

A photograph of a vast lavender field with rows of purple flowers stretching towards a single tree on the horizon under a clear sky.

# The summer of B2B marketplaces

A bright future ahead  
for marketplace  
development

Webhelp



MIRAKL

Roland  
Berger





# Management summary

Following our last two studies *The spring of B2B marketplaces: modeling the impact of B2B marketplace strategies* (2017) and *B2B marketplaces are blossoming: new opportunities for B2B players to capitalize on a growing business* (2018), *The summer of B2B marketplaces: a bright future ahead for marketplace development* further delves into the new development and opportunities for B2B marketplaces. To provide accurate, cross-sector and cross-national analyses, we have conducted interviews with manufacturers and wholesalers from several sectors of specialization in Europe, the US and China.

The marketplace model is accelerating in Europe and new marketplaces are springing up across industries with complexity in width (scope of product offering, integration of services) and depth (increase in price range offering, granularity of SKUs available). The objective, for now, is not only to increase sales and provide a new user experience to purchasers, but also to decrease the cost to serve. This is especially true of the automotive industry, one of the most advanced sectors in terms of B2B marketplaces offered. Maturity levels, however, differ significantly across regions and industries, with Europe remaining significantly behind the US and China in terms of overall marketplace maturity. Whereas marketplaces have historically been created by producers and wholesalers, corporates are nowadays designing their own marketplaces to increase purchasing efficiency. Leading generalist marketplaces (e.g. Amazon and Alibaba) and niche players (e.g. Knowde) are developing in B2B verticals in Europe, leveraging their technical expertise and first experiments in their home countries. A silent revolution is raging in the field and European stakeholders must not turn a blind eye at the risk of being forced to surrender.

As they evolve, incumbent players are progressively considering multiple marketplace models and moving from wholly owned subsidiary to signing partnerships with their natural competitors and collaborating with leading generalist marketplaces. In all of these models, a balance is needed between control, breadth of product offering and customer reach.

# Contents

Introduction .....	4
<b>1 The acceleration of the B2B marketplace model in Europe .....</b>	<b>5</b>
Though Asia is leading the way, Europe has recently shown growing dynamism in the field	
<b>2 Inequalities die hard .....</b>	<b>6</b>
Though all industries are getting into e-commerce solutions, sectoral and regional discrepancies persist	
<b>3 A competitive global context .....</b>	<b>11</b>
European marketplaces have to deal with well-established competitors	
<b>4 Spotlights on marketplaces in the B2B aftermarket .....</b>	<b>15</b>

Introduction

More and more, the expectations of B2B consumers are shaped by the high level of efficiency offered by B2C tools and by the excellence of B2B services provided by the GAFA and BATX. Based on purchasing behavior, it appears that B2B solutions are not yet deemed sufficient, as 50% of B2B buyers and users prefer making work-related purchases on B2C websites. → **A** Be it B2C services in travel and transportation, catering or communication and social media, B2B solutions must be molded according to B2C standards. B2B leaders such as Amazon Business, Shippeo or Gartner are heading towards this level of excellence in designing offers targeted to

businesses. Indeed, with 80% of B2B buyers expecting a similarly convenient purchasing experience as that offered by B2C websites, companies must keep in mind four key criteria when designing their supplying methods:

**First**, they must be able to deliver products anywhere and anytime;

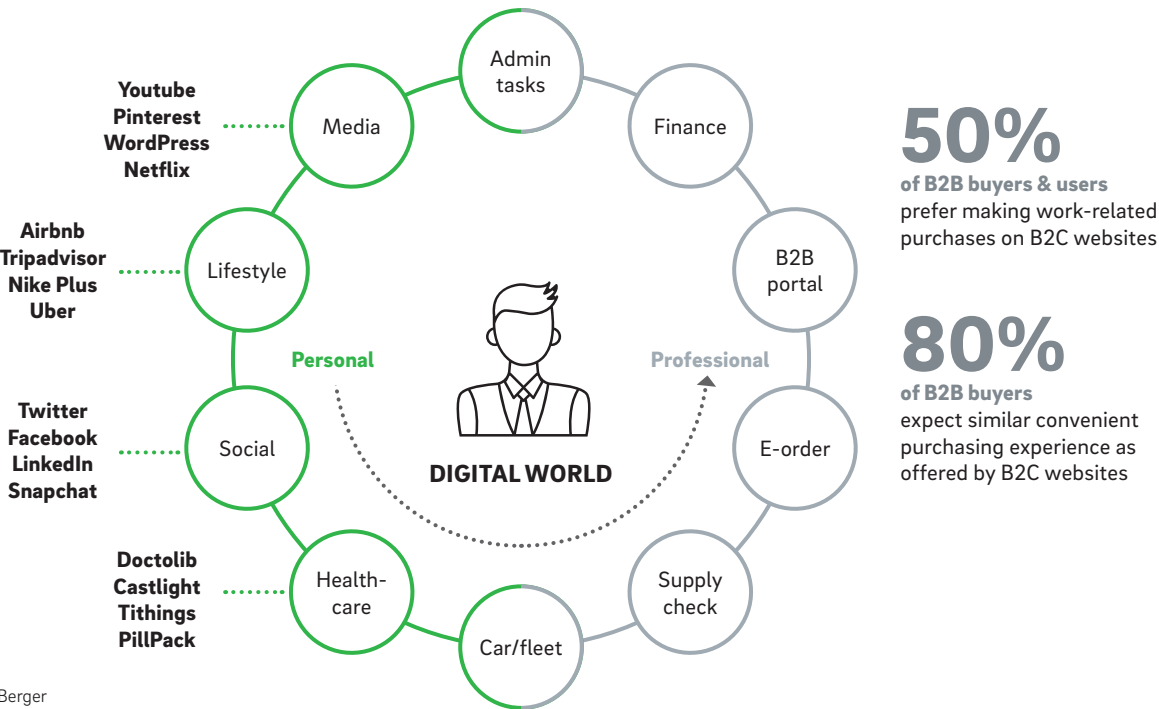
**Second**, they need to offer high-end service to all;

**Third**, they should provide a strong sense of intimacy and belonging to a community;

**Fourth**, they must ensure an intuitive and seamless user experience.

A: Setting the bar high!

