Strategic Plan for
Multi-Modal Auction e-Platform for eBay Inc.

Prepared for
eBay Inc., San Jose, California
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1. Assessment of Current Situation, Competitive Analysis

1.1. Background of eBay

eBay Inc. is an American multinational e-commerce corporation based in San Jose, California, that facilitates C2C and B2C sales through its website. eBay website is an online auction and shopping website in which people and businesses buy and sell a wide variety of goods. *("EBay", 2020)*[i].

1.2. eBay original business model

When eBay was launched, the existing auction houses were only the traditional style auction houses which used to host specific auction events for sale of any and every auction item. Even till recently, houses such as Christie's were struggling to keep up to the changing market demands *(Pickford, 2017)*[ii]. eBay, when it launched, started with offer of 3 auction types. For the auction listings, all sellers get free-insertion-fee listings per month (upto 50), and charges commission on the final value fee of 3.5% - 10% *(Appendix I)* which was much lower than the traditional houses. The buy it now option was generally at least 30% higher than the starting price of the auctions *(Sydeek & Sydeek MoSCoW Method, 2019)*[iii].

1.3. Competitive Environment Analysis

1.3.1. SWOT Analysis

The SWOT Analysis for eBay, as per their current business model *(Mitchell, 2017)*[iv]:

SWOT Analysis of eBay

Strengths	Weaknesses
- Strong Brand Recognition - Cost effectiveness based on economies of scale - Region specificity of operations - High effectiveness of service - No immediate direct competition - Payment System	- Limited emphasis on innovation and growth strategy - Limited flexibility to market variations - Imitable business model - High fees
Opportunities	**Threats**
- Expansion of operations to more markets - Improvement in innovation rate - Improvement in customer service quality - Diversification - Increase services and product portfolio through acquisition	- Stiff potential competition - Potential industry disruption by other tech-based companies - Regional low-cost retailers and online second hands goods market places - Local auction houses, such as Sotheby's and Christie's going online, or expanding

1.3.2. Porter's Five Forces Analysis

The Porter's Five forces analysis for eBay is given below *(Team, 2014)[v]*:

- **Competitive Rivalry within the Industry** – Medium to High

  eBay faces stiff competition in both its online marketplace and the payment services.

- **Bargaining Power of Customers** – High

  Customers can buy from multiple sources, thus they have high bargaining leverage.

- **Threat of New Entrants** – Medium

  In PayPal, established players such as Apple Pay and others impact its market share.

- **Bargaining Power of Suppliers** – Low to Medium

  Suppliers are bound by contractual policies, for shipping, display of products & others.

- **Threat of Substitute Products** – Low

  eBay sells a large variety of new and used goods, in a very convenient online auction platform.

1.4. Summary of dynamics affecting competitive success, critical factors analysis

eBay's competitive positioning as per SWOT and Porter's Five Forces can be summarized as below:

- eBay's business model is **imitable** by companies or persons possessing access to large capital.

- eBay's business model is very unique, and was the blue ocean when first launched, but there **eBay needs to innovate and create its own growth opportunities**. The traditional auction houses are continuously evolving to capture market share, and other online platforms are emerging providing a second hands goods trading marketplace.

- eBay's payment service **PayPal faces constant threat** from emerging substitutes such as Apple Pay, Alibaba Pay, Google Pay and individual players in the online payment services.

- eBay has the opportunities such as expanding to more markets and also improving their services through innovation, but **faces repercussions by its failures** such as sale of eBay India to Indian e-commerce giant Flipkart.

Direct Competitors: Emerging e-commerce websites, online second hand goods trading sites, payment services such as Apply Pay, Google Pay and Alibaba.

Potential Competitors: Evolving traditional auction houses such as Sotheby's and Christie's, Localized market places catering to their respective markets.

Critical Internal Factors:

- **Strengths:** Strong brand recognition, economies of scale

- **Weaknesses:** Limited emphasis on innovation and growth strategy

Critical External Factors:

- **Opportunities:** Expansion of operations to more markets, product diversification
- **Threats:** Potential Industry disruption

2. Relevance of Strategic Approaches

2.1. Assessing the Usefulness of the Different Strategic Approaches

2.1.1. SWOT

SWOT Analysis helps in understanding the business and the company better, identify its current strengths, address the weaknesses, capture the opportunities, and finally develop strategies and plans for tapping the opportunities using the strengths. It will help eBay in successful business planning, competitor and investment evaluation, and developing marketing and sales strategies. A further SWOT mapping has been shown in *Section 3*.

2.1.2. Porter's Five Forces

Porter's Five Forces helps to understand the different aspects of the company relative to the buyers and the suppliers, and the competitive environment, which affects profitability. It helps understands the bargaining powers, which impacts cost and price profitability. This will particularly help eBay in re-evaluating its suppliers and buyers, and understanding their bargaining power over the company. eBay is only a service provider, with zero inventory of its own. Hence, this is significant.

Out of all the strategic approaches, the Blue Ocean Approach and the Insight Matrix Approach will be the most useful for evaluating eBay's current situation, and to shape and effective strategic approach for expansion and growth:

2.1.3. Blue Ocean Approach

The Blue Ocean approach takes care of the Disruptive Innovation approach *(Amara Ashraf Follow Marketing & Communications)[vi]*: Penetrate market from the lower end, Expand market significantly, Change entire dynamics of marketplace, Create new dimensions of performance.

