

# bidorbuy.co.za and Online Marketplaces

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# Introduction

- **The bidorbuy Story**
- **Statistics**
- **Online Marketplaces**
- **SEM**
- **Other Trends**
- **Conclusion**



# Flying High



bid or buy .co.za

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bid or buy.com

bid or buy.co.za

**PayFast**



jump.co.za  
search. compare. save.

**The CLASSIFIEDS**

classifieds, simplified

bid or buy.co.za



# Statistics

- Approximately 5.3 million Internet Users in SA
- Approximately 1.5 million broadband users currently in SA ([www.myadsl.co.za](http://www.myadsl.co.za))
- SA 44<sup>th</sup> Highest Internet Usage in the World ([www.wikipedia.com](http://www.wikipedia.com))
- Currently 2 billion Internet Users World Wide ([www.internetworldstats.com](http://www.internetworldstats.com))
- Over 750,000 individuals making a living off eBay USA
- Broadband is the key

# Moore / Metcalfe's Law

- **Moore's Law**  
“Every 18 months, processing power doubles while cost holds constant”
- **Metcalfe's Law**  
“The usefulness, or utility, of a network equals the square of the number of users”
- **Transaction Costs**
- **The Tipping Point**

# Online Marketplaces

- Platform for buyers and sellers (many to many)
- Price versus Convenience
- Payments
- Shipping
- Online Security
- Rating system
- Professional sellers
- Tends to be one dominant player in each territory

# Themes

Google understands concepts and themes





# Search Engine Marketing (SEM)

- **Organic / Natural Search (SEO)**

- An organic search is a process by which World Wide Web users find web sites having unpaid search engine listings, as opposed to using the pay per click advertisement listings displayed among the search results (Source: Wikipedia)

- **Paid / Sponsored Search (PPC)**

- Paid search is where the advertiser pays the search engine to have their ads appear

\*compare to traditional online advertising

# Google Search: ipod touch

ipod touch - Google Search - Microsoft Internet Explorer

Address: <http://www.google.co.za/search?hl=en&cr=countryZA&q=ipod+touch&start=10&sa=N>

Google  Search [Advanced Search](#) [Preferences](#)

Search:  the web  pages from South Africa

Web Results 11 - 20 of about 52,700 for **ipod touch**. (0.28 seconds)

**ipod touch - bid on or buy ipod touch related items on bidorbuy.co.za**  
ipod touch - 19 ipod touch items found for auction or sale on bidorbuy.co.za - Africa's Largest Online Marketplace - Bid, buy or sell today.  
[www.bidorbuy.co.za/search/ipod\\_touch](http://www.bidorbuy.co.za/search/ipod_touch) - 56k - [Cached](#) - [Similar pages](#) - [Note this](#)

**Apple iPod Touch 8GB - South Africa - Price and Review**  
Apple iPod Touch 8GB - Get amazing deals online: South Africa's best prices. Shop online, compare offers and more. Product reviews, expert advice, ...  
[www.shopbot.co.za/pp-apple-ipod-touch-8gb-prices-82731.html](http://www.shopbot.co.za/pp-apple-ipod-touch-8gb-prices-82731.html) - 12k - [Cached](#) - [Similar pages](#) - [Note this](#)

**BEELAN.COM**  
For iPod & Others / silicon skin. Item Number : . BLITSKI005. Compatible : . iPod Touch 2 / new Touch. Description : . iPod Touch 2 silicon skin ...  
[beelan.com/product.asp?id=1151](http://beelan.com/product.asp?id=1151) - 26k - [Cached](#) - [Similar pages](#) - [Note this](#)

**Shop and Ship Online (Pty) Ltd. - Apple iPod Touch 32GB**  
Shop and Ship online shopping, The iPod Touch 32GB features a stunningly thin, contoured stainless steel design and feels even better in your hand.  
[www.shopandship.co.za/shop/apple/apple-ipod-touch-32gb-6.html](http://www.shopandship.co.za/shop/apple/apple-ipod-touch-32gb-6.html) - 123k - [Cached](#) - [Similar pages](#) - [Note this](#)

