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Research Article

Competition in Retail E-Commerce Marketplaces: A Regulatory Comparison of Malaysia and Türkiye[1]

Perakende E-Ticaret Pazar Yerlerinde Rekabet: Malezya ve Türkiye'nin Düzenleyici Karşılaştırması

Nurul Nabilah Binti Zamri [a]

[a] Phd student, Erciyes University, Kayseri, Türkiye, 4034240016@erciyes.edu.tr

Abstract	Öz
This paper provides a glance at competition in online retail marketplaces in Malaysia and Türkiye using an adapted Porter's Five Forces framework. The survey is based on official reports from competition authorities and trade institutions. The focus is on market structure, platform control, logistics, and rules, not on individual firms or consumer opinions. In both countries, a few big platforms dominate the market and control access to delivery, payment, and visibility. Hence, competition is structured mainly by how platforms run the market. In Malaysia, strong cross-border trade and many foreign sellers drive price competition, benefiting buyers but reducing sellers' margins. In Türkiye, competition is more domestic and platform-driven, with large platforms owning logistics systems, which makes entry difficult and shifts rivalry toward service quality rather than low prices. Therefore, the findings suggest that competition in digital retail depends more on institutions, platform control, and trade patterns rather than on technology alone.	Bu çalışma Malezya ve Türkiye'deki çevrimiçi perakende pazar yerlerindeki rekabeti, uyarlanmış Porter'ın Beş Güç Modeli çerçevesinde incelemektedir. Çalışma rekabet kurumlarının ve ticaret kuruluşlarının resmi raporlarına dayanmaktadır. Araştırmanın odak noktası bireysel firmalar veya tüketici görüşleri değil; pazar yapısı, platform kontrolü, lojistik hizmetleri ve düzenlemelerdir. Her iki ülkede de birkaç büyük platform pazara hâkimdir ve teslimat, ödeme sistemleriyle ürün görünürlüğünü kontrol etmektedir. Bu nedenle rekabet, büyük ölçüde platformların pazarı nasıl yönettiğiyle şekillenmektedir. Malezya'da sınır ötesi ticaretin ve yabancı satıcıların fazla olması fiyat rekabetini artırmaktadır. Bu durum tüketicilere fayda sağlarken satıcıların kâr marjlarını azaltmaktadır. Türkiye'de ise rekabet daha çok yerel platformlar etrafında şekillenmektedir. Büyük platformların kendi lojistik sistemlerine sahip olması pazara girişleri zorlaştırmaktadır. Ayrıca rekabet düşük fiyattan çok hizmet kalitesine yönelmektedir. Sonuç olarak, dijital perakende pazarlarındaki rekabet yalnızca teknolojiye değil. Fakat aynı zamanda kurumlara, platform kontrolüne ve ticaret yapısına bağlı olduğu görülmektedir.

Keywords: Digital Retail Markets, E-Commerce Marketplaces, Malaysia, Platform Competition, Porter's Five Forces, Regulatory Analysis, Türkiye

Anahtar Kelimeler: Çevrimiçi Perakende Pazarları, Dijital Perakende Pazarları, E-Ticaret Pazar Yerleri, Malezya, Platform Rekabeti, Porter'ın Beş Güç Modeli, Türkiye

[1] This article is based on a PhD coursework assignment.

1. Introduction

Retail electronic commerce (e-commerce) marketplaces have changed retail competition by bringing selling, delivery, and customer access into a single platform. These platforms not only act as middlemen but also control how the market operates through commission fees, fulfilment services, and algorithm-based product rankings (Porter, M. E., 2008; Dobbs, M. E., 2014; Isabelle, D. et al., 2020). Because of this, competition in digital retail markets is formed more by rules, regulations, and institutions than by technology alone (Zheng, K., & Philipsen, N., 2025).

Malaysia and Türkiye are good cases to study because both are fast-growing electronic commerce (e-commerce) markets and are now closely monitored by regulators (MyCC, 2025; Ministry of Trade Türkiye, 2025). Internet use is already above 85% in both countries, supporting the widespread use of online shopping (MyCC, 2025; Turkish Competition Authority, 2022). However, their market structures are different. Foreign platforms and heavy price promotions influence Malaysia's electronic commerce (e-commerce) market, whereas Türkiye's market is dominated by large local platforms with their own logistics and fulfilment systems (MyCC, 2025; Turkish Competition Authority, 2022).

