

Essay summary of marketing management

[Business](#), [Marketing](#)



Why has eBay succeeded as an online auction marketplace while so many others have failed? According to Kotler and Keller (2012, p. 411), eBay's success began by creating a "pricing revolution", which allowed the bidders/buyers to determine the price they were willing to pay for an item. The consumers were pleased because they felt they were in control, and received the best possible price.

The sellers were also pleased because they reached a wide variety of buyers, and they ended up owing very little overhead when the deals were done (Kotler & Keller, 2012, p. 411). The reason eBay succeeded while others failed is that the others were unable to create a unique business model that pleased both buyers and sellers (Bandyopadhyay & Wolfe, 2004, p. 141). Although there is little revenue input from these companies, many sites such as an auction. om, Sandcrawler. com, and first auction. com merged with others or shutdown due to a lack of participants (Bandyopadhyay & Wolfe, 2004, p. 141). Bandyopadhyay and Wolfe (2004) examined the reasons an auction site succeeds and their variables for their research were determined as ease of user interactivity, variety of product offerings, level of trust, rate of growth and adoption, networking, level of commitment, and payment options.

When customers feel they are more than just a number, they will soon become frequent buyers. Other mentionable by Bandyopadhyay and Wolfe (2004) was the web address must be easy to remember, the site must be easy to navigate, easy interaction with other members or the site itself, availability 24/7, high-usage interaction, advanced features, and the design

of the website must be clutter-free (Bandyopadhyay & Wolfe, 2004, p. 141-143). eBay has all of these listed features and must be part of its success.