eBay® Tips FOR DUMMIES®

by Marsha Collier



eBay® Tips FOR DUMMIES®

by Marsha Collier



eBay® Tips For Dummies®

Published by Wiley Publishing, Inc. 909 Third Avenue New York, NY 10022 www.wiley.com

Copyright © 2006 by Wiley Publishing, Inc., Indianapolis, Indiana

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Sections 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923, 978-750-8400, fax 978-646-8700. Requests to the Publisher for permission should be addressed to the Legal Department, Wiley Publishing, Inc., 10475 Crosspoint Blvd., Indianapolis, IN 46256, 317-572-3447, fax 317-572-4447, or e-mail permcoordinator@wiley.com

Trademarks: Wiley, the Wiley Publishing logo, For Dummies, the Dummies Man logo, A Reference for the Rest of Usl, The Dummies Way, Dummies Daily, The Fun and Easy Way, Dummies.com and related trade dress are trademarks or registered trademarks of Wiley Publishing, Inc., in the United States and other countries, and may not be used without written permission. eBay and the eBay logo are trademarks or registered trademarks of eBay, Inc. All other trademarks are the property of their respective owners. Wiley Publishing, Inc., is not associated with any product or vendor mentioned in this book.

LIMIT OF LIABILITY/DISCLAIMER OF WARRANTY; WHILE THE PUBLISHER AND AUTHOR HAVE USED THEIR BEST EFFORTS IN PREPARING THIS BOOK, THEY MAKE NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE CONTENTS OF THIS BOOK AND SPECIFICALLY DISCLAIM ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO WARRANTY MAY BE CREATED OR EXTENDED BY SALES REPRESENTATIVES OR WRITTEN SALES MATERIALS. THE ADVICE AND STRATEGIES CONTAINED HEREIN MAY NOT BE SUITABLE FOR YOUR SITUATION. YOU SHOULD CONSULT WITH A PROFESSIONAL WHERE APPROPRIATE. NEITHER THE PUBLISHER NOR AUTHOR SHALL BE LIABLE FOR ANY LOSS OF PROFIT OR ANY OTHER COMMERCIAL DAMAGES, INCLUDING BUT NOT LIMITED TO SPECIAL, INCIDENTAL, CONSEQUENTIAL. OR OTHER DAMAGES.

For general information on our other products and services or to obtain technical support, please contact our Customer Care Department within the U.S. at 800-762-2974, outside the U.S. at 317-572-3993, or fax 317-572-4002.

Wiley also publishes its books in a variety of electronic formats. Some content that appears in print may not be available in electronic books.

ISBN: 0-7645-4264-8

1S/RV/QR/QW/IN

Manufactured in the United States of America

10 9 8 7 6 5 4 3 2 1

Publisher's Acknowledgments

We're proud of this book; please send us your comments through our Dummies online registration form located at www.dummies.com/register/.

Some of the people who helped bring this book to market include the following:

Acquisitions, Editorial, and Media Development

Project Editor: Jan Withers

Editorial Manager: Rev Mengle Special Help: Nicole Haims.

Special Help: Nicole Haims, Steven H. Hayes, Julie McCall Production

Project Coordinator: Jay Kern

Layout:

Steve Arany

Proofreader: Julie Trippetti

Publishing and Editorial for Technology Dummies

Richard Swadley, Vice President and Executive Group Publisher

Andy Cummings, Vice President and Publisher

Mary C. Corder, Editorial Director

Publishing for Consumer Dummies

Diane Graves Steele, Vice President and Publisher

Joyce Pepple, Acquisitions Director

Composition Services

Gerry Fahey, Vice President of Production Services

Debbie Stailey, Director of Composition Services

Table of Contents

Introduction	1
Foolish Assumptions	1
How This Book Is Organized	
Where Do You Go from Here?	
Icons Used in This Book	5
Part I: Why eBay Is a Terrific Place to Shop	7
What Is eBay, and How Does It Work?	
All About Auctions	9
eBay's Role in the Auction Action	
Buying It Now at eBay Stores	
Part II: Using eBay to Launch Your Business	15
Budgeting Your Time: eBay as	
a Part-Time Money Maker	16
Making Your Auctions Run More Smoothly	18
Part III: Shopping eBay's Bargain Basement	
Wandering Around eBay's Outlet MallGetting the Skinny on Refurbished Goods	20
Defining Liquidations	
•	23
Part IV: Ten Important Things eBay Sellers Want	
You to Know	33
Identify Your Payment	33
Check Feedback Before You Bid	34
Take Time Out Before Leaving Negative Feedback	
Check for an eBay Store	
Purchasing Multiple Items from a Seller	36
Be Vigilant When Using Escrow	
If You Worry about Receiving Packages	
Please, Read the Description	
Know What You're Bidding On	
Beware of Unsolicited Offers	40

Introduction

Bay users total in the millions and do billions of dollars in business yearly — that's quite a community. It's a community of buyers who don't see the need to pay retail price for items they buy and of sellers who forage out wholesale bargains to sell online and make a few dollars. The best part is that this international person-to-person marketplace is available to anyone who wants to take the time to figure out how eBay works.

eBay isn't hard to master, but just like with any tool, if you know the ins and outs, you're ahead of the game. Consider this minibook your quick and easy guide to understanding what you need to get moving at eBay — from placing bids and scooping up bargains to running your own online auctions and closing eBay deals successfully.

Foolish Assumptions

You may have picked up this book because you've heard stories about people making big bucks trading at eBay and you want to find out what's going on online. Or you heard about the bargains and wacky stuff you can find at the world's largest garage sale. Maybe selling at eBay is something that you'd like to do more of; you have a full-time job, but you'd like to sell at eBay part-time. If any of these assumptions is true, this minibook is for you.

Here are a few other foolish assumptions I've made about you:

- You have, or would like to have, access to a computer, a modem, and the Internet so that you can do business at eBay.
- You have an interest in collecting stuff, selling stuff, and buying stuff, and you want to find out more about doing that stuff online.
- You're concerned about maintaining your privacy and staying away from people who try to ruin everyone's good time with negligent, and sometimes illegal, activity.

