

**IEB08**

## **PLATFORM FEE SHAKEUP: GENUINE SELLER BENEFITS OR HIDDEN COSTS?**

Hao Su<sup>1</sup>, Jianliang Hao<sup>2</sup>

<sup>1</sup>University of New Orleans, New Orleans, LA, USA. <sup>2</sup>California State University, Chico, Chico, CA, USA

### **Abstract**

Amazon's recent reduction in platform fees for sellers raises important questions about its true impact on seller performance and welfare. While the fee changes are positioned as beneficial for marketplace sellers, there is ongoing debate as to whether these reductions translate into tangible advantages or if hidden costs undermine their effectiveness. This study examines the effects of Amazon's fee adjustments on seller performance by analyzing data from the Keepa platform. We explore key metrics such as sales volume, pricing strategies, and profitability before and after the fee changes. In addition, this research delves into the broader implications for seller welfare, considering factors beyond end-consumer benefits, such as operational costs, margins, and long-term sustainability. The results provide a nuanced understanding of how these policy shifts affect sellers and offer insights into whether Amazon's fee changes represent a genuine improvement or merely a superficial adjustment.

### **Conference Track**

Internet and e-Business