

# US

## *Marketplaces* *Advertising* and **Impact Guide**



Q3

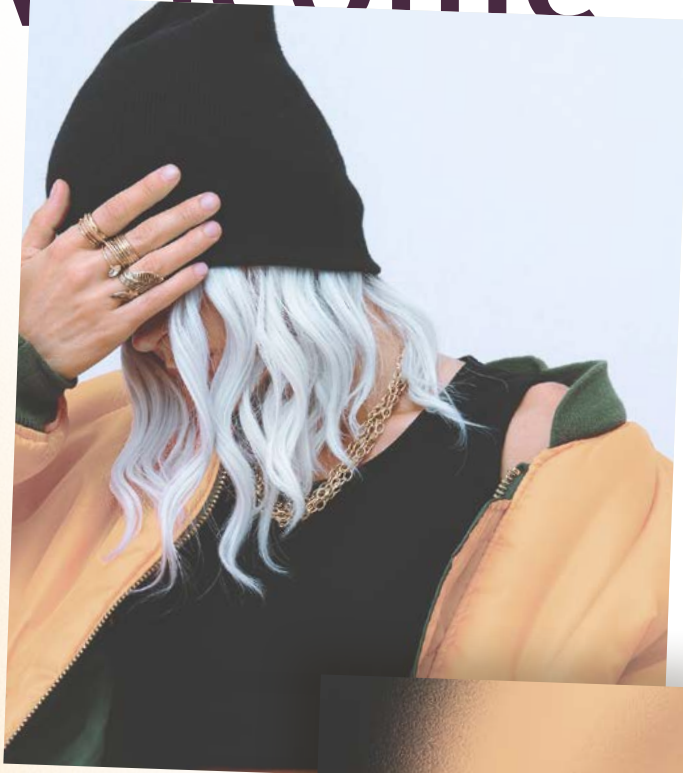
2021

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US Marketplaces Advertising and Impact Guide

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# Welcome



RTBHOUSE =

PROGRAMMATIC ADVERTISING AND CAMPAIGNS

This is a guide for people who are at the heart of marketing for online marketplaces. It's a source of inspiration and insight, a mix of stats and expert opinions. We'll be sharing some hard numbers about marketplaces, as well as some of our own interpretations of the effect of the pandemic on online sales, and even some bold ideas about both the past and the future.

We're experts in **MarTech solutions and programmatic advertising campaigns**, so the second half of the guide switches to more practical advice about how to use specific types of campaigns most effectively.

Whatever brought you here, we want you to leave with some food for thought: energized about the outlook for the future and better prepared to make the best decisions regarding digital advertising.



# The *positive* impacts of marketplaces today



2020 was a particularly significant year for the growth of online marketplaces of all types, as the demand for online shopping spaces skyrocketed with much of the population unable to go to physical retail spaces. Marketplaces, in turn, have been crucial in empowering businesses as a revenue generator, as well as offering a substitute for traditional retail channels.



## How **B2C** marketplaces empower retailers

Community-based businesses were hit hard by the pandemic. Small businesses frequently rely upon walk-in customers and rarely have their own existing e-commerce sales channels. During the lockdown, many malls and shopping streets were temporarily closed, leading to a massive loss in trade for many shops. While it was possible for small retailers to build their own e-stores with plug-and-play solutions like WooCommerce, doing this takes valuable time and budget—as well as a degree of technical skill.

Marketplaces offer a fast way to get inventory online for minimal outlay, allowing businesses to shift products more quickly. Importantly, marketplaces also reach a much larger set of potential customers than a small retailer's own site, which is crucial for driving sales.

Homegoods marketplace Wayfair is a great example of a site that can help local businesses drive conversions. Wayfair's total order volume jumped massively during the pandemic, [from \\$38 million in 2019 to \\$61 million in 2020](#). Local furniture makers who listed items on Wayfair during the pandemic likely improved their chances of moving products and maintaining revenue.



## P2P marketplaces put the community into the economy

With unemployment soaring at the heights of the pandemic, e-commerce offered a lifeline to many looking for work. One example of this is Amazon, which [hired over 400,000 U.S. workers during the 2020 lockdown](#).

P2P marketplaces allow individuals to sell goods and services to one another through a common interface. Notable examples include Etsy, Uber, and Airbnb. These and similar sites have offered opportunities for unemployed or furloughed individuals to generate temporary income or open up small businesses trading on marketplaces.

The last year has seen a large shift in shopping behavior: [48% of consumers spend more time shopping online than pre-lockdown](#). This has created opportunities for sole traders and small businesses to meet this demand through P2P marketplaces.

AMAZON (...) HIRED OVER 400,000 U.S. WORKERS

## Marketplaces and sustainability

One large issue with modern retail practices is the prevalence of waste—especially in the fashion industry where seasons are getting shorter, manufacturing quality is lower, and items are easily replaced.

P2P marketplaces focused on reselling used clothing have created a powerful way for individual consumers to combat waste creation. [Poshmark](#) is a great example of building sustainability into a marketplace's core business model.

For sellers looking to practice sustainability more actively, P2P marketplaces and the clothing resale market offer fantastic opportunities to continue to engage with consumers in a more environmentally-friendly way.



IN NUMBERS:

# The incredible *growth* of marketplaces

2.5x<sup>1</sup>

Amazon's net income was over 2.5 times higher in Q3 2020 than the previous year.

283k<sup>2</sup>

283,000 *new vendors* signed up to sell on Amazon in Q1 2021.

UP TO 100k<sup>3</sup>

Top sellers on luxury P2P resale marketplace Poshmark make up to **100K USD per year.**

76.7%<sup>4</sup>

Etsy had 76.7% more *new shoppers* in the holiday season 2020 than the same period in 2019.

5 TRILLION<sup>5</sup>

Global e-commerce sales may reach 5 trillion USD in 2021, representing **YoY growth of 14.3%.**

**Source:**

<sup>1</sup> www.statista.com

<sup>2</sup> www.oberlo.com/blog/amazon-statistics

<sup>3</sup> www.businessinsider.com/how-to-sell-on-poshmark-according-to-experts-2018-7

<sup>4</sup> www.etsy.com/seller-handbook/article/etsy-shopper-stats-march-2021/1030540287389

<sup>5</sup> www.emarketer.com/content/global-e-commerce-update-2021

# *An All-American Story:* In Praise of Malls and Online Marketplaces

**Tim Clayton**

Writer and eCommerce  
Expert, RTB House

**Victor Gruen** was an Austrian who came to America during World War Two with an inspired vision: to bring the experience of strolling down a sunny European shopping street to America. A place to purchase goods and eat with friends, where the newly sprouted neighborhoods of suburban America could gather together under one roof.



