

Comparing the Top Online Marketplaces of 2018

With the anniversary of online shopping closing in on a quarter century, buying and selling products online is anything but revolutionary. Since the launch of sites in the mid-90s, internet-based businesses and startups keep evolving while consumers continue searching for the next great deal from the comfort of home. With the influx of app-based technology, online marketplaces exploded in popularity.

According to Internet Retailer, in 2017 over \$1.55 trillion was spent worldwide on the 75 largest online marketplaces with gross merchandise sales rising 34% since 2016.

What are Online Marketplaces?

An online marketplace is essentially a garage sale in the palm of your hand. You probably recognize the old stalwarts like Amazon and Craigslist which remain top contenders in the online marketplace game. But even these giants are slowly being chipped away as user-oriented newcomers embrace the demands of informed modern consumers.

Premium Storage With Pickup & Delivery

LEARN MORE

So what are all these new online marketplaces, and how do they compare to the industry leaders? Let's start by refreshing ourselves on the originals, then delve into the emerging brands giving them a serious run for their money.

Original Online Marketplaces

We're starting off with some of the most recognizable names when it comes to online marketplaces. These are the OG sites for virtual garage sales. Not only do they have some historical clout, they are still top contenders when it comes to selling stuff online.

- Amazon Marketplace
- Craigslist
- eBay

Amazon Marketplace

Headquarters: Seattle, WA **Established:** 1995

Active Users: 310 million **Revenue (2017):** 31.88 billion

An Overview

As the world's largest online retailer generating \$177.9 billion last year, [Amazon](#) is one of the most well-known brands on the planet. By opening up [Amazon Marketplace](#) to third-party sellers, 5 million small, medium and large businesses currently move product through Amazon proper. Today, [over half of everything](#) Amazon sells is via their Marketplace.

Expect to find anything from wine to wedding dresses with a few clicks. Thanks to Amazon's razor-sharp logistics, products are delivered to your doorstep in no time. And by providing real customer feedback, users can more confidently purchase nearly anything with a lowered fear of being scammed.

Still, risks always exist online. Such a massive system inevitably means that quality control occasionally falls to the wayside. Though Amazon attempts to monitor all Marketplace stores and products, it's best to remain cautious with each purchase as there's really no telling what you might end up with in the end.

What's to Love

- World's largest online retailer
- Tons of products to compare
- In-depth customer reviews
- Items shipped to your door

What's Not to Love

- Can't try items prior to purchase
- Imperfect quality control
- No bidding or haggling
- Sellers must pay a fee

Craigslist

Headquarters: San Francisco, CA **Established:** 1995

Active Users: 60 million **Revenue (2016):** \$690 million

An Overview

The grandfather of the online yard sale, [Craigslist](#) was founded by Craig Newmark in 1995. Today, Craigslist is used in over 70 countries, and the still privately held company snags over 34 billion page views every month.

When it comes to user interface, Craigslist's motto might as well be *if it ain't broke, don't fix it*. The clunky interface and functionality has remained mostly untouched since the mid-90s. Some may view the site as outdated. But with Forbes estimating the company to be worth [around \\$3 billion](#) and their current ranking as the 20th most popular site in the U.S., it's hard to say they're in the wrong.

Unfortunately, other types of bad publicity have followed Craigslist due to its mostly unregulated seller and buyer system. From minor scams to the straight-up murderous, it's never a good look if the moniker of a [notorious killer](#) carries your site's name. Though they have made efforts to clean up their image—like nixing their personal ads section—a negative reputation is a hard thing to scrub away.

So need a couch, car or career change? If you want it, chances are Craigslist has it. But if you're looking for a seamless interface or optimal safety—leave this original online marketplace to the last millennium.

