How Small Businesses Can Thrive on Amazon and Other Online Marketplaces in 2025

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Consumers today want convenience and instant gratification. That's why millions of consumers turn to platforms like Amazon to make everyday purchases. With a simple click of a button, the product they want arrives at their doorstep within a few days (or sooner). Thanks to technology and changes in consumer behavior due to the global pandemic, ecommerce is expected to continue growing rapidly. By 2028, the global ecommerce market is expected to grow by 50% to nearly $7 trillion.

In today's modern economy, most entrepreneurs and small business owners are required to embrace technology through social media, chatbots, workflow automation and CRM platforms. While this can complicate and frustrate entrepreneurs, the internet has enabled businesses, especially product-based businesses, to reach millions of potential customers across the globe and generate serious revenue through ecommerce.

But is 2025 the right time for small businesses to embrace global marketplaces such as Amazon, Shopify and Etsy? A recent trend has shown that small- to medium-sized businesses are finding tremendous growth and success through these platforms.

Related: 70% of Small Business Owners Say Online Marketplaces Help Them Boost Sales — and Now It Can Be True For You.

Benefits of Amazon and other online marketplaces

There are a wide range of benefits that come with building an ecommerce presence using an established online marketplace like Amazon. The small businesses that are best positioned to gain these benefits include established product-based businesses with a scalable supply chain, brands looking to expand or diversify into international markets, businesses that need an inexpensive option for building an ecommerce presence and niche or specialty product providers.

- **Wide reach and global access:** Small businesses often struggle to reach a large enough audience through traditional marketing. They are often limited to the local or online communities they have built themselves. Global marketplaces like Amazon allow small businesses access to millions of new customers and help them expand into new international markets with little to no effort.

- **Consumer trust and brand exposure:** Gaining consumer trust is difficult, especially for startups and small businesses that haven't established the same social credibility as major brands. Online marketplaces like Amazon provide a level of comfort for consumers looking to purchase products from trusted sources. While they might not be familiar with your specific business, they can feel confident that their experience will be consistent with past purchases on the platform.

- **Built-in marketing and SEO tools:** Reaching online audiences can be quite challenging. Not only are SEO (search engine optimization) rules changing constantly, but you're competing with thousands of similar brands for attention. Learning technical concepts of SEO and other online marketing strategies can become complicated and time-consuming. Fortunately, platforms like Amazon

provide their sellers with the tools they need to be successful without having to become an SEO guru.

Related: **How to Get Your First 100 Sales on Amazon**

Getting the most out of online marketplaces

Building an ecommerce operation isn't a silver bullet. Success on these platforms requires strategic planning and setting things up right from the start. It's important for entrepreneurs to understand the best practices that can improve their opportunities for a successful ecommerce launch on an online marketplace.

I spoke to Jamie LeBlanc from Prime Seller Pro, a logistics and ecommerce channel management expert, to find out what companies need to look into if considering an ecommerce strategy in 2025. He identified five major areas to investigate:

1. **Select the right platform:** Amazon seems to be the go-to in today's ecommerce landscape. This is no surprise, as Amazon controls nearly 40% of the U.S. ecommerce marketplace. However, Amazon isn't right for every business. There are a number of platforms available that each have their own pros and cons. For businesses that produce handmade or artisanal products, a platform like Etsy, for example, might be a better option since those are the types of products Etsy customers seek.

2. **Consider the fees and support:** Each platform has its own fee schedules, infrastructure and seller support resources. It's important to carefully evaluate each platform to find out which works best for your business. It's a good idea to get feedback from other small businesses that use these platforms to find out more

about their experience, what they recommend and what mistakes you can avoid.

3. **Build a strong, consistent brand:** When selling products on a third-party platform, it's important to bring out the look and feel of your brand. Consistency across your social media, website and online marketplace is key to giving a professional look that consumers can trust. Try to incorporate a similar tone in the messaging, and add brand elements such as colors or logos whenever possible.

4. **Select how you will fulfill orders:** Some platforms have order fulfillment services that allow you to ship products to a centralized warehouse for storage. When you make a sale, the platform picks the order from their warehouse and gets it to the customer. This makes the experience seamless for both you and the customer. However, this also means you will need to carry excess inventory, which can be costly. The alternative is to ship everything yourself. The downside here is that this requires a lot of manual effort to handle the orders, package products and arrange shipment.

5. **Understand the platform's search algorithms:** You'll never sell your products if people can't find them. It's important to understand how to optimize your product listings to work with the platform's SEO standards. The good news here is that most platforms provide plenty of resources to help you accomplish this.

Related: 3 Reasons Online Marketplaces Benefit Entrepreneurs — and Should Be Protected

Building a successful ecommerce operation with an online marketplace like Amazon has a lot of benefits. However, having the right strategy is key to staying ahead of the competition and keeping up with rapidly changing consumer behavior.

Entrepreneurs must lean on market research to carefully determine if this option is right for their business.

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