One thing I can't guarantee you is how much money you can earn selling at eBay or how much you can save. How much money you earn (or spend) depends entirely on how *often* and how *smartly* you conduct your eBay transactions. You decide how often you want to run auctions and place bids; I'm here to help you out on the *smart* part.

I've made a successful living while working out of my home for the past 20 years, and I share my personal experiences to show you that you, too, can run a successful home business. Through perseverance and dedication, my small homegrown marketing and advertising business financed my home, my daughter's upbringing, twelve years of private school, and college. The time you spend and the amount of discipline and devotion you give your business will gauge your success.

How This Book Is Organized

This minibook is organized into four parts. You don't have to read them in order; just turn to the pertinent section to find your eBay answers fast.

Part 1: Why eBay Is a Terrific Place to Shop

In this part, I tell you what eBay is and how to use it. You've wanted to visit eBay, maybe buy or bid on something, but eBay feels kind of big and scary. What you need is someone to help you understand how eBay works and show you how to jump into auctions both feet first.

Part II: Using eBay to Launch Your Business

After you figure out the nuts and bolts of eBay, you can check out this part to review what you need to know to get started as an eBay entrepreneur. eBay gives you the tools, the customers, and the venue to market your wares; so all you need is a bit of direction. I combine the fine points of eBay with real business and marketing tools to help you improve your eBay money-making ability and turn haphazard sales into an organized online business.

Part III: Shopping eBay's Bargain Basement

Do you take pride in spending only a fraction of an item's retail value to own it? Do you get a thrill out of finding just the right doohicky in the bargain bin at the end of the off-season? Whether you want to save bucks

on household electronics or buy mass quantities of widgets for a niche market, this part shows you where to poke around on eBay for the best prices.

Part IV: Ten Important Things eBay Sellers Want You to Know

In the spirit of helping both buyers and sellers, I offer you ten worthwhile pointers from caring eBay sellers to eager eBay buyers. Honestly. They want everyone to be happy.

Where Do You Go from Here?

If you need further eBay assistance that's more indepth but just as easy to follow as this little guide, may I suggest taking a dive into one of my full-length For Dummies books? This booklet includes excerpted material from eBay For Dummies, Starting an eBay Business For Dummies, and eBay Bargain Shopping For Dummies, all by yours truly. In each of these books, from my own years of experience and numerous interactions with hundreds of eBay buyers and sellers, I offer more timeand money-saving tips as well more detailed strategies for building your own eBay business and comparison shopping for real deals on eBay.

My goal is to help all eBay members reach their goals. So please check out my Web site: www.coolebaytools.com.

Icons Used in This Book

Icons (short for "little pictures in the margins of this book") are a staple of *For Dummies* books and point out the following:



Time is money at eBay. When you see this shortcut or timesaver come your way, read the information and think about all the moola you just saved.



Think of this icon as a sticky note for your brain. If you forget one of the pearls of wisdom revealed to you, you can go back and reread these notable paragraphs.



Don't feel my pain. I've done things wrong on eBay before and want to save you from the same mistakes. If you don't heed the warning indicated by this icon, you may be made a victim of your own foolishness.

Part I

Why eBay Is a Terrific Place to Shop

In This Part

- Finding out about eBay
- Getting the scoop on auctions
- Shopping without bidding on eBay

Bay is the perfect alternative to spending hours wandering through antique shops or swap meets looking for the perfect doodad. Not only can you buy and sell stuff in the privacy of your own home, but you can also meet people who share the interests that you enjoy. The folks who use the eBay site are a friendly bunch, and soon you'll be buying, selling, swapping stories, and trading advice with the best of them.

Before you can get to eBay, you need to access the Internet. To access the Internet, you need a computer — either a Personal Computer (PC) or Macintosh (Mac) — with an Internet connection. To get online, you can use anything from a slow dial-up connection to a

range of DSL (digital subscriber line) connections to a blazingly fast digital cable connection; your choice depends on your budget and your patience.

What Is eBay, and How Does It Work?

eBay *doesn't* sell a thing. Instead, the site simply does what all good hosts do: eBay creates a comfy environment that brings people with common interests together. You can think of eBay like you think of the person who set you up on your last blind date — except the results are often a lot better. Your matchmaking friend doesn't perform a marriage ceremony but does get you in the same room with your potential soul mate. eBay puts buyers and sellers in a virtual room and lets them conduct their business safely within the rules that eBay has established.

All you need to do to join eBay is fill out a few forms online and click. Congratulations. You're a member with no big fees or secret handshakes. After you register, you can buy and sell anything that falls within the eBay rules and regulations.

The eBay Home page, shown in Figure 1-1, is your first step to finding all the cool stuff you can see and do at eBay. You can conduct searches, find out what's happening, and get an instant link to the My eBay page, which helps you keep track of every auction item you have up for sale or have a bid on.



Figure 1-1: The eBay home page, your starting point for bargains and making some serious cash.

All About Auctions

The value of an item is determined by how much someone's willing to spend to have it. That's what makes auctions exciting. eBay offers several different kinds of auctions, but for the most part, they all work the same way.

An *auction* is a unique sales event where the exact value of the item for sale is not known. As a result, there's an element of surprise involved — not only for the bidder (who may end up with a great deal) but also for the seller (who may end up making a killing). A seller pays a fee, fills out an electronic form, and sets

up the auction, listing a *minimum bid* he or she is willing to accept for the item. Think of an auctioneer at Christie's saying, "The bidding for this diamond necklace begins at \$5,000." You can bid \$4,000, but it won't do you any good. Sellers can also set a *reserve price*—sort of a financial safety net that protects them from losing money on the deal.

Bidders duke it out over a period of time (sometimes the minimum three days but usually a week or even longer) until one comes out victorious. Usually, the highest bidder wins. The tricky thing about participating in an auction (and the most exciting aspect) is that no one knows the final price an item goes for until the last second of the auction.

So you wanna sell stuff

If you're a seller, creating an auction page at eBay is as simple as filling out an online form. You type in the name of your item, a short description, add a picture if you want to, set your price, and voilà — it's auction time. eBay charges a small fee (\$.25 to \$4.80) for the privilege.