The above-mentioned frameworks do provide meaningful insights, but for eBay, a blue ocean approach will be very suitable, it will help to enter a marketspace which is pristine, and no competition exists. It will help to assess the competitor(s) on a relative performance scale, rather than subjective scale, and distinguish factors for creating a blue ocean. Blue Ocean Strategy is about creating differentiation and providing high value through products but not at the cost of higher value.

The strategy keeps in account the price sensitivity to make differentiated products enticing. The space eBay currently operates in is yet uncontested fully, **but eBay needs to evolve further** to make any potential competition irrelevant and create an uncontested market space. eBay's blue ocean strategy when it first launched has been displayed as per the strategy canvas in *Appendix II*.

2.1.4. Insight Matrix Approach

The Insights Matrix approach used in combination with the blue ocean approach, will prove to be the most beneficial in developing eBay's effective strategy. Using the creative combination approach, eBay will be successfully able to use the 'What-Works' matrix, to study precedents across industries, geography and time to see if anyone tried a solution to any element of the strategy, and then finally develop a creative combination to create a new strategy. The use of insights matrix for strategy formulation has been elaborated in the next section.

3. Recommended Strategy

3.1. Strategy

Strategy: Expand into a multi-model auction platform for artifacts auctions, tea auctions, fossil auctions, war remains auctions, vintage products auctions, and others. eBay's current bidding model is for all segments of customers, but has yet not attracted the B2B sector. eBay revolutionized the flea market sales, garage sales, and gave an online platform for the people to people trading. But there exists immense opportunities in the bigger and more profitable large scale B2B and B2C sector.

3.2. SWOT Approach Factor Mapping

SWOT mapping shows how to use the strengths to capture the opportunities, and further to eliminate the weaknesses and reduce the threats.

SWOT Mapping
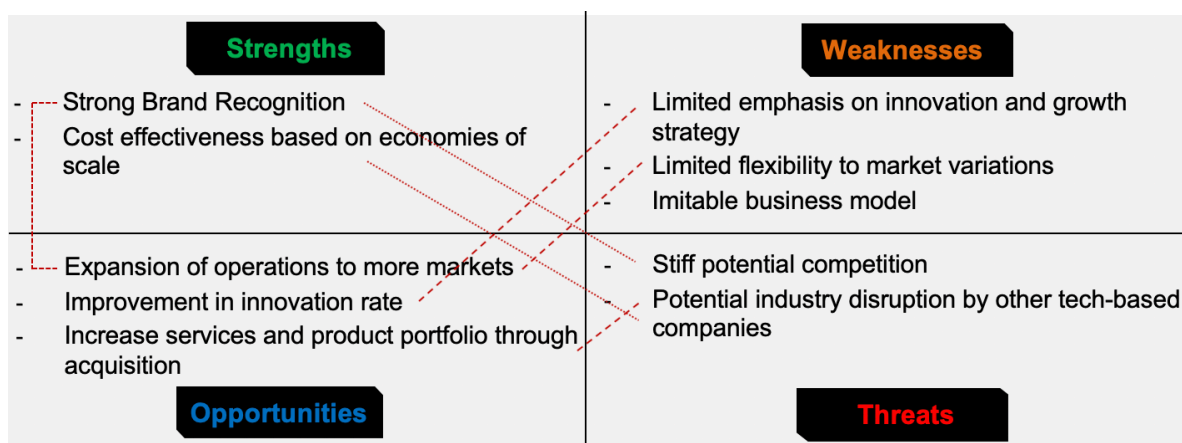
However, I recommend the **Blue Ocean** and **Insight Matrix** approaches to be more significant:

3.3. Blue Ocean Approach

For building a comparative strategy canvas, I have chosen eBay's competitors Amazon (https://amazon.bstock.com) and Walmart (https://liquidations.walmart.com). The detailed competing factors analysis has been presented in *Appendix III*. The **strategy canvas (ERRC)** is as below:

Strategy Canvas for eBay
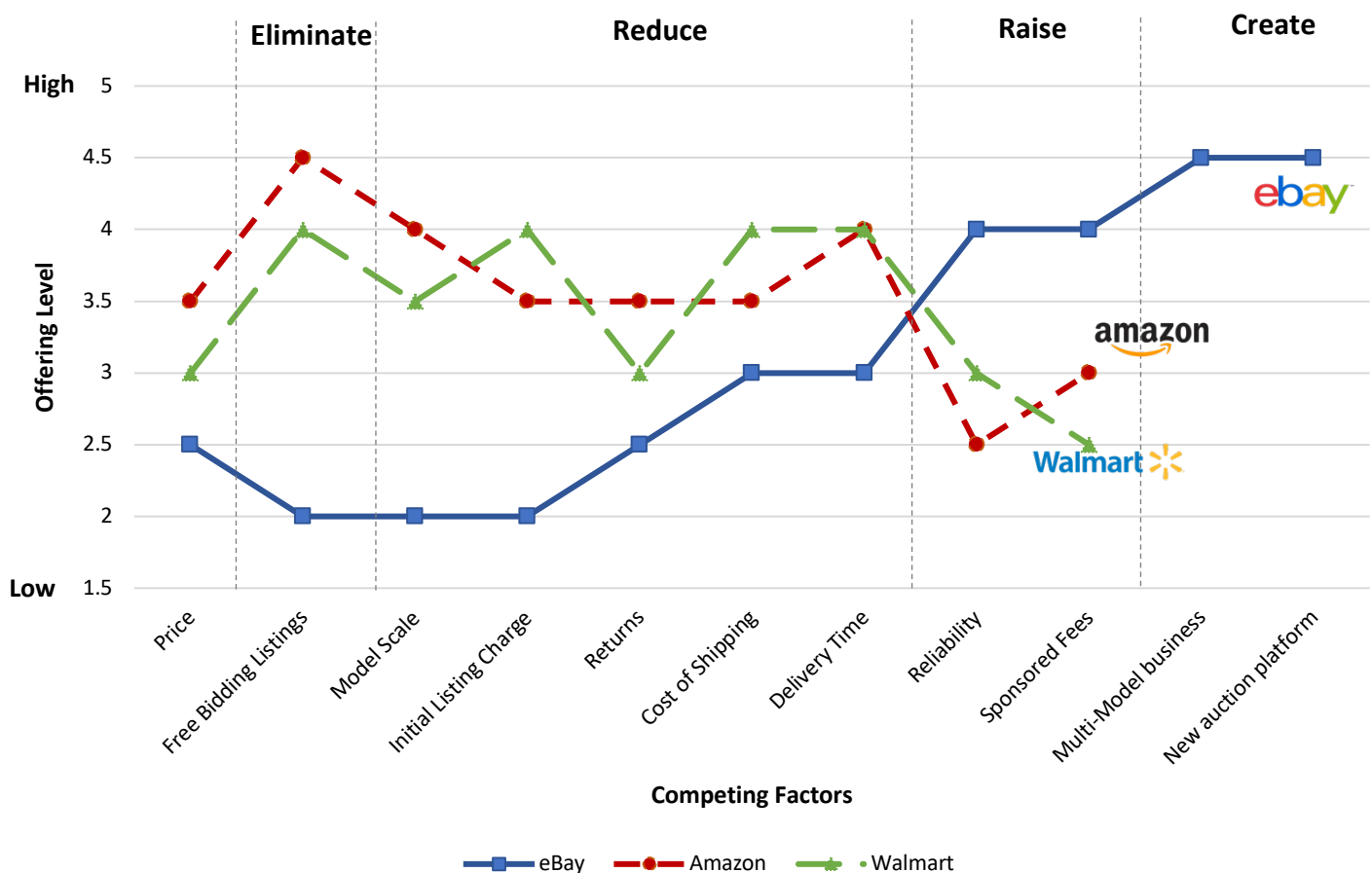
From the above figure, the Create section represents the suggested blue ocean strategy for eBay. **The justification for a blue ocean approach has been provided in *Section 4.3* below.**

3.4. Insight Matrix Approach

First, let us take a look at the comparative Insights Matrix illustration. For this purpose, I have created a Creative Combination of elements from: e-commerce sites, antique sale stores, and traditional auction houses. Three Iterative Steps of the Insight Matrix Approach are:

1. **Rapid Appraisal –**
   a. <u>Identify the problem:</u> Need to create a multi-modal diversified platform.
   b. <u>Break it into elements:</u> Elements include online presence, personalization, customer service, payments, and others *(depicted in the figure below)*.

2. **What-works scan** – I have selected the industries: e-commerce, antique sales stores, and traditional auction houses to scrutinize elements and look for solutions.

3. **Creative Combination** – The figure below illustrates my approach to and creatively combine the different elements and develop the suggested strategy.

Insight Matrix for eBay

Problem/Opportunity:	Creation of multi-model single use based platform			
SOURCES				
ELEMENTS	e-Commerce	Antiques Sales Stores	eBay	Traditional Auction Houses
Existing Elements:				
Online Presence (in some capacity)	X		X	X
Auction Model (bidding)		X	X	X
Smart Payments (Wallets, Apple Pay)	X		X	
User Rating (Rider and Driver)	X		X	X
Personalization (Product recommendations, price level)	X	X		
Suggested Strategy Elements:				
Sales of antiques, fossils, etc.		X	X	X
Customer Service (Fast Delivery, 24x7 assistance)	X		X	
Multi-Modal Single Use Platform (e-commerce, auction, antiques)			X	

The above figure gives us a detailed understanding of the different elements from other industries which eBay has taken solutions (precedents) from, or should take in future for the suggested strategy.

4. Roadmap and Path to Implementation

4.1. Components of the long-term strategic roadmap

1. Clear statement of mission + vision –

Mission: To reconnect buyers and sellers, and providing customer centric services in the auction and bidding services.

Vision: Bring together the services and the people with the use of tech, become the community-driven company with industry leading standards.

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2. Identification of opportunity or problem to address

Opportunity: Capture the market by being the first mover in providing multi-dimensional services ranging from antiques, fossils, art, paintings, war remains, vintage stuff, and others.

