

neto

WHERE TO
SELL ONLINE:

2019

MARKETPLACES REPORT



INTRODUCTION

Online marketplaces are fast-becoming the favourite destination for online shoppers, with **one in every two online purchases** now transacted through platforms like eBay, Amazon or Tmall and marketplaces growing by a massive **74.8% year-on-year**.

Selling in online marketplaces is now a core part of many retailers' strategies; a tool to both build brand exposure and reach new customers.

But with so many different marketplaces out there, how do you determine which is the right fit for your business? Should you be selling on one or two, or many?

If you are an independent artist selling your crafts for example, then Etsy is the ideal marketplace for you to sell on, compared with Amazon, which requires all products to have a UPC barcode.

Whether you want to sell gifts and homewares on a local scale, sell wholesale in asian markets or open your store to the world, the information and insights contained in this report are designed to help you better understand the retail landscape and ultimately increase reach and revenue.

CONTENT

PART 1 MARKETPLACES INSIGHTS

The latest insights and trends shaping the marketplace landscape.

PART 2 MARKETPLACES OVERVIEW

A list of 19 of the top marketplaces comparing each by revenue, reach and cost to sell on.

PART 1

MARKETPLACES

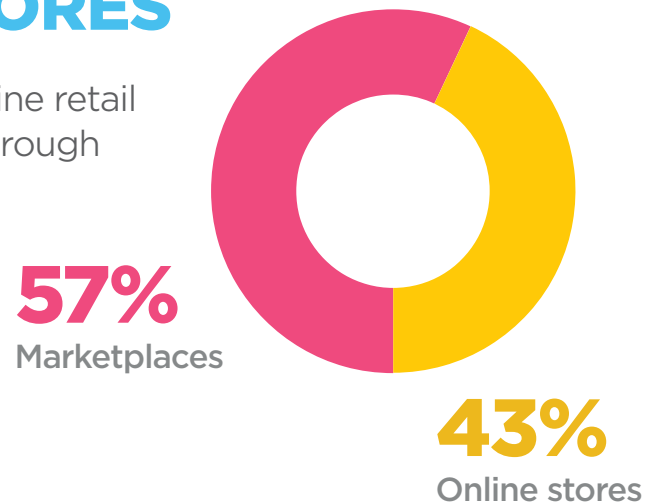
INSIGHTS

Discover which marketplaces customers are buying on, which marketplaces merchants are selling on, and how they perform.

MARKETPLACES VS ONLINE STORES

Over half (57%) of online retail spend is transacted through marketplaces.

Source: [Forrester](#)



MARKETPLACES GENERATE 50-100% OF REVENUE for 40% of Neto retailers

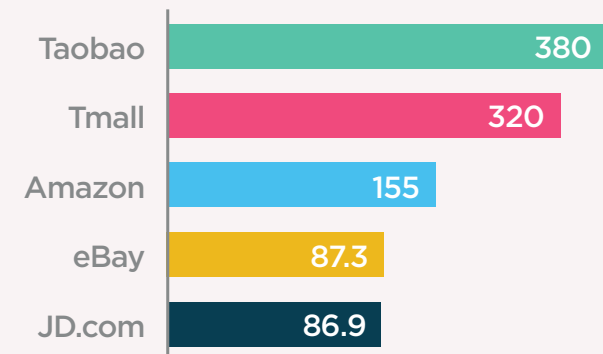


Source: Neto

MOST POPULAR MARKETPLACE WORLDWIDE By GMV

The most popular marketplace platforms in the world are the Alibaba-owned Taobao and Tmall, followed closely by Amazon, which now has more than 3 billion products in 11 countries worldwide.

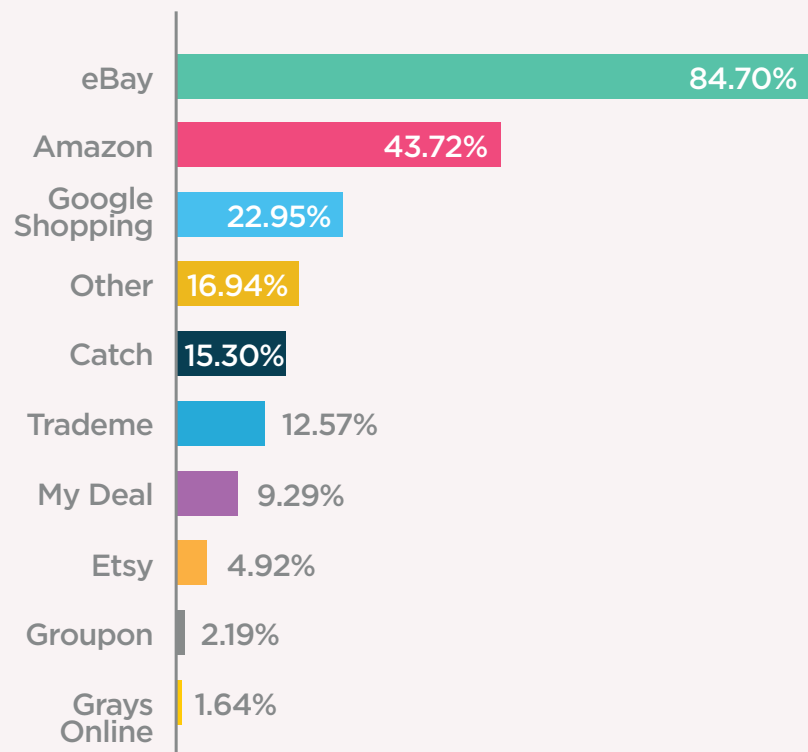
GMV in billion U.S. dollars



Source: [Statistica](#)