B2B customers' demands are shaped by the high standards of the B2C tools they use everyday



Source: Roland Berger

1 / The acceleration of the B2B marketplace model in Europe

Though Asia is leading the way, Europe has recently shown growing dynamism in the field

The past couple of years saw a significant increase in the size of the B2B marketplace market in Europe. The compound annual growth rate was +2% p.a. from 2013 to 2017; it has been soaring since 2017 with the compound annual growth rate rising 14% p.a. in Europe.

All sectors combined, companies tend to set up marketplaces. E-shops are beneficial as they allow companies to enrich their offerings and, little by little, become a one-stop shop by offering customers the convenience of finding all the products they need on a single platform. Marketplaces also allow suppliers to master the pace of sales and to face the new competition of startups, with growth strongly based on e-sales.

Taking a global perspective, it is apparent that B2B marketplaces have accelerated worldwide. In 2013, B2B marketplaces represented USD 5.8 tn in gross merchandise value (GMV) worldwide. Today, this market has more than doubled and represents USD 12.2 tn GMV.

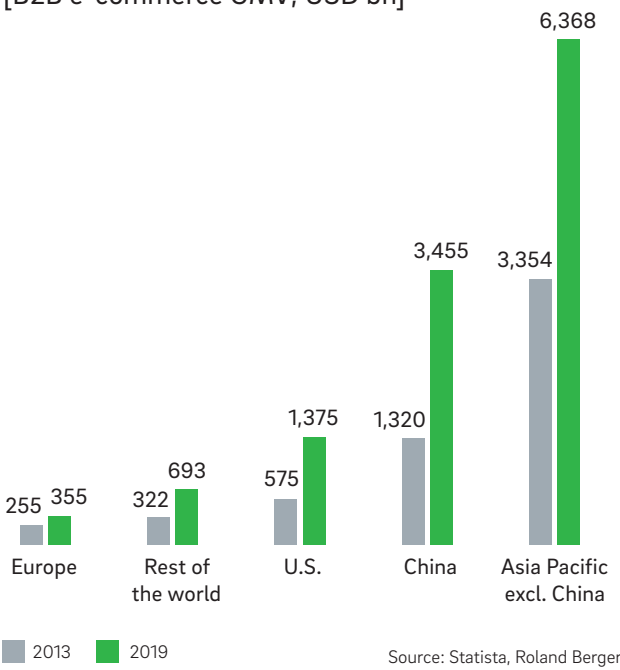
This e-commerce spurt is mostly down to Asia, which accounts for 80% of the global B2B e-commerce and ranks first with as much as c. USD 6.5 tn in 2019. At a distance, the North American market follows with a growing B2B retail size and accounts for c. USD 1,375 bn in 2019. Europe ranks last (c. USD355 bn) after the countries subsumed under the category "Rest of the World" (c. USD 693 bn).

In terms of development dynamics, Asia-Pacific is undergoing dramatic growth, soaring from c. USD 4.4 tn to c. USD 6.4 tn (+USD 2 tn overall) over the last two years after five years of constant growth from c. USD 3.4 tn to c. USD 4.4 between 2013 and 2017. In China, B2B GMV jumped from c. USD 1.7 tn in 2015 to c. USD 3.1 tn in 2017 but now shows signs of stabilizing with steady growth undergone since 2019. The United States, RoW and Europe have grown steadily but show no sign of a breakthrough. These variations are correlated to the type of end customers, volume & frequency of purchase and standardization. → **B**

The closer to B2C standards a sector is, the more attractive it is in terms of marketplace. However, the more strategic a sector, the more regulated it is and the harder it becomes to establish oneself as a trusted marketplace. In strategic sectors such as aerospace & defense or nuclear power, the tight legislative framework makes it very hard for marketplaces to be considered a trustworthy third party for transactions. Moreover, in sectors offering warranties to customers and sectors where products have to meet high safety/quality standards, customers have no interest whatsoever in purchasing products on third-party platforms.

B: Marketplaces : a leap forward!

Overview of B2B marketplaces evolution worldwide from 2013 to 2019  
[B2B e-commerce GMV; USD bn]



## 2 / Inequalities die hard

Though all industries are getting into e-commerce solutions, sectoral and regional discrepancies persist

Whereas marketplaces have historically been created by manufacturers and wholesalers to increase their sales, corporates are nowadays designing their own marketplaces to increase purchasing efficiency. Depending on their business model and position in the value chain, each stakeholder takes its own specific approach to the marketplace model. Our last year's focus topic, "B2B marketplaces are blossoming: new opportunities for B2B players to capitalize on growing business" (chapter 2) detailed four different models of marketplaces: one-stop shop, business model transformation, distribution model extension and procurement network.

### CHOOSING THE RIGHT B2B MARKETPLACE MODEL

One-stop-shop and business model transformation approaches were the natural bedrock of marketplaces and were first initiated by wholesalers who wanted to become the reference one-stop shops for their customers and monetize long-tail products.

To bypass wholesalers, producers set up distribution channel extensions to enhance protection against leading generalist marketplaces and unleash growth from new customers and new products.

B2B customers, for their part, launched procurement network marketplace approaches in a bid to decrease prices, increase product availability and monetize long-tail products.

