10 Imperatives When Building an Enterprise Marketplace

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> Enterprise marketplaces help organizations improve customer satisfaction, revenue prospects and operational efficiency, but there are technical and operational challenges. Digital commerce leaders can use this research when planning a marketplace launch for a successful operation.

Overview

Key Findings

- Enterprise marketplaces help organizations increase customer satisfaction and revenue prospects via extended product ranges and better stock availability. They also increase operational efficiency by streamlining the procurement process across the organization and partners.

- The success of enterprise marketplaces hinges on the operator's expertise and the technology capabilities of the marketplace platform to provide sellers and customers with the right tools and experience.

- Marketplace solutions come in two architectures: headless solutions that extend existing commerce platforms to manage the marketplace, and full-stack solutions that offer a total solution for "greenfield" deployment.

Recommendations

- Define organizational structure and business model to synergize marketplaces with existing digital commerce and dropshipping operations on the selling side, and selectively migrate procurement practices to the marketplace to improve operational efficiency on the buying side.

- Offer compelling experiences for buyers and sellers by focusing on catalog management, search, inventory, fulfillment and returns, and developing competitive commercial terms and convincing messaging, designing frictionless onboarding experiences, and providing easy-to-use tools to manage selling activities.

- Select marketplace solutions considering your current tech stack, preferences for deployment model, industry expertise and geopresence. The solution should be able to support the product types and business models you will offer. Budget sufficiently for integrations between the marketplace solution, digital commerce platform and back-end systems.

Introduction

Enterprise marketplaces enable organizations to operate marketplaces selling third-party products along with optional first-party products. Marketplaces can improve customer experience due to broader product selections and increase efficiency in the buying and fulfillment processes. Organizations can expect higher revenues due to more transactions with multiple sellers, and lower inventory and fulfillment costs as those are often borne by third-party sellers.
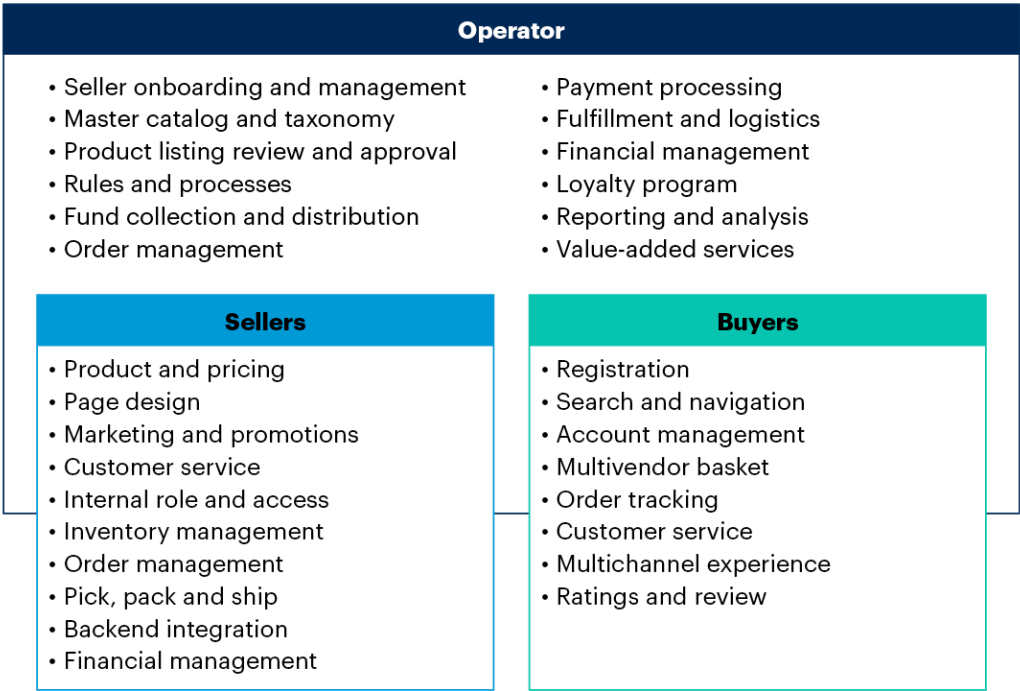
A marketplace involves three types of roles and provides each with a distinctive set of features (see Figure 1):

- **Operators:** Organizations that operate the marketplace platform. They may sell their own products alongside those of third parties. They need to manage numerous aspects, including seller onboarding, the master catalog, and payment and financials for sellers and end customers.