When you list your item, millions of people from all over the world can take a gander at it and place bids. All you do is sit back and watch the bids come in. With a little luck, a bidding war can break out and drive the bids up high enough for you to turn a nice profit. After the auction, you deal directly with the buyer, who sends you the payment. Then you ship the item. Go out and meet your friendly mail carrier, courteously accept your payment, and grin wildly all the way to the bank. Abracadabra — you just turned everyday clutter into cash!

And if you want to, you can run as many auctions as you want, all at the same time. Part 2 walks you through the basics of starting a small eBay business.

So you wanna buy stuff

If you're a collector or you just like to shop for bargains, you can browse 24 hours a day through the items up for auction in eBay's thousands of categories, which range from Antiques to Writing Instruments. Find the item you want, do a little research on what you're buying and who's selling it, place your bid, and keep an eye on it until the auction closes.

When you see an item you like, you can set up a bidding strategy and let the games begin. You can bid as many times as you want on an item, and you can bid on as many auctions as you want.

eBay's Role in the Auction Action

Throughout the entire auction process, eBay's computers keep tabs on what's going on. When the auction is over, eBay takes a small cut of the final selling price and instructs the seller and buyer to contact each other through e-mail. At this point, eBay's job is pretty much over, and eBay steps aside.

Most of the time, everything works great, everybody's happy, and eBay never has to step back into the picture. But if you happen to run into trouble in paradise, eBay can help you settle the problem, whether you're the buyer or the seller.



eBay also regulates members with a detailed system of checks and balances known as *feedback*. The grand plan is that the community polices itself. Don't get me wrong — eBay does jump in when sketchy activity comes to light. But the people who keep eBay most safe are the community members, the buyers and sellers who have a common stake in conducting business honestly and fairly. Every time you sell something or win an auction, eBay members have a chance to leave a comment about you. You should do the same for them. If they're happy, the feedback is positive; otherwise, the feedback is negative. Either way, feedback sticks to you like glue.

Building a great reputation with positive feedback ensures a long and profitable eBay career. Negative feedback, like multiple convictions for grand theft auto, is a real turnoff to most folks and can make it hard to do future business at eBay.



If your feedback rating becomes a –4 (negative 4), eBay can suspend your buying and selling privileges.

Buying It Now at eBay Stores

You don't have to participate in an auction at eBay to buy something. If you want to make a purchase — if it's something you really *must* have — you can usually find the item and buy it immediately. Of course, using Buy it Now (*BIN* in eBay speak) doesn't come with the thrill of an auction, but purchasing an item at a reasonable price without leaving your chair has its own warm and fuzzy kind of excitement.

Visiting eBay stores is as easy as clicking the eBay Stores link from the home page. Thousands of eBay sellers have set up stores with merchandise meant for you to Buy It Now. eBay stores are classified just like eBay, and you can buy anything from pantyhose to jewelry to toasters.



Sellers who open eBay stores have to meet a certain level of experience on eBay, and you're protected by the same fraud protection policy that you are covered with in eBay auctions.

To find out how to zero in on some of the lowest prices and best bargains at eBay Stores, skip over to Part III of this minibook.

Part II

Using eBay to Launch Your Business

In This Part

- ► Prioritizing time for your business
- Having what it takes in software and space

So you've decided to get serious about your sales at eBay. Now you have to step up to the plate and decide just how much time you have to devote to your eBay business. In this book, I talk about all kinds of eBay businesses. Don't think that because you don't want to quit your day job (yet!) and start up at eBay full time that I think you're not serious. A large portion of sellers, even eBay power sellers (eBay sellers who gross over \$1,000 a month in sales), works at eBay only part time.

eBay sellers come from all walks of life. A good number of stay-at-home moms are out there selling at eBay. So many retirees are finding eBay a great place to supplement their income that, in the future, I wouldn't be surprised if the AARP creates a special eBay arm. If, for one reason or another, you're pulled out of your normal

work routine and faced with a new lifestyle, you can easily make the transition to selling at eBay. Selling at eBay can fit right in to a stay-at-home lifestyle.

Budgeting Your Time: eBay as a Part-Time Money Maker

A part-time eBay business can be very profitable. You can spend as little or as much time as you want at eBay, from a few hours a week to a full-time job. One thing that I stress in this book is that the more time and energy you spend on your eBay business, the more money you can make. That said, I now move on to the lowest possible level of time that you can devote to your business.

Maybe you enjoy finding miscellaneous items to sell at eBay. You find these items somehow in your day-to-day life. So you can figure that you spend at least a couple of hours (maybe three) a week at eBay. That's already in your schedule; now, you must figure in the time it takes to write up your auctions. If you're not selling the same thing every day, you need to allow approximately twenty minutes to write your auction, to take your picture or to scan your image, and of course, to upload it to a photo-hosting site.

How much time it takes to perform these tasks varies from person to person, and will improve according to your level of expertise. Regardless, every task in your eBay auction business takes time, and you must budget for that time.



Only you can decide how much time you want to spend researching going rates for items at eBay and deciding when your item will sell for the highest price. You can take great photos and write brilliant descriptions, but cashmere sweaters won't go for as much in the heat of summer as they do in winter. Doing your research can take up a good deal of time when you're selling a varied group of items.

You also have to consider how much time it takes to shop for your merchandise. You may have to travel to dealers, go to auctions, or spend time online discovering new ways to find your auction merchandise. Many sellers set aside a full day each week for this undertaking. Your merchandise is what makes you money, so don't skimp on the time you spend identifying products. The time you spend on this comes back to you in higher profits.

