

Florida Institute of Technology

## Scholarship Repository @ Florida Tech

---

Theses and Dissertations

---

5-2024

### Amazon FBA vs FBM; a strategic approach to determine which method can effectively utilize Project Management Principles to enhance your success as a new Amazon seller.

Tiffany Renee White

Florida Institute of Technology - Melbourne, [twhite2023@my.fit.edu](mailto:twhite2023@my.fit.edu)

Follow this and additional works at: <https://repository.fit.edu/etd>



Part of the [Construction Engineering and Management Commons](#), and the [Other Engineering Commons](#)

---

#### Recommended Citation

White, Tiffany Renee, "Amazon FBA vs FBM; a strategic approach to determine which method can effectively utilize Project Management Principles to enhance your success as a new Amazon seller." (2024). *Theses and Dissertations*. 1419.  
<https://repository.fit.edu/etd/1419>

This Thesis is brought to you for free and open access by Scholarship Repository @ Florida Tech. It has been accepted for inclusion in Theses and Dissertations by an authorized administrator of Scholarship Repository @ Florida Tech. For more information, please contact [kheifner@fit.edu](mailto:kheifner@fit.edu).

Amazon FBA vs FBM; a strategic approach to determine which method can effectively utilize Project Management Principles to enhance your success as a new Amazon seller.

By

Tiffany Renee White

A thesis submitted to the College of Engineering and Science of  
Florida Institute of Technology  
in partial fulfillment of the requirements  
for the degree of

Master of Science  
in  
Engineering Management

Melbourne, Florida  
May, 2024

We the undersigned committee hereby approve the attached thesis,  
“Amazon FBA vs FBM; a strategic approach to determine which method can effectively  
utilize Project Management Principles to enhance your success as a new Amazon seller.”

By  
Tiffany Renee White

---

Mary Ann Gaal, Ph.D.  
Assistant Professor  
Mechanical and Civil Engineering  
Major Advisor

---

Amitabh Dutta, Ph.D.  
Associate Professor  
Nathan M. Bisk College of Business

---

Albert M. Bleakley, Ph.D., P.E.  
Professor  
Mechanical and Civil Engineering

---

Ashok Pandit, Ph.D., P.E.  
Professor and Department Head  
Mechanical and Civil Engineering

# Abstract

Title: Amazon FBA vs FBM; a strategic approach to determine which method can effectively utilize Project Management Principles to enhance your success as a new Amazon seller.

Author: Tiffany Renee White

Advisor: Mary Ann Gaal, Ph.D.

Navigating the complexities of a platform such as Amazon demands a strategic approach guided by project management principles. A comparative analysis of Fulfillment by Amazon (FBA) and Fulfillment by Merchant (FBM) methods were completed by focusing on how project management principles optimize product acquisition, supply chain management, and shipping methods for Amazon sellers.

The objectives of this study included the identification of top product acquisition tools, the evaluation of inventory management software, assessing shipping methods, and determining the most effective fulfillment process for Amazon seller success. A mixed-methods approach was applied, involving an Amazon seller survey, literature review, data analysis, and the creation of a comprehensive matrix to enhance a new seller's decision-making process.

Key findings reveal FBA as the most profitable fulfillment method and Jungle Scout as the preferred product acquisition tool by offering robust features and integration capabilities at a competitive price point. Additionally, the utilization of a private freight forwarder for international shipments emerged as the optimal shipping method, providing greater control and customization over logistics operations. Additionally, the study also highlights the critical role of project management principles in enhancing seller efficiency and profitability on Amazon. By synthesizing data-driven analysis with strategic decision-making, sellers can effectively optimize operations, mitigate risks, and capitalize on growth opportunities in the competitive Amazon marketplace.

## Table of Contents

Abstract .....	iii
List of Figures .....	vi
List of Tables.....	vii
Chapter 1 .....	1
Introduction .....	1
The Birth of an Online Bookstore.....	1
Technological Innovation: Amazon Web Services (AWS) .....	2
Challenges and Future Prospects .....	3
Project Management Principles and Amazon .....	4
Agile Project Management in E-commerce.....	7
The Customer Experience and Adaptability to Trends .....	9
Risk Management .....	10
Quality Control .....	11
Amazon Policies .....	13
Scalability and Growth .....	13
Chapter 2 .....	16
Literature Review .....	16
Product Acquisition Tools.....	16
Inventory Sourcing Options.....	21
Supply Chain Inventory Management .....	23
Challenges in Supply Chain Management.....	24
Inventory Management Software Tools.....	26
Forecasting In House .....	27
Shipping Methods .....	28
Amazon FBA and FBM Fee Structure.....	30
FBA Fees.....	30
FBM Fees.....	32
Chapter 3 .....	34
Methodology .....	34

FBA & FBM Calculators.....	36
Chapter 4 .....	53
Data Analysis.....	53
Amazon Seller Survey .....	53
Statistical Significance.....	69
Choosing an Effective Product Acquisition Tool.....	88
Choosing an Effective Inventory Management Software Tool.....	90
Choosing an Effective Shipping Method.....	92
Chapter 5 .....	94
Results, Recommendations and Conclusions .....	94
FBA and FBM Calculator Results .....	94
Recommendations.....	97
Decision Matrix Overview.....	98
Decision Matrix Process .....	99
Limitations and Further Research.....	102
Conclusion .....	103
References .....	104
Appendix .....	116
Amazon Seller Survey .....	116

## List of Figures

Figure 1: Home & Kitchen - Alpha Grillers Instant Read Thermometer.....	38
Figure 2: Home & Kitchen - Fullstar Vegetable Chopper.....	39
Figure 3: Home & Kitchen - Instant Pot Pressure Cooker.....	40
Figure 4: Beauty & Personal Care - Mielle Organics Hair Strengthening Oil.....	41
Figure 5: Beauty & Personal Care - Manspot Manscape Groin Hair Trimmer .....	42
Figure 6: Beauty & Personal Care - INNZA Laser Hair Removal .....	43
Figure 7: Clothing, Shoes, and Jewelry - Compression Packing Cubes .....	44
Figure 8: Clothing, Shoes, and Jewelry - Quilted Crossbody Bag for Women.....	45
Figure 9: Clothing, Shoes, and Jewelry - Sneaker Bag for Travel.....	46
Figure 10: Toys & Games - Kokodi LCD Writing Tablet.....	47
Figure 11: Toys & Games: Franklin Sports Baseball Batting Tee .....	48
Figure 12: Toys & Games - Toniebox Audio Player Starter Set .....	49
Figure 13: Health, Household & Baby Care - Elekcitiy Food Scale.....	50
Figure 14: Health, Household, & Baby Care - Triple Paste Diaper Rash Cream ....	51
Figure 15: Health, Household, & Baby Care: Cosori Small Air Fryer Oven.....	52
Figure 16: Survey Question #1 Results.....	55
Figure 17: Survey Question #2 Results.....	56
Figure 18: Survey Question #3 Results.....	57
Figure 19: Survey Question #4 Results.....	58
Figure 20: Survey Question #5 Results.....	59
Figure 21: Survey Question #6 Results.....	60
Figure 22: Survey Question #7 Results.....	61
Figure 23: Survey Question #8 Results.....	62
Figure 24: Survey Question #9 Results.....	63
Figure 25: Survey Question #10 Results.....	64
Figure 26: Survey Question #11 Results.....	65
Figure 27: Survey Question #12 Results.....	66
Figure 28: Survey Question #13 Results.....	67
Figure 29: Survey Question #14 Results.....	68
Figure 30: Amazon FBA Seller Decision Matrix.....	101

## List of Tables

Table 1: Amazon Selling Practices in Relation to Seller Tenure .....	75
Table 2: Annual Net Income and Product Category .....	78
Table 3: Demographics and Fulfillment Choice .....	79
Table 4: Annual Net Income and Seller Tendencies .....	81
Table 5: Preferred Sourcing Method by Gender .....	85
Table 6: Preferred Shipping Method by Gender & Age .....	86
Table 7: KPI Preference by Gender & Age.....	87
Table 8: Product Acquisition Tool Analysis.....	89
Table 9: Inventory Management Software.....	91
Table 10: Shipping Methods .....	93
Table 11: FBA Fees.....	95
Table 12: FBM Fees.....	96



# Chapter 1

## Introduction

This study delves into Amazon's intricate business operations, meticulously exploring the complex domain of project management, focusing on Fulfillment by Amazon (FBA) and Fulfillment by Merchant (FBM) selling strategies. Through a blend of automated optimization and manual techniques, the study aims to identify software acquisition tactics and streamline supply chain management processes. The primary objective is to unveil automated acquisition methods which enable sellers to pinpoint products with a high Return on Investment (ROI). Subsequently, attention shifts to identifying efficient processes that enhance supply chain effectiveness, emphasizing inventory management, order fulfillment, and logistical processes. Concurrently, it seeks to identify highly effective project management methodologies tailored for FBA and FBM tactics. These methodologies entail a comprehensive examination of market research to analyze practices crucial for the overarching success of an Amazon seller. Ultimately, this study will determine whether FBA or FBM will result in enhanced profitability and overall performance on the competitive e-commerce platform.

### The Birth of an Online Bookstore

Few entities have reshaped the ecommerce industry as profoundly as Amazon. Founded by Jeff Bezos on July 5, 1994, Amazon started as an online bookstore in a small garage in Seattle, Washington (Hartmans, 2021). However, the visionary aspirations of its founder quickly transformed the platform into a

global retail giant that revolutionized the way people shop, paving the way for a new era of digital commerce. Amazon's journey began with a simple yet ambitious mission, to create an online marketplace that offered an extensive selection of books (Sadq et al, 2018). Jeff Bezos, a former Wall Street executive, recognized the potential of the internet as a platform for commerce and set out to build a virtual bookstore that could provide customers with an unparalleled range of titles.

Amazon.com was an immediate success, offering a convenient alternative to traditional brick-and-mortar bookstores. The platform's user-friendly interface, massive inventory, and efficient delivery system quickly garnered attention, propelling Amazon beyond the realms of bookselling (D'Agostino, 2018). As Amazon solidified its position as a premier online bookseller, Bezos and his team recognized the potential to expand into other product categories. During the 1990s, the introduction of music, movies, electronics, and a variety of other consumer goods were introduced to the platform (McFadden, 2023). This diversification marked the beginning of Amazon's evolution from a bookstore to a comprehensive online marketplace.

### Technological Innovation: Amazon Web Services (AWS)

Beyond e-commerce, Amazon demonstrated a keen aptitude for technological innovation. In 2002, the company launched Amazon Web Services (AWS), a cloud computing platform that would become a pivotal player in the tech industry (Water, 2024). AWS not only transformed the internal operations of Amazon but also offered scalable and reliable cloud services to businesses

worldwide. The early 2000s then witnessed Amazon's presence into the digital realm with the introduction of the Kindle e-reader in 2007 (Britannica, 2024). This move into digital content distribution, including e-books and streaming services, showcased Amazon's adaptability to changing consumer preferences and technological advancements.

Over the years, Amazon's relentless commitment to customer satisfaction, competitive pricing, and expedited delivery services propelled it to the forefront of global e-commerce. The company's disruptive impact on traditional retail models led to a shift in consumer behavior, with an increasing number of people opting for the convenience of online shopping (Alimahomed-Wilson et al, 2020). As Amazon's influence expanded, the company ventured into diverse sectors. Acquisitions such as Whole Foods Market in 2017, marked Amazon's entry into the grocery industry. Furthermore, initiatives like Amazon Prime and Prime Video further solidified their presence in the entertainment and subscription services arena (Stevenson, 2021).

## Challenges and Future Prospects

Jeff Bezos' leadership played a pivotal role in shaping Amazon's trajectory. However, in 2021, Bezos announced his intention to step down as CEO, passing the role to Andy Jassy, the former head of Amazon Web Services (Duffy, 2021). This transition marked a significant moment in the company's history, with Bezos continuing to contribute as the Executive Chairman. He began to focus on visionary initiatives such as Blue Origin, a company that develops and launches

reusable rockets and in space systems (Blue Origin, n.d.). While Amazon's success story is undeniably remarkable, the company faces scrutiny and challenges, including concerns related to market dominance, labor practices, and environmental impact (Alimahomed-Wilson et al, 2020). Nevertheless, as it continues to innovate and adapt, Amazon remains a key player in shaping the future of global commerce for both consumers and sellers.

## Project Management Principles and Amazon

Project management principles assist with navigating the complexities of product acquisitions, inventory management, and shipping logistics (Sadq et al, 2018). As sellers begin to establish and grow their presence, the application of project management principles becomes instrumental in optimizing processes, mitigating risks, and achieving strategic objectives. By focusing on five key tenets, to include: setting clear objectives, creating comprehensive project plans, organizing and managing resources, assessing risks and changes throughout the project lifecycle, and monitoring progress and performance regularly; sellers can enhance their operational efficiency, maximize profitability, and ultimately thrive in the competitive Amazon marketplace (Notargiacomo & Rossi, 2013).

Setting clear objectives is foundational to successful project management. When selling on Amazon, this principle translates into defining specific, measurable, attainable, relevant, and time-bound (SMART) goals for the business (Ogbeiwi, 2017). These objectives could encompass various aspects such as sales targets, profit margins, market share, or expansion into new product categories. By

establishing clear objectives, Amazon sellers provide a roadmap for their activities and enable better alignment of efforts towards overarching business goals. For instance, setting a goal to increase sales revenue by 20% within six months provides a clear target for the seller to work towards. Moreover, clear objectives serve as a basis for performance evaluation and decision-making, allowing sellers to assess progress, identify areas for improvement, and adjust their strategies as needed to stay on track towards achieving their goals (Ogbeiwi, 2017).

Creating a project plan involves outlining the steps, tasks, timelines, and resources required to achieve the defined objectives. This translates into developing a comprehensive strategy encompassing product sourcing, inventory management, marketing, sales, and customer service (Thomas et al, 2008). A well-defined project plan provides clarity on the sequence of activities, assigns responsibilities to members of the team, and allocates resources effectively to ensure smooth execution of tasks (Thomas et al, 2008). For example, the project plan may include tasks such as conducting market research, selecting product sourcing methods, optimizing product listings, implementing advertising campaigns, and monitoring sales performance. By creating a structured project plan, the ability to streamline operations, minimize risks, and increase the likelihood of success can significantly increase (Riol & Thuillier, 2015).

Organizing and managing resources is essential for optimizing efficiency and maximizing productivity in Amazon selling. Resources in this context include not only tangible assets such as inventory, equipment, and capital but also human

resources, skills, and knowledge (Levin & Levin, 2019). Effective resource management involves identifying the resources required to execute the project plan, allocating them efficiently based on priorities and constraints, and monitoring their utilization to ensure optimal performance (Maritan & Lee, 2017). Amazon sellers need to manage their inventory levels effectively to avoid stockouts or overstocking, optimize advertising budgets to maximize ROI, and allocate time to handle various tasks such as returns, customer support, and marketing activities. By organizing and managing resources effectively, sellers can enhance operational efficiency, reduce costs, and improve overall business performance on the Amazon platform (Koehler, 2019).

Assessing risks and changes throughout the project is crucial for proactive management and mitigation of potential issues that may arise during the Amazon selling process (Ward & Chapman, 1995). Risks in this context could include fluctuations in market demand, changes in competition, supply chain disruptions, regulatory changes, or unexpected shifts in consumer preferences. By identifying and assessing these risks early on, sellers can develop contingency plans and mitigation strategies to minimize their impact on the project's success. Additionally, as projects evolve, changes to the initial plan may become necessary due to various factors such as emerging opportunities, shifting priorities, or unforeseen challenges (Acebes et al, 2020). It is essential for sellers to maintain flexibility and adaptability, continuously reassessing the project's trajectory and adjusting as needed to stay aligned with their objectives.

Monitoring progress and performance regularly is vital for tracking the execution of the project plan and evaluating its effectiveness in achieving the desired outcomes (Browning, 2019). This involves systematically collecting and analyzing relevant data related to key performance indicators (KPIs), such as sales revenue, conversion rates, inventory turnover, customer satisfaction, and advertising ROI. By monitoring these metrics on an ongoing basis, sellers can gain insights into the effectiveness of their strategies, identify trends, and detect any deviations from the expected trajectory (Kerzner, 2017). Regular performance monitoring also enables sellers to identify areas of improvement, capitalize on opportunities, and address any issues or bottlenecks that may arise promptly (Browning, 2019). Moreover, by maintaining transparency and accountability through regular reporting and communication, sellers can foster a culture of continuous improvement and collaboration amongst their team, driving overall business success on the Amazon platform.

## Agile Project Management in E-commerce

As an Amazon seller, depending on the time of year and the type of product you choose to sell, the timely launch of products is crucial for success. Project management methodologies, particularly Agile, offer a framework that emphasizes iterative development and frequent releases. This approach ensures that product launches are well-coordinated, enabling suppliers to respond quickly to market demands while allowing the seller to stay ahead of the competition.

Agile Project Management is a dynamic and iterative approach to project management that prioritizes flexibility, collaboration, and responsiveness to change (Masood, 2017). Originating in the software development industry, Agile has gained widespread adoption across various sectors due to its ability in effectively managing projects in rapidly evolving and uncertain environments. The key principle of Agile is to break down projects into small, manageable iterations, often referred to as sprints, allowing teams to deliver incremental portions of the project regularly (Good, 2023). This iterative approach as an Amazon seller enables adaptability to changing requirements, technology, or market conditions throughout the implementation of a new product.

One of the core tenets of Agile is its customer-centric focus. Regular communication with customers after launching a product ensures the product aligns with their evolving needs, fostering a more responsive and customer-satisfying item. Agile promotes cross-functional teams, encouraging collaboration among individuals with diverse skills and expertise (Masood, 2017). In ecommerce, this team may include the supplier, freight forwarder, graphic designer, executive assistant, and even marketing experts. Continuous delivery, integration, and transparent planning processes, such as sprint planning and daily meetings, contribute to effective communication and shared ownership of tasks (Good, 2023). Agile also emphasizes regular reflection and improvement through retrospective sessions, allowing teams to learn from their experiences and continuously enhance their performance. Overall, Agile Project Management



provides a framework that prioritizes adaptability, collaboration, and customer satisfaction in the pursuit of project success in online selling (Denning, 2019).

## The Customer Experience and Adaptability to Trends

Agile project management plays a pivotal role in prioritizing initiatives that directly impact the customer experience as an Amazon seller. By employing project management methodologies, businesses can systematically identify and implement improvements to the product listing interface and customer service solutions (Serrano, 2022). This contributes to a positive customer experience, fostering customer satisfaction and loyalty. When customers encounter a negative experience or find it challenging to navigate a listing, the repercussions can ripple through various aspects of the business (Sahin et al, 2011). Firstly, customer frustration and dissatisfaction may lead to a reluctance to make future purchases. The immediate consequence often includes increased bounce rates and abandoned shopping carts, directly impacting conversion rates and revenue potential (Alonso, 2021). Additionally, customers expressing their grievances through negative online reviews and social media feedback can tarnish the brand's reputation, influencing potential customers and deterring them from engaging with the business. E-commerce is dynamic, with constant changes in market trends and consumer preferences. Adaptability allows for quick adjustments to evolving trends, ensuring that the product remains relevant and competitive to maintain a professional customer experience (Aaron Hall, 2023).

## Risk Management

As an Amazon seller, one faces an insurmountable number of risks that if not approached appropriately, could negatively affect the business before its able to reach an adequate level of success (Weihrauch, 2018). Technological challenges, market fluctuations, and changes in consumer behavior are just a few areas that could interfere with a successful product launch. Project management incorporates risk assessment and mitigation strategies, allowing businesses to proactively identify potential challenges (Gupta, 2022). This enables the development of contingency plans and ensures that the potential product remains resilient in the face of uncertainties.

Technical challenges may include issues with platform updates, changes in algorithms affecting product visibility, or disruptions to third-party software integrations crucial for inventory management or sales analytics (Weihrauch, 2018). Market fluctuations encompass shifts in demand patterns, pricing dynamics, or a competitive landscape, such as sudden spikes in demand for certain product categories, price wars initiated by competitors, or the emergence of new market entrants disrupting existing trends (Li, 2023). Changes in consumer behavior pose a risk by altering purchasing preferences, expectations, or shopping habits, causing a change in a customer's attitude towards the products attributes (Saura et al, 2020).

Agile methodologies such as Scrum, Kanban, and Lean offer valuable frameworks for Amazon sellers to navigate technological challenges, market

fluctuations, and changes in consumer behavior (Krush, 2017). Scrum's managerial approach allows sellers to adapt to evolving requirements and address technological challenges through regular sprint cycles, facilitating continuous improvement and responsiveness to platform updates (Nedre, 2017). Kanban's focus on visualizing workflow helps sellers manage market fluctuations by identifying blockages and reallocating resources dynamically to meet changing demand or address competitive pressures (Nedre, 2017). Lean principles aid sellers in addressing changes in consumer behavior by fostering a culture of continuous improvement and customer-centricity, enabling rapid experimentation and feedback loops to align products with evolving preferences and expectations (Krush, 2017).

To further mitigate unnecessary risks and ensure sustained success in the ecommerce field, sellers can implement a straightforward yet effective strategic initiative: diversifying the product portfolio (Cote, 2021). Over-reliance on a single product or category heightens susceptibility to market fluctuations. By offering a diverse array of products, sellers can distribute risk, lessening the impact of demand fluctuations or lack thereof for any item. By embracing these agile methodologies, sellers can effectively enhance their resilience as a seller on the Amazon platform.

## Quality Control

Quality control measures serve as a frontline defense against negative customer reviews stemming from substandard product quality, which can

significantly impact sales performance and brand credibility (Johansson, 2021). By adhering to rigorous quality control protocols and conducting regular product testing and inspections, sellers can uphold the desired standard of their offerings, thereby minimizing the likelihood of product defects, malfunctions, or discrepancies that could lead to customer dissatisfaction (Bhowmick & Seetharman, 2023). This meticulous approach not only fosters trust and loyalty among consumers but also helps mitigate potential risks associated with returns, refunds, or negative feedback. These outcomes can have your product suppressed and unable to be seen by potential customers, adversely affecting seller rankings and competitiveness within the Amazon marketplace. Thus, investing in robust quality control practices emerges as an ideal plan for Amazon sellers seeking to maintain a competitive edge and sustain long-term success in an increasingly discerning and competitive e-commerce landscape (Lone & Bhat, 2023).

Comprehensive quality assurance protocols spanning every stage of the product lifecycle, from sourcing and manufacturing to storage and fulfillment, are imperative. This entails conducting thorough inspections and audits of raw materials, components, and finished goods to ensure alignment with specified quality standards and regulatory requirements. Additionally, leveraging the expertise of experienced quality control personnel or outsourcing quality assurance services provides an added layer of oversight in proactively identifying and addressing quality issues that may have been overlooked (Westguard & Westguard, 2015).

## Amazon Policies

Remaining updated and compliant with Amazon's policies is critical to avoid potential suspensions or penalties arising from policy violations (Enso Brands, n.d.). Amazon sellers often find themselves inadvertently violating various policies set forth by the platform. Among the most frequently breached regulations are those concerning intellectual property rights, where sellers may unintentionally list products that infringe upon trademarks, copyrights, or patents owned by others (Enso Brands, n.d.). Another common violation involves selling counterfeit or inauthentic items, undermining customer trust and safety. Additionally, sellers may unknowingly offer restricted or prohibited products, such as weapons or hazardous materials, contrary to Amazon's guidelines (Enso Brands, n.d.). Manipulating product reviews, misrepresenting products, or failing to meet seller performance standards are also common pitfalls. Furthermore, price gouging during times of high demand or emergencies can lead to policy violations. Understanding and adhering to these policies is crucial for sellers to maintain their standing on the platform and avoid potential penalties.

## Scalability and Growth

E-commerce businesses aspire to achieve scalability and sustained growth. Project management strategies assist in planning for expansion, managing increased workloads, and ensuring that the infrastructure can support the growth trajectory (Stampfl et al, 2013). By adopting scalable project management

practices, businesses can navigate growth challenges effectively and capitalize on opportunities for expansion in the e-commerce environment.

Scaling and growing as an Amazon seller involves strategic planning, optimization of operations, and expanding market reach (Stinemetz, 2021). Product diversification is a key strategy. Expanding your product portfolio allows you to cater to a broader audience and tap into different market segments. Conduct thorough market research to identify trending products, complementary items, or niches that align with the brand and customer base (Stinemetz, 2021). Introduce new products strategically, considering both customer demand and the business operational capabilities.

Optimizing any existing product listings are equally important. Ensure that product listings are well-optimized with high-quality images, compelling product descriptions, and relevant keywords (Stinemetz, 2021). Utilize Amazon Advertising to increase visibility and drive targeted traffic to your listings. Implementing effective Search Engine Optimization (SEO) strategies within Amazon's platform can significantly enhance the product's discoverability, ultimately contributing to sales growth.

Exploring international marketplaces is a potent avenue for scaling as an Amazon seller. Expanding into new geographical regions allows you to reach a larger customer base. Leverage Amazon's global selling program or consider selling on other international marketplaces (Do, 2024). Tailor your approach to meet the specific preferences and demands of each market, including language

considerations, local regulations, and cultural nuances. The United States, with Amazon.com, offers a significant market due to its large population and mature e-commerce ecosystem. The United Kingdom (Amazon.co.uk), Germany (Amazon.de), and France (Amazon.fr) serve as key European markets, providing access to English and German-speaking consumers. Canada (Amazon.ca) provides opportunities in North America, while Italy (Amazon.it), Spain (Amazon.es), and other European markets offer access to consumers with diverse preferences. Japan (Amazon.co.jp) is a lucrative market with tech-savvy consumers, and India (Amazon.in) and Australia (Amazon.com.au) represent rapidly growing e-commerce sectors.

The utilization of project management principles is instrumental for both FBA and FBM Amazon sellers aiming to optimize their operations comprehensively. By integrating project management methodologies, sellers can systematically plan, execute, and monitor key activities, fostering efficiency while minimizing risks and enhancing overall effectiveness (Milosevic & Srivannaboon, 2006). As Amazon's global presence continues to expand, embracing project management principles becomes increasingly crucial for sellers to navigate complexities, streamline processes, and capitalize on emerging opportunities effectively. Through an examination of existing research, methodologies, and best practices tailored to Amazon seller operations, this study aims to determine whether FBA or FBM represents the most profitable strategy for effectively launching and sustaining operations on the ecommerce platform.

## Chapter 2

### Literature Review

During the analysis of Amazon's FBA and FBM selling opportunities, numerous factors warrant consideration, including the individual fee structures associated with selling on the platform and the operational intricacies necessary for sustaining business operations. Beyond the profitability analysis, attention shifts to the essential systems and processes vital for success. The adoption of project management software systems, encompassing robust product acquisition tools and sophisticated inventory management solutions will allow an Amazon business owner to streamline their systems and processes (Aden, 2023). Additionally, a suitable inventory sourcing option must be identified while navigating the multifaceted challenges recognized in supply chain management. Once those concerns have been mitigated, the seller will strategically determine the most efficient and reliable shipping method to transport their products to its destination. Each of these elements intertwine to form a comprehensive approach aimed at optimizing performance and maximizing success as a seller on the Amazon platform.

#### Product Acquisition Tools

Amazon sellers strive to gain a competitive edge by leveraging powerful tools that provide invaluable insights into market trends, product opportunities, and competitor landscapes. Various product research tools have given Amazon sellers the leverage that is needed to source a profitable product with minimal competition



in its field (Aden, 2023). Each tool, including Helium 10, Jungle Scout, Zoof, Exploding Topics, Zonguru, AMZ Scout, Viral Launch, and Unicorn Smasher, just to name a few; bring their own unique set of features and functionalities to the table. From comprehensive market analysis to detailed competitor tracking, these tools are designed to assist sellers in making informed decisions throughout the product lifecycle. Although many features from one software to another may seem similar or repetitive, some tools manage to narrowly outshine their competitors for varying reasons (Donovan, 2023). A comparative evaluation of these tools which sheds light on their strengths, weaknesses, and the specific scenarios in which they excel allow Amazon sellers to equip themselves with the knowledge needed to navigate the vast landscape of product research software thus optimizing their strategies for success in the highly competitive Amazon marketplace.

A well-known product acquisition software, Helium 10, emerges as a formidable contender, boasting a multifaceted suite of tools meticulously crafted to address the diverse needs of sellers navigating the complexities of the Amazon marketplace (Helium 10, n.d.). At the heart of Helium 10's offering lies the Black Box tool, a sophisticated instrument designed to streamline product research by sifting through extensive databases and presenting sellers with actionable insights based on criteria such as sales estimates, revenue projections, and competition metrics. This data-driven approach empowers sellers to make informed decisions about product selection and market entry, fostering a strategic advantage in a landscape defined by fierce competition and rapid change.

