



2025

State of Ecommerce Fulfillment Report

PATTERN.COM



About this Report

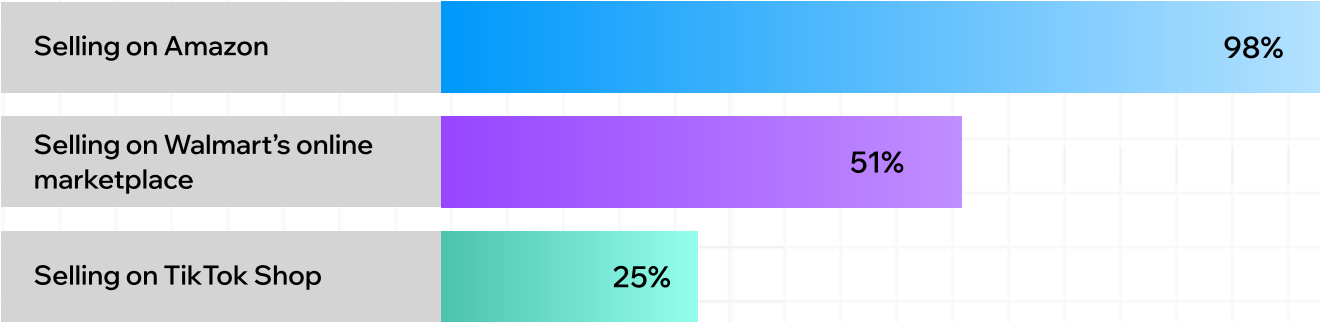
This report is based on feedback from two surveys of North America operations leaders who have been working in ecommerce fulfillment for several years. Titles of survey respondents include COO, VP of Operations, Director of Operations, Operations Specialist, and Operations Manager. Surveys were conducted in the last quarter of 2024. This data is aggregated across thousands of leaders, most of whom were not Pattern customers.



Current State of Affairs

Where brands are selling

(% Respondents)



It's no surprise that mostly all sellers are selling on Amazon, with its massive customer base and high buyer trust being key benefits. But the survey also revealed that Amazon's Fulfillment by Amazon program comes with some drawbacks, including fees, receiving times, ongoing changes to fulfillment requirements, and difficult return processes, which are outlined in the "Pain Points" section.

How brands are leveraging 3PLs

(% Respondents)



In-house fulfillment, while allowing you to keep full control over the end-to-end fulfillment process, also requires daily involvement from sellers and is difficult to scale as your business grows. This approach also requires you to monitor and keep up with changing Amazon fulfillment compliance requirements, as well as sort out the different fees that Amazon FBA charges.

Many sellers are moving to 3PLs as their businesses scale. While this does take the onus off your in-house team to manage the entire 3PL process, it also requires careful



research to find a 3PL that has the right level of experience, support for your team, geographical coverage, and technical capabilities. Many 3PLs tout omnichannel capabilities, but in reality don't have the expertise to do both B2B and marketplace fulfillment well.

Where brands are selling outside of the US

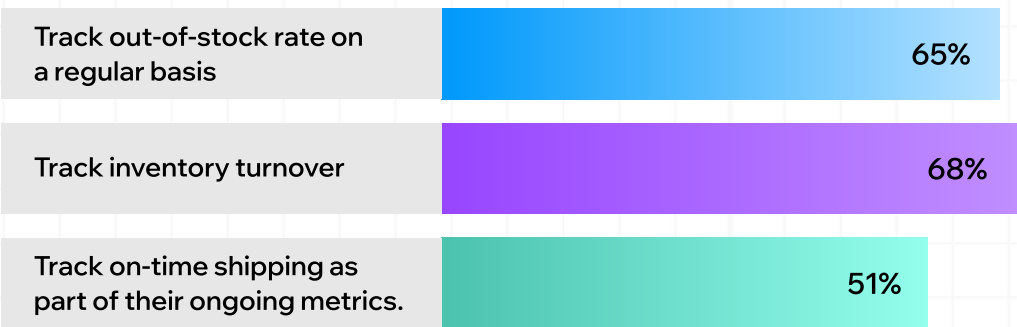
(% Respondents)



Even if you're not selling products outside North America today, we expect that expansion into international markets will continue, and international fulfillment will become more and more of a trend.