Here's a list of various activities that you must perform when doing business at eBay:

- Setting up and photographing item
- ✓ Cleaning up and resizing image in photo editor
- Uploading image to host
- ✓ Weighing item and determining shipping cost
- Choosing auction title with keywords
- ✓ Writing a concise and creative description
- ✓ Listing your auction at eBay
- ✓ Answering bidder questions (average per day)
- ✓ Sending out EOA e-mails
- Banking

- ✓ Bookkeeping
- Packing
 - Addressing labels and affixing postage
- Going to the post office

Take the time to perform each of the tasks; watch the clock and time yourself to see how long it takes you to accomplish each of them. The time varies when you list multiple items, so think of the figures that you come up with as your *baseline*, a minimum amount of time that you must set aside for these tasks. This information can help you decide how many hours in a month you need to devote to running your part-time eBay business.

Making Your Auctions Run More Smoothly

In this section, I discuss a few more things that you'll need to round out your eBay home base. The following things are important, but you must decide which tools you'll use. Some people prefer a totally automated office while others prefer the old-fashioned way. One of my favorite eBay power sellers works with file folders, a hand-written ledger book, and hand-written labels. If it makes you happy, do it your way. I'm just going to suggest a few options to ease the pain of paperwork.

Software you can use

These days, software is available on this planet to accomplish just about anything. It would seem fitting that an all-encompassing software exists that can help you with your auction, right? Well, maybe. It depends on how much you want your software to do, and how

much of your business you want to fully control. Throughout the following subsections, I go through some software examples that you may find useful.

Auction management

Auction management software can be very helpful for automating tasks and making record-keeping easy. You can keep track of inventory, launch auctions, and print labels all by using just one program. Unfortunately, most of these programs can be daunting when you first look at them (and even when you take a second look). But after you've mastered one, you'll more easily manage your auctions.

You have choices to make regarding software: How much are you willing to spend, and do you want to keep your inventory and information online? Maintaining your inventory online enables you to run your business from anywhere; you just log on and see your inventory. Online management software is tempting and professional, and may be worth your time and money.

A good many sellers prefer to keep their auction information on their own computers. It's convenient and allows sellers to add a closer, more personal touch to their auctions and correspondence. Some folks say that keeping the information local, on your own computer, is more suited to the small-time seller. I really think it's a matter of personal preference.

HTML software

You may want to try some very basic HTML software to practice your ad layouts. Templates are available, but you'll want to preview your auctions before you launch them.



You can either check out your auctions in these templates with full-blown Web page software (such as FrontPage), or you may want to keep it simple. I use some software called CuteHTML all the time because it's about as simple as it can get. Go to www.globalscape.com where you can download a 30-day free trial. If you like it, buy it for only \$39.99.

Spreadsheets and bookkeeping

Many sellers keep their information in a simple spreadsheet program such as Excel. It has all the functionality that permits inventory management and sales info.



For bookkeeping, I like Quickbooks, which is as complete as it gets. It's straightforward, but only if you have a basic knowledge of accounting.

Collecting the cash

Credit cards are the way to go for the bulk of your auctions. Often, credit cards make the difference between a sale and a no sale. People are getting very savvy (and more comfortable) about using their credit cards online because they're becoming better informed about the security of online transactions and guarantees against fraud when certain credit cards are used for those transactions. So although you might truly love and adore money orders, you need to take credit cards as well. In this section, I discuss another decision you need to make: Do you want your own private merchant account or would you rather run your credit card sales through an online payment service? For more about these options, read on.

Online payment services

If you want to accept credit cards for your eBay sales, you may want to go with the services of an online payment service such as Paypal. Paypal offers excellent services and their rates are on a sliding scale, depending on your monthly dollar volume. When online payment services accept credit cards they charge you a small fee and process the transaction with the credit card company. The auction payment is then deposited in an account for you. Unless your sales go into tens of thousands of dollars a month, an online payment service can prove to be more economical than your own merchant account.

Your own merchant account

As you may or may not know (depending on the amount of spam in your e-mail), thousands of merchant credit card brokers are out there guaranteeing that they can set you up so that you can take credit cards yourself. These people are merely middlemen. You have to pay for their services, either in an application fee or as part of a hefty percentage for the processing software. Some of these brokers are dependable businesses and others are nothing more than hustlers. But if you have decent credit, you don't need these guys: You can go straight to your bank!

Your bank knows your financial standing and credit worthiness better than anybody. It's the best place to start to get your own *merchant account*, an account in which your business accepts credit cards directly from your buyers. You pay a small percentage to the bank, but it's considerably less than you pay to an online payment service. Some banks don't offer merchant accounts for Internet transactions because ultimately the bank is responsible for the merchandise related to

the account if you fail to deliver the goods. Remember that your credit history and time with the bank play a part in whether or not you can get a merchant account.

The costs involved in opening a merchant account can vary, but you'll need between \$300 and \$2,000 to get started. Here are some of the possible costs you'll face:

- A monthly processing fee if you don't reach the monthly minimum set by your bank
- ✓ The discount rate (your bank's cut) of 15–30 cents per transaction
- ✓ An average of \$700 for software that processes your transaction costs
- ✓ A monthly gateway fee of as much as \$40

This is quite an investment in time and effort.

Home base: Your Web site

eBay offers you a free page — the About Me page — that's the most important link to your business at eBay. The About Me page is part of your eBay store if you have one. You can insert a link on your About Me page that takes bidders to your auctions. You can also link to your own Web site from the About Me page — if you have one. If you don't, I recommend that you get one, especially if you're serious about running an eBay business.



Your own Web site can have your complete inventory and information on your company. Relying on an eBay store to be your main base of operations isn't prudent. And you'll more than likely be selling items from your Web site as well. Remember that there's no listing or final value fee when you have repeat customers on your Web site. You can keep your

complete inventory of items on your Web site and list them as auctions or in your eBay store as their selling season comes around.

Setting up your shop

Office and storage space are a must if you plan to get big. Many a business was started at the kitchen table, but to be serious with a business, you must draw definite lines between your home life and your online ventures. Concentrating when you've got a lot of noise in the background is difficult, so when I say draw a line, I don't just mean an environmental one but a physical one as well.

