

6. Other Monetization

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Introduction

As marketplaces grow, so too will the opportunities to monetize the platform. Amazon launched the ability for third parties to sell on their platform in 2000, six years after launching. Another six years had passed before they rolled out their Fulfillment by Amazon (FBA) program. It was still another six years after FBA, in 2012, that Amazon launched their advertising platform, which generated \$38B in revenue in 2022. Amazon will certainly continue to build programs to monetize their platform business.

This chapter explores additional, less common ways that marketplaces are monetizing their platform. It also reviews the cost implications of building a marketplace and how marketplaces are advantageous relative to traditional eCommerce models.

6.1 Fulfillment Services

Leveraging their expansive networks and capital, some of the largest marketplace operators have ventured beyond mere transaction facilitation to