



Marketplace

- a Future Proof Business Model

E-Commerce sales opportunities have grown immensely in 2020 and businesses must find new ways to satisfy the increasing customer demand. This is where the Marketplace model comes into play as it's a proven way to scale online business. **Unlike traditional e-commerce platforms, a Marketplace is managed by an Operator and allows third parties, the Merchants, to sell products and services.** This means you can easily scale your business with less financial and technical risks involved.

There are two different types of Marketplace models: **Pure Marketplaces** and **Enterprise Marketplaces**. In both models, the Marketplace Operator is running the platform. While only third-party Merchants are selling products in a Pure Marketplace, it's Merchants and the Marketplace Operators that sell in an Enterprise Marketplace. For existing online shops, it is easy and profitable to transform their traditional e-commerce platform into an Enterprise Marketplace.

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Organizations create enterprise marketplaces to allow third parties to sell through the platform to enrich offerings and stimulate growth.”

- Gartner. Create Enterprise Marketplaces to Accelerate Digital Business, 2019

Spryker Marketplace Suite

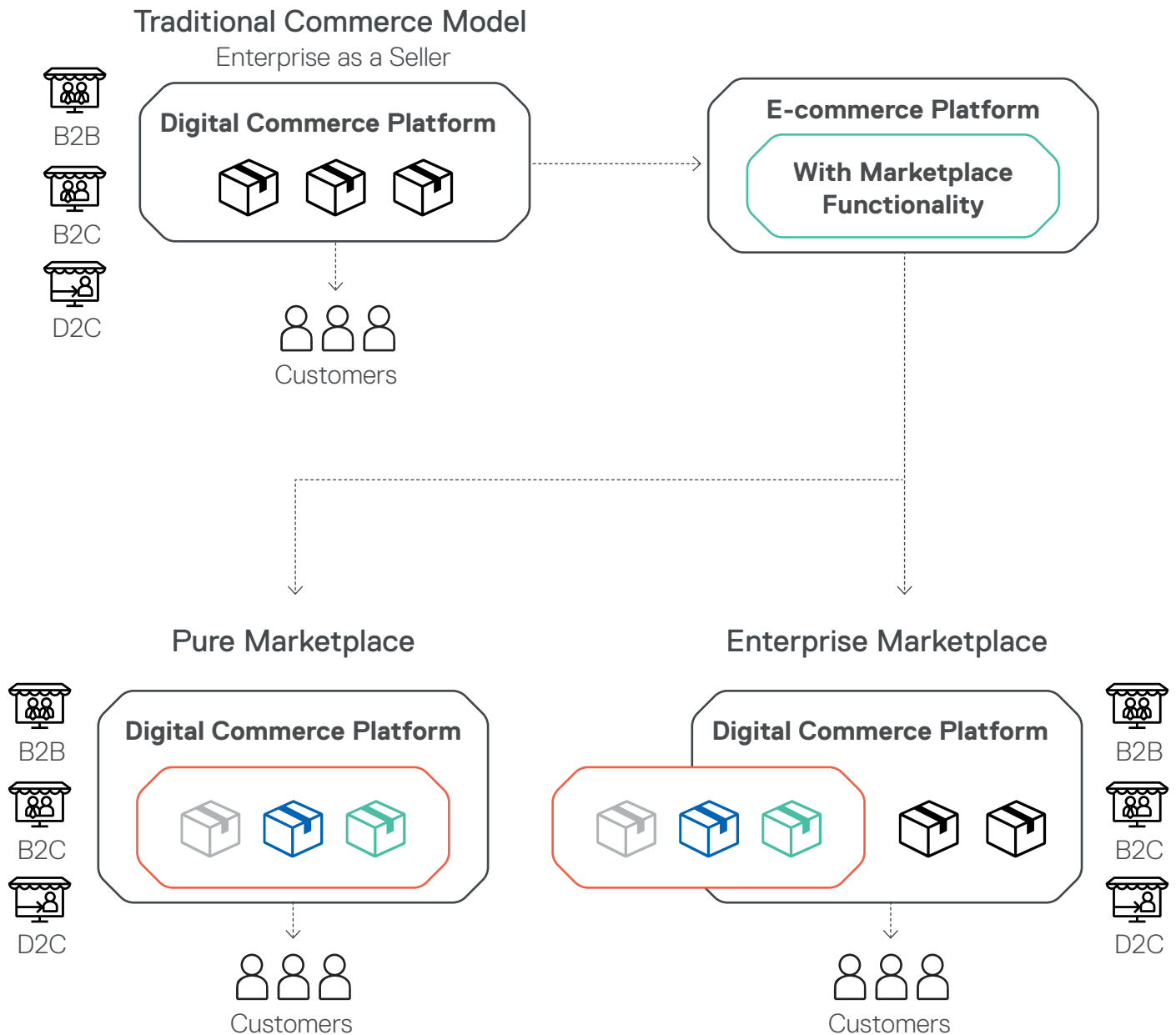
Spryker now offers a Marketplace Suite - an extension of its core product Spryker Cloud Commerce OS.

While building the Marketplace Suite, Spryker developers have ensured a consistent user experience for the End Customer, Merchant and Marketplace Operator. A single platform and infrastructure avoids complex integration and licensing issues that often arise when a Marketplace is built on top of a different e-commerce platform. Additionally, our customers can effortlessly upgrade and extend their Spryker shop with the Marketplace Suite.

Extensive new capabilities ensure that all needs are met, when running a Marketplace, like additional back office functionalities, a brand new merchant portal, or well-arranged shop integrations.



The Different E-commerce Models



Enterprise as a Marketplace Operator

Products are offered by Merchants.

Marketplace Operator does not sell on its own, but only provides the platform.

Enterprise as a Seller & Marketplace Operator

Both Marketplace Operator and Merchants are offering their products.

How Does a Marketplace Help Your Business?



Scale your business effortlessly: Marketplace is a business model that is easily scalable. Cut out the tedious steps of investing in and sourcing inventory yourself and onboard Merchants that enrich your product portfolio instead. New Merchants with an appealing service and product assortment will quickly grow your customer base.



Increase your profit margin: Implementing a Marketplace introduces new revenue streams to your business. Adding Merchants to your existing platform requires less resources and investments than stocking and managing your own products. Redistributing the financial risks while receiving commissions on successful sales increases your profit margin.



Differentiate your offerings: Growing the number of merchants on your platform gives you the unique opportunity to diversify your product offerings, and introduce and test new, niche products without any risk or stock commitments. Constantly grow and expand your offerings, while seizing the opportunity to become the central focal point for your customers by meeting every product and service need.



SEO improvements and increased traffic: The listings of new merchants and their portfolios bring additional traffic to your marketplace. A better search engine ranking will ensure a constant stream of customers, which will lead to more sales.



Actively incorporate Merchants in your growth strategy: Use the Marketplace model to grow your business in areas you have not branched out yet. Rely on the expertise of your Merchants and leave the majority of purchases to them, so you can focus strategically on products with high margins, up-sales and services.



Foster customer loyalty: Create a well-rounded and optimized product and service portfolio that unifies all the needs of your customers. Foster customer loyalty by being the primary shopping platform with an answer to every demand and keep them from switching to a competitor.



Reduce your risks: Onboard new merchants quickly and risk-free to grow your business and test out new products instead of burdening yourself with high stock and storage investments. Reduce your financial risk by keeping operational and inventory costs low.