The latest trend among B2B marketplaces is retail marketplaces. These were first initiated by B2C customers to decrease prices from B2B suppliers and benefit from long-tail offers.

Today, the model of retail marketplaces is gaining importance, with customers coming together to create their own marketplace, mainly with the aim of bypassing traditional sellers. → [C](#)

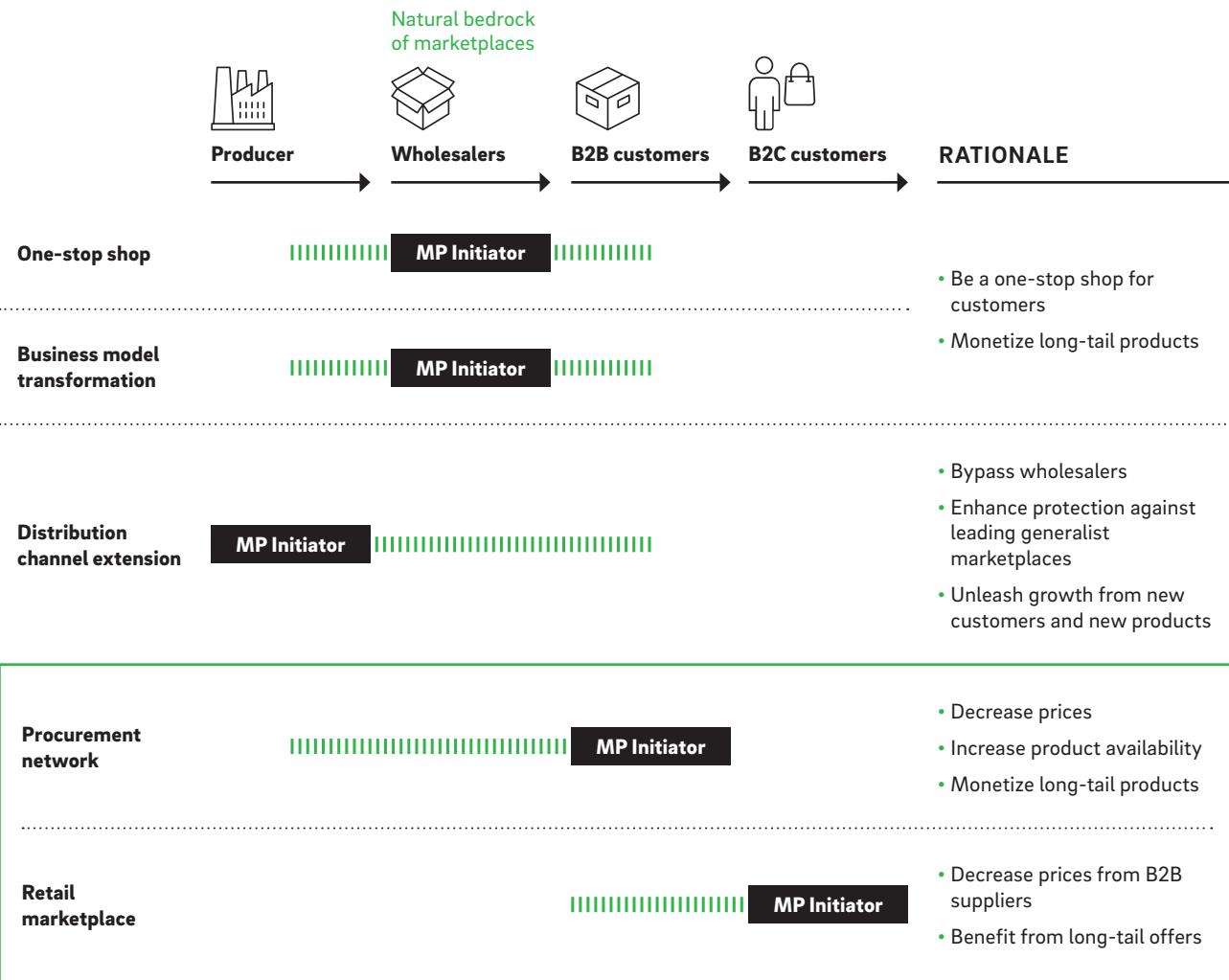
Today, the model of retail marketplaces is gaining importance, with customers coming together to create their own marketplace, mainly with the aim of bypassing traditional sellers.

### ALL FRENCH INDUSTRIES EXPAND THEIR E-COMMERCE OFFER...

Overall, the share of B2B e-commerce is increasing in all French industries, with the sectors of travel and transportation and automotive parts (tires) undergoing the biggest increase, at +6 pp between 2017 (53% for travel and transportation; 25% for automotive parts) and 2018 (59% for travel and transportation; 31% for automotive parts). The HoReCa (equipment) sector shows the smallest sign of growth (+2 pp between 2017 and 2018). The other sectors (furniture/office suppliers, IT/phones, industrial supplies, automotive parts (rest), construction supplies and HoReCa supplies (food)) exhibit growth of either +3 pp or +4 pp. → [D](#)

### C: Who does what?

Overview of marketplace rationale per initiator



||||| Scope of marketplace    □ Recent trends among B2B makerplaces

Source: Roland Berger



... EACH AT THEIR OWN PACE

The growth drivers<sup>1</sup> that explain the rise of B2B marketplaces are quite specific to each sector. Both in 2017 and in 2018, the travel and transportation sector was the best provided for in terms of B2B marketplaces, with a share of B2B e-commerce (including procurement) in this field of 53% in 2017 and 59% in 2018. The growth drivers in this sector (which, contrary to the other sectors studied, provides services to B2B customers such as plane tickets, hotel bookings, etc.) are the digitalization of travel management companies' offers, the emergence of collaborative platforms for business trips, the creation of booking platforms for HoReCa purposes, companies equipping themselves with self-booking tools and other e-procurement solutions, and online booking bypassing agency intermediation.