**His vision would define American (even global) culture for the next century in the shape of the Great American Mall.**



## The rise of malls: 1945 to 1995

In 1945, there were just **8 shopping centers** in America (the word mall wasn't popularized until the late sixties); by 1980, America had **20,000 malls**, accounting for 60% of all retail trade. They employed 8% of the total workforce and generated sales of **586B USD**.\*

By the mid-nineties, the number doubled again as malls became a focal point of American culture: the setting for everything from fashion shows to art exhibitions, from dozens of Hollywood movies to wrestling shows.

...BY 1980, AMERICA HAD 20,000 MALLS

## The birth and growth of marketplaces: 1995 to today

In July 1995, at the zenith of mall culture, an online bookstore named Amazon sold its first book. That single transaction was perhaps the very moment that signaled the steady decline of the Great American Mall and the relentless rise of the Great American Online Marketplace.

The last 25 years have seen the extraordinary rise of online retail which shows no signs of slowing down. [E-commerce sales in the US grew by an astonishing 39%](#) in Q1 2021, with online marketplaces [accounting for 62% of all web sales](#) in 2020.



## The twenty-first-century fall of the mall

Meanwhile, malls are closing at a staggering rate. [There are only around 1,000 still operating in the US](#) and some experts say that we'll lose [one-third by 2030](#); others predict that, fueled by the pandemic, it will only take a year.

They have dubbed this a “retail apocalypse” but it is really not the “end of days” for offline shopping. It is simply a cultural shift in which the online marketplace is the natural successor to the mall in American culture.



## The reasons for change

In Gruen's original vision, the mall was a place to shop, socialize, and eat.

Let's start with shopping... In 1992, Americans spent an average of 12 hours a week in malls. Heavy shoppers in Dec 2020 [spend almost the same amount of time](#) shopping online, clocking up to 11 hours per week. An online marketplace is a digital destination that sells everything under one roof. When offered a more convenient option, people are happy to buy online.

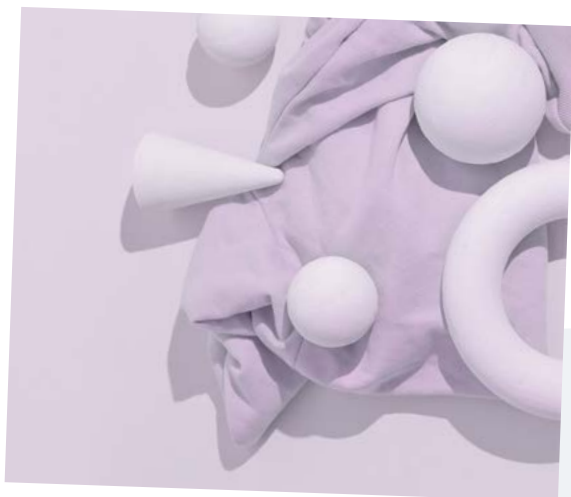
The mall is also no longer the hub for social interaction, as most people catch up with a wider group of peers, more frequently than ever before, through digital channels. But the idea that online shopping is a reflection of a more passive lifestyle is not necessarily true. For example, the [number of adults taking part in strength or aerobic activities has risen](#) from 15% to 24.2% of the population since 1999.

Eating habits have also changed, and the mall is no longer as appealing to Americans as it once was. As they try to make up for the loss of retail revenues and increase footfall, [malls in 2019 were dedicating 25% more space to food outlets](#) compared to 2006. However, it seems unlikely that turning malls into giant food halls will stave off the inevitable. Millennials prefer [take-out or delivery](#) dining and are the driving force behind the fact that [digital ordering and delivery has grown 300% times faster than dine-in eating since 2014](#).



## The online mall of the **future**

So what of the future? It's clear that we are coming to the end of a chapter in the great story of American culture. The malls that do survive and thrive will likely have a greater mix of food and entertainment. They will perhaps have fewer products in stores, offering more "**showrooms**" where people can interact with customer service representatives but will make more purchases online.



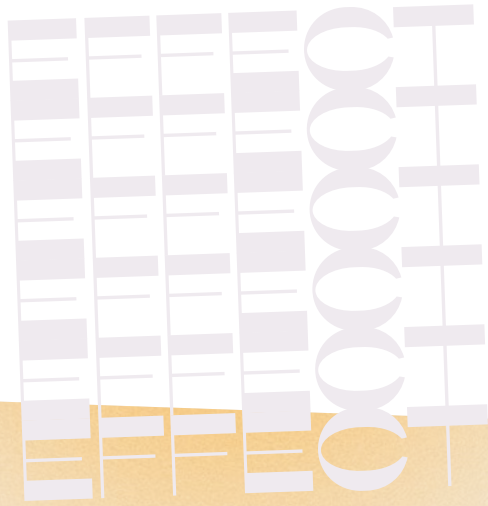
As for the Great American Online Marketplace, the story is still being written. If they are to replace malls in the hearts of American consumers, marketplaces need to move on from offering just convenience and think about how they can bring true social interaction into online shopping.

When that happens, I believe it will be time for a significant change. Malls were called "shopping centers" for the first quarter-century of their existence, until their influence on culture became so great that they demanded a new name. We're now 25 years into online marketplaces and are on the brink of bringing that social element to the table. When that happens, I suggest we'll stop talking about online marketplaces and start calling them e-malls.

\* Stats and information from the opening to this article taken from Bill Bryson's 'Made In America'



# The *COVID-19 effect* on online shopping



We spoke about the long-term trends that take decades to play out as they mirror incremental cultural changes. Then, there are some events that create change in the blink of an eye. The pandemic pushed millions of people to try e-commerce for the first time, but it also changed the habits and behaviors of online shoppers.

