



Women's > Clothing > Dresses

118 products found
from 26 sellers



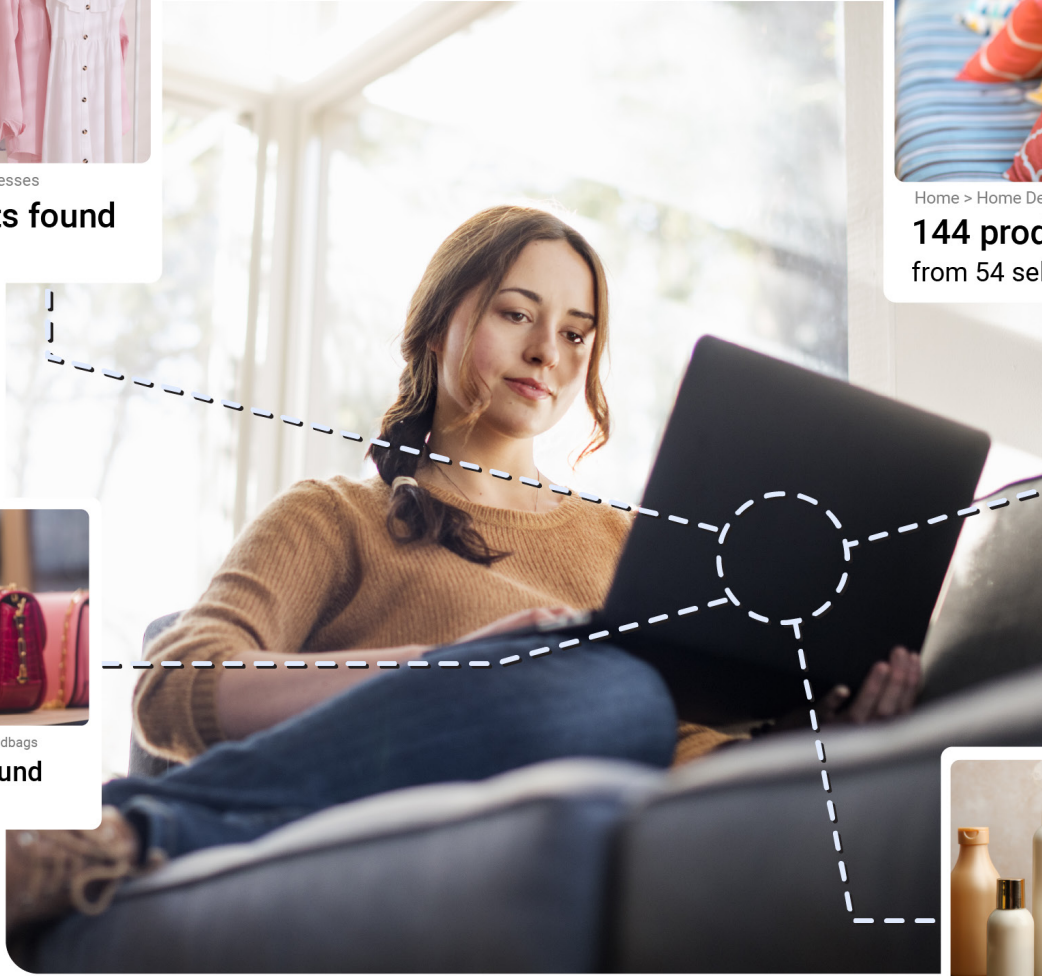
Home > Home Decor > Pillows

144 products found
from 54 sellers



Women's > Accessories > Handbags

97 products found
from 16 sellers



Beauty > Skincare > Hair Care

245 products found
from 25 sellers

Measuring the key factors behind eCommerce growth

2023 Enterprise Marketplace Index by Mirakl

Q2 2023 Release | Global Retail



Executive summary

Over the past three years, retailers faced one challenge after another, from supply chain disruptions to shuttered stores, demand spikes, and rising inflation, to name a few. The result was a stark contrast in performance between first-party eCommerce and marketplace and dropship platform models. The latter grew at twice the rate of traditional eCommerce in 2020 and 2021.

In 2022, the gap widened dramatically. Global eCommerce sales growth fell to single digits for the first time in more than a decade, increasing by just 6% year-over-year following two years of COVID-induced acceleration. **Enterprise marketplace and dropship businesses achieved six times that growth, increasing 38% year over year in 2022.**

Featured in
this year's analysis

99
global
retailers

\$4B
gross merchandise
value (GMV)

50k+
sellers

120M
SKUs

For this third edition of the *Enterprise Marketplace Index*, Mirakl conducted an in-depth analysis of the performance of **99 global retail marketplaces and dropship platforms** with nearly **\$4 billion in gross merchandise value (GMV)**, more than **50,000 sellers** and **120 million SKUs**. We also spoke with leading retailers across regions for insights on the ways enterprise marketplaces and dropship models have impacted their commerce business.