For the field of supplies and office equipment, the growth is boosted by the computerization of purchases in big companies and public administrations, the development of joint buying organizations for small companies so that they can benefit from online purchasing tools, e-commerce strategies from distance-only sellers that operate in supply and office equipment and/or with supplies and office equipment stores.

For IT and phones, the computerization of purchases in big companies and public administrations and e-commerce strategies from distance-only sellers operating in IT supplies are also growth drivers, along with B2B e-commerce diversification strategies present in the high-tech B2C segment.

The auto industry's B2B e-commerce growth (tires and rest of equipment) is driven by the natural aging of the vehicle fleet, necessarily stimulating the market for replacement parts, the powerful upswing of pure-play e-merchants formerly specialized in B2C offers but diversifying with B2B propositions in tires and automotive equipment, the reinforcement of e-commerce strategies by auto centers and tire makers who are now developing

Both in 2017 and in 2018, the travel and transportation sector was the best provided for in terms of B2B marketplaces.

offers targeting professionals.

For supply and equipment in the industry, business and service sector (disregarding production itself), it is e-commerce strategies from distance-only sellers historically operating in industrial supply and equipment, the appearance of pure players in e-commerce B2B and the improvement of online services for recurrent purchases that are driving growth.

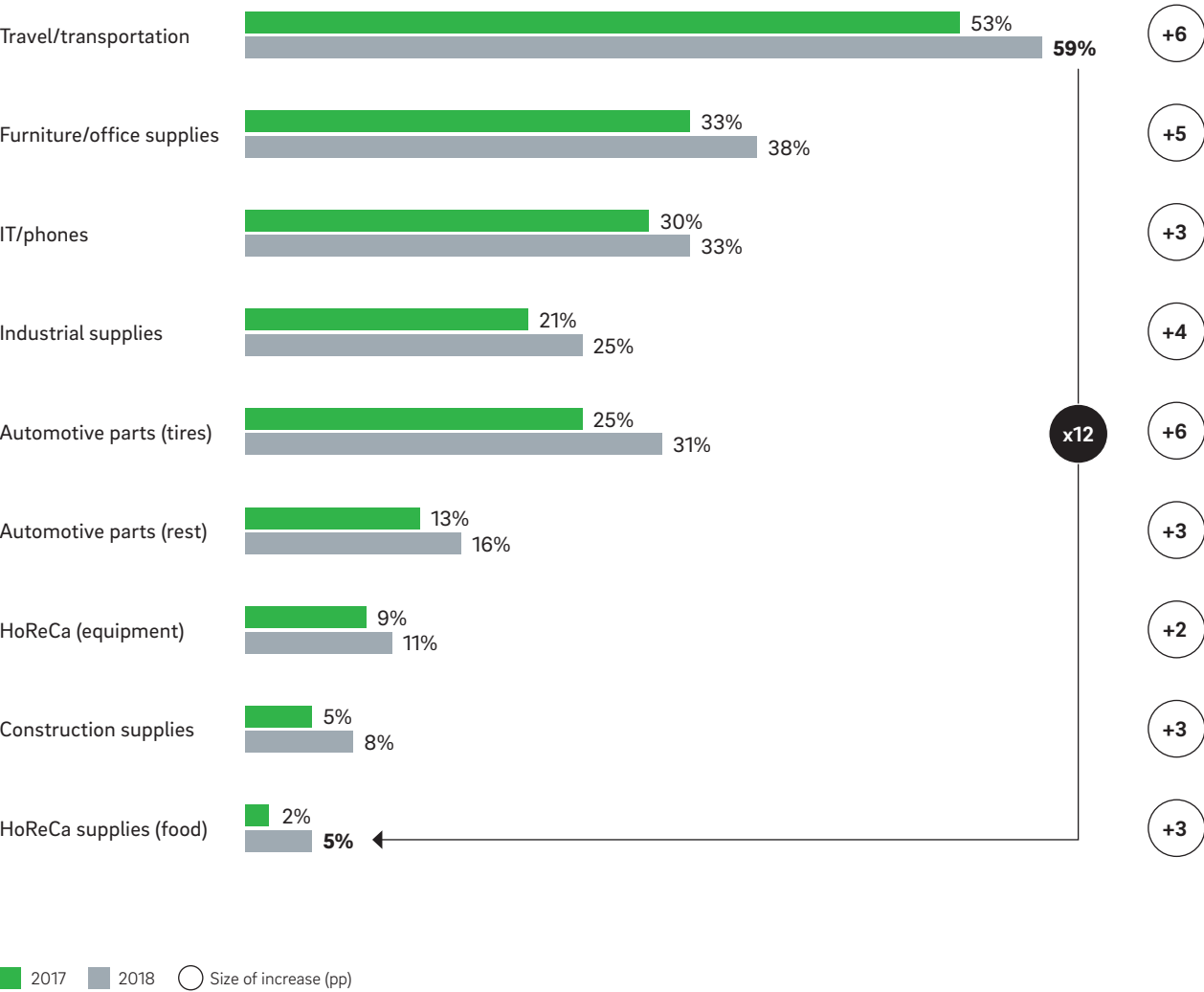
At the bottom of the pyramid, the share of B2B e-commerce for the HoReCa<sup>2</sup> supplies (food) sector was 8% in 2018, gaining +3 pp compared to 2017. When it comes to the food industry equipment and supply dedicated to HoReCa, the growth is driven by the increasing number of HoReCa companies placing orders online and the rising number of food wholesalers in e-commerce.

In the market for construction supplies and equipment, the acceleration of e-commerce negotiation strategies and DIY supermarkets along with the rise of very energetic players is leading to the emergence of online sales.

