



STANFORD

GRADUATE SCHOOL OF BUSINESS

DRAFT

CASE: M-329
DATE: 07/15/2010

EBAY: FROM GREEN TO GOLD

US consumers are truly “sleeping giants” in terms of the ability to affect change through purchase behavior.

---Robert Chatwani, Director Global Citizenship, eBay Inc.

INTRODUCTION

When the devastating earthquake hit Haiti in January 2010, eBay’s response was fast and powerful. The eBay foundation provided \$100,000, as well as matching gifts for employees’ donations, to support the relief efforts of The American Red Cross, Save the Children and Oxfam. While most companies can provide support through a corporate foundation, due to its large community, eBay’s reach is unmatched. It mobilized this community by enabling buyers to make a contribution at checkout (Give@Checkout), and waived the processing fees for these donations. Celebrity giving on the site included Scarlett Johansson’s offer of tickets to the opening night of her Broadway play and Stephen Colbert’s offer of the interview table from “The Colbert Report”. Through PayPal, users could also make gifts directly to nonprofit organizations involved in the relief efforts; eBay waived processing fees for these gifts for a 30 day period. Finally, sellers could commit to donating a percentage of their listings’ final sale price (Donate Now) to the nonprofits of their choice. By January 21, 2010, the eBay community had raised over \$835,000 through the Give@Checkout and Donate Now features on the site.

These actions showed the power of eBay’s consumers and their power to make purchasing choices based on issues that were most important to them. Enabling users to donate to the causes they cared about was important and valuable but it would not be the extent of eBay’s global citizenship. CEO John Donahoe was pushing the company forward with a vision of global citizenship as the lens through which the company would be judged in the future.

COMPANY BACKGROUND

In 1995, computer programmer Pierre Omidyar wrote the code for an experiment: What would happen if everyone in the world had equal access to a single global marketplace? Omidyar tested his new auction website by posting a broken laser pointer, which he was about to throw away. To

Sara Gavisier Leslie and Professor Jennifer Aaker prepared this case as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

Copyright © 2010 by the Board of Trustees of the Leland Stanford Junior University. All rights reserved. To order copies or request permission to reproduce materials, e-mail the Case Writing Office at: cwo@gsb.stanford.edu or write: Case Writing Office, Stanford Graduate School of Business, 518 Memorial Way, Stanford University, Stanford, CA 94305-5015. No part of this publication may be reproduced, stored in a retrieval system, used in a spreadsheet, or transmitted in any form or by any means — electronic, mechanical, photocopying, recording, or otherwise — without the permission of the Stanford Graduate School of Business.

his surprise, a collector bought it for \$14.83. The sale of a broken laser pointer was the beginning of a radical transformation in commerce.

eBay became an efficient marketplace by connecting individuals who would not otherwise be connected. It may have been the world's first example of online social networking. While skeptics questioned whether people would trust doing business with strangers online, Omidyar firmly believed that people are basically good, and that any issues would work themselves out by the community; despite differences in culture, language, geography, economic status, people around the world are fundamentally united in their desire to discover, interact, and communicate. A sense of opportunity and shared interests bound eBay's community together.

In 2002, eBay acquired PayPal, which brought new efficiencies to e-commerce and redefined possibilities for eBay's future. The company expanded by acquiring innovative businesses, such as Shopping.com, StubHub, Bill Me Later and others, which have positioned the company as the global leader in e-commerce and payments. Since its founding, eBay created a presence in 39 markets (including partnerships and investments), accumulated more than 88 million eBay.com users worldwide, and traded more than \$1,900 worth of goods each second in 2010.¹

SUSTAINABILITY AND SOCIAL IMPACT AT EBAY

Being green and promoting sustainability had always been part of eBay's culture. Not only did eBay offer a marketplace for used/secondhand goods but it also created opportunities for people, many of whom had little access to a viable marketplace, to participate in commerce, run their own businesses, and serve customers. eBay's had a social purpose at its core.

The company furthered its social impact by becoming the first company to endow a foundation with pre-IPO stock. After 9/11, it launched the eBay Giving Works Program that enabled sellers to donate a portion of their sales to more than 18,000 non-profits. (Giving Works raised over \$165 million from 2004 to 2009.)²

Advancing the Cause

In early 2006, eBay reached a point in its history when it was ready to extend the positive impact of its everyday business operation into new areas and make an even bigger impact on the world. Meg Whitman, the company's former CEO, asked Gary Dillabough, vice president of global citizenship, to get a better understanding of eBay's corporate citizenship activities, particularly philanthropy. Dillabough and Libby Reder, head of environmental initiatives and global citizenship, investigated the right mix of citizenship priorities, a method for getting executives involved in corporate citizenship, and the vision for global citizenship at eBay.

¹ "eBay History," <http://www.ebayinc.com/list/milestones>, (January 21, 2010).

² eBay Green Team, "CEO John Donahoe Speaks of Community, Innovation, and the Uniqueness of eBay Inc. at BSR Conference," *eBay*, October 22, 2009, http://www.ebayinc.com/sustainability#ceo_john_donahoe_speaks_at_bsr, (January 19, 2010).

Driving Social Good: Addressing eBay's Environmental Profile with eBay Green

In the fall of 2006, Dillabough and Reder began examining eBay's environmental profile. As Reder explained, "In the same way we have always thought of eBay as driving social good, we realized there was an incredible environmental story that happened also on the day-to-day basis through the reuse and resale of products on eBay's site. We needed to tell this story."³

Gaining Internal Support

To increase their understanding of eBay's sustainability and gain other employees' support, Reder and Dillabough met with employees in various parts of the company. They hoped, Reder explained, to get a better understanding of eBay's environmental impact and gain supporters:

We talked with the people who built and ran the buildings. We talked with the procurement team, and the travel organization and the marketing team. Our message to them was, "Your line of business has a disproportionate impact on the environment and we have an idea or two. We'd like to work with you to find a way to align with your business priorities and also help us address an environmental issue at the same time."