This year's analysis uncovered three factors driving the outsized growth of marketplaces and dropship businesses:



Shoppers are prioritizing value and choice, and marketplaces and dropship can better meet those needs.



Retailers and brands are finding more revenue and profits through a third-party inventory strategy.



Brands are expanding the number of online channels they sell through.

Consumers are looking for value and selection when they shop

Facing high inflation, rising costs and an uncertain labor market, shoppers are making the most out of diminished purchasing power by focusing on value. **89% of consumers globally say inflation has made them look for better value**, according to a 9,600-person global survey recently conducted by Mirakl.

This quest disproportionately favors **marketplaces and dropship businesses, which grew by 38% (6x more than overall eCommerce) in 2022**, extending their consistent lead over first-party eCommerce.

89%

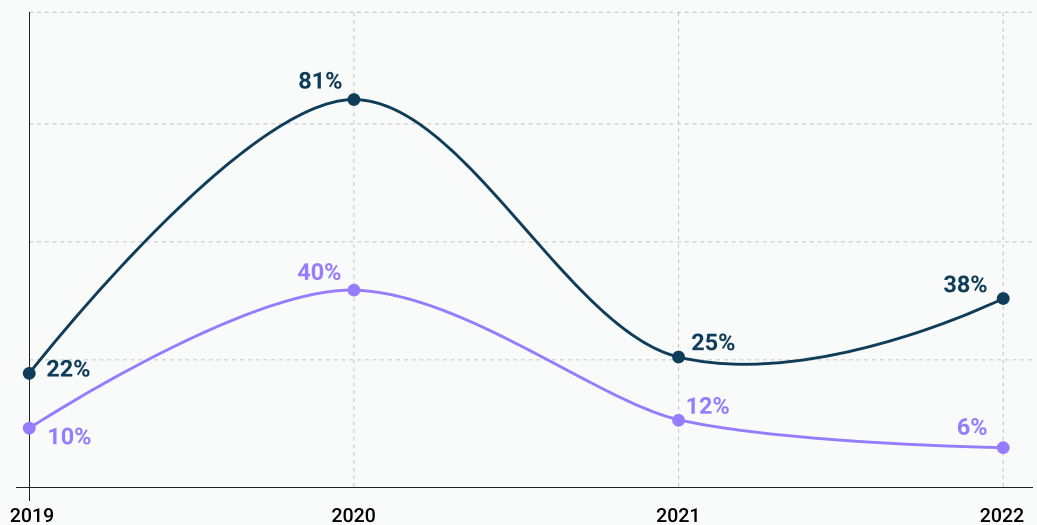
of consumers say inflation has made them look for better value

Platforms consistently outperform eCommerce

6x

marketplace & dropship growth vs. eCommerce in 2022

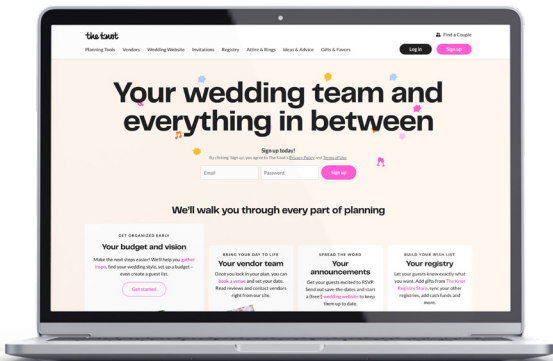
eCommerce ●
Marketplace & Dropship ●



Retailers drive more value – and with it a better customer experience – by supplementing their first-party inventory with products from marketplace sellers and dropship suppliers. This gives consumers more choice in products, price and delivery times. According to Mirakl’s analysis, **product assortment on established marketplace and dropship platforms grew faster in 2022. Assortment increased by 49% year over year**, as retailers looked to meet the mandate for wider assortment profitably by reducing inventory and fulfillment costs.

Multiple sellers offering similar products allows for maximized product availability and more competitive pricing, giving shoppers more opportunities to find the value they desire. **The average number of offers per product was 1.8 in 2022, and the total number of offers available across all marketplace and dropship businesses jumped 52% year over year.**

the knot



The Knot Worldwide, a global leader in wedding planning, already had a top position in the industry when it launched its marketplace in early 2020. The company has a hand in eight of 10 weddings in the United States. Its path to further growth wasn't as simple as expanding its customer base, but rather, expanding its shopping options, offering a richer and wider selection.

