

Product Management as a Service Organization

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Agenda

- What Does "Service Organization" Mean at eBay?
- The PDA Organization
- Where Product "fits" at eBay
- The Product Development Process
- Product and Design Principles
- What We've Accomplished



Definition of Service

Main Entry: ser-vice

Pronunciation: 's&r-v&s

Function: noun

a: the work performed by one that serves good service>

b: <u>HELP</u>, <u>USE</u>, <u>BENEFIT</u> <glad to be of *service*>

c: contribution to the welfare of others

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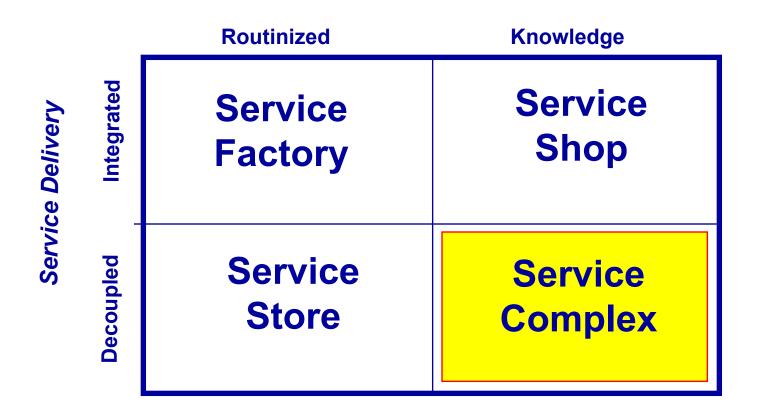
Whom Does PM "Service" at eBay?

- Product Strategy and Vision
- Our eBay Community
 - Buyers
 - Sellers
- Our eBay Business Partners
 - U.S.
 - International
 - PayPal
- Our Cross-Functional Partners
 - Trust and Safety
 - Billing and Collections
 - Customer Support



The Four Types of Service Businesses

Service Task



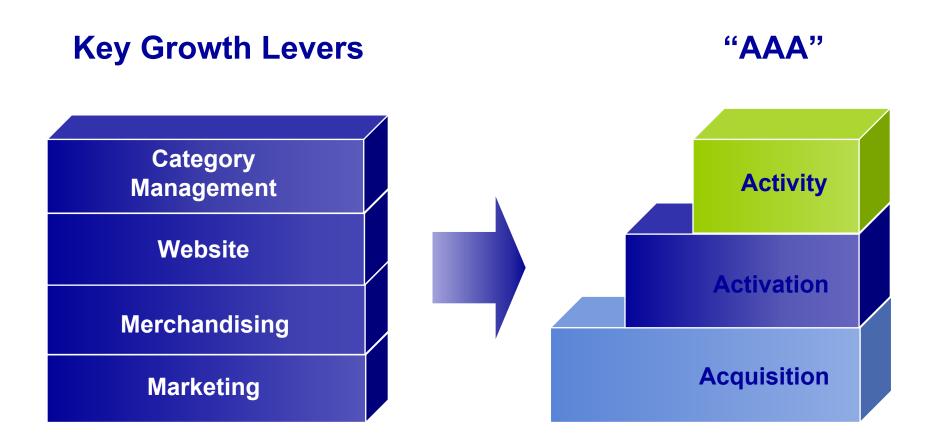


eBay PM as a Service Complex

- We provide a broad range of customized, knowledge-based services that are delivered by various team members
- We must be flexible and adaptable to respond to varying business and community needs
- We add value through innovation and expertise, so creativity and initiative are critical
- Interactions with our community and business partners are close, very personal and very intense
- Our "clients" want to deal with specialists whom they know and trust



Key levers for achieving "AAA" growth



Delivering Excellent Service at eBay

- Base decisions based on what the customer wants and expects.
- Think and act in terms of the entire customer experience.
- Continuously improve all parts of the customer experience.

