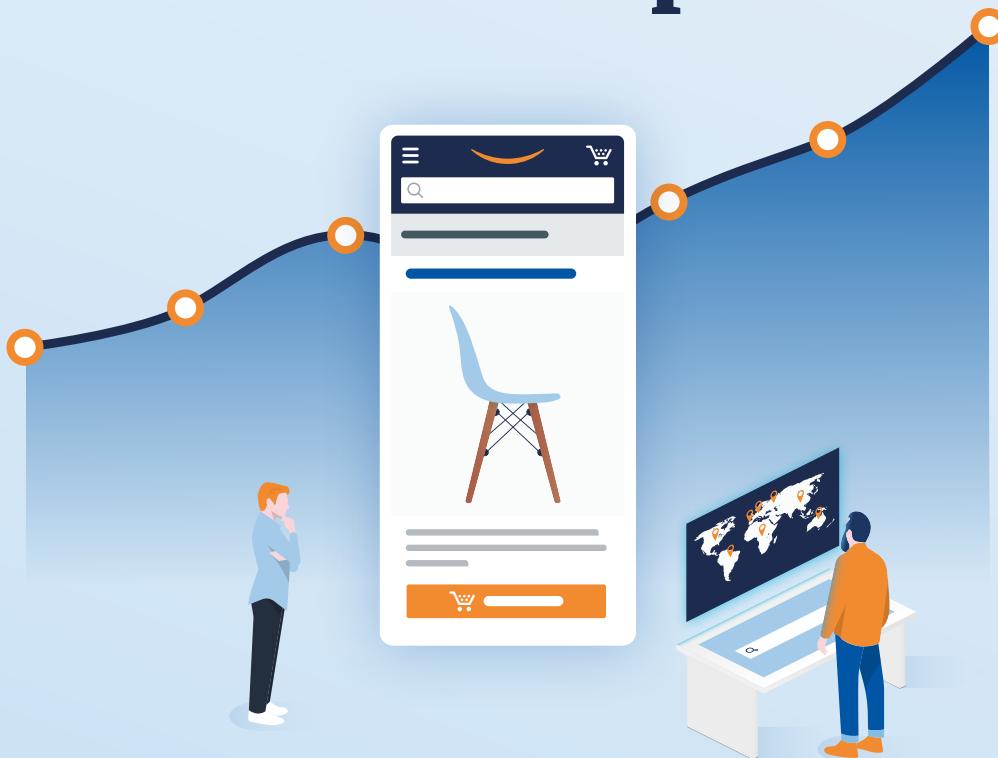


FOR BRANDS & RETAILERS

Successfully develop internationally with marketplaces



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1 General information on marketplaces

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A

What is a marketplace?

A marketplace is an online virtual space where retailers and consumers come together to buy and sell goods and services.

Amazon, eBay and Alibaba are just some examples of this type of sales outlet, and millions of retailers and even private individuals sell on marketplaces to benefit from their features and audience.

Marketplaces have a very wide client base, ranging from individuals to professionals, whether it be distributors, wholesalers, brands or manufacturers.

The marketplace takes control of the technical and marketing elements, which removes differences between retailers on the site, putting them all on a level playing field.

The foundations of marketplaces

THE TYPE OF MARKETPLACE

The marketplace environment is very varied and enables all types of retailers to sell in a particular zone to a particular audience.

There are B2B, B2C and C2C marketplaces, where people exchange physical goods, intangible goods, and services.

With so many different marketplaces, **it is important to distinguish between generalist and vertical marketplaces.**

The former include industry giants such as Amazon, eBay and cDiscount, which offer a range of products from a variety of sectors. The latter include Galeries Lafayette, Zalando and ePrice, which display products from a particular universe (fashion, beauty, electronics, etc.).

Marketplaces can also employ a hybrid model, whereby the operator is also a retailer on its own marketplace (e.g. Amazon), or they can be a pure-player, where the operator acts purely as an intermediary (e.g. eBay).

TRAFFIC

The appeal of this support depends on the volume and quality of the visits that it generates. The more visitors they have, the higher the sales potential. Marketplaces are an efficient sales channel because they increase visibility and generate traffic thanks to their reputation.

For example, Amazon (30.7 million monthly unique visitors in France) and Fnac.com (13.9 million monthly unique visitors in France) demonstrate the capability of marketplaces to attract internet users¹.

PAYMENT

When dealing with sales, the issue of financial transactions is sensitive for the operator. As a third party trusted seller, marketplaces have to provide a secure environment and take care of bank transactions and subsequent verification checks. When a product is sent, the marketplace will clear the payment for the retailer, taking a slice of commission.

Operators can use payment systems like Paypal, Stripe, Hipay or even develop their own payment system like Amazon did with Amazon Payment, or Tmall with Alipay. Ideally, marketplaces want consumers to buy as many products as possible in one go from different retailers using one simple payment process.

THE CATALOGUE

For a standard catalogue, the marketplace operator has to define:

- ✓ **Which products are authorised**
On eBay for example, product restrictions are pretty much nonexistent; there are many categories. However, on other marketplaces (often hybrid ones), like Otto or Galeries Lafayette, operators define exactly which products can be sold, with precise categories. They retain entire control of your catalogue.
- ✓ **Offer visibility**
On Amazon, you can display different offers in the product information. However, on eBay, if you search for a product, the different offers will appear on different pages.
- ✓ **Pricing rules**
You may have the best products and promotions, but if you are not competitive on pricing, you'll have a hard time making progress. You must continually and automatically adjust your products prices if you don't want shoppers to choose your competitor's listing over yours.

Keeping up with competitors' prices is one of the biggest challenges for brands and retailers, as your pricing strategy will directly affect your financial performance.

It's necessary to get a structured pricing strategy, by monitoring competition constantly and centralising your marketplaces management to get a clear view.

COMMUNICATION TOOLS AND SALES CYCLE MANAGEMENT TOOLS

There is no doubt that marketplaces are full of potential, but they are also very competitive, and there is a chance that you will be competing alongside another retailer with the same target audience, selling the same product as you. Therefore, it can be very difficult for retailers to stand out from the crowd. Marketplaces provide a range of solutions to help retailers deal with this problem, and improve the visibility of their products and online stores. Depending on the solution, they are set up either by retailers themselves, or using teams from the marketplace in the question.

The first solution, which is free, improves natural referencing by optimising the content distributed on marketplaces: product page titles, descriptions and keywords.

Certain marketplaces also have extra features, at an added cost, which let retailers promote their products or online shop and subsequently become more visible to internet users. An example of these added solutions is product promotions, whereby retailers can improve their position in the results pages. Retailers can usually buy advertising space on marketplaces, which can be used to display offers.

A retailer can push their most performing products, or products that are relevant for a certain period, or conversely, push their least performing products as sales items to offload stock.

Communication between shoppers and retailers, whether that takes place before purchasing or after (SAV), is an integral part of the sales cycle. If you sell on marketplaces, you normally don't get access to clients' email addresses, so tools are a great alternative to help you get in touch with consumers.

On Rakuten for example, retailers are in charge of their own marketing strategy. They can create their own advertising campaigns and promotions in just a few hours, choose their own delivery fees, and buy keywords so their brand appears when someone searches with a keyword².

LEGAL FRAMEWORK

When using marketplaces, retailers have to be able to communicate their Terms and Conditions of Sale and legal notices. The retailer has to provide consumers with all the pre-contractual information that they are entitled to. Section 7.1.a of the Consumer Protection (Distance Selling) Regulations Act, passed in 2000, states that retailers must provide contact details, full price (including tax), delivery costs and information regarding payment and delivery prior to a sale.

The terms and conditions for setting up an e-boutique, and accountability of each party should be set out within the Terms and Conditions. These days, e-commerce is highly regulated, and marketplaces now have stringent legal requirements. Numerous seals of approval and certifications exist for retailers to provide all the necessary guarantees to reassure shoppers³.

B

Marketplaces' business model

It is important to know the business model of a marketplace, so you can understand their pricing and payment methods.

SALES COMMISSION

The classic pricing model, sales commission, is the most popular option for marketplaces. When a sale takes place on a marketplace, the operator will take a commission fee.

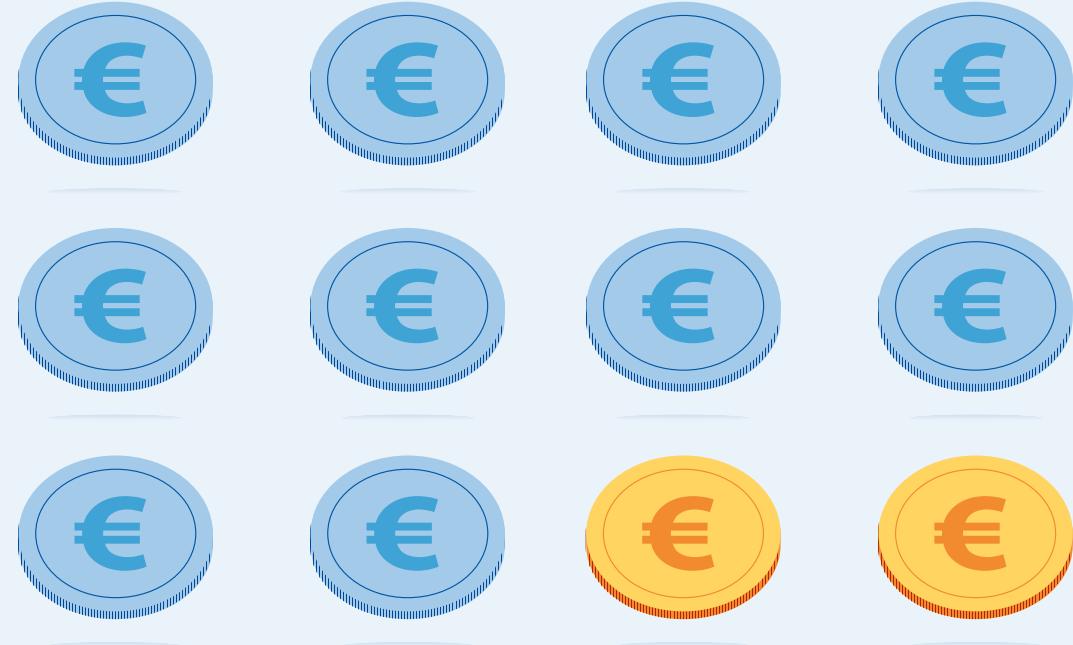
For example, Amazon has commission rates from 7% for large appliances to 15% for cultural products. Marketplaces usually have a summary table which sets out their commission rates according to each product category⁴.

PROFESSIONAL SUBSCRIPTION

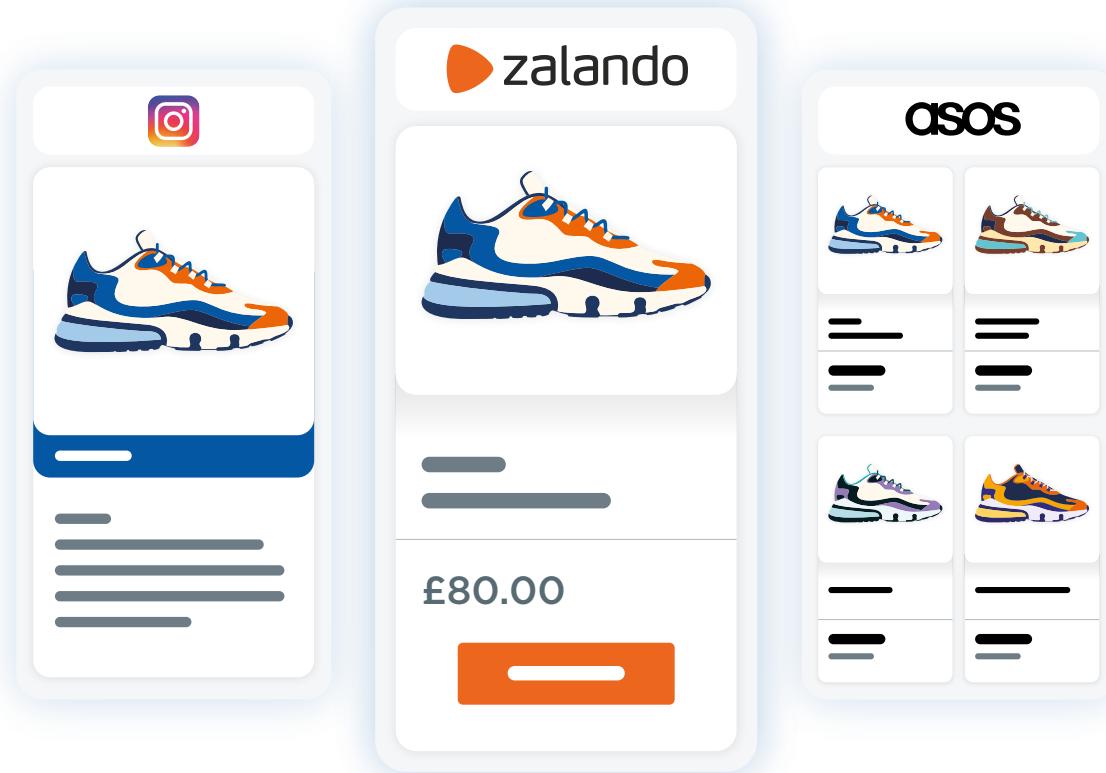
Certain marketplaces have a monthly subscription for retailers, which has supplementary advantages, including improved visibility in search results. For example, Rakuten gives the retailers a chance to sign up to a fixed monthly subscription ranging from €39 to €499, with a gradually decreasing commission rate according to the subscription⁵.

ADVERTISING

Marketplaces generate heavy traffic and another way they make money is through selling advertising space, such as banners, partner brands, and product ads.



The classic pricing model, sales commission, is the most popular option for marketplaces



C

Why sell on marketplaces? A few perspectives

Why sell on marketplaces?
The answer to this question is actually very simple: because consumers spend time on them.

You must be present on platforms where your consumers are spending their time. Consumers are on marketplaces. Marketplaces deliver the best experience for buying products and services. Marketplaces offer convenience. Consumers know that they can find what they need on marketplaces. There's no reason to go anywhere else.

Consumers do three main activities on marketplaces: hunt for deals, browse or buy. Shoppers that are lacking inspiration browse for deals and price promotions. The Deals page is one of the most visited pages on Amazon.

