Vendio Merchant's Guide Item Allocation Strategy Guide (Inventory Sharing)





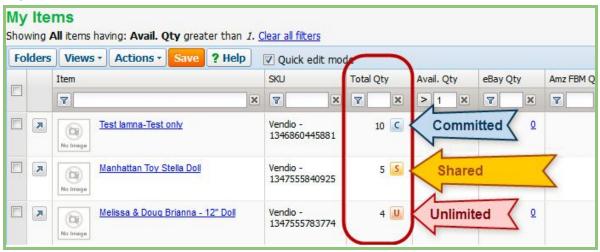
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ITEM ALLOCATION STRATEGY

The item allocation strategy option allows you to decide how you want to allocate your item quantity when selling on multiple channels. There are three different strategies: **Committed**, **Shared**, and **Unlimited**. You can see which strategy is currently selected for an item by viewing the Total Qty column on the My Items page.



QUANTITY DEFINITIONS

To better understand how each strategy works, here are some terms that would be valuable to familiarize yourself with:

- <u>Total Quantity</u>: this is the total amount of the item that you have on hand, including any amounts that are sitting idle, are currently up for sale on a channel, or are reserved for an in-process order and about to be shipped. You set this initial value and can adjust it as needed.
- <u>Available Quantity</u>: this is the amount of the item that is not otherwise reserved for sale on a specific channel or for an in-process order. This is a calculated value that only the Vendio system updates.
- <u>eBay Quantity</u>: this is the amount of the item that is currently up for sale on eBay, in either Fixed-Price or Auction listing format. Depending on your item allocation strategies, the Fixed-Price amounts may be reserved. This value is determined by the listing quantities you set when defining a listing.
- <u>Amazon FBM Quantity</u>: this is the amount of the item that is currently up for sale on Amazon, to be fulfilled by you, the merchant. Depending on your item allocation strategies, the amount may be reserved. The value is determined by the Quantity for sale on Amazon that you set when preparing the item for Amazon.
- <u>Etsy Quantity</u>: this is the amount of the item that is currently up for sale on Etsy (both Active and Draft), to be fulfilled by you, the merchant. Depending on your item allocation strategies, the amount may be reserved. The value is determined by the Quantity for sale on Etsy that you set when preparing the item for Etsy.
- <u>To Ship Quantity</u>: this is the amount of the item that is reserved for in-process orders. The value is determined by incoming order amounts.



• <u>Shipped Quantity</u>: this is the total amount of the item that has been shipped since Vendio started monitoring this item.

COMMITTED

This is a conservative selling strategy with a low risk of overselling. Quantities are committed by the seller to each specific channel and item, and that selling stops when an item's quantity reaches zero.

- a. The item quantity for eBay Fixed Price/Amazon (Fulfilled by Merchant)/ Etsy listings is specified by the seller. Whether or not these listings are launched/published, these amounts are committed and reserved for each channel's listing, and OpenSky and your Vendio Store get the remaining uncommitted available quantity.
- b. Vendio does **not** automatically update live listings on marketplaces to reflect the current available quantity.
- c. An item **stops** selling on your Vendio Store and OpenSky when available quantity reaches zero.
- d. Live eBay/Amazon/Etsy listings **end** when their duration is over or when their individually specified quantity reaches zero.
- e. New listing launches are **stopped** when available quantity is less than the quantity specified for a listing.

For example, if you are listing an item with a quantity of one (1) to eBay, one (1) to Amazon, one (1) to Etsy and one (1) to OpenSky and your Vendio Store, you must have an available quantity of four (4).

SHARED

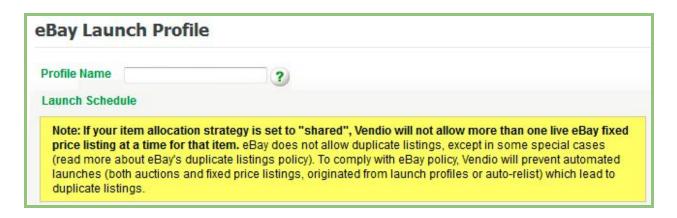
This is a moderate selling strategy with a medium risk of overselling. Quantities are to be shared between eBay, Amazon, Etsy, OpenSky and your Vendio Store.

