

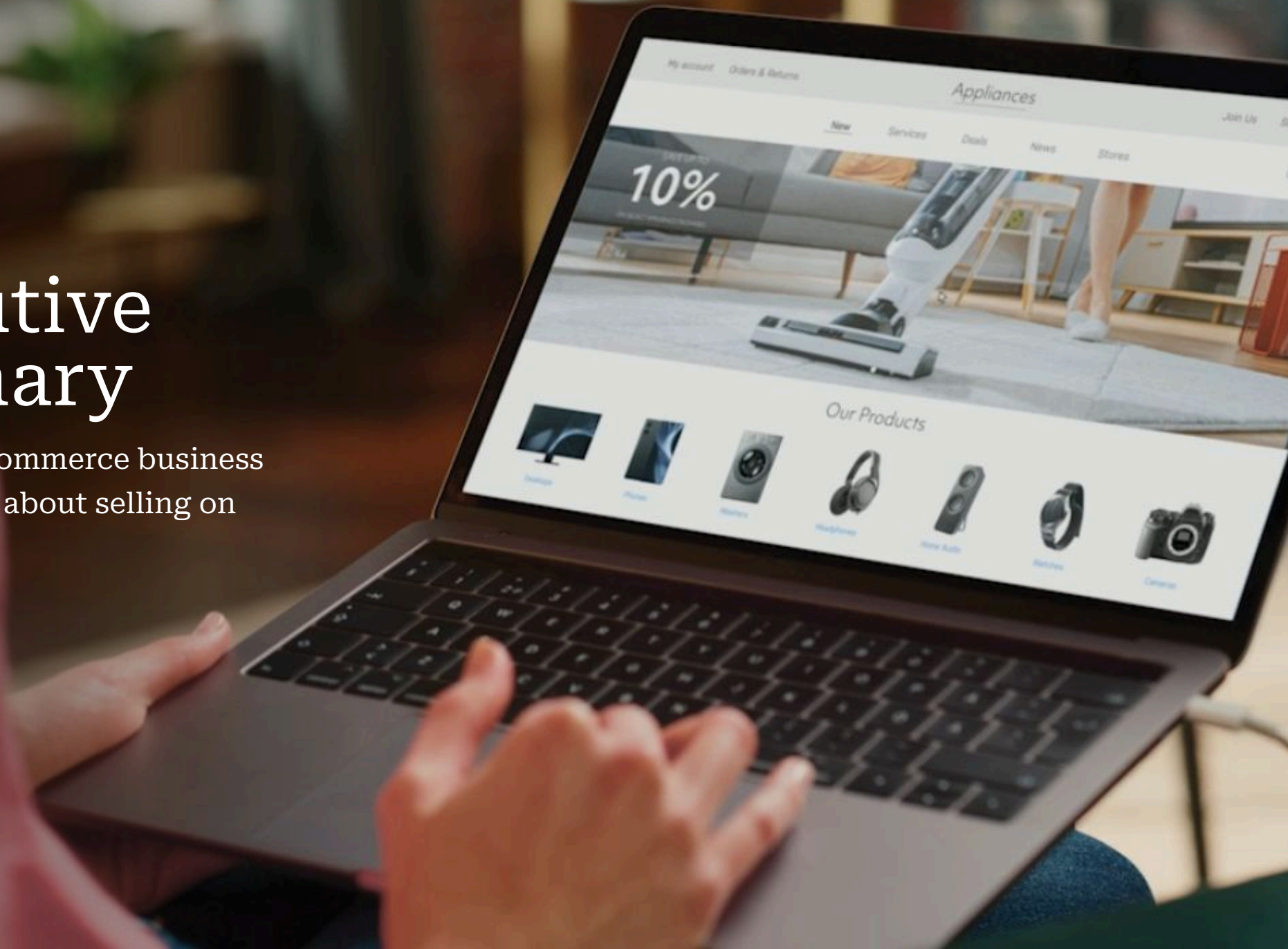


Meet the Sellers Powering  
Marketplace & Dropship Growth

# The 2023 Seller Report by Mirakl

# Executive summary

What every eCommerce business needs to know about selling on platforms

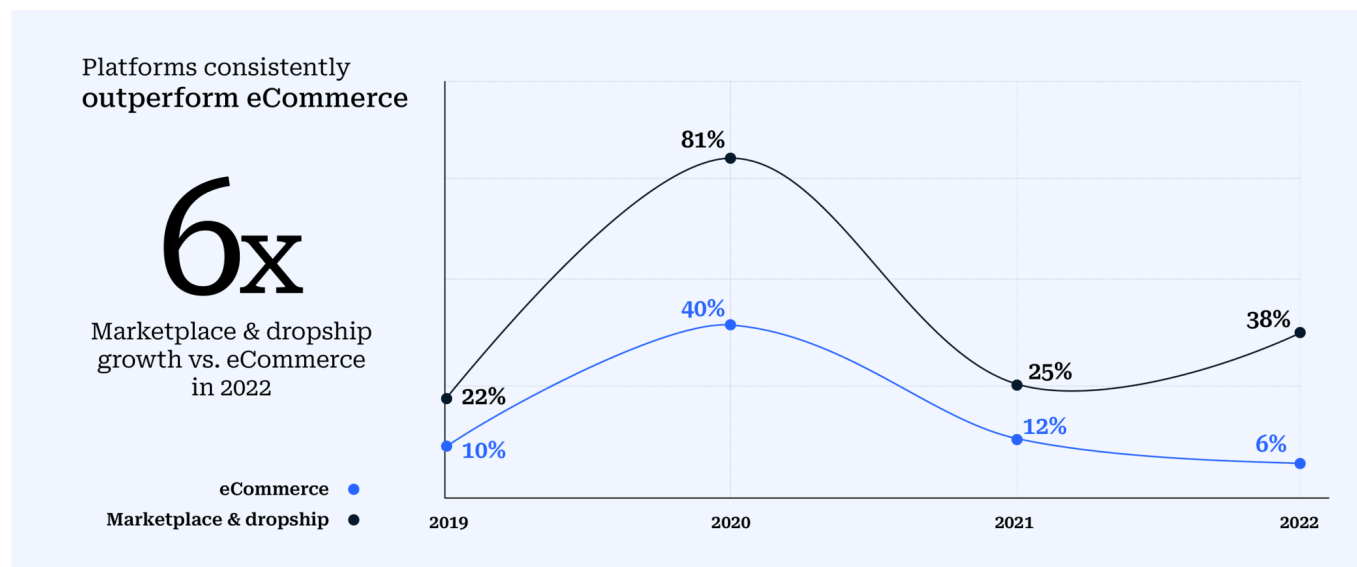


# Executive summary

What every eCommerce business needs to know about selling on platforms

Running a profitable eCommerce business is harder than ever, between increased competition online, rising customer acquisition costs and macroeconomic pressures. Buyers are changing how they shop, too, prizing wide selection, convenience and competitive pricing above all else.

The result of changing market dynamics and shifting preferences is the exponential growth of marketplace and dropship businesses, which grew 38% year-over-year and at six times the rate of overall eCommerce in 2022.



Behind the growth of these businesses are millions of businesses selling through marketplace and dropship platforms. Brands and retailers have embraced these platforms as new sales channels, using them as a cost-effective strategy to reach a wider audience and maintain customer loyalty.

Notably, the number of businesses that began selling on marketplaces in 2022 increased by 31% over the previous year. 53% of marketplace sellers surveyed are selling

on more marketplaces than they were a year ago, and a staggering 62% plan to expand their presence across additional marketplaces in the next 12 months.

Whether you operate a marketplace or dropship platform, sell through marketplaces or dropship, or do both, understanding the dynamics of these fast-growing sales channels is essential for growth in today's eCommerce landscape.

In this report, we explore why more retailers and brands are selling on different channels, their strategies for growth, and how marketplace and dropship platforms can attract top sellers.