- **Sellers:** Third parties that sell on the marketplace. They need to manage their product listings, fulfill orders to end customers, and comply with the marketplace rules and policies.

- **Buyers:** Customers that buy on the marketplace. They should have similar experience on any commerce sites, including searching for products, placing orders and contacting customer service.

Operators need to serve two types of customers — buyers and sellers — and create value propositions and appealing experiences for both roles.

Figure 1: Marketplace Features by Role

Marketplace Features by Role

Operator	
• Seller onboarding and management • Master catalog and taxonomy • Product listing review and approval • Rules and processes • Fund collection and distribution • Order management	• Payment processing • Fulfillment and logistics • Financial management • Loyalty program • Reporting and analysis • Value-added services

Sellers	Buyers
• Product and pricing • Page design • Marketing and promotions • Customer service • Internal role and access • Inventory management • Order management • Pick, pack and ship • Backend integration • Financial management	• Registration • Search and navigation • Account management • Multivendor basket • Order tracking • Customer service • Multichannel experience • Ratings and review

Source: Gartner
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Gartner

Marketplace operation applications (MOAs) are the technology that allows organizations to manage the marketplace and work closely with the core commerce platform for functions such as the storefront, search, catalog management, customer account, check-out and payment. MOA is tightly integrated with the core commerce platform to exchange essential data for the transaction (see Figure 2). Organizations with existing commerce platforms can integrate the MOA, in a headless fashion, into their commerce platforms.

Organizations starting marketplaces from scratch can consider the full-stack approach that includes both a first-party digital commerce platform and the MOA solution. For more on MOA vendors, see Market Guide for Marketplace Operation Applications. For more on core commerce functionality, see Harness the Core Capabilities of a Digital Commerce Platform.

Figure 2: MOA Works With the Digital Commerce Platform

MOA Works With the Digital Commerce Platform
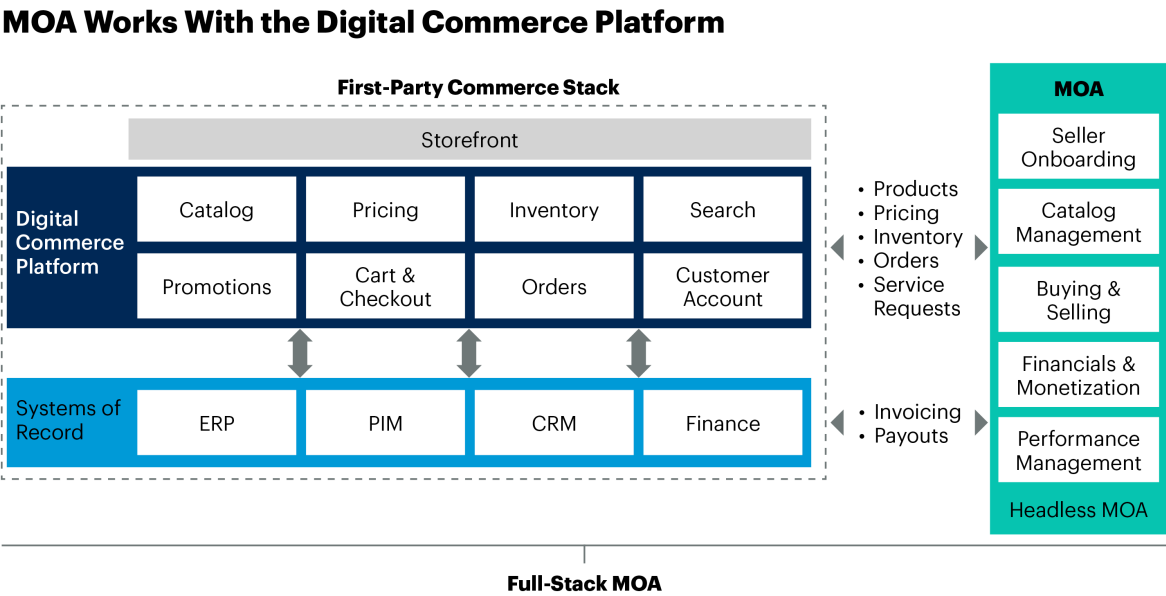
Source: Gartner
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Gartner

There are both technical and operational issues to consider when launching enterprise marketplaces. Gartner has identified 10 imperatives in three categories that organizations need to consider when planning a marketplace launch (Figure 3).

