

HOW RETAIL CHOICES AND COMPETITION FUEL AMERICAN SMALL SELLERS' SUCCESS

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U.S. Research Report // Spring 2025

SUPER SELLING // EXECUTIVE SUMMARY

Today's small businesses are thriving in a highly competitive retail landscape that seamlessly blends digital and traditional commerce. Our survey of 1,500 U.S. small and medium-sized businesses that sell goods online ("small online sellers") reveals there's no one-size-fits-all solution to the challenges businesses face in the retail sector. To tackle those challenges, small online sellers have more choices than ever at each step of the retail journey, and most combine multiple marketing strategies, sales methods, and fulfillment solutions to find success.

Specifically, 70% of small online sellers use multiple sales methods, including web stores, online marketplaces, wholesaling, and "brick-and-mortar" retail stores. When it comes to selling online, 61% of sellers report selling through online marketplaces, with the average marketplace seller using four of them. While all sales methods are valuable, most (59%) small online sellers say online stores and marketplaces yield higher profit margins than traditional (offline) retail methods.

Beyond selling goods, the retail journey includes many other core business tasks. For example, sellers must market and advertise to potential customers, store and ship products, and handle customer service and returns. Rather than being locked into any single platform or service provider, sellers report having many options for completing business tasks. For example, 83% use a flexible combination of "do it yourself" and outsourced services for order fulfillment, with sellers finding tremendous value when paying for these services. In addition, 77% of small online sellers use fulfillment services integrated into online store and marketplace platforms, with majorities reporting the services help them compete with larger sellers and retail chains.



SUPER SELLING // EXECUTIVE SUMMARY

Digital advertising also exemplifies the choices available to small online sellers. Virtually all (94%) small online sellers consider digital advertising important and use different kinds of ads for different sales methods. Sellers commonly use social media ads to highlight their online stores but say marketplace ads are the most effective for marketplace sales. At the same time, sellers still use traditional advertising like television, radio, and print ads. In short, small businesses leverage digital tools as part of intricate, customized approaches to selling their goods and services.

Despite economic challenges, 94% of small online sellers are confident their businesses will grow in the next four years. This remarkable optimism stems from having multiple viable paths to reach customers and the freedom to choose among platforms and service providers that innovate and compete for their business. Additionally, sellers using more tools are more optimistic about the future of their businesses.

The research presented in this "Super Selling" report reveals a dynamic retail ecosystem in which small online sellers thrive precisely because of robust competition at every level — between digital and traditional sales and marketing approaches, amongst digital platforms, across many marketing options, and between service providers at every step in the retail journey. This competitive environment has created a landscape where small online sellers can compete with efficiency and agility against retailers of any size, anywhere.





"I'm super thankful because working with my family is fantastic. We have a lot of complementary gifts, and everyone has a unique role and voice and adds value. There's a lot of mutual respect from that. The business is awesome because we keep the relationship the priority."

Asher Frailey | Frailey Woodworks | Fort Worth, Texas

SUPER SELLING // KEY RESEARCH FINDINGS

- 99% of small online sellers say digital tools and technologies are important to their businesses.
- 98% of small online sellers say they are happy leading their businesses.
- 94% of small online sellers are optimistic that their businesses will grow during the next four years.
- 70% of small online sellers use multiple sales methods (e.g., web stores, online marketplaces, wholesale, traditional "brick-and-mortar" retail stores).
- Only 23% of small online sellers sell exclusively online.
- 97% of small online sellers using online stores say such stores are important to their businesses.
- 97% of small online sellers using online marketplaces say such marketplaces are important to their businesses.



SUPER SELLING // KEY RESEARCH FINDINGS

- 82% of small online sellers using online marketplaces sell on more than one, using an average of four simultaneously.
- 59% of small online sellers say online stores (30%) or online marketplaces (29%) are their sales method with the highest profit margin, exceeding both traditional retail (23%) and wholesale (19%).
- 94% of small online sellers say digital advertising is important, with 62% saying it is "extremely" important.
- Different advertising strategies work best for different sales methods: For example, social media ads are the most popular option for online stores (50%), while ads on marketplaces are the most popular for driving marketplace sales (37%).
- 85% of small online sellers advertise on multiple platforms (e.g., Instagram, YouTube, Amazon), using an average of four.
- 90% of small online sellers say their businesses have many options for e-commerce fulfillment tools and services.

- 83% of small online sellers use a flexible hybrid approach to order fulfillment, including "do it yourself" (DIY), outsourcing to "à la carte" vendors, and using services integrated into online store and marketplace platforms.
- Across all six stages of the fulfillment process, most (88%) small online sellers say their fulfillment tools and services are worth what they pay for them or more.
- 77% of small online sellers use services that are integrated into web stores or online marketplaces. Of these sellers:
 - 96% say such integrated services are important.
 - 89% believe integrated services give their businesses a competitive advantage.
 - 98% report integrated services save time, money, reduce complexity, or some combination of all three.



"I have a disability, and my son and co-founder, Michael, is a full-time college student. Small business ownership isn't easy, but it is so fulfilling. Selling online and using digital tools gives us the flexibility and independence we need. I hope we can be an inspiration to others who want to start their own business."

> Javonnia Jackson Michael Alexander Official Fort Lauderdale, Florida

HOW RETAIL CHOICES AND COMPETITION FUEL AMERICAN SMALL SELLERS' SUCCESS

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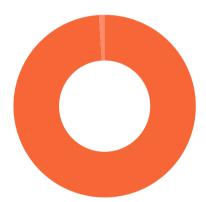
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SUPER SELLING // AMERICA'S SMALL BUSINESSES: SOPHISTICATED AND OPTIMISTIC DIGITAL-FIRST RETAILERS

Small Online Sellers: Small or medium-sized businesses (or their leaders) with fewer than 500 full-time employees that sell physical goods online at least part of the time, using platforms like e-commerce websites or online marketplaces.