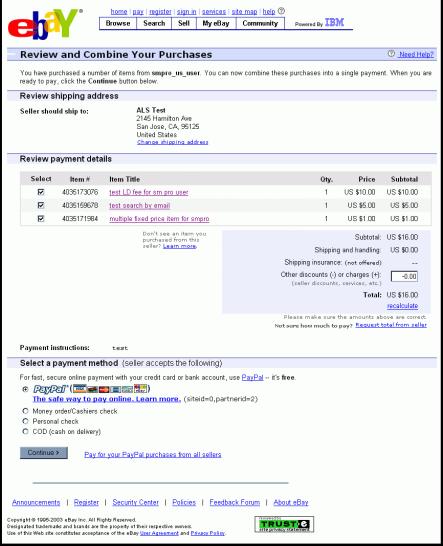


Checkout/Multi-Item Payments

Before



After



Delivering Excellent Service at eBay

- Base decisions based on what the customer wants and expects.
- Think and act in terms of the entire customer experience.
- Continuously improve all parts of the customer experience.
- Avoid failing your customers twice.
- Empower members to "co-produce" their own experiences.
- Create and sustain a strong mission and vision.



Global PM's Vision and Mission

Vision

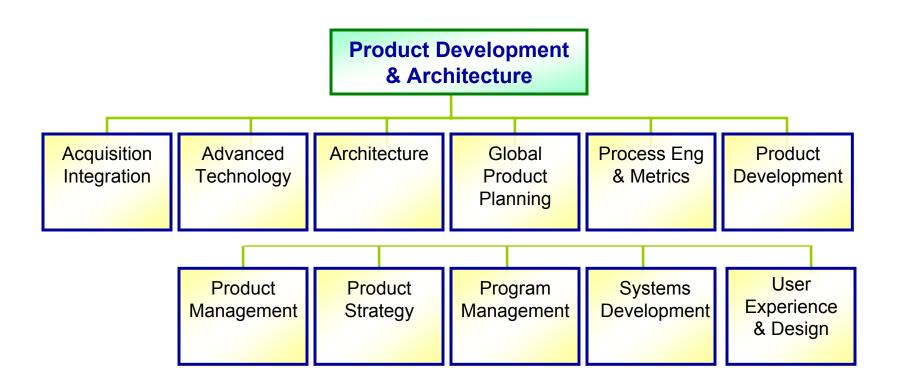
- We <u>enable</u> eBay's Global Economic Opportunity
- We <u>empower</u> eBay's Community to reach higher levels of success
- We provide a world-class <u>core-competency</u> to eBay's business

Mission

We design and build the people's most efficient and abundant marketplace.

- We own and drive product vision and strategy and partner in business strategy
- We translate business and Community needs to product requirements, while providing thought leadership, community advocacy and scalability to our global product platform
- We deliver innovative world-class products that grow eBay's global business, making significant daily contributions to our Community and eBay's success through our seamless execution.

PDA | Product Development Architecture



Global Product Management Areas

PRODUCT STRATEGY

Shri Mahesh

Global Product Management

Judy Kirkpatrick

BUYING

Amy Smith

PLATFORM & INFRASTRUCTURE

Michael Buhr

MOTORS

Kirstin Hoefer

SELLING

Anne Raimondi

INTERNATIONAL

Anette Auyang, AAA Mark Inkster, China Jim Ambach, Europe TnS/CS/
COMMUNITY
BILLING

Vikram Subramaniam



Where the Product organization "fits"

Community

Help ensure our community is front and center in everything we do.

Product

- Product Strategy
- Product Management
- User Experience Design
- Development & Architecture
- Advanced Technology
- Project Management
- Product Planning
- Process Engineering
- Acquisition Integration

Deliver features and new capabilities to the site.





Operations

- Site Operations
- Quality Assurance
- IT

Support the site – make sure its operational for users.

The "BUs"

The U.S. Business Unit

Grow the US business and categories

International

 Drive international business and global expansion.

Marketing

 Manage the eBay brand and attract users to the site.

Trust & Safety

 Ensure a safe trading environment.

Customer Support

Support end users

PayPal

 Provide a seamless payment option for eBay and become the dominant player in ecommerce payments.