Figure 3: 10 Imperatives When Launching Enterprise Marketplaces

10 Imperatives When Launching Enterprise Marketplaces

Organization and monetization	Buyer/seller experience	Vendors and integrations
1. Organizational structure 2. Monetization 3. Product range	4. Unified commerce experience 5. Seller recruitment and onboarding 6. Seller tools 7. B2B functionality 8. Payment and financial management	9. Vendor selection 10. Integrations

Source: Gartner
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Gartner

Analysis

Synergize With Existing Organizational Structure and Define the Monetization Approach

Organizations need to balance marketplaces with existing buying and selling operations so they can maximize the business benefits in terms of revenue and efficiency.

1. Organizational Structure

Enterprise marketplaces need to achieve synergies with existing programs and get support from other business units. Typically, there are three existing programs impacting how organizations can structure themselves to operate enterprise marketplaces. They include:

- **First-party digital commerce:** Organizations with existing commerce operations usually rely on their commerce team to run the marketplace. Yet, operating a marketplace requires significantly more resources and often new skills, which can overwhelm the existing team. Thorough planning for the marketplace experience, detailing the impact on the existing team and adding sufficient resources to handle marketplace operations are required. Use Tool: Direct-to-Customer (D2C) Commerce Strategy Assessment to evaluate your first-party commerce to see if it can get a boost from the marketplace business.

- **Dropshipping:** Retail organizations often have established dropshipping programs managed by the supply chain team, while marketplaces tend to be led by the commerce team. The two initiatives share lots of common ground in terms of supplier base, product range, operational processes and technical capabilities. Collaborating with the supply chain team and seeking synergies with the dropshipping program to streamline operations and share resources, processes and even technology platforms can be a win-win for both functions.

- **Procurement:** Procurement marketplaces, serving internal users or business partners, tend to focus on cost control, process efficiency and compliance, and are often led by the procurement team. As the program matures, some organizations also see this as a growth opportunity where they can serve external clients with similar procurement needs. This can leverage the expertise of the commerce team that has experience in serving external customers and driving revenue. Understanding the ambition of procurement marketplaces and collaborating with the procurement team to elevate the marketplace to the next level will deliver more value for the organization.
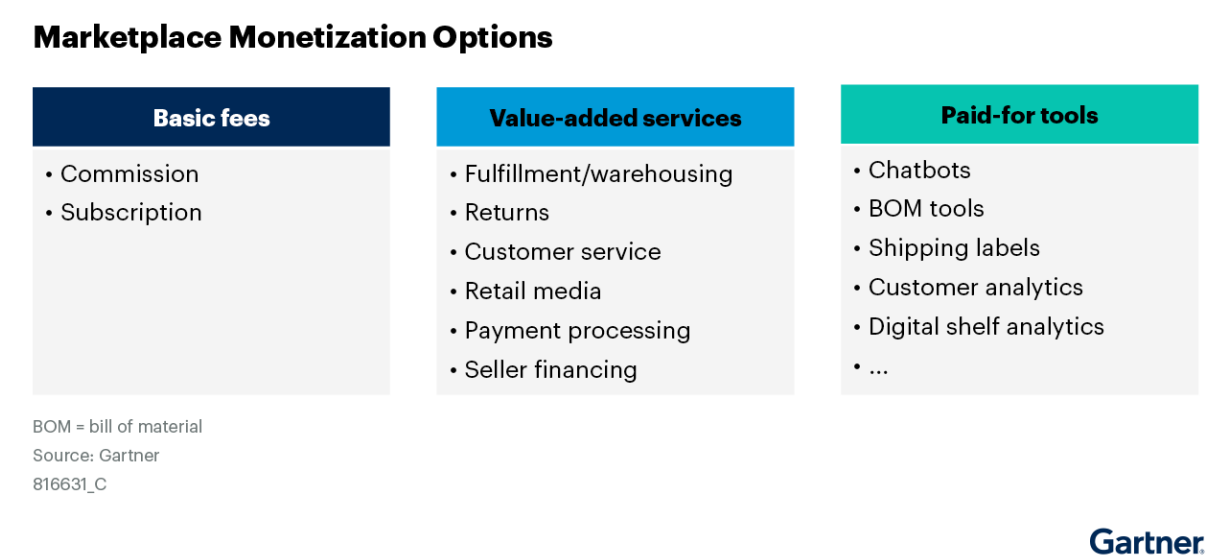
It is important to obtain an "active" executive sponsor who is willing to support ongoing efforts and drive cross-functional collaboration across business, marketing, supply chain, procurement, operations and IT. The executive sponsor will help increase organizational awareness of the marketplace initiative and communicate key messages to the entire organization.