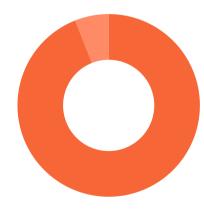
Contemporary U.S. small businesses are sophisticated enterprises that seamlessly blend digital and traditional retail. They confidently manage complex operations across multiple sales methods, from online marketplaces to their own websites to traditional "brick and mortar" stores and wholesaling. These entrepreneurs are building strong, growing companies by combining cutting-edge digital tools with time-tested retail strategies. Their embrace of technology while maintaining traditional strengths contributes to remarkable optimism among business leaders who are succeeding in today's competitive retail landscape.

- 99% of small online sellers say digital tools and technologies are important to their businesses.
- 94% of small online sellers are optimistic their businesses will grow during the next four years.
- 95% of small online sellers believe their businesses efficiently perform all aspects of sales, marketing, fulfillment, and customer service.
- 98% of small online sellers are happy leading their businesses.





Say digital tools are important to their businesses





Are optimistic their businesses will grow in the next four years

"I love leading a close knit team that is passionate about what they do. The tools and services we use enable us to grow the business while focusing on what we're good at – making the highest quality candles possible."

Mikey Kim | Hemlock Park | Reno, Nevada

SUPER SELLING // AMERICAN SMALL BUSINESSES WIN BY SELLING EVERYWHERE THEIR CUSTOMERS WANT TO SHOP

Sales Methods: The approaches sellers use to sell goods. The four most popular methods for small online sellers are online marketplaces, web stores, brick-andmortar retail, and wholesale to third-party retailers.

Today's small businesses strategically use multiple sales methods, recognizing that customers shop in many ways. Nowadays, sellers blend sales across the four most popular methods - marketplaces, web stores, brick-andmortar, and wholesale - as well as other methods like outdoor markets or directly through social media. Far from being "locked in" to any one particular sales method or platform, this flexibility lets small online sellers compete effectively against businesses of any size while maintaining the agility to quickly adapt to changing customer preferences or other conditions.

- 70% of small online sellers use multiple sales methods (e.g., web stores, online marketplaces, wholesale, traditional "brick-and-mortar" retail stores) (see graph).
- Only 23% of small online sellers sell exclusively online.
- Online Methods: 61% of small online sellers sell on online marketplaces, and 55% sell on a business web store.
- Offline Methods: 50% of small online sellers sell via traditional brick-andmortar, while 36% sell via wholesale.

70% of Small Online Sellers Use More Than One Sales Method



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"For Neuro Gum, all of our sales methods work together. Our strong online presence on TikTok Shop and Amazon builds credibility that attracts new wholesale retailers. In turn, our placement in 20,000 retail stores reinforces our legitimacy to customers, creating a cycle that amplifies our brand's reach and trust."

> Kent Yoshimura | Neuro Gum Las Vegas, Nevada

SUPER SELLING // FOR SMALL SELLERS, DIGITALLY-DRIVEN MARGINS OFTEN EXCEED THOSE OF TRADITIONAL SALES METHODS

Online Sales Methods: Virtual storefronts and marketplaces hosted by digital platforms that allow customers to browse, select, and purchase products. The two most popular of these are online stores (sometimes called "web stores" or "e-commerce websites") and online marketplaces.

Small online sellers choose to sell online because it works. Sellers that use marketplaces (61% of sellers) and online stores (55% of sellers) benefit from competition between platforms vying to host their businesses and feature their products. Platforms have different features, pricing, and tools, letting sellers choose the best solution for their particular needs. The result? Online sales methods often deliver higher profit margins than traditional ones like wholesaling and brick-and-mortar.

- 97% of small online sellers using online stores say such stores are important to their businesses.
- 97% of small online sellers using online marketplaces say such marketplaces are important to their businesses.
- The majority (59%) of small online sellers say online stores and marketplaces have higher profit margins than brick-and-mortar or wholesale sales methods (see graph).

59% of Small Online Sellers Say Online Stores and Online Marketplaces Are Their Highest Profit Margin Sales Methods



"With Shopify, we control the process. It's high-end and efficient, and we handle things directly. In contrast, wholesale is more expensive and doesn't always have our business's best interests at heart. Shopify feels like it's ours to manage."

Luca Ricci | The Dust Company | Cheyenne, Wyoming

SUPER SELLING // FOUR-IN-FIVE SMALL ONLINE MARKETPLACE SELLERS USE MORE THAN ONE MARKETPLACE SIMULTANEOUSLY

Online Marketplace: An e-commerce platform connecting customers with multiple third-party vendors - often small sellers - to buy products.

While most small online sellers using a web store have just one, 4-in-5 selling through online marketplaces use more than one - averaging four per business. This multi-marketplace strategy allows them to reach different customers, compare services and fees, and maintain independence from any single platform. The strategy works: besides reporting higher profit margins (see previous page), nearly all small online marketplace sellers (97%) say marketplaces are crucial to their success.

- 82% of small online marketplace sellers use more than one, averaging four (4) marketplaces per business.
- The most popular online marketplaces among small online marketplace sellers are Amazon (60%), eBay (49%), Etsy (33%), Walmart (31%), and Temu (22%) (see graph).
- The most popular online store platforms are Shopify (58% of web store sellers use this for their online store), Square (35%), Squarespace (28%), Wix (21%), and BigCommerce (20%).

Wealth of Options: Percentage of Marketplace Sellers Using Specific Online Marketplaces (82% Use More Than One)



"I started Zaaina 14 years ago — and I'm still constantly exploring new avenues for sales. We work with Etsy, Costco, 1-800 Flowers, Amazon, and our local West Elm outlet, and we also supply international vendors that have private labels. Retail is a very dynamic space, so every year is different."



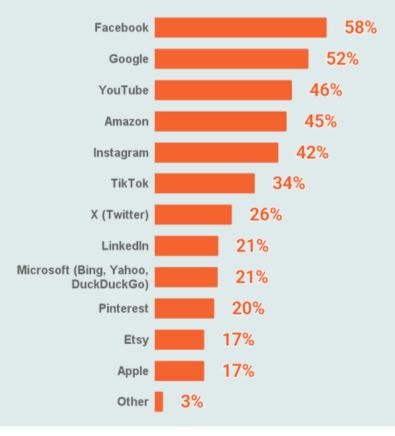
SUPER SELLING // SMALL ONLINE SELLERS USE MANY TYPES OF ADS TO REACH POTENTIAL CUSTOMERS

Digital Ads: Marketing content used by businesses to promote their brand, products, or services through online channels.