To uncover the data behind these trends, Mirakl conducted an in-depth analysis of the performance of *65,000 sellers and suppliers on Mirakl's marketplace and dropship platforms, accounting for 125 million SKUs and nearly \$5 billion in annual gross merchandise value (GMV)*. We also surveyed 1,500 marketplace sellers of all sizes across the globe to learn about their eCommerce priorities and challenges.

## | The findings, in numbers

**56%**

of businesses sell on more than 2 marketplace and dropship platforms

**62%**

of sellers plan to sell on more platforms in the next 12 months

**23 days**

Average time from initial onboarding to first sale on Mirakl-powered platforms

**99.8%**

of customer service inquiries are handled by marketplace sellers without intervention from the operator

**\$ 146,016**

Average sales for a supplier on Mirakl-powered marketplace & dropship platforms in 2022

## Key takeaways for companies selling through marketplace and dropship



Brands and retailers are expanding the number of channels they sell on to reach new customers, boost profitability, and increase brand awareness



Sellers are customizing their strategy across different channels to optimize for growth



Experience matters: Retailers are seeking highly experienced sellers and prioritizing great customer service

## Key takeaways for organizations operating a marketplace or dropship business



The pool of marketplace and dropship sellers is expanding and diversifying, helping you create an on-brand high-quality selling experience



Recruiting top sellers comes down to website traffic, the right product categories, competitive commission rates, and the seller interface/ease of use



Sellers are getting even better at delivering an exceptional customer experience

"Selling on the big digital-native marketplaces like Amazon is getting to be so competitive, it's a breath of fresh air to have other channels available. While other marketplaces may not have as much traffic, we see sales almost instantaneously. Our margins are often better, and profitability is better as a result. We typically see anywhere from 2-5% higher profit in these cases."



