

Enhancing your eBay Strategic and Tactical Skills IV

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Back in **Enhancing your eBay Tactical Skills I**, **Enhancing your eBay Tactical Skills II**, and **Enhancing your eBay Tactical Skills III** tutorials of **GuruGrams** #41, #49 and #62, we looked at some advanced **eBay** items from our email **help line**, our **What's New** and newer blog pages, and the **alt.marketing.online.ebay** newsgroup. Plus stuff I've been meaning to emphasize beyond our earlier info resources found on our **Auction Help** and **Auction Resources** links.

I thought we might once again continue here with some newer **eBay** tactical skills topics. Many of these concepts are enhanced and expanded from their previous appearances in our **WHTNU05.ASP** and (ongoing) **WHTNU06.ASP** news blog pages. Which are now also **RSS Available**.

But first, let's once again summarize the **eBay seller success** rules ...

Offer unique products not available elsewhere.
Maximize your personal value added.
Always seek out a minimum 30:1 sell/buy ratio.
Always aim for a 21 day payback.
The minimum profitable eBay sale is \$19.63.
NO foreign bidders/buyers/transshipments!
Accept VISA/MC/Paypal only!
Never list anything you cannot hold at arm's length.
Use both a scanner AND a 5 megapixel camera.
Spend at least TWO HOURS in image postproc.
NO dropshipping, pallet buys, or consignment sales.
Limit terms and conditions to TEN words maximum.
Clearly state your revenue neutral shipping charges.

Along with the single key **eBay buyer rule**...

ALWAYS proxy bid your max ONCE very late in the eBay auction. Do so in odd penny amounts that are somewhat above a currency denomination threshold.

Let's go on to some more recent concepts...

Common eBay Buyer Mistakes

We might start off with what I feel are the more obvious mistakes that many eBay buyers often make. Our top item demands repeating...

- **Failing to proxy bid their max ONCE very late in the auction, doing so in oddball penny amounts just above a currency denomination threshold..**
- **Failing to realize that an awarded bid is an enforceable contract under the Uniform Commercial Code.**
- **Not knowing the TOTAL transaction cost of the bid price, the shipping costs, and any special charges.**
- **Failing to acknowledge that it costs money to ship stuff, and that the carrier charges are typically only a tiny fraction of true total shipping costs.**
- **Not fully reading the offer or seeing what is not there.**
- **Failing to contact the seller if there is ANY question.**
- **Failing to pay promptly and in the expected manner.**
- **Bidding on all "n" items on a Dutch auction. ALWAYS bid on n-1 Dutch or less!**
- **Withdrawing a bid for frivolous or remorseful reasons.**
- **Buying foreign.**
- **Not realizing that "too good to be true" offers are.**
- **Falling for account-stealing phishing emails.**
- **Paying with anything except VISA/MC or Paypal**
- **Failing to research value elsewhere. eBay is seldom the only or the best buy.**
- **Getting into pissing contests with other bidders.**
- **Nickel and diming the seller over trivial charges.**

- **Failing to preview the seller's feedback. Anything less than 98 percent is suspect and below 95 percent should trip a red flag alert.**
- **Being rude or confrontational in seller email contacts.**
- **Negging before resolving any seller conflict.**

Common eBay Seller Mistakes

Similarly, here's what I feel are the most common **eBay** seller mistakes...

- **Not recognizing that eBay sales are a profession that demands EXTREME time commitment, attention to detail, and very high personal value added.**
- **Trying to work on too low a profit margin. Always seek out a 30:1 or higher sell/buy ratio.**
- **Not having the faintest clue what your true costs are. If you are not including your pro-rated water bill and similar obscure items, your cost accounting is probably woefully inadequate.**
- **Not recognizing that the minimum profitable eBay sale is somewhere around \$19.63.**
- **Not offering unique products not found elsewhere.**
- **Failing to keep proper tax records.**
- **Exceeding a 21 day cashout or 15 month hang time. While avoiding the profit loss of "too fast" sales.**
- **Not realizing that eBay seller profits happen during BUYING and not selling.**
- **Not buying except under EXTREME distress situations. If more than 5% of your buy offers are accepted, you are paying way too much.**
- **Failing to promptly provide tracking info to buyer. Naturally, you NEVER ship without tracking and insurance.**
- **Not keeping your item descriptions complete, accurate, and always somewhat understated.**
- **Listing anything you cannot hold extended at arm's length.**
- **Not having proper inventory controls in place.**
- **Selling any item violating VERO rights.**