The marketplace, with its greater flexibility and wider selection, made it easier to satisfy all of them.

“The marketplace democratizes who can sell with us, the products we can offer, and the supply chains we can tap into. Going into it, I didn't know how great to our advantage, to our customers, and to our brand that was going to be. I don't think we would've done as well in the last two years if we hadn't set up a marketplace.”

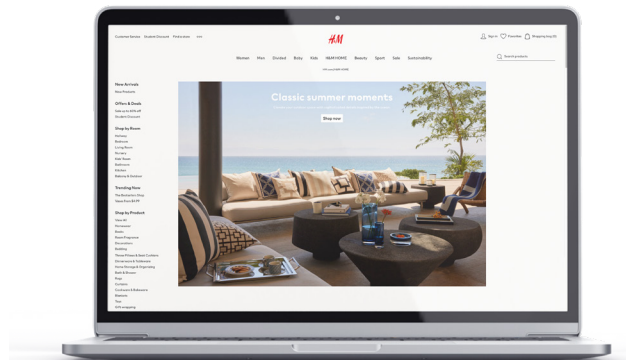
the knot



Christian Gonzales
VP eCommerce,
The Knot Worldwide

H&M Home uses its extensive dropship program to offer more assortment, both by cross-selling products from H&M owned brands on different H&M platforms and by partnering with new brands like Lee/Wrangler, Abstract House, Houseof and Jollein. “Our dropship strategy helps us to become the leading curated multi-brand destination for style, creativity and culture,” said Marie Lindholm, Global Head of New Business Development, H&M Home.

H&M HOME



Retailers and brands search for more revenue and profits

Amid macroeconomic pressures, retailers have had to look outside of traditional first-party eCommerce for more revenue and profits. That search has coincided with the maturation of platform models like marketplace and dropship, which provide an accessible and scalable source of revenue.

For example, high inflation has impacted eCommerce sales for home furnishings retailer **Maisons du Monde**, leading to lower website traffic and conversion. Strong momentum of its marketplace has helped the retailer offset the negative web dynamics in 2023: **marketplace GMV doubled year over year in Q1 2023**, reaching €42.1 million. Maisons du Monde's marketplace now has more than 242,000 SKUs (+59% year over year) from 560 marketplace sellers (+27% year over year) available online and in stores across France, Spain and Italy.

Commissions are the fundamental source of revenue contribution for a retailer operating a marketplace, and a key driver of profitability. How much are typical marketplace commissions? While commission rates differ for each product category, **the average commission fee on enterprise marketplaces was 14.1% in 2022.**

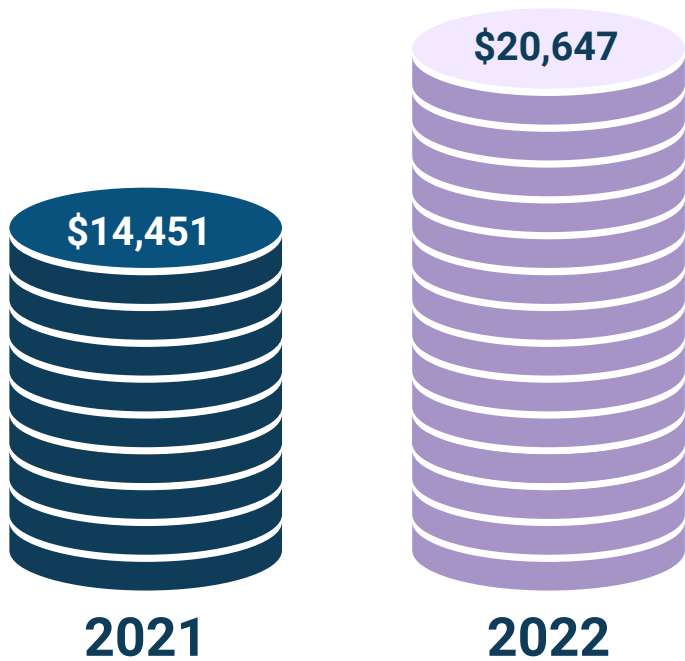
14.1%

average commission fee on enterprise marketplaces

Average marketplace commission rates by category

Category	Min	Max
Animals and Pet Supplies	12.00%	15.00%
Apparel and Accessories	15.00%	25.00%
Appliances	8.00%	15.00%
Consumer Electronics	6.00%	10.00%
DIY	12.00%	20.00%
Food	12.00%	15.00%
Health and Beauty	10.00%	15.00%
Home and Garden Furnishings	12.00%	20.00%
Jewelry	20.00%	25.00%
Sporting Goods	15.00%	20.00%
Toys and Hobbies	15.00%	20.00%

Marketplace and dropship revenue per seller



Brands on marketplaces and dropship platforms are selling more through those channels, with **GMV per seller reaching \$146,016 in 2022**. For marketplace and dropship operators, that means the average amount of revenue **generated by individual sellers increased 42% year over year, reaching \$20,647 in 2022**.