Consumers who know which product they want browse before making a buying decision. They compare product variants, price, ratings, reviews and service levels. You must make sure your product is in the consumer's short list of considered products.

Once a consumer has decided, they buy the product that most fits their needs. Of course, that can be done on the marketplace itself, but also via another channel. It could even be a purchase in a brick and mortar store. Sometimes people want to touch and see the product before they buy it. So, **you sell your product on marketplaces not only for the marketplace sales, but also to increase the chance of conversion at any other touchpoint with the consumer.** Therefore, marketplaces shouldn't only be considered as a sales channel, but also as a marketing channel.

The D2C model

Depending on the type of business you're in, there could be other reasons to start selling on marketplaces. **For brand manufacturers it's a way to directly interact with your consumers.** You can bypass the whole traditional supply chain via marketplaces and get more control on your pricing. **You can reach consumers directly, and get feedback in the form of questions, ratings and reviews.**

You learn what your customers find important and how they experience your products and services, and in turn improve products and services across channels thanks to these learnings. Thanks to their growing success, marketplaces have become essential in the world of retail. Some brands are no longer able to sell on Amazon Vendor, which no longer wishes to buy their stock, and must turn to the Amazon Seller model.

Consumers actively use Amazon, eBay and other marketplaces to search for the products they're looking to buy. Resellers on these marketplaces always find a way to fulfil this demand if the brands don't directly deal with it.

Unless brands are willing to accept that these sellers and marketplaces define their e-commerce strategy, they must establish a plan to sell their products directly on these platforms. It is simply no longer an option to ignore marketplaces and the D2C model.

You learn how your customers experience your products and services



Brands must ensure they are a source of truth

CHALLENGES TO ANTICIPATE

Before embarking on the D2C model, particularly on marketplaces, brands must bear in mind what work this represents and be prepared. **When selling D2C, brands must be ready to manage all marketing, sales, customer support and logistics.** Selling D2C and on marketplaces requires more time and resources, which could mean you will be required to outsource your operations or hire more staff.

Several brands have thrown themselves head-first into the D2C sales model without first developing a real action plan. They generally realize a little later that they missed critical steps in the process. This haste can lead to poor customer feedback, inaccurate sales forecasts or other costly consequences.

In addition, the presence of all the major marketplaces complicates things for brands, as each marketplace is different and requires a specialized approach to achieve the best performance. Marketplaces' requirements are often even higher than those of consumers. Sellers must comply if they want to be able to continue selling on these platforms. Brands need to take care to present products and promotions well to their online customer, and should be careful as to how this information appears to consumers who search on multiple websites.

Consumers only buy online if they have seen a certain amount of detailed product information: ratings and reviews, ingredients, details of the product's origin, multiple photos

from different angles, videos, etc. Brands must ensure they are a source of truth, in other words, information is accurate and content is consistent and on all contact points and pages which present their products. Finally, brands must pay specific attention to economics, on marketplaces in particular. We have the tendency to think you just need to connect to a marketplace and pay the commission on sales to achieve success. But that's not quite true — being profitable on a marketplace can take time and require some investment. Selling on marketplaces requires a well planned long term strategy and real expertise.



REASONS TO GET STARTED

Marketplaces are a great showcase for your brand image:

Internet users trust marketplaces and will purchase your products on these renowned sites with less hesitation than on your own online site, especially if it is their first time coming across your brand. SEO is also a major argument. Marketplaces have a strong strike force, so you will have a better chance of being found on search engines. In addition, their marketing budgets and expertise (acquisition, etc.) are both very high, allowing them to capture a very large audience.

Sell a wider range of products:

If Amazon, eBay and other marketplaces only offer a part of your product range, selling as a third-party can be a great way to build up more references online. If this is a challenge you face, you may choose to continue the wholesale relationship on certain products and open a seller account for items that the marketplace does not sell (hybrid model). This can be an effective method to increase your D2C activity while maintaining a steady flow of revenue through first-party sales (the marketplace is then a classic distributor) on these marketplaces.

Take back control: Some brands are facing battles with third-party merchants who don't present their products correctly or respect their prices. For others, counterfeiting is a real problem on marketplaces. If you are facing these kinds of challenges, there are no better means of regaining control than to be present on marketplaces yourself.

Marketplaces are a great showcase for your brand image

If brands do not proactively manage their online presence, other sellers will inevitably follow competition to sell their products, meaning they will play around with the prices, therefore having a negative impact on your brand's image. In response, many brands are taking steps to take back control of their activity by creating their own third-party vendor account on the marketplaces. This means they can take control of their products, placement of their products and the management of their collections and prices.

Through D2C, brands build a direct connection with their customers. Moreover, even before the launch of a product, these customers are often involved in the choice of the product's branding. Customers then become a community of product ambassadors. In addition, brands that sell D2C receive an invaluable asset: data on their customers. This is a huge strength because major brands have difficulty assessing customer satisfaction on a given product. D2C brands know this very quickly and can, therefore, faster adapt products to consumer demand.

D2C e-commerce sales can be very profitable:

Almost all brands now claim that their own sales are significantly more profitable than wholesale transactions (via distributors). There are some exceptions, but categories such as clothing and electronics are the most lucrative in D2C sales. As brands invest more and more in their supply chain and the number of consumers integrating brand sites into their purchasing processes increases, many brands are discovering that they do not need so many retailers in order to make known or sell their products.

An increasing number of brands are turning to D2C by selling on marketplaces. In addition to unlocking a wealth of consumer and product data, this model allows brands to better control the customer experience, product prices, distribution channels, etc. There is a huge revenue potential for brands that want to invest in D2C. After taking the time to ensure a successful launch on a marketplace, many brands are surprised to see how easy it is to expand to other channels. **Many D2C marketplaces sellers have experienced very strong year-on-year growth after increasing their presence on marketplaces.**

For distributors and retailers, marketplaces offer both an opportunity and a threat. As marketplaces allow brand manufacturers to go direct-to-consumer, distributors and retailers are forced to rethink their added value in the supply chain and develop new strategies. One way is to show they're way better capable of operating marketplaces than brand manufacturers and so decreasing the need and emergency for them to go direct-to-consumer with marketplaces. Another way is to create their own brand and build that brand using marketplaces.

In general, selling on marketplaces also has a few other advantages that might be worth considering.

Selling on marketplaces trains skills all organisations need to develop. The number of sales and marketing channels will vastly increase in the coming decade with the

It's relatively easy to go cross-border and reach millions of new potential customers with marketplaces.

development of voice commerce, social commerce, video commerce, etc. Selling on marketplaces now builds an organizational foundation that helps implement new channels a lot more efficiently. It supports a scalable business.

Marketplaces bring down borders. It's relatively easy to go cross-border and reach millions of new potential customers with marketplaces. You don't have to set up your own e-shop in the local language, logistical infrastructure is already there, and you don't have to start building an audience from scratch. Marketplaces provide a great environment to test new products and markets.

However, the most important argument is that consumers are on marketplaces, and therefore you must be there too. Do you really have a good reason not to sell on marketplaces?



D

Selling on marketplaces: making the right decisions

Being successful when selling on marketplaces means more than just uploading a product feed. This is where many organisations go wrong: they underestimate the dedication required. In practice we see a lot of recipes for failure. Here's a few common mistakes.

1 HAVING NO PLAN AND OBJECTIVES

Many organizations start without having any strategy. They open an account, randomly list products and start bumping into obstructions. Think about the why and the how first.

2 NO ALIGNMENT WITHIN THE ORGANIZATION

We often see 'the one man show'. Somebody within the organization 'handles' marketplaces. But many different capabilities come together on the platform. Marketplaces need to be centralized within the organization to guarantee success.

3 WRONG PRODUCT ASSORTMENT

The common approach is to instantly list the complete product assortment on a marketplace. However, many of your products may not be suitable for marketplaces. Marketplaces may also be specialized in certain categories, not allowing all of your products, or your products don't stand a chance against the competition. Carefully choose the product assortment you are listing on a marketplace. Do so from the helicopter view of all your online and offline channels: balance your channels.

4 INCONSISTENCY CROSS CHANNELS

In larger organizations different channels are managed by different departments. The result is inconsistency in quality of product content, branding and pricing. Pricing is an especially peculiar topic. If your marketplace prices differ too much from pricing on your other channels, you're doing it wrong. You can't have your pricing too high or too low in comparison with prices in your stores or

any other online or offline channel. You'll cannibalize your business. You have to understand that the customer journey is fluid and consumers go from one channel to another for inspiration, browsing or purchasing. To give an idea of the consequences it may have: we've seen that Amazon disables listings because another retailer ran promotions on the same product and the promoted price was too distant from the listed price on Amazon. As well as the sales you miss on Amazon, this can be especially painful if the product is part of one of your campaigns.

So, how do you do it well? Of course, by not making the mistakes listed above. It all starts with your objectives. **Why are you selling on marketplaces?**

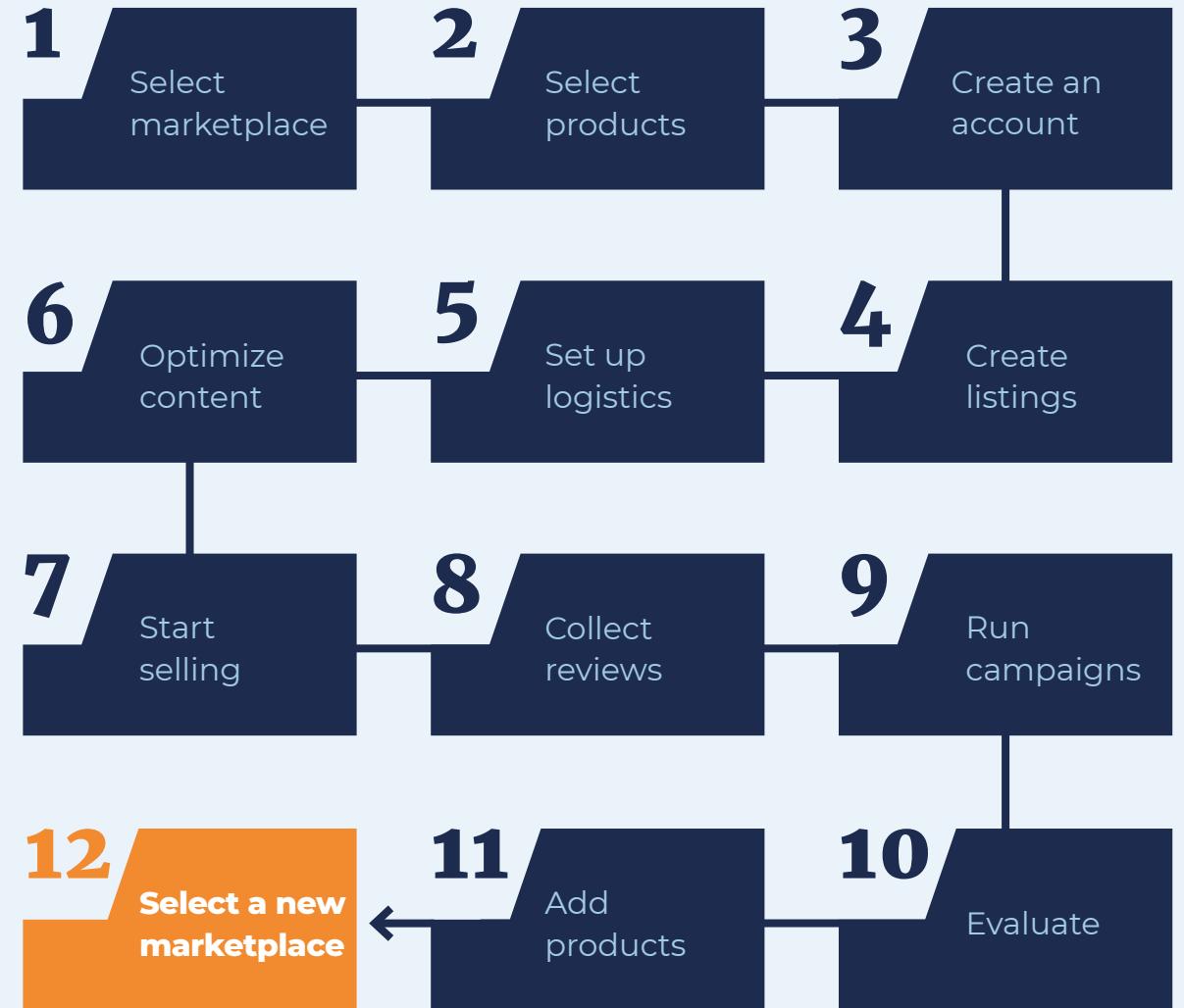
- ✓ **To increase reach: broad mainstream assortment**
- ✓ **To increase brand awareness: limited selection of the seasonal collection**
- ✓ **To get access to new customer segments: specific product category**
- ✓ **To sell extra stock: slow sellers or out-of-season products**

This helps you to make the right choices in other areas, like marketplace and product selection. It also helps you to define and measure success.

The second step is to build a plan. A lot of different elements come into play. You need to know how you are going to manage product content, prices and orders. You need a plan on how to handle customer questions, negative reviews, returns, etc. You need a plan around automation, legal and financial impact and processes.

Once you have a clear view, you can start building your marketplace practice. You construct a team combining marketing, sales, logistics, IT, customer service, finance and legal. That team is responsible for the marketplace success.

That team starts executing. By following the 12-step plan, they start small and then scale up.



STEP 1

CHOOSE A MARKETPLACE TO START WITH

Whilst in the UK, US, Germany and other markets, Amazon stands tallest, there are numerous marketplaces across markets and regions to select from, such as Alibaba, eBay, La Redoute, Lazada, MercadoLibre and Allegro.

Consider also whether you want to sell directly to consumers (B2C) or to other organisations (B2B), as there are different marketplaces for both models. In addition to the traditional B2C marketplaces, Amazon also offers the B2B platform Amazon Business. In many B2B sectors there are already marketplaces you could join as a manufacturer or distributor. B2B marketplaces may be closer to your current way of working and therefore perhaps more accessible. As a manufacturer, distributor or wholesaler you could consider selling on B2C marketplaces. However, starting with sales will have more of an impact on your organisation as a whole, because B2C is very different from B2B.

