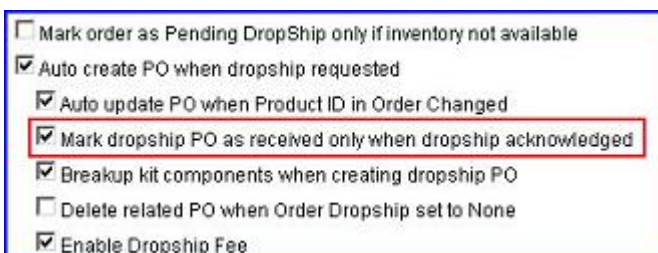


# Understanding Inventory Levels when Drop Shipping

## Aggregate Quantity

From the time the order comes in to SellerCloud until the time the order is DropShip-requested, there will be a reduction in aggregated quantity to reserve for the order. Once the tracking information is updated the inventory level restores. Under Client Settings you can set the restoration to occur only when the DropShip is acknowledged.



A screenshot of a settings panel with a blue border. It contains several checkboxes. The checkbox for 'Mark dropship PO as received only when dropship acknowledged' is checked and highlighted with a red border. Other checked options include 'Auto create PO when dropship requested', 'Auto update PO when Product ID in Order Changed', 'Breakup kit components when creating dropship PO', and 'Enable Dropship Fee'. Unchecked options include 'Mark order as Pending DropShip only if inventory not available' and 'Delete related PO when Order Dropship set to None'.

- Mark order as Pending DropShip only if inventory not available
- Auto create PO when dropship requested
- Auto update PO when Product ID in Order Changed
- Mark dropship PO as received only when dropship acknowledged
- Breakup kit components when creating dropship PO
- Delete related PO when Order Dropship set to None
- Enable Dropship Fee

<https://files.helpdocs.io/migrations/sellercloud-migrate/order-management/order-fulfillment/shipping/drop-ship/drop%20ship-%20inventory%20acknowledged%20setting.JPG>

## Physical Quantity

As soon as a DropShip is requested, it will be considered "Received" and the physical quantity will be updated. When the DropShip status is set to **Processed** and the tracking is updated, the physical quantity will be reduced. For example, if physical quantity = 100 and you request a DropShip for an order with a quantity of 2, the product's Physical Qty will show 102. When set to **Processed** and tracking is updated the Physical Qty will revert to 100.

Note: On each vendor's general settings page, you can select in which warehouse inventory adjustments are reflected.

# Dropshipping from Feed-Based Vendor

Different import options can be set via plugins or with the [inventory import mapping tool](http://help.sellercloud.com/article/yC8NBvbTUB-inventory-import-mapping-tool) (<http://help.sellercloud.com/article/yC8NBvbTUB-inventory-import-mapping-tool>). We can customize the platform to accept your vendor format and update inventory accordingly.

**Please Note:** When dropshipping from a feed-based vendor (a vendor whose quantity is fed into your inventory) you should disable inventory for their dropshipped POs. Navigate Vendor > Side menu > DropShip preferences page, enable Do Not count Inventory for DropShip PO. When this option is selected, no inventory adjustment occurs for pending or actual dropshipped orders.

## DropShip Warehouses

A warehouse type can be set as Dropship Warehouse. This will allow you to easily track vendor inventory. Multiple Warehouses can be set to better organize your workflow.

Home > Companies > Warehouses > Warehouse Details

View Log Manage Bins

Warehouse Name:

Type:  ▼

Sellable