+42%

increase in revenue per seller,
2022 vs. 2021

Home improvement retailing company **Kingfisher plc** launched its first marketplace on its brand B&Q's diy.com in March 2022. Since then, the marketplace has added 400 carefully selected third-party sellers with an additional 340,000 SKUs across 18 home improvement categories. "Our target is for marketplace to reach 1 million SKUs in the medium term and to scale in new markets, generating 40% of the group's eCommerce sales, excluding Screwfix, over time," CEO Thierry Garnier said in a recent earnings call.

For US retailer **Macy's**, marketplace is one of five primary growth factors to capture incremental sales in categories and brands where they've historically had limited offers; drive larger average order value and units per order; move into new and adjacent categories without inventory risk; give customer more choice at scale; and attract a new and younger customer, CEO Jeff Gennette said in an earnings call.

"Over the last year, we have built a team focused on identifying, recruiting, onboarding and supporting sellers. Since its launch last September, we have found that over 90% of our total marketplace customer base are Macy's cross-shoppers," Gennette said.

Our target is for marketplace to reach 1 million SKUs in the medium term and to scale in new markets, generating 40% of the group's eCommerce sales, excluding Screwfix, over time."

Kingfisher



Thierry Garnier
CEO, Kingfisher plc

More brands are expanding their sales channels

Acquiring new customers continues to become more expensive, especially as third-party customer data laws and cookie deprecation reduce the efficacy of digital marketing. Retailers and brands are continually searching for new cost-effective ways to get in front of more shoppers and retain their loyalty. As a result, the network of enterprise marketplace sellers and dropship suppliers has also grown significantly over the past two years. In 2022, **the number of businesses that began selling on marketplaces increased by 31%** over 2021.

What's more, **53% of businesses said they are selling on more marketplaces this year than a year ago and 62% say they'll sell on more channels in the next 12 months**, according to a Mirakl survey of 1,500 retailers and brands worldwide. Their number one reason for selling on marketplaces? Reaching new customers – with better profitability a close second.

+31%

increase in
businesses selling
on marketplaces

53%

of businesses are selling
on more marketplaces
than a year ago

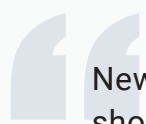
62%

of businesses will sell
on more channels in
the next 12 months

Melior, for example, is a UK-based company that specializes in environmentally safe cleaning products. Initially, it connected with many of its customers on eBay's marketplace, but is now finding growth on multiple Mirakl marketplaces.

Other sellers use marketplaces to extend local or luxury brands. Spain's **Lottusse**, for example, a maker of fine footwear since 1877, is driving its online business by expanding beyond its website to Mirakl marketplaces.

For US sporting goods retailer **Lands' End**, selling on marketplaces is attracting new customers to the brand and driving revenue. While overall Q4 2022 revenue was down, the company's revenue from selling on marketplaces was up. "These new customers come in through these marketplaces: 75% of them either never shopped at Lands' End or are lapsed customers and haven't shopped at Lands' End for five years," former CEO Jerome Griffith said at the ICR Conference in January 2023.



New customers come in through these marketplaces: 75% of them either never shopped at Lands' End or are lapsed customers and haven't shopped at Lands' End for five years."

LANDS' END 

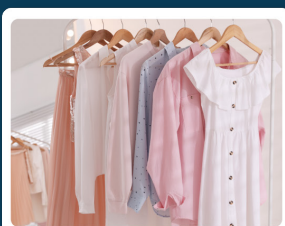


Jerome Griffith
CEO (former),
Lands' End

Continued momentum for marketplace and dropship

Pioneering retailers that adopt marketplace and dropship models are not simply enduring, but thriving amid uncertain and fast-evolving economic conditions. Marketplace and dropship businesses are attracting sellers and consumers alike with curated, expansive product selection; competitive prices; and better fulfillment options. More retailers are reaching shoppers through the platform economy, making these platform models the new normal in commerce.

Looking ahead, marketplaces and dropship businesses are poised to become even more essential to meet consumer demands. **94% of consumers worldwide expect to use marketplaces about the same or more in the future. For retailers and brands, 62% plan to sell on more marketplaces in the next 12 months.** This data points to a growing ecosystem of more consumers, sellers and operators participating in the platform model, cementing marketplace and dropship businesses as a core strategy in eCommerce acceleration.



