

## HOW DOES VIRTUAL MARKET PLACES WORK WITH EXAMPLE

A virtual marketplace is an online forum where many vendors come and sell their products to interested buyers through a third-party website or app. The virtual marketplace is differentiated from an e-commerce site because it offers products from many vendors instead of a single and from a buyer's perspective; it provides more options for the single item. It is a non-physical bazaar that exists in spatial digital dimensions and provides one-click access to sellers and interested buyers. In this world of globalization and digitalation, time is considered precious commodity and diminishing physical constraints for shoppers and overhead costs for vendors are considered to be the elixir to carry forward the businesses in this new era. E-commerce has seen an explosion since 2014 and many websites have popped up since then to offer their products online. However, with the explosion in e-commerce, a new trend has also been seen that is website traffic. The successful businesses are those that attract more traffic, thus, opening new venues and attaining more chances of running a successful business operation.

A virtual marketplace is a platform that has provided a digital space to vendors and shifted the burden of logistics to the selling parties. Now the product description, image, pricing, and logistics are in vendor's domain and the responsibility of maintaining a secure environment, safe transactions and maintaining the Quality of Service and deliver-ability within prescribed timelines lies with the virtual market place's domain. The superiority of the virtual marketplace over an e-commerce website can be understood from the fact that it totally eliminates the overhead costs for vendors such as designing and maintenance of the website, paying hosting fees, accounting software, promotional budgets and burdens of ensuring secure payments.

Virtual Marketplaces are considered big markets to trade commodities such as agribusiness commodities. Apart from this, the virtual marketplace plays a key role that facilitates services to link a large number of importers and exporters, its the Cyber cross-border broker role.

Due to its centralized approach to collect multi vendors in one place the virtual marketplace increase access to new markets. Building high traffic from different vendors and channels enrich the market experience. Many products from different vendors are listed in one place and updated daily with new products and offers.

Reference:

<https://www.e-fresco.io/blog/post/virtual-marketplace-marketplace/>