Run the business side of the site.



eBay product principles

- It's about buying and selling
- Growth is essential
- Level playing field
- Think globally, solve locally
- Create the "operating system" for global ecommerce
- Data driven decisions
- Satisfy the business, the user and the Community

- Deliver world class quality, quickly and efficiently
- Follow all design principles
- Enable open and safe trading
- Stay true to the brand
- Evolution not revolution



View Item/Bidding



Currently \$22.50 Quantity

Auction has ended. Time left.

Started Mar-01-02 17:43:04 PST Ends Mar-08-02 17:43:04 PST

Seller (Rating) (to seller) (to bidder)

ifchesnas@aol.com (1205) 🌟

view comments in seller's Feedback Profile | view seller's other auctions | ask seller a question | Checkout summary

m request a gift alert

First bid

of bids

Location

\$2.99

CT

Country/RegionUSA/Hartford mail this auction to a friend

12 bid history

If you are the seller or a high bidder -

now what?

High bid

xafallstar1892x (69) 🏠 🛶

Payment

Money Order/Cashiers Checks. Personal Checks. See item description for payment methods accepted

Item number: 2219105458

Before

After

Mem Chc Stanford Univ Palo Alto CA Postcard

You are signed in

Watch this item (track it in My eBay)



🕹 Go to larger picture

Starting bid: US \$2.25

Place Bid >

Time left: 5 days 18 hours

7-day listing

Ends Jan-25-04 13:50:23

PST

Add to Calendar

History: 0 bids

Location: Centennial, Colorado

United States / Denver

Seller information

drbduck (376 🤺)

Feedback Score: 376 Positive Feedback: 100%

Member since Mar-01-99 in United

States

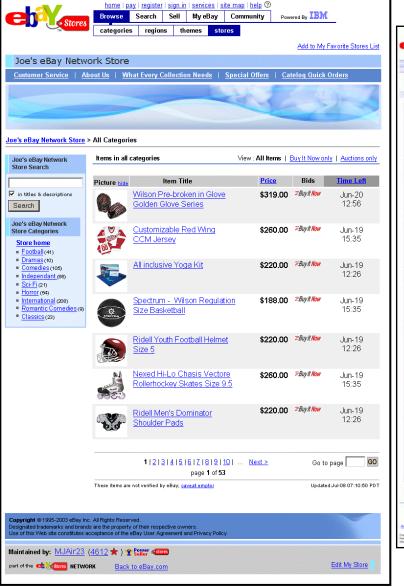
Read feedback comments

Ask seller a question

View seller's other items

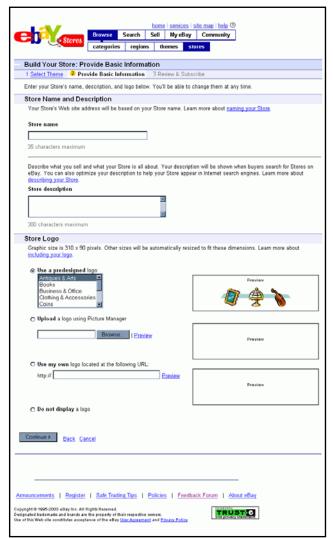


Stores & Store Builder



Store Builder

Build Your Store: Select	regaries regions themes Theme: Basic Information' 3 Review 6.1	Subscribe	
If of your Store's pages will ago terne, or change to a different o bout palacting a theme.	war with the Predesigned or Cus ne, at any time. All themes prov	Discribe tomicable theme you salect beli de spèce for your logo unless of	w. You'll be able to edit the terwise roted. Learn more
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Carves (Predisigned Theme) Includes: (Date same (Space for optimal logo (Store description not shown Custom links on top	C Garves - Feschia	C. Carves - Gold	C Corves : Blue
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Minimal Review Layest Early Customs able Thereol Includes: Date name Space for sphorad logs. Date description and shown Custom links on left or top	C Minimal (aft	C Minimal Tap Fitte man Stage of the stage	
Continue 9 Control			





UED | Roles and Responsibilities

UI Design

- Design User Interaction
- Design Information Architecture
- Design Information Flow

Creative Design

- Create visual style guide
- Design visual interface
- Concept and design creative solutions for marketing material

Usability Engineering

- Champion the user
- Inform user-centered design
- Provide holistic site assessment

Content Management

- Champion usability through content
- Provide editorial guidelines
- Establish content processes