What's to Love

- World's largest online classified service
- Few product limitations
- Massive amount of sellers and users
- Free to post most services or items

What's Not to Love

- Mostly in-person transactions
- Little effort to expand user experience
- Few safety or anti-scam features
- Lack of streamlined buying or selling methods
- Some services or items require a small fee

eBay

Headquarters: San Jose, CA **Established:** 1995

Active Users: 175 million **Revenue (2017):** \$9.6 billion

Products Currently Listed: 1 billion

An Overview

Similar to the success story of Craigslist, eBay is also an internet marketplace original. However, in contrast to Craigslist, everything sold on eBay is shipped directly to consumers worldwide. This international reach expands opportunities for both sellers and buyers.

Initially launched as an online auction platform for selling new and used products via bids, eBay now allows buyers to purchase items instantly as well. This instant buy option allows users to avoid the time-consuming bidding process altogether. As of 2017, the company is in 190 markets and boasts 1.1 billion listings worldwide.

Though scams are still a serious threat, eBay does offer [anti-scammer tips and tricks](#) to avoid falling into common traps. Their rating and feedback system also allows buyers to purchase with added confidence.

What's to Love

- Worldwide marketplace
- No meeting up with strangers
- Great deals via bidding model

- Tons of products

What's Not to Love

- Higher likelihood of scammers
- Cluttered, outdated user experience
- Takes commission

Up and Coming Online Marketplaces

Now that you know who the big dogs are, we're moving on to explore the up and comers. These apps and sites are growing like crazy, and for good reason.

- letgo
- OfferUp
- Facebook Marketplace
- Mercari
- Poshmark
- Etsy

Above all, newer online marketplaces are taking advantage of innovative technologies to provide optimal user experience. But do sleek interfaces sacrifice function for style? Read on to find out!

letgo

Headquarters: Barcelona, Spain **Established:** 2015

Total Funding: \$375 million **Active Monthly Users:** 20 million

Estimated Value: \$1.5 billion

An Overview

Despite taking measures to minimize your risk of exposure to scams and dangerous scenarios, there's still something shady about Craigslist and eBay. It's hard to shake that feeling that you really don't know what you're getting—or who you're getting it from.

That's where newer app-based marketplaces like [letgo](#) come in. Founded in Barcelona, letgo is one of the first hyperlocal app-centered online marketplaces. It also has a heavy focus on safety and transparency for both

buyers and sellers. Importantly, users are verified via social media profiles, and reviews allow people to rate their experiences.

At the same time, it's not all about safety. In fact, letgo also prides itself on simplicity and an incredible user experience. In the same vein, it's also ridiculously easy for sellers. Just take a picture of the item you're selling and consider it sold. If you want to get more creative, add multiple photos, in-depth descriptions, or even a movie trailer for your product.

Available in the U.S. and abroad, letgo currently stands as the largest app-based digital marketplace.

Surpassing 100 million downloads, 400 million listings, and over [\\$23.4 billion worth of items sold](#) in a single year.

What's to Love

- Free
- Local to your area
- Easy-to-use for buyers and sellers
- Wide variety of items offered
- Haggling allowed

What's Not to Love

- Mostly in-person transactions
- Shipping usually not available
- Smaller inventory than the big guys

OfferUp

Headquarters: Bellevue, WA **Established:** 2011

Annual Users: 42 million **Total Funding:** \$220 Million

An Overview

Right on the tail of letgo is U.S.-based competitor [OfferUp](#), currently valued at \$1.2 billion and expecting \$20 billion of goods to be sold this year. OfferUp prioritizes a smooth, intuitive user experience, and [takes safety seriously](#).

[OfferUp](#) aims to be the Internet's most trusted marketplace. Accordingly, it makes safety a priority with a multi-step user verification process including

IDs, emails, and social media profiles. All of which are bolstered by a transparent review system.

With its emphasis on a streamlined user experience, buyers can quickly browse through photos of thousands of items for sale in their area. At the same time, sellers can post their products in under a minute with OfferUp's intuitive and simple process.

