

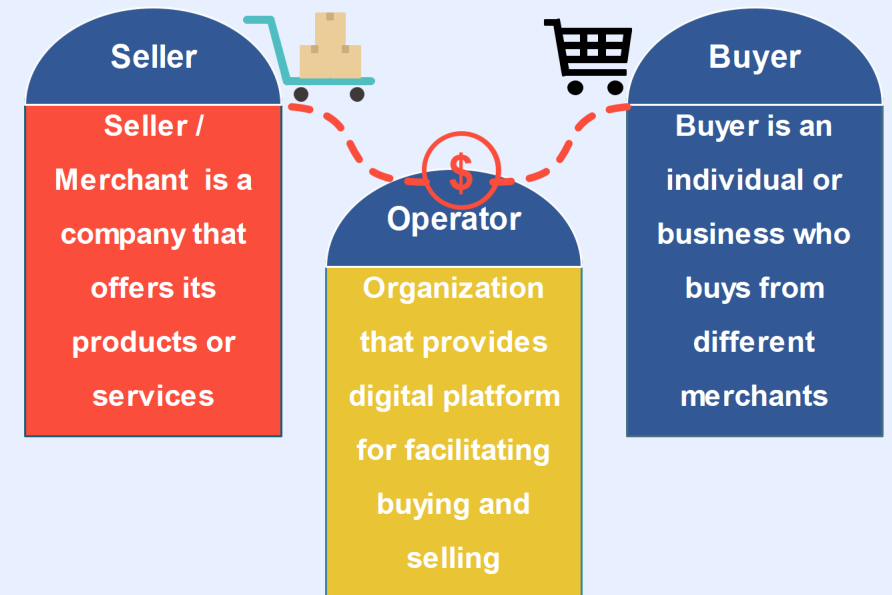
# Digital Marketplaces - Explained

Digital marketplace is a platform that facilitates the purchase of goods and services from multiple vendors on its site

## Marketplace Characteristics



## Marketplace Actors



## Business Models



## My Business Sells on Marketplace



## My Business is a Marketplace

### Classic Marketplace

Operator **does not** sell on marketplace. It invites sellers and buyers to join

### Enterprise Marketplace

Marketplace Operator is the **Main Seller**. It invites additional sellers to sell to its existing customers

### Buyer

- Seamless shopping experience for Multi-Seller Purchases
- Efficient vendor and product discovery process
- Ability to compare prices and offers
- One-Stop Shopping with endless aisle

### Operator

- Multiple revenue streams
- Reduced inventory risk
- Ownership of customer relation
- Market insights from marketplace data

### Seller

- Reduced Customer Acquisition Cost
- Logistics and payment services
- Benefits from existing digital commerce infrastructure

15% of enterprises will have their own Marketplace

by 2023

### Manufactures

- Sellers are distributors or retailers
- Detailed product data for all channels
- Ability to sell direct
- Merchants add additional value with complementary products and services
- Salesforce empowerment
- Own customer data and avoid channel conflict

### Distributors

- One-stop-shop strategy
- Increased customer convenience
- Utilization of existing fulfillment and delivery capacity
- Adding long-tail products
- Extending to additional categories
- New sources of revenue
- Ability to offer additional services (training, maintenance, ...)

### Retailers

- Horizontal growth - adding long-tail products to the current category
- One-stop shop strategy to develop customer loyalty, improve the experience and increase AOV
- Better utilization of existing Ecommerce infrastructure
- Additional revenue source from commissions and fulfillment services

### Company groups

- Franchise or Group of companies with separate sales organizations
- Each branch is a separate seller
  - Each entity keeps its inventory
  - Consistent product information
  - Salesforce empowerment
  - Consistent customer experience

### Malls

- Digital marketplace for a group of physical stores in one location
- Single point of entry for customers with consistent customer experience
- Click & Collect
- Additional revenue sources
- Increased stores foot traffic

