

What is Born to Run?

Born to Run allows vendors to request orders for an ASIN by telling Amazon how many units they believe will sell in 10 weeks



SUBMIT PRODUCT

Vendor submits a
quantity they think will
sell in 10 weeks

AMAZON REVIEW
Amazon reviews
submission and provides
approval amount

ORDER GENERATED
If approved, Amazon
buys submitted quantity

SELLTHROUGH

Vendor monitors
sellthrough in 10 week
window

Why should I use Born to Run?

In 2018 Born to Run Pilot, enrolled ASINs on average saw:



Reduced Out of Stock
1.7x decline in out of
stock rate



Increased Sales
3.1x increase in
units sold



Faster New Product Launch
3.3x shorter duration from
ASIN setup -> first sale

Why is Born to Run Important?

Vendors often have more accurate demand prediction than Amazon, but no way to utilize that knowledge



Why is Born to Run Important?

Born to Run allows vendors utilize those demand signals and drive POs to ASINs Amazon is under-ordering



amazon.com

How Born to Run can work?

uptick, place more

orders for ASIN A



ASIN A

units of ASIN A to

Born to Run

What if my ASIN doesn't sell through?

Born to Run Workflow:

- 1. Vendor submits Born to Run quantity
- 2. Vendor has 10 weeks to sell through that quantity

For any units that do not sell through within the 10 week period, the vendor chooses one of the two preferences below:



PRODUCT RETURN

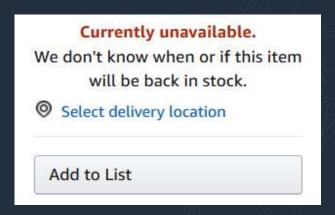
Amazon returns unsold units, taking into account weeks of cover and sellthrough. Vendor will refund 100% of the product cost for any returned units, plus standard shipping/handling fees.

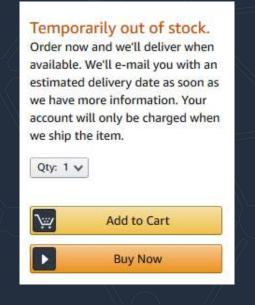


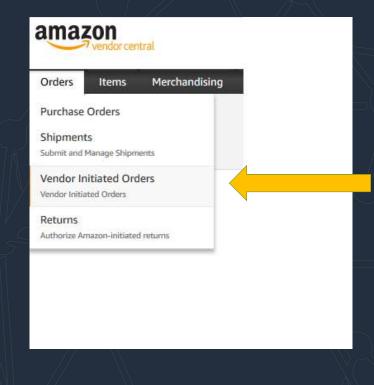
RETENTION FEE

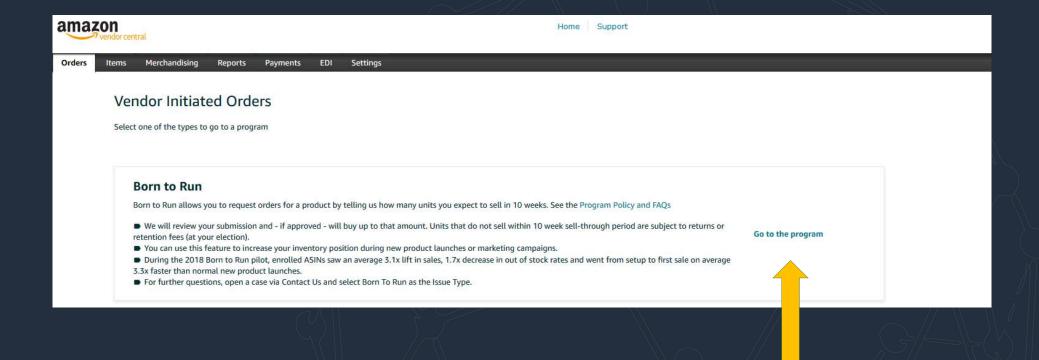
Amazon keeps unsold units. Vendor provides a retention fee equal to 25% of cost of unsold units. Please note that Amazon's standard terms for returning defective or damaged units still applies.