3. Assessment of organization (gap analysis)

eBay currently has a very linear business model, I believe expanding services using insights from their current customer and market data would be highly beneficial to gain competitive advantage.
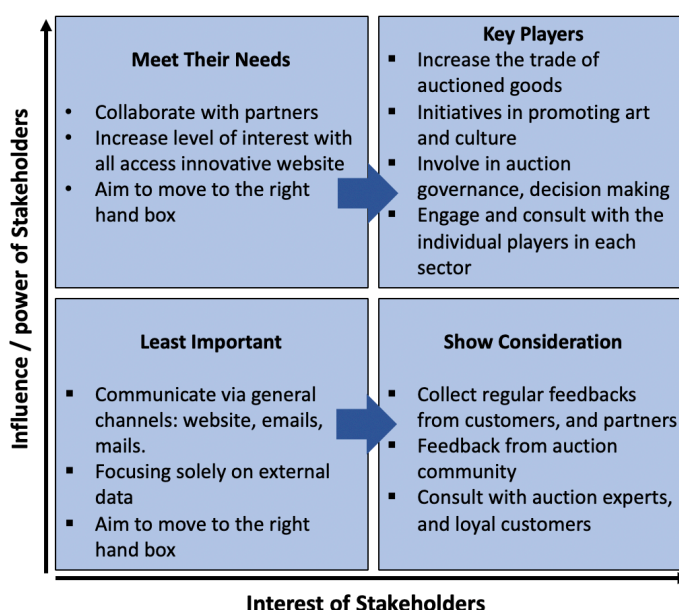
4. Strategic options considered

- Use current customer database to analyze and develop patterns in customer preferences
- Pilot Test the new platform using the current platform without extensive initial investment
- Launch final offering with marketing efforts to current customer base and to potentials.

5. Selected strategy + implementation plan

- **Selected strategy:** Expansion into other services in the auction and bidding industry.

- **High-level tactics/milestones:** Efficient and complete use of their existing R & D team to analyze the current market trends, understand customer needs, and come up with an offering (multi-dimensional service platform) so good that its gives eBay a great competitive advantage.

- **Potential roadblocks:** The roadblocks for eBay would be understanding all of its new service arrays it enters into, be it in the antiques sector, or others, in terms of the legal regulations, customer base, extensive competition and retaliation from existing individual players. Also, another important challenge here would be the success of the new platform model, which could be tested at early stages using 'beta' platforms and pilot tests to receive customer feedback.

4.2. Strategic Roadmap – Terrain Mapping

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4.3.   Milestone and Timeline Illustration

Short-term: Evaluate the market, understand customer needs, employ the R & D team to analyze current data, hire data scientists to develop beta model based on findings. The expected time frame will be around 1 – 1.5 years. Also, start sending offers to partners and dealers for collaboration.

Mid-term: Launch the campaign about the new app platform to test market acceptability, and gain extensive customer feedbacks for improvements. This could be started by way of a pilot, and further rolled out entirely in the market. The expected time frame will be 1 year. Increase partnerships.

Long-term: After having accumulated immense customer data, the final app needs to be launched with all bug fixes, and final contract to be extended to all the third party partners. This is the stage which demands heavy investment into targeted marketing.

Now, it can be argued that the growth strategy for eBay is **not exactly a 100% blue ocean strategy.** What is significant here is that **eBay currently operates in a blue ocean**, which it started with years ago, and is yet uncontested. The strategy I am recommending is of making a website, which incorporates all the different types of auction and bidding based sales, some of which are in red ocean, and some unexplored. In essence, the blue ocean I am suggesting for eBay is to **leverage its core capabilities** in way that will distinguish eBay from the other small players in the red oceans:

>> Recommended products for users, enhanced customer services & support, product guarantee, one-stop-shop for all auction and bidding needs, 24 x 7 online availability, hassle free payments and delivery, global presence, chat with experts for buyer decision making, & product insurance.

Detailed Roadmap Timeline for Milestones
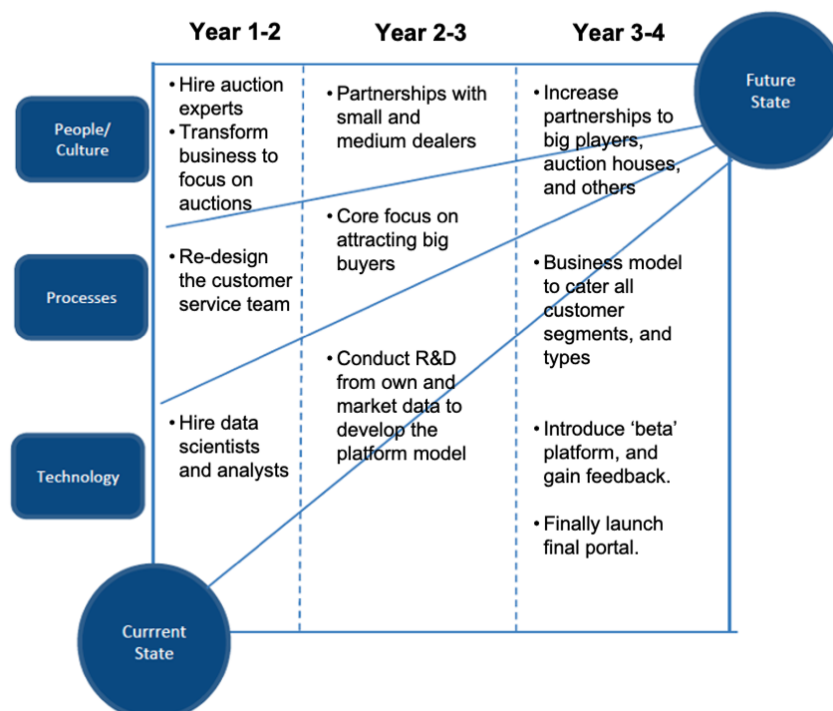
See below for detailed explanation of company components on the timeline.