<sup>1</sup> Xerfi study, "Le e-commerce BtoB à l'horizon  
<sup>2</sup> HoReCa: Hotels, restaurants and catering

D: Maturity by industry in France

SHARE OF B2B E-COMMERCE PER CATEGORY<sup>1</sup>



<sup>1</sup> E-commerce including procurement  
Source: Xerfi, Roland Berger

The following statements stem from the interviews conducted as part of this study with partners from all industries.

"Today, marketplaces are mostly focusing on product sales. However, they will be broadening their <b>catalog with service offerings.</b> "	"It is key to <b>build trustworthy third parties</b> by both choosing the right sellers and considering clients' full needs."
"Marketplaces will keep <b>thriving in markets characterized by their complexity and their lack of transparency</b> , which can be quite unsatisfactory for final clients (both B2B and/or B2C)."	<i>"To win their challenge, marketplaces must make up catalogs offering user-friendly and simplified navigation and enabling clients to choose neutrally-selected products with a very little failure rate."</i>
<i>"Digital natives won't be able to penetrate industries such as aerospace or the rail sector as those are too heavily regulated."</i>	"We have no choice but to respond to our clients' clear demand by <b>opening our marketplaces to both our competitors and new products.</b> "
"The Chinese market is very different from the European one and digital actors are already playing their part in all industries there, even in the most regulated ones."	

### 3 / A competitive global context

European marketplaces have to deal with well-established competitors

Be it because of the market structure at the international level and consumers' expectations, European marketplaces are still lagging far behind the "Barbarians", here represented by leading international generalist marketplaces (mostly Amazon and Alibaba). Will European marketplaces manage to deal the right blow to extricate themselves from this fierce competition?

#### WITHSTANDING ONGOING ASSAULTS

Leading foreign marketplaces have a significant presence in European verticals. Their presence can either be considered a threat and/or an opportunity for European incumbents.

Indeed, they already occupy most verticals (furniture, IT/phones, auto parts, industrial business and services, HoReCa), but they also tend to be developing in the sectors where they find appeal in the size of the market, margin or customer satisfaction issues they can solve.

Leading generalist marketplaces are serious rivals for incumbent European players. Though European incumbents may have the status of trusted third parties for B2B marketplaces and a satisfactory B2C brand image, a well-developed network and recognized technical mastery, one can legitimately wonder whether these assets will be enough to compete against foreign usurpers. Indeed, "Barbarians" are equipped with strong assets, among them B2C brands, data analytics, pricing algorithms, online user experience, low costs and low retail margins, along with unrivaled logistics efficiency.

If they want to have any chance of surviving the assault of the giants, with players like Amazon and Alibaba attacking from all sides, →E incumbent European players must grow and defend in regulated segments such as nuclear power and defense, but also increase trustworthiness (through warranty periods, for instance), enhance their ability to offer locally adapted products and heighten portals' technical specificity and features. Developing a clear picture of the current positioning of

GAFA and BATX would enable European marketplaces to fully mobilize their strengths and thus prepare their defense.

#### POTENTIAL FOR COOPETITION?

However, it must be noted that a strategy consisting of partnering with leading generalist marketplaces to break into new territory or launch new products peripheral to companies' core business could be a strategy that pays off. Among the different marketplace approaches detailed below, →F close attention must be paid to the multi-entities' player model, where sellers display their products on several marketplaces. Though it presents some implementation difficulties, this model allows sellers to test several marketplace strategies at limited cost, which can be advantageous for stakeholders who still need to adapt their model.

1. To be successful, marketplaces now must focus on both vendors and customers and work on ensuring an extensive product range;
2. Providing services for both customers (such as product finding and comparison, ordering) and vendors (marketing solutions, suppliers onboarding, logistics);
3. Paying close attention to the online payment tools made available on their platform and thus securing the reliability of the marketplace, ascertaining the clarity and the accuracy of quotes, having the necessary tools to check customers' solvency, defining precise payment deadlines, anticipating returns and credit notes policy, adopting payment terms that are adapted to B2B;
4. Ensuring visibility on stocks with accurate knowledge of stock availability and stock planning;
5. Paying considerable attention to setting up a dedicated team for mastering the marketplace with efficient vendor management, a product owner, agile development and digital marketing teams to ensure the increase of online traffic.