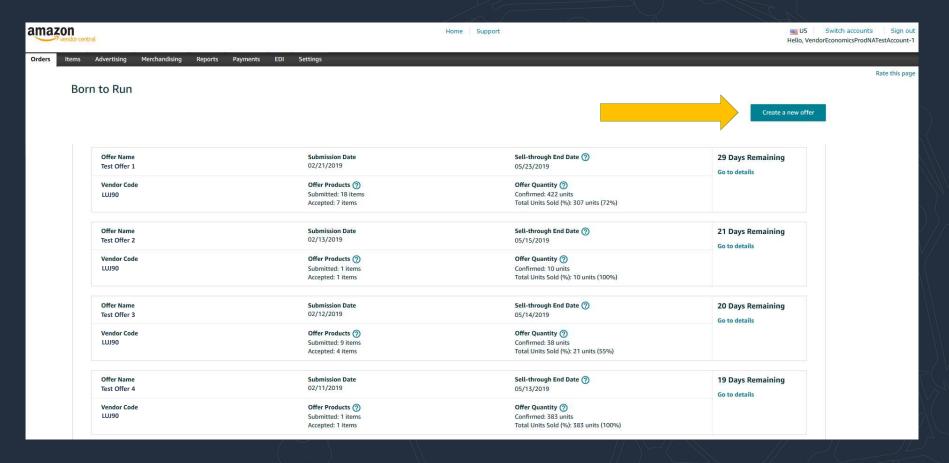
What does Born to Run Prevent?