- a. The item quantity for one (1) eBay Fixed Price listing, one (1) Amazon (Fulfilled by Merchant) listing, one (1) Etsy listing, OpenSky and your Vendio Store is equal to the available quantity, is **not** specified, and is shared between the marketplaces.
- b. Vendio will automatically update live listings on marketplaces and your Vendio Store to reflect the current available quantity.
- c. An item **stops** selling on your Vendio Store and OpenSky when available quantity reaches zero.
- d. Live eBay/Amazon/Etsy listings **end** when their duration is over or when their quantity reaches zero.
- e. New listing launches are **stopped** when available quantity reaches zero.



For example, if you are listing a quantity of one (1) to eBay, one (1) to Amazon, one (1) to Etsy, and one (1) to your Vendio Store and OpenSky, you must have an available quantity of one (1). When that item sells on any of the five marketplaces, **Vendio will automatically remove it for you from the other four marketplaces**.

Please note: When using the Shared strategy, only a single eBay Fixed Price listing will be allowed regardless of any account settings that allow duplicate listings or listings you have scheduled to launch automatically.



UNLIMITED

This is an aggressive selling strategy with a high risk of overselling. With this strategy, selling can continue even when Available Quantity goes below zero.

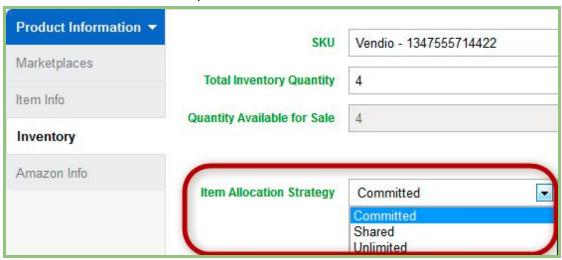
- a. The item quantity for eBay Fixed Price, Amazon (Fulfilled by Merchant) and Etsy listings is specified. These amounts are allocated for each channel's listings, and are not shared, but can be greater than the available quantity. Your OpenSky and Vendio Store quantity is unlimited. This has the potential to cause the available quantity to become negative.
- b. Vendio does **not** automatically update live listings on marketplaces to reflect the current available quantity.
- c. Items **do not stop** selling on OpenSky, your Vendio Store, Amazon (Fulfilled by Merchant) or Etsy when available quantity reaches zero.
- d. Live eBay listings **end** when their duration is over or when their individually specified quantity reaches zero.
- e. New listing launches are **not stopped** even after available quantity reaches zero, so inventory quantities can become negative (representing an oversold or backlog situation).

For example, if you are listing a quantity of one (1) to eBay, one (1) to Amazon, one (1) to Etsy, and one (1) to your Vendio Store and OpenSky, available quantity can be zero or even negative. When an item sells on any of the five marketplaces, **Vendio will not remove it for you from the other four marketplaces.**

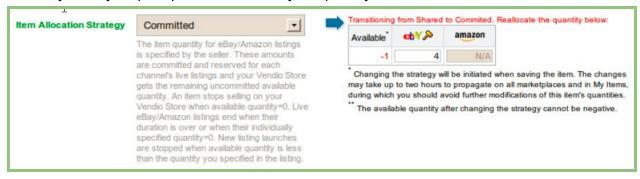


HOW TO SET YOUR ITEM ALLOCATION STRATEGY

You can set your item allocation strategy when you create a new item or by editing an existing item on the Inventory tab of the Create Items page. Select the option you want from the Item Allocation Strategy dropdown. Please note that you need to allow up to **one hour** for quantity and/or strategy changes to be reflected in the various marketplaces.

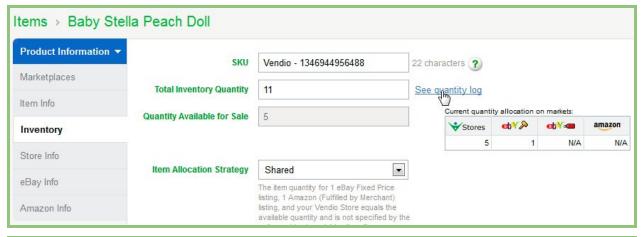


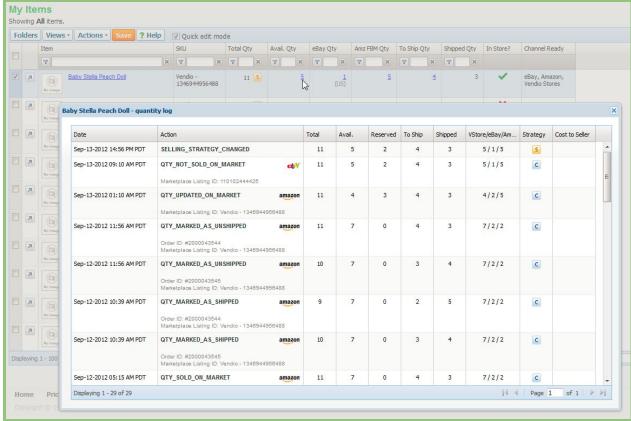
When **changing strategy** from Shared to Committed, depending on your available quantity and quantities on market, you may be prompted to reallocate your quantity.



