

Why Purpose-Driven Marketplaces Are the Antidote to Amazon

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As the child of a nomadic entrepreneur, I moved around a lot. I've been to 45 of the 50 U.S. states and lived in eight. It wasn't until my early 30s, however, that I made my way to Oregon and the "maker city" of Portland. The culture was like nothing I'd experienced. Walking down the neighborhood streets, free of chain stores, it dawned on me how rare it was to be in a community where local, small businesses thrive.

In the early days of the crisis, the world digitized. We learned, worked, exercised and shopped online. In what many thought would be a temporary shift, the visibility and convenience factor of ecommerce giants like Amazon has endangered our small business economy. A survey by the Institute for Local Self-Reliance reveals three-quarters of independent retailers see Amazon's dominance as a major threat to their survival. It is.

From 2007 to 2017, while Amazon secured its ascent, the number of small retailers fell by 65,000. About 40 percent of the nation's small apparel, toy and sporting goods makers disappeared, along with about one-third of small book publishers.

It doesn't have to be this way. Values-based marketplaces are

emerging to promote local, small businesses on a global scale. These online hubs enable consumers to find products based on what matters to them most. They are the digital equivalent to knowing the maker down the street, and they might just be the antidote to Amazon's war on small business – that is, if consumers buy in.

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Behind the curtain of Amazon's "benevolent monopoly"

In Dave Eggers' new satire *The Every* he paints a dystopian future where a fictional search engine company buys an ecommerce giant. The corporate juggernaut algorithmically controls access to everything from housing to food to jobs, however, its abuse of power is disguised under what Eggers calls "benevolent market mastery."

In the non-fiction world, the real Amazon invests a lot in PR efforts to portray itself as a community player that has "a mutually beneficial relationship" with small businesses. Yet only 11 percent of companies selling on its site describe their experience as successful.

From cornering the online market and blocking small businesses from having relationships with their customers to selling goods below cost to dominate market share, Amazon's benevolent optics are stained with unscrupulous practices.

I'm not suggesting ecommerce giants such as Amazon don't have a place in the retail market. If a customer lives far away from a major city and can't buy bandaids or key medical supplies, they should be able to get their commodities online. However, when these massive global corporations promote a destructive cycle of production, consumption and convenience at all costs, we have to stop and ask ourselves: What will our

retail world look like 10 years from now?

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Convenience is killing our retail biodiversity

Last year, as I was setting up my Portland home, I needed a dresser and conveniently purchased it on Wayfair. The next day as I was driving around my new neighborhood, I realized there was a local furniture store five minutes away with great stock. It wasn't from a lack of desire that I hadn't stopped there before, it was a lack of awareness.

The lack of awareness for small businesses through online search is an internet-wide problem. Ads and SEO-savvy corporations dominate both paid and organic search creating an unlevel playing field for local shops. Only two percent of brands own the first page of search results on Google and it's only getting worse.

Values-based marketplaces can change this. As consumers become more aware of where to go shopping based on their values, they can consciously choose to bypass tech giants such as Amazon. This is how we can build a more sustainable and diverse small business economy.

When you buy from a small business in your neighborhood, that money circulates back into the local economy supporting local job growth and paying for community infrastructures such as public schools and hospitals. When you buy from Amazon, 30 percent of your money goes back to Amazon. Think about that. Was it your intention to fund Bezos's space race?

Thankfully, more people are realizing the power of their buying habits and use them to shape the future they want to see. In 2020, Gen Z and Millennials spent \$3 trillion shopping from businesses that reflected their values. 82 percent said

they'd spend more to support local businesses post-pandemic.

Eggers's dystopian vision of an America ruled by corporate dictatorship is a cautionary tale of what can happen if we don't realize the real cost of our spending decisions. I'd argue that we're standing on the edge of that cliff.

Still, I am optimistic in our ability to make different, better choices. In the past year, we've seen people come together to change laws systematically designed to suppress entire populations. I believe we can all learn to shop our values. It's time we embrace our power as consumers, one click at a time.

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