Today's small businesses strategically choose from an array of marketing options, expertly matching ads to sales methods. Rather than relying on a single approach, small online sellers combine social media ads, search ads, marketplace ads, and traditional marketing to get customers' attention. This sophisticated, multifaceted approach shows how sellers understand each platform's strengths—using social media ads for their online stores, marketplace-specific ads for marketplace sales, and supplementing with traditional tactics like direct mail and TV.

- 94% of small online sellers say advertising and marketing are important, with 62% saying they're "extremely" important.
- 85% of small online sellers advertise on multiple platforms (4 on average).
- Small online sellers spread advertising across many platforms, including Facebook (58%), Google (52%), YouTube (46%), Amazon (44%), and Instagram (42%) (see graph).
- For online stores, social media ads (50% of sellers), marketplace ads (32%), and search ads (30%) are most commonly used.
- For online marketplace sales, 37% of small online sellers say marketplacespecific ads are their most common ad tactic.

Advertise Everywhere: 85% of Small Online Sellers Advertise on More Than One Platform

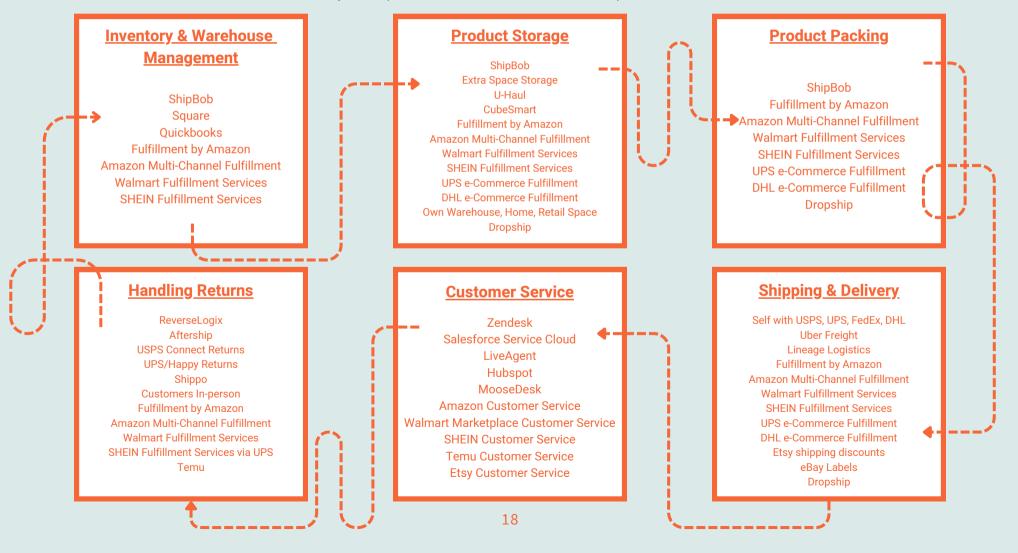


"Our marketing touches potential customers from multiple angles. I use digital search, social media, and marketplace ads, but also send out postcards and promotional branded gifts. I want to ensure customers and potential customers see Busy Baby everywhere."

Beth Benike | Busy Baby | Oronoco, Minnesota

SUPER SELLING // BEHIND EVERY SALE: SMALL ONLINE SELLERS CHOOSE FROM COMPETING SERVICES AT EVERY STEP OF FULFILLMENT

Success in modern retail requires small online sellers to master a wide variety of operational tasks beyond merely advertising and selling products. Sellers have an array of tools and services they can utilize across the six "core" stages of product fulfillment — a key part of the retail journey. We asked small online sellers about dozens of tools, including popular "à la carte" vendors, platform integrated tools and services, self-managed and DIY options, dropshipping, and "others." In addition to the services shown, sellers have many other options available based on location, niche product area, and other characteristics.



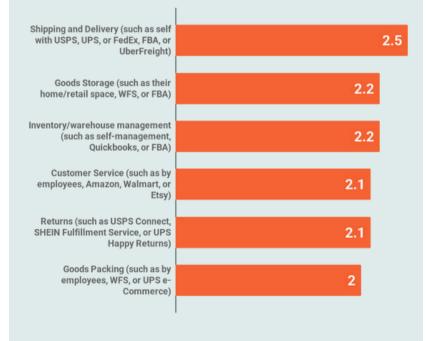
SUPER SELLING // SMALL ONLINE SELLERS TYPICALLY USE MANY DISTINCT FULFILLMENT SERVICES AND DIGITAL TOOLS

À la Carte Services: Standalone third-party tools sellers choose individually, like separate shipping or inventory services. *DIY Services:* Self-managed tasks, where sellers pack, ship, and store inventory themselves.

The ability for small online sellers to mix and match approaches and choose the perfect combination for their needs fuels competition between vendors, helps keep prices competitive, and drives innovation of better products and features. While modest numbers of small online sellers do everything themselves ("DIY") or outsource all functions to an "à la carte" selection of vendors or services integrated into their sales platforms, the broad majority (83%) of sellers take a hybrid approach, using different tools and services based on the specific products they're selling, their sales volume, their sales methods, and more.

- 83% of small online sellers use a "hybrid" approach that combines thirdparty outsourcing (à la carte or integrated) with DIY fulfillment.
- Small online sellers use an average of two or more different tools or services at each "core" fulfillment stage (see graph).
- 77% of small online sellers use a total of seven or more fulfillment tools and services.
- Only 23% of small online sellers use fewer than seven (7) fulfillment tools and services (i.e., one or fewer per stage).

Small Online Sellers Use An Average of At Least Two Tools and Services At Each Stage of Product Fulfillment



Average Tools and Services Used

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Glowing

"There are great tools out there, but we're small and ultimately still have to manage our business in a consolidated way. We use FedEx, FBA, Shopify, Skio, Klaviyo, Asana, Quickbooks, SOS Inventory, and additional tracking tools we've built ourselves. We also make sure we're investing in our staff and creating a space for women to excel."

