

E-enabled community based manufacturing business models

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The Etsy model

About Mission Team Press Careers Investors

Etsy is a marketplace where people around the world connect, both online and offline, to make, sell and buy unique goods.

The heart and soul of Etsy is our global community: the creative entrepreneurs who use Etsy to sell what they make or curate, the shoppers looking for things they can't find anywhere else, the manufacturers who partner with Etsy sellers to help them grow, and the Etsy employees who maintain and nurture our marketplace.

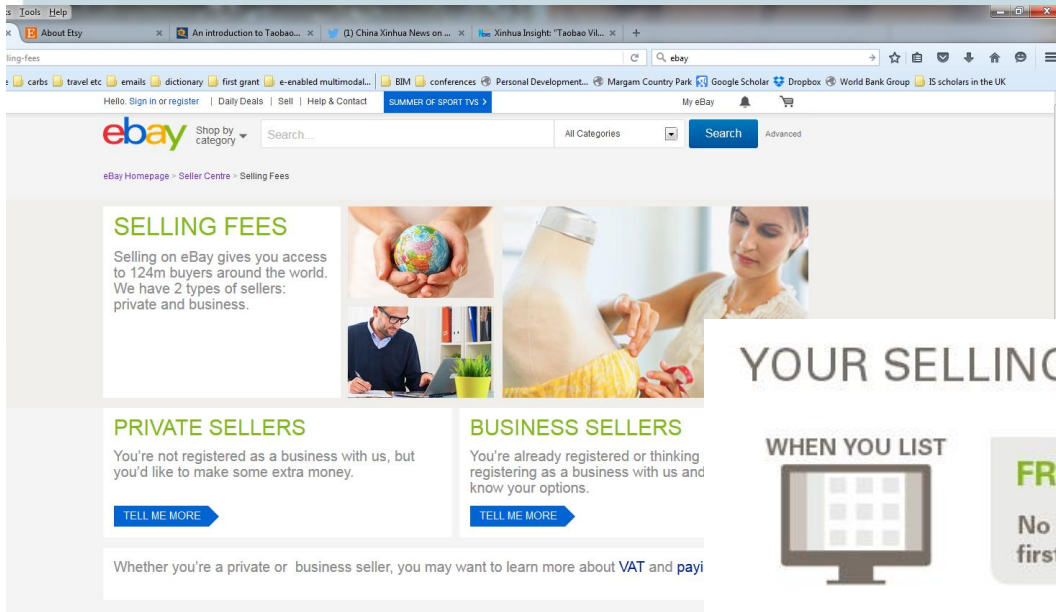
2005 Founded	852 Employees	35M+ Items for sale
1.6M	25M	\$2.39B

- Handcrafted, unique products
- C2C business model, then expand to support C2B or b2b (manufacturing support), acting as an 'speed dating agency'
- Price model:
 - USD\$0.20/item listing fee
 - 3.5% sales transaction

<https://www.etsy.com/uk/about/?ref=fr>

The Ebay model

- C2C business model, then expand to B2C
- Price model
 - Listing fee
 - Transaction fee



YOUR SELLING FEES

WHEN YOU LIST



FREE TO LIST
No insertion fees for your first 20 listings every month



OPTIONAL UPGRADES
Including FREE Scheduler for 20 listings every month

WHEN YOU SELL



10% FINAL VALUE FEE
On the total transaction amount including postage



PAYPAL FEE
If your buyer pays with PayPal

The Taobao Villages model



http://news.xinhuanet.com/english/indepth/2013-08/20/c_132646753.htm

Taobao: the largest e-commerce site in China under the Alibaba group.

