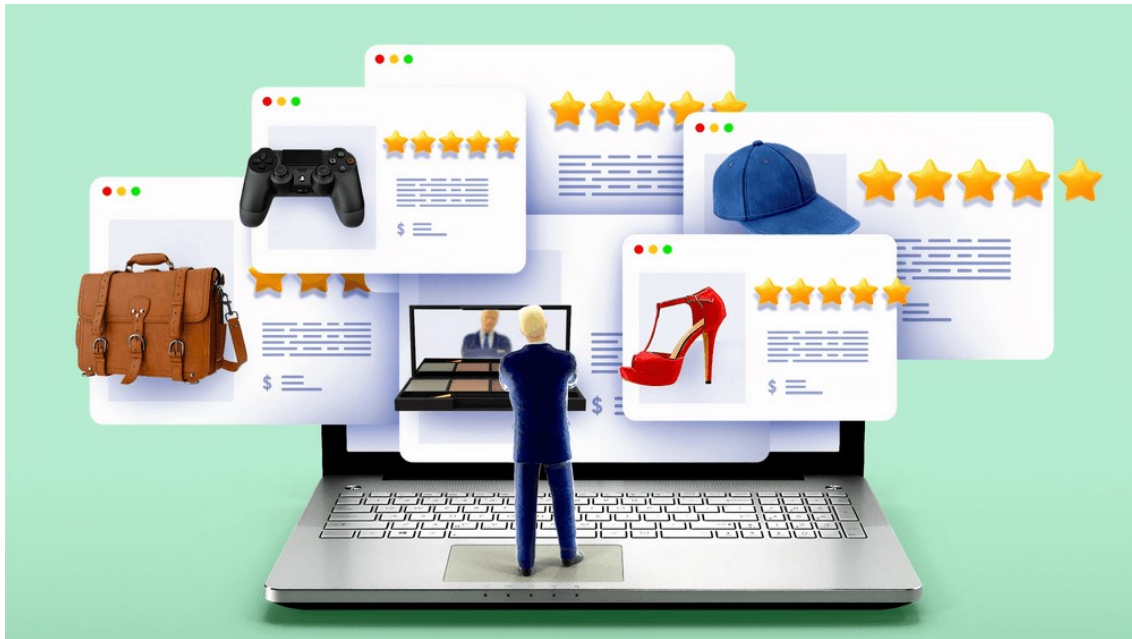


## Customer service trends and developments at Marketplaces



Marketplaces are booming.

But what are the customer service trends and developments at Marketplaces?

What is the balance within the channel mix, and does it differ from customer service at other companies? And what does the future look like?

All this and more will be discussed in this white paper including findings from interviews with both national and international Marketplaces as well as other research.

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## What are Marketplaces

A Marketplace is a B2C or B2B e-commerce platform where supply meets demand. External vendors can, whether remunerated or not, post their products or services and sell them to the users of this e-commerce platform. The vendors can be both individuals and companies, depending on the approach of the Marketplace. The Marketplace is available as a website and/or app.

## Types of Marketplaces

There are different types of Marketplaces. There are both product Marketplaces and freelance Marketplaces. Within the product Marketplaces, we can make a distinction between the following subcategories:

### Product Marketplaces

- **Vertical Marketplace**  
Sells different brands/products/services of a product group, e.g., only second-hand designer clothes. Examples: Zalando, ASOS, Etsy
- **Horizontal Marketplace**  
Sells different brands/products/services that are related e.g., transportation and accommodation, food, and beverages. Examples: Booking.com, Airbnb, Takeaway.com
- **Multivendor Marketplace**  
Sells virtually anything and is not focused on a particular product category or target group. Examples: Amazon, AliExpress, Walmart, Alibaba
- **Re-commerce Marketplace**  
Does not offer new products, but vendors can sell used (and sometimes also returned) products. This is a newer, emerging market. Examples: Vinted, eBay, Amazon Warehouse

### Freelance platforms

A freelance platform brings together supply and demand for freelance jobs.

On a freelance platform, clients post jobs to which freelancers and professionals can respond. Vice versa, freelancers and professionals can present themselves here and thus be found and approached. Examples: Fiverr, Upwork, Toptal.

## Customer service at Marketplaces

Marketplaces are growing fast. With exponentially growing sales, customer service departments are also increasingly busy.