> Jessica Berger | Bundle x Joy Phoenix, Arizona

SUPER SELLING // SMALL ONLINE SELLERS SAY OUTSOURCED SERVICES ARE WORTH MORE THAN WHAT THEY PAY FOR THEM

Hybrid Fulfillment: Sellers use a combination of DIY, à la carte, and integrated services based on specific products, sales volume, sales methods, and more.

Two-thirds (67%) of small online sellers report that the fulfillment process is challenging, but they are nevertheless satisfied with the many diverse tools and services at their disposal. When small online sellers outsource, most of them say the services they receive are worth what they pay for them, or frequently even more than what they pay.

- 90% of small online sellers say their businesses have many options for ecommerce fulfillment tools and services.
- 95% of small online sellers are satisfied with the fulfillment services available to them.
- Throughout the core stages of the fulfillment process, the majority of small online sellers (88%) say their fulfillment tools and services are worth more than what they pay or the right amount (see graph).
- Across business size, time-in-business, the age of leaders, and other factors, small online sellers say the fulfillment tools and services they use are worth more than what they pay or the right amount (not shown).

Most Small Online Sellers Say Their Fulfillment Options Are Worth More Than What They Pay or the Right Amount





"We wanted to compete effectively on Amazon, so we came up with the idea for Readywares. We manufacture abroad, and the price point is well-suited for the platform. Everything is so dialed in when you use Amazon's logistics. They pick up products straight from the factory and send them directly to their warehouses. It's amazing."

> Ryan Barrie Hardmill & Readywares Seattle, Washington

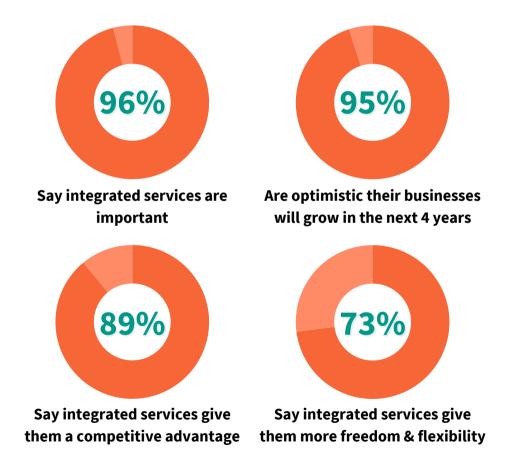
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SUPER SELLING // PLATFORM INTEGRATED FULFILLMENT SERVICES DRIVE TREMENDOUS VALUE FOR SMALL ONLINE SELLERS

Integrated Services: Digital tools and features built into online selling platforms that assist sellers with tasks like generating shipping labels, applying discounts, managing inventory, and accessing warehousing services.

Services such as product storage and delivery management that are integrated into online stores and marketplaces offered by companies like Shopify, Amazon, Walmart, and eBay simplify what is typically a very complicated process for sellers. The 77% of all small online sellers who use such "integrated services" report that their businesses receive tremendous value from them, compared to peer sellers who don't use such services. Among small sellers using integrated services*:

- 96% say they are important to their businesses.
- 95% are optimistic their businesses will grow in the next 4 years.
- 89% believe they give their businesses a competitive advantage.
- 73% say such services provide more freedom and flexibility to their businesses and employees.
- 67% say restricting access to integrated services would harm their businesses.
- 98% say integrated services save time, money, reduce complexity, or some combination of all three.



*All higher than "control" sellers that don't use integrated services (not shown).

HOW RETAIL CHOICES AND COMPETITION FUEL AMERICAN SMALL SELLERS' SUCCESS



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"My definition of success is freedom. Having the power to decide what I do, when, and with whom. I can be very intuitive with my time, and I get to do so many things — from data analytics to recipe testing to photoshoots to being a mom. Business ownership comes with risks and struggles, but every day, I feel like I've hit the jackpot."

Jessica Davidoff | Cob Foods | Sag Harbor, New York

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STORIES OF AMERICAN SUPER SELLERS

The Hardmill workshop and HARDMILL SEATTLE, USA retail store in Seattle LEATHER GOODS APRONS + BAGS BELTS + WALLETS

HOME + KITCHENWARES

SEATTLE, USA -

BUNDLE X JOY // JESSICA BERGER, FOUNDER AND OWNER



Dog-mom uses sophisticated logistics to popularize premium pet products

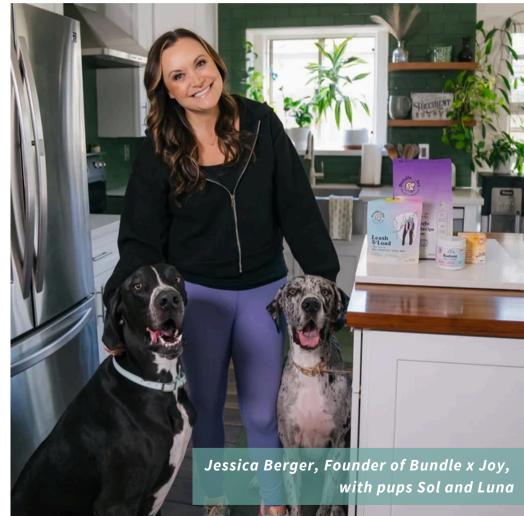
When Jessica Berger became a dog mom to Great Danes Sol and Luna, she wanted to feed them healthy, all-natural food and treats. However, there was a gap in the market for high-quality pet products, prompting her to launch her own premium brand, <u>Bundle x Joy</u>. Only three years later, Phoenix-based Bundle x Joy's food, snacks, and supplements are available on the company's Shopify website, through Amazon, and at organic grocers like <u>Whole Foods</u> and <u>Sprouts</u> across the country.

Dog food's weight presents an unusual set of logistical challenges that dedicated employees alone can't overcome. This makes collaboration with shipping and logistics providers crucial. "Our business rep at FedEx helps us get competitive shipping rates similar to smaller products at least 80% of the time and stay competitive with bigger brands," Jess explains.

Now, Jess uses those savings to promote other female entrepreneurs, pet rescue operations, and her local community. Bundle x Joy's three percent give-back program includes a monthly "Joy Item" from a new business that is included for free to Bundle x Joy monthly subscribers. "We engage repeat customers who love the Joy Items by making it a surprise, and using 'Subscribe and Save' tools on Amazon and Shopify," Jess says.