The screenshot shows the Alizila website header with navigation links: ABOUT, BLOG, ALIBABA NEWS, VIDEOS. Below the header is a photograph of several people in blue jackets working at tables filled with boxes of red apples. The article title is "An Introduction To Taobao Villages" with a sub-headline "JANUARY 17, 2016 | ALIZILA STAFF". A "SHARE THIS ARTICLE" section includes icons for Twitter, Facebook, LinkedIn, and Email. The "Background:" section contains the following text:

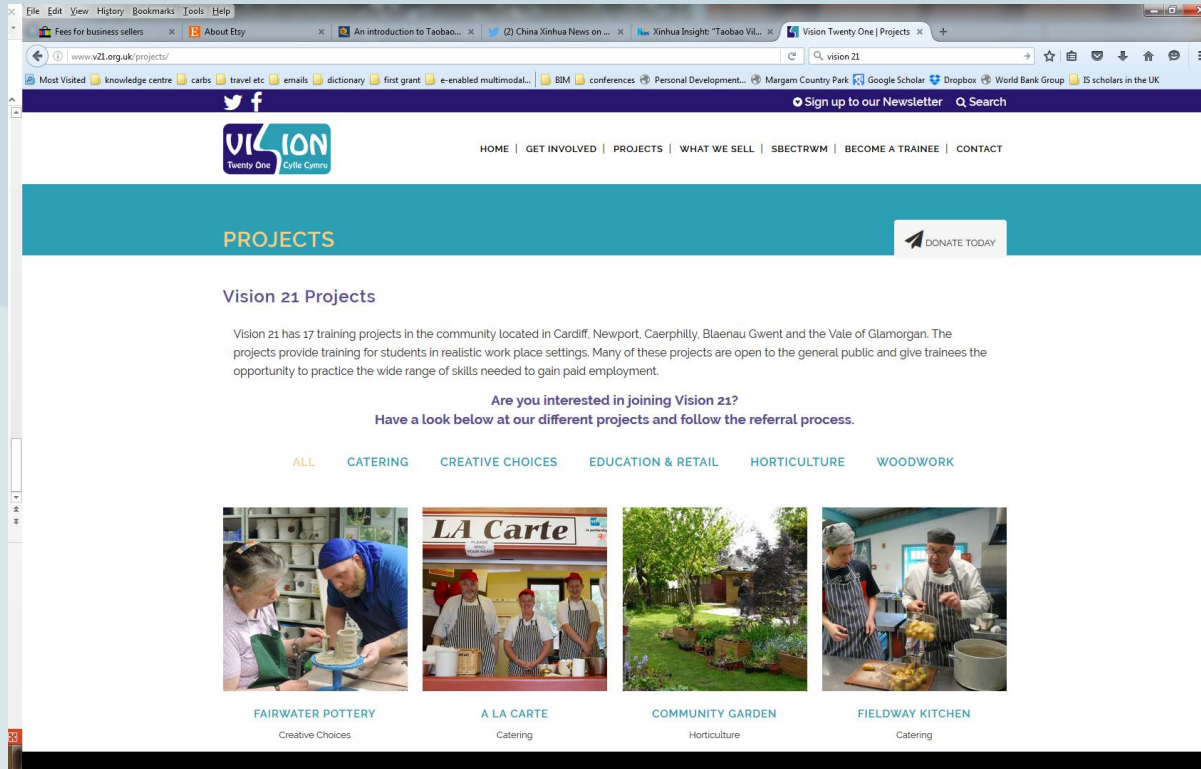
Background:
In 2009, clusters of rural online entrepreneurs who have opened shops on Taobao Marketplace, which are referred to as "Taobao Villages," began to emerge in China. The first farming village to take up e-commerce on a large scale was Dongfeng Village in Shaji Town, Jiangsu Province, where more than 1,000 households had joined the digital economy by getting involved in furniture production and selling their finished goods online. Two other Taobao Villages also emerged in Hebei Province and Zhejiang Province, respectively, in the same year. Since then, the number of Taobao Villages has been on the rise, and those villages have become a significant force behind the development of rural e-commerce in China.

<http://www.alizila.com/an-introduction-to-taobao-villages/>

The “floating market” model



The social enterprise model



Vision 21 Cardiff

<http://www.v21.org.uk/about-vision-21/>

Discussion

- Supply chain implications of those business models?
 - The importance of intermediary (government agency, charity, commercial organisation, business angel etc)
 - Strength
 - High end products: Innovative and creative products (craft products)
 - Cheaper products: direct sale, competitive price
 - Social impact on local community
 - Constrains:
 - Scale up problem
 - Leadership, marketing, operations management and sales skills
 - Lack of economy of scale (e.g. low bargaining power in sourcing)
- How do these business achieve economic and social sustainability in the long run?