WHERE AUSTRALIAN RETAILERS ARE SELLING

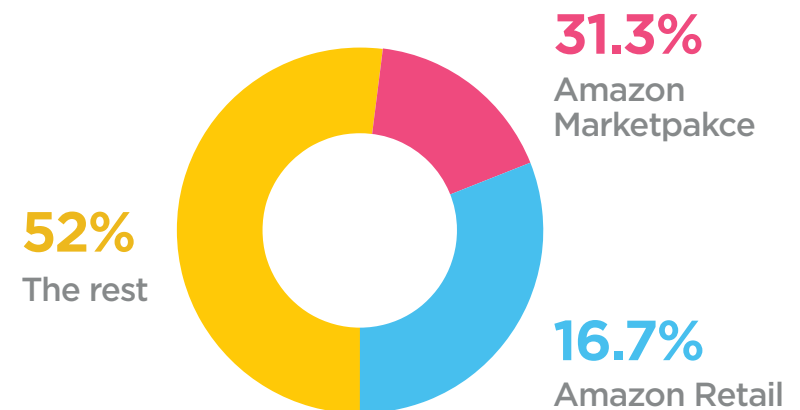
eBay is still winning the race down under with almost double the number of Neto merchants selling on eBay than Amazon Australia.



Source: Neto

AMAZON ACCOUNTS FOR HALF OF US ONLINE RETAIL SALES

In the US, Amazon is the most popular marketplace by far, making up almost half of total online sales.

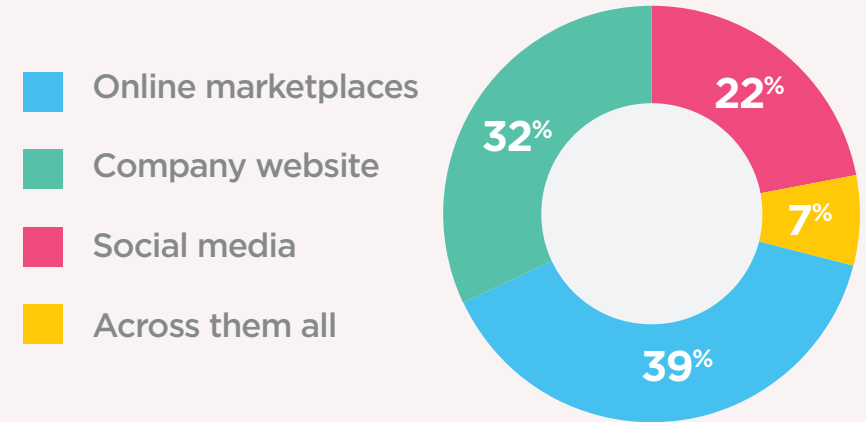


Source: [Marketplace Pulse](#)

SHOPPERS PREFER MARKETPLACES

39% of shoppers use marketplaces as their primary channel to buy online, ahead of company websites and social media.

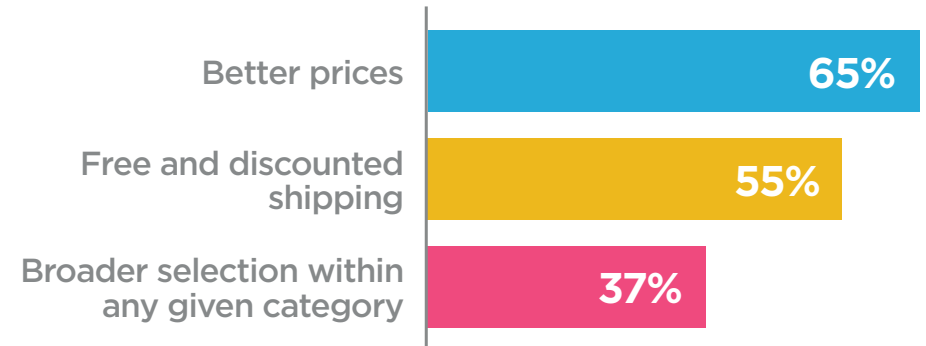
Source: [Neto](#)



WHY DO SHOPPERS PREFER MARKETPLACES?

The leading reason for shoppers preferring to buy on marketplaces instead of a direct site is because they can access more competitive prices.