Jess also empowers her all-female team. Bundle x Joy employees do all the heavy lifting, loading fifty-pound dog food orders for shipment to website customers and <u>Amazon</u> distribution centers. For wholesale, Bundle x Joy uses a California third-party logistics company. Jess prioritizes a hands-on approach when she can to help staff learn, grow, and master critical business skills — from packing products to developing strategic partnerships and marketing campaigns.

Looking to 2025, Jess and her team plan to boost Bundle x Joy's sales with influencer partnerships and by continuing to draw in customers who connect with her mission to amplify and support other female founders — and their pets.



BUNDLEXJOY.COM

RENO, NEVADA

HEMLOCK PARK // MIKEY KIM, CEO AND FOUNDER

Pandemic lockdown hobby sparks global candle-making success

In 2020, at the height of Covid lockdowns, Mikey Kim found himself without a job and confined to his apartment. What began as a hobby in his cramped Los Angeles apartment became <u>Hemlock Park</u>, a thriving all-natural candle business. As customer demand grew and candles overtook his living space, Mikey relocated to Reno, Nevada, taking advantage of the city's business-friendly environment and affordable warehousing.

Four years later, Hemlock Park annually sells some 250,000 hand-poured, American-made candles to customers throughout North America, Europe, and Asia. The company's candles and spa sets are available through its Shopifypowered site; on <u>Amazon</u>, where they're a bestseller; and in over 2,500 retail stores worldwide, thanks to online wholesale marketplace <u>Faire.com</u>.

Leveraging online marketplaces' big-business capabilities, Mikey says, is key to Hemlock Park's success. Amazon's valuable resources — including no-hassle business loans, sophisticated marketing tools, integrated logistics, and dedicated account managers — keep Hemlock Park's operations streamlined so the team can focus on creating top-quality products. Moreover, they allow Hemlock Park to operate as a global candle supplier to spas, individuals, and boutiques while remaining a tight-knit team of just seven employees. "Without Amazon's tools and support, we'd only be able to manage 500 orders a month," Mikey says. "Using Fulfillment By Amazon, we can sell 500 candles a day."

Similarly, online wholesale platform Faire allows Hemlock Park to connect with retailers, helping it develop a strong "brick-and-mortar" presence. Faire's value, Mikey says, far outweighs its costs. "Without Faire, we'd have to attend a dozen trade shows a year and employ a full-time wholesale manager," he says.

Mikey says today's digital tools and platforms have allowed him to succeed in doing what he loves. "We're a small local business selling handcrafted goods — on a global scale."



HEMLOCKPARK.COM

FORT WORTH, TEXAS

FRAILEY WOODWORKS

// ASHER, JAMES, AND PAIGE FRAILEY, CO-FOUNDERS

Creative family finds calling crafting heirloom-quality furniture

While living with roommates after college and serving as a campus minister, Asher Frailey began crafting custom furniture for his Fort Worth, Texas home. When a record console he posted on Facebook Marketplace sold immediately — and more requests for custom pieces came in — Asher, an architect by training, knew he had the beginnings of a business.

Partnering with his aeronautical engineer father, James, and his artist mother, Paige, Asher began locally selling their signature custom record consoles. As demand for items grew, the family expanded their business to customers nationwide with the <u>Frailey Woodworks</u> Squarespace website and <u>Etsy</u>. Asher calls Etsy the "easiest on-ramp," noting that now 60% of their sales come from the marketplace. To fulfill all of their orders, the Frailey's use uShip, a digital service that integrates with Etsy and Squarespace. uShip matches them with drivers, and offers insurance, price estimates, and blanket wrapping, so customers receive their intentionally-designed, modern heirlooms in perfect condition.

In addition to caring for their customers, the Frailey's look after their staff of artisans with a uniquely entrepreneurial design program. Employees are encouraged to create new furniture designs and rewarded when they prove successful. "Our employees are true craftsmen," James says. "We want to give them the freedom to propose new ideas and the resources they need to refine them." When a new piece sells, the designer gets the majority of the proceeds, can add the new piece to the Frailey Woodworks product catalog, and receives royalties on subsequent orders.

The family is quick to point out that their Christian faith and values are what really power their business — by strengthening their bond, guiding them to treat customers and employees with kindness and respect, and inspiring them to create beautiful, enduring pieces for other families. "Our first vocation is to serve Jesus," Asher says, "and I'm really fortunate to be able to do that with my family and through our business."



FRAILEYWOODWORKS.COM

COB FOODS // JESSICA DAVIDOFF, CEO AND FOUNDER



Son's allergy inspires entrepreneur to launch healthful sorghum-based snack company

When Jessica Davidoff realized her son was severely allergic to corn — present in some 75% of America's processed foods — she started experimenting with alternative grains to provide him with healthy, delicious snacks. Her breakthrough came with sorghum, an ancient "super grain" packed with nutrients and antioxidants. "It pops just like corn, but it's smaller and tastes so good," she says.

Jess's discovery inspired her to launch the sorghum-based snack food company <u>Cob Foods</u>, which launched in the summer of 2024 after three years of recipe testing. She started by selling in local farmers' markets and specialty grocers and on her direct-to-consumer Shopify site so consumers craving healthy corn-free snacks could buy Cob, no matter where they lived.

With plans to scale Cob Foods through marketplace sales and strategic wholesale partnerships, Jess is poised to bring her sorghum-based snacks to cupboards nationwide. "We're about to start selling on our first marketplace, Amazon, because it's the easiest and has the most shoppers," she says. "After that, we'll pursue wholesale deals and marketplace sales with other national retailers."

Looking ahead, Jess envisions Cob Foods expanding into two main categories: onthe-go snacks and pantry staples. From sorghum puffs and nutrition bars to whole-grain sorghum and baking flour, she's focused on offering versatile, nutrient-rich products with high-quality ingredients and careful preparation processes. "When we make business decisions, we think carefully about our customers and how they purchase, cook, and eat food," she explains.

Jess says her definition of success as a small-business owner is freedom. "It's the freedom to decide what I'm going to do, with whom, and when," she says. This mindset enables her to embrace the entrepreneurial roller coaster, balancing creativity and strategy while raising a young family. Her approach also reflects a keen awareness of the broader market. "Better-for-you food shouldn't just be for a small subset of people," she says, noting Cob Foods' commitment to making healthy snacks broadly accessible. "It should be for everyone."



