## Dropship Multi-Vendor Marketplace

### Level 2: Dropship

**CONSIDERATIONS**

- **Pro**: Serve digital-native business buyers who expect online shopping through your marketplace.
- **Con**: At level 2, you can only offer products from multiple third-party suppliers.
- **Roadmap**: At level 2, you will have to add omnichannel capabilities to your eCommerce and marketplace platforms.
- **Next Steps**: At level 2, you must consider giving sellers control over orders that are fulfilled by third-party logistics providers.

### How to get started

- **At level 2, you can:**
  - Match customers with sellers they are more likely to buy from with excellent customer experience, consistent with your brand values.
  - Fulfill some orders on behalf of third-party suppliers.
  - Start analyzing data on sales, pricing, etc. — including as much historical data as possible.
- **Pro**: All product listings are shipped from third-party logistics providers.
- **Con**: You may not be able to scale offerings due to cumbersome manual processes for onboarding any paying new sellers.

### What’s next

- **At level 3, you can:**
  - Offer more product choices and categories.
  - Keep customers on your website for longer.
- **Pro**: All product listings are shipped from third-party logistics providers.
- **Con**: You must consider adding your own private-label products.

### Marketplaces launched

As of early 2019, only 11% had an eCommerce site and only 11% had a marketplace. 

<table>
<thead>
<tr>
<th>Type of Marketplace</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>B2C transactions</td>
<td>89%</td>
</tr>
<tr>
<td>B2B transactions</td>
<td>70%</td>
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</tbody>
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### Further streamlining processes to increase margins

- **Con**: Increasing margins and customer loyalty is a challenge at level 2.
- **Next Steps**: Consider applying machine learning to your marketplace data.

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### Learn more

This infographic is based on the Marketplace Maturity Model™ by McFadyen Digital (mcfadyen.com/mmm).