Source: [Statistica](#)



WHY MARKETPLACES?



To bring in new customers



To sell more



To build brand awareness



Exposure to new markets



Business expansion

“In an increasingly competitive market we are looking at expanding and see Amazon as a good opportunity to showcase our products.”

“Marketplaces are key to our business growth - they allow us to sell to a broader audience without the huge marketing budgets to direct traffic onto our website.”



“They’re an important way to gain new customers. We’re in a niche industry so mass market advertising isn’t practical. Sites like eBay put our products in front of people who might not have found us online.”

Source: [Neto](#)

PART 2

MARKETPLACES

OVERVIEW

We've handpicked a selection of the top 19 marketplaces around the world to sell on, and listed all the key facts and figures to help you make the right decision for your business.



Revenue



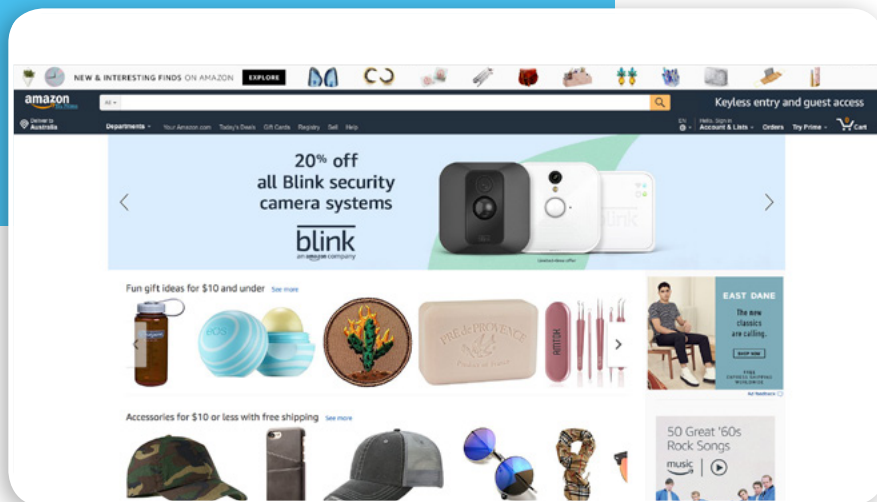
Key Locations



Reach



Cost



Amazon

Amazon is the world's largest B2C online retailer of books, electronics, clothing, music and more. Both Amazon and third party sellers can sell direct to the public via the platform.



US\$178b net sales revenue (2017).



Amazon has local marketplaces in 10 countries including the US, Australia, UK and Europe.



300 million active accounts on Amazon.com, and 689 million monthly visits to Amazon.com, 3 million monthly visits to amazon.com.au.



Up to 15% commission on items sold (depending on the product category). Monthly fee of US\$39.99 (to sell in US), AU\$49.95 (to sell in AU).

Alibaba

Leading Asian marketplace offering a broad spectrum of B2B, B2C and C2C ecommerce services (Alibaba operates a number of other online marketplaces including Taobao and Tmall.)



US\$22.99b revenue (2017).



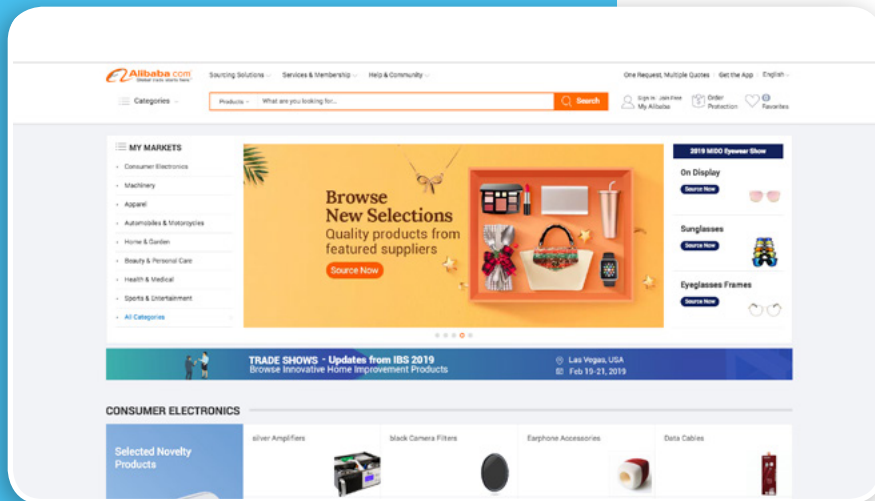
190 countries.



517 million active buyers annually, 8.5 million sellers, 51 million monthly visits.



Depending on your number of products you can use a free membership or apply for a gold membership.



eBay

A global B2B and B2C platform selling new and second hand consumer products for auction or at a fixed price.



US\$9.7b revenue (2017).