COBFOODS.COM

CANVIIY// SHERREL SAMPSON, CEO AND FOUNDER

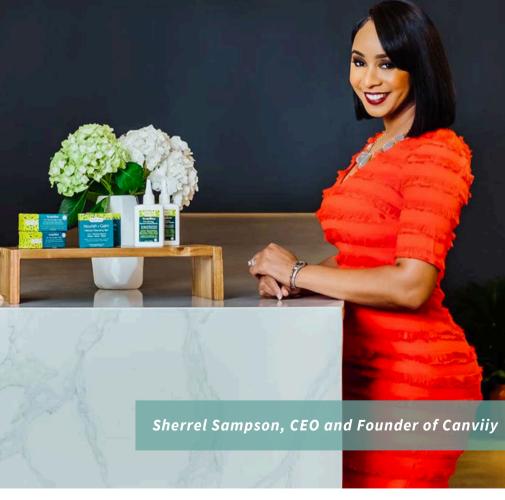
A founder's growth mindset brings scalp relief to suffering patients

After two decades working in corporate marketing, including a stint leading a beauty products brand, Sherrel Sampson wanted to use her product-innovation expertise to start her own scalp health company. Interested in providing ultragentle hair-care products to people with itchy, irritated scalps, Sherrel started conducting research by speaking with potential customers about their haircare needs at farmer's markets in 2015. When a leading oncologist from Tampa's Moffit Cancer Center asked Sherrel if her products could help cancer patients struggling with sensitive scalps, she realized her innovations could enhance people's lives.

Ten years later, Sherrel runs a thriving health and wellness business, Canviiy, known for its organic-based hair and scalp products. With a small team, the company uses a sophisticated multi-channel sales strategy to offer products in over 6,000 retailers, including <u>CVS</u> and <u>Walgreens</u>, as well as in online marketplaces such as <u>Amazon</u>, <u>Walmart</u>, <u>Kroger</u>, and <u>Faire</u>. To scale its reach, Canviiy leverages third-party logistics partners such as ShipStation and ShippingEasy. Canviiy promotes products on its <u>website</u> but prioritizes wholesale and B2B relationships — ensuring its treatments reach a range of customers.

To get Canviiy to hospital patients, Sherrel had to learn how to navigate the complex hospital-supplier purchasing process. Healthcare facilities typically use centralized purchasing companies known as Group Purchasing Organizations (GPOs) to source essential supplies and negotiate purchasing contracts — and securing those contracts is tough. "It took a year-and-a-half to get our first GPO contract," Sherrel says. But her perseverance paid off: Today, Canviiy has four GPO contracts, giving the company access to hospital systems nationwide.

Sherrel uses today's broad range of selling options to help thousands of people feel better, every day. "Canviiy isn't just a product," she says, explaining that it can transform the lives of cancer patients and individuals with problematic scalp health. "Before Canviiy, consumers and patients alike thought they had to endure their discomfort in silence. It's an honor to be able to provide them with soothing, healthier solutions."



CANVIIY.COM

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HARDMILL & READYWARES // RYAN BARRIE, CEO AND MICHAEL BARRIE, COO

SEATTLE, WASHINGTON

College job prompts brothers' high-quality home goods business

When Ryan Barrie worked at a restaurant during college, he wanted a rugged apron that would withstand the demands of daily use. Unable to find an apron that met his needs, he crafted a leather one and started selling aprons with the help of his brother Michael. The brothers launched their company <u>Hardmill</u> in 2012, and had early success when their rugged aesthetic and durable product caught Starbucks' attention, which commissioned aprons for its destination coffee roasting facility, Starbucks Reserve Roastery, in Seattle.

Today, Hardmill sells leather kitchen goods, refurbished cast-iron skillets, and other rustic home products through Shopify, <u>Etsy</u>, and a brick-and-mortar showroom and workshop in Seattle. Rent isn't cheap, but making the space dual-purpose reduces costs and lets Ryan and his team fulfill most orders in-house.

Following Hardmill's success, the brothers started <u>Readywares</u>, to offer customers affordable workwear, tool storage, and accessories made of waxed canvas. To keep prices low, Readywares is manufactured overseas. Ryan and Michael extensively vet potential suppliers to ensure fair wages and that the quality of Readywares' products adheres to the high standards and intentional design that characterize Hardmill.

Readywares helped the brothers expand where their products are sold. "The price point is well-suited to Amazon and gives us a wider reach to meet potential customers," Ryan says. Readywares also sells products on Shopify, <u>Etsy</u>, and wholesale to <u>Bespoke Post</u>, <u>Woodcraft</u>, <u>Manready Mercantile</u>, and <u>The Simple</u> <u>Man</u>. To fulfill orders, Readywares uses FBA, which works with them to pick up goods from their California warehouse and saves them space in Seattle.

With a strong foundation in quality craftsmanship and ethical production, Hardmill and Readywares plan to expand in 2025 with a distinctive line of highquality corporate gifts. By adapting to market challenges and prioritizing thoughtful design, the brothers are set to grow their brands while maintaining their commitment to excellence.



HARDMILL.COM READYWARES.COM

BUSY BABY // BETH BENIKE, CEO AND FOUNDER



Military mom's practical solution becomes a baby-care essential

When Army veteran Beth Benike made her first silicone suction placemat with child-safe tethers for toys and utensils, she wasn't trying to launch a baby products company. Instead, she was trying to keep her baby boy entertained, make sure his spoon stayed clean, and reduce the number of times she had to pick things up off the floor. But her innovative mat worked so well that she decided to patent it and launch a company, <u>Busy Baby</u>.

Today, Minnesota-based Busy Baby offers problem-solving baby gear through an array of sales methods, including its Shopify-powered online store, <u>Walmart</u>, <u>Target</u>, <u>Amazon</u>, and <u>buybuy BABY</u>. Part of Beth's strategy is reaching customers wherever they are while balancing each method's distinct business benefits and costs. "Our website is best for profit margins and connecting with loyal customers," Beth says. "But marketplaces like Amazon help drive revenue, even with fees. And wholesale retail is expensive, but provides critical brand awareness and controls copycat brands."