In addition to Helium 10's comprehensive suite, Jungle Scout beckons with its user-friendly interface and rich array of features tailored to the needs of Amazon sellers at every stage of their journey (Jungle Scout, n.d.). Central to Jungle Scout's offering is its Product Tracker and Chrome Extension, providing sellers with real-time data and market intelligence essential for monitoring product performance, identifying emerging trends, and making timely decisions in response to shifting market dynamics. By placing actionable insights at sellers' fingertips, Jungle Scout equips them with the tools they need to navigate the ever-changing landscape of e-commerce with confidence and agility.

While Helium 10 and Jungle Scout cater to sellers' needs with their robust suites of tools, Zoof distinguishes itself with its emphasis on in-depth analytics and customizable dashboards (Zoof, n.d.). Through Zoof's intuitive interface, sellers gain access to a wealth of data related to product sales, revenue streams, and customer behavior, empowering them to gain a deeper understanding of their market and make informed decisions about inventory management, pricing strategies, and overall business growth. By providing actionable insights into market trends and competitor strategies, Zoof serves as a valuable ally for sellers seeking to gain a competitive edge and maximize their success on the Amazon platform.

Although it lacks an all-encompassing suite of tools, Exploding Topics emerges as a beacon of foresight, offering sellers a unique perspective on product research centered around emerging trends and topics (Exploding Topics, n.d.).

Through its trend discovery engine, Exploding Topics analyzes online sources, social media, and search patterns to identify topics experiencing a surge in popularity, providing sellers with valuable insights into emerging consumer interests. By harnessing the power of data science, Exploding Topics enables sellers to stay ahead of the curve and capitalize on early market adoption, positioning them for success in an ever-evolving landscape.

Zonguru is another option that offers an all-encompassing solution, integrating a suite of tools designed to streamline product research and business analytics (Zonguru, n.d.). From its niche hunter to its product database features, Zonguru equips sellers with the insights necessary to identify profitable products, optimize their Amazon businesses, and achieve sustained success in a competitive marketplace. By providing sellers with actionable insights and comprehensive functionality, Zonguru serves as a trusted partner for sellers seeking to navigate the complexities of the Amazon platform and unlock their full potential.

AMZ Scout stands as a versatile toolkit for Amazon sellers, offering a range of features designed to facilitate product research, market analysis, and business growth (AMZ Scout, n.d.). With its user-friendly interface and real-time data provision, AMZ Scout empowers sellers of all experience levels to make informed decisions about product selection, pricing strategies, and competitive positioning. By providing sellers with the tools they need to stay ahead of the competition and capitalize on emerging opportunities, AMZ Scout serves as a

valuable asset for sellers seeking to maximize their success on the Amazon platform.

Viral Launch emerges as a strategic partner for Amazon sellers, offering a comprehensive suite of tools and resources designed to support product launches, market analysis, and optimization (Viral Launch, n.d.). Through its product discovery tool and market intelligence features, Viral Launch equips sellers with the insights necessary to identify profitable products, assess market demand, and optimize their listings for maximum visibility and sales. By combining innovative tools with educational resources and dedicated support, Viral Launch empowers sellers to achieve their goals and thrive in the competitive landscape of e-commerce.

Finally, Unicorn Smasher offers a streamlined approach to product research, providing sellers with real-time data and comprehensive dashboards to inform their decision-making process (Unicorn Smasher, n.d.). By offering key metrics and insights directly on the Amazon website, Unicorn Smasher enables sellers to quickly evaluate product opportunities and identify profitable niches, empowering them to make informed decisions about product selection and market entry. With its focus on simplicity and efficiency, Unicorn Smasher serves as a valuable tool for sellers seeking to streamline their workflow and achieve success on the Amazon platform.

## Inventory Sourcing Options

Amazon sellers have a vast array of sourcing options to build and sustain their product inventories. A keen understanding of each method's strengths, challenges, and suitability to individual business models will allow them to choose which is best for their personal goals. From traditional retail strategies like arbitrage to utilizing global marketplaces such as platforms like Alibaba for wholesaling, each has its own set of advantages and challenges. Drop shipping offers scalable solutions, while the exploration of auctions and thrift stores allow opportunities for discovering unique items. For those who prefer their own personal brand creation, producing one's own products enables a sense of uniqueness. By providing a comprehensive understanding of the strategies that contribute to the success and resilience of an Amazon business, whether it be FBA or FBM, one may begin to understand the diverse spectrum of sourcing options available to every Amazon seller.

Retail arbitrage offers flexibility and agility in sourcing products from physical retail stores for resale on the Amazon platform (Geva, 2023). Sellers capitalize on price differentials between brick-and-mortar and online markets, aided by barcode scanning tools to assess potential profitability. However, the time-consuming nature of physically sourcing products and the potential for restrictions from brands or retailers pose significant challenges. On the other hand, online arbitrage expands the sourcing horizon by leveraging online platforms to identify and purchase products at lower prices for resale on Amazon (Geda et al,

2023). This method offers a broader range of products but demands prompt responses to pricing fluctuations and market dynamics. Similarly, sellers engaging in online arbitrage may encounter the ungating process when marketing major brands, requiring detailed documentation such as purchase invoices and adherence to stringent criteria.

Drop shipping presents an alternative fulfillment method, allowing sellers to list products for sale without holding inventory. While minimizing upfront costs and inventory concerns, drop shipping introduces challenges such as reliance on third-party suppliers and potential shipping delays, emphasizing the importance of strategic supplier coordination and customer satisfaction (Shi et al, 2020).

Alternatively, wholesaling offers scalability and potential profit margins through bulk purchasing from manufacturers or distributors. Sellers can leverage platforms like Alibaba for wholesale purposes, accessing a vast array of product options and customization opportunities (Shi et al, 2020). However, managing larger inventories and negotiating favorable terms with wholesalers present notable challenges, requiring careful vetting of suppliers and efficient shipping logistics management.

For sellers drawn to unique or vintage items, sourcing from auctions and thrift stores may hold appeal (Auctions/Thrift Stores). While offering potentially lower costs of goods, success hinges on the seller's ability to identify valuable items and navigate niche markets effectively. Additionally, creating one's own products through private label selling represents a strategic approach to inventory

sourcing. This method allows for greater brand control and potentially higher profit margins, but demands substantial investments in product development, market research, and quality control.

When navigating these inventory sourcing options, Amazon sellers must weigh the benefits and challenges of each method against their business objectives, market dynamics, and resource constraints. By strategically selecting the most suitable sourcing strategy and adapting to changing market conditions, sellers can position themselves for long-term success on the Amazon platform.

## Supply Chain Inventory Management

Effective Supply Chain Management (SCM) is essential for Amazon sellers seeking to optimize operations and exceed customer expectations. By systematically analyzing and improving each step of the supply chain, businesses can reduce costs, minimize delays, and enhance overall supply chain efficiency (Min et al, 2019). A well-crafted SCM strategy encompasses a seamless orchestration of production, order fulfillment, inventory management, and sourcing. The adoption of best practices in SCM not only ensures operational efficiency but also positions sellers to thrive in a competitive marketplace (Min et al, 2019).

Common mistakes seen in supply chain optimization can significantly impact efficiency, cost-effectiveness, and overall performance (Perea-Lopez et al, 2003). A lack of integration and collaboration along with disjointed communication across different stages of the supply chain is a challenge that can

result in inefficiencies, which highlights the importance of solid communication and collaboration between suppliers, manufacturers, and distributors.

Implementing integrated technologies helps streamline information flow and ensures a cohesive approach throughout the supply chain. Neglecting relationships with suppliers or relying on one supplier are also common pitfalls (Chen et al, 2006). Strong, collaborative ties with multiple suppliers contribute to smoother operations and help mitigate disruptions due to a lack of materials or a sudden fluctuation of material costs.

## Challenges in Supply Chain Management

Sellers confront a myriad of challenges that demand strategic foresight and adaptability when it comes to managing their supply chain. The effectiveness of supply chain operations is contingent upon addressing these challenges head-on, as they have the potential to impact everything from cost structures to customer satisfaction (Ellinger, 2012). Inadequate inventory management, high shipping costs, the reliability of suppliers, and customs regulations are just a few common hurdles that require meticulous consideration and proactive management.

Inadequate inventory management often proves to be a stumbling block for business owners (Milondzo & Mashau, 2015). Poor control will lead to negative outcomes such as stockouts or excessive inventory. The repercussions of running out of stock are significant, as it can result in decreased sales rank and visibility, impacting the sales potential of the product. Conversely, excess inventory that fails to sell for more than six months incurs additional fees from Amazon due to it



occupying warehouse space for an extended period. A robust inventory management system is indispensable, integrating elements like demand forecasting, lead times, and seasonality to maintain optimal inventory levels (Milondzo & Mashau, 2015).

High shipping costs present an ongoing challenge for Amazon sellers, requiring a delicate balance between cost-effectiveness and timely deliveries. Addressing this challenge entails strategic negotiations with carriers, exploration of bulk shipping options, and optimization of packaging to minimize dimensional weight (Lee & Whang, 2005). Dynamic pricing strategies can further aid in optimizing shipping costs without compromising on service quality through real-time adjustments in product pricing based on shipping rate fluctuations.

Supplier reliability is another crucial aspect of effective supply chain management, with unreliable suppliers posing a risk to operations. To mitigate this risk, sellers must conduct thorough vetting processes, establish clear lines of communication, and potentially diversify their supplier base to ensure continuity (Chen et al, 2006). Cultivating strong, collaborative relationships with suppliers fosters reliability and transparency throughout the supply chain, minimizing disruptions and enhancing operational efficiency.

Navigating international customs regulations represents a significant hurdle for Amazon sellers involved in cross-border trade. Staying abreast of the specific regulations in each country, meticulously preparing accurate documentation, and potentially enlisting the expertise of customs brokers are imperative strategies

(Hesketh, 2010). Proactive adherence to customs regulations not only ensures compliance but also minimizes delays and prevents disruptions in the supply chain, enhancing the seller's global operations.

## Inventory Management Software Tools

Inventory management software tools play a crucial role in the success of Amazon sellers by mitigating many of the challenges experienced in SCM. Streamlined operations, optimized inventory levels, and enhanced efficiency are just a few of the pros that are experienced with the use of automated tools (Salih et al, 2023). Examples of these tools include Sellbrite, Sellics, and Restock Pro. These tools offer real-time tracking of stock levels, sales performance, and order statuses, providing sellers with actionable insights into their inventory operations. By leveraging advanced forecasting capabilities, such as those found in Forecast Rx, these software solutions enable sellers to predict future demand accurately and prevent stockouts, ensuring timely order fulfillment and customer satisfaction (Salih et al, 2023). Moreover, integration with platforms like Amazon's Seller Central automates the replenishment process, allowing sellers to focus on strategic decision-making rather than manual inventory management tasks. Overall, inventory management software tools empower Amazon sellers to navigate the complexities of e-commerce, improve operational efficiency, and drive success on the platform.

## Forecasting In House

For those who prefer to dictate their resupply timeline on their own, forecasting in-house is a manual inventory replenishment approach where sellers take charge of predicting future demand without relying on dedicated software. In this method, individuals leverage their expertise and experience to assess market trends, historical data, and other relevant factors (Pataropura et al, 2020). While not a software solution, manual forecasting forces a personalized strategy. Sellers using this method analyze data and make resupply decisions, allowing for a tailored approach to inventory management based on their insights and industry knowledge (Pataropura et al, 2020). This approach is suitable for sellers who prefer a more hands-on and customized forecasting process or may not have the budget to invest in automated solutions.

Sellers utilizing this method typically rely on a combination of market trends, historical sales data, and seasonality patterns. They meticulously review past sales performance, considering any fluctuations influenced by factors like promotions, holidays, or external events (Pataropura et al, 2020). By considering the product's lifecycle, sellers can assess its demand patterns over time and adjust their resupply strategy accordingly. Additionally, competitor activities, economic indicators, and monitoring of industry trends, provides valuable context for predicting future demand. Communication with suppliers, understanding lead times, and factoring in any potential disruptions in the supply chain contribute to a more precise forecast (Pataropura et al, 2020). Ultimately, manual forecasting demands an analytical eye,

a deep understanding of the product and market dynamics, and a proactive approach to adapt to evolving conditions. While it requires more hands-on effort compared to automated solutions, this method allows sellers to tailor their forecasting strategy to their specific business context.

## Shipping Methods

The selection of an optimal product shipping method is a fundamental decision for Amazon sellers aiming to seamlessly connect their products with customers around the globe. The efficiency and reliability of shipping methods directly impact customer satisfaction, operational costs, and overall competitiveness (Otheitis & Kunc, 2015). From the utilization of freight forwarders for international shipments, to leveraging the convenience of established carriers such as UPS, FedEx, DHL, and USPS for domestic shipments, each shipping method presents unique advantages and considerations.

Amazon has built its reputation on the pillars of reliability, efficiency, and, most notably, rapid shipping practices. Regardless of whether a seller chooses FBA or FBM, they must continue to uphold Amazon's reputation. By failing to do so, they may find themselves obtaining hefty fines, or banned from selling on the platform. Amazon's commitment to fast and reliable shipping has enhanced their customer satisfaction and loyalty (Jayadeva et al, 2022). Buyers often equate the Amazon brand with timely deliveries and seamless fulfillment processes. If a seller decides to store their products within Amazon's warehouse through FBA, then they will have an enormous weight lifted off their shoulders. Amazon will personally

ensure their products are shipped and arrive to the customer in a timely manner (Lai et al, 2022). But if they choose to manage their logistics independently with FBM, the seller bears the responsibility of personally identifying a way to deliver their products promptly to the customer.

As previously discussed, shipping methods are critical considerations for Amazon sellers, impacting both customer satisfaction and operational efficiency. Options such as utilizing a Freight Forwarder facilitate international trade by outsourcing transportation from manufacturers to Amazon fulfillment centers, streamlining customs clearance and logistical complexities (Djatkiko et al, 2020). For those who prefer to remain integrated into the Amazon ecosystem, Amazon Global Logistics provides end-to-end solutions enhancing efficiency and reducing transit times. Well-known courier services like UPS offer reliability and timely deliveries, catering to diverse shipping needs with options ranging from standard ground to expedited choices. Similarly, FedEx stands out for its efficient shipping solutions and extensive global network, providing various services tailored to specific shipping requirements (Seitz et al, 2008). DHL, renowned for its rapid delivery times and global reach, is often chosen by sellers for cross-border shipping, especially via air freight. Lastly, the United States Postal Service (USPS) remains a cost-effective option for many sellers, particularly for smaller items or domestic shipments, balancing affordability with reliable service (Seitz et al, 2008). In essence, selecting the appropriate shipping method is paramount for Amazon

sellers to ensure timely deliveries, minimize costs, and ultimately enhance customer satisfaction.

## Amazon FBA and FBM Fee Structure

As two similar yet different fulfillment methods offered by Amazon, each comes with its own set of financial considerations that significantly impact the profitability as a seller (Etumnu, 2022). The FBA program, with its promise of hassle-free logistics and Prime eligibility, comes at the cost of fulfillment and storage fees. On the other hand, FBM allows sellers to retain control over the fulfillment process, with a different fee structure and considerations (Etumnu, 2022). By shedding light on the costs associated with each model and providing sellers with a comprehensive understanding of the specific financial implications, one will find themselves capable of choosing which of these fulfillment methods works best for the products they've chosen to sell in their online store.

## FBA Fees

Selling through the Fulfillment by Amazon (FBA) program provides sellers with a robust and streamlined approach to managing their inventory and fulfilling customer orders. However, this convenience comes with a comprehensive fee structure that sellers must carefully navigate to ensure their profitability. The referral fee, typically ranging from 6% to 25% depending on the product category, can be an expensive component deducted from the sales price for each item sold (Johansson, 2021). Sellers must factor this fee into their pricing strategy to maintain healthy profit margins. Additionally, storage fees play a pivotal role,

particularly during peak seasons where monthly fees can increase (Johansson, 2021). Strategic inventory management becomes essential to minimize storage costs and optimize the use of Amazon's fulfillment centers.

Fulfillment fees, covering picking, packing, and shipping, vary based on the size and weight of the product. While standard-size items include both picking and packing in the fee, oversize items may incur additional handling fees (Li et al, 2024). For standard-size items, the fulfillment fee varies depending on whether the item is classified as small or large. Small standard-size items, which weigh less than 1 pound, incur a fulfillment fee of \$2.50 per unit (Hand, 2023). On the other hand, large standard-size items, weighing 1 pound or more, have varying fulfillment fees based on their weight and dimensions, typically ranging from \$3.45 to \$137.32 per unit (Hand, 2023). Oversize items incur higher fulfillment fees due to their larger dimensions and heavier weight. The fulfillment fee for small oversize items, with a maximum weight of 71 pounds and the longest side less than 18 inches, is \$8.26 per unit (Hand, 2023). Medium oversize items, with a weight limit of 151 pounds and the longest side between 18 and 60 inches, or a girth plus longest side between 109 and 130 inches, are charged a fulfillment fee of \$11.37 per unit (Hand, 2023). Likewise, large oversize items, within the weight limit of 151 pounds and the longest side between 60 and 108 inches, or a girth plus longest side between 130 and 165 inches, incur a fulfillment fee of \$75.78 per unit (Hand, 2023). Lastly, special oversize items, with dimensions exceeding 108

inches in length or a girth plus longest side exceeding 165 inches, are subject to a fulfillment fee of \$137.32 per unit (Hand, 2023).

Separately, “other costs” encompass expenses such as the Cost of Goods Sold (COGS) and any additional expenses incurred by the seller. COGS represents the expenses associated when the seller produces or purchases the goods sold, which are determined by the supplier or manufacturing process. These costs are independent of Amazon’s fees and are directly influenced by the seller’s sourcing decisions. Additionally, international shipping costs may be included as part of “other costs” and are determined by the chosen shipping method and carrier rates for transporting goods across borders. Balancing the convenience of FBA with these associated fees is a critical consideration for sellers, which emphasizes the importance of meticulous pricing strategies, efficient inventory management, and strategic decision-making to maximize the benefits of utilizing Amazon’s FBA program (Lai et al, 2022).

## FBM Fees

Fulfillment by Merchant (FBM) offers sellers a pathway to maintain control over their fulfillment processes, but this autonomy comes with a distinct fee structure that also requires consideration. Comparable to FBA, FBM sellers are subject to referral fees, constituting a percentage of the item’s sale price. Equivalent to what is witnessed within the FBA structure, FBM referral fees range from 6% to 25% depending on the product category, necessitating careful incorporation into the seller’s pricing strategies to encourage a balance between



competitiveness and profitability (Johansson, 2021). Additionally, FBM sellers are directly responsible for shipping costs, covering expenses associated with packaging, carrier fees, and postage (Bullard, 2019). Accurate assessment and incorporation of these shipping costs are imperative for setting reasonable shipping rates that align with customer expectations while managing operational expenses.

Although FBM sellers are exempt from Amazon's storage fees, they may encounter warehousing costs if they choose external storage solutions (Lin, 2022). Renting warehouse space or utilizing third-party logistics (3PL) providers introduces additional financial considerations. Efficient inventory management is still pivotal to prevent overstocking and minimizing associated warehousing expenses within the FBM framework. In essence, one of the decisions between choosing FBA or FBM hinges on a seller's operational preferences, scale, and ability to manage these factors effectively, thus highlighting the importance of strategic planning and an understanding of the fees associated with the FBM model (Bullard, 2019).

## Chapter 3

### Methodology

To establish a comprehensive methodology and process that determines whether FBA or FBM will likely garner the most profitable outcome followed by the sustainment of a successful online business; the identification of a superlative automated product acquisition software, inventory management software, and shipping method was conducted. This included an in-depth analysis of survey data that was collected from 123 Amazon sellers. The age distribution of respondents ranged from 18 to 65 or older, highlighting a wide spectrum of experiences and perspectives within the Amazon seller community. Among the participants, there were 63 females, 53 males, 4 non-binary individuals, and 3 respondents who chose not to disclose their gender. Understanding these demographic nuances is crucial for ensuring inclusivity and recognizing potential variations in preferences and challenges faced by different groups of sellers (Hughes et al, 2022). Moreover, the survey questionnaire, encompassing queries regarding participants' selling tenure, primary product categories, participation in FBA or FBM, annual net income, and preferences for product acquisition and shipping methods, offered a comprehensive overview of seller preferences and practices.

The survey participants were selected from two prominent Facebook groups, namely "Women Sellers of Amazon FBA" boasting 27.2 thousand members and "Amazon Sellers & FBA Community" with a sizable membership of 311.7 thousand individuals. The distribution strategy involved posting a general

announcement with the survey link on both Facebook pages, enabling members to voluntarily participate. This approach ensured a diverse pool of respondents from different backgrounds and experience levels within the Amazon seller community, thereby enriching the dataset with varied perspectives and insights. By leveraging the expansive reach and engaged membership of these Facebook groups, the survey effectively captured a representative sample of Amazon sellers, enhancing the validity and reliability of the research findings.

This analysis will unveil the top five preferences in each category, allowing for informed decision-making. With prioritization criteria established, such as effectiveness, efficiency, cost-effectiveness, ease of use, scalability, and compatibility with the seller's business model, a decision matrix will be developed. This matrix will systematically assess each product acquisition method, inventory management software, and shipping method against the predetermined criteria, incorporating weighted scores for each criterion to reflect their relative importance. Through this evaluation process, decisions can be made based on the comprehensive analysis of the survey data and the prioritization criteria, ensuring that the selected strategies align closely with the seller's unique business goals and constraints. Subsequently, an implementation plan can be devised, delineating roles, allocating resources, and establishing timelines for the adoption of the chosen methods. Continuous monitoring and evaluation of key performance indicators will drive ongoing improvement, enabling sellers to optimize their strategies and enhance their success on the Amazon platform over time.

## FBA & FBM Calculators

To gain a thorough understanding of the FBA and FBM fee structure as it relates to various products on the Amazon platform, 15 separate products of varying sizes across the top five categories on the e-commerce website were chosen at random to identify the applicable fees associated with each selling structure and its potential profitability. Figures 1-15 identify three products from each category which are advertised with a value that ranges from \$.01 - \$24.99, \$25.00 - \$49.99, and \$50.00 and above. Allowing further insight into the determination of whether FBA or FBM allows Amazon sellers higher profitability and a greater chance of reaching and maintaining success.

The Amazon fulfillment calculator, prominently featured on Amazon Seller Central, provides a comprehensive breakdown of expenses associated with both Fulfillment by Amazon (FBA) and Fulfillment by Merchant (FBM) seller models. Positioned on the far left, the FBA column delineates costs which include the price the seller chooses to sell the product for, the Amazon referral fee, Amazon fulfillment fee, warehouse storage costs, and miscellaneous expenses such as the individual shipping cost to the Amazon warehouse and the cost for purchasing the product from the supplier. Conversely, the FBM section in the center mirrors the FBA fees but removes the fulfillment fee and integrates shipping costs to the customer that are acquired by the seller and storage fees incurred from third-party logistics (3PL) warehouses. On the far right, a comparison graph unveils total revenue, expenses, and the net profit for both FBA and FBM methods. Utilizing

constants such as storage costs associated with 1000 units bought and sold within one month's timeframe, the calculator offers sellers a comprehensive analysis to make informed decisions regarding their fulfillment strategies.