What's to Love

- Free
- Extra safety measures
- Great user experience
- New shipping option
- Easy to list items
- Haggling allowed

What's Not to Love

- Mostly in-person transactions
- Only available in the U.S.
- Fewer products than other marketplaces

Facebook Marketplace

Headquarters: Menlo Park, CA **Established:** 2016

Daily Users: 800 million

An Overview

Launched in response to the rising tide of online marketplaces, [Facebook Marketplace](#) is the tech giant's answer to locally buying and selling stuff on the web. After all, why download a brand new app when you can hop onto Facebook and purchase a patio set straight from your feed?

On the one hand, there's nothing especially innovative or outstanding about Facebook Marketplace. Similarly to letgo or OfferUp, sellers can just snap a photo of their item and post away. On the other hand, who needs innovation when you have the powerful Facebook Machine on your side?

Importantly, by seamlessly integrating with the user's Facebook account, buyers can directly message sellers from the Messenger app. Accordingly, it's also hard to

beat Facebook's access to their 214 million users in the U.S. alone. With the ability to advertise products to countless local users without leaving your newsfeed, it's easy to see why this service has expanded to 70 countries in less than two years.

What's to Love

- Free
- Easy to list items
- Linked to Facebook account
- Share items with Facebook friends
- Lots of product categories
- Haggling allowed

What's Not to Love

- In-person transactions
- Not especially innovative
- Subpar security measures
- No seller or buyer ratings
- Fewer and fewer people use Facebook

Mercari

Headquarters: Tokyo, Japan **Established:** 2013

Total Downloads: 70 million **Valued at:** \$1 billion

An Overview

Japan's online marketplace powerhouse [Mercari](#) began expanding to the rest of the globe in 2014. Mercari stands out as Japan's first startup unicorn, meaning its value passed the \$1 billion mark. Like many online marketplaces, Mercari is essentially a digital flea market happily selling nearly anything. So what makes it stand out from the rest?

Mercari's claim to fame is the ease with which sellers can ship their products to buyers. Sellers can print labels at home, slap them on a box, and send them off to buyers worldwide. Correspondingly, there are no sketchy meetups. That means no wasted time at the post office. Instead, just safe, simple transactions.

Since all funds are held from sellers until buyer approval, the threat of scammers is minimal. Sellers won't see a penny until the buyers get their package, inspect the product, and officially approve their money for release.

However, some buyers still report receiving fake, damaged, or unacceptable items. On one hand, the Mercari model eliminates the uneasiness of physically meeting up with strangers. On the other hand, ordering second hand items via mail increases the odds of receiving subpar products.

What's to Love

- Free to list items
- Worldwide buying and shipping
- Incredibly easy for seller to ship items
- Most items qualify for listing

What's Not to Love

- 10% seller fee; only applied when item is sold
- Items can only be shipped
- Higher reports of inaccurate, damaged, or fake products

Etsy

Headquarters: Brooklyn, NY **Established:** 2005

Current Members: 54 million **Current Sellers:** 1.98 million

2017 Revenue: 441 Million

An Overview

Searching for that one-of-a-kind birthday gift, like a watercolor portrait of your best friend's corgi? Whatever your imagination envisions, count on an [Etsy](#) seller to make it a reality. The leading marketplace for everything crafty, bespoke, and vintage, Etsy specializes in unique, handmade goods. These items range from jewelry, clothing, art, wedding decorations, etc., to the supplies needed to create them.

In other words, you definitely won't find a used car or mass produced shoes from China being resold on Etsy, that's for sure.

Etsy's niche may be small, but at the same time it's artisanal model is clearly working. For instance, in 2017, Etsy boasted gross revenue sales of [\\$3.25 billion](#), and its active buyers market grew 16.8% to 33.4 million users. With an in-depth rating and review system and stringent seller policies, buyers can purchase items without fear of scams or lousy work.

Crucially, sellers aren't limited to your immediate area. The hyperlocal model of other online marketplaces is fantastic when searching for relatively easy-to-find items. At the same time, however, only so many artists can create crafts like [custom bobbleheads](#) or [dinosaur menorahs](#). Instead of searching the globe for your dream piece, an artisan on Etsy can deliver it straight to your door.