Some employees were reluctant to get involved, specifically those that regarded the corporate management of environmental issues as a risk management issue, something disconnected from the company's core business. Others, Reder explained, saw the team's work as an opportunity for the business.

Reder and Dillabough developed an understanding of the opportunities for improved sustainability practices. The company's biggest environmental impact was its data center operations; eBay had a relatively light carbon footprint since the company did not make any products or ship products (although these activities occurred as a result of eBay's business). Reder recalled how many individuals had interests in sustainability the context of their jobs, "People working in facilities didn't just want to talk about buildings. They had ideas for other things." Though they did get doors slammed their faces, the team was gathering a following.

The Inspiration: Connecting the Initiative to the eBay Business

The conversations drove clarified a view that most employees widely held: reuse, a cornerstone of sustainability, took place on eBay every day. Reder recalled:

There was a sense that we had this incredible story tell. When we started explaining that, in the last ten years, eBay had traded more than a \$100 billion worth of used goods, the response was often "Oh, my gosh." It proved eBay's business is an incredible force for the environment.

The next questions the team needed to answer were, "How can we do more than we are already doing? What can we do to shift consumer behavior around smarter, greener choices as they make a shopping decision both on eBay and in other outlets?" This realization echoed the message

³ All quotations and company commentary are from the authors' interviews unless otherwise noted.

that eBay had learned from the World Business Council for Sustainable Development's paper on sustainable consumption. The council concluded that in order to bring emissions levels down sufficiently and protect the environment in the long term, consumers needed to shift their behavior towards more sustainable consumption patterns.

THE GREEN TEAM: USING DESIGN THINKING TO RECRUIT AND BUILD

D Day

To capture the momentum of their project, on May 7, 2009, the team pulled together approximately 40 colleagues for a pizza lunch. The whole team sat in one room and shared what it had learned from engaging with existing groups. For instance, the facilities group was planning a new building and the Green Team had introduced them to the Leadership in Energy and Environmental Design (LEED) certification program. By talking about these early wins, the group got some wind at their back.

Coming out of the lunch, the team started holding monthly gatherings for people to get together and talk about environmental issues and the intersection between these issues and eBay's business. The team brought in speakers for meetings or simply discussed ideas. Even though none of the efforts expanded beyond San Jose, participants started telling their friends about the meetings.

Employees at the Center of a Grassroots Movement

From the beginning, the initiative had social benefits that were valuable to employees. The cross-functional nature of the Green Team gave people a new dimension to their job, offered a new avenue for expressing their values, and empowered them to accomplish something on their own. Reder explained, "It did not feel like the company was sponsoring it. It was very grassroots. We've tried to maintain this going forward. We don't want to make the effort look too flashy."

Morphing from a Starfish to a Spider

The Green Team realized that, in order to maintain its authenticity and spread the movement outside of San Jose, it would need to identify leaders in other geographies. However, it wanted to ensure that the initiative did not look too prescriptive or centralized. This stance was partially the result of the team reading Rod Beckstrom and Ori Brafman's bestseller, *The Starfish and the Spider*, which demonstrated the power of decentralized organizations. Rather than maintaining a starfish or centralized structure and driving the Green Team agenda from San Jose, the team chose to enable leaders in other geographic sites and eBay subsidiaries to help determine the future for eBay Green. The team evaluated the volunteer leaders at its large sites to ensure they were natural culture carriers or high potential employees but then left them free to communicate and drive the eBay Green concept however they saw fit.

As a result of this decentralized approach, the Green Team's leadership started to see innovative ideas come from local offices in other parts of the country and other parts of the world. The team's leadership not only learned what participants were interested in from a subject matter

perspective but also the benefits they experienced from being a part of a cross-functional team. The Green Team was a community of learning and sharing where people could gather around a common issue rally around a cause.

THE EBAY GREEN WEB SITE

On March 3, 2009, eBay launched www.ebaygreenteam.com. This transformed the Green Team from an employee movement to an initiative for the entire eBay community. The Green Team posed the question, “What can we achieve if we take the ideas that we are talking about as an internal team and allow the world to engage in the same conversation?” This online home would enable individuals to learn and share from each other and connect around the idea of sustainability.



The Green Team hoped to engage its users and employees with the idea of being a smarter, greener consumer. However, the team had no idea what kind of reception it would receive. To their surprise, in the first six weeks of the site, more than 100,000 people signed up to be members of the Green Team. The vast majority the sign-ups were eBay users who wanted to learn more about the initiative and share their green practices. Employees also made up a large

fraction of the group. A vast number of employees and eBay sellers and buyers experienced the same “ah-ha” moment as the Green Team members did when they firm became involved; they realized that eBay existed by promoting and enabling reuse. This connection between sustainability and eBay, Reder explained, “Made intuitive sense to everybody we talked with about the project.”

Site Features and Functionality

eBay Green, was a web site for eBay employees, eBay buyers and sellers, and the general public. In addition to handling new initiatives, eBay Green provided access to eBay’s existing philanthropic work. The following is a description of the different sections of the eBay Green Site:

“Join Us”: Users could become members of the Green Team. They could join conversations or access guides about how to “buy green”, take a quiz on their “green personality” or participate in a challenge to reduce their carbon footprint. (This challenge was a collaboration between eBay and carbonrally.com, a platform for sharing ideas and committing to collective steps to reduce energy consumption and climate change.) For individuals who wanted to become more green and needed some help as to how to do this or wanted to connect with like-minded people, eBay Green was a perfect destination.

ebay
green team

Home | [Join Us](#) | [Buy Green](#) | [Sell Green](#) | [Think Green](#) | [Green @ eBay](#) | [re + purpose](#)

[facebook](#) [twitter](#)

Join the Green Team

We believe in becoming smarter consumers by learning and sharing a greener way of thinking – and in taking actions that make a positive impact. If you're green-minded, please join us.

