

1. Introduction

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1.1 Marketplace Opportunity & Trends

“How can I make money with a marketplace business model?”

That’s the question this document answers.

Online marketplaces generate over \$3 trillion dollars of annual sales (DC360), are growing at 20% CAGR (DC360), and account for 63% of all eCommerce (Forrester). Most of the companies with the highest valuations, fastest growth, and most disruptive business models run a marketplace.

But how do they make money?

The following five chapters explain the most common business models for marketplace monetization:

- Commission & subscription fees
- Embedded financial services
- On-site Advertising / Retail media
- Cross-Border / Internationalization
- Other monetization models

The simplest and most common example of marketplace monetization is the commission fee structure. In the following example, a marketplace operator charges a 20% take rate (commission) on an item that sells to a buyer for \$100