VISITS BY FIRST-TIME SHOPPERS WERE  
LONGER IN 2020 THAN 2019



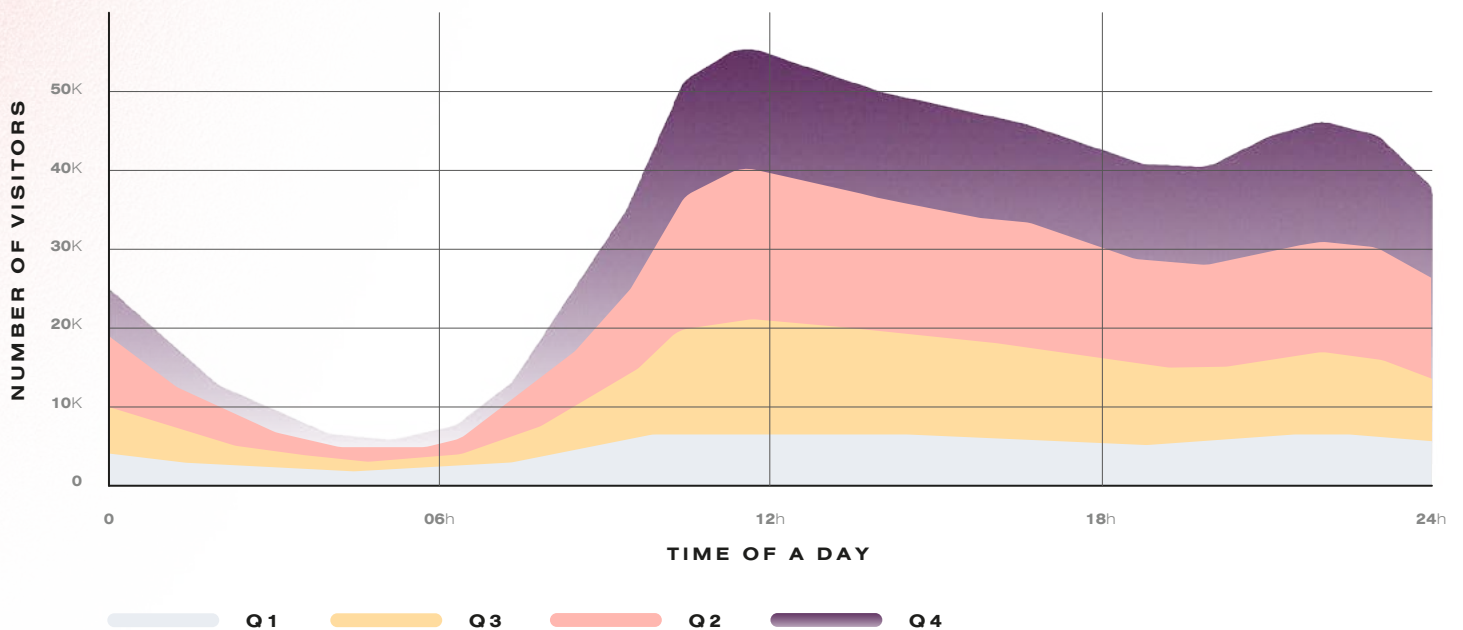
## When we buy...

Fashion retailers have seen new peaks **at 11 am and 9 pm**. Has a mid-morning “retail regeneration break” replaced brunch in the work-from-home culture of 2021? Generally, shopping hours have moved back by about an hour each day, as people go to bed later and sleep in longer than before.

### NEW PEAKS AT

**11 AM**  
**9 PM**

## Shopping hours



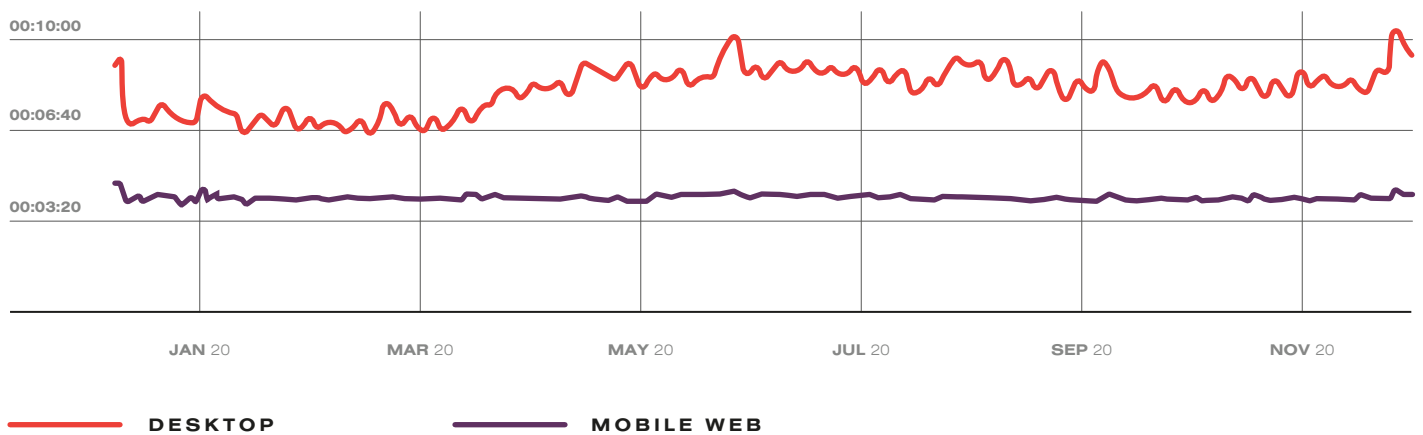
Source: RTB House internal campaign data for US retailers in 2020

## How long we browse...

The average duration of visits to online fashion and apparel stores **has risen since April 2020**. But users are visiting fewer pages during each session. Shoppers are spending more time on consideration, which is great news if you have a compelling, good-looking, and information-rich online product catalog.

### Visit duration

Dec 2019 — Nov 2020 United States All Traffic



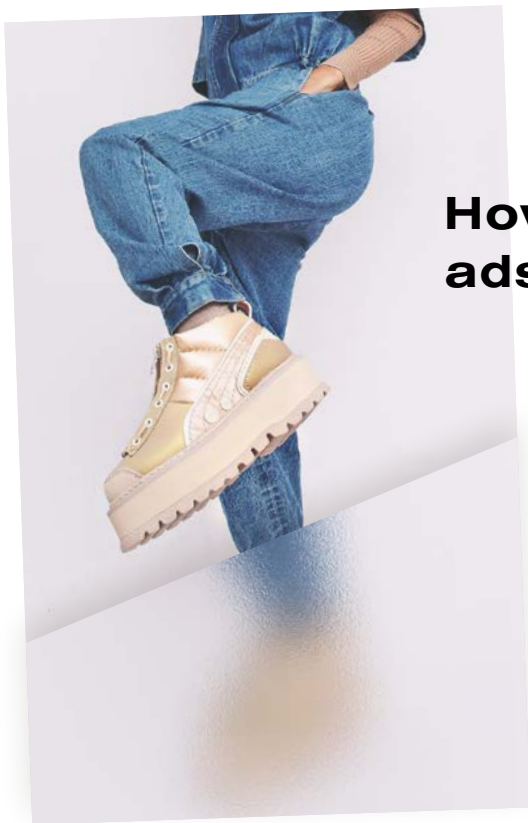
Source: Similarweb.com, 2021

## How long first-timer visitors spend in the e-store...

76%  
of first-time online  
shoppers visited sites for

3-5 MIN

In May 2021, RTB House ran an independent survey of 30 C-level executives of US retailers, in partnership with the Ascendant Network. Respondents mostly represented businesses with annual revenues in the **1 to 5B USD** bracket. The research showed that visits by first-time shoppers were **longer in 2020 than 2019**. 76% of first-time online shoppers visited sites for 3-5 minutes. The reasons behind this may be that people new to online shopping need more time for consideration and familiarizing themselves with how things work.



