



Marketplaces as a key driver in full-funnel strategy



AGENDA

01. The market landscape and consumer profiles
02. What does this mean for brands?
03. The role of online purchase behavior
04. Key takeaways



Marketplaces as a communication and marketing channel

Marketplaces are more than just a sales channel; today, they serve as a powerful tool for building brand awareness and fostering customer loyalty. In this report, we explore how their role is rapidly evolving, offering unexpected opportunities at every stage of the funnel. Backed by real-world examples and insights from FiloBlu, we'll demonstrate how to integrate brand awareness, sales, and loyalty, making marketplaces the cornerstone of an innovative and successful full-funnel strategy.



CHAPTER 1

The market landscape and consumer profiles

EUROPEAN MARKET SCENARIO

The Marketplace channel is moving fast.

Double-digit growth is expected in the 2024-2026 period, driven by Marketplace (3P).

EU MARKETPLACE REVENUES, 2018-2026, €bn



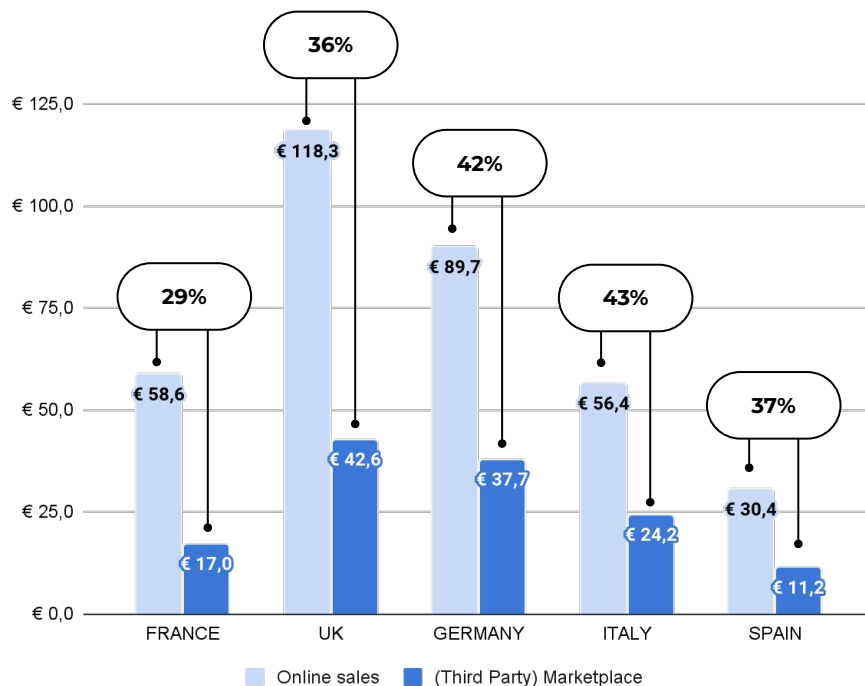
Source: Euromonitor International, NIQ, Statista, 2023-24

The Marketplace channel is moving fast.

The share of revenue generated through marketplaces, compared to total online revenue, increased from 40% to 46% across the five main European markets (IT, ES, FR, DE, UK).

REVENUES BY COUNTRY BY ONLINE CHANNEL, 2023, €bn

% of Marketplace channel revenue on total online revenue



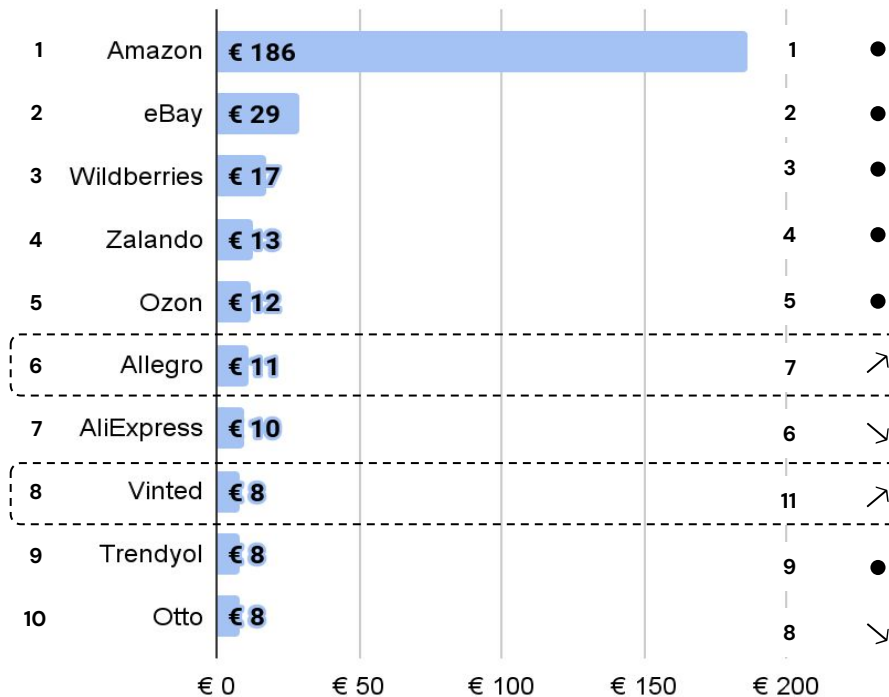
Source: Consumer Panel Foxintelligence by NielsenIQ, 2024

EUROPEAN MARKET SCENARIO

Amazon dominates the market, but watch out for local players (Allegro) and specialists (Vinted).

TOP MARKETPLACE IN EUROPE BY GMV, 2023, €bn

VS GMV 2022



Source: ecommercedb & Statista, 2023-24

Amazon leads the market, followed by eBay and Zalando. Local players hold significant weight. High tech and fashion as the top selling categories.

TOP E-COMMERCE PLATFORMS BY COUNTRY BY MARKET SHARE, 2024 vs 2023



Source: Consumer Panel Foxintelligence by NielsenIQ, 2024

EUROPEAN MARKET SCENARIO

**Specialized
marketplaces are
steadily gaining
ground.**

VERTICAL MARKETPLACES, \$bn, 2019 vs 2024
Gross Merchandise Volume (GMV)

