

Small Business, Big Impact: A Blueprint for eCommerce Marketplace Success

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Discussion points

Executive Summary

Background

Understanding eCommerce Marketplaces

Selecting The Right Marketplace

Benefits & Challenges

Basic Principles of Online Selling

Optimizing Your Catalog for eCommerce Success

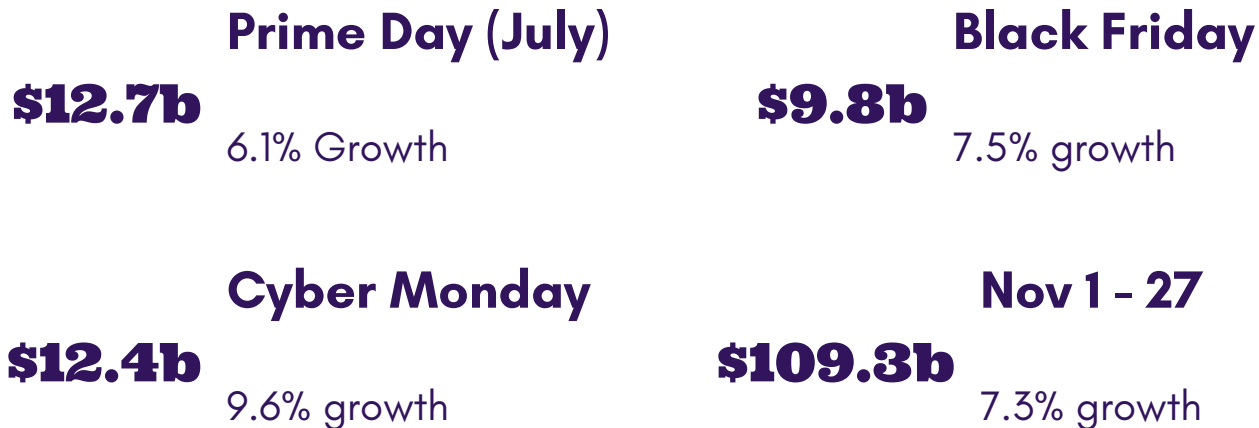
Setting Up & Managing Your Store

Critical Extras for Online Selling

Executive Summary

In today's rapidly evolving digital landscape, leveraging online marketplaces offers unprecedented opportunities for small businesses to drive profitable revenue growth

eCommerce set new records in terms of Sales (\$) numbers last year as outlined in the data* below - growth in these areas is expected to continue over the next five years



Background

Eloy Yndigoyen

Based in Arizona



Work Experience

- CFO/Head of eCommerce for Spread The Love
- eCommerce strategist for consumer facing brands



Education

- M.B.A., University of Southern California
- B.S., International Business, University of Maryland



The Amazon logo, featuring the word "amazon" in a dark grey, lowercase sans-serif font. A curved orange arrow starts under the letter 'a' and points to the right, ending under the letter 'z'.The Walmart logo, consisting of the word "Walmart" in a blue, bold, sans-serif font. To the right of the text is a yellow six-pointed starburst icon.The TikTok Shop logo, featuring the TikTok logo icon (a stylized 'd' with a red and blue gradient) followed by the text "TikTok Shop" in a bold, black, sans-serif font.

Understanding eCommerce Marketplaces

- Online marketplaces are digital platforms where multiple sellers offer products or services to a broad audience, including B2C, B2B, and C2C types, each catering to specific market needs
- They play a pivotal role in the eCommerce ecosystem by providing extensive market access, convenience for consumers, and fostering trust through secure transactions and customer reviews
- These platforms significantly impact the economy by enabling businesses of all sizes to participate in the digital economy
- Despite offering vast opportunities, they also present challenges like intense competition and the need for strategic digital marketing and adaptation to marketplace dynamics

Selecting The Right Marketplace

Amazon

- Broad appeal across product categories
- Highly competitive, requiring effective SEO and marketing strategies
- Offers extensive services like Fulfillment by Amazon (FBA), advertising solutions, and detailed analytics

Walmart

- Ideal for sellers targeting a value-conscious demographic in the U.S.
- Strong in general merchandise
- Lower competition compared to Amazon, offering more visibility for new sellers

Tiktok Shop

- Perfect for brands aiming to engage with a younger, trend-driven audience
- Highly effective for lifestyle, beauty, and fashion products
- Integrates social media marketing and eCommerce, leveraging the power of viral content

Benefits & Challenges

Leveraging online marketplaces offers businesses the advantage of wide customer reach and reduced marketing costs, but poses challenges in navigating intense competition and maintaining profitability under platform-specific fees and policies

Wide Customer
Reach

Dynamic
Marketing Costs



Ease of Entry

Customer Trust

High
Competition

Marketplace
Fees



Dependence on
Platform Rules

Customer
Loyalty



Basic Principles of Online Selling

Listing

- Offer compelling product titles, descriptions, and detail pages
- Create authentic, high-quality product images
- Maintain a consistent look across all product images for brand coherence