# How well online ads perform...

The value of retargeting campaigns for online marketplaces actually increased during lockdowns, with ads becoming more effective.

Q2 2020 was the moment that e-commerce surged into a new era. It is interesting to note that campaigns run by RTB House in Q2 performed above the average for the previous year in all key metrics, as well as better than the average for other quarters in 2020.

During the most critical time for online sales, performance actually got stronger. This is perhaps because people who were new to online shopping were helped by ads that took them directly to products without them needing to navigate their way around the web or individual stores.

### CLICK-THROUGH RATE (CTR)

|          |              |
|----------|--------------|
| All 2019 | <b>1.47%</b> |
| Q2 2020  | <b>1.55%</b> |

### CONVERSION RATE (CR)

|          |              |
|----------|--------------|
| All 2019 | <b>1.63%</b> |
| Q2 2020  | <b>1.90%</b> |

### PERCENTAGE OF SITE SALES

|          |              |
|----------|--------------|
| All 2019 | <b>3.27%</b> |
| Q2 2020  | <b>4.30%</b> |

\*RTB House internal results for 35 to 44 marketplace campaigns across Europe and the USA

# How *digital ads* can address the full sales funnel



This guide is about marketplaces and their power to change the world, but it is also about how to utilize programmatic advertising campaigns to drive your online marketplace forward. We'll be looking at various stages of the buyer journey and evaluating why advertising is important and how it can work.

...MARKETPLACES AND THEIR POWER...

...TO CHANGE THE WORLD...

**Before we dive in, here's a complete overview of the funnel and how marketers can utilize ads to communicate with customers most effectively.**

| STAGE                | APPROPRIATE TYPE OF DIGITAL MARKETING CAMPAIGN | EXAMPLE INTERNET SEARCH TERM                       | FEATURES OF ONLINE ADS FOR DIGITAL MARKETPLACES  | LOYALTY AND PREMIUM TIER ADVERTISING  |
|----------------------|--|--|--|---|
| <i>Awareness</i>     | <b>Brand awareness adverts</b>                 | “<br>Prettiest summer dress fashions 2021          | Video Streaming Ads showing a selection of dresses and the marketplace logo. Impactful, aspirational content.<br><b>No strong CTA.</b> | Ads showing a selection of dresses with information about premium tier membership discounts, delivery, etc. |
| <i>Consideration</i> |  | “<br>Backless summer dress for with flower pattern | Video ads showing <b>more specific</b> dresses but still without a strong CTA  |   |
| <i>Intent</i>        | <b>Awareness and performance adverts</b>       | “<br>Backless summer dress for under \$50          | <b>Branding ads mixed with performance</b> ads that show a selection of dresses at the right price.                                    | Ads showing specific dresses with information about premium tier membership discounts, delivery, etc.       |
| <i>Evaluation</i>    |  | “<br>Brand X v brand Y dress. Which is better?     | Branding ads mixed with Social Banner ads that allow users to <b>interact with products</b> and like and dislike dresses.              |   |
| <i>Conversion</i>    | <b>Performance adverts</b>                     | “<br>Brand X floral print dress under \$50         | Performance ads leading to <b>specific deals</b> on specific pieces of clothing for instant online conversion.                         |   |



# 07

## Performance *campaigns* for online marketplaces



More than [half of all online transactions take place through marketplaces](#). The global pandemic has accelerated the growth of multi-vendor sites as sole traders and small businesses have rushed to find online channels that allow them to activate quick sales. It's a hot streak right now but it is worth considering when and how it may end—as well as how MarTech solutions can help to strengthen market position now and in case of any burst of the bubble.

MORE THAN HALF OF ALL ONLINE TRANSACTIONS ...

...TAKE PLACE THROUGH MARKETPLACES.

## Competition is king...

The global giants of the e-commerce industry, such as **eBay, Amazon, and Alibaba**, are vital catalysts for progress and innovation...but competition is king. It's a positive sign to see new alternatives opening up all the time. In fact, marketplaces are such an attractive proposition right now that they are springing up everywhere in various forms:

1

Industry or location-specific marketplaces are opening to try and exploit niches in the market

2

Large retailers are adding smaller partners to their traditional e-commerce sites and becoming marketplaces

3

App companies are building mobile-only marketplaces for younger users

4

Social commerce is booming on Facebook, Instagram, and other channels

However, if you are a new or established marketplace, more competition potentially means less market share and, eventually, over-saturation. The survivors in a more competitive market will be the ones with the most well-defined identities, clear value or customers, and smoother user experiences.

## You can't stand still

66

*Digital ad spending grew 2.4% worldwide in 2020. The 332 billion USD total for 2020 represents 36 billion USD less spending than the pre-pandemic forecast*

eMarketer.com

[eMarketer states](#) that “digital ad spending grew 2.4% worldwide in 2020. The 332 billion USD total for 2020 represents 36 billion USD less spending than the pre-pandemic forecast.” However, it is believed that digital ad spending worldwide will grow to **522B USD by 2024**.

In a nutshell, with more people shopping online—and with more stores, marketplaces, and social commerce platforms serving their needs—companies are focusing on ad spending. Those who do not invest (and who do not choose solutions with **serious ROAS!**) are likely to be at a serious disadvantage.

## This too shall pass...

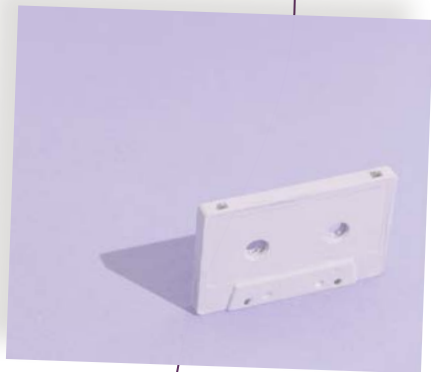
There is no denying the massive change that the pandemic has caused in online retail. According to [McKinsey](#), online shopping **rose by 74% in the first half of 2020** while high street sales slumped to zero during national lockdowns. Some say that e-commerce moved forward ten years in the space of a few months; others suggest that we have entered a new retail reality altogether. The global crisis has been a boon for marketplaces.

