



THE CASE FOR AN ONLINE PITTSBURGH MARKETPLACE

EXECUTIVE SUMMARY

The way in which small businesses begin has changed in the last decade. For generations in Pittsburgh, you saved up, signed a lease, opened your doors, and built something brick by brick. Today, rising costs for rent, utilities, insurance, inventory, and labor have pushed that path out of reach for too many hardworking people with good ideas. The dream hasn't disappeared, but the starting line has moved. Now, for many entrepreneurs, the first step isn't a storefront on Main Street. It's online. But selling online has come with its own challenges.

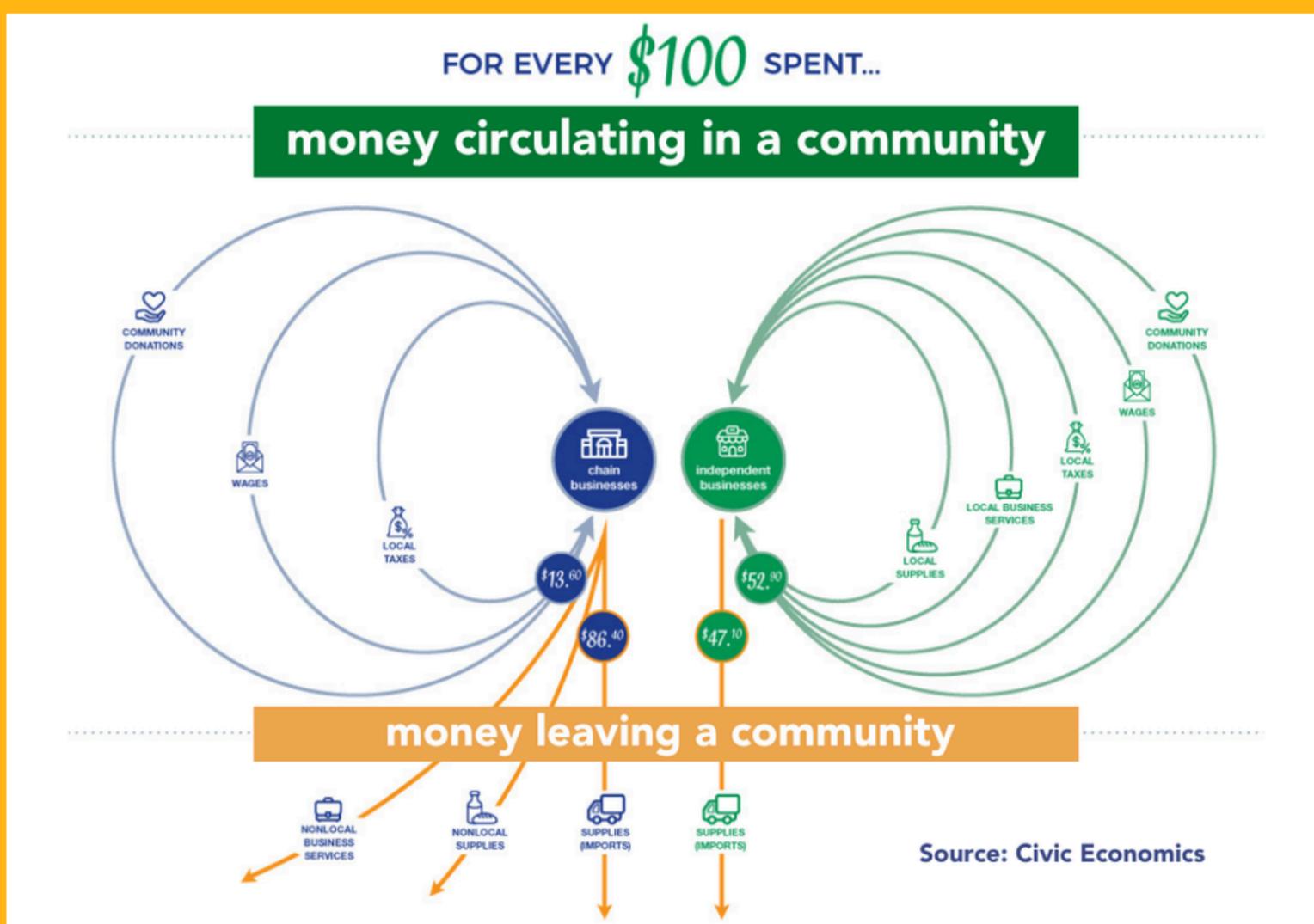
GLOBAL MARKETPLACES WERE NOT BUILT TO STRENGTHEN LOCAL COMMUNITIES OR FOSTER COLLABORATION BETWEEN SMALL BUSINESSES.

