



MARKETPUSH

How Marketplaces Support Business Growth

Scalability. Flexibility. Profitability.

Online marketplaces like Amazon have been around for decades and currently account for 67% of all global ecommerce sales. Because of their proven success, many companies are building their own company-owned marketplaces, specific to their verticals, and finding success.

During the height of COVID-19, distribution faced some unprecedented challenges, while supply chain issues continued to mount. As distributors recognized the need for innovative ecommerce strategies, many started to see the massive potential for company-owned marketplaces in their own businesses, but still questioned how exactly they might effectively implement a marketplace strategy.

Distributors are great candidates for leveraging the marketplace model for many reasons.

Marketplaces Make Industry Expertise Matter More Than Size

Being smaller than Amazon actually has some advantages when it comes to marketplaces. You maintain the ability to leverage their model and drive revenue within your industry, while specializing in the specific products that your customers want. With your customer knowledge base, you can choose between a modest or ambitious product and seller expansion strategy.

Amazon has paved the way for niche marketplaces and B2B marketplaces to thrive by getting consumers used to shopping online and instilling a strong preference for the marketplace experience. This preference translates from personal purchasing to business purchasing—87% of business buyers prefer to utilize marketplaces. In order to stay current and competitive, you'll want to follow suit, but you don't necessarily need to be everything for everyone. Instead, become a one stop shop for your customers who already trust your business, and prefer to shop on your site

Marketplaces are a Natural Evolution of Ecommerce

Because B2B business operations and customer buying methods are different from those in B2C industries, some companies are slow to evolve. This is a mistake though—Oracle reports that 60% of B2B buyers prefer to purchase on digital marketplaces, a number that continues to grow as millennials advance in the workplace.

Marketplaces Do Not Require a Seperate Site

Creating your own separate marketplace site is always an option, but many are simply integrating a marketplace into their existing ecommerce site. By creating a seamless shopping experience for your customers, you provide the opportunity to purchase your core products alongside your marketplace products within your site, which offers the same trusted, thoughtful user experience they've come to expect. This encourages higher conversion rates, mixed carts, and higher average order values. Selling your marketplace products directly on your site is an endorsement of the merchandise and the seller, which will give your buyers peace of mind that they're purchasing from a legitimate manufacturer. And, because it is your marketplace, you set the standards you'd like your sellers to abide by within the marketplace terms of service.

Marketplace software, especially the MarketPush Marketplace Platform, includes built-in seller management features that will allow you to track the performance of your sellers.

Marketplaces are Affordable, Scalable, and Seamless

If you aim to increase your product selection without investing in additional inventory and warehouse space, launching a marketplace is the most cost efficient and scalable way to achieve that goal. You will make money from the sellers you onboard through commission and/or monthly subscription fees, while maintaining a team the size of your choosing. By using marketplace software like MarketPush's seller recruitment and onboarding module and marketplace platform, you get features to support internal team management, seller recruiting, onboarding, and detailed reporting, allowing you to keep things small.

Marketplaces Work for Nontraditional Businesses Too

Marketplaces allow you the flexibility to provide product customization and configuration, quoting tools, design services, rentals, and even third-party local servicers to your customers. Whether this describes what you do now or inspires your growth, MarketPush will provide you with the necessary features, functionality, and apps to do it all.

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Marketplaces Integrate with Any Internal Systems

MarketPush provides GraphQL and RESTful APIs that can be configured to any back-end – even homegrown – system. Our experienced developers will work with your internal teams to discuss and implement any modifications or special configurations your internal systems might require.

Marketplaces Make Room for All Types of Seller

Your marketplace business strategy for seller recruitment should not be restrictive. The experienced integrators at MarketPush have seen high rates of success from manufacturers selling on a marketplace with both large and limited offerings, so don't let limiting beliefs about catalog size dictate your seller recruitment strategy. There are many manufacturers with low web traffic who may see big numbers on your heavily trafficked site. Similarly, breaking into adjacent product categories, even if you're unsure about customer interest, can show big results—and is relatively low risk in a marketplace setup, allowing you to easily remove them if they aren't working.

Have more questions? Get in touch with a MarketPush expert to see a marketplace in action or discuss how to help your company embrace the future of ecommerce.

Getting Started

Establish your very own profit-driving marketplace that you can manage with a flexible SaaS platform built for B2B distributors.

Contact us now at Sales@marketpush.com, or visit marketpush.com to learn how we can help you meet the needs of your customers.



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