However, at some point, brick-and-mortar stores will regain their pre-pandemic levels of customers, or at least get close to those numbers. Can online sales maintain their current level when traditional stores are fully back in business? Will marketplaces that opened up or experienced huge boosts in response to the pandemic be able to sustain the same level of success in the long term?

## Digital advertising for growth and sustainability...

There are too many factors at play in the world right now to definitely say how the mid- and long-term future will look for online marketplaces. Whatever version of the future we actually end up facing, marketplaces that utilize performance ad campaigns are going to be at a huge advantage.

Here are the stats for retargeting campaigns run by RTB House for online marketplaces in the final quarter of 2020. Marketplace sites that invested in programmatic ad campaigns are now making hay while the sun shines, and are getting a return that can be reinvested in the future in the face of tougher competition or market conditions.



### CLICK-THROUGH RATE (CTR)

1.5%

### CONVERSION RATE (CR)

3.9%

### PERCENTAGE OF SITE SALES

2.4%

**Source:** RTB House campaign data for 51 marketplaces across Europe and USA, Q4 2020

IN NUMBERS:

# Digital *advertising* campaigns for marketplaces

Multi-vendor sites are more aware than ever of the value of digital marketing solutions. Globally, we have seen more new campaigns than ever before in the last year, with continued growth throughout 2021.

+ 45%

**In May 2021, RTB House was running 45% more campaigns for online marketplaces than in May 2020.**

**7x MORE**

**RTB House** has 7 times more campaigns for marketplaces now than 5 years ago. And they work... **87% of our pre-2017** campaigns are still running!

**53%**

As of May 2021, **53%** of our campaigns for marketplaces are app campaigns

**28**

In **H1 2021**, we launched new campaigns with marketplace clients in **28 different countries worldwide**

**Source:** RTB House data for all marketplace campaigns active in 2021

# Branding and loyalty campaigns for online marketplaces

It's a contested figure, but we supposedly see and hear over 4,000 ads per day.



WE SUPPOSEDLY SEE AND HEAR OVER 4,000 ADS PER DAY.

It takes something exceptional to cut through the clutter. Highly personalized, targeting is the most effective way to reach users. Once you have their attention, make sure you are giving them the right message. While the temptation with programmatic advertising campaigns is to push for conversion, there are strong reasons to also utilize brand awareness campaigns for online marketplaces.

Programmatic ad campaigns should address every stage of the funnel.

# Performance *vs* brand awareness campaigns

## *Performance campaigns:*

Allow customers to easily convert on products they love. This creates faster revenues for vendors which keeps them satisfied with sales through the marketplace.

## *Brand awareness campaigns:*

Strengthen the image of the marketplace in a competitive online landscape. Encourage consumers who have previously not shown strong intent to buy. Deepen the pool of potential buyers and increase the efficiency of future performance campaigns.



Both brand awareness and performance campaigns are most effective when the ads that users see match their level of purchase intent. Being able to more effectively assess where customers are in the sales funnel allows marketplaces to show the right ads at the right time.

Brand awareness campaigns are becoming increasingly popular among major U.S. marketplaces. [Etsy invested \\$49 million USD in upper-funnel marketing during the 2020 Christmas season](#), and shoppers spent 118% more money on the site than the same period in 2019.



## The **typical** argument against brand awareness campaigns

Marketing efforts live and die on the sales results they bring. Whereas performance campaigns offer largely unambiguous proof of their effectiveness, many businesses have found it harder to get a budget assigned to brand awareness campaigns that don't push hard for immediate conversion.

In recent years, brand awareness campaigns have pivoted significantly towards the measurable, short-term results that performance marketing delivers. Efficacy can be proven by measuring impressions, assisted conversions, and other statistics that are relatively easy to collect and interpret. With these campaigns more easily trackable, they are more powerful. They are also easier to get backing for internally.

## Brand awareness campaigns as **loyalty** campaigns

Premium tiers and memberships can be huge for marketplaces. For example, [Amazon Prime members spend far more than non-Prime members](#). From the beginning of 2018 to March 2019, Prime Members spent around 1,400 USD per year vs. 600 USD per year for non-members.

As a marketplace owner, attracting more loyalty-tier members is a great way to bring proven value to the business. Rather than focusing only on performance ads that stimulate single sales, you can tell people about your customer service, satisfaction rates, returns policies, and shipping costs. These things all matter because trust drives loyalty—and loyalty eventually dictates the bottom line.



## Types of brand awareness advert

Consumers place a lot of value on experiences: they are loyal to brands and products because of the way they make them feel. Campaigns for the awareness and consideration stages of the sales funnel can tap into the experiential, “cool” feeling that brands like Nike and Apple live on by giving familiar, modern interactions:



### *Streaming Video Ads:*

According to a [bitesize survey of nearly 700 marketers](#), 74% said that video works better than static ads and 94% said that video was part of their future marketing plans