Beth's marketing strategy is similarly comprehensive, combining smart digital advertising with old-fashioned brand-boosting. Busy Baby buys social media ads on Facebook and Instagram, marketplace ads on Walmart and Amazon, and search ads through Google. The company also mails out postcards and giveaway offers. "Digital ads are easy to scroll past," Beth says. "But mail sits on the counter, keeping our brand top-of-mind."

Beth's multi-media, multi-channel approach ensures customers regularly encounter Busy Baby's name and products. By blending digital and traditional strategies, she's built a trusted baby products brand — and helped make every day less stressful for parents and more fun for babies. "You have to be everywhere," Beth says. "By combining digital platforms and retail partnerships, we've created more than a product—we've built a lifeline for overwhelmed parents."



BUSYBABYMAT.COM

ZAAINA SKINCARE // PURVI DESAI, CEO AND FOUNDER



Traditional family recipes inspire natural skincare business

Purvi Desai started her all-natural beauty products business, <u>Zaaina Skincare</u>, in her kitchen. Inspired by the compounds she'd seen her Indian grandmother make using ingredients like lemongrass and turmeric, she began crafting small batches of chemical-free products and selling them at local farmers markets, boutiques, and spas. However, as the mother of two young children, she found it challenging to manage sales in person — so she started selling online through the Etsy retail platform.

There, she learned what it takes to effectively differentiate and market her products. "For makers of handmade goods, Etsy is a natural fit," Purvi remarks. "But without the in-person element, you have to figure out how to make your products resonate with customers through images and storytelling, and custom touches like handwritten notes and special packaging." Purvi's efforts paid off when Zaaina was featured as an Etsy "Editor's Pick" — opening the door to a range of new retail opportunities.

Customers can now purchase Zaaina Skincare products through a number of outlets, including the company's Shopify store; marketplaces <u>Etsy</u> and <u>Amazon</u>; and in retailers <u>Costco</u>, West Elm, Walmart, and <u>1-800 Flowers</u>. Purvi efficiently manages Zaaina's shipping and cross-channel sales by leveraging tools like webbased logistics software ShipStation and Fulfillment By Amazon. Zaaina is growing and thriving, Purvi says, thanks to a combination of efficient, cost-effective platform integrations, savvy online marketing, and a commitment to providing high-quality products with a handmade feel and personal touch.

Today, Purvi's vision extends beyond selling online. Her plans include creating a holistic wellness space where customers can experience Zaaina Skincare products. "Establishing the brand came first," Purvi says. "Now that we have dependable online sales, we can expand into creating something really distinct where people can connect with our products and the experience we offer."



ZAAINA.COM

COOLER KITCHEN // JULIE AND BRANDON FUHRMANN, CO-FOUNDERS



Husband-and-wife duo create kitchen products that marry cheer and utility

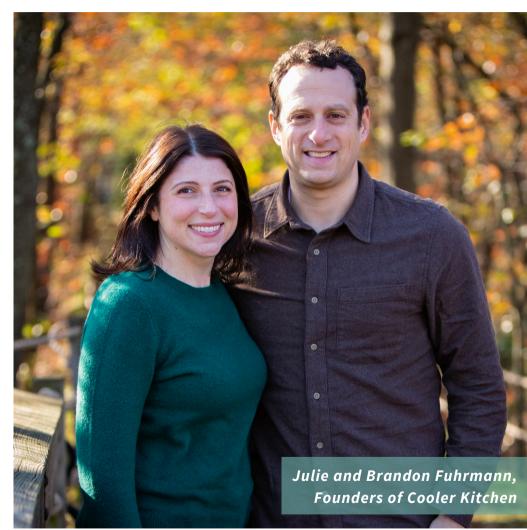
Brandon and Julie Fuhrmann loved cooking in their Manhattan apartment's kitchen — despite its extremely modest proportions. To maximize the kitchen's utility, they started designing creative, space-efficient kitchenware and tools. Their innovations worked so well, they decided to share them with other design-conscious home chefs, launching online kitchenware shop <u>Cooler Kitchen</u> in 2014.

Now in Long Island, New York, Cooler Kitchen leverages multiple digital sales channels to reach customers worldwide. The company's products are available through its Shopify-powered website, <u>Amazon</u>, <u>Walmart</u>, <u>Faire</u>, and <u>Flip</u>, giving it broad reach and diversifying its revenue streams. "Online marketplaces offer Cooler Kitchen incredible volume, and provide customers a trusted shopping environment — both of which drive significant sales," Brandon says.

Over time, he and Julie have become attuned to nuances of different platforms. "Each platform comes with its own set of customer expectations and behaviors, so we adapt our product listings, logistics, and marketing strategies accordingly," he explains. To boost their performance, Brandon and Julie also integrate their inventory systems, and continuously optimize listings based on sales data.

Efficiently managing fulfillment is another key to Cooler Kitchen's growth. The business uses a number of tools, including integrated fulfillment services like Fulfillment by Amazon (FBA) and Walmart Fulfillment Services (WFS). "Those services help us manage inventory and marketing across many channels, and offer benefits like increased visibility and diverse customer bases," says Brandon. By streamlining complex, time-consuming activities like storage, shipping, and returns, integrated services give the couple time to focus on important businessbuilding tasks like product development and mastering new sales channels.

Cooler Kitchen's success illustrates how today's broad range of digital tools and marketplaces help passion-driven entrepreneurs find customers, grow, and thrive. "It's so rewarding to see our products in kitchens worldwide and hear from satisfied customers," Brandon says.



COOLERKITCHEN.COM

THE DUST COMPANY // LUCA RICCI, PRESIDENT AND FOUNDER



Italian entrepreneur brings artisan-crafted leather goods to global market

A veteran of the high-end leather furniture industry, Luca Ricci found himself disappointed by the quality of many luxury consumer brands' leather goods. Sensing an opportunity, in 2017, he launched his own leather goods business, The Dust Company. Handcrafted by a team of eight Italian artisans and featuring classic designs and colors, the Dust Company's bags, backpacks, belts, and wallets are made to improve with age.

