eBay e-Commerce Platform Opportunities and Obstacles

Yousef A. Baker El-Ebiary*, Samer Bamansoorb, Safuan. Hc, R.C. Ismaild, S. Saatb, M Hafiz Yusoffd,
*Rashed Karima

a1 Assoc. Prof. Ts. Dr. Faculty of Informatics and Computing, Universiti Sultan Zainal Abidin, Malaysia
bLecturer, Al-Madinah International University, Malaysia and researcher, University of Aden, Aden, Yemen,
cLecturer, School of Computing and Informatics, Alhukary International University, Malaysia
dProf. Dr., School of Computing and Informatics, Alhukary International University and Faculty of Electronic Engineering Technology, Universiti Malaysia Perlis,
eProf. Dr., School of Computing and Informatic, Alhukary International University and Faculty of Electronic and Computer Engineering, Universiti Teknikal Malaysia Melaka, Malaysia.

Email:* yousefelebiary@uniswa.edu.my, Samer.ali@mediu.edu.my, halawati@aiu.edu.my, rizalafande.ismail@aiu.edu.my,
sakhr.mdsaat@aiu.edu.my, hafiz.yusoff@aiu.edu.my

(*Corresponding Author) rashed.karim@aiu.edu.my

Article History: Received: 11 January 2021; Revised: 12 February 2021; Accepted: 27 March 2021; Published online: 28 April 2021

Abstract: E-commerce blends more than just electronics and commerce. It is an entirely new way of doing business through a medium that modifies the very rules of doing business. Therefore, it is much more about policy and organisation management than about technology. The success of a business comes from internal and external collective action and management of contact. There are various amounts of existing e-commerce platforms such as eBay, Amazon, BigCommerce, and more. eBay have been chosen as an e-commerce platform for a further study related to this topic. The objective of this case study is to explore the term of the opportunities and threads that also face the strength and weaknesses of eBay as one of the big e-commerce platforms. In order to explore this topic, a SWOT analysis on this platform needed. Analysing the strengths, weaknesses, opportunities, and threats is one of the most essential measures in managing an organisation.

Keywords: e-Commerce, eBay Platform, Opportunities and Obstacles, SWOT analysis.

1. Introduction

E-commerce is a usage of the internet and the platform for business transactions in electronic commerce (e-commerce). In more details, it is commercial transactions within and between organisations and individuals that are digitally activated [1]. It is a general term for any form of business or any business transaction involving the transmission of data over the internet. This includes a variety of unique types of firms, from consumer-based shopping sites such as Amazon.com, to auction sites such as eBay, to music sites such as MP3.com, and to business transactions between trading products or services. More specifically, e-commerce reflects the implementation of digital transactions between firms, between a company and its customers, or between a government and its people or a constitutional company, as countered to paper-based commercial transactions [2]. Using electronic communication to do business is called electronic commerce.

E-commerce is based in many fundamental innovations, not just the internet. There are three wide interlinked themes that involved in e-commerce, which are technology, business, and society. In technology, we need a fundamental understanding of the technological advancement on which e-commerce is based, including the internet and World Wide Web (WWW) [3]. For business, while technology offers the infrastructure, it is the business applications that generate the interest and excitement in e-commerce, the opportunity for exceptional returns on investment. As for society, to be competitive in the e-commerce industry, recognising the stresses that global e-commerce puts on modern society is crucial [4].

E-commerce is not about apps and it is not a company that is brand new [5]. E-commerce is a strategy for businesses to grow and run their business in modern and effective ways. In short, e-commerce is the use of electronic communication to do business [6]. In particular, the transmission over the internet of data or known as transactions. Some people use the word e-business to refer all types of e-commerce.

There are plenty numbers of companies that running the e-commerce. With all that is happening around the world, it has never been more essential to have a business set up to sell online. The good news is that it does not have to be difficult to sell online [7]. We will be able to list our goods easily with the right e-commerce site, take payments, and manage shipping all without leaving your workplace. One of the big e-commerce company that can be explore is eBay. eBay is a highly popular website for e-commerce. The broader eBay group includes 19 different channels such as skype, PayPal and rent. eBay is an internationally known e-commerce platform where the customer can deal with it, access eBay.com and find the products he wants to buy, and there are many means
that the site offers for ease of shopping, such as auction and also the accepted method, which is the store that allows the customer to shop immediately, and also posting some products that can be searched for by other users as a potential merchant to sell. The user arranges the means of payment through the platform and one of the most important of these means is the default payment system PayPal, which is specific to eBay, as well as it is a payment system that is a separate system and has been created specifically for the purposes of payment via the Internet globally and has been added at the present time to the eBay platform with the receipt of all Procedures and stages through the e-mail of the user that he puts when creating his account on the eBay platform. In this case study, we will focus on the term of the opportunities and threads that also face the strength and weaknesses of eBay as one of the big e-commerce platforms [8].

2. Background Study

E-Commerce Platform (eBay): This platform has been started by Pierre Omidyar in September of 1995. eBay is one of the largest selling platforms on the Internet in the world, and it provides many services such as selling cars and marketing in addition to the availability of the auction system. The platform includes more than 248 million users, who were subscribed from 30 different countries around the world. The company that owns the platform also includes more than 34,000 employees from all over the world, and this team includes 30 specialized programmers at the highest technical level [9]. This makes the monthly transaction on this platform up to 4.4 billion transactions. And 30 thousand software issues per week [10]. These figures indicate the volume of circulation and visits to this global platform and the continuous development, which makes it keep pace with modern technologies and dazzle its users and obtain their satisfaction. The percentages and figures also show the progress of the administrative system for this financial company to the platform while preserving the quality provided [11]. And to make it ahead of its competitors from the global platforms that provide commercial services over the Internet, eBay was created using modern and advanced distributed object technology. They are scalable, high performance, high quality, availability, high speed, and provide the required protection for customer records and the business processes that take place on them. The company that owns the platform also says that it is ready to manage more user requests over the Internet and responds in record time compared to its competitors [12]. It is worth noting that eBay has launched the latest application programming user interfaces for developers to create easier purchase applications, and it has been developed using both JavaScript and Flash, which makes the platform allow eBay offers from anywhere., in addition to the end-user application, see figure 1 and 2 [13]. This will enable the group of developers to adapt eBay apps to their own needs and to release new valuable features.