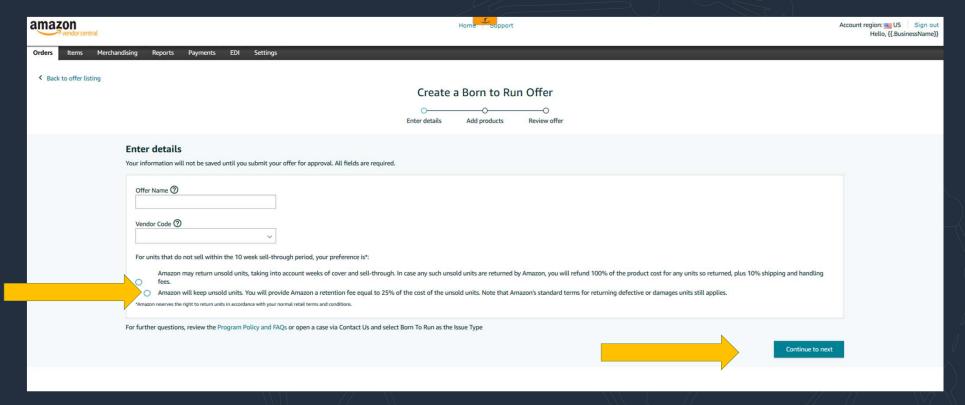


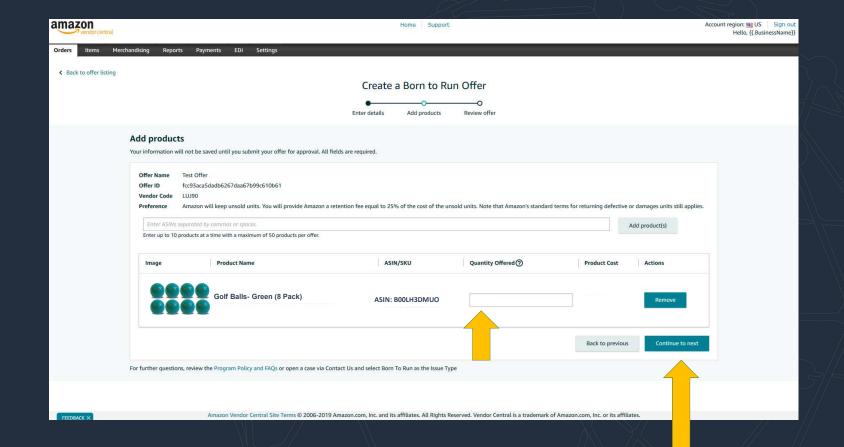


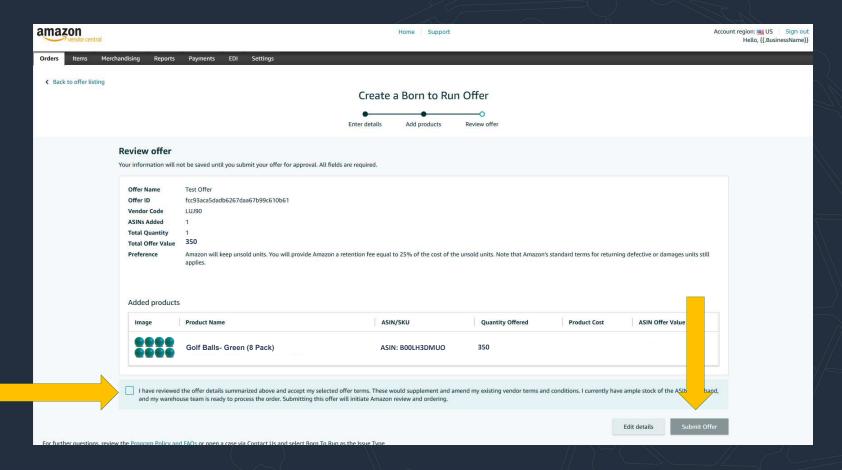


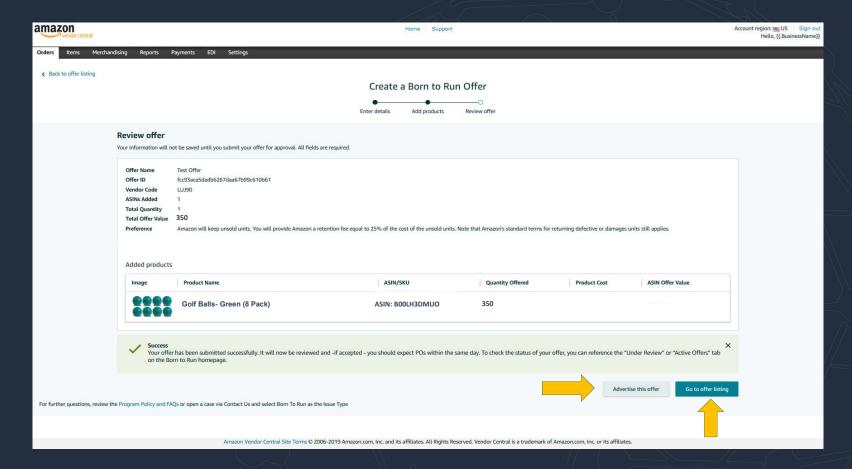


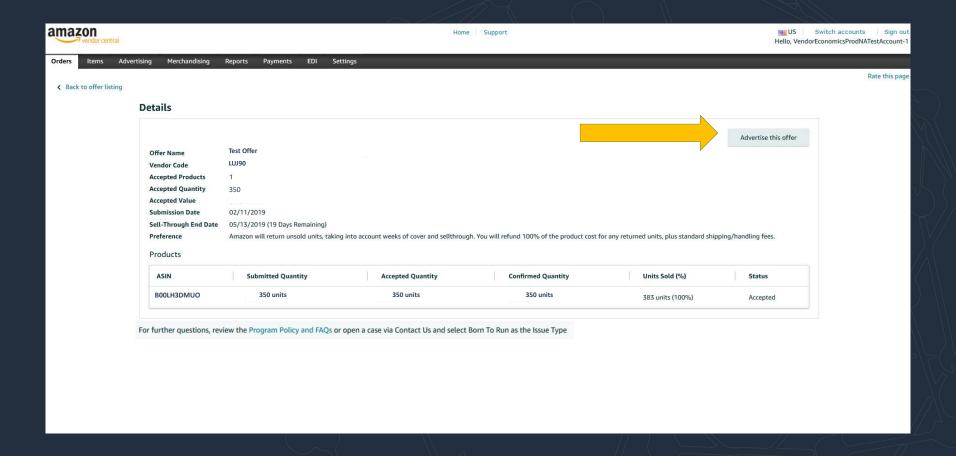




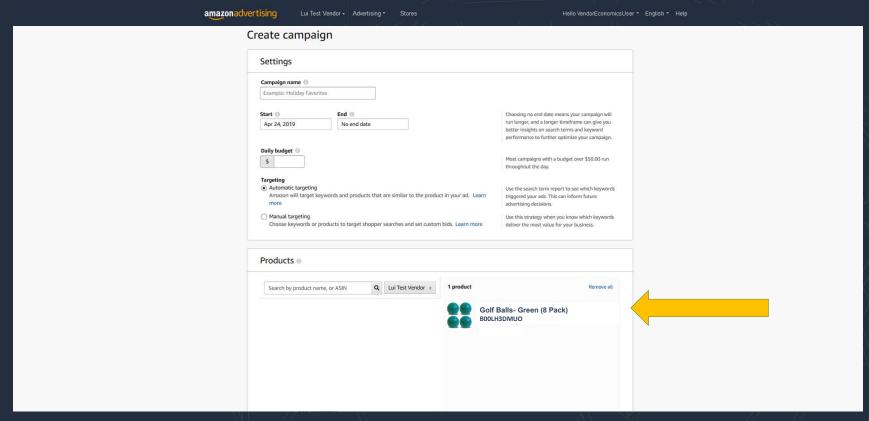








Advertising with Born to Run



Born to Run Updates

1. Removed 10% Ad Spend Requirement

Born to Run now recommends that vendors advertise in whatever way they believe will drive sellthrough

2. Removed 'New Product' Requirement

Born to Run now allows vendors submit any inventory they believe has an insufficient forecast

Born to Run Best Practices

Prior to Born To Run Submission	
Ensure Correct ASIN Setup	Avoid submission/processing failures
Forecast Conservatively	Avoid potential return/retention fee
Establish Ads Budget Upfront	Utilize for offers not meeting sellthrough targets
Detail Page Excellence: A+ Content, Vine, High Quality Images etc	Better Customer Experience, driver of sellthrough
Connect with Warehouse team	To be prepared to fulfill the Born To Run POs and avoid delays in shipments