They were built for scale and for volume, not for keeping dollars circulating in Western Pennsylvania. When local businesses compete on commission-based platforms designed for global sellers, the advantage rarely goes to the small shop owner. While these platforms provide access to large audiences, they also introduce dependency, escalating commission-based fee structures, and reduced local economic impact. With respect to the Greater Pittsburgh Area ("GPA"), the value extracted by these platform models drains the local ecosystem of millions of dollars annually. A meaningful share of each transaction is being directed outside the GPA, resulting in a reduction of reinvestment in the local communities these shops serve, often to the tune of 20–60%.

THE LEAKAGE OF LOST REVENUE FROM COMMISSION-BASED MARKETPLACES, LOCATED OUTSIDE OF THE PITTSBURGH REGION, CREATES A CLEAR OPPORTUNITY FOR US TO BUILD A MORE CONNECTED, COMMUNITY-DRIVEN MARKETPLACE THAT BETTER SUPPORTS THE LONG-TERM INTERESTS OF OUR LOCAL SHOPS AND REGIONAL STAKEHOLDERS.

The business model of YinzMart.com is designed to fill that gap. Our business model empowers the local community in multiple ways; a low-cost subscription-based model that doesn't continuously profit from each sale of a small local business, and by taking advantage of the local multiplier effect, the proven reality that two to three times more economic value stays in a community when people support independent local businesses.

YinzMart.com is a lower-risk, high-reward starting point for today's entrepreneurs in Pittsburgh. YinzMart.com emphasizes local reinvestment, more profitable sales, and increased community participation. Our tools enable sellers marketplace access at a fraction of the long-term cost of global platforms. This is not just about e-commerce, it's about building an ecosystem where Pittsburgh businesses can launch, grow, and win together.



THE CHALLENGE OF TODAY'S MARKETPLACE **COMMISSION-BASED MODELS**

Today, growth is increasingly driven by paid visibility, rising fees, and competition at scale. As a result, Pittsburgh-based businesses compete directly with overseas manufacturers and drop shippers selling similar goods at lower prices, which often buries small local sellers under massive competition. Algorithms reward paid ads, deep discounts, and high sales velocity rather than local impact or product quality. Global marketplaces have become crowded, noisy, and transactional instead of relational and community-driven.

THE COST AND COMPLEXITY OF SUCCESS HAVE INCREASINGLY SHIFTED ONTO THE SELLER.

Major marketplaces disconnect buyers from the communities they live in. When consumers shop on global platforms, their dollars often leave the local economy entirely. There is little transparency about where products originate or how purchases impact local neighborhoods. Local businesses lose not only sales, but also the opportunity to build lasting relationships with nearby customers. The result is a fragmented digital shopping experience that does not reflect the pride, identity, and economic resilience of a city like Pittsburgh.

Fee structures on large platforms also erode small business margins. Listing fees, transaction fees, payment processing fees, and advertising costs stack on top of one another, making profitability difficult for independent sellers. To remain visible, many businesses feel forced to purchase ads within the very platforms they already pay to use. This creates a cycle where visibility depends more on budget than on product or story. For small Pittsburgh makers and retailers, this model shifts focus away from craftsmanship and toward constant platform management. As a result, even when local businesses make a sale, a significant portion of that value leaves the community, through fees, ads, and external fulfillment systems.

THE LOCAL MULTIPLIER/RIPPLE EFFECT

The concept of the local multiplier effect explains how money spent locally continues to circulate within the same community. Research from organizations like American Independent Business Alliance shows that locally owned businesses tend to recirculate a significantly higher percentage of revenue compared to national chains. When a Pittsburgh resident buys from a local seller, that business owner is more likely to use local accountants, printers, suppliers, and service providers. Those secondary businesses then spend their income locally as well, creating a chain reaction of economic activity. One purchase can generate multiple layers of impact across neighborhoods, industries, and households.

