

Select A Business

Overview

eBay is an auction marketplace that connects third-party buyers and sellers. It facilitates the sale of new and secondhand items on the internet. Sellers can host auctions for their items and buyers can browse auctions from different sellers. Sellers also have the ability to sell items at a fixed price.

Mission Statement

"At eBay, our mission is to provide a global online marketplace where practically anyone can trade practically anything, enabling economic opportunity around the world."

eBay looks towards equity and economic opportunity for all. This involves having a vast global scale and reach while reimagining commerce to be more sustainable for our planet. eBay strives for great value and a unique selection.

Value proposition

eBay offers accessibility, customization, risk reduction, and brand/status as its four primary value propositions. The company's platform allows users to customize their experience in a variety of ways. Sellers can list their products and services using either a fixed-price listing or an auction-style format. Sellers can also specify the condition of an item in a variety of ways, such as new, used, refurbished, rare, branded, and unbranded. Finally, buyers can have items shipped to them or pick them up at a retailer's physical location.

eBay reduces the risk for users with the Money Back Guarantee program. This protects buyers of qualified products when items do not arrive or do not match their description. Seller Performance Standards, Verified Rights Owner Program, and Feedback Forum are among the other programs. These contribute to users' feelings of trust and safety.

Business Research

Origin, Functioning, and Competitors

eBay, a global online auction and trading company, was founded by Pierre Omidyar back in September 1995. It was meant to be a site dedicated to bringing together buyers and sellers in an honest and open marketplace. Just one year later, the site hosted more than 250,000 auctions in some 60 categories including Beanie Babies, stamps, coins, and computers. Today, the company has a market capitalization of \$23 billion and it ranks as the second most visited online marketplace in 2022, only surpassed by long-time rival Amazon.

As of today, eBay continues to offer marketplaces for consumer-to-consumer and business-to-consumer transactions via eBay's website and app. The company has also introduced features such as SafeHarbor Program, eBay Top Rated Seller Program, Feedback Forum, Verified Rights Owner Program, eBay Money Back Guarantee, as well as loyalty programs for both sellers and buyers to let the customers feel safe in trading with undisclosed partners.

Based on the number of monthly visits to online marketplaces worldwide, eBay's top competitors include Amazon, Shopee, Rakuten, AliExpress, Walmart, Mercado, Libre Etsy, Taobao, and Wildberries.

Value proposition (continued)

eBay offers its key stakeholders, buyers, and sellers, a variety of benefits and perks through its programs. For buyers: eBay has a large quality assured catalog, money-back guarantee, product reviews/feedback, delivery convenience, and order tracking system. For sellers: eBay has a global customer base, a bidding & Buy It Now feature for product selling, strong distribution, and marketing channels, a Top Rated Seller program, and a decent customer satisfaction rating of 77% as of 2020.

While eBay doesn't own any inventory and simply acts as a mediator between buyers and sellers, it was still able to make money in various ways. eBay charges a listing fee for each listing to sellers once they reach a limit. On each sale made by a seller using the platform, eBay receives a commission in the form of the Final Value Fee which is gauged as a percentage of the total amount of the sale. And sellers can use the platform to advertise their goods on eBay with a set amount of payments.