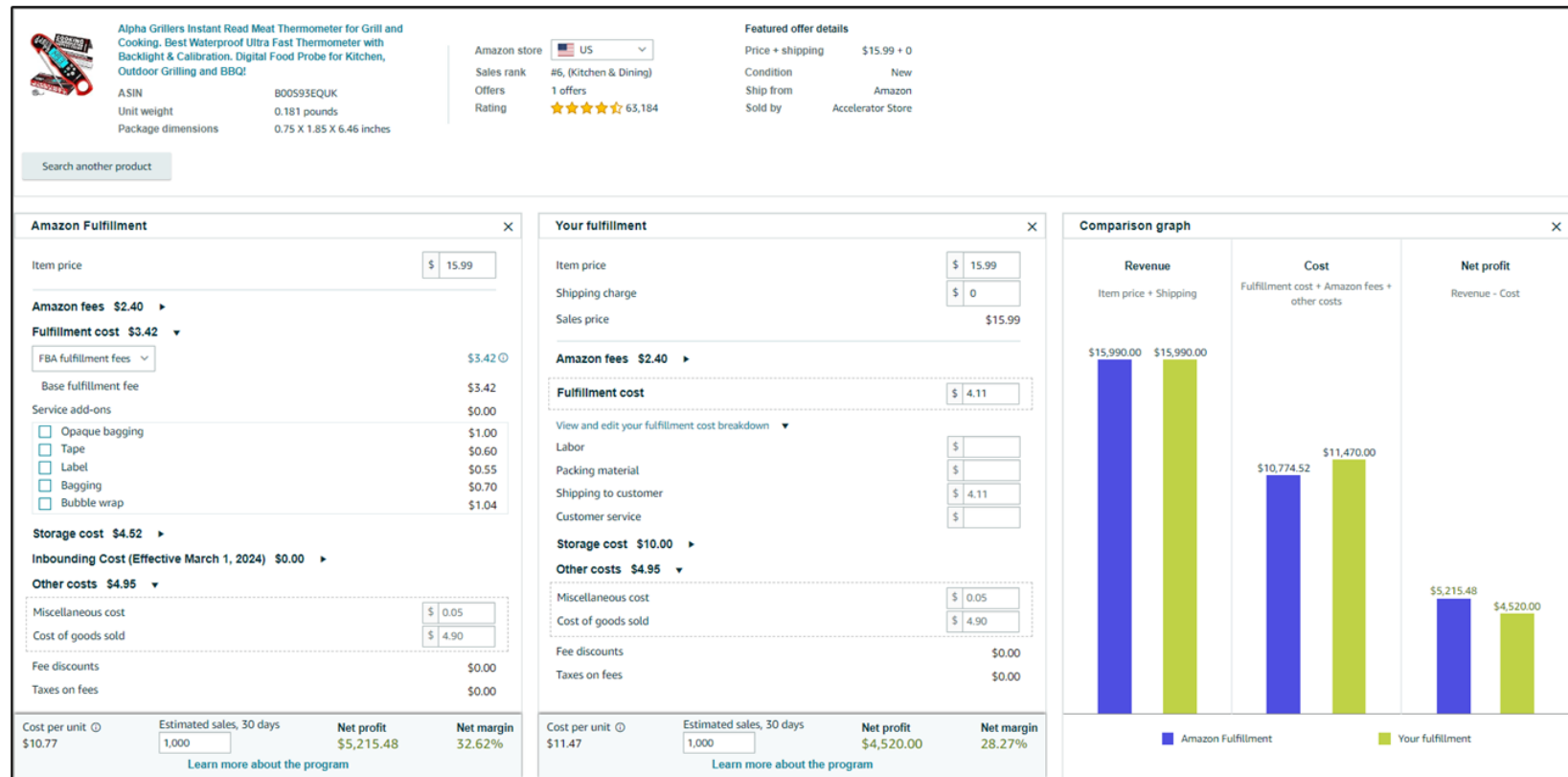


Figure 1: Home & Kitchen - Alpha Grillers Instant Read Thermometer

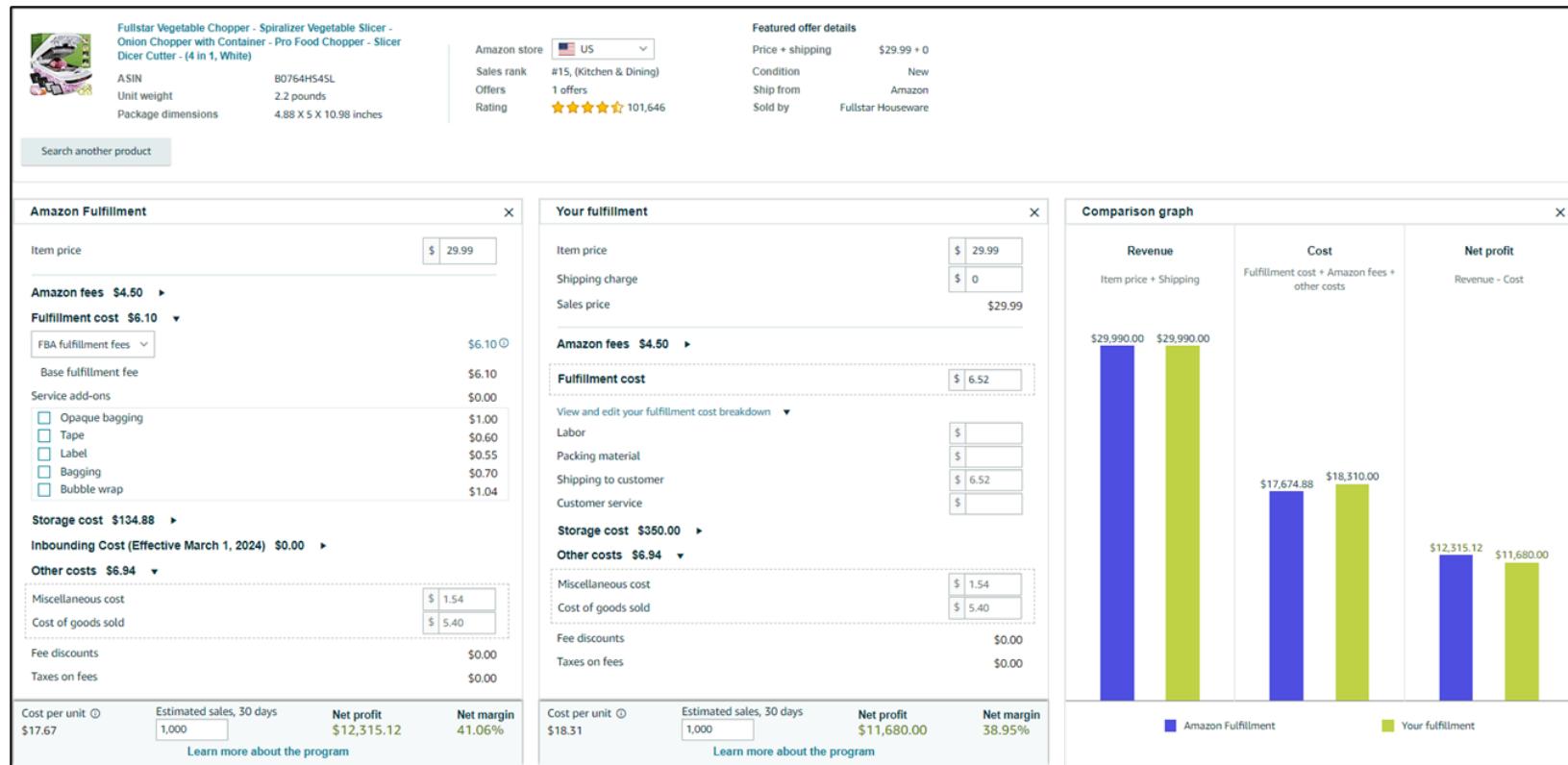


Figure 2: Home & Kitchen - Fullstar Vegetable Chopper

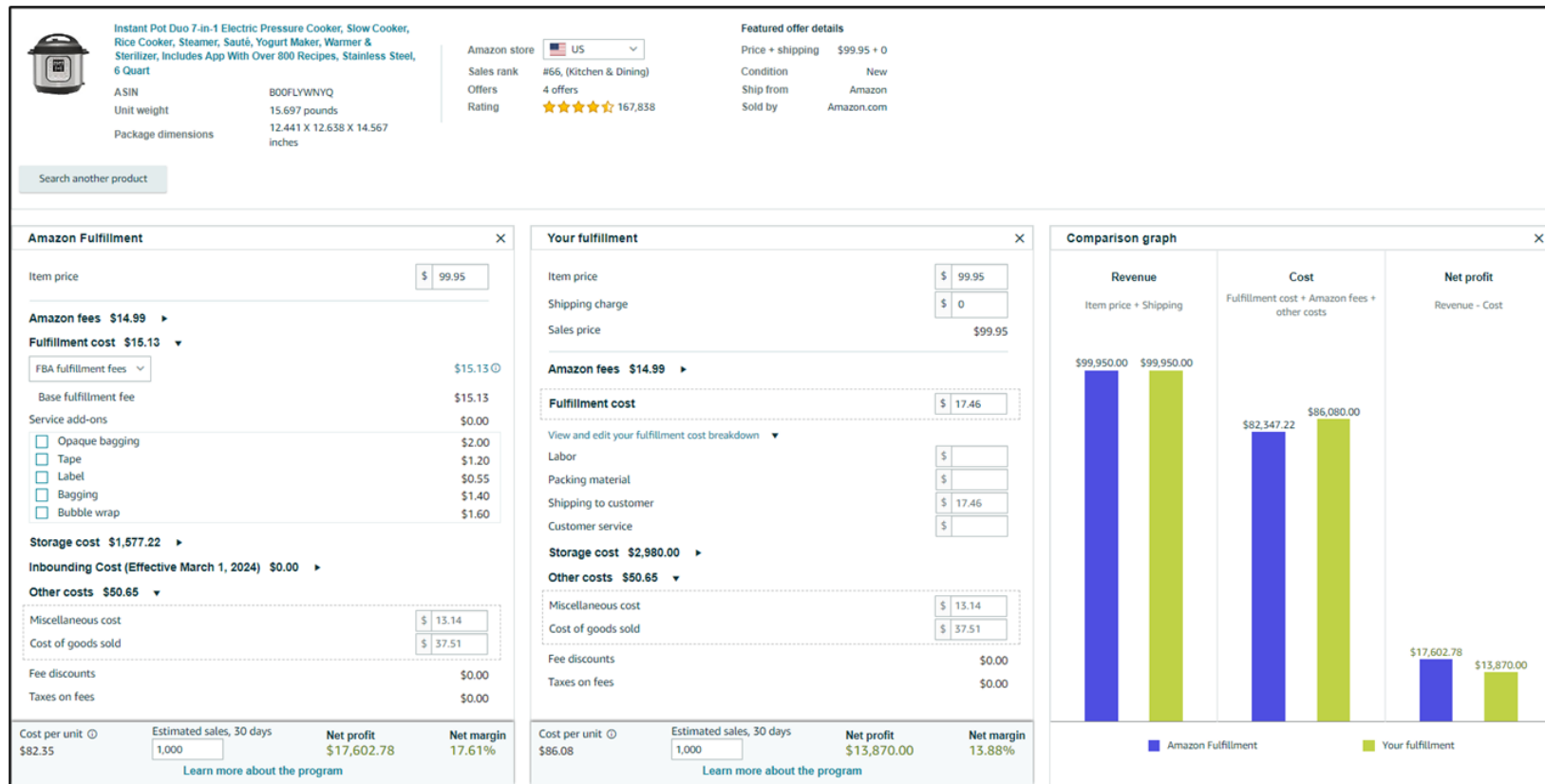


Figure 3: Home & Kitchen - Instant Pot Pressure Cooker



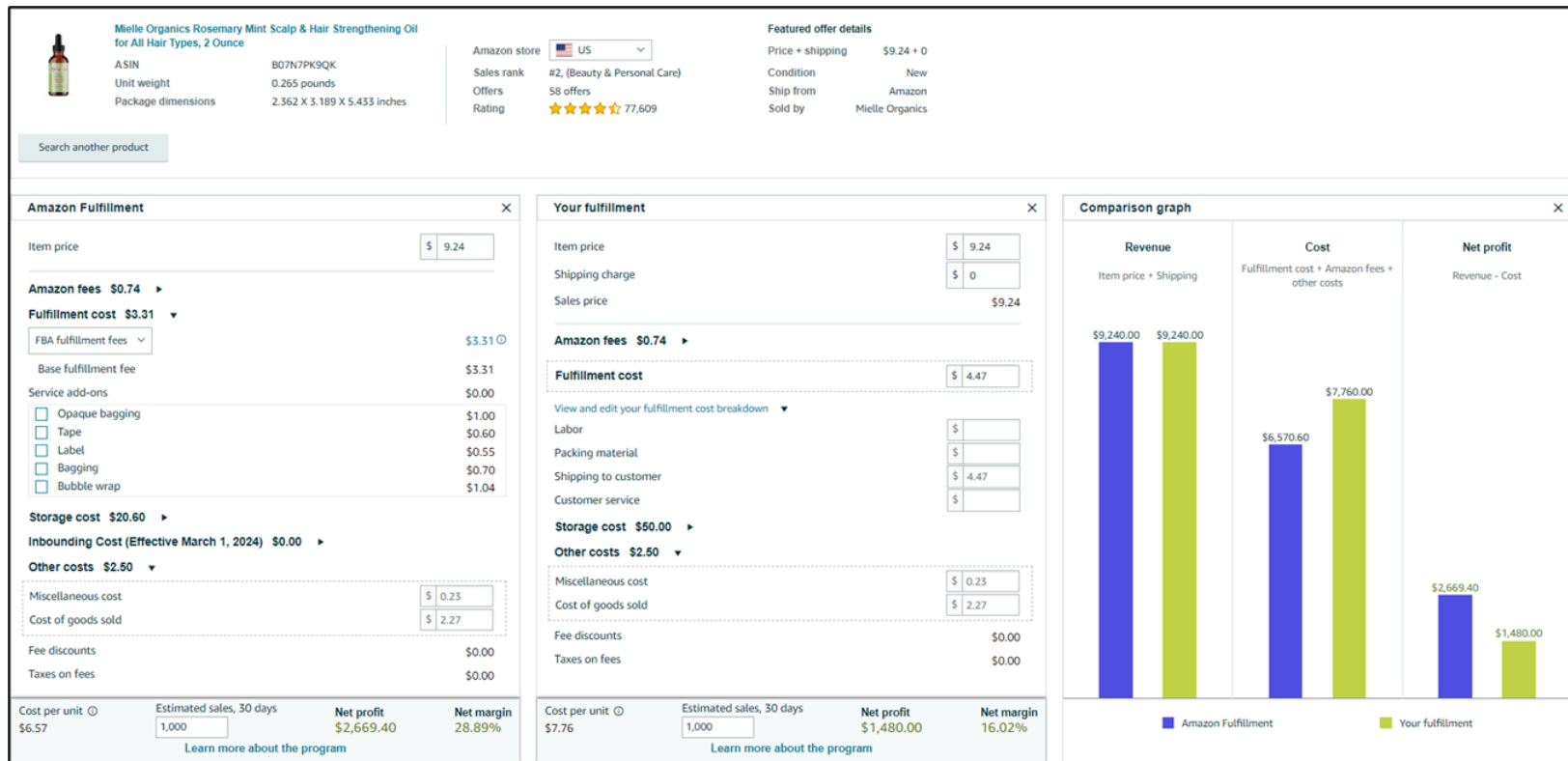


Figure 4: Beauty & Personal Care - Mielle Organics Hair Strengthening Oil

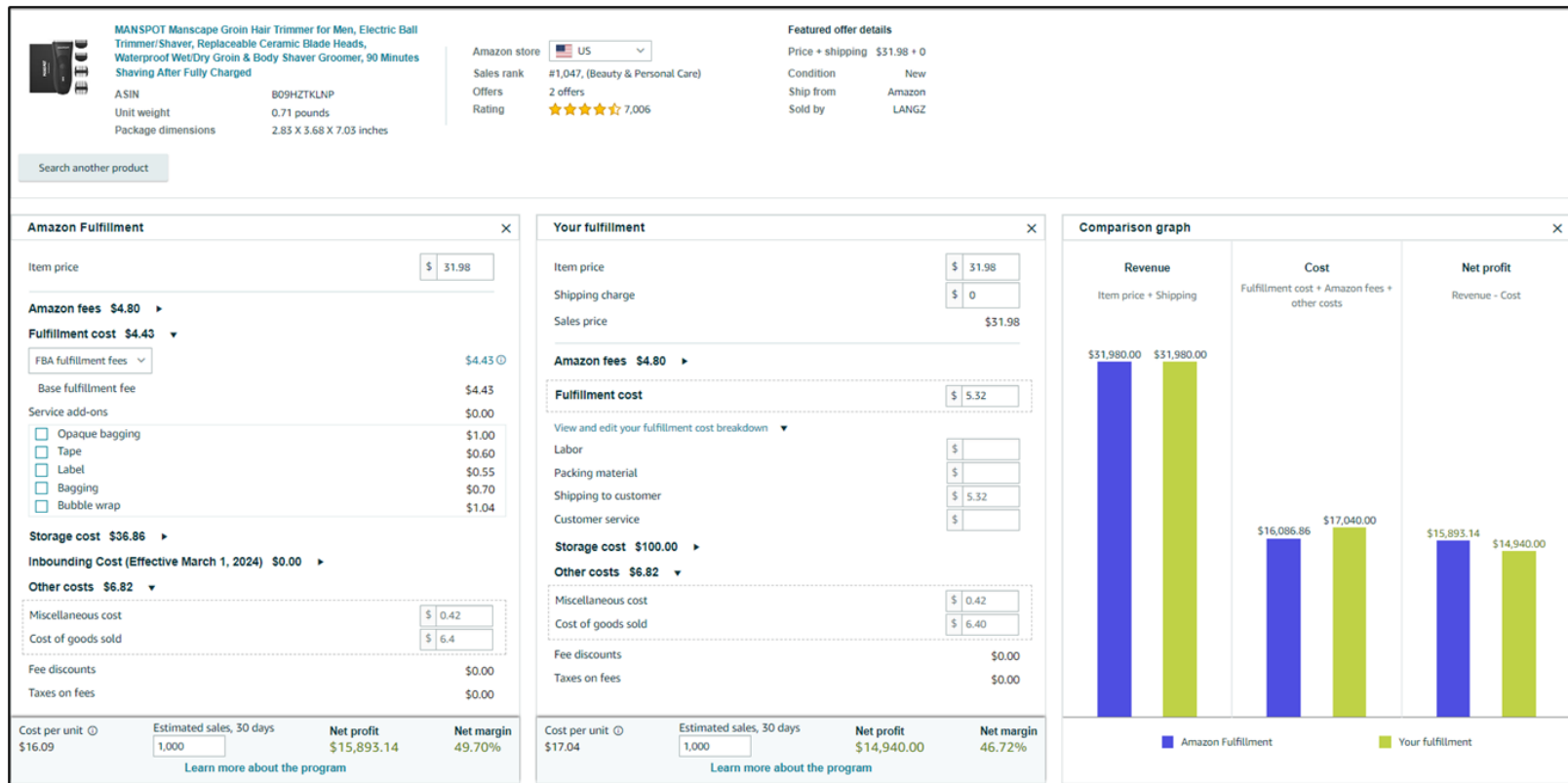
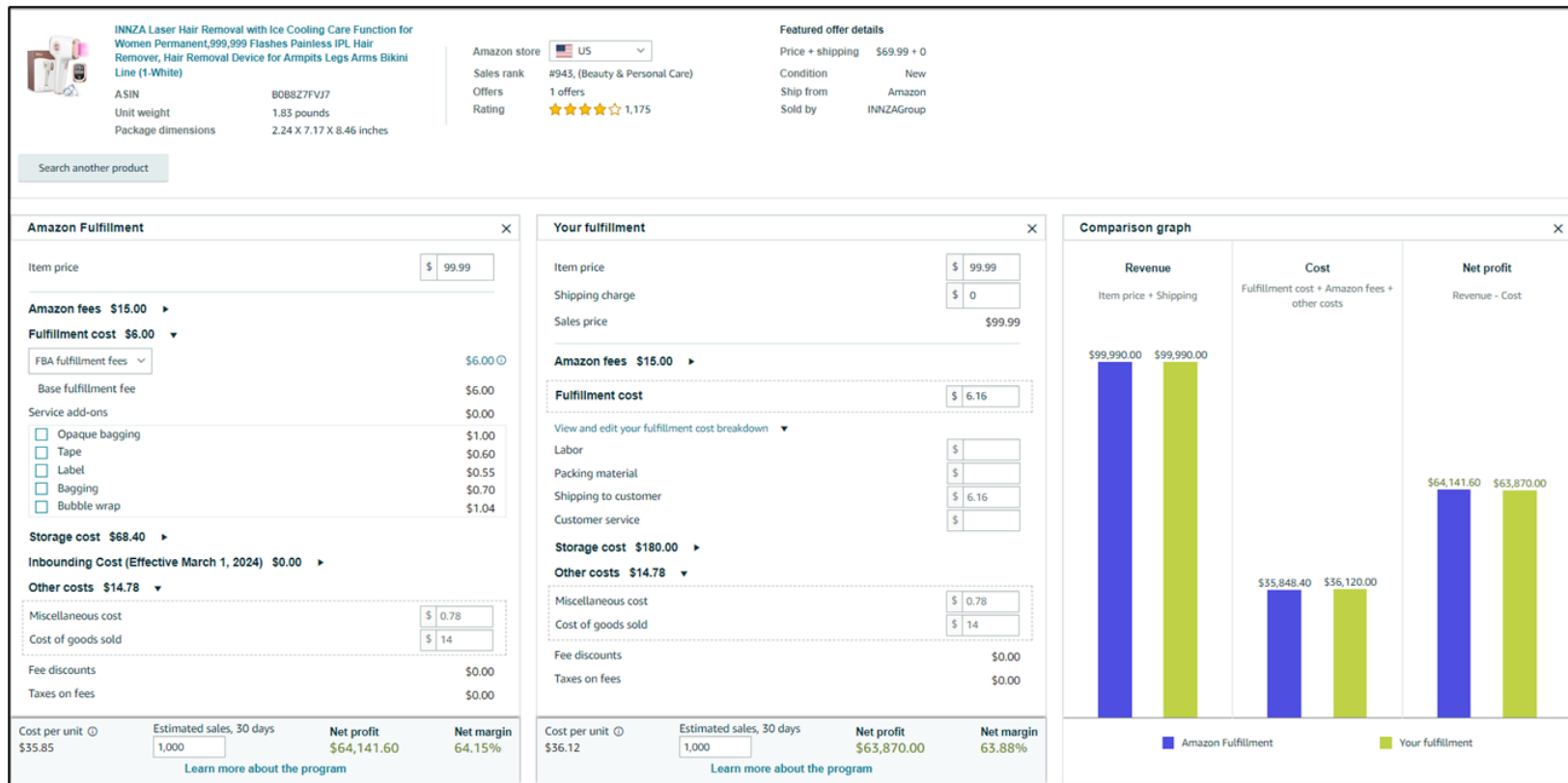
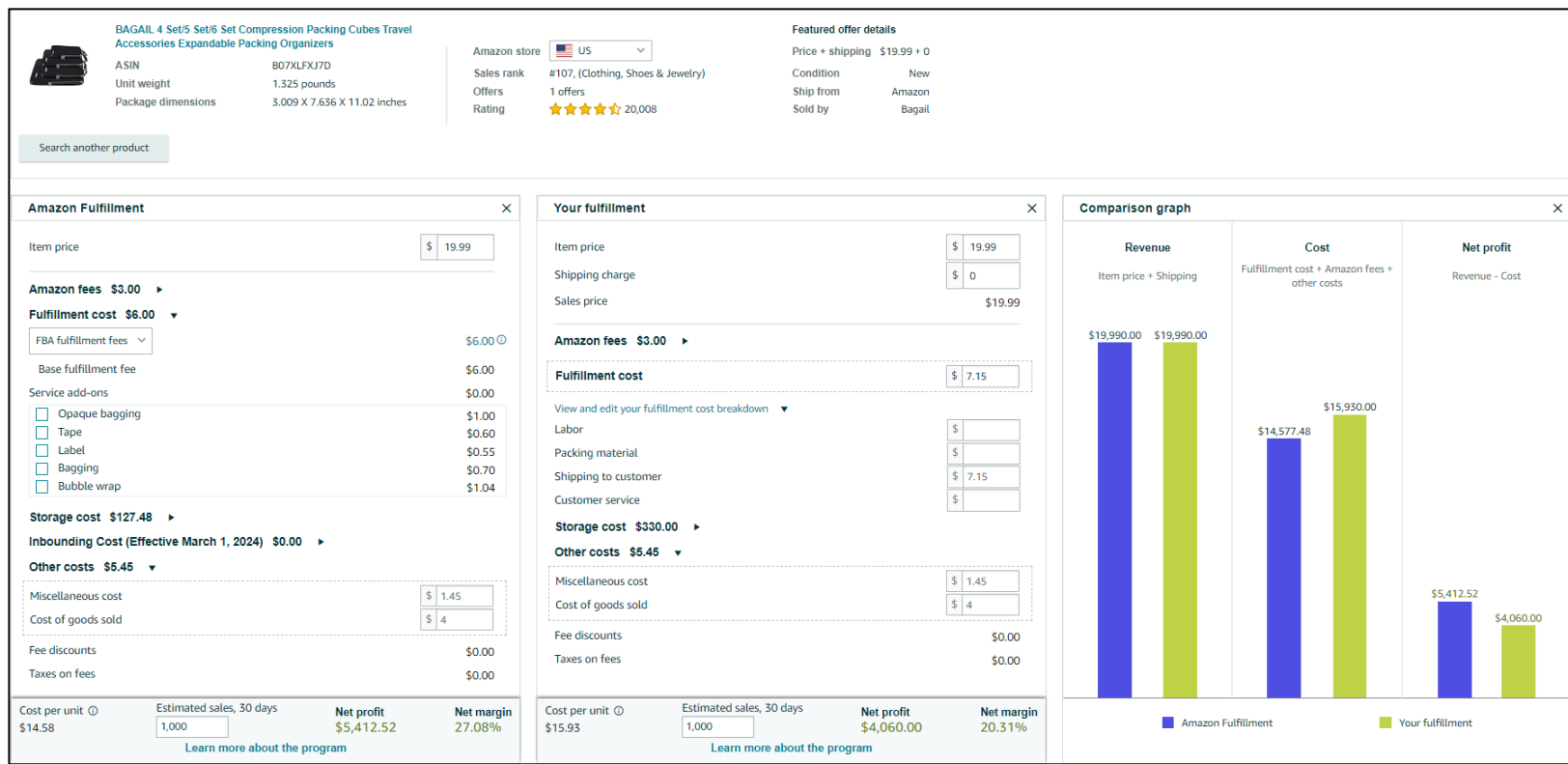