The quantity log is now available on both the My Items grid as well as the Inventory tab. When you select a quantity in the Available Quantity column, the quantity log appears and shows you the most recent history of quantity changes for that item.









INVENTORY SHARING TABLE

Below is a table explaining the various Item Allocation Strategies. Please feel free to contact us if you have any questions about this, or anything else.

	Committed	Charra d	Halles Mad
Strategy Name	Committed	Snared	Unlimited
Strategy Type	conservative	moderate	aggressive
Risk of overselling	low	medium	high
Listing Qty=?	1	1	1
Auto Revise live Listings?	no	no	no
When does the selling stop?	duration end OR Listing Qty=0	duration end OR Listing Qty=0	duration end OR Listing Qty=0
When are launches stopped?	Available Qty = 0	Available Qty = 0	Available Qty = 0
Listing Qty=?	set by merchant	Available Qty	set by merchant
Auto Revise live Listings?	no	yes	no
When does the selling stop?	duration end OR Listing Qty=0	duration end OR Listing Qty=0	duration end OR Listing Qty=0
When are launches stopped?	Available Qty < Listing Qty	Available Qty = 0	never
Listing Qty=?	set by merchant	Available Qty	set by merchant
Auto Revise live Listings?	no	yes	no
When does the selling stop?	Listing Qty=0	Available Qty = 0	never
When are launches	Assailable Ots 4		
stopped?	Available Qty < Listing Qty	Available Qty = 0	never
	,	Available Qty = 0 Available Qty	never set by merchant
stopped?	Listing Qty	•	
stopped? Listing Qty=?	Listing Qty set by merchant	Available Qty	set by merchant
stopped? Listing Qty=? Auto Revise live Listings?	Listing Qty set by merchant no	Available Qty yes	set by merchant
stopped? Listing Qty=? Auto Revise live Listings? When does the selling stop? When are launches	Listing Qty set by merchant no Listing Qty=0 Available Qty <	Available Qty yes Available Qty = 0	set by merchant no never
stopped? Listing Qty=? Auto Revise live Listings? When does the selling stop? When are launches stopped?	Listing Qty set by merchant no Listing Qty=0 Available Qty < Listing Qty	Available Qty yes Available Qty = 0 Available Qty = 0	set by merchant no never
	Strategy Type Risk of overselling Listing Qty=? Auto Revise live Listings? When does the selling stop? When are launches stopped? Listing Qty=? Auto Revise live Listings? When does the selling stop? When are launches stopped? Listing Qty=? Auto Revise live Listings? When does the selling stop? When does the selling stop?	Strategy Name Strategy Type Conservative Risk of overselling Listing Qty=? Auto Revise live Listings? When does the selling stop? Listing Qty=0 When are launches stopped? Listing Qty=? Auto Revise live Listings? No Men does the selling stop? Listing Qty=? Available Qty = 0 When does the selling stop? When are launches stopped? When are launches stopped? Listing Qty=0 When does the selling stop? Listing Qty= Set by merchant Available Qty < Listing Qty Listing Qty=? Set by merchant Available Qty < Listing Qty Listing Qty=? Listing Qty=? Set by merchant Auto Revise live Listings? No When does the selling stop? Listing Qty=0	Strategy Name Strategy Type conservative moderate Risk of overselling low medium Listing Qty=? Auto Revise live Listings? no duration end OR Listing Qty=0 When does the selling stop? Listing Qty=? Available Qty = 0 Listing Qty=? Available Qty Auto Revise live Listings? no duration end OR Listing Qty=0 Available Qty = 0 Available Qty Auto Revise live Listings? no yes duration end OR Listing Qty=0 Available Qty Auto Revise live Listings? Available Qty < Listing Qty=0 Available Qty < Listing Qty=0 Available Qty < Listing Qty=0 Available Qty < Set by merchant Available Qty = 0 Available Qty < Set by merchant Available Qty = 0 Available Qty < Listing Qty=0 Available Qty < Set by merchant Available Qty = 0 Available Qty = 0 Available Qty = 0 Listing Qty=? Auto Revise live Listings? no yes