Accordingly, Etsy is certainly not the place for one-stop shopping like Amazon. Only so many products fit under their rigorously defined product umbrella. Therefore, you'll have to look elsewhere for the majority of life's necessities. Moreover, Etsy is also tricky for those selling homemade or vintage goods alongside those that don't fit the bill.

Importantly, Etsy takes a cut of all sales. This often leads to lower profits for sellers, or higher prices for buyers.

What's to Love

- Craft-lovers paradise
- International reach
- Rare, custom products
- High qualification standards for sellers

What's Not to Love

- Very niche
- Takes commission
- High shipping costs

Poshmark

Headquarters: Menlo Park, CA **Established in:** 2011

Number of Sellers: 4 million **Total Funding:** \$160 million

An Overview

Poshmark is the top online marketplace for both new and secondhand clothing. Sellers set up individual shops where they can sell their products to shoppers across the country. Poshmark's overarching mission is to create and connect a community of fashion fanatics. That's why they emphasize the creation of user relationships which extend beyond ordinary transactions.

With over 75 million items currently listed from over 5,000 brands, users can purchase high-quality clothing at a great price. In addition, users also have access to Seller Stylists who assist shoppers in crafting looks. Another community-building feature are Poshmark's Parties, where sellers share listings that fit each Party's theme to boost sales.

Like many other online marketplaces, Poshmark similarly offers a user feedback system. This allows sellers and buyers to review their transactions and interactions. In addition, they also hold onto payments until the buyer confirms that their item has arrived. Most importantly, these payments are held until the buyer likewise confirms that the item is up to expectations.

What's to Love

- Free to list items
- Huge inventory is great for buyers
- Seller ratings
- Affordable clothing prices
- Haggling allowed

What's Not to Love

- Huge inventory can make it tricky for sellers to sell
- Items can only be delivered
- Only clothing and accessories can be listed
- Takes commission

So, Still Wondering Which of these Onlines Marketplaces is Right for You?

You've gotten this far and you're still trying to pick one of these online marketplaces to sell your stuff? Take a look at the table below. In short, we've put together a comparison of the top online marketplaces in 2018. This way, you can determine, at a glance, which option meets your specific buying or selling needs.

Comparing Top Online Marketplaces 2018

Popular Products

Delivery
or In-
Person

Safety
Ranking

Seller
Fee/Commission

Ease
of Use

	Popular Products	Delivery or In-Person	Safety Ranking	Seller Fee/Commission	Ease of Use
Amazon Marketplace	Mostly new gifts; clothing; electronics; household items; furniture	Delivery	★★★	Yes	★★★
Craigslist	Second-hand household items; housing; jobs; cars	In-Person	★	Sometimes	★★
eBay	New and used gifts; clothing; electronics; household items; furniture	Shipped	★★	Yes	★★
letgo	Second-hand household items; furniture	In-Person	★★★	Yes	★★★★
OfferUp	Second-hand household items; cars	Both	★★★★	Yes	★★★★
Facebook Marketplace	Second-hand household items	In-Person	★★	Yes	★★★★
Mercari	Second-hand household items; gifts; clothing; electronics	Delivery	★★★	Yes	★★★
Etsy	Handmade and vintage items	Delivery	★★★★	Yes	★★★
Poshmark	New and second-hand clothing and accessories	Delivery	★★★	Yes	★★★

Looking to Store Rather than Sell?

If you're looking to store your items rather than sell them in one of these online marketplaces, check out [Livible](#). Livible offers full service storage with on-demand pickup and delivery to your door. Moreover, Livible prices are usually 15% lower than conventional self-storage options, and that's including pickup and delivery. Get a [Guaranteed Estimate](#) today and find out how much you could save by switching to on-demand storage with Livible.

[◀ Back to all posts](#)