Figure 5: Beauty & Personal Care - Manspot Manscape Groin Hair Trimmer



**Figure 6: Beauty & Personal Care - INNZ Laser Hair Removal**



**Figure 7: Clothing, Shoes, and Jewelry - Compression Packing Cubes**

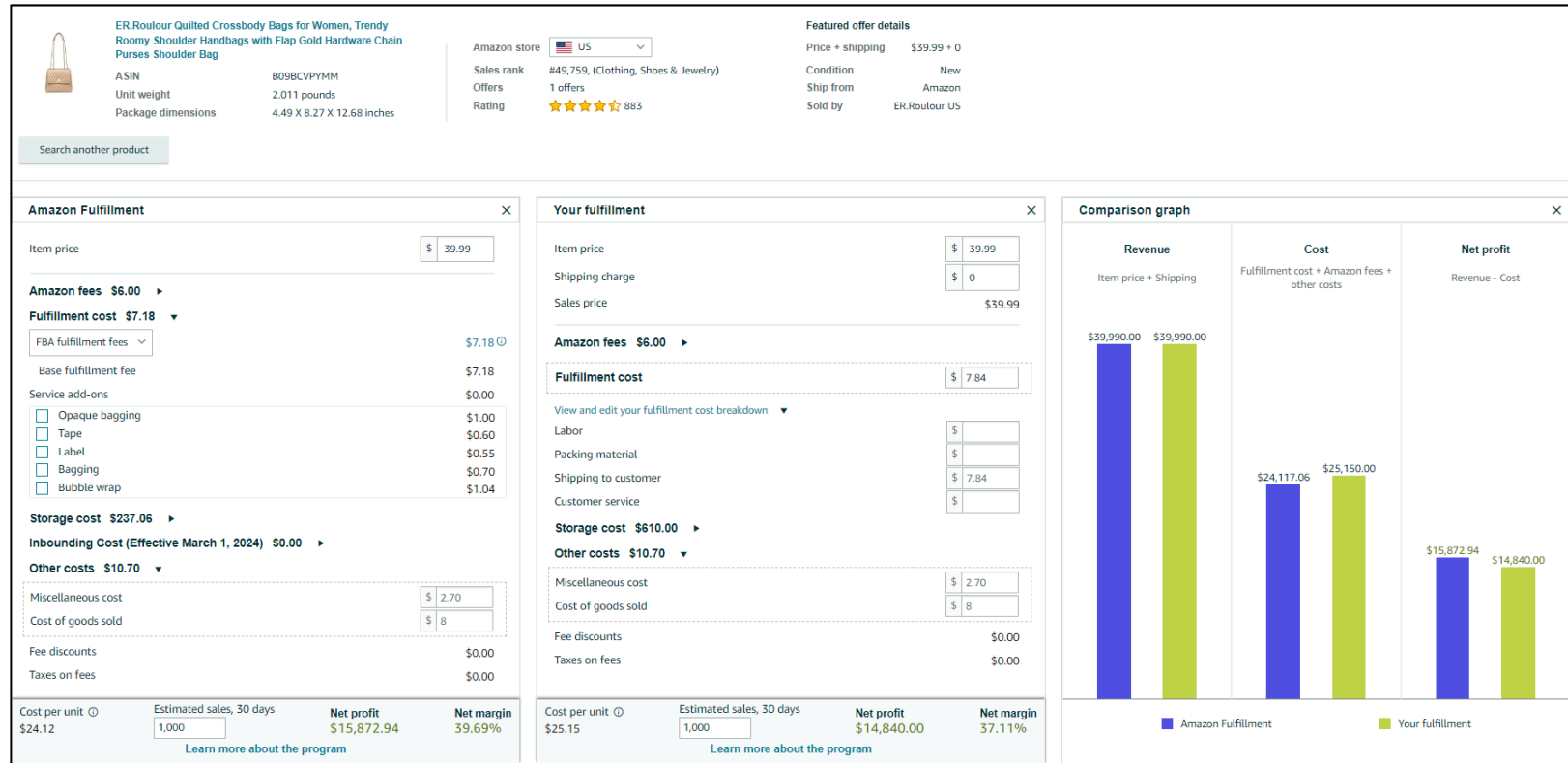


Figure 8: Clothing, Shoes, and Jewelry - Quilted Crossbody Bag for Women

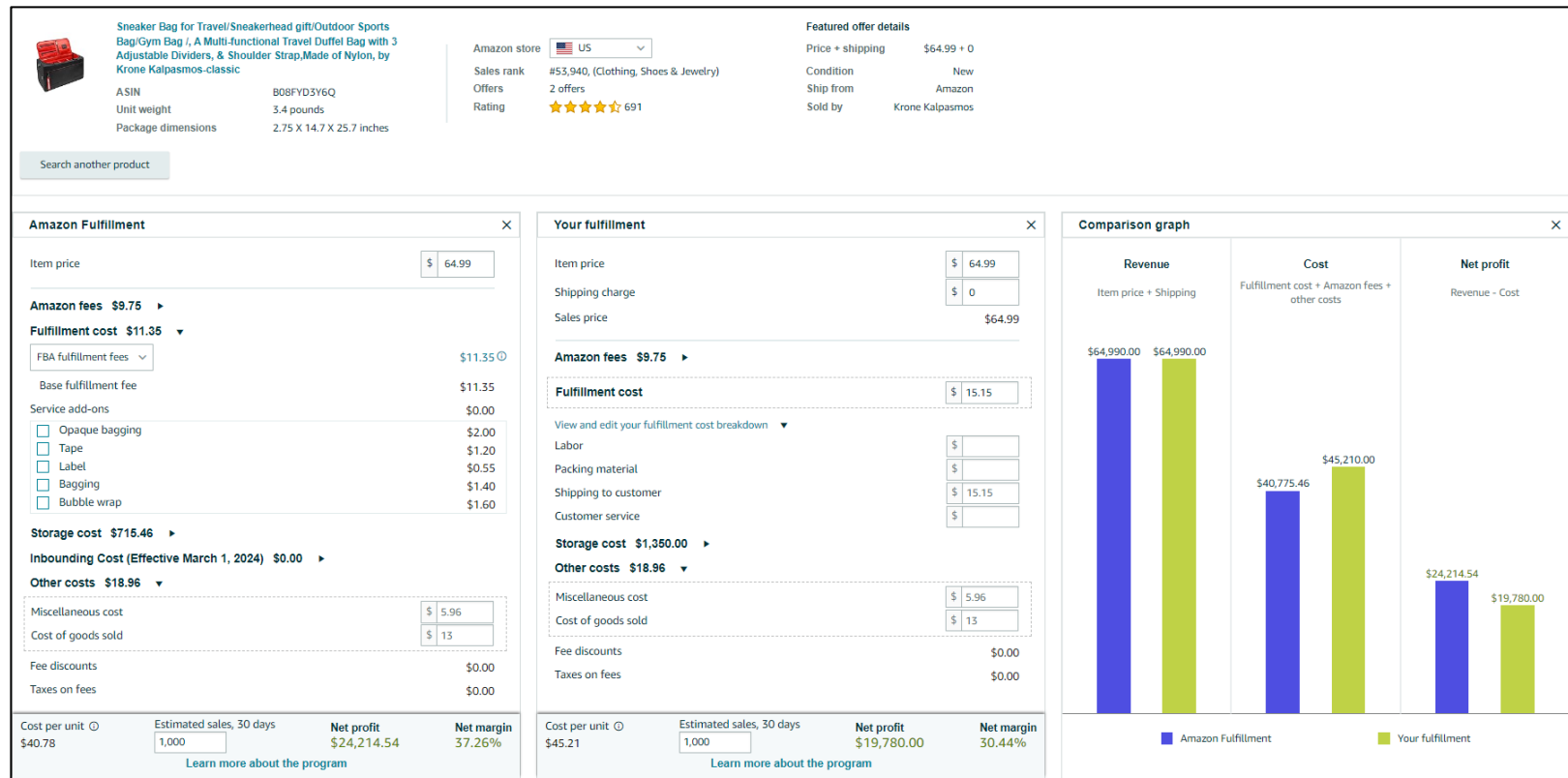


Figure 9: Clothing, Shoes, and Jewelry - Sneaker Bag for Travel

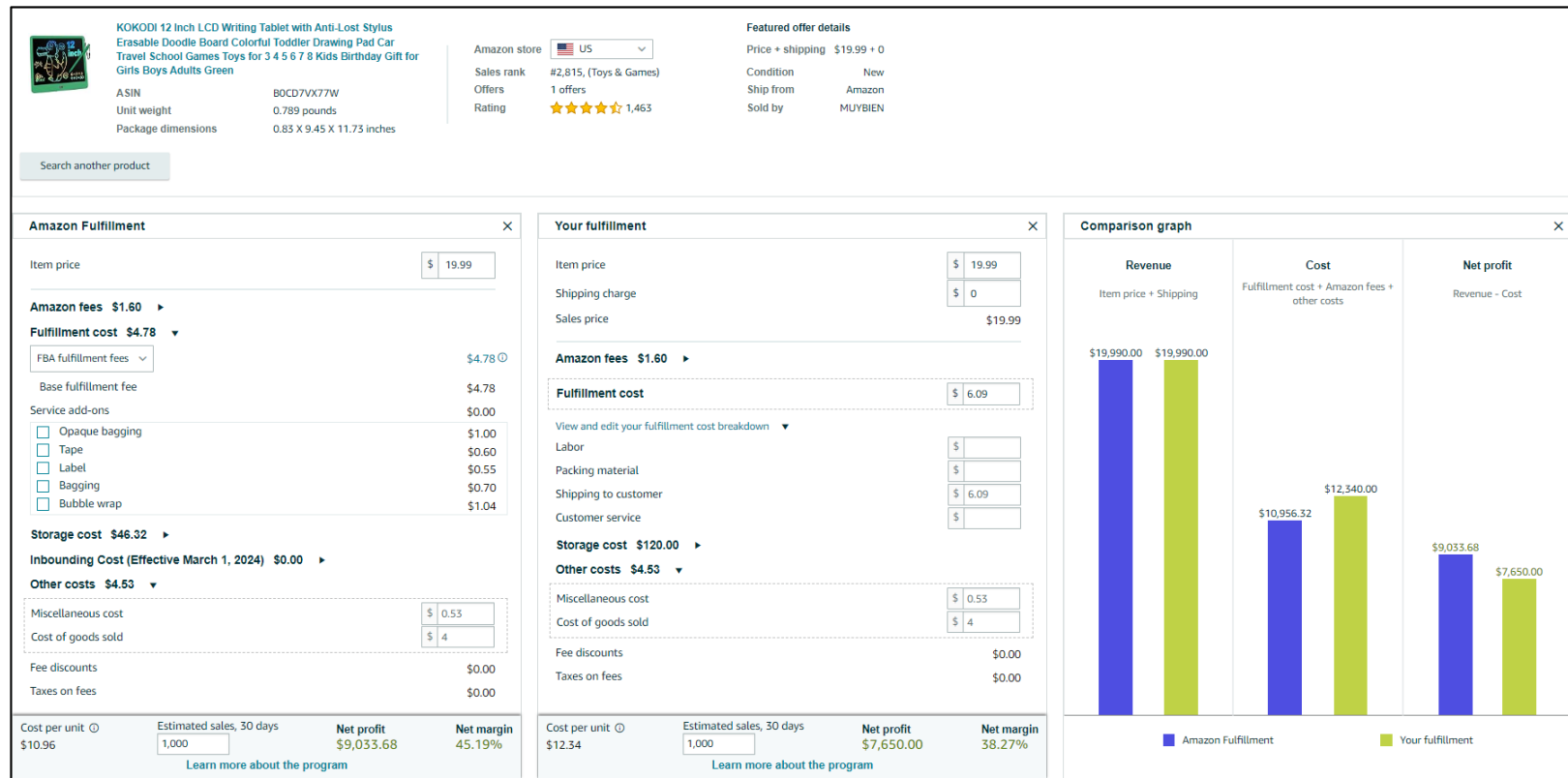


Figure 10: Toys & Games - Kokodi LCD Writing Tablet

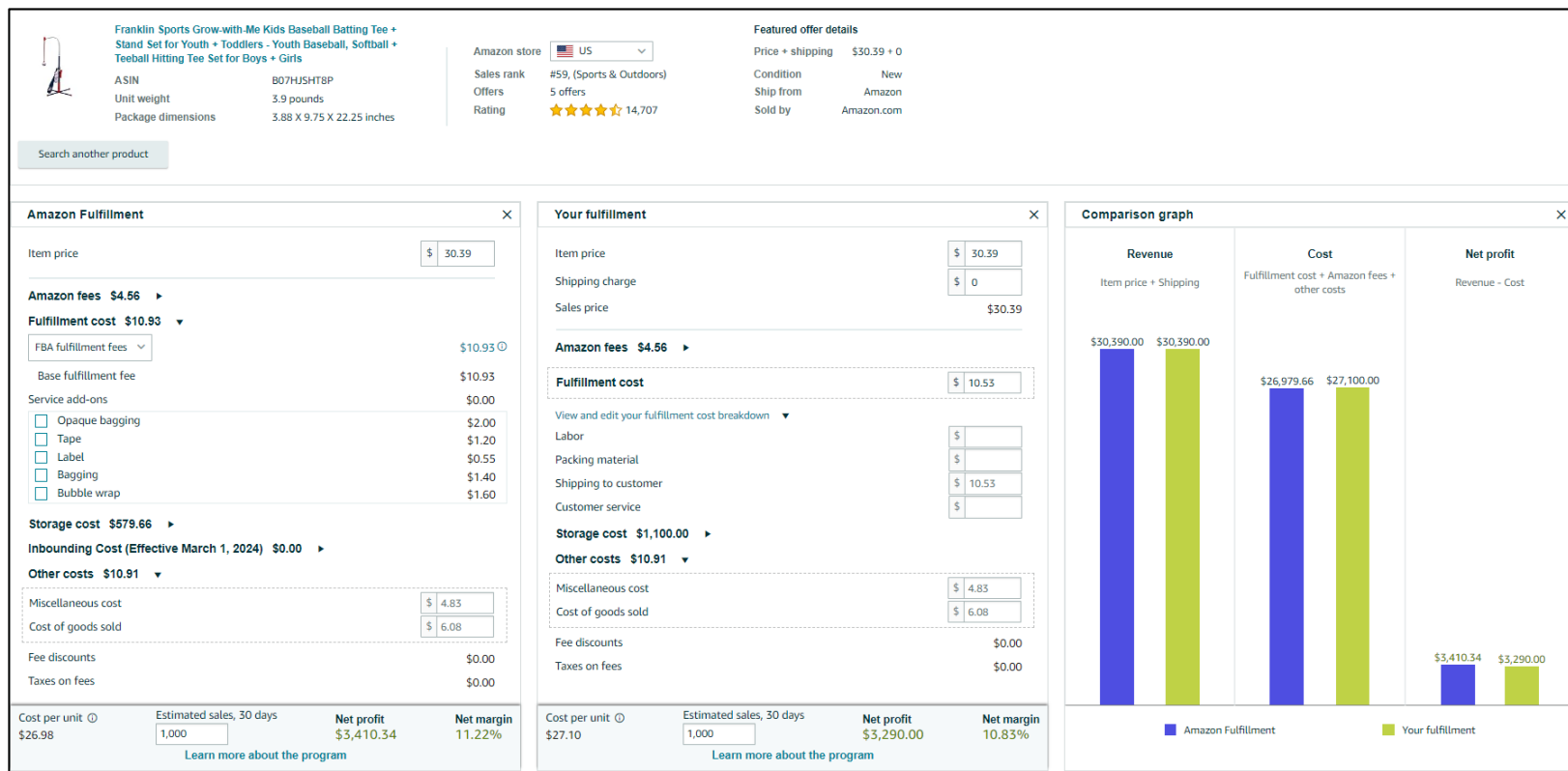
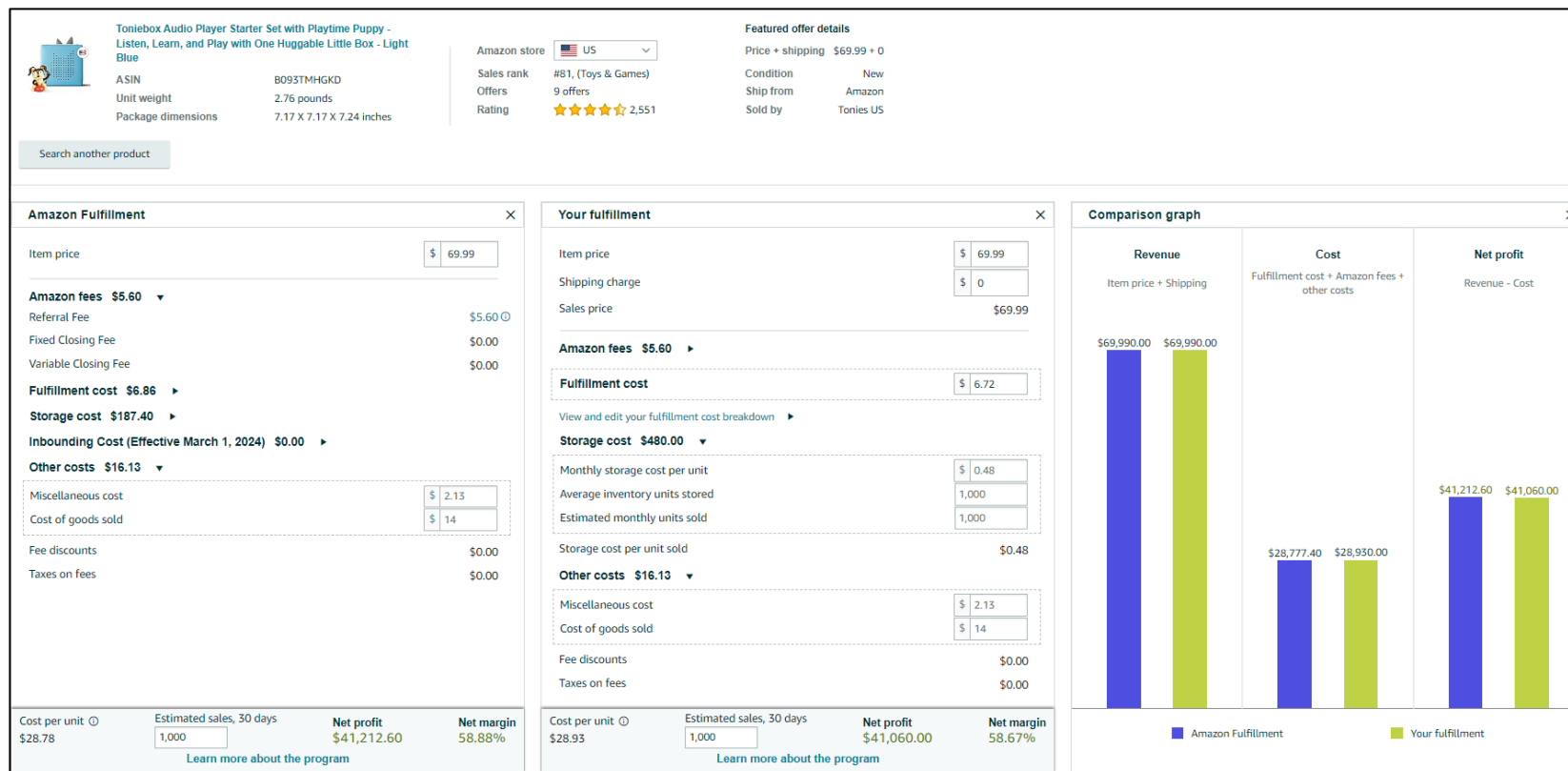


Figure 11: Toys & Games: Franklin Sports Baseball Batting Tee





**Figure 12: Toys & Games - Toniebox Audio Player Starter Set**

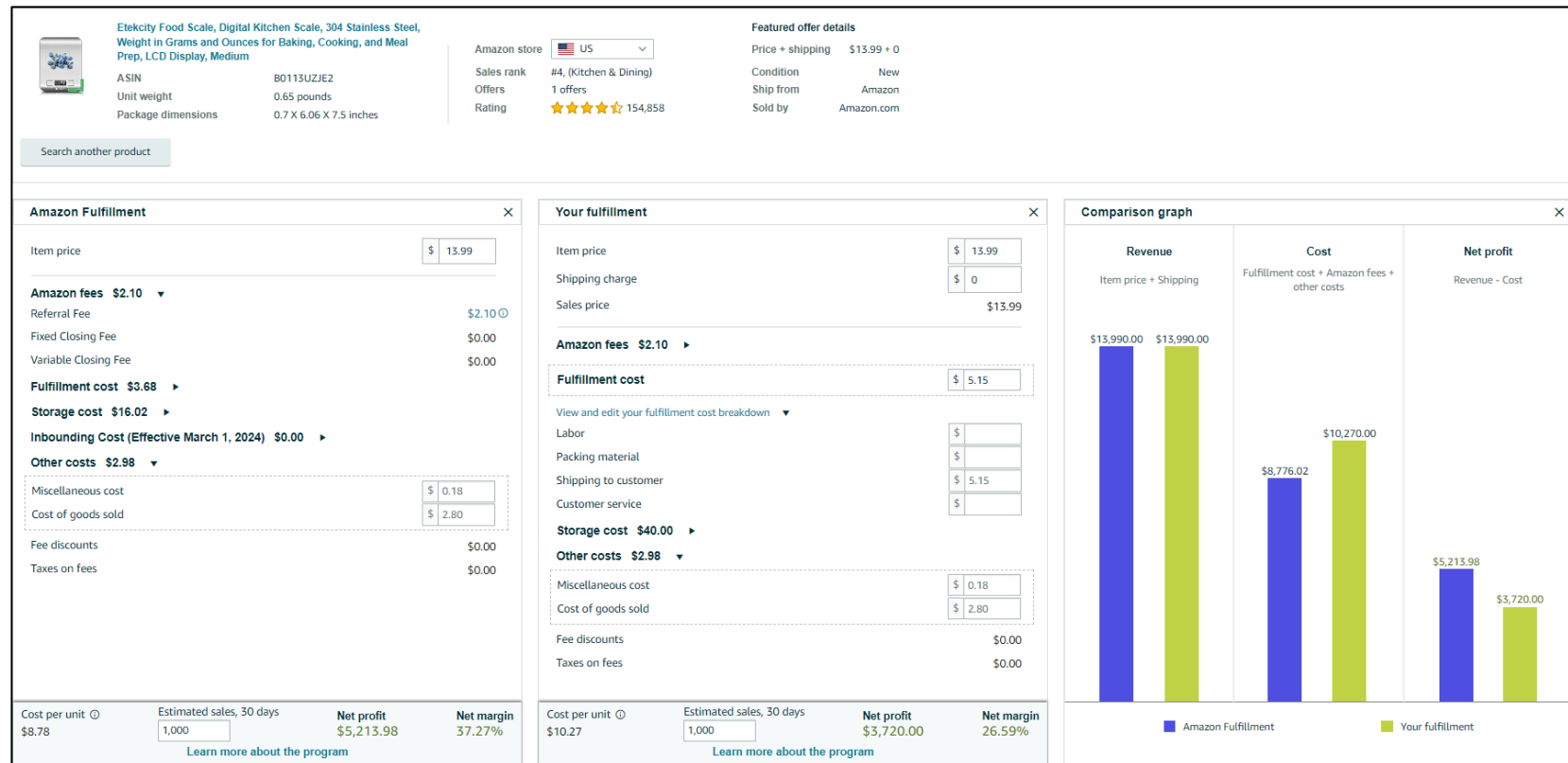


Figure 13: Health, Household & Baby Care - Elekcity Food Scale

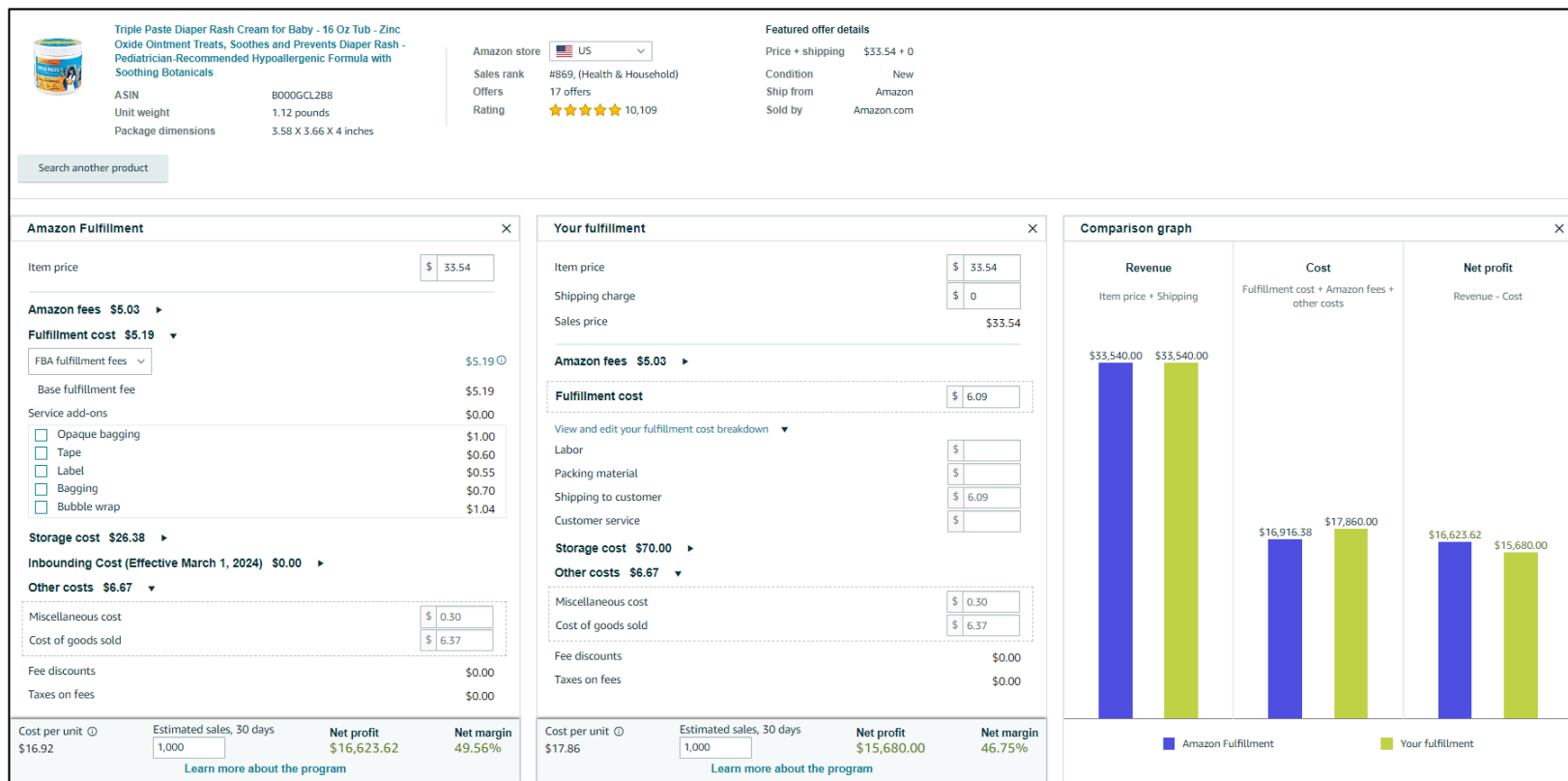


Figure 14: Health, Household, & Baby Care - Triple Paste Diaper Rash Cream

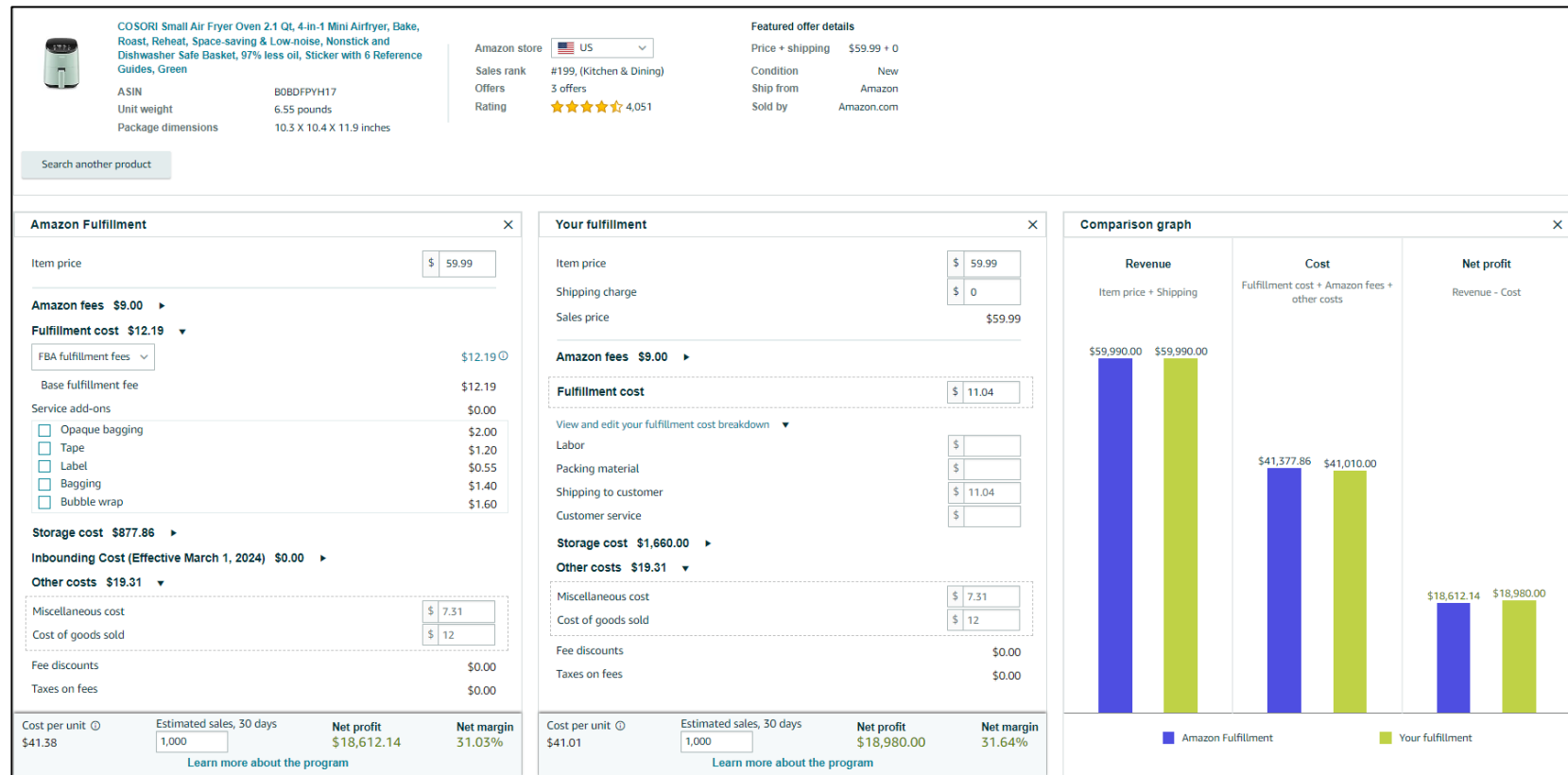


Figure 15: Health, Household, & Baby Care: Cosori Small Air Fryer Oven

## Chapter 4

### Data Analysis

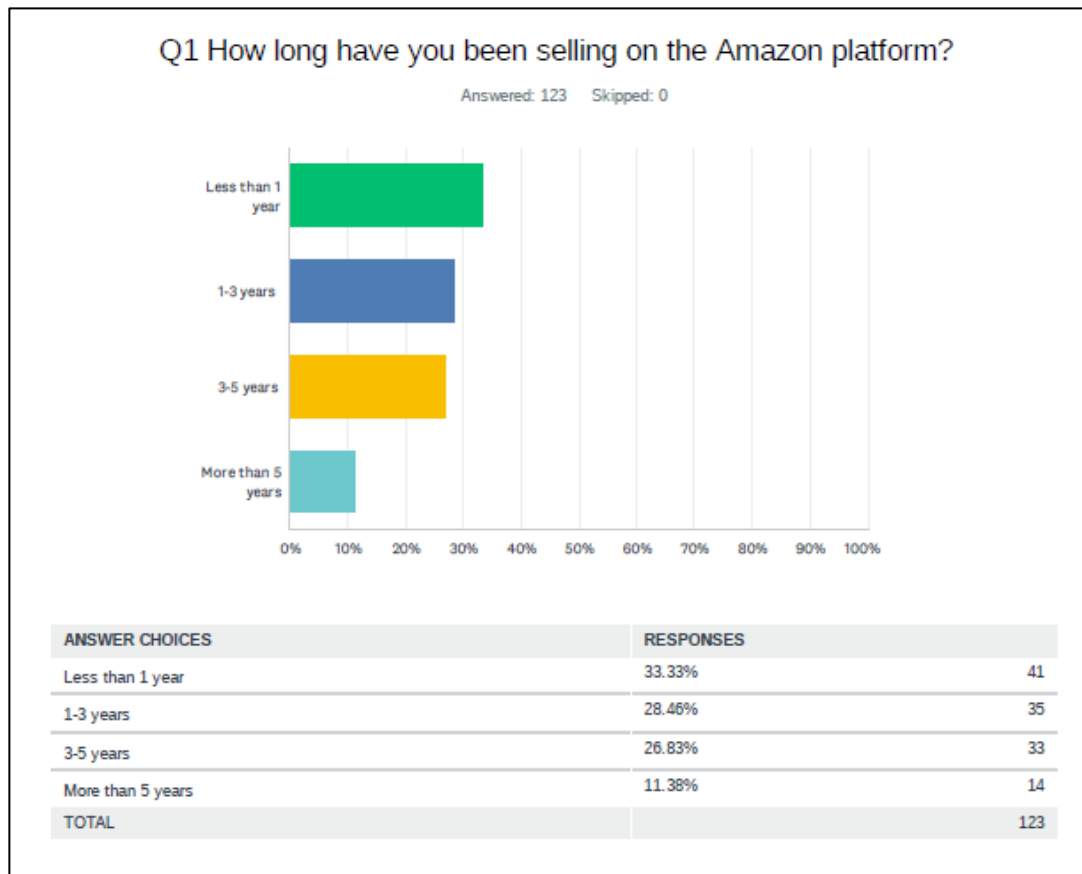
#### Amazon Seller Survey

Based on the outcome from the Amazon seller survey, several key insights emerge to determine whether FBA or FBM is the preferred selling model. A diverse range of sellers participated in the survey, with varying levels of experience on the Amazon platform. Many respondents had been selling on Amazon for less than three years, with a significant proportion primarily focusing on selling products in the Electronics, Home and Kitchen, and Clothing and Accessories categories.