There are still a few studies that compare retail electronic commerce (e-commerce) marketplaces across countries using official regulatory data, as most research relies on surveys or firm-level analysis (Rietveld, J. et al., 2021; Cennamo, C. et al., 2022). To address this gap, this study applies a revised Porter's Five Forces framework to compare Malaysia and Türkiye using government and competition authority reports. This helps manifest that competition in digital retail markets does not grow on its own, but is shaped by platform rules and regulations, as well as by the market's structure.

2. Literature review

2.1. Porter's Five Forces and the evolution of competition analysis

Porter's Five Forces explains competition by examining how an industry is structured, rather than focusing on what one firm does on its own (Porter, M. E., 1980; Porter, M. E., 2008). Markets behave the way they do because of pressures inside the industry. Porter groups these pressures into five forces. These include the threat of entry, the bargaining power of suppliers, the bargaining power of buyers, the threat of substitutes, and competitive rivalry (Porter, M. E., 2008). Even now, when markets are highly digital, many studies still rely on this framework. Digitalisation does not remove these forces. It mostly changes how they appear and how strong they become (Mussayeva, D. et al., 2025; Karahan, O. et al., 2025; Sumba-Bustamante, R. Y., et al., 2024).

The first five forces are the threat of new entrants. It presents the situation of an uncomplicated or complex novel company attempting to deliver a business pitch in the retail environment. More companies can enter the market when entry barriers are low, and competition becomes tougher for existing players (Goyal, A., 2020). In electronic commerce (e-commerce), entry is not just about opening an online store. Trust, brand visibility, access to data, and platform-controlled logistics make entry harder than it looks, especially for small or new sellers. The second five force is the bargaining power of suppliers. This alludes to the power of supplier superintendence over pricing and conditions, which becomes stronger when their services are limited or hard to replace (Jurevicius, O., 2023).

The third force is buyer power. Online buyers are usually strong. They check prices quickly, jump between sellers, and move across platforms almost for free, which puts sellers under pressure (Umoh, V. A., et al., 2023). The fourth five force is the threat of substitutes. Substitutes in replacing other products, other ways to buy products or services, can replace what sellers offer, which makes it complicated for companies to raise prices or grow freely (IMD, 2025). The fifth five force is competitive rivalry. Competition usually becomes intense when many sellers offer products or services that are indistinguishable. Sellers periodically lower prices to stay visible, leaving little room for profit (Gratton, P., 2025). Some scholars have argued that the rise of digital platforms makes Porter's Five Forces less relevant. However, existing studies suggest that platforms do not eliminate competitive pressure. Despite that, they reform how it appears, mainly through control over data, delivery systems, and algorithm-based visibility, while the basic forces of competition remain in place (Isabelle, D., et. al., 2020; Wellner, S., & Lakotta, J., 2020; Paksoy, T., et. al., 2023; Degen, K., & Gleiss, A., 2025).

2.2. Digital platforms, marketplace governance and competition

Digital marketplaces nowadays operate very differently from traditional retail environments. Rather than functioning as simple buying and selling channels, they have developed into broad digital arrangements where different groups interact simultaneously. Buyers, sellers, logistics providers, and payment systems are all embedded within the same platform structure. As participation increases, platforms tend to reinforce their position, since growth itself improves their usefulness and strengthens their role in the

market, a pattern often linked to network effects (Suuronen, S. et al., 2024). Under such conditions, competitive outcomes depend less on the products being sold and more on how the platform is organised. Seemingly technical decisions, such as commission levels, delivery requirements, or product ranking mechanisms, can gradually restructure seller dependence, limit entry opportunities, and alter how competitive pressure is experienced in the marketplace (Balkaya, E. et al., 2023; Batool, K. et al., 2023).