Company Component	Short Term Goal	Medium Term Goal	Long Term Goal
R & D Team	Scrap market data, analyze trends, patterns, preferences	Develop the beta website, based on insights	Develop the final website, continuous improvement checks
Marketing Team	Launch campaign inviting partnerships and memberships	Market the beta platform, invite feedback	Launch final campaign for final website
Data Governance	Establish processes focusing data quality, security, availability	Available data to be used by all teams and departments	Build database, utilize customer data
Supply Chain Logistics	Decide upon warehouses, goods storage facilities, protection of antiques	Build a special handling delivery system, for global delivery	Establish delivery experts, to ensure zero error and zero damages
Partner Collaboration	Offer partnership with antique handlers, tea houses, offline stores for all such auctions, biddings sales	Finalize the partnership agreements, extend final offer to all	Review the partners, and analyze the effectiveness of each, for renewal
User Testing	Check market acceptance through expert talks, and with loyal customers	Pilot test the initial beta, improve the beta	Final launch of the website in all regions, and markets

4.4.   Collaborative process to create long-term strategic roadmap for eBay

1.   Assessment of the current strategic situation of the company and the analytics team:

Advantages – Established market presence globally, goodwill, brand awareness, efficient R & D team

Disadvantages – Investment restrictions, limited localized presence, linear business model

External Opportunities – Unexplored auction markets, low competition, blue ocean

Competitive Risks – Retaliation from individual giants in each market, retaliation from third parties who already partnered with other individual service providers, limited access to latest tech

2.   Strategic approach for company and analytics team:

Customer Focus – Customer centric app, customized offerings, quick conflict resolution mechanism

Value Proposition – Reliable multi-use single site-based platform, multi-dimensional services

Positioning, Pricing – The positioning will be catered as per all segments of the market, not limited to only a particular group of people. The dynamic pricing algorithms will need to address to this need, to ensure customers are made offers as per their past spending power, so as to not lose out extra profits. Details about this are provided in the *Analytics Section* below.

3.   How should the company and analytics team execute:

Business Model – Create a multi-dimensional service providing, single site-based platform

Adaptive Planning – The customer offer and pricing algorithms need to be adaptive, with high levels of real-time functionality. This will give constant insights about the performance and further help improve or adjust the strategies. Further details have been laid out later in *Section 6*.

5. Application of Analytics

5.1. To better understand the strategic environment

Using analytics alongside those frameworks can help the eBays' managers to further understand deeper the dynamics of their business, anticipate the market shifts and to manage the risks. eBay can embrace analytics and systematic statistical reasoning to make decisions that improve efficiency, risk management and profits *(Singh, 2018)[vii]*, by way of:

- **Pricing solutions** to understand the prices of the competitors or individual players, then take into account the price points of the buyers, and develop offers which brings in maximum profit rather than mere footfall. eBay needs to set the bidding algorithms in a way that it attracts the maximum revenue in a way that it invites higher bids from different buyers itself. Dynamic pricing techniques cannot be employed here, but what can be done is use of machine learning and recommender system algorithms, to capture potential profits, by way of expedited delivery costs, extended returns policy, premium customer service, and extended after sales service.

- **Hiring of talent** such as auction experts, customer feedback interpreters, and data analysts who rely on the data use to make decisions and generate solutions rather than intuitive feeling.

- **Inventory Management** such as how many products to list, the type of product categories to list, the preferences of buyers, the scale of products in terms of the value of product and most importantly, the preservation of the inventory, being antiques and vintages of high value.

- **Competitor Analysis** to discover where the real competition lies, for eBay, whether it is all of the sectors of the suggested strategy, or only a few, or the possibility of potential competition.

5.2. To select a strategy

Descriptive Analytics and Diagnostic Analytics could be started with, to understand their past strategies and plans and evaluate their past performances. Now, for the suggested strategy, there can be numerous path and roadmaps to implementation of it, eBay will need to decide based on certain important metrics, which path to follow for the strategies. Further, out of expanding into all the different auction-based industries suggested, eBay will need to select one particular strategy for expansion first, and rest to be implemented gradually.

Apart from strategy decisions, for eBay, data analytics will enable to make consumer-oriented marketing decisions to helping them address key operational inefficiencies. For each of the different strategies, roadmaps and path to implementation, analytics will provide valuable insights out of unconventional data sets and enable it to explore new business territories through informed decisions *(Singh, 2018)[viii]*.

Predictive Analysis, which is the analytics of 'what will happen', will come in handy as it will help eBay to choose from different decisions using data backed decisions.

5.3. To evaluate the performance of the strategy

Pilot test or the launch of a beta website initially can be extremely useful to understand the performance of a developed strategy. This will initially help test the performance capability of the strategy and call for improvements. The metrics for strategy evaluation will include increase in profits, operating costs, customer acquisition, employee attrition, market acceptance, and partner performance. eBay will also need to test in depth various factors as below:

- **By defining and implementing algorithms**, eBay will need to check the employee and company performance overall. The contrast between the degree of human involvement and automation of activities and decisions could be studied as per the graph given by Gartner *(Appendix IV)*.

- **Strategy performance evaluation** through feedback about the same from different department of the internal management and through talks with experts and seniors.

