Retail Innovation Shout Out: Toms Marketplace Brings Businesses with Purpose to a Broader Audience

by Sara Hesson

Earlier this month, the “buy one, give one” pioneer launched The Marketplace, offering more than 200 products from about 30 companies and charities. The website will feature companies with social missions and business models, not only those with one-for-one donation models like Toms.

Rather than simply hosting products and taking a sales commission like many online marketplaces, Toms purchases inventory outright at wholesale and takes on the risk associated with logistics and customer service. This shining example of business model innovation also provides the inherent ability to leverage the Tom’s brand to help smaller and less established brands expand market reach.

While other online merchants use algorithms to suggest products that are similar to previous purchases, The Marketplace makes suggestions based on consumers’ social concerns. Consumers can shop by region of the world or by which types of causes they wish to support. Recent studies suggest that consumers are more likely today than they were in the past to make purchase decisions based on social causes. The Marketplace offers a forum that makes it easier for a larger consumer base to do just that.

Toms launched its first advertising campaign on behalf of the online marketplace earlier this month. Here’s to Toms and an innovative take on the online marketplace for a cause that is bigger than us!

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