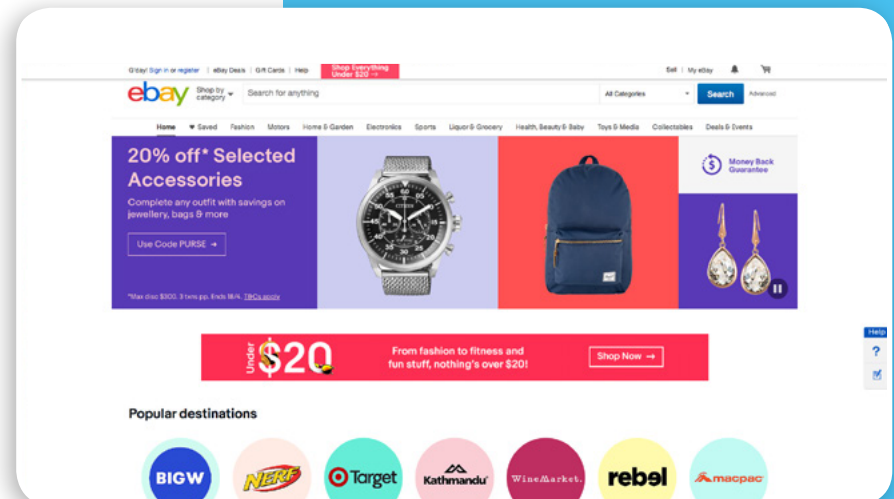
Local sites in over 30 countries.

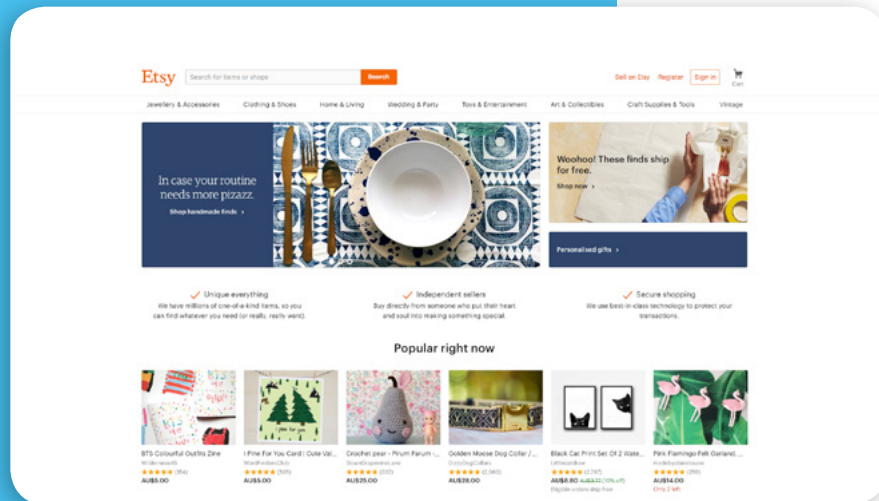


170 million active users, 221 million monthly visits (ebay.com).



Depending on your type of account and volume of sales you will be charged an insertion fee plus up to 10.9% final value fee.





Etsy

A marketplace where artists and designers can list handmade items or vintage products.



US\$365m revenue (2016).



Global.



29 million active buyers in 2017, 52 million monthly visits.



US\$0.2 listing fee, plus a 3% commission on items sold and 5% transaction fee.

Tmall

Alibaba owned B2C marketplace allowing overseas companies to sell products directly to consumers in mainland China.



China, Hong Kong, USA.



500 million users, 846.6 million monthly visits.



Aimed at larger brands, Tmall requires a security deposit of up to US\$25,000, US\$5-10,000 annual fee, plus 2-5% commission on items sold.



Taobao

Owned by the Alibaba group, Taobao is the largest ecommerce platform in China selling cheap consumer goods. Taobao founded Tmall as an alternative for overseas companies to sell their goods to the Chinese market.



China.



636 million customers.



No commission on transactions.

JD.com

Chinese marketplace selling consumer products including home appliances and electronics. One of the largest B2C platforms in China by volume and revenue.



More revenue than eBay in 2014—over US\$18.5b.



China, USA.



266 million active users, 507.7 million monthly visits.



\$US15,000 deposit, \$1000 annual fee, plus 2.0-10% commission on items sold.



Rakuten

Japan's largest B2B and B2C ecommerce marketplace selling over 200 million Japanese products to consumers all over the world.



US\$5.6b (2014).