Moving forward, we'll host discussions, let you know about events in your area, and send updates on our collective impact.

eBay Member?
[Sign In](#)

Not an eBay Member?
[Register](#)



carbonrally.com



Our Collective Power

Together, the eBay Green Team is taking small actions to save energy and reduce global warming. You can help us make an even bigger impact, starting today.

[Take a Challenge](#)

How do you shop green?

[Talk with Us](#)

Quiz: What's your green personality?

[Take the Quiz](#)

Find Us On Facebook & Twitter

[Facebook](#)
[Twitter](#)

Tell a friend or post this page to your Facebook [Share This](#)

Copyright © 2009 eBay Inc. All Rights Reserved. | [Terms of Use](#) | [Privacy Policy](#) | [Site Map](#) | [Questions? Comments?](#)

The screenshot shows the eBay Green Team website interface. At the top, there is the eBay logo and 'green team' branding. Navigation links include Home, Join Us, Buy Green, Sell Green, Think Green, Green @ eBay, and re + purpose. Social media icons for Facebook and Twitter are also present.

The main content area is titled 'Green Team Talks' and features three question cards:

- 'What environmental issue do you care about most? Why?' with a 'Talk with us' button.
- 'How will you celebrate Earth Day?' with a 'Talk with us' button.
- 'Who or what motivated you to start thinking green?' with a 'Talk with us' button.

Below these cards is a discussion board titled 'How do you shop green?'. The board includes a 'Discussion' header, a page indicator 'Page: 1 2 3 ... 60 61 <--', and a list of user comments. Each comment includes the user's name, a timestamp, and a 'reply' button. The comments discuss various ways of shopping green, such as selling items to avoid landfills, donating clothes, and using discount codes.

“Buy Green”: This section explained how to look for green products, including a quiz about buying green. It offered a several questions that buyers could ask themselves when considering a purchase of a good that would be new to them, including the following: Can you find it used, pre-owned? Can you find it made from sustainable materials? Can you find a kind of version that is resource saving?

The screenshot shows the eBay Green Team website with a navigation bar at the top containing links for Home, Join Us, Buy Green, Sell Green, Think Green, Green @ eBay, and re + purpose. Social media icons for Facebook and Twitter are also present. The main heading is "Buying Green this Holiday Season" with a subtext explaining the benefits of eco-conscious shopping. Below this is a "Top Green Gifts" section featuring images of a smartphone, a t-shirt, and water bottles, along with silhouettes of a family and a dog. The page is divided into three columns: "Buying Green" with a decision tree, "Ask Yourself" with a list of questions, and "re + purpose: Turning Oldies into Goodies" with a "Reuse with ecofabulous" section. A footer contains a Facebook share link and copyright information.

Buying Green this Holiday Season

Whether you're giving a product a second life, buying something that's sustainably made, or saving energy and resources while you use your purchase, it's easy being an eco-conscious consumer. Our green gift guide will make you a smarter, greener shopper this holiday season - helping you save money while you save the planet.

Top Green Gifts

Women Men Teens Kids Pets

Buying Green
How to shop smart, in ways that are good for you and the environment:

1 Is it... pre-owned, sustainable, or resource-saving?

NO YES

Ask Yourself

Key questions to help you shop greener for clothes, electronics and stuff for your home.

re + purpose: Turning Oldies into Goodies

Reuse with ecofabulous

Get inspired with the eBay Green Team to give old things new life.

Tell a friend or post this page to your Facebook [Share This](#)

Copyright ©2009 eBay Inc. All Rights Reserved. | [Terms of Use](#) | [Privacy Policy](#) | [Site Map](#) | [Questions? Comments?](#)

“Sell Green”: This section included tips for sellers/business managers about how to green their business by reducing waste in production, saving electricity, and reducing waste in shipping. “Sell Green” also included a subsection about green marketing including offering green products on WorldofGood.com as well as donating a portion of sales to a green nonprofit.



[eBay.com](#) | [About Us](#)

[Home](#) | [Join Us](#) | [Buy Green](#) | [Sell Green](#) | [Think Green](#) | [Green @ eBay](#) | [re + purpose](#)




Selling green makes sense.

Reducing your overhead by greening your operations is just the beginning. Being an eco-friendly seller also says all the right things to consumers and helps you stand out from the competition. With just a few simple steps, you can do your part for the planet, and do your business a favor in the process.



Green Your Operations

Take a quick look around your place of business. There are bound to be lots of opportunities to save energy and reduce waste.

Save Energy

- Use an energy efficient computer with energy management settings, and other energy-saving electronics and appliances.
- Turn off and unplug items when not in use. Mobile device chargers, for example, draw electricity even when they're not charging your phone or PDA.
- Ask your utility if you can opt in to use clean, renewable energy.

Reduce Waste

- Recycle. Check your city or county website for programs in your area. Many localities offer free pick-up of unexpected items like furniture, computers and other equipment.
- Print only what you need.
- Save and reuse packing materials you receive. If you're concerned that buyers might react negatively, let them know that you're reusing packing materials to help the environment; most will appreciate it.
- Before throwing something away, consider donating it or selling it on eBay.



Ship It Smart

This is a big one. Using—or better yet, reusing—sustainable materials can save you a bundle and seriously reduce your environmental impact. And ground shipping is eight times less damaging to the climate than shipping by air.

Boxes

- Brown corrugated cardboard is almost always recyclable.
- If shipping with USPS, order **free priority mail boxes through the Shipping Hub**. All eBay co-branded boxes are certified Cradle-to-Cradle™, re-designed to be environmentally responsible, with no additional cost to the consumer.
- Use the smallest size box possible. The larger the box, the more room it takes up on a truck or plane, so fewer packages make the trip. A smaller box may also help you save on shipping costs.