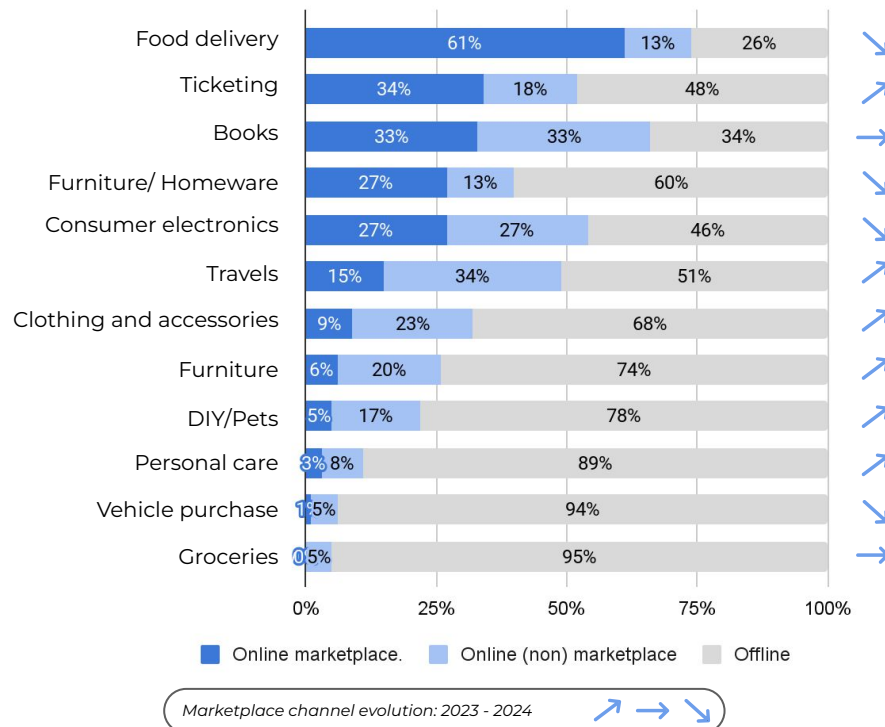


Source: internal analysis based on market data, 2024

EUROPEAN MARKET SCENARIO

Books, electronics, clothing, and furniture are the main product categories.

MOST PURCHASED CATEGORIES BY CHANNEL, 2022



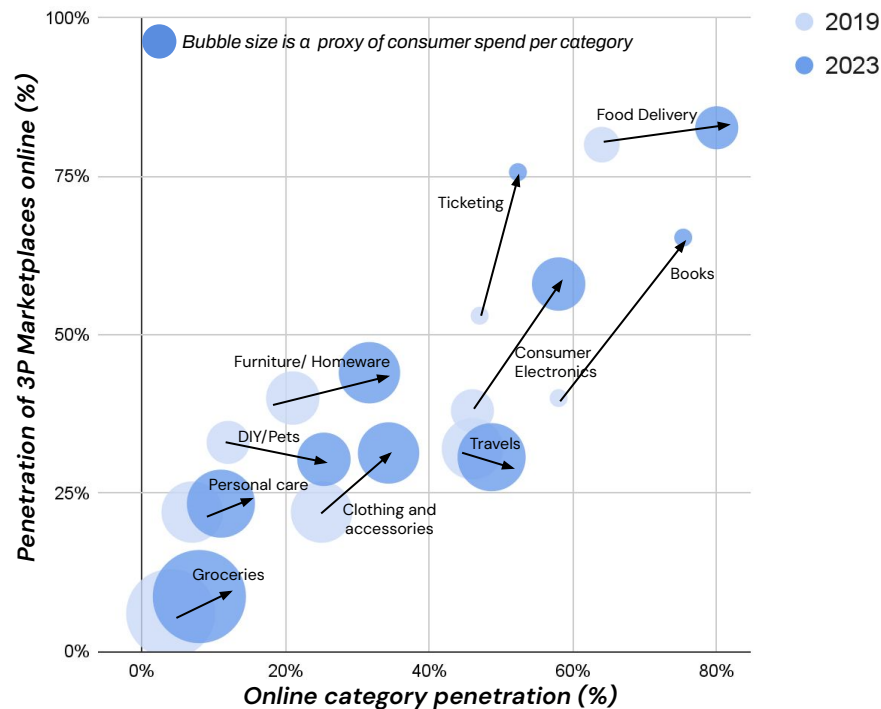
Source: internal analysis based on OC&C Strategy Consultants data, 2023

EUROPEAN MARKET SCENARIO

The share of online and marketplace channels is increasing for every product category.

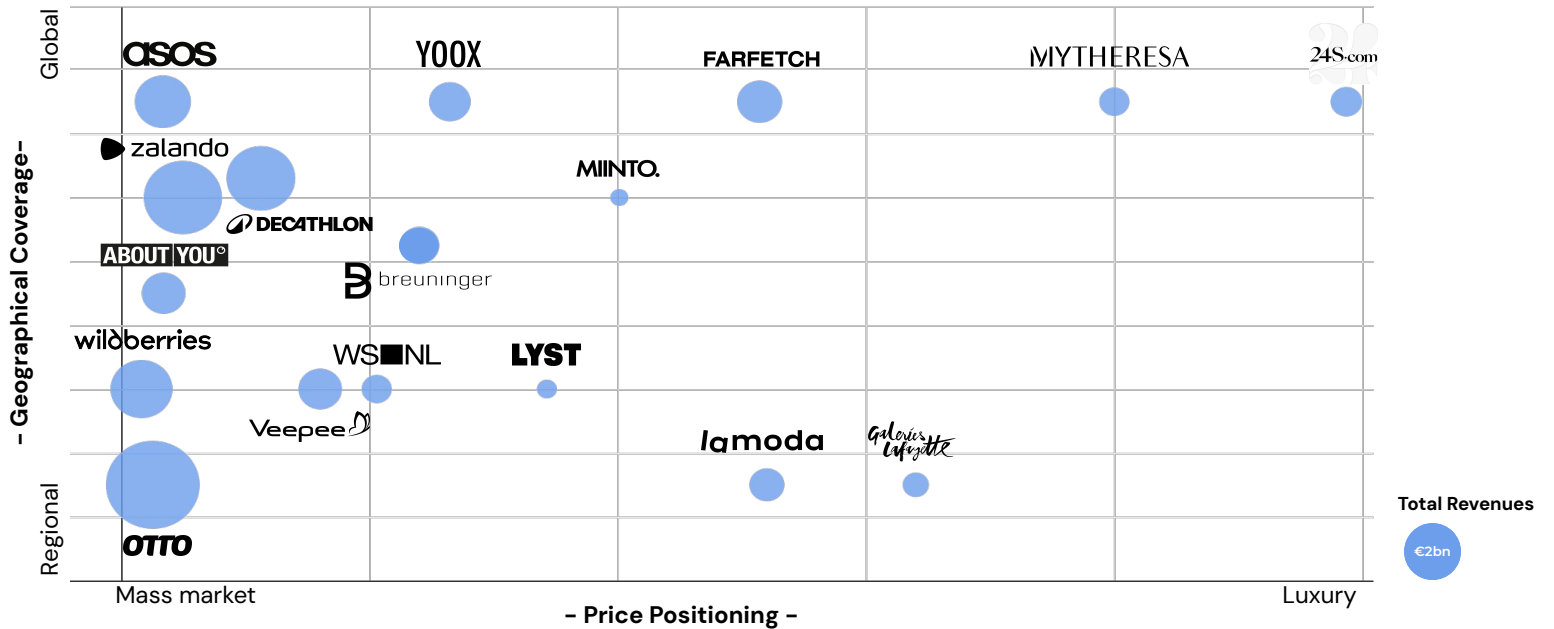
MARKETPLACE SHARE BY CATEGORY

% of transaction value, 2019 vs 2023



Source: internal analysis based on OC&C Strategy Consultants data, 2023

The fashion marketplace landscape is full of players with differentiated positioning.