In the past, customer service at Marketplaces primarily focused on the masses. The emphasis was placed on organizing the customer service department as efficiently as possible:

- Answer as many questions as possible
- In as little time as possible
- Spending as little time and thus money as possible

This strategy seriously affects the quality of customer service as it gives customers the impression that they are less important. This is also reflected in the channels that are used.

### **FAQ and self-service are given priority**

Interviews with several Marketplaces show that customer service departments often received the same general questions. These questions are often already answered on the FAQ page and can therefore be solved through self-service. This is fine as self-service is a popular channel. Customers prefer to solve their problems themselves. However, if this information is not sufficient or not easily found, a more personal customer service is desirable.

### **Chatbots on the rise**

To keep those simple basic questions away from customer service, the use of chatbots is increasingly common on Marketplaces. They are particularly suitable for answering such questions but less for complicated or urgent questions. It is therefore key to communicate this clearly, so that customers know what to expect. This way customers will be less disappointed when they do not receive an appropriate answer. Ideally, the chatbot should have the ability to relay the chat to a 'real' employee. Customers are thus well attended without having to make an extra effort. When this possibility is offered, it is often people's preferred choice.

### **Lack of personal customer service**

The main reason for this is that many Marketplaces cannot or can hardly ever be reached by telephone and customers often have to wait 1-3 working days when they ask their questions via e-mail. Hence personal (and urgent) customer service is not always provided, while there is a genuine demand. This is partly related to the fact that all or part of the products that Marketplaces sell, are third-party products. This makes it harder to answer questions related to content and deliveries. However, often it is also a matter of cost reduction. Personal customer service is more expensive than (partially) automated customer service.

### How does customer service at Marketplaces differ from that at retailers?

The main difference between the customer service of a Marketplace and that of a retailer is that Marketplaces receive questions about products or services offered by external vendors, while retailers decide for themselves which products or services are offered.

Marketplaces therefore face the challenge of answering questions that can sometimes only be answered by the third party. However, Marketplaces are the ones held accountable. If those questions are not answered properly or quickly, it may result in customers not coming back to that Marketplace.

#### **Differentiating by exceptional customer service**

Consequently, various Marketplaces hold third parties responsible for the customer service with respect to their orders. This contact takes place through the Marketplace platform. This gives third-party vendors the opportunity to distinguish themselves from the competition by providing excellent customer service. The more stars and positive reviews the external vendor receives, the more likely it is that the next buyer will also choose his products.

#### **Marketplace rules**

Marketplaces often apply different rules for external vendors. In general, promotional offers to customers following a sale through a Marketplace are not allowed. Also, deliveries must meet the requirements of the Marketplace in terms of speed and service. If an external vendor fails to meet these requirements on several occasions, he or she may be (temporarily) excluded from the platform.

#### **Funnel-oriented contact channel strategy**

Customer service at Marketplaces is often multichannel. This means that the customer has the choice of multiple channels to contact the customer service department, but these channels are not integrated within the contact center.

One of the Marketplaces interviewed commented in this regard: “For a Marketplace I have more faith in a funnel-oriented contact channel strategy, whereby the Marketplace determines how the customer or user contacts you. Obviously, the customers’ needs for how they contact you should not be completely ignored, but to a large extent it is important to try to determine that yourself.”

### Through which channels can the Marketplace contact service be accessed?

The channels through which a Marketplace can be accessed, and the way customer service is organized differ per Marketplace.

#### **Focus on self-service and mutual communication**

Some Marketplaces are merely focused on making a quick buck by bringing together supply and demand for certain products or services. These platforms are generally less accessible. They have organized their customer service in such a way that questions are handled by the external vendor or, in the case of freelance platforms, the client. In general, these Marketplaces cannot or can less easily be held accountable and they attach less importance to personal customer service. Examples include eBay and Amazon Warehouse.

They make their money by charging commissions, by only allowing certain advertisements for a fee, by paid opportunities to increase awareness of certain products and by banners. These platforms are often easy to use, and it is obvious that it is a Marketplace.