Cushioning

Tape

Delivery Methods



Market Green

Where is your product from, exactly? What goes into making it? Is the manufacturer eco-friendly? Find out, and if so, let your customers know. They're often willing to pay a few extra dollars for products that are sustainable in one way or another.

WorldofGood.com by eBay

- If you're selling primarily eco-friendly products, and they've been certified by a third party, you may be interested in selling on eBay's newest marketplace, WorldofGood.com by eBay. As a seller on WorldofGood.com, you gain access to millions of buyers seeking products that reflect their personal values. And because WorldofGood.com by eBay is an eBay marketplace, your WorldofGood.com listings are visible to all eBay users. It's free and easy — visit [WorldofGood.com by eBay](#) to get started today.

eBay Giving Works

- Have you considered selling an item to benefit a green nonprofit? Through eBayGivingWorks.com, you can buy and sell for causes that you care about. Donate between 10-100% of your item's final value and eBay will credit your fee proportionally. Learn more about selling on [eBayGivingWorks.com](#). For suggestions on what environmental organization to support with your listing, visit [eBay.com/environment](#).

“Think Green” Section: This section included stories and tips to enable people to become green and had links to “The Daily Green”, Hearst publishing’s web-based consumer guide to becoming green. The section also provided links to three other eBay sites: World of Good, Giving Works and MicroPlace.

The screenshot displays the eBay Green+Learn website interface. At the top left is the eBay logo with 'green+learn' underneath. The top navigation bar includes links for Home, Join Us, Buy Green, Sell Green, Think Green (highlighted), Green@eBay, and re+purpose. Social media icons for Facebook and Twitter are on the right. The main content area is titled 'Stories and Tips from thedailygreen' and features a grid of six article cards. Each card has a green header, a title, a 'Read More' button, and a small image. The articles are: '5 easy first steps you can do today' (with '12345!' graphic), '10 idiot proof eco-tips' (with a lightbulb graphic), 'Ask yourself: 7 ways to shop green' (with a question mark and icons), 'Drive smart: 10 ways to save gas and money' (with a car graphic), 'Hollywood goes green' (with a rainbow and Hollywood sign graphic), and 'Your daily dose of green' (with a smartphone graphic). To the right of the grid is a 'Did You Know?' section with a green background, stating that Americans create 4.5 lbs of garbage per day on average, which is twice the level from 30 years ago, citing the EPA. Below this is an 'Other Ways to Go Green' section with three partner logos: eBay Giving Works (Buy or Sell on eBay or donate with PayPal to benefit a green nonprofit), WorldofGood.com (Shop for trusted Eco Positive products and make a difference with every purchase), and MicroPlace (Your investment dollars fund green businesses run by the working poor.). At the bottom, there is a 'Share This' button and a copyright notice for 2009 eBay Inc.

“Green at eBay”: These pages included information about how eBay and its subsidiary companies followed sustainable business practices.



It all started with 40 eBay employees sitting around a table, talking about how we could make greener decisions.

Today, more than 2,000 eBay employees in 23 countries are Green Team members. From software engineering to customer support, all of us share a common interest in helping to protect the planet. We promote green business practices within eBay, organize local volunteer projects and support state environmental legislation. And today we know we can do even more if we act together.



All of our businesses deliver on the promise of the Internet to revolutionize commerce and empower people to do more with less: shop without driving to the mall, pay without a paper check and connect and communicate without special equipment or travel.

Join us to help the world buy, sell and think green every day.

eBay Inc. Green Actions



eBay Inc. Green Actions

In a way, all of our businesses are green businesses.

eBay.com
eBay—the world's largest online marketplace—truly is a smart way to shop green. The eBay community has facilitated the reuse of an estimated \$100 billion in goods since 1998, extending the useful life of products, keeping unwanted items out of landfills and reducing the need for the raw materials necessary to manufacture new items.

For example, the purchase of used laptops on eBay in 2007 reduced more than 69,000 tons of greenhouse gas emissions, because buying a used laptop avoids half of the greenhouse gases associated with making a new one, according to a study conducted by the for-profit social venture firm Cooler and commissioned by eBay. In the past three years, the purchase of used leather handbags on eBay reduced greenhouse gas emissions by 94,000 tons.

Buying green products designed with sustainable materials or that help reduce energy and resource use are other ways to shop green on eBay. Many eBay sellers offer eco-friendly merchandise, such as organic cotton clothing and solar-powered mobile chargers, and ship with Cradle-to-Cradle™ certified packaging designed in partnership with USPS and available free of charge on ebay.com.

- PayPal
- Skype
- StubHub
- Kijiji

A Force for Good

See more of eBay's initiatives that connect people with opportunities to make a difference.

- eBay Giving Works
- MicroPlace
- WorldofGood.com
- eBay Foundation



A Green Campus

Through commitments to energy efficiency, alternative power, green buildings, and carbon offsets, we have been a carbon neutral company since 2007.

Working with leading environmental consultant ICF International, we looked at our greenhouse gas emissions across our operations. Based on findings from that work, we've set an ambitious goal to reduce our greenhouse gas emission by 13% over 2008 levels by 2012. We will achieve this through energy efficiency, investments in renewables and employee behavior change.

Our largest direct impact is in the energy we use to power our data centers, and we are committed to leading the industry in smart energy management. To meet that challenge, we are implementing a comprehensive data management strategy that includes a full migration of data center operations into state of the art eBay-owned facilities. Our new data center under construction in Salt Lake City is being built to LEED Gold standards ? one of only 3 in the country ? and will be a showcase for the latest innovations in electrical, mechanical and cooling technology.

Our newest building in San Jose, California, was designed and built to the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Gold standard.

Our automatic dimming system detects the amount of natural light coming in from the outside and adjusts the electric light accordingly, resulting in an estimated 39% energy savings.

Recycled materials are used throughout, including 95% recycled structural steel, 38% recycled carpet tiles and 100% recycled workstation fabric.

We are also implementing technology to conserve water at our campuses.