E: Illustration of possible disruption

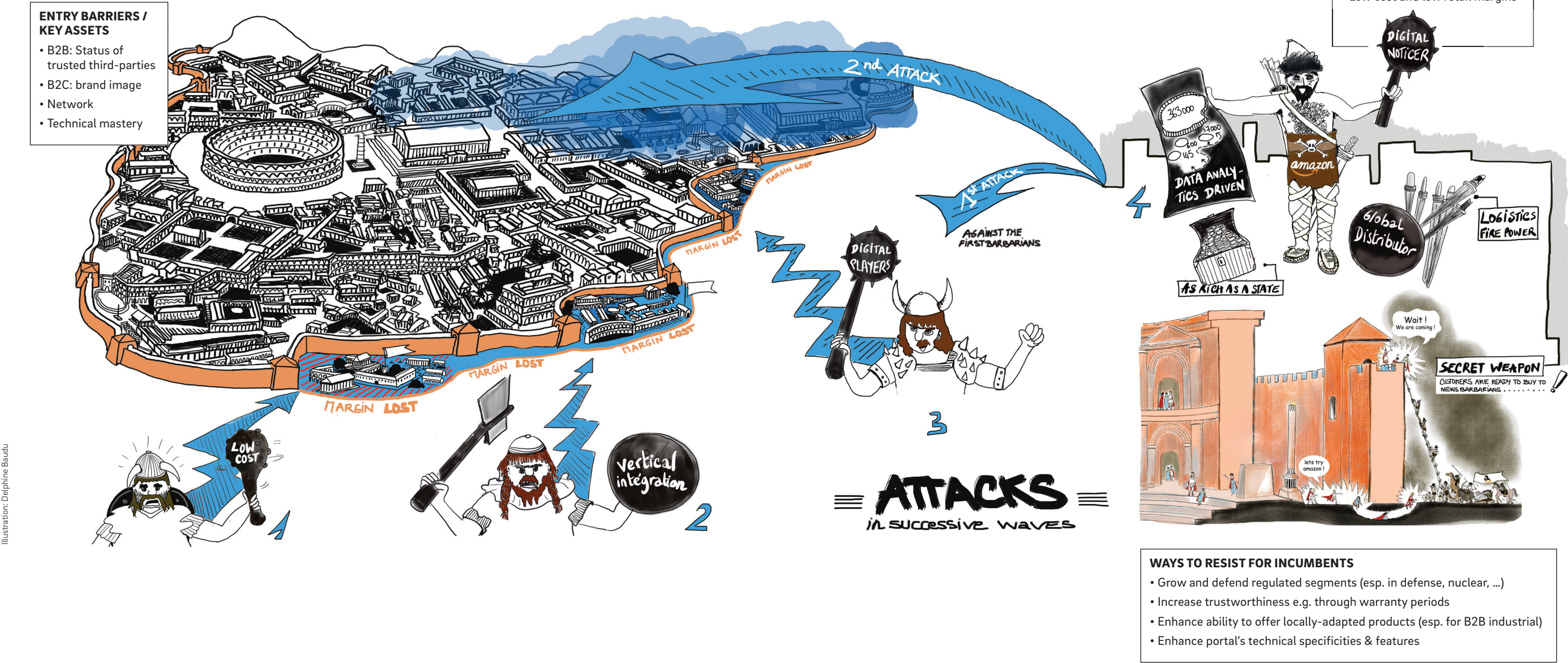







Illustration: Delphine Baudu

In all fields, marketplace positioning strategies follow the same digitalization curve. As technology forms a new market and users establish pull, adoption becomes mainstream. The ensuing network effect drives suppliers

and consumers to pick a platform and take it to a certain tipping point, after which technology entrants tirelessly replace incumbents.

F: And the winning strategy is...

Marketplace approaches for incumbents

Characteristics		⊕	⊖
WHICH MODEL? <div>Solo/ controlled</div> <div>Collective/ federated</div>	 <b>Owned subsidiary</b>	<ul style="list-style-type: none"><li>• 1 shareholder</li><li>• Fully integrated in group</li></ul>	<ul style="list-style-type: none"><li>• Full control over operations</li><li>• Leveraging of synergies at full potential</li><li>• Limited product offering (width and depth)</li></ul>
	 <b>Autonomous subsidiary</b>	<ul style="list-style-type: none"><li>• Independent in review and reporting</li><li>• Open to new vendors and clients</li></ul>	<ul style="list-style-type: none"><li>• Enhanced value proposition with external vendors</li><li>• Increased customer reach</li><li>• Limited integration with holding company – possible missed synergies</li></ul>
	 <b>Co-owned entity</b>	<ul style="list-style-type: none"><li>• Owned with new shareholders (not direct competitors)</li><li>• Fully open entity</li></ul>	<ul style="list-style-type: none"><li>• Lower capital requirements</li><li>• Potential synergies with other shareholders</li><li>• Possible complex governance model</li></ul>
	 <b>Collective entity/ multi-entities</b>	<ul style="list-style-type: none"><li>• Collectively built</li><li>• Open to direct competitors</li></ul>	<ul style="list-style-type: none"><li>• Strong protection against leading generalist marketplaces through maximization of value proposition</li><li>• Sharing of proprietary data with competitors</li><li>• Risk of anti-trust non-compliance</li></ul>
	 <b>Collaboration with generalist leading marketplaces</b>	<ul style="list-style-type: none"><li>• To be considered in specific segments/geographies</li></ul>	<ul style="list-style-type: none"><li>• Leveraging of leading generalist marketplaces' expertise and capabilities</li><li>• Risk of mid/long-term disintermediation by leading generalist marketplaces still present</li></ul>

Majority of cases

Source: Roland Berger

## 4 / Spotlights on marketplaces in the B2B aftermarket

B2B aftersales are emerging in all sectors and B2B aftersales marketplaces have already been launched in several industries such as automotive, aviation and transportation (helicopter, maritime transport, etc.) or forklifts and packaging machinery. Companies founding these marketplaces do so with the strong intention of securing the market, expanding their playground and becoming as powerful as "Barbarians" in their specific field. →G

Providing that relevant players act now, some industries appear to be on the verge of developing B2B aftersales marketplaces. This is the case for wind energy, construction and farming machinery, HVAC and others.

### THE AUTOMOTIVE INDUSTRY IS THE MOST ADVANCED

When it comes to B2B marketplaces, trusted third parties are appearing in the automotive sector, providing a catalog of parts to consumers, technical documentation, multi-brand portals and sometimes other services. The spare parts market is organized as follows, with the OE aftermarket and B2B independent aftermarket (IAM) taking distribution into their hands:

The automotive spare parts market, representing c. EUR 480 bn globally, is fertile ground for the operation of B2B marketplaces. →H The size of the automotive spare parts market amounts to c. EUR 150 bn in Europe, c. EUR 125 bn in the United States, c. EUR 100 bn in China and c. EUR 105 bn in the rest of the world. The marketplace model is well placed to respond to the market's needs as it offers visibility for a very large and complex range of parts and services (long-tail business). It responds to the diverse needs of customers (B2B fleets/ B2C customers, new cars/old cars, DIYers/DIFMers) and has been specifically designed to accommodate a large diversity of offers (producers/wholesalers, OEMs/OEs, captive IAM/independent IAM, online sales). All in all, the automotive industry represents a significant market

segment in terms of both size and profitability, and the remaining inefficiencies provide scope for new practices.

