## A LOOK INTO EBAY'S ACTION FIGURE CATEGORY

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## **QUESTIONS TO EXPLORE:**

- WHY LOOK AT TOYS?
- HOW DOES THE
  - **INFORMATION HELP?**
- WHO DOES IT HELP?

eBay is second only to Amazon in terms of e-commerce sales volume in North America, surpassing Apple and Walmart \*

While electronics is the largest category in terms of sales, the toys category is uniquely positioned to give insight into current consumer trends, historical appetite, and measuring the strength of a brand. In this presentation, we will specifically take a look at the Action Figure Category.

This information has implications for both the individual and the institution.

<sup>\*</sup>https://www.marketingcharts.com/charts/top-10-e-commerce-retailers-us-2019/attachment/emarketer-top-10-e-commerce-retailers-in-the-us-mar2019

TOYS ACCOUNTED FOR 4.8% OF THE TOTAL EBAY SALES VOLUME FOR THE PERIOD OF JAN 2018 - FEB 2019.\*
THOUGH THE ACTION FIGURE CATEGORY IS ONLY A FRACTION OF A FRACTION OF EBAY'S TOTAL VOLUME, IT IS POSSIBLE TO BEGIN TO UNDERSTAND THE VALUE OF A TOY BRAND'S ABILITY TO LICENSE INTELLECTUAL PROPERTY.

THIS IS ALL THE MORE RELEVANT IN THE CONTEXT OF THE CURRENT CONSUMER TREND OF FLOCKING TO COMIC BOOK MOVIES AND CONSUMPTION OF POP CULTURE IN GENERAL.



https://trends.edison.tech/research/2018-ebay-vs-amazon.html

## **EXAMPLE OF A** SOLD LISTING IN THE ACTION **FIGURE** CATEGORY, EBAY.COM



Q Search for anything



Back to search results | Listed in category: Toys & Hobbies > Action Figures > Comic Book Heroes > See more Hot To



This listing has ended.