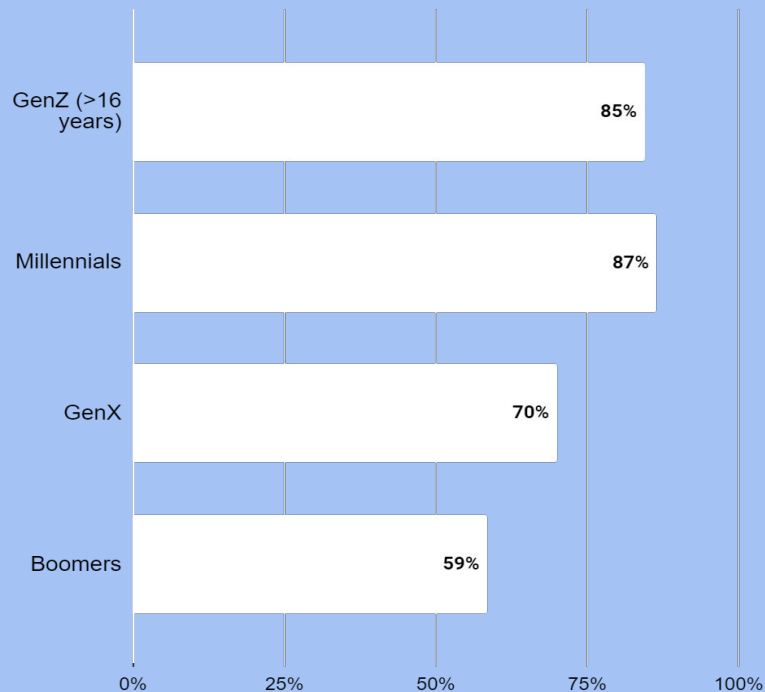
Source: FiloBlu analysis based on corporate data and e-commerce marketplace platforms, 2024

Consumers Profile

CONSUMERS PROFILE

**GenZ and Millennials
are the primary
consumers.**

CONSUMERS PENETRATION BY GENERATION, 2023, %



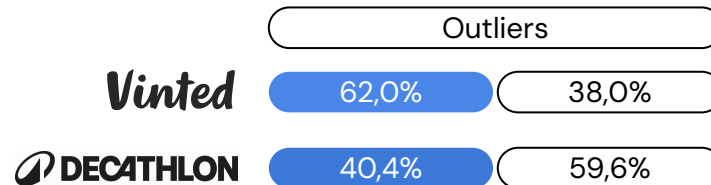
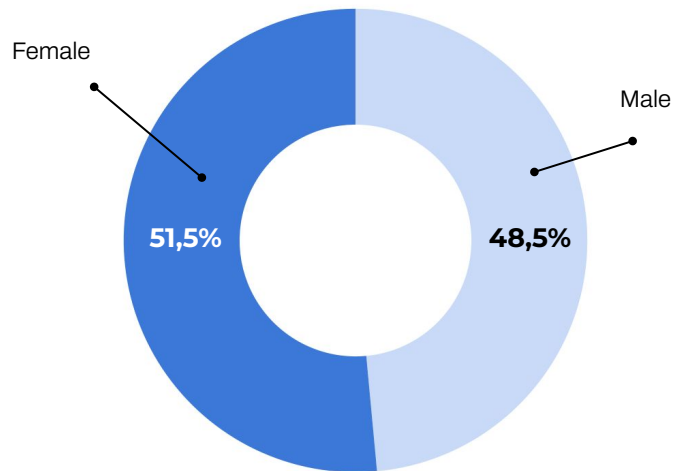
Source: Statista, Eurostat & Similarweb, 2023-24

CONSUMERS PROFILE

Gender distribution is 50/50, with some outliers.

CONSUMER DISTRIBUTION BY GENDER*, 2023, %

(*) Users identifying as female or male.



Source: Statista, Eurostat & Similarweb, 2023-2024

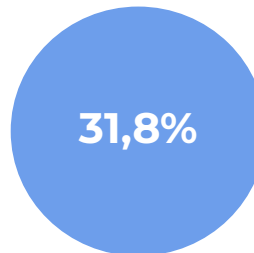
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CONSUMERS PROFILE

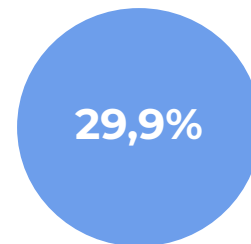
Logistical efficiency, wide assortment, and speed of purchase are the main drivers.