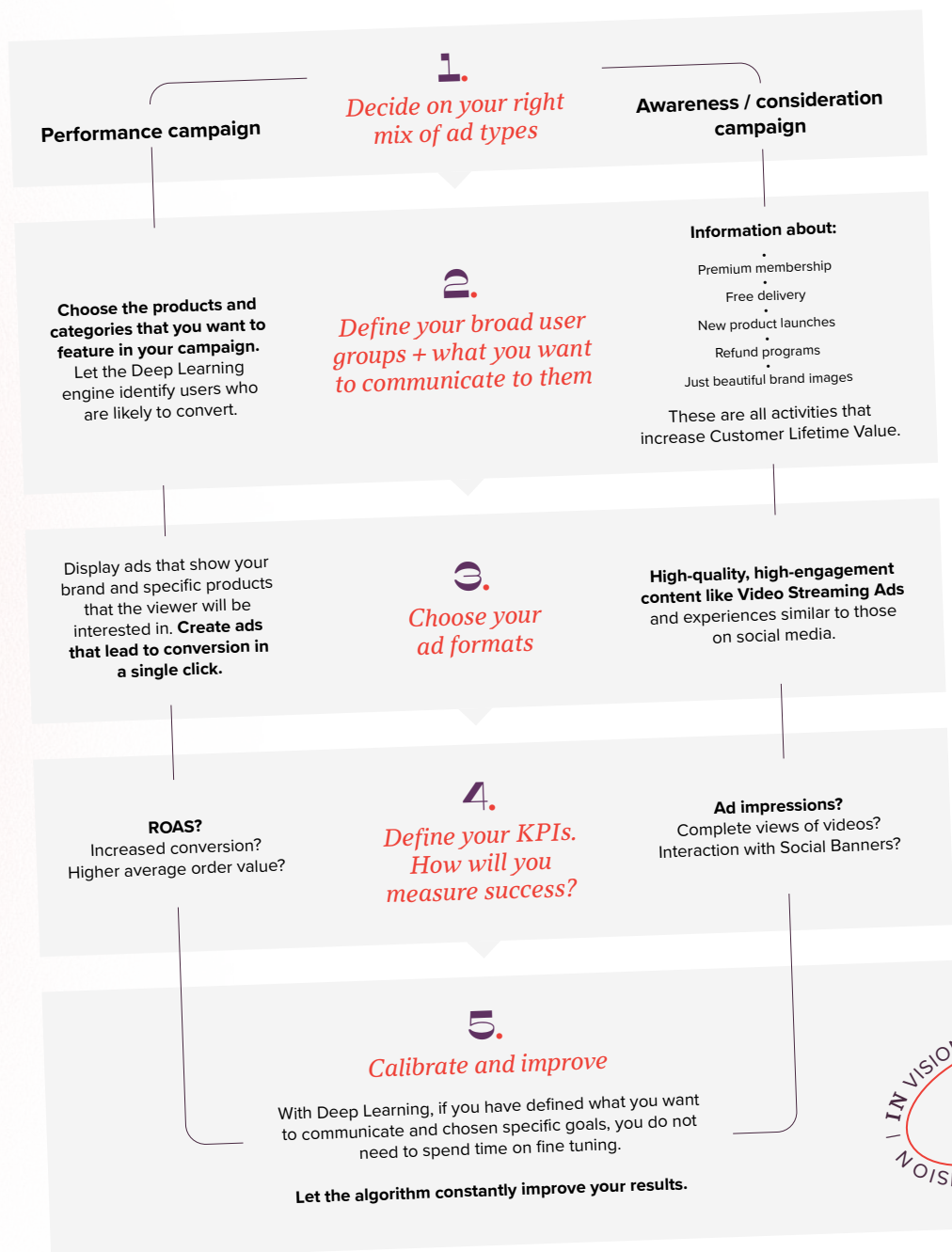
### *Social Banners:*

People love to share opinions and crave more interactions like those on social media. Social Banners allow users to give a simple thumbs up or down to products in an ad. Both familiar and fun

### *Brand Lift Survey Banners:*

Ask customers direct questions about your marketplace. Listen to their voices and act on valuable feedback

# A *step-by-step* guide to building a programmatic ad campaigns



# 5 *must-haves* for online marketplaces

1.

## DESKTOP AND MOBILE VERSIONS

Some say apps aren't working and the future is **PWA**. Others say apps are the only way to go. In reality, the important detail is not how you deliver but where. [79% of smartphone users](#) made a purchase on their mobile device in the last 6 months. Marketplaces need to work brilliantly on any device.

2.

## PREMIUM TIERS

It's possible to run a successful marketplace without premium tiers and treat all customers equally well. However, the investment that a customer makes by subscribing to a higher level of service keeps them coming back and adds value and longevity.

3.

## A CLEAR NICHE

Stand out with your products, service, or customer experience. When taking on global giants like Amazon, you need to be clear about why you are different. A niche can still be a huge opportunity: [Chewy.com](#) realized that pet owners were not buying food online and set up a pet food marketplace. It's a niche market but one [worth 44 billion USD](#) annually!

4.

## SOCIAL INTERACTION

Marketplaces and social commerce will start to become one thing in the future. Perhaps we won't even call them marketplaces anymore and, in five years, we'll be talking about e-malls. Give users a chance to interact with products and with one another.

5.

## GREAT COMMUNICATION CHANNELS

Marketplaces are a competitive environment. There are strong established players and new competitors emerging all the time. Marketing channels and retargeting adverts are an opportunity to talk about more than just the products on offer.

# What's next?

## *Social commerce*

# and the rise of the e-Mall



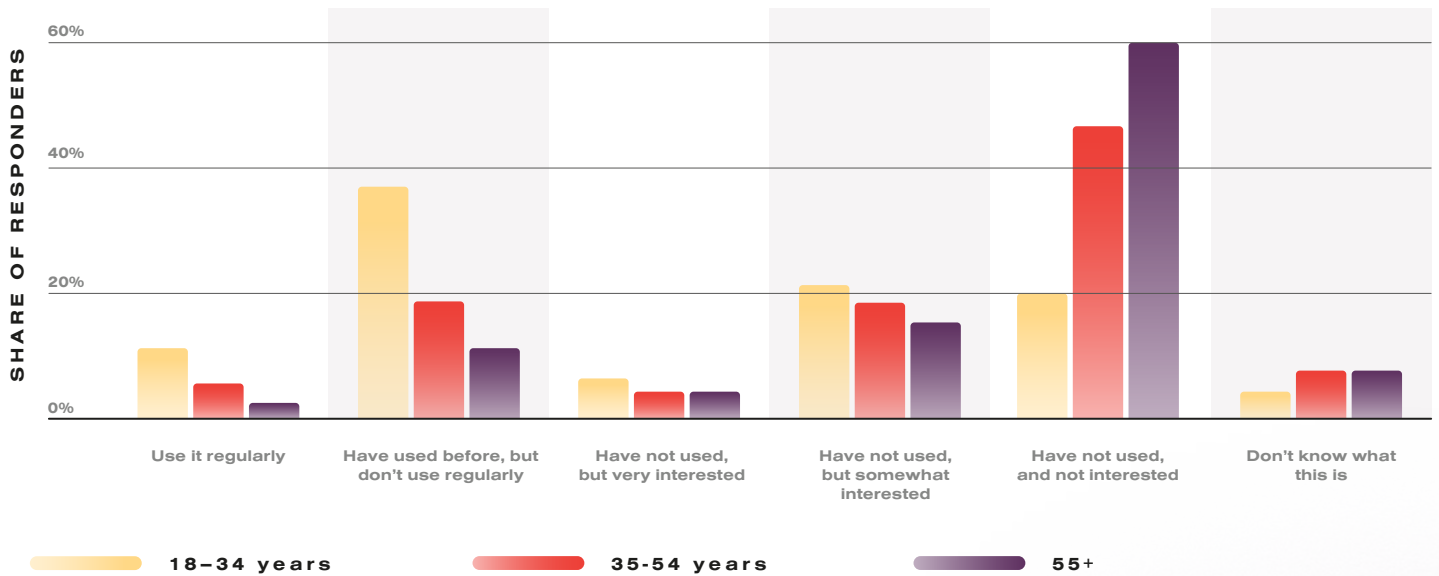
When Facebook and Instagram launched marketplaces in 2019, North America took notice. When social platforms with over **3 billion** combined users step into the e-commerce domain, it is a sign of change to come.