The types of customer service channels used are primarily:

- FAQ page (self-service)
- Chatbot (which may or may not redirect to an employee)
- Social media
- E-mail
- Telephone

Customer service via e-mail and telephone are promoted as little as possible as this requires 1-on-1 support and thus costs more time and money. The objective is to have most questions answered by the chatbot, the FAQ page or by mutual contact between buyer and vendor. The latter because most questions concern the product that is for sale, and it is better for buyer and vendor to communicate directly. This can be done by, for example, a chat or mail feature on the Marketplace or by telephone, if provided.

The same strategy is used by Marketplaces that are just about volume such as AliExpress and Amazon.

#### **Marketplace customer service**

There are also Marketplaces that in fact attach great value to customer experience and customer satisfaction and therefore consider customer service important, e.g., AboutYou. These Marketplaces are easily and quickly accessible through different channels, comparable to or sometimes even better than the average retailer.

With these Marketplaces, it is not always obvious that they work with third parties and the customer service of these platforms takes full responsibility for the vendors. Such platforms also include Bol.com and Zalando. They are accessible through multiple channels:

- Telephone
- Live chat
- Chatbot
- E-mail
- Social media
- FAQ/self-service

This strategy is usually also pursued by Marketplaces that specifically target a particular branch. An example includes Booking.com that offers both accommodation, flights and rental cars.

These Marketplaces also make their money by charging a commission. In general, the customer doesn't notice this as the price is the same as charged by other suppliers. The costs are incurred by the suppliers. They earn less by selling through a Marketplace, but the Marketplace gives them a wider reach. Here, the customer service of the Marketplace is generally the first point of contact and is easily accessible.

#### **Mutual (anonymous) communication and Marketplace customer service**

The customer service at some Marketplaces is a mix of the types mentioned above, e.g., Marketplaces that bring together supply and demand for unique and complicated (second-hand) products, such as Catawiki where you can buy vintage wines or watches, for example.

As it concerns unique and complicated products, customer service is organized differently from the customer service of a Marketplace with normal (second-hand) products. The main reason is to reduce off-platform trading. Just like a normal Marketplace, a Marketplace in this category makes money by charging a commission to the vendor and/or buyer and by offering a paid opportunity to appear on the first page of a certain category.

In the case of unique and complicated products, it may be financially interesting to close the deal outside the platform. Opportunities for mutual contact between buyer and vendor are therefore limited. An internal, encrypted chat feature whereby the contact details of the buyer and vendor are not visible to the other party often only opens after the deal is closed. This ensures that all communication is conducted over the platform.

The customer service of a Marketplace in this category on the other hand, puts the emphasis on telephone accessibility and live chat. Because the products are complicated and unique, the personal aspect of customer service is important in this category. The customer service of such a Marketplace acts as an intermediary between buyer and vendor. They also have experts who can answer questions about a given product group.

#### **Freelance platforms**

The customer service of a freelance platform is generally easily accessible through a contact form on the website, e-mail, and telephone. On freelance Marketplaces there is a lot of communication between the client and the parties responding to them.

The customer service of a freelance platform therefore mainly receives questions about how the platform works and complaints about a client or freelancer/professional. For example, when a job has not been fully completed or a payment has not gone through.

The revenue model of freelance platforms is different from so-called product Marketplaces. Freelance platforms often work with subscriptions. Contractors pay a fixed fee per month or per year to be visible on the platform and to be able to respond to assignments.

## What is the biggest challenge for a Marketplace customer service department?

Customer service departments of Marketplaces may encounter various problems. These are sometimes linked to the type of platform but often also include more general customer service challenges:

- **Increase in volume**

When the volume of sales increases, the pressure on the customer service department also increases. The main challenge is to scale up the customer service capacity without increasing the number of employees. This is particularly important when the sales volume changes throughout the year. This can be done, for example, by ensuring a comprehensive FAQ section if it doesn't already exist or further optimizing an existing one, by adding a chat(bot) to answer basic questions from clients and by stimulating mutual contact between buyers and vendors or clients and contractors.
- **International challenges**

The customer service departments of Marketplaces like Catawiki face other challenges. As they limit mutual communication and answer most questions themselves, they need a very comprehensive customer service and, for example, employees who speak multiple languages. Here it is important to properly manage expectations and to ensure clear information about procedures, deliveries and shipping times. The clearer the information is available; the less questions are received.
- **Responsibility for mutual communication**

The main challenge for freelance Marketplaces is that they are held responsible for the mutual communication between clients and contractors. They have little control over this, but problems do impact the platform, for example, when a job is not fully completed, or a payment is not received in full. At such times, the customer service department is called in and they must mediate to prevent negative reviews. Here too, expectation management and clear communication are critical.