Today, auto spare parts marketplaces are transforming and expanding to other markets. OE is expanding gradually towards IAM activities. B2B businesses are increasingly operating on B2C markets and B2C players are now flooding B2B markets. Generalist marketplaces are invading the automotive spare parts sector thanks to their high level of logistics efficiency, data analytic skills and low-cost strategies. The battle is taking place now in China, in the US... and also in UE. There will be winners, there will be losers and it must be understood that the outcomes will depend of the actions taken today.



**G: B2B Marketplaces proliferation**

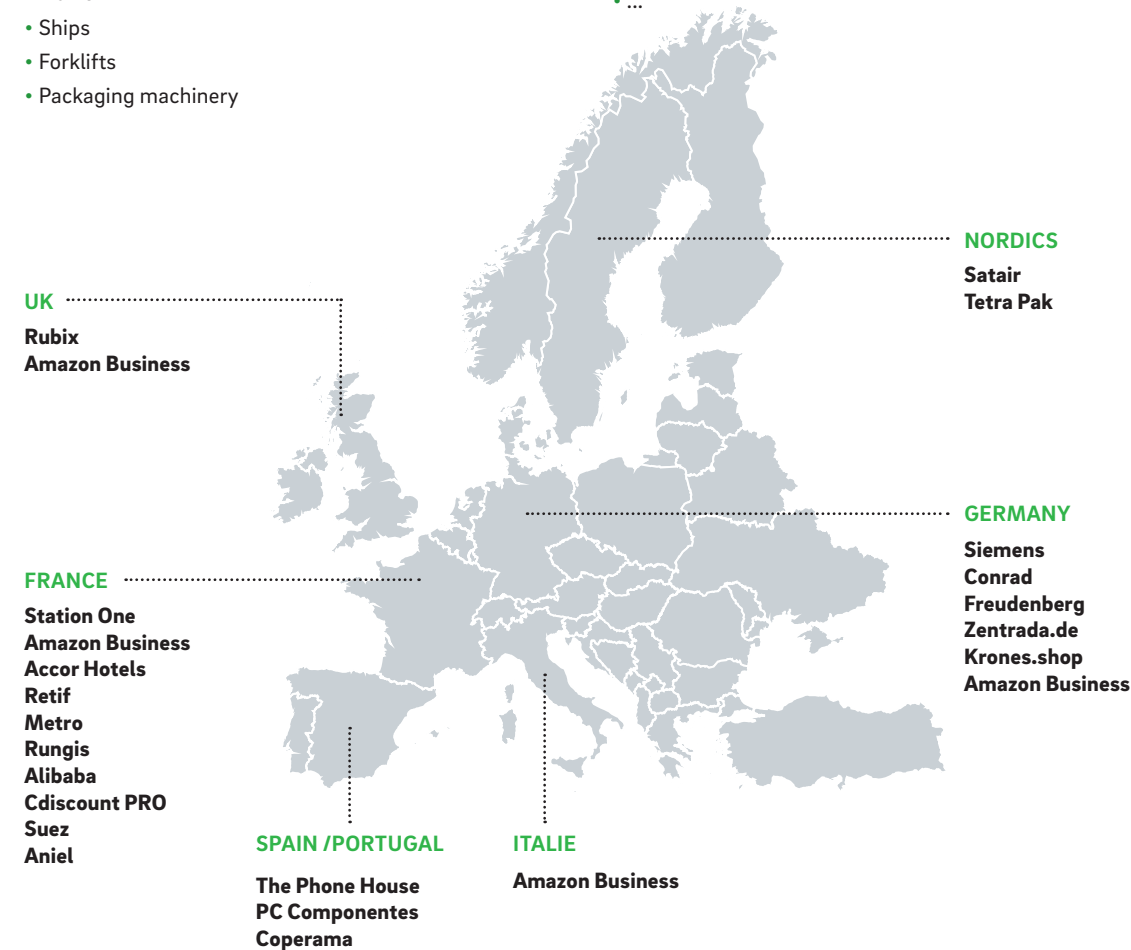
Map of B2B marketplaces developing in Europe – Non-exhaustive

**B2B-After-sales marketplaces already launched in several industries**

- Automotive
- Airplanes
- Helicopters
- Trains
- Ships
- Forklifts
- Packaging machinery