Initially, platform logistics and payment systems seem helpful. Orders move faster, and payments work smoothly. Over time, problems appear. Sellers start relying on these services, making it harder for them to work outside the platform. Convenience slowly turns into dependence. Small firms barely run their online businesses without these platform services, not fully. Small companies rely on platform services. This reliance builds entry barriers over time and pulls sellers deeper into the platform system itself (Li, L., & Li, G., 2023). Because of this, platforms start to behave like strong suppliers inside the market, even if that role is barely obvious. They decide rules, prices, and conditions, sometimes quietly. Sellers have trifling space to negotiate. Over time, many sellers become locked in, and moving away from the platform becomes difficult or no longer realistic. Sellers anticipate the digital platform for both luminosity and delivery, which reduces freedom while increasing platform dominance (Zeng, B. et al., 2023; Balkaya, E. et al., 2023).

Malaysia shows this very clearly, as electronic commerce (e-commerce) spending increased from Malaysian Ringgit (MYR) 531.6 billion in 2022 to MYR 571.4 billion in 2023, while business digital usage is already tremendously high, with over 94% of firms having internet access, as well as 96.6% using computers (MyCC, 2025). This signifies platforms are already part of everyday business activity. As a result, platform rules affect the entire market, not just individual sellers or buyers. Competition is defined by how digital platforms are run.

2.3. International retail marketplace comparisons

When retail electronic commerce (e-commerce) marketplaces are compared across countries, competition clearly does not work in the same way everywhere. Platforms may use similar tools, such as algorithms, data analytics, and network effects; nonetheless, the outcomes are often very different. This mainly reflects national conditions. Regulation, enforcement strength, logistics systems, and the rule of law all form how competition develops in practice (Kenney, M., & Zysman, J., 2020; Crémer, J., et. al., 2019; Just, N., 2022). Also, in countries with stronger competition authorities and clearer consumer protection rules, platform behaviour is usually more balanced. In contrast, where oversight is weaker, platforms tend to gain more market power, seller bargaining power declines, and market entry becomes more difficult (Crémer, J. et al., 2019; Dobbs, M. E., 2014; Khan, L. M., 2017).

Platform models differ clearly across regions. In China, platforms rely heavily on livestream commerce. Logistics systems are also deeply integrated. Commission-based pricing is common. These features improve speed and coordination. However, they also tie sellers closely to platform-owned logistics networks and data systems. Operating outside the platform becomes difficult over time (Wang, Y., et al., 2022; Fang, J. et al., 2022; Li, W. et al., 2024; Tong, Z., & Bai, X., 2025). Moreover, marketplaces in the United States usually follow hybrid models. Third-party sellers are present. At the same time, platforms often act as retailers themselves. Because of this, control over fulfilment, as well as changes in search ranking, shifts supplier power and increases rivalry in less direct ways (Fedoseev, V., & Fedoseeva, S., 2022; Etro, F., 2024; Jürgensmeier, L. et al., 2024). European markets look different. Stronger regulation limits extreme dominance, and as a result, platform behaviour is more moderated overall (Maier, E., & Wieringa, J., 2021; Aparicio, D. et al., 2023; Schenk, B., & Fischer, J., 2022).

Potential market economies manifest patterns that lack balance. In India, policies like the Open Network for Digital Commerce (ONDC) try to reduce platform control and decentralise pricing power, but enforcement is still difficult, and outcomes remain mixed (Alam, F., et. al., 2022; Jenaa, S. K., & Meena, P., 2025; Gupta, A. S., et. al., 2025). Moreover, in Latin America, platforms combine logistics and financial services to reduce transaction frictions; nonetheless, sellers become more dependent on platform-owned services (Franco, S. F., et al., 2024; Wulfert, T. et al., 2024). Studies from Africa and Southeast Asia also show that weak logistics, payment systems, and trust issues strongly develop competition, sometimes even more than technology itself (Amornkitvikai, Y., et. al., 2022; Amofah, D. O., & Chai, J., 2022; Okwara, M. N., & Kihara, A., 2023). Therefore, because of these differences, marketplace competition is not only about technology. Institutional context matters greatly, which is why Malaysia and Türkiye are meaningful cases for comparative study (Wei, J. et al., 2020; Liu, W. et al., 2022; Xi, X., & Zhang, Y., 2023).

2.4. Retail e-commerce marketplaces in Malaysia

Malaysia's online retail marketplace has grown swiftly. It is mainly controlled by a few big platforms like Shopee and Lazada, which handle a large share of online retail transactions and strongly influence how sellers compete to reach customers within their platforms. In 2023, electronic commerce (e-commerce) income reached MYR 1,126.9 billion, while total electronic commerce (e-commerce) spending was MYR

571.4 billion. This expansion occurred alongside very high digital access, with over 94% of business establishments already using the internet, indicating that online activity is embedded in everyday business operations (MyCC, 2025).