**Jade Hansen**  
Director of Operations

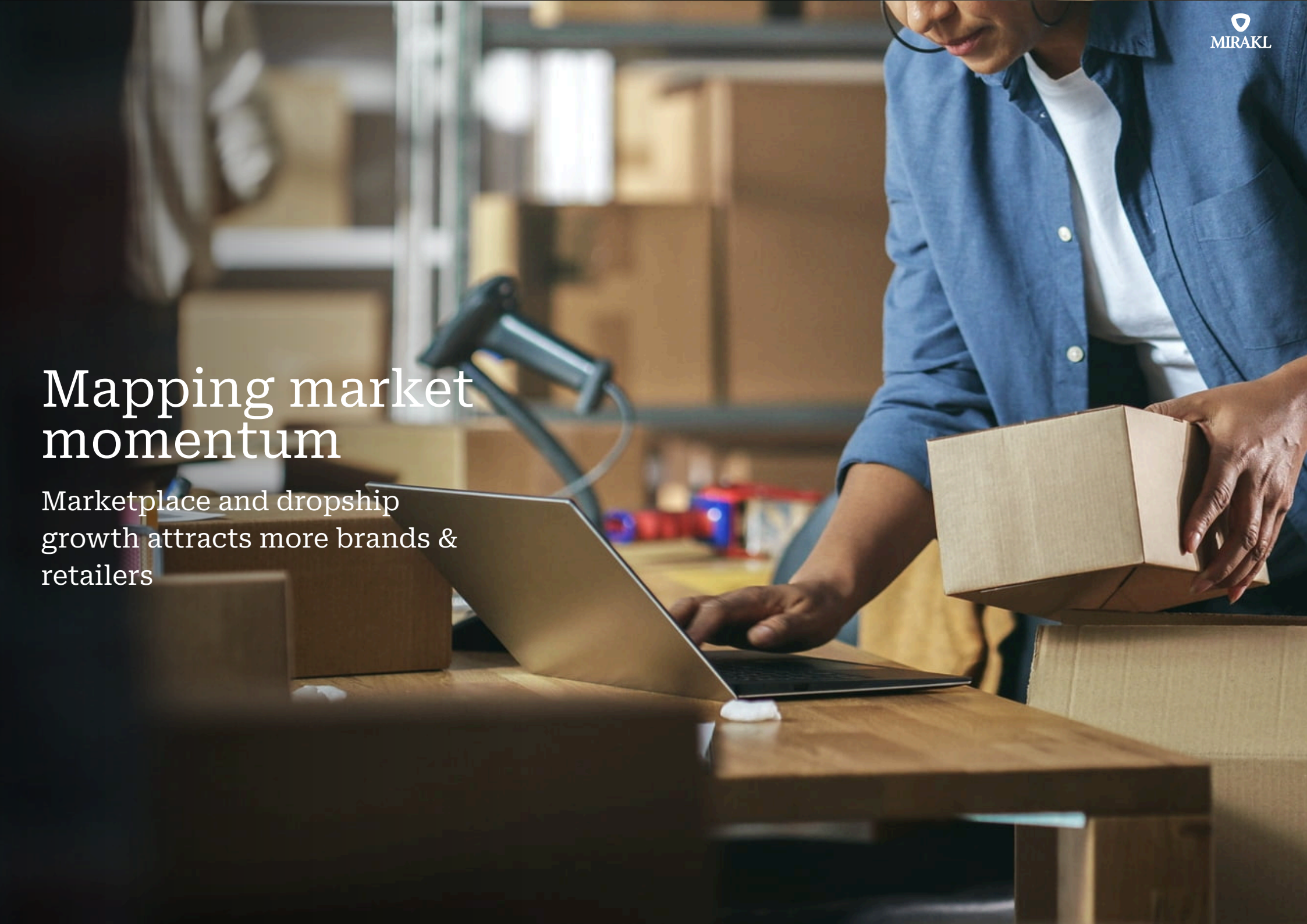
"We choose marketplaces and dropship platforms because they fuel our business growth. Marketplaces are tried-and-true for scalability, while dropshipping offers low-risk access to new markets, both locally and globally. It's all about strategic expansion. We are currently selling on 20+ Mirakl-powered marketplaces, all centralized in Mirakl Connect."



**Ravi Karia**  
Founder & Director

# Mapping market momentum

Marketplace and dropship growth attracts more brands & retailers



# Mapping market momentum

Marketplace and dropship growth attracts more brands & retailers

Businesses have been selling on marketplaces or through dropship platforms for decades—long before the eCommerce surge accelerated by COVID. What's new now is there are **more businesses** selling through **more online channels** than ever before. And it's increasingly a diverse group of merchants that includes:

- **Retailers**, which primarily sell products from brands to consumers through physical storefronts, eCommerce, or both;
- **Brands**, which own the production and distribution of their products and sell

through a variety of channels, such as direct-to-consumer or through retailers

- **Marketplace native sellers**, whose primary business is selling products through marketplace channels

53% of businesses in Mirakl's global network of 65,000+ sellers and suppliers are brands, 15% are retailers, and 32% are marketplace native sellers.