#### Hot Toys Avengers Incredible HULK - HUGE! MMS186 Marvel New / NRFB!

Be the first to write a review. See original listing



See product details

Sell one like this

Condition: New

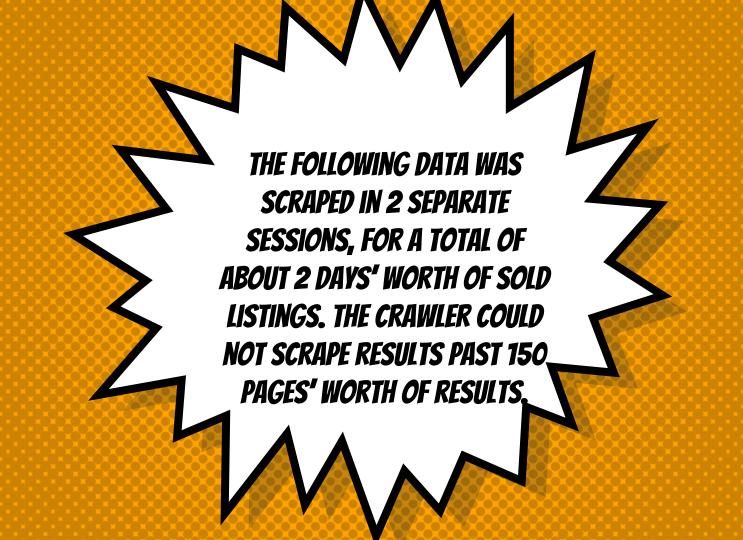
Ended: Oct 14, 2019, 12:08AM

Price: US \$485.00

Shipping: \$69.29 Economy Shipping

Item location: Lakewood, Washington, United States

trekgroupie (1551 \*) | Seller's other items



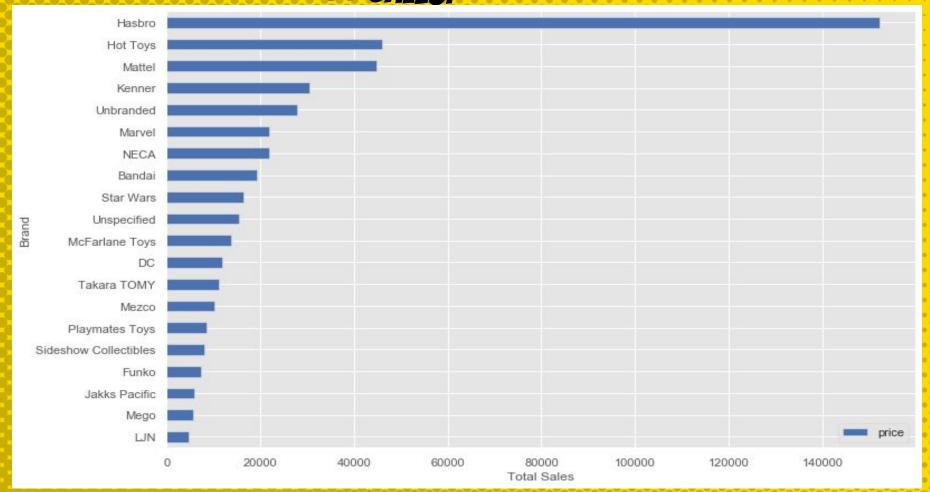
### CHALLENGES:

- User-provided item specifics.
- Inconsistent labeling

The key field in the subsequent analysis, 'brand', is a user-provided field. The largest impact on the data is when the field is left blank, or erroneously filled.

Data cleansing captured most of this, but the accuracy of the field itself depends entirely on user-input.

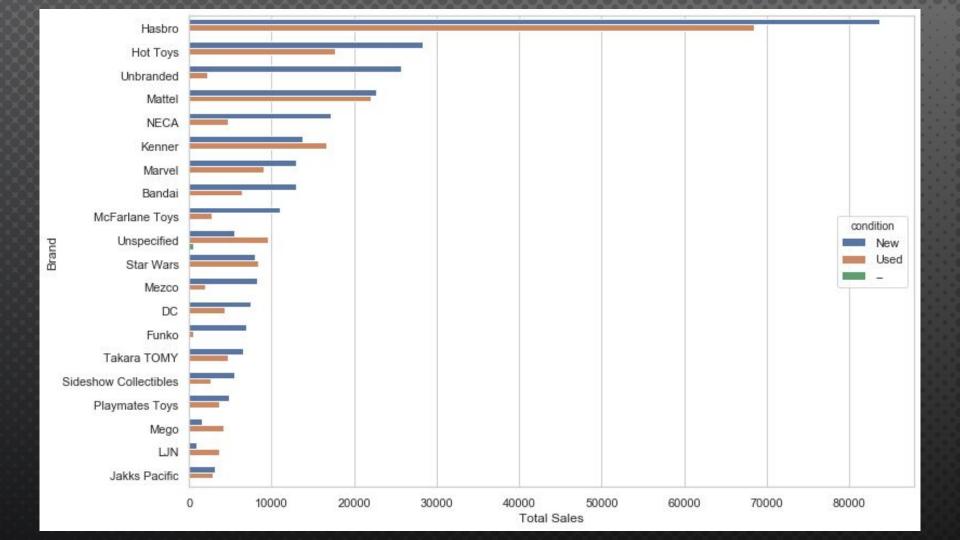
## TOP 20 BRANDS BY SALES:



## HASBRO DOMINATES

Hasbro sales volume through 48 hours' worth of data is more than the next 3 largest brands combined, with shoppers purchasing over \$150k worth of new and used toys. Of note is the defunct Kenner at 4th place, with roughly \$30k, implying that collectors are driving those particular figures.





## BRANDS ON NEW US USED:

Kenner:

As expected, used sales outstrip new items for Kenner, a toy company that was acquired by Hasbro 1991.