PURCHASE DRIVERS ON MARKETPLACE CHANNELS, 2024

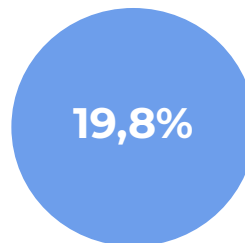
Low delivery costs



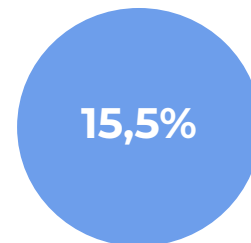
Wide range of choice



Easy returns

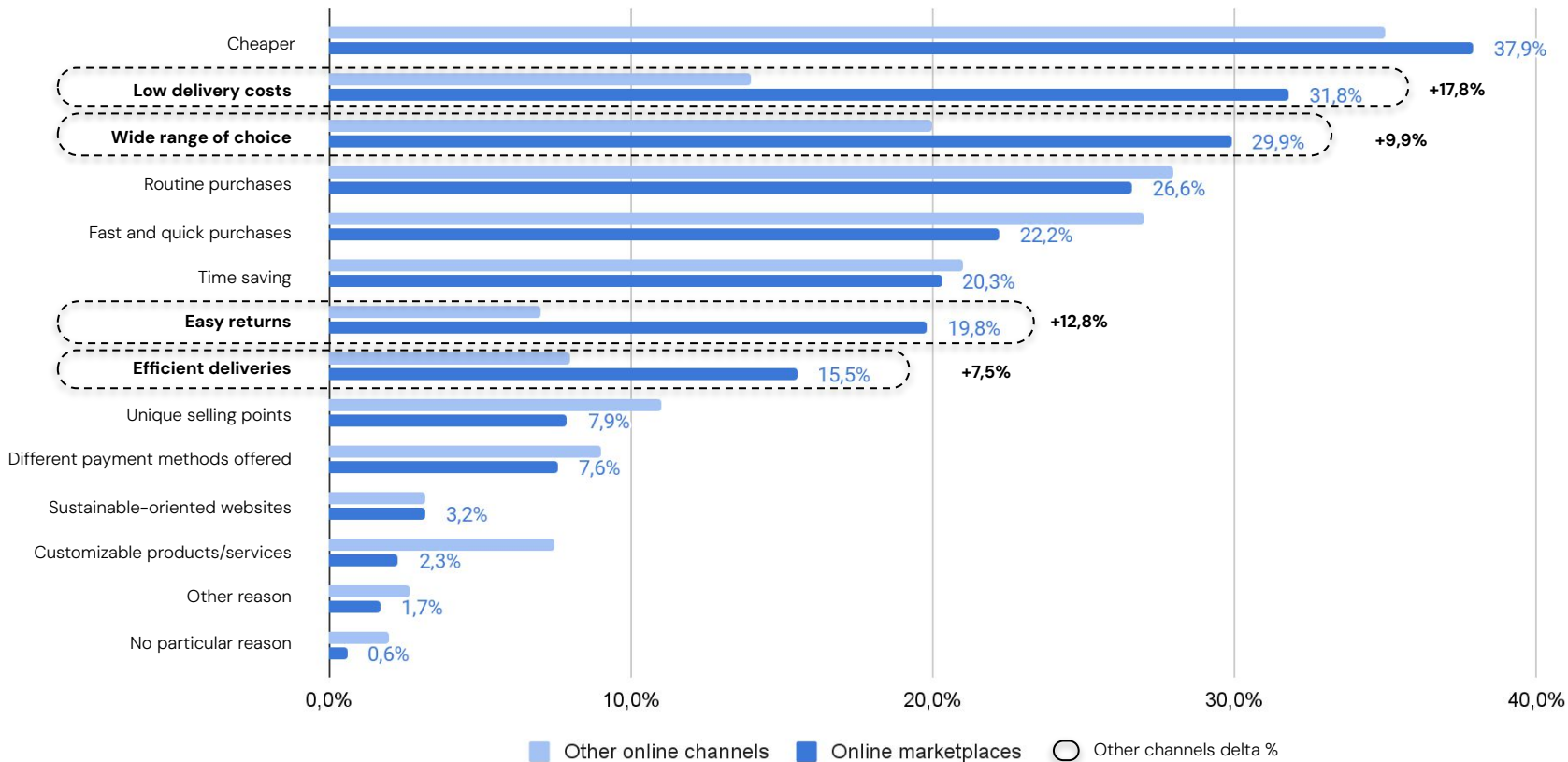


Efficient deliveries



Source: internal analysis based on Consorzio Netcomm data, 2024

PURCHASE DRIVERS ON MARKETPLACE CHANNELS, 2024



Source: internal analysis based on Consorzio Netcomm data, 2024

A woman with dark hair pulled back, wearing a vibrant red long-sleeved top and a gold chain necklace, is looking upwards and to the right. The background is a dark grey with a network of glowing blue lines forming a grid-like pattern. The overall mood is modern and tech-oriented.

CHAPTER 2

What does it mean for brands?

STARTING POINT

We should view Marketplaces as full funnel touchpoints.

From a channel strategy perspective, marketplaces function like any other communication and marketing tool used to engage the audience, building the right relevance to drive conversions.



FOCUS ON DATA

With a great measurement perspective.

While platforms like Google and Meta are vast networks, they lack access to the same level of first-party transactional data. With lots of data focused on individual consumer and SKU, marketplaces are interesting touchpoints from a targeting and measurement perspective.



AUDIENCES AND THEIR CONVERSION STEP

Because people on marketplaces have a stronger purchase intent compared to other touchpoints.

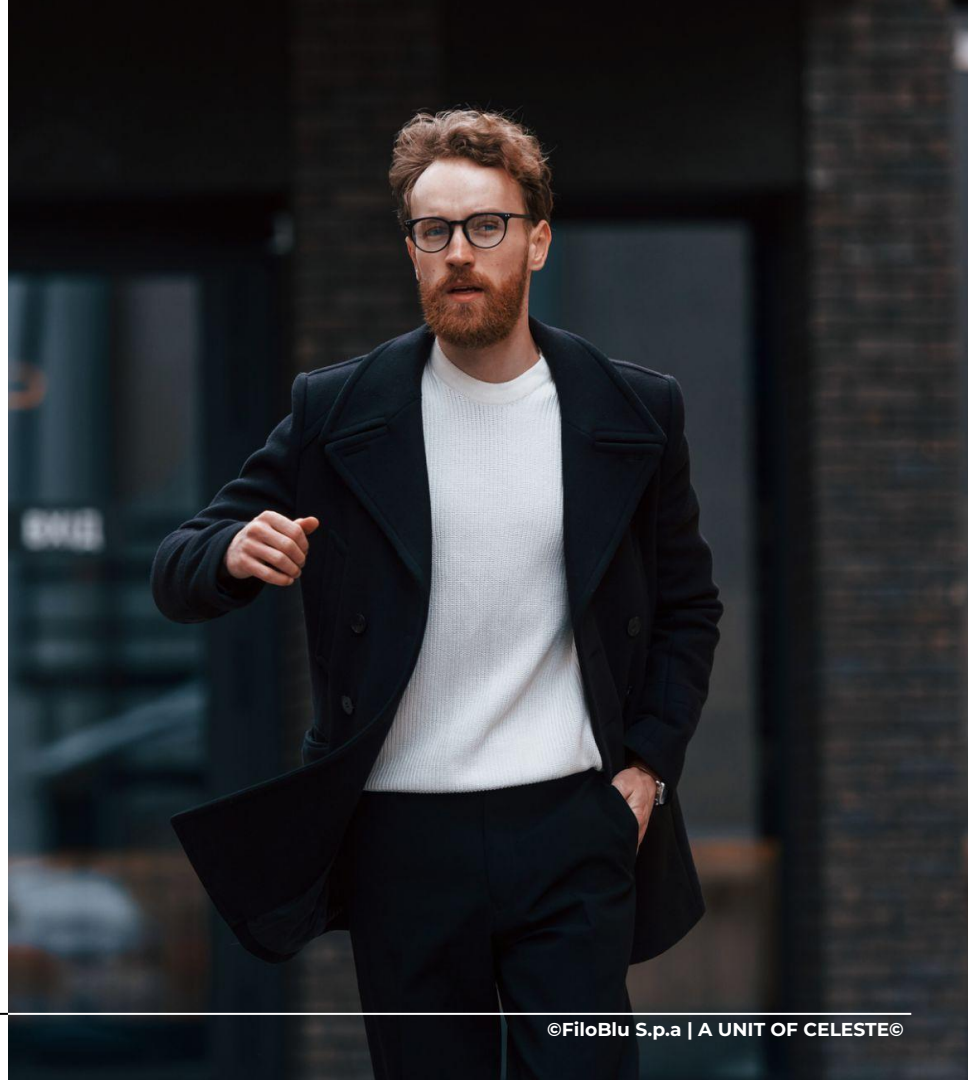
On marketplaces, people don't have a passive experience based on infinite scrolling without a real purpose. Here, people have an active online experience because they are looking for products.



TAKEAWAYS

It's about “inspiration2”

The new consumer approach, where purchase intent is higher than ever, is driven by marketplaces' ability to attract users who combine a strong conversion propensity with a desire to explore and discover new brands and products.



