

## Online Consumer Pulse

For online retailers, online marketplaces provide access to consumers and a “halo of trust”

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with Eileen Tan and Cory Mitchell

Our first [Online Consumer Pulse on Marketplaces](#) found that online marketplaces—websites where you can buy from multiple retailers through one shopping cart with one checkout process — are playing a valuable role in connecting consumers with products and retailers in one trusted, convenient location. From a consumer perspective, online marketplaces could one day serve the much coveted “universal shopping cart” ideal.

Marketplaces also provide valuable services to online retailers. By listing in a marketplace, retailers can:

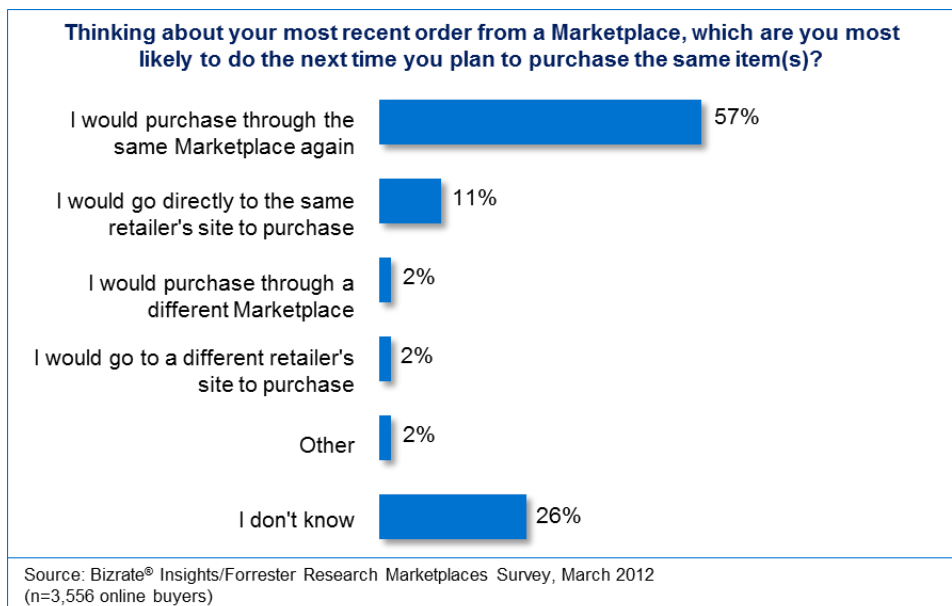
- Connect with and build awareness among new customers;
- Gain customer trust through customers’ existing confidence in the marketplace;
- Gain future direct sales; and
- Enhance the customer shopping experience.

Additionally, the added layer of the marketplace does not detract from the perceived level of customer service, order fulfillment, and support that customers expect from retailers. In fact, it may even improve it.

### Marketplaces foster a trusted connection

A well-established online marketplace helps give online consumers the confidence to purchase from an unfamiliar retailer: 67% of online consumers “trust a purchase through a familiar online marketplace even if the retailer selling the item is unfamiliar to [them]”. Furthermore, those familiar with online marketplaces view marketplaces as a trusted mechanism for retailer and product discovery. 79% agree that marketplaces have “introduced them to retailers they would not have found otherwise.”

In addition to the trust halo from the marketplace, ratings influence the confidence consumers have with retailers, particularly if the retailer is lesser known. 88% of online consumers look for ratings and reviews, with 47% of online consumers seeking them only if [they] are not familiar with the retailer and 41% only purchasing if ratings and reviews are present.



Marketplaces may also be an opportunity for retailers to build an incremental amount of longer term relationships with customers through repeat purchases. 11% of online consumers who have purchased from a marketplace cited that they would likely go directly to the same retailer’s site for a future purchase of the same item.

## Marketplaces help retailers deliver quality experiences

Most online consumers who have purchased from marketplaces feel that the experience is the same or better than shopping directly on retailers' websites, furthering the upside to retailers for participating in marketplaces.



### Thinking about hosting a marketplace?

There are many pros to this model, starting with the expansion of inventory made available to shoppers without the overhead of storing and shipping it. Offering a strong selection of products is important to customers and exerts a strong influence over customer loyalty as evidenced by correlations of 0.60 and above across the Bizrate Insights network. Furthermore, most online consumers who have shopped through a marketplace have done so repeatedly and often believe that the marketplace enhances their shopping experience.

### About the Study

The 2012 Bizrate Insights/Forrester Research Marketplaces Study was conducted in partnership with Sucharita Mulpuru at Forrester Research. Data was collected via the Bizrate Insights survey platform and offered to online buyers immediately after purchasing from the Bizrate Insights Network of over 5,000 ecommerce retailers in the US and Canada. Data from this study was collected from 11,736 online buyers from March 7–March 18, 2012.

For over 12 years, Bizrate Insights has helped retailers listen to their customers in a way that is fast and measurable, resulting in insights, action, conversation, and customer loyalty. The Bizrate Insights customer feedback and ratings platform allows retailers to collect seller ratings directly from verified customers. Standard ratings are published across the leading comparison shopping site, [Bizrate.com](http://Bizrate.com), and syndicated across the web's largest search engines to help drive conversion and traffic. Collecting over 16 million

surveys annually, Bizrate Insights is one of the largest sources of consumer-generated review content in the world, delivering actionable insights and valuable shopper data to key decision makers in e-commerce.

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