Selling products online in Malaysia is generally easy, since internet access and mobile use are already common, but building and running a full marketplace platform is much harder. It needs heavy investment in systems, delivery networks, and also consumer trust, which many smaller players cannot afford. As a result, the threat of new platform entry still exists but is slowly fading as large platforms become more dominant and stable. Also, many Small and Medium Enterprises (SMEs) rely heavily on these platforms for visibility, delivery services, and promotions, thereby weakening their bargaining position and increasing their dependence on platform rules. Therefore, competition in Malaysia's electronic commerce (e-commerce) market is less driven by technology itself and more by platform control, governance choices, and market structure.

2.5. Retail e-commerce marketplaces in Türkiye

Retail electronic commerce (e-commerce) platforms in Türkiye are also characterised by strong platform dominance, but this development differs from that in Malaysia. Official data shows that total electronic commerce (e-commerce) volume in Türkiye exceeded Turkish Lira (TRY) 3 trillion in 2024, with market electronic commerce (e-commerce) alone reaching about TRY 1.62 trillion and close to 5.91 billion online transactions, representing a sharp year-on-year growth of 61.7%, which indicates that online shopping has become part of normal daily consumer behavior (Ministry of Trade Türkiye, 2025).

The market is mainly controlled by domestic platforms such as Trendyol and Hepsiburada, while cross-border sellers play a smaller role than in Malaysia. These platforms already run large logistics systems, handle enormous amounts of data, and are used to dealing with strict rules; hence, new platforms find it very hard to enter the market. Therefore, the threat of new entrants remains limited, as new entrants cannot easily attract sellers or users when strong platforms already control the market. Many local Small and Medium Enterprises (SMEs) rely heavily on these platforms for delivery, visibility, and pricing tools, which help them reach customers but slowly erode their bargaining power. Although Türkiye has produced sector inquiry findings and electronic commerce (e-commerce) outlook reports, the combination of regulation, enforcement capacity, and the existing market structure continues to support strong platform power in a way specific to the Turkish context and distinct from Malaysia.

3. Methodology

This study examines how competition works in online retail marketplaces in Malaysia and Türkiye using Porter's Five Forces, including the threat of new entrants, the bargaining power of sellers, the bargaining power of buyers, the threat of substitutes, and competitive rivalry. The study does not use surveys or interviews. Instead, it relies only on secondary sources, mainly official and publicly available reports such as the Malaysia Competition Commission's Digital Economy Ecosystem Review (2025), the Türkiye Ministry of Trade's E-Commerce Outlook (2025), and the Turkish Competition Authority's E-Marketplace Platforms Sector Inquiry (2022), together with some academic literature. The analysis was conducted by reading these reports and extracting information on each of the five forces to enable consistent comparison between Malaysia and Türkiye. To support validity, findings were checked across multiple sources and linked back to basic competition theory. Since the research uses only official documents and involves no human participants, ethical approval was not required.

4. Findings

4.1. Comparative analysis

The main results from a documentary and institutional review of retail electronic commerce (e-commerce) marketplaces in Malaysia and Türkiye are demonstrated below. Only official sources are used, mainly the Malaysia Competition Commission's Digital Economy Ecosystem Review (2025), the Turkish Competition Authority's E-Marketplace Sector Inquiry (2022), and the Ministry of Trade Türkiye's E-Commerce Outlook (2025), together with other trustworthy data. This paper utilises an adapted version of Porter's Five Forces. It mainly looks at competition at the market level, not a single firm or what individual consumers think. The focus is more on how platforms are structured, how they are governed, and how rules and institutions shape the market. To help readers see the main differences more easily, Table 4.1.1. conveys pivotal consumer and electronic commerce (e-commerce) figures for Malaysia and Türkiye, using the latest official data available.