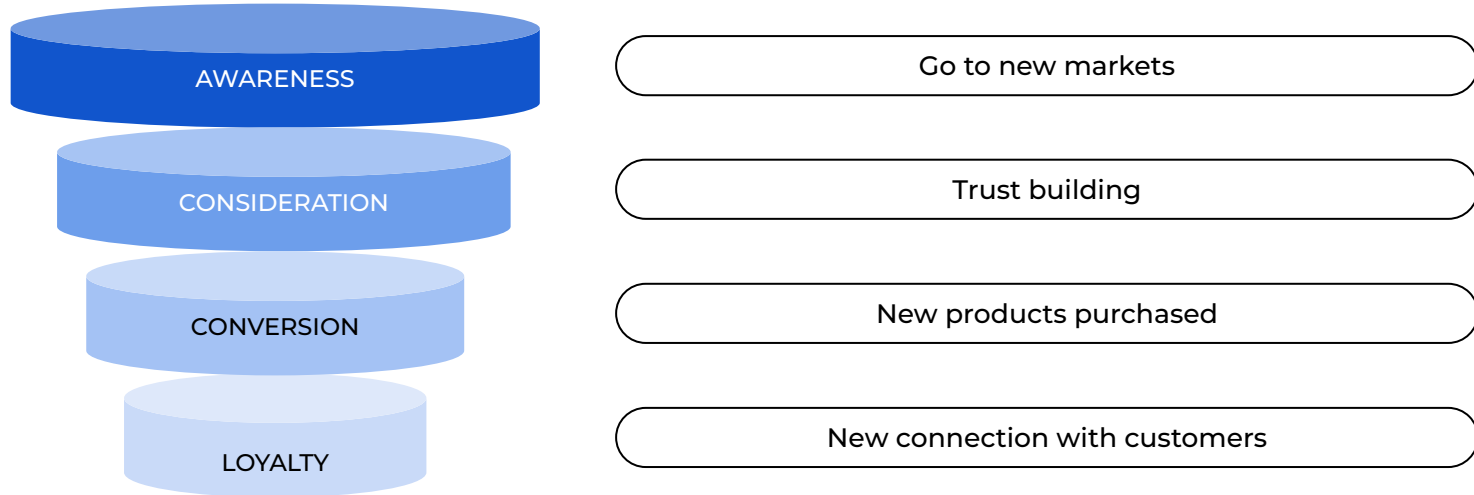


CHAPTER 3

The role of the Marketplace in online purchasing behaviour

Marketplace as a full-funnel touchpoint: main applications

Below the overview based on our work experience in order to demonstrate that there are applications on each step of the consumer journey.



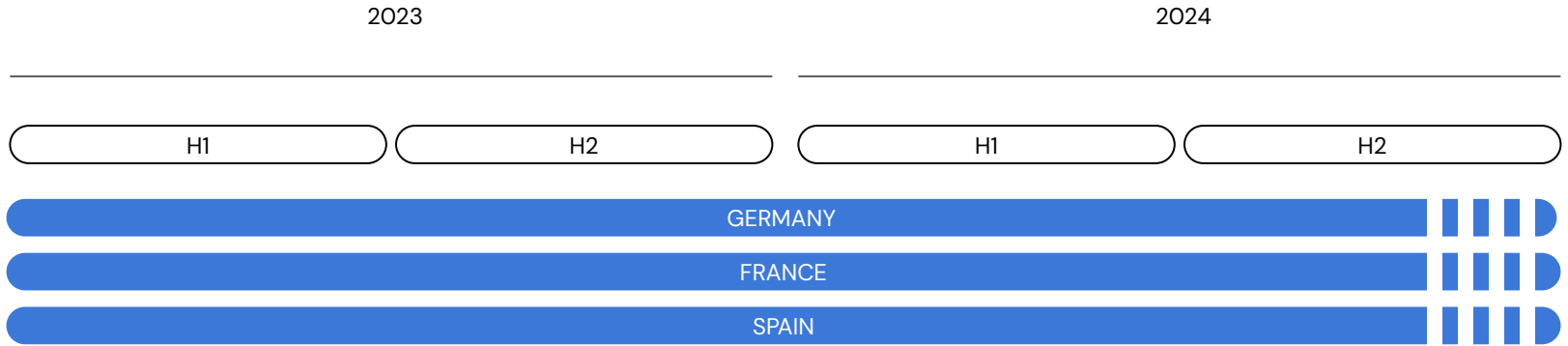


Awareness

Go to New Markets

Starting Point

We developed marketplace strategies for our prestigious Italian clients in the womenswear, menswear and accessories segments to enter new markets, such as Germany, France, and Spain, which had never been covered by these clients before. Below, the timeline for our activities.



Markets, Brand Awareness Increase

To demonstrate that marketplaces are crucial for increasing brand awareness in new markets, we analyzed the search volume (2023 vs. 2024) for our brands on marketplace platforms.

Below, the results:



Source: aggregate analysis FiloBlu, 2024 YTD oct. vs LY

Key Takeaways

1

The **growth lever for brands** activated on marketplace channels lies in **internationalization**.

2

Territorial expansion is the **main growth driver**, leading not only **to incremental revenue** but, more importantly, **to increased brand awareness in new countries** reached through the marketplace, where **the brand has limited presence**.

3

Selecting platforms with specific **territorial penetration** has led to a year-over-year (YOY) **increase in the average search volume** for activated brands by **+273%**.

4

Marketplaces once again prove **to be a vehicle for entering markets in geographies that initially seem uninterested** in the brand: starting to approach new countries has **not only boosted the performance** of activated brands but **also initiated targeted distribution strategy evaluations**.



Consideration

Trust Building

Starting Point

Marketplaces are great touchpoints for increasing brand consideration too. Starting with our Italian clients - with a lifestyle positioning - within the womenswear, menswear and accessories segments, we planned to cover several marketplaces for boosting brand trust within platforms and markets.

Below is the timeline:



Marketplaces as Touchpoint for Brand Consideration

To demonstrate this, we aggregated data from marketplaces and analyzed them with a specific focus on different markets by using indexes such as “Add to basket”, “Conversion Rate” and “Brand Cross-category purchases”. Below, the results:

MARKETS	ADD TO BASKET	CONVERSION RATE	BRAND CROSS-CATEGORY PURCHASES
FRANCE	+10%	+305%	+297%
GERMANY	+8%	+340%	+220%
SPAIN	+12%	FLAT	FLAT

Source: aggregate analysis FiloBlu, 2024 YTD oct. vs LY

Key Takeaways

1

For fashion brands, **marketplaces** are increasingly becoming **a destination to focus on**, also serving **as a driver to boost brand consideration**.

2

Among the brands analyzed, we recorded an **increase in specific KPIs** across the various activated countries, **impacting incremental search volumes and revenues**.

3

On a year-over-year (YOY) spectrum, **we observed a noticeable rise in cart additions across all geographies (AVG +10%), a significant increase in conversion rates (AVG +215%), and a growing tendency to add different categories of the same brand to shopping carts (AVG +170%),** thus fostering both **upselling and cross-selling**.