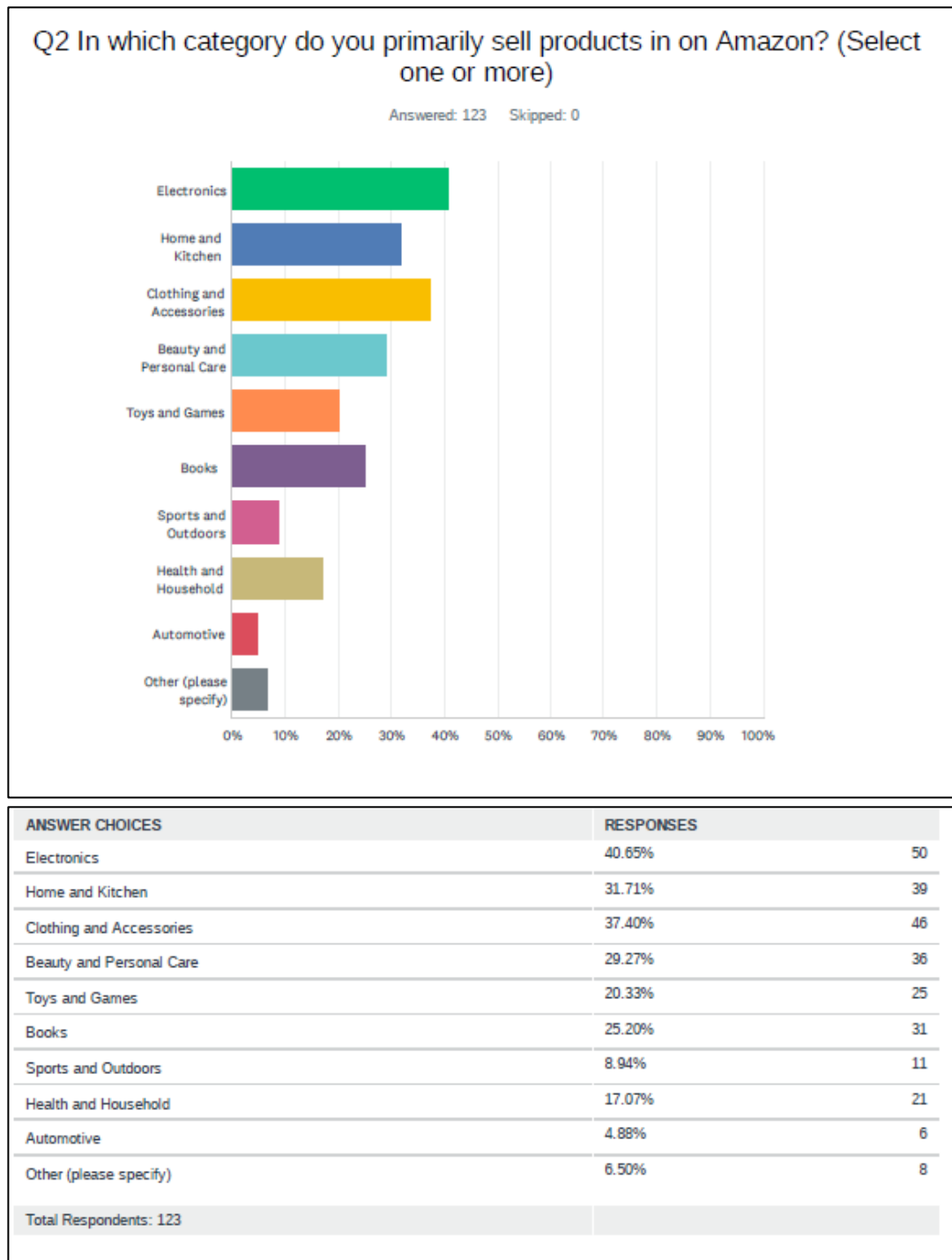
In terms of fulfillment methods, a notable percentage of respondents engage in both FBA and FBM, indicating a preference for a hybrid approach. Aside from those that participate as both an FBA and FBM seller, 35.77% (44 survey participants) favor the FBA framework which exceeds the 21.95% that favor the FBM framework (27 survey participants). When considering annual net income, a substantial portion of sellers reported earning between \$0 - \$49,999, highlighting the prevalence of small to mid-sized businesses in the Amazon marketplace. Regarding software tools used for product acquisition and supply chain management, a variety of options are employed, including Jungle Scout, AMZ Scout, and Quickbooks Commerce. Sellers prioritize market research and competitor analysis to varying degrees, with a notable percentage emphasizing the importance of these activities extensively.

Challenges in SCM, such as high shipping costs, supplier reliability, and customs regulations, are prevalent among Amazon sellers. These challenges underscore the importance of selecting efficient shipping methods and implementing robust quality control measures. When sourcing inventory, sellers exhibit diverse preferences, including retail arbitrage, online arbitrage, and drop shipping. Similarly, various shipping methods are preferred, with UPS and Amazon Global Logistics emerging as popular choices.

Key performance indicators (KPIs) utilized by sellers to assess product success include sales revenue, return on ad spend, ratings and reviews, and click-through rate. Finally, the survey captures demographic information, revealing a balanced distribution of gender and age among respondents. Overall, these survey results provide valuable insights into the factors influencing sellers' decisions between FBA and FBM, encompassing aspects such as experience level, product categories, software tool usage, supply chain challenges, and preferred performance metrics.

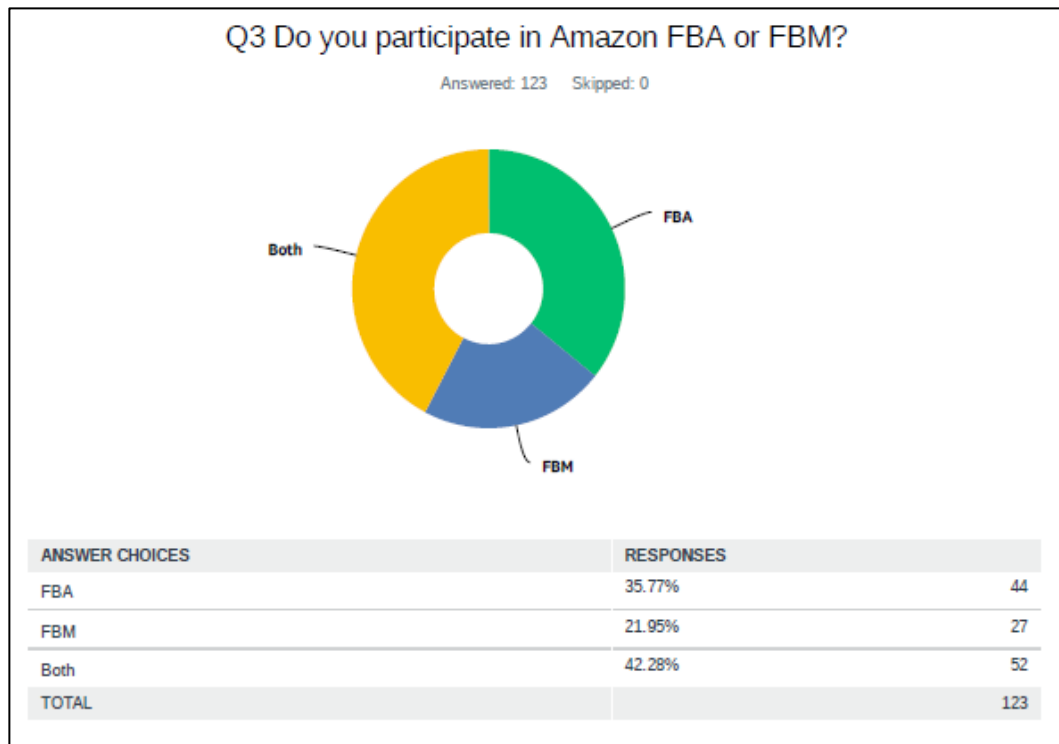


**Figure 16: Survey Question #1 Results**



**Figure 17: Survey Question #2 Results**





**Figure 18: Survey Question #3 Results**

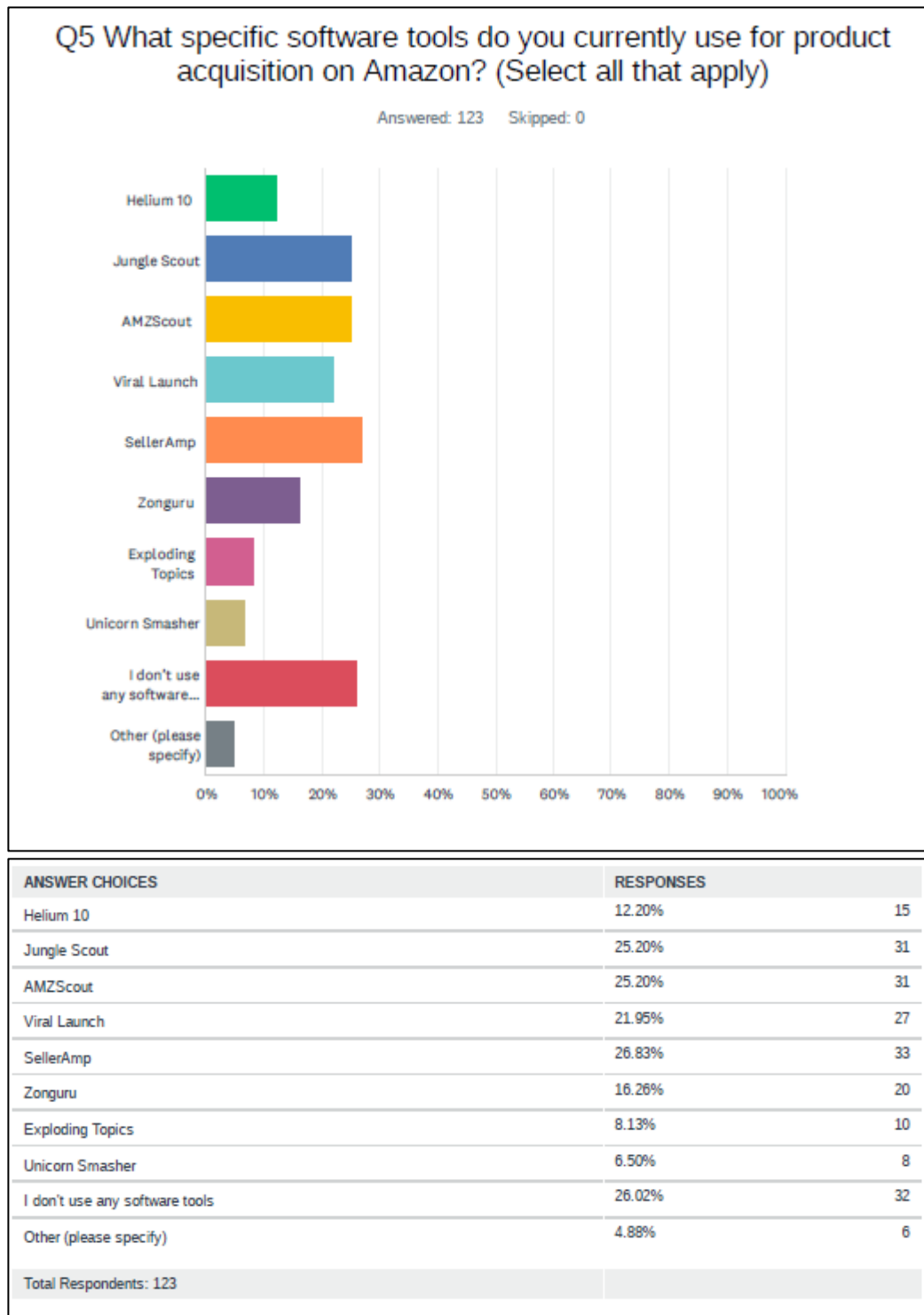
#### Q4 What is your annual net income on the Amazon platform?

Answered: 121 Skipped: 2

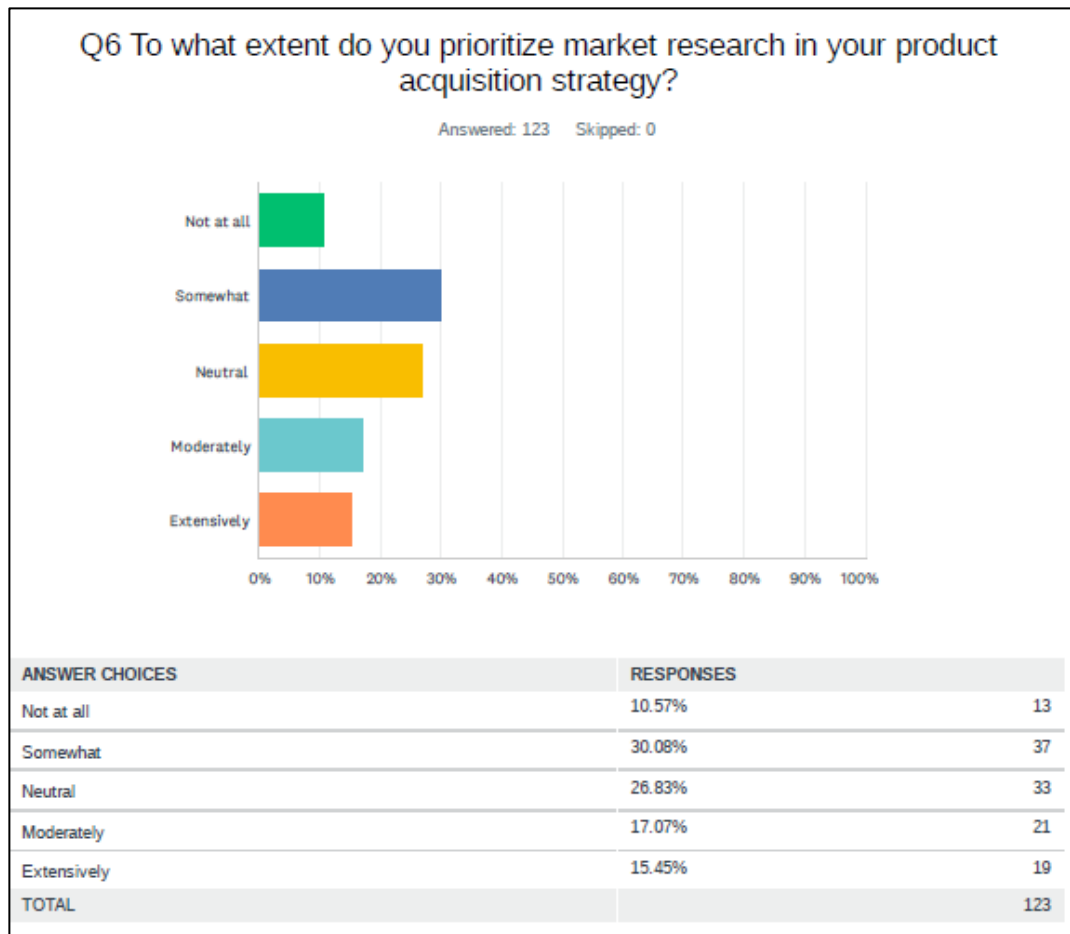


ANSWER CHOICES	RESPONSES	
\$0 - \$49,999	49.59%	60
\$50,000 - \$99,999	23.14%	28
\$100,000 - \$249,999	7.44%	9
\$249,000 - \$499,999	8.26%	10
\$499,000 - \$749,000	4.96%	6
\$750,000 - \$999,000	3.31%	4
\$1,000,000 or more	3.31%	4
TOTAL		121

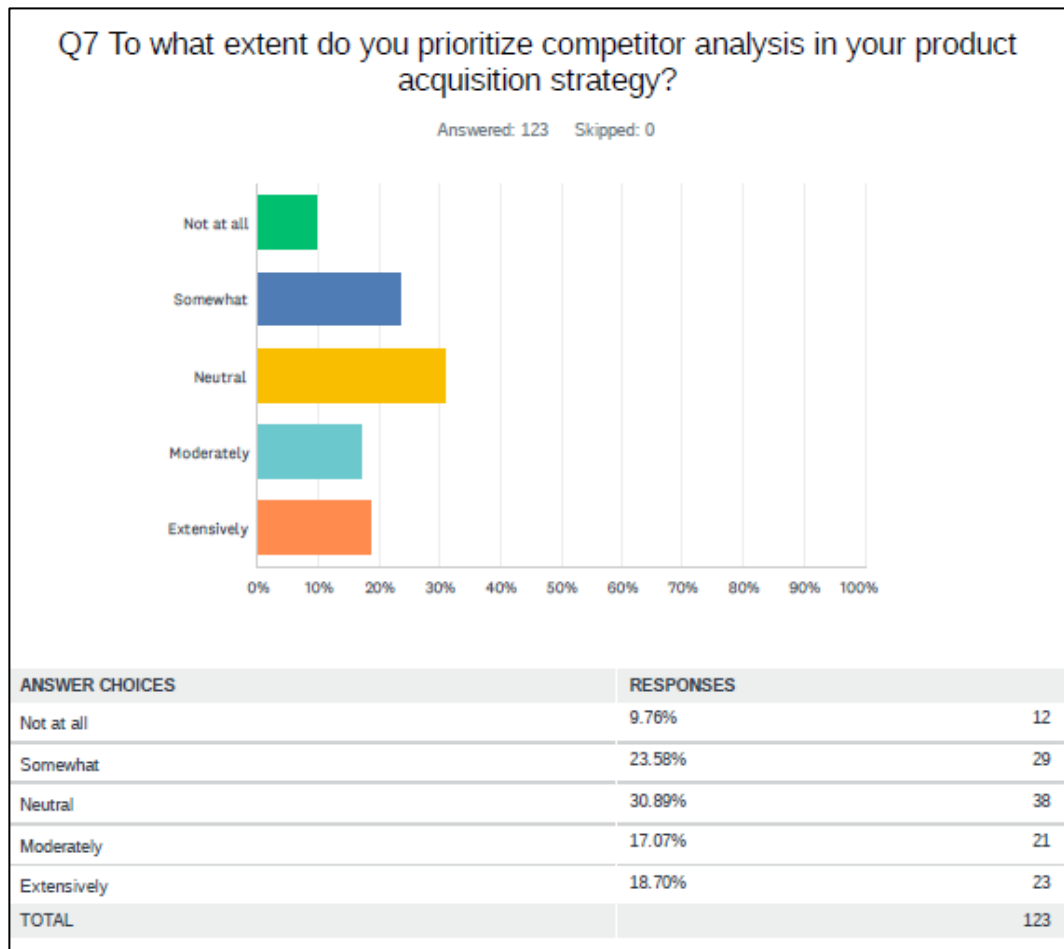
**Figure 19: Survey Question #4 Results**



**Figure 20: Survey Question #5 Results**



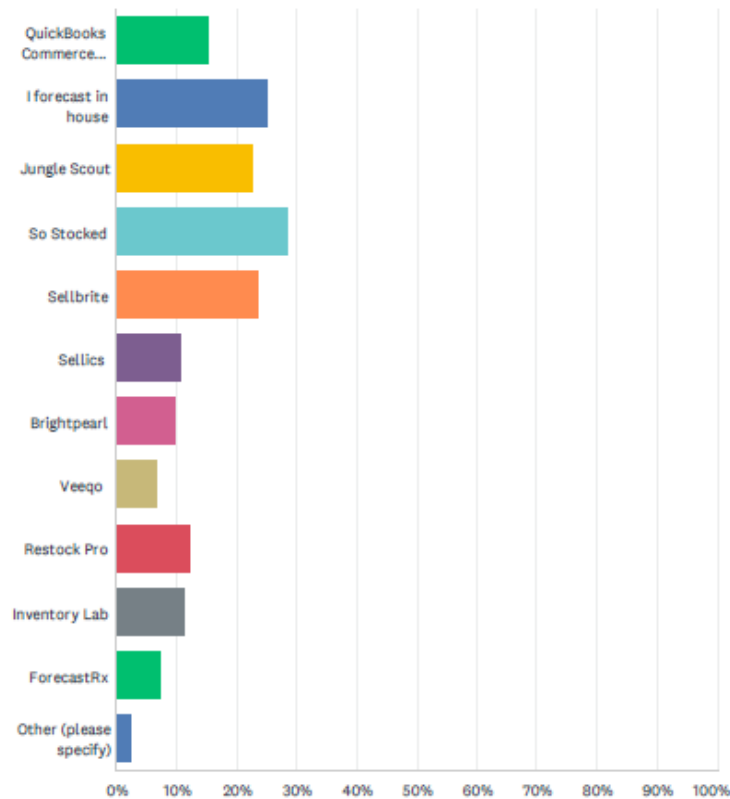
**Figure 21: Survey Question #6 Results**



**Figure 22: Survey Question #7 Results**

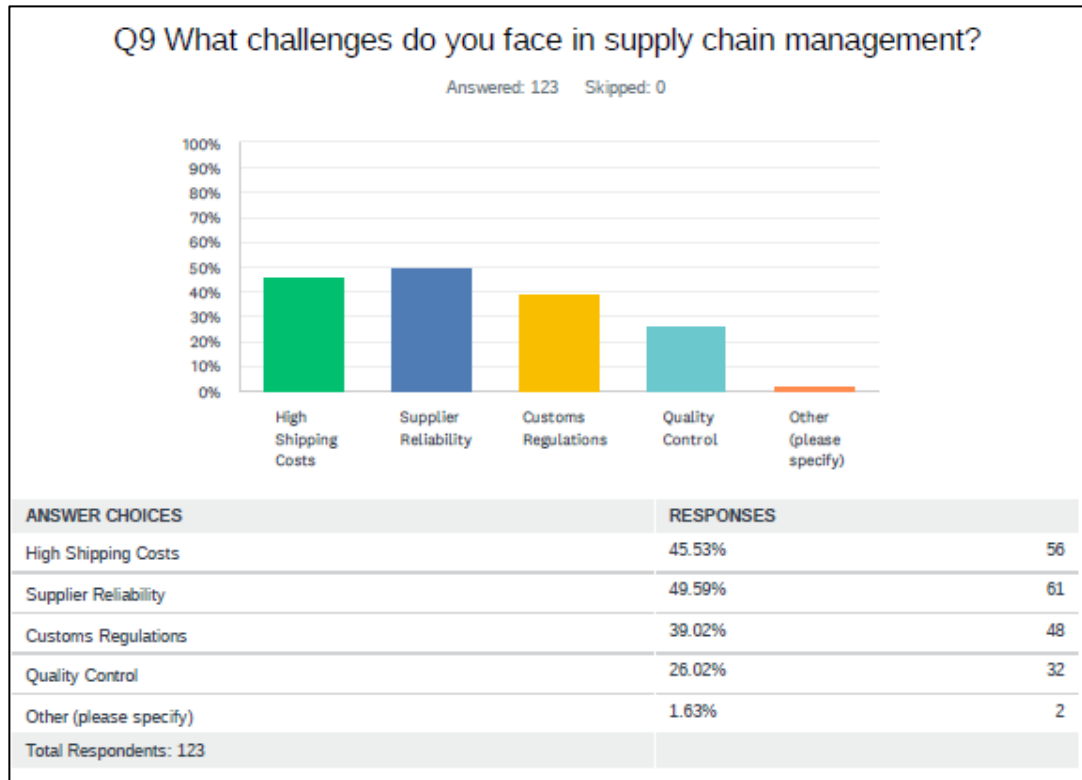
Q8 What specific software tools do you currently use for supply chain (inventory) management in your Amazon business? (Select all that apply)

Answered: 123 Skipped: 0

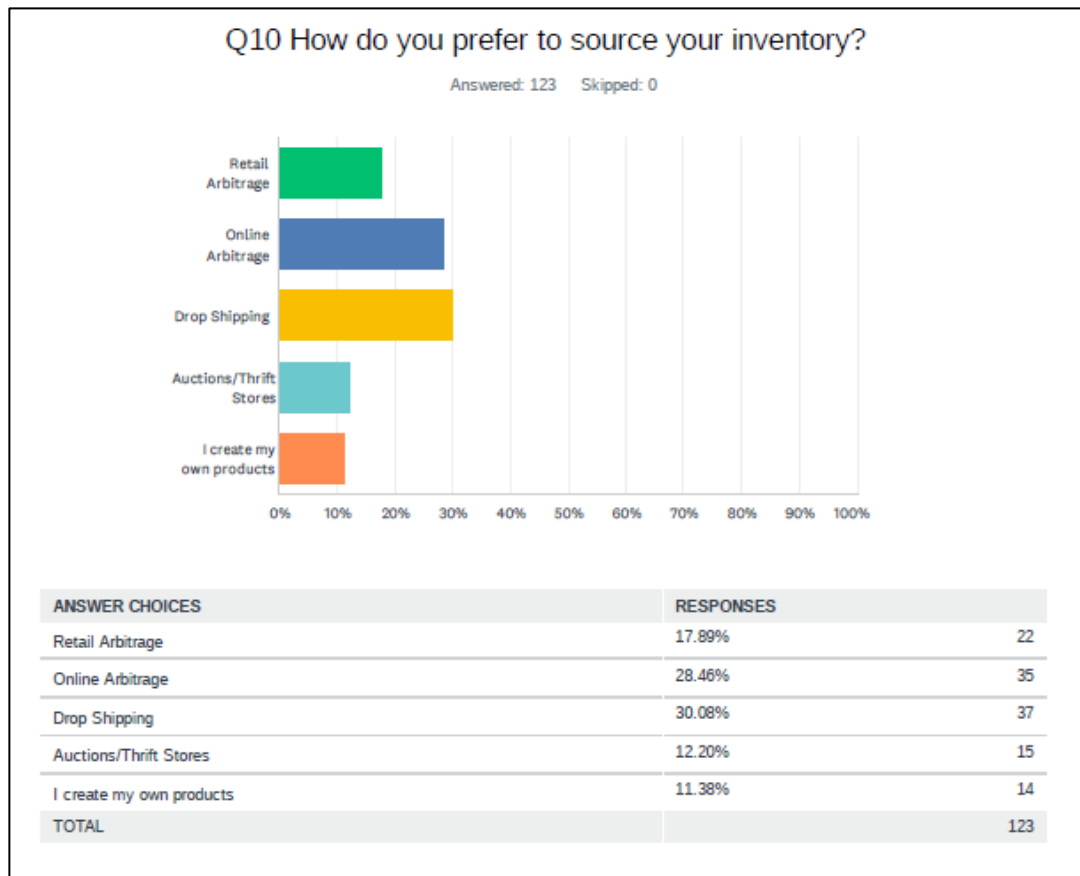


ANSWER CHOICES	RESPONSES	
QuickBooks Commerce (formerly TradeGecko)	15.45%	19
I forecast in house	25.20%	31
Jungle Scout	22.76%	28
So Stocked	28.46%	35
Sellbrite	23.58%	29
Sellics	10.57%	13
Brightpearl	9.76%	12
Veeqo	6.50%	8
Restock Pro	12.20%	15
Inventory Lab	11.38%	14
ForecastRx	7.32%	9
Other (please specify)	2.44%	3
Total Respondents: 123		