## The value of personalized customer service

Fortunately, since the corona crisis, Marketplaces have recognized the importance of putting more emphasis on customer service. The Marketplaces we talked to indicated that increasingly more time, money and attention are being spent on good customer service. This is likely because it is becoming more and more evident that it has a beneficial impact on customer experience, customer satisfaction and also brand loyalty.

Telephony is an important link in this process. Although telephony is one of the oldest customer service channels, it is still an important channel today. This is for various reasons:

- It is **easy to use**, and everyone knows how to use it
- It is **the most personal channel**; the customer has the agent's full attention as opposed to chat or social media where the agent handles multiple customer questions at once
- It **allows for emotions**. The agent can hear them in people's voice and respond to them. This contributes to a positive experience and makes it easier to end a conversation on a positive note.
- It is ideally suited for **urgent and complex issues**. Rapid interaction is important to customers. They don't want to wait or be strung along. Telephony allows for 1-on-1 attention leading to quicker complete responses to questions
- Telephone accessibility **contributes to the reliability** of a company

Marketplaces that are easily accessible by telephone opt for optimal customer friendliness and can therefore distinguish themselves from their competitors who focus elsewhere. People do business with people.

## Telephony 2.0

Telephony, however, has one major disadvantage. It is an offline channel. This means that any possible sales after a telephone call is usually untraceable, and it is not possible to track a caller's complete journey.

There is an alternative.

### Integrate telephony in the online customer journey

Talk is a new click-to-call solution that integrates telephone calls into the online customer journey.

Talk turns the traditional offline voice channel for customer service into a modern online channel. It helps to determine the value of customer service and how it contributes to an online conversion. It bridges the gap between customer service and e-commerce.

Talk works on any device with a microphone, that is connected to the Internet and that has a modern browser.

By using Talk, a telephone conversation becomes traceable and that has several benefits that respond well to and align with the trends and developments within Marketplaces.

### Benefits of Talk

The benefits of Talk compared to traditional telephony mainly relate to the fact that it is an online channel.

- **Extends the online journey**  
Talk extends the online customer journey because the customer calls via a button on the website and can be redirected to a landing page after the call. The call becomes part of the online journey and extends the time that visitors spend on the Marketplace.
- **Increases conversion**  
Talk automatically redirects callers to a page of your choice after a call, for example with a personalized offer. This increases chances of conversion.
- **Provides more data and insights**  
The conversation is part of the online journey, so there are more data to analyze and more customer insights to gather. For example, which pages did callers visit before and after the call and did they make a purchase?
- **Increases engagement**  
Following the call, a short survey can be shown on the same screen to assess the quality of the call. As this survey is part of the journey, callers are more likely to fill it out. This gives the Marketplace a better understanding of the ratings and it increases engagement.
- **Facilitates international expansion**  
Talk makes it possible to offer telephony without the use of (local) telephone numbers. When you expand internationally, accessibility can be arranged easily and quickly as it is not necessary to first request new telephone numbers and activate them.

## How to integrate?

There are two ways to integrate Talk into Marketplace customer services:

1. **Talk button to call customer service**

Customers can contact the customer service at the click of a button. This can be done either from the website, in an app, via e-mail or through another channel. For Marketplaces it is convenient that customers stay in the online journey. Where the chatbot falls short as it cannot answer complex questions, Talk allows customers to contact a customer service contact representative directly. This increases the likelihood that a question or problem can be resolved in one interaction.

2. **Using Talk for mutual contact**

This is especially useful for Marketplaces with resellers who sell unique or complicated products, but also for freelance platforms that require a lot of mutual communication between client and contractor.

- a. The customer does not need the third party's telephone number for personal communication
- b. After the call, the Marketplace can use the survey to measure the experience of the mutual contact. Good ratings allow third parties to distinguish themselves and this also contributes to the overall rating of the Marketplace. Talk basically ensures a win-win situation.

### Interested in Talk?

Find out how it works.

Scan the QR code and click the button to start a call.



[Or click here to plan a free demo.](#)