There needs to be change management from the outset, with the entire organization educated on the needs and benefits of creating the marketplace. When the platform is deployed, operating teams will need to be trained so that they understand their tasks and are familiar with the tools and processes they will use. There will also need to be clear communication with buyers and sellers to let them know the benefits of the marketplace, and provide training so they are comfortable with the tools and processes.

2. Monetization

Organizations need to consider monetization options before launching the marketplace. Figure 4 outlines three categories of options.

Figure 4: Marketplace Monetization Options

Marketplace Monetization Options

Basic fees	Value-added services	Paid-for tools
• Commission • Subscription	• Fulfillment/warehousing • Returns • Customer service • Retail media • Payment processing • Seller financing	• Chatbots • BOM tools • Shipping labels • Customer analytics • Digital shelf analytics • …

BOM = bill of material
Source: Gartner
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Gartner

The monetization options include:

- **Basic fees** include commission and subscription.

    - **Commission** is the most common way to generate revenue for the marketplace. It is based on the transaction volume either as a percentage of the transaction value or a flat fee per order or volume tier.

    - **Subscription** is a flat fee that sellers pay as a commitment to participate in the marketplace. In return, the operator will provide services such as training, technical integration and support, and customer success managers to help sellers set up their store and ensure successful operation of the store. The subscription can have multiple tiers that include various levels of features, product listings, transaction volumes and analytics capabilities.

- **Value-added services.** The operator can offer services such as fulfillment, advertising and financing for a fee, which is charged separately for sellers interested in using those services. Retail media is a rising format for advertising, popular with retail marketplaces and consumer brands where brands can pay to increase product visibility among similar offerings. It is also a high-margin business for operators. The operator can also work with financial institutions to offer seller financing or white-label payment processing services.

- **Paid-for tools.** There are other tools that can offer value for sellers and buyers. For example, bill-of-materials (BOM) tools allow buyers to upload a BOM list and get quotes accordingly. Chatbots and in-platform messaging improve conversion and customer satisfaction for both presale and after-sales activities. Data insight, such as their category ranking, search ranking, pricing trends, assortment, stock level and customer ratings, helps sellers improve their competitiveness in the marketplace. MOA vendors often also provide an internal "app marketplace" of extensions, which can enrich marketplace functionality with third-party extensions and help sellers and customers to get more value from the marketplace.

3. Product Range

Extending product range is a primary reason that organizations launch enterprise marketplaces. Operators need to decide two things related to the product range:

- **Product categories:** Operators need to consider what new categories to add to their core offerings to complement existing products without diluting their brand positioning or the core business. Organizations often have an established reputation based on years of selling within specific categories. Adding new types of products can alter the public perception of the brand. Some companies may find that customers are confused by expanded assortments in new areas and lose trust in the core competency of the brand. At the same time, categories that customers are also seeking may prove to be beneficial. For example, after turning its digital commerce site into an enterprise marketplace, electronics retailer Best Buy (Canada) added thousands of baby products via third-party sellers and within one year became Canada's No. 1 online seller of baby products. [1] Organizations should gauge the market demand for new categories via methods such as research, customer surveys and competitive analysis.

- **Product types:** There are three types of products to consider: physical goods, services and digital products. Organizations offering physical goods often start the marketplace with the same product type, but can also consider adding other product types to offer total solutions. This not only increases customer satisfaction but also increases revenue prospects through bundling. Adding new product types requires new functionality for MOA. Table 1 shows the functionality associated with various product types and categories.

Table 1: Marketplace Functionality for Various Product Types and Categories

Products	Functionality
Physical goods — general	Catalog mapping, inventory management, fulfillment, delivery, returns.
Physical goods — consumables	Subscription, autoreplenishment, IoT integration.
Services	Scheduling, calendar management, geofencing, capacity management, provider matching.
Digital products	Manage contracts, version, rates, entitlement, provisioning, updates, channel, etc.
IoT = Internet of Things	

Source: Gartner

Offer Compelling Experience for Buyers and Sellers

Operators should attract two types of customers — buyers and sellers — and give them the tools and experience to make it easier to buy and sell through the marketplace.