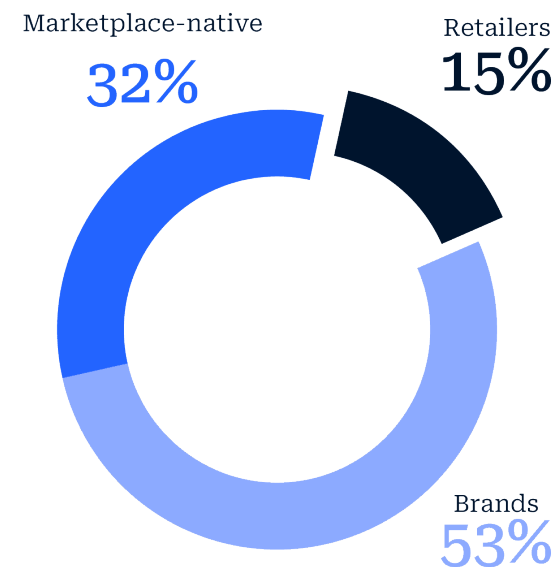
These businesses have diverse motivations for selling through marketplace and dropship channels. Reaching new customers, boosting

## *Top 3 reasons for selling on marketplaces & dropship platforms*

1. Reach new customers
2. Boost profitability
3. Strengthen brand awareness

profitability and strengthening brand awareness were the top 3 reasons named

## Who are the merchants selling through marketplace & dropship?



in Mirakl's global survey of 1,500 sellers.

In the past, brands were hesitant to sell on marketplaces, fearing brand dilution or loss of brand control. But as marketplaces mature, they're proving to offer greater control over wholesale, from pricing to positioning. As brands like Puma, LK Bennett, and Villeroy & Boch double down on marketplace sales, they're playing a bigger role relative to other types of sellers, growing from 21% to 30% of overall GMV across Mirakl-powered marketplace and dropship businesses in the past year.

For US sporting goods brand 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," according to former CEO **Jerome Griffith**.

The increased number of sellers is also linked to the growing volume of opportunities beyond the likes of Amazon

“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.”

**LANDS' END**



**Jerome Griffith**  
Former CEO

and eBay. 56% of businesses sell on more than 2 marketplaces compared to 50% a year ago, according to Mirakl's analysis.

For example, **Macy's Inc.**, which launched its Mirakl-powered marketplace in September 2022, added 500 sellers by the end of its fiscal quarter, and added another 450 in Q1 2023. Macy's plans to grow by about 2,000 brands this year in areas that are new categories, new brands, new styles, sizes, aesthetics and demographics, according to head of marketplace **Josh Janos**.

Another example is home improvement retailing company **Kingfisher plc**, which launched its first Mirakl-powered 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.

Looking ahead, the marketplace ecosystem will continue to grow. **62% of sellers surveyed plan to sell on more marketplaces in the next year.**



# Sellers and suppliers optimize for growth

Pairing fast onboarding with a curated, customized approach

# Sellers and suppliers optimize for growth

## Pairing fast onboarding with a curated, customized approach

A simple onboarding process is key to operating an efficient multi-channel business. According to the analysis, businesses selling on a Mirakl-powered marketplace or dropship platform on average achieve their **first sale just 23 days after beginning the onboarding process, with technical integration completed in as little as one day**. For the fastest 25% of sellers, the average was just 4 days.



This rapid onboarding means that businesses operating platforms can connect suppliers with buyers faster. **Snappy Gifts** onboards dropship suppliers to its Mirakl-powered gifting platform in a matter of days, and has expanded its supplier base by 300% as a result. “On average, we’ve been able to reduce the onboarding time by 3X, getting partners live and accepting orders within two weeks; previously it was upwards of 1+ months,” shared **Dvir Cohen**, co-founder and CTO.

Just selling through marketplace and dropship platforms isn’t enough. Sellers have different strategies to grow, from

the types of sites they sell on, the product assortment they list and how they market.

Roughly half of companies sell their full product assortment from their website on marketplaces, but others take a more nuanced approach. A quarter of sellers only sell a subset of their full product catalog on marketplaces, and 8% of sellers have no overlap at all between their marketplace and owned channels, according to the survey.

When we look at the 65,000+ experienced retailers, brands and marketplace-native sellers on Mirakl-powered marketplace and dropship platforms, **70% curate customized catalogs for each channel**.

