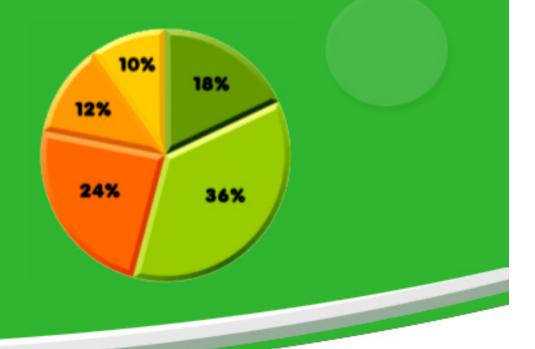
## eBay's Competitive Landscape

# 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



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

#### In-line skates

Average Listing Success Rate 45.01%

Average Listing Success Rate 41.92%

Average Sales Price per Item \$33.26 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	In-line Skates	Average Listing Success Rate	Average Sales Price
Men's	47.59%	\$48.76	Men's	44.72%	\$44.21
Women's	58.88%	\$30.77	Women's	43.94%	\$34.95
Children's	32.84%	\$15.60	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.

 Children's skates are selling at a lower rate of success and for a lower average sales price.

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#### 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%	<b>29.83%</b>

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	<b>29.06%</b>	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 <u>Men's In-line skates</u> 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 <u>always</u> 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: <u>Market Research = Competitive</u> <u>Advantage!!!</u>



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