



Fidelman & Co.



QUESTION

Marketplace Multiples

INSIGHTS

- As of 2016, Etsy with a market cap of \$2.5 billion, had a GMV multiple of 1.7 after IPO.
- According to Shopolog, Yandex eCommerce used a GMV multiple of 0.6x at a valuation of \$9.04 billion.

FINDINGS

After extensive research, we were only able to locate the GMV/GTV multiples for marketplace companies with valuations above [\\$1 billion, which includes \(10\)](#) Etsy, Yandex, Flipkart, and Snapdeal. We researched some educational marketplaces such as Rafter, Piazza, Inside Track, and others, unfortunately, we could not find details of their GMV multiples in the public domain despite careful research on their directories and other external portals such as Business Insider, Forbes, and others. Thus, we provided the requested data for marketplaces with valuations above \$1 billion, as available in the public domain. Please, keep reading for a deep dive of our methodology and findings.

Methodology

To determine the GMV or GTV valuation multiples used by marketplace platforms that are raising at a valuation of about \$1 billion, we researched the top educational marketplaces within the US and found Rafter, Piazza, Inside Track, and USEED. Unfortunately, we were unable to confirm their GMV multiple or GTV valuation despite investigating reports on their databases, and perusing trusted portals including Business Insider, Inc., Businesswire, Statista, Forbes, and others. Next, we checked for any available public data from press releases, annual reports, and industry reports of the GMV multiple of known marketplaces such as Upwork, Fiverr, Thumbtack, Eventbrite, and others. Still, we were unable to find one.

Therefore, we switched to research the top marketplaces. From our investigation, we found marketplaces such as Amazon, eBay, Bonanza, JD, and others. This time, we located some GMV multiple; however, their GMV ranged from \$200B to \$600B, which was above the requested valuation of about \$1 billion. Thus, we omitted them from the research.

Then, we proceeded to find marketplaces with valuations in the \$1 billion range and identified companies valued between \$1 billion and \$3 billion included Shutterstock, LendingClub, TrueCar, and Etsy. So, we investigated each company's directory and credible external portals in search of their GMV multiples, respectively. After careful research, only Etsy had a publicly available report about GMV multiple. However, we located other marketplaces which reveal their GMV multiples including Yandex, FlipKart, Snapdeal, and Aliexpress. Please, note that these marketplaces are based outside the United States, but we included them in this report due to the lack of the requested data in the public domain for the other marketplaces researched, which met the valuation requirement of ~\$1 billion. Also, most of the publicly available GMV multiples were for dates beyond Wonder's standard two-year research timeline; however, we used them due to lack of more recent updates publicly available.

Research Findings

MARKETPLACE PLATFORMS THAT ARE RAISING AT A VALUATION OF ~\$1BN

A report by [TechCrunch in 2018 \(10\)](#) listed Shutterstock, LendingClub, TrueCar, and Etsy as the marketplaces raising at a valuation between [\\$1 billion and \\$3 billion \(10\)](#). Unfortunately, there were no insights into their GMV or GTV.

GMV (GROSS MERCHANDISE VOLUME) of Some Marketplaces

Etsy

As per [VisionOne's "Guide to Marketplace \(2\) Handbook"](#) published on Slideshare, Etsy, with a market cap of [\\$2.5 billion \(10\)](#) had a GMV multiple of [1.7 after IPO \(2\)](#) and used [GMV multiple of 0.76 \(2\)](#) in valuation, [as of 2016 \(2\)](#).

Yandex eCommerce and Aliexpress

With an estimated value of [\\$9.04 billion \(11\)](#), Yandex eCommerce used a [GMV multiple of 0.6x \(1\)](#), while around [0.5 to 1x \(1\)](#) was the GMV multiple used in valuing AliExpress, according to [Shopolog's 2018 report \(1\)](#).

FlipKart and Snapdeal

[As of 2015 \(3\)](#), Flipkart's estimated valuation was about [15 times its GMV \(3\)](#) at a ratio of [about 3:3 \(3\)](#). On the other hand, Snapdeal used a [-2x GMV multiple \(3\)](#) in the same year.

SOURCES

- 1) GMV multiple of Yandex and Aliexpress
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- 11) Yandex NV Market Cap (YNDX)
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