

EBay targets mobile users, hoping to seem hip

RACHEL METZ - AP Technology Writer - Associated Press

EBay's name is synonymous with auctions, but that's created an image problem for the online marketplace.

These days, most of the things people purchase on the site aren't sold through auctions; they have fixed prices. And, the majority of items for sale are new —not musty antiques or old collectibles.

Richelle Parham, eBay Inc.'s chief marketing officer, says plenty of people see eBay as an auction-focused marketplace, despite the reality.

"We need to change that perception," she says.

The company wants to be seen as an e-commerce innovator, rather than a staid auction site. To promote that image, eBay is embarking on a major ad campaign aimed at consumers who shop on smartphones. At the same time, eBay hopes it will change consumers' misperceptions about the company.

The campaign, eBay's first big marketing effort in several years, comes in the midst of a multi-year effort to improve the buying and selling experience on eBay.com. It's the 16-year-old company's first campaign to focus on mobile shopping — a still-small, but rapidly growing revenue source. The company was one of the first to offer an iPhone app through Apple Inc.'s App Store when it opened in mid-2008, and in the last three years, eBay's various smartphone and tablet apps have been downloaded more than 50 million times.

People aren't just using the apps to browse. They're buying. In 2010, the value of goods purchased from the site using mobile devices totaled \$2 billion. This year, eBay predicted that figure would double, and mobile vice president Steve Yankovich says the company will unquestionably top its \$4 billion goal.

Mobile apps are bringing in new users, too. Between January and July, nearly 500,000 new eBay shoppers joined up and made their first purchase via mobile.

"We're seeing more people on their mobile devices," says Parham. "More people are shopping anywhere."

Given this, eBay is emphasizing the idea that people can shop on its site at anytime, anywhere, for anything. The TV commercials and other ads eBay will start rolling out on Wednesday are geared toward three types of mobile-happy shoppers it identified through market research: the fashionista, the electronics junkie and the auto parts and accessory fan, all of whom are in different situations when shopping inspiration strikes.

EBay targets mobile users, hoping to seem hip

Published on Electronic Component News (<http://www.ecnmag.com>)

Parham says these three kinds of consumers were chosen as the focus, in part, because they tend to own smartphones (eBay believes 60 percent of the people that it considers "fashion enthusiasts" and 65 percent of "electronics enthusiasts" are so equipped, for example).

In one commercial, for example, a man named Pete attends a meeting where co-workers mock him for being the only person in the board room without a tablet computer. One colleague, to show how out-of-date Pete is, cries out, "Me Pete, me use pen!" Another arrives late saying, "Sorry I'm late — I was in the 16th century looking for Pete's pen."

Pete deals with the criticism by whipping out his smartphone and buying a tablet on eBay, and the commercial ends with his pen leaking blue ink all over his shirt pocket.

EBay, which is based in San Jose, worked with San Francisco-based advertising agency Venables Bell & Partners on the campaign, which will be unveiled over the next 11 weeks, to coincide with the holiday shopping season. In addition to commercials, the campaign includes print, online and outdoor ads. There will also be movie theater ads, many of which will air as one of the last commercial spots before the familiar announcement urging moviegoers to turn off their cell phones.

Forrester analyst Sucharita Mulpuru says it makes sense that eBay is concentrating its campaign on mobile shopping, since the market is still pretty small and the shopping experience is generally bad. Also, Mulpura notes: there are not yet a lot of products that people feel comfortable buying on their phones.

"They're one of the strongest players in mobile commerce. They want to continue to ride that wave a little more," she says. "It's a growth engine for the marketplace. They may as well double down on it." She's not sure if the campaign will change how people see the company, however.

It could be risky to roll out shopping-oriented ads at a time when consumer confidence is at its lowest point since the last recession. But Deirdre Findlay, eBay's head of consumer marketing, says the company didn't see it as a concern since eBay sells so many different things at different prices.

Rather, the company thinks consumers will see the spots and think of eBay as more hip and relevant, Findlay says. Right now, 20 percent of people who already use the site say "auction" is the first thing that pops into their heads when they think about eBay, she says.

"Obviously we want to drive sales during our heavy holiday period, but of equal importance is making sure the perception of eBay in the marketplace is the appropriate perception," she says.

So how will eBay know if its efforts are working? In order to test the campaign's success, Findlay says eBay plans to survey users' views of the site a few weeks after launching the ads, and then again after the campaign ends.

EBay targets mobile users, hoping to seem hip

Published on Electronic Component News (<http://www.ecnmag.com>)

The heightened focus on mobile doesn't mean eBay believes marketplace sales will happen mainly over cellphones in the future. Indeed, the campaign includes a commercial involving shopping on eBay from a computer. EBay isn't taking such a leap yet, and Findlay says the main eBay.com website is still critical to sales.

"We just want them to be a part of the community and whatever channel they use to get there is up to them," Parham says.

Source URL (retrieved on 07/10/2014 - 4:12am):

http://www.ecnmag.com/news/2011/09/ebay-targets-mobile-users-hoping-seem-hip?qt-recent_content=0