In addition, **consider whether you want to embark on a retail or wholesale relationship with the marketplace.** Many B2C marketplaces offer both types, but others offer only one or the other. Each type has its advantages and disadvantages. Look to see what suits you best and which marketplaces are accessible for your organisation.

You should also look at which product categories are most suited for the various marketplaces. For instance, one marketplace may be good for fashion, the other for furniture, and another for electronics. You can use this information to find out which products from your catalogue are the most relevant on a particular marketplace.

In addition, pay attention to the services offered by a marketplace. For instance, would you rather leave the logistics or customer service to the marketplace? One marketplace may meet your requirements better than another.

Make sure that you look at the registration terms and conditions. What are the KPIs? What data and reports can you derive from the marketplace? What level of service, in terms of delivery and response time, do you need to meet? What is the return policy? Success largely depends on whether you are able to meet the requirements set by the marketplace. You should also read the small print. What charges are you committing to? What commissions do you need to pay? Transparency about marketplace profitability is key.

	Example 1	Example 2	Example 3
Item value	100	50	50
Number of items per order	1.2	1.2	1.2
Markdown	0%	0%	30%
Gross revenue	€120	€60	€42
VAT	€-19	€-10	€-7
Net revenue	€101	€50	€35
COGS	€-30	€-15	€-15
Gross margin before returns	€71	€35	€20
Return rate	40%	40%	50%
Net revenue after returns	€60	€30	€18
Gross margin after returns	€42	€21	€10
Fulfillment cost	€-10	€-10	€-10
Marketplace provision (10-20%)	€-9	€-5	€-3
Integrator provision (0.5-1.5%)	€-1	€0	€0
Profit per transaction	€22	€6	€-3

← IMPACT ON PROFIT CALCULATION IF PARAMETERS CHANGE

As you can see the profit is clearly impacted by every change. In these examples we first assume that we sell one item for €100 on a marketplace. At the end we have a €22 profit. Then another one for €50, here the profit is only €6. For the last one our brand decides to offer a 30% markdown but the return rates also slightly increases to 50%. In this case the order is not profitable anymore.

STEP 2

SELECT PRODUCTS

Start with a small number of products — preferably unique ones. Choose products with a slightly higher margin and a low return rate. Check whether there is a demand for the products that you want to offer and whether they stand out enough compared to similar offers. Larger marketplaces, such as Amazon, have tools that can help with this. Another method is to read reviews. These will give you an insight on the demand and the features that consumers are looking for.

Choose products that more or less sell themselves, namely products that are easy to understand. This prevents you from getting overwhelmed at the start with questions from consumers about the product, or by returns from customers who have misunderstood the product.

STEP 3**CREATE AN ACCOUNT**

Create an account on the relevant marketplace. Then take a look at your account. Which settings can you use? Do you need to take care of any issues to get the account live? What reports or dashboards are available to help you? If you are a brand owner, you should immediately register your brand with the marketplace, if possible. This often allows you to gain control over things such as product content.

STEP 4**OPTIMISE CONTENT**

Optimise the content for your products. This is a discipline in its own right and is not the same as creating content for your own online store. After all, on a marketplace you are competing with other suppliers. Consider working with a partner who can create consumer-focused content for you.

Place your products in the correct category. This may seem rather obvious, but it often goes wrong in practice. **The category is the 'digital**

shelf'. Products on the wrong shelf in a physical store sell less because they are harder to find. A digital marketplace works the same way.

Make sure that you have entered all the attributes correctly. Write content that is relevant to the consumer. Be sure to use high-quality images. Write a strong title, use effective bullet points, and insert the correct keywords. Fill in as many fields as possible. Consumers will not be able to see most of the fields that you fill in, but they are crucial for the search algorithm.

STEP 5**SET UP LOGISTICS**

Make a choice regarding your logistics. Choose whether to do it yourself, deploy a fulfilment partner or use the marketplace fulfilment service. Although it may work out cheaper to look after the logistics yourself, outsourcing it to a fulfilment partner means considerably less hassle.

Outsourcing logistics to a marketplace will improve the position of your products in the search results. Obviously, it costs money to outsource logistics, but you might get something extra in return. For instance, customer queries and returns may also be taken care of on your behalf. There are different options and implications in each marketplace. Create a business case. Bring in your colleagues from the logistics department. Make a choice and implement the required processes to get your products to the fulfilment centre or to your customers on time.

STEP 6**CREATE LISTINGS**

Upload your product content. As we've said, make sure that your products are in the correct category. The category is a digital shelf and this is essential for consumers to find your products. If not done correctly you're going to lose customers. Further optimise the product content and make sure you have 100% of the fields filled out.

STEP 7**START SELLING**

Activate your account and the products. Now you are live! It's a milestone, so celebrate it! But, it's not the time to sit back and wait for orders. As we said earlier, it's not something you can do overnight. Success doesn't just happen on its own. Now is the time for the real work to start!

STEP 8**COLLECT REVIEWS**

When you start to make sales, the next step is to actively collect reviews. When you have email addresses from consumers, you can contact them and ask for a review. Alternatively, you can place a flyer in the box to prompt a review. Another option is to hire promoters and influencers who can be rewarded (eg. financially or via the product itself) to write a review. Be careful though, this is an area open to abuse, we advise above all genuine user reviews. As a guide, aim for a minimum of 15 reviews per product.

Reviews play a crucial role when consumers are deciding to make a purchase. A whopping 64% of online shoppers in our Future

Shopper 2019 survey⁶ told us they check Amazon reviews when shopping on other sites or in a retail store! Moreover, positive reviews lead to a higher position in the search results. Monitor your reviews and learn from them. Respond to negative reviews helpfully — don't damage your reputation through an undignified, published argument about a disputed order. Look at what you can improve based on your reviews in order to secure more orders.

STEP 9**RUN CAMPAIGNS**

Your products will not have much traction at this point. They need to move up in the search results and they will probably have a low conversion rate. Also your brand awareness can still be low. Each marketplace has different types of promotions and advertisements. Look at them carefully and think about which of these you can best deploy for your products or brand. Special deals or promotional prices work effectively for new products. The aim here is to gain your first sales and to collect reviews. Once a product has sufficient (positive!) reviews, it is ready to use for advertising.

STEP 10**EVALUATE**

You can implement improvements on the basis of your reviews and what you and the organisation have learned. You can improve the product content, optimise your delivery and design your campaigns differently. There is always something you can improve.

STEP 11**ADD PRODUCTS**

Once you have everything under control, it is time to scale up and add new products. You can then keep repeating the previous process. Keep experimenting, learning, improving and optimising. Continue to add new products, optimise processes, run campaigns and scale up.

STEP 12**SELECT A NEW MARKETPLACE**

Once you mastered the process of marketplace selling, you may wish to scale via new marketplaces. Start again with the first step!

E

What's new? The rise of m-commerce, new players, and other trends

As digitalization and e-commerce continue to evolve, new players keep entering the field. One strong trend is the rise of m-commerce. **Worldwide, the share of m-commerce in all e-commerce is expected to rise to 72.9% by 2021.**

Interestingly, the m-commerce revolution is even more prominent in emerging markets. This is a massive rise from 58.9% in just 2017. While China is most responsible, by far, for this growth, figures from India and other developing economies are not worth scoffing at, either⁷. Therefore, marketplaces have had to evolve and invest in mobile to adapt to these practical evolutions as well as the new challenges of the market. These days, many have mobile-friendly websites or applications. Thus, if a retailer sells on these sites, they are also active on mobile devices, and can benefit from the consequent opportunities and advantages.

APPS

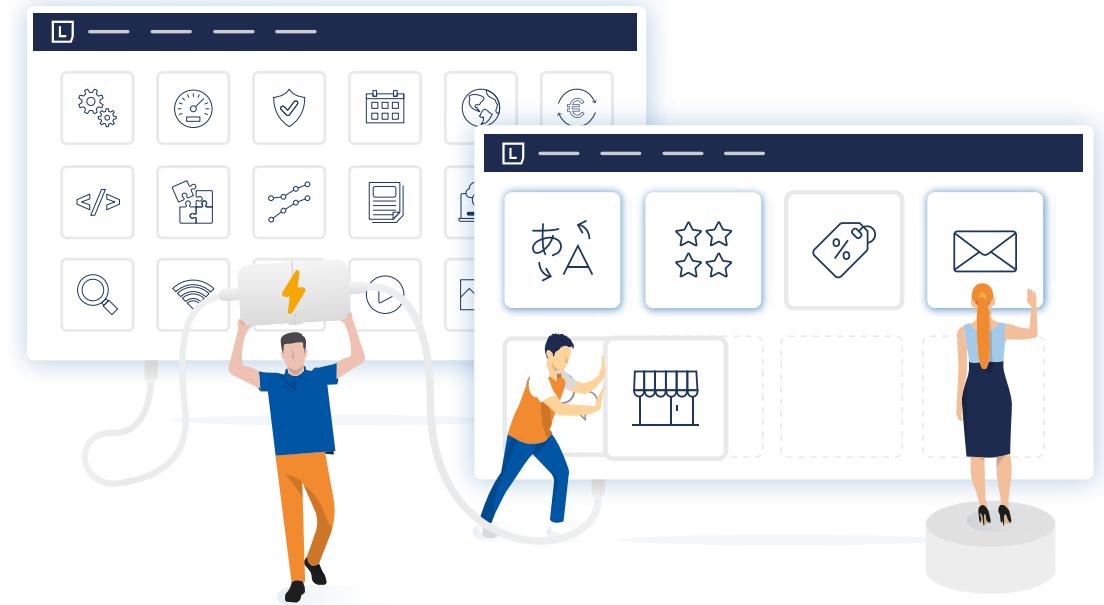
The classic pricing model, sales commission, is the most popular option for marketplaces. When a sale takes place on a marketplace, the operator will take a commission fee. More and more it seems to be mobile applications fuelling m-commerce growth. The main reason why apps perform better than websites is personalization. **The first half of the year 2019 has seen that 62% of smartphone owners use mobile apps mostly for purchases⁸.**

It can be very profitable for retailers to be active on marketplace apps, whether that be applications for

big marketplaces (such as Amazon, Cdiscount or even La Redoute) or on vertical marketplaces that only exist as applications (eg, Wish, Mallzee and Wine Advisor).

According to a worldwide study led by Criteo, **transactions are nearly 4x more common on apps than mobile sites and the average basket cost is higher⁹.**

What's more, when a retailer appears on a popular marketplace app, they benefit from increased traffic, whilst being closer to consumers in their everyday lives.



For marketplaces that exist only in application form (which tend to be specialised), retailers can benefit from a more qualified audience.

Lastly, one of the main challenges for retailers in an increasingly fragmented purchasing environment is customer retention. Appearing on both computer and mobile-friendly sites along with the complementary app is a great way to tackle this.

Although most sales come via traditional e-commerce, not m-commerce, mobile devices are present throughout the purchasing journey. According to Criteo, more than 50% of all e-commerce is the result of a cross-device purchasing process.

Therefore, it is important to think about your mobile presence and develop a cross-device strategy, because even if the final transaction is not made on a mobile device, the user will probably use one during the process.

A mobile strategy (i.e. being present on a mobile site and/or app) lets retailers accompany mobile users in their everyday life, and gives them the potential to convert a customer at different stages of the purchasing process.

There are two different possibilities for retailers:

- ✓ **If retailers already distribute products on a given marketplace, they will appear on the equivalent mobile site or application. As marketplaces are mainly mobile-friendly, the retailer can still benefit from its audience and a surplus of visibility on these new channels.**
- ✓ **The retailer can also choose to integrate onto other marketplaces that are only in application form. These types of marketplaces tend to be specialised, and show just how important m-commerce has become.**

The retailer, small or large, will be able to benefit from the marketplace's advancements and thus, indirectly, benefit from its investments.

As you can see, the world of marketplaces is bigger than Amazon, eBay and Bol.com. There are dozens of different marketplaces and new players continue to storm the market. Each one has its own characteristics, dynamic, strength and audience. They all offer new opportunities for reaching a new audience. Research the new marketplaces and determine to what extent they suit your marketplace strategy.

EXAMPLES OF SHOPPING APPS

AliExpress™

AliExpress is a leading online retail service based in China that is owned by the Alibaba Group. It is active in 220 countries and has 150 million users.

At least 92% of all orders are placed using a mobile phone. AliExpress is already accessible for European sellers and is extremely popular in France (ranked 5th in the mobile marketplace) and ranked 3rd in both Italy and Spain.

JOOM

Joom is a Russian marketplace and alongside Russia is also one of the most popular marketplace apps in France.

Joom is also in the top 10 in Germany, Italy, Spain and the UK. It is slowly starting to allow European sellers.

wish

Wish is making a name for itself in the US and Europe. This marketplace has 90 million returning users each month, 1 million sellers and 200 million items.

Wish is in the top 5 most popular mobile marketplace apps in Germany, France, Italy, Spain and the UK. Bargain hunters use Wish, and it's a very attractive option if you can offer a really competitive price for your products.

Wish is developing many activities in Europe to increase its profile and this is something you can also benefit from.

SOCIAL COMMERCE

Facebook is experimenting with checkout features across its platforms including WhatsApp and Instagram. WhatsApp gives brands and retailers the opportunity to connect, converse and engage with consumers individually and to inspire and guide them on a personal level. This channel allows for hyper personalization. Instagram enables you to inspire consumers on a bigger scale. It has added a checkout feature which in principle means that it has become a marketplace. Products can be singled out and ordered directly from advertisements and influencers' posts. Instagram has enormous potential as a sales channel. This is not only due to its 1 billion users worldwide, but primarily because **72% of these users claim to have purchased something they saw on Instagram**. Instagram is therefore excellent at inspiring consumers, and even encouraging them to make a purchase. There are currently a limited number of brands affiliated with Instagram, a number that is set to increase.

Pinterest has also entered the mix with its "Shopping" programme which enables visitors to purchase products that are similar to the ones they are searching for and viewing.

But Instagram and Pinterest are not the only ones. Twitter has experimented with a checkout feature, but failed. Snapchat has been experimenting with a limited amount of influencers and TikTok is working on checkout features too. More and more social platforms are entering the field and each have their dynamics, consumer demographics and consumer mindset. Marketing and commerce melt together on these platforms which means that these departments within your company have to work closer together. As more and more channels will be part of your marketing or sales mix, and because they change shape over time, you frequently have to balance them. For each channel you have to reconsider which business purposes they serve and how to optimize them as one of the cogs in your total channel portfolio.

