

**NEW
REPORT**

eBay 2014

ResearchFARM

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Retail Analysts

eBay 2014
**A COMPANY IN TRANSITION,
WHAT WILL HAPPEN AFTER THE SPLIT?**

WHAT ARE THE THREE BUSINESS LINES OF EBAY ENTERPRISE?

IS IT WORTHWHILE FOR COMPANIES TO ADVERTISE ON EBAY?

WHAT IS THE RELATIONSHIP BETWEEN EBAY AND ARGOS?

November 2014

INSIDE:
Key questions
answered +
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Introduction

There has not been a more interesting time to study eBay.

Strategically, the company is at a crossroads having blazed an expansive acquisition path over the last year and a half particularly in mobile, yet will almost halve in size when PayPal becomes independent in 2015, eBay's fastest growing business arm (18.5% net revenue growth in 2013).

In terms of reputation, how will eBay rebuild trust with customers again after the cyberattack earlier this year saw customer data stolen? The way the company handled the event by only revealing what happened a couple of months after it happened was ill judged. A lengthy process to win back the confidence of consumers is paramount for eBay.

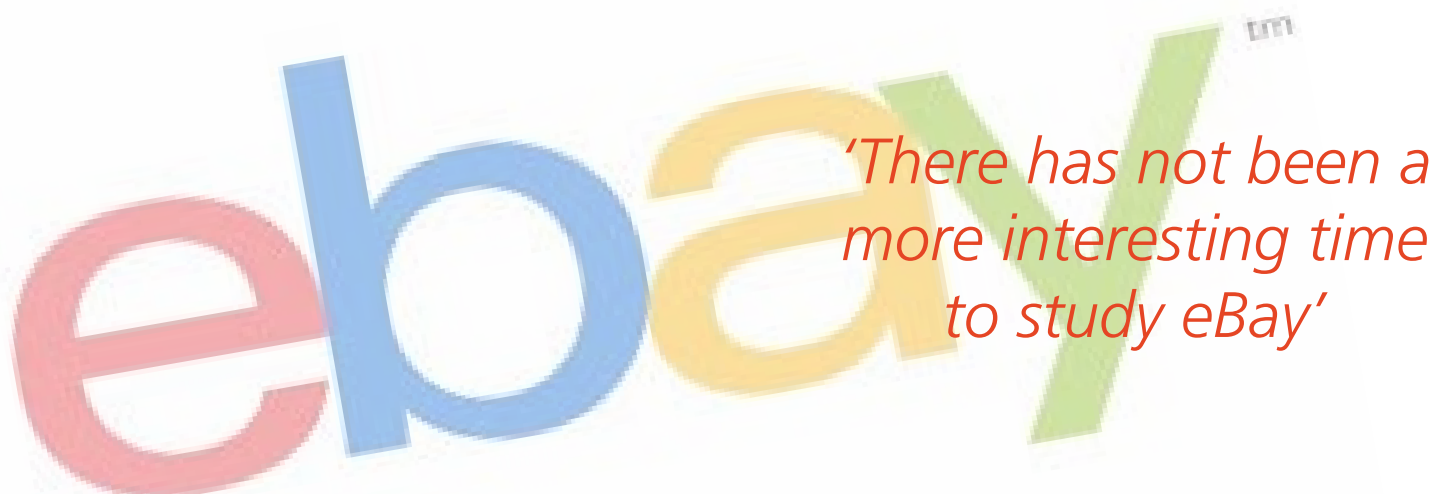
Competitively, how will eBay fare in the fierce online marketplace sector from the standard setting Amazon, who has overtaken eBay in terms of gross merchandise volume? What about the growing global threats of Alibaba and Rakuten? How will eBay's presence and power in the market be affected without PayPal? Could eBay be an acquisition target?

Therefore, both internally and externally, eBay is forced to confront serious challenges as a smaller entity and this makes for a fascinating next couple of years for the company.

eBay will need to go back to its roots as an online ecommerce business after shedding PayPal and focus on its core C2C and B2C ecommerce offerings, improving customer service and experience and attracting more big name brands to sell on the site. eBay will also need to significantly grow eBay enterprise, the B2B ecommerce solutions business, to fill some of the void left by PayPal.

To ensure that the shrinking in size does not affect eBay's competitiveness at home and abroad, the company needs to be innovative. Fortunately, there seems to be plenty of that spirit around with eBay increasing its presence in offline stores, investing in technology, utilising social media to good effect and expanding its fulfilment operations. The company continues to consolidate in its core overseas markets as well as investing in emerging markets, where the level playing field is more equal.

The report provides a comprehensive study into eBay's business model looking in depth at the issues above and more. The thought provoking content and individual insights from the analysts that emanate from the transitional period eBay is currently facing provides for a timely and engaging read.



Key Questions Answered

- Why has eBay's marketplace model moved on from its auction-style transaction site? Why is eBay incompatible with luxury brands?
- How will the marketplace and enterprise roles in the overall business alter when PayPal becomes independent?
- Why has PayPal been so important for eBay? What are PayPal's strengths that make it so attractive?
- How will eBay and PayPal fare as separate entities? What opportunities will both entities have?
- What are the three business lines of eBay enterprise?
- Is it worthwhile for companies to advertise on eBay? What channels should eBay use to advertise itself?
- Where are eBay's core markets outside America? Which emerging markets has eBay invested in? Which major markets are eBay absent in?
- What is the relationship between eBay and Argos? What is eBay Now?
- How is eBay approaching the personalization strategy?
- In what ways is eBay tackling the mobile channel?
- Should eBay introduce a tablet of their own?
- How will eBay compete globally as a smaller company?



Features & Benefits

FEATURES

- Updates on eBay's activities over the last 16 months
- eBay's key financial performance figures explained
- A thorough analysis on eBay's three business segments, detailing the challenges each face and their respective futures
- An insight into eBay's international operations in selected markets
- An analysis into eBay's fulfilment service eBay Now
- ResearchFarm's thoughts on the future of eBay and strategic recommendations

BENEFITS

- Stay up to date on eBay's recent developments including acquisitions and partnership deals
- Understand in depth eBay's business model and how PayPal going it alone will affect the model
- Understand the intense competitive landscape eBay finds itself in from the established competitors to the future global disruptors
- Appreciate the thinking behind the decision to spin off PayPal from eBay
- Learn about eBay's core country markets and the emerging markets it has been targeting



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