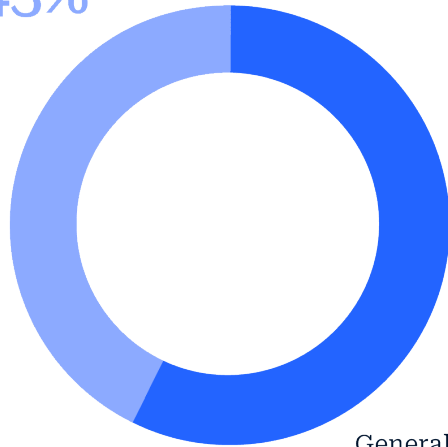
Merchants are selective about which marketplaces they choose to sell on, with **57% preferring generalist marketplaces** (marketplaces that sell a wide range of products and categories) and **43% preferring curated marketplaces**

(marketplaces that specialize in specific categories).

## What type of marketplaces do merchants prefer to sell on?

Curated marketplace

43%



Generalist marketplace

57%

Jade Hansen, Director of Operations at marketplace seller ClickHere2Shop, says that diversifying their channels has helped them grow. "Selling on the big digital-native marketplaces like Amazon is getting to be so competitive, it's a breath of fresh air to have other channels available. While other marketplaces may not have as much traffic, we see sales almost instantaneously. Our margins are often better, and profitability is better as a result. We typically see anywhere from 2-5% higher profit in these cases."

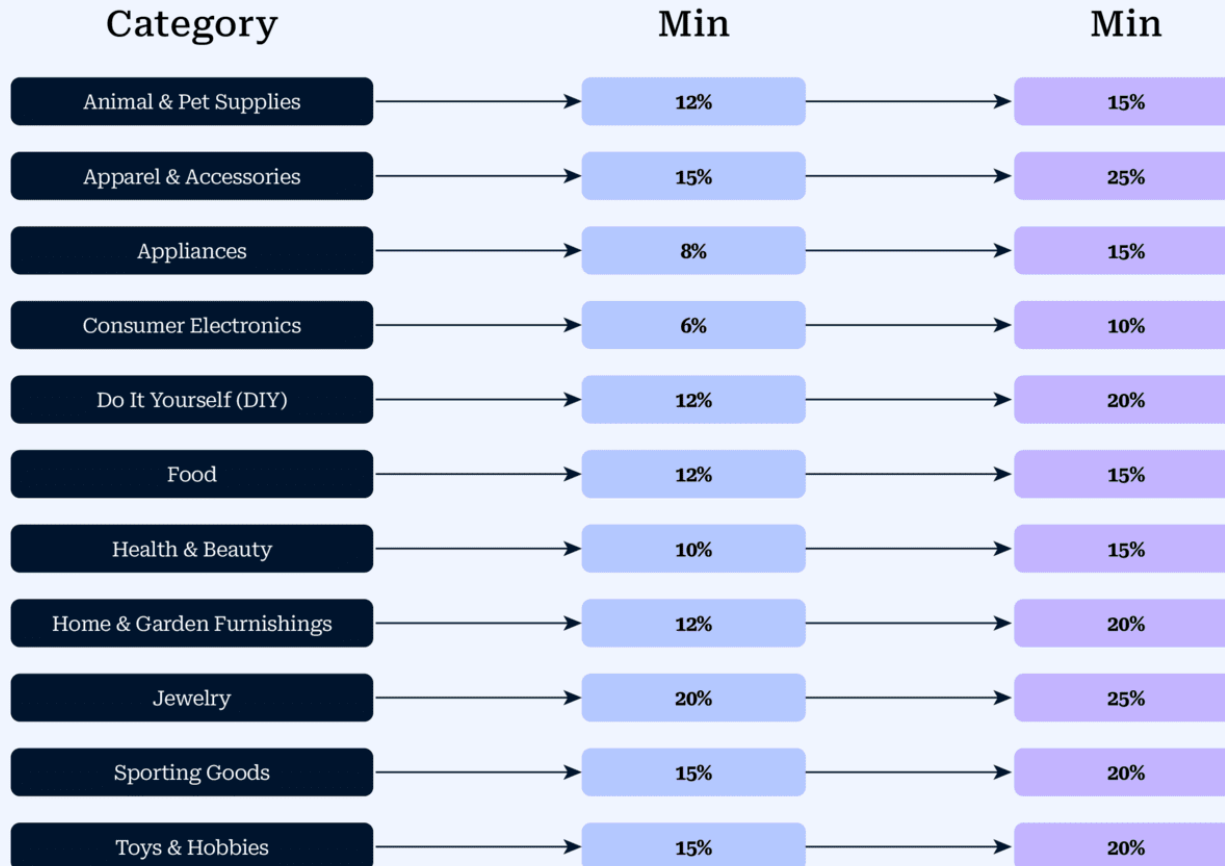
Regardless of their preference, sellers prioritize website traffic, product categories, commission rates and the seller interface/ease of use as the most important factors when selecting new marketplace channels, according to Mirakl's survey of 1,500 sellers.

While commission rates differ for each product category, the average commission fee on enterprise marketplaces was 14.1% in 2022.