GOOGLE SHOPPING ACTIONS

We know from the Future Shopper survey by Wunderman Thompson Commerce¹⁰ that more than half of online consumers go to Amazon for product-related searches, comprehensively overtaking Google at its own business! But Google is fighting back and will become a marketplace. Google Shopping Actions allow users to locate and order products from third parties. Naturally, this fits seamlessly with Google Home, so products can also be searched for, added to the shopping list and purchased using speech. Google Shopping Actions only operates in the US and France at the moment and has a limited number of sellers for now. Google Shopping Actions allows consumers to search, browse and buy products across different channels, for example Google Shopping and Google Home. So **Google has a multitrack plan to compete with Amazon in the commerce playing field**.

AMAZON EXPANDING TO OTHER COUNTRIES

There are markets where Amazon has very low presence or penetration, such as the Netherlands or Czech Republic. This doesn't suggest a tried and failed venture by the Seattle-based giant, but its focus to succeed in major strategic markets first, such as the US, UK and Germany. Amazon will no doubt connect with consumers beyond its high penetration markets in time – and when it decides to make a move into a new market, it is likely to be rapid! **Amazon launched in the Netherlands in March 2020. Amazon also announced plans to open shop in Poland in the near future.** We expect Amazon to expand to the Scandinavian countries. This will also affect other marketplaces, brands and retailers. Amazon will follow the trends in various aspects of customer experience and will keep innovating. The consumer will get used to this and take these expectations with them when they shop elsewhere.

MARKETPLACES FOCUSING ON A THIRD PARTY (3P) MODEL

Several marketplaces such as Amazon, Zalando and Bol.com have stated that their strategic focus will be on the 3P model, namely the 'marketplace model'. Traditionally, these marketplaces have had a wholesale relationship with many sellers (1st party relationship). The marketplace buys items and sells these to consumers under their own name. This is attractive for many organisations due to the higher sales volumes. It offers greater certainty that items will be sold and certain services, such as customer service and logistics are outsourced. Now that the focus is shifting to the 3P model, it is becoming harder for parties to set up or maintain this wholesale relationship with a marketplace. This is leading to sellers being more or less forced to take sales to the consumer into their own hands but also to regain autonomy and control.

CHINESE MANUFACTURERS BUILDING BRANDS ON AMAZON

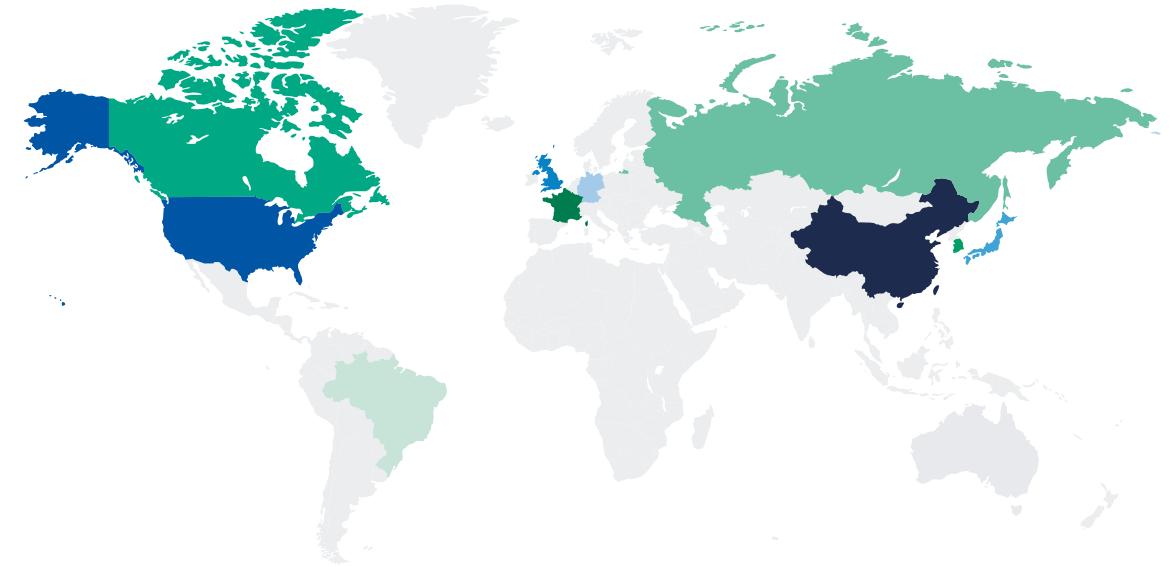
As marketplaces lower the threshold for brands to go direct-to-consumer, it is logical to expect a lot of new players entering the market. Products are for a large proportion manufactured in China. These manufacturers see what brands do: take their products, brand it, and sell it to consumers via marketplaces. They started to believe that they could do it themselves... they don't need brands to bring their own manufactured products to consumers. And they're right! We see this happening on a large scale nowadays. Chinese manufacturers are succeeding. Almost half of all sellers on Amazon.com are Chinese¹¹. One example is Anker¹², a branded electronics manufacturer that's estimated to be Amazon.com's 2nd top seller¹³. So on marketplaces, you're not only competing with local or continental players, but you're competing on a global scale.

2 Boost your international sales with marketplaces

IN THIS CHAPTER

- A. European e-commerce potential and specificities. 36
- B. Some of the most popular marketplaces around the world. 52
- C. Enter markets around the world thanks to marketplaces. 66
- D. Challenges to anticipate. 68

Marketplaces will account for two-thirds of global B2C e-commerce sales by 2023, up from 58% in 2018. In the US, Amazon drove 48% of e-commerce growth in 2018, which will rise to 56% by 2023 if the current trends continue.¹⁴



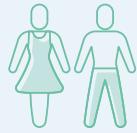
- | | |
|-------------------------|----------------------|
| 1 CHINA | 6 FRANCE |
| 2 UNITED STATES | 7 SOUTH KOREA |
| 3 UNITED KINGDOM | 8 CANADA |
| 4 JAPAN | 9 RUSSIA |
| 5 GERMANY | 10 BRASIL |

A

European e-commerce potential and specificities



50 COUNTRIES



+ 800 MILLION INHABITANTS

3rd

BIGGEST E-COMMERCE REGION IN THE WORLD



+ 500 MILLION INTERNET USERS



+ 300 MILLION ONLINE SHOPPERS

EUROPEAN E-COMMERCE GROWS BY 13%

As indicated, European B2C e-commerce turnover is expected to reach €621 billion this year. If this estimate comes true, e-commerce in Europe will have grown by more than 13%.

Counting €363 billion, Western Europe - Germany, Belgium, France, Ireland, Luxembourg, the Netherlands and the UK - has the largest share of the European market (66%). This is followed by Southern Europe - Croatia, Cyprus, Greece, Italy, Malta, Portugal, Spain and Turkey with €78 billion (14%), and Northern Europe - Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden with €49 billion (9%).

INTERNET PENETRATION IN EUROPE

In Europe, the internet penetration is at 82.5%, with Northern and Western Europe being the regions with the highest internet penetration (respectively 93.3% and 92.3%). We can still see big differences between European countries.

For example, Iceland has an internet penetration of 99%, while in Ukraine just 64% of the population has access to the internet.

Counting €363 billion, Western Europe - Germany, Belgium, France, Ireland, Luxembourg, the Netherlands and the UK - has the largest share of the European market (66%). This is followed by Southern Europe - Croatia, Cyprus, Greece, Italy, Malta, Portugal, Spain and Turkey with €78 billion (14%), and Northern Europe - Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden with €49 billion (9%).

SHARE OF EUROPEAN CONSUMERS WHO SHOPPED ONLINE

The percentage of online shoppers shows striking disparities, from 88 to 22%. The UK with 87% is trailing Switzerland (88%). Germany (82%) is ahead of France (76%) and Spain (62%). Some states have not yet passed the 50% mark, such as Italy (47%) and Portugal (49%), but especially the Eastern European countries, with Ukraine in last place, which counts only 22% of e-shoppers.

AVERAGE ONLINE SHOPPER SPENDING IN EUROPE

Although in Western Europe, the highest share of the continent's e-commerce turnover is generated, Northern Europe is the region with the highest spending per online shopper: 2,046 euros per year. The average online shopper spending in the whole of Europe was 1,346 euros last year and is forecasted to grow to 1,464 euros by the end of 2019.

CROSS-BORDER SHOPPING

The online cross-border market in Europe represented a turnover of 95 billion euros in 2018, with 55% of it generated by EU retailers and the remaining 45% coming from retailers that are located outside the European Union. This corresponds to a cross-border share of total online sales in Europe of 22.8%.

In Western Europe, the UK and Germany are the two most attractive buying destinations for online buyers around the world. In 2018, more than a quarter of English online retailers' orders were made from abroad. In Germany, over half of all online retailers were selling products to at least two foreign countries.

SOME COUNTRIES' SPECIFICITIES

The main obstacles to online shopping remain payment security issues and logistics. Delivery conditions and delivery times or the management of returns in case of dissatisfaction are also among the main concerns of European consumers.

However, to respond to this, sellers will have to be attentive to the customs in each country. While most Europeans prefer to be delivered to their homes, the distribution points are in the lead in Norway or Ukraine and equally-ranked with the home delivery in France.

As for transactions, the survey reveals a real disparity in the payment methods used by Europeans. While in France, Ireland and Denmark credit cards are the preferred payment method (nearly 80% of Europeans use credit cards), this is not the case everywhere: 22% in the Netherlands, 46% in Belgium and only 12% in Germany. Some Europeans prefer solutions such as PayPal or bank transfers. Mobile payment scores the highest in Northern Europe, 51% in Lithuania and 48% in Estonia, while cash on delivery is still very used in Eastern European countries.¹⁵⁻¹⁸

Michelle Beeson, the author of a Forrester report on the European e-commerce market, explains in a blog that currently "Europe is still a group of distinct national markets, rather than one unique market. Countries still operate differently in terms of administration, payment structures, marketing and even in terms of consumer tastes, which can vary hugely from one country to another."

As a result, marketplaces hold a lot of potential for retailers that want to start selling in Europe. This sales channel simplifies cross-border selling, as it deals with each market's special features and tends to have a great client base. In many countries such as the UK and Germany, Amazon and eBay are clearly the leaders in these markets, however merchants wishing to enter the European market must consider that in other countries, such as France, the Netherlands or Poland, other marketplaces are strongly challenging Amazon (for example Cdiscount in France, Bol.com in the Netherlands, or Allegro in Poland).

Europe is still a group of distinct national markets, rather than one unique market. Countries still operate differently in terms of administration, payment structures, marketing and even in terms of consumer tastes, which can vary hugely from one country to another.

OUTLOOK FOR MAIN EUROPEAN MARKETPLACES

Contrary to the situation in France, where nine marketplaces feature in the top 15 most popular e-commerce sites, retailers that want to start selling on marketplaces in the UK or Germany have to use eBay and Amazon, as these two giants dominate the two markets.

The European marketplaces market is not uniform. In order to sell efficiently and effectively in each country, retailers have to take the specifics of each country into account.





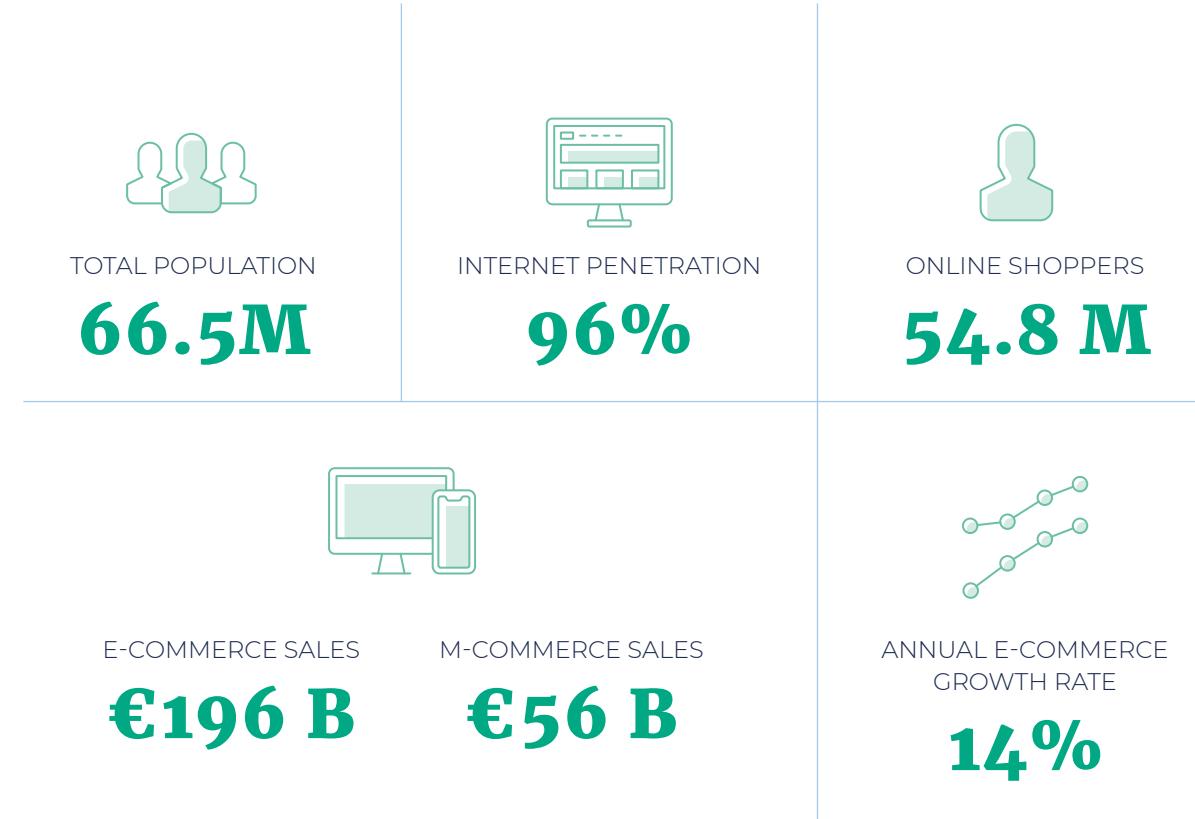
United Kingdom

Top e-commerce market in Europe

By 2024, **UK shoppers will spend 50% more than they do now** on online marketplaces, new research suggests.