**Several other industries where it may come soon**

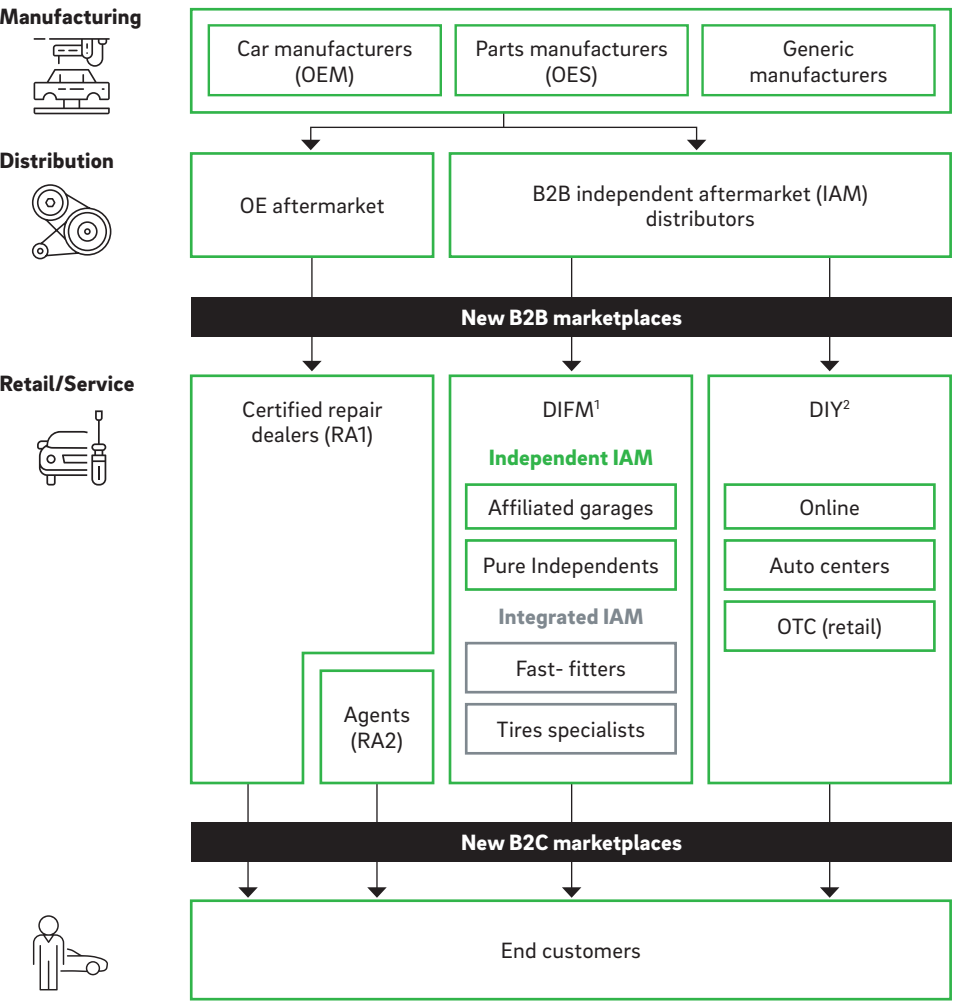
- Wind Energy
- Construction Machinery
- Farming machinery
- HVAC
- ...



**H: Mile after mile**

The Automotive aftermarket spare parts marketplaces are well advanced

**AUTOMOTIVE AFTERMARKET STRUCTURE**



<sup>1</sup> Do It For Me, <sup>2</sup> Do It Yourself  
Source: Roland Berger

**MARKETPLACES**

Key success factor:  
**being a trusted third party**

**B2B marketplaces**

- Catalog of parts
- Technical documentation
- Multi-brand portal
- Can be extended to services (e.g. HR)

**B2C marketplaces**

- Booking**
  - Garage referrals
  - Garage booking
  - Can include quotation and pricing (up to yield pricing)
- Parts sales**
  - Pre-order/pre-picking of parts at customer booking
  - Parts sales to end customers

Conclusion

The summer of marketplaces, as we call it, suggests a bright future ahead for marketplace development. A future in which each company will nurture its own marketplace according to its specific needs.

This implies several questions. First, where do you stand in terms of marketplace development and what new opportunities are expected to unfold? Second, what marketplace strategies should be designed, depending on whether you sell spare parts or services? How do you integrate customers into the purchasing process? Finally, how do you manage risks and opportunities when confronted with the strength of leading generalists' marketplaces?

All of these questions must be thoroughly addressed and answered for any company that hopes to build an efficient B2B marketplace strategy.

Credits & Copyright

AUTHORS

ROLAND BERGER

OLIVIER DE PANAFIEU  
Managing Director France  
olivier.depanafieu@rolandberger.com

MATTHIEU SIMON  
Partner  
matthieu.simon@rolandberger.com

MAXIME LAURENT  
Editor  
maxime.laurent@rolandberger.com

RAPHAËLLE DE LAFFOREST  
Junior editor  
raphaelle.delafforest@rolandberger.com

PRESS CONTACTS

CAROLINE LAW  
caroline.law@rolandberger.com

February 2020

We welcome your questions, comments and suggestions

WWW.ROLANDBERGER.COM

MIRAKL

DICKEL SOORIAH  
Vice President of Marketing  
dickel.sooriah@mirakl.com

HUGO DANIELIAN  
Senior Platform Consultant  
hugo.danielian@mirakl.com

WEBHELP PAYMENT SERVICES

JÉRÔME CONNAC  
Business Developer  
jconnac@wps.webhelp.com



**ROLAND BERGER**, founded in 1967, is the only leading global consultancy of German heritage and European origin. With 2,400 employees working from 35 countries, we have successful operations in all major international markets. Our 52 offices are located in the key global business hubs. The consultancy is an independent partnership owned exclusively by 230 Partners.

**WEBHELP PAYMENT SERVICES** is a European B2B Fintech leader offering payment services to marketplaces. As a payment institution, we support our customers by designing & delivering best in class customer-centric B2B payment services, improving customer experience and accelerating a safe business development. We offer strong capacities in risk, transaction & non-payment management. We are proud to support amazing leading companies such as Conrad Electronic, Rungis, Aniel and Conforama.

**MIRAKL** gives retailers and brands a fast path to increase customer value by launching an online marketplace. The Mirakl Marketplace Platform automates the hard things: seller onboarding, product data management, service quality control and order distribution; in an API-based solution that is modular and easy to integrate. Over 130 customers operating marketplaces in 40 countries trust Mirakl's proven expertise and technology, including Hewlett Packard Electronics, Conrad Electronics, Darty and Galeries Lafayette.

**PUBLISHER:**

**ROLAND BERGER**

62-64, Rue de Lisbonne

75008 Paris

France

+33 1 53670320