

How to Win the Buy Box on Amazon

Anyone who has any experience in real estate knows that location trumps most other factors. Where you're located is often the deciding factor whether to make a purchase or not.

This isn't too dissimilar to how sellers approach Amazon, where there is a constant battle over the site's most valuable real estate: the Buy Box.

The Buy Box is the white box on the right side of an Amazon product page where products are added to a cart. It's the first interaction an Amazon customer makes when intending to make a purchase and begins the checkout process.

It's also a highly competitive space and can mean the difference in making a sale or not. The Buy Box is included in 82% of Amazon sales, and that is even higher for mobile purchases.

Those that understand the importance of the Buy Box stand to increase conversions and move more products. Understanding how to win the Amazon Buy Box is the first step to success.

Amazon Buy Box key components and why it's important

The Buy Box is made up of several distinct parts, which add up to create a clean interface to entice the customer.

- **Buy New**: The option to buy a completely new version of the product.
- Buy Used: If the option exists, customers may buy a used product for a reduced price
- Add to List: Customers may add a product to a wish list to refer back to at a later date
- Other Sellers on Amazon: Amazon may suggest the product as sold by other quality sellers

For sellers, the Buy Box represents an initial point of contact with buyers and it is vitally important that they understand how it works and why it should be a focus area.

Increases your chance of making a sale.

The Buy Box winner elevates sales and provides listings visibility and (mostly) free marketing. Sellers that reach the "top" of the Buy Box are considered high quality, which is reflected in their positioning.

You can create Amazon PPC ads.

Sellers who rank well are able to create a new sales channel through Amazon PPC ads. These sponsored listings get products under a specific Amazon Standard Identification Number (ASIN) in front of more eyes and have a better click-through rate.



Amazon Buy Box eligibility factors

Sellers can't just sign up and become eligible to appear on the Buy Box. Amazon considers a variety of factors before approval, although the first four factors listed below — fulfillment method, landed price, shipping time and seller metrics — are the most influential.

Fulfillment method.

Sellers that outsource shipping and logistics to Amazon, commonly called Fulfillment by Amazon (FBA) are given preferential treatment. Those that handle shipping in-house, called Fulfilled by Merchant (FBM) are also eligible, but must rely on other factors, giving Amazon FBA sellers a natural advantage.

FBM sellers may also leverage Seller Fulfilled Prime, which allows sellers running their own shipping to get the Amazon Prime badge on their products, helping them to stand out to Prime members.

Landed price.

The landed price is the total cost to the customer, including shipping. How you handle fulfillment — as discussed above — will impact this, possibly significantly.

Shipping time.

How long does it take an item to reach a customer? Those using Prime Shipping and its fast logistics will likely have an advantage.

Seller metrics.

Are you considered a quality seller with a history of satisfied customers and a high feedback score? If you're a high volume seller with a proven track record of delivering quality products on time, you will have a distinct advantage in the Buy Box.

Those with quality performance metrics and that optimize listings are going to do well.

Order Defect Rate (ODR).

How often are products delivered damaged or defective? A history of giving customers exactly what they ordered will help your rating.



Feedback rating.

Are customers satisfied with the service you provided? The fewer customer complaints, the better.

Valid tracking rate.

The valid tracking rate (VTR) measures the frequency a seller uses an Amazon verified carrier, service and tracking number when shipping products. Sellers should target a VTR of at least 95%.

Late shipment rate.

Sellers should always strive to meet the promised ship date. A late shipment rate of under 4% is ideal.

On time delivery rate.

Having an on-time delivery rate of 97% or higher can positively impact Buy Box ratings.

Feedback count.

In addition to metrics such as customer response time, the volume of customer feedback can impact ratings. The more feedback you receive, the better, although negative feedback will be a strike against you.

Inventory depth/sales volume.

How many products do you have available and how many have you sold? High-volume sellers that properly manage inventory have an advantage.

Cancellation and refund rate.

Sellers that have a high cancellation rate or multiple chargebacks are less likely to rate highly.

Status as a Professional seller.

Professional seller accounts have an advantage over individual ones.

Time and experience as an Amazon seller.

The longer a seller has been on Amazon, the better.



Item condition.

The better condition a used item is in ("like new condition" versus "fair"), the higher it will rate. Note that used items cannot win in the new item Buy Box and a new item cannot win in the Used Buy Box.

Are you eligible?

Sellers are only eligible for the Buy Box if they're professional sellers, have a new item and the product is available at the time of purchase.

You may check on your eligibility in Amazon Seller Central. If you're not already one, check your Central account frequently for updates.



How to win the Buy Box on Amazon

Competition for this real estate is high, so sellers must look for every advantage they can. Following these tips will help your ranking.

Focus on important metrics.

Amazon maintains a rating on every seller that takes into account the key metrics discussed above. By focusing on those, you're more likely to rate higher.

Keep competitive pricing.

Pricing will always matter. You may want to consider dynamic pricing that takes into account markets and competitors.

Improve seller performance.

By simply giving customers what they're promised, you will rate higher. Meeting shipping dates and providing good products goes a long way.