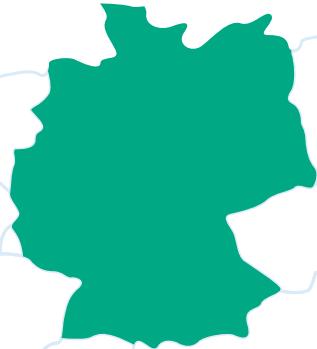
General merchandisers **Amazon and eBay** dominate the online marketplaces market and are forecast to account **for over 90%** of spend in 2019.

73% of the products purchased online come from domestic online stores. Of the remaining 27%, **16% of the goods purchased online are purchased outside the EU** and 11% are ordered from an EU country. The foreign markets from which UK consumers order most products online from are the US, Germany and France.^{19 - 22}



MAIN MARKETPLACES





Germany

2nd largest e-commerce market in Europe

Highest returns rate in Europe.

Credit cards are not the preferred payment method; Germans prefer to use solutions like PayPal, SEPA Direct Debit, Sofort or Giropay.

Amazon accounts for an impressive **27% of all e-commerce sales.**

The EU is the most significant source of cross-border purchases

(products shipped into Germany from other countries). China and the US account for 44% and 32% respectively.

Online marketplaces were able to increase their revenue by 9.7% to 30.62 billion, making them the largest distribution channel in German e-commerce.^{23 - 30}



TOTAL POPULATION

82.8 M



INTERNET PENETRATION

89%



ONLINE SHOPPERS

57 M



E-COMMERCE SALES

€94 B

M-COMMERCE SALES

€49.6 B



ANNUAL E-COMMERCE GROWTH RATE

11%

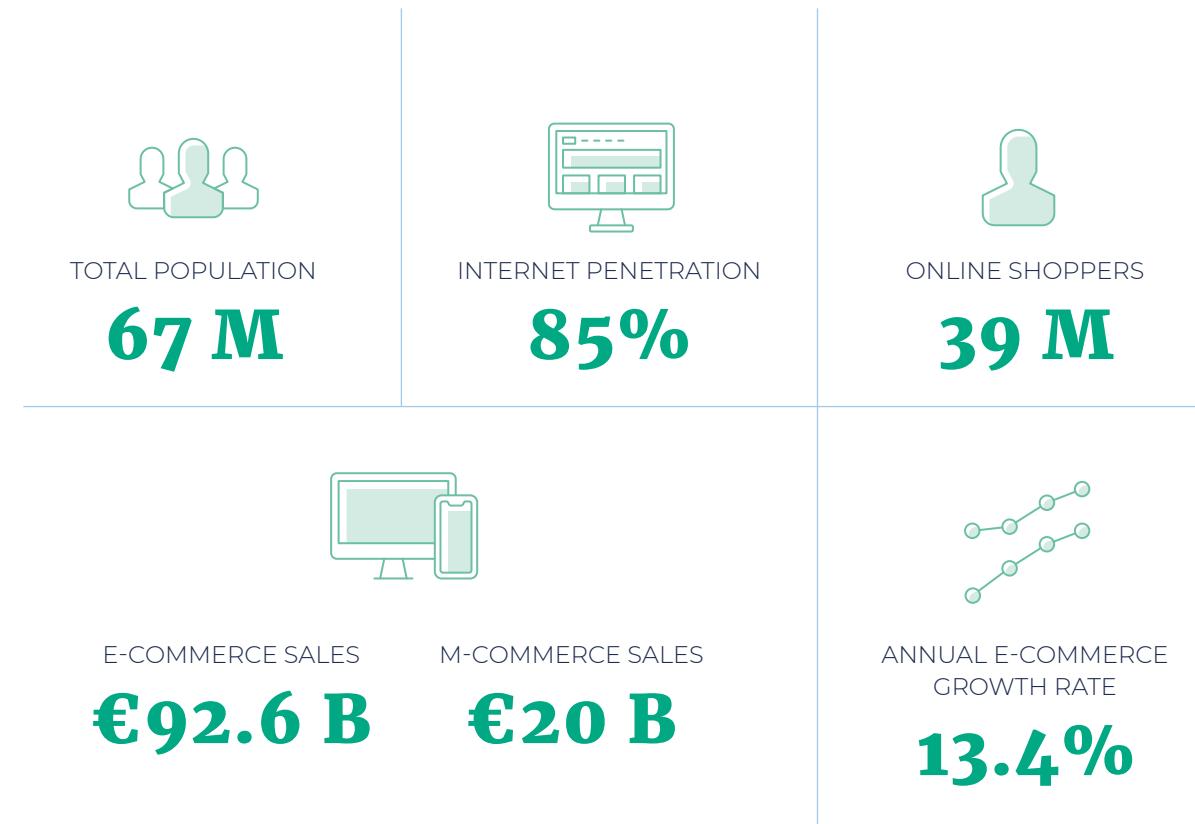
MAIN MARKETPLACES

OTTO

zalando

ebay

amazon



MAIN MARKETPLACES



↓ FOCUS ON MARKETPLACES IN FRANCE

France is one of the most dynamic e-commerce markets in the world (6th). With an **internet penetration rate of 85%**, France is one of the European e-commerce market leaders, with a market value of **€92 billion in 2018**, set to exceed **€100 billion in 2019**.

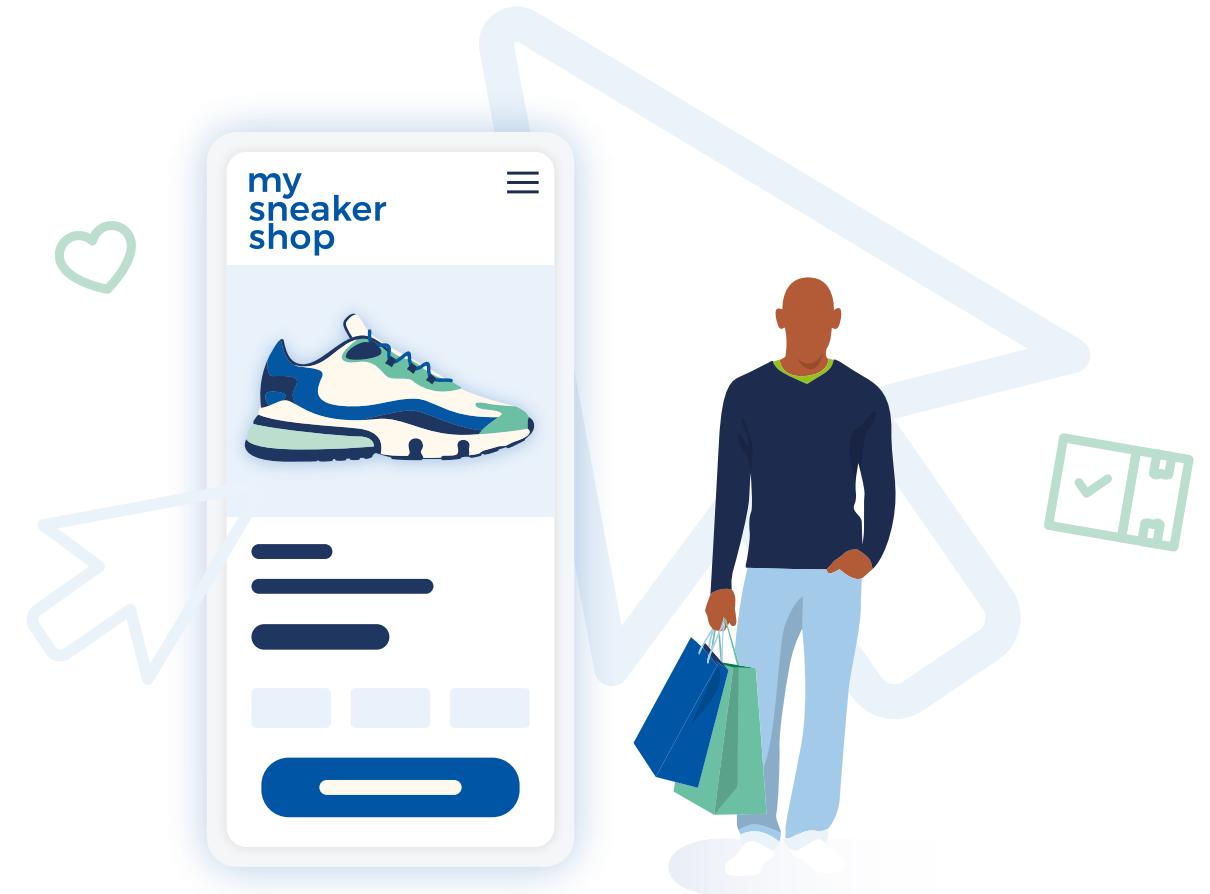
The French e-commerce market has a special feature: marketplaces are very popular. Out of the top 15 most visited e-commerce websites in France, nine are marketplaces, most of which are vertical and local.³²

Rank	Brands	Average unique visitors per month	Monthly France coverage (% population)	Average unique visitors per day
1	Amazon	30 781 000	49.1%	5 188 000
2	Cdiscount	20 145 000	32.2%	2 158 000
3	Booking.com	15 413 000	24.6%	1 393 000
4	Fnac	13 972 000	22.3%	1 035 000
5	Veepee	13 702 000	21.9%	2 648 000
6	OUI.sncf	13 419 000	21.4%	1 263 000
7	Carrefour	12 377 000	19.8%	1 144 000
8	E.Leclerc	11 955 000	19.1%	1 155 000
9	Vinted	10 855 000	17.3%	2 512 000
10	Leroy Merlin	10 678 000	17%	741 000
11	Groupon	10 538 000	16.8%	1 242 000
12	eBay	10 368 000	16.5%	1 099 000
13	Airbnb	9 937 000	15.9%	1 059 000
14	Wish	9 858 000	15.7%	1 181 000
15	Darty	9 824 000	14.1%	512 000

MARKETPLACES ACCOUNT FOR 30% OF DIGITAL REVENUES IN FRANCE

The share of marketplaces has increased from 15% of the total sales volume of the main merchant sites in France in 2013 to 30% in 2018 and should reach 33% in 2021. The marketplace is therefore an effective sales channel, but above all one with a future.

The marketplace phenomenon is experiencing a meteoric rise. On Amazon, the marketplace model accounts for 69% of total sales volume in France. More broadly, for all the major e-commerce brands in France, the share of the marketplace has risen from 21% in 2015 to 35% in 2018.³³





Spain

Biggest e-commerce market in Southern Europe

AliExpress is particularly used in the country.

When targeting the country, online retailers have the chance to access other markets like Portugal (lots of Portuguese buy online from Spanish sites) and South America.^{34 - 35}



TOTAL POPULATION

47 M



INTERNET PENETRATION

92%



ONLINE SHOPPERS

27 M



E-COMMERCE SALES

€28 B

M-COMMERCE SALES

€16 B



ANNUAL E-COMMERCE GROWTH RATE

17%

MAIN MARKETPLACES

Veepee 

El Corte Inglés

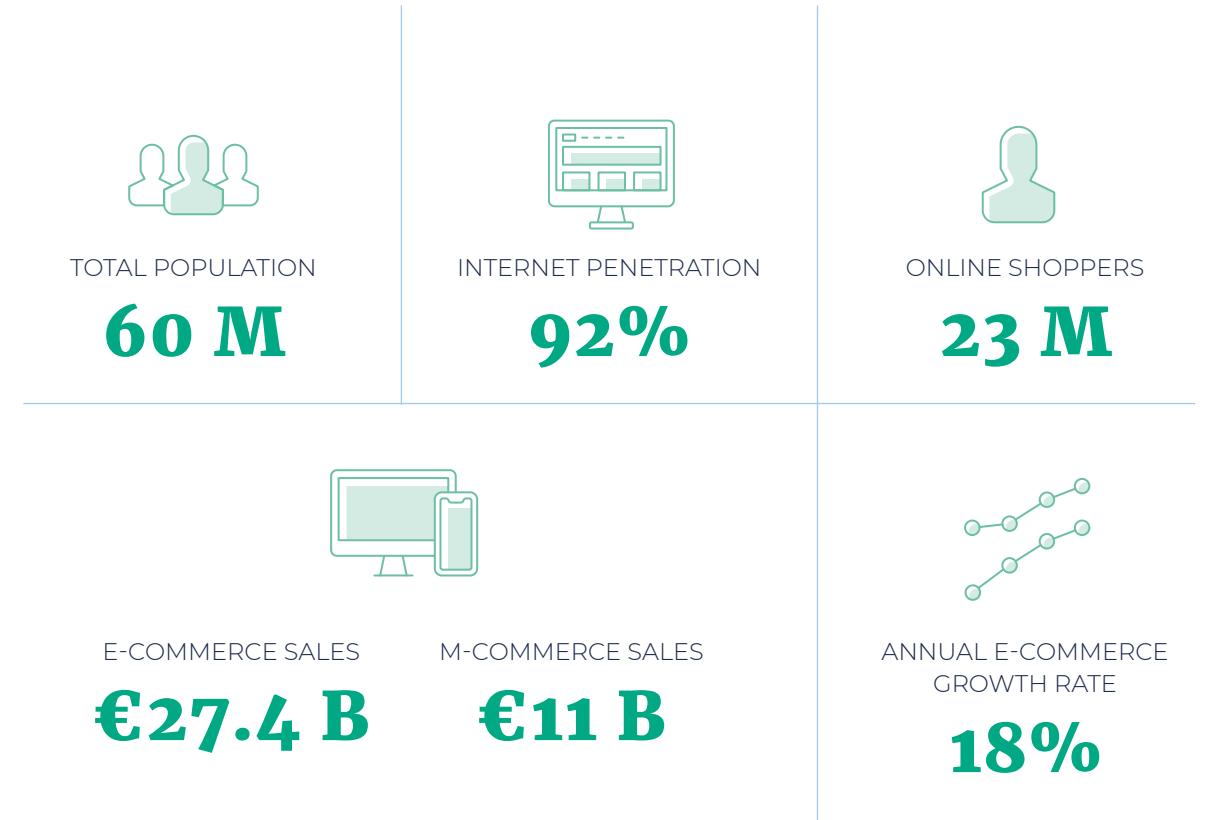
AliExpress™



Italy has one of the highest rates of mobile penetration in Europe.