Your dedicated office

You must first separate the family from the hub of your business. Many eBay sellers use a spare bedroom. I started my home business in a small 10-x-12-foot room. But as time progresses and as your business grows, you're going to have to move. I chose to sacrifice my detached two-car garage. I guess I could have made it into a one-car garage, but I decided to take over the whole thing instead. Here's what I did:

Zoning laws in Southern California require me to have a garage, so I put a false office wall in the back so that the garage door could open normally. I used that area for extra storage. My garage had been wired (for some guy who was going to use big-time power tools, I suppose) and had its own breaker box. I hired an electrician to come in and place outlets around my office and had a large window cut into the wall overlooking my backyard (to remove the claustrophobic feeling and for ventilation). I now had a window and electricity.

The phone man came by and brought a line into the garage; a friend installed double jacks all around to accommodate the two phone lines. I picked out some reasonably priced paneling and hired workmen to install it and to drop a paneled ceiling with florescent lights. Finally, I bought furniture from my local Goodwill store. Presto-chango — I had successfully transformed what was once a dark garage into a bright, gleaming 18-x-20-foot *private* office. And here I successfully ran my advertising and marketing business for over ten years.

So you, too, have adjustments and decisions to make, just as I did, because you're going to need office space and storage space, too.

Your eBay room

If you're able to set up an office similar to mine, you should have your storage space covered for a while. For a real business, a closet just won't do, even though most sellers begin their eBay careers with an eBay closet. You're going to have to seclude your stuff from your pets and family. Move it into another room. You'll also have to get shelving and plenty more supplies to organize things.



One power seller that I know moved all the junk out of his basement and set up shop there. He now has three computers and employs his wife and a part-time *lister* (who put his auctions up at eBay) to run the show. His basement office is networked and is as professional as any office. You've got to do this if you want to hit the big time.

Part III

Shopping eBay's Bargain Basement

In This Part

- Discovering eBay's own outlet mall
- Reconsidering refurbished goods
- Drinking up deals from liquidations

ne of the reasons I originally gravitated towards eBay is that I dearly love getting a bargain. Getting merchandise of quality and saving money at the same time is right up there on my top ten list of favorite things to do.

I used to have the time to spend a day at an outlet mall and shop. But as life got busier, I would only go to outlet malls at sale time to get merchandise to sell on eBay. Now, alas, I don't even have time for that — but luckily, eBay has plenty of sellers who work just like the outlets you love in the bricks-and-mortar world. The trick is knowing how to find them!

Wandering Around eBay's Outlet Mall

I like to think of eBay's stores as a quick and easy outlet mall. In this part, I give you a little close-up of the types of retailers who have their "outlets" on eBay. Start your spree by clicking the eBay Stores link in the Specialty sites area of the eBay home page. From the eBay Stores page, shown in Figure 3-1, use the search box in the upper right-hand corner to search eBay's store names and descriptions, and you'll quickly discover your favorite brands and stores.



Figure 3-1: Searching for brand name outlets from the eBay Stores hub page.

Major retailers who've set up shop here include Sears, Kodak, Sharper Image, Motorola, Ritz Camera, Dell, and more.



Do a search of eBay stores using words like *outlet* and *liquidation* and you'll find some excellent buys.

Getting the Skinny on Refurbished Goods

You can find great deals on refurbished electronic merchandise on eBay. Unfortunately, refurbished merchandise gets an unnecessarily bad rap. Very smart people may tell you to be wary of refurbished merchandise. Great advice . . . I guess. I tell people to be wary of *all* merchandise.

The way I figure it, refurbished merchandised has been gone over by the manufacturer twice — new merchandise has been gone over only once! I buy refurbished merchandise all the time.

Let me explain what refurbished merchandise is, and why it can be such a bargain. Refurbished merchandise can fall into one of these categories:

✓ Canceled Orders: This is merchandise that's in perfectly good shape. Say a customer makes a special order and then changes his or her mind, or the order is somehow mucked up ("I ordered a PC. You sent me a Mac!"), something has to be done with the merchandise. Enter you, the savvy shopper.

- ✓ Evaluation Units: An evaluation unit is a piece of equipment that is sent to a member of the media or to a corporation for testing or review purposes. Evaluation units must be returned to the manufacturer, and the manufacturer may decide to unload it for a couple of extra bucks.
- ✓ Store Returns: This is probably pretty obvious to you, right? Joe Customer buys something in a store, takes it home, and opens it, only to decide that he doesn't really want it so much. By law, as soon as the box is opened, a piece of merchandise can never be sold as new again, even if the merchandise was never used.
- ✓ Defective Units: A piece of merchandise that is deemed defective either by the store or by the user, is returned to the manufacturer.
- ✓ Overstocks: When a manufacturer comes out with a new model, it may take back the older models from retailers in an effort to encourage them to stock more of the newer, faster, cooler model.

Whenever an item is returned to the manufacturer for any reason and the original box has been opened, the item (whether it's a television, a computer, a camera, or some other technical device), must be reconditioned to the manufacturer's original quality standards. Any parts that are nonfunctioning are replaced with functioning components and the item is repackaged. The manufacturer usually gives refurbished items a 90-day warranty.



You can purchase an extended warranty that completely covers (yep, 100 percent) parts and labor on refurbished electronics you buy

on eBay (with no deductibles). After your purchase, go to http://pages.ebay.com/help/warranty/buyer_overview.html

Even after purchasing an extended warranty. The savings on refurbished name-brand merchandise can be substantial.



When buying refurbished goods, be sure the original manufacturer was the one doing the reconditioning. I'm sure that some technical geek can fix things just fine in his or her garage, but you don't have the same level of protection (as in, you don't have a warranty from a reliable source at all) if you buy a piece of equipment that wasn't fixed up by the manufacturer.

Defining Liquidations

Liquidations could be about my favorite kind of bargain hunting. Merchandise can be new, used, or trashed. Searching through liquidators' auctions is like digging through the "Final Sale" bin at a store, where prices are marked down to absurd levels.

Liquidators buy merchandise from companies that are in financial distress and need to raise cash quickly. The kinds of issues companies face can vary — the why isn't important. All you need to know is that you can get access to some astonishing deals because some of it is sold piece by piece to the public on eBay.