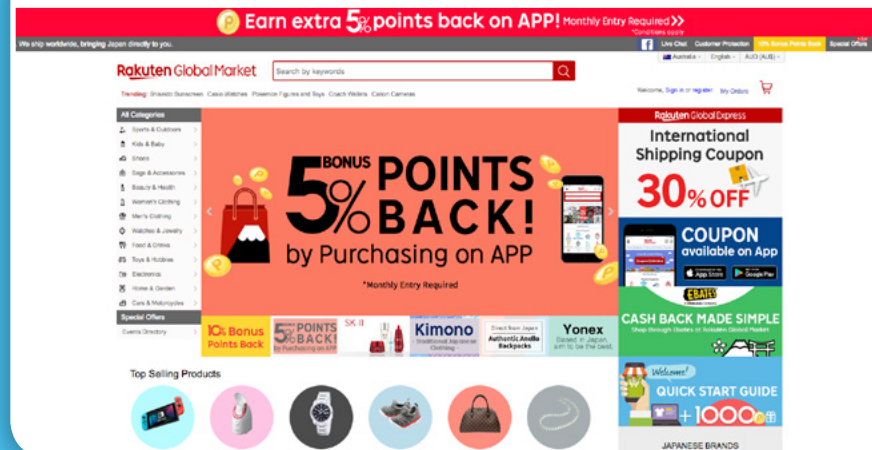
Japan, South Korea, China.



5 million monthly visits.



Quarterly fees of US\$99, plus a 99 cent per item fee' and 8-15% commission on items sold.



Catch

Previously catchoftheday.com.au, Australia's largest daily deals site rebranded and launched online marketplace, Catch, in 2017.



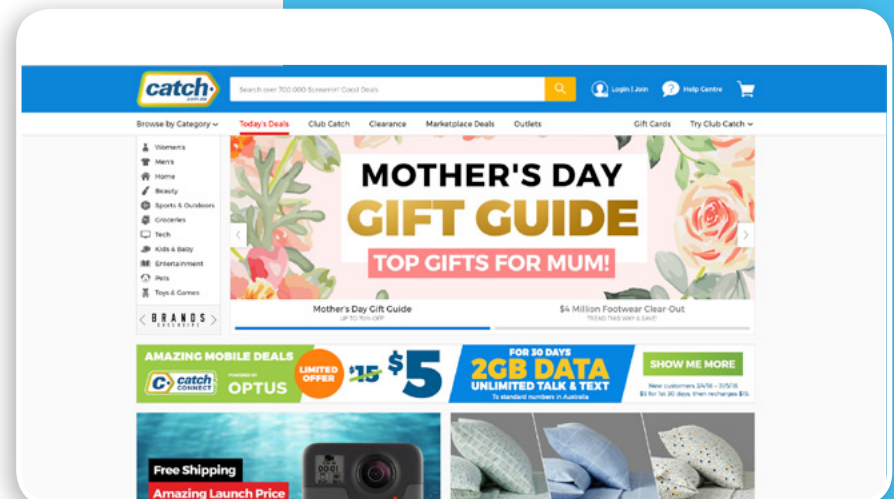
AU\$306m in annual revenue 2016/17.



Australia.



Over 5 million customers, over 2 million weekly visitors and 10,000+ orders every day.



GraysOnline

The Australian answer to eBay, GraysOnline offers consumer and industrial goods including mining and construction products, wine, vehicles, jewellery, and more for sale direct from manufacturers and distributors.



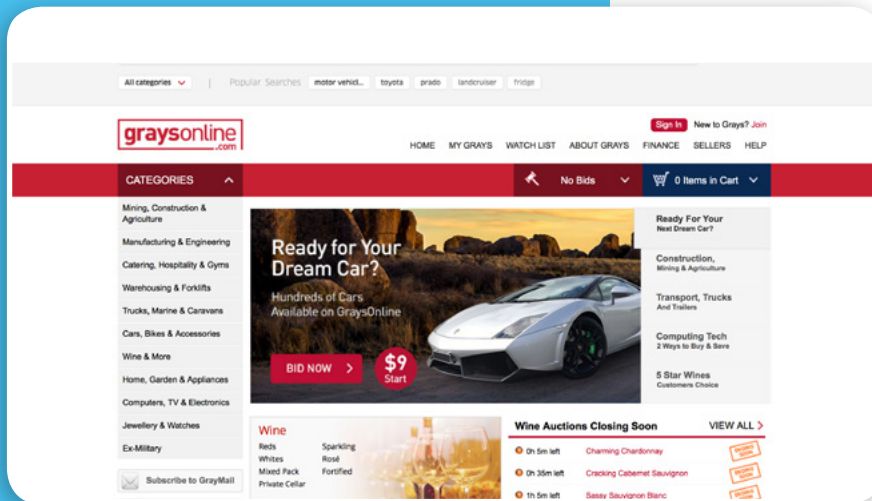
AU\$600m annual sales.



Australia, New Zealand.



187,000 active customers, 6,000 vendors, 376,000 monthly visits.



Hard to Find

Australian-based marketplace featuring a curated selection of 'unique and quirky' homewares, gifts and fashion from independent artists and manufacturers.



AU\$20m (2017).