Free delivery is a key factor which determines whether someone completes a purchase.

Online payment is still not universally accepted by Italians, most of whom prefer to pay in cash. ^{36 - 37}



MAIN MARKETPLACES

ePRICE

ebay

ibs.it

B

The most popular marketplaces around the world

Estimates state that marketplaces will represent **66%** of global e-commerce sales³⁸. **72% of marketplace sales came through third-party sellers in 2018**. eBay, Mercado Libre, Pinduoduo, and Amazon have the most third-party sellers, reaching 7.5 million, 4 million, 3.6 million, and 2.5 million, respectively, in 2018³⁹.

ACCORDING TO ECOMMERCE EUROPE, AMONG THE TOP
CROSS-BORDER EUROPEAN MARKETPLACES, WE CAN FIND:

Company	Country	Sector
 zalando	Germany	Fashion - Jewelry - Baby
 frugo	United Kingdom	Mass merchant
 asos	United Kingdom	Fashion - Jewelry - Baby
 FARFETCH	United Kingdom	Fashion - Jewelry - Baby
 Carrefour	France	Mass merchant
 vidaxl	The Netherlands	Home - Garden - DIY
 fnac	France	Consumer electronics
 spartoo	France	Fashion - Jewelry - Baby
 COOLSHOP	Denmark	Mass merchant
 PromoFarma	Spain	Personal care



FIRST ECOMMERCE WEBSITE

IN THE WORLD ^{40 - 43}

AMAZON IS A HYBRID PLAYER

In other words, it is both a marketplace and a retailer. Thus, their products are displayed alongside those of sellers on their platform. Amazon is one of the most famous marketplaces in the world, alongside eBay. Originally dedicated to cultural products, the platform has expanded its offering, and continues to increase its product categories as well as its worldwide presence.

AMAZON FBA

Fulfillment By Amazon is a service where Amazon takes care of delivery, even if the product is sold by a third-party retailer. Amazon deals with stock, product delivery and the after-sales service. If a retailer signs up to use FBA, they also benefit from added visibility for their offers.

Amazon has also created an offshoot of their FBA service specifically dedicated to the European market: Pan-European FBA. Acting on the same principle, Amazon provides a stock management service throughout Europe. By signing up to the service, retailers can sell their products on 5 of Amazon's European sites (UK, Germany, France, Spain and Italy) and leave it up to the marketplace to manage orders.

1st

ECOMMERCE WEBSITE
IN THE WORLD

+180

COUNTRIES

+175

FULLFILMENT CENTERS

14

MARKETPLACES (US, CA, MX, BR,
UK, DE,FR, IT, ES, JP, CN, IN, AU, AE)

+30

PRODUCT CATEGORIES

\$227Bn

AMAZON SALES

58%

OF SALES COME FROM
MARKETPLACE SELLERS

3M

THIRD-PARTY
RETAILERS

THE BUY BOX

One of the main advantages of Amazon is its "Buy Box", which is awarded to the best retailers. These retailers are chosen based on the following criteria: track record, sales, stock, buyer satisfaction and price. This box appears on the product detail page, where customers begin the purchasing process by adding items to their basket. Amazon's popularity means that many retailers may sell the same product, so if a retailer has the Buy Box, their product will seem more attractive, and indeed Buy Box placement has increased the volume of sales for many sellers.

SPONSORED PRODUCTS

As one of the most popular marketplaces in the world, when retailers sell on Amazon they face strong competition. Therefore, one of the main challenges for retailers is how to improve visibility and boost sales. This is exactly what Amazon's 'Sponsored Products'⁴⁴ feature aims to do. These Sponsored Products appear in search results pages and on product pages, on computers, smartphones and tablets. Sponsored Products work using a bid system and are invoiced using the cost per click model.

After a retailer has chosen which product they want to push, they have to state the maximum cost that they are willing to pay per click and choose which keywords they would like to attach to said product. Amazon also lets retailers access the metrics, which means they can optimise their adverts from the outset. Once a retailer has configured everything, Amazon selects the bids according to the retailer's budget and the relevance of the keywords.



MARKET LEADER IN CHINA, ALIBABA

OWNS THREE OF THE TOP E-COMMERCE

PLATFORMS IN CHINA ⁴⁵

天猫 TMALL.COM

天猫国际 TMALL GLOBAL
淘宝网 Taobao.com

TMALL GLOBAL

Launched in 2014, the Tmall Global marketplace is part of the Tmall.com group, which is the top B2C marketplace in China. As a branch of the Alibaba group, which dominates more than 80% of the Chinese online market, Tmall Global allows retailers based outside of China to sell products directly to Chinese consumers. Tmall therefore allows international products to be distributed to Chinese consumers, who are partial to high-quality European products. Retailers do not need a sales licence for China, order forms can be filled in and goods delivered from all over the world and payments can be processed in the customer's local currency.

60%

OF ALL RETAIL E-COMMERCE
TRANSACTIONS

\$430Bn

ANNUAL GROSS
MERCHANDISE VALUE

693M

USERS

IN ITS 4TH QUARTER
OF THE FISCAL YEAR 2019,
THE COMPANY GENERATED
A REVENUE OF

\$11.8Bn



MEANING A RISE OF

54%

COMPARED TO 2018

To ensure the process of starting to sell in China is as easy as possible, Tmall has established a range of partnerships to help retailers with a variety of challenges: opening an account, configuration, shop design, logistics, marketing, etc.⁴⁶

- ✓ **Tmall Global is an online e-commerce platform for businesses not domiciled in China**
- ✓ **The most preferred online market for international brands hoping to penetrate the Chinese market**
- ✓ **Represents more than 70,000 brands in 50,000 online stores**
- ✓ **Brands from 63 countries currently selling products on Tmall Global** ⁴⁷

PROMOTE YOUR PRODUCTS ON TMALL

Like Amazon, Tmall Global lets you highlight certain products in order to position them at the top of the results pages. This service is billed by performance (i.e. per click) and works using a bid system.

Tmall also offers a display service called Zuan Zhan. Retailers can choose to display their adverts through adverts. The retailer is billed using the CPM payment method.

Lastly, like other marketplaces, there are a range of tricks for retailers to use to maximise the natural referencing of their products on a Tmall Global store. The retailer can also improve their products' positioning in search results pages.

Cdiscount

THE LEADING FRENCH

ECOMMERCE WEBSITE ⁴⁸

CDISCOUNT FULFILMENT

Cdiscount logistic expertise at your service:

- ✓ Storage, packaging and shipment of your products
- ✓ Returns and Customer Relationship Management
- ✓ Increased visibility of your offers on the site

CDISCOUNT ADS

Thanks to this service you can choose to animate your sales through visibility plans adapted to your needs. With these powerful advertising levers you can capture customers throughout their buying funnel.

CDISCOUNTPRO

This B2B marketplace allows pros to trade easily.⁴⁹

€3.6 Bn

BUSINESS VOLUME IN 2018

34%

OF THE TURNOVER COMES FROM THE MARKETPLACE

+20M

VISITORS PER MONTH

10M

ACTIVE CUSTOMERS

65%

OF TRAFFIC COMES FROM MOBILE

48M

PRODUCTS AVAILABLE

5

COUNTRIES FOR INTERNATIONAL SHIPMENTS

+139 Bn

USD GLOBAL GROSS TRANSACTION VOLUME (AS OF 2018)

1.3 Bn

RAKUTEN GLOBAL MEMBERS

46K

MERCHANTS

Rakuten

A GLOBAL FOOTPRINT

3 WAYS TO PROMOTE YOUR PRODUCTS AND STORE ON RAKUTEN

Rakuten provides a range of solutions to retailers to help them overcome common marketplace issues like increased competition or a lack of visibility.

With **Rakuten Ads**⁵⁰, Rakuten lets retailers create campaigns either to highlight products in search results pages, promote a special offer and/or drive traffic to their boutique. To set up Rakuten Ads, retailers have to choose keywords which they want to position themselves on.

Rakuten Ads work using the cost per click method, so the retailer pays according to the performance of their Rakuten advert. Rakuten also has a loyalty system called '**Rakuten Super Points**'⁵¹ for its marketplaces, which let retailers improve customer loyalty in a playful way and increase the visibility of their products and store. The principle is simple: €1 spent is the equivalent of a certain amount of Super Points. The retailer decides how many Super Points correspond to a certain amount, and they can be accumulated to use on a future purchase.

Rakuten also has '**Rakupons**'⁵², discount coupons which are valid for up to a week. Rakupons work by performance: only the coupons used will be invoiced to the retailer.



**AVAILABLE IN
200 COUNTRIES**

53 - 54

PROMOTE YOUR PRODUCTS ON EBAY

Aside from its display service for advertisers and retailers, eBay has extensive, detailed advice to help retailers improve their organic referencing on the marketplace. These tips help retailers choose the most appropriate keywords and product information (title, description, image, etc.) and advise them on how to make adverts mobile-friendly.

The marketplace also lets retailers highlight potential offers (price reductions, free delivery, special events) at no added cost.



\$23Bn

TURNOVER (Q1 2019)

71%

OF EBAY PURCHASES ARE SHIPPED FOR FREE

175M

ACTIVE BUYERS AROUND THE WORLD

80%

OF GOODS SOLD ON EBAY ARE NEW

35%

OF ALL US MOBILE USERS USE THE EBAY APP

16.4%

OF ITEMS SOLD ON EBAY FALL IN THE "ELECTRONICS & ACCESSORIES" CATEGORY, THE TOP-SELLING CATEGORY. ALSO, 16% OF ALL PRODUCTS SOLD ON EBAY ARE IN THE "CLOTHING & ACCESSORIES" CATEGORY.

1.3Bn

LISTINGS ON EBAY

allegro

6TH E-TAILER IN EUROPE ⁵⁵

PROMOTE YOUR PRODUCTS ON ALLEGRO

Allegro Smart!: subscription based loyalty program with no additional fees: only PLN49 per year (\$12) and an unlimited number of packages to approx 20,000 pickup points near the customer.

Super Sellers: special program for the best Merchants on Allegro: special badge for offers, bonus loyalty program for buyers (bonus coins), priority support, higher listing position.

Bonus Coins: loyalty points that the buyer collects when shopping on Allegro. During future shops, earned coins reduce the price of the purchase.

Allegro Ads: special ads in listings boosting the sale. Offers will be displayed in the most popular places on Allegro.

Deal Zone: the most effective form of promotion of the best offers on Allegro. The average number of transactions in this zone is almost 50x higher than the Allegro average.

Badges: "promotion", "sale", "new product", etc. They support the increase in sales by attracting customers' attention, making it easier to find the best offers.

18.5M

CLIENTS VISIT ALLEGRO EVERY MONTH

60%

INTERNET USERS IN POLAND USE ALLEGRO

70%

TRAFFIC COMES FROM MOBILE DEVICES

1.5B

NUMBER OF MONTHLY SEARCHES

82%

INTERNET USERS IN POLAND SAY ALLEGRO IS THEIR FAVORITE SHOPPING DESTINATION

TOOLS TO FACILITATE SALES

Easy consumer loans: 0% instalments, open account renewable instalments, leasing for business buyers.
Instant payments: Google Pay, Apple Pay, PayU, direct transfers, credit cards, etc.

Bundles: set deals making offers even more attractive with additional rebates. Consumers can easily buy more products from one seller in one transaction.

API: easy integration with external shops, supported in English.

Track & trace: easily follow shipment.





C

Enter markets around the world thanks to marketplaces

According to a Forrester Consulting study, **more than 80% of consumers around the world have already purchased a product from abroad, but they tend to prefer buying from global, well-reputed marketplaces, as they trust them**⁵⁶.

Again, according to Forrester, in 2020, marketplaces will account for 66% of global e-commerce sales⁵⁷.

ADVANTAGES OF MARKETPLACES

WHEN EXPANDING ABROAD



STRONG AUDIENCE



GOOD REPUTATION



ADAPTED PAYMENT METHODS



KEY COMMUNICATION METHODS



RELATIONSHIPS ALREADY IN PLACE WITH SERVICE PROVIDERS SUCH AS TRANSLATORS AND CUSTOM AGENTS



MASTER ACQUISITION COSTS



NO NEED TO INVEST IN WEBSITE TRANSLATION



OPTION TO TRIAL YOUR PRODUCTS ABROAD QUICKLY

D

Challenges to anticipate

Marketplaces are a great way to start selling cross-border, but before getting started, it is crucial you understand the key elements to develop your business abroad successfully.

YOUR ORGANIZATION

First you need to work on your organization. Often companies are structured with a global headquarter, continental headquarters and then an office per country. This allows organizations to balance between scalability and agility. Unfortunately this set-up is less suitable for operating marketplaces. Marketplaces pose challenges of scale and locality. You should treat the marketplace operation as a different 'country' and centralize it within the organization.

Marketplaces evolve quickly. Knowledge and experience sharing is key. Selling on marketplaces can be really beneficial if you are able to operate it on a large scale: many marketplaces, many products and all accounts managed well.

LOGISTICS

You have to ensure that you adapt your logistics strategy (transport costs, delivery time, returns, etc.). It is recommended to get in touch with local logistics providers that specialise in e-commerce⁵⁹.

Bad logistics and bad stock management can be perceived negatively by marketplaces, and they may subsequently impose sanctions. **Setting up high-quality logistics is a great way to stand out from competition.** Let's not forget the customer's point of view: fast, reliable shipping and a smooth returns process improve customer satisfaction. You'll benefit from improved ratings, visibility and sales.

CONTENT

Your content should be consumer-oriented. This means you have to adapt product content to what consumers search for and what they want to know when making a purchase decision. This means that you shouldn't only provide the product content in the local language, you should also think about what matters. German consumers consider different factors to be important when compared with Chinese consumers, the same goes for French, Brazilian or American consumers. On top of that, keep your brand experience and service levels consistent across marketplaces and even across channels and devices⁵⁹.