Table 4.1.1: E-commerce in Malaysia and Türkiye

INDICATOR	MALAYSIA	TÜRKİYE
Internet and digital access	In 2025, 98% of individuals use the internet, 98% own mobile phones, 97% of establishments use computers, and 94% have internet access.	Internet penetration is high, and e-commerce accounted for 19% of total trade and about 6.5% of GDP in 2024.
E-commerce market size	Transaction income: MYR 1,184 billion (USD 267 billion), expenditure: MYR 571 billion (USD 129 billion) in 2023, first 9 months 2025 revenue: MYR 938 billion (USD 211 billion).	Total e-commerce TRY 3.16 trillion (USD 89.6 billion) with 5.91 billion transactions, retail e-commerce TRY 1.62 trillion (USD 46 billion).
Per capita e-commerce spending	The average Malaysian spends MYR 1,735/month (USD 391/month) and MYR 20,820/year (USD 4,700/year).	Average Turkish e-commerce spending is USD 277/person in 2024.
Business engagement	73% of establishments have a web presence, and most use computers and the internet for operations.	Around 601,000 businesses engaged in e-commerce in 2024; 79% are sole proprietorships, and 73% are male-owned.
Popular product categories	Fashion, electronics, food & beverages, personal care.	Clothing, shoes & accessories, followed by travel, electronics, home & garden.
Age groups most active	E-commerce usage is highest among young adults aged 25–35.	Highest spending: 30–34 years old, active users: 25–44 years old.

Sources: *MyCC, 2025; Turkish Competition Authority, 2022; Ministry of Trade Türkiye, 2025.*

Table 4.1.1 above presents the main electronic commerce (e-commerce) and digital landscape in Malaysia and Türkiye using the latest official numbers available. Malaysian data is mostly from 2025, whilst Turkish data is from 2022. The years do not line up exactly, but the reports are still updated. The reports demonstrate, in practice, how markets look nowadays. Using this data is acceptable for comparing market structure, digital use, and competition, even if not year-to-year exact.

In Malaysia, digital access is super high, 98% of people use the internet, 98% own mobile phones. Businesses are mostly online, too: 97% use computers, 94% have internet access. Electronic commerce (e-commerce) income was MYR 1,184 billion or USD 267 billion in 2023, and revenue in the first nine months of 2025 hit MYR 938 billion or USD 211 billion. On average, people spend MYR 1,735 (USD 391) per month and MYR 20,820 (USD 4,700) per year online, with the most active age group being 25–35 years old. Top product categories include fashion, electronics, food, and personal care.

In Türkiye, electronic commerce (e-commerce) made 19% of total trade and 6.5% of Gross Domestic Product (GDP) in 2024. Total electronic commerce (e-commerce) volume reached TRY 3.16 trillion or USD 89.6 billion with 5.91 billion transactions, as well as retail electronic commerce (e-commerce) TRY 1.62 trillion or USD 46 billion—average per-person spending: USD 277 per year. About 601,000 businesses participated, mostly sole proprietorships, and also 73% male-owned. Consumers aged 25–44 are the most active, especially those aged 30–34. Popular buying categories include clothing, shoes, electronics, travel, and home and garden.

Table 4.1.2: Cross-Border Trade Patterns

INDICATOR	MALAYSIA	TÜRKİYE
Total exports (goods)	USD 329.45 billion	USD 261.79 billion
Total imports (goods)	USD 299.51 billion	USD 344.01 billion
Trade balance	Surplus USD 29.94 billion	Deficit USD 82.22 billion
Top export partners	Singapore, United States, China	Germany, United States, United Kingdom
Top import partners	China, ASEAN, United States	China, Russia, Germany
Main export products	Electrical and electronic equipment, mineral fuels, machinery	Vehicles, machinery, mineral fuels
Main import products	Electronic equipment, machinery, chemicals	Machinery, mineral fuels, vehicles
Cross-border e-commerce trade share	Not reported explicitly	19.1% of total trade
E-exports (digital trade)	Not reported	USD 6.4 billion, 2.6% of total exports

Sources: *DOSM, 2025; Trading Economics, 2025; Trading Economics, 2025; MFA, 2025; Trendonify, 2025; Avcioglu, M., 2025; Global Trade Insights, 2025.*

Table 4.1.2 conveys how trade patterns differ between Malaysia and Türkiye in 2024. Malaysia had exports of about USD 329.45 billion and imports around USD 299.51 billion, resulting in a trade surplus. Its main export destinations were Singapore, the United States, and China, while the largest import sources were

China, the Association of Southeast Asian Nations (ASEAN) countries, and the United States. The top export products were electrical and electronic equipment, mineral fuels, and machinery, while the top import products were electronic equipment, machinery parts, and chemicals.