However, for real change, we should be looking east. Social Commerce sales in America **totaled 19B USD in 2019**, while the equivalent number for China was nearly **ten times as large:** a staggering 186B USD. That accounts for over 10% of all online sales, and the figure is predicted to surge to 474B USD by 2023.

The power of Social Commerce will force online marketplaces to change. It's no longer enough just to have an endless array of products at the right prices. People now want social interactions, not just transactional exchanges. This is particularly true for younger shoppers, whose preferences are the best signal of the long-term changes in retail. **While 60% of shoppers aged 55+** are not interested in social commerce, **over 75% of the under 35** demographic had already tried it or were interested to some degree.

## Share of internet users in the US who are interested in purchasing products through social media

As of April 2020, by age group



Source: Bizrate Insights; eMarketer copyright Statista 2021

Over time, marketplaces will have to add more elements from Social Commerce sites and innovate until we reach a level of social interaction during the shopping experience that ushers in the era of the eMall that was mentioned earlier in this report: one in which groups of separated individuals can browse together online and interact with products and one another.



What we think of as social interaction can take many forms. Influencer marketing is one place where marketplaces can take strides. It may seem like an evolution of the infomercials on 24-hour TV shopping channels, but live streaming in retail is, again, booming in China and will eventually catch on globally. Spurred on by lockdowns during COVID-19, [the popularity of live streams grew 100% YoY in 2020](#) and they are now watched by over half of the Chinese population. Sites such as Taobao Live are essentially virtual shopping malls where customers can shop and be entertained at the same time.

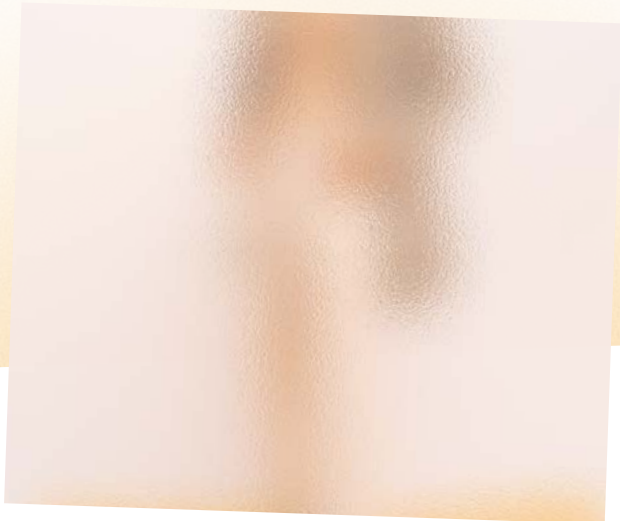


## Gary Burtka

US VP of Operations,  
RTB House

There are also some seemingly simple elements of social media being added to some online marketplaces to allow buyers to interact with vendors and other users. Poshmark is a P2P marketplace where users can buy and sell luxury brand clothing and accessories. Users can like or dislike listed items—which affects their ranking in the listings—as well as sharing items with others and chatting directly with vendors and other buyers in a comments section.

And it's not a gimmick. The important thing is that it works. 87% of purchases on Poshmark are preceded by a social interaction such as a like, comment, or offer.



**This is why we at RTB House are also developing new forms of banner ads, such as Social Banners and Chat Banners, which allow users to give opinions and interact with content. Nothing is static anymore.**

# Don't forget your *vendors*

We've spoken a lot about the customer experience and the changing face of online commerce. Online marketplaces are intermediaries: they have to make sure that end users are satisfied but, just as importantly, they need to provide an easy and profitable channel for vendors.

According to the **EcommerceBytes 2021** Sellers Choice Awards, [these are the sites that are most highly rated by vendors:](#)

## Sellers Choice Awards by EcommerceBytes 2021

|                   | PROFITABILITY | CUSTOMER SERVICE | COMMUNICATION | EASE OF USE | RECOMMEND   | OVERALL     |
|-------------------|---------------|------------------|---------------|-------------|-------------|-------------|
| <b>Ebay</b>       | <b>6.74</b>   | 5.94             | 6.09          | <b>7.13</b> | 6.23        | <b>6.48</b> |
| <b>Bonanza</b>    | 4.86          | <b>6.77</b>      | <b>6.81</b>   | 7.11        | <b>6.52</b> | 6.39        |
| <b>RubyLane</b>   | 5.63          | 6.48             | 6.5           | 6.58        | 6           | 6.30        |
| <b>Etsy</b>       | 6.28          | 5.71             | 5.74          | 6.97        | 6.31        | 6.18        |
| <b>Mercari</b>    | 6.02          | 5.4              | 5.48          | 6.84        | 6.33        | 5.94        |
| <b>Poshmark</b>   | 5.41          | 5.64             | 5.76          | 6.69        | 5.96        | 5.88        |
| <b>Amazon</b>     | 5.27          | 4.88             | 4.79          | 5.59        | 4.82        | 5.13        |
| <b>eCrater</b>    | 5             | 5.03             | 4.88          | 5.6         | 5.05        | 5.13        |
| <b>Craigslist</b> | 5.78          | 3.92             | 3.99          | 6.77        | 5.69        | 5.12        |
| <b>Facebook</b>   | 5.69          | 4.09             | 4.01          | 5.89        | 5.43        | 4.92        |

Source: EcommerceBytes.com, 2021

With more online marketplaces opening all the time, success depends upon being able to sell the advantages of using your platform over others. There are questions you need to address to convince new vendors to join your site.

1.

## *Active user base*

How many eyeballs will there be on the vendor's products?

2.

## *User experience*

Is the marketplace modern and engaging? Will it still be exciting for users a year from now? Or three years from now?

3.

## *Vendor experience*

How easy is it to quickly get products in front of customers?

4.

## *Profitability*

Are vendors making a good volume of sales? How much are they paying in commissions?


5.

## *Visibility*

With so many other vendors on the site, how can they be sure their products will be seen?







When pitching to new vendors, the programmatic ad campaigns your marketplace uses becomes a differentiating factor in the profitability and visibility categories—which are, in turn, the most important concerns for vendors. If you can prove that your display ad campaigns will make their products visible to customers and that they can expect higher conversion rates than on other marketplace sites, then you are addressing the key issues that vendors care about with hard numbers to back up your claims.

**Your digital marketing choices can actually be used as a way to market your site to new vendors and scale your business.**

# 14

## Success stories



At RTB House, we celebrate on-line commerce and are continually looking for ways to help individual brands and marketplaces supercharge conversion rates and revenues. We run dozens of campaigns—all powered by Deep Learning technology—with marketplaces around the world, in both sole and multiple retargeting scenarios. Here are some of our marketplace partnerships from both the European market and around the world.

### Gumtree

+33%

A leading classifieds site in the UK with over **13 M monthly** visitors.