- **Customer churn analysis** can help in providing detailed information about the total customers, the continuity of existing customers, the loss of customers, and potential ones.

- **Customer Lifecycle Management** will help in acquisition and retention strategies to reduce customer churn and set the direction for content and product development *(Singh, 2018)[ix]*.

- **Testing big assumptions** and learning about customer preferences will help in judging the various aspects of the proposed strategy.

- **Reduce operating costs**, through supply chain optimization will act as an important metric to evaluate performance. The penultimate goal is always to increase profits by reducing costs.

6. Adaptive Planning, Risk Management

6.1. Understanding Risks

6.1.1. Competitive:

Traditional auction houses going fully online, Individual dealers and antique shops stepping up their game, E-commerce companies adapting to an auction-based platform, Retaliation from other key players in these auction and e-commerce industries, Market failure due to low customer acceptance.

6.1.2. Political / Legal:

Rules and regulations governing the auctions, and sale of antiques etc. might act as a barrier to initial profits, Political disturbance and economic instability in the country in which it operates, Lawsuits

against eBay which causes business operations to cease, Political influence over the sale of restricted items, or country's priced possessions.

6.1.3. Technological:

Lacks in constant technical innovations and growth, gives opportunity to competitors, Inappropriate website recommender systems providing unfeasible lists to buyers, Improper automated AI based customer resolution schema on website, Biased co-ordination between the company's business analyst, data scientist and data engineer, leading to mismatched product offerings.

6.1.4. Others:

A significant risk would be **reliability issues**, customers who are used to the **physical auction mode** may be reluctant to adopt this new model. In addition, eBay would face a high number of issues in terms of certifying all their sales which helps build credibility. In case if product description manipulations, eBay might have to shell out huge chunks of money to avoid legal implications.

6.2. Contingency Plans

No plan can be fully verified to be successful unless it is fully rolled out. Hence, for eBay, to tackle with the issues of failure of market acceptance, and an aggressive Adaptive Planning or Adaptive Insights approach will be necessary. Adaptive planning is an iterative process framework for organizing myriad information flows, analyses, issues and opinions that coalesce into strategic decisions. There are four stages to this process *("Adaptive Planning")[x]* :

- **Situation assessment** — the analysis of internal and environmental factors that influence business performance, combined with a comparison of past performance relative to objectives and expectations. eBay will need to revisit its marketing and analytics teams to understand where the gap lies.
- **Strategic thinking** — identification of key issues that have a major impact on performance and the generation of creative strategic options for dealing with each issue.
- **Decision making** — selection of strategic thrust, choices of options, and allocation of resources in light of mutually acceptable objectives.
- **Implementation** — ongoing activities that translate strategic decisions into specific programs, projects, and near-term functional action plans.

eBay will need to make ready and alternate marketing campaign as the biggest contingency plan. After putting huge amount of money, effort and R&D into the plan, it would be unwise to drop it

altogether, instead, they might need to focus on a revised and aggressive marketing campaign to put the good work out about the company and its new offering.

6.3. Risk Management and Mitigation Actions

1. **Importance on Analytics Talent:** Companies such as eBay is one which has access to a bounty of useful data, but may not have all the talent they need to capitalize on their data assets. The talent plan will need to be updated to include giving preference to people with analytics skills when hiring and promoting, developing analytical skills through formal training, and integrating new talent with more traditional data analysts *(Ransbotham, Kiron, & Prentice, 2015)[xi]*.

2. **Use of Prescriptive Analytics:** Prescriptive analysis, which is the analytics of 'how can we make it happen', can help in recommending a decision based, and automatically implementing it for eBay. This process is done through the various defined algorithms which are self-learning, and are capable of making use of the past data, to analyze the patterns, behaviors, trends, etc, and take action based on them.

Further, an important element of risk mitigation would be to carefully revisit all the defined steps and processes, to ensure zero flaws, and a big risk mitigator will be the initial pilot test and the launch of the beta website.

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Appendix I: Insertion Fee and Final Value Fee *(Sydeek & Sydeek MoSCoW Method, 2019)*[xii]

Free-insertion-fee listings

All sellers get free-insertion-fee listings every month.

- Selling limits apply
- Some categories are excluded from free-insertion fees. See excluded categories.

Free-insertion-fee listings each month				
	No Store	Basic Store	Premium Store	Anchor Store
Number of free-insertion-fee listings per month	50 fixed price or auction-style listings	250 fixed price listings +250 auction-style listings in select categories	1,000 fixed price listings +500 auction-style listings in select categories	10,000 fixed price listings +1,000 auction-style listings in select categories

Stores free-insertion-fee auction-style listings include the following fashion and collectibles categories:

Basic fees for auction-style and fixed price listings		
	Insertion fee (per listing)	Final value fee (per item)†
Your first 50 listings (per month)	Free (exclusions apply)	10% of the total amount of the sale† Maximum fee is $750
All additional listings over 50 (per month)	$0.30 (Insertion fee credited back if your item sells, for eligible auction-style listings)	
All your listings appropriate for and listed in the **Musical Instruments & Gear > Guitars & Basses** category	Free	3.5% of the total amount of the sale† Maximum fee is $350

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Appendix II: Strategy Canvas and Blue Ocean of eBay when it first launched