U.S.-based multi-brand seller Resultco boosted growth by expanding beyond generalist marketplaces, adding 10+ curated marketplace channels in the U.S. and abroad through Mirakl Connect. As a result, the business has already achieved a 15% lift for its already-mature marketplace business, according to Brian Binno, Resultco vice president.

When asked about how they will grow their marketplace businesses over the next year, sellers plan to **strengthen brand awareness through marketing, add new products to their existing marketplace channels, and sell on more marketplaces.**

## Average marketplace commission rates by category



U.S.-based multi-brand seller **Resultco** boosted growth by expanding beyond generalist marketplaces, adding 10+ curated marketplace channels in the U.S. and abroad through Mirakl Connect. As a result, the business has already achieved a 15% lift for its already-mature marketplace business, according to Brian Binno, Resultco vice president.

When asked about how they will grow their marketplace businesses over the next year, sellers plan to **strengthen brand awareness through marketing, add new products to their existing marketplace channels, and sell on more marketplaces.**

# Marketplace customer experience

Marketplace sellers not only support,  
but actually enhance the buyer's  
experience



# Marketplace customer experience

Marketplace sellers not only support, but actually enhance the buyer's experience

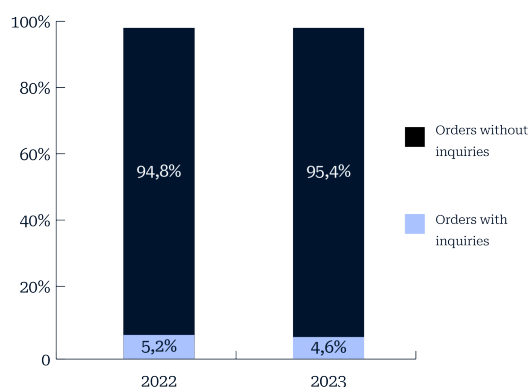
Shoppers are putting more pressure on retailers each year to provide value. **89% of consumers globally say inflation has made them look for better value**, according to a 9,600-person global survey recently conducted by Mirakl.

Marketplace sellers are rising to the challenge, working with retailers to meet customers' rising expectations for both value and a seamless shopping experience. The average seller has nearly **three years of experience** selling on marketplaces. According to shopper-generated ratings and reviews, the most experienced sellers earned a rating of 4.5

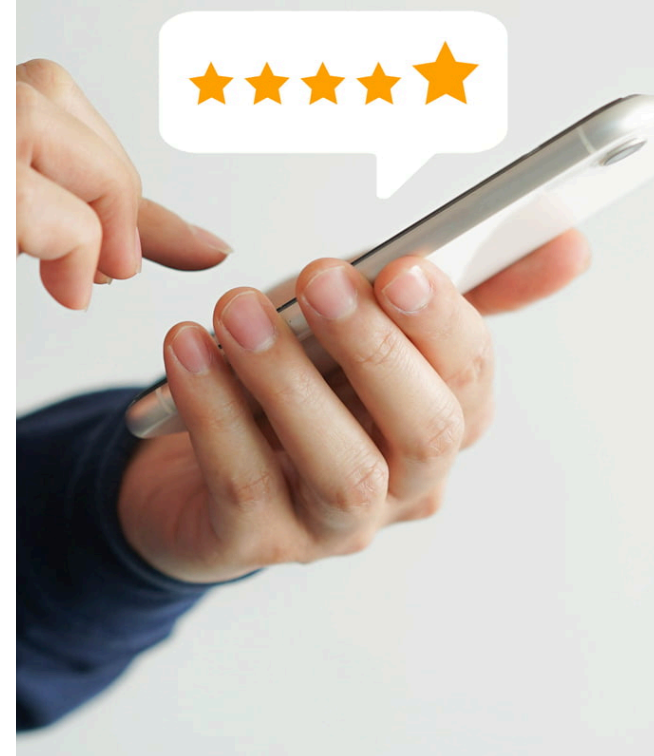
out of 5 from shoppers, a strong signal of customer satisfaction.

What's more, customer service issues are rare and getting rarer, with **inquiries per order** falling to 4.6% compared to 5.2% in Q2 2022. And nearly all inquiries are resolved autonomously by sellers: **99.8% of inquiries are handled without intervention from the operator.**

Customer service inquiries for marketplace orders are low – and declining



Marketplace sellers have mastered customer service. **99.8% of customer service inquiries are handled by sellers without intervention from the operator**





# Using sellers & suppliers to boost revenue

Why companies are adding more sellers to their marketplace and dropship businesses

# Using sellers & suppliers to boost revenue

Why companies are adding more sellers to their marketplace and dropship businesses

As retailers look outside of conventional first-party eCommerce for more revenue and profits, growing marketplace assortment by quickly onboarding new sellers is critical – whether they’re expanding new categories, deepening existing categories, or both. Successful sellers are embracing the opportunity with these new platforms, and growing their own businesses as a result.

