Bigger Business on eBay

Using Market Sizing to: expand current sales & evaluate new opportunities



How Big is the Market?

Knowing the size of the market is imperative to both:

- Evaluate current selling success
- Evaluate new markets and expansion opportunities

Remember that your current and real market is only as large as the eBay category or categories where you sell !



Let's Size a Market...Bowling Balls!

6 to 11	Number of Listings	Listings with Sale	Listing Success Rate	Average Sales Price per Item	Total \$ Sales
Pound Balls 12 to 14	4043	1671	41.33%	\$40.18	\$68,751.94
Pound Balls	7855	4497	57.25%	\$43.96	\$201,083.73
15 Pound Balls	10365	7161	69.09%	\$61.63	\$457,567.34
16 Pound Balls	10358	4642	44.82%	\$43.09	\$202,317.29
Total	32621	17971	55.09%	\$47.22	\$929,720.30



This is the bowling ball market size on eBay over a period of 30 days

What Next?

<u>1st Step</u>

• Compare a 30-day revenue and see where you rank.

2nd Step

• Take a closer look at specific sellers in the subcategory where you compete or hope to compete.

This analysis will help you:

- Know what to do and what not to do
- Know who to imitate and who not to imitate

Let's look at the 6-11 Pound Sellers

Top Ten Volume Sellers:

- Account for 71.78% of the 6-11 lb. listings
- Have an average listing success rate of **31.81%**
- Make an average of \$30.24 per listing
- Account for **52.76%** of the total 6-11 lb. sales

Top Ten Revenue Sellers:

- Account for 63.96% of the 6-11 lb. listings
- Have an average listing success rate of **37.16%**
- Make an average of \$45.20 per listing
- Account for **59.07%** of the total 6-11 lb. sales

<u>Seven sellers</u> are in the top ten of both Volume and <u>Revenue!!</u>

Let's look at the 12-14 Pound Sellers

Top Ten Volume Sellers:

- Account for 70.17% of the 12-14 lb. listings
- Have an average listing success rate of **56.18%**
- Make an average of \$51.55 per listing
- Account for **63.71%** of the total 12-14 lb. sales

Top Ten Revenue Sellers:

- Account for 66.17% of the 12-14 lb. listings
- Have an average listing success rate of **57.15%**
- Make an average of \$59.63 per listing
- Account for **66.55%** of the total 12-14 lb. sales

<u>Seven sellers are in the top ten of both Volume and</u> <u>Revenue!!</u>

Let's look at the 15 Pound Sellers

Top Ten Volume Sellers:

- Account for 43.52% of the 15 lb. listings
- Have an average listing success rate of 72.99%
- Make an average of \$72.63 per listing
- Account for **47.73%** of the total 15 lb. sales

Top Ten Revenue Sellers:

- Account for 40.15% of the 15 lb. listings
- Have an average listing success rate of **78.22%**
- Make an average of \$79.43 per listing
- Account for **48.97%** of the total 15 lb. sales

<u>Seven sellers are in the top ten of both Volume and</u> <u>Revenue!!</u>

Let's look at the 16 Pound Sellers

Top Ten Volume Sellers:

- Account for 69.52% of the 16 lb. listings
- Have an average listing success rate of **38.91%**
- Make an average of \$52.14 per listing
- Account for **55.19%** of the total 16 lb. sales

Top Ten Revenue Sellers:

- Account for 61.86% of the 16 lb. listings
- Have an average listing success rate of 42.02%
- Make an average of \$74.19 per listing
- Account for **58.57%** of the total 16 lb. sales

Six sellers are in the top ten of both Volume and Revenue!!

What Can We Learn From This Sizing Exercise?

- In each category, 6 or 7 of the top players are excelling in both volume and profit.
- Higher grossing sellers always have a higher listing success rate
- 15 lb market has more sellers gaining market share and fewer with a big slise of the pie
- (15 lb) has the highest success rate and the market size of this slice is more than double the size of any other category
- (15 lb. has the highest average sales price of any category
- 6-11 lb. balls make the smallest revenue per item

Where would I like to compete, then?

What Can We Learn... Cont.

<u>One of the most valuable rewards from this market sizing exercise</u> <u>is accurate benchmarks that can be used to gauge performance.</u>

Now you can answer these key questions:

- Am I running fewer listings than the competition?
 - Should I boost my listing volume?
- Is my competition making more money per auction?
 - Should I re-evaluate my format, duration, close day... ?
- Do I have a lower auction success rate than my competition?
 - Again, should I re-evaluate my format, duration, close day...?

What can I do with all of this info?

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- Do I have a lower auction success rate than my competition?
 - Again, should I re-evaluate my format, duration, close day...?



Takeaways

- <u>Detailed research</u> on <u>specific products and</u> <u>categories</u> is the most efficient way to size eBay markets.
- With market size you can more clearly
 - Gauge your current market position and create efficient strategies to grow your business by improving your current selling strategies
 - Impartially evaluate new product lines or market expansion opportunities that arise, essentially risk-free





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