Women's > Clothing > Dresses

118 products found
from 26 sellers



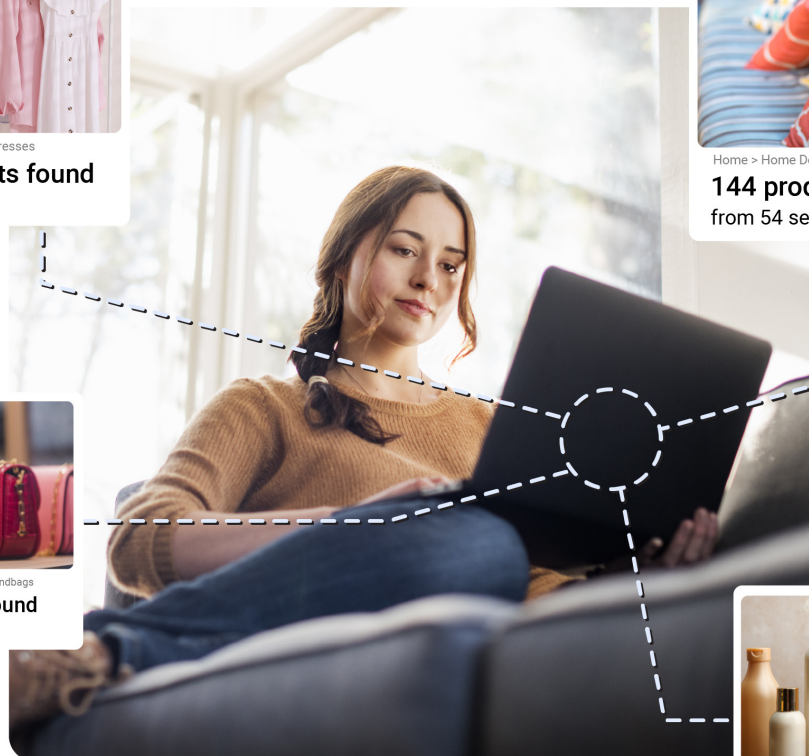
Home > Home Decor > Pillows

144 products found
from 54 sellers



Women's > Accessories > Handbags

97 products found
from 16 sellers



Beauty > Skincare > Hair Care

245 products found
from 25 sellers

About the Report

The *Enterprise Marketplace Index* is the industry's largest analysis of third-party marketplace and dropship data, using a year-over-year, "same-marketplace-sales" analysis. It represents 99 global retail marketplaces and dropship platforms that were live at a minimum during the two-year period from 2021 through 2022. These marketplaces generated billions of dollars in gross merchandise value (GMV) across more than 50,000 sellers offering more than 120 million products.

Methodology

The *Enterprise Marketplace Index* is a set of aggregated and anonymized insights of B2C marketplaces powered by Mirakl's platform. Strict aggregation measures are employed to ensure customer anonymity. These measures include requirements on comparison set size, diversity, and consistency, in order to present credible and reliable information that is insulated from concentration risk, and can not be reverse-engineered to identify any specific customer or marketplace.

To qualify for inclusion in the analysis set, a marketplace must have transacted throughout the entire analysis period, in this case Q1 2021 through Q4 2022, which allows for full year comparisons of 2022 over 2021, as well as two-year compound annual growth rates to be calculated.

Additional data hygiene factors are applied to ensure accurate metric calculation.

The *Enterprise Marketplace Index* is not directly indicative of the operational performance of Mirakl or its reported financial metrics, including GMV growth.

Marketplace growth is measured by GMV growth year over year, of same-marketplace-sales across 99 global marketplaces and dropship businesses powered by Mirakl.

eCommerce growth is calculated as an aggregate average of leading eCommerce sources and/or sites from across the globe, including: Euromonitor, Insider Intelligence, Shopify, Salesforce Shopping Index and U.S. Department of Commerce.

Mirakl is a global SaaS technology company that enables businesses to revolutionize the way they sell online.

Mirakl's industry-leading suite includes solutions in marketplace, dropship, supplier catalog management and pay-out, supplier sourcing ecosystem, personalization, and retail media to achieve profitable and sustainable eCommerce growth.

Mirakl's award-winning technology is chosen by more than 400 of the world's most trusted brands across retail and B2B industries, including Airbus, Decathlon, Galeries Lafayette, Kroger, Leroy Merlin, Macy's, Maisons du Monde, MediaMarkt, Sonepar, Toyota Material Handling and Yves Rocher.

For more information: www.mirakl.com