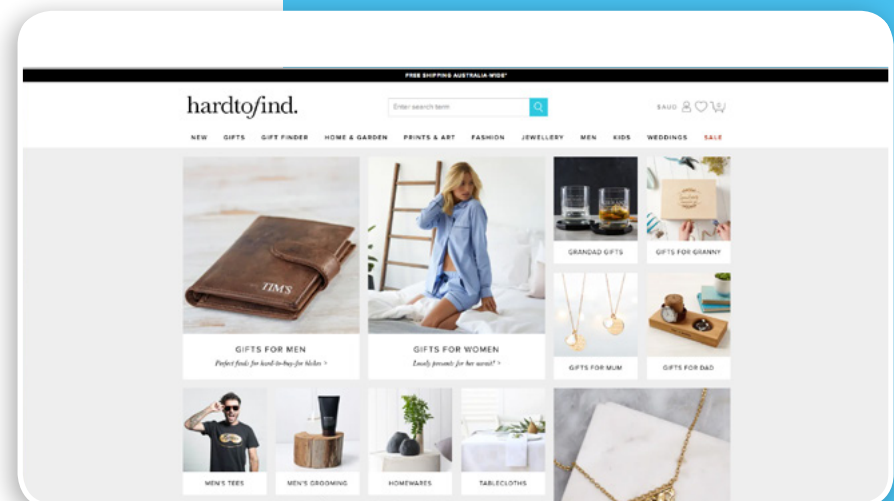
Australia.



700,000 users (in 2016), 93,000 monthly visits.



Free to join, no listing fees, commission on sale.



MyDeal

Australian-based marketplace established in 2011 with over 1,000 Aussie suppliers selling consumer products including furniture, electronics and fashion.



AU\$29.7m revenue (2017)



Australia.



2 million monthly visits, 1,000 suppliers.



No subscription fees, insertion fees or commission on shipping. Selling is by application only.

Bonanza

B2C platform with more than 50,000 sellers offering a vibrant collection of fashion, collectibles, home decor, and more.



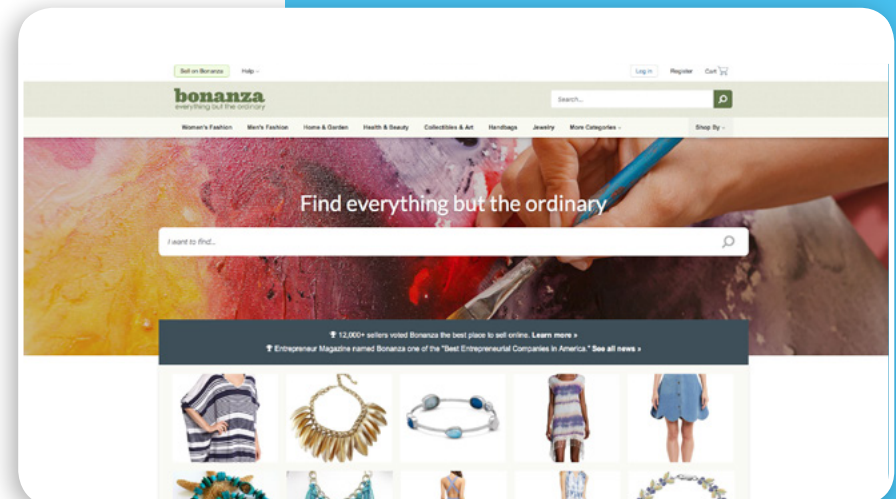
USA.

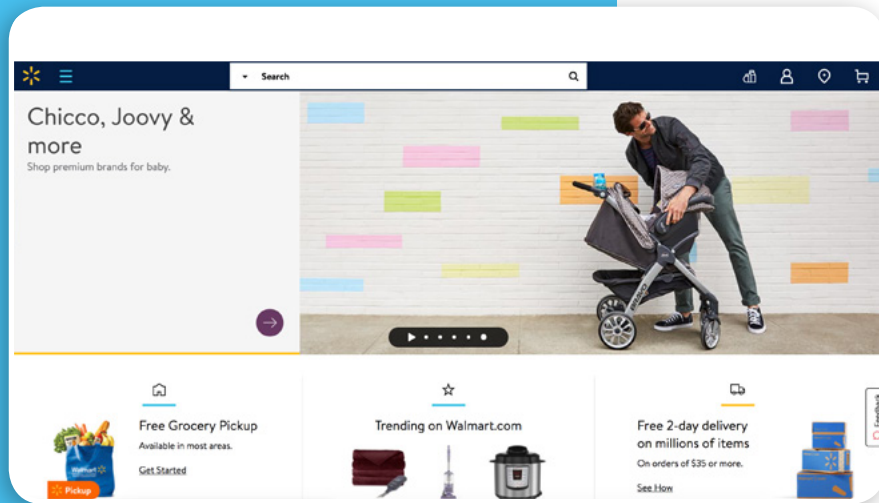


50,000 sellers, 8.2 million monthly visits.



Varying plans from free to US\$24 to \$166/month, plus 3.5% commission on items sold.





Walmart

Extension of Walmart.com's ecommerce site allowing third-party sellers to offer products for sale in the Walmart catalog.



USA.



60 million items for sale, 21,000 sellers.



No setup or monthly fees, referral fee from 6-15% based on product category.