A smart irrigation system installed in 2008 monitors weather conditions, including forecasts, dewpoint and relative humidity levels to determine the optimal and most efficient irrigation pattern.

In early 2008, we turned on a 650 kW solar installation at our San Jose North location—the largest commercial installation in the city to date. The 3,248 panels cover more than a football field of roof space and will take up to 18% of our energy demand at that campus off the grid completely.

We believe that what makes sense for eBay also makes sense for others. That's why eBay has supported robust climate policy at the local, domestic and international levels. eBay is a member of Business for Innovative Climate and Energy Policy (BICEP), which advocates for efficiency, renewables and more in Washington D.C. and leading up to Copenhagen.

And we've only just begun. We're undergoing a rigorous process to examine every aspect of our energy use as a company to identify opportunities to be an even better steward of the planet. So stay tuned for more on our corporate energy use reduction goals and strategies in 2009 and 2010.

Re+purpose: This area contained information about how users can take advantage of recycled goods.

The screenshot shows the eBay re+purpose website. At the top, there's a navigation bar with links: Home, Join Us, Buy Green, Sell Green, Think Green, Green @ eBay, and re+purpose. The main content area is divided into several sections:

- re + purpose Turning Oldies into Goodies:** A section promoting the Green Team, with a "Join the Green Team" call to action. It includes a "Join Now" button and images of recycled items like a green bag, a cardboard box, and a metal bucket.
- Turn the Everyday into Eco-fabulous:** A section with a "Start Reusing" button and images of recycled furniture, including a black cabinet, a patterned ottoman, and a wooden table.
- Join the re+purpose conversation:** A section featuring a tweet from @eBayGreen: "WWE_Climat @eBayGreen thanks for the RT shout and great to see a green focus at #eBay".
- Learn More About The Uniform Project:** A section with a "See Today's Look" button, featuring an image of a dress.
- Get Inspired by PopTech:** A section with a "Take a Peek Inside" button, featuring a red circular logo with "POP! TECH".
- Learn More About Zem and ecofabulous:** A section with a "Find Out More" button, featuring an image of a woman and a logo for ecofabulous.com.

At the bottom, there's a footer with copyright information: Copyright ©2005 eBay Inc. All Rights Reserved. | Terms and Conditions | Privacy Policy | Official Rules.

eBay Green ignited many of the existing eBay users who felt they had something to share with the world. These users could share their ideas in electronic discussions on sustainable living and sustainable business practices. The site also supported the kind of environment that the company had worked hard to create, as Reder explained:

eBay has always tried to enable people to choose their own adventure. eBay Green is not a program that's aligned around a single cause. Instead, people can choose the cause that they care about the most and pursue the things that they're passionate about.

SPREADING THE EBAY GREEN MESSAGE

eBay encountered little resistance in spreading its message of sustainability. The eBay community was traditionally one of engagement, participation and conversation—any story about the Green Team garnered a great deal of interest. Additionally, the fact that eBay's business was a green business encouraged dissemination of sustainability messages, Reder explained:

People either had already understood eBay was an engine for reuse and had been clamoring to discuss this for a while or it they simply reached a realization of, "Oh, of course, eBay is green. They sell used things and keep those goods being from landfills." It was right there before their eyes, but they hadn't ever seen eBay in that way. Once people made this realization, they were excited to share it.

Being headquartered in Northern California, an area of the country that was very concerned with environmental sustainability, gave eBay a friendly audience for its message.

Highlighting Employees' Experiences

eBay viewed its employees as both story builders and storytellers. The team would look for great "green" stories inside eBay and then reflect them out into the world via its web including www.eBayGreenTeam.com, the corporate website, eBay.com, and eBayInk.com (corporate blog). These managed channels provided multiple ways for the company to share stories about employees' activities.

Promotions in Traditional Press

eBay raised awareness of its activities through traditional partner relationship marketing and issuing press releases about its work in green operations and green building. Its 2009 campaign in Oprah Magazine bundled green products together in an advertising spread, communicating that living a green lifestyle is not a tradeoff between great products and the environment. The company pictured a vintage necklace next to an organic cotton dress with to an up-cycled denim bag as an additional accessory.

The Repurpose Campaign

In fall 2009, eBay Green initiated partnerships with three reuse organizations that were pioneers in promoting the reuse concept. One such partnership was with the "Ecofabulous" style blog. Ecofabulous' goal was to inspire and educate readers about quality eco-friendly products. The Green Team and the blog's founder, Zem Juaquin, worked together to design contest for user-generated examples of creative reuse, reupholstering, refinishing, or any kind of adaption of an old item into something.

The Green Team also worked with a Brooklyn-based organization called the Uniform Project. The founder, Sheena Matheiken, committed to wearing the same little black dress every day for a year in order to raise awareness for reuse and garner donations for a school in India. Matheiken

accessorized her dress with used goods from eBay. The goal of the partnership was to both highlight Matheiken's innovative approach towards reuse as well as engage her community.

Finally, eBay partnered with the Pop Tech Head, an organization that held an annual gathering called Maker Faire that showcased the ideas, trends, challenges, and opportunities shaping the future. eBay highlighted several Maker Faire participants who sourced materials from eBay, including one man who made solar powered robots out of like broken old Sony Walkman. Individuals such as these brought reuse to life.

Social Technology

The Green Team also had a presence on Facebook to provide an additional medium for communication about sustainability. It included much of the same content as the eBay Green Team site within the Facebook site. Twitter users could also follow the Green Team using that application.