Confront unauthorized resellers.

Unauthorized resellers or private labels may sell brand products without permission. They often provide poor service and hurt your sales by undercutting pricing or even selling counterfeit goods.



Ways to lose the Buy Box on Amazon

Just as you can win the Buy Box by focusing on important factors, you can just as easily lose by making mistakes.

Amazon algorithm changes.

The algorithm Amazon uses to rate sellers is constantly changing. It's up to the seller to keep up to date on what the platform considers most important.

Using prohibited keywords.

Amazon does not like hyperbole in its product description, preferring fact-based claims. Avoid phrases like "world's best" or "cheap" in descriptions.

Poor seller performance.

The easiest way to decrease your rating is by providing a poor customer experience. Amazon cares highly about giving customers a reason to return to the site. If you negatively impact that, you will be punished.

Defective products or hijackers.

Related to the above, if your products are poorly built, it will be reflected in customer reviews and return rates.

Prices set too low or too high.

Don't try to stand out too much in the pricing war. Too high of an Amazon price will make you non-competitive. Too low is artificially lowering the market.

Being on the CRaP (Can't Realize a Profit) list.

This colorful acronym was created by the Amazon finance team to describe products that are unlikely to create a profit for the company. Avoid selling products that are on Amazon's questionable product list.



Suppressed Buy Box

Amazon has controls in place and under some circumstances may suppress — or remove — the "Add to Cart" and "Buy Now" buttons. They are replaced with an option to "See All Buying Options."

This most commonly occurs when Amazon is enforcing its Marketplace Fair Pricing Policy. Sellers that sell the same product for a different price on competing marketplaces may run afoul of the policy and be penalized. Having standardized pricing across all channels will avoid this.

Myths about the Amazon Buy Box

Since the exact algorithm is proprietary, sellers are not always clear on what is expected of them. That leads to theories and guesses about what goes into it. Here are some common myths — unfounded or not — about the Buy Box.

Amazon always wins the Buy Box.

Amazon may win the Buy Box more often than not for the products it sells directly, but third-party sellers can and have bested the home team for their territory.

Lowest price automatically wins the Buy Box.

Yes, product pricing is very important. It's arguably the most important factor. However, if a seller has poor ratings or fulfillment, low prices alone will not get the job done.

You can win the Buy Box 100% of the time.

This isn't reasonable. The algorithm is changing constantly and any merchant can win the Buy Box at any time.



Amazon Buy Box pricing strategies

While having the lowest price does not guarantee winning, it is vitally important. There are several approaches that sellers typically use.

Manual Repricing.

As the name implies, manual repricing involves the seller changing prices by hand. This may work for smaller stores, but may become untenable as more products are added.

Rule-Based Repricing.

Here, pre-defined rules dictate what a price will be. Even then, there are several approaches within this approach that are followed.

Competitive Buy Box

Rules are established that dictate pricing by who wins to Buy Box. This can change quickly and suddenly.

Competitive Lowest Price

Here, pricing is determined by beating the most common competitors. The goal is to always beat their pricing.

Competitive External Price

This expands on Competitive Lower Price to consider pricing off the Amazon platform a well.

Based on Sales Units

The amount of sales — and product on hand — will dictate pricing. If a product gets popular, pricing may increase. If sales are slow, cutting prices may be necessary.

Price Synchronization

This automatically changes pricing on all channels at once to ensure that there is consistency everywhere you sell.

Algorithmic Repricing.



ideal for maximizing chances to win the Buy Box as well as to get the best profit margins.

Amazon Buy Box alternatives

Though the Buy Box is the best way to win on Amazon, it's not the only way.

Other sellers on Amazon.

Directly under the Buy Box is a listing of up to three product listings. They're considered a bit of an extension of the Buy Box and are subject to the same standards. They're not as visible as the Buy Box, but the enhanced placement increases the chances of making a sale.

Offer Listing page.

This page lists every seller that offers a specific product. You don't have to be Buy Box eligible to be listed here and procuts are listed by Landed price.

Your Amazon store page.

Your "home page" should include everything you're offering. It's also where some omnichannel marketing should direct potential customers.

The final word

The Amazon Buy Box is the most valuable piece of real estate on the ecommerce platform. As such, the competition to live there is fierce.

You will not win placement all the time, but by making it a priority and following a winning strategy, you can get in the Buy Box rotation enough to positively impact the bottom line.



FAQs about ecommerce branding

What is a good Amazon Buy Box percentage?

This can vary based on a variety of factors. For example, a listing that is part of a marketing campaign may have a higher percentage. Generally, however, a conversion rate of 5% is considered good.

Can a new seller win the Amazon Buy Box?

It's not likely. Sellers with a demonstrated history are ranked higher in the Amazon Buy Box algorithm, so it's not likely that a new seller will win. By putting in Buy Box work, your product will eventually win.

Does Amazon always win the Buy Box?

No. Though it probably wins more than most, it does not always win the Buy Box.

Why is there no Buy Box for my product?

Your listing may be suppressed. This typically happens when a product is priced too high or too low.