Strategy Canvas for eBay
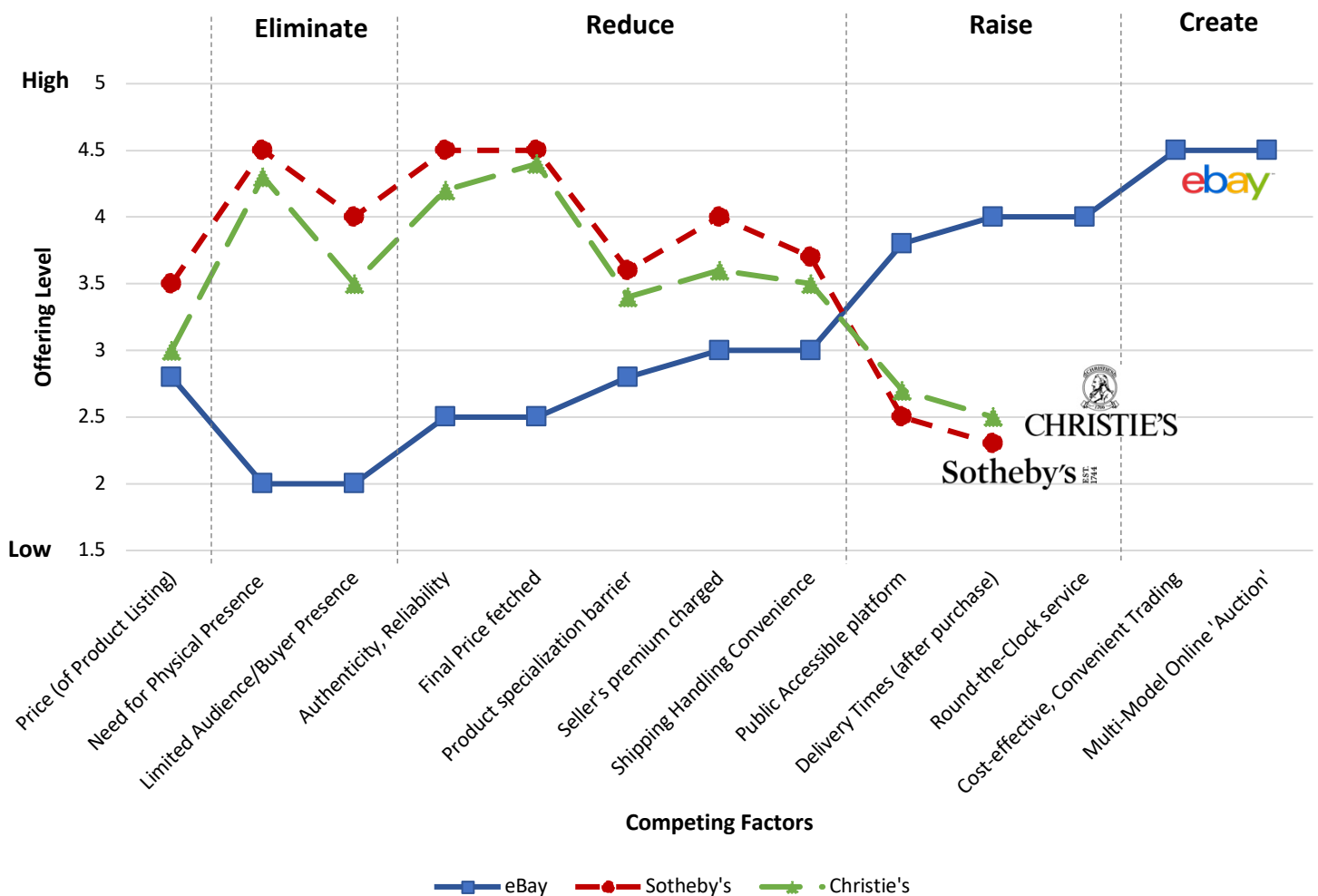
eBay's blue ocean strategy was capturing the second-hand goods and the auctions market, which included both used products and new products to a certain extent. I have chosen eBay's then competitors Sotheby's and Christie's, the **competing factors analysis** using the ERRC model framework are as follows:

- Price (of listing): Products sold via traditional houses, are priced very highly. But, givens eBay's nature as an online auction platform, items are found to be cheaper.

Eliminated –
- Need for Physical Presence: eBay was accessible by anyone, without being physically present. Hence, 2 for eBay as it doesn't need physical presence, 4.3 for Christie's and 4.5 for Sotheby's as they both require physical presence.
- Limited Audience/Buyer Presence: eBay connected vast number of buyer and sellers, while Sotehby's and Christie's have limited. Hence, 4 and 3.5, respectively.

Reduced –
- Authenticity / Reliability: Online platforms were not trusted sources, and physical *feel* was considered to be of highest reliability.
- Final price fetched: eBay opened up the auction portal for a vast diversity of audience, as such, the final prices received by the sellers went down than in a traditional auction sale.

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- Product specialization barrier: In traditional auction houses, the events were based on specific product types or product fields. eBay removed that barrier when it launched. Hence, 2.8 for eBay as it doesn't have any product type barrier. Higher scores, 3.4 and 3.6, for Christie's and Sotheby's as they have only certain product categories.
- Other factors which were reduced are – **Premium charged to seller's** and **Shipping-Handling Convenience**.