CUSTOMER SERVICE

Make sure at least one person in your team speaks the local language of each country you sell in. People like to speak to customer support in their own language, as this is reassuring when resolving disputes. Most marketplaces expect retailers to meet certain service demands, and have minimum requirements for the following:

- ✓ **A timeframe to accept orders**
- ✓ **Response time**
- ✓ **Free delivery above a certain amount**

PAYMENT METHODS

Even though the lines between each country's trends are becoming increasingly blurred thanks to globalisation, there are still certain features which are specific to each country. For example, in Germany, shoppers prefer to pay by bank transfer, whereas in the Netherlands, the favourite payment method is iDEAL and Alipay leads the way in China.

BUSINESS LOCATION

In most countries, retailers do not have to create a specific branch to sell internationally. Nevertheless, it is a requirement in certain countries like India (e.g. Amazon India) and China. To reassure shoppers, the Chambers of Commerce in the respective countries can provide businesses with a local address and telephone number at a minimal cost.

The basic essentials to sell internationally

Organise logistics

Adapt payment methods

Adapt content to suit each market

Target international markets based on:

- ✓ Product type (usage, local legislation, etc.)
- ✓ Existing resources (customer service in the local language, translated content, etc.)

Fix competitive prices: take the purchase price and delivery costs into account, without forgetting added tax and customs costs

Carry out market research to learn about the most popular products, competitors, pricing, etc. You should also take cultural and linguistic differences into account

Check current legislation, norms and legal provisions: customs, tax system, intellectual property laws, etc

Deal with client enquiries in the appropriate language

Start, experiment and learn

3 Integrate into marketplaces easily

IN THIS CHAPTER

- A. How to distribute your product catalogue 74
- B. Content optimisation 76
- C. Order management 80
- D. Avoid having your marketplace account suspended 82
- E. The essential steps to carry out before launching on a marketplace 84
- F. Sales tools for marketplaces 86

PRICE COMPARISON SITES AND MARKETPLACES: SAME GOAL, DIFFERENT APPROACH

Marketplaces and price comparison sites have the same end goal: to increase turnover. However, marketplaces approach this end goal differently to price comparison sites. On marketplaces, online consumers are not redirected towards a retailer's site, because marketplaces integrate products directly onto their platform.

The requirement level is higher and the investment is larger because retailers have to comply with each marketplace's technical specifications.



A

How to distribute your product catalogue



ONCE YOU HAVE CHOSEN WHICH MARKETPLACES YOU WANT TO USE, YOU HAVE TO SEND YOUR PRODUCT CATALOGUE.

You can send your product catalogue to Lengow via:

- ✓ API (preferred method)
- ✓ CSV format
- ✓ XML format

Marketplaces evolve quickly, as do their data feed requirements. Make sure you stay informed about the latest updates, so you can adapt accordingly and continue distributing products as effectively as possible.

Once the file is ready, it needs to be updated several times a day. In order to refresh product data (new products, price, stock count, etc.), you will need to download the file from the marketplace's interface. This is a crucial step once you know how well your products are selling.

Some marketplaces only let you load your product catalogue using API, so retailers have to use technical teams to import their products (a costly solution, given the necessary developments).

Multiply all this by the amount of marketplaces you sell on and it's not long before integration becomes time-consuming.

WITH LENGOW

An online retailer will first create a product source file in XML, CSV or TXT format. This file must comply with the technical specifications established by Lengow and may be generated directly from your PIM, ERP, etc.

Please note that for merchants using certain e-commerce solutions such as Prestashop, Magento, Shopify and others, Lengow offers export modules adapted to these specifications. Lengow then takes care of generating an optimized feed according to the technical specifications of each marketplace.

To update stocks and promotional prices more frequently or to add additional data that isn't present in the main catalogue, merchants can add additional data sources and define specific update frequencies for these different feeds.

All developments are also available to distribute the product catalogue via the available APIs. This can allow you, for example, to synchronize and standardize your product information between your ERP and marketing channels.

B

Content optimisation

When discussing the feed format, you also have to talk about 'content'. When selling a product on a marketplace, you need to provide more information than you would if you were selling on a price comparison site. Remember the 5 main points:

TITLE, DESCRIPTION, SHIPPING COSTS, ETC.

The way to optimise content is more or less the same for marketplaces and other marketing channels. Titles have to contain keywords. The description has to start with a concise summary of the product, and then should go into detail about its characteristics.

Provide as much enticing information as possible: shipping costs, delivery time, guarantees, payment method, etc.

ITEMISATION MANAGEMENT

Not all retailers have itemised products, but the majority tend to. On a retailer's site, users can browse the thickness of a duvet, the material of a couch, or the colour of a skirt. Marketplaces have to offer the same level of detail when users search for a product as would be offered on individual retailer sites, to conserve or even improve user experience. Therefore, group itemised products together to indicate the variation type and its value. Each marketplace has developed its own tool, so the way you fill in variations is not uniform between marketplaces.

ATTRIBUTES

Search filters are popular on marketplaces and there are hundreds of attributes available. The most popular attributes appear as filters in marketplace search engines. Filters change depending on the category you are looking at. Appearing in filtered results can really help improve your product catalogue visibility.

You have to enhance your data feed with as much information as possible: it is therefore essential that your own site has a similar level of detail.

It is very useful to do all of this beforehand, and this preparation becomes very helpful if you decide to export your product database automatically. Good attribute management is very important, particularly when dealing with specialist marketplaces.

PRODUCT CATEGORISATION

Categorising your products is compulsory. To do so, retrieve the marketplace's thesaurus and then use this data to indicate which category your products fall in. Categorisation can become tedious if you choose to display a varied and extensive product catalogue, but it is a necessary step, and not one to forget.

EAN / GTIN

European Article Numbering or an EAN code is the European barcode. GTIN codes, Global Trade Item Number, is the unique international code for all commercial units. They are both essential for marketplaces and let you appear alongside other retailers selling the same product. In most cases they are mandatory. Sometimes, they can make it easier to integrate onto marketplaces, as the marketplace can retrieve product information from another retailer (e.g. Amazon). Make sure you do not forget to fill in EAN codes. Certain marketplaces control their validity and refuse products if they are not valid.

FORMATTING

Line breaks, carriage returns, italics and/or bold letters can be used in descriptive texts. To add these extras, you have to send a product description using HTML tags. However, ensure to check if it is valid as not all marketplaces accept HTML code in product descriptions. Graphics can play a key role as some marketplaces have individual boutiques, which are spaces dedicated to a retailer that are customised to suit the brand. All sold products are indexed in this boutique and a navigation system makes it easy for you to consult these products. This is another tool to improve visibility and increase the value of your average basket.

WITH LENGOW

Create and manage your unique feed with Lengow. You will fill in variations on the platform as you would for marketplaces.

Lengow retrieves information and then adapts it to suit each marketplace's format, saving you both time and resources. There are a range of tools within Lengow's platform to help you fill in product attributes as best as possible, either as a group or one by one.

With Lengow, you can set up automatic rules, which let you automate a number of actions. Several types of automatic rules can be created in Lengow:

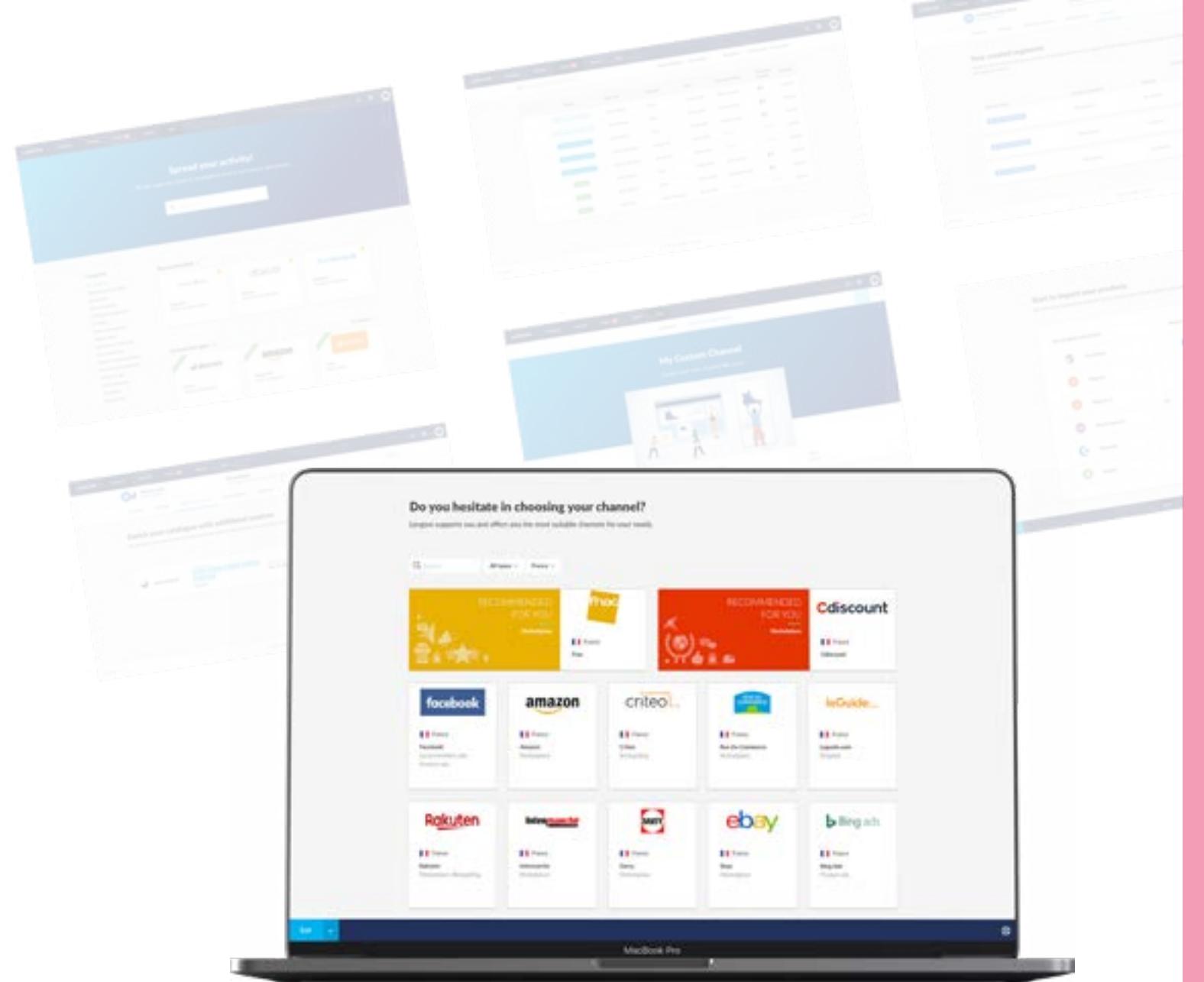
- ✓ **Optimisation rules for titles and descriptions, which help improve visibility on a range of channels**
- ✓ **Automatic rules to highlight attractive features. For example: display free delivery in the title**
- ✓ **Rules linked to profitability ensure you only distribute products that meet a certain profit margin**
- ✓ **Automatic rules can help you prepare for sales periods by highlighting promotions in the title**
- ✓ **Rules to help you take the marketplace commission into account (e.g.: price + 15%)**

The possibilities are endless, and Lengow saves retailers a great amount of time, allowing them to monitor all their actions from one single platform. These automatic rules can also be created directly in your catalogue if you know that they will apply to multiple marketplaces.

The aim is to help retailers sell the right product at the right moment. Thanks to Lengow's automatic rules, you can improve your conversion rate and click quality. You can also deactivate low profit-making products automatically.

Lengow lets you take control of your campaigns which means you spend less time and money calling upon technical help.

Our automatic category recommendation tool will help you choose which category corresponds to yours in one click.



C

Order management

Once your products are online, and you have started to receive your first orders, there are four necessary steps: retrieving the order, processing it, managing logistics and updating the stock count (or taking the product down if it is out of stock).

RETRIEVING ORDERS

Retailers usually start by retrieving orders manually. This means connecting to each interface to export vital billing information (name, surname, delivery address, etc.). When the number of orders increases, this becomes too time consuming, so many choose to automate the process.

One way to automate the process is by using each marketplace's API, but they provide a product catalogue feed in their own format with their own values, which you would then have to adjust in your management tool.

Multiply this process by the amount of channels used, the time wasted and cost ensued are significant.

PROCESSING ORDERS

After retrieving the order, you have to indicate to the customer and the marketplace whether the order has been accepted or rejected. Beware: cancelling an order after accepting it can harm your reputation. A bad rating will affect your sales volume.

If you accept the order, you have to indicate this in your order management system so that it is entered in your own sales cycle. Once the package has been shipped, you have to connect to your system once more to update the order status. We advise you to provide as much information as possible regarding the order status, as internet users like to track their orders.

LOGISTICS

If you sell a product on a marketplace, you can ship it using your normal logistics provider. However, certain marketplaces like Amazon and Cdiscount provide a logistics service. They take care of preparing and shipping packages, delivering the order more quickly to the customer, saving you time.

UPDATE PRODUCT DISPLAYS

Once the order has been finalised, you have to tell the marketplace that the stock count for the product is lower. In certain cases, when the product is out-of-stock, you have to take it down altogether. You can do this from the marketplace's back office or from a data feed.

Take note: different marketplaces have different rules as to when a product has to be taken down. For some, it is when the product is out-of-stock; for others, it is when there are only three products left. Make sure you learn about each marketplace's requirements.

WITH

LENGOW

It goes without saying that managing orders can become complicated. Lengow is plugged with many marketplace's APIs to retrieve and centralise orders within one interface. The system retrieves orders regularly, and categorises them according to status. The retailer can modify the status of each order individually, as a whole or in a semi-automated manner. Lengow has an API which lets retailers retrieve orders from all marketplaces using one uniform data feed. Some retailers use certain e-commerce platforms and Lengow has plugins to let these retailers import orders automatically. Lengow has developed specific modules for retailers that use e-commerce solutions to make it easy to connect their online shop to

Lengow. These plugins are already available for Magento, PrestaShop, Shopify, Woocommerce and Shopware. Thanks to our API we can also easily connect to other ecommerce platforms such as Salesforce Commerce, Hybris, etc. Finally, once your feed is ready and sent to the marketplace, Lengow offers you harmonized broadcast reports, available within its platform. These reports are files that channels make available for you to check that your products are well received and integrated by the marketplace. You will therefore have access to a unique reading grid with sorted and standardized error types and above all the solution to help you correct these errors as quickly as possible.

HOW DOES IT WORK?