What fulfillment metrics brands are tracking

(% Respondents)



Other key metrics included order accuracy, delivery time, and fill rate.



Key Pain Points



With Amazon being the most used online marketplace, many pain points relate to Amazon FBA.

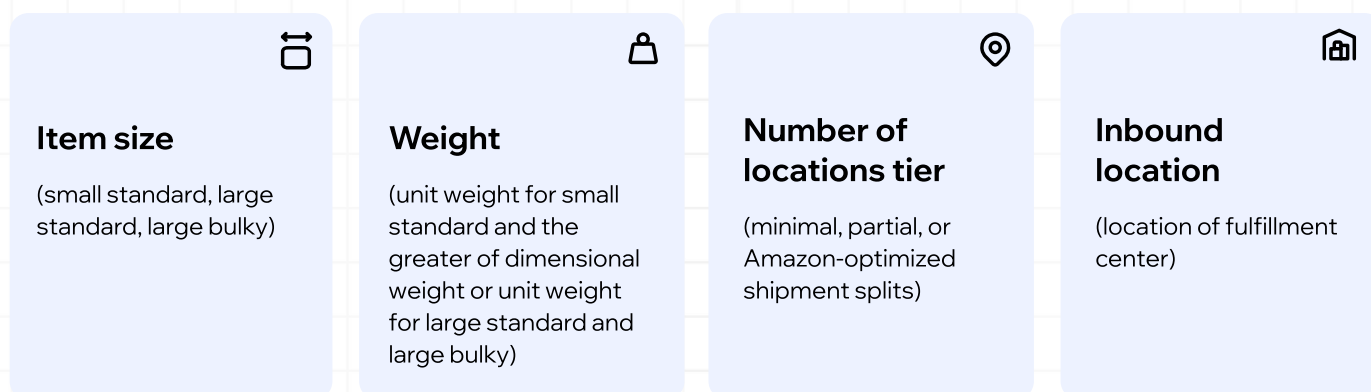
66% of respondents reported that Amazon's newly-introduced inbound placement fees have resulted in higher costs for their business.

Amazon's new inbound placement fee is designed to incentivize sellers to distribute their products to multiple fulfillment centers (FCs). It's more efficient for Amazon, but it's more logistically complex and expensive for sellers.

Essentially, if sellers ship their products to just one Amazon warehouse, Amazon is now charging for the work of splitting up shipments and sending them to multiple fulfillment centers. Many sellers have to choose between paying these fees or paying to ship to multiple Amazon distribution centers themselves, which can add complexity to their already-taxed logistics teams.



Inbound placement fees can vary based on:



Depending on the factors above, inbound placement fees may have more of an impact on some products than others.

41% reported average receiving times from 3-4 weeks.

Amazon fulfillment centers often receive shipments from thousands of sellers daily. When volume spikes—especially during Q4 or Prime Day events—receiving docks get backed up. Limited space and manpower can slow down unloading and check-in.

Even in non-peak season, it can be difficult for sellers to secure delivery appointments, especially if you're not a preferred carrier. In addition, if your shipments don't meet Amazon's strict compliance requirements for prep and labeling, there may be delays related to inspection or repacking.

Finally, Amazon's recently-introduced two-tier cross-dock system means that your shipments first go to a national cross-dock. Then Amazon transfers your inventory to regional fulfillment cross-docks, and then to Amazon fulfillment centers. This process can lead to slower inventory availability and impact the time it takes for your products to be Prime-eligible.

Respondents reported frustration with Amazon's fees.

Sellers cited ongoing changes and requirements, out of stock fees, higher replenishment fees, Besides the aforementioned inbound placement fees, there are many other fees to consider:



- **Referral fees:** Amazon deducts the applicable referral fee percentage calculated on the total sales price, which can range from 6% to 20% of the total sales price.
- **Storage fees:** These can vary based on the time of year and type of products, but they can amount to hundreds of thousands of dollars each month.
- **Fulfillment fees:** Again, these depend on the size and weight of your product.
- **Inbound transportation costs:** These costs need to be factored in as you consider whether you are sending multiple shipments to different locations or paying Amazon's inbound placement fees.
- **Low inventory fee:** This can be levied if you don't always have at least 4 weeks of inventory with Amazon.
- **Returns processing fees:** Again, these fees can be variable, and you may be missing out on opportunities to recover inventory.
- **Long-term storage fees:** These fees apply to inventory being stored in FCs for more than a year, and are based on cubic footage of the inventory and the specified fee rate per cubic foot. These fees are in addition to the standard monthly storage fees.