![Figure 1: Service Provided by eBay](image-url)
A complete study needed before the clear outcome of a case study. Decision-making during this process is a vital mechanism for a group to guarantee that preparation for joint success and fulfilment is achieved and decided upon [14]. Several measures have been taken to complete the case study paper and can be explained as Figure 3 shows [15]:

3.1. Searching Paper

This is the process where related e-commerce papers or articles are being searched and studied. These papers are contributed from Google Scholar, which is a platform that gathered various types of articles and covered any topics [16].

3.2. Information Gathering

This is the process where all of the information found are being gathered into one place. The information is sorted by the most relevant topic and information related to the objective of this case study. Then it will be analysed according to the case study needs [17].

3.3. Selection of Relevant Topic

The next process involved previous activity. When all the relevant information being analyse, it is the time to determine relevant topic for this case study. It is also to make sure the most applicable e-commerce platform chosen [18].
3.4. Critical Analysis

The provision of information from papers is analysed in depth of this process. In order to obtain the strength and limitations of the case study, each data is absorbed [19].

4. Discussion

4.1. Swot (Strengths, Weaknesses, Opportunities, Threats)

Analysing the strengths, weaknesses, opportunities, and threats is one of the most essential measures in managing an organisation [20]. SWOT analysis was first used in 1960 and we use SWOT analysis until today. Today, in various cases, we use SWOT analysis. For example, the arrangement of data can be used in preparing and designing a company’s programmes. Business success comes from internal and external teamwork and communication management [21]. In e-commerce, SWOT reviews can be more comprehensive and automated, which is an advantage for e-businesses. SWOT analysis is used as a problem’s solution, goal limiters, most successful direction, the analysis of proposals to improve structures and organizations, also as a machine for brainstorming, see figure 4 [22].

![SWOT Analysis](image)

**Figure 4: SWOT Analysis**

4.2 Strengths

The strengths of an e-commerce business are distinctive points that demonstrate their distinction from their rivals, which can improve the strengths of a company with competitive advantages. Unlike offline shopping, e-business sellers and vendors make money from limited operating costs and 24 hours shopping. The start-up costs of e-shopping retail companies are more economical because all forms of new start-ups have low costs and have a low sale at the beginning. Nowadays, with the use of the e-mail system in particular, an online business is full of needs and can offer a company better communication. eBay had declared as the world’s largest internet market. This platform has been used all over the world and being competitive to other e-commerce platforms which can outclass the others. It is also not a robust rivalry. eBay more concentrating on local markets, which help local sellers in their businesses. The payment method used by eBay are convenient. It provides the easiest and simplest way to overcome a complicated process. Furthermore, the mark’s credibility is the highest among the other e-commerce platforms.

4.3 Weaknesses

For entrepreneurs, there are many issues occurred but the great one is unnecessary back charges. Consumers are often reluctant to buy online using cards for online purchases because of the security and cheating internet everywhere at the moment. Shifting products is an important job. There are some common issues or problems like heavy, huge, and spoiled products that always happened which very costly. Shipping time can provide options for a customer to purchase products from elsewhere. Clients at these fairs have no way to determine the size of the company from the Internet. The user needs the same level of small business online service as an old and powerful retailer. The new business must learn about and understand consumer behaviors. eBay required elevated costs and there is no other growth plan on eBay.
4.4. Opportunities

Technology is very crucial nowadays. It is changing time by time. Technology acts as a method for retailers to improve their impact and productivity. A decent example is better online shopping cards. The new ones are easier, promising a more customer-friendly experience. Social networking is a strong environment for low-costs ads to boost product sales. The company’s ability to operate the all-day allows consumers to order midnight orders on all days of the week whenever they want. It is very necessary to use opportunities, and an entrepreneur must know how to utilize them, and this valuable can be done with better and more procedures and studies when an opportunity will arrive. eBay have been used the opportunities in expanding of mobile customers, also to become a market for retailers. The extensions of services and products being part of it. eBay also have been opening more e-stores worldwide.

4.5. Threats

Legal organisations have recently had several issues with cards. This has more consequences for volatile sectors. Top e-business competition such as eBay and Amazon much of the time impact the price of smaller companies and cause them to give up. Threats are also fewer restrictions for moving into e-commerce, nowadays anyone can start a business even without the need to pay for website costs. One of the eBay threats is the security of being online. It allows distributors with regional low-cost. Other than that, eBay also being the emergence of Amazon’s competition. It has interchange rates.

5. Conclusion

This paper discussed on the term of the opportunities and threads that also face the strength and weaknesses of eBay as one of the big e-commerce platforms. In order to explain this topic, a SWOT analysis on this platform have been explained. Analysing the strengths, weaknesses, opportunities, and threats is one of the most essential measures in managing an organisation. Studying on top e-companies will bring numerous chances to the others and the e-companies that use the experiences of others will expand. Critical use of SWOT analysis as an approach that can be quickly conceived without critical thinking, resulting in a deformation of the strengths, weaknesses, opportunities, and threats in an online organisation’s internal and external environment.

References


