

# Amazon to raise seller fees for holidays amid rising costs

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An Amazon Prime truck passes by a sign outside an Amazon fulfillment center on the Staten Island borough of New York, on March 19, 2020. Amazon is raising charges on third-party sellers again — this time adding a holiday fee for merchants who use the company’s fulfillment services to pack and ship items to customer, according to a notice the company sent to merchants on Tuesday, Aug. 16, 2022. Credit: AP Photo/Kathy Willens, File

Amazon is raising charges on third-party sellers again—this time adding a holiday fee for merchants who use the company's fulfillment services to pack and ship items to customers.

From Oct. 15 to Jan. 14, sellers will be hit with an average fee of \$0.35 per item sold using Amazon's fulfillment services in the U.S. and Canada, according to a notice the company sent to merchants Tuesday.

It's the second fee hike imposed on merchants this year by the online retail behemoth. In April, the company added a 5% "fuel and inflation" surcharge to offset rising gas costs and inflation, which is running close to its highest level in four decades.

To use Amazon's fulfillment services, merchants already have to pay a fee that varies based on an item's size, weight or category.

In the notice sent Tuesday, Amazon noted the [holiday season](#) increases fulfillment and logistics costs due to the volume of shipments being transported. The company said it previously absorbed these cost increases. But seasonal expenses were now "reaching new heights," it said.

"Our selling partners are incredibly important to us, and this is not a decision we made lightly," the company said.

CNBC first reported on the hike in fees.

Holiday pricing adjustments are not novel to Amazon. Last week, the U.S. Postal Service said it filed a notice to implement a temporary price hike to cover extra handling costs during the holiday season.

But at Amazon, [seller](#) fees—and their repeated increases—are a subject of contention since the company controls a vast share of the e-commerce

market. Critics argue the company's excessive fees could potentially lock out merchants from its marketplace.

"Corporations that have monopoly power tend to raise prices, and that's what we're seeing here," said Stacy Mitchell, an Amazon critic and co-director for the anti-monopoly group Institute for Local Self-Reliance. "Amazon's dominance of the online market means that [small businesses](#) have little choice but to pay up."

Last month, Amazon's Chief Financial Officer Brian Olsavsky said during a media call that third-party sellers represented 57% of total units sold on Amazon during the three-month period that ended June 30, the highest in the company's history.

The Seattle-based company's second-quarter earnings report also showed total revenue Amazon collects third-party sellers had jumped 13% compared to the prior year, while revenue from its own retail business had declined by 4%.

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