Today, The Dust Company — jointly headquartered in Italy and Wyoming — uses a range of methods to sell its moderately priced luxury leather accessories to discerning customers worldwide. For example, The Dust Company relies on its <u>Shopify website</u> for direct-to-consumer sales, taking advantage of the platform's low overhead and highly customizable tools and features. "In our Shopify store, we control our brand, and avoid high fees and commissions," Luca says. "That allows us to build our brand identity — and boost our margins."

In addition to its online store, The Dust Company has a presence in the <u>Etsy</u> online marketplace and recently began selling on the <u>Target+</u> marketplace. Luca also works with leading retailers and wholesaler <u>Faire.com</u>, to reach customers worldwide. In Europe, the company's products are available at fashion-forward retailers including Spartoo (France), <u>The Clothing Lounge</u> (U.K.), IVALO (Finland), <u>Skroutz</u> (Greece), <u>Barroco Italia</u>, and <u>Attavant</u> (Italy). Luca builds brand awareness and engages with customers, on <u>Instagram</u> and through social shopping platforms <u>FashWire</u> and <u>Flip</u>.

Online tools and marketplaces, paired with social media, allow The Dust Company's 12 employees to share Italy's great leather-crafting tradition with customers around the world, while also paying close attention to customers' needs. "Our ability to produce beautiful handcrafted leather goods and offer personalized customer service is a direct result of the value we get from digital tools," Luca says.



THE-DUST.COM

MICHAEL ALEXANDER OFFICIAL // MICHAEL KING II AND JAVONNIA JACKSON, CO-FOUNDERS



Selling streetwear online gives mother-son duo flexibility

With time to fill during the Covid pandemic, then-high school senior Michael King II dreamed of starting his own business. When he told his mother, Javonnia Jackson, she supported his aspirations and offered to partner with him. In 2021, the duo launched <u>Michael Alexander Official</u>, a Fort Lauderdale, Florida-based streetwear brand that also sells accessories like hats and bags and — most recently — "KolourMyPJS" DIY adult coloring pajama sets.

Javonnia, whose mobility is limited by a disability, says running Michael Alexander Official keeps her engaged, and gives her the flexible schedule she needs. "Running a business gives me the freedom to go to appointments and set my own hours," Javonnia says. Still, she's always working on something Michael Alexander-related whether managing designs, responding to customers, or sending out shipments. She even stores inventory in her home. Selling online also gives Michael the flexibility he needs as a full-time college student.

The founders chose Shopify for Michael Alexander Official's online store because of its convenient, effective, AI-powered tools, 3D modeling capabilities, and integrated UPS and USPS shipping discounts. Likewise, online marketing with Instagram and TikTok Business has been instrumental in helping Michael and Javonnia connect with customers and stay up-to-date with trends.

Part of the brand's growth plan includes attending more in-person art-enthusiast popups and "sneakerhead" events such as Art Basel and SneakerCon. Javonnia says her disability prevents her from running a brick-and-mortar store, but she hopes to bring Michael Alexander Official and KolourMyPJS to retail stores through partnerships with department stores like Target and Kohl's, specialty stores, and boutique retailers.

More than that, Javonnia says she hopes to inspire and employ others with disabilities. "Small business ownership is a pathway to success and purpose, and it gives me independence," she says. With the help of digital tools and platforms, Javonnia and Michael have created a business that brings them flexibility and autonomy, and their unique streetwear fashion to the world.



MICHAELALEXANDEROFFICIAL.COM

NEURO GUM // KENT YOSHIMURA, CEO, AND RYAN CHEN, CFO



Friends turn their athlete insights into successful energy products brand

Ten years ago, Kent Yoshimura and Ryan Chen — elite athletes and best friends — had a bold idea: They wanted to make a product that improved people's energy, focus, and productivity, but was more portable and effective than an energy drink. The result was <u>Neuro Gum</u>, an all-natural chewing gum containing energizing ingredients, including B vitamins and caffeine.

Fast forward to 2025, and Neuro-brand gum and mint products are available in over 20,000 brick-and-mortar retail locations, including CVS, Whole Foods, Albertsons, and Target. Online, the products can be purchased from the brand's Shopify-powered website, as well as on <u>Amazon</u> and <u>TikTok Shop</u>, where enthusiastic followers have helped make Neuro products bestsellers.

Neuro's success took strategic marketing savvy, flexibility, and determination. From the start, Kent wanted Neuro Gum to have a strong presence in brick-andmortar retailers and online outlets. "I thought a retail presence would provide credibility because it's hard to get products into retailers," he says. The strategy paid off handsomely when legendary DJ Steve Aoki and influential podcaster Joe Rogan both discovered Neuro Gum, then offered vital financial backing and invaluable free publicity, respectively.

Kent and Ryan learned from early missteps: After a major retailer charged Neuro Gum thousands of dollars for pallets with minor labeling mistakes, the two chose to manage their own warehouses and foster direct relationships with retailers. At the same time, they decided to make the most of Amazon's sophisticated integrated logistics services. Amazon's logistical efficiency gave Kent and Ryan time to refine and expand their product line and create custom packaging and formulations for different retailers. Kent says, "That partnership let us focus on marketing, building revenue sources, research and development, and the consumer experience."

In today's marketplace, strategic flexibility and creativity are key, Kent says. "You have to adapt and leverage all the tools available."



NEUROGUM.COM

HOW RETAIL CHOICES AND COMPETITION FUEL AMERICAN SMALL SELLERS' SUCCESS

METHODOLOGY

We conducted an online survey of 1,500 small online sellers, which we define as small or medium-sized businesses (or their leaders) with fewer than 500 full-time employees that sell physical goods online at least part of the time, using platforms like e-commerce websites or online marketplaces. Every person surveyed is an SMB leader who is involved in making decisions that affect their entire business.

The survey was conducted between September 21 - October 6, 2024. Most of the results presented here are from the main sample (N = 1,500) and has a margin of error of +/-2.5%. For the subset of small online sellers who use integrated services from online marketplaces and stores (N = 1,154) the margin of error is +/-2.9%.

Topline data for the main sample may be found <u>here</u>.



HOW RETAIL CHOICES AND COMPETITION FUEL AMERICAN SMALL SELLERS' SUCCESS

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