Despite that, Türkiye exported about USD 261.79 billion in goods and imported roughly USD 344.01 billion, resulting in a trade deficit. Its main export partners were Germany, the United States, and the United Kingdom, and its main exports included vehicles, machinery, and mineral fuels. The main import partners were China, Russia, and Germany, with machinery and fuels accounting for the bulk of imports. Additionally, Türkiye's electronic commerce (e-commerce) sector contributed significantly to trade, with digital exports (e-exports) valued at around USD 6.4 billion, representing about 2.6% of overall merchandise exports. Also, its electronic commerce (e-commerce) share of total trade was about 19.1% in 2024, indicating growing cross-border digital activity.

These trade patterns show different trade structures that matter for marketplace competition. Malaysia's trade surplus and diversified partners reflect strong goods exports that can support cross-border online selling. In contrast, Türkiye's large trade deficit and significant share of digital trade suggest that electronic commerce (e-commerce) is becoming an important component of its export mix. This explains why cross-border sellers are more active in Malaysia's electronic commerce (e-commerce) market, while domestic platforms still dominate in Türkiye.

4.2. Threat of new entrants

In Malaysia, the threat of new entrants in retail electronic commerce (e-commerce) is moderate but declining. It is still not too hard for individual sellers to start selling online. But starting a whole new marketplace platform is much tougher. The reports noted that large capital requirements, logistics systems, the data advantages of big platforms, and impulse algorithms make it very difficult for new marketplaces to attract enough sellers, buyers, and traffic to compete effectively (MyCC, 2025). Large cross-border marketplaces bring in more competition. Nevertheless, it also makes things harder. Big platforms already have size, strong setups, and built-in fulfilment. Nonetheless, new platforms can barely keep up, let alone compete.

In Türkiye, it is undoubtedly strenuous for new electronic commerce (e-commerce) platforms to enter. Big local platforms like Trendyol, Hepsiburada, and N11 thus far run the market. They control delivery, payments, and warehouses. For a new platform, this entails very high costs just to get started. The big players keep getting bigger. New ones have almost no space. On top of that, seller registration rules, tax duties, and transparency requirements add more costs. Therefore, starting a new marketplace is risky and extremely arduous (Turkish Competition Authority, 2022; Ministry of Trade Türkiye, 2025).

4.3. Bargaining power of sellers

In both Malaysia and Türkiye, sellers are generally weaker than the big platforms. This is clearer in Malaysia. Many Small and Medium-sized Enterprises (SMEs) depend on major marketplaces to reach customers, handle deliveries, and stay visible online. Most of the costs are barely negotiable. Platforms set commission rates, advertising fees, and fulfilment charges; as a result, sellers have very limited bargaining power. Sellers can be active on more than one platform, but real exposure usually comes only after joining platform-managed logistics and promotion schemes. This slowly ties sellers closer to the platform, thus, over time, puts steady pressure on their profit margins (MyCC, 2025).

In Türkiye, seller power is even tighter. The main platforms control fulfilment, pricing tools, and how products are ranked in searches. Official reports show that using platform-owned logistics is often a must to stay competitive, effectively locking sellers into the ecosystem. This setup can help sellers operate more efficiently; however, it also limits their independence and increases their long-term reliance on the dominant platforms (Turkish Competition Authority, 2022).

4.4. Bargaining power of buyers

Buyer bargaining power in Malaysia is practically forceful. There is strong price transparency, switching between platforms is easy, and foreign sellers are active, which intensifies competition. Consumers can quickly compare prices, promotions, and delivery options, and platform algorithms make it even easier to find and compare products, thereby putting sellers under pressure to compete on both price and service (MyCC, 2025). High mobile and internet usage also means buyers are well-informed and have full end-user capabilities. Conversely, in Türkiye, buyer power is moderate to high but somewhat more limited than in Malaysia. Consumers still get fast delivery and integrated platform services, but the high concentration of marketplaces and ecosystem lock-in reduces choice diversity. Therefore, buyer power in Türkiye is often driven more by convenience and service quality than by price competition alone (Ministry of Trade Türkiye, 2025).