Prototyping

- Build high-fidelity prototypes
- Develop UED productivity tools
- Provide technical consultation



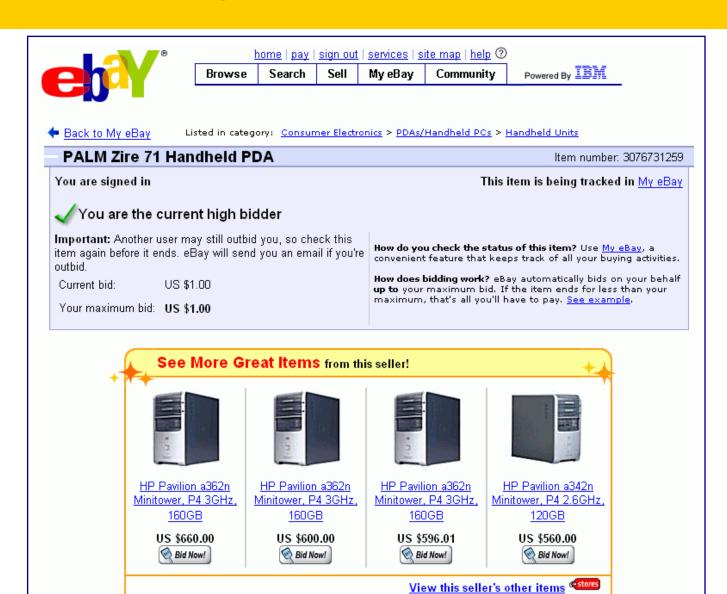
eBay design principles

- It's about buying and selling
- Know your customer
- Keep things simple
- Don't make the user work
- Be consistent
- Provide a well lit path
- Do not divert users
- Performance by design
- Optimize for the 80%

- Make it personal
- Help should be helpful
- Think globally
- Evolution not revolution
- Build trust
- Stay true to the brand
- Design for the future
- See the forest and the trees
- The user has the last word



Merchandising



Sell Your Item (SYI)

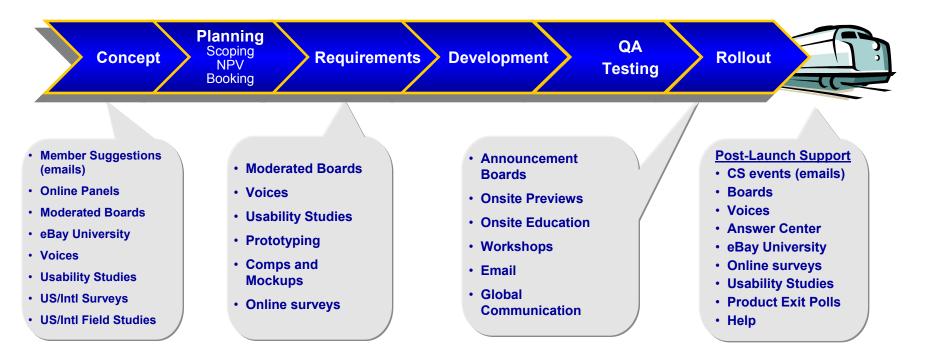
Sell Your Item: Provide Pictures & Item Details					
1. Category 2. Title & Description 3 Pictures & Details 4. Payment & Shipping 5. Review & Submit					
Title					
San Francisco Giants tickets					
Pricing and duration					
Starting price *	Reserve price (<u>\$ fee varies</u>)				
\$	No reserve price. <u>Add</u>				
Bidding will begin at your <u>starting price</u> .					
Buy It Now price (\$0.05)					
Requires a feedback rating of 10+ or <u>ID Verify</u> . Learn more about <u>Buy It Now</u> .					
Quantity					
1					
Not eligible for <u>multiple item</u> listings.					
Duration *	Private auction No private auction. Add				
7 days 1-day requires a feedback rating of 10+ or ID Verify.	No private auction. <u>Aud</u>				
Start time					
Start listing when submitted	. <u> </u>				
C Schedule start time (\$0.10) Select a date Learn more about scheduled listings.	Select a time Pacific Time				

