Buy Box winner, it's vital for sellers to know how the Buy Box works and what they can do to win a share of it.

How the Buy Box Works

The Buy Box algorithm starts by analysing each offer by all the sellers of the product. It then evaluates each offer on the basis of seller history, price and many other variables (more on those later).

After carrying out the analysis, Amazon rewards the Buy Box to what it deems as the best buying options for its customers.

Amazon no longer awards the Buy Box to one seller, but instead rotates the Buy Box between multiple sellers.

Buy Box Factors

Whilst, Amazon doesn't disclose the specific performance metrics for the Buy Box, we can divulge a list of the most likely factors, which vary in importance, which Amazon considers before awarding sellers the much coveted Buy Box.

Excelling in all of these factors thus delivering an outstanding customer experience is the best way to win a share of the Buy Box.

Fulfillment method, very important

Fulfillment can be done in two ways, through FBA (Fulfillment by Amazon) or FBM (Fulfillment by Merchant).

Amazon gives FBA a perfect score for multiple variables including shipping method, on time delivery and inventory depth. This makes it highly unlikely for merchants to beat FBA sellers.

Landed price, very important

There are two prices on Amazon, the price you list an item and the landed price which includes shipping and VAT (UK and EU only). It's important to take these things into consideration when pricing your products.

A common misconception is that sellers who have the lowest price think they will win the Buy Box. Whilst having a lower price will increase your chances of winning a share of the Buy Box, it is only one of the criteria for it, albeit, an important one.

Seller rating, very important

Seller rating is the score given for the overall customer experience to the seller.

For every order that is fulfilled without any kind of problem, a seller gets 100 points. If Amazon considers it to be a perfect order, it awards the seller 10 extra points. 110 points is the maximum that the seller can get.

If late shipment of the order occurs, Amazon deems this as a minor issue and gives the seller zero points. Whilst orders with moderate problems such as the seller cancelling the order receive -100 points. Orders with negative feedback result deemed as a major problem result in -500 points for sellers.

Amazon group sellers into six rating brackets: 98-100%, 95-97, 90-94%, 80-89%, 70-79% and less than 70%. Moving up from one bracket to another will have a positive impact on sales with the aim being to get into the 98-100% bracket.

Shipping time, very important

The amount of time a seller takes to ship an item is known as the shipping time. This has high impact on winning the Buy Box, particularly for products such as birthday cards and perishable items.

Shipping time is arranged into the following brackets, which only includes working days: 0-2 days, 3-7 days, 8-13 days, 14 or more days.

Order defect rate, important

Order defect rate (ODR) comprises of three different metrics: negative feedback rating, A-Z guarantee claim rate and service chargeback rate.



Amazon calculate these metrics to find out the number of orders which were defective. According to Amazon, the ODR should be below 1% and any sellers above this will be penalised.

Delivery history, important

Three different elements of the delivery are considered: on time delivery, late shipment delivery and tracked delivery rate. Each element is considered on the basis of the last seven, 30, and 90 days.

On-time delivery is the percentage of order buyers received within the estimated delivery date whilst late shipment delivery is the rate of order being shipped after three or more days.

Feedback score, important

Feedback score is the culmination of all feedback score the seller has received over the last 30 days, 90 days and 365 days, with the most recent feedback having the greatest impact.

Customer response time, important

Again, Amazon checks responses for the last seven, 30 and 90 days and compares them for all competing sellers. It is considered, that replying to customers within 12 hours increases your chances of winning the Buy Box.

Messages replied to after 24 hours or never replied to, can have an adverse effect on the ratings. However, by marking as no response needed, the seller can save themselves from negative points.

Feedback count, somewhat important

Feedback count is the number of buyers who have given seller feedback. A higher feedback count can lead towards winning the Buy Box.

Inventory depth, somewhat important

Amazon prefers sellers who have enough inventory to deal with the demand which the Buy Box can create. As a result, sellers with large inventory, consistent sales, and good stock history can be granted a higher Buy Box share.

Cancellation and refund rate, somewhat important

The number of orders cancelled before being shipped by the seller and the number of orders refunded after being shipped make up the cancellation and refund rate. A rate higher than 2.5 % could affect your chances of winning the Buy Box.

Buy Box Strategies

In order to win a share of the Buy Box, sellers need to improve their metrics without forfeiting performance in other areas. It is not always easy to find a perfect balance between customer support, price and several other factors.

Three strategies that may help with this are:

- **Know your metrics**, sellers should be aware of their seller metrics in Amazon Seller Central.
- **Focus on the important metrics**, some sellers might choose to focus on those metrics which have the most impact on the Buy Box.
- **Improving seller performance**, use Amazon Seller Central to identify the key areas of performance you need to improve on.

Buy Box Requirements

There are four key criteria sellers must have to compete for the Buy Box:

- **Professional Seller account**, only sellers with a Professional Amazon Sellers account are eligible to win the Buy Box. Individual or Basic Seller account are not eligible.
- **Buy Box eligibility**, a seller must be Buy Box Eligible (previously called Featured Merchant) for the product in order to compete for a share of the much coveted Buy Box for that product's sales. Sellers can be eligible to win the Buy Box for some products and not for other products. Sellers can fast-track their way to Buy Box Eligibility by using Amazon FBA.
- **Item condition**, items that are used cannot win a Buy Box position over a new item—instead, there is now a Used Buy Box which is separate to the main Buy Box.
- **Stock availability**, an obvious one but if you don't have an item in stock, you can't win the Buy Box with the exception of a back-ordered item.



Optimise Your Prices

One of the biggest myths surrounding Amazon's Buy Box is that having the lowest price makes you a certainty for winning a Buy Box. By always having your prices at rock-bottom prices, you'll reduce your profit and customers may perceive your product quality to be low.

However, optimising the price of your product will almost certainly increase your chances of winning the Buy Box. With price optimisation, your prices and subsequent profits will increase when a competitor runs out of stock.

Repricing software such as [RepricerExpress](#) can save you huge amounts of time and effort as well as helping you win the Buy Box. RepricerExpress works within your defined pricing rules, ensuring your prices are optimised within your min and max price settings.

As you can probably tell by now, the Amazon Buy Box is a complex and multi-faceted system. Amazon gives a lot of control to third-party sellers and you should always try to take full advantage of its incredible potential.

Delivering a first-class customer experience gives sellers the ability to raise their prices and still maintain a healthy Buy Box share.

Finding the optimal pricing point for every product is crucial and challenging. Get it almost right and you'll probably win some sales; get it exactly perfect and you'll watch your profits soar!

Free 15-day trial

Win the Buy Box with [RepricerExpress](#), Amazon repricing software. Try us out for free with a [15-day trial](#). No credit card required. Cancel anytime.

Plus, use promo code **REX10** and receive 10% off your first month's bill.

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