4.5. Threat of substitutes

The threat of substitutes is moderate within Malaysia's retail electronic commerce (e-commerce). People can shop offline, through social commerce, or directly from sellers, so there are options; however, huge marketplaces still dominate because they offer integrated logistics, are convenient, and usually offer better prices (MyCC, 2025). Even with other options, most consumers stick with the main platforms because they are easier and more reliable. Conversely, in Türkiye, the threat of substitutes is low. Massive platforms handle payments, logistics, and delivery on a scale that small or other channels rarely match, making marketplaces the main way people buy products or services (Turkish Competition Authority, 2022). Small channels barely offer the same service. Therefore, most users generally spend time on the large platforms.

4.6. Competitive rivalry and cross-country structural comparison

In Malaysia, competition is super tough and mostly about price. Several sellers, including multiple foreign sellers, exist. Platforms keep pushing discounts, promotions, and fees. Shoppers get cheaper products; in contrast, sellers get squeezed and make less (MyCC, 2025). Almost everyone sells online; as a result, the market is crowded, and price wars are common. In Türkiye, competition feels calmer and is not only about price. Big platforms mostly compete on service actions. This includes delivery speed, logistics systems, and how smoothly everything runs. Since only a few large platforms control most of the market, they rarely cut prices (Turkish Competition Authority, 2022). Table 4.6 presents the differences mentioned between Malaysia and Türkiye.

Table 4.6: Comparison of retail e-commerce marketplaces in Malaysia and Türkiye

INDICATOR	MALAYSIA	TÜRKİYE
Structurally dominant platforms	Shopee, Lazada, TikTok Shop	Trendyol, Hepsiburada, N11
Market share of the top platform	40%–50%	55%–65%
Combined share of top 3 platforms	70%–80%	80%–90%
Average seller commission	8%–15%	10%–20%
SMEs are primarily reliant on marketplaces	60%–70%	65%–75%
Cross-border seller participation	25%–35%	15%–25%
Platform-owned logistics coverage	50%–60%	65%–75%
Dominant rivalry mode	Price-based	Service-based

Sources: Author's comparison analysis based on the official and publicly available reports.

Table 4.6 conveys that only a few large online marketplaces dominate both Malaysia and Türkiye. Sellers mostly follow platform rules instead of shaping competition. In Malaysia, the market is very open, with many foreign sellers and heavy online buying; therefore, buyers have strong power, and platforms keep using price cuts and promotions, which help buyers but squeeze sellers' profits. Türkiye looks different. A small number of large local platforms control logistics and delivery, making it difficult for new players to enter and shifting competition away from price toward service quality and faster delivery. In both countries, over 60% of Small and Medium-sized Enterprises (SMEs) rely heavily on major marketplaces, indicating strong platform dependence, consistent with Porter's idea of industry structure. In Malaysia, this comes mainly from cross-border selling, while in Türkiye it is driven by domestic platform control. In short, competition in online retail is shaped less by technology and more by market rules, institutions, and platform control (MyCC, 2025; Turkish Competition Authority, 2022; Ministry of Trade Türkiye, 2025).

5. Conclusion

This study examines online marketplaces in Malaysia and Türkiye using Porter's Five Forces and official reports. Competition here is not only about the technology environment. It is more about control. Platforms control logistics, services, rules, and access to buyers. In both countries, only a few large platforms dominate the retail market. Hence, sellers have weak bargaining power. Most Small and Medium-sized Enterprises (SMEs) depend on platforms for visibility, delivery, and basic operational tools. Furthermore, pressure varies across countries. In Malaysia, competition is driven by cross-border trade. The market is open. Many foreign sellers enter the market, especially in electronics and consumer goods. Prices fall, discounts are common, and buyers gain power. Local sellers struggle with low margins, too. In Türkiye, cross-border trade matters less. Big local platforms run their own logistics. Entry is hard, and competition is calmer. It focuses more on service quality and delivery speed than on price cuts. In a nutshell, Porter's Five Forces still holds for digital markets when platform rules and country conditions are taken into account. Competition is shaped by trade structure, regulation, and market setup, not just technology alone.

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