The Product Development Process



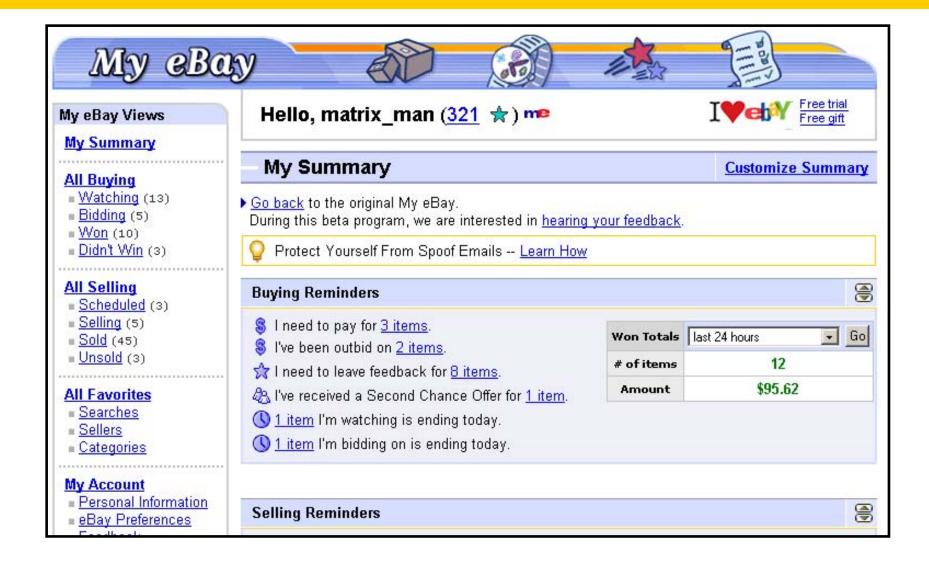
- We look at the site as a product. We are constantly enhancing it to make it better. We call these enhancements "features".
- Multiple features get bundled together into software releases that are rolled to the site each week. We call these releases "trains".
- After features launch, we assess their success by tracking their affect on key metrics.

Community Involvement

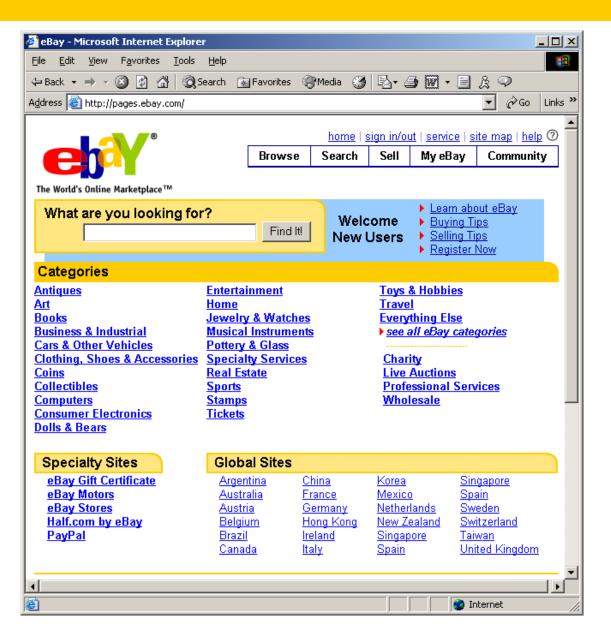


We also engage our Community throughout our product lifecycle.

My eBay



Thousands of features & functions...



Major Site Functions

- Registration
- Buying
- Search
- Browsing/Categories
- Selling
- My eBay
- Stores
- Checkout/Payment
- Muli-Item Payment
- Feedback
- Merchandising
- Formats: Bid, BIN, Ad

Other Tools

- Selling Manager
- Turbo Lister
- TnS & CS Tools



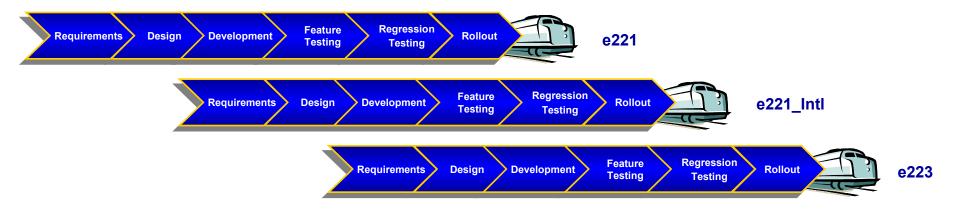
How The Process Works



The BUs have a business objective to meet:

- ⇒ BUs discuss idea with PM, they vet the idea and the BU writes a Business Requirements Document (BRD).
 - ⇒ PM translates the BRD into a scope request with high level requirements outlined
 - ⇒ Technology scopes the project
 - ⇒ BUs develop the business justification (NPV) and priority of the project, and work with the Product Council to get it approved based on company priorities.
 - ⇒ Product Planning works with development to ensure development resources are available to work on the project. After this is confirmed the project (feature) is "booked".
 - ⇒ PM writes a Product Requirements Document (PRD) detailing product functionality
 - ⇒ User Experience Design (UED) creates user interface prototypes, graphics, and conducts usability testing.
 - ⇒ Development and architecture create the technical design and code the feature.
 - - ⇒ The feature is rolled out to the site
 - ⇒ Receive user feedback and react
 - ⇒ Assess success to original metrics and NPV

Some Key Statistics of Our Process



- Trains release every week -- alternating between US and international every other week. Our average train is 60,000 lines of code.
- With ~7 US (core) trains releasing per quarter, our throughput is roughly a half million lines of code per quarter (not including international).
- The total site is about 5 million lines of code. (In comparison, Microsoft Windows NT 3.1 was 4 million lines of code.)
- This code supports over 90 million registered users from more than 200 countries, doing business on 20+ internationalized sites. On a daily basis, we support 700 million page views and \$70 million in business transactions (Gross Merchandise Sales, GMS).
- Even with this significant volume, our quality statistics are quite good: open production bugs are only a few hundred (>5 sigma), our site availability is 99.93%, and our customer support emails due to system issues is about 2% of our total volume.

Another Key Metric: Train Seats



- Each "Train" at eBay has a specific amount of capacity on it train seats. Train seats reflect the amount of *development effort* associated with each train.
- Train seats also help communicate the quarterly development capacity of the Product organization.
- Train seats are a commitment to the business they are not just effort spent, but rather effort "earned".
- To determine the cost of a train seat, eBay bundles in the effort required by nondevelopment resources such as product management, usability testing, QA and project management.

What we've accomplished

In a typical day	June 1999	Dec 2003	Growth
Outbound e-mails	1.0+ M	21 M	21x
Searches	6.5 M	120 M	18x
Peak Network utilization	268 Mbps	7.8 Gbps	17x
Total Registered Users*	6 M	93 M	15x
Page views	54 M	700 M	13x
Net Revenue Per Day	\$532 K	\$6.4 M	12x
GMS Per Day	\$6.5 M	\$70 M	10x
Bids	0.9 M	6.3 M	7x
Listings	532 K	3 M	6x
Availability	~97%	99.93%	3%
Developers	40	300	8x
Train Seats Per Quarter	40	1,120	28x
Web Service API calls	0	13 M	NA

^{1.} Scalability

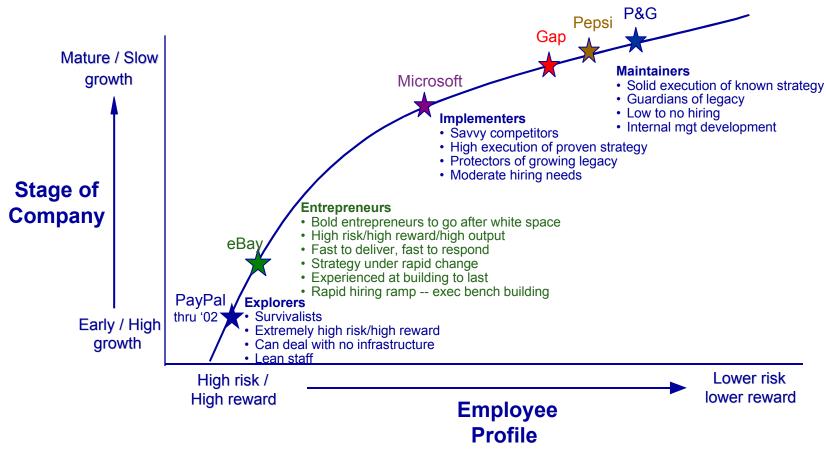
- 2. Availability
- 3. Productivity
- 4. Capacity
- 5. Platform