Raised –
- Publicly Accessible platform: eBay could be accessed by anyone, unlike traditional auctions, were most attendance was by invite or accessible by purchase of expensive passes. Therefore, 3.8 for eBay, 2.5 for Sotheby's and 2.7 for Christie's.
- Delivery time: In traditional sales, the delivery used to take place around 1 week to 6 months later, but in eBay, it was generally 1 day to 1 week. Since the delivery time for eBay is faster, 4 for eBay, Sotheby's 2.3 and Christie's 2.5.

Created –
- Cost-effective, convenient trading: eBay provided an effective medium/platform for online trading which previously was done through traditional flea or garage sales or auction houses. Hence, 4.5 for eBay.
- Multi-model business 'Auction': eBay created a new service, which was the auctions model for the second-hand goods. T whahe model combines yard sales, consignment sales, drop-shipping, eBay online stores and wholesale models of business *(Burns-Millyard, 2017)*[xiii]. Hence, 4.5 for eBay.

Appendix III: Description of the Competing Factors as per the ERRC framework for eBay's suggested growth strategy

The strategy is to expand into a multi-model auction platform for artifacts auctions, tea auctions, fossil auctions, war remains auctions, vintage products auctions, and others. For building a comparative strategy canvas, I have chosen eBay's competitors Amazon (https://amazon.bstock.com) and Walmart (https://liquidations.walmart.com). The competing factors analysis are as follows:

- Price: Most of the products sold on Amazon and Walmart are priced in a similar manner. However, givens eBay's nature as an auction platform, items are found to be cheaper.

Eliminate –

- Free bidding listings: this will restrict unverified sellers, and for verified sellers, eBay being the monopoly in the space, will start making profits from listings.

Reduce –

- Model - 3 model to 2 model: The reserved-auction style should be removed to ease the website infrastructure and R & D costs.
- Initial listing charges: The current insertion fee should be slightly reduced, to attract more sellers, thus, increase overall revenue from insertion fee.
- Returns: eBay should set up a product certification department, and instead charge the seller for misrepresented and manipulated auctions.
- Cost of shipping: Amazon charges for prime membership, and Walmart charges extra for early delivery. eBay also charges extra, but only a reasonable amount.
- Delivery time: eBay gives a 1-2 days delivery for products, which is not a benefit for regular customer of Amazon and Walmart.

Raise –

- Reliability: eBay needs to establish a mechanism to certify products in high value auctions.
- Sponsored fees: eBay needs to leverage its monopoly and increase its paid ads fees.

Create –

- Multi-model business: eBay need to expand and create new services on its platform, such as payments, travel bookings, lotteries, subscriptions, and other third-party services.
- New auction platform: eBay needs to tap the physical auction market and integrate those functions into the online model, such as artifacts, fossils, war remains, events, tea, paintings, and collaborate with the big auction houses and customers for the same.

Appendix IV: Gartner graph for Degree of Human Involvement vs Automation
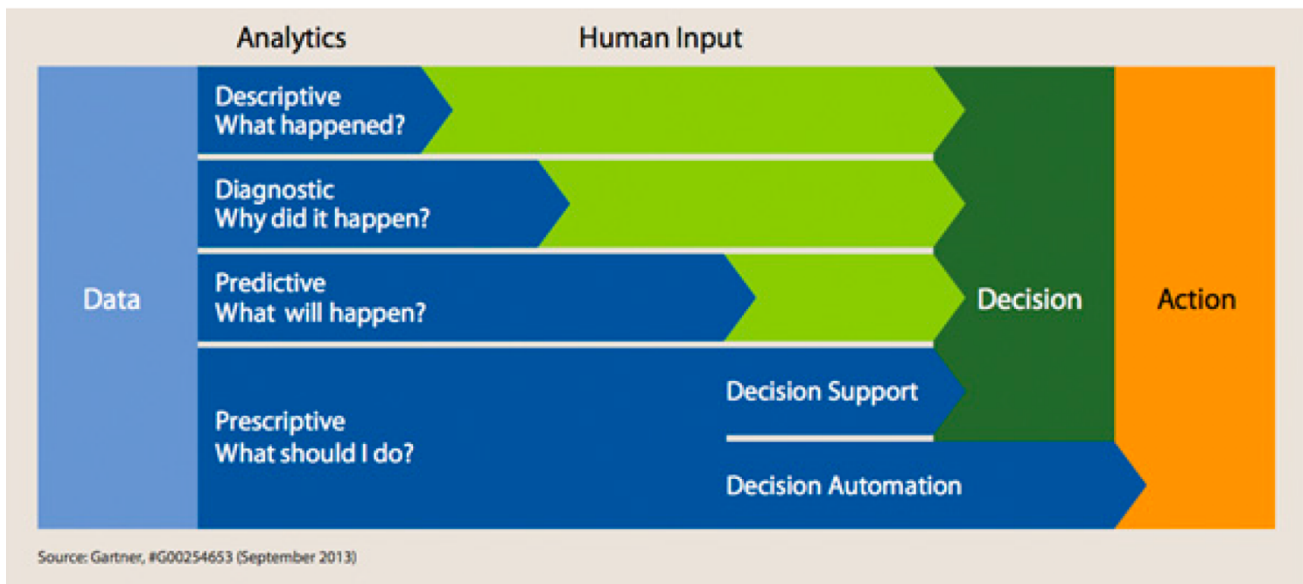
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