- **Not having a VISA/MC commercial account, UPS daily pickup, a trade name registration, and a state tax stamp.**
- **Using arcane terms and conditions that exceed ten words absolute maximum.**
- **Failing to promptly answer all emails and to correct all problems as quickly as possible.**
- **Not using a camera AND a scanner AND web data links when and where appropriate. Images rule.**
- **Failing to keep all shipping charges revenue neutral.**
- **Not spending nearly enough time in image postproc. At least 90 percent of your photo effort goes here.**
- **Selling foreign.**
- **Listing any item at an opening price less than you are willing to sell it for.**
- **Withdrawing an on-the-block offer in violation of of the Uniform Commercial Code.**
- **Ever using humor. Most often, it is not funny or else they will not get the joke**
- **Selling in known problem categories.**
- **Stealing images and copy from other sellers.**
- **Accepting anything but VISA/MC or Paypal.**
- **Not offering inspection privileges. Not promptly offering refunds. Often full with no return.**
- **Falling for account-stealing phishing emails.**
- **Posting feedback before customer evaluates item.**
- **Using L@@K, WOW, or other cutsey-poo annoyances.**
- **Being rude or confrontational in emails to buyer.**
- **Using dropshippers, palletized "bargains", doing consignment sales, or selling for friends.**

Walmart Auctions

Its no secret that **Walmart** has a major expansion program underway. Locally, they just moved a store 800 feet while totally trashing the economies of two towns. Naturally, there was a K-Mart in between that had to be torn down.

As an expansion result, Walmart has an **aggressive auction program** that you can **sign up for here**.

These Walmart Auctions are an interesting variation on a theme. Every few weeks or so, an old Walmart gets replaced by a new one. Something like three months after the old store or distribution center closes, an auction of all remaining fixtures and dregs gets done.

Bonnette is one of the usual auctioneers. Stores in rural locations tend to be underattended. **No inventory is ever sold**. Only shelves, pallet racks, auto shop machines, displays, snack bar stuff, and similar items.

Their auctions tend to move very fast and in large lots. A very few regulars travel around the country and scoop up unheard of bargains. **IF** you happen to need great heaping bunches of larger and longer specialized used store fixtures.

Loading and shipping are major problems, and removal times are sometimes sorely limited. One exception to the very low prices are the food prep stuff. Things like popcorn machines or hotdog cookers go for hundreds of dollars.

As with all auctions, **the opportunities lie in what others miss**. Most of their white elephants are a perfectly normal gray elephant color.

For instance, highly specialized display light fixtures are easily converted into light box tents for **eBay** photography.

A huge and utterly grotesque retail bicycle display system can be bought for \$10 and then easily stripped for **fifty** ready-to-sell and individual bicycle stands. And the \$15 complete set of clothes changing booths has panel after panel of imitation wood that is easily converted into a backyard shed or whatever. After removing the sellable large mirrors.

The totally stripped checkout counters went unsold. And easily could have been gotten for \$5 total. With perfectly good motor powered conveyors in them.

Much more on our **Auction Help** library page.

Correcting Image "Whiteburn"

One of the most common image problems is that an otherwise useful picture will have one or more areas in it that either are way too bright or actually have burned completely into a useless and distracting pure white.

In general, **rethinking your original shooting** can eliminate many of these problems. Photos taken under the **diffuse** light of outdoor shade, a skylight, or a light tent greatly minimize burn areas. Especially compared to a harsh flash. Such diffuse sources can sometimes be boosted with a white reflective card to provide at least some balancing fill.

As in **this example**.