**Unbranded:** 

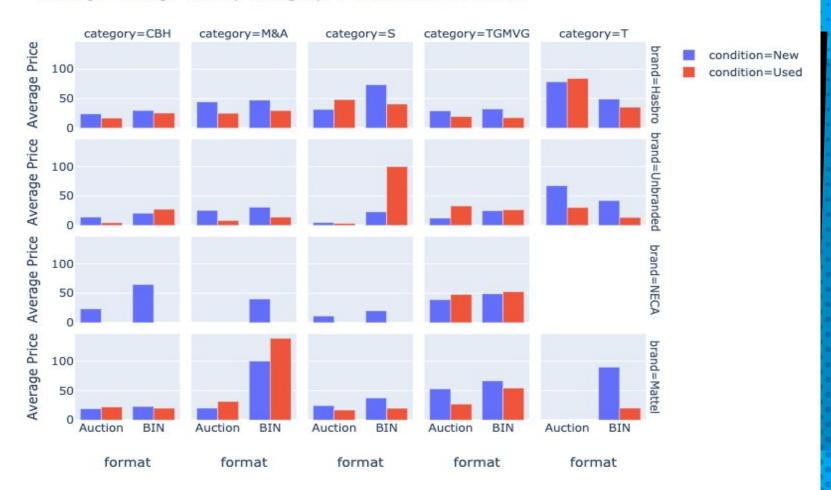
The Unbranded 'brand' has the largest ratio of new to used sales.

These are knock-offs.

**Hot Toys:** 

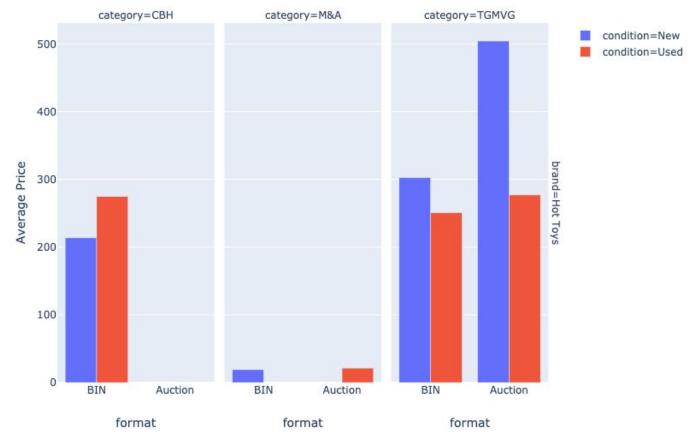
Interestingly, Hot Toys is the second largest driver, after Hasbro. The brand is focused on the collector market.

#### Average Selling Price by Category, Condition, and Format

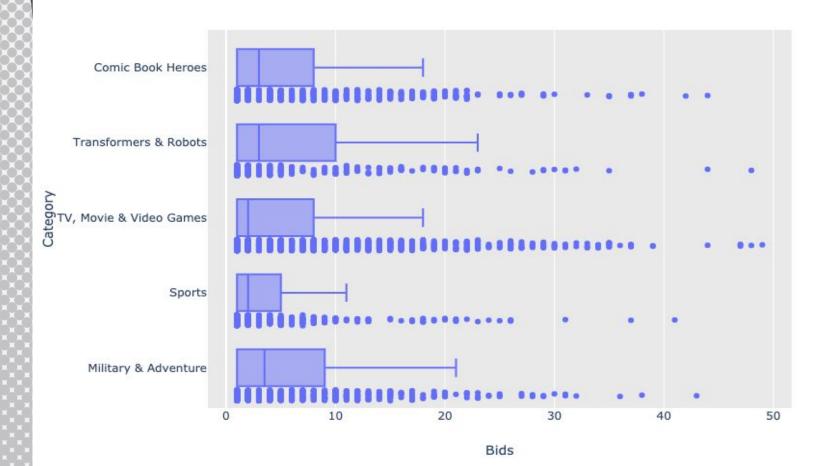


CATERING TO THE COLLECTORS' MARKET, HOT TOYS HAS THE LARGEST **AVERAGE SELLING** PRICE BY FAR, SPECIFICALLY IN THE ACTION FIGURE SUB CATEGORIES OF 'TV, MOVIES AND VIDEO GAMES' AS WELL AS 'COMIC **BOOK HEROES'** 