Figure 23: Survey Question #8 Results

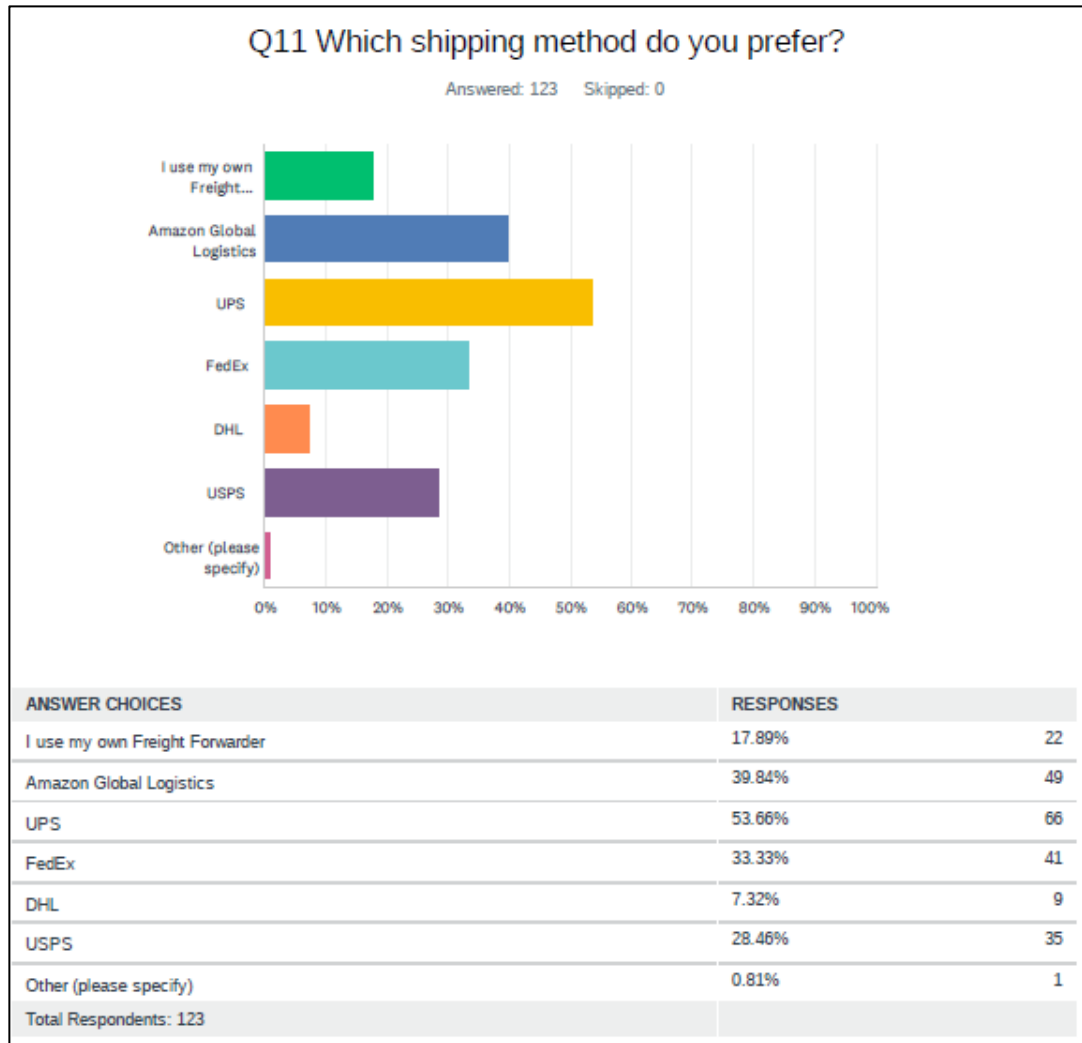


**Figure 24: Survey Question #9 Results**



**Figure 25: Survey Question #10 Results**

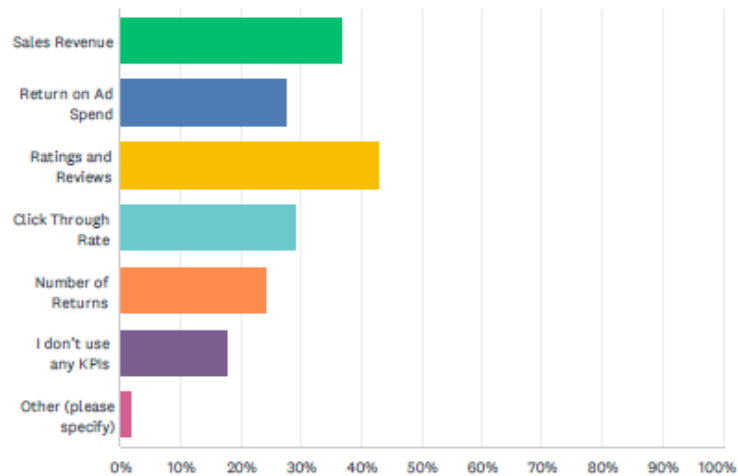




**Figure 26: Survey Question #11 Results**

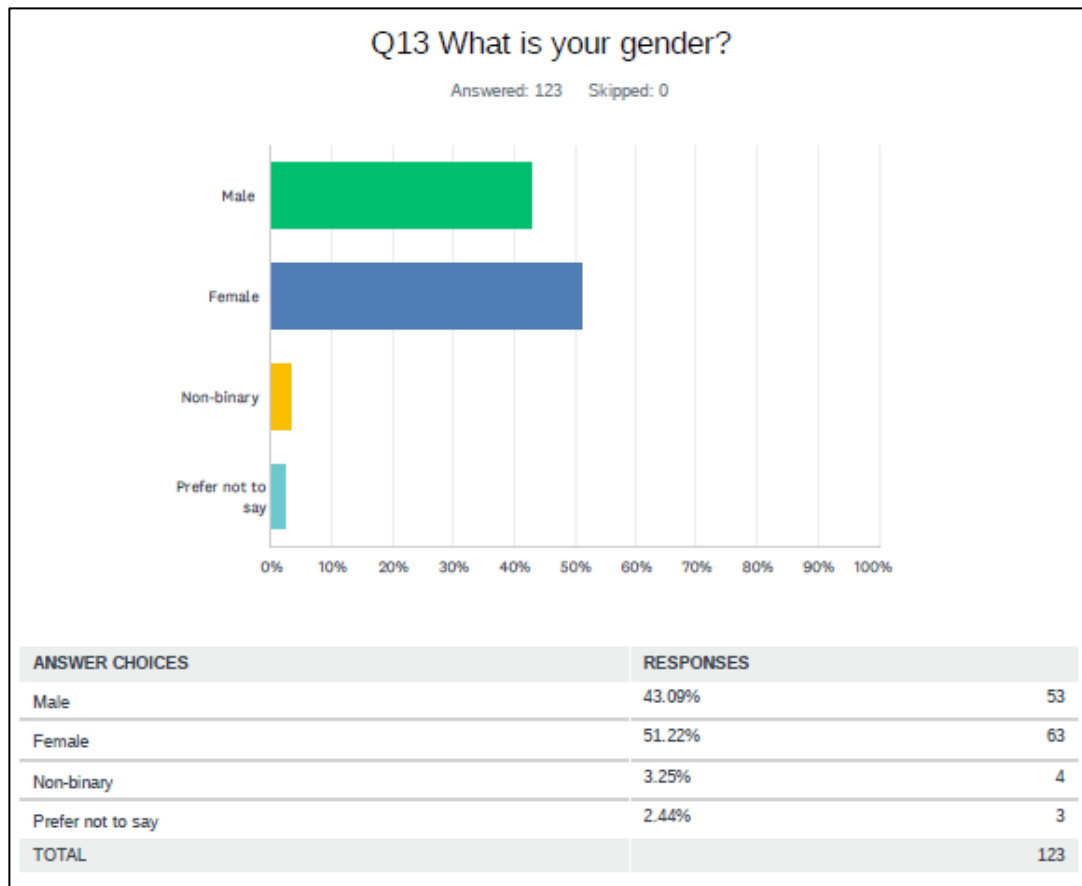
**Q12 Which key performance indicators (KPIs) (if any) do you use to assess the success of your products? (Select all that apply)**

Answered: 123 Skipped: 0

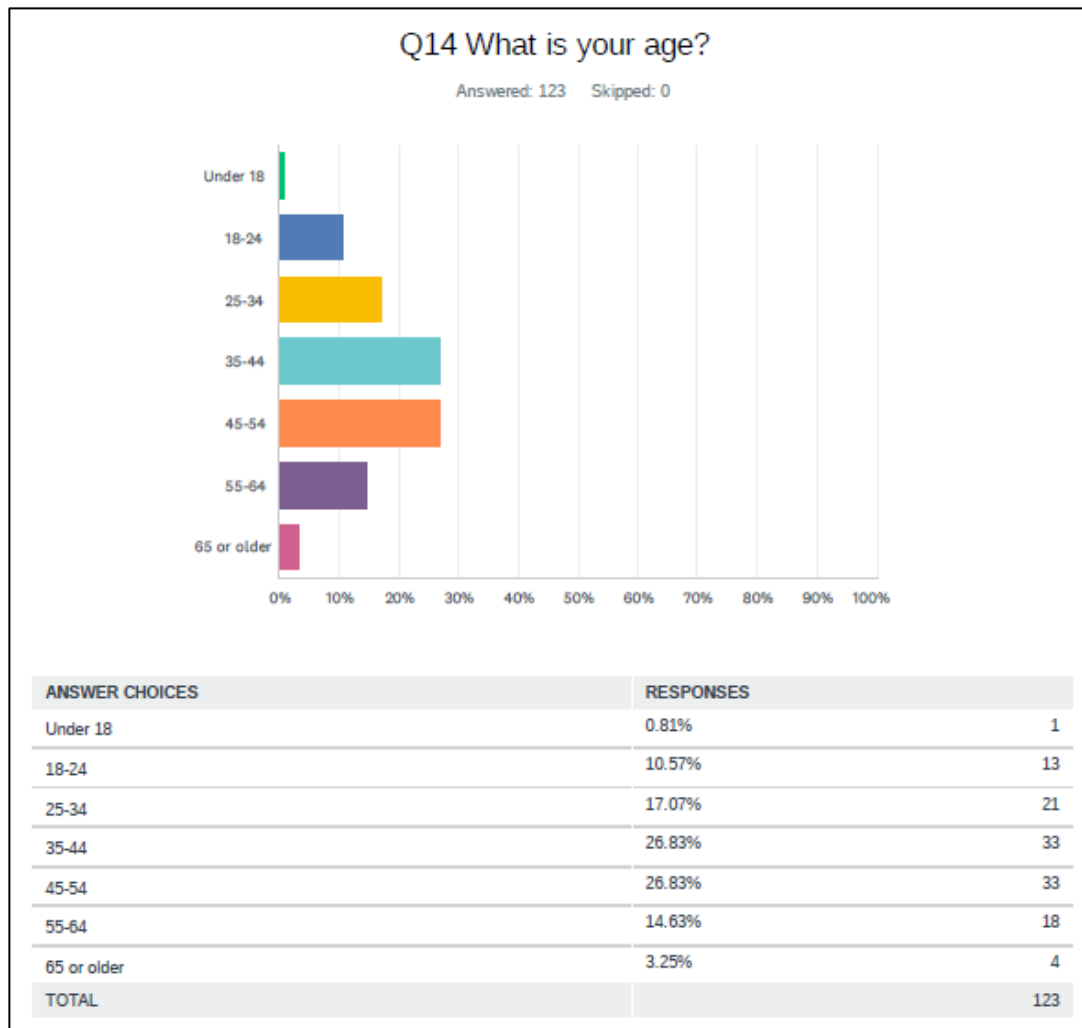


ANSWER CHOICES	RESPONSES	
Sales Revenue	36.59%	45
Return on Ad Spend	27.64%	34
Ratings and Reviews	43.09%	53
Click Through Rate	29.27%	36
Number of Returns	24.39%	30
I don't use any KPIs	17.89%	22
Other (please specify)	1.63%	2
Total Respondents: 123		

**Figure 27: Survey Question #12 Results**



**Figure 28: Survey Question #13 Results**



**Figure 29: Survey Question #14 Results**

## Statistical Significance

Through the utilization of the Statistical Package for the Social Sciences (SPSS) data analysis program, several instances of statistical significance were identified within the dataset acquired from the Amazon seller survey (Morgan et al, 2004). Given that all variables extracted from the survey are categorical, the chi-square test was utilized to determine significance levels. The chi-square test is a non-parametric statistical method used to assess the association between categorical variables by comparing observed frequencies with expected frequencies (Miola & Miot, 2022).

The results indicate there were several significant associations between Amazon seller experience levels and various aspects of their businesses, as demonstrated by multiple p-values below 0.05. A seller's tenure on the marketplace, which was shown to have a significant relationship to product categories ( $p = 0.001$ ), fulfillment strategies ( $p = 0.013$ ), and financial performance ( $p = 0.002$ ), emerged as a defining factor. More established sellers who had been active on Amazon for over 5 years tended to focus their offerings within categories like Electronics, Clothing, and Books. They also predominantly utilized Fulfillment by Amazon and the hybrid "Both" models compared to less experienced sellers who relied more on Fulfillment by Merchant. Furthermore, experienced Amazon professionals reported achieving higher annual income brackets (\$100k+) far more frequently than newcomers. When it came to product acquisition strategies, experienced sellers placed a significantly greater emphasis on market research ( $p =$

0.001) and competitor analysis ( $p < 0.001$ ). Experienced Amazon sellers also utilized dedicated inventory management software and solutions at higher rates versus less seasoned professionals, who forecasted manually, as indicated by the significant p-value of  $< 0.001$ . Clear patterns were observed between a seller's experience level and various aspects of their Amazon businesses, underscored by multiple statistically significant p-values below 0.05.

There is a significant association between annual net income on Amazon and the category sellers primarily operate in ( $p < 0.001$ ). A higher proportion of Electronics and Clothing/Accessories sellers reported incomes between \$0 - 49,000 compared to categories like Home/Kitchen and Beauty. Books, Electronics and Clothing/Accessories categories had higher representations of sellers earning over \$100,000 annually. Smaller proportions across categories reported incomes between \$249,000 - 499,999 and \$500,000 - 999,000. Specific categories like Books, Electronics, Toys, and Beauty showed sellers achieving \$1 million or more annually on Amazon.

There was no significant association between annual net income and the fulfillment program used ( $p = 0.10$ ). However, some trends were observed. Sellers using “Both” or FBA reported incomes more evenly across categories compared to those using primarily FBM who reported higher numbers in the lower income brackets. The relationship between gender and fulfillment program approached significance ( $p = 0.07$ ). Females and males were represented equally across all programs. However, non-binary individuals reported higher usage of FBM. A

statistically significant association was observed between age and fulfillment choice ( $p = 0.02$ ). Younger sellers (18-34 years) utilized FBM more whereas sellers aged 35-54 predominantly used Both or FBA. The older age groups largely relied on FBA. While income did not significantly differ by fulfillment, some patterns emerged. Gender showed a near significant relationship and age demonstrated a clear significant impact on the program selection made by Amazon sellers.

There was a significant association between annual income and software tools used for product acquisition ( $p < 0.001$ ). Sellers with higher incomes tended to use tools such as Jungle Scout, AMZScout and Seller Amp more compared to those earning less who choose not to use any tools. A similar trend was observed for importance given to market research ( $p = 0.044$ ), with established sellers choosing to place this at the top of their priority list. On the other hand, no significant relationship was found between income and priority on competitor analysis ( $p = 0.179$ ).

Supply chain management tools also significantly varied by income ( $p < 0.001$ ), with higher income sellers utilizing solutions like Jungle Scout, So Stocked and Sellbrite at higher rates. Preferred sourcing methods did not significantly differ based on income, but their preferred shipping method revealed some variation ( $p < 0.001$ ). Key metrics to evaluate product success were also significantly correlated to earnings ( $p = 0.008$ ), with sales revenue and ratings monitored more by top earners. Software usage and strategic approaches demonstrated clear relationships

with a seller's annual income from their Amazon business, revealing that higher earners tend to employ more advanced tools and processes.

There are no indications of a significant association between gender and preferred sourcing methods for inventory ( $p = 0.440$ ). Across all gender categories, the most common method of sourcing inventory appears to be online arbitrage, with 18.7% of females, 8.9% of males, 1% of non-binary individuals, and no preference from those who prefer not to say. This suggests that online arbitrage is a popular sourcing method regardless of gender identity. Drop shipping is also a commonly chosen method, with similar percentages across genders, indicating its widespread appeal among all gender groups. Interestingly, while there are slight variations in preferences between genders for other methods like retail arbitrage and creating one's own products, these differences are not statistically significant. Ultimately, the lack of a significant association between gender and preferred inventory sourcing methods suggests that gender identity does not strongly influence the choice of sourcing strategy among Amazon sellers. Factors such as personal preference, business model, and market opportunities may play a more significant role in determining inventory sourcing methods than gender identity.

There are indications of a marginally significant association between shipping method and gender ( $p = 0.096$ ), as well as shipping method and age ( $p = 0.107$ ). For gender, while there are some variations in the choice of shipping method across different groups, none of the differences are pronounced enough to reach statistical significance. However, there seems to be a slightly higher



preference among females for UPS and USPS compared to males, who show a slightly higher preference for FedEx and DHL. Regarding age, there are noticeable differences in the preferred shipping methods across age groups, though these differences are not statistically significant at the conventional level. Individuals aged 35-44 and 45-54 show a relatively higher preference for UPS and FedEx, while those in the 18-24 and 25-34 age groups tend to prefer Amazon Global Logistics. Additionally, older age groups (55-64 and 65 or older) exhibit a higher preference for UPS and USPS compared to younger age groups. While there are some observable patterns in shipping method preferences among different demographic groups, the differences are not statistically significant at the conventional threshold of  $p < 0.05$ .

A statistically significant association was revealed between the identification of key performance indicators (KPIs) and age ( $p = 0.014$ ), but not between KPIs and gender ( $p = 0.296$ ). Although there are no significant differences in the selection of KPIs across different gender groups, males seem to show a slightly higher preference for sales revenue and ratings and reviews compared to females, while females appear to prioritize return on ad spend and number of returns slightly more than males. Regarding age, significant differences are observed in the preference for KPIs among different age groups. Individuals aged 45-54 tend to prioritize all KPIs more consistently compared to other age groups. The 25-34 age group also demonstrates a relatively high preference for all KPIs, particularly sales revenue and ratings and reviews. On the other hand, the 55-64 age

group shows a higher preference for click-through rate and number of returns, while the youngest age group (18-24) tends to prioritize ratings and reviews and click-through rate more than other KPIs.

**Table 1: Amazon Selling Practices in Relation to Seller Tenure**

<b>How long have you been selling on the Amazon platform</b>	<b>Less than 1 year count (%)</b>	<b>1-3 years count (%)</b>	<b>3-5 years count (%)</b>	<b>More than 5 years count (%)</b>	<b>P value</b>
<b>Which category do you primarily sell on Amazon?</b>					0.001
Electronics	13 (10.6%)	12 (9.8%)	19 (15.4%)	6 (4.9%)	
Home and Kitchen	9 (7.3%)	10 (8.1%)	15 (12.2%)	5 (4.1%)	
Clothing and Accessories	12 (9.8%)	11 (8.9%)	20 (16.3%)	3 (2.4%)	
Beauty and Personal Care	5 (4.1%)	11 (8.9%)	15 (12.2%)	5 (4.1%)	
Toys and Games	3 (2.4%)	9 (7.3%)	8 (6.5%)	5 (4.1%)	
Books	5 (4.1%)	7 (5.7%)	12 (9.8%)	7 (5.7%)	
Sports and Outdoors	2 (1.6%)	2 (1.6%)	5 (4.1%)	2 (1.6%)	
Health and Household	6 (4.9%)	8 (6.5%)	5 (4.1%)	2 (1.6%)	
Automotive	1 (0.8%)	3 (2.4%)	2 (1.6%)	0 (0.0%)	
Other (Grocery, Crafts, Cards, Pets)	3 (2.4%)	3 (2.4%)	0 (0.0%)	2 (1.6%)	
<b>Do you participate in Amazon FBA or FBM?</b>					0.013
Both	13 (10.6%)	15 (12.2%)	17 (13.8%)	7 (5.7%)	
FBA	20 (16.3%)	13 (10.6%)	4 (3.3%)	7 (5.7%)	
FBM	8 (6.5%)	7 (5.7%)	12 (9.8%)	0 (0.0%)	
<b>Annual net income on the Amazon platform</b>					0.002

\$0 - \$49,999	30 (24.8%)	16 (13.2%)	7 (5.8%)	7 (5.8%)	
\$50,000 - \$99,999	8 (6.6%)	10 (8.3%)	9 (7.4%)	1 (0.8%)	
\$100,000 - \$249,999	0 (0%)	4 (3.3%)	3 (2.5%)	2 (1.7%)	
\$249,000 - \$499,999	1 (0.8%)	3 (2.5%)	5 (4.1%)	1 (0.8%)	
\$499,000 - \$749,000	0 (0%)	2 (1.7%)	4 (3.3%)	0 (0.0%)	
\$750,000 - \$999,000	0 (0%)	0 (0.0%)	3 (2.5%)	1 (0.8%)	
\$1,000,000 or more	1 (0.8%)	0 (0.0%)	1 (0.8%)	2 (1.7%)	
<b>To what extent do you prioritize market research in your product acquisition strategy?</b>					0.001
Extensively	2 (1.6%)	4 (3.3%)	9 (7.3%)	4 (3.3%)	
Moderately	3 (2.4%)	7 (5.7%)	6 (4.9%)	5 (4.1%)	
Somewhat	9 (7.3%)	15 (12.2%)	12 (9.8%)	1 (0.8%)	
Neutral	19 (15.4%)	7 (5.7%)	5 (4.1%)	2 (1.6%)	
Not at all	8 (6.5%)	2 (1.6%)	1 (0.8%)	2 (1.6%)	
<b>To what extent do you prioritize competitor analysis in your product acquisition strategy?</b>					< 0.001
Extensively	5 (4.1%)	6 (4.9%)	9 (7.3%)	3 (2.4%)	
Moderately	2 (1.6%)	8 (6.5%)	6 (4.9%)	5 (4.1%)	
Somewhat	8 (6.5%)	14 (11.4%)	7 (5.7%)	0 (0.0%)	
Neutral	19 (15.4%)	5 (4.1%)	11 (8.9%)	3 (2.4%)	
Not at all	7 (5.7%)	2 (1.6%)	0 (0.0%)	3 (2.4%)	
<b>Which specific software tools do you currently use for supply chain (inventory) management in your Amazon business?</b>					< 0.001
QuickBooks Commerce (formerly TradeGecko)	4(3.3%)	7(5.7%)	5(4.1%)	3(2.4%)	
I forecast in house	0 (0.0%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	

Jungle Scout	6 (4.9%)	4 (3.3%)	16 (13.0%)	2 (1.6%)	
So Stocked	7 (5.7%)	10 (8.1%)	16 (13.0%)	2 (1.6%)	
Sellbrite	8 (6.5%)	6 (4.9%)	14 (11.4%)	1 (0.8%)	
Sellics	2 (1.6%)	3 (2.4%)	6 (4.9%)	2 (1.6%)	
Brightpearl	1 (0.8%)	4 (3.3%)	6 (4.9%)	1 (0.8%)	
Veego	0 (0.0%)	4 (3.3%)	4 (3.3%)	0 (0.0%)	
Restock Pro	3 (2.4%)	8 (6.5%)	3 (2.4%)	1 (0.8%)	
Inventory Lab	2 (1.6%)	6 (4.9%)	3 (2.4%)	3 (2.4%)	
ForecastRx	1 (0.8%)	4 (3.3%)	4 (3.3%)	0 (0.0%)	
I forecast in house	14 (11.4%)	6 (4.9%)	5 (4.1%)	5 (4.1%)	
Others	1 (0.8%)	0 (0.0%)	0 (0.0%)	2 (1.6%)	

**Table 2: Annual Net Income and Product Category**

<b>Annual Net Income on the Amazon Platform</b>	<b>\$0 - \$49,999 Count (%)</b>	<b>\$50,000 - \$99,999 Count (%)</b>	<b>\$100,000 - \$249,999 Count (%)</b>	<b>\$249,000 - \$499,999 Count (%)</b>	<b>\$499,000 - \$749,000 Count (%)</b>	<b>\$750,000 - \$999,000 Count (%)</b>	<b>\$1,000,000 or more Count (%)</b>	<b>P value</b>
Electronics	18 (14.9%)	12 (9.9%)	6 (5.0%)	5 (4.1%)	4 (3.3%)	2 (1.7%)	2 (1.7%)	< 0.001
Home and Kitchen	11 (9.1%)	13 (10.7%)	4 (3.3%)	4 (3.3%)	4 (3.3%)	1 (0.8%)	1 (0.8%)	
Clothing and Accessories	17 (14.0%)	7 (5.8%)	4 (3.3%)	5 (4.1%)	5 (4.1%)	3 (2.5%)	3 (2.5%)	
Beauty and Personal Care	8 (6.6%)	10 (8.3%)	5 (4.1%)	5 (4.1%)	5 (4.1%)	0 (0.0%)	2 (1.7%)	
Toys and Games	8 (6.6%)	6 (5.0%)	4 (3.3%)	2 (1.7%)	2 (1.7%)	1 (0.8%)	2 (1.7%)	
Books	12 (9.9%)	5 (4.1%)	6 (5.0%)	4 (3.3%)	1 (0.8%)	1 (0.8%)	2 (1.7%)	
Sports and Outdoors	1 (0.8%)	5 (4.1%)	2 (1.7%)	2 (1.7%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	
Health and Household	7 (5.8%)	5 (4.1%)	3 (2.5%)	2 (1.7%)	2 (1.7%)	1 (0.8%)	1 (0.8%)	
Automotive	1 (0.8%)	2 (1.7%)	0 (0.0%)	1 (0.8%)	2 (1.7%)	0 (0.0%)	0 (0.0%)	

**Table 3: Demographics and Fulfillment Choice**

	<b>Both count (%)</b>	<b>FBA count (%)</b>	<b>FBM count (%)</b>	<b>P value</b>
<b>Annual net income on the Amazon platform</b>				.10
\$0 - \$49,999	25 (20.7%)	26 (21.5%)	9 (7.4%)	
\$50,000 - \$99,999	10 (8.3%)	6 (5.0%)	12 (9.9%)	
\$100,000 - \$249,999	2 (1.7%)	5 (4.1%)	2 (1.7%)	
\$249,000 - \$499,999	4 (3.3%)	3 (2.5%)	3 (2.5%)	
\$499,000 - \$749,000	4 (3.3%)	2 (1.7%)	0 (0.0%)	
\$750,000 - \$999,000	3 (2.5%)	0 (0.0%)	1 (0.8%)	
\$1,000,000 or more	3 (2.5%)	1 (0.8%)	0 (0.0%)	
<b>Gender</b>				.07
Female	27 (22.0%)	24 (19.5%)	12 (9.8%)	
Male	23 (18.7%)	20 (16.3%)	10 (8.1%)	
Non-binary	1 (0.8%)	0 (0.0%)	3 (2.4%)	
Prefer not to say	1 (0.8%)	0 (0.0%)	2 (1.6%)	
<b>Age</b>				.02
Under 18	0 (0.0%)	1 (0.8%)	0 (0.0%)	

18-24	3 (2.4%)	3 (2.4%)	7 (5.7%)	
25-34	6 (4.9%)	6 (4.9%)	9 (7.3%)	
35-44	15 (12.2%)	11 (8.9%)	7 (5.7%)	
45-54	17 (13.8%)	14 (11.4%)	2 (1.6%)	
55-64	10 (8.1%)	7 (5.7%)	1 (0.8%)	
65 or older	1 (0.8%)	2 (1.6%)	1 (0.8%)	



**Table 4: Annual Net Income and Seller Tendencies**

<b>Annual net income on the Amazon platform</b>	<b>\$0 - \$49,999 count (%)</b>	<b>\$50,000 - \$99,999 count (%)</b>	<b>\$100,000 - \$249,999 count (%)</b>	<b>\$249,000 - \$499,999 count (%)</b>	<b>\$499,000 - \$749,000 count (%)</b>	<b>\$750,000 - \$999,000 count (%)</b>	<b>\$1,000,000 or more count (%)</b>	<b>P value</b>
<b>Software tools for product acquisition on Amazon</b>								<0.001
Helium 10	3 (2.5%)	1 (0.8%)	6 (5.0%)	2 (1.7%)	3 (2.5%)	0 (0.0%)	0 (0.0%)	
Jungle Scout	9 (7.4%)	8 (6.6%)	1 (0.8%)	5 (4.1%)	3 (2.5%)	4 (3.3%)	1 (0.8%)	
AMZ Scout	7 (5.8%)	10 (8.3%)	5 (4.1%)	4 (3.3%)	3 (2.5%)	1 (0.8%)	1 (0.8%)	
Viral Launch	5 (4.1%)	7 (5.8%)	5 (4.1%)	3 (2.5%)	4 (3.3%)	2 (1.7%)	0 (0.0%)	
Seller Amp	12 (9.9%)	10 (8.3%)	2 (1.7%)	3 (2.5%)	2 (1.7%)	0 (0.0%)	2 (1.7%)	
Zonguru	4 (3.3%)	6 (5.0%)	3 (2.5%)	3 (2.5%)	2 (1.7%)	1 (0.8%)	0 (0.0%)	
Exploding Topics	1 (0.8%)	1 (0.8%)	2 (1.7%)	2 (1.7%)	2 (1.7%)	0 (0.0%)	2 (1.7%)	
Unicorn Smasher	2 (1.7%)	1 (0.8%)	3 (2.5%)	1 (0.8%)	0 (0.0%)	1 (0.8%)	0 (0.0%)	
I don't use any software tools	29 (24.0%)	1 (0.8%)	1 (0.8%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
Other (Keepa, etc)	2 (1.7%)	1 (0.8%)	0 (0.0%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	2 (1.7%)	
<b>Market research in product acquisition strategy</b>								0.044
Extensively	5 (4.1%)	4 (3.3%)	1 (0.8%)	1 (0.8%)	3 (2.5%)	2 (1.7%)	2 (1.7%)	
Moderately	7 (5.8%)	6 (5.0%)	3 (2.5%)	3 (2.5%)	1 (0.8%)	0 (0.0%)	1 (0.8%)	
Neutral	21 (17.4%)	6 (5.0%)	2 (1.7%)	1 (0.8%)	1 (0.8%)	0 (0.0%)	1 (0.8%)	
Not at all	12 (9.9%)	0 (0.0%)	0 (0.0%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
Somewhat	15 (12.4%)	12 (9.9%)	3 (2.5%)	4 (3.3%)	1 (0.8%)	2 (1.7%)	0 (0.0%)	

<b>Competitor analysis in product acquisition strategy</b>								0.179
Extensively	7 (5.8%)	5 (4.1%)	2 (1.7%)	3 (2.5%)	3 (2.5%)	0 (0.0%)	2 (1.7%)	
Moderately	7 (5.8%)	4 (3.3%)	3 (2.5%)	3 (2.5%)	2 (1.7%)	1 (0.8%)	0 (0.0%)	
Neutral	21 (17.4%)	10 (8.3%)	2 (1.7%)	1 (0.8%)	0 (0.0%)	2 (1.7%)	2 (1.7%)	
Not at all	11 (9.1%)	0 (0.0%)	0 (0.0%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
Somewhat	14 (11.6%)	9 (7.4%)	2 (1.7%)	2 (1.7%)	1 (0.8%)	1 (0.8%)	0 (0.0%)	
<b>Software tools for supply chain (inventory) management</b>								<0.001
QuickBooks Commerce (formerly TradeGecko)	7 (5.8%)	3 (2.5%)	4 (3.3%)	2 (1.7%)	2 (1.7%)	0 (0.0%)	0 (0.0%)	
I forecast in house	1 (0.8%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
Jungle Scout	6 (5.0%)	9 (7.4%)	1 (0.8%)	4 (3.3%)	3 (2.5%)	2 (1.7%)	2 (1.7%)	
So Stocked	7 (5.8%)	12 (9.9%)	5 (4.1%)	4 (3.3%)	3 (2.5%)	2 (1.7%)	1 (0.8%)	
Sellbrite	7 (5.8%)	9 (7.4%)	3 (2.5%)	3 (2.5%)	4 (3.3%)	0 (0.0%)	1 (0.8%)	
Sellics	2 (1.7%)	0 (0.0%)	4 (3.3%)	3 (2.5%)	3 (2.5%)	0 (0.0%)	1 (0.8%)	
Brightpearl	1 (0.8%)	1 (0.8%)	5 (4.1%)	2 (1.7%)	1 (0.8%)	1 (0.8%)	1 (0.8%)	
Veeqo	2 (1.7%)	2 (1.7%)	1 (0.8%)	3 (2.5%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
Restock Pro	7 (5.8%)	2 (1.7%)	3 (2.5%)	1 (0.8%)	1 (0.8%)	1 (0.8%)	0 (0.0%)	
Inventory Lab	4 (3.3%)	3 (2.5%)	1 (0.8%)	3 (2.5%)	1 (0.8%)	0 (0.0%)	2 (1.7%)	
ForecastRx	1 (0.8%)	2 (1.7%)	2 (1.7%)	2 (1.7%)	1 (0.8%)	1 (0.8%)	0 (0.0%)	
Others (Seller board)	2 (1.7%)	0 (0.0%)	0 (0.0%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
<b>Preferred sourcing of inventory</b>								0.284