"We choose marketplaces and dropship platforms because they fuel our business growth. Marketplaces are tried-and-true for scalability, while

dropshipping offers low-risk access to new markets, both locally and globally. It's all about strategic expansion. We are currently selling on 20+ Mirakl-powered marketplaces, all centralized in Mirakl Connect," shared Rami Karia, Founder & Director, Pertemba.

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, Italy and Germany.

For Macy's, the marketplace has

attracted new customers and a younger existing customer responding to their new categories. That's resulted in increased basket size, president and CEO-elect **Tony Spring** said in its Q1 2023 earnings release

"We're seeing indicators of a strong growth rate with marketplace's gross merchandise value increasing over 50% compared to the fourth quarter of 2022 and average order value and units per order approximately 50% above those customers not jumping in marketplace."

macys inc



**Tony Spring**  
President &  
CEO-Elect



The average seller achieved **\$146,016** in sales per marketplace or dropship platform in 2022, contributing more to operators' bottom lines than ever before. For the businesses operating commission-based marketplaces, those sales result in average commissions revenue of **\$20,647** per seller, an increase of 42% year-over-year.

**\$146,016** Average annual sales generated per seller in 2022



# Conclusion

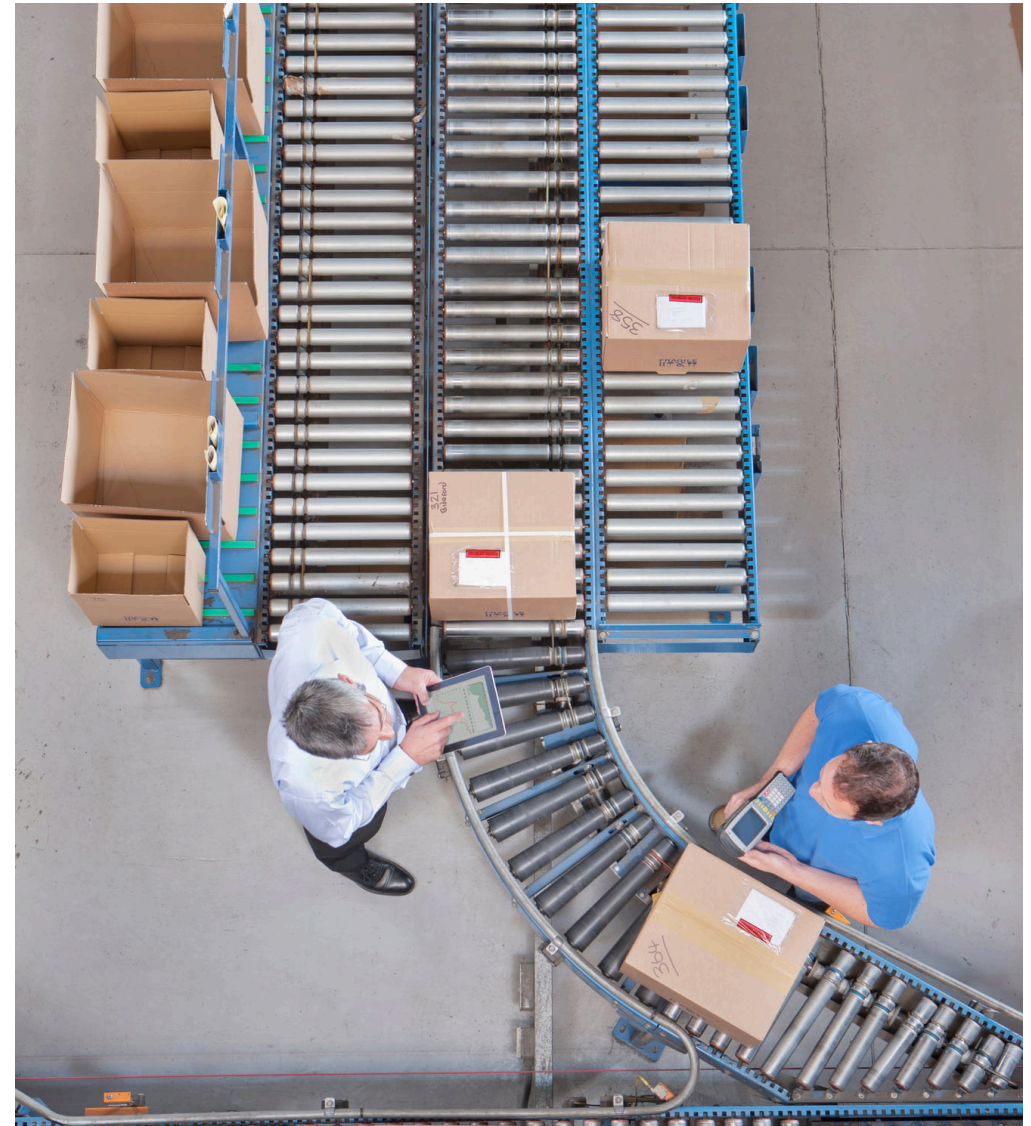


# Conclusion

Year after year, marketplace and dropship platforms are outpacing the growth of eCommerce.