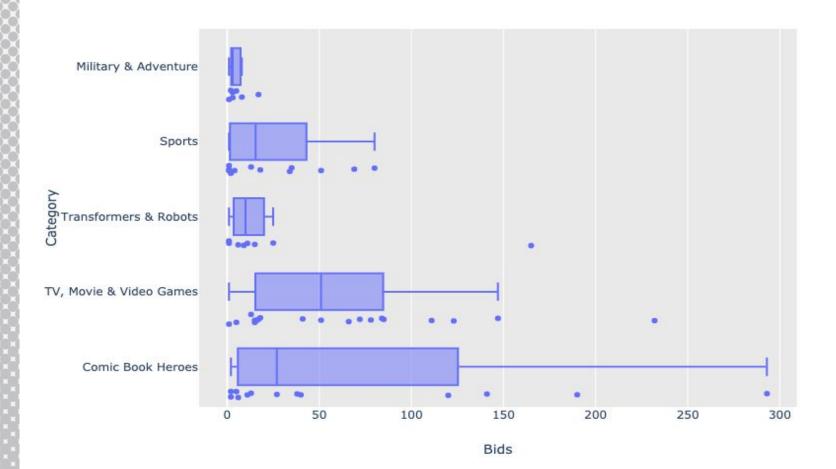
#### Hot Toys Average Selling Price by Category, Condition, and Format



#### Bid Variability by Cateogry: All Brands



#### Bid Variability by Category: Top Brands



## CONCLUSIONS FROM THE PROCEDING SLIDES:

- As mentioned, Hot Toys as a brand is an outlier, with average selling price in the hundreds of dollars for one item.
- The TV, Movie & Video Games subcategory is strong with Mattel and NECA, likely owing to licenses to different intellectual properties/franchises like Alien/Predator (NECA) and toys related to the various DC films for Mattel.
- Mattel has the highest average price in the 'Military & Adventure' sub category, with condition: used BIN actually exceeding new unopened items. This suggests again, a strong collectors' market for Masters of the Universe, a proprietary Mattel franchise.
- Hasbro has the strongest showing in the auction format for 'Transformers & Robots.' This implies sellers are uncertain of price and elect for discovery through auction processes, with bidders meeting their asks.

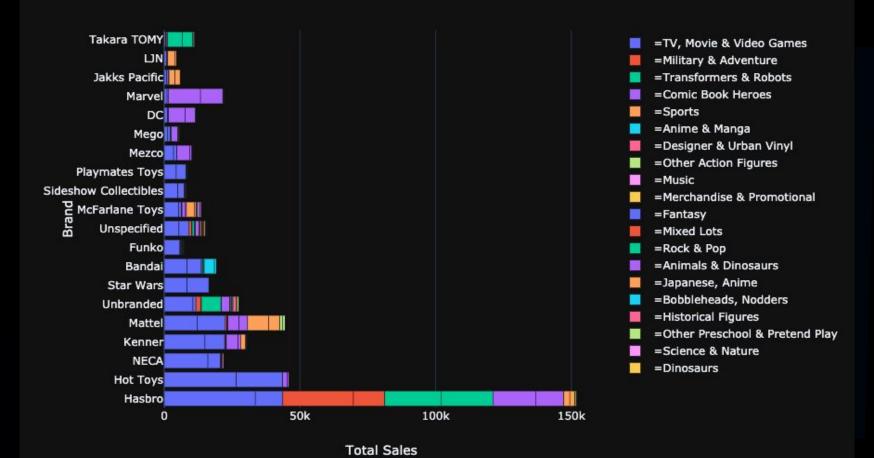
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## A FURTHER LOOK INTO THE TOP BRANDS