Auctions/Thrift Stores	11 (9.1%)	2 (1.7%)	0 (0.0%)	1 (0.8%)	0 (0.0%)	1 (0.8%)	0 (0.0%)	
Drop Shipping	18 (14.9%)	11 (9.1%)	3 (2.5%)	1 (0.8%)	2 (1.7%)	2 (1.7%)	0 (0.0%)	
I create my own products	11 (9.1%)	2 (1.7%)	0 (0.0%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
Online Arbitrage	13 (10.7%)	8 (6.6%)	4 (3.3%)	5 (4.1%)	1 (0.8%)	0 (0.0%)	2 (1.7%)	
Retail Arbitrage	7 (5.8%)	5 (4.1%)	2 (1.7%)	2 (1.7%)	3 (2.5%)	1 (0.8%)	2 (1.7%)	
<b>Preferred shipping method</b>								<0.001
I use my own Freight Forwarder	5 (4.2%)	4 (3.3%)	4 (3.3%)	3 (2.5%)	4 (3.3%)	0 (0.0%)	0 (0.0%)	
Amazon Global Logistics	20 (16.7%)	11 (9.2%)	5 (4.2%)	3 (2.5%)	6 (5.0%)	1 (0.8%)	2 (1.7%)	
UPS	28 (23.3%)	14 (11.7%)	7 (5.8%)	6 (5.0%)	5 (4.2%)	2 (1.7%)	3 (2.5%)	
FedEx	10 (8.3%)	15 (12.5%)	4 (3.3%)	5 (4.2%)	5 (4.2%)	0 (0.0%)	1 (0.8%)	
DHL	0 (0.0%)	3 (2.5%)	3 (2.5%)	1 (0.8%)	0 (0.0%)	1 (0.8%)	1 (0.8%)	
USPS	21 (17.5%)	5 (4.2%)	3 (2.5%)	4 (3.3%)	1 (0.8%)	0 (0.0%)	1 (0.8%)	
<b>Key performance indicators (KPIs) used to assess product success</b>								0.008
Sales Revenue	20 (16.7%)	8 (6.7%)	4 (3.3%)	6 (5.0%)	4 (3.3%)	0 (0.0%)	2 (1.7%)	
Return on Ad Spend	12 (10.0%)	10 (8.3%)	3 (2.5%)	3 (2.5%)	3 (2.5%)	0 (0.0%)	2 (1.7%)	

Ratings and Reviews	22 (18.3%)	11 (9.2%)	5 (4.2%)	3 (2.5%)	6 (5.0%)	4 (3.3%)	1 (0.8%)	
Click Through Rate	10 (8.3%)	10 (8.3%)	5 (4.2%)	4 (3.3%)	4 (3.3%)	0 (0.0%)	1 (0.8%)	
Number of Returns	13 (10.8%)	6 (5.0%)	4 (3.3%)	3 (2.5%)	2 (1.7%)	0 (0.0%)	2 (1.7%)	
I don't use any KPIs	15 (12.5%)	2 (1.7%)	2 (1.7%)	3 (2.5%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	

**Table 5: Preferred Sourcing Method by Gender**

<b>Gender</b>	<b>Female Count (%)</b>	<b>Male Count (%)</b>	<b>Non-binary Count (%)</b>	<b>Prefer not to say Count (%)</b>	<b>P value</b>
<b>How do you prefer to source your inventory?</b>					
Auctions/Thrift Stores	4 (3.3%)	9 (7.3%)	1 (0.8%)	1 (0.8%)	0.440
Drop Shipping	18 (14.6%)	16 (13.0%)	2 (1.6%)	1 (0.8%)	
I create my own products	9 (7.3%)	5 (4.1%)	0 (0.0%)	0 (0.0%)	
Online Arbitrage	23 (18.7%)	11 (8.9%)	1 (0.8%)	0 (0.0%)	
Retail Arbitrage	9 (7.3%)	12 (9.8%)	0 (0.0%)	1 (0.8%)	

**Table 6: Preferred Shipping Method by Gender & Age**

<b>Shipping Method</b>	<b>I use my own Freight Forwarder count (%)</b>	<b>Amazon Global Logistics count (%)</b>	<b>UPS count (%)</b>	<b>FedEx count (%)</b>	<b>DHL count (%)</b>	<b>USPS count (%)</b>	<b>p value</b>
<b>Gender</b>							0.096
Female	5 (4.1%)	23 (18.9%)	32 (26.2%)	18 (14.8%)	3 (2.5%)	22 (18.0%)	
Male	16 (13.1%)	23 (18.9%)	31 (25.4%)	21 (17.2%)	5 (4.1%)	13 (10.7%)	
Non-binary	1 (0.8%)	2 (1.6%)	3 (2.5%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	
Prefer not to say	0 (0.0%)	1 (0.8%)	0 (0.0%)	1 (0.8%)	1 (0.8%)	0 (0.0%)	
<b>Age</b>							0.107
Under 18	0 (0.0%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
18-24	1 (0.8%)	6 (4.9%)	6 (4.9%)	2 (1.6%)	0 (0.0%)	2 (1.6%)	
25-34	4 (3.3%)	7 (5.7%)	11 (9.0%)	11 (9.0%)	3 (2.5%)	4 (3.3%)	
35-44	2 (1.6%)	15 (12.3%)	19 (15.6%)	9 (7.4%)	2 (1.6%)	11 (9.0%)	
45-54	13 (10.7%)	15 (12.3%)	21 (17.2%)	11 (9.0%)	4 (3.3%)	9 (7.4%)	
55-64	2 (1.6%)	4 (3.3%)	7 (5.7%)	6 (4.9%)	0 (0.0%)	9 (7.4%)	
65 or older	0 (0.0%)	1 (0.8%)	2 (1.6%)	2 (1.6%)	0 (0.0%)	0 (0.0%)	

**Table 7: KPI Preference by Gender & Age**

<b>KPIs</b>	<b>Sales Revenue count (%)</b>	<b>Return on Ad Spend count (%)</b>	<b>Ratings and Reviews count (%)</b>	<b>Click Through Rate count (%)</b>	<b>Number of Returns count (%)</b>	<b>I don't use any KPIs count (%)</b>	<b>P value</b>
<b>Gender</b>							0.296
Female	20 (16.4%)	18 (14.8%)	23 (18.9%)	16 (13.1%)	16 (13.1%)	9 (7.4%)	
Male	24 (19.7%)	15 (12.3%)	27 (22.1%)	16 (13.1%)	11 (9.0%)	13 (10.7%)	
Non-binary	0 (0.0%)	1 (0.8%)	3 (2.5%)	2 (1.6%)	2 (1.6%)	0 (0.0%)	
Prefer not to say	1 (0.8%)	0 (0.0%)	0 (0.0%)	2 (1.6%)	1 (0.8%)	0 (0.0%)	
<b>Age</b>							0.014
18-24	3 (2.5%)	5 (4.1%)	3 (2.5%)	6 (4.9%)	1 (0.8%)	2 (1.6%)	
25-34	6 (4.9%)	7 (5.7%)	10 (8.2%)	10 (8.2%)	5 (4.1%)	2 (1.6%)	
35-44	11 (9.0%)	8 (6.6%)	14 (11.5%)	8 (6.6%)	10 (8.2%)	5 (4.1%)	
45-54	18 (14.8%)	12 (9.8%)	20 (16.4%)	10 (8.2%)	7 (5.7%)	4 (3.3%)	
55-64	5 (4.1%)	1 (0.8%)	6 (4.9%)	2 (1.6%)	7 (5.7%)	7 (5.7%)	
65 or older	2 (1.6%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	2 (1.6%)	
Under 18	0 (0.0%)	1 (0.8%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	

## Choosing an Effective Product Acquisition Tool

The top five product acquisition software tools selected from the Amazon seller survey provide a diverse array of options for sellers looking to optimize their operations. Among these tools are Jungle Scout, Zonguru, AMZ Scout, Viral Launch, and Seller Amp. Each tool offers unique capabilities and pricing structures tailored to meet the needs of sellers in the Amazon marketplace.

When assessing which tool may be the most beneficial, factors such as cost-effectiveness, usability, and overall suitability become pivotal (Aden, 2023). Jungle Scout, Zonguru, AMZ Scout, Viral Launch, and Seller Amp are all recognized players in the field, with varying strengths and advantages that appeal to different seller demographics.

The decision-making process for sellers embarking on their Amazon journey involves careful consideration of these factors alongside their individual business goals and preferences (Aden, 2023). After conducting thorough research and perhaps even trialing multiple options, sellers can confidently select the product acquisition software that aligns best with their specific needs and aspirations as an Amazon seller. Table 1 highlights each of the top 5 tools dictated by the Amazon seller survey and the features associated with each one.



**Table 8: Product Acquisition Tool Analysis**

<b>Feature / Software</b>	<b>Jungle Scout (\$69)</b>	<b>Zonguru (\$79)</b>	<b>AMZ Scout (\$45.99)</b>	<b>Viral Launch (\$99)</b>	<b>SellerAmp (\$19.99)</b>
Product Research	✓	✓	✓	✓	✓
Keyword Research	✓	✓	✓	✓	
Keyword Tracking	✓	✓	✓	✓	
Listing Optimization	✓	✓	✓	✓	
Sales Analytics	✓	✓	✓	✓	✓
PPC Campaign Management		✓	✓	✓	
Supplier Database	✓				
Review Automation	✓	✓			
Profit Calculator		✓			✓
FBA Fee Calculator	✓	✓			✓
FBM Fee Calculator					✓
Rank Tracker	✓	✓	✓	✓	✓
Customer Feedback Analysis	✓	✓	✓		
Email Automator	✓	✓	✓		
<b>TOTAL</b>	<b>11</b>	<b>12</b>	<b>9</b>	<b>7</b>	<b>6</b>

## Choosing an Effective Inventory Management Software Tool

According to the Amazon seller survey, among the top contenders of software tools designed to streamline operations and enhance efficiency for inventory management include Jungle Scout, So Stocked, Sellbrite, QuickBooks Commerce, and Restock Pro. Each of these tools approach inventory management in their own unique way, catering to the diverse needs and preferences of sellers navigating the complexities of the Amazon marketplace. When considering which inventory management software may be the most suitable for their business, sellers must take into account factors such as cost, usability, and feature set (Salih et al, 2023). Jungle Scout, So Stocked, Sellbrite, QuickBooks Commerce, and Restock Pro all provide distinct advantages and functionalities that can significantly impact a seller's inventory management workflow.

The decision-making process for sellers entails a thorough evaluation of these factors alongside their specific business requirements and operational preferences (Salih et al, 2023). By carefully weighing the strengths and limitations of each tool, sellers can make an informed choice that aligns with their goals and objectives in effectively managing their inventory on the Amazon platform.

**Table 9: Inventory Management Software**

<b>Feature / Software</b>	<b>Jungle Scout (\$69)</b>	<b>SoStocked (\$158)</b>	<b>Sellbrite (\$60)</b>	<b>QuickBooks (\$45)</b>	<b>RestockPro (\$99.99)</b>
Demand Forecasting	✓	✓	✓	✓	✓
Sales Data Analysis	✓	✓	✓	✓	✓
Supplier Lead Times					
Restock Suggestions	✓	✓	✓		✓
Overstock Prevention	✓	✓	✓		
Customizable Reports	✓	✓	✓	✓	✓
FBA Integration	✓	✓	✓		✓
FBM Integration	✓	✓			
Data Visualization	✓	✓	✓	✓	✓
Advanced Machine Learning Algorithms	✓	✓	✓	✓	✓
<b>TOTAL</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>5</b>	<b>7</b>

## Choosing an Effective Shipping Method

Each Shipping method offers unique advantages and considerations to weigh against one another. Freight forwarders, whether utilizing sea or air freight, provide customized solutions and potential cost savings, although they require more involvement in logistics and diligent research to ensure reliability. UPS boasts a wide range of services and a robust domestic network, making it ideal for domestic shipments and businesses seeking versatility (Seitz et al, 2008). DHL shines in international shipments, particularly in Europe and Asia, offering extensive networks and expertise in customs clearance, albeit at a higher cost for smaller shipments and limited domestic options in certain regions (Seitz et al, 2008).

USPS remains a cost-effective choice for small packages, with flat rate options and Saturday delivery, though it may have slower delivery times and less reliable tracking (Seitz et al, 2008). Amazon Global Logistics stands out for its integration with Amazon services, competitive rates for Amazon sellers, and end-to-end solutions, though it may lack communication on shipment status. FedEx offers a broad service portfolio with express shipping options and reliable tracking, making it suitable for time-sensitive shipments that require a balance between speed and cost, albeit at higher costs for faster delivery options (Seitz et al, 2008). Each shipping method caters to specific needs and priorities, requiring careful consideration to select the most appropriate option for individual business requirements.

**Table 10: Shipping Methods**

<b>Shipping Method</b>	<b>Advantages</b>	<b>Disadvantages</b>	<b>Best For</b>
Freight Forwarder (Sea or Air Freight)	Customized solutions, potential cost savings, personal relationship with the provider.	Requires more involvement in logistics, must conduct thorough research to ensure the freight forwarder is a reputable and reliable company.	Businesses with specific shipping needs that require a personalized approach.
UPS (Air Freight)	Wide range of services, reliable tracking, strong domestic network.	Will be more expensive for large, international shipping.	Domestic shipments and businesses looking for a broad range of services.
DHL (Air Freight)	Extensive international network, fast delivery times, expertise in customs clearance.	Will be costly for smaller shipments, limited domestic options in some countries.	International shipments, especially in Europe and Asia.
USPS (Air Freight)	Cost-effective for small packages, flat rate options, Saturday delivery.	Slower delivery times, less reliable tracking.	Small businesses and low-weight domestic shipments.
Amazon Global Logistics (Sea or Air Freight)	Integrated with Amazon services, competitive rates for Amazon sellers, end-to-end solutions.	Minimal communication on the status of the shipment.	Amazon sellers looking for streamlined logistics directly to Amazon fulfillment centers.
FedEx (Air Freight)	Broad service portfolio, express shipping options, reliable tracking.	Higher costs for faster delivery options.	Time-sensitive shipments and a balance between speed and cost.

## Chapter 5

### Results, Recommendations and Conclusions

#### FBA and FBM Calculator Results

After a comparative analysis of the 15 products used to determine which method yielded higher profit margins, it was determined that 14 out of 15 had higher success with FBA. This preference for FBA is attributed to lower fulfillment costs, access to Prime shipping benefits, and the efficiency of Amazon's fulfillment network. Only 1 out of the 15 products demonstrated higher profitability with FBM, likely due to specific factors such as a lower shipping cost or unique product characteristics which warranted an increase in the listing price to the local populace. Overall, FBA emerged as the more profitable and efficient choice for 93% of the products tested compared to FBM.

**Table 11: FBA Fees**

			FBA Fulfillment					
Category	Product	Item Price	Amazon Fees	Fulfillment Costs	Storage Costs	Other Costs	NET Profit	Profit Margin
Home & Kitchen	Thermometer	\$ 15.99	\$ 2.40	\$ 3.42	\$ 4.52	\$ 4.95	\$ 5,215.42	32.62%
Home & Kitchen	Vegetable Chopper	\$ 29.99	\$ 4.50	\$ 6.10	\$ 134.88	\$ 6.94	\$ 12,315.12	41.06%
Home & Kitchen	Pressure Cooker	\$ 99.95	\$ 14.99	\$ 15.13	\$ 1,577.22	\$ 50.65	\$ 17,602.78	17.61%
Beauty & Care	Hair Oil	\$ 9.24	\$ 0.74	\$ 3.31	\$ 20.60	\$ 2.50	\$ 2,669.40	28.89%
Beauty & Care	Hair Trimmer	\$ 31.98	\$ 4.80	\$ 4.43	\$ 36.86	\$ 6.82	\$ 15,893.14	49.70%
Beauty & Care	Laser Hair Remover	\$ 99.99	\$ 15.00	\$ 6.00	\$ 68.40	\$ 14.78	\$ 64,141.60	64.15%
Clothing, Shoes, Jewelry	Packing Cubes	\$ 19.99	\$ 3.00	\$ 6.00	\$ 127.48	\$ 5.45	\$ 5,412.52	27.08%
Clothing, Shoes, Jewelry	Crossbody Bag	\$ 39.99	\$ 6.00	\$ 7.18	\$ 237.06	\$ 10.70	\$ 15,872.94	39.69%
Clothing, Shoes, Jewelry	Sneaker Bag	\$ 64.99	\$ 9.75	\$ 1.35	\$ 715.46	\$ 18.96	\$ 24,214.54	37.26%
Toys & Games	Writing Tablet	\$ 19.99	\$ 1.60	\$ 4.78	\$ 46.32	\$ 4.53	\$ 9,033.68	45.19%
Toys & Games	Baseball Batting Tee	\$ 30.39	\$ 4.56	\$ 10.93	\$ 579.66	\$ 10.91	\$ 3,410.34	11.22%
Toys & Games	Audio Player Set	\$ 69.99	\$ 5.60	\$ 6.86	\$ 187.40	\$ 16.13	\$ 51,212.60	58.88%
Health, Household, Baby	Food Scale	\$ 13.99	\$ 2.10	\$ 3.68	\$ 16.02	\$ 2.98	\$ 5,213.98	37.27%
Health, Household, Baby	Diaper Rash Cream	\$ 33.54	\$ 5.03	\$ 5.19	\$ 26.38	\$ 6.67	\$ 16,623.62	49.56%
Health, Household, Baby	Air Fryer Oven	\$ 59.99	\$ 9.00	\$ 12.19	\$ 877.86	\$ 19.31	\$ 18,612.14	31.03%

**Table 12: FBM Fees**

			FBM Fulfillment					
Category	Product	Item Price	Amazon Fees	Fulfillment Costs	Storage Costs	Other Costs	NET Profit	Profit Margin
Home & Kitchen	Thermometer	\$ 15.99	\$ 2.40	\$ 4.11	\$ 10.00	\$ 4.95	\$ 4,520.00	28.27%
Home & Kitchen	Vegetable Chopper	\$ 29.99	\$ 4.50	\$ 6.52	\$ 350.00	\$ 6.94	\$ 11,680.00	38.95%
Home & Kitchen	Pressure Cooker	\$ 99.95	\$ 14.99	\$ 17.46	\$ 2,980.00	\$ 50.65	\$ 13,870.00	13.88%
Beauty & Care	Hair Oil	\$ 9.24	\$ 0.74	\$ 4.47	\$ 50.00	\$ 2.50	\$ 1,480.00	16.02%
Beauty & Care	Hair Trimmer	\$ 31.98	\$ 4.80	\$ 5.32	\$ 100.00	\$ 6.82	\$ 14,940.00	46.72%
Beauty & Care	Laser Hair Remover	\$ 99.99	\$ 15.00	\$ 6.16	\$ 180.00	\$ 14.78	\$ 63,870.00	63.88%
Clothing, Shoes, Jewelry	Packing Cubes	\$ 19.99	\$ 3.00	\$ 7.15	\$ 330.00	\$ 5.45	\$ 4,060.00	20.31%
Clothing, Shoes, Jewelry	Crossbody Bag	\$ 39.99	\$ 6.00	\$ 7.84	\$ 610.00	\$ 10.70	\$ 14,840.00	37.11%
Clothing, Shoes, Jewelry	Sneaker Bag	\$ 64.99	\$ 9.75	\$ 15.15	\$ 1,350.00	\$ 18.96	\$ 19,780.00	30.44%
Toys & Games	Writing Tablet	\$ 19.99	\$ 1.60	\$ 6.09	\$ 120.00	\$ 4.53	\$ 7,650.00	38.27%
Toys & Games	Baseball Batting Tee	\$ 30.39	\$ 4.56	\$ 10.53	\$ 1,100.00	\$ 10.91	\$ 3,290.00	10.83%
Toys & Games	Audio Player Set	\$ 69.99	\$ 5.60	\$ 6.72	\$ 480.00	\$ 16.13	\$ 41,060.00	58.67%
Health, Household, Baby	Food Scale	\$ 13.99	\$ 2.10	\$ 5.15	\$ 40.00	\$ 2.98	\$ 3,720.00	26.59%
Health, Household, Baby	Diaper Rash Cream	\$ 33.54	\$ 5.03	\$ 6.09	\$ 70.00	\$ 6.67	\$ 15,680.00	46.75%
Health, Household, Baby	Air Fryer Oven	\$ 59.99	\$ 9.00	\$ 11.04	\$ 1,660.00	\$ 19.31	\$ 18,980.00	31.64%



## Recommendations

Based on the comprehensive overview of inventory management software tools, supply chain management practices, fee structures associated with Amazon FBA (Fulfillment by Amazon) and FBM (Fulfillment by Merchant), the Amazon FBA/FBM survey results, and the statistical analysis; it's evident that new sellers stand to benefit significantly from opting for Amazon FBA over FBM. Firstly, Amazon FBA offers new sellers access to Amazon's vast fulfillment network, allowing them to leverage Amazon's infrastructure for storage, packaging, and shipping of their products. This means that sellers using FBA can delegate the logistics and fulfillment aspects of their business to Amazon, freeing up valuable time and resources to focus on other critical aspects such as product sourcing, marketing, and customer service.

Secondly, utilizing Amazon FBA provides new sellers with access to Prime eligibility, which is a significant advantage in attracting customers on the Amazon platform. Products fulfilled by Amazon are eligible for Prime shipping, which offers fast and reliable delivery to Prime members, thus enhancing the visibility and desirability of the seller's products. Moreover, Amazon FBA simplifies the process of managing inventory and order fulfillment, as sellers can rely on Amazon's sophisticated inventory management tools and automated systems to track inventory levels, manage stock movements, and fulfill orders promptly. This reduces the burden on new sellers and ensures a smoother and more efficient operation overall.

Furthermore, Amazon FBA offers competitive shipping rates, as sellers benefit from Amazon's negotiated rates with carriers due to the volume of shipments processed through the platform. This can result in cost savings for new sellers, particularly when compared to the shipping costs associated with fulfilling orders independently through FBM. Lastly, Amazon FBA provides sellers with access to Amazon's customer service and returns management processes, which can help build trust and credibility with customers, especially for new sellers establishing their brand presence on the platform.

## Decision Matrix Overview

The Amazon FBA Seller Decision Matrix offers a systematic approach to guiding sellers through crucial decisions concerning product acquisition tools, inventory management software, and shipping methods. Sellers are prompted to assess their priorities and budget constraints at each step, ensuring alignment with their business needs. For product acquisition tools, options like Jungle Scout and SellerAmp are presented based on factors such as comprehensive product research needs and budget availability. Similarly, sellers evaluate their requirement for advanced inventory management features, with options like Sellbrite and Quickbooks Commerce tailored to their needs and financial resources. When it comes to shipping methods, considerations such as supplier location and flexibility requirements dictate choices between Amazon's preferred carrier (UPS) and utilizing a freight forwarder for overseas shipments. By following this decision

matrix, sellers can make informed choices that optimize efficiency, control costs, and support their overall business objectives on the Amazon platform.

## Decision Matrix Process

### Product Acquisition Tool

1. Do you prioritize comprehensive product research and analysis?

**Yes:** Proceed to question 2.

**No:** Manually perform product research on the Amazon platform and proceed to question 5.

2. Do you have a monthly budget of at least \$105 for investing in an advanced product research tool?

**Yes:** Proceed to question 3.

**No:** Proceed to question 4.

3. Would you prefer a centralized software solution that combines product acquisition, inventory management, listing optimization and fee calculators?

**Yes:** Choose Jungle Scout for its versatility and features at a competitive price point of \$69/month and proceed to question 9.

**No:** Choose SellerAmp based on specific needs, preferences, and a low price point of \$19.99/month and proceed to question 5.

4. Do you have a monthly budget of at least \$55 for investing in a moderately advanced product research tool?

**Yes:** Choose AMZ Scout for its Product research, optimization capabilities, and analytic tools for \$45.99/month and proceed to question 5.

**No:** Choose SellerAmp based on specific needs, preferences, and a low price point of \$19.99/month and proceed to question 5.

### Inventory Management Software

5. Do you require advanced inventory tracking and management features?

**Yes:** Proceed to question 6.

**No:** Manually perform in house forecasting for inventory tracking and management features using the Amazon seller platform and proceed to question 9.

6. Do you already possess a product acquisition tool that also has inventory management features, such as Jungle Scout?

**Yes:** You're good to go! Continue using your comprehensive software for managing your online Amazon business and proceed to question 9.

**No:** Proceed to question 7.

7. Do you have a monthly budget of at least \$65 for investing in an inventory management software tool?

**Yes:** Utilize Sellbrite at \$60/month for its inventory management and analytics tools and proceed to question 9.

**No:** Proceed to question 8.

8. Do you have a monthly budget of at least \$50 for investing in an inventory management software tool?

**Yes:** Utilize Quickbooks Commerce at \$45/month for its inventory management and analytics tools and proceed to question 9.

**No:** Manually perform in house forecasting for inventory tracking and management features using the Amazon seller platform and proceed to question 9.

### **Shipping Method**

9. Is your supplier located in the United States or overseas?

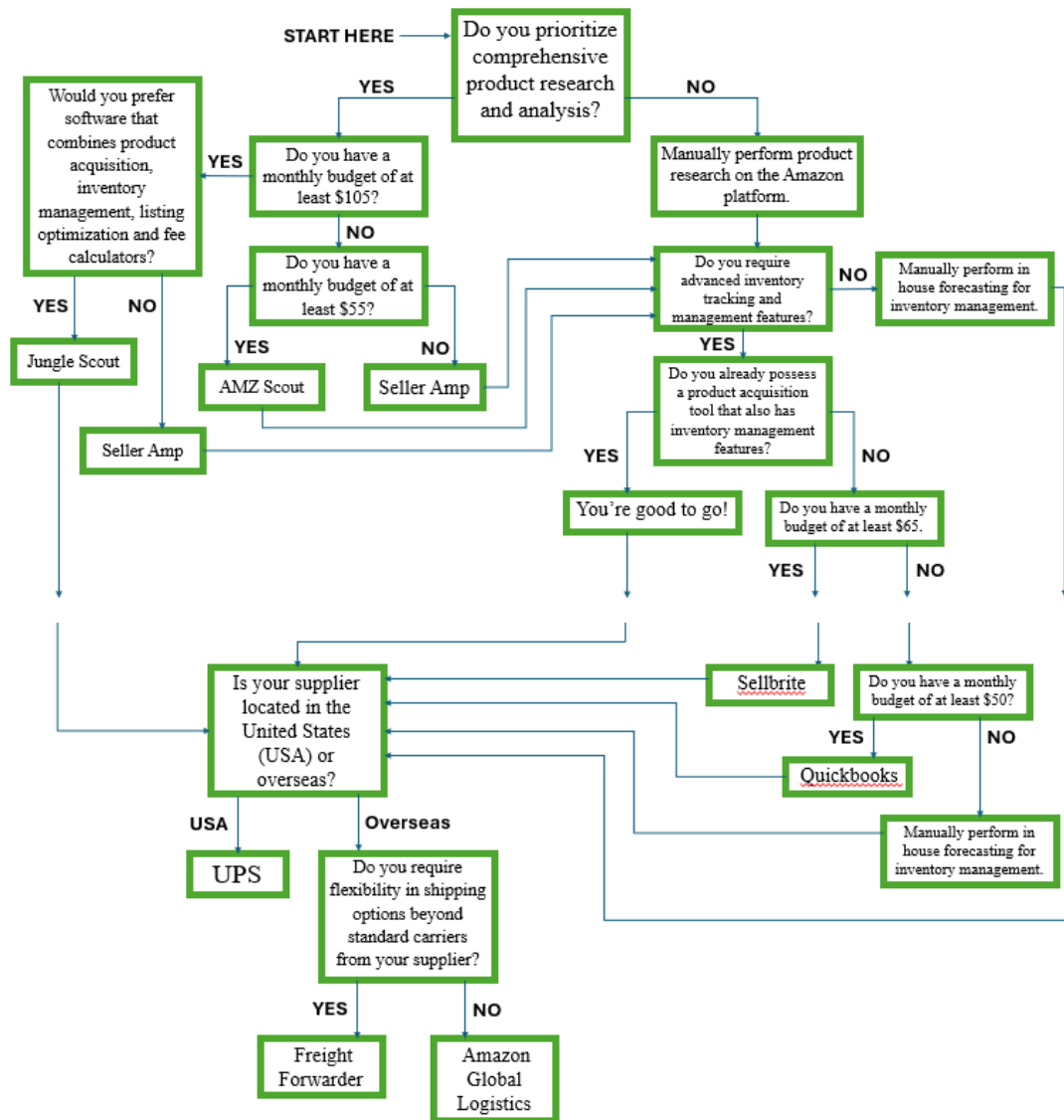
**United States:** Utilize Amazon's preferred shipper (UPS) for competitive rates, fast shipping, reliable tracking, and a strong domestic network.