Wish

Mobile shopping app selling low-priced clothing, accessories, gadgets and more shipped direct from the manufacturer. Launched in 2011 the platform is made up of 90% Chinese sellers.



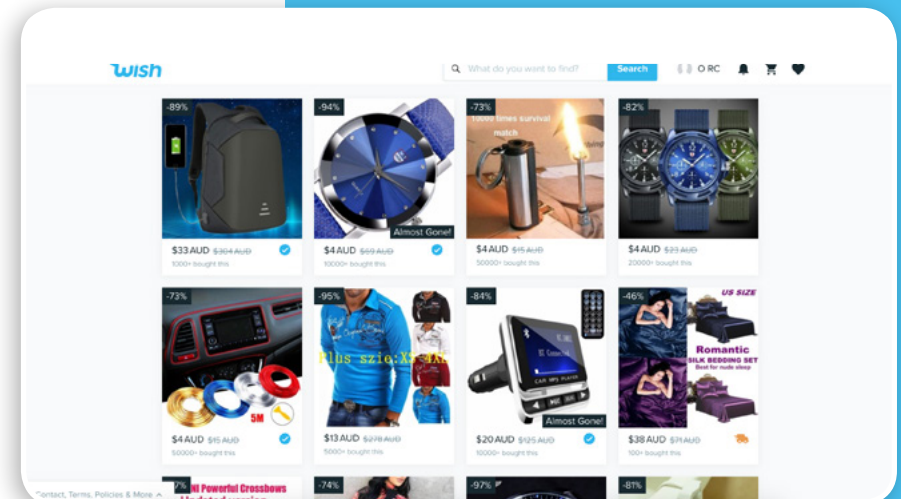
USA, Europe, Australia.

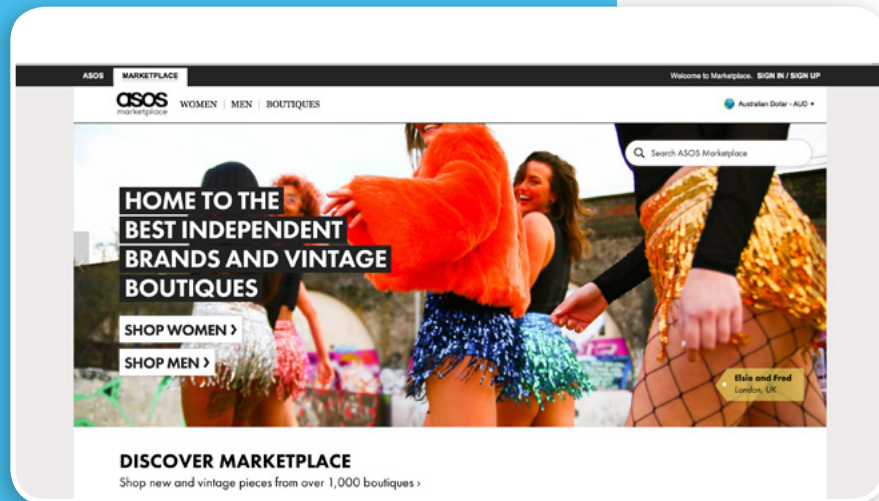


100 million+ items, 100 million manufacturers, 500 million shoppers.






No listing fees, revenue share model starting from 15%.








ASOS

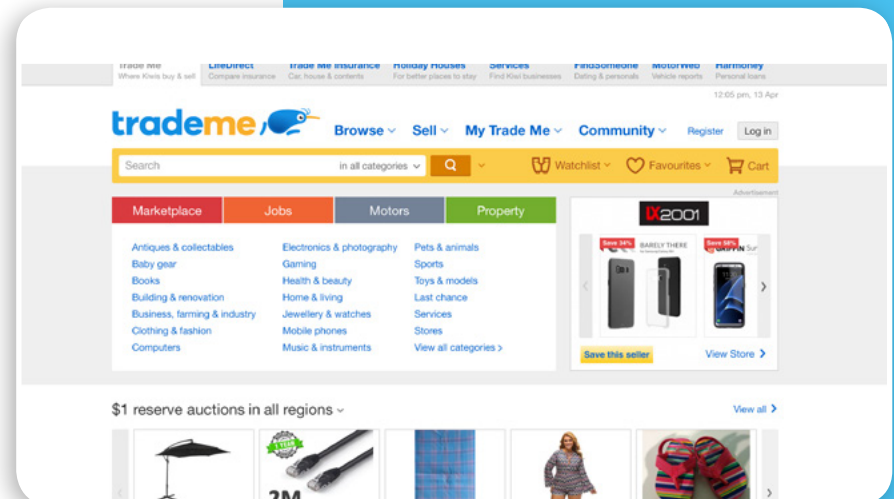
A offshoot of asos.com, Asos Marketplace is a fashion and accessories marketplace selling new labels, independent brands and vintage boutiques from around the world.