Liquidators buy by the truckload (I'm talking 18-wheeler, not pickup). From there the merchandise is unloaded, inspected, and sorted — and then the fun begins. Some of the merchandise can be put together in

wholesale *lots* (the goods are grouped together by the pallet or by the case and sold to wholesalers or retailers), and some of the merchandise may be put aside to be sold one by one to individual buyers on eBay.

Buying items from liquidators can be a risky enterprise. There's no warranty, and no one you can complain to if something is wrong with the item. All items are always sold *as is and where is* (that is, you pay the shipping).

Essentially, what you see is what you get, if it works, it's a bonus.

Here are some tips for buying this type of item:

- ✓ Look for an item that's sealed in the box: Look at the picture and read the description carefully. If it is stated that the item is sealed in the manufacturer's packaging, you've got a pretty good chance that the item is in new condition.
- Don't spend a bundle: This kind of goes without saying, right? It's supposed to be a bargain. Don't go crazy.

One of my favorite liquidators on eBay sells under the name Bargainland-Liquidation. This liquidator operates out of a 100,000-square-foot facility in Phoenix, and it has hundreds of loyal customers on eBay.

Bargainland does take hits with negative feedback as well. People are often unhappy when their dice shoot turns up snake eyes. I've bought from them as well, and have carefully steered clear of anything that wasn't a safe bet. I also follow my own advice and rarely buy an item from Bargainland that isn't new in the manufacturer's box — or cheap enough to gamble with.

Table 18-1 shows a very short list of a few typical liquidation auctions and their final bids.

Table 18-1 Liquidation Auctions and Final Bids		
Auction Item	Final Bid	
New Master Swing Personal Golf Driving Range	\$8.02	
NEW FitSense Speedometer FS-1 Watch \$249	77.00	
\$29 Deluxe Slimline Phone Caller ID	1.54	
New IBM Scroll Point III USB Black Mouse	1.00	
NEW \$79 Bermuda Sands Mens 10 Golf Shoes	5.05	
New \$149 AB-D0er Abdominal Workout	33.58	
NEW Fisher Price Safe Embrace Infant Car Seat	17.50	
American Tourister Teal Tapestry Boarding Bag	12.05	
\$67 Outdoor Bronze Lighting Spotlight	26.00	
Women's Wilsons Pelle Studio Leather Jacket	30.00	
New Wild Rabbit Duck Ceramic Vase	2.02	
DKNY Black White Hand Knit Size P Sweater	5.25	



Looks like fun doesn't it? But remember, there's always a risk. On Bargainland-Liquidation's "About the Seller" page, they state their policy, a portion of which is below:

Liquidation merchandise is not for everyone because there is a level of uncertainty about the product being auctioned. Even with hundreds of thousands of satisfied customers we must point out that this is not a retail operation and we are unable to offer customer support, guarantees, after sale service, refunds, exchanges or replacements. Despite any and all observations by the lister your product may not be what you expected or it may have issues beyond what we observed. Please carefully consider this information and bid accordingly.

Buyer beware — but have lots of fun!

Part IV

Ten Important Things eBay Sellers Want *You* to Know

ave you ever had something that you wanted to tell someone that was so very important that you couldn't stress it enough? Something really earthshaking? (Like telling your kids that the sick they feel after they get drunk is *really* not worth it)? I wanted to name this part "Ten Things Sellers would like to tell Buyers while grabbing you by the shoulders and shaking you violently." So now you know, these are important tips.

I emailed quite a few truly reliable sellers for suggestions for this list. Not necessarily the big sellers, but the sellers who know what they are doing. The ones with excellent feedback and quality customer service.

Identify Your Payment

Every eBay seller who has been selling on the site for any length of time has received payments that they couldn't possibly identify. One of the sellers I spoke to about this part of the book just received a money order with no identification information. It was bought for \$16.94 and never signed or filled out, no eBay item number. Nothing.

That's why sellers suggest you print out their email, or a copy of the auction and send it in with your payment. Be sure that every payment you send out has the following information:

- ✓ The item name and number
- ✓ Your eBay User ID
- ✓ The address the item is to be shipped to
- Remind the seller if you want the item to be sent insured.

Without this information, a seller can't be expected to send your item to you in a prompt manner. Also *print* your information; deciphering someone's handwriting is a very specialized talent.

Check Feedback Before You Bid

eBay has a great tool, the seller's box on the item page tells you the percentage of positive feedback a seller has; but that just gives us a summary. To get the complete picture, you must click on the number after the seller's name or the words *read all reviews* in the line below the seller's ID.

Check to be sure that the leopard didn't change his stripes (or was that the zebra)? Be sure that the last few feedbacks are not negative, and that the negatives are for dangerous situations. Look for red flags, such as references to non-shipment of items and non response

to e-mail after a payment. This brings us to the most important step: If you are making a large purchase, be sure you *read* the negatives.

If a seller has some negative feedbacks, be sure to go through them. See if the seller isn't in the clear because the feedback is followed up with an update that says "oops sorry for leaving negative feedback, the item arrived safely. Thank you."

Take Time Out Before Leaving Negative Feedback

Has your package not arrived as yet? Did the item arrive and it wasn't exactly as you expected it? Was the item damaged in transit, and is there no clue on the package that the seller purchased insurance for the shipment (as you requested?). Take a deep breath and count to ten. Better yet, e-mail the seller immediately. Don't get overemotional; just state your case and give the seller the opportunity to make things right for you.

If e-mail is too slow, go to eBay's search page and click on the link to *find members* (from the navigation bar at the top of the page). Scroll down to the contact info area. Input your transaction's item number and the seller's user ID — and click submit. eBay will e-mail you the seller's telephone number, and your number will go to the seller.

Just as with our government, diplomacy will work for you. Most sellers (you *did* check their feedback *before* you bid, right?) will bend over backwards for their

customers so as to protect their reputation on eBay. Give the seller the chance to make your transaction a pleasant one. Don't permanently ruin their online reputation because you got carried away with the moment.

Check for an eBay Store

When you've decided to buy a Buy It Now item, or bid on a seller's auction, double-check to see if they have an eBay store. Look for the small red store tag after the seller's name. If they have an eBay store, click on the red tag, and you'll be taken to the seller's store.