During 10 Week Sellthrough Period	
Track Sellthrough progress weekly	Keep up to date on sellthrough metrics
Leverage Advertising	To drive Sellthrough
Check for ASINs at risk halfway through	Implement strategies for offers not meeting
sellthrough	targets

Happy Path: New Product in Born To Run

<u>Scenario:</u> Vendor is launching a flagship new vacuum, and wants to make sure the launch is successful on Amazon due to National Media Investment

ASIN Setup Vendor starts ASIN Setup process

Detail Page
Vendor optimizes
detail page with
A+ content,
images, Vine

Ad Budget
Vendor
establishes
ASIN's 10 week
Ad budget

Forecast & Submit
Vendor establishes
Born to Run
forecast target of
1,000 units and
submits ASIN

Ad Campaign
Once ASIN is
instock, vendor
starts ads
campaigns

Halfway Check
vendor checks if ASIN is >50% to
1,000 unit target. If sellthrough is
at risk, vendor increases
advertising spend or enrolls ASIN
in promotion/coupon

-5 Wks

-3 Wks

reviews

-2 Wks

Submission Week

1-3 Wks

Monitor Sellthrough Weekly

Vendor monitors sellthrough weekly of ASIN towards 1,000 unit target

amazon.com

13 Wks

Born to Run Case Study: Vendor Level



"Once we got access to Born to Run, we understood the program and its benefits immediately. We like that we can do it on our own and don't need to bother our Vendor Manager or wait for approvals. We are often thinking about adding new flavors [of Pet food] on Amazon, and knowing we can use Born to Run to launch them and get them moving is great."

— National Account Manager,Top 100 Pets Vendor

- Pets Vendor used Born to Run to increase their catalog on Amazon, launching 56 products that had previously not been on Amazon (increasing Amazon catalog size 47% Y/Y)
- Born to Run ASINs drove \$1.1M in incremental PCOGS in <6 months
- Born to Run sellthrough rate of 92% meant 0 units were returned
- Vendor's business on Amazon has increased from 40% Y/Y pre Born to Run to 70% Y/Y today.

Born to Run Case Study: Vendor Level



Born to Run has been a great opportunity for us, and allows us to relaunch all of our new products through Amazon very quickly. We now have a lot of new products we plan to launch in the future due to Born to Run.

— National Account Manager,Top 50 Kitchen Vendor

- Kitchen Vendor recently transitioned from FBA to Retail
- Vendor used Born to Run to launch top 10 FBA ASINs onto Retail platform
- During 10 week sellthrough period:
 - 5% OOS rate (vs 35% pre-Born to Run)
 - \$1.8M in PCOGS (vs \$2k in 10 weeks pre-Born to Run)
 - 299% sellthrough rate vs submitted quantity

Born to Run Case Study: ASIN-level



"We will use Born to Run for every new product launch going forward."

Head of E-Commerce
 Top 10 Amazon Vendor

- Top 10 Amazon Vendor launched new product to replace old model originally launched in 2017
- Vendor used Born to Run to supplement an additional 500 units beyond what Amazon ordered
- Born to Run kept product 98.6% instock; sold 500 units in first 2 weeks (initiating system generated rebuys) and 4,000 units in first 10 weeks
- Successful launch earned '#1 New Release' badge for their category on Born to Run ASIN

Happy Path: Non-new ASIN in Born to Run

Scenario(s): ASIN will be featured on a TV show; ASIN was removed from Amazon platform and is being re-introduced; ASIN advertised in Super Bowl ASIN Feature/Advertisement/Relaunch Occurs commercial

Detail Page Vendor optimizes detail page with A+ content, images, Vine reviews

Ad Budget Vendor establishes Ad budget

Forecast & Submit Vendor establishes Born to Run ASIN's 10 week forecast target of 2,500 units and submits ASIN



Halfway Check vendor checks if ASIN is >50% to 1,000 unit target. If sellthrough is at risk, vendor increases advertising spend or enrolls ASIN in promotion/coupon

-3 Wks

-2 Wks

Submission Week

1-3 Wks

Monitor Sellthrough Weekly

Vendor monitors sellthrough weekly of ASIN towards 1,000 unit target

amazon.com

13 Wks

Born to Run Case Study: ASIN-level



"This tool gives us the ability we need to grow our business faster."

— Account ManagerTop 25 Office Vendor

- Top Office Vendor launched a more profitable casepack variation of a popular ASIN that was discontinued earlier in the year due to profitability concerns
- Vendor used Born to Run to supplement an additional 350 units. The Amazon 10 week forecast on the new ASIN was 74 units.
- The ASIN actually sold 21k units in the 10 week period, doubling the weekly demand of its predecessor.