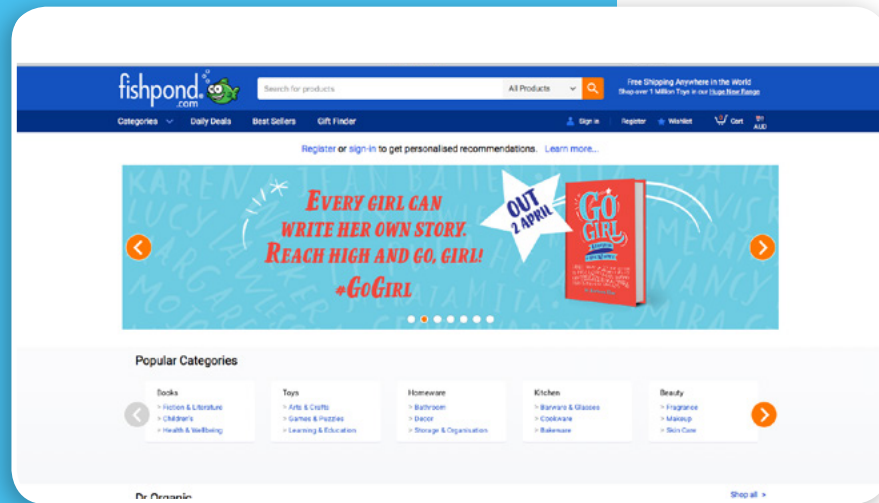
-  Global.
-  Over 1,000 boutiques with 24 million monthly visitors.
-  £20/month for a boutique plus 20% commission on items sold.

Trade Me

The largest internet auction site in New Zealand and the 5th most visited site, selling everything from antiques and collectibles to animals.

-  \$235m revenue (2017).
-  New Zealand, Australia, India (but only New Zealand and Australian sellers can register to sell).
-  4.2 million active users.
-  Depending on the product category, there are listing fees, plus 7.9% final value fee.





Fishpond

New Zealand-based marketplace selling consumer products to Australia and New Zealand.



Australia, New Zealand.



13 million items in catalogue, 20,000 sales per day, 303,000 monthly visits.

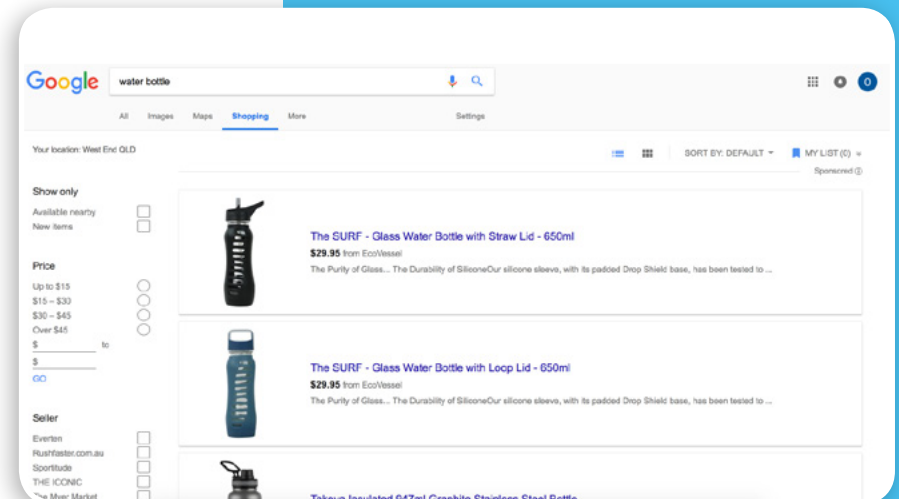


17% commission on items sold.

Google Shopping

Not technically a marketplace, rather a 'comparison shopping feed', Google Shopping is worth a mention as it is often referred to as a marketplace because it allows customers to search for, view and compare products when a customer searches for a product on google. Retailers pay to list products on Google Shopping and are charged in a CPC format.

Learn more about [Google Shopping](#).



READY TO GET STARTED WITH MARKETPLACES?

The next step is to ensure you have a solid plan around the technology and systems you will use to manage the back end of your business. Navigating the complexities that come with selling on marketplaces - like orders coming in from different sources, managing multiple sets of inventory, and shipping as per marketplace requirements can be chaos if you don't have a centralized system.

Ask these questions before selecting a marketplace

- ▶ Are you targeting a specific market?
- ▶ Are your products the right fit?
- ▶ Can you provide support?

Neto have been helping thousands of retailers sell via marketplaces, ecommerce stores and physical stores for ten years. The Neto Amazon integration provides retailers with an easy way to manage listings, inventory, and sales for Amazon orders from the one central platform.

Start a free trial to get started today.



neto

Neto is the only Australian retail management platform that provides a complete solution for ecommerce, point of sale, inventory and fulfilment. Our integrated back-end technology enables exceptional and consistent customer experiences via any channel, be it in-store, online or through a marketplace. We automate repetitive tasks and integrate with multiple sales channels to manage orders and shipments.

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