After you're in the store, see if the seller has the items you want listed in their store as Buy It Now items. (You wouldn't see these items listed on an eBay search.) Just type a keyword from the item title in the search box in the store. Many sellers list the exact same items for less in their stores because the fee they pay to list in the stores is less.

You can save money by clicking your mouse, and taking an extra minute. It's definitely worth it.

Purchasing Multiple Items from a Seller

If you've found an item you want to buy, or if you've just won an auction, be sure to click on the link in the seller's box that says *View Seller's Other Items*. Often a seller will sell other related items to the one you've just won, and you may just find something else that appeals to you. If the seller had the good taste to sell a certain type of item, perhaps they have other like interests as you do.

If you see another item you want, be sure to e-mail the seller saying that you would like the items shipped together, and would they send you the combined shipping amount. Also, if you intend to pay via PayPal, ask the seller to send you a combined PayPal invoice. If you pay for each item individually, the seller will incur extra, unnecessary charges from PayPal for multiple transactions — rather than for one combined sale.

Be Vigilant When Using Escrow

Most eBay transactions go through without a problem. But sadly, one of the easiest places for fraud to occur when you're buying online is when you are purchasing the most expensive of items. Buyers and sellers can often save themselves a bunch of grief if they run their high-dollar transaction through an escrow company.

Here's the rub. The Internet has been inundated with make-believe escrow companies. Unscrupulous sellers will set up a Web site with information copied from a real escrow site, and act as an escrow company. They take your money *and* keep the merchandise (if it even ever belonged to them).

Since you are doing business on eBay, double-check on the eBay site which escrow service they are recommending at the time. Go to the eBay site, http://pages.ebay.com/help/confidence/payment-escrow.html.
Escrow.com is currently the escrow site of choice for eBay transactions.

Be especially wary if a seller *insists* on using an escrow service because it's usually the buyer that insists on escrow — *not* the seller.

If You Worry about Receiving Packages

A sad result of the problems in this day and age is that we are often uncomfortable receiving unmarked packages. Even though you may be expecting an eBay purchase in the mail, you may look with worry at a particular package.

Ask the seller to e-mail you when they ship the package with information as to how the package is being shipped. If they are using delivery confirmation, ask for that number to be sent to you in the shipping confirmation e-mail.

Please, Read the Description

When you are interested in an item, be sure to read the description. Some sellers do have overly long descriptions, and it's a pain to read the entire thing. But if you are interested in buying an item, you must slog through the entire thing to be sure you know about the item and are comfortable with the shipping and terms of sale.

Many times sellers get e-mails (I am guilty of sending these e-mails too!) asking questions that are answered in the item description. Buyers often miss out on great deals because they were waiting for an answer that was right in the description.

Also be sure you are comfortable with the shipping amount. If the shipping amount is not listed, e-mail the seller by clicking on the Ask the Seller a question link. Ask the seller how much shipping would be to your zip code. Shipping cost is part of the cost of your item and

you have a right to decide whether you feel it is reasonable, before you place a bid.

If you have more questions about an item's condition or value (or that photographs are accurate) be sure to get confirmation from the seller via the email link.

Know What You're Bidding On

Unless you don't care about wasting money, be sure you know about the item you want to buy.

- ✓ If it is an item you can currently buy at a local store, but buying on eBay is more convenient, be sure you're not paying too much of a premium for having it delivered to your door. Call your local store and see if they have it and how much it is.
- ✓ If the item is an article of clothing, be sure it is the size you require. You can ask the seller if that brand runs large or small, but it's best to buy brands with whose sizes you are familiar. Also, if you don't like going to the dry cleaner, e-mail the seller to see if the item is washable.
- Don't assume the item is new unless the seller says so.
- If the item is a collectible, be sure that it is as rare as you think it is. Run an eBay search on completed items to see how many sold within the last two weeks on eBay, and see how much other buyers paid.

Beware of Unsolicited Offers

Your bids on eBay are public record, and anyone can tell what you are bidding on (unless it is a private auction). Sometimes sellers scour the auctions and contact bidders to sell them a similar — or exactly the same — item for a lower price. Rather than putting their items up for sale, and paying eBay fees, these unscrupulous sellers choose to undercut other reputable seller's sales.

By participating in this bidder-stealing practice, sellers can avoid paying fees to eBay. Sadly, if you choose to accept one of these off eBay transactions, you are not protected under the eBay Fraud Protection Program and cannot use the eBay feedback system. You are completely on your own.

If you find this form of solicitation annoying, you can report the user to eBay through the Customer service email reporting link. It is a violation of eBay policy for a seller to solicit sales in this manner, and sellers may be suspended for using these tactic.

Dummies Books A World of Resources to Help You Grow

PERSONAL FINANCE & BUSINESS



Business Plans Kit For Dummies®	0-7645-5365-8	\$34.99/\$52.99CAN
Grant Writing For Dummies®	0-7645-5307-0	\$21.99/\$32.99CAN
Home Buying For Dummies®	0-7645-5331-3	\$21.99/\$32.99CAN
Managing For Dummies®	0-7645-4858-7	\$21.99/\$32.99CAN
Mutual Funds For Dummies®	0-7645-5329-1	\$21.99/\$32.99CAN
Personal Finance For Dummies®	0-7645-5231-7	\$21.99/\$32.99CAN
QuickBooks All-in-One Desk Reference®	0-7645-1963-8	\$29.99/\$44.99CAN
Resumes For Dummies®	0-7645-5471-9	\$16.99/\$25.99CAN

HOME, GARDEN, FOOD & WINE

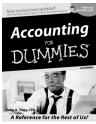
Bartending For Dummies®	0-7645-5051-9	\$15.99/\$??.99CAN
Cookies For Dummies®	0-7645-5390-9	\$19.99/\$29.99CAN
Cooking For Dummies®	0-7645-5250-3	\$21.99/\$32.99CAN
Diabetes Cookbook For Dummies®	0-7645-5230-9	\$19.99/\$29.99CAN
Gardening For Dummies®	0-7645-5130-2	\$19.99/\$29.99CAN
Grilling For Dummies®	0-7645-5076-4	\$19.99/\$32.99CAN
Home Maintenance For Dummies®	0-7645-5215-5	\$21.99/\$32.99CAN
Slow Cookers For Dummies®	0-7645-5240-6	\$16.99/\$25.99CAN
Wine For Dummies®	0-7645-5114-0	\$21.99/\$32.99CAN