Conversion

New Products Purchased

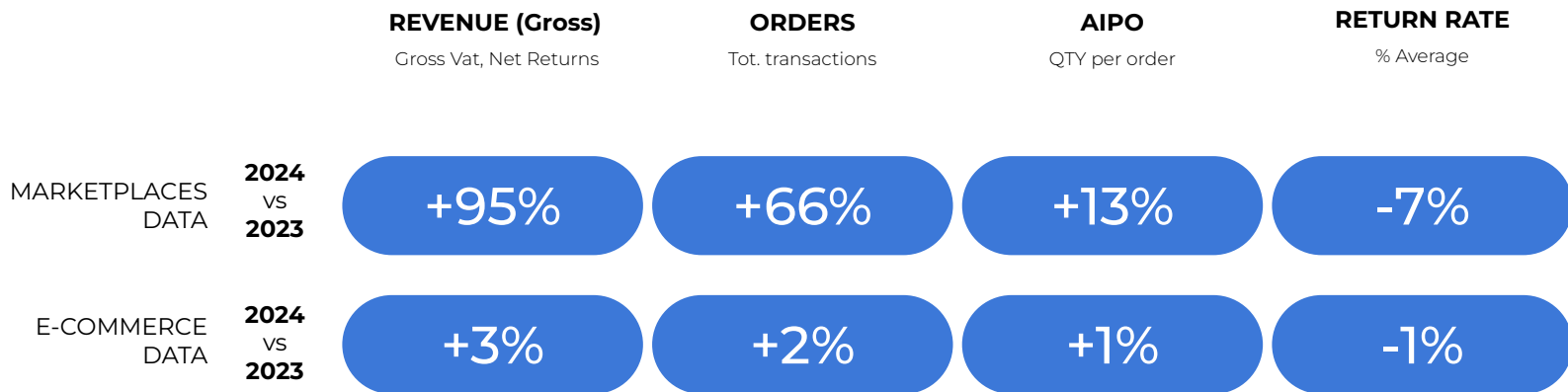
Starting Point

In this case, we have a myth to dispel: marketplaces are an effective conversion touchpoint without overlapping or competing with brands and their e-commerce websites. This is why we analyzed data from our prestigious Italian clients who have both marketplace strategies and e-commerce websites. Below is the timeline:



E-commerce vs Marketplace: Performance Overview

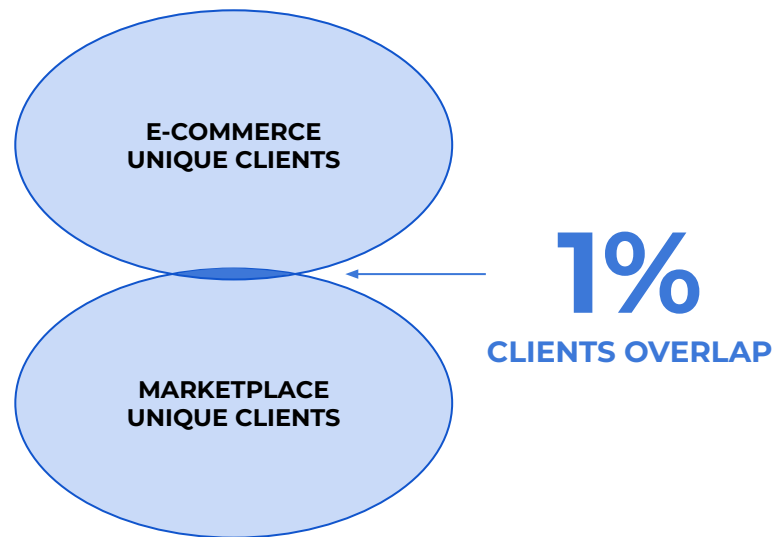
Marketplace and ecommerce websites can coexist within the same strategy. Below the performance overview based on our brands that manage e-commerce websites and marketplace strategies.



Source: aggregate analysis FiloBlu, 2024 YTD oct. vs LY

CONVERSION | NEW PRODUCTS PURCHASE

E-commerce vs Marketplace: Cross-Clients Analysis



Source: FiloBlu analysis based on corporate data and e-commerce marketplace platforms.

CONVERSION | NEW PRODUCTS PURCHASE

E-commerce vs Marketplace: Cross-Products Analysis



Source: FiloBlu analysis based on corporate data and e-commerce marketplace platforms.

Key Takeaways

1

The **aggregated marketplace channel revenue** is **growing at twice the rate** for the sampled brands.

2

Revenue isn't the only KPI showing growth: **AIV (Average Item Value), AOV (Average Order Value) are increasing, and the RR (Return Rate) is decreasing across all analyzed platforms.**

3

Rising KPIs with **different shopping behaviors depending on the channel**: the analysis of **best-sellers on e-commerce channels versus marketplace channels reveals no overlap**, demonstrating the **complementarity** between the channels.

Key Takeaways

4

Comparing customers who buy the brand on e-commerce channels with those who purchase on marketplace channels, we found **an almost nonexistent overlap (0.9% shared customers)**. The two channels **do not cannibalize each other's customer base**.

5

The trend we're observing results from a **careful evaluation of the offering**, not only aimed at optimizing revenue but, more importantly, at **generating healthy, sustainable revenue** that never conflicts with other touchpoints, fostering **channel complementarity** and preventing cannibalization.

Loyalty

New Connection with Customers

Starting Point

Starting from our Italian clients - with a lifestyle positioning - within the womenswear, menswear and accessories segments, it's possible to demonstrate that marketplaces are great touchpoints to increase brand loyalty. Below the timeline focused on the marketplaces used for the analysis.



Deep Dive, Platforms



Source: aggregate analysis FiloBlu, 2024 YTD oct. vs LY

Key Takeaways

1

The **KPIs** of the sample under study have shown positive **delta growth across all active marketplaces**, outpacing the **YOY trend**.

2

This result aligns with a **brand positioning strategy** that leverages the right marketplace channels and a **targeted geographical expansion**, leading to **triple-digit growth** across the major managed platforms.

3

We also measured that the increase in values is partly influenced by the **brand's cross-channel repurchase rate**.

Key Takeaway

4

The **strategic mix** to achieve such ambitious goals involves the effective use of **pricing strategies**, along with an **assortment** designed to create catalogs that naturally drive **up-selling**, increasing **AIPO** by approximately **15 percentage points** and reducing the **return rate** by around **7 percentage points**.

