

Inventory Management

IPI Score Increases over 75 points & FBA Restock Limits Improved



Overview

In May of 2021 Amazon unexpectedly introduced Account Level Restock Limits. This greatly impacted a growing plastic product manufacturing company that was set to have another record-breaking year. The limits restricted the client from sending in inventory to FBA and their fast-moving inventory quickly sold out.

Obstacles

- The client utilized a large amount of oversized storage within Amazon fulfillment centers and was limited in what they could replenish.
- Inventory levels were quickly depleted, creating out-of-stock product listings.
- The client had a lower IPI than recommended. Ironically, the client was in the process of implementing a plan to increase the IPI and decrease the amount of slower moving products stored in FBA when Amazon implemented the Restock Limits. The Restock Limits made it more challenging to improve their IPI score and gain more storage space.

Solutions

- + Worked with the client to quickly determine the best products to remove from Amazon fulfillment centers and focused on keeping the fast moving products in stock.
- + Switched from shipping inventory into Amazon utilizing LTL to SPD via UPS. Amazon processes the shipments quicker this way.
- + Restructured the clients Amazon account to be split into multiple accounts based on product types (i.e. home, pet, etc.). This allowed the client to move products to new accounts with additional space for FBA.*

**This was pre-approved by Amazon and all Amazon's guidelines were followed.*

Results

Through careful inventory management and improvement of the client's IPI score, the Amazon Restock Limit has substantially increased. In May it dropped to 29,440 units and by November they were back up to 58,723. The IPI score also increased from 389 to 466.