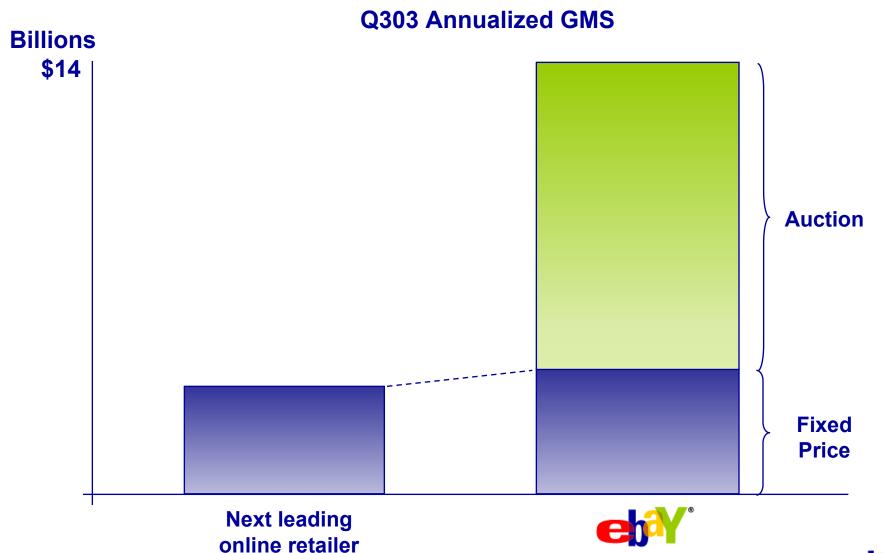
^{*} Total registered uses is the cumulative total, not per day or quarter.

Yet, Still Early Stage of eBay's Growth

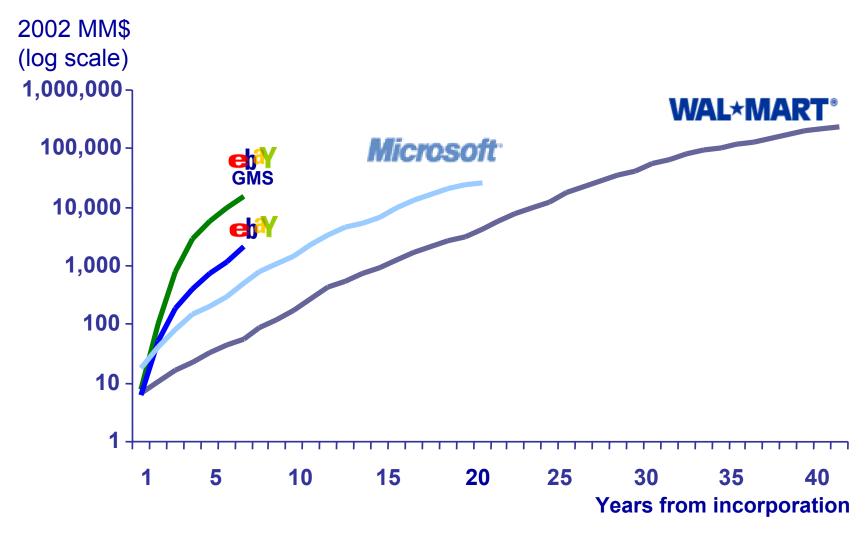
eBay is a young, exciting company. It has infinite opportunities which create an unpredictable, rapidly changing environment. eBay's employees are driven and excited about changing the world. They work hard and strive to capitalize on the many opportunities the company has to grow.



Relative gross merchandise sales – US



Outpacing Leading Growth Companies



- (1) Sales and GMS adjusted to 2002
- (2) Source: eBay; Company Filings; US Department of Commerce Deflators





Thank You!

