

eBay's Competitive Landscape

Where's *My*
"Piece of the Pie"?



Is there room for me in the market?

- Sellers who want to **begin** an eBay business or **expand** into a new product line can **use market research** to make the best possible choice.
- Research helps:
 - Minimize risk
 - Maximize profit
 - Eliminate guesswork and inefficient trial & error

What Can Research Tools Really Do?

HammerTap can provide performance metrics and data to gauge market saturation.

Translation: Research reveals opportunities where a seller is likely to have the highest success selling at the highest possible price!!!

Real World Example

Suppose a roller skating fan decided to start an eBay business that is tied to this hobby.

Where should they start?

- Selling roller skates?
 - Men's?
 - Women's?
 - Children's?
- Selling in-line skates (rollerblades)
 - Men's?
 - Women's?
 - Children's?

What about all of the above???

Overall Comparison

Here is a summary of the selling in these two categories over the last 30 days on eBay:

Roller skates

Average Listing Success Rate

45.01%

Average Sales Price per Item

\$33.26

In-line skates

Average Listing Success Rate

41.92%

Average Sales Price per Item

\$37.88

At this point things look very similar?? However, research allows us to drill-down to the next layer.....

Drilling-down with Market Research

Roller Skates	Average Listing Success Rate	Average Sales Price
Men's	47.59%	\$48.76
Women's	58.88%	\$30.77
Children's	32.84%	\$15.60

In-line Skates	Average Listing Success Rate	Average Sales Price
Men's	44.72%	\$44.21
Women's	43.94%	\$34.95
Children's	31.50%	\$19.29

A few trends are starting to appear now.

1. Men's skates are selling at a **higher** rate of success and for a **higher** average price.
2. Children's skates are selling at a **lower** rate of success and for a **lower** average sales price.

Drilling-down even further: Competitive Landscape

Data on the top ten sellers in each category based on revenue

Roller Skates	Percentage of Total Listings	Percentage of Total Category Revenue
Top 10 Sellers-Men's	38.14%	42.34%
Top 10 Sellers-Women's	13.52%	20.73%
Top 10 Sellers-Children's	24.84%	40.28%
Top 10 Sellers-All Roller Skates	22.24%	29.83%

In-line Skates	Percentage of Total Listings	Percentage of Total Category Revenue
Top 10 Sellers-Men's	29.80%	29.75%
Top 10 Sellers-Women's	36.34%	38.47%
Top 10 Sellers-Children's	29.06%	38.97%
Top 10 Sellers-All In-line Skates	27.31%	29.61%

Final Analysis

Understanding where the top ten sellers have a larger share of the market lets us know that:

- The **most competitive** markets are:
 - Men's and Children's **Roller skates**
 - Women's and Children's **In-line skates**
- The **least competitive** markets are:
 - Men's **In-line skates** and Women's **Rollerskates**

Data has revealed now that **Men's In-line skates** will most likely yield a higher average success rate, a higher average sales price, and presents a less saturated, less competitive market opportunity for a seller to take advantage of.

Next Steps

Analyze market factors and individual sellers in each category that have captured a large share of the market with fewer listings and then:

- Imitate
 - Follow best practices that are working well
- Innovate
 - Use research to surpass average market successes
 - Use research to anticipate market changes and react quicker than the competition.

Takeaways

The most successful eBay sellers will use market research to:

- Understand the market they compete in or hope to compete in
- Know their competition and profit from their successes and failures
- Make and implement effective strategic decisions
- Develop on-target business plans & strategies
- Conditions in the business world are always changing and successful sellers will use research to gain a firm grasp on how changes could alter or destroy their selling strategies.

The best market researchers leave no aspect of their business untouched!

If research isn't for you, you might try.....

A Magic 8-Ball!!



Remember:

Market Research = Competitive Advantage!!!

Please take some time to
visit:

[*www.hammertap.com*](http://www.hammertap.com)



 **HammerTap**
Power To Profit™

 **HammerTap**
Power To Profit™