4. Unified Commerce Experience

Unified commerce provides a continuous and consistent experience across channels throughout the customer journey. This enables buyers to use any channel for any part of the customer journey and have a consistent and continuous experience. It enables sellers to sell to and serve customers across channels and have the right tools for various activities. This includes the following four aspects.

A. Catalog Management

Operators usually create standards for marketplace product content and govern all seller data uploaded to ensure they are aligned to marketplace catalog taxonomy and attributes. Catalog management starts with product data imported from the seller. The operator can offer an import worksheet or wizard with predefined categories, attributes and values, which sellers can use to map their catalogs to when preparing the data. MOA can offer catalog management tools to automate some of the data mapping exercises. Some MOA vendors offer tools to automatically normalize seller data and map that to the marketplace categories and attributes with deduplication and grouping capabilities. Others use rule engines and product coding systems (such as European Article Numbering, UPC and Global Trade Item Number) for mapping. In the latter cases, manual reviews are often required by the operators and sellers to ensure accurate product data and mapping.

Grouping of products allows operators to combine same product listings from multiple sellers into one product description where each vendor is listed as an "offer." This provides easy-to-use results and more consistent product detail pages, and sellers will compete to be the seller of choice based on price or local availability, or via monetization of results.

Operators using a product information management (PIM) system that enables third-party product data ingestion can use that functionality to populate sellers' products into the master catalog to ease the mapping process. This also gives operators more flexibility in adding new categories and attributes when adding new products.

B. Search and Product Discovery Management

With third-party products sitting alongside first-party products, operators need to define merchandising rules including relevancy, slotting, boost and bury while considering business goals such as conversion and revenue per session. With new products and possibly new categories and attributes added to the marketplace on a regular basis, dynamic categorization is important to ensure products can show up in the right categories based on predefined rules. Operators also need to ensure synonyms and vector databases (if available) are regularly updated and zero results are properly managed. Search vendors are increasingly using AI/machine learning to support dynamic categories and synonyms without manual configuration to ease administrative burdens.

Product recommendations can be presented along with the search results based on buyer behavior, profiles, segments and business goals. Some search vendors offer personalization capabilities out of the box with predefined strategies driven by machine learning. For more on search vendors, see Magic Quadrant for Search and Product Discovery.

C. Fulfillment, Shipping and Returns

Operators and sellers can fulfill orders from multiple locations depending on stock availability, distance to customers and time/cost of fulfillment. Operators can define rules for shipping and delivery, and consider returns methods and locations. This is an integral part of the unified commerce experience.

- **Fulfillment:** The marketplace should be able to present location-specific inventory based on the buyer's location, stock availability and fulfillment options. For example, where buyers want to choose "buy online, pickup in store" (BOPIS)/"click and collect" (C&C), they can see products available for such an option and the locations where they can pick up from. The marketplace should allow sellers to configure the delivery option and inventory per location, and expose the data to the product page and the cart page to inform the buyer. They should also have validation rules to ensure customers are not buying items not supporting the selected delivery method.

In the case where the operator offers pickup, warehousing and fulfillment services to sellers, they need to define rules as to the types of products that can be made available for store pickups. Operators also need to communicate the packaging requirements and associated fulfillment costs to the seller. For example, they may allow nonbulky products to be available for store pickup, while other products are fulfilled by the seller, or restrict pickup locations to certain stores with the necessary handling facility. Store operations teams may need to consider redesigning pickup processes or physical spaces, and reallocating staff to accommodate third-party products.

- **Shipping and delivery:** Operators can define guidelines for shipping and delivery to ensure a consistent customer experience across all sellers. They can provide sellers with shipping templates so they can more easily comply with the delivery timeline, approved carriers, delivery/pickup options, shipping fees and free shipping thresholds. Ideally, shipping options/fees and the corresponding expected delivery date are exposed as early as possible in the customer journey to help buyers make informed decisions. This can be done during search results, on the product detail page, in the cart and at check-out. Buyers should also have the option to adjust shipping and delivery options at check-out.