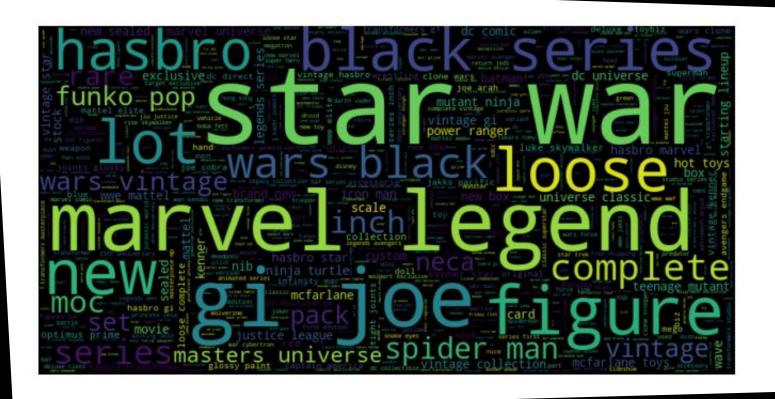




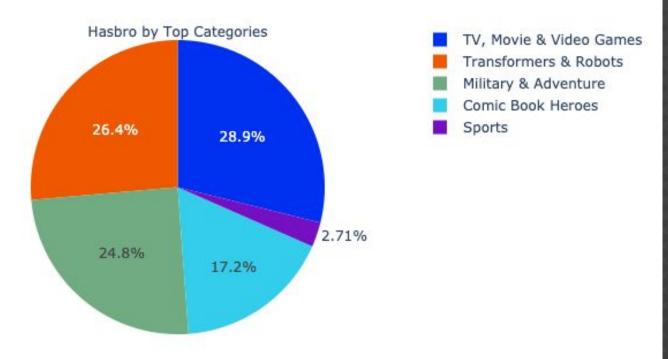
#### Top Brands by Sales and Category



Word Cloud derived from auction titles for the top 20 brands across all categories. Note that 'figure' appears in the results, despite being a stopword.



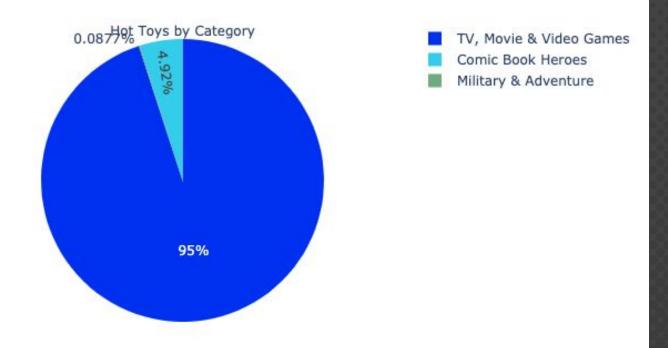
Hasbro by category. The most 'well-rounded' brand in the toys group. They field a combination of proprietary IP ('Transformers', 'G.I. Joe'), and in-demand licenses ('Marvel' and 'Star Wars'). Total sales: \$152,116



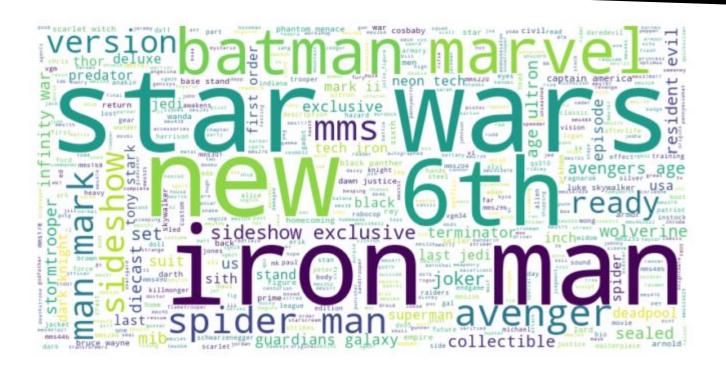
Star Wars is prominent. However, notice back in the first slide, that 'Marvel' was indicated as a brand by user-input. This means that the key-word "Marvel is under=represented in this cloud by a considerable margin.



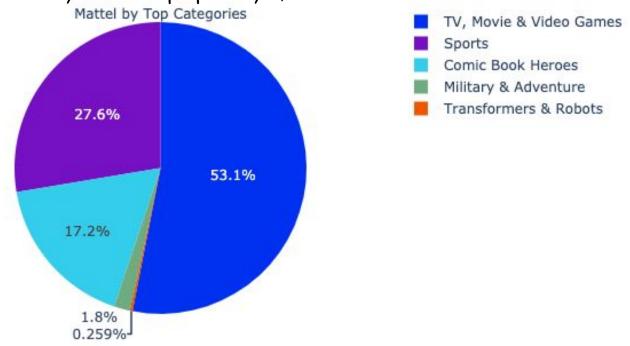
Hot Toys licenses movie and tv-show related properties to produce high-end goods. They serve a niche-market. Total sales: \$45,954