Only 25% said their current returns process was extremely efficient or very efficient.

Returns are an ongoing pain point for ecommerce brands. Customer returns tend to be messy, difficult to track, often fraudulent, and risky for myriad reasons. Most sellers find that doing as little as possible to manage returns, and writing-off/pricing-in the costs is the most efficient solution. Small and medium sized businesses often lack the scale and category variety to maintain consistently effective management.

Transparency on returns was cited as a key issue, with limited reporting and data visibility on reverse logistics. Loss of revenue on unsellable products and limited options for refurbishing or donating returns are also key pain points.



2025 Outlook

When asked about growth inhibitors, 42% said maintaining supply chain and/or inventory levels is a significant issue.

There is no magic formula to determine how much inventory you need at marketplaces, given all the different needs of sellers and the places where they need their inventory to be most available. Forecasting is notoriously difficult, and is complicated further by tariff uncertainty. Many sellers have been trying to stockpile inventory before tariffs take effect. Others have been looking at their top ASINs and analyzing where the product is made and costs of moving it. Some are looking for secondary suppliers. Some are raising prices.

One strategy is also to have a multi-channel inventory pool that makes it easy to move inventory between channels and compensate for fluctuations in demand.

29% said that increased fees or other changes in Amazon and other marketplace logistics are an inhibitor to growth.

The myriad of ever-changing fees is not going away, and this is something that sellers are keenly aware of.

11% are concerned about an underperforming logistics partner.

Many sellers have a 3PL they are working with and while they are not satisfied, they don't want to go through the time and effort it takes to make a change.

50% of respondents have not conducted a 5-year look-back to see if Amazon owes them recovery fees from overages and/or chargebacks.

These items are difficult to track, and require time and attention that most sellers do not have. Clearly, many sellers are missing out on dollars owed to them by Amazon.



About Pattern

Pattern is the category leader for global ecommerce and marketplace acceleration. Since its founding in 2013, Pattern has profitably grown to more than 1,800 team members operating from 18 global locations. Hundreds of global brands depend on Pattern's ecommerce acceleration platform every day to drive profitable revenue growth across hundreds of global marketplaces including Amazon, Walmart.com, Target.com, eBay, Tmall, JD, and Mercado Libre.

Although you may know Pattern as a leader in ecommerce acceleration, you may not realize that we are the #1 Amazon seller. We're in the same boat as many 3P sellers, and have an in-depth understanding of not just all the Amazon processes for sales and marketing, but everything related to fulfillment as well. As the world's largest shipper into Amazon facilities across the globe, we're shipping millions of units each week. And we can help you get your product into marketplaces 70% faster than average.

With several former Amazon employees working in Fulfillment leadership, including our COO, Rob Hahn, we've already done all the work of figuring out how to navigate the complexity so you don't have to. In fact, we often work with sellers to calculate their ASIN-level savings, taking into account all the fees, complexity, and ever-shifting factors above.

2x faster than Amazon, on average



7M

Units shipped
monthly



200

Countries serviced
worldwide



8

Distribution centers



“We have scale that allows us to invest like no one else can. Our fulfillment centers have been optimized with conveyance, prep stations, and automated sortation that enables our network to process and depart loads at record speeds resulting in faster delivery to the marketplace.”

- Rob Hahn, COO, Pattern

We have 8 warehouses across the globe, and because we ship so much product to Amazon, you can tap into our network and get your products sent to Amazon faster, with no hidden fees. Because of our volume, Pattern has standard daily receiving appointments at Amazon fulfillment centers. And because your products are received faster, you can avoid out-of-stock or slow shipping speed messaging on your detail pages.

We’ve built the tech and have the scale to handle virtually any marketplace fulfillment need. And while we’re experts at Amazon, we can also handle any other marketplace since we were built to be marketplace-agnostic.



*Want to discover what an ecommerce
accelerator can do for you?*

Let's get in touch.

Learn more

PATTERN.COM