- **Returns:** Marketplaces may have different return policies for first-party versus third-party products. Typically, the policy for first-party products is more flexible and efficient in that it usually allows for time-bounded free returns, more returns options such as to the store and a shorter refund cycle. Although operators can set guidelines for third-party return policies, sellers often define their own return policies, which tend to offer fewer return options such as not allowing return to the store and may involve shipping/packaging fees. Sellers also tend to take longer to issue refunds. This can be disappointing for customers as they have to understand the different policies, pay extra fees and wait longer.

Operators should work with sellers to see if they can streamline the return process by leveraging their own return facilities and processes. They can consider offering this as a free service or for a limited fee to improve the customer experience.

5. Seller Recruitment and Onboarding

One key success factor of marketplaces is a good number of sellers and products so they can attract buyers. Organizations should spend efforts to recruit the desired types of sellers long before they launch the marketplace and make sure they have a good onboarding experience.

A. Recruitment

There are three actions to take for seller recruitment:

- **Set up a dedicated recruitment team.** The recruitment team should include a mix of commercial and technical people to pitch the marketplace from both the business and technical viewpoints. The team will proactively go after the brands and partners identified in the planning stage to persuade them to join by pitching the seller value proposition. This can be an ongoing effort until the marketplace gains sufficient momentum that it will attract sellers without further promotions.

- **Create a strong value proposition for the seller.** Helping sellers to be successful is critical to the success of the marketplace. The recruiting team should develop convincing messages and value propositions for the types of sellers they want to attract. Possible value propositions include doing more business online, getting high-quality leads, reaching specific types of customers, co-creating new businesses with the operator, and better efficiency in sales and service.

- **Leverage vendors' seller network.** Operators can quickly scale up the marketplace by leveraging the vendor's seller network. These networks include sellers that have been preintegrated to the vendor's platform, whose profile and qualification are verified, and in some cases, their product data standardized. Operators can save time in onboarding the seller and importing their product data. Vendors such as Mirakl, Marketplacer, Octopia and Rithum offer seller networks with preintegrated sellers.

B. Onboarding

Offer sellers an efficient and self-service onboarding process to help them quickly set up an account. This includes a step-by-step online application process with clear instructions of the requirement information and qualification, fee structures and conditions. This can be done manually for recruited sellers, where seller information has been collected and made available to the operations team. The operator will spend some time reviewing the application before making the decision. Update sellers on the application status online and/or via emails. For approved sellers, provide them with account credentials and store setup instructions, and allow them to configure their accounts for profiles, payment, shipping and role-based access.

After the onboarding, provide sellers with a series of training sessions to get them familiarized with marketplace functions, tools and policies. This should be an ongoing program to ensure sellers are constantly informed of new functionality and policy updates, and to address concerns and collect feedback for continuous improvement.

6. Seller Tools

Marketplace operators should offer a range of tools for sellers to manage their stores and listings, and sell more efficiently on the platform. Besides basic tools such as store setup and order/inventory management, several others would further improve the efficiency and effectiveness of selling through the marketplace, including:

- **Catalog upload:** There are several ways that sellers can upload and manage their catalog.

    - **Batch processing** — Operators can offer FTP or file uploads for common file types like XLS, CSV or XML.

    - **ERP/PIM integration** — Marketplace operators targeting sellers with highly complex product information whose data resides in ERP/product life cycle management (PLM) and/or PIM systems can offer integration with sellers' own ERP/PLM/PIM systems to ease catalog upload.

    - **Commerce platform integration** — Sellers may wish to upload the catalog from their own commerce platforms to the marketplace using APIs. Popular commerce platforms used by sellers include Adobe, BigCommerce, PrestaShop, Shopify and WooCommerce.

    - **Online marketplace integration** — Working with marketplace integration application vendors allows sellers to synchronize catalogs across multiple marketplaces such as Amazon, eBay and Alibaba. Such vendors include BigCommerce (Feedonomics), Salsify, Productsup, Rithum and Syndigo.

- **Promotions:** Sellers can create their own promotions such as discounts, rewards and offers with configurable timing, duration and quantity. The marketplace solution can offer predefined campaign templates to help sellers easily manage promotions.

- **Customer care:** Sellers can manage customer lists, status and segments, and provide service via chat, email and phone calls. Operators can define the first line of contact based on the types of inquiries and the handover points to sellers.

