

eBay, Inc and Amazon.com (A) (HBS 9-712-405)

1) What is eBay's competitive strategy? Is it coherent?

[Note: A strategy is "coherent" if the various aspects complement each other. See Porter's "What is Strategy", Part IV]

2) What is Amazon's competitive strategy? Is it coherent?

3) On Dec 31 2010, the market capitalization for eBay was \$36bn, while that for Amazon was \$81bn. Yet throughout 1999-2010, eBay had made higher profits than Amazon. Do these valuations make sense? Use the data in the case to make your answer as precise as possible.

4) As it shifted to a platform business, how did Amazon encourage third-party sellers? Was it successful?

5) Are eBay and Amazon competing for the same market?

6) What would you recommend for eBay going forward, and why?