RESULTS

The Green Team's measurement strategy was focused on recruitment, engagement, and environmental impact and the metrics it tracked included the following (December 2009 results are listed in parentheses):

- Number of employees on the Green Team distribution list (2,300, or more than 15% of the global employee base)
- Number of offices with engaged employees (60)
- Number of countries with engaged employees (24)
- Number of employees participating in the Big Green Idea contest, a new program that launched in the Fall of 2009 encouraging employees to send their ideas on how to make eBay a greener company (428 from 32 office locations)
- Number of employees participating in Green Team-sponsored volunteer activities (more than 300 in 2009)
- Environmental impact of specific events and activities (see below)⁴

The Green Team measured its progress based on the number of members, Facebook friends, and Twitter followers it had. The eBay Green Team had over 110,000 total members by June, 2010.⁵ As of July 2010, the Green Team had 5,313 fans on Facebook and 3,372 followers on Twitter.⁶ The company also followed its "net promoter's score" which was a measurement of how lucky consumers were to recommend an online business to a friend.

The team could boast of numerous positive outcomes stemming from its work:

⁴ "Social Innovation Awards: eBay Inc's Idea," *Just Means*, www.justmeans.com, <http://www.justmeans.com/contestidea?ideaId=MzE1>, January 2010, (July 19, 2010).

⁵ "Four Steps to Go Green Like eBay – Starting with Employees," *Green Economy Post*, June 2010, www.greeneconomypost.com, (July 19, 2010).

⁶ Author's investigation on July 19, 2010.

- 8,200 lbs of e-waste collected at SJ e-recycling drive in May 2009
- Employees in North America rode over 3,500 miles during Bike to Work Week in May 2009
- 650 kW San Jose solar array took 18% of the company's energy consumption at that campus off the grid; green building features at same site delivered energy savings of approximately 39 percent, smart irrigation system were expected to save at least 8 million gallons of water, or 25-35 percent of the building's irrigation needs
- Supporting a Net Metering bill that was signed into law in Utah. (The bill allowed businesses and residences to sell excess power generated from reusable resources back to the local utility.)⁷
- Opened state-of-the-art green data center in South Jordan, Utah in Spring 2010. The facility was built to the U.S. Green Building Council's LEED Gold standards and delivered state-of-the-art efficiencies in cooling and power management. The site served as a showcase for peer companies looking to drive green tech practices within their own operations.⁸

The combination of having top-down support and bottoms-up interest and engagement helped create an environment where the project could engage middle managers, traditionally a difficult group to pull in the fold.

Empowering Individuals: A Corporate Community Garden in Memphis

The Green Team served as a central pivot point for living a green life and sustainable business practices while still enabling radical decentralization. It had a budget to help employees make their projects a reality, brought together employees who would not normally connect within the organization, and focused employees on a common purpose. As Reder explained, "The team created a new cause around which people could rally. Rather than a distraction, eBay Green tied everything together—the green initiative is really locked up with who we are as a company."

In Memphis, the Green Team's volunteer leader decided to use part of the land around the office building to plant a garden. Passionate about her cause, she organized the first Fortune 500 community garden. Employees could garden during their break times or before or after work and harvested vegetables, and herbs for their families.

A CORPORATE AGENDA FOR GLOBAL SUSTAINABILITY

Sustainability Beyond the Green Team

In addition to the Green Team, in 2008, the company launched a program called Giving Works. Giving Works' feature for buyers, "Give at Checkout", enabled buyers to donate funds at the

⁷ "Four Steps to Go Green Like eBay – Starting with Employees," *Green Economy Post*, June 2010, <http://greeneconomypost.com/green-ebay-employees-11127.htm>, (July 19, 2010).

⁸ "Social Innovation Awards: eBay Inc's Idea," *Just Means*, www.justmeans.com, <http://www.justmeans.com/contestidea?ideaaid=MzE1>, January 2010, (July 19, 2010).

time of purchase. Giving Works also facilitated sellers' charitable contributions, enabling users to shop, sell, and donate for a good cause.



In the same year, eBay hired Tracey Turner (GSB '98), founder of MicroPlace and MicroPlace became a marketplace for microlending and a subsidiary of eBay. Further, Robert Chatwani, director eBay global citizenship, hatched the idea for what is now known as World of Good, eBay's marketplace for sustainable products.

Hello, Guest! | Sign in or register | Help | an eBay company

[Find Investments](#) | [Gifts](#) | [My MicroPlace](#) | **[Community](#)** | [Learn More](#)

Community

[Home](#) > [Community](#) > Green planet green wallet

Share:

Edgar Jimenez
Coffee Grower
Costa Rica

Are you a green guru? Then you know that thinking about where and how you spend your money has a huge impact on the environment.

So we're thrilled here at MicroPlace to bring you green investing that earns a return.

Green investments support businesses of the working poor that:

- do not produce harmful or destructive products
- avoid ecologically destructive practices
- endeavor to benefit the natural order
- reduce their ecological footprint by managing consumption, reducing waste, making waste less toxic, and disposing of it in a safe manner
- conduct a product life cycle assessment to determine the true environmental cost

[Find Green Investments >](#)

[Learn about MicroPlace >](#)

Think Green with eBay

[Home](#) | [About MicroPlace](#) | [Help](#) | [Business Continuity](#) | [Site Map](#) | [Contact Us](#)

Copyright © 2007-2010 MicroPlace, Inc., Member FINRA / SIPC. All Rights Reserved.
Designated trademarks and brands are the property of their respective owners.
Use of this website constitutes acceptance of the MicroPlace User Agreement and Privacy Policy.

worldofgood.com by eBay

HELLO! | SIGN IN | REGISTER | SHOPPING CART (0)

shop gifts sell community help

Where your shopping shapes the world.™

Search by Keywords All Categories SEARCH

This Valentine's Day Give a Gift with Heart...