**BRAND NEW APPLE iPod touch 32GB!!! (New) - Jump Shopping - South ...**  
iPod touch has always been an amazing iPod. With great new applications, now iPod touch is even better. Watch a movie you rented from iTunes. ...  
[www.jump.co.za/product/brand-new-apple-ipod-touch-32gb-new-11696155.htm](http://www.jump.co.za/product/brand-new-apple-ipod-touch-32gb-new-11696155.htm) - 19k - [Cached](#) - [Similar pages](#) - [Note this](#)

**Compare prices for Apple iPod touch 32GB, Apple iPod touch 32 GB ...**  
Find Apple iPod touch 32GB prices, Apple iPod touch 32GB reviews and specs at ShopMania. Buy Apple iPod touch 32GB for the lowest price offered by hundreds ...  
[www.shopmania.co.za/shopping-online-mp3-players-buy-apple-ipod-touch-32gb-p-156444.html](http://www.shopmania.co.za/shopping-online-mp3-players-buy-apple-ipod-touch-32gb-p-156444.html) - 38k - [Cached](#) - [Similar pages](#) - [Note this](#)

**Sponsored Links**

**Electronics - kalahari**  
New iPods now in stock and on sale, Make everyday fun with an iPod!  
[www.kalahari.net](http://www.kalahari.net)

**Win a Free iPod**  
Make a Wish + Enter to Win Online Vouchers Worth R30,000!  
[www.NashuaElectronics.com/iPods](http://www.NashuaElectronics.com/iPods)

**iGear - your iPod world**  
SA's largest variety of iPod's and accessories wholesale to the public  
[www.ipodworld.co.za](http://www.ipodworld.co.za)

**Authorised Apple Reseller**  
Full Apple Product Range + support iMac, MacBook, iPod & Accessories  
[www.shopandship.co.za](http://www.shopandship.co.za)

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# Pay Per Click (PPC)

3 main networks:

- Google Adwords (geo-targeting)
- Yahoo Overture
- MSN (more targeting)

Google:

- Adwords – your adverts hosted by Google and other people
- Adsense – adverts that you host for other people on your own website