**Overseas:** Proceed to question 10.

10. Do you require flexibility in shipping options beyond standard carriers from your supplier?

**Yes:** Choose your own freight forwarder for flexibility, continuous communication, and control over the shipping process.

**No:** Choose Amazon Global Logistics based on competitive rates for Amazon sellers and streamlined logistics directly to Amazon fulfillment centers.



**Figure 30: Amazon FBA Seller Decision Matrix**

## Limitations and Further Research

It is essential to acknowledge several limitations inherent in this research. The survey population was limited to members of two specific Facebook groups, potentially introducing selection bias and limiting the generalizability of the findings. To mitigate this limitation, future research could expand the survey distribution to include a more diverse sample of Amazon sellers from various platforms outside of social media, such as online forums, professional networks, and e-commerce communities.

Additionally, while the survey captured sellers' experiences and preferences, it did not directly measure their actual performance metrics on the Amazon platform. Moving forward, researchers could utilize the survey results to refine and re-run simulation models that reflect the experiences of average, successful, and unsuccessful sellers more accurately. This approach would enable a deeper understanding of the effects of pricing strategies, product images/videos, sales, and the number/quality of reviews on key sales metrics such as page traffic, conversion rate, and profits. By conducting A/B testing experiments, researchers can identify the specific triggers that lead to positive or negative effects on these metrics, thereby enabling the decision-making process.

To maximize product visibility and reach potential buyers effectively, sellers can leverage sponsored ads and Amazon's Pay Per Click (PPC) tool. These marketing tactics can significantly enhance product exposure and increase the likelihood of attracting qualified leads and generating sales. Future research could

explore the effectiveness of different advertising strategies and PPC campaigns in driving maximum viewership of products and optimizing sales performance to increase the likelihood of becoming a successful seller on the Amazon platform.

## Conclusion

The combination of Amazon's extensive fulfillment network, Prime eligibility, streamlined inventory management, competitive shipping rates, and access to superior customer service makes Amazon FBA an attractive option for new sellers seeking to enhance their success and accelerate their growth on the Amazon platform. The rise of an online marketplace like Amazon has made it easy for anyone to sell products to customers. This serves as a guide for both aspiring entrepreneurs venturing into the ecommerce business as well as established sellers aiming to refine their operational strategies. The data analysis conducted herein draws from the authentic perspectives of Amazon sellers, compiled through a carefully crafted Amazon Seller survey. Through an in-depth exploration of various product acquisition software, inventory management software, and shipping methods, this research provides actionable insights essential for identifying the tools necessary as an Amazon seller. By synthesizing empirical findings and industry best practices, this thesis offers recommendations tailored to optimize product launches with the intent to scale business operations within the Amazon ecosystem.

## References

- Aaron Hall. (20 September 2023). *Adapting To Customers' Ever-Changing Needs: The Key To Business Success*. Aaron Hall.  
<https://aaronhall.com/insights/adapting-to-customers-ever-changing-needs-the-key-to-business-success/>
- Acebes, F., Pajares, J., González-Varona, J.M. et al. (8 August 2020). Project risk management from the bottom-up: Activity Risk Index. *Central European Journal of Operations Research*, 29, 1375–1396.  
<https://doi.org/10.1007/s10100-020-00703-8>
- Aden, M. (9 November 2023). *A Complete Guide to Amazon FBA Product Sourcing*. Seller Interactive. <https://sellerinteractive.com/blog/amazon-fba-product-sourcing/>
- Alimahomed-Wilson, J., Allison, J., & Reese, E. (2020). Introduction: Amazon Capitalism. *The Cost of Free Shipping: Amazon in the Global Economy*, 1–18. <https://doi.org/10.2307/j.ctv16zjhcyj.7>
- Alonso, B. (21 October 2021). *Understanding the Infinite Whys of Shopping Cart Abandonment*. WIX eCommerce.  
<https://www.wix.com/blog/ecommerce/2021/10/abandoned-shopping-carts>
- AMZ Scout. (n.d.). *Tools and Services to Start and Grow Your Online Business*. AMZ Scout.  
[https://amzscout.net/?src=Search\\_Brand\\_US&utm\\_source=bing&utm\\_medium=cpc&utm\\_campaign=Search\\_Brand\\_US&utm\\_adgroup=AMZScout&utm\\_content=83425558739819](https://amzscout.net/?src=Search_Brand_US&utm_source=bing&utm_medium=cpc&utm_campaign=Search_Brand_US&utm_adgroup=AMZScout&utm_content=83425558739819)



- Bhowmick, A. & Seetharaman, A. (October 2023). Impact of product quality on customer satisfaction: A Systematic Literature Review. *2023 7th International Conference on Virtual and Augmented Reality Simulations*  
DOI: 10.1145/3603421.3603434
- Blue Origin. (n.d.). *About Blue Origin*. Blue Origin.  
<https://www.blueorigin.com/about-blue>
- Britannica, T. Editors of Encyclopaedia (2024, January 5). *Kindle*. Encyclopedia Britannica. <https://www.britannica.com/technology/Kindle>
- Browning, T. R. (2019). Planning, Tracking, and Reducing a Complex Project's Value at Risk. *Project Management Journal*, 50(1), 71-85.  
<https://doi.org/10.1177/8756972818810967>
- Bullard, R. (2019). Out-teching products liability: Reviving strict products liability in an age of Amazon. *North Carolina Journal of Law & Technology*, 20(5), 181. <https://scholarship.law.unc.edu/ncjolt/vol20/iss5/6>
- Chen, C., Lin, C., Huang, S. (August 2006). A fuzzy approach for supplier evaluation and selection in supply chain management. *International Journal of Production Economics*, 102(2), 289-301.  
<https://doi.org/10.1016/j.ijpe.2005.03.009>
- Cote, C. (28 September 2021). *How To Diversify Your Portfolio With Alternative Investments*. Harvard Business School Online.  
<https://online.hbs.edu/blog/post/how-to-diversify-your-portfolio>
- D'Agostino, J. (2018). Amazon, E-Commerce, and the New Brand World. *University of Oregon*.  
<https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/23999/Final%20Thesis-DAgostino.pdf?sequence=1>

- Denning, S. (2019), How Amazon practices the three laws of Agile management. *Strategy & Leadership*, 47(5), 36-41. <https://doi.org/10.1108/SL-07-2019-0104>
- Djatkiko, M. B., Chauhan, R. B., Tuguz, N. S., & Shah, S. A. S. (2020). A RESEARCH STUDY ON LOGISTIC AND E-COMMERCE OF AMAZON AND FLIP-KART. *PalArch's Journal of Archaeology of Egypt/Egyptology*, 17(6), 7863-7882. <https://archives.palarch.nl/index.php/jae/article/view/2159>
- Do, D. (February 2024). *How to Go Internationally with Amazon Global Selling? – Detailed Guide*. litCommerce. <https://litcommerce.com/blog/amazon-global-selling-guide/>
- Donovan, B. (30 December 2023). *8 Best Amazon Product Research Tools Ranked (2024)*. Brand Builder University. <https://www.brandbuilderuni.com/blog/amazon-product-research-tools#:~:text=8%20Best%20Amazon%20Product%20Research%20Tools%20Ranked%20%282024%29,4.5%2F5%20Ease%20of%20use%3A%204.5%2F5%20Support%3A%204.5%2F5%20>
- Duffy, C. (5 July 2021). *Jeff Bezos is stepping down as Amazon CEO. He'll still have huge power at the company*. CNN Business. <https://www.cnn.com/2021/07/05/tech/jeff-bezos-amazon-ceo-exit/index.html>
- Ellinger, A., Shin, H., Magnus Northington, W., Adams, F.G., Hofman, D., O'Marah, K. (2012). The influence of supply chain management competency on customer satisfaction and shareholder value. *Supply Chain Management*, 17(3), 249-262. <https://doi.org/10.1108/13598541211227090>

- Enso Brands. (n.d.). *Amazon Seller Policy Violations: How to Ensure Compliance*. Enso Brands. <https://ensobrand.com/amazon-seller-policy-violations/>
- Etumnu, C.E. (2022). A competitive marketplace or an unfair competitor? An analysis of Amazon and its best sellers ranks. *Journal of Agricultural Economics*, 73, 924–937. <https://doi.org/10.1111/1477-9552.12495>
- Exploding Topics. (n.d.). *Discover Exploding Topics*. Exploding Topics. <https://explodingtopics.com/?via=dennis>
- Geda, A., Pu, J., Qiu, L. (16 March 2023). The puzzle of online arbitrage and increased product returns: A game-theoretic analysis. *Production and Operations Management*, 32(8), 2387-2399. <https://doi.org/10.1111/poms.13992>
- Geva, N. (14 April 2023). *Retail Arbitrage Sourcing Guide*. ZIK. <https://www.zikanalytics.com/blog/retail-arbitrage-sourcing-guide/>
- Good, L. (29 August 2023). *What Is Agile Project Management? | A Comprehensive Guide*. Project-Management.com. <https://project-management.com/agile-project-management/>
- Gupta, S. (14 April 2022). *What Is Project Risk Management? Here's Everything You Need To Know*. Capterra. <https://www.capterra.com/resources/what-is-project-risk-management/>
- Hand, R. (22 September 2023). *Amazon FBA Fees Explained: A Guide to FBA Seller Costs in 2024*. ShipBob. <https://www.shipbob.com/blog/amazon-fba-fees/>
- Hartmans, A. (2 July 2021). *Jeff Bezos originally wanted to name Amazon 'Cadabra,' and 14 other little-known facts about the early days of the e-commerce giant*. Business Insider. <https://www.businessinsider.com/jeff-bezos-amazon-history-facts-2017-4>

Hesketh, D. (2010). Weaknesses in the supply chain: who packed the box?. *World Customs Journal*, 4(2), 3-20

Helium 10. (n.d.). *Accelerate the Growth of Your Business, Brand or Agency*.

Helium 10.

[https://www.helium10.com/?utm\\_source=bing&utm\\_medium=cpc&utm\\_campaign=4250](https://www.helium10.com/?utm_source=bing&utm_medium=cpc&utm_campaign=4250)

[73801&utm\\_term=helium%2010&msclkid=61f6f789add31147d02d924571a424b3&utm\\_content=Brand%20Phrase%20Match](https://www.helium10.com/?utm_source=bing&utm_medium=cpc&utm_campaign=425073801&utm_term=helium%2010&msclkid=61f6f789add31147d02d924571a424b3&utm_content=Brand%20Phrase%20Match)

Hughes, J. L., Camden, A. A., Yangchen, T., Smith, G. P., Rodríguez, M. M. D.,

Rouse, S. V., & Lopez, S. (2022). Guidance for researchers when using inclusive demographic questions for surveys: Improved and updated questions. *Psi Chi Journal of Psychological Research*, 27(4), 232-255.

<https://research.usu.edu/irb/files/InclusiveDemographics.pdf>

Jayadeva, S., Acharya, S. K., Rani, S., & Singh, A. K. (2022). Brand Loyalty and Customer Satisfaction in Online Retailing with Amazon. *ECS Transactions*, 107(1), 5637. DOI 10.1149/10701.5637ecst

Johansson, J. (2021). Launching a Product to Amazon Marketplace: Selling at Amazon.com. *Theseus*. 28. <https://www.theseus.fi/handle/10024/359856>

Jungle Scout. (n.d.). *Start and Scale Your eCommerce Business*. Jungle Scout. <https://www.junglescout.com/>

Kerzner, H. (1 September 2017). Project Management Metrics, KPIs, and Dashboards: A Guide to Measuring and Monitoring Project Performance, Third Edition. *International Institute for Learning*. 3, 121-171. <https://doi.org/10.1002/9781119427599.ch4>

- Koehler, J. (17 May 2019). *A Guide to Organizational Resources and How to Manage Them*. University of Arkansas Grantham.  
<https://www.uagrantham.edu/blog/a-guide-to-organizational-resources-and-how-to-manage-them/>
- Krush, A. (14 November 2017). *Agile Framework Comparison: Scrum vs Kanban vs Lean vs XP*. Object Style. <https://www.objectstyle.com/blog/agile-scrum-kanban-lean-xp-comparison>
- Lai, G., Liu, H., Xiao, W., & Zhao, X. (18 March 2022). “Fulfilled by amazon”: A strategic perspective of competition at the e-commerce platform. *Manufacturing & Service Operations Management*, 24(3), 1406-1420.  
<https://doi.org/10.1287/msom.2022.1078>
- Lee, H. L., & Whang, S. (2005). Higher supply chain security with lower cost: Lessons from total quality management. *International Journal of production economics*, 96(3), 289-300
- Levin, S. P., & Levin, M. (2019). Managing Ideas, People, and Projects: Organizational Tools and Strategies for Researchers. *iScience*, 20, 278–291. <https://doi.org/10.1016/j.isci.2019.09.017>
- Li, J., Shen, W., Liao, Y., Cai, G., & Chen, X. (2024). The fulfillment service in online marketplaces. *European Journal of Operational Research*, 315(3), 1139-1152. <https://doi.org/10.1016/j.ejor.2024.01.003>
- Li, W. (2023). Pricing Strategies in a Dynamic Market. In: *Strategic Management Accounting in a Network Economy. Management for Professionals. Springer, Singapore*. [https://doi.org/10.1007/978-981-99-5253-3\\_8](https://doi.org/10.1007/978-981-99-5253-3_8)
- Lin, K. (2022). A comparative analysis for emerging e-commerce business owners: Shopify & Amazon. In *SHS Web of Conferences*, 151, 01033.  
<https://doi.org/10.1051/shsconf/202215101033>

- Lone, R., Bhat, M.A. (April 2023). Impact of Product Quality on Customer Satisfaction: Evidence from Selected Consumer Durables. *International Journal for Research Trends and Innovation*, 8(4), 1014-1021.  
[https://www.researchgate.net/publication/370375109\\_Impact\\_of\\_Product\\_Quality\\_on\\_Customer\\_Satisfaction\\_Evidence\\_from\\_Selected\\_Consumer\\_Durables](https://www.researchgate.net/publication/370375109_Impact_of_Product_Quality_on_Customer_Satisfaction_Evidence_from_Selected_Consumer_Durables)
- Maritan, C. A., & Lee, G. K. (2017). Resource Allocation and Strategy. *Journal of Management*, 43(8), 2411-2420.  
<https://doi.org/10.1177/0149206317729738>
- Masood, Z. (2017). The Benefits and Key Challenges of Agile Project Management under Recent Research Opportunities. *International Research Journal of Management Sciences*. 5(1), 20-28.  
[https://www.researchgate.net/publication/316239082\\_The\\_Benefits\\_and\\_Key\\_Challenges\\_of\\_Agile\\_Project\\_Management\\_under\\_Recent\\_Research\\_Opportunities](https://www.researchgate.net/publication/316239082_The_Benefits_and_Key_Challenges_of_Agile_Project_Management_under_Recent_Research_Opportunities)
- McFadden, C. (17 March 2023). *A very brief history of Amazon: the everything store*. Interesting Engineering.  
<https://interestingengineering.com/culture/a-very-brief-history-of-amazon-the-everything-store>
- Milondzo, K. & Mashau, M. (September 2015). Exploring the consequences of inadequate inventory management accountability within Eskom, Limpopo. *Journal of Business Administration and Management Sciences Research*, 4(7), 140-151. [https://www.researchgate.net/profile/Khazamula-Milondzo/publication/281900405\\_Exploring\\_the\\_consequences\\_of\\_inadequate\\_inventory\\_management\\_accountability\\_within\\_Eskom\\_Limpopo/links/55fd4d6508aec948c4cae82f/Exploring-the-consequences-of-inadequate-inventory-management-accountability-within-Eskom-Limpopo.pdf](https://www.researchgate.net/profile/Khazamula-Milondzo/publication/281900405_Exploring_the_consequences_of_inadequate_inventory_management_accountability_within_Eskom_Limpopo/links/55fd4d6508aec948c4cae82f/Exploring-the-consequences-of-inadequate-inventory-management-accountability-within-Eskom-Limpopo.pdf)

- Milosevic, D. Z., & Srivannaboon, S. (August 2006). A Theoretical Framework for Aligning Project Management with Business Strategy. *Project Management Journal*, 37(3), 98-110. <https://doi.org/10.1177/875697280603700310>
- Min, S., Zacharia, Z., Smith, C. (1 March 2019). Defining Supply Chain Management: In the Past, Present, and Future. *Journal of Business Logistics*, 40(1), 41-55. <https://doi.org/10.1111/jbl.12201>
- Miola, A. C., & Miot, H. A. (2022). Comparing categorical variables in clinical and experimental studies. *Jornal Vascular Brasileiro*, 21, <https://doi.org/10.1590/1677-5449.20210225>
- Morgan, G. A., Leech, N. L., Gloeckner, G. W., & Barrett, K. C. (2004). *SPSS for introductory statistics: Use and interpretation*. Psychology Press
- Nedre, N. (13 June 2017). *Visual guide to Agile methodologies for modern product management*. Miro. <https://miro.com/blog/choose-between-agile-lean-scrum-kanban/>
- Notargiacomo, P. & Rossi, R. (2013). Project Management Principles Applied in Academic Research Projects. *Issues in Informing Science and Information Technology*, 10, 325-340. 10.28945/1814
- Ogbeiwi, O. (2017). Why written objectives need to be really SMART. *British Journal of Healthcare Management*, 23, 324-336. 10.12968/bjhc.2017.23.7.324
- Otheitis, N., & Kunc, M. (9 February 2015). Performance measurement adoption and business performance: An exploratory study in the shipping industry. *Management Decision*, 53(1), 139-159. <https://doi.org/10.1108/MD-02-2014-0108>

- Pataropura, A., Sabatino, I. D., & Riki, R. (2020). Inventory Management with Forecasting Method: Single Moving Average and Trend Projection. *Journal Bit-Tech: Binary Digital-Technology*, 2(3), 110-121.  
<https://doi.org/10.32877/bt.v2i3.162>
- Perea-Lopez, E., Ydstie, B.E., Grossman, I. (15 September 2003). A model predictive control strategy for supply chain optimization. *Computers and Chemical Engineering*, 27(8-9), 1201-1218. [https://doi.org/10.1016/S0098-1354\(03\)00047-4](https://doi.org/10.1016/S0098-1354(03)00047-4)
- Riol, H., Thuillier, D. (January 2015). Project management for academic research projects: Balancing structure and flexibility. *International Journal of Project Organisation and Management*, 7(3), 251.  
DOI:10.1504/IJPOM.2015.070792
- Sadq, Z, Nuraddin, S, Hama, S. (2018). Analyzing the Amazon success strategies. *Journal of Process Management. New Technologies*, 6, 65-69.  
10.5937/jouproman6-19264
- Sahin, A., Zehir, C., Kitapci, H. (25 October 2011). The Effects of Brand Experiences, Trust and Satisfaction on Building Brand Loyalty; An Empirical Research On Global Brands. *Science Direct*, 24, 1288-1301.  
<https://doi.org/10.1016/j.sbspro.2011.09.143>
- Salih, H. S., Ghazi, M., & Aljanabi, M. (2023). Implementing an Automated Inventory Management System for Small and Medium-sized Enterprises. *Iraqi Journal For Computer Science and Mathematics*, 4(2), 238-244.  
<https://doi.org/10.52866/ijcsm.2023.02.02.021>



- Saura, José & Reyes-Menendez, Ana & Matos, Nelson & Correia, Marisol & Palos-Sanchez, Pedro. (2020). Consumer Behavior in the Digital Age. *Journal of Spatial and Organizational Dynamics*, 8, 190-194.  
[https://www.researchgate.net/publication/344433621\\_Consumer\\_Behavior\\_in\\_the\\_Digital\\_Age](https://www.researchgate.net/publication/344433621_Consumer_Behavior_in_the_Digital_Age)
- Seitz, V., Razzouk, N., & Williams, S. L. (2008). Small package transportation companies: an exploratory analysis. *Review of Economic and Business Studies*, 77. <https://www.cceol.com/search/article-detail?id=179135>
- Serrano, S. (22 February 2022). *Principles Of ECommerce Project Management*. PM Times. <https://www.projecttimes.com/articles/principles-of-ecommerce-project-management/>
- Shi, S., Sun, J., Cheng, T.C.E. (January 2020). Wholesale or drop-shipping: Contract choices of the online retailer and the manufacturer in a dual-channel supply chain. *International Journal of Production Economics*, 226(7). DOI:10.1016/j.ijpe.2020.107618
- Shopkeeper. (n.d.). *7 Amazon KPIs You Need To Track To Build A Successful Amazon Business*. Shopkeeper. <https://shopkeeper.com/blog/amazon-kpis>
- Stampfl, G., Prugl, R., Osterloh, V. (27 June 2013). An explorative model of business model scalability. *International Journal of Product Development*, 18(3-4), 226-248. <https://doi.org/10.1504/IJPD.2013.055014>
- Stevenson, S. (28 June 2021). *It's Finally Clear Why Amazon Bought Whole Foods*. Moneybox. <https://slate.com/business/2021/06/why-amazon-bought-whole-foods-groceries-online.html>
- Stinemetz, S. (13 February 2021). *6 Ways To Start Scaling Amazon FBA Businesses*. Jungle Scout. <https://www.junglescout.com/blog/how-to-scale-amazon-fba-business/>

- Thomas, M., Jacques, P., Adams, J., Kihneman-Wooten, J. (1 December 2008).  
Developing an Effective Project: Planning and Team Building Combined.  
*Project Management Institute*. <https://doi.org/10.1002/pmj.20079>
- Unicorn Smasher. (n.d.). *Take the Guesswork out of Product Selection*. Unicorn  
Smasher. <https://unicor-smasherpro.com/>
- Viral Launch. (n.d.). The Definitive Toolkit for Amazon Seller Success. Viral  
Launch. [https://viral-  
launch.com/?utm\\_source=bing&utm\\_medium=cpc&utm\\_campaign=51846  
8287&utm\\_co  
ntent=1323813643597482&utm\\_term=Viral%20Launch&msclkid=c85718  
8b2793169e4ab37d47cd70a9cd](https://viral-launch.com/?utm_source=bing&utm_medium=cpc&utm_campaign=518468287&utm_content=1323813643597482&utm_term=Viral%20Launch&msclkid=c857188b2793169e4ab37d47cd70a9cd)
- Ward, S., Chapman, C. (June 1995). Risk-management perspective on the project  
lifecycle. *International Journal of Project Management*, 13(3), 1995, 145-  
149. [https://doi.org/10.1016/0263-7863\(95\)00008-E](https://doi.org/10.1016/0263-7863(95)00008-E)
- Waters, J. (12 February 2024). *Amazon.com*. Encyclopedia Britannica.  
<https://www.britannica.com/topic/Amazoncom>
- Weihrauch, S. (2018). E-commerce in Times of Amazon Risks and Opportunities  
for E-tailers: and a Strategic Recommendation for Companies considering  
selling on the Marketplace. Independently published.
- Westguard, J. Westguard, S. (6 July 2015). Quality control review: implementing a  
scientifically based quality control system. *Association for Laboratory  
Medicine*, 53(1), 32-50. <https://doi.org/10.1177/0004563215597248>

Zonguru. (n.d.). *Cutting-Edge Software to Grow Amazon Brands & Agencies*.

Zonguru.[https://www.zonguru.com/?utm\\_source=bing&utm\\_medium=cpc  
&utm\\_term=zonguru&Campaign=Brand&AdGroup=ZonGuru&Campaign  
Id=240704031&AdGroupId=4537799434&Device=c&AdPosition=&Targe  
tId=kwd-  
84347281997:loc190&MatchType=e&msclkid=2c36596544b61e34ab7f3c  
a9a2671b1d](https://www.zonguru.com/?utm_source=bing&utm_medium=cpc&utm_term=zonguru&Campaign=Brand&AdGroup=ZonGuru&CampaignId=240704031&AdGroupId=4537799434&Device=c&AdPosition=&TargetId=kwd-84347281997:loc190&MatchType=e&msclkid=2c36596544b61e34ab7f3ca9a2671b1d)

Zoof. (n.d.). *Fast, Easy-to-Use Tools to Increase Ecommerce Performance*. Zoof.

[https://www.zoof.com/?via=leesa27&msclkid=1fcbe4fa0b501907b977813  
6d46ef0db](https://www.zoof.com/?via=leesa27&msclkid=1fcbe4fa0b501907b9778136d46ef0db)

# Appendix

## Amazon Seller Survey

### Disclaimer

By participating in this survey, you acknowledge that you have read and understood the nature of the research project titled "Amazon FBA vs FBM; a strategic approach to determine which method effectively utilizes Project Management Principles to enhance your success as an Amazon seller." Given the minimal risk associated with this study and the use of anonymized data, you hereby waive the requirement for explicit informed consent. Your voluntary participation is appreciated, and all responses will be treated confidentially. If you have any questions or concerns, please contact the Principal Investigator, Tiffany White. Your completion of the survey signifies your consent to participate.

### General Questions

#### 1. How long have you been selling on the Amazon platform?

- Less than 1 year
- 1-3 years
- 3-5 years
- More than 5 years

#### 2. In which category do you primarily sell on Amazon? (Select one or more)

- Electronics
- Home and Kitchen
- Clothing and Accessories
- Beauty and Personal Care
- Toys and Games
- Books
- Sports and Outdoors
- Health and Household
- Automotive
- Other (please specify)

#### 3. Do you participate in Amazon FBA or FBM?

- FBA
- FBM

- Neither (Please specify)

**4. What is your annual net income on the Amazon platform?**

- 0 - \$49,999
- \$50,000 - \$99,999
- \$100,000 - \$249,999
- \$250,000 - \$499,999
- \$500,000 - \$749,999
- \$750,000 - \$999,999
- \$1,000,000 or more

**Product Acquisitions**

**5. What specific software tools do you currently use for product acquisition on Amazon? (Select all that apply)**

- Helium 10
- Jungle Scout
- AMZScout
- Viral Launch
- SellerAmp
- Zonguru
- Exploding Topics
- Unicorn Smasher
- Other (please specify)
- I don't use any software tools

**6. To what extent do you prioritize market research in your product acquisition strategy?**

- Not at all
- Somewhat
- Neutral
- Moderately
- Extensively

**7. To what extent do you prioritize competitor analysis in your product acquisition strategy?**

- Not at all
- Somewhat
- Neutral
- Moderately
- Extensively

**Supply Chain Management**

**8. What specific software tools do you currently use for supply chain (inventory) management in your Amazon business? (Select all that apply)**

- Jungle Scout
- So Stocked
- Sellbrite
- Sellics
- Brightpearl
- Quickbooks Commerce
- Veeqo
- Restock Pro
- Inventory Lab
- ForecastRx
- I forecast in house
- Other (please specify)

**9. What challenges do you face in supply chain management?**

- High Shipping Costs
- Supplier Reliability
- Customs Regulations
- Quality Control
- Other (Please specify)

**10. How do you prefer to source your inventory?**

- Retail Arbitrage
- Online Arbitrage
- Drop Shipping
- Auctions/Thrift Stores
- I create my own products
- Other (Please specify)

**11. Which shipping method do you prefer?**

- I use my own Freight Forwarder
- Amazon Global Logistics
- UPS
- FedEx
- DHL
- USPS
- Other (Please specify)

## **Performance Measurement**

**12. Which key performance indicators (KPIs) (if any) do you use to assess the success of your products? (Select all that apply)**

- Sales Revenue
- Return on Ad Spend
- Ratings and Reviews
- Click Through Rate
- Number of Returns
- I don't use any KPIs
- Other (Please specify)

## **Demographics**

**13. What is your gender?**

- Male
- Female
- Non-binary
- Prefer not to say

**14. What is your age?**

- Under 18
- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65 or older