Handmade Jewelry > People Positive Gifts > Eco-Friendly Gifts >

3,335 products preserve animals' natural habitat VIEW PRODUCTS >

Shop Our Gift Guide >

Shop for Gifts
For Her
For Him
More Gifts

Shop by Category
Accessories
Art
Baby
Bags & Purses
Clothing & Shoes
Electronics
Food
Gift Baskets
Health & Wellness
Holiday
Home & Garden
Jewelry
Musical Instruments
Personal Care
Resources & Learning
Toys

Shop by Goodprint
YOUR PURCHASE IMPACT
People Positive
Eco Positive
Animal Friendly
Supports a Cause

Shop by Trustology
YOUR TRUST PROVIDER GUIDE
Trust Providers

Handpicked Gifts with Heart

Reusable Bottles Heart Earrings Fair Trade Scarves

Candle Accessories Art Sculptures Seagrass Purses

Handmade Cards Organic Dresses Spa Sets

Baby Gear Love Trinkets Handcrafted Cuffs

Support Efforts in Haiti
Help earthquake relief efforts in Haiti by making a donation today.
DONATE NOW >>

Our Philosophy
Discover the Products
Ethically sourced, Fair Trade, and eco-friendly gifts & goods
Meet the People
Read their stories and learn how the products are made
Impact the Planet
Every purchase you make here makes a difference in the world
LEARN MORE >>

Valentine's Day Giveaway
We're giving away 15 gourmet gift baskets filled with Fair Trade goodies!
ENTER NOW >>

Connect
Follow us on Twitter
Become a fan on Facebook
Get our widget
Subscribe to email updates JOIN

Home | About Us | Sell on WorldofGood.com | eBay Inc. | World of Good Inc. | Shopping Guides | Comment on WorldofGood.com | Help
Copyright 1995-2010 eBay Inc. and World of Good, Inc. all rights reserved. Designated trademarks and brands are the property of their respective owners. Use of this Website constitutes acceptance of the eBay User Agreement and Privacy Policy

Bringing It All Together

MicroPlace, World of Good, and eBay Giving Works were all led by internal entrepreneurs. Their starting points were never top-down corporate strategy. In 2008, when John Donahoe succeeded Whitman, he wanted to understand the bigger picture of what eBay was trying to achieve with these ventures. He had been an enthusiastic environmentalist for most of his

professional career and was very interested in figuring out if sustainability could be a source of competitive advantage for eBay.

When Donahoe, took the stage at the 2009 Business for Social Responsibility conference in San Francisco, he explained how eBay approached sustainability. It followed sustainable internal business practices, such as building a carbon neutral campus and setting emissions reductions goals; it leveraged its business model to enable users to become good global citizens with sites like MicroPlace (an eBay business that uses PayPal for microloans to entrepreneurs); and pursued a relatively sustainable core business by selling secondhand goods. eBay was having a pronounced impact sustainability; over \$100 billion items have been reused or recycled with the help of eBay.⁹

Beyond recycling and reuse, eBay buyers and sellers had donated more than \$165 million to charity through the eBay Giving Works program; sold tens of thousands of ethically-sourced, Fair Trade and eco friendly products through its WorldofGood.com marketplace; and, through PayPal, users had provided funding to help more than 150,000 of the world's poor to start small businesses. While these actions were admirable and impactful, Donahoe felt the company was, "just getting started." eBay would continue its focus on sustainability and would, as Donahoe explained, "Build our reputation, not on our words, but on our actions."¹⁰

The programs were innovative and powerful components of the brand but there was a bigger story about the change eBay was trying to affect in the world. Donahoe's larger question was, "How do these businesses tie to the eBay brand and what we stand for in the world?" He asked Chatwani to develop a corporate strategy that would move beyond discrete initiatives towards a unified strategy for global sustainability.

Creating a Position

In formulating its strategy, eBay began by looking at other companies that had developed corporate social responsibility programs. Most companies' introduced programs for corporate social responsibility to minimize issues they were facing in their core business. For instance, Starbucks had labor issues with their coffee producers and needed to both resolve these as well as offset the attention they were generating in the public. In response, Starbucks launched an initiative called "My Shared Planet" and acquired Ethos Water.

eBay was fortunate that it could begin from a position of strength; it did not have anything it had to need to apologize for to the market. Instead, eBay took a more proactive perspective: How can we take the \$70 billion in transactions on the eBay marketplace and the tens of billions of dollars through PayPal and harness that consumer power to create positive change in the world?

⁹ "Highlights: John Donahoe, eBay Inc., BSR Conference 2009," BSR Conference, October 23, 2009 (<http://www.youtube.com/watch?v=-ttMsYGDxzU>), (January 19, 2010).

¹⁰ eBay Green Team, "CEO John Donahoe Speaks of Community, Innovation, and the Uniqueness of eBay Inc. at BSR Conference," *eBay*, October 22, 2009, http://www.ebayinc.com/sustainability#ceo_john_donahoe_speaks_at_bsr, (January 19, 2010).

Setting a Goal

The team took a fresh perspective on consumer spending and charity. Instead of assuming that people do good with one part of their wallet and shop with the other part, Donahoe's vision was for these two activities would converge. eBay wanted to focus on how the broader eBay community and marketplace to begin to shape consumers' decisions, Chatwani explained:

We are looking at the decisions that consumers make about what they buy, how they shop, the person behind the transaction, and the impact of their decisions. We want to take that energy and be able to manifest it and channel it in a way that creates good. We want to promote a choice architecture where consumers decide how they want to shop and what they want to buy. We want to create the right choices at the moment of purchase, whether it's an eBay search results page, or at Wal-Mart, looking at two products next to each other on the shelf. Creating transparency of the information behind the product, we think, is incredibly powerful.

BUILDING THE NEW EBAY

Chatwani's team's goal was to position Green Team as the starting point for eBay's new strategy. While the Green Team work was significant, they did not expect the world to give eBay much credit since reuse and recycling was already part of eBay's business. In order to have an eBay-level vision that encompassed all of the initiatives, Donahoe felt eBay needed to take the independent assets—MicroPlace, World of Good, etc.—and relocate them closest to where the resources were and the decision-making occurred. This meant putting MicroPlace in PayPal and World of Good in the marketplaces group.