The companies that sell through these platforms are diverse, representing brands, retailers, and marketplace native sellers. They're drawn by opportunities to reach new customers, boost their profitability, and increase brand awareness – and they're adapting their strategies to maximize all of these benefits.

For the companies operating marketplace and dropship platforms, the pool of sellers is more diverse and mature than ever before, making it possible to create a curated, brand-aligned experience for customers. Whether through negotiated margins (dropship) or category-specific commissions (marketplace), every individual seller contributes tens of thousands to retailers' bottom lines – adding up to meaningful business impact.



# Methodology

# Methodology

The Mirakl Seller Report is based on analysis of a data set of aggregated and anonymized insights of B2C marketplaces and dropship platforms powered by Mirakl. Strict aggregation measures are employed to ensure marketplace and seller anonymity. These measures include requirements on analysis 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, each marketplace or dropship platform must have transacted throughout the entire analysis period, in this case the 24-month period from Q2 2021 through Q2 2023. Additionally, sellers must have published offers to a marketplace or dropship platform during the start of the analysis period Q2 2021. Additional data

hygiene factors are applied to ensure accurate metric calculation. Data footnotes are noted throughout the report to provide additional clarity on analysis.

Additionally, an online survey was conducted to a panel of 1,500 retailers selling on marketplaces in Q4 2022. Respondents were based in the United States, United Kingdom, Germany, France and Spain.

The Mirakl Seller Report report is not directly indicative of the operational performance of Mirakl or its reported financial metrics, including GMV growth.



Power your marketplace  
and dropship growth  
with Mirakl Connect

## Power your marketplace and dropship growth with Mirakl Connect

Mirakl Connect accelerates profitable eCommerce growth by easily connecting sellers and partners with Mirakl-powered marketplace and dropship platforms.

“Mirakl Connect offers an amazing opportunity for global reach, helping us grow our already mature marketplace business by 15% this year. With Mirakl Connect, we can launch fast, reach new customers, and maintain our reputation as a trusted seller”

**RESULTCO**



**Bryan Binno**  
Vice President,  
Seller in the  
Mirakl Connect  
Ecosystem

## For sellers & suppliers

Through the Mirakl Connect platform, sellers and suppliers can sell on multiple marketplace and dropship platforms globally, helping them accelerate business development, streamline technical onboarding and grow their revenue.

Mirakl Connect takes the heavy lifting out of building a multi-marketplace business, with Mirakl Connect APIs and multiple pre-built connectors to help vendors easily list and manage products on Mirakl-powered marketplaces.

## Sign up to join the Mirakl Connect network today

Get access to the world's leading marketplace and dropship platforms.



[www.miraklconnect.com](http://www.miraklconnect.com)

## For marketplace & dropship platform operators

With its network of high-quality and experienced sellers, Mirakl Connect helps eCommerce businesses find the right sellers with the right products that correspond to their strategy throughout their marketplace or dropship journey.

Mirakl Connect also acts as an integration hub, accelerating the time to market for new products through its ecosystem of connectors, partners and fast-track onboarding features.

Let's talk about how you can onboard quality sellers and suppliers to drive profit on your platform today



[www.mirakl.com/lets-talk](http://www.mirakl.com/lets-talk)

# About Mirakl



Revolutionise  
the way you  
sell online



# About Mirakl

Revolutionize the way you sell online

Mirakl is a global SaaS technology company that enables businesses to revolutionize the way they sell online. Mirakl's industry-leading suite of products accelerates profitable, sustainable eCommerce growth through solutions in marketplace, dropship, supplier sourcing ecosystem, supplier catalog management and pay-out, personalization, and retail media. More than 400 of the world's most trusted brands across retail and B2B industries choose Mirakl's award-winning technology, including Airbus, Decathlon, Galeries Lafayette, Kroger, Leroy Merlin, Macy's, Maisons du Monde, MediaMarkt, Sonepar, Toyota Material Handling and Yves Rocher.

Your Owned Inventory



Women's White Shirt



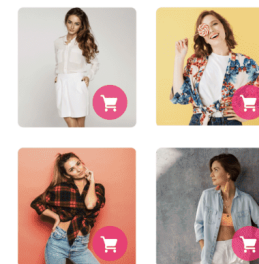
\$ 39.99 ~~\$ 59.99~~



5 Items in your cart

\$ 229,96

Buy now



Visit us Online

[www.mirakl.com](http://www.mirakl.com)

Thank you for reading  
Meet the Sellers Powering  
Marketplace & Dropship Growth  
- The 2023 Seller Report by  
Mirakl