- **Persona apps:** This category of apps allows sellers' internal teams to manage daily operations using a single system, increasing the value proposition of the marketplace. Persona apps include:

  - **Salespeople app** — Sales teams can use these apps to access product, pricing and inventory information from the marketplace when visiting customers, and to place orders on behalf of customers, which can be managed and fulfilled using the same processes defined in the marketplace. This helps the seller to capture the customer information in a single system if they don't have one already.

  - **Fulfillment and logistics app** — Warehouse personnel can use these apps to update order status, pick and pack items, and take stock of the physical inventory. Delivery personnel can use them to plan delivery routes, enable real-time tracking and update delivery status.

  - **Clienteling app** — Sellers with physical store presence can use these apps to better serve online and in-store customers. The app can offer functions such as stock check, order placement, product recommendation, customer registration, payment, refunds and online communications via email or chat.

7. B2B Functionality

B2B commerce functionality is typically provided by the underlying commerce platform, which MOA can leverage to offer to third-party sellers. MOA vendors rarely include B2B capabilities in their solutions. Operators with existing commerce platforms should investigate whether the MOA vendor can integrate with the B2B functionality of the commerce platform to enable marketplace sellers to sell to business customers or if they need to custom build the integration themselves. Common B2B functionality that can be supported by MOA from the commerce platform includes the following:

- **Account-specific catalog and pricing:** Show buyers, after they log in, the catalog and pricing relevant to them to improve the efficiency of the purchasing process.

- **Request for quotation (RFQ):** Allows buyers to describe their requirements, get quotes from sellers, negotiate quotes and come to an agreement. Marketplaces serving buyers with large BOMs can consider offering quick-quote capabilities that can much improve the RFQ process.

- **Discount management:** Allows sellers to configure discounts per volume, channel or promotion. Marketplace can also offer cross-seller discounts to buyers when orders reach a certain threshold such as quantity or value.

- **Reorders and quick orders**: Help buyers to minimize the manual work when dealing with bulk orders. Automated reordering can be used for replenishment when customers have a subscription plan in place, typically used with IoT equipment that can detect the stock level and trigger reordering via rules. Orders can be set up as fully automated or reviewed by the buyer before sending to the seller.

- **Leads and referrals**: Allow sellers to be contacted by prospects that are interested in their offerings. This is a useful functionality for referral and service marketplaces where buyer requirements, technical consultations and contract negotiations are often handled offline.

For more information on B2B commerce, see Benefit From B2B Digital Commerce: Improve Cost, Revenue and CX.

8. Payment and Financial Management

Marketplaces require more complex payment functions than first-party digital commerce since they deal with multiple vendors and fee structures. Basic features include payment collection from the buyer, splitting payment among multiple sellers, fees and commissions deduction, fund disbursement, and refunds. MOAs usually offer these payment functions out of the box, and operators can then integrate with their existing payment providers that take requests from the marketplace and process the payments accordingly.

In addition, operators can work with partners to address complexities in handling tax and international payment methods, and supporting various payment types such as subscription, trial, prebook and advance payments. Some of these may not be out of the box from MOA vendors. When running B2B marketplaces, operators should also investigate if the MOA vendor can support B2B payment methods such as supplier credit, milestone payment and wire transfer, and various invoicing arrangements such as direct invoicing by the seller or consolidated invoicing by the operator.

Organizations building their own marketplace platform can look for payment vendors that offer the marketplace payment functionality to ease the efforts of developing such features themselves. Typically, payment vendor marketplace functionality supports automated onboarding including recipient bank account validation, and compliance checks such as "know your customer" (KYC) and anti-money-laundering (AML). Fund disbursement can be automated based on parameters customized per seller and sometimes down to individual transactions. Sample payment vendors include Stripe, PayPal (Braintree) and Adyen. For more on selecting digital commerce payment providers, see 12 Key Questions to Ask When Selecting a Digital Commerce Payment Vendor.

Choose Vendors and Integration Approach That Fulfill Your Needs

When choosing MOA vendors, organizations should consider the functional requirements, fitness of the vendor's commercials and support capability, and integration with the existing tech stack.

9. Vendor Selection

There are several considerations when selecting the technology solution, including:

- **Architecture:** MOAs include headless or full-stack architecture. Headless MOAs integrate with a commerce platform to enable marketplace functionality and are typically used by organizations with an existing commerce platform. Full-stack MOAs offer both MOA and the commerce platform in a single solution and are typically used for "greenfield" deployment. See Figure 2 for a visual of the two architectures.