The next step was to create a vision for eBay's purpose in the world. eBay's purpose, felt Donahoe, was to create opportunity and make a difference in that world through its businesses. The team examined its brand positioning which centered on trust, value, and selection. While Donahoe saw these brand identifiers as important, there was a growing sentiment in the organization that trust, value and selection were the minimum requirements to be a good online e-commerce player.

eBay needed to do more to differentiate itself from the rest of the world. This would involve taking the principles of people, planet, and community, and let them become the heart of eBay's brand. Playing on the fact that there was a person behind every transaction and that buying on eBay was good for the planet were two ways to bring the emotional experience and loyalty back to the eBay experience.

Donahoe was adamant that the company needed to move beyond a campaign or brand initiative to achieve social impact. eBay's revenue strategy was to reach \$4-5 billion in revenue from PayPal and \$5-7 billion from eBay, grow new formats, and expand internationally. The customer strategy was to use marketplaces as a way to drive growth, enhance its reputation through better customer support, invest in loyalty programs, and improve trust. It also had clear strategies for operations and people. It needed a strategy for social impact.

CREATING A GLOBAL CITIZENSHIP STRATEGY

Following on Donahoe's vision, the framework the global citizenship team formulated a strategy with three areas of quantifiable economic and social impact: protecting our planet, fostering global entrepreneurship and strengthening our communities. These areas reflected the direct impact of eBay's businesses and people, focused the company on a few bold and meaningful goals, and capitalized on the company's unique strengths. The company strategy would provide a map for eBay global citizenship and be viewed alongside eBay's revenue, customer, people and operating strategies. In other words, global citizenship would not be a separate thing that eBay would be doing but, as Chatwani explained, a concept that tied all of the work of eBay together:

Our company strategy will determine the way in which we grow and the decisions we make that affect the world. We will still have other leading indicators of success, but we will begin to weave in and wrap in these principles of sustainability. It's not only something that's nice to do. It's critical if you want to differentiate ourselves and succeed as a company.

Protecting the Planet

In protecting the planet, eBay saw its role as twofold. It would reduce eBay Inc's environmental footprint and facilitate sustainable shopping in order to promote and create incentives for smarter, greener choices for consumers. One way to accomplish this was to be razor-focused on the Lifestyles of Health and Sustainability (LOHAS) market. No other authoritarian e-commerce player had a strong foothold in the LOHAS market. In the latest figures from 2005, the LOHAS market, which included the categories of personal health (\$118 billion), eco-tourism (\$24.2 billion), alternative energy (\$400 million), alternative vehicles (\$6.1 billion), green building (\$49.7 billion), and natural lifestyles (\$10.6 billion, included home furnishings/supplies, natural pet products, cleaners, apparel, philanthropy) was greater than \$209 billion.¹¹ By owning the market for sustainable products, eBay would create commerce that could improve the transparency of information, help consumers make better choices, and benefit eBay. The company would also continue its leadership position in the secondary market including out-of-season and refurbished goods.

Fostering Global Entrepreneurship

eBay already created economic opportunities through its core Marketplaces business and PayPal. It also offered microlending through MicroPlace. These programs were often seen as separate though they were actually linked to a common goal. The new company strategy offered a way to look at these groups of activities together as key enablers of economic opportunities, access to capital, and improved livelihoods. An entrepreneur could be a small business woman in Kentucky or a farmer living in the Caribbean who was receiving support through a PayPal enabled MicroPlace loan. Regardless of their locations and businesses, each took advantage of the technology eBay provided to build better lives for themselves.

¹¹“New LOHAS Market-Size Data Released: A \$209 Billion Opportunity,” Green Money Journal, Winter 2009-2010, <http://www.greenmoneyjournal.com/article.mpl?newsletterid=40&articleid=535> (January 19, 2009).

Strengthening Our Communities

Through its commerce and payment platforms and, in particular, the Giving Works program, eBay raised millions of dollars for non-profits. eBay hoped to further engage buyers and sellers by offering below-market pricing and transaction fees for non-profits that raised funds using PayPal and also engage more employees in volunteering and community service.

While supporting efforts to strengthen the capacity of non-profit organizations was a worthy altruistic goal and demonstrated that eBay had a purpose beyond its products, eBay was hoping that its efforts would also inspire its customers. It wanted to create a vanguard corporation, as Rosabeth Moss Kanter termed companies that are “ahead of the pack, the leaders, the ones that show the way,” and motivate their employees.” As Kanter explained, “People like going to work every day with the idea that they have two jobs. One job is “do my job” and the second is “change the world”.¹² eBay wanted to enable this kind of environment by reminding its employees of the company’s higher purpose and offering a longer-term vision for them to focus on in their work.

Accountability and Metrics

eBay had suggested metrics for each part of its strategy. Some sustainability information was included in the product description data in the Marketplace business but the company did not have good granularity for understanding this data. It was difficult to quickly query all products that were refurbished or sustainably manufactured. However, it could begin to track how many sellers were educated about sustainability practices or if they were committed to making good decisions about how they sold their products. If eBay could get 20 to 30 million sellers to change their behavior, they would make a positive impact.

Within entrepreneurship, instead of just creating a platform where people could come and engage, eBay wanted to drive a certain number of new sellers to participate in the global economy within the next five years, generate an income from that, and measure how many lives were impacted. The company set goals for lives impacted by global entrepreneurship and created models to demonstrate how eBay would attain these goals. Donahoe was a metrics-driven manager; his job was to set goals. According to Chatwani, Donahoe wanted to employees to look at the numbers that management was proposing as a North Star. It was the job of everyone else to figure out how to make them.

Supporting Bodies

The next step in developing the strategy was to create a global citizenship council that would include eBay’s executive team as well as individuals supervising government relations, and a handful of other key managers. By extending the group’s reach beyond executive staff, the team would be able to create a sense of governance commitment.

¹²Sean Silverthorne, “The Vanguard Corporation- Q&A with Rosabeth Moss Kanter,” *Harvard business School Working Knowledge*, October 5, 2009, pp:1-2.