# How AI is reshaping digital marketplaces and driving business growth



Recent developments in the realm of digital marketplaces demonstrate how businesses are increasingly leveraging artificial intelligence (AI) and innovative models to enhance their operations and drive growth. Major shifts in retail dynamics have emerged, with global sales from digital market platforms projected to reach a staggering $3.8 trillion in the past year alone. In this competitive landscape, brands are adopting hybrid marketplace models that allow them to streamline their processes while tapping into the benefits offered by third-party sellers.

Jason Greenwood, founder and lead consultant for Greenwood Consulting, discussed the emerging trend of hybrid marketplace models in an interview with PYMNTS. He explained that platforms such as Amazon frequently adopt dual strategies by selling directly and enabling third-party sellers. This method grants brands the flexibility to scale their operations efficiently while avoiding the complexities associated with inventory management and logistics. As Greenwood elaborated, B2B manufacturers are often found to be both manufacturers and distributors within their product catalogues. He highlighted the advantages of creating a marketplace for third-party products, as opposed to handling all fulfilment tasks themselves.

As Greenwood noted, this marketplace approach not only allows sellers to maintain stock but also expedites onboarding processes. Sellers can manage their product details, pricing, and shipping regulations independently, providing them greater control and efficiency. However, Greenwood also acknowledged that brands face significant technical challenges. "To succeed on marketplaces, brands must have the technical ability to be channel agnostic," he stated. This entails the capability to efficiently list products, ship orders, and maintain high customer service standards. Non-compliance with marketplace requirements could impede visibility on these platforms, resulting in penalties or blocked listings.

More recently, OnBuy, a UK-based online marketplace, has announced its commitment to integrating AI across its platform by 2025. The initiative aims to enhance operational efficiency and deliver added value to both buyers and sellers. Cas Paton, Founder and CEO of OnBuy, expressed the company's vision, stating, "Reducing costs relative to scale, we plan to pass those savings into more growth, which means more sales for our sellers and happier customers." The application of AI will contribute to improved listing accuracy, fraud prevention, and a more personalised shopping experience, as well as streamline logistics and delivery processes.

The application of AI in e-commerce is anticipated to revolutionise several industry segments. By creating personalised shopping experiences, integrating advanced fraud detection mechanisms, and automating listing optimisation, AI stands poised to enhance user satisfaction significantly. These advancements have broader implications for retail technology solutions and could redefine how sellers manage their online presence.

In conclusion, the intersection of AI and innovative marketplace strategies is proving instrumental in shaping the future of the retail and e-commerce sectors. With companies such as OnBuy leading the charge in AI integration, the potential for increased operational efficiencies and improved customer engagement continues to grow. The evolving marketplace landscape clearly illustrates the necessity for businesses to adapt and innovate in order to thrive in an increasingly digital economy.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

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* <https://www.deptagency.com/insight/the-amazon-hybrid-model/> - Explains the Amazon Hybrid Model, where manufacturers act as both vendors and sellers, and the advantages of this model including better price control, logistical advantages, and faster product listing.
* <https://www.digital-adoption.com/ai-adoption-statistics/> - Provides statistics on AI adoption, including the growing market size and investment in AI technologies, which supports the increasing use of AI in e-commerce.
* <https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai> - Highlights the surge in AI adoption across various industries and regions, supporting the broader trend of AI integration in business operations.
* <https://www.pymnts.com/news/ecommerce/2025/rise-of-hybrid-marketplaces-impacts-retail-growth-strategies/> - Discusses the global sales projections from digital market platforms and the strategic importance of hybrid marketplace models for retail growth.
* <https://www.deptagency.com/insight/the-amazon-hybrid-model/> - Details how sellers can manage product details, pricing, and shipping independently in the hybrid model, enhancing their control and efficiency.
* <https://www.digital-adoption.com/ai-adoption-statistics/> - Mentions the use of AI tools by marketers and businesses, which aligns with the integration of AI in e-commerce platforms like OnBuy.
* <https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai> - Supports the idea that AI is being adopted in more parts of the business, including operational efficiency and customer service improvements.
* <https://www.pymnts.com/news/ecommerce/2025/rise-of-hybrid-marketplaces-impacts-retail-growth-strategies/> - Explains the technical challenges brands face in marketplaces, such as the need to be channel agnostic and comply with marketplace requirements.
* <https://www.digital-adoption.com/ai-adoption-statistics/> - Highlights the potential of AI to enhance user satisfaction through personalized shopping experiences and advanced fraud detection mechanisms.
* <https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai> - Supports the broader implications of AI in retail technology solutions and its potential to redefine how sellers manage their online presence.