Using the module, export the product catalogue from your online shop into Lengow and choose which marketing channels you want to use. For orders, you have to configure payment and delivery methods in advance. After that, marketplaces orders are synchronised and accessible directly within your e-commerce solution. This saves you time when processing and accepting orders and ensures optimal inventory tracking. It is also possible to integrate Lengow's API into your system. If you do so, when an order status changes, it is directly transmitted to Lengow. Lengow will update the status and then send the information to the marketplace in question. The Lengow platform is compatible with several marketplaces shipping services. At the moment we are working with :

- ✓ **Fulfillment By Amazon (FBA)**
- ✓ **Cdiscount Fulfillment**
- ✓ **Mano Fulfillment**

Lengow centralises and helps retailers to automate their sales, to let them focus on developing their core business, be it domestically or abroad.

D

Avoid having your marketplace account suspended

Marketplaces reserve the right to suspend retailer's accounts, either temporarily or permanently. Here are the main reasons why retailers accounts become suspended:

- ✓ **When a retailer is inactive for a given period**
- ✓ **When a retailer does not meet all the minimum service requirements. Generally, marketplaces reserve the right to suspend or delete a retailer's account if they do not meet these requirements, even if it is a one-off. Here are several examples:**
 - ✓ **Shipping rates which are too costly or too slow**
 - ✓ **A high return rate**
 - ✓ **An insufficient message response rate**
 - ✓ **A high rate of faulty orders**
- ✓ **Bad stock management**
- ✓ **Not paying fees and/or commission**
- ✓ **Serious breach of rules:**
 - ✓ **o Selling prohibited or counterfeit products**
 - ✓ **o Using inappropriate keywords**
 - ✓ **o Fake bids, etc.**

To avoid your account being suspended, read the marketplace's contract carefully, as well as any extra rules, to make sure you respect the platform's expectations. Be sure to keep your stock up-to-date, so as to not display offers which you cannot follow through with.

It is also crucial to pay attention to your customers' reviews. You can avoid negative comments by having a proactive attitude. When there is a problem with an order, do not hesitate to contact the client immediately to resolve the dispute privately.

Five successive negative reviews can impact sales for several weeks afterwards, until you pick things back up and start receiving positive feedback. Therefore, it can actually be less costly to reimburse every unhappy customer, than risk falling to a satisfaction rate below 80%.

Customer satisfaction is a key factor, so always make sure your customer satisfaction rate is the best it can be on marketplaces. Customers can make or break a reputation, and the latter can occur if you do not follow through with commitments. Marketplaces will also impose sanctions if your customer satisfaction rate is too low.

If a marketplace shuts down your account, find out the cause of the suspension and study sales practices. Then, create new objectives. For example, Amazon asks retailers whose accounts are suspended to send them a plan of action to resolve the problem. Once they have read this plan, Amazon decides whether to reactivate the retailer's account or not.

E

The essential steps to carry out before launching on a marketplace

1 Choose which marketplaces you would like to sell your products on (visit our [Marketplace Finder](#))

2 Make sure your product catalogue is well-organised and correctly categorised

3 Sort out EAN codes

4 Perfect your stock and shipping management

5 Set up a responsive customer service

6 Carry out regular benchmarking

Major difficulties for retailers	Lengow's solution
High commission	Optimised profitability thanks to automatic rules
Catalogue management	Optimised catalogue that is sent automatically via API
Order management	Orders from different marketplaces are centralised within one unique platform and are automatically fed back to your back office
Stock management	Automatic rules allow you to deactivate products which are out of stock
Brand image problems	Lengow enables clients to sell on a large variety of high-quality marketplaces
Positioning according to competitors	A perfectly optimised feed in terms of titles, descriptions and images for maximum visibility
Performance management	Tools which let you analyse performance according to product, channel and/or country

F

Sales tools for marketplaces

The success and popularity of marketplaces continue to grow, so a number of tools have been created in order to make retailers' lives easier.

Firstly, translation platforms for product catalogues. Translating websites and product descriptions is one of the main challenges of selling cross-border, but is a necessary investment as it allows retailers to distribute an adapted catalogue to each country.

These days, it's easy to find out which products and/or product categories sell best and on which marketplaces. You can subsequently adapt your offer according to each platform. Some companies reveal the most searched-for keywords, for retailers to use accordingly.

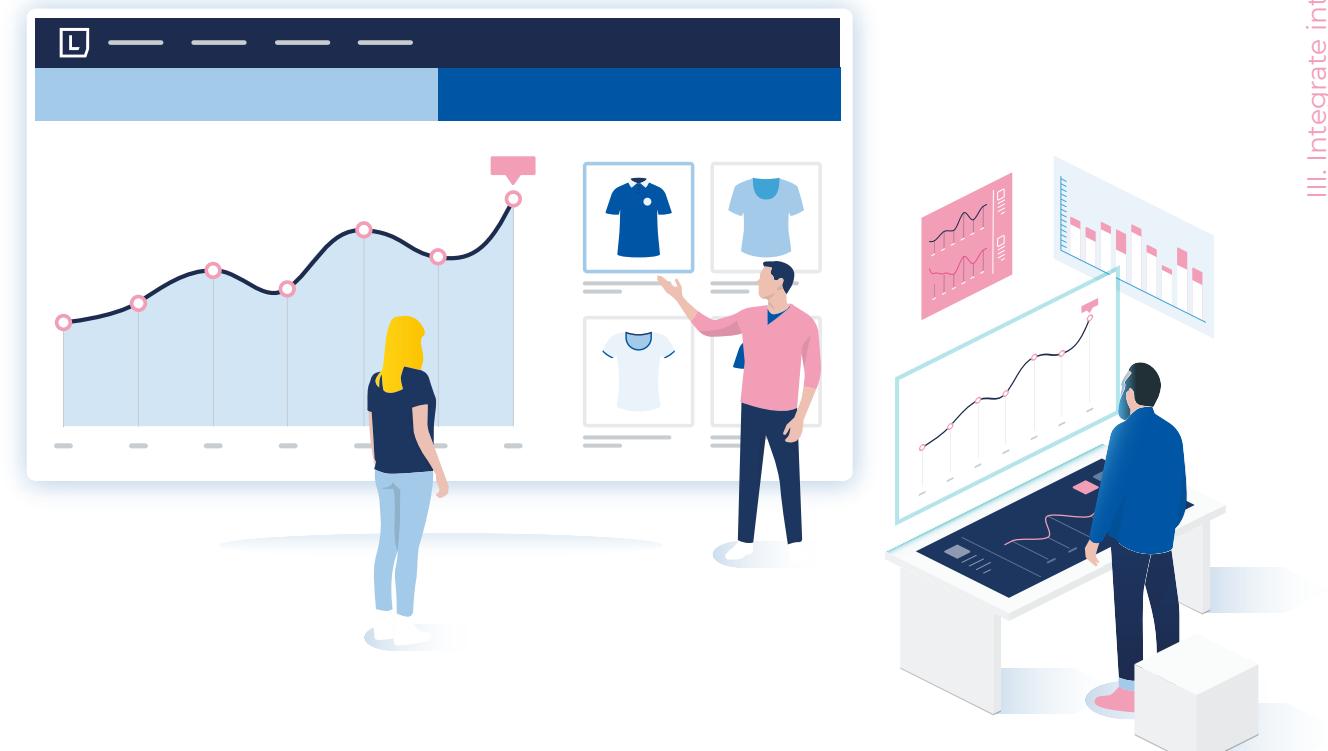
Retailers can also access analytical tools to measure their performance and test future sales projects in line with different scenarios. The goal is to maximise ROI, all the while minimising costs and risks.

Some platforms let you analyse other competitors on the marketplace, as well as their sales strategies so you can find out which methods work best. Retailers can also use dedicated pricing tools to find out which

competitors sell what and for what price, in order to adjust their pricing policy and stay competitive.

Lastly, it is possible to centralise all clients' feedback from different marketplaces in a single tool. You can check feedback according to date, score or marketplace to make sure you are always on top of customer satisfaction.

All of these tools help save a large amount of time and generate more sales as they let you benefit from the best market analysis and simplify sales management across different marketplaces.



Conclusion

Accelerate cross border expansion and increase product range whilst improving logistics, costs and operations

Each year marketplaces become more important in the global e-commerce landscape, from the point of view of both consumers and retailers.

This spike can be explained by the growing number of companies embracing marketplaces as the best platform to facilitate online sales, accelerate cross border expansion and increase product range whilst improving logistics, costs and operations.

It is well-known that marketplaces are a great way to enter local markets, and nowhere is this phrase more true than in Asia. When a retailer wants to display their product catalogue in China, they have to sell on marketplaces, as they dominate the Chinese e-commerce market; in particular, Alibaba (with its marketplace Tmall) and JD.com Global, which represent about 80% of the market.

Until recently, online marketplaces' share of the global e-commerce sector was dominated by international platforms like Amazon, Alibaba or eBay. We've also seen multinational retail companies move into the space like Walmart or Target.

However, thanks to new technology, evolving business models and changes in consumer behaviour, there has been a number of new entrants launching in niche areas or new markets. At the same time, we are starting to see big brands shift their presence away from the dominant global players.

Understandably, this booming sector is highly competitive, and hybrid players have emerged or evolved to create a place for themselves in this dense ecosystem. This is certainly true for some price comparison sites, which have gradually transformed into shopping guides.

For example, Google Shopping Actions is increasingly like a marketplace, other e-commerce players have followed in Google's footsteps, such as the German price comparison site Idealo. Retailers can now add a 'Buy Now' button to their products on Idealo, which lets customers buy directly from the German price comparison site. This new model runs alongside their traditional cost-per-click model.

New opportunities continue to appear, and m-commerce is a booming element of the marketplace sector. M-commerce lets retailers widen their reach, whether that be on mobile-friendly websites or an application.

What's evident is that marketplaces are no longer simply providing a shopping experience. They're removing complexity from the path to purchase and have transformed

purchasing into an everyday activity that allows the consumer to plan purchases in a sustainable and personalised way.

With the introduction of these changes into the customer journey, it will be interesting to see later whether concepts such as voice search may be added into the mix as marketplaces continue to revolutionise consumer purchasing habits.

In the future, it's essential that brands look to up and coming marketplaces, whilst streamlining processes and making sure that brand image is consistent on every online platform but also in store. The consumer

eye is now a 24-hour, 365-day-a-year phenomenon and consumer buying habits are changing as each marketplace struggles to stand out from the next. While Amazon is the ubiquitous giant in the e-commerce world, it is necessary for brands to understand and harness the power of marketplaces because they can challenge this status quo; Nike is a prime example. It's time to embrace this new e-commerce world.

We hope you have enjoyed reading this whitepaper, and that it has helped you to understand marketplaces better... their opportunities and challenges, how to integrate onto these platforms, and how to use them.

M-commerce lets retailers widen their reach, whether that be on mobile-friendly websites or an app



Lengow is the e-commerce automation solution that helps brands and distributors improve their performance, automate their business processes, and grow internationally.

The Lengow platform is the key to strong profitability and visibility for products sold by online retailers around the world on all distribution channels: marketplaces, comparison shopping engines, affiliate platforms and display/retargeting platforms.

Since 2009, Lengow has integrated more than 1,600 partners into its solution to provide a powerful platform to its 4,600 retailers in 42 countries around the world.

Selling online is easier than ever, delivering results is not. In an increasingly fragmented market, how do you keep up with your vision, your clients and the growing competition?

BE WHERE YOUR CUSTOMERS ARE

Lengow helps you make the right choices and connect you to potential customers, while leaving you in control of your business: decide on which **channels you want to appear** and define which products to publish.

STREAMLINE YOUR EFFORTS

Increase your efficiency by **automating tasks**: centralize your products in Lengow and automatically distribute your catalogues on each channel and country. Be independent from your technical teams and react fast to improve your feeds.

TAKE CONTROL

Lengow gives you access to detailed data – analyze your current performance and adjust your digital strategy accordingly. Control your acquisition costs in real time, manage

your pricing models, forecast future sales and **optimize your product data**.

INCREASE YOUR AUTONOMY

The Lengow platform allows you to regain control over the **structure** and **distribution** of your product data and to have autonomy from your technical teams.

Create perfectly structured product catalogues independently and save time preparing your feeds, without any intervention from your developers.

EXPAND YOUR BUSINESS GLOBALLY

Get access to **multiple channels** in more than 42 countries and enrich your product catalogue with dedicated applications like translation and currency management. Native sales and support teams offer you their expertise and help you with your **internationalization strategy**.

CONTACT US FOR A DEMO OF OUR PLATFORM

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The commerce experts across Wunderman Thompson Commerce – more than 1500 across 21 offices globally – combine strategic clarity, technical know-how and data-driven creative inspiration to make a big impact through the development and delivery of winning commerce strategies across channels.

Everything we do is focused on inspiring your customers to act, and to transact, and this starts by defining and developing an end-to-end commerce strategy, balancing four key digital commerce channels: marketplaces, D2C, retailer and social commerce.

Increasingly, marketplaces play a central part in the mix. Regardless of the challenge, a marketplace solution typically revolves around three elements – people, processes and technology. People need to have the right knowledge and experience to work effectively. Processes need

to be set up correctly to support the objective as efficiently as possible and to assist the technology to optimise it to perfection. Many organisations call on external support to add the elements they are missing in their organisation.

Wunderman Thompson Commerce works with ambitious brands and retailers to address their marketplace challenges. Our specialists who have accumulated over 200 years of deep experience with Amazon and other marketplaces step in wherever and whenever necessary. We work on a global scale and are fast, pragmatic and cost-effective. We can help you with the following:

- ✓ **Building a marketplace launch plan that helps you get results fast.**
- ✓ **Building and executing onboarding programs to get started & scale quickly.**

- ✓ **Training people so they are better able to sell on marketplaces.**
- ✓ **Writing consumer-oriented product content for any online marketplace that boosts visibility and conversion.**
- ✓ **Constructing and executing campaign strategies that boost sales.**
- ✓ **Assessing and automating processes to improve efficiency.**
- ✓ **Examining your online marketplace business so that you discover where weaknesses are and how you can solve them.**

Wunderman Thompson Commerce has already helped hundreds of retailers, brands and wholesalers all over the world to do business on online marketplaces, resetting their expectations on what is possible.

GET IN TOUCH WITH OUR MARKETPLACE EXPERT

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