

What Ecommerce Sellers Need to Watch for When Expanding to Marketplaces

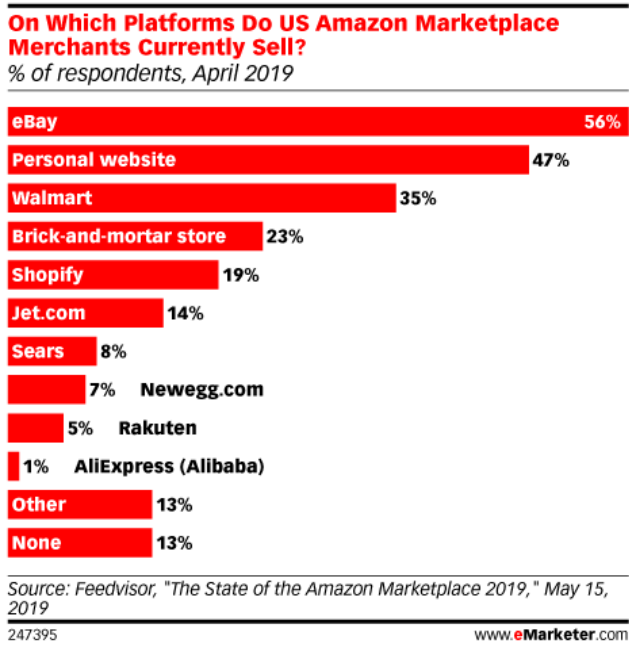
Article



mazon has revolutionized the online marketplace, but that doesn't mean businesses are only interested in selling on a single platform. Diversification of marketplaces remains a

key prospect, and given that each platform has distinct requirements, managing a multichannel ecommerce strategy can be an arduous task.

According to an April 2019 survey by ecommerce management platform **Feedvisor**, more than half of US Amazon marketplace merchants also sell on eBay; close to half sell on their own ecommerce platforms and more than one in three also sell with Walmart.



Overall, diversifying to other marketplace platforms was said to be a 2019 business goal for 35% of Amazon sellers, per Feedvisor. And not only are ecommerce entities growing their marketplaces, these platforms are also adapting to court Amazon’s sellers and buyers.

Walmart’s marketplace represents more than 90% of all available products on its website, according to a **report from Marketplace Pulse**. (Per eMarketer data, Walmart is the third-largest ecommerce entity in the US by total sales, behind Amazon and eBay.) Even Google is eyeing a piece of the online marketplace with its recently announced **revamp of Google Shopping**. And eBay—considered the pioneer of the online marketplace—is **bolstering its fulfillment services** to more closely resemble Amazon’s model.

For sellers, expanding to multiple marketplaces and navigating the nuances of each platform can be a logistical challenge. We spoke with Brian Roizen, co-founder and chief architect at **Feedonomics**, a management platform for ecommerce sellers, about what some of these common obstacles look like.

What are some friction points that businesses selling on multiple marketplaces face?

Every marketplace and channel has its own set of distinct feed requirements. Some of them, like Google Shopping or Google Shopping Actions, allow you to have 70 characters in your title. But others, like Amazon, allow for 200 characters. And that's really just the first stumbling point. As you look at the feed specifications for each marketplace, they're all different.

How do these nuances impact the way sellers list products?

The differences really need to be evaluated in context. When you look at something like the title—if you only get 70 characters on Google, you really have to make those 70 characters count. You need to make sure that whatever people are searching for on Google Shopping Actions or Amazon matches those limitations. You need to be selective about what you include.

If someone searches for something like “running shoes” that doesn't have the brand in it, it doesn't have the size or color, it's really just the noun. They're clearly not ready to buy that product. They're more in that research phase. If someone searches for something like “Nike Air Max running shoes, size 12, black,” they're probably ready to buy that product. But if you don't have those words in your actual product title, chances are you're not going to show up. And if you do show up, it's often a consequence of having to pay for that privilege. So you'll probably have to pay Google or Amazon something on the pay per click (PPC) side, which most marketers would like to avoid if they can.

What other product catalog considerations should sellers take into account?

If you are not the brand owner, you need to make sure that your product descriptions match what is already on Amazon or eBay. We sometimes see those common errors resulting in anywhere from 10% to 30% of all your products not being able to be listed.

What about managing data across multiple marketplaces?

That can be difficult. The first and maybe the most obvious thing you have to do is initially list that data. But with most merchants and retailers, their product sets are changing. If you look at some fast-fashion companies, every week or two weeks, they're turning maybe 20% to 30% of their entire product set. And so the challenge becomes: How do we, on a recurring basis, dynamically optimize our product data for Amazon? And then as you expand to eBay,

Walmart, Google Shopping Actions and Instagram Checkout, how do you do this for every channel? So you may want to structure different rules for different channels.

So it's really about managing inventory?

It comes down to a scalability question. For example, we have a client who sells one-of-a-kind surfboards. They would sell that surfboard on their website, and then 5 minutes later someone would want to buy that same surfboard on Amazon. And they just sold out of it on their website, and they only have one in stock. So they have to refund it, and the customer could give them a bad review.

The consequences can be pretty dour because anyone selling on marketplaces knows that Amazon can be very harsh. You can get your entire account suspended if you start to accrue even a small percentage of bad reviews. And part of how you can do that is with order automation. If your team is manually logging in once a day and fulfilling those orders, that's a huge laborious task. So a lot of what we've seen is that a lot of merchants want to fulfill it in one centralized place. That tends to be their ecommerce platform, whether it's Shopify, Magento or Salesforce Commerce Cloud.