

1P vs. 3P: Choosing the Right Channel Mix

Most stores should not think of 1P and 3P as an either/or decision. The better question is: what role should each channel play?

Third-party marketplaces can be useful for discovery. Customers are already browsing DoorDash, Uber Eats, Grubhub, and similar platforms. Those channels can help a store reach shoppers who may not otherwise search for the brand directly.

First-party ordering is better for retention. Once a customer knows the store, the direct channel can help bring them back with better offers, loyalty incentives, and a more branded experience.

Channel	Best Use	Primary Benefit
First-party	Repeat customers, loyalty members, direct promotions, high-margin categories	More brand control, customer data ownership, and margin flexibility
Third-party	Customer acquisition and incremental demand from marketplace browsers	Immediate reach and built-in ordering demand
Hybrid strategy	Using marketplaces for discovery while moving repeat customers toward direct ordering	Balances reach, retention, margin, and data ownership

Pro Tip

Use third-party marketplaces to be found. Use first-party ordering to be remembered, re-ordered, and preferred.