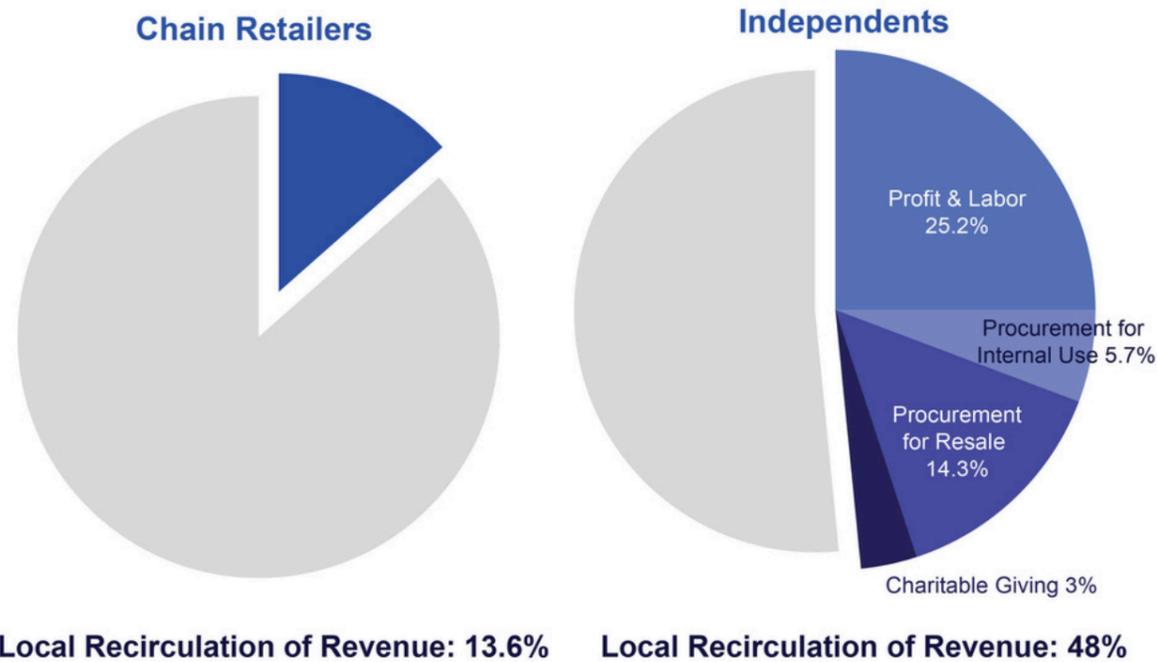
INDEPENDENT RETAILERS RETURN MORE THAN THREE TIMES AS MUCH MONEY PER DOLLAR OF SALES THAN CHAIN COMPETITORS.

In contrast, dollars spent on large national platforms often exit the region immediately. Profits flow to corporate headquarters, shareholders, and centralized distribution systems outside of Pittsburgh. Even when a product is shipped to a Pittsburgh address, the economic value may not meaningfully support local jobs or infrastructure. The transaction becomes isolated rather than interconnected. Over time, this leakage weakens the financial resilience of local business districts and reduces opportunities for small entrepreneurs.

SPENDING AT LOCALLY OWNED BUSINESSES GENERATES RIPPLE EFFECTS THAT CREATE MORE LOCAL JOBS AND WEALTH.

A dedicated local marketplace strengthens the multiplier effect by intentionally keeping transactions within the region. By connecting Pittsburgh consumers directly with Pittsburgh businesses, more revenue stays in the city and continues to circulate. Vendors benefit not only from sales but from increased collaboration referrals, and shared visibility within a unified platform. Customers gain transparency about where their money goes and how it supports their neighbors. The result is a more self-sustaining local economy that builds wealth, stability, and pride across the Pittsburgh community.

Local Economic Return of Indies v. Chains



*Compiled results from nine studies by Civic Economics, 2012: www.civiceconomics.com
Graph by American Independent Business Alliance: AMIBA.net

YINZMART.COM: THE LONG-TERM

YinzMart is built around a simple idea: when small businesses are supported locally, they don't just survive, they grow stronger together. Instead of competing in crowded, high-fee marketplaces, YinzMart creates a space where local vendors can connect with customers, and with each other, within the same community.

At its core, the YinzMart model focuses on four key principles: Local First, Lower Barriers, Community Driven and Vendor Empowerment. YinzMart is designed specifically for Pittsburgh. By focusing on local vendors and local customers, the platform makes it easier for people to discover and support businesses in their own community, keeping more value circulating close to home. YinzMart offers a more accessible path for small businesses by reducing the financial and technical barriers that often come with traditional e-commerce platforms. YinzMart encourages collaboration over competition, creating opportunities for vendors to support one another, share audiences, and grow together. YinzMart gives vendors greater visibility, ownership of their brand, and the ability to build direct relationships with their customers.

MORE THAN A MARKETPLACE, YINZMART IS BUILDING A LOCAL ECOSYSTEM, ONE WHERE BUSINESSES, CUSTOMERS, AND COMMUNITY ARE ALL CONNECTED, AND MILLIONS OF DOLLARS IS STOPPED FROM LEAKING OUT OF OUR REGION.

REFERENCES:

This document draws on data and insights from established research organizations and industry reports, including:

- American Independent Business Alliance (AMIBA). The Local Multiplier Effect
- Civic Economics. Economic Impact of Local vs. Chain Businesses
- U.S. Small Business Administration (SBA). Small Business Economic Contributions
- Shopify. Future of Commerce Report
- McKinsey & Company. Small Business and Digital Transformation Insights
- Harvard Business Review. Articles on platform economies and ecosystem strategy
- Brookings Institution. Research on local economic development and resilience
- Digital Commerce 360. U.S. e-commerce and marketplace share data
- eMarketer (Insider Intelligence). Marketplace share of U.S. online sales
- Statista. E-commerce industry statistics
- Etsy. Seller reports and marketplace data