Once ancient aide that dates from my **Popular Electronics** days was to use **Krylon Dulling Spray**. This is a \$5 can of spray on glop that gives everything a diffuse satin finish. But is somewhat painful to remove and may create other problems.

When resolving whiteburn, the first thing is to **decide whether any reshooting or extensive rework is worth the time and effort**. Sometimes smaller areas can be fixed simply by **towing nearby pixels** in to cover. This is easily done with plain old Paint. Possibly helped along by free **ImageView32** or a fancier program.

These click expandable "before" and "after" images show us a fairly serious whiteburn problem...



To deal with a bad burn like this, first try some "around the edges" easy stuff to see if **somewhat reducing the hot spots** makes enough of a difference. Then try **crowding**. In which you make the **near problem areas** more contrasty, sharper, and more uniform. But being very careful not to get **too** contrasty.

Followed up by attempting direct repairs **from the outside working in**. Then try focusing on the worst of the "beyond salvage" areas.

From the good parts of the photo, extract some **pasteable objects**. In this case, grab two or three capacitors to a work area. White outline them and correct any overlapping wires or defects. Then make -90, +90, and +180 degree rotated copies of these to form **a catalog of useful shapes**.

Each object should have a white background so it can be **transparently** pasted as a layer over the original burn background. If desired, other object rotation angles can be selected. Once again using **ImageView32** or a fancier program.

Paste the most obvious shape into the worst spot. **Being careful to deemphasize** by having part of it **under** the label or having leads cross it in an appropriate manner. Extend or modify the existing wires so they center on the capacitor ends.

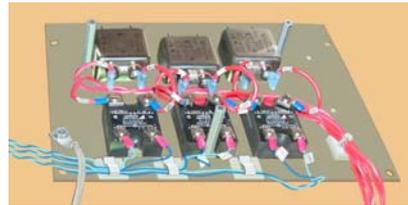
Continue working on smaller and smaller details, again raising contrast somewhat, darkening, and making things match and lineup. Be sure to **avoid any gaffes** at this point, such as leads that do not go anywhere or unconnected capacitors.

Small problems can be **made muddy enough** or obscure enough that the viewer's attention is drawn elsewhere.

A Second Example

Here's a more detailed example of dealing with whiteburn. This one did get complicated by being a "quantity one" low profit type of deal. I'm still not real happy with the somewhat too cartoonish and overstated final result. But the improvement still seems worthwhile. Functionality is certainly more obvious.

These click expandable "before" and "after" JPG images should slowly expand into their actual bitmaps...



Nikons in particular seem to have linearity problems at the extreme white end of their dynamic range. You can check these guidelines against the original photo, the retouched bitmap, and the [final .jpg](#)...

- **Try reshooting the image without flash using available light from a skylight and bounce card or outdoors in the shade or under a light tent.**
- **Try "multiple exposures" to dink with the gamma and the brightness of problem areas using [Imageview32](#), Photoshop, or whatever. Trim and paste to subject.**
- **Try using our [Dodge and Burn](#) tools.**
- **Rotate the original image to produce a dominant horizontal or vertical edge.**
- **Optimize the appearance of the rest of the image with our [Swings & Tilts](#) distortion correction and [background knockout](#).**
- **Try to make foreground items "perfect" by adding sharp outlines. And by sliding acceptable texture areas into any overly white ones.**
- **Unify and darken the outline of all overly white objects.**
- **Subdivide all white items by top, sides, edge features. Add credible line detail to burned areas.**

- **Convert overly white areas into pastels that have several different shades.**
- **Try to neutralize large panel areas into a uniform and nondescript mottled gray. But keep some credible texture.**
- **Replace any burned white wire with darker colors, especially any striped ones.**
- **Make up imaginary darker details when totally absent.**
- **Pay special attention to areas where background panels or or whatever shows through. Especially with bunched wiring.**
- **Simply remove the worst examples of anything lots of are are present. Like the "missing" front clip above.**
- **Take out excess detail, especially shiny or sugary boltheads.**
- **Pay particular attention to darkening and unifying edges.**
- **If all else fails, make an area so nondescript that the viewer will look somewhere else.**
- **Remove "sugar" or "speckle" by cutting and pasting small and nearby sample areas.**
- **Try repeating good objects by pasting them over any burned ones. Scaling or rotation may be needed.**
- **"Chase an edge" by repeating a good sample over and over again into any problem areas.**
- **On burned out lettering, darken and expand into credible credible hieroglyphics . These should improve automatically on final size reduction.**
- **Try to remove ALL remaining overly white pixels.**
- **Hope that the final size and resolution reduction down to .JPG will cover any problems remaining.**