Pricing

- Understand your market and set prices competitively while ensuring profitability
- Consider seasonal changes, sales trends, and competitor pricing to adjust your prices effectively

Trust

- Clearly state your shipping, return, and refund policies
- Encourage satisfied customers to leave positive reviews and respond professionally to any negative feedback
- Ensure products are correctly categorized for easier discovery by potential customers

Optimizing Your Catalog for eCommerce Success

01 **Catalog Compatibility Review**

Will current catalog work from a margin standpoint

03 **Cost-Benefit Evaluation**

How will marketplace fees and advertising spend impact margins

02 **Historical Sales Data Analysis**

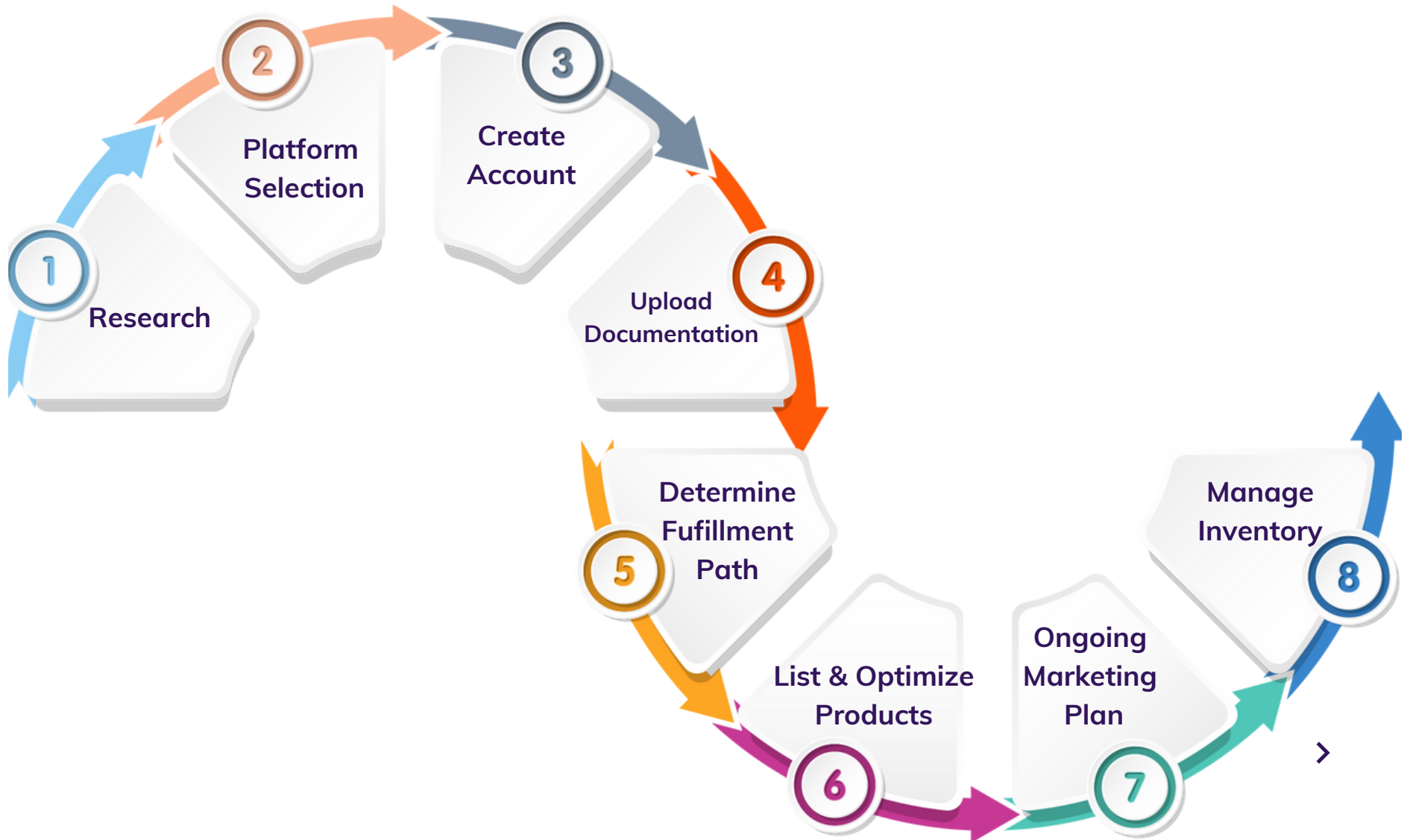
What does the sales data say when it comes to predicting future sales

04 **Operational Readiness and Scaling**

Can existing operational structure handle eCommerce logistics



Setting Up & Managing Your Store



Critical Extras for Online Selling



Certifications and Designations

Marketplaces offer the chance to showcase certifications and designations

Insurance & Tax Considerations

Consult financial and/or tax professionals prior to moving into the space

Product Claims and Compliance

Substantiate all claims with documentation and in detail pages



ARIZONA

COMMERCE AUTHORITY

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