Deploying multiple re-targeting strategies with Gumtree's campaigns doubled conversion efficiency and improved traffic efficiency by 1/3.

[Read more](#)

### Trendyol

2,5x

The biggest e-commerce site in Turkey, serving over **200 vendors** and **18 M buyers**.

Compared to benchmark campaigns, RTB House in-app retargeting campaigns bring 2.5 times higher volume with a higher return on investment.

[View video](#)

### BidOrBuy

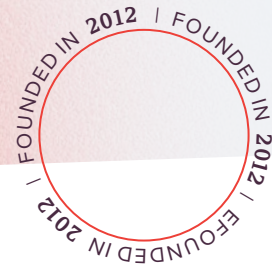
+24%

A leading online marketplace, based in South Africa, with over **3 M listings** at any time.

An initial registration campaign and further sub-campaigns led to a 24% increase in sessions on the site and 15% higher revenue.

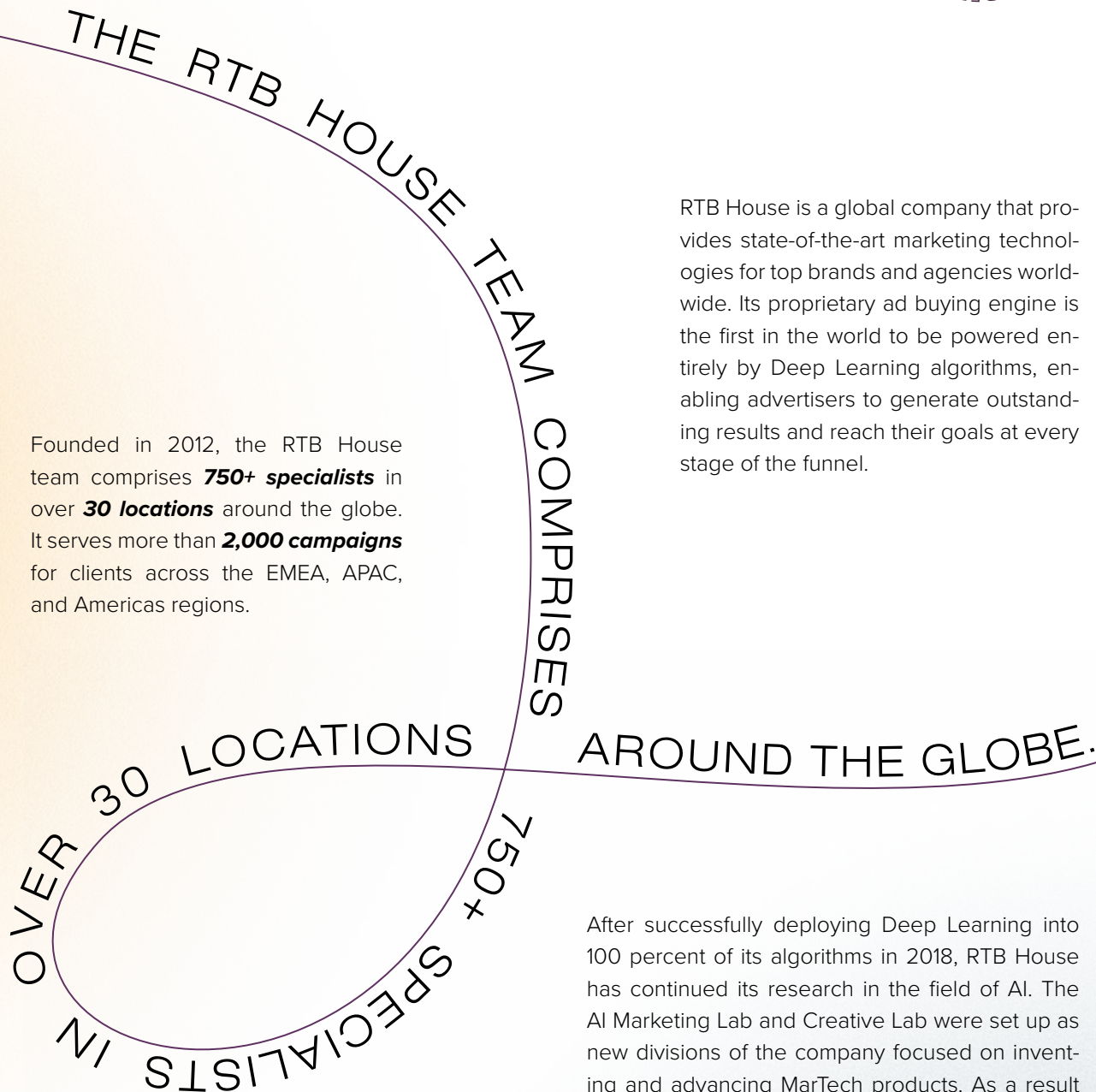
[Watch our mini case study](#)

# About RTB HOUSE =



Founded in 2012, the RTB House team comprises **750+ specialists** in over **30 locations** around the globe. It serves more than **2,000 campaigns** for clients across the EMEA, APAC, and Americas regions.

RTB House is a global company that provides state-of-the-art marketing technologies for top brands and agencies worldwide. Its proprietary ad buying engine is the first in the world to be powered entirely by Deep Learning algorithms, enabling advertisers to generate outstanding results and reach their goals at every stage of the funnel.



After successfully deploying Deep Learning into 100 percent of its algorithms in 2018, RTB House has continued its research in the field of AI. The AI Marketing Lab and Creative Lab were set up as new divisions of the company focused on inventing and advancing MarTech products. As a result of their work, in 2020 the company introduced AI Full-Funnel Marketing Solutions and awareness video ads, lifting brand communication to the next level.

# Contact

RTBHOUSE =

## Speak to us about:

**CAMPAIGNS FOR ONLINE  
MARKETPLACES**

**THE ADVANTAGES OF DEEP  
LEARNING**

**IMPROVING PERFORMANCE  
AND BRAND AWARENESS  
CAMPAIGNS**

**MULTIPLE RETARGETING  
STRATEGIES**

**FULL-FUNNEL MARKETING  
SOLUTIONS**

**SOCIAL BANNERS, CHAT  
BANNERS, AND VIDEO AD  
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## Editorial team

### PROJECT OWNERS

Katarzyna Czubak  
Julia Sapocińska

### CONTENT CREATION

Timothy Clayton

### INSIGHTS

Agnieszka Czerkas  
Mateusz Jędrocha  
Bartłomiej Joński  
Tomasz Kałużny  
Łukasz Witkowski

### GRAPHIC DESIGN

Stanisław Kazior  
Michał Święcki

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