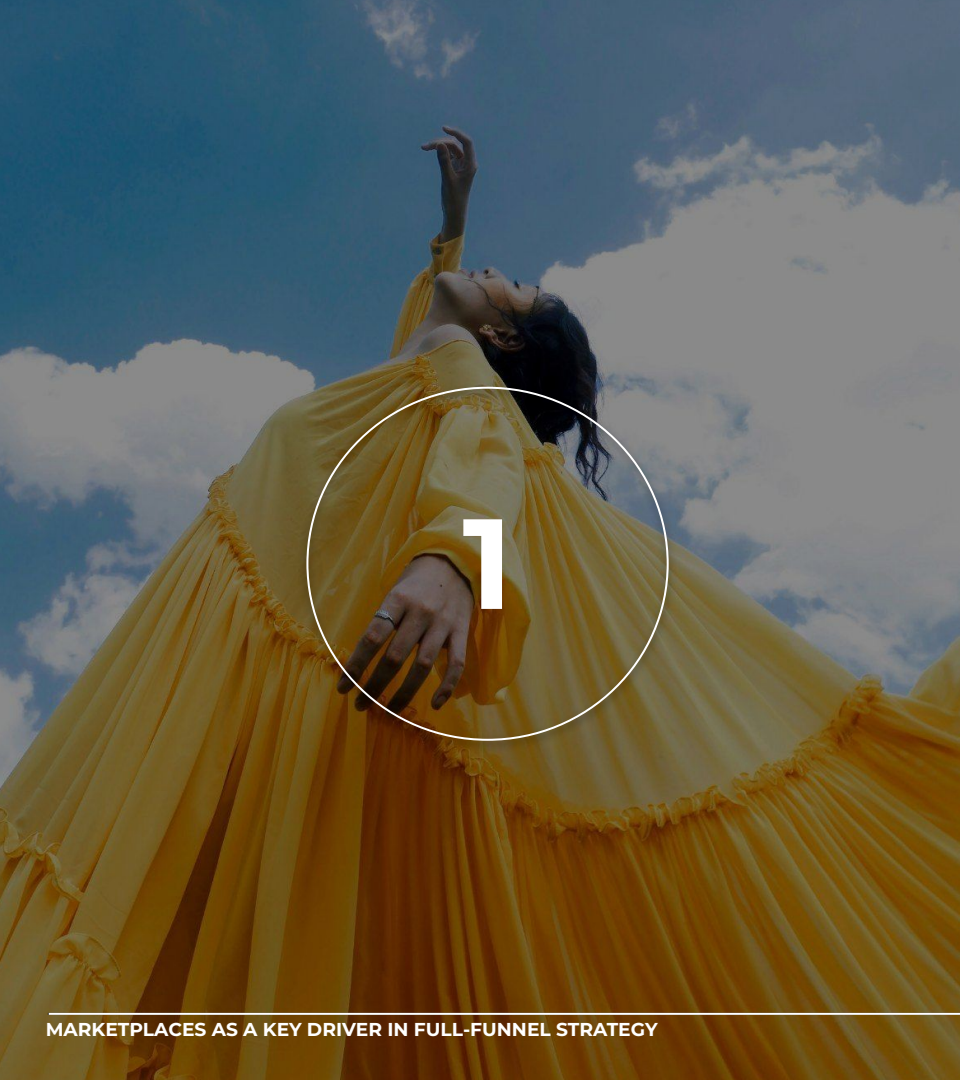
5

The panel of KPIs achieved has a direct impact on final channel **profitability** by reducing the impact of **logistics costs**.



CHAPTER 4

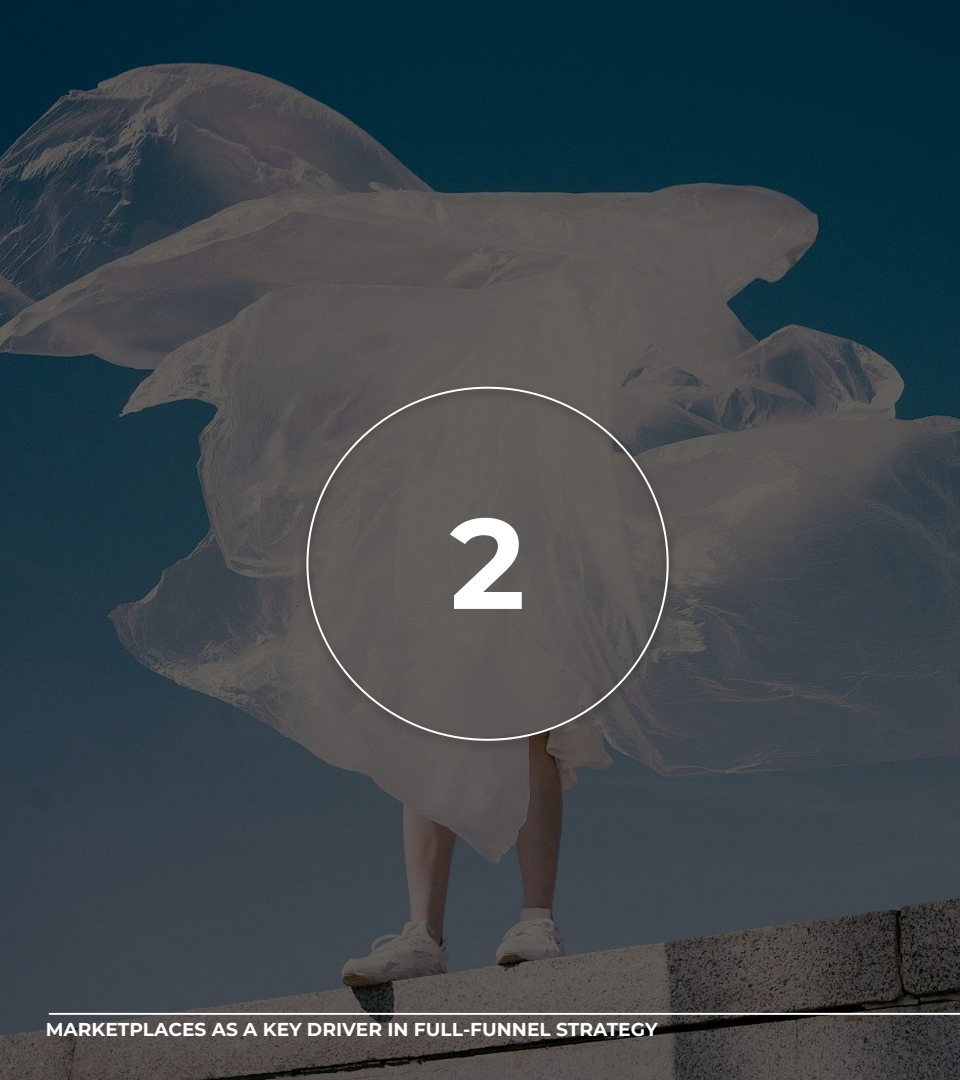
Key Takeaways



KEY TAKEAWAYS

Continuously growing indicators

In addition to increasing revenue, KPIs on marketplaces are also showing improvement. Specifically, we've observed a rise in the number of transactions and AIPO, which directly impacts the average order value. Moreover, the Return Rate is decreasing across all platforms analyzed.

