

Making marketplaces work for your business

Glen Richardson | Director Direct Commerce South West | 23rd March 2023









Presentation Outline



- **1. Why Marketplaces**
- 2. The right marketplace
- 3. Overstock and returns
- 4. Concessions
- 5. Key Considerations
- 6. International
- 7. Summary

Why Marketplaces

- Reach
- No marketing costs
- International simplified
- Logistics
- Trust



The Right Marketplace

- Target audience
- Product type
- Fees and costs
- Brand positioning



Hypothetical Examples

Retailer	Marketplace	Target Audience & Product Type	Brand Positioning	Marketplace Fit
Joules	Zalando	Stylish, high-quality clothing and accessories	Unique designs, British heritage style	Fashion-focused, caters to Joules' target audience
Hotel Chocolat	Not On The High St	Premium chocolates, gift boxes, hampers	Upscale, innovative, ethical sourcing	Curated selection, focus on unique, high-quality items
The White Company	Trouva	Luxury homeware, clothing, minimalist aesthetic	Timeless, high-quality, clean designs	Boutique shops, emphasis on quality and design
Lush	Etsy	Handmade cosmetics, bath, and body products	Ethical, fresh, cruelty- free	Platform for handmade, unique, and artisanal products
Emma Bridgewater	еВау	Hand-painted ceramics, kitchenware, home accessories	British, artisanal, charming designs	Wide audience reach, supports collectibles and antiques

Overstock and Returned Goods

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- Inventory management
- Reduce losses
- Increase cash flow
- Sustainability
- **Dynamic pricing learning**



Online Concessions / Retailer Marketplaces

Cons

- Less profit
- Less control
- Reliance
- Channel conflicts

Pros

• Exposure

Debenhams

- Credibility
- Free marketing
- Test new markets



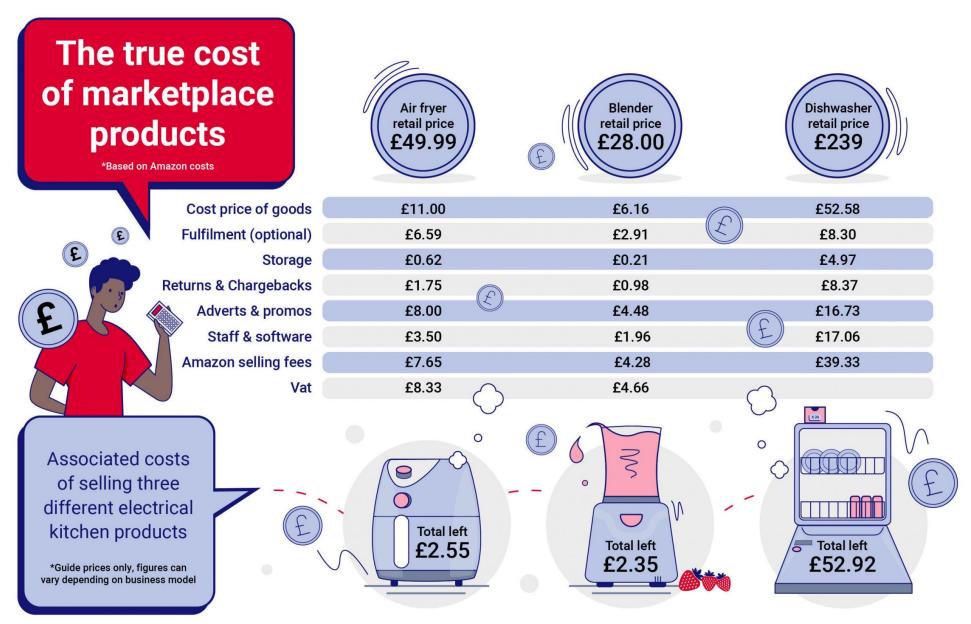


Key Considerations

- Fees
- Software
- Shipping
- Customer service



WORLDFIRST



https://www.worldfirst.com/uk/marketplace-sellers/e-commerce-guides/marketplace-costs-infographic/

Marketplace	Commission	Additional
Amazon	6-45%	£25/month (excl. VAT) or per item fee
еВау	6% - 12%	30p per order
Etsy	5%	16p per listing
Folksy	6%	15p per listing
Not On The High Street	25%	£199 joining fee
Wish	12-18%	30p per transaction
Fruugo	15%	2.35% funds processing fee
OnBuy	5-9%	Standard: £19/month (excl. VAT), Partner: £39/month (excl. VAT)
Newegg	8-12%	N/A



GREATER THAN NOW

Inventory Management Software for Marketplaces

Platforms	Features
Linnworks	Centralised inventory, order, and shipping management
Brightpearl	Complete retail management solution, includes CRM and accounting
Veeqo	Multi-channel inventory and order management, integrates with major carriers
Cin7	Inventory management, POS, EDI, and 3PL integration
Orderhive	Centralised inventory and order management, automation tools
SkuVault	Warehouse and inventory management, real- time data syncing
DEAR Inventory	Comprehensive inventory management, integrates with major accounting software



International Market Expansion

Benefits

- Access new customers
- Increase revenue
- Diversify channels
- Brand exposure
- Test new markets

Considerations

- Research
- Adapt to suit the locale
- Understand taxes
- Factor in currency
- Assess shipping



Summary



Consider the Benefits

Increased visibility, access to new customers, testing new markets, selling overstocks and returned goods

• Find the right marketplace fit

Consider target audience, product type, brand positioning

• Key considerations

Inventory management, software solutions, international expansion, and fees/charges

• Continuously optimise



Questions

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