FITNESS, SPORTS, HOBBIES & PETS

Cats For Dummies®	0-7645-5275-9	\$21.99/\$32.99CAN
Chess For Dummies®	0-7645-5003-9	\$21.99/\$32.99CAN
Dog Training For Dummies®	0-7645-5286-4	\$21.99/\$32.99CAN
Fitness For Dummies®	0-7645-5167-1	\$21.99/\$32.99CAN
Golf For Dummies®	0-7645-5146-9	\$21.99/\$32.99CAN
Labrador Retrievers For Dummies®	0-7645-5281-3	\$15.99/\$25.99CAN
Martial Arts For Dummies®	0-7645-5358-5	\$21.99/\$32.99CAN
Piano For Dummies®	0-7645-5105-1	\$24.99/\$37.99CAN
Pilates For Dummies®	0-7645-5397-6	\$21.99/\$32.99CAN
Power Yoga For Dummies®	0-7645-5342-9	\$21.99/\$32.99CAN
Puppies For Dummies®	0-7645-5255-4	\$19.99/\$29.99CAN
Quilting For Dummies®	0-7645-5118-3	\$21.99/\$32.99CAN
Weight Training For Dummies®	0-7645-5168-X	\$21.99/\$32.99CAN

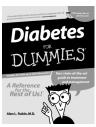


Dummies Books — The Smart Choice to Tackle Any Task!

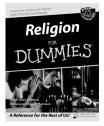


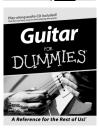




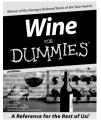












Look for these titles wherever books are sold, call 877-762-2974, or visit dummies.com.

Dummies Books Plain-English Solutions for Everyday Challenges

HOME & BUSINESS COMPUTER BASICS



Excel 2002 All-in-One Desk Reference		
For Dummies®	0-7645-1794-5	\$29.99/\$44.99CAN
The Flat-Screen iMac For Dummies®	0-7645-1663-9	\$21.99/\$32.99CAN
Office XP 9 in 1 Desk Reference For Dummies®	0-7645-0819-9	\$29.99/\$44.99CAN
PCs All-in-One Desk Reference For Dummies®	0-7645-0791-5	\$29.99/\$44.99CAN
PCs For Dummies®	0-7645-0838-5	\$21.99/\$32.99CAN
Troubleshooting Your PC For Dummies®	0-7645-1669-8	\$24.99/\$37.99CAN
Upgrading & Fixing PCs For Dummies®	0-7645-1665-5	\$21.99/\$32.99CAN
Windows XP All-in-One Desk Reference		
For Dummies®	0-7645-1548-9	\$29.99/\$44.99CAN
Windows XP For Dummies®	0-7645-0893-8	\$21.99/\$32.99CAN
Windows XP For Dummies® Quick Reference	0-7645-0897-0	\$14.99/\$22.99CAN
Word 2002 For Dummies®	0-7645-0839-3	\$21.99/\$32.99CAN

INTERNET & DIGITAL MEDIA

	0-7645-1627-2	\$21.99/\$32.99CAN
Digital Photography All-in-One Desk Reference		
For Dummies®	0-7645-1800-3	\$29.99/\$44.99CAN
Genealogy Online For Dummies®	0-7645-0807-5	\$24.99/\$37.99CAN
Internet All-in-One Desk Reference For Dummies®	0-7645-1659-0	\$29.99/\$44.99CAN
Internet For Dummies® Quick Reference	0-7645-1645-0	\$14.99/\$22.99CAN
Internet Privacy For Dummies®	0-7645-0846-6	\$21.99/\$32.99CAN
Paint Shop Pro For Dummies®	0-7645-2440-2	\$21.99/\$32.99CAN
Photo Retouching & Restoration For Dummies®	0-7645-1662-0	\$29.99/\$44.99CAN
Photoshop Elements For Dummies®	0-7645-1675-2	\$21.99/\$32.99CAN
Scanners For Dummies®	0-7645-0783-4	\$24.99/\$37.99CAN

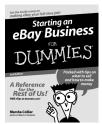
GRAPHICS & WEB DEVELOPMENT

Adobe Acrobat 5 PDF For Dummies®	0-7645-1652-3	\$21.99/\$32.99CAN
ASP.NET For Dummies®	0-7645-08666-0	\$24.99/\$37.99CAN
ColdFusion MX For Dummies®	0-7645-1672-8	\$24.99/\$37.99CAN
Creating Web Pages For Dummies®	0-7645-1643-4	\$24.99/\$37.99CAN
Dreamweaver MX For Dummies®	0-7645-1630-2	\$24.99/\$37.99CAN
FrontPage 2002 For Dummies®	0-7645-0821-0	\$24.99/\$37.99CAN
HTML 4 For Dummies®	0-7645-0723-0	\$24.99/\$37.99CAN
Illustrator 10 For Dummies®	0-7645-3636-2	\$21.99/\$32.99CAN
Macromedia Flash MX For Dummies®	0-7645-0895-4	\$24.99/\$37.99CAN
Photoshop 7 For Dummies®	0-7645-1651-5	\$24.99/\$37.99CAN
PowerPoint 2002 For Dummies®	0-7645-0817-2	\$21.99/\$32.99CAN
Web Design For Dummies®	0-7645-0823-7	\$24.99/\$37.99CAN



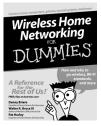
Dummies Books — The Smart Choice to Tackle Any Task!



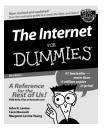




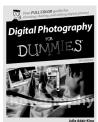












Look for these titles wherever books are sold, call 877-762-2974, or visit dummies.com.