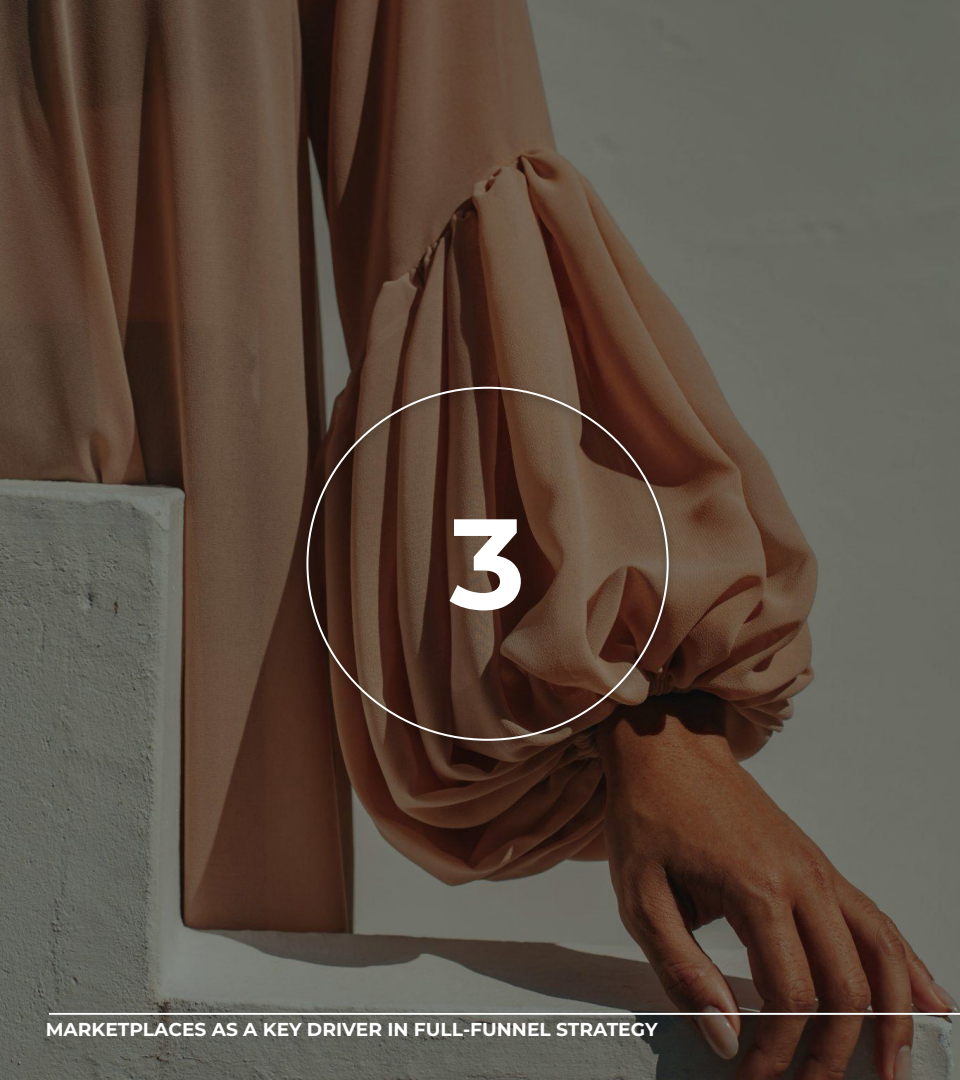


KEY TAKEAWAYS

Leveraging marketplaces to conquer new markets

Using international marketplace platforms presents a strategic opportunity to enter new markets, reducing lead times and gaining valuable insights from sales data.

2

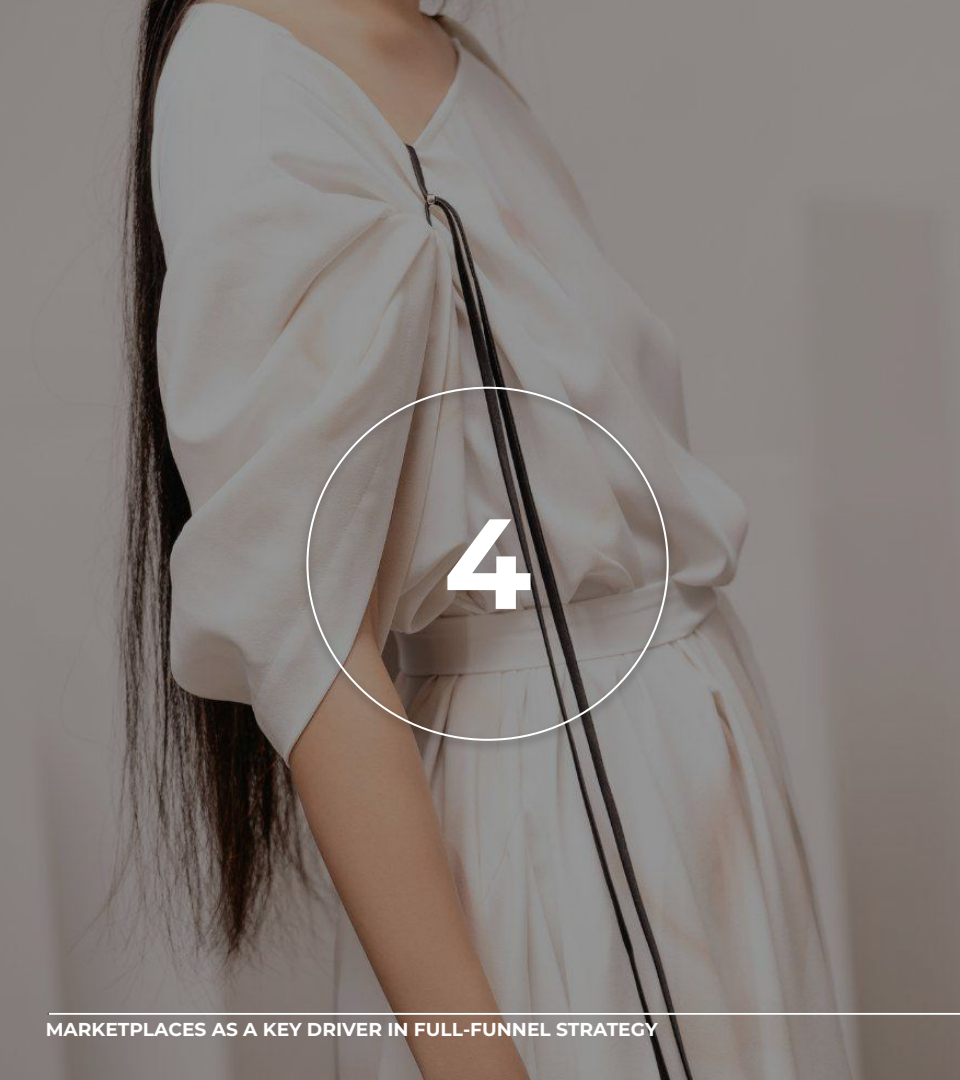


3

KEY TAKEAWAYS

Same products, different best sellers

Data reveals that the best-selling items on marketplaces often differ from the top sellers on brands' e-commerce sites. This shows that it's possible to diversify the offering across channels without overlap, which has a direct impact on the overall sell-through of a collection.



KEY TAKEAWAYS

Marketplaces and e-commerce are increasingly complementary

The analysis shows that marketplaces do not cannibalize the customer base of a brand's official e-commerce, nor do they shift sales from one channel to another. By reaching a different audience, marketplaces can be viewed as complementary channels that enhance brand visibility without compromising consumer loyalty.

FiloBlu is part of Celeste, the Commerce Hub that drives brands' digital business acceleration with strategy, technology, aesthetics and marketing.

TECHNOLOGY



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GLOCAL MARKETING — BUSINESS ACCELERATION — HIGH-TECH DESIGN — SMART COMMERCE — BRANDFORMANCE

INNOVATION

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