- **Deployment models:** These models include SaaS, PaaS and on-premises. SaaS is the mainstream deployment model, but some organizations may prefer other models due to their preferences for control and customization, regulatory restrictions, or unavailability of the underlying cloud services.

- **Business models:** Business models include both B2B and B2C. The two business models share common functionalities such as catalog management, order management, customer service, seller onboarding and dashboards. There are specific B2B functionalities as listed above that may not be available in B2C-specific MOAs. There are also B2C functionalities such as social login, gift card, loyalty, and integration to online marketplaces and social media that may not be offered by all MOAs.

- **Product types:** These include physical goods, services and digital products. Most MOAs can support physical goods, though those specializing in services and digital products can support that with less sophistication. Organizations offering multiple product types should define their requirements for each type and select the vendor that can fulfill the majority of their requirements. In some cases, they may need to contract more than one MOA vendor to support multiple product types if they require certain sophistications in multiple product types.

- **Industry expertise:** Industry-specific MOAs can offer unique functionality used by the industry such as flight information integration for aviation marketplaces, telecom billing integration for telco marketplaces and BOM management for industrial manufacturing.

- **Geographic presence:** Many MOA vendors are regional and can best support customers in the same region where they have presence. Organizations need to understand the geographic presence of the MOA vendor and their partners to obtain reasonable levels of support.

- **Pricing model:** The most common pricing model is subscription plus a gross-merchandise-value- (GMV-) or order-based variable fee. The subscription can be driven by the number of listings, sellers, channels, storage, functionality or a combination of these. Some vendors also charge add-on fees for functional modules, such as B2B or industry-specific modules. Some commerce vendors such as Oro and VTEX include the MOA in their commerce license, which is typically driven by GMV and order volume.

10. Integrations

Integrations often represent the most difficult part of commerce implementations. Operators should budget sufficiently for integrations between MOA and the digital commerce platform if using the headless approach, and with back-end systems such as ERP, CRM and PIM to ensure frictionless experience and efficient marketplace operations.

The operator needs to make two integration decisions:

- **Which internal applications to integrate with?** This decision depends on where essential data resides and what kind of experience the marketplace offers. For example, if product, pricing, inventory and customer data are all in ERP, then ERP is the key system to be integrated. If the organization uses PIM for product data, then PIM also needs to be integrated. If the organization uses a digital experience platform (DXP) solution for the commerce experience, that will also need to be integrated with the MOA.

In headless MOA implementations where the commerce platform has integrated into back-end applications such as ERP, CRM, PIM and customer service, integration needs will mostly be between the MOA and the commerce platform. This ensures that ecosystem applications such as personalization, email marketing or configure, price and quote (CPQ) can also work in the marketplace. For functionality that sits in the commerce platform such as account-specific views, custom integration might be needed if the MOA doesn't support that out of the box. Full-stack MOA deployment will typically see heavier integration needs with all back-end systems and ecosystem applications such as marketing, supply chain, customer service and analytics.

- **What is the marketplace roadmap?** The roadmap will dictate the timeline of integrations. What needs to be done for the initial launch? What can wait until a subsequent phase? Some data such as product data is essential for the marketplace and is needed for the launch, while others such as product recommendation might wait until the next phase.

Marketplace operators should develop a phased plan for launch and subsequent integrations of their marketplace by mapping out specific integration points. Impacts of scaling the solution and business processes, such as from tens to thousands of sellers, should also be understood to avoid unintended disruptions. Operators should also place integration needs as a key consideration during their vendor selection by looking for prebuilt integrations and/or evaluating available APIs.

Evidence

This research is based on client inquiries, published research and vendor briefings, as well as the analyst community's cumulative knowledge of the topic over years of research.

[1] It's a Mirakl! You Can Have Your Own Amazon-Style Website Thanks to This Global Company, Forbes.

Document Revision History

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

Market Guide for Marketplace Operation Applications

3 Emerging Trends in Marketplace Operation Applications to Counteract Inflation

Emerging Technologies: Digital Solutions to Enable Ecosystems and Marketplaces

Optimize Digital Marketplaces Through Better Recruitment and Enablement

Table 1: Marketplace Functionality for Various Product Types and Categories

Products	Functionality
Physical goods — general	Catalog mapping, inventory management, fulfillment, delivery, returns.
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Source: Gartner