# Search Engine Marketing

Adwords

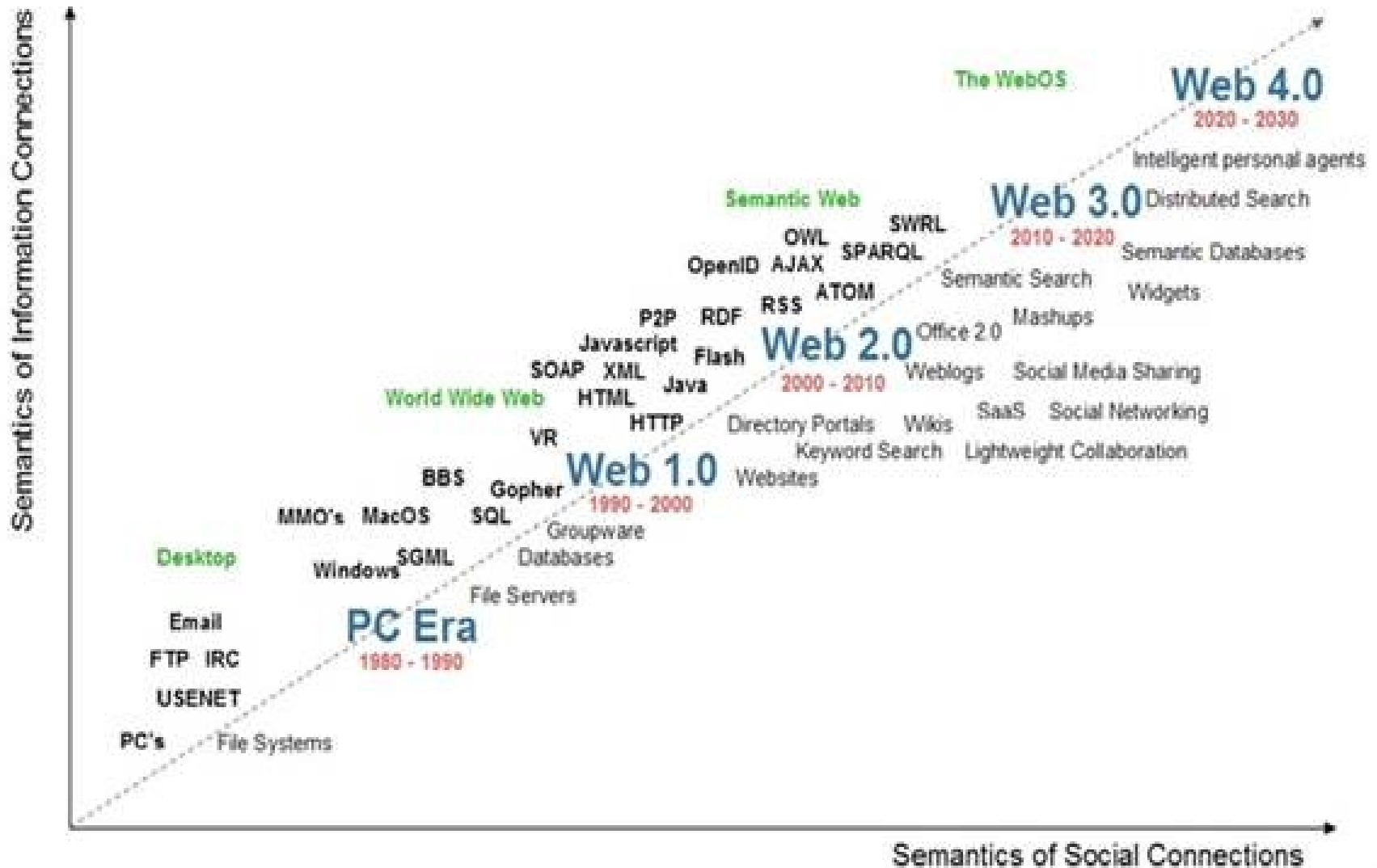
Back Links

Content

# Other Trends

- **Forums**
- **Blogging**
- **Web 2.0**
- **Web 3.0**
- **Social Media / Networks**
- **Location based services**
- **Mobile**





# Conclusion

- The bidorbuy Story
- Statistics
- Online Marketplaces
- SEM
- Other Trends

Hmmm. I wonder if we could auction the dog on bidorbuy?



# Measuring Return on Investment

Five Multiplier Effect	Current	10%	20%	30%
<b>1. Unique Visitors</b>	<b>200,000</b>	<b>220,000</b>	<b>240,000</b>	<b>260,000</b>
<b>2. Conversion Rate</b>	<b>2.00%</b>	<b>2.20%</b>	<b>2.40%</b>	<b>2.60%</b>
Customers	4,000	4,840	5,760	6,760
<b>3. Ave No. Transactions</b>	<b>2.30</b>	<b>2.53</b>	<b>2.76</b>	<b>2.99</b>
<b>4. Ave Transaction Value</b>	<b>R300</b>	<b>R330</b>	<b>R360</b>	<b>R390</b>
Turnover	R2.76m	R4m	R5.7m	R7.9m
<b>5. Gross Profit Margin</b>	<b>6%</b>	<b>6.6%</b>	<b>7.2%</b>	<b>7.8%</b>
Gross Profit	R165k	R267k	R412k	R615k
Expenses	R120k	R132k	R144k	R156k
<b>Operating Profit</b>	<b>R45k</b>	<b>R134k</b>	<b>R268k</b>	<b>R459k</b>

Source: Niel Malan (<http://www.nielmalan.com>)