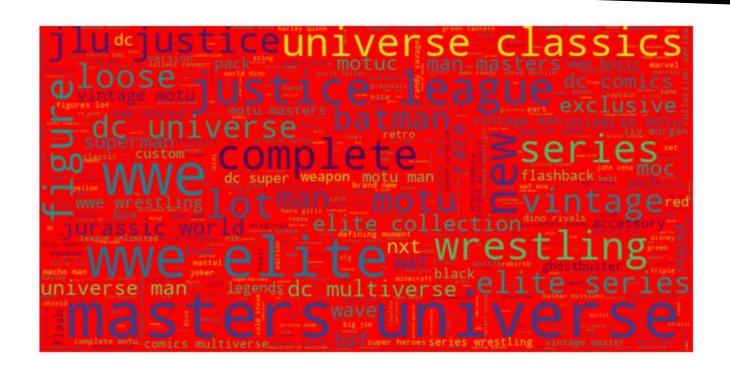
Hot Toys is strongly supported by Star Wars license as well as comicbook movie representation.



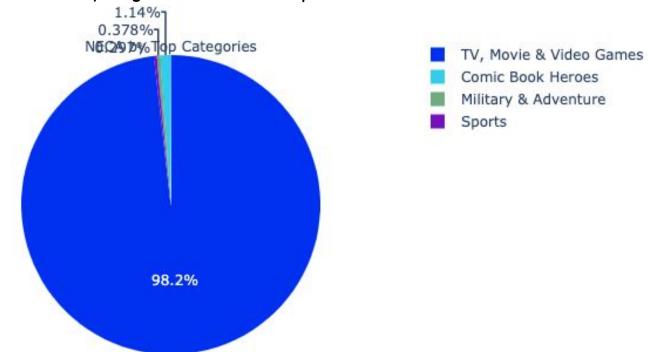
Mattel sales driven by proprietary brands ('MOTU') and licensed offerings ('DC', WWE). Total sales: \$22,006. Of note: eBay devotes an entire sub category of Toys to 'Dolls' (and thus, is excluded from Action Figures), where Mattel is strongly represented by their main proprietary IP, Barbie.



Mattel is the next best 'well-rounded' after Hasbro, with strong support from collectors for their prop IP, 'Masters of the Universe' as well as contemporary DC and sports/WWE.



NECA has the same strategy as Hot Toys-IP heavy licensing, but at the opposite end of the pricing spectrum: average closing price for their goods are in the \$50 range vs. Hot Toys' high 200s to low 500s per sale. Total Sales \$21,835



NECA is license heavy in Sci-Fi related franchises, eschewing the crushing weight of Hasbro and Mattel with their comic-book franchise licenses while catering to those alientated by Hot Toys' pricing. Unopened figure listings sell particularly well.



### CLOSING SUMMARY:

The data presented is less indicative of any over-arching conclusion due to the extremely small sampling period: essentially only 2 full days of sales. However, when repeated sampling periods are taken, much more comprehensive analysis can follow, such as predictive pricing and correlation analysis and hypothesis testing.

A more robust cleaning methodology would contribute to better results-however as they stand now they are directionally correct and are certainly within 'ball-park' range. A text matching algorithm could be used to extract the 'franchise' from the listing title; the franchise field being frequently omitted in the user-submitted details.

## FINAL OBSERVATIONS

- Despite being uncertain, individuals were better off selling within the Hasbro Transformers category, with high \$50+ closing prices for both new and used auction formats.
- Marvel and Star Wars were frequently populated in the 'brand' field, despite neither being a dedicated toy brand/maker. This suggests that, for long standing IPs with media/film support, the average consumer is brand-agnostic and more franchise aware: they do not care which brand holds the license to make the franchise, only that the franchise continues to be made available for toy purchase. Strong sales of 'unbranded'/knock off figures support this. However, for the brand, the franchise is clearly of high importance.
- Case in point, Mattel has allowed their DC license to expire, and analysts postulate they will attempt to wrest control of the Star Wars and Marvel IPs from Hasbro... <a href="https://www.bloomberg.com/news/articles/2018-12-24/mattel-shares-drop-as-dc-comics-gives-boys-toys-to-spin-master">https://www.bloomberg.com/news/articles/2018-12-24/mattel-shares-drop-as-dc-comics-gives-boys-toys-to-spin-master</a>



THANKS!