Lettering presents its own set of problems. The simplest is to **not mess with it**. If one letter is bad somewhere, sometimes you can borrow another one from elsewhere and substitute. But watch your shading and positioning if you try this. Larger lettering can often be improved by tracing an outline of a more uniform and higher contrast background.

Finally, our **bitmap typewriter** techniques can be used to provide the absolute ultimate in image relettering. But these concepts work best with scanned or otherwise distortion corrected images. These tools can also end up rather obsessive and time consuming as well.

Dealing with Order Mixups

Order mixups are a bad scene all the way around. It pays to set up all sorts of double checking by at least two people to avoid problems. Your 30:1 **Buy/Sell Ratio** does give you a first order of defense against an occasional mixup.

Writing the **full customer name** on the box where the label will go is a good idea. We had a mixup involving two orders whose first name both were "Carl".

Placing a **copy** of the sender and intended address inside the box on pricier items is also a very good idea.

Trying to get items back or exchanging them is usually bad news. **IF** one of the two recipients has not yet received their half of the mixup, you sometimes can **ask them to refuse their delivery**.

If you send something to the wrong person, they are in every manner entitled to treat the item as a gift. And are under **no obligation whatsoever** to do anything that in any manner would correct the problem. Especially at their own cost.

If the items are fairly inexpensive and you have lots in stock, **comping a new shipment** makes by far the most sense. If you are out of stock, **a prompt refund of all costs** is a very good idea. Chances are the customer will be back when they get to keep some unordered free stuff.

Telling both customers the **email address only** of the other might get them to exchange parcels **after** your total refund. But **be sure you are out of the loop**. Because neither is under **any obligation whatsoever** to trust the other.

Even on a costly item, **issuing an immediate refund** to the real buyer and then **prepaying return shipping** to the wrong one is a very good idea. With, of course, the fastest possible emails that explain what is coming down.

Should you actually get the item back, and should it pass a very careful new inspection, you can always **try reoffering it to the original buyer**. Whoever sent the thing back to you deserves something extra, such as a ten dollar credit gift certificate. But only on receipt, of course.

Above all, find out **why** the mistake was made and **take steps to correct similar future problems**. More on similar topics in our **Auction Help** page.

Craig's Lists

Many of you already know about **Craig's List**. As the new online replacement that is completely blowing away nearly all newspaper classified ads. Which also can nicely complement your **eBay** and home page web sales. Especially on any heavier items where local pickup is desirable or inspection a very good idea.

There are many hundreds of Craig's lists. You'll want to focus on the one or two in your particular area. You are not supposed to list outside of your area or on more than one list at a time.

Sadly, there seems to be a dark side to at least some of the Craig's lists. I was rudely surprised when my own tightly targeted local ad got promptly pulled as "not in correct classification". After talking to several others who had the same infuriating thing happen repeatedly to them, a pattern is emerging.

Apparently unscrupulous other listers or "hall monitor" style net nazis are making it difficult or inconvenient for perfectly legitimate and completely properly classified competitive ads to appear.

I'm not sure what the solution is or how widespread the problem is. Certainly **the threshold for pulling an ad** should be raised. Certainly track should be kept of who is requesting the ads be pulled.

What to Wear at a Live Auction

I recently noticed another auction buyer using a small magnet to test for stainless steel. Which brings up the question of what you should or should not bring to an auction to give yourself the best possible edge.

On one hand, you definitely want to stay lean and mean and flexible. On the other, useful tools can give you a definite advantage...

CLOTHES — You will want to be absolutely invisible and nondescript until such times as you are in the auctioneer's face. Shirt pockets are a must, as is a very distinctive hat or other means of making yourself unique and immediately recognizable to the auctioneer. Sane shoes, of course, are essential.

TOOLS — A small notebook for sure, and several pens including a few backups. While you don't want to haul excess weight around, a small tape measure and a calculator can be handy. Business cards for passarounds are super important.

INVISIBILITY — Say nothing to nobody. But do listen carefully to any and all of the side conversations. And always assume that anything you hear is a bald faced lie.

BE IN THE RIGHT PLACE AT THE RIGHT TIME — Very carefully re-position yourself near your interest lots so you will be in the auctioneer's face when they get to them. Or on the "wrong" side of a table. Or whatever it takes to not get your bids missed. But make absolutely certain the item being auctioned is the one you think it is.

A TIGHTLY FOCUSED ATTITUDE — It is easy to get utterly overwhelmed at any larger auction. Select a few to a dozen lots that you do really want and carefully maximize your odds on them. And pick up other deals only as opportunity arises.

WHAT THE HELL? BIDS — Never bid on something just because you are at an auction. But if you are already committed to a truck or trailer larger than you could possibly use, consider triaging any lots that can be stolen for a pittance. But avoid hauling heavy trash long distances.

PROPER FACTS — Make sure you have a map to the auction site, have the day and time correct, and that the auction is in fact going to be held. Some auctions are last minute cancelled and were never intended as anything but blackmail. Others may have bulk bids using Monopoly Money that make the live part an outright farce.

MAD MONEY — You should have a pocket full of five and/or ten dollar bills for quick loading hires and fast side deals.

NEEDED PAPER — Bring some copies of your tax exemption certificate (you DO have one, of course!), and the needed finance stuff for the sale. Depending on terms, this can be cash, VISA/MC, a group of cashier's checks in \$100 - \$200 - \$ 400 - \$800 denominations unsigned but made out to yourself, or a bank letter of credit.

VEHICLE SIZE — Do not let the vehicle you came in unduly influence your buys. You can always make two or more trips, or rent trucks or trailers if needed. Do arrive in a vehicle as clean and as empty as possible. Should items be too large or too many, be sure the first problem item meets the following test: "Is this item ALONE enough to justify the extra time and effort and costs needed?"

BRING TOOLS — Bringing a hand cart or a rope handle dolly is a very good idea if they do not eat up too much room. Disassembly tools are also quite handy, particularly if you have to take apart some electronics. Size and bulk can be reduced by disassembly. Other non-obvious tools can also help, such as WiFi web access, data catalogs, or pricing blue books. But be subtle over their use.

SNACKS AND SUCH — Supply your own fruit, juice, and other snacks. Use "just enough" meds to keep back pain or headaches from getting to you but not so much your judgment is impaired. Take frequent mini breaks for brief rest and stress management. And, of course, avoid the roach wagon and know where the restrooms are.

STRICTLY STAY WITHIN LIMITS — Have a realistic budget and never exceed it! Always seek out a 30:1 sell/buy ratio or higher. Reasonable goals might be a \$250 average auction cost, exceeding \$2500 only on exceptionally golden opportunities, and never committing more than \$12,500 to any venture.

Your own [custom regional auction finder](#) can be created for you.

For How Much and How Long?

What is a "reasonable" amount to spend at a live auction if you are serious about significant **eBay** selling?

Firstoff, **if you do not make a \$25 mistake at an auction, you are not bidding aggressively enough**. But otherwise, you should studiously "bottom feed" while continually offering only lowball bids. Preferably on those "**contents of cabinet**", "**contents of room**", high count inventory, or on sudden "**pass - combine it with**" poisoned lots clearly requiring triage.

Distant auctions may involve **additional fixed expenses** that can get waaay out of hand beyond 125 miles. But you can sometimes combine other activities such as exploring restaurants or visiting friends or camping or just traveling somewhere new to offset part of the cost.

To justify an auction, **there has to be at least one "gottahave" item** locally, **five** of them for an hour's drive, and **twenty** of them for a major event.

Which is why **live or online previews are crucial**. As is continuous and extreme research to pin down the more obscure auctions unlikely to be well attended. Attending an auction gives you major advantages over online bidding.

If you are careful about religiously seeking out a 30:1 **sell buy ratio**, then spending \$200 at a local auction for a possible \$6,000 return makes sense if you attend at least one auction **every three weeks**. On the other hand, spending \$2000 at an industrial distress auction for a possible \$60,000 return need only be done **twice** or so per year.

The best solution, of course, is a **mix** of routine low return auctions along with the occasional one where everything goes just right and you hit it ever so big.

I'd be hesitant to spend more than \$12,000 at any one auction because that is a lot of money to risk that could go wrong in many different ways. Not the least of which is grossly overvaluing what you are bidding on, its condition, and its ultimate marketability. Plus, the chances are that similar auctions will happen in the future that will let you widely spread your risk.

If you win more than five percent of your bids, you are paying waaay to much. Naturally, you make up for this by bidding on **twenty times the lots** you could possibly use.

Some Obscure Resources

An outstanding series of free tutorials on auction law and insider secrets is found on the **Main Antique Digest** website.

National auction law is covered by section 2-328 of the **Uniform Commercial Code**. There is surprisingly little here.

But important UCC rules are that once an item is put up on the block for auction without reserve, it must be sold and may not be withdrawn. **Withdrawing an eBay item that has been listed is thus clearly a no-no.**

Once outbid, the price does not revert back to your previous bid. Even if the winning bid is withdrawn or defaults. And shilling is permitted if preannounced or if a distress sale. Otherwise, if shilling occurs, the only heinous penalty is that the price reverts to the preshill one.

There is nothing in the UCC on bid collusion. Any auctioneer claims that the **Sherman Antitrust Act** applies to ordinary auctions is using a bogus scare tactic.

But **eBay** does forbid shilling in their seller terms of contract. Despite it not being against the law. As we have seen, any shilling on eBay is monumentally stupid because **eBay shilling simply does not work.** A 100 percent defense against eBay shilling is our usual **proxy bid your max once very late in the auction.** Further, the key ingredient of classic shilling is **mark demeanor feedback.** Which clearly is totally absent on eBay. Naturally, **any shill who wins — loses.**

Auction law seems to vary from state to state, but most of it should be findable using **Google.** Arizona seems to mostly copy the UCC. Texas auction law seems particularly detailed and can be **found here.** Other states are probably intermediate.

An interesting website for online auction resources is **Auction Bytes.** Books on auctioneering books appear few and far between. One short but useful one is **Inside the Auction Game.**

A Cut and Paste Ploy

The traditional eBay listing method had several major problems. Not the least of which was that HTML skills were required and there was no good way to save previous results. **eBay** experimented with a new and greatly improved but quirky layout scheme in the fall of 2006. As present, this new scheme has been put on hold and is not available.

There are many layout alternatives. My favorite is currently use of the older **Adobe GoLive** program. In which you use your choice of either WYSIWYG **layout** or HTML **source.** You can easily set your exact linewidths, provide nonbreaking spaces, insert paragraph ledding, do fancy tables, easily manage links or photo insertions, and much, much more.

When finished, you simply go to the **source** side, copy **only** the internal body info, and paste it into your eBay layout box.

Naturally, **excess** HTML is bad news on any **eBay** listing. But forced paragraph breaks and line lengths, URL links, bolding, an extra image, or even **limited** additional color can more than prove of value.

Sadly, Adobe does not seem to be further developing GoLive. Apparently favoring Dreamweaver instead.

For More Help

The [alt.marketing.online.ebay](#) newsgroup often has useful solutions to **eBay** problems on it. Additional auction help resources are found on our [Auction Help](#) library page. Custom auction locators can be created for you on a private or public basis per our [Auction Resources](#) services.

Additional consulting services are available per our [Infopack](#) services and on a contract or an hourly basis. Additional [GuruGrams](#) are found [here](#).

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