SOP: Reconciling Fulfillment by Amazon (FBA) Customer Returns Reimbursements

1. Normally, when a customer requests a refund for the return of an item that they have purchased from you through Amazon, Amazon will refund you the money once the product has been returned to the Amazon Fulfillment Center.

2. This is essentially an automatic process that Amazon has setup.

3. However, sometimes, the customer does not send the item back to the Amazon Fulfillment Center.

4. In most cases, if an item does not arrive at a Fulfillment Center within 45 days of the return request, Amazon will charge the customer and refund you for the item.

5. Only sometimes will this refund not happen.

6. You would therefore have to check to make sure you have received the refund from Amazon.

7. When this does not happen, you need to ask for a reimbursement from Amazon.

8. If a customer does return your item to an Amazon fulfillment center within 45 days of the refund, Amazon will determine the condition of the returned item.

9. If a returned item is in a sellable condition, Amazon will return the item to your inventory and not reimburse you.

10. If a returned item is an unsellable condition, Amazon will determine who is responsible for the condition.

11. When Amazon do accept responsibility for an unsellable return, they will reimburse you and will not add the item back to your inventory.

12. Amazon does not accept responsibility nor reimburse for returned items that are damaged by a customer, subject to recall, are defective or in violation of Amazon policies, or other similar reasons.

13. Amazon adds these items to your unfulfillable inventory when they are returned.

14. To see which products you have received refunds for from Amazon, you would need to select "Payments" from the Drop Down Menu of the "Reports" tab on the top menu of Seller Central.

15. Click on the "Transaction View" tab on the next page. From the Drop Down Menu provided alongside the action "Filter View By", select "Refund".

16. Click on the "Custom Date Range" link to the right of the "Within" action and select the required "From" and "To" Dates.

17. Remember that, as Amazon requires 45 days in which to execute a refund, you would need to include the 45 days buffer for the "To" Date.

18. Click the "Update" button beneath the filter option block and then click the "Download" button at the top of the table to download your report.

19. Note that this report will be in .txt format but it is easier to view, sort and reconcile if you open it in excel.

20. This downloaded report shows you all the orders for which you received a refund from Amazon.

21. Now that we have this report, we still need to find out whether these refunded units were shipped back to Amazon or whether any items shipped back to Amazon were not refunded.

22. In order to do this, we need to download another report showing us which units have been shipped back to the Amazon Fulfillment Centers as customer returns.

23. Select "Fulfillment" from the Drop Down Menu of the "Reports" tab on the top menu of Seller Central.

24. Under the "Customer Concessions" header on the left menu of the page, click on "FBA Customer Returns".

25. Click on the "Download" tab, select the same date range which was selected for the Refunds report and click the "Request .csv Download" or grey "Request .txt Download" buttons to download the report.

26. Remember that it is easier to do these reconciliations using excel-format files so we recommend you select the "Request .csv Download".

27. Once the "Report Status" says "Download" you can download and open this report.

28. You would now need to compare the Order IDs in the Returns Report against the Order-IDs in the Refund Report and see how many of the refunded orders are missing in Returns Report.

29. You can do this very quickly and easily using the vlookup function on excel.

30. Anything then showing up on the Returns Report as "N/A" means it has not been refunded yet.

31. Now that you have completed your reconciliation between what Amazon has refunded you for customer returns (the Refunds Report) and what Amazon has captured as a return (The Returns Report), you can now see which returns Amazon has not yet refunded you for.

32. It is very important to remember the 45 days which Amazon has for the refund and to rather focus on any "N/A" indicated Order IDs more than 45 days ago.

33. If Amazon has captured a return 50 days ago and you have not received a refund for it, you must open a case to request the refund or reimbursement for the return.

34. You can proceed to split your Order IDs into batched of 10 to 15 only so that you can keep the batches small for each case, ensuring a fast turn-around time from Amazon.

35. Remember